



CHIZHIK OPENS FIRST STORES IN ROSTOV REGION AND KRASNODAR TERRITORY

Moscow, 15 August 2023 – X5 Group (“X5” or the “Company”, LSE and MOEX ticker: FIVE), a leading Russian food retailer, announces the opening of its first hard discounters under the Chizhik brand in the Rostov Region and Krasnodar Territory, as well as the opening of a new distribution centre in Krasnodar to serve its Chizhik stores. On Tuesday, the retailer opened two stores in Bataisk and one store apiece in Rostov-on-Don, Krasnodar, Novokubansk, the settlement of Yablonovsky, and the Cossack village of Novotitarovskaya.¹

The new stores will be supplied from Chizhik’s distribution centre in Krasnodar with shipments from both nationwide and local suppliers. The 14,845 square metre distribution centre has capacity to handle shipments from over 200 suppliers and serve up to 250 stores in the retail chain across the Krasnodar and Stavropol Territories, as well as in the Rostov Region.

Chizhik plans to open 22 more stores in the Rostov Region and 30 stores in the Krasnodar Territory before the end of August, aiming to bring the total store count in the regions to 49 and 65 stores by year-end, respectively. In 2023, the retailer expects to create over 1,200 new jobs for local communities in these two regions.

Chizhik’s business model is based on offering a small but sought-after selection of products. The retailer delivers low prices for its customers thanks to business process optimisation and relentless in-store cost cutting, while the large share of private labels in its assortment enables Chizhik to offer only those products that meet its high standards of quality and charge fair prices and markups. The product assortment at each store features approximately 700 SKUs, including over 400 private label items that have already become popular with Chizhik customers. These include Svetaevo, Verner, Shchedry God, Greenola, Axl, Tafo, and others. Chizhik also stands out for its unique Nado Uspet (“Catch the Price”) zone that highlights the best deals in household, kitchen, garden goods, and other products – all in one place.

¹ Rostov-on-Don – 12B Korolyova Avenue; Bataisk – 74A Ogorodnaya Street, 97 Maksima Gorkogo Street; Krasnodar – 127 Budyonnogo Street; Yablonovsky – 47/1 Kosmicheskaya Street; Novokubansk – 163 Pervomayskaya; Novotitarovskaya – 192 Lenina Street.



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 June 2023, X5 had 22,682 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 20,248 Pyaterochka proximity stores, 956 Perekrestok supermarkets, 809 Chizhik hard discounters and 596 Krasny Yar and Slata stores. The Company operates 59 DCs and 4,604 Company-owned trucks across the Russian Federation.

X5 is one of the largest employers in Russia. The Company employs over 358 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 H1 2023, revenue totalled RUB 1,468,407 million (USD 19,095 million**), adjusted EBITDA pre-IFRS 16 reached RUB 100,748 million (USD 1,310 million**), and net profit pre-IFRS 16 amounted to RUB 41,661 million (USD 542 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

** FX rate: 76.8996 USD/RUB

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