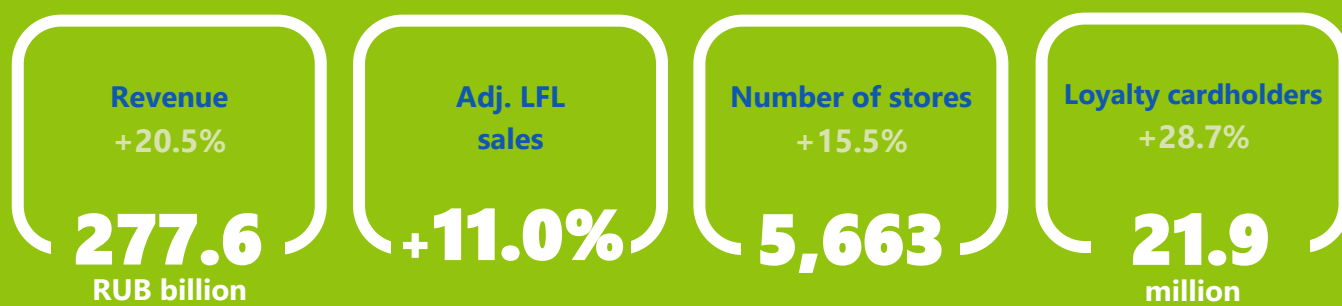


FIX PRICE OPERATING HIGHLIGHTS FOR 12M 2022



FIX PRICE ANNOUNCES KEY OPERATING RESULTS AND REVENUE FOR Q4 AND 12M 2022

On track with growth plans fuelled by resilient business model

26 January 2023, Limassol, Cyprus – Fix Price (LSE and MOEX: FIXP, the “Company” or the “Group”), one of the leading variety value retailers globally and the largest in Russia, today announces its operating results based on management accounts for the fourth quarter (Q4 2022) and twelve months (12M 2022) ended 31 December 2022.

OPERATING SUMMARY FOR Q4 2022

- Revenue increased by 13.9% y-o-y to RUB 75.8 billion, supported by the Company’s store network expansion and LFL sales growth
 - Retail revenue reached RUB 67.4 billion, up 14.0% y-o-y
 - Wholesale revenue increased by 13.3% y-o-y and stood at RUB 8.4 billion
- LFL sales¹ adjusted for the rouble appreciation effect² grew by 5.2% y-o-y (by 3.9% before the adjustment)
 - The LFL average ticket adjusted for the rouble appreciation effect increased by 9.7% y-o-y (by 8.3% before the adjustment) due to proactive work with the Company’s merchandise and attractive value proposition, as well as a higher share of upper-range price points in retail sales
 - LFL traffic was down 4.1% amid continued subdued consumer confidence
 - LFL sales at Company-operated stores in Russia increased by 5.5%. LFL sales dynamics at Company-operated stores in Kazakhstan and Belarus remained negatively affected by the rouble appreciation effect
 - The share of non-food items in retail sales increased by 3.9 pps q-o-q to 48.4%, supported by seasonal ranges. At the same time, LFL sales of food and drogerie (household chemicals and hygiene products) in stores in Russia cumulatively reached 15.0% y-o-y, reflecting Fix Price’s strong value proposition for everyday essentials
- The Company opened 201 stores in Q4 2022 on a net basis (17 of which are franchised), bringing the total number of stores to 5,663

¹ 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 revenue including VAT. LFL numbers exclude stores that were temporarily closed for seven or more consecutive days during the reporting period and/or comparable periods

² Here and hereinafter, LFL sales and average ticket adjusted for the rouble appreciation effect are calculated using monthly LFL sales in foreign countries converted into roubles at the average exchange rates for each comparable month of 2021

- The total selling space of stores operating under the Fix Price brand increased by 44.7 thous. sqm to 1,225.4 thous. sqm
- During the quarter, Fix Price attracted 1.4 million new loyalty programme members³, with the total number of registered cardholders amounting to 21.9 million (+28.7% y-o-y). Loyalty card transactions accounted for 60.7% of retail sales. The average ticket for purchases with a loyalty card was 1.8x higher than the average ticket for non-loyalty-card purchases

OPERATING SUMMARY FOR 12M 2022

- Revenue grew by 20.5% y-o-y to RUB 277.6 billion
 - Retail revenue reached RUB 246.2 billion, representing growth of 21.1% y-o-y
 - Wholesale revenue grew 15.8% y-o-y to RUB 31.4 billion
- LFL sales adjusted for the rouble appreciation effect increased by 11.0% y-o-y (by 10.1% before the adjustment), in line with the initial IPO guidance, as the Company's business model yet again proved successful despite external headwinds:
 - The LFL average ticket adjusted for the rouble appreciation effect was up 13.9% (12.9% before the adjustment)
 - LFL traffic decreased by 2.5%
 - LFL sales of food and drogerie in stores in Russia in 2022 cumulatively reached 22.8% y-o-y
- 759 Fix Price stores were opened on a net basis, including 671 Company-operated stores and 88 franchised outlets, which exceeds the previously announced guidance of 750 net openings for 2022
- The total selling space of Fix Price stores grew by 168.5 thous. sqm (+15.9% y-o-y)
- The total number of registered loyalty cardholders grew by 4.9 million to 21.9 million, with penetration in retail sales reaching 55.7%
- Gross margin for 2022 exceeded the level of 2021 by more than 1 pp
- EBITDA margin for 2022 exceeded the average level of 2020–2021, in line with the initial IPO guidance

³ Here and below, data on the loyalty programme is calculated for Fix Price stores operating in Russia

"I am proud of the results that our team achieved in 2022 in a completely new environment not only for retail but also for global business as a whole. Fix Price's revenue in 2022 increased by 20.5% to RUB 277.6 billion, alongside an 11.0% increase in adj. LFL sales. Despite the challenging macro environment, we kept our focus on development: we exceeded the targets outlined in our development plans and opened 759 new stores (net), which was more than the projected number of 750 net openings. This year, we have no intention of slowing down, and we plan to expand the Fix Price network by adding 750 stores.

"In January 2023, we opened our first franchised stores in Mongolia – our eighth country of operations. In the next few months, we will focus on testing and adapting the Fix Price business model to the specifics of the Mongolian market. If we are successful, we intend to continue developing our network there.

"We believe it is important to comment on the dividend situation. We continue to work on this issue, and we are developing solutions that, considering existing regulatory restrictions and sanctions, would take into account the interests of all shareholders. We confirm the Company's intention to resume dividend payments in the future, which we will announce in due time.

"People are our key asset, and now more than ever it is important to motivate and support the team of experienced professionals with whom we have been successfully building the Fix Price business for many years. In this regard, a three-year long-term incentive programme for key staff was approved at the end of the year. This step is aimed at supporting the team's continued excellent performance and creating incentives for long-term growth of the Company's value in the interests of all stakeholders."

Dmitry Kirsanov, Fix Price CEO

LFL dynamics adjusted for the rouble appreciation effect, %

| | Q4 2022 | Q4 2021 | 12M 2022 | 12M 2021 |
|--------------------|----------------|----------------|-----------------|-----------------|
| LFL sales | 5.2% | 3.2% | 11.0% | 7.2% |
| LFL traffic | (4.1%) | (3.5%) | (2.5%) | 3.1% |
| LFL average ticket | 9.7% | 6.9% | 13.9% | 4.0% |

LFL dynamics before the adjustment for the rouble appreciation effect, %

| | Q4 2022 | Q4 2021 | 12M 2022 | 12M 2021 |
|--------------------|----------------|----------------|-----------------|-----------------|
| LFL sales | 3.9% | 3.2% | 10.1% | 7.2% |
| LFL traffic | (4.1%) | (3.5%) | (2.5%) | 3.1% |
| LFL average ticket | 8.3% | 6.9% | 12.9% | 4.0% |

Store base, geographical coverage and selling space

| | 31 Dec 2022 | 31 Dec 2021 |
|--|------------------|------------------|
| Total number of stores | 5,663 | 4,904 |
| Russia | 5,098 | 4,445 |
| Belarus | 263 | 212 |
| Kazakhstan | 235 | 172 |
| Uzbekistan | 19 | 42 |
| Latvia | 36 | 24 |
| Georgia | 6 | 4 |
| Kyrgyzstan | 6 | 5 |
| Number of Company-operated stores | 5,039 | 4,368 |
| Russia | 4,575 | 3,975 |
| Belarus | 253 | 203 |
| Kazakhstan | 211 | 148 |
| Uzbekistan | - | 42 |
| Number of franchised stores | 624 | 536 |
| Russia | 523 | 470 |
| Belarus | 10 | 9 |
| Kazakhstan | 24 | 24 |
| Latvia | 36 | 24 |
| Georgia | 6 | 4 |
| Kyrgyzstan | 6 | 5 |
| Uzbekistan | 19 | - |
| Selling space (sqm) | 1,225,360 | 1,056,840 |
| Company-operated stores | 1,087,047 | 938,392 |
| Franchised stores | 138,313 | 118,448 |

Development of Company-operated stores

| | Q4 2022 | Q4 2021 | 12M 2022 | 12M 2021 |
|-----------------------|------------|------------|------------|------------|
| Gross openings | 201 | 160 | 782 | 749 |
| Russia | 170 | 120 | 667 | 581 |
| Belarus | 16 | 20 | 50 | 63 |
| Kazakhstan | 15 | 18 | 65 | 73 |
| Uzbekistan | - | 2 | - | 32 |
| Closures | 17 | 29 | 111 | 123 |
| Russia | 16 | 23 | 67 | 113 |

| | Q4 2022 | Q4 2021 | 12M 2022 | 12M 2021 |
|---------------------|------------|------------|------------|------------|
| Belarus | - | 2 | - | 3 |
| Kazakhstan | 1 | - | 2 | 2 |
| Uzbekistan | - | 4 | 42 | 5 |
| Net openings | 184 | 131 | 671 | 626 |
| Russia | 154 | 97 | 600 | 468 |
| Belarus | 16 | 18 | 50 | 60 |
| Kazakhstan | 14 | 18 | 63 | 71 |
| Uzbekistan | - | (2) | (42) | 27 |

OPERATING RESULTS

Store network expansion

- As of 31 December 2022, the total number of stores amounted to 5,663 (15.5% growth y-o-y), with franchised stores representing 11.0% of the total store count
- In Q4 2022, the Company opened 201 stores on a net basis, including 184 Company-operated stores and 17 franchised stores, versus 151 net stores in Q4 2021, including 131 Company-operated stores and 20 franchised stores
- The Company closed 17 Company-operated stores in Q4 2022 (versus 29 stores in Q4 2021), focusing on further improvement of lease terms
- Fix Price continued on its growth path in Russia and internationally: 17.4% of net openings in Q4 2022 took place outside of Russia. The share of international geographies increased to 10.0% of the total store base compared to 9.4% as of 31 December 2021
- Total selling space was 1,225.4 thous. sqm (15.9% growth y-o-y) and increased by 44.7 thous. sqm during Q4 2022. The average Fix Price store selling space remained flat y-o-y at 216 sqm
- In Q4 2022, the Company opened stores in 35 new localities in its existing countries of operations

LFL sales growth

- In Q4 2022, LFL sales adjusted for the rouble appreciation effect were up by 5.2% y-o-y (by 3.9% before the adjustment) on the back of 9.7% LFL average ticket growth adjusted for the rouble appreciation effect (8.3% before the adjustment), which was partly offset by a 4.1% decline in LFL traffic
- Cautious consumer behaviour amid continued macroeconomic uncertainty and decreasing real disposable income put pressure on LFL traffic. At the same time, the Company's flexible business model, ability to adjust to an

ever-changing environment and customer preferences, fast assortment rotation and affordable value proposition as well as an increase in the share of higher price points in retail sales helped deliver solid LFL ticket performance

- In the reporting period, LFL sales of Company-operated stores in Russia were up 5.5%. LFL sales dynamics in Kazakhstan and Belarus were negatively affected by the currency conversion effect amid rouble appreciation. In their national currency, stores in Belarus demonstrated solid results, which were somewhat impacted by an assortment reduction following the government's resolution to limit trade markups. LFL performance in Kazakhstan softened during Q4 due to lower consumer demand amid inflationary pressure

Assortment and category mix⁴

- In Q4 2022, the share of higher-margin non-food items in retail sales increased to 48.4%, up from 44.5% in Q3 2022, driven by seasonal ranges, but was still lower than the 52.9% result recorded in Q4 2021. The share of food continued to normalise and stood at 26.2% in Q4 2022, as compared to the peak of 30.1% in Q2 2022. The share of drogerie (household chemicals and hygiene products) in retail sales was up 5.1 pps to 25.4%, due to strong demand in this category, reflecting an attractive customer value proposition
- LFL sales of food and drogerie combined grew by 15.0% in Q4. The Company also recorded positive LFL sales in kitchenware, household goods, books and stationery, as well as DIY and party products. While the seasonal assortment was the main factor driving growth of the non-food share of retail sales on a quarter-over-quarter basis, LFL sales of seasonal ranges were down from the abnormally high level of Q4 2021, as customers became more budget-savvy and [reduced their New Year gift budgets](#)
- As Fix Price switched to local producers for a number of categories during 2022, the share of imports in retail sales for Russian Company-operated stores continued to decline on a year-over-year basis from 31.7% in Q4 2021 to 27.0% in the reporting period. On a quarterly basis, the share of imports was up 4.9 pps, reflecting seasonally stronger sales of the non-food assortment, which is mostly produced abroad
- Fix Price was cautious in introducing a new assortment at higher price points, while carefully tweaking and reengineering products. The share of price points above RUB 200 in retail sales grew to 15.1% from 12.3% in Q4 2021, while the share of price points above RUB 100 in retail sales stood at 39.4%, versus 32.1% in Q4 2021. In 2022, Fix Price started testing the new price point of RUB 349, and its share of retail sales reached 3.0% in Q4
- The average ticket for all Company-operated Fix Price stores was up by 8.3% to RUB 346 in Q4 2022, on the back of a higher share of price points above RUB 100 in the retail sales mix

⁴ Unless stated otherwise, the data in this section refers to Company-operated stores in Russia

Loyalty programme development

- By the end of 2022, the total number of registered loyalty cardholders grew by 28.7% y-o-y and reached 21.9 million. Advertising campaigns and attractive benefits offered by the loyalty programme helped attract 1.4 million new cardholders in Q4 2022. The share of active loyalty programme members⁵ among the total number of loyalty cardholders was above 55% in Q4 2022
- The share of purchases with loyalty cards continued to increase and accounted for 60.7% of total retail sales in Q4 2022, as compared to 53.0% in Q4 2021
- The average ticket for a loyalty-card purchase grew by 5.6% y-o-y to RUB 477 in Q4 2022, which was 1.8x higher than the average ticket of RUB 264 for non-loyalty-card purchases

Revenue dynamics

| RUB million | Q4 2022 | Q4 2021 | Change | 12M 2022 | 12M 2021 | Change |
|-------------------|---------------|---------------|--------------|----------------|----------------|--------------|
| Revenue | 75,757 | 66,507 | 13.9% | 277,644 | 230,473 | 20.5% |
| Retail revenue | 67,351 | 59,086 | 14.0% | 246,212 | 203,328 | 21.1% |
| Wholesale revenue | 8,406 | 7,421 | 13.3% | 31,432 | 27,145 | 15.8% |

The Group's **revenue** increased by 13.9% y-o-y and stood at RUB 75.8 billion in Q4 2022, on the back of 14.0% growth in retail revenue and a 13.3% increase in wholesale revenue.

Retail revenue totalled RUB 67.4 billion, driven by new store openings and LFL sales of 3.9%.

Wholesale revenue grew to RUB 8.4 billion and was supported by the opening of new franchised stores. The share of wholesale revenue in the Company's total revenue remained generally flat at the level of 11.1%.

Update on LTI programme

On 23 November 2022, the Board of Directors of the Group approved a long-term incentive programme (the "LTIP") for 2022–2024 that provides senior management and key employees of the Group with an award of up to a cumulative maximum of 1% of the Company's share capital during the life of the programme.

The main objectives of the LTIP are to retain the best talent for key leadership positions and to ensure that management initiatives are aligned with shareholders' interests in order to support the Company's long-term value creation.

⁵ Members of the loyalty programme who make at least one purchase per month

The annual award depends on the Group's and the individual's achievement judged against both qualitative and quantitative targets, including but not limited to, the annual store expansion plan, achievement of the Group's budgeted EBITDA, as well as targeted return on invested capital (ROIC). Awarded GDRs will start vesting once the annual performance milestones are achieved and will be settled after the 12-month vesting period.

In order to meet its obligations to deliver GDRs under the LTIP, the Company intends either to use treasury GDRs or to buy back GDRs on the open market. The programme may also be settled in cash at the Company's discretion.

Total expenses arising from the LTIP were immaterial in 2022. It is expected that the cost of the LTIP will be accrued during 2023–2025.

ABOUT THE COMPANY

Fix Price (LSE and MOEX: FIXP), one of the leading variety value retailers globally and the largest in Russia, has been helping its customers save money every day since 2007. Fix Price offers its customers a unique and constantly refreshed product assortment of non-food goods, personal care and household products and food items at low fixed price points.

As of 31 December 2022, Fix Price was operating 5,663 stores in Russia and neighbouring countries, all of them stocking approximately 2,000 SKUs across around 20 product categories. As well as its own private brands, Fix Price sells products from leading global names and smaller local suppliers. As of 31 December 2022, the Company was operating 10 DCs covering 80 regions of Russia and 6 neighbouring countries.

In 2021, the Company recorded revenue of RUB 230.5 billion, EBITDA of RUB 44.2 billion and net profit of RUB 21.4 billion, in accordance with IFRS.

CONTACTS

Fix Price Investor Relations

[Elena Mironova](#)

ir@fix-price.com

Fix Price Media Relations

[Ekaterina Charushina](#)

echarushina@fix-price.ru