

25 July 2022



Operations Update for the six months ended 30 June 2022

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 2022.

As of 30 June 2022 the Company’s total flock equaled 6.26 mln hens, including 6.18 laying hens (30 June 2021: 8.01 and 6.63 mln hens respectively).

The volume of eggs produced in H1 2022 was 794 mln demonstrating 4% decrease YoY (H1 2021: 831 mln). In the reporting period the sales volume in the egg segment totaled 541 mln (H1 2021: 540 mln). Export sales of shell eggs totaled 128 mln (H1 2021: 144 mln), which represents 24% of total number of eggs sold in H1 2022 (H1 2021: 27%). Average price of eggs in H1 2022 decreased by 2% YoY in USD terms to 0.076 USD/egg (H1 2021: 0.078 USD/egg).

The volume of eggs processed in H1 2022 fell by 18% YoY and totaled 216 mln (H1 2021: 264 mln). The Company produced 1 420 tons of dry egg products and 4 745 tons of liquid egg products (H1 2021: 1 619 tons and 6 680 tons respectively).

The volume of dry egg products sold amounted to 773 tons (H1 2021: 1 622 tons), out of which 425 tons, or 55%, were exported (H1 2021: 1 125 tons, 69%). The volume of liquid egg products sold was 4 547 tons (H1 2021: 6 713 tons), out of which export sales equaled 1 857 tons or 41% (H1 2021: 1 743 tons, 26%).

Average price of dry egg products increased by 71% YoY to 8.01 USD/kg (H1 2021: 4.69 USD/kg); average price of liquid egg products grew by 11% YoY to 1.85 USD/kg (H1 2021: 1.66 USD/kg).

The Company’s CEO Mr. Borys Bielikov commented:

“On the background of the ongoing Russian military invasion, the Group made steps to adjust its operation to the challenging business environment. In response to the shrinking local demand the laying flock was reduced which led to the 4% decrease in egg output. The volume of shell eggs sales, however, remained on the level of the previous year, while the share of the processed eggs went down. The Group maintains its export sales, both in shell egg and egg products segments, to offset negative effects caused by the local market instability. Under the circumstances, 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