



## LENTA REPORTS TOTAL SALES GROWTH OF 11.1% AND 6.1% EBITDA MARGIN IN FY 2022

**29 March 2023**  
**St. Petersburg,**  
**Russia**

Lenta IPJSC (LSE: LNTA, MOEX: LENT), one of the largest multi-format retail chains in Russia, today announces its financial results for the fourth quarter and audited financial results for full year of 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
- Gross Profit was RUB 120.7 billion, an increase of 8.7%. Gross Margin declined by 51 bps and stood at 22.5%
- SG&A expenses increased as a percent of Sales by 178 bps due to the expansion of small-format stores and significantly increased share of online sales in Total Sales
- EBITDA was RUB 32.6 billion with an 6.1% EBITDA Margin
- CapEx stood at RUB 11.0 billion, up 17.8% y-o-y
- As of 31 December 2022, the Net Debt to EBITDA ratio was 1.6x vs. 1.4x as of 31 December 2021

### 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
- Gross Profit was RUB 31.4 billion, decreased by 6.3%. Gross Margin decreased by 154 bps and stood at 21.2%
- SG&A expenses decreased as a percent of Sales by 61 bps thanks to lower personnel related expenses as well as decreased store operations costs
- EBITDA was RUB 9.7 billion, decrease of 15.2%. EBITDA Margin decreased by 121 bps and stood at 6.5%

1. Including Utikonos results starting from 1 February 2022  
2. Please note that all Financial Highlights are based upon pre-IFRS 16 figures

**Vladimir  
Sorokin,**  
Chief Executive  
Officer



Our business remains stable and flexible despite serious challenges in 2022 for both retail industry and the entire Russian economy. Throughout the year, the Lenta team focused on adapting to the new business environment. The measures we implemented drove solid performance and enabled us to maintain operational efficiency and, of course, to continue to meet the daily needs of our customers in terms of fresh products and quality essentials.

In 2022, Lenta's retail sales grew by 11.4%. Our online business doubled last year, with revenue from online sales reaching 7.5% of Lenta's total sales for the year. Despite the substantial transformation of our business, the development of our small-format stores and the growing share of our online business, we were able to improve our operational efficiency considerably in the fourth quarter. Selling, general and administrative expenses as a percentage of revenue in the fourth quarter decreased by 61 basis points.

We completed the integration of Billa and Semya chains last year; all Billa stores are now operating under the Lenta brand. In addition, we fully integrated all acquired stores into the Company's operating processes. One important focal point of our work last year was the establishment of a team devoted for the development of our small-format stores. We now have a Small-Format Division that is going to focus on improving our supermarkets and convenience stores and expanding in this segment. Moreover, we continued to develop our online business throughout 2022, which included efforts to amalgamate the operating models for Lenta Online and Utkonos. Thanks to the concerted efforts of our Lenta-U team, we were able to greatly improve the efficiency of our online business, and we plan to continue working on this going forward.

The year 2023 is an important one for us: it marks Lenta's 30th anniversary, and we have big plans for the year. Despite turbulence in the business environment, we remain committed to Lenta's key development priorities, including restoring LFL growth at hypermarkets, increasing margins, and expanding and developing new formats and our online business.

Instead of standing still, we are looking for new formats and approaches to doing business that will continue to meet the needs of our customers to the best of our ability. In February 2023, we launched a pilot project for a new hypereconomy format in St Petersburg, where we offer our customers better prices while providing the fairly broad product range found in our hypermarkets, which is especially important at a time when consumers are facing rising prices. We are testing a number of innovations in underperforming stores in order to find the best options for reducing operating costs and increasing sales density. The pilot project is our response to the needs of customers focused on savings and who want a choice of products in lower price segments.

This project, like our results for 2022 as a whole, would not have been possible without the dedicated and professional work of our team. I would like to thank all Lenta employees, and I am looking forward to seeing what we can accomplish together in 2023.



## Q4 & FY 2022 FINANCIAL HIGHLIGHTS, pre-IFRS 16

### Key Financial Results, pre-IFRS 16

RUB million	Q4'22	Q4'21	Change	FY'22	FY'21	Change
<b>Total Sales</b>	<b>148,157</b>	<b>147,316</b>	<b>0.6%</b>	<b>537,401</b>	<b>483,641</b>	<b>11.1%</b>
<b>Gross Profit</b>	<b>31,400</b>	<b>33,497</b>	<b>-6.3%</b>	<b>120,739</b>	<b>111,107</b>	<b>8.7%</b>
<i>Gross Margin (%)</i>	<i>21.2%</i>	<i>22.7%</i>	<i>-154 bps</i>	<i>22.5%</i>	<i>23.0%</i>	<i>-51 bps</i>
<b>SG&amp;A</b>	<b>-27,565</b>	<b>-28,302</b>	<b>-2.6%</b>	<b>-112,987</b>	<b>-93,066</b>	<b>21.4%</b>
<i>SG&amp;A as % of Total Sales</i>	<i>-18.6%</i>	<i>-19.2%</i>	<i>61 bps</i>	<i>-21.0%</i>	<i>-19.2%</i>	<i>-178 bps</i>
<b>EBITDAR</b>	<b>12,868</b>	<b>14,195</b>	<b>-9.3%</b>	<b>44,681</b>	<b>47,643</b>	<b>-6.2%</b>
<i>EBITDAR Margin</i>	<i>8.7%</i>	<i>9.6%</i>	<i>-95 bps</i>	<i>8.3%</i>	<i>9.9%</i>	<i>-154 bps</i>
<i>Rent as % of Total Sales</i>	<i>-2.1%</i>	<i>-1.9%</i>	<i>-26 bps</i>	<i>-2.2%</i>	<i>-1.7%</i>	<i>-50 bps</i>
<b>EBITDA</b>	<b>9,684</b>	<b>11,414</b>	<b>-15.2%</b>	<b>32,638</b>	<b>39,242</b>	<b>-16.8%</b>
<i>EBITDA Margin</i>	<i>6.5%</i>	<i>7.7%</i>	<i>-121 bps</i>	<i>6.1%</i>	<i>8.1%</i>	<i>-204 bps</i>
<b>Operating Profit before impairment</b>	<b>4,810</b>	<b>6,854</b>	<b>-29.8%</b>	<b>14,404</b>	<b>23,185</b>	<b>-37.9%</b>
<i>Operating Profit Margin before impairment</i>	<i>3.2%</i>	<i>4.7%</i>	<i>-141 bps</i>	<i>2.7%</i>	<i>4.8%</i>	<i>-211 bps</i>
<i>(Impairment) / Reversal of impairment</i>	<i>-2,322</i>	<i>173</i>	<i>-</i>	<i>-2,322</i>	<i>164</i>	<i>-</i>
<b>Operating Profit</b>	<b>2,488</b>	<b>7,026</b>	<b>-64.6%</b>	<b>12,082</b>	<b>23,348</b>	<b>-48.3%</b>
<i>Operating Profit Margin</i>	<i>1.7%</i>	<i>4.8%</i>	<i>-309 bps</i>	<i>2.2%</i>	<i>4.8%</i>	<i>-258 bps</i>
Net Interest Expense	-1,284	-1,294	-0.8%	-4,924	-4,923	0.0%
Net FX loss	-265	-28	846.4%	-52	-497	-89.5%
Profit Before Income Tax	939	5,704	-83.5%	7,106	17,928	-60.4%
<b>Net Income</b>	<b>207</b>	<b>4,102</b>	<b>-</b>	<b>4,850</b>	<b>13,646</b>	<b>-64.5%</b>
<i>Net Income Margin</i>	<i>0.1%</i>	<i>2.8%</i>	<i>-264 bps</i>	<i>0.9%</i>	<i>2.8%</i>	<i>-192 bps</i>

For Q4 & FY 2022 financial highlights prepared in accordance with IFRS 16, please refer to Appendix 1

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%.

# -6.3%

Gross Profit, y-o-y

In Q4 2022, Gross Profit (pre-IFRS 16) decreased by 6.3% year-over-year to RUB 31.4 billion. Gross Margin dropped by 154 bps to 21.2%; the decrease in Gross Margin was driven mainly by higher investments in traffic retention, increased promo share, a shift in the sales product mix toward lower margin goods, as well as increased share of small-format stores with lower gross margin level.

# 6.5%

EBITDA Margin

The decline in Gross Profit which was slightly offset by a 2.6% decrease in Total SG&A led to a 15.2% decrease in EBITDA (pre-IFRS 16) year-over-year. In Q4 2022, Lenta's EBITDA Margin stood at 6.5%. EBITDA Margin declined by 121 bps compared to the previous year, driven by the decline of Gross Margin which was partially offset by the decrease of SG&A as a percentage of Total Sales resulted from lower personnel related expenses as well as decreased store operations costs.

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

RUB million	Q4'22	Q4'21	Change	FY'22	FY'21	Change
<b>Payroll and related taxes</b>	<b>9,391</b>	<b>10,963</b>	<b>-14.3%</b>	<b>44,169</b>	<b>35,436</b>	<b>24.6%</b>
<i>as a % of Total Sales</i>	<i>6.3%</i>	<i>7.4%</i>	<i>-110 bps</i>	<i>8.2%</i>	<i>7.3%</i>	<i>94 bps</i>
<b>Depreciation and Amortization (D&amp;A)</b>	<b>4,874</b>	<b>4,560</b>	<b>6.9%</b>	<b>18,234</b>	<b>16,057</b>	<b>13.6%</b>
<i>as a % of Total Sales</i>	<i>3.3%</i>	<i>3.1%</i>	<i>19 bps</i>	<i>3.4%</i>	<i>3.3%</i>	<i>7 bps</i>
<b>Lease Expenses</b>	<b>3,184</b>	<b>2,781</b>	<b>14.5%</b>	<b>12,043</b>	<b>8,401</b>	<b>43.4%</b>
<i>as a % of Total Sales</i>	<i>2.1%</i>	<i>1.9%</i>	<i>26 bps</i>	<i>2.2%</i>	<i>1.7%</i>	<i>57 bps</i>
<b>Utilities</b>	<b>1,206</b>	<b>1,535</b>	<b>-21.4%</b>	<b>6,053</b>	<b>5,626</b>	<b>7.6%</b>
<i>as a % of Total Sales</i>	<i>0.8%</i>	<i>1.0%</i>	<i>-23 bps</i>	<i>1.1%</i>	<i>1.2%</i>	<i>-9 bps</i>
<b>Store Operations</b>	<b>2,665</b>	<b>3,090</b>	<b>-13.8%</b>	<b>11,218</b>	<b>10,262</b>	<b>9.3%</b>
<i>as a % of Total Sales</i>	<i>1.8%</i>	<i>2.1%</i>	<i>-30 bps</i>	<i>2.1%</i>	<i>2.1%</i>	<i>-4 bps</i>
<b>Professional Fees</b>	<b>1,774</b>	<b>1,060</b>	<b>67.4%</b>	<b>5,994</b>	<b>4,489</b>	<b>33.5%</b>
<i>as a % of Total Sales</i>	<i>1.2%</i>	<i>0.7%</i>	<i>48 bps</i>	<i>1.1%</i>	<i>0.9%</i>	<i>19 bps</i>
<b>Advertising</b>	<b>2,693</b>	<b>2,545</b>	<b>5.8%</b>	<b>8,031</b>	<b>6,489</b>	<b>23.8%</b>
<i>as a % of Total Sales</i>	<i>1.8%</i>	<i>1.7%</i>	<i>9 bps</i>	<i>1.5%</i>	<i>1.3%</i>	<i>15 bps</i>
<b>Other</b>	<b>1,778</b>	<b>1,768</b>	<b>0.6%</b>	<b>7,245</b>	<b>6,306</b>	<b>14.9%</b>
<i>as a % of Total Sales</i>	<i>1.2%</i>	<i>1.2%</i>	<i>0 bps</i>	<i>1.3%</i>	<i>1.3%</i>	<i>0 bps</i>
<b>Total SG&amp;A</b>	<b>27,565</b>	<b>28,302</b>	<b>-2.6%</b>	<b>112,987</b>	<b>93,066</b>	<b>21.4%</b>
<i>as a % of Total Sales</i>	<i>18.6%</i>	<i>19.2%</i>	<i>-61 bps</i>	<i>21.0%</i>	<i>19.2%</i>	<i>178 bps</i>
<b>SG&amp;A excluding D&amp;A</b>	<b>22,691</b>	<b>23,742</b>	<b>-4.4%</b>	<b>94,753</b>	<b>77,009</b>	<b>23.0%</b>
<i>as a % of Total Sales</i>	<i>15.3%</i>	<i>16.1%</i>	<i>-80 bps</i>	<i>17.6%</i>	<i>15.9%</i>	<i>171 bps</i>

For Q4 & FY 2022 SG&A expenses in accordance with IFRS 16, please refer to Appendix 1

# -61 bps

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

# -110 bps

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

In Q4 2022, Total Selling, General, and Administrative expenses (pre-IFRS 16) decreased by 2.6% year-over-year to RUB 27.6 billion. Meanwhile, SG&A as a percentage of Total Sales decreased by 61 bps to 18.6%. This dynamics was mainly driven by lower personnel related expenses as well as decreased store operations costs.

In Q4 2022, Payroll expenses declined by 14.3% year-over-year, while personnel expenses as a percentage of Total Sales decreased by 110 bps. The positive dynamic of SG&A was primarily driven by increased productivity and operational improvement of small format stores, including ex-Billa and ex-Semya stores.

D&A increased by 6.9% primarily due to the acquisition of Utkonos warehouses. D&A as a percentage of Total Sales increased by 19 bps.

Lease expenses as a percentage of Total Sales rose by 26 bps, primarily due to the expansion of small format stores with higher share of leased premises.

Store Operations as percentage of Total Sales decreased by 30 bps year-over-year, mainly driven by 22 bps decline in repairs and maintenance, 7 bps decrease in cleaning costs, and 1 bps decline in security costs.

Advertising costs during Q4 2022 were up 5.8% year-over-year, due to increased investments in our growing online business and expenses related to support for small-format in the ramp-up stage.

In FY 2022, Total Selling, General and Administrative expenses (pre-IFRS) increased by 21.4% to RUB 113.0 billion. SG&A as a percentage of Total Sales increased by 178 bps mainly driven by 94 bps increase in Payroll and related taxes, 57 bps increase in Lease expenses, and 19 bps increase in Professional fees.

## Cash Flow Statement, pre-IFRS 16

RUB million	Q4'22	Q4'21	Change	FY'22	FY'21	Change
<b>Profit before income tax</b>	<b>939</b>	<b>5,704</b>	<b>-83.5%</b>	<b>7,106</b>	<b>17,928</b>	<b>-60.4%</b>
Net adjustments for loss on disposal of assets, impairment, depreciation & amortization, and other	8,251	5,998	37.6%	25,445	21,572	18.0%
Movements in Working Capital	12,272	11,015	11.4%	-2,834	2,076	-
<b>Cash generated from Operating Activities</b>	<b>21,462</b>	<b>22,717</b>	<b>-5.5%</b>	<b>29,717</b>	<b>41,576</b>	<b>-28.5%</b>
Net Interest & Income Taxes Paid	-2,532	-3,440	-26.4%	-9,511	-7,991	19.0%
<b>Net Cash generated from Operating Activities</b>	<b>18,930</b>	<b>19,277</b>	<b>-1.8%</b>	<b>20,206</b>	<b>33,585</b>	<b>-39.8%</b>
Net cash used in Investing Activities	-8,246	-2,880	186.3%	-17,290	-30,815	-43.9%
Net cash generated from / (used in) financing activities	-5,017	-41	12,136.6%	-7,068	9,218	-
Effect of exchange rates on cash and cash equivalents	51	18	183.3%	-155	-471	-67.1%
<b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents</b>	<b>5,718</b>	<b>16,374</b>	<b>-65.1%</b>	<b>-4,307</b>	<b>11,517</b>	<b>-</b>

For the Q4 & FY 2022 cash flow statement prepared in accordance with IFRS 16, please refer to Appendix 1

Capital Expenditures in Q4 2022 amounted to RUB 2.0 billion, and decreased by 31.7% year-over-year. This decreased resulted from the fewer new store openings in Q4 2022 compared to Q4 2021.

The Company's Profit before Income Tax for Q4 2022 was RUB 0.9 billion compared to RUB 5.7 billion in Q4 2021. The decrease in Profit before income tax was mainly the result of a 29.8% year-over-year decline in Operating Profit before Impairment and significant impairment primarily related to Utkonos assets compared to minor reversal of impairment in Q4 2021.

In Q4 2022, Net Cash generated from Operating Activities (pre-IFRS 16) amounted to RUB 18.9 billion, compared to RUB 19.3 billion in the previous year. These dynamics resulted from the decrease in Profit before income tax, which was offset by the higher positive movement of Working Capital, higher D&A and lower Net income tax paid.

Net Cash used in Investing Activities was 8.2 billion compared to 2.9 billion for the same period of the previous year.

In Q4 2022, Net Cash used in Financing Activities amounted to RUB 5.0 billion, compared to RUB 0.04 billion in Q4 2021.

Free Cash Flow for Q4 2022 was RUB 10.7 billion, which was RUB 5.7 billion lower than in Q4 2021, mainly due to higher Net Cash used in Investing Activities.

Capital Expenditures for FY 2022 amounted to RUB 11.0 billion, and increased by 17.8% year-over-year. FY 2022 Capital Expenditures were primarily related to new small-format store openings, integration of Billa, Semya and Unkonos, and IT-systems development.

Free Cash Flow for FY 2022 was RUB 2.9 billion, and increased by 5.3% year-over-year, mainly due to significant decrease of Net Cash used in Investing Activities which was partially offset by the decline in Net Cash generated from Operating Activities.

## Debt Position and Leverage

RUB million	IFRS 16		IAS 17	
	31-Dec-22	31-Dec-21	31-Dec-22	31-Dec-21
<b>Gross Debt</b>	<b>134,273</b>	<b>148,962</b>	<b>81,123</b>	<b>88,414</b>
Long-term Debt	26,968	66,912	26,968	66,912
Short-term Debt	54,155	21,502	54,155	21,502
Lease Liabilities (IFRS 16)	53,150	60,548	-	-
<b>Cash &amp; Cash Equivalents</b>	<b>29,020</b>	<b>33,326</b>	<b>29,020</b>	<b>33,326</b>
<b>Net Debt</b>	<b>105,253</b>	<b>115,636</b>	<b>52,103</b>	<b>55,088</b>
<b>Net Debt / EBITDA (LTM) ratio</b>			<b>1.6x</b>	<b>1.4x</b>

# 1.6x

Net Debt / EBITDA  
pre-IFRS 16 (LTM),  
as of 31 December 2022

Lenta's cash position at the end of Q4 2022 was RUB 29.0 billion. Gross Debt decreased by 8.2% compared to 31 December 2021 and stood at RUB 81.1 billion as of 31 December 2022. Net Debt (pre-IFRS 16) decreased by RUB 3.0 billion compared to year-end 2021 and stood at RUB 52.1 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 31 December 2022 was 7.7%, compared to 6.8% for the twelve-month period ended 31 December 2021.

Lenta's Net Debt to EBITDA ratio was 1.6x as of 31 December 2022 vs. 1.4x as of 31 December 2021.



## For further information, please contact:

### Lenta

Tatyana Vlasova  
Head of Investor Relations  
[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.

## Q4 & FY 2022 FINANCIAL HIGHLIGHTS, IFRS 16

### Key Financial Results, IFRS 16

RUB million	Q4'22	Q4'21	Change	FY'22	FY'21	Change
<b>Total Sales</b>	<b>148,157</b>	<b>147,316</b>	<b>0.6%</b>	<b>537,401</b>	<b>483,641</b>	<b>11.1%</b>
<b>Gross Profit</b>	<b>31,503</b>	<b>33,588</b>	<b>-6.2%</b>	<b>121,204</b>	<b>111,361</b>	<b>8.8%</b>
<i>Gross Margin (%)</i>	<i>21.3%</i>	<i>22.8%</i>	<i>-154 bps</i>	<i>22.6%</i>	<i>23.0%</i>	<i>-47 bps</i>
<b>SG&amp;A</b>	<b>-26,636</b>	<b>-27,856</b>	<b>-4.4%</b>	<b>-110,264</b>	<b>-91,447</b>	<b>20.6%</b>
<i>SG&amp;A as % of Total Sales</i>	<i>-18.0%</i>	<i>-18.9%</i>	<i>93 bps</i>	<i>-20.5%</i>	<i>-18.9%</i>	<i>-161 bps</i>
<b>EBITDAR</b>	<b>13,046</b>	<b>14,290</b>	<b>-8.7%</b>	<b>45,289</b>	<b>48,097</b>	<b>-5.8%</b>
<i>EBITDAR Margin</i>	<i>8.8%</i>	<i>9.7%</i>	<i>-89 bps</i>	<i>8.4%</i>	<i>9.9%</i>	<i>-152 bps</i>
<i>Rent as % of Total Sales</i>	<i>-0.2%</i>	<i>-0.3%</i>	<i>4 bps</i>	<i>-0.3%</i>	<i>-0.3%</i>	<i>-5 bps</i>
<b>EBITDA</b>	<b>12,688</b>	<b>13,871</b>	<b>-8.5%</b>	<b>43,665</b>	<b>46,885</b>	<b>-6.9%</b>
<i>EBITDA Margin</i>	<i>8.6%</i>	<i>9.4%</i>	<i>-85 bps</i>	<i>8.1%</i>	<i>9.7%</i>	<i>-157 bps</i>
<b>Operating Profit before impairment</b>	<b>5,917</b>	<b>7,394</b>	<b>-20.0%</b>	<b>17,735</b>	<b>25,258</b>	<b>-29.8%</b>
<i>Operating Profit Margin before impairment</i>	<i>4.0%</i>	<i>5.0%</i>	<i>-103 bps</i>	<i>3.3%</i>	<i>5.2%</i>	<i>-192 bps</i>
(Impairment) / Reversal of impairment	-2,322	173	-	-2,322	164	-
<b>Operating Profit</b>	<b>3,594</b>	<b>7,567</b>	<b>-52.5%</b>	<b>15,412</b>	<b>25,422</b>	<b>-39.4%</b>
<i>Operating Profit Margin</i>	<i>2.4%</i>	<i>5.1%</i>	<i>-271 bps</i>	<i>2.9%</i>	<i>5.3%</i>	<i>-239 bps</i>
Net Interest Expense	-2,619	-2,498	4.8%	-10,017	-8,428	18.9%
Net FX loss	-660	-72	816.7%	162	-524	-
Profit Before Income Tax	315	4,997	-93.7	5,557	16,470	-66.3%
<b>Net Income / (Net Loss)</b>	<b>-292</b>	<b>3,537</b>	<b>-108.3%</b>	<b>3,611</b>	<b>12,480</b>	<b>-71.7%</b>
<i>Net Income Margin</i>	<i>-0.2%</i>	<i>2.4%</i>	<i>-260 bps</i>	<i>0.7%</i>	<i>2.6%</i>	<i>-191 bps</i>

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

RUB million	Q4'22	Q4'21	Change	FY'22	FY'21	Change
<b>Payroll and related taxes</b>	<b>9,391</b>	<b>10,963</b>	<b>-14.3%</b>	<b>44,169</b>	<b>35,436</b>	<b>24.6%</b>
<i>as a % of Total Sales</i>	<i>6.3%</i>	<i>7.4%</i>	<i>-110 bps</i>	<i>8.2%</i>	<i>7.3%</i>	<i>89 bps</i>
<b>Depreciation and Amortization (D&amp;A)</b>	<b>6,771</b>	<b>6,476</b>	<b>4.6%</b>	<b>25,930</b>	<b>21,627</b>	<b>19.9%</b>
<i>as a % of Total Sales</i>	<i>4.6%</i>	<i>4.4%</i>	<i>17 bps</i>	<i>4.8%</i>	<i>4.5%</i>	<i>35 bps</i>
<b>Lease Expenses</b>	<b>358</b>	<b>419</b>	<b>-14.6%</b>	<b>1,624</b>	<b>1,212</b>	<b>34.0%</b>
<i>as a % of Total Sales</i>	<i>0.2%</i>	<i>0.3%</i>	<i>-4 bps</i>	<i>0.3%</i>	<i>0.3%</i>	<i>5 bps</i>
<b>Utilities</b>	<b>1,206</b>	<b>1,535</b>	<b>-21.4%</b>	<b>6,053</b>	<b>5,626</b>	<b>7.6%</b>
<i>as a % of Total Sales</i>	<i>0.8%</i>	<i>1.0%</i>	<i>-23 bps</i>	<i>1.1%</i>	<i>1.2%</i>	<i>-4 bps</i>
<b>Store Operations</b>	<b>2,665</b>	<b>3,090</b>	<b>-13.8%</b>	<b>11,218</b>	<b>10,262</b>	<b>9.3%</b>
<i>as a % of Total Sales</i>	<i>1.8%</i>	<i>2.1%</i>	<i>-30 bps</i>	<i>2.1%</i>	<i>2.1%</i>	<i>-3 bps</i>
<b>Professional Fees</b>	<b>1,774</b>	<b>1,060</b>	<b>67.4%</b>	<b>5,994</b>	<b>4,489</b>	<b>33.5%</b>
<i>as a % of Total Sales</i>	<i>1.2%</i>	<i>0.7%</i>	<i>48 bps</i>	<i>1.1%</i>	<i>0.9%</i>	<i>19 bps</i>
<b>Advertising</b>	<b>2,693</b>	<b>2,545</b>	<b>5.8%</b>	<b>8,031</b>	<b>6,489</b>	<b>23.8%</b>
<i>as a % of Total Sales</i>	<i>1.8%</i>	<i>1.7%</i>	<i>9 bps</i>	<i>1.5%</i>	<i>1.3%</i>	<i>15 bps</i>
<b>Other</b>	<b>1,778</b>	<b>1,768</b>	<b>0.6%</b>	<b>7,245</b>	<b>6,306</b>	<b>14.9%</b>
<i>as a % of Total Sales</i>	<i>1.2%</i>	<i>1.2%</i>	<i>0 bps</i>	<i>1.3%</i>	<i>1.3%</i>	<i>4 bps</i>
<b>Total SG&amp;A</b>	<b>26,636</b>	<b>27,856</b>	<b>-4.4%</b>	<b>110,264</b>	<b>91,447</b>	<b>20.6%</b>
<i>as a % of Total Sales</i>	<i>18.0%</i>	<i>18.9%</i>	<i>-93 bps</i>	<i>20.5%</i>	<i>18.9%</i>	<i>161 bps</i>
<b>SG&amp;A excluding D&amp;A</b>	<b>19,865</b>	<b>21,380</b>	<b>-7.1%</b>	<b>84,334</b>	<b>69,820</b>	<b>20.8%</b>
<i>as a % of Total Sales</i>	<i>13.4%</i>	<i>14.5%</i>	<i>-110 bps</i>	<i>15.7%</i>	<i>14.4%</i>	<i>126 bps</i>



## Cash Flow Statement, IFRS 16

RUB million	Q4'22	Q4'21	Change	FY'22	FY'21	Change
<b>Profit before income tax</b>	<b>315</b>	<b>4,997</b>	<b>-93.7%</b>	<b>5,557</b>	<b>16,470</b>	<b>-66.3%</b>
Net adjustments for loss on disposal of assets, impairment, depreciation & amortization, and other	11,806	9,151	29.0%	37,879	30,650	26.3%
Movements in Working Capital	12,267	11,257	9.0%	-2,736	2,319	-
<b>Cash generated from / (used in) operating activities</b>	<b>24,388</b>	<b>25,405</b>	<b>-4.0%</b>	<b>40,700</b>	<b>49,439</b>	<b>-17.7%</b>
Net Interest & Income Taxes Paid	-3,878	-4,647	-16.5%	-14,633	-11,560	26.6%
<b>Net Cash generated from / (used in) Operating Activities</b>	<b>20,510</b>	<b>20,758</b>	<b>-1.2%</b>	<b>26,067</b>	<b>37,879</b>	<b>-31.2%</b>
Net cash used in Investing Activities	-8,237	-2,870	187.0%	-17,252	-30,779	-43.9%
Net cash generated from / (used in) financing activities	-6,606	-1,532	331.2%	-12,967	4,888	-
Effect of exchange rates on cash and cash equivalents	51	18	183.3%	-155	-471	-67.1%
<b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents</b>	<b>5,718</b>	<b>16,374</b>	<b>-65.1%</b>	<b>-4,307</b>	<b>11,517</b>	<b>-</b>