

## **RETAIL INNOVATION TECH ALLIANCE LAUNCHES NEW HORIZONS PROGRAMME, WELCOMES SIX NEW PARTNERS**

**Moscow, 2 November 2022** – Retail Innovation Tech Alliance (RITA), an international association founded by X5 Group, M.Video-Eldorado, beeline and Hoff, has launched New Horizons – a joint scouting programme that seeks to support Russian startups. The programme takes an open and transparent approach to implementing digital solutions by identifying startup technologies for investment, piloting and potential rollout in partnership with major market players.

RITA is also welcoming six new partners from the technology and startup universe. VK, Yandex Cloud, the Moscow Innovation Cluster, Syndicate Venture Club, United Investors and technoverly are joining the association in different roles and capacities.

VK and Yandex Cloud, RITA's new technology partners, will provide expertise in scouting for digital solutions. During the pilot phase, startups in the alliance's funnel may gain free access to resources (for example, via Yandex Cloud Boost or other support schemes), as well as to products, tools, and facilities that enable more effective decision-making.

The Syndicate Venture Club and United Investors are VC partners that are expected to share funnels featuring solutions for joint investing with beeline and piloting with alliance members.

Another new partner, the Moscow Innovation Cluster, will act as a business incubator for Russian developers in RITA's funnel to raise funds in technology contests and in programmes such as the Academy of Innovators, or receive municipal grants for their projects.

Finally, the technoverly platform is set to provide access to modern R&D centres from the nation's 150 major universities, where RITA members will be able to source existing or tailor-made technology.

The New Horizons programme aims to facilitate technology scouting and review in Russia and other countries. Initial scouting will be carried out by the Russian-based GoTech Innovation, the Internet Initiatives Development Fund (IIDF), LOGA Group, startech.vc, Dsight and SOLYANKA.

*"Today, Russia's technology market is facing a test of its resilience and adaptability. RITA, an international association co-founded by X5 Group, has prioritised supporting and fostering the country's innovation ecosystem, which has been evolving for many years. Hundreds of Russian startups have taken part in our scouting programmes and passed the pilot stage, going on to thrive after integrating into our partners' operations. At the same time, market-leading alliance members have enjoyed access to cutting-edge technology and a major boost to their performance through sharing experience and testing innovations together,"* said Vladimir Salakhutdinov, Director of Strategy and Business Development at X5 Group.

*"Hoff's membership in RITA has been particularly useful in the current circumstances. These have not stopped us from scouting for new, innovative ideas as we continue to look for solutions that will help us to meet market and customer demands and tackle whatever problems come our way. Among other things, RITA is a place where we can share our knowledge and expertise, benefit from those of our peers, and team up to work on common solutions. As players exit the market, we at Hoff and our peers need to hit the ground running. By working together with fellow members of the alliance, we can strengthen our position and reap synergies on our quest for new solutions,"* commented Konstantin Peshekhonov, CEO at Hoff Tech.

RITA is an international association founded in February 2020. Its current members include X5 Group, beeline, M.Video-Eldorado Group, Hoff, Magnum Cash & Carry, the Rolf Group, and the new partners. Over its two years in existence, the alliance has held 11 Deal Flow sessions and 14 Case Study sessions to spot promising technology solutions for its members and share experience, respectively. RITA has a funnel of over 1,200 projects, with 640 of them being Russian-made. These projects cover such areas as logistics management and automation, ML-driven shoplifting prevention, food waste conversion, and reducing CO<sub>2</sub> emissions.

For a complete list of scouting areas and more details on RITA's activities, please visit the alliance's [website](#).

**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 9M 2022, revenue totalled RUB 1,900,049 million (USD 26,908 million\*\*), adjusted EBITDA pre-IFRS 16 reached RUB 152,894 million (USD 2,165 million\*\*), and net profit pre-IFRS 16 amounted to RUB 46,395 million (USD 657 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: 70.6135 USD/RUB

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