

Ovostar Union N.V.
Interim Company Financial
Statements (Unaudited)

For the period ended 30
September 2011

REPRESENTATION

of the Board of Directors of Ovostar Union N.V. on compliance of the Interim Company Financial Statements (Unaudited)

The Board of Directors of Ovostar Union N.V. hereby represent that to the best of their knowledge the Interim Company Financial Statements (Unaudited) of Ovostar Union N.V. for the period ended 30 September 2011 and the comparable information are prepared in accordance with the applicable accounting standards and that they give a true, fair and clear view of the assets, financial standing and financial results of Ovostar Union N.V., and that the interim statements for the nine months ended 30 September 2011 give a true view of the developments, achievements and situation of the Company.

Board of Directors of Ovostar Union N.V.

Borys Bielikov _____ [signed]

Vitalii Veresenko _____ [signed]

Marc M.L.J. van Campen _____ [signed]

Oleksandr Bakumenko _____ [signed]

16 November 2011

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STATEMENT OF COMPREHENSIVE INCOME
For the period ended 30 September 2011
(in USD thousand, unless otherwise stated)

	Notes	Period 22 March – 30 September 2011 <u>(unaudited)</u>
Administrative expenses	5	(295)
Interest income		118
Exchange rate differences		<u>487</u>
Operating result		311
Exchange differences on translation of foreign operations		(2 458)
Total comprehensive result for the period, net of tax		(2 148)
 Total comprehensive income attributable to:		
Owners of the parent		<u>(2 148)</u>
		(2 148)

[signed]

Mr B. Bielikov
Director

[signed]

Mr V. Veresenko
Director

[signed]

Mr M.M.L.J. van Campen
Director

[signed]

Mr O.B. Bakumenko
Director

STATEMENT OF FINANCIAL POSITION
As at 30 September 2011
(in USD thousand, unless otherwise stated)

	Notes	As at 30 September 2011 (unaudited)
Assets		
Non-current assets		
Financial assets	7	16 653
		<u>16 653</u>
Current assets		
Cash and cash equivalents	8	12 397
		<u>14 855</u>
Total assets		29 050
Equity and liabilities		
Equity		
Issued capital	9	85
Foreign currency translation reserve		(2 459)
Share premium reserve		30 933
Retained earnings		(2 148)
Equity attributable to owners of the parent		28 869
Non-controlling interests		-
Total equity		28 869
Current liabilities		
Current accounts shareholders	10	79
Trade and other payables		102
Total liabilities		181
Total equity and liabilities		29 050

[signed]

Mr B. Bielikov
Director

[signed]

Mr V. Veresenko
Director

[signed]

Mr M.M.L.J. van Campen
Director

[signed]

Mr O.B. Bakumenko
Director

OVOSTAR UNION N.V.
Interim Company Financial Statements (Unaudited)

STATEMENT OF CHANGES IN EQUITY
For the period ended 30 September 2011
(in USD thousand, unless otherwise stated)

	Issued capital	Foreign currency translation reserve	Share premium	Retained earnings	Total	Non- controlling interests	Total equity
As at 22 March 2011	63	-	-	-	63	-	63
Result for the period	-	(2 458)	-	310	(2 148)	-	(2 148)
Share issued 20 June 2011	21	-	33 048	-	33 069	-	33 069
Costs allocated to share issued	-	-	(2 115)	-	(2 115)	-	(2 115)
Issued capital	1	(1)	-	-	-	-	-
As at 30 September 2011 (unaudited)	85	(2 459)	30 933	310	28 869	-	28 869

_____ [signed]	_____ [signed]
Mr B. Bielikov Director	Mr V. Veresenko Director

_____ [signed]	_____ [signed]
Mr M.M.L.J. van Campen Director	Mr O.B. Bakumenko Director

STATEMENT OF CASH FLOWS
For the period ended 30 September 2011
(in USD thousand, unless otherwise stated)

	<u>For the period ended 30 September 2011</u> (unaudited)
Operating activities	
Result	310
Working capital adjustments:	
Increase/(Decrease) in trade and other payables and advances received	181
	491
Investing activities	
Capital contribution to subsidiary	(16 653)
Net cash flows from/(used in) in investing activities	(16 162)
Financing activities	
Additional share capital issue	31 017
Net cash flows from/(used in) financing activities	31 017
Net increase/(decrease) in cash and cash equivalents	15 346
Net foreign exchange difference	(2 949)
Cash and cash equivalents at 22 March	-
Cash and cash equivalents at 30 September	12 397

[signed]	[signed]
_____ Mr B. Bielikov Director	_____ Mr V. Veresenko Director

[signed]	[signed]
_____ Mr M.M.L.J. van Campen Director	_____ Mr O.B. Bakumenko Director

NOTES TO THE FINANCIAL STATEMENTS

1. Corporate information

The principal activity of Ovostar Union N.V. (referred to herein as the "Company") is to act as a holding company. The registered office and principal place of business of the Company is Koningslaan 17, 1075 AA Amsterdam. Its principal activity is the holding of ownership interests in its subsidiaries and strategic management.

The Company was incorporated on 22 March 2011 in Amsterdam. The largest shareholder is Prime One Capital Ltd., Lanarca, Cyprus.

The Company's included the following subsidiaries as at 30 September 2011:

Name of the company	Business activities	Ownership as at 30 September 2011
LLC Ovostar Union	Egg and egg products production and distribution	99.8%

The interim company financial statements for the period ended 30 September 2011 were authorized for issue on 15 November 2011.

2. Basis of preparation

The interim company financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ('IFRS') as adopted by the European Union ('IFRS-EU').

The interim company financial statements are prepared on a going-concern basis, under which assets are sold and liabilities are repaid in the ordinary course of business. The accompanying interim company financial statements do not include adjustments that would need to be made in case if the Company was unable to continue as a going concern.

3. Summary of significant accounting policies

Recognition and measurement of financial instruments

Financial assets and financial liabilities are recorded in the Company's interim statements of the financial position when the Company becomes a contractual party regarding the corresponding financial instrument. The Company records the acquisition and sale of financial assets and financial liabilities at the settlement date.

Financial assets and liabilities are initially recognized at fair value plus, if a financial asset or financial liability is recognized not at fair value through profit or loss, incurred operating expenses directly related to the acquisition or issue of this financial asset or financial liability.

Fair value of investments that are actively traded in organized financial markets is calculated on the basis of current market value at the close of trading on the reporting date. Regarding investments in securities for which there is no active market, fair value is calculated using other methods of valuation of financial instruments. Such valuation methods include the use of information on recent market transactions between well informed, willing to commit such transaction, independent parties, or data about the current market value of another similar instrument, discounted cash flow analysis or other pricing models.

Notes on pages 7 - 16 form an integral part of these interim company financial statements

NOTES TO THE FINANCIAL STATEMENTS

Accounting policy for subsequent revaluation of these items is disclosed below in the appropriate sections of accounting policy.

Financial assets

Investments recognized in the accounting records and derecognized at the time of transaction, in case if investments are purchased or sold in accordance with the contract, terms of which require delivery of an instrument within the time specified in the relevant market, are initially measured at fair value less transaction costs directly attributable to the transaction, except for financial assets belonging to the category of assets at fair value through profit or loss that are initially recognized at fair value.

Financial assets are classified into the following categories: financial assets at fair value through profit or loss; held-to-maturity financial assets; available-for-sale financial assets; loans and receivables. Classification of financial assets depends on their nature and purpose of acquisition and takes place at the time of recognition in the accounting records.

Effective interest rate method

The effective interest rate method is used to calculate the amortized cost of a financial asset and distribute interest income during the relevant period. The effective interest rate is the rate that enables discounting of estimated future cash receipts through the expected life of a financial asset or a shorter period, if applicable.

Revenues relating to debt instruments are recorded at the effective interest rate method, except for financial assets at fair value through profit or loss.

Financial assets at fair value through profit or loss - a financial asset is classified as at fair value through profit or loss if it is held for trading or designated at fair value through profit or loss.

A financial asset is classified as held-for-trading if it is:

- purchased originally for the purpose of sale or repayment within a short period of time; or
- a part of the portfolio of identified financial instruments that are managed together, and structure of which demonstrates the intention of profit earning in the short term; or
- a derivative that is not classified as a hedging instrument and is not effective for these purposes.

A financial asset that is not a financial asset held-for-trading may be classified as a financial asset at fair value through profit or loss at the time of recognition in the accounting records if:

- application of such classification eliminates or significantly reduces discrepancies in valuation or accounting, that otherwise might arise, or
- a financial asset is a part of a group of financial assets, financial liabilities or both groups, which are managed and controlled on the basis of fair value in accordance with a documented risk or investment management strategy, and information about this group is provided internally on that basis, or
- it exists in the framework of the contract containing one or more embedded derivatives, and IAS 39 Financial Instruments: Recognition and Measurement permits to classify the whole contract (asset or liability) as at fair value through profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

Financial assets at fair value through profit or loss are measured at fair value with arising gains or losses recognized in the statement of comprehensive income. Net gains or losses recognized in the income statement include dividends and interest received on the relevant financial asset. During the period covered by these interim company financial statements, the Company did not hold any investments.

Held-to-maturity investments - investments held to maturity are measured at amortized cost using the effective interest rate method, less impairment, and income is recognized using the effective yield method. During the reporting period presented in these interim company financial statements, the Company had no investments of this category.

Loans and receivables - accounts receivable regarding principal activities, loans, borrowings and other receivables with fixed or determinable payments that are not quoted in an active market are classified as "loans and receivables". Loans and receivables are measured at amortized cost using the effective interest rate method less impairment and uncollectible debts. Interest income is recognized by applying the effective interest rate, except for short-term receivables for which the amount of such interest income is insignificant.

Available-for-sale financial assets - financial assets available for sale represent those non-derivative financial assets that are classified as available for sale or those that do not fall into any of the three previous categories. After initial recognition these assets are measured at fair value with revaluation result transferred directly in equity (in the allowance for unrealized profits) until they are sold; in this situation the accumulated gains and losses previously recognized in equity are recognized in the statement of comprehensive income. Interest received or paid on these investments is recorded as interest income or expenses using the effective interest rate. Dividends received on these investments are recorded in the statement of comprehensive income as a part of dividends received at the time of registration of a corresponding right or receipt of payment.

Unquoted investments available for sale are accounted for at cost if their fair value cannot be reliably measured.

Cash and cash equivalents

Cash and cash equivalents include cash on hand and cash in bank accounts.

Impairment of financial assets

Financial assets, except for financial assets at fair value through profit or loss, at each reporting date are assessed for signs indicating impairment. Impairment loss is recognized when there is objective evidence of reduction of the estimated future cash flows on this asset as a result of one or more events that occurred after the financial asset was recorded in the accounting. For financial assets at amortized cost, the amount of impairment is calculated as the difference between the asset's carrying amount and present value of the expected future cash flows discounted using the effective interest rate.

Impairment loss directly reduces the carrying amount of all financial assets, except for accounts receivable on principal activities, carrying amount of which is reduced due to the allowance formed. If the accounts receivable on principal activities are uncollectible, they are written-off against the related allowance. Subsequently received reimbursements of amounts previously written-off are recorded in

NOTES TO THE FINANCIAL STATEMENTS

credit of the allowance account. Changes in the carrying amount of the allowance account are recorded in the profit and loss.

Except for equity instruments available for sale, if in a subsequent period the amount of impairment loss decreases and such decrease can be objectively related to an event occurring after the impairment was recognized, the impairment loss previously recognized is recovered by adjusting the items in the income statement. In this case, the carrying amount of financial investments at the date of recovery of impairment cannot exceed its amortized cost, which would be reflected in the case, if impairment was not recognized.

In respect of equity securities available for sale, any increase in fair value after recognition of impairment loss relates directly to equity.

Derecognition of financial assets

The Company writes-off a financial asset only if rights for cash flows under the corresponding contract terminated the treaty or if a financial asset and corresponding risks and rewards are transferred to other organization. If the Company does not transfer or retain all the principal risks and rewards of ownership of the asset and continues to control the transferred asset, it shall record its share in the asset and related liability in the amount of possible payment of corresponding amounts. If the Company retains all the principal risks and rewards of ownership of the transferred financial asset, it shall continue to account for the financial asset, and reflect a secured loan on income earned.

Financial liabilities and equity instruments issued by the Company

Classification as liabilities or equity

Debt and equity financial instruments are classified as liabilities or equity based on the substance of the corresponding contractual obligations.

Equity instruments

Equity instrument is any contract confirming the right for a share in the company's assets remaining after deducting all its liabilities. Equity instruments issued by the Company are recorded in the amount of generated income, net of direct expenses for their issue.

Financial liabilities

Financial liabilities are classified as either financial liabilities at fair value through profit or loss, or as other financial liabilities.

Financial liabilities at fair value through profit or loss - Financial liabilities are classified as at fair value through profit or loss if they are held for trading or designated as at fair value through profit or loss.

A financial liability is classified as held for trading if it is:

- assumed mainly to be repurchased within a short period of time; or
- a part of the portfolio of identified financial instruments that are managed together, and structure of which demonstrates the intention of profit earning in the short term; or

Notes on pages 7 - 16 form an integral part of these interim company financial statements

NOTES TO THE FINANCIAL STATEMENTS

- a derivative that is not classified as a hedging instrument and is not effective for these purposes.

A financial liability that is not a financial liability held-for-trading may be classified as a financial liability at fair value through profit or loss at the time of recognition in the accounting records if:

- application of such classification eliminates or significantly reduces discrepancies in valuation or accounting, that otherwise might arise, or
- a financial liability is a part of a group of financial assets, financial liabilities or both groups, which are managed and controlled on the basis of fair value in accordance with a documented risk or investment management strategy, and information about this group is provided internally on that basis, or
- it exists in the framework of the contract containing one or more embedded derivatives, and IAS 39 Financial Instruments: Recognition and Measurement permits to classify the whole contract (asset or liability) as at fair value through profit or loss.

Financial liabilities at fair value through profit or loss are measured at fair value with arising gains or losses recognized in the financial results. Net gains or losses recognized in the income statement include interest paid on a financial liability.

Other financial liabilities - other financial liabilities, including borrowings, are accounted for at fair value less transaction costs. Other financial liabilities are subsequently measured at amortized cost using the effective interest rate method, with the recognition of interest expenses using the effective (actual) yield.

Trade and other accounts payable

Trade payables are recognized when the counterparty fulfills its contractual obligations and measured at amortized cost using the effective interest rate.

Derecognition of financial liabilities

The Company writes-off financial liabilities only when they are repaid, cancelled or expire.

Foreign currency transactions

Transactions in currencies other than the functional currency are initially recorded at exchange rates set on the dates of these transactions. Monetary assets and liabilities denominated in such currencies are translated at the rates applicable at the reporting date. All realized and unrealized gains and losses resulting from exchange rate differences are included in profit or loss for the period.

Relevant exchange rates are presented as follows:

	As at
	30 September 2011
EUR	0.7354
PLN	3.2474

NOTES TO THE FINANCIAL STATEMENTS

Contingent assets and liabilities

Contingent liabilities are not recognized in the financial statements. Such liabilities are disclosed in the notes to the financial statements, except where the probability of outflow of resources embodying economic benefits is insignificant.

Contingent assets are not recognized in the financial statements, but disclosed in the notes to the extent that it is probable that the economic benefits will flow to the Company.

Revenue recognition

Revenues from the sale of goods are recognized when the Company has transferred to the buyer all significant risks and rewards of ownership of the goods, and it is probable that the economic benefits associated with this transaction will flow to the Company.

Revenues from rendering of services are recognized in the reporting period in which the services were provided, based on the level of completion of the specific transaction and only when the amount of revenue can be reliably measured and it is probable that the economic benefits associated with this transaction will flow to the Company.

Income and expenses relating to the same transaction or event are recognized simultaneously. Interest income is recognized using the effective interest rate method.

Income tax

Income tax is calculated in accordance with the requirements of the applicable legislation of The Netherlands. Income tax is calculated on the basis of financial results for the year adjusted to items that are not included in taxable income or that cannot be attributed to gross expenses. It is calculated using tax rates effective at the reporting date.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax base used to calculate taxable income. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recorded taking into account the degree of certainty in sufficient taxable income, which enables to realize temporary differences related to gross expenses.

Deferred tax is calculated at tax rates, which presumably will be applied during the sale of related assets or repayment of related liabilities.

Assets and liabilities on deferred income tax are offset when: a) The Company has a legally enforceable right to offset the recognized current income tax assets and liabilities; b) the Company intends either to perform settlement by offsetting counterclaims, or simultaneously sell the asset and settle the liability; c) deferred tax assets and liabilities relate to income taxes levied by the same taxation authority in each future period in which it is intended to repay or reimburse a significant amount of deferred tax liabilities and assets.

Deferred income tax is recognized in the income statement, except when it relates to items recognized directly in equity. In this case the deferred tax is also recognized in equity.

NOTES TO THE FINANCIAL STATEMENTS

Related party transactions

For the purposes of these interim company financial statements, the parties are considered to be related if one of the parties has a possibility to control or considerably influence the operational and financial decisions of other company. While considering any relation which can be defined as related party transactions it is necessary to take into consideration the substance of the transaction not only their legal form.

4. Standards issued but not yet effective

Standards issued but not yet effective up to the date of issuance of the Company's financial statements are listed below. This listing is of standards and interpretations issued, which the Company reasonably expects to be applicable at a future date. The Company intends to adopt those standards when they become effective.

IFRS 9 Financial Instruments: Classification and Measurement

IFRS 9 as issued reflects the first phase of the IASBs work on the replacement of IAS 39 and applies to classification and measurement of financial assets as defined in IAS 39. The standard is effective for annual periods beginning on or after 1 January 2013. In subsequent phases, the IASB will address classification and measurement of financial liabilities, hedge accounting and derecognition. The completion of this project is expected in early 2011.

5. Administrative expenses

	<u>For the period ended 30 September 2011</u>
Legal, audit and other professional fees	295
Total administrative expenses	295

6. Income tax

During the period ended 30 September 2011, the Company is subject to Dutch Corporate Income Tax ("CIT"). The CIT levies tax on taxable profit at a rate of 25%. However, over the first tranche of EUR 200,000 taxable profit a tax rate of 20% is applicable. During the period under review no corporate income tax is due.

7. Financial assets

	<u>As at 30 September 2011</u>
Investments in LLC Ovostar Union	16 653
Total financial assets	16 653

NOTES TO THE FINANCIAL STATEMENTS

8. Cash and short-term deposit

	As at 30 September 2011
Cash in bank	12 397
Total cash and short-term deposit	12 397

9. Equity

Issued capital and capital distribution

As referred to in Note 1, the Company was incorporated on 22 March 2011.

The Company's authorized share capital amounts to EUR 225,000 and consists of 22,500,000 ordinary shares with a nominal value off EUR 0,01 each. On 30 June 2011, 6,000,000 ordinary shares were issued and fully paid up.

At 30 September 2011 the largest single Shareholders' interest in the Company was as follows:

	As at 30 September 2011
Prime One Capital Ltd.	75%

Foreign currency translation reserve

According to section 373, Book 2 of the Dutch Civil Code, the Company's share capital has been converted at the exchange rate prevailing at reporting date. The EUR 60,000 has been converted into USD 84,891. The result arising of exchange rate differences has been recorded in the "Foreign currency translation reserve".

10. Trade and other payables (current)

	As at 30 September 2011
Trade payables	102
Total trade and other payables	102

11. Related party disclosures

Related parties may enter into transactions, which may not always be available to unrelated parties, and they may be subject to such conditions and such amounts that are impossible in transactions with unrelated parties.

The following companies and individuals are considered to be the Company's related parties as at 30 September 2011:

Individuals (shareholders)

Borys Bielikov

Vitalii Veresenko

NOTES TO THE FINANCIAL STATEMENTS

On 28 March 2011 the Company acquired an interest of 99.8% in LLC Ovostar Union, Kyiv, Ukraine for a consideration of USD 37,928 from Messrs Bielikov and Veresenko.

On 9 May 2011, the Company entered into a loan agreement with Prime One Capital Ltd.

Parties under the significant influence of the Beneficial Owners

LLC Ovostar Union
Agrofirma Boryspilsky Hutir LLC
Aleksa LTD
LLC Anglo-Brit Management Limited
BVV-Invest LLC
Kompromis - Invest LLC
Lagoda Confectionery Firm CJSC
Ovostar LTD LLC
Prime One Capital Ltd.

12. Commitments and contingencies

Contingent liabilities

There are no contingent liabilities.

Legal issues — The Company is not involved in litigations and other claims that are in the ordinary course of its business activities.

Capital liabilities - As at 30 September 2011 the Company had no significant contractual liabilities for acquisition of property, plant and equipment and intangible assets.

13. Capital risk management

The Company manages its capital to ensure that group companies will be able to continue as a going concern while maximizing the return to shareholders through a combination of debt and equity capital. The management of the Company reviews the capital structure on a regular basis. Based on the results of this review, the Company takes steps to balance its overall capital structure through the issue of new debt or the redemption of existing debt.

Liquidity risk

Liquidity risk is the risk of the Company's failure to fulfill its financial obligations at the date of maturity. The Company's approach to liquidity management is to ensure, to the extent possible, permanent availability of sufficient liquidity of the Company to fulfill its financial obligations in due time (both in normal conditions and in non-standard situations), by avoiding unacceptable losses or the risk of damage the reputation of the Company.

NOTES TO THE FINANCIAL STATEMENTS

In accordance with plans of the Company, its working capital needs are satisfied by cash flows from operating activities, as well as by use of loans if cash flows from operating activities are insufficient for liabilities to be settled.

Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company undertakes certain transactions denominated in foreign currencies. The Company does not use any derivatives to manage foreign currency risk exposure, at the same time the management of the Group sets limits on the level of exposure by currencies.

Exposure to foreign currency risk

The carrying amounts of the Company's foreign currency denominated monetary assets and liabilities as of 30 September 2011 were as follows:

30 September 2011

(in conversion to USD thousand)

	USD	EUR	PLN	Total
Assets				
Cash in bank	5	-	12 392	12 397
Liabilities				
Current accounts shareholder	(79)	-	-	(79)
Trade accounts payables	(12)	(73)	(17)	(102)
Net exposure to foreign currency risk	(86)	(73)	12 375	12 216

This sensitivity rate represents Management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for expected change in foreign currency rates.

Interest rate risk

At 30 September 2011 the Company did not record any interest bearing loans receivable or payable on its books and hence the Company is not subject to an interest rate risk.