

X5'S FOOD SHARING PROJECT HELPED OVER 5,800 PEOPLE IN 2022

Moscow, 26 January 2023 – X5 Group (“X5” or the “Company”, LSE and MOEX ticker: FIVE), a leading Russian food retailer, has announced the results of its food sharing project for 2022.

The project collects food items at X5 stores that are nearing their expiration date and donates them to people in need. Bakery products¹ were distributed for free to a total of 5,839 people over the project’s first five months, while bread write-offs across participating stores declined by 25% on average.

The project was piloted in late July 2022 at several Pyaterochka stores and then rolled out to Perekrestok supermarkets in the fall. Currently, the project covers a total of 27 Pyaterochka and Perekrestok stores in Moscow, St Petersburg, Chelyabinsk, Ryazan, Yekaterinburg and Tomsk.

Every day, store employees sort bakery products and pick out items that are set to expire in 1–2 days. Volunteers from the nonprofits Foodbank Rus and Foodsharing then collect the rescued products and distribute them within several hours to their beneficiaries, including to lone seniors and large families in need. On average, a single store collected and donated over 120 kg of bread per month to people in need.

In the first half of 2023, the Company plans to roll out its food sharing project to Rostov-on-Don and Krasnodar, bringing the total number of participating stores to 50. X5 also intends to expand the range of donated products moving forward.

Galina Sekirinskaya, Head of Corporate Brand Management and CSR at X5 Group, commented:

“We are pleased that the project has delivered such strong results this early on, but we are also confident that food sharing has much more potential. X5 remains committed to pushing this project forward due to its important social and environmental impact. At the same time, there are still constraints to its meaningful scaling. First, we need to automate bread collection and counting, which will enable us to add new stores to the project more quickly and reduce staff workload. We are planning to complete the technical tasks for this project by the end of the first half of 2023. Second, companies engaged in food sharing still need to pay VAT, which is a significant obstacle for many. We hope that this issue will also soon be resolved.”

¹ At the project’s initial stage, X5 has been donating rye bread, wheat bread, rusks, and bagels, with plans to expand its food-sharing product range in the future.

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 31 December 2022, X5 had 21,323 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 19,164 Pyaterochka proximity stores, 971 Perekrestok supermarkets, 517 Chizhik hard discounters and 595 Krasny Yar and Slata stores. The Company operates 53 DCs and 4,386 Company-owned trucks across the Russian Federation.

X5 is one of the largest employers in Russia. The Company employs over 352 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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