



## LENTA REPORTS TOTAL SALES GROWTH OF 18.6% IN Q4 & 8.6% IN FY 2021

**27 January 2022**  
**St. Petersburg,**  
**Russia**

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

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

- Total Sales increased by 8.6% y-o-y to RUB 483.6 billion
- Retail Sales reached RUB 475.8 billion representing 8.8% y-o-y growth
- LFL Sales increased by 2.4%, while LFL Average Ticket grew by 4.7%
- Online Sales grew by 208% y-o-y to RUB 19.3 billion with Online Orders up 221% y-o-y to 10.4 million
- 376 new stores were added on a gross basis, and 12 stores were closed resulting in net store additions of 364 stores. The total number of stores as of December 31, 2021 was 757 (including 254 hypermarkets and 503 small-format stores)
- Net addition of selling space amounted to 236.4 k sqm, bringing total selling space to 1,755 k sqm (representing 15.6% y-o-y growth)

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

- Total Sales increased by 18.6% y-o-y to RUB 147.3 billion
- Retail Sales reached RUB 144.8 billion representing 18.9% y-o-y growth
- LFL Sales increased by 7.0%, while LFL Average Ticket grew by 10.4%
- Online Sales grew by 128% y-o-y to RUB 7.0 billion with Online Orders up 114% y-o-y to 3.6 million
- Lenta accelerated the rollout of its new Mini format with 85 new stores opened
- Addition of Small Formats selling space amounted to 34.4 k sqm, bringing total Small Formats selling space to 353.7 k sqm (representing 200.3% y-o-y growth)
- Lenta announced the acquisition of the Utkonos business from LLC Severgroup

1. Including new stores added following the acquisition of Billa's and Semya's businesses.

**Vladimir  
Sorokin,**  
Chief Executive Officer



*Lenta finished 2021 in a strong position, with full-year Total Sales increasing by 8.6 % year-over-year to RUB 484 billion. Meanwhile, the fourth quarter of 2021 was the best-performing quarter of the year in terms of Sales, thanks to traditionally strong seasonal shopping in December at our hypermarket stores, expansion in small formats, and the continuing development of our online business. This was made possible by the commendable efforts of Lenta's employees, despite the continuing challenges caused by the COVID-19 pandemic.*

*I'm also proud to report that we are making solid progress with the Lenta Mini roll-out. 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.*

*In addition to our robust operational performance in 2021, the year also was marked by several significant milestones in Lenta's development, setting the stage for the company's continued growth. After announcing our new strategy in March, we quickly got to work with multi-format organic expansion, digital business development, and the strategic acquisitions of Billa, Semya, as well as Utkonos.*

*Looking ahead to the remainder of 2022, we will focus on the improved performance, enhanced efficiency of the core business, accelerated roll-out of our small-format stores, and further development of our own Online business, as well as the phased integration of the Utkonos business to capture meaningful synergies and unlock long-term value in our combined online business. Despite the challenging macroeconomic situation due to rising inflation and the ongoing COVID-19 pandemic, we stay committed to our mission to help our customers live a better life by spending less.*



## 4Q & FY OPERATING RESULTS, y-o-y

### Sales

	Q4'21	Q4'20	Change	% Change	FY'21	FY'20	Change	% Change
<b>Total Sales<sup>2</sup> (RUB millions)</b>	<b>147,316</b>	<b>124,172</b>	<b>23,144</b>	<b>18.6%</b>	<b>483,641</b>	<b>445,544</b>	<b>38,097</b>	<b>8.6%</b>
<b>Retail Sales</b>	<b>144,813</b>	<b>121,786</b>	<b>23,027</b>	<b>18.9%</b>	<b>475,787</b>	<b>437,493</b>	<b>38,295</b>	<b>8.8%</b>
Hypermarkets	121,662	111,599	10,063	9.0%	416,803	399,081	17,722	4.4%
Small Formats	23,152	10,187	12,964	127.3%	58,984	38,411	20,573	53.6%
<b>Wholesale</b>	<b>2,503</b>	<b>2,386</b>	<b>116</b>	<b>4.9%</b>	<b>7,853</b>	<b>8,051</b>	<b>-198</b>	<b>-2.5%</b>
<b>Average Ticket<sup>2</sup> (RUB)</b>	<b>1,146</b>	<b>1,201</b>	<b>-55</b>	<b>-4.6%</b>	<b>1,092</b>	<b>1,115</b>	<b>-23</b>	<b>-2.1%</b>
Hypermarkets	1,469	1,334	135	10.1%	1,287	1,237	50	4.0%
Small Formats	531	573	-42	-7.3%	528	551	-24	-4.3%
<b>Number of Tickets<sup>2</sup> (millions)</b>	<b>126</b>	<b>101</b>	<b>25</b>	<b>24.6%</b>	<b>436</b>	<b>392</b>	<b>43</b>	<b>11.1%</b>
Hypermarkets	83	84	-1	-1.0%	324	323	1	0.4%
Small Formats	44	18	26	145.1%	112	70	42	60.4%

### Stores and Selling Space

	Q4'21	Q4'20	Change	% Change	FY'21	FY'20	Change	% Change
<b>Total Retail Stores (eop)</b>	<b>757</b>	<b>393</b>	<b>364</b>	<b>92.6%</b>	<b>757</b>	<b>393</b>	<b>364</b>	<b>92.6%</b>
<b>Hypermarkets</b>	<b>254</b>	<b>254</b>	<b>0</b>	<b>0.0%</b>	<b>254</b>	<b>254</b>	<b>0</b>	<b>0.0%</b>
Openings	0	4	-4	-	3	6	-3	-50.0%
Closing	1	0	1	-	3	1	2	200.0%
<b>Small Formats</b>	<b>503</b>	<b>139</b>	<b>364</b>	<b>261.9%</b>	<b>503</b>	<b>139</b>	<b>364</b>	<b>261.9%</b>
Openings	90	6	84	1,400.0%	373	14	359	2,564.3%
Closing	6	2	4	200.0%	9	6	3	50.0%
<b>New Selling Space (sqm, eop)</b>	<b>29,167</b>	<b>24,347</b>	<b>4,820</b>	<b>19.8%</b>	<b>236,385</b>	<b>29,369</b>	<b>207,016</b>	<b>704.9%</b>
Hypermarkets	-5,225	21,554	-26,779	-124.2%	503	22,219	-21,716	-97.7%
Small Formats	34,392	2,793	31,599	1,131.4%	235,882	7,150	228,732	3,199.1%
<b>Total Selling Space (sqm, eop)</b>	<b>1,754,983</b>	<b>1,518,598</b>	<b>236,385</b>	<b>15.6%</b>	<b>1,754,983</b>	<b>1,518,598</b>	<b>236,385</b>	<b>15.6%</b>
Hypermarkets	1,401,291	1,400,800	491	0.0%	1,401,291	1,400,800	491	0.0%
Small Formats	353,692	117,798	235,894	200.3%	353,692	117,798	235,894	200.3%

### LFL Results

	Q4'21			FY'21 <sup>3</sup>		
	Sales	Average Ticket	Traffic	Sales	Average Ticket	Traffic
<b>Total Retail</b>	<b>7.0%</b>	<b>10.4%</b>	<b>-3.0%</b>	<b>2.4%</b>	<b>4.7%</b>	<b>-2.1%</b>
Hypermarkets	7.9%	10.5%	-2.3%	3.1%	4.6%	-1.5%
Small Formats	-2.8%	3.7%	-6.3%	-4.3%	0.8%	-5.0%

### Online Sales

	Q4'21	Q4'20	Change	% Change	FY'21	FY'20	Change	% Change
<b>Total Online Sales (RUB, millions)</b>	<b>7,033</b>	<b>3,088</b>	<b>3,944</b>	<b>128%</b>	<b>19,340</b>	<b>6,269</b>	<b>13,071</b>	<b>208%</b>
Online Partners	3,619	2,257	1,362	60%	10,625	5,259	5,366	102%
Lenta Online	3,228	729	2,500	343%	8,085	886	7,199	813%
Click & Collect	186	103	83	80%	631	125	506	406%
<b>Average Online Ticket (RUB)</b>	<b>1,960</b>	<b>1,847</b>	<b>114</b>	<b>6%</b>	<b>1,852</b>	<b>1,930</b>	<b>-78</b>	<b>-4%</b>
Online Partners	1,844	1,928	-84	-4%	1,808	2,025	-216	-11%
Lenta Online	2,083	1,567	515	33%	1,883	1,463	420	29%
Click & Collect	2,485	2,782	-297	-11%	2,305	2,719	-414	-15%
<b>Total Online Orders (thousands)</b>	<b>3,587</b>	<b>1,673</b>	<b>1,915</b>	<b>114%</b>	<b>10,442</b>	<b>3,249</b>	<b>7,193</b>	<b>221%</b>
Online Partners	1,962	1,171	792	68%	5,875	2,597	3,278	126%
Lenta Online	1,550	465	1,085	233%	4,293	605	3,688	609%
Click & Collect	75	37	38	102%	274	46	228	497%

For Q4 2021 monthly operating results please refer to Appendix 1

2. Including Semya and Billa results from the date of consolidation.

3. LFL Results do not include 29-Feb-2020

## Q4 2021 OPERATING RESULTS

**+18.6%**

Total Sales, y-o-y

In Q4 2021, Total Sales increased by 18.6% to RUB 147 billion. Lenta's Retail Sales in Q4 2021 increased by 18.9% to RUB 145 billion compared to RUB 122 billion in Q4 2020, driven by 7.0% LFL Retail Sales growth and 15.6% total selling space expansion both organically and inorganically. Overall Sales Density in Q4 2021 improved by 1.0% year-over-year, while in our core Hypermarket format this improvement amounted to 2.7% year-over-year. Traffic in some of Lenta's stores was affected by the lockdown measures introduced at the end of October and beginning of November, as well as by other COVID-related restrictions implemented in various regions of Russia throughout Q4 2021. In Q4 2021, the Number of Tickets increased by 24.6% thanks to the expansion, while the Average Ticket size decreased by 4.6% primarily due increasing share of small-format stores sales in total Retail Sales.

Wholesale Sales represented 1.7% of Total Sales and increased by 4.9% compared to the corresponding period of the previous year.

**+7.0%**

LFL Sales, y-o-y

As in the previous quarter, Average Ticket was the driver of LFL Sales growth. LFL Sales growth doubled quarter-on-quarter from 3.5% in Q3 2021 to 7.0% in Q4 2021. Total Retail LFL Traffic was a negative 3.0%, primarily due to COVID-related restrictions. Total Retail LFL Average Ticket increased by 10.4%, offsetting the negative LFL Traffic.

Lenta's loyalty program continued to gain traction. In Q4 2021, the number of customers who activated a new Lenta #1 card continued to increase, with the total number of loyal cards issued amounted to 19 million. Lenta continues to optimize the broader mechanics of the loyalty program to ensure the optimal result across various metrics, including incremental sales, enhanced customer perception, and margin dynamics.

**+9.0%**

HM Sales, y-o-y

Hypermarket Sales represented 84% of total Retail Sales in Q4 2021. Hypermarkets delivered strong 9.0% Sales growth, positive LFL Sales growth of 7.9%, and an increase of 10.5% in the LFL Average Ticket. Lenta continues to improve the efficiency of in-store operations. In Q4 2021, designated areas for online order picking were arranged in several hypermarkets, which will not only allow Lenta to improve the availability, quality, and speed of online delivery but will also increase the efficiency of selling space utilization. In December 2021, a fire caused by arson destroyed one of Lenta's hypermarkets in Tomsk. The Company plans to reconstruct the hypermarket in 2022.

**+127.3%**

SM Sales, y-o-y

In Q4, Lenta continued its expansion in Small Format. 85 new Lenta Mini stores and 5 supermarkets were opened during the period. In Q4, Lenta also closed six underperforming supermarkets to optimize operations. Small Formats Selling Space continued to increase and reached 354 k square meters in Q4 2021. Lenta's Supermarkets demonstrated significant year-over-year Sales Growth in Q4 of 127.3%, primarily driven by acquisitions made earlier this year. Small-format stores demonstrated negative LFL Sales growth of 2.8%, resulting from LFL Traffic decline by 6.3%, which was partially offset by the growth of LFL Average Ticket by 3.7%.

**+128%****Online Sales, y-o-y**

In Q4 2021, Lenta's online channel continued to demonstrate very strong sales growth. Total Online Sales during the period amounted to RUB 7.0 billion, an increase of 128% year-over-year and 59% quarter-on-quarter, while Total Online Orders were up 114% and amounted to 3.6 million. The Average Ticket for Lenta's own online delivery was RUB 2,083 and increased by 11% quarter-on-quarter. During Q4 2021, Online Sales continued to gain share in Lenta's Retail Sales and reached 4.9% of Lenta's total Retail Sales, while own online represented 48.5% of Lenta's Total Online Sales.

## FY'21 GUIDANCE

**above 8.0%****EBITDA Margin,  
IAS 17**

In addition to the FY 2021 Selling Space Growth and New Store Openings guidance metrics met by the Company and disclosed in this press release, Lenta Management also keeps the previously communicated guidance for FY 2021:

- EBITDA Margin: above 8%
- CapEx: Up to 5% of Sales, not including acquisitions

Lenta will provide detailed guidance projections for 2022 at the time of its publication of FY 2021 financial results on 21 February 2022.

## UTKONOS ACQUISITION

- In December 2021, Lenta announced an agreement to acquire online-retailer Utkonos.
- The acquisition of Utkonos will enable Lenta to expand its online market share and gain unique competencies and a loyal customer base.
- The base purchase price for the transaction is RUB 20 billion. Consideration to be financed by an additional issuance of shares of Lenta IPJSC.
- The transaction was approved by Lenta's Board of Directors upon the recommendation of the Special Committee; the additional share issue is subject to shareholder approval at the extraordinary general meeting of shareholders to be held on 11 February 2022, for which the record date is 19 January 2022.
- For additional details please follow the link:  
<http://www.lentainvestor.com/en/media-centre/news-article/id/2830>.

## LISTING OF ORDINARY SHARES ON MOEX

- The Company's ordinary shares (Security code: LENT, ISIN: RU000A102S15) (the "Ordinary Shares") were included into the "Level 1" part of the list of securities admitted to trading on MOEX with effect from 26 November 2021.
- The trading in the Ordinary Shares on MOEX commenced on 1 December 2021.
- The global depositary receipts (Security code: LNTA, ISIN: US52634T2006) ("GDRs") will be excluded from the "Level 1" part of the list of securities admitted to trading on MOEX and no longer trade on MOEX with effect from 19 April 2022.
- GDRs will continue to be listed and traded on the London Stock Exchange (Security code: LNTA, ISIN: US52634T2006).
- GDR holders who cancel their GDRs and receive Ordinary Shares in return will be charged a reduced GDR cancellation fee by the Depositary of USD 3 cents per



GDR if the Depositary receives duly completed documentation in respect of the cancellation from the GDR holder (or their broker) no later than 18:00 hours (Moscow time) on 1 February 2022, after which the fee will revert to the standard USD 5 cents per GDR fee. The holders of GDRs may find additional information on the cancellation process through the following link  
<http://www.lentainvestor.com/en/investors/shareholders/shareholder-capital>.

## 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 Lenta Mini stores in 89 cities across Russia, with more than 1.7 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 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 2021 MONTHLY OPERATING RESULTS

### Sales

	October	YoY	November	YoY	December	YoY
<b>Total Sales<sup>2</sup> (RUB millions)</b>	<b>42,203</b>	<b>23.1%</b>	<b>41,471</b>	<b>20.1%</b>	<b>63,641</b>	<b>15.0%</b>
<b>Retail Sales</b>	<b>41,367</b>	<b>23.5%</b>	<b>40,597</b>	<b>20.0%</b>	<b>62,850</b>	<b>15.4%</b>
Hypermarkets	34,138	12.2%	33,786	9.7%	53,737	6.7%
Small Formats	7,228	136.6%	6,811	124.0%	9,113	122.7%
<b>Wholesale</b>	<b>837</b>	<b>3.0%</b>	<b>874</b>	<b>27.7%</b>	<b>792</b>	<b>-11.0%</b>
<b>Average Ticket<sup>2</sup> (RUB)</b>	<b>1,005</b>	<b>-4.7%</b>	<b>1,067</b>	<b>-3.0%</b>	<b>1,332</b>	<b>-4.9%</b>
Hypermarkets	1,291	9.8%	1,367	11.8%	1,698	9.8%
Small Formats	492	-5.7%	511	-6.3%	586	-9.1%
<b>Number of Tickets<sup>2</sup> (millions)</b>	<b>41</b>	<b>29.6%</b>	<b>38</b>	<b>23.7%</b>	<b>47</b>	<b>21.3%</b>
Hypermarkets	26	2.2%	25	-1.8%	32	-2.8%
Small Formats	15	150.8%	13	139.2%	16	144.9%

### Stores and Selling Space

	October	November	December
<b>Total Retail Stores (eop)</b>	<b>690</b>	<b>703</b>	<b>757</b>
<b>Hypermarkets</b>	<b>255</b>	<b>255</b>	<b>254</b>
Openings	0	0	0
Closing	0	0	1
<b>Small Formats</b>	<b>435</b>	<b>448</b>	<b>503</b>
Openings	18	16	56
Closing	2	3	1
<b>New Selling Space (sqm, eop)</b>	<b>7,105</b>	<b>4,531</b>	<b>17,531</b>
Hypermarkets	0	0	-5,225
Small Formats	7,105	4,531	22,756
<b>Total Selling Space (sqm, eop)</b>	<b>1,732,922</b>	<b>1,737,453</b>	<b>1,754,984</b>
Hypermarkets	1,406,516	1,406,516	1,401,291
Small Formats	326,406	330,937	353,693

### Online Sales

	October	YoY	November	YoY	December	YoY
<b>Total Online Sales (RUB, millions)</b>	<b>1,879</b>	<b>150.0%</b>	<b>2,242</b>	<b>131.9%</b>	<b>2,912</b>	<b>112.6%</b>
Online Partners	1,050	71.8%	1,160	60.7%	1,408	52.5%
Lenta Online	780	520.8%	1,034	372.2%	1,413	268.3%
Click & Collect	48	228.1%	48	84.5%	90	43.7%
<b>Average Online Ticket (RUB)</b>	<b>1,849</b>	<b>4.5%</b>	<b>1,918</b>	<b>5.5%</b>	<b>2,076</b>	<b>8.5%</b>
Online Partners	1,729	-6.6%	1,790	-4.5%	1,992	-1.7%
Lenta Online	2,034	42.9%	2,066	28.4%	2,123	32.9%
Click & Collect	1,922	-15.6%	2,396	-3.2%	3,017	-2.7%
<b>Total Online Orders (thousands)</b>	<b>1,016</b>	<b>139.2%</b>	<b>1,169</b>	<b>119.8%</b>	<b>1,403</b>	<b>95.9%</b>
Online Partners	607	84.0%	648	68.3%	707	55.2%
Lenta Online	384	334.4%	501	267.7%	666	177.0%
Click & Collect	25	289.0%	20	90.6%	30	47.6%

2. Including Semya and Billa results from the date of consolidation.