



Q1

FY2026

KERNEL

Condensed Consolidated Interim Financial Statements

for the three months ended 30 September 2025

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for the three months ended 30 September 2025

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Management discussion and analysis

for the three months ended 30 September 2025

Income statement highlights

- Consolidated **revenue** of Kernel Holding S.A. group of companies (hereinafter "Kernel", or the "Group") in Q1 FY2026 grew by 4% y-o-y, reaching USD 826 million. Revenue growth was supported by higher average selling prices for edible oils and stronger edible oil sales volumes, which compensated for the temporary slowdown in grain export volumes caused by the delayed start of the harvesting campaign in Ukraine.
- The **net change in fair value of biological assets** amounted to USD 59 million in the first quarter of FY2026, compared to a USD 42 million gain in the corresponding period of the previous year.
- The Group's **cost of sales** increased by 7% y-o-y, amounting to USD 725 million, mainly on the back of the concurrent rise in costs for goods available for sale and raw materials used, mirroring intensified competition for feedstock and tighter grain and oilseed supply conditions in the domestic market.
- As a result, **gross profit** decreased by 3% y-o-y, reaching USD 160 million in Q1 FY2026, reflecting the squeeze in margins within the Oilseed Processing and Infrastructure and Trading segments.
- Other operating income** for the reporting period totaled USD 13 million, mainly comprising gains on securities used for the Group's liquidity management purposes, fines and claims recovered in relation to oil and grain trading operations, and stock take.
- In Q1 FY2026, **other operating expenses** amounted to USD 18 million, primarily due to losses from derivative operations and

currency swaps, partly offset at the other operating income level by gains on securities and improved yields on interest-bearing instruments.

- General and administrative expenses** for the three months ending 30 September 2025 increased by 6% y-o-y, totaling USD 39 million, primarily reflecting increased payroll and payroll-related costs.
- During the reporting period, the Group generated **EBITDA** of USD 144 million, with segment contributions being as follows:
 - Oilseed Processing** delivered EBITDA of USD 27 million in Q1 FY2026, a 26% y-o-y decrease. Profitability remained under pressure due to depressed crushing margins amid challenging market fundamentals. As a result, the EBITDA margin fell to USD 85 per ton of oil sold (down 37% y-o-y), despite an 18% y-o-y increase in sales volumes.
 - The **Infrastructure and Trading** segment generated EBITDA of USD 20 million in the reporting period. Export terminals remained the main earnings driver, contributing USD 9 million. At the same time, grain origination and trading activities in Ukraine added USD 6 million, reflecting a generally subdued contribution from physical grain flows during the quarter. Avere's trading operations accounted for USD 5 million of the total amount.
 - The **Farming** segment recorded EBITDA of USD 111 million in Q1 FY2026, up 7% y-o-y, largely supported by a USD 59 million non-cash gain from the revaluation of biological assets. Excluding this adjustment, underlying EBITDA amounted to USD 52 million, reflecting favorable grain pricing and the sale of nearly

USD million except ratios and EPS

Income statement highlights

	Q1 FY2025	Q1 FY2026	y-o-y
Revenue	798	826	4%
EBITDA ¹	169	144	(15%)
Net profit attributable to equity holders of Kernel Holding S.A.	121	95	(21%)
EBITDA margin	21%	17%	(4pp)
Net margin	15%	12%	(4pp)
Earnings per share ² , USD	0.41	0.33	(21%)

Cash flow highlights

Operating profit before working capital changes	148	115	(23%)
Change in working capital	(56)	(92)	66%
Finance costs paid, net	(2)	(1)	(33%)
Income tax paid	(35)	(7)	(80%)
Net cash generated by operating activities	56	14	(75%)
Net cash provided by / (used in) operating activities	(20)	22	n/a
Net cash generated by / (used in) financing activities	20	(62)	n/a

Liquidity and credit metrics

	30 Sep 2024	30 Sep 2025	y-o-y
Net debt	261	133	(49%)
Commodity inventories ³	435	411	(5%)
Adjusted net debt ⁴	(174)	(278)	60%
Shareholders' equity	1,966	2,180	11%
Net debt / EBITDA ⁵	0.5x	0.3x	-0.2x
Adjusted net debt / EBITDA ⁵	(0.3x)	(0.6x)	-0.3x
EBITDA / Interest ⁶	10.7x	13.9x	+3.2x

Note: Financial year ends 30 June, Q1 ends 30 September.

¹ Hereinafter, EBITDA is calculated as profit from operating activities, adding back depreciation and amortization.

² EPS is measured in US Dollars per share based on weighted average number of shares per period: 293.4 million shares for Q1 FY2025 and 293.1 million shares for Q1 FY2026.

³ Commodity inventories are inventories such as corn, wheat, sunflower oil, and other products that were easily convertible into cash before the Russian invasion of Ukraine given their commodity characteristics, widely available markets, and the international pricing mechanism. The Group used to call such inventories as "Readily marketable inventories", but after the beginning of the war in Ukraine, the Group faced difficulties selling such inventories, and therefore such inventories cannot any longer be considered as readily marketable.

⁴ Adjusted net debt is the sum of short-term interest-bearing debt, current maturities of long-term interest-bearing debt, long-term interest-bearing debt and lease liabilities, less cash and cash equivalents and commodity inventories at cost.

⁵ Calculated based on 12-month trailing EBITDA.

⁶ Calculated based on 12-month trailing EBITDA and net finance costs.

Hereinafter differences between totals and sums of the parts are possible due to rounding.

Management discussion and analysis continued

for the three months ended 30 September 2025

Segment results summary

	Revenue, USD million			EBITDA, USD million			Volume ¹ , thousand tons			EBITDA margin ² , USD/t		
	Q1 FY2025	Q1 FY2026	y-o-y	Q1 FY2025	Q1 FY2026	y-o-y	Q1 FY2025	Q1 FY2026	y-o-y	Q1 FY2025	Q1 FY2026	y-o-y
Oilseed Processing	373	454	22%	37	27 (26%)		269	316	18%	136	85 (37%)	
Infrastructure and Trading	455	392 (14%)		53	20 (62%)		1,477	1,252 (15%)		36	16 (55%)	
Farming	107	114	7%	84	111	31%						
Unallocated corporate expenses				(5)	(14)	2.8x						
Reconciliation	(136)	(133)	(2%)									
Total	798	826	4%	169	144 (15%)							

Note 1 Vegetable oil sales volumes for Oilseed Processing; physical grain volumes exported (ex. Avere) for Infrastructure and Trading.

Note 2 USD per ton of oil sold for Oilseed Processing; USD per ton of grain exported (ex. Avere volumes) for Infrastructure and Trading.

500 thousand tons of grains and oilseeds during the period.

- **Unallocated corporate expenses** totaled USD 14 million, mainly comprising payroll-related costs and professional service fees.
- In Q1 FY2026, the Group reported **net finance costs** of USD 6 million, down 10% y-o-y. The decline was mainly driven by a 29% reduction in finance costs to USD 17 million, reflecting lower interest expenses on bank loans and bonds following a decrease in debt levels. At the same time, finance income fell by 37% y-o-y to USD 11 million, given the reduced balance of the government bonds held for cash management.
- **Other expenses** during July-September 2025 amounted to USD 6 million, mainly comprising social spending of the Group for the period.
- Considering the USD 5 million in income tax expenses recorded for the reporting period, the **net profit attributable to shareholders** for the Q1 FY2026 amounted to USD 95 million, reflecting a 21% decline y-o-y.

Cash flow highlights

- **Operating profit before working capital changes** amounted to USD 115 million in Q1 FY2026, a 23% y-o-y decline. The figure remained below the Group's EBITDA of USD 144 million, primarily due to non-cash adjustments, including a USD 36 million loss resulting from the change in the fair value of derivatives and a USD 59 million gain from the revaluation of biological assets.
- **Changes in working capital** resulted in a USD 92 million cash outflow in Q1 FY2026, primarily driven by the seasonal accumulation of grains and oilseeds as the Group commenced procurement of new-crop volumes during the harvesting period.
- **Cash inflow from investing activities** totaled USD 22 million for the three months ended 30 September 2025, mainly attributable to USD 44 million in proceeds from the disposal of financial assets previously held for liquidity management purposes. These gains were partly offset by USD 20 million invested in property, plant and equipment related to the agricultural machinery and reconstruction of the transshipment terminal in Chornomorsk.
- **Net cash used in financing activities** amounted to USD 62 million, reflecting USD 43 million of net repayment under credit lines, USD 5 million of scheduled repayments of short-term and long-term borrowings, and USD 14 million in lease liability repayments.

Credit highlights

- During July–September 2025, the Group's **debt liabilities**

decreased by 5% q-o-q to USD 726 million as of 30 September 2025.

- With the Group's cash balance standing at USD 593 million, **net debt** improved by 7% q-o-q, reaching USD 133 million at the end of the reporting period compared to USD 143 million as of 30 June 2025.
- **Commodity inventories** ("CI") grew significantly over Q1 FY2026, rising 38% q-o-q to USD 411 million as of 30 September 2025. Inventory attributable to the oilseed processing segment (sunflower seeds, edible oil, and meal) increased by 11% q-o-q to USD 284 million. In contrast, grain inventories surged 2.9x q-o-q to USD 127 million.
 - In volume terms, bulk edible oil dropped 42% q-o-q to 98 thousand tons, while sunflower seed stocks totaled 257 thousand tons. Grain inventories (primarily corn, wheat, and soybeans) rose 2.9x q-o-q to 611 thousand tons. The expansion across grain and oilseed inventories is consistent with the seasonal pattern of procurement during the harvesting campaign in Ukraine.
- The Group's **leverage** position strengthened in Q1 FY2026, with the Net-debt-to-EBITDA ratio falling to 0.3x. The interest coverage ratio, calculated on a last-twelve-months basis, remained robust at 13.9x EBITDA-to-Interest.

Market environment and segment performance

Oilseed Processing

- The market environment for the Oilseed Processing segment in the current season appears more challenging than a year ago. As the harvesting campaign nears completion, our forecast for **Ukraine's sunflower seed harvest** in 2025 remains at **11.4 million tons**, marking the lowest output in the past decade.
 - In the southern and eastern regions, which traditionally account for a material share of national sunflower output, a persistent soil moisture deficit throughout the summer caused drought-related crop damage, resulting in average yields of 1.1-1.9 tons per hectare. At the same time, in the western and northern regions, an abnormally cool and wet growing season delayed crop development, preventing full ripening and reducing yields. Additionally, excessive rainfall during flowering and ripening negatively affected seed quality, particularly by increasing acidity levels.
 - Therefore, the imbalance between processing capacity and seed supply is expected to reach approximately 10.2 million tons, exacerbating competition among crushers for feedstock and exerting substantial pressure on crushing margins. The market has never experienced such a pronounced supply deficit, leaving

Segment volumes

thousand tons	Q1 FY2025	Q4 FY2025	Q1 FY2026	y-o-y	q-o-q
Oilseeds processed	684	952	559	(18%)	(41%)
Sunflower oil sales	269	384	316	18%	(18%)
Grain and oilseeds received in inland silos	1,850	34	1,224	(34%)	37x
Export terminal throughput	2,199	1,806	1,820	(17%)	1%
Grain export from Ukraine	1,477	984	1,252	(15%)	27%

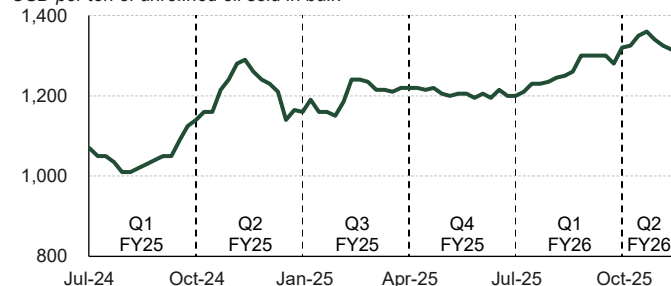
Differences are possible due to rounding.

Management discussion and analysis continued

for the three months ended 30 September 2025

Sunflower oil prices, CIF India¹

USD per ton of unrefined oil sold in bulk



Source: Kernel

Note 1: the presented chart serves for illustration purposes only and does not necessary reflect prices for the sunflower oil of Black Sea origin.

nearly half of the national processing capacity underutilized. Crushers with the ability to switch to non-core oilseeds, such as soybeans and rapeseeds, are expected to navigate the season more effectively, partially offsetting pressure from limited sunflower seed availability.

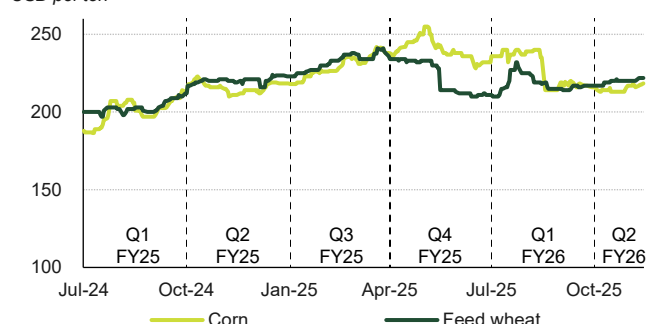
- Kernel **processed** 559 thousand tons of **oilseeds** in Q1 FY2026, an 18% y-o-y decline, largely due to a lower volume of tolling operations (16 thousand tons versus 132 thousand tons a year earlier). Sunflower seeds remained the dominant share of throughput, complemented by smaller volumes of soybeans and rapeseeds.
 - The 41% q-o-q decrease is attributable to the scheduled month-long maintenance works conducted during the summer, when all crushing facilities were temporarily shut down in preparation for the new processing season.
- **Edible oil sales** reached 316 thousand tons in Q1 FY2026, up 18% y-o-y. The increase was primarily driven by the sale of vegetable oil inventories accumulated at the end of the previous financial year. Bottled sunflower oil accounted for 19 thousand tons of total sales, up 5% y-o-y.
- The challenging market backdrop and constrained seed availability led to significant pressure on profitability. The segment's **EBITDA margin** contracted to USD 85 per ton of oil sold in Q1 FY2026, a 37% y-o-y decline.
- As a result, segment **EBITDA** amounted to USD 27 million in the reporting period, representing a 26% y-o-y decline.

Infrastructure and Trading

- The start of the new financial year for the Infrastructure and Trading segment was shaped by two key market dynamics: a weather-driven delay in the Ukrainian harvesting campaign and slower-than-usual farmer selling. Prolonged rainfall and uneven crop maturity across regions postponed the availability of new-crop grain. At the same time, farmers, anticipating potential price increases later in the season, were reluctant to sell early in the quarter.
- As a result, the Group's **grain export** volume from Ukraine totaled 1.3 million tons in Q1 FY2026, down 15% y-o-y. On a q-o-q basis, however, exports increased by 27%, supported by greater grain

Corn and wheat prices, FOB Ukraine

USD per ton



Source: Agricensus, Kernel

availability on the domestic market following the onset of the winter wheat harvest. Wheat accounted for 74% of total export volumes, with corn and barley comprising the remainder.

- **Export terminal throughput** reached 1.8 million tons in Q1 FY2026, a 17% y-o-y decrease, consistent with lower grain export volumes and the Group's overall sales mix of vegetable oils and meals. Of the total throughput, grains accounted for 75%, edible oils for 13%, and vegetable meals for the balance.
- **Silo intake** volumes amounted to 1.2 million tons in Q1 FY2026, a 34% y-o-y decline.
 - Of this amount, 796 thousand tons were sourced from the Group's own Farming operations, while the remainder came from third-party suppliers.
 - The reduction in intake primarily reflects the later start of the Group's harvesting campaign, as adverse weather conditions and uneven crop maturity across regions delayed and reduced deliveries into storage facilities.
- As a result of these market and operational dynamics, the Infrastructure and Trading segment generated **EBITDA** of USD 20 million in Q1 FY2026, down 62% y-o-y.

Farming

- The Farming segment generated **EBITDA** of USD 111 million during July–September 2025, including a USD 59 million non-cash gain from the revaluation of biological assets. This gain primarily reflected actual yields exceeding earlier projections, supported by favorable field conditions during the early stages of the harvesting campaign.
- Excluding the impact of biological asset revaluation, underlying **EBITDA** amounted to USD 52 million, up 21% y-o-y:
 - The Farming segment realized 499 thousand tons of grains and oilseeds in Q1 FY2026, with wheat accounting for 89% of the volume.
 - Profitability was further supported by favorable pricing conditions in the grain market, which helped offset mixed yield performance across regions.
- The harvesting campaign of the 2025 crop is now nearing completion, with 13% of the corn area remaining to be harvested over

Harvest update

	Acreage, thousand hectares			Net yields ¹ , tons / hectare			Harvest size, thousand tons		
	FY2025	FY2026	y-o-y	FY2025	FY2026	y-o-y	FY2025	FY2026	y-o-y
Corn	87	172	98%	8.4	9.2	10%	725	1,584	118%
Wheat	93	94	1%	6.0	5.9	(3%)	560	552	(1%)
Sunflower	67	46	(31%)	2.8	2.7	(4%)	186	124	(33%)
Soybean	72	24	(67%)	2.2	2.3	7%	155	54	(65%)
Other ²	39	22	(44%)						
	358	358	(0%)				1,626	2,314	42%

Note 1 Net crop yields are preliminary figures based on the 87% corn, 100% wheat, 100% sunflower, and 100% soybean acreage harvested as of 24 November 2025. One ton per hectare equals 15.9 bushels per acre for corn and 14.9 bushels per acre for wheat.

Note 2 Includes rapeseed and other minor crops, as well as fallow land. Differences are possible due to rounding.

Management discussion and analysis continued

for the three months ended 30 September 2025

the coming month.

- Adverse weather patterns created atypical agronomic conditions for the 2025 season, shifting the development phases of both grain and oilseed crops. Two episodes of late-spring frost affected sensitive growth stages of winter crops and early spring crops. A prolonged cool spring and summer, accompanied by sharp day–night temperature fluctuations, slowed vegetation growth in northern regions such as Chernihiv and Sumy. In central regions, including Poltava, Cherkasy, and Kirovohrad, a persistent soil moisture deficit and limited rainfall further delayed crop development and contributed to premature wilting and early ripening.
- As a result, net yields for wheat and sunflower declined by 3% and 4% y-o-y, respectively. Based on the current harvesting pace, the Group expects to achieve a net corn yield of 9.2 tons per hectare, up 10% y-o-y.
- As of the date of this report, the Group has completed winter crop sowing for the 2026 harvest, planting 84 thousand hectares of winter wheat and 38 thousand hectares of rapeseed.

Corporate highlights

- On 29 July 2025, the Company received a notification from Namsen Limited, the majority shareholder¹, that 1) a certain minority shareholder had decided to exercise their right to sell their shares, thereby initiating the sellout procedure; 2) KPMG prepared the valuation report to determine the fair price of the Company's shares; 3) Namsen Limited proposed a price of PLN 19.45 per shares to be used in the sell-out.
- On 27 October 2025, the Company received a letter from the Commission de Surveillance du Secteur Financier (the "CSSF"), following the oppositions lodged by shareholders against the proposed sell-out price. In its communication, the CSSF has requested the Company to propose five independent experts who fulfill the conditions outlined in Article 5, paragraph 4, sub-paragraph 2 of the Luxembourg Law of 21 July 2012. This request is for the purpose of the CSSF appointing an expert to submit a valuation report on the Company's shares. The Company is taking the necessary steps to comply with CSSF's request.

¹ Within the meaning of the Luxembourg Law of 21 July 2012 on mandatory squeeze-out and sell-out of securities of companies currently admitted or previously admitted to trading on a regulated market or having been offered to the public and amending the law of 23 December 1998 establishing a financial sector supervisory commission.

The CSSF has included the Company in the [list](#) of issuers for which the majority shareholder notification (i.e., notification of crossing the 95% threshold) has been received. In addition, the CSSF published a summary of the legal opinion prepared by an independent Luxembourg law firm on the potential outcomes of the litigation initiated by eight minority shareholders, their likelihood of success, expected timing, and the implications for the squeeze-out/sell-out process and the qualification of Namsen Limited as the majority shareholder.

Alternative Performance Measures

for the three months ended 30 September 2025

To comply with the ESMA Directive on Alternative Performance Measures ("APMs"), Kernel Holding S.A. (hereinafter the "Group") presents this additional disclosure, which enhances the comparability, reliability, and comprehension of its financial information.

The Group presents its results in accordance with generally accepted accounting principles (IFRS), but, nonetheless, management considers that certain supplemental non-IFRS measures, such as

- **EBITDA;**
- **EBITDA margin;**
- **Segment EBITDA;**
- **Segment EBITDA margin;**
- **Investing Cash Flows net of Fixed Assets Investments;**
- **Net Fixed Assets Investments;**
- **Operating Cash Flows before Working Capital Changes;**
- **Free Cash Flows to the Firm;**
- **Debt Liabilities;**
- **Net Debt;**
- **Commodity Inventories;**
- **Adjusted Net Debt;** and
- **Adjusted Working Capital;**

(together, the "Alternative Performance Measures") provide investors with a supplemental tool to assist in evaluating current business performance.

The Group believes the **Alternative Performance Measures** are frequently used by securities analysts, investors, and other parties interested in evaluating companies in the Group's industry. The **Alternative Performance Measures** have limitations as analytical tools, and investors should not consider any of them in isolation or any combination of them together as a substitute for analysis of the Company's operating results as reported under IFRS. Other companies in the industry may calculate these **Alternative Performance Measures** differently or may use them for different purposes than Kernel Holding S.A., limiting their usefulness as comparative measures. Each of the **Alternative Performance Measures** is defined below.

EBITDA and EBITDA margin

The Group uses **EBITDA**¹ as a key measure of operating performance, and it is defined as profit from operating activities, adding back amortization and depreciation.

The Group defines **EBITDA margin** as **EBITDA** divided by revenue during the reported period.

Kernel Holding S.A. views **EBITDA** and **EBITDA margin** as the key measures of the Group's performance. The Group uses **EBITDA** and **EBITDA margin** in its public reporting, which is also related to the listing of the Company's equity on the Warsaw Stock Exchange. The Group believes that these measures better reflect the Group and its subsidiaries' core operating activities and provide both management and investors with information regarding operating performance, which is more useful for evaluating the financial position of the Group and its subsidiaries than traditional measures, to the exclusion of external factors unrelated to their performance.

EBITDA and **EBITDA margin** have limitations as analytical tools, and investors should not consider these measures in isolation or in any combination with Non-IFRS Measures as a substitute for analysis of the Group's operating results as reported under IFRS. Some of these limitations are as follows:

- **EBITDA** and **EBITDA margin** do not reflect the impact of finance costs, the significance of which reflects macroeconomic conditions and has little effect on the Group's operating performance;
- **EBITDA** and **EBITDA margin** do not reflect the impact of taxes on the Group's operating performance;
- **EBITDA** and **EBITDA margin** do not reflect the impact of depreciation and amortization on the Group's performance. The assets of the Group, which are being depreciated and/or amortized, will need to be replaced in the future, and such depreciation and amortization expenses may approximate the cost of replacing these assets in the future. By excluding this expense from **EBITDA** and **EBITDA margin**, such measures do not reflect the Group's future cash requirements for these replacements;
- **EBITDA** and **EBITDA margin** do not reflect the impact of the share of income/loss of joint ventures, which are accounted under the equity method;
- **EBITDA** and **EBITDA margin** do not reflect

the impact of foreign exchange gain/(loss), which the Group does not consider to be part of its core operating performance because the main difference arises on transactions between entities of the Group with different functional currencies;

- **EBITDA** and **EBITDA margin** do not reflect the impact of other expenses, as such expenses are not a part of the Group's core operations.

Reconciliation of profit before income tax to **EBITDA** and **EBITDA margin**:

<i>in thousand USD except the margin</i>	Q1 FY2025	Q1 FY2026
Profit from operating activities	141,008	114,447
<i>add back:</i>		
Amortization and depreciation	28,143	29,091
EBITDA	169,151	143,538
Revenue	797,695	826,022
EBITDA margin	21.2%	17.4%

¹ In other documents (e.g. listing particulars) the Group could use the term Adjusted EBITDA, which is calculated as profit before income tax adding back net finance costs, net foreign exchange gain, net other expenses, share of income/(loss) of joint ventures, and amortization and depreciation, and coming to the same result as EBITDA

Alternative Performance Measures *continued*

for the three months ended 30 September 2025

Segment EBITDA and Segment EBITDA margin

The Group uses **Segment EBITDA** and **Segment EBITDA margin** as the key measures of segment operating performance. The Group defines **Segment EBITDA** as profit/(loss) from operating activities, adding back amortization and depreciation.

The Group defines **Segment EBITDA margin** as **Segment EBITDA** divided by the segment revenue during the reporting period.

Calculation of Segment EBITDA and Segment EBITDA margin:		
<i>in thousand USD</i>	Q1 FY2025	Q1 FY2026
Oilseed Processing		
Profit from operating activities	27,914	16,532
plus Amortization and depreciation	8,706	10,411
Segment EBITDA	36,620	26,943
Segment revenue	373,002	453,680
Segment EBITDA margin	10%	6%
Infrastructure and Trading		
Profit from operating activities	46,164	12,565
plus Amortization and depreciation	7,155	7,700
Segment EBITDA	53,319	20,265
Segment revenue	454,532	392,251
Segment EBITDA margin	12%	5%
Farming		
Profit from operating activities	73,356	100,624
plus Amortization and depreciation	11,072	10,193
Segment EBITDA	84,428	110,817
Segment revenue	106,513	113,365
Segment EBITDA margin	79%	98%
Other		
Loss from operating activities	(6,426)	(15,274)
plus Amortization and depreciation	1,210	787
Segment EBITDA	(5,216)	(14,487)

Investing Cash Flows less Net Fixed Assets Investments

The Group uses **Investing Cash Flows less Net Fixed Assets Investments** as a measure of its expenditures on investments other than property, plant and equipment, and which is defined as net cash used in investing activities, adding back:

- purchase of property, plant and equipment;
- proceeds from disposal of property, plant and equipment.

Net Fixed Assets Investments

The Group uses **Net Fixed Assets Investments** as a measure of its expenditures on fixed assets maintenance, which is defined as net cash used in investing activities less **Investing Cash Flows, less Net Fixed Assets Investments**, or alternatively may be calculated as cash used for the purchase of property, plant and equipment, less proceeds from disposal of property, plant and equipment.

Reconciliation of net cash used in investing activities to **Investing Cash Flows net of Fixed Assets Investments**:

<i>in thousand USD</i>	Q1 FY2025	Q1 FY2026
Net cash used in investing activities	(20,133)	22,287
<i>Adding back:</i>		
Purchase of property, plant and equipment	(19,673)	(19,675)
Proceeds from disposal of property, plant and equipment	151	762
Investing Cash Flows net of Fixed Assets Investments	(611)	41,200

Reconciliation of net cash used in investing activities to **Net Fixed Assets Investments**:

<i>in thousand USD</i>	Q1 FY2025	Q1 FY2026
Purchase of property, plant and equipment	(19,673)	(19,675)
Proceeds from disposal of property, plant and equipment	151	762
Net Fixed Assets Investments	(19,522)	(18,913)

Operating Cash Flows before Working Capital Changes

The Group uses **Operating Cash Flows** as a measure of the cash generation of its core business operations, which is defined as net cash generated by (used in) operating activities less changes in working capital, including:

- change in trade receivable and other financial assets;
- change in prepayments and other current assets;
- change in taxes recoverable and prepaid;
- change in biological assets;
- change in inventories;
- change in trade accounts payable; and
- change in advances from customers and other current liabilities.

Reconciliation of net cash generated by operating activities to **Operating Cash Flows before Working Capital Changes**:

<i>in thousand USD</i>	Q1 FY2025	Q1 FY2026
Net cash generated by operating activities	55,832	13,919
<i>Less:</i>		
Changes in working capital, including:	(55,672)	(92,399)
Change in trade receivable and other financial assets	(54,219)	(41,901)
Change in prepayments and other current assets	6,221	(8,610)
Change in taxes recoverable and prepaid	11,966	24,192
Change in biological assets	149,349	118,678
Change in inventories	(224,304)	(178,816)
Change in trade accounts payable	58,303	24,228
Change in advances from customers and other current	(2,988)	(30,170)
Operating Cash Flows before Working Capital Changes	111,504	106,318

Alternative Performance Measures continued

for the three months ended 30 September 2025

Free Cash Flows to the Firm

The Group uses **Free Cash Flows to the Firm** as a measure of the cash generation of its core business operations, which is defined as the sum of net cash generated by operating activities and net cash used in investing activities.

Calculation of **Free Cash Flows to the Firm**:

<i>in thousand USD</i>	Q1 FY2025	Q1 FY2026
Net cash generated by operating activities	55,832	13,919
Net cash used in investing activities	(20,133)	22,287
Free Cash Flows to the Firm	35,699	36,206

Commodity Inventories

The Group uses **Commodity Inventories** (hereinafter "CI") as an additional measure of its liquidity, which the Group uses to provide a supplemental tool to assist in evaluating current business performance and in calculating credit ratios under certain of the Group's financing arrangements. The Group defines **CI** as agricultural inventories, such as corn, wheat, sunflower oil, and other products that were easily convertible into cash before the Russian invasion of Ukraine, given their commodity characteristics, widely available markets, and the international pricing mechanism. The Group used to call such inventories "Readily marketable inventories," but after the beginning of the war in Ukraine, the Group faced difficulties with selling such inventories, and therefore, such inventories cannot be considered as readily marketable any longer.

The following table shows the Group's key inventories considered eligible for **CI** by type and the amounts of such inventory that the Group treats as **CI** as at the periods indicated:

<i>in thousand USD</i>	As of 30 September 2024	As of 30 September 2025
Sunflower oil & meal	94,238	140,651
Sunflower seed	144,124	142,966
Grains	196,597	127,523
Other	96,982	122,659
Total	531,941	533,799
<i>of which: Commodity Inventories</i>	<i>435,171</i>	<i>411,312</i>

Debt Liabilities

The Group uses three metrics as the measure of its leverage and indebtedness, which consist of Debt Liabilities, Net Debt, and **Adjusted Net Debt**. The Group defines **Debt Liabilities** as the sum of:

- bonds issued, interest on bonds issued;
- long-term borrowings;
- current portion of long-term borrowings;
- short-term borrowings; and
- lease liabilities (including current portion).

The Group defines **Net Debt** as **Debt Liabilities** less cash and cash equivalents. Finally, the Group defines **Adjusted Net Debt** as **Net Debt** less commodity inventories.

Calculation of **Debt Liabilities, Net and Adjusted Net Debts** as at the dates indicated:

<i>in thousand USD</i>	As of 30 September 2024	As of 30 September 2025
Bonds issued	-	298,716
Current bonds issued	598,101	-
Interest on bonds issued	17,440	8,596
Long-term borrowings	-	76,682
Current portion of long-term borrowings	-	22,511
Short-term borrowings	346,340	106,501
Lease liabilities	150,281	190,115
Current portion of lease liabilities	16,633	22,837
Debt Liabilities	1,128,795	725,958
less: cash and cash equivalents	867,652	592,692
Net Debt	261,143	133,266
less: commodity inventories	435,171	411,312
Adjusted Net Debt	(174,028)	(278,046)

Adjusted Working Capital

The Group uses **Adjusted Working Capital** as a measure of its efficiency and short-term liquidity, which is defined as current assets (excluding cash and cash equivalents and assets classified as held for sale) less current liabilities (excl. short-term borrowings, current portion of long-term borrowings, current bond issued, current portion of lease liabilities, and interest on bonds issued).

Reconciliation of total current assets to **Adjusted Working Capital** as at the dates indicated:

<i>in thousand USD</i>	As of 30 September 2024	As of 30 September 2025
Total current assets	2,359,197	2,066,507
less:		
Cash and cash equivalents	867,652	592,692
Total current liabilities	1,460,063	643,558
add back:		
Short-term borrowings	346,340	106,501
Current portion of long-term borrowings	-	22,511
Current bonds issued	598,101	-
Current portion of lease liabilities	16,633	22,837
Interest on bonds issued	17,440	8,596
Adjusted Working Capital	1,009,996	990,702

Alternative Performance Measures **continued**

for the three months ended 30 September 2025

The Management believe that these APMs assist in providing additional useful information on the underlying trends, performance and position of the Group. APMs are used by the Management for performance analysis, planning, reporting and incentive setting purposes. The measures are also used in discussions with the investors, investment analyst community and credit rating agencies.

APM	Calculation	Why APM is the most important for management
EBITDA	Profit from operating activities adding back amortization and depreciation.	EBITDA is the main metric used by the management of the Group to measure operating performance. It is also widely used by investors when evaluating businesses, and by rating agencies and creditors to evaluate the leverage.
EBITDA margin	EBITDA divided by revenue during the reported period.	EBITDA margin is a metric widely used to measure profitability of Group's operations.
Segment EBITDA	Segment profit from operating activities adding back amortization and depreciation.	EBITDA is the main metric used by management of the Group to measure segment operating performance.
Segment EBITDA margin	Segment EBITDA divided by segment revenue during the reporting period.	Segment EBITDA margin is the metric widely used to measure profitability of Group's segment operations.
Investing Cash Flows net of Fixed Assets Investments	Net cash used in investing activities adding back purchase of property, plant and equipment, and proceeds from disposal of property, plant and equipment.	As the Group has grown and developed through acquisitions, this APM helps to monitor the M&A and other investing activities of the Group.
Net Fixed Assets Investments	Net cash used in investing activities less Investing Cash Flows net of Fixed Assets Investments .	The Group is executing a solid investment program, and fixed assets investment is an important measure to monitor capital expenditure as a part of the execution of investment program.
Operating Cash Flows before Working Capital Changes	Net cash generated by operating activities less changes in working capital activities, including: • change in trade receivables and other financial assets; • change in prepayments and other current assets; • change in taxes recoverable and prepaid; • change in biological assets; • change in inventories; • change in trade accounts payable; and • change in advances from customers and other current liabilities.	The Group uses this APM as a pre-working capital measure that reflects Group's ability to generate cash for investment, debt servicing and distributions to shareholders.
Free Cash Flows to the Firm	Sum of net cash generated by operating activities and net cash used in investing activities.	The Group uses this APM as it reflects the cash generating capability of the Group to repay debt and distribute dividends to shareholders.
Commodity Inventories	Agricultural inventories, such as corn, wheat, barley, soybean, sunflower seed, meal and oil.	The Group uses this APM as an additional measure of its liquidity, which the Group uses to provide a supplemental tool to assist management and investors in evaluating current business performance and in calculating credit ratios under certain of the Group's financing arrangements.
Debt Liabilities	Sum of bonds issued, current bonds issued, interest on bonds issued, long-term borrowings, current portion of long-term borrowings, short-term borrowings; lease liabilities and current portion of lease liabilities.	The Group uses this APM, as it is a useful measure of the leverage of the Group, which is widely used by credit investors and rating agencies.
Net Debt	Debt Liabilities less cash and cash equivalents and cash deposits pledged under credit facilities.	The Group uses this APM, as it is a useful measure of the leverage of the Group, which is widely used by credit and equity investors and rating agencies.
Adjusted Net Debt	Net Debt less commodity inventories.	The Group uses this APM as a supplemental measure of the Group's liquidity, which shows the amount of Debt Liabilities not covered by cash and commodity inventories.
Adjusted Working Capital	Current assets (excluding cash and cash equivalents, and assets classified as held for sale) less current liabilities (excluding short-term borrowings, current portion of long-term borrowings, current portion of lease liabilities, current bonds issued, interest on bonds issued, and liabilities associated with assets classified as held for sale).	The indicator of working capital is important for the Group, as the Group is involved in trading and processing activities and hold large volumes of inventories on the balance. The Group also invests in business expansion, which needs working capital investments to increase efficiency. It is useful for users and investors because it measures both a Group's efficiency and its short-term financial health. It also helps management to keep a business operating smoothly and meet all its financial obligation within the coming year.

Selected Financial Data

for the three months ended 30 September 2025 (in thousands of US dollars, unless otherwise stated)

		USD ¹		PLN		EUR	
		30 September 2025	30 September 2024	30 September 2025	30 September 2024	30 September 2025	30 September 2024
I.	Revenue	826,022	797,695	3,012,585	3,110,978	704,927	726,223
II.	Profit from operating activities	114,447	141,008	417,400	549,926	97,669	128,374
III.	Profit before income tax	100,385	127,081	366,114	495,611	85,669	115,695
IV.	Profit for the period	95,330	120,675	347,678	470,628	81,355	109,863
V.	Net cash generated by operating activities	13,919	55,832	50,764	217,743	11,878	50,830
VI.	Net cash generated by/(used in) investing activities	22,287	(20,133)	81,283	(78,518)	19,020	(18,329)
VII.	Net cash (used in)/generated by financing activities	(61,025)	22,351	(222,564)	87,168	(52,079)	20,348
VIII.	Total net cash flow	(24,819)	58,050	(90,517)	226,393	(21,181)	52,849
IX.	Total assets	3,410,438	3,592,754	12,385,005	13,721,805	2,900,918	3,206,704
X.	Current liabilities	643,558	1,460,063	2,337,081	5,576,419	547,410	1,303,176
XI.	Non-current liabilities	586,192	164,834	2,128,756	629,550	498,615	147,122
XII.	Issued capital	7,749	7,749	28,140	29,596	6,591	6,916
XIII.	Total equity	2,180,688	1,967,857	7,919,168	7,515,836	1,854,893	1,756,406
XIV.	Weighted average number of shares	293,129,230	293,429,230	293,129,230	293,429,230	293,129,230	293,429,230
XV.	Profit per ordinary share (in USD/PLN/EUR)	0.33	0.41	1.19	1.61	0.28	0.38
XVI.	Diluted number of shares	293,129,230	293,429,230	293,129,230	293,429,230	293,129,230	293,429,230
XVII.	Diluted profit per ordinary share (in USD/PLN/EUR)	0.33	0.41	1.19	1.61	0.28	0.38
XVIII.	Book value per share (in USD/PLN/EUR)	7.44	6.70	27.02	25.59	6.33	5.98
XIX.	Diluted book value per share (in USD/PLN/EUR)	7.44	6.70	27.02	25.59	6.33	5.98

¹ See Note 4 for the exchange rates used for conversion.

Condensed Consolidated Interim Statement of Financial Position

for the three months ended 30 September 2025 (in thousands of US dollars, unless otherwise stated)

	Notes	As of 30 September 2025	As of 30 June 2025	As of 30 September 2024
Assets				
Current assets				
Cash and cash equivalents	8	592,692	617,511	867,652
Trade accounts receivable		224,398	252,660	291,969
Prepayments to suppliers		99,699	91,804	111,571
Corporate income tax prepaid		3,233	6,434	6,093
Taxes recoverable and prepaid		102,755	125,837	103,547
Inventory	9	533,799	363,467	531,941
Biological assets	10	181,286	230,669	33,647
Other financial assets	11	328,645	315,913	412,777
Total current assets		2,066,507	2,004,295	2,359,197
Non-current assets				
Property, plant and equipment		955,653	946,342	943,185
Right-of-use assets		271,903	245,611	173,772
Intangible assets		35,226	34,788	36,191
Goodwill		13,196	13,196	13,196
Deferred tax assets		50,712	51,698	34,520
Non-current financial assets		3,732	6,025	14,781
Other non-current assets		13,509	18,471	17,912
Total non-current assets		1,343,931	1,316,131	1,233,557
Total assets		3,410,438	3,320,426	3,592,754
Liabilities and equity				
Current liabilities				
Trade accounts payable		132,758	108,348	169,833
Advances from customers and other current liabilities		231,988	257,285	170,362
Corporate income tax liabilities		29,973	39,664	7,742
Short-term borrowings	12	106,501	148,887	346,340
Current portion of long-term borrowings	12, 18	22,511	22,239	—
Current portion of lease liabilities		22,837	34,021	16,633
Current bonds issued	13, 18	—	—	598,101
Interest on bonds issued	13, 18	8,596	3,616	17,440
Other financial liabilities		88,394	52,794	133,612
Total current liabilities		643,558	666,854	1,460,063
Non-current liabilities				
Long-term borrowings	12, 18	76,682	82,307	—
Bonds issued	13, 18	298,716	298,487	—
Lease liabilities		190,115	171,234	150,281
Deferred tax liabilities		19,542	19,194	13,574
Other non-current liabilities		1,137	3,364	979
Total non-current liabilities		586,192	574,586	164,834
Equity attributable to Kernel Holding S.A. equity holders				
Issued capital		7,749	7,749	7,749
Share premium reserve		457,935	457,935	457,935
Additional paid-in capital		39,944	39,944	39,944
Revaluation reserve		103,766	103,766	96,178
Translation reserve		(1,048,645)	(1,055,011)	(1,048,205)
Retained earnings		2,619,022	2,523,546	2,412,843
Total equity attributable to Kernel Holding S.A. equity holders		2,179,771	2,077,929	1,966,444
Non-controlling interests		917	1,057	1,413
Total equity		2,180,688	2,078,986	1,967,857
Total liabilities and equity		3,410,438	3,320,426	3,592,754
Book value		2,179,771	2,077,929	1,966,444
Number of shares	2	293,129,230	293,129,230	293,429,230
Book value per share (in USD)		7.44	7.09	6.70
Diluted number of shares		293,129,230	293,129,230	293,429,230
Diluted book value per share (in USD)		7.44	7.09	6.70

On behalf of the Board of Directors

Andrii Verevskyi
Chairman of the Board of Directors

Sergiy Volkov
Director, Chief Financial Officer

The accompanying notes are an integral part of these financial statements.

Condensed Consolidated Interim Statement of Profit or Loss

for the three months ended 30 September 2025 (in thousands of US dollars, unless otherwise stated)

	Notes	For the three months ended 30 September 2025	For the three months ended 30 September 2024
Revenue	7	826,022	797,695
Net change in fair value of biological assets and agricultural produce	10	58,882	41,526
Cost of sales	14	(725,071)	(674,789)
Gross profit		159,833	164,432
Other operating income		13,114	23,069
Other operating expenses		(17,764)	(5,114)
General and administrative expenses	15	(38,804)	(36,453)
Net impairment losses on financial assets		(1,916)	(6,928)
(Loss)/reversal of impairment losses on assets		(16)	2,002
Profit from operating activities		114,447	141,008
Finance costs		(17,053)	(24,050)
Finance income		10,814	17,151
Foreign exchange (loss)/gain, net		(2,267)	527
Other expenses, net		(5,556)	(7,555)
Profit before income tax		100,385	127,081
Income tax expenses		(5,055)	(6,406)
Profit for the period		95,330	120,675
Profit for the period attributable to:			
Equity holders of Kernel Holding S.A.		95,476	120,892
Non-controlling interests		(146)	(217)
Earnings per share			
Weighted average number of shares		293,129,230	293,429,230
Profit per ordinary share (in USD)		0.33	0.41
Diluted number of shares		293,129,230	293,429,230
Diluted profit per ordinary share (in USD)		0.33	0.41

On behalf of the Board of Directors

Andrii Verevskyi

Chairman of the Board of Directors

Sergiy Volkov

Director, Chief Financial Officer

The accompanying notes are an integral part of these financial statements.

Condensed Consolidated Interim Statement of Profit or Loss and Other Comprehensive Income

for the three months ended 30 September 2025 (in thousands of US dollars, unless otherwise stated)

	Notes	For the three months ended 30 September 2025	For the three months ended 30 September 2024
Profit for the period		95,330	120,675
Other comprehensive income/(loss)			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translating foreign operations ¹		6,372	(19,112)
Other comprehensive income/(loss)		6,372	(19,112)
Total comprehensive income for the period		101,702	101,563
Total comprehensive income attributable to:			
Equity holders of Kernel Holding S.A.		101,842	101,801
Non-controlling interests		(140)	(238)

On behalf of the Board of Directors

Andrii Verevskyi
Chairman of the Board of Directors

Sergiy Volkov
Director, Chief Financial Officer

¹ Exchange differences on translating foreign operations decreased mostly as a result of foreign exchange rate change.

Condensed Consolidated Interim Statement of Changes in Equity

for the three months ended 30 September 2025 (in thousands of US dollars, unless otherwise stated)

	Attributable to Kernel Holding S.A. shareholders							Non-controlling interests	Total equity
	Issued capital	Share premium reserve	Additional paid-in capital	Revaluation reserve	Translation reserve	Retained Earnings	Total		
Balance as of 30 June 2024	7,749	457,935	39,944	96,178	(1,029,114)	2,291,951	1,864,643	1,651	1,866,294
Profit for the period	—	—	—	—	—	120,892	120,892	(217)	120,675
Other comprehensive loss	—	—	—	—	(19,091)	—	(19,091)	(21)	(19,112)
Total comprehensive income for the period	—	—	—	—	(19,091)	120,892	101,801	(238)	101,563
Balance as of 30 September 2024	7,749	457,935	39,944	96,178	(1,048,205)	2,412,843	1,966,444	1,413	1,967,857
Balance as of 30 June 2025	7,749	457,935	39,944	103,766	(1,055,011)	2,523,546	2,077,929	1,057	2,078,986
Profit for the period	—	—	—	—	—	95,476	95,476	(146)	95,330
Other comprehensive income	—	—	—	—	6,366	—	6,366	6	6,372
Total comprehensive income for the period	—	—	—	—	6,366	95,476	101,842	(140)	101,702
Balance as of 30 September 2025	7,749	457,935	39,944	103,766	(1,048,645)	2,619,022	2,179,771	917	2,180,688

On behalf of the Board of Directors

Andrii Verevskyi

Chairman of the Board of Directors

Sergiy Volkov

Director, Chief Financial Officer

The accompanying notes are an integral part of these financial statements.

Condensed Consolidated Interim Statement of Cash Flows

for the three months ended 30 September 2025 (in thousands of US dollars, unless otherwise stated)

	Notes	For the three months ended 30 September 2025	For the three months ended 30 September 2024 ¹
Operating activities:			
Profit before income tax		100,385	127,081
Adjustments for:			
Amortization and depreciation		29,091	28,143
Finance costs		17,053	24,050
Finance income		(10,814)	(17,151)
Net impairment losses on financial assets		1,916	6,928
(Gain)/loss on disposal of property, plant and equipment		(331)	32
Foreign exchange loss/(gain), net		2,277	(1,162)
Loss/(reversal) of impairment losses on assets		16	(2,002)
Write-downs of inventories to net realizable value		286	185
Net change in fair value of biological assets and agricultural produce	10	(58,882)	(41,526)
Net loss arising on financial instruments		36,465	21,474
Other (income)/expenses, net		(2,921)	2,030
Operating profit before working capital changes		114,541	148,082
Changes in working capital:			
Change in trade accounts receivable		26,566	6,568
Change in other financial assets		(68,467)	(60,787)
Change in prepayments and other current assets		(8,610)	6,221
Change in taxes recoverable and prepaid		24,192	11,966
Change in biological assets		118,678	149,349
Change in inventories		(178,816)	(224,304)
Change in trade accounts payable		24,228	58,303
Change in advances from customers and other current liabilities		(30,170)	(2,988)
Cash generated from operations		22,142	92,410
Interest paid		(10,761)	(12,076)
Interest received		9,384	10,027
Income tax paid		(6,846)	(34,529)
Net cash generated by operating activities		13,919	55,832
Investing activities:			
Purchase of property, plant and equipment		(19,675)	(19,673)
Proceeds from disposal of property, plant and equipment		762	151
Payment for lease agreements		(1,426)	(744)
Purchase of intangible and other non-current assets		(1,053)	(733)
Proceeds from disposal of intangible and other non-current assets		88	—
Release of pledge deposits		—	33
Proceeds from disposal of financial assets		43,591	833
Net cash generated by/(used in) investing activities		22,287	(20,133)
Financing activities:			
Net repayment of credit lines		(42,678)	(33,220)
Proceeds from short-term and long-term borrowings		—	82,897
Repayment of short-term and long-term borrowings		(5,360)	(18,107)
Repayment of lease liabilities		(14,018)	(11,213)
Net cash (used in)/generated by financing activities		(62,056)	20,357
Effects of exchange rate changes on the balance of cash held in foreign currencies		1,031	1,994
Net (decrease)/increase in cash and cash equivalents		(24,819)	58,050
Cash and cash equivalents, at the beginning of the period	8	617,508	809,579
Cash and cash equivalents, at the end of the period	8	592,689	867,629

On behalf of the Board of Directors

Andrii Verevskyi

Chairman of the Board of Directors

Sergiy Volkov

Director, Chief Financial Office

¹ During the three months ended 30 September 2025, the Group made certain corrections and reclassifications, please see Note 4 for more details.

Notes to the Condensed Consolidated Interim Financial Statements

for the three months ended 30 September 2025 (in thousands of US dollars, unless otherwise stated)

1. Corporate Information

Kernel Holding S.A. (hereinafter referred to as the "Holding" or the "Company") incorporated under the legislation of Luxembourg on 15 June 2005 (number B 109,173 in the Luxembourg Register of Companies) is the holding company for a group of entities (hereinafter referred to as the "Subsidiaries"), which together form Kernel Group (hereinafter referred to as the "Group" or the "Kernel Group"). The principal place of production facilities of the Group is in Ukraine.

Kernel Holding S.A. has been a publicly traded company since 2007. Kernel Holding S.A. made an announcement on 13 April 2023, indicating that their Board of Directors had decided to withdraw the company's shares from trading on the Warsaw Stock Exchange's regulated market. However, as of 30 September 2025, and as of the date of these condensed consolidated interim financial statements issue the delisting process has not been completed and it is expected to be finalized upon resolution of legal proceedings disclosed in Note 17.

The Group's principal business activities comprise the production and export of sunflower oil and sunflower meal in bulk, the production and sale of bottled sunflower oil, the wholesale trade of grain, primarily corn, soybean, wheat, and barley, as well as farming operations, and the provision of logistics and transshipment services.

The Group's financial year runs from 1 July to 30 June.

As of 30 September, the primary Subsidiaries of the Group and their principal activities were as follows:

Subsidiary	Principal activity	Country of incorporation	Group's effective ownership interest and voting rights as of	
			30 September 2025	30 September 2024
Inerco Trade SA	Trading in sunflower oil, meal and grain.	Switzerland	100.0%	100.0%
Kernel-Trade, LLC		Ukraine	100.0%	100.0%
Avere Commodities SA		Switzerland	75.0% ¹	100.0%
Estron Corporation Ltd	The holding ownership interests in subsidiaries, their financing and strategic management.	Cyprus	100.0%	100.0%
Poltavsky VOEP, PJSC	Oilseed crushing plants. Production of sunflower oil and meals.	Ukraine	99.7%	99.7%
Bandursky VOEP, LLC		Ukraine	100.0%	100.0%
Kropyvnytskyi OEP, PJSC		Ukraine	99.2%	99.2%
Black Sea Industries Ukraina Limited, LLC		Ukraine	100.0%	100.0%
Prydniprovskyi OEZ, LLC		Ukraine	100.0%	100.0%
Starokostiantynivskyi OEZ, LLC		Ukraine	100.0%	100.0%
Transbulkterminal, JV LLC	Provision of grain, oil, and meals handling and transshipment services.	Ukraine	100.0%	100.0%
Transgrainterminal, LLC		Ukraine	100.0%	100.0%
Oilexportterminal, LLC		Ukraine	100.0%	100.0%
Kononivsky Elevator, LLC	Grain elevators. Provision of grain and oilseed cleaning, drying, and storage services.	Ukraine	100.0%	100.0%
AF Khliborob, LLC	Agricultural farms. Cultivation of agricultural products: corn, wheat, soybean, sunflower seed, rapeseed, forage, pea and barley.	Ukraine	100.0%	100.0%
Prydniprovskyi Krai, ALLC		Ukraine	100.0%	100.0%
Druzhba-Nova, ALLC		Ukraine	100.0%	100.0%
Druzhba 6, PE		Ukraine	100.0%	100.0%
Semerenny Agrofarm, LLC		Ukraine	100.0%	100.0%
Hovtva, ALLC		Ukraine	100.0%	100.0%

These condensed consolidated interim financial statements were authorized for release by the board of directors of Kernel Holding S.A. on 28 November 2025.

¹ As of 30 June 2025, legal ownership of Avere Commodities SA was 75.0% and economic ownership was 100.0%, out of which 37.5% are distributed under the employee profit-sharing arrangement.

Notes to the Condensed Consolidated Interim Financial Statements **continued**

for the three months ended 30 September 2025 (in thousands of US dollars, unless otherwise stated)

2. Change in Issued Capital

Since 15 June 2005, the parent company of the Group is Kernel Holding S.A. (Luxembourg). The issued capital of the Holding as of 30 September 2025, 30 June 2025 and 30 September 2024 consisted of 293,429,230 ordinary shares without indication of the nominal value. Ordinary shares have equal voting rights and rights to receive dividends (except for own shares purchased).

The shares were distributed as follows:

	As of 30 September 2025		As of 30 June 2025		As of 30 September 2024	
	Shares allotted and fully paid	Share owned	Shares allotted and fully paid	Share owned	Shares allotted and fully paid	Share Owned
Equity holders						
Namsen Limited	278,947,016	95.16%	278,947,016	95.16%	276,914,889	94.37%
Free float	14,182,214	4.84%	14,182,214	4.84%	16,514,341	5.63%
Total	293,129,230	100.00%	293,129,230	100.00%	293,429,230	100.00%

As of 30 September 2025, 30 June 2025 and 30 September 2024, the Company's immediate majority shareholder was Namsen Limited ("Namsen Ltd") and the Group was ultimately controlled by Mr. Andrii Verevskyi. As of 30 September 2025, 30 June 2025, and 30 September 2024, 100% of the beneficial interest in Namsen Ltd was held by Mr. Andrii Verevskyi.

As of 30 September 2025, the Group held 300,000 of its own ordinary shares as treasury shares, with a carrying amount of USD 6,566 thousand (30 June 2025: 300,000 shares for USD 6,566 thousand; 30 September 2024: nil). These shares are presented as a deduction from equity and are excluded from the weighted average number of shares used to calculate earnings per share and from the number of shares used in determining book value per share.

Luxembourg companies are required to allocate to a legal reserve a minimum of 5% of the annual net income until this reserve equals 10% of the subscribed issued capital. This reserve, in the amount of USD 775 thousand as of 30 September 2025 (30 June 2025: USD 775 thousand; 30 September 2024: USD 221 thousand), may not be distributed as dividends.

3. Operating Environment

On 24 February 2022, Russia launched a full-scale military invasion of Ukraine. In response, Ukraine declared martial law, which remains in effect as of the date of approval of these condensed consolidated interim financial statements. Hostilities continue in the eastern and southern regions of Ukraine along the frontline, with certain towns and cities in these areas remaining temporarily occupied. Sporadic missile and drone strikes are also conducted across the country.

Ukraine's economy retains the characteristics of an emerging market. Its development is significantly influenced by fiscal and monetary policies implemented by the Government of Ukraine, as well as by changes in the legal, regulatory, and political environment, which can occur rapidly.

In October 2025, inflation continued to moderate, reaching 10.9% year-on-year (9.7% in October 2024), although monthly prices increased by 0.9%. Disinflation is expected to slow due to higher operating costs arising from energy shortages and increases in administratively regulated prices. According to the National Bank of Ukraine ("NBU"), inflation is projected to decline to 9.2% in 2025, 6.6% in 2026, and reach the 5.0% target by end-2027.

Economic activity strengthened in the third quarter of 2025, supported by the early-crop harvest, resilient consumer demand, and an improved energy situation. Fiscal stimulus expected later in the year is expected to provide additional support to the recovery. However, renewed energy shortages, damage to infrastructure, and continued labor constraints are expected to weigh on business activity. As a result, the NBU has revised its 2025 GDP growth forecast to 1.9%.

Weather-related challenges and regional delays affected the sowing of winter crops for the 2026 harvest, although fieldwork is expected to be completed within optimal timeframes. Based on preliminary data from the Ministry of Economy, winter grains are forecast to cover 5.424 million hectares (2025 harvest: 5.657 million hectares).

As of 1 November 2025, Ukraine's international reserves reached a historic high of USD 49,516.3 million, increasing by 6.4% in October due to substantial inflows from international partners, which exceeded the NBU's net FX sales and external debt repayments.

On 24 October 2025, the NBU kept the key policy rate unchanged at 15.5% (October 2024: 13.0%). Despite the decline in inflation over recent months, inflation expectations remained high, and inflationary risks increased, particularly those related to larger energy shortages and higher budgetary needs. Under these conditions, in order to maintain the attractiveness of hryvnia-denominated assets, support the sustainability of the foreign exchange market, and ensure a steady decline in inflation toward the 5.0% target over the policy horizon, the NBU will continue to adhere to relatively tight monetary conditions.

As of the date of issue of these condensed consolidated interim financial statements, the war continues. The ongoing aggression by the Russian Federation presents significant risks of long-term economic damage, including reduced population, loss of territory, and productive capacity. The pace of recovery will depend on the duration and intensity of the conflict, with prolonged high-intensity warfare likely to delay a return to normal economic conditions and hinder the disinflation process.

The accompanying notes are an integral part of these financial statements.

Notes to the Condensed Consolidated Interim Financial Statements **continued**

for the three months ended 30 September 2025 (in thousands of US dollars, unless otherwise stated)

4. Material Accounting Policy Information

Basis of Preparation and Accounting

The condensed consolidated interim financial statements of the Group for the three months ending 30 September 2025 have been prepared in accordance with International Accounting Standard ("IAS") 34 Interim Financial Reporting, as adopted by the European Union, and do not include all the information and disclosures required for full annual consolidated financial statements and should be read in conjunction with the Group's Annual Report for the year ended 30 June 2025, except for the adoption of new and amended standards effective from 1 July 2025. The adoption of these standards did not have a material impact on the condensed consolidated interim financial statements.

The condensed consolidated interim financial statements have been prepared under the historical cost convention, modified for the revaluation of property, plant and equipment in the oilseeds processing segment, biological assets, agricultural produce, and certain financial assets and liabilities measured at fair value. They have been prepared on a going concern basis.

Going concern

The Group's operations have continued to be significantly impacted by Russia's full-scale military invasion of Ukraine on 24 February 2022, which caused widespread disruption across the country and triggered economic, humanitarian, and environmental crises. In response, Kernel Group has adapted its business activities, prioritizing continuity and safeguarding operations.

The Group has assessed the impact of the war on its business, and a detailed analysis of observable effects is provided on page 116 of the Annual Report, available on the [Company's website](#). This assessment remains relevant for these condensed consolidated interim financial statements. Updates on economic and operational conditions from July to September 2025 are included in the "Operating Environment" section of this report.

Management acknowledges that the future development and duration of military actions represent a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern and, therefore, may result in the Group being unable to realize its assets and discharge its liabilities in the normal course of business. Despite this material uncertainty related to the war in Ukraine, management continues to take actions to minimize its impact on the Group and therefore believes that the application of the going concern assumption in the preparation of these condensed consolidated interim financial statements remains appropriate.

Adoption of New and Revised Standards

The accounting policies applied in these condensed consolidated interim financial statements are consistent with those applied in the Group's annual consolidated financial statements for the year ended 30 June 2025, except for the following amendments to IFRS Accounting Standards adopted by the Group with effect from 1 July 2025:

Lack of Foreign Currency Exchangeability (Amendments to IAS 21): The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not.

The Group has not adopted any other standard, interpretation or amendment that has been issued, but not yet effective.

Functional and Presentation Currency

The functional currency of each Group entity is the currency of the primary economic environment in which it operates, and all financial statement items are measured accordingly, except for businesses engaged in the production and sale of sunflower oil and export terminals, for which USD was determined as the functional currency. The Group presents its condensed consolidated interim financial statements in US dollars ("USD").

Monetary assets and liabilities denominated in foreign currencies are translated at the closing exchange rates at the reporting date. Exchange differences arising on settlement or retranslation of monetary items are recognized in profit or loss. Non-monetary items measured at fair value in a foreign currency are translated at the exchange rates at the date of measurement, whereas those measured at historical cost remain translated at initial transaction-date rates.

The assets and liabilities of foreign operations with functional currencies other than USD are translated into USD at the closing exchange rates at the reporting date, while income and expenses are translated at average exchange rates for the period unless these do not approximate the exchange rates at the dates of the transactions, in which case transaction-date rates are applied. Exchange differences arising on the translation of foreign operations are recognized in the Condensed Consolidated Interim Statement of Profit or Loss and Other Comprehensive Income accumulated in "Translation reserve" and are reclassified to profit or loss upon disposal of the respective foreign operation.

The exchange rates during the period of the financial statements were as follows:

Currency	Closing rate as of 30 September 2025	Average rate for the three months ended 30 September 2025	Closing rate as of 30 June 2025	Closing rate as of 30 September 2024	Average rate for the three months ended 30 September 2024
USD/UAH	41.3176	41.5203	41.6409	41.1664	41.1412
USD/EUR	0.8506	0.8534	0.8525	0.8925	0.9104
USD/PLN	3.6315	3.6471	3.6164	3.8193	3.9000

The average exchange rates for each period are calculated as the arithmetic means of the exchange rates for all trading days during this period. The sources of exchange rates are the official rates set by the NBU for USD/UAH and by the National Bank of Poland for USD/EUR and USD/PLN.

The accompanying notes are an integral part of these financial statements.

Notes to the Condensed Consolidated Interim Financial Statements **continued**

for the three months ended 30 September 2025 (in thousands of US dollars, unless otherwise stated)

All foreign exchange gain or loss that occurs on revaluation of monetary balances, presented in foreign currencies, is allocated as a separate line in the Condensed Consolidated Interim Statement of Profit or Loss.

Corrections and reclassifications

In accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, the Group has made corrections and reclassifications in the comparative financial information as of 30 September 2024 presented in these condensed consolidated interim financial statements for the three months ended 30 September 2025.

In the Condensed Consolidated Interim Statement of Cash Flows, comparative information within financing activities was reclassified to provide more relevant information. For the three months ended 30 September 2024 the previously aggregated lines "Proceeds from borrowings" and "Repayment of borrowings" of USD 114,271 thousand and USD 82,701 thousand respectively, were replaced with "Net repayment of credit lines" of USD 33,220 thousand, "Proceeds from short-term and long-term borrowings" of USD 82,897 thousand and "Repayment of short-term and long-term borrowings" of USD 18,107 thousand.

The presentation of revenue by type of goods in Note 7 has been revised to improve alignment of revenue disclosure with product categories and operating segments. These changes did not affect the previously reported total revenue.

5. Critical Accounting Judgments and Key Sources of Estimation Uncertainty

The application of IFRS Accounting Standards requires management to make reasonable judgments, assumptions and estimates. These estimates and assumptions affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the condensed consolidated interim financial statements. The estimates are based on the information available as of the reporting date. Actual results could differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

6. Operating Segments

Operating segments are reported in a manner consistent with the internal reporting as provided to the chief operating decision-makers for the purpose of allocating resources and assessing performance. The executive management, who are members of the Board of Directors of the Company, are identified as chief operating decision makers.

For the purposes of the condensed consolidated interim financial statements, operating segments are defined based on the nature of activities, products sold, or services provided. The segmentation presented consists of the structure of financial information regularly reviewed by the Group's executive management, including the Chief Executive Officer. Segment performance is evaluated primarily on the basis of "EBITDA" (Earnings Before Interest, Taxes, Depreciation, and Amortization). EBITDA is calculated as the profit from operating activities, adding back amortization and depreciation.

The Group presents its results of activities within three operating segments:

- Oilseed Processing combines oilseed origination, edible oil production, and sales of bottled sunflower oil. Sunflower oil in bulk is mostly sold further to the Infrastructure and Trading segment for global marketing.
- Infrastructure and Trading segment, the Group combines results of Avere's global physical and proprietary trading operations, silo services, transportation and logistics assets, export terminals, vessels, grain origination, and export operations in Ukraine. This segment comprises interconnected business units that together form an integrated supply chain linking Ukrainian farmers to global markets. Management treats export terminals and grain storage facilities as production assets that support the grain merchandising business.
- Farming segment, the Group reports result of its crop production business, which includes growing corn, wheat, soybean, sunflower seed, and rapeseed on the leasehold land, as well as some minor crops and small cattle farming operations.

The measures of profit and loss, and assets and liabilities are based on the Group accounting policies, which comply with IFRS Accounting Standards, as adopted by the European Union.

Reconciliation eliminates intersegment items. The data of segments is calculated as follows:

- Intersegment sales reflect intergroup transactions effected on an arm's length basis.
- Capital expenditures, amortization and depreciation related to property, plant and equipment, and intangible assets are allocated to segments when possible.

The "Other" column reflects income and expenses not allocated to segments, which are related to the administration function of the Group. Since the financial management of the Group's companies is carried out centrally, borrowings, bonds, deferred taxes, and some other assets and liabilities are not allocated directly to the respective operating segments and are presented in the "Other" column. Consequently, the assets and liabilities shown for individual segments do not include borrowings, bonds, deferred taxes, and some other assets and liabilities.

Notes to the Condensed Consolidated Interim Financial Statements **continued**

for the three months ended 30 September 2025 (in thousands of US dollars, unless otherwise stated)

Seasonality of operations

The Oilseed Processing segment typically experiences seasonally lower sales in the first quarter of the financial year, corresponding to the end of the crushing season and reduced production levels. The Farming segment reflects seasonality associated with seeding and harvesting campaigns, which generally occur from November to May and from June to November, respectively. The Infrastructure and Trading segment usually records higher volumes in the months following the start of the harvesting campaign (July for early grains and September for autumn-harvested crops). Additionally, the Farming segment is generally subject to a greater impact from IAS 41 valuation of biological assets in the last quarter of the financial year, when more acreage is revalued at fair value less costs to sell. A significant effect from IAS 41 valuation of agricultural produce is also typically observed in the first half of the financial year, following the completion of the harvesting campaign.

7. Revenue and Key Data by Operating Segment

Key data by operating segment for the three months ended 30 September 2025:

	Oilseed Processing and Infrastructure and Trading		Farming	Other Reconciliation		Total
Revenue (external)	453,680	364,749	7,593	—	—	826,022
Intersegment sales	—	27,502	105,772	—	(133,274)	—
Total revenue	453,680	392,251	113,365	—	(133,274)	826,022
Net change in fair value of biological assets and agricultural produce	—	—	58,882	—	—	58,882
Cost of sales	(435,926)	(363,661)	(58,758)	—	133,274	(725,071)
Other operating income	5,419	21	625	7,049	—	13,114
Other operating expenses	—	(3,021)	—	(14,743)	—	(17,764)
General and administrative expenses	(6,566)	(11,237)	(13,425)	(7,576)	—	(38,804)
Net (impairment)/reversal of impairment losses on financial assets	(1,858)	(65)	15	(8)	—	(1,916)
Reversal of impairment losses/(impairment) on assets	1,783	(1,723)	(80)	4	—	(16)
Profit/(loss) from operating activities	16,532	12,565	100,624	(15,274)	—	114,447
Amortization and depreciation	10,411	7,700	10,193	787	—	29,091
EBITDA	26,943	20,265	110,817	(14,487)	—	143,538
Reconciliation:						
Finance costs						(17,053)
Finance income						10,814
Foreign exchange loss, net						(2,267)
Other expenses, net						(5,556)
Income tax expense						(5,055)
Profit for the period						95,330
Total assets	1,245,806	1,129,361	721,349	313,922	—	3,410,438
Capital expenditures	2,922	14,254	6,933	7,584	—	31,693
Liabilities	117,572	214,706	248,423	649,049	—	1,229,750

The accompanying notes are an integral part of these financial statements.

Notes to the Condensed Consolidated Interim Financial Statements *continued*

for the three months ended 30 September 2025 (in thousands of US dollars, unless otherwise stated)

Key data by operating segment for the three months ended 30 September 2024:

	Oilseed Processing	Infrastructure and Trading	Farming	Other Reconciliation	Total
Revenue (external)	370,089	415,014	12,592	—	797,695
Intersegment sales	2,913	39,518	93,921	(136,352)	—
Total revenue	373,002	454,532	106,513	(136,352)	797,695
Net change in fair value of biological assets and agricultural produce	—	—	41,526	—	41,526
Cost of sales	(338,777)	(402,587)	(69,777)	136,352	(674,789)
Other operating income	1,534	8,637	2,137	10,761	23,069
Other operating expenses	—	—	(325)	(4,789)	(5,114)
General and administrative expenses	(1,841)	(14,845)	(6,592)	(13,175)	(36,453)
Net (impairment)/reversal of impairment losses on financial assets	(5,375)	(2,253)	—	700	(6,928)
(Loss)/reversal of impairment losses on assets	(629)	2,680	(126)	77	2,002
Profit/(loss) from operating activities	27,914	46,164	73,356	(6,426)	141,008
Amortization and depreciation	8,706	7,155	11,072	1,210	28,143
EBITDA	36,620	53,319	84,428	(5,216)	169,151
Reconciliation:					
Finance costs					(24,050)
Finance income					17,151
Foreign exchange gain, net					527
Other expenses, net					(7,555)
Income tax expense					(6,406)
Profit for the period					120,675
Total assets	1,406,342	1,402,485	732,793	51,134	3,592,754
Capital expenditures	8,063	3,302	9,014	716	21,095
Liabilities	160,029	168,917	228,537	1,067,414	1,624,897

The Group revenue by category was as follows:

	For the three months ended 30 September 2025				For the three months ended 30 September 2024			
	Oilseed Processing	Infrastructure and Trading	Farming	Total	Oilseed Processing	Infrastructure and Trading	Farming	Total
Revenue from:								
- edible oils sold in bulk and meal	397,520	61,101	11	458,632	312,635	38,147	1,273	352,055
- agriculture commodities merchandising	—	285,227	596	285,823	—	329,385	5,331	334,716
- freight and other services	21,140	18,421	—	39,561	27,503	47,482	—	74,985
- bottled sunflower oil	30,882	—	—	30,882	23,402	—	9	23,411
- farming	—	—	6,986	6,986	—	—	5,979	5,979
- electricity	4,138	—	—	4,138	6,549	—	—	6,549
Total	453,680	364,749	7,593	826,022	370,089	415,014	12,592	797,695

Revenue is obtained principally from the sale of commodities, recognized once the control of the goods has been transferred from the Group to the customer. Revenue derived from freight, storage, and other services, presented in the line Revenue from edible oils sold in bulk, and meal, is recognized over time as the service is rendered.

The transaction price allocated to outstanding performance obligations as of 30 September 2025 is USD 2,551 thousand (30 September 2024: USD 9,389 thousand). This amount represents revenue from carriage, freight, and insurance services under CIF/CFR Incoterms contracts, which are to be executed in October 2025, when the goods are delivered to the point of destination, and under which the Group has already recognized revenue from the sale of goods at a point in time as of 30 September 2025.

Timing of revenue recognition allocated by the operating segment under the requirements of IFRS 15 was as follows:

	For the three months ended 30 September 2025				For the three months ended 30 September 2024			
	Oilseed Processing	Infrastructure and Trading	Farming	Total	Oilseed Processing	Infrastructure and Trading	Farming	Total
At a point in time	432,540	346,328	7,593	786,461	342,586	334,545	12,592	689,723
Over time	21,140	18,421	—	39,561	27,503	80,469	—	107,972
Total	453,680	364,749	7,593	826,022	370,089	415,014	12,592	797,695

The accompanying notes are an integral part of these financial statements.

Notes to the Condensed Consolidated Interim Financial Statements **continued**

for the three months ended 30 September 2025 (in thousands of US dollars, unless otherwise stated)

During the three months ended 30 September 2025, revenues of approximately USD 77,556 thousand (for the three months ended 30 September 2024: USD 100,033 thousand) were derived from a single external customer. These revenues are attributed to Oilseeds processing and Infrastructure and Trading segments. Export sales accounted for 94.2% of total external sales during that period (for the three months ended 30 September 2024: 93.1%).

For the three months ended 30 September 2025, revenue from the Group's five largest customers represented approximately 32.1% of total revenue (for the three months ended 30 September 2024: 44.4%).

The Group's revenue from external customers (based on the country of incorporation of the sales counterparty) and information about its segment assets (non-current assets excluding non-current financial assets and deferred tax assets) by geographical location are detailed below:

	Revenue from external customers		Non-current assets		
	For the three months ended 30 September 2025	For the three months ended 30 September 2024	As of 30 September 2025	As of 30 June 2025	As of 30 September 2024
Asia	437,735	282,838			
of which India	151,175	106,847			
Europe	363,039	500,271			
of which Switzerland	140,748	207,068			
Spain	83,642	37,342			
Other locations	25,248	14,586			
Total	826,022	797,695	Total	1,289,487	1,258,408
				1,258,408	1,184,256

No other individual location accounted for more than 10% of the Group's total revenue or non-current assets.

8. Cash and Cash Equivalents

The balances of cash and cash equivalents were as follows:

	As of 30 September 2025	As of 30 June 2025	As of 30 September 2024
Cash in banks in USD	480,899	449,176	776,686
Cash in banks in UAH	88,322	154,850	66,510
Cash in banks in other currencies	23,471	13,485	24,456
Total	592,692	617,511	867,652
Less bank overdrafts (Note 12)	(3)	(3)	(23)
Cash for the purposes of cash flow statement	592,689	617,508	867,629

As of 30 September 2025, 30 June 2025 and 30 September 2024, the Management monitors credit risk by assessing the financial position and external credit ratings of the parent institutions of these subsidiaries, in line with the Group's treasury policy and IFRS 7 requirements on credit risk disclosure.

9. Inventory

The balances of inventories were as follows:

	As of 30 September 2025	As of 30 June 2025	As of 30 September 2024
Raw materials	205,169	69,318	187,858
Finished products	132,683	186,698	75,219
Goods for resale	85,940	80,803	68,211
Products of agriculture	73,893	2,248	156,577
Work in progress	14,774	2,362	25,794
Fuel	6,608	5,644	7,297
Other inventories	14,732	16,394	10,985
Total	533,799	363,467	531,941

As of 30 September 2025, no inventories were pledged as security for short-term borrowings (30 June 2025: USD 143,930 thousand; 30 September 2024: nil) (Note 12).

Notes to the Condensed Consolidated Interim Financial Statements **continued**

for the three months ended 30 September 2025 (in thousands of US dollars, unless otherwise stated)

10. Biological Assets

The balances of biological assets were as follows:

	As of 30 September 2025		As of 30 June 2025		As of 30 September 2024	
	Units	Carrying amount	Units	Carrying amount	Units	Carrying amount
Non-current assets						
Non-current cattle, heads	1,735	2,393	3,683	4,957	4,016	5,573
Total		2,393		4,957		5,573
Current assets						
Crops in fields, hectares	198,595	180,566	341,942	229,200	32,814	32,185
Current cattle, heads	1,783	720	3,360	1,469	3,976	1,462
Total		181,286		230,669		33,647

For the three months ended 30 September 2025, the Group recognized a net gain of USD 58,882 thousand arising from changes in the fair value of biological assets (for the three months ended 30 September 2024: gain of USD 41,526 thousand).

The gain for the period primarily reflects a USD 66,243 thousand increase in the fair value of crops in the fields, mainly attributable to actual yields exceeding those forecasts at the date of the previous valuation, as well as the recognition of fair value gains on the new-season crops. In addition, the Group recognized a loss of USD 6,007 thousand from the remeasurement of agricultural produce at the point of harvest.

The balances of crops in fields were as follows:

	As of 30 September 2025		As of 30 June 2025		As of 30 September 2024	
	Hectares	Value	Hectares	Value	Hectares	Value
Corn	152,974	159,805	171,875	124,774	32,814	32,185
Rapeseed	38,369	12,335	3,975	2,577	—	—
Sunflower	6,021	7,841	46,336	34,788	—	—
Soybean	1,231	585	23,836	10,713	—	—
Wheat	—	—	94,690	55,831	—	—
Other	—	—	1,230	517	—	—
Total	198,595	180,566	341,942	229,200	32,814	32,185

11. Other Financial Assets

The balances of other financial assets were as follows:

	As of 30 September 2025	As of 30 June 2025	As of 30 September 2024
Margin account with brokers	151,156	67,491	140,247
Government bonds	105,678	144,402	189,439
Loans granted	40,125	46,437	39,886
Derivative financial instruments	14,656	26,116	19,776
Short-term bank deposits	802	12,000	756
Other financial assets	16,228	19,467	22,673
Total	328,645	315,913	412,777

12. Borrowings

The balances of borrowings were as follows:

	As of 30 September 2025	As of 30 June 2025	As of 30 September 2024
Current liabilities			
Bank credit lines	104,470	146,745	187,076
Current portion of long-term borrowings	22,511	22,239	—
Interest accrued on short-term borrowings	1,265	1,348	3,608
Interest accrued on long-term borrowings	763	791	—
Bank overdrafts (Note 8)	3	3	23
Short-term borrowings	—	—	155,633
Total	129,012	171,126	346,340
Non-current liabilities			
Long-term bank borrowings	76,682	82,307	—
Total	76,682	82,307	—

The accompanying notes are an integral part of these financial statements.

Notes to the Condensed Consolidated Interim Financial Statements *continued*

for the three months ended 30 September 2025 (in thousands of US dollars, unless otherwise stated)

The balances of bank credit lines in details by tranches were as follows:

			Amount due 30 September 2025	Amount due 30 June 2025	Amount due 30 September 2024
	Interest rate	Currency			
Ukrainian subsidiary of European bank	from 12.95% to 13.20%	UAH	58,166	57,720	—
Ukrainian subsidiary of European bank	13.00%	UAH	36,304	36,022	—
Ukrainian bank	6.00%	USD	10,000	—	—
European bank	2.10% plus COF ¹	USD	3	28,006	—
Ukrainian subsidiary of European bank	from 5.30% to 6.00%	USD	—	15,000	23,000
Ukrainian bank	4.95%	USD	—	10,000	—
Ukrainian subsidiary of European bank	from 6.75% to 6.90%	USD	—	—	45,000
Ukrainian subsidiary of European bank	10.50%	UAH	—	—	34,907
Ukrainian bank	7.25%	USD	—	—	29,112
Ukrainian bank	5.08% plus UIRD ²	USD	—	—	25,610
Ukrainian bank	4.35% plus UIRD	UAH	—	—	22,991
European bank	2.50% plus COF	USD	—	—	6,479
Total			104,473	146,748	187,099

As of 30 September 2025, the Group reclassified its bank borrowings with an initial long-term contractual maturity in the amount of USD 76,682 thousand from current to non-current liabilities. This classification reflects the fact that, as of the reporting date, the Group obtained a waiver from one of its long-term lenders in respect of certain covenant requirements. The presentation as non-current liabilities are based on the updated waiver terms and the Group's ongoing compliance with the amended covenant requirements.

The balance of borrowings as of 30 September 2025, 30 June 2025 and 30 September 2024 is disclosed in the table below:

	Contractual maturity	Interest rate in range	Currency	Amount due 30 September 2025	Amount due 30 June 2025	Amount due 30 September 2024
European bank	2030	from 3.03% to 3.10% plus SOFR ³	USD	47,423	49,793	68,281
European bank	2029	from 3.03% to 3.10% plus SOFR	USD	37,315	39,753	62,712
Ukrainian bank	2030	4.90% plus UIRD	USD	14,455	15,000	—
European bank	2027	4.50% plus SOFR	USD	—	—	21,120
European bank	2027	1.00%	USD	—	—	3,520
Total				99,193	104,546	155,633⁴

The Group's borrowings are subject to financial and non-financial covenants as specified in the respective loan agreements. These covenants are consistent with industry-standard practices for similar types of financial instruments.

As of 30 September 2025, borrowings are classified as non-current liabilities in the amount of USD 76,682 thousand (30 September 2024: presented as current liabilities in the amount of USD 122,247 thousand). These borrowings are subject to financial and non-financial covenants as specified in the respective loan agreements. The covenants are consistent with industry-standard practices for similar financial instruments and are monitored on a quarterly, semi-annual, or annual basis, depending on the terms of the loan agreement. Certain non-financial covenants are monitored on a continuous basis throughout the reporting period. A breach of these covenants provides lenders with the right to demand early repayment of the respective liabilities.

The principal financial covenants for key bank loans include Interest Cover Ratio, Net Leverage Ratio, Adjusted Net Leverage Ratio, and Gearing Ratio. Bank loans are also subject to certain restrictions on specific transactions, such as dividend distributions, guarantees for third-party obligations, investments, or transactions with joint ventures. Also, non-financial covenants include the occurrence of a material adverse event and require the regular submission of certain reports and other information to creditors.

Standard events of default under these agreements, subject to applicable grace periods and thresholds, include non-payment, cross-default, insolvency, and winding-up of the Group or certain subsidiaries, including guarantors under bonds issued.

The loan agreements also contain cross-default provisions, whereby the Group's default on other loan agreements or bonds issued may result in lender's right to request an early repayment of loan liabilities. As of the reporting date, the Group's management has not identified any breaches of obligations that could trigger cross-default events and does not expect such events to occur within 12 months after the reporting date.

The Group has assessed all relevant facts and circumstances and considers the risk of covenant non-compliance to be remote. This assessment considers the Group's current financial position, historical performance, and established processes for proactively managing key financial metrics.

The Group continuously monitors these metrics to ensure compliance with all covenant requirements.

¹ The Group's cost of funding (COF) reflects the weighted average interest rate on its outstanding borrowings. It is used as a reference input in determining discount rates applied in fair value measurements and value-in-use calculations.

² Ukrainian Index of Retail Deposit Rates (UIRD) – is the average retail deposit rate in Ukraine published by the National Bank of Ukraine, used as a reference for UAH-denominated discount rates.

³ The Secured Overnight Financing Rate (SOFR) is a broad measure of the cost of borrowing cash overnight collateralized by US Treasury securities.

⁴ As of 30 September 2024, the Group classified its bank borrowings with long-term initial contractual maturity in the amount of USD 122,247 thousand as short-term.

Notes to the Condensed Consolidated Interim Financial Statements *continued*

for the three months ended 30 September 2025 (in thousands of US dollars, unless otherwise stated)

As of 30 September 2025, the undrawn amount of bank borrowings amounted to USD 331,114 thousand, including available facility amounts upon bank credit lines and long-term financing (30 June 2025: USD 312,701 thousand; 30 September 2024: USD 195,041 thousand).

Short-term borrowings from banks were secured as follows:

	As of 30 September 2025	As of 30 June 2025	As of 30 September 2024
Property, plant and equipment	71,588	81,927	389,791
Inventory (Note 9)	—	143,930	—
Future sales receipts	—	11,127	—
Total	71,588	236,984	389,791

Long-term bank borrowings from banks were secured as follows:

	As of 30 September 2025	As of 30 June 2025	As of 30 September 2024
Property, plant and equipment	117,458	192,922	—
Total	117,458	192,922	—

13. Bonds issued

The balances of bonds issued were as follows:

	Maturity	As of 30 September 2025	As of 30 June 2025	As of 30 September 2024
US 300,000 thousand 6.75% coupon bonds (issued October 2020)	October 2027	298,716	298,487	298,309
US 300,000 thousand 6.50% coupon bonds (issued October 2019)	October 2024	—	—	299,792
Total		298,716	298,487	598,101

As of 30 September 2025, the bonds were rated CCC by S&P (30 June 2025: CCC; 30 September 2024: CC), consistent with the Ukrainian sovereign rating.

All the notes are unsecured, ranking equally with all existing and future senior unsecured indebtedness of the Company, and have been unconditionally and irrevocably guaranteed by designated Group subsidiaries on the joint and several basis to the maximum extent permitted by law.

As of 30 September 2025, the carrying amount of bonds classified as non-current liability in the amount of USD 298,716 thousand (30 June 2025: presented as non-current liabilities in amount of USD 298,487 thousand; 30 September 2024: presented as current liabilities in amount of USD 598,101 thousand) was subject to financial and non-financial covenants as specified in the respective bond prospectus. Financial covenants are monitored on an annual basis, while non-financial covenants are monitored continuously during the reporting period. The breach of these covenants gives the bondholders the right to demand early repayment of the respective liabilities. The bond prospectus includes financial covenants, which are mainly based on the ratios of such financial indicators as fixed charges cover ratio fixed expenses, level of liabilities and level of total assets and EBITDA of certain subsidiaries of the Group. Bonds are also subject to agreed and impose restrictions on certain transactions, such as the incurrence of additional indebtedness, restricted payments (including dividends, loans, capital contributions, investments), asset disposals, mergers, and other investments. Also, non-financial covenants require the regular submission of certain reports and other information to the trustee.

Standard events of default, typical for this type of instrument, include subject to applicable grace periods and carve-outs, non-payment, cross-default, insolvency, and judgment defaults affecting the Group or certain subsidiaries, including any guarantors under the bonds.

Bond prospectus also contains cross-acceleration provisions, whereby the Group's default on other loan agreements or bonds issued may result in acceleration of the bondholder's right to request an early repayment of bonds. As of the reporting date, the Group's management has not identified any breaches of obligations that could trigger cross-acceleration events and does not expect such events to occur within 12 months after the reporting date.

The Group has assessed all relevant facts and circumstances and considers the risk of covenant non-compliance to be remote. This assessment reflects the Group's current financial position, historical performance, and established processes for monitoring and managing key financial metrics. These metrics are continuously reviewed to ensure compliance with all covenant obligations.

As of 30 September 2024, the Group did not have an unconditional right to defer settlement of its bonds for 12 months or longer as of this date the effective bank waivers related to its loans covered less than 12 months. Consequently, the Group therefore classified its long-term bonds as short-term.

As of 30 September 2025, the Group obtained a waiver from one of its lenders in respect of certain non-financial covenants under a loan agreement. This waiver removed the risk that a potential covenant breach could trigger an early repayment requirement affecting the Group's bonds. Accordingly, in line with the requirements of IAS 1 Presentation of Financial Statements, the bonds have been classified as non-current liabilities in these condensed consolidated interim financial statements (Note 12).

The accompanying notes are an integral part of these financial statements.

Notes to the Condensed Consolidated Interim Financial Statements **continued**

for the three months ended 30 September 2025 (in thousands of US dollars, unless otherwise stated)

Interest on the coupon bonds is payable semi-annually in arrears in April and October. As of 30 September 2025, accrued interest on bonds issued was USD 8,596 thousand (30 June 2025: USD 3,616 thousand, 30 September 2024: 17,440).

14. Cost of Sales

The cost of sales was as follows:

	For the three months ended 30 September 2025	For the three months ended 30 September 2024
Cost of goods for resale and raw materials used	630,470	528,413
Shipping and handling costs	45,919	99,197
Amortization and depreciation	27,328	26,850
Payroll and payroll-related costs	21,354	20,329
Total	725,071	674,789

For the three months ended 30 September 2025, the result on operations with commodity futures, options and unrealized forwards, included within the Cost of goods for resale and raw materials used line, decreased Cost of sales in the amount of USD 17,846 thousand (for the three months ended 30 September 2024: USD 15,470 thousand decrease).

15. General and administrative expenses

General and administrative expenses were as follows:

	For the three months ended 30 September 2025	For the three months ended 30 September 2024
Payroll and payroll related costs	26,721	25,548
Audit, legal and other professional fees	3,069	4,022
Repairs and material costs	2,280	1,693
Other expenses	6,734	5,190
Total	38,804	36,453

16. Transactions with Related Parties

As of 30 September 2025, 30 June 2025 and 30 September 2024, the Group is controlled by the Namsen Ltd (Note 2).

The Group had the following balances outstanding with related parties from sales or purchases of goods and services:

Related party	Statement of Financial Position line	As of 30 September 2025	As of 30 June 2025	As of 30 September 2024
Entities under Common control	Trade accounts receivable	17,057	5,705	46,610
	Prepayments to suppliers	28,839	27,270	50,182
	Other financial assets	26,847	23,618	16,283
	Trade accounts payable	1,994	10,360	16,038
	Advances from customers and other current liabilities	34,889	34,606	46,333
	Other financial liabilities	1,850	291	1,500
Key management	Other financial assets	247	2,913	5,015
	Non-current financial assets	982	980	3,004
	Advances from customers and other current liabilities	25,535	21,442	7,318
	Other financial liabilities	31,552	31,961	76,153
Entities under Key Management control	Non-current financial assets	1,918	1,875	3,702
Other related parties	Prepayments to suppliers	—	—	1,239
	Other financial assets	1,757	5	16,280
	Non-current financial assets	—	—	2,840

As of 30 September 2025, the fair value of the liability recognized in respect of share options amounted to USD 29,940 thousand (30 June 2025: USD 29,940 thousand; 30 September 2024: USD 68,404 thousand).

Transactions with related parties are conducted on terms equivalent to those prevailing in arm's length transactions. Outstanding balances are unsecured and will be settled in cash. No guarantees have been provided or received in respect of related party receivables or payables. Loans are provided at interest rates comparable to the average commercial rate.

Notes to the Condensed Consolidated Interim Financial Statements **continued**

for the three months ended 30 September 2025 (in thousands of US dollars, unless otherwise stated)

Transactions with related parties were as follows:

Related party	Statement of Profit and Loss line	For the three months ended 30 September 2025	For the three months ended 30 September 2024
Entities under common control	Revenue	7,662	19,078
	Purchases of various goods and services	(2,438)	(29,710)
	Cost of sales	(1,114)	(3,138)
	Other operating income	764	901
	Loss on impairment of assets	1,590	—
Key management	General and administrative expenses	(4,430)	(12,079)
	Finance income	3	1,527
Entities under Key Management control	Financial income	43	1,718
Other related parties	Purchases of various goods and services	—	(2,696)

The Group's key management personnel are the members of the Board of Directors and the management team. The remuneration of Directors and other members of key management personnel recognized in the Condensed Consolidated Interim Statement of Profit and Loss, including salaries and other current employee benefits, amounted to USD 4,395 thousand (for the three months ended 30 September 2024: USD 9,911 thousand).

17. Commitments and Contingencies

Capital Commitments

As of 30 September 2025, the Group had commitments under contracts with a group of suppliers for a total amount of USD 16,864 thousand, mostly for reconstruction of the grain transshipment complex, construction and modernization of the oil-crushing plant (30 June 2025 and 30 September 2024: USD 15,781 thousand and USD 18,978 thousand respectively, mostly for the reconstruction of the grain transshipment complex, modernization and construction of the oil-crushing plant).

Contractual Commitments on Sales

As of 30 September 2025, the Group had entered into commercial contracts for the export of 1,836,500 tons of grain, 218,303 tons of vegetable oil, and 236,962 tons of sunflower meal and other related products, corresponding to an amount of USD 412,971 thousand, USD 272,279 thousand and USD 70,961 thousand, respectively, in contract prices as of the reporting date.

As of 30 June 2025, the Group had outstanding commercial contracts for the export of 1,348,000 tons of grain, 270,000 tons of vegetable oil, and 98,198 tons of sunflower meal and other related products, with contract values of USD 300,879 thousand, USD 290,550 thousand and USD 28,521 thousand, respectively, in contract prices as of the reporting date.

As of 30 September 2024, the Group had entered into commercial contracts for the export of 755,000 tons of grain, 300,600 tons of sunflower oil, 187,364 tons of sunflower meal and other related products, corresponding to an amount of USD 170,174 thousand, USD 325,545 thousand and USD 48,247 thousand, respectively, in contract prices as of the reporting date.

Taxation and Legal Issues

The international tax environment continues to evolve, particularly following the OECD/G20 BEPS Pillar Two initiative, which introduces a global minimum tax through the Global Anti-Base Erosion ("GloBE") Rules. Kernel Holding S.A. is part of the Kernel Group, which falls within the scope of the OECD Pillar Two Model Rules.

Pillar Two legislation has been enacted in Luxembourg, where Kernel Holding S.A. is incorporated, for financial years beginning on or after 31 December 2023. Under the Pillar Two framework, Namsen Ltd (Cyprus) has been determined to be the Group's Ultimate Parent Entity and is therefore required to apply the Income Inclusion Rule ("IIR") and recognize any top-up tax ("TUT") arising in respect of low-taxed entities within the Group. Cyprus transposed the EU Pillar Two Directive into domestic law on 18 December 2024, introducing the IIR effective for financial years beginning on or after 31 December 2023, and the Qualified Domestic Minimum Top-Up Tax ("QDMTT") and Undertaxed Profits Rule ("UTPR") for years beginning on or after 31 December 2024. Accordingly, the IIR applies to the Group from 1 July 2024.

Transitional Safe Harbour provisions may limit the Group's exposure to top-up tax in the first three reporting periods starting from the year ending 30 June 2025, subject to the relevant Country-by-Country Reporting thresholds.

As of 30 September 2025, Group companies were involved in ongoing tax litigation amounting to USD 37,028 thousand (30 June 2025: USD 27,238 thousand; 30 September 2024: USD 20,073 thousand). Based on historical outcomes of similar cases, management does not expect a material outflow of economic benefits and, accordingly, no provision has been recognised.

The accompanying notes are an integral part of these financial statements.

Notes to the Condensed Consolidated Interim Financial Statements **continued**

for the three months ended 30 September 2025 (in thousands of US dollars, unless otherwise stated)

As of 30 September 2025, the Group was a party to three legal cases in the District Court in Luxembourg, all initiated by eight shareholders who together held 1,210,430 shares as of February 2024, amounting to 0.4% of the Company's total issued shares:

- merits proceedings initiated as of 13 October 2023 with the objective: 1) To establish that the Group's directors acted against the Group's interests, were conflicted, and lacked the necessary authority at the Board of Directors' meeting on 13 April 2023; 2) To invalidate all decisions made during the aforementioned Board meeting, including the resolution to delist the Group from the Warsaw Stock Exchange; 3) Alternatively, to appoint an expert to assess (i) the fairness of the public tender offer price announced by Namsen Ltd on 30 March 2023, compared to the real value of the Group, and (ii) the economic impact of the Board of Directors' decisions, including the delisting, on the Group's corporate interests. These proceedings are currently pending.
- merits proceedings initiated on 20 February 2024 related mainly to the annulment of the Board of Directors' decisions made on 21 August and 1 September 2023, as mentioned above. Alternatively, the claimants seek compensation for damages from Namsen Ltd. These proceedings are currently pending.
- merits proceedings initiated on 26 April 2024 related mainly to the annulment of the decisions taken at the AGM held on 11 December 2023. These proceedings are currently pending.

Additionally, on 3 April 2024, the same group of minority shareholders initiated summary proceedings related mainly to the suspension of the decisions taken at the AGM held on 11 December 2023. On 27 November 2024, the Vice-President of Luxembourg District Court issued a summary order under which all claims brought by the claimants in legal action against the Group and its majority shareholder, Namsen Ltd, to seek the suspension of the resolutions adopted during the Group's Annual General Meeting on 11 December 2023, were declared inadmissible and, therefore, rejected. Additionally, the claimants were ordered to pay procedural indemnities to both the Group and Namsen Ltd. On 15 May 2025, the claimants filed the appeal. The appeal proceedings are currently pending.

As of 28 March 2025, the Luxembourg District Court issued a summary order declaring inadmissible and consequently rejecting the claims initiated on 20 February 2024 against the Company and its majority shareholder, Namsen Ltd. The claims sought interim relief in the form of a suspension of decisions made by the Company's Board of Directors regarding the share capital increase carried out in August–September 2023, including the issuance of 216,000,000 new shares, as previously disclosed. The Court further ordered the claimants to pay procedural indemnities to both the Group and Namsen Ltd. On 23 May 2025, the claimants filed an appeal. The appeal proceedings are currently pending.

The proceedings are at an early stage, and the outcome of the litigation cannot be reliably assessed at this time. However, the Group's management believes that there has been no non-compliance with applicable laws and regulations in relation to the matters raised by the claimants and, accordingly, no outflow of economic benefits is expected.

18. Financial Instruments

The following tables give information on the carrying and fair values of the financial instruments. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In the absence of market values, fair values have been estimated by discounting expected cash flows at prevailing market interest and exchange rates. These estimated fair values have been determined using market information and appropriate valuation methodologies but may not necessarily reflect the amounts that the company could realize in the normal course of business.

The following table below represents a comparison of carrying amounts and fair value of the financial instruments for which they differ:

Financial liabilities	As of 30 September 2025		As of 30 June 2025		As of 30 September 2024	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Bonds issued (Note 13) ¹	307,312	258,180	302,103	267,840	615,541	525,630
Long-term borrowings (Note 12) ²	99,193	99,190	104,545	105,008	—	—

For the three months ended 30 September 2025, the fair value of bank long-term borrowings was estimated by discounting the expected future cash outflows by a market rate of interest for bank borrowings of 6.90% that is within Level 2 of the fair value hierarchy.

The fair value of Bonds issued was estimated based on directly observable quotations within Level 2 of the fair value hierarchy.

Derivative instruments are carried at fair value, for which the Group evaluates the quality and reliability of the assumptions and data used to measure fair value in the two hierarchy levels, Level 1 and 2, as prescribed by IFRS 13 Fair Value Measurement. Fair values are determined in the following ways: externally verified via comparison to quoted market prices in active markets (Level 1) or by observable quoted prices sourced from exchanges or brokers in active markets for identical assets or liabilities (Level 2).

Valuation of the Group's commodity physical forward contracts categorized within Level 2 is based on observable quoted prices sourced from exchanges or traded reference indices in active markets for identical assets or liabilities and broker markups derived from observable quotations representing differentials, as required, including geographic location and local supply and demand.

¹ Including accrued interests

² Including current portion

Notes to the Condensed Consolidated Interim Financial Statements **continued**

for the three months ended 30 September 2025 (in thousands of US dollars, unless otherwise stated)

The following table below represents the fair values of the derivative financial instruments, including trade-related financial and physical forward purchase, as of 30 September 2025, 30 June 2025 and 30 September 2024:

	As of 30 September 2025			As of 30 June 2025			As of 30 September 2024		
	Level 1	Level 2	Total	Level 1	Level 2	Total	Level 1	Level 2	Total
Other financial assets									
Forwards	—	7,922	7,922	—	11,974	11,974	—	17,914	17,914
Futures/Options	6,734	—	6,734	14,142	—	14,142	1,862	—	1,862
Other financial liabilities									
Forwards	—	8,606	8,606	—	9,978	9,978	—	12,881	12,881
Currency swap contracts	—	620	620	—	1,251	1,251	—	—	—
Futures/Options	31,577	—	31,577	318	—	318	18,522	—	18,522

The major part of other financial liabilities has contractual maturity due within 6 months.

Cash and cash equivalents, short-term borrowings, and government bonds are classified as Level 2 fair values in the fair value hierarchy due to the inclusion of directly and indirectly observable inputs. Trade receivables, other current assets and trade accounts payable, other current liabilities are classified as Level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs, including counterparty credit risk.

For the three months ended 30 September 2025 and 30 September 2024, the fair value of other non-current assets recognized at amortized cost was estimated by discounting the expected future cash outflows by a market rate of interest for bank borrowings of 5-10% that is within Level 3 in the fair value hierarchy due to the inclusion of unobservable inputs, including counterparty credit risk.

There were no transfers between levels of the fair value hierarchy.

There were no changes in the valuation technique since the previous year.

19. Subsequent Events

No subsequent events occurred after the reporting date.