

X5 OPENS NEW LOGISTICS FACILITY IN TATARSTAN

Kazan, 26 August 2020 – X5 Retail Group, a leading Russian food retailer that operates the Pyaterochka, Perekrestok, and Karusel retail chains, announces the expansion of its logistics infrastructure in the Volga region and the opening of a Pyaterochka distribution centre (DC) in the Republic of Tatarstan.

With a total floor area of 18,000 sq m, the Yelabuga DC features four storage zones for fresh products, fruits and vegetables, dry goods and alcoholic beverages. Each zone has a specific temperature band that is best suited to keep relevant products fresh.

Once it reaches design capacity, the new DC will supply food products to 600 Pyaterochka stores in 300 localities across the Republics of Tatarstan and Udmurtia. The logistics facility is expected to process 1,500 tonnes of goods per day, with its seamless operation supported by more than 250 employees and some 100 vehicles. Overall, Pyaterochka has generated over 10,700 jobs in the Republic of Tatarstan.

The launch of the new DC will enable Volga region food producers not only to reduce their transportation costs, but also to expand the geography of their sales. At full capacity, the logistics facility will be able to handle about 500 suppliers, further increasing the share of Tatarstan producers in the chain's regional sales beyond the current level of over 30%. Today, Pyaterochka retail chain works with 88 local suppliers, of which 18 were added to the supplier list in 2019.

The Yelabuga DC is the second advanced logistics facility opened by Pyaterochka in the Republic of Tatarstan. In November 2019, the Kazan DC was opened in Zelenodolsk, bringing the total floor area of Pyaterochka's warehouse facilities in the region to over 57,000 sq m. Today, the Republic of Tatarstan has more than 700 Pyaterochkas, including 24 stores that opened this year.

The opening ceremony was attended by Alexey Pesoshin, Prime Minister of the Republic of Tatarstan, Sergei Goncharov, General Director of Pyaterochka, and executives of suppliers from the Volga Federal District invited by X5.

Note to Editors:

X5 Retail Group N.V. (LSE and MOEX: FIVE, Fitch – ‘BB+’, Moody's – ‘Ba1’, S&P – ‘BB+’, RAEX – ‘ruAA+’) is a leading Russian food retailer. The Company operates several retail formats: the chain of proximity stores under the Pyaterochka brand, the supermarket chain under the Perekrestok brand and the hypermarket chain under the Karusel brand.

As of 30 June 2020, X5 had 17,025 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 16,096 Pyaterochka proximity stores, 867 Perekrestok supermarkets and 62 Karusel hypermarkets. The Company operates 42 DCs and 4,083 Company-owned trucks across the Russian Federation.

For the full year 2019, revenue totalled RUB 1,734,347 mn (USD 26,791 mn), Adjusted EBITDA under IAS 17 reached RUB 127,380 mn (USD 1,968 mn), and net profit under IAS 17 for the period amounted to RUB 25,908 mn (USD 400 mn). In H1 2020, revenue totalled RUB 962,625 mn (USD 13,876 mn), adjusted EBITDA reached RUB 74,834 mn (USD 1,079 mn), and net profit amounted to RUB 24,450 mn (USD 352 mn).

X5's Shareholder structure is as follows: CTF Holdings S.A. – 47.86%, Intertrust Trustees Ltd (Axon Trust) – 11.43%, X5 Directors – 0.09%, treasury shares – 0.01%, Shareholders with less than 3% – 40.61%.

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 Retail 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 Retail Group N.V. speak only as of the date of this announcement. Save as required by any applicable laws or regulations, X5 Retail 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.

Elements of this press release contain or may contain inside information about X5 Retail Group N.V. within the meaning of Article 7(1) of the Market Abuse Regulation (596/2014/EU).

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