



Lenta Announces Revenue Growth of 59.7% and EBITDA Margin Increase of 337 BPS in Q2 2024

29 July 2024
St. Petersburg, Russia

Lenta IPJSC (LSE: LNTA; MOEX: LENT), one of the largest multi-format retail chains in Russia, today announces its key operating and financial results for the second quarter and first half of 2024.

Q2 2024 Highlights^{1,2}

- Sales increased by 59.7% year-on-year to RUB 211.6 billion.
- Retail sales amounted to RUB 209.9 billion, up 62.0% year-on-year.
- Like-for-like (LFL) sales rose 14.6% on the back of a 9.1% increase in the LFL average ticket and a 5.1% increase in LFL traffic.
- Online sales grew 29.7% year-on-year to RUB 15.4 billion.
- The Company opened (net of closures) 186 convenience stores, 1 hypermarket, 3 supermarkets and 8 Vingarazh stores.³
- The total selling space increased by 33.3% and amounted to 2,358 ths sqm.
- Gross profit increased by 68.1% year-on-year to RUB 46.5 billion; gross margin rose 110 bps to 22.0%.
- EBITDA amounted to RUB 16.7 billion; EBITDA margin increased by 337 bps to 7.9%.

H1 2024 Highlights^{1,2}

- Sales increased by 60.8% year-on-year to RUB 413.6 billion.
- Retail sales amounted to RUB 409.6 billion, up 62.5% year-on-year.
- LFL sales rose 16.4%, driven by a 9.8% increase in the LFL average ticket and a 6.0% increase in LFL traffic.
- Online sales grew 40.8% year-on-year to RUB 32.2 billion.
- The Company opened (net of closures) 1 hypermarket, 327 convenience stores and 8 Vingarazh stores.
- Gross profit increased by 72.6% year-on-year to RUB 89.4 billion; gross margin increased by 147 bps to 21.6%.
- EBITDA amounted to RUB 29.7 billion; EBITDA margin increased by 383 bps to 7.2%.
- The Company reduced its net debt / EBITDA (LTM) ratio to 1.7x, down from 2.8x as at 31 December 2023.

1. Including Monetka results starting from 2 October 2023.

2. Please note that all financial highlights in this section are based on pre-IFRS 16 figures.

3. Vingarazh is a pilot project for ultra-convenience stores focused on the fresh and ultra-fresh food categories and offering a wide range of alcoholic beverages, including exclusive-brand wines.



Vladimir Sorokin,
Chief Executive Officer

In the second quarter, our transformation strategy once again proved to be a success. The Group's revenue continued growing at double-digit rates, with robust like-for-like (LFL) sales growth across all three formats. Notably, LFL traffic in our hypermarkets, which constitute over half of the Group's revenue, demonstrated positive growth for the fifth consecutive quarter.

I am pleased to report that the integration of Monetka is progressing according to plan: we have completed the transformation of Mini Lenta stores, and we are adopting best practices and opening new Monetka stores in central regions of Russia. By leveraging the purchasing power and corporate capabilities of two of the leading chains in the country, we are creating synergies in negotiations with suppliers for commercial and non-commercial procurement, while also creating administrative efficiencies.

In the supermarket segment, we remained focused during the reporting period on creating efficient stores with an attractive price-to-quality ratio for our target customers. Our emphasis is on developing a unique assortment: we are expanding our line of private labels and tailoring our stores' in-house products to meet local preferences and varying customer needs throughout the day. All these measures have translated into strong results: in the second quarter of 2024, LFL traffic increased by 13.3%, and the LFL average ticket grew 12.2%.

We continued developing our online channel, which grew 29.7% year-on-year in the reporting period. In June, we began piloting our first mini-darkstore for fulfilling online orders at a hypermarket in Balashikha. As a result, the order-picking speed increased threefold compared with the sales floor; therefore, we are planning to open mini-darkstores in the near future at 45 hypermarkets with high volumes of online orders. I would like to note that, while expanding online partnerships with other players remains valuable for broadening our customer base, our online channel remains an important and profitable part of our online business.

We are taking a disciplined approach to debt reduction by increasing operating profit, optimizing working capital, and maintaining rigorous financial discipline in our investment initiatives. As a result, our net debt / EBITDA ratio dropped to 1.7x as of the end of June, down from 2.8x at the end of 2023.

In closing, I would like to thank all our in-store, warehouse and office employees for their dedication and contributions to our common cause. Together, we are well positioned to achieve our 2025 strategic goals, which will mark an important milestone in our development in the Russian retail market.



Q2 and H1 2024 Operating Results,

Y-o-Y

Sales

	Q2 2024	Q2 2023	Change	Change (%)	H1 2024	H1 2023	Change	Change (%)
Total Sales, RUB million	211,618	132,514	79,104	59.7%	413,602	257,153	156,449	60.8%
Retail Sales	209,859	129,524	80,336	62.0%	409,600	252,006	157,594	62.5%
Hypermarkets	122,224	107,521	14,703	13.7%	240,828	208,283	32,545	15.6%
Supermarkets	21,345	19,078	2,267	11.9%	42,398	38,161	4,237	11.1%
Convenience Stores ⁴	66,261	2,924	63,337	23x	126,345	5,562	120,783	23x
Vingarazh	29	0	29	-	29	0	29	-
Wholesale	1,759	2,990	(1,232)	(41.2%)	4,002	5,147	(1,145)	(22.3%)
Average Ticket (RUB)	734	1,005	(271)	(26.9%)	756	1,015	(259)	(25.5%)
Hypermarkets	1,458	1,325	133	10.1%	1,470	1,329	142	10.7%
Supermarkets	546	498	48	9.6%	567	520	47	9.0%
Convenience Stores	407	309	98	31.6%	417	306	111	36.2%
Number of Tickets (millions)	285.9	128.9	157.0	121.8%	542.0	248.3	293.7	118.3%
Hypermarkets	83.8	81.2	2.7	3.3%	163.8	156.7	7.0	4.5%
Supermarkets	39.1	38.3	0.8	2.1%	74.8	73.4	1.4	1.9%
Convenience stores	163.0	9.5	153.5	17x	303.4	18.2	285.2	17x

Stores and Selling Space

	Q2 2024	Q2 2023	Change	Change (%)	H1 2024	H1 2023	Change	Change (%)
Total Retail Stores (eop)	3,155	773	2,382	308.2%	3,155	773	2,382	308.2%
Hypermarkets	262	260	2	0.8%	262	260	2	0.8%
Opened	1	1	0	0.0%	1	1	0	0.0%
Closed	0	0	0	-	0	0	0	-
Supermarkets	319	312	7	2.2%	319	312	7	2.2%
Opened	6	3	3	100.0%	11	5	6	120.0%
Closed	3	31	(28)	(90.3%)	11	34	(23)	(67.6%)
Convenience Stores ⁵	2,574	201	2,373	13x	2,574	201	2,373	13x
Opened	199	4	195	50x	381	18	363	21x
Closed	5	31	(26)	(83.9%)	46	37	9	24.3%
New Selling Space (sqm, eop)	46,013	(20,697)	66,709	-	69,590	(20,021)	89,611	-
Hypermarkets	4,579	5,335	(756)	(14.2%)	4,579	5,335	(756)	(14.2%)
Small-Format Stores	26	(14,380)	14,406	-	(5,526)	(16,838)	11,312	(67.2%)
Convenience Stores	41,407	(11,652)	53,059	-	70,537	(8,518)	79,055	-
Total Selling Space (sqm, eop)	2,357,854	1,768,195	589,659	33.3%	2,357,854	1,768,195	589,659	33.3%
Hypermarkets	1,399,966	1,421,155	(21,189)	(1.5%)	1,399,966	1,421,155	(21,189)	(1.5%)
Supermarkets	239,966	254,959	(14,993)	(5.9%)	239,966	254,959	(14,993)	(5.9%)
Convenience Stores	717,922	92,081	625,841	679.7%	717,922	92,081	625,841	679.7%

LFL Results⁶

	Q2 2024			H1 2024		
	Total Sales	Average Ticket	Traffic	Total Sales	Average Ticket	Traffic
Total Retail	14.6%	9.1%	5.1%	16.4%	9.8%	6.0%
Hypermarkets	12.8%	10.8%	1.7%	14.7%	11.4%	3.0%
Supermarkets	27.1%	12.2%	13.3%	26.9%	12.1%	13.3%
Convenience Stores	11.2%	12.8%	(1.4%)	12.5%	12.6%	(0.1%)
For reference: pro forma	13.6%	11.9%	1.5%	15.3%	12.3%	2.7%

Online Sales

	Q2 2024	Q2 2023	Change	Change (%)	H1 2024	H1 2023	Change	Change (%)
Total Online Sales (RUB million)	15,446	11,908	3,538	29.7%	32,185	22,859	9,326	40.8%
Online Partners	6,718	4,681	2,037	43.5%	14,000	8,994	5,006	55.7%
Lenta Online	8,728	7,226	1,501	20.8%	18,186	13,865	4,320	31.2%
Average Online Ticket (RUB)	2,544	2,048	496	24.2%	2,490	2,082	408	19.6%
Online Partners	2,460	2,103	357	17.0%	2,391	2,061	330	16.0%
Lenta Online	2,613	2,014	599	29.7%	2,571	2,096	475	22.7%
Total Online Orders (thousands)	6,070	5,814	256	4.4%	12,927	10,979	1,949	17.8%
Online Partners	2,731	2,226	504	22.7%	5,854	4,363	1,491	34.2%
Lenta Online	3,340	3,588	(248)	(6.9%)	7,073	6,615	458	6.9%

For Q2 2024 monthly operating results, please refer to Appendix 1.

4. Starting from Q4 2023, the results of the Convenience Stores segment include the results of Monetka and Mini Lenta stores.

5. Including eight opened Vingarazh stores.

6. Lenta's LFL results do not include the results of Monetka stores. LFL results in the Convenience Stores segment include the results of mature Monetka and Mini Lenta stores. For reference, the pro forma LFL results for mature Lenta and Monetka stores are provided.

Q2 2024 Operating Results

+59.7%

Total sales,
y-o-y

In Q2 2024, Lenta's sales increased by 59.7%, reaching RUB 211.6 billion. Retail sales rose 62.0% to RUB 209.9 billion, up from RUB 129.5 billion in Q2 2023, thanks to business growth as a result of the acquisition of Monetka, new openings and a 14.6% increase in LFL sales.

The share of wholesale in Lenta's total sales decreased by 143 bps year-on-year to 0.8% on the back of a considerable increase in retail sales.

+14.6%

LFL sales,
y-o-y

A positive LFL sales trend was noted across all formats, resulting in a 14.6% increase in Lenta's LFL sales, with a 9.1% increase in the LFL average ticket and a 5.1% increase in LFL traffic.

Retail sales in the Hypermarkets segment rose 13.7% on the back of a 10.8% increase in the LFL average ticket and a 1.7% increase in LFL traffic. Thanks to an effective pricing strategy and adjustments to the assortment, the format saw traffic increase for the fifth consecutive quarter. In Q2 2024, Lenta opened its first hypermarket since the beginning of the year in North Ossetia, a new region for the Company, bringing the total number of hypermarkets to 262 stores.

+12.8%

Hypermarket sales,
y-o-y

As a result of the acquisition of Monetka, retail sales in the Convenience Stores segment reached 31.3% of Lenta's total sales, while LFL sales rose 11.2%. The Company continues to implement plans announced earlier to develop the segment by increasing the number of stores to 2,574 (194 convenience stores were opened in Q2, including 8 Vingarazh stores).

By the end of Q2 2024, we had completed the rebranding of our Mini Lenta convenience stores: a number of them were converted into supermarkets, and the remaining stores are now being managed by Monetka's operations teams. Thus, all Mini Lenta convenience stores ceased operations as of the end of Q2.

+27.1%

Supermarket LFL sales,
y-o-y

Results in the Supermarkets segment continue to reflect successful changes to the CVP and operational processes. Retail sales increased by 11.9% in Q2 2024, while LFL sales at mature stores increased by 27.1% thanks to the growth in both LFL traffic, up 13.3%, and the LFL average ticket, up 12.2%. In Q2, Lenta opened 6 new supermarkets and closed 3 unsuccessful locations, increasing the total number of supermarkets to 319.

+29.7%

Online sales,
y-o-y

In Q2 2024, Lenta's online business continued to deliver successful results. Total online sales for the quarter increased by 29.7% to RUB 15.4 billion, while the Company's online services continued to account for a large portion of online sales, increasing by 20.8% over the reporting period. The average online ticket rose 24.2% year-on-year and amounted to RUB 2,544.

Q2 and H1 2024 Financial Highlights, pre-IFRS 16

Key Financial Results, pre-IFRS 16

RUB million	Q2 2024	Q2 2023	Change	H1 2024	H1 2023	Change
Total Sales	211,618	132,514	59.7%	413,602	257,153	60.8%
Gross Profit	46,463	27,632	68.1%	89,373	51,778	72.6%
Gross Margin (%)	22.0%	20.9%	110 bps	21.6%	20.1%	147 bps
SG&A	(37,629)	(27,194)	38.4%	(75,710)	(54,081)	40.0%
SG&A as a % of Total Sales	(17.8%)	(20.5)	274 bps	(18.3%)	(21.0%)	273 bps
EBITDAR	22,185	8,993	146.7%	40,213	14,535	176.7%
EBITDAR Margin	10.5%	6.8%	370 bps	9.7%	5.7%	407 bps
Rent as a % of Total Sales	(2.6%)	(2.2%)	(33) bps	(2.5%)	(2.3%)	(24) bps
EBITDA	16,723	6,012	178.2%	29,734	8,637	244.3%
EBITDA Margin	7.9%	4.5%	337 bps	7.2%	3.4%	383 bps
Operating Profit before Impairment	11,006	1,693	550.1%	18,222	47	387x
Operating Profit Margin before Impairment	5.2%	1.3%	392 bps	4.4%	0.0%	439 bps
Impairment Loss	(32)	(184)	(82.6%)	(51)	(184)	(72.3%)
Operating Profit/(Loss)	10,973	1,510	626.7%	18,170	(136)	-
Operating Profit Margin	5.2%	1.1%	405 bps	4.4%	(0.1%)	445 bps
Net Interest Expense	(1,796)	(1,193)	50.5%	(4,328)	(2,443)	77.2%
Net FX Gain/(Loss)	55	(39)	-	21	(200)	-
Profit/(Loss) before Income Tax	9,232	278	33x	13,863	(2,779)	-
Net Profit/(Loss)	7,391	103	72x	10,938	(2,404)	-
Net Profit Margin	3.5%	0.1%	341 bps	2.6%	(0.9%)	358 bps

+68.1%

Gross profit, y-o-y

7.9%

EBITDA margin

3.5%

Net profit margin

In Q2 2024, gross profit (pre-IFRS 16) increased by 68.1% year-on-year to RUB 46.5 billion. Gross margin rose 110 bps to 22.0%, mainly due to the consolidation of Monetka in addition to a considerable increase in gross margin in the Supermarkets segment.

The increase in gross margin and a decrease in sales, general, and administrative expenses (SG&A) led to a significant increase in EBITDA (pre-IFRS 16), of 178.2%, to RUB 16.7 billion. EBITDA margin increased 337 bps year-on-year to 7.9% in Q2 2024.

In Q2 2024, the Company's net profit amounted to RUB 7.4 billion, up from RUB 0.1 billion in Q2 2023. Net profit margin rose 341 bps to 3.5%.

Selling, General, and Administrative (SG&A) Expenses, pre-IFRS 16

RUB million	Q2 2024	Q2 2023	Change	H1 2024	H1 2023	Change
Payroll and Related Taxes	16,279	10,703	52.1%	32,658	21,250	53.7%
as a % of Total Sales	7.7%	8.1%	(38) bps	7.9%	8.3%	(37) bps
Depreciation and Amortization (D&A)	5,717	4,319	32.4%	11,512	8,590	34.0%
as a % of Total Sales	2.7%	3.3%	(56) bps	2.8%	3.3%	(56) bps
Lease Expenses	5,462	2,981	83.2%	10,479	5,898	77.7%
as a % of Total Sales	2.6%	2.2%	33 bps	2.5%	2.3%	24 bps
Utilities	2,171	1,492	45.5%	4,661	3,253	43.3%
as a % of Total Sales	1.0%	1.1%	(10) bps	1.1%	1.3%	(14) bps
Store Operations	2,494	2,501	(0.3%)	5,111	5,136	(0.5%)
as a % of Total Sales	1.2%	1.9%	(71) bps	1.2%	2.0%	(76) bps
Professional Fees	1,474	1,408	4.7%	3,034	2,700	12.4%
as a % of Total Sales	0.7%	1.1%	(37) bps	0.7%	1.0%	(32) bps
Advertising	1,571	1,911	(17.8%)	2,870	3,637	(21.1%)
as a % of Total Sales	0.7%	1.4%	(70) bps	0.7%	1.4%	(72) bps
Other	2,461	1,879	31.0%	5,385	3,617	48.9%
as a % of Total Sales	1.2%	1.4%	(26) bps	1.3%	1.4%	(10) bps
Total SG&A	37,629	27,194	38.4%	75,710	54,081	40.0%
as a % of Total Sales	17.8%	20.5%	(274) bps	18.3%	21.0%	(273) bps
SG&A excluding D&A	31,912	22,875	39.5%	64,198	45,491	41.1%
as a % of Total Sales	15.1%	17.3%	(218) bps	15.5%	17.7%	(217) bps

-274 bps

SG&A as a % of total sales, y-o-y

In Q2 2024, SG&A expenses (pre-IFRS 16) decreased by 274 bps, amounting to 17.8% of total sales, or RUB 37.6 billion, as a result of the operating leverage effect alongside sales growth, the consolidation of Monetka and improved efficiency in terms of business processes. This change was mainly due to the optimization of store operating costs, advertising costs and professional fees, as well as a decrease in payroll and related taxes as a percentage of total sales.

Payroll and related taxes as a percentage of total sales decreased by 38 bps year-on-year in Q2 2024, due primarily to the consolidation of Monetka, sales growth and increased productivity on the part of store employees.

Depreciation and amortization expenses as a percentage of total sales decreased by 56 bps, and lease expenses rose 33 bps as a result of a decrease in the share of the Company's own retail space to 48.1%, compared with 65.7% in Q2 2023, following the consolidation of Monetka.

Store operating costs as a percentage of total sales decreased by 71 bps year-on-year, mainly due to a decrease in repair and maintenance costs, cleaning costs and security costs.

Expenditures on advertising and professional fees as a percentage of total sales decreased considerably in Q2 2024, by 70 bps and 37 bps, respectively, compared with the same period a year earlier.

Cash Flow Statement, pre-IFRS 16

RUB million	Q2 2024	Q2 2023	Change	H1 2024	H1 2023	Change
Profit/(Loss) before Income Tax	9,232	278	33x	13,863	(2,779)	-
Net Adjustments for Loss on Disposal of Assets, Impairment, Depreciation and Amortization, and Other	7,618	5,720	33.2%	15,741	12,034	30.8%
Movements in Working Capital	832	5,931	(86.0%)	(10,960)	(9,028)	21.4%
Cash Generated from Operating Activities	17,682	11,929	48.2%	18,644	227	82x
Net Interest and Income Taxes Paid	(3,041)	(1,656)	83.6%	(6,301)	(3,527)	78.7%
Net Cash Generated from / (Used in) Operating Activities	14,641	10,273	42.5%	12,343	(3,300)	-
Net Cash Used in Investing Activities	(6,587)	(1,470)	348.0%	(9,404)	(3,792)	148.0%
Net Cash Generated from / (Used in) Financing Activities	-	9,956	(100.0%)	(6,000)	7,926	-
Effect of Exchange Rates on Cash and Cash Equivalents	8	(19)	-	9	3	200.0%
Net Increase / (Decrease) in Cash and Cash Equivalents	8,062	18,740	(57.0%)	(3,052)	837	-

For cash flow statements under IFRS 16 for Q2 and H1 2024, please refer to Appendix 2.

RUB 6.8 billion

Capex

Capital expenditures in Q2 2024 amounted to RUB 6.8 billion, up from RUB 2.0 billion a year earlier, mainly due to organic expansion in the Convenience Stores segment (in Q2 2024, the Company opened 206 new stores on a gross basis, including 199 convenience stores).

In Q2 2024, cash generated from operating activities (pre-IFRS 16) amounted to RUB 17.7 billion, up from RUB 11.9 billion a year earlier.

In Q2 2024, net cash used in investing activities increased severalfold to RUB 6.6 billion, up from RUB 1.5 billion in Q2 2023. Net cash generated from financing activities in Q2 2024 remained unchanged.

As a result, free cash flow in Q2 2024 amounted to RUB 8.1 billion, down from RUB 18.8 billion in Q2 2023 due to increased investment for development purposes.

Debt Position and Leverage

RUB million	IFRS 16		Pre-IFRS 16	
	30-Jun-24	31-Dec-23	30-Jun-24	31-Dec-23
Gross Debt	210,903	217,225	133,925	139,922
Long-Term Debt	77,547	97,503	77,547	97,503
Short-Term Debt	56,378	42,419	56,378	42,419
Lease Liabilities (IFRS 16)	76,978	77,303	-	-
Cash and Cash Equivalents	41,465	44,516	41,465	44,516
Net Debt	169,438	172,709	92,460	95,406
Net Debt / EBITDA (LTM)	-	-	1.7x	2.8x

1.7x

Net debt / EBITDA (pre-IFRS 16), LTM, as of 30 June 2024

Lenta's cash and cash equivalents at the end of Q2 2024 amounted to RUB 41.5 billion. As of 30 June 2024, gross debt amounted to RUB 133.9 billion. Net debt (pre-IFRS 16) decreased by RUB 2.9 billion from 31 December 2023 and amounted to RUB 92.5 billion.

All the Company's debt has fixed interest rates and is fully ruble-denominated, matching its revenue structure. The LTM weighted average effective interest rate for Lenta's debt portfolio for the period ended 30 June 2024 was 10.5%, compared with 7.7% for the 12-month period ended 30 June 2023.

The Company successfully reduced its net debt / EBITDA ratio for the last 12 months to 1.7x as of 30 June 2024, compared with 2.8x as of 31 December 2023 and 2.3x as of 31 March 2024.

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About Lenta

Lenta (MOEX: LENT) is a leading multi-format food and FMCG retailer in Russia. The Company operates hypermarkets, supermarkets, and convenience stores. In October 2023, Lenta acquired Monетка, one of Russia's top ten retail chains. Lenta offers its customers online shopping options using its Lenta Online services, Online Partners, and Utkonos platforms. Lenta is Russia's largest hypermarket chain and fourth-largest food retailer by revenues. The Company was founded back in 1993 in St. Petersburg. As at 30 June 2024, Lenta was operating 262 hypermarkets, 319 supermarkets, and 2,566 convenience stores with a total selling space of over 2.3 million sqm in more than 650 cities and towns across Russia. The average Lenta hypermarket has approximately 5,300 sqm of selling space, the average Lenta supermarket has 760 sqm, and convenience stores feature an average selling space of 280 sqm. The Company operates 19 distribution centers all over Russia. Lenta generated revenues of RUB 616 billion (around USD 8.8 billion) in 2023.

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.

Q2 2024 Monthly Operating Results

Sales³

	April	y-o-y	May	y-o-y	June	y-o-y
Total Sales, RUB million	68,468	55.8%	71,533	62.2%	71,617	61.0%
Retail Sales	67,975	58.2%	70,922	64.7%	70,963	63.2%
Hypermarkets	39,441	11.3%	41,187	15.5%	41,596	14.3%
Supermarkets	7,095	8.1%	7,221	13.0%	7,029	14.8%
Convenience Stores	21,437	22x	22,503	23x	22,321	23x
Other	2	-	10	-	17	-
Wholesale	493	(48.3%)	611	(41.2%)	655	(34.4%)
Average Ticket (RUB)	739	(26.9%)	733	(26.0%)	730	(27.8%)
Hypermarkets	1,469	9.7%	1,449	10.6%	1,457	10.0%
Supermarkets	556	8.1%	542	9.5%	541	11.4%
Convenience Stores	410	37.1%	410	36.2%	401	21.6%
Other	430	-	363	-	351	-
Number of Tickets (millions)	92	116.5%	97	122.6%	97	126.1%
Hypermarkets	26.9	1.5%	28.4	4.4%	28.5	3.9%
Supermarkets	12.8	0.0%	13.3	3.2%	13.0	3.0%
Convenience Stores	52.3	16x	54.9	17x	55.6	19x
Other	0.0	-	0.0	-	0.0	-

Stores and Selling Space

	April	May	June
Total Retail Stores (eop)	3,011	3,076	3,155
Hypermarkets	261	262	262
Opened	0	1	0
Closed	0	0	0
Supermarkets	318	317	319
Opened	3	0	3
Closed	1	1	1
Convenience Stores	2,432	2,497	2,574
Opened	53	69	77
Closed	1	4	0
New Selling Space (sqm, eop)	11,048	17,130	17,835
Hypermarkets	(506)	5,199	(114)
Supermarkets	433	(2,024)	1,608
Convenience Stores	11,111	13,955	16,341
Total Selling Space (sqm, eop)	2,322,889	2,340,019	2,357,854
Hypermarkets	1,394,881	1,400,080	1,399,966
Supermarkets	240,382	238,358	239,966
Convenience Stores	687,625	701,581	717,922

Online Sales

	April	y-o-y	May	y-o-y	June	y-o-y
Total Online Sales (RUB million)	5,317	38.6%	5,318	31.8%	4,811	19.1%
Online Partners	2,416	61.1%	2,383	49.1%	1,919	21.2%
Lenta Online ⁶	2,900	24.2%	2,936	20.5%	2,892	17.8%
Average Online Ticket (RUB)	2,525	22.3%	2,554	22.5%	2,556	27.9%
Online Partners	2,441	20.7%	2,485	14.8%	2,454	15.7%
Lenta Online ⁶	2,599	24.3%	2,613	28.4%	2,629	36.4%
Total Online Orders (thousands)	2,106	13.3%	2,082	7.6%	1,882	(6.8%)
Online Partners	990	33.5%	959	29.9%	782	4.8%
Lenta Online ⁶	1,116	(0.1%)	1,123	(6.1%)	1,100	(13.6%)

3. Including Utikonos results since its consolidation (1 February 2022).

4. Following the integration of Utikonos in Q4 2022, the chain's sales were classified under the Hypermarkets and Small-Format segments.

5. Wholesale includes Utikonos's wholesale revenue (B2B).

6. Lenta Online includes Lenta Online, Utikonos, and Click & Collect.

Q2 and H1 2024 Financial Highlights, IFRS 16

Key Financial Results, IFRS 16

RUB million	Q2 2024	Q2 2023	Change	H1 2024	H1 2023	Change
Total Sales	211,618	132,514	59.7%	413,602	257,153	60.8%
Gross Profit	46,538	27,739	67.8%	89,528	51,993	72.2%
Gross Margin (%)	22.0%	20.9%	106 bps	21.6%	20.2%	143 bps
SG&A	(35,929)	(26,292)	36.7%	(72,399)	(52,432)	38.1%
SG&A as a % of Total Sales	(17.0%)	(19.8%)	286 bps	(17.5%)	(20.4%)	288 bps
EBITDAR	22,338	9,187	143.1%	40,927	14,980	173.2%
EBITDAR Margin	10.6%	6.9%	362 bps	9.9%	5.8%	407 bps
Rent as a % of Total Sales	(0.5%)	(0.3%)	(22) bps	(0.3%)	(0.3%)	(9) bps
EBITDA	21,349	8,853	141.1%	39,517	14,327	175.8%
EBITDA Margin	10.1%	6.7%	341 bps	9.6%	5.6%	398 bps
Operating Profit before Impairment	12,859	2,789	361.1%	22,247	2,141	939.1%
Operating Profit Margin before Impairment	6.1%	2.1%	397 bps	5.4%	0.8%	455 bps
Impairment	(32)	(184)	(82.6%)	(51)	(184)	(72.3%)
Operating Profit	12,826	2,605	392.4%	22,195	1,957	11x
Operating Profit Margin	6.1%	2.0%	410 bps	5.4%	0.8%	461 bps
Net Interest Expense	(4,356)	(2,465)	76.7%	(9,291)	(4,943)	88.0%
Net FX Gain/(Loss)	177	(293)	-	96	(633)	-
Profit before Income Tax	8,647	(153)	-	13,000	(3,619)	-
Net (Loss)/Profit	6,923	(241)	-	10,248	(3,076)	-
Net Profit Margin	3.3%	(0.2%)	345 bps	2.5%	(1.2%)	367 bps

Selling, General, and Administrative (SG&A) Expenses, IFRS 16

RUB million	Q2 2024	Q2 2023	Change	H1 2024	H1 2023	Change
Payroll and Related Taxes	16,279	10,703	52.1%	32,658	21,250	53.7%
as a % of Total Sales	7.7%	8.1%	(38) bps	7.9%	8.3%	(37) bps
Depreciation and Amortization (D&A)	8,490	6,064	40.0%	17,270	12,186	41.7%
as a % of Total Sales	4.0%	4.6%	(56) bps	4.2%	4.7%	(56) bps
Lease Expenses	989	334	196.1%	1,410	653	115.9%
as a % of Total Sales	0.5%	0.3%	22 bps	0.3%	0.3%	9 bps
Utilities	2,171	1,492	45.5%	4,661	3,253	43.3%
as a % of Total Sales	1.0%	1.1%	(10) bps	1.1%	1.3%	(14) bps
Store Operations	2,494	2,501	(0.3%)	5,111	5,136	(0.5%)
as a % of Total Sales	1.2%	1.9%	(71) bps	1.2%	2.0%	(76) bps
Professional Fees	1,474	1,408	4.7%	3,034	2,700	12.4%
as a % of Total Sales	0.7%	1.1%	(37) bps	0.7%	1.0%	(32) bps
Advertising	1,571	1,911	(17.8%)	2,870	3,637	(21.1%)
as a % of Total Sales	0.7%	1.4%	(70) bps	0.7%	1.4%	(72) bps
Other	2,461	1,879	31.0%	5,385	3,617	48.9%
as a % of Total Sales	1.2%	1.4%	(26) bps	1.3%	1.4%	(10) bps
Total SG&A	35,929	26,292	36.7%	72,399	52,432	38.1%
as a % of Total Sales	17.0%	19.8%	(286) bps	17.5%	20.4%	(288) bps
Total SG&A excluding D&A	27,439	20,228	35.6%	55,129	40,246	37.0%
as a % of Total Sales	13.0%	15.3%	(230) bps	13.3%	15.7%	(232) bps

Cash Flow Statement, IFRS 16

RUB million	Q2 2024	Q2 2023	Change	H1 2024	H1 2023	Change
Profit/(Loss) before Income Tax	8,647	(153)	-	13,000	(3,619)	-
Net Adjustments for Loss on Disposal of Assets, Impairment, Depreciation and Amortization, and Other	12,750	8,906	43.2%	25,827	18,335	41%
Movements in Working Capital	1,378	5,863	(76.5%)	(10,986)	(9,313)	18%
Cash Generated from Operating Activities	22,775	14,616	55.8%	27,841	5,403	415%
Net Interest and Income Taxes Paid	(5,604)	(2,933)	91.1%	(11,276)	(6,036)	87%
Net Cash Generated from / (Used in) Operating Activities	17,171	11,683	47.0%	16,565	(633)	-
Net Cash Used in Investing Activities	(6,399)	(1,461)	338.0%	(9,169)	(3,772)	143%
Net Cash Generated from / (Used in) Financing Activities	(2,718)	8,537	-	(10,457)	5,239	-
Effect of Exchange Rates on Cash and Cash Equivalents	8	(19)	-	9	3	200%
Net Increase / (Decrease) in Cash and Cash Equivalents	8,062	18,740	(57.0%)	(3,052)	837	-