

FIX PRICE OPERATING AND FINANCIAL HIGHLIGHTS FOR FY 2023

Revenue

291.9
RUB billion

Net openings

+751
stores

Gross margin

34.0%

Net profit

35.7
RUB billion

FIX PRICE ANNOUNCES KEY OPERATING AND FINANCIAL RESULTS FOR Q4 AND FY 2023

Strong profitability, cash generation alongside unceasing customer focus

28 February 2024, Limassol, Cyprus – Fix Price Group PLC (LSE and MOEX: FIXP, AIX: FIXP.Y, “Fix Price”, the “Company” or the “Group”), one of the leading variety value retailers globally and the largest in Russia, today announces its operating and financial results for the fourth quarter (Q4 2023) based on management accounts and audited IFRS financial results for the twelve months (FY 2023) ended 31 December 2023.

OPERATING AND FINANCIAL SUMMARY FOR Q4 2023

- Revenue was up 7.8% y-o-y and stood at RUB 81.7 billion
 - Retail revenue was RUB 72.8 billion, an increase of 8.0% y-o-y
 - Wholesale revenue stood at RUB 8.9 billion, up 6.0% y-o-y
- In Q4 2023, LFL sales¹ were 0.9% lower y-o-y due to softer consumer demand amid continued macroeconomic uncertainty
- The Company opened 252 net new stores (including 17 franchises); the total number of stores reached 6,414 as of the end of the reporting period
- The total selling space grew by 55.2 thous. sqm and reached 1,390.6 thous. sqm (+13.5% y-o-y)
- During the quarter, the total number of registered cardholders increased by 0.9 million² to 25.7 million (up 17.6% y-o-y). Loyalty-card transactions accounted for 60.9% of retail sales. The average ticket for purchases made using a loyalty card remained 1.8x higher than the average ticket for non-loyalty-card purchases
- Gross profit saw an 11.7% y-o-y increase, amounting to RUB 28.8 billion. Gross margin increased by 122 bps y-o-y to 35.3% primarily due to an inventory reserve reversal, supported by effective work with suppliers
- SG&A costs (excl. LTIP expense³ and D&A) as a percentage of revenue stood at 16.0%, versus 14.6% in the same quarter of the previous year, on the back of higher staff costs, advertising expenditures, bank charges and other expenses as well as the negative operating leverage effect, to some

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 Loyalty programme data is calculated for Fix Price stores operating in Russia

³ LTIP expense – expense related to the long-term incentive programme (LTIP)

extent mitigated by gained efficiencies in rental expense and security services

- Adjusted EBITDA⁴ under IFRS 16 rose by 5.8% y-o-y to RUB 15.9 billion, with the adjusted EBITDA margin being 19.5% for the reporting period
- EBITDA under IFRS 16 was up 3.5% y-o-y to RUB 15.6 billion. The EBITDA margin stood at 19.1%, versus 19.9% in Q4 2022, on the back of pressure from SG&A costs (excl. D&A) and LTIP expense, which was partially offset by positive gross margin dynamics
- Profit for the period was RUB 8.6 billion, with a net profit margin of 10.5%
- CAPEX as a percentage of revenue decreased significantly, to 1.9%, down from 8.6% in the same quarter of the previous year amid lower investments in logistics due to the planned completion of the construction of distribution centres (DCs) started in 2022

⁴ EBITDA adjusted for LTIP expense. EBITDA is calculated as profit for the respective period before income tax expense, net interest income / (expense), depreciation and amortisation expense, and foreign exchange gain / (loss)

OPERATING AND FINANCIAL SUMMARY FOR FY 2023

- Revenue rose 5.1% y-o-y to RUB 291.9 billion
 - Retail revenue was RUB 259.0 billion, an increase of 5.2% y-o-y
 - Wholesale revenue grew 4.7% y-o-y and stood at RUB 32.9 billion
- LFL sales were down 4.1%
- The total number of stores increased by 751, including 672 Company-operated stores and 79 franchise outlets, in line with the net store openings target for 2023
- The new stores added 165.3 thous. sqm of selling space, bringing the total selling space of stores operating under the Fix Price brand to 1,390.6 thous. sqm
- The total number of registered loyalty cardholders grew by 3.8 million to 25.7 million, with penetration in retail sales reaching 62.0%
- Gross profit increased by 7.8% y-o-y to RUB 99.2 billion. Gross margin saw an 84 bps increase y-o-y, reaching 34.0%
- SG&A costs (excl. LTIP expense and D&A) as a percentage of revenue was 15.6%, compared to 14.1% a year earlier, mainly on the back of the negative operating leverage effect and continued high labour market competition
- Adjusted EBITDA under IFRS 16 remained stable at RUB 54.2 billion. The adjusted EBITDA margin was 18.6%, reflecting gross margin growth offset by higher SG&A costs (excl. D&A and LTIP expense)
- EBITDA under IFRS 16 stood at RUB 53.1 billion, with an EBITDA margin of 18.2%
- Profit for the reporting period grew 66.8% y-o-y and totalled RUB 35.7 billion. The net profit margin surged to 12.2%, versus 7.7% for FY 2022

"Faced with a challenging market and regulatory environment last year, our team continued to adhere to the Company's strategic priorities. We persisted in our efforts to improve our customer value proposition, implemented our development programme and acted in the best interests of our employees and shareholders. The strength and flexibility of our business model enabled us to continue on our growth path in the fourth quarter, and we once again recorded some of the highest margins in the industry. We met our target for net openings in 2023, growing by 751 stores. Our revenue growth rate picked up steam during the reporting quarter, reaching 8% year-on-year, and our adjusted EBITDA margin was 19.5%. Effective work with our assortment and suppliers helped us increase our gross margin and partially offset the rise in personnel costs owing to the tight labour market.

"In addition to developing our regular assortment, we also see great potential in niche holiday and thematic collections, kitchen products, as well as household and DIY goods. For example, our 2023 New Year's collection enjoyed high demand among customers and made a substantial contribution to sales growth in the reporting period.

"In an effort to make customer service faster, in the fourth quarter we began installing a queue recognition system that uses computer vision at checkouts. The system enables us to retain customers who previously might not have completed their purchase because of queues at checkout counters. Two months after the introduction of the technology at seven pilot stores, average traffic had increased by 2% compared with identical stores where the technology was not used. Based on the results of the pilot project, we decided to roll out the technology at all of Fix Price's Company-operated stores across Russia.

"We have always focused on improving and developing our loyalty programme, which gained some 3.8 million new members last year, bringing the total membership to over 25 million users, who not only benefit from participation but also provide valuable feedback on our products and services.

"I am proud of the fact that, despite infrastructure constraints, we were able to start the process of paying out dividends. As a result, on 15 January 2024 Fix Price's Board of Directors approved interim dividends for 2023–2024 in the amount of RUB 9.84 per GDR/share, or RUB 8.4 billion, which our shareholders will be able to receive in the first quarter of this year.

"It's important to note that Fix Price's success is primarily the result of our team's efforts. With that in mind, the development and retention of the Company's key talents remains our priority. This year, we made our first payment under our long-term incentive programme, and the number of employees taking part is constantly increasing. Given that our personnel have shown so much interest in the programme, it serves not only as a retention incentive for those already participating but also as motivation for growth for our talent pool. I would like to thank our entire team for their concerted efforts. I am confident that together we can handle any challenges that arise and achieve ambitious new goals in the interests of all stakeholders."

Dmitry Kirsanov, Fix Price CEO

Store base, geographical coverage and selling space

	31 Dec 2023	31 Dec 2022	31 Dec 2021
Total number of stores	6,414	5,663	4,904
Russia	5,756	5,098	4,445
Belarus	292	263	212
Kazakhstan	280	235	172
Latvia	46	36	24
Uzbekistan	22	19	42
Georgia	7	6	4
Kyrgyzstan	6	6	5
Mongolia	3	-	-
Armenia	2	-	-
Number of Company-operated stores	5,711	5,039	4,368
Russia	5,166	4,575	3,975
Belarus	282	253	203
Kazakhstan	263	211	148
Uzbekistan	-	-	42
Number of franchise stores	703	624	536
Russia	590	523	470
Latvia	46	36	24
Kazakhstan	17	24	24
Uzbekistan	22	19	-
Belarus	10	10	9
Georgia	7	6	4
Kyrgyzstan	6	6	5
Mongolia	3	-	-
Armenia	2	-	-
Selling space (sqm)	1,390,611	1,225,360	1,056,840
Company-operated stores	1,234,312	1,087,047	938,392
Franchise stores	156,299	138,313	118,448

Development of Company-operated stores

	Q4 2023	Q4 2022	FY 2023	FY 2022
Gross openings	255	201	792	782
Russia	216	170	688	667
Kazakhstan	27	15	67	65
Belarus	12	16	37	50

	Q4 2023	Q4 2022	FY 2023	FY 2022
Uzbekistan	-	-	-	-
Closures	20	17	120	111
Russia	16	16	97	67
Kazakhstan	2	1	15	2
Belarus	2	-	8	-
Uzbekistan	-	-	-	42
Net openings	235	184	672	671
Russia	200	154	591	600
Kazakhstan	25	14	52	63
Belarus	10	16	29	50
Uzbekistan	-	-	-	(42)

OPERATING RESULTS

Store network expansion

- As of 31 December 2023, the total store base was 6,414 (up 13.3% y-o-y), with franchise stores representing 11.0% of the total store count (flat y-o-y)
- The Company accelerated network growth q-o-q with 252 net new stores opened in Q4 2023, including 235 Company-operated stores and 17 franchise stores. This compares to 201 net new stores in Q4 2022, including 184 Company-operated stores and 17 franchise stores
- Fix Price closed 20 Company-operated stores in Q4 2023, compared to 17 stores in Q4 2022, as part of ongoing work to improve lease terms
- 13.1% of Fix Price's net openings in Q4 2023 were outside of Russia, reflecting expansion of the Group's international presence. As of the end of the year, the share of stores outside of Russia grew to 10.3% of the total store base, compared to 10.0% as of 31 December 2022
- During Q4 2023, the total selling space grew by 55.2 thous. sqm to 1,390.6 thous. sqm (13.5% growth y-o-y). The average selling space of a Fix Price store was 217 sqm as of 31 December 2023
- During the quarter, the Company entered 44 new localities. Fix Price's presence covered nine countries as of 31 December 2023

LFL sales growth

- In Q4 2023, LFL sales were 0.9% lower y-o-y due to softer consumer demand amid continued market uncertainty. In a mixed macroeconomic environment with expected exchange rate turbulence, customers planned their budgets around big non-food purchases rather than treasure-hunting for inexpensive items. The LFL average ticket increased by 3.7%; LFL traffic was down by 4.4% y-o-y
- In Russia, LFL sales decreased by 2.8% in Q4 2023. Rouble-denominated LFL sales dynamics in Kazakhstan and Belarus bolstered the Group's LFL performance on the back of the currency conversion effect amid exchange rate fluctuations
- Stores in Belarus enjoyed positive LFL dynamics in the national currency thanks to improved traffic, despite the high base of the previous year and temporary cuts in the assortment matrix for regulatory reasons, which affected the average ticket. LFL traffic in stores in Kazakhstan improved on the back of highly competitive prices, while the average ticket was impacted by the high base of the previous year

Assortment and category mix⁵

- In Q4 2023, the share of non-food in retail sales increased to 50.2%, up from 48.4% in Q4 2022 and 44.5% in Q3 2023, thanks to the strong sell-through of the New Year's assortment. The share of food in retail sales decreased to 25.3%, versus 26.2% in Q4 2022, while the share of cosmetics, hygiene and household chemical products in retail sales declined to 24.6% in Q4 2023, from 25.4% in Q4 2022
- Seasonal ranges, together with kitchenware and essential DIY items, were one of the key drivers of quarterly sales, supported by party and celebration products, pet care products, household items and accessories
- The share of imported goods in retail sales was seasonally high at 27.1% in Q4 2023 (flat y-o-y), while for FY 2023 it stood at 23.2%
- In Q4 2023, the share of price points above RUB 100 in retail sales reached 54.0%, up from 39.4% in Q4 2022, reflecting the shift of the assortment mix to the mid- and higher price range and improved sales of more expensive, seasonal non-food items. The share of price points above RUB 200 in retail sales stayed nearly flat at 15.2% in Q4 2023, compared to 15.1% in Q4 2022
- In December 2023, the Company started testing a new price point of RUB 399. The items tested encompass new non-food and drogerie products that provoke a wow effect, as similar products are usually considerably more expensive at other retail chains and online
- The average ticket for all Company-operated stores in Q4 2023 increased by 4.2% y-o-y to RUB 360

⁵ Unless stated otherwise, the data in this section refers to Company-operated stores in Russia

Loyalty programme development

- The total number of registered loyalty cardholders increased by 17.6% y-o-y, reaching 25.7 million. The Company recorded 0.9 million new registered cardholders in Q4 2023 thanks to attractive terms and promotional campaigns for loyalty programme members. On average, around 53% of loyalty programme cardholders were active members⁶ in Q4 2023
- Transactions using loyalty cards stayed flat y-o-y at 60.9% of total retail sales in Q4 2023, reflecting more granular activity during the campaign in December to promote a seasonal assortment that enjoyed high demand
- The average ticket for loyalty-card purchases was RUB 488, 1.8 times higher than the average ticket of RUB 268 for non-loyalty-card purchases

FINANCIAL RESULTS FOR Q4 AND FY 2023

Statement of comprehensive income highlights

RUB million	Q4 2023	Q4 2022	Change	FY 2023	FY 2022	Change
Revenue	81,669	75,757	7.8%	291,865	277,644	5.1%
Retail revenue	72,762	67,351	8.0%	258,967	246,212	5.2%
Wholesale revenue	8,907	8,406	6.0%	32,898	31,432	4.7%
Cost of sales	(52,875)	(49,968)	5.8%	(192,693)	(185,650)	3.8%
Gross profit	28,794	25,789	11.7%	99,172	91,994	7.8%
<i>Gross margin, %</i>	35.3%	34.0%	122 bps	34.0%	33.1%	84 bps
SG&A (excl. LTIP and D&A)	(13,040)	(11,023)	18.3%	(45,603)	(39,149)	16.5%
Other op. income and share of profit of associates	184	305	(39.7)%	643	1,353	(52.5)%
Adjusted EBITDA	15,938	15,071	5.8%	54,212	54,198	0.0%
<i>Adjusted EBITDA margin, %</i>	19.5%	19.9%	(38) bps	18.6%	19.5%	(95) bps
EBITDA	15,600	15,071	3.5%	53,065	54,198	(2.1)%
<i>EBITDA margin, %</i>	19.1%	19.9%	(79) bps	18.2%	19.5%	(134) bps
D&A	(3,968)	(3,448)	15.1%	(15,138)	(13,138)	15.2%
Operating profit	11,632	11,623	0.1%	37,927	41,060	(7.6)%
<i>Operating profit margin, %</i>	14.2%	15.3%	(110) bps	13.0%	14.8%	(179) bps
Net finance income/(costs)	177	(564)	n/a	(439)	(3,001)	(85.4)%
FX gain / (loss), net	16	1,220	(98.7)%	550	(234)	n/a
Profit before tax	11,825	12,279	(3.7)%	38,038	37,825	0.6%
Income tax expense	(3,211)	(2,961)	8.4%	(2,331)	(16,414)	(85.8)%

⁶ Members of the loyalty programme who make at least one purchase per month

RUB million	Q4 2023	Q4 2022	Change	FY 2023	FY 2022	Change
Profit for the period	8,614	9,318	(7.6)%	35,707	21,411	66.8%
Net profit margin, %	10.5%	12.3%	(175) bps	12.2%	7.7%	452 bps

Selling, general and administrative expenses

RUB million	Q4 2023	Q4 2022	Change	FY 2023	FY 2022	Change
Staff costs (excl. LTIP)	9,518	7,893	20.6%	33,687	28,195	19.5%
% of revenue	11.7%	10.4%	124 bps	11.5%	10.2%	139 bps
Bank charges	1,007	895	12.5%	3,554	2,799	27.0%
% of revenue	1.2%	1.2%	5 bps	1.2%	1.0%	21 bps
Rental expense	597	650	(8.2)%	1,873	2,289	(18.2)%
% of revenue	0.7%	0.9%	(13) bps	0.6%	0.8%	(18) bps
Security services	552	549	0.5%	2,052	1,897	8.2%
% of revenue	0.7%	0.7%	(5) bps	0.7%	0.7%	2 bps
Advertising costs	301	168	79.2%	941	719	30.9%
% of revenue	0.4%	0.2%	15 bps	0.3%	0.3%	6 bps
Repair and maintenance costs	319	296	7.8%	1,065	1,121	(5.0)%
% of revenue	0.4%	0.4%	(0.01) bps	0.4%	0.4%	(4) bps
Utilities	242	216	12.0%	911	835	9.1%
% of revenue	0.3%	0.3%	1 bps	0.3%	0.3%	1 bps
Other expenses	504	356	41.6%	1,520	1,294	17.5%
% of revenue	0.6%	0.5%	15 bps	0.5%	0.5%	5 bps
SG&A (excl. LTIP and D&A)	13,040	11,023	18.3%	45,603	39,149	16.5%
% of revenue	16.0%	14.6%	142 bps	15.6%	14.1%	152 bps
LTIP expense	338	-	-	1,147	-	-
% of revenue	0.4%	0.0%	41 bps	0.4%	0.0%	39 bps
Depreciation of right-of-use assets	3,041	2,635	15.4%	11,527	10,009	15.2%
% of revenue	3.7%	3.5%	25 bps	3.9%	3.6%	34 bps
Other depreciation and amortisation	927	813	14.0%	3,611	3,129	15.4%
% of revenue	1.1%	1.1%	6 bps	1.2%	1.1%	11 bps
Total SG&A	17,346	14,471	19.9%	61,888	52,287	18.4%
% of revenue	21.2%	19.1%	214 bps	21.2%	18.8%	237 bps

The Group's **revenue** grew by 7.8% y-o-y and reached RUB 81.7 billion in Q4 2023 as a result of an 8.0% increase in retail revenue, as well as a 6.0% growth in wholesale revenue.

In Q4 2023, the Company's **retail revenue** reached RUB 72.8 billion mainly due to the growth of the store network. **Wholesale revenue** rose to RUB 8.9 billion on the back of the opening of new franchise stores. The share of wholesale revenue decreased 19 bps to 10.9% of total revenue on the back of faster growth of the Company-operated network.

Gross profit increased by 11.7% y-o-y and reached RUB 28.8 billion in Q4 2023. **Gross margin** improved by 122 bps y-o-y and stood at 35.3% primarily due to an inventory reserve reversal, supported by effective work with suppliers.

Transportation costs remained nearly flat at 1.6% of revenue in Q4 2023 as a result of ongoing optimisation despite growing tariffs.

The inventory reserve reversal as a percentage of revenue stood at 0.2%, compared to 0.9% write-downs in Q4 2022, as the physical inventory count recorded smaller losses compared to applied accruals.

Selling, general and administrative expenses (SG&A) excluding LTIP and D&A expenses rose 142 bps y-o-y to 16.0% of revenue due to higher staff costs, advertising expenditures, bank charges and other expenses as well as the negative operating leverage effect, which was mitigated to some extent by efficiencies gained in rental expense and security services.

Staff costs excluding LTIP saw 124 bps growth y-o-y to 11.7% of revenue, driven by salary indexation on the back of heightened labour market competition amid widespread labour shortages, and due to the increase in the number of employees on the back of proactive DC openings. These openings are helping to support our expansion programme but at the same time are putting pressure on staff costs and D&A, which is a temporary factor.

LTIP expense totalled RUB 338 million for Q4 2023.

Depreciation and amortisation (D&A) expenses rose 31 bps y-o-y to 4.9% of revenue. Depreciation of right-of-use assets grew by 25 bps y-o-y to 3.7% of revenue on the back of the increasing amount of right-of-use assets due to the expansion of the store network and the negative operating leverage effect. The share of other depreciation and amortisation expenses grew by 6 bps y-o-y to 1.1% of revenue.

Rental expense (under IFRS 16) decreased by 13 bps y-o-y to 0.7% of revenue (down 14 bps to 0.8% 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.

Rental expense (under IAS 17) grew by 15 bps y-o-y to 4.8% of revenue (up 16 bps to 5.4% of retail revenue), on the back of the higher impact of lease expenses under fixed-rate contracts (35% of the total contract base), which are not sensitive to store revenue dynamics, and the fixed component of variable contracts.

Bank charges increased by 5 bps y-o-y to 1.2% of revenue due to the higher share of bank card transactions in total client payments.

Security costs were down 5 bps y-o-y to 0.7% of revenue despite growing competition in the labour market thanks to optimisation efforts.

Repair and maintenance costs remained nearly flat and stood at 0.4% of revenue, as the increase in some repair costs was mitigated by efficiencies gained in proactive purchases of consumable materials in 2022.

Utilities were nearly flat y-o-y at 0.3% of revenue, while **other expenses** were up 15 bps and stood at 0.6% of revenue.

Advertising costs rose 15 bps to 0.4% of revenue due to the increased number of marketing campaigns.

The Group's **total SG&A** expenses grew by 214 bps y-o-y to 21.2% of revenue. The LTIP expense contribution amounted to 41 bps. The share of staff costs rose by 124 bps, and the share of D&A expenses, by 31 bps.

Other operating income and the share of profit of associates decreased by 18 bps y-o-y to 0.2% of revenue as, in response to prevailing uncertainties over developments in the Western regulatory framework, the Group suspended recognition of revenue from its depository bank in connection with its IPO.

EBITDA IFRS 16 and IAS 17 reconciliation

RUB million	Q4 2023	Q4 2022	Change	FY 2023	FY 2022	Change
EBITDA IFRS 16	15,600	15,071	3.5%	53,065	54,198	(2.1)%
<i>EBITDA margin (IFRS 16), %</i>	<i>19.1%</i>	<i>19.9%</i>	<i>(79) bps</i>	<i>18.2%</i>	<i>19.5%</i>	<i>(134) bps</i>
LTIP expense	338	-	-	1,147	-	-
Adjusted EBITDA IFRS 16	15,938	15,071	5.8%	54,212	54,198	0.03%
<i>Adjusted EBITDA margin (IFRS 16), %</i>	<i>19.5%</i>	<i>19.9%</i>	<i>(38) bps</i>	<i>18.6%</i>	<i>19.5%</i>	<i>(95) bps</i>
Rental expense	(3,306)	(2,856)	15.7%	(12,628)	(10,865)	16.2%
Utilities	(59)	(54)	9.3%	(223)	(188)	18.9%
Adjusted EBITDA IAS 17	12,573	12,161	3.4%	41,361	43,145	(4.1)%
<i>Adjusted EBITDA margin (IAS 17), %</i>	<i>15.4%</i>	<i>16.1%</i>	<i>(66) bps</i>	<i>14.2%</i>	<i>15.5%</i>	<i>(137) bps</i>
LTIP expense	(338)	-	-	(1,147)	-	-
EBITDA IAS 17	12,235	12,161	0.6%	40,214	43,145	(6.8)%
<i>EBITDA margin (IAS 17), %</i>	<i>15.0%</i>	<i>16.1%</i>	<i>(107) bps</i>	<i>13.8%</i>	<i>15.5%</i>	<i>(176) bps</i>

Adjusted EBITDA under IFRS 16 grew by 5.8% y-o-y to RUB 15.9 billion, while the **adjusted EBITDA margin** was 19.5%, down 38 bps y-o-y.

EBITDA under IFRS 16 increased by 3.5% y-o-y to RUB 15.6 billion in Q4 2023. The **EBITDA margin** stood at 19.1% on the back of higher SG&A expenses (excl. D&A).

Adjusted EBITDA under IAS 17 increased by 3.4% y-o-y to RUB 12.6 billion in Q4 2023. The IAS 17-based adjusted EBITDA margin amounted to 15.4%, versus 16.1% for Q4 2022.

Net finance income for Q4 2023 totalled RUB 177 million, versus net finance costs of RUB 564 million for Q4 2022, driven by significantly higher interest income on Group deposits, partially offset by an increase in the interest expense on loans and borrowings, as well as lease liabilities on the back of growing interest rates.

During Q4 2023, the Group recorded an **FX gain** of RUB 16 million due to the mitigating effect of several FX-denominated balance-sheet factors. This compares to a RUB 1.2 billion FX gain recorded in Q4 2022.

Income tax expense was up 8.4% y-o-y and stood at RUB 3.2 billion in Q4 2023 due to the one-off windfall profit tax payment in the amount of RUB 1.0 billion imposed by the Russian government on large companies.

Profit for the period decreased by 7.6% y-o-y to RUB 8.6 billion. The net profit margin was 10.5%.

Statement of financial position highlights

RUB million	31 Dec 2023	31 Dec 2022
Current loans and borrowings	10,024	17,576
Non-current loans and borrowings	4,675	4,352
Current lease liabilities	8,800	7,997
Non-current lease liabilities	4,974	4,615
Cash and cash equivalents	(37,343)	(23,584)
(Net cash) / net debt	(8,870)	10,956
(Net cash) / net debt to EBITDA (IFRS 16)⁷	(0.2)x	0.2x
Current lease liabilities	(8,800)	(7,997)
Non-current lease liabilities	(4,974)	(4,615)
IAS 17-based net cash	(22,644)	(1,656)
IAS 17-based net cash to EBITDA	(0.6)x	(0.04)x

Non-current loans and borrowings increased by RUB 0.3 billion to RUB 4.7 billion from the beginning of the year. Current loans and borrowings decreased by 43.0% from the start of the year to RUB 10.0 billion due to further debt reduction amid growing interest rates and a high accumulated cash position. **Total loans and borrowings** amounted to RUB 14.7 billion (RUB 21.9 billion as of 31 December 2022). Lease liabilities grew to RUB 13.8 billion, from RUB 12.6 billion at the start of the year, driven by an increase in the number of lease contracts on the back of store network expansion. The Group's **total loans, borrowings and lease liabilities** totalled RUB 28.5 billion, a 17.6% decrease from the start of the year.

As of the end of the reporting period, the Company's IAS 17-based net cash position improved significantly, to RUB 22.6 billion, versus RUB 1.7 billion on 31 December 2022. As a result, the **IAS 17-based net cash to EBITDA ratio** grew

⁷ Here and hereinafter, the calculation of net debt / (net cash) to EBITDA is based on EBITDA for the last 12 months

to 0.6x, compared to 0.04x as of 31 December 2022, on the back of accumulated cash reserves as well as a decrease in current loans and borrowings.

Statement of cash flow highlights

RUB million	Q4 2023	Q4 2022	FY 2023	FY 2022
Profit before tax	11,825	12,279	38,038	37,825
Cash from operating activities before changes in working capital	14,978	15,774	55,416	56,889
Changes in working capital	(1,101)	5,073	(7,476)	(1,688)
Net cash generated from operations	13,877	20,847	47,940	55,201
Net interest received/(paid)	181	(585)	(493)	(2,852)
Income tax paid	(3,210)	(1,474)	(8,331)	(15,567)
Net cash flows from operating activities	10,848	18,788	39,116	36,782
Net cash flows used in investing activities	(1,532)	(5,368)	(6,479)	(11,880)
Net cash flows used in financing activities	(7,966)	(1,511)	(19,031)	(10,000)
Effect of exchange rate fluctuations on cash and cash equivalents	12	654	153	(97)
Net increase in cash and cash equivalents	1,362	12,563	13,759	14,805

With a significant cash balance on its balance sheet in an environment of high interest rates, the Company proactively prepaid suppliers' orders at the end of 2023 to benefit from improved commercial terms. This positively impacted the Group's gross profit, but resulted in an increase in **net trade working capital**⁸ to RUB 14.5 billion (5.0% of revenue)⁹ as of 31 December 2023, from RUB 9.1 billion (3.3% of revenue) as of 31 December 2022.

CAPEX for Q4 2023 amounted to RUB 1.5 billion, down from RUB 6.5 billion in Q4 2022, when the Company invested in the construction of new distribution centres.

⁸ Net trade working capital is calculated as inventories *plus* receivables and other financial assets *minus* payables and other financial liabilities

⁹ The calculation of the percentage of net trade working capital in revenue is based on revenue for the last 12 months

ABOUT THE COMPANY

Fix Price (LSE and MOEX: FIXP, AIX: FIXP.Y), 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 updated assortment of non-food goods, including personal care and household products, and food items at low fixed price points.

As of 31 December 2023, Fix Price was operating 6,414 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 2023, the Company was operating 13 DCs covering 81 regions of Russia and 8 neighbouring countries.

In 2023, the Company recorded revenue of RUB 291.9 billion, EBITDA of RUB 53.1 billion and net profit of RUB 35.7 billion, in accordance with IFRS.

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