



22 April 2019

Operations Update for the three months ended 31 March 2019

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 three months ended 31 March 2019.

As of 31 March 2019 the Company’s total flock equaled 7.86 mln hens, including 6.67 laying hens demonstrating 2% increase as compared to 31 March 2018 (2018: 7.69 and 6.53 mln hens respectively).

The volume of eggs produced in Q1 2019 was 384 mln (Q1 2018: 386 mln). In the reporting period the sales volume in the egg segment totaled 335 mln (Q1 2018: 342 mln). Export sales of shell eggs grew by 35% YoY and reached 186 mln (Q1 2018: 138 mln), which represents 56% of total number of eggs sold in Q1 2019 (Q1 2018: 40%). Average price of eggs in Q1 2019 decreased by 8% YoY in USD terms to 0.069 USD/egg (Q1 2018: 0.075 USD/egg).

The volume of eggs processed in Q1 2019 grew by 3% YoY and reached 142 mln (Q1 2018: 139 mln). The Company produced 735 tons of dry egg products and 3 557 tons of liquid egg products (Q1 2018: 772 tons and 3 395 tons respectively). The volume of dry egg products sold amounted to 532 tons (2018: 594 tons), out of which 373 tons, or 70%, were exported (2018: 379 tons, 64%). The volume of liquid egg products sold was 3 498 tons (2018: 3 146 tons), out of which export sales equaled 1 636 tons or 47% (2018: 1 472 tons, 47%). Average price of dry egg products decreased YoY by 8% to 4.63 USD/kg (2018: 5.04 USD/kg); average price of liquid egg products fell by 2% to 1.46 USD/kg (2018: 1.48 USD/kg).

The Company’s CEO Mr. Borys Bielikov commented:

«In the first quarter of 2019 unfavorable price dynamics was observed on the local market. However, the company managed to balance the situation by increasing its exports. In general, we are satisfied with the results achieved in the reporting period».

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