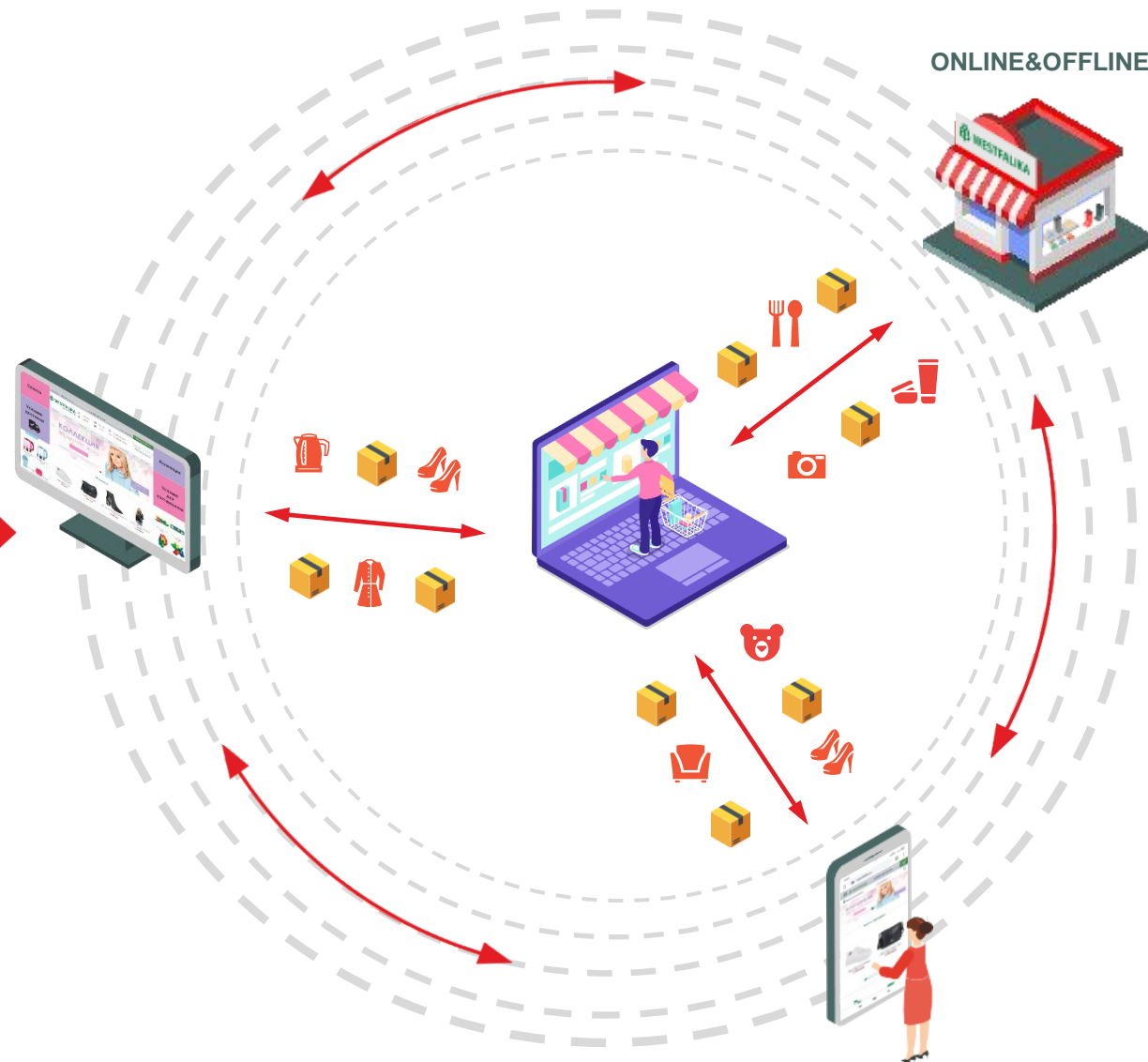


**OR**  
**GROUP**

**Presentation**  
February 2021





# disclaimer

This presentation is for information purposes only.



Some of the information in this presentation may contain projections or other forward-looking statements regarding future events or the future financial performance of OR Group.

You can identify forward-looking statements by terms such as “expect”, “believe”, “anticipate”, “continue”, “estimate”, “intend”, “will”, “could”, “would”, “should”, “may” or “might”, the negative of such terms or other similar expressions. These statements are only predictions and actual events or results may differ materially.

Many factors could cause the actual results to differ materially from those contained in our projections or forward-looking statements, including, among others, general economic conditions, our competitive environment, as well as many other risks specifically related to OR Group and its operations.

The Company and all its directors, officers, employees and advisors herewith state that they are not obliged to update these statements to reflect events and circumstances occurring after the date hereof or to reflect the occurrence of unanticipated events, save as required under applicable laws.

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# summary facts

**> 10.3 RUB bn\*\*\***  
GMV\* 2020



**839** stores\*\*

**~70.5 th  
sqm** selling space\*\*



**22 %\*\*\***  
online-sales share

**>2.1 mln**  
partners' goods sales  
in 2020

**~1,000**  
westfalika.ru  
marketplace partners

**~1.2 RUB  
bn \*\*\*** revenue of  
westfalika.ru  
marketplace in  
12M '20



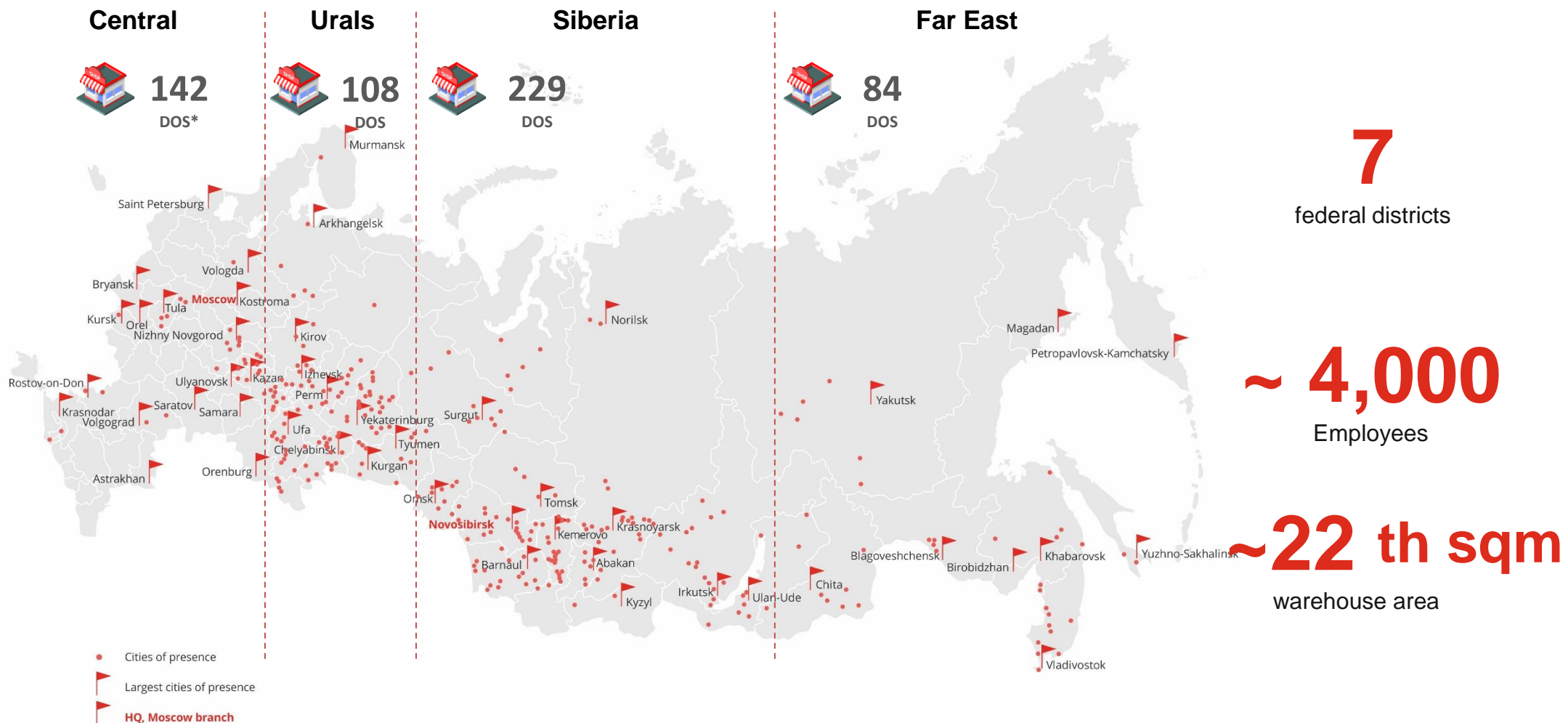
**~2.8 mln \*\*\***  
loyalty cards issued

**~2.6 RUB  
bn \*\*\*** portfolio size in installment  
sales as of 31.12.2020

**~ 2.9 RUB  
bn \*\*\*** portfolio size in cash  
loans as of 31.12.2020

\* GMV is the total value of goods and orders processed by OR GROUP trading platform, plus VAT, instalment commission, service turnover and other commission income.

# geographical coverage



# digital transformation



**MULTI – CHANNEL**



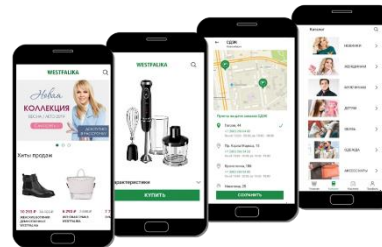
**DIGITAL SERVICES FOR CUSTOMERS**



**STORE AS SERVICE POINT**



**MARKETPLACE DEVELOPMENT**

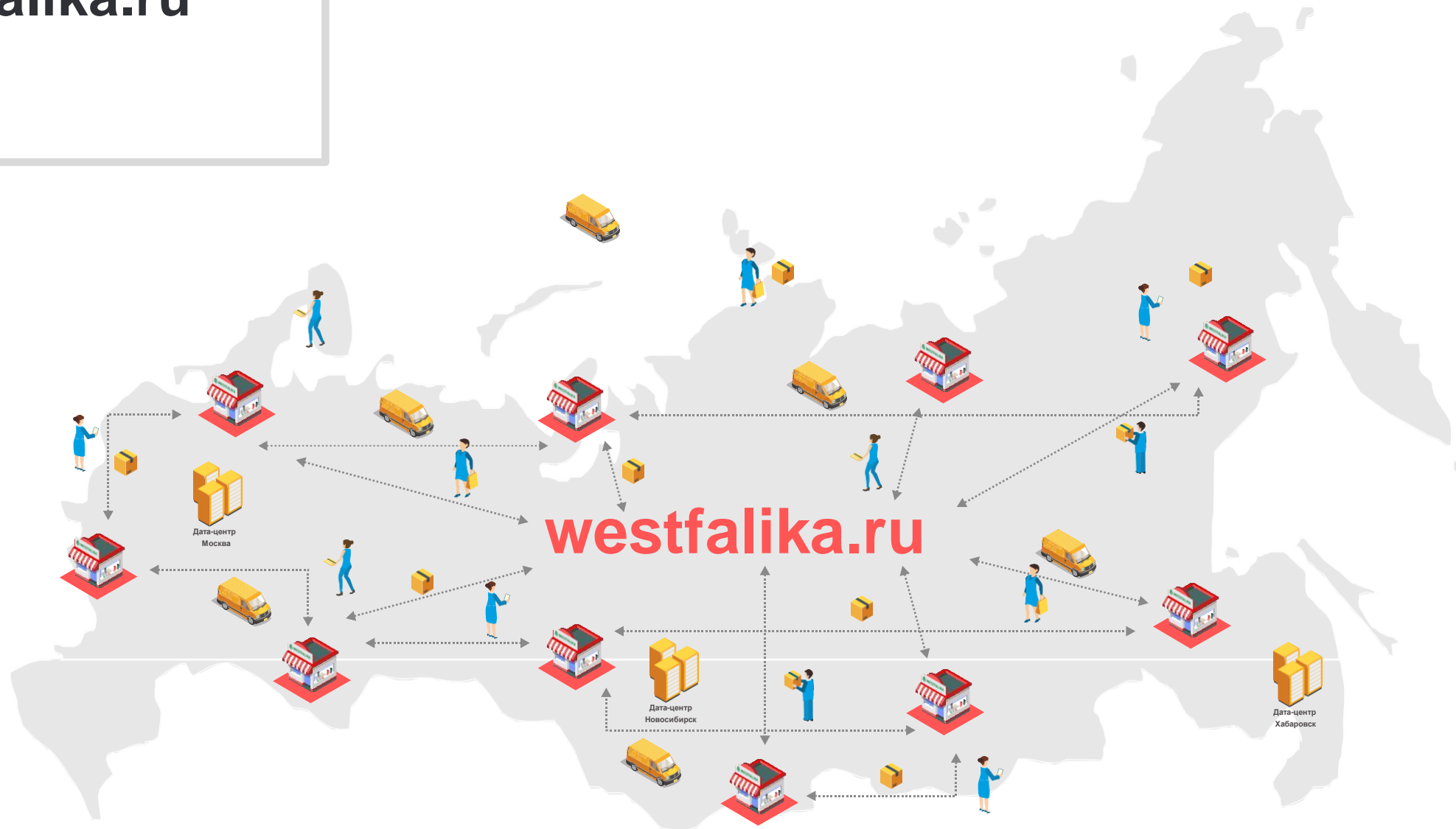


**WESTFALIKA.RU MOBILE APPLICATION**



**WIDE RANGE OF GOODS AND SERVICES**

westfalika.ru  
today



# evolution company

## OR GROUP Present

Westfalika – department store

Store as service center

Digital technologies for retail

Westfalika.ru marketplace

Westfalika.ru mobile  
application & website

Westfalika – Pickup Point &  
logistics operator





# westfalika.ru mobile application

mobile application westfalika.ru

Modern UX design and user-friendly interface

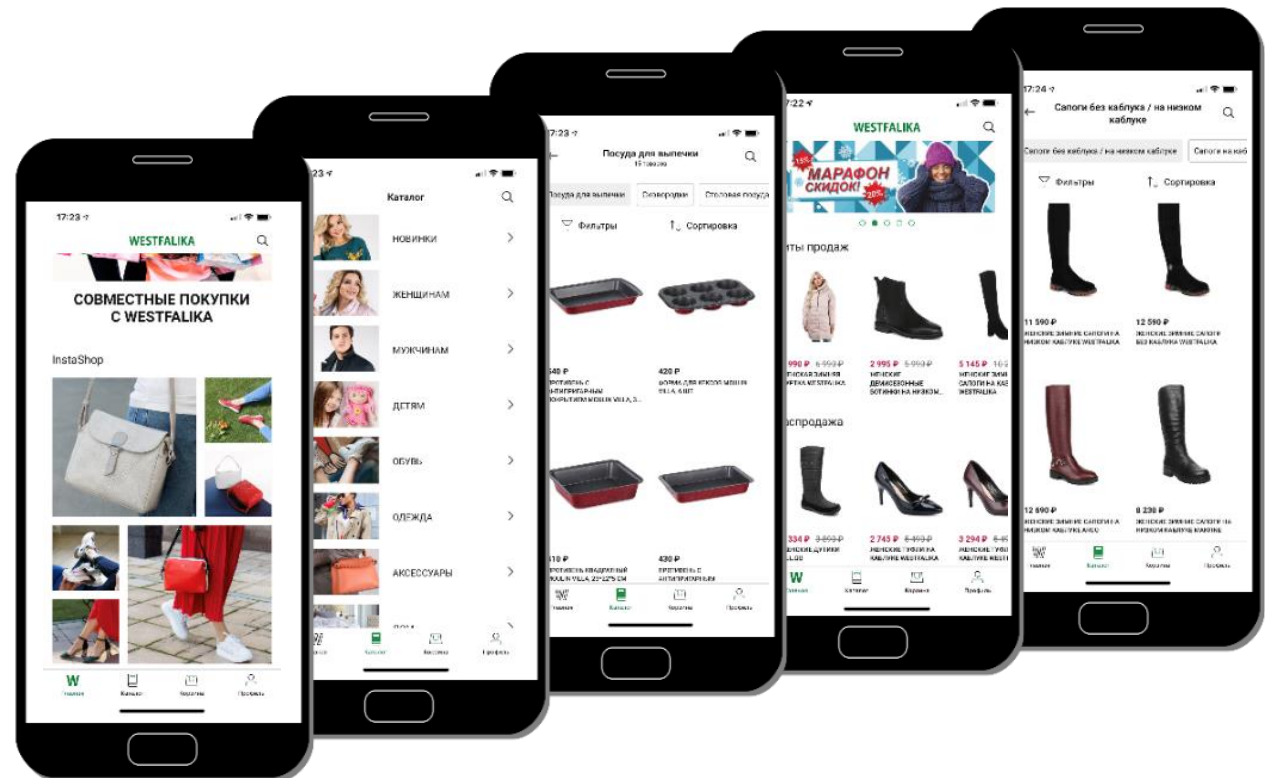
Basic functionality of the online store: personal account, categories, filters, favorites, checkout and delivery

Personalized promotions for users

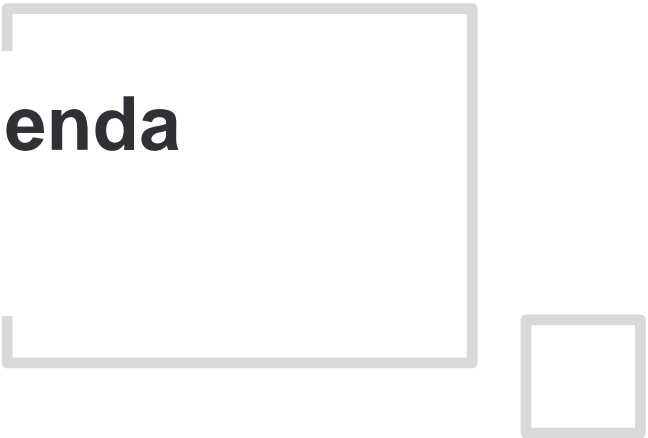


Best sellers: the most popular and most viewed products

Instashop: order products from Instagram-account westfalika.ru

Integrated loyalty program



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# business segments

## Shopping platform westfalika.ru: Online & Offline

- Westfalika.ru marketplace – online/offline
- Westfalika department store – offline
- Westfalika.ru mobile application & website – online

## B2B

- Franchise
- Large wholesale customers

## Manufacturing

- Corporate clients: KDV, Sberbank
- Own retail
- B2B

## Financial service

- Cash loans
- Installment

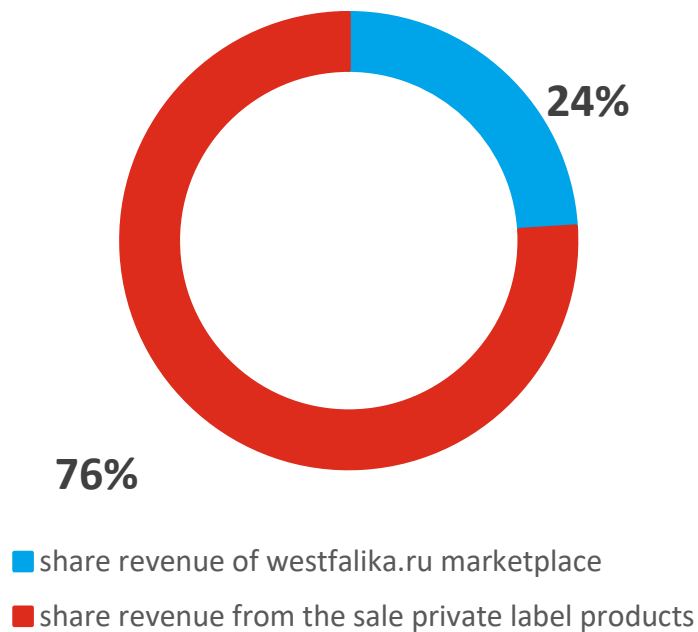
## Other service

- Pickup points
- Insurance products
- Money transfers
- Payments

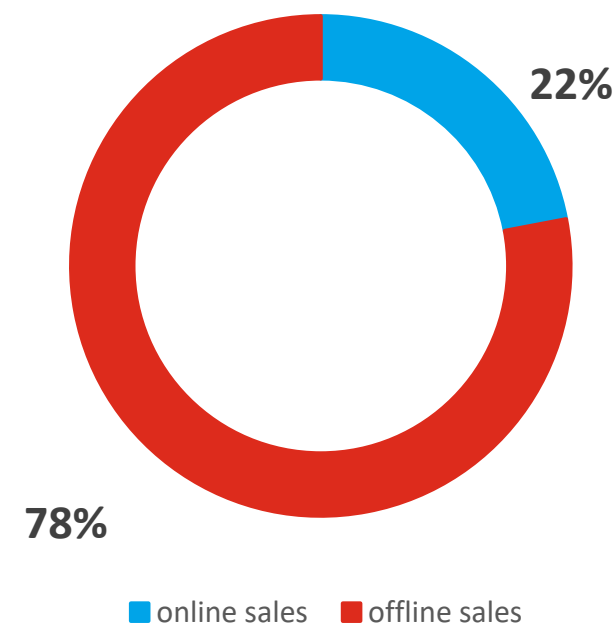
## shopping platform westfalika.ru

Shopping platform westfalika.ru — the sale of goods under private labels and partners' goods (marketplace) in the retail network and on the westfalika.ru online platform.

revenue of westfalika.ru shopping  
platform, %



Share offline/online sales in westfalika.ru  
shopping platform, %\*



# ARIFMETIKA loyalty eco-system

The loyalty program allows you to personalize promotions for customers by offering individual terms and limits



**2,840,000 +**  
Loyalty cards issued\*

**1,800,000 +**  
Customers used add-on service\*



**~60%**  
Of purchases made with  
loyalty cards\*

# financial & other services

as of 12M'20

## Cash loans

- Portfolio **2.9 RUB bn\***
- Average interest rate **187%** as of 9M'20
- Cost of risk **8.4%** as of 1H'20

## Pickup Point

- Number of partners **13**
- Over **2,300** Pickup Point in the Group's stores
- Parcels issued over **1.2 mln**

## Installment

- Portfolio **2.6 RUB bn\***
- Average commission rate **4%** as of 9M'20
- Cost of risk **7.0%** as of 1H'20

## Other services

- Insurance products
- Money transfers
- Payments

## pickup points in westfalika

This project is the part of company's strategy of integration into the logistic infrastructure of the Russian e-commerce market.



Parcels issued **> 1.2 mln\***

At the end of 2020 there are 13 partners in our network.  
In 2021 we plan to attract 15 partners.

The project of partner pick-up points provides a significant growth in foot traffic:  
in 2020, OR GROUP attracted an additional 1.5 million customers;  
the company intends to raise traffic to its stores by 6 million clients.  
The Group also receive additional income in the form of a commission which OR GROUP plans to triple in the coming year.



# b2b & manufacturing

The Group has also entered the market of corporate footwear and produces occupational footwear and special-purpose footwear for different industries (banking industry, food industry, etc.).

## Manufacturing



all.go



9,100 sqm

total area

2

own production plants

500 th

pairs of footwear – production capacity

## B2B



WILDBERRIES

lamoda

175

franchises



~3,3 RUB  
bn\*

wholesale revenue in  
12M '20

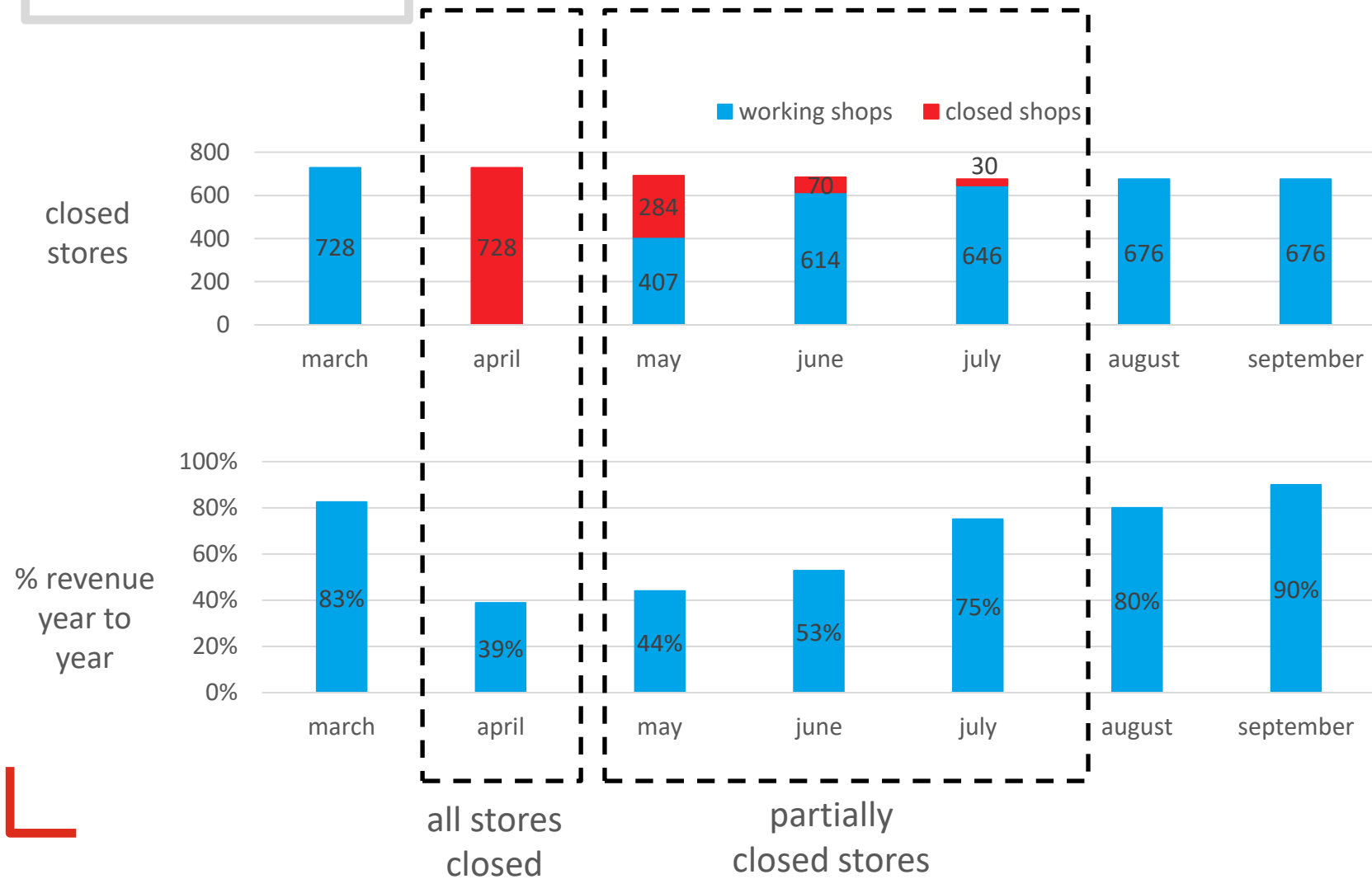
OR Group develops its own online stores as well as cooperates with marketplaces such as GOODS.RU Wildberries, Ozon and Aliexpress.



# agenda

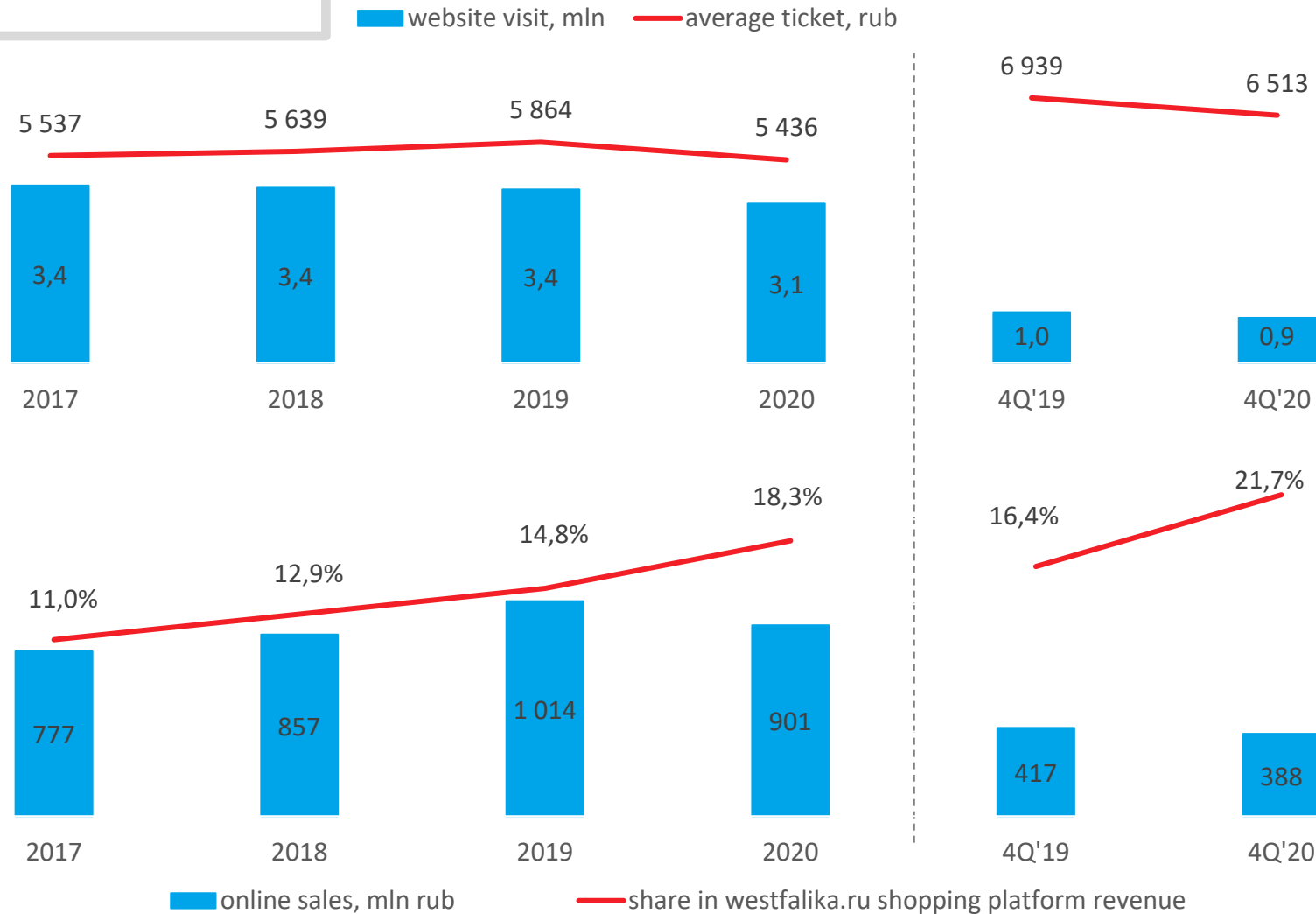
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# coronavirus '20



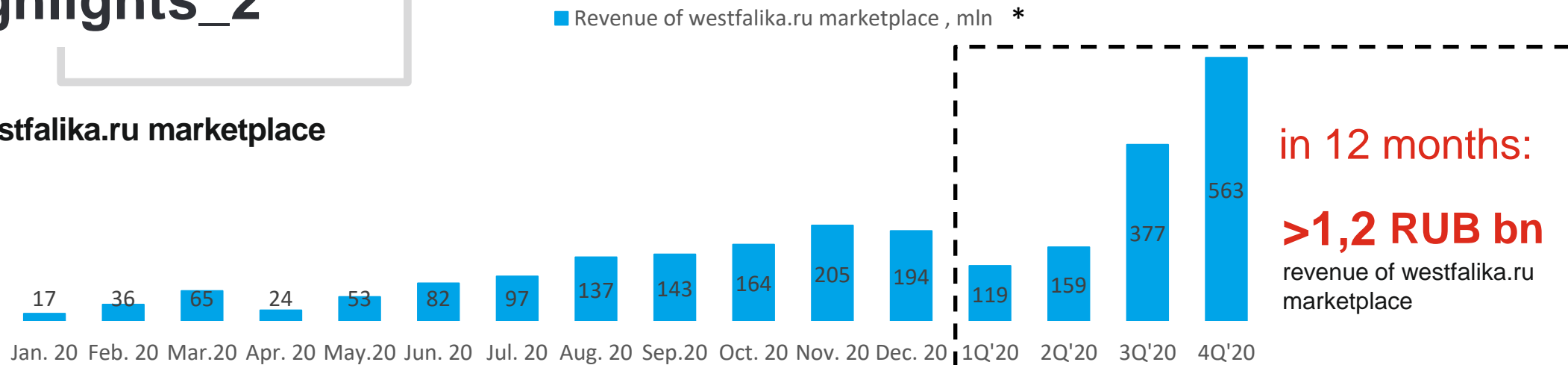
# operating highlights\_1

## eCommerce



# operating highlights\_2

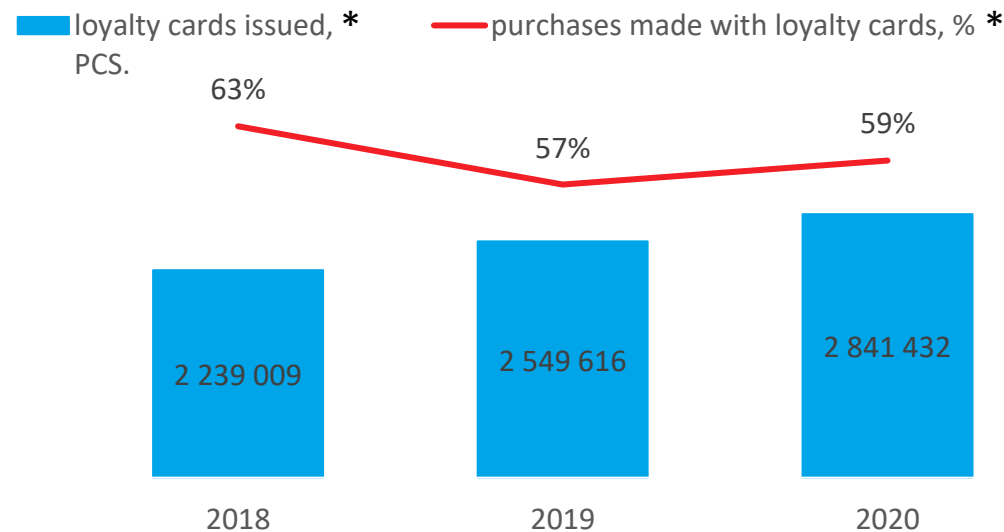
## westfalika.ru marketplace



АРИ%МЕТРИКА

**> 380 RUB ml**

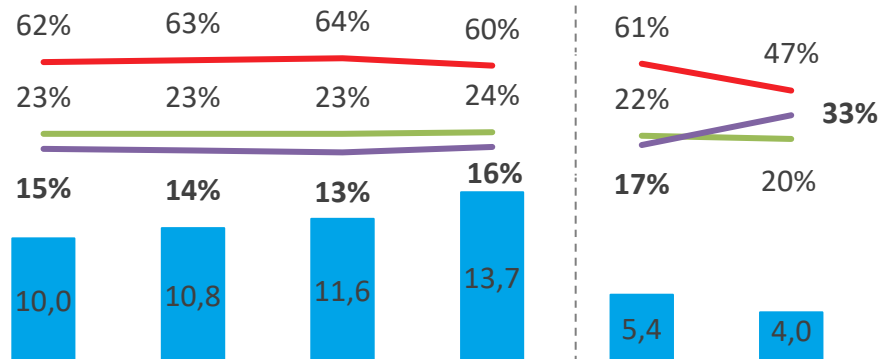
average monthly turnover  
by cards Arithmetic



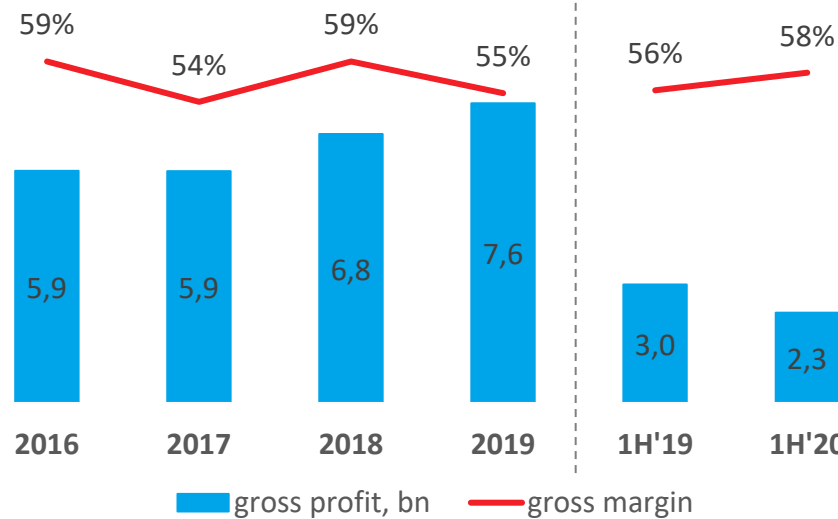
# financial highlights

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revenue, bn share footwear share related products share financial services



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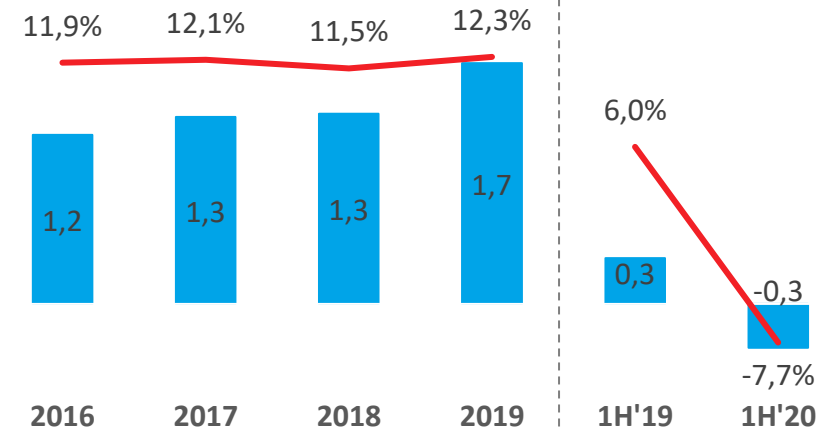
EBITDA, bn EBITDA margin



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net profit, bn net profit margin

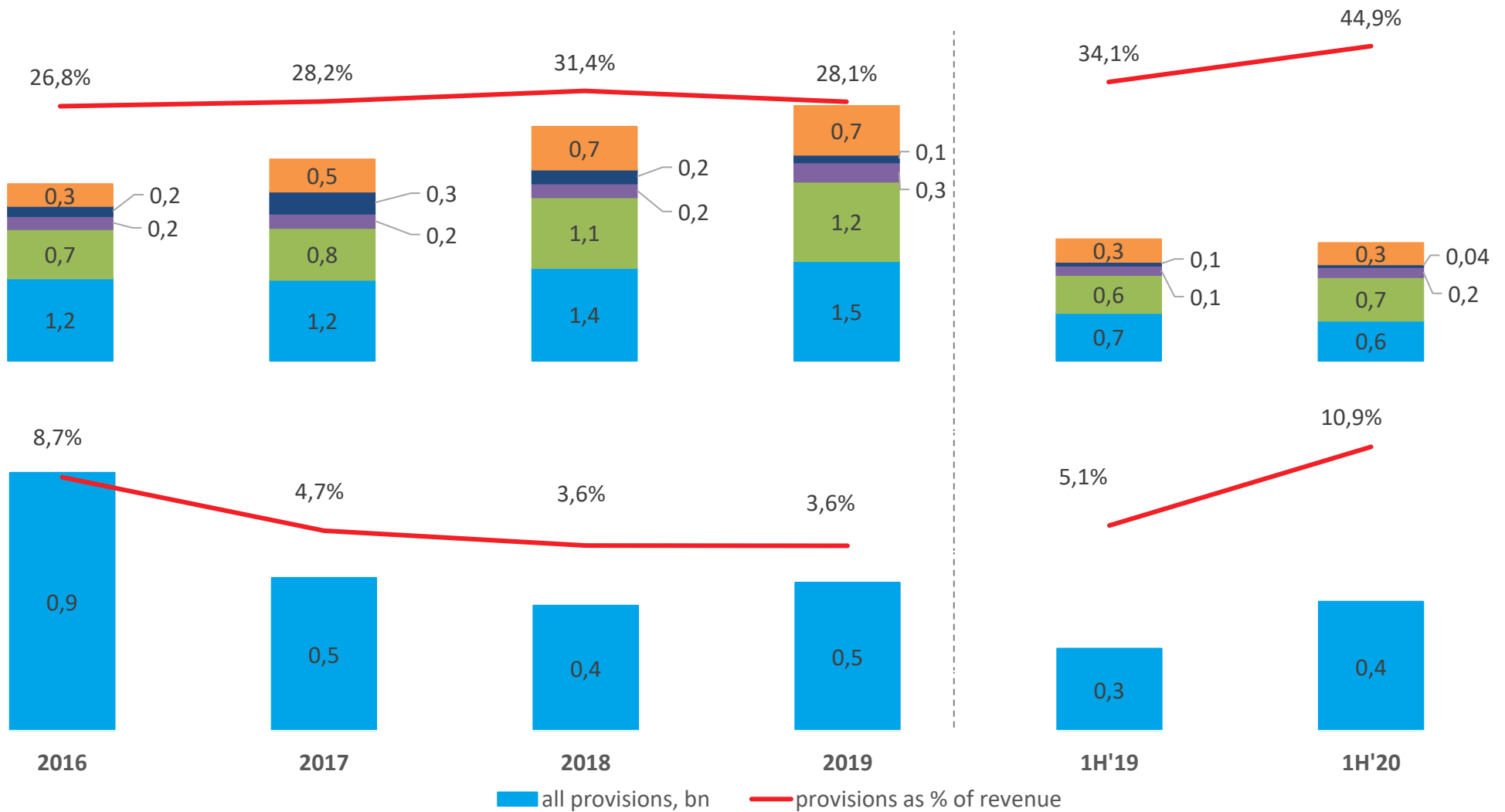


# SG&A provisions

leases & warehouse expenses, bn payroll and social charges, bn d&a, bn advertising & marketing, bn other, bn sg&a as % of revenue

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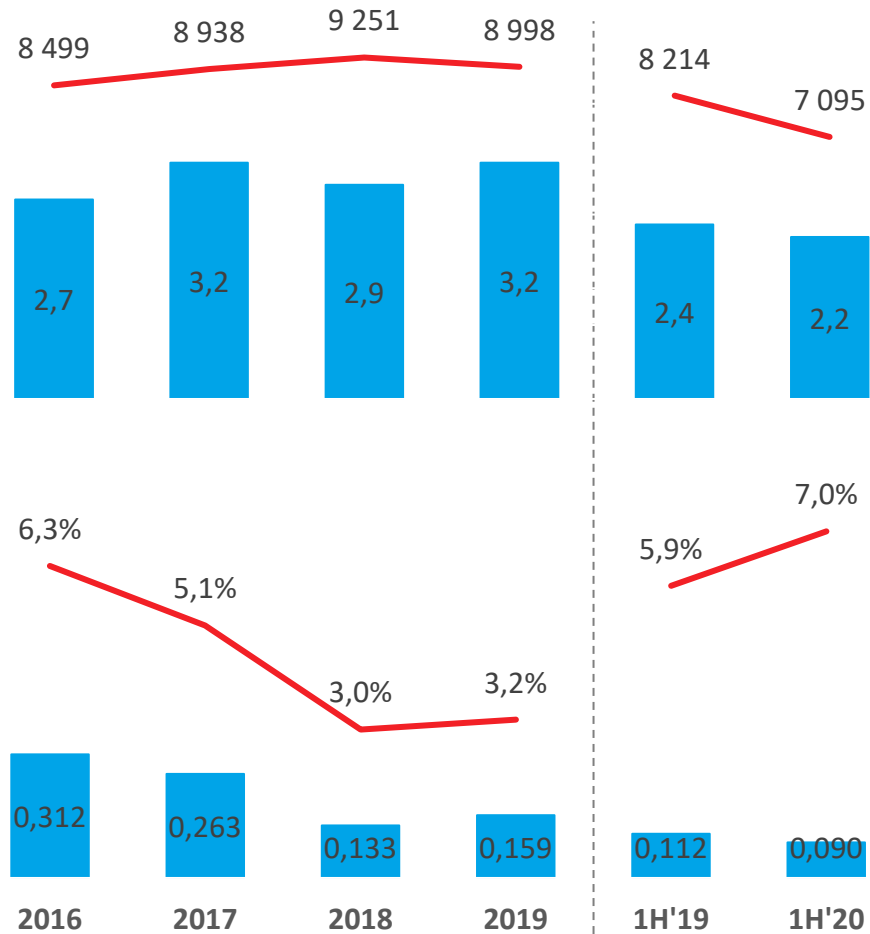
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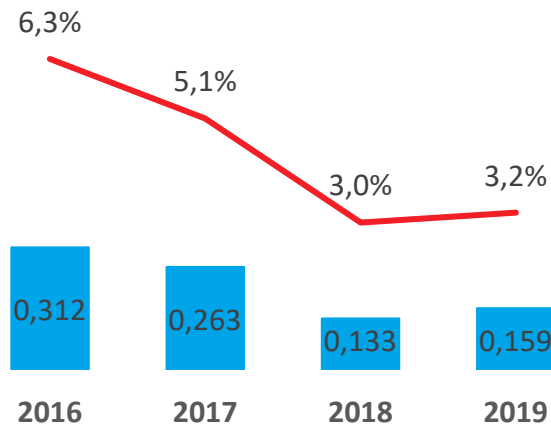
# cash loans & installment

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installment portfolio, bn      average installment purchase

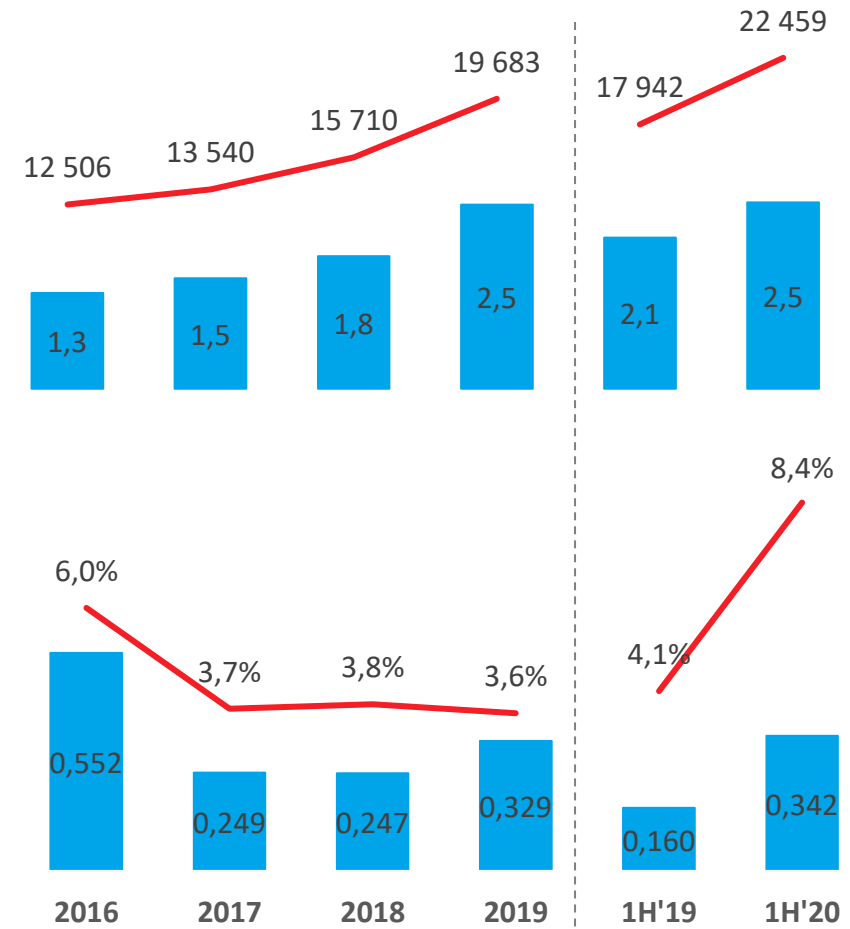


loan loss provisins, bn      cost of risk

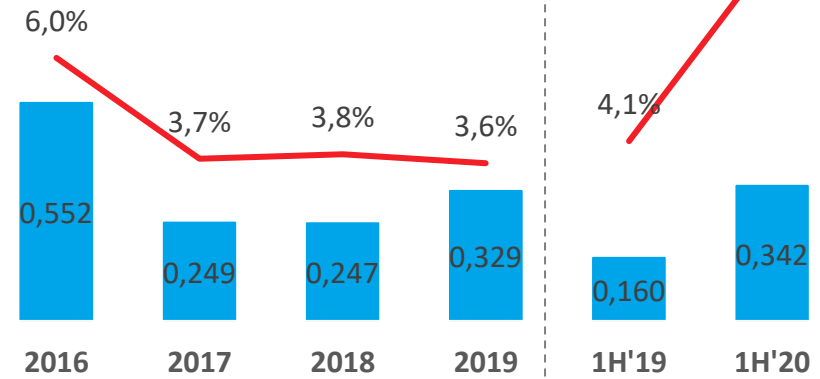


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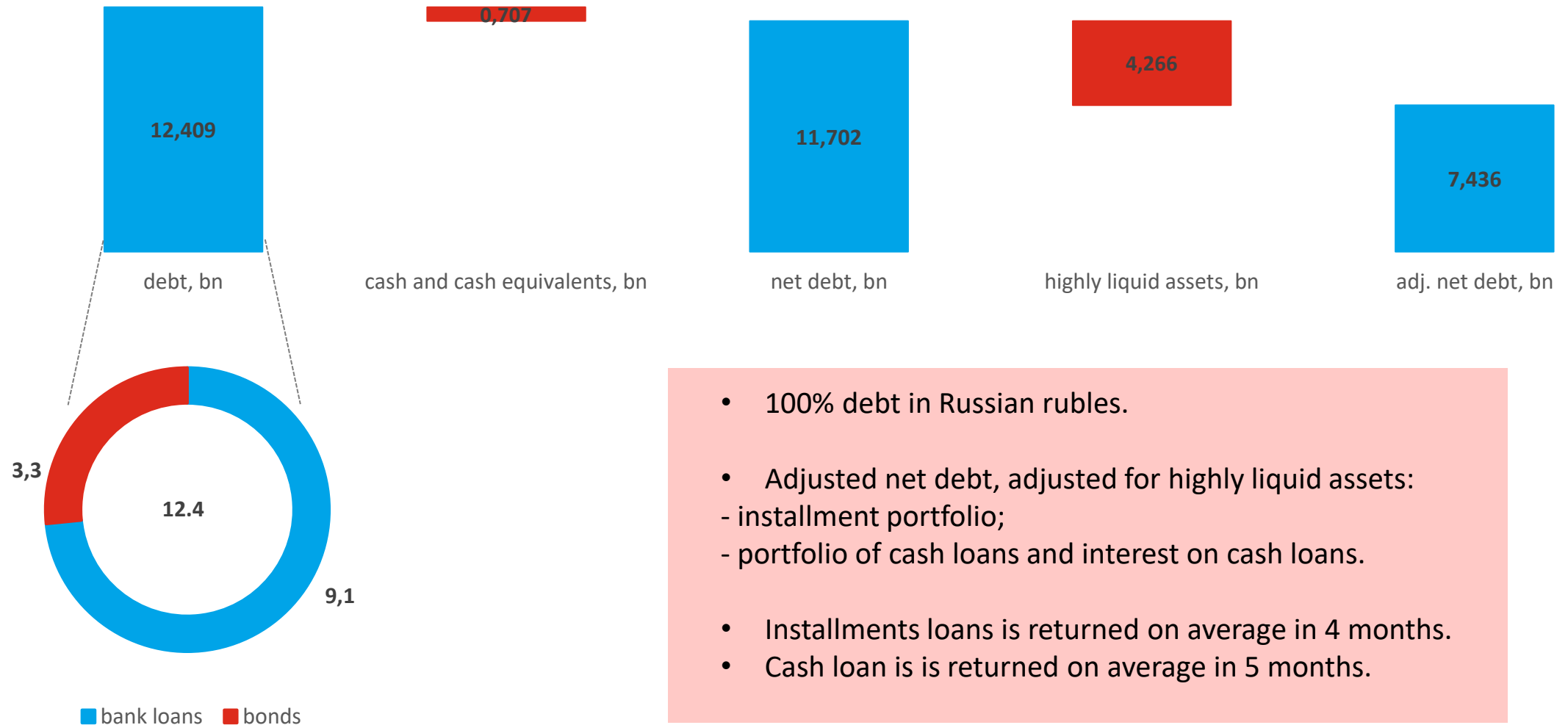
cash loans portfolio, bn      average cash loan



loan loss provisions, bn      cost of risk



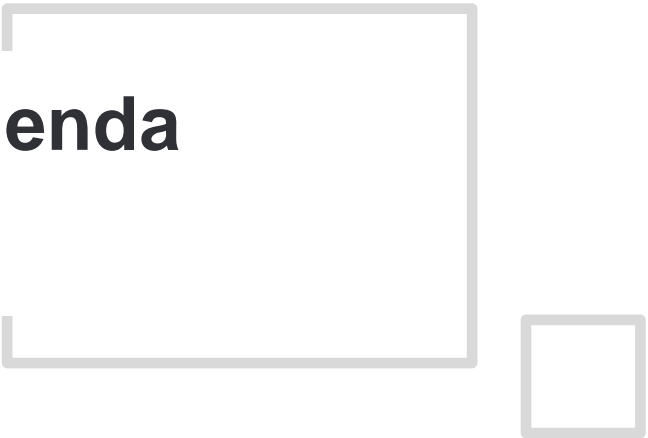


# debt '19



- 100% debt in Russian rubles.
- Adjusted net debt, adjusted for highly liquid assets:
  - installment portfolio;
  - portfolio of cash loans and interest on cash loans.
- Installments loans is returned on average in 4 months.
- Cash loan is is returned on average in 5 months.



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# financial performance

<i>(RUB mn unless stated otherwise)</i>	2015	2016	2017	2018	2019	1H '19	1H '20
<b>Financial metrics</b>							
<b>Revenue</b>	<b>9,156</b>	<b>9,965</b>	<b>10,801</b>	<b>11,554</b>	<b>13,702</b>	<b>5,384</b>	<b>3,963</b>
<i>growth, %</i>		8.8%	8.4%	7.0%	18.6%		(26.4%)
Retail revenue	6,844	7,663	7,078	6,660	6,872	2,704	1,903
<i>growth, %</i>		12.0%	(7.6%)	(5.9%)	3.2%		(29.6%)
Wholesale revenue	948	825	2,224	3,381	4,703	1,760	735
<i>growth, %</i>		-13.0%	169.7%	52.0%	39.1%		(58.2%)
Cash loans revenue	1,364	1,478	1,500	1,514	2,128	920	1,325
<i>growth, %</i>		8.4%	1.5%	0.9%	40.5%		44.1%
<b>Gross profit</b>	<b>5,510</b>	<b>5,859</b>	<b>5,853</b>	<b>6,789</b>	<b>7,562</b>	<b>2,988</b>	<b>2,278</b>
<i>margin, %</i>	60.2%	58.8%	54.2%	58.8%	55.2%	55.5%	57.5%
SG&A expenses	2,508	2,666	3,041	3,626	3,845	1,836	1,779
<i>as % of Revenue</i>	27.4%	26.8%	28.2%	31.4%	28.1%	34.1%	44.9%
<b>EBITDA</b>	<b>2,602</b>	<b>2,540</b>	<b>2,737</b>	<b>2,855</b>	<b>3,583</b>	<b>1,095</b>	<b>426</b>
<i>margin, %</i>	28.4%	25.5%	25.3%	24.7%	26.1%	20.3%	10.7%
<b>Net profit</b>	<b>1,469</b>	<b>1,183</b>	<b>1,310</b>	<b>1,332</b>	<b>1,687</b>	<b>322</b>	<b>(306)</b>
<i>margin, %</i>	16.0%	11.9%	12.1%	11.5%	12.3%	6.0%	(7.7%)
Total debt	6,020	7,341	6,901	8,928	12,409	10,251	12,921
Cash and cash equivalents	287	352	2,169	536	707	713	776
<b>Net debt</b>	<b>5,732</b>	<b>6,989</b>	<b>4,732</b>	<b>8,392</b>	<b>11,702</b>	<b>9,537</b>	<b>12,145</b>