



# LENTA REPORTS TOTAL SALES GROWTH OF 11.1% AND ONLINE SALES GROWTH OF 108.9% IN FY 2022

**30 January 2023**  
**St. Petersburg,**  
**Russia**

Lenta IPJSC (LSE: LNTA, MOEX: LENT), one of the largest multi-format retail chains in Russia, today announces its operational results for the fourth quarter and the full year 2022.

## FY 2022 Highlights<sup>1,2</sup>

- Total Sales increased by 11.1% y-o-y to RUB 537.4 billion
- Retail Sales reached RUB 530.2 billion, representing 11.4% y-o-y growth
- Like-for-Like (LFL) Sales increased by 2.3%, driven by 5.0% LFL Average Ticket growth
- The total number of stores reached 820, including 259 hypermarkets and 561 small format stores
- Total Selling Space increased by 1.9%, reaching 1,788.2 thousand sq. m.
- Online Sales grew by 108.9% y-o-y to RUB 40.4 billion

## Q4 2022 Highlights<sup>1,2</sup>

- Total Sales increased by 0.6% y-o-y to RUB 148.2 billion
- Retail Sales reached RUB 145.8 billion, representing 0.7% y-o-y growth
- Like-for-Like (LFL) Sales declined by 1.3%, as a result of LFL Average Ticket and LFL Traffic decrease by 0.5% and 0.8% respectively
- The Company opened 1 hypermarket and 24 small-format stores on a gross basis
- Online Sales grew by 59.4% y-o-y to RUB 11.2 billion

1. Including Utkonos results starting from 1 February 2022

2. LFL results include the results of Billa stores starting from September 2022 and the results of Semya stores starting from October 2022

**Vladimir  
Sorokin,**  
Chief Executive Officer



*In 2022, Russian business as a whole faced exceptional challenges that required decisive measures from Lenta's team: reconfiguring supply chains, establishing relationships with new suppliers and setting up payment procedures for transactions involving foreign counterparties. Despite all the difficulties, we were able to meet these challenges, we became even more flexible and efficient, and we continued to develop.*

*An important event in the fourth quarter was the opening of our hypermarket in Toms, which we rebuilt from scratch following a fire in 2021. The new store was the first hypermarket that Lenta opened in 2022.*

*One of our priorities in 2022 was to improve the model for our Mini Lenta stores, and we can see the results of this work—specifically, the gradual improvement in the results of our convenience stores. Notably, we achieved positive LFL traffic at these stores in November and December. We plan to further increase the number of Mini Lenta stores. One of the things we are doing for this purpose is expanding our vehicle fleet. In Q4 2022, we purchased 22 Kamaz Kompas-12 medium-duty trucks, which, alongside the existing fleet, will be used to deliver goods to small-format stores. Despite the departure of foreign truck distributors from Russia, we were able to find a replacement in the Russian market in a very short time.*

*Shoppers continued to economize in 2022 and gradually shifted to cheaper products. We reviewed our product range during the year, adjusting it accordingly to meet the needs of our customers. We expanded the range of products in lower price segments and stepped up our use of promotional and personal offers for our customers. We see that shoppers have responded positively to the changes in our stores' offer, and Lenta's price perception is improving.*

*In terms of the Online segment, we continue to combine the operational processes of Lenta Online and Utkonos, and we are also committed to expanding and improving our online offer for customers. The Lenta Online service has begun delivering orders around the clock: as of today, 40 Lenta hypermarkets and supermarkets offer round-the-clock delivery in 11 cities, and we have no intention of stopping there, as we plan to expand the service throughout Russia.*

*I would like to thank our team for their continued effort and dedication. This year marks the Company's 30th anniversary. I am confident that we will become even stronger in this milestone year as we continue to consistently implement our strategy.*



## Q4 & FY 2022 OPERATING RESULTS, y-o-y

### Sales<sup>3</sup>

	Q4'22	Q4'21	Change	% Change	FY'22	FY'21	Change	% Change
<b>Total Sales (RUB million)</b>	148,157	147,316	841	0.6%	537,401	483,641	53,760	11.1%
<b>Retail Sales</b>	145,816	144,813	1,003	0.7%	530,197	475,787	54,409	11.4%
Hypermarkets <sup>4</sup>	121,703	122,652	-949	-0.8%	431,867	418,061	13,806	3.3%
Small Formats	22,992	22,161	831	3.7%	90,478	57,727	32,751	56.7%
Utkonos <sup>5</sup>	1,121	-	1,121	-	7,852	-	7,852	-
<b>Wholesale<sup>6</sup></b>	2,341	2,503	-162	-6.5%	7,204	7,853	-649	-8.3%
<b>Average Ticket (RUB)</b>	1,116	1,146	-30	-2.6%	1,051	1,092	-41	-3.8%
Hypermarkets	1,452	1,458	-6	-0.4%	1,351	1,284	68	5.3%
Small Formats	494	524	-30	-5.8%	494	525	-30	-5.8%
Utkonos	3,599	-	3,599	-	4,115	-	4,115	-
<b>Number of Tickets (millions)</b>	131	126	4	3.4%	505	436	69	15.8%
Hypermarkets	84	84	0	-0.4%	320	326	-6	-1.9%
Small Formats	47	42	4	10.1%	183	110	73	66.4%
Utkonos	0.3	-	0.3	-	2	-	2	-

### Stores and Selling Space

	Q4'22	Q4'21	Change	% Change	FY'22	FY'21	Change	% Change
<b>Total Retail Stores (eop)</b>	820	757	63	8.3%	820	757	63	8.3%
<b>Hypermarkets<sup>4</sup></b>	259	258	1	0.4%	259	258	1	0.4%
Openings	1	0	1	-	1	7	-6	-85.7%
Closing	0	1	-1	-	0	3	-3	-
<b>Small Formats</b>	561	499	62	12.4%	561	499	62	12.4%
Openings	24	90	-66	-73.3%	104	369	-265	-71.8%
Closing	16	6	10	-	42	9	33	-
<b>New Selling Space (sqm, eop)</b>	7,896	29,167	-21,271	-72.9%	33,233	236,385	-203,152	-85.9%
Hypermarkets <sup>4</sup>	5,252	-5,225	10,477	0.0%	5,252	9,780	-4,528	-46.3%
Small Formats	2,644	34,392	-31,748	-92.3%	27,981	226,605	-198,624	-87.7%
<b>Total Selling Space (sqm, eop)</b>	1,788,216	1,754,983	33,233	1.9%	1,788,216	1,754,983	33,233	1.9%
Hypermarkets <sup>4</sup>	1,415,820	1,410,568	5,252	0.4%	1,415,820	1,410,568	5,252	0.4%
Small Formats	372,396	344,415	27,981	8.1%	372,396	344,415	27,981	8.1%

### LFL Results<sup>7</sup>

	Q4'22			FY'22		
	Sales	Average Ticket	Traffic	Sales	Average Ticket	Traffic
<b>Total Retail</b>	-1.3%	-0.5%	-0.8%	2.3%	5.0%	-2.6%
Hypermarkets	-0.4%	-0.4%	-0.1%	3.0%	5.7%	-2.6%
Small Formats	-6.2%	-4.1%	-2.2%	-3.6%	-0.8%	-2.8%

### Online Sales<sup>3</sup>

	Q4'22	Q4'21	Change	% Change	FY'22	FY'21	Change	% Change
<b>Total Online Sales (RUB million)</b>	11,210	7,033	4,178	59.4%	40,400	19,340	21,060	108.9%
Online Partners	4,287	3,619	669	18.5%	12,059	10,625	1,434	13.5%
Lenta Online <sup>8</sup>	5,802	3,414	2,388	69.9%	20,489	8,715	11,774	135.1%
Utkonos <sup>9</sup>	1,121	-	1,121	-	7,852	-	7,852	-
<b>Average Online Ticket (RUB)</b>	2,189	1,957	232	11.8%	2,252	1,851	401	21.7%
Online Partners	1,941	1,844	97	5.3%	1,913	1,808	105	5.8%
Lenta Online <sup>8</sup>	2,230	2,093	137	6.5%	2,107	1,906	202	10.6%
Utkonos <sup>9</sup>	3,599	-	3,599	-	4,102	-	4,102	-
<b>Total Online Orders (thousands)</b>	5,121	3,593	1,528	42.5%	17,938	10,448	7,490	71.7%
Online Partners	2,208	1,962	246	12.5%	6,302	5,875	427	7.3%
Lenta Online <sup>8</sup>	2,601	1,631	970	59.5%	9,722	4,573	5,149	112.6%
Utkonos <sup>9</sup>	312	-	312	-	1,914	-	1,914	-

For Q4 2022 monthly operating results, please refer to Appendix 1

3. Including Utkonos results from the date of consolidation (1 February 2022)

4. Historical numbers were adjusted following the Company decision to treat four Semya stores as Hypermarkets.

5. Includes only Utkonos Retail Sales (B2C)

6. Wholesales includes Utkonos wholesales (B2B)

7. LFL results include the results of Billa stores starting from September 2022 and the results of Semya stores starting from October 2022

8. Lenta Online includes Click & Collect

9. Includes both Utkonos retail sales (B2C) and wholesales (B2B)

## Q4 2022 OPERATING RESULTS

**+0.6%**

Total Sales,  
y-o-y

In Q4 2022, Total Sales increased by 0.6% to RUB 148.2 billion. Lenta's Retail Sales in Q4 2022 increased by 0.7% to RUB 145.8 billion, compared to RUB 144.8 billion in Q4 2021, driven by 1.9% Total Selling Space organic growth which was partially offset by LFL Sales decline of 1.3%. Overall Sales Density in Q4 2022 decreased by 0.4% year-over-year.

In Q4 2022, Lenta continued to note a change in customer behavior driven primarily by a decrease in real disposable income and in consumer confidence. The emigration of the wealthiest segments of the population, a slowdown in inflation and slower growth in terms of retail trade turnover also put pressure on the Company's results. Our customers now tend to buy products from lower price segments and reduce their expenses on spirits and non-food categories, including home appliances, children's toys and seasonal non-food items. Meanwhile, the growth rate in the Online channel has continued to slow down.

**+3.4%**

Number of Tickets,  
y-o-y

In Q4 2022, the total Number of Tickets increased by 3.4% thanks to the above-mentioned organic expansion and gradual improvement in the performance of our Lenta Mini stores, while the Average Ticket size decreased by 2.6% primarily due to the increasing share of small-format stores' sales in total Retail Sales.

Wholesale Sales, which now includes Utkonos B2B sales from the date of the consolidation, represented 1.6% of Total Sales and decreased by 6.5% compared to the corresponding period of the previous year.

**-1.3%**

LFL Sales,  
y-o-y

In Q4 2022, Total LFL Sales decrease by 1.3%, as a result of Total Retail LFL Traffic decline by 0.8%, which was further amplified by Total Average Ticket decrease of 0.5%.

In Q4 2022, Lenta continued to improve its loyalty program and actively worked on assortment tailoring and promo. In December, the Company launched a loyalty campaign called Five Steps to a Free Product, which had a positive impact on traffic and resulted in an increase in the average number of tickets per customer. In Q4 2022, 1.5 million new loyalty cards were activated, with the total number of loyalty cards issued reaching to 26.9 million. Transactions using loyalty cards slightly increased compared to Q3 2022 and accounted for 97.3% of total Retail Sales, excluding Utkonos.

**-0.8%**

HM Sales,  
y-o-y

Hypermarket Sales represented 83.5% of total Retail Sales in Q4 2022. Hypermarkets Sales declined by 0.8% driven by a decrease of LFL Average Ticket by 0.4% and LFL Traffic by 0.1%. Lenta continues to improve the efficiency of in-store operations, which led to a sales density improvement of 3.0% year-over-year. In Q4 2022, Lenta opened one hypermarket in Tomsk which was rebuilt from scratch following a fire in 2021.

**+3.7%**

Small Formats' Sales,  
y-o-y

In 2022, Lenta put on hold a significant number of store openings due to the macroeconomic conditions and market uncertainties. During Q4 2022, 24 new small-format stores were opened. Lenta also closed 16 underperforming stores to optimize operations, bringing the total number of small-format stores to 561 as of the end of the year. In the reporting period, small-format stores demonstrated decent year-over-year Sales Growth of 3.7%, driven primarily by an organic expansion. Small-format stores' LFL Sales decreased by 6.2% as a result of a 4.1% decrease in the LFL Average Ticket and a 2.2% decline in LFL Traffic.

**+59.4%**Increase in Online Sales,  
y-o-y

In Q4 2022, Lenta's Online business demonstrated strong sales growth. During the period, Total Online Sales, including Utkonos, amounted to RUB 11.2 billion, an increase of 59.4% year-over-year correlates with the overall e-grocery market dynamics in Russia, while Total Online Orders were up 42.5% and amounted to 5.1 million. The Average Ticket for Lenta Online was RUB 2,230 an increase of 6.5% year-over-year. In Q4 2022, our online sales via Partners recovered, reversing the negative trend of the previous two quarters. Sales through Partners doubled quarter-on-quarter. Utkonos sales slowed down due to the integration of the Utkonos' operating model and the focus on improving operating efficiency. Online Sales share in Lenta's Total Sales constituted 7.6% of Lenta's Total Sales, compared to 4.8% in the corresponding period of the previous year and 6.9% in Q3 2022.



## For further information, please contact:

### Lenta

Tatyana Vlasova  
Head of Investor Relations and M&A  
[tatyana.vlasova@lenta.com](mailto:tatyana.vlasova@lenta.com)

### Lenta

Mariya Filippova  
Head of Public Relations and Government Affairs  
[maria.filippova@lenta.com](mailto:maria.filippova@lenta.com)

## About Lenta

Lenta IPJSC (LSE: LNTA, MOEX: LENT) is a leading Russian multi-format food and FMCG retailer. The company operates hypermarkets, supermarkets, and a new proximity store format under the brand Mini Lenta. It also provides customers the option to shop online via its own Lenta Online services, Online Partners and the Utkonos platform. 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 31 December 2022, operated 259 hypermarkets and 561 supermarkets and Lenta Mini stores in over 200 cities and towns across Russia, with almost 1.79 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. 2022 Revenues were RUB 537 billion (approximately USD 7.6 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.

## Q2 2022 MONTHLY OPERATING RESULTS

### Sales<sup>3</sup>

	October	YoY	November	YoY	December	YoY
<b>Total Sales (RUB million)</b>	<b>42,295</b>	<b>0.2%</b>	<b>42,120</b>	<b>1.5%</b>	<b>63,743</b>	<b>0.1%</b>
<b>Retail Sales</b>	41,737	0.9%	41,400	2.0%	62,678	-0.3%
Hypermarkets <sup>4</sup>	33,975	-1.3%	34,137	0.2%	53,591	-1.1%
Small Formats	7,157	3.1%	6,989	7.0%	8,845	1.9%
Utkonos <sup>5</sup>	605	-	274	-	242	-
<b>Wholesale<sup>6</sup></b>	557	-33.4%	719	-17.7%	1,064	34.4%
<b>Average Ticket (RUB)</b>	<b>997</b>	<b>-0.8%</b>	<b>1,024</b>	<b>-4.0%</b>	<b>1,296</b>	<b>-2.7%</b>
Hypermarkets	1,297	1.3%	1,332	-1.8%	1,676	-0.5%
Small Formats	462	-5.1%	475	-5.9%	542	-6.0%
Utkonos	3,770	-	3,568	-	3,262	-
<b>Number of Tickets (millions)</b>	<b>42</b>	<b>1.7%</b>	<b>40</b>	<b>6.3%</b>	<b>48</b>	<b>2.5%</b>
Hypermarkets	26	-2.5%	26	2.1%	32	-0.5%
Small Formats	15	8.7%	15	13.7%	16	8.4%
Utkonos	0.2	-	0.1	100.0%	0.1	-

### Stores and Selling Space

	October	November	December
<b>Total Retail Stores (eop)</b>	<b>801</b>	<b>812</b>	<b>820</b>
<b>Hypermarkets<sup>4</sup></b>	258	259	259
Openings	0	1	0
Closing	0	0	0
<b>Small Formats</b>	543	553	561
Openings	2	13	9
Closing	12	3	1
<b>New Selling Space (sqm, eop)</b>	<b>-5,174</b>	<b>8,711</b>	<b>4,359</b>
Hypermarkets	0	5,252	0
Small Formats	-5,174	3,459	4,359
<b>Total Selling Space (sqm, eop)</b>	<b>1,775,147</b>	<b>1,783,857</b>	<b>1,788,216</b>
Hypermarkets <sup>4</sup>	1,410,568	1,415,820	1,415,820
Small Formats	364,579	368,037	372,396

### Online Sales<sup>3</sup>

	October	YoY	November	YoY	December	YoY
<b>Total Online Sales (RUB million)</b>	<b>3,304</b>	<b>75.9%</b>	<b>3,253</b>	<b>45.1%</b>	<b>4,654</b>	<b>52.3%</b>
Online Partners	936	-10.8%	1,263	8.9%	2,088	32.6%
Lenta Online <sup>8</sup>	1,763	112.7%	1,715	58.5%	2,324	54.6%
Utkonos <sup>9</sup>	605	-	274	-	242	-
<b>Average Online Ticket (RUB)</b>	<b>2,245</b>	<b>21.5%</b>	<b>2,104</b>	<b>9.9%</b>	<b>2,212</b>	<b>7.1%</b>
Online Partners	1,927	11.4%	1,850	3.4%	2,009	0.5%
Lenta Online <sup>8</sup>	2,136	5.6%	2,182	5.5%	2,347	9.0%
Utkonos <sup>9</sup>	3,770	-	3,568	-	3,262	-
<b>Total Online Orders (thousands)</b>	<b>1,471</b>	<b>44.7%</b>	<b>1,546</b>	<b>32.0%</b>	<b>2,104</b>	<b>42.2%</b>
Online Partners	486	-20.0%	683	5.4%	1,039	32.0%
Lenta Online <sup>8</sup>	825	101.4%	786	50.3%	990	41.8%
Utkonos <sup>9</sup>	160	-	77	-	74	100.0%

3. Including Utkonos results from the date of consolidation (1 February 2022)

4. Historical numbers were restated following the Company decision to treat four Semya stores as Hypermarkets.

5. Includes only Utkonos Retail Sales (B2C)

6. Wholesales includes Utkonos wholesales (B2B)

7. LFL results include the results of Billa stores starting from September and the results of Semya stores starting from October.

8. Lenta Online includes Click & Collect

9. Includes both Utkonos retail sales (B2C) and wholesales (B2B)