

PYATEROCHKA OPENS NEW DISTRIBUTION CENTRE IN KURSK REGION

Kursk, 10 June 2021 – X5 Group (“X5” or the “Company”), a leading Russian food retailer (LSE and MOEX ticker: “FIVE”), announces the expansion of its logistics infrastructure in central Russia with the opening of a Pyaterochka distribution centre (DC) in the Kursk region.

With a total floor area in excess of 40,600 sq m, the Kursk DC features five storage zones (fresh products, fruit and vegetables, frozen goods, alcoholic beverages, and a dry storage facility). Each zone has a specific temperature band that is best suited to keep relevant products fresh.

At full capacity, the DC will supply food products to 730 Pyaterochka stores in the Kursk, Orel, Belgorod and Bryansk regions. The logistics facility is expected to handle 3,000 tonnes of goods per day, with its seamless operation supported by nearly 550 employees and 170 vehicles. Overall, Pyaterochka has created upwards of 2,400 jobs in the Kursk region.

The launch of the new DC will enable the region’s manufacturers not only to reduce their transportation costs, but also to expand the geography of their sales. When operating at full capacity, the logistics facility will be able to handle products from about 1,000 suppliers, driving up the share of local producers in the chain’s regional sales (over 80% in certain categories). Today, Pyaterochka works with 17 suppliers from the Kursk region, including Kurskmakaronprom (dry goods), Kursk Milk (dairy), and Mushroom Rainbow (fruit and vegetables).

The Kursk DC will serve stores previously supplied by the Orel DC, which is due to be closed because the capacity and equipment no longer meet Pyaterochka’s needs. With the opening of this new DC, the total floor space of Pyaterochka’s warehouse facilities in Central Russia now exceeds 422,000 sq m.

Currently, X5 Group operates 182 Pyaterochka stores in the Kursk region, with ten more to be opened there by the end of 2021.

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 proximity stores under the Pyaterochka brand, Perekrestok supermarkets and Karusel hypermarkets. X5 provides an omnichannel experience to customers, integrating retail stores and e-commerce, through its businesses Vprok.ru Perekrestok, 5Post and Okolo.

As of 31 March 2021, X5 had 17,959 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 16,960 Pyaterochka proximity stores, 940 Perekrestok supermarkets and 49 Karusel hypermarkets. The Company operates 41 DCs and 4,014 Company-owned trucks across the Russian Federation.

X5 is one of the largest employers in Russia. The Company employs over 339 thousand people.

For the full year 2020, revenue totalled RUB 1,978,026 mln (USD 27,417 mln), EBITDA pre-IFRS 16 reached RUB 145,137 mln (USD 2,012 mln), and net profit pre-IFRS 16 for the period amounted to RUB 39,180 mln (USD 543 mln). In Q1 2021, revenue totalled RUB 507,191 mln (USD 6,822 mln), adjusted EBITDA pre-IFRS 16 reached RUB 35,475 mln (USD 477 mln), and net profit pre-IFRS 16 amounted to RUB 9,163 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 – 0.09%, treasury shares – 0.01%, 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.

For further details please contact:**Natalia Zagvozdina**

Head of Corporate Finance and IR
Tel.: +7 (495) 662-88-88 ext. 27-300
e-mail: Natalia.Zagvozdina@x5.ru

Andrey Vasin

Head of Investor Relations
Tel.: +7 (495) 662-88-88 ext. 13-151
e-mail: Andrey.Vasin@x5.ru