

Press Release  
10 July 2017

## **O'KEY GROUP ANNOUNCES COOPERATION WITH LEADING OFF-PRICE RETAILER**

**O'KEY Group S.A. (LSE: OKEY, the "Group"), one of the leading Russian food retailers, and Familia, the leading off-price retailer in Russia, announce a strategic partnership.**

**All the materials published by the Group are available on its website [www.okeyinvestors.ru](http://www.okeyinvestors.ru).**

As part of the strategic partnership, Familia will open stores in 2 of O'KEY's hypermarkets – Ekaterinburg and Tyumen in the second half of this year. The cooperation will also involve joint marketing campaigns and other activities. This partnership is likely to be extended to further O'KEY stores in other locations from next year.

This project is part of O'KEY's ongoing strategic initiative to enhance efficiency through the creation of a "compact hypermarket". This is achieved through leasing selling space to a strategic partner without decreasing the total number of SKUs in the store. It is expected to result in customer traffic growth and additional rent income, increasing profitability.

**Miodrag Borojević, Chief Executive Officer of O'KEY Group, said:**

"We are pleased to announce our partnership with Familia, a leading off-price retailer in Russia. This contract marks the start of a long-term strategic relationship which will boost the efficiency of our hypermarkets by attracting additional traffic and selling space optimization."

**Konstantin Nadezhdin, Chief Executive Officer of Familia, commented:**

"This partnership with O'KEY is a key milestone for our company. The agreement should generate additional traffic both for our stores and the hypermarkets in which they are based. We are confident that this cooperation will further strengthen our position as a leading off-price retailer in the Russian market."

## COMPANY OVERVIEW

O'KEY is one of the largest retail chains in Russia. Its primary retail format is the modern Western European style hypermarket which operates under the "O'KEY" brand, complemented by O'KEY supermarkets. The Group is developing an innovative discounter format under the "DA!" brand. O'KEY is the first among Russian food retailers to launch e-commerce operations in St. Petersburg and Moscow, based on its hypermarket assortment.

The Group opened its first hypermarket in St. Petersburg in 2002 and has since demonstrated continuous growth. As of July 10, 2017, O'KEY operates 109 stores across Russia – 72 hypermarkets, 37 supermarkets and 55 discounters under the "DA!" brand.

### **FAMILIA, the first and single off-price retail chain in Russia.**

Familia is the leading off-price retailer in Russia. Its first store was opened in 2000 in Moscow. During 2016-17, Familia increased its number of stores by more than 150%. At present, Familia runs 169 stores in 64 cities across Russia, with a trade area of over 200,000 m<sup>2</sup>. By the end of 2017, Familia plans to run 195-200 stores. More than 2,700 brands from 40 countries are partnered with the company.

All materials published by the company are available on its website <http://www.famil.ru/en/partnership/>

Company profile: [http://www.famil.ru/data/presentation\\_en.pdf](http://www.famil.ru/data/presentation_en.pdf)

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