



# Q3 AND 9M 2023 OPERATING AND FINANCIAL RESULTS

October 2023

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Some of the Company's historical financial data for the periods following 1 January 2019 are presented herein under IAS 17 standard in addition to being presented under IFRS 16 standard, the lease standard under the IFRS that the Company started applying beginning on 1 January 2019. Presentation herein under IAS 17 for the periods following 1 January 2019 is primarily due to the fact that the Company believes that the investment community continues to focus on IAS 17 in analysing performance of retail companies. The results of the Company's operations presented under IAS 17 following 1 January 2019, however, are shown only for illustrative purposes. You should note that

the results of the Company's operations presented under IAS 17 after 1 January 2019 have not been audited or reviewed by the Company's independent auditors. In addition, the Company reserves the right to change its approach to presentation of its results of operations going forward. Therefore, you are strongly cautioned not to rely on the results of the Company's operations presented under IAS 17.

Furthermore, certain companies mentioned in this presentation, report under generally accepted accounting principles in the United States ("U.S. GAAP") or other local accounting standards. IFRS differ in certain significant respects from U.S. GAAP and such local accounting standards. Therefore, financial measures of such companies presented herein on the basis of such accounting principles and standards could be significantly different were such companies to report under IFRS. You should, therefore, consult your own advisors for an understanding of the differences between IFRS and other accounting principles, including U.S. GAAP, and how these differences might affect the financial information herein. Furthermore, certain financial measures presented herein (including EBITDA and ROIC) are unaudited supplementary measures of the Company's performance that are not required by, or presented in accordance with, IFRS, including financial measures for the periods after 1 January 2019 presented under IAS 17. The Company's use and definition of these metrics may vary from other companies in the Company's industry due to differences in accounting policies or differences in the calculation methodology as different companies use such measures for differing purposes that reflect the circumstances of those companies. These non-IFRS measures have limitations and should not be considered in isolation, or as substitutes, for financial information as reported under IFRS. Accordingly, undue reliance should not be placed on these non-IFRS measures presented herein.

Trading of the Company's GDRs is currently suspended on the London Stock Exchange. The Company can provide no assurance that trading of the GDRs will resume on the London Stock Exchange or that the trading of the Company's GDRs on the Moscow Exchange will not be suspended.

# KEY ACHIEVEMENTS IN Q3 / 9M 2023



**RUB 75bn / 210RUB**

Revenue



**123 / 499**

Net store openings<sup>(1)</sup>



**21.5%**

Loyal customer base  
growth year-on-year



**33.9% / 33.5%**

Gross margin



**RUB 14bn / RUB 37bn**

EBITDA



**RUB 7bn / RUB 27bn**

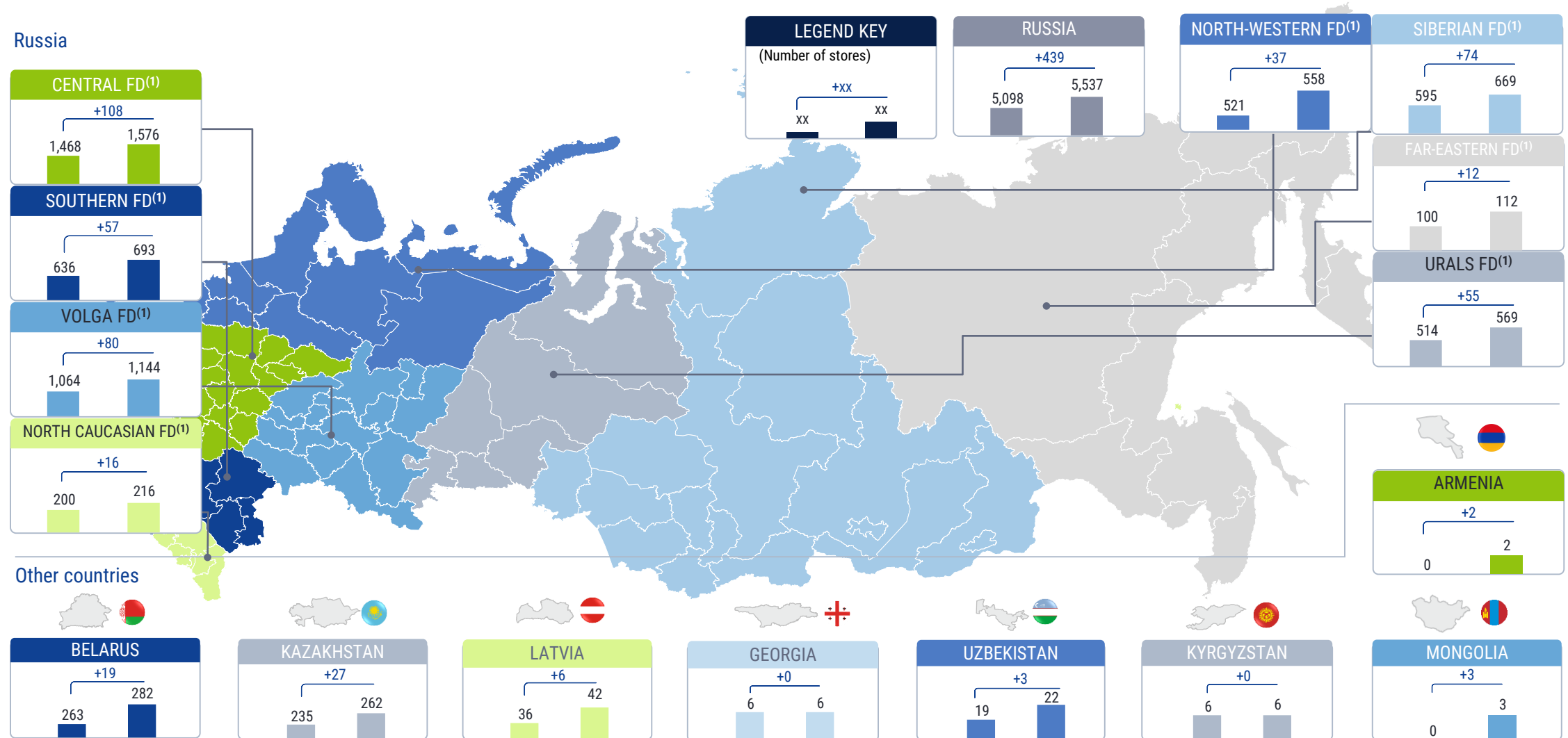
Net profit

Source: Company information, Management Accounts for 9M 2022, 9M 2023, Q3 2022 and Q3 2023

Notes: 1 Including Company-operated and franchise stores

# CONTINUOUS STORE EXPANSION

## GEOGRAPGICAL COVERAGE (2022 and 9M 2023, eop)



Source: Company information

Notes: 1 Federal District

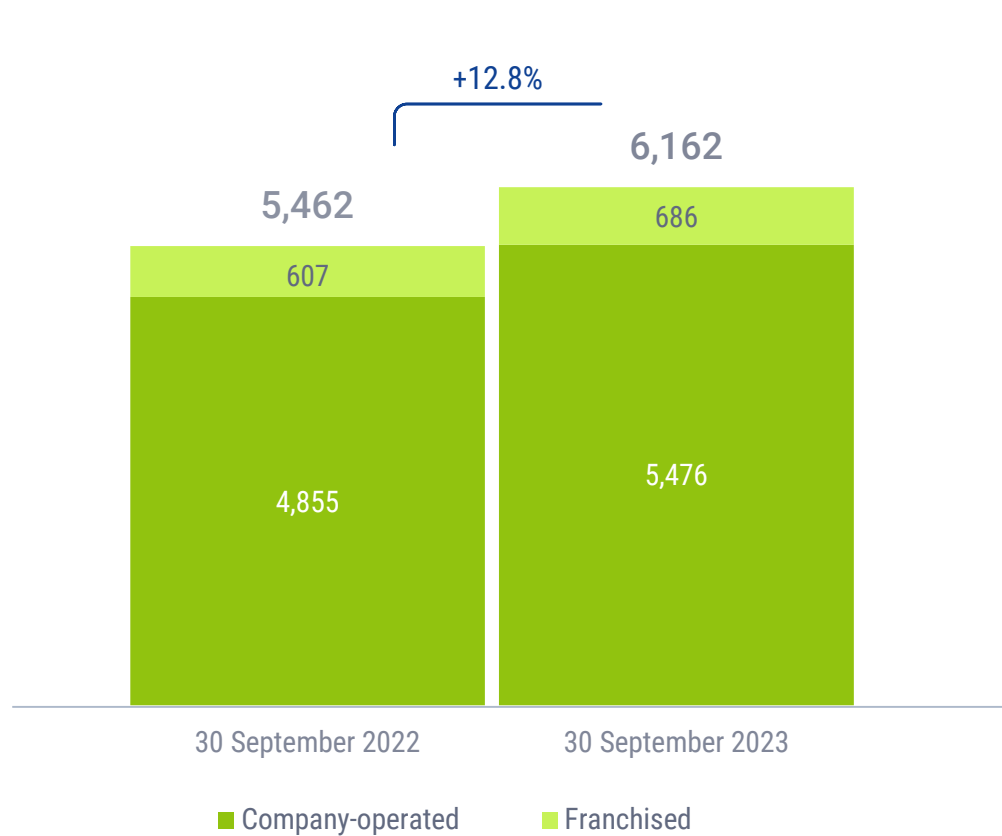
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# CONTINUOUS STORE EXPANSION



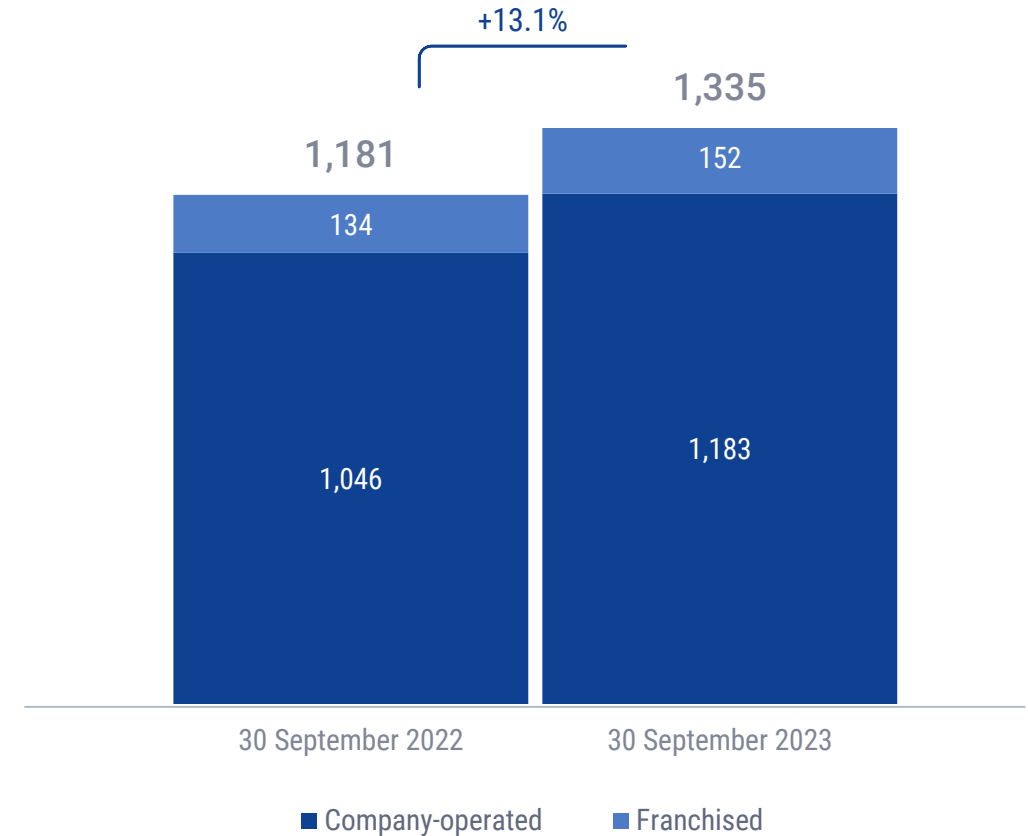
## FIX PRICE STORE PORTFOLIO GROWTH

(Number of stores)



## SELLING SPACE EXPANSION

(Thous. sqm)

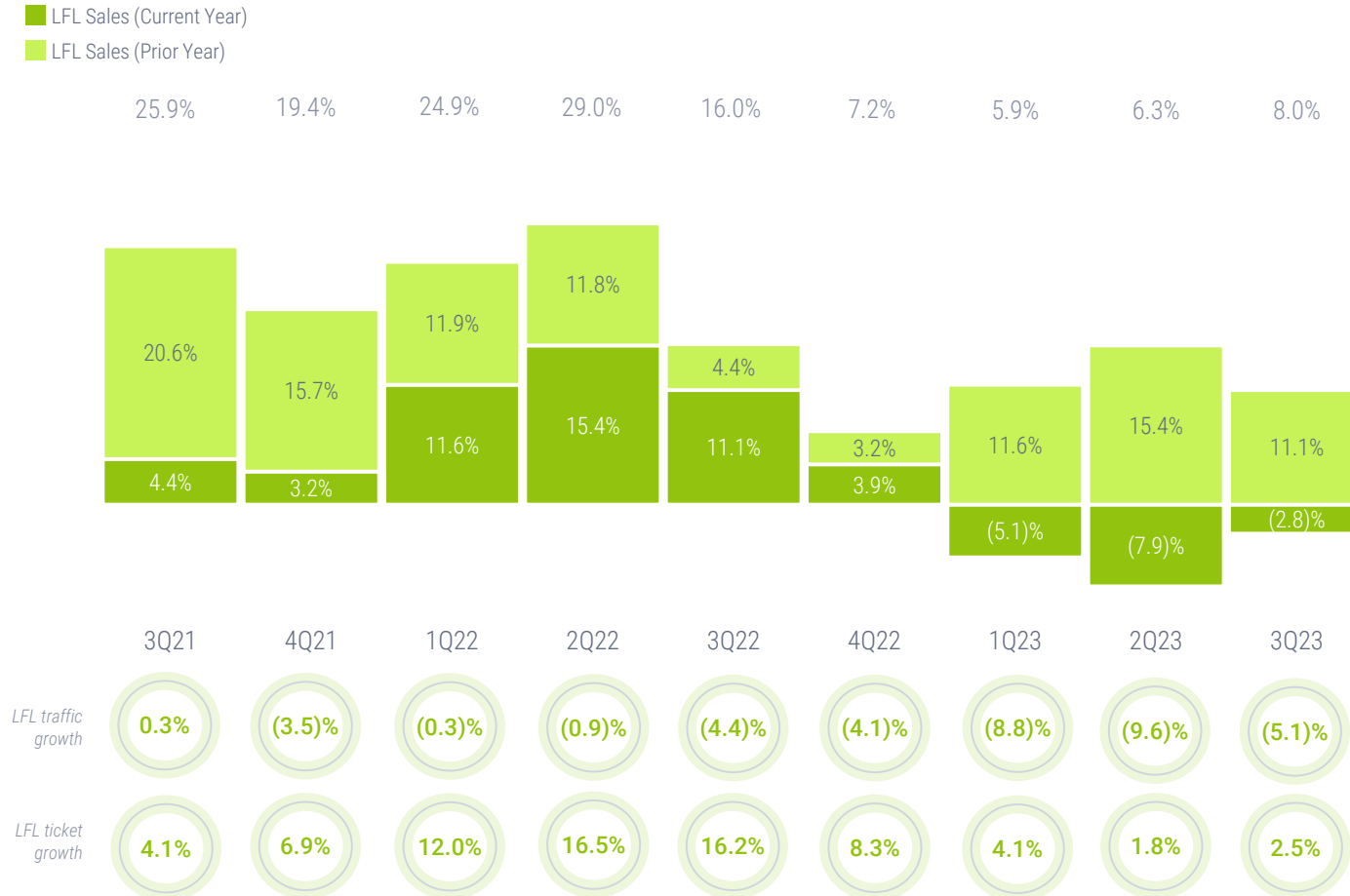


Source: Company information

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# LFL PERFORMANCE

## 2-YEAR STACKED LFL SALES GROWTH<sup>(1)(2)</sup>



## COMMENTS ON QUARTERLY DYNAMICS

- In Q3 2023, LFL sales were 2.8% lower y-o-y as a result of the continued high base effect of the previous year. The LFL average ticket grew by 2.5%; LFL traffic was 5.1% lower y-o-y

- On a 2-year basis LFL sales were 8.0% higher compared to Q3 2021

- LFL sales of Company-operated stores in Russia were down 5.4%. However, rouble-denominated LFL performance in Kazakhstan and Belarus was supportive due to the currency conversion effect on the back of rouble depreciation

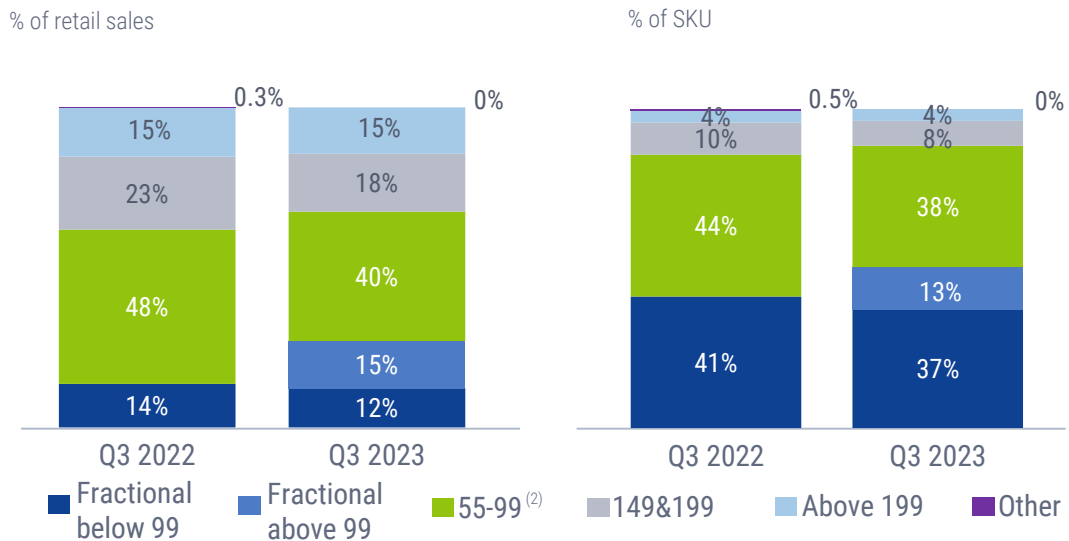
- Stores in Belarus showed positive LFL traffic dynamics, while in the national currency the LFL average ticket was affected by the high base of the previous year and uneven assortment matrix due to some operational hurdles. The LFL average ticket in stores in Kazakhstan improved on the back of granular work with the assortment. In both countries Fix Price maintained an attractive value proposition amid inflationary pressure

Source: Company information; LFL data as per Management Accounts

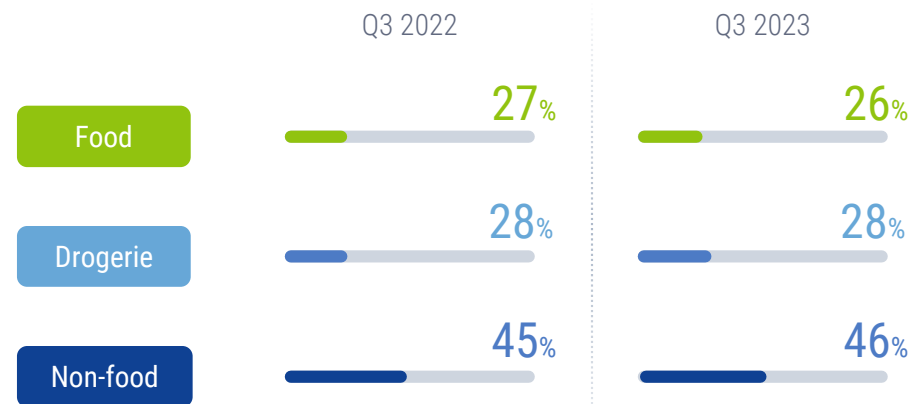
Notes: 1 Like for like (LFL) sales, average ticket and number of tickets are calculated based on the results of stores operated by Fix Price and that were open for at least 12 full calendar months preceding the reporting date. LFL sales and average ticket are calculated based on retail sales including VAT. LFL numbers exclude stores that were temporarily closed for seven or more consecutive days during the reporting and/ or comparable period; 2 Stacked LFL is calculated according to the following formula:  $(1 + \text{LFL Q}) * (1 + \text{LFL Q-1}) - 1$ , where LFL Q is current quarter LFL sales growth and LFL Q-1 is LFL sales growth for the same quarter of previous year

# EXTENDED CVP AND CONTINUED ROBUST PRICE ADVANTAGE

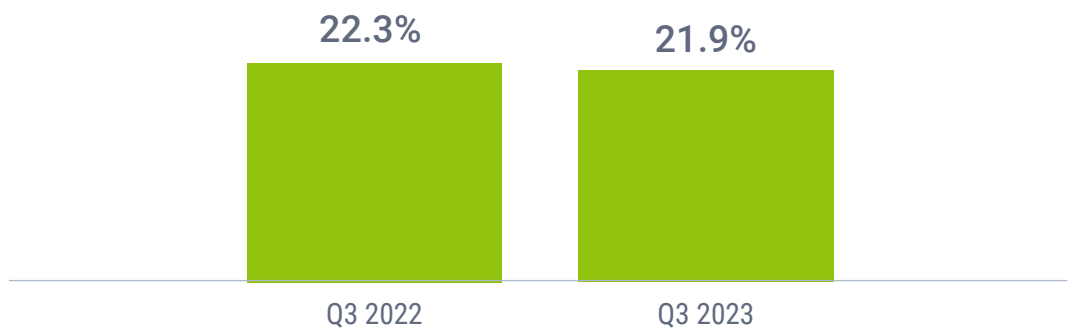
## 75% OF ASSORTMENT UNDER RUB 99<sup>(1)</sup>



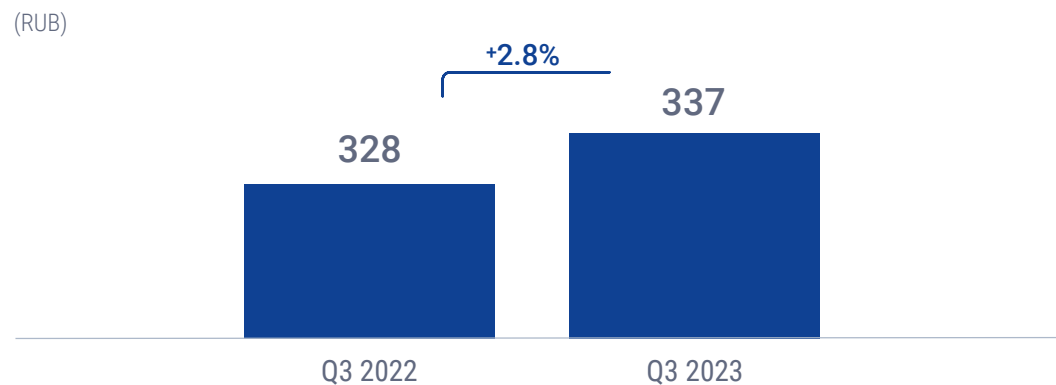
## RETAIL SALES MIX



## RETAIL SALES – SHARE OF IMPORT EVOLUTION



## AVERAGE TICKET GROWTH



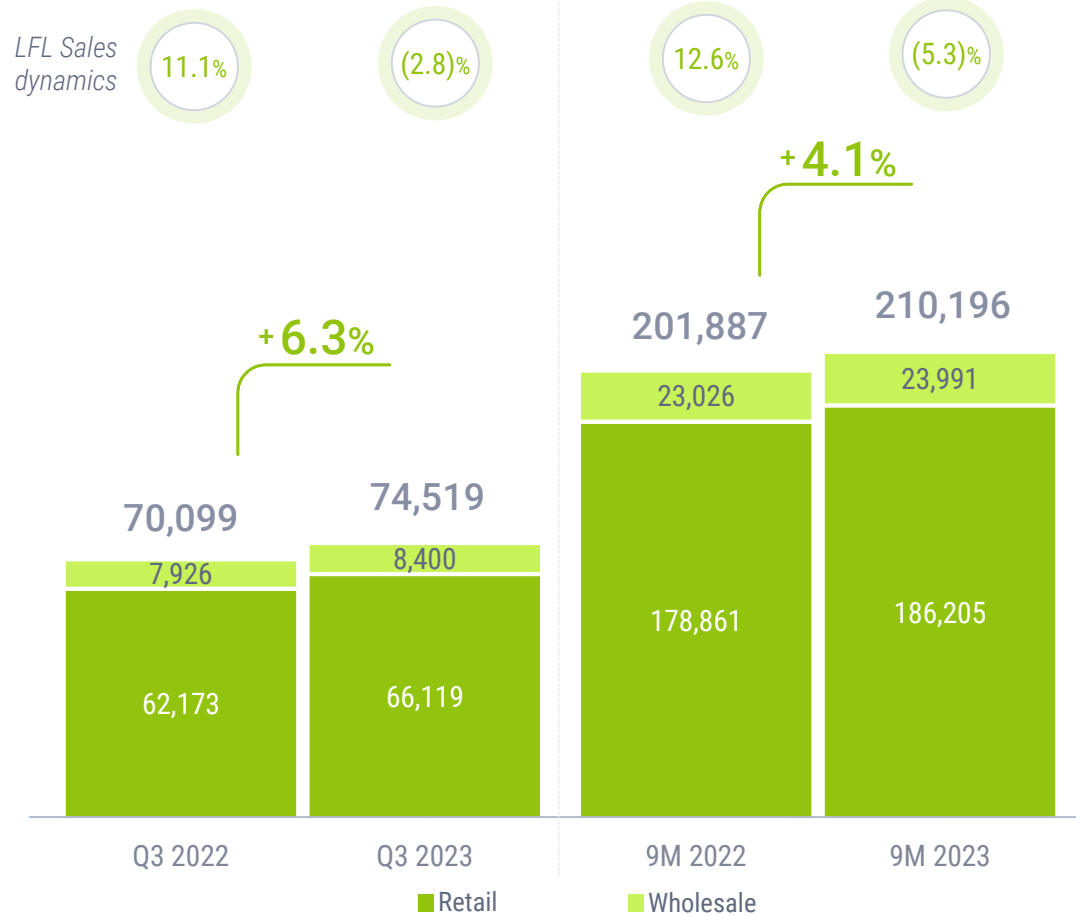
Source: Company information. Data on retail sales is based on the results of Company-operated stores in Russia

Notes: 1 For Q3 2023; 2 The category includes "55", "59", "79", "99"

# SOLID REVENUE GROWTH AND ROBUST PROFITABILITY

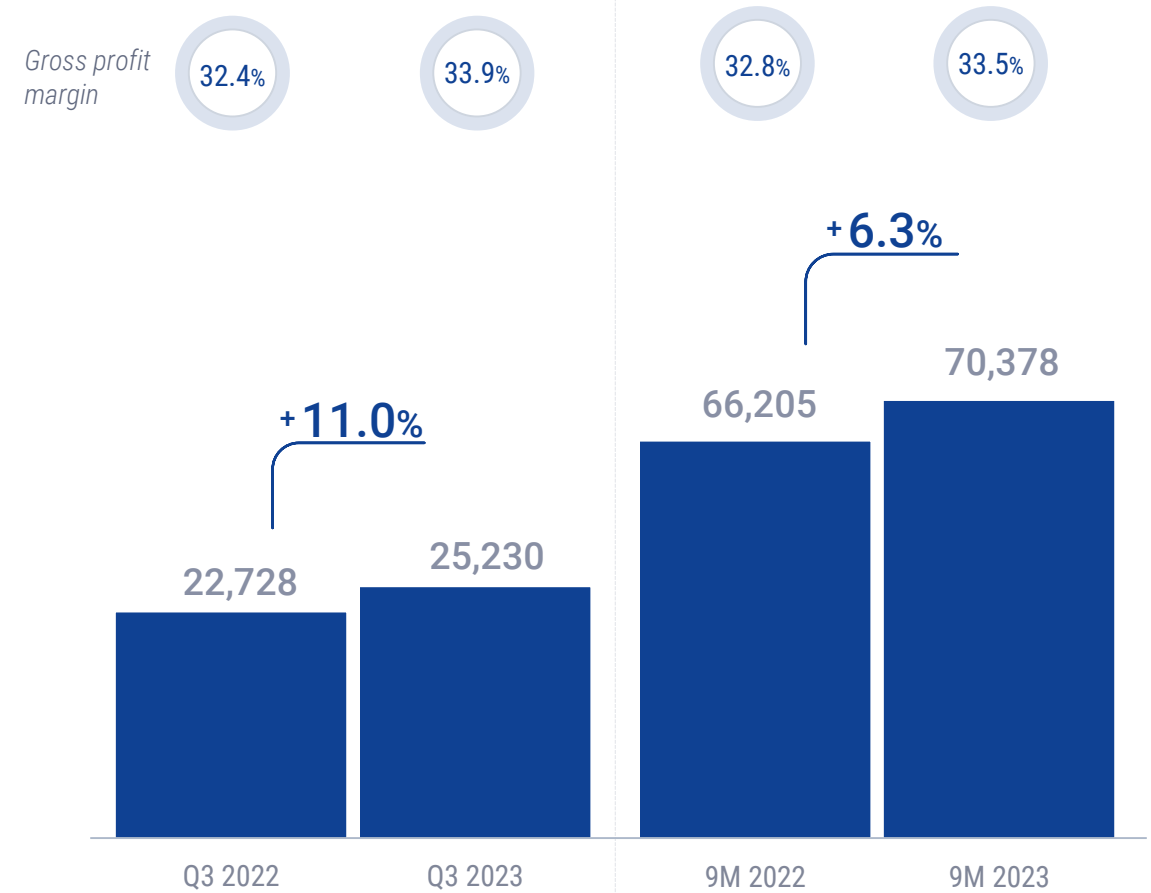
## TOTAL REVENUE

(RUBm)



## GROSS PROFIT

(RUBm)



Source: Management Accounts for 9M 2022, 9M 2023, Q3 2022 and Q3 2023

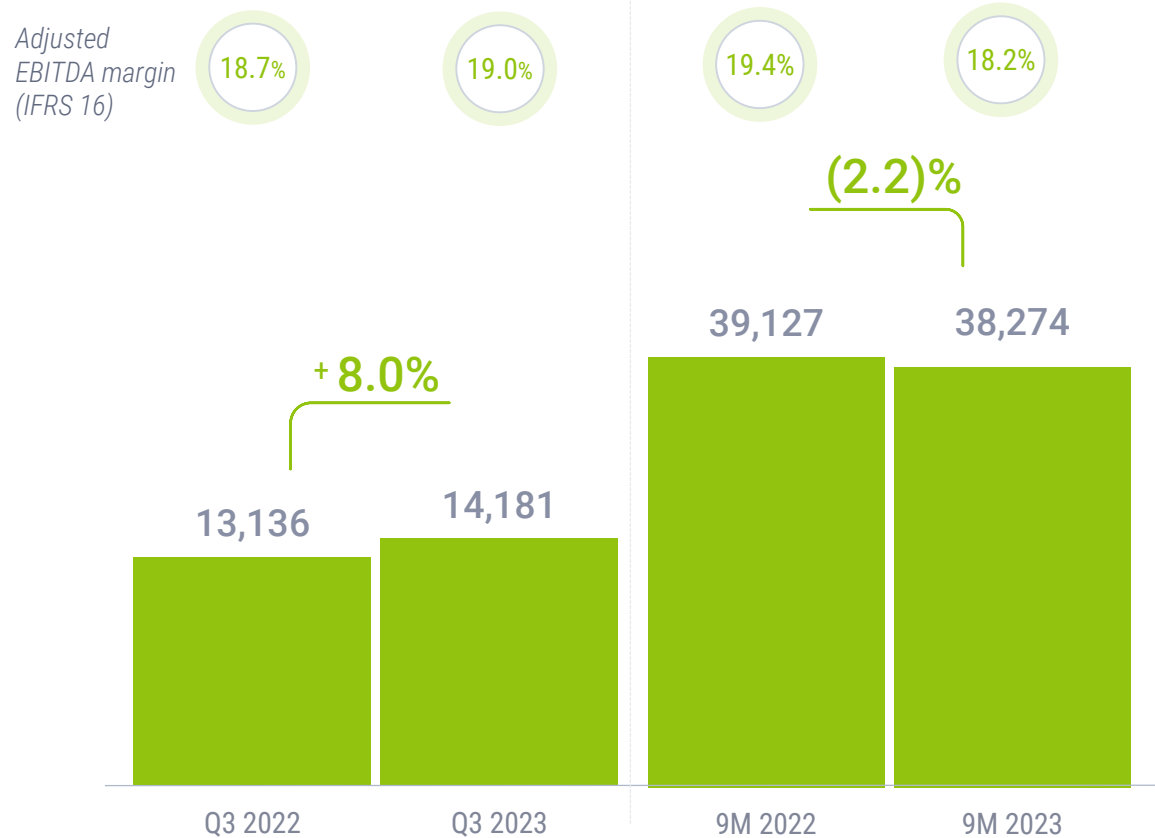


# SOLID REVENUE GROWTH AND ROBUST PROFITABILITY (CONT'D)



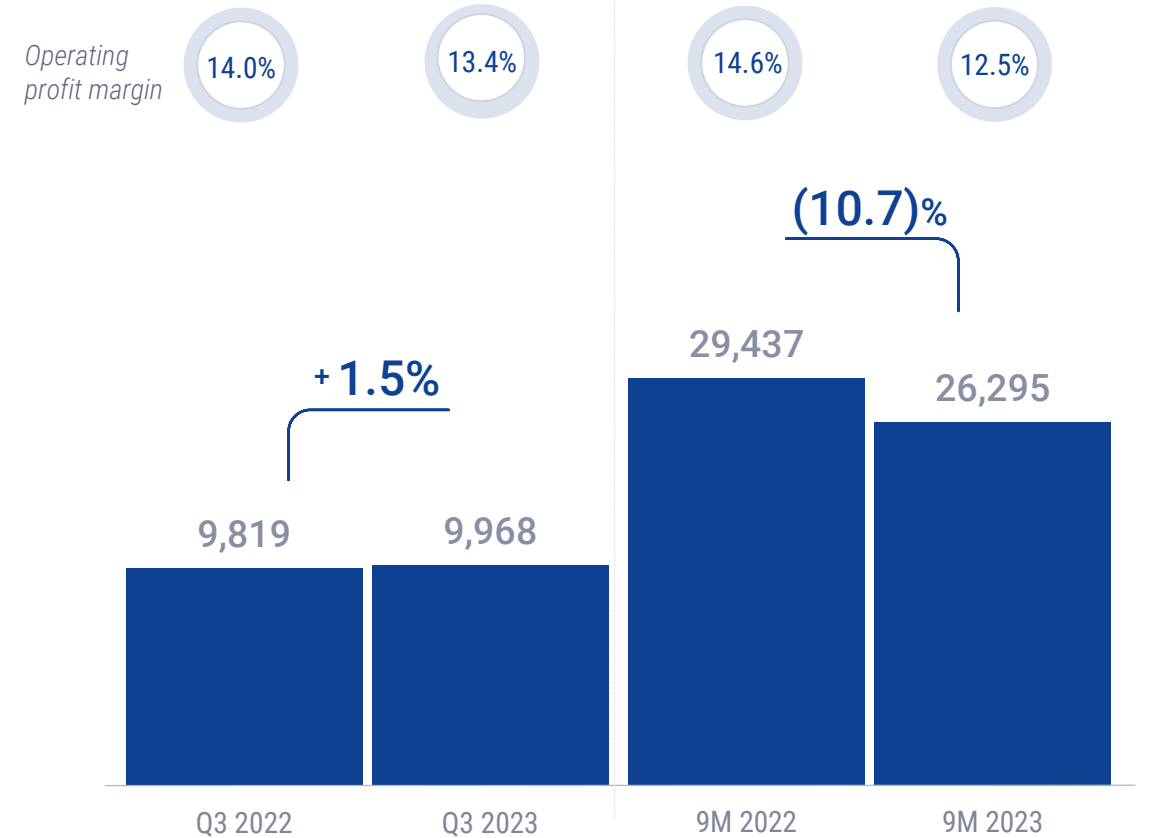
## ADJUSTED EBITDA (IFRS 16)

(RUBm)



## OPERATING PROFIT

(RUBm)



Source: Management Accounts for 9M 2022, 9M 2023, Q3 2022 and Q3 2023

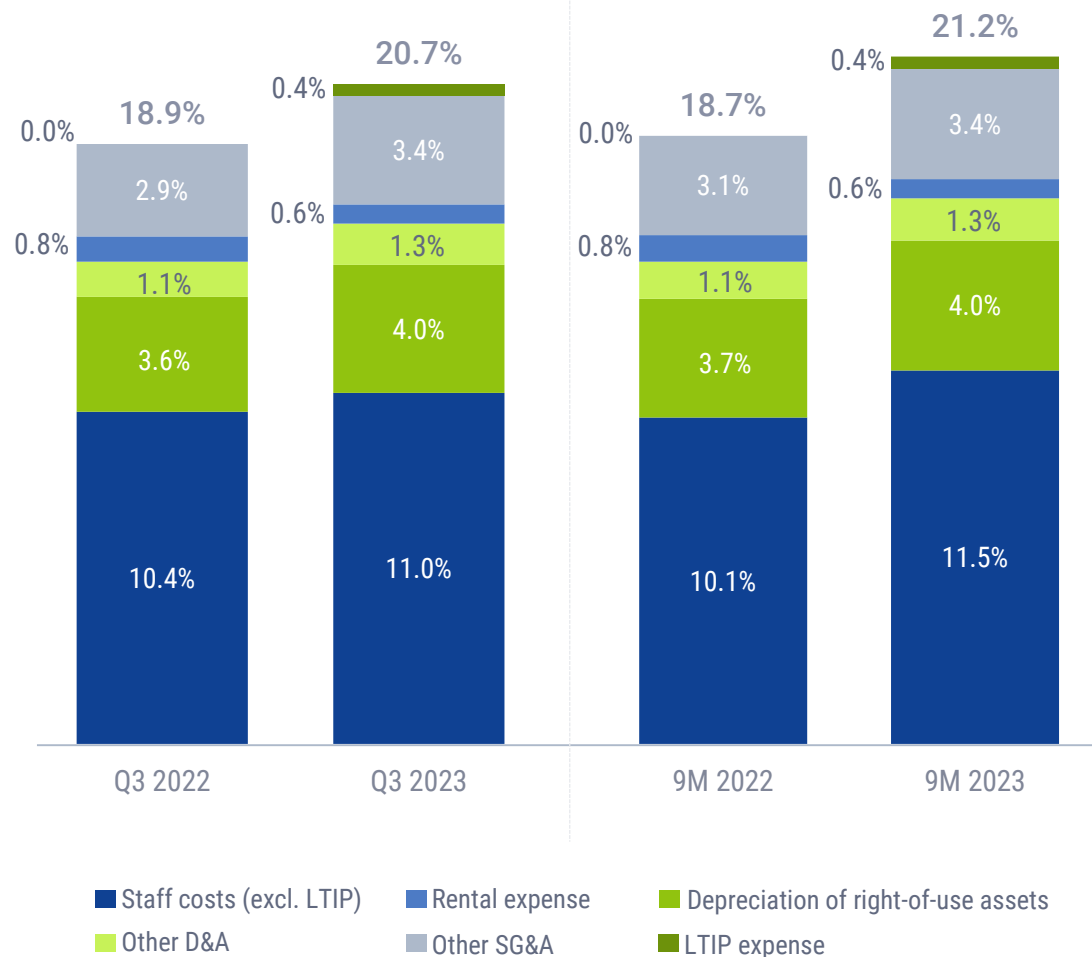
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# SG&A EXPENSES ANALYSIS

## SG&A BREAKDOWN

(% of revenue)

IFRS 16



Source: Management Accounts for 9M 2022, 9M 2023, Q3 2022 and Q3 2023

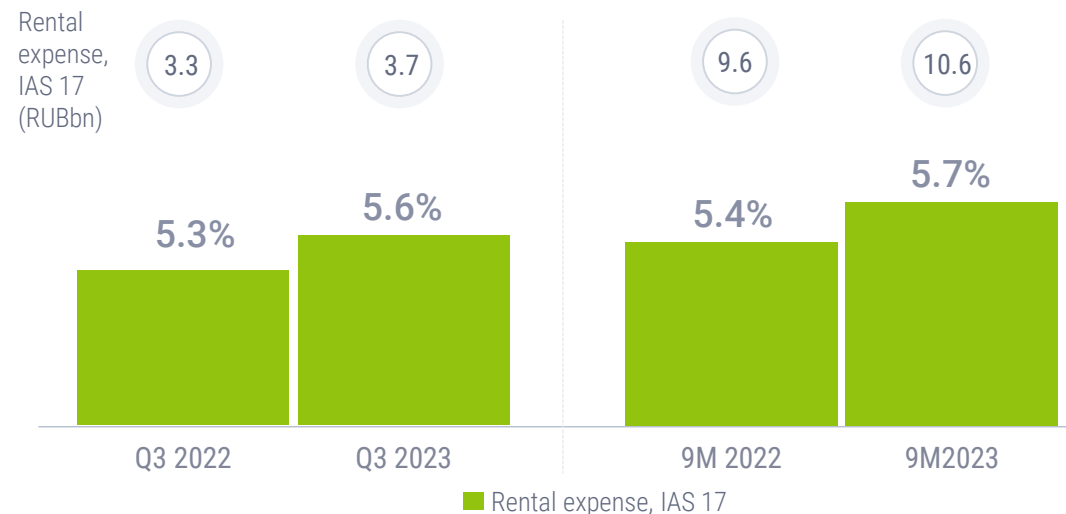
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## COMMENTS

- SG&A costs (excl. LTIP and D&A expenses) increased by 91 bps y-o-y to 15.0% of revenue due to higher staff costs, banking charges, advertising and repair and maintenance costs as well as the negative operational leverage effect, to some extent mitigated by gained efficiencies in rental expense, security services and other expenses
- Staff costs (excl. LTIP) increased by 62 bps y-o-y to 11.0% of revenue, driven by salary indexation to improve Fix Price's competitive position in the market amid widespread labour shortages, as well as due to increased number of employees related to new DCs openings
- Rental expense (under IFRS 16) decreased by 20 bps y-o-y to 0.6% of revenue (down 22 bps to 0.7% of retail revenue), due to a decrease in the share of the variable component in the lease payment structure on the back of softer revenue growth dynamics

## CASH LEASE REMAINS LOW AS % OF REVENUE

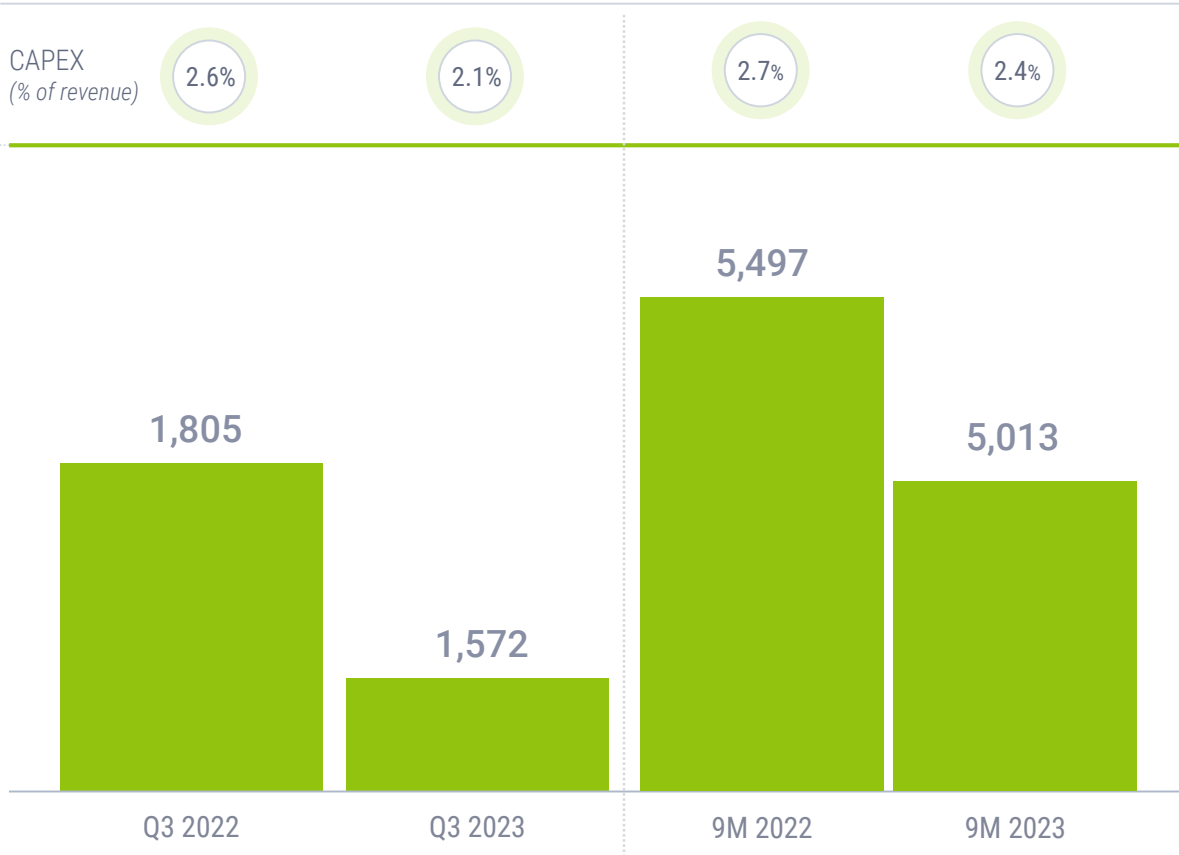
(% of retail revenue)



# CAPITAL EXPENDITURES TO SUPPORT FURTHER GROWTH

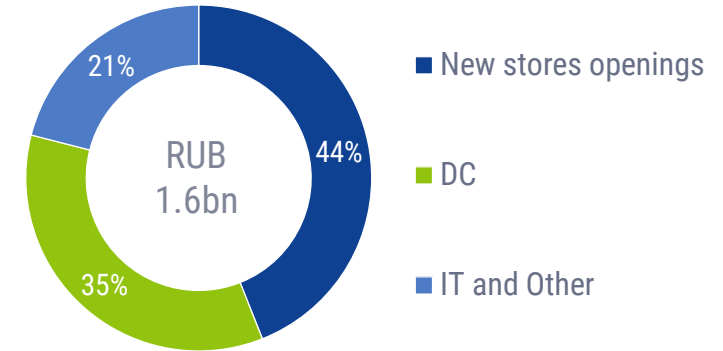
## CAPEX<sup>(1)</sup>

(RUB bn)



## CAPEX COMPOSITION

(Q3 2023, %)



## COMMENTS

- CAPEX for Q3 2023 was RUB 1.6 billion versus RUB 1.8 billion in Q3 2022, due to the lower investments into construction of distribution centres which had started in 2022 and openings of Company-operated stores according to the store roll-out plan
- The Company confirms the forecast for 750 net new store openings in 2023 and plans to keep CAPEX low as a share of revenue thanks to the standardised store layouts and assortment and high levels of business process automation

Source: Company information, Management Accounts for 9M 2022, 9M 2023, Q3 2022 and Q3 2023

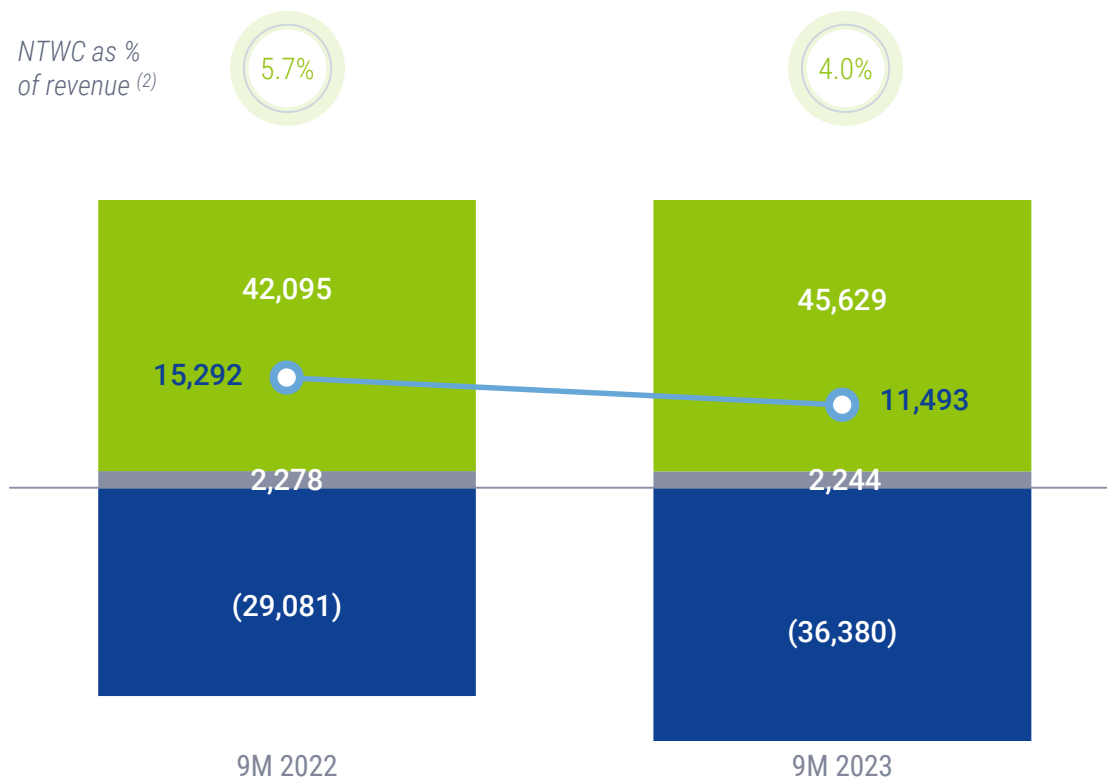
Notes: 1 Capital Expenditure is calculated as cash flow related to the acquisition of property, plant and equipment and the acquisition of intangible assets for the relevant period

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# NET WORKING CAPITAL DYNAMICS

## NET TRADE WORKING CAPITAL DEVELOPMENT<sup>(1)</sup>

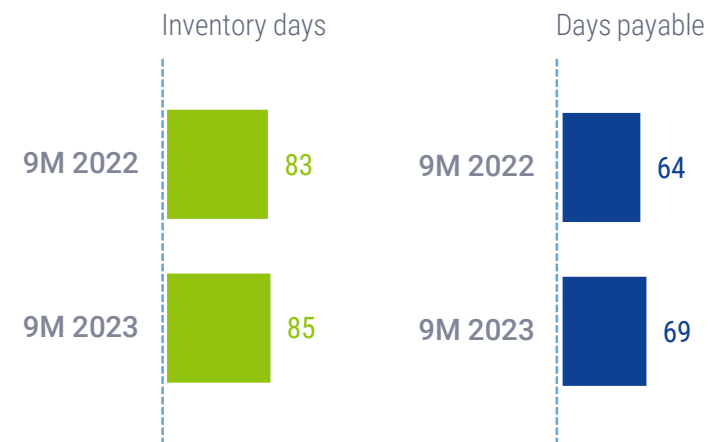
(RUB m)



■ Inventory 
 ■ Accounts Receivable 
 ■ Accounts Payable 
 —○— Net Trade Working Capital

## ROBUST INVENTORY DAYS AND DAYS PAYABLE LEVELS

Inventory days<sup>(3)</sup> (days) and Days payable<sup>(4)</sup> (days)



## COMMENTS

- The Group's net trade working capital improved to RUB 11.5 billion (4.0% of revenue) as of 30 September 2023 from RUB 15.3 billion (5.7% of revenue) as of 30 September 2022, despite slower revenue growth, reflecting efficient assortment management decisions

Source: Management Accounts for 9M 2022 and 9M 2023

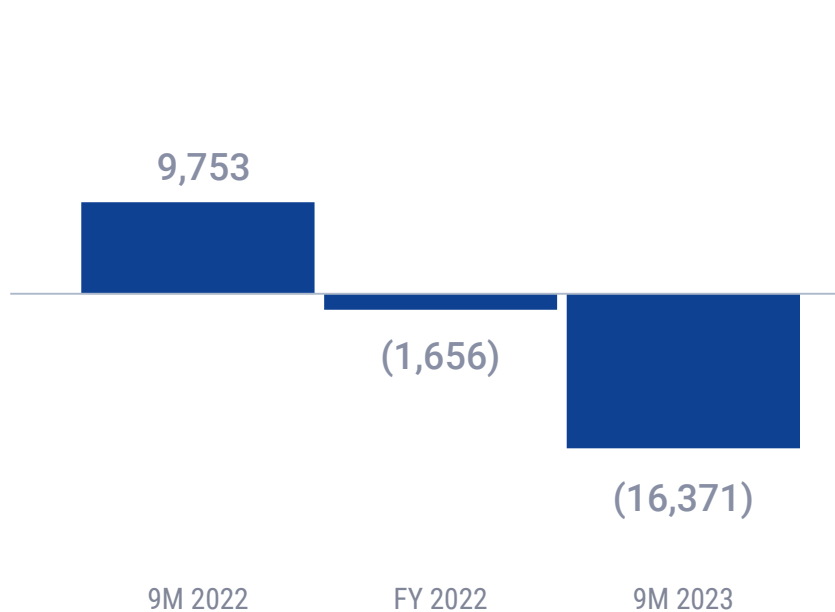
Notes: **1** Excludes Other current assets and liabilities; Trade NWC calculated as Inventories + Receivables and other financial assets – Payables and other financial liabilities; **2** The calculation of the percentage of net trade working capital in revenue is based on revenue for the last 12 months; **3** Calculated as average Inventories for the beginning and the end of period divided by annualised Cost of sales multiplied by 365 days; **4** Calculated as average Payables and other financial liabilities for the beginning and the end of period divided by annualised Cost of Sales multiplied by 365 days

# CONSERVATIVE DEBT LEVEL AND SUPERIOR CASH FLOW GENERATION

## NET DEBT / (CASH)<sup>(1)</sup>

(RUB m)

Leverage ratio<sup>(2)</sup>



## FCF DYNAMICS<sup>(3)</sup>

(RUB m)

% of revenue



Source: Management Accounts for 9M 2022, FY 2022 and 9M 2023

Notes: **1** Reflects IAS 17-Based Adjusted Net Debt / (Cash) calculated as the total Current and Non-current loans and borrowings less Cash and cash equivalents adjusted for Dividends payable to shareholders; **2** Reflects IAS 17-Based Adjusted Net Debt / (Cash) divided by LTM IAS 17 EBITDA. Here and hereinafter, the calculation of net debt (net cash) to EBITDA is based on EBITDA for the last 12 months; **3** FCF calculated as Net cash flows generated from operating activities less Net capital expenditures (calculated as Purchase of property, plant and equipment plus Purchase of intangibles less Proceeds from sale of property, plant and equipment)