

# MiGROS

Omni-channel, multi format retailer



Company Presentation  
2Q 2025

# 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 audited consolidated financial statements for 1H 2024 and 1H 2025 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 1H 2025 has been prepared by applying inflation accounting in accordance with the provisions of IAS 29. 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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# Underlying Performance, Consolidated

with IAS 29 inflation accounting

2Q 2025

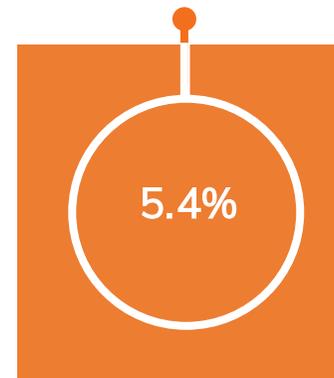
Net Sales



Sales Growth



EBITDA Margin



Net Profit

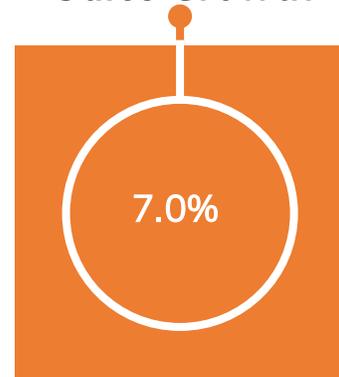


1H 2025

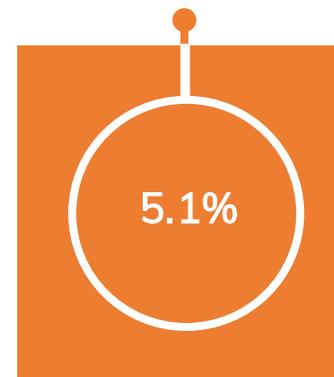
Net Sales



Sales Growth



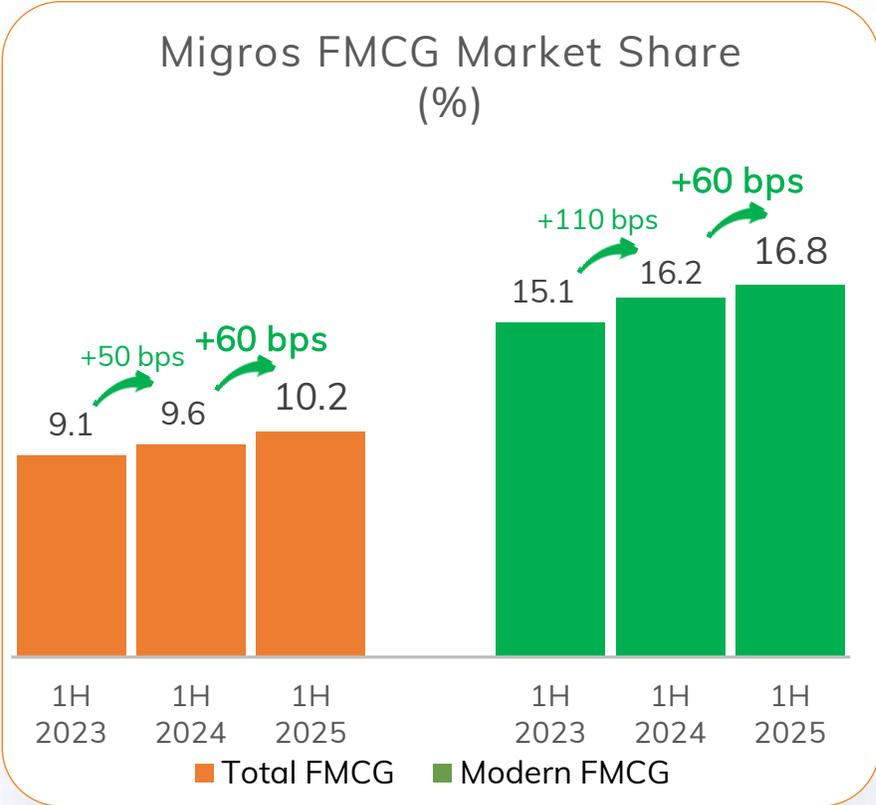
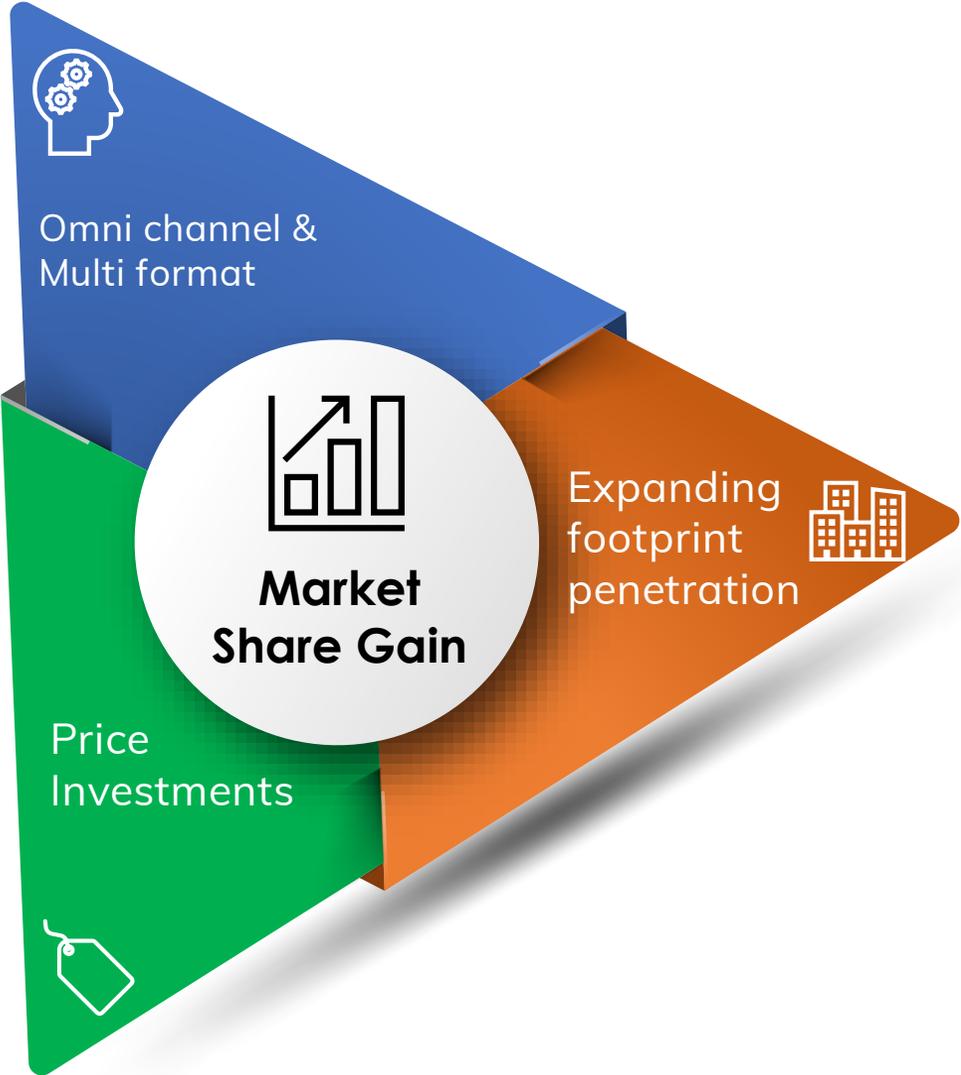
EBITDA Margin



Net Profit



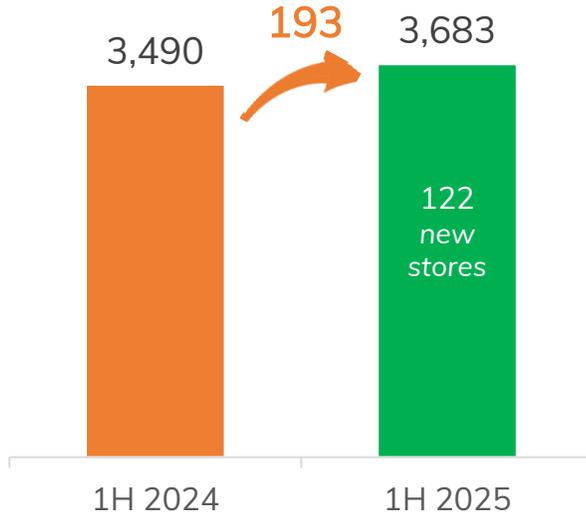
# Improving Market Share



Source: Nielsen  
 Note: FMCG: Fast Moving Consumer Goods. Modern and total FMCG markets include all food-retail formats

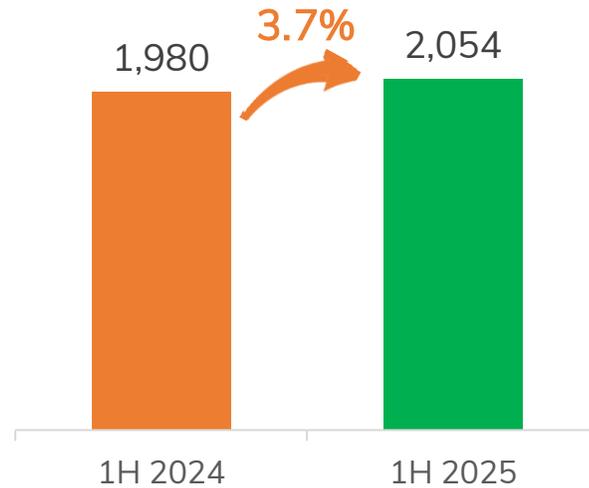
# Sales Area Expansion

## # of Stores

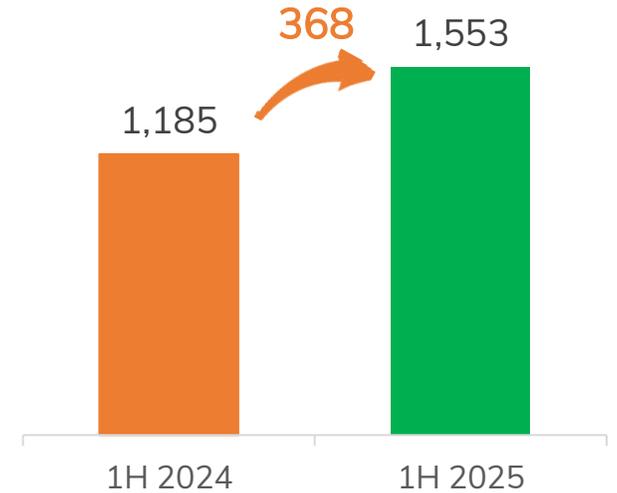


Due to building safety concerns, 22 stores were closed in Istanbul region in the last 12 months

## Sales Area (thousand sqm)



## # of Online Service Stores\*

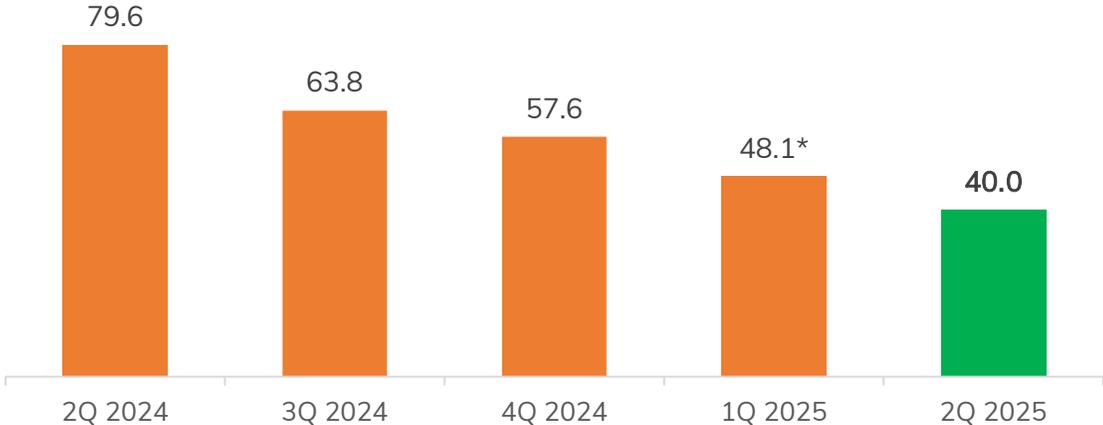


\*Indicates physical stores out of which online operations are carried out

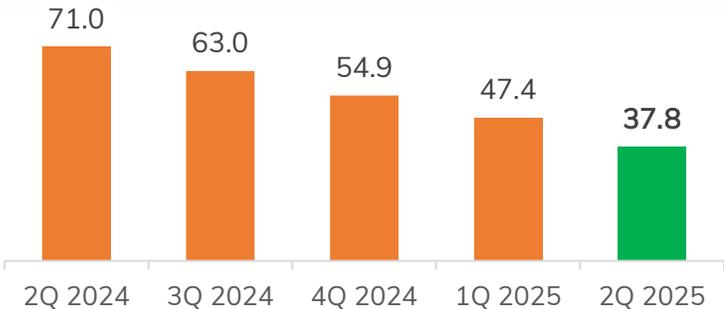
# Gaining Customer Traffic on L-f-L Basis

without IAS 29 inflation accounting

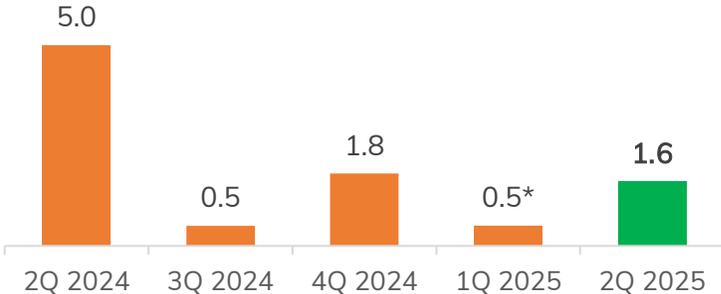
### L-f-L Sales Growth (%)



### L-f-L Basket Size Growth (%)



### L-f-L Customer Traffic Growth (%)



Average Food Inflation  
(Turkish Statistical Institute)

Period	2Q 2024	3Q 2024	4Q 2024	1Q 2025	2Q 2025
Average Food Inflation (%)	68.9%	48.9%	45.8%	37.9%	33.0%

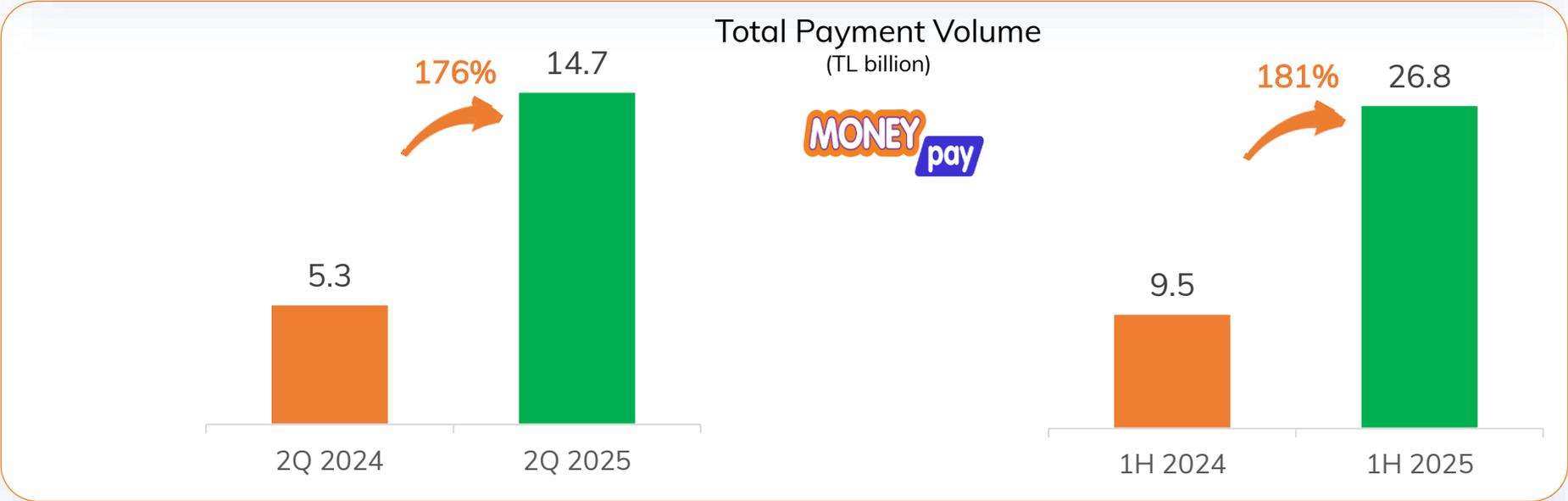
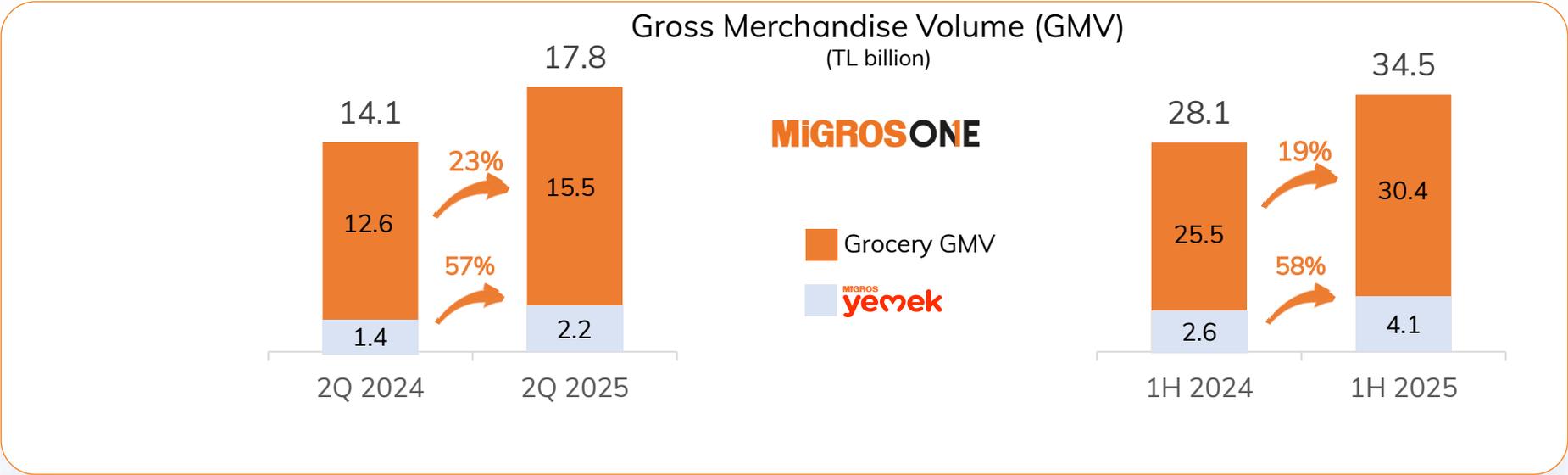
Note 1: Like-for-like calculations are based on retail sales only, excluding wholesale

Note 2: Like-for-like (L-f-L) sales are net sales generated from the stores which were open at least in the last 12 months before the current reporting period (i.e. stores open since 1 Jan. 2024)

\*Figures excluding the leap year impact in 1Q 2024 (February 29), Including leap year impact: L-f-L Sales Growth: 46.4%, L-f-L Customer Traffic Growth: -0.7%

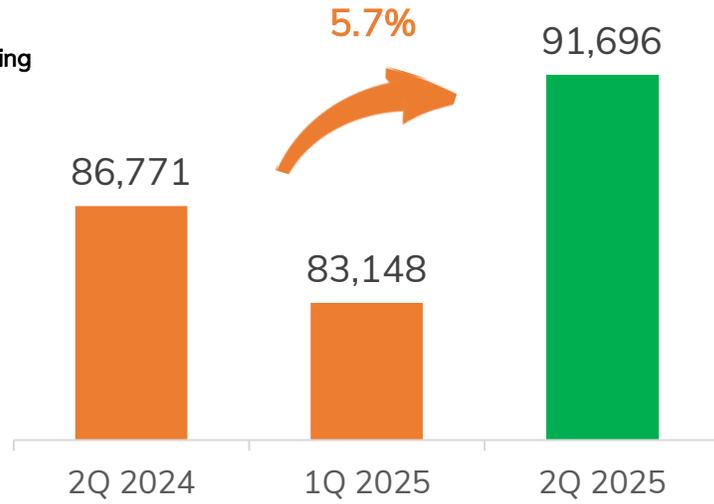
# Online and Digital Payment Solutions

Inflation (CPI) adjusted

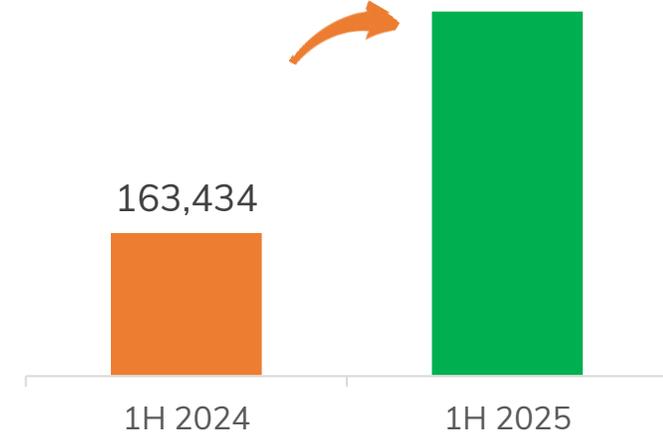


# Consolidated Sales (TL million)

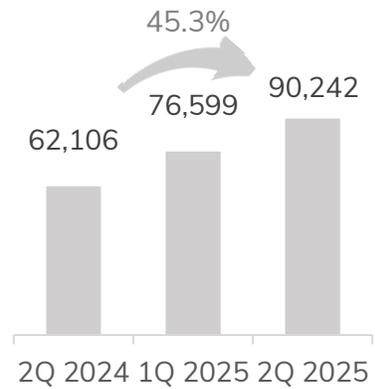
with IAS 29  
inflation accounting



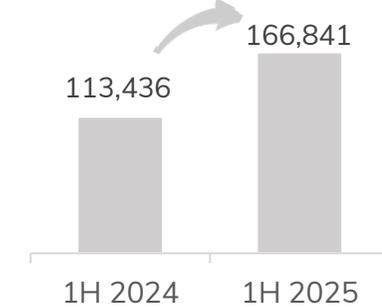
7.0%



without IAS 29  
inflation accounting

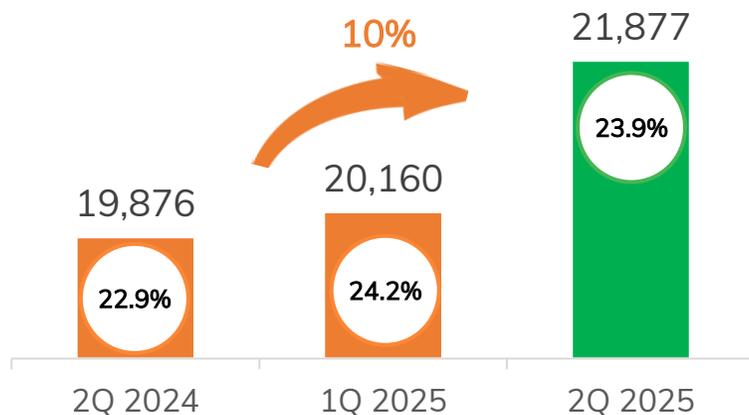


47.1%

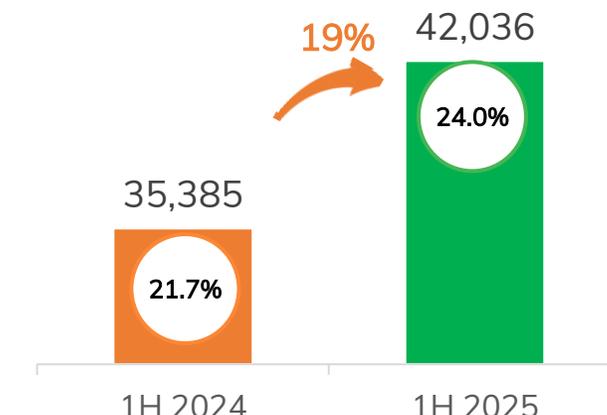


# Gross Profit (TL million)

with IAS 29  
inflation accounting

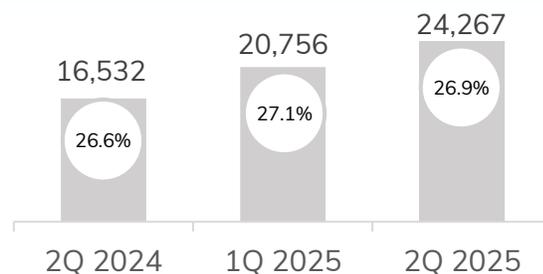


Imputed Interest Rate Impact	550 bps	470 bps	510 bps
Inventory inflation adj. Impact	-370 bps	-290 bps	-300 bps
<b>Gross Profit Margin exc. Impacts</b>	<b>21.1%</b>	<b>22.4%</b>	<b>21.8%</b>

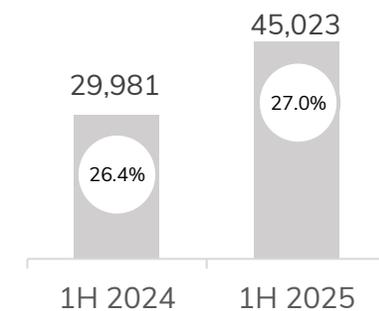


Imputed Interest Rate Impact	480 bps	490 bps
Inventory inflation adj. Impact	-480 bps	-290 bps
<b>Gross Profit Margin exc. Impacts</b>	<b>21.7%</b>	<b>22.1%</b>

without IAS 29  
inflation accounting



Imputed Interest Rate Impact	550 bps	470 bps	510 bps
<b>Gross Profit Margin exc. Impact</b>	<b>21.1%</b>	<b>22.4%</b>	<b>21.8%</b>



Imputed Interest Rate Impact	480 bps	490 bps
<b>Gross Profit Margin exc. Impact</b>	<b>21.7%</b>	<b>22.1%</b>

# Supply Chain Investments Paying off



16 new  
Distribution  
Centers in 2024

2 Distribution  
Centers in 1H25



\*no facial recognition



## AI Driven Efficiency

- Fraud detection in stores
- Fruit & Vegetable Availability
  - Product recognition
  - Fulfilment detection
- AI-Powered Inventory Counting

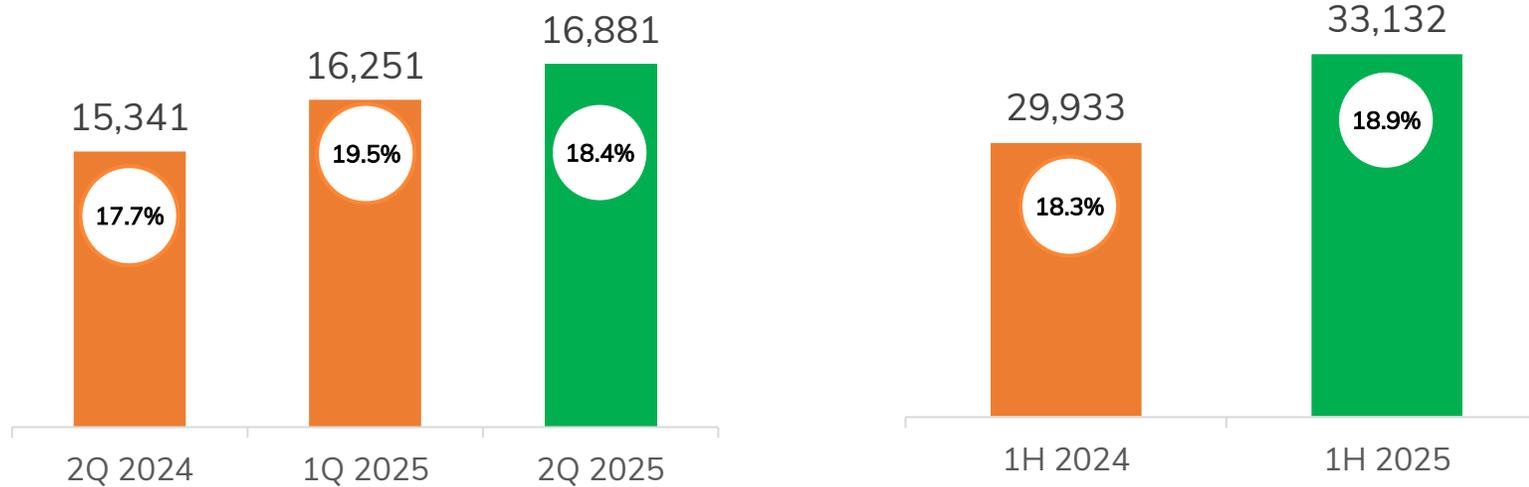


Decrease in  
shrinkage ratio;  
**40 bps** 2Q 2025  
**35 bps** 1H 2025

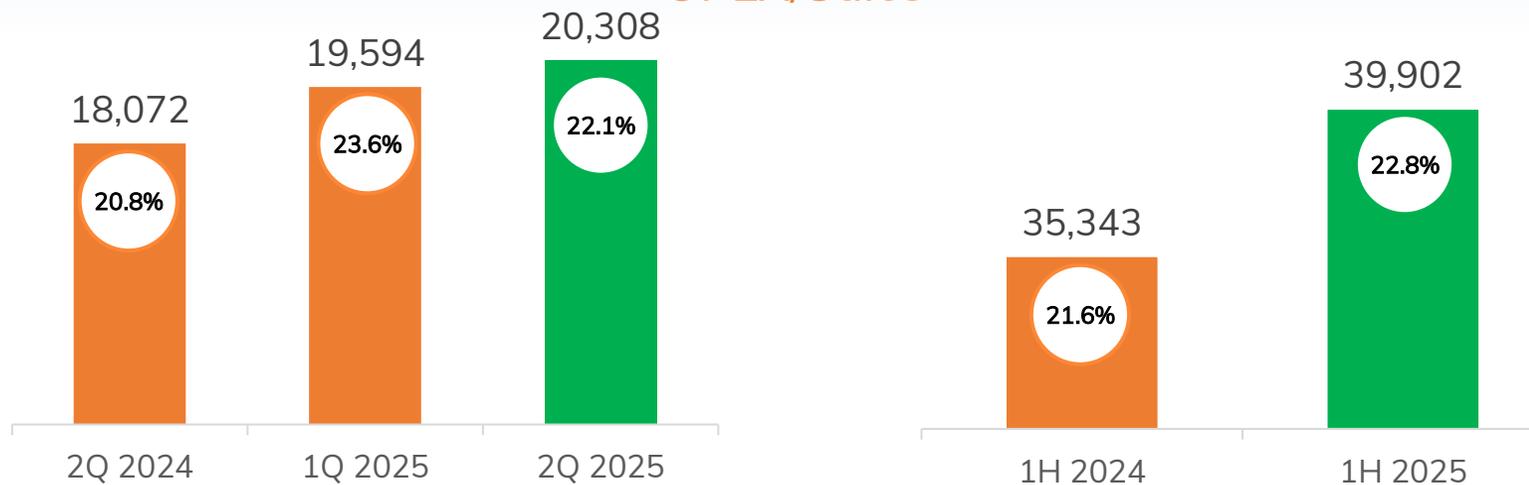
# Improvement in OPEX/Sales in 2Q 2025 vs 1Q 2025

with IAS 29 inflation accounting

## OPEX/Sales without Depreciation & Amortisation



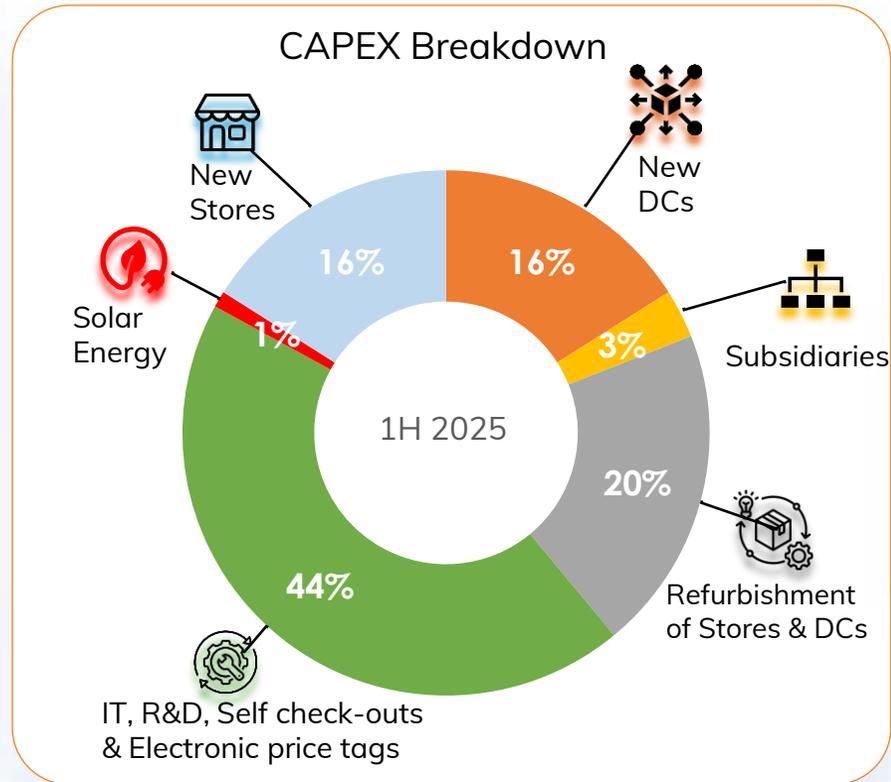
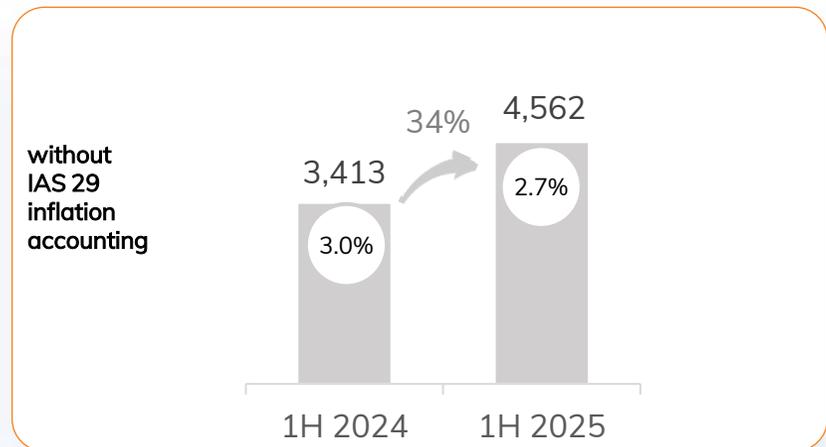
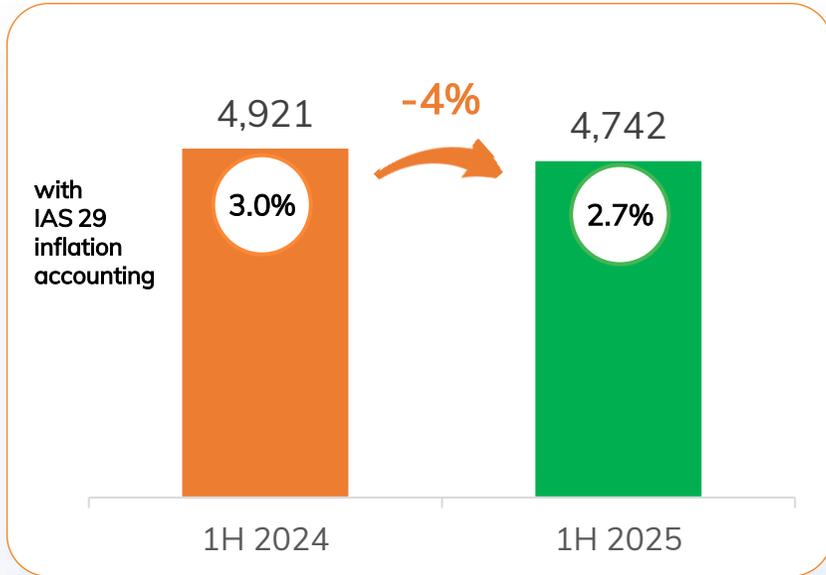
## OPEX/Sales



Opex increase in 2Q 2025 vs 2Q 2024 is driven by employee cost over sales increase [73 bps]

Employee cost over sales improved in 2Q 2025 vs 1Q 2025 [103 bps]

# Capex Balances Growth and Efficiency Gains (TL million)



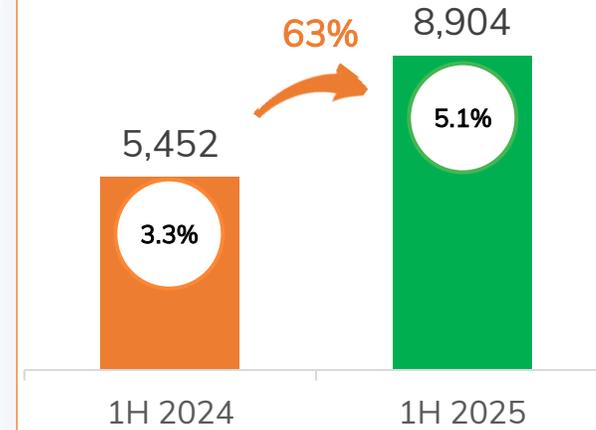
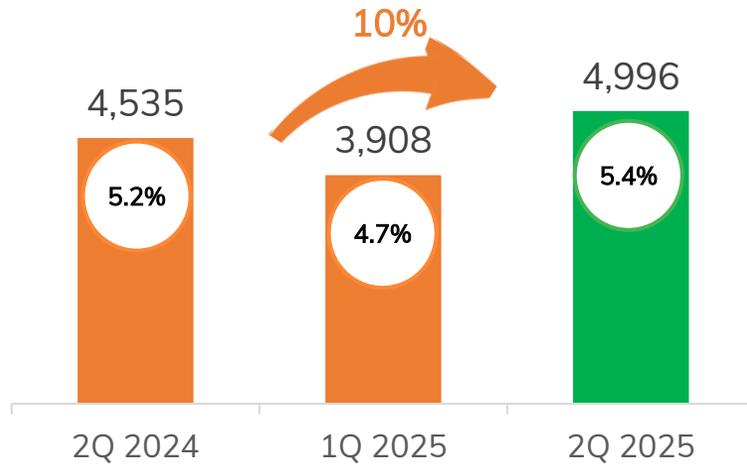
## Return on Efficiency Investments

**30 bps** cost saving [annualized target] in OPEX with solar plant investments next year

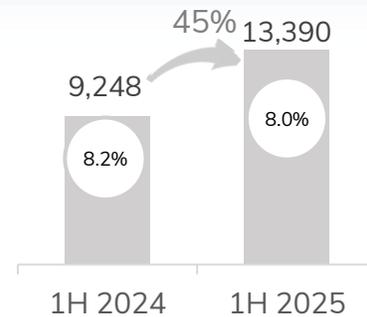
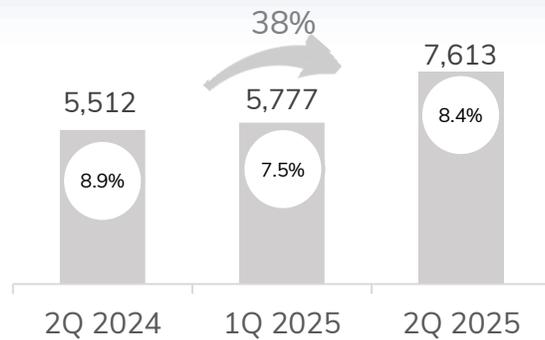
**30 bps** cost saving [annualized target] in OPEX, driven by self check-outs & electronic price tags investments

# Consolidated EBITDA (TL million)

with IAS 29  
inflation accounting



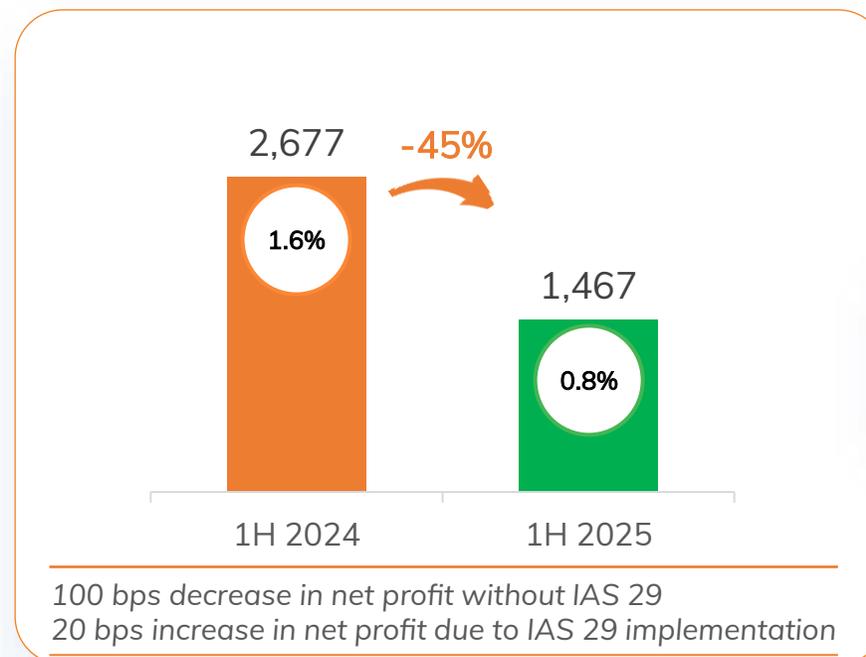
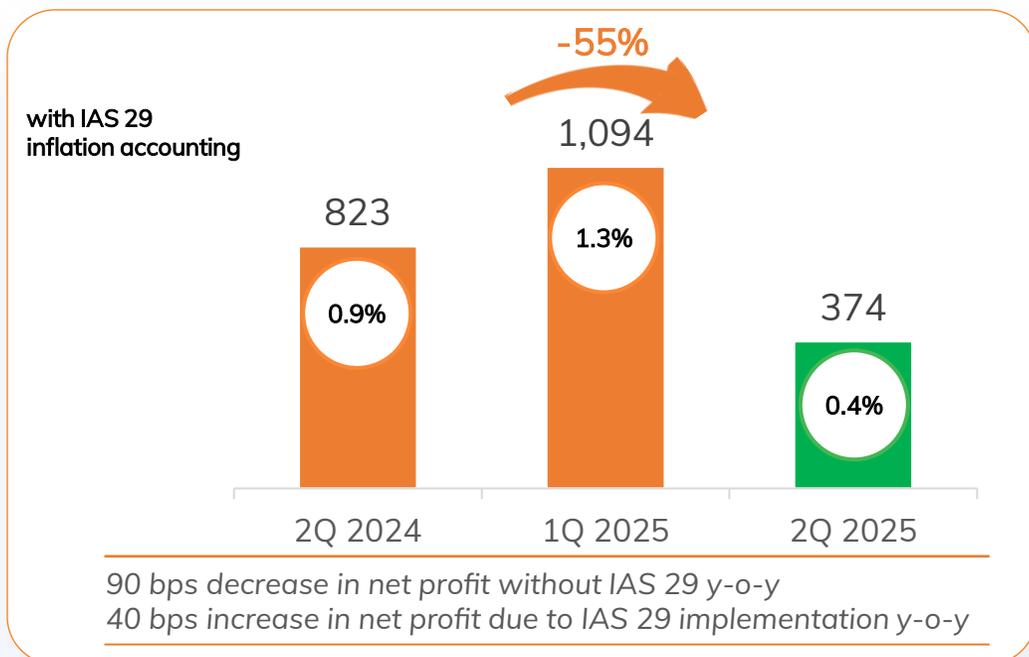
without IAS 29  
inflation accounting



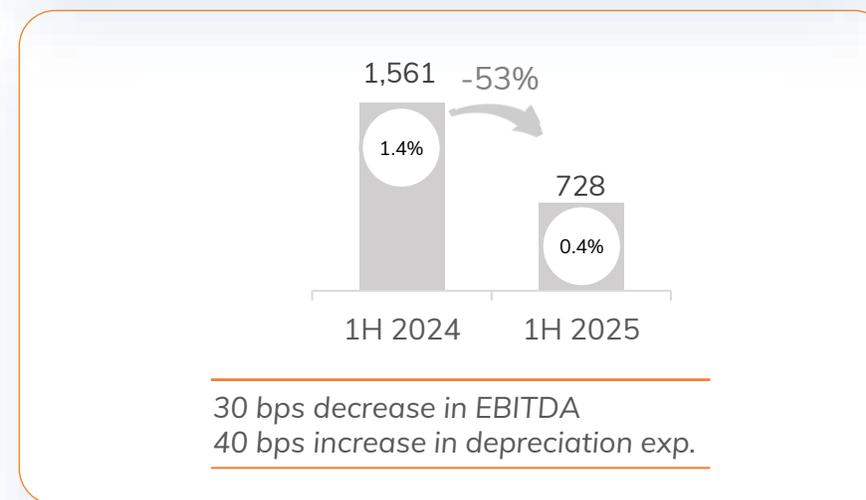
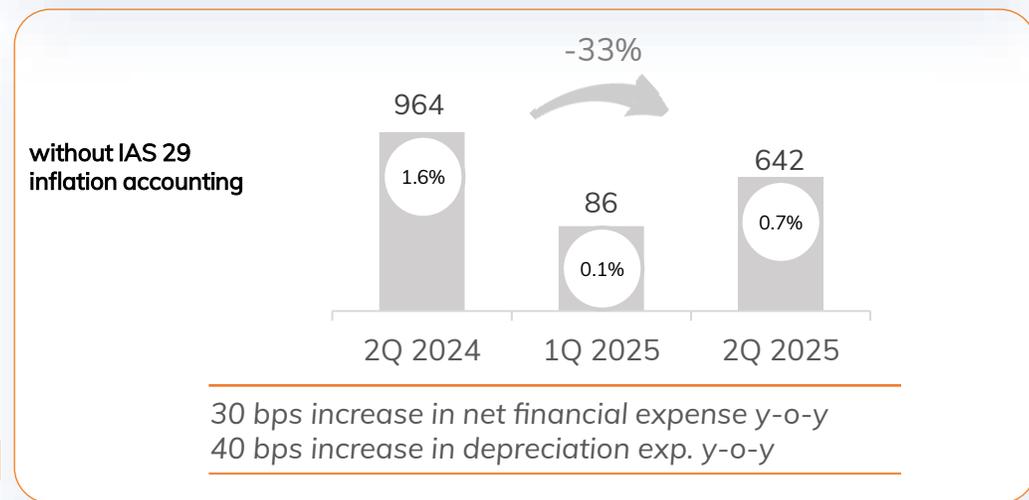
Despite 60 bps increase in  
employee cost in 1H 2025,  
EBITDA margin erosion is  
limited 30 bps

	2Q 2024	1Q 2025	2Q 2025
Imputed Interest Rate Impact	550 bps	470 bps	510 bps
EBITDA Margin exc. Impact	3.4%	2.8%	3.3%

# Net Profit (TL million)



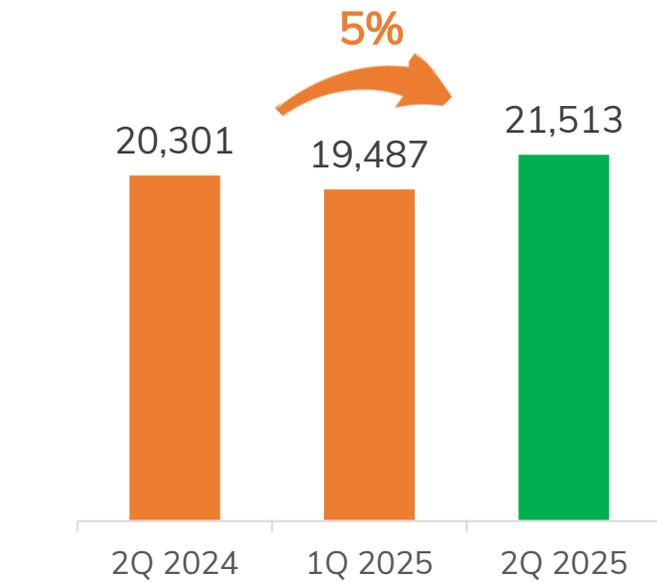
In 2Q 2025 decline in net profit vs 1Q 2025 is due to IAS 29 implementation impact



# Net Cash & Free Cash Flow (TL million)

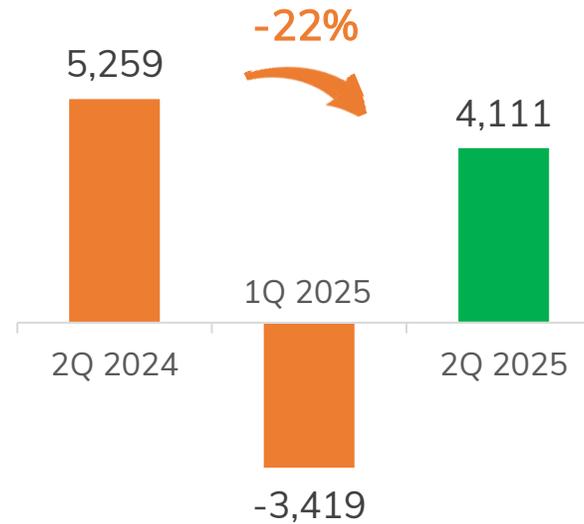
with IAS 29 inflation accounting

## Net Cash\*

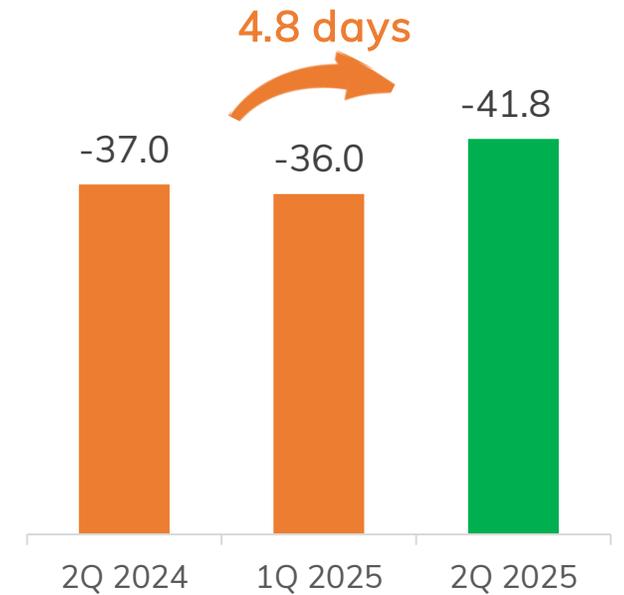


\*w/o IFRS 16

## Free Cash Flow



## Cash Conversion Cycle in Days



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# Guidance

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# 2025 Migros Guidance, Consolidated

with IAS 29 inflation accounting



Sales Growth  
2025E

8-10%

2024: 12%

Slight downside risk



EBITDA Margin  
2025E

~6.0%

2024: 5.4%



Expansion Target  
2025E

~250  
new stores

2024: 356



Capex/Sales  
2025E

2.5-3.0%

2024: 3.4%

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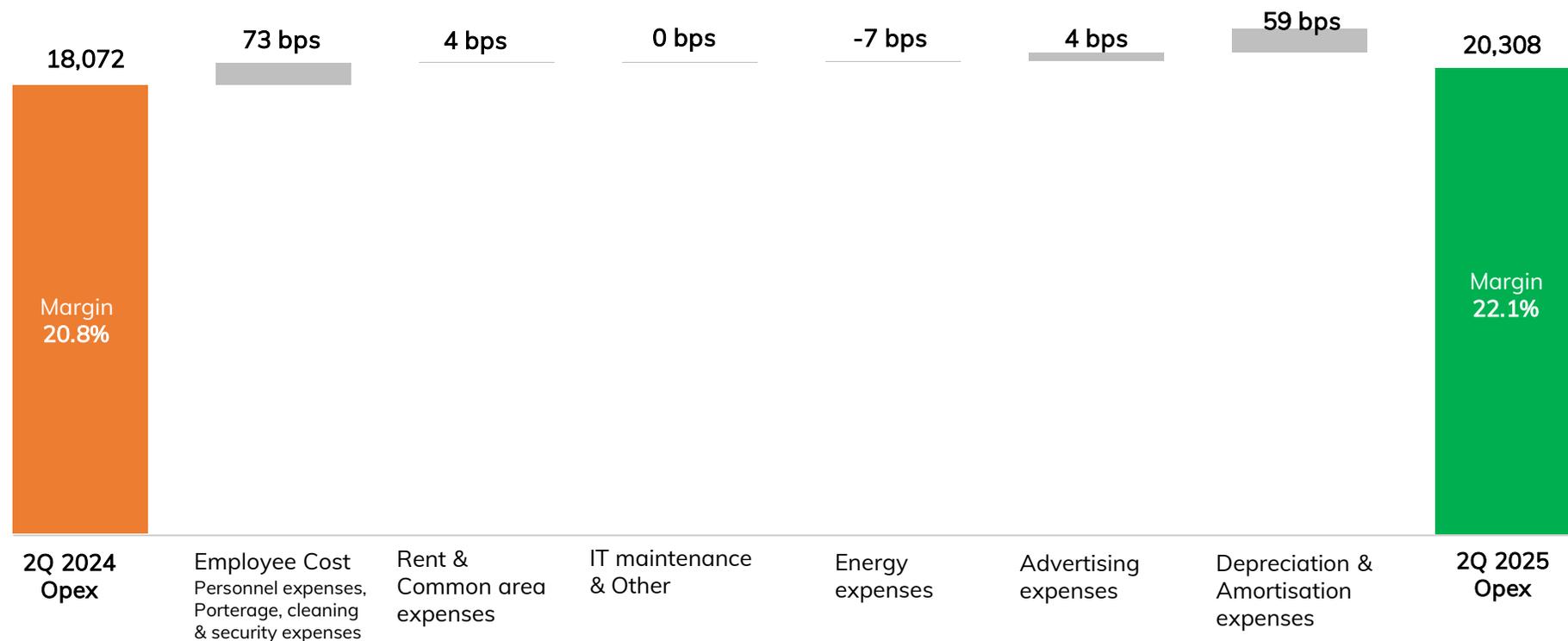
# Appendix

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# Quarterly OPEX Evolution (TL million)

with IAS 29 inflation accounting



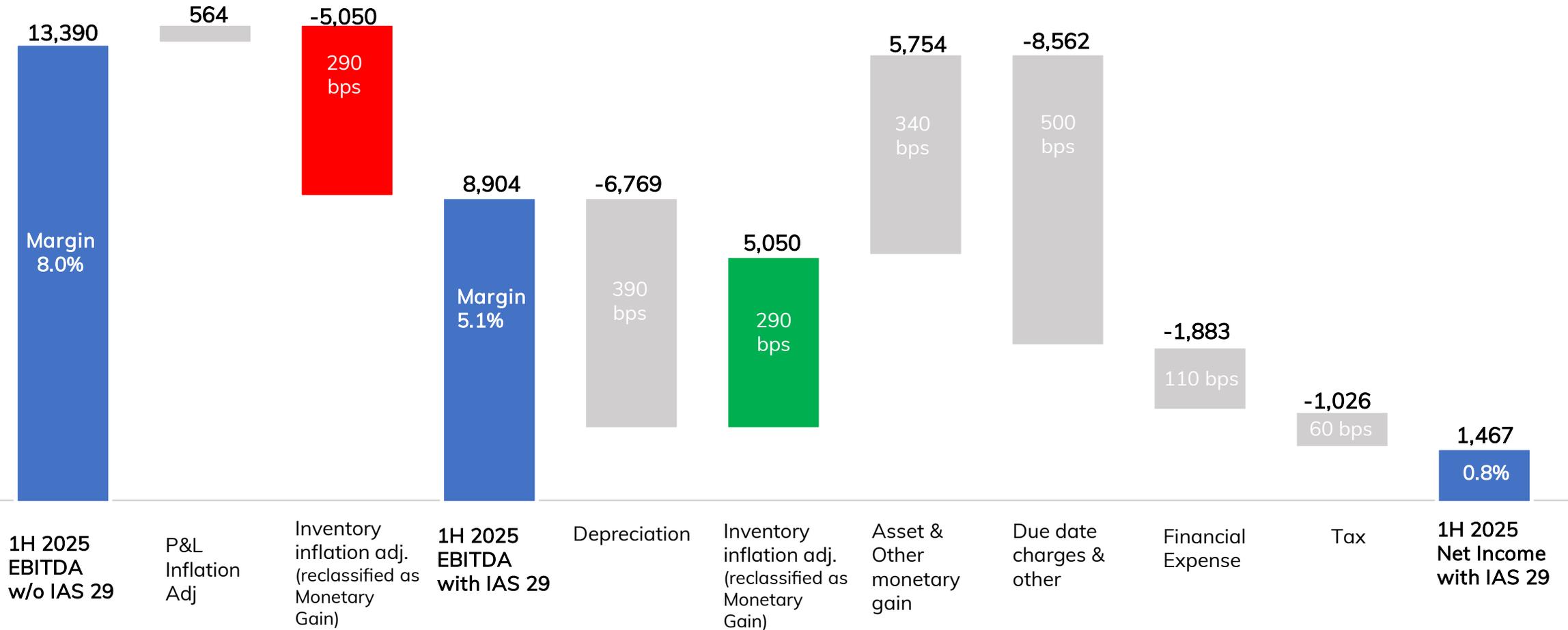
Increase in depreciation is driven by rental contracts (IFRS 16) & increase in CAPEX

OPEX/Sales ratio decreased by 150 bps in 2Q25 vs 1Q25 mainly driven by 103 bps decrease in employee cost

Pressure on employee cost is expected to further ease in 2H 2025

	Employee Cost	Rent & Common area expenses	IT maintenance & Other	Energy expenses	Advertising expenses	Depreciation & Amortisation expenses
2Q25	12.16%	2.60%	2.11%	0.85%	0.69%	3.74%
2Q24	11.43%	2.56%	2.11%	0.92%	0.65%	3.15%

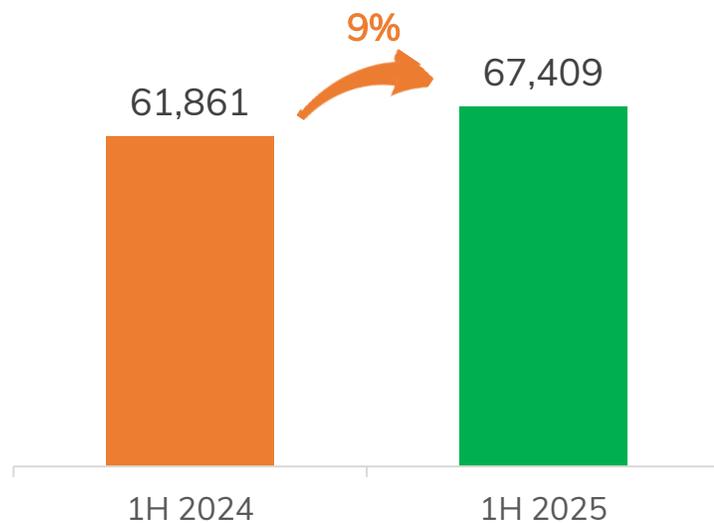
# Inflation-accounting impact on EBITDA & Net Income in 1H



# Total Equity & Total Financial Debt (TL million)

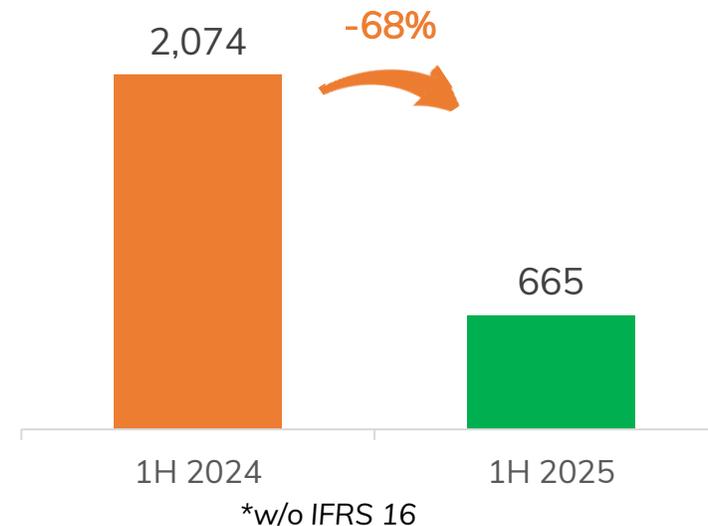
## Total Equity

with IAS 29  
inflation accounting

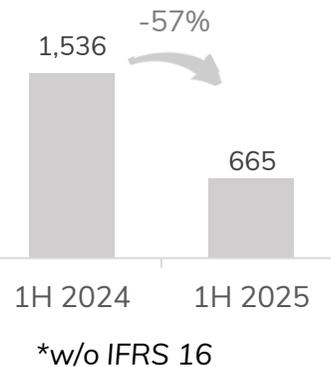
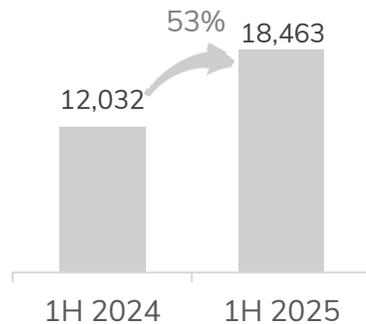


## Total Financial Debt\*

-68%



without IAS 29  
inflation accounting



# IAS 29 Consolidated Income Statement Summary –1H 2025

<b>(TL million)</b>	<b>1H 2024</b>	<b>1H 2025</b>
<b>Net Sales</b>	<b>163,434</b>	<b>174,844</b>
Cost of Sales	-128,050	-132,808
<b>Gross Profit</b>	<b>35,385</b>	<b>42,036</b>
Operating Expenses	-35,343	-39,902
Other Operating Expense	-7,851	-8,569
<b>Operating Loss</b>	<b>-7,809</b>	<b>-6,435</b>
Income / Expense from Investment Activities	42	7
<b>Operating Loss Before Finance Income / Expense</b>	<b>-7,767</b>	<b>-6,427</b>
Financial Income / Expense	-1,670	-1,883
Monetary Gain	12,959	10,804
<b>Income Before Tax</b>	<b>3,522</b>	<b>2,494</b>
Tax Expenses	-169	-208
Deferred Tax Income / Expenses	-721	-819
Net profit from discontinued operations	45	-
<b>Net Profit</b>	<b>2,677</b>	<b>1,467</b>
<i>Net Profit - Non-controlling Interest</i>	43	146
<i>Net Profit - Equity Holders of Parent</i>	2,634	1,321
<b>EBITDA</b>	<b>5,452</b>	<b>8,904</b>

## IAS 29 Consolidated Balance Sheet Summary – 1H 2025

(TL million)	2024	1H 2025
Current Assets	67,314	64,856
Non-current Assets	107,766	114,077
<b>Total Assets</b>	<b>175,080</b>	<b>178,934</b>
Current Liabilities	82,854	83,469
Non-current Liabilities	24,925	28,056
<b>Total Liabilities</b>	<b>107,780</b>	<b>111,525</b>
<b>Equity</b>	<b>67,300</b>	<b>67,409</b>
<b>Total Liabilities and Equity</b>	<b>175,080</b>	<b>178,934</b>

# IAS 29 Cash Flow- 1H 2025

(TL million)	1H 2024	1H 2025
Net profit	2,677	1,467
Adjustments related to reconciliation of net profit for the period	15,897	17,671
Changes in net working capital	7,367	-537
<b>Cash flows from operating activities</b>	<b>25,941</b>	<b>18,601</b>
<b>Net cash provided by operating activities</b>	<b>16,181</b>	<b>8,765</b>
Cash outflows from the purchase of tangible and intangible assets	-5,507	-4,742
Cash inflows from the sale of tangible and intangible assets	64	98
<b>Cash flows from investing activities</b>	<b>-5,443</b>	<b>-4,644</b>
<b>Free Cash Flow</b>	<b>8,135</b>	<b>692</b>
<b>Cash flows from financing activities</b>	<b>-5,279</b>	<b>-5,199</b>
Effect of foreign currency translation differences & monetary losses on cash	-3,954	-3,045
<b>Net increase in cash and cash equivalents</b>	<b>1,505</b>	<b>-4,124</b>

# IAS 29 Impact on Financials

(TL million)	with IAS 29 inflation accounting		without IAS 29 inflation accounting	
	1H 2024	1H 2025	1H 2024	1H 2025
<b>Selected Balance Sheet Items</b>				
Total Assets	160,003	178,934	81,710	125,308
Total Liabilities	98,142	111,525	69,408	106,844
Total Equity	61,861	67,409	12,302	18,463
<b>Selected Income Statement Items</b>				
Net Sales	163,434	174,844	113,436	166,841
Gross Profit	35,385	42,036	29,981	45,023
Operating Loss / Profit	-7,809	-6,435	2,045	1,940
Profit before tax	3,522	2,494	928	141
Net Profit	2,677	1,467	1,561	728
Depreciation & Amortisation	-5,410	-6,769	-1,704	-3,252
EBITDA	5,452	8,904	9,248	13,390