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**Operations Update for 2021**

Ovostar Union Public Company Limited (WSE: OVO) (further referred to as “Company”), a vertically integrated holding company, one of the leading egg and egg products producer in Ukraine, announces its operational results for the year 2021.

As of 31 December 2021 the Company’s total flock was 8.4 mln heads, including 7.0 mln laying hens (31 December 2020: 7.9 mln and 6.6 mln respectively).

The volume of eggs produced in 2021 totaled 1 691 mln, demonstrating 1% increase Y-o-Y (2020: 1 672 mln eggs). In the reporting period the sales volume in shell eggs segment increased by 8% Y-o-Y to 1 150 mln eggs (2020: 1 067 mln). The volume of eggs exported was 264 mln that makes up 23% of the total sales in the segment (2020: 349 mln or 33%).

Average price of eggs in UAH terms increased by 17% Y-o-Y and reached 1.880 UAH/egg, while in USD terms there was a 16% increase up to 0.069 USD/egg (2020: 1.608 UAH/egg or 0.060 USD/egg respectively).

In 2021 the volume of eggs processed was 501 mln, which is by 15% below the level of the previous year (2020: 589 mln eggs).

The volume of dry egg products output decreased by 15% Y-o-Y and reached 2 699 tons (2020: 3 161 tons). The output of liquid egg products fell by 8% Y-o-Y to 14 136 tons (2020: 15 371 tons).

The volume of dry egg products sold fell by 1% and equaled to 3 237 tons (2020: 3 270 tons), out of which 2 064 tons, or 64%, were exported (2020: 2 268 tons or 69%).

The volume of liquid egg products sales decreased by 5% Y-o-Y and totaled 14 391 tons (2020: 15 165 tons), 4 098 tons, or 28%, of which were exported (2020: 4 647 tons or 31%).

Average sales price of dry egg products grew by 18% Y-o-Y in UAH terms – to 131.22 UAH/kg and by 17% in USD terms – to 4.81 USD/kg (2020: 110.84 UAH/kg or 4.11 USD/kg). Average price of liquid egg products rose by 22% in UAH terms and was 42.22 UAH/kg, while in USD terms it increased by 20% and equaled 1.55 USD/kg (2020: 34.71 UAH/kg и 1.29 USD/kg).

*The Company’s CEO Mr. Borys Bielikov commented:*

*“2021 was marked by a series of challenges for the egg industry, in particular, continuing growth of prices for the feed mix components and energy resources led to a substantial increase of the production cost forcing many producers out of the market. However, the Group has managed to preserve the flock and deliver solid operational results. Taking into account the positive dynamics of prices for eggs and egg products observed in the second half of 2021, the management expects more favorable market conditions in the beginning of 2022.”*

*Note: All prices in this press release are indicated net of VAT*