

X5 RETAIL GROUP REPORTS MAY 2020 ONLINE SALES

Moscow, 4 June 2020 – X5 Retail Group N.V. (“X5” or the “Company”), a leading Russian food retailer that operates the Pyaterochka, Perekrestok and Karusel chains (LSE and MOEX ticker: “FIVE”), announces the continued growth in online sales in May 2020. Total revenue in May 2020 of the online supermarket Perekrestok.ru and express delivery services from Pyaterochka and Perekrestok was RUB 2.37 billion (including VAT), of which RUB 1.7 billion was attributable to Perekrestok.ru and RUB 673 million to the express delivery services.

This represents month-on-month growth of 40% from total online revenue of RUB 1.7 billion in April 2020; month-on-month sales growth was 41% for Perekrestok.ru and 34.6% for the Pyaterochka and Perekrestok express delivery services.

Online sales in Moscow and the Moscow region accounted for 3% of X5’s total sales in these geographies in May. Growth was up more than 7 times year-on-year for the month, while in April the year-on-year increase was 370%.

The number of orders completed in May through X5 online platforms exceeded 714,000, with 350,000 orders completed through Perekrestok.ru and 364,000 through express delivery services. In May 2020 the average check for the online supermarket was RUB 4,813, while for express deliveries from proximity stores and supermarkets it was RUB 1,849. The daily order completion rate for Perekrestok.ru is currently around 11,000 and for the express delivery services it is around 11,500.

X5 Retail Group has been investing in building infrastructure for its online platforms since 2017. Perekrestok.ru was launched in Moscow in April 2017, and at the end of last year a pilot project for express deliveries from Pyaterochka stores started in Moscow. In response to the COVID-19 pandemic the rollout of this project was significantly accelerated and in April of this year Perekrestok supermarkets also started providing an express delivery service. Currently, both of the e-grocery services with home deliveries offered by X5 are available in Moscow, the Moscow region, St Petersburg and the Leningrad region. In addition, express delivery from Pyaterochka proximity stores are available in Kazan and Krasnodar, while Perekrestok.ru is also available in Nizhny Novgorod. Three out of five of the Perekrestok.ru online supermarket’s dark stores are reporting positive EBITDA, and new facilities in Vidnoye and Nizhny Novgorod are expected to achieve positive economics ahead of schedule.

X5 expects the online grocery market in Russia to continue to grow, and aims for the Company’s market share in the grocery delivery segment to rise in 2020 and beyond.

Note to Editors:

X5 Retail Group N.V. (LSE and MOEX: FIVE, Fitch – ‘BB+’, Moody's – ‘Ba1’, S&P – ‘BB’, RAEX – ‘ruAA+’) is a leading Russian food retailer. The Company operates several retail formats: the chain of proximity stores under the Pyaterochka brand, the supermarket chain under the Perekrestok brand and the hypermarket chain under the Karusel brand.

As of 31 March 2020, X5 had 16,658 Company-operated stores. It has the leading market position in both Moscow and St Petersburg and a significant presence in the European part of Russia. Its store base includes 15,739 Pyaterochka proximity stores, 846 Perekrestok supermarkets and 73 Karusel hypermarkets. The Company operates 42 DCs and 4,098 Company-owned trucks across the Russian Federation.

For the full year 2019, revenue totalled RUB 1,734,347 mln (USD 26,791 mln), Adjusted EBITDA under IAS 17 reached RUB 127,380 mln (USD 1,968 mln), and net profit under IAS 17 for the period amounted to RUB 25,908 mln (USD 400 mln). In Q1 2020, revenue totalled RUB 468,994 mln (USD 7,065 mln), adjusted EBITDA reached RUB 32,980 mln (USD 497 mln), and net profit amounted to RUB 8,175 mln (USD 123 mln).

X5's Shareholder structure is as follows: CTF Holdings S.A. – 47.86%, Intertrust Trustees Ltd (Axon Trust) – 11.43%, X5 Directors – 0.08%, treasury shares – 0.02%, Shareholders with less than 3% – 40.61%.

Forward looking statements:

This announcement includes statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can be identified by the fact that they do not only relate to historical or current events. Forward-looking statements often use words such as "anticipate", "target", "expect", "estimate", "intend", "expected", "plan", "goal", "believe", or other words of similar meaning.

By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances, a number of which are beyond X5 Retail Group N.V.'s control. As a result, actual future results may differ materially from the plans, goals and expectations set out in these forward-looking statements.

Any forward-looking statements made by or on behalf of X5 Retail Group N.V. speak only as of the date of this announcement. Save as required by any applicable laws or regulations, X5 Retail Group N.V. undertakes no obligation publicly to release the results of any revisions to any forward-looking statements in this document that may occur due to any change in its expectations or to reflect events or circumstances after the date of this document.

Elements of this press release contain or may contain inside information about X5 Retail Group N.V. within the meaning of Article 7(1) of the Market Abuse Regulation (596/2014/EU).

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