



24 April 2020

Operations Update for the three months ended 31 March 2020

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 three months ended 31 March 2020.

As of 31 March 2020 the Company’s total flock equaled 7.96 mln hens, including 6.50 laying hens (31 March 2019: 7.86 and 6.67 mln hens respectively).

The volume of eggs produced in Q1 2020 was 392 mln demonstrating 2% increase YoY (Q1 2019: 384 mln). In the reporting period the sales volume in the egg segment totaled 241 mln (Q1 2019: 335 mln).

Export sales of shell eggs totaled 81 mln (Q1 2019: 186 mln), which represents 34% of total number of eggs sold in Q1 2020 (Q1 2019: 56%).

Average price of eggs in Q1 2020 decreased by 15% YoY in USD terms to 0.059 USD/egg (Q1 2019: 0.069 USD/egg).

The volume of eggs processed in Q1 2020 grew by 7% YoY and reached 152 mln (Q1 2019: 142 mln). The Company produced 837 tons of dry egg products and 3 783 tons of liquid egg products (Q1 2019: 735 tons and 3 557 tons respectively).

The volume of dry egg products sold amounted to 909 tons (Q1 2019: 532 tons), out of which 729 tons, or 80%, were exported (Q1 2019: 373 tons, 70%).

The volume of liquid egg products sold was 3 616 tons (Q1 2019: 3 498 tons), out of which export sales equaled 1 656 tons or 46% (Q1 2019: 1 636 tons, 47%).

Average price of dry egg products decreased by 12% YoY to 4.07 USD/kg (Q1 2019: 4.63 USD/kg); average price of liquid egg products fell by 4% YoY to 1.40 USD/kg (Q1 2019: 1.46 USD/kg).

The Company’s CEO Mr. Borys Bielikov commented:

«The start of the year has brought about a number of threats and challenges on the global level. Industries throughout the world are now adjusting their business models to mitigate the risks related to COVID-19 pandemic. The Company has taken all possible measures to maintain its regular mode of operations, despite unprecedented safety measures introduced at our production sites. The production cycle and supply chains were not affected, which resulted in solid operational performance for the quarter.»

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