

O'KEY Group S.A. (OKEY)

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Press Release

13 September 2018

O'KEY GROUP ANNOUNCES THE APPOINTMENT OF NEW CEO

O'KEY Group S.A (LSE: OKEY, the 'Group'), one of the leading Russian food retailers, announces the appointment of Armin Burger as CEO of O'KEY Group. Mr. Burger will also remain as CEO of DA!, Miodrag Borojevic will stay with the Group as adviser.

All the materials published by the Group are available on its website www.okeyinvestors.ru.

The Board of Directors has named Armin Burger new CEO of O'KEY Group, in addition to his current role as CEO of DA!, the Group's discounter business. Mr. Burger has been with the Group for 5 years, developing the Group's discounter business. He was actively involved in the development of the Group's strategy, including the development of the new compact hypermarket concept. He has very deep knowledge of the Russian retail industry. In his new role, Mr. Burger will focus on increasing the pace of the hypermarket business transformation and on the continuing development of both retail formats.

Miodrag Borojevic will take the role of adviser to CEO and Board of Directors of the Group. Mr. Borojevic will continue contributing to the development of the hypermarket format of the Group.

Armin Burger's Biography

Mr. Burger, 55, has significant in-depth expertise in the food retail market, having spent almost 30 years in the industry. Since 2013, he has been a member of the O'KEY Group Management Board and the CEO of the DA! discounter business. During his tenure with the Group, Mr. Burger has successfully opened 72 DA! discounters, demonstrating strength of the format. Prior to joining O'KEY, Mr. Burger spent 20 years working for ALDI Sud. From 2008-2010 he was a member of the Supervisory Board of ALDI Sud, overseeing 10 countries and 4,500 stores. From 1999-2008 he acted as CEO of Hofer KG, Sattledt, Austria. Before joining Hofer KG Mr. Burger held various executive positions in ALDI GmbH. Mr. Burger speaks English and German.

Guidance

The Group would like to reiterate its previously stated guidance. We expect net retail revenue generated by our hypermarkets business to decrease by low single digit in 2018, driven by increased competitive pressures, negative macroeconomic dynamics, the FIFA World Cup and less favourable weather conditions in the Company's key operating regions than we had in the previous year. At the same time, we expect 2018 profitability to increase in line with the growth achieved in the first half of 2018. We expect net retail revenue generated by our discounter business to grow by up to 50% YoY in 2018, driven by the opening of up to 25 new stores. The new openings will accelerate in the second half of the year.

OVERVIEW

O'KEY Group S.A. (LSE: OKEY, Fitch - 'B+', RAEX - 'ruA-') is one of the largest retail chains in Russia. The Group operates under two main formats: hypermarkets, under the 'O'KEY' brand and discounters, under the 'DA!' brand.

As of September 13, 2018, the Group operated 151 stores across Russia. The Group opened its first hypermarket in St. Petersburg in 2002 and has since demonstrated continuous growth. O'KEY is the first among Russian food retailers to launch and actively develop e-commerce operations in St. Petersburg and Moscow, offering a full range of hypermarket products for home delivery. The Group operates four distribution centres across the Russian Federation.

For the full year 2017, revenue totalled RUB 177,454,848 thousand, EBITDA reached RUB 9,334,993 thousand, and net income for the period amounted to RUB 3,166,913 thousand.

The O'KEY shareholder structure is as follows: NISEMAX Co Ltd - 50.95%, GSU Ltd - 29.52%, free float - 19.53%.

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assumptions or changes in factors affecting these statements.

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