



23 July 2021

Operations Update for the six months ended 30 June 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 six months ended 30 June 2021.

As of 30 June 2021 the Company’s total flock equaled 8.01 mln hens, including 6.63 laying hens (30 June 2020: 8.24 and 6.91 mln hens respectively).

The volume of eggs produced in H1 2021 was 831 mln demonstrating 5% increase YoY (H1 2020: 793 mln). In the reporting period the sales volume in the egg segment totaled 560 mln (H1 2020: 490 mln). Export sales of shell eggs totaled 144 mln (H1 2020: 169 mln), which represents 26% of total number of eggs sold in H1 2021 (H1 2020: 34%). Average price of eggs in H1 2021 increased by 34% YoY in USD terms to 0.079 USD/egg (H1 2020: 0.059 USD/egg).

The volume of eggs processed in H1 2021 fell by 16% YoY and totaled 244 mln (H1 2020: 290 mln). The Company produced 1 619 tons of dry egg products and 5 691 tons of liquid egg products (H1 2020: 1 782 tons and 6 598 tons respectively).

The volume of dry egg products sold amounted to 1 622 tons (H1 2020: 1 658 tons), out of which 1 125 tons, or 69%, were exported (H1 2020: 1 218 tons, 73%). The volume of liquid egg products sold was 5 726 tons (H1 2020: 6 401 tons), out of which export sales equaled 1 743 tons or 30% (H1 2020: 2 467 tons, 39%).

Average price of dry egg products increased by 18% YoY to 4.69 USD/kg (H1 2020: 3.96 USD/kg); average price of liquid egg products grew by 24% YoY to 1.56 USD/kg (H1 2020: 1.26 USD/kg).

The Company’s CEO Mr. Borys Bielikov commented:

«In the first half of 2021 the market has showed signs of recovery after the steep downturn we saw in the previous two years. Shrinking of egg production volumes in Ukraine has somewhat balanced supply and demand, which subsequently eased the pressure on the selling prices inside the country. Fortunately, “Ovostar Union” has managed to increase the output and boost sales with a focus on the shell egg segment. In general, the management is content with the operational performance of the Group for the first six months of the year.»

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