


# MiGROS

Company Presentation  
9M 2021 Results



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-  Sales
-  Expansion
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-  Financial Overview
-  Online Operations & Strategy Update
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-  Operations & Financials Details



# Sales – 9M 2021 (TL million)

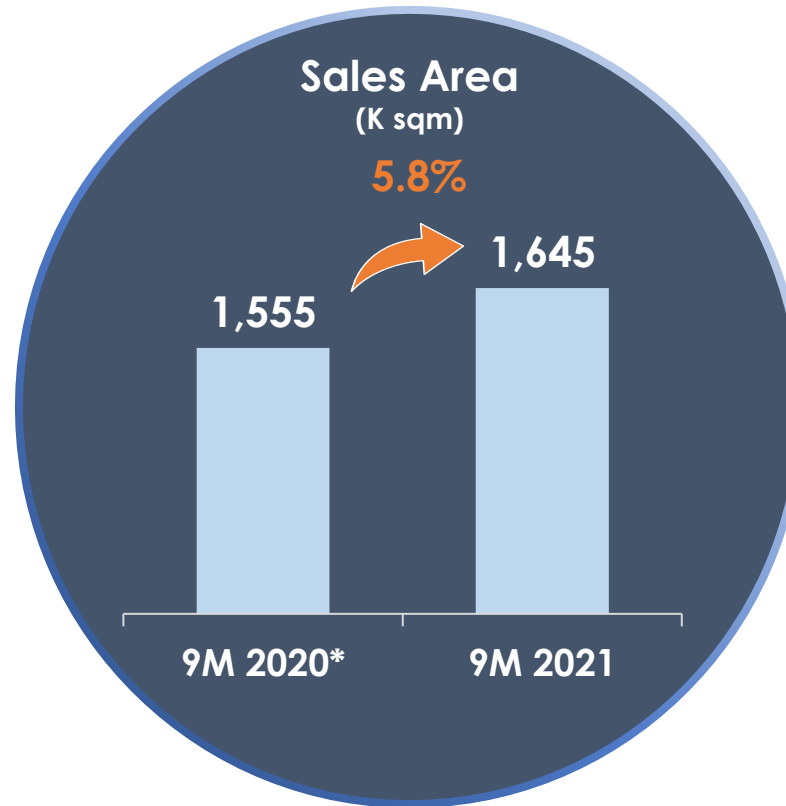


-  Strong recovery in large stores
-  Strong performance of seasonal stores
-  Continuing sales growth momentum in online operations

# Offline & Online Expansion

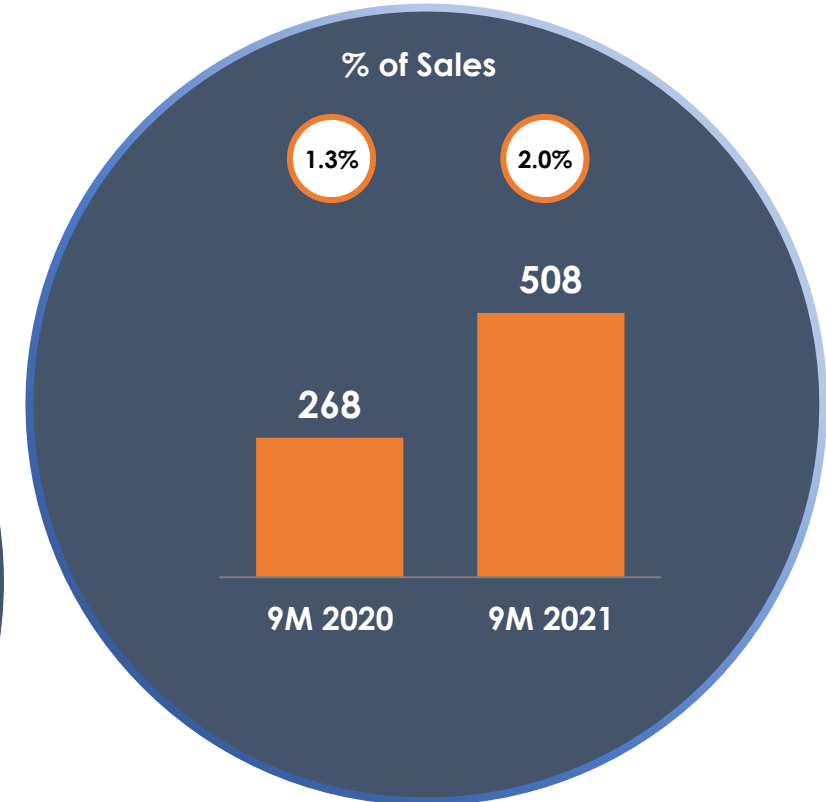
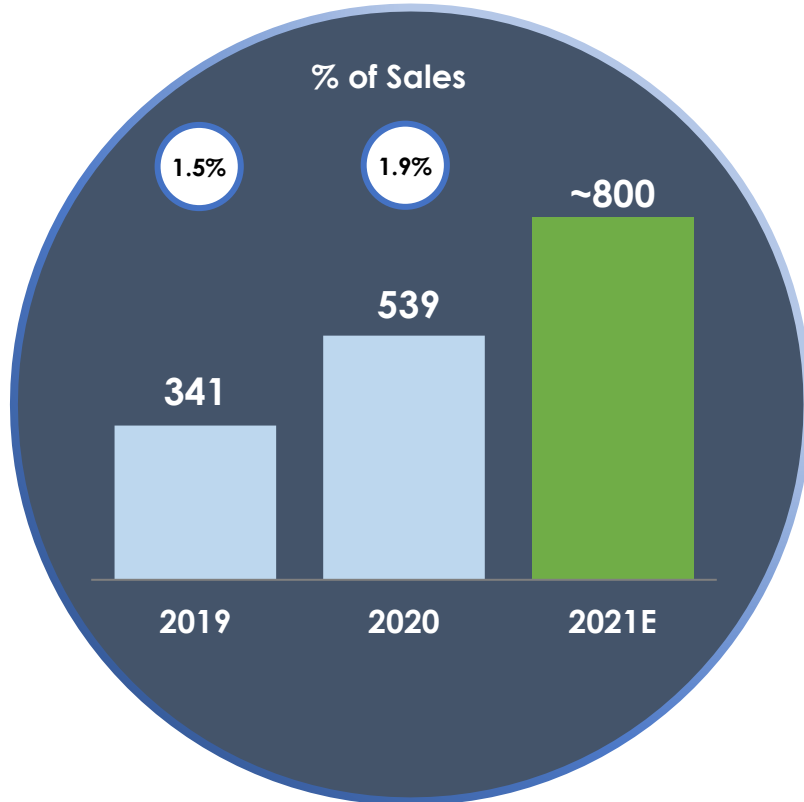


“ 10M 2021: **245** new stores ”

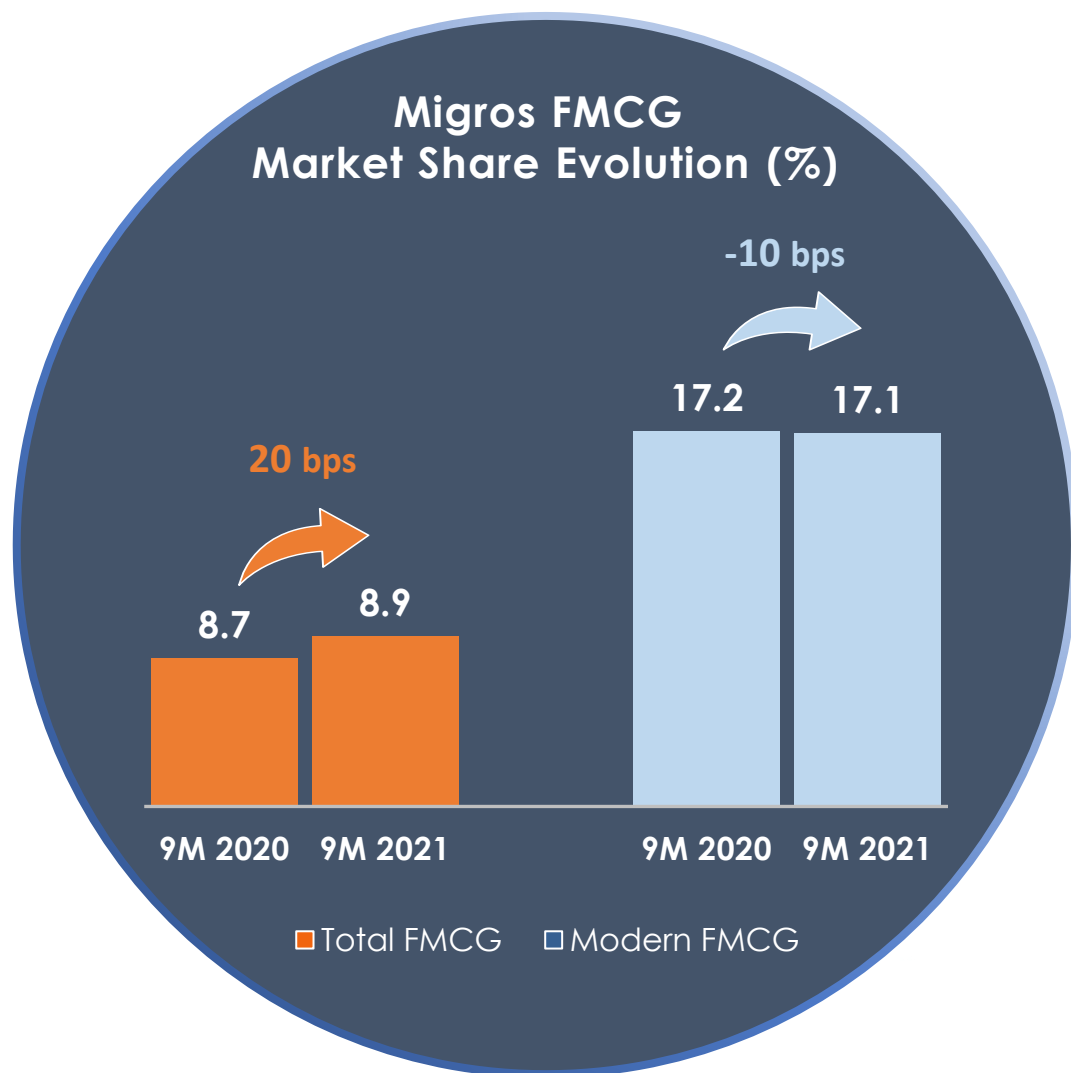


“ 10M 2021: **323** new online service stores ”

# CAPEX (TL million)



# Market Share Evolution





# Financial Overview

**MiGROS**

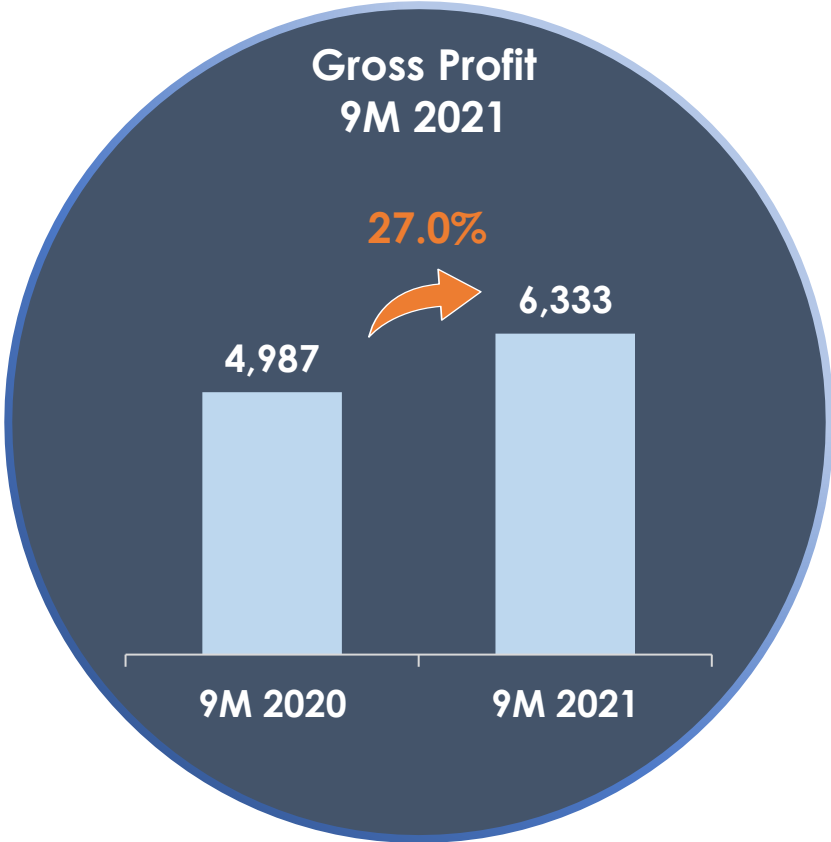
# Consolidated Gross Profit (TL million)

Restated\*



Margin	23.7%	24.5%
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Normalized Gross Profit\*\* increase: 26.0%



Margin	23.9%	24.4%
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Normalized Gross Profit\*\* increase: 22.3%

[ 8 ]

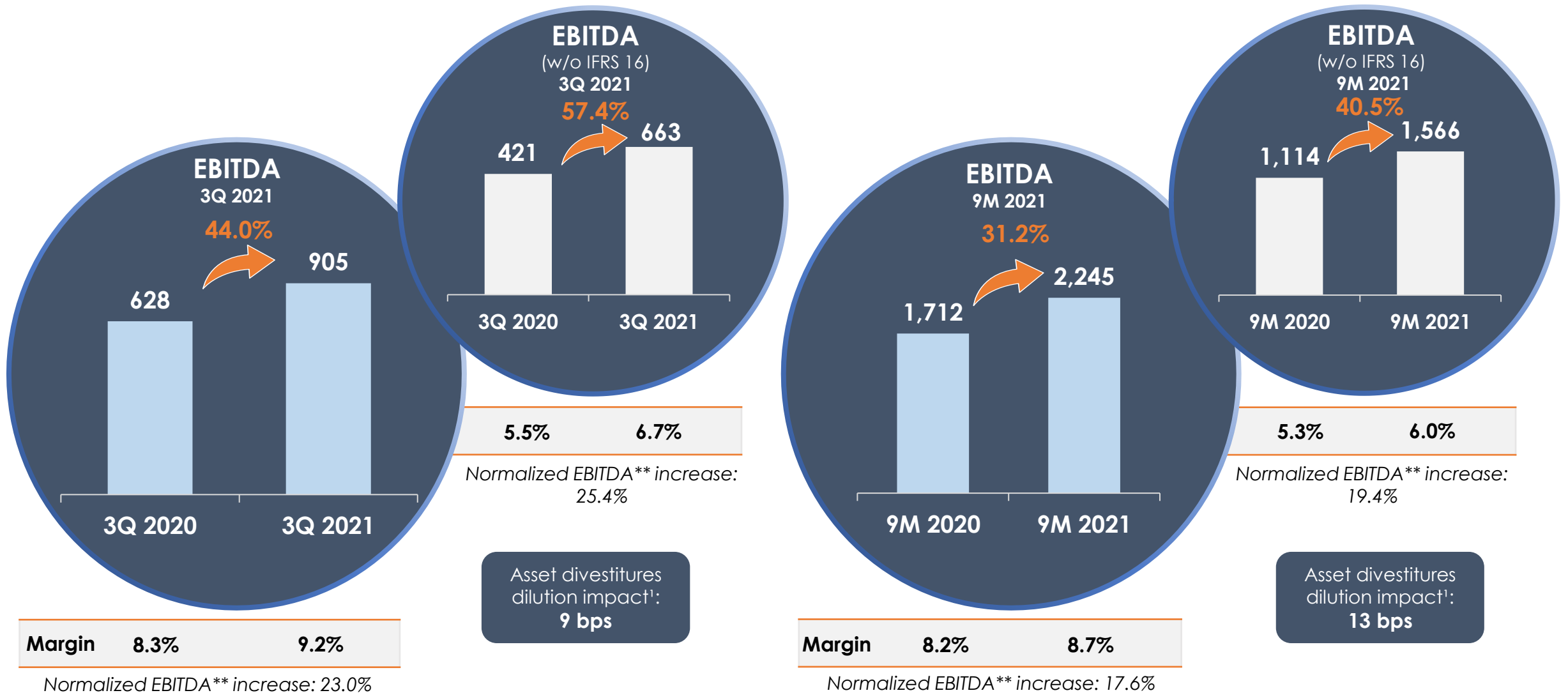
\* Online business expenses & in-store production expenditures were re-classified in Cost of Sales

\*\* Normalized Gross Profit in 3Q 2020 and 9M 2020 are calculated with current (actual) imputed interest rates as per IFRS accounting to neutralize the impact of interest rates in due date charges

MiGROS



# Consolidated EBITDA (TL million)



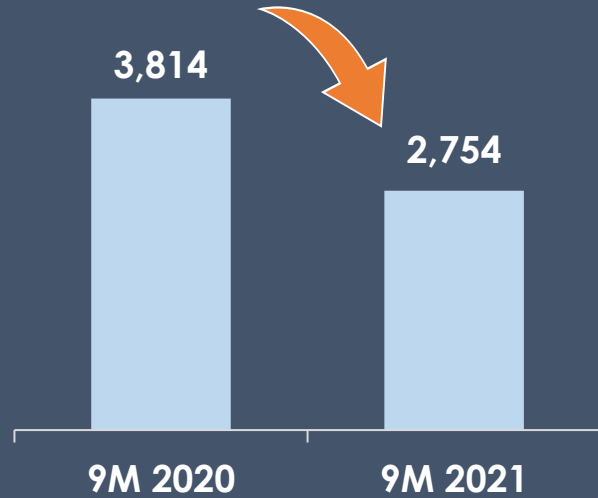
\* The Company's EBITDA definition was amended, i.e. the 'Termination Benefits Paid' was removed from the calculation

\*\* Normalized EBITDA with current (actual) imputed interest rates as per IFRS accounting to neutralize the impact of interest rates in due date charges

<sup>1</sup> Includes rental income revenues loss and increased rental expense in stores due to asset divestitures

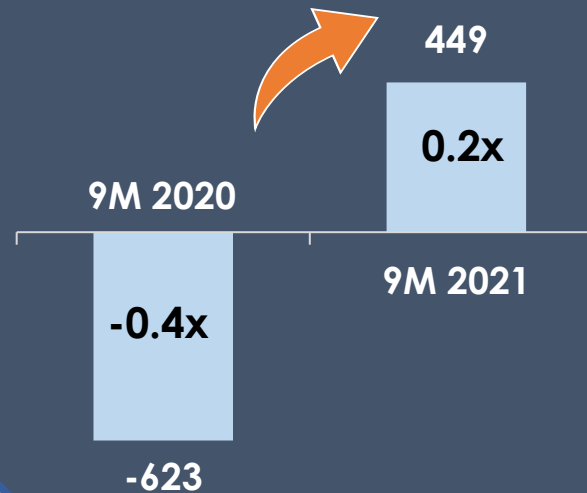
# Net Cash Position\*

**Total Financial Debt**  
(TL million)



\*w/o IFRS 16

**Net Cash / EBITDA**  
(TL million)



\*w/o IFRS 16



No hard-currency exposure



Net cash position\* as of 9M 2021

# Online Operations & Strategy Update

**MİGROS**



# Gearing up for the Future

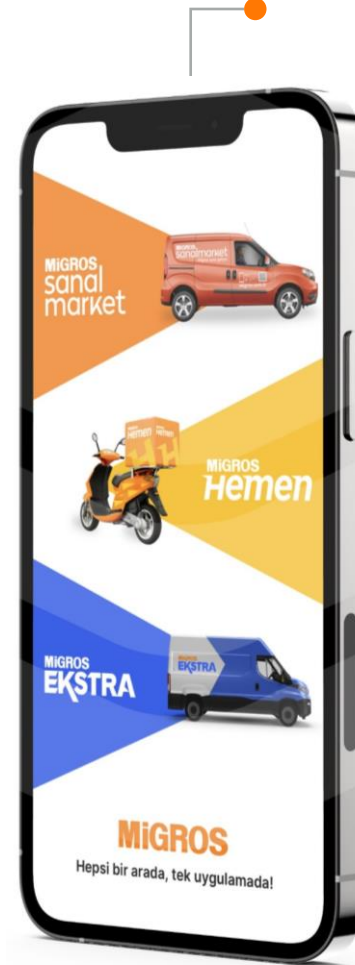
## Online Potential in Turkey



## Migros' Online Channels



## Migros' Integrated App



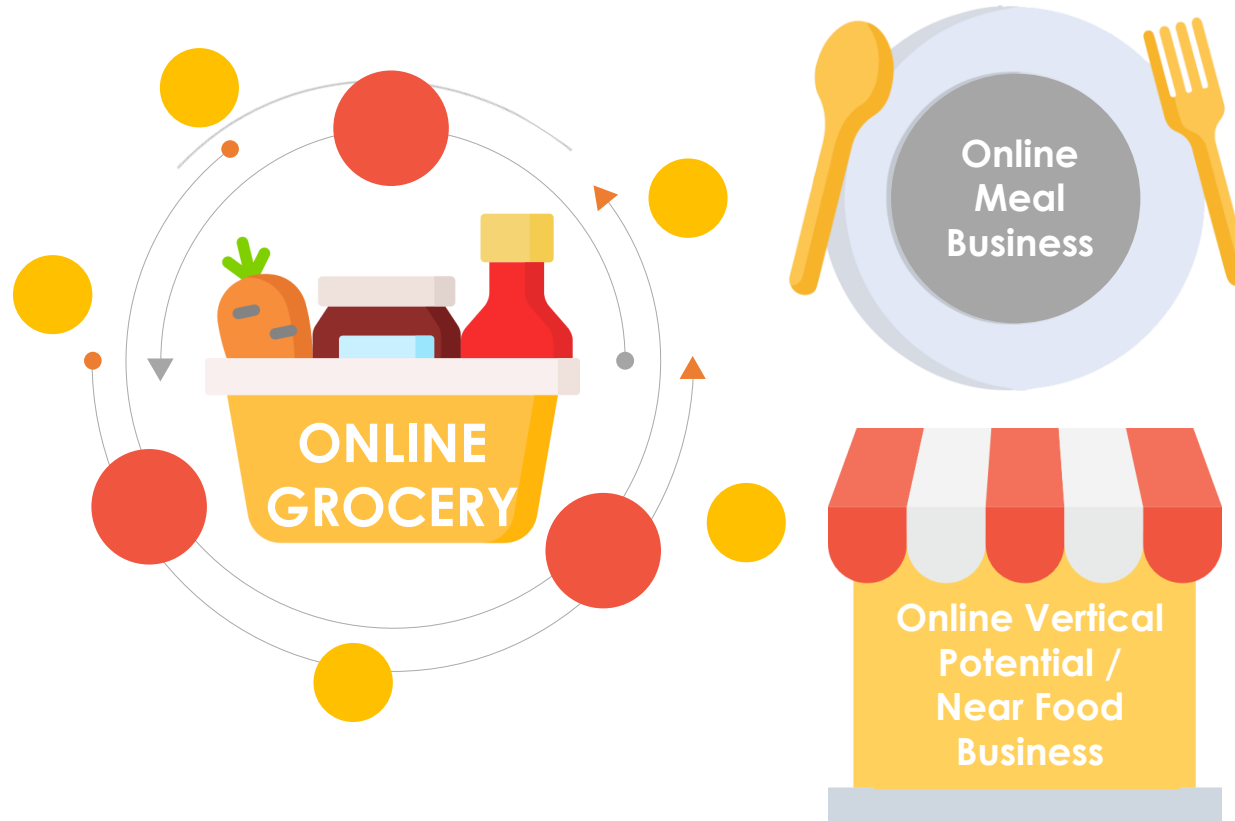
## Migros' New Subsidiary



# Potential and Drivers of New Subsidiary

## Managerial Agility & Strategic Focus

### Technological Partnerships

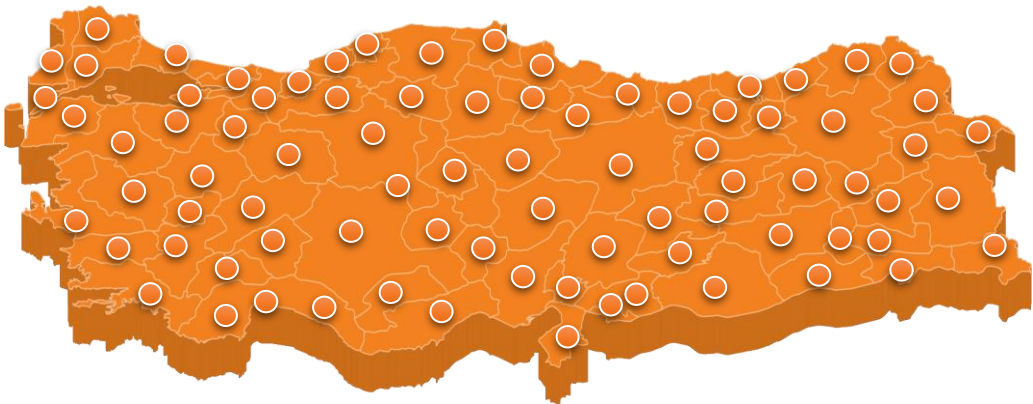


### Last Mile Delivery



Unlock Additional Value for our Shareholders

# Expanding Geographical Coverage in Online



**81**  
cities

**MIGROS**  
**sanalmarket**

**+30,000 SKU**  
**627 stores**



**42**  
cities

**MIGROS**  
**Hemen**

**~2,000 SKU**  
**196 stores**  
**Delivery within 30 mins**



**8**  
cities

**macro****online**

**+13,000 SKU**  
**High-end gourmet**  
**69 stores**



**6**  
cities

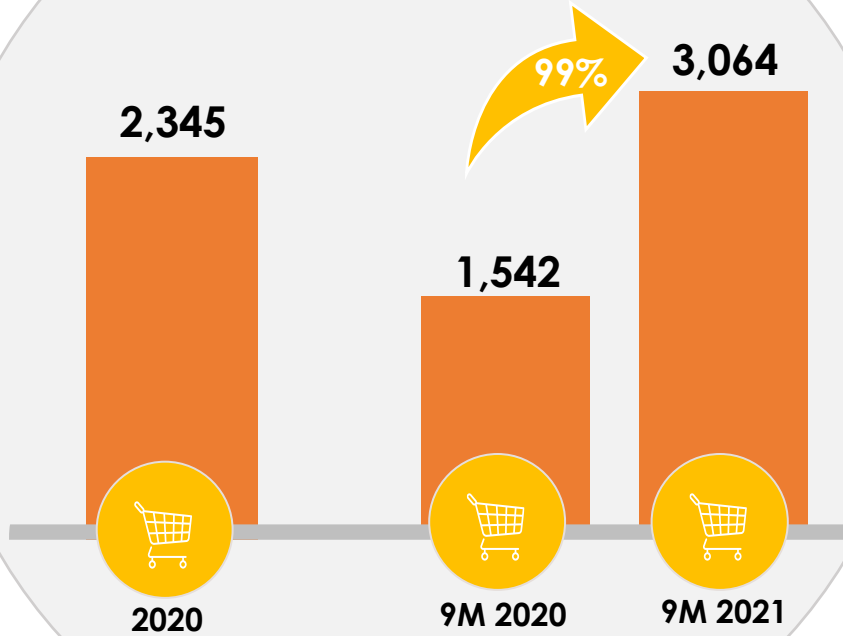
**Taze**  
**Direkt**  
**.com**

**+2,150 SKU**  
**Fresh categories**  
**Direct from farm to consumers**



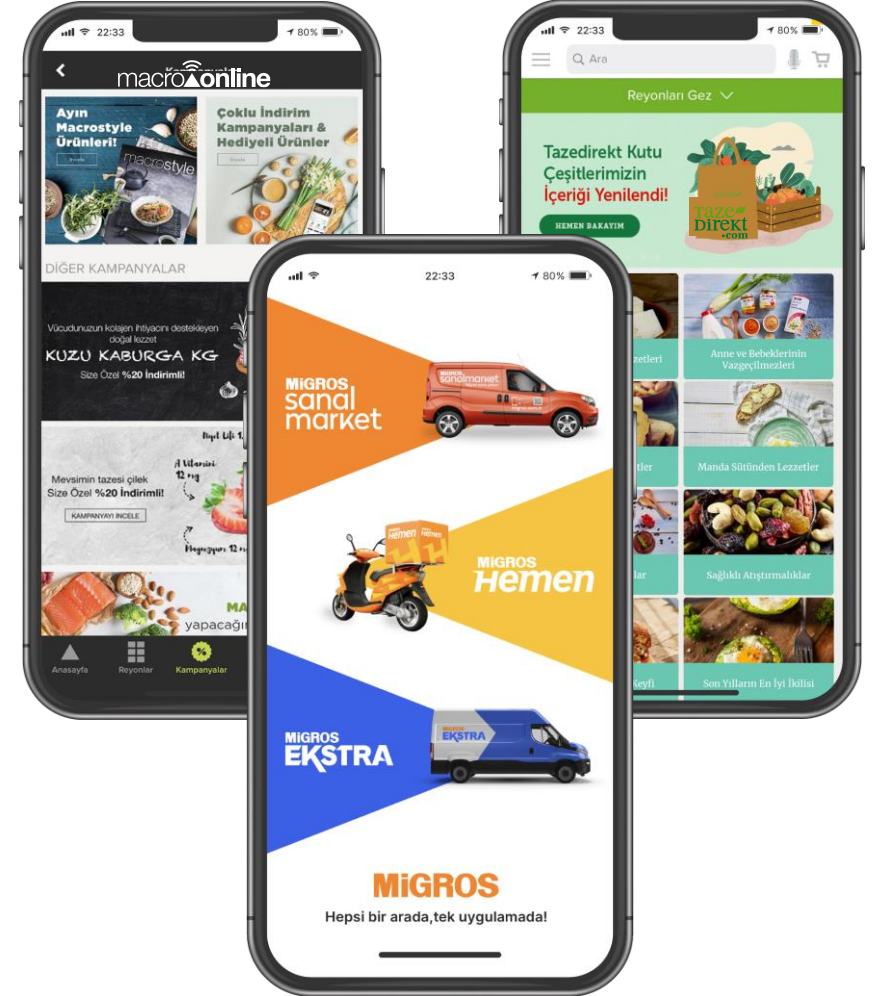
# Sales of Online Operations

## Online Sales (TL million)

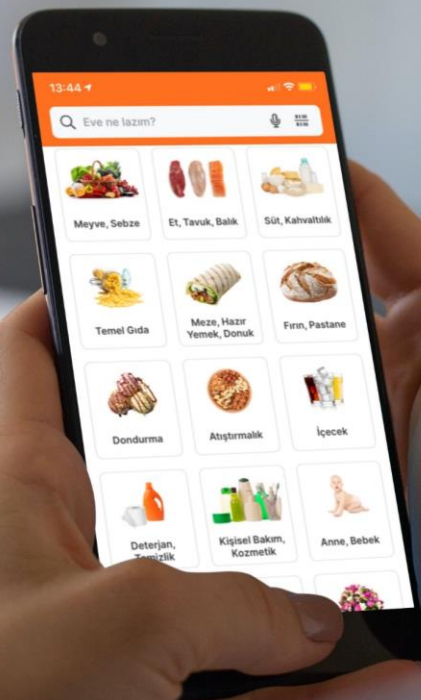


## Online Share in Total Sales 9M 2021 (w/o tobacco & alcohol)

14.5%



# Summary & Guidance



**MİGROS**

# 9M 2021 Underlying Performance

## Net Sales

**TL 25,921**  
in million

## Domestic Sales Growth

**25.0%**

*consolidated: 24.2%*

## EBITDA Margin

**8.7%**

## Net Profit

**TL 367**  
in million



# 2021 Guidance (Consolidated)



## Sales Growth

~ 23%

from 18-20%



## EBITDA Margin

8-8.5%

*maintained*



## Expansion Target

300+  
new stores

*maintained*



## CAPEX

~ TL 800  
mn

*maintained*

# Appendix



**MİGROS**

# Migros at a Glance

# MİGROS



TL **28.8 billion**  
sales in 2020

**39,552**  
employees

**1,500+**  
suppliers

**49.18%**  
free float



The only food retailer listed in BIST Sustainability Index for  
**7 years in a row**



Included BIST Corporate Governance Index **since 2015**



MİGROS  
sanalmarket

MİGROS  
**Hemen**

macro**online**

**taze**  
**Direkt**  
.com



**2,484** stores

in all 81 cities



**9.3 million** loyal households **Money Card**  
**14.9 million** active cards



**MONEY**  
pay

**mimeda**

**PAKET TAXI**

**PizzaMi-Go**  
Yeni bir dünya, yeni tatlar!



Turkey's **biggest** integrated meat-processing plant  
**62,000 tons** production capacity

**MİGET**



# Offline & Online – 9M 2021



## Supermarkets

2,309

M  
MM  
MIMM  
MiGROSjet



## Hypermarkets

57

5M MiGROS



## Macrocenter

94

macrocenter



## Wholesale

24

MiGROS  
TOPTAN

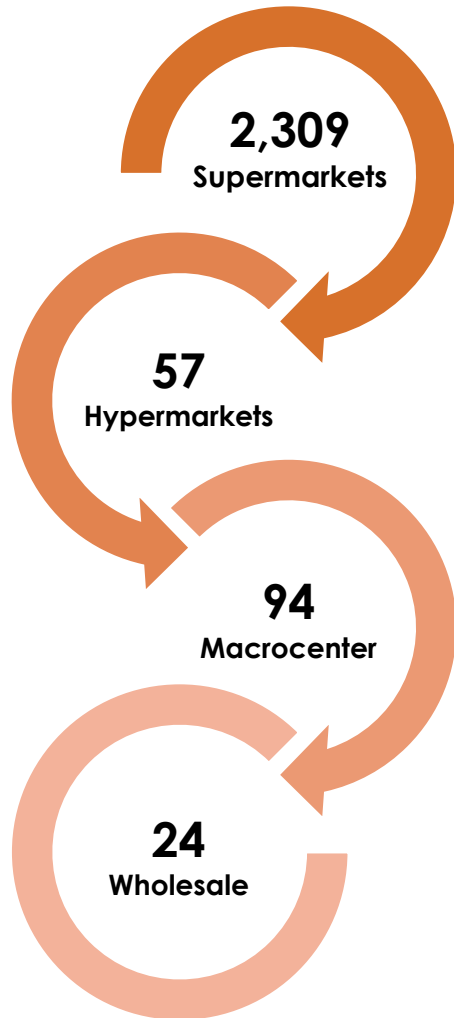


## Online

848

MiGROS sandalmarket  
MIGROS Hemen TazeDirekt.com  
macroonline

# Store Portfolio



	30 September 2020		30 September 2021	
	# of stores	Sales area (th sqm)	# of stores	Sales area (th sqm)
<b>Migros</b> (M, MM, MMM)	1,263	1,035.1	1,393	1,119.3
<b>Migros Jet</b>	862	178.0	916	190.8
<b>5M</b>	55	268.9	57	269.3
<b>Wholesale</b>	21	12.4	24	13.9
<b>Macrocenter</b>	60	41.6	94	51.8
<b>Domestic Total</b>	<b>2,261</b>	<b>1,536.0</b>	<b>2,484</b>	<b>1,645.1</b>
<b>Ramstore*</b>	12	18.7	-	-
<b>Grand Total</b>	<b>2,273</b>	<b>1,554.6</b>	<b>2,484</b>	<b>1,645.1</b>

# IFRS Consolidated Income Statement Summary – 9M 2021

(TL million)	9M 2020	9M 2021
<b>Net Sales</b>	<b>20,863</b>	<b>25,921</b>
Cost of sales	-15,877	-19,588
<b>Gross Profit</b>	<b>4,987</b>	<b>6,333</b>
Operating Expenses	-3,964	-4,851
Other Operating Income / (Expense)	-218	-505
<b>Operating Profit</b>	<b>805</b>	<b>976</b>
Income / (Expense) from Investment activities	43	212
<b>Operating Income Before Finance Income / (Expense)</b>	<b>848</b>	<b>1,188</b>
Financial Income / (Expense)	-1,042	-723
<b>Income/Loss Before Tax From Continuing Operations</b>	<b>-194</b>	<b>465</b>
Tax Income / (Expenses)	-130	-148
Deferred Tax Income / (Expenses)	45	50
<b>Net Profit / Loss from Continuing Operations</b>	<b>-279</b>	<b>367</b>
Net Profit / Loss Discontinued Operations	1	1
<b>Net Profit / Loss</b>	<b>-278</b>	<b>367</b>
<i>Net Profit / Loss - Non-controlling interest</i>	0	0
<b><i>Net Profit / Loss - Equity holders of parent</i></b>	<b>-278</b>	<b>367</b>
<b>EBITDA</b>	<b>1,712</b>	<b>2,245</b>
<b>EBITDA</b> (w/o IFRS 16 impact)	<b>1,114</b>	<b>1,566</b>
<b>EBITDAR</b>	<b>2,054</b>	<b>2,720</b>

# IFRS Consolidated Balance Sheet Summary – 9M 2021

(TL million)	2020	9M 2021
Current Assets	7,331	7,761
Non-current Assets	8,047	8,464
<b>Total Assets</b>	<b>15,378</b>	<b>16,225</b>
Current Liabilities	10,403	11,818
Non-current Liabilities	4,942	4,236
<b>Total Liabilities</b>	<b>15,345</b>	<b>16,054</b>
<b>Equity</b>	<b>33</b>	<b>171</b>
<b>Total Liabilities and Equity</b>	<b>15,378</b>	<b>16,225</b>



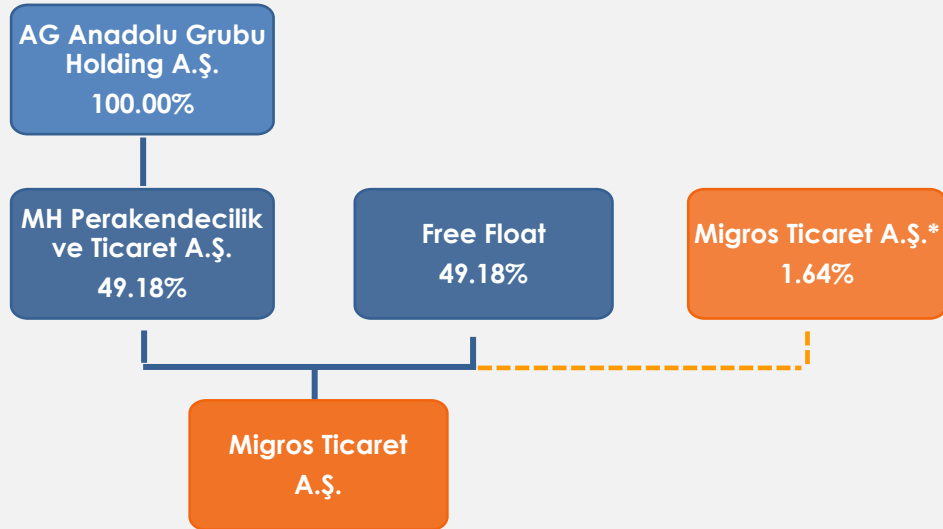
# IFRS Consolidated Income Statement Summary - Quarterly

(Restated\*)

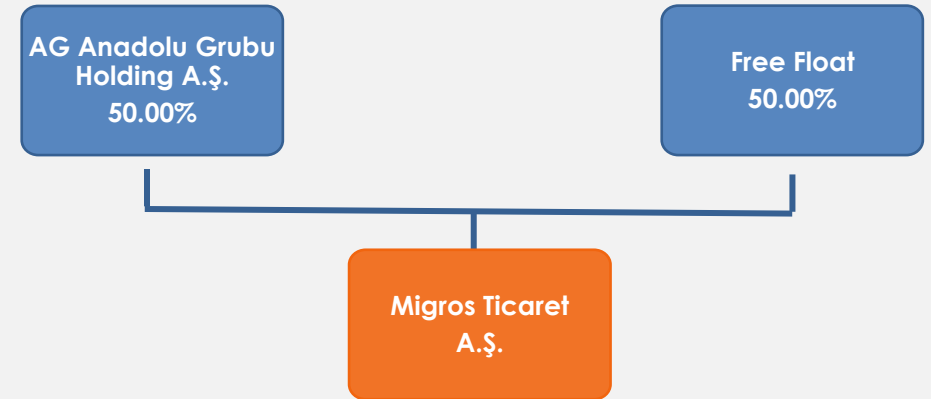
(TL million)	2020				2021		
	1Q 2020	2Q 2020	3Q 2020	4Q 2020	1Q 2021	2Q 2021	3Q 2021
<b>Net Sales</b>	<b>6,348</b>	<b>6,906</b>	<b>7,610</b>	<b>7,927</b>	<b>7,689</b>	<b>8,415</b>	<b>9,817</b>
Cost of sales	-4,762	-5,309	-5,806	-6,142	-5,790	-6,390	-7,408
<b>Gross Profit</b>	<b>1,586</b>	<b>1,597</b>	<b>1,804</b>	<b>1,785</b>	<b>1,899</b>	<b>2,025</b>	<b>2,408</b>
Operating Expenses	-1,286	-1,298	-1,380	-1,427	-1,504	-1,612	-1,736
Other Operating Income / (Expense)	-66	-74	-79	-129	-138	-169	-199
<b>Operating Profit</b>	<b>235</b>	<b>225</b>	<b>345</b>	<b>229</b>	<b>258</b>	<b>245</b>	<b>474</b>
Income / (Expense) from Investment activities	-1	0	44	-14	212	0	0
<b>Operating Income Before Fin. Income / (Expense)</b>	<b>233</b>	<b>225</b>	<b>390</b>	<b>215</b>	<b>469</b>	<b>245</b>	<b>473</b>
Financial Income / (Expense)	-377	-330	-335	-242	-228	-235	-259
<b>Income/Loss Before Tax From Continuing Operations</b>	<b>-144</b>	<b>-105</b>	<b>55</b>	<b>-27</b>	<b>241</b>	<b>10</b>	<b>214</b>
Tax Income / (Expenses)	-32	-44	-53	-62	-57	-37	-54
Deferred Tax Income / (Expenses)	43	6	-4	-36	24	29	-3
<b>Net Profit / Loss from Continuing Operations</b>	<b>-134</b>	<b>-143</b>	<b>-2</b>	<b>-125</b>	<b>209</b>	<b>2</b>	<b>156</b>
<b>Net Profit / Loss Discontinued Operations</b>	<b>2</b>	<b>-1</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>
<b>Net Profit / Loss</b>	<b>-132</b>	<b>-144</b>	<b>-1</b>	<b>-125</b>	<b>210</b>	<b>2</b>	<b>156</b>
Net Profit / Loss - Non-controlling interest	0	0	0	0	0	0	0
<b>Net Profit / Loss - Equity holders of parent</b>	<b>-132</b>	<b>-144</b>	<b>-2</b>	<b>-125</b>	<b>210</b>	<b>2</b>	<b>156</b>
<b>EBITDA</b>	<b>553</b>	<b>531</b>	<b>628</b>	<b>599</b>	<b>670</b>	<b>670</b>	<b>905</b>
<b>EBITDA (w/o IFRS 16 impact)</b>	<b>356</b>	<b>337</b>	<b>421</b>	<b>383</b>	<b>457</b>	<b>446</b>	<b>663</b>
<b>EBITDAR</b>	<b>652</b>	<b>624</b>	<b>779</b>	<b>740</b>	<b>807</b>	<b>826</b>	<b>1,087</b>

# Ownership Structure

## Direct Shareholding Structure

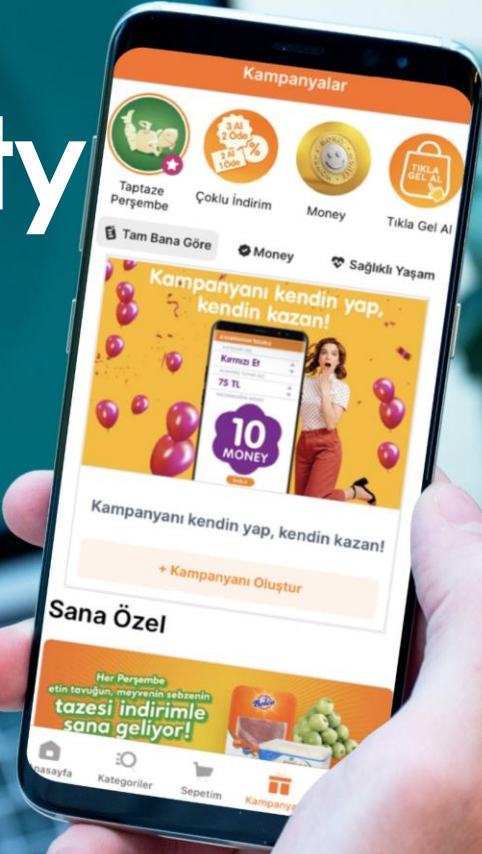


## Indirect Shareholding Structure



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

# Sustainability



MiGROS

# Migros Better Future Plan

## Better for our World

### EXTENSIVE COMBAT AGAINST CLIMATE CHANGE

Doing studies to measure and reduce our carbon footprint.  
Developing projects for the effective use of water and energy resources.

### SUSTAINABLE AGRICULTURE AND FOOD CONSERVATION

To support sustainable agriculture and production and protect agriculture-oriented biodiversity.  
Making operational improvements, projects and collaborations to reduce food waste throughout our value chain.

### SUPPORTING THE CIRCULAR ECONOMY

Measuring, reducing, recycling our waste to support economy.  
To improve the life cycle of our own branded products.

## Better for Innovative Transformation

### INNOVATIVE APPLICATIONS

To implement innovative practices that increase our efficiency and add convenience and speed to the lives of our stakeholders.

### TRANSPARENT AND FAST FLOW OF PRODUCT INFORMATION

To ensure the transparent, consistent and fast flow of product content and information.

## Better for our Customers and Stakeholders

### SUPPORTING HEALTHY LIVING

To manage the quality and control processes of products and services meticulously.  
Developing projects to promote a healthy life.

### CREATING SUSTAINABLE ECONOMIC VALUE

To create a common value by including our stakeholders in our sustainable development goals with the economic value, employment and business partnerships we create.

### RESPONSIBILITY AND AWARENESS STUDIES

To carry out social responsibility awareness-raising activities for a better world and a strong society.

## Better for our Employees

### EMPLOYEE DEVELOPMENT AND TALENT MANAGEMENT

To support the personal and Professional development of our employees, to manage their career planning in a fair and transparent way

### HEALTH AND SAFETY OF OUR EMPLOYEES

To work to protect the physical and mental health of our employees.






# Waste Management & Biodiversity Conservation

## Combating Food Waste



Day-end clearance on perishables:  
**4,474 tons of food** 



Food Donation:  
**2.5 million meals** 



Fresh Leftovers Donation:  
**1,120 tons of food** 

## Combating Plastic Waste



Plastic bags: **66%** 



**373 tons less plastic**   
on PL products

## Good Agricultural Practices



GAP certified F&V: **963,413 tons**



**100%** GAP certified poultry products  
**317 checkpoints**

# Social Responsibility Efforts



## Family Clubs

150,725 members / 113 different trainings in 30 locations



## Aegean Forest Foundation

553,048 sapling donation in 14 years



## Growing Healthy with Migros

good living & conscious shopping trainings to 176,000 children in 3 years



## P&G - Turkey Special Olympics Committee Collaboration

6,238 special youngsters & children



## Respecting Food Project

6.8 million meals are donated in 3 years



## Ariel & Community Volunteers Foundation Collaboration

Cloth donation to 440,000 people in 10 years



## Fresh Leftovers to our four-legged Friends Project

3,016 tons of food donation to stray animals in 6 years



## Accessible Migros Project

346 Accessible Migros and Macrocenter stores in 54 provinces



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