

# 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 audited consolidated financial statements for the years 2022 and 2023 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 year 2023 has been prepared by applying inflation accounting in accordance with the provisions of IAS 29 and is based on independently audited annual financial data. In addition to these data, in accordance with CMB's decision dated 07.03.2024 and numbered 14/382 and considering that our Company's guidance and quarterly financial performance for 2023 was presented using 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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Expansion



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Strategy Update

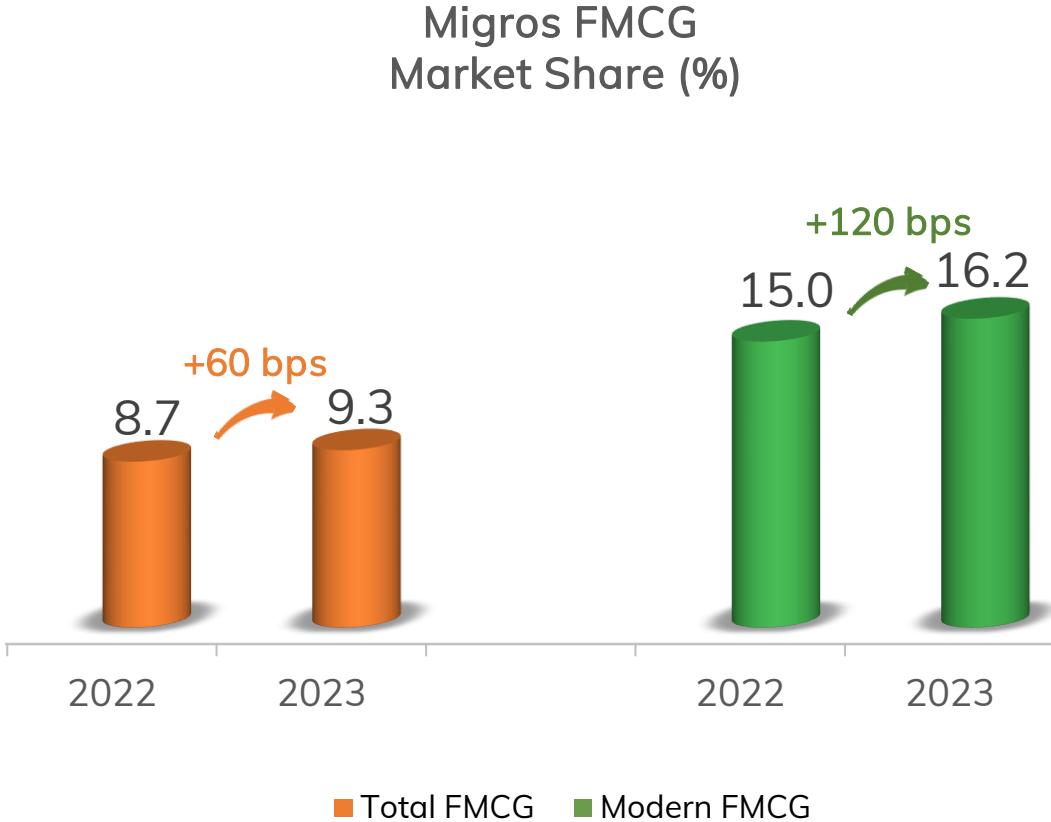
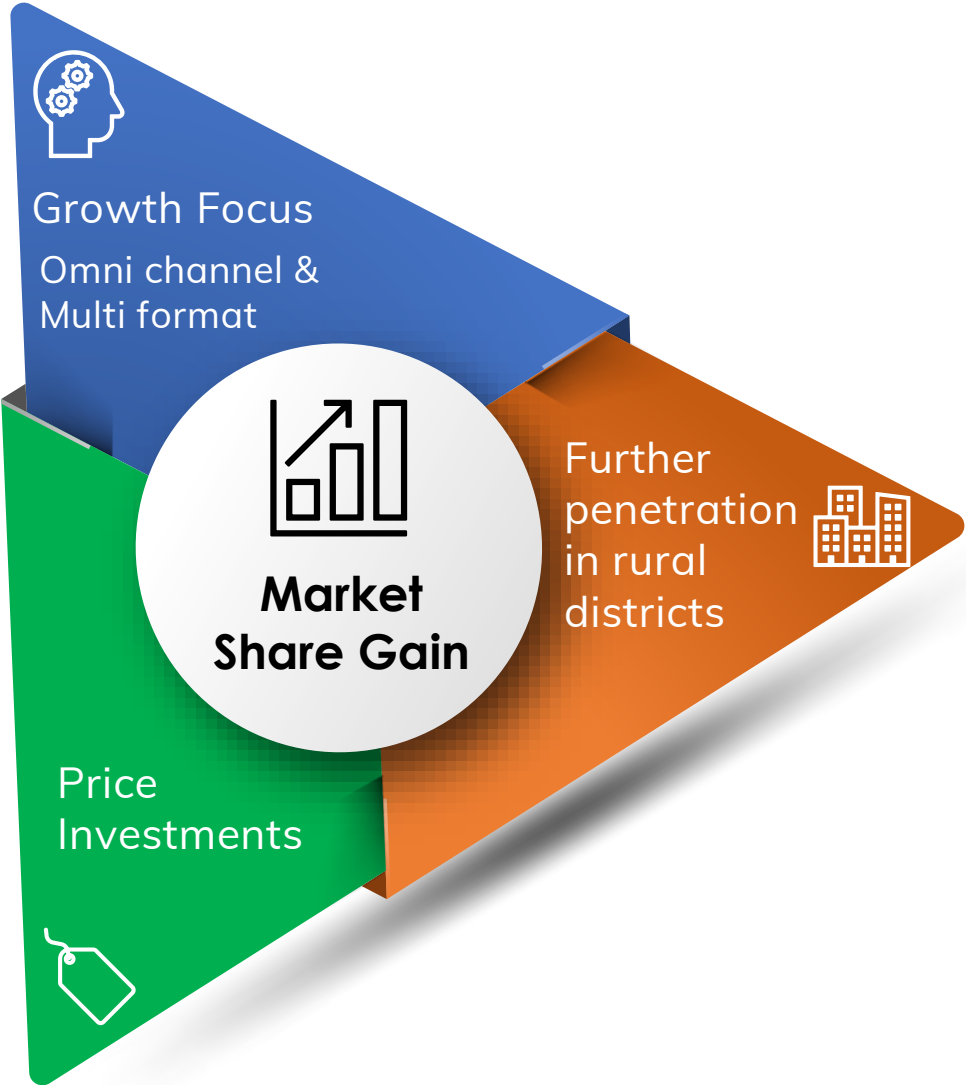


Summary & Guidance



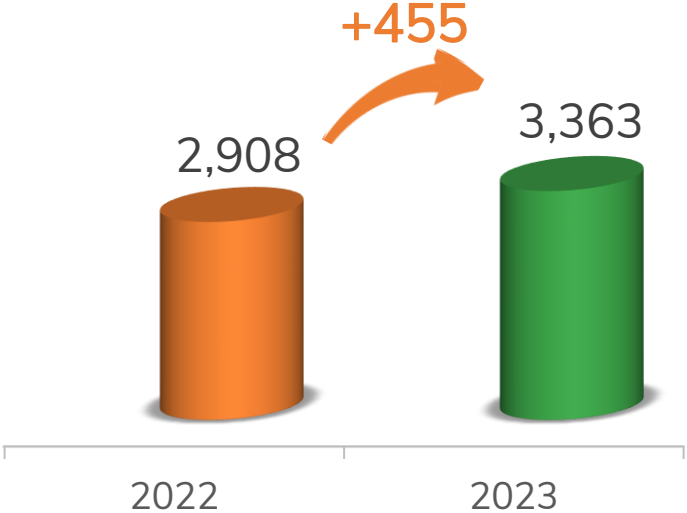
Operations & Financials

# Market Share Evolution

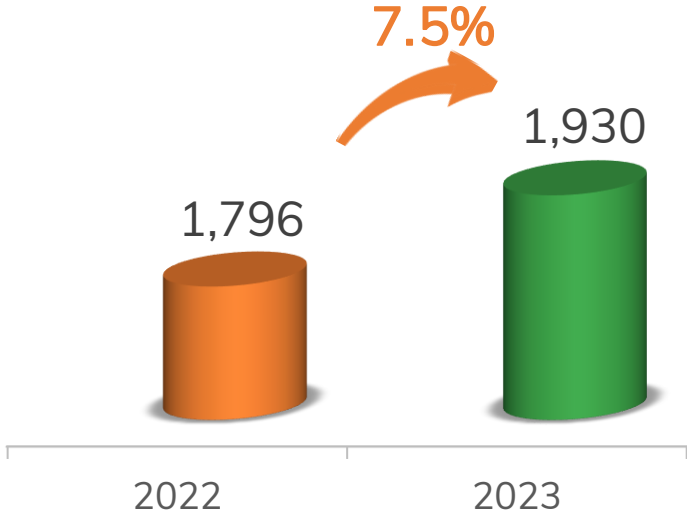


# Physical & Online Expansion

# of Stores



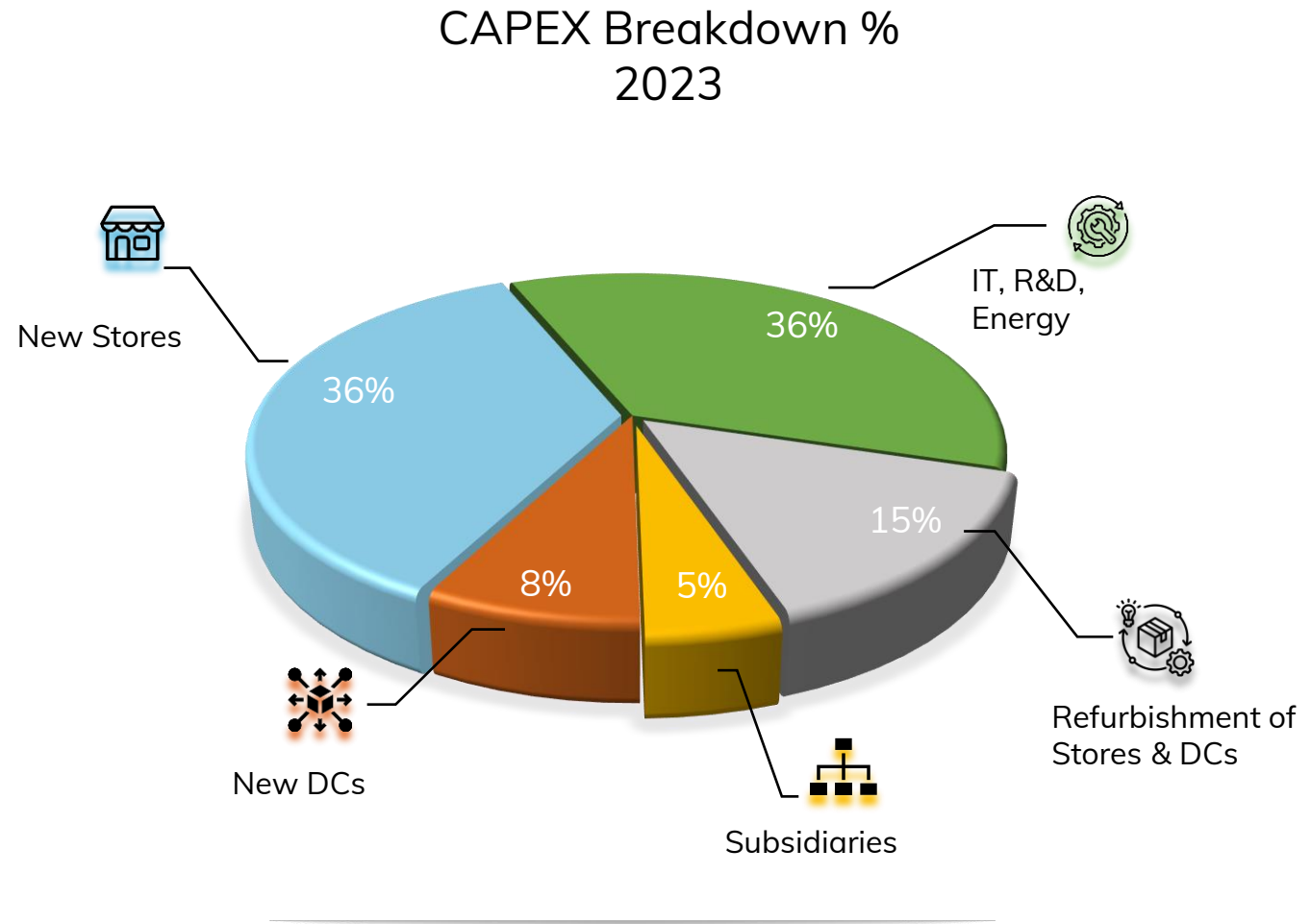
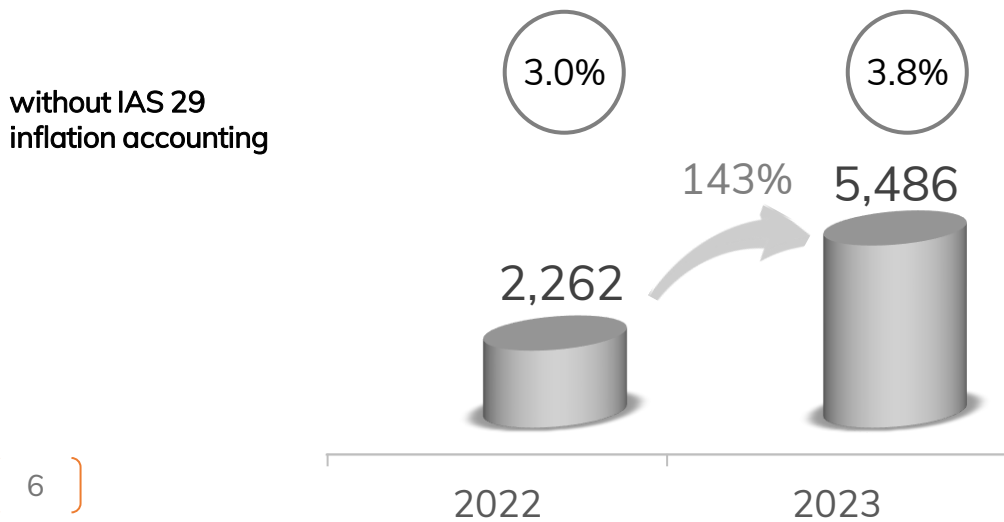
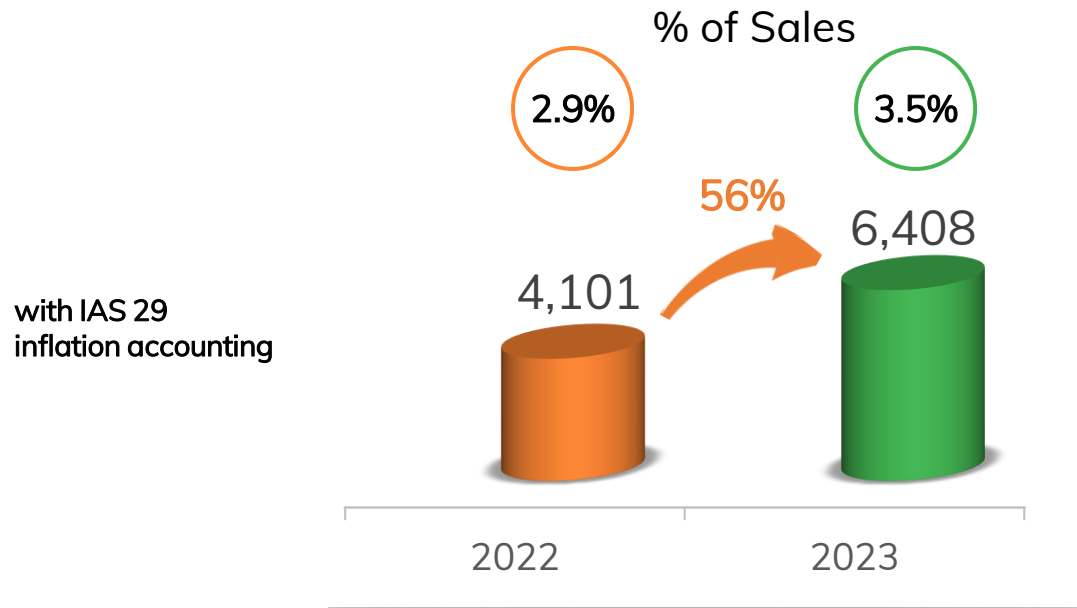
Sales Area  
(k sqm)



Online Service Stores



# CAPEX (TL million)

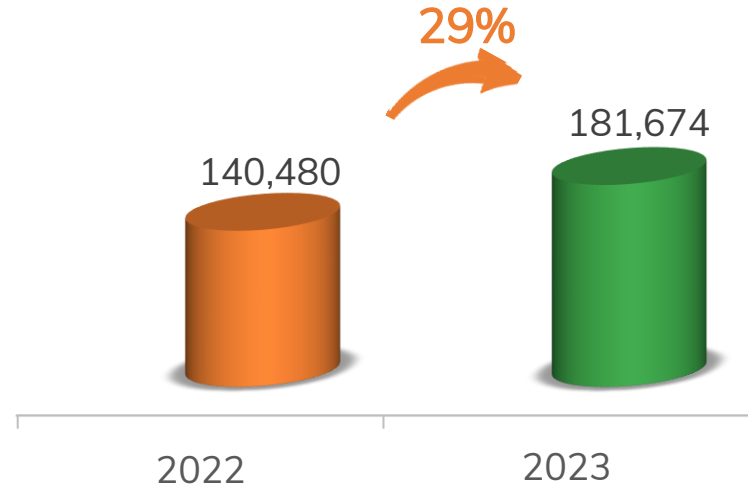


## Financial Overview

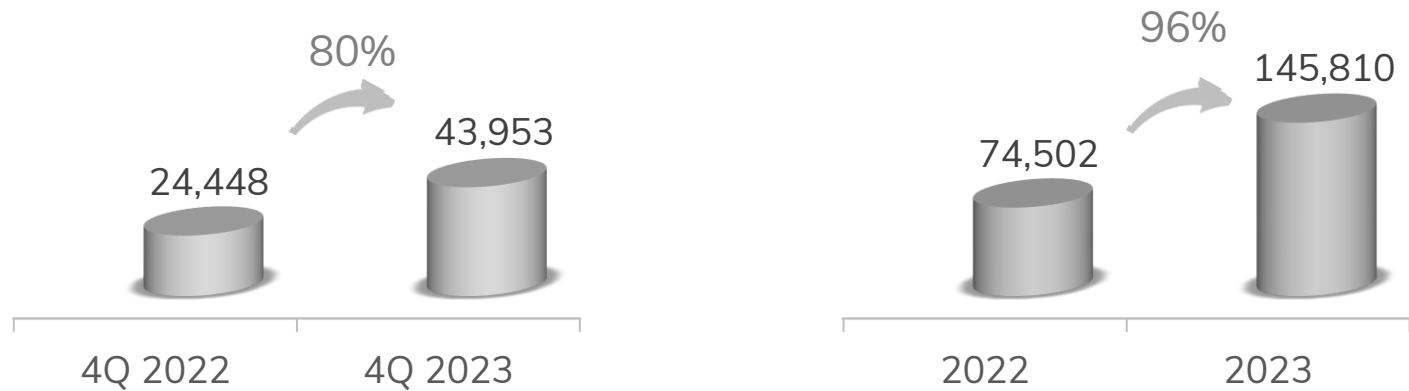


# Consolidated Sales (TL million)

with IAS 29  
inflation accounting



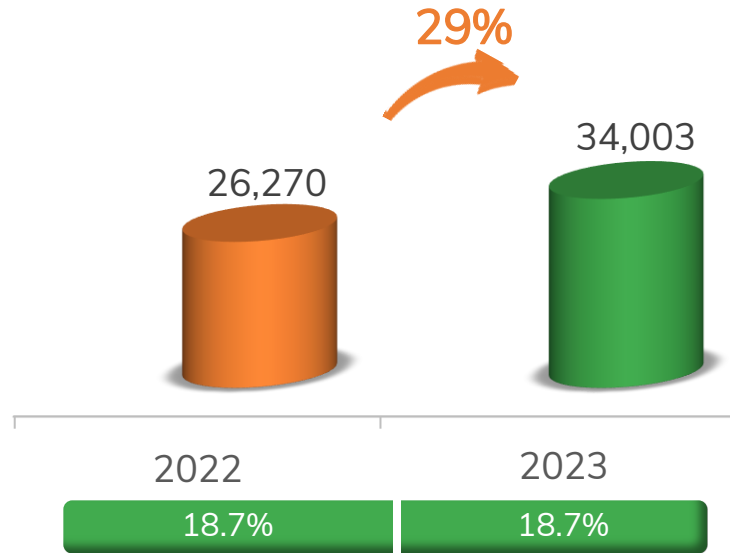
without IAS 29  
inflation accounting



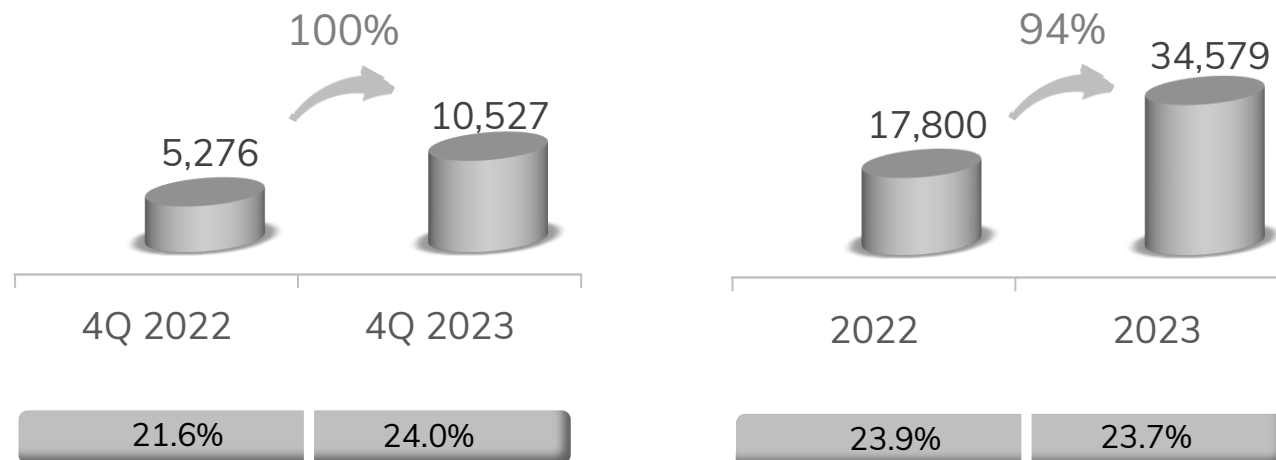


# Gross Profit (TL million)

with IAS 29  
inflation accounting

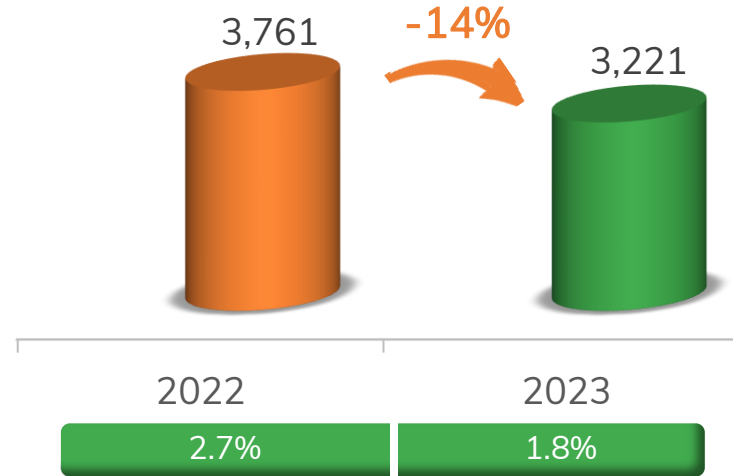


without IAS 29  
inflation accounting

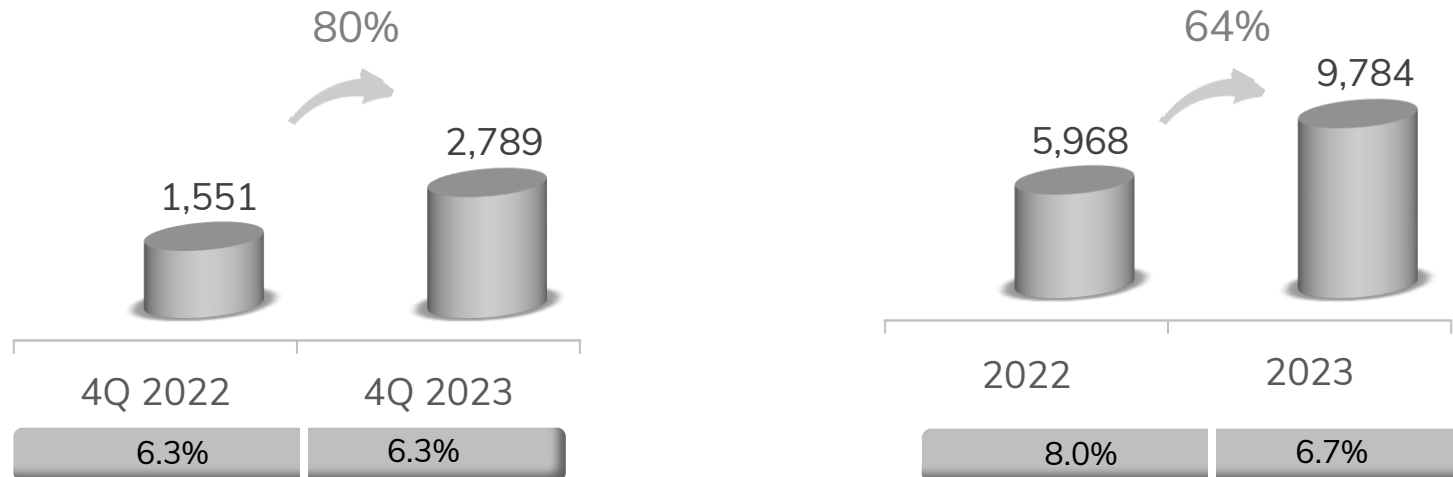


# Consolidated EBITDA (TL million)

with IAS 29  
inflation accounting



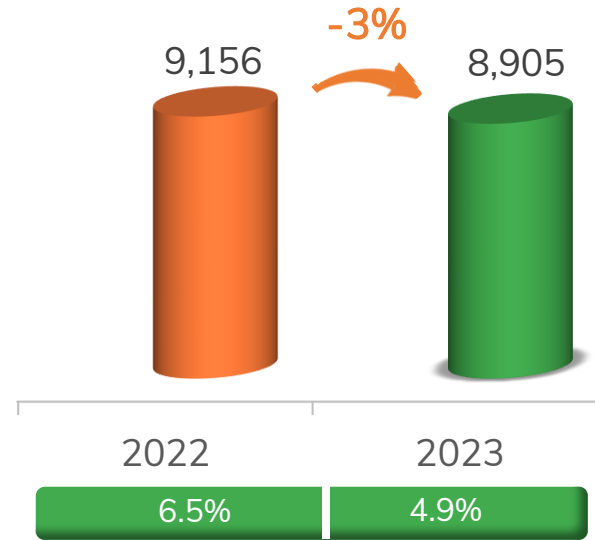
without IAS 29  
inflation accounting



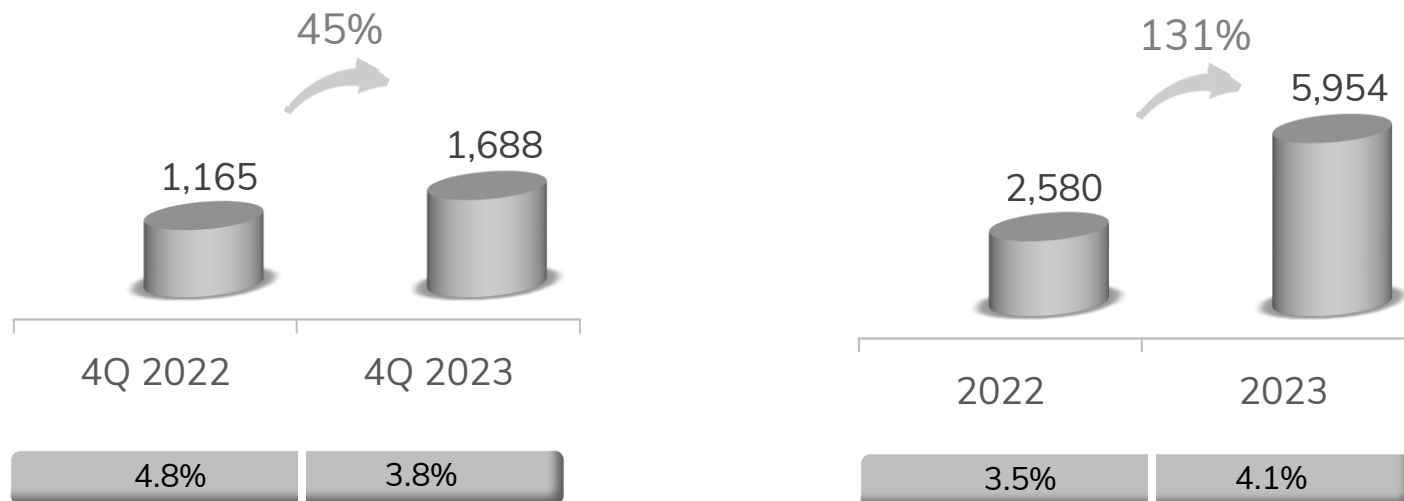
\* EBITDA = Operating Profit + Amortization - Other Income + Other Expenses

# Net Income (TL million)

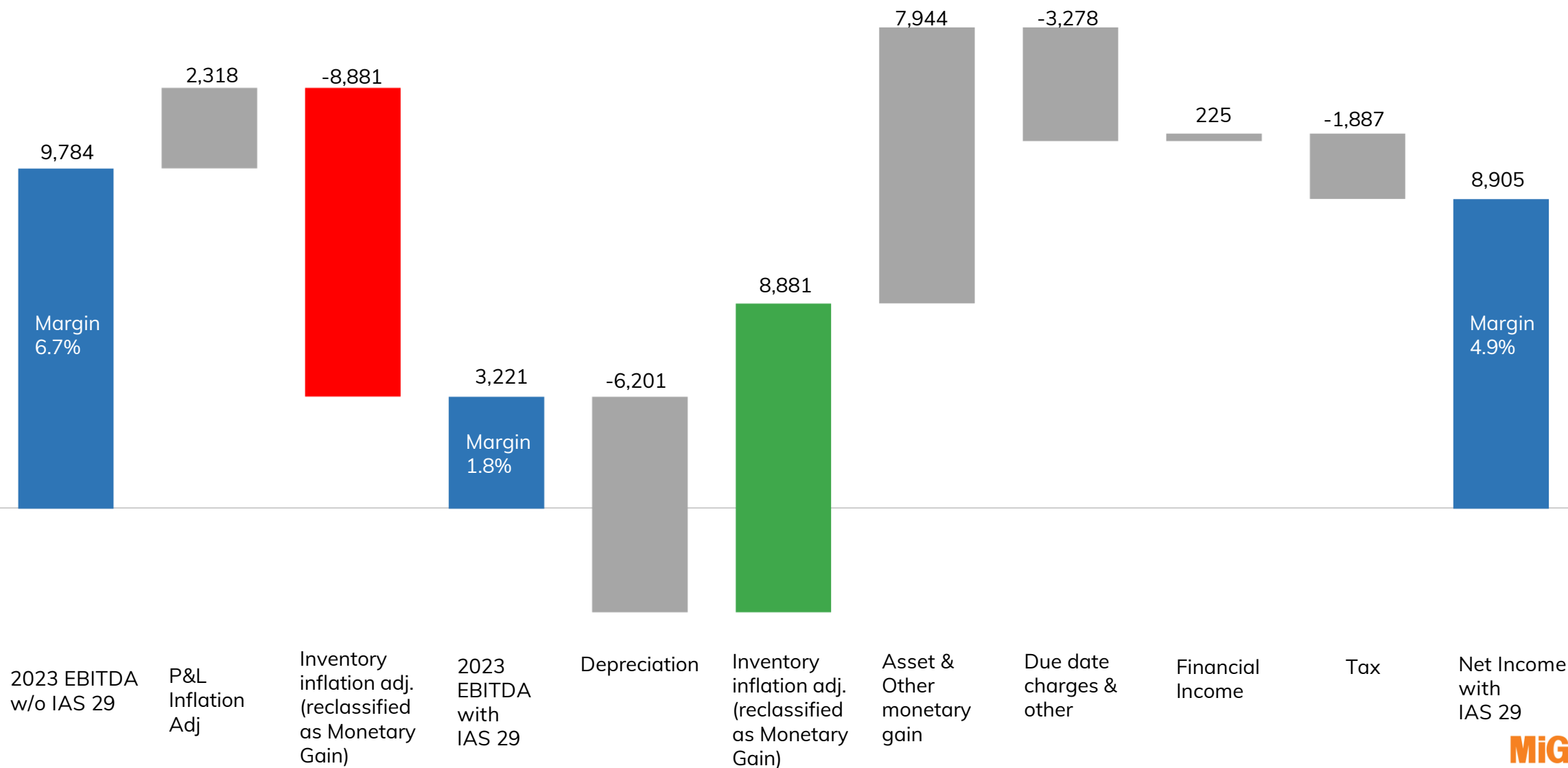
with IAS 29  
inflation accounting



without IAS 29  
inflation accounting

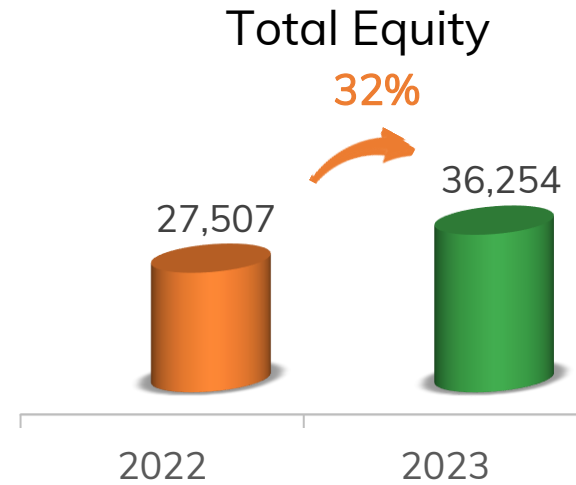
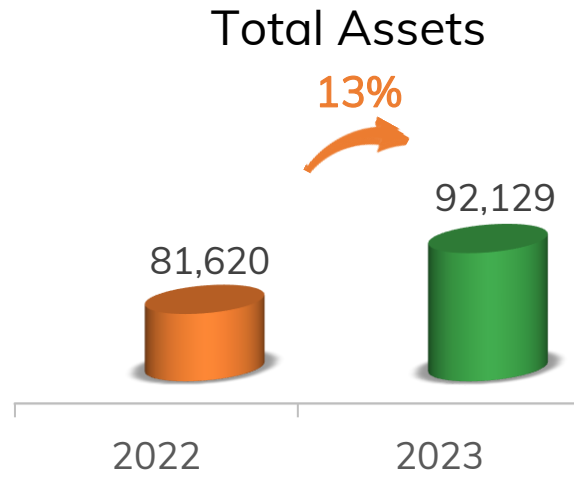


# Inflation-accounting impact on EBITDA & Net Income

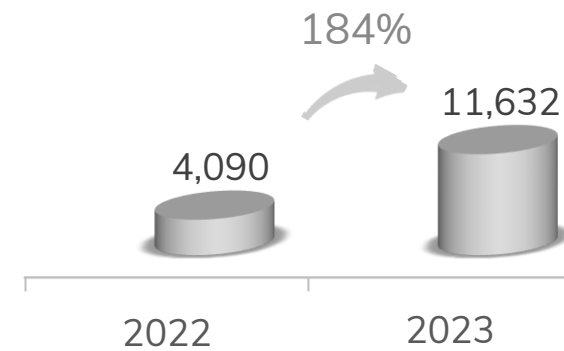
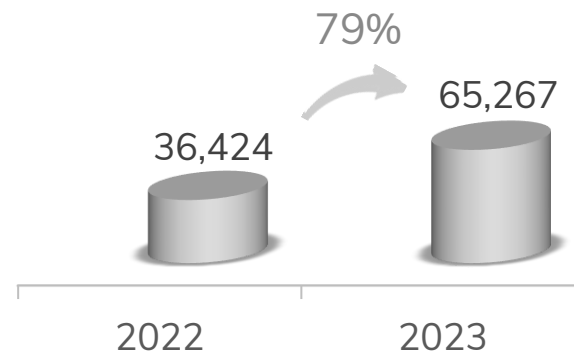


# Total Assets & Total Equity (TL million)

with IAS 29  
inflation accounting



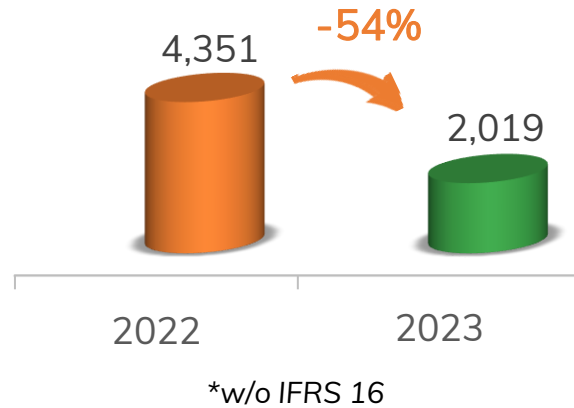
without IAS 29  
inflation accounting



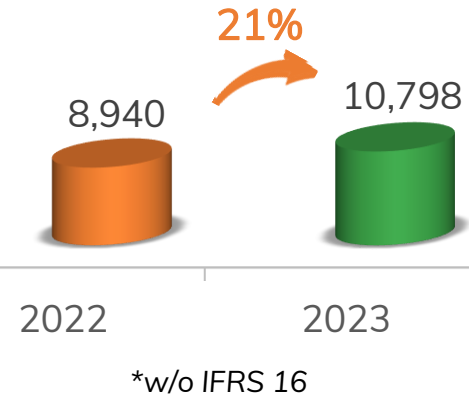
# Net Cash Position (TL million)

## Total Financial Debt\*

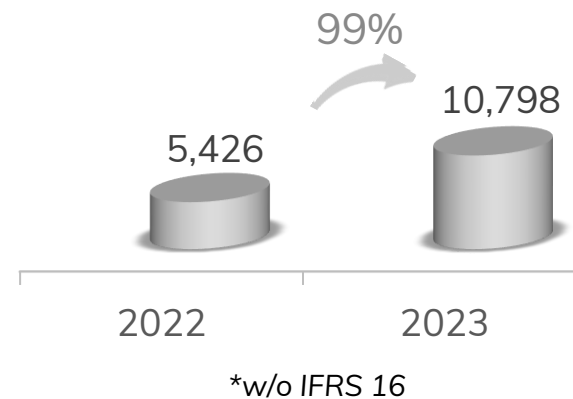
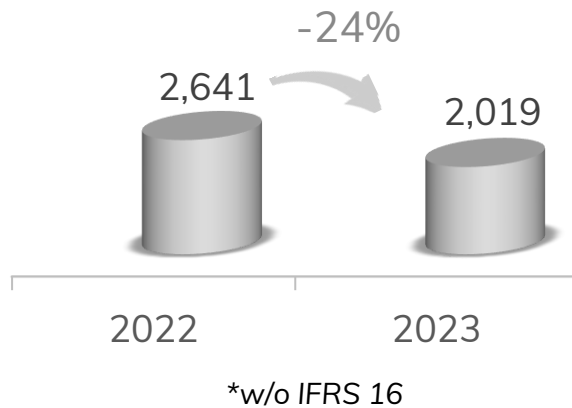
with IAS 29  
inflation accounting



## Net Cash\*



without IAS 29  
inflation accounting



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# Strategy Update

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# Core Trade – New Developments in Formats





# Operational Initiatives



Distribution Centers expansion



Category & format specialization



Better route optimization



Improving stock-outs



Strengthening our competitive advantage in fresh & key commodity products

Acquired 17,000 m<sup>2</sup> Packaging Facility for fruits & vegetables in **Gönen**

Facility in Keşan for  
i) Raw rice Processing,  
ii Packaging & Storing

Developing 15,000 m<sup>2</sup> Delicatessen and F&V Packaging Facility in **Bursa**

Direct procurement of sea food from fishermen & fishmongers



Acquisition of 50% stake in Gurmepack



Packed ready meal production & Catering service in **Gebze**



Meal service for employees in 81 cities

# Migros' subsidiaries



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



# Migros One

## Migros One



Scheduled Grocery Delivery

81 cities **MIGROS sanalmarket**

9 cities **macroonline**

5 cities **Taze Direkt.com**

Ultra Fast Grocery Delivery

81 cities **MIGROS Hemen**

Personal Care

81 cities **wion**

Ready Made Meals

81 cities **MIGROS yemek**

41 kitchen **MIGROS ONE KITCHEN**

Extended Non-Food

81 cities **MIGROS EKSTRA**

## MIGROS yemek Meal Businesses



Wide-ranging restaurant network with affordable options in 81 cities



Operating own delivery model in 10 cities and 66 districts, expanding rapidly



15+ own brands



Operating with 39 cloud kitchens & 3 MigrosOne kitchens



Rich selection of ready made meals in online & offline stores



## Last mile solution



Logistics for online platforms & restaurants



5,500+ riders



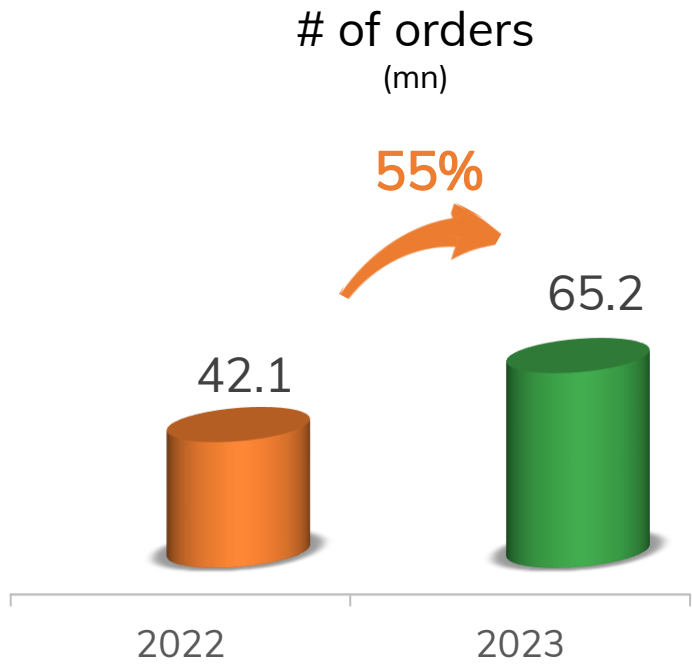
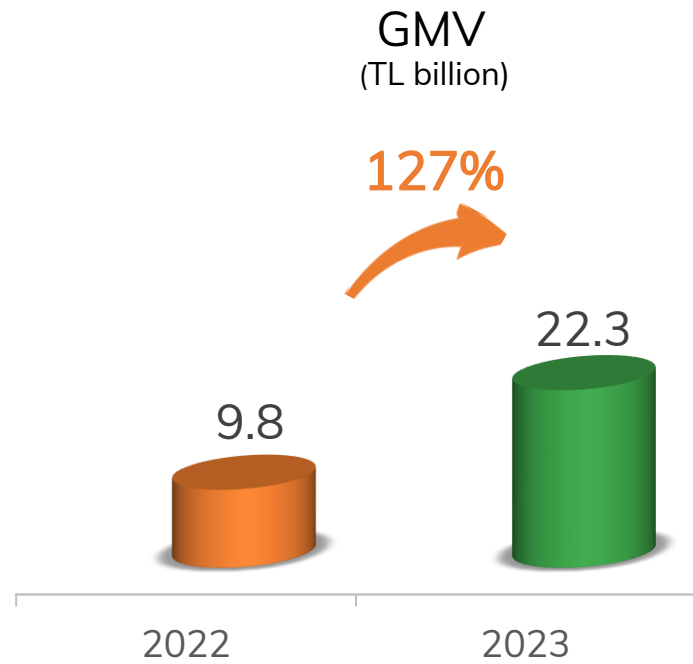
550+ vehicle fleet



# Online Operations Expanding

without IAS 29 inflation accounting

Online Business Share  
in Sales in 2023  
(w/o tobacco & alcohol)  
**17.0%**



# MoneyPay

without IAS 29 inflation accounting



## Consumer (B2C)



Pay with MoneyPay e-wallet, QR & Card at

- all Migros online & offline stores
- third party merchants



Money Loyalty Program  
Integrated Payment Solutions in one App



BNPL, DCB & Credit Marketplace



Other Value Added Services

- Invoice Payment
- Investment (Gold & Silver)
- Insurance

## Corporate (B2B)

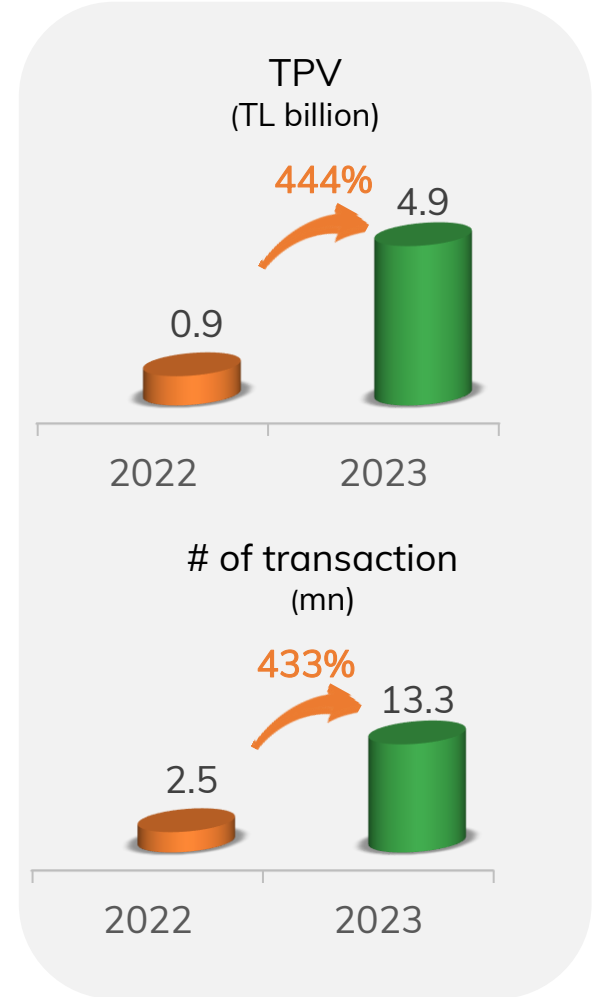


Payment Facilitation Services



Other Services

- Meal card
- Gift card



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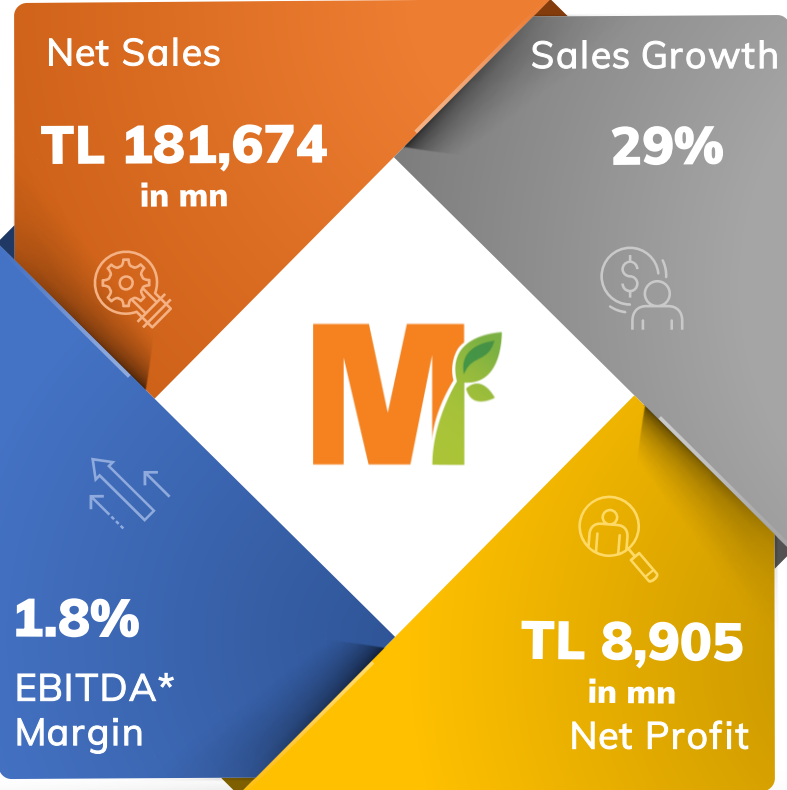
# Summary & Guidance

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# 2023 Underlying Performance

with IAS 29 inflation accounting



without IAS 29 inflation accounting



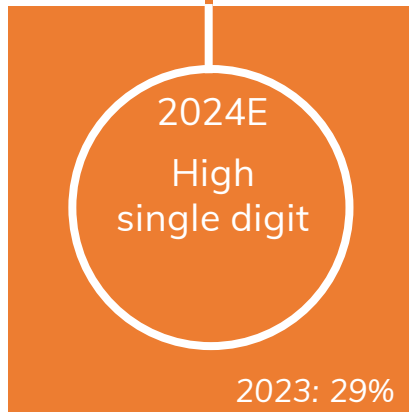
\* EBITDA = Operating Profit + Amortization - Other Income + Other Expenses

# 2024 Guidance (Consolidated)

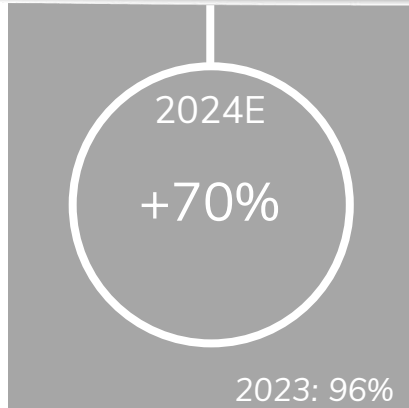


## Sales Growth

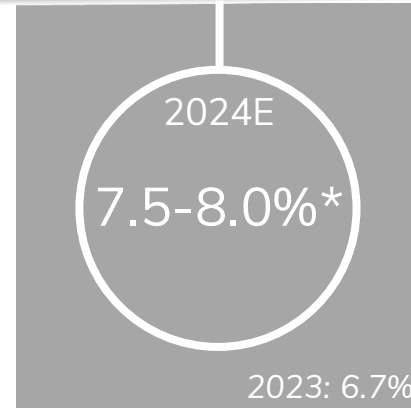
with IAS 29  
inflation accounting



without IAS 29  
inflation accounting



## EBITDA Margin



## Expansion Target



without IAS 29 inflation accounting



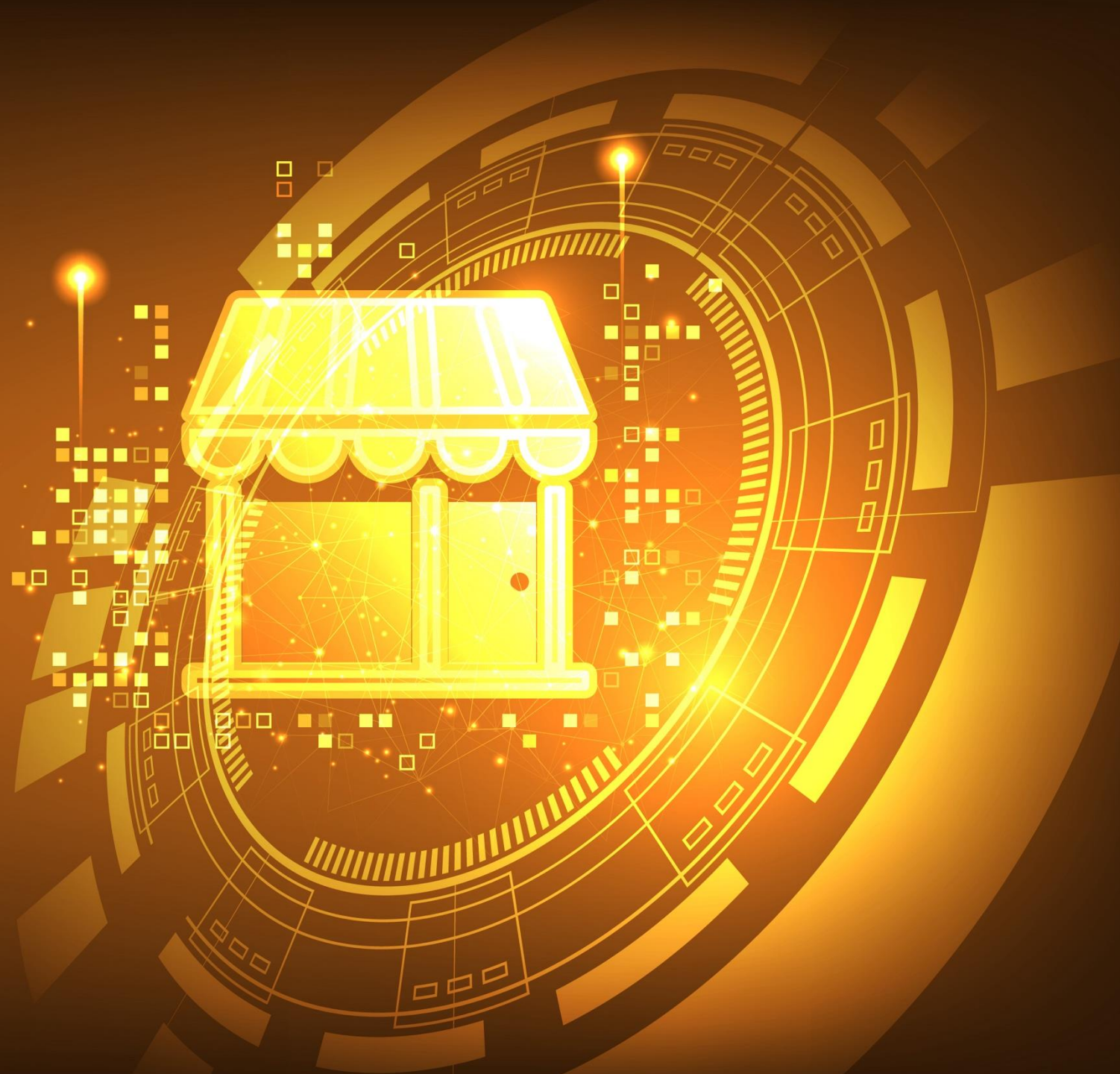
# Management Agenda



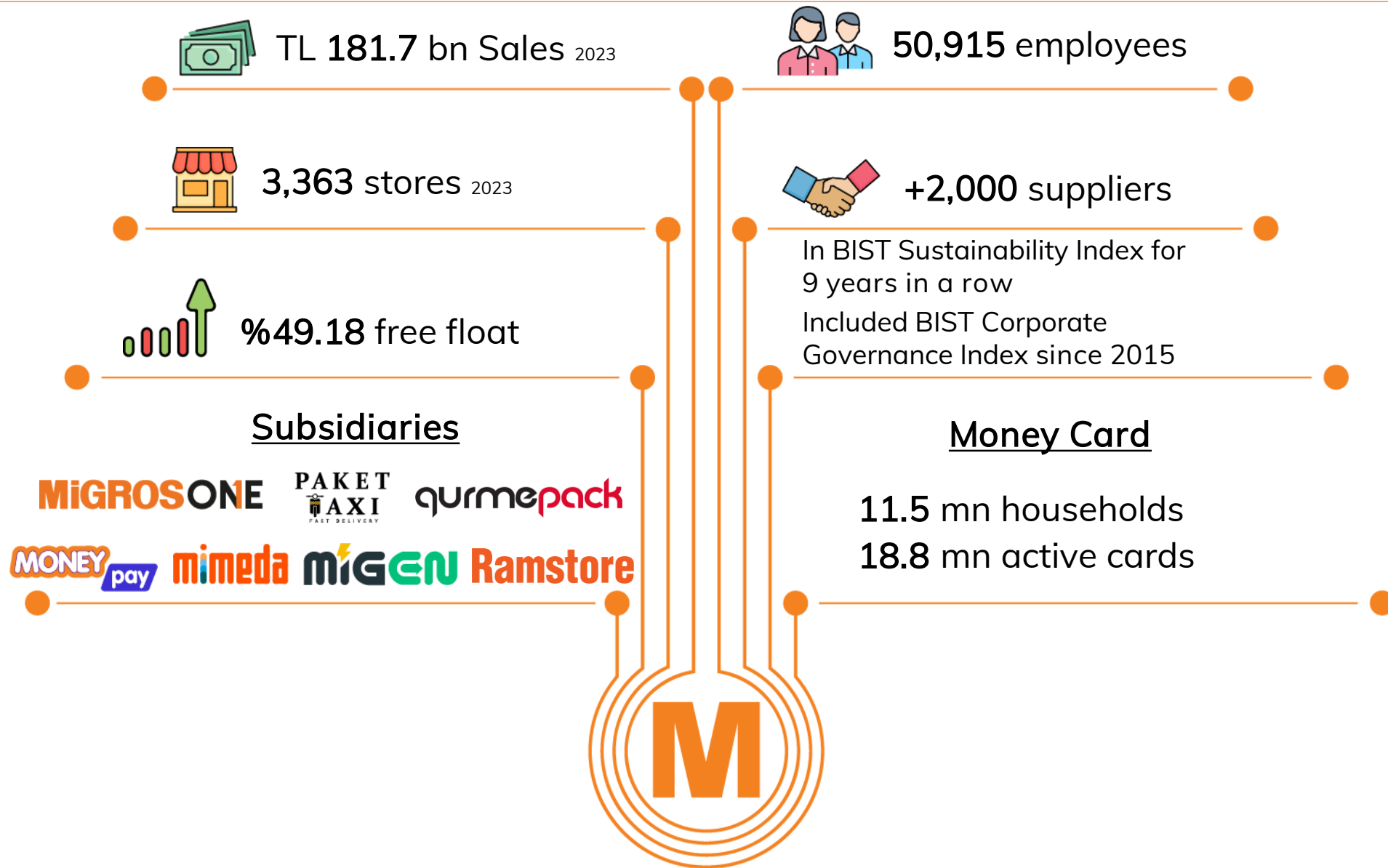
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# Appendix

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# Migros at a Glance



# Store Portfolio: Physical & Online Network – 2023



Supermarkets

3,054

40 sqm - 3,500 sqm



Hypermarkets

55

3,500 sqm – 8,500 sqm



Macrocenter

156

250 sqm – 2,000 sqm



Wholesale

28

200 sqm – 1,600 sqm



Online

1,093

2,000 SKU – 40,000 SKU



Migros (M, MM, MMM)

# of stores

Sales area (th sqm)

1,899

1,346

Migros Jet

1,155

245

5M

55

247

Wholesale

28

16

Macrocenter

156

67

Mion

70

10

Total

3,363

1,930



MIGROS yemek

MIGROS ONE KITCHEN

81 cities

39 cloud kitchens


3 kitchens


15 own brands

# Energy Sustainability Investments



 4 solar plants at DC's rooftop

 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



# IAS 29 Consolidated Income Statement Summary – 2023

<i>(TL million)</i>	<b>2023</b>	<b>2022</b>
<b>Net Sales</b>	<b>181,674</b>	<b>140,480</b>
Cost of Sales	-147,671	-114,210
Gross Profit	34,003	26,270
Operating Expenses	-36,983	-27,254
Other Operating Expense	-3,630	-3,838
<b>Operating Profit</b>	<b>-6,610</b>	<b>-4,823</b>
Income / Expense from Investment Activities	352	-301
<b>Operating Loss Before Finance Income / Expense</b>	<b>-6,258</b>	<b>-5,123</b>
Financial Income / Expense	225	-1,689
Monetary Gain	16,825	15,945
<b>Income Before Tax</b>	<b>10,792</b>	<b>9,133</b>
Tax Expenses	-695	-663
Deferred Tax Expenses / Income	-1,192	686
<b>Net Profit</b>	<b>8,905</b>	<b>9,156</b>
Net Profit - Non-controlling Interest	77	16
Net Profit - Equity Holders of Parent	8,829	9,140
<b>EBITDA</b>	<b>3,221</b>	<b>3,761</b>

# IAS 29 Consolidated Balance Sheet Summary – 2023

(TL million)	2023	2022
Current Assets	37,876	33,625
Non-current Assets	54,254	47,996
<b>Total Assets</b>	<b>92,129</b>	<b>81,620</b>
Current Liabilities	44,896	42,858
Non-current Liabilities	10,980	11,255
<b>Total Liabilities</b>	<b>55,875</b>	<b>54,113</b>
<b>Equity</b>	<b>36,254</b>	<b>27,507</b>
<b>Total Liabilities and Equity</b>	<b>92,129</b>	<b>81,620</b>

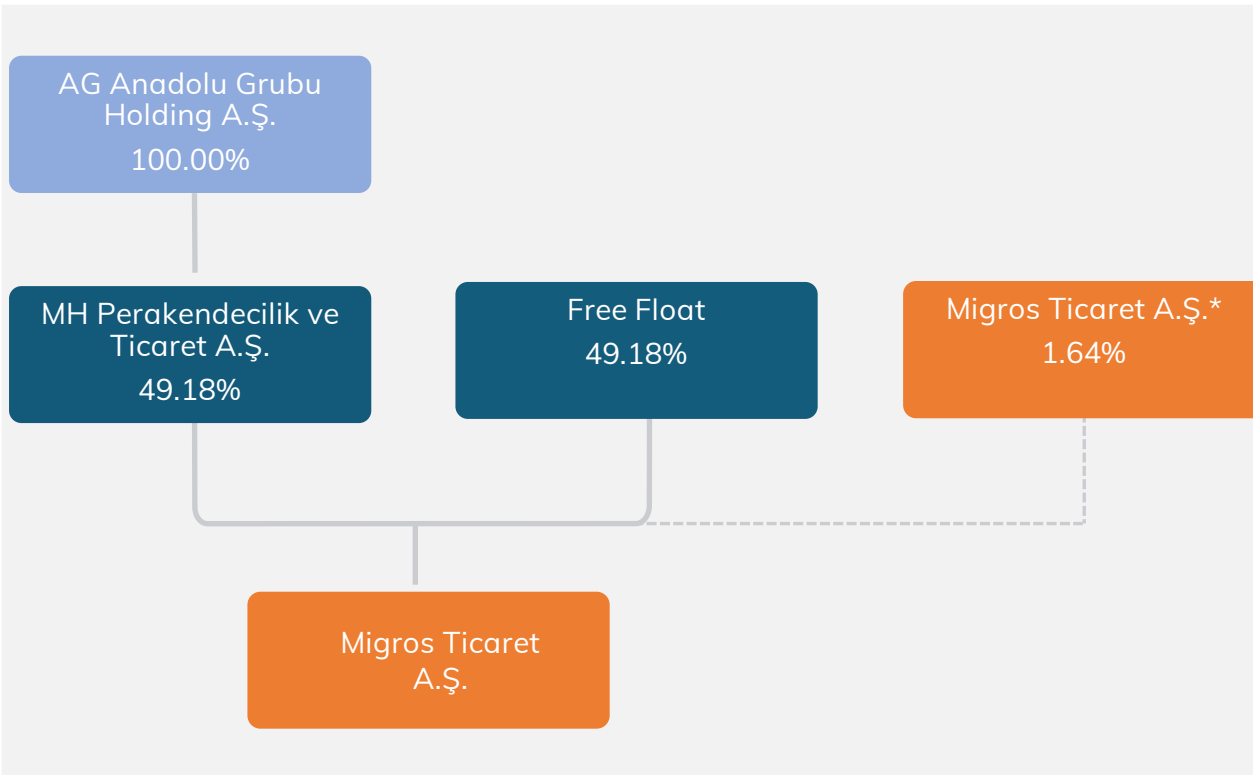
# IAS 29 Impact on Financials

(TL million)	with IAS 29 inflation accounting		without IAS 29 inflation accounting	
	2023	2022	2023	2022
<b>Selected Balance Sheet Items</b>				
Total Assets	92,129	81,620	65,267	36,424
Total Liabilities	55,875	54,113	53,635	32,334
Total Equity	36,254	27,507	11,632	4,090
<b>Selected Income Statement Items</b>				
Sales	181,674	140,480	145,810	74,502
Gross Profit	34,003	26,270	34,579	17,800
Operating Loss / Profit	-6,610	-4,823	4,453	2,725
Net Profit	8,905	9,156	5,954	2,580
EBITDA	3,221	3,761	9,784	5,968

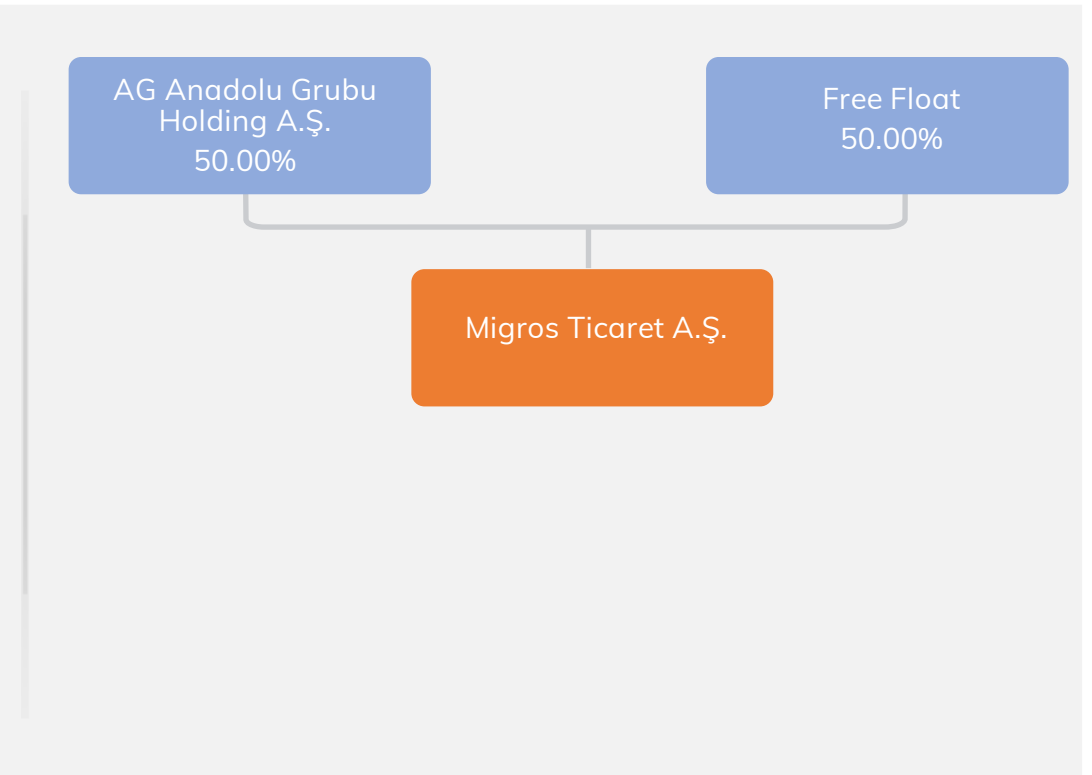


# Ownership Structure

## 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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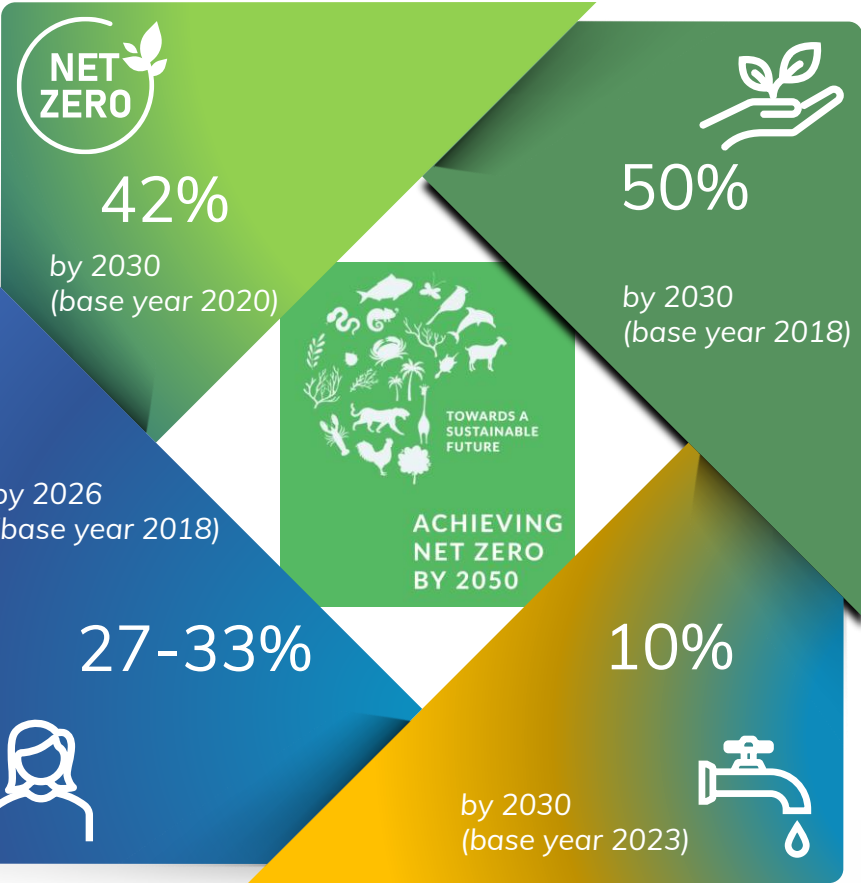
# Sustainability

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# Sustainability Targets

Reducing Greenhouse Gas Emission



Reducing Food Waste

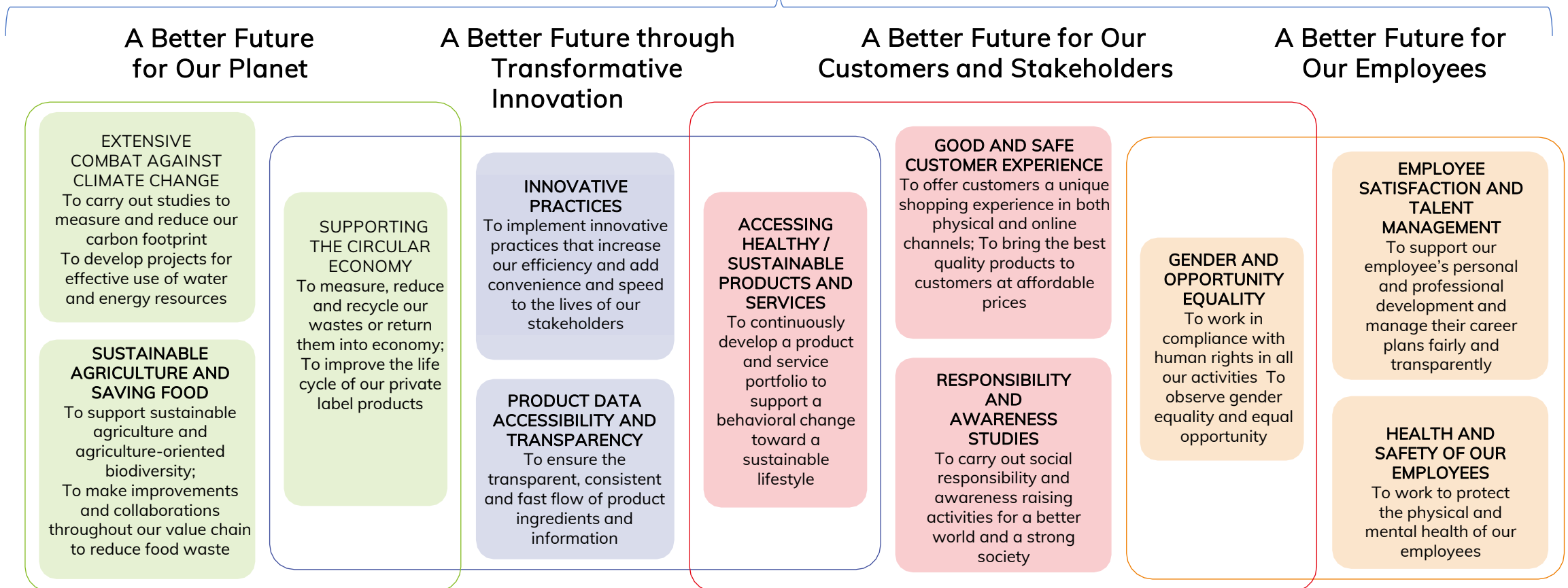
Increasing Women Participation in Management

Reducing Water Consumption

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



100% GAP certified poultry products  
317 checkpoints



GAP certified fisheries  
193 checkpoints