



24 January 2019

Operations Update for 2018

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 year 2018.

As of 31 December 2018 the Company’s total flock equaled 7.61 mln hens, including 6.38 laying hens. (2017: 7.69 and 6.62 mln hens respectively).

The volume of eggs produced in 2018 was 1 625 mln (2017: 1 659 mln). In the reporting period the sales volume in the egg segment grew by 16% and reached 1 381 mln eggs (2017: 1 195 mln). Export share remained at the level of the previous year, which is 43%. In volume terms export sales increased by 11% as compared to 2017 and totaled 587 mln eggs (2017: 529 mln eggs). Average price of eggs in 2018 grew by 19% Y-o-Y in UAH terms and reached 1.819 UAH/egg (2017: 1.533 UAH/egg); in USD terms the price increased by 16% - up to 0.067 USD/egg (2017: 0.058 USD/egg).

In 2018 the volume of eggs processed was 530 mln eggs (2017: 541 mln eggs). The Company produced 2 959 tons of dry egg products and 12 435 tons of liquid egg products (2017: 3 246 tons and 11 602 tons respectively). The volume of dry egg products sold amounted to 2 712 tons (2017: 3 300 tons), out of which 1 897 tons, or 70%, were exported (2017: 2 377 tons, 72%). The volume of liquid egg products sold was 12 265 tons (2017: 11 497 tons), out of which export sales equaled 5 643 tons or 46% (2017: 5 009 tons, 44%). Average price of dry egg products increased in 2018 by 14% in UAH terms – to 131.61 UAH/kg and by 11% in USD terms - to 4.84 USD/kg (2017: 115.45 UAH/kg and 4.34 USD/kg); average price of liquid egg products increased by 19% in UAH – to 39.52 UAH/kg and by 16% in USD – to 1.45 USD/kg (2017: 33.33 UAH/kg and 1.25 USD/kg).

The Company’s CEO Mr. Borys Bielikov commented:

«Despite quite unfavorable conditions for egg producers observed at world egg market in 2018, the Company managed to show good results. Apart from that last year we laid a solid basis for further growth – both quantitative and qualitative»

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