ANADOLU GROUP

MiGROS

1H26 Earnings Release, 11 August 2026

Migros' audited consolidated financial statements were prepared in accordance with IAS 29 inflationary accounting principles.

	Net Sales	EBITDA	Net Income	Capex
2Q 2026	TL **124,399** million **+2.7%** y-o-y growth	TL **5,307** million **4.3%** margin	TL **(645)** million **-0.5%** margin	TL **3,441** million **2.8%** Capex/sales
1H 2026	TL **241,298** million **+4.5%** y-o-y growth	TL **10,967** million **4.5%** margin	TL **1,078** million **0.4%** margin	TL **6,298** million **2.6%** Capex/sales

Migros' consolidated sales grew by **2.7%** in real terms year-on-year in the second quarter, and by **4.5%** in the first six months, reaching **TL 241.3 billion**.

As of June 2026, Migros' total FMCG market share stood at 9.7% and its modern FMCG market share at 15.3%. Excluding the alcoholic beverages category, Migros' total FMCG market share increased by 10 basis points. As the summer season started later than in the previous year, customer traffic at our seasonal stores was adversely affected. The share of online channels in total sales rose to 23.1%.

Excluding the peripheral, new business lines in which we are investing for growth,such as personal care, wholesale and meal delivery, Migros sustained the profitability of its core business through disciplined cost management and technology-driven efficiency gains. The fact that we have maintained the profitability of our core business despite the transition of our distribution center employees onto our direct payroll, and despite a collective bargaining agreement that resulted in an increase above inflation, demonstrates the importance of our technology-driven efficiency investments.

Özgür Tort
Migros Group CEO

In the current inflationary environment, we continue to support our customers through intensive promotional and discount campaigns, bringing our suppliers alongside us as we do so. Despite the negative impact of these campaigns on our second-quarter profitability, we ended the first half of the year with a net profit of **TL 1,078 million**.

As of the end of June 2026, Migros generated **TL 5.8 billion** of free cash flow, and the company's net cash position reached **TL 31.8 billion**.

We continue to pursue our growth strategy across both our physical stores and our online channels. With 115 new stores opened in various formats during the first six months of the year, our total store count reached 3,830 as of June 2026. In addition to new store openings and store renewals, we allocated a significant portion of our capital expenditure to projects aimed at improving in-store efficiency. Within this scope, Migros invested a total of **TL 6.3 billion** in the first half of 2026.

As we enter the second half of the year, we maintain our focus on profitable growth, supported by the increasing contribution of our ecosystem.

The improvement in customer traffic that we observed at our seasonal stores in July has strengthened our confidence that we will reach our year-end expectations. We will continue to focus on delivering our targets by sustaining this momentum through the second half of the year.

Financial Highlights

TL million	2Q25	2Q26	Change	1H25	1H26	Change
Net Sales	121,139	124,399	2.7%	230,985	241,298	4.5%
Gross Profit	28,901	28,213	-2.4%	55,534	55,753	0.4%
Gross Profit Margin	*23.9%*	*22.7%*		*24.0%*	*23.1%*	
EBITDA	6,600	5,307	-19.6%	11,763	10,967	-6.8%
EBITDA Margin	*5.4%*	*4.3%*		*5.1%*	*4.5%*	
Net Income	494	(645)	-230.6%	1,939	1,078	-44.4%
Net Income Margin	*0.4%*	*-0.5%*		*0.8%*	*0.4%*	

Performance Highlights in 2Q26

- Migros continued to deliver **real growth**, despite a muted consumption environment.
- The expansion program remained on track, with **115 new store** openings in 1H26.
- The year-on-year profitability of grocery retail operations in both offline and online channels, excluding depreciation expenses, improved in 1H26.
- Migros generated a free cash flow of **TL 5.8 billion** in 1H26.

Key Financial & Operational Metrics

Market Share Evolution

Building on three years of market share gains, Migros preserved its market position in 1H26. According to Nielsen data, Migros increased its market share in total FMCG market excluding alcohol category. As of June 2026, Migros' market share is 9.7% in total FMCG and 15.3% in modern FMCG markets (June 2025: Total FMCG 9.8% | Modern FMCG 15.6%).

Expansion Program

Migros remains on track to achieve its full-year target of 180-200 new store openings. Following the opening of **64 stores in 2Q26**, total store openings reached 115 in 1H26, bringing the store network to 3,830 locations as of June 2026. The Company closed 19 underperforming Mion stores.

Net sales area expansion is 2.3% year-on-year in 1H26. Expansion was primarily driven by Macrocenter and proximity formats, while the rollout of M Anatolia continued as planned.

Migros sustained its store openings momentum with 15 new stores opened in July.

# of New Stores in 1H26	
Migros (M, MM, MMM)	61
Migros Jet	34
Macrokiosk	9
Macrocenter	7
Mion	2
Petimo	2
Total	**115**

Net Sales

In 2Q26, Migros' consolidated sales rose by **2.7%** year-on-year to **TL 124.4 billion**. In the first half of 2026, Migros' consolidated sales turnover increased by **4.5%** year-on-year in real terms to **TL 241.3 billion**, in accordance with IAS 29 inflation accounting. Space growth contributed 2.3% to consolidated sales growth in 1H26, while the remaining growth was driven by real like-for-like (LfL) basket size growth.

In 1H26, positive LfL basket size growth was driven by:

- Effective promotional campaigns
- Increased sales contribution from online channels

The later-than-usual end of the school year impacted sales performance of seasonal stores in June, with part of the demand shifting into July. Trading activity gained momentum in July, supported by a stronger contribution from seasonal stores.

By the end of 1H26, the contribution of online channels to total sales reached 23.1%, up from 20.7% a year earlier, excluding tobacco and alcoholic beverages.

Gross Profit

In 2Q26, Migros recorded a gross profit of **TL 28,213 million**, with IAS 29. The gross margin in the second quarter of 2026 was **22.7%** (2Q25: 23.9%). With IAS 29, the Company's gross profit reached **TL 55,753 million** in 1H26. The gross margin in the first half of 2026 was **23.1%** (1H25: 24.0%).

Excluding the impacts of the imputed interest rate and inventory inflation adjustment, the gross profit margin declined 60 bps in 2Q26 versus 2Q25 and 50 bps in 1H26 versus 1H25. **50 bps gross margin decline in 1H26 largely offset by a 39 bps improvement in OPEX/Sales** excluding depreciation and amortization.

Promo activities accelerated compared to the same period of last year, putting pressure on gross profitability. Also, the transition of subcontracted DC employees to Migros payroll lifted warehousing costs by 20 bps in 1H26. Accordingly, the margin contraction was mainly driven by higher distribution center personnel costs and intensified promotional activity.

TL million	**2Q25**	**2Q26**	**1H25**	**1H26**
Gross Profit	**28,901**	**28,213**	**55,534**	**55,753**
Gross Profit Margin	23.9%	22.7%	24.0%	23.1%
Impact on Gross Margin				
Imputed interest rate impact	510 bps	400 bps	490 bps	420 bps
Inventory inflation adj. impact	-300 bps	-250 bps	-290 bps	-260 bps
Net impact	**210 bps**	**150 bps**	**200 bps**	**160 bps**
Gross Profit Margin, excl. net impact	**21.8%**	**21.2%**	**22.1%**	**21.6%**

EBITDA

With IAS 29, Migros reported a consolidated EBITDA of **TL 5,307 million** in 2Q26, representing an EBITDA margin of **4.3%** (2Q25: 5.4%). In 1H26, consolidated EBITDA reached **TL 10,967 million**, corresponding to an EBITDA margin of **4.5%** (1H25: 5.1%).

Excluding 40 bps lower impact of imputed interest rate and inventory inflation adjustment in 1H26 versus 1H25, EBITDA margin remained broadly stable at around 3.0% in 1H26 (1H25: 3.1%).

TL million	**2Q25**	**2Q26**	**1H25**	**1H26**
EBITDA	**6,600**	**5,307**	**11,763**	**10,967**
EBITDA Margin	5.4%	4.3%	5.1%	4.5%
Impact on EBITDA				
Imputed Interest Rate Impact	510 bps	400 bps	490 bps	420 bps
Inventory inflation adj. Impact	-300 bps	-250 bps	-290 bps	-260 bps
Net impact	**210 bps**	**150 bps**	**200 bps**	**160 bps**
Adjusted EBITDA margin, excl. net impact	**3.3%**	**2.8%**	**3.1%**	**3.0%**

Excluding the impacts, 50 bps decrease in EBITDA margin in 2Q 2026 is due to the pressure on gross margin driven by promotions.

Regarding operating expenses, in 1H26;

- The Opex-to-sales ratio excluding depreciation and amortisation decreased 39 bps year-on-year,
- Rent cost declined by 24 bps year-on-year, attributable to the IFRS 16 reclassification,
- Energy cost decreased by 23 bps year-on-year.

Financial Income/Expenses

In 2Q26, Migros recorded financial income of **TL 1,418 million**, primarily driven by interest income on bank deposits. In 1H26, financial income amounted to **TL 2,671 million**, representing a 42.3% year-on-year decline.

The Company's financial expenses decreased by 18.7% year-on-year to **TL 2,998 million** in 2Q26 and by 16.5% year-on-year to **TL 5,938 million** in 1H26. The decline was mainly driven by a substantial decrease in credit card commission fees by switching from next day settlement to deferred settlement with banks.

TL million	2Q25	2Q26	Change	1H25	1H26	Change
Financial Income	**2,324**	**1,418**	**-39.0%**	**4,626**	**2,671**	**-42.3%**
Interest income on bank deposits	*1,957*	*1,332*	-32.0%	4,143	*2,585*	-37.6%
Foreign exchange gains	*366,7*	*86*	-76.5%	*482*	*86*	-82.2%
Financial Expenses (-)	**-3,689**	**-2,998**	**-18.7%**	**-7,114**	**-5,938**	**-16.5%**
Credit card commission expenses	*-1,915*	*-1,242*	-35.1%	-3,705	-2,359	-36.3%
Interest expense on lease liabilities	*-1,484*	*-1,605*	8.2%	*-2,919*	*-3,317*	13.6%
Interest expense on bank borrowings	*-212*	*-9*	-95.6%	-129	-18	-85.9%
Other	*-78*	*-56*	-28.3%	*-351*	*-197*	-43.9%
Financial Income/Expenses, net	**-1,365**	**-1,580**	**15.8%**	**-2,488**	**-3,267**	**31.3%**

Net Income

In the second quarter of 2026, Migros generated a net loss of **TL 645 million** with IAS 29, corresponding to a net income margin of **-0.5%** (2Q25: 0.4%). The decline in the net income margin in 2Q26 was mainly driven by;

- 60 bps decrease in gross margin (exc. impacts),
- 20 bps net negative impact from depreciation, net monetary gain and tax,
- 14 bps increase in net financial expenses,

In 1H26, the Company recorded a net profit of **TL 1,078 million**, with IAS 29, corresponding to net profit margin of **0.4%** (1H25: 0.8%).

Net Cash Position

Migros continued to strengthen its financial position, with net cash increasing by 12% year-on-year in real terms to **TL 31.8 billion** by the end of 1H26. Meanwhile, financial debt excluding IFRS 16 declined by 6.4% year-on-year to TL 823 million as of June 2026.

Free Cash Flow Generation

Migros generated **TL 4,522 million** of free cash flow in 2Q26, **TL 5,766 million** free cash flow generation in 1H26 (1H25: TL 898 million).

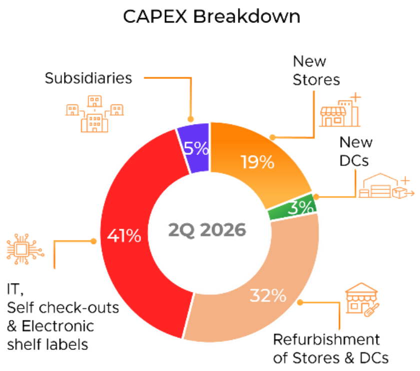
Migros' subsidiaries and strategic initiatives are increasingly contributing to and strengthening the core business.

TL million	2Q25	2Q26	Change	1H25	1H26	Change
Operating cash flows from cont. operations	11,875	10,644	-10.4%	12,176	17,838	46.5%
Cash flows from investing activities	-3,907	-3,475	-11.1%	-6,731	-6,615	-1.7%
Interest received	1,957	1,332	-31.9%	4,144	2,585	-37.6%
Interest paid	-2,142	-1,255	-41.4%	-4,078	-2,374	-41.8%
Cash outflows from payments of lease liabilities	-2,360	-2,723	15.4%	-4,612	-5,668	22.9%
Free Cash Flow	**5,422**	**4,522**	**-16.6%**	**898**	**5,766**	**542%**

Capital Expenditures

The Company spent TL 6.3 billion on capital expenditures in the first half of 2026, with IAS 29. The capex-to-sales ratio stood at 2.6% as of the end of June 2026 (1H25: 2.7%).

The Company continued to execute its four key strategic priorities in 1H26 which are core retail expansion, in-store efficiency improvements, refurbishment of stores and distribution centers, and further development of its digital ecosystem.



The Company opened 115 new stores and invested in self-checkouts, electronic shelf price tags, R&D and IT in 1H26. Accordingly, Migros delivered 42 bps of OPEX savings through efficiency initiatives, continued its refurbishment investments, and strengthened its fintech, e-commerce, loyalty, retail media, and data businesses.

As of 1H26, installed solar capacity meets approximately 22% of the Company's electricity demand, contributing to lower carbon emissions, improved energy efficiency and resilience against energy cost volatility.

Migros' Ecosystem: Subsidiaries & New Initiatives

Migros One, the Company's online grocery and meal delivery platform, maintained its strong growth momentum in the second quarter of 2026. In 1H26, Migros One Gross Merchandise Value (GMV) increased by 21% year-on-year in real terms and reached TL 28.5 billion. As of June 2026, the platform had 6.6 million active users. (1H25: 5.8 million)

Migros Yemek, Migros' online meal delivery platform, expanded its geographical footprint nationwide. In 1H26, the number of orders increased by 60% year-on-year, while GMV reached TL 5 billion, up 70% year-on-year in real terms, underscoring the strength of the business model.

Moneypay, Migros' fintech subsidiary offering financial solutions for both B2C and B2B customer segments, continued to grow its customer base significantly. The number of registered customers rose noticeably to 5.5 million at the end of June 2026.(June 25: 4.0 million)

In the second quarter of 2026, the number of daily transactions increased by 60% year-on-year, from 266k to 427k. Moneypay's Total Payment Volume (TPV) grew by 105% in real terms in 2Q26 compared with 2Q25. 40,000+ new users onboarded on Moneypay ecosystem through Corporate Wallet.

Corporate News in 2026

- In March, international rating agency Fitch Ratings upgraded Migros' National Long-Term Rating to **'AA+(tur)'** from 'AA(tur)'. The Outlook is Stable. In Fitch Ratings' report, key drivers of the rating upgrade were highlighted as follows;
  - improved profitability,
  - minimal financial debt,
  - operational efficiency gains,
  - continued positive free cash flow margins.
- At the 2025 Annual General Assembly Meeting, Migros resolved to distribute a gross dividend of **TL 1,475 million** for 2025. Following the deduction of the TL 650 million advance dividend paid in November 2025, the remaining **TL 825 million** was distributed to shareholders on 13-15 May 2026.
- Migros has been recognized in the TIME World's Most Sustainable Companies ranking. This year, only five companies from Türkiye. Furthermore, among the five food retailers globally featured in the ranking, Migros was the only company representing Türkiye's food retail sector.

Key Financials & Ratios

(without IAS 29 inflation accounting & unaudited)

2Q 2026

Net Sales	Net Income	EBITDA	Capex
TL **122,876** million	TL **(795)** million	TL **8,300** million	TL **3,333** million
+36% y-o-y growth	**-0.6 %** margin	**6.8%** margin	**2.7%** Capex/sales

1H 2026

Net Sales	Net Income	EBITDA	Capex
TL **229,789** million	TL **(1,174)** million	TL **16,534** million	TL **5,953** million
+38% y-o-y growth	**-0.5%** margin	**7.2%** margin	**2.6%** Capex/sales

Financial Highlights

TL million	**2Q25**	**2Q26**	**Change**	**1H25**	**1H26**	**Change**
Net Sales	90,242	122,876	36.2%	166,841	229,789	37.7%
Gross Profit	24,267	30,921	27.4%	45,023	59,163	31.4%
Gross Profit Margin	*26.9%*	*25.2%*		*27.0%*	*25.7%*	
EBITDA	7,613	8,300	9.0%	13,390	16,534	23.5%
EBITDA Margin	*8.4%*	*6.8%*		*8.0%*	*7.2%*	
Net Income	642	(795)	-223.9%	728	(1,174)	-261.3%
Net Income Margin	*0.7%*	*-0,6%*		*0.4%*	*-0,5%*	

(without IAS 29 inflation accounting & unaudited)

2026 Guidance

Migros maintains its full-year guidance for 2026. Under IAS 29 inflation accounting, the Company expects consolidated revenue growth of 5%-7% in 2026. While the guidance remains unchanged, current trends suggest that revenue growth is likely to be toward the lower end of the guided range.

The consolidated EBITDA margin target for 2026 remains at 6%-7% under IAS 29. Despite ongoing cost pressures, the EBITDA margin outlook remains intact. Excluding the impacts of the imputed interest rate and inventory inflation adjustment, the Company continues to target a consolidated EBITDA margin of 4%-5% for 2026.

Migros plans to open 180-200 new stores this year and remains committed to executing its investment program. The capex-to-sales ratio is expected to be 2.5%-3.0% in 2026 under IAS 29 inflation accounting.

The Company also plans to hire more than 9.000 additional employees in 2026 to support its expanding network.

Sales Growth	EBITDA Margin	Expansion Target	Capex/Sales
5%-7%	6%-7% *	180-200 new stores	2.5%-3.0%
	*4%-5% (exc.impacts)		