

# X5 reports **15.2%** revenue growth in Q1 2023

## **5.8%** adj. EBITDA margin pre-IFRS 16

### +15.2%<sub>y-o-y</sub>

Revenue growth in Q1 2023  
driven by solid like-for-like (LFL)<sup>1</sup> sales  
and selling space expansion

### +35.9%<sub>y-o-y</sub>

Digital business (express  
delivery, Vprok.ru, 5Post and  
Mnogo Lososya) net sales  
growth in Q1 2023

Digital business net sales amounted to  
RUB 25.6 billion, which comprised 3.7% of  
consolidated Q1 2023 revenue.

### 24.0%<sub>-88 b.p.</sub>

Gross margin under IFRS 16 in  
Q1 2023

(-88 b.p. to 23.7% pre-IFRS 16<sup>2</sup>)  
driven by the aggressive expansion of  
the Chizhik hard discounter format into  
the regions, the consolidation of Krasny  
Yar and Slata, as well as the  
transformation of Pyaterochka's CVP

### 10.2%<sub>-143 b.p.</sub>

Adjusted EBITDA<sup>3</sup> margin  
under IFRS 16 in Q1 2023  
(-126 b.p. to 5.8% pre-IFRS 16)

### 1.4%<sub>+98 b.p.</sub>

Net profit margin under  
IFRS 16 in Q1 2023  
(+92 b.p. to 1.7% pre-IFRS 16)

### 2.65x

Net debt/EBITDA ratio under  
IFRS 16 as of 31 March 2023  
(1.13x pre-IFRS 16)

Amsterdam  
27 April 2023

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 Chizhik retail chains, today released its unaudited condensed consolidated interim financial information for the three months ended 31 March 2023, in accordance with International Financial Reporting Standards, as adopted in the European Union.

1. LFL comparisons of retail sales between two periods are comparisons of retail sales in local currency (including VAT) generated by the relevant stores. The stores that are included in LFL comparisons are those that have operated for at least 12 full months. Their sales are included in LFL calculations starting from the day of the store's opening. We include all stores that fit our LFL criteria in each reporting period. Sales of express delivery service from stores and dark stores that have operated for less than 12 full months are also included in LFL calculations.
2. The pre-IFRS 16 financial measures are calculated by adjusting the applicable IFRS measures to include fixed lease expenses and fixed non-lease components of lease contracts, and to exclude any gain on derecognition of right-of-use assets and lease liabilities, depreciation of right-of-use assets and interest on lease liabilities, and gain/loss from asset sale and leaseback operations for the proportion of rights retained as recognised under IFRS 16.
3. Adjusted EBITDA is EBITDA before costs related to the LTI programme, share-based payments, other one-off remuneration payment expenses and the impact of the Karusel transformation.

## Profit and loss statement highlights<sup>4</sup>

RUB mln	IFRS 16			Pre-IFRS 16		
	Q1 2023	Q1 2022	change, y-o-y, % or multiple	Q1 2023	Q1 2022	change, y-o-y, % or multiple
<b>Revenue</b>	<b>696,364</b>	<b>604,230</b>	<b>15.2</b>	<b>696,364</b>	<b>604,230</b>	<b>15.2</b>
incl. net retail sales <sup>5</sup>	693,481	601,776	15.2	693,481	601,776	15.2
Pyaterochka (incl. express delivery)	548,912	489,193	12.2	548,912	489,193	12.2
Perekrestok (incl. express delivery)	101,442	96,565	5.1	101,442	96,565	5.1
Chizhik	18,744	4,099	5x	18,744	4,099	5x
Karusel	631	5,430	(88.4)	631	5,430	(88.4)
<b>Gross profit</b>	<b>167,231</b>	<b>150,430</b>	<b>11.2</b>	<b>164,949</b>	<b>148,472</b>	<b>11.1</b>
Gross profit margin, %	24.0	24.9	(88) b.p.	23.7	24.6	(88) b.p.
<b>Adj. EBITDA</b>	<b>70,923</b>	<b>70,179</b>	<b>1.1</b>	<b>40,236</b>	<b>42,532</b>	<b>(5.4)</b>
Adj. EBITDA margin, %	10.2	11.6	(143) b.p.	5.8	7.0	(126) b.p.
<b>EBITDA</b>	<b>70,191</b>	<b>69,556</b>	<b>0.9</b>	<b>39,504</b>	<b>41,909</b>	<b>(5.7)</b>
EBITDA margin, %	10.1	11.5	(143) b.p.	5.7	6.9	(126) b.p.
<b>Operating profit</b>	<b>30,516</b>	<b>26,190</b>	<b>16.5</b>	<b>19,332</b>	<b>17,106</b>	<b>13.0</b>
Operating profit margin, %	4.4	4.3	5 b.p.	2.8	2.8	(5) b.p.
<b>Net profit</b>	<b>9,696</b>	<b>2,499</b>	<b>288.0</b>	<b>12,172</b>	<b>5,022</b>	<b>142.4</b>
Net profit margin, %	1.4	0.4	98 b.p.	1.7	0.8	92 b.p.

4. Please note that, in this and other tables and in the text of this press release, immaterial deviations in the calculation of % changes, subtotals and totals are due to rounding.

5. Net retail sales represent revenue from the operations of X5-managed stores net of VAT. This number differs from revenue, which includes proceeds from wholesale operations, direct franchisees (royalty payments) and other revenue. Including Mnogo Lososya, Vprok.ru, Krasny Yar and Slata

## Revenue

Revenue growth reached 15.2% year-on-year in Q1 2023. Net retail sales increased by 15.2%, driven by a combination of 7.9% selling space growth and 6.5% LFL sales growth, while X5's digital business sales grew by 35.9% y-o-y.

## Selling space by format, square metres (sqm)

	AS AT 31-MAR-23	AS AT 31-DEC-22	CHANGE VS 31-DEC-22, % OR MULTIPLE	AS AT 31-MAR-22	CHANGE Y-O-Y, % OR MULTIPLE
Pyaterochka	7,634,733	7,497,056	1.8	7,183,452	6.3
Perekrestok	1,068,031	1,085,496	(1.6)	1,094,674	(2.4)
Karusel	-	49,225	n/a	108,982	n/a
Chizhik	174,368	152,370	14.4	25,361	7x
<b>X5 Group<sup>6</sup></b>	<b>9,203,045</b>	<b>9,107,479</b>	<b>1.0</b>	<b>8,528,416</b>	<b>7.9</b>

## Q1 2023 LFL store performance by format, % change y-o-y

In Q1 2023, LFL sales increased by 6.5% year-on-year, supported by solid LFL results of Pyaterochka and Perekrestok at 7.0% and 4.1%, respectively.

The LFL traffic was the main driver of LFL sales in Q1 2023, with LFL basket in positive territory at 2.8% year-on-year.

	SALES	TRAFFIC	BASKET
Pyaterochka	7.0	3.9	3.0
Perekrestok	4.1	1.3	2.7
<b>X5 Group<sup>7</sup></b>	<b>6.5</b>	<b>3.6</b>	<b>2.8</b>

For more details on net retail sales performance, please refer to X5's [Q1 2023 Trading Update](#).

## Gross profit margin

Gross profit margin under IFRS 16 decreased by 88 b.p. year-on-year to 24.0% (decreased by 88 b.p. year-on-year to 23.7% pre-IFRS 16) in Q1 2023, mainly due to the aggressive expansion of the Chizhik hard discounter format into the regions, the consolidation of Krasny Yar and Slata, as well as the transformation of Pyaterochka's CVP.

6. Including Vprok.ru dark stores, Mnogo Lososya dark kitchens, Krasny Yar and Slata stores and joint dark stores.

7. Excluding Krasny Yar and Slata, Vprok.ru and Mnogo Lososya; including Chizhik and Karusel.

## Selling, general and administrative (SG&A) expenses (excl. D&A&I and the impact of the Karusel transformation)

RUB mln	IFRS 16			Pre-IFRS 16		
	Q1 2023	Q1 2022	change, y-o-y, %	Q1 2023	Q1 2022	change, y-o-y, %
Staff costs	(61,198)	(50,078)	22.2	(61,198)	(50,078)	22.2
% of revenue	8.8	8.3	50 b.p.	8.8	8.3	50 b.p.
incl. LTI and share-based payments	(732)	(376)	94.7	(732)	(376)	94.7
staff costs excl. LTI and share-based payments as % of revenue	8.7	8.2	46 b.p.	8.7	8.2	46 b.p.
Lease expenses	(5,271)	(4,169)	26.4	(31,357)	(28,168)	11.3
% of revenue	0.8	0.7	7 b.p.	4.5	4.7	(16) b.p.
Utilities	(16,868)	(13,867)	21.6	(16,868)	(13,867)	21.6
% of revenue	2.4	2.3	13 b.p.	2.4	2.3	13 b.p.
Other store costs	(6,153)	(5,620)	9.5	(6,366)	(5,839)	9.0
% of revenue	0.9	0.9	(5) b.p.	0.9	1.0	(5) b.p.
Third-party services	(4,144)	(4,514)	(8.2)	(4,086)	(4,419)	(7.5)
% of revenue	0.6	0.7	(15) b.p.	0.6	0.7	(14) b.p.
Other expenses	(8,390)	(8,187)	2.5	(10,270)	(9,564)	7.4
% of revenue	1.2	1.4	(15) b.p.	1.5	1.6	(11) b.p.
<b>SG&amp;A (excl. D&amp;A&amp;I and the impact of the Karusel transformation)</b>	<b>(102,024)</b>	<b>(86,435)</b>	<b>18.0</b>	<b>(130,145)</b>	<b>(111,935)</b>	<b>16.3</b>
% of revenue	14.7	14.3	35 b.p.	18.7	18.5	16 b.p.
<b>SG&amp;A (excl. D&amp;A&amp;I, LTI, share-based payments and the impact of the Karusel transformation)</b>	<b>(101,292)</b>	<b>(86,059)</b>	<b>17.7</b>	<b>(129,413)</b>	<b>(111,559)</b>	<b>16.0</b>
% of revenue	14.5	14.2	30 b.p.	18.6	18.5	12 b.p.

In Q1 2023, SG&A expenses excluding D&A&I, LTI, share-based payments and the impact of the Karusel transformation under IFRS 16 as a percentage of revenue increased by 30 b.p. to 14.5% (increased by 12 b.p. to 18.6% pre-IFRS 16), mainly driven by increased staff costs, lease expenses and utilities as a percentage of revenue.

Staff costs (excluding LTI and share-based payments) as a percentage of revenue increased by 46 b.p. year-on-year in Q1 2023 to 8.7%, mainly due to a negative operating leverage effect.

LTI and share-based payment expenses amounted to RUB 732 million in Q1 2023, up by 94.7% from RUB 376 million in Q1 2022, driven by the introduction of the LTI programme for new businesses and an increase in accruals for the 2021-2023 LTI programme on the back of updated KPIs and a reassessment of the probabilities of the KPIs' achievement.

Lease expenses under IFRS 16 as a percentage of revenue in Q1 2023 increased by 7 b.p. year-on-year to 0.8%, mainly due to an increase in the number of reverse franchising stores. The decrease in pre-IFRS 16 lease expenses by 16 b.p. to 4.5% was caused by a positive operating leverage effect for fixed lease rates.

Utilities costs as a percentage of revenue in Q1 2023 increased by 13 b.p. year-on-year to 2.4%, mainly due to a negative operating leverage effect.

Other store costs under IFRS 16 as a percentage of revenue in Q1 2023 decreased by 5 b.p. year-on-year (falling by 5 b.p. pre-IFRS 16), mainly due to the increased cost efficiency of security and cleaning services.

Third-party service expenses under IFRS 16 as a percentage of revenue in Q1 2023 decreased by 15 b.p. year-on-year to 0.6%

(down 14 b.p. to 0.6% pre-IFRS 16), mainly due to a shift in the timing of marketing initiatives.

Other expenses under IFRS 16 as a percentage of revenue in Q1 2023 decreased by 15 b.p. year-on-year to 1.2% (down 11 b.p. to 1.5% pre-IFRS 16), due to the high base effect in Q1 2022 driven by one-off expenses.

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## Lease/sublease and other income<sup>8</sup>

As a percentage of revenue, the Company's income from leases, subleases and other operations under IFRS 16 totalled 0.7%, representing a decrease of 31 b.p. year-on-year in Q1 2023 (a decrease of 32 b.p. to 0.7% pre-IFRS 16), driven by lower income from sales of recyclables.

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8. Mainly consists of lease/sublease income, income from the sale of recyclable materials and other one-off gains.

## EBITDA and EBITDA margin

RUB mln	IFRS 16			Pre-IFRS 16		
	Q1 2023	Q1 2022	change, y-o-y, %	Q1 2023	Q1 2022	change, y-o-y, %
Gross profit	167,231	150,430	11.2	164,949	148,472	11.1
Gross profit margin, %	24.0	24.9	(88) b.p.	23.7	24.6	(88) b.p.
SG&A (excl. D&A&I, LTI, share-based payments and the effect of the Karusel transformation)	(101,292)	(86,059)	17.7	(129,413)	(111,559)	16.0
% of revenue	14.5	14.2	30 b.p.	18.6	18.5	12 b.p.
Net impairment losses on financial assets	(66)	(435)	(84.8)	(66)	(435)	(84.8)
% of revenue	0.01	0.07	(6) b.p.	0.01	0.07	(6) b.p.
Lease/sublease and other income (excl. the effect of the Karusel transformation)	5,050	6,243	(19.1)	4,766	6,054	(21.3)
% of revenue	0.7	1.0	(31) b.p.	0.7	1.0	(32) b.p.
<b>Adj. EBITDA</b>	<b>70,923</b>	<b>70,179</b>	<b>1.1</b>	<b>40,236</b>	<b>42,532</b>	<b>(5.4)</b>
Adj. EBITDA margin, %	10.2	11.6	(143) b.p.	5.8	7.0	(126) b.p.
LTI, share-based payments and other one-off remuneration payment expenses and SSC	(732)	(376)	94.7	(732)	(376)	94.7
% of revenue	0.1	0.1	4 b.p.	0.1	0.1	4 b.p.
Effect of the Karusel transformation	-	(247)	(100.0)	-	(247)	(100.0)
% of revenue	-	0.04	4 b.p.	-	0.04	4 b.p.
<b>EBITDA</b>	<b>70,191</b>	<b>69,556</b>	<b>0.9</b>	<b>39,504</b>	<b>41,909</b>	<b>(5.7)</b>
EBITDA margin, %	10.1	11.5	(143) b.p.	5.7	6.9	(126) b.p.

## D&A&I

Depreciation, amortisation and impairment costs under IFRS 16 decreased as a percentage of revenue by 148 b.p. year-on-year to 5.7% (down 121 b.p. year-on-year to 2.9% pre-IFRS 16) in Q1 2023, totalling RUB 39,675 million (RUB 20,172 million pre-IFRS 16). This was mainly driven by the high base effect of Q1 2022 and capex growth at a lower rate compared to revenue.

## Non-operating gains and losses

RUB mln	IFRS 16			Pre-IFRS 16		
	Q1 2023	Q1 2022	change, y-o-y, % or multiple	Q1 2023	Q1 2022	change, y-o-y, % or multiple
<b>Operating profit</b>	<b>30,516</b>	<b>26,190</b>	<b>16.5</b>	<b>19,332</b>	<b>17,106</b>	<b>13.0</b>
Net finance costs	(16,763)	(17,066)	(1.8)	(3,160)	(5,810)	(45.6)
Net FX result	(1,411)	(3,294)	(57.2)	(736)	(2,307)	(68.1)
<b>Profit before tax</b>	<b>12,342</b>	<b>5,830</b>	<b>111.7</b>	<b>15,436</b>	<b>8,989</b>	<b>71.7</b>
Income tax expense	(2,646)	(3,331)	(20.6)	(3,264)	(3,967)	(17.7)
<b>Net profit</b>	<b>9,696</b>	<b>2,499</b>	<b>288.0</b>	<b>12,172</b>	<b>5,022</b>	<b>142.4</b>
Net profit margin, %	1.4	0.4	98 b.p.	1.7	0.8	92 b.p.

Net finance costs under IFRS 16 in Q1 2023 decreased by 1.8% year-on-year to RUB 16,763 million (down 45.6% year-on-year to RUB 3,160 million pre-IFRS 16), driven by lower finance costs on the back of decreased interest rates in Russian capital markets vs Q1 2022 and lower total debt. Under IFRS 16 this was offset by increasing interest on lease liabilities.

The negative net FX result totalled RUB 1,411 million (RUB 736 million under pre-IFRS 16) in Q1 2023, compared with negative RUB 3,294 million (negative RUB 2,307 million under pre-IFRS 16) in Q1 2022, due to depreciation of the rouble.

In Q1 2023, income tax expense under IFRS 16 decreased by 20.6% year-on-year (decreased by 17.7% year-on-year pre-IFRS 16) due to one-off effects.

## Consolidated cash flow statement highlights

RUB mln	IFRS 16			Pre-IFRS 16		
	Q1 2023	Q1 2022	change, y-o-y, % or multiple	Q1 2023	Q1 2022	change, y-o-y, % or multiple
<b>Net cash from operating activities before changes in working capital</b>	<b>69,843</b>	<b>70,757</b>	<b>(1.3)</b>	<b>39,447</b>	<b>43,306</b>	<b>(8.9)</b>
Change in working capital	(30,879)	(24,192)	27.6	(30,699)	(23,894)	28.5
Net interest and income tax paid	(22,227)	(20,409)	8.9	(8,651)	(9,178)	(5.7)
Net cash flows generated from operating activities	16,737	26,156	(36.0)	97	10,234	(99.1)
Net cash used in investing activities	(17,076)	(21,967)	(22.3)	(17,200)	(22,124)	(22.3)
Net cash (used in)/generated from financing activities	(3,919)	22,966	n/a	12,845	39,045	(67.1)
Effect of exchange rate changes on cash & cash equivalents	122	(5)	n/a	122	(5)	n/a
<b>Net increase in cash and cash equivalents</b>	<b>(4,136)</b>	<b>27,150</b>	<b>n/a</b>	<b>(4,136)</b>	<b>27,150</b>	<b>n/a</b>

In Q1 2023, the Company's net cash from operating activities before changes in working capital under IFRS 16 decreased by RUB 914 million (down RUB 3,859 million under pre-IFRS 16) and totalled RUB 69,843 million (RUB 39,447 million under pre-IFRS 16). The negative change in working capital under IFRS 16 of RUB 30,879 million in Q1 2023 was driven by an increase in inventories and accounts payable on the back of business growth.

## Working capital highlights

RUB mln	31-Mar-23	31-Dec-22	31-Mar-22
Inventories	213,201	208,661	169,122
Trade, other accounts receivable and prepayments	17,831	21,382	16,734
Trade accounts payable	206,943	238,641	192,458
Provisions and other liabilities	128,160	130,450	95,375
Short-term contract liabilities	3,071	3,767	3,981

Net interest and income tax paid under IFRS 16 in Q1 2023 increased by 8.9% year-on-year (down 5.7% year-on-year pre-IFRS 16) and totalled RUB 22,227 million (RUB 8,651 million pre-IFRS 16). This was driven by higher income tax paid due to a low base effect in Q1 2022 on the back of state support measures for income tax payment deferral.

As a result, net cash flow generated from operating activities under IFRS 16 totalled RUB 16,737 million in Q1 2023, down from RUB 26,156 million in Q1 2022 (RUB 97 million, down from RUB 10,234 million in Q1 2022 pre-IFRS 16).

In Q1 2023, net cash used in investing activities, which predominantly consists of payments for property, plant and

equipment, decreased to RUB 17,076 million under IFRS 16 (to RUB 17,200 million pre-IFRS 16) due to a change in the timing of new store openings.

Net cash used in financing activities under IFRS 16 totalled RUB 3,919 million (net cash generated from financing activities of RUB 12,845 million pre-IFRS 16) in Q1 2023, compared with net cash generated from financing activities of RUB 22,966 million (RUB 39,045 million pre-IFRS 16) in Q1 2022.

## Liquidity update

RUB mln	31-Mar-23	% of total	31-Dec-22	% of total	31-Mar-22	% of total
Total debt	<b>247,390</b>		<b>234,532</b>		<b>333,408</b>	
Short-term debt	99,989	40.4	87,146	37.2	115,489	34.6
Long-term debt	147,401	59.6	147,386	62.8	217,919	65.4
Net debt (pre-IFRS 16)	208,271		191,277		280,196	
Net debt/EBITDA (pre-IFRS 16)	1.13x		1.02x		1.67x	
Lease liabilities (IFRS 16)	597,204		591,160		570,090	
Net debt/EBITDA (IFRS 16)	2.65x		2.58x		3.08x	

The Company's net debt/EBITDA ratio under IFRS 16 was 2.65x (1.13x pre-IFRS 16) as of 31 March 2023.

The Company's debt pre-IFRS 16 is 100% denominated in Russian roubles.

As of 31 March 2023, the Company had access to RUB 421,044 million in available credit limits with major banks.



## 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 March 2023, X5 had 21,760 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 19,549 Pyaterochka proximity stores, 956 Perekrestok supermarkets, 591 Chizhik hard discounters and 596 Krasny Yar and Slatka stores. The Company operates 55 DCs and 4,490 Company-owned trucks across the Russian Federation.

X5 is one of the largest employers in Russia. The Company employs over 345 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\*). In Q1 2023, revenue totalled RUB 696,364 million (USD 9,569 million\*\*), adjusted EBITDA pre-IFRS 16 reached RUB 40,236 million (USD 553 million\*\*), and net profit pre-IFRS 16 amounted to RUB 12,172 million (USD 167 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.

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\* FX rate: 68.5494 USD/RUB

\*\* FX rate: 72.7738 USD/RUB

## **X5 Retail Group N.V.**

### **Condensed Consolidated Interim Financial Information**

**Three months ended 31 March 2023**

The attached condensed consolidated interim statement of financial position, condensed consolidated interim statement of profit or loss, condensed consolidated interim statement of comprehensive income, condensed consolidated interim statement of cash flows and condensed consolidated interim statement of changes in equity have been prepared on the basis of the X5 Retail Group NV accounting policies as disclosed in the audited annual financial statements for the year ended 31 December 2022. These accounting policies have been consistently applied in the preparation of these statements except for adoption of new standards that are mandatory for financial annual periods beginning on 1 January 2023 and the fact that these statements do not comprise a full set of financial statements as required by International Financial Reporting Standards as adopted by the EU.

	31 March 2023	31 December 2022
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipment	309,655	315,612
Right-of-use assets	511,539	508,543
Investment properties	4,439	4,573
Goodwill	112,607	112,929
Other intangible assets	38,596	38,327
Other non-current assets	4,187	4,164
Deferred tax assets	25,990	27,482
	<b>1,007,013</b>	<b>1,011,630</b>
<b>Current assets</b>		
Inventories	213,201	208,661
Indemnification asset	4,285	6,391
Trade, other accounts receivable and prepayments	17,831	21,382
Current income tax receivable	4,819	1,622
VAT and other taxes receivable	8,453	9,007
Short-term financial investments	51,143	50,067
Cash and cash equivalents	39,119	43,255
	<b>338,851</b>	<b>340,385</b>
<b>Total assets</b>	<b>1,345,864</b>	<b>1,352,015</b>
<b>Equity and liabilities</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share capital	2,458	2,458
Share premium	46,127	46,127
Retained earnings	93,857	84,125
Other capital reserves	(255)	432
	<b>142,187</b>	<b>133,142</b>
<b>Total equity</b>	<b>142,187</b>	<b>133,142</b>
<b>Non-current liabilities</b>		
Long-term borrowings	147,401	147,386
Long-term lease liabilities	524,854	519,317
Deferred tax liabilities	5,541	6,954
Other non-current liabilities	7,697	6,206
	<b>685,493</b>	<b>679,863</b>
<b>Current liabilities</b>		
Trade accounts payable	206,943	238,641
Short-term borrowings	99,989	87,146
Interest accrued	1,858	1,143
Short-term lease liabilities	72,350	71,843
Short-term contract liabilities	3,071	3,767
Current income tax payable	5,813	6,020
Provisions and other liabilities	128,160	130,450
	<b>518,184</b>	<b>539,010</b>
<b>Total liabilities</b>	<b>1,203,677</b>	<b>1,218,873</b>
<b>Total equity and liabilities</b>	<b>1,345,864</b>	<b>1,352,015</b>

Vsevolod Starukhin  
Chief Financial Officer  
26 April 2023

	<b>Three months ended 31 March</b>	
	<b>2023</b>	<b>2022</b>
Revenue	696,364	604,230
Cost of sales	(529,133)	(453,800)
<b>Gross profit</b>	<b>167,231</b>	<b>150,430</b>
Selling, general and administrative expenses	(141,699)	(130,048)
Net impairment losses on financial assets	(66)	(435)
Lease/sublease and other income	5,050	6,243
<b>Operating profit</b>	<b>30,516</b>	<b>26,190</b>
Finance costs	(18,246)	(18,591)
Finance income	1,483	1,525
Net foreign exchange loss	(1,411)	(3,294)
<b>Profit before tax</b>	<b>12,342</b>	<b>5,830</b>
Income tax expense	(2,646)	(3,331)
<b>Profit for the period</b>	<b>9,696</b>	<b>2,499</b>
<b>Profit/(loss) for the period attributable to:</b>		
Equity holders of the parent	9,732	2,499
Non-controlling interests	(36)	-
Basic earnings per share for profit attributable to the equity holders of the parent (expressed in RUB per share)	143.35	36.81
Diluted earnings per share for profit attributable to the equity holders of the parent (expressed in RUB per share)	143.35	36.81

Vsevolod Starukhin  
 Chief Financial Officer  
 26 April 2023



**X5 Retail Group N.V.**

**Condensed Consolidated Interim Statement of Comprehensive Income  
for the three months ended 31 March 2023**

*(expressed in millions of Russian Roubles, unless otherwise stated)*

	<b>Three months ended 31 March</b>	
	<b>2023</b>	<b>2022</b>
Profit for the period	9,696	2,499
<b>Total comprehensive income for the period, net of tax</b>	<b>9,696</b>	<b>2,499</b>
<b>Total comprehensive income for the period attributable to:</b>		
Equity holders of the parent	9,732	2,499
Non-controlling interests	(36)	–

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Vsevolod Starukhin  
Chief Financial Officer  
26 April 2023

	<b>Three months ended 31 March</b>	
	<b>2023</b>	<b>2022</b>
<b>Profit before tax</b>	<b>12,342</b>	<b>5,830</b>
<i>Adjustments for:</i>		
Depreciation, amortisation and impairment of property, plant and equipment, right-of-use assets, investment properties, other intangible assets and goodwill	39,675	43,366
(Gain)/loss on disposal of property plant and equipment, investment properties and intangible assets and gain on derecognition of right-of-use assets	(357)	56
Finance costs, net	16,763	17,066
Net impairment losses on financial assets	66	435
Impairment of prepayments	27	357
Share-based compensation expense	8	26
Net foreign exchange loss	1,411	3,294
Other non-cash items	(92)	327
<b>Net cash from operating activities before changes in working capital</b>	<b>69,843</b>	<b>70,757</b>
Decrease in trade, other accounts receivable and prepayments and VAT and other taxes receivable	4,011	1,750
Increase in inventories	(4,549)	(2,282)
Decrease in trade payable	(30,876)	(22,557)
Increase/(decrease) in other accounts payable and contract liabilities	535	(1,103)
<b>Net cash flows from operations</b>	<b>38,964</b>	<b>46,565</b>
Interest paid	(17,406)	(16,969)
Interest received	403	438
Income tax paid	(5,224)	(3,878)
<b>Net cash flows from operating activities</b>	<b>16,737</b>	<b>26,156</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment and initial direct costs associated with right-of-use assets	(12,803)	(18,583)
Acquisition of businesses, net of cash acquired	(344)	(196)
Proceeds from disposal of property, plant and equipment, investment properties and intangible assets	610	1,558
Purchase of other intangible assets	(4,539)	(4,746)
<b>Net cash flows used in investing activities</b>	<b>(17,076)</b>	<b>(21,967)</b>
<b>Cash flows from financing activities</b>		
Proceeds from loans	29,999	84,990
Repayment of loans	(17,154)	(45,945)
Payments of principal portion of lease liabilities	(16,764)	(16,079)
<b>Net cash flows (used in)/from financing activities</b>	<b>(3,919)</b>	<b>22,966</b>
Effect of exchange rate changes on cash and cash equivalents	122	(5)
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(4,136)</b>	<b>27,150</b>
<b>Movements in cash and cash equivalents</b>		
Cash and cash equivalents at the beginning of the period	43,255	26,062
Net (decrease)/increase in cash and cash equivalents	(4,136)	27,150
<b>Cash and cash equivalents at the end of the period</b>	<b>39,119</b>	<b>53,212</b>

Vsevolod Starukhin  
Chief Financial Officer  
26 April 2023



**X5 Retail Group N.V.**  
**Condensed Consolidated Interim Statement of Changes In Equity**  
**for the three months ended 31 March 2023**  
*(expressed in millions of Russian Roubles, unless otherwise stated)*

	Attributable to equity holders of the parent							Non-controlling interests	Total
	Number of shares	Share capital	Share premium	Share-based payment reserve	Other capital reserves	Retained earnings	Total shareholders' equity		
<b>Balance as at 1 January 2022</b>	<b>67,888,696</b>	<b>2,458</b>	<b>46,127</b>	<b>118</b>	<b>-</b>	<b>38,926</b>	<b>87,629</b>	<b>-</b>	<b>87,629</b>
Profit for the period	-	-	-	-	-	2,499	2,499	-	2,499
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,499</b>	<b>2,499</b>	<b>-</b>	<b>2,499</b>
Share-based payment compensation	-	-	-	26	-	-	26	-	26
<b>Balance as at 31 March 2022</b>	<b>67,888,696</b>	<b>2,458</b>	<b>46,127</b>	<b>144</b>	<b>-</b>	<b>41,425</b>	<b>90,154</b>	<b>-</b>	<b>90,154</b>
<b>Balance as at 1 January 2023</b>	<b>67,888,696</b>	<b>2,458</b>	<b>46,127</b>	<b>-</b>	<b>432</b>	<b>84,125</b>	<b>133,142</b>	<b>-</b>	<b>133,142</b>
Profit/(loss) for the period	-	-	-	-	-	9,732	9,732	(36)	9,696
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,732</b>	<b>9,732</b>	<b>(36)</b>	<b>9,696</b>
Acquisition of subsidiaries	-	-	-	-	-	-	-	(82)	(82)
Purchase commitments for non-controlling interests' shares	-	-	-	-	(569)	-	(569)	-	(569)
Impact of changes in non-controlling interests with purchase commitments	-	-	-	-	(118)	-	(118)	118	-
<b>Balance as at 31 March 2023</b>	<b>67,888,696</b>	<b>2,458</b>	<b>46,127</b>	<b>-</b>	<b>(255)</b>	<b>93,857</b>	<b>142,187</b>	<b>-</b>	<b>142,187</b>

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Vsevolod Starukhin  
Chief Financial Officer  
26 April 2023