



21 July 2017

Operations Update for the six months ended 30 June 2017

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 operational results for the six months 30 June 2017.

As at 30 June 2017 the Company's total flock has increased by 9% y-o-y to 7.9 million hens, while the laying hens flock increased by 12% y-o-y to 6.7 million hens.

Over the reporting period, egg production increased by 22% y-o-y to 815 million eggs. Shell eggs sales volume increased by 9% to 518 million eggs during the 1st half of 2017, meanwhile the volume of eggs exported went up by 29% y-o-y, from 145 to 186 million eggs, representing a 36% share of export in total volume of shell eggs sold. Average egg selling price during the six months of 2017 increased by 3% to 1.30 UAH/egg.

In the 1H 2017, the volume of eggs processed increased by 19% y-o-y to 237 million units. The sales volume of liquid egg products increased by 11% y-o-y to 4 863 tons, out of which 38% were exported. The sales volume of dry egg products increased by 27% y-o-y and amounted to 1 173 tons, out of which 64% were exported. Over the first half of 2017 the gradually growing demand mainly from the EU market resulted in growth in export volumes of liquid egg products by 38% to 1 838 tons and of dry egg products by 41% to 753 tons. The average selling price of liquid egg products increased by 4% y-o-y to 30.18 UAH/kg; the average selling price of dry egg products decreased by 14% y-o-y to 108.90 UAH/kg.

The Company CEO Borys Bielikov has commented:

"During the 1st half of 2017 the Company continued to increase the production volumes of eggs and egg products. It is worth to note the significant growth in export sales of all types of products. We maintain our focus on further development of export markets."

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