

Press release
22 March 2017

**O'KEY GROUP ANNOUNCES APPOINTMENT OF NEW CHIEF EXECUTIVE OFFICER OF
HYPERMARKET & SUPERMARKET BUSINESS**

O'KEY Group (LSE: OKEY), one of the leading food retailers in Russia, today announced the appointment of Miodrag Borojevic as its new Chief Executive Officer of hypermarket and supermarket business. He will be succeeding Heigo Kera from May 2017. The Board of Directors would like to thank Mr. Kera for his distinguished service and tremendous contributions to O'KEY Group, where his leadership, experience and dedication led the company through a challenging macroeconomic and competitive environment, and laid down a solid foundation for O'KEY's compelling business development strategy and growth prospects. Mr. Kera will hand over the CEO responsibilities by June to ensure smooth transition of responsibilities with Mr. Borojevic, and will continue to serve as Chairman of the O'KEY Group S.A. Board.

Miodrag Borojevic's Biography

Mr. Borojevic, 48, has in-depth industry expertise in food retail industry. Since 2013, he has been Chief Executive Officer of REWE Italy, where he has achieved strong success in executing a business turnaround. Prior to that, from 2002 to 2013 Mr. Borojevic held various executive positions at Kaufland, one of the leading hypermarket chains in Europe (part of Schwarz Group, a grocery retailer with more than US\$100bn in revenues), overseeing its operations in Romania, Croatia, Bulgaria, Slovakia and the Czech Republic. Mr. Borojevic speaks English, Italian, Russian, German, Croatian and Bulgarian.

Heigo Kera, CEO and Chairman of the Board of Directors of O'KEY Group, said:

"After two years of leading the company through difficult times and achieving the goals set by the board, I feel it is the right time for me to step down. During this time we strengthened the competitive position of our hypermarket and supermarket business, launched important strategic projects, improved the price perception of the O'KEY brand, adapting commercial policies to meet macroeconomic challenges, enhancing in-store shopping concept to make better experience of our customers and introducing the new compact city hypermarket concept. We have built a strong team of dedicated retail professionals which I have enjoyed working with in this challenging environment. I remain a strong believer in O'KEY's unique business model and customer value proposition which would help it to take advantage of market opportunities to drive growth while maintaining high operational effectiveness."

Miodrag Borojevic commented:

"I am delighted to accept the offer to lead hypermarket and supermarket business of O'KEY Group. I strongly believe in the significant potential for further growth of O'KEY's business, and see tremendous opportunity to add value for our customers, employees and shareholders in years to come. I look forward to communicating and executing our team's exciting vision and strategy for the next stage of O'KEY business."

COMPANY OVERVIEW

O'KEY is one of the largest retail chains in Russia. Its primary retail format is the modern Western European style hypermarket under the "O'KEY" brand reinforced by O'KEY supermarket. The Group is developing the 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 hypermarket assortment. The Group opened its first hypermarket in St. Petersburg in 2002 and has demonstrated continuous growth ever since. As of March 22, 2017, O'KEY operates 164 stores across Russia – 74 hypermarkets, 36 supermarkets and 54 discounters.

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