



Annual
Report



Your Partner in Affordability

2025

Contents



Company Overview 03

Business Overview 29

Corporate Governance 68

Strategic Report 11

Sustainability Review 48

Appendices 84

About the Report

The Annual Report of Fix Price Group PLC (hereinafter also referred to as Fix Price, the Company or, together with its subsidiaries, the Group) for 2025 was prepared based on the information available to Fix Price Group PLC and its subsidiaries as of 31 December 2025, unless otherwise implied by the meaning or content of the information provided.

This Annual Report is addressed to a wide range of stakeholders and reflects the key performance results of Fix Price for 2025 in such matters as strategic and corporate governance as well as financial and operating results. The Annual Report was prepared in accordance with the requirements of the applicable laws.

Forward-looking Statements

This report may contain forward-looking statements regarding the Company's strategy, operations, and financial outlook. These statements are based on current assumptions and expectations and are subject to risks and uncertainties beyond Fix Price's control. Actual results may differ materially. Fix Price undertakes no obligation to publicly update or revise any forward-looking statements.

Company Overview

Fix Price combines scale, efficiency and a compelling customer proposition to make everyday shopping more affordable. Our competitive advantages support sustainable growth and strengthen our ability to create long-term value across markets, regions and product categories.

7,865

Number of stores

10

Countries of presence

50,000

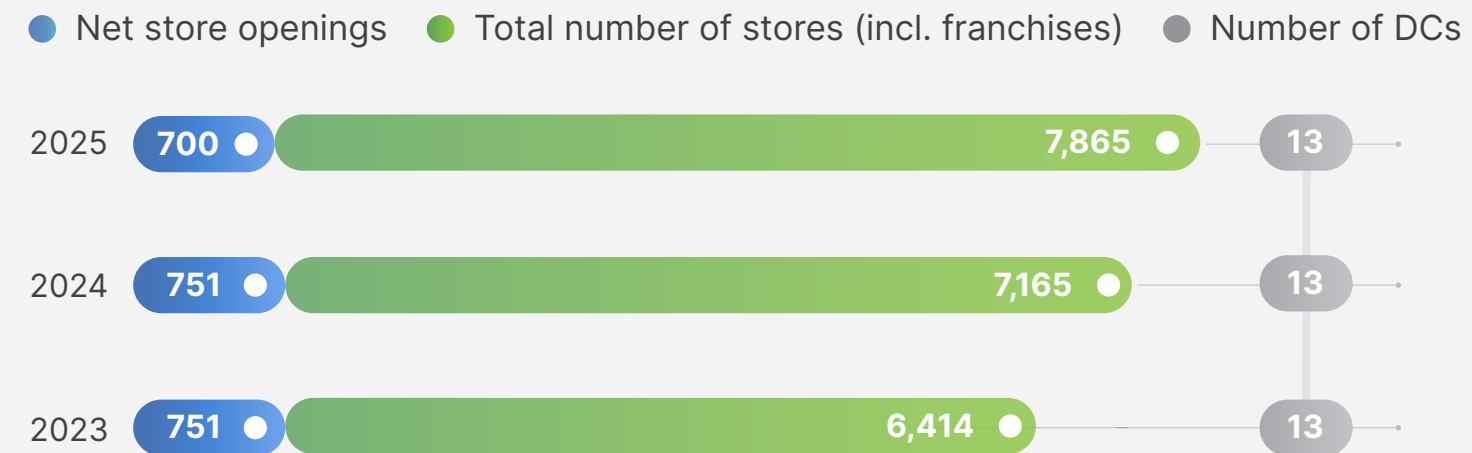
Total headcount



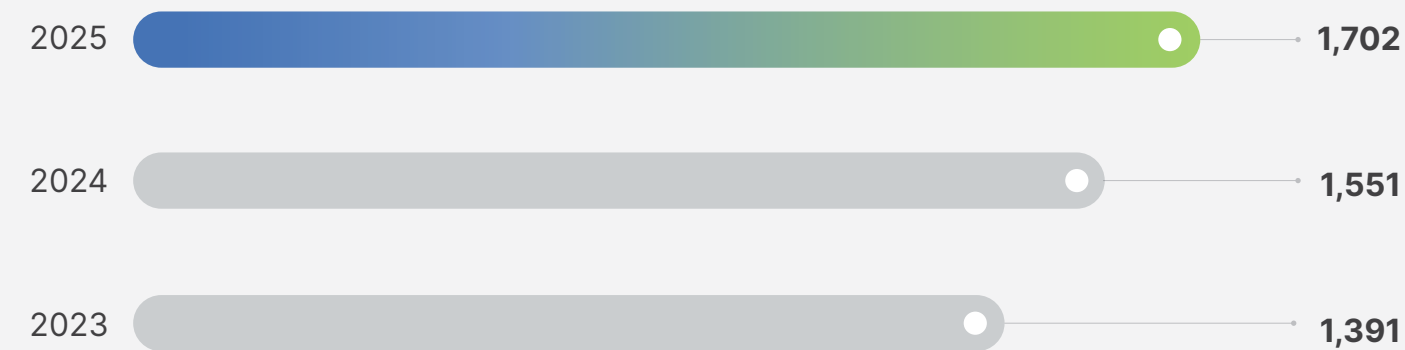
Key Figures

(Operational)

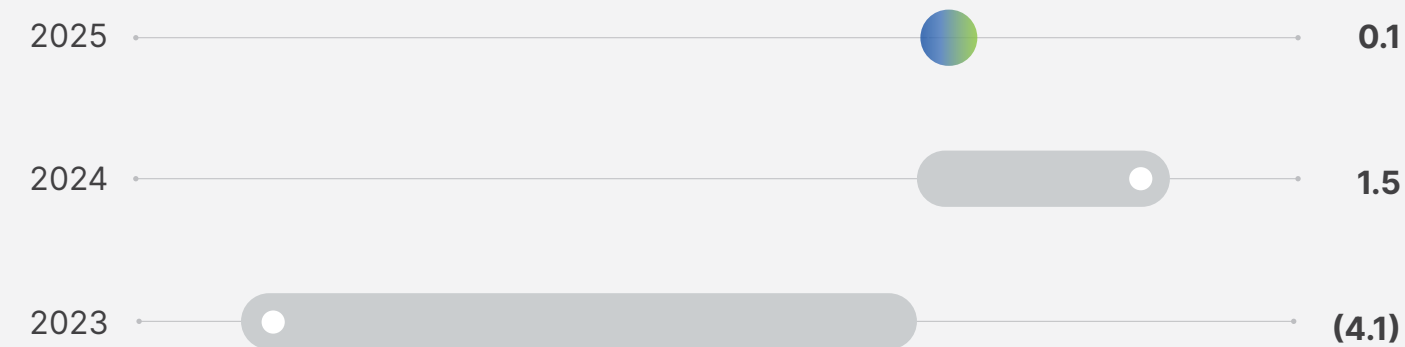
Total number of stores (incl. franchises), Number of DC ⁽¹⁾, Net store openings



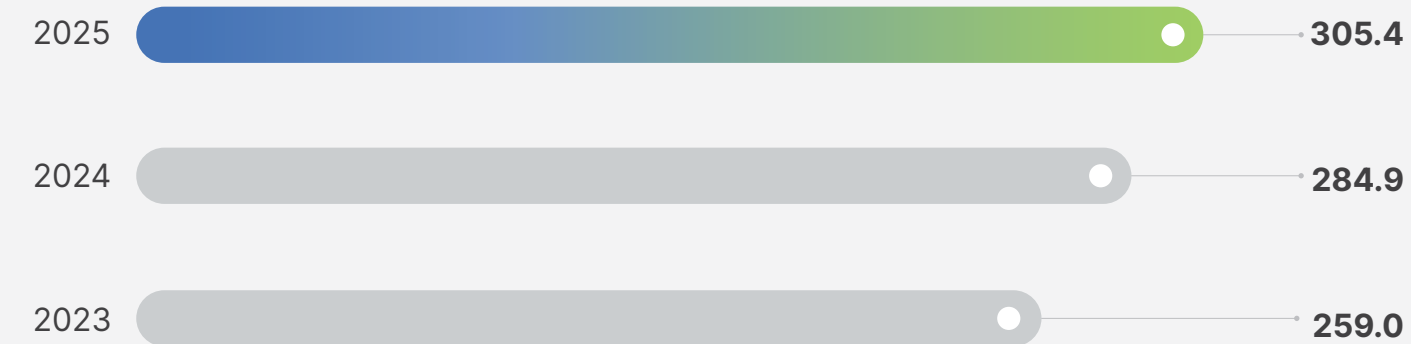
Total selling space, thousand sq.m



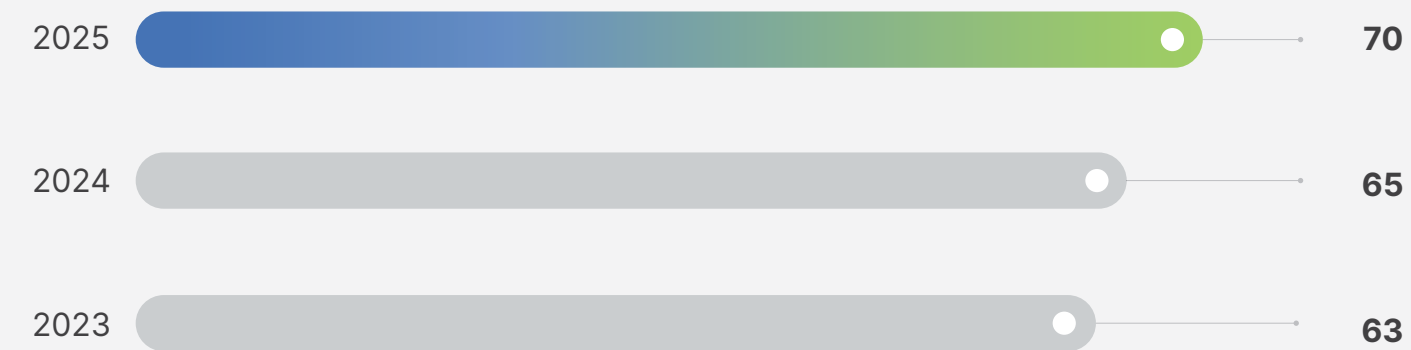
LFL performance ⁽²⁾, %



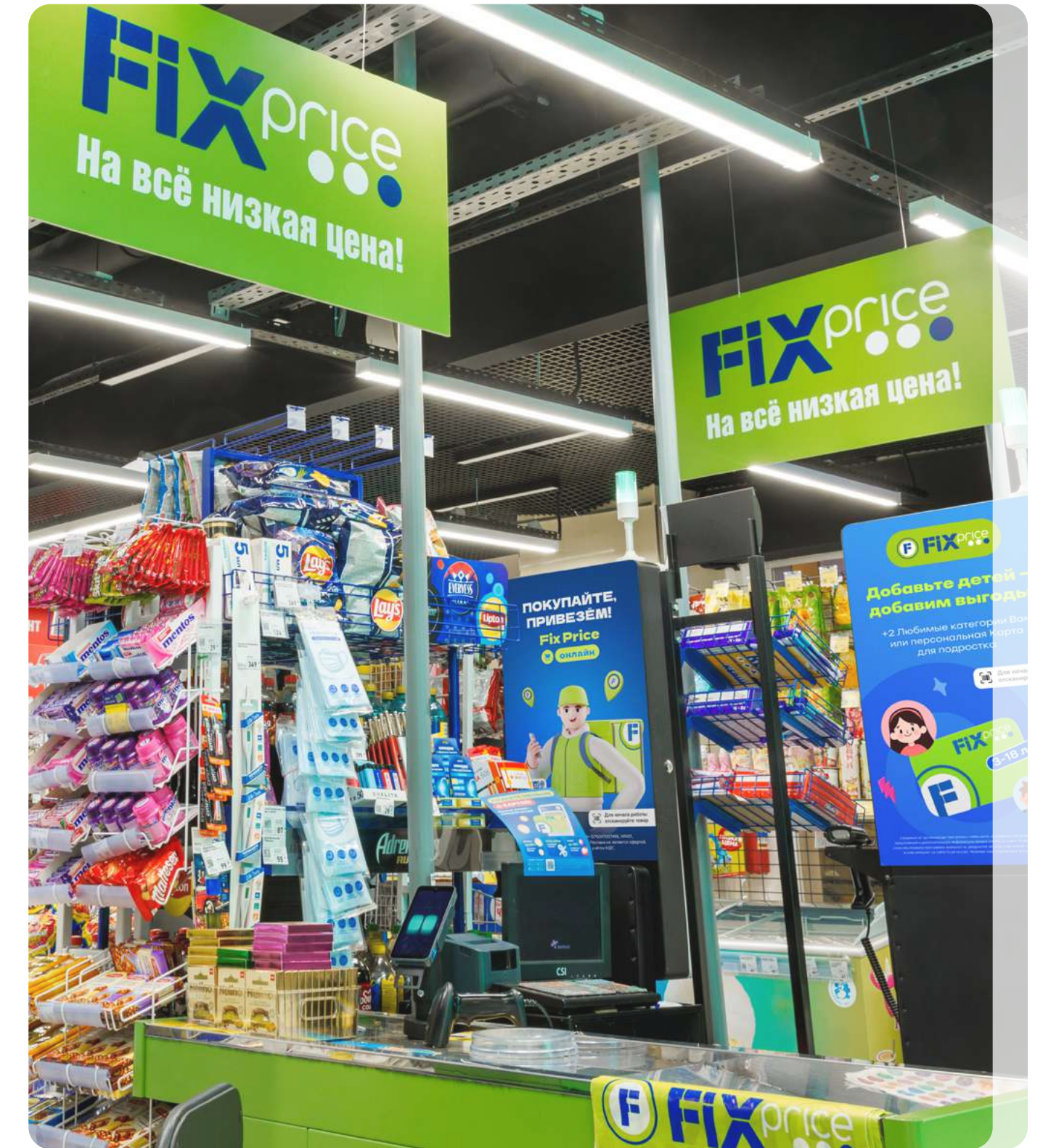
Retail revenue, RUB billion



Net Promoter Score (NPS) ⁽³⁾, %



Loyalty cardholders ⁽⁴⁾, thousand



⁽¹⁾ Distribution centres

⁽²⁾ Here and hereinafter, like-for-like (LFL) sales, average ticket, and number of tickets are calculated based on the results of stores operated by Fix Price and that were open for at least 12 full calendar months preceding the reporting date. LFL sales and average ticket are calculated based on retail sales including VAT. LFL performance for 2025 is adjusted for an additional trading day in 2024 due to the leap year

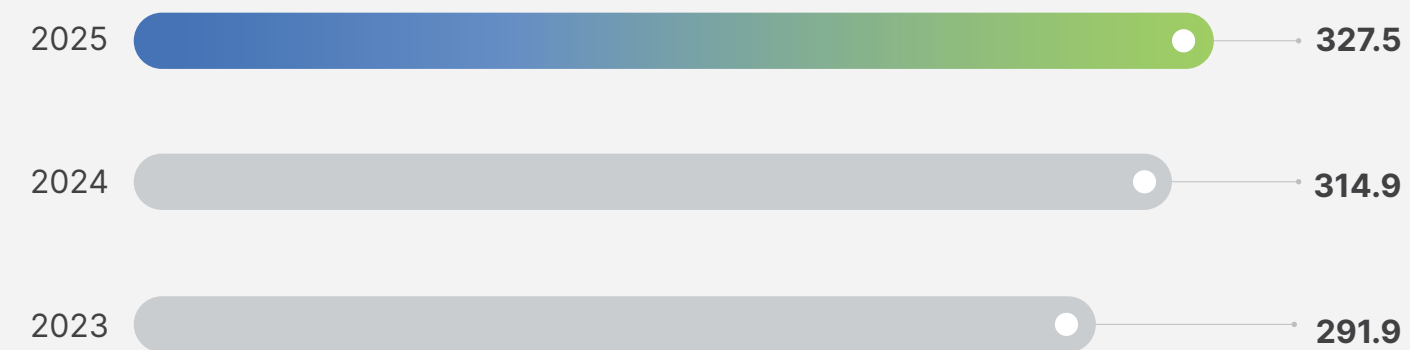
⁽³⁾ Net Promoter Score – customer loyalty index. Source: Market research run by Vector in spring and autumn of 2025, in spring and autumn of 2024, spring and autumn of 2023

⁽⁴⁾ Here and hereinafter including loyalty programme members in Russia, Kazakhstan, and Belarus

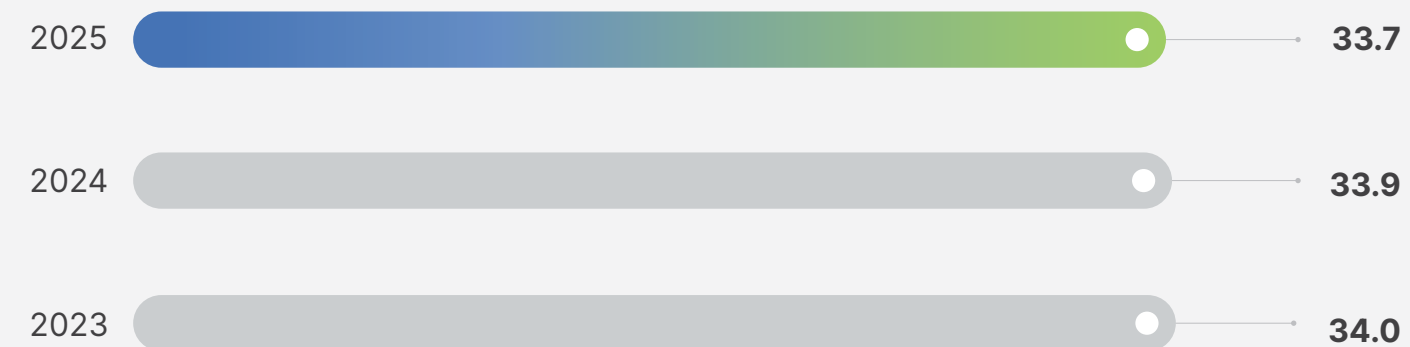
Key Figures

(Financial)

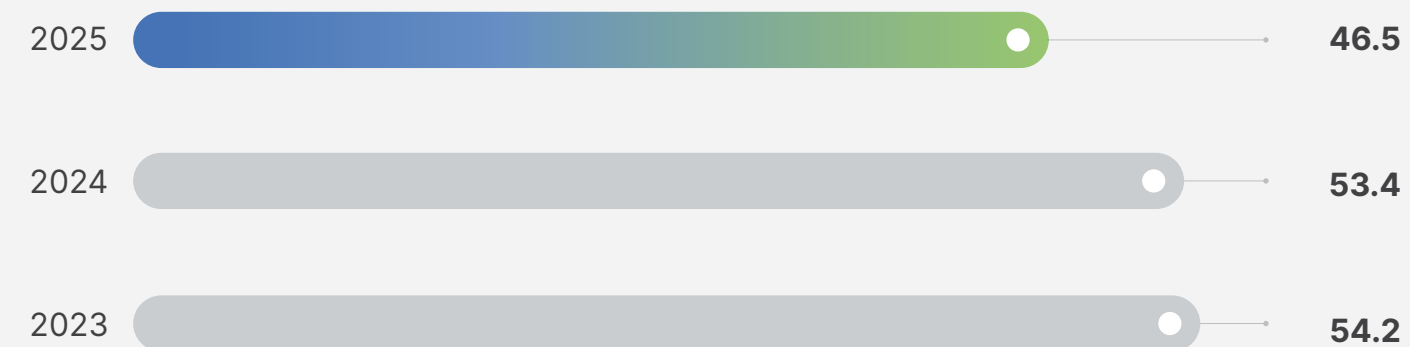
Revenue, RUB billion



Gross margin, %



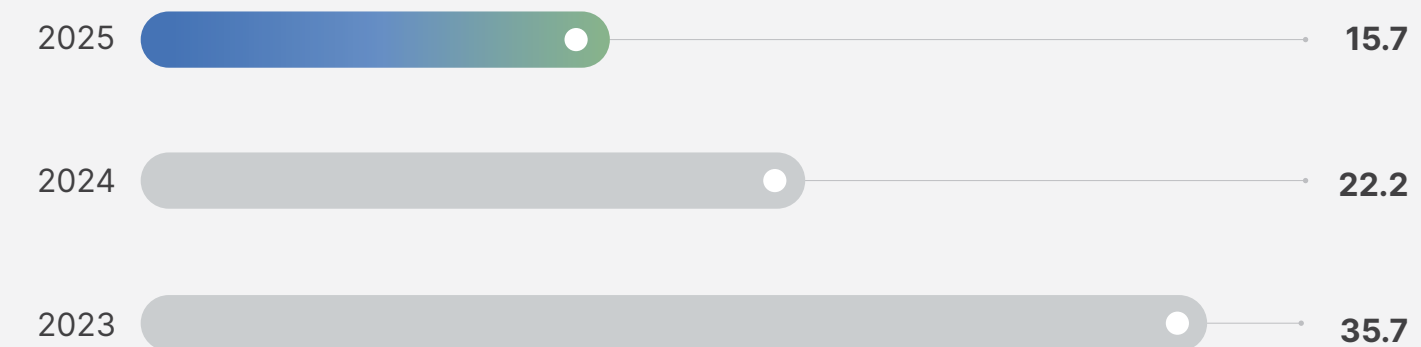
Adjusted EBITDA ⁽¹⁾, RUB billion



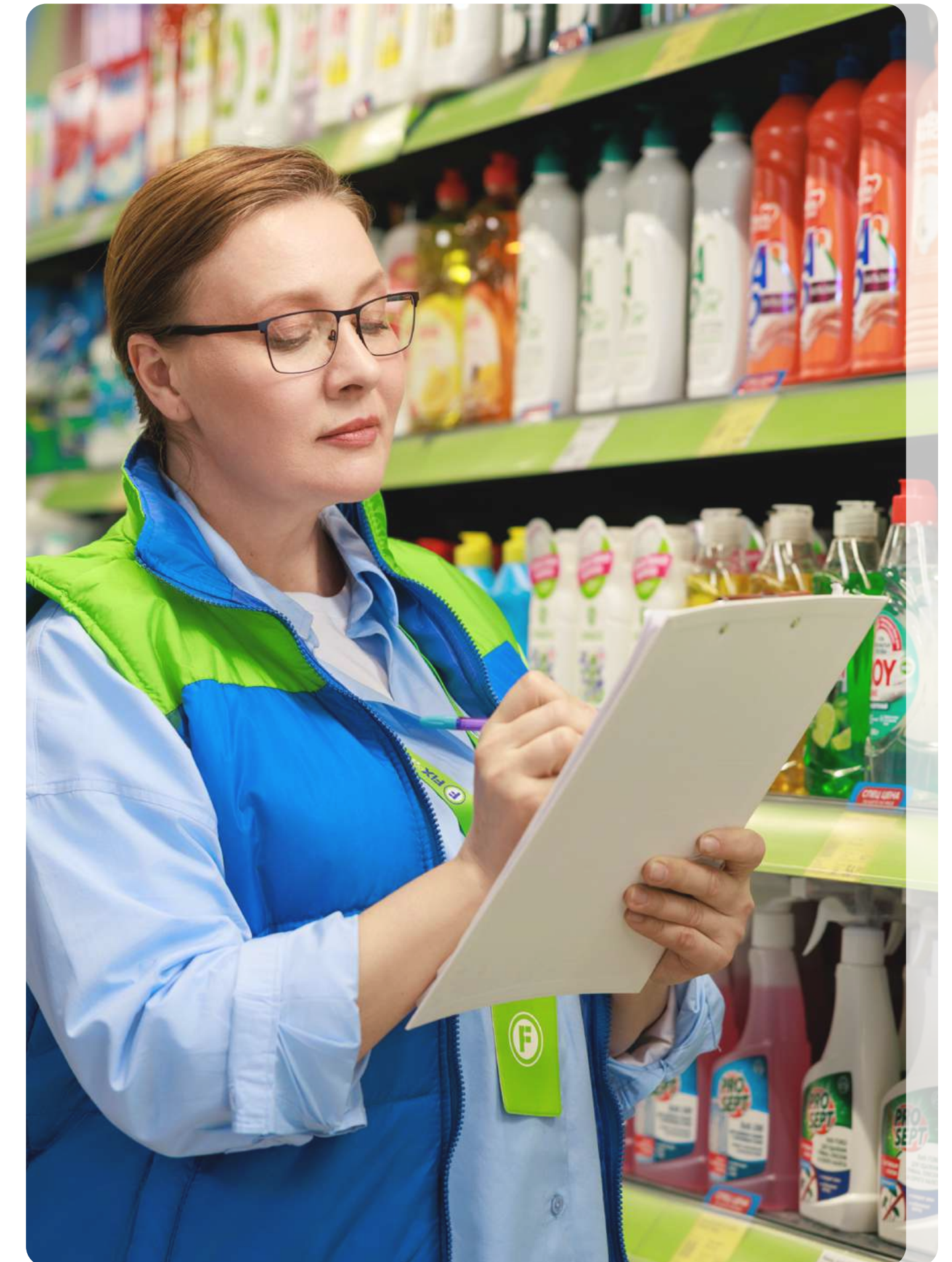
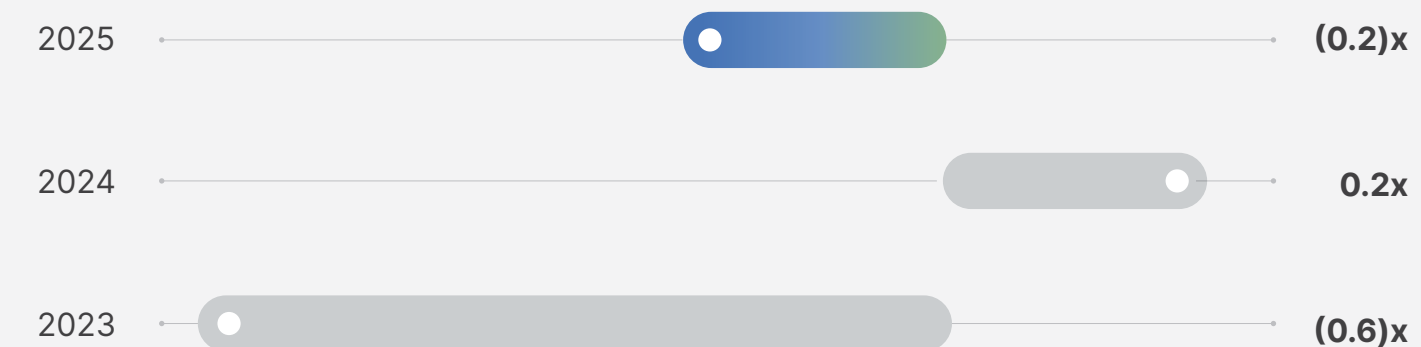
Adjusted EBITDA margin, %



Net profit, RUB billion



Adjusted net (cash)/debt to EBITDA under IAS 17



⁽¹⁾ EBITDA adjusted for LTIP (long-term incentive programme) expenses. EBITDA is calculated as profit for the given period before income tax, net interest income/(expenses), depreciation and amortisation, and foreign exchange gain/(loss)

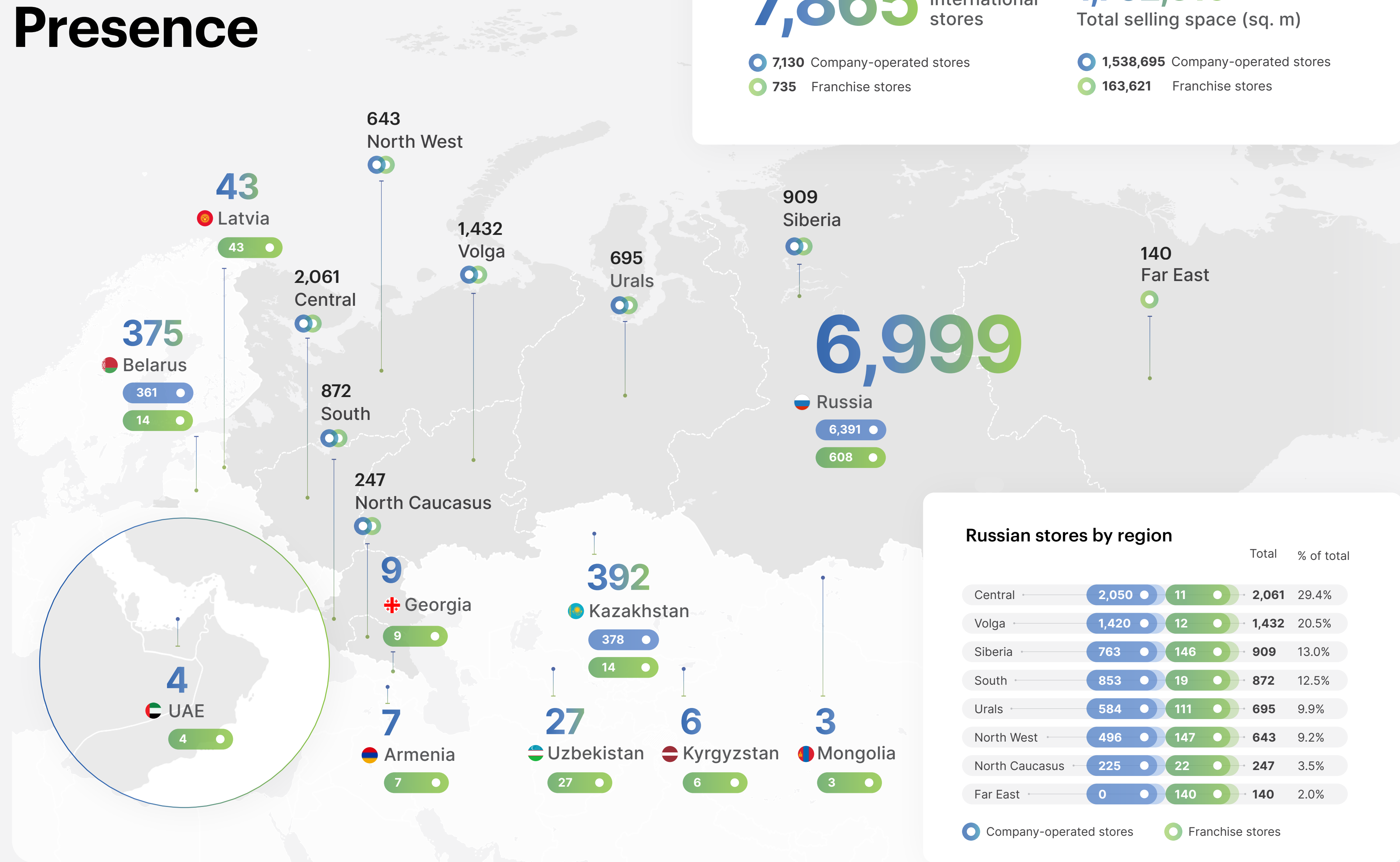
Our Geographical Presence

7,865 International stores

- 7,130 Company-operated stores
- 735 Franchise stores

1,702,316 Total selling space (sq. m)

- 1,538,695 Company-operated stores
- 163,621 Franchise stores



Russian stores by region

Region	Company-operated stores	Franchise stores	Total	% of total
Central	2,050	11	2,061	29.4%
Volga	1,420	12	1,432	20.5%
Siberia	763	146	909	13.0%
South	853	19	872	12.5%
Urals	584	111	695	9.9%
North West	496	147	643	9.2%
North Caucasus	225	22	247	3.5%
Far East	0	140	140	2.0%

Legend: ● Company-operated stores ● Franchise stores

6,999

Russian stores

866

stores in other countries

+687 net openings of Company-operated stores

10 countries of presence

13 distribution centres

291 sq. m average total store size ⁽¹⁾

216 sq. m average store selling space ⁽¹⁾

⁽¹⁾ In Company-operated stores

Value Creation Model

Resources

50,000 employees

Experienced management team

7,865 stores

across **10** countries with a total selling space of

1,702,316 sq. m

~550 suppliers

13 DCs

with a total area of

~495,000 sq. m

Value Proposition: More than just Low Prices

We sell

82%

of our goods

for

RUB 199

or less ⁽¹⁾



>2,000 SKUs ⁽²⁾

across 20 product categories to meet a wide range of customer needs ⁽³⁾



No.1

in the Russian variety value retail market ⁽⁴⁾



High product turnover

up to **110**

new products per week

44

private labels



Value chain

1 Procurement

Direct cooperation with manufacturers, deep assortment analysis and economies of scale

2 Logistics

Extensive logistics network with high operational efficiency and spare capacity

3 Stores

Offline stores

Scalable store format with low CAPEX requirements

Online channels

Mobile app, website and partner delivery platforms

4 Customers

Customer-centric service and convenient shopping both online and offline

Outcomes for stakeholders

Customers

70%

NPS ⁽⁵⁾

90%

brand trust index ⁽⁶⁾

~35 million

registered loyalty cardholders with an average ticket twice as high as that of customers without a loyalty card

Employees

18%

increase in employees' financial support

235

training hours per FTE ⁽⁷⁾

Long-term incentive programme

Shareholders

RUB 327.5 billion

revenue

8.8%

EBITDA margin (IAS 17)

Partners

78%

share of Russian suppliers in procurement

142

franchisee partners

>18 years

of cooperation with top 10 Russian suppliers

Local communities

~RUB 58 million

spent by the Company on its social initiatives

~RUB 4.4 million

raised for charity by customers and employees

59

initiatives in total

>41,000

trees planted

⁽¹⁾ The data refers to Company-operated stores in Russia

⁽²⁾ Stock Keeping Unit

⁽³⁾ The main categories include food products (food and beverages), household chemicals, cosmetics and personal care products, as well as non-food products (household goods, stationery, toys and products for children, clothing, footwear, accessories, and others)

⁽⁴⁾ According to INFOLine, Fix Price's share of the Russian VVR market amounted to 92% in 2025 based on sales including VAT

⁽⁵⁾ Net Promoter Score. The indicator is calculated as the average result of two waves of Vector Market research conducted in 2025

⁽⁶⁾ Data presented according to a study by Romir as of March 2025

⁽⁷⁾ Full Time Equivalent

Investment Case

Delivering everyday value

Our strategic approach is built on low prices, a broad and frequently refreshed assortment, and convenient store locations. This combination underpins Fix Price's market position, supports customer loyalty and allows us to generate sustainable long-term value for shareholders.

Competitive advantages

Market leadership

A leading player in the variety value retail segment in Russia, with
~92% market share

An extensive footprint of
~8,000 stores in
10 countries, providing broad geographic coverage

Significant whitespace potential, with the capacity to expand the network to as many as
18,600 stores in Russia, Belarus and Kazakhstan

Strong competitive position: high entry barriers for new players in the segment

Compelling price and assortment proposition

A comparable customer basket can be
 more than **2x** cheaper than comparable offers across other retail formats and marketplaces

82% of the assortment is priced RUB 199 or below

>2,000 SKUs and up to 110 new products introduced per week



Efficient operating model

RUB **5.3** million per store
 Standardised store format with fast payback, and a low investment threshold

Centralised logistics infrastructure supporting efficient merchandise flows across the network

Advanced IT infrastructure and a high degree of process automation



Financial resilience and returns

One of the highest profitability levels among traditional Russian retailers

Low leverage and positive cash flow generation



Highlights of the Year

GDR exchange completed

In 2025, Fix Price completed the exchange of Fix Price Group PLC GDRs for shares in PJSC Fix Price.

As at 31 December 2025, a total of 105.6 million GDRs were exchanged for PJSC Fix Price shares, resulting in a free float of more than 16% of the PJSC Fix Price share capital. Following the exchange, Fix Price Group PLC remained the majority shareholder, with a total effective ownership of about 83.7%.

The transition to the new ownership structure was accompanied by the delisting of Fix Price Group PLC GDRs from Russian exchanges. Trading in the GDRs on Moscow Exchange was cancelled in June 2025, while the securities were removed from trading on MOEX in August 2025 as part of the Group's reorganisation.

105.6 million

GDRs were exchanged for shares of PJSC Fix Price

New distribution centre in Tatarstan

In 2025, Fix Price opened a new distribution centre in Tatarstan, Russia, strengthening its logistics infrastructure and supporting further network expansion. The new facility has storage capacity of 60,000 pallet positions and can receive, pick and ship up to 3,500 pallets per day while simultaneously servicing up to 25 heavy-duty trucks.

The distribution centre is designed to serve stores across 11 regions in the Volga and Central Federal Districts, improving delivery efficiency and providing additional logistics capacity for future growth. The project followed the 2024 decision to build a built-to-suit logistics complex in Kazan tailored to the Company's operating needs.



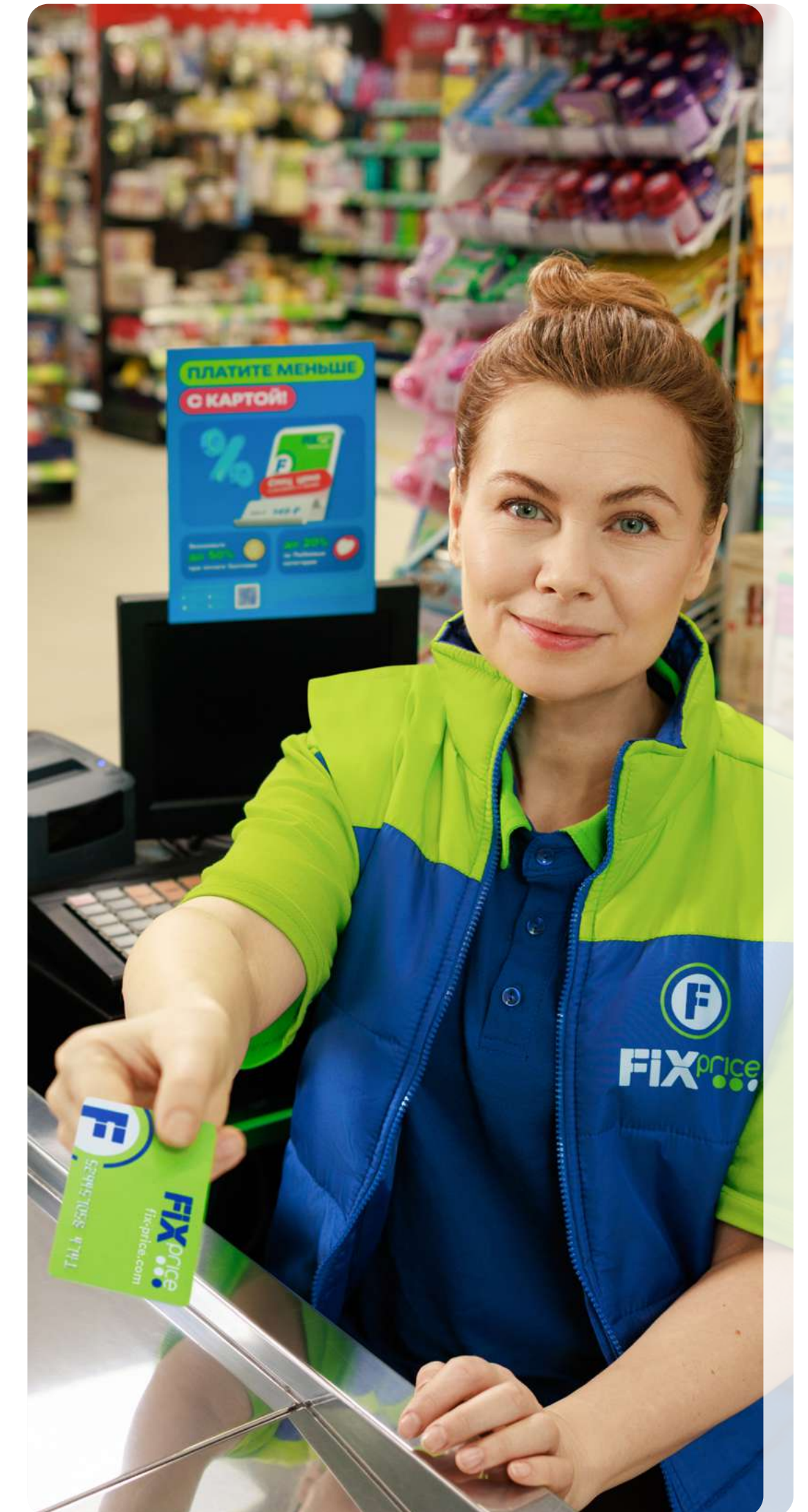
60,000

pallet positions in new distribution centre in Tatarstan

Loyalty programme expansion

Fix Price expanded its loyalty programme in 2025, introducing new benefits for families and teenagers. Parents can now add children aged 3 to 14 to their personal account and receive enhanced bonus accruals in additional favourite categories, while teenagers aged 14 to 18 can issue their own virtual card with personalised categories and offers.

The updated programme broadened the Company's reach to new customer groups and enhanced the overall customer experience by making the loyalty proposition more personalised and more relevant to family shopping.



Highlights of the Year

Expansion of the flagship Together for Good Deeds programme

The Company continued to expand the programme across its markets in 2025. In Russia, 30 social and environmental events were held, including clean-up campaigns, tree-planting initiatives, environmental awareness activities and support for charitable organisations and social institutions.

In Belarus, assistance was provided to a specialised kindergarten under the programme, while in Kazakhstan landscaping works were carried out on the grounds of a university.

Additionally, the Company expanded charitable engagement through partnerships with Podari Zhizn, SOS Children's Villages, Dari edu and VK Dobro, including a new Points to Charity mechanic for loyalty programme members.

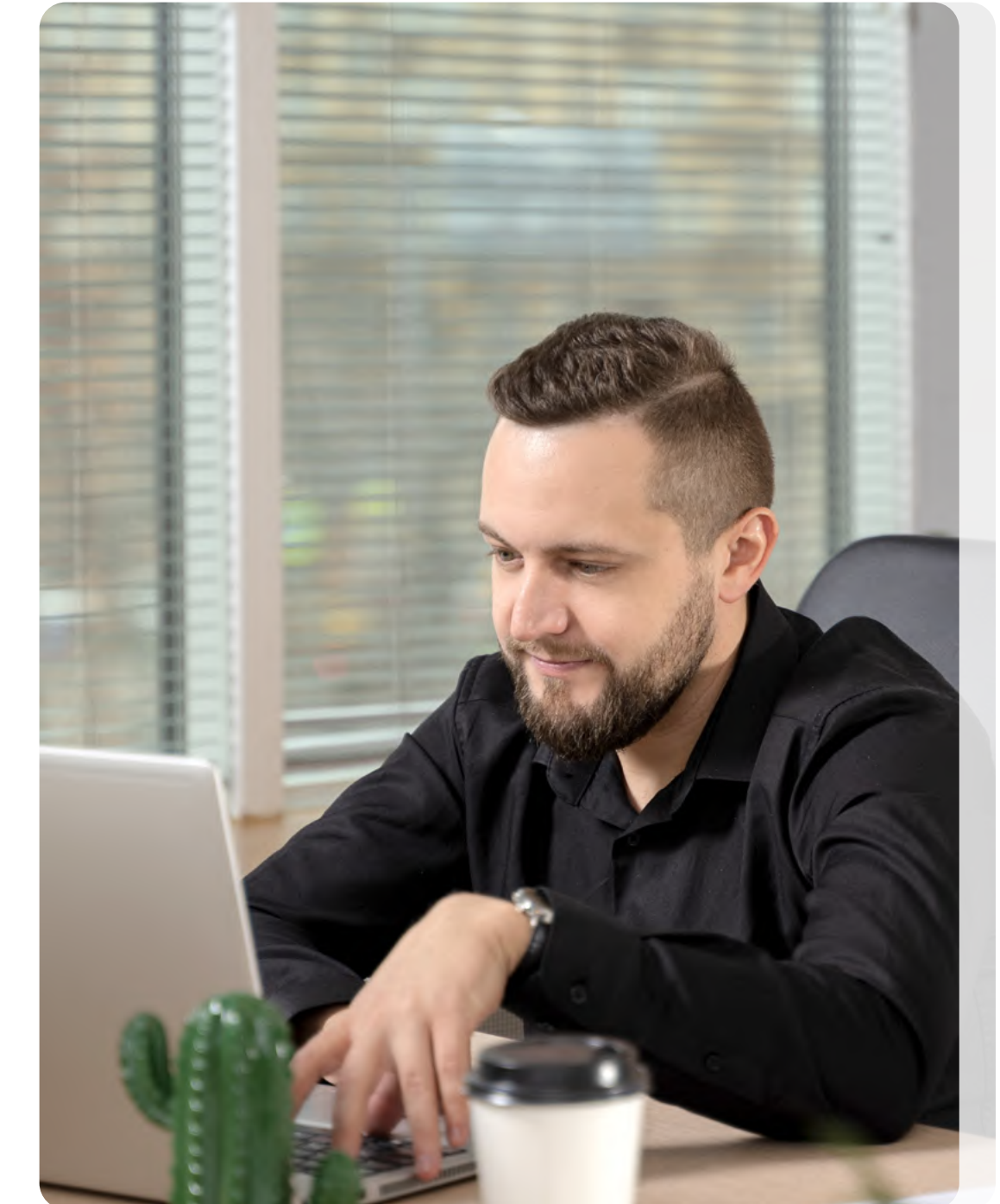


Digitalisation

In 2025, Fix Price updated its IT service for working with labelled products supplied by Chinese vendors, helping optimise import processes from China. The new version provides real-time visibility into the labelling status of each shipment and supports online collaboration between internal teams and Chinese partners, reducing shipment errors, lowering customs risks and improving transparency and processing speed.

Fix Price also received external recognition for its digital capabilities during the year. The Company won an award in the 'For Broad EDI Functionality' category at the 'Best EDI in Russia and the CIS 2025' competition. By that point, 89% of interactions with counterparties in non-commercial procurement had been transferred into electronic format, document signing time had been reduced to two minutes and paper usage had fallen by 90%.

In addition, Fix Price's video analytics project received a diploma at the Retail TECH Projects 2025 competition in the 'Leader in AI (Retail)' category. The generative AI-based solution, used to monitor product displays and the condition of the sales floor, analyses store images, identifies deviations from standards and sends tasks to store managers via the mobile application. According to the Company, the system helped halve the number of violations within two weeks of implementation.



89%

of counterparty interactions
in non-commercial procurement
digitalised

Strategic Report

Fix Price continued to develop its business in a changing consumer and retail environment. Throughout the year, the Company worked to strengthen its market position, enhance its customer proposition, maintain operational discipline and improve the efficiency of core business processes.

RUB **4,6** trn
total addressable market
in Russia in 2025

>2,700
new SKUs introduced
in 2025

70%
NPS in 2025



CEO's Statement

Staying Close to the Customer in a Competitive Market

In 2025, Fix Price operated in a market shaped by tight monetary conditions, elevated savings rates and cautious consumer behaviour. In this environment we stayed focused on what matters most to customers: affordable prices, a relevant assortment, convenient locations and a shopping experience that remains simple and familiar.

Our assortment was once again one of our clearest competitive advantages. Around 82% of SKUs were priced at RUB 199 or below, while we further refined our price architecture and selectively expanded higher-value offers where customers saw clear utility. During the year, we introduced more than 2,700 new SKUs, kept our rotating assortment fresh and expanded categories showing the strongest demand. Food remained the primary growth driver with 13.3% like-for-like sales growth underscoring that our value proposition still resonates with price-sensitive consumers even in a cautious market environment.

Customer engagement also continued to deepen. By year-end, our loyalty programme in Russia, Kazakhstan and Belarus had reached 35 million cardholders. We expanded it further by introducing new participation options for families and teenagers, making it more flexible and more relevant to everyday shopping behaviour. This more personalised approach to customer relationships was reflected in a stronger overall response to our offer: in 2025, Net Promoter Score increased to 70%, underscoring continued trust in the Fix Price format.

Disciplined Expansion

Our business grew in a measured and resilient way in 2025. By the end of the year, our network had reached 7,865 stores across 10 countries, including 700 net new openings. We strengthened our position in the core markets, including Russia, Kazakhstan and Belarus, and maintained our presence across the rest of the Company's geographical footprint.

What matters most is that we are growing in a disciplined way. We know where our format works, we understand the economics of each opening, and remain focused on sustainable rollout across both large cities and smaller communities. That discipline is one of the reasons our expansion continues to translate into long-term value rather than short-term scale for its own sake.

This growth was supported by a resilient supply chain and careful capital allocation. In 2025, we opened a new distribution centre in Tatarstan, adding meaningful capacity to our logistics infrastructure and improving service levels for stores across a broad regional footprint. At year-end, our network was supported by 13 distribution centres with total storage space of around 495,000 sq. m. We also continued to adapt logistics routes, strengthen supplier relationships and preserve the flexibility of our sourcing model. In a volatile external environment, that flexibility matters: it helps us keep shelves full, rotate the assortment quickly and protect the value proposition that defines Fix Price.



The balance between growth, profitability and financial discipline remains one of Fix Price Group PLC core strengths in a highly volatile market.

**Dmitry Kirsanov,
CEO**



CEO's Statement

Turning Digitalisation into Operating Advantage

One of the clearest themes of 2025 was digitalisation at scale. For us, technology is part of the way we operate every day. During the year, we completed the rollout of video analytics across more than 7,000 stores, giving managers real-time visibility into store operations and a practical tool for monitoring service standards. We continued to automate replenishment, inventory visibility, HR administration and other internal processes.

Digitalisation also delivered tangible gains in customer-facing and back-office processes. More than 5,000 stores are now equipped with self-checkout terminals, helping reduce queues and ease the workload on store teams. Our own digital channels gained momentum, online sales in Russia continued to grow, and the mobile application further strengthened its role as a single interface linking e-commerce, loyalty and customer communications. Importantly, these developments are making the Company faster, more effective and manageable day by day.

33.7%

Gross margin

Financial Resilience in a Demanding Year

Our financial results for the year reflected both resilience and continued investment in the future. Revenue increased by 4.0% to RUB 327.5 billion, with retail revenue up 7.2% to RUB 305.4 billion. Gross profit rose to RUB 110.3 billion, while gross margin remained broadly stable at 33.7%. Adjusted EBITDA under IFRS 16 amounted to RUB 46.5 billion with a margin of 14.2%. At the same time, we operated against a backdrop of higher labour and operating costs, while preserving a solid financial base and ending the year with an IAS 17-based net cash to EBITDA ratio of 0.2x. In my view, this balance between growth, profitability and financial discipline remains one of the Group's core strengths.

A Year of Important Corporate Milestones

2025 was also a landmark year in terms of corporate actions and the evolution of our capital markets' presence. We completed the exchange of more than 100 million Fix Price Group PLC GDRs for shares in PJSC Fix Price, followed by the delisting of the Company's GDRs from MOEX. At the same time, shares of PJSC Fix Price began trading on MOEX, while AIX remained the sole trading venue for the Group's GDRs at year-end. These were complex but necessary steps, taken in response to market infrastructure constraints and aimed at preserving shareholder rights, improving investor access and ensuring continuity during a period of material change. I believe the way we executed this process reflected the maturity of our governance framework and our commitment to disciplined, transparent decision-making.

Acting Beyond the Business

For a retailer operating at our scale, consistency depends on people: on their commitment, their skills and their belief in the business. In 2025, the Group's average headcount reached 50,000 employees. As the business continued to grow, we invested not only in hiring, but also in development, retention and wellbeing. Financial support to employees increased by 18%, training activity expanded materially, and our learning environment became broader, more flexible and more digital. We also continued to strengthen the systems that support health, safety and responsible workplace practices across the organisation.

In 2025, Fix Price spent around RUB 58 million on social and charitable initiatives, while customers and employees helped raise RUB 4.4 million more. Our flagship Together for Good Deeds programme continued to grow, bringing together social and environmental initiatives across our markets. During the year, 30 events were held under the programme. Our partnerships also expanded so that customers could participate in charitable giving.

RUB **58** million

were spent on social and charitable initiatives

Looking Ahead

I am confident about the opportunities ahead. We operate in a large addressable market, our competitive position is strong, and our expansion potential across Russia and other countries of operation is far from exhausted. Our purpose for the periods to come is: to keep growing responsibly, to invest in technology and talent, to strengthen our customer proposition and to create long-term value for shareholders.

I would like to thank our employees for their hard work and commitment, our suppliers and partners for their trust and cooperation, our customers for choosing Fix Price, and our shareholders for their continued confidence in the Company. 2025 was a year that demanded discipline, adaptability and resolve. I believe we met that test well and laid important foundations for the future.

Dmitry Kirsanov,
CEO



Market Overview

Fix Price operates in the variety value retail (VVR) segment and benefits from a resilient customer proposition built around affordable prices, a broad multi-category assortment, network scale and efficient logistics.

Macroeconomic Overview ⁽¹⁾

In 2025, economic growth in Russia moderated, with real GDP increasing by 1.0% following stronger growth in the previous two years. Monetary conditions remained tight for most of the year: the Bank of Russia kept its key rate at an elevated level and only began to reduce it in the second half, with the rate ending the year at 16%. High deposit yields supported household savings, while the cost of borrowing remained high for businesses and continued to influence procurement costs and pricing decisions across retail.

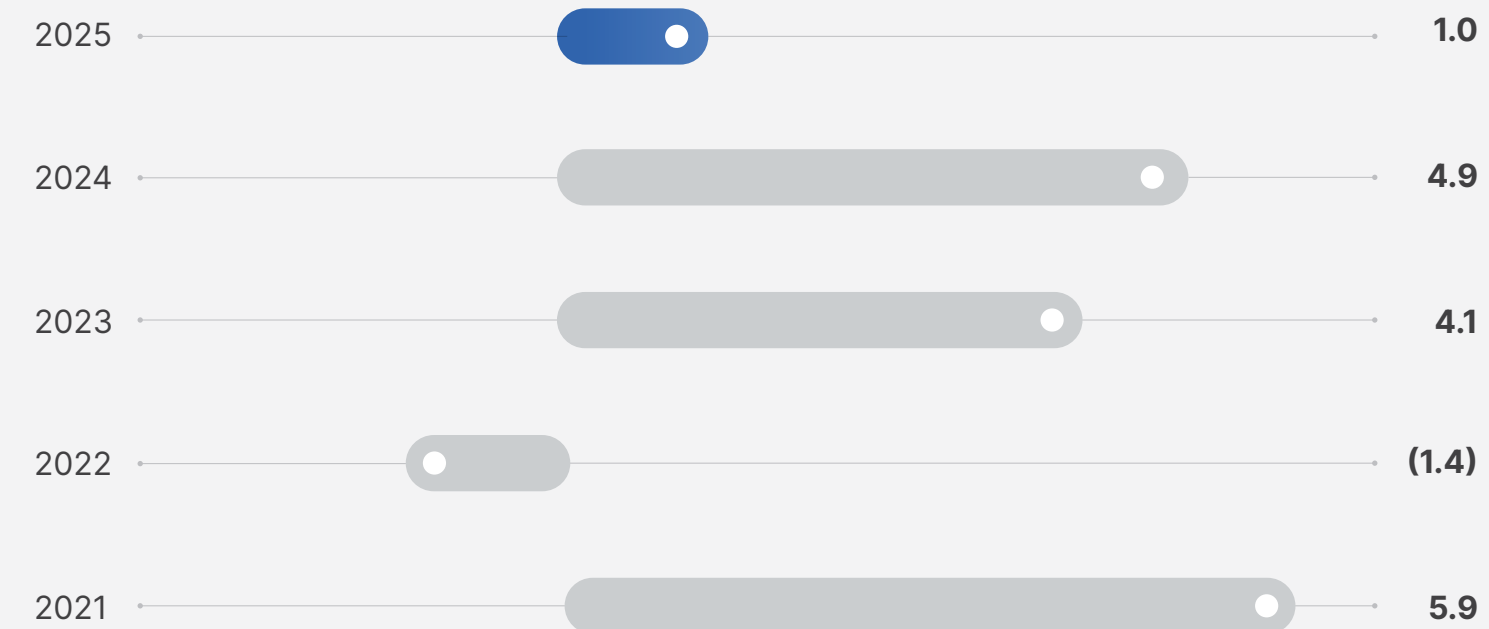
The national currency remained volatile, although the rouble strengthened over the course of 2025. According to official statistics, the average annual USD/RUB exchange rate for 2025 stood at approximately 83.6 RUB/USD, compared with approximately 92.6 RUB/USD in 2024.

Inflation slowed during the year. Annual CPI decelerated from 8.5% in December 2024 to 5.6% in December 2025, with food inflation at 5.2% and non-food inflation at 3.0%. At the same time, unemployment remained near historic lows at 2.2%, while real disposable income rose by 7.4%. However, a greater share of household income was channelled into savings rather than current consumption, contributing to more selective spending patterns.

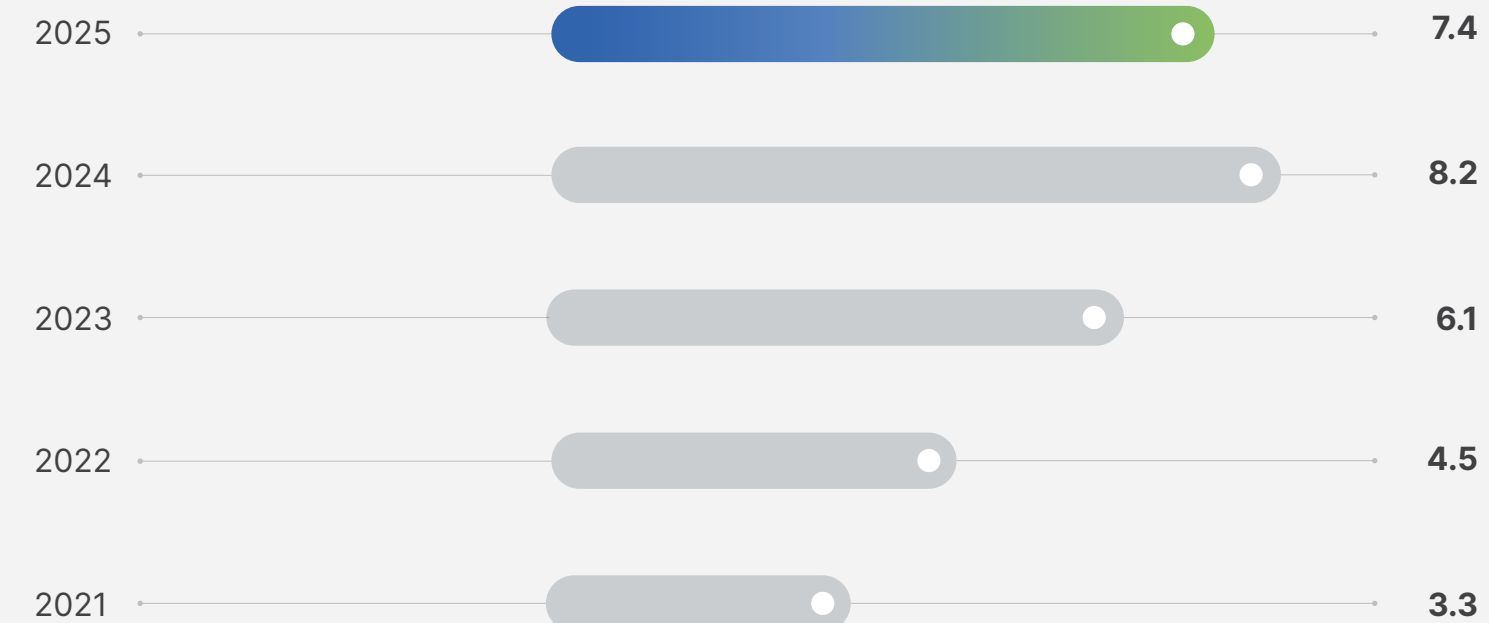
⁽¹⁾ All figures in this section are based on Russian official data published by the Federal State Statistics Service (Rosstat) as at the date of this Report publication, unless otherwise noted

⁽²⁾ According to the study conducted by B1 Group of Companies in April 2025

Dynamics of Russia's real GDP, %



Dynamics of real disposable income in Russia, %

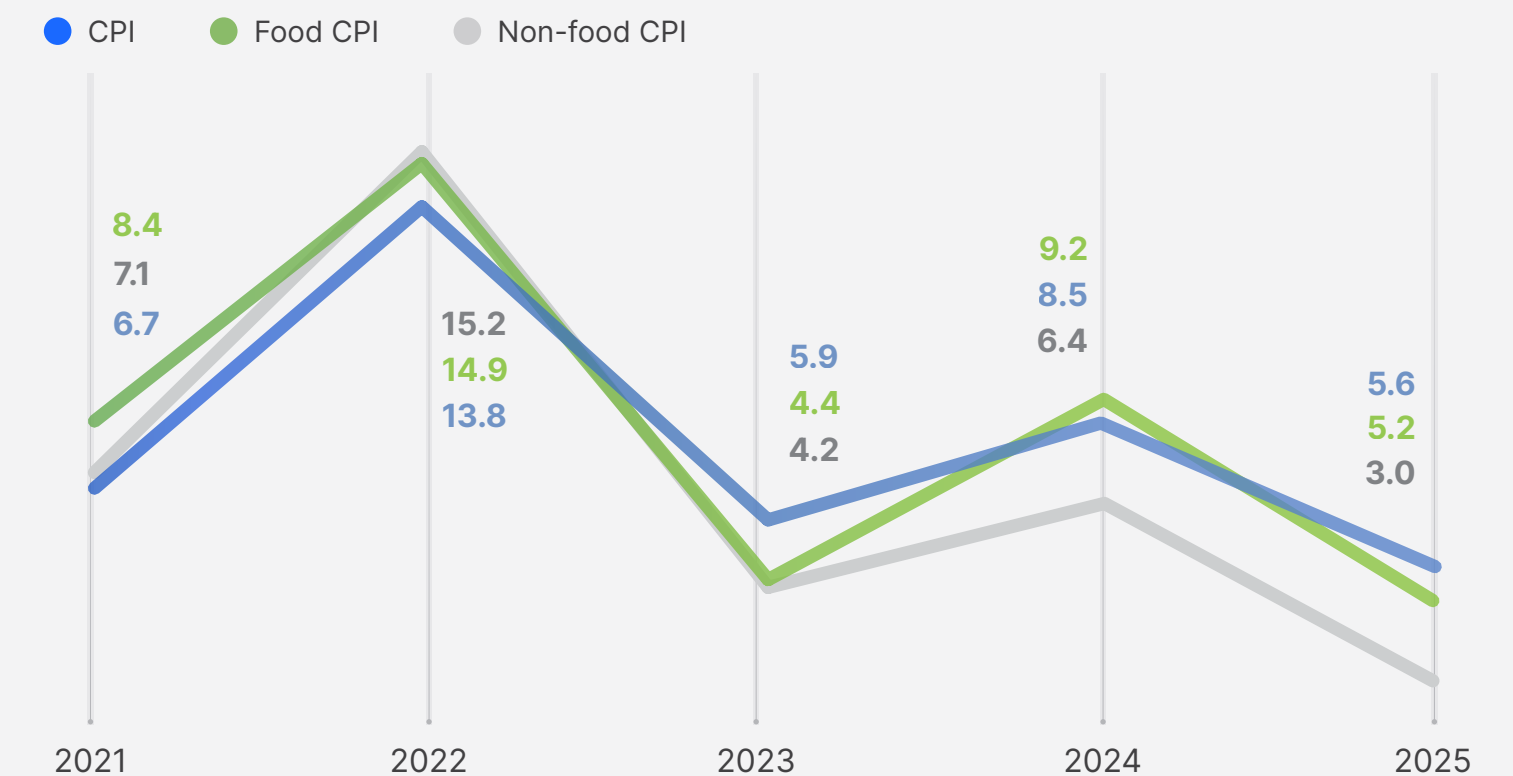


92%

of shoppers consider price a key factor when choosing goods ⁽²⁾



Consumer Price Index (CPI) change in Russia, %



Market Overview

Macroeconomic conditions in 2025 shaped a more rational consumer model. Households became more disciplined in managing spending, more selective in non-essential purchases and more attentive to value for money. This backdrop continued to support retail formats that combine affordable prices with wide assortment availability and convenient store locations.

Labour market conditions also remained favourable in 2025. Unemployment stayed close to historic lows at 2.2% in 2025, while real disposable income rose by 7.4%, following 8.2% growth a year earlier. At the same time, a larger share of household income was directed into savings rather than day-to-day consumption, as high deposit yields continued to support rapid growth in household bank balances. As a result, income growth translated into more restrained consumer spending, reinforcing a more rational and selective pattern of demand.

The regional consumer base remains sizeable: based on the latest available World Bank population data, the Group's current countries of operation represent a population of about 240 million people, supporting long-term demand for accessible value retail.

~240 mln
population in countries
of operation ⁽¹⁾

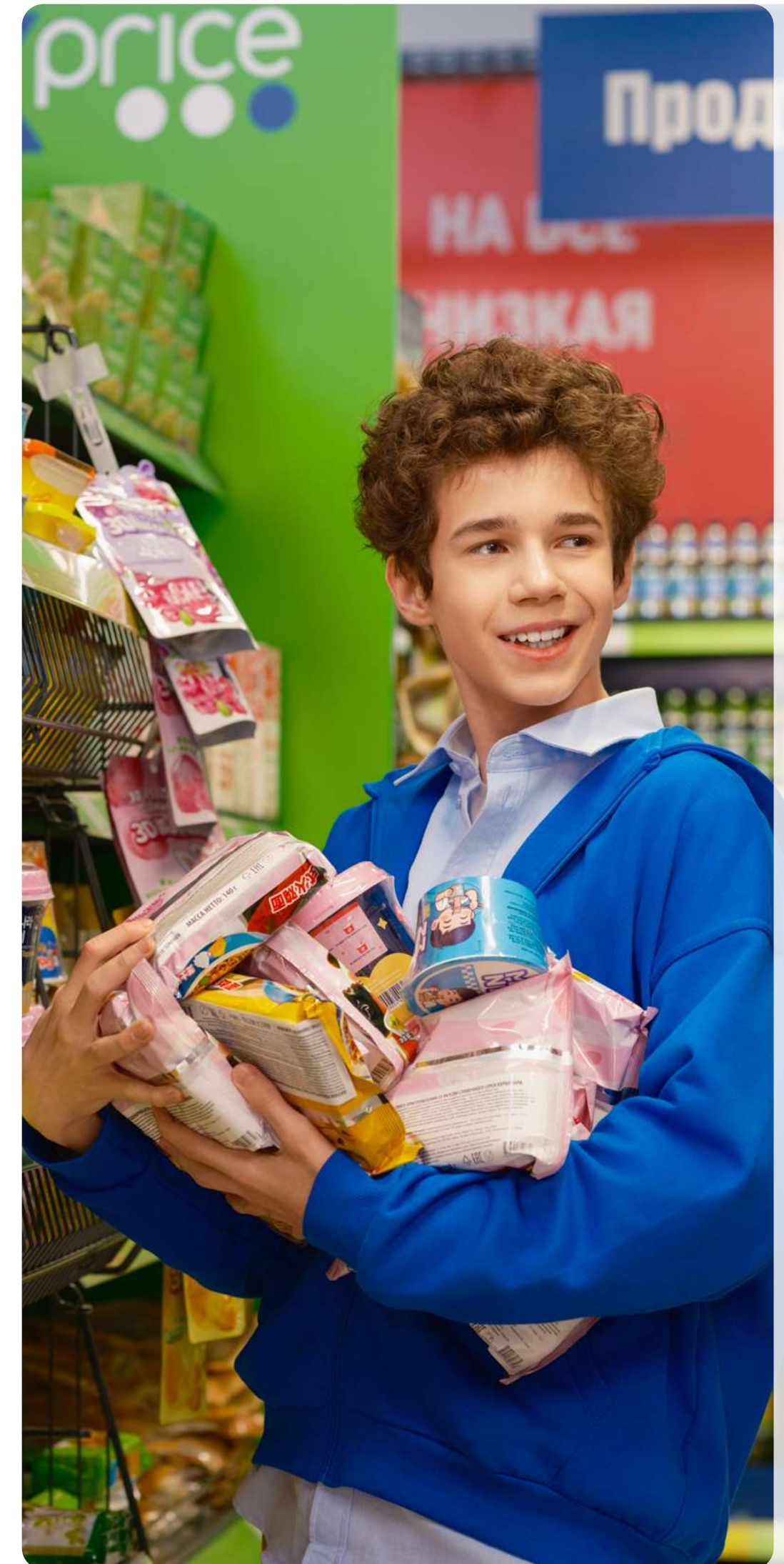
81%
of Russians usually compare
prices when shopping ⁽²⁾

12%
increase in everyday consumer
goods sales in 2025 ⁽³⁾

⁽¹⁾ World Bank data as at 2024, including Fix Price's current countries of operation: Russia, Armenia, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Latvia, Mongolia, Uzbekistan and the UAE

⁽²⁾ Source: Nielsen annual conference FMCG 2026: Trends, Growth Drivers and the Consumer

⁽³⁾ Source: Nielsen retail audit for 2025



Key consumer trends in 2025

Higher propensity to save

Elevated interest rates and attractive deposit yields encouraged households to allocate a larger share of income to savings.

More rational spending

Even as incomes continued to grow, consumers became more careful in planning purchases and prioritising essential and regular-use categories.

Greater price sensitivity

Shoppers compared offers more actively, responded more readily to promotions and increasingly switched to more affordable products and brands.

Resilient demand for everyday goods

Demand in everyday consumption categories remained comparatively stable, supporting multi-category value retail formats focused on routine shopping missions.

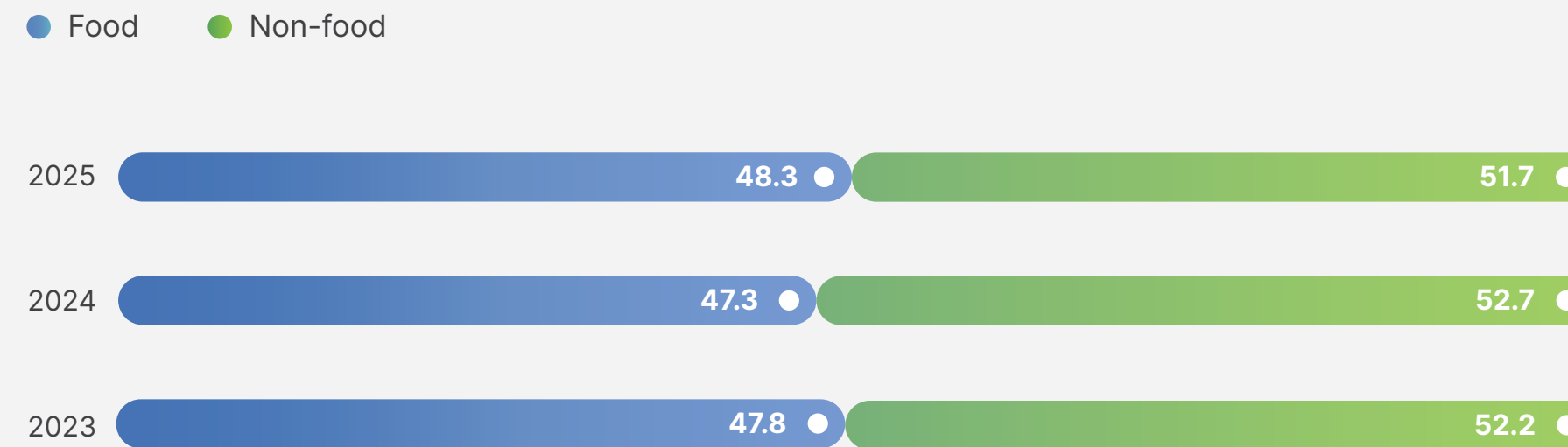
Market Overview

Retail Market and Competitive Environment

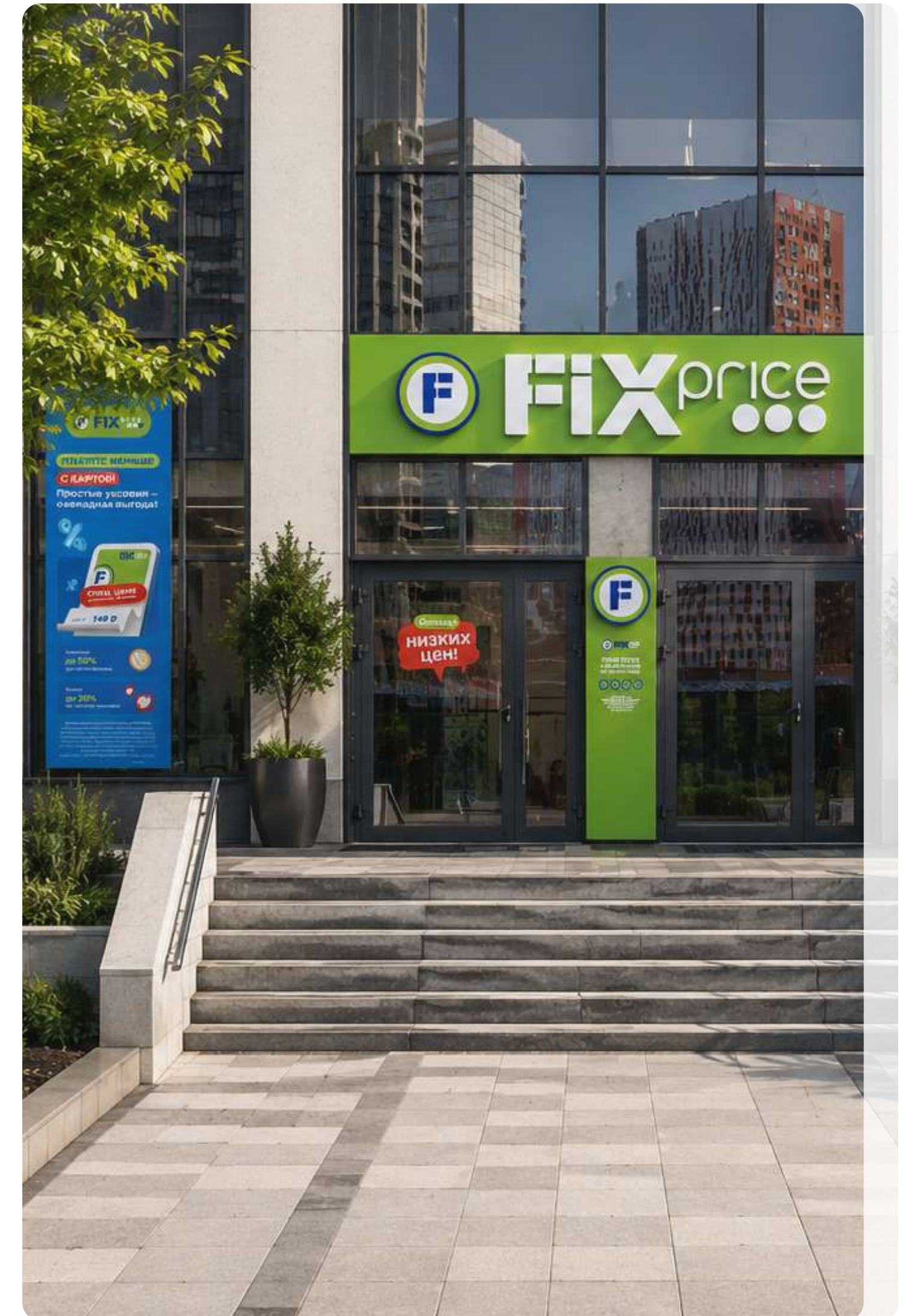
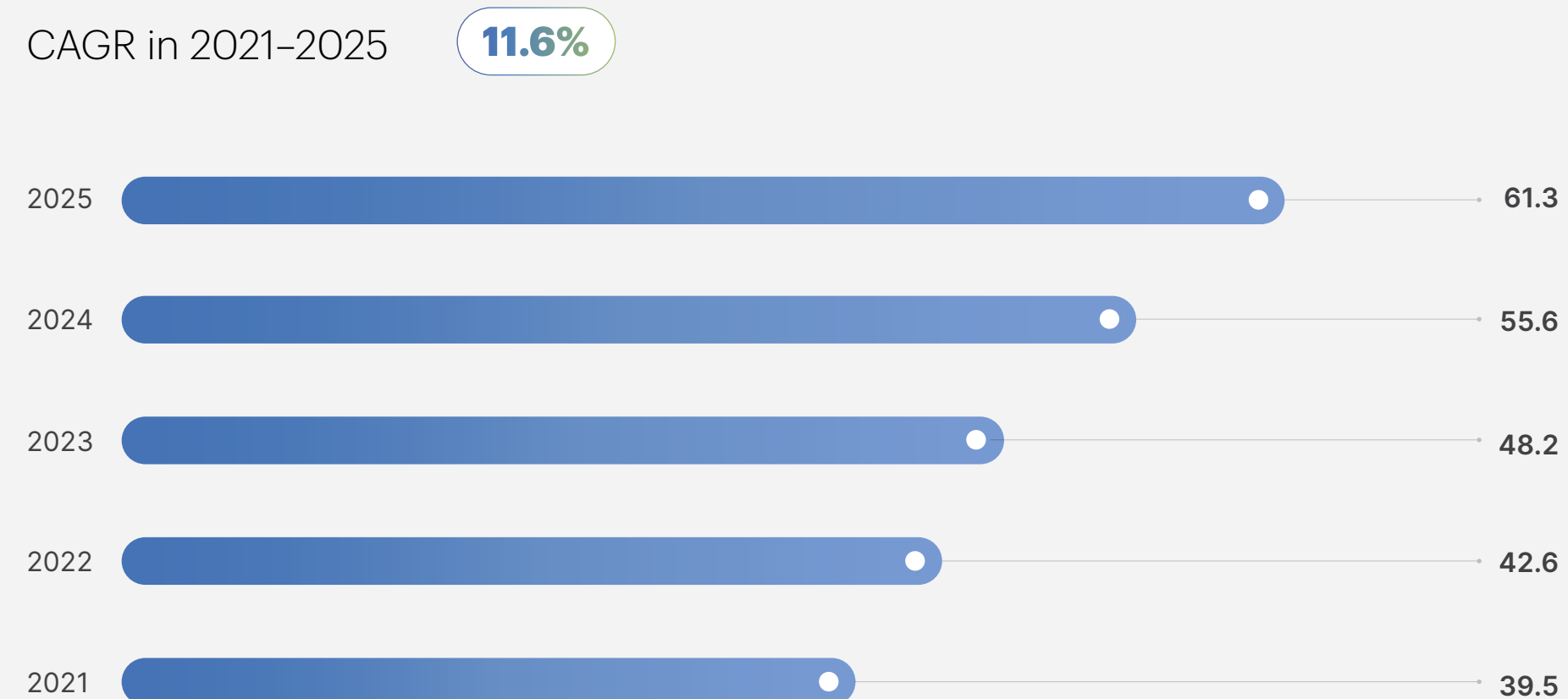
The Russian retail market continued to expand in 2025, reaching RUB 61.3 trillion. While demand remained resilient overall, its structure shifted towards essential categories. Food accounted for 48.3% of retail sales, while non-food represented 51.7%. This change reflected more restrained demand in selected discretionary non-food categories and a redistribution of household spending in favour of everyday purchases.

The structure of the Russian retail market has continued to evolve in recent years. Convenience formats, affordable multi-category stores and marketplaces have strengthened their positions, while traditional trade has gradually lost share. In this environment, retailers that combine accessibility, price leadership and breadth of assortment remain well positioned.

Russian retail market structure, %



Russian total retail market, RUB trn



Market Overview

Total Addressable Market (TAM) ⁽¹⁾

In addition to the overall retail market, Fix Price assesses its total addressable market (TAM), which includes product categories that are sold, or may be sold, through the Company's format across different retail channels. These categories include shelf-stable food and drinks, household goods, health and beauty, apparel and footwear, consumer electronics, stationery, toys and other relevant non-food categories. According to INFOLine, the TAM in Russia reached RUB 4.6 trillion in 2025, equivalent to 7.6% of total retail trade.

The VVR segment still represents only a small share of the wider TAM, indicating substantial room for further channel development. At the same time, the addressable market continues to benefit from stable demand in everyday categories and from consumers' increasing focus on affordability.

⁽¹⁾ The total addressable market consists of retail products that have a similar price and assortment to VVR products but are currently available through various retail channels. Source: INFOLine

⁽²⁾ Including VAT

TAM estimation for 2025⁽²⁾

1

Total retail market

All retail channels, product categories and regions in Russia

2

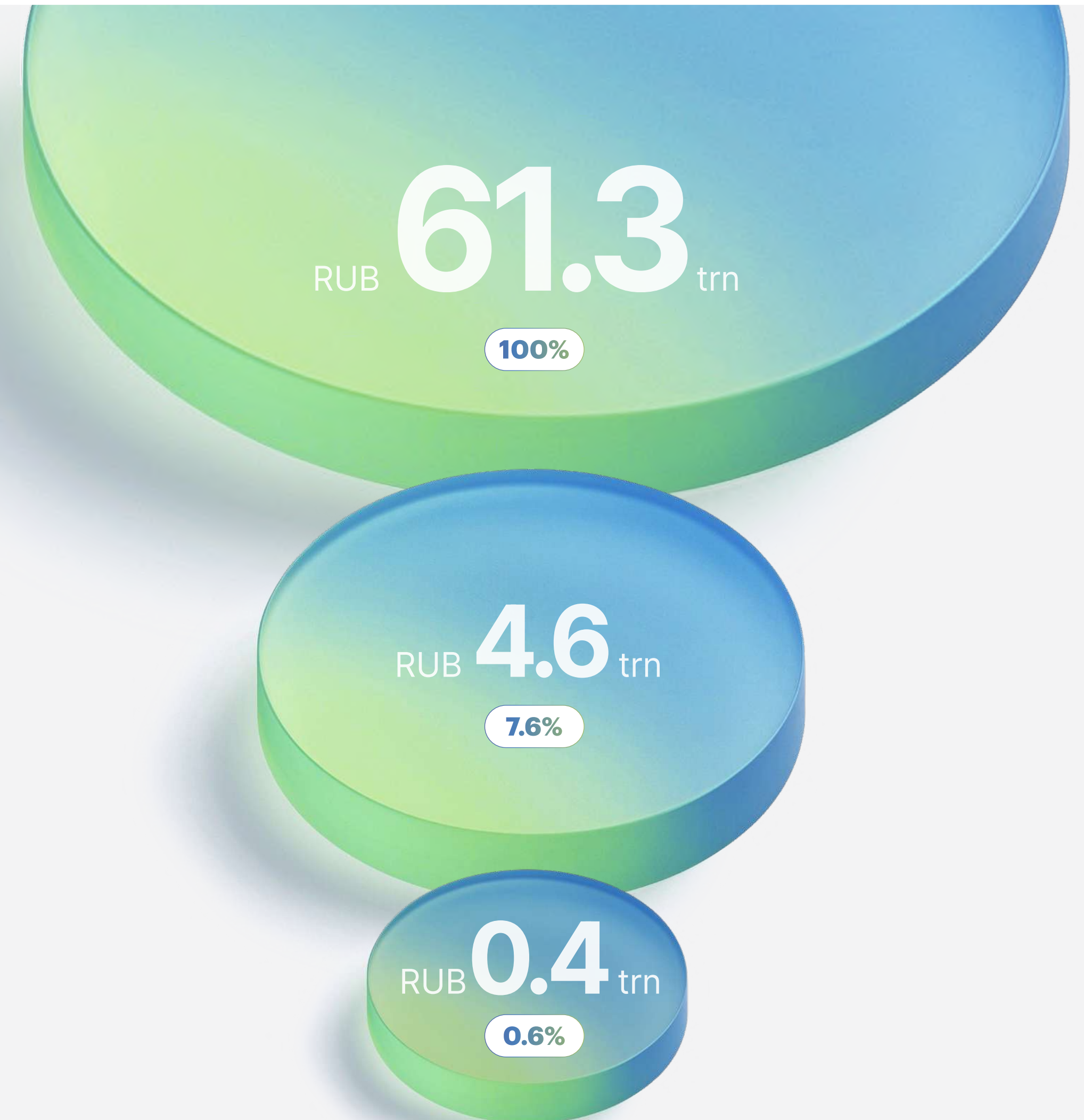
Total addressable market

Categories relevant for the Company's price positioning, assortment model and store format

3

VVR market

Retailers operating in the variety value retail segment



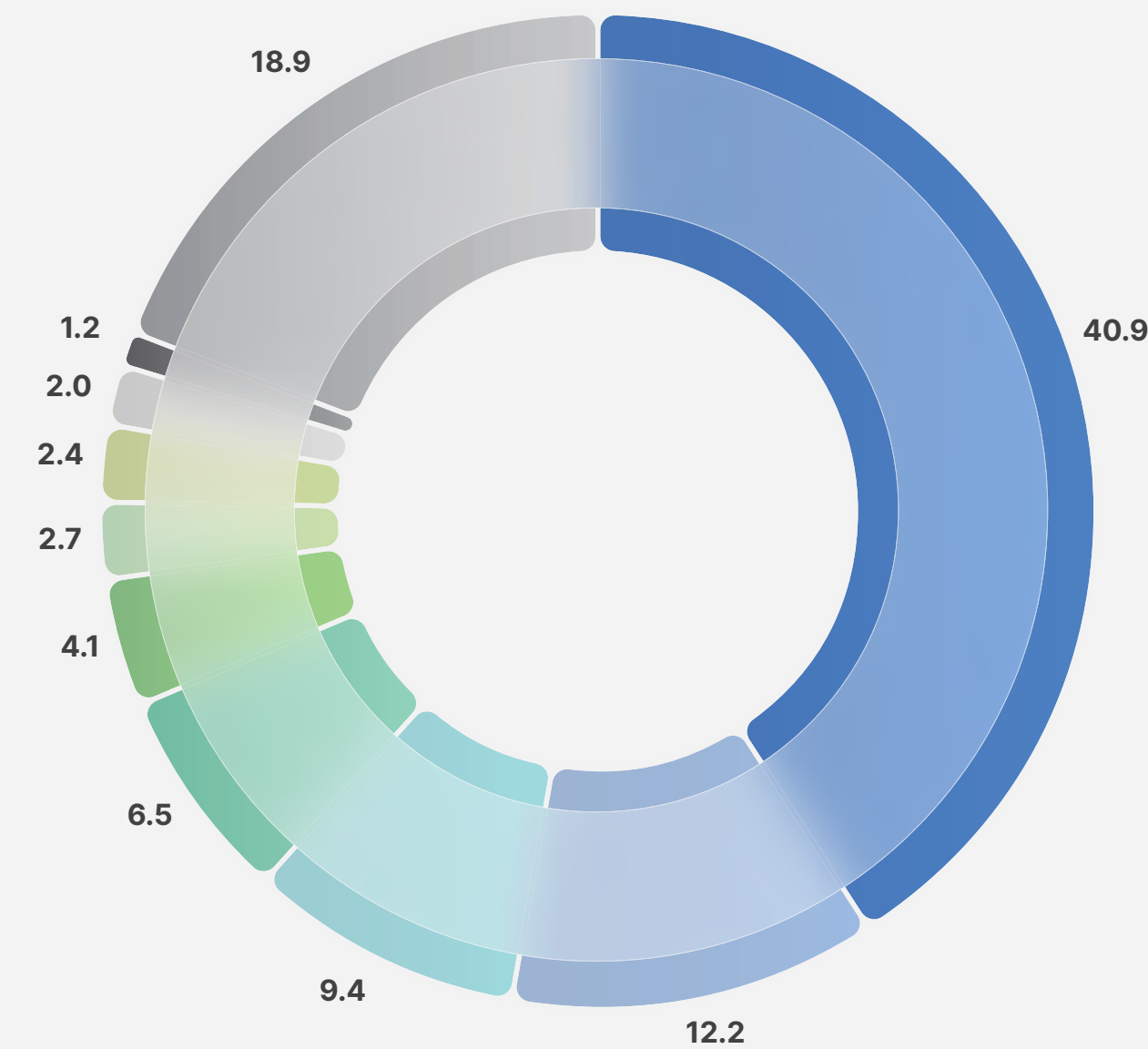
Market Overview

TAM relevant products across categories, % per category

TAM product category in a respective total retail market category⁽¹⁾



Structure of TAM⁽³⁾, %



Dynamics of TAM and the VVR market in Russia, RUB billion



⁽¹⁾ Calculated as Total Addressable Market for the specific category divided by the respective category value in the total retail market

⁽²⁾ The "Leisure and Personal Goods" category comprises books and sports goods (excluding apparel)

⁽³⁾ Due to rounding, the sum may not be equal to 100%

Market Overview

Variety Value Retail Market

The variety value retail segment occupies a distinct niche within the broader retail market. It combines a relatively wide assortment of everyday goods with accessible price points and a compact store format. Positioned between hard discounters and traditional multi-category retail, the segment offers broader non-food choice and stronger assortment rotation than hard discounters, while typically maintaining a lower average ticket and a more value-focused proposition than supermarkets or hypermarkets.

Although the VVR segment remains relatively small compared with total retail, it continues to develop against a backdrop of more rational consumer behaviour, as well as resilient demand for affordable everyday goods that supports repeat traffic and proves the relevance of the format.

92%

share of Fix Price in the Russian VVR market

Fix Price is the market leader in the Russian variety value retail

Company	Number of stores at year-end		Market share ⁽¹⁾ , %		Year of market entry
	2017	2025 ⁽²⁾	2017	2025	
	2,477	6,999	86.0	91.6	2007
	181	739	5.0 ⁽⁴⁾	7.6 ⁽⁴⁾	2009 (Galamart) 2019 (MPR)
	–	97	–	0.8 ⁽⁴⁾	2023

⁽¹⁾ Based on sales data, including VAT. Source: INFOLine 2025

⁽²⁾ The data refers to stores in Russia

⁽³⁾ Two separate store formats of Galacentre Group: Galamart and MPR (a Russian abbreviation standing for Permanent Sale Store)

⁽⁴⁾ Market share as estimated by INFOLine based on the product assortment corresponding to the VVR TAM. Source: INFOLine



Competitive environment

Fix Price's closest competitors in the Russian VVR segment include Galamart and MPR, while newer specialised chains remain significantly smaller in scale. As a result, Fix Price continued to hold a dominant position in the segment in 2025.

In addition to direct VVR peers, the Company also faces competition from other retail formats. Hard discounters compete on price, grocery chains overlap in selected everyday categories, and marketplaces compete in parts of the non-food assortment. However, none of these formats replicates the combination of accessible price points, broad multi-category assortment and routine shopping mission that defines Fix Price's format.

Market Overview

Opportunities for Expansion

INFOLine estimates that the number of variety value retail (VVR) outlets in Russia, Kazakhstan and Belarus could nearly triple to 18,600. The segment is unlikely to see meaningful new entrants: for any large chain, market entry would require substantial upfront investment to reach scale, alongside elevated risks in building supply chains capable of delivering high-quality non-food products at compelling prices and providing constant rotation of goods that suit customer needs and expectations. Against this backdrop, Fix Price plans to further strengthen its leadership in VVR by expanding its regional footprint across new and existing markets, enhancing its customer value proposition (CVP), and improving the overall customer experience.

Potential of VVR stores in Russia and neighbouring countries⁽¹⁾

7,865

Number of Fix Price stores as at 2025-end⁽²⁾



6,999

Russia⁽²⁾

767

Belarus
 Kazakhstan⁽²⁾

99⁽²⁾

Armenia
 Georgia
 Latvia

Kyrgyzstan
 Mongolia
 Uzbekistan
 UAE

~9,000

Number of stores as at 2025-end⁽³⁾



>15,600

stores in Russia



>3,000

stores in Belarus and Kazakhstan



>18,600

Total potential for store openings⁽⁴⁾



Expansion geography: cities and towns in Russia and other countries of presence with a population of over

5,000 people

Potential for further store roll-out

⁽¹⁾ Neighbouring countries include Kazakhstan and Belarus

⁽²⁾ Number of Fix Price stores as at 31 December 2025

⁽³⁾ Current number of VVR stores in Russia, Belarus, and Kazakhstan
Source: INFOLine

⁽⁴⁾ Total store potential for Russia, Belarus, and Kazakhstan (for Fix Price and competitors, including existing stores)

Providing Unique Value

Unique Product Assortment and Categories⁽¹⁾

At the heart of Fix Price's offer is an assortment designed to balance everyday relevance with novelty. Each store offers around 2,000 SKUs across 20 categories, including household goods, cosmetics and hygiene, household chemicals, stationery, apparel, toys, and food and drinks. The assortment combines private labels, major brands and products from less established or new manufacturers, allowing the Company to respond quickly to shifts in demand while maintaining a distinctive value proposition.

A basket of goods at Fix Price is typically much cheaper than at other Russian retailers. Customers benefit from diverse, great-value products, frequent assortment updates, and a well-balanced mix. The loyalty programme helps cardholders save and optimise daily spending with attractive benefits.

Fix Price manages its assortment around three priorities:

- ensuring dependable availability of everyday items
- introducing regular novelty and seasonal solutions
- preserving accessible pricing across categories

The approach remains data-led, combining sales analytics, customer feedback, category insights and in-store testing of new SKUs.

A significant share of retail sales continued to come from rotating assortment. In 2025, around 70% of retail sales was generated by variable assortment, which is refreshed up to six times a year, while around 30% came from the regular assortment. The permanent matrix supports predictability and convenience in everyday shopping, whereas rotating assortment drives novelty, seasonality and repeat store visits.

Fix Price's customer proposition rests on a clear and practical idea of a broad and frequently refreshed assortment, accessible price points and a convenient shopping experience.

Category mix in 2025, % of retail sales



⁽³⁾ Others include electronics, healthy lifestyle, car accessories, pet supplies, and other general merchandise

~2,000 SKUs
in each store

⁽¹⁾ The data in this section refers to Company-operated stores in Russia

⁽²⁾ Due to rounding, the sum may not be equal to 100%

Assortment sourcing⁽²⁾, % of retail sales

Private-label products
22%

No-name brands
59%

Major brands
20%

Providing Unique Value

Fix Price's retail sales mix by rotation type, %

● Regular assortment

30% in the retail sales mix

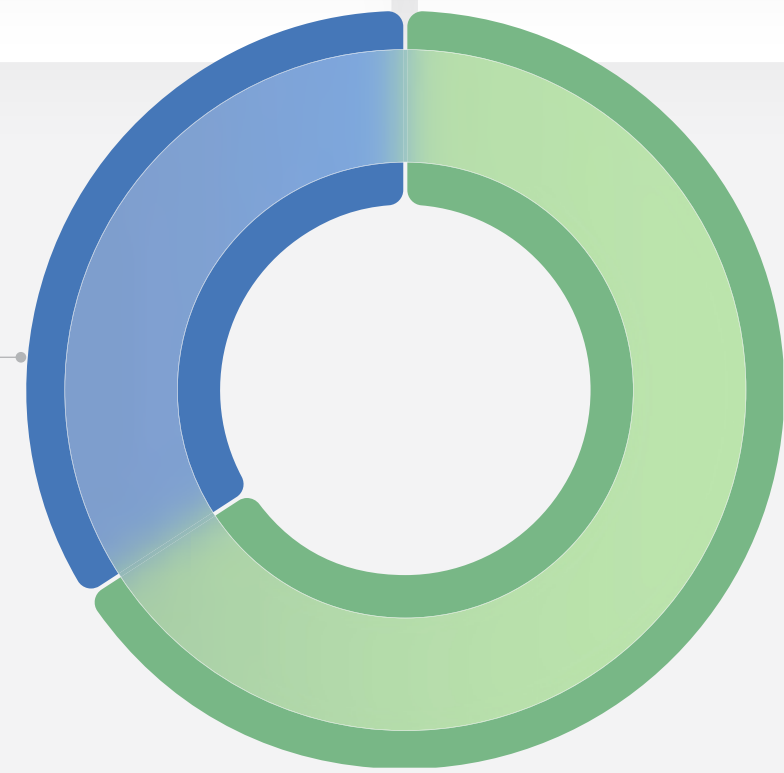
– Household goods

● Rotating assortment

70% in the retail sales mix

– Stationery and books
– Clothing
– Party and celebration
– Toys
– Accessories

– Food products⁽¹⁾
– Cosmetics and hygiene products
– Household chemicals



⁽¹⁾ Including non-perishable foods, confectionery, drinks, and snacks

In 2025, the Company introduced more than 2,700 new SKUs, or around 50 new products per week on average, with some weeks exceeding 100 launches. Seasonal collections remained an important part of this model, with around eight seasonal waves during the year linked to key calendar occasions and shopping missions, including New Year, spring holidays, Easter, gardening season, back-to-school and winter collections.

Major brands continue to play an important role in selected categories, especially food and personal care. Combined with private labels and no-name products, they allow Fix Price to build a balanced assortment architecture that supports both value perception and product differentiation. Where appropriate, the Company works with suppliers to adapt product specifications, packaging and format to fit the required price point and the needs of its customer base.

No-Name Brands

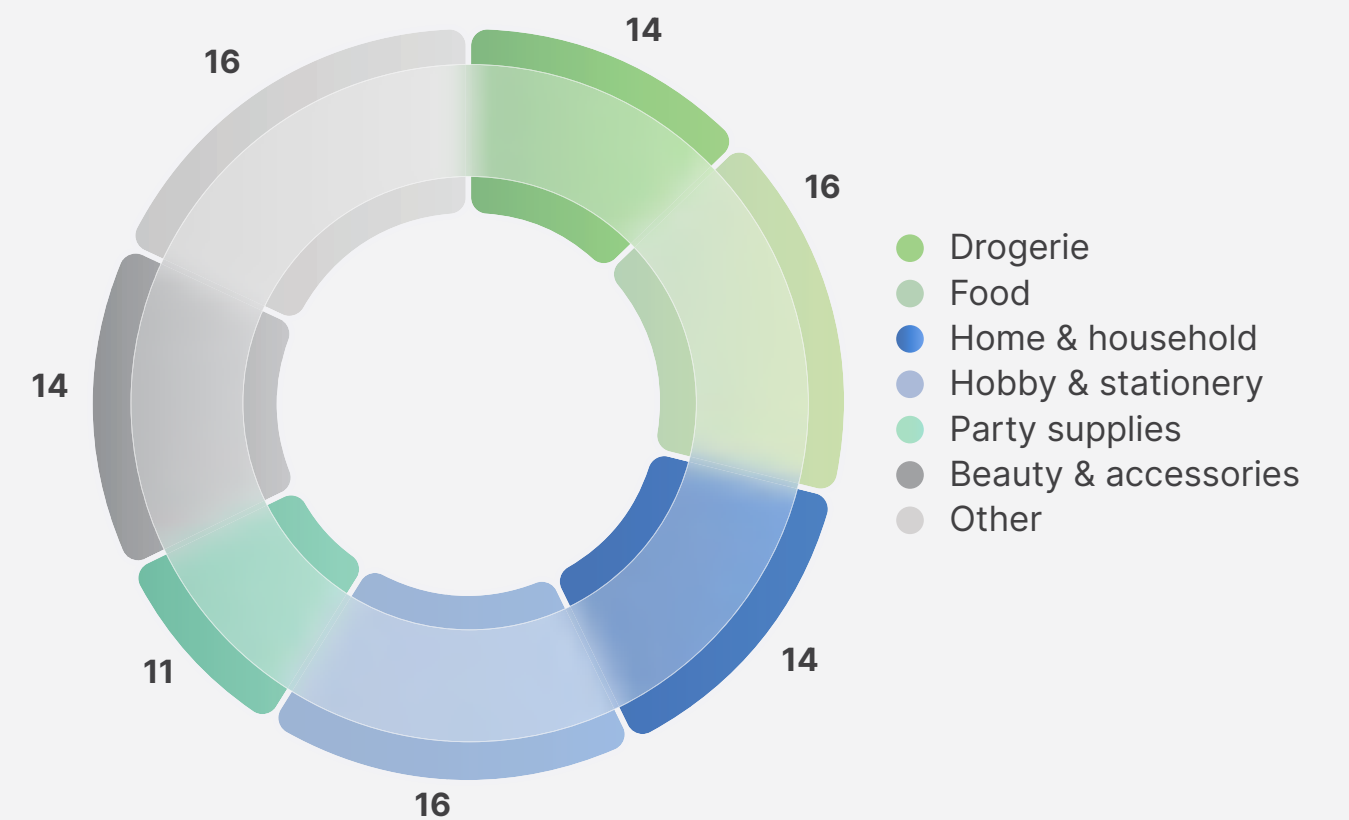
In addition to established brands and private labels, Fix Price uses no-name brands as a practical tool for testing demand and keeping the assortment fresh. Because suppliers are not tied into long production runs, the Company can respond quickly to changing consumer preferences and introduce new products with limited commitment. This mechanism is especially useful in trend-sensitive categories, where speed, novelty and price competitiveness matter most.

Private Labels

Private label remains one of the Company's most important assortment development tools. It gives Fix Price greater control over the balance between price and quality, enables quicker product adaptation and supports a more differentiated offer versus competitors. In 2025, the Company continued to develop its private label portfolio with greater emphasis on clearer positioning, visual differentiation and stronger sales support.

Category Management and Marketing teams work jointly on the private label portfolio: one side manages product economics and assortment role, while the other focuses on quality, packaging, presentation, recognition and customer communication. This integrated approach allows the Company to shape products more precisely around target price points, performance requirements and shopper expectations.

Private label product categories, %



Assortment development

Following a review of sales performance, Fix Price reduced space allocated to apparel and expanded the food category, where turnover and customer response were stronger. The Company also widened its offer in selected fast-growing segments, including Asian food products from China, Korea, Thailand and Vietnam. By year-end, Asian food accounted for nearly 1.9% of network sales despite representing only around 60 SKUs.

~2,700
new SKUs in 2025

50
new products per
week on average

Providing Unique Value

Value for our Customers

Fix Price remains focused on offering clear value at recognisable and competitive price points. Its pricing system is built around a set of anchor price points complemented by fractional prices between them, allowing the Company to combine affordability with flexibility in assortment management.

In 2025, around 82% of all SKUs in the network were priced at RUB 199 or below. The assortment also includes higher price points, primarily in categories where customers value a larger format, greater functionality or product novelty. These include homeware, kitchenware, toys and selected household chemicals. Even at these price levels, such products are often priced attractively compared with similar items at other retailers and online platforms.

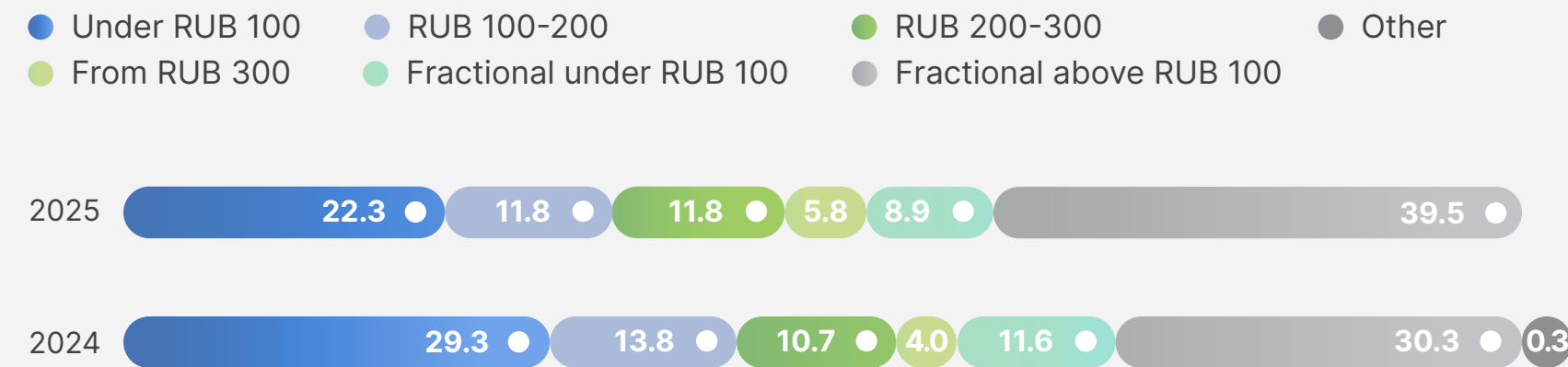
For Fix Price, pricing is closely linked to sourcing, product engineering and logistics. When cost pressure arises on a particular product, the Company may refine it, optimise its cost base or adjust the format and pack size, rather than simply moving the item into a higher price tier. In some cases, a larger format or increased quantity supports a naturally higher price point. This flexible approach helps sustain fast rotation and regular assortment renewal while preserving the value proposition for customers.

A broader pricing architecture also gives the Company more room to respond to market changes through more precise assortment calibration, the further development of price tiers and ongoing cost optimisation.

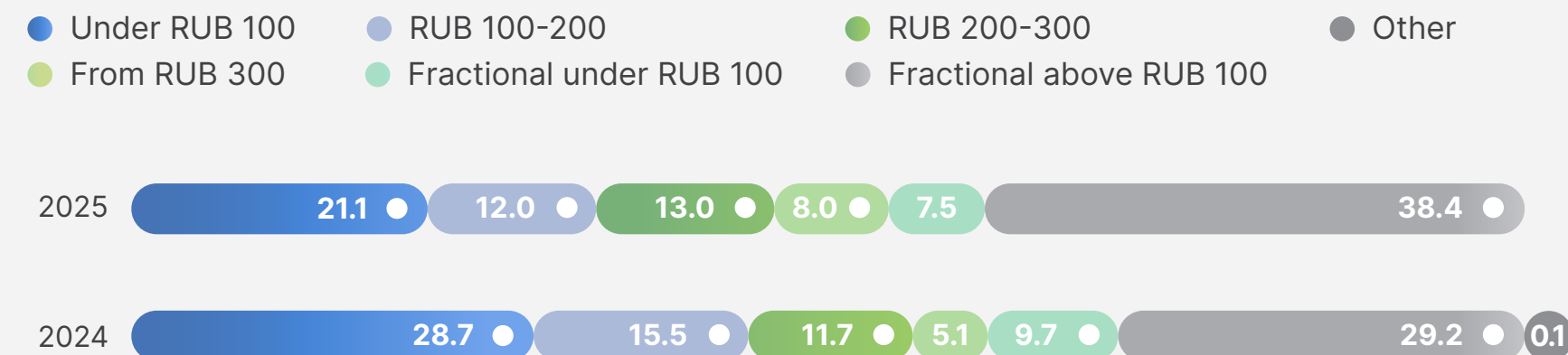
⁽¹⁾ The data in this section has been calculated for Company-operated stores in Russia

⁽²⁾ Source: Vector Market Research, 2025

Fix Price's price points as % of SKUs in 2024–2025⁽¹⁾



Fix Price's price points as % of retail sales in 2024–2025



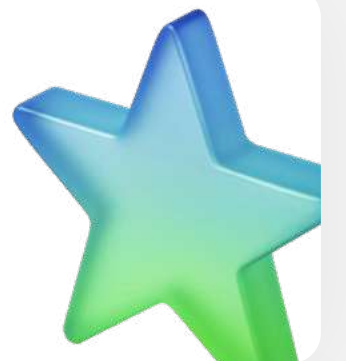
82% of all SKUs priced at RUB **199** or below



Customer Shopping Experience and Loyalty Programme

The Fix Price format is designed for quick, practical shopping; the breadth of assortment and regular updates encourage repeat visits. Research into shopper behaviour in 2025 shows that low prices, wide assortment and convenient locations remain the main reasons why customers choose the chain⁽²⁾.

84% of customers choose Fix Price for low prices across categories



58% cite convenient locations



57% cite a wide assortment



46% cite the most competitive prices



Customer-First Approach

Fix Price's customer base remains broad, with a particularly strong appeal among families with children and shoppers who pay close attention to value-for-money.

The core audience continues to be women aged 25–55 with one or two children, although the customer base is much wider and includes office workers, manual workers, pensioners, students and middle managers.

In 2025, women accounted for 66% of the customer base and men for 34%. The Company also noted a gradual increase in the share of younger shoppers, supported by stronger attention to trend-led categories and a more dynamic product mix. In 2025, the share of customers in white-collar occupations was up by 4 percentage points to 63%.

Loyalty Programme

The loyalty programme is an important extension of Fix Price's assortment and customer strategy. By the end of 2025, the total number of loyalty cardholders had increased by 16% year-on-year to 35 million. In Russia, the number of registered users exceeded 32.9 million, up 14% year-on-year; in Kazakhstan, it reached 1.18 million, up 33%; and in Belarus, it totalled almost 983 thousand, up 54%. More than 71%⁽²⁾ of retail sales in Russia were generated by cardholders.

Active⁽³⁾ users accounted for approximately 40% of the membership base. The average ticket of loyalty programme users was 2 times higher than that of other shoppers.

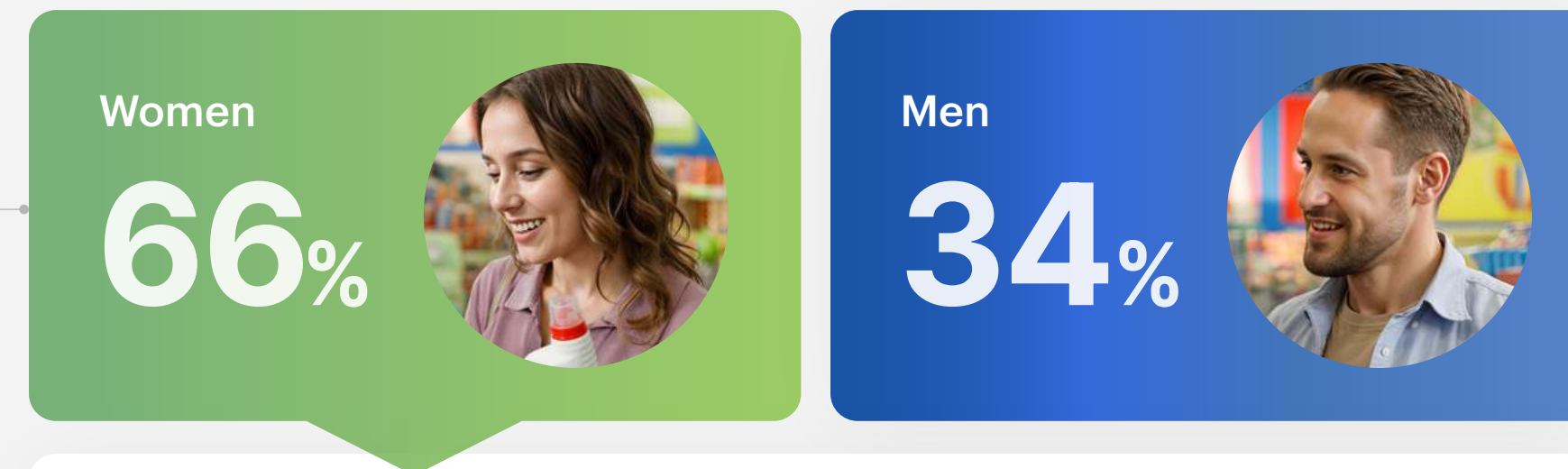
⁽¹⁾ Unless stated otherwise, customer data is based on Vector Market Research as of autumn and spring 2025

⁽²⁾ Hereinafter, all loyalty programme data are calculated for Fix Price stores operating in Russia, unless stated otherwise

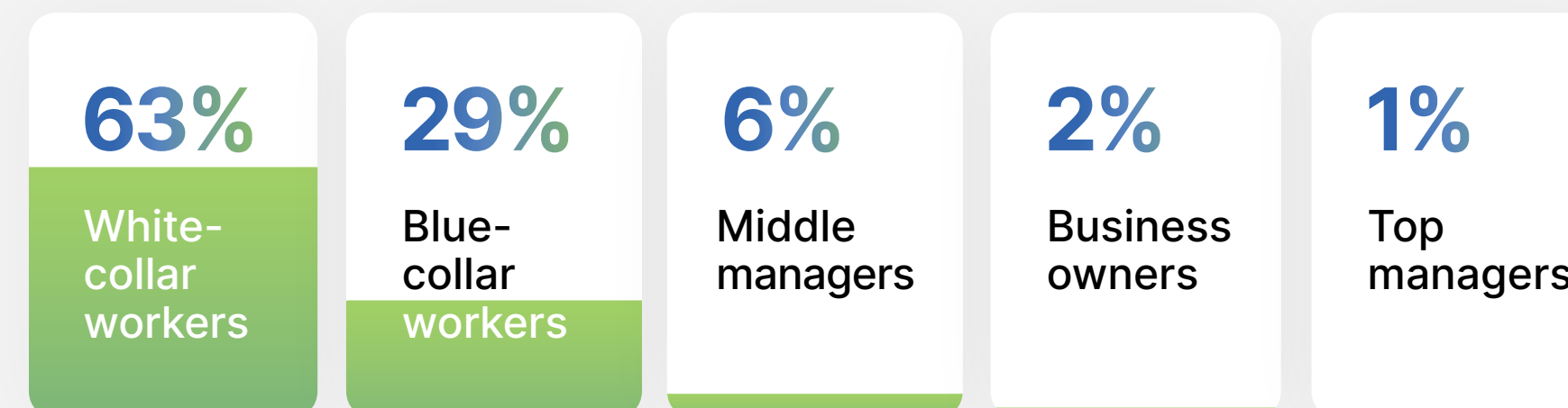
⁽³⁾ Members of the loyalty programme who make at least one purchase per month

⁽⁴⁾ Source: Market research run by Vector in autumn and spring of 2025

Fix Price customers by gender in 2024



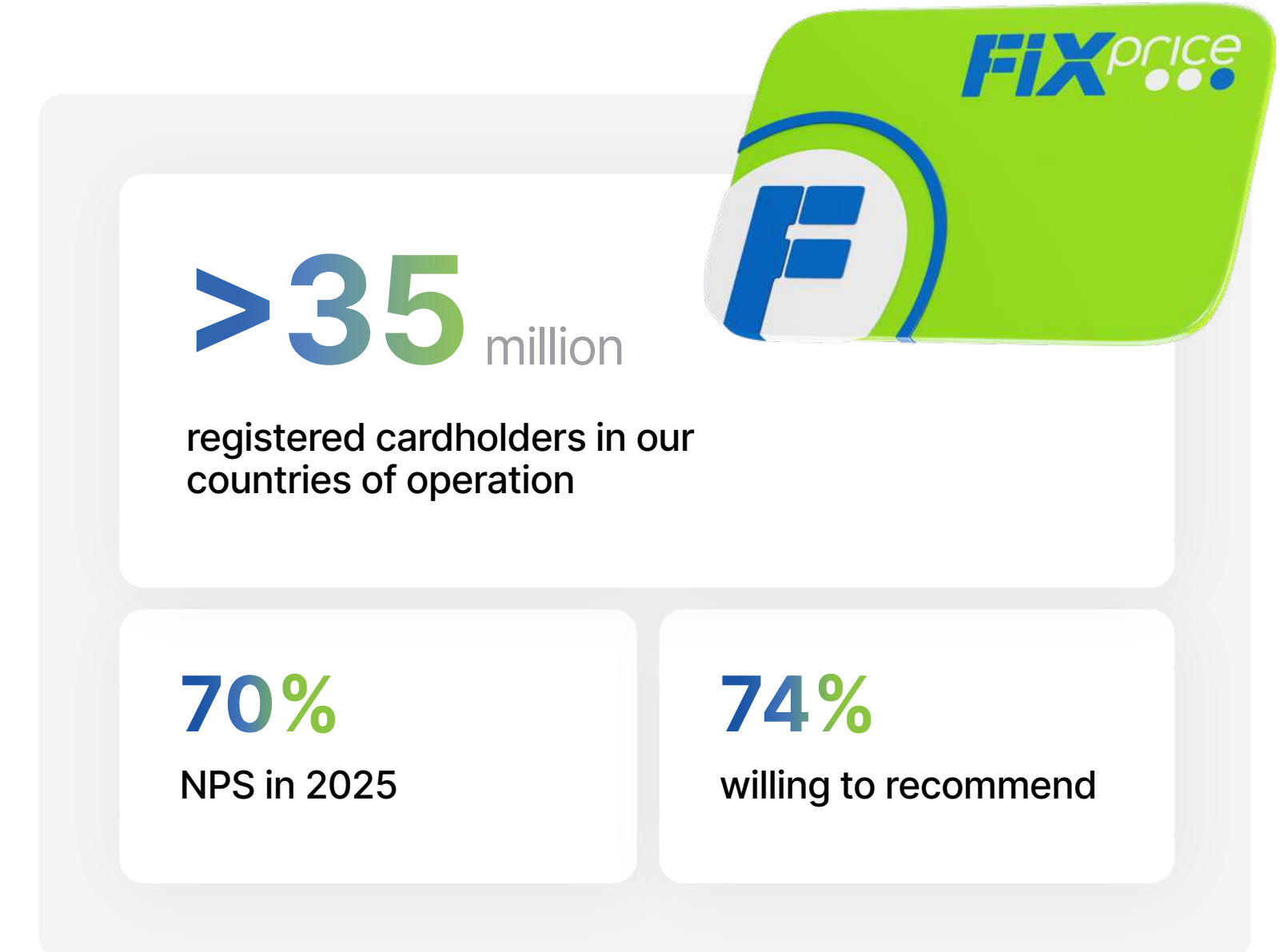
Customers by occupation in 2024



Beyond customer savings and engagement, the programme gives the Company additional visibility into shopping frequency, response to promotions, demand by price point, openness to new products and interest in seasonal ranges.

In 2025, the programme was expanded with dedicated participation scenarios for parents, children and teenagers. From August, parents were able to register children under 14, while teenagers could join independently within the applicable legal framework. By year-end, 216,000 parents had used these options and 14,000 teenagers aged 14–18 had joined the programme.

Customer research pointed to strong satisfaction and advocacy. According to Vector Market Research⁽⁴⁾, NPS reached 70% in 2025, up 5 percentage points year-on-year, while 74% of respondents said they were willing to recommend shopping at Fix Price.



Customer-First Approach

Quality Control

Fix Price works with a broad assortment, fast product rotation and a large number of suppliers, which makes product quality and safety a critical part of its customer proposition. The Company therefore operates a multi-layered quality control system covering the full product lifecycle and supported by internal policies that define the principles of responsible marketing, product quality and process accountability.

The system is built around end-to-end monitoring and a risk-based approach. Categories for additional control are selected with reference to potential health impact, the probability of non-compliance, the severity of possible

consequences and the number of consumers who may be affected. Different functions are involved at different stages, including Category Management, Logistics and the Quality Control Centre.

Quality control measures include document checks, laboratory testing, tastings of selected private label food products, supplier audits, shelf checks and customer feedback analysis. Private label products are subject to particularly close scrutiny, including assessment of consumer properties, tastings and, where needed, additional laboratory testing.

Store Layout

Fix Price continues to use a standardised store layout designed to make the assortment easy to navigate and to expose customers to multiple categories within a single visit. Stores follow an open-plan format with clear navigation and a consistent arrangement of key product zones across the network. A standard store typically includes around 75 shelving units.

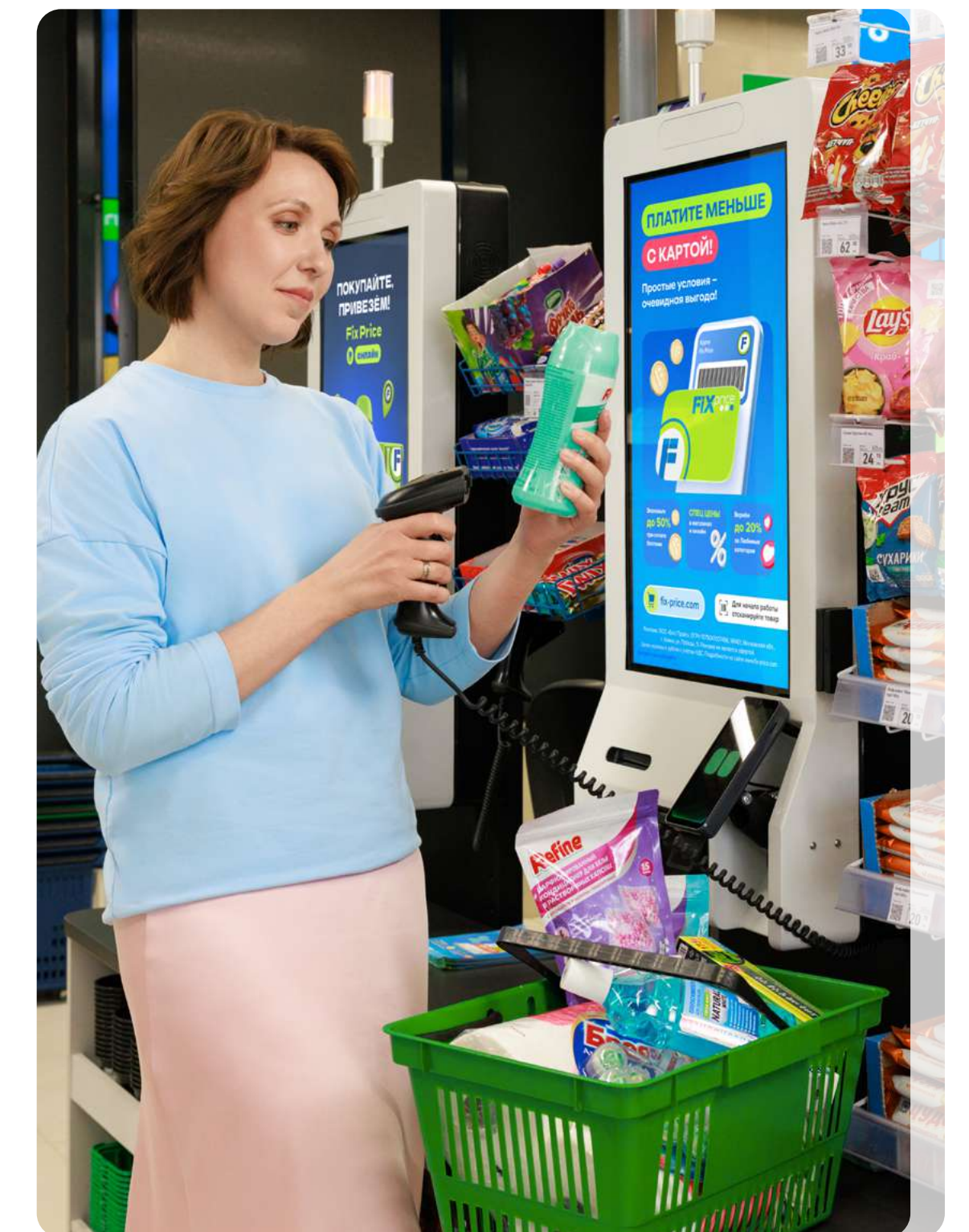
Products are arranged so that customers move through several merchandise zones, including new launches and special offers. This supports both everyday convenience and the treasure-hunt aspect of the shopping experience by combining familiar staples with novelty and impulse-driven categories.

Improving Checkout Efficiency

The Company continues to improve the checkout experience through technology. Self-service checkouts, which have been installed in all newly opened stores since 2022, continued to roll out across the network in 2025. By the end of the year, the total number of stores equipped with self-service checkouts across Russia, Belarus and Kazakhstan had reached 5,043. These checkouts help reduce pressure on store staff, shorten queues and speed up transaction processing. In parallel, the payment infrastructure was further strengthened through QR-code payments via the Faster Payments System, as well as Sber's biometric payment solution, which is available across all Company-operated stores in Russia.

See [Sustainability Review](#) for more information

>5,000 stores
are equipped with self-checkout terminals



Customer queries in 2025:

2.1 mln queries

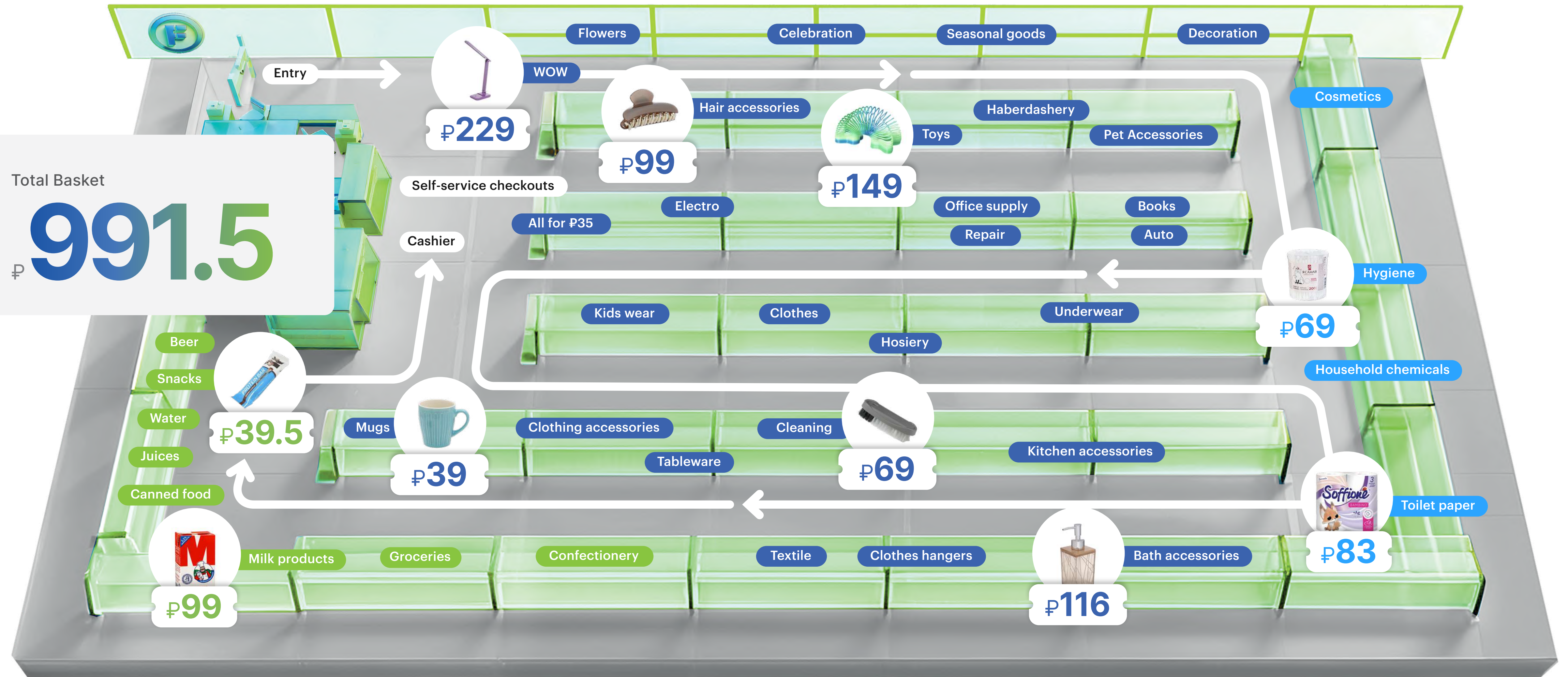
submitted through all communication channels



2,061 queries
related to product quality

23% of quality-
related queries
required inspections

Overview of a Typical Fix Price Store Layout



Customer-First Approach

Marketing, Advertising, and E-commerce Development

Fix Price's marketing model is closely tied to its assortment strategy. Given the high share of rotating assortment, marketing is also used to promote specific categories, seasonal selections, special offers and new SKUs. As a result, media planning remains flexible and is adjusted throughout the year in line with assortment dynamics.

Proprietary channels, particularly social media, email and CRM-based tools, remained especially effective in supporting product promotion at scale. By year-end, the Company's social media audience stood at around 2.5 million followers, while more than 3,800 products had been promoted during the year.

To broaden reach and reinforce engagement, Fix Price continued to work with influencers, experiment with new formats and strengthen personalisation.

Brand metrics remained strong in 2025. According to Romir, brand awareness increased by 2 percentage points to 94%, while the trust index stood at 90%. Vector Market Research reported brand recognition of 96%.

(1) Source: Vector Market Research, 2025

(2) Data presented according to a study by Romir as of March 2025

(3) Source: Romir, 2025

>3,800

products advertised in 2025



94% brand awareness⁽¹⁾

90% trust index⁽²⁾

96% brand recognition⁽³⁾

Marketing tools



Television. Broad-reach advertising supporting brand awareness among a wide audience



Outdoor and transit advertising. Billboards and digital screens in metro stations and city-transport vehicles



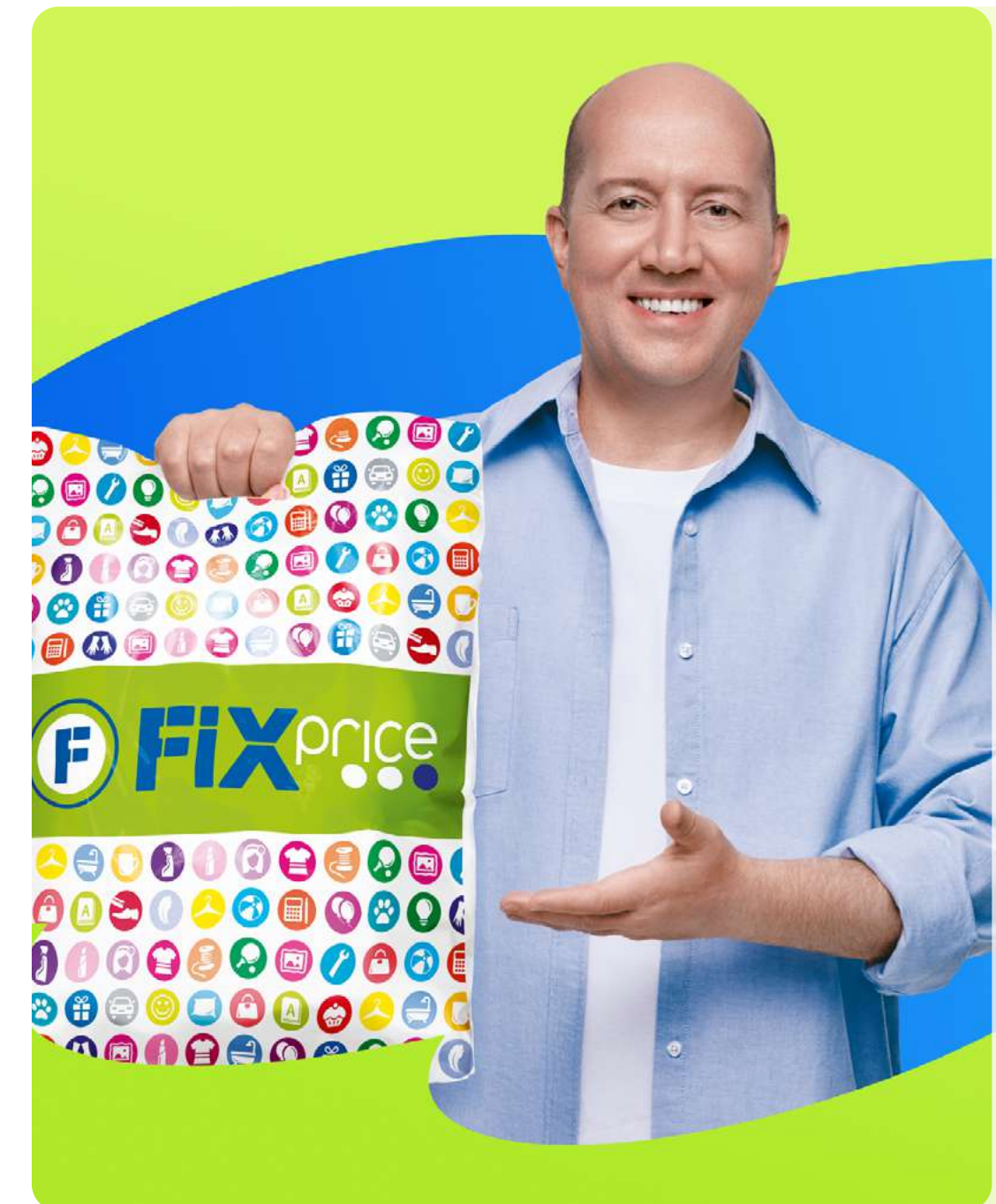
Online advertising. Banner and video ads on digital channels, targeted promotion on social-media platforms, and contextual (search) advertising



Proprietary communication channels. Social media, email campaigns, push notifications and CRM tools



In-store advertising. Printed materials, LED panels and video content in self-checkout areas



2.5 million

social media followers

Brand Characters

Fix Price uses mascots as a tool for building emotional connections with customers.

In 2025, Fix Price introduced its second mascot – Foxy the Fox. The new character is named at audiences under 18 and is used in communications about back-to-school products and promotions targeted at teenagers.



Customer-First Approach

Interactive marketing campaigns

In 2025, pilot projects such as Back to School and FixQuest combined mini-apps, blogger integration and offline customer routes through stores in 11 Russian cities. The results materially exceeded internal benchmarks, with project efficiency surpassing targets by 58%.



E-Commerce Development

E-commerce develops as part of Fix Price's omnichannel model, complementing the store network rather than replacing it. The objective is to give customers more ways to access the assortment, make purchases more convenient and increase the frequency of interaction with the brand.

In 2025, online sales in Russia increased by 12% year-on-year. The Company continued to expand its presence across both its own digital channels and partner platforms. More than 3 million online orders were placed during the year, with the average online ticket at around RUB 1,200.

The structure of online sales also became more balanced. While earlier growth had been driven largely by expansion on third-party platforms, in 2025 the Company's own online channels gained stronger momentum. One reason was a shift in delivery economics, as courier shortages in major cities pushed up partner delivery costs and encouraged more customers to order through Fix Price's own channels for click-and-collect.

Against this backdrop, the share of total online turnover generated through the Company's own website and mobile app increased by 7 percentage points during the year.

Service infrastructure was also expanded further. More than 3,000 stores were connected to express delivery in 2025, supporting additional growth in this channel. The mobile app continues to serve as a key point of interaction with customers, linking e-commerce, loyalty and communication within a single ecosystem. By year-end, the app had reached 45.1 million installs by device and 29.3 million installs by users.

12% y-o-y
online sales growth in Russia

3 million
online orders

RUB **1,200**
average online ticket



Business Review

In 2025, Fix Price Group PLC continued to build on the strengths of its business model and create long-term value through consistent business development. The Group remained focused on sustainable growth, operational discipline and the further enhancement of its customer proposition.

>35 mln

Loyalty cardholders
(Includes loyalty programme participants in Russia, Kazakhstan and Belarus)

700

Net new stores

~550

Number of suppliers

Operating review

In 2025, Fix Price Group PLC continued to expand its business and strengthen its positions across its markets despite a challenging macroeconomic backdrop. Store expansion, ongoing assortment management and price architecture adjustments remained the main drivers of performance.

Key achievements in FY 2025:

Net store openings

700

Retail revenue

7.2% y-o-y

Average ticket

4.0% y-o-y

The Group's revenue increased by 4.0% year-on-year to RUB 327.5 billion. Retail revenue rose by 7.2% to RUB 305.4 billion, while wholesale revenue amounted to RUB 22.1 billion.

In 2025, we delivered broadly stable like-for-like (LFL)⁽²⁾ sales performance despite continued pressure on customer traffic and a cautious consumer environment.

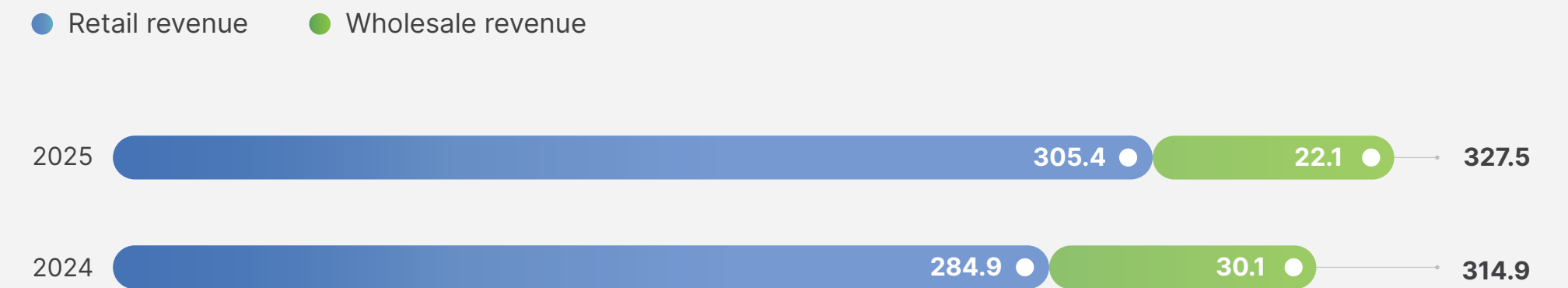
LFL sales increased by 0.1%⁽³⁾ on a leap-year adjusted basis or declined by 0.1% on an unadjusted basis, while LFL average ticket rose by 4.0%. This growth was partly offset by a decline in LFL traffic of 3.7% on a leap-year adjusted basis, or 4.0% on an unadjusted basis.

The year's performance reflected a mixed consumption backdrop. Customers remained selective in their spending, while continuing to prioritise value and everyday essentials. In this environment, our focus on price accessibility, targeted assortment renewal and category management helped support average ticket growth and preserve broadly stable LFL sales dynamics.

Food remained the key contributor to sales growth during the year, with LFL sales in the category increasing by 13.3%. The category continued to benefit from resilient customer demand and an expanded offering of in-demand products, reinforcing its role as both a traffic- and ticket-driving segment.

- ⁽¹⁾ The dynamics is calculated in comparison with the same period of the previous year
- ⁽²⁾ Like-for-like (LFL) sales, average ticket, and number of tickets are calculated based on the performance of Fix Price-operated stores that have been operational for at least 12 full calendar months prior to the reporting date. LFL sales and average ticket are calculated based on retail revenue inclusive of VAT
- ⁽³⁾ LFL sales and LFL traffic are adjusted for an additional trading day in 2024 resulting from the leap year

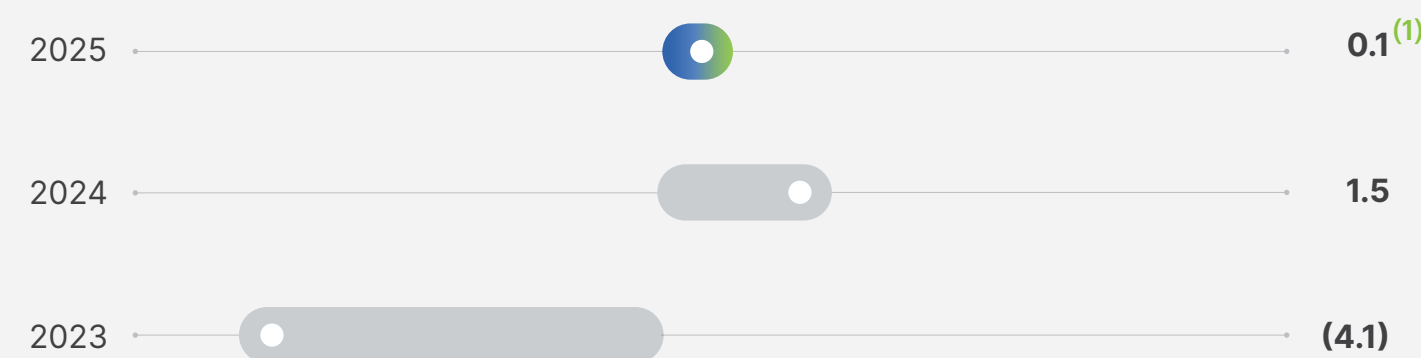
Revenue⁽¹⁾, dynamics year-on-year, FY 2024–2025, RUB billion



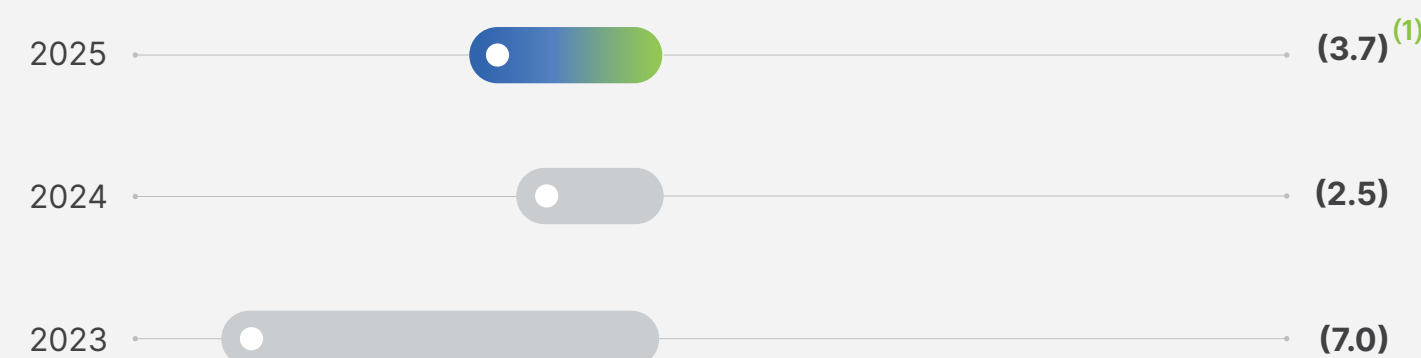
Operating review

LFL sales, traffic, and average ticket, dynamics year-on-year, FY 2023–2025⁽¹⁾, %

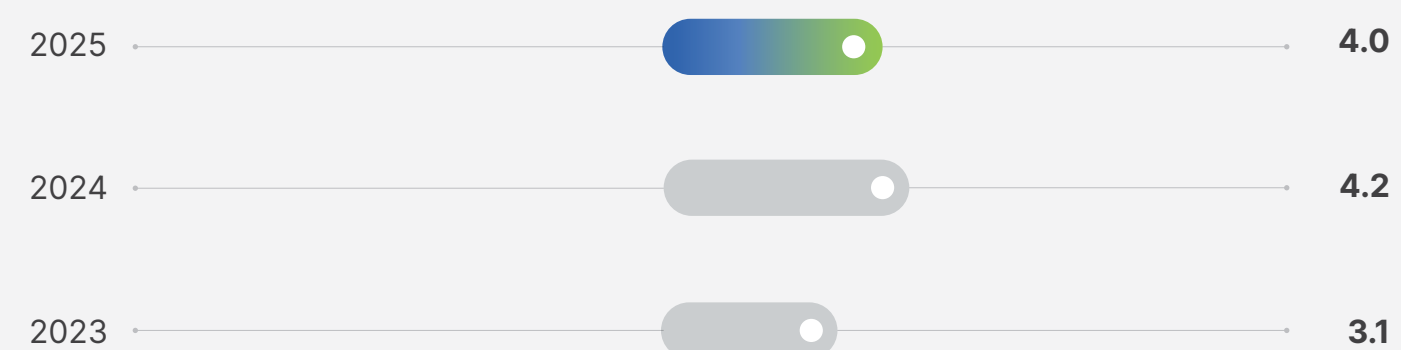
LFL sales



LFL traffic



LFL average ticket



Assortment and Category Mix⁽²⁾

Throughout 2025, we continued to refine our assortment in line with customer preferences and market trends. Fix Price maintained a broad assortment across around 20 product categories and continued to balance affordability with variety. As of the end of 2025, approximately 82% of the assortment was priced RUB 199 or below. At the same time, the sales mix continued to shift towards higher price points. In 2025, the share of products priced above RUB 100 in retail sales increased to 71.4% from 61.6% a year earlier, while the share of products priced above RUB 200 rose to 21.0% from 16.8%.

In 2025, the Company introduced more than 2,700 new SKUs, or around 50 new items per week on average, with the pace reaching 100 SKUs in certain weeks.

The category mix of retail sales also evolved during the year. The share of food increased to 31%, supported by demand for everyday consumption goods and the expansion of the category through new products. Non-food categories accounted for 46% of retail sales, while household chemicals and hygiene products represented 24%⁽³⁾.

At the same time, we preserved the affordability that underpins our customer proposition. Our pricing architecture remained one of the key strengths of the format, allowing us to combine accessibility with the gradual development of higher-value offers in selected categories.

> 2,700

new SKUs in 2025



- ⁽¹⁾ Adjusted for the additional trading day in 2024 resulting from the leap year. On an unadjusted basis, LFL sales declined by 0.1% and LFL traffic declined by 4.0%. LFL average ticket is presented on an unadjusted basis
- ⁽²⁾ Data relate to Company-operated stores in the Russian Federation only
- ⁽³⁾ Total may not equal the sum of the components due to rounding

~82% of total SKUs

priced RUB 199 or below

Network Expansion

Fix Price continued to expand its extensive store network, strengthening its presence across key markets. By the end of 2025, the Group operated 7,865 stores across ten countries, including 735 franchise locations. The Company fulfilled its annual expansion guidance, adding 700 net new stores during the year.

With a well-established business model, we remain focused on sustainable growth. Drawing on our operating expertise, Fix Price continues to deliver a scalable format across both major urban centres and smaller communities.

In 2025, we continued to expand beyond Russia, while further strengthening our positions in nearby countries. As of 31 December 2025, stores outside Russia accounted for 11.0% of the total network.

During the year, the Company continued to broaden its international footprint, with further expansion in Kazakhstan and Belarus, while also maintaining its presence in other markets.

735

franchise stores within the Fix Price network spanning

10

countries



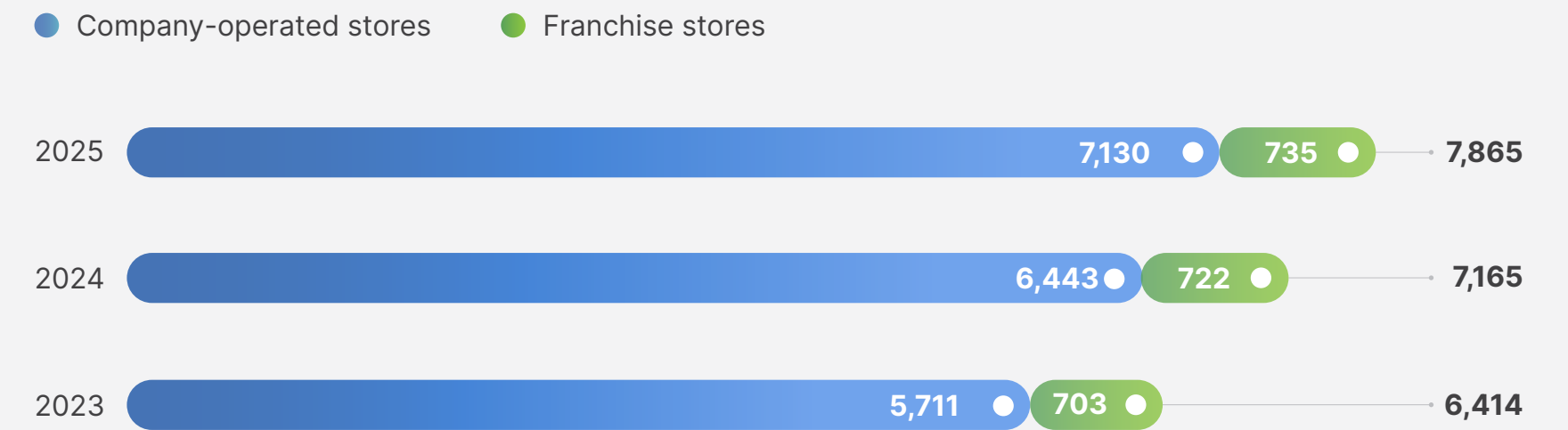
Net new stores

+700

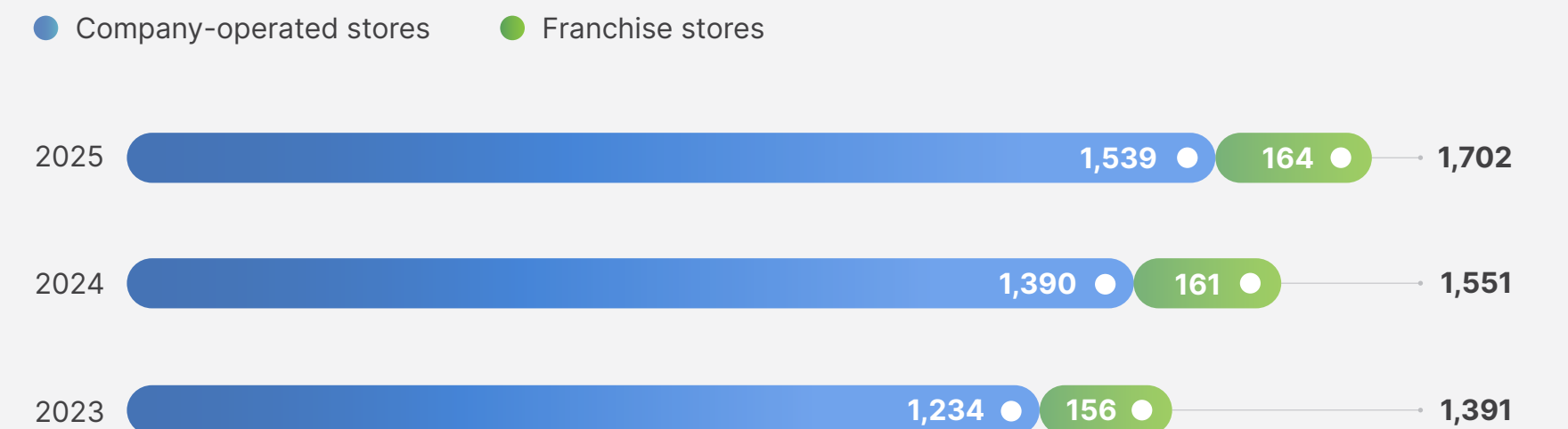
Store network growth in 2025

+9.8%

Fix Price total stores



Fix Price selling space expansion⁽¹⁾, thousand sq.m



⁽¹⁾ Total may not equal the sum of the components due to rounding

New Store Site Selection

Site selection

Fix Price carefully selects its store locations. We leverage cutting-edge IT solutions to explore the untapped growth potential of each location.

We also consider the performance of existing stores and a range of important factors, including economic, strategic, commercial, technical, and physical aspects.

Our location selection criteria:

- Population over 5,000
- High footfall
- Convenient access to transportation

~45%

of analysed sites pass the initial approval stage and progress to further review

Decision-making process

The Company's decision-making process assesses the project's financial metrics and the current condition of the potential location through site visits.

Once a site clears the feasibility study, we enter rental negotiations, adjusting our CAPEX projections as needed. If costs remain within the target range, we finalise the lease agreement.

From there, we focus on preparing the store by completing the fit-out, hiring staff, equipping the space, stocking inventory and launching local marketing efforts.

We evaluate:

- the quality of the property
- the scope to implement our standard layout and access for deliveries

Financial appraisal covers:

- revenue and EBITDA
- payback period
- NPV

Landlord negotiations seek:

- RUB-denominated rent for Russian stores
- revenue-linked, variable rate lease contracts to provide more flexibility
- part of necessary repairs to be carried out at the expense of the landlord

~16.5%

of analysed sites result in a store opening

~30

days standard lead time for a new opening

Store monitoring

As part of its broader drive to automate in-store processes, Fix Price has developed and continues to enhance a range of intuitive mobile solutions for store employees.

Store operations are monitored through video surveillance and proprietary IT systems, including dedicated mobile applications. These tools allow store managers and directors to track outlet performance in real time via tablets and smartphones. In addition, all stores are subject to regular audits to confirm compliance with operational requirements.

Our daily monitored KPIs include:

- revenue vs budget
- LFL dynamics (incl. traffic and average ticket)
- loyalty card sales
- audit results
- whole network and sub-group store ranking

Store audits assess:

- assortment and stock levels
- trading-floor cleanliness
- employee compliance with service standards
- uninterrupted equipment operation
- no misleading price tags or advertising materials
- no expired products
- planogram compliance
- availability of necessary documents and compliance with applicable requirements

Store maintenance

We maintain high standards of compliance with building, sanitary and safety requirements, while preserving a consistent customer experience across the store network.

Ongoing refurbishment programmes are aimed at improving in-store navigation and product presentation, alongside upgrades to lighting and equipment where required.

Video analytics also supports this effort by helping identify deviations from in-store operating standards, including empty shelves, obstacles in aisles, floor damage and other issues requiring prompt action.

Checkouts across

>5,000 outlets

RUB **3.3** million

average complex refurbishment CAPEX per Company-operated store in Russia



Fix Price's Store Management Department uses a robust, IT-enabled evaluation system to assess the potential of new store openings. This approach supports site selection through a detailed review of commercial, technical and physical parameters.

Once a potential location has been identified, the Company carries out a feasibility assessment covering lease terms, fit-out costs and equipment investment. The results of this analysis form the basis for the final decision on whether to proceed with the store opening.

Supply Chain Management

Our sourcing and distribution network remains a core element of Fix Price’s business model. In 2025, it continued to support store network expansion, preserve the affordability of our assortment and ensure efficient inventory turnover across the chain.

A strong and adaptable supply chain remains one of our key competitive advantages. In 2025, we focused on maintaining its resilience and flexibility, adjusting logistics routes, expanding distribution capacity and strengthening cooperation with suppliers in Russia and abroad.

78%

share of local suppliers in procurement

Suppliers Sourcing

Fix Price has built an effective system of searching for new suppliers and developing long-term partnerships with manufacturers. We maintain these relationships on the basis of transparency, trust and mutual benefit.

Our scale, fast decision-making and predictable purchasing volumes allow us to secure attractive commercial terms, including for exclusive and customised products, while suppliers benefit from access to a growing customer base and long-term business growth.

Key focus areas in assortment management in 2025 included:

- expand the supplier base in both the domestic and international markets, with a particular focus on China;
- optimise production costs without compromising product quality;
- refine products together with suppliers to enhance the customer offering;
- actively test new SKUs to identify the most promising categories.

We follow a transparent procurement model. New suppliers may submit commercial offers through the Fix Price website. Category managers also conduct targeted tenders among manufacturers relevant to specific product groups. We use the CISLINK electronic trading system to improve procurement efficiency and secure competitive supply terms.

When selecting partners, we pay particular attention to production capacity, the ability to customise products at the scale we require and the ability to offer the best price-quality proposition for our customers. This enables us to maintain a broad assortment across different price points, ensure fast product rotation and support the distinctive treasure-hunt shopping experience in our stores.

We work closely with suppliers throughout the entire production cycle, from product development and customisation to delivery to stores. We negotiate packaging, design, taste, weight and other product characteristics with manufacturers, leveraging our scale and market position to secure the best possible purchase terms.

Our competitive edge

An extensive network of stores with a wide product range and high growth rates

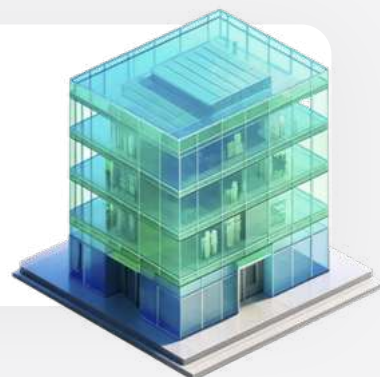
Mature and sustainable supply chain

In-depth understanding of customer behaviour

Transparent and fast decision-making process

Our supply chain includes:

Suppliers



Direct import capabilities



Warehouse and distribution centres



Product deliveries



Supply Chain Management

Our Category Management Department is responsible for managing the product range. It is divided into 11 teams, each acting as a full-cycle commercial unit for its respective category. This flat structure supports fast decision-making and gives us substantial flexibility in managing the product mix. The Department's functions include:

- selecting SKUs and negotiating supplier agreements
- managing Fix Price's private labels
- handling returns and coordinating with the Marketing Department
- managing inventories at distribution centres
- preparing shipment documents and ensuring product flows to stores

When ordering products, our teams rely on historical sales performance, LFL dynamics, changes in customer behaviour and market trends. Category managers also monitor developments in international markets, analyse consumer trends and review new ideas from supplier exhibitions and other industry platforms.

We take a responsible approach to selecting our partners, relying on the rules and guidelines set out in the following corporate regulations:

- Business Ethics Policy (Code of Conduct)
- Modern Anti-Slavery and Human Trafficking Policy
- Anti-Bribery and Corruption Policy

We require our suppliers to comply with all applicable laws and the Company's internal policies

Supplier Base

Fix Price works with a large supplier base. In 2025, the number of our active suppliers was approximately 550. Sourcing within the Russian market remains the foundation of our procurement model. At the same time, part of our assortment consists of imported products. Categories such as toys, kitchenware, and accessories are sourced primarily from foreign suppliers.

International cooperation is also important for maintaining the flexibility of our assortment. It enables us to respond quickly to consumer trends and bring new products to customers without delay, which would be difficult to achieve without well-established partnerships with overseas suppliers.

In 2025, our top ten suppliers accounted for around 30.5% of the Company's cost of goods sold. This supplier mix combines large manufacturers within Russian markets with international sourcing partners, including those supporting selected non-food categories. Such a balanced supplier base helps us maintain continuity of supply, preserve assortment breadth and respond efficiently to changing customer demand.

Our procurement priorities are the following:

- strengthening relationships with existing suppliers and expanding partnerships with new manufacturers
- developing manufactured products, including private labels
- maintaining a flexible assortment that can respond quickly to customer trends and demand shifts
- preserving low price-points while expanding the offer in selected higher-value segments
- ensuring product rotation while maintaining a universal assortment across the network
- supporting seasonal and promotional campaigns across key consumer occasions

10,000

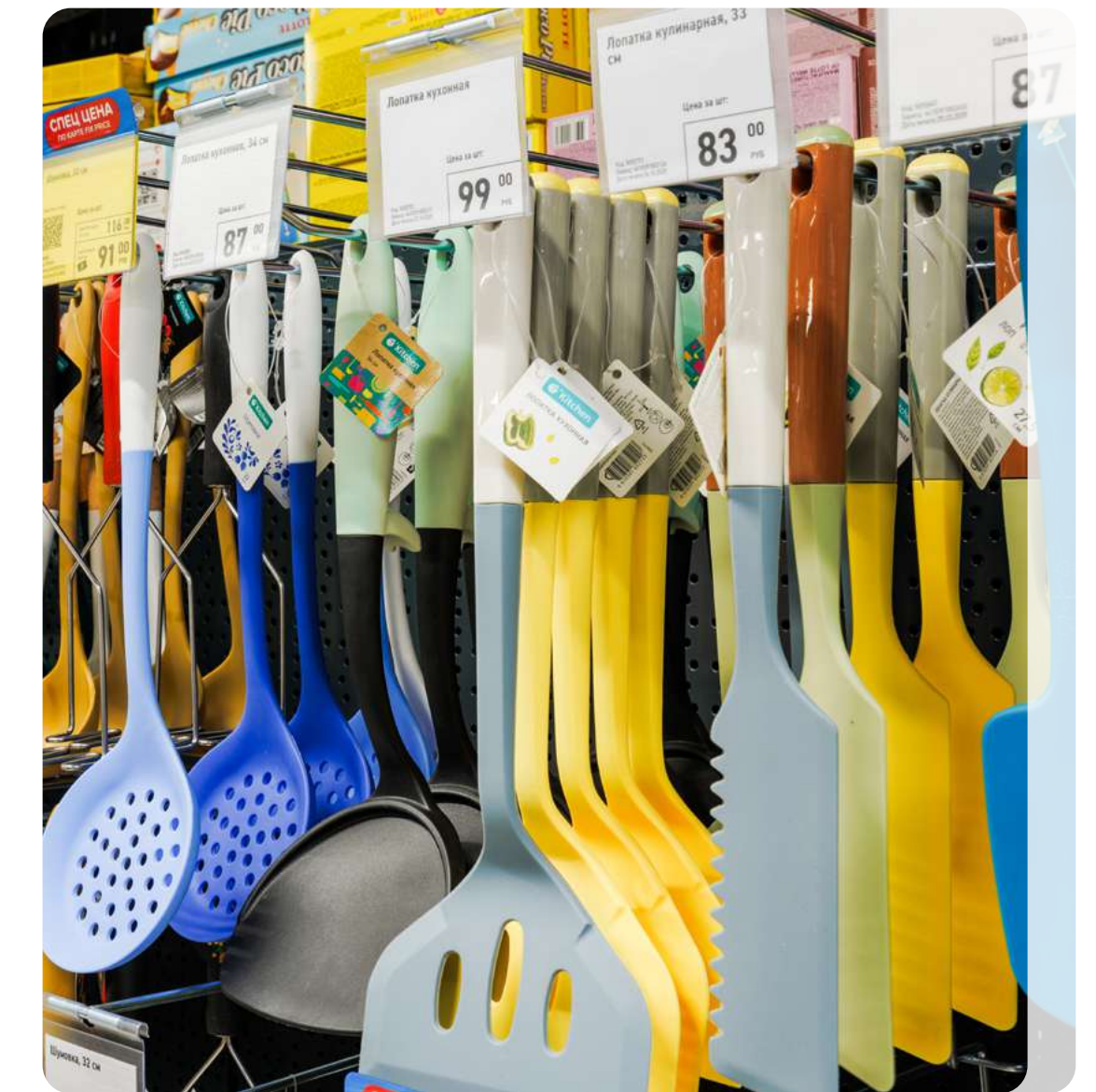
counterparties have passed the reliability scoring assessment in 2025



Supplier Engagement

Prior to entering partnerships, we conduct counterparty due diligence using a reliability scoring tool to assess the risks of working with a supplier. This automated tool integrates our accounting system with a counterparty due diligence service.

The tool analyses information from more than 30 official sources, including the Federal Tax Service of Russia, the Arbitration Case Database and the Single Federal Register of Insolvencies, and assesses more than 100 parameters, with weighted scoring used to evaluate supplier reliability.



Supplier due diligence remains an important element of our procurement process and helps us manage legal, operational and reputational risks. We ask suppliers to complete a self-assessment questionnaire covering the following areas:

- non-discrimination in employment
- prohibition of child labour
- freedom of association and the right to collective bargaining
- fair remuneration
- no excessive working hours
- legally compliant employment relationships
- compliance assurance

Supply Chain Management

Supplier Audits

We monitor compliance with our quality and safety standards through supplier audits and production inspections.

We audit Russian private-label producers in accordance with the Company's quality assurance regulations. Our quality control specialists may conduct audits either before or after a supply contract is executed. Regular audits are generally carried out once every two years, or more frequently where necessary. A supplier is considered to have passed an audit if its production facility scores at least 90%.

When working with foreign suppliers, Fix Price engages local agents who help identify new manufacturers, supervise production, monitor quality and review accompanying documentation.

Audits of imported-goods producers are arranged by specialist organisations and laboratories accredited in their respective countries. The resulting reports cover supplier background, production processes, quality management systems, certification and product streams, supporting informed sourcing decisions and helping us manage quality and compliance risks.

We embrace the principle of full transparency in our relationships with partners. Our suppliers are aware of our pricing policy and procurement approach. Our requirements and sample contracts are publicly available on the dedicated tender and order-placement website.

When ordering imported products, we request samples from suppliers, which then undergo certification by independent agencies. If a product fails certification due to defects or other reasons, the order is cancelled.

Distribution Centres

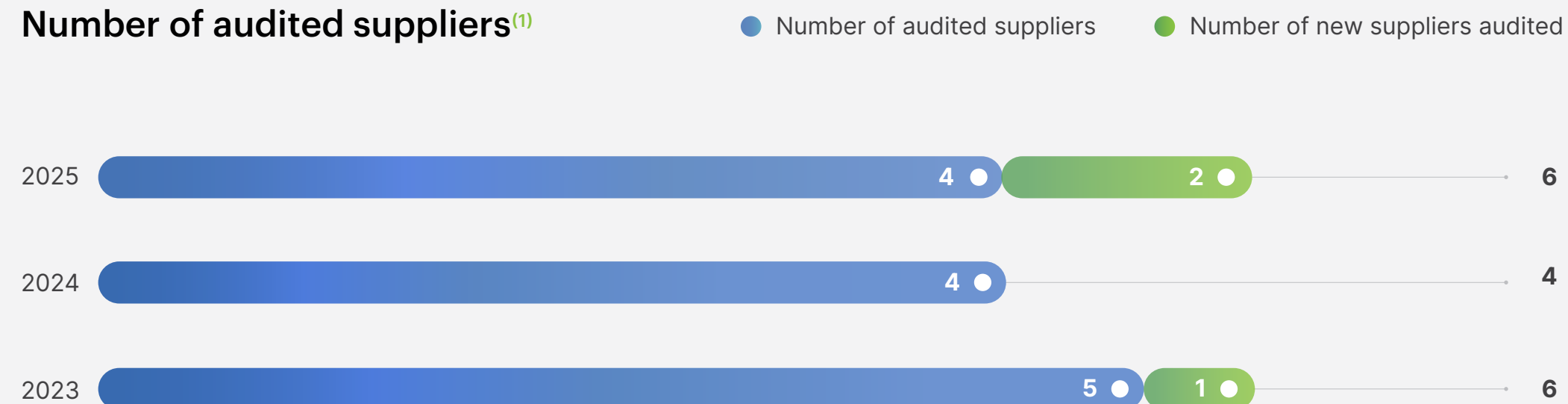
At the end of 2025, the Company operated 13 modern distribution centres with total storage space of around 495,000 sq. m. Our distribution network is strategically located across the retail chain's footprint and supports further geographic expansion.

Nearly all inventory is delivered from suppliers to our distribution centres for onward shipment to stores. Certain SKUs with specific storage requirements, such as ice cream, are delivered directly to stores.

In 2025, Fix Price launched a new distribution centre in Tatarstan with warehouse space of around 40,000 sq. m and capacity of up to 60,000 pallet positions. The facility can receive, pick and dispatch up to 3,500 pallets per day and simultaneously handle up to 25 heavy-duty trucks, increasing the flexibility and throughput of our logistics infrastructure.



Number of audited suppliers⁽¹⁾



0

major breaches identified by private-label supplier audits

⁽¹⁾ The data relate to Russian private label suppliers

Supply Chain Management

Fix Price DCs as at 31 December 2025

Location	Total area (sq. m)	Owned/leased	Lease expiry date
Pushkino, Moscow Region	27,774	Owned	–
Vnukovo, Moscow Region	27,840	Owned	–
Yekaterinburg	22,061	Owned	–
Novosibirsk	44,117	Leased	May 2030
Saint Petersburg	35,581	Owned	–
Kazan	44,642	Owned	–
Krasnodar	67,272	Owned	–
Voronezh	27,971	Leased	December 2027
Samara	37,162	Leased	March 2032
Novosibirsk	23,387	Owned	–
Domodedovo, Moscow Region	66,925	Owned	–
Yekaterinburg	67,083	Owned	–
Astana	3,252	Leased	December 2026
Total	495,067		

Transportation

All transportation services for product deliveries are outsourced to third-party logistics providers. We typically work under open-ended contracts that allow us to run regular tenders, compare market conditions and incentivise service quality. The performance, pricing and operational reliability of logistics partners are reviewed periodically to maintain a high level of service at an optimal cost.

When importing products, Fix Price engages a range of land and sea carriers and other logistics agents involved in transportation from overseas to Russian ports and distribution centres. All imported goods undergo customs clearance, with the process overseen by customs brokers.

In 2025, import logistics remained a key area of focus. As international logistics chains became less accessible, we reconfigured import routes and continued to develop direct rail transportation from China, which proved stable and offered acceptable lead times and transportation costs. Despite substantial changes in logistics routes and transportation methods, delivery volumes and lead times remained in line with 2024.



8,700
containers were imported
by the Company in 2025



Digitalisation and Operational Efficiency

Digital solutions have become an integral part of Fix Price's day-to-day operating model and one of the key tools for enhancing the resilience and manageability of the business. They support business continuity and enable us to scale operations without a commensurate increase in administrative workload.

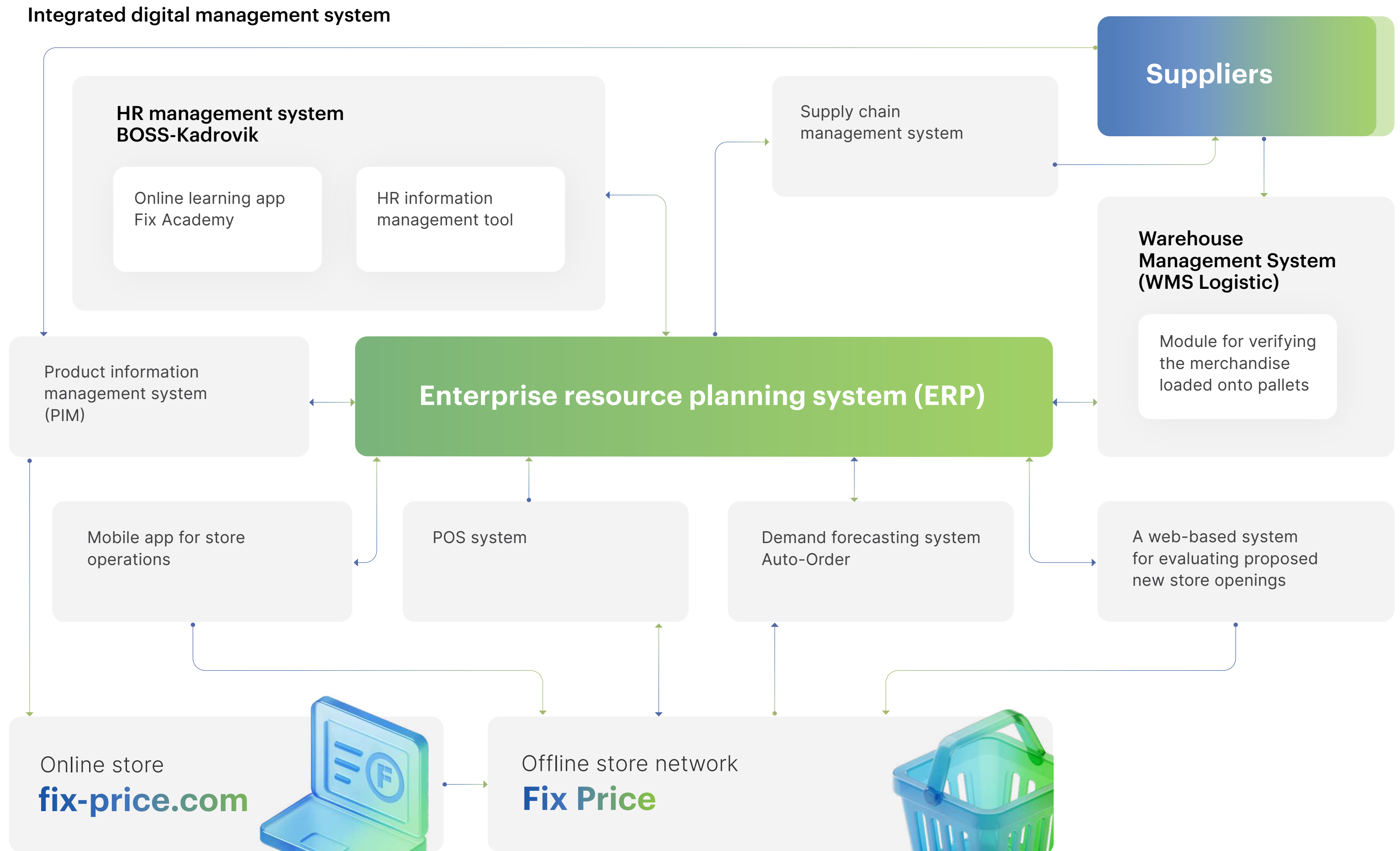
Fix Price's digital landscape includes standard corporate platforms and systems and proprietary IT solutions tailored to the Company's operating model. Digital tools are used for financial and transaction accounting, procurement, merchandise flow management, document management, store operations, HR processes and customer engagement. In 2025, the Company continued to develop its digital environment, with a particular focus on automating internal procedures, expanding real-time analytics and deploying AI-based solutions.

IT Infrastructure and the Digital Management Landscape

At the centre of Fix Price's IT architecture is its enterprise resource planning (ERP) system, which serves as a unified platform for managing key business processes. Through this system, the Company manages cash flows, goods and materials, procurement and pricing, while linking store systems, head office functions, HR systems and the finance function. This centralised architecture creates a single data environment and enables seamless control over operating processes across the business.

The ERP platform is complemented by an integrated electronic document management system. This system allows documents to be created, approved, signed, transmitted and archived digitally, eliminating the need for paper duplication.

Another important element of the digital landscape is an embedded KPI visualisation module, which automatically consolidates data from multiple sources and converts it into a user-friendly analytical format.



Digitalisation and Operational Efficiency

Fix Price Receives the “Best Electronic Document Management System in Russia and the CIS 2025” Award

In 2025, the Company received external recognition for the maturity of its digitalisation efforts, winning a special award for the broad functionality of its electronic document management system. Today, 89% of interactions with external counterparties are conducted through the electronic document management system. As a result of automation, document signing-time has been reduced to two minutes, paper usage has fallen by 90%, and labour productivity has increased by 60%.

The next stage of development will be the rollout of electronic transport waybills, which are expected to provide more end-to-end digitalisation of logistics processes and reduce labour input in transport documentation.



Digitalisation of Store Operations

Within Fix Price’s operating model, stores remain the primary point of interaction with customers. As a result, a significant share of the Company’s digital solutions is focused at store level. In 2025, the Company continued to develop tools designed to automate routine processes, improve store transparency and reduce the workload on store employees.



Store management mobile application

The application helps store managers and supervisors monitor store conditions, track orders, generate reports and complete part of their operating tasks from a tablet or smartphone.



Auto-Order system

The Auto-Order system automates stock replenishment. By forecasting demand and generating orders automatically, it improves inventory accuracy and reduces the risk of both out-of-stocks and excess stock accumulation in stores.



POS system

The Point of Sale (POS) system captures transaction data in real time and transfers it to the centralised IT environment, supporting both day-to-day operations and further analytics.



Video analytics

In 2025, the Company completed a large-scale rollout of its multifunctional video analytics system across all stores in the chain, including Company-operated and franchise stores, in all countries of presence. The system analyses photographs of the sales floor, monitors shelf display quality, identifies empty shelves, obstacles in aisles, floor damage and other deviations from operating standards, and then automatically generates comments and assigns tasks to store managers through the mobile application.

The system processes more than 60,000 images every day, and more than 7 million photographs have been analysed since its launch. According to the Company, the total number of deviations fell by more than half within two weeks of implementation.

Improving Inventory Data Availability

In 2025, Fix Price automated the generation of inventory files immediately after each store closes, with local time zones taken into account. This improvement made up-to-date inventory balances and pricing data available by the start of the next trading day, supporting better stock visibility and more efficient order management across channels.

In 2025, the video analytics project at Fix Price received

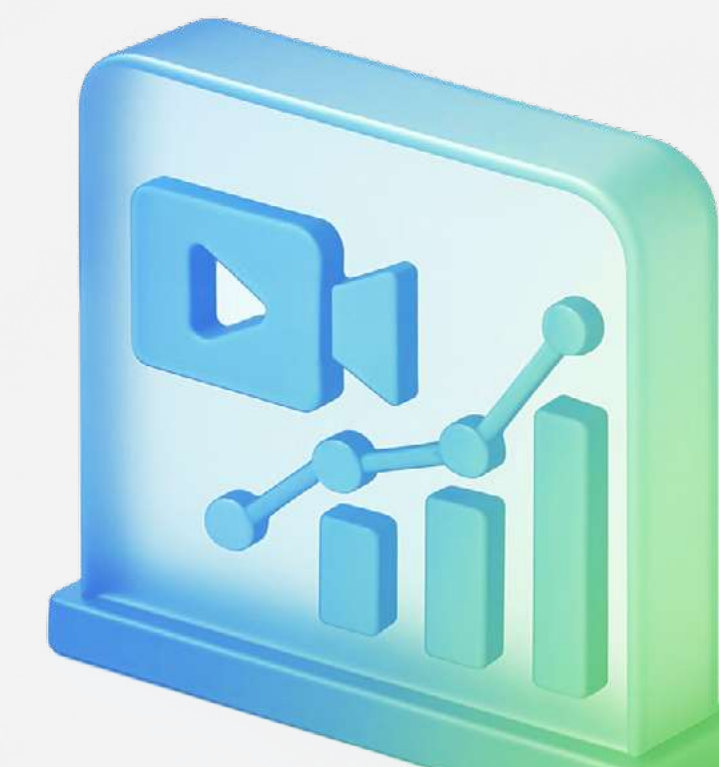
Retail TECH Award diploma

in a category related to artificial intelligence in retail.

The video analytics system is used across

all stores

in the chain in all countries of presence.



Digitalisation and Operational Efficiency

HR Automation

The digitalisation of HR processes is developing as a distinct area at Fix Price, and in 2025 the Company continued to reduce the volume of manual work in HR administration, recruitment and training.

The internal HR environment is built around several solutions. The BOSS-Kadrovik system automates routine processes related to HR administration, timesheets and payroll calculation in stores and distribution centres. The electronic HR document management system introduced earlier automates the creation, signing and approval of HR documents. The Fix Academy application gives employees access to up-to-date training courses and qualification tests in a remote format.

Automation of business trip management

In 2025, the Company implemented a platform integrated with its internal customer relationship management (CRM) system that enables business trips to be arranged and paid for fully electronically.

Fix Price employees make approximately 1,000 business trips per month, or around 12,000 per year. As a result, moving this process into digital form produced a tangible effect. The processing of business trips became twice as fast, the number of errors decreased, and the process became more convenient for all participants. At the same time, paper consumption declined.

In 2025, the Company launched a pilot project to use artificial intelligence to automate the processing of internal HR requests. The system classifies requests, reducing processing time and improving the efficiency of internal service processes.



Artificial intelligence has processed

100,000

internal HR requests since its launch in 2025

2x

faster business trip processing



Digitalisation and Operational Efficiency

Digital Solutions for Customer Experience

Fix Price views technology as a tool for making shopping more convenient and faster, and customer experience simpler and more enjoyable.



Payment infrastructure

One of the Company's most significant innovations in recent years has been the rollout of self-checkout terminals. These have been installed in all new stores since 2022, and in 2025 their number exceeded 5,000. Self-checkout terminals significantly reduce the workload on employees, shorten queues and speed up purchase-processing.

This payment environment is complemented by QR-code payments through the Faster Payments System, which make payments faster and more convenient, as well as Sber's biometric payment solution, which has been rolled out across all of the Company's stores in Russia.

Several specialised solutions are used for checkout operations and promotional mechanics. The SET Mark system helps track labelled goods at the checkout, reducing the risk of errors, theft and the sale of counterfeit goods. SET Loyalty Service ensures reliable processing of coupons and promotional campaigns.

LED screens

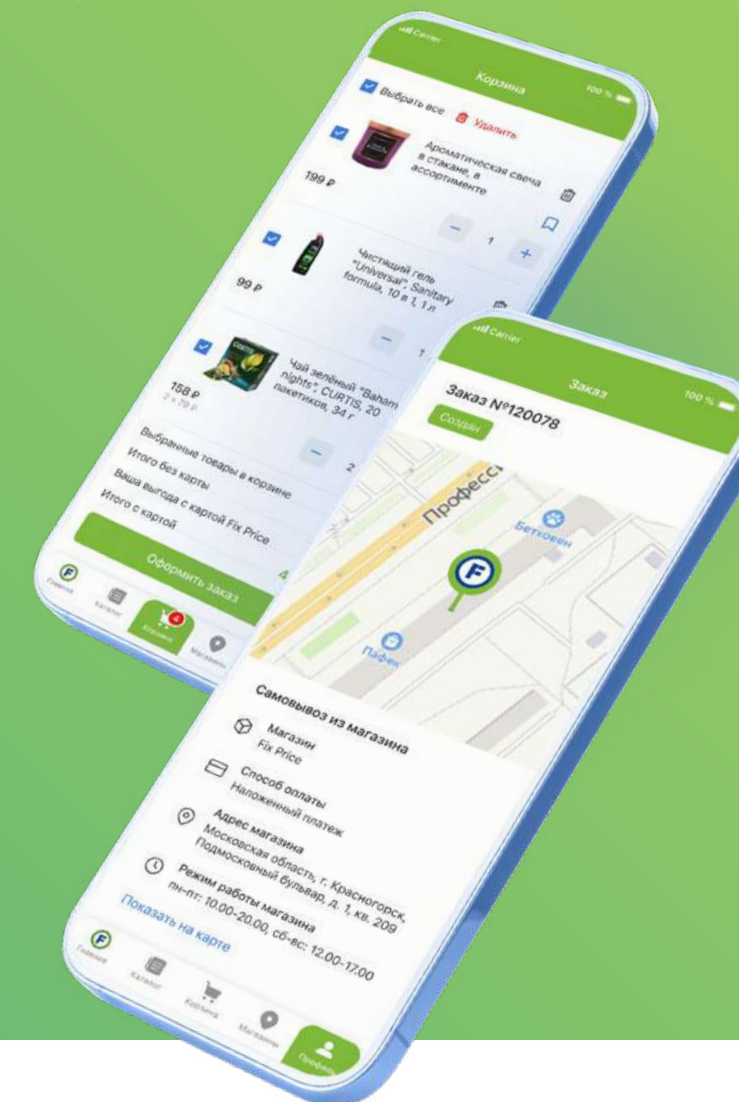
In 2024, the Company launched a large-scale project to install fixed and mobile LED screens in its stores. These screens are used to display information about the assortment, promotional offers and job opportunities at Fix Price. In 2025, the number of stores equipped with LED screens exceeded 2,800.

LED screens provide an efficient and flexible channel for communicating with customers. They serve as an additional source of information about promotions and special offers, while also enhancing the in-store environment and giving stores a more modern look and feel.

The software used to manage the LED displays allows content to be configured and administered both centrally in batches and individually to meet the needs of specific stores.

Mobile application

The Fix Price mobile application remains an important part of the customer experience. It allows customers to place orders for home delivery or click-and-collect, browse the assortment, and participate in the loyalty programme. It also links offline stores, e-commerce, loyalty and communications in a single ecosystem.



25%

increase in orders placed through the Company's own digital services including website, mobile app and other online services in Russia in 2025

36%

increase in the number of orders collected by customers in 2025

45.1 million application installations by device as of year-end

29.3 million application installations by user as of year-end

>5,000

Fix Price stores are equipped with self-checkout terminals

Digitalisation and Operational Efficiency

Achievements in 2025



The functionality of the iOS and Android applications was aligned, bringing both platforms to a unified state and ensuring a more consistent customer experience across devices.



On the fix-price.ae website, click-and-collect with payment at the store checkout was introduced and customer registration in the CardNonStop system was enabled.



Promo-code delivery was automated and the user journey for applying promo codes was improved.



The checkout page was aligned with the unified visual style of the mobile application and website.



The online payment process was adapted to new fund hold periods, eliminating the risk of double charging and ensuring compatibility with other payment services.



The permissive mode required for working with labelled goods was introduced, enabling their sale through online storefronts and expanding the assortment available to customers.



Analytics coverage across the mobile application was expanded, improving the quality of statistical data collection and helping identify opportunities to enhance product metrics.



Promo-codes were rolled out in Kazakhstan and Belarus, helping attract new users, increase repeat purchases and raise the average online basket.

Digitalisation of Supplier and Logistics Interaction

LEAD WMS monitoring system

Fix Price uses a monitoring, control and change management system at its distribution centres in cooperation with LogistiX Group. Built on the LEAD WMS platform, the solution makes it possible to organise a centralised approach to document processing across all distribution centres and, as a result, improve operating efficiency.

Product Information Management (PIM) system

This solution consolidates all product information in a single database, makes it possible to filter deliveries by warehouse and period, identify non-standard shipments, monitor overdue timelines, obtain customs documentation and input actual data for cost calculation.

Service for handling labelled products supplied by Chinese vendors

In December 2025, the Company upgraded its internal IT service for handling labelled products supplied by Chinese vendors. The updated version gives Fix Price real-time information on the labelling status of each shipment, enables internal teams and partners in China to work together online, and records deviations identified during receipt or customs clearance.

The use of this service helps the Company to:

- reduce the number of errors when forming shipments;
- lower the risk of customs delays caused by incorrect data;
- automate routine actions; and
- improve data transparency for decision-making.



Data Privacy and Cybersecurity

The expansion of the digital environment increases the requirements for data protection and the resilience of IT infrastructure. Fix Price pays particular attention to protecting customer data, preventing cyber threats and preserving the integrity of corporate systems. To achieve this, the Company uses a set of measures covering both external and internal security.

These measures include systems for protecting against fraudulent websites and pages imitating the Fix Price brand, DDoS protection, anti-spam, internal threat monitoring systems and a number of solutions to enhance the protection of online services.

The information security system includes automated search for and remediation of critical vulnerabilities in server and network infrastructure, backup and rapid recovery tools, a data loss prevention (DLP) system to prevent data leakage, identity management (IDM) for centralised user account and access rights management, as well as a network protection tools. The Company also conducts regular internal and external security audits, tests corporate resources for vulnerabilities and continues to develop secure software development processes.

Financial Review ⁽¹⁾

Throughout 2025, Fix Price revenue growth was driven primarily by continued store network expansion and resilient retail sales. Gross margin remained broadly stable year on year at 33.7%. Despite a challenging macroeconomic environment, the Group delivered adjusted EBITDA under IFRS 16 of RUB 46.5 billion, with an adjusted EBITDA margin of 14.2%, one of the strongest among listed retail peers.

Revenue

RUB **327.5** bln

Adj. EBITDA margin

14.2%

Key financial indicators between 2023–2025, RUB billion

	2023	2024	2025	Change y-o-y, 2025/2024
Revenue	291.9	314.9	327.5	4.0%
Gross profit	99.2	106.7	110.3	3.3%
Gross profit margin, %	34.0	33.9	33.7	(21) bps
Selling, general and administrative expenses (SG&A) excluding LTIP and depreciation and amortisation (D&A) expenses	(45.6)	(53.9)	(66.5)	23.2%
As % of revenue	15.6	17.1	20.3	317 bps
Adj. EBITDA ⁽²⁾	54.2	53.4	46.5	(13.0)%
Adj. EBITDA margin, %	18.6	17.0	14.2	(277) bps
Net profit	35.7	22.2	15.7	(29.2)%
Net profit margin, %	12.2	7.0	4.8	(225) bps
Adj. net (cash)/debt under IAS 17	(22.6)	6.8	(5.1)	-
Adj. net (cash)/debt to EBITDA under IAS 17	(0.6)x	0.2x	(0.2)x	-
CAPEX	6.6	8.8	10.9	23.9%
As % of revenue	2.2	2.8	3.3	55 bps

⁽¹⁾ All financial data in this section are presented in accordance with IFRS 16, unless otherwise stated. The Company has been using this standard since 2019. At the same time, the Company continues to disclose some metrics in accordance with IAS 17. Any discrepancies in calculations are due to rounding

⁽²⁾ EBITDA adjusted for long-term incentive programme (LTIP) expenses. EBITDA is calculated as profit for the period before income tax, net interest income/(expense), depreciation and amortisation, and foreign exchange gain/(loss)

Financial Review

In 2025, Fix Price's revenue rose by 4.0% to RUB 327.5 billion, supported by 7.2% year-on-year growth in retail revenue to RUB 305.4 billion. Retail performance was driven mainly by store expansion, with 700 net store openings during the reporting period. Wholesale revenue amounted to RUB 22.1 billion.

Gross profit increased by 3.3% to RUB 110.3 billion, while gross margin remained broadly stable at 33.7%, supported by product mix optimisation and a larger share of higher-margin retail revenue in total revenue.

In 2025, total selling, general and administrative expenses (SG&A) increased by 20.6% to RUB 85.9 billion, compared with RUB 71.2 billion in 2024. Total SG&A as a percentage of revenue rose by 361 bps year-on-year to 26.2%, mainly due to higher staff costs, as well as increases in depreciation, repair and maintenance, utilities and other expenses partly offset by lower bank charges, rental expense, advertising costs and security services.

Staff costs (excluding LTIP expense) increased to 16.3% of revenue in 2025 from 13.2% in 2024, primarily due to salary indexation and continued labour market pressure.

In 2025, rental expense under IFRS 16 decreased by 6 bps year-on-year to 0.6% of revenue, reflecting the lower impact of the variable component of lease payments.

Under IAS 17, rental expense increased to RUB 19.0 billion from RUB 16.4 billion a year earlier, reflecting higher lease rates and store network expansion.

D&A expense under IFRS 16 grew to RUB 19.2 billion in 2025 from RUB 16.9 billion in 2024. As a percentage of revenue, depreciation of right-of-use assets rose to 4.4%, while other depreciation and amortisation increased to 1.5%.

Repair and maintenance, advertising costs and utilities remained broadly stable at 0.5%, 0.3% and 0.4% of revenue respectively.

Security service expenses declined 20 bps year on year to 0.4% of revenue, reflecting the Group's continued optimisation efforts.

Other expenses rose to 1.0% of revenue compared with 0.7% a year earlier.

Other operating income and the share of profit of associates increased materially to RUB 2.6 billion in 2025 from RUB 0.6 billion in 2024.

As a result of higher operating expenses, adjusted EBITDA under IFRS 16 declined by 13.0% year-on-year to RUB 46.5 billion with adjusted EBITDA margin of 14.2%.

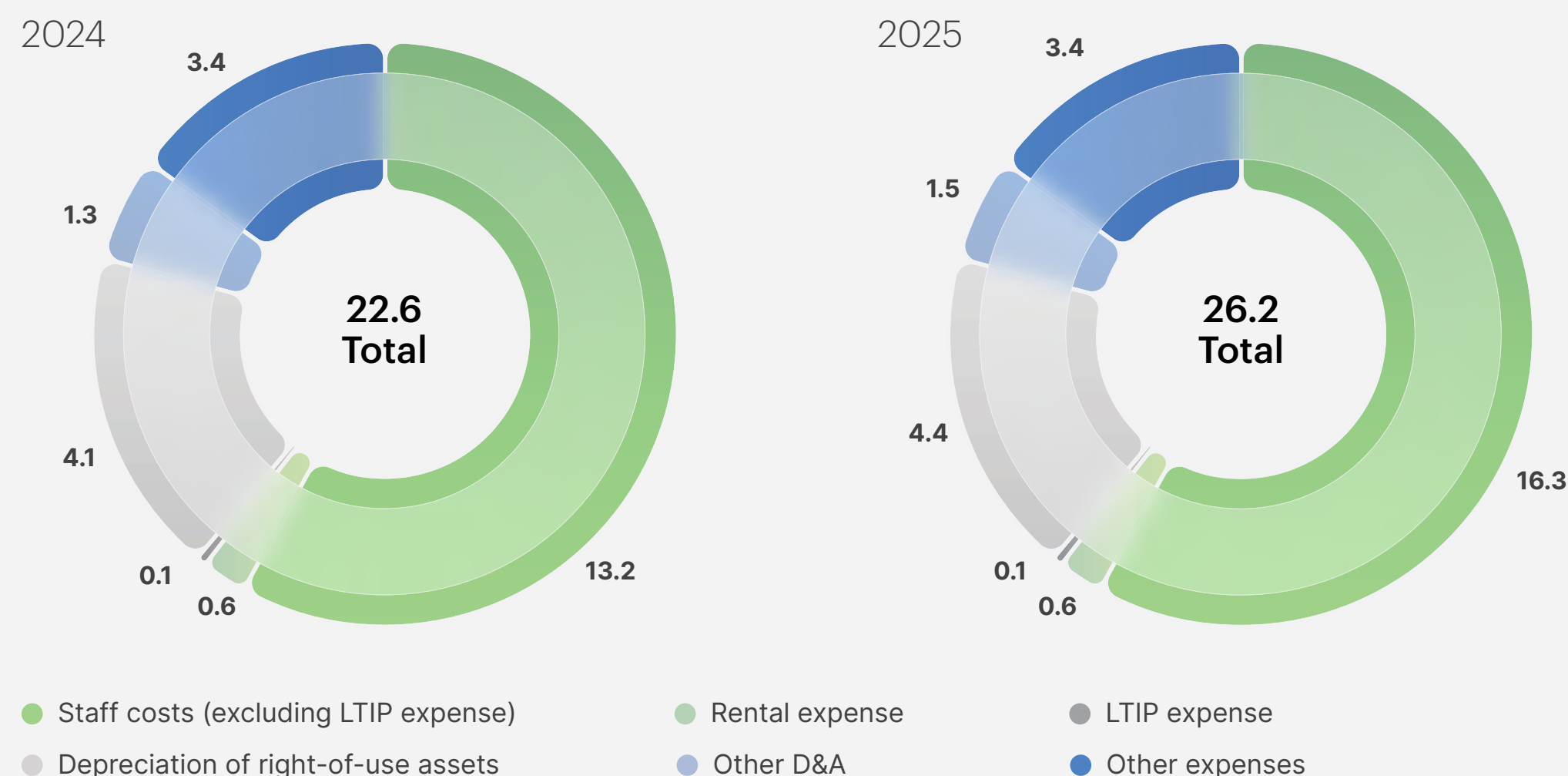
⁽¹⁾ Total may not be equal the sum of the components due to rounding

Gross profit in 2025

RUB **110.3** bln
(+3.3% y-o-y)



SG&A breakdown in 2024–2025, % of revenue ⁽¹⁾

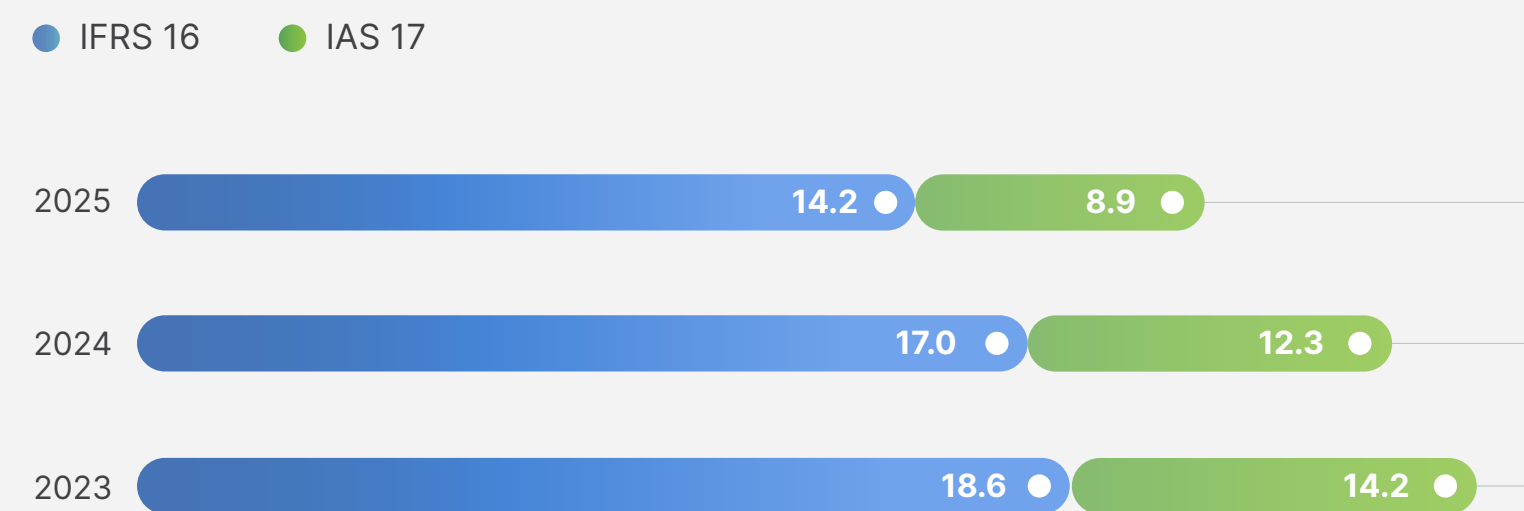


Financial Review

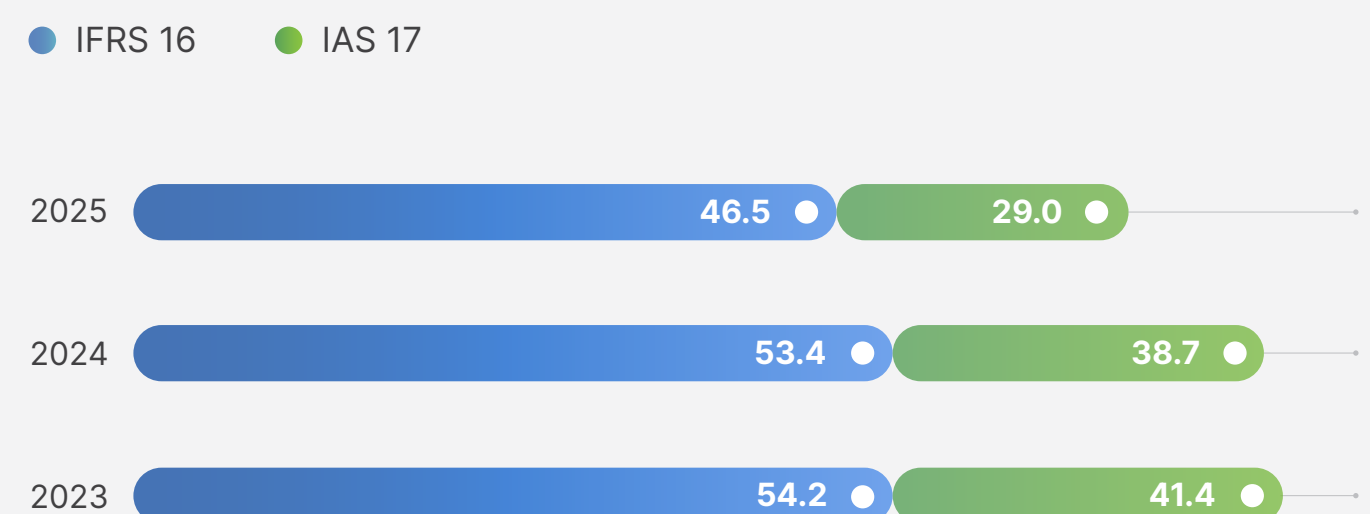
Gross margin over 2023–2025, %



Adjusted EBITDA margin over 2023–2025, %



Adjusted EBITDA in 2023–2025, RUB billion



Net finance costs increased to RUB 5.2 billion in 2025 from RUB 1.1 billion in 2024, mainly reflecting lower income on the Group's deposits, as well as higher lease liabilities partially offset by lower expense on borrowings.

In 2025, the Group recorded a net FX loss of RUB 419 million, compared with a net FX gain of RUB 216 million in 2024, reflecting foreign exchange revaluation effects during the year.

The Group's total income tax expense decreased to RUB 5.7 billion in 2025 from RUB 13.1 billion in 2024, driven by lower withholding tax on intra-group dividends as well as a lower tax base in comparison with the prior period, which compensated for the increase in the nominal income tax rate in Russia.

As a result, Fix Price's net profit in 2025 amounted to RUB 15.7 billion, with a net profit margin of 4.8%.

Financial Review

Financial Position and Cash Flow Highlights

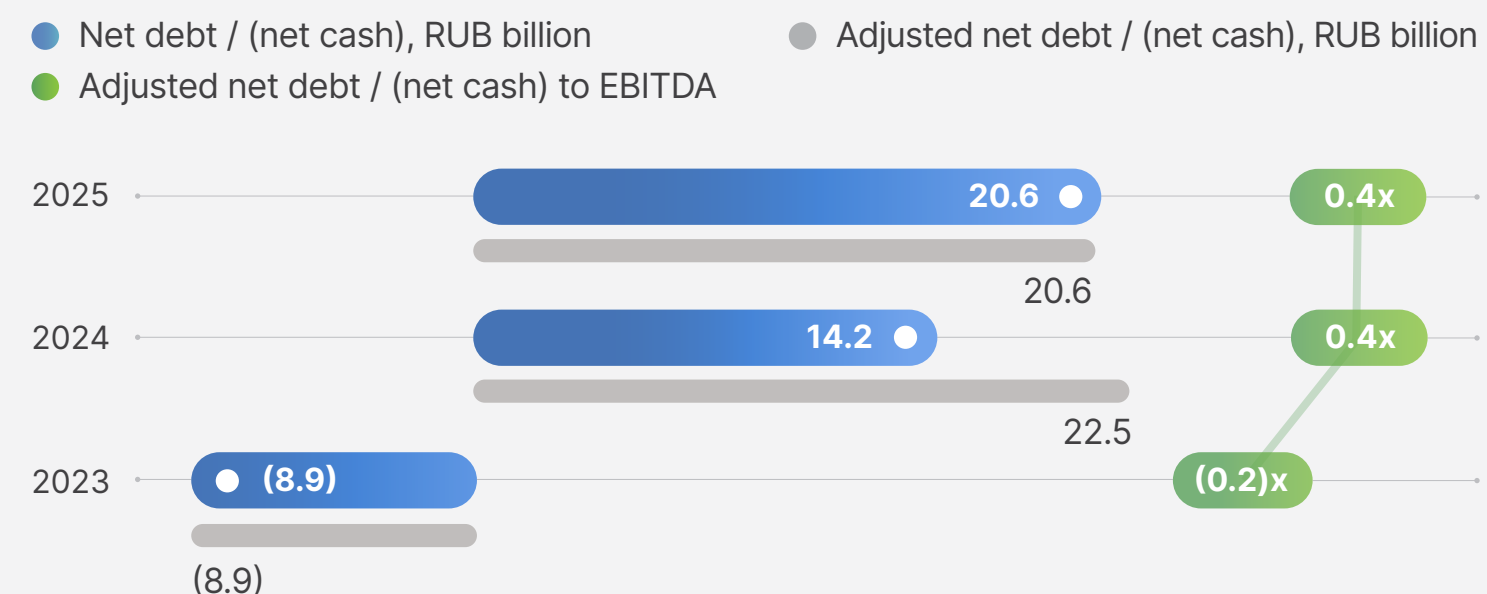
Fix Price maintained a disciplined approach to its financial position in 2025, balancing operating resilience with a conservative leverage profile and a stronger IAS 17-based cash position at year-end.

As of 31 December 2025, the Group's IAS 17-based adjusted net cash position stood at RUB 5.1 billion, compared with an IAS 17-based adjusted net debt of RUB 6.8 billion a year earlier. The corresponding IAS 17-based adjusted net cash to EBITDA ratio was 0.2x, compared with adjusted net debt to EBITDA of 0.2x as of 31 December 2024.

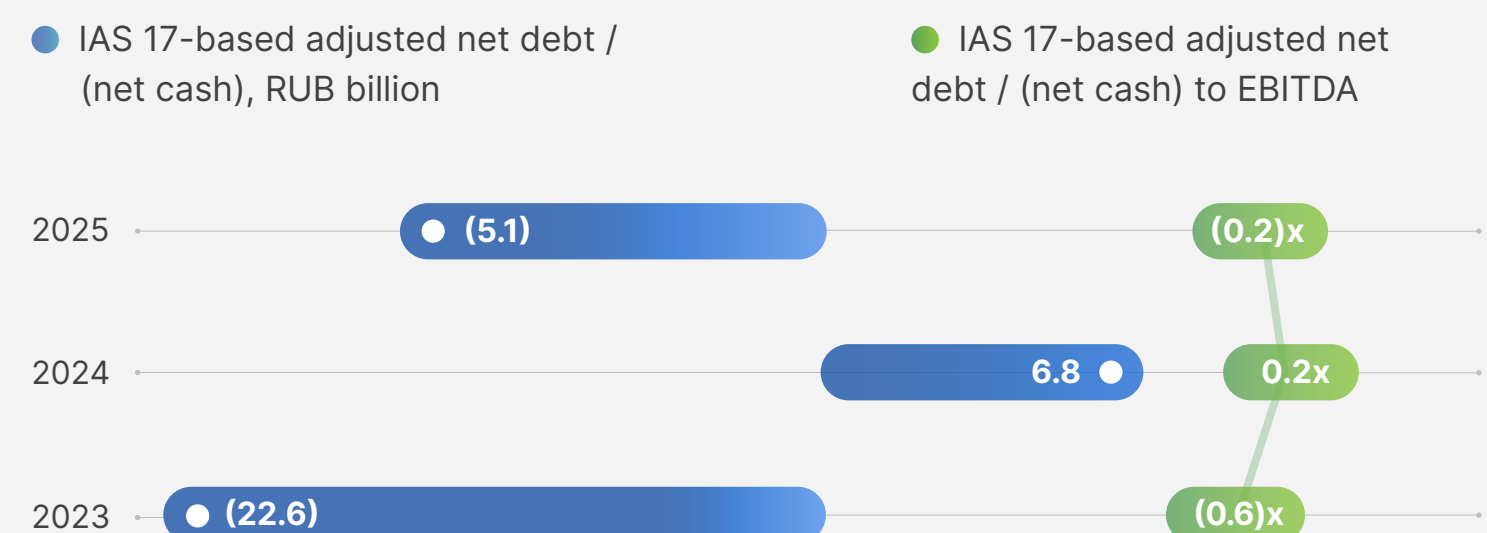
Net trade working capital improved to RUB 20.7 billion, or 6.3% of revenue, as of 31 December 2025, compared with RUB 22.3 billion, or 7.1% of revenue, a year earlier. This was mainly driven by stable inventory levels against higher revenue.

Net cash flows used in investing activities rose by 24.2% to RUB 10.9 billion in 2025, mainly due to higher capital expenditures on the construction of a new distribution centre in Kazan, as well as the modernisation and opening of new stores.

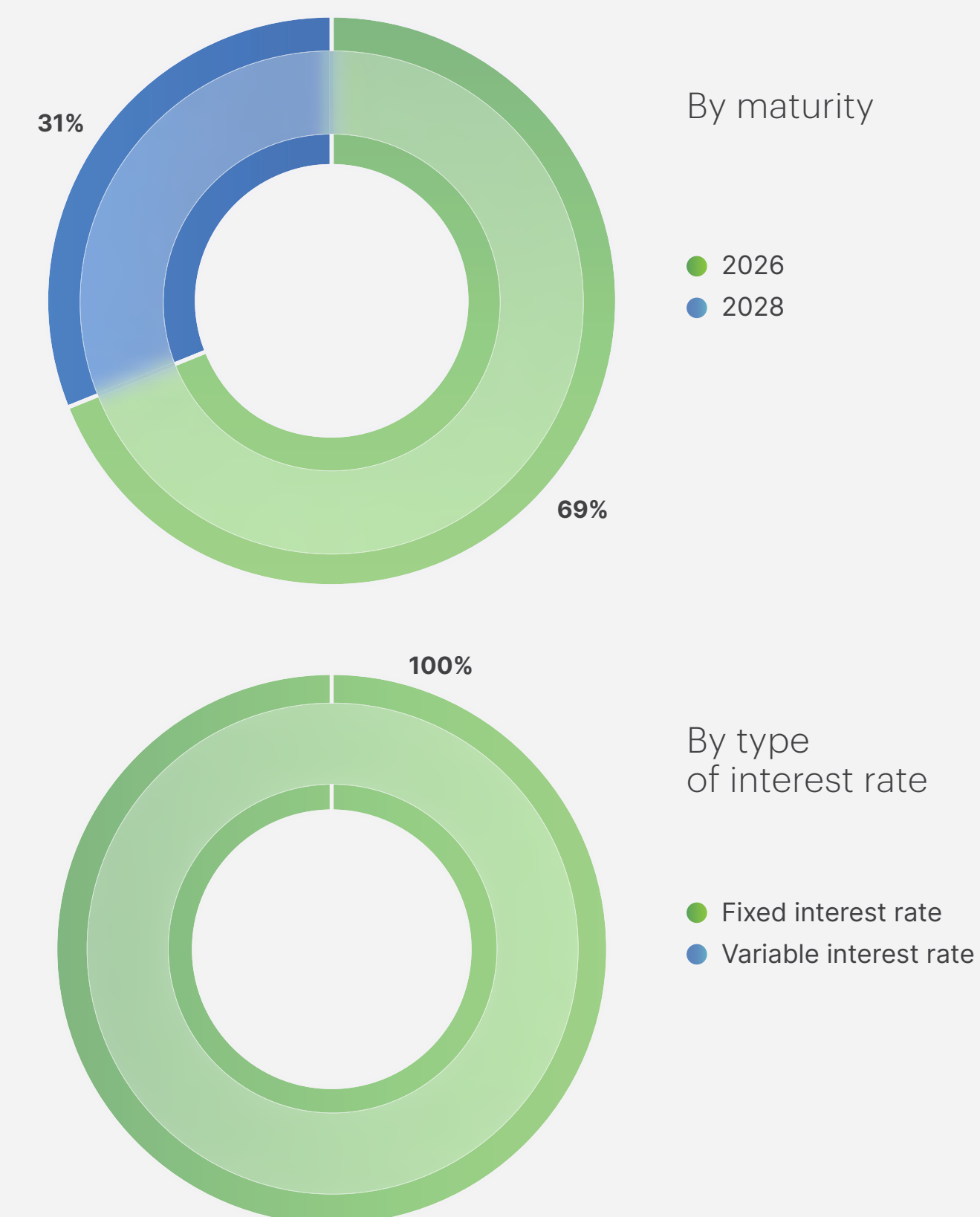
Net debt / (net cash) and Adjusted net debt / (net cash) to EBITDA under IFRS 16 in 2023–2025



Adjusted (net cash) / net debt and Adjusted (net cash) / net debt to EBITDA under IAS 17 in 2023–2025



Loans and borrowings⁽¹⁾ as at 31 December 2025

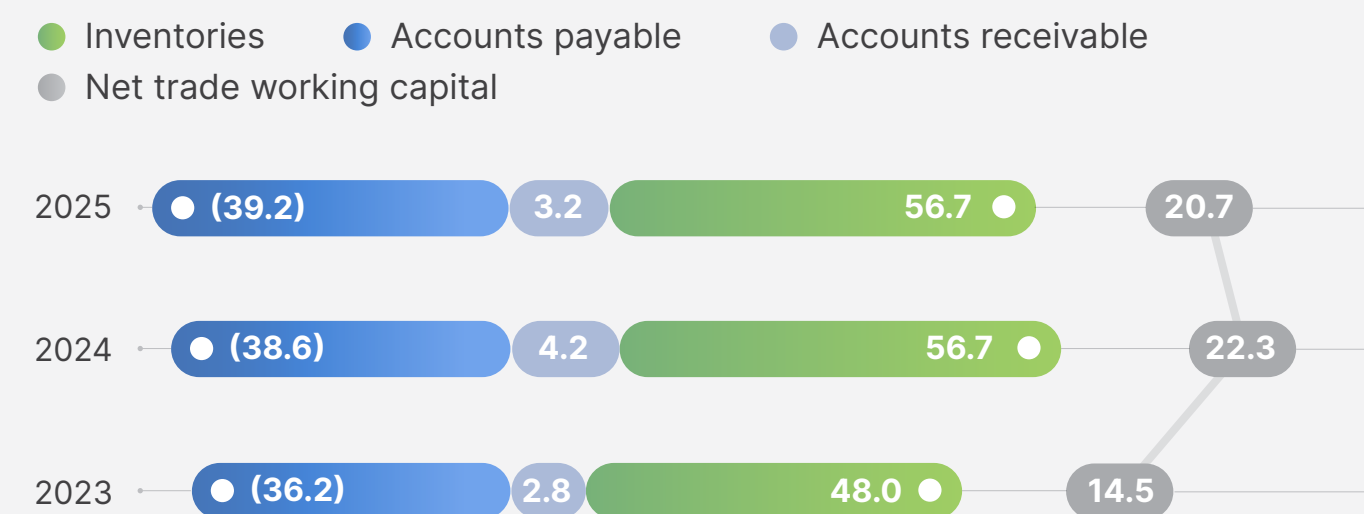


⁽¹⁾ 100% of loans and borrowings are denominated in roubles

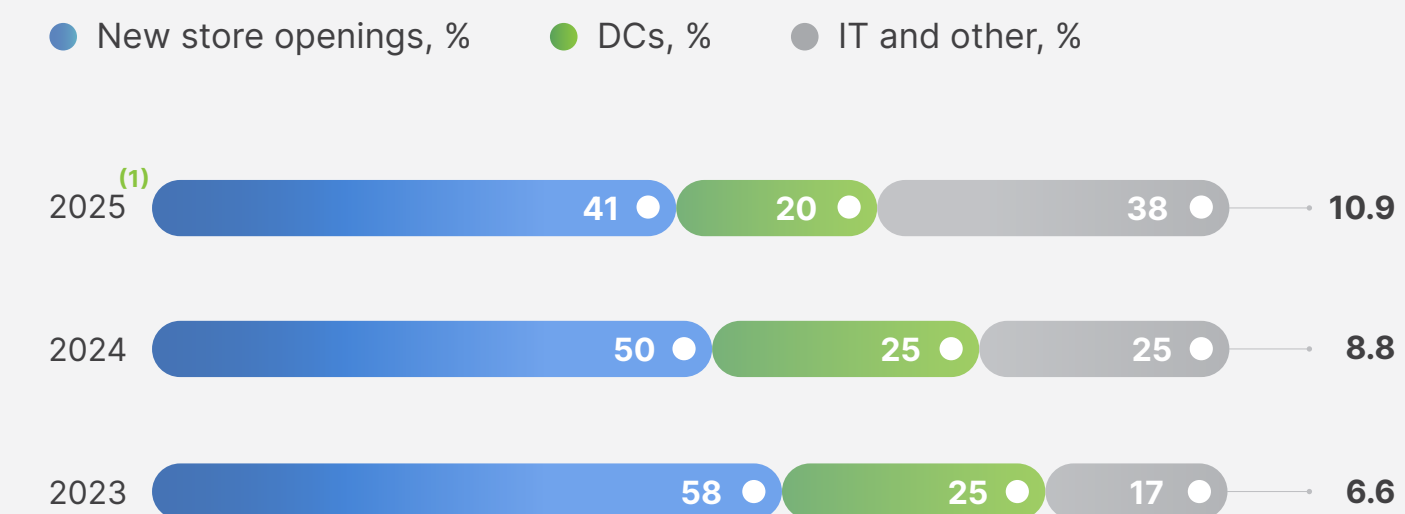
Financial Review



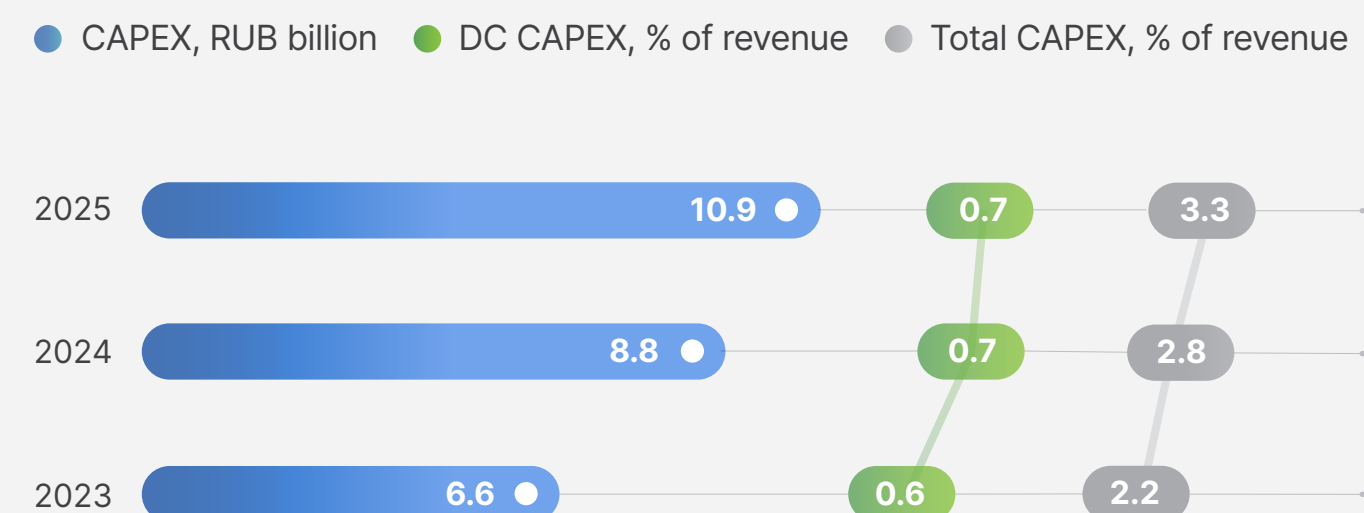
Net trade working capital over 2023–2025, RUB billion



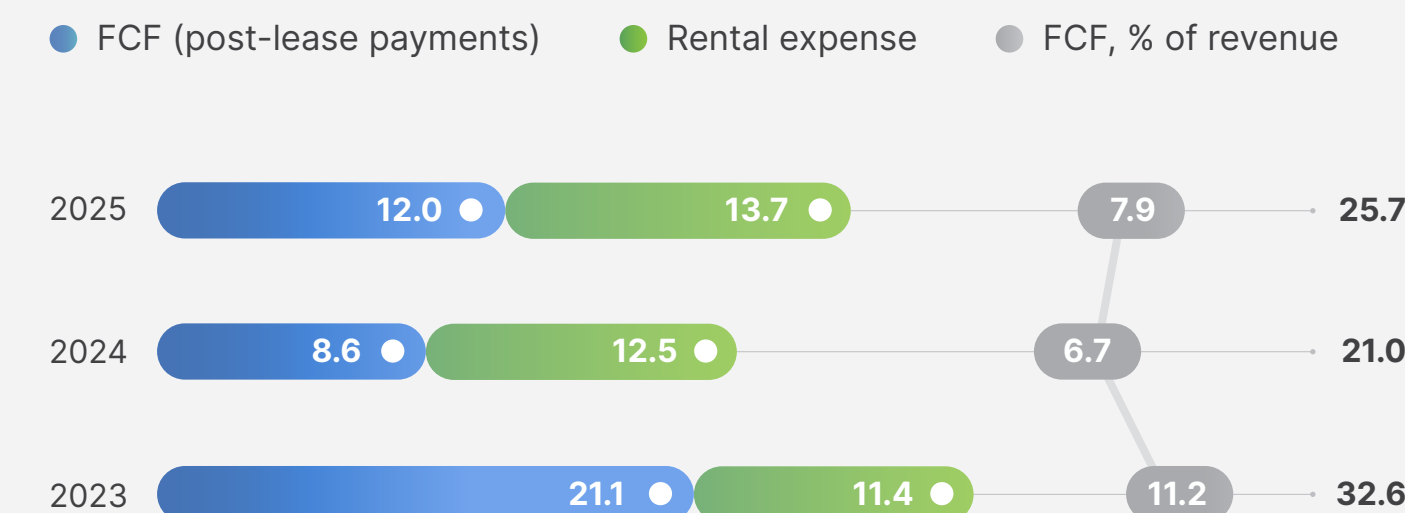
CAPEX structure, 2023–2025, RUB billion



CAPEX over 2023–2025



FCF over 2023–2025, RUB billion



⁽¹⁾ Total may not be equal to the sum of the components due to rounding

Sustainability Review

Fix Price views sustainability as an essential condition for resilient long-term growth. In 2025, the Company continued to embed this approach into the way it operates, develops and builds relationships with its stakeholders.

50,000

people average headcount in 2025

98%

of documents processed electronically

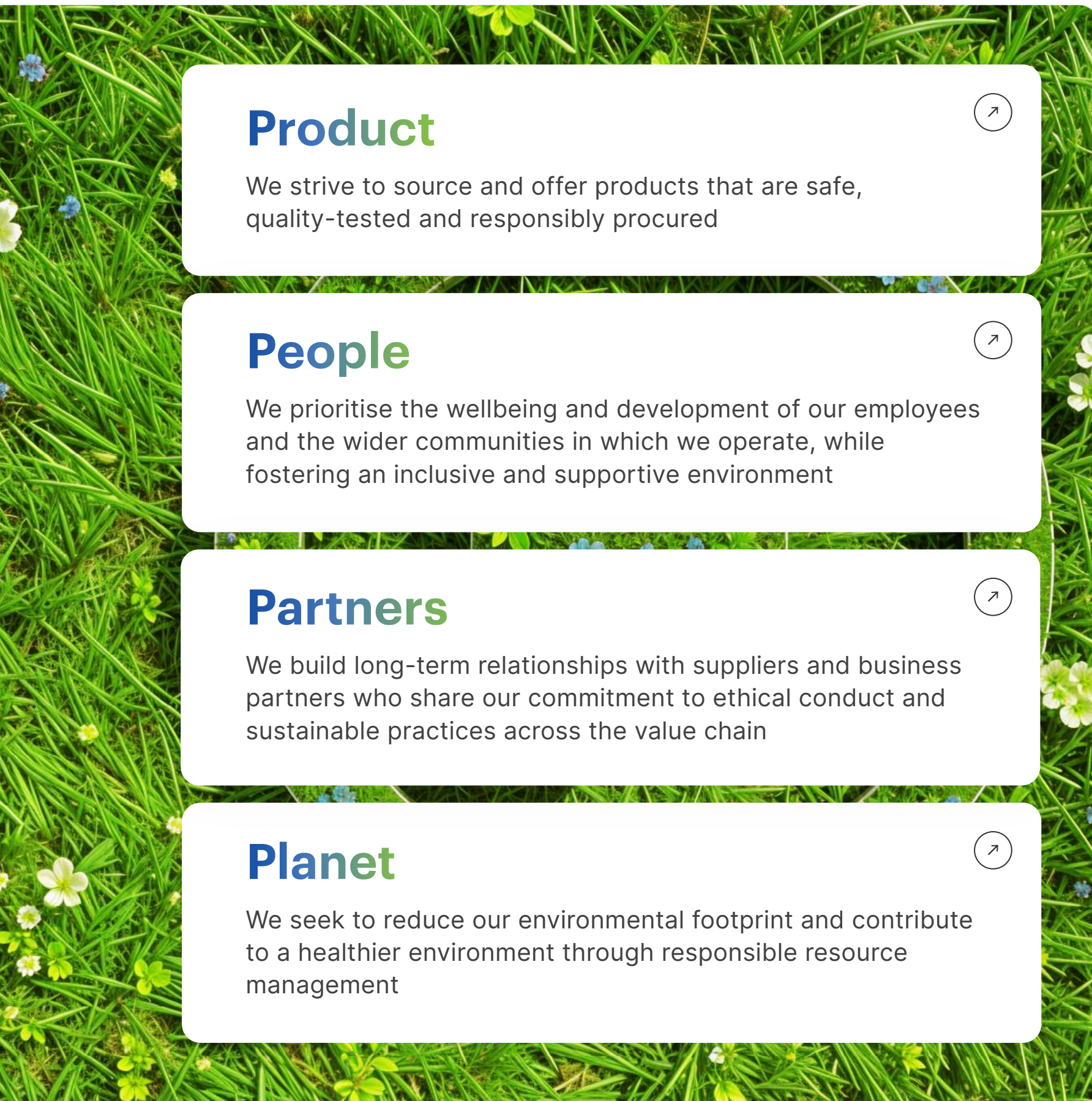
RUB **58** mln

spent on social and charitable initiatives in 2025



Implementing Sustainable Practices

Our sustainability agenda is structured around four pillars (the 4Ps), which together define our approach to sustainable development:



Product

We strive to source and offer products that are safe, quality-tested and responsibly procured

People

We prioritise the wellbeing and development of our employees and the wider communities in which we operate, while fostering an inclusive and supportive environment

Partners


We build long-term relationships with suppliers and business partners who share our commitment to ethical conduct and sustainable practices across the value chain


Planet


We seek to reduce our environmental footprint and contribute to a healthier environment through responsible resource management


Sustainability Governance

To support the implementation of our sustainability agenda, the Group has established a multi-level ESG governance framework:

- 

The Board-level ESG Committee provides strategic oversight of the ESG agenda
- 

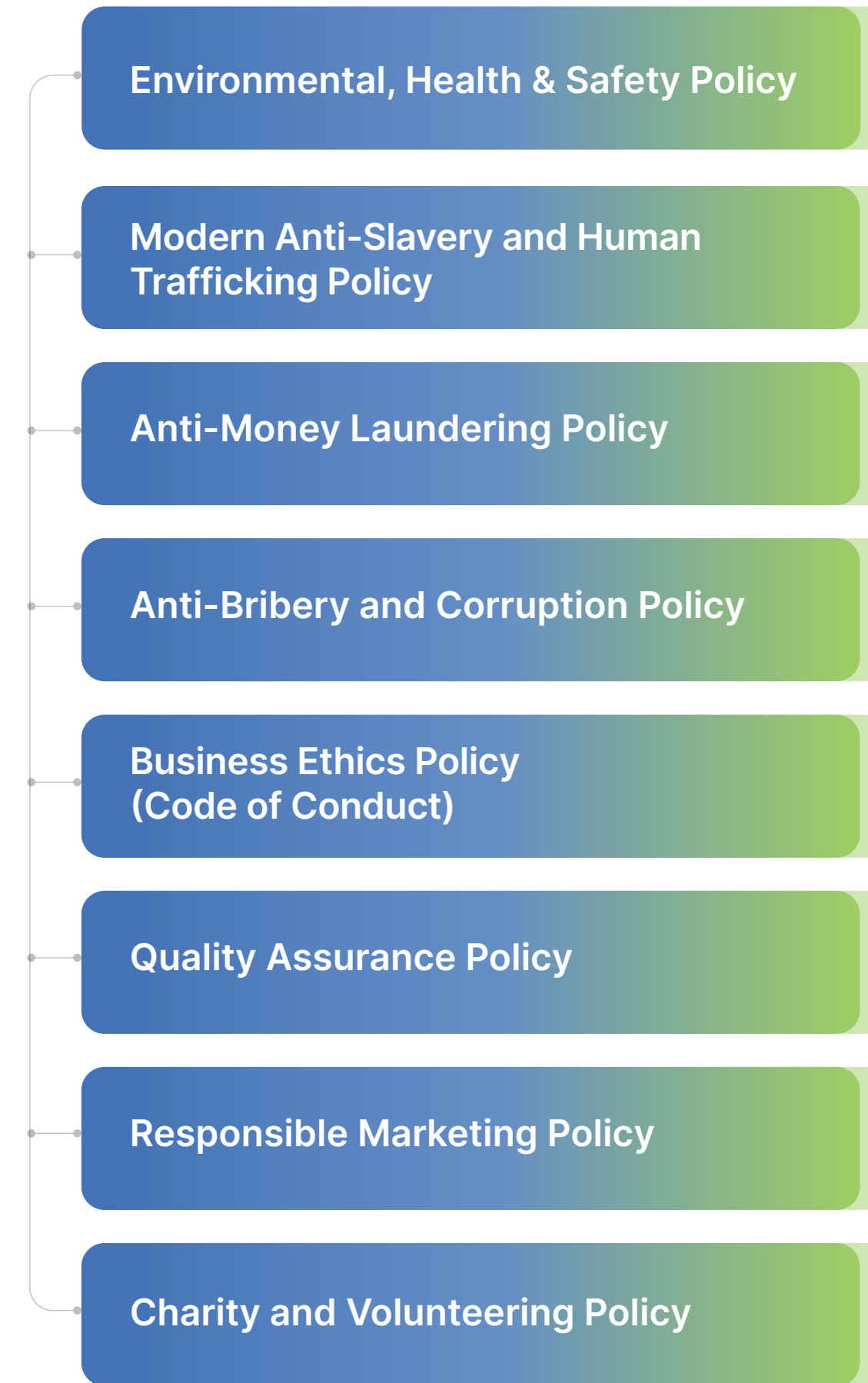
Senior management makes key decisions and oversees the integration of sustainability priorities into the Company's business processes
- 

The Investor Relations team coordinates the development and implementation of sustainability initiatives and acts as a central liaison across the business
- 

The Dedicated Sustainability Working Group brings together employees from different functions to strengthen cross-functional cooperation and support the delivery of ESG priorities

At Fix Price, we see sustainability as an integral part of responsible business management. Embedding ESG considerations into decision-making helps us manage risks more effectively, strengthen the resilience of our business model and support sustainable long-term growth.

Fix Price operates according to the following internal policies:



The Charity and Volunteering Policy,

approved in 2024 and adopted in 2025, formalised the Group's approach to charitable giving, social initiatives and volunteering. The document sets out the key principles for selecting and supporting charitable, social and volunteer initiatives and provides a framework for engaging employees, customers and other stakeholders in social and charitable projects.

Alignment with UN and National Goals

Recognising the global importance of sustainable development, Fix Price aligns its sustainability agenda with the UN Sustainable Development Goals (SDGs).

We have identified the SDGs that are most closely linked to our activities. Primary goals reflect areas where the Company can make the strongest contribution. Secondary goals represent areas where our input is more selective or indirect due to our business model. Mapping our activities against the SDGs helps to show how the 4Ps framework translates into practical contribution to sustainable development.

In addition to the UN SDGs, the Company considers how its activities contribute to Russia's national development priorities through 2030.

UN SDG Alignment

Primary

Fix Price contribution



- Creating new jobs through the expansion of the store network and logistics infrastructure
- Developing employee training, internal mobility and managerial capabilities
- Digitalising employment and recruitment processes
- Working with young professionals through internship programmes with leading universities



- Applying a multi-stage product quality control system
- Auditing suppliers producing private-label and imported products
- Incorporating ESG criteria into supplier self-assessment questionnaires
- Reducing packaging volumes and increasing the use of mono-material solutions where possible
- Recycling secondary materials generated in the course of the Company's operations



- Implementing measures to improve energy efficiency
- Supporting environmental initiatives, including tree-planting projects
- Promoting environmental awareness in local communities through educational lectures and workshops



Alignment with UN and National Goals

Secondary

Fix Price contribution



- Expanding access to food products for a wide range of consumers
- Supporting charitable foundations including assistance for people in need, low-income families, elderly people and people in difficult life situations



- Developing occupational health, safety and employee wellbeing systems
- Supporting charitable and social projects related to health and wellbeing
- Encouraging broader participation in sport among employees and in local communities



- Embedding the principle of non-discrimination in recruitment and employment practices, including through the Code of Conduct
- Maintaining a strong representation of women across the workforce and in management roles
- Providing employees with an opportunity to report violations through a dedicated communication channel with the Ethics and Compliance Committee



- Providing access to everyday goods at low fixed prices for customers with different levels of purchasing power
- Maintaining a geographically accessible store network, including in remote regions of Russia and in smaller towns
- Implementing social and charitable programmes for vulnerable groups

Contribution to Russia's national development goals through 2030

Opportunities for self-fulfilment and the unlocking of talent



- Developing employee training systems and creating opportunities for professional growth
- Working with young professionals and expanding internship programmes for students
- Promoting charitable giving and engaging customers and employees in social and charitable initiatives

Preservation of the population, health and wellbeing, support for families



- Supporting families facing hardship and assisting people in need through joint campaigns with charitable foundations
- Strengthening occupational health and safety systems and supporting employee wellbeing
- Maintaining continuous control over product quality

Sustainable and dynamic economy



- Expanding the store network and creating new jobs, supporting employment and economic activity in the regions
- Further digitalising operational processes
- Building a more resilient supply chain and raising expectations for partners and product quality

Comfortable and safe living environment



- Maintaining a broad store geography, including in smaller settlements
- Participating in local environmental and social initiatives, including community clean-up and neighbourhood improvement projects, in the regions where the Company operates

Engaging with our Stakeholders

Fix Price is committed to maintaining open and constructive dialogue with its stakeholder groups. To make this engagement more effective, we tailor communication formats and engagement channels to the needs and expectations of each audience.

	Key engagement topics	Engagement channels
Customers	<ul style="list-style-type: none"> Product assortment, prices and on-shelf availability Store working hours and convenience of location Product quality and safety Loyalty programme Data privacy Healthy lifestyle products Sustainability matters 	<ul style="list-style-type: none"> Offline communications (handout materials, price tags, direct in-store communications, etc.) Hotline Email Publications on the Company's websites (including feedback forms) Social media Surveys Regular target-audience marketing research Loyalty programme Mobile app
Employees (full-time and contractors)	<ul style="list-style-type: none"> Fair pay and incentives Safe working conditions and wellbeing Opportunities for professional and personal growth and education Diversity and inclusion Compliance, business ethics, and anti-corruption Corporate volunteering 	<ul style="list-style-type: none"> Direct communication with employees Intranet Email The Company's internal policies, instructions and documents The Company's training portal and courses Hotline and the Ethics and Compliance Committee Social media
Suppliers	<ul style="list-style-type: none"> Product development and supply Product quality and safety Business ethics and compliance Transparent and sustainable supply chain Sustainability partnerships 	<ul style="list-style-type: none"> Direct communication with suppliers Audits and product testing Hotline Publications on the Company's website

	Key engagement topics	Engagement channels
Investors and shareholders	<ul style="list-style-type: none"> Company performance Strategic development and expansion plans Protection of shareholder rights Dividend payments Sustainability matters The exchange of Fix Price Group PLC GDRs for shares of PJSC Fix Price The Group's capital markets structure 	<ul style="list-style-type: none"> Direct communication with investors Regulatory disclosures and publications on the Company's website General Meetings of Shareholders Exchange-related information materials and investor communications Investor hotline
Media	<ul style="list-style-type: none"> Company performance and strategy Sustainability matters Business ethics and compliance 	<ul style="list-style-type: none"> Direct communication with the media Publications on the Company's website
Government authorities	<ul style="list-style-type: none"> Business ethics and compliance Product quality and safety Applicable laws and regulations Opportunities for local suppliers Protection of shareholder rights 	<ul style="list-style-type: none"> Regulatory compliance Publications on the Company's website Direct communications with government authorities
Local communities	<ul style="list-style-type: none"> Economic contribution to the regions of operation Charitable and social programmes Affordable and high-quality products Local employment opportunities Promotion of sport and healthy lifestyle 	<ul style="list-style-type: none"> Direct communication with customers and employees Publications on the Company's website Surveys Social media Charitable and social initiatives

Quality Products for a Healthier Community

Providing customers with safe, high-quality and affordable goods is one of the four strategic priorities of Fix Price and one of the most fundamental to the Company's business model. In 2025, the Company's products received external recognition that underscored its continued focus on quality assurance.

Quality Guarantee Competition



2 awards received:

1. Gold medal for Fix Price branded water
2. Quality diploma for strawberry-flavoured nougat with biscuit pieces



SobMaExpo Private Label Awards



1 award received:

1. REFINE recognised as the Best Economy-Segment Private Label



Responsible Marketing Policy and Quality Assurance Policy

Fix Price's approach to product quality is shaped by the Responsible Marketing Policy and the Quality Assurance Policy, which together establish standards for ethical communication, consumer protection and product excellence. The Responsible Marketing Policy promotes transparency and responsible engagement with customers, while the Quality Assurance Policy defines quality objectives, areas of responsibility and the principles used to align our practices with regulatory, industry and customer requirements.



Quality Products for a Healthier Community

Approach to Product Quality Control

Our approach to quality control is based on continuous monitoring throughout the product life cycle and on a risk-based methodology designed to reduce the likelihood of quality and safety incidents. Each stage of this process is supported by dedicated functions within the business.



Category Management Department

Sources goods in Russia and abroad and monitors the supply chain from product development to the store shelf.



Logistics Department

Ensures that products are delivered safely and on time, arranges certification, declarations of conformity and other permits for imported goods, and verifies supporting documentation and product condition during delivery and warehousing.



Quality Control Centre

Oversees product quality, performs inspections, arranges laboratory testing and carries out on-shelf product checks as well as organising periodic audits of private-label suppliers.

As part of our commitment to transparency, any customer may request copies of product certificates or declarations of conformity from a store director or manager

Inspecting quality at different stages of the product life cycle

- Imported goods
- Russian private labels
- Branded products

Prior to manufacturing



- Accredited laboratories test samples of certain goods to obtain certification, declarations of conformity and other permits
- Tasting sessions for product samples
- Internal checks and laboratory testing of product samples, if necessary

After manufacture



- Remote inspections of samples after manufacture
- Physical inspections of samples by category managers after manufacture
- Testing at external laboratories after manufacture to confirm product composition

Transportation



- Visual inspection of goods by agents prior to shipping



Warehousing

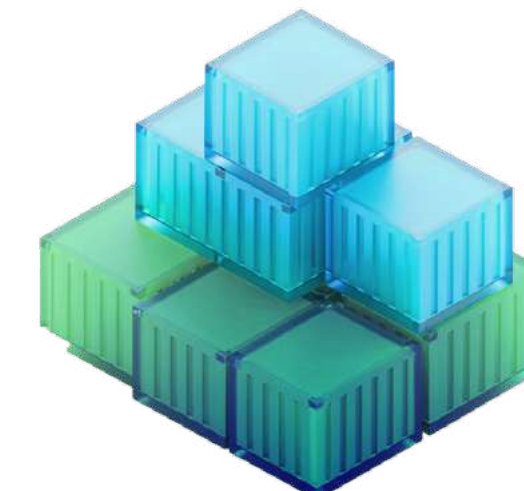


- Inspecting goods and associated documentation upon acceptance at distribution centres
- Regular inspections for package integrity by quality controllers at warehouses

Distribution to stores



- Inspecting goods and associated documentation upon delivery to stores



Sale



- Periodic spot-checks at stores by the Quality Control Centre and laboratory testing, if necessary
- Customer surveys and processing of customer feedback

Quality Products for a Healthier Community

Quality Control Centre

The Quality Control Centre supports Fix Price's reputation as a trusted source of affordable, high-quality goods.

Its specialists are responsible for:

- verifying documentation confirming that supplied products meet declared parameters and internal standards;
- carrying out tastings and instrumental checks of products where necessary;
- auditing private-label manufacturers;
- conducting on-shelf inspections using a risk-based approach;
- arranging laboratory testing where required.

Quality Control of Private-Label Goods Produced in Russia

Fix Price monitors every stage of private-label product development, including design, packaging and communication with suppliers on product specifications and quality improvements. This process includes tastings involving employees, laboratory testing where necessary, and post-manufacture checks to confirm compliance with agreed specifications and applicable regulatory requirements.

Quality Control of Imported Goods

Quality control of imported goods is particularly important, as Fix Price acts not only as a retailer but also as an importer and, therefore, assumes additional responsibilities for product compliance and safety. The Company takes part in all major stages of product development, formulates product specifications, arranges laboratory tests needed to obtain mandatory certificates or declarations of conformity, and verifies, remotely or in person, that product samples comply with agreed specifications before shipment to distribution centres and onward delivery to stores.

Handling Customer Queries

All product quality queries are reviewed promptly, with the product concerned assessed in detail. Where necessary, the Company immediately notifies the relevant parties and takes action to prevent similar cases in the future, including withdrawing non-compliant products from stores. Once the review is complete, the customer is informed of the outcome and the case is closed.

Fix Price continues to improve its feedback channels to make them more accessible and user-friendly. Feedback forms are available on the Company's website and in the mobile app, helping us collect the information needed already at the first point of contact.

In 2025, the Group received and processed more than 2.1 million customer queries, including 1.33 million voice contacts and 0.77 million text-based contacts. Of these, 2,061 related to product quality (less than 0.1% of the total amount). Additional checks were required in 23% of these cases.

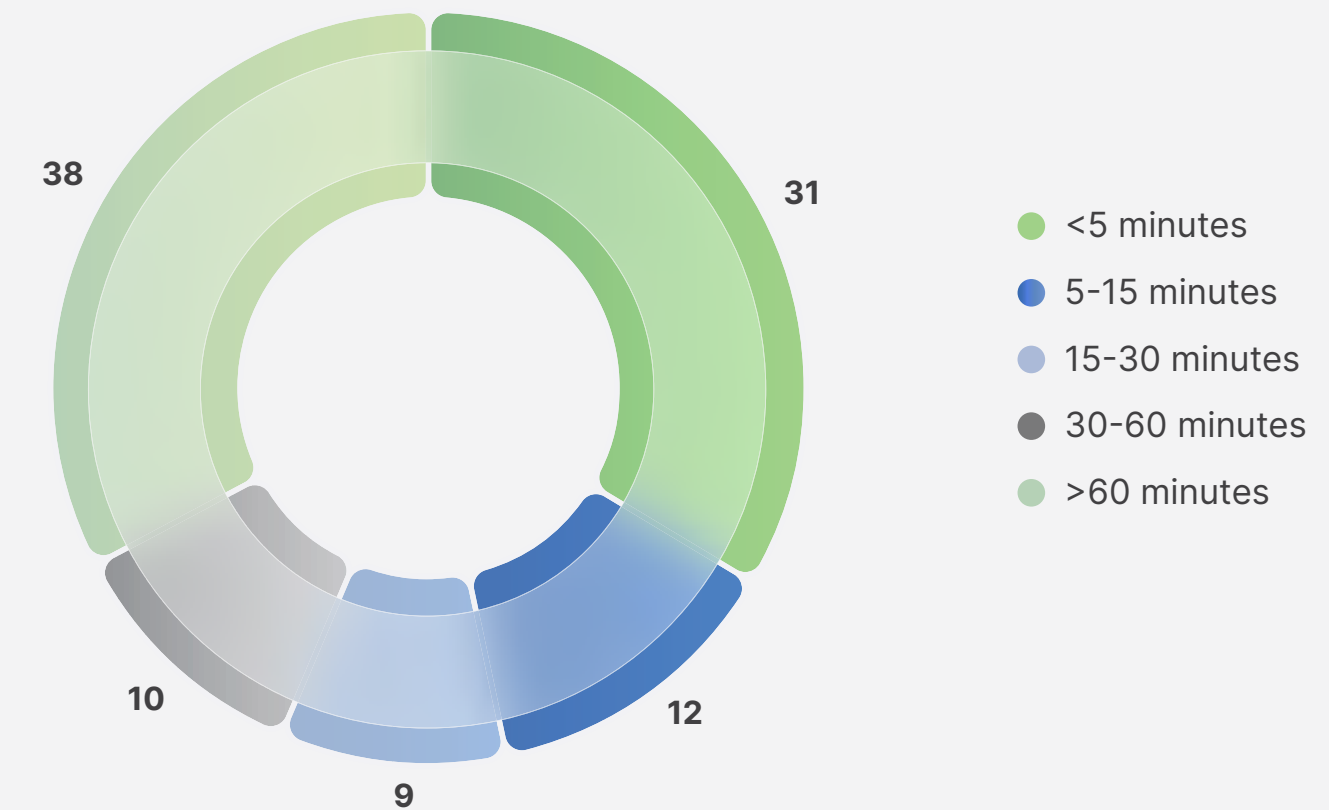
Fix Price continuously refines its customer communication channels and feedback mechanisms. In 2025, the Company introduced a number of enhancements to improve the speed and quality of feedback processing:

- voice registration processes and speech-recognition protocols were optimised to simplify card registration and replacement through the customer hotline's IVR⁽¹⁾ assistant;
- a dedicated hotline for investors was launched;
- in November 2025, AI was rolled out into the live feedback-handling process. As of early March 2026, it processes around 4,000 queries per month, with response accuracy reaching 95%.

Any questions related to product quality and safety may be submitted to the Company through the [feedback form](#) or by email at expert@fix-price.ru

⁽¹⁾ Interactive voice response

Average processing time of customer queries, %



63%

of customer queries are received via voice channels

78 seconds

average response time for a text-based query

2.5 minutes

average response time for a voice query

Our Approach to Sustainable Procurement

Productive engagement with partners is one of the key priorities of Fix Price’s sustainability agenda. We prioritise strong, direct relationships with suppliers and seek to ensure that they are aligned with our core standards of ethical business conduct, respect for human rights, and zero tolerance for slavery, human trafficking, corruption and bribery.

In line with this approach, the Company begins each new supplier relationship with due diligence focused on integrity and reliability.

An automated screening tool reviews counterparties using data from more than 30 official sources and assesses them against more than 100 parameters. In 2025, around 10,000 counterparties were screened through this process.

Supplier Audits for Excellence

To uphold our quality and safety standards, Fix Price conducts audits of both domestic and international suppliers, with a particular focus on private-label and imported products. Russian private-label producers are audited in line with our internal quality assurance requirements, either before or after contracts are signed. These audits are typically conducted every two years, or more frequently where necessary.

For international suppliers, Fix Price works with local agents who play a central role in identifying potential manufacturers, overseeing production and coordinating audits. These inspections are carried out by accredited laboratories in the supplier’s country and include a comprehensive review of quality control systems, documentation, certification and production processes.



[Learn more about our approach to procurement in Supply-chain management](#)



⁽¹⁾ The data relate to Russian private label suppliers

Empowering our People

Our Approach to HR Management

People are one of the four pillars of Fix Price's sustainability agenda. The Company sees effective people management as essential to maintaining service quality, supporting expansion and strengthening long-term business resilience.

HR management system at Fix Price:

- **Board of Directors and Nomination and Remuneration Committee** oversee strategic HR matters.
- **HR function** is responsible for implementing the personnel policy in practice.

As Fix Price continues to expand its network, the Company is further developing its personnel management system to match the scale of the business and the pace of its operations. Technology plays an important role in this process, helping to streamline workflows and improve productivity across the organisation, including within the HR function. The aim is to reduce the share of routine tasks and free up employees' time for more meaningful and value-adding work.

In 2025, we continued to streamline high-volume recruitment processes. The use of automated solutions enables us to process a large number of applications daily, engage with candidates promptly and support them throughout the entire hiring journey — from the initial application to onboarding.

For more information on the use of digital solutions in business processes, see page 38



Electronic HR document management

covers all key HR processes across the Company



Employer Ranking

External recognition reflects the Company's standing as an employer. In the hh.ru Employer Ranking 2025, Fix Price placed 41st among companies with more than 5,000 employees and ranked among the

top 10

retail chains

Corporate culture

Fix Price's personnel policy is aligned with Russian law and reflects the legal principles applicable in the countries where the Company operates. Our corporate culture is built around the following priorities:

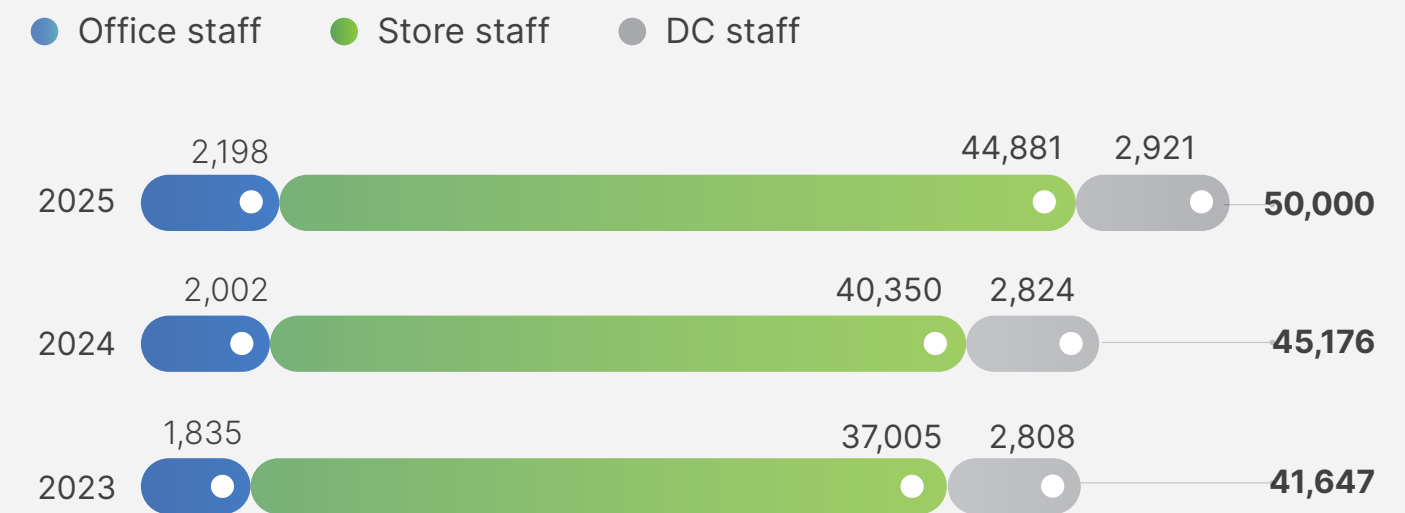
- ✓ Creating a comfortable working environment in line with occupational safety standards
- ✓ Developing a fair remuneration and motivation system
- ✓ Building effective training and development systems that support professional and personal growth
- ✓ Promoting open and efficient internal communication and reducing unnecessary bureaucracy
- ✓ Encouraging employee feedback at all levels of the organisation
- ✓ Continuously monitoring employee satisfaction across business units
- ✓ Supporting diversity and inclusion

We are committed to providing a safe and comfortable working environment, fair remuneration and respect for human rights, and we maintain zero tolerance for discrimination on the grounds of gender, nationality or religion. The Code of Conduct reinforces these principles and helps ensure equal treatment and ethical behaviour across the organisation. Employees may raise concerns, including discrimination-related issues, through the Ethics and Compliance Committee or via a dedicated communication channel.

The Ethics and Compliance Committee reviews all complaints received and takes disciplinary action where necessary. Since 2023, anti-corruption and business ethics training has been mandatory for employees. This includes the online course Rules of Business Conduct, available on the corporate learning platform, which covers the principles of ethical interaction with customers and colleagues.

Empowering our People

Total average headcount of the Group ⁽¹⁾⁽²⁾, number of people



Workforce gender profile ⁽³⁾, %



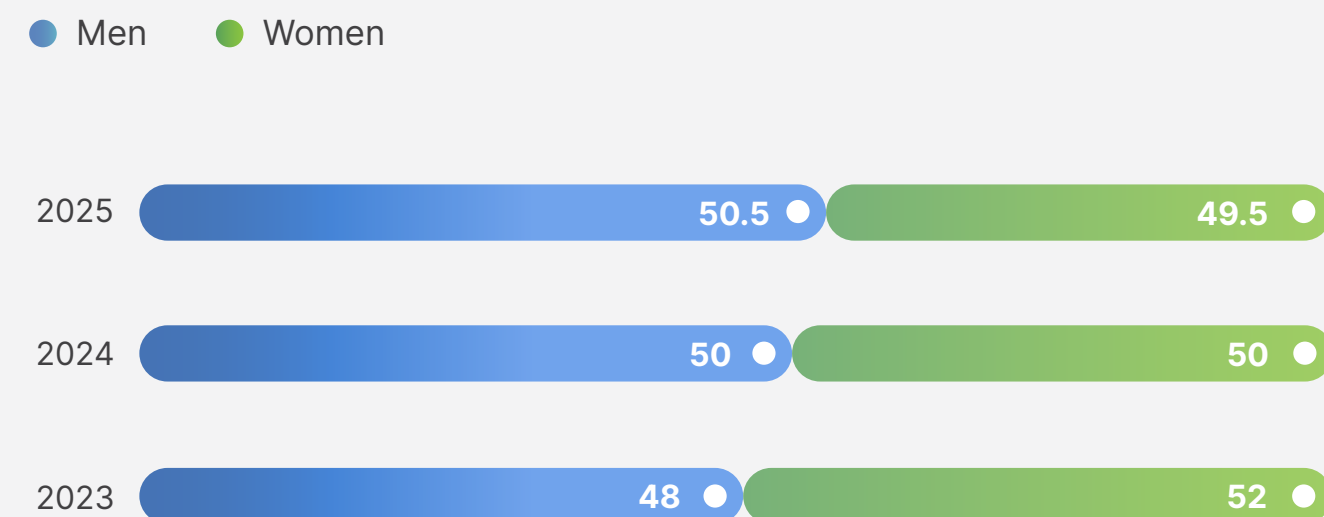
Workforce structure

In 2025, the average headcount of Fix Price Group PLC increased by 10.7% to 50,000 people. The increase was primarily driven by new store openings, with the number of store employees rising by 11.2% to 44,900.

The predominance of women in the workforce is typical of the retail sector and remained broadly stable in 2025. At the same time, women accounted for virtually half of management positions, supporting a balanced approach to decision-making.

The core workforce age group continued to be employees aged 30–50, while the share of employees over the age of 50 continued to grow.

Management gender profile ⁽⁴⁾, %



Workforce age profile ⁽²⁾, %



⁽¹⁾ The personnel of Fix Price Group PLC in all countries where it operates, including contractors

⁽²⁾ Total may not equal the sum of components due to rounding

⁽³⁾ The scope of disclosure here and below unless stated otherwise: employees of LLC Best Price, the Group's core operating company in the Russian Federation (excluding contractors and the Company's personnel in other geographies)

⁽⁴⁾ The Company's management comprises top, middle and junior managers

Empowering our People

Remuneration and Motivation

Fix Price believes that a skilled and motivated team is the main driver of stable growth. The Company's remuneration system is designed to ensure fair pay regardless of gender, age, race, nationality or religion.

Since 2022, the Company has operated a long-term incentive programme (LTIP) for key employees to align individual performance more closely with the Group's strategic goals and shareholders' interests. Participants may receive annual awards in Company shares, amounting in aggregate to up to 1% of the share capital, subject to both Group-wide and individual KPIs. These KPIs include store-opening targets, EBITDA growth and ROIC. Following strong interest and the results achieved, the programme was extended through to 2027 in December 2024 as LTIP 2.0, with updated performance metrics aligned with the Group's evolving strategic priorities.

The Company also provides social support to all employees, including part-time employees. Eligibility depends on minimum length of service, as defined in the relevant internal policy.

In 2025, financial support to employees increased by

18%

and the number of employees covered by healthcare programmes was up by

8%



Fix Price's Social Support System

Financial support in connection with childbirth, marriage, employee illness and the death of close relatives

Supplementary payments in the amount up to full salary during temporary incapacity for work or leave

Voluntary health insurance, with access to a broader list of clinics after a specified period of service

A healthcare programme that includes digital medical services, including online consultations

Interest-free loans for key employees for important purposes such as education, housing or medical treatment

A dedicated loyalty programme for store and DC employees

Long-service bonuses for employees with more than 10 years of continuous service and an annual award for the top performer in each unit

Flexible or remote working-arrangements, where applicable

Discounts on partner products and services, including training, sport, food, travel and insurance

Mentoring bonuses for store managers

Professional development at the Company's expense

Empowering our People

Training and Development

Fix Price tailors its training and development system to the needs of different business units and continues to expand both the range of programmes available to employees and the formats in which they are delivered.

In 2025, the Company conducted 168 training groups, including external training, developed more than 30 unique training modules, launched six new courses, produced 18 training videos and held seven business games. As part of the continued digitalisation of learning and development, Fix Price also launched the Digital Avatar project, which uses generative AI to create dynamic video content integrated into the corporate learning and development system.

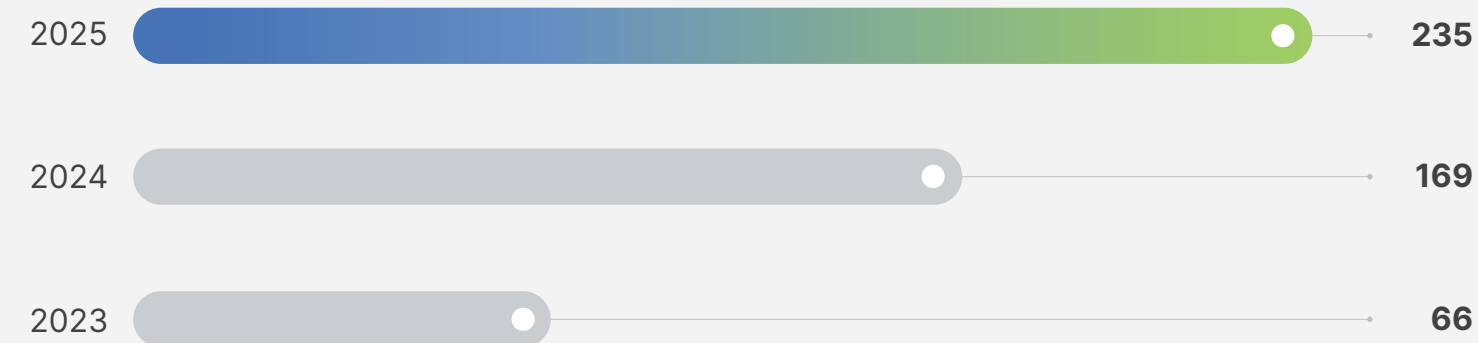
In 2025, average annual training hours per FTE increased by 39% year on year. This growth was driven by a broader selection of online courses and a strengthened corporate learning programme, which improved attendance and engagement across Fix Price's regional network.

In 2025, the Company conducted

168 training groups

⁽¹⁾ LLM (Large Language Model) is an AI system designed to understand, generate, and process human language by training on massive datasets, utilising deep learning techniques to predict the next best word in a sequence

Average annual training hours per FTE, 2023-2025



Working with AI tools and the fundamentals of prompt engineering

In 2025, Fix Price launched a dedicated programme aimed at developing employees' digital skills and practical capabilities in working with LLM - based tools. The programme included seven training videos, 16 lectures and a set of assessment tasks designed to reinforce the practical use of AI tools. Its purpose was to deepen employees' readiness to work with AI technologies and broaden their ability to apply LLMs ⁽¹⁾ to the automation of business processes.

The Company also continues to use microlearning extensively, breaking larger bodies of information into short, accessible learning blocks. Gamification remains an important part of the learning model: Fix Price systematically uses badges, avatars, interactive video courses, ranking mechanics and business games. Educational articles, surveys and video materials are also published through the training function's official social media channels. Together, these approaches help build a strong internal Corporate Learning Environment and support the development of employee capabilities.

Training for store and DC staff

All store employees have access from any device to Fix Academy, the Company's corporate distance-learning platform, as well as to a digital community where they can exchange experience and discuss work-related issues without leaving the workplace. Discussions are moderated by the Training Centre to make them more practical and productive.

Store staff training and certification is conducted every six months. Upon completion, employees receive certificates and their assessment results are entered into a competency matrix, which helps determine individual development priorities. Employees who successfully complete the programme may apply to join the talent pool, after which Training Centre specialists conduct a 360-degree assessment, analyse KPIs and report the results to senior management. In 2025, more than 57,000 certification tests were conducted and around 160 employees were nominated from the talent pool.

16,700

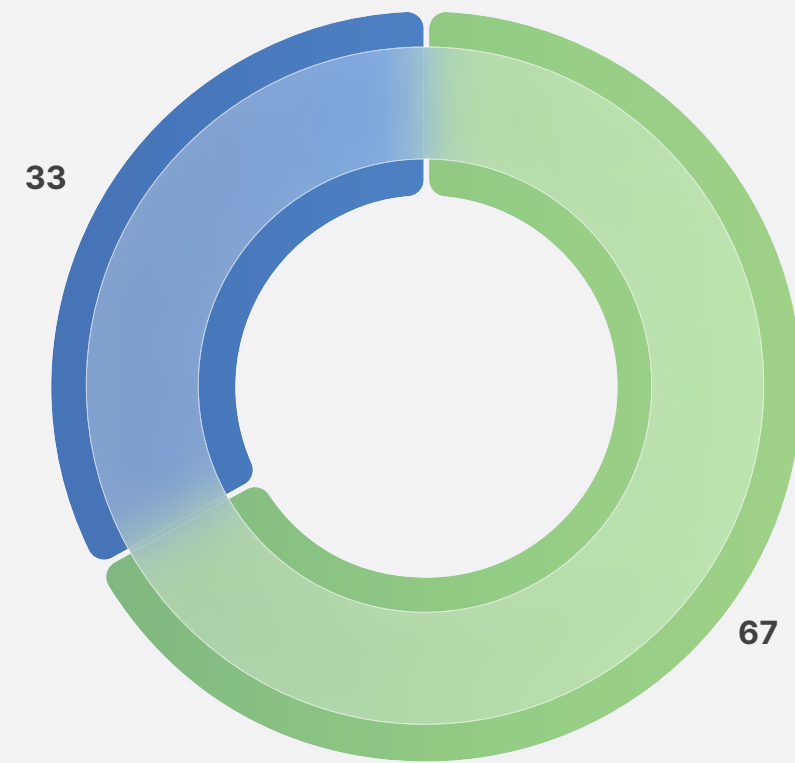
participants in Fix Price's digital community

(+15% in 2025 y-o-y)



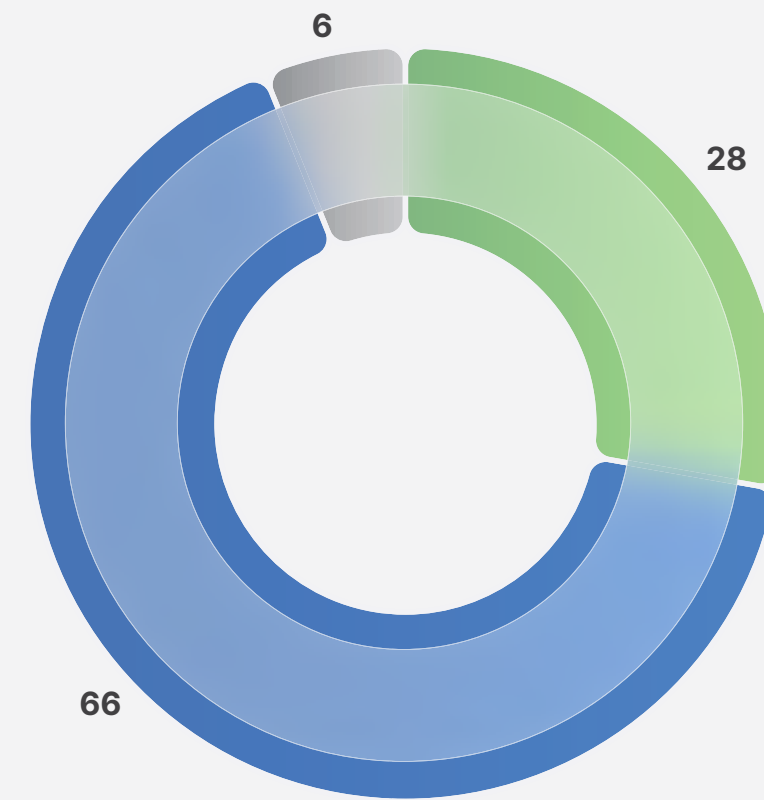
Empowering our People

Training programme for store employees, %



● Mandatory training ● Additional training

Training programme for office employees, %



● Mandatory training ● Additional training ● External training

Training for office staff

For office employees, the Company offers both online and offline learning programmes tailored to operational needs and employee expectations. In 2025, the Training Centre further expanded in-person learning and continued to build a more flexible and individualised development environment for office staff. Employee feedback remained strong: the practical value of the training reached 61.8%.

The programme combined mandatory training, additional development tracks and external learning. It also included qualification-enhancement courses, which were completed by around 300 employees and resulted in formally recognised diplomas. Alongside core training formats, the Company continued to develop knowledge-sharing initiatives and more specialised learning products. In particular, the Expert in Your Field programme remained an important channel for internal expertise exchange: in 2025, it comprised 14 groups led by the Company's specialists.

The learning offer for office staff was further broadened through the Book Club, which held 23 sessions during the year, as well as targeted courses such as Excel Analytics and Working with Neural Networks.

The Company also continued to develop short-format and digital-learning tools for office employees. These included express-learning modules, business games, onboarding materials, competency mapping and a series of training materials created with the use of a digital avatar and input from internal experts. Together, these formats helped make learning more accessible, practical and closely aligned with everyday business needs.

~58,000

employee assessments conducted in 2025

~700 employees

added to the talent pool

124 training sessions
organised for office staff in 2025

92.4%
NPS for employee training

Empowering our People

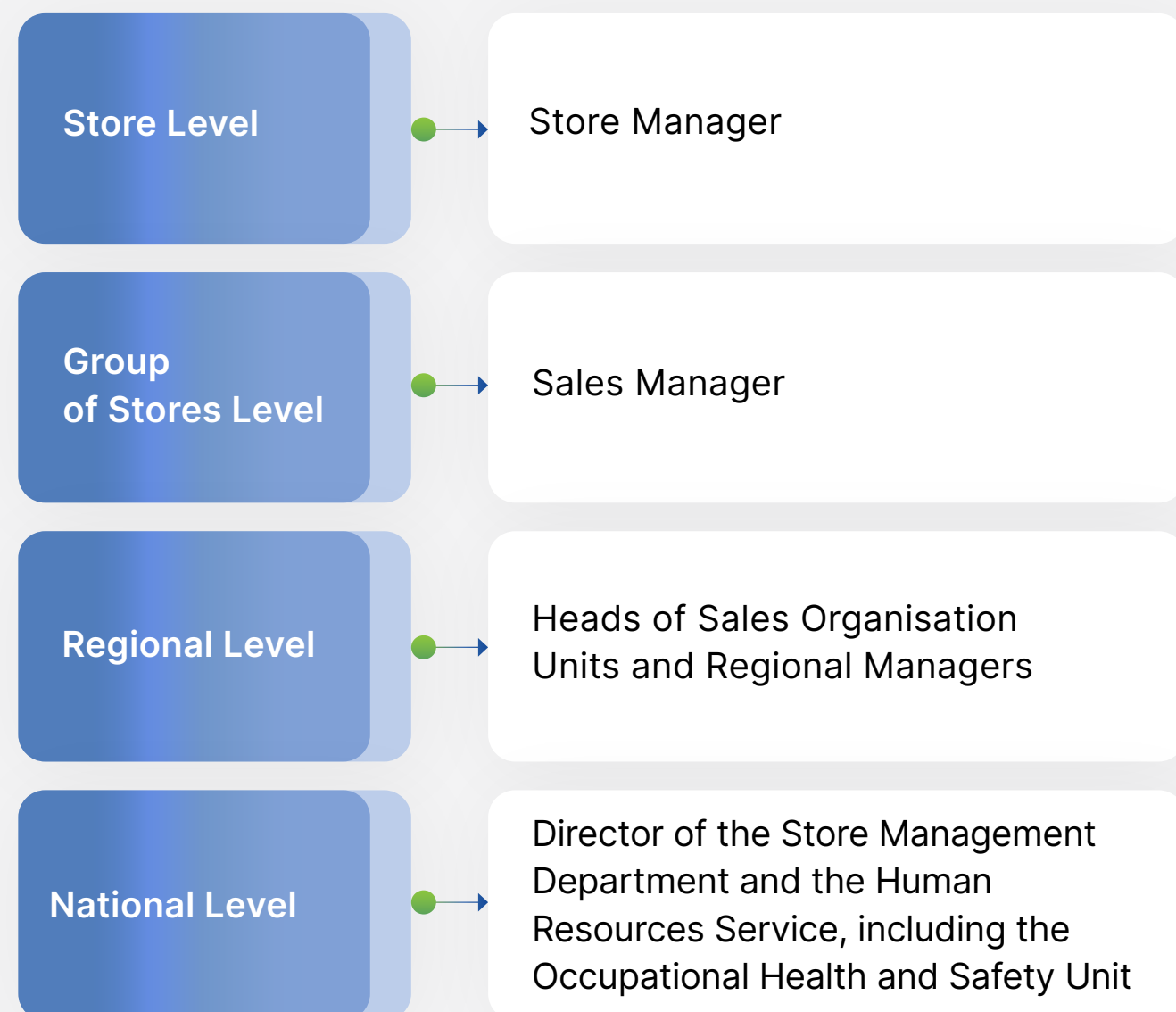
Occupational Health and Safety (OHS) and Employee Wellbeing

Protecting the life and health of employees and contractors remains one of Fix Price's core priorities. The Company applies occupational health and safety requirements to everyone working at its facilities, including contractor personnel.

Contracts with suppliers and contractors include requirements for safe equipment use and incident response procedures. At the same time, all workplaces undergo a special assessment of working conditions. Under internal rules, any OHS-related incident must be reported immediately to the OHS function and to the employee's direct supervisor. An investigation committee is then formed to identify the causes of the incident and prevent recurrence. In the case of severe accidents, the relevant state authorities also take part in the investigation.

All employees undergo annual medical examinations. DC employees also complete remote pre-shift medical checks, which help prevent employees who are unfit from operating complex lifting and transport equipment. These medical examination processes are also supported by automation, reducing the time required for check scheduling, documentation and status monitoring.

To ensure the effective functioning of the Occupational Health and Safety Management System, responsibilities are distributed across several management levels within the store function:



Automation for employee safety

Automation helps process documents more quickly, improves the tracking of training and medical examinations, and reduces the administrative burden on specialists responsible for safety. In 2025, we introduced a number of initiatives that are expected to further strengthen safety management across the Company:

- automated document workflows for occupational health, safety and industrial safety, including checks on the accuracy and completeness of OHS documentation;
- automated employee training processes, both inside the Company and in coordination with external training providers;
- increased volume and improved quality of data exchange relating to medical examinations;
- automated transfer of medical examination data with counterparties located in remote regions of the country.

Fix Price's key objectives in occupational health, safety and industrial safety are to:

- Ensure compliance with applicable legal and regulatory requirements in occupational and industrial safety
- Continuously improve the OHS management system
- Identify and eliminate hazards and reduce workplace risks
- Implement preventive measures to reduce injuries and protect employee health
- Minimise the risk of accidents and injuries at Company facilities
- Raise employee awareness of safety and workplace conditions
- Integrate advanced technologies
- Organise medical examinations for employees across all functional areas and regions
- Ensure that employees across all functional areas complete the required OHS training

Empowering our People

Optimising OHS through digitalisation

Before being allowed to work independently, all personnel must complete mandatory OHS training, including:



briefings on occupational safety, fire safety, electrical safety, emergency response and anti-terrorism measures;



training in occupational safety, first-aid methods and the use of personal protective equipment;



on-the-job OHS instruction supervised by the direct manager.

In addition to internal training, employees responsible for occupational safety in the Company's divisions complete mandatory external training at licensed specialised training centres. After successful completion, they receive certificates enabling them to oversee occupational safety in their respective areas and conduct related training and instruction.

Most minor incidents were attributable to employee carelessness or random events. The most serious incidents recorded in 2025 were associated with same-level falls and unlawful actions by third parties. Following an analysis of these incidents, the Company is reviewing the related business processes, updating training materials, refining its recommendations for employees and further strengthening safety documentation.

⁽¹⁾ All accidents except near-miss incidents are included in the total number of accidents

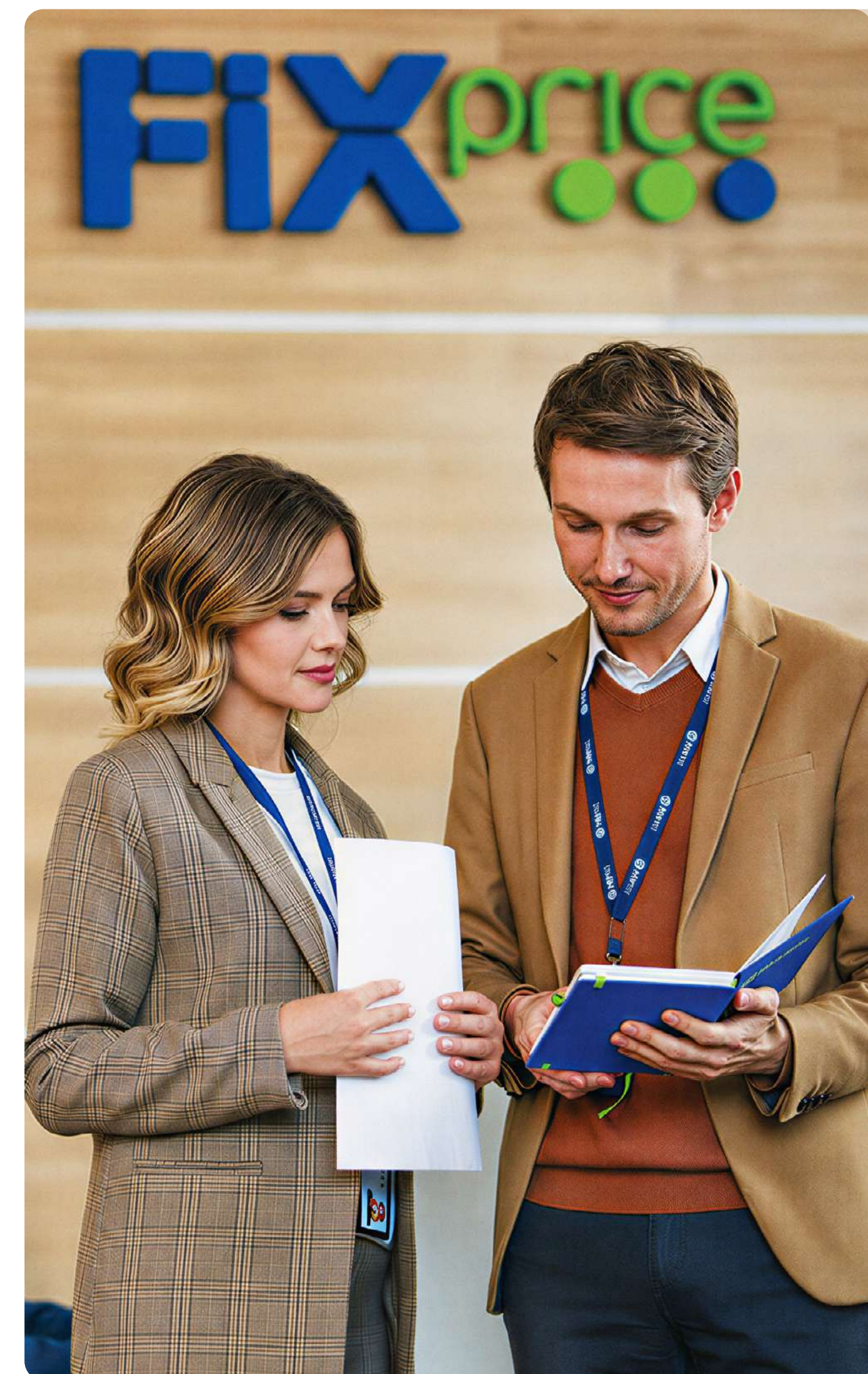
⁽²⁾ All fatal accidents involving contractors were caused by general illnesses of the employees and were not related to the production activities.

⁽³⁾ Lost time injury

⁽⁴⁾ Lost time injury frequency rate

OHS metrics for regular staff and contractors

Metric	2023	2024	2025
Total number of accidents ⁽¹⁾, including:	31	49	61
• regular employees	13	24	31
• contractor employees	18	25	30
Total number of fatal accidents ⁽²⁾, including:	4	4	2
• regular employees	1	0	1
• contractor employees	3	4	1
Total number of severe injuries (no fatalities), including:	1	5	3
• regular employees	1	5	2
• contractors	0	0	1
Work-related injuries that resulted in a temporary disability (LTI) ⁽³⁾, including:	26	40	56
• regular employees	11	19	28
• contractors	15	21	28
Near-miss incidents, including:	34	40	50
• regular employees	9	15	17
• contractors	25	25	33
LTIFR ⁽⁴⁾ per million person-hours worked:			
• regular employees	0.05	0.07	0.10
• contractors	0.11	0.14	0.18



Empowering our People

Social Projects

Fix Price believes support is most effective when it is targeted, practical and rooted in the needs of local communities. The Company's social agenda is therefore built around collective action: employees, partners and customers are all involved in the initiatives it supports.

At the beginning of 2025, Fix Price adopted its Charity and Volunteering Policy. The document provides a single framework for the Company's charitable and volunteering activities and sets out three priority areas: support for people in difficult life situations, environmental protection, and the promotion of healthy lifestyles and sport.

Together for Good Deeds

Together for Good Deeds, Fix Price's flagship social programme, has been in place since 2014. It brings together both social and environmental initiatives, including support for children, vulnerable groups, animals and reforestation projects, and environmental education for local communities.

The programme follows a centrally coordinated annual plan. The choice of initiatives is based on a structured process:

1) At the start of the year, the Company identifies the cities where social projects will be carried out. Cities are selected based on several factors:

- a significant number of Company-operated stores;
- no recent campaigns in the city, or a long interval since the last one.

2) The resulting list of cities is then reviewed in the context of current ESG-related issues, initiatives, events and activities. Where tree-planting is involved, Fix Price consults specialists to determine the most appropriate species.

3) The Company also conducts mandatory checks on the reputational standing of partner organisations or beneficiaries, assesses the financial aspect of each initiative and considers its relevance to the local community.

The programme continues to grow year after year. In 2025, Fix Price saw stronger participation from store employees, including in the regions, while external volunteers also remained actively involved. Some joined through local organisations such as the Movement of the First and Dobro.rf, while others learned about the events through the Company's social media channels.

In 2025, Together for Good Deeds also received external recognition, winning awards in the Ecology and Social Marketing categories at the Best Social Projects awards, as well as the Project of the Year title at the ECO BEST AWARD.



59

Social and charitable initiatives carried out in 2025

RUB **58** million

spent on social and charitable initiatives in 2025

>41,000

trees planted by the Company in 2025

RUB **4.4** million

raised by customers and employees for charitable causes



30 events

held under the 'Together for Good Deeds' programme in 2025

23 tonnes of waste collected

Empowering our People

In 2025,



7 charitable foundations

received support from the Company totalling

RUB **5.25** million

through the VK Dobro partnership, while customers contributed a further RUB 1.2 million



Customers as Participants in Charity

In 2025, Fix Price continued its partnership with VK Dobro. Under this initiative the Company donates to charitable foundations and supports them through information campaigns. During the reporting year, the Company also made customer participation in charitable projects both easier and broader in scope.

A chatbot launched in the Company's VK community allowed users to complete simple tasks, earn points and direct them to charitable causes. Later in the year, customers were also given the option to donate loyalty programme bonuses through the website and mobile app. Over the first six months of the project, 20,000 users took part and helped raise more than RUB 1.2 million.

Environmental Initiatives and Reforestation

Reforestation remained one of the most visible elements of the programme in 2025. Together with GRASS and other partners, Fix Price organised four corporate tree-planting events in Volgograd, Kolomna, Zvenigorod and Ugra National Park in the Kaluga region.

Where needed, the Company also arranges maintenance for trees planted in previous seasons, with such decisions taken jointly with forestry and environmental specialists.

Partnerships with Charitable Foundations

In 2025, Fix Price continued to work with charitable foundations in a range of formats. One of them was in-store campaigns that gave customers an opportunity to contribute while shopping.

Together with SOS Children's Villages, the Company held the Direct Dialogue campaign in 47 stores in Moscow, St Petersburg and Novosibirsk. Representatives of the charity spoke with customers about ways to support children without parental care or those facing crisis situations. The campaign involved 836 customers, and 72 people signed up to become regular supporters of the foundation.

With Dari edu, Fix Price organised a food collection campaign for the foundation's beneficiaries in Omsk and Novokuznetsk. Collection containers were placed in stores, and the campaign resulted in 331 kg of food being donated.

A similar initiative was carried out with Food Bank Rus in 158 stores across 16 cities. In total, 3,221 kg of food and essential goods were collected, which were used to prepare 921 aid packages for families in need.

Fix Price also partnered twice in 2025 with the Krug creative association. Beneficiaries of the workshop produced more than 170 branded ceramic gift sets worth RUB 437,500 for employees celebrating 10 and 15 years of service. In November, the Company's head office hosted a charity fair featuring the studio's products, raising more than RUB 140,000 for the foundation.

Fix Price also runs three-month collection drives through the Kindness Container installed at the Company's office. Through its office-based Kindness Container drives, employees collect items for organisations such as MnogoMama, Miloserdie, Nochlezhka and Lavka Radostey. Fix Price also donates products from its store assortment directly to individual organisations, including kitchenware for the Podari Zhizn foundation, containers for the Yuna animal rehabilitation centre, and New Year gifts for children from disadvantaged families through Krasnosolnyshko.

Supporting Mass Participation in Sport

Fix Price supports the League of Future Champions foundation, which develops children's and youth football and provides scholarships to talented young athletes. In 2025, the Company's support for the foundation amounted to RUB 42 million. Customers also donated around RUB 3 million to support the League through collection boxes installed in more than 2,000 stores.

The Company also became an official partner of two charity runs organised by the Love Syndrome foundation. More than 50 employees took part in the event as runners and volunteers.



In 2025, Fix Price became a general partner of the Moscow Football Federation, under whose umbrella around 16,000 matches are held every year

Supporting Environmental Efforts

Our Approach to Managing Our Environmental Footprint

At Fix Price, we seek to reduce the environmental impact of our operations wherever possible, with a particular focus on efficient waste management and fostering a culture of environmental responsibility. This approach is set out in the Environmental, Health & Safety Policy, which establishes the principles guiding the Company's responsible business practices.

We support the environmental agenda through a range of practical measures embedded in its day-to-day operations:

- converting lighting in existing stores to energy-efficient LED systems and installing LED lighting in all new stores as standard
- selecting the most energy-efficient premises for new store openings to help reduce heat loss
- improving route planning and maximising vehicle loads to reduce fuel consumption
- increasing the volume of packaging sent for recycling
- minimising packaging sizes where possible
- publishing educational materials and articles on the Company's ESG website and social media channels to raise environmental awareness among employees and customers
- organising environmentally focused initiatives for customers and employees as part of the Company's broader social agenda
- supporting environmental causes through partnerships with socially responsible brands

Waste Management

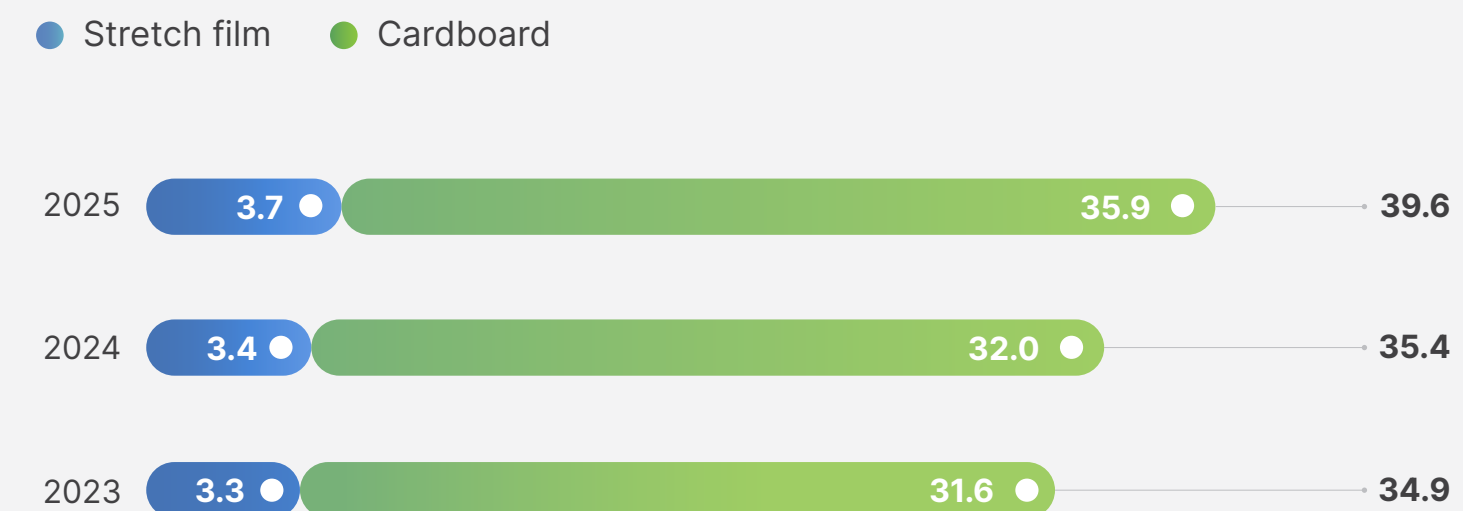
Retail operations generate significant volumes of waste, primarily from packaging used in the distribution of goods to distribution centres and stores. As a retailer, the Company generates several main categories of waste:

- solid waste (Hazard Classes 4 and 5, including low-hazard and non-hazardous waste);
- recyclable materials, primarily cardboard and stretch film;
- office equipment (Hazard Class 4).

Cardboard and polyethylene film collected in stores are returned to distribution centres and then sent for recycling. The Company aims to return as much recyclable waste as possible and has equipped all stores with presses for used packaging. Each store is assigned an individual target for the volume of recyclables to be sent to distribution centres, and where a store underperforms against that target, an internal audit is carried out.

In 2025, the total volume of waste sent for recycling increased to 39,627 tonnes, driven mainly by higher volumes of cardboard returned for recycling.

Waste volumes over 2023–2025, thousand tonnes



12%

more waste sent for recycling y-o-y



Supporting Environmental Efforts

Waste reduction initiatives

Fix Price continues to look for ways to reduce waste generation across its operations. Key measures include:

Pallet Reuse and Repair

Extending the service life of pallets through repeated use and repair;

Battery refurbishment and recycling

Refurbishing batteries after several years of use and ensuring proper recycling at end of life;

IT equipment maintenance

Refurbishing and reusing IT equipment to reduce electronic waste;

Packaging optimisation

Reducing packaging size and increasing the use of mono-material solutions where possible;

Paperless receipts

Encouraging customers to opt for digital receipts to help reduce paper consumption;

Electronic document management

The rollout of electronic document systems across multiple functions, including HR and internal control.

In 2025, the share of documents processed electronically reached 98%. The Company sent 540,000 documents to counterparties, generating savings of more than RUB 9.54 million in paper-related costs. Annual paper consumption was reduced to 3 million sheets.



Electronic document management coverage in FY2025:

100%

of franchisee partners

89%

of counterparties in non-commercial procurement

69%

of landlords
(+25% y-o-y)

90%

of goods supplies

EDI Award

In 2025, Fix Price received a special award for the breadth of its electronic document management functionality in the Best EDI in Russia and the CIS 2025 competition. The judges also recognised the maturity and efficiency of the system.

During the year, the Company launched cross-border electronic document exchange with Kazakhstan and continued to expand electronic document management in Belarus, including cross-border workflows.



Corporate Governance



Corporate governance at Fix Price Group PLC is built around clear allocation of powers, effective oversight and disciplined execution. In 2025, the Company continued to strengthen its governance practices within the AIFC and AIX framework.

16

Board meetings in 2025

RUB **225** mln

LTIP expense recognised in 2025

AIX

as the sole trading venue at year-end

Regulations

2025 was a year of substantive governance action for Fix Price Group PLC.

Following the voluntary delisting process initiated in June 2025, trading in the Company's GDRs on the MOEX main market was cancelled from 23 June 2025, and the GDRs were delisted from 6 August 2025. Trading in the Company's GDRs continued on the Astana International Exchange (AIX) under the ticker FIXP.Y. Accordingly, AIX remained the sole trading venue for the Company's GDRs at the end of 2025.

At the same time, on 20 August 2025, shares of PJSC Fix Price under the ticker FIXR began trading on MOEX, with free float created through Fix Price Group PLC's GDRs conversion, giving rise to the local reporting, disclosure, and compliance obligations and responsibilities in Russia at the PJSC Fix Price level.

The Company's activities, including those of the Board of Directors, are governed by the Articles of Continuation and the internal governance documents approved by the Company. Board committees operate in accordance with the Terms of Reference approved by the Board of Directors.

The Company's corporate governance and disclosure practices are aligned with the AIFC Market Rules, including the Corporate Governance Principles in MAR 2.2, the annual reporting on compliance requirements in MAR 2.2.9, and the annual report content requirements in MAR 3.2.1. Schedule 3 to the AIFC Market Rules sets out Corporate Governance Best Practice Standards, which the Company takes into account in applying its governance framework and preparing its annual report.

In preparing its annual disclosures, the Company also takes into account the AIX Business Rules and the AIX Guide to Continuing Obligations of Companies Admitted to the AIX Official List (version 4.0, February 2025).



Corporate Governance Structure

Fix Price's governance model is built on a clear allocation of powers between shareholders, the Board, the Board Committees, and management. The model is designed to combine strategic oversight with operational accountability and to ensure that material decisions are taken at the appropriate level.



General Meeting of Shareholders: The Company's highest governing body. Shareholders exercise voting rights on major corporate matters, elect and remove Directors, approve the annual report and financial statements, decide on dividends and authorise other matters reserved to shareholders under law and the Articles of Continuation. Shareholders act through resolutions adopted at annual and extraordinary general meetings.



Board of Directors: Provides strategic leadership, supervises management, oversees risk management and internal control, approves major corporate actions, and safeguards the long-term interests of the Company and all shareholders.

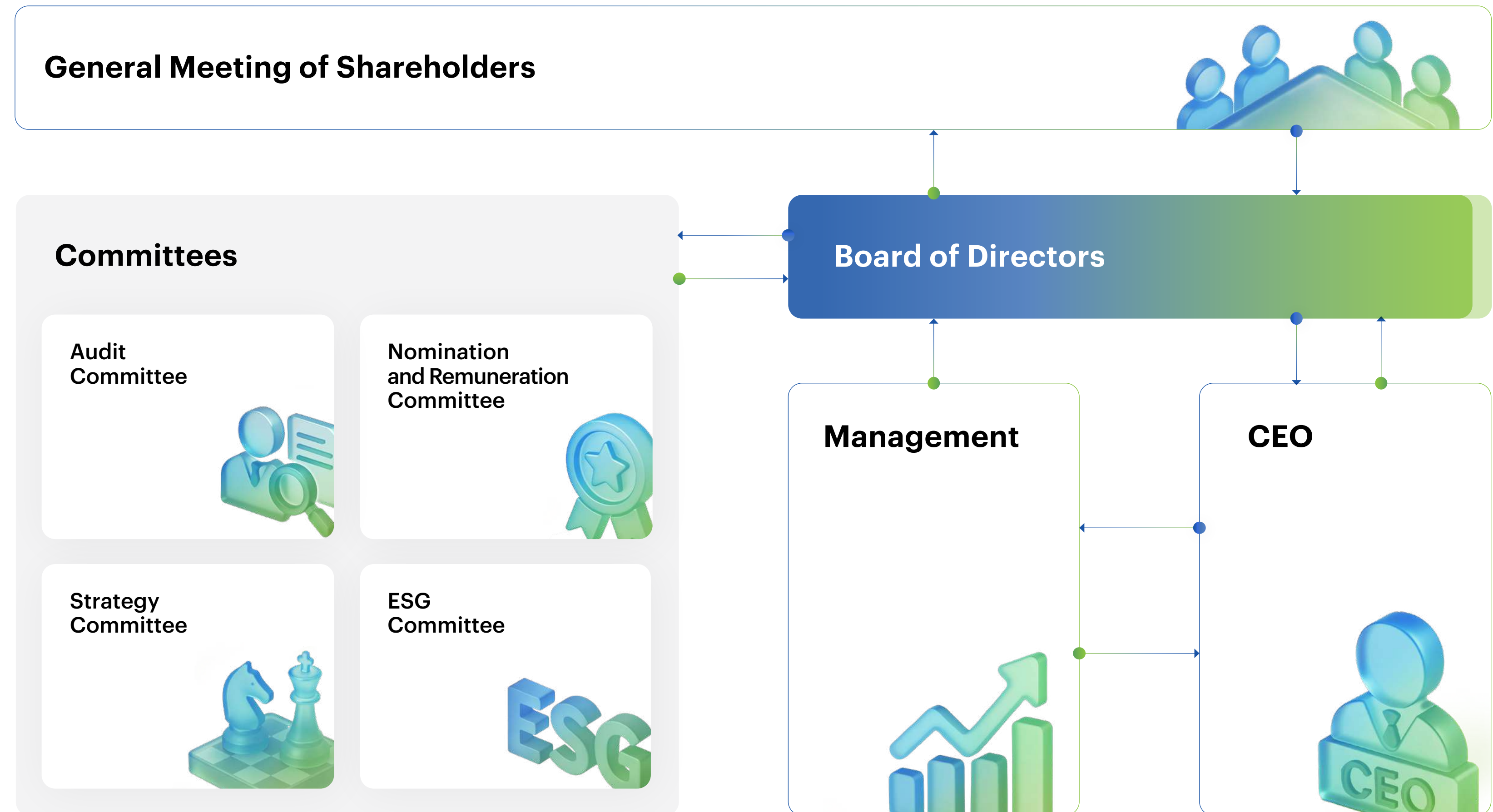


Board Committees: Provide focused review and recommendations to the Board on audit and internal control, nominations and remuneration, strategy, and sustainability / ESG matters.



Management: Led by the Chief Executive Officer, management is responsible for day-to-day operations, execution of strategy, financial performance, operational control, and implementation of Board decisions.

Fix Price's governance model



● Elected/appointed ● Accountable to

General Meeting of Shareholders

The General Meeting of Shareholders is the Company's highest governing body under the AIFC Companies Regulations and the Articles of Continuation.

It is the principal decision-making body through which shareholders exercise their voting rights on the most significant matters affecting the Company, including the election and removal of Directors, approval of the annual report and financial statements, dividends, the appointment of auditors, and material changes to the Company's share capital or constitutional documents.

The key matters reserved to the General Meeting of Shareholders include:

- alterations to the Articles of Continuation;
- mergers, consolidations, arrangements, amalgamations and schemes of reconstruction;
- the issuance of a new class of shares and variations to the rights attaching to any class of shares;
- the acquisition by the Company of its own shares where shareholder approval is required;
- reductions of share capital or share premium, including court-approved capital reductions where applicable;
- the approval of any assignment of office by a Director or manager where a special resolution is required;
- winding-up of the Company by the Court or by voluntary resolution;
- consideration of annual financial statements, approval of dividends proposed by the Board, and appointment and remuneration of auditors;
- other matters reserved to shareholders by the AIFC Companies Regulations, the AIFC Companies Rules and the Articles of Continuation.

As a public company, the Company is required to hold an AGM within six months of the financial year-end. In 2025, the Company duly convened and held its AGM on 20 June 2025 in Astana, Republic of Kazakhstan, within the prescribed timeframe. All resolutions submitted for consideration were approved.

22 agenda items

were reviewed by the Board in 2025

Board of Directors

The Board of Directors supervises and controls the management and operations of the Company and may exercise all powers of the Company except to the extent that any such power is required or reserved by applicable law or the Articles of Continuation to be exercised by shareholders. The Board is responsible for setting the strategic direction of the Group, overseeing execution by management, monitoring performance, and ensuring accountability to shareholders.

In discharging its responsibilities, the Board focuses on the matters that most directly affect the Company's long-term resilience and public-market integrity: strategy, capital allocation, financial reporting, internal control, risk management, market disclosure, succession, ethics and culture, and major corporate actions.

During 2025, the Board's work was dominated by the need to preserve business continuity and protect shareholder rights during a period of material change in market infrastructure.

The Board discharged its duties through regular meetings, written materials circulated in advance, committee reports and direct engagement with management. Material Board decisions during the year included internal restructuring steps, the proposals submitted to the AGM, the voluntary delisting from MOEX and SPB Exchange, the GDR exchange offer and the conversion of aggregated GDRs into ordinary shares of the Company.

Board Meetings: Agenda and Attendance

In 2025, the Board of Directors convened 16 times. Across the year, 22 agenda items were reviewed across the principal areas shown below.

In addition to the ordinary annual reporting cycle and oversight of operations, the Board devoted substantial time to capital-structure matters, securities listing issues, the AGM resolutions required for treasury-share treatment, and the sequence of decisions associated with the exchange and delisting process.

Topic	Agenda items reviewed
Corporate Changes / Structural Matters	2
Management and Authority Matters	1
Securities' listing	1
Financial Reporting and Audit	6
Annual and Extraordinary General Meeting of Shareholders (AGM / EGM)	1
Share Capital / Shares / GDRs	11
Total	22

Statement of Compliance with the Corporate Governance Principles

The Directors remain committed to maintaining high standards of corporate governance. During 2025, the Company continued to apply the Corporate Governance Principles set out in the AIFC Market Rules and to use the Best Practice Standards in Schedule 3 as a framework for the continued development of its governance, transparency and accountability practices.

Board Committees

To ensure more focused and efficient oversight, the Board operates through four Committees: the Audit Committee, the Nomination and Remuneration Committee, the Strategy Committee and the ESG Committee. Committee members are selected from among the Directors with due regard to their professional background, relevant experience and the mix of skills required for each Committee's mandate. Each Committee acts under Terms of Reference approved by the Board and reports its deliberations and recommendations back to the Board for decision.

Audit Committee

The Audit Committee is a key part of the Company's corporate governance framework, providing independent oversight of financial reporting, audit processes and the internal control environment. It supports the Board in promoting the integrity, transparency and reliability of the Company's reporting and control processes.

The main responsibilities of the Audit Committee are as follows:

- review the integrity of the annual and half-year financial statements and related announcements, including significant accounting judgements;
- monitor the effectiveness of the Company's internal financial controls, risk management, compliance arrangements and internal audit activity;
- oversee the implementation of management action plans arising from internal and external audit findings;
- recommend the appointment, re-appointment, removal and terms of engagement of the external auditor, including remuneration;
- monitor the external auditor's independence, objectivity, scope and effectiveness;
- review and approve the engagement of the external auditor for non-audit services, where appropriate;
- ensure that arrangements are in place for the confidential reporting and independent investigation of possible improprieties, including whistleblowing concerns;
- report its findings and recommendations to the Board on matters within its remit.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee helps the Board maintain an effective leadership structure and an incentive framework that supports the Company's strategy. In relation to remuneration, the Committee provides independent oversight of the Group's remuneration policy and practices and seeks to ensure that the remuneration of executive Directors and senior management is aligned with corporate and individual performance, supports sustainable value creation and does not encourage inappropriate risk-taking.

The main responsibilities of the Nomination and Remuneration Committee are as follows:

- make recommendations to the Board regarding the appointment of new Directors and the composition of the Board and its Committees;
- help identify, assess and recommend suitable candidates for directorships, including with regard to independence, experience and required competencies;
- oversee succession planning for the Board, senior management and other key roles within the Group;
- review and recommend the remuneration of executive Directors and senior management, including fixed pay, annual bonuses, long-term incentives and other benefits;
- ensure that performance-based remuneration is appropriately linked to corporate and individual objectives;
- oversee the design, implementation and operation of incentive schemes and other compensation arrangements;
- monitor remuneration-related governance standards and applicable regulatory requirements;
- report to the Board on the Group's remuneration policy, approach and key outcomes.

Strategy Committee

The Strategy Committee supports the Board in reviewing the long-term direction of the Group. It provides an arena for deeper examination of growth opportunities, capital deployment, competitive dynamics and strategic risks before matters are escalated to the full Board for decision.

The main responsibilities of the Strategy Committee are as follows:

- assist the Board with the analysis and monitoring of strategic management matters;
- review major investment projects and capital-allocation priorities;
- consider mergers and acquisitions or other strategic transactions where appropriate;
- assess strategic risks and opportunities that may affect the Group's long-term development.

ESG Committee

The ESG Committee assists the Board in overseeing the sustainability agenda of the Group and in integrating environmental, social and governance considerations into strategic decision-making. The Committee helps ensure that non-financial priorities are addressed with the same discipline as financial and operating matters.

The main responsibilities of the ESG Committee are as follows:

- assist the Board in supervising sustainability matters relevant to the Group;
- review material ESG risks and opportunities at a strategic level;
- oversee the implementation of the Group's sustainability agenda and related policies.

Management

Fix Price's executive management team is responsible for implementing the strategy approved by the Board and for maintaining high standards of operational execution across the Group.

Its remit includes the management of day-to-day operations, procurement, logistics, network expansion, pricing, budgeting, cash management, people management and the development of systems and digital tools that support scale and efficiency.

Management is also responsible for preparing the information required by the Board and its Committees, executing approved corporate actions and maintaining an effective control environment across the business.



Internal Control

Integration of Process Management, Internal Control, and Risk Management Systems

Fix Price applies an integrated approach to business process management that incorporates both risk and control frameworks. Through the Processes Help initiative, the Company maintains a centralised knowledge base designed to support the identification, assessment and ongoing monitoring of operational risks across business processes.

Our control tools support the continuous development of its internal regulatory framework for business processes, risk management and internal control. Digital solutions are also used to streamline control procedures, accelerate response times and provide timely notifications to responsible stakeholders whenever control gaps are identified.

Technology Implementation

In 2024, the Company launched a project to develop an artificial intelligence-based tool for the continuous monitoring of open information sources, enabling the timely identification and analysis of events that could adversely affect the achievement of its strategic objectives.

Expanding on this initiative, in 2025 we continued to automate business processes through RPA technology, while a neural network-powered semantic search function has been introduced to significantly improve the speed and quality of information retrieval from corporate documentation.

To further enhance process maturity, a dedicated employee training programme has been introduced, covering both the fundamentals of business process management and practical approaches to process analysis and optimisation.

The creation of a unified environment for change and continuous improvement has accelerated the integration of business process management, risk management and internal control systems, while also supporting the planning of the next stage of development:



Architecture – maintaining and regularly updating business process architecture within the modelling system to ensure consistency, transparency and adaptability



Governance – strengthening real-time oversight of the regulatory framework governing business processes, risk management and internal control through advanced technology solutions



Analytics – piloting an active analytics system for the real-time collection of business process performance indicators and the prompt identification of operational bottlenecks



Automation – scaling the use of RPA technologies to automate repetitive tasks, reduce the risk of human error and accelerate execution

External Audit

BST Global Limited (BIN 24114090039), with its registered address at 8/2 Turkestan Street, district Esil, Astana, Z05K7P2, Republic of Kazakhstan, was appointed to perform the independent audit of the Group's consolidated financial statements for the year ended 31 December 2025. The firm holds a licence for carrying on ancillary services (Providing Audit Services) in accordance with the Acting Law of the Astana International Financial Centre, No. AFSA-O-LA-2024-0018, issued by AFSA on 18 November 2024. The Board of Directors approved BST Global Limited to serve as the independent auditor of the Group's consolidated financial statements for the year ended 31 December 2025.

Total remuneration to BST Global Limited and its affiliates for the audit of the financial statements of Fix Price Group PLC and other Group companies amounts to RUB 23 million and RUB 8 million for other assurance and audit related services.

RUB **23** mln

Total remuneration for audit of the financial statements

Code of Conduct and Group Governance Policies


Fix Price maintains a strong commitment to ethical conduct, lawful behaviour and transparent decision-making. The Business Ethics Policy (Code of Conduct) sets the tone for the Group's conduct and establishes expectations for employees, managers and business partners.

The policy framework is supported by employee onboarding, training and regular communications, including modules on anti-corruption, business ethics and expected standards of behaviour.

The Company also maintains a broader set of governance policies designed to support the Board's oversight, clarify expected conduct and embed consistent control standards across the Group.

[The Company's Business Ethics Policy \(Code of Conduct\)](#)

Key policies in force during the reporting period included the following:

<p>Inside Information and Disclosure Policy</p> <p>Sets out the framework for identifying, escalating, controlling and disclosing inside information in compliance with the AIFC Market Rules, AIX Business Rules and other applicable public disclosure requirements relevant to the Company</p>	<p>Environmental, Health & Safety Policy</p> <p>Defines the Group's approach to protecting the health and safety of employees, contractors, customers and consumers, while also seeking to reduce the environmental footprint of the business through practical efficiency and waste-reduction measures</p>	<p>Anti-Bribery and Corruption Policy</p> <p>Requires compliance with applicable anti-corruption laws, rules and regulations and sets out the principles the Group applies to minimise bribery and corruption risk in its operations and business relationships</p>
<p>Share Dealing Policy</p> <p>Establishes the principles, systems and controls intended to prevent trading on the basis of inside information by insiders and persons closely associated with them, ensure compliance with the applicable dealing restrictions, and protect the Company's reputation as a listed issuer</p>	<p>Modern Anti-Slavery and Human Trafficking Policy</p> <p>Requires vigilance to ensure that forced labour, child labour, human trafficking and counterfeit goods are excluded from the Group's operations and supply chain, and sets expectations for suppliers in these areas</p>	<p>Business Ethics Policy (Code of Conduct)</p> <p>Provides the overarching framework for legal and ethical business conduct, including fair treatment, non-discrimination, respect for human and labour rights, and the expectation that public communications be fair, accurate and timely</p>
<p>Anti-Money Laundering Policy</p> <p>Establishes systems and procedures intended to prevent money laundering and other illicit activity, including internal awareness measures, due care in transactions and a zero-tolerance culture towards illegal conduct</p>	<p>All policies are available on the Company's website.</p> 	

Business Ethics

Fix Price Group PLC is committed to conducting its business in accordance with high ethical standards and maintaining a transparent, responsible and compliant corporate culture.

The Group's Anti-Bribery and Corruption Policy sets out the key principles, controls and procedures designed to prevent, detect and address corruption-related risks and supports the Company's broader commitment to ethical business conduct.

Corruption risks at Fix Price are managed through established internal control procedures and the accumulated maturity of the Company's business processes. More specific requirements and service procedures relating to corruption risks are set out in the body of the Company's internal regulations.

To combat corruption, the Group focuses on the following priorities:

- identifying and addressing the root causes of corruption risks within the Group;
- providing regular anti-corruption training to employees;
- fostering a culture of ethical conduct, accountability and transparency;
- implementing systems and processes designed to detect and deter corruption-related misconduct;
- investigating alleged or suspected cases of corruption thoroughly and appropriately;
- ensuring compliance with the Company's Anti-Bribery and Corruption Policy and applicable laws and regulations;
- mitigating the impact of any corruption-related incidents on the Group.

The Chief Executive Officer has overall responsibility for the implementation and enforcement of anti-corruption measures across the Group. In support of this framework, Fix Price regularly conducts anti-corruption training for employees, including webinars and access to training videos and other educational materials.

All employees are required to comply with the Group's anti-corruption framework. To reinforce these standards externally, the Company includes anti-corruption clauses in contracts with suppliers, contractors and business partners. This approach supports Fix Price's commitment to maintaining high standards of integrity across its operations and business relationships.

Complaints about suspected corruption were received via hotline in 2025

19
queries



In 2025, the Company received 19 reports through the unified Ethics and Compliance Committee hotline, of which 17 related to corruption in stores. Five of those cases were substantiated following review. As a result of the investigations, five store managers were dismissed, and a further three employees who did not pass the review were also terminated. All confirmed corruption cases related to the Group's Russian operations.

Whistleblowing and Grievances

Fix Price promotes a culture of transparency and accountability. Employees and external stakeholders may report concerns relating to ethical issues, conflicts of interest, suspected corruption or other suspicious conduct directly to the Fix Price Ethics and Compliance Committee.

These channels are intended to ensure that reports are handled promptly, appropriately and confidentially.

Reports can be submitted via email
_kommitet_po_etike@fix-price.com

The Company's ethics and corruption hotline

Total number of confirmed incidents of corruption and actions taken

Item	2024		2025	
	Total	Confirmed	Total	Confirmed
Number of corruption-related queries submitted via the hotline	21	21	19	5
<ul style="list-style-type: none"> • From employees 	21	21	18	5
<ul style="list-style-type: none"> • From contractors 	-	-	1	-
Employees dismissed upon investigation	12	-	8	-
Incidents when contracts with business partners were terminated or not renewed	1	-	0	-

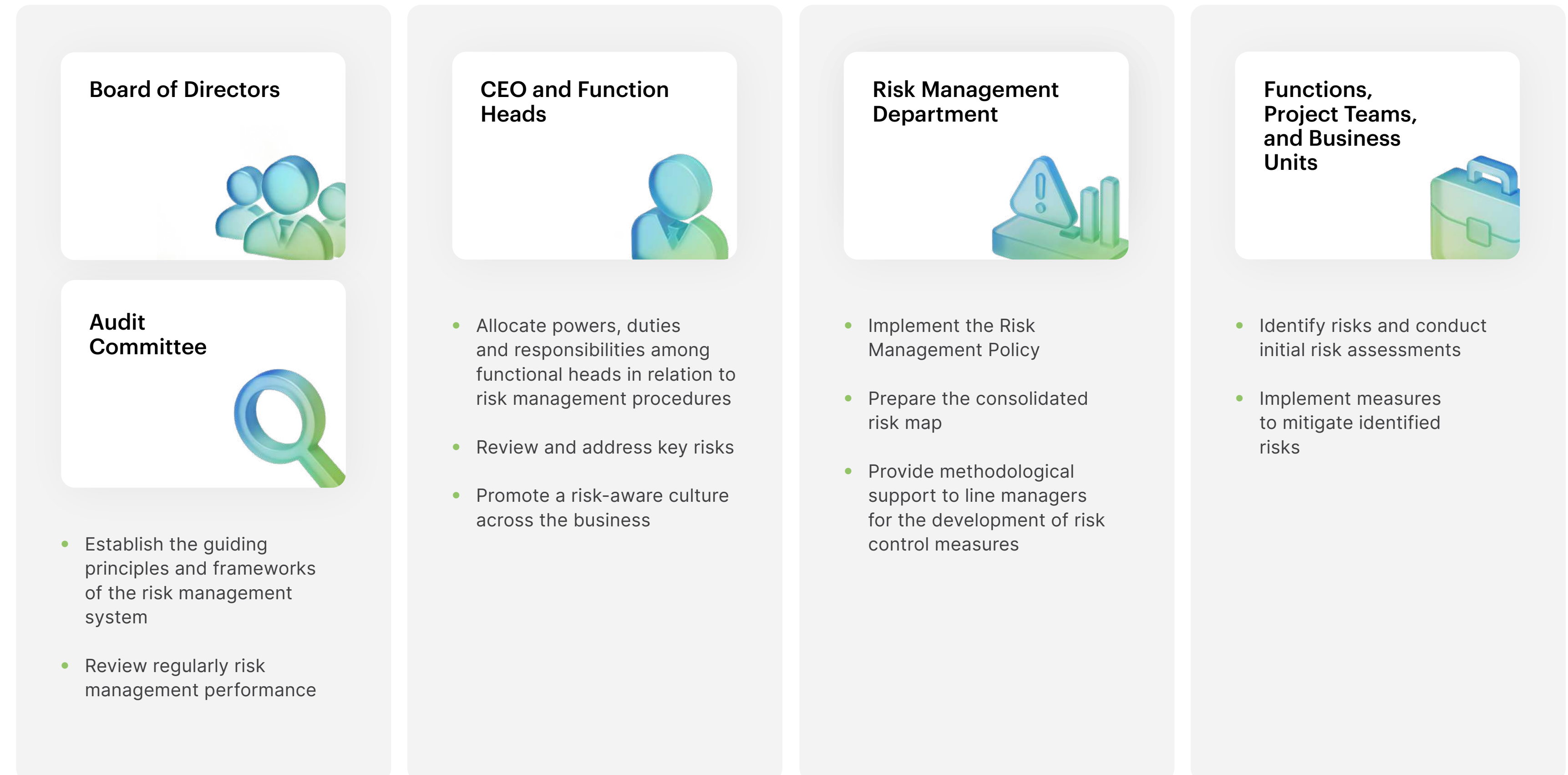
Risk Management

Fix Price's risk management practice is focused on the timely identification and appropriate management of uncertainties that may materially affect the achievement of the Company's long-term objectives, the resilience of its business model and the continuity of its operations. The framework applies across all business units, corporate functions and ongoing projects.

Risk management framework

Fix Price follows ISO 31000:2018 (localised as GOST R ISO 31000-2019) and the COSO 2017 Enterprise Risk Management principles, which provide the basis for a structured and consistent approach to risk oversight. By embedding risk management and internal control into the broader corporate governance framework, the Company strengthens both mitigation measures and management oversight.

Risk management structure




Risk Management


Risk rating


Fix Price maintains an ongoing process for identifying, monitoring and assessing the principal risks relevant to its business, and for taking appropriate steps to mitigate and manage them. Risk management is embedded in both strategic planning and day-to-day decision-making.

The section below describes the risks that the Company believes could have a material impact on its operations, financial position and future development.


Risk level


High  requires ongoing monitoring and active management


Medium  requires regular monitoring

Low  acceptable level, managed through routine controls

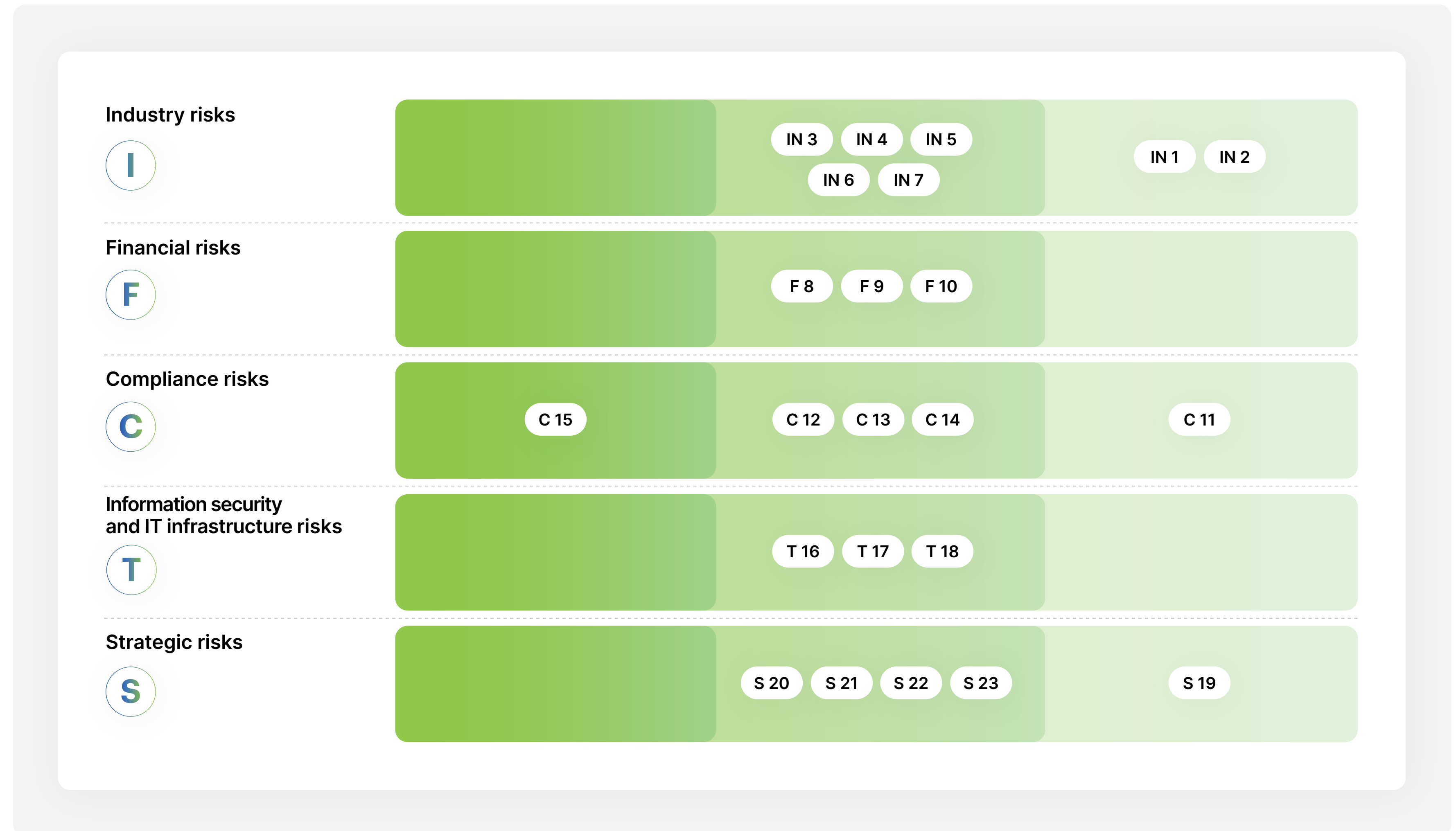
Trend

Increasing risk  the likelihood and/or potential impact of the risk is rising

Stable risk  no material change in likelihood and/or potential impact

Decreasing risk  the likelihood and/or potential impact is decreasing

Map of Key Risks



Risk Management

Type	Risk	Level/Outlook	Potential impact	Mitigation measures
IN 1	Labour shortage risk	↗ High	<ul style="list-style-type: none"> Higher staff costs outpacing revenue growth; Deterioration in customer service standards; Constraints on new store openings. 	<ol style="list-style-type: none"> Regular pay reviews taking account of market conditions and inflation; A long-term incentive programme for key employees; Inclusion of employees in loyalty and voluntary medical insurance programmes; Corporate training with external certification; Length-of-service taken into account in employee remuneration.
IN 2	Intense competition	↗ High	<ul style="list-style-type: none"> Pressure on pricing and margins; Higher marketing spend; Customer migration to marketplaces and discount retailers. 	<ol style="list-style-type: none"> Maintaining a differentiated value proposition built around low fixed prices; Development of owned online channels, including the website and mobile app; Continuous assortment renewal, with around 50 new SKUs introduced each week; A loyalty programme offering access to special prices and personalised offers.
IN 3	Assortment expansion risk, including inaccurate demand forecasting	↔ Medium	<ul style="list-style-type: none"> Build-up of slow-moving inventory; Write-offs; Higher customer returns. 	<ol style="list-style-type: none"> Sourcing new ideas at international trade fairs, including in China, Japan, Korea and the UAE; Piloting new categories in a limited number of stores before wider rollout.
IN 4	Dependence on outsourced providers, including logistics and staffing contractors	↔ Medium	<ul style="list-style-type: none"> Disruption to deliveries or store staffing if service partners fail to perform as required. 	<ol style="list-style-type: none"> Diversification of the outsourced supplier base; Regular audits of service providers.
IN 5	Supply chain disruption risk	↔ Medium	<ul style="list-style-type: none"> Longer delivery lead times for imported goods; Higher logistics costs; Risk of shortages in certain product lines. 	<ol style="list-style-type: none"> Increasing the share of locally sourced products in the sales mix; Further development of multimodal logistics routes, including rail and road combined with direct imports from China; Booking additional capacity with a one-month time buffer.
IN 6	Procurement cost inflation, including multiple price increases within the year	↔ Medium	<ul style="list-style-type: none"> Pressure on gross margin and sales profitability; Reduced flexibility in pricing. 	<ol style="list-style-type: none"> Broadening the base of Russian suppliers, including backup agreements; Building long-term relationships with key suppliers.
IN 7	Changes in tariffs and commercial terms charged by freight forwarders and other service providers	↔ Medium	<ul style="list-style-type: none"> Higher logistics costs or supply chain disruption, potentially affecting pricing, margins and product availability. 	<ol style="list-style-type: none"> Expanding the pool of freight forwarders to maintain competitive pricing; Reallocating shipments towards lower-cost routes.

Risk Management

Type	Risk	Level/Outlook	Potential impact	Mitigation measures
F 8	Foreign exchange risk	↔ Medium	<ul style="list-style-type: none"> Higher cost of sales, as around 20–25% of purchases are denominated in foreign currency; Financial losses resulting from exchange-rate volatility. 	<ol style="list-style-type: none"> Entering into forward foreign exchange contracts; Switching supplier contracts into rouble settlement where feasible; Hedging foreign currency requirements in line with the Company's approved policy.
F 9	Restrictions affecting foreign currency payments	↔ Medium	<ul style="list-style-type: none"> Longer and more complex settlement chains; Delays in payments to overseas counterparties. 	<ol style="list-style-type: none"> Monitoring banks' correspondent account arrangements; Broadening the range of currencies and payment mechanisms used, including through payment agents; Screening counterparties' banks against sanctions lists.
F 10	Inflation risk	↗ Medium	<ul style="list-style-type: none"> Pressure on consumer purchasing power; Higher operating costs; Downward pressure on net profit. 	<ol style="list-style-type: none"> Tight cost control and improved inventory turnover; Placement of surplus liquidity in instruments linked to inflation.
C 11	Employment law compliance risk	↔ High	<ul style="list-style-type: none"> Exposure to regulatory fines, reputational damage and higher compliance costs resulting from breaches of, or incorrect interpretation of, labour law requirements. 	<ol style="list-style-type: none"> Ongoing monitoring of employment law developments; Implementation and oversight of measures to ensure full and accurate compliance with applicable requirements.
C 12	Personal data compliance risk	↗ Medium	<ul style="list-style-type: none"> Regulatory sanctions, reputational damage and potential legal liability arising from data leaks or non-compliance with personal data and information protection requirements. 	<ol style="list-style-type: none"> Clear rules for the collection, processing and storage of personal data relating to employees, customers and counterparties; Defined allocation of responsibilities between internal teams and external contractors.
C 13	Changes in legislation affecting assortment and pricing	↔ Medium	<ul style="list-style-type: none"> Additional regulatory requirements and restrictions; Material fines, potentially including turnover-based penalties. 	<ol style="list-style-type: none"> Expansion of local sourcing; Diversification and rotation of suppliers; Adaptation of technology solutions to local regulatory requirements.
C 14	Changes in tax legislation and fiscal charges	↗ Medium	<ul style="list-style-type: none"> Higher tax burden and additional costs associated with complying with new tax requirements. 	<ol style="list-style-type: none"> Ongoing monitoring of tax law developments; Rollout of digital tools to support transparent tax accounting, including AI-based solutions.
C 15	Litigation risk	↔ Low	<ul style="list-style-type: none"> Exposure to claims brought by counterparties, consumers or regulators. 	<ol style="list-style-type: none"> No material litigation is outstanding as at the reporting date; Ongoing monitoring of judicial and enforcement practice.

Risk Management

Type	Risk	Level/Outlook	Potential impact	Mitigation measures
T 16	Failure or loss of availability of hardware components within the corporate information system	↔ Medium	<ul style="list-style-type: none"> Partial or complete disruption of information systems; Inability to maintain operational records. 	<ol style="list-style-type: none"> Development and implementation of business continuity procedures; Dynamic reallocation of workloads across information systems; Capacity monitoring and forecasting with response plans for adverse scenarios; Maintenance of backup resources with clearly defined activation procedures.
T 17	Degradation in performance or failure of software components within the corporate information system	↔ Medium	<ul style="list-style-type: none"> Reduced system responsiveness, up to and including a complete outage, resulting in an inability to record business transactions properly. 	<ol style="list-style-type: none"> Controlled testing of system changes in a test environment; Phased rollout to production; Regular data back-up procedures; Testing and updates carried out against failover scenarios.
T 18	Information security incident risk (hacking, attack or unauthorised intrusion)	↗ Medium	<ul style="list-style-type: none"> Partial or complete loss of data, disruption to systems and software, and breaches of access controls and authorisation rules. 	<ol style="list-style-type: none"> Internal information security procedures and data loss prevention (DLP) systems; Supplementary employee acknowledgements confirming awareness of current information security requirements; Employee training on information security standards; Investigation of breaches and incidents.
S 19	Changes in the macroeconomic and geopolitical environment	↔ High	<ul style="list-style-type: none"> Lower real household incomes and weaker consumer demand; Volatility in exchange rates and interest rates; Sanctions-related constraints. 	<ol style="list-style-type: none"> Diversification of the Group's geographical footprint; Flexible pricing and cost management; Ongoing monitoring of the regulatory environment.
S 20	Dependence on like-for-like sales growth	↔ Medium	<ul style="list-style-type: none"> Inability to deliver targeted growth in revenue and profit. 	<ol style="list-style-type: none"> Opening new stores in attractive locations; Marketing campaigns and loyalty programme development.
S 21	Growth execution risk, including store and distribution centre expansion	↔ Medium	<ul style="list-style-type: none"> Higher opening costs or delays to planned openings; Poor site selection. 	<ol style="list-style-type: none"> Standardised lease agreements and IT-based controls; Phased testing of new markets, including through franchising.
S 22	Reputational risk, including product quality issues and customer complaints	↔ Medium	<ul style="list-style-type: none"> Lower customer loyalty; Adverse media coverage; Customers switching to competitors. 	<ol style="list-style-type: none"> Quality control throughout the supply chain; Prompt response to customer complaints.
S 23	Risks associated with franchise partners	↔ Medium	<ul style="list-style-type: none"> Failure to maintain service standards in franchised stores; Damage to the Fix Price brand. 	<ol style="list-style-type: none"> Store-level economics reviewed regularly, with the option to acquire a location if a partner exits; Standardised franchise agreements.

Risk management

Risk Management Activities

To strengthen our approach and further develop risk management practices during the reporting period, we:

- delivered a project to collect and consolidate relevant public-source data to support management decision-making using a set of AI-based algorithms;
- piloted quantitative risk assessment by modelling risk drivers in Optimacros within the budgeting process;
- developed and launched a decision-making training course on the Fix Academy (five webinars);
- held the annual risk re-assessment session focused on the risk of not achieving process objectives as part of the budgeting cycle;
- hosted four 'Risk Wednesday' discussion club sessions featuring external experts (four webinars);
- began preparations for a pilot rollout of key risk indicators (KRIs) for supply chain management process objectives and retail store operations process objectives;
- published periodic articles and posts on the internal corporate portal and the Company's social media channels;
- participated in online webinars and in-person meetings of the professional risk management community.

2026 plans

To further increase the maturity of the risk management function, the Risk Management Department will continue work in the following areas:

- developing an integrated AI-enabled solution for risk analysis;
- further embedding and advancing risk assessment in planning and budgeting processes;
- piloting risk monitoring through key risk indicators;
- initiatives to strengthen a risk-aware corporate culture;
- increasing the impact of activities aimed at deepening cooperation with the expert community.



Information Disclosure and Investor Engagement

Fix Price Group PLC is committed to maintaining a high level of transparency and an open dialogue with investors and the broader market. The Company seeks to provide material information on a timely basis, explain significant corporate actions clearly and maintain confidence in the integrity of its public disclosures.

The investor relations website serves as a central hub for information relevant to shareholders and other stakeholders.

In line with the AIFC and AIX disclosure framework, the Company also uses the AIX Regulatory Announcement Service as its formal market disclosure channel. During 2025, the Company used this channel to publish its regular financial reporting, AGM materials and results, and the sequence of announcements relating to internal restructuring, the proposed and completed exchange of GDRs, the delisting from MOEX and the subsequent conversion of GDRs into ordinary shares. The Company continues to regard disciplined disclosure and responsive investor communication as an essential part of good corporate governance.

Fix Price Investor relations website

ir.fix-price.com



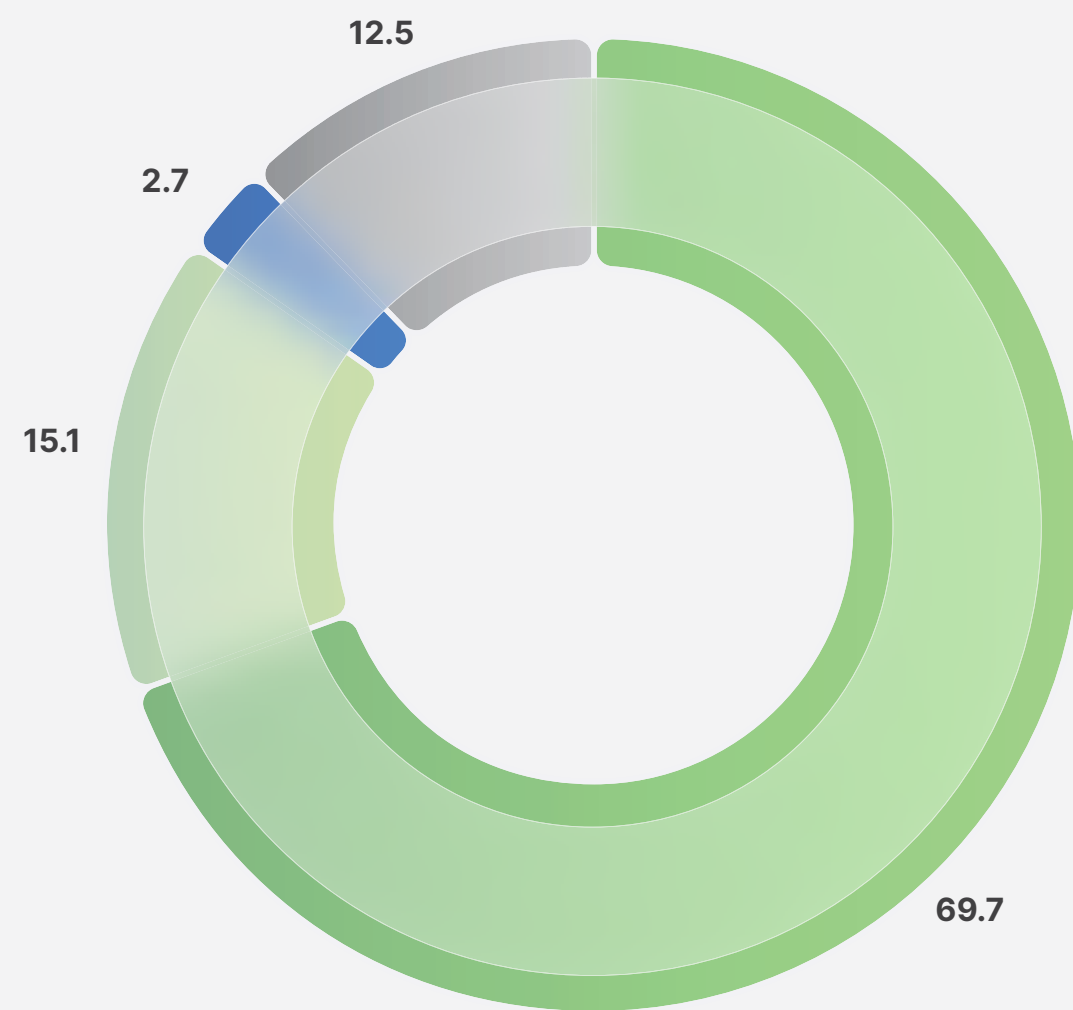
Shareholder Capital and Dividend Policy

Share Capital

At 31 December 2025, the Company's issued share capital comprised 850,000,000 ordinary shares. Each GDR corresponds to one ordinary share. Following the 2025 exchange and the transfer of the relevant underlying shares to the Company's account, the number of outstanding ordinary shares was 743,930,551, reflecting 106,069,449 treasury shares held at year-end.

Share capital structure as at 31 December 2025, %

- Entities, controlled by the founder
- Free float
- Management
- Treasury shares



GDR Exchange and Conversion into Ordinary Shares

On 5 June 2025, acting through its subsidiary Retail Technologies & Solutions Limited (RTS), the Company invited holders of Fix Price Group PLC GDRs to exchange their GDRs for ordinary shares of PJSC Fix Price at a ratio of 1 GDR to 158 ordinary shares. The exchange was structured as a practical response to infrastructure constraints that had limited the ability of some GDR holders to trade freely, receive dividend flows or exercise corporate rights. It was open to all GDR holders irrespective of acquisition date, subject to applicable legal and settlement requirements.

The offer period closed in July 2025 and the results were announced in August 2025; in total, 105.6 million GDRs were exchanged for shares of PJSC Fix Price. The GDRs received through the exchange process were subsequently aggregated and presented to the Depository for conversion into the Company's underlying ordinary shares. On 17 October 2025, the Board approved the conversion of 79,221,344 GDRs into underlying ordinary shares in accordance with the depository arrangements. The corresponding shares were then transferred to the Company's account.

These steps did not involve the issue of any new shares and did not alter the Company's total allotted share capital of 850,000,000 ordinary shares.

The Group's free float amounts to

15.1%

of the Company's share capital

Treasury Shares

As at 31 December 2025, the Company held 106,069,449 treasury shares, representing 12.5% of issued share capital. These treasury shares arose primarily from the 2025 exchange and the subsequent conversion of GDRs into the Company's ordinary shares.

At the 2025 AGM, shareholders approved the conversion of GDRs transferred by RTS into ordinary shares representing up to 25% of the Company's share capital, their holding and accounting as treasury shares, and the Board's right to cancel all or part of such treasury shares in the future, subject to applicable law and the Articles of Continuation.

The Board intends to use treasury shares in a disciplined manner, including to support equity-based remuneration on a non-dilutive basis, while keeping alternative options for disposal or cancellation under review in light of capital allocation priorities and the interests of shareholders as a whole.



Shareholder Capital and Dividend Policy

Long-term Incentive Programmes

The Company's long-term incentive architecture is intended to align the interests of senior management and key employees with those of shareholders and to support sustainable long-term value creation. The original LTI Programme 2023–2025, approved by the Board in November 2022, provides for awards in three annual tranches subject to continued service and performance conditions. The annual award is determined by a performance-based formula that combines Group and individual targets, including store expansion, budgeted EBITDA and return on invested capital.

In 2025, the Group further refined its long-term incentive framework. In November 2025, the Group modified the third tranche of the original programme and resolved to settle it in ordinary shares of PJSC Fix Price, applying the exchange ratio of 1 GDR of Fix Price Group PLC to 158 ordinary shares of PJSC Fix Price established under the completed exchange offer. As a result, the third tranche was reclassified from a cash-settled to an equity-settled share-based payment arrangement in accordance with IFRS 2. The reclassification was recognised through the derecognition of the previously recorded liability and a corresponding credit to equity of RUB 203 million, representing approximately 482 million ordinary shares of PJSC Fix Price. As at 31 December 2025, the share settlement process was still in progress and was scheduled for completion in the first quarter of 2026.

In addition, in December 2024 the Group extended its incentive framework through Programme 2.0 for 2025–2027, widening participation to a broader group of key contributors. Under Programme 2.0, awards may be granted in three annual tranches in 2025, 2026 and 2027 in the form of the Company's GDRs, equity instruments of PJSC Fix Price or their cash equivalent, at the Group's discretion, with an additional one-year service period applying to each tranche. The first tranche was granted on 12 May 2025, with a fair value of RUB 314 million, based on approximately 2 million awards valued at RUB 160 per GDR.

Dividends

No dividends were announced during 2025. The remaining balance of the interim dividends for 2022, 2023 and 2024, declared by the Board on 5 December 2024 in the combined amount of RUB 30.0 billion, or RUB 35.31 per GDR/share (gross, before applicable taxes and fees), was paid in full during the first quarter of 2025.

When considering future distributions, the Board will continue to take into account the Company's financial position, cash generation, investment requirements, legal constraints and the long-term interests of shareholders.

On 8 May 2026, the Board of Directors of Fix Price Group PLC approved interim dividends for 2025 in the amount of

RUB **15** bln

**(95% of IFRS net profit),
representing RUB 20.153866
per GDR/share**



Rights of Minority Shareholders

Fix Price Group PLC recognises the importance of protecting the rights of all shareholders, including minority shareholders. The Company is committed to fair treatment, equal access to material information, and meaningful participation in corporate decision-making. The 2025 governance actions described above were undertaken against the backdrop of market infrastructure restrictions and were specifically aimed at preserving lawful and practical avenues for investors to maintain, realise or reconfigure their economic interests.

Minority shareholders have the right to:



Receive timely and accurate information, including annual and interim financial reports, material announcements and other relevant disclosures



Attend, speak and vote at general meetings, thereby exercising a voice on matters reserved to shareholders



Receive equal treatment under the Articles of Continuation and the applicable AIFC and AIX rules, irrespective of the size of their holding



Raise concerns through appropriate channels and seek redress where they believe their rights have been affected

The Company seeks to ensure that all holders are treated consistently under the Articles of Continuation and applicable rules, and that material corporate actions are communicated transparently through the Company's formal disclosure channels.

Appendices

- 85 Statement of Management's Responsibilities
- 86 Independent Auditor's Report
- 88 Consolidated Financial Statements
- 121 Contact Information



Statement of management's responsibilities

for the preparation and approval of the consolidated financial statements for the year ended 31 December 2025

Management is responsible for the preparation of the consolidated financial statements of Fix Price Group PLC (hereinafter, the "Company") and its subsidiaries (hereinafter, the "Group"), that present fairly the consolidated financial position of the Group as at 31 December 2025 and the consolidated results of its operations, cash flows and changes in equity for the year then ended, in compliance with International Financial Reporting Standards (hereinafter, "IFRS").

In preparing the consolidated financial statements, management is responsible for:

- Properly selecting and applying accounting policies;
- Presenting information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- Providing additional disclosures when compliance with the specific IFRS requirements is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Group's consolidated financial position and financial performance; and
- Making an assessment of the Group's ability to continue as a going concern.

Management is also responsible for:

- Designing, implementing and maintaining an effective and sound system of internal controls throughout the Group;
- Maintaining adequate accounting records that are sufficient to show and explain the Group's transactions and disclose with reasonable accuracy at any time the consolidated financial position of the Group, and which enable them to ensure that the Group's consolidated financial statements comply with IFRS;
- Maintaining statutory accounting records in compliance with local legislation and accounting standards of the jurisdictions in which the Group operates;
- Taking such steps as are reasonably available to them to safeguard the assets of the Group; and
- Detecting and preventing fraud and other irregularities.

The consolidated financial statements of the Group for the year ended 31 December 2025 were approved by management of the Company on behalf of the Board of Directors of the Company on 2 March 2026.

On behalf of management:

Dmitry Kirsanov
Chief Executive Officer

Independent auditor's report

To the Shareholders and the Board of Directors of Fix Price Group PLC:

Opinion

We have audited the consolidated financial statements of Fix Price Group PLC and its subsidiaries (the "Group"), which comprise:

the consolidated statement of comprehensive income for the year ended 31 December 2025;

the consolidated statement of financial position as at 31 December 2025;

the consolidated statement of cash flows for the year ended 31 December 2025;

the consolidated statement of changes in equity for the year ended 31 December 2025; and

the notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2025, and its consolidated financial performance and its consolidated cash flows for the year ended 31 December 2025 in accordance with International Financial Reporting Standards ("IFRSs").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the requirements of the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants*, including the independence requirements applicable to auditing financial statements of public interest entities. We have also fulfilled other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. The matter below was addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

Why the matter was determined to be a key audit matter

Physical existence and completeness of inventories

As at 31 December 2025, the inventories held by the Group comprise RUB 56,665 million.

The Group's inventories consist of merchandise purchased and held for resale and are carried at the lower of cost and net realisable value.

Existence and completeness of inventories were determined to be a key audit matter due to the significance of the inventories' balance, the high number of locations and sites where inventories are held at, variability of purchase agreements in respect of timing in title transfer, and significant estimates, such as shrinkage allowance, made by management in determining the carrying amount of inventories at the reporting date.

The Group's accounting policies are disclosed in Note 2, the key assumptions related to inventory measurement are disclosed in Note 3, the inventories are disclosed in Note 15 and write-offs of merchandise inventories relating to shrinkage and write-down to net realisable value are disclosed in Note 6.

How the matter was addressed in the audit

Our audit procedures related to existence and completeness of inventories included the following, among others:

- Obtaining understanding, evaluating design and implementation and, where deemed appropriate, testing the operating effectiveness of relevant controls relating to the inventories, including controls over the Group's inventory stock count procedure;
- Observing inventory count process for a sample of stores and distribution centres during the year and performing independent test counts for a sample of stock keeping units;
- Analyzing inventory movements between the stock counts and reporting dates end and obtaining evidence for such movements either through supporting documents or through analytical procedures;
- Challenging appropriateness of management's estimate of shrinkage allowance, including developing an independent estimate and assessing historical accuracy of management's estimates;
- For inventories purchased close to year-end which are still in transfer to the Group's warehouses ("goods in transit") verifying that it was appropriate to recognise inventories at the reporting date and testing completeness of inventory purchases booked close to year-end.

Independent auditor's report

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report for 2025 (the "Annual Report"), but does not include the consolidated financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Board of Directors.

Responsibilities of Management and the Board of Directors for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.
- We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of

the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors with a statement that we complied with relevant ethical requirements regarding independence, and communicated to them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period, and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Vladimir Kozyrev Engagement partner

BST Global Limited
License for carrying on ancillary services in accordance with the Acting Law of the Astana International Financial Center (AIFC), No. AFSA-O-LA-2024-0018 issued by AFSA on 18 November 2024.

AIFC, Astana, Kazakhstan
2 March 2026

Consolidated statement of comprehensive income for the year ended 31 December 2025

<i>(in millions of Russian roubles, except earnings per share)</i>	Notes	2025	2024
Revenue	5	327,507	314,938
Cost of sales	6	(217,193)	(208,192)
Gross profit		110,314	106,746
Selling, general and administrative expenses	7	(85,853)	(71,203)
Other operating income	9	2,566	555
Share of profit of associates		38	37
Operating profit		27,065	36,135
Interest income		339	3,949
Interest expense		(5,584)	(5,021)
Foreign exchange (loss)/gain, net		(419)	216
Profit before tax		21,401	35,279
Income tax expense	10	(5,680)	(13,079)
Profit for the year		15,721	22,200
Profit for the year			
Attributable to:			
Shareholders of the parent company		14,789	22,200
Non-controlling interests		932	-
		15,721	22,200

<i>(in millions of Russian roubles, except earnings per share)</i>	Notes	2025	2024
Other comprehensive (loss)/income			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Currency translation differences		(530)	21
Other comprehensive (loss)/income for the year		(530)	21
Total comprehensive income for the year		15,191	22,221
Total comprehensive income for the year			
Attributable to:			
Shareholders of the parent company		14,258	22,221
Non-controlling interests		933	-
		15,191	22,221
Earnings per share			
Weighted average number of ordinary shares outstanding	19	799,802,375	849,528,693
Basic earnings per share (in Russian roubles per share) attributable to shareholders of the parent company		18.49	26.13
Diluted earnings per share (in Russian roubles per share) attributable to shareholders of the parent company		18.40	26.01

The accompanying notes on pages 94-119 form an integral part of these consolidated financial statements.

Consolidated statement of financial position as at 31 December 2025

<i>(in millions of Russian roubles)</i>	Notes	31 December 2025	31 December 2024
Assets			
Non-current assets			
Property, plant and equipment	11	37,644	30,921
Goodwill		182	228
Intangible assets	12	3,592	2,811
Capital advances	13	488	2,041
Right-of-use assets	14	20,597	14,016
Investment property		387	337
Receivables and other non-current assets		980	-
Investments in associates		22	23
Total non-current assets		63,892	50,377
Current assets			
Inventories	15	56,665	56,727
Right-of-use assets	14	5,383	2,399
Receivables and other current assets	16	3,207	4,197
Prepayments		2,569	2,061
Value-added tax receivable		521	786
Cash and cash equivalents	18	13,836	19,579

<i>(in millions of Russian roubles)</i>	Notes	31 December 2025	31 December 2024
Current assets excluding assets classified as held for sale			
Assets classified as held for sale	17	582	582
Total current assets		82,763	86,331
Total assets		146,655	136,708
Equity and liabilities			
Equity			
Share capital	19	1	1
Additional paid-in capital	19	154	154
Retained earnings	19	63,978	48,789
Treasury shares	19	(16,132)	(207)
Currency translation reserve	19	(491)	40
Equity attributable to shareholders of the parent company		47,510	48,777
Non-controlling interests	19	16,482	-
Total equity		63,992	48,777
Non-current liabilities			
Loans and borrowings	21	2,717	3,010
Lease liabilities	22	12,627	5,473
Deferred tax liabilities	10	1,416	1,074
Total non-current liabilities		16,760	9,557

The accompanying notes on pages 94-119 form an integral part of these consolidated financial statements.

Consolidated statement of financial position as at 31 December 2025

(in millions of Russian roubles)

	Notes	31 December 2025	31 December 2024
Current liabilities			
Loans and borrowings	21	6,016	15,056
Lease liabilities	22	13,071	10,200
Payables and other financial liabilities	23	39,187	38,603
Advances received		495	551
Income tax payable		659	397
Taxes payable, other than income taxes		3,179	3,043
Dividends payable	19	-	8,321
Accrued expenses	24	3,296	2,203
Total current liabilities		65,903	78,374
Total liabilities		82,663	87,931
Total equity and liabilities		146,655	136,708

The accompanying notes on pages 94-119 form an integral part of these consolidated financial statements.

Consolidated statement of cash flows for the year ended 31 December 2025

<i>(in millions of Russian roubles)</i>	Notes	2025	2024
Cash flows from operating activities			
Profit before tax		21,401	35,279
<i>Adjustments for:</i>			
Depreciation and amortisation	11,12,14	19,167	16,917
Write-offs of merchandise inventories relating to shrinkage and write-down to net realisable value	6,15	3,196	2,161
Change in allowance for expected credit losses		(3)	17
Share of profit of associates		(38)	(37)
Interest income		(339)	(3,949)
Interest expense		5,584	5,021
Gain on settlement of other payables		(1,132)	-
Foreign exchange loss/(gain), net		419	(216)
Accruals for long-term incentive programme	20	225	(404)
Operating cash flows before changes in working capital		48,480	54,789

<i>(in millions of Russian roubles)</i>	Notes	2025	2024
Increase in inventories		(3,768)	(10,862)
Increase in receivables and other current assets		(90)	(1,413)
Increase in prepayments		(515)	(615)
Decrease in VAT receivable		265	340
Increase in payables and other financial liabilities		2,067	1,873
Decrease in advances received		(56)	(165)
Increase/(Decrease) in tax liabilities, other than income taxes		1,046	(1,555)
Increase in accrued expenses		1,197	230
Net cash flows generated from operations		48,626	42,622
Interest paid		(6,345)	(4,755)
Interest received		339	3,949
Income tax paid		(6,064)	(12,011)
Net cash flows from operating activities		36,556	29,805

The accompanying notes on pages 94-119 form an integral part of these consolidated financial statements.

Consolidated statement of cash flows for the year ended 31 December 2025

<i>(in millions of Russian roubles)</i>	Notes	2025	2024
Cash flows from investing activities			
Purchase of property, plant and equipment		(9,508)	(7,676)
Purchase of intangible assets		(1,396)	(1,087)
Proceeds from sale of property, plant and equipment		59	3
Dividends received from associates		38	56
Net cash flows used in investing activities		(10,807)	(8,704)
Cash flows from financing activities *			
Proceeds from loans and borrowings	21	13,000	17,600
Repayment of loans and borrowings	21	(22,000)	(14,600)
Lease payments		(13,689)	(12,464)
Acquisition of non-controlling interests	19	(187)	-
Dividends paid	19	(7,241)	(29,872)
Net cash flows used in financing activities		(30,117)	(39,336)
Total cash used in operating, investing and financing activities		(4,368)	(18,235)
Effect of exchange rate fluctuations on cash and cash equivalents		(1,375)	471
Net decrease in cash and cash equivalents		(5,743)	(17,764)
Cash and cash equivalents at the beginning of the year	18	19,579	37,343
Cash and cash equivalents at the end of the year	18	13,836	19,579

* In summer 2025, the Company implemented a voluntary exchange of its Global Depositary Receipts (GDRs) for shares of its subsidiary, PJSC Fix Price. A total of 105.6 million GDRs were exchanged for 16.7 billion shares, reflecting a 1-for-158 ratio. The settlement involved no cash consideration paid or received by the Company, except for the fees paid by certain participants to reimburse the infrastructure costs, incurred by the Group.

The accompanying notes on pages 94-119 form an integral part of these consolidated financial statements.

Consolidated statement of changes in equity for the year ended 31 December 2025

<i>(in millions of Russian roubles)</i>	Notes	Share capital	Additional paid-in capital	Retained earnings	Treasury shares	Currency translation reserve	Equity attributable to shareholders of the parent company	Non-controlling interests	Total equity
At 1 January 2024		1	154	65,352	(207)	19	65,319	-	65,319
Profit for the year		-	-	22,200	-	-	22,200	-	22,200
Other comprehensive income for the year		-	-	-	-	21	21	-	21
Total comprehensive income for the year, net of tax		-	-	22,200	-	21	22,221	-	22,221
Dividends	19	-	-	(38,359)	-	-	(38,359)	-	(38,359)
Long-term incentive programme	20	-	-	525	-	-	525	-	525
Reclassification of the long-term incentive programme	20	-	-	(929)	-	-	(929)	-	(929)
At 31 December 2024		1	154	48,789	(207)	40	48,777	-	48,777
At 1 January 2025		1	154	48,789	(207)	40	48,777	-	48,777
Profit for the year		-	-	14,789	-	-	14,789	932	15,721
Other comprehensive income for the year		-	-	-	-	(531)	(531)	1	(530)
Total comprehensive income for the year, net of tax		-	-	14,789	-	(531)	14,258	933	15,191
Long-term incentive programme	20	-	-	98	-	-	98	-	98
Reclassification of the long-term incentive programme	20	-	-	203	-	-	203	-	203
Acquisition of treasury shares	19	-	-	-	(15,925)	-	(15,925)	-	(15,925)
Acquisition of non-controlling interests	19	-	-	99	-	-	99	(286)	(187)
Non-controlling interest arising from GDRs for shares exchange	19	-	-	-	-	-	-	15,835	15,835
At 31 December 2025		1	154	63,978	(16,132)	(491)	47,510	16,482	63,992

The accompanying notes on pages 94-119 form an integral part of these consolidated financial statements.

Notes to the consolidated financial statements

1. General information

Fix Price Group PLC (the “Company”) is registered at the Astana International Financial Centre (“AIFC”) in the Republic of Kazakhstan. The Company’s registered office is at Yesil district, Mangilik El Avenue, building 55/23, block C.4.4, office 245, Astana city, Republic of Kazakhstan. In June 2024, the Company discontinued its registration in the Republic of Cyprus. The Company has global depositary receipts (“GDR”), which represent its ordinary shares, listed on Astana International Exchange.

On 19 August 2024, the Group completed the intended delisting of its GDRs from the London Stock Exchange, as well as the transition of its GDR program to RCS Trust and Corporate Services Ltd., a depositary bank. On 4 June 2025, the Board of Directors of the Group approved the voluntary delisting of its GDRs from the Moscow Exchange and SPB Exchange, with the effective trading cancellation on 23 June 2025. On 6 August 2025, the delisting of the Company’s GDRs became effective. On 5 June 2025, the Group announced an exchange offer of its GDRs for shares of PJSC Fix Price, the Company’s subsidiary. The results of the exchange offer were announced on 20 August 2025; trading of the PJSC Fix Price shares on the Moscow Stock Exchange commenced on the same day.

Fix Price Group PLC together with its subsidiaries (the “Group”) is one of the leading variety value retailers globally and the largest variety value retailer in Russia; it operates under the trademark Fix Price. The Group’s retail operations are conducted through a chain of convenience stores located in the Russian Federation, Belarus, Serbia and Kazakhstan. The Group is also engaged in wholesale operations by servicing a number of franchisees that operate in distant regions of the Russian Federation as well as in a number of international geographies.

As at 31 December 2025 and 31 December 2024, the ultimate controlling party of the Group was Sergey Lomakin.

The ownership interest of the Group and the proportion of its voting power in its major operating subsidiaries was as follows as at the end of each period:

Company name	Country of incorporation	Principal activity	Effective Ownership interest 31 December 2025	Effective Ownership interest 31 December 2024
Fix Price PJSC	Russia	Holding company	83.66%	100%
Retail Technologies & Solutions Limited*	Kazakhstan	Holding company	100%	-
Best Price LLC	Russia	Retail and wholesale operations	83.38%	100%
Best Price Export LLC	Russia	Wholesale operations	83.23%	100%
Best Price Kazakhstan TOO	Kazakhstan	Retail operations	100%	100%
Fix Price Zapad LLC	Belarus	Retail operations	100%	100%
Fix Price RS DOO **	Serbia	Retail operations	100%	-
FIXPRICEASIA LLC	Uzbekistan	Retail operations	83.28%	100%

* Retail Technologies & Solutions Limited was incorporated in February 2025.

** Fix Price RS DOO was incorporated in October 2025. As of 31 December 2025, it had not yet commenced significant operations.

These consolidated financial statements were authorised for issue by management of the Company on behalf of the Company’s Board of Directors on 2 March 2026.

Notes to the consolidated financial statements

2. Basis of preparation and summary of significant accounting policies

Basis of preparation

(a) Statement of compliance

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (hereinafter, "IFRS").

(b) Historical cost basis

The consolidated financial statements have been prepared on the historical cost basis, except for the revaluation of certain financial assets and financial liabilities at fair value through profit or loss.

The accounting policies applied by the Group are set out below and have been applied consistently throughout the consolidated financial statements.

Going concern

These consolidated financial statements have been prepared under the assumption the Group operates on a going concern basis, which assumes the Group will be able to discharge its liabilities as they fall due. As a variety value retailer, the Group is well placed to withstand volatility within the economic environment. After conducting a thorough analysis, including considering the Group's financial position and access to financial resources, and preparing cash flow forecasts for at least 12 months from the date of authorisation of these consolidated financial statements, management has a reasonable expectation that the Group has adequate resources to continue its operations in the foreseeable future. The restrictive measures imposed since February 2022 by the European Union, the United States of America, the United Kingdom and other countries have not had a material adverse impact on this assessment, with the Group's stores remaining open and able to continue to trade profitably.

Basis of consolidation

(a) Subsidiaries

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company. The Group controls an entity where the Group is exposed to, or has right to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group, and deconsolidated from the date that control ceases. Inter-company transactions, balances and unrealised gain and losses on transactions between group companies are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(b) Non-controlling interests

Non-controlling interests ("NCI") in subsidiaries are identified separately from the Group's equity therein. Those interests of non-controlling shareholders that are present ownership interests entitling their holders to a proportionate share of net assets upon liquidation are initially measured at fair value. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Profit or loss and each component of other comprehensive income are attributed to the owners of the parent company and to the non-controlling interests. Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the parent company.

Business combinations

The acquisition method of accounting is used to account for all business combinations, except for business combinations under common control. The consideration transferred for the acquisition of a subsidiary comprises the: (i) fair values of the assets transferred, (ii) liabilities incurred to the former owners of the acquired business, (iii) equity interests issued by the Group. Acquisition-related costs are expensed as incurred.

The book-value method of accounting is used for business combinations under common control. The method measures assets and liabilities received in the combination at their existing book values.

Goodwill is measured as the excess of the consideration transferred, the amount of any non-controlling interests in the acquired entity and the acquisition fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net acquisition-date value of identifiable assets acquired exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised in profit or loss as a bargain purchase gain. Goodwill tested annually for impairment, or more frequently if events or changes in circumstances indicate that the asset might be impaired.

Notes to the consolidated financial statements

Segment information

Operating segments are identified based on the internal reporting of financial information to the Chief Operating Decision Maker (hereinafter, "CODM").

The Group operates retail stores in several geographies. The Group's CODM reviews the Group's performance primarily on a store-by-store basis. The Group has assessed the economic characteristics of individual stores in various geographies and determined that the stores have similar business operations, similar products, similar classes of customer and a centralised distribution network. Therefore, the Group believes that it has only one reportable segment under IFRS 8, Operating segments.

The Group's customer base is diversified; therefore, transactions with a single external customer do not exceed 10% of the Group's revenue.

Foreign currency translation

(a) Functional and presentation currency

The functional currencies of the Company and its subsidiaries are as follows:

Company name	Functional currency
Fix Price Group PLC	Russian rouble ("RUB")
Retail Technologies & Solutions Limited	Russian rouble ("RUB")
Fix Price PJSC	Russian rouble ("RUB")
Best Price LLC	Russian rouble ("RUB")
Best Price Export LLC	Russian rouble ("RUB")
Best Price Kazakhstan TOO	Kazakhstan tenge ("KZT")
Fix Price Zapad LLC	Belarussian rouble ("BYN")
Fix Price RS DOO	Serbian dinar ("RSD")
FIXPRICEASIA LLC	Uzbekistan sum ("UZS")

The presentation currency of the Group is Russian rouble ("RUB"). All values are rounded to the nearest million, except where otherwise indicated.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation at the year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated statement of comprehensive income on a net basis.

(c) Group companies

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position.
- Income and expenses for each statement of comprehensive income are translated at average exchange rates, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used.
- All resulting exchange differences are recognised in other comprehensive income.
- All cash flows are translated at the average exchange rates for the periods presented, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Resulting exchange differences, if any, are presented as effect of translation to presentation currency and exchange rate changes on the balance of cash held in foreign currencies.
- Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

The following exchange rates were used for the translation of the financial statements of Best Price Kazakhstan TOO, Fix Price Zapad LLC, Fix Price RS DOO and FIXPRICEASIA LLC from their functional currencies to the presentation currency:

Currency	Closing rate on	Closing rate on	Average rate for the year	
	31 December	31 December	2025	2024
KZT	0.1550	0.1949	0.1606	0.1976
BYN	26.9496	29.6434	27.2245	28.5050
RSD	0.7855	-	0.7826	-
UZS	0.0065	0.0079	0.0067	0.0073

Revenue recognition

The revenue is recognised by the Group in such a way to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. A five-step recognition model is applied: (1) identify the contract(s) with the customer; (2) identify the separate performance obligations in the contract; (3) determine the transaction price; (4) allocate the transaction price to separate performance obligations; and (5) recognise revenue when (or as) each performance obligation is satisfied.

(a) Retail revenue

Store retail revenue is recognised at the initial point of sale of goods to customers, when the control over the goods have been transferred to the buyer.

Notes to the consolidated financial statements

(b) Customer loyalty programme

The Group has a customer loyalty programme which allows customers to earn bonus points for each purchase made, which can be used to obtain discounts on subsequent purchases. Such bonus points entitle customers to obtain a discount that they would not be able to obtain without preliminary purchases of goods (i.e. material right). Thus, the promised discount represents a separate performance obligation. Deferred revenue with respect to bonus points is recognised upon the initial sale. Revenue from the loyalty programme is recognised upon the exchange of bonus points by customers. Revenue from bonus points that are not expected to be exchanged is recognised in proportion to the pattern of rights exercised by the customer.

(c) Wholesale revenue

Wholesale revenue includes: (1) Sales of goods to franchisees, which is recognised at the moment of transfer of goods to franchisees at the warehouse; (2) Revenue, stemming from franchise agreements, such as sales-based royalties. Revenue from sales-based royalties is earned when a franchisee sells goods in its retail stores and is recognised as and when those sales occur.

Selling, general and administrative expenses

Selling, general and administrative expenses include all running costs of the business, except those relating to inventory, tax, interest, foreign exchange gain or loss, share of profit or loss of associates and other comprehensive income.

Property, plant and equipment

Property, plant and equipment is carried at historical cost less accumulated depreciation and accumulated impairment losses. Historical cost includes all expenditures directly attributable to the acquisition of the items. Unless significant or incurred as part of a refit programme, subsequent expenditure will normally be treated as repairs or maintenance and expensed to the consolidated statement of comprehensive income as incurred.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future

economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. Gains and losses on disposals are determined by comparing proceeds with carrying amount and are included in the statement of comprehensive income.

Leasehold improvements are capitalised when it is probable that future economic benefits associated with the improvements will flow to the Group and the cost can be measured reliably. Capitalised leasehold improvements are depreciated over their useful life.

Depreciation is calculated using the straight-line method to allocate the cost of the assets, net of their residual values, over their estimated useful lives as follows:

	Useful lives in years
Buildings	50
Leasehold improvements	10
Equipment and other assets	2-20

Freehold land is not depreciated.

Residual values and useful lives are reviewed annually and adjusted prospectively, if appropriate.

Intangible assets

Intangible assets acquired separately, including computer software, are stated at historical cost, comprising expenditures that is directly attributable to the acquisition of the items. Following initial recognition, assets are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation begins when an asset is available for use and is calculated on a straight-line basis to allocate the cost of the asset over its estimated useful life ranging from 2 to 10 years.

Impairment of property, plant and equipment and intangible assets excluding goodwill

The Group assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's ("CGU") fair value less costs to sell and its value in use. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Impairment losses of continuing operations are recognised in the consolidated statement of comprehensive income in those expense categories consistent with the function of the impaired asset.

Inventories

Inventories are valued at the lower of cost and net realisable value, after making due allowance for shrinkage, obsolete and slow-moving items. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution. The costs of purchase of inventories comprise the purchase price, import duties and other taxes (other than those subsequently recoverable by the entity from the taxing authorities), and transport, handling and other costs directly attributable to the acquisition of inventories. Supplier bonuses and volume discounts that do not represent reimbursement of specific, incremental and identifiable costs incurred to promote a supplier's goods are also included in cost of inventories (as a reduction of it). Cost of inventory is determined on the weighted average basis.

Notes to the consolidated financial statements

Taxation

(a) Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax regulations used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income. Tax is recognised in profit or loss of the consolidated statement of comprehensive income.

(b) Deferred tax

Deferred tax is provided on tax loss carry forwards and temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Financial assets

Financial assets and financial liabilities are recognised in the Group's consolidated statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss of the consolidated statement of comprehensive income.

(a) Classification

The Group classifies its financial assets in the following specified categories: (i) those to be measured subsequently at fair value (either through other comprehensive income ("OCI"), or through profit or loss); and (ii) those to be measured at amortised cost. The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI.

(b) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date, being the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

(c) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ("FVPL"), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. The major part of the Group's debt instruments is presented by trade accounts and are measured at amortised cost applying the effective interest rate as these instruments are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest. Interest income from these financial assets is included in interest income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in statement of comprehensive income.

Notes to the consolidated financial statements

Cash and cash equivalents

Cash and cash equivalents comprise cash balances, cash deposits and highly liquid investments with original maturities, from the date of acquisition, of three months or less, that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

(d) Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on financial assets that are measured at amortised cost (represented by cash and cash equivalents, trade and other receivables). The amount of expected credit losses ("ECL") is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group recognises lifetime ECL for trade receivables. The expected credit losses on these financial assets are estimated based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate. For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition.

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Group's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information that relate to the Group's core operations.

The Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if: (i) the financial instrument has a low risk of default; (ii) the debtor has a strong capacity to meet its contractual cash flow obligations in the near term; and (iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due. The carrying value of the financial asset is reduced by the impairment loss through the use of allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

Financial liabilities

(a) Classification as debt or equity

Debt and equity instruments issued by the Group's entities are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(b) Equity instrument

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised as the proceeds received, net of direct issue costs. Repurchase of the Group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

(c) Measurement of the financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVPL. Financial liabilities are classified as at FVPL when the financial liability is (i) a contingent consideration of an acquirer in a business combination, (ii) held for trading or (iii) designated as at FVPL. Otherwise, financial liabilities are measured subsequently at amortised cost using the effective interest method. With regard to the measurement of financial liabilities designated as at fair value through profit or loss, IFRS 9, Financial Instruments ("IFRS 9") requires that the amount of change in the fair value of a financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of such changes in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to profit or loss.

(d) Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit and loss.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Fair value of financial instruments

Fair value of financial instruments which are traded in the active market is estimated at each reporting date on the basis of market quotations or dealer quotes without any deduction for transaction costs. For financial instruments which are not traded in the active market, fair value of the instrument is estimated using valuation techniques that include use of data on market transactions; data on current fair value of other similar instruments; discounted cash flow analyses or other valuation techniques.

Notes to the consolidated financial statements

The Group uses the following hierarchy to determine and disclose methods of fair value measurement of financial instruments: (i) Level 1: quoted prices for identical assets and liabilities determined in active markets (unadjusted); (ii) Level 2: techniques where all used inputs that significantly affect the fair value are observable directly or indirectly; (iii) Level 3: techniques where used inputs that significantly affect the fair value are not based on observable market data.

Derivative financial instruments

The Group uses derivative financial instruments, such as forward currency contracts and interest rate swaps, to mitigate its exposure to foreign exchange and interest rate risk. Derivative financial instruments are recognised at fair value. The fair value is derived using updated bank quotations. The Group does not use hedge accounting for these derivatives. As a result, such derivative financial instruments are treated as financial assets and liabilities at fair value through profit or loss. Gains and losses arising from changes in fair value of forward contracts are presented as the foreign exchange gain or loss in the consolidated statement of comprehensive income. Gains and losses arising from changes in fair value of interest rate swaps are presented as part of interest expense in the consolidated statement of comprehensive income.

Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Value added tax

The Russian tax legislation permits settlement of value added tax ("VAT") on a net basis. VAT is payable upon invoicing and delivery of goods, performing work or rendering services, as well as upon collection of prepayments from customers. VAT on purchases, even if they have not been settled at the reporting date, is deducted from the amount of VAT payable. Where allowance has been made for impairment of receivables, impairment loss is recorded for the gross amount of the debtor, including VAT.

Equity attributable to shareholders of the parent

Equity attributable to shareholders of the parent company comprises the following: (i) share capital represents the nominal value of ordinary shares; (ii) additional paid-in capital represents contributions to the property of the Group in cash or other assets made by shareholders; (iii) retained earnings represents retained profits, (iv) treasury shares.

(a) Dividends

Dividends and the related taxes are recognised as a liability and deducted from equity when they are declared before or on the reporting date. Dividends are disclosed in the consolidated financial statements when they are proposed before the reporting date or proposed or declared after the reporting date but before the consolidated financial statements are authorised for issue.

(b) Earnings per share basic and diluted

Basic earnings per share is calculated by dividing: (i) the profit attributable to owners of the company, excluding any costs of servicing equity other than ordinary shares by (ii) the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account: (i) the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and (ii) the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

(c) Treasury shares

If the Group reacquires its own equity instruments, those instruments are deducted from equity at cost, being the consideration paid to reacquire the shares. No gain or loss is recognised in the statement of comprehensive income on the purchase, sale, issue or cancellation of the Group's own equity instruments. Such treasury shares may be acquired and held by the Company or by the subsidiaries of the Company.

Any difference between the carrying amount and the consideration, if reissued, is recognised in additional paid-in capital. Voting rights related to treasury shares are nullified for the Group and no dividends are allocated.

Share-based payments

Equity-settled share-based payments to employees providing similar services are measured at the fair value of the equity instruments at the grant date. All share-based remuneration is ultimately recognised as an expense in profit or loss with a corresponding credit to retained earnings. If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period.

For cash-settled share-based payments, a liability is recognised for the goods or services acquired, measured initially at the fair value of the liability. At each reporting date until the liability is settled, and at the date of settlement the fair value of the liability is re-measured, with any changes in fair value recognised in profit or loss for the year.

State pension plan

The Group's companies contribute to the state pension, medical and social insurance funds on behalf of all its current employees. Any related expenses are recognised in profit or loss of the consolidated statement of comprehensive income as incurred.

Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Notes to the consolidated financial statements

Leases

(a) Assessment

The Group assesses whether a contract is or contains a lease at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for leases of low value assets (such as small items of furniture and equipment). For these leases, the Group recognises the lease payments on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in Selling, general and administrative expenses.

As a practical expedient, IFRS 16, Leases ("IFRS 16") permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has used this practical expedient.

(b) Lease liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the incremental borrowing rate of the Group. Lease payments included in the measurement of the lease liability comprise: (i) fixed lease payments less any lease incentives receivable; (ii) variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date; (iii) the amount expected to be payable by the lessee under residual value guarantees; (iv) the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and (v) payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability and by reducing the carrying amount to reflect the lease payments made.

The Group re-measures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever: (i) the lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is re-measured by discounting the revised lease payments using a revised discount rate (ii) the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is re-measured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used) (iii) a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is re-measured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

(c) Right-of-use asset

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IAS 37, *Provisions, Contingent Liabilities and Contingent Assets* ("IAS 37"). To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lessee transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset

is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The Group applies IAS 36, *Impairment of Assets* ("IAS 36") to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss.

Assets classified as held for sale

Non-current assets, or disposal groups comprising assets and liabilities, are classified as held for sale if it is highly probable that their cost will be recovered through a sale rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the assets, or disposal groups are available for immediate sale in its present condition. Management must be committed to the sale which should be expected to qualify for recognition as a completed sale within one year from the date of classification. Such assets, or disposal groups, are measured at the lower of carrying amount and fair value less costs to sell. Once classified as held-for-sale, intangible assets and property plant and equipment are no longer amortised or depreciated.

Notes to the consolidated financial statements

3. Critical judgements and key sources of estimation uncertainty

In application of the accounting policies adopted by the Group, the management is required to make certain judgements, estimates and assumptions. Those judgements, estimates and assumptions are continually evaluated and are based on management's experience and other factors including expectations of future events that are believed to be reasonable when the financial information was prepared. Existing circumstances and assumptions about the future developments, however, may change due to circumstances beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Critical accounting judgements

The following are the critical judgements that the management has made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

Lease term of contracts

In determining the lease term, the Group considers various factors including but not limited to the extension options that are reasonably certain to be executed and termination options that are reasonably certain not to be executed. When considering these factors, management takes into account, among other things, the Group's investment strategy, relevant investment decisions, the residual useful life of the related major leasehold improvements, and costs directly or indirectly associated with the extension or termination of the lease.

Sources of estimation uncertainty

The key sources of estimation uncertainty at the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below:

(a) Inventories of goods for resale allowance

The Group provides for estimated inventory shrinkage on the basis of historical shrinkage as a percentage of cost of sales. This allowance is adjusted at the end of each reporting period to reflect the historical trend of the actual physical inventory count results (Notes 6, 15).

(b) Tax legislation

The Group operates in various jurisdictions, including the Russian Federation, the Republic of Kazakhstan, the Republic of Belarus, the Republic of Serbia and the Republic of Uzbekistan. The tax, currency and customs legislation of those jurisdictions is subject to varying interpretations, and tax authorities may challenge interpretations of tax legislation taken by the Group. At each reporting date, the Group performs an assessment of its uncertain tax positions. Due to the inherent uncertainty associated with such assessment, there is a possibility that the final outcome may vary. Income tax provisions accrued by the Group are disclosed in Note 10. The Group's contingent liabilities with regards to taxation are disclosed in Note 25.

4. New and revised international financial reporting standards

Adoption of new standards and interpretations

The Group has applied the following amendment to IFRS Accounting Standards issued by the IASB, which is mandatorily effective for an accounting period that begins on or after 1 January 2025. Its adoption has not had any material impact on the disclosures or on the amounts reported in these consolidated financial statements.

(a) IFRS 21 – Lack of Exchangeability

The amendments specify how to assess whether a currency is exchangeable, and how to determine the exchange rate when it is not. The amendments state that a currency is exchangeable into another currency when an entity is able to obtain the other currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism in which an exchange transaction would create enforceable rights and obligations. When a currency is not exchangeable into another currency at a measurement date, an entity is required to estimate the spot exchange rate at that date. An entity's objective in estimating the spot exchange rate is to reflect the rate at which an orderly exchange transaction would take place at the measurement date between market participants under prevailing economic conditions.

New and revised IFRS Standards in issue but not yet effective

At the date of authorisation of these consolidated financial statements, the Group has not adopted the following new and revised IFRS Standards that have been issued but are not yet effective:

- Amendments to IFRS 9 and IFRS 7 – *Classification and Measurement of Financial Instruments*;
- Annual improvements to IFRS Accounting Standards– Volume 11: IFRS 1, *First-time adoption of IFRS*; IFRS 7, *Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7*, IFRS 9 *Financial Instruments*; IFRS 10, *Consolidated Financial Statements*; and IAS 7, *Statement of Cash Flows*.
- Amendments to IFRS 9 and IFRS 7 – *Contract Referencing Nature-dependent Electricity*;
- Standard IFRS 18, *Presentation and Disclosure in Financial Statements*;
- Standard IFRS 19, *Subsidiaries without Public Accountability: Disclosures*;
- Amendments to IFRS 10 and IAS 28 – *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*.

Notes to the consolidated financial statements

7. Selling, general and administrative expenses

Selling, general and administrative expenses for the years ended 31 December 2025 and 31 December 2024 consisted of the following:

	2025	2024
Staff costs	53,713	41,775
Depreciation of right-of-use assets	14,359	12,785
Other depreciation and amortisation	4,808	4,132
Bank charges	2,574	2,973
Rental expense	1,816	1,947
Repair and maintenance costs	1,563	1,238
Security services	1,417	1,997
Utilities	1,265	1,050
Advertising costs	1,063	1,102
Other expenses	3,275	2,204
	85,853	71,203

Staff costs for the years ended 31 December 2025 and 31 December 2024 consisted of the following:

	2025	2024
Wages and salaries	45,162	34,931
Statutory social security and pension contributions	8,326	6,493
Long-term incentive programme (Note 20)	225	351
	53,713	41,775

Rental expense mainly relates to leases of low-value items for which the recognition exemption is applied and to variable lease costs that are expensed as incurred.

8. Key management remuneration

During the year ended 31 December 2025, the total compensation relating to the Group's key management personnel amounted to RUB 2,304 million, including RUB 2,141 million in short-term employee benefits and RUB 163 million in long-term share-based compensation. During the year ended 31 December 2024, the total compensation relating to the Group's key management personnel amounted to RUB 1,842 million, including RUB 1,610 million in short-term employee benefits and RUB 232 million in long-term share-based compensation. The amount of compensation includes all applicable taxes and contributions.

9. Other operating income

Other operating income for the years ended 31 December 2025 and 31 December 2024 consisted of the following:

	2025	2024
Income from the depository	1,905	-
Other operating income	661	555
	2,566	555

Notes to the consolidated financial statements

10. Income tax expense

	2025	2024
Current tax expense	5,338	12,423
<i>Deferred tax</i>		
Origination and reversal of temporary differences	342	454
Effect of changes in tax rates	-	202
Income tax expense	5,680	13,079

Profit before tax for financial reporting purposes is reconciled to tax expense as follows:

	2025	2024
Profit before tax	21,401	35,279
Theoretical tax expense at 25% (2024: 20%), being the statutory rate in Russia	(5,350)	(7,056)
Income subject to income tax at rates different from 25% (2024: 20%)	271	17
Non-taxable/(Non-deductible) items	108	(71)
(a) Withholding tax on intra-group dividends	(172)	(5,767)
(b) Deferred tax liability on the undistributed retained earnings of the Group's subsidiaries	(537)	-
(c) Effect of changes in tax rates	-	(202)
Income tax expense	(5,680)	(13,079)

(a) Withholding tax on intra-group dividends

Withholding tax is applied to dividends distributed by the Group's operating subsidiaries. The tax is withheld at source by the distributing subsidiary and remitted to the relevant tax authorities at the time the dividend is paid.

(b) Deferred tax liability on the undistributed retained earnings of the Group's subsidiaries

In May 2025, PJSC Fix Price, a subsidiary of the Company, announced a dividend policy specifying a minimum pay-out ratio. Consequently, the Group recognised a deferred tax liability in respect of the undistributed retained earnings of its subsidiaries.

(c) Effect of changes in tax rates

On 12 July 2024, the President of the Russian Federation signed Federal Law No. 176-FZ, which becomes effective on 1 January 2025. The new law introduced significant amendments to the Tax Code of the Russian Federation, including an increase in the corporate profit tax rate to 25%.

In accordance with IAS 12, *Income Taxes*, the Group remeasured its deferred tax assets and liabilities at the enacted tax rate that is expected to apply when the related temporary differences reverse. As a result, for the year ended 31 December 2024, the Group recognised additional deferred tax assets of RUB 811 million and additional deferred tax liabilities of RUB 1,013 million. The net impact of the change in tax rate resulted in a deferred tax expense of RUB 202 million.

Notes to the consolidated financial statements

Movements in the deferred tax assets and liabilities for the year ended 31 December 2025 were as follows:

	1 January 2025	Charged to profit or loss	31 December 2025
Tax effects of deductible temporary differences			
Trade and other payables	301	67	368
Accrued expenses	358	331	689
Lease liabilities	3,400	2,920	6,320
Other	131	(12)	119
Deferred tax assets	4,190	3,306	7,496
Tax effects of taxable temporary differences			
Investment in subsidiaries	-	(537)	(537)
Inventories	(304)	1	(303)
Property, plant and equipment	(1,168)	(462)	(1,630)
Right-of-use assets	(3,492)	(2,836)	(6,328)
Investments in associates	(6)	-	(6)
Trade and other receivables	(206)	156	(50)
Intangible assets	(88)	30	(58)
Deferred tax liabilities	(5,264)	(3,648)	(8,912)
Net deferred tax liabilities	(1,074)	(342)	(1,416)

Movements in the deferred tax assets and liabilities for the year ended 31 December 2024 were as follows:

	1 January 2024	Charged to profit or loss	31 December 2024
Tax effects of deductible temporary differences			
Trade and other payables	275	26	301
Accrued expenses	355	3	358
Lease liabilities	2,365	1,035	3,400
Other	131	-	131
Deferred tax assets	3,126	1,064	4,190
Tax effects of taxable temporary differences			
Inventories	(161)	(143)	(304)
Property, plant and equipment	(828)	(340)	(1,168)
Right-of-use assets	(2,445)	(1,047)	(3,492)
Investments in associates	(13)	7	(6)
Trade and other receivables	-	(206)	(206)
Intangible assets	(97)	9	(88)
Deferred tax liabilities	(3,544)	(1,720)	(5,264)
Net deferred tax liabilities	(418)	(656)	(1,074)

Notes to the consolidated financial statements

11. Property, plant and equipment

Movements in the carrying amount of property, plant and equipment during the years ended 31 December 2025 and 31 December 2024 were as follows:

	Land and buildings	Trade and other equipment	Leasehold improvements	Other	Assets under construction and uninstalled equipment	Total
Cost						
At 1 January 2024	15,884	17,215	10,357	539	199	44,194
Additions	741	3,480	1,405	120	117	5,863
Disposals	-	(428)	(426)	(13)	-	(867)
Reclassifications to assets classified as held for sale	(624)	-	-	-	-	(624)
Effect of translation to presentation currency	-	12	8	(5)	1	16
At 31 December 2024	16,001	20,279	11,344	641	317	48,582
Additions	3,951	5,561	1,539	147	107	11,305
Disposals	-	(847)	(340)	(11)	-	(1,198)
Effect of translation to presentation currency	-	(101)	(130)	(72)	(1)	(304)
At 31 December 2025	19,952	24,892	12,413	705	423	58,385

Buildings primarily represent distribution centres owned by the Group.

Borrowing costs included in the cost of qualifying assets during the year ended 31 December 2025 amounted to RUB 454 million, arose on the general borrowing pool and are calculated by applying a capitalisation rate of 20.03% (2024: RUB 102 million calculated by applying a capitalisation rate of 19.85%).

As at 31 December 2025 and as at 31 December 2024, no assets were pledged as security.

	Land and buildings	Trade and other equipment	Leasehold improvements	Other	Assets under construction and uninstalled equipment	Total
Accumulated depreciation and impairment						
At 1 January 2024	589	9,028	5,069	191	-	14,877
Depreciation charge	198	2,215	930	81	-	3,424
Disposals	-	(392)	(195)	(11)	-	(598)
Reclassifications to assets classified as held for sale	(42)	-	-	-	-	(42)
Effect of translation to presentation currency	-	-	-	-	-	-
At 31 December 2024	745	10,851	5,804	261	-	17,661
Depreciation charge	271	2,669	998	85	-	4,023
Disposals	-	(780)	(156)	(7)	-	(943)
Effect of translation to presentation currency	-	-	-	-	-	-
At 31 December 2025	1,016	12,740	6,646	339	-	20,741
Net book value						
At 1 January 2024	15,295	8,187	5,288	348	199	29,317
At 31 December 2024	15,256	9,428	5,540	380	317	30,921
At 31 December 2025	18,936	12,152	5,767	366	423	37,644

Notes to the consolidated financial statements

12. Intangible assets

Movements in the carrying amount of intangible assets during the years ended 31 December 2025 and 31 December 2024 were as follows:

	Software	Other	Total
Cost			
At 1 January 2024	3,127	325	3,452
Additions	1,027	57	1,084
At 31 December 2024	4,154	382	4,536
Additions	1,361	5	1,366
Effect of translation to presentation currency	(5)	-	(5)
At 31 December 2025	5,510	387	5,897
Accumulated amortisation and impairment			
At 1 January 2024	999	276	1,275
Amortisation charge	406	44	450
At 31 December 2024	1,405	320	1,725
Amortisation charge	564	16	580
At 31 December 2025	1,969	336	2,305
Carrying amount			
At 1 January 2024	2,128	49	2,177
At 31 December 2024	2,749	62	2,811
At 31 December 2025	3,541	51	3,592

13. Capital advances

As at 31 December 2025, the Group's capital advances mainly consist of advances for equipment. As at 31 December 2024, the Group's capital advances mainly consist of advances for construction of warehouse premises in Kazan and advances for equipment.

14. Right-of-use assets

The Group leases retail premises, offices and warehouses (hereinafter, "leased premises and buildings") with lease terms within the range of 1 to 7 years. Movements in the carrying amount of right-of-use assets were as follows:

	2025	2024
Cost		
At 1 January	72,073	58,102
New lease contracts and modification of existing lease contracts	24,097	14,501
Lease prepayments	132	107
Disposals	(1,079)	(785)
Effect of translation to presentation currency	(1,058)	148
At 31 December	94,165	72,073

Notes to the consolidated financial statements

	2025	2024
Accumulated depreciation and impairment		
<i>At 1 January</i>	(55,658)	(43,483)
Depreciation expense	(14,351)	(12,848)
Disposals	1,079	785
Effect of translation to presentation currency	745	(112)
<i>At 31 December</i>	(68,185)	(55,658)
<i>Carrying amount</i>		
<i>At 1 January</i>	16,415	14,619
<i>At 31 December</i>	25,980	16,415

	2025	2024
Amounts recognised in profit or loss		
Depreciation expense of right-of-use assets	14,359	12,785
Interest expense on lease liabilities	3,821	2,291
Expenses relating to variable lease payments not included in the measurement of the lease liabilities	1,800	1,908

Some of the property leases in which the Group is the lessee contain variable lease payment terms that are linked to sales generated from leased retail stores. Variable payment terms are used to link rental payments to store cash flows and reduce fixed costs. The variable payments depend on the sales of particular stores, and consequently on the overall economic development over the next few years. Such payments are recognised in profit or loss as incurred.

The total cash outflow for leases accounted for under IFRS 16 in the consolidated financial statements amounts to RUB 19,260 million for the year ended 31 December 2025 (RUB 16,661 million for the year ended 31 December 2024).

15. Inventories

The Group inventories balance is comprised of merchandise inventories. Inventories write-offs due to shrinkage and write-down to net realisable value for the years ended 31 December 2025 and 31 December 2024 are disclosed in Note 6.

16. Receivables and other current assets

	31 December 2025	31 December 2024
Trade receivables from franchisees, net of allowance for expected credit losses	1,660	1,668
Settlements with customs	941	1,051
Other receivables, net of allowance for expected credit losses	606	1,478
	3,207	4,197

The allowance for expected credit losses on trade receivables and other receivables as at 31 December 2025 and as at 31 December 2024 was RUB 36 million and RUB 46 million, respectively.

17. Assets classified as held for sale

In December 2024, the Group classified one of its distribution centres in Ekaterinburg as held for sale following a decision to sell the asset. As at 31 December 2025, the sale had not been completed within the initial one-year timeframe due to circumstances outside the Group's control. The Group continues to actively market the asset and reasonably expects the sale to be completed within twelve months from the reporting date. The carrying amount of the disposal group is RUB 582 million. Based on current market conditions and observable transactions for comparable properties in the region, the Group determined that the fair value less costs to sell exceeds the carrying amount; therefore, no impairment loss has been recognised.

Notes to the consolidated financial statements

18. Cash and cash equivalents

	31 December 2025	31 December 2024
Bank current accounts – RUB, KZT, BYN, UZS, RSD	2,724	6,899
Bank current accounts – EUR, USD, CNY, GBP, CHF	1,193	167
Cash in transit – RUB, KZT, BYN	1,604	1,850
Cash in hand – RUB, KZT, BYN	857	750
Deposits – USD, EUR, CNY	703	5,922
Deposits – RUB, KZT, BYN, UZS	6,755	149
Marketable securities – USD, EUR	-	3,842
	13,836	19,579

Cash in transit represents cash collected by banks from the Group's stores and not yet deposited in bank accounts as at 31 December 2025 and 31 December 2024.

As at 31 December 2025, RUB-, KZT-, BYN-, USD-, EUR-, CNY- and UZS-denominated deposit bank accounts with balances amounting to RUB 7,458 million had interest rates of 2.50%-18.00% and a maturity period of 1-370 days (deposits over 90 days are callable on demand).

As at 31 December 2024, KZT-, BYN-, EUR- and USD-denominated deposit bank accounts with balances amounting to RUB 6,071 million had interest rates of 2.80%-14.80% and a maturity period of 1-303 days (deposits over 90 days are callable on demand).

As at 31 December 2024, marketable securities represented US treasuries and German treasuries which have a remaining time to maturity of three months or less from the date of purchase (35-50 days) and are subject to an insignificant risk of change in value due to interest rate, quoted price or penalty on withdrawal.

Cash balances in current bank accounts are normally interest-free.

19. Equity

Ordinary shares

As at 31 December 2025 and 31 December 2024, the Group's ordinary shares were as follows:

	Outstanding ordinary shares	Issued ordinary shares
At 1 January 2024	849,528,693	850,000,000
At 31 December 2024	849,528,693	850,000,000
At 1 January 2025	849,528,693	850,000,000
Own shares acquired during the exchange of GDRs of Fix Price Group PLC for ordinary shares of PJSC Fix Price	(105,598,142)	-
At 31 December 2025	743,930,551	850,000,000

As at 31 December 2025 and 31 December 2024, the Company had authorised share capital of 10,000,000,000 ordinary shares with a par value of EUR 0.0000374 per share.

Additional paid-in capital

No equity contributions were made by Group shareholders during the years ended 31 December 2025 or 31 December 2024.

Dividends

No dividends were announced during the year ended 31 December 2025.

Interim dividends for 2023 and 2024 in the combined amount of RUB 8.4 billion or RUB 9.84 per share were announced in January 2024 and were paid in full. Interim dividends for 2022, 2023 and 2024 in the combined amount of RUB 30.0 billion, or RUB 35.31 per share were announced in December 2024, and as of 31 December 2024 were partially paid in the amount of RUB 21.5 billion. The remaining amount was paid in full during the first quarter 2025.

Exchange of GDRs of the Company

In summer 2025, the Company implemented a voluntary exchange of its GDRs for ordinary shares of its subsidiary PJSC Fix Price. A total of 105.6 million GDRs were exchanged for 16.7 billion shares of PJSC Fix Price.

As the exchange resulted in a change in the ownership structure of the subsidiary while control was retained, it was accounted for as an equity transaction, and was reflected in the consolidated statement of changes in equity, with an increase in non-controlling interest and corresponding increase in treasury shares.

Notes to the consolidated financial statements

Treasury shares

As at 31 December 2025, the Group had 106,069,449 treasury shares with a total value of RUB 16,132 million.

As at 31 December 2024, the Group had 471,307 treasury shares with a total value of RUB 207 million

Non-controlling interests

On 28 August 2025, PJSC Fix Price announced a buyback programme of its shares on Moscow Stock Exchange. During the year ended 31 December 2025, the Group acquired 300,000,000 of the PJSC Fix Price's ordinary shares for a total consideration of RUB 187 million. This transaction was presented as the effect of the Group restructuring on non-controlling interest in the consolidated statement of changes in equity.

Summarised financial information in respect of the Group's subsidiaries that have material non-controlling interests that form a subgroup is set out below. The summarised financial information below represents amounts of the subgroup including transactions between the subgroup and other members of the reporting entity's group prior to intragroup elimination. Transactions within the subgroup were eliminated.

31 December 2025	Fix Price PJSC Subgroup
Proportion of non-controlling interest, and NCI's voting rights % *	16.29%
Non-current assets	64,456
Current assets	78,155
Non-current liabilities	(16,028)
Current liabilities	(65,736)
Net assets	60,847
Accumulated non-controlling interests	16,482
Revenue	313,330
Profit	11,176
Other comprehensive loss	(53)
Total comprehensive income	11,123
Profit attributable to non-controlling interests	932
Other comprehensive income attributable to non-controlling interests	1
Cash inflow from operating activities	31,681
Cash outflow from investment activities	(10,020)
Cash outflow from financing activities	(18,503)
Net cash inflow	3,158

* Fix Price PJSC, Best Price LLC, Best Price Export LLC, FIXPRICEASIA LLC

No dividends were paid to non-controlling interest during the year ended 31 December 2025.

20. Long-term incentive programme

LTI Programme 2023-2025

On 23 November 2022, the Group's Board of Directors approved long-term incentive programmes for its top management and key employees (the "Programme"). The Programme is designed to provide long-term incentives for its participants to deliver long-term shareholder returns, and to retain talent for the Group. Under the Programme, participants in continuing employment, if certain performance conditions are met, are entitled to a certain number of Company GDRs, their cash equivalent or a combination thereof at the Group's discretion, that is to be granted in three annual tranches with an additional subsequent one-year service period required for each tranche. The annual award is calculated in accordance with a performance-based formula. The formula rewards employees to the extent of the Group's and the individual's achievement judged against both qualitative and quantitative targets, including but not limited to the respective store's annual expansion plan, achievement of the Group's budgeted EBITDA and targeted return on investment capital.

The Group initially accounted for this Programme as an equity-settled share-based payment transaction under IFRS 2, *Share-based Payment*, as the Group had no present obligation to settle in cash. The fair value of each annual tranche of the Programme is determined using the market price of GDRs on the recognised stock exchange at the respective grant date. The grant date for the third tranche was determined as 1 January 2024, which is also the date when the service period of the tranches started.

In December 2024, the Group opted to settle the second tranche of the Programme in cash. The Group considered this as the present obligation to settle both remaining tranches in cash and reclassified the equity-settled share-based payment arrangement relating to the second and third tranches to a cash-settled share-based payment, which was recognised as a debit entry to equity within retained earnings. The second tranche, representing approximately 2.7 million awards, was fully settled in cash in December 2024, amounting to RUB 551 million, including taxes (based on 182.63 Russian roubles per GDR).

Notes to the consolidated financial statements

In November 2025, the Group implemented a modification to the Programme and resolved to settle the third tranche in ordinary shares of PJSC Fix Price, applying the exchange ratio of 1 GDR of Fix Price Group PLC to 158 ordinary shares of PJSC Fix Price, as established in the completed Exchange Offer. This modification eliminated the Group's present obligation to settle the third tranche in cash. The Group reclassified the cash-settled share-based payment arrangement for the third tranche to an equity-settled transaction in accordance with IFRS 2, *Share-based Payment*. The reclassification was accounted for by derecognising the previously recorded liability and recognising a corresponding credit to equity calculated based on the fair value determined at the modification date, amounting to RUB 203 million and representing approximately 482 million ordinary shares of PJSC Fix Price. As at 31 December 2025, the share settlement was in progress due to procedural requirements and was scheduled for completion in the first quarter of 2026.

As at 31 December 2024, 3 million awards, classified as cash-settled share-based payments, were outstanding, amounting to RUB 204 million, including taxes. Cash-settled share-based payments were recognised in the accrued salaries and wages category of these consolidated financial statements. As at 31 December 2025, the awards had no remaining contractual life (as at 31 December 2024, the weighted average remaining contractual life for the awards was 336 days).

LTI Programme 2025-2027

In December 2024, the Group extended the Programme to include a wider group of key contributors ("Programme 2.0"). Under Programme 2.0, participants in continuing employment, if certain performance conditions are met, are entitled to a certain number of Company's GDRs or equity instruments of PJSC Fix Price, the subsidiary of the Group, or their cash equivalent at the Group's discretion, that is to be granted in three annual tranches in 2025, 2026 and 2027 with an additional subsequent one-year service period required for each tranche. The annual award is calculated in accordance with updated performance metrics to align with the evolving strategic priorities.

The Group accounted for this Programme 2.0 as an equity-settled share-based payment transaction under IFRS 2, *Share-based Payment*, as the Group had no present obligation to settle in cash.

The fair value of each annual tranche of Programme is determined using the market price of the equity instruments on the recognised stock exchange at the respective grant date. The grant date for the first tranche of the Programme 2.0 was determined as 12 May 2025, which is also the date when the service period of the tranches started. The fair value of the first tranche at the grant date was assessed at RUB 314 million (based on 160 Russian roubles per GDR), representing approximately 2 million awards. The grant date for the second and third tranches did not occur as of 31 December 2025. All awards were outstanding at 31 December 2025, and none were exercisable as of that date. The weighted average remaining contractual life for the awards was 335 days as of 31 December 2025.

Expenses arising from share-based transactions

Total expenses arising from long-term incentive programme recognised during the year ended 31 December 2025 amounted to RUB 225 million (RUB 351 million for the year ended 31 December 2024).

21. Loans and borrowings

Terms and conditions in respect of loans and borrowings as of 31 December 2025 are detailed below:

Source of financing	Currency	Maturity date	Interest rate as at 31 December 2025	31 December 2025
Short-term loans and borrowings (unsecured)	RUB	2026	15.07-17.18%	6,016
Long-term loans and borrowings (unsecured)	RUB	2028	9.00%	2,717
				8,733

Terms and conditions in respect of loans and borrowings as of 31 December 2024 are detailed below:

Source of financing	Currency	Maturity date	Interest rate as at 31 December 2024	31 December 2024
Short-term loans and borrowings (unsecured)	RUB	2025	20.69-23.36%	15,056
Long-term loans and borrowings (unsecured)	RUB	2028	9.00%	3,010
				18,066

Notes to the consolidated financial statements

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes for the year ended 31 December 2025. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities:

	1 January 2025	Financing cash flows (i)	Other changes (ii)	31 December 2025
Loans and borrowings	18,066	(9,000)	(333)	8,733
Dividends payable	8,321	(7,241)	(1,080)	-
	26,387	(16,241)	(1,413)	8,733

The table below details changes for the year ended 31 December 2024.

	1 January 2024	Financing cash flows (i)	Other changes (ii)	31 December 2024
Loans and borrowings	14,699	3,000	367	18,066
Dividends payable	-	(29,872)	38,193	8,321
	14,699	(26,872)	38,560	26,387

(i) The cash flows from loans and borrowings and dividends payable make up the net amount of proceeds from and repayments of loans and borrowings and dividends paid in the consolidated statement of cash flows.

(ii) Other changes include interest accrued and paid, the amounts of dividends declared (Note 19), foreign exchange gains and losses.

The Group's loan agreements contain certain restrictive covenants, including requirements to maintain specified financial ratios. Failure to comply with these covenants could result in a claim for immediate repayment of the corresponding debt.

As at 31 December 2025 and 31 December 2024, the Group was in compliance with all financial and non-financial covenants stipulated in its loan agreements.

22. Lease liabilities

As at 31 December 2025 and 31 December 2024 lease liabilities comprised the following:

	31 December 2025	31 December 2024
Gross lease payments, including:		
Current portion (less than 1 year)	16,482	12,106
From 1 to 5 years	16,193	6,359
Over 5 years	311	488
Total gross lease payments	32,986	18,953
Less unearned interest	(7,288)	(3,280)
Analysed as:		
<i>Current portion</i>		
Less than 1 year	13,071	10,200
<i>Non-current portion</i>		
From 1 to 5 years	12,340	5,060
Over 5 years	287	413
Total lease liabilities	25,698	15,673

Notes to the consolidated financial statements

The following table summarises the changes in the lease liabilities:

	2025	2024
At 1 January	15,673	13,774
Interest expense on lease liabilities	3,821	2,291
Lease payments	(17,460)	(14,753)
New lease contracts and modification of existing lease contracts	23,978	14,325
Effect of translation to presentation currency	(314)	36
At 31 December	25,698	15,673

The Group's lease contracts include typical restrictions and covenants common for local business practice such as the Group's responsibility for regular maintenance and repair of the lease assets and insurance for the assets, the redesign and completion of permanent improvements only with the consent of the lessor, and the use of the leased asset in accordance with current legislation.

The weighted average incremental borrowing rate at 31 December 2025 was 14.77% per annum; at 31 December 2024 it was 21.12% per annum.

The Group does not face a significant liquidity risk with regard to its lease liabilities.

23. Payables and other financial liabilities

Payables as at 31 December 2025 and 2024 consisted of the following:

	31 December 2025	31 December 2024
Trade payables	38,162	36,045
Deferred revenue	313	218
Interest rate swap (Note 26)	13	-
Other payables	699	2,340
	39,187	38,603

Trade payables are normally settled no later than their 120 days term.

As at 31 December 2025 and 31 December 2024 deferred revenue comprises the Group's contract liability with regards to unredeemed customer loyalty points.

As at 31 December 2025 and 31 December 2024 all payables were unsecured.

24. Accrued expenses

Accrued expenses as at 31 December 2025 and 2024 consisted of the following:

	31 December 2025	31 December 2024
Accrued salaries and wages	3,288	2,197
Other accrued expenses	8	6
	3,296	2,203

Notes to the consolidated financial statements

25. Contingencies, commitments and operating risks

Operating environment of the Group

The Group sells products that are sensitive to changes in general economic conditions that impact consumer spending. Future economic conditions and other factors, including ongoing geopolitical tensions, the imposition of sanctions, consumer confidence, employment levels, interest rates, consumer debt levels and the availability of consumer credit, could reduce consumer spending or change consumer purchasing habits. A general slowdown in the Russian economy or in the global economy, or an uncertain economic outlook, could adversely affect consumer spending habits and the Group's operating results.

Russia continues to implement economic reforms and to develop its legal, tax and regulatory frameworks as required by a market economy. The future stability of the Russian economy is largely dependent upon these reforms and developments and the effectiveness of economic, financial and monetary measures undertaken by the government.

Since February 2022, the European Union, the United States of America, Switzerland, the United Kingdom and other countries have imposed and continue to impose a series of restrictive measures against the Russian Federation, various companies and certain individuals. The sanctions led to a significant change in the operating environment for the Russian economy, including the volatility of the Russian rouble, inflation strikes and limited opportunities for cross-border operations. The countermeasures adopted by the Russian government facilitated the active rebounding of the economy and adapting to foreign restrictions.

However, the broader economy in general and the retail sector in particular are still negatively impacted by the volatility of the Russian rouble, sanctions and countermeasures, and uncertainty over the future key interest rate. The combination of negative factors affecting the Russian economy resulted in reduced access to capital, a higher cost of capital and uncertainty regarding economic growth, which could negatively affect the Group's future financial position, the results of its operations and its business prospects.

Management believes it is taking appropriate measures to support the sustainability of the Group's business in the current circumstances.

Contractual commitments

The Group has contractual capital commitments not provided within its consolidated financial statements. As at 31 December 2025, the Group had contractual capital commitments in the amount of RUB 164 million, VAT inclusive. These commitments relate to the acquisition of equipment and software improvements. As at 31 December 2024, the Group had contractual capital commitments in the amount of RUB 1,865 million, VAT inclusive. These commitments relate to the construction of the new distribution centre.

Legal proceedings

In the ordinary course of business, the Group may be a party to various legal and tax proceedings, and be subject to claims. In the opinion of management, the Group's liability, if any, in all pending litigation, other legal proceedings or other matters will not have a material effect on the financial position, results of operations or liquidity of the Group.

Taxation

The Group's main subsidiary, from which the Group's income is derived, operates in Russia. Russian tax, currency, and customs legislation could be interpreted in different ways and is susceptible to frequent changes. Management's interpretation of the legislation in question as applied to the Group's operations and activities may be challenged by the relevant regional or federal authorities. Tax authorities may be taking a more assertive position in their interpretation of the legislation and assessments, and it is possible that transactions and activities that were not challenged in the past may be challenged as not having been in compliance with the Russian tax laws applicable at the relevant time. In particular, the Supreme Court issued guidance to lower courts on reviewing tax cases that provides a systematic road map for anti-avoidance claims, and it is possible that this will significantly increase the level and frequency of scrutiny on the part of the tax authorities. As a result, significant additional taxes, penalties, and interest may be levied on the Group.

As at 31 December 2025, management believed that its interpretation of the relevant legislation was appropriate and that the Group's tax, currency and customs positions would be sustained. Management estimates that the Group's possible exposure in relation to the aforementioned tax risks will not exceed 1% of the Group's total assets as at 31 December 2025.

26. Financial risk management

The Group uses various financial instruments, including bank loans, cash, derivatives and various items, such as trade receivables and trade payables that arise directly from its operations. The main risks arising from the Group's financial instruments are market risk, credit risk and liquidity risk. The Group reviews and agrees policies for managing each of these risks, and they are summarised below.

Market risk encompasses three types of risk: currency risk, interest rate risk and commodity price risk. Commodity price risk is not considered material to the business, as the Group's sensitivity to commodity prices is insignificant.

Currency risk

The Group is exposed to transaction foreign exchange risk arising from exchange rate fluctuations on its purchases from overseas suppliers. In relation to currency transaction risk, approximately a quarter of the cost of goods sold is sourced from overseas suppliers, with the relevant trade accounts payable being owed in foreign currency and having a maturity of up to 120 days. A proportion of the Group's purchases are priced in Chinese yuan and the Group enters into forward foreign currency contracts in order to manage its exposure to currency risk. No transactions in derivatives are undertaken of a speculative nature. As at 31 December 2025 and 31 December 2024, the Group had no forward foreign exchange contracts.

During the year ended 31 December 2025 the loss from forward foreign exchange contracts amounted to RUB 817 million. During the year ended 31 December 2024 the loss from forward foreign exchange contracts amounted to RUB 239 million. Loss from forward foreign exchange contracts was included in the "Foreign exchange loss, net" line in the consolidated statement of comprehensive income.

Notes to the consolidated financial statements

During the year ended 31 December 2025, 91% of the Group's sales to retail and wholesale customers were priced in Russian roubles (during the year ended 31 December 2024–91%); therefore, there is immaterial currency exposure in this respect. Other sales related to retail sales of Best Price Kazakhstan TOO and Fix Price Zapad LLC are priced in local currencies.

Foreign currency sensitivity

The carrying amount of the Group's foreign currency-denominated monetary assets and liabilities as at 31 December 2025 and 31 December 2024 was as follows:

	Assets		Liabilities	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
USD	1,068	4,746	3	1,838
CNY	693	1,077	8,908	9,738
EUR	363	5,085	59	52
KZT	815	48	-	-

The impact on the Group's profit before tax is largely due to changes in the fair value revaluation of creditors held on account with our Chinese yuan suppliers.

The following table demonstrates the sensitivity of net profit and equity to a reasonably possible change in the Chinese yuan period-end exchange rates with all other variables held constant.

		31 December 2025		31 December 2024
Depreciation in RUB/CNY	+15%	(1,232)	+15%	(1,299)
Appreciation in RUB/CNY	-15%	1,232	-15%	1,299

The following table demonstrates the sensitivity of net profit and equity to a reasonably possible change in the USD period-end exchange rates with all other variables held constant.

		31 December 2025		31 December 2024
Depreciation in RUB/USD	+15%	160	+15%	436
Appreciation in RUB/USD	-15%	(160)	-15%	(436)

The following table demonstrates the sensitivity of net profit and equity to a reasonably possible change in the EUR period-end exchange rates with all other variables held constant.

		31 December 2025		31 December 2024
Depreciation in RUB/EUR	+15%	46	+15%	755
Appreciation in RUB/EUR	-15%	(46)	-15%	(755)

The following table demonstrates the sensitivity of net profit and equity to a reasonably possible change in the KZT period-end exchange rates with all other variables held constant.

		31 December 2025		31 December 2024
Depreciation in RUB/KZT	+15%	122	+15%	7
Appreciation in RUB/KZT	-15%	(122)	-15%	(7)

These calculations were performed by taking the year-end exchange rate used for the accounts and applying the change noted above. The balance sheet valuations were then calculated directly.

Notes to the consolidated financial statements

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Group is exposed to interest rate risk as entities in the Group borrow funds at both fixed and floating interest rates. The Group manages the risk by maintaining an appropriate mix of fixed- and floating-rate borrowings, and by using interest rate swap contracts. As at 31 December 2025, the Group had no floating-rate interest-bearing liabilities (as at 31 December 2024: RUB 12,500 million).

As at 31 December 2025, the interest rate swap contract is recognised at a fair value of RUB 13 million within Payables and other financial liabilities. As at 31 December 2024, the Group had no interest rate swap contracts. During the year ended 31 December 2025, the loss arising from changes in fair value of the interest rate swap amounted to RUB 25 million and was recorded within Interest expense line. During the year ended 31 December 2024, the Group had no gain or loss arising from interest rate swap contract.

As at 31 December 2025, if interest rates at that date had been 200 basis points higher with all other variables held constant, the profit before tax for the year ended 31 December 2025 would have been RUB 17 million lower, primarily due to change in the fair value of the interest rate swap. If interest rates had been 200 basis points lower with all other variables held constant, the profit before tax for the year ended 31 December 2025 would have been RUB 3 million lower, primarily due to change in the fair value of the interest rate swap.

As at 31 December 2024, if interest rates at that date had been 200 basis points higher with all other variables held constant, the profit before tax for the year ended 31 December 2024 would have been RUB 159 million lower, mainly as a result of higher interest expense on borrowings. If interest rates had been 200 basis points lower with all other variables held constant, the profit before tax for the year ended 31 December 2024 would have been RUB 159 million higher, mainly as a result of lower interest expense on borrowings.

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group's principal financial assets are cash and cash equivalents and trade receivables. Credit risk is further limited by the fact that all of retail sales transactions are made through store registers, direct from the customer at the point of purchase, leading to a zero trade receivables balance from retail sales.

Therefore, the principal credit risk arises from the Group's trade receivables from its wholesale revenue stream. In order to manage credit risk, the Group sets limits for wholesale customers (franchisees) based on their payment history. New wholesale customers typically pay in advance. Credit limits are reviewed by franchisee managers on a regular basis in conjunction with debt ageing and collection history. Allowance for expected credit losses is provided where appropriate.

The credit risk on cash and cash equivalents is managed by the Group's treasury and is limited, as the counterparties are financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

The table below shows the balances that the Group had with its major banks as at the reporting date:

Bank	Country of incorporation	Rating	31 December 2025
Sberbank of Russia	Russia	AAA (RU)	6,362
CenterCredit	Kazakhstan	Baa3	1,886
Banque Heritage	Switzerland	Ba1	860
T-Bank	Russia	ruAA	527
ALTA Bank	Serbia	N/A	363
Raiffeisenbank	Russia	ruAAA	309
Alfa Bank	Belarus, Russia	ruAA+	287
Emirates NBD Bank	United Arab Emirates	A+	200
Halyk Bank of Kazakhstan	Kazakhstan	Baa1	169
Uzpromstroybank	Uzbekistan	Ba3	130
Other			282
Total			11,375

Notes to the consolidated financial statements

The table below shows the balances that the Group had with its major banks as at 31 December 2024:

Bank	Country of incorporation	Rating	31 December 2024
Banque Heritage	Switzerland	Ba1	5,929
CQUR Bank	Qatar	N/A	3,873
Sberbank of Russia	Russia	AAA (RU)	3,257
CentrCredit	Kazakhstan	Ba1	2,180
Raiffeisenbank	Russia	ruAAA	445
Rosbank	Russia	ruAAA	434
Halyk Bank of Kazakhstan	Kazakhstan	Baa1	253
Alfa Bank	Belarus, Russia	ruAA+	171
Kaspi Bank	Kazakhstan	Baa3	112
VTB	Belarus, Russia	ruAAA	99
Bank of China	Russia	A1	87
Other			139
Total			16,979

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group manages liquidity risk by maintaining adequate reserves, banking facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The Group's loans and borrowings are subject to quarterly banking covenants against which the Group has had significant headroom to date with no anticipated issues based upon forecasts made. Short-term flexibility is achieved via the Group's rolling credit facility. The following table shows the maturity of financial liabilities based on their remaining period at the balance sheet date. The amounts disclosed are the contractual undiscounted cash flows:

	On demand or less than 1 year	1 to 5 years	Over 5 years	Total*	Carrying amount
As at 31 December 2025					
Loans and borrowings*	6,785	3,127	-	9,912	8,733
Interest rate swap	13	-	-	13	13
Dividends payable	-	-	-	-	-
Payables and other financial liabilities	38,861	-	-	38,861	38,861
Accrued expenses	3,296	-	-	3,296	3,296
Lease liabilities*	16,482	16,193	311	32,986	25,698
	65,437	19,320	311	85,068	76,601
As at 31 December 2024					
Loans and borrowings*	16,163	3,601	-	19,764	18,066
Dividends payable	8,321	-	-	8,321	8,321
Payables and other financial liabilities	38,385	-	-	38,385	38,385
Accrued expenses	2,203	-	-	2,203	2,203
Lease liabilities*	12,106	6,359	488	18,953	15,673
	77,178	9,960	488	87,626	82,648

*Amounts related to loans and borrowings and lease liabilities include future interest.

Notes to the consolidated financial statements

Fair value

Fair values of cash and cash equivalents, trade and other receivables and trade and other payables approximate their carrying amounts due to their short maturity.

Foreign exchange contracts and interest rate swaps are measured at fair value on a recurring basis and classified as Level 2 instruments. The fair value data is provided by banks, based on the updated quotations source.

In determining the fair value of lease liabilities, Group management relied on the assumption that the carrying amount of lease liabilities approximated their fair value as at 31 December 2025 and 31 December 2024, as it reflects changes in market conditions and considers the risk premium and the time value of money.

27. Related party transactions

In assessing whether a related party relationship exists, the Group focuses on the substance of the relationship, rather than its legal form. Related parties may enter into transactions that unrelated parties would not, and such transactions may be effected on terms, conditions, or amounts that differ from those prevailing in arm's-length arrangements. Management considers that the Group has appropriate procedures in place to identify, account for and disclose related party transactions in accordance with IFRS requirements.

Related parties include immediate and ultimate shareholders of the Group; associates, which are franchisees where the Group has a non-controlling ownership stake; key management personnel; as well as other related parties.

Transactions with related parties for the years ended 31 December 2025 and 31 December 2024 were as follows:

* Other related parties comprise immediate and indirect shareholders of the Company.

** Other related parties comprise immediate and indirect shareholders of the Company.

	2025	2024
Associates:		
Sales of goods	1,354	2,218
Royalty fees	59	92
Other*:		
Dividends declared	-	(27,686)
Payment of dividends	-	(27,487)
Redemption of loans payable	-	(2,000)
Interest expense accrued on loans payable	-	152
Repayment of accrued interest on loans payable	(474)	-

As at 31 December 2025 and as at 31 December 2024, the outstanding balances with related parties were as follows:

	31 December 2025	31 December 2024
Associates:		
Trade and other receivables	8	8
Advances from customers	(50)	(60)
Other**:		
Loans payable	-	(474)

For details on the remuneration of key management personnel, please refer to Note 8.

28. Capital management

The Group's objectives when managing capital are (i) to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders and (ii) to maintain an optimal capital structure to reduce the cost of capital.

While the Group has not established any formal policies with regard to debt to equity proportions, the Group reviews its capital needs on a regular basis to determine actions to balance its overall capital structure via (i) new share issue, (ii) return of capital to shareholders, (iii) securing a new debt or (iv) redemption of existing debt.

29. Post-balance sheet events

There were no significant events after the reporting date.

Disclaimer

This Annual Report contains forward-looking statements that reflect the expectations of the Company's management. Forward-looking statements are not based on actual circumstances and include all statements concerning the Company's intentions, opinions or current expectations regarding its performance, financial position, liquidity, growth prospects, strategy, and the industry in which Fix Price Group PLC operates. By their nature, such forward-looking statements are characterised by risks and uncertainties, as they relate to events and depend on circumstances that may or may not occur in the future. Such terms as "assume", "believe", "expect", "predict", "intend", "plan", "project", "consider" and "could", along with similar expressions and their negatives, usually indicate the predictive nature of these statements. These assumptions contain risks and uncertainties that may or may not have been foreseen by the Company. As a result, future performance may differ from current expectations, and recipients of the information presented in this Annual Report should not rely on these assumptions alone.

In addition to official information about the activities of Fix Price Group PLC, this Annual Report contains information obtained from third parties and from sources that Fix Price Group PLC considers reliable. However, the Company does not guarantee the accuracy of this information, as it may be abridged or incomplete.

Fix Price Group PLC gives no assurance that its actual results, scope, or performance indicators, or the industry in which the Company operates, will correspond to the results, scope, or performance indicators expressly stated or implied in any forward-looking statements contained in this Annual Report or elsewhere. Fix Price Group PLC is not liable for any losses that may be incurred by any person as a result of reliance on any forward-looking statement contained in this Annual Report or elsewhere. Except as required by applicable law, the Company assumes no obligation to distribute or publish any updates or changes to forward-looking statements reflecting changes in expectations, new information, subsequent events, conditions, or circumstances.

Management & Directors' Statement of Responsibility

We hereby confirm that:

- the financial statements prepared in accordance with International Financial Reporting Standards represent an accurate and fair reflection of the Company's assets, liabilities, financial position, profits, and losses as well as those of its consolidated subsidiaries as a whole;
- the management report includes a fair description of the development and performance of business operations and the Company's position as well as that of its consolidated subsidiaries as a whole along with a description of the main risks and uncertainties they face.



Sergey Lomakin

Chairman and Founding Shareholder



Dmitry Kirsanov

Member of the Board of Directors,
CEO and Managing Director

Contact Information

Address

Republic of Kazakhstan, Astana, Yesil district,
Mangilik El Avenue, building 55/23, block C.4.4,
office 245

Investor Relations Team



Elena Mironova

Head of Investor Relations
ir@fix-price.com

