



## LENTA REPORTS 8.6% SALES GROWTH AND AN 8.1% EBITDA MARGIN IN FY 2021

**21 February 2022**  
**St. Petersburg,**  
**Russia**

Lenta IPJSC (LSE: LNTA, MOEX: LNTA, LENT), one of the largest multi-format retail chains in Russia, today announces its audited financial results for the fourth quarter and full year of 2021.

### FY 2021 Highlights<sup>1</sup>

- Total Sales increased by 8.6% y-o-y to RUB 484 billion
- Retail Sales reached RUB 476 billion, representing 8.8% y-o-y growth
- Gross Profit was RUB 111 billion, an increase of 9.5%. Gross Margin increased by 19 bps and stood at 23.0%
- SG&A expenses increased as a percent of Sales by 94 bps due to intensified expansion of small-format stores, Lenta Online and expenses related to the acquisitions of Billa and Semya
- EBITDA was RUB 39.2 billion with an 8.1% EBITDA Margin
- CapEx stood at RUB 9.3 billion, up 23.3% y-o-y
- As of 31 December 2021, the Net Debt to EBITDA ratio was 1.4x vs. 1.5x as of 31 December 2020

### Q4 2021 Highlights<sup>1</sup>

- Total Sales increased by 18.6% y-o-y to RUB 147 billion
- Retail Sales reached RUB 145 billion, representing 18.9% y-o-y growth
- Gross Profit was RUB 33.5 billion, an increase of 21.2%. Gross Margin increased by 48 bps and stood at 22.7%
- SG&A expenses increased as a percent of Sales by 50 bps mainly due to higher lease expenses, payroll and related taxes on the back of expansion
- EBITDA was RUB 11.4 billion, an increase of 22.2%. EBITDA Margin increased by 22 bps and stood at 7.7%

1. Please note that all Financial Highlights are based upon IAS 17 figures.

**Vladimir  
Sorokin,**  
Chief Executive Officer



*Lenta's strong performance in the past year provides momentum to execute the ambitious growth strategy we presented to our shareholders in 2021. Measuring this performance against our long-term strategic objectives, we are well on the way to transform Lenta into a champion multi-format food retailer.*

*In 2021, we grew our retail footprint through a combination of smart organic growth and strategic acquisitions, adding 364 stores on a net basis and increasing Total Selling Space by over 15%. The acquisitions of Billa and Semya has strengthened Lenta's market positions in Moscow and Perm via locations with established customer traffic, while their competencies in small stores will support our organic expansion.*

*Our core Hypermarket business is gaining market share and delivering solid results, posting sales growth and improved efficiency in 2021. In addition, we are working to increase the productivity of this format through several initiatives, including dedicated zones for online order picking in our stores.*

*The roll-out of our Lenta Mini format is moving along swiftly. As of the end of the year, we had 133 Lenta Mini locations and 85 of those stores were added in the fourth quarter alone. We see that there is ample opportunity to further optimize the operations of Lenta Mini and our supermarkets in 2022.*

*Lenta's online business is becoming an increasingly important contributor to our growth, with Online Sales up 208% in 2021. A key focus of 2022 will be on an integration of the Utkonos business, while leveraging it's business's assortment strength, loyal customer base, and expertise in dark stores. We believe Lenta-U will become a sizable player in the Russian e-grocery market.*

*I am pleased to say that despite the intense expansion in small formats, two acquisitions, and the strong growth of our Online business we were able to deliver an EBITDA Margin on an industry-leading level of over 8.0% in 2021.*

*The current macroeconomic situation and inflationary environment create headwinds for the entire sector, but we are confident that Lenta is well-positioned to navigate the challenges and deliver strong results in 2022. We will continue to execute our strategy investing in expansion and online development as well as continuous improvements of our operations to ensure Lenta's long-term growth and leadership.*



## Q4 & FY 2021 FINANCIAL HIGHLIGHTS

### Key Financial Results, IAS 17

RUB million	Q4'21	Q4'20	Change	FY'21	FY'20	Change
<b>Total Sales</b>	<b>147,316</b>	<b>124,172</b>	<b>18.6%</b>	<b>483,641</b>	<b>445,544</b>	<b>8.6%</b>
<b>Gross Profit</b>	<b>33,497</b>	<b>27,644</b>	<b>21.2%</b>	<b>111,107</b>	<b>101,494</b>	<b>9.5%</b>
<i>Gross Margin (%)</i>	<i>22.7%</i>	<i>22.3%</i>	<i>48 bps</i>	<i>23.0%</i>	<i>22.8%</i>	<i>19 bps</i>
<b>SG&amp;A</b>	<b>(28,302)</b>	<b>(23,237)</b>	<b>21.8%</b>	<b>(93,066)</b>	<b>(81,538)</b>	<b>14.1%</b>
<i>SG&amp;A as % of Total Sales</i>	<i>-19.2%</i>	<i>-18.7%</i>	<i>-50 bps</i>	<i>-19.2%</i>	<i>-18.3%</i>	<i>-94 bps</i>
<b>EBITDAR</b>	<b>14,195</b>	<b>11,032</b>	<b>28.7%</b>	<b>47,643</b>	<b>45,586</b>	<b>4.5%</b>
<i>EBITDAR Margin</i>	<i>9.6%</i>	<i>8.9%</i>	<i>75 bps</i>	<i>9.9%</i>	<i>10.2%</i>	<i>-38 bps</i>
<i>Rent as % of Total Sales</i>	<i>-1.9%</i>	<i>-1.4%</i>	<i>-53 bps</i>	<i>-1.7%</i>	<i>-1.4%</i>	<i>-33 bps</i>
<b>EBITDA</b>	<b>11,414</b>	<b>9,343</b>	<b>22.2%</b>	<b>39,242</b>	<b>39,315</b>	<b>-0.2%</b>
<i>EBITDA Margin</i>	<i>7.7%</i>	<i>7.5%</i>	<i>22 bps</i>	<i>8.1%</i>	<i>8.8%</i>	<i>-71 bps</i>
<b>Operating Profit before impairment</b>	<b>6,854</b>	<b>5,657</b>	<b>21.2%</b>	<b>23,185</b>	<b>24,591</b>	<b>-5.7%</b>
<i>Operating Profit Margin before impairment</i>	<i>4.7%</i>	<i>4.6%</i>	<i>10 bps</i>	<i>4.8%</i>	<i>5.5%</i>	<i>-73 bps</i>
Reversal of impairment	173	2,996	-94.2%	164	3,005	-94.5% bps
<b>Operating Profit</b>	<b>7,026</b>	<b>8,652</b>	<b>-18.8%</b>	<b>23,348</b>	<b>27,595</b>	<b>-15.4%</b>
<i>Operating Profit Margin</i>	<i>4.8%</i>	<i>7.0%</i>	<i>-220 bps</i>	<i>4.8%</i>	<i>6.2%</i>	<i>-137 bps</i>
Net Interest Expense	(1,294)	(1,335)	-3.1%	(4,923)	(6,217)	-20.8%
Net FX gain / (Net FX loss)	(28)	10	-380.0%	(497)	(247)	101.2%
Profit Before Income Tax	5,704	7,327	-22.2%	17,928	21,131	-15.2%
<b>Net Income</b>	<b>4,102</b>	<b>5,906</b>	<b>-30.5%</b>	<b>13,646</b>	<b>17,447</b>	<b>-21.8%</b>
<i>Net Income Margin</i>	<i>2.8%</i>	<i>4.8%</i>	<i>-197 bps</i>	<i>2.8%</i>	<i>3.9%</i>	<i>-109 bps</i>

For Q4 & FY 2021 Financial Highlights in accordance with IFRS 16 – see Appendix 1

Total Sales demonstrated strong growth of 8.6% and amounted to RUB 483.6 billion compared to RUB 445.5 billion in 2020. This growth was primarily driven by the Selling Space growth of 15.6% which was further amplified by 2.4% LFL Sales growth. Retail Sales grew by 8.8% to reach RUB 475.8 billion, while Wholesale decreased by 2.5% and constituted 1.6% of Lenta's Total Sales in 2021.

**+9.5%**  
Gross Profit, y-o-y

In 2021, Gross Profit (IAS 17) rose by 9.5% year-over-year to RUB 111.1 billion, and Gross Margin increased by 19 bps to 23.0% due to the better promotional margins resulting from the revision of promo campaigns, a higher centralization ratio as well as positive dynamics of stock provisions. The growth was slightly offset by intensified cashback investments related to the revamped loyalty program. Despite the consolidation of Billa and Semya and a higher share of new stores in the ramp-up stage shrinkage as a proportion of Sales decreased by 4 bps year-over-year.

**-0.2%**  
EBITDA, y-o-y

Despite the significant investments into Lenta's growth strategy and resulting higher SG&A, EBITDA (IAS 17) came in at RUB 39.2 billion and decreased only by 0.2% compared to the previous year, when Lenta benefitted from abnormal surge buying and stocking up customers' behavior during lockdown period. Lenta's EBITDA margin remained at an industry-leading level of 8.1% in 2021, in line with the company's Guidance for the full year.

## Selling, General, and Administrative (SG&A) expenses, IAS 17

RUB million	Q4'21	Q4'20	Change	FY'21	FY'20	Change
<b>Payroll and related taxes</b>	<b>10,963</b>	<b>8,699</b>	<b>26.0%</b>	<b>35,436</b>	<b>31,265</b>	<b>13.3%</b>
<i>as a % of Total Sales</i>	<i>7.4%</i>	<i>7.0%</i>	<i>44 bps</i>	<i>7.3%</i>	<i>7.0%</i>	<i>31 bps</i>
<b>Depreciation and Amortization (D&amp;A)</b>	<b>4,560</b>	<b>3,685</b>	<b>23.7%</b>	<b>16,057</b>	<b>14,724</b>	<b>9.1%</b>
<i>as a % of Total Sales</i>	<i>3.1%</i>	<i>3.0%</i>	<i>13 bps</i>	<i>3.3%</i>	<i>3.3%</i>	<i>2 bps</i>
<b>Lease Expenses</b>	<b>2,781</b>	<b>1,689</b>	<b>64.7%</b>	<b>8,401</b>	<b>6,271</b>	<b>34.0%</b>
<i>as a % of Total Sales</i>	<i>1.9%</i>	<i>1.4%</i>	<i>53 bps</i>	<i>1.7%</i>	<i>1.4%</i>	<i>33 bps</i>
<b>Utilities</b>	<b>1,535</b>	<b>1,310</b>	<b>17.2%</b>	<b>5,626</b>	<b>4,970</b>	<b>13.2%</b>
<i>as a % of Total Sales</i>	<i>1.0%</i>	<i>1.1%</i>	<i>-1 bps</i>	<i>1.2%</i>	<i>1.1%</i>	<i>5 bps</i>
<b>Store Operations</b>	<b>3,090</b>	<b>2,715</b>	<b>13.8%</b>	<b>10,262</b>	<b>9,114</b>	<b>12.6%</b>
<i>as a % of Total Sales</i>	<i>2.1%</i>	<i>2.2%</i>	<i>-9 bps</i>	<i>2.1%</i>	<i>2.0%</i>	<i>8 bps</i>
<b>Professional Fees</b>	<b>1,060</b>	<b>1,197</b>	<b>-11.4%</b>	<b>4,489</b>	<b>4,318</b>	<b>4.0%</b>
<i>as a % of Total Sales</i>	<i>0.7%</i>	<i>1.0%</i>	<i>-24 bps</i>	<i>0.9%</i>	<i>1.0%</i>	<i>-4 bps</i>
<b>Advertising</b>	<b>2,545</b>	<b>2,315</b>	<b>9.9%</b>	<b>6,489</b>	<b>5,749</b>	<b>12.9%</b>
<i>as a % of Total Sales</i>	<i>1.7%</i>	<i>1.9%</i>	<i>-14 bps</i>	<i>1.3%</i>	<i>1.3%</i>	<i>5 bps</i>
<b>Other</b>	<b>1,768</b>	<b>1,627</b>	<b>8.7%</b>	<b>6,306</b>	<b>5,127</b>	<b>23.0%</b>
<i>as a % of Total Sales</i>	<i>1.2%</i>	<i>1.3%</i>	<i>-11 bps</i>	<i>1.3%</i>	<i>1.2%</i>	<i>15 bps</i>
<b>Total SG&amp;A</b>	<b>28,302</b>	<b>23,237</b>	<b>21.8%</b>	<b>93,066</b>	<b>81,538</b>	<b>14.1%</b>
<i>as a % of Total Sales</i>	<i>19.2%</i>	<i>18.7%</i>	<i>50 bps</i>	<i>19.2%</i>	<i>18.3%</i>	<i>94 bps</i>
<b>SG&amp;A excluding D&amp;A</b>	<b>23,742</b>	<b>19,552</b>	<b>21.4%</b>	<b>77,009</b>	<b>66,814</b>	<b>15.3%</b>
<i>as a % of Total Sales</i>	<i>16.1%</i>	<i>15.7%</i>	<i>37 bps</i>	<i>15.9%</i>	<i>15.0%</i>	<i>93 bps</i>

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### +94 bps

Total SG&A as % of Sales, y-o-y

In 2021, Total Selling, General, and Administrative expenses (IAS 17) increased by 14.1% year-over-year to RUB 93.1 billion. SG&A as a percentage of Total Sales increased by 94 bps to 19.2%. This growth was mainly driven by higher payroll and related taxes and lease expenses as a percent of sales, as well as an increase in-store operations costs and Online delivery costs.

### +31 bps

Personnel expenses as % of Sales, y-o-y

In 2021, Lenta faced increasing competition for employees, and in order to be able to compete for professionals and be in line with market benchmarks the Company proceed with salary indexation of in-store and supply-chain employees. Payroll and related taxes rose by 13.3% year-over-year in connection with salary indexation (in Q4 2021), new store openings, as well as the two acquisitions, while personnel expenses as a percent of Total Sales increased by 31 bps.

D&A as a percent of Total Sales increased by 2 bps due to owned selling space growth by 2.8% to 1,158 k sqm.

Lease expenses rose by 33 bps as a percent of Total Sales, primarily due to the acquisitions of Billa and Semya, both of which have a higher percentage of leased versus owned stores in their portfolios. The share of leased selling space for Lenta overall increased to 34.0% as of 31 December 2021 compared to 25.8% a year ago.

Store Operations increased by 12.6% year-over-year, mainly driven by costs associated with security services, cleaning, as well as store repairs and maintenance.

Advertising costs during 2021 were up 12.9% year-over-year, due to investments into our growing online channel.

## Cash Flow Statement, IAS 17

RUB million	Q4'21	Q4'20	Change	FY'21	FY'20	Change
<b>Profit before income tax</b>	<b>5,704</b>	<b>7,327</b>	<b>-22.2%</b>	<b>17,928</b>	<b>21,131</b>	<b>-15.2%</b>
Net adjustments for loss on disposal of assets, impairment, depreciation & amortization, and other	5,998	2,689	123.1%	21,572	19,493	10.7%
Movements in Working Capital	11,015	11,712	-6.0%	2,076	(2,370)	-
<b>Cash generated from operating activities</b>	<b>22,717</b>	<b>21,728</b>	<b>4.6%</b>	<b>41,576</b>	<b>38,254</b>	<b>8.7%</b>
Net Interest & Income Taxes Paid	(3,440)	(1,602)	-114.7%	(7,991)	(11,046)	27.7%
<b>Net Cash from Operating Activities</b>	<b>19,277</b>	<b>20,126</b>	<b>-4.2%</b>	<b>33,585</b>	<b>27,208</b>	<b>23.4%</b>
Net cash used in Investing Activities	(2,880)	(2,416)	-19.2%	(30,815)	(7,409)	-315.9%
Net cash generated from/(used in) financing activities	(41)	(599)	-93.2%	9,218	(71,447)	-
Effect of exchange rates on cash and cash equivalents	18	(30)	-	(471)	52	-
<b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents</b>	<b>16,374</b>	<b>17,081</b>	<b>-4.1%</b>	<b>11,517</b>	<b>(51,596)</b>	<b>-</b>

For Q4 & FY 2021 Financial Highlights in accordance with IFRS 16 – see Appendix 1

# +23%

Capex, y-o-y

Capital Expenditures in 2021 amounted to RUB 9.3 billion, an increase of 23.3% year-over-year. The increase resulted from an accelerated pace of new organic store openings (141 store openings<sup>2</sup> on a gross basis during FY 2021 vs 20 store openings during FY 2020), completing construction of new distribution centers, continuing IT development costs, and expenses related to the integration of Billa stores.

# +23%

Net Cash generated  
from Operating  
Activities,  
y-o-y

In 2021, Net Cash generated from Operating Activities (IAS 17) amounted to RUB 33.6 billion, up 23.4%, reflecting business growth and healthy profitability.

The positive change in Working Capital (IAS 17) of RUB 2.1 billion during FY 2021, compared to a negative RUB 2.4 billion in FY 2020, was mainly driven by higher trade and other payables and net other tax payables.

Net Cash used in Investing Activities increased to RUB 30.8 billion in FY 2021 from RUB 7.4 billion in 2020, as a result of the two acquisitions.

In 2021, Net Cash generated from Financing Activities amounted to RUB 9.2 billion, compared to RUB 71.4 billion used in Financing Activities in 2020. This dynamic resulted from an increase in Gross Debt in FY 2021, as opposed to the debt repayment, which took place in 2020.

Free Cash Flow for FY 2021 was RUB 2.8 billion, which was RUB 17.0 billion lower than Free Cash Flow in 2020, mainly due to higher Net Cash used in Investing Activities.

2. Excluding new stores added following the acquisition of Billa's and Semya's businesses.

## Debt Position and Leverage

RUB million	IFRS 16		IAS 17	
	31-Dec-21	31-Dec-20	31-Dec-21	31-Dec-20
<b>Gross Debt</b>	<b>148,962</b>	<b>113,394</b>	<b>88,414</b>	<b>78,952</b>
Long-term Debt	66,912	45,941	66,912	45,941
Short-term Debt	21,502	33,011	21,502	33,011
Lease Liabilities (IFRS 16)	60,548	34,442	-	-
<b>Cash &amp; Cash Equivalents</b>	<b>33,326</b>	<b>21,809</b>	<b>33,326</b>	<b>21,809</b>
<b>Net Debt</b>	<b>115,636</b>	<b>91,585</b>	<b>55,088</b>	<b>57,143</b>
<b>Net Debt / EBITDA (LTM) ratio</b>			<b>1.4</b>	<b>1.5</b>

**1.4x**  
Net Debt / EBITDA  
IAS 17 (LTM),  
as of 31.12.2021

Lenta's cash position at the end of FY 2021 was RUB 33.3 billion. Gross Debt increased by RUB 9.5 billion or 12.0% compared to 31 December 2020 and stood at RUB 88.4 billion as of 31 December 2021. Net Debt decreased by RUB 2.1 billion compared to 31 December 2020 and stood at RUB 55.1 billion. All of the Company's debt has fixed interest rates and is fully Ruble denominated matching its revenue structure. The weighted average effective interest rate for Lenta's debt portfolio in 2021 was 6.83%, down 53 bps from the 2020 level. Lenta's Net Debt to EBITDA ratio was 1.4x as of 31 December 2021 vs 1.5x as of 31 December 2020.

## FY'22 GUIDANCE

**+200 stores**  
on a gross basis

Lenta expects it will add at least 200 stores in 2022. This figure reflects the Company's decision to focus on expansion in small formats. In 2022, Lenta will continue to look for attractive growth opportunities and expansion in existing and new formats, as well as further development of our online business.

Capex  
**~5% of Sales**

Lenta plans to invest up to 5% of its Sales in Capital Expenditures in 2022. Lenta plans to invest into organic expansion and required infrastructure to support the development of small formats. Capital spending in 2022 will also include investments into IT & digitalization projects, as well as repair and maintenance expenses.



## CONFERENCE CALL

The Lenta Management Team will host an investor and analyst conference call

**Date:**

Monday, 21 February 2022

**Time:**

- 17:00 Moscow time
- 14:00 London time
- 9:00 New York time

On the call will be Vladimir Sorokin (CEO), Rud Pedersen (CFO), and Tatyana Vlasova (Head of Investor Relations).

**Dial-in details:**

- Russia +7 495 283 98 58
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- United States +1 718 866 4614

Telephone numbers for additional countries can be found at the webcast URL.

Participant code: 878744

Audio webcast URL: <https://mm.closir.com/slides?id=878744>

Participants are encouraged to register approx. 5-10 minutes prior to the start of the call.

A presentation of the operational and financial results can be found at: <https://corp.lenta.com/en/>

## For further information, please contact:

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## About Lenta

Lenta IPJSC (LSE: LNTA, MOEX: LNTA, LENT) is a leading Russian multi-format food and FMCG retailer. The company operates hypermarkets, supermarkets, and recently launched a new proximity store format under the brand "Mini Lenta." It also provides customers the option to shop online via its click-and-collect and express delivery services. Lenta is Russia's largest hypermarket operator and the fourth largest food retailer overall by Sales. The company was founded in 1993 in St. Petersburg and as of December 31, 2021, operated 254 hypermarkets and 503 supermarkets and convenience stores in 89 cities across Russia with more than 1.75 million square meters of Selling Space. The average Lenta hypermarket has approximately 5,500 square meters of selling space, the average Lenta supermarket has 800 square meters, and the Mini Lenta format is 500 meters on average. The company operates 14 distribution centers to supply all of its stores. 2021 Revenues were RUB 484 billion (approximately USD 6.5 billion).

## Forward-Looking Statements

This announcement includes statements that are, or may be deemed to be, "forward-looking statements." These forward-looking statements can be identified by the fact that they do not only relate to historical or current events. Forward-looking statements often use words such as "anticipate," "target," "expect," "estimate," "intend," "expected," "plan," "goal," "believe," or other words of similar meaning. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances, a number of which are beyond Lenta's control. As a result, actual future results may differ materially from the plans, goals, and expectations set out in these forward-looking statements. Any forward-looking statements made by or on behalf of Lenta speak only as of the date of this announcement. Except as required by any applicable laws or regulations, Lenta undertakes no obligation publicly to release the results of any revisions to any forward-looking statements in this document that may occur due to any change in its expectations or to reflect events or circumstances after the date of this document.



## Q4 & FY 2021 FINANCIAL HIGHLIGHTS, IFRS 16

### Key Financial Results

RUB million	Q4'21	Q4'20	Change	FY'21	FY'20	Change
<b>Total Sales</b>	<b>147,316</b>	<b>124,172</b>	<b>18.6%</b>	<b>483,641</b>	<b>445,544</b>	<b>8.6%</b>
<b>Gross Profit</b>	<b>33,588</b>	<b>27,724</b>	<b>21.2%</b>	<b>111,361</b>	<b>101,816</b>	<b>9.4%</b>
<i>Gross Margin (%)</i>	22.8%	22.3%	47 bps	23.0%	22.9%	17 bps
<b>SG&amp;A</b>	<b>(27,856)</b>	<b>(22,863)</b>	<b>21.8%</b>	<b>(91,447)</b>	<b>(80,114)</b>	<b>14.1%</b>
<i>SG&amp;A as % of Total Sales</i>	-18.9%	-18.4%	-50 bps	-18.9%	-18.0%	-93 bps
<b>EBITDAR</b>	<b>14,290</b>	<b>11,136</b>	<b>28.3%</b>	<b>48,097</b>	<b>45,950</b>	<b>4.7%</b>
<i>EBITDAR Margin</i>	9.7%	9.0%	73 bps	9.9%	10.3%	-37 bps
<i>Rent as % of Total Sales</i>	-0.3%	-0.3%	-1 bps	-0.3%	-0.2%	-2 bps
<b>EBITDA</b>	<b>13,871</b>	<b>10,797</b>	<b>28.5%</b>	<b>46,885</b>	<b>44,919</b>	<b>4.4%</b>
<i>EBITDA Margin</i>	9.4%	8.7%	72 bps	9.7%	10.1%	-39 bps
<b>Operating Profit before impairment</b>	<b>7,394</b>	<b>6,137</b>	<b>20.5%</b>	<b>25,258</b>	<b>26,379</b>	<b>-4.2%</b>
<i>Operating Profit Margin before impairment</i>	5.0%	4.9%	8 bps	5.2%	5.9%	-70 bps
Reversal of impairment	173	2,898	-94.0%	164	2,907	-94.4%
<b>Operating Profit</b>	<b>7,567</b>	<b>9,035</b>	<b>-16.2%</b>	<b>25,422</b>	<b>29,286</b>	<b>-13.2%</b>
<i>Operating Profit Margin</i>	5.1%	7.3%	-214 bps	5.3%	6.6%	-132 bps
Net Interest Expense	(2,498)	(2,010)	24.3%	(8,428)	(8,902)	-5.3%
Net FX gain / (Net FX loss)	(72)	91	-179.1%	(524)	(386)	35.8%
Profit Before Income Tax	4,997	7,116	-29.8%	16,470	19,998	-17.6%
<b>Net Income</b>	<b>3,537</b>	<b>5,737</b>	<b>-38.3%</b>	<b>12,480</b>	<b>16,541</b>	<b>-24.6%</b>
<i>Net Income Margin</i>	2.4%	4.6%	-222 bps	2.6%	3.7%	-113 bps

### Selling, General, and Administrative (SG&A) expenses

RUB million	Q4'21	Q4'20	Change	FY'21	FY'20	Change
<b>Payroll and related taxes</b>	<b>10,963</b>	<b>8,699</b>	<b>26.0%</b>	<b>35,436</b>	<b>31,265</b>	<b>13.3%</b>
<i>as a % of Total Sales</i>	7.4%	7.0%	44 bps	7.3%	7.0%	31 bps
<b>Depreciation and Amortization</b>	<b>6,476</b>	<b>4,661</b>	<b>38.9%</b>	<b>21,627</b>	<b>18,540</b>	<b>16.7%</b>
<i>as a % of Total Sales</i>	4.4%	3.8%	64 bps	4.5%	4.2%	31 bps
<b>Lease Expenses</b>	<b>419</b>	<b>339</b>	<b>23.6%</b>	<b>1,212</b>	<b>1,031</b>	<b>17.6%</b>
<i>as a % of Total Sales</i>	0.3%	0.3%	1 bps	0.3%	0.2%	2 bps
<b>Utilities</b>	<b>1,535</b>	<b>1,310</b>	<b>17.2%</b>	<b>5,626</b>	<b>4,970</b>	<b>13.2%</b>
<i>as a % of Total Sales</i>	1.0%	1.1%	-1 bps	1.2%	1.1%	5 bps
<b>Store Operations</b>	<b>3,090</b>	<b>2,715</b>	<b>13.8%</b>	<b>10,262</b>	<b>9,114</b>	<b>12.6%</b>
<i>as a % of Total Sales</i>	2.1%	2.2%	-9 bps	2.1%	2.0%	8 bps
<b>Professional Fees</b>	<b>1,060</b>	<b>1,197</b>	<b>-11.4%</b>	<b>4,489</b>	<b>4,318</b>	<b>4.0%</b>
<i>as a % of Total Sales</i>	0.7%	1.0%	-24 bps	0.9%	1.0%	-4 bps
<b>Advertising</b>	<b>2,545</b>	<b>2,315</b>	<b>9.9%</b>	<b>6,489</b>	<b>5,749</b>	<b>12.9%</b>
<i>as a % of Total Sales</i>	1.7%	1.9%	-14 bps	1.3%	1.3%	5 bps
<b>Other</b>	<b>1,768</b>	<b>1,627</b>	<b>8.7%</b>	<b>6,306</b>	<b>5,127</b>	<b>23.0%</b>
<i>as a % of Total Sales</i>	1.2%	1.3%	-11 bps	1.3%	1.2%	15 bps
<b>Total SG&amp;A</b>	<b>27,856</b>	<b>22,863</b>	<b>21.8%</b>	<b>91,447</b>	<b>80,114</b>	<b>14.1%</b>
<i>as a % of Total Sales</i>	18.9%	18.4%	50 bps	18.9%	18.0%	93 bps
<b>SG&amp;A excluding D&amp;A</b>	<b>21,380</b>	<b>18,202</b>	<b>17.5%</b>	<b>69,820</b>	<b>61,574</b>	<b>13.4%</b>
<i>as a % of Total Sales</i>	14.5%	14.7%	-15 bps	14.4%	13.8%	62 bps

## Cash Flow Statement

RUB million	Q4'21	Q4'20	Change	FY'21	FY'20	Change
<b>Profit before income tax</b>	<b>4,997</b>	<b>7,116</b>	<b>-29.8%</b>	<b>16,470</b>	<b>19,998</b>	<b>-17.6%</b>
Net adjustments for loss on disposal of assets, impairment, depreciation & amortization, and other	9,151	4,332	111.2%	30,650	26,190	17.0%
Movements in Working Capital	11,257	11,765	-4.3%	2,319	(2,437)	-
<b>Cash generated from operating activities</b>	<b>25,405</b>	<b>23,213</b>	<b>9.4%</b>	<b>49,439</b>	<b>43,751</b>	<b>13.0%</b>
Net Interest & Income Taxes Paid	(4,647)	(2,283)	103.5%	(11,560)	(13,763)	-16.0%
<b>Net cash from Operating Activities</b>	<b>20,758</b>	<b>20,930</b>	<b>-0.8%</b>	<b>37,879</b>	<b>29,988</b>	<b>26.3%</b>
Net cash used in Investing Activities	(2,870)	(2,407)	19.2%	(30,779)	(7,374)	317.4%
Net cash generated from/(used in) financing activities	(1,532)	(1,412)	8.5%	4,888	(74,262)	-
Effect of exchange rates on cash and cash equivalents	18	(30)	-	(471)	52	-
<b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents</b>	<b>16,374</b>	<b>17,081</b>	<b>-4.1%</b>	<b>11,517</b>	<b>(51,596)</b>	<b>-</b>