

Press release

4 June 2021

## **O'KEY SOLIDIFIES ITS PRESENCE IN CENTRAL RUSSIA**

**O'KEY Group S.A. (LSE, MOEX: OKEY, the “Group” or the “Company”), one of Russia’s largest food retailers, has announced the expansion of its business in the Central Federal District of the country.**

**All materials published by the Group are available on its website at [www.okeygroup.lu](http://www.okeygroup.lu).**

As part of the strategy to improve the efficiency of its hypermarket business and to prioritise the development in key regions of operation, the Group has concluded an agreement with X5 Group regarding the acquisition of a Karusel hypermarket in Moscow (at 50 Ozernaya Street).

O'KEY has acquired a 25,000 sq m plot of land and a 9,800 sq m store. Following this agreement, the number of the Company’s stores in Russia’s Central Federal District currently stands at 18 (14 of which are located in the Moscow metropolitan area), with the total selling space now exceeding 115,000 sq m.

O'KEY will open a hypermarket with a completely new layout at this site, in line with the concept the Company has been successfully implementing since the autumn of 2020. The refurbished hypermarkets have a much improved product display, with the product range organised differently and layout standards updated, so that customers are able to find the products they want far more easily. The new layout will be geared towards promoting the most in-demand fresh and ultra-fresh goods, as well as fruits and vegetables. These goods now account for over 50% of O'KEY’s revenue. In addition to this, the new concept will see the roll-out of modern digital solutions, a cozy café area, and optimised non-food sections, introducing new, attractive displays and promo-stalls.

Armin Burger, CEO of O'KEY Group, commented:

“This deal has strengthened our presence in the Moscow metropolitan area, a region which is both strategically important and highly promising for us, given the advantageous market conditions it provides for the development of our hypermarkets.

OKEY’s hypermarkets remain the Group’s main business focus and will always be popular with customers, thanks to our wide and rich selection of goods, competitive prices, and outstanding customer service.

The transformation of the O'KEY business that is currently underway will allow the Company to solidify its market position and support its long-term growth. As we have already mentioned, the new hypermarket concept is being implemented stepwise, and we plan to have 4–5 refurbished stores in our portfolio by the end of 2021.”

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**For investors**

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**ABOUT O`KEY GROUP**

As of March 31, 2021, the Group operated 195 stores across Russia (77 hypermarkets and 118 discounters) with total selling space of 599,536 square meters. The company opened its first hypermarket in St. Petersburg in 2002 and has since demonstrated continuous growth. O`KEY was the first Russian food retailer to launch e-commerce operations in St. Petersburg and Moscow, offering a full range of hypermarket products for home delivery. The Group has six e-commerce pick-up points in Moscow and six e-commerce pick-up points in St. Petersburg. In 2015, the Group launched the first discount chain in Russia under the DA! brand. The Group operates five distribution centres in Russia – three in Moscow and two in St. Petersburg. The Group employs more than 20,000 people.

In 2020, Group's revenue amounted to RUB 174.3 billion, while EBITDA reached RUB 14.8 billion.

The O`KEY shareholder structure is as follows: NISEMAX Co Ltd – 44.84%, GSU Ltd – 29.53%, free float – 25.63%.

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