

Press Release
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O'KEY Group presented the first hypermarkets in a new concept in St. Petersburg

O'KEY Group S.A. (LSE, MOEX: OKEY, the “Group” or the “Company”), one of Russia’s largest food retailers, has rolled out a new concept for its hypermarkets in St Petersburg. Newly renovated O'KEY hypermarkets have opened at 10/1 Bolshevikov Avenue and 13 Bogatyrskiy Avenue.

The stores' new concept draws on current retail and consumer behaviour trends as well as international best practices, in-house innovations, and the Company's 20 years of experience in the retail sector.

The concept's key focus is on refining the structure of the product mix, enhancing customer comfort on the shop floor and ensuring ever-improved service. We have grown the share of our fresh and ultra-fresh product categories in the overall product range, increasing their total selling space by 30%. O'KEY's shelves now feature more than 5,000 SKU from these product categories. These include chilled meats, poultry, fish and seafood as well as dairy products, freshly-baked goods, vegetables and fruit. As a result, every customer now has more than enough fresh produce to choose from.

Shopping with O'KEY is now faster thanks to a new shop floor and product display layout. Products from a single category are arranged into one compact zone to make for more comfortable and effective shopping. Some zones feature special counters where you will find related products and ready-made solutions to ensure you get everything you need faster than ever.

Armin Burger, CEO of O'KEY Group

«The opening of our new concept hypermarkets is part of O'KEY Group's transformation strategy that targets to respond to market challenges. Our goal is to strengthen O'KEY's market position, increase format competitiveness and lay the foundations for long-term growth. O'KEY's flagship hypermarket opened in Moscow in Q3 2020 and has shown real promise, sales per square meter grew by more than 30% YoY. We will continue the renovation program of hypermarkets in key regions of operation».

The new concept pays particular attention to customer comfort when shopping. The café area has been extended and is now located next to the entrance to the hypermarket. Customers can now comfortably have a snack, a coffee or try one of O'KEY's house-made dishes for lunch. We currently offer over 500 ready-to-eat products.

Moreover, in our new-look stores, customers can make the most of new digital technologies that make shopping even easier. For example, one of such innovations is the Digital Sommelier. When you pick out a wine, you will find a screen with information telling you all about it – from the grape variety to dishes that would pair well with it. Our wines are selected by O'KEY's team of qualified professionals. That is why in the wine section of our stores, you will find great offers from O'KEY Selection, featuring top wines from the world's best wineries at affordable prices. In our new concept hypermarkets, you will also find our self-scan system, O'KEY

Scan, which was first unveiled in 2018. The system is fully integrated into the brand's loyalty programme. Customers can receive personalised discounts and track their total as they go. The system lets you pay at the self-service checkout counter – contactless and without queues.

Our new approach to the product range also includes non-food items. We have put the focus on high-quality everyday items that enjoy the greatest demand from customers. Our non-food aisles are now more functional. We have optimised their layout and concentrated on increasing sales per square metre. The design of O'KEY's new concept retail space was highly commended by the jury of the prestigious Best for Life Design Awards 2021 in the Retail Space category.

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.

For further information please contact:

Alla Golovatenko

Head of Public Relations

+7 495 663 6677 ext. 496

alla.golovatenko@okmarket.ru