

PEREKRESTOK PILOTS NEW SMALL STORE FORMAT FEATURING ITS MOST POPULAR PRODUCTS

Moscow, 6 December 2021 – X5 Group (“X5” or the “Company”, LSE and MOEX ticker: FIVE), a leading Russian food retailer, announces that Perekrestok will pilot a new store format with a floor area of less than 300 sq m and a limited product range comprising its bestselling products.

The new Jam Perekrestok stores will be located within a walking distance of offices and residential buildings. The first store has already opened in Moscow¹, with two more stores to be piloted in St Petersburg² before the year end.

The format’s product range is five times smaller than at Perekrestok supermarkets, with around 3,000 SKUs consisting entirely of products that have received the highest customer ratings. Fresh categories, including fruit, vegetables, dairy products, ready-to-eat foods, pastry, etc., account for 60% of the product range. The share of private label goods is 30%, with a special focus on Zelenaya Liniya health foods. The format’s pricing policy aligns with that of the Perekrestok supermarket format.

Vladislav Kurbatov, General Director of Perekrestok said: *“This new format offers customers their favourite products in locations that could not otherwise accommodate a regular Perekrestok supermarket. A wide assortment of fresh and ready-to-eat foods, coffee, a café, and charging stations is what residents of major cities want to enjoy their routine shopping and save time. We have another four small format store openings scheduled in Moscow for early 2022. After that, we will decide on the potential scale-up of the project.”*

The pilot store has a café with a seating area separated from the shopping space, as well as Wi-Fi and charging stations available for customers to use. The store features self-checkouts for a more comfortable shopping experience. In addition, there are containers to collect batteries and plastic bags for recycling.

A 30-minute express delivery service is available to those living within 1 km from new Perekrestok Jam stores via the Perekrestok mobile app.

Currently, there are 980 Perekrestok supermarkets located in more than 145 cities and towns across Russia, with an average supermarket offering an assortment of 15,000 SKUs.

¹ Lev Tolstoy Street, 23, bld. 1

² Kirpichniy Lane, 4A; Grazhdanskaya Street, 28

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 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 Perekrestok, 5Post and Okolo.

As of 30 September 2021, X5 had 18,648 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 17,600 Pyaterochka proximity stores, 980 Perekrestok supermarkets and 29 Chizhik hard discounters. The Company operates 43 DCs and 4,178 Company-owned trucks across the Russian Federation.

X5 is one of the largest employers in Russia. The Company employs over 335 thousand people.

For the full year 2020, revenue totalled RUB 1,978,026 million (USD 27,417 million*), EBITDA pre-IFRS 16 reached RUB 145,137 million (USD 2,012 million), and net profit pre-IFRS 16 for the period amounted to RUB 39,180 million (USD 543 million). In 9M 2021, revenue totalled RUB 1,597,289 million (USD 21,583 million**), adjusted EBITDA pre-IFRS 16 reached RUB 123,703 million (USD 1,671 million), and net profit pre-IFRS 16 amounted to RUB 38,943 million (USD 526 million).

X5's shareholder structure is as follows: CTF Holdings S.A., 47.86%; The Axon Trust, 11.43%; X5 directors, 0.10%; treasury shares, 0.01%; shareholders with less than 3%, 40.60%.

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.

*FX rate: 72.1464 USD/RUB

** FX rate: 74.0073 USD/RUB

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