

X5 TO ADD PROPRIETARY PLATFORM TO ITS CLOUD TECHNOLOGIES

Moscow, 17 May 2022 – X5 Group (“X5” or the “Company”, LSE and MOEX ticker: FIVE), a leading Russian food retailer, has launched a proprietary cloud platform.

The platform, called Salt, is a private cloud based on open-source software and technology developed by X5. The solution is designed to bring cost-saving efficiencies to IT infrastructure owners, accelerate time to market for digital projects, and reduce their carbon footprint by leveraging green technologies at state-of-the-art data centres operated by X5 and its partner Selectel. Once the Company addresses internal business challenges, it will consider introducing the Salt solution to the public cloud market.

Salt is much more than a collection of infrastructure and platform management services: it also offers a set of automated processes that allow digital projects to quickly launch in the cloud with all the necessary security settings. Salt relies on a new approach to data security which ensures a high level of data protection without sacrificing convenience and efficiency for the user. Some of the platform components are made available to X5's internal customers as a service. This includes the data centre, which is offered as a data storage and processing service. In this way, the Company can ensure its 99.9% accessibility.

By launching Salt and hosting its cloud at the partners' high-tech data centres, X5 is building a new approach to infrastructure operation. Selectel, a major cloud and IT infrastructure provider, will be responsible for administering servers, racks and communication channels, which will help to significantly reduce the cost of platform services for X5's internal customers and considerably improve the reliability and resilience of the system.

Anton Mironenkov, Head of X5 Technologies, commented:

“By launching Salt, we are embarking on a cloud-driven transformation to migrate the majority of our IT systems and key products to a private cloud. X5 took a systematic approach to transitioning to its own cloud infrastructure – we embraced the challenge to shape the development of the system, design and roll out the services and operate the platform without being dependent on vendors and market fluctuations. Salt offers opportunities to extend the customer experience beyond conventional cloud services and provide the full range of IT solutions to X5's business and digital project teams, using the cloud as a single entry point for billing.

The Company's approach to selecting an IT infrastructure provider, a reliable data centre and a server architecture supports our goal of promoting sustainable technology, which will help us to significantly reduce global carbon (CO₂) emissions. To achieve high energy efficiency, the provider's data centre already uses free cooling refrigeration units, which makes it possible to use the power of outside air for cooling. In addition, the data centre does not require battery use thanks to the instalment of dynamic uninterruptible power supplies with double energy conversion. This is a good example of how we harness innovation to make our business more efficient and the planet greener.”

X5 launched the initiative to migrate to its own cloud in 2021. The solution is based on a combination of open-source products, the Company's proprietary expertise and a service-driven approach. The key components of the platform — including a data orchestrator, a portal, a billing unit and the platform's general architecture — are a proprietary product of the Company. The Salt private cloud, based on

OpenStack and Kubernetes technologies, has been rolled out at two data centres — at the Company's own data centre in Moscow and at Selectel's data centre in St Petersburg. Thanks to this synergy, X5 can focus on its business priorities while delegating the administration of the physical infrastructure to its partners.

Note to Editors:

X5 Retail Group N.V. (LSE and MOEX: FIVE; 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 Mnogo Lososya.

As of 31 March 2022, X5 had 19,479 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 18,320 Pyaterochka proximity stores, 983 Perekrestok supermarkets, 89 Chizhik hard discounters and 28 Karusel hypermarkets. The Company operates 47 DCs and 4,574 Company-owned trucks across the Russian Federation.

X5 is one of the largest employers in Russia. The Company employs over 328 thousand people.

For the full year 2021, revenue totalled RUB 2,204,819 million (USD 29,935 million*), EBITDA pre-IFRS 16 reached RUB 161,024 million (USD 2,186 million*), and net profit pre-IFRS 16 for the period amounted to RUB 48,513 million (USD 659 million*). In Q1 2022, revenue totalled RUB 604,230 million (USD 7,020 million**), adjusted EBITDA pre-IFRS 16 reached RUB 70,179 million (USD 815 million**), and net profit pre-IFRS 16 amounted to RUB 2,499 million (USD 29 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: 73.6541 USD/RUB

** FX rate: 86.0693 USD/RUB

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