

Stock Market Update

Ferrexpo Slumps 21% on Bankruptcy Filing at Core Asset

Ukrainian equities posted sharp divergences last week, with Ferrexpo (FXPO) suffering the steepest decline. Shares of Ferrexpo tumbled 21% from GBP 71 to GBP 56, cutting the company's market capitalization to about USD 450mn. The selloff was triggered by news that bankruptcy proceedings had been opened against Poltava Mining, Ferrexpo's core asset. Creditors are seeking UAH 4.7bn (USD 108mn) under guarantees provided by the plant for loans related to insolvent Finance & Credit Bank. A legal dispute between the plant and the creditor over the UAH 4.7bn guarantees remains under review at the Supreme Court of Ukraine.

Ukrainian agricultural stocks traded mixed. Kernel (KER) slipped 0.2%, despite a quarterly earnings report that disappointed investors. Shares of MHP (MHPC) and IMC (IMC) rose 1.2% and 3.3%, respectively, while Astarta (AST) fell 2.8%.

Shares of Kyivstar (KYIV), which trade on the New York Stock Exchange, declined 0.9% over the week and are down 8.8% year-to-date, giving the company a market value of about USD 2.7bn.

In the war developments, Russian officials increasingly consider there's no point to continue US-led peace talks with Ukraine unless Kyiv is willing to cede territory to reach a deal, according to people familiar with the negotiations. Talks planned for this week will be decisive in whether or not the sides can agree on terms to end the war. Russia's war in Ukraine has now entered its fifth year.

Global financial markets are adjusting to heightened geopolitical risks after the U.S. and Israel carried out strikes on Iran targeting its leadership, a move that could tip the Middle East into a prolonged conflict.

Highlights

POLITICS AND ECONOMICS

> Ukraine Backs US-Israeli Attack on Iran, Offers Support to Gulf States

STOCKS IN THE NEWS

> Kernel Misses Expectation Posting Net Profit of USD 24mn in Oct-Dec Quarter (-57% YoY)

The National Bank of Ukraine has opened a special fundraising account to support the Armed Forces of Ukraine. Please find more at the National Bank's official website under the link below:

www.bank.gov.ua/en/about/support-the-armed-forces

The National Bank also opened fundraising account for Humanitarian Assistance to Ukrainians. Please see details under the link below:

www.bank.gov.ua/en/about/humanitarian-aid-to-ukraine

www.eavex.com.ua

TREND



UNITED24 charitable donations will be transferred to the official accounts of the National Bank of Ukraine and allocated by assigned ministries to cover the most pressing needs:

www.u24.gov.ua

MARKET INDEXES

	Last	1W ch	YTD
PFTS	461	0.0%	0.0%
RTS	1141	0.0%	2.4%
WIG20	3440	1.7%	8.0%
MSCI EM	1611	2.8%	14.7%
MSCI Global	1057	0.4%	4.2%
S&P 500	6879	-0.4%	-0.3%

FIXED INCOME

	Last	1W ch	YTD
NBU Key Rate	15.0%	0.0 p.p.	-0.5 p.p.
UAH 1-year bond yield	15.3%	-0.1 p.p.	-1.1 p.p.
Ukraine-2029 yield	17.8%	0.9 p.p.	-0.2 p.p.
Ukraine-2036 yield	14.7%	0.8 p.p.	0.2 p.p.

CASH EXCHANGE RATES

	Last, UAH	1W ch	YTD
USD/UAH	43.30	-0.3%	2.4%
EUR/UAH	51.30	0.0%	2.7%

Source: Eavex Capital

Ukraine Backs US-Israeli Attack on Iran, Offers Support to Gulf States

by Will Ritter
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NEWS

Ukraine's government expressed implicit support this weekend (Feb 28-Mar 1) for the joint US & Israeli attack against Iran which assassinated the country's longtime leader Ali Khamenei, who had been in power for 37 years.

Foreign Minister Andriy Sybiha issued a public statement expressing "solidarity" with nations in the Middle East, including Jordan, Kuwait, the UAE, Qatar, and Bahrain, which were hit by Iranian retaliatory missile strikes due to their hosting of US military bases. Sybiha accused Iran of "a criminal policy of violence, terror, and aggression."

Meanwhile, President Zelenskiy has offered Ukrainian expertise in drone and missile defense to assist the Gulf States, which have struggled to shoot down Iranian projectiles despite possessing expensive Western air defense systems. Zelenskiy also stressed Iran's longtime role in arming Russia with the Shahed drones that have been used extensively to attack Ukraine over the last 4 years.

COMMENTARY

It is difficult for us to see how the US-Israeli war against Iran could be positive for Ukraine in the near term.

The resulting rise in oil prices is likely to provide an immediate boost to the Russian war economy, while the neutering of the Iranian regime has only a symbolic value, since Russia is now producing most of its drones domestically.

Of course, there is uncertainty about how much oil will actually rise; the initial increase in the Brent price was a relatively modest 10% to near USD 79 per barrel. Perhaps even more importantly, the war against Iran will deflect the Trump administration's attention from Ukraine at a time when Ukraine will be facing renewed Russian offensive operations to capture territory this spring.

The peace process had already been floundering amid the Kremlin's repeated demands for Zelenskiy to cede the remaining 2000 square miles of Ukrainian-controlled Donbas territory; in our opinion, we are nearing the point where substantive peace talks may simply be abandoned, with the window to end the war before the 2026-27 winter closing quickly.

Kernel Misses Expectation Posting Net Profit of USD 24mn in Oct-Dec Quarter (-57% YoY)

by Dmitry Churin
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KERNEL (KER PW)

Price: PLN 20.95 Market Cap: USD 1,72bn

	P/B	EV/S	P/E	EV/EBITDA	Div. Yield
FY25	0.8	0.5	7.2	4.7	0.0%
FY26E	0.0	0.5	6.9	5.4	0.0%

NEWS

Kyiv-based, Warsaw-listed Kernel Holding, Ukraine's largest sunflower oil producer, reported a net profit of USD 24mn for October-December, the second quarter of its 2026 fiscal year. The figure marks a 57% decline from the same period a year earlier.

Net income for July-December dropped by 33% YoY to USD 119mn. Revenue for the six-month period declined by 1% to USD 1.92bn, and EBITDA fell 14% to USD 247mn, with an EBITDA margin of 12.8%.

The company's CAPEX was USD 25mn in Oct-Dec 2025, primarily related to the reconstruction of the transshipment terminal in Chornomorsk, agricultural machinery, standby power equipment, and grain railcars.

In December 2025, the Group completed the reconstruction of the Transbulkterminal, which had been damaged by a targeted Russian missile attack in August 2023. Upon completion, the terminal's transshipment capacity was fully restored to its original level of 10mn tonnes of soft commodities per annum. Kernel's grain exports from Ukraine totaled 1.5mn tonnes in Q2FY2026, representing a 15% share in the total grain exports from Ukraine in the period.

KERNEL FINANCIAL RESULTS

USD mn	2Q2024	2Q2025	YoY	1H2024	1H2025	YoY
Net revenue	1,149	1,098	-4%	1,947	1,924	-1%
EBITDA	118	103	-13%	287	247	-14%
EBITDA margin	10.3%	9.4%	-0.9 p.p.	14.7%	12.8%	-1.9 p.p.
Net Income	56	24	-57%	177	119	-33%
Net margin	4.9%	2.2%	-2.7 p.p.	9.1%	6.2%	-2.9 p.p.

Source: Company data,

COMMENTARY

Kernel disappointed with its financial results for the Oct-Dec quarter largely missing expectations.

The company did not provided clear reasons for the revenue underperformance, while noting that a higher logistics cost worsened profitability in the reported period.

On the debt side, Kernel's net debt rose to USD 451mn. The net debt-to-EBITDA ratio increased to 1.1x as of December 31, 2025, compared with 0.7x a year earlier. The interest coverage ratio, calculated on a last-twelve-months basis, remained robust at 13.2x EBITDA-to-Interest.

In absolute terms, total debt was USD 782mn. Cash holdings amounted to USD 331mn. Total assets stood at USD 3.4bn as of the reporting date.

Kernel's stock has been virtually unchanged at PLN 21 level since the start of the year.

The company's eurobonds maturing in 2027 are trading at 95 cents on the dollar, implying a yield to maturity of 9.8%.

QUOTES AND MULTIPLES FOR SELECTED UKRAINIAN LISTED COMPANIES

	Ticker	Last Price*	Absolute performance		MCap USD mn	EV USD mn	Free float	P/E		EV/EBITDA		EV/Sales 2026E
			1W	YtD				2025E	2026E	2025E	2026E	
PFTS Index	PFTS	461	0.0%	0.0%								
Iron Ore Mining												
Ferrexpo	FXPO	56.2	-21.1%	-24.2%	454	353	25.5%	7.0	5.3	3.2	2.5	0.4
Oil & Gas												
Enwell Energy	ENW	15.8	0.0%	-10.0%	68	-26	21.6%	4.5	6.2	na	na	na
Telecom												
Kyivstar	KYIV	11.82	-0.9%	-8.8%	2,729	3,169	10.0%	15.2	10.9	5.2	5.0	2.9
Agro sector												
MHP	MHPC	8.38	1.2%	16.4%	897	2,427	33.7%	3.7	4.3	4.6	4.4	0.7
Kernel (FY24, FY25, FY26E)	KER	20.95	-0.2%	0.0%	1,722	2,173	5.4%	7.2	6.9	4.7	5.4	0.5
Astarta	AST	48.50	-2.8%	10.2%	332	554	37.0%	4.7	4.3	3.4	3.1	1.0
IMC	IMC	31.00	3.3%	21.1%	308	301	18.3%	5.9	4.7	3.5	3.5	1.4
Banks												
										Price/Book	Price/Assets	
Raiffeisen Bank Aval	BAVL	0.38	0.0%	0.0%	538		1.8%	5.4	5.0	0.8	0.7	0.11

Source: UX. PFTS. LSE. WSE. Eavex Research
* prices are in traded currency

QUOTES AND MULTIPLES FOR SELECTED U.S. COMPANIES

	Ticker	Price USD	Absolute performance		MCap USD bn	EV USD bn	P/E		EV/EBITDA		EV/Sales 2026E	
			1W	YtD			2025E	2026E	2025E	2026E		
Индекс S&P 500	S&P 500	6879	-0.4%	-0.3%								
Technology sector												
Apple	AAPL	264	-0.4%	-2.9%	4,118	4,158		46	43	30	29	10
Microsoft	MSFT	393	-1.0%	-18.6%	2,920	2,910		30	29	20	19	10
NVIDIA	NVDA	177	-6.8%	-5.1%	4,335	4,305		52	47	45	40	26
Palantir Technologies	PLTR	137.2	1.5%	-22.8%	299	295		374	272	328	227	51
Electric Utilities												
American Electric Power	AEP	133.8	3.4%	16.1%	71	115		23.0	21.6	14.4	13.7	5.4
Dominion Energy	D	63.1	-4.4%	7.7%	53	96		21.2	18.9	13.5	13.1	6.0
Oil & Gas												
Exxon Mobil	XOM	153	4.1%	27.5%	673	688		19.2	18.2	9.1	8.5	1.8
Devon Energy	DVN	43.5	-2.0%	18.5%	29	37		7.9	7.5	4.7	4.3	2.1
PBF Energy	PBF	35.6	3.5%	30.6%	5.3	6.4		10.7	13.4	8.0	9.2	0.2
Iron Ore Mining												
VALE	VALE	17.18	2.8%	32.2%	73	85		7.3	6.8	5.0	5.9	1.8
Pharmaceutical												
Pfizer	PFE	27.7	3.7%	11.2%	157	214		32.1	30.8	14.8	14.5	3.5
Bristol-Myers Squibb	BMJ	62.4	2.8%	15.6%	127	170		neg	21.8	13.7	13.2	3.3

Source: Bloomberg

MAIN FINANCIAL FORECASTS FOR UKRAINIAN COMPANIES, USD mn

		Net Sales			EBITDA			EBITDA margin			Net Profit			Net Profit margin		
		2024	2025E	2026E	2024	2025E	2026E	2024	2025E	2026E	2024	2025E	2026E	2024	2025E	2026E
Iron Ore Mining																
Ferrexpo	FXPO	933	850	880	69	110	140	7.4%	12.9%	15.9%	-50	65	85	-5.4%	7.6%	9.7%
Oil & Gas																
Enwell Energy	ENW	80	45	35	49	25	18	61.3%	55.6%	51.4%	28	15	11	35.0%	33.3%	31.4%
Telecom																
Kyivstar	KYIV	919	990	1,085	592	610	635	64.4%	61.6%	58.5%	283	180	250	30.8%	18.2%	23.0%
Agro sector																
MHP	MHPC	3,046	3,350	3,420	566	530	550	18.6%	15.8%	16.1%	144	245	210	4.7%	7.3%	6.1%
Kernel (FY24, FY25, FY26E)	KER	3,800	4,115	4,300	680	466	400	17.9%	11.3%	9.3%	370	238	250	9.7%	5.8%	5.8%
Astarta	AST	645	518	570	202	164	177	31.3%	31.7%	31.1%	89	70	77	13.8%	13.6%	13.5%
IMC	IMC	180	170	210	80	85	87	44.4%	50.0%	41.4%	55	52	65	30.6%	30.6%	31.0%
Banks		Total Assets			Total Equity			Total Income			Net Profit			Return on Equity		
Raiffeisen Bank Aval	BAVL	4,643	5,059	5,011	615	707	731	488	467	500	100	100	107	16.3%	14.2%	14.6%

Source: Eavex Research

FINANCIAL FORECASTS FOR SELECTED U.S. COMPANIES, USD bn

		Net Sales			EBITDA			EBITDA margin			Net Profit			Net Profit margin		
		2024	2025E	2026E	2024	2025E	2026E	2024	2025E	2026E	2024	2025E	2026E	2024	2025E	2026E
Technology sector																
Apple	AAPL	391	395	407	135	137	141	34.5%	34.7%	34.6%	94	90	96	24.0%	22.8%	23.6%
Microsoft	MSFT	245	265	285	133	147	152	54.3%	55.5%	53.3%	88	96	102	35.9%	36.2%	35.8%
NVIDIA	NVDA	118	145	165	75	95	108	63.6%	65.5%	65.5%	65	83	93	55.1%	57.2%	56.4%
Palantir Technologies	PLTR	2.9	4.1	5.8	0.6	0.9	1.3	20.7%	22.0%	22.4%	0.5	0.8	1.1	17.2%	19.5%	19.0%
Electric Utilities																
American Electric Power	AEP	19.8	20.7	21.5	7.7	8.0	8.4	38.9%	38.6%	39.1%	2.7	3.1	3.3	13.6%	15.0%	15.3%
Dominion Energy	D	14.7	15.1	15.9	6.7	7.1	7.3	45.6%	47.0%	45.9%	2.4	2.5	2.8	16.3%	16.6%	17.6%
Oil & Gas																
Exxon Mobil	XOM	344	352	375	72	76	81	20.9%	21.6%	21.6%	34	35	37	9.9%	9.9%	9.9%
Devon Energy	DVN	15.8	16.2	17.5	7.6	7.9	8.6	48.1%	48.8%	49.1%	3.4	3.6	3.8	21.5%	22.2%	21.7%
PBF Energy	PBF	34.9	35.3	37.9	0.4	0.8	0.7	1.1%	2.3%	1.8%	0.2	0.5	0.4	0.6%	1.4%	1.1%
Iron Ore Mining																
VALE	VALE	41.0	44.0	47.0	15.2	17.0	14.5	37.1%	38.6%	30.9%	9.3	10.0	10.8	22.7%	22.7%	23.0%
Pharmaceutical																
Pfizer	PFE	59.4	62.0	61.0	13.8	14.5	14.8	23.2%	23.4%	24.3%	4.3	4.9	5.1	7.2%	7.9%	8.4%
Bristol-Myers Squibb	BMJ	47.4	48.8	51.0	5.1	12.4	12.9	10.8%	25.4%	25.3%	-7.3	6.5	5.8	-15.4%	13.3%	11.4%

Source: Bloomberg

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