



Fix Price announces key operating and financial results for H1 and Q2 2021

Resilient and flexible business model delivers robust EBITDA growth of 24.1%

12 August 2021, Moscow – 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 and auditor-reviewed IFRS financial results for the six months ended 30 June 2021 (H1 2021).

The Company also announces an interim dividend for H1 2021 of RUB 11.5 per GDR/share and upgrades its forecast for net store openings for the full year to 730.

Operating and financial summary for H1 2021

- Revenue increased by 28.1% y-o-y to RUB 106.1 billion on the back of continued double-digit LFL sales growth and expansion of the store network
 - Retail revenue grew by 30.1% y-o-y to RUB 93.0 billion
 - Wholesale revenue was up by 15.2% y-o-y to RUB 13.1 billion
- LFL sales¹ grew by 11.9% (by 12.6% adjusted for an additional trading day in 2020 due to the leap year)
 - LFL traffic increased by 9.0% (by 9.7% adjusted for the leap-year effect), marking a reversal of COVID-19 trends and rising above pre-COVID 2019 levels, driven by assortment rotation and promotional activities focused on traffic-generating items
 - LFL average ticket was up by 2.6% supported by the introduction of new price points amid normalisation from the high base of the previous year
- The total number of stores increased by 418 to 4,585 (of which 486 are franchised), slightly ahead of plan as the store rollout programme was accelerated to benefit from lower capex costs and offset inflation of raw materials prices. The total selling space of stores operating under the Fix Price brand increased by 94.4 ths. sqm, reaching a total of 983.9 ths. sqm (22.7% growth on a y-o-y basis)
- Gross profit was up by 22.3% y-o-y to RUB 33.1 billion. As expected, the gross margin normalised compared to H1 2020, when closures of HoReCa establishments and specialty retailers at the onset of the pandemic led to an abnormal increase in the share of non-food items in sales. Compared to the same period of 2019, the gross margin improved by 21 bps to 31.2%, as Fix Price’s resilient and highly flexible business model fully offset increased transportation costs and commodities inflation
- SG&A costs (excl. D&A) as a percentage of revenue improved by 61 bps y-o-y to 12.9%, versus 13.6% for H1 2020 and 14.0% for H1 2019, reflecting better rental terms due to Fix Price’s strong negotiation position with landlords, as well as increased staff productivity and other efficiencies

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 have been operational for at least the 12 full calendar months preceding the reporting date. LFL sales and average ticket 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 the comparable period

- EBITDA² increased by 24.1% to RUB 19.8 billion, reflecting gross profit growth and positive operating leverage. The EBITDA margin remained robust at 18.7%, compared to the abnormally high level of 19.3% in H1 2020, as gross margin pressure was to a large extent offset by strict cost control and operating leverage. Compared to pre-COVID levels in H1 2019, the EBITDA margin increased by 138 bps from 17.3%, reflecting structural improvements in operating efficiency
- Operating profit grew by 26.4% to RUB 14.2 billion. The operating margin was 13.3%, compared to 13.5% for H1 2020 and 11.0% for H1 2019
- Profit for the period increased by 8.6% to RUB 9.8 billion. The net profit margin stood at 9.2%, versus 10.9% and 6.4% for the same periods of 2020 and 2019, respectively
- The IAS 17-based adjusted net debt to EBITDA ratio remained at a conservative 0.4x, well below the threshold of 1.0x set out in the Group's guidance

Fix Price CEO Dmitry Kirsanov said:

"I am proud of Fix Price's debut IFRS financial results as a publicly traded company. Our business model has continued to demonstrate its resilience and flexibility as macroeconomic headwinds have contributed to a complex trading environment. Thanks to our ability to consistently offer the best value for money as accelerating inflation puts pressure on real disposable incomes, Fix Price remains the value retailer of choice for customers across its markets of presence.

"Half-year revenue surpassed RUB 100 billion, increasing by 28.1% to RUB 106.1 billion, driven by double-digit LFL sales and the continued expansion of our store network. EBITDA of RUB 19.8 billion was up by 24.1% year-on-year, with a robust EBITDA margin of 18.7% – only slightly below the abnormally high level of last year and significantly ahead of the same period pre-COVID in 2019 – as management maintained strict control of costs and maximised operational leverage. SG&A costs continue to decrease as a share of revenue as we continue to improve lease terms and due to other operational efficiencies.

"During the first half of the year management focused on maintaining operational flexibility and gradually adjusting to the new environment as the post-COVID recovery continues, with the introduction of new price points and fast assortment rotation. We also focused on growing traffic to position Fix Price to benefit from an expected increase in impulse shopping and discretionary spending in the second half of the year. In addition, we accelerated our store opening programme as we sought to lock in lower capex costs and offset an anticipated rise in raw materials costs through the rest of the year, completing 60% of the plan for FY 2021 in the first half of the year and entering 65 new localities.

"Since the end of the reporting period management has introduced a number of measures to support LFL sales growth going forward in response to additional pressures from external factors in the macroeconomic environment. Notwithstanding current headwinds, management remains committed to achieving the guidance that we announced during our IPO. Our belief in the strength of the business is reflected in the decision to pay a dividend equal to 100% of IFRS net profit for H1 2021 – well above the minimum level set out in the Company's Dividend Policy."

² EBITDA calculated as profit for the respective period adjusted for income tax expense, interest expense, interest income, depreciation and amortisation expense, and foreign exchange gain (net)

LFL dynamics, %

| | H1 2021 | H1 2020 | H1 2019 |
|---------------------------|---------|---------|---------|
| LFL sales growth | 11.9% | 13.3% | 18.6% |
| LFL traffic growth | 9.0% | (4.5%) | 10.3% |
| LFL average ticket growth | 2.6% | 18.7% | 7.5% |

| | Q2 2021 | Q2 2020 | Q2 2019 |
|---------------------------|---------|---------|---------|
| LFL sales growth | 11.8% | 10.8% | 18.3% |
| LFL traffic growth | 21.8% | (15.3%) | 9.9% |
| LFL average ticket growth | (8.2%) | 30.8% | 7.7% |

Store base, geographical coverage and selling space

| | 30.06.2021 | 31.12.2020 | 30.06.2020 |
|--|----------------|----------------|----------------|
| Number of stores | 4,585 | 4,167 | 3,773 |
| Russia | 4,204 | 3,891 | 3,589 |
| Belarus | 180 | 152 | 116 |
| Kazakhstan | 138 | 89 | 52 |
| Uzbekistan | 38 | 15 | 0 |
| Latvia | 19 | 14 | 10 |
| Georgia | 4 | 4 | 4 |
| Kyrgyzstan | 2 | 2 | 2 |
| Number of company-operated stores | 4,099 | 3,742 | 3,363 |
| Russia | 3,775 | 3,507 | 3,251 |
| Belarus | 171 | 143 | 67 |
| Kazakhstan | 115 | 77 | 45 |
| Uzbekistan | 38 | 15 | 0 |
| Number of franchised stores | 486 | 425 | 410 |
| Russia | 429 | 384 | 338 |
| Belarus | 9 | 9 | 49 |
| Kazakhstan | 23 | 12 | 7 |
| Latvia | 19 | 14 | 10 |
| Georgia | 4 | 4 | 4 |
| Kyrgyzstan | 2 | 2 | 2 |
| Selling space (sqm) | 983,919 | 889,526 | 801,710 |
| Company-operated stores | 877,518 | 797,352 | 712,317 |
| Franchised stores | 106,401 | 92,174 | 89,393 |

Operating results

Store network expansion

- The Company added 418 net new stores during the first six months of 2021, including 357 company-operated stores and 61 franchised stores
- Fix Price continued its active expansion across Russia and abroad. Approximately a quarter of net openings were in geographies outside Russia, leading to 169 bps growth in the share of international geographies from the start of the year to 8.3% of the total store base as of June 30, 2021
- The total store base reached 4,585 stores, up 21.5% y-o-y, with franchised stores representing 10.6% of the total store count (down 27 bps y-o-y)
- Total selling space increased by 94.4 ths. sqm during H1 2021, reaching a total of 983.9 ths. sqm (22.7% growth y-o-y). The average selling space per Fix Price store was 215 sqm, compared to 212 sqm a year ago
- The Company accelerated store openings in H1 2021, achieving 60% of the full-year target, to capitalise on lower capex costs and in anticipation of price inflation for construction materials during the remainder of 2021. Due to this acceleration, the Company has revised its full-year plan for net openings in 2021 upwards to approximately 730 stores

LFL sales growth

- The Company recorded another quarter of double-digit LFL sales growth of 11.8% in Q2 2021. LFL traffic growth of 21.8% fully offset a decrease in the LFL average ticket of 8.2%. Compared to the pre-COVID period both components demonstrated positive dynamics – LFL sales in H1 2021 grew by 25.4% compared to H1 2019 on the back of a 2.8% increase in LFL traffic and 22.0% growth in the average ticket
- COVID-19 shopping patterns reversed, with traffic turning positive starting from the end of March and the average ticket normalising on a y-o-y basis as the easing of COVID-related restrictions led customers to make more frequent store visits
- As expected, April 2021 was very strong against the low base of April 2020 when lockdown measures were introduced in Russia. Fix Price stores remained operational during the lockdown in 2020 and saw increased demand for non-food items, supported by customer flow from HoReCa establishments, which were mostly closed. Some moderation in May and June 2021 was due to relatively strong sales in May-June 2020, as well as abnormally hot weather in June 2021 and the introduction of new restrictions due to a rise in COVID case numbers in Russia
- LFL traffic growth in Q2 2021 was driven by active promotion of lower-priced food products amid an inflationary environment that put pressure on real disposable incomes. Positive traffic dynamics compared to the pre-COVID period in H1 2019 create a solid foundation to capitalise on an expected recovery in discretionary spending, which is likely to be further supported by government stimulus in the second half of the year

Assortment and category mix

- The product mix shifted towards food categories, which accounted for 29% of total sales in H1 2021 compared to 26% for the same period of 2020, as price inflation across the board led customers to make less frequent non-essential non-food purchases. Strong growth of more

than 20% in LFL sales of food items was supported by high levels of advertising activity to promote lower priced and non-discretionary items and maintain perceptions of Fix Price as the retailer with the most attractive pricing proposition. Other categories that demonstrated double-digit LFL growth were party, seasonal and homeware items, while all categories saw positive LFL sales

- The share in sales of the new RUB 249 and RUB 299 price points reached 3.7% for H1 2021, while the share of price points above RUB 100 grew to 23.6%, compared to 17.4% for H1 2020 and 19.2% for FY 2020 due to effective introduction of new assortment, including home decor items and electronics, as well as gradual repricing of existing rotated assortment to mitigate COGS pressure
- The average ticket of RUB 272 increased by 4.1% y-o-y from RUB 261 in H1 2020, reflecting gradual utilisation of the potential of higher price points

Loyalty programme development

- The total number of registered loyalty card holders increased by 2.3 million to 13.8 million, on the back of improved programme terms introduced in April 2021. Transactions using loyalty cards accounted for 41.8% of total retail sales for H1 2021, compared to 33.8% for the same period in 2020
- The average ticket for purchases made using a loyalty card increased to RUB 402 in H1 2021, from RUB 396 in H1 2020. The average ticket for non-loyalty-card purchases in H1 2021 was RUB 226

Financial results for H1 2021

Statement of comprehensive income highlights

| RUB mln | H1 2021 | H1 2020 | H1 2019 | Change H1'21 vs H1'20, % | CAGR H1'19-H1'21 |
|--|----------------|---------------|---------------|--------------------------|------------------|
| Revenue | 106,116 | 82,869 | 64,088 | 28.1% | 28.7% |
| Retail revenue | 93,026 | 71,506 | 55,482 | 30.1% | 29.5% |
| Wholesale revenue | 13,090 | 11,363 | 8,606 | 15.2% | 23.3% |
| Cost of sales | (72,968) | (55,771) | (44,200) | 30.8% | 28.5% |
| Gross profit | 33,148 | 27,098 | 19,888 | 22.3% | 29.1% |
| <i>Gross margin, %</i> | <i>31.2%</i> | <i>32.7%</i> | <i>31.0%</i> | | |
| SG&A (excl. D&A) | (13,741) | (11,238) | (8,968) | 22.3% | 23.8% |
| Other op. income and share of profit of associates | 421 | 121 | 168 | 247.9% | 58.3% |
| EBITDA | 19,828 | 15,981 | 11,091 | 24.1% | 33.7% |
| <i>EBITDA margin, %</i> | <i>18.7%</i> | <i>19.3%</i> | <i>17.3%</i> | | |
| D&A | (5,676) | (4,782) | (4,008) | 18.7% | 19.0% |
| Operating profit | 14,152 | 11,199 | 7,080 | 26.4% | 41.4% |
| <i>Operating profit margin, %</i> | <i>13.3%</i> | <i>13.5%</i> | <i>11.0%</i> | | |
| Net finance costs | (647) | (317) | (469) | 104.1% | 17.5% |
| FX gain / (loss), net | 96 | 1,100 | (351) | (91.3%) | n/a |

| RUB mln | H1 2021 | H1 2020 | H1 2019 | Change H1'21 vs H1'20, % | CAGR H1'19-H1'21 |
|-----------------------|---------|---------|---------|--------------------------|------------------|
| Profit before tax | 13,601 | 11,982 | 6,260 | 13.5% | 47.4% |
| Income tax | (3,813) | (2,968) | (2,151) | 28.5% | 33.1% |
| Profit for the period | 9,788 | 9,014 | 4,109 | 8.6% | 54.3% |
| Net profit margin, % | 9.2% | 10.9% | 6.4% | | |

Selling, general and administrative expenses

| RUB mln | H1 2021 | H1 2020 | H1 2019 | Change H1'21 vs H1'20, % | CAGR H1'19-H1'21, % |
|-------------------------------------|----------|----------|----------|--------------------------|---------------------|
| Staff costs | (9,561) | (7,860) | (6,237) | 21.6% | 23.8% |
| % of revenue | (9.0%) | (9.5%) | (9.7%) | | |
| Depreciation of right-of-use assets | (4,425) | (3,717) | (3,158) | 19.0% | 18.4% |
| % of revenue | (4.2%) | (4.5%) | (4.9%) | | |
| Other depreciation and amortisation | (1,251) | (1,065) | (850) | 17.5% | 21.3% |
| % of revenue | (1.2%) | (1.3%) | (1.3%) | | |
| Bank charges | (1,151) | (863) | (544) | 33.4% | 45.5% |
| % of revenue | (1.1%) | (1.0%) | (0.8%) | | |
| Rental expenses | (708) | (733) | (660) | (3.4%) | 3.6% |
| % of revenue | (0.7%) | (0.9%) | (1.0%) | | |
| Security services | (744) | (648) | (526) | 14.8% | 18.9% |
| % of revenue | (0.7%) | (0.8%) | (0.8%) | | |
| Advertising costs | (356) | (274) | (306) | 29.9% | 7.9% |
| % of revenue | (0.3%) | (0.3%) | (0.5%) | | |
| Repair and maintenance costs | (402) | (348) | (357) | 15.5% | 6.1% |
| % of revenue | (0.4%) | (0.4%) | (0.6%) | | |
| Utilities | (340) | (236) | (142) | 44.1% | 54.7% |
| % of revenue | (0.3%) | (0.3%) | (0.2%) | | |
| Other expenses | (479) | (276) | (196) | 73.6% | 56.3% |
| % of revenue | (0.5%) | (0.3%) | (0.3%) | | |
| SG&A (excl. D&A) | (13,741) | (11,238) | (8,968) | 22.3% | 23.8% |
| % of revenue | (12.9%) | (13.6%) | (14.0%) | | |
| Total SG&A | (19,417) | (16,020) | (12,976) | 21.2% | 22.3% |
| % of revenue | (18.3%) | (19.3%) | (20.2%) | | |

The Group recorded strong **revenue** growth of 28.1% to RUB 106.1 billion for H1 2021, with a 30.1% increase in retail revenue and 15.2% growth in wholesale revenue.

Growth in the Group's **retail revenue** to RUB 93.0 billion was driven by a 11.9% increase in like-for-like sales and a 21.8% year-on-year increase in the average number of stores operated by the Group. Growth in the Group's **wholesale revenue** to RUB 13.1 billion was due to the expansion of its franchised stores footprint. The share of wholesale revenue in the Company's total revenue decreased by 138 bps to 12.3%, driven primarily by the buyout of 58 franchised stores in international geographies in the first half of 2020.

Gross profit increased by 22.3% y-o-y to RUB 33.1 billion for H1 2021. The **gross margin** normalised by 146 bps for the same period to 31.2%, reflecting a change in the product mix towards food items compared to the abnormally high share of non-food in H1 2020, as well as pressure on cost of goods sold due to continued dislocations in the international freight market, commodities price inflation and FX volatility, and growth of transportation costs and shrinkage.

In comparison to the pre-pandemic environment of H1 2019, the gross margin for H1 2021 improved by 21 bps despite significant macroeconomic headwinds due to freight, commodities and FX pressures. The flexibility of the Fix Price business model successfully mitigates those headwinds through the introduction of new assortment at higher price points, product reengineering and fast assortment rotation. The Group maintains a substantial price advantage over other retailers and preserves customer trust, even as consumers generally remain cautious amid the “new normal” and are taking time to revert to pre-pandemic shopping patterns.

As prices edge up across the board, real disposable income remains under pressure. As per recent market research³, consumers are tending to reduce spending, postponing impulse buying and shopping predominantly for essential items like groceries and cleaning products. In the current environment, Fix Price has shifted its focus to supporting recovering traffic dynamics by boosting sales of food and personal care and household products, which generate somewhat lower margins compared to discretionary non-food items.

In H1 2020 the gross margin was further supported by higher share of non-food items in sales mix amid the onset of the pandemic. Fix Price stores remained open and enjoyed additional demand for higher-margin non-food items, driven by strong home consumption trends as entertainment venues and specialty retailers were closed.

Transportation costs as a share of revenue increased by 16 bps year-on-year and reached 1.8% in H1 2021 due to a lower base in H1 2020 (seasonal load restrictions for trucks were suspended in H1 2020 due to COVID), an increase in the number of longer trips to international geographies on the back of network expansion, as well as higher share of retail revenue in the overall revenue mix. In comparison with H1 2019, transportation costs as percentage of revenue increased at a slower pace, by just 9 bps.

Inventory write-down due to shrinkage and write-offs to net realisable value in H1 2021 increased by 16 bps year-on-year to 0.9% as a share of revenue, due to application of higher accruals compared to the year-ago period based on the results of the Q4 2020 inventory count, as well as a higher share of retail revenue in the overall revenue mix. Shrinkage and write-downs as a percentage of revenue improved by 2 bps compared to H1 2019.

The Group’s **selling, general and administrative expenses** decreased as percentage of revenue by 103 bps to 18.3% due to increased operating efficiency (SG&A excluding D&A decreased as percentage of revenue by 61 bps to 12.9%). This was driven mainly by decreases in the share of revenue from rental expenses, staff costs and D&A.

The key driver in reducing SG&A expenses as a share of revenue was staff costs, which decreased by 47 bps to 9.0% of revenue on the back of an increase in efficiency of in-store personnel and HQ personnel amid network expansion.

³ Research into the target audience of Fix Price stores in cities with population of over one million in the spring 2021, conducted by Vector at the Company’s request

Rental expenses (in accordance with IAS 17) decreased by 13 bps to 5.2% of revenue, reflecting a continued strong negotiating position with landlords, as lease terms remained favourable for tenants in the post-COVID environment.

Rental expenses (under IFRS 16) decreased by 22 bps to 0.7% of revenue. In absolute terms rental expenses decreased by 3.4% to RUB 708 million due to a reduction in the average lease rate on variable leases, as well as overall reduction of the variable component in operating leases.

Depreciation and amortisation (D&A) expenses increased by 18.7%, driven by a 19.0% increase in depreciation of right-of-use assets and a 17.5% increase in other D&A.

Bank charges increased by 4 bps to 1.1% of revenue, driven by a continued increase in the share of non-cash payments with higher commissions on bank card transactions compared to cash transactions.

Utilities as a share of revenue remained stable y-o-y at 0.3%. The increase in absolute terms of 44.1% to RUB 340 million was attributable to store network expansion and the abnormally cold winter of 2020-2021.

Costs for security services were down by 8 bps to 0.7% of revenue, while advertising costs as percentage of revenue remained stable at 0.3%.

Other expenses increased by 12 bps to 0.5% of revenue due to expansion of the business, as well as the one-off impact of IPO-related expenses, which were partially offset by income received from a depositary bank in connection with the IPO.

EBITDA IAS 17 and IFRS 16 reconciliation

| RUB mln | H1 2021 | H1 2020 | H1 2019 |
|----------------|---------|---------|---------|
| EBITDA IFRS 16 | 19,828 | 15,981 | 11,091 |
| Rental expense | (4,764) | (3,650) | (3,373) |
| Utilities | (76) | (80) | (74) |
| EBITDA IAS 17 | 14,988 | 12,251 | 7,644 |

EBITDA under IFRS 16 was up by 24.1% to RUB 19.8 billion for H1 2021. The **EBITDA margin** normalised by 60 bps to 18.7% due to the high base effect of H1 2020 amid an elevated share of non-food items in sales, while gross margin pressure was to a large extent offset by improvements on the SG&A side. The significant 138 bps increase in the EBITDA margin compared to pre-COVID H1 2019 reflects structural improvements to operational efficiency.

EBITDA under IAS 17 was up by 22.3% to RUB 15.0 billion for H1 2021, with the IAS 17-based EBITDA margin standing at strong 14.1%.

Net finance costs in H1 2021 increased by 104.1% to RUB 647 million, driven by an increase in loans and borrowings year-on-year.

In H1 2021 the Group recorded an **FX gain** of RUB 96 million, compared to RUB 1.1 billion in H1 2020, due to a significantly lower gain on revaluation of the Company's FX-denominated cash balances.

The Group's total **income tax expense** increased by 28.5% to RUB 3.8 billion in H1 2021. The effective tax rate was up from 24.8% in H1 2020 to 28.0% in the reporting period due to a deferred tax expense in relation to future dividend distributions.

Profit for the period increased by 8.6% y-o-y to RUB 9.8 billion. The net profit margin was 9.2% versus 10.9% for H1 2020 and 6.4% for H1 2019.

Statement of financial position highlights

| RUB mln | 30.06.2021 | 31.12.2020 | 30.06.2020 |
|--|---------------|---------------|----------------|
| Current loans and borrowings | 15,613 | 15,680 | 5,797 |
| Current lease liabilities | 6,707 | 6,339 | 5,436 |
| Non-current lease liabilities | 4,103 | 3,713 | 2,740 |
| Cash and cash equivalents | (4,959) | (26,375) | (7,789) |
| Net Debt/(Cash) | 21,464 | (643) | 6,184 |
| Dividends payable | - | 23,658 | 662 |
| Adjusted Net Debt | 21,464 | 23,015 | 6,846 |
| Adjusted Net Debt/ EBITDA (IFRS 16) | 0.5x | 0.6x | 0.2x |
| Current lease liabilities | (6,707) | (6,339) | (5,436) |
| Non-current lease liabilities | (4,103) | (3,713) | (2,740) |
| IAS 17-Based Adjusted Net Debt/(Cash) | 10,654 | 12,963 | (1,330) |
| IAS 17-based Adjusted Net Debt/ EBITDA (IAS 17) | 0.4x | 0.5x | (0.1)x |

As of 30 June 2021, the Group's total **loans, borrowings and lease liabilities** amounted to RUB 26.4 billion. Financial debt remained largely unchanged compared with 31 December 2020.

As of 30 June 2021, adjusted net debt stood at RUB 21.5 billion, while IAS 17-based adjusted net debt totaled RUB 10.7 billion. The Group's IAS 17-based adjusted net debt to EBITDA ratio remained at a conservative 0.4x, well below the threshold of 1.0x set out in the Group's guidance.

Statement of cash flows highlights

| RUB mln | H1 2021 | H1 2020 | H1 2019 |
|--|-----------------|-----------------|----------------|
| Profit before tax | 13,601 | 11,982 | 6,260 |
| Cash from operating activities before changes in working capital | 20,759 | 16,582 | 11,658 |
| Changes in working capital | (6,437) | (1,088) | (2,514) |
| Net cash generated from operations | 14,322 | 15,494 | 9,144 |
| Net interest paid | (741) | (372) | (483) |
| Income tax paid | (3,115) | (2,299) | (1,198) |
| Net cash flows from operating activities | 10,466 | 12,823 | 7,463 |
| Net cash flows used in investing activities | (3,713) | (2,501) | (2,346) |
| Net cash flows used in financing activities | (28,239) | (15,703) | 1,299 |
| Effect of exchange rate fluctuations on cash and equivalents | 70 | 1,289 | (459) |

| RUB mln | H1 2021 | H1 2020 | H1 2019 |
|---|----------|---------|---------|
| Net (decrease) / increase in cash and equivalents | (21,416) | (4,092) | 5,957 |

As of 30 June 2021, the Group's net trade working capital⁴ was up to RUB 4.4 billion, compared to RUB 1.8 billion as of 30 June 2020, as the Company took pre-emptive measures amid dislocations in the international transportation market and purchased safety stock to lock in purchase prices and ensure shelves remained full.

Capex for the reporting period amounted to RUB 3.8 billion compared with RUB 2.6 billion for the same period of 2020. The year-on-year increase was expected and driven by investments in the distribution centre network, the higher pace of store openings and the restart of the store renovation program.

Announcement of interim dividends for 2021

The Board of Directors of Fix Price Group Ltd. is pleased to announce that the Company intends to pay an interim dividend in the amount of RUB 9,788 million or RUB 11.5 per GDR/share (gross amount subject to taxes and fees), amounting to 100% of profit under IFRS for the six months ended 30 June 2021. The interim dividend will be paid on 28 September 2021 to shareholders on the register of members at the close of business on 24 September 2021. The ex-dividend date will be 23 September 2021.

About the Company

Fix Price (LSE and MOEX: FIXP), one of the leading variety value retailers globally and the largest in Russia, has helped 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.

Today there are more than 4,600 Fix Price stores in Russia and neighbouring countries, all of them stocking approximately 1,800 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.

In 2020, the Company recorded revenue of RUB 190.1 billion, EBITDA of RUB 36.8 billion and net profit of RUB 17.6 billion, in accordance with IFRS.

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⁴ Net trade working capital is calculated as Inventories *plus* Receivables and other financial assets *minus* Payables and other financial liabilities