

PYATEROCHKA OPENS FIRST STORES IN IRKUTSK REGION

Irkutsk, 12 November 2021 – X5 Retail Group N.V. (“X5” or the “Company”, LSE and MOEX ticker: FIVE), a leading Russian food retailer that operates the Pyaterochka, Perekrestok and Karusel retail chains, announces that its Pyaterochka proximity store chain has launched operations in the Irkutsk region, expanding the Company’s footprint to 67 regions of the Russian Federation.

Eight Pyaterochka stores were opened today in the Irkutsk region: three in the capital city, plus two each in Usolye-Sibirskoye and Angarsk, as well as one in Shelekhov. The new stores have a total selling space of 2,731 sq m, with each offering an assortment of some 5,500–7,000 SKUs. Siberian companies account for about 30% of the product range, with their share reaching as high as 85% in dairy and close to 100% in poultry and eggs.

All of the newly opened stores operate under Pyaterochka’s new concept, which reflects its core values: fresh and high-quality products at low prices, convenient shopping, and care for local communities.

The new store concept has a special focus on fresh products: this category accounts for over 40% of the assortment, with fruits, vegetables, and some of the perishable items displayed in a large “fresh arena”. Shoppers can choose from a wide selection of food-to-go and ready-to-eat products. An in-house bakery in the middle of the store offers up to 60 varieties of bread and pastries that are freshly baked several times a day.

The selling space layout and navigation aim to make the shopping experience comfortable, taking into account key customer needs and shopping goals. For instance, one can quickly pick up ready-to-eat foods that are conveniently located near the entrance, eliminating the need to roam around the store. By contrast, goods for stock-up shopping are placed along the perimeter of the shopping space in related groups.

The stores boast a number of advanced solutions, including energy-efficient refrigeration equipment and self-service checkouts. The latter reduce the load on cashiers during peak hours and enable contactless payments, which has become an important feature during the pandemic.

“Pyaterochka continues its eastward expansion, and we are happy to offer customers in Irkutsk our key advantages: proximity, comfort, and fresh and high-quality products at low prices. To ensure the high quality of our goods, we have partnered with local producers, whose offering is well known and appreciated in the region. We set a new standard in food retail and work continuously to earn the trust of all our customers,” said Sergei Goncharov, General Director of Pyaterochka.

Pyaterochka cares about the safety and well-being of local communities. All of the chain’s stores have Safety Zones, which are special areas marked with an orange geolocation sign to serve as a landmark for lost people. In the store, a lost person can either ask any employee for help or wait for assistance in the designated area. Safety Zones is a joint project with the Lisa Alert search and rescue team and the Centre to Search for Missing People. As part of X5 Group’s Sustainable Development Strategy, Pyaterochka promotes responsible consumption and sustainability, offering customers reusable bags and fruit and vegetable sacks. On top of that, lamp shades and shopping baskets in Pyaterochka stores are made from recycled plastics.

The newly opened Pyaterochka stores employ over 120 people. Nine more stores are slated to open in the region by the end of the year.

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 its customers, integrating retail stores and e-commerce through its businesses Vprok.ru Perekrestok, 5Post and Okolo.

As of 30 September 2021, X5 had 18,648 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 17,600 Pyaterochka proximity stores, 980 Perekrestok supermarkets and 34 Karusel hypermarkets. The Company operates 43 DCs and 4,178 Company-owned trucks across the Russian Federation.

X5 is one of the largest employers in Russia. The Company employs over 335 thousand people.

For the full year 2020, revenue totalled RUB 1,978,026 million (USD 27,417 million*), EBITDA pre-IFRS 16 reached RUB 145,137 million (USD 2,012 million), and net profit pre-IFRS 16 for the period amounted to RUB 39,180 million (USD 543 million). In 9M 2021, revenue totalled RUB 1,597,289 million (USD 21,583 million**), adjusted EBITDA pre-IFRS 16 reached RUB 123,703 million (USD 1,671 million), and net profit pre-IFRS 16 amounted to RUB 38,943 million (USD 526 million).

X5's shareholder structure is as follows: CTF Holdings S.A., 47.86%; Intertrust Trustees Ltd (Axon Trust), 11.43%; X5 directors, 0.10%; treasury shares, 0.01%; shareholders with less than 3%, 40.60%.

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.

*FX rate: 72.1464 USD/RUB

** FX rate: 74.0073 USD/RUB

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