



25 October 2018

Operations Update for the nine months ended 30 September 2018

Ovostar Union N.V. (WSE: OVO) (hereinafter the "Company"), a vertically integrated holding company, one of the leading producers of eggs and egg products in Ukraine announces its operating results for the nine months ended 30 September 2018.

As at 30 September 2018 the Company's total flock equaled 7.3 mln heads (2017: 7.9 mln heads). The laying flock totaled 6.5 mln heads (2017: 6.8 mln heads). The dynamics is explained mainly by the growing number of hens placed in enriched cages in accordance with European standards.

By the end of the nine months of 2018 the Company produced 1 202 mln eggs (9M 2017: 1 246 mln eggs). Shell eggs sales volume reached 1 056 mln eggs (+27% YoY), out of which 443 mln eggs were exported (+27% YoY). Export share in total shell eggs sales remained on the level of the previous year - 42%. Average selling price of shell eggs increased by 34% YoY and reached 1.789 UAH per egg.

In the reporting period 401 mln eggs were processed (+6% YoY). The output of dry and liquid egg products was 2 255 tones (-5% YoY) and 9 026 tones (+14% YoY) respectively.

Sales volume of dry egg products amounted to 2 157 tones (+4% YoY), out of which 1 572 tones, or 73%, were exported (+12% YoY). Sales volume of liquid egg products equaled 8 867 tones (+21% YoY), out of which 4 325 tones, or 49%, were exported (+35% YoY).

Average selling price of dry egg products increased by 14% YoY to 130.58 UAH/kg; average selling price of liquid egg products increased by 29% to 39.12 UAH/kg.

The Company's CEO Mr. Borys Bielikov commented:

"The Management is in general satisfied with the operational results of the nine months of 2018, during which the Company remained focused on its export activities gradually increasing sales volume and expanding exports geography."

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