

# X5 Group 2022 net sales increase **18.3%**

## Digital business net sales up **46.6%**

### FY 2022 HIGHLIGHTS

**+18.3%** y-o-y



Total net sales increased by RUB **402.2** billion, totalling RUB **2.6** trillion  
**10.8%** y-o-y increase in like-for-like (LFL<sup>1</sup>) sales  
**7.5%** contribution to sales growth from a **8.3%** increase in selling space

**+2,202** new stores



X5 net new stores in 2022  
 Including **1,192** proximity stores, **445** hard discounters, **595** Krasny Yar and Slata stores, **7** joint dark stores and **6** dark kitchens.  
**19** supermarkets, **21** hypermarkets and **3** Vprok.ru dark stores were closed.

**12x** y-o-y



Chizhik net sales increased by RUB **33.0** billion, totalling RUB **35.9** billion  
 Chizhik opened **445** stores and entered **9** new regions in 2022.

**+18.0%** y-o-y



Net offline retail sales for Pyaterochka increased by RUB **320.5** billion, totalling RUB **2.1** trillion

**+8.3%** y-o-y



Net offline retail sales for Perekrestok increased by RUB **27.9** billion, reaching RUB **365** billion

**+46.6%** y-o-y



Digital business<sup>2</sup> net sales increased by RUB **22.4** billion, totalling RUB **70.4** billion  
**2.7%** of total net sales  
**+0.6 p.p.** of consolidated revenue growth rate

### Q4 2022 HIGHLIGHTS

**+16.3%** y-o-y



Total net sales increased by RUB **98.6** billion, totalling RUB **704.0** billion  
**7.9%** y-o-y increase in like-for-like (LFL<sup>1</sup>) sales  
**8.4%** contribution to sales growth from a **8.3%** increase in selling space

**+1,093** new stores



X5 net new stores in Q4 2022  
 Including **299** proximity stores, **201** hard discounters, **595** Krasny Yar and Slata stores, **2** dark kitchens and **3** joint dark stores.  
**5** hypermarkets and **2** Vprok.ru dark stores were closed.

**8x** y-o-y



Chizhik net sales increased by RUB **13.4** billion, totalling RUB **15.2** billion

**+13.5%** y-o-y



Net offline retail sales for Pyaterochka increased by RUB **65.5** billion, reaching RUB **551.9** billion

**+4.4%** y-o-y



Net offline retail sales for Perekrestok increased by RUB **4.1** billion, reaching RUB **98.0** billion

**+ 35.8%** y-o-y



Digital business<sup>2</sup> net sales increased by RUB **5.8** billion, totalling RUB **22.1** billion  
**3.1%** of total net sales  
**+0.6 p.p.** of consolidated revenue growth rate

Amsterdam  
 24 January 2023

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 announces its preliminary consolidated net retail sales and operational results for the fourth quarter (Q4) and full year (FY) ended 31 December 2022<sup>3</sup>.

1. 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 LFL calculations starting from the day of the store's opening. We include all stores that fit our LFL criteria in each reporting period.  
 2. Vprok.ru, express delivery, 5Post and Mnogo Lososya.  
 3. Numbers in this press release are preliminary and have not been reviewed or audited by the Company's auditor.



**Igor Shekhterman**  
X5 Chief Executive Officer

Despite a challenging macro environment, X5 Group continued to deliver strong results while expanding our market presence and customer offering. In that regard, I would like to start off by thanking the entire X5 team, including all staff and management, for their contribution to X5's impressive performance and their commitment to providing the best possible value and service to our customers.

In 2022, total net sales grew by 18.3% to RUB 2.6 trillion, with net offline sales at Pyaterochka and Perekrestok increasing by 18.0% and 8.3% year-on-year, respectively. X5 added 2,202 net new stores in 2022 (compared to 1,366 net new stores in 2021), driven by the expansion of the Group's proximity and hard discounter formats as well as the addition of stores from Krasny Yar and Slata, two leading retailers in Eastern Siberia, with whom X5 finalised a strategic partnership this year.

We have continued to see standout performance from our hard discounter format, Chizhik, since its launch in the fall of 2020. Chizhik's net sales grew 12-fold year-on-year in 2022 to nearly RUB 36 billion, while the number of stores increased 7-fold to a total of 517 stores by the end of December. The hard discounter format has proven attractive to customers looking for the best price offer amid ongoing food inflation, and we plan to accelerate store openings for Chizhik in 2023.

X5's digital businesses saw net sales rise by 46.6% year-on-year to RUB 70.4 billion, with our express delivery service, Vprok.ru online hypermarket and the Mnogo Lososya ready-to-eat delivery service demonstrating solid GMV growth in 2022. In 2022, we continued to rapidly expand express delivery services from

Pyaterochka and Perekrestok stores and secured partnerships with three leading delivery aggregators to make online delivery from X5 stores even more convenient. We also completed a revamp of our loyalty programme, X5 Club, which numbered nearly 70 million active loyal customers by the end of Q4 2022.

Social responsibility became an even bigger priority for X5 in 2022. I would particularly like to note our tremendous effort to ensure that all products remained available for our customers despite a very challenging supply chain environment. X5 also continued to support local communities through various charitable initiatives. Notably, we collected more than 518 tonnes of food donations through our Basket of Kindness joint project, a 1.5-fold increase from the amount collected in 2021. We also launched a pilot food sharing initiative, which we plan to roll out across more regions of Russia.

In 2023, our key areas of focus include entry into the Russian Far East, which will significantly expand X5's market geography and create new opportunities for customers and suppliers in the region. After signing a cooperation agreement with the Russian Far East and Arctic Development Corporation (RFEADC) in September 2022, we plan to assess local infrastructure needs in Q1 2023 in order to develop our further course of action.

Additionally, in 2023 we will continue to actively expand our hard discounter and proximity store networks with a focus on more accessible pricing, as well as reviewing opportunities to expand to new territories through strategic partnerships with local retail chains.

## NET SALES PERFORMANCE

### Sales of offline and digital businesses<sup>4</sup>

RUB MLN	Q4 2022	Q4 2021	CHANGE Y-O-Y, % OR MULTIPLE	FY 2022	FY 2021	CHANGE Y-O-Y, % OR MULTIPLE
Pyaterochka	551,900	486,449	13.5	2,100,019	1,779,550	18.0
Perekrestok	97,965	93,861	4.4	365,283	337,362	8.3
Karusel	2,355	6,987	(66.3)	15,693	31,723	(50.5)
Chizhik	15,233	1,854	8x	35,893	2,940	12x
Offline net sales <sup>5</sup>	681,935	589,151	15.7	2,531,369	2,151,575	17.7
Digital businesses' net sales	22,058	16,244	35.8	70,354	47,991	46.6
<b>Total net sales</b>	<b>703,993</b>	<b>605,395</b>	<b>16.3</b>	<b>2,601,723</b>	<b>2,199,566</b>	<b>18.3</b>

4. In the tables and text of this press release, immaterial deviations in the calculation of % change, subtotals and totals are due to rounding.

5. Including Krasny Yar and Slata.

## Net retail sales<sup>6</sup> by format

Including express delivery, excluding Vprok.ru and 5Post sales

RUB MLN	Q4 2022	Q4 2021	CHANGE Y-O-Y, % OR MULTIPLE	FY 2022	FY 2021	CHANGE Y-O-Y, % OR MULTIPLE
Pyaterochka	560,440	491,290	14.1	2,122,793	1,793,676	18.3
Perekrestok	104,400	97,986	6.5	385,495	348,941	10.5
Karusel	2,355	6,993	(66.3)	15,693	31,742	(50.6)
Chizhik	15,233	1,854	8x	35,893	2,940	12x
<b>Net retail sales<sup>7</sup></b>	<b>697,568</b>	<b>598,519</b>	<b>16.5</b>	<b>2,576,578</b>	<b>2,178,298</b>	<b>18.3</b>

## Q4 & FY 2022 LFL store performance by format

% change y-o-y<sup>8</sup>

	Q4 2022			FY 2022		
	SALES	TRAFFIC	BASKET	SALES	TRAFFIC	BASKET
Pyaterochka	8.4	4.7	3.6	11.7	3.5	7.9
Perekrestok	5.3	1.2	4.0	7.1	0.0	7.1
<b>X5 Group<sup>9</sup></b>	<b>7.9</b>	<b>4.3</b>	<b>3.5</b>	<b>10.8</b>	<b>3.1</b>	<b>7.5</b>

## Q4 2022 monthly net retail sales (RUB) by format

change y-o-y, % or multiple

	OCTOBER 2022	NOVEMBER 2022	DECEMBER 2022
Pyaterochka	14.1	12.8	13.5
Perekrestok	4.1	4.7	4.3
Karusel	(61.8)	(66.3)	(69.6)
Chizhik	10x	9x	7x
<b>Offline business total</b>	<b>14.5</b>	<b>16.2</b>	<b>16.4</b>
<b>Digital business total</b>	<b>31.7</b>	<b>27.3</b>	<b>45.7</b>
<b>Total</b>	<b>14.9</b>	<b>16.5</b>	<b>17.2</b>

6. Net retail sales represent revenue from operations of X5-managed stores net of VAT. This number differs from revenue, which also includes proceeds from direct franchisees (royalty payments) and other revenue, which will be reported as part of X5's Q4 2022 financial results.

7. Including Mnogo Lososya, Krasny Yar and Slata.

8. Excluding Vprok.ru and Mnogo Lososya.

9. Including Chizhik and Karusel.

## AVERAGE TICKET AND NUMBER OF CUSTOMER VISITS

### Q4 & FY 2022 average ticket and customer visits by offline format

AVERAGE TICKET, RUB	Q4 2022	Q4 2021	CHANGE Y-O-Y, % OR MULTIPLE	FY 2022	FY 2021	CHANGE Y-O-Y, % OR MULTIPLE
Pyaterochka	453.9	438.5	3.5	441.3	409.2	7.9
Perekrestok	713.0	683.7	4.3	670.6	626.0	7.1
Karusel	1,149.2	1,198.9	(4.1)	1,070.7	1,016.6	5.3
Chizhik	609.8	616.7	(1.1)	630.3	567.8	11.0
X5 Group <sup>10</sup>	484.2	470.0	3.0	469.0	437.4	7.2
NUMBER OF CUSTOMER VISITS, MLN						
Pyaterochka	1,415.1	1,284.6	10.2	5,524.1	5,028.7	9.9
Perekrestok	167.1	163.8	2.0	657.6	636.5	3.3
Karusel	2.4	6.8	(65.1)	16.9	36.0	(53.1)
Chizhik	28.5	3.4	8x	64.8	5.9	11x
X5 Group <sup>10</sup>	1,648.2	1,458.5	13.0	6,298.6	5,707.1	10.4

### Q4 2022 average monthly ticket and customer visits by offline format

change y-o-y, % or multiple

AVERAGE TICKET	OCTOBER 2022	NOVEMBER 2022	DECEMBER 2022
Pyaterochka	4.0	2.8	3.7
Perekrestok	4.9	2.3	5.3
Karusel	(2.4)	(4.5)	(2.9)
Chizhik	3.4	0.8	(3.8)
X5 Group <sup>10</sup>	3.6	2.2	3.1
NUMBER OF CUSTOMER VISITS			
Pyaterochka	9.6	10.6	10.3
Perekrestok	0.2	4.4	1.7
Karusel	(60.9)	(64.9)	(69.0)
Chizhik	10x	9x	7x
X5 Group <sup>10</sup>	10.5	14.7	14.0

<sup>10</sup>Including Krasny Yar and Slata.

## EXPANSION DYNAMICS

### Selling space and number of stores by format

SELLING SPACE, SQUARE METRES	AS AT 31-DEC-22	AS AT 31-DEC-21	CHANGE VS 31-DEC-21, % OR MULTIPLE
Pyaterochka	7,497,056	7,048,488	6.4
Perekrestok	1,085,496	1,098,905	(1.2)
Karusel	49,225	128,063	(61.6)
Chizhik	152,370	20,327	7x
Joint dark stores	8,087	-	n/a
<b>X5 Group<sup>11</sup></b>	<b>9,107,479</b>	<b>8,409,757</b>	<b>8.3</b>
NUMBER OF STORES			
Pyaterochka	19,164	17,972	6.6
Perekrestok	971	990	(1.9)
Karusel	12	33	(63.6)
Chizhik	517	72	7x
Joint dark stores	7	-	n/a
<b>X5 Group<sup>11</sup></b>	<b>21,323</b>	<b>19,121</b>	<b>11.5</b>

<sup>11</sup>Including Vprok.ru dark stores, Mnogo Lososya dark kitchens, Krasny Yar and Slata stores.

## Selling space and number of stores added by format

SELLING SPACE, SQUARE METRES	NET ADDED Q4 2022	NET ADDED Q4 2021	CHANGE Y-O-Y, % OR MULTIPLE	NET ADDED FY 2022	NET ADDED FY 2021	CHANGE Y-O-Y, % OR MULTIPLE
Pyaterochka	111,224	138,886	(19.9)	448,568	506,866	(11.5)
Perekrestok	(7,509)	18,194	n/a	(13,409)	85,046	n/a
Karusel	(18,521)	(5,008)	n/a	(78,837)	(94,056)	n/a
Chizhik	59,352	12,464	5x	132,043	19,347	7x
Joint dark stores	2,729	-	n/a	8,087	-	n/a
<b>X5 Group<sup>12</sup></b>	<b>348,288</b>	<b>193,774</b>	<b>79.7</b>	<b>697,722</b>	<b>569,702</b>	<b>22.5</b>
<b>NET NUMBER OF STORES</b>						
Pyaterochka	299	372	(19.6)	1,192	1,263	(5.6)
Perekrestok	-	10	n/a	(19)	57	n/a
Karusel	(5)	(1)	n/a	(21)	(23)	n/a
Chizhik	201	43	5x	445	68	7x
Joint dark stores	3	-	n/a	7	-	n/a
<b>X5 Group<sup>12</sup></b>	<b>1,093</b>	<b>433</b>	<b>152.4</b>	<b>2,202</b>	<b>1,414</b>	<b>55.7</b>

## DIGITAL BUSINESS PERFORMANCE

VPROK.RU	Q4 2022	Q4 2021	CHANGE Y-O-Y, % OR MULTIPLE	FY 2022	FY 2021	CHANGE Y-O-Y, % OR MULTIPLE
GMV, <sup>13</sup> RUB mln	6,521	6,824	(4.4)	26,236	22,081	18.8
Number of orders, ths	1,219	1,477	(17.5)	5,336	4,706	13.4
Average ticket, RUB	5,307	4,454	19.1	4,798	4,533	5.8
<b>EXPRESS DELIVERY</b>						
GMV, <sup>13</sup> RUB mln	17,794	10,801	64.7	50,587	30,800	64.2
Number of orders, ths	10,379	6,418	61.7	29,038	19,183	51.4
Average ticket, RUB	1,652	1,608	2.8	1,694	1,533	10.5
<b>5POST</b>						
Number of parcels, ths	6,866	12,203	(43.7)	25,986	26,994	(3.7)
<b>MNOGO LOSOSYA</b>						
GMV, <sup>14</sup> RUB mln	1,294	608	113.0	4,066	1,447	181.0
Number of orders, ths	400	284	40.6	1,481	744	99.0
Average ticket, RUB	1,970	1,728	14.0	1,915	1,640	16.8

<sup>12</sup>Including Vprok.ru dark stores, Mnogo Lososya dark kitchens, Krasny Yar and Slata stores.

<sup>13</sup>GMV is the value of delivered orders at their final prices (incl. VAT), gross of promo codes and bonuses applied.

<sup>14</sup>GMV is the value of delivered orders at their final prices (incl. VAT), gross of promo codes and bonuses applied including delivery and sushi points in Perekrestok.

## KEY DRIVERS FOR Q4 2022 RESULTS

### External environment

- Food inflation in Q4 2022 was 11.2% year-on-year (vs. 15.6% year-on-year in Q3 2022). Deceleration in the growth rate of food prices was driven by a high base effect at the end of 2021 and weaker demand on food products.
- Russian food retail market decreased by 2.7% in real terms in April-November 2022. Migration outflows in early autumn locally reduced demand for food. However, demand began to recover by October.
- Real wages resumed growth for the first time since March 2022. The rate of price growth is decelerating, while nominal wages are steadily increasing at an average rate of 10-12%.
- The labour market remains strong. Unemployment declined to a record low of 3.7% in November despite seasonality.
- The Bank of Russia left the key rate unchanged at 7.5%.

### Offline business development

- Pyaterochka's offline net sales demonstrated strong growth of 13.5% year-on-year, with LFL sales increasing by 8.4% in Q4 2022. LFL traffic increased by 4.7% year-on-year, while the LFL basket increased by 3.6% year-on-year, driven by price investments and decelerating food inflation. Pyaterochka's network continued to expand, with 341 new stores opened in Q4 2022 (on a gross basis).
- Perekrestok's offline net sales increased by 4.4% year-on-year in Q4 2022, with LFL sales growth at 5.3%, reflecting the closure of nine stores in Q4 2022.
- Chizhik's net sales increased 8-fold year-on-year in Q4 2022. The network opened 201 new stores during the period and totalled 517 stores as of 31 December 2022. We expect further acceleration of openings in 2023.
- In Q4 2022, Karusel's offline net sales decreased by 66.3%, driven by downsizing as part of the format's transformation programme. LFL sales were down by 33.5%, mainly due to activities in some of the remaining Karusel stores preparing for closure.

### Expansion and retail portfolio improvement

- X5 continues to focus on strengthening its positions in key regions of operation and expanding its presence and market share organically, as well as through selected tactical M&A opportunities.
- 339 gross new-concept Pyaterochka stores were opened in Q4 2022; in addition, 57 Pyaterochka stores were refurbished in line with the new concept. The total number of stores operating under the new concept reached 6,046, or 31.5% of the Pyaterochka store base, as of 31 December 2022.
- 16 Perekrestok supermarkets were opened following refurbishment in Q4 2022, in addition to the opening of nine new stores. As of 31 December 2022, 262 supermarkets, or 27% of the Perekrestok store base, were operating under the new concept.
- In November 2022, X5 finalised a strategic partnership with Krasny Yar and Slata groups, two of the leading retailers in Eastern Siberia. As part of the agreement, X5 acquired 70% of Krasny Yar's and Slata's businesses.
- In Q4 2022, as part of the Company's ongoing rationalisation programme, X5 closed 42 proximity stores, nine supermarkets, five hypermarkets, two Vprok.ru dark stores and four dark kitchens.
- In Q4 2022, X5 opened one new distribution centre in the Moscow region (12 ths sq. m) to support its Chizhik hard discounter format.



## Loyalty programmes

- In Q4 2022, over 19.5 thousand stores were connected to the new processing system for X5 Group's loyalty programme, X5 Club. At the end of Q4, the number of active loyalty programme customers was 69.5 million, while the programme's sales penetration reached 78.3%. The average ticket of an active customer when using a loyalty card increased two-fold compared to an active customer not using a loyalty card.
- In Q4 2022, X5 Group launched new features of its loyalty programme: customers can now accumulate bonus points more quickly by selecting favorite product categories or attaining a higher membership level. Bonus points can be accumulated and used at Pyaterochka and Perekrestok stores. 16% of mobile app users actively choose their favorite categories and c. 24% of active monthly customers meet the conditions to move up to a higher membership level.

## Digital business development

- In Q4 2022, X5 digital services MAUs decreased by 23.6% to a total of 20.5 million, driven by a decrease in MAUs of X5's online media platform Food.ru by 52.7% on the back of restrictions on foreign social networks in Russia.
- The combined GMV of express delivery and Vprok.ru services in Q4 2022 reached RUB 24.3 billion, up 38.0% year-on-year, including VAT and gross of promo codes and bonuses. Express delivery GMV increased by 64.7% year-on-year.
- Total digital business revenue (including Vprok.ru, express delivery, 5Post and Mnogo Lososya) grew 35.8% year-on-year in Q4 2022 and contributed 0.6 p.p. to the consolidated quarterly revenue growth rate of 16.3%. Vprok.ru and express delivery successfully fulfilled 235 thousand orders on peak days in December, an increase of 73% year-on-year.
- X5 continues the rapid expansion of express delivery services from Pyaterochka proximity stores and Perekrestok supermarkets. In October 2022, X5 partnered with Yandex Eats in addition to SberMarket and Delivery Club to expand its online delivery offering from X5 stores. As of 31 December 2022, express delivery is available from 4,483 stores (3,674 Pyaterochka stores and 809 Perekrestok supermarkets) as well as 45 dark stores in 64 regions, compared with 1,611 stores and 50 regions a year earlier. X5 aims to continue to develop its express delivery services as well as its partnerships with aggregators to offer customers the convenience of an omnichannel shopping experience.
- In Q4 2022, the total number of Vprok.ru orders decreased by 17.5% year-on-year and totalled 1.2 million in Q4 2022. In October 2022, X5 Group expanded its partnership with SberMarket to offer deliveries from Vprok.ru in Moscow and St. Petersburg.
- In Q4 2022, 5Post's e-commerce delivery service revenue decreased by 30% year-on-year due to a decreased number of parcels from international providers. At the same time, 5Post's financial performance significantly improved due to a growing share of the services' domestic partners. Orders fulfilled by 5Post reached 6.9 million in Q4 2022, with over 23 thousand pickup points in operation, including over 5 thousand multi-parcel lockers. 5Post is increasing the volume of deliveries it processes from existing partners and is accelerating its integration with new partners. Parcel lockers and pickup points in stores generate additional LFL traffic of up to 2%-3%.
- The Mnogo Lososya ready-to-eat digital service, which became part of X5 Group in late March 2021, was operating 58 dark kitchens (including four franchisees) and 235 sushi points in Perekrestok supermarkets by the end of December. Mnogo Lososya's online net sales increased by 65.7% y-o-y in Q4 2022.



## NOTE TO EDITORS

X5 Retail Group N.V. (LSE and MOEX: FIVE; Expert RA – ruAAA; ACRA – AAA(RU)) 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, 5Post and Mnogo Lososya.

As of 31 December 2022, X5 had 21,323 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 19,164 Pyaterochka proximity stores, 971 Perekrestok supermarkets, 517 Chizhik hard discounters and 595 Krasny Yar and Slatka stores. The Company operates 53 DCs and 4,386 Company-owned trucks across the Russian Federation.

X5 is one of the largest employers in Russia. The Company employs over 352 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 9M 2022, revenue totalled RUB 1,900,049 million (USD 26,908 million\*\*), adjusted EBITDA pre-IFRS 16 reached RUB 152,894 million (USD 2,165 million\*\*), and net profit pre-IFRS 16 amounted to RUB 46,395 million (USD 657 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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