

PYATEROCHKA LAUNCHES OPERATIONS IN KHABAROVSK

Khabarovsk, 24 March 2023 – X5 Group (“X5” or the “Company”, LSE and MOEX ticker: FIVE), a leading Russian food retailer that operates the Pyaterochka, Perekrestok and Chizhik retail chains, has launched operations of its Pyaterochka proximity store chain in the Khabarovsk Territory, expanding the Company’s geographic footprint to a total of 69 regions in Russia.

Four Pyaterochka stores have opened simultaneously today in Khabarovsk. The new stores have a selling space of 400 sq m to 750 sq m, each offering an assortment of some 3,000–5,000 SKUs. Local producers are represented in all product categories, with their share reaching up to 60% of the product assortment in select categories.

The stores offer a wide range of fresh products, with this category accounting for close to 30% of the assortment. Customers can choose from over 100 food-to-go and ready-to-eat products. The stores also feature an in-house bakery offering 30 varieties of bread and pastries. A coffee machine is installed near the fresh bread department.

All new stores are laid out according to Pyaterochka’s revamped store concept, which includes more ergonomic layout solutions on the sales floor and emphasises Pyaterochka’s core values: low prices, fresh and high-quality products, customer comfort and a pleasant shopping experience.

The selling space layout supports an improved shopping experience through its streamlined self-checkout area, as well as a bakery, coffee and snack area that offers more space for customer traffic and more opportunities to display a wider assortment. The stores’ customer-friendly navigation signs help shoppers to easily find their way around the store and head straight to the aisle they need, or to quickly spot areas with special offers and promos.

The store openings were synced with the launch of the Pyaterochka Delivery service, which offers fast home delivery from stores in as little as 30 minutes.

“The Khabarovsk Territory is an exciting new addition to our footprint as we expand into the Russian Far East – a region we have long wanted to enter. Millions of Russian customers across the country already trust Pyaterochka and shop in our stores every day. Now, we have opened the doors of our stores to Khabarovsk residents as well. We have thought through the logistics and established relations with local producers to secure smooth deliveries and offer low prices and fresh produce on Pyaterochka’s shelves. I hope that our customers will be delighted and surprised to see not only our customary products at attractive prices, but also some new products, including private labels, as well as to feel our care and attention,” said Pyaterochka’s General Director Vladislav Kurbatov.

Pyaterochka pays particular attention to local communities by running a range of social-impact projects. All stores offer a 10%¹ discount for pensioners and run the Family Wednesday programme, which offers an extra 10%² discount once a week on purchases at Pyaterochka stores to parents (including foster parents) of children under age 13. Through a partnership with Foodbank Rus, over 5,600 Pyaterochka stores across Russia are engaged in the Basket of Kindness

¹ The discount is available with a valid pensioner ID card, daily until 1.00 p.m., for all products, except for alcohol and tobacco and for goods offered at the minimum retail price.

² The discount is available every Wednesday from 9.00 a.m. to 5.00 p.m., for all products, except for alcohol and tobacco and for goods offered at the minimum retail price. To get the discount, the customer should present a relevant document or come to the store with their child.

food relief programme. All Pyaterochka stores also feature Safety Zones: specially designated areas marked by an orange geolocation pin to guide people who are lost or disoriented. Anyone who lost their way can enter a Pyaterochka store and seek assistance from a store employee or wait at the Safety Zone until help is offered. The project is a joint initiative with the Centre to Search for Missing People and the LizaAlert search and rescue volunteer team.

The first Pyaterochka stores in the Khabarovsk Territory employ about 100 people. X5 expects to operate a total of 90 stores in the Khabarovsk Territory by the end of the year. The Company is planning to create over 2,000 jobs in the Khabarovsk Territory by 2025.

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 353 thousand people.

For the full year 2022, revenue totalled RUB 2,605,232 million (USD 38,005 million*), EBITDA pre-IFRS 16 reached RUB 186,788 million (USD 2,725 million*), and net profit pre-IFRS 16 for the period amounted to RUB 52,248 million (USD 762 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: 68.5494 USD/RUB

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