

H1 2024



Investor presentation



Disclaimer

These materials contain statements about future events and expectations that are forward-looking statements. These statements typically include words such as 'expects' and 'anticipates' and words of similar import. Any statement in these materials that is not a statement of historical fact is a forward-looking statement that involves known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

None of the future projections, expectations, estimates or prospects in this announcement should be taken as forecasts or promises, nor should they be taken as implying any indication, assurance or guarantee that the assumptions on which such future projections, expectations, estimates or prospects have been prepared are correct or exhaustive or, in the case of the assumptions, fully stated in this announcement. We assume no obligations to update the forward-looking statements contained herein to reflect actual results, changes in assumptions or changes in factors affecting these statements.



O'KEY GROUP

OVERVIEW

O'KEY Group at a glance

296



Stores in 23 cities in 6
Federal Districts of Russia

105.7



Group retail revenue
rose by 6.2% in H1 2024

9.6

BN
RUB

Group EBITDA grew by
35.4% in H1 2024

77

Total number
of hypermarkets

70.4

BN
RUB

O'KEY revenue increased
by 2.0% in H1 2024

9.2%

O'KEY EBITDA margin rose by
1.3 pps in H1 2024

219

Total number
of discounters

33.3%

DA! discounters' share in Group's
revenue in H1 2024

9.0%

DA! EBITDA margin grew by
3.6 pps in H1 2024



An established track record

O'KEY Group founded
First O'KEY hypermarket opened in St. Petersburg

2002 **2003–2007**

Strategy to establish regional market leadership

Focus on expansion in Russia's key regional markets
Top 10 retailer by revenue
Six new regions

2007–2009 **2009–2014**

Rapid expansion in Moscow and key regional markets

IPO on the London Stock Exchange

Online sales platform launched
DA! Brand—new discounter format launched

2015 **2016**

Mobile app for iOS and Android launched

O'KEY drive-through, and 24-hour delivery service launched for the hypermarket segment
Sale of supermarket business

2017 **2018**

Discounter revenue under the DA! Brand reached 8.5% of the Group revenue
Omnichannel Mobile app launched providing a unified approach to communications with customers in stores and online

100 Discounter stores under DA! Brand operating across Russia

2019 **2020**

Discounter DA! revenue reached 15% of the Group revenue
O'KEY new branding and new store concept presented
Listing of GDRs on MOEX

152 DA! stores reaching 19% of Group's revenue
O'KEY hypermarkets new concept rolled-out in St-Petersburg

2021 **2022**

194 DA! discounters reached 26% of the Group's revenue
4 new O'KEY stores opened in Moscow Region

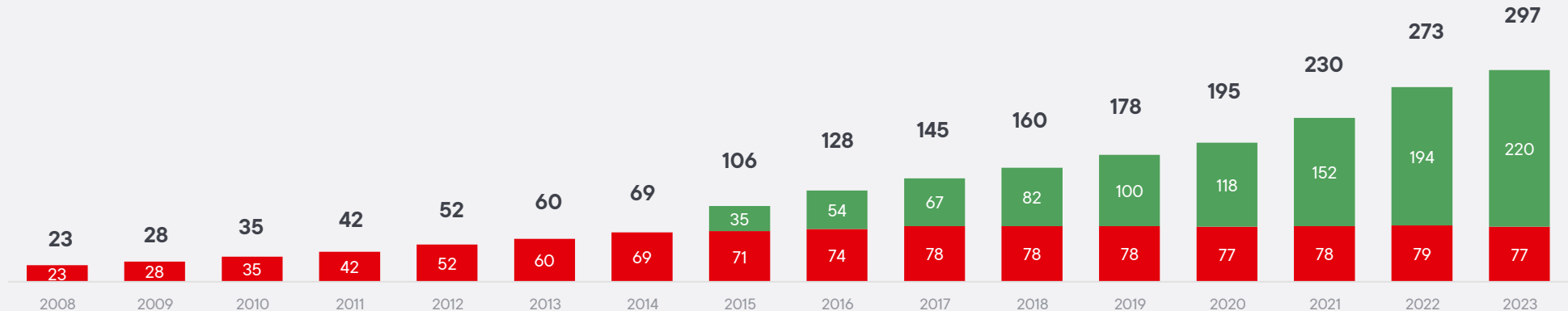
220 DA! stores reached 30.7% of Group's revenue
A new O'KEY opened in St-Petersburg

2023

Number of stores

#

- O'KEY hypermarkets
- DA! discounters

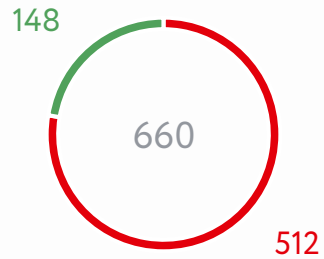


Nationwide presence with focus on central and north-west regions

- O'KEY online delivery
- Online delivery via partners
- O'KEY hypermarkets
- DA! discounters
- O'KEY distribution centers
- DA! distribution centers

Selling space breakdown by brand

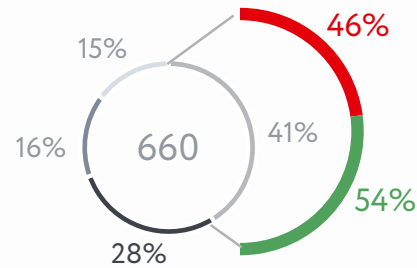
This sqm, H1 2024



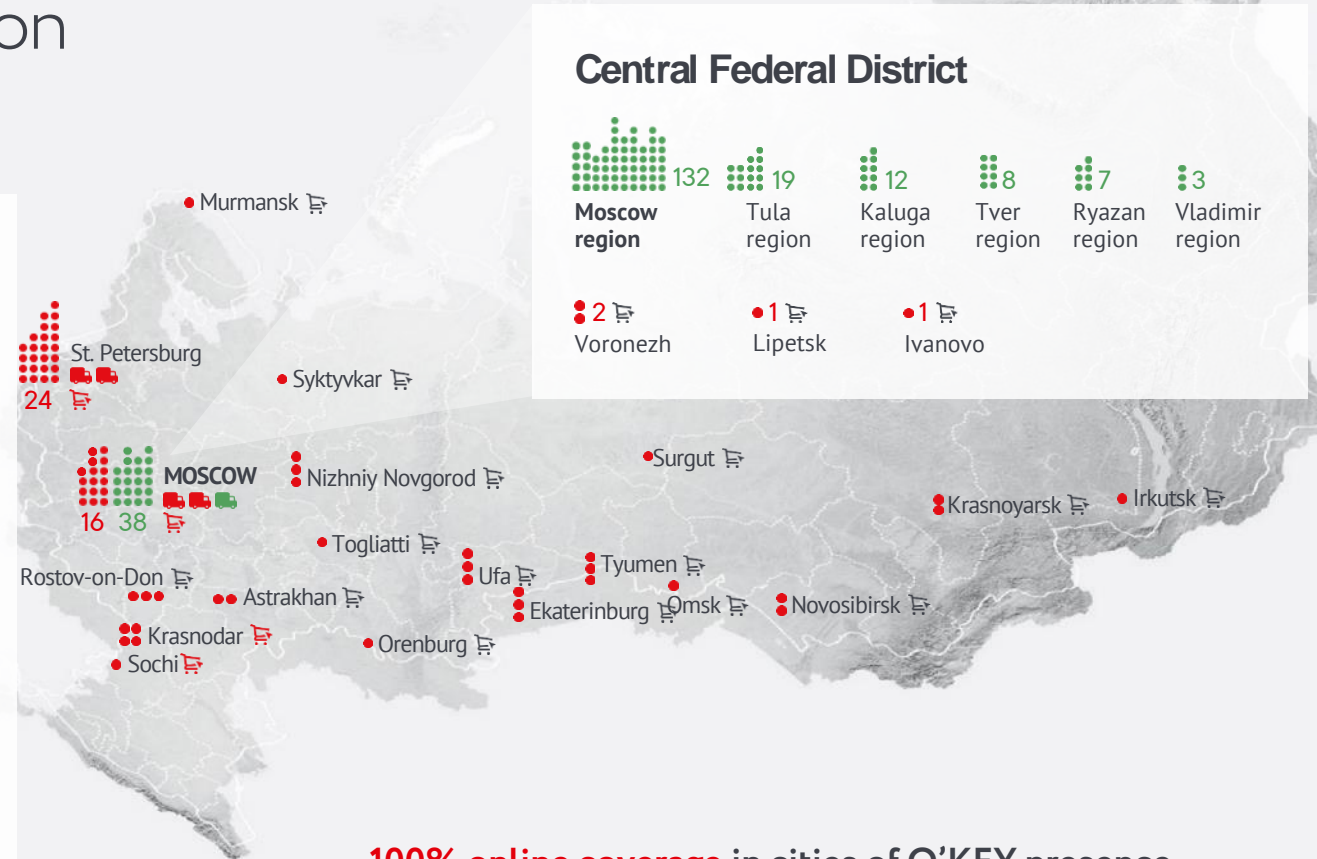
- O'KEY hypermarkets
- DA! discounters

Selling space breakdown by region

This sqm, H1 2024



- North-West
- O'KEY hypermarkets
- East
- DA! discounters
- Central
- South



100% online coverage in cities of O'KEY presence

296

Total stores

5 total DCs

77

O'KEY hypermarkets

4 DCs for hypermarkets

63% centralization rate

219

DA! discounters

1 DC for discounters

100% centralization rate

O'KEY: modern hypermarkets with a strong customer value proposition



6,654 SQM

Average store selling space



40K SKUs

Average product range



RUB 69.4 BN

O'KEY net retail revenue in H1 2024

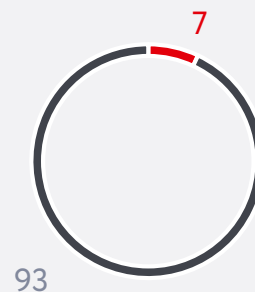


64.8%

O'KEY share in the Group's retail revenue in Q2 2024

Private Labels

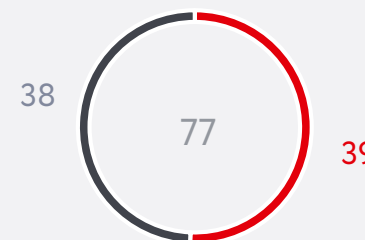
Share in revenue %, H1 2024



- Private labels
- Other brands

Location

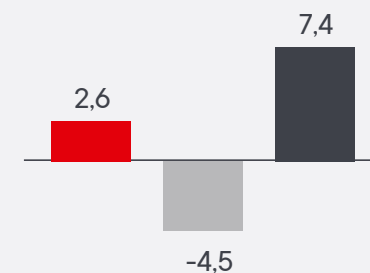
Number of stores, as of H1 2024



- Standalone
- In shopping malls

LFL Growth

%, in H1 2024



- Net retail revenue
- Traffic
- Average ticket

Our unique value proposition

- Wide range of competitively priced, high quality products, including fresh food, own bakery, delicatessen products and non-food items
- Locations near key traffic intersections, within easy access to public transportation and/or within highly populated residential district
- Modern shopping environment with an appealing ambiance
- Omnichannel bonus system to accumulate and spend loyalty points

O'KEY rich product offer with 'fresh' proposition as a competitive advantage

Strong focus on fresh products

- **Around 400 kinds** of fresh fruit, vegetables, berries and greens
- **Direct imports** of fresh fruits and vegetables
- **More than 5,000 items** across fresh fish, seafood, poultry, meat, sausages, cheese, steaks, and farm-fresh dairy products
- **The Hot Bread**—freshly baked bread three times a day
- **Fresh, ultra fresh** products and fruits & vegetables are important traffic drivers for O'Key stores

53%

share of fresh in O'KEY retail revenue

Please [click here](#) to watch a movie about O'KEY hypermarket



DA!: fast-growing classic European discounters



674 SQM

Average store selling space



3.4 SKUs

Average product range



35.2%

Share in the Group's retail revenue in Q2 2024

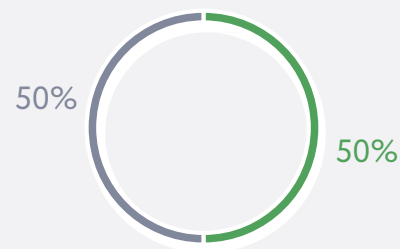


+15.7%

DA! retail revenue growth in H1 2024

Private Labels

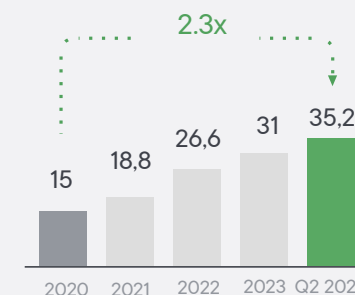
Share of private labels in sales



- Private labels
- Other brands

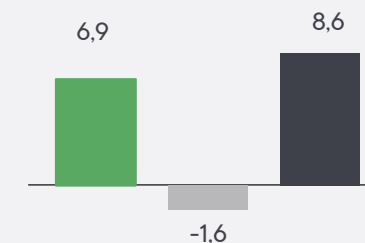
Share of DA! brand in Group revenue

Share in net retail revenue, %



LFL Growth

%, in H1 2024



- Net retail revenue
- Traffic
- Average ticket

Our unique value proposition

- Tailor-made own brands and packaging designed by DA! under different brand names
- c.50% share of own brands to offer best price to the customer – every day low prices
- Own logistics and 100% centralization level with daily deliveries of fresh products to all of the stores
- Low operating costs due to cost-optimizing procedures, efficient processes and low number of SKUs
- Modern design and well-trained personnel, fast check-out

DA! exclusive own brand expertise

- **Exclusive own brands** portfolio accounting for **c.50%** of sales
- **On average, 20-30% cheaper** than branded products of the same quality
- **Positioned against A-brands** in each product category
- **Long-term mutually beneficial collaboration** with producers
- **Participation in all the stages of production:** selection of suppliers, quality control and production audit, eco-friendly and high-quality packaging design

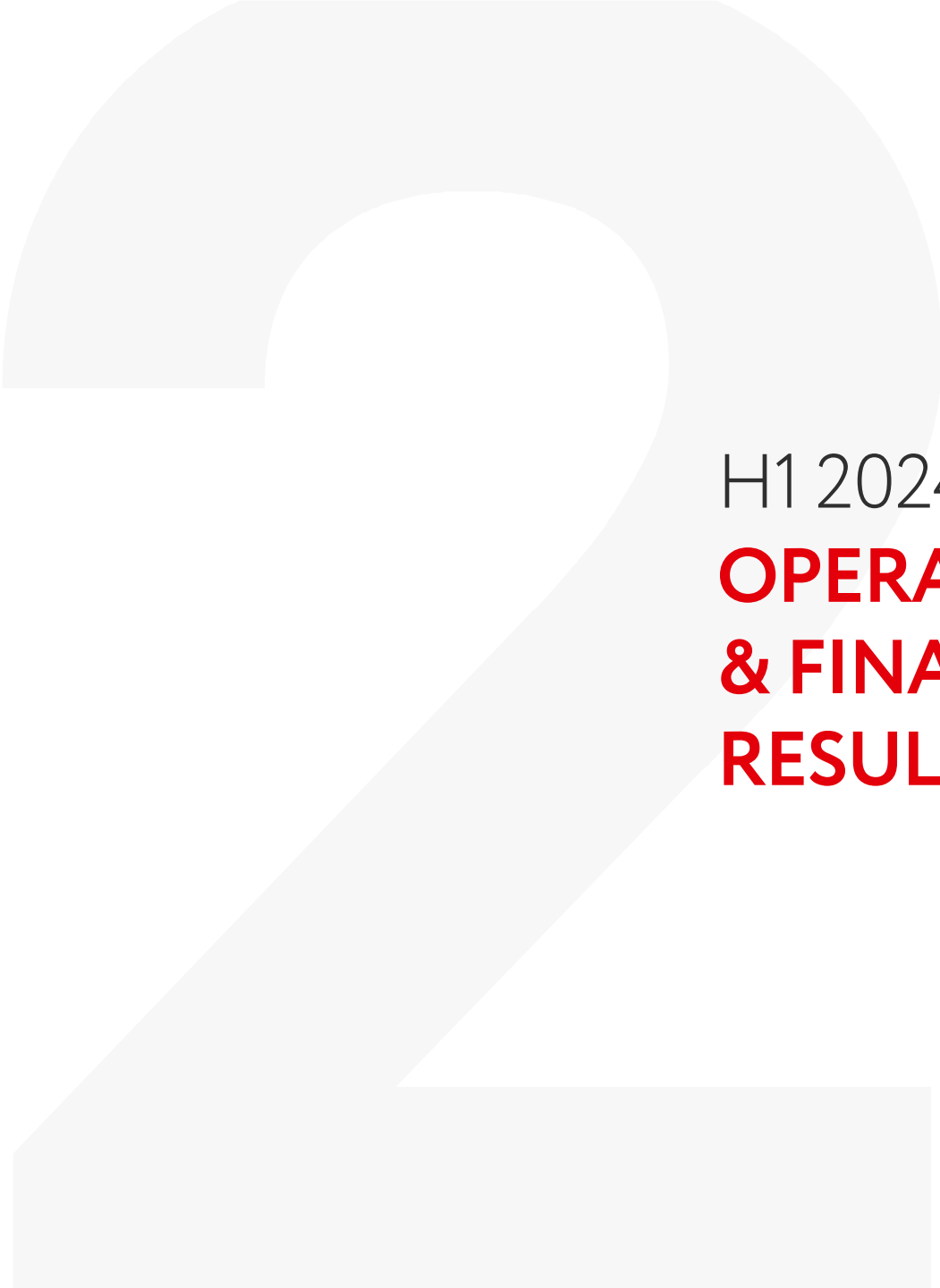
Fresh products quality to differentiate DA!

- **Daily delivery** of 'fresh' to all DA! stores
- **Direct imports** of fresh fruits and vegetables
- **>60% share of fresh** (dairy, meat, fruits & vegetables) in sales

Please [click here](#) to watch a movie about DA! discounters

Exclusive own brands to guarantee the best quality
at the lowest possible price





H1 2024

**OPERATIONAL
& FINANCIAL
RESULTS**

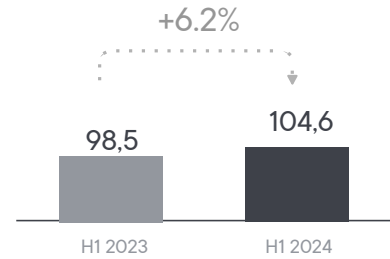
H1 2024 Group operating highlights

GROUP



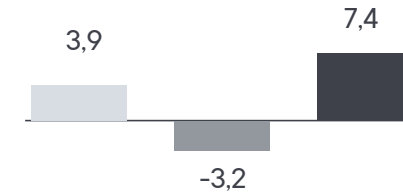
Net retail revenue

RUB bn



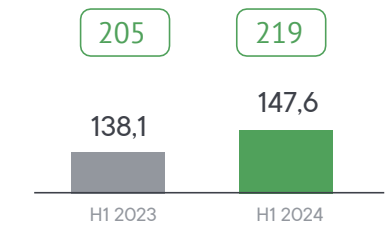
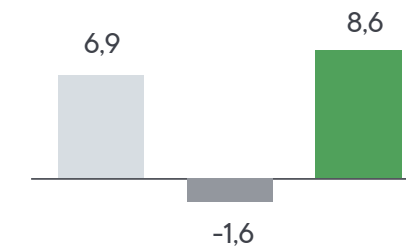
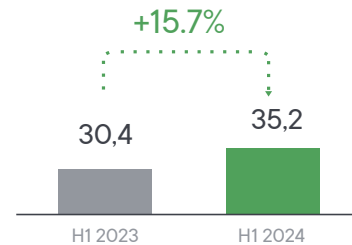
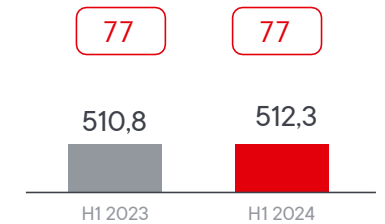
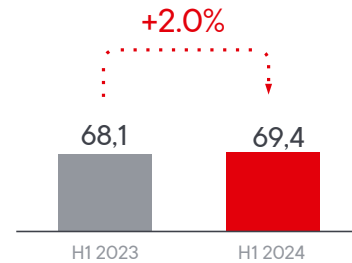
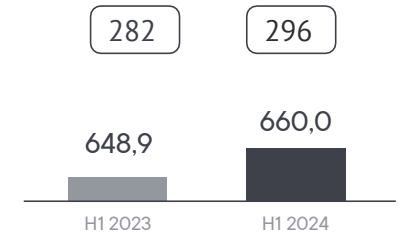
LFL net retail revenue

%, YoY



Selling space

'000 sqm



● Net retail revenue ● Traffic
● ● Average ticket

○ ○ ○ Number of stores

H1 2024 Group financial highlights¹

105.7 BN
RUB

Group revenue grew by 6.2% YoY

24.2 BN
RUB

Group gross profit grew by 6.7% YoY

22.9%

Gross margin up by 0.1pps YoY

9.6 BN
RUB

Group EBITDA rose by 35.4% YoY

9.1%

Group EBITDA margin grew
by 2.0 pps YoY

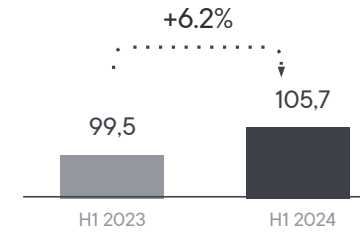
9.0%

DA! discounters' EBITDA margin
rose by 3.6 pps YoY

Revenue

RUB bn

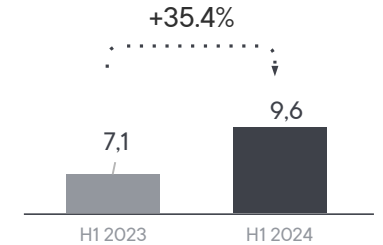
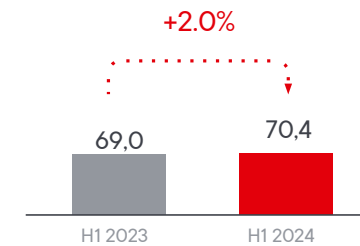
GROUP



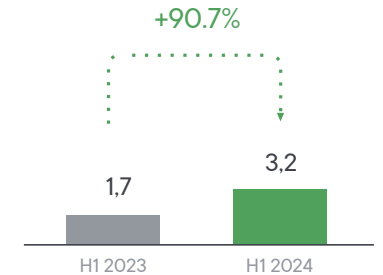
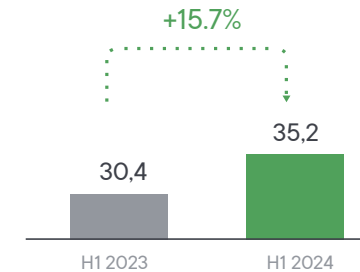
EBITDA

RUB bn

O'KEY



ДА!



¹ All results, hereinafter, are according to IFRS 16, unless stated otherwise

Group EBITDA margin bridge

9.1%

EBITDA margin in H1 2024

1.2



pps YoY

Personnel costs declined mainly due to cost optimisation and larger number of mature discounters in Group's portfolio

0.1



pps YoY

Advertising and marketing expenses declined due mainly to efficient management of advertising channels mix

0.1



pps YoY

Gross margin grew led by efficiencies in procurement and shrinkage cost management

0.2



pps YoY

Utilities expenses decreased, due to operational efficiencies and revenue growth acceleration in H1 2024

0.4

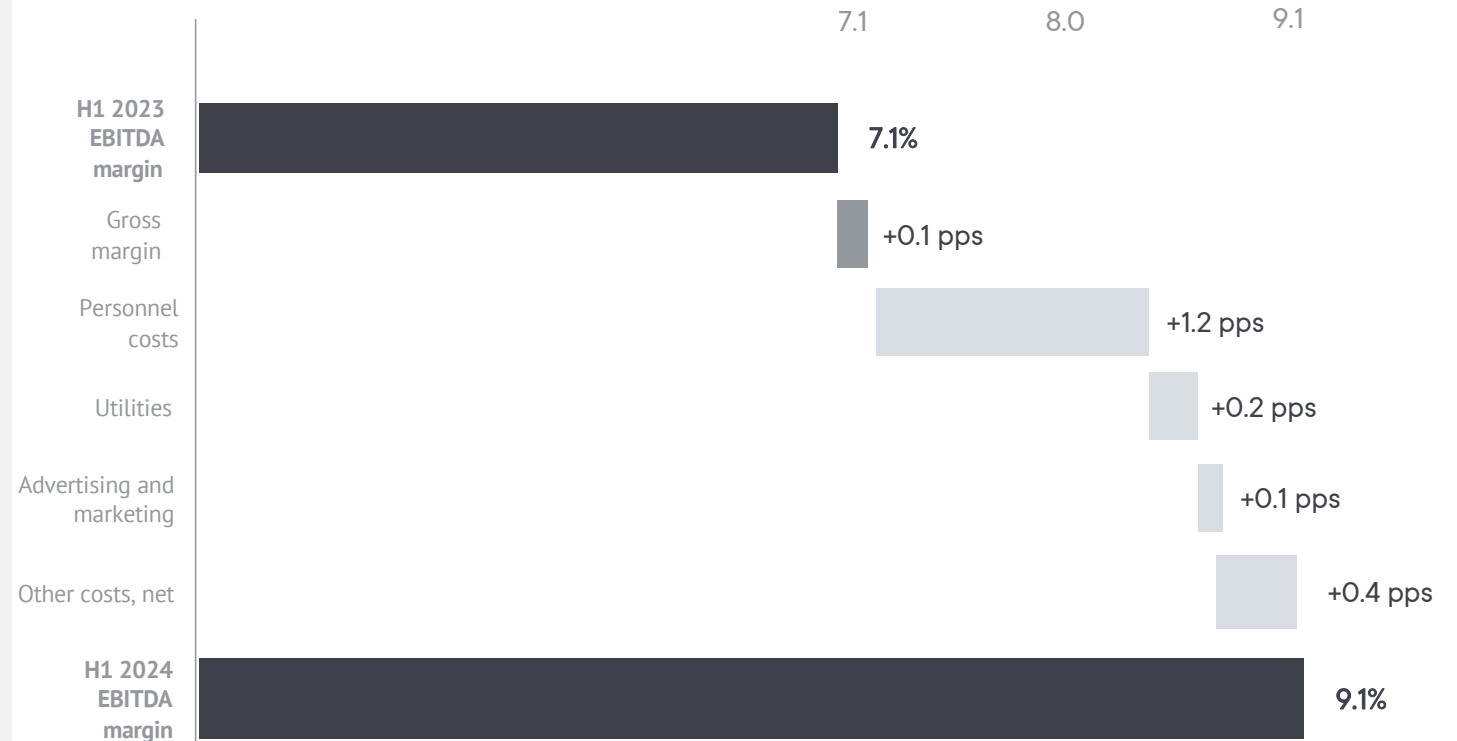


pps YoY

Other costs net had a positive effect on EBITDA margin, due mainly to maintenance, security, professional services, and a gain from lease terms improvement

Group EBITDA margin YoY growth factors

%



Group debt position in H1 2024

ruA-

In June 2024, EXPERT RA affirmed O'KEY's rating with stable outlook

79%

The share of borrowings with fixed rate as of June 30, 2024

100%

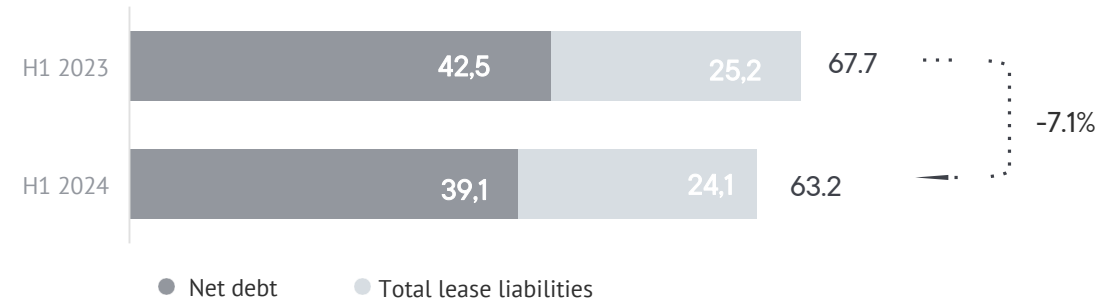
Rouble nominated borrowings as of June 30, 2024

A.ru

In July 2024, NCR agency affirmed O'KEY's credit rating with stable outlook

Net total IBL¹, EoP

RUB bn



Net total IBL, EoP

RUB mln

	As of 30 Jun 2024	As of 30 Jun 2023
EBITDA LTM	19,539	16,612
Total debt	45,891	48,442
Cash & cash equivalents	6,761	5,921
Net debt	39,130	42,521
Total lease liabilities	24,099	25,215
Total interest-bearing liabilities (net of cash & cash equivalents)	63,230	67,735
Total interest-bearing liabilities (net of cash & cash equivalents) / EBITDA LTM	3.24x	4.08x

¹ Total IBL – Total Interest Bearing Liabilities, Net Total IBL – Total Interest Bearing Liabilities excluding Cash & Equivalents



APPENDIX

Group's consolidated balance sheet

'000 RUB	30 Jun 2024	31 Dec 2023
ASSETS		
Non-current assets		
Investment property	1,257,218	1,257,218
Property, plant and equipment	41,954,228	43,240,482
Construction in progress	1,009,321	1,122,363
Right-of-use assets	21,216,505	23,309,763
Intangible assets	1,246,455	1,214,553
Deferred tax assets	6,376,100	6,082,047
Other non-current assets	702,671	872,104
Total non-current assets	73,762,498	77,098,530
Current assets		
Inventories	22,616,883	24,975,926
Trade and other receivables	2,246,359	2,516,192
Prepaid income tax	106,605	97,140
Prepayments	523,912	800,312
Cash and cash equivalents	6,760,696	11,525,791
Total current assets	32,254,455	39,915,361
Total assets	106,016,953	117,013,891

'000 RUB	30 Jun 2024	31 Dec 2023
EQUITY AND LIABILITIES		
Equity		
Share capital	119,440	119,440
Legal reserve	10,597	10,597
Additional paid-in capital	8,555,657	8,555,657
Retained earnings	525,820	447,347
Translation reserve	1,862,218	1,961,350
Total equity	11,073,732	11,094,391
Non-current liabilities		
Loans and borrowings	40,892,497	41,128,448
Lease liabilities	18,162,540	20,760,179
Deferred tax liabilities	789,972	683,833
Total non-current liabilities	59,845,009	62,572,460
Current liabilities		
Loans and borrowings	4,999,000	6,002,850
Interest accrued on loans and borrowings	248,047	254,450
Lease liabilities	5,936,161	5,962,202
Trade and other payables	23,832,033	31,062,083
Current income tax payable	82,971	65,455
Total current liabilities	35,098,212	43,347,040
Total liabilities	94,943,221	105,919,500
Total equity and liabilities	106,016,953	117,013,891

The Group's interim IFRS consolidated financial statements with notes can be found at <https://www.okeygroup.lu/investors/result-center/ifrs-statements/>

Group's consolidated profit and loss statement

'000 RUB	6m 2024	6m 2023
Revenue	105,653,122	99,477,890
Cost of goods sold	(81,477,573)	(76,825,436)
Gross profit	24,175,549	22,652,454
General, selling and administrative expenses	(20,842,865)	(21,762,285)
Other operating income and expenses, net	713,765	(389,294)
Operating profit	4,046,449	500,875
Finance income	338,597	130,408
Finance costs	(4,356,788)	(3,379,908)
Foreign exchange gain / (loss)	72,612	(880,518)
Profit / (loss) before income tax	100,870	(3,629,143)
Income tax (expense) / benefit	(22,397)	652,157
Profit / (loss) for the period	78,473	(2,976,986)

'000 RUB	6m 2024	6m 2023
Other comprehensive (loss)/income		
<i>Items that will never be reclassified to profit or loss:</i>		
Exchange differences on translation to presentation currency	(99,132)	436,849
Other comprehensive (loss) / income for the period, net of income tax	(99,132)	436,849
Total comprehensive loss for the period	(20,659)	(2,540,137)
Earnings / (loss) per share		
Basic and diluted earnings / (loss) per share (in RUB per share)	0.3	(11.1)

Group's consolidated statement of cash flows

'000 RUB	6m 2024	6m 2023
Cash flows from operating activities		
Cash receipts from customers	120,886,483	113,919,249
Other cash receipts	357,936	285,251
Interest received	345,340	98,020
Cash paid to suppliers and employees	(114,071,091)	(112,006,658)
Taxes other than on income	(391,649)	(390,954)
Other cash payments	(21,469)	(13,185)
VAT paid	(2,539,960)	(2,192,521)
Income tax paid	(141,210)	(220,433)
Net cash from / (used in) operating activities	4,424,380	(521,231)
Cash flows from investing activities		
Purchase of property, plant and equipment (excluding VAT)	(742,047)	(2,494,667)
Purchase of intangible assets (excluding VAT)	(91,223)	(143,848)
Proceeds from sale of property, plant and equipment and intangible assets (excluding VAT)	2,766	389,312
Net cash used in investing activities	(830,504)	(2,249,203)

'000 RUB	6m 2024	6m 2023
Cash flows from financing activities		
Proceeds from loans and borrowings	3,500,000	14,500,000
Repayment of loans and borrowings	(4,749,900)	(11,521,569)
Interest paid on loans and borrowings	(2,962,313)	(2,197,399)
Repayment of principal amount of lease liabilities	(2,676,122)	(2,682,591)
Interest paid on lease liabilities	(1,407,822)	(1,131,679)
Other financial payments	(24,466)	(45,831)
Net cash used in financing activities	(8,320,623)	(3,079,069)
Net decrease in cash and cash equivalents		
	(4,726,747)	(5,849,503)
Cash and cash equivalents at the beginning of the period	11,525,791	11,779,334
Effect of exchange rate fluctuations on cash and cash equivalents	(38,348)	(9,012)
Cash and cash equivalents at the end of the period	6,760,696	5,920,819

The image features a solid red background. On the left side, there is a large, semi-transparent red circle. In the upper right corner, there is a smaller, semi-transparent red shape that resembles a stylized exclamation point or a cone. The word "O'KEY" is written in a bold, white, italicized sans-serif font, positioned to the right of the large circle.

O'KEY