

CHIZHIK OPENS FIRST STORES AND A DISTRIBUTION CENTRE IN BASHKORTOSTAN

Ufa, 15 July 2022 – X5 Group (“X5” or the “Company”, LSE and MOEX ticker: FIVE), a leading Russian food retailer, announces the launch of its Chizhik hard discounter format in Bashkortostan and the opening of a dedicated distribution centre in Ufa, the region’s major city.

Four Chizhik stores opened their doors to customers in Bashkortostan on Friday, including three hard discounters in Ufa and one in Iglino¹. Eight more stores will open in the region in July, with another 40 to open by the end of 2022.

Chizhik’s unique value proposition combines attractive prices with high-quality products. The format’s pricing policy is based on a significantly more affordable food basket compared to the market average and is built around the motto “low price every day”, meaning that the retail chain maintains consistently low prices for the entire product range. The store’s visual design embodies simplicity and incorporates modern trends with its wide aisles, easily readable price tags and convenient product display. The product range comprises around 800 SKUs, including 300 private labels that have already proven popular among customers. These include brands such as Svetaevo, Verner, Shchedry God, Greenola, Grand Menu, Axl, Tafo and others.

In line with its target operating model, the chain opened its own distribution centre (DC) before expanding into a new region. The new facility in Bashkortostan has a total floor space of 8,000 sq m and currently receives shipments from over 200 partners of the retail chain. As of today, the DC has capacity to supply products to 120 stores, which may be expanded to service up to 250 outlets.

The DC stands out among other similar facilities due to its multi-format operation mode: capable of storing products in various conditions, it allows shipping of grocery items, ultra-fresh and frozen products, as well as alcohol. X5 uses its own fleet of delivery vehicles to transport products from the DC, with drivers assigned specifically to Chizhik. This helps to ensure an excellent level of service and streamline interactions within the supply chain.

Chizhik stores currently operate in Moscow and the Moscow Region, as well as in the Republic of Bashkortostan, Tver, Tula, Vladimir, Nizhny Novgorod, Voronezh, and Lipetsk regions. In 2021, the chain launched 72 new stores.

¹ Ufa, Tallinskaya str. 21k2
Ufa, Balandin Blvd., 9
Ufa, Derevenskaya perep., 53
Iglino, Lenina str., 92



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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