

# MiGROS

Omni-channel retailer, evolving beyond trade



# Disclaimer

In accordance with the decision of the Capital Markets Board (CMB) dated 28.12.2023 and numbered 81/1820, it has been decided that issuers and capital market institutions, which apply Turkish Accounting/Financial Reporting Standards and are subject to the financial reporting regulations of CMB, shall apply inflation accounting by implementing the provisions of IAS 29 starting from their annual financial statements for the fiscal years ending on 31.12.2023.

In this context, our company's consolidated financial statements for the 1Q 2023 and 1Q 2024 have been adjusted for the effect of inflation in accordance with the relevant standard and published comparatively.

This presentation of our Company's financial results for the 1Q 2024 has been prepared by applying inflation accounting in accordance with the provisions of IAS 29. In addition to these data, considering that our Company's guidance was presented as non-inflationary financial data, in order for our investors and other relevant parties to analyze Migros' financial performance more comprehensively. Non-inflationary and unaudited data for selected key items used in the Company's presentations in previous periods are also included in this presentation for informational purposes only.

This presentation has been prepared to provide information about Migros' operations and financial results and includes inflation-adjusted data and estimates as well as non-inflation-adjusted data and estimates for informational purposes. This presentation contains certain forward-looking statements, opinions and estimates. They reflect Migros management's current views on the future of the Company and involve certain assumptions. Actual results may differ depending on the development and realization of the variables and assumptions that form future expectations and estimated figures.

The Company, the members of the Board of Directors, employees or any other person shall not be held responsible for any damages that may arise from the content of this presentation.

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Operational &  
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Strategy Update

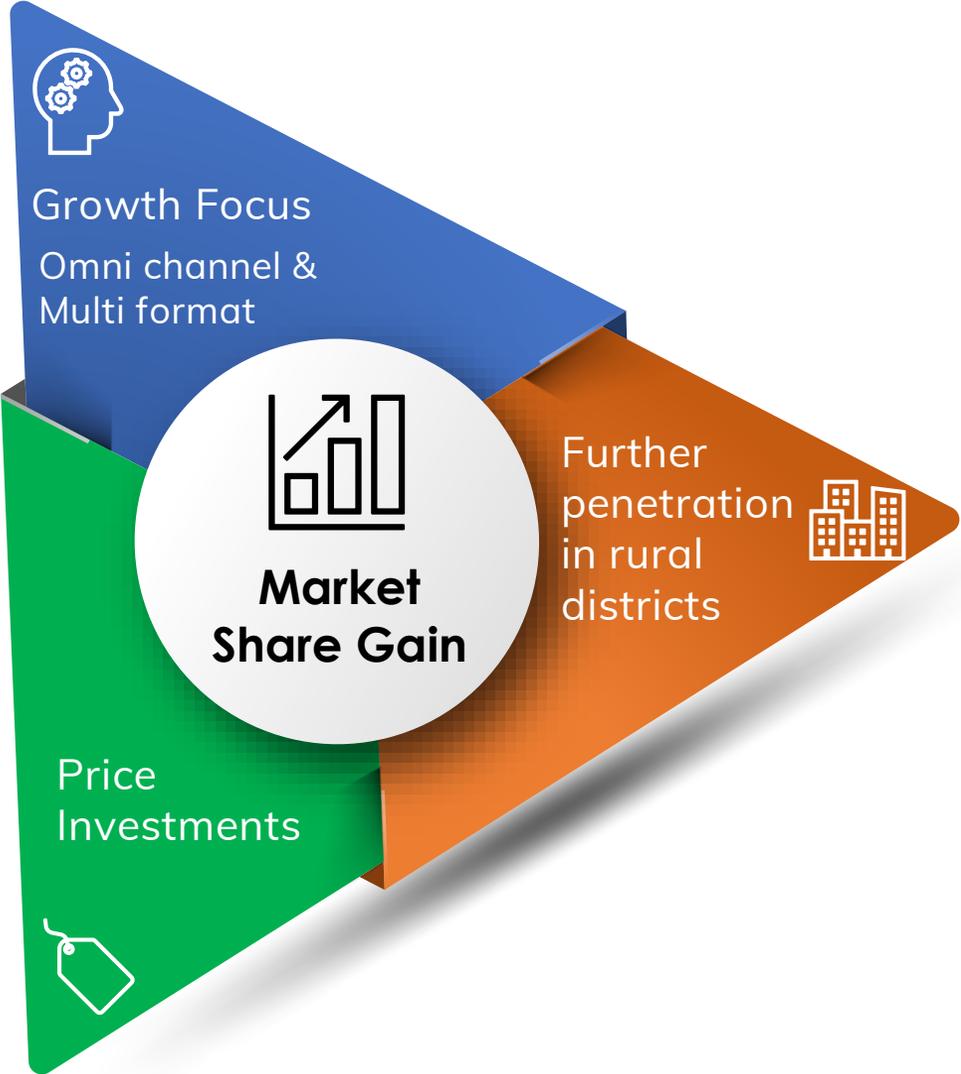


Summary &  
Guidance

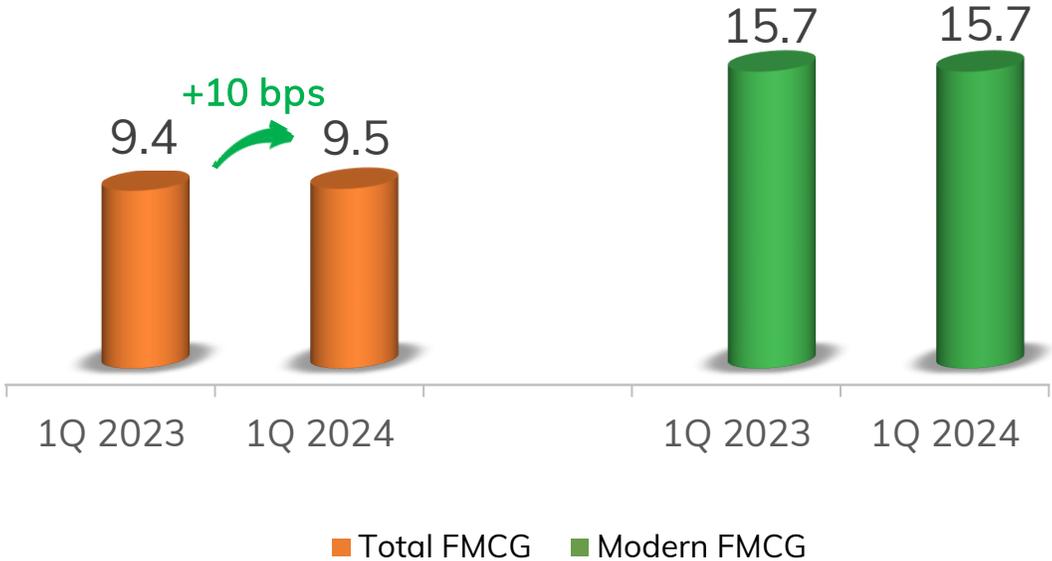


Appendix

# Market Share Evolution

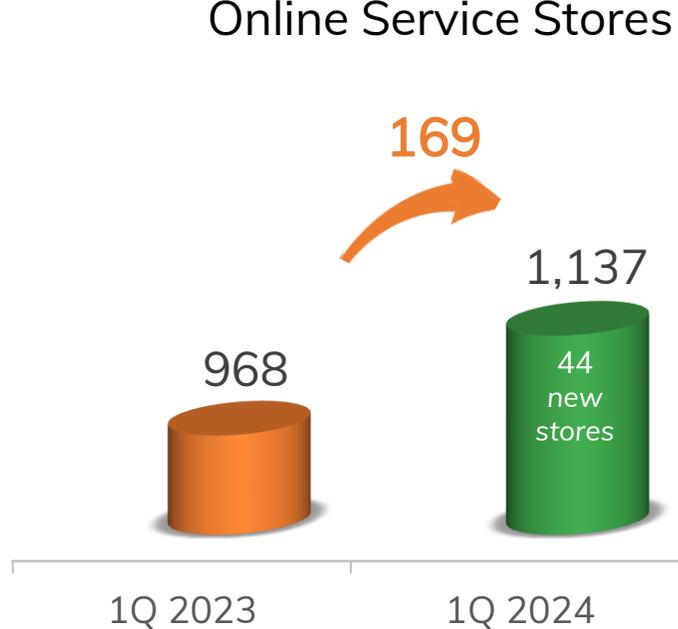
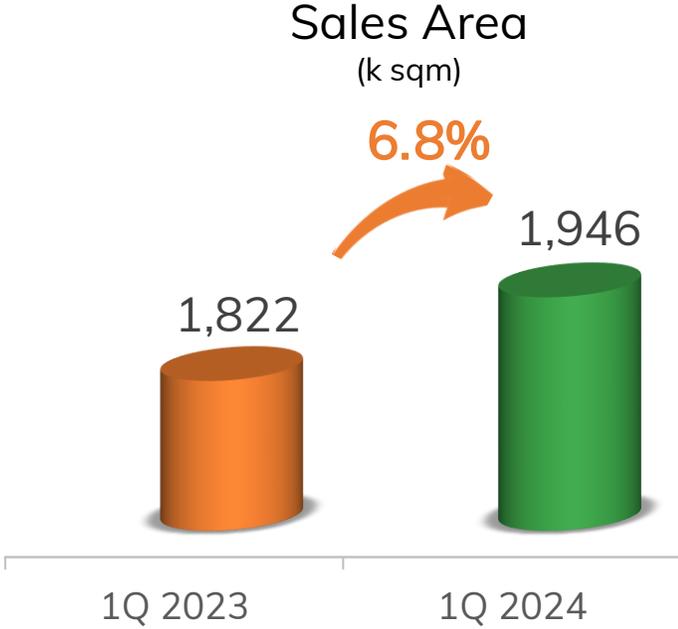


Migros FMCG Market Share\* (%)



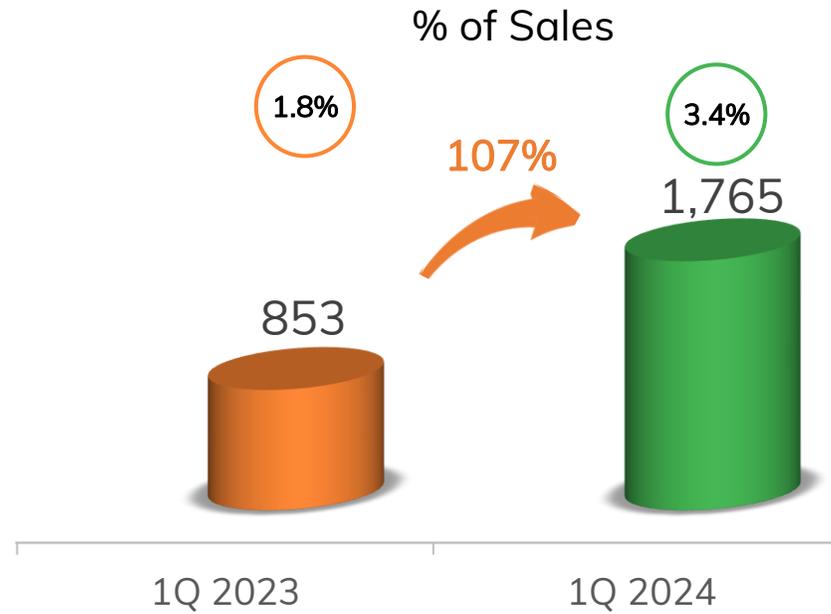
\*Note: Migros' market share is maintained in organized trade despite high base of last year

# Physical & Online Expansion



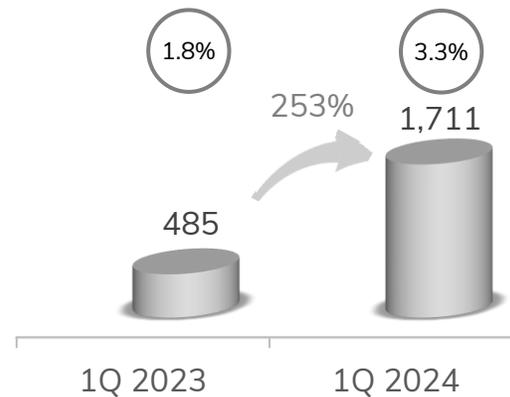
# CAPEX (TL million)

with IAS 29  
inflation accounting



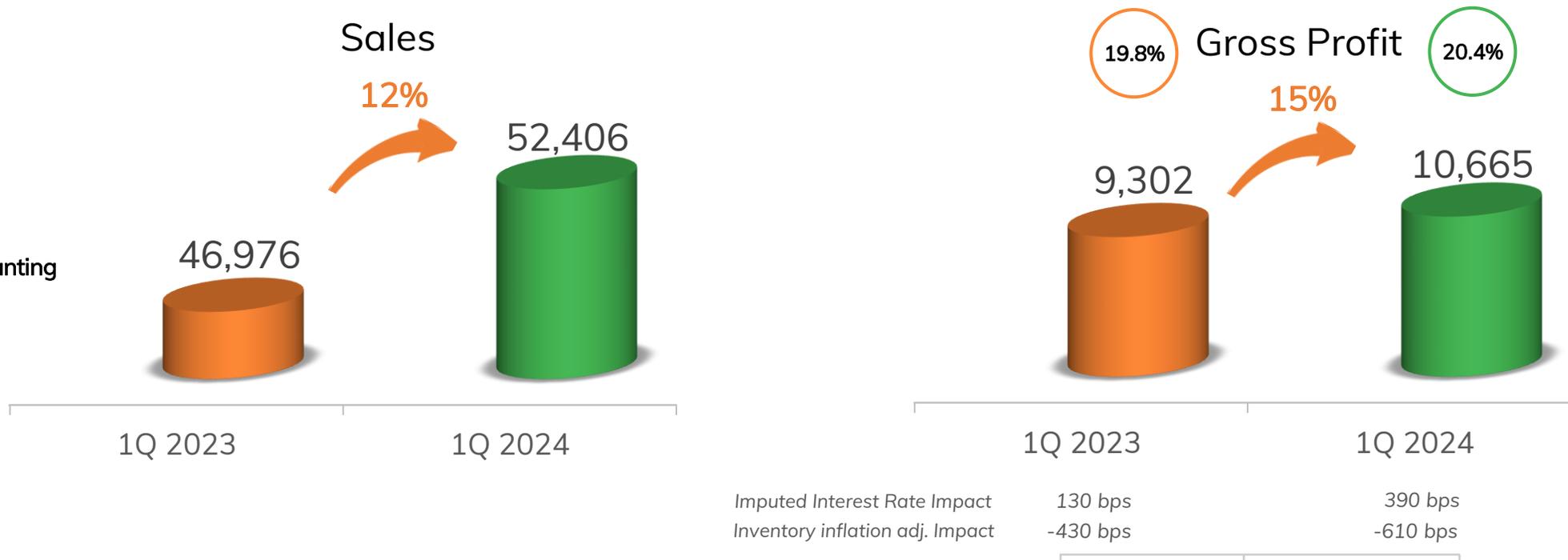
 Increase in CAPEX is mainly due to DC investments

without IAS 29  
inflation accounting

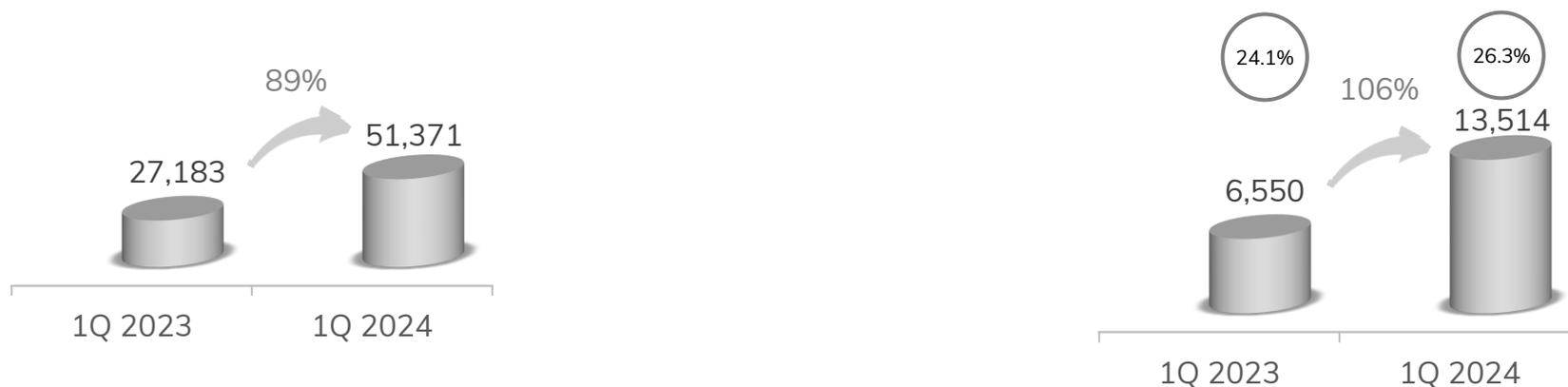


# Consolidated Sales & Gross Profit (TL million)

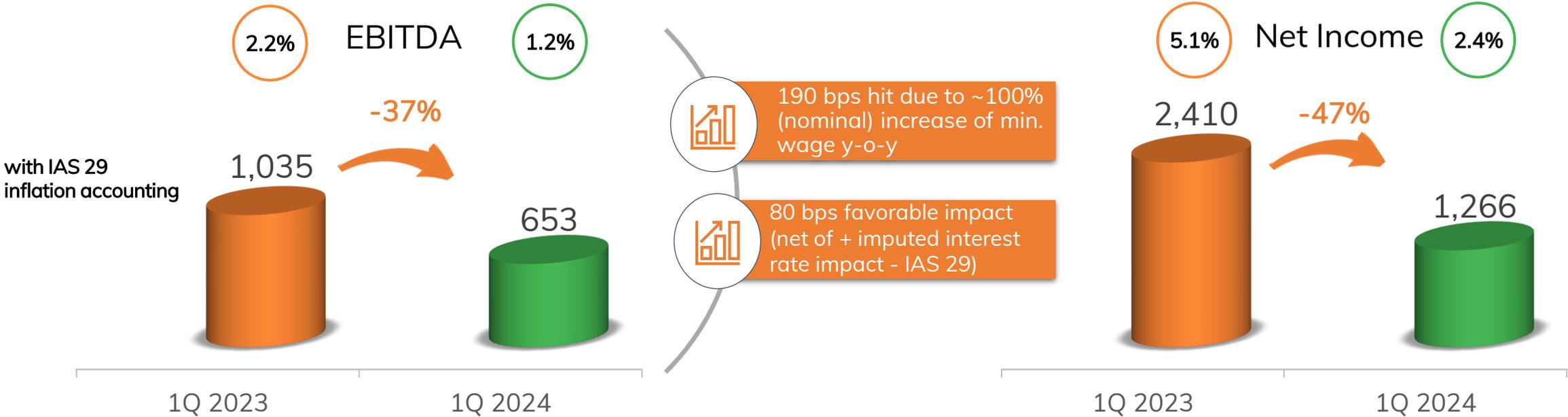
with IAS 29  
inflation accounting



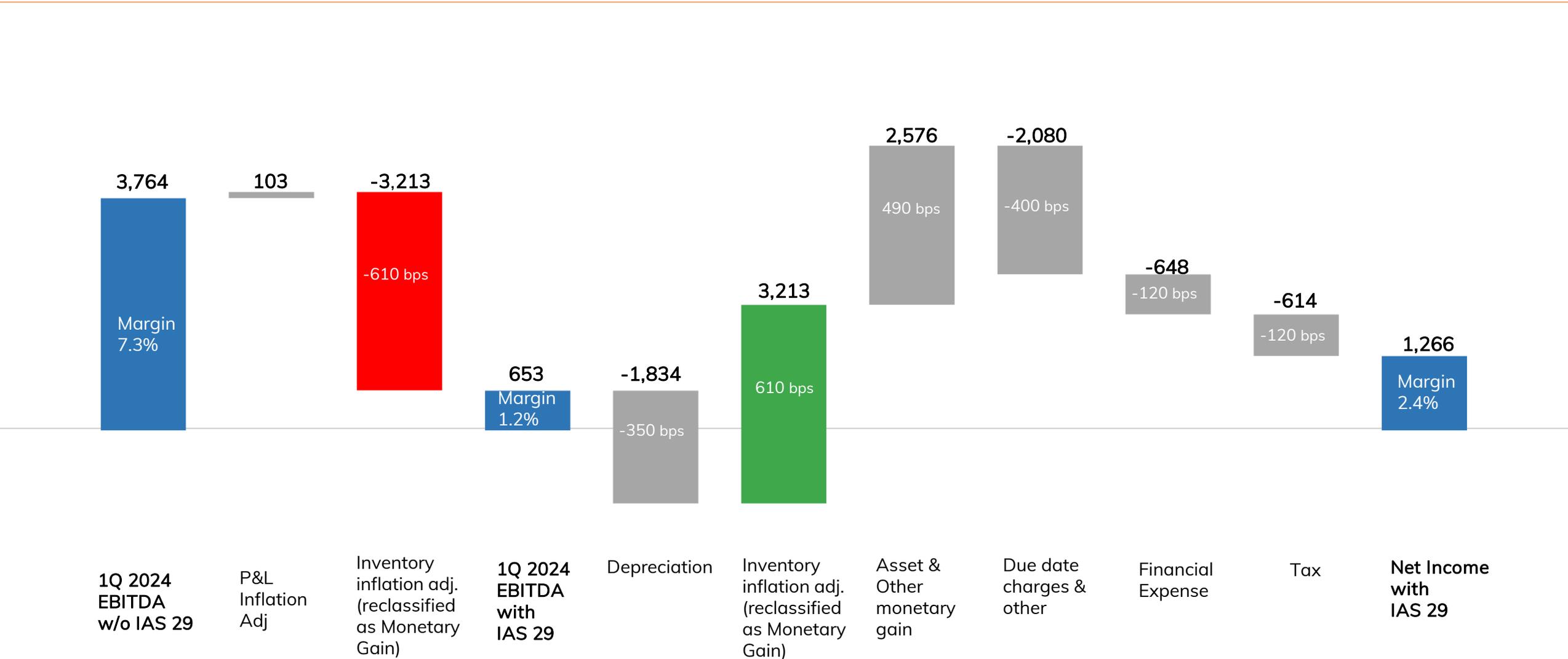
without IAS 29  
inflation accounting



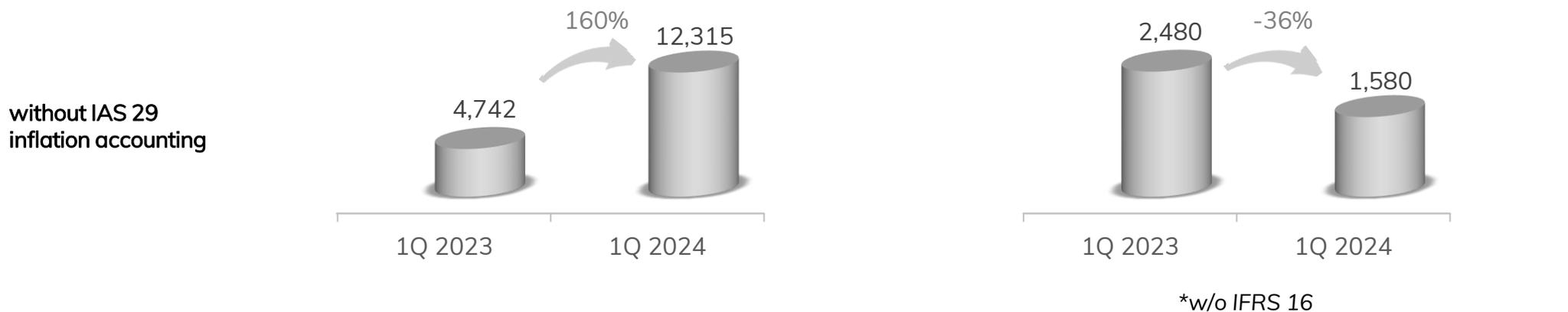
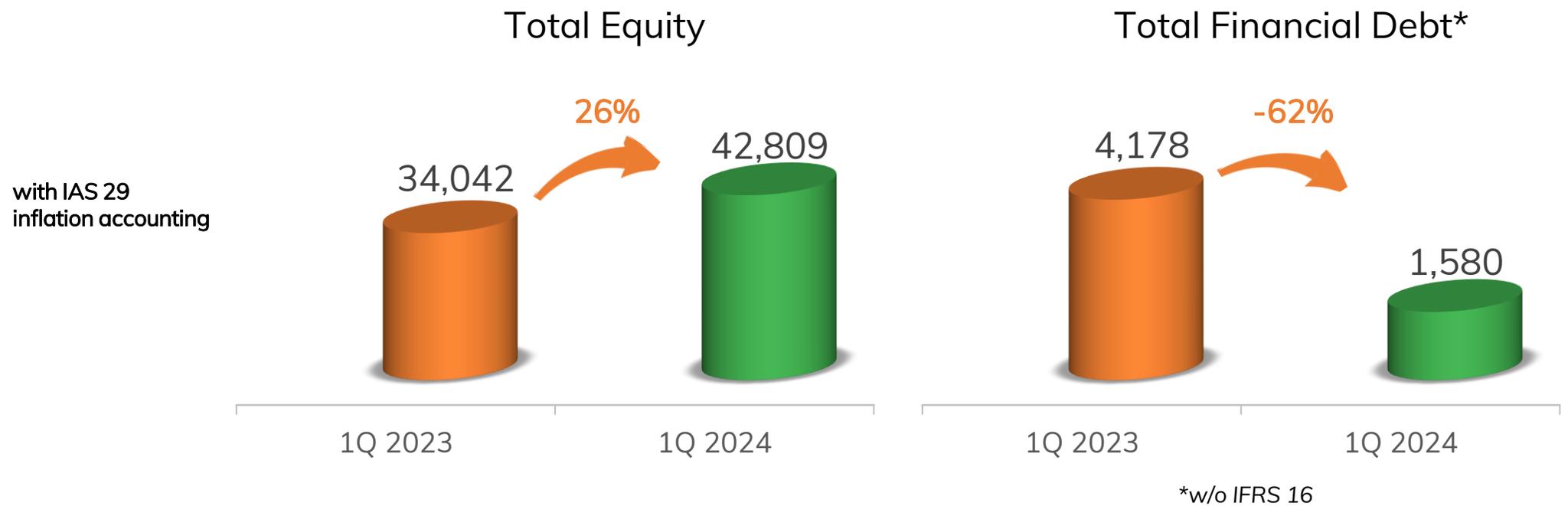
# Consolidated EBITDA & Net Income (TL million)



# Inflation-accounting impact on EBITDA & Net Income



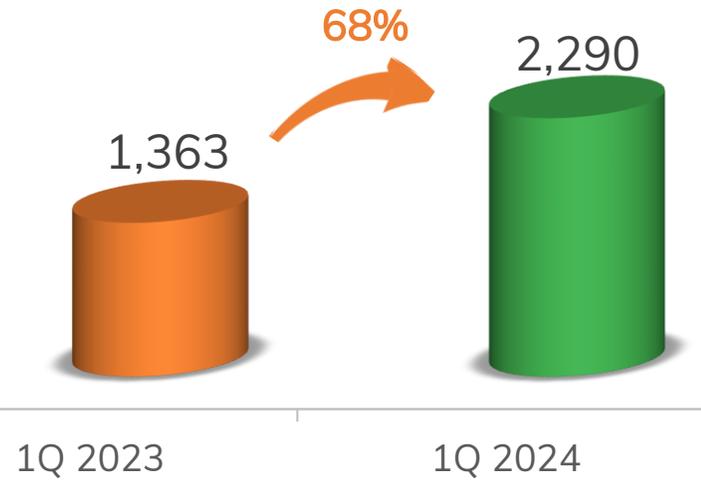
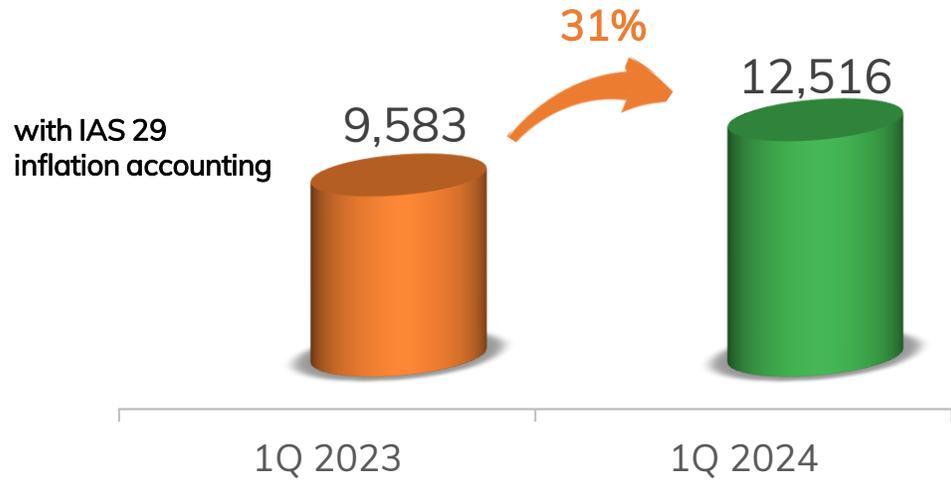
# Total Equity & Total Financial Debt (TL million)



# Net Cash & Free Cash Flow (TL million)

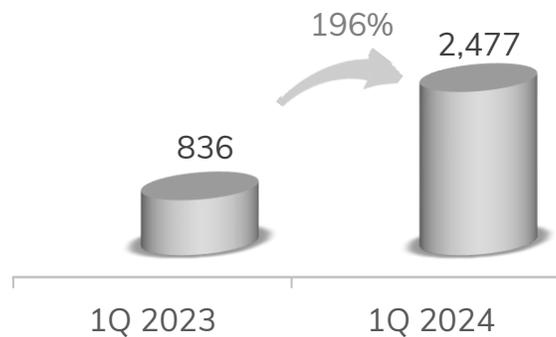
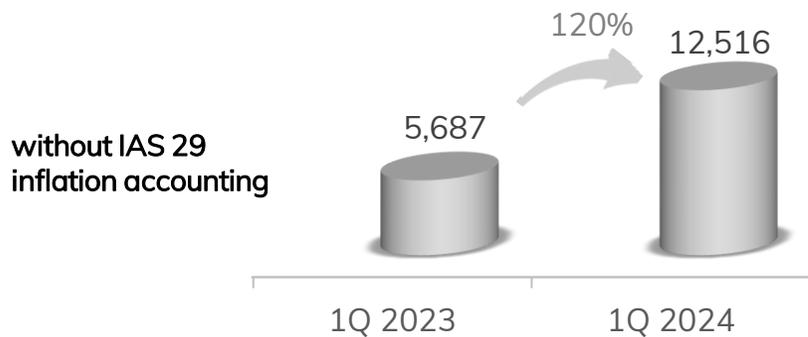
Net Cash\*

Free Cash Flow



- VAT impact of TL 1.7 bn in 1Q 2024
- 107% real increase in CAPEX in 1Q 2024

\*w/o IFRS 16

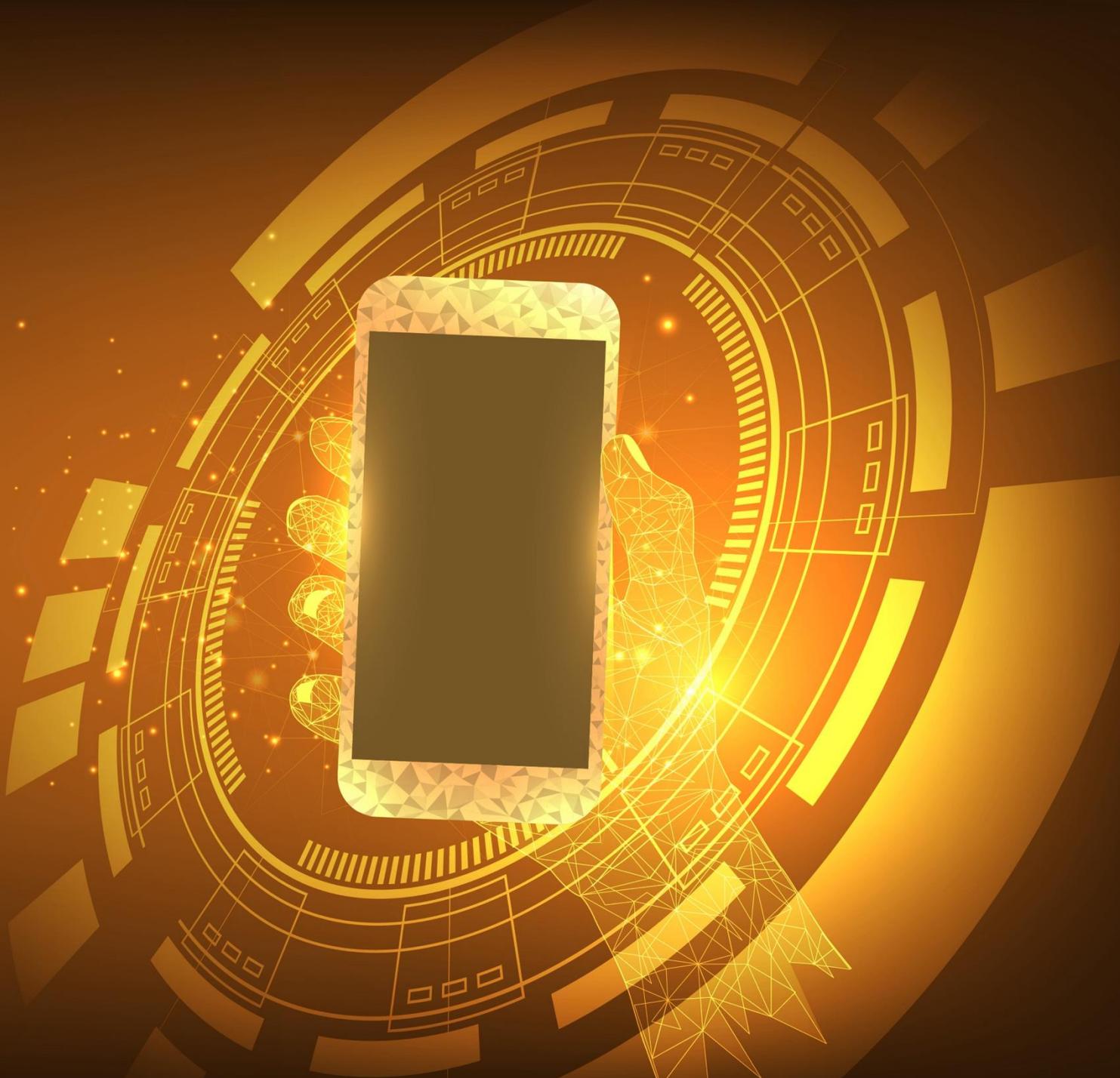


\*w/o IFRS 16

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# Strategy Update

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# Migros' Subsidiaries



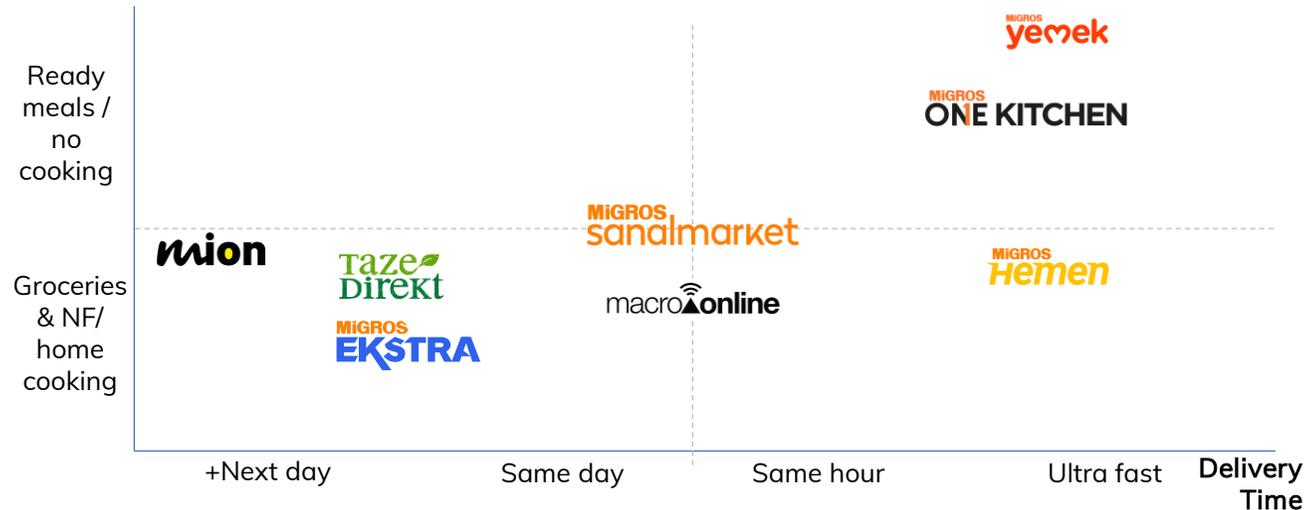
Migros is investing in the future of retail to accelerate its long-term growth



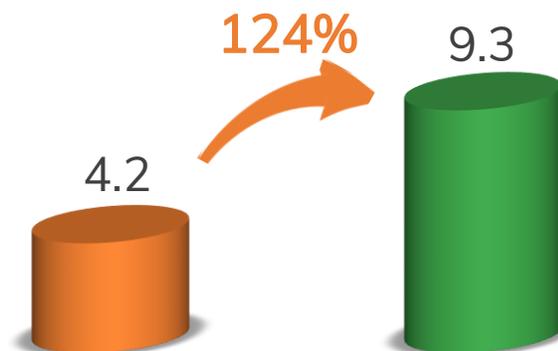
# Migros One

without IAS 29 inflation accounting

## Product type



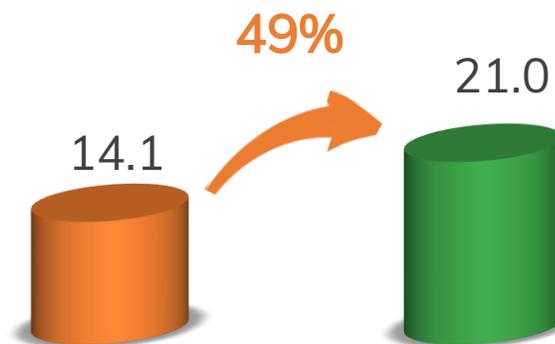
## Gross Merchandise Value (TL billion)



1Q 2023

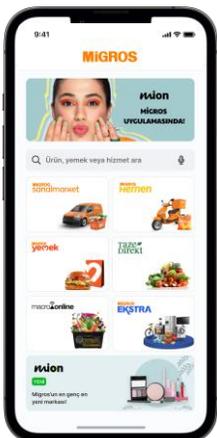
1Q 2024

## # of orders (million)



1Q 2023

1Q 2024



**+43%**  
Quarterly active customers growth y-o-y

**19.5%**  
Online business share in total sales exc. tobacco & alcohol

# MoneyPay

without IAS 29 inflation accounting

**MONEY** pay



## Consumer (B2C)



Pay with e-wallet,  
Pay with QR & Card  
at all Migros online & stores



Money Loyalty Program  
Integrated Payment Solutions in one App



Buy Now Pay Later  
Pay with integrated Bank Credit



Value Added Services

- Invoice Payment
- Insurance



## Corporate (B2B)



Payment Facilitation Services

- Virtual POS operations

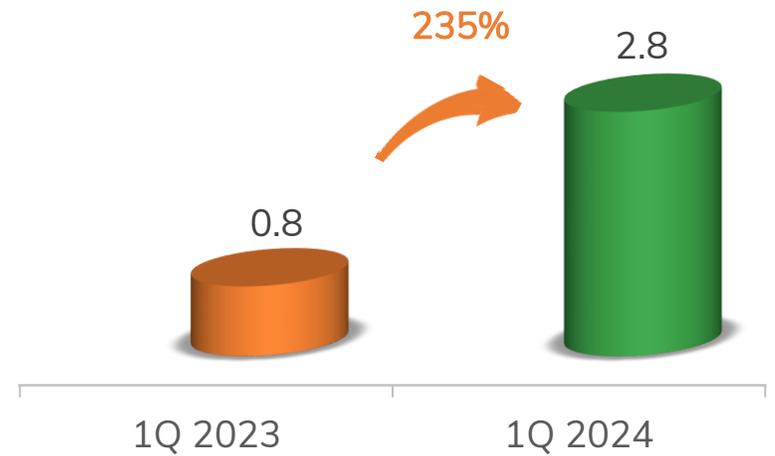


Services

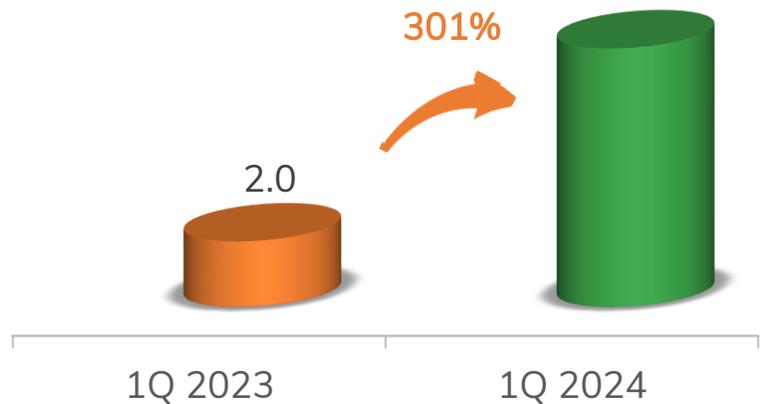
- Meal card
- Gift card



## Total Payment Volume (TL billion)



## # of transaction (million)



# KPIs of Migros Digital Ecosystem

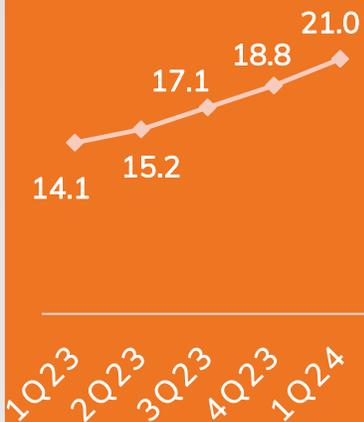
without IAS 29 inflation accounting

## MiGROSONE

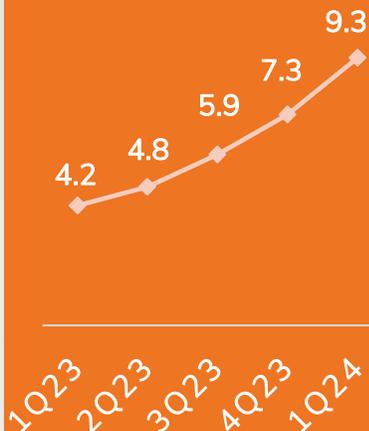
# of active users  
(million)



# of orders  
(million)



Gross Merchandise Value  
(TL billion)



## MONEY pay

# of registered users  
(million)



# of transactions  
(million)



Total Payment Volume  
(TL billion)



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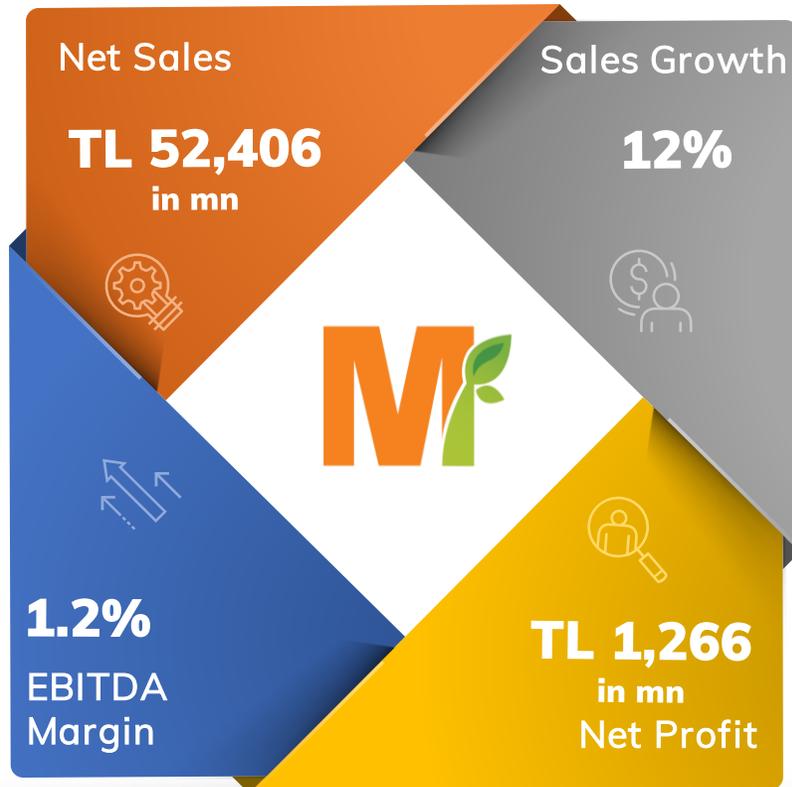
# Summary & Guidance

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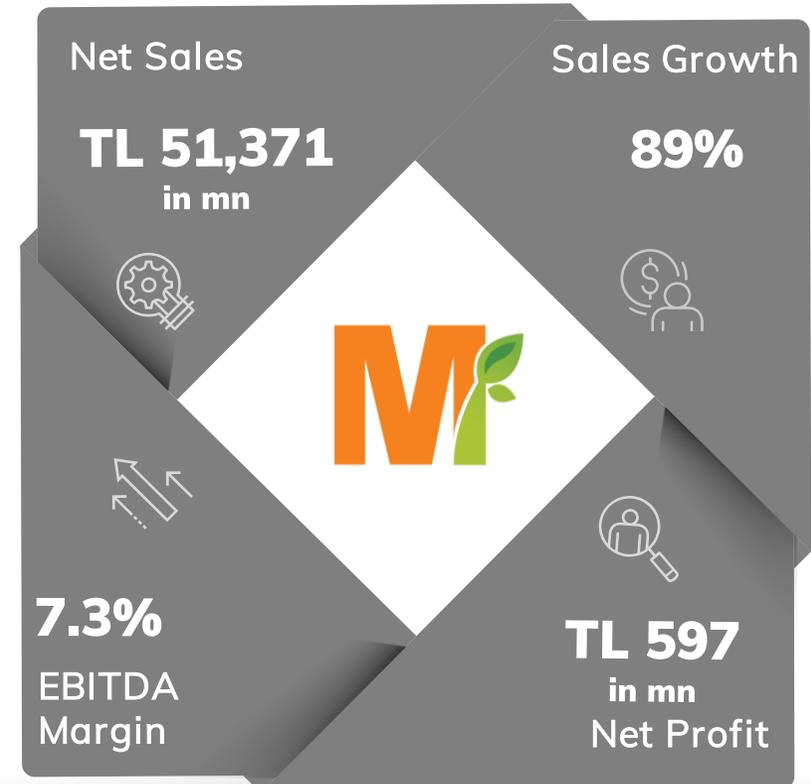


# 1Q 2024 Underlying Performance

with IAS 29 inflation accounting



without IAS 29 inflation accounting

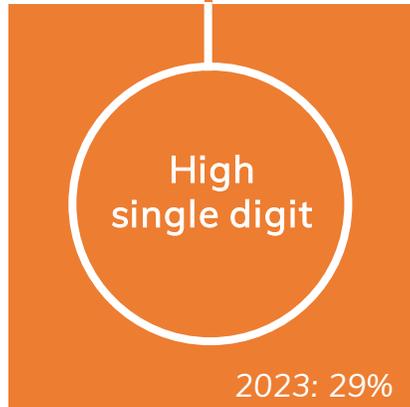


# 2024 Guidance Maintained



## Sales Growth 2024E

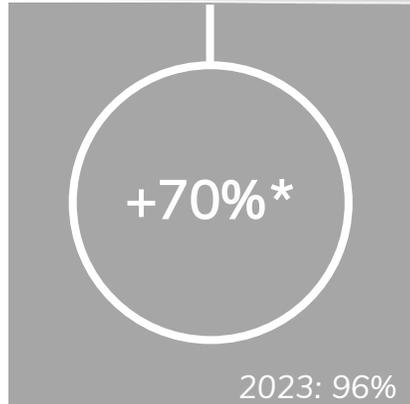
with IAS 29  
inflation accounting



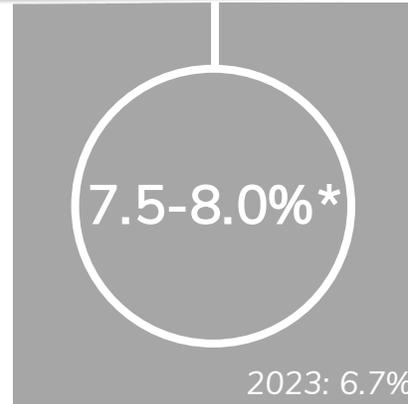
without IAS 29  
inflation accounting



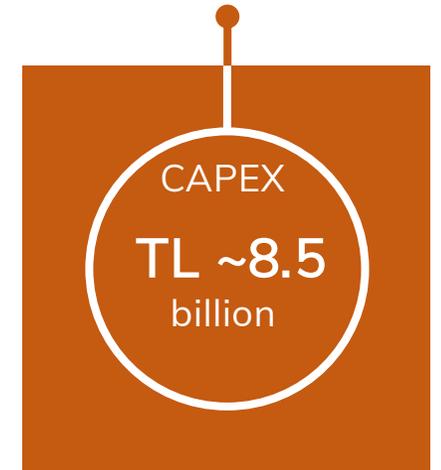
Upside potential  
for the top line  
growth



## EBITDA Margin 2024E



## Expansion Target 2024E



without IAS 29 inflation accounting

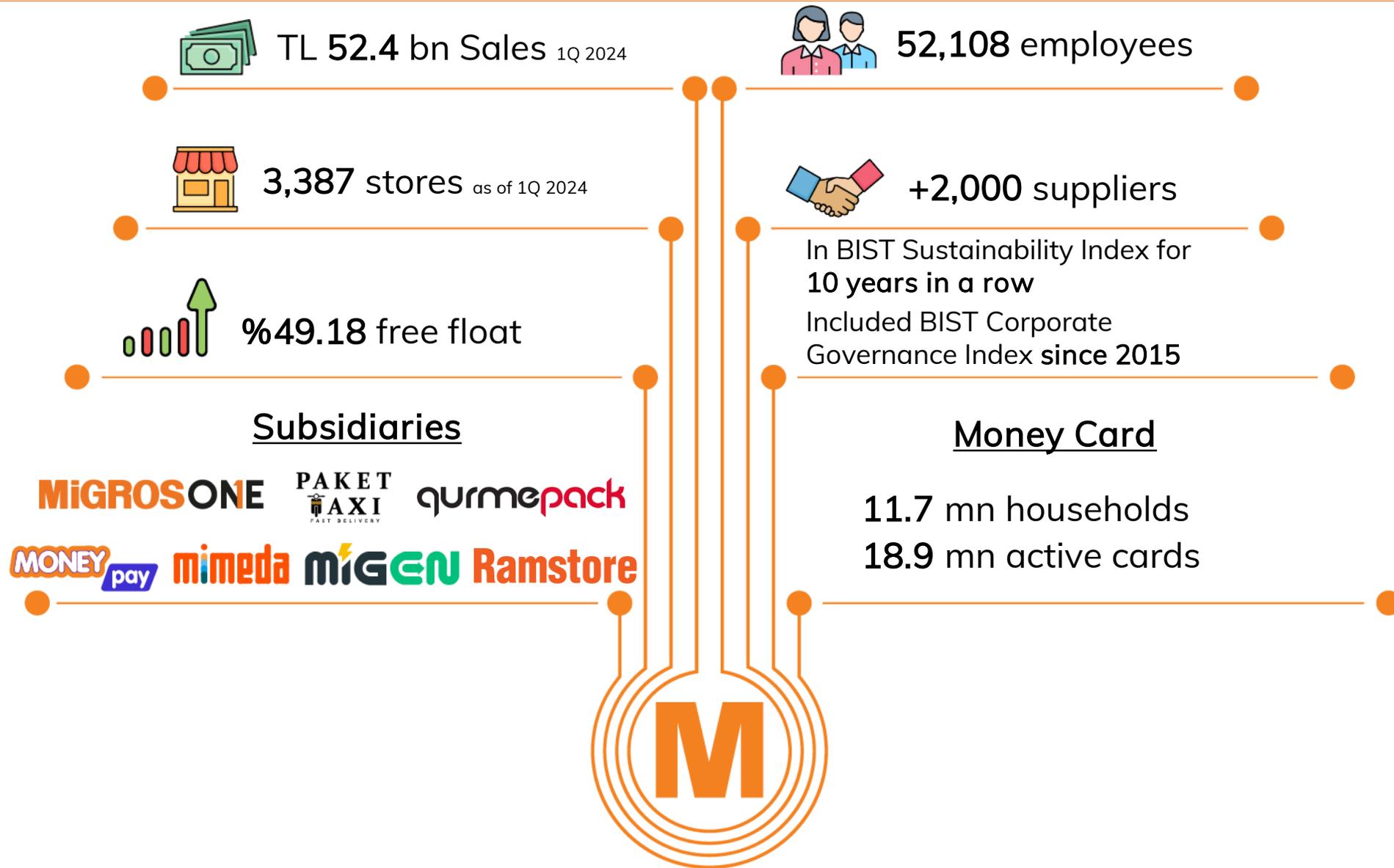
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# Appendix

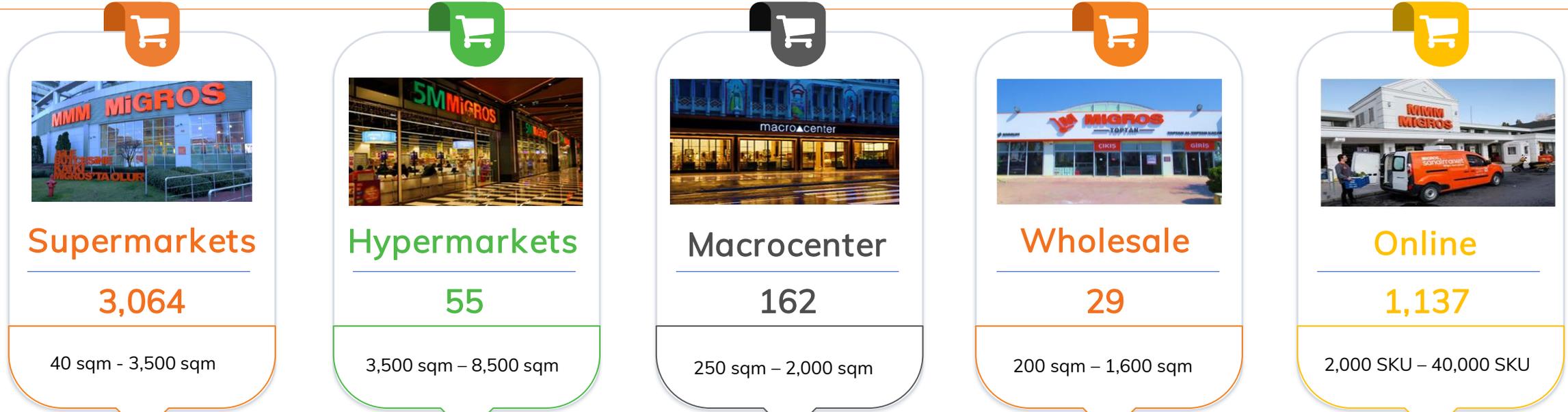
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# Migros at a Glance



# Store Portfolio: Physical & Online Network – 1Q 2024



	# of stores	Sales area (th sqm)
Migros (M, MM, MMM)	1,913	1,353
Migros Jet	1,151	246
5M	55	247
Wholesale	29	19
Macrocenter	162	70
Mion	77	11
<b>Total</b>	<b>3,387</b>	<b>1,946</b>

**MIGROS yemek** **MiGROS ONE KITCHEN**

81 cities      39 cloud kitchens  
 3 kitchens  
 20+ own brands

# IAS 29 Consolidated Income Statement Summary – 1Q 2024

<i>(TL million)</i>	<b>1Q 2024</b>	<b>1Q 2023</b>
<b>Net Sales</b>	<b>52,406</b>	<b>46,976</b>
Cost of Sales	-41,742	-37,674
<b>Gross Profit</b>	<b>10,665</b>	<b>9,302</b>
Operating Expenses	-11,845	-9,806
Other Operating Expense	-2,076	-689
<b>Operating Loss</b>	<b>-3,256</b>	<b>-1,193</b>
Income / Expense from Investment Activities	-4	4
<b>Operating Loss Before Finance Income / Expense</b>	<b>-3,260</b>	<b>-1,188</b>
Financial Income / Expense	-648	-358
Monetary Gain	5,789	4,952
<b>Income Before Tax</b>	<b>1,880</b>	<b>3,406</b>
Tax Expenses	-48	-
Deferred Tax Expenses	-566	-996
<b>Net Profit</b>	<b>1,266</b>	<b>2,410</b>
Net Profit - Non-controlling Interest	24	10
Net Profit - Equity Holders of Parent	1,242	2,400
<b>EBITDA</b>	<b>653</b>	<b>1,035</b>

# IAS 29 Consolidated Balance Sheet Summary – 1Q 2024

(TL million)	1Q 2024	2023
Current Assets	40,035	43,581
Non-current Assets	65,459	62,426
<b>Total Assets</b>	<b>105,495</b>	<b>106,008</b>
Current Liabilities	48,768	51,659
Non-current Liabilities	13,918	12,634
<b>Total Liabilities</b>	<b>62,686</b>	<b>64,292</b>
<b>Equity</b>	<b>42,809</b>	<b>41,715</b>
<b>Total Liabilities and Equity</b>	<b>105,495</b>	<b>106,008</b>

# IAS 29 Cash Flow- 1Q 2024

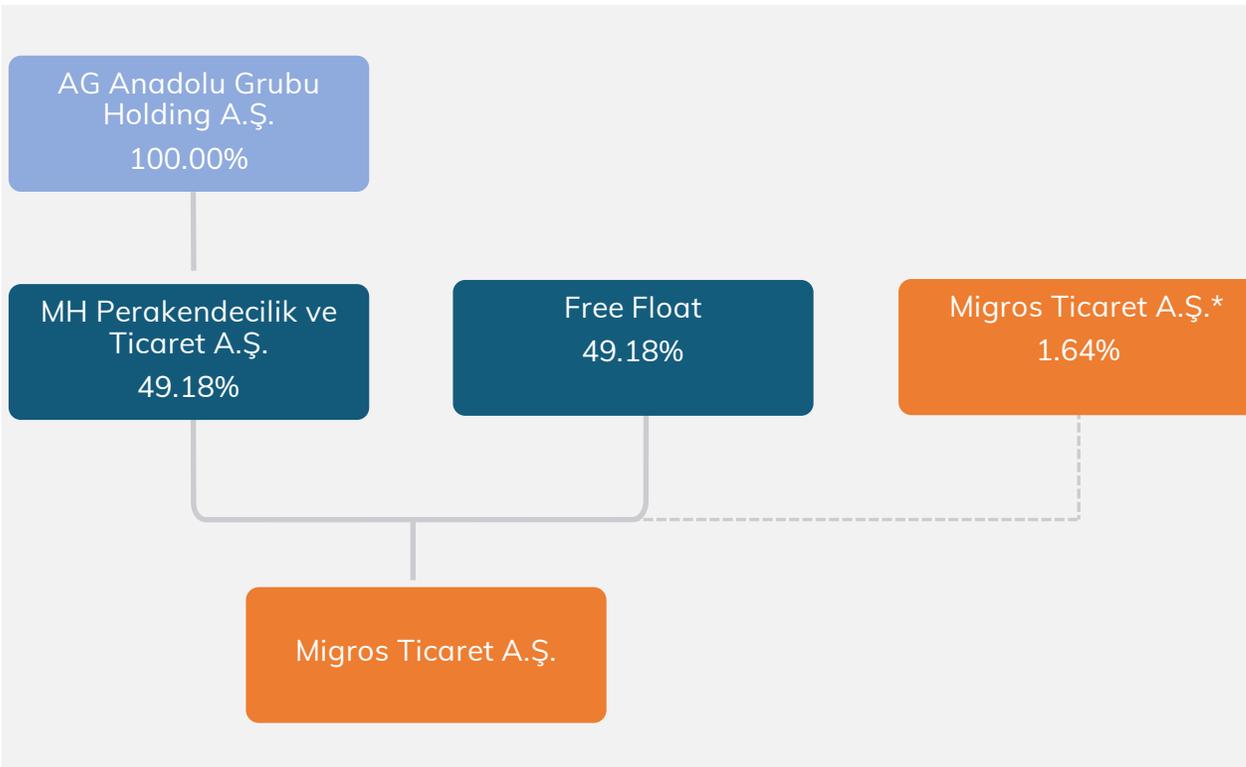
(TL million)	1Q 2024	1Q 2023
Net profit	1,266	2,410
Adjustments related to reconciliation of net profit for the period	3,850	2,866
Changes in net working capital	1,780	-2,199
<b>Cash flows from operating activities</b>	<b>6,896</b>	<b>3,077</b>
<b>Net cash provided by operating activities</b>	<b>4,049</b>	<b>2,208</b>
Cash outflows from the purchase of tangible and intangible assets	-1,765	-853
Cash inflows from the sale of tangible and intangible assets	6	15
<b>Cash flows from investing activities</b>	<b>-1,759</b>	<b>-838</b>
<b>Free Cash Flow</b>	<b>2,290</b>	<b>1,363</b>
<b>Cash flows from financing activities</b>	<b>-793</b>	<b>-715</b>
Effect of foreign currency translation differences & monetary losses on cash	-1,682	-1,499
<b>Net decrease in cash and cash equivalents</b>	<b>-185</b>	<b>-844</b>

# IAS 29 Impact on Financials

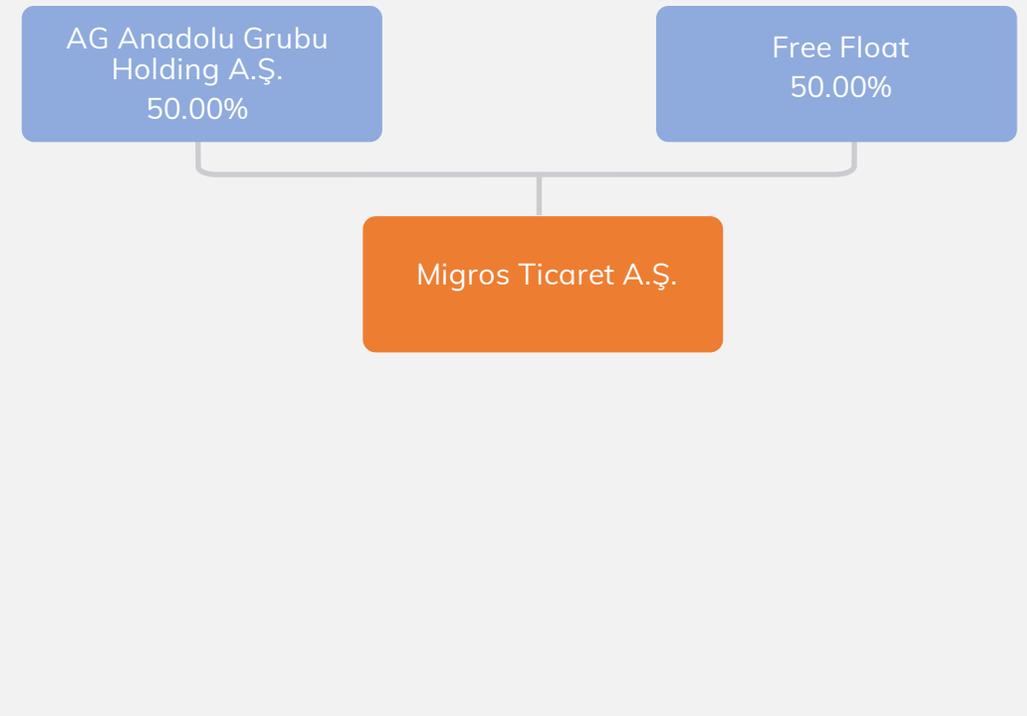
(TL million)	with IAS 29 inflation accounting		without IAS 29 inflation accounting	
	1Q 2024	1Q 2023	1Q 2024	1Q 2023
<b>Selected Balance Sheet Items</b>				
Total Assets	105,495	97,607	71,818	40,344
Total Liabilities	62,686	63,565	59,504	35,602
Total Equity	42,809	34,042	12,315	4,742
<b>Selected Income Statement Items</b>				
Sales	52,406	46,976	51,371	27,183
Gross Profit	10,665	9,302	13,514	6,550
Operating Loss / Profit	-3,256	-1,193	959	949
Net Profit	1,266	2,410	597	566
EBITDA	653	1,035	3,764	1,776

# Ownership Structure

## Direct Shareholding Structure



## Indirect Shareholding Structure



(\*): Migros purchased its own shares due to the merger in 2018 in accordance with relevant CMB legislation

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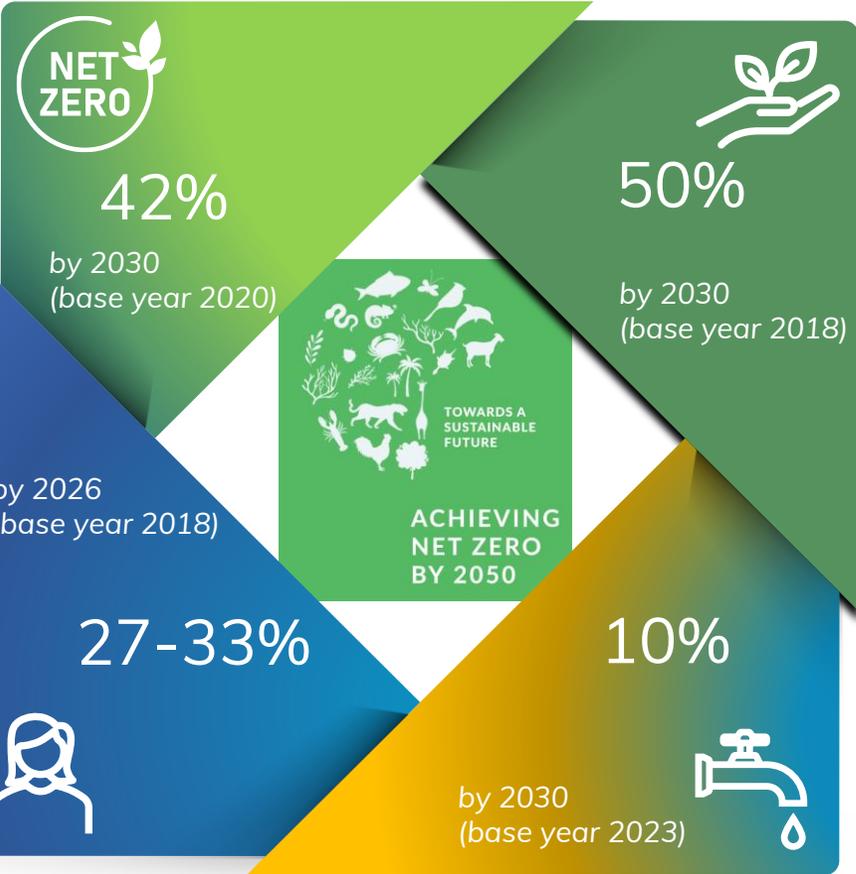
# Sustainability

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# Sustainability Targets

Reducing Greenhouse Gas Emission



Reducing Food Waste

Increasing Women Participation in Management

Reducing Water Consumption

# Energy Sustainability Investments



Rooftop solar panels installed at 4 DC's



Hedging volatile energy cost in Opex via greenfield investments



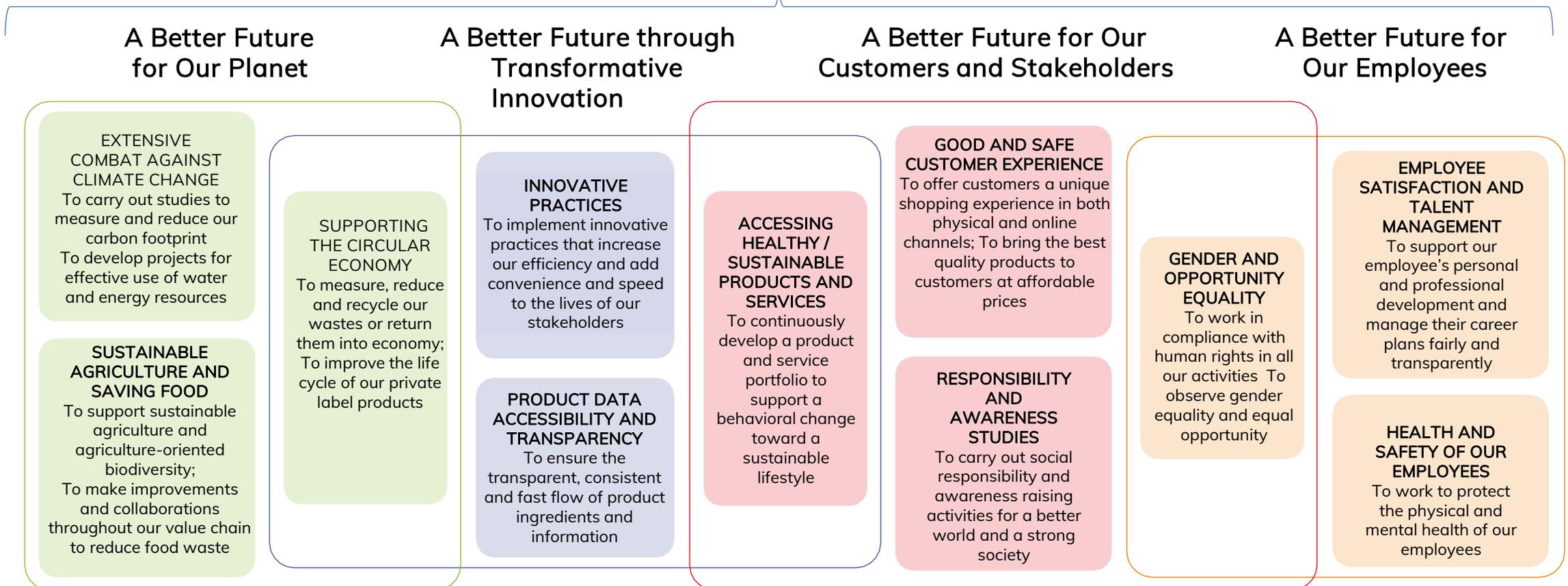
1/3 of total energy consumption is expected to be from Migros' owned solar plants in 2026



# Migros Better Future Plan

## ECOSYSTEM SUSTAINABILITY THROUGH TRANSPARENT, RESPONSIBLE, ETHICAL GOVERNANCE

To adopt the governance practices that are rightful for all stakeholders through our value-focused business model and integrated thinking system.  
To create shared value for all by integrating our stakeholders into our goals through our economic value, recruitment, and investments.



# Waste Management & Biodiversity Conservation

## Preventing Food Waste\*



Prevented food loss with Expiry Date discounts:

8,565 tons of food 



Food Donation:

11 million meals 



Fresh leftovers to stray animals:

2,822 tons of food 

\* 2023 data

## Reducing Plastic Waste\*



Business Plastic Initiative (IPG)  
512 tons less plastic



## Good Agricultural Practices (GAP)



GAP certified F&V:  
1,483,967 tons in 13 years



100% GAP certified poultry products  
317 checkpoints



GAP certified fisheries  
193 checkpoints