

## **X5, ROSBANK AND NSPK MAKE FIRST TRANSACTION THROUGH FASTER PAYMENT SYSTEM**

**Moscow, 11 December 2019** – X5 Retail Group ("X5" or the "Company"), a leading Russian food retailer (LSE and MOEX ticker: "FIVE"), and the National Payment Card System (NSPK) have made the first successful C2B transaction via the Faster Payment System (FPS) using a dynamic QR code. X5 became the first food retailer to process a payment with the new technology.

The C2B payment via the FPS with a QR-code was enabled by ROSBANK. The transaction was made through a self-checkout counter developed by X5 and located in its innovation lab. To make an FPS-based payment, all a customer needs to do is scan the dynamic QR code in ROSBANK's mobile app or in the app of another participating bank and confirm the transaction. Money will be transferred from the customer's account to the merchant in a matter of seconds upon confirmation in the app. A dynamic QR code includes the ticket amount, allowing the seller to control the transaction amount, while the customer only needs to confirm it.

*"One of X5's top priorities is to make shopping with us easy and quick while keeping the costs down. The Faster Payment System offers customers a new tool featuring instant payment, user-friendly interface and cardless transactions. We are sure that our customers will like the service, and X5 will save on electronic banking,"* said Svetlana Demyashkevich, Chief Financial Officer of X5 Retail Group.

*"ROSBANK focuses on the comfort of our retail and corporate customers, so we are happy to partner with X5 and NSPK and deliver a cutting-edge payment platform. Projects like this reshape the Russian banking landscape, and we are confident that in the next few years, FPS-based QR code payments will become routine for Russians, just as credit cards have done,"* said Perizat Shaikhina, First Deputy Chairman of the Management Board at ROSBANK.

*"The new C2B payment scenarios provide FPS users with a convenient form of non-cash payment, while our partner merchants can enjoy yet another attractive solution for their business. We expect FPS-based payments to take off in multiple segments, while banks and retailers will continue to develop the service for their clients, making it not only convenient, but also cost-effective,"* said Sergey Bochkarev, Deputy CEO of NSPK (FPS's Operational and Payment Clearing Centre).

Following extensive tests of the new technology slated for 2020 and improvement of stores' IT architecture, a decision will be made regarding the timeline and scale of the solution's roll-out in X5 stores.

**Note to Editors:**

X5 Retail Group N.V. (LSE and MOEX: FIVE, Fitch – ‘BB+’, Moody's – ‘Ba1’, S&P – ‘BB’, Expert RA – ‘ruAA+’) is a leading Russian food retailer. The Company operates several retail formats: the chain of proximity stores under the Pyaterochka brand, the supermarket chain under the Perekrestok brand and the hypermarket chain under the Karusel brand.

As of 30 September 2019, X5 had 15,752 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 14,850 Pyaterochka proximity stores, 811 Perekrestok supermarkets and 91 Karusel hypermarkets. The Company operates 43 DCs and 4,029 Company-owned trucks across the Russian Federation.

For the full year 2018, revenue totalled RUB 1,532,537 mln (USD 24,439 mln), Adjusted EBITDA reached RUB 109,871 mln (USD 1,752 mln), and net profit for the period amounted to RUB 28,642 mln (USD 457 mln). In 9M 2019, revenue totalled RUB 1,265,130 mln (USD 19,440 mln), adjusted EBITDA reached RUB 95,975 mln (USD 1,475 mln), and net profit amounted to RUB 25,043 mln (USD 385 mln).

X5's Shareholder structure is as follows: CTF Holdings S.A. – 47.86%, Intertrust Trustees Ltd (Axon Trust) – 11.43%, X5 Directors – 0.08%, treasury shares – 0.01%, Shareholders with less than 3% – 40.62%.

**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.*

*Elements of this press release contain or may contain inside information about X5 Retail Group N.V. within the meaning of Article 7(1) of the Market Abuse Regulation (596/2014/EU).*

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