



# O`KEY GROUP

Investor presentation, October 2019

**O`KEY**  
GROUP OF COMPANIES

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## Key highlights:

- Macroeconomic conditions remain stable
- Competitive environment is easing
- Hypermarkets demonstrate recovering LFLs and steady sales growth
- Discounters continue to demonstrate impressive growth and higher profitability

## Key focus:

- Higher sales densities and EBITDA growth in hypermarkets
- New hypermarket concept (we believe in a format of up to 6,000 sq. m)
- Continued growth of the discounter business coupled with better profitability

## Guidance 2020:

- Hypermarkets: low single-digit growth in revenue and stable EBITDA margin
- Discounters: double-digit growth in LFL revenue, reach profitability on a monthly basis

# O`KEY Group at a glance

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**O`KEY 78**

Hypermarkets Stores



Discounters Stores

**88**



**590**

Selling space  
(<sup>'</sup>000 sq. m)



**RUB 187 bn**

2019 LTM



**8.5%**

Revenue CAGR  
1H 2010- 1H 2019

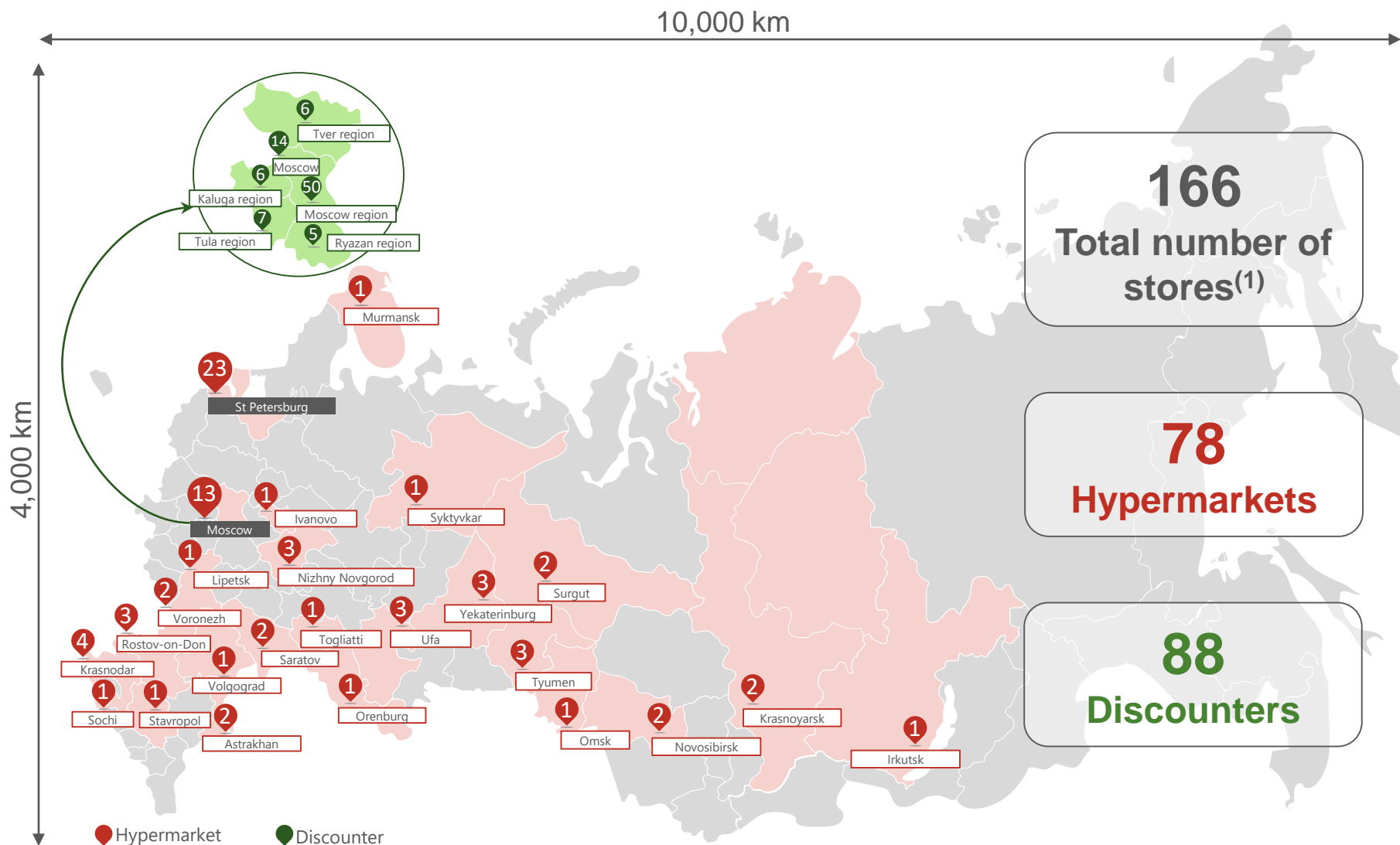


**148 mln**

Customers shopped in  
9M 2019

# O'KEY Group geography

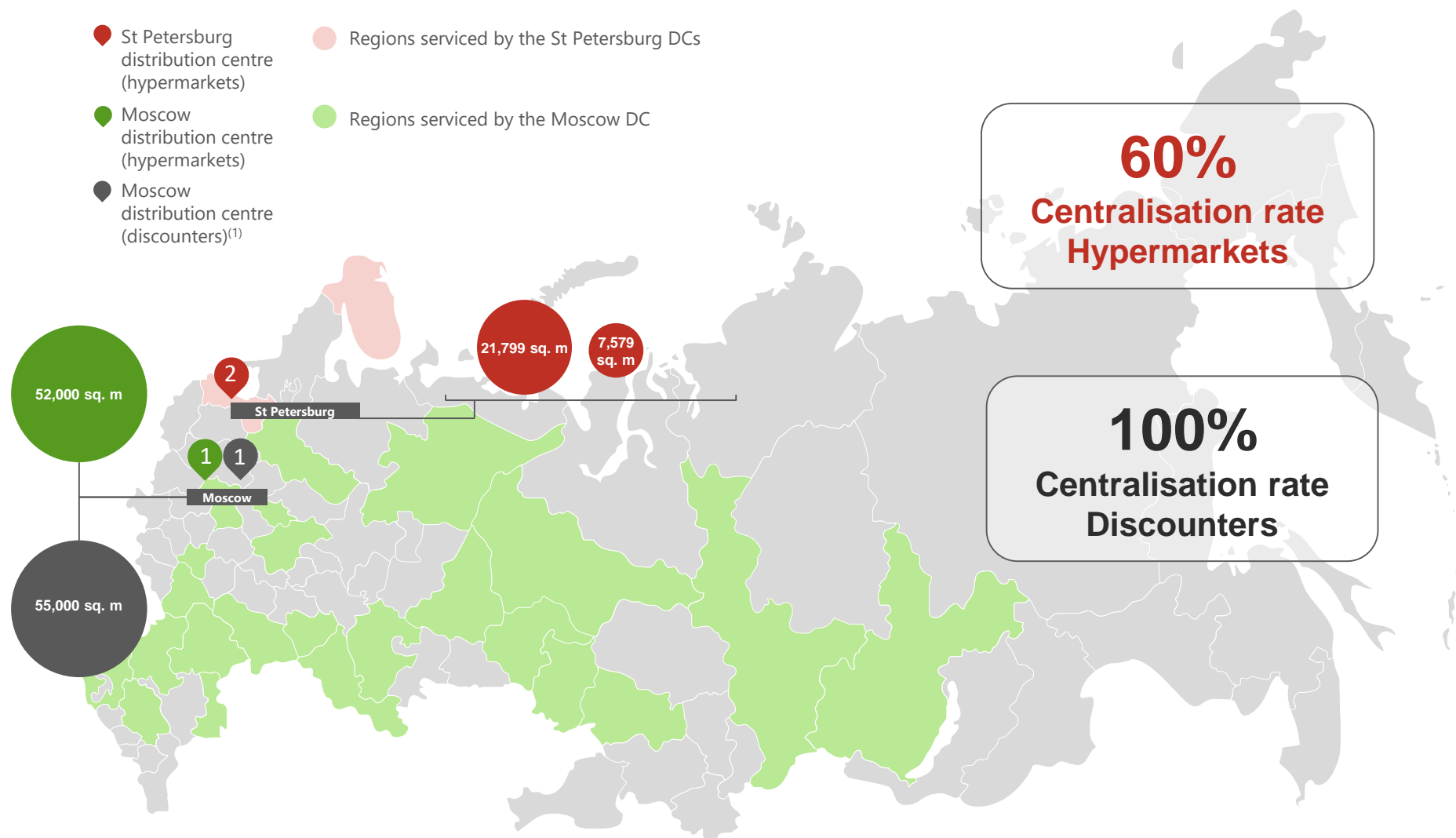
6



Notes: <sup>(1)</sup> Number of stores as of October 2019.

# O'KEY Group supply chain

7



Notes: (1) Service areas are limited to Moscow, Moscow region, Tula region, Tver region, Kaluga region, and Ryazan region.

# O'KEY Group has a strong management team with a solid experience in the Russian retail market

8



**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 at O'KEY Group  
**Before 2012:** various positions at PWC



**Anton Farlenkov**  
**Corporate Development Director**

**2006–2016:** various leadership positions at Goldman Sachs  
**2003–2006:** various positions at Royal Dutch Shell, Infoshare



**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**  
**Operations Director**

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



**Sergey Shadrin**  
**Supply Chain Director**

**2017–2018:** Auchan Moscow, Supply Chain Director  
**2004–2018:** various positions at Danone Russia, Ukraine, and Saudi Arabia



**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



**Tatiana Bukanova**  
**Real Estate Director**

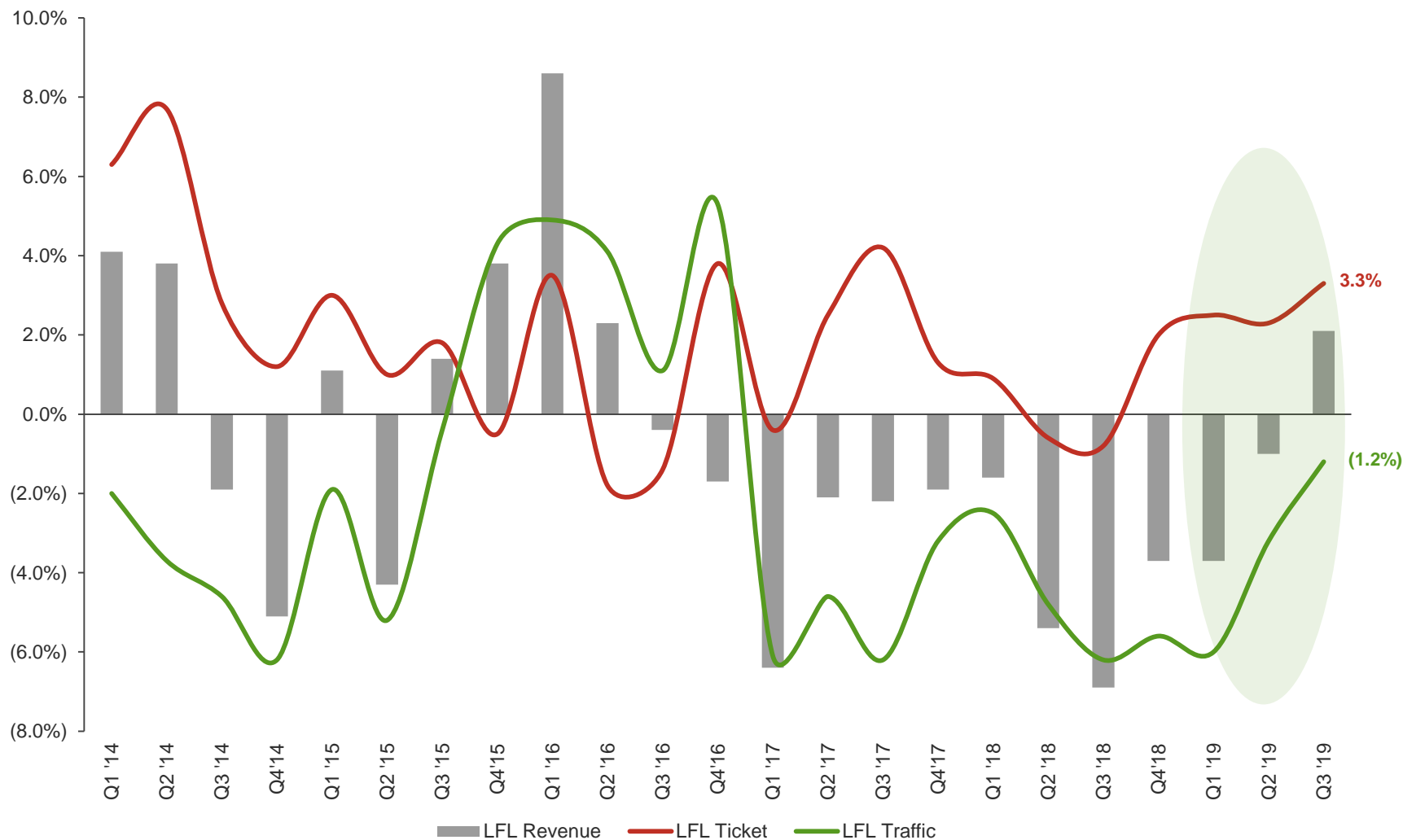
**2011–2017:** IKEA Russia, Head of Legal, Executive Manager  
**2008–2009:** Alshaya Group, Associate General Counsel  
**1999–2007:** Cable and Wireless CIS, General Director



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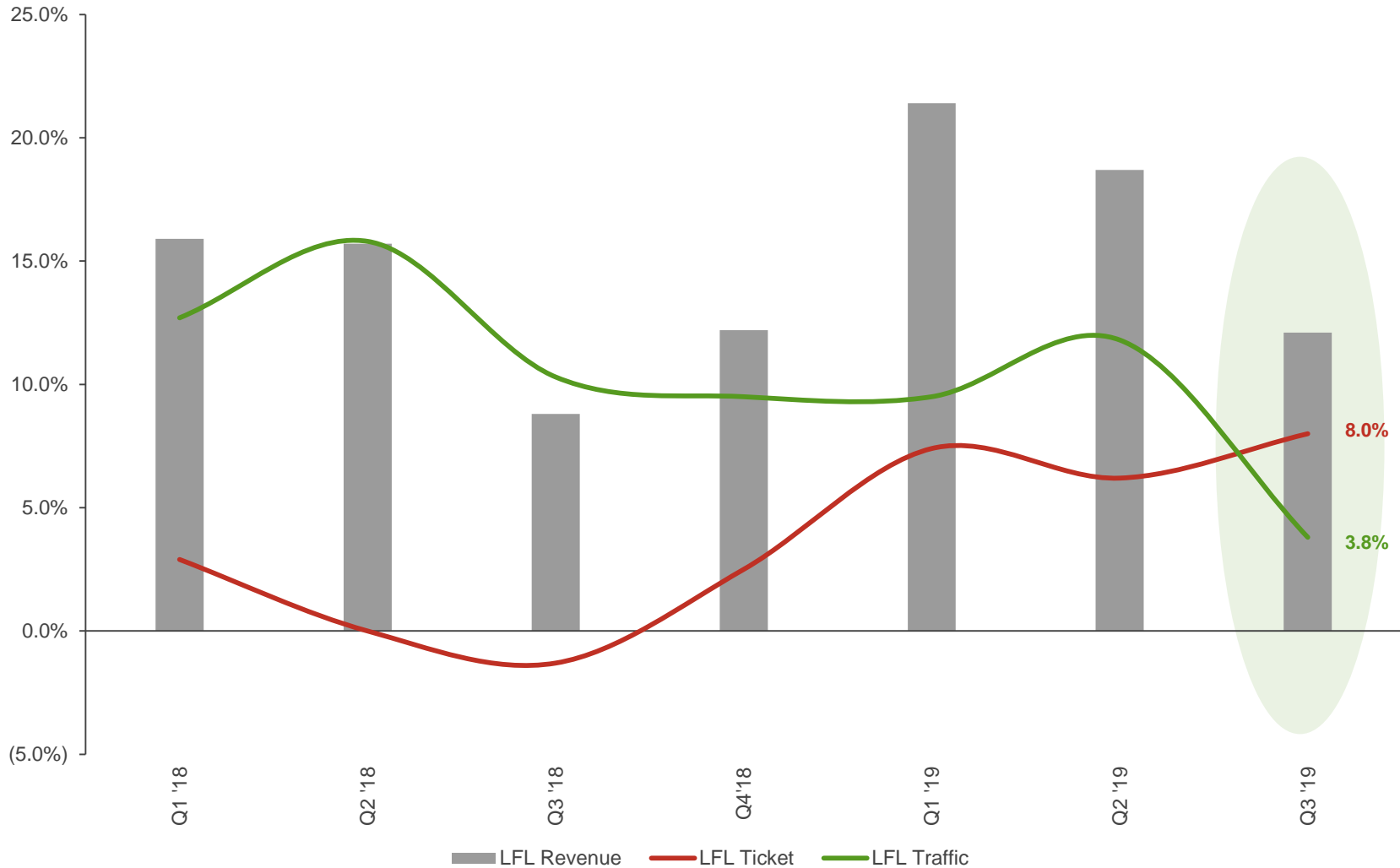
# In Q3 2019, hypermarkets' operating performance continued to demonstrate gradual recovery

10



# Discounters continued to demonstrate solid growth trends in Q3 2019

11

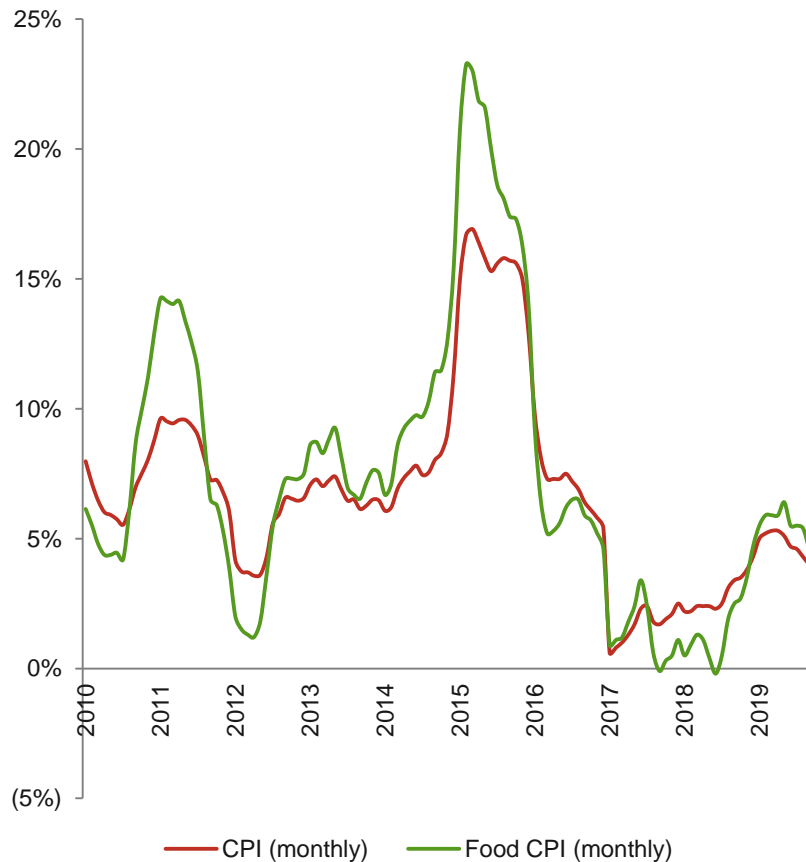


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# Food CPI marginally slowed down in Q3 2019

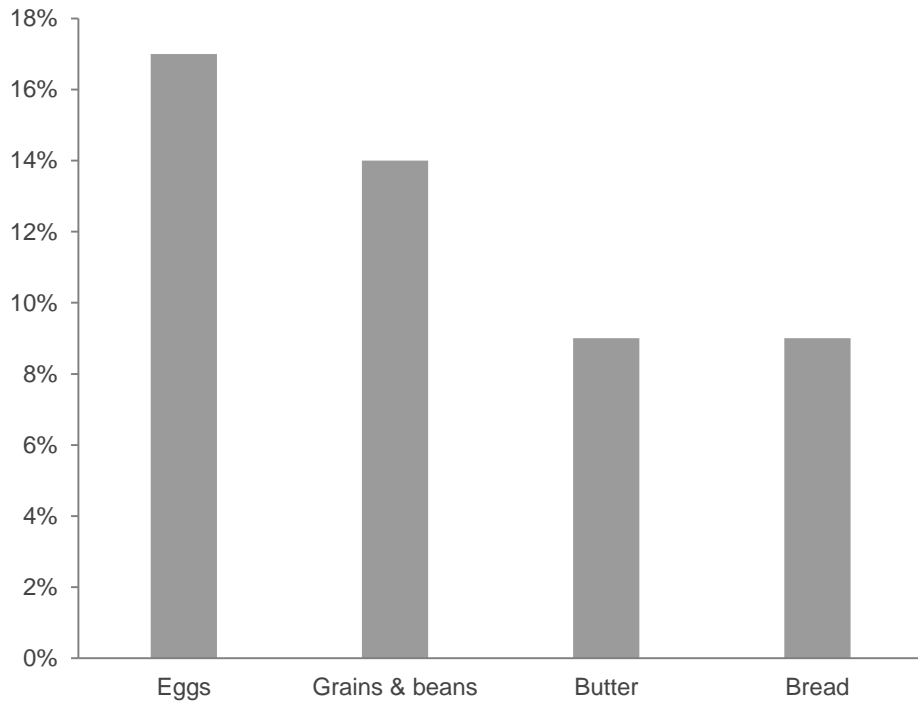
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In Q3 2019, food CPI marginally slowed down but remained supportive overall...



...largely driven by higher prices for eggs, grains & beans, butter, bread, and others products

Price dynamics in August 2019 vs August 2018

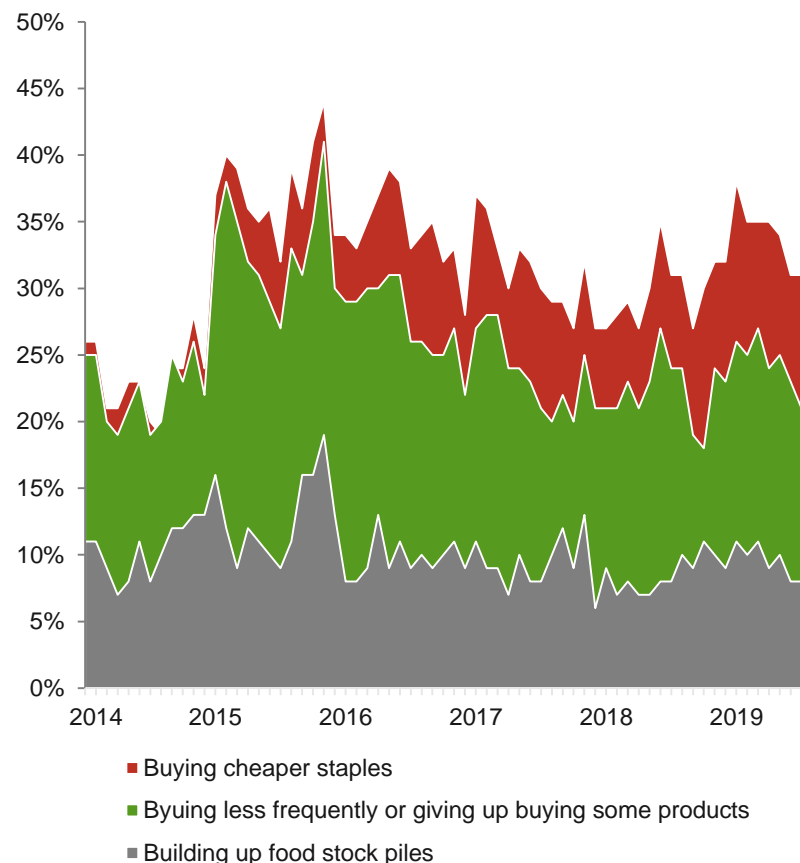
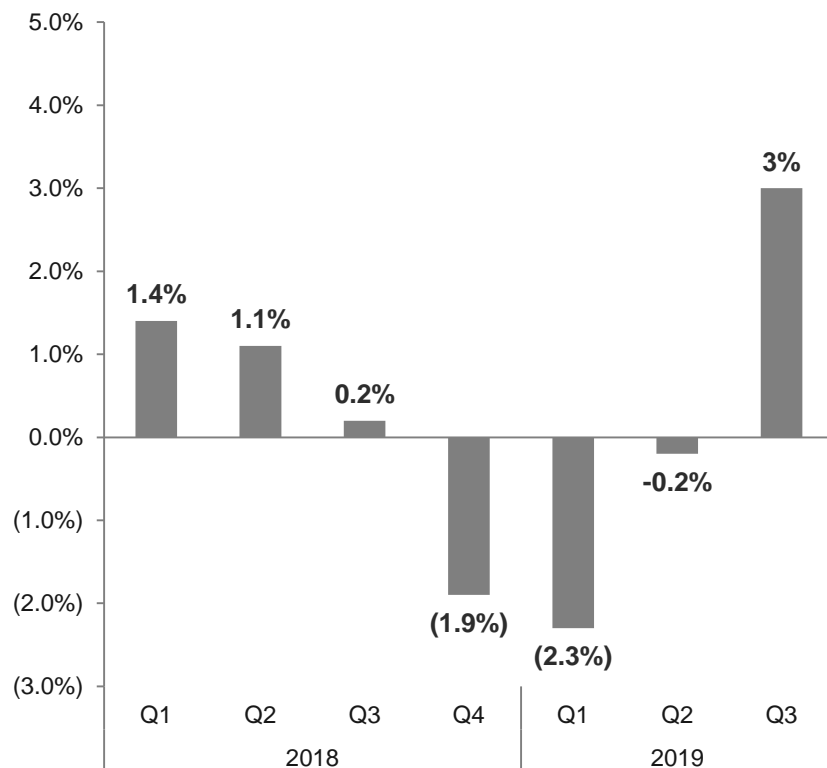


# In Q3 2019 consumer sentiment continued to demonstrate gradual recovery

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Real disposable income improved in Q3 2019 to 3% YoY supported by positive wages dynamics

The percentage of customers who traded down decreased on average to 30% in Q3 2019 from 32% a year ago



## **Lenta:**

- Put on hold its expansion program
- Closed 2 hypermarkets and 7 supermarkets
- Plans to close another 7 hypermarkets in near future

## **Karusel:**

- Announced hypermarkets transformation strategy at the end of September:
  - 34 stores to become large supermarkets
  - 57 stores will be closed or sold

## **Auchan:**

- The Company continues to close stores (Auchan and Atak) and sell non-core assets in Russia, as its performance has been worsening steadily over the past several years

## **Metro:**

- The Russian division continues to underperform, resulting in severe cost-cutting measures (a third of the head office staff was laid off in October)

**Overall, the competitive environment is easing and we see a lot of opportunities for growth**

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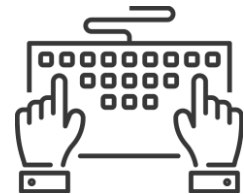




**HYPERMARKETS**



**DISCOUNTERS**



**E-COMMERCE**

# Hypermarkets profile

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Share in total sales in 1H 2019	89.2%
Number of stores	78
Average store selling space ('000 sq. m)	7.3
Total selling space (sq. m)	529,055
Percentage of owned selling space	54%

## Product range

SKUs: 34,000  
 Fresh + UltraFresh: 45.0%  
 Dry: 15%  
 Non-food: 14%  
 Drinks: 13%  
 Cosmetics/Detergents: 9%  
 Own production: 4%

Average ticket (RUB) LTM	1,070
Target audience	Within 15 min by car
Locations	Near public transport hubs, in areas with limited competition



Store front of a hypermarket in Yekaterinburg



Interior of a hypermarket in Yekaterinburg

- Frequency of visits through better freshness offers
- Top quality Private Labels
- Smarter promo activities
- Relaunch of loyalty program
- Focus on the quality of own production
- New assortment strategy
- New communication concept in the store
- Development of new concept store
- Renovation on the basis of new concept
- Strict focus on costs

# Recently opened store in Yekaterinburg

20



4,541 sq. m  
selling space

3,812 sq. m  
production area

20.4%  
LFL revenue growth in Q3 2019



# Recently opened store in Yekaterinburg

21



# Recently opened store in Yekaterinburg

22





# New design of private labels to boost traffic (1)

23

- Renewed 'That's what you need!' private label package is designed to take care of price-sensitive customer segment
- The private label category redesign to increase traffic by 10%–15%



# New design of private labels to boost traffic (2)

24

- The renewed 'O'KEY' private label range is designed to cater to middle-class customers





# New design of private labels to boost traffic (3)

25

- New 'Farmers collection' brand within the family of 'O'KEY selection' private label line



# New design of private labels to boost traffic (4)

26

- The renewed 'O'KEY Selection' private label range is designed to cater to upper- and middle-class customers



# New design of private labels to boost traffic (5)

27

- New 'Organic' brand within the family of 'O'KEY selection' private label line





# New promo concept: Fresh weekly offers to drive frequency of visits

28

**О'КЕЙ**

Каталог товаров  
в гипермаркетах  
Сочи

Цены действительны  
с 17 по 23 октября

## Свежие новости

**-21%** ~~319.00~~  
**249.00**

Свинина,  
корейка на кости,  
замороженная, кг

**-26%** ~~16.29~~  
**11.99**

Пончики,  
70 г, шт.

**-25%** ~~99.99~~  
**74.99**

Молоко  
пастеризованное  
безлактозное,  
Атромилекс,  
1,5%, 900 мл

**-30%** ~~129.00~~  
**89.99**

Томаты  
Бакинские,  
упаковка,  
500 г

www.okmarket.ru

**О'КЕЙ**

Каталог товаров  
в гипермаркетах  
и супермаркетах  
Санкт-Петербурга

Цены действительны  
с 3 по 9 октября

## Свежие новости

**-35%** ~~369.00~~  
**239.00**

Свинина, карбонад,  
охлажденный  
полуфабрикат, кг

**-29%** ~~36.99~~  
**25.99**

Лепешка с сыром,  
100 г

**-33%** ~~74.99~~  
**49.99**

Молоко  
пастеризованное  
отборное Домик  
в деревне,  
3,5-4,5%, 930 мл

**-43%** ~~159.00~~  
**89.99**

Гранат, кг

www.okmarket.ru

# Discounters at a glance

29



**88**

Stores



**RUB 19 bn**

2019 LTM



**700 sq. m**

Average store  
selling space



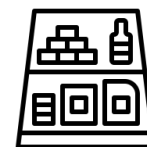
**100%**

Logistics  
centralisation



**2,500**

SKUs



**49%**

Private label  
share in total  
revenue

# Discounters profile

30

Share in total sales in 1H 2019	10.8%
Number of stores	88
Average store selling space ('000 sq. m)	0.7
Total selling space (sq. m)	60,307
Percentage of owned selling space	27.9%
Average selling space (m <sup>2</sup> )	700
SKUs	SKUs: 2,500 PL SKUs: 49% of total revenue
Product ranges	Fresh: 45% Dry: 28% F&V: 15% Non-food: 8% Non-food special: 3% Food special: 1%
FTEs	8
Average ticket (RUB) LTM	490
Target audience	Within 5 min by car/ 15 min walking distance
Locations	Within densely populated residential areas in close proximity to roads



Interior of a discounter in the Moscow region



Interior of a discounter in the Moscow region

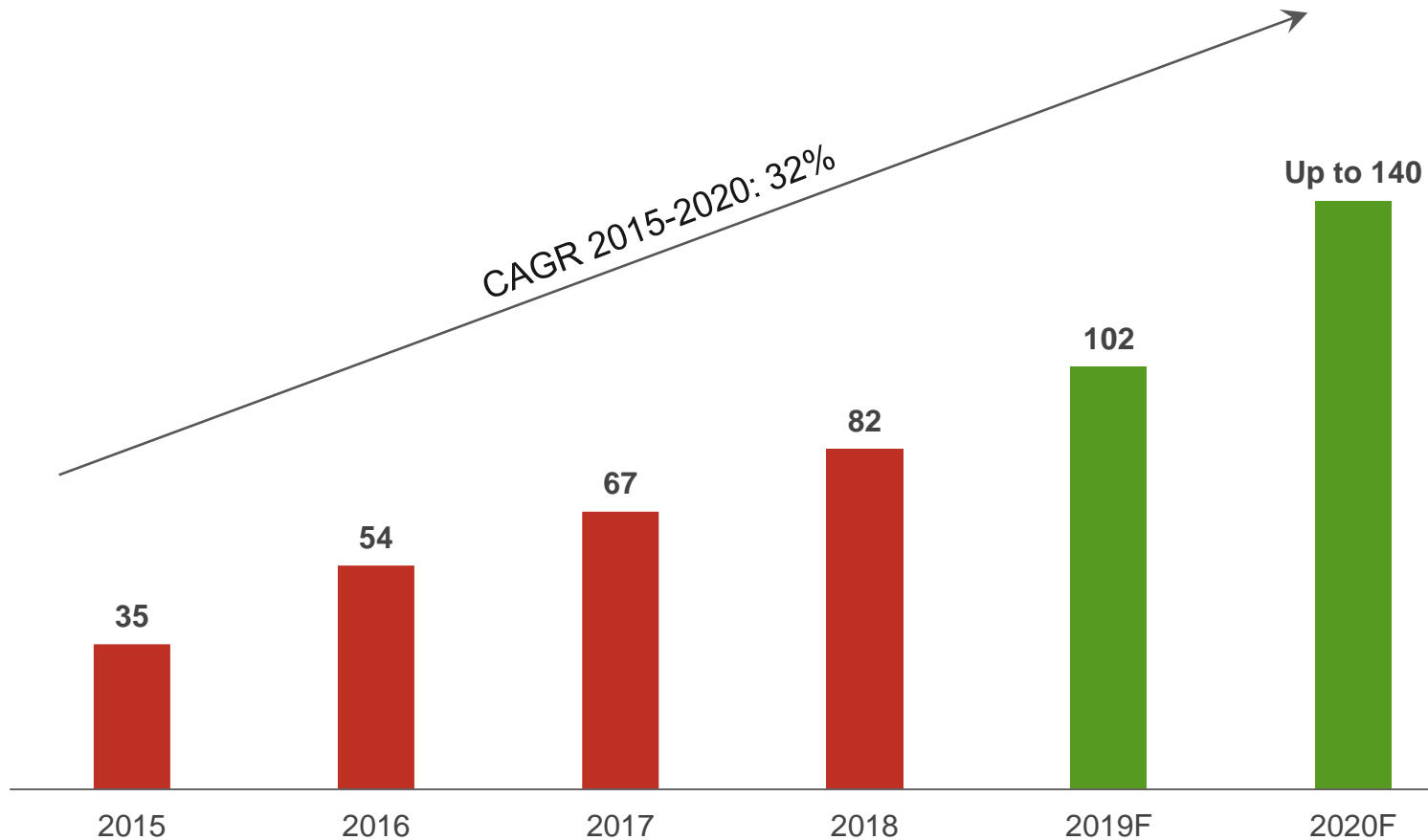
- Successful assortment mix
- Everyday low price
- Daily deliveries of fresh products in store
- Focus on freshness
- Quality of Private Label assortment
- Own bakery
- Strict cost control
- Minimum overheads
- Expansion speed

**International discounter concept fully adapted  
for Russian market and environment**

# Growth and expansion: Up to 140 stores

32

Number of stores







**735 sq. m**  
selling space

**554 sq. m**  
production area

**25%**  
LFL revenue growth in Q3 2019<sup>(1)</sup>

Notes: (1) Data for the discounter located in Moscow region, Obukhovo, opened in April 2016

# Enhancing the shopping experience

34





# Enhancing the shopping experience

35





# Enhancing the shopping experience

36



# Private labels in discounters account for 49% of turnover (1)

37

- Discounters' private label range is represented by 80 brands



# Private labels in discounters account for 49% of turnover (2)

38







Private labels in discounters account for 49% of turnover (4)

40



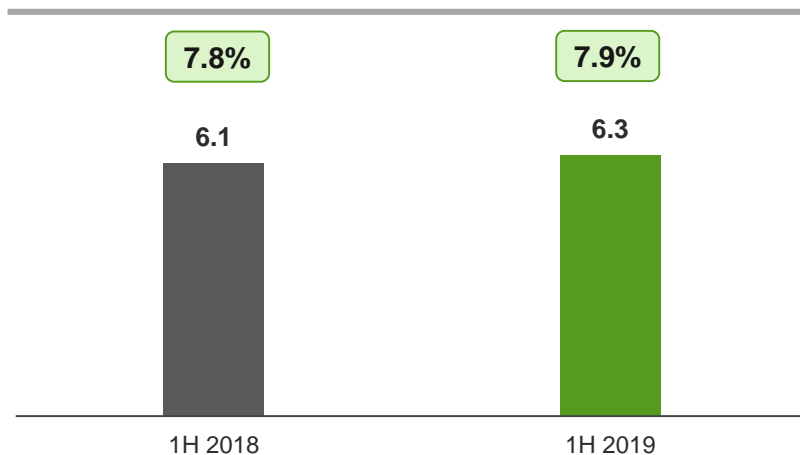


- 1 Joint buying
- 2 Direct imports
- 3 Private Label synergies

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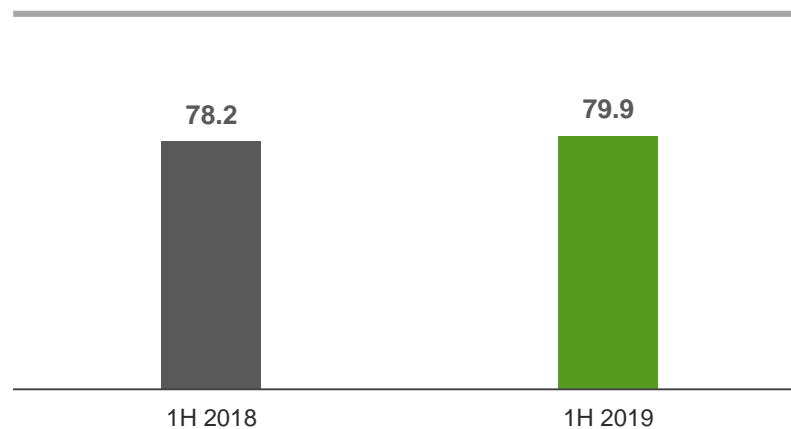
- The Group revenue increased in 1H 2019 by 2.2%
- The Group EBITDA grew by 3.9% YoY to RUB 6,341 mln compared with RUB 6,105 mln in 1H 2018, while the EBITDA margin increased by 13 bps YoY to 7.9%
- Net profit for the Group amounted to RUB 632 mln in 1H 2019 compared to negative RUB 897 mln in 1H 2018

**EBITDA<sup>(1)</sup>, RUB bn**

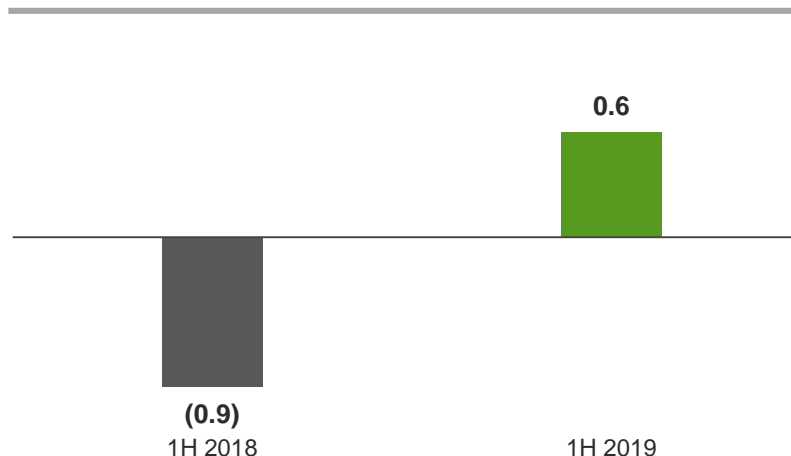


  EBITDA margin

**Revenue, RUB bn**



**Net profit/(loss), RUB bn**

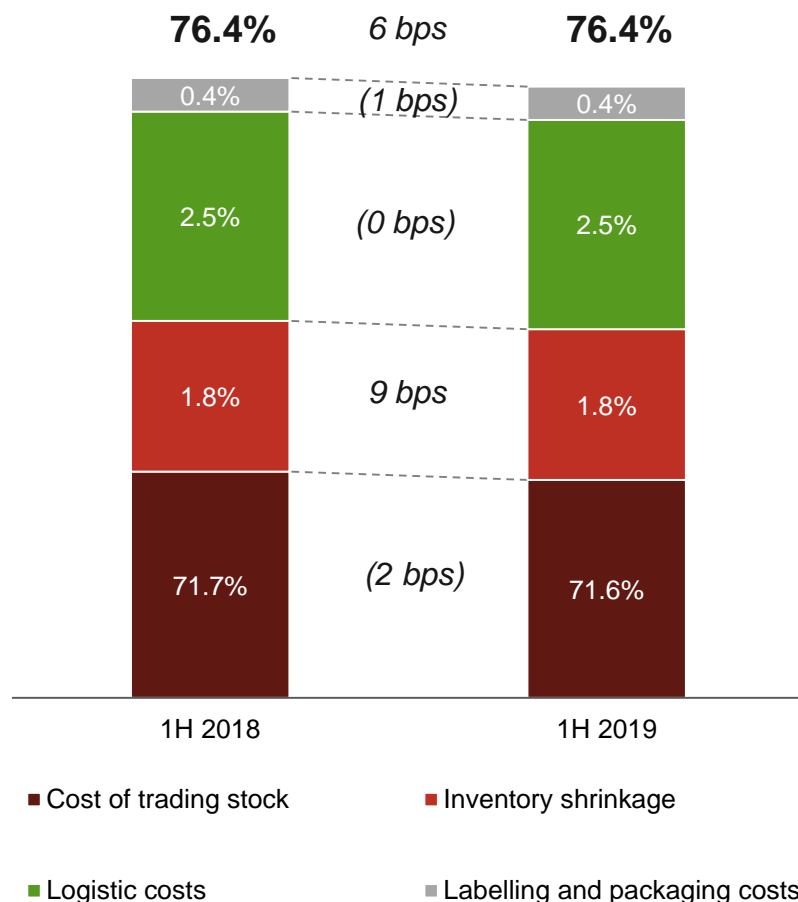


Notes: <sup>(1)</sup> The Group has adopted IFRS 16 from 1 January 2019. Upon implementing the standard, the Group's management began to assess Company performance based on the figures presented in accordance with IFRS 16.

# In 1H 2019 COGS stayed almost flat YoY as a percentage of revenue

44

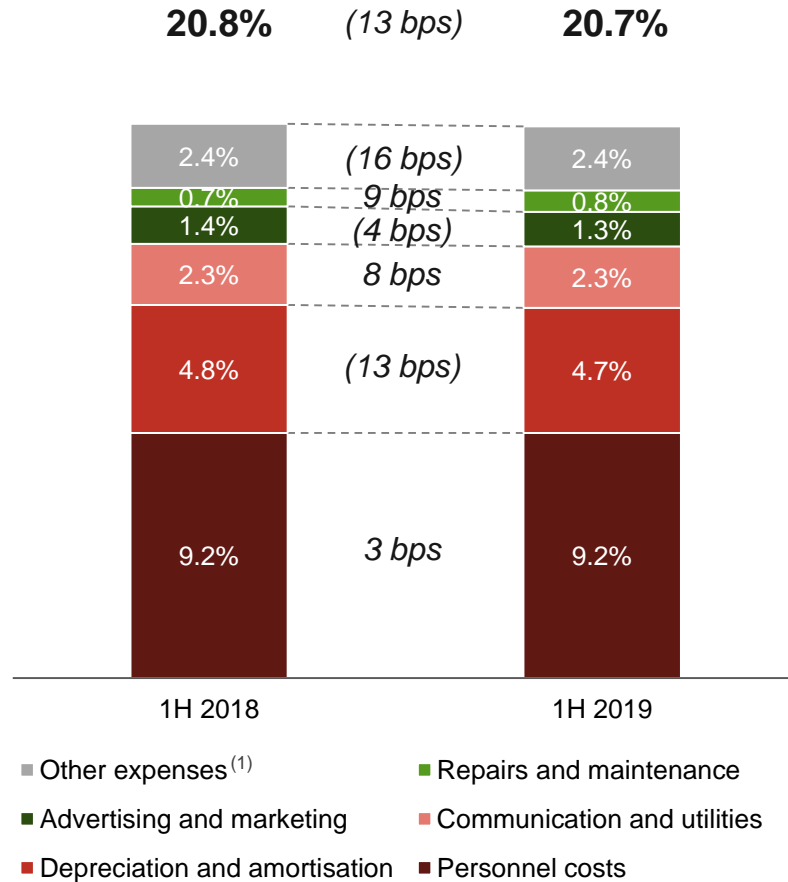
## COGS breakdown as a percentage of revenue



- Cost of trading stock decreased by 2 bps YoY
- Inventory shrinkage increased by 7.2% YoY in absolute terms, mainly due to cancelling supplier returns of products with a shelf-life of less than 30 days
- Logistics cost remained almost unchanged YoY

# In 1H 2019, SG&A expenses decreased by 13 bps

## SG&A expenses breakdown as a percentage of revenue



- Personnel costs increased by 3 bps YoY driven by the necessary wage increases in the hypermarket business in the second half of 2018
- Communications, utilities, repairs, and maintenance expenses increased by 17 bps YoY due to tariff indexation in the second half of 2018 and planned equipment repairs in 1H 2019
- Advertising and marketing expenses stayed almost flat YoY

Notes: <sup>(1)</sup> Other expenses include security expense, insurance and bank commissions, operating taxes, legal and professional expenses, expenses relating to variable lease payments and operating lease expenses, materials and supplies and other costs.

# In 1H 2019 EBITDA margin increased by 13 bps, driven by better purchasing terms and higher efficiency of operations

46

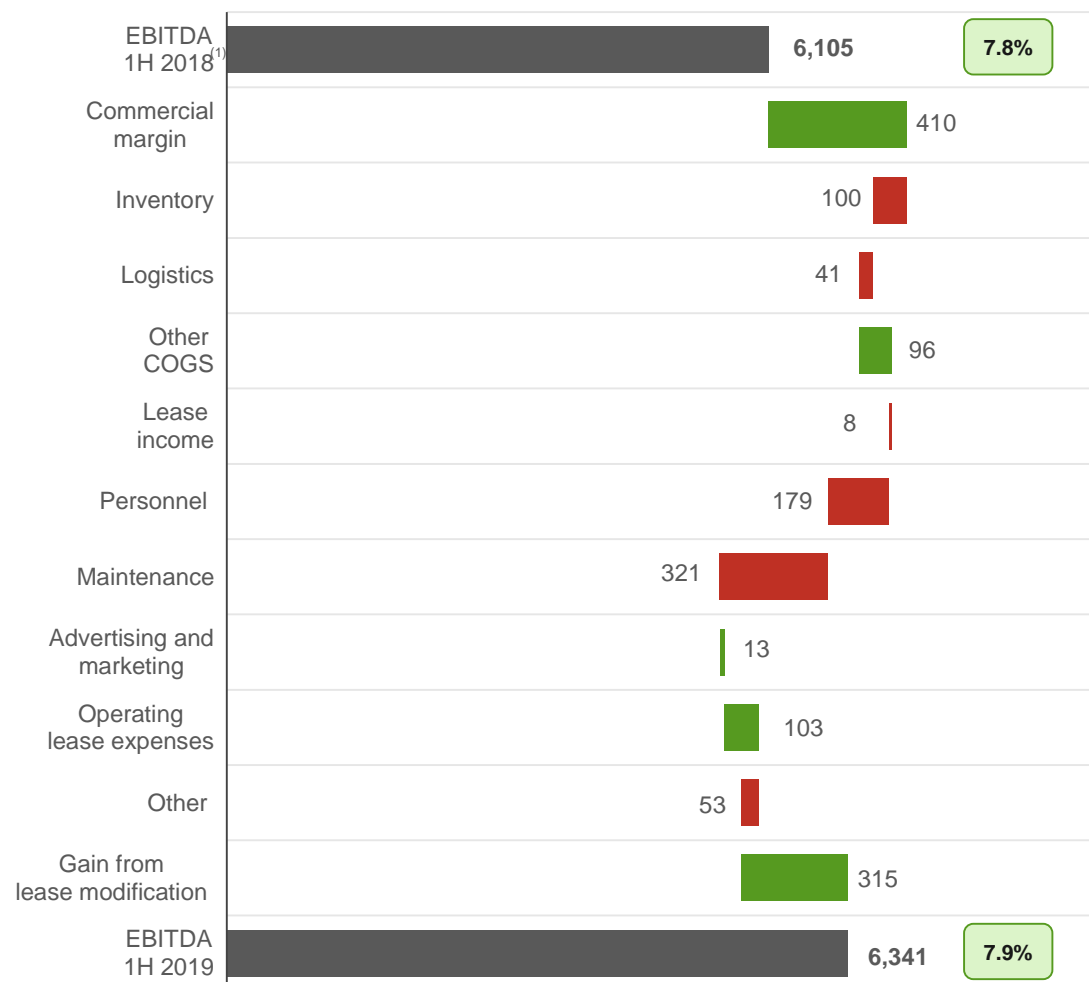
1H 2019 EBITDA was up by 3.9% to

RUB 6,341 mln due to:

- (+) higher commercial margin: impact of RUB 410 mln
- (-) higher inventory shrinkage: impact of RUB 100 mln
- (-) higher logistics costs: impact of RUB 41 mln
- (+) lower other COGS: impact of RUB 96 mln
- (-) lower lease income: impact of RUB 8 mln
- (-) higher personnel costs: impact of RUB 179 mln
- (-) higher maintenance costs: impact of RUB 321 mln
- (+) lower advertising & marketing costs: impact of RUB 13 mln
- (+) decrease of operating lease expenses: impact of RUB 103 mln
- (-) incrhiger other costs: impact of RUB 53 mln
- (+) gain from modifications of lease agreements: impact of RUB 315 mln

EBITDA  
margin

## 1H 2019 EBITDA – key drivers, RUB mln

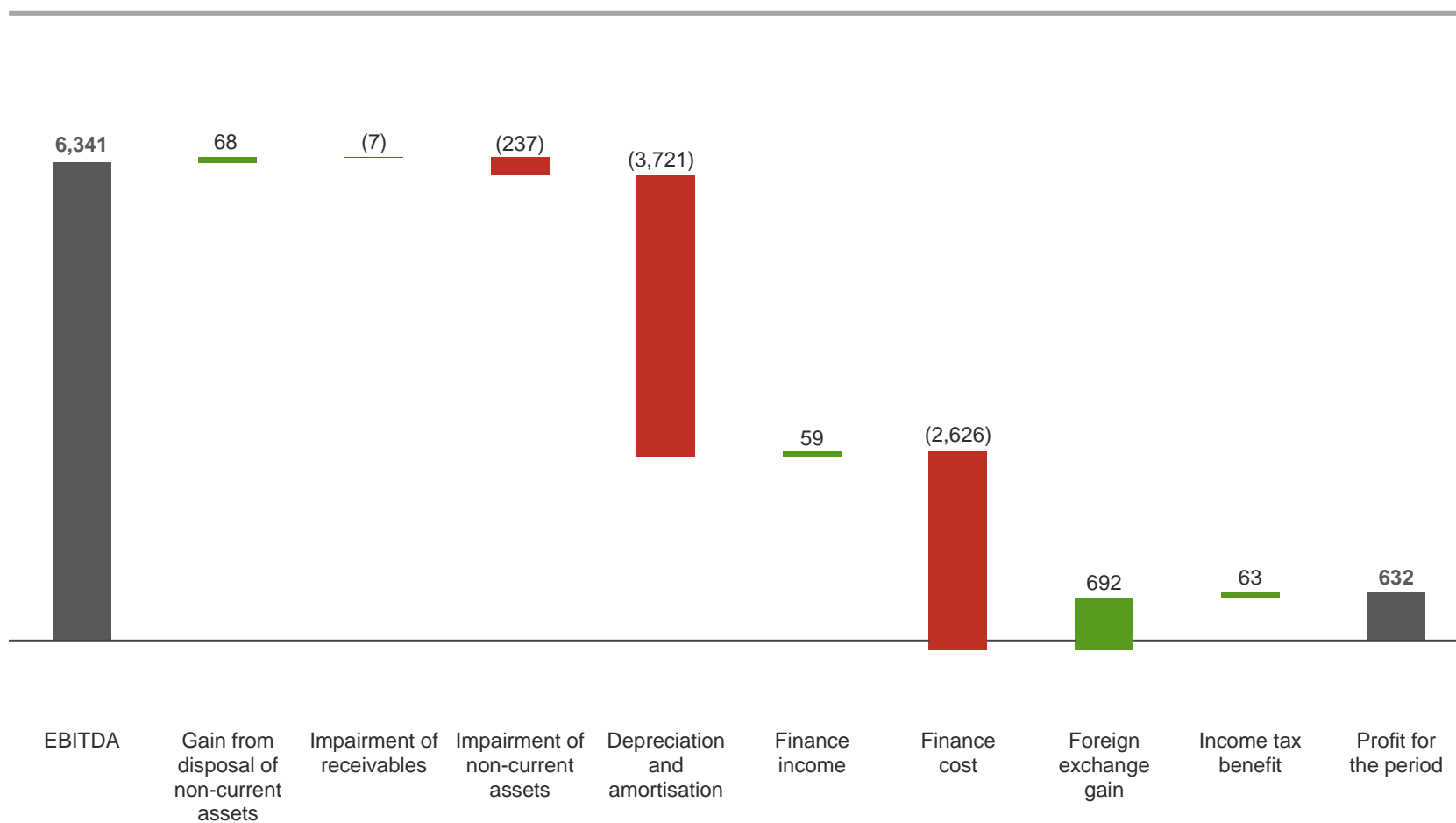


Notes: <sup>(1)</sup> 1H 2018 EBITDA restated in line with IFRS16 guidelines.

In 1H 2019, profit was supported by stronger EBITDA

47

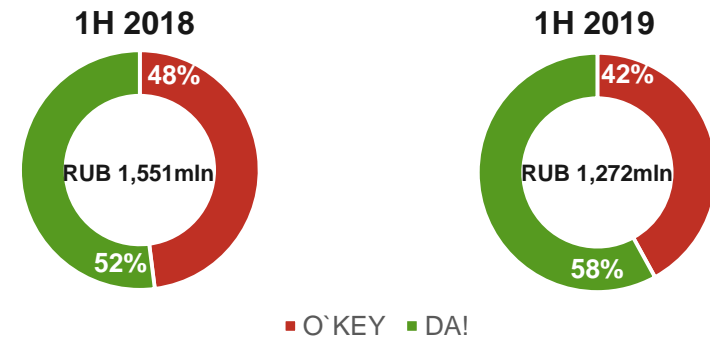
### EBITDA to Profit reconciliation, RUB mln



# Capital expenditures in 1H 2019 decreased by 18% YoY

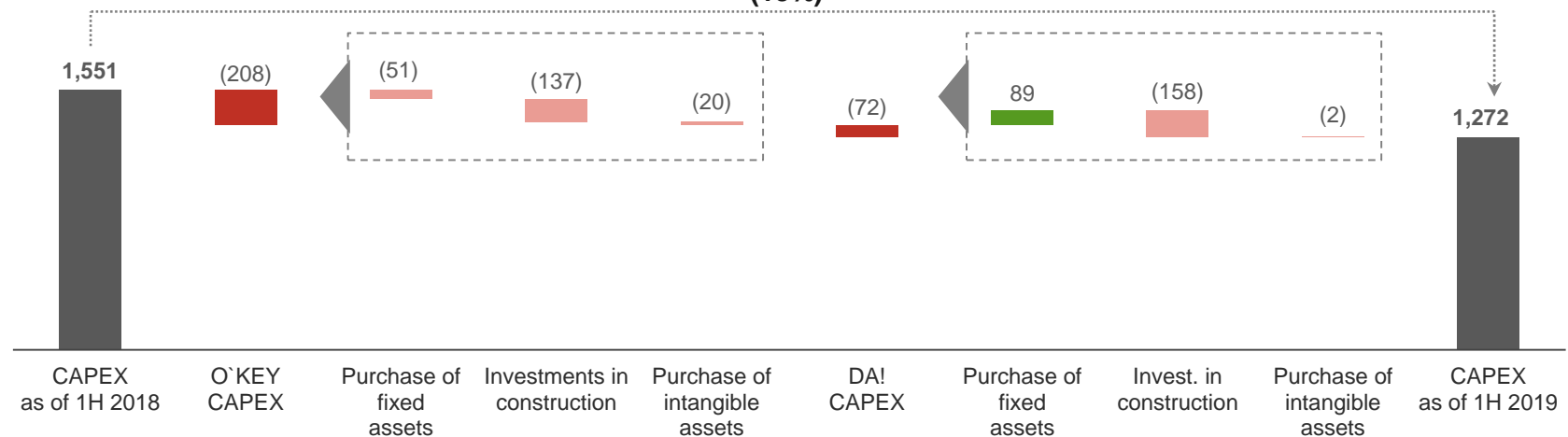
- In 1H 2019, the Group invested RUB 531 mln (excluding VAT) into the development of its hypermarket business
- In 1H 2019, the Group invested RUB 740 mln (excluding VAT) in growing its discounter business

## CAPEX structure



## CAPEX YoY change analysis, excluding VAT, RUB mln

(18%)

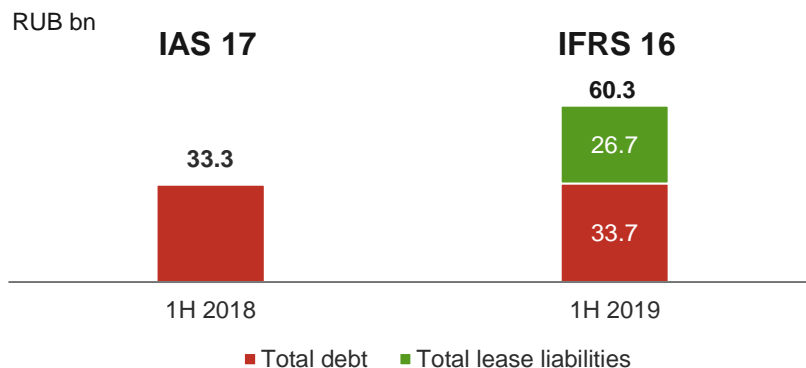




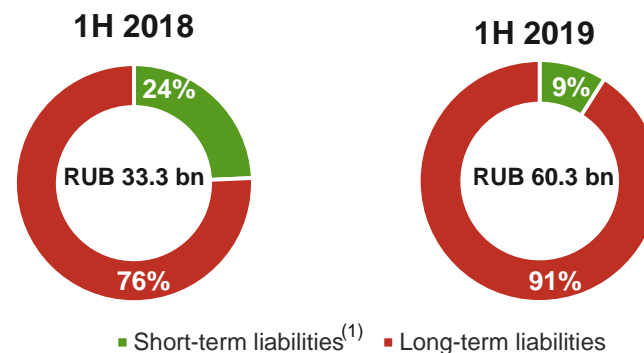
# Interest-bearing liabilities structure

49

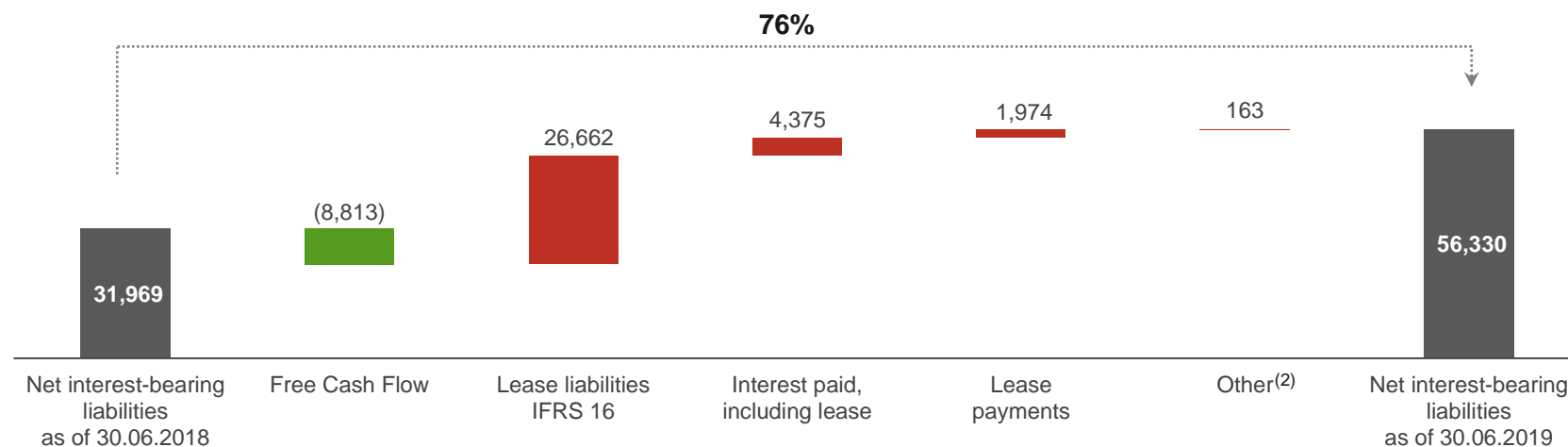
## IFRS 16 vs IAS 17



## Short-term vs long-term



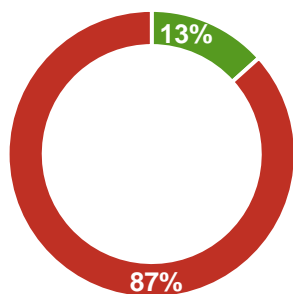
## YoY change analysis, RUB mln



Notes: <sup>(1)</sup> Short-term debt does not include interest accrued on loans and borrowings; <sup>(2)</sup> Other financial payments, effect of exchange rate fluctuations on cash and cash equivalents and other.

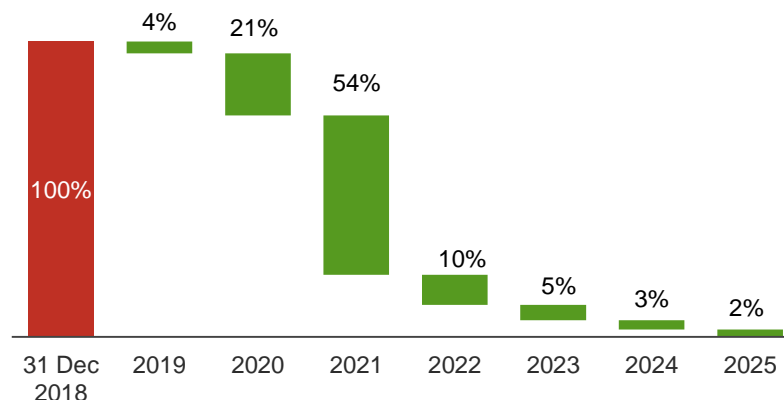
- 97% of debt portfolio is RUB-denominated
- In July 2019, RAEX (EXPERT RA) affirmed O'KEY's 'ruA-' rating with a stable outlook
- In April, the Group placed unsecured bonds in the amount of RUB 5 bn bearing a coupon rate of 9.35% p.a on the MOEX. The bonds mature in April 2029 with the option for bond holders to claim early repayment in April 2022
- As at the end of 1H 2019, the Group's weighted average interest rate decreased from 9.1% as at the end of 1H 2018 to 8.9%. The Group maintains its strong focus on debt portfolio optimisation

## Debt portfolio coverage



■ Secured ■ Unsecured

## Debt portfolio maturity



## Covenants and liquidity

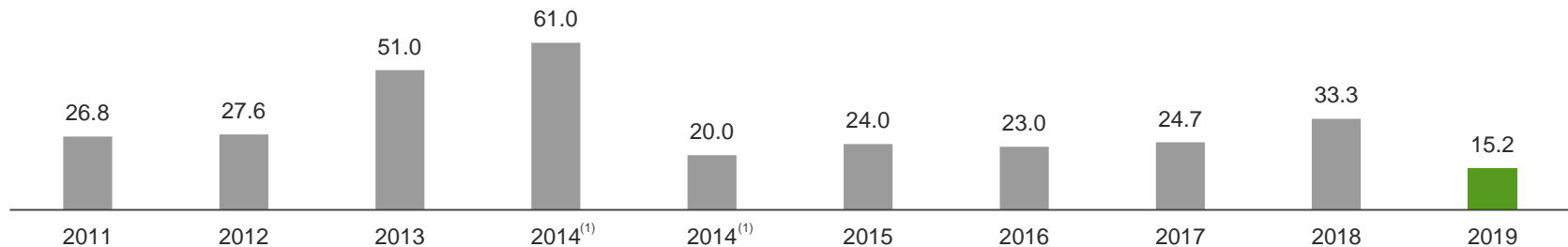
Parameter	1H 2019 (IFRS 16)	1H 2018 (IAS 17)
Cash & cash equivalents, RUB mln	4,016	1,334
Available credit lines, RUB mln	13,450	12,700
Net debt/EBITDA <sup>(1)</sup>	3.9x	3.5x

Notes: <sup>(1)</sup> Short-term debt does not include interest accrued on loans and borrowings.

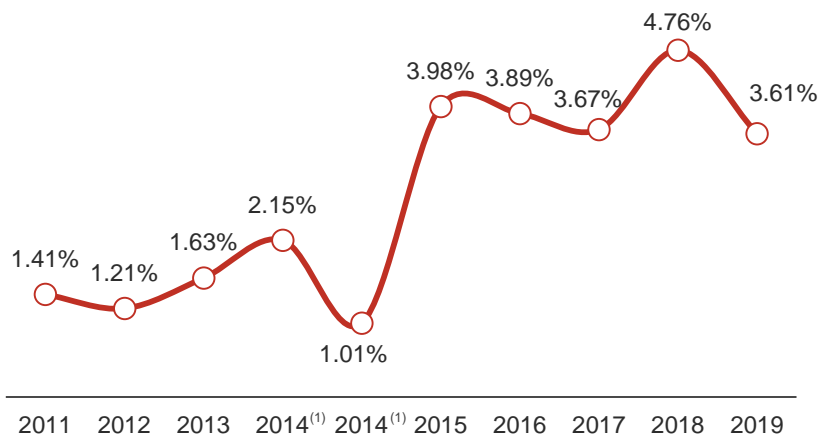
# Consistent dividend payout

51

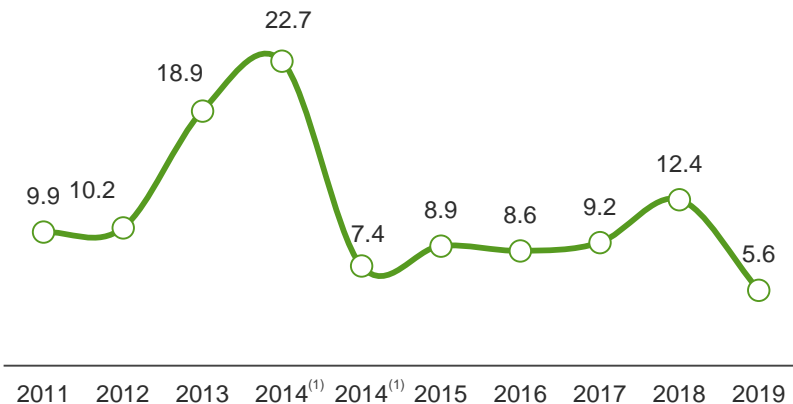
Interim dividend paid, US\$ mln



Dividend yield<sup>(2)</sup>



Dividend per GDR, US\$ cents, gross



Notes: <sup>(1)</sup> In 2014 the Group distributed dividends twice; <sup>(2)</sup> At the record date.

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## Three major shareholders

- Dmitry Korzhev
- Dmitry Troitskiy
- Boris Volchek

## Board of Directors

- Heigo Kera, Chairman
- Dmitry Troitskiy, Non-Executive Director
- Dmitry Korzhev, Non-Executive Director
- Boris Volchek, Non-Executive Director
- Mykola Buinycky, Independent Director

## Committees of the Board of Directors

### Remuneration Committee



**Heigo Kera**

Chairman of the Remuneration Committee

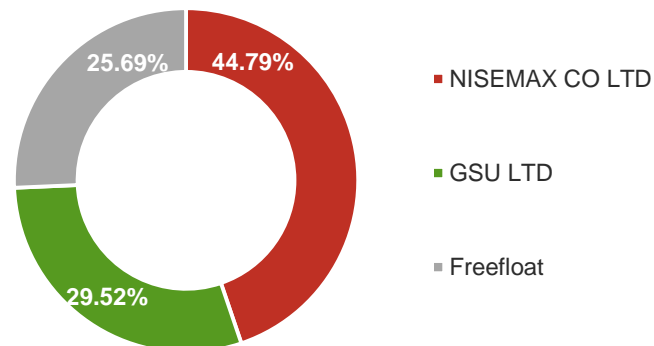
### Audit Committee



**Mykola Buinycky**

Chairman of the Audit Committee

## Shareholder structure



# Appendix: Key operating metrics by quarter

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Category <sup>(1)</sup>	Q1 2017	Q2 2017	Q3 2017	Q4 2017	FY 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	FY 2018	Q1 2019	Q2 2019	Q3 2019
<b>Total sales, RUB bn</b>	<b>48.8</b>	<b>47.6</b>	<b>46.6</b>	<b>55.9</b>	<b>198.9</b>	<b>45.5</b>	<b>42.6</b>	<b>41.6</b>	<b>52.2</b>	<b>181.9</b>	<b>45.3</b>	<b>45.4</b>	<b>43.8</b>
<i>Growth</i>	<i>0.5%</i>	<i>4.9%</i>	<i>0.7%</i>	<i>(1.2%)</i>	<i>1.1%</i>	<i>(6.9%)</i>	<i>(10.6%)</i>	<i>(10.7%)</i>	<i>(6.6%)</i>	<i>(8.5%)</i>	<i>(0.4%)</i>	<i>0.2%</i>	<i>5.3%</i>
O`KEY	46.4	44.8	43.7	52.4	187.3	42.1	38.8	37.8	47.7	166.5	40.7	40.1	38.9
DA!	2.4	2.8	2.9	3.5	11.7	3.3	3.8	3.8	4.5	15.4	4.6	5.3	4.9
<b>Number of stores</b>	<b>165</b>	<b>164</b>	<b>168</b>	<b>145</b>	<b>145</b>	<b>145</b>	<b>147</b>	<b>151</b>	<b>160</b>	<b>160</b>	<b>162</b>	<b>164</b>	<b>165</b>
O`KEY	110	109	109	78	78	78	78	79	78	78	78	78	78
DA!	55	55	59	67	67	67	69	72	82	82	84	86	87
<b>Selling space, '000 sq. m</b>	<b>623,611</b>	<b>611,679</b>	<b>611,300</b>	<b>577,804</b>	<b>577,804</b>	<b>577,968</b>	<b>577,248</b>	<b>586,357</b>	<b>584,914</b>	<b>584,914</b>	<b>586,357</b>	<b>587,778</b>	<b>589,362</b>
O`KEY	586,001	574,069	570,896	531,589	531,589	531,589	529,555	528,124	528,124	528,124	528,124	528,124	529,055
DA!	37,610	37,610	40,404	46,215	46,215	46,379	47,693	58,233	56,790	56,790	58,233	59,654	60,307
<b>LFL sales growth</b>	<b>(4.9%)</b>	<b>(0.1%)</b>	<b>(0.2%)</b>	<b>(0.5%)</b>	<b>(1.4%)</b>	<b>(0.7%)</b>	<b>(4.0%)</b>	<b>(1.3%)</b>	<b>-2.70%</b>	<b>(3.3%)</b>	<b>(1.3%)</b>	<b>0.6%</b>	<b>3.0%</b>
O`KEY	(6.4%)	(2.2%)	(2.3%)	(1.9%)	(3.2%)	(1.6%)	(5.4%)	(3.7%)	-3.70%	(4.3%)	(3.7%)	(1.0%)	2.1%
DA!	67.8%	67.4%	54.1%	33.3%	52.0%	15.9%	15.7%	20.2%	12.20%	13.1%	21.4%	18.7%	12.1%
<b>LFL traffic growth</b>	<b>(3.6%)</b>	<b>(1.6%)</b>	<b>(3.1%)</b>	<b>(0.7%)</b>	<b>(2.2%)</b>	<b>(0.8%)</b>	<b>(2.2%)</b>	<b>(3.4%)</b>	<b>-3.40%</b>	<b>(2.6%)</b>	<b>(3.4%)</b>	<b>(0.8%)</b>	<b>(0.2%)</b>
O`KEY	(6.1%)	(4.6%)	(6.2%)	(3.2%)	(5.0%)	(2.5%)	(4.8%)	(6.0%)	-5.60%	(4.8%)	(6.0%)	(3.2%)	(1.2%)
DA!	45.3%	40.4%	34.1%	25.7%	34.8%	12.7%	15.8%	12.1%	9.50%	12.0%	9.5%	11.8%	3.8%
<b>LFL ticket growth</b>	<b>(1.3%)</b>	<b>1.5%</b>	<b>2.9%</b>	<b>0.2%</b>	<b>0.8%</b>	<b>0.1%</b>	<b>(1.8%)</b>	<b>2.2%</b>	<b>0.80%</b>	<b>(0.6%)</b>	<b>2.2%</b>	<b>1.4%</b>	<b>3.2%</b>
O`KEY	(0.4%)	2.5%	4.2%	1.3%	1.9%	0.9%	(0.6%)	3.3%	2.00%	0.4%	3.3%	2.3%	3.3%
DA!	15.5%	19.2%	14.9%	6.1%	12.7%	2.9%	0.0%	7.2%	2.50%	1.0%	7.4%	6.2%	8.0%

Notes: <sup>(1)</sup> O`KEY category includes hypermarkets and supermarkets, DA! category includes discounters.



# Appendix: Consolidated Balance Sheet

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'000 RUB	30 June 2019	31 December 2018
Investment property	1,048,737	1,047,000
Property, plant and equipment	43,036,179	43,770,640
Construction in progress	2,980,565	3,754,546
Right-of-use assets	24,167,963	–
Lease rights	–	4,312,159
Intangible assets	1,251,520	1,294,214
Deferred tax assets	3,687,012	2,438,928
Other non-current assets	935,185	1,405,610
<b>Total non-current assets</b>	<b>77,107,161</b>	<b>58,023,097</b>
Inventories	12,199,937	13,684,473
Trade and other receivables	3,480,092	3,402,946
Prepayments	1,072,033	1,389,038
Other current assets	25,928	25,466
Cash and cash equivalents	4,016,131	8,712,253
<b>Total current assets</b>	<b>20,794,121</b>	<b>27,214,176</b>
<b>Total assets</b>	<b>97,901,282</b>	<b>85,237,273</b>
<b>Total equity</b>	<b>17,147,654</b>	<b>22,481,181</b>
Loans and borrowings	31,974,980	31,964,302
Lease liabilities	22,928,011	–
Deferred tax liabilities	383,908	679,921
Other non-current liabilities	–	112,047
<b>Total non-current liabilities</b>	<b>55,286,899</b>	<b>32,756,270</b>
Loans and borrowings	1,709,214	2,461,437
Interest accrued on loans and borrowings	185,117	97,364
Lease liabilities	3,733,739	–
Trade and other payables	19,538,900	26,861,848
Current income tax payable	299,759	579,173
<b>Total current liabilities</b>	<b>25,466,729</b>	<b>29,999,822</b>
<b>Total liabilities</b>	<b>80,753,628</b>	<b>62,756,092</b>
<b>Total equity and liabilities</b>	<b>97,901,282</b>	<b>85,237,273</b>

# Appendix: Consolidated P&L

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'000 RUB	1H 2019 (IFRS 16)	1H 2018 (IAS 17)
<b>Revenue</b>	79,883,427	78,179,207
Cost of goods sold	(61,046,967)	(59,952,379)
<b>Gross profit</b>	<b>18,836,460</b>	<b>18,226,828</b>
<i>Gross margin</i>	23.6%	23.3%
Selling, general and administrative expenses	(16,531,707)	(17,047,777)
Other operating income and expenses	138,667	380,770
<b>Operating profit</b>	<b>2,443,420</b>	<b>1,559,821</b>
Finance income	59,008	46,577
Finance costs	(2,625,749)	(1,581,324)
Foreign exchange (loss)/gain	692,220	(642,206)
<b>Profit/(Loss) before income tax</b>	<b>568,899</b>	<b>(617,132)</b>
Income tax benefit	62,990	76,005
<b>Profit/(Loss) for the year</b>	<b>631,889</b>	<b>(541,127)</b>
<b>Net profit margin</b>	<b>0.8%</b>	<b>N/A</b>

'000 RUB	1H 2019 (IFRS 16)	1H 2018 (IAS 17)
<b>Group EBITDA</b>	<b>6,341</b>	<b>3,470</b>
<i>Group EBITDA margin</i>	7.9%	4.4%
<b>O`KEY EBITDA</b>	<b>6,509</b>	<b>4,370</b>
<i>O`KEY EBITDA margin</i>	9.1%	6.1%
<b>DA! EBITDA</b>	<b>(169)</b>	<b>(899)</b>

# Appendix: Consolidated Cash Flows

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'000 RUB	1H 2019	1H 2018
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash receipts from customers	92,381,998	89,676,521
Other cash receipts	435,310	433,619
Interest received	42,770	39,408
Cash paid to suppliers and employees	(90,150,271)	(92,699,092)
Taxes other than on income	(367,911)	(467,308)
Other cash payments	(30,157)	(19,871)
VAT paid	(1,559,547)	(1,216,504)
Income tax paid	(418,532)	(1,065,330)
<b>Net cash from/(used in) operating activities</b>	<b>333,660</b>	<b>(5,318,557)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of PP&E and right-of-use assets/lease rights (excluding VAT)	(1,126,491)	(1,383,950)
Purchase of intangible assets (excluding VAT)	(145,171)	(167,336)
Proceeds from sale of supermarkets (excluding VAT)	–	6,910,243
Proceeds from sale of subsidiaries	1,552,785	–
Proceeds from sales of PP&E and intangible assets (excluding VAT)	13,220	16,087
<b>Net cash used in investing activities</b>	<b>294,343</b>	<b>5,375,044</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from loans and borrowings	5,250,000	1,100,000
Repayment of loans and borrowings	(5,893,800)	(3,990,268)
Interest paid	(1,432,712)	(1,612,754)
Repayment of principal amount of lease liabilities	(1,974,051)	–
Interest paid on lease liabilities	(1,216,864)	–
Dividends paid	–	(1,879,021)
Other financial payments	(34,920)	(54,522)
<b>Net cash used in financing activities</b>	<b>(5,302,347)</b>	<b>(6,436,565)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(4,674,344)</b>	<b>(6,380,078)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>8,712,253</b>	<b>7,750,177</b>
Effect of exchange rate fluctuations on cash and cash equivalents	(21,778)	(35,318)
<b>Cash and cash equivalents at end of the year</b>	<b>4,016,131</b>	<b>1,334,781</b>

# IR CONTACTS

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