O'KEY

# INVESTOR PRESENTATION

FY 2020

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THESE MATERIALS CONTAIN STATEMENTS ABOUT FUTURE EVENTS AND EXPECTATIONS THAT ARE FORWARD-LOOKING STATEMENTS. THESE STATEMENTS TYPICALLY CONTAIN WORDS SUCH AS 'EXPECTS' AND 'ANTICIPATES' AND WORDS OF SIMILAR IMPORT. ANY STATEMENT IN THESE MATERIALS THAT IS NOT A STATEMENT OF HISTORICAL FACT IS A FORWARD-LOOKING STATEMENT THAT INVOLVES KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE OUR ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS.

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# O’KEY GROUP OVERVIEW

# O'KEY GROUP AT A GLANCE

**#3**
Player by number of hypermarkets in Russia

**77**
Total number of hypermarkets

**118**
Total number of discounters

**Top-10**
Food retailer in online in Russia

**RUB 174.3bn**
Group revenue, 2020

**+45.2%**
Discounters revenue growth, 2020

**18**
Years of experience on the market

**RUB 14.8bn**
Group EBITDA, 2020

**+5.4%**
LFL Group revenue growth, 2020

Source: Market position provided by IGD and Infoline, 2020

# AN ESTABLISHED TRACK RECORD

**2002**
**O'KEY Group** founded
**First O'KEY hypermarket** opened in St. Petersburg

**2003 - 2007**
Strategy to establish **regional market leadership**

**2007 - 2009**
Focus on **expansion** in Russia's key regional markets
**Top-10 retailer** by revenue
**Six new** regions

**2009- 2014**
**Rapid expansion** in Moscow and key regional markets
**IPO on the London Stock Exchange**

**2015**
**Online sales platform** launched
**DA! Brand** – new discounter format launched

**2016**
**Mobile app** for iOS and Android launched

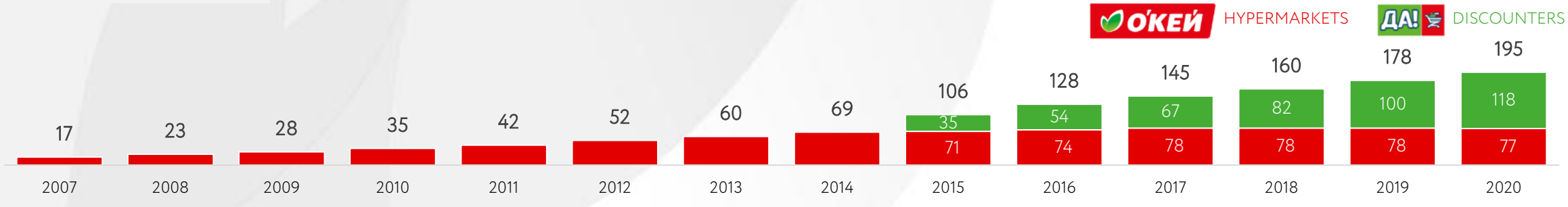
**2017**
O'KEY drive-through, and **24-hour delivery service** launched for the hypermarket segment
**Sale of supermarket business**

**2018**
**Discounter revenue** under the DA! Brand reached **8.5%** of the Group revenue
**Omnichannel Mobile app** launched providing a unified approach to communications with customers in stores and online

**2019**
**100 Discounter stores** under DA! Brand operating across Russia

**2020**
**Discounter** DA! revenue reached **15%** of the Group revenue
**O'KEY new branding and new store concept** presented
**Listing** of GDRs **on MOEX**

NUMBER OF STORES, #



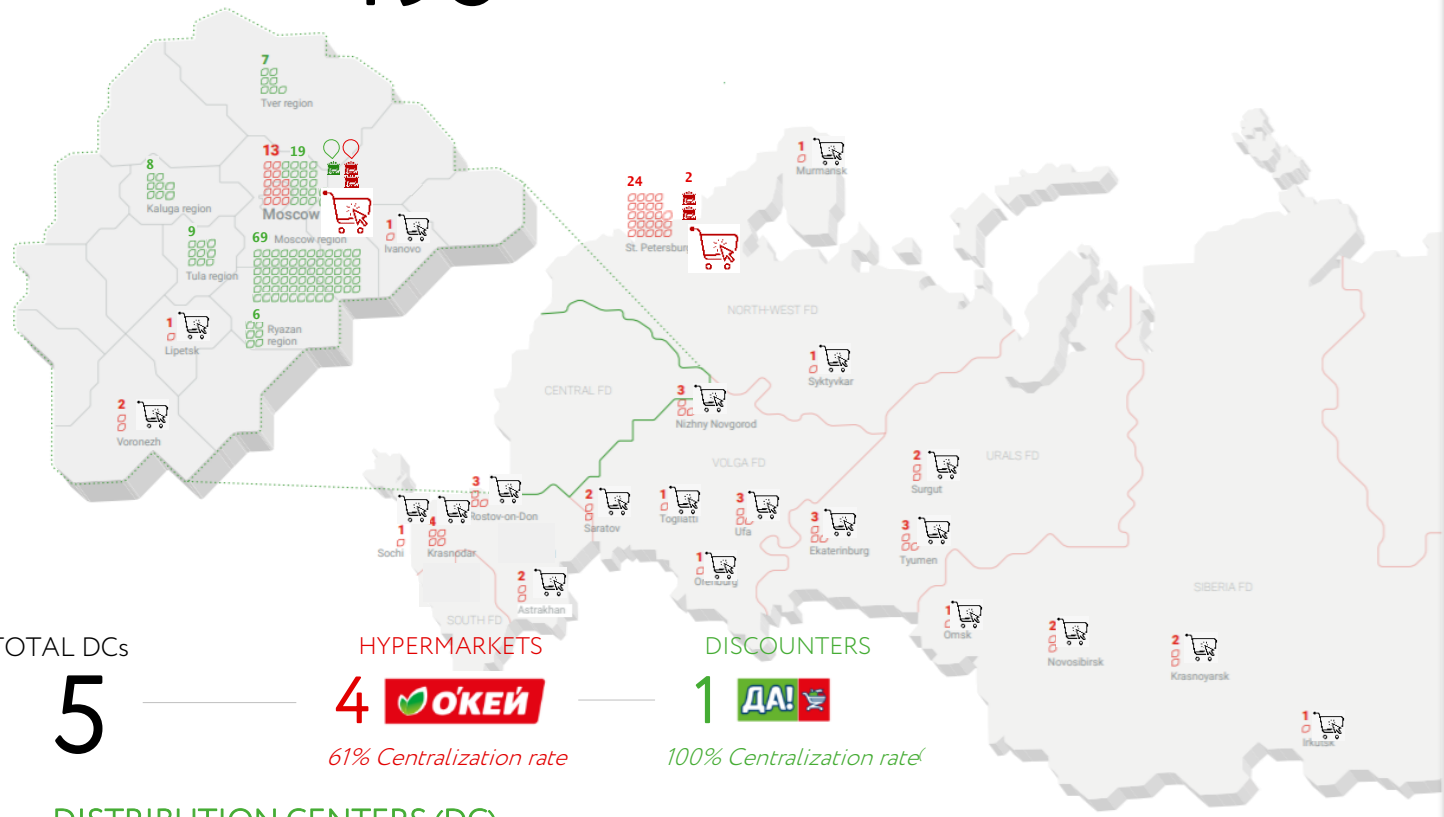
# NATIONWIDE PRESENCE WITH FOCUS ON CENTRAL AND NORTH-WEST REGIONS

## 100% online coverage in cities of presence

TOTAL STORES
**195**

HYPERMARKETS
**77** О'КЕЙ

DISCOUNTERS
**118** ДА!




TOTAL DCs
**5**

HYPERMARKETS
**4** О'КЕЙ
*61% Centralization rate*

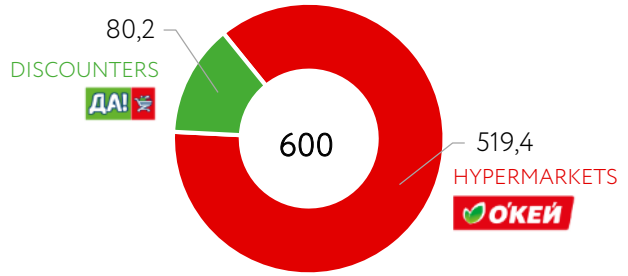
DISCOUNTERS
**1** ДА!
*100% Centralization rate*

### DISTRIBUTION CENTERS (DC)

*O'KEY online delivery* | *Online delivery via partners* | *O'KEY hypermarket* | *DA! discounter* | *O'KEY DC* | *DA! DC*

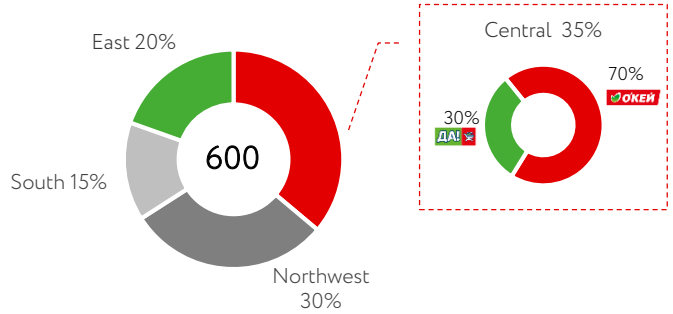
### SELLING SPACE BREAKDOWN BY BRAND

*'000 sq. m., 2020*




### SELLING SPACE BREAKDOWN BY REGION

*'000 sq. m., 2020*



# O'KEY: MODERN HYPERMARKETS WITH A STRONG CUSTOMER VALUE PROPOSITION

**6,800 sq. m.**
Average store selling space

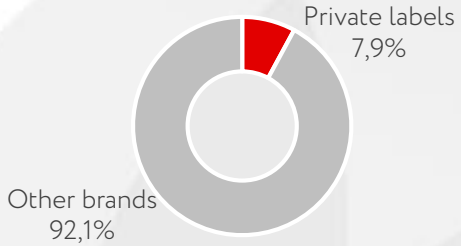
**30k SKUs**
Average product range

**Target audience**
People who live within 15 min by car

**Location**
Near public transportation hubs, close to densely-populated city areas

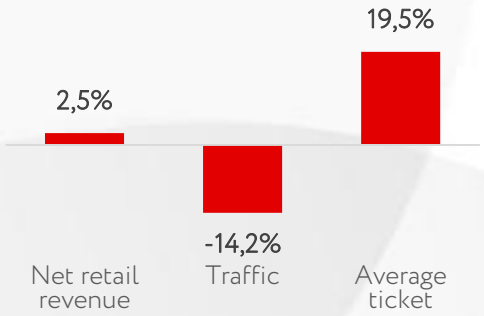
## PRIVATE LABELS

*Share of private labels in sales, 12M 2020*



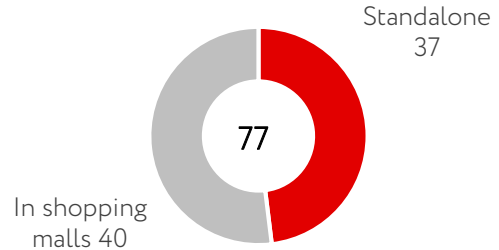

## LFL GROWTH

*%, y-o-y in 12M 2020*




## LOCATION

*Number of stores, as of 12M 2020*




## OUR UNIQUE VALUE PROPOSITION

- Wide range of **competitively priced, high quality products**, including fresh food, own bakery, delicatessen products and non-food items
- **Locations near key traffic intersections**, within easy access to public transportation and/or within highly populated residential district
- **Modern shopping environment** with an appealing ambiance
- **Omnichannel bonus system** to accumulate and spend loyalty points
- Large number of **cash registers, self-scanning** and **self-checkout**

# O'KEY FRESH AND ULTRA FRESH PROPOSITION AS A COMPETITIVE ADVANAGE

## STRONG FOCUS ON ULTRA-FRESH AND FRESH PRODUCTS

- >45% share of fresh, ultra-fresh, fruits & veg in O'KEY sales volumes
- Fresh, ultra fresh products and fruits & vegetables are important traffic drivers for O'KEY stores
- All O'KEY stores offer around 5,000 items across fresh fish, seafood, poultry, meat, sausages, cheese, steaks, and farm-fresh dairy products
- Direct imports of fresh fruits and vegetables
- Around 400 kinds of fresh fruit, vegetables, berries and greens
- The Hot Bread – freshly baked bread three times a day

# O'KEY DIFFERENTIATION THROUGH OWN BRAND PORTFOLIO

**2,500** active SKUs[1]

- 85% of products produced by local suppliers
- On average, 20-30% cheaper than branded products of the same quality
- "O`KEY – Customers` Guarantee"[2] aids for production audit by independent accredited laboratories
- Long-term cooperation with suppliers
- Dedicated section at the e-commerce website, direct mailing to customers and advertising campaigns to promote own brands

## Extensive variety of private label products

*Selection of O'KEY*
*Premium segment*

*O'KEY*
*Mid-price segment*

*Other (Baby Island, Home Studio)*
*Mid-price segment*

Notes:[1] as of December 2020, not including SKUs on seasonal offer.
[2] Is a part of our quality control system for products and goods under our private label.

# O'KEY DIGITALISATION FOR PERSONALISED AND ENJOYABLE CUSTOMER EXPERIENCE

## MOBILE SELF CHECK-OUT SCANNERS

## DIGITAL SOMMELIER

## ELECTRONIC PRICE TAGS

- Mobile self-checkout scanners fully integrated with loyalty programme adds +15% to average ticket
- Individual offers based on customer's own spending patterns and purchase history during the store visit
- Digital Sommelier designed to show customers detailed information about O'KEY Selection wine

## SELF CHECK-OUT ZONES

# DA!: FAST-GROWING CLASSIC EUROPEAN DISCOUNTERS

**700 sq. m.**
Average store selling space

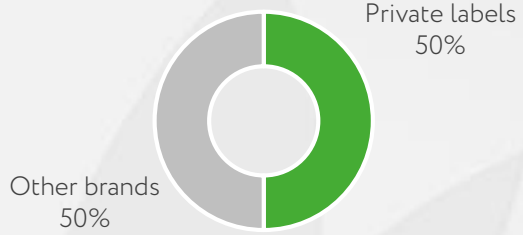
**2,800 SKUs**
Average product range

**Target audience**
Lives within 5 minutes by car/ 15 min walking distance

**Location**
Within highly populated residential areas with easy road access

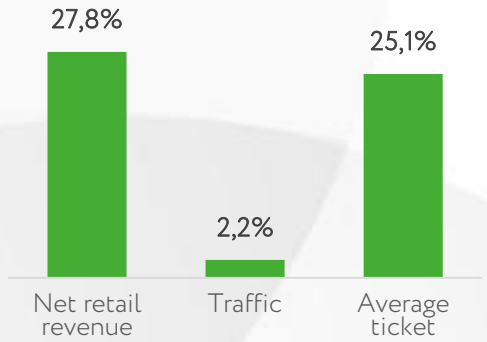
## PRIVATE LABELS

*Share of private labels in sales, 12M 2020*



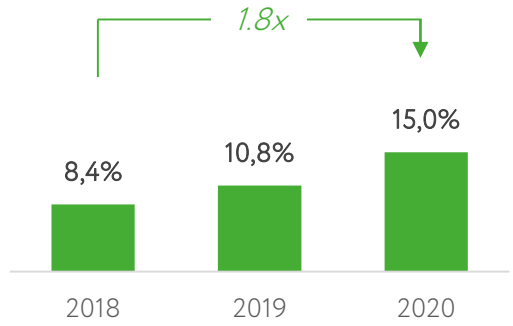

## LFL GROWTH

*%, as of 12M 2020*




## Share of DA! brand in Group revenue

*Share in Net Retail revenue, %*




## OUR UNIQUE VALUE PROPOSITION

- Carefully selected products and own brand producers to ensure the best possible quality
- Tailor-made own brands and packaging designed by DA! under different brand names
- 50% share of own brands to offer best price to the customer – every day low prices
- Own logistics and 100% centralization level with daily deliveries of fresh products to all of the stores
- Low operating costs due to cost-optimizing procedures, efficient processes and low number of SKUs
- Modern design and well-trained personnel, fast check-out

# DA! EXCLUSIVE OWN BRAND EXPERTISE

**>1,000** active SKUs

- Exclusive own brands portfolio accounting for 50% of sales
- On average, 20-30% cheaper than branded products of the same quality
- Positioned against A-brands in each product category
- Long-term mutually beneficial collaboration with producers
- Participation in all the stages of production: selection of suppliers, quality control and production audit, eco-friendly and high-quality packaging design

Exclusive own brands to guarantee the best quality at the lowest possible price

# FRESH QUALITY TO DIFFERENTIATE OUR OFFER AT DA!

- >40% share of fresh in DA! sales
- Daily delivery of fruits and vegetables to all DA! stores
- Direct imports of fresh fruits and vegetables
- A wide range of dairy and meat produce
- >40 items of freshly baked pastries

# O'KEY IS A PIONEER IN GROCERY E-COMMERCE

- Launching in 2015, O'KEY was among the pioneers in Russian e-grocery
- Russian-wide network with own delivery service in key cities of Moscow and St-Petersburg
- Online orders are fulfilled by the closest hypermarket
- Ongoing mobile app development, including multiple services in personal accounts with updated version launched in 2020
- Omnichannel bonus system launched to accumulate and spend loyalty points in 2020
- Focus on both growth and profitability of e-com business

CONSUMER CHOICES FOR ORDER COLLECTION

HOME DELIVERY

PICK UP POINTS

DRIVE THROUGH

**+28%**
YoY online growth in 2020

**>30k**
Available SKUs

**~50%**
Share of online sales via mobile app in Q4 2020

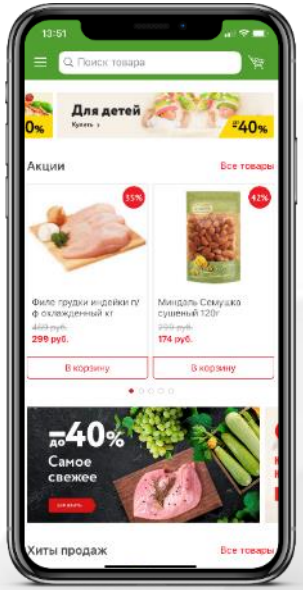
**1.6%**
E-comm share of total O'Key sales in 2020

**3.7%**
E-comm share of O'Key sales in Moscow in 2020

**2.1%**
E-comm share of O'Key sales in St.-Pete in 2020

# O`KEY HAS A FUNCTIONAL MOBILE APPLICATION AND FAST HOME DELIVERY

## FUNCTIONAL MOBILE APP

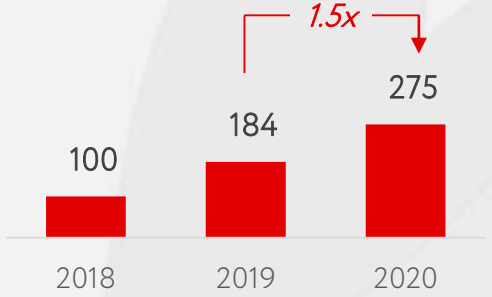



### O'KEY mobile app allows customers to:

- View offline catalogues
- Access order and shopping history
- Share basket between users
- View promotions
- Create a loyalty e-card and check bonuses
- Use voice assistant
- Locate the nearest store
- Pay online

### ACTIVE CUSTOMERS

*'000 people*

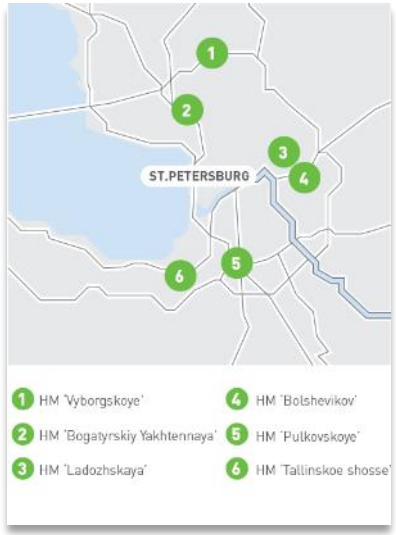



### MOBILE APP DOWNLOADS

*'000 for the period*

## ATTRACTIVE REGIONS OF DELIVERY

O'KEY delivery across Moscow region and St. Petersburg…




**12**
Delivery storehouses

**90 mins**
"Fast delivery" launched in 2020

**RUB 3,400**
Average ticket for express delivery in 12M 2020

… as well as delivery in regions in partnership with other operators

- In 2020, the company covered all regions of its presence via partnership with delivery operators
- The company sees great potential and continues to invest in own e-comm business focusing on Moscow and St.-Petersburg as key cities of its operations

Source: Company data, 2020

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# O’KEY HYPERMARKETS TRANSFORMATION BASED ON A NEW CONCEPT

# NEW O'KEY HYPERMARKET CONCEPT LAUNCHED IN OCTOBER 2020

## STRATEGIC RATIONALE

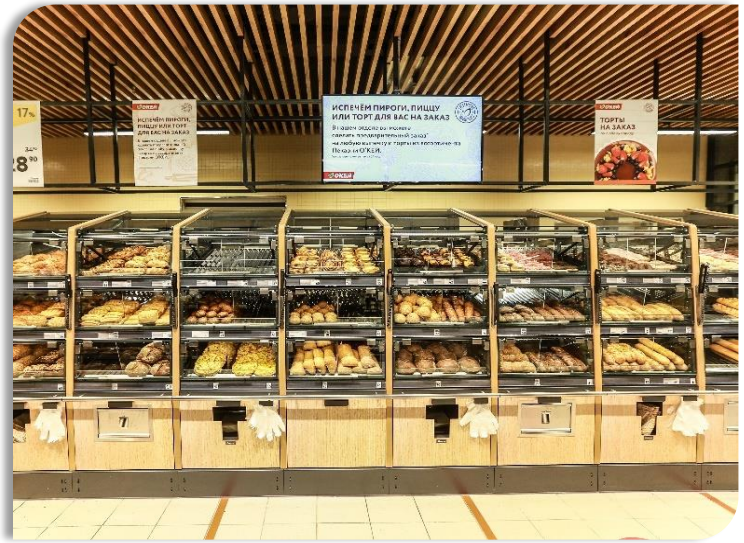
- Competitive format driving synergies and clear advantages for development in online
- Strong potential to improve the efficiencies of sales space utilization
- Strengthening O'KEY's market position and creating a foundation for long-term expansion

## NEW CONCEPT HIGHLIGHTS

- Improved layouts and re-imagined approach to product range, while using every of 5,500 square meters as efficiently as possible
- +50% space allocated to fresh and ultra fresh categories as main traffic drivers
- A comfortable café area next to the ready-to-eat section
- Non-food area reduction by 80%, range revitalisation and re-design of the display, focusing on high-quality items that are most popular with customers

# EVEN STRONGER FOCUS ON FRESH & ULTRA-FRESH

- The new concept features even more impressive bakery, deli, cheese, sausages, meat and seafood counters
- Fresh, ultra fresh products and fruits & vegetables areas, as the main traffic drivers for all O'KEY stores, got a new upgraded design and layout



# NON-FOOD CATEGORY: NEW EFFICIENCY AND ATTRACTIVE LOOK

- New concept has modern displays, promo stalls, and new attractive design of non-food areas
- Non-food range includes items for home and garden, children's goods, as well as skincare products, make-up, and seasonal goods
- Optimised selling space to focus on increasing sales per square metre, while also improving the look and feel of this section of the store

PLEASE CLICK HERE TO WATCH A MOVIE ABOUT THE NEW HYPERMARKET

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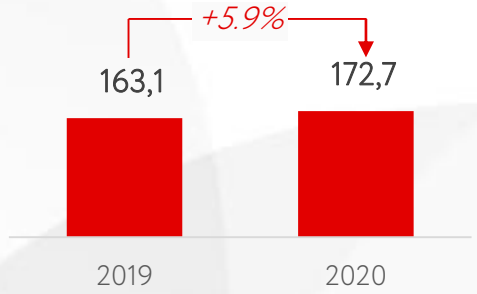
# FY 2020 OPERATIONAL & FINANCIAL RESULTS

# FY 2020 GROUP OPERATING HIGHLIGHTS

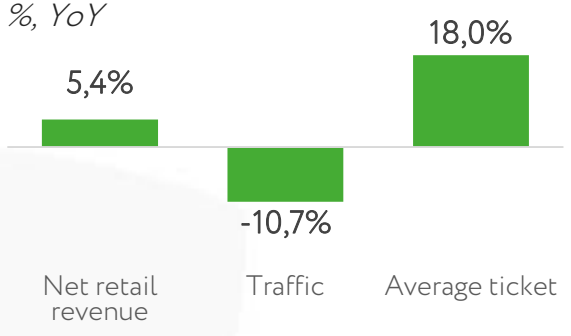
## NET RETAIL REVENUE

*RUB bn*



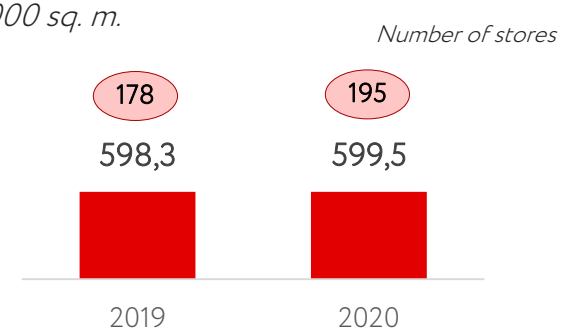

## LFL NET RETAIL REVENUE

*%, YoY*



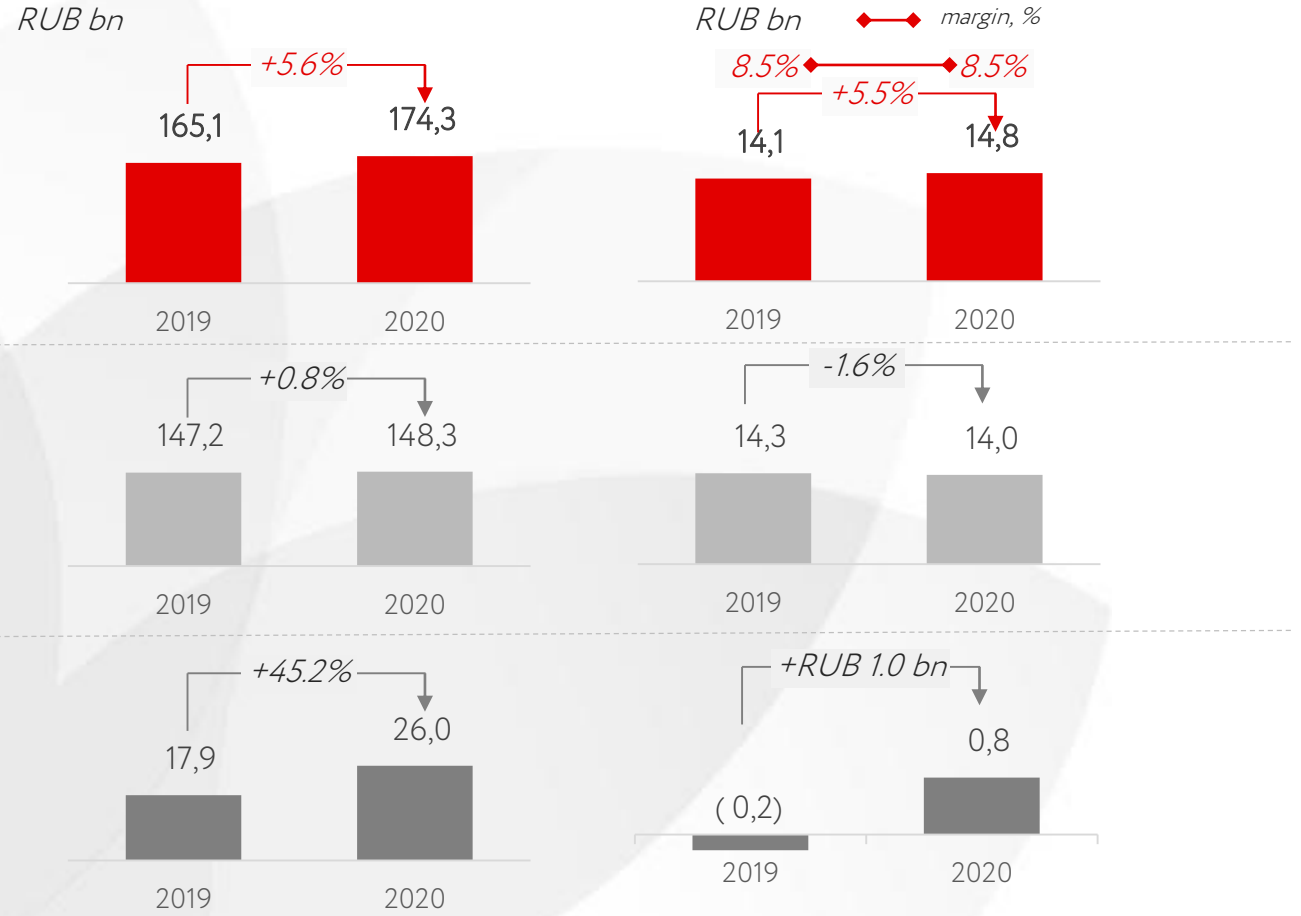

## SELLING SPACE

*'000 sq. m.*



# FY 2020 GROUP FINANCIAL HIGHLIGHTS

## REVENUE




## EBITDA

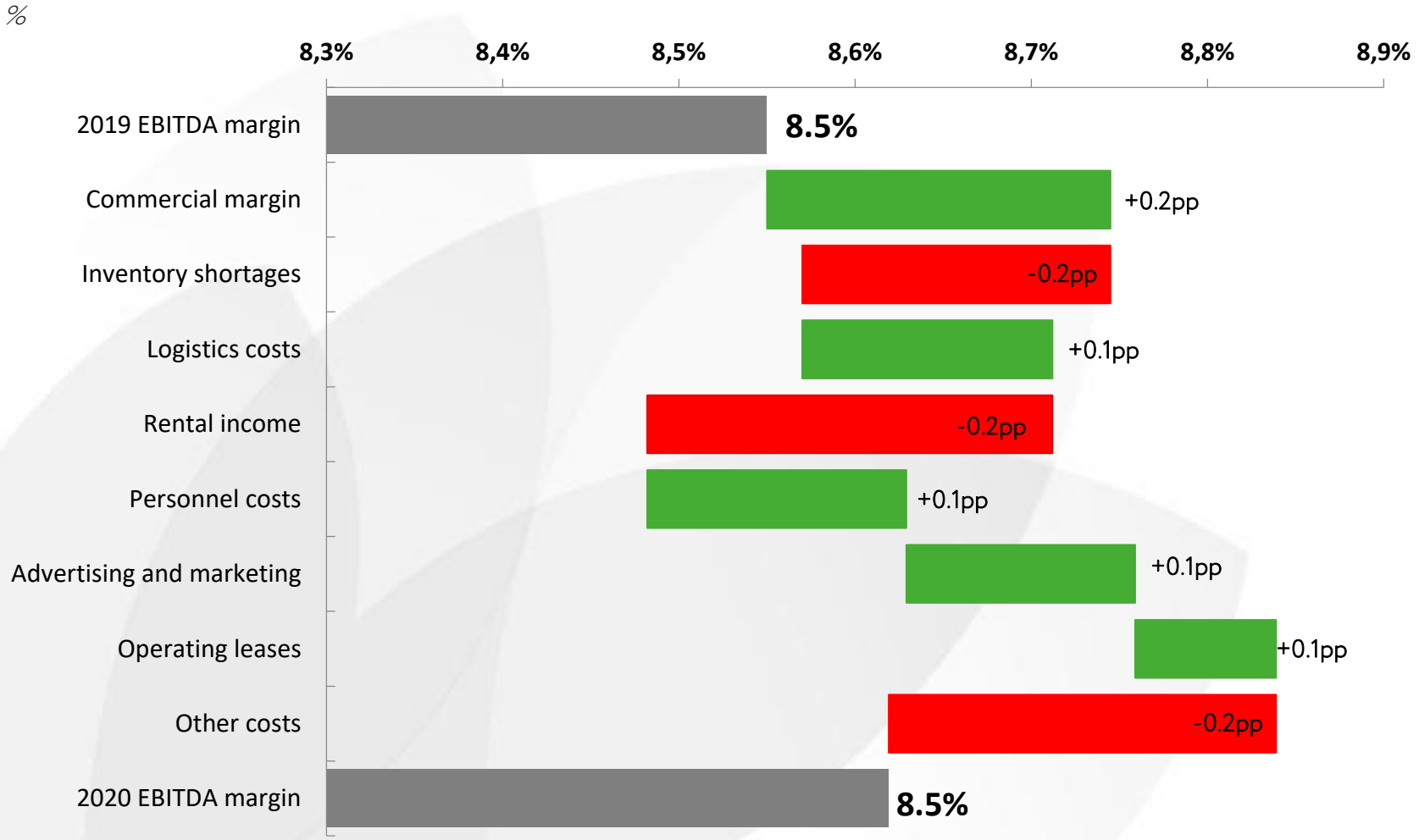



## HIGHLIGHTS

- **Group revenue** grew by 5.6% YoY to RUB **174,341** mln
- **Group gross profit** increased by 5.4% to RUB 39,288 mln
- **Group EBITDA** grew by 5.5% YoY to RUB **14,832** mln
- **EBITDA margin** stood at 8.5%
- **DA!** discounters **EBITDA** improved from negative RUB 215 mln to positive RUB 784 mln in FY 2020
- **Net debt** decreased slightly YoY to 3.6x total interest bearing liabilities (net of cash) to EBITDA

# GROUP EBITDA MARGIN BRIDGE

## EBITDA MARGIN YoY DYNAMICS



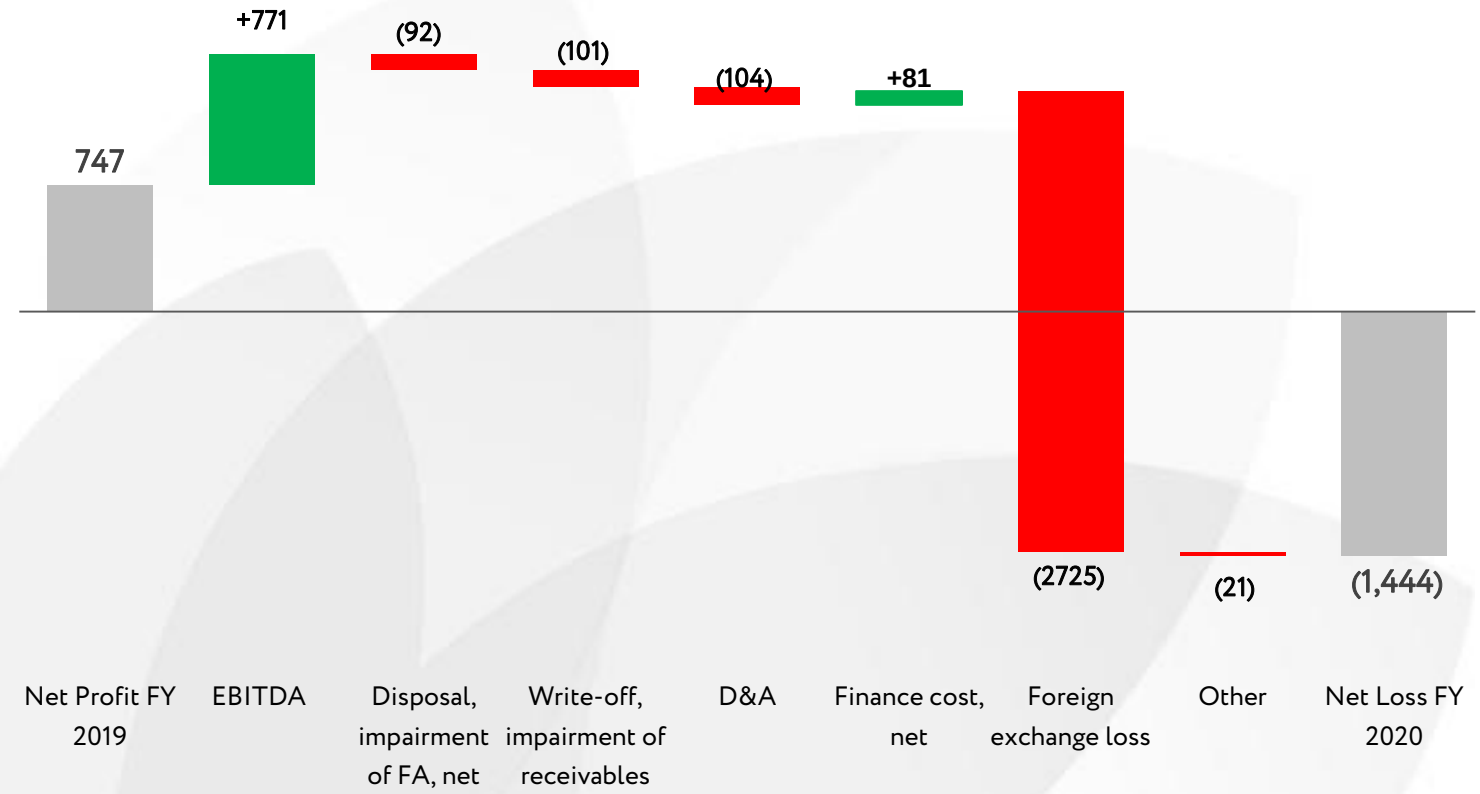

## HIGHLIGHTS of FY 2020

- **EBITDA margin** stood at 8.5% in FY 2020:
- **Commercial margin** grew by 0.2pp YoY thanks to mix and synergies in procurement
- **Shrinkage** costs went up by 0.2pp YoY due to growing share of fresh and non-return products to suppliers, according to the regulation enforced in June 2019
- **Rental income** dropped by 0.2pp YoY on the back of the lockdown of 2020
- **Logistics, Personnel, Marketing and Operating lease costs** declined totally by 0.4pp YoY due to cost control and processes optimisation
- **Other costs** increased by 0.2pp YoY, including operational taxes, bank commissions related to a rise in non-cash payments, and other one-off costs

# GROUP NET RESULT WAS MAINLY AFFECTED BY FOREIGN EXCHANGE LOSS IN FY 2020

## NET PROFIT & LOSS DYNAMICS, YoY

*RUB mln*




## HIGHLIGHTS

- Group EBITDA grew by RUB 747 mln YoY
- Finance costs decreased by RUB 81 mln YoY
- Non cash losses from disposal and impairment of fixed assets related mainly to store portfolio optimization in 2020 and IFRS 16 implementation effect on comparable base of FY2019
- FX loss amounted to RUB 1,787 mln in FY 2020 vs RUB 938 mln gain in FY 2019, due mainly to intragroup US-denominated loans and non-current lease liabilities
- Group recognized net loss of RUB 1,444 mln in FY 2020, mainly resulted from the FX loss

# 4

# CORPORATE GOVERNANCE

# INVESTMENT HIGHLIGHTS

- **Flexible business model based on two competitive shopping formats and an e-commerce platform**, covering all customer segments and needs
- **O'KEY: strong brand and market positioning** in major Russian cities
  **DA! discounters: one of the fastest growing grocery chains** in the market
- **Top-10 e-grocery retailers with e-commerce** platform in major Russian cities
- **Exceptional expertise in private labels and own production** enables building appealing customer value proposition
- **Highly centralized logistics**: five distribution centres in Moscow and St. Petersburg
- **Focus on cutting-edge IT solutions** and progressive infrastructure
- **Experienced management team** with international retail expertise

# EXPERIENCED MANAGEMENT TEAM WITH STRONG INTERNATIONAL AND RUSSIAN RETAIL EXPERTISE

## ARMIN BURGER

*CEO of O'KEY*

**2013-2018:** CEO of Da! discounters
**2012-2013:** CEO and a Member of the Supervisory Board of Praktiker AG
**2008-2011:** Member of the Super. Board Aldi Süd
**1999-2008:** CEO Hofer KG, Sattledt, Austria

## KONSTANTIN ARABIDIS

*Chief Financial Officer*

**2012-2016:** various positions in O'KEY Group
**Before 2012:** various positions in PWC

## IVAN DROPULJIC

*Commercial Director*

**2012-2017:** Purchasing and Marketing Director, Member of the Board of Kaufland Croatia
**2007-2012:** Fresh Food Director at Kaufland Croatia
**Up to 2007:** various positions at Pik Vrbovec and Jamnica

## PAVEL LOKSHIN

*Chief Operational Officer*

**2016-2018:** CEO of Perekrestok Express
**2013-2016:** CEO of K-Rauta
**2001-2013:** various positions in METRO Cash & Carry Russia Co.

## OLGA SURNINA

*Marketing Director*

**2018-2019:** JSC Arnest, Marketing Director Russia & CIS
**2016-2018:** Magnit, Head of Own Production
**2013-2016:** Nautica, Marketing and PR Director
**2010-2013:** Nokia International South CIS Branch, Marketing Director

## ELENA POLOZOVA

*Human Resources Director*

**2013-2015:** Senior HR, OKEY
**2003-2013:** HR Business partner in Magnit

## ELENA REMENNIKOVA

*E-Commerce Director*

**2011-2012:** CEO of AMF international delivery of flowers and presents
**2010-2011:** Chief Commercial Director, Utkonos
**2000-2009:** Federal purchasing director, X5 Retail Group

## OLGA KUZYAKINA

*Real Estate Director*

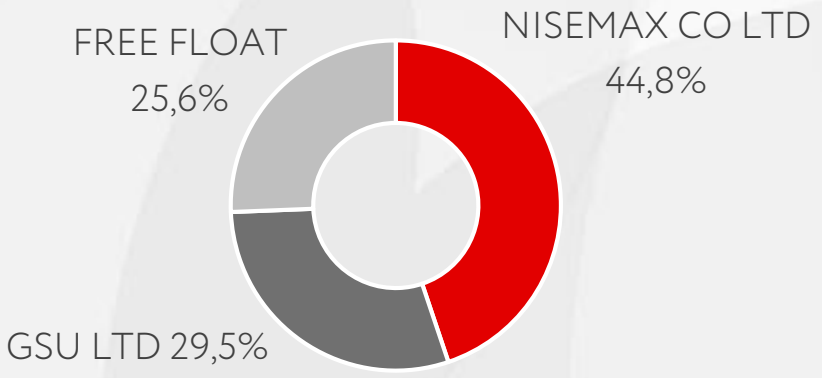
**2013-2020:** Real estate director in Aton Investment Group
**2010-2013:** Real estate director in Castorama

# HIGH STANDARDS OF CORPORATE GOVERNANCE

## MAJOR SHAREHOLDERS

- Mr. Dmitry Korzhev (NISEMAX CO LTD)
- Mr. Dmitry Troitskiy (NISEMAX CO LTD)
- Mr. Boris Volchek (GSU LTD)

## SHAREHOLDER STRUCTURE




## BOARD OF DIRECTORS

**HEIGO KERA,**

Group Chairman, Member of the Audit Committee, Chair of the Remuneration Committee

**DMITRIY TROITSKIY,**

Member of the Remuneration Committee, Non-Executive Director

**BORIS VOLCHEK,**

Member of the Audit and Remuneration Committees

**DMITRIY KORZHEV,**

Member of the Audit Committee

**MYKOLA BUINYCKYI,**

Independent Director, Chair of the Audit Committee

## O'KEY STOCK

| Exchange | Ticker | Traded since |
|---|---|---|
| London Stock Exchange | OKEY | 5 Nov 2010 |
| Moscow Exchange, Level 1 | OKEY | 14 Dec 2020 |

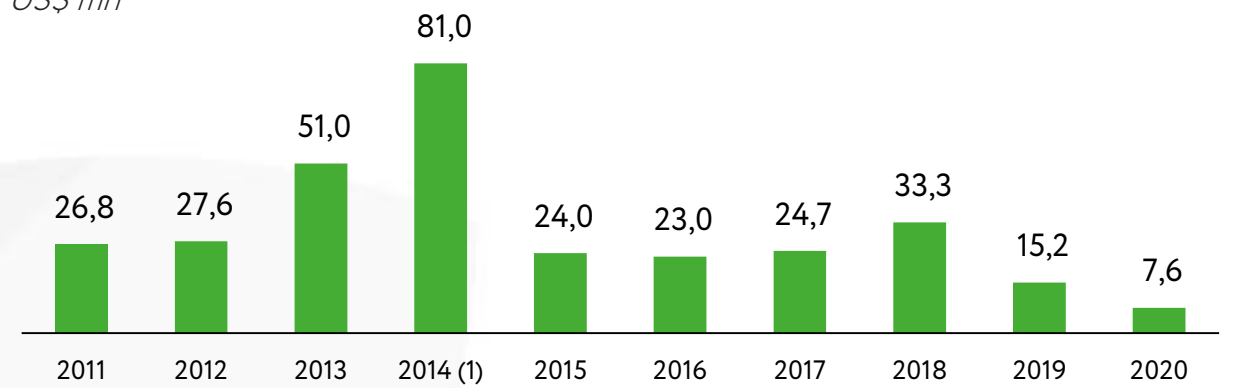
Listing on Moscow Exchange is expected to strengthen O'KEY's positioning, help diversify the Group's shareholder base and increase the liquidity of O`KEY's traded securities.

# SUSTAINABLE DIVIDEND TRACK RECORD

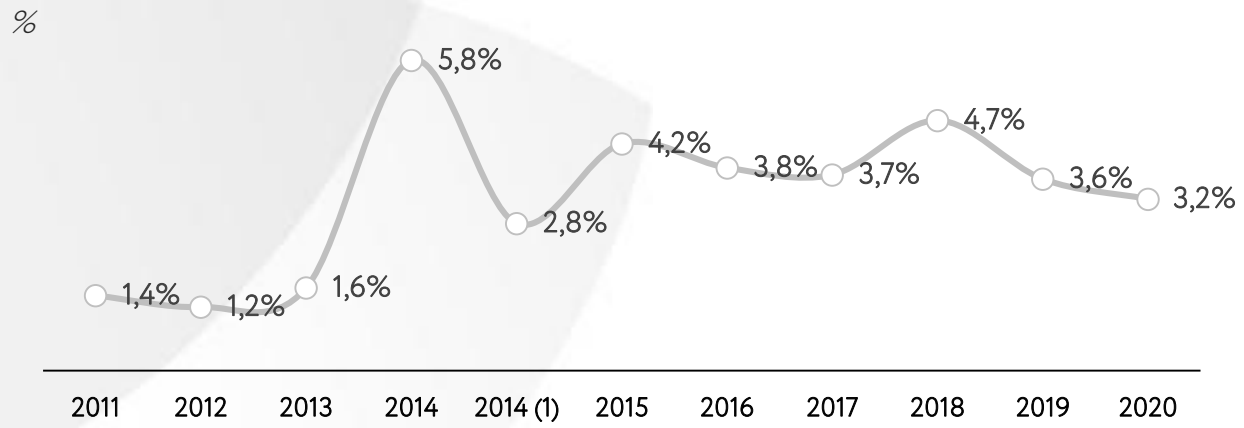
## GROUP DIVIDEND POLICY

- Dividend amount depends on business financing needs and general market conditions, and is subject to BoD decision
- Frequency of payments per year is not limited, subject to BoD decision
- Since the Group's IPO on LSE in 2010, the dividends have been paid every year

## DIVIDEND PAID




## DIVIDEND YEILD (2)




Notes: (1) In 2014, the Group distributed dividends twice; (2) As of the record date.

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# APPENDIX

# GROUP'S AUDITED CONSOLIDATED BALANCE SHEET (1/2)

| '000 RUB | Note | 31 December 2020 | 31 December 2019 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Investment property | 13 | 1,897,449 | 1,249,969 |
| Property, plant and equipment | 14 | 41,252,458 | 41,962,175 |
| Construction in progress | 14 | 2,784,595 | 2,976,838 |
| Right-of-use assets | 15 | 20,601,991 | 21,512,397 |
| Intangible assets | 16 | 1,269,804 | 1,292,185 |
| Deferred tax assets | 12 | 4,709,712 | 4,175,871 |
| Other non-current assets | 18 | 507,746 | 831,632 |
| **Total non-current assets** | | **73,023,755** | **74,001,067** |
| **Current assets** | | | |
| Inventories | 19 | 16,460,125 | 15,219,769 |
| Trade and other receivables | 20 | 3,042,208 | 4,141,984 |
| Prepaid income tax | | 58,882 | 180,966 |
| Prepayments | 17 | 1,092,150 | 895,033 |
| Other current assets | | 63,250 | 42,662 |
| Cash and cash equivalents | 21 | 7,713,568 | 5,507,079 |
| **Total current assets** | | **28,430,183** | **25,987,493** |
| **Total assets** | | **101,453,938** | **99,988,560** |

Notes: The consolidated statement of financial position is to be read in conjunction with the notes to, and forming part of, the consolidated financial statements set out on pages 7 to 65. Group audited report, including the full set of audited IFRS financial statements, can be found at https://okeygroup.lu/investors/result-center/ifrs-statements/.

# GROUP'S AUDITED CONSOLIDATED BALANCE SHEET (2/2)

| '000 RUB | Note | 31 December 2020 | 31 December 2019 |
|---|---|---|---|
| **EQUITY AND LIABILITIES** | | | |
| **Equity** | 22 | | |
| Share capital | | 119,440 | 119,440 |
| Legal reserve | | 10,597 | 10,597 |
| Additional paid-in capital | | 8,555,657 | 8,555,657 |
| Hedging reserve | | (155,056) | (155,518) |
| Retained earnings | | 3,185,645 | 5,233,827 |
| Translation reserve | | 1,761,152 | 1,204,897 |
| **Total equity** | | **13,477,435** | **14,968,900** |
| **Non-current liabilities** | | | |
| Loans and borrowings | 24 | 31,808,417 | 30,089,758 |
| Lease liabilities | 25, 28 | 20,166,661 | 21,172,587 |
| Deferred tax liabilities | 12 | 559,741 | 527,796 |
| **Total non-current liabilities** | | **52,534,819** | **51,790,141** |
| **Current liabilities** | | | |
| Loans and borrowings | 24 | 4,418,673 | 1,629,220 |
| Interest accrued on loans and borrowings | 24 | 204,467 | 211,181 |
| Lease liabilities | 25, 28 | 4,472,445 | 3,949,756 |
| Trade and other payables | 26 | 25,928,027 | 27,182,739 |
| Current income tax payable | | 418,072 | 256,623 |
| **Total current liabilities** | | **35,441,684** | **33,229,519** |
| **Total liabilities** | | **87,976,503** | **85,019,660** |
| **Total equity and liabilities** | | **101,453,938** | **99,988,560** |

Notes: The consolidated statement of financial position is to be read in conjunction with the notes to, and forming part of, the consolidated financial statements set out on pages 7 to 65. Group audited report, including the full set of audited IFRS financial statements, can be found at https://okeygroup.lu/investors/result-center/ifrs-statements/.

# GROUP'S AUDITED CONSOLIDATED PROFIT AND LOSS STATEMENT

| '000 RUB | Note | 2020 | 2019 |
|---|---|---|---|
| | 34 | | Revised |
| Revenue | 6 | 174,341,169 | 165,086,202 |
| Cost of goods sold | | (135,053,236) | (127,826,275) |
| **Gross profit** | | **39,287,933** | **37,259,927** |
| General, selling and administrative expenses | 8 | (32,792,114) | (31,790,218) |
| Other operating income and expenses, net | 9 | (1,457,222) | (568,606) |
| **Operating profit** | | **5,038,597** | **4,901,103** |
| Finance income | 10 | 86,846 | 89,803 |
| Finance costs | 10 | (4,971,224) | (5,054,947) |
| Foreign exchange (loss)/gain | 11 | (1,786,951) | 937,678 |
| **(Loss)/profit before income tax** | | **(1,632,732)** | **873,637** |
| Income tax benefit/(expense) | 12 | 188,668 | (126,679) |
| **(Loss)/profit for the year** | | **(1,444,064)** | **746,958** |
| | | | |
| **Other comprehensive income/(loss)** | | | |
| *Items that will never be reclassified to profit or loss:* | | | |
| Exchange differences on translation to presentation currency | | 556,255 | (390,471) |
| *Items that are or may be reclassified subsequently to profit or loss:* | | | |
| Change in fair value of hedges and reclassification from hedging reserve | | 577 | (194,398) |
| Income tax on items within other comprehensive income/(loss) | 12 | (115) | 38,880 |
| **Other comprehensive income/(loss) for the year, net of income tax** | | **556,717** | **(545,989)** |
| **Total comprehensive (loss)/income for the year** | | **(887,347)** | **200,969** |
| | | | |
| **(Loss)/earnings per share** | | | |
| Basic and diluted (loss)/earnings per share (in RUB per share) | 23 | (5.4) | 2.8 |

Notes: The consolidated statement of profit or loss and other comprehensive income is to be read in conjunction with the notes to, and forming part of, the consolidated financial statements set out on pages 7 to 65. Group audited report, including the full set of audited IFRS financial statements, can be found at https://okeygroup.lu/investors/result-center/ifrs-statements/.

# GROUP'S AUDITED CONSOLIDATED STATEMENT OF CASH FLOWS

| '000 RUB | Note | 2020 | 2019 |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Cash receipts from customers | | 201,037,196 | 191,108,706 |
| Other cash receipts | | 462,954 | 698,981 |
| Interest received | | 53,117 | 49,475 |
| Cash paid to suppliers and employees | | (185,135,037) | (175,781,669) |
| Taxes other than on income | | (696,595) | (668,837) |
| Other cash payments | | (91,602) | (43,199) |
| VAT paid | | (3,507,733) | (3,494,010) |
| Income tax paid | | (176,610) | (791,615) |
| **Net cash from operating activities** | | **11,945,690** | **11,077,832** |
| **Cash flows from investing activities** | | | |
| Purchase of property, plant and equipment and initial direct costs associated with right-of-use assets (excluding VAT) | | (3,625,557) | (2,508,942) |
| Purchase of intangible assets (excluding VAT) | | (481,331) | (410,157) |
| Repayment of loan granted to related party | 31 | 346,025 | - |
| Proceeds from sale of subsidiaries | | - | 1,552,785 |
| Proceeds from sale of property, plant and equipment and intangible assets (excluding VAT) | | 5,773 | 14,612 |
| **Net cash used in investing activities** | | **(3,755,090)** | **(1,351,702)** |
| **Cash flows from financing activities** | | | |
| Proceeds from loans and borrowings | | 11,450,000 | 13,252,720 |
| Repayment of loans and borrowings | | (7,125,405) | (15,843,795) |
| Interest paid on loans and borrowings | | (2,893,597) | (2,885,956) |
| Repayment of principal amount of lease liabilities | | (4,455,487) | (4,083,535) |
| Interest paid on lease liabilities | | (2,031,117) | (2,286,559) |
| Dividends paid | 22 | (604,118) | (987,512) |
| Other financial payments | | (328,472) | (87,453) |
| **Net cash used in financing activities** | | **(5,988,196)** | **(12,922,090)** |
| **Net increase/(decrease) in cash and cash equivalents** | | **2,202,404** | **(3,195,960)** |
| Cash and cash equivalents at the beginning of the year | 21 | 5,507,079 | 8,712,253 |
| Effect of exchange rate fluctuations on cash and cash equivalents | | 4,085 | (9,214) |
| **Cash and cash equivalents at the end of the year** | 21 | **7,713,568** | **5,507,079** |

Notes: The consolidated statement of cash flows is to be read in conjunction with the notes to, and forming part of, the consolidated financial statements set out on pages 7 to 65. Group audited report, including the full set of audited IFRS financial statements, can be found at https://okeygroup.lu/investors/result-center/ifrs-statements/.

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