



RUB **291.9** billion  
revenue in 2023  
**+5.1% y-o-y**

# ABOUT THE COMPANY

Fix Price is the undisputed leader in the Russian variety value retail market. Our unique customer value proposition is centred on providing exceptional value for money and a constantly refreshed wide product assortment enhancing the treasure-hunt experience for customers

**6,414**  
stores

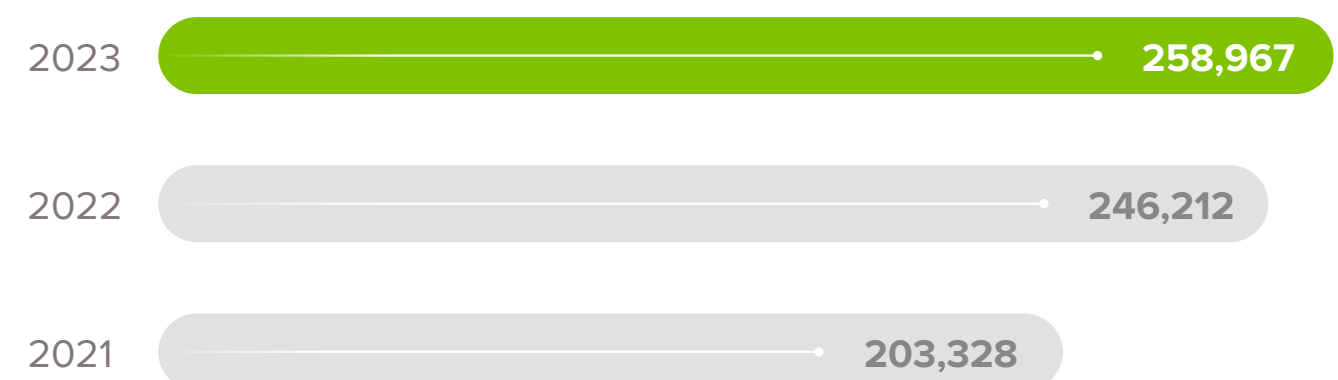
**+751** net openings  
in 2023

# Key Figures (Operational<sup>1</sup>)

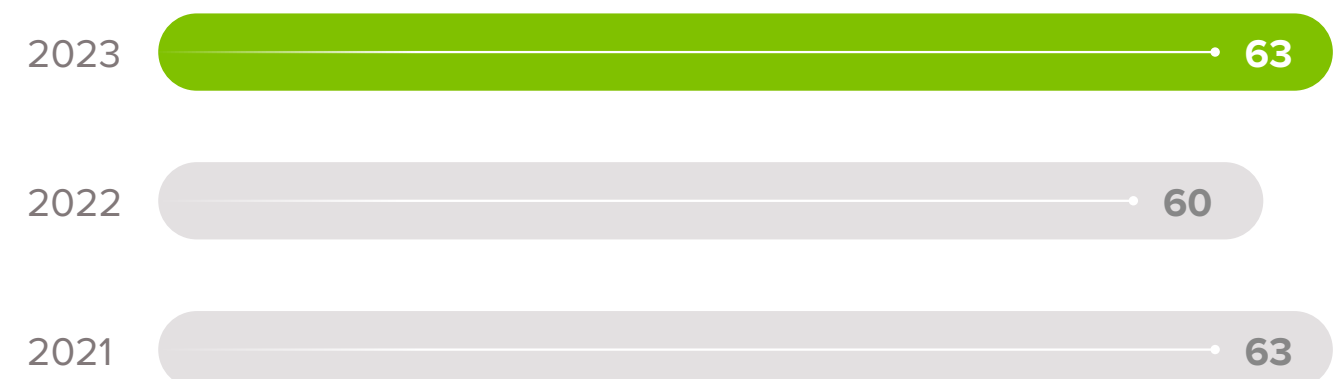
**Total number of stores, Number of DCs<sup>2</sup>, Net store openings**



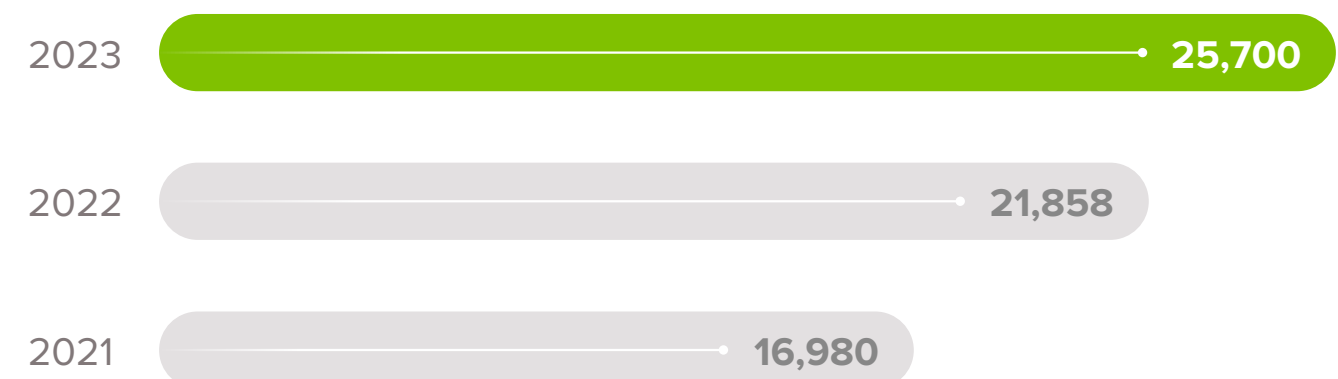
**Retail revenue, RUB million**



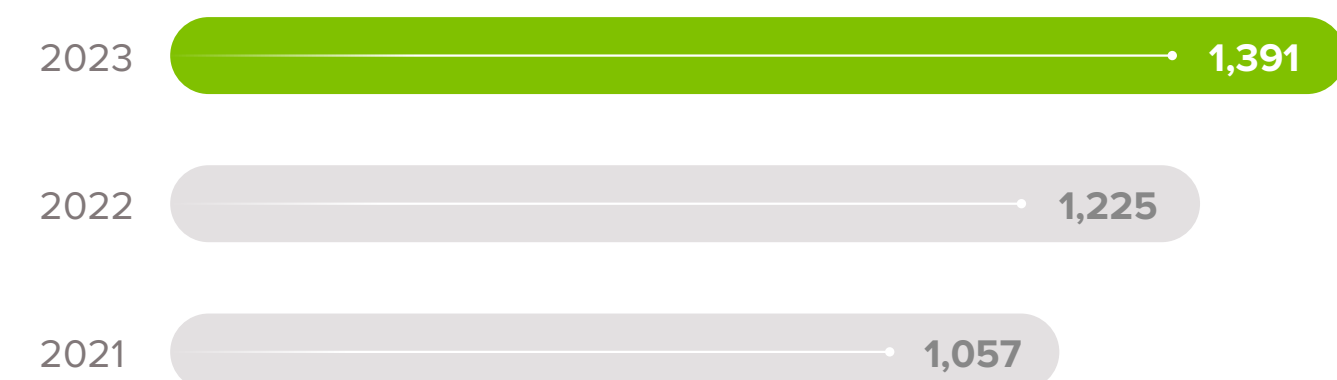
**Net Promoter Score (NPS)<sup>3</sup>, %**



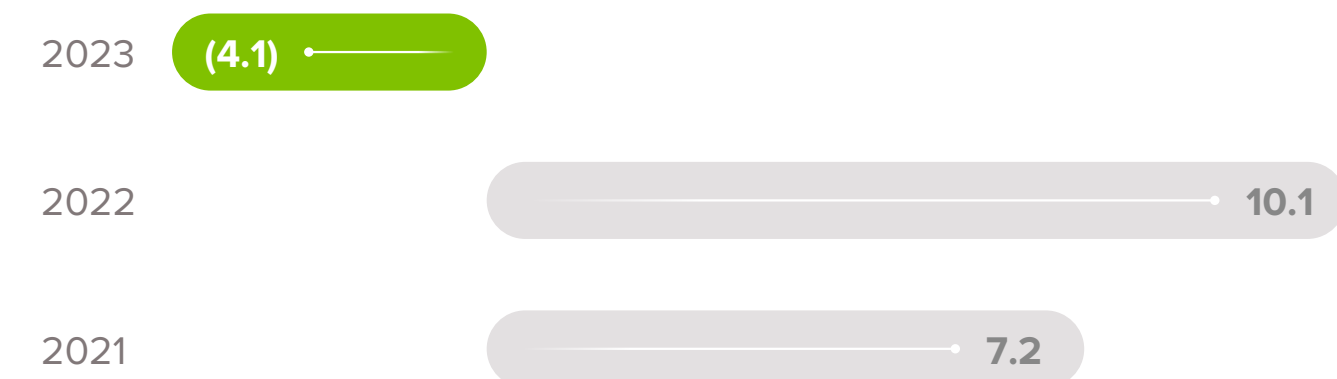
**Loyalty cardholders in Russia, thousand**



**Total selling space, thousand sq. m**



**LFL performance<sup>4</sup>, %**



<sup>1</sup> Number of DCs, stores, and loyalty cardholders, as well as selling space are as of the year-end

<sup>2</sup> Distribution centres

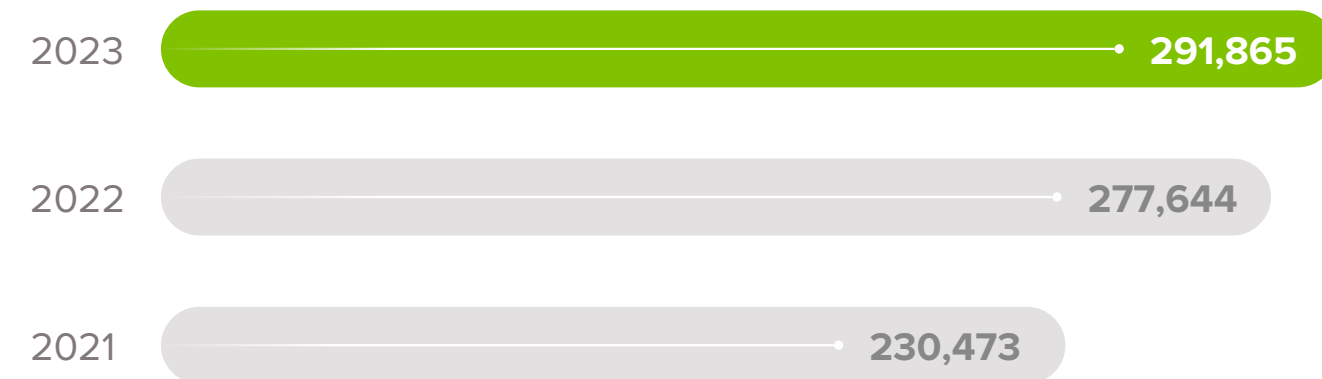
<sup>3</sup> Source: Market research run by Vector in autumn and spring of 2023, 2022 and 2021

<sup>4</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 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



# Key Figures (Financial<sup>1</sup>)

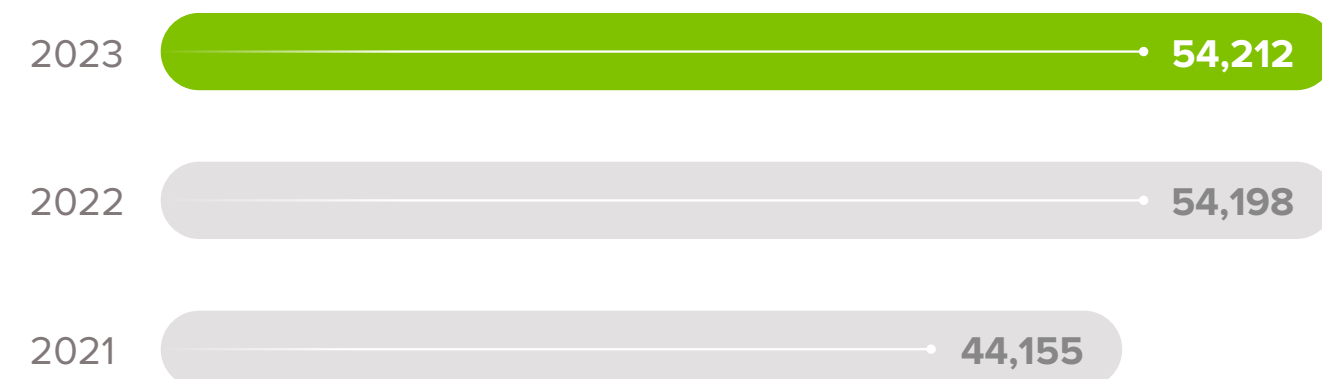
## Revenue, RUB million



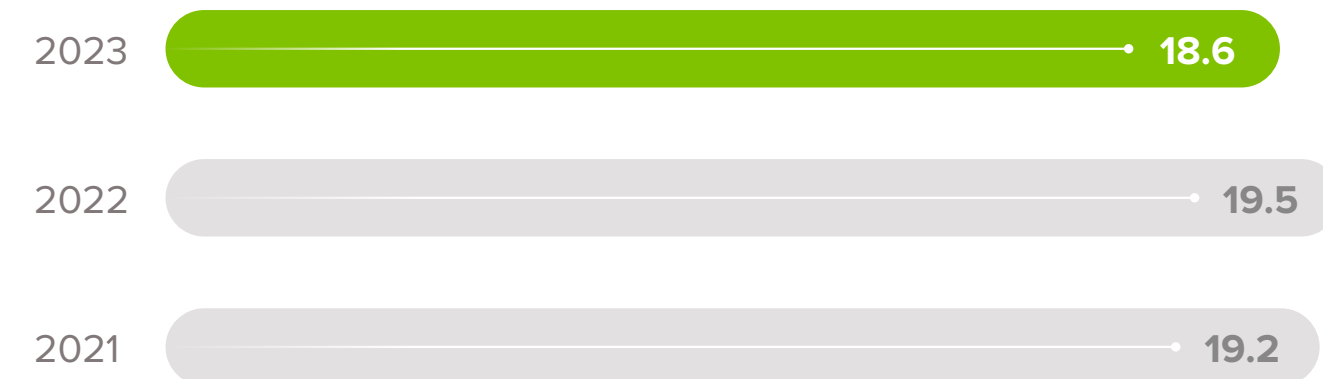
## Gross margin, %



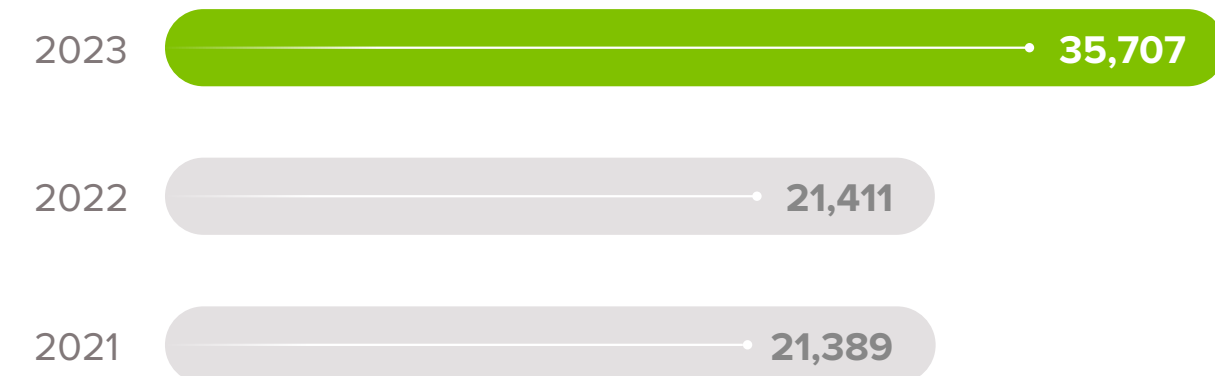
## Adjusted EBITDA<sup>2</sup>, RUB million



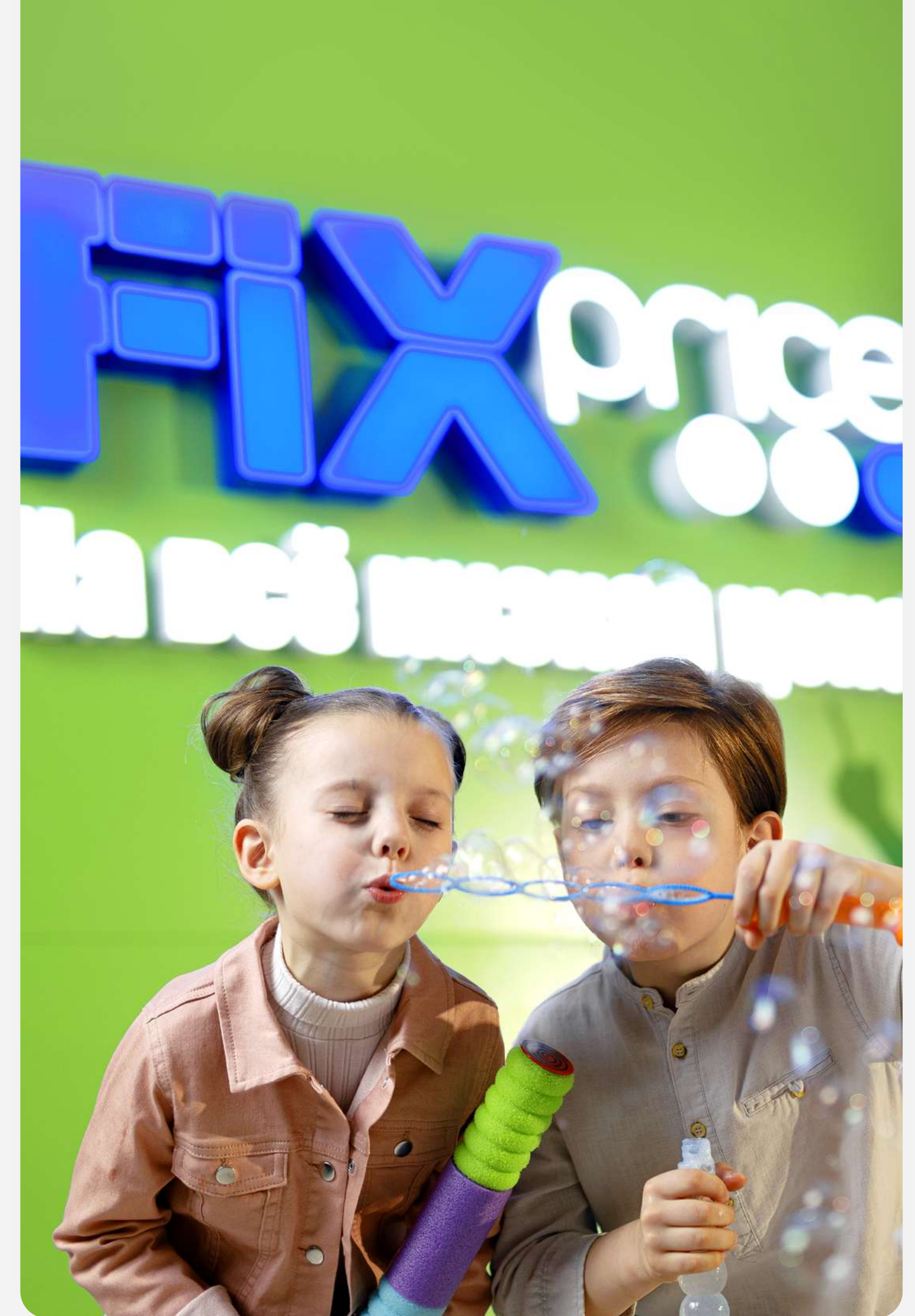
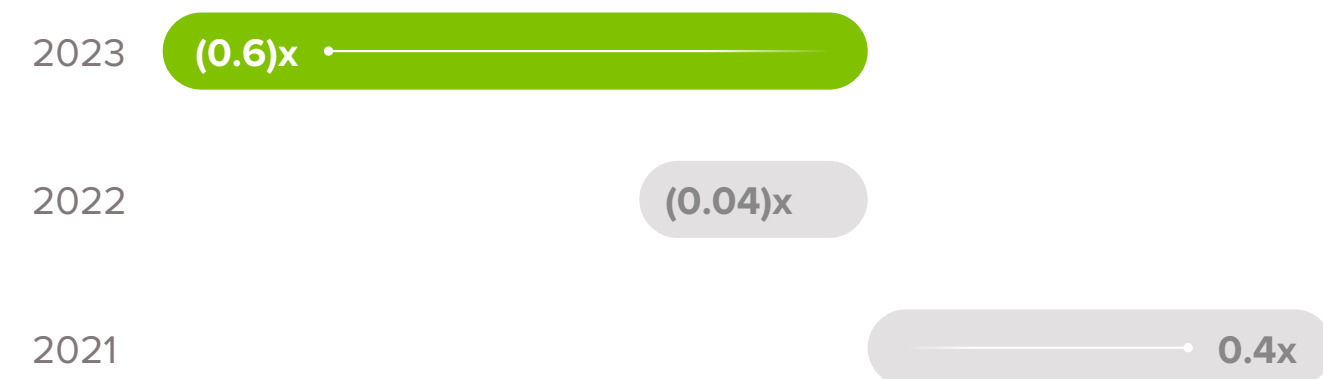
## Adjusted EBITDA margin, %



## Net profit, RUB million



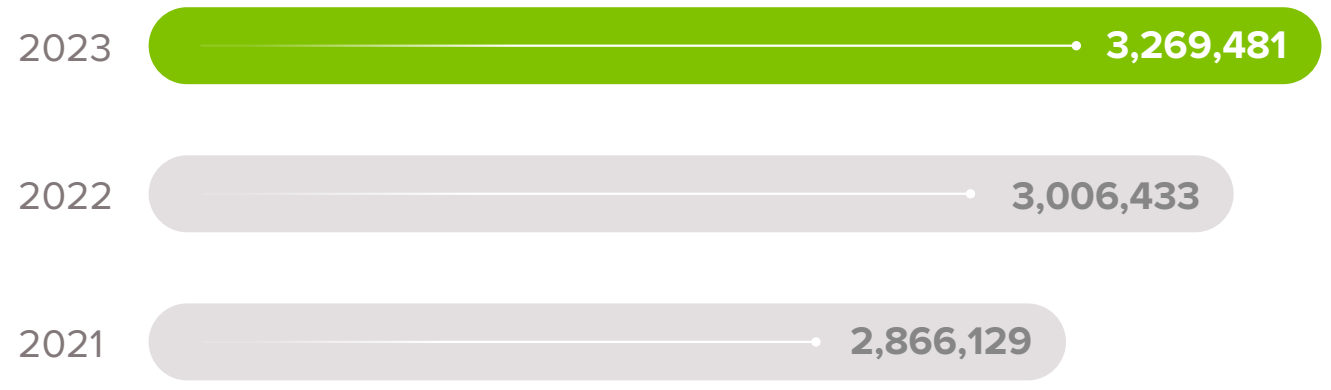
## IAS 17-based (net cash) / net debt to EBITDA ratio



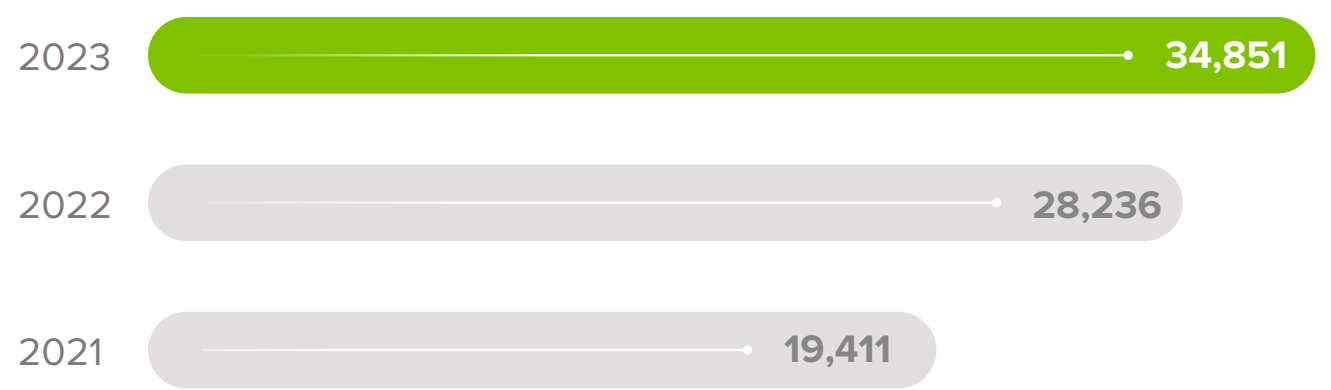
<sup>1</sup> Financial data are for the full year  
<sup>2</sup> EBITDA adjusted for LTIP (long-term incentive programme) expenses. EBITDA is calculated as profit for the given period before income tax, net interest income / (expenses), depreciation and amortisation, and foreign exchange gain / (loss)

# Key Figures (ESG)

Total GHG emissions (Scope 1, 2, and 3), tonnes of CO<sub>2</sub> equivalent

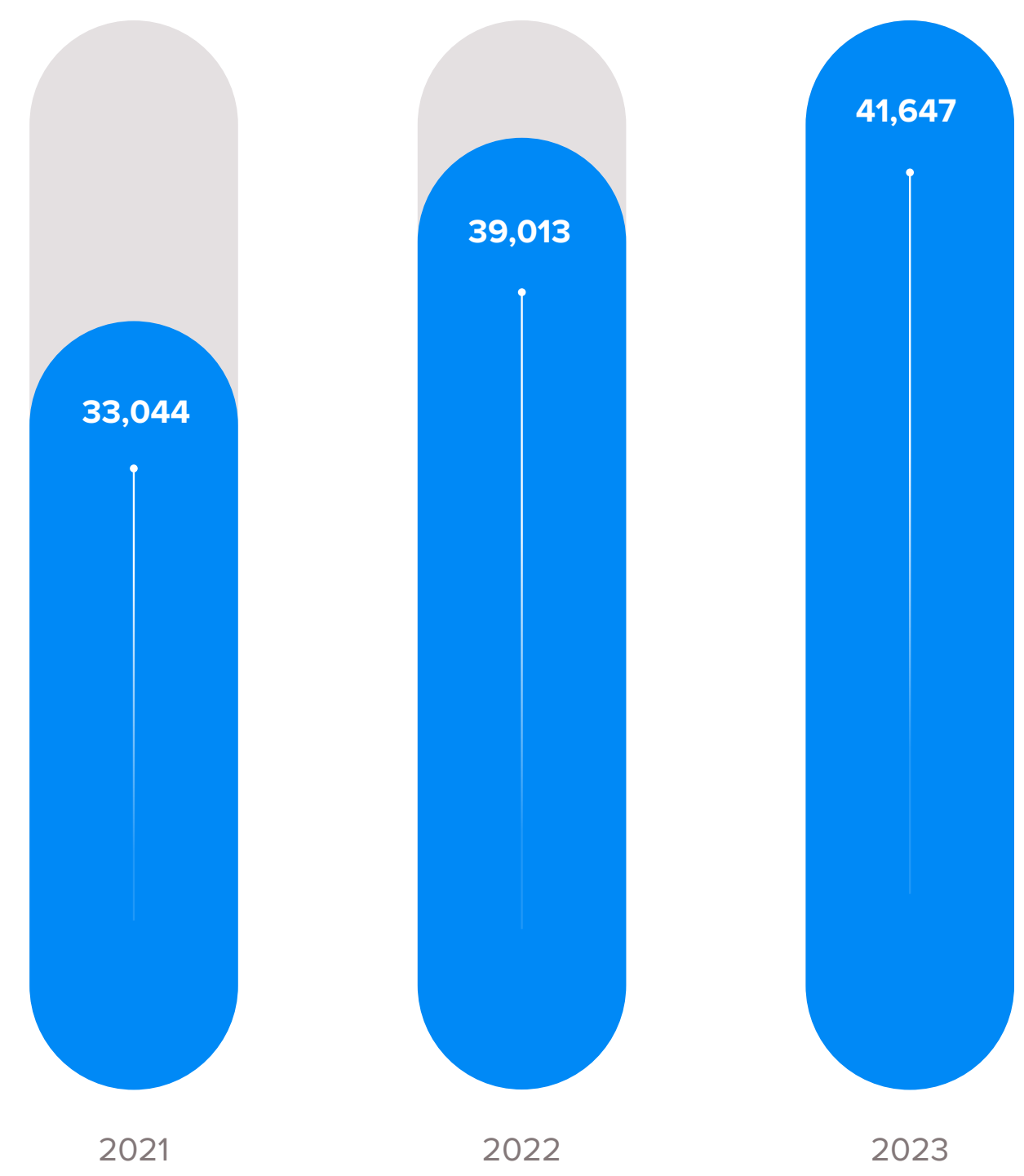


Total waste sent for recycling, tonnes



Total average headcount of the Group <sup>1</sup>

# 41,647 employees



<sup>1</sup> Total personnel of Fix Price Group PLC across its entire footprint, including contractors



Investment case

# Unlocking value for all

Fix Price's strategy remains unchanged – offering customers exceptional value for money in conveniently located stores and expanding the network's geographic footprint while enhancing the customer journey across all available formats.

## Competitive advantages

### Agile sourcing

- Transparent procurement procedures and scale enable:
- Fix Price to offer **compelling value at affordable prices** to customers
- suppliers to manufacture **unique products** in easy-to-predict volumes for us
- In-depth involvement in the design and A-to-Z production cycle of products
- Fast decision-making



### Robust store management model

- Whitespace potential – **18,600** stores <sup>1</sup>
- 10**-month payback for new stores
- RUB **4.8** million – low average net new outlets investment
- Consistent store format across the network



### Rigorous cost control

- Capital-efficient footprint expansion thanks to store standardisation and heavy automation of operations and management
- ROIC <sup>2</sup> **74%**
- CAPEX-light model – **2.2%** of revenue
- Flexible lease terms subject to ongoing optimisation



### Cutting-edge tech platform

- Through streamlined processes, the entire network is run as a single store with a small head office
- Business integration enabled by a unified enterprise resource planning (ERP) system
- Online access to all key performance indicators
- Technology innovations, AI and expertise accumulated over 17 years are leveraged for demand forecasting and lean operations



### Unique CVP



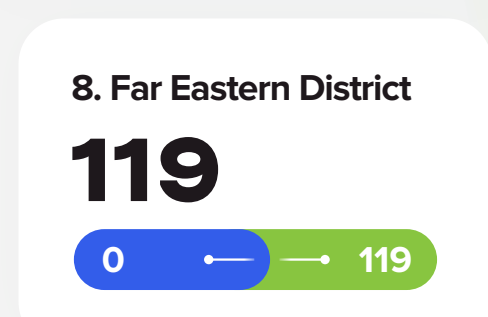
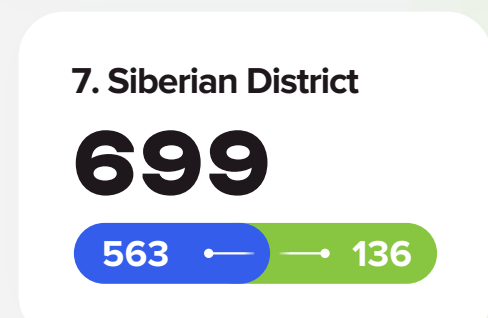
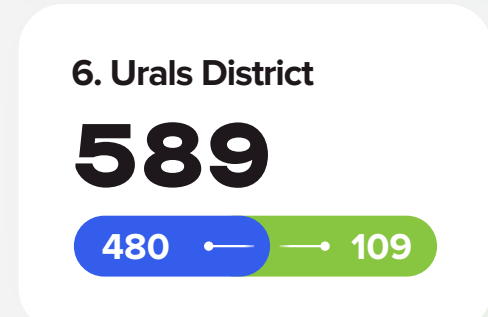
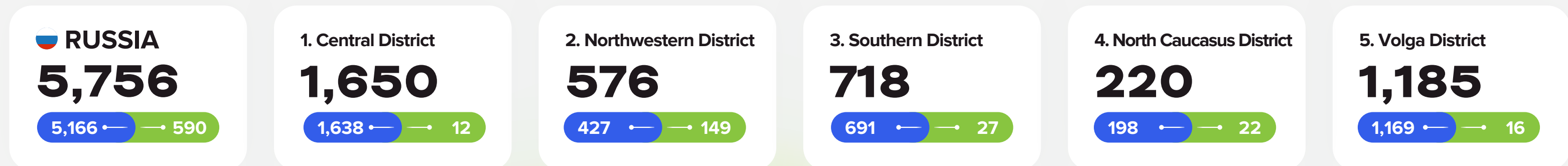
- Nine <sup>3</sup> fixed price points under **RUB 349**
- Continuous assortment rotation: **50** new products per week
- Loyalty card holders spend almost **twice** as much as non-holders

<sup>1</sup> Source: INFOLine

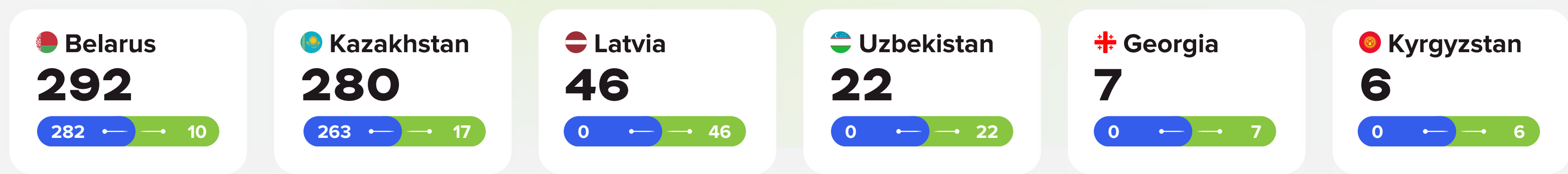
<sup>2</sup> ROIC (Return on Invested Capital) is calculated as operating profit less income tax expense for the LFY divided by Average Invested Capital. Average Invested Capital is calculated by adding the Invested Capital at the beginning of LFY to Invested Capital at year's end and dividing the result by two. Invested Capital is calculated as total equity plus total current and non-current loans and borrowings plus total current and non-current lease liabilities plus dividends payable less cash and cash equivalents

<sup>3</sup> Anchor price points. A RUB 399 price point is being tested; we also have fractional price points

# Store economics and locations



## Neighbouring countries



- Company-operated stores, by federal district
- Franchise stores, by federal district



<sup>1</sup> For Company-operated stores

<sup>2</sup> Average net investment is the average capital expenditure required to open a new Russia-based Company-operated store, including cost of IT equipment and intangible assets (e.g. software licences), based on capital expenditures for stores opened in 2023

<sup>3</sup> Average IAS 17-based new store EBITDA is calculated as store revenue less store level expenses associated with the cost of goods sold, transportation costs, shrinkage costs, staff costs, operating lease expenses, bank charges, security costs, maintenance costs, advertising expenses, utility expenses, and other operating expenses for the first full 12 calendar month period after opening (based on Company-operated Russian stores that were opened during 2022, were operating as at 31 December 2023, and repaid the average net investment [i.e. where the cumulative IAS 17-based store EBITDA since store opening exceeded RUB 4.8 million])

<sup>4</sup> Stock Keeping Unit

<sup>5</sup> Average payback period is defined as the time period required for the cumulative IAS 17-based new store EBITDA from a new Russia-based Company-operated store (Note 3) to cover the sum of average net investment (Note 2) expressed in months

<sup>6</sup> Average store-level ROIC is defined as average IAS 17-based new store EBITDA (Note 3) divided by average net investment (Note 2) expressed as a percentage

# Business Model

## Broadening our horizons

**~42,000 employees**

Highly experienced and qualified management team

**6,414 stores**

in Russia and neighbouring countries with a total selling space of

**1,391,000 sq. m**

**Scalable store format** with low CAPEX requirement

**560 suppliers**

**13 DCs** with a total area of **484,000 sq. m**

## A value proposition built on efficiency

**No. 1**

in the Russian variety value retail market

CUSTOMERS

**~26 million** registered loyalty cardholders in Russia  
**+18% y-o-y**

PRODUCT MIX

**71%** of retail sales come from regularly rotated merchandise

REVENUE

Retail sales  
**RUB 259 billion**  
Wholesale sales  
**RUB 33 billion**

Industry-leading margins

**12.2%** net profit margin (+452 bps y-o-y)

**34.0%** gross margin (+84 bps y-o-y)

Robust EBITDA performance

**18.6%** adjusted EBITDA margin

## Caring for stakeholders

CUSTOMERS

**63% NPS**

We sell **~77%** of our goods for no more than **RUB 99**

EMPLOYEES

**48% y-o-y** increase

in financial support to employees

**2,300** office employees

underwent corporate and external training

SHAREHOLDERS

The Company's GDRs are listed on three exchanges:

**LSE, MOEX, AIX**

**Redomiciliation** from Cyprus to Kazakhstan launched in 2023

Dividends <sup>1</sup> of

**RUB 9.84**

per share/GDR approved in 2024

<sup>1</sup> Interim dividends for 2023 and 2024

PARTNERS

**79%** share

of Russian suppliers in procurement

**150** franchise programme participants

LOCAL COMMUNITIES

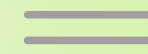
**300,000** people

covered by our awareness raising campaign to support VK's anti-cyberbullying day

**+143 new localities**<sup>2</sup>

**+2 new countries** of presence<sup>2</sup>

<sup>2</sup> In 2023



# Our Approach to ESG

In our ESG activities we are guided by four strategic pillars, the 4Ps: Product, People, Partners, and Planet.

## 2023 ESG markers

Primary targeted UN Sustainable Development Goals (SDGs)

- SDG 8**  
Decent work and economic growth
- SDG 12**  
Responsible consumption and production
- SDG 13**  
Climate action

**Product**

**>4,000**  
product quality tests

**Partners**

**0** major breaches  
identified by private-label supplier audits

**People**

**+24%**  
growth in healthcare programme coverage

**Planet**

**+23%**  
increase in the amount of waste sent for recycling





# Highlights

## Awards

Forbes rating

**Forbes**

### The Most Profitable Franchise

Fix Price won the Franchise Fee over RUB 5 Million category of Forbes' 30 most profitable Russian franchises ranking for 2023. This recognition highlights the strength of our business model in Russia. The entries were judged on the following five metrics: average annual revenue per store, profit / loss ratio, payback period, profitability, and net store openings per year. As of the ranking date (1 May 2023), almost every tenth store under the Fix Price brand was a franchise.



OMNI retail rating



No. **13**

Fix Price won two awards in the Omni Retail Rating — Technology Breakthrough and Breakthrough of the Year — and moved up from 78th to 13th place in this ranking of Russia's major online and offline retailers compiled by Data Insight and AWG. Companies are evaluated on 23 metrics across customer experience, consumer interaction with technology, order collection experience, and financial performance.

WOWPRO



### Award in the Digital Solutions Category

Fix Price's project to migrate employees' records to an electronic HR document interchange system implemented in partnership with HRlink won the Digital Solutions category of the WOW PRO business award.

Private Label Awards



### O'Kitchen Named the Best Non-food Private Label

Fix Price's O'Kitchen private label won the Best Non-food Private Label category at the 8th Private Label Awards. O'Kitchen offers a wide range of useful kitchen utensils, table decorations, and cookware. The competition panel praised the attractive and ergonomic design of the products, sensible packaging, extensive product range, and low prices. The O'Kitchen product range exceeds 300 SKUs, and design concepts for three new product lines were developed in 2023.



# Highlights

## Operational Highlights

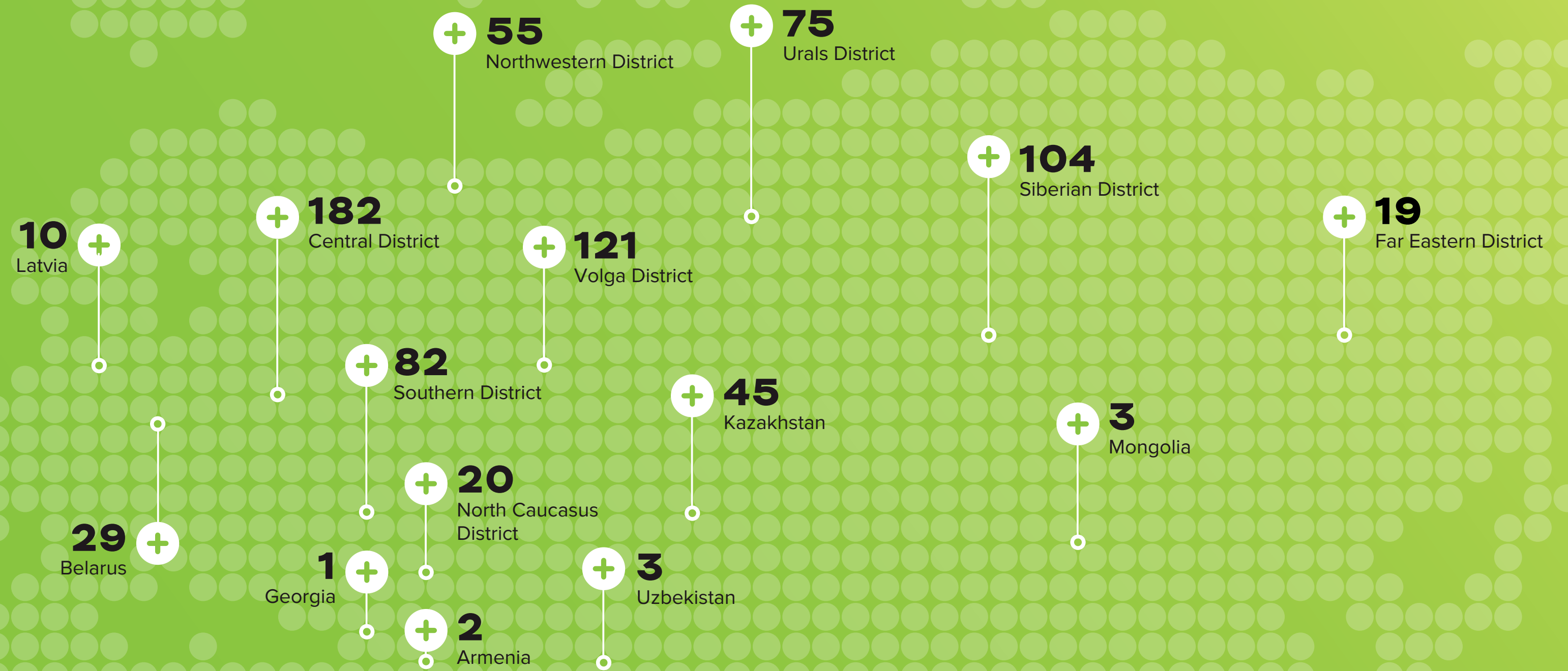


# 2023

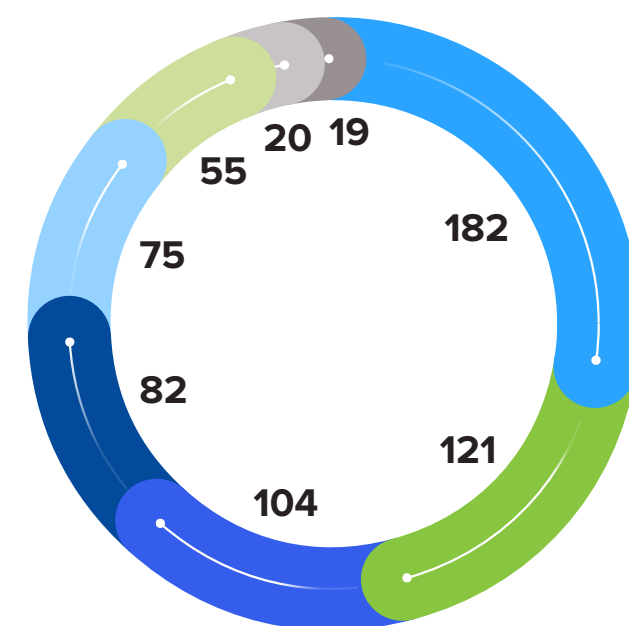
### Network Expansion

- Fix Price opened its stores in Mongolia and Armenia, with the first two outlets launched under Fix Price's franchise programme in the Mongolian capital, Ulaanbaatar, on 13 and 14 January. Armenia is the ninth country added to Fix Price footprint, with stores also opened under Fix Price's franchisee network. Goods are delivered to stores in Armenia by truck from the Company's distribution centre in Krasnodar, and to stores in Mongolia from the warehouse in Novosibirsk.
- The Magadan Region became the eighty-first market where we operate within Russia and our tenth in the Russian Far East, with a franchise Fix Price store launched in the city of Magadan. The outlet offers the chain's full product assortment seen across our broader Russian footprint — a total of around 2,000 SKUs across 20 categories. Goods are supplied by rail from a warehouse in Pushkino (the Moscow Region).

**+751**  
stores in 2023  
(net openings)

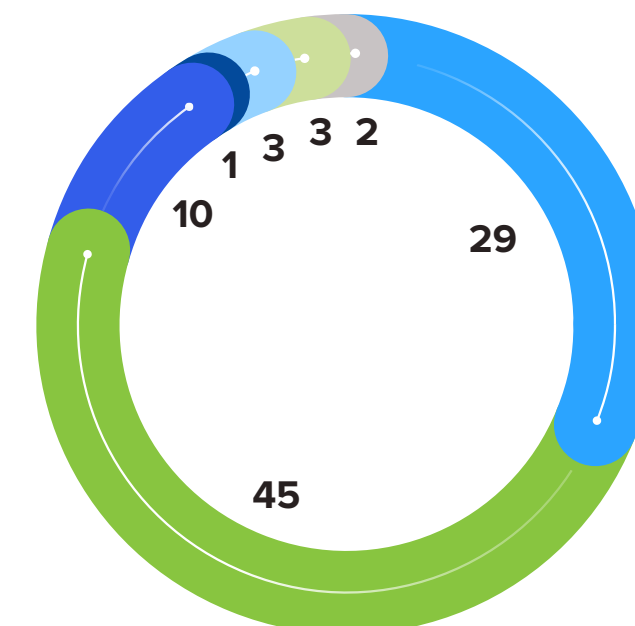


### By federal districts: **+658** stores



- Central
- Volga
- Siberian
- Southern
- Urals
- Northwestern
- North Caucasus
- Far Eastern

### Neighbouring countries: **+93** stores



- Belarus
- Kazakhstan
- Latvia
- Georgia
- Uzbekistan
- Mongolia
- Armenia

# Highlights

## 2023

### Expanding Our Network of Distribution Centres

#### March

Fix Price launched its new distribution centre at PNK Park Domodedovo 1, a built-to-suit logistics facility in Domodedovo, measuring 67,000 sq. m overall.

In March 2023, Fix Price leased a small distribution centre in Astana, Kazakhstan, measuring a total of 3,000 sq. m. This warehouse facility supplies our outlets in Kazakhstan and stores locally sourced products.

#### December

Fix Price made the first product shipment from its new owned distribution centre in Yekaterinburg. The 68,000 sq. m warehouse will supply stores in the Urals, Volga and Siberian Federal Districts, as well as Company stores in Kazakhstan. China- and Russia-made equipment has been purchased for the facility.

### Enhancing Marketing Communications

#### January

We launched an advertising campaign featuring actor Sergey Burunov as Fix Price's new brand ambassador on national TV channels, leading online platforms, and social media.

With multiple popular Russian movies, TV series, and television shows under his belt, Sergey garners a strong positive response from most Russian consumers. When putting together the 2023 ad campaign featuring him, we wanted to emphasize that shopping at Fix Price transforms the customer experience from a routine search for value into a real treasure hunt.

Fix Price unveiled its new mascot — a blue and green Fippy the hedgehog. Fippy has been introduced to help our brand connect with customers across all their journeys in a more personal and unique way and create a lasting impression. The mascot will be used in our advertising campaigns in Russia, Kazakhstan, Belarus and Latvia as well as across our new footprint as we roll out our marketing efforts across these countries. Fippy will deliver the message that a Fix Price store is a place where you can find just about anything you need at the lowest price!

#### February

Fix Price doubled down on harnessing artificial intelligence (AI) tools to augment its marketing communications. We leverage multiple neural networks to optimise our use of internal resources: AI helps develop promotional products and packaging design, generate various product flypage versions, and tailor personalised communications.

# Fippy –

a hedgehog who knows everything about good value!

Hi, I'm FIPPY! Want to become friends?



### Loyal customers

The total number of loyalty cardholders exceeded 27 million across all countries of operation, including approximately 26 million registered cardholders in Russia. Customers in the Tomsk, Kaliningrad, and Smolensk Regions, as well as the Republic of Khakassia were among the most active loyalty programme users. In 2023, the chain's average share of sales generated by loyalty cardholders topped 62% of total retail sales in Russia.

>27 million loyal customers



# Highlights

## Advanced Technology and IT Solutions



### 2023

#### CV

Fix Price has deployed a computer vision-powered solution to detect queues at checkouts. The new technology encourages more footfall to stores and boosts customer loyalty by eliminating queues through alerts for staff to open additional checkout lanes during peak traffic. On top of this, the system continuously collects traffic and queue data, which are subsequently analysed to improve the store network's performance. Average footfall has grown by 2% in the test stores.

#### WAF

Fix Price has deployed a WAF service to defend against smart cyberattacks and rolled out additional solutions to shield online apps against DDoS attacks. Moreover, we have incorporated a new anti-spam module for the Company's mailing service into our cybersecurity system.

#### CDP

Fix Price has tested the CDP developed by Loymax Solutions Smart Communications, which will automate the chain's customer data collection and analysis.

#### LEAD WMS

Fix Price has teamed up with LogistiX Group, a Russian developer of warehouse, transport, and production management systems, to update its LEAD WMS centralised warehouse logistics management system. The project enables centralised monitoring, control, and change management at the chain's distribution centres, which measure over 400,000 sq. m overall. Distribution centres leveraging the new solution have been launched in Domodedovo, Vnukovo, and Yekaterinburg.

## Corporate Events



### 2023

#### Redomiciliation from Cyprus to Kazakhstan

##### 9 November

Fix Price's Extraordinary General Meeting of Shareholders approved the decision to move the Company's headquarters from Cyprus to Kazakhstan and become a registered continuing entity at the Astana International Financial Centre (AIFC) in the Republic of Kazakhstan.

#### Fix Price Group PLC's Global Depository Receipts Were Listed on the Astana International Exchange (AIX)

##### 17 October

Fix Price Group's global depository receipts (GDRs) were admitted to trading on the Astana International Exchange (AIX) under the ticker FIXP.Y. The Group intends to retain the dual listing it has maintained in London and Moscow since March 2021. Fix Price seeks to act in the best interests of all shareholders and investors and believes that a listing on the AIX will help diversify its shareholder base and potentially boost the liquidity of Company securities.

Fix Price expands opportunities for shareholders. In October 2023, the Company's GDRs were listed on the Astana International Exchange

## AIX

2% average store footfall increase thanks to queue detection technology at checkouts

# Sustainability

## 2023

### #notocyberbullying

Fix Price supported VK’s campaign against social media bullying.

We published a series of posts bearing the #notocyberbullying hashtag and offering expert advice on countering bullying and promoting zero tolerance for bullying in our accounts on Telegram, Odnoklassniki, VKontakte, and other social media platforms. The posts reached over 300,000 people.

### VHI for Employees

Fix Price renewed its voluntary health insurance (VHI) contract with Ingosstrakh, a leading Russian insurer, to cover its employees through 2023. Over 3,000 employees benefit from our corporate supplementary health insurance programme. VHI services usually cover outpatient treatment, dentistry, house calls, and a counselling hotline, as well as telemedicine via Ingosstrakh’s IngoMobile mobile app and TeleMed.Ingo website.

### SOS Children’s Villages

Fix Price supported the Direct Dialogue campaign run by the SOS Children’s Villages charity which strives to provide a holistic solution to the challenges faced by orphans in Russia. Throughout October, outreach specialists from SOS Children’s Villages teamed up with employees from 69 Fix Price stores in Moscow, St Petersburg, and Krasnodar to invite customers to make a regular donation via the charity’s sos-dd.ru website.

### Products for a Healthy Lifestyle

Fix Price has put together a special selection of products in a dedicated section of its online catalogue on fix-price.com, For a Healthy Lifestyle. Now available to customers on the website and via the mobile app, the new section features such products, as healthy snacks, health and beauty products, accessories for outdoor activities, sports apparel, hygiene products, and much more.



Catalogue on [fix-price.com](https://fix-price.com),  
**For a Healthy Lifestyle**

### Fix Price and VK Dobro Join Efforts for the Gifts That Matter Project

Customers visiting the fix-price.com website were invited to donate to Russia-based charities by spending a comfortable sum on a chosen Gift That Matters. The funds raised were used to buy food for seniors living alone, to support orphans with major health issues, or to cure and rehabilitate rare animals. The VK Dobro team made sure that the donations were used for their intended purpose.

#### CHARITIES INVOLVED IN THE CAMPAIGN



# Events after the Reporting Period

## 2024

### Interim Dividends for 2023 and 2024 Approved

On 15 January 2024, the Board of Directors of Fix Price Group PLC approved the payment of interim dividends for 2023 and 2024 to a total of RUB 8.4 billion, or RUB 9.84 per GDR/share (gross amount subject to applicable taxes and duties). The amount was calculated based on the regulatory approval from the subcommission of the Government Commission on Monitoring Foreign Investment in the Russian Federation for LLC Best Price to pay a RUB 9.8 billion dividend, net of 15% withholding tax.

RUB **8.4** billion  
interim dividends  
for 2023 and 2024