









ABOUT THE PROJECT

UNIQUE FORMAT FOR O THE RUSSIAN MARKET O

LOW AND FIXED PRICE FOR EVERYTHING

Flexible fixed price systems have come to replace one fixed price. Big retail chains all around the world introducing a new method as **Fix Price**, which has created a new price system that allows expanding the range and save the benefit for the buyer.



THE MAIN IDEA

To offer customers modern model of retail, which combines a wide range of goods with fixed low prices and convenient location.

FOREIGN EXPERIENCE

The concept of store with low and fixed prices is widespread in the world. Large chain stores use two main formats:

One Price stores:

Several Prices stores:

- FIVE BELOW (USA)
 - DOLLARAMA (Canada)



DOLLAR TREE (USA)







HISTORY

HIGH RATES OF O DEVELOPMENT O

The Company BEST PRICE LLC started its activity in June 2007. The first store of the international chain stores **Fix Price** was opened in December 2007.

GROWTH DYNAMICS

Today there are more than 6,700 Fix Price stores in more than 1,608 localities and 81 regionsacross Russia, as well as in Belarus, Georgia, Kazakhstan, Kyrgyzstan, Armenia, Latvia, Uzbekistan, Mongolia and UAE.

Advgea Rep. Altay Rep. Altay Krai Arkhangelsk Region Astrakhan Region Bashkortostan Rep. Belgorod Region Bryansk Region Vladimir Region Volgograd Region Vologda Region Voronezh Region Ivanovo Region Irkutsk Region Kaliningrad Region Kalmykia Rep. Kaluga Region Kamchatka Territory Karachay-Cherkessia Rep. Karelia Rep. Kemerovo Region Kirov Region

Komi Rep. Kostroma Region Krasnodar Krai Krasnoyarsk Krai Kurgan Region Kursk Region Leningrad Region Lipetsk Region Mari El Rep. Mordovia Rep. Moscow Moscow Region Murmansk Region Nizhny Novgorod Region Novgorod Region Novosibirsk Region Nenets AO Orenburg Region Orel Region Penza Region Perm Krai Pskov Region

Rostov Region Ryazan Region Saint Petersburg Sakhalin Region Samara Region Saratov Region Sverdlovsk Region Smolensk Region Stavropol Krai Tambov Region Tatarstan Rep. Tver Region Tula Region Tyumen Region Udmurtia Rep. Ulyanovsk Region Khakassia Rep. Khanty-Mansiysk AO Chelyabinsk Region Chuvashia Rep Yamalo-Nenetskiy AO Buryatia Rep.

Jewish AO Zabaykalskiy Krai Ingushetiya Rep. Kabardino-Balkariya Rep. Omsk Region Primorsky Krai North Ossetia Rep. Tomsk Region Tyva Rep. Khabarovsk Krai Yaroslavl Region

Stores in neighboring

countries: Belarus Georgia Kazakhstan Kyrgyzstan Latvia Uzbekistan



GEOGRAPHY

UNLIMITED GEOGRAPHY O OF DEVELOPMENT O

TERRITORY OF DEVELOPMENT

Cities and localities in Central, Volga, Ural, North Caucasian, Siberian, Far Eastern, Northwestern and Southern federal districts of the Russian Federation with population starting from 5,000 people, and the neighbouring countries.



FRANCHISE

Global opportunities for work in different countries and regions except territories of development of own retail chain.



ABOUT STORE

STORES' CHARACTERISTICS





Average total space: 290 m²

Average selling space: 210 m²



Cash registers: 2-3 pcs



SKU: 2,000 pcs



Staff: 4-5 people/shift

STORES' LOCATION

- Shopping centers (malls)
- Spaces with good visibility, passability and attractive shop windows inside shopping centers, located in the first line of houses (street retail)

ATMOSPHERE IN STORES

Unique and unforgettable shopping experience for all family created by:

- Comfortable lighting and mild temperature
- Modern shopping equipment
- Simplicity of items selection
- Convenient navigation
- Friendly staff
- Sound effects
- Aromatization of selling area





ASSORTMENT

THE UNIQUE GOODS ONON-FOOD O

ASSORTMENT STRUCTURE

The range includes food, non-food and drogerie products. About a quarter of our purchases are imported.



CONSUMER AUDIENCE



CUSTOMER PORTRAIT

Typical **Fix Price** customer purchases twice a week, mostly in stores near by home. Prefers kitchen and home products, household chemicals, food and souvenirs.





CHARACTERISTICS

Sex: female 68%, male 32%
Age: several major age groups, 22 - 55 years old
Occupation: emploees, workers, pensioners
Marital status: married, 1 - 2 children in a family

Income level:

54% - from 10,000 - 30,000 RUB 43% - more than 30,000 RUB 3% - less than 10,000 RUB **Average purchase:** 3 - 10 pcs

PRICE POLICY



LOW AND FIXED PRICES FOR EVERYTHING

Fix Price offers goods for extremely low price due to the ranging system of fixed prices.



^{*}Fractional price is a price derived from an anchor price point.

Example: anchor price point RUB 55 is divided on two price points of RUB 27.5, three price points of RUB 18.3 or N number of products of RUB M each.



PROMOTION

ACTIVE MARKETING O SUPPORT O

Loyalty program — Customers can acquire a **Fix Price** Loyalty Card that gives special offers from the company. Card allows to accumulate points which can be used as payment for subsequent purchases.

New and seasonal assortment — customers are regularly informed about new and seasonal assortment by printed advertising materials (catalogs, leaflets and flyers), which are distributed all over the territory of chain. Other types of informing are sms, push notifications and e-mail newsletters.

Fix Price in Internet — development and support of fix-price.com website or mobile app. Active social media promotion. Digital advertising on the most relevant websites.

Fix Price on Television — commercial placement on national television.

Outdoor Advertising — static and dynamic advertisement placement on billboards and other street constructions. Image and navigation advertising on public transport, distribution of leaflets by promoters.

Indoor Advertising — equipment of selling areas with additional promotional materials (photo panels, banners, WOW-posters). Broadcasting audio ads, musical accompaniment, panels placement.

Social marketing — Fix Price organizes sport, healthy lifestyle and environment protection activities within the federal charity program "The Good Deeds".





PRIVATE LABEL



The unique **Fix Price** product range is formed by a wide portfolio of private labels in various categories. All products are manufactured specifically for **Fix Price** by leading Russian and foreign companies. This allows to achieve the best prices, to support "Price leader" strategy and to offer customers a wide range of profitable good quality products.



QUALITY CONTROL



Fix Price has a quality control system that helps offering our customers the best products by own brands. It has several levels:

- Regular degustations.
- Products are inspected and tested by independent laboratories.
- Manufactures are regullary audited.
- Quality contol hotline. A customer can share their opinion about the products and inform about unsatisfying quality by sending an e-mail to expert@fix-price.ru or contacting via the feedback form on the fix-price.com website.

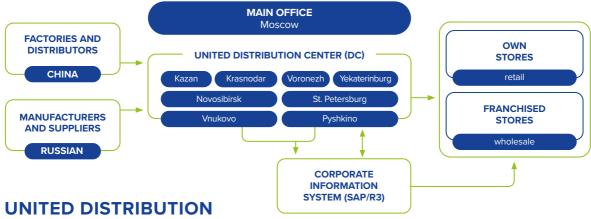


LOGISTICS



OPERATING BUSINESS STRUCTURE

Successful management of goods flow, information flow, financial flow and service flow with optimal costs of all resources.



UNITED DISTRIBUTION CENTERS

13 "A" class Distribution Centers (DC):

- DC Kazan 33 000 m²
- DC Yekaterinburg 22 000 m²
- DC Yekaterinburg 68 000 m²
- DC Voronezh 25 000 m²
- DC St.Petersburg 35 000 m²
- DC Samara 40 000 m²
- DC Astana 3 000 m²

- DC Novosibirsk 44 000 m²
- DC Krasnodar 67 000 m²
- DC Vnukovo 28 000 m²
- DC Novosibirsk 23 400 m²
- DC Pyshkino 28 000 m²
- DC Domodedovo 67 000 m²

Total area of DC is more than 484 226 m2.

All warehouses are equipped with the warehouse management system (WMS), modern cargo handling equipment. The distribution centers are served with the qualified staff.

FOR SUPPLIERS

BENEFICIAL OC

ADVANTAGES OF COOPERATION

Supplier increases the production volumes, sales and the final profit, expanding its positions on the regional market together with the growth of **Fix Price** company and stimulates brand visibility by taking part in extensive advertising campaign.



PRINCIPLE OF COOPERATION

The main principle of **Fix Price** is a confident partnership with suppliers based on honesty and transparency of commercial relationship.

HOW TO BECOME A SUPPLIER

We are ready to consider the demanding products which are considered as bestsellers in their categories.

GENERAL CONDITIONS:

- Purchasing price must be in accordance with the price policy of our company.
- Quality of all products must follow the requirements of current legislation of the
- Russian Federation.
- Goods must be accompanied with duly executed documents.
- Packing must guarantee safety of the goods during transportation.

The priority of our company is direct cooperation with manufacture.

FOR LANDLORDS

INVITE FOR COOPERATION

Fix Price store chain grows rapidly, in this regard, company is constantly interested in renting spaces for new stores and invites landlords and intermediaries for cooperation.

Ready to consider landlords' offers represented by:

- owners of all types (capital facilities and temporary structures)
- municipalities with the power of disposition
- tenants of premises (for sublease), including retail chains offering free trade area for sublease
- private intermediaries and brokers

TECHNICAL REQUIREMENTS

- Total area: 250 350 m2 (on one level)
- Type: detached building, built-in and attached, part of the spaces, 1st -2nd floor, basement, cellar
- Location: shopping centers, shopping passages of cities and towns
- Constructive: rectangular shape, having 2 separate entrances to the spaces, the possibility of the entrance for the truck to the unloading zone
- Permitted electrical load: 10 20 kW

RESPONSIBLE



CONTACTS

BEST PRICE LLC, 33, Shchepkina str., 129090, Moscow, Russian Federation +7 (495) 902-50-00



fix-price.com