



## Fix Price announces key operating results and revenue for Q1 2022

### Continued expansion in line with previous guidance

**27 April 2022** – 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 and revenue for the first quarter ended 31 March 2022 (Q1 2022).

### Operating summary for Q1 2022

- Revenue increased by 21.2% y-o-y to RUB 62.6 billion, driven by new store openings and LFL sales growth
  - Retail revenue grew by 23.4% y-o-y to RUB 55.4 billion
  - Wholesale revenue was up by 7.0% y-o-y to RUB 7.2 billion
- LFL sales<sup>1</sup> increased by 11.6% y-o-y amid strong consumer demand in March 2022
  - LFL average ticket was up by 12.0% y-o-y on the back of a higher average price per item amid continued reengineering and repricing of the assortment
  - LFL traffic was down by 0.3% y-o-y, reflecting pressure on frequency of visits from a new wave of COVID-19 at the end of January and related restrictions
  - LFL sales at company-operated stores in Russia were up by 13.1%; at stores unaffected by COVID-related restrictions, LFL sales growth reached 14.2%. Sales at company-operated stores in Kazakhstan and Belarus continued to be heavily impacted by COVID-related restrictions as well as a challenging macroeconomic and political environment
- The total number of stores increased by 179 to 5,083, of which 560 are franchised. The total selling space of stores operating under the Fix Price brand increased by 39.9 ths. sqm to 1,096.7 ths. sqm. The Company reiterates its previous guidance for 750 net new store openings in FY 2022
- The total number of registered loyalty cardholders grew by 1.0 million to 18.0 million, with transactions using loyalty cards accounting for 52.8% of total retail sales<sup>2</sup>. The average ticket for purchases made using a loyalty card remains 1.8x higher than the average ticket for non-loyalty-card purchases

### LFL dynamics, %

	Q1 2022	Q1 2021
LFL sales growth	11.6%	11.9%
LFL traffic growth	(0.3%)	(2.9%)
LFL average ticket growth	12.0%	15.2%

<sup>1</sup> 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 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 the comparable period

<sup>2</sup> The data on loyalty program is calculated for Fix Price stores operating in Russia

## Store base, geographical coverage and selling space

	31.03.2022	31.12.2021	31.03.2021
<b>Total number of stores</b>	<b>5,083</b>	<b>4,904</b>	<b>4,354</b>
Russia	4,602	4,445	4,034
Belarus	226	212	164
Kazakhstan	186	172	110
Uzbekistan	30	42	25
Latvia	27	24	15
Georgia	6	4	4
Kyrgyzstan	6	5	2
<b>Number of company-operated stores</b>	<b>4,523</b>	<b>4,368</b>	<b>3,901</b>
Russia	4,114	3,975	3,628
Belarus	217	203	155
Kazakhstan	162	148	93
Uzbekistan	30	42	25
<b>Number of franchised stores</b>	<b>560</b>	<b>536</b>	<b>453</b>
Russia	488	470	406
Belarus	9	9	9
Kazakhstan	24	24	17
Latvia	27	24	15
Georgia	6	4	4
Kyrgyzstan	6	5	2
<b>Selling space (sqm)</b>	<b>1,096,723</b>	<b>1,056,840</b>	<b>931,485</b>
Company-operated stores	972,850	938,392	832,870
Franchised stores	123,873	118,448	98,615

## Development of company-operated stores

	Q1 2022	Q1 2021
<b>Gross openings</b>	<b>188</b>	<b>180</b>
Russia	159	142
Belarus	14	12
Kazakhstan	15	16
Uzbekistan	-	10
<b>Closures</b>	<b>33</b>	<b>21</b>
Russia	20	21
Belarus	-	-
Kazakhstan	1	-
Uzbekistan	12	-
<b>Net openings</b>	<b>155</b>	<b>159</b>
Russia	139	121
Belarus	14	12

	Q1 2022	Q1 2021
Kazakhstan	14	16
Uzbekistan	(12)	10

## Operating results

### Store network expansion

- The total number of stores grew by 16.7% y-o-y to 5,083, with franchised stores representing 11.0% of the total store count
- The Company opened 179 net new stores in Q1 2022, including 155 company-operated stores and 24 franchised stores, versus 187 net new stores in Q1 2021, which included 159 net new company-operated stores and 28 franchised stores
- The Group closed 33 company-operated stores in Q1 2022
- Fix Price continued its expansion across Russia and internationally, with 12.3% of net openings in Q1 2022 in geographies outside Russia
- Total selling space increased by 39.9 ths. sqm during Q1 2022, reaching 1,096.7 ths. sqm (17.7% increase y-o-y). The average selling space per Fix Price store was 216 sqm, compared to 214 sqm a year ago
- During Q1 2022 the Company entered 55 new towns in its countries of presence and one new region in Russia. Stores under the Fix Price brand currently operate in 80 regions of Russia

### LFL sales growth

- LFL sales grew by 11.6% in Q1 2022. LFL average ticket growth of 12.0% fully offset a contraction of 0.3% in LFL traffic
- LFL sales dynamics was uneven during the quarter. In January and February 2022, a new wave of the COVID-19 pandemic and a sharp rise in new cases led to more cautious consumer behavior, which was compounded by government restrictions in a number of Russian regions and resulted in a reduced number of store visits. Overall, more than 450 stores in Russia were under material restrictions in Q1 2022
- In March consumer sentiment strongly rebounded, driven by stockpiling amid growing concerns around general availability of products in the retail sector and mounting inflation. Stable price levels and availability of goods at Fix Price stores further supported sales and enhanced customer loyalty
- LFL sales at company-operated stores in Russia increased by 13.1%; at stores unaffected by COVID-related restrictions, LFL sales were up by 14.2%
- In Kazakhstan, LFL traffic was impacted by geopolitical tensions at the beginning of the year and COVID-related restrictions. In Belarus, LFL sales were affected by continued pressure on real disposable incomes, and Fix Price had to temporarily reduce the assortment matrix due to state regulation

### Assortment and category mix

- The retail sales mix shifted towards a higher share of essentials, reflecting customer stockpiling in March 2022. The share of food in the retail sales mix in Q1 2022 stood at 28.8% (up 74 bps y-o-y), while the share of cosmetics, hygiene and household chemicals products increased from 22.9% in Q1 2021 to 26.9% in the reporting period

- Cosmetics, hygiene and household chemicals products led growth with an increase of more than 30% in LFL sales, followed by strong sell-through in food, seasonal items, homeware, books and stationery
- The share of price points above RUB 100 in retail sales reached 28.8% in Q1 2022, compared to 22.4% in the same period last year. At the lower end of the range, the share of the new RUB 59 and RUB 79 price points in retail sales stood at 28.2%. The share of new higher price points above RUB 200 in retail sales was 8.9% in Q1 2022
- The average ticket of RUB 317 in Q1 2022 increased by 12.5% y-o-y

### Loyalty programme development

- The total number of registered loyalty card holders increased by 1.0 million during Q1 2022 to 18.0 million, on the back of various advertising campaigns and promotional activities for loyalty program members. The share of active loyalty programme members<sup>3</sup> has remained above 50% for several consecutive quarters
- Transactions using loyalty cards increased to 52.8% of total retail sales for Q1 2022, compared to 41.3% for the same period in the previous year
- The average ticket for purchases made using a loyalty card increased to RUB 438 in Q1 2022 from RUB 403 in Q1 2021. The average ticket for non-loyalty-card purchases in Q1 2022 was RUB 249

### Revenue dynamics

RUB mln	Q1 2022	Q1 2021	Change Q1'22 vs Q1'21, %
Revenue	62,630	51,659	21.2%
Retail revenue	55,385	44,886	23.4%
Wholesale revenue	7,245	6,773	7.0%

The Group's revenue increased by 21.2% to RUB 62.6 billion for Q1 2022, driven by a 23.4% increase in retail revenue and 7.0% growth in wholesale revenue.

Growth in the retail revenue to RUB 55.4 billion was due to an 11.6% surge in like-for-like sales and an increase in the average number of stores operated by the Group. This was partially offset by softer sales densities in Belarus and Kazakhstan amid the continued tough macro environment in those countries and COVID-related restrictions imposed by their governments.

The Group's wholesale revenue grew to RUB 7.2 billion due to the opening of new franchised stores. The share of wholesale revenue in the Company's total revenue decreased by 154 bps to 11.6%, as retail revenue grew faster than wholesale revenue.

### Update on dividends

The Board has decided to postpone the payment of previously announced final dividends for 2021 totalling RUB 5.8 billion or RUB 6.8 per GDR/share for a period of up to twelve months. The Company will make further announcement on this topic in due course.

<sup>3</sup> Members of the loyalty program making at least one purchase per month



## Update on the Board of Directors

Fix Price announces that Elena Titova and Alexander Tynkovan have resigned as members of the Group's Board of Directors.

## 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.

As of 31 March 2022, Fix Price operates 5,083 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. The Company operates 8 DCs covering 80 regions of Russia and 6 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.

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