

# X5 announces Q1 2022 financial results

## Amsterdam

27 April 2022

X5 Retail Group N.V. (“X5” or the “Company”, LSE and MOEX ticker: FIVE), a leading Russian food retailer that operates the Pyaterochka, Perekrestok and Chizhik retail chains, today released its unaudited condensed consolidated interim financial information for the three months ended 31 March 2022 (“Q1”), in accordance with International Financial Reporting Standards as adopted by the European Union.

## Profit and loss statement highlights<sup>1</sup>

| RUB mln  | IFRS 16        |                |                                   | Pre-IFRS 16 <sup>2</sup> |                |                                   |
|--|----------------|----------------|-----------------------------------|--------------------------|----------------|-----------------------------------|
|  | Q1 2022        | Q1 2021        | change y-o-y,<br>%<br>or multiple | Q1 2022                  | Q1 2021        | change y-o-y,<br>%<br>or multiple |
| <b>Revenue</b>   | <b>604,230</b> | <b>507,191</b> | <b>19.1</b>                       | <b>604,230</b>           | <b>507,191</b> | <b>19.1</b>                       |
| incl. net retail sales <sup>3</sup>                              | 601,776        | 505,783        | 19.0                              | 601,776                  | 505,783        | 19.0                              |
| Pyaterochka (incl. express delivery)                             | 489,193        | 406,710        | 20.3                              | 489,193                  | 406,710        | 20.3                              |
| Perekrestok (incl. Vprok.ru<br>Perekrestok and express delivery) | 102,574        | 89,137         | 15.1                              | 102,574                  | 89,137         | 15.1                              |
| Karusel  | 5,430          | 9,749          | (44.3)                            | 5,430                    | 9,749          | (44.3)                            |
| Chizhik  | 4,099          | 118            | 35x                               | 4,099                    | 118            | 35x                               |
| Mnogo Lososya  | 480            | 68             | 7x                                | 480                      | 68             | 7x                                |
| <b>Gross profit</b>  | <b>150,430</b> | <b>129,541</b> | <b>16.1</b>                       | <b>148,472</b>           | <b>127,625</b> | <b>16.3</b>                       |
| Gross profit margin, %   | 24.9           | 25.5           | (64) b.p.                         | 24.6                     | 25.2           | (59) b.p.                         |
| <b>Adj. EBITDA<sup>4</sup></b>                                   | <b>70,179</b>  | <b>61,656</b>  | <b>13.8</b>                       | <b>42,532</b>            | <b>35,475</b>  | <b>19.9</b>                       |
| Adj. EBITDA margin, %  | 11.6           | 12.2           | (54) b.p.                         | 7.0                      | 7.0            | 4 b.p.                            |
| <b>EBITDA</b>  | <b>69,556</b>  | <b>61,227</b>  | <b>13.6</b>                       | <b>41,909</b>            | <b>35,046</b>  | <b>19.6</b>                       |
| EBITDA margin, %   | 11.5           | 12.1           | (56) b.p.                         | 6.9                      | 6.9            | 3 b.p.                            |
| <b>Operating profit</b>  | <b>26,190</b>  | <b>24,500</b>  | <b>6.9</b>                        | <b>17,106</b>            | <b>16,868</b>  | <b>1.4</b>                        |
| Operating profit margin, %                                       | 4.3            | 4.8            | (50) b.p.                         | 2.8                      | 3.3            | (49) b.p.                         |
| <b>Net profit</b>  | <b>2,499</b>   | <b>7,638</b>   | <b>(67.3)</b>                     | <b>5,022</b>             | <b>9,163</b>   | <b>(45.2)</b>                     |
| Net profit margin, %   | 0.4            | 1.5            | (109) b.p.                        | 0.8                      | 1.8            | (98) b.p.                         |

- Please note that, in this and other tables and in the text of this press release, immaterial deviations in the calculation of % changes, subtotals and totals are due to rounding.
- The pre-IFRS 16 financial measures are calculated by adjusting the applicable IFRS measures to include fixed lease expenses and fixed non-lease components of lease contracts and to exclude any gain on derecognition of right-of-use assets and lease liabilities, depreciation of right-of-use assets and interest on lease liabilities and gain/loss from sale of assets under sale and leaseback operations for the proportion of the rights retained recognised under IFRS 16.
- Net retail sales represent revenue from the operations of X5-managed stores net of VAT. This number differs from revenue, which includes proceeds from wholesale operations, direct franchisees (royalty payments) and other revenue.
- Adjusted EBITDA is EBITDA before costs related to the LTI programme, share-based payments, other one-off remuneration payment expenses and the impact of the Karusel transformation.

## Revenue

Revenue growth reached 19.1% year-on-year in Q1 2022, driven by positive LFL sales, selling space expansion and 79.9% revenue growth in X5's digital businesses. The latter reflected higher demand from customers for online services, an incremental increase in the number of new online customers and expansion of express delivery operations to new geographies.

## Selling space by format, square metres (sqm)

|                             | AS AT 31-MAR-22  | AS AT 31-DEC-21  | CHANGE VS 31-DEC-21, % | AS AT 31-MAR-21  | CHANGE Y-O-Y, % OR MULTIPLE |
|-----------------------------|------------------|------------------|------------------------|------------------|-----------------------------|
| Pyaterochka                 | 7,183,452        | 7,048,488        | 1.9                    | 6,656,879        | 7.9                         |
| Perekrestok                 | 1,096,143        | 1,098,905        | (0.3)                  | 1,019,854        | 7.5                         |
| Karusel                     | 108,982          | 128,063          | (14.9)                 | 196,134          | (44.4)                      |
| Chizhik                     | 25,361           | 20,327           | 24.8                   | 1,238            | 20x                         |
| Mnogo Lososya               | 5,495            | 4,992            | 10.1                   | 2,313            | 137.6                       |
| <b>X5 Group<sup>5</sup></b> | <b>8,528,416</b> | <b>8,409,757</b> | <b>1.4</b>             | <b>7,937,892</b> | <b>7.4</b>                  |

## Q1 2022 LFL<sup>6</sup> store performance by format, % change y-o-y

In Q1 2022, LFL sales performance accelerated year-on-year to 11.7%, supported by solid LFL results at Pyaterochka and Perekrestok at 12.6% and 8.0%, respectively.

The LFL basket was the main driver of LFL sales in Q1 2022, with LFL traffic in positive territory at 3.7% year-on-year.

|                 | SALES       | TRAFFIC    | BASKET     |
|-----------------|-------------|------------|------------|
| Pyaterochka     | 12.6        | 4.2        | 8.1        |
| Perekrestok     | 8.0         | 0.4        | 7.5        |
| Karusel         | (4.4)       | (13.7)     | 10.7       |
| <b>X5 Group</b> | <b>11.7</b> | <b>3.7</b> | <b>7.8</b> |

For more details on net retail sales performance, please refer to X5's [Q1 2022 Trading Update](#).

5. Including Vprok.ru Perekrestok dark stores.

6. LFL comparisons of retail sales between two periods are comparisons of retail sales in local currency (including VAT) generated by the relevant stores. The stores that are included in LFL comparisons are those that have operated for at least 12 full months. Their sales are included in the LFL calculation starting from the day of the store's opening. We include all stores that fit our LFL criteria in each reporting period.

## Selling, general and administrative (SG&A) expenses (excl. D&A&I and the impact of the Karusel transformation)

| RUB mln   | IFRS 16         |                 |                  | Pre-IFRS 16      |                 |                  |
|---|-----------------|-----------------|------------------|------------------|-----------------|------------------|
|   | Q1 2022         | Q1 2021         | change, y-o-y, % | Q1 2022          | Q1 2021         | change, y-o-y, % |
| Staff costs   | (50,078)        | (43,484)        | 15.2             | (50,078)         | (43,484)        | 15.2             |
| % of revenue  | 8.3             | 8.6             | (29) b.p.        | 8.3              | 8.6             | (29) b.p.        |
| incl. LTI and share-based payments  | (376)           | (422)           | (10.9)           | (376)            | (422)           | (10.9)           |
| staff costs excl. LTI and share-based payments as % of revenue  | 8.2             | 8.5             | (26) b.p.        | 8.2              | 8.5             | (26) b.p.        |
| Lease expenses  | (3,929)         | (2,902)         | 35.4             | (28,168)         | (25,288)        | 11.4             |
| % of revenue  | 0.7             | 0.6             | 8 b.p.           | 4.7              | 5.0             | (32) b.p.        |
| Utilities   | (13,867)        | (11,947)        | 16.1             | (13,867)         | (11,947)        | 16.1             |
| % of revenue  | 2.3             | 2.4             | (6) b.p.         | 2.3              | 2.4             | (6) b.p.         |
| Other store costs   | (5,620)         | (5,170)         | 8.7              | (5,839)          | (5,385)         | 8.4              |
| % of revenue  | 0.9             | 1.0             | (9) b.p.         | 1.0              | 1.1             | (10) b.p.        |
| Third-party services  | (4,514)         | (4,252)         | 6.2              | (4,419)          | (4,222)         | 4.7              |
| % of revenue  | 0.7             | 0.8             | (9) b.p.         | 0.7              | 0.8             | (10) b.p.        |
| Other expenses  | (8,427)         | (6,348)         | 32.8             | (9,564)          | (7,245)         | 32.0             |
| % of revenue  | 1.4             | 1.3             | 14 b.p.          | 1.6              | 1.4             | 15 b.p.          |
| <b>SG&amp;A (excl. D&amp;A&amp;I and the impact of the Karusel transformation)</b>                            | <b>(86,435)</b> | <b>(74,103)</b> | <b>16.6</b>      | <b>(111,935)</b> | <b>(97,571)</b> | <b>14.7</b>      |
| % of revenue  | 14.3            | 14.6            | (31) b.p.        | 18.5             | 19.2            | (71) b.p.        |
| <b>SG&amp;A (excl. D&amp;A&amp;I, LTI, share-based payments and the impact of the Karusel transformation)</b> | <b>(86,059)</b> | <b>(73,681)</b> | <b>16.8</b>      | <b>(111,559)</b> | <b>(97,149)</b> | <b>14.8</b>      |
| % of revenue  | 14.2            | 14.5            | (28) b.p.        | 18.5             | 19.2            | (69) b.p.        |

In Q1 2022, SG&A expenses excluding D&A&I, LTI, share-based payments and the impact of the Karusel transformation under IFRS 16 as a percentage of revenue decreased by 28 b.p. to 14.2% (decreased by 69 b.p. to 18.5% pre-IFRS 16), driven by lower staff costs, lease expenses (for pre-IFRS 16), other store costs, third-party services and utilities costs.

As a percentage of revenue, the Company's income from leases, subleases and other operations<sup>7</sup> under IFRS 16 totalled 1.0%, a decrease of 13 b.p. year-on-year in Q1 2022 (a decrease of 1 b.p. to 1.0% pre-IFRS 16), due to decrease in gain on derecognition of right-of-use assets and lease liabilities.

## EBITDA and EBITDA margin

| RUB mln   | IFRS 16         |                 |                                   | Pre-IFRS 16      |                 |                                   |
|---|-----------------|-----------------|-----------------------------------|------------------|-----------------|-----------------------------------|
|   | Q1 2022         | Q1 2021         | change y-o-y,<br>%<br>or multiple | Q1 2022          | Q1 2021         | change y-o-y,<br>%<br>or multiple |
| <b>Gross profit</b>   | <b>150,430</b>  | <b>129,541</b>  | <b>16.1</b>                       | <b>148,472</b>   | <b>127,625</b>  | <b>16.3</b>                       |
| Gross profit margin, %  | 24.9            | 25.5            | (64) b.p.                         | 24.6             | 25.2            | (59) b.p.                         |
| <b>SG&amp;A (excl. D&amp;A&amp;I, LTI, share-based payments and the effect of the Karusel transformation)</b> | <b>(86,059)</b> | <b>(73,681)</b> | <b>16.8</b>                       | <b>(111,559)</b> | <b>(97,149)</b> | <b>14.8</b>                       |
| % of revenue  | 14.2            | 14.5            | (28) b.p.                         | 18.5             | 19.2            | (69) b.p.                         |
| <b>Net impairment losses on financial assets</b>  | <b>(435)</b>    | <b>(121)</b>    | <b>259.5</b>                      | <b>(435)</b>     | <b>(121)</b>    | <b>259.5</b>                      |
| % of revenue  | 0.07            | 0.02            | 5 b.p.                            | 0.07             | 0.02            | 5 b.p.                            |
| <b>Lease/sublease and other income (excl. the effect of the Karusel transformation)</b>                       | <b>6,243</b>    | <b>5,917</b>    | <b>5.5</b>                        | <b>6,054</b>     | <b>5,120</b>    | <b>18.2</b>                       |
| % of revenue  | 1.0             | 1.2             | (13) b.p.                         | 1.0              | 1.0             | (1) b.p.                          |
| <b>Adj. EBITDA</b>  | <b>70,179</b>   | <b>61,656</b>   | <b>13.8</b>                       | <b>42,532</b>    | <b>35,475</b>   | <b>19.9</b>                       |
| Adj. EBITDA margin, %   | 11.6            | 12.2            | (54) b.p.                         | 7.0              | 7.0             | 4 b.p.                            |
| <b>LTI, share-based payments and other one-off remuneration payment expenses and SSC</b>                      | <b>(376)</b>    | <b>(422)</b>    | <b>(10.9)</b>                     | <b>(376)</b>     | <b>(422)</b>    | <b>(10.9)</b>                     |
| % of revenue  | (0.1)           | (0.1)           | 2 b.p.                            | (0.1)            | (0.1)           | 2 b.p.                            |
| <b>Effect of the Karusel transformation</b>   | <b>(247)</b>    | <b>(7)</b>      | <b>35x</b>                        | <b>(247)</b>     | <b>(7)</b>      | <b>35x</b>                        |
| % of revenue  | (0.0)           | (0.0)           | (4) b.p.                          | (0.0)            | (0.0)           | (4) b.p.                          |
| <b>EBITDA</b>   | <b>69,556</b>   | <b>61,227</b>   | <b>13.6</b>                       | <b>41,909</b>    | <b>35,046</b>   | <b>19.6</b>                       |
| EBITDA margin, %  | 11.5            | 12.1            | (56) b.p.                         | 6.9              | 6.9             | 3 b.p.                            |

## D&A&I

Depreciation, amortisation and impairment costs under IFRS 16 decreased as a percentage of revenue by 6 b.p. year-on-year to 7.2% (up 52 b.p. year-on-year to 4.1% pre-IFRS 16) in Q1 2022, totalling RUB 43,366 million (RUB 24,803 million pre-IFRS 16). This was mainly driven by the impairment of non-current assets, offset by decreased depreciation of right-of-use assets under IFRS 16. The latter corresponds to the increase in interest expense on lease liabilities related to higher discount rates.

7. Mainly consists of lease/sublease income, income from the sale of recyclable materials and other one-off gains.

## Non-operating gains and losses

| RUB mln                  | IFRS 16       |               |                                   | Pre-IFRS 16   |               |                                   |
|--------------------------|---------------|---------------|-----------------------------------|---------------|---------------|-----------------------------------|
|                          | Q1 2022       | Q1 2021       | change y-o-y,<br>%<br>or multiple | Q1 2022       | Q1 2021       | change y-o-y,<br>%<br>or multiple |
| <b>Operating profit</b>  | <b>26,190</b> | <b>24,500</b> | <b>6.9</b>                        | <b>17,106</b> | <b>16,868</b> | <b>1.4</b>                        |
| Net finance costs        | (17,066)      | (13,365)      | 27.7                              | (5,810)       | (3,845)       | 51.1                              |
| Net FX result            | (3,294)       | (120)         | 27x                               | (2,307)       | (101)         | 23x                               |
| <b>Profit before tax</b> | <b>5,830</b>  | <b>11,015</b> | <b>(47.1)</b>                     | <b>8,989</b>  | <b>12,922</b> | <b>(30.4)</b>                     |
| Income tax expense       | (3,331)       | (3,377)       | (1.4)                             | (3,967)       | (3,759)       | 5.5                               |
| <b>Net profit</b>        | <b>2,499</b>  | <b>7,638</b>  | <b>(67.3)</b>                     | <b>5,022</b>  | <b>9,163</b>  | <b>(45.2)</b>                     |
| Net profit margin, %     | 0.4           | 1.5           | (109) b.p.                        | 0.8           | 1.8           | (98) b.p.                         |

## Consolidated cash flow statement highlights

| RUB mln  | IFRS 16       |                |                                   | Pre-IFRS 16   |                |                                   |
|--|---------------|----------------|-----------------------------------|---------------|----------------|-----------------------------------|
|  | Q1 2022       | Q1 2021        | change y-o-y,<br>%<br>or multiple | Q1 2022       | Q1 2021        | change y-o-y,<br>%<br>or multiple |
| Net cash from operating activities before changes in working capital | 70,757        | 60,407         | 17.1                              | 43,306        | 35,023         | 23.7                              |
| Change in working capital  | (24,192)      | (4,915)        | 5x                                | (23,894)      | (5,035)        | 5x                                |
| Net interest and income tax paid                                     | (20,409)      | (15,072)       | 35.4                              | (9,178)       | (5,575)        | 64.6                              |
| Net cash flows generated from operating activities                   | 26,156        | 40,420         | (35.3)                            | 10,234        | 24,413         | (58.1)                            |
| Net cash used in investing activities                                | (21,967)      | (18,704)       | 17.4                              | (22,124)      | (18,704)       | 18.3                              |
| Net cash generated from/(used in) financing activities               | 22,966        | (29,511)       | n/m                               | 39,045        | (13,504)       | n/m                               |
| Effect of exchange rate changes on cash and cash equivalents         | (5)           | -              | n/m                               | (5)           | -              | n/m                               |
| <b>Net increase/(decrease) in cash and cash equivalents</b>          | <b>27,150</b> | <b>(7,795)</b> | <b>n/m</b>                        | <b>27,150</b> | <b>(7,795)</b> | <b>n/m</b>                        |

In Q1 2022, the Company's net cash from operating activities before changes in working capital under IFRS 16 increased from a year ago by RUB 10,350 million to RUB 70,757 million (increased by RUB 8,283 million and totalled 43,306 million under pre-IFRS 16), reflecting business growth.

In Q1 2022, net cash flow from operating activities under IFRS 16 totalled RUB 26,156 million, down from RUB 40,420 million (RUB 10,234 million, down from RUB 24,413 million under pre-IFRS 16) in Q1 2021.

Net cash used in investing activities, which generally consists of

payments for property, plant and equipment, under IFRS 16 increased by 17.4% year-on-year to RUB 21,967 million in Q1 2022, compared with RUB 18,704 million in Q1 2021 (by 18.3% year-on-year to RUB 22,124 million, compared with RUB 18,704 million in Q1 2021 under pre-IFRS 16).

Net cash generated from financing activities under IFRS 16 was RUB 22,966 million (RUB 39,045 million under pre-IFRS 16) in Q1 2022, compared with net cash used in financing activities of RUB 29,511 million (RUB 13,504 million under pre-IFRS 16) in Q1 2021.

## Liquidity update

| RUB mln   | 31-Mar-22      | % of total | 31-Dec-21      | % of total | 31-Mar-21      | % of total |
|---|----------------|------------|----------------|------------|----------------|------------|
| <b>Total debt</b>                                   | <b>333,408</b> |            | <b>294,338</b> |            | <b>248,009</b> |            |
| Short-term debt                                     | 115,489        | 34.6       | 87,767         | 29.8       | 78,081         | 31.5       |
| Long-term debt                                      | 217,919        | 65.4       | 206,571        | 70.2       | 169,928        | 68.5       |
| Net debt (pre-IFRS 16)                              | 280,196        |            | 268,276        |            | 235,796        |            |
| Adjusted net debt (pre-IFRS 16) <sup>8</sup>        | 229,063        |            | 218,184        |            | 235,796        |            |
| Net debt/EBITDA (pre-IFRS 16)                       | 1.67x          |            | 1.67x          |            | 1.60x          |            |
| Adjusted net debt/EBITDA (pre-IFRS 16) <sup>8</sup> | 1.36x          |            | 1.35x          |            | 1.60x          |            |
| Lease liabilities (IFRS 16)                         | 570,090        |            | 577,363        |            | 555,815        |            |
| Net debt/EBITDA (IFRS 16)                           | 3.08x          |            | 3.16x          |            | 3.18x          |            |
| Adjusted net debt/EBITDA (IFRS 16) <sup>8</sup>     | 2.89x          |            | 2.97x          |            | 3.18x          |            |

The Company's net debt/EBITDA ratio under IFRS 16 was 3.08x (1.67x pre-IFRS 16) as of 31 March 2022.

The Company's debt pre-IFRS 16 is 100% denominated in Russian roubles.

As of 31 March 2022, the Company had access to RUB 435,060 million in available credit limits with major Russian and international banks.

## 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.

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**X5 Retail Group N.V.**

**Condensed Consolidated Interim  
Financial Information**

**Three months ended 31 March 2022**

The attached condensed consolidated interim statement of financial position, condensed consolidated interim statement of profit or loss, condensed consolidated interim statement of comprehensive income, condensed consolidated interim statement of cash flows and condensed consolidated interim statement of changes in equity have been prepared on the basis of the X5 Retail Group NV accounting policies as disclosed in the unaudited annual financial statements for the year ended 31 December 2021. These accounting policies have been consistently applied in the preparation of these statements except for adoption of new standards that are mandatory for financial annual periods beginning on 1 January 2022 and the fact that these statements do not comprise a full set of financial statements as required by International Financial Reporting Standards as adopted by the EU.



**X5 Retail Group N.V.**  
**Condensed Consolidated Interim Statement of Financial Position**  
**at 31 March 2022**  
*(expressed in millions of Russian Roubles, unless otherwise stated)*

|  | 31 March 2022    | 31 December 2021 |
|--|------------------|------------------|
| <b>Assets</b>  |                  |                  |
| <b>Non-current assets</b>                                  |                  |                  |
| Property, plant and equipment                              | 325,617          | 332,144          |
| Right-of-use assets  | 491,909          | 502,325          |
| Investment properties                                      | 4,761            | 4,461            |
| Goodwill   | 105,109          | 105,028          |
| Other intangible assets                                    | 34,643           | 39,006           |
| Investments in associates and joint ventures               | 50               | 50               |
| Other non-current assets                                   | 4,900            | 4,209            |
| Deferred tax assets  | 22,495           | 23,047           |
|  | <b>989,484</b>   | <b>1,010,270</b> |
| <b>Current assets</b>                                      |                  |                  |
| Inventories  | 169,122          | 166,840          |
| Indemnification asset                                      | 452              | 435              |
| Trade, other accounts receivable and prepayments           | 16,734           | 20,190           |
| Current income tax receivable                              | 5,477            | 4,057            |
| VAT and other taxes receivable                             | 9,014            | 8,802            |
| Short-term financial investments                           | 51,133           | 50,092           |
| Cash and cash equivalents                                  | 53,212           | 26,062           |
|  | <b>305,144</b>   | <b>276,478</b>   |
| <b>Total assets</b>  | <b>1,294,628</b> | <b>1,286,748</b> |
| <b>Equity and liabilities</b>                              |                  |                  |
| <b>Equity attributable to equity holders of the parent</b> |                  |                  |
| Share capital  | 2,458            | 2,458            |
| Share premium  | 46,127           | 46,127           |
| Retained earnings  | 41,425           | 38,926           |
| Share-based payment reserve                                | 144              | 118              |
|  | <b>90,154</b>    | <b>87,629</b>    |
| <b>Total equity</b>  | <b>90,154</b>    | <b>87,629</b>    |
| <b>Non-current liabilities</b>                             |                  |                  |
| Long-term borrowings                                       | 217,919          | 206,571          |
| Long-term lease liabilities                                | 500,232          | 507,099          |
| Deferred tax liabilities                                   | 726              | 928              |
| Other non-current liabilities                              | 1,869            | 1,670            |
|  | <b>720,746</b>   | <b>716,268</b>   |
| <b>Current liabilities</b>                                 |                  |                  |
| Trade accounts payable                                     | 192,458          | 212,949          |
| Short-term borrowings                                      | 115,489          | 87,767           |
| Interest accrued   | 3,085            | 1,792            |
| Short-term lease liabilities                               | 69,858           | 70,264           |
| Short-term contract liabilities                            | 3,981            | 2,392            |
| Current income tax payable                                 | 3,482            | 3,014            |
| Provisions and other liabilities                           | 95,375           | 104,673          |
|  | <b>483,728</b>   | <b>482,851</b>   |
| <b>Total liabilities</b>                                   | <b>1,204,474</b> | <b>1,199,119</b> |
| <b>Total equity and liabilities</b>                        | <b>1,294,628</b> | <b>1,286,748</b> |

Vsevolod Starukhin  
Chief Financial Officer  
26 April 2022

**X5 Retail Group N.V.**  
**Condensed Consolidated Interim Statement of Profit or Loss**  
**for the three months ended 31 March 2022**  
*(expressed in millions of Russian Roubles, unless otherwise stated)*

|   | <b>Three months ended 31 March</b> |                |
|---|------------------------------------|----------------|
|   | <b>2022</b>                        | <b>2021</b>    |
| Revenue   | 604,230                            | 507,191        |
| Cost of sales   | (453,800)                          | (377,650)      |
| <b>Gross profit</b>   | <b>150,430</b>                     | <b>129,541</b> |
| Selling, general and administrative expenses  | (130,048)                          | (110,837)      |
| Net impairment losses on financial assets   | (435)                              | (121)          |
| Lease/sublease and other income   | 6,243                              | 5,917          |
| <b>Operating profit</b>   | <b>26,190</b>                      | <b>24,500</b>  |
| Finance costs   | (18,591)                           | (13,370)       |
| Finance income  | 1,525                              | 5              |
| Net foreign exchange loss   | (3,294)                            | (120)          |
| <b>Profit before tax</b>  | <b>5,830</b>                       | <b>11,015</b>  |
| Income tax expense  | (3,331)                            | (3,377)        |
| <b>Profit for the year</b>  | <b>2,499</b>                       | <b>7,638</b>   |
| <b>Profit for the year attributable to:</b>   |                                    |                |
| Equity holders of the parent  | 2,499                              | 7,638          |
| Basic earnings per share for profit attributable to the equity holders of the parent (expressed in RUB per share)   | <b>36.81</b>                       | <b>112.52</b>  |
| Diluted earnings per share for profit attributable to the equity holders of the parent (expressed in RUB per share) | <b>36.81</b>                       | <b>112.51</b>  |

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Vsevolod Starukhin  
Chief Financial Officer  
26 April 2022

**X5 Retail Group N.V.**  
**Condensed Consolidated Interim Statement of Comprehensive Income**  
**for the three months ended 31 March 2022**  
*(expressed in millions of Russian Roubles, unless otherwise stated)*

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|   | <b>Three months ended 31 March</b> |              |
|---|------------------------------------|--------------|
|   | <b>2022</b>                        | <b>2021</b>  |
| Profit for the year   | 2,499                              | 7,638        |
| <b>Total comprehensive income for the year, net of tax</b>      | <b>2,499</b>                       | <b>7,638</b> |
| <b>Total comprehensive income for the year attributable to:</b> |                                    |              |
| Equity holders of the parent                                    | 2,499                              | 7,638        |

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Vsevolod Starukhin  
Chief Financial Officer  
26 April 2022

**X5 Retail Group N.V.**  
**Condensed Consolidated Interim Statement of Cash Flows**  
**for the three months ended 31 March 2022**  
*(expressed in millions of Russian Roubles, unless otherwise stated)*

|  | <b>Three months ended 31 March</b> |                 |
|--|------------------------------------|-----------------|
| Note   | <b>2022</b>                        | <b>2021</b>     |
| <b>Profit before tax</b>   | <b>5,830</b>                       | <b>11,015</b>   |
| <i>Adjustments for:</i>  |                                    |                 |
| Depreciation, amortisation and impairment of property, plant and equipment, right-of-use assets, investment properties, other intangible assets and goodwill | 43,366                             | 36,727          |
| Loss/(gain) on disposal of property plant and equipment, investment properties and intangible assets and gain on derecognition of right-of-use assets        | 56                                 | (1,234)         |
| Finance costs, net   | 17,066                             | 13,365          |
| Net impairment losses on financial assets  | 435                                | 121             |
| Impairment of prepayments  | 357                                | 62              |
| Share-based compensation expense   | 26                                 | 36              |
| Net foreign exchange loss  | 3,294                              | 120             |
| Other non-cash items   | 327                                | 195             |
| <b>Net cash from operating activities before changes in working capital</b>  | <b>70,757</b>                      | <b>60,407</b>   |
| Decrease in trade, other accounts receivable and prepayments and VAT and other taxes receivable  | 1,750                              | 2,745           |
| (Increase)/decrease in inventories   | (2,282)                            | 2,935           |
| Decrease in trade payable  | (22,557)                           | (10,483)        |
| Decrease in other accounts payable and contract liabilities  | (1,103)                            | (112)           |
| <b>Net cash flows from operations</b>  | <b>46,565</b>                      | <b>55,492</b>   |
| Interest paid  | (16,969)                           | (12,670)        |
| Interest received  | 438                                | 7               |
| Income tax paid  | (3,878)                            | (2,409)         |
| <b>Net cash flows from operating activities</b>  | <b>26,156</b>                      | <b>40,420</b>   |
| <b>Cash flows from investing activities</b>  |                                    |                 |
| Purchase of property, plant and equipment and initial direct costs associated with right-of-use assets   | (18,583)                           | (16,736)        |
| Acquisition of businesses, net of cash acquired  | (196)                              | (98)            |
| Proceeds from disposal of property, plant and equipment, investment properties and intangible assets   | 1,558                              | 1,492           |
| Purchase of other intangible assets  | (4,746)                            | (3,362)         |
| <b>Net cash flows used in investing activities</b>   | <b>(21,967)</b>                    | <b>(18,704)</b> |
| <b>Cash flows from financing activities</b>  |                                    |                 |
| Proceeds from loans  | 84,990                             | 42,685          |
| Repayment of loans   | (45,945)                           | (56,189)        |
| Payments of principal portion of lease liabilities   | (16,079)                           | (16,007)        |
| <b>Net cash flows from/(used in) financing activities</b>  | <b>22,966</b>                      | <b>(29,511)</b> |
| Effect of exchange rate changes on cash and cash equivalents   | (5)                                | -               |
| <b>Net increase/(decrease) in cash and cash equivalents</b>  | <b>27,150</b>                      | <b>(7,795)</b>  |
| <b>Movements in cash and cash equivalents</b>  |                                    |                 |
| Cash and cash equivalents at the beginning of the year   | 26,062                             | 20,008          |
| Net increase/(decrease) in cash and cash equivalents   | 27,150                             | (7,795)         |
| <b>Cash and cash equivalents at the end of the year</b>  | <b>53,212</b>                      | <b>12,213</b>   |

Vsevolod Starukhin  
Chief Financial Officer  
26 April 2022

**X5 Retail Group N.V.**  
**Condensed Consolidated Interim Statement of Changes In Equity**  
**for the three months ended 31 March 2022**  
*(expressed in millions of Russian Roubles, unless otherwise stated)*

|  | Attributable to equity holders of the parent |               |               |                             |                   |                            | Total          |
|--|--|---------------|---------------|-----------------------------|-------------------|----------------------------|----------------|
|  | Number of shares                             | Share capital | Share premium | Share-based payment reserve | Retained earnings | Total shareholders' equity |                |
| <b>Balance as at 1 January 2021</b>              | <b>67,882,444</b>                            | <b>2,458</b>  | <b>46,086</b> | <b>104</b>                  | <b>46,194</b>     | <b>94,842</b>              | <b>94,842</b>  |
| Profit for the period                            | -  | -             | -             | -                           | 7,638             | 7,638                      | 7,638          |
| <b>Total comprehensive income for the period</b> | <b>-</b>                                     | <b>-</b>      | <b>-</b>      | <b>-</b>                    | <b>7,638</b>      | <b>7,638</b>               | <b>7,638</b>   |
| Share-based payment compensation                 | -  | -             | -             | 36                          | -                 | 36                         | 36             |
| <b>Balance as at 31 March 2021</b>               | <b>67,882,444</b>                            | <b>2,458</b>  | <b>46,086</b> | <b>140</b>                  | <b>53,832</b>     | <b>102,516</b>             | <b>102,516</b> |
| <b>Balance as at 1 January 2022</b>              | <b>67,888,696</b>                            | <b>2,458</b>  | <b>46,127</b> | <b>118</b>                  | <b>38,926</b>     | <b>87,629</b>              | <b>87,629</b>  |
| Profit for the period                            | -  | -             | -             | -                           | 2,499             | 2,499                      | 2,499          |
| <b>Total comprehensive income for the period</b> | <b>-</b>                                     | <b>-</b>      | <b>-</b>      | <b>-</b>                    | <b>2,499</b>      | <b>2,499</b>               | <b>2,499</b>   |
| Share-based payment compensation                 | -  | -             | -             | 26                          | -                 | 26                         | 26             |
| <b>Balance as at 31 March 2022</b>               | <b>67,888,696</b>                            | <b>2,458</b>  | <b>46,127</b> | <b>144</b>                  | <b>41,425</b>     | <b>90,154</b>              | <b>90,154</b>  |

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Vsevolod Starukhin  
Chief Financial Officer  
26 April 2022