



23 October 2020

Operations Update for the nine months ended 30 September 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 nine months ended 30 September 2020.

As of 30 September 2020 total flock of the Company was 8.1 mln heads demonstrating 3% increase Y-o-Y (2019: 7.9 mln heads). The laying flock grew by 3% Y-o-Y and reached 6.9 mln heads (2019: 6.7 mln heads).

Over the nine months of 2020 1 236 mln eggs were produced (2019: 1 191 mln eggs). Sales volume of shell eggs totaled to 795 mln (2019: 888 mln eggs). Lower sales volume is accounted for by reduction of trading activities in the reporting period. Export sales equaled 266 mln eggs or 34% of the total sales volume (2019: 440 mln eggs and 50% respectively).

Average selling price of shell eggs fell by 8% Y-o-Y to 0.056 USD/egg (2019: 0.061 USD/egg).

In the reporting period 433 mln eggs were processed (2019: 432 mln eggs). The output of dry and liquid egg products was 2 597 tons (+19% Y-o-Y) and 9 983 tons (-5% Y-o-Y) respectively.

Sales volume of dry egg products equaled 2 417 tons (+39% Y-o-Y), out of which 1 705 tons, or 71%, were exported (2019: 1 235 tons and 71% respectively).

Sales volume of liquid egg products equaled 9 692 tons (-7% Y-o-Y), out of which 3 521 tons, or 36%, were exported (2019: 5 069 tons and 48% respectively).

Average selling price of dry egg products decreased by 8% Y-o-Y to 4.05 USD/kg (2019: 4.39 USD/kg); average selling price of liquid egg products fell by 16% Y-o-Y to 1.19 USD/kg (2019: 1.41 USD/kg).

The Company’s CEO Mr. Borys Bielikov commented:

“It is worth saying that during the nine months of the year the Company has been quite successful in responding to the challenges related the COVID-19 pandemic and unfavorable macroeconomic environment. We have managed to minimize negative effects on the Group’s operations and to increase production volumes. In general, the management finds the operational results for the reporting period satisfactory.”

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