



# PYATEROCHKA SCAN-AND-GO FEATURING COWORKING SPACE OPENS IN **MOSCOW**

Moscow, 5 July 2021 – Pyaterochka has opened a new concept #Naletu store with a fully automated checkout system. Located at 2 Khodynsky Boulevard in Moscow, this is the chain's second "fully digital" store. Based on customer feedback and pilot results, the new #Naletu now combines eco-friendly design with a small coworking space and advanced technologies, as well as ready-made solutions and everyday goods.

The new #Naletu has two floors, with the shopping area located on the lower level, and a lounge and coworking space on the upper level. The new store's look and feel differ from the first #Naletu outlet, which opened in October 2020. The emphasis here is on closeness to nature, freshness and comfort. The ceiling and walls feature panels with live vegetation meant to create a cool, clean and natural atmosphere. Digital signage showing informational clips and nature videos have been set up in the shopping area. The walls and floors are decorated in Pyaterochka's traditional white and grey colours. All of this is supposed to create a special mood for scan-and-go shoppers, inviting them to escape the noisy city streets in a relaxing atmosphere of comfort and tranquillity. The coworking space on the second floor is designed in a loft style and can accommodate up to 14 people. It is equipped with free WiFi, power sockets and chargers.

The store stands at around 100 sq m and is open 24/7. The assortment includes about 1,200 SKUs, which were selected by analysing the shopping preferences of the first #Naletu store customers. The bulk of the offering consists of ready-made solutions and everyday products.

To meet the growing demand for baked goods, the store has been equipped with an in-house bakery that can produce about 30 varieties of bread and pastries. The coffee machine at # Naletu is capable of making up to 13 types of drinks, including tea, milkshakes, and ice lattes. Freshly brewed coffee was among the most popular items at the first Pyaterochka #Naletu, with close to 30% of customers buying it regularly. There are also machines for making fresh orange juice and ice. The latter may come handy for chilling a drink or can be used to keep a thermal bag cool.

On average, shopping at #Naletu lasts about 3.5 minutes, and the quickest purchase will take only 30 seconds. Customers can freely enter the store through automatic sliding doors. To shop, they will need to first download the #Naletu app available via the App Store and Google Play and log in with their X5 ID. The new store features X5's proprietary Express Scan technology, linked to the Naletu app. If they wish to, customers can also pay via the self-service checkout. For every purchase, customers earn triple points under the Helping Card loyalty programme.

Just like the pilot store, the new #Naletu store functions as a kind of a smart home, with the IoT architecture that, through the use of 15 video cameras, monitors the store. In addition, the store is equipped with electronic shelf labels. The store is cashierless, although there are guest relations and freshness managers. Customers can also pick up online orders at a 5Post parcel locker installed in the store.

"For over six months we have been closely monitoring our first #Naletu store, continuously improving our operating model and the customer journey. Today we are opening another store in a new format in order to create the Pyaterochka of the future now, absolutely real and available to anyone, in cooperation with





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our guests. This is all about ease and naturalness. About fresh everyday products, about a clean and comfortable shopping space inspiring a pleasant and quiet mood, and about fast and convenient shopping experience. And it is all advanced, future-proof and guest-oriented. We offer a new kind of customer engagement and a new level of emotions right next door to you. We focus on ready-made solutions at attractive prices – lower than you would expect from such a store. There are also additional wow-services: a stylish coworking space, soothing music and video playlists. I'm sure that the new #Naletu will be a zen-like oasis in the middle of a bustling city, a centre of gravity for the locals, a neighbourhood meeting place for a nice talk over a cup of our delicious coffee," said Sergei Goncharov, CEO of Pyaterochka.

The store meets the highest health and safety standards. All surfaces are regularly cleaned and disinfected. Hand sanitisers will be provided at the store entrance, and all customers will be required to wear a mask.

As part of the pilot, the Company plans to further develop the project, fine-tune the concept, and open another store in a location with higher traffic and more business activity. The Company continues refining the product mix to create an assortment best suited to customers' needs and shaping a new consumption trend by, among other things, increasing the share of ready-made everyday meal solutions.





## **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 Karusel hypermarkets. X5 provides an omnichannel experience to customers, integrating retail stores and e-commerce, through its businesses Vprok.ru Perekrestok, 5Post and Okolo.

As of 31 March 2021, X5 had 17,959 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 16,960 Pyaterochka proximity stores, 940 Perekrestok supermarkets and 49 Karusel hypermarkets. The Company operates 41 DCs and 4,014 Company-owned trucks across the Russian Federation.

X5 is one of the largest employers in Russia. The Company employs over 339 thousand people.

For the full year 2020, revenue totalled RUB 1,978,026 mln (USD 27,417 mln), EBITDA pre-IFRS 16 reached RUB 145,137 mln (USD 2,012 mln), and net profit pre-IFRS 16 for the period amounted to RUB 39,180 mln (USD 543 mln). In Q1 2021, revenue totalled RUB 507,191 mln (USD 6,822 mln), adjusted EBITDA pre-IFRS 16 reached RUB 35,475 mln (USD 477 mln), and net profit pre-IFRS 16 amounted to RUB 9,163 mln (USD 123 mln).

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.

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