

Press Release
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O'KEY deploys SAP EWM to automate distribution centres

O'KEY Group (LSE, MOEX: OKEY, the “Group” or the “Company”), one of Russia’s largest food retailers, has begun the implementation of SAP EWM (Extended Warehouse Management) and the SAP HANA (High-performance ANalytic Appliance) in-memory database. The Company aims to create a cutting-edge ERP software solution to further automate its logistics chain, from goods reception to putaway, picking and shipping, as well as organisation and storage.

All materials published by the Group are available on its website, okeygroup.ln.

SAP EWM is going to boost warehouse throughput and accelerate order picking and packing. The new system provides for recording all warehouse operations in real time, making it possible to improve workload planning, track KPIs, and optimise vehicle routing. It also features pick-by-voice functionality for better productivity.

The system will be launched at one of the Company’s distribution centres with the capacity of over 20,000 SKUs, and after that, it will be rolled out to all its other DCs in Russia. The project is being carried out in partnership with TeamIdea.

“Warehouse upgrade is part of O'KEY’s hypermarket development strategy and a way to cement our leadership in the retail market. We went with a comprehensive IT solution that increases the speed and accuracy of order processing, gives us tools to control staff performance and provide additional incentives, and enables us to standardise and upgrade warehouse processes. SAP EWM is an effective state-of-the-art solution that is used by leading retailers,” **said Igor Shatsky, Logistics Director at O'KEY Group.**

“Well-oiled warehouse operations are essential to the overall business success. The speed of goods transportation, the stocking of supermarket shelves, and, most importantly, customer satisfaction are all predicated on the efficiency and quality of warehouse processes. SAP EWM is one of the best ERP systems for maximising warehouse productivity. We hope that O'KEY will find it a reliable and effective tool in achieving its business growth targets in Russia,” **commented Andrey Filatov, Managing Director for Russia and CIS at SAP.**

“The transformational power of SAP EWM is evident in our clients' experience: enhanced productivity, higher customer satisfaction, timely delivery – all while costs go down, which naturally yields big financial gains. SAP EWM is the best IT solution for businesses looking for new growth, development, and scaling opportunities. We are grateful to O'KEY for putting their faith in us and look forward to bringing SAP EWM to its warehouses,” **said Pavel Malko, Partner and Head of SAP Practice Development at TeamIdea.**

ABOUT O'KEY GROUP

As of 30 June 2021, the Group operated 199 stores across Russia (77 hypermarkets and 122 discounters) with total selling space of 602,164 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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