

Press release

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O'KEY Group opens new concept store in Moscow

O'KEY Group S.A. (LSE, MOEX: OKEY, the “Group” or the “Company”), one of Russia’s largest food retailers, has rolled out a second new concept hypermarket in Moscow. The new store replaces a former Karusel hypermarket at a site that O'KEY [acquired](#) from X5 Group in Q2 2021.

The new store is located at 50 Ozernaya Street. Its 5,000 sq m shop floor offers space for over 30,000 food and non-food SKUs, a café, an in-store bakery and ready-to-eat department. The store is also equipped with digital services - the O'KEY scan system, self-checkout counters and a digital sommelier.

O'KEY Group has been successfully transforming its hypermarkets since autumn 2020. As of November 2021, four new concept hypermarkets have been opened, including two in Moscow and two in St Petersburg. The new concept’s key focus is on refining the structure of the product mix, enhancing customer comfort and ensuring ever-improved service. In the updated hypermarkets, the share of fresh and ultra-fresh products in the product range has grown, along with their allocated selling space. The hypermarkets’ shelves now feature more than 5,000 SKUs from these product categories. These include chilled meats, poultry, fish and seafood, dairy products, freshly-baked and house-made goods, vegetables and fruit. We have also optimised our non-food section area, enhancing the product quality and assortment.

Our new concept pays particular attention to customer comfort when shopping, as well as the product display, layout and design of the shop floor. The new concept draws on O'KEY’s decades of expertise in the retail sector and current trends in the global retail market – contributing to a completely new store look and feel. The hypermarket transformation programme has enabled the Group to increase the competitiveness of the hypermarket format and its sales per square metre.

Armin Burger, Chief Executive Officer of O'KEY Group:

“In line with our declared plan, we are continuing the rollout of the hypermarket transformation programme, focusing on our key regions. The programme forms part of O'KEY Group’s strategy of strengthening our market position and supporting long-term growth. This opening means we now operate four new concept hypermarkets – two in Moscow and two in St Petersburg. Our new concept hypermarkets are showing real promise, with customer footfall and sales per square metre on the rise. As announced previously, we are planning a phased transformation of our whole portfolio of hypermarkets.”

ABOUT O'KEY GROUP

As of September 30, 2021, the Group operated 206 stores across Russia (77 hypermarkets and 129 discounters) with total selling space of 604,956 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 seven 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.

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