

## **X5'S DIGITAL PLATFORM ATTRACTS OVER 150 SUPPLIERS IN FIRST TWO YEARS**

**Moscow, 21 October 2022** – X5 Group, Russia's leading food retailer, continues to strengthen its cooperation with partners and suppliers by helping to accelerate their growth through digital big data solutions. [Dialog.X5](#), the Company's digital multi-purpose platform, has been used by over 150 suppliers, as well as dozens of analytics, advertising and consulting agencies, since its launch two years ago.

Dialog.X5 is a one-stop shop for the Company's suppliers and partners. The platform's toolkit currently comprises eight digital solutions that together cover all basic client needs when interacting with X5. These solutions include Partner (the supplier's personal account); Insights (analytics to boost sales); Logistics (reports to streamline the supply chain); Targeting (optimisation and assessment of media campaigns in the FMCG sector); Test & Learn (development and efficiency analysis of in-store tests); Tender (supplier selection procedures); Invoice Discounting (early payments without intermediaries); and Connect (X5 events and releases).

The capabilities of Dialog.X5 are continuously growing, and the number of reports and modules available on the platform has significantly increased in recent years. In particular, a new Insights module called "Efficiency of New Launches" helps suppliers to monitor the performance of recently launched products and adapt to customer behaviour when adding new items to their offering. Meanwhile, reports such as "Decision Tree", "Customer Profile" and "Basket Analysis" enable suppliers and advertising agencies to streamline both offline and online promotion channels. A new "Promo" module and a solution to analyse audiences by sociodemographic segments are slated for launch in early 2023.

The digital platform's new Test & Learn tool helps suppliers to assess the efficiency of any pilot project carried out in offline retail – whether it concerns POSM placement, changes in the product layout, equipment, assortment and pricing, or the performance of merchandisers and promoters. To track changes in the marketability of individual products and entire categories, Test & Learn compares key customer metrics in the test and control store groups at during the pilot and pre-launch periods. The Test & Learn team can assess the efficiency of a pilot project after completion or assist in selecting the most fitting test and control stores before it starts.

X5 is also actively developing the platform's functionality and the user interface of its Logistics product. Reports on assortment and logistic matrices, stock levels in distribution centres and stores, and sales and product availability enable suppliers to identify systemic bottlenecks in their supply to specific distribution centres and outlets. As an example, this service has helped suppliers to reduce expired product write-offs by an average of 10%.

Another major area of focus is service affordability. In particular, all X5 suppliers can use a newly introduced Insights dashboard at no cost. Tracking product ratings and customer reviews is also free of charge – this can be done in the Partner section. Access to free analytics services is an integral part of the Company's strategy to establish transparent and open relationships between suppliers and X5 retail formats. Suppliers who are still relatively new to the world of deep analytics may benefit from Digest, Dialog.X5's affordable category analytics service, as well as receive a free trial of the entire Insights product to learn about all of X5's category analytics solutions.

*"Dialog.X5, an integrated digital platform for suppliers and partners, has celebrated its second birthday. The platform's main strengths are its user-friendly interface and detailed peer analytics, as well as the fact that it can be accessed from anywhere. We have built an easy-to-use system with deep analytics capabilities, which have already become a driver of growth for hundreds of our clients. And we don't plan to stop any time soon: today, our main goal is to ensure that people who use our platform have access to relevant data on*

*changes in customer behaviour. Transforming our work with suppliers in the areas of data and communication has clearly proven to be a useful strategy. In today's rapidly changing environment, transparent communication between partners can allow them to take the efficiency of their businesses to new heights,"* said Dmitry Prusov, Head of Data Monetisation at X5 Group.

Dialog.X5 is an in-house platform developed by X5 Technologies and built around a common authentication system, data architecture and integration model. Each of the service's applications has strong information security, and its basic tools can be accessed free of charge. Users can seamlessly switch between products on the integrated platform without needing to re-enter their account information.

**Note to Editors:**

**X5 Retail Group N.V.** (LSE and MOEX: FIVE; Expert RA – ruAAA; ACRA – AAA(RU)) is a leading Russian food retailer. The Company operates proximity stores under the Pyaterochka brand, Perekrestok supermarkets and Chizhik hard discounters. X5 provides an omnichannel experience to its customers, integrating retail stores and e-commerce through its businesses Vprok.ru, 5Post and Mnogo Lososya.

As of 30 September 2022, X5 had 20,227 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 18,865 Pyaterochka proximity stores, 972 Perekrestok supermarkets and 316 Chizhik hard discounters. The Company operates 52 DCs and 4,247 Company-owned trucks across the Russian Federation.

X5 is one of the largest employers in Russia. The Company employs over 325 thousand people.

For the full year 2021, revenue totalled RUB 2,204,819 million (USD 29,935 million\*), EBITDA pre-IFRS 16 reached RUB 161,024 million (USD 2,186 million\*), and net profit pre-IFRS 16 for the period amounted to RUB 48,513 million (USD 659 million\*). In H1 2022, revenue totalled RUB 1,252,180 million (USD 16,412 million\*\*), adjusted EBITDA pre-IFRS 16 reached RUB 104,909 million (USD 1,375 million\*\*), and net profit pre-IFRS 16 amounted to RUB 33,731 million (USD 399 million\*\*).

**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 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 Group N.V. speak only as of the date of this announcement. Save as required by any applicable laws or regulations, X5 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: 73.6541 USD/RUB

\*\* FX rate: 76.2975 USD/RUB

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