FY 2022

O'KEY
GROUP OF COMPANIES

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.

1

O'KEY GROUP
OVERVIEW

O'KEY Group at a glance

273
Stores in 23 cities in 6 Federal Districts of Russia

202.2
Group revenue rose by 8.1% in 2022

21
Years of experience on the market

79
Total number of hypermarkets

17.0 BN RUB
Group EBITDA grew by 9.8% in 2022

8.4%
Group EBITDA margin improved 0.1 pps in 2022

194
Total number of discounters

2.2x
DA! discounters EBITDA growth in 2022

+53.1%
Discounters revenue growth in 2022

Source: Company





An established **track record**

2002
O'KEY Group founded

First O'KEY hypermarket opened in St. Petersburg

2003–2007
Strategy to establish regional market leadership

2007–2009
Focus on expansion in Russia's key regional markets

Top 10 retailer by revenue

Six new regions

2009–2014
Rapid expansion in Moscow and key regional markets

IPO on the London Stock Exchange

2015
Online sales platform launched

DA! Brand—new discounter format launched

2016
Mobile app for iOS and Android launched

2017
O'KEY drive-through, and 24-hour delivery service launched for the hypermarket segment

Sale of supermarket business

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

2019
100 Discounter stores under DA! Brand operating across Russia

2020
Discounter DA! revenue reached 15% of the Group revenue

O'KEY new branding and new store concept presented

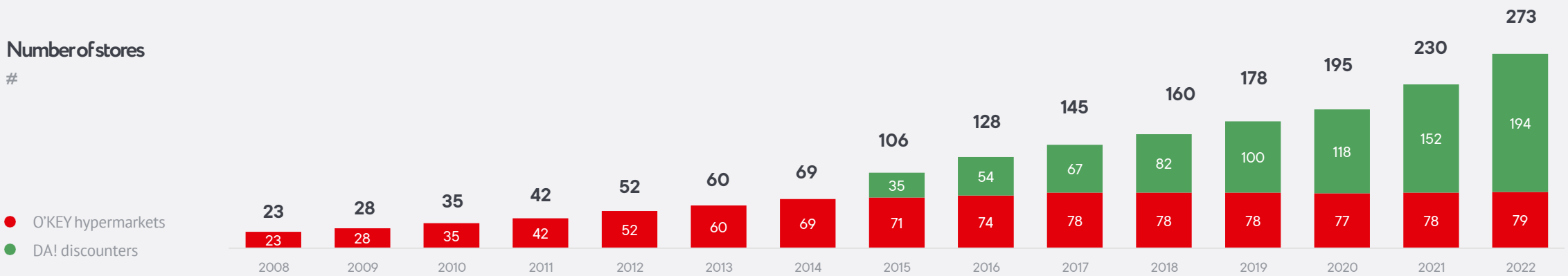
Listing of GDRs on MOEX

2021
152 DA! stores reaching 19% of Group's revenue

O`KEY hypermarkets new concept rolled-out in St-Petersburg

2022
194 DA! discounters reached 26% of the Group's revenue

4 new O'KEY stores opened in Moscow Region



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



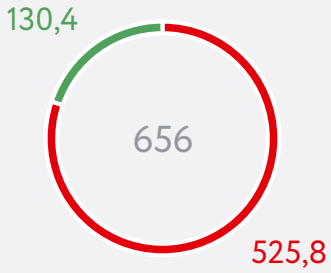
Central FD

Moscow region	Tula region	Kaluga region	Tver region	Ryazan region	Vladimir region
118	15	9	8	7	3

Voronezh	Lipetsk	Ivanovo
2	1	1

Selling space breakdown by brand

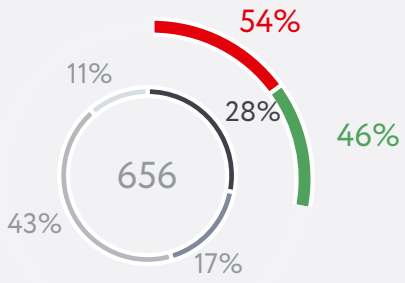
Ths sqm, 2022



O'KEY hypermarkets
DA! discounters

Selling space breakdown by region

Ths sqm, 2022



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

100% online coverage in cities of O'KEY presence

273
Total stores

5 total DCs

79
O'KEY hypermarkets

4 DCs for hypermarkets
63% centralization rate

194
DA! discounters

1 DC for discounters
100% centralization rate

Key events for 2022



O`KEY opens 4 new hypermarkets in Moscow region and refurbishes 1 store in Sochi under new concept



DA! discounters deliver a 53.1% revenue growth and reach 26.4% of the Groups revenue



O'KEY online sales reach RUB 6.2 bn, or 4.2% of O'KEY retail revenue



Expert RA rating agency affirms the credit rating of O`KEY at "ruA-", outlook Stable

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

6,700 SQM
Average store selling space

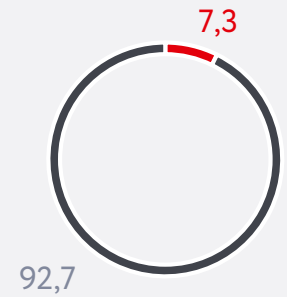
30K SKUs
Average product range

123.1 mln
Purchases with us made in 2022

73.6%
O'KEY share in the Group's revenue

Private Labels

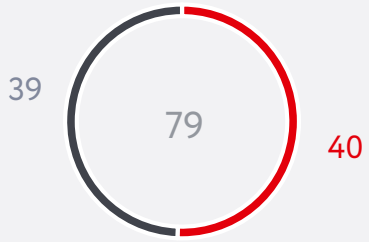
Share in revenue %, 2022



- Private labels
- Other brands

Location

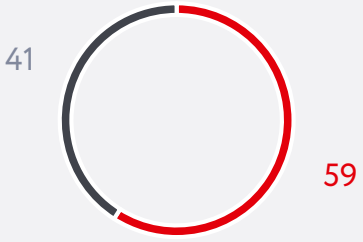
Number of stores, as of 2022



- Standalone
- In shopping malls

Fresh categories

Share in revenue %, 2022



- Fresh categories
- Other categories

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
- Large number of cash registers, self-scanning and self-checkout

O'KEY 'fresh' and 'ultra fresh' proposition as a competitive advantage

Strong focus on ultra-fresh and 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

59%

share of fresh, ultra-fresh, fruits & veg in O'Key sales volumes







O'KEY continues to upgrade its hypermarkets

- **Competitive format** driving synergies and clear advantages for development in online
- **Strong potential** to improve the efficiencies of sales space utilization
- **Strengthening O'KEY's market position** and creating a foundation for long-term expansion

Please click here to watch a movie about the new hypermarket

+50%

Even more space allocated to fresh and ultra fresh categories as main traffic drivers

80%

Non-food area reduction, range revitalisation and re-design of the display, focusing on high-quality items that are most popular with customers

9 stores

Have been upgraded under the new concept in key locations in Moscow, St-Petersburg and Sochi



Improved layouts and re-imagined approach to product range, while using every square meter as efficiently as possible

O'KEY has a functional mobile application and fast home delivery

Attractive regions of delivery

O'KEY delivery across Moscow region and St. Petersburg as well as delivery in regions in partnership with other operators

+32.6%

YoY online sales growth in 2022

#1

Online food store[1]

19

Pick-up and delivery storehouses

66%

Share of online sales via mobile app in 2022

4.2%

E-comm share of O'KEY revenue in 2022

90 MIN

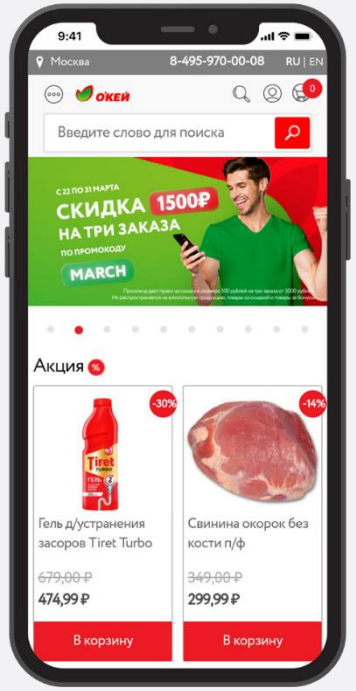
"Fast delivery" launched in 2020

4.6 points

Mobile app rank in IOS platform FY 2022

- 100% online coverage in all regions of O'KEY presence
- Efficient e-commerce platform and the collaboration with food delivery aggregators
- Own service of home delivery and in-store pick-up of online orders using O'KEY hypermarkets in Moscow and St-Petersburg

1. According to All-Russian customer research conducted by Retailer.ru among over 1 mln customers across the country



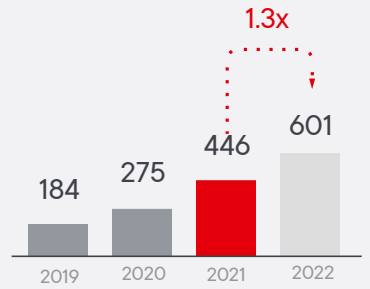
Fully omnichannel mobile app

O'KEY mobile app allows customers to:

- View offline catalogues
- Access order and shopping history
- Share basket between users
- View promotions
- Create a loyalty e-card and check bonuses
- Use voice assistant
- Locate the nearest store
- Pay online

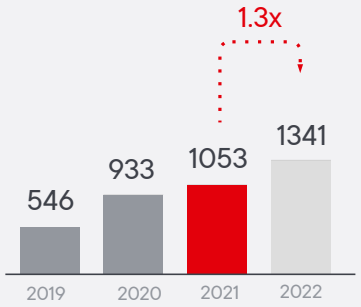
Active customers

'000 people



Mobile app downloads

'000 for the period



DA!: fast-growing classic european discounters

670 SQM
Average store selling space

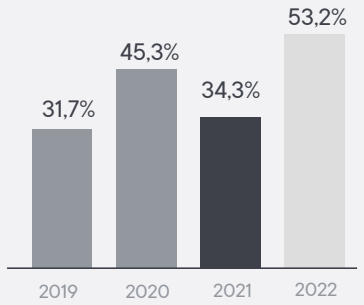
3.4 SKUs
Average product range

26.4%
Share in the Group's revenue in 2022

+26.8%
LFL revenue growth in 2022

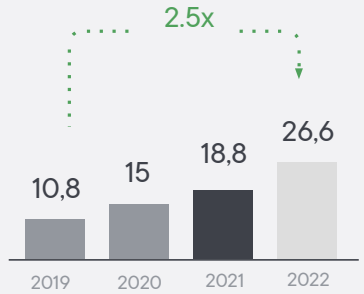
DA! Net Retail revenue growth, YoY

Net Retail revenue growth YoY, %



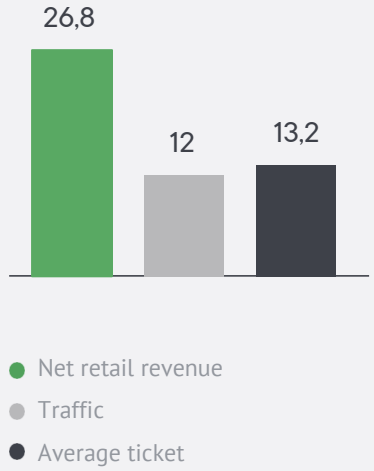
Share of DA! brand in Group revenue

Share in net retail revenue, %



LFL Growth

%, in 2022



Our unique value proposition

- Tailor-made own brands and packaging designed by DA! under different brand names
- 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

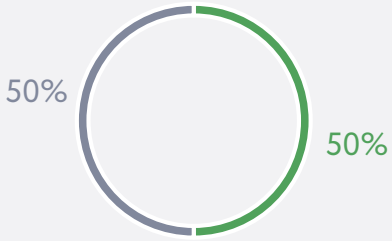
DA! exclusive
own brand expertise

>1,300

active SKUs

Private Labels

Share of private labels in sales, 2022



- **Exclusive own brands** portfolio accounting for 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

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









Fresh quality to differentiate our offer at DA!

- **Daily delivery** of ‘fresh’ to all DA! stores
- **Direct imports** of fresh fruits and vegetables
- **A wide range** of dairy and meat produce
- **A wide range** of hot bread and freshly baked pastries

59%

Share of fresh in DA! sales

>60

Items of freshly baked pastries

Please click here to watch a movie about the DA! discounter chain







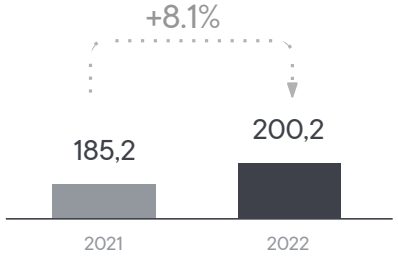
FY 2022

OPERATIONAL & FINANCIAL RESULTS

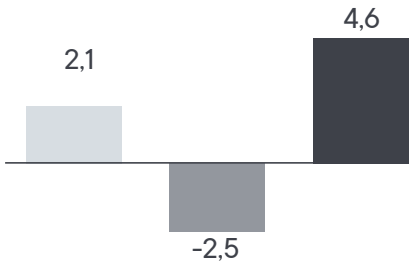
FY 2022
Group operating highlights

GROUP

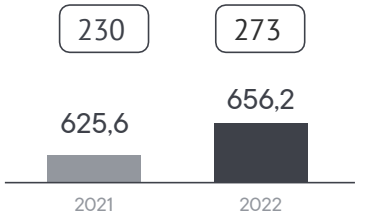
Net retail revenue
RUB bn



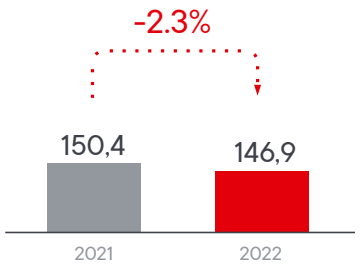
LFL net retail revenue
%, YoY

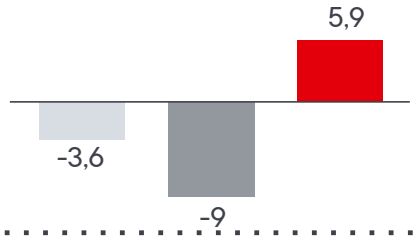


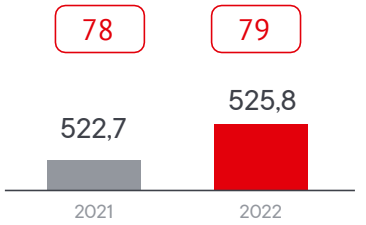
Selling space
'000 sqm



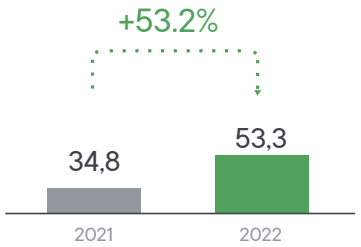
O'KEY

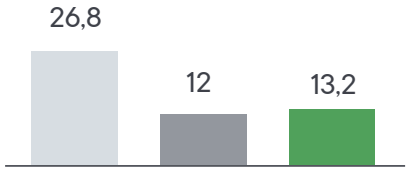


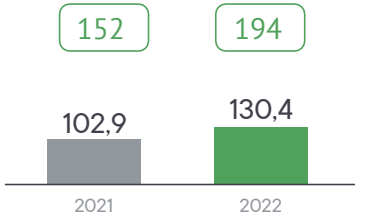




ДА!







Net retail revenue · Traffic · Average ticket

Number of stores

FY 2022
Group financial highlights

202.2 BN RUB
Group revenue grew by 8.1% YoY

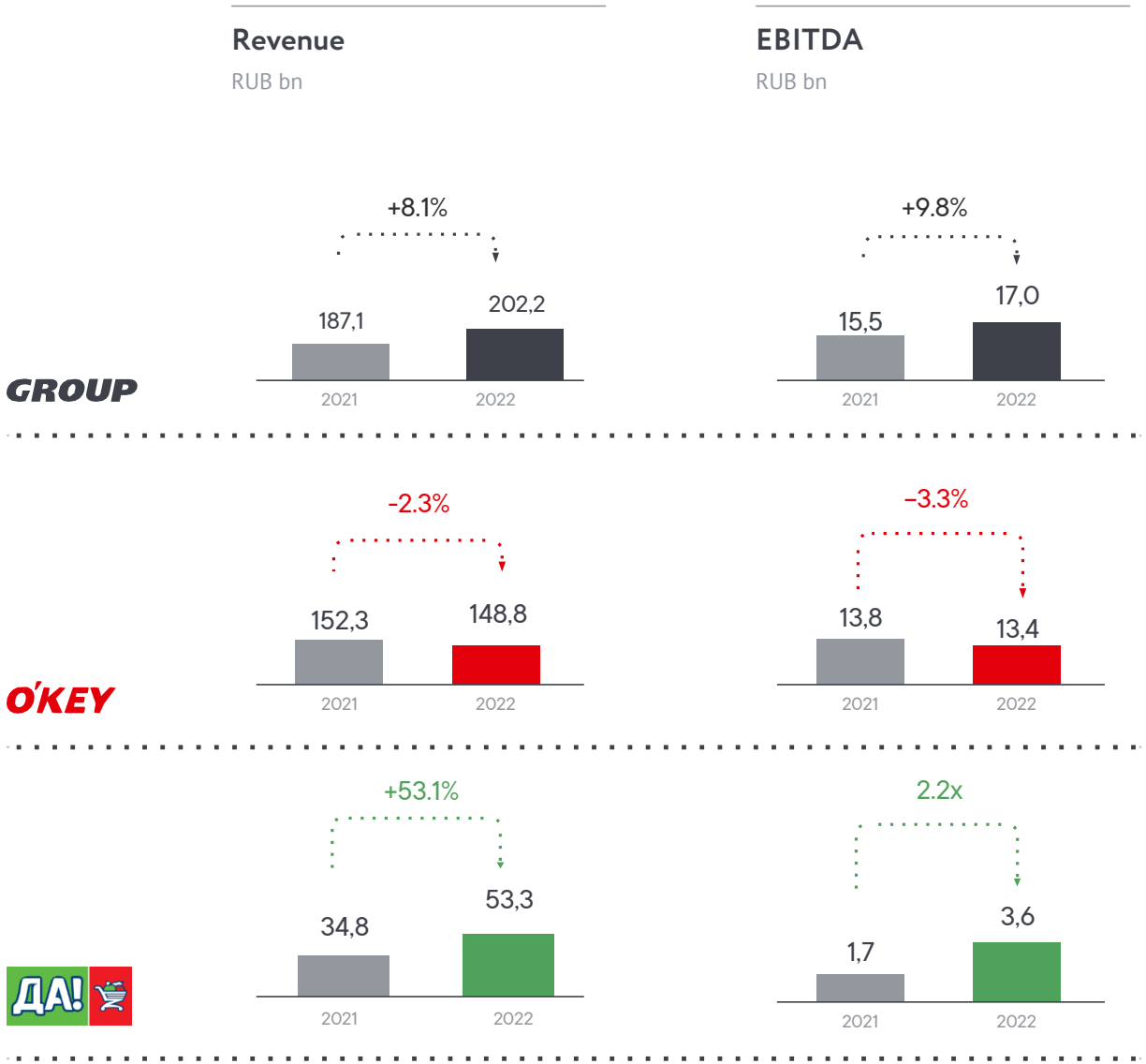
8.4%
EBITDA margin up by 0.1pps YoY

46.8 BN RUB
Group gross profit grew by 11.1% YoY

17.0 BN RUB
Group EBITDA rose by 9.8%

3.6 BN RUB
DA! discounters EBITDA surged 2.2x YoY

3.30x
Total interest bearing liabilities (net of cash) to EBITDA decreased



Group EBITDA margin bridge

8.4%

EBITDA margin in 2022

0.7 ^ pps YoY

Gross margin grew led by efficiencies in procurement

0.1 ^ pps YoY

Personnel costs grew mainly due to new store openings in the both chains and wages indexation in hypermarkets

0.1 ^ pps YoY

Utilities expenses increased, due to new store openings and tariffs inflation

0.1 ^ pps YoY

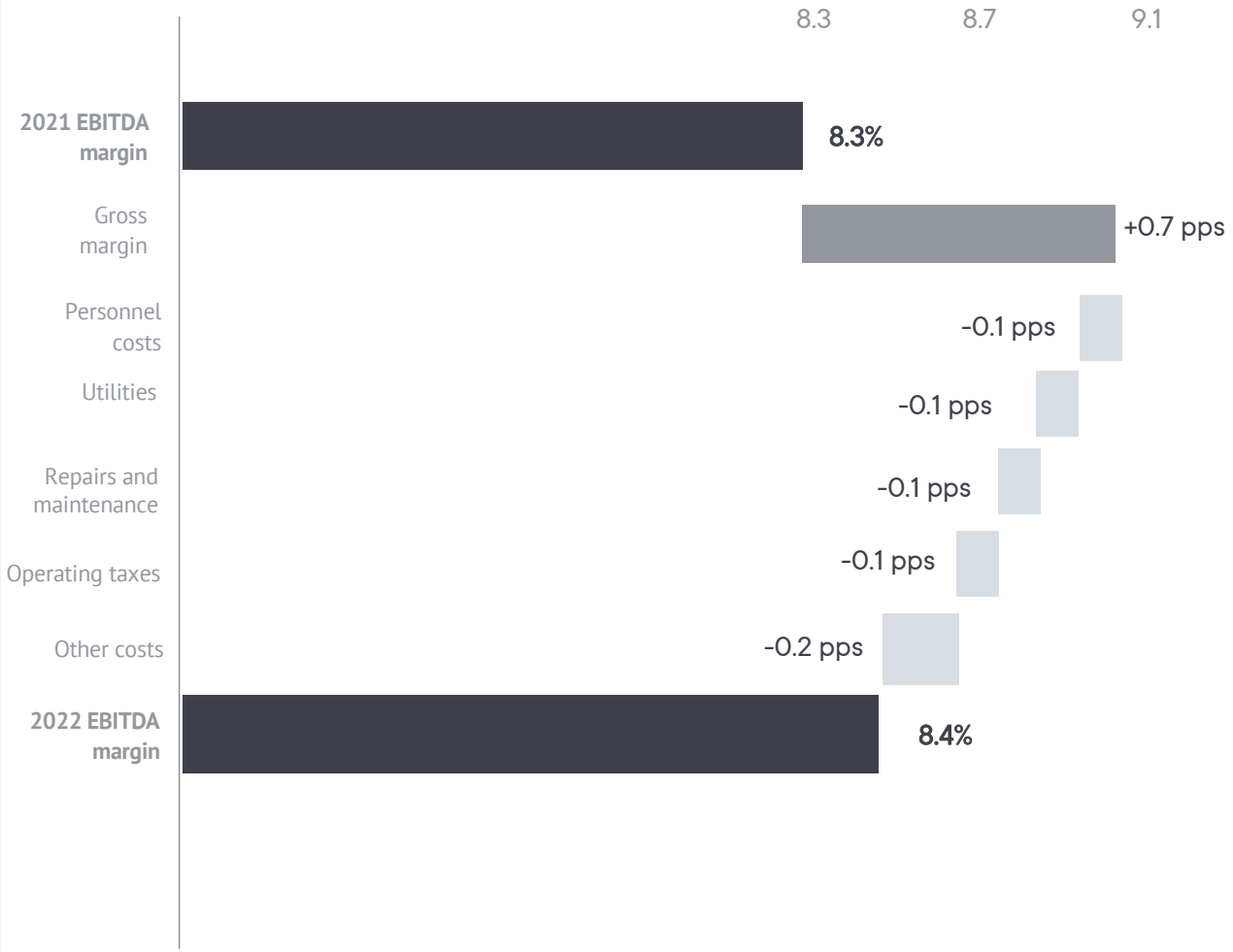
Repairs and maintenance expenses rose due to mainly to new store openings

0.2 ^ pps YoY

Other costs including, advertising and marketing, bank commissions, and operating lease

Group EBITDA margin YoY dynamics

%



Group debt position was stable in 2022

ruA–

In June 2022, EXPERT RA affirmed O`KEY's rating with Stable outlook

3.30x

Net IBL[1] to EBITDA reduced as of December 31, 2022

99%

Rouble nominated borrowings as of December 31, 2022

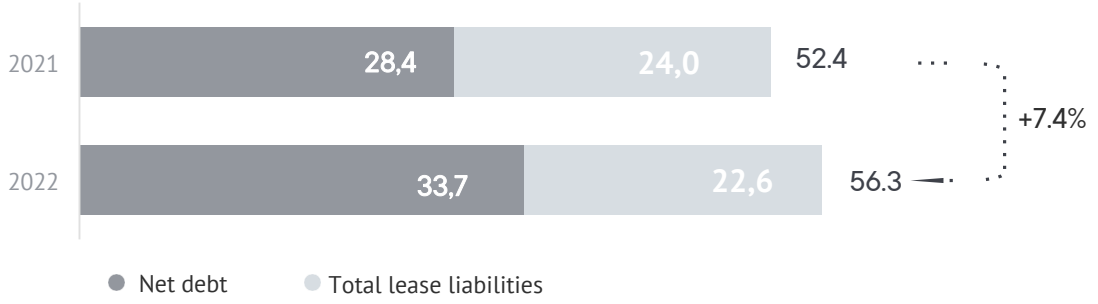
ruA–

In November 2022, EXPERT RA assigned credit rating newly issued RUB 8.5 bn bonds

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

Net total IBL, EoP

RUB bn



Net total IBL, EoP

RUB mln	As of 31 December 2022	As of 31 December 2021
EBITDA	17,020	15,504
Total debt	45,486	37,817
Cash & cash equivalents	11,779	9,448
Net debt	**33,707**	**28,369**
Total lease liabilities	22,545	24,063
Total interest-bearing liabilities (net of cash & cash equivalents)	**56,251**	**52,432**
Total interest-bearing liabilities (net of cash & cash equivalents) / EBITDA	**3.30x**	**3.38x**

3

CORPORATE GOVERNANCE

Investment highlights

- **Flexible business model** based on two competitive shopping formats and an e-commerce platform, covering all customer segments and needs
- **Top-10 food and e-grocery retailers** with 100% coverage in major Russian regions
- **O'KEY:** strong brand and market positioning in major Russian cities
- **DA! discounters:** one of the fastest growing grocery chains in the market
- **Exceptional expertise in private labels** and own production enables building appealing customer value proposition
- **Highly centralized logistics:** five distribution centres in Moscow and St. Petersburg
- **Focus on cutting-edge IT solutions** and progressive infrastructure
- **Experienced management team** with international retail expertise





High standards of corporate governance

Major shareholders

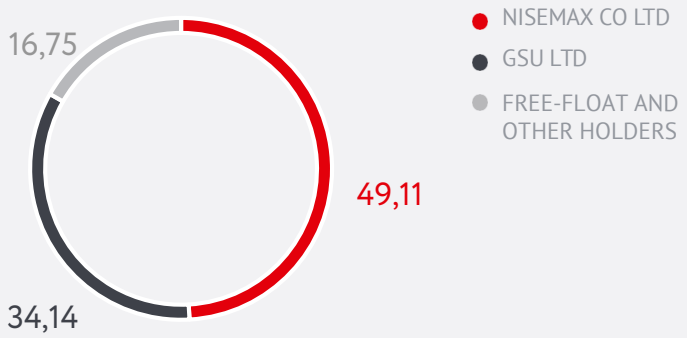
Mr. Dmitry Korzhev
(NISEMAX CO LTD)

Mr. Dmitry Troitskii
(NISEMAX CO LTD)

Mr. Boris Volchek
(GSU LTD)

Shareholder structure

%



Board of directors

Heigo Kera
Group Chairman, Member of the Audit Committee, Chair of the Remuneration Committee

Dmitriy Korzhev
Member of the Audit Committee

Dmitriy Troitskii
Member of the Remuneration Committee, Non-Executive Director

Mykola Buinyckyi
Independent Director, Chair of the Audit Committee

Boris Volchek
Member of the Audit and Remuneration Committees

O'Key stock

Exchange	Ticker	Listed since
London Stock Exchange	OKEY	Nov 2010
Moscow Exchange, Level 1	OKEY	Dec 2020
Astana International Exchange	OKEY	Mar 2023

4

APPENDIX

Group's audited consolidated **balance sheet**

'000 RUB	31 Dec 2022	31 Dec 2021
ASSETS		
Non-current assets		
Investment property	1,447,333	1,947,218
Property, plant and equipment	42,609,851	41,617,139
Construction in progress	1,326,017	1,772,089
Right-of-use assets	19,216,816	20,190,899
Intangible assets	1,205,515	1,330,376
Deferred tax assets	5,245,595	4,895,412
Other non-current assets	1,801,139	959,428
Total non-current assets	**72,879,266**	**72,712,561**
Current assets		
Inventories	23,916,987	19,877,175
Trade and other receivables	2,930,220	3,590,570
Prepaid income tax	59,282	59,055
Prepayments	1,177,461	1,159,164
Cash and cash equivalents	11,779,334	9,447,998
Non-current assets held for sale	305,000	–
Total current assets	**40,168,284**	**34,133,962**
Total assets	**113,047,550**	**106,846,523**

'000 RUB	31 Dec 2022	31 Dec 2021
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	3,325,409	3,393,474
Translation reserve	1,454,205	1,774,457
Total equity	**13,465,308**	**13,853,625**
Non-current liabilities		
Loans and borrowings	35,525,212	31,644,919
Lease liabilities	16,924,142	19,077,160
Deferred tax liabilities	532,644	514,428
Total non-current liabilities	**52,981,998**	**51,236,507**
Current liabilities		
Loans and borrowings	9,960,796	6,171,694
Interest accrued on loans and borrowings	215,737	149,445
Lease liabilities	5,620,662	4,985,877
Trade and other payables	30,636,945	29,954,756
Current income tax payable	166,104	494,619
Total current liabilities	**46,600,244**	**41,756,391**
Total liabilities	**99,582,242**	**92,992,898**
Total equity and liabilities	**113,047,550**	**106,846,523**

The Group's audited report, including the full set of audited IFRS financial statements, can be found at https://okeygroup.lu/investors/result-center/ifrs-statements/

Group's audited consolidated **profit and loss statement**

'000 RUB	2022	2021
Revenue	202,170,726	187,097,352
Cost of goods sold	(155,362,939)	(144,978,269)
Gross profit	**46,807,787**	**42,119,083**
General, selling and administrative expenses	(40,389,935)	(35,718,427)
Other operating income and expenses, net	(666,903)	(1,409,812)
Operating profit	**5,750,949**	**4,990,844**
Finance income	438,380	68,430
Finance costs	(6,080,150)	(4,866,815)
Foreign exchange gain	312,806	205,888
Profit before income tax	**421,985**	**398,347**
Income tax expense	(180,455)	(190,518)
Profit for the year	**241,530**	**207,829**

'000 RUB	2022	2021
Other comprehensive (loss)/income		
Items that will never be reclassified to profit or loss:		
Exchange differences on translation to presentation currency	(320,252)	13,305
Items that are or may be reclassified subsequently to profit or loss:		
Derecognition of hedge/change in fair value of hedge	-	193,820
Income tax on items within other comprehensive income	-	(38,764)
Other comprehensive income	170,999	-
Other comprehensive (loss)/ income for the year, net of income tax	**(149,253)**	**168,361**
Total comprehensive income for the year	**92,277**	**376,190**
Earnings per share		
Basic and diluted earnings per share (in RUB per share)	0.9	0.8

Group's audited consolidated **statement of cash flows**

'000 RUB	2022	2021
Cash flows from operating activities		
Cash receipts from customers	231,986,614	215,729,790
Other cash receipts	663,715	728,693
Interest received	442,130	63,156
Cash paid to suppliers and employees	(215,153,159)	(197,644,782)
Taxes other than on income	(763,441)	(637,466)
Other cash payments	(51,033)	(50,286)
VAT paid	(3,509,800)	(3,976,782)
Income tax paid	(657,281)	(398,860)
Net cash from operating activities	**12,957,745**	**13,813,463**
Cash flows from investing activities		
Purchase of property, plant and equipment (excluding VAT)	(6,290,524)	(4,909,241)
Purchase of intangible assets (excluding VAT)	(331,473)	(561,541)
Proceeds from sale of subsidiaries	–	180,000
Proceeds from sale of investment property (excluding VAT)	148,966	1,135,430
Proceeds from sale of property, plant and equipment and intangible assets (excluding VAT)	5,438	228,414
Net cash used in investing activities	**(6,467,593)**	**(3,926,938)**

'000 RUB	2022	2021
Cash flows from financing activities		
Proceeds from loans and borrowings	17,772,121	13,133,144
Repayment of loans and borrowings	(9,958,485)	(11,550,024)
Interest paid on loans and borrowings	(3,966,907)	(2,930,762)
Repayment of principal amount of lease liabilities	(5,094,982)	(4,660,511)
Interest paid on lease liabilities	(2,075,250)	(1,917,591)
Dividends paid	(480,594)	–
Other financial payments and proceeds	(80,560)	(211,319)
Net cash used in financing activities	**(3,884,657)**	**(8,137,063)**
Net increase in cash and cash equivalents	**2,605,495**	**1,749,462**
Cash and cash equivalents at the beginning of the year	9,447,998	7,713,568
Effect of exchange rate fluctuations on cash and cash equivalents	(274,159)	(15,032)
Cash and cash equivalents at the end of the year	**11,779,334**	**9,447,998**

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