



**11 April 2022**  
**Kyiv, Ukraine**

## **MHP SE**

### **Operational Update**

MHP SE, the parent company of the international food and agricultural group with headquarters and principal operations in Ukraine would like to provide its stakeholders with an update on MHP's operations in Ukraine.

#### **1. Continuous Humanitarian Efforts.**

The Company has been providing humanitarian aid (mainly through food supply) to the population of Ukraine (communities, people in need, defenders) since the beginning of the War, despite logistical challenges across all regions of Ukraine. Since the War began, the Company has provided up to 11,000 tonnes of poultry products pro bono.

The Company continues to focus on the care and wellbeing of the people of Ukraine. Currently, MHP has a key responsibility in the food security of the country and it has continued its operations despite significant difficulties and disruptions. MHP fully understands how important poultry production is for Ukraine and its population at such difficult times. All MHP employees are fully committed in every effort to ensure that Ukrainians have access to food now and at any time in the future.

#### **2. Commencement and Progress with the Sowing Campaign**

This upcoming week, MHP's 2022 Spring sowing campaign, which has already commenced in a few regions of Ukraine, is expected to progress significantly across all regions where MHP cultivates land. The Company has all the necessary resources and materials to successfully complete the 2022 Spring campaign, including seeds, fertilizers, plant protection materials and diesel fuel for tractors (around 60% of requirements are in storage).

Despite significant challenges with export logistics, the Company is not substantially changing crop rotation as its first priority is to produce crops for fodder production. Production in excess of this requirement will be exported.

The Company wishes to advise that the Russian troops withdrew from the Kyiv and Sumy regions of Ukraine last week. Ukraine's special forces are currently de-mining the Kyiv and Sumy territories, however agricultural fields are a third priority behind residential areas and infrastructure. Nevertheless, the MHP team now believes there is a probability that the 15,000 ha of the land previously under Russian occupation in the Kyiv and Sumy regions can be sown this Spring.

**NOTE:** *in March 2022, the Company informed its stakeholders that up to 15,000 hectares (approximately 4% of the aggregate land bank of the Company) in the Sumy and Kyiv region were temporarily inaccessible to the Company and that the Company's sowing campaign could not be conducted in those regions according to schedule.*

### **3. Ukrainian Bacon Temporarily Suspends Operations in the Donetsk Region**

As hostilities in the Donetsk region intensify, MHP has decided to temporarily suspend operations of "Ukrainian Bacon" (meat-processing operations, c.34,000 tonnes annual capacity, Kramatorsk district, Donetsk region). Despite the difficulties encountered during the War, MHP has operated Ukrainian Bacon for more than a month. The supply of raw materials from the Company's poultry production facilities was necessary to continue the production of finished value-added products (convenience food, sausages, pate).

The Ministry of Defence of Ukraine has advised that the occupying forces of the Russian Federation continue to concentrate large forces in the east of Ukraine. Escalation of the situation in the Donetsk region increases the risks and dangers of the Company's employees' security and, as such, the decision has been made to temporarily suspend operations at this facility.

MHP has asked its employees (over 1,900 people) and their families to move to safer regions of Ukraine. Some employees will be redeployed to other MHP production facilities. All employees of "Ukrainian Bacon" will continue to be provided with financial compensation during April.

MHP is working actively on the commissioning of similar production sites at MHP facilities in order to continue to provide Ukrainians with high-quality products under its "Bashchynsky" brand, which were originally produced at "Ukrainian Bacon". However, such commissioning will require additional time and resources.

**If you #standwithUkraine it will help us to stop the war!**

**For further information, please contact:**

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