

MiGROS

Omni-channel, multi format retailer



Company Presentation
2024

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 2023 and 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 2024 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.

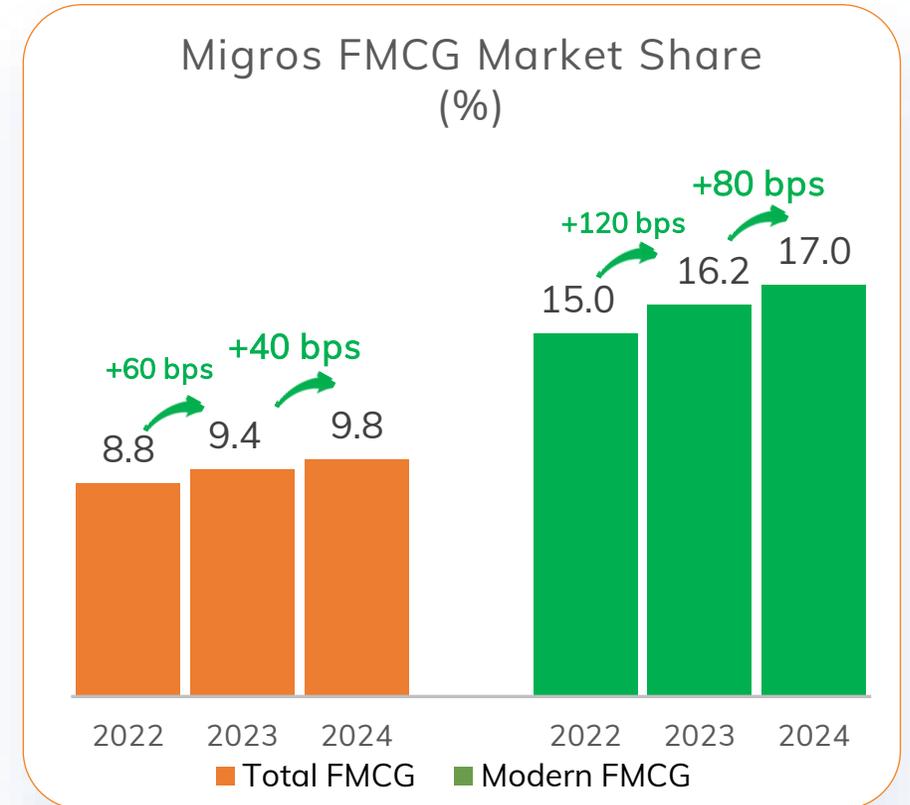
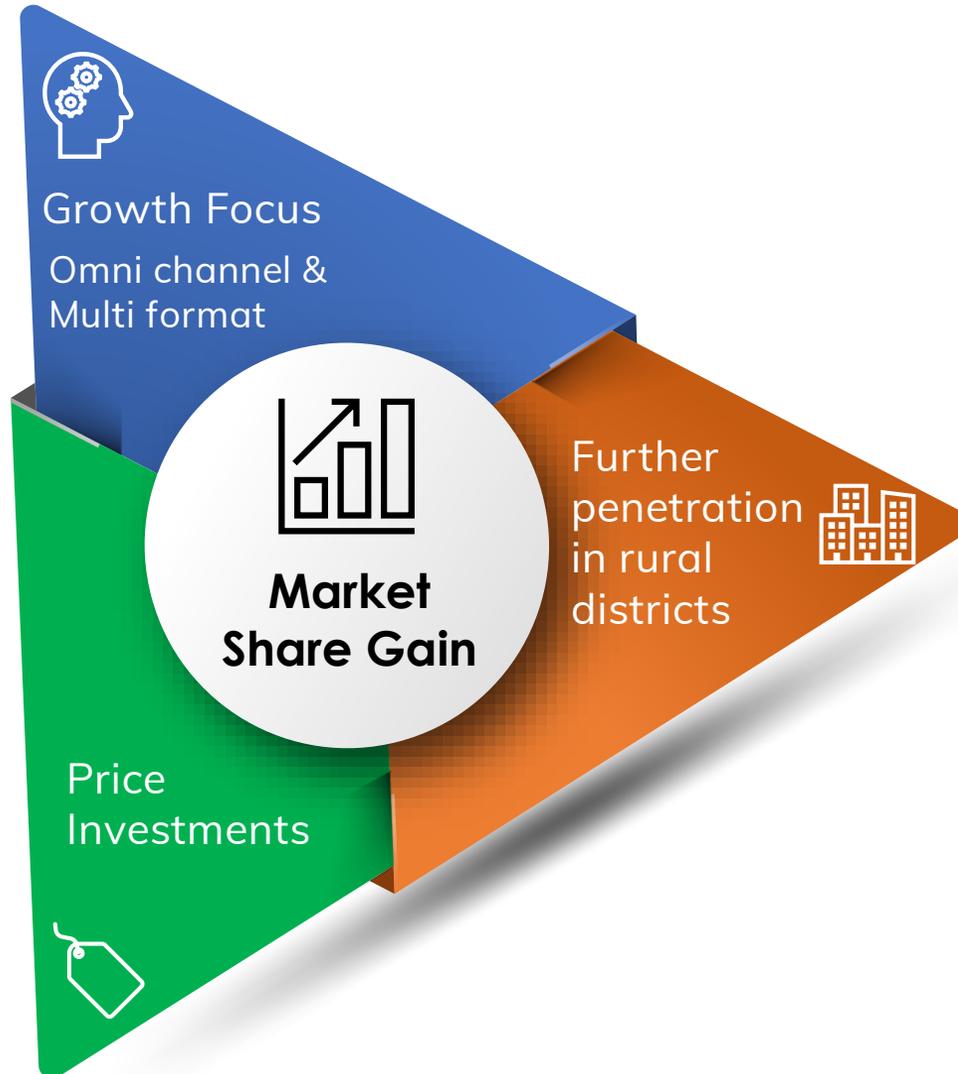
The Company, the members of the Board of Directors, employees or any other person shall not be held responsible for any damages that may arise from the content of this presentation.

Contents



-  Operational & Financial Overview
-  Strategy Update
-  Summary & Guidance
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Migros Market Share Evolution



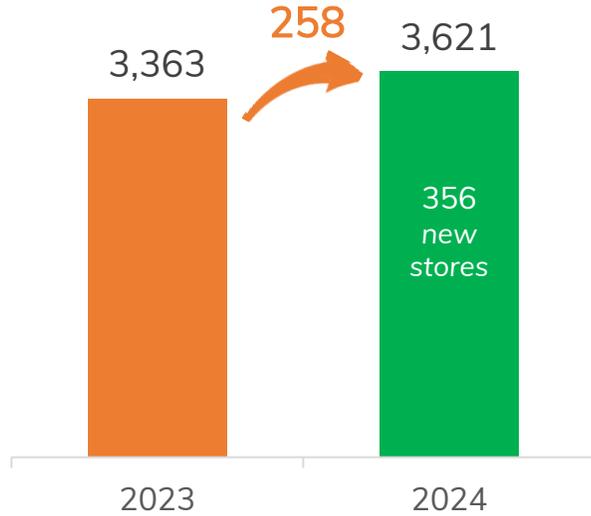
+200 bps market share gain in modern FMCG in 2 years

Source: Nielsen

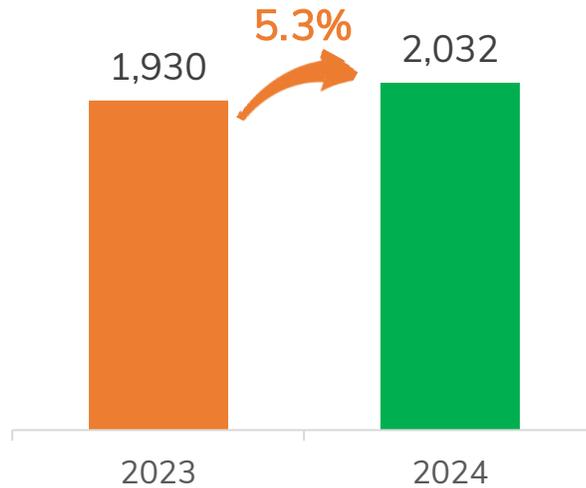
Note: FMCG: Fast Moving Consumer Goods, Modern and total FMCG market include all food-retail formats

Expansion

of Stores



Sales Area (thousand sqm)

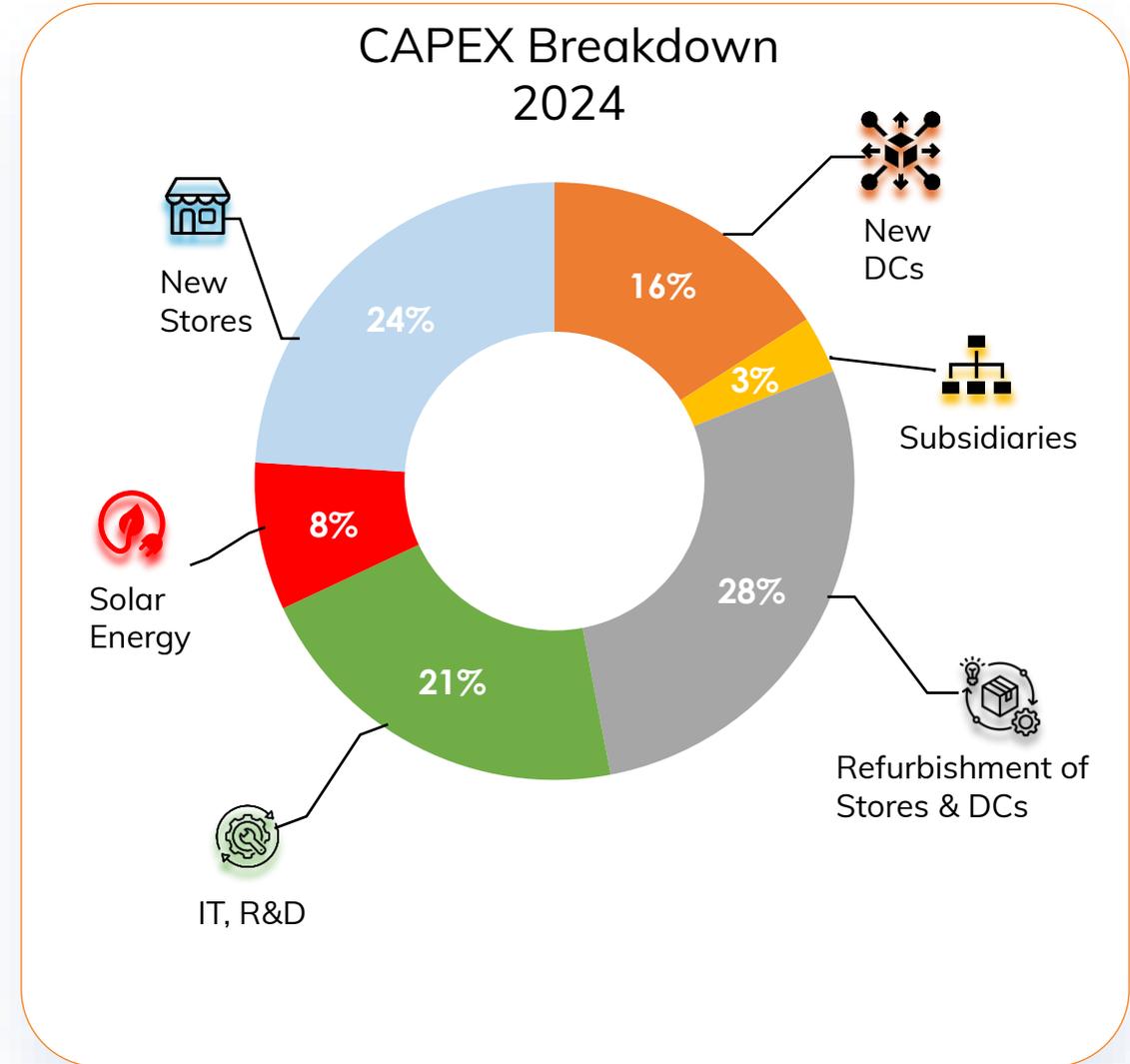
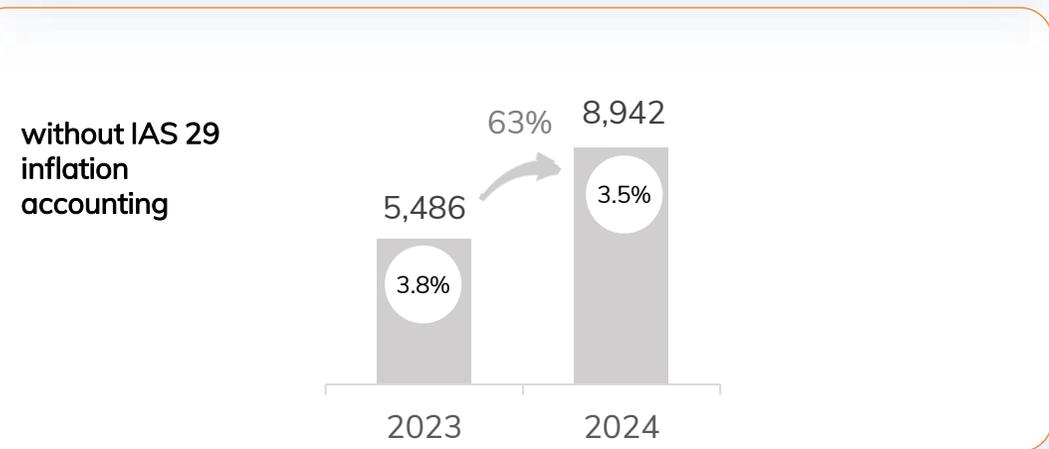
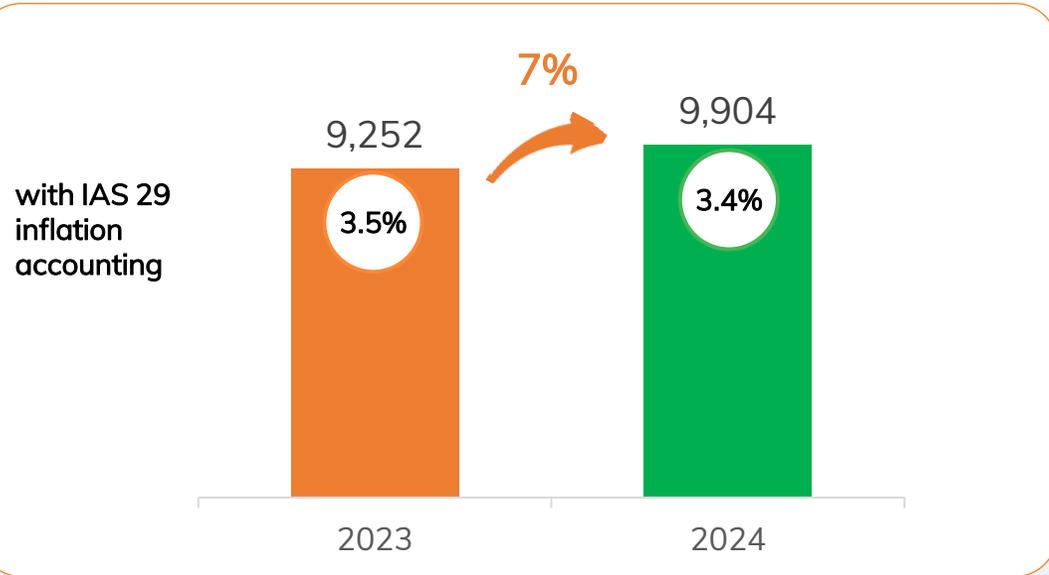


of Online Service Stores*

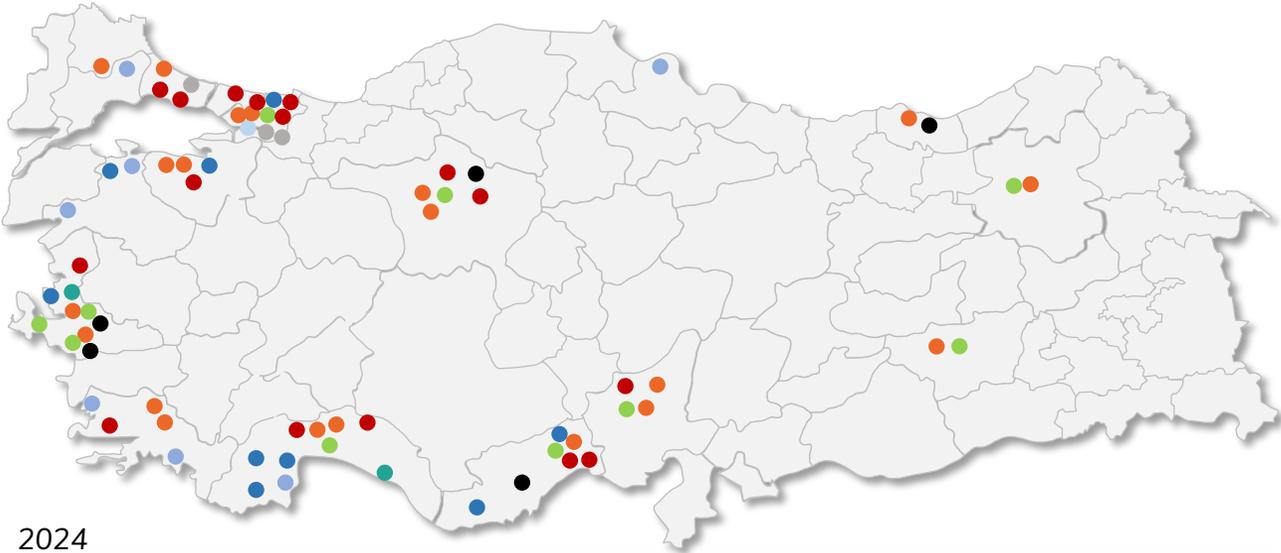


*Indicates physical stores out of which online operations are carried out

CAPEX (TL million)



Expanding Logistics Capacity



2024

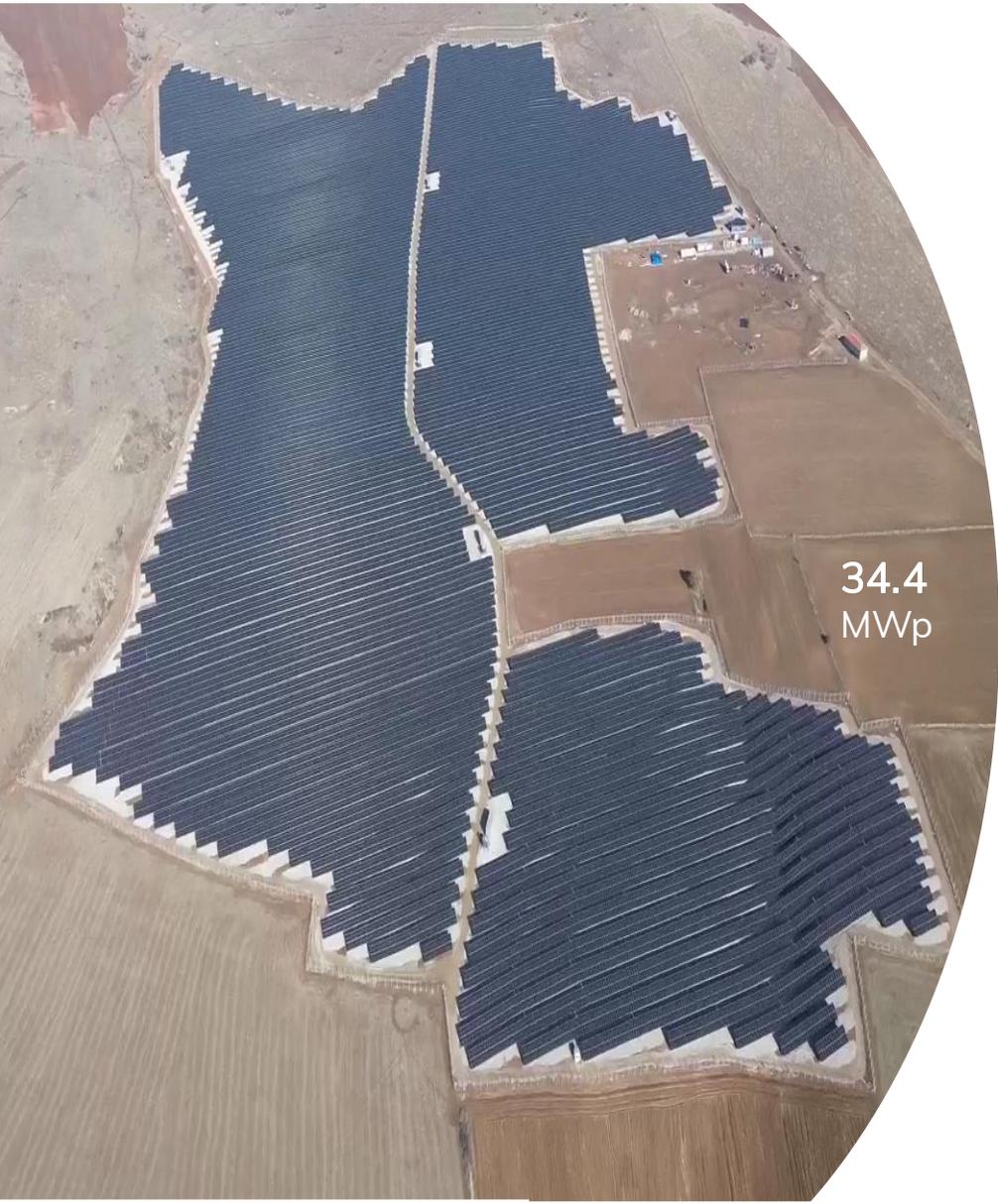
- Multi format (20)
- Wholesale (16)
- Fruits & Vegetables (9)
- Meat (10)
- Hub (7)
- Frozen (5)
- E-commerce Fulfillment (3)
- Seafood (2)
- Non-food (1) (White Goods)

 16 new DCs reaching a total of 73

 23% DCs space growth in 2024

 30% efficiency increase in new DCs coverage area via route optimization

Sustainable Energy Investments

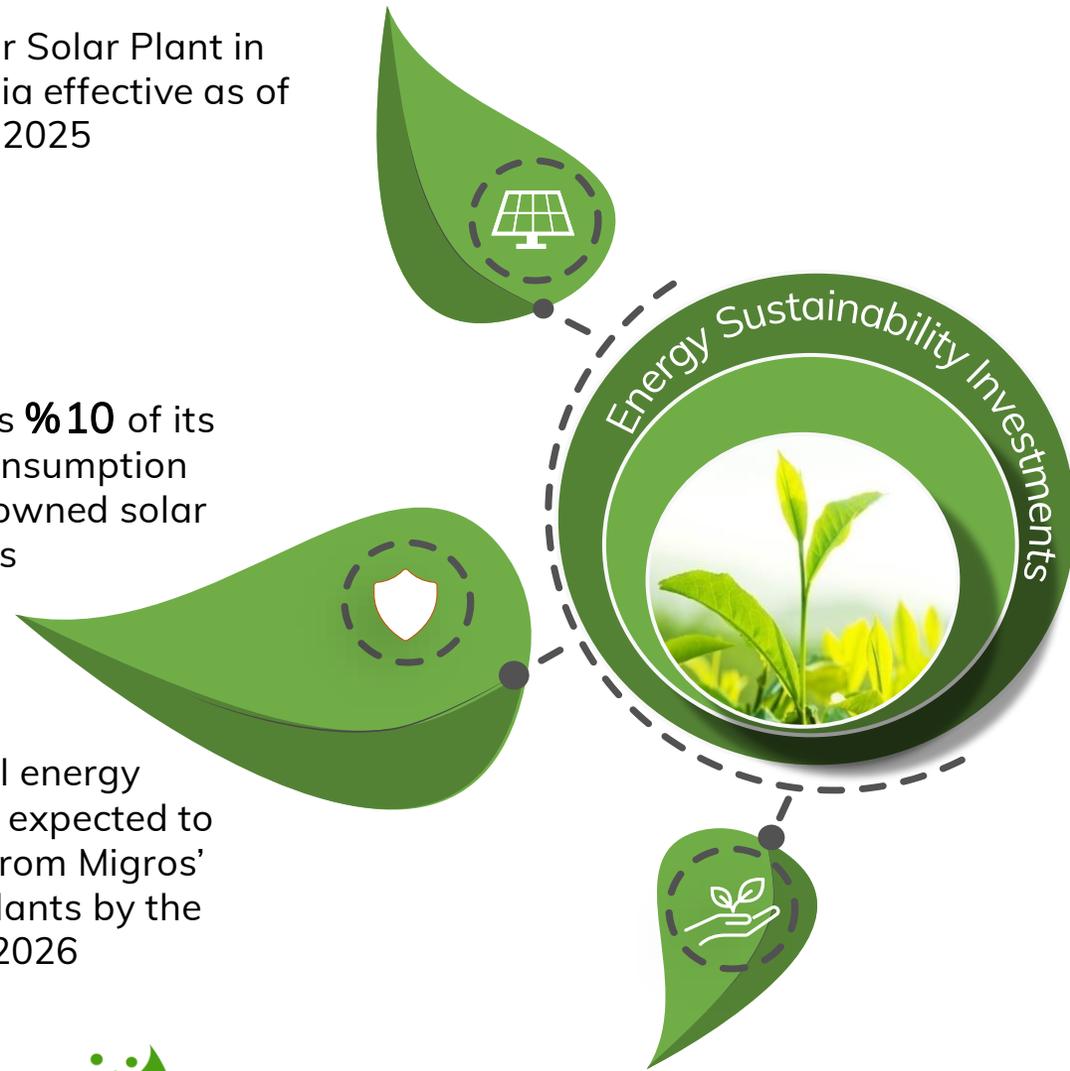


 Kirşehir Solar Plant in Anatolia effective as of March 2025

 Migros generates **%10** of its total energy consumption from company-owned solar plants

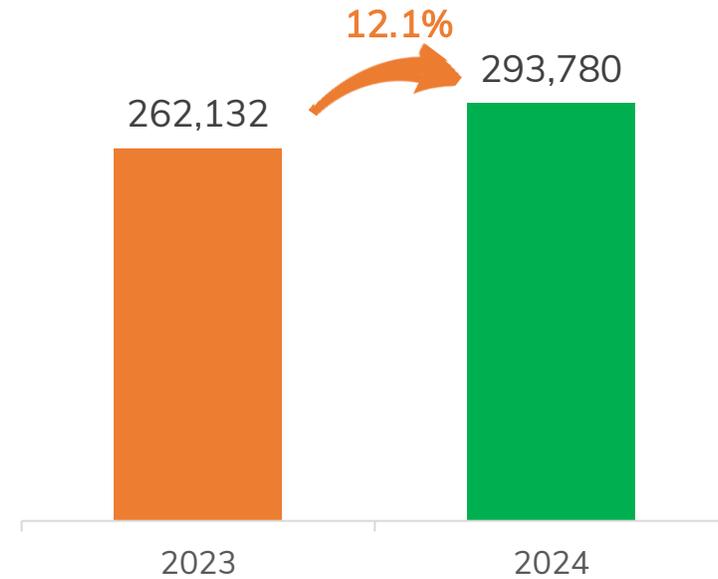
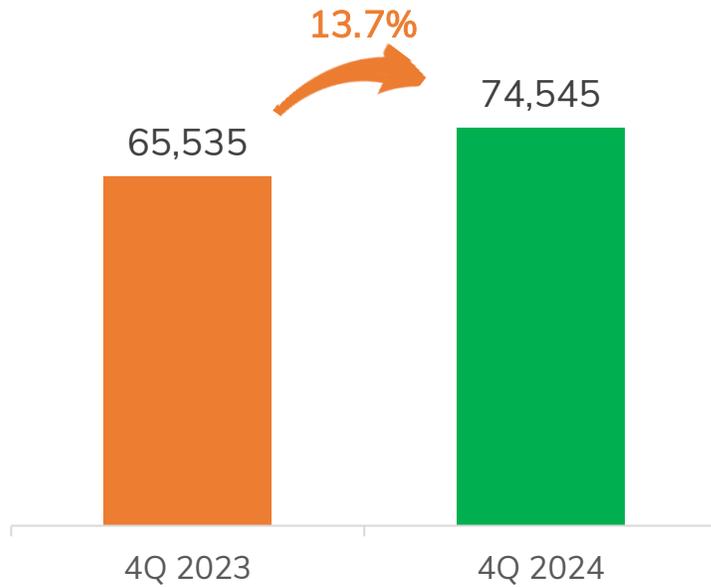
 **1/3** of total energy consumption is expected to be generated from Migros' owned solar plants by the end of 2026

 Hedging volatile energy cost via greenfield investments

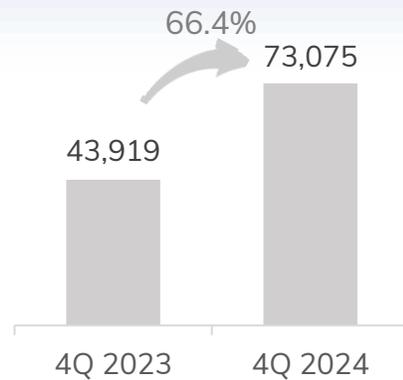


Consolidated Sales (TL million)

with IAS 29
inflation accounting

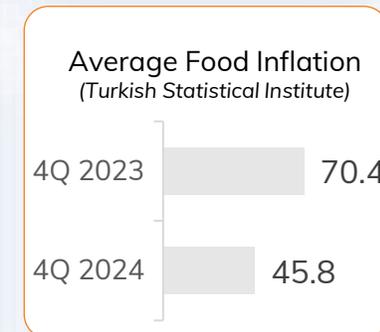
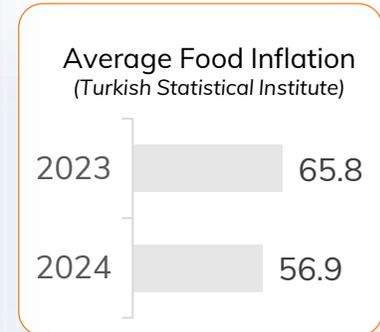
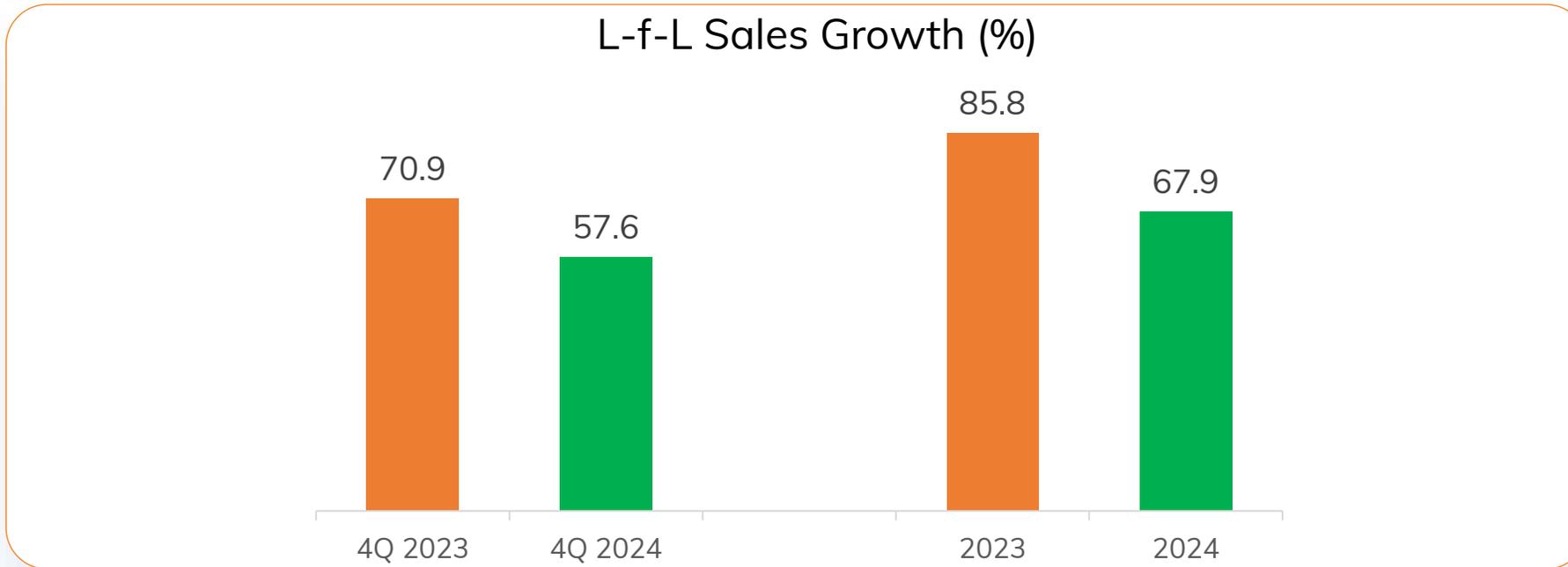


without IAS 29
inflation accounting



Migros L-f-L Growth Dynamics

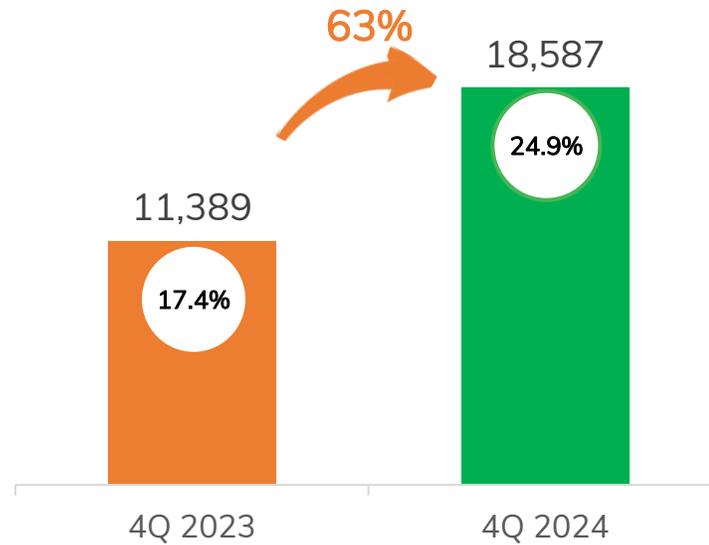
without IAS 29 inflation accounting



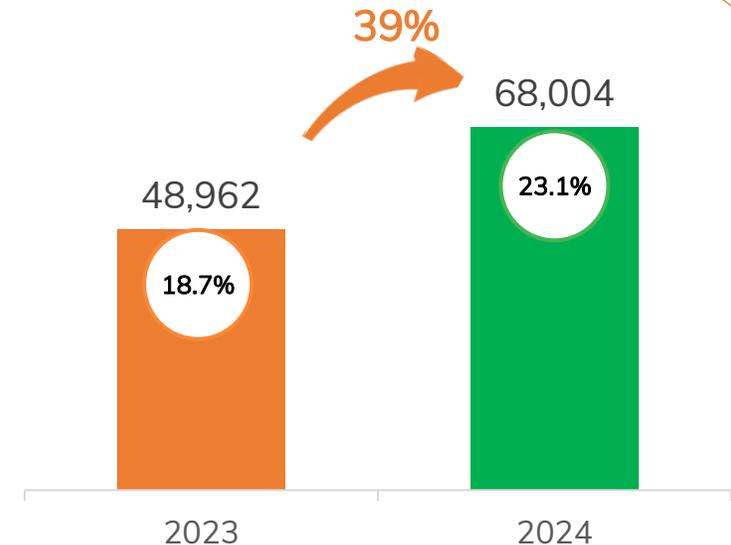
Note: Like-for-like (L-f-L) sales are net sales generated from the stores which were open at least in the last 12 months before the current reporting period (i.e. stores open since 1 January 2023)

Gross Profit (TL million)

with IAS 29
inflation accounting

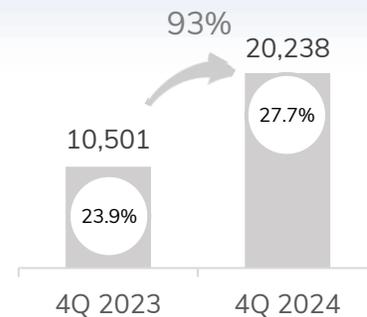


Imputed Interest Rate Impact	360 bps	570 bps
Inventory inflation adj. Impact	-650 bps	-280 bps
Gross Profit Margin exc. IAS Impacts	20.2%	22.0%

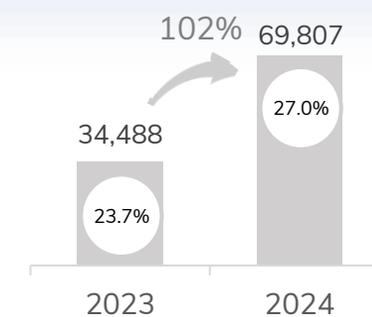


Imputed Interest Rate Impact	210 bps	510 bps
Inventory inflation adj. Impact	-500 bps	-380 bps
Gross Profit Margin exc. IAS Impacts	21.6%	21.9%

without IAS 29
inflation accounting



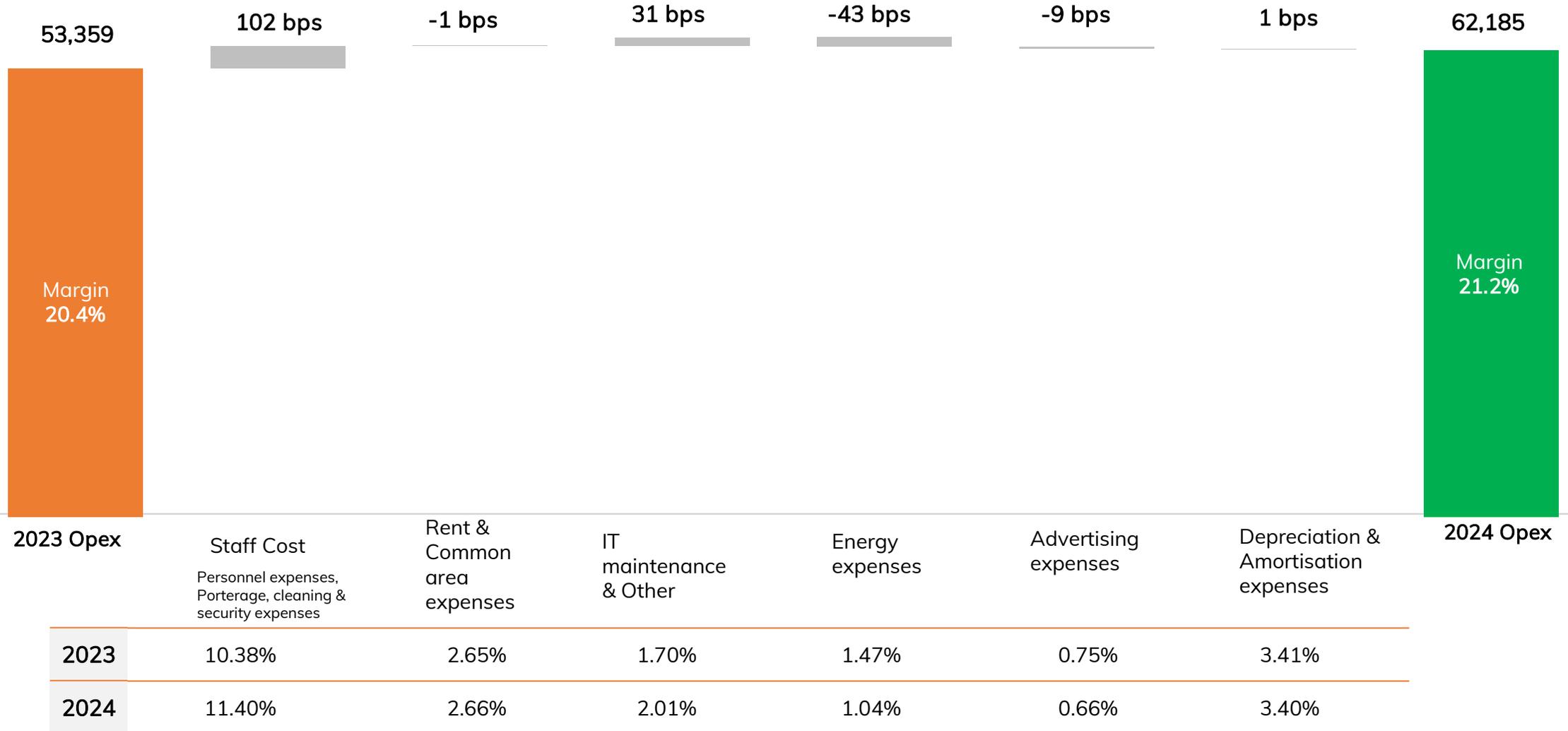
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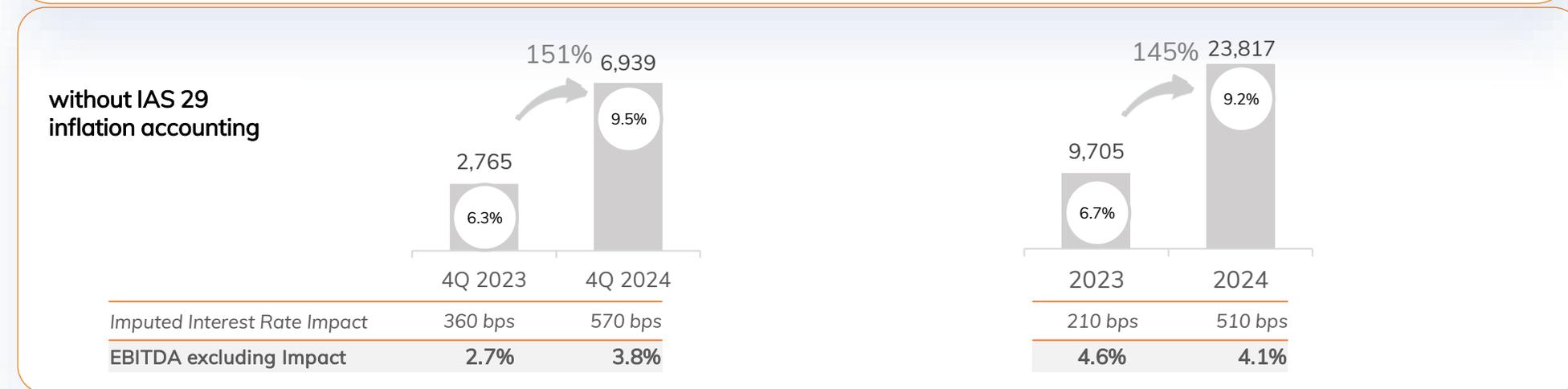
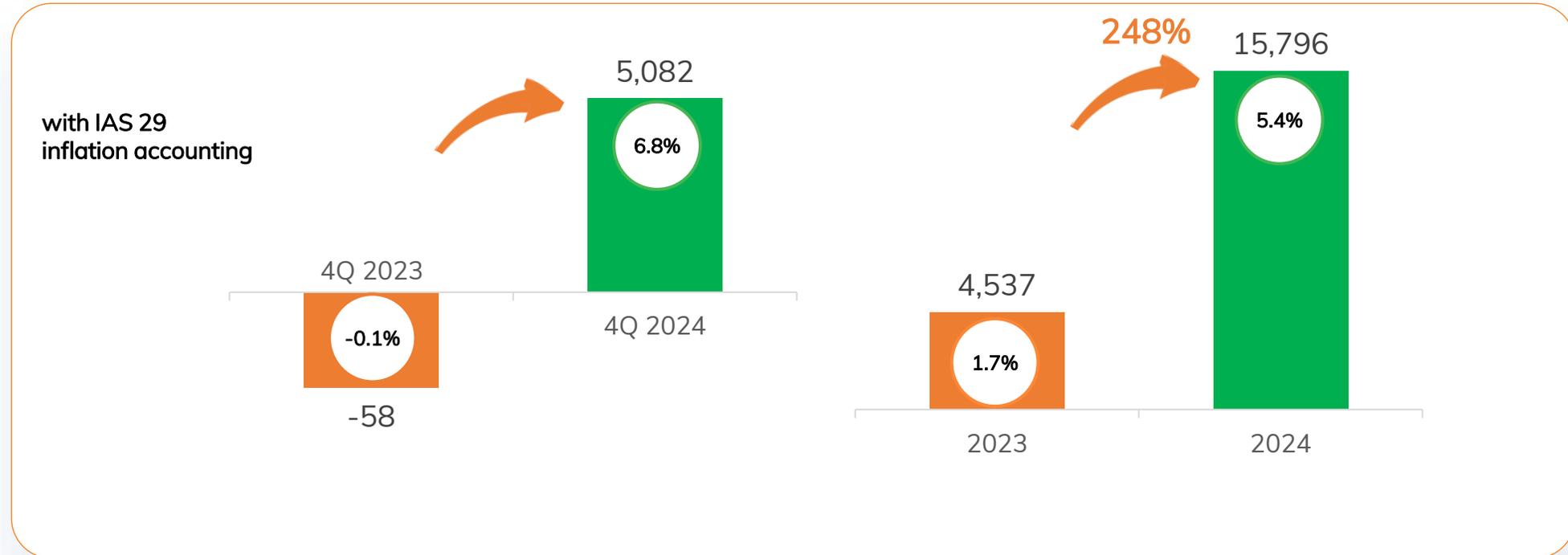
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OPEX Evolution in 2024

with IAS 29 inflation accounting

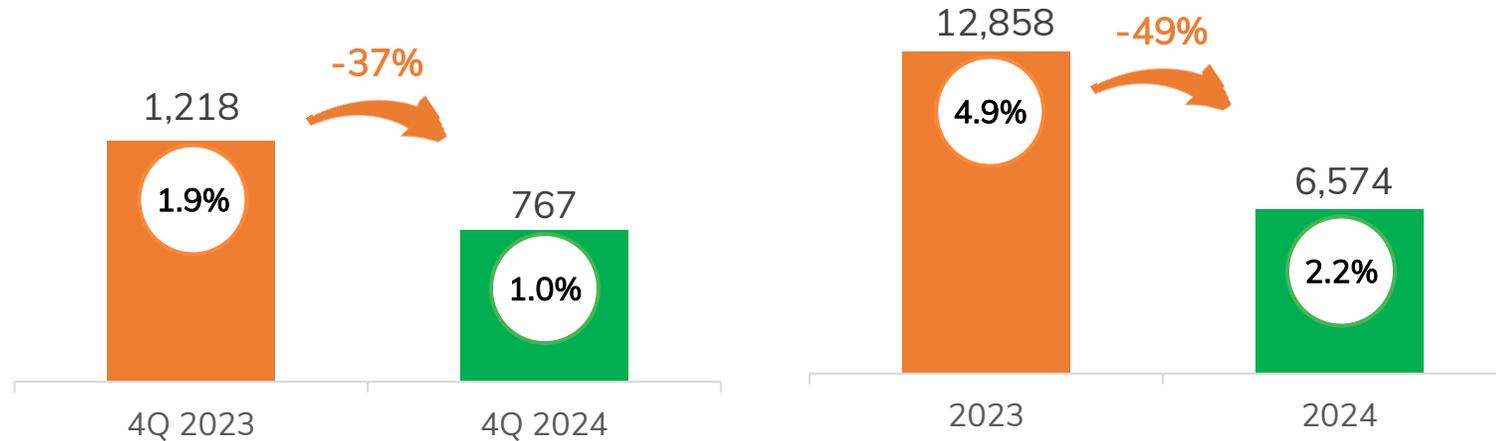


Consolidated EBITDA (TL million)



Net Income (TL million)

with IAS 29
inflation accounting



- 170 bps less deferred tax income
- 70 bps more Monetary gain impact in 4Q24 [240 bps] vs 4Q23 [170 bps]

- 150 bps less Monetary gain impact in 2024 [230 bps] vs 2023 [380 bps]

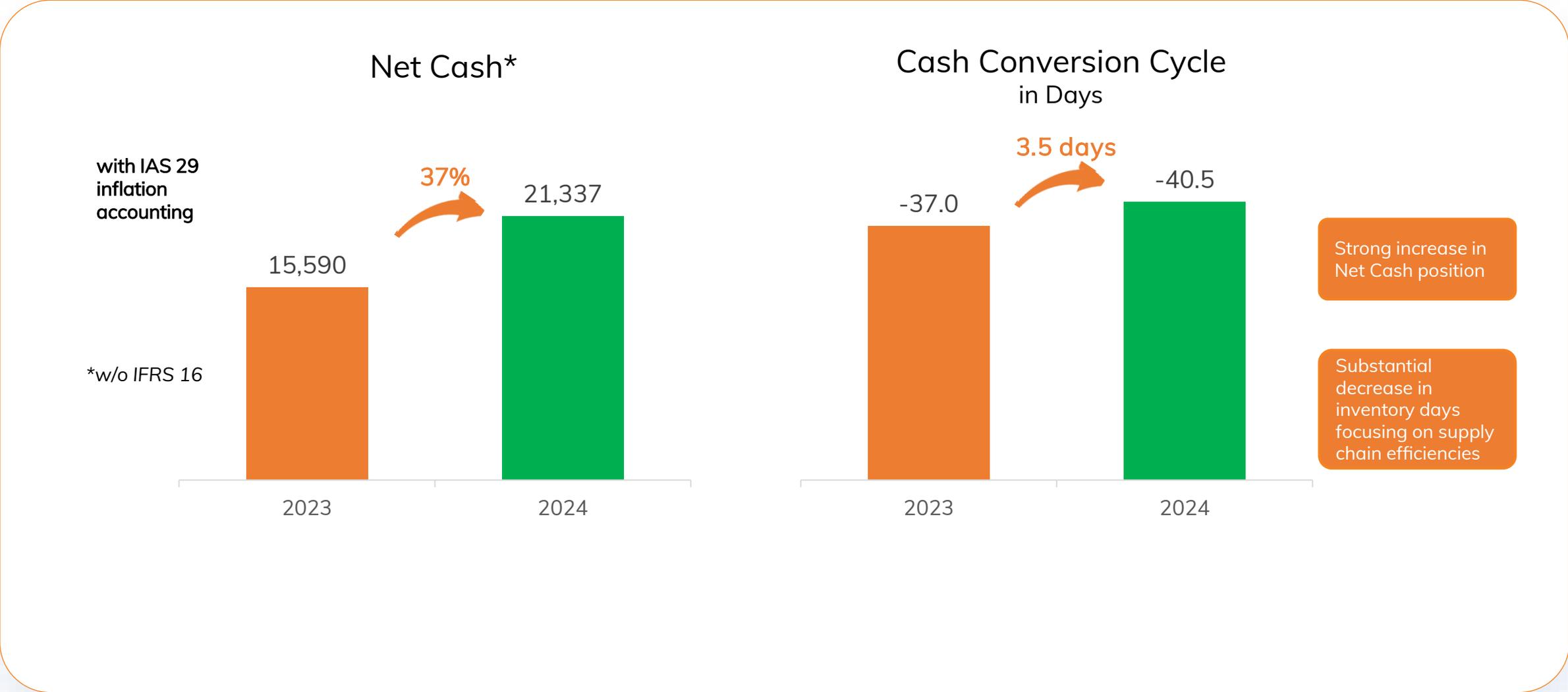
without IAS 29
inflation accounting



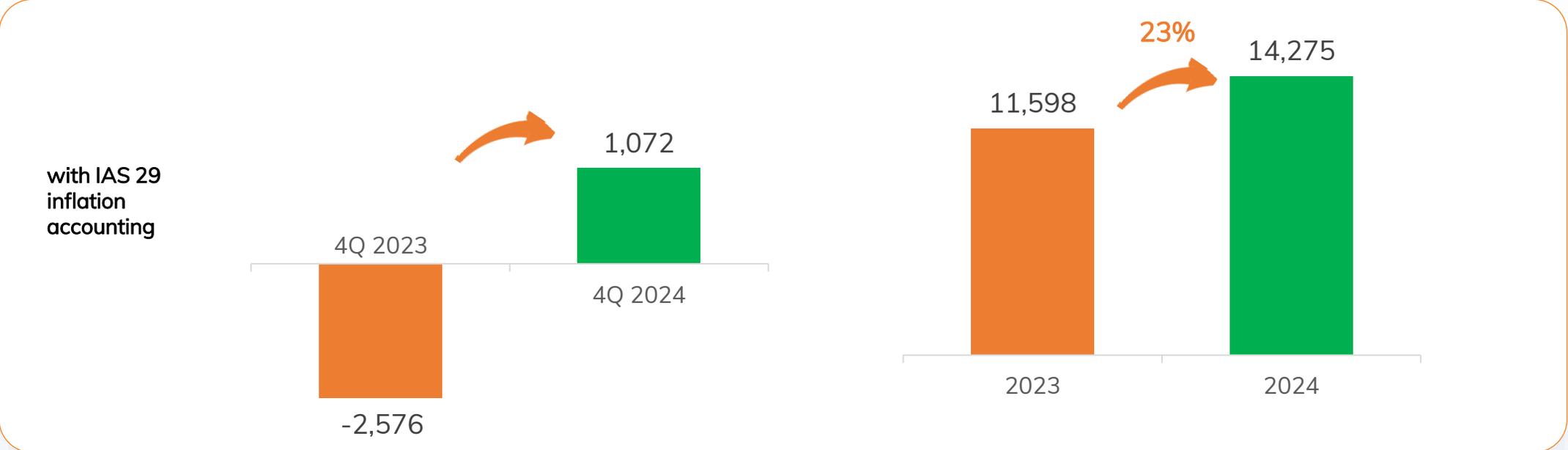
- in 4Q
- 50 bps increase in amortization
 - 60 bps increase in net financial exp.
 - 170 bps decrease in deferred tax income

- in 2024
- 50 bps decrease in EBITDA
 - 70 bps increase in net financial exp.
 - 40 bps decrease in deferred tax income

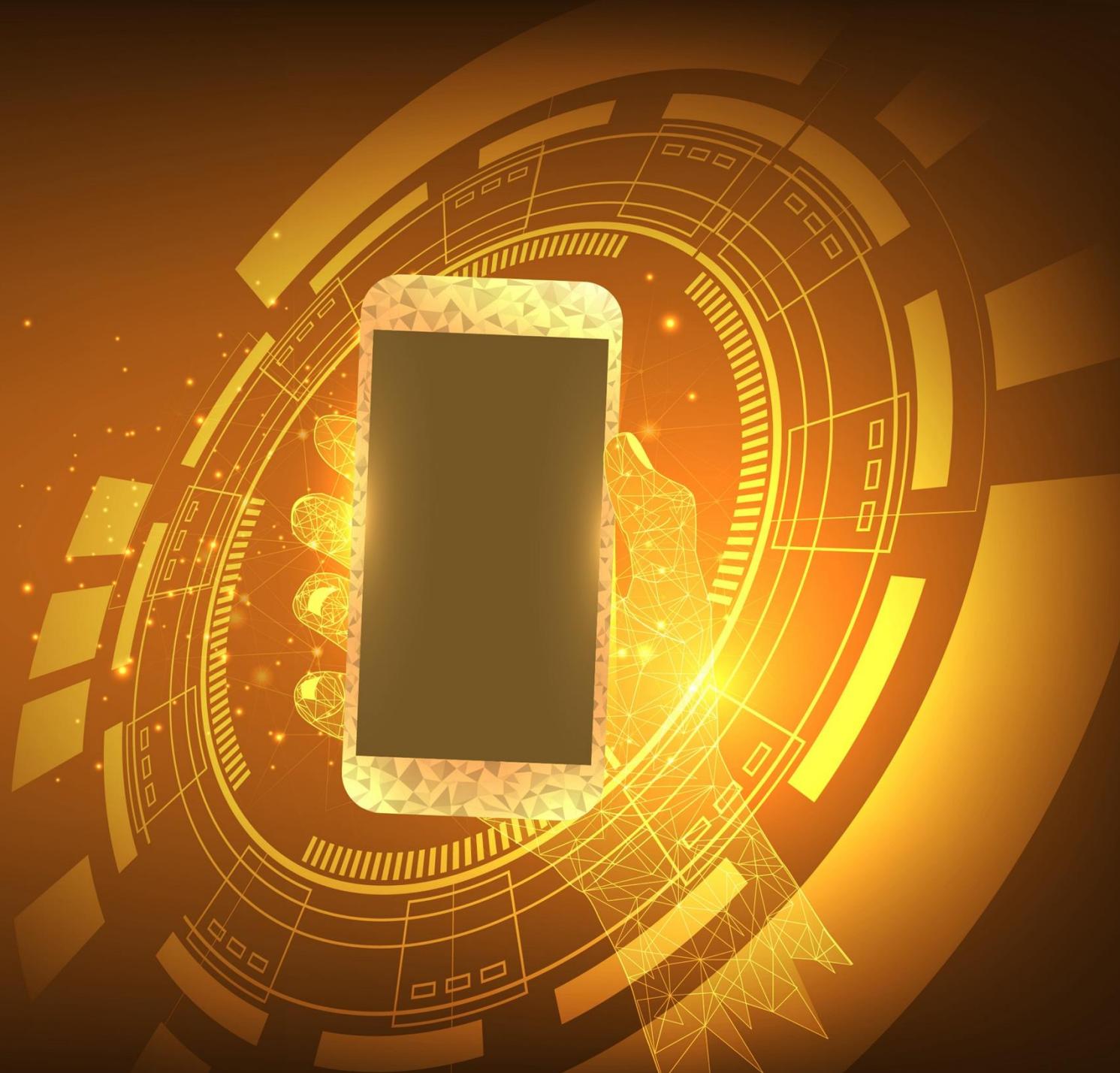
Net Cash (TL million)



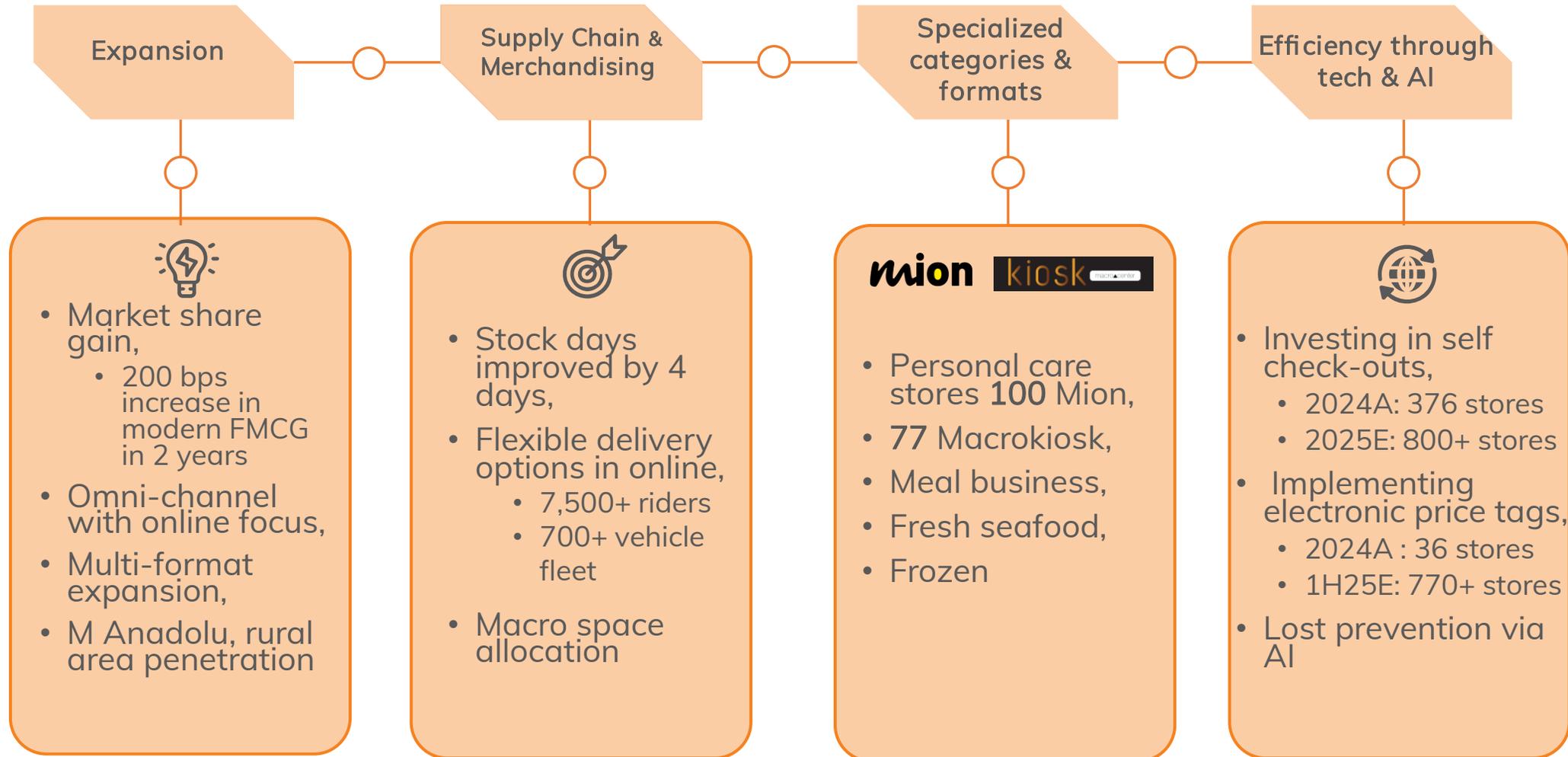
Free Cash Flow (TL million)



Strategy Update



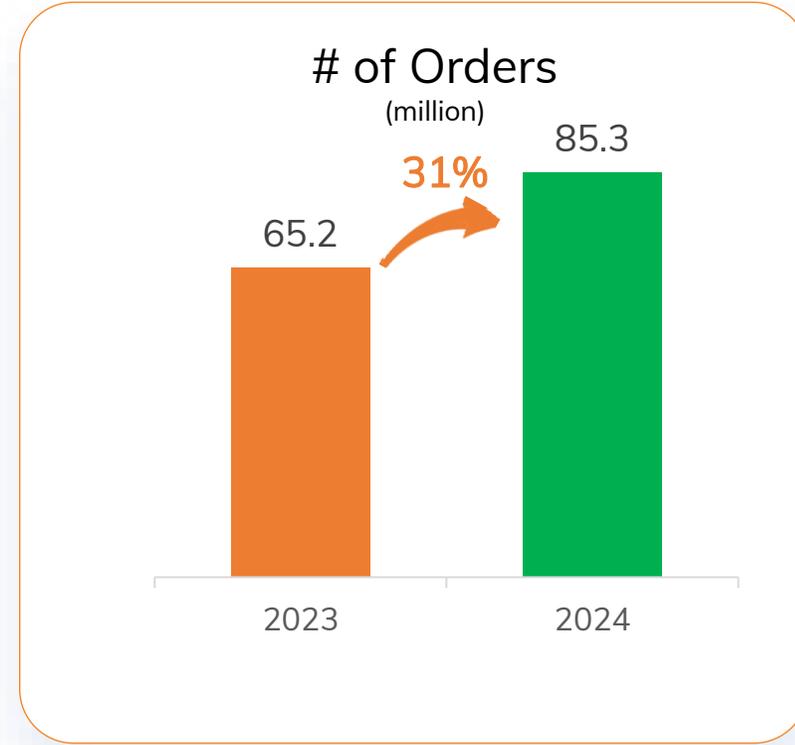
Focus on core business





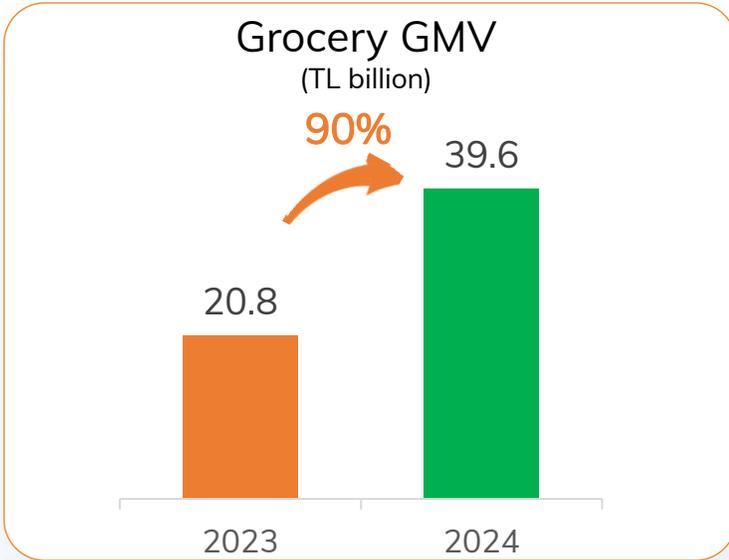
Migros One, online operations

without IAS 29 inflation accounting



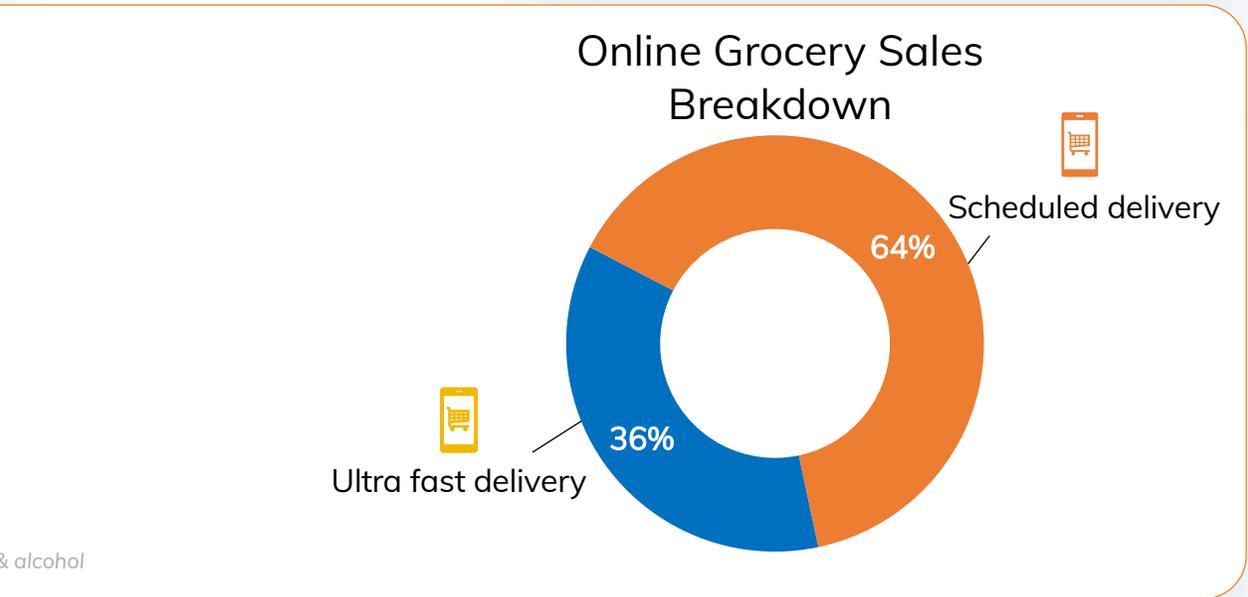
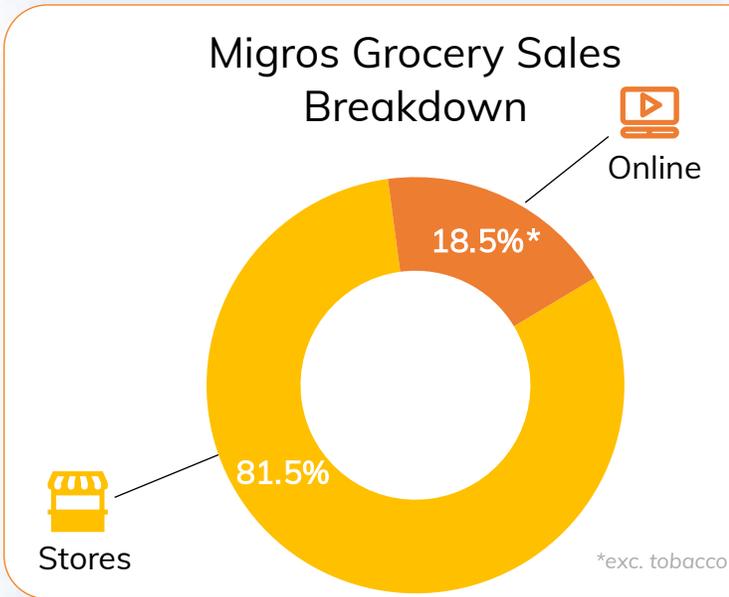
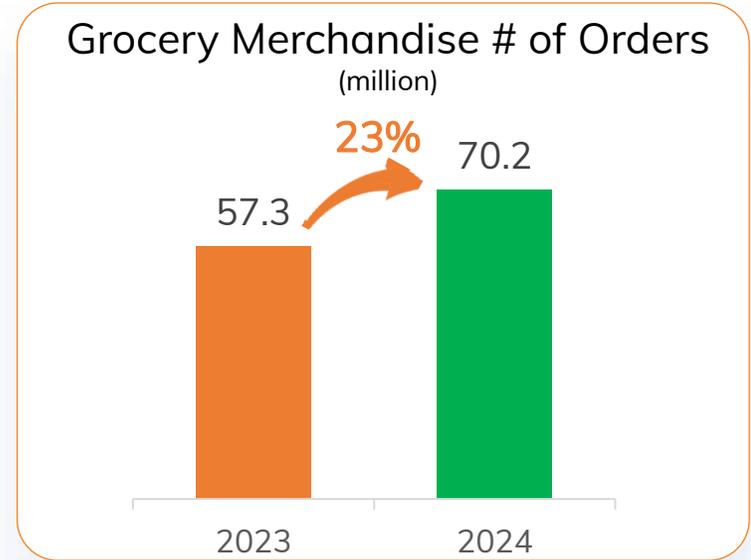
Migros' Online Grocery

without IAS 29 inflation accounting



1,422 Online service stores

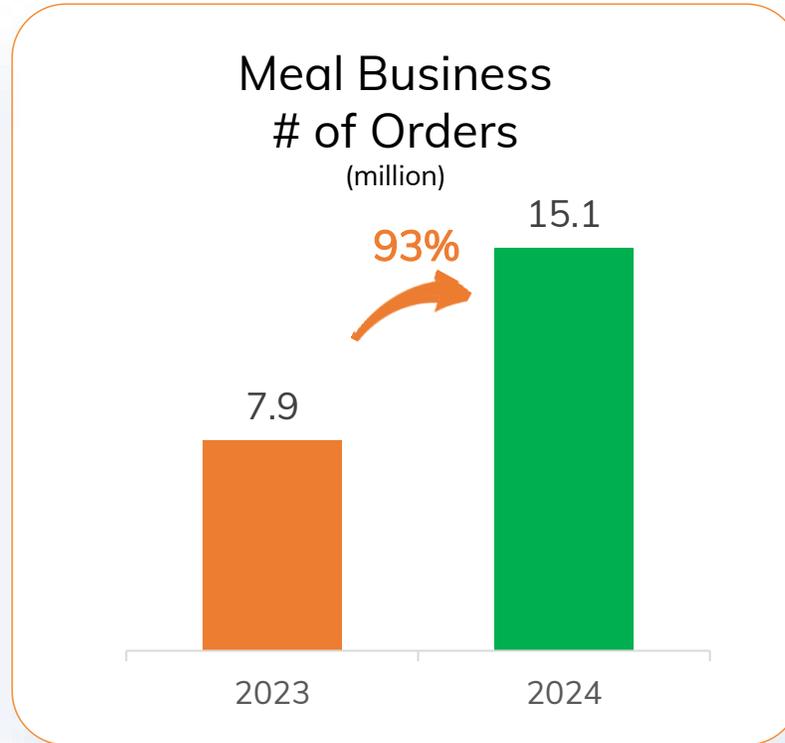
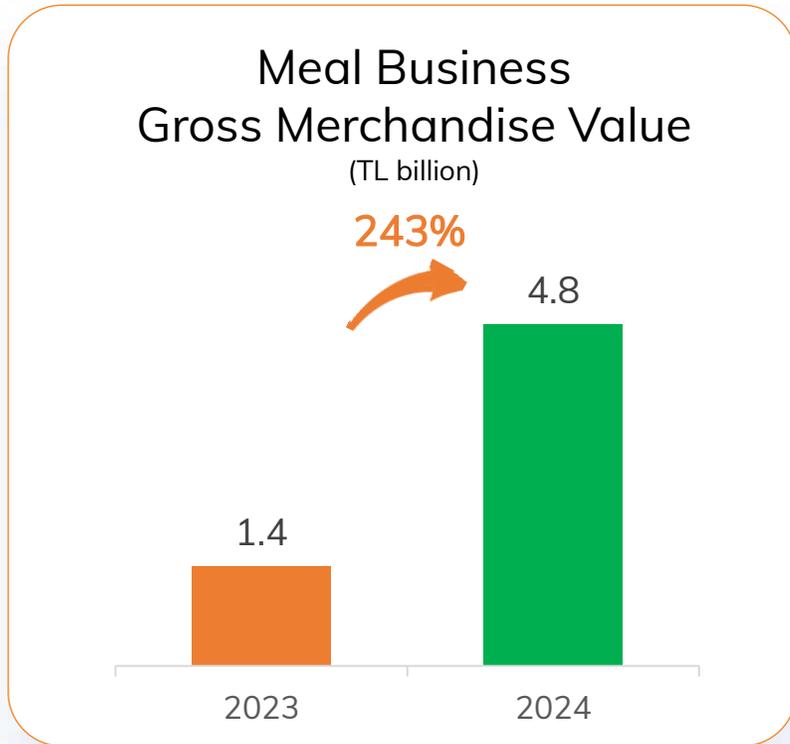
110 bps increase in operating profitability y-o-y





Migros Online Meal Business

without IAS 29 inflation accounting



36% (quarterly)
of Migros meal
customers are the
first time visitors of
the Migros grocery
app

Breakeven
before marketing
expenses
in 2024



Money pay

without IAS 29 inflation accounting

Total Payment Volume

(TL billion)

324%

20.4

4.8

2023

2024

Revenue

(TL million)

458%

464.3

83.2

2023

2024

Total Payment Volume Breakdown

TL 20.4 bn



POS

5.4 bn



Lending
facilitations

0.7 bn



Wallet
(Card & QR)

14.3 bn

Positive
Net Income

of Transaction

(million)

46.2

264%

12.7

2023

2024

KPIs of Migros Digital Ecosystem

without IAS 29 inflation accounting

MiGROSONE

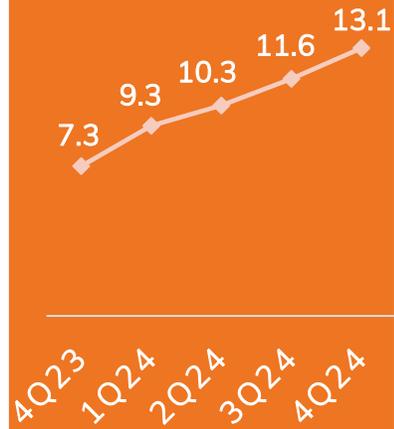
of active users
(million)



of orders
(million)



Gross Merchandise
Value
(TL billion)



MONEY pay

of registered users
(million)



of transactions
(million)



Total Payment
Volume
(TL billion)



Summary & Guidance



2024 Underlying Performance, Consolidated

with IAS 29 inflation accounting

Net Sales

TL 293,780
in mn

Sales Growth

12.1%

EBITDA Margin

5.4%

Net Profit

TL 6,574
in mn

without IAS 29 inflation accounting

Net Sales

TL 258,743
in mn

Sales Growth

78%

EBITDA Margin

9.2%

Net Profit

TL 5,908
in mn

Subsidiaries in 2025E

without IAS 29 inflation accounting

MiGROSONE

GMV Growth
2025E



**MiGROS
yemek**

Meal Business GMV Growth
2025E



**MONEY
pay**

TPV Growth
2025E



2025 Migros Guidance, consolidated

with IAS 29 inflation accounting



Sales Growth
2025E

8-10%

2024: 12%



EBITDA Margin
2025E

~6.0%

2024: 5.4%



Expansion Target
2025E

~250

new stores

2024: 356



Capex/Sales
2025E

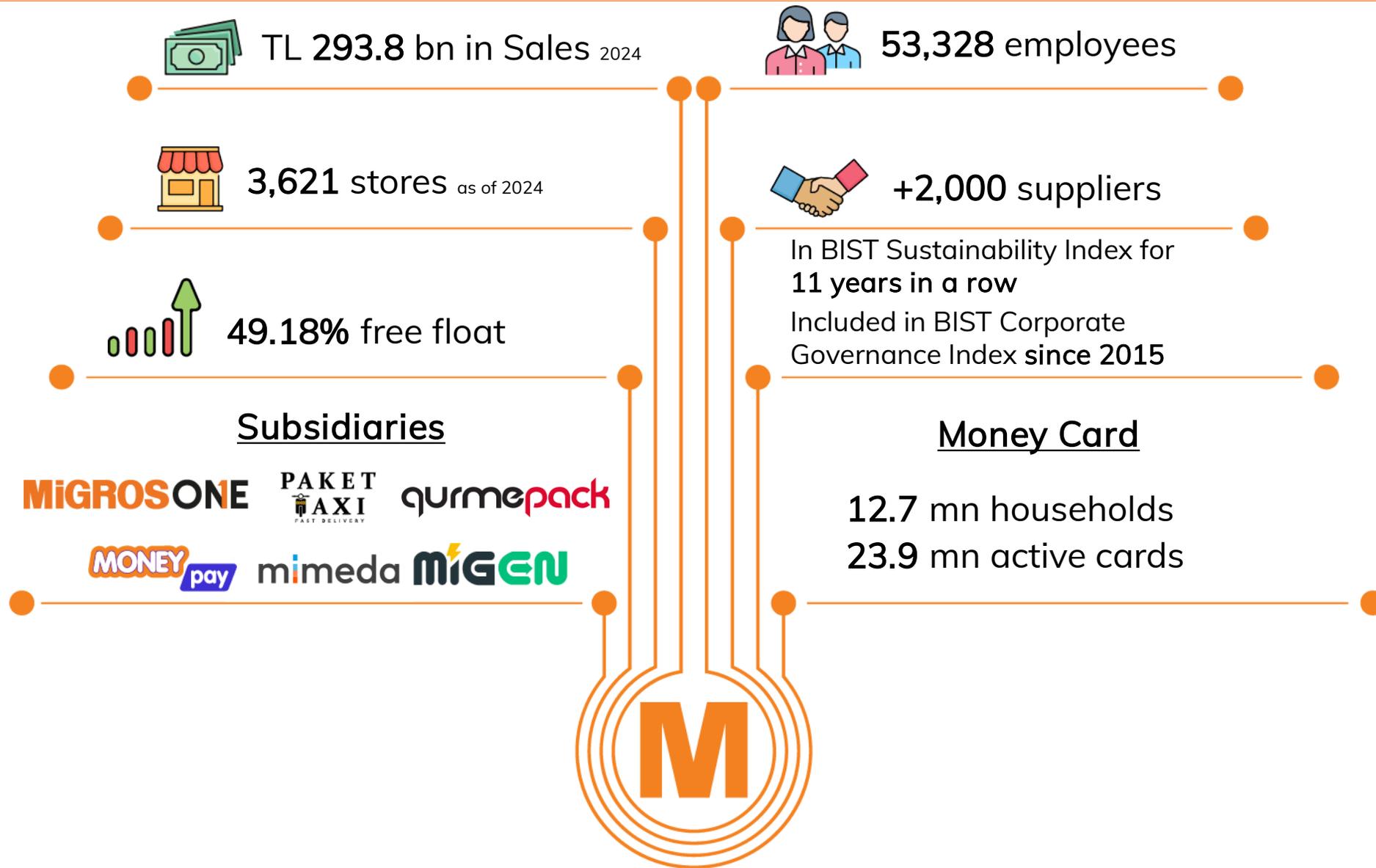
2.5-3.0%

2024: 3.4%

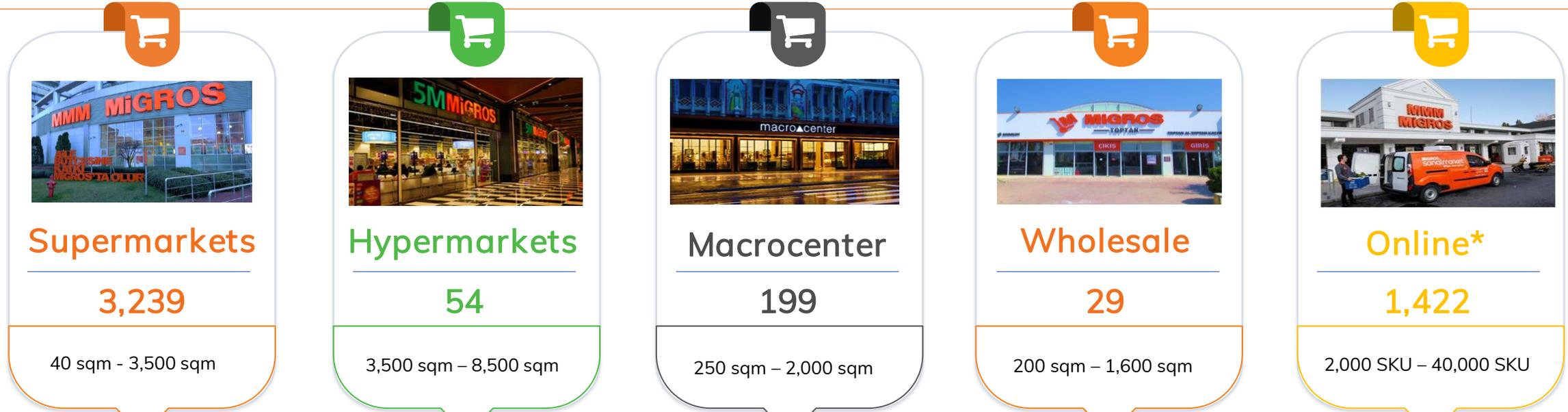
Appendix



Migros at a Glance



Store Portfolio: Physical & Online Network –2024



	# of stores	Sales area (th sqm)
Migros (M, MM, MMM)	2,053	1,417
Migros Jet	1,186	254
5M	54	243
Wholesale	29	23
Macrocenter	199	81
Mion	100	15
Total	3,621	2,032

MIGROS yemek **MIGROS ONE KITCHEN**

81 cities 35 cloud kitchens
 3 kitchens
 15+ own brands

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

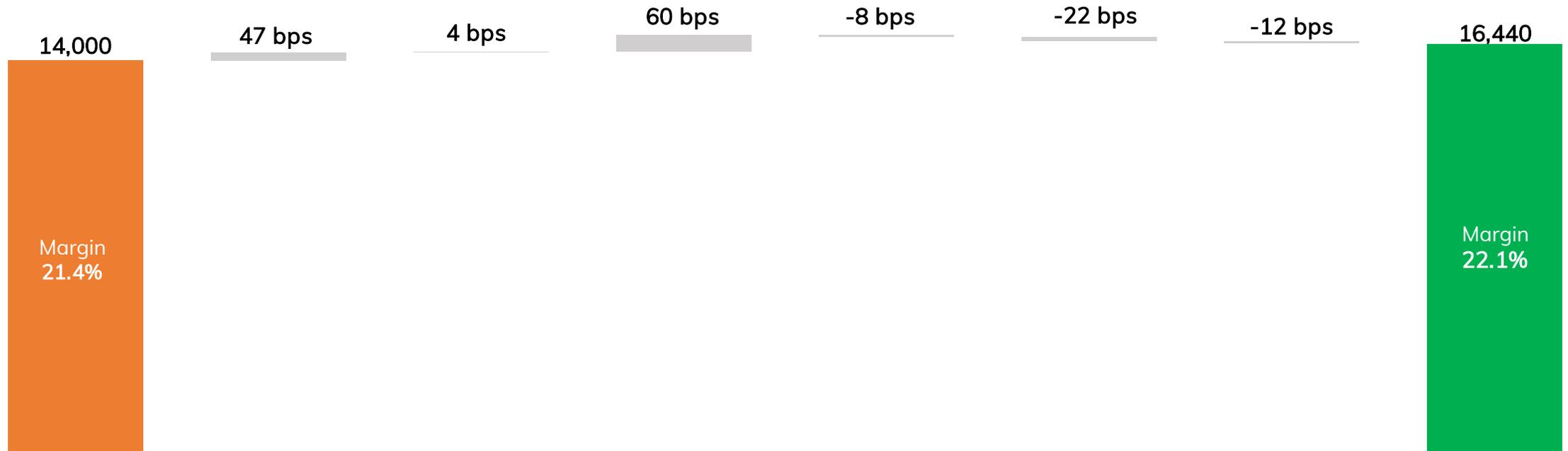
Initiatives supporting Migros' Core Business



Migros is investing in the future of retail to enhance long-term growth & profitability

OPEX Evolution in 4Q

with IAS 29 inflation accounting



4Q 2023
Opex

Staff Cost
Personnel expenses,
Porterage, cleaning &
security expenses

Depreciation &
Amortisation
expenses

IT
maintenance
& Other

Rent &
Common
area
expenses

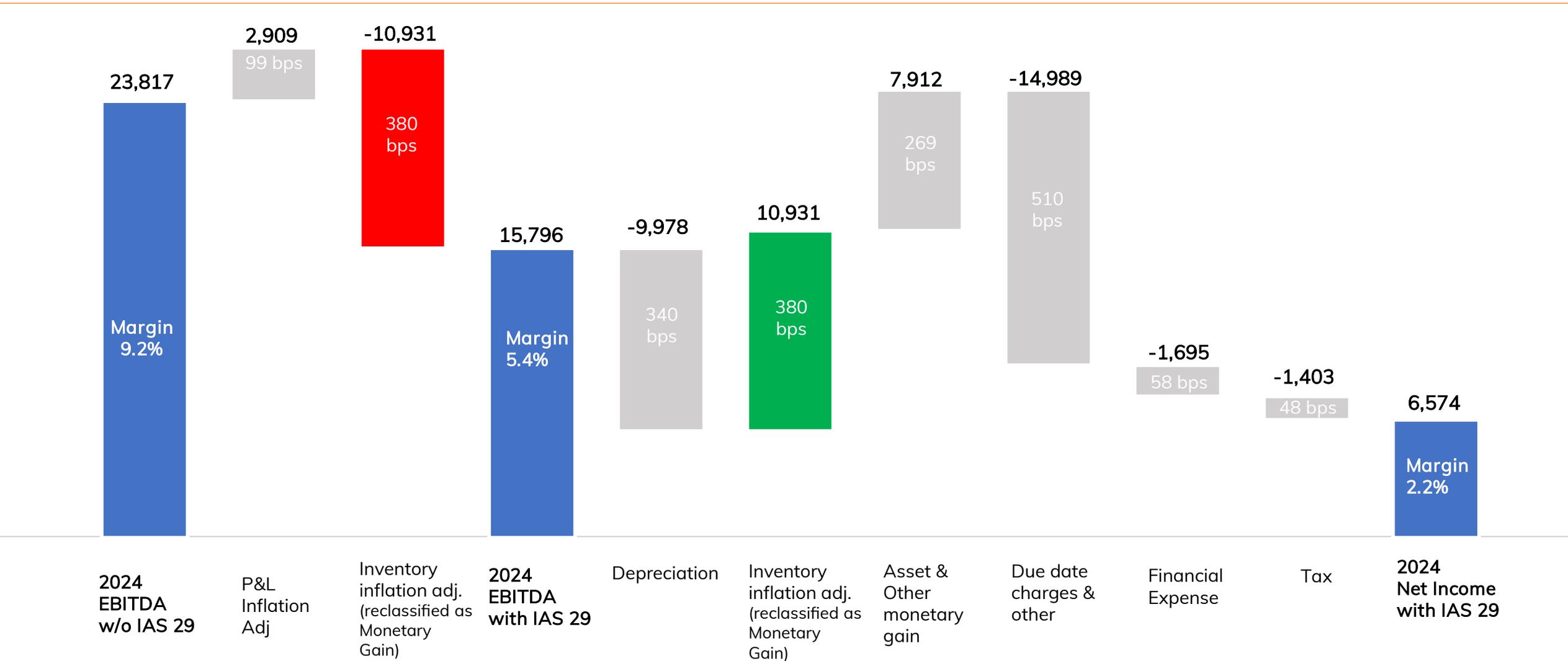
Energy
expenses

Advertising
expenses

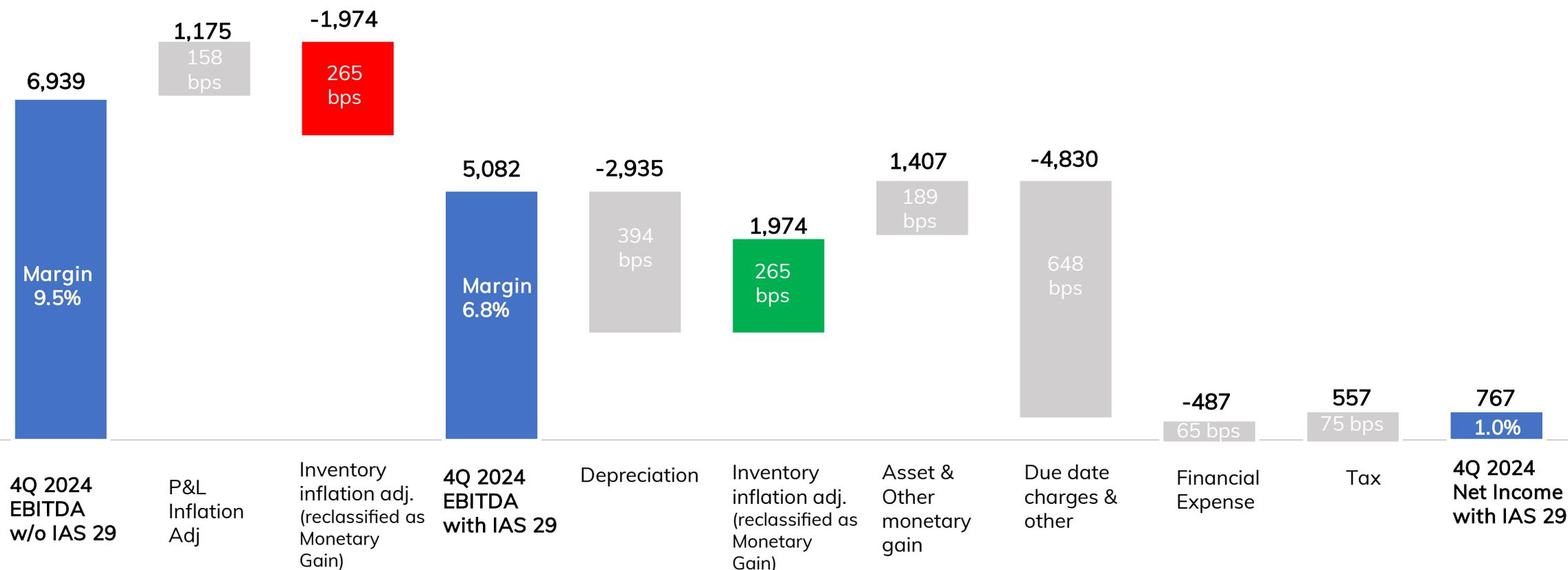
4Q 2024
Opex

	4Q23	4Q24
Staff Cost	10.66%	11.13%
Depreciation & Amortisation	3.90%	3.94%
IT maintenance & Other	1.72%	2.32%
Rent & Common area expenses	2.97%	2.89%
Energy expenses	1.14%	0.91%
Advertising expenses	0.99%	0.87%

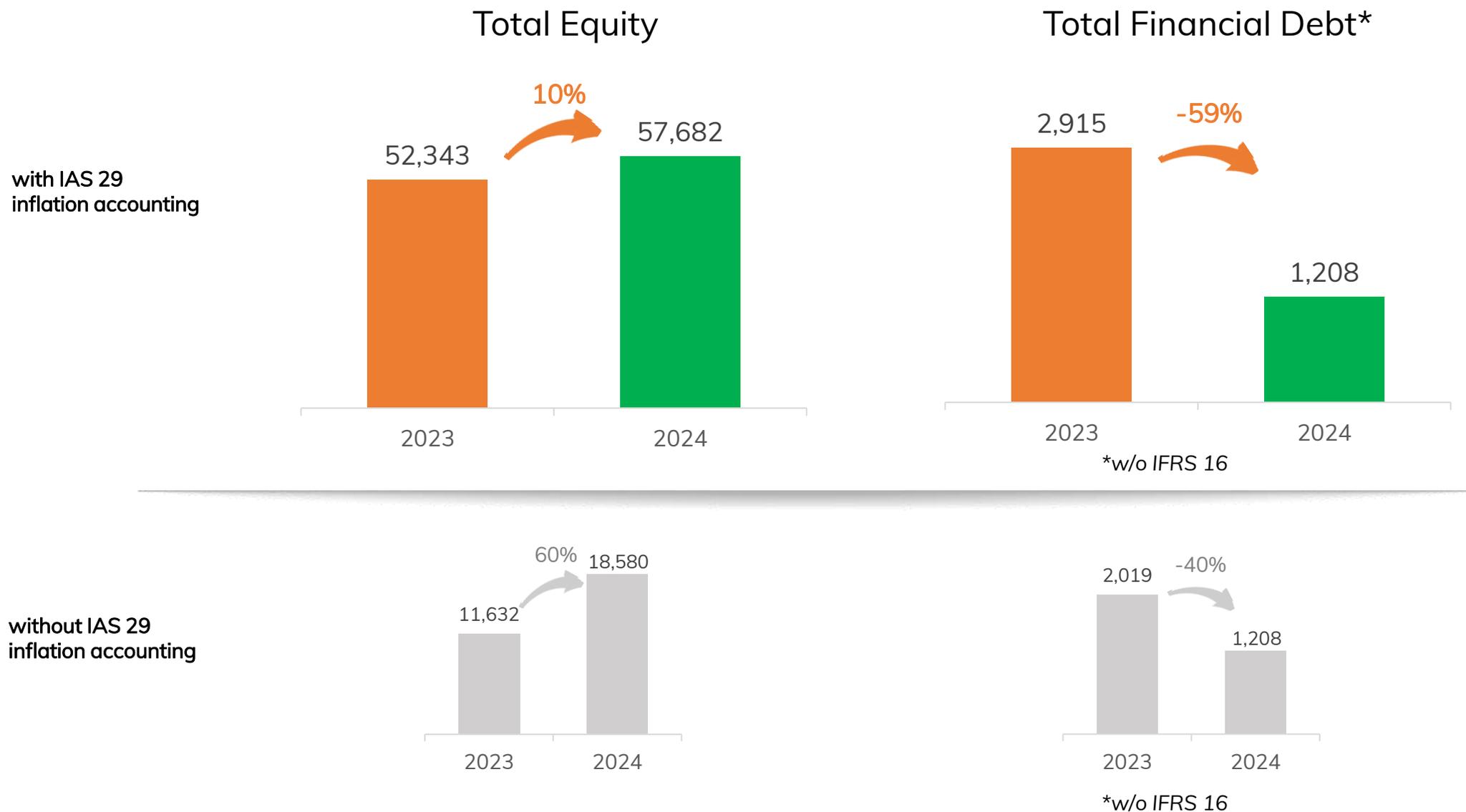
Inflation-accounting impact on EBITDA & Net Income in 2024



Inflation-accounting impact on EBITDA & Net Income in 4Q



Total Equity & Total Financial Debt (TL million)



IAS 29 Consolidated Income Statement Summary –2024

<i>(TL million)</i>	2023	2024
Net Sales	262,132	293,780
Cost of Sales	-213,170	-225,581
Gross Profit	48,962	68,004
Operating Expenses	-53,359	-62,185
Other Operating Expense	-5,241	-15,294
Operating Loss	-9,638	-9,475
Income / Expense from Investment Activities	508	270
Operating Loss Before Finance Income / Expense	-9,130	-9,206
Financial Income / Expense	377	-1,695
Monetary Gain	24,292	18,843
Income Before Tax	15,539	7,942
Tax Expenses	-998	-583
Deferred Tax Expenses	-1,721	-820
Net profit from discontinued operations	37	35
Net Profit	12,858	6,574
<i>Net Profit - Non-controlling Interest</i>	111	234
<i>Net Profit - Equity Holders of Parent</i>	12,747	6,340
EBITDA	4,537	15,796

IAS 29 Consolidated Balance Sheet Summary – 2024

(TL million)	2023	2024
Current Assets	54,685	57,694
Non-current Assets	78,331	92,365
Total Assets	133,016	150,059
Current Liabilities	64,820	71,014
Non-current Liabilities	15,853	21,363
Total Liabilities	80,672	92,377
Equity	52,343	57,682
Total Liabilities and Equity	133,016	150,059

IAS 29 Cash Flow- 2024

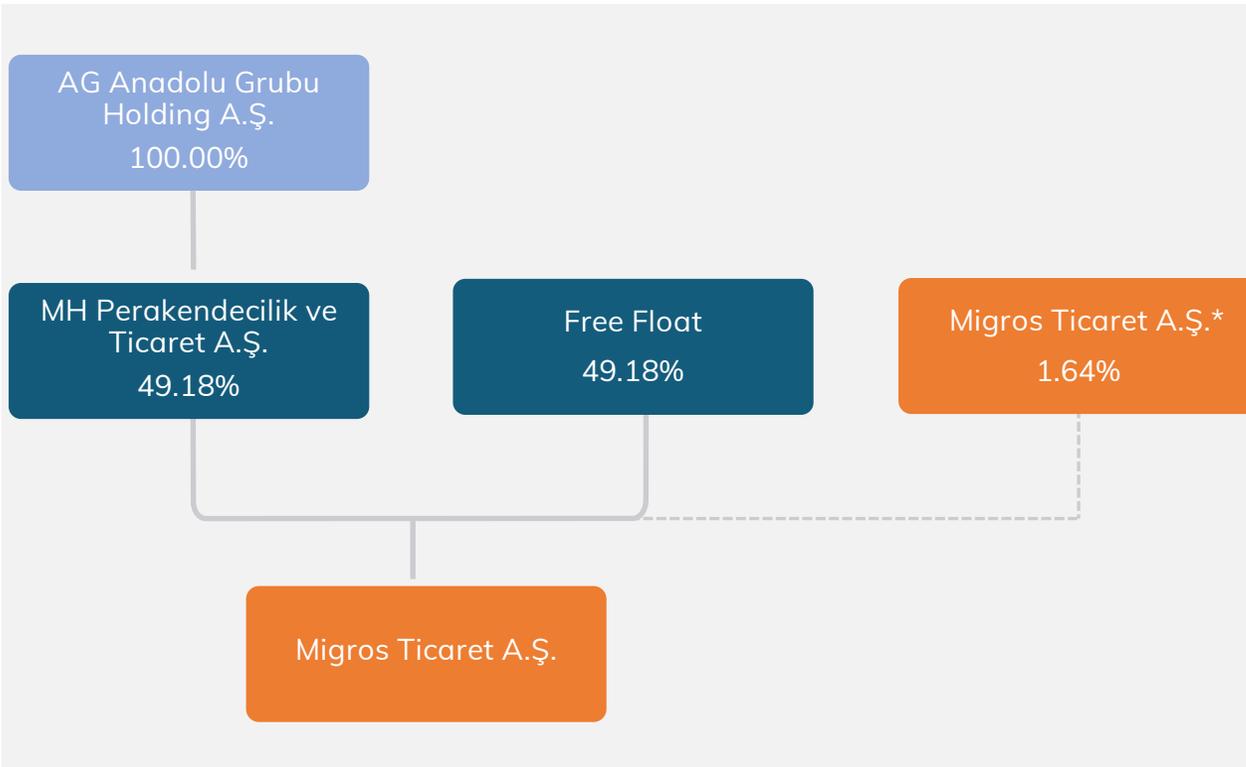
(TL million)	2023	2024
Net profit	12,858	6,574
Adjustments related to reconciliation of net profit for the period	19,635	29,433
Changes in net working capital	391	8,719
Cash flows from operating activities	32,884	44,726
Net cash provided by operating activities	22,187	27,044
Cash outflows from the purchase of tangible and intangible assets	-9,547	-10,920
Cash inflows from the sale of tangible and intangible assets	295	1,909
Cash flows from investing activities	-7,650	-9,012
Free Cash Flow	11,598	14,275
Cash flows from financing activities	-4,937	-6,554
Effect of foreign currency translation differences & monetary losses on cash	-10,566	-1,913
Net increase in cash and cash equivalents	-429	4,687

IAS 29 Impact on Financials

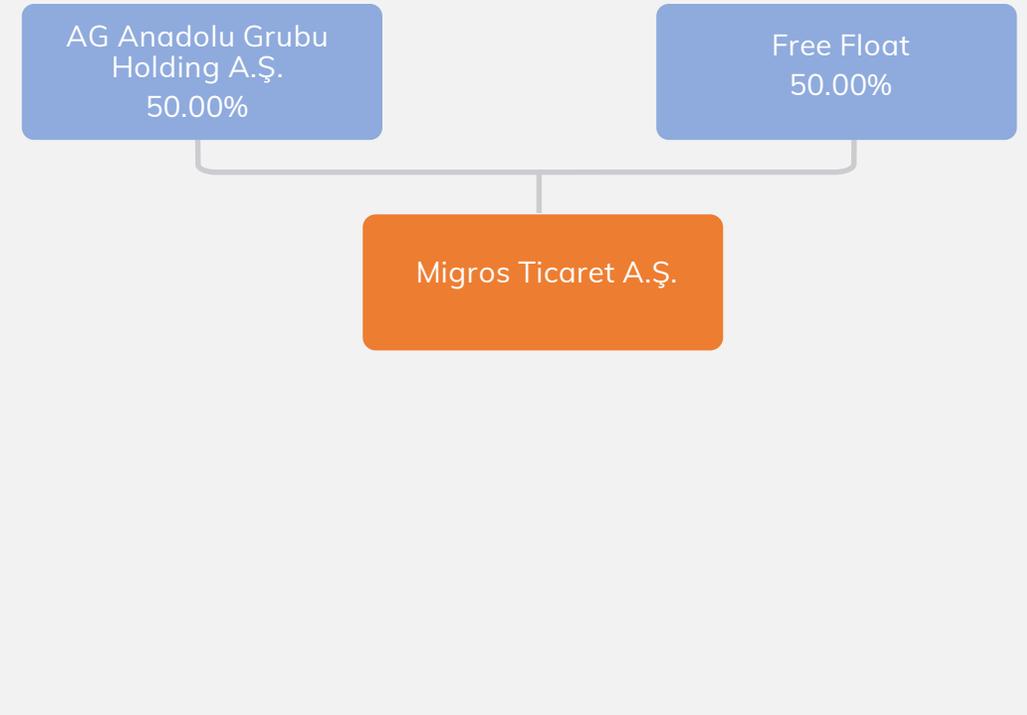
(TL million)	with IAS 29 inflation accounting		without IAS 29 inflation accounting	
	2023	2024	2023	2024
Selected Balance Sheet Items				
Total Assets	133,016	150,059	65,267	107,585
Total Liabilities	80,672	92,377	53,635	89,004
Total Equity	52,343	57,682	11,632	18,580
Selected Income Statement Items				
Net Sales	262,132	293,780	145,694	258,743
Gross Profit	48,962	68,003	34,488	69,807
Operating Loss / Profit	-9,638	-9,476	4,387	5,832
Profit before tax	15,539	7,942	4,921	5,077
Net Profit	12,858	6,574	5,954	5,908
Depreciation & Amortisation	-8,934	-9,978	-2,228	-4,335
EBITDA	4,537	15,796	9,705	23,817

Ownership Structure

Direct Shareholding Structure



Indirect Shareholding Structure



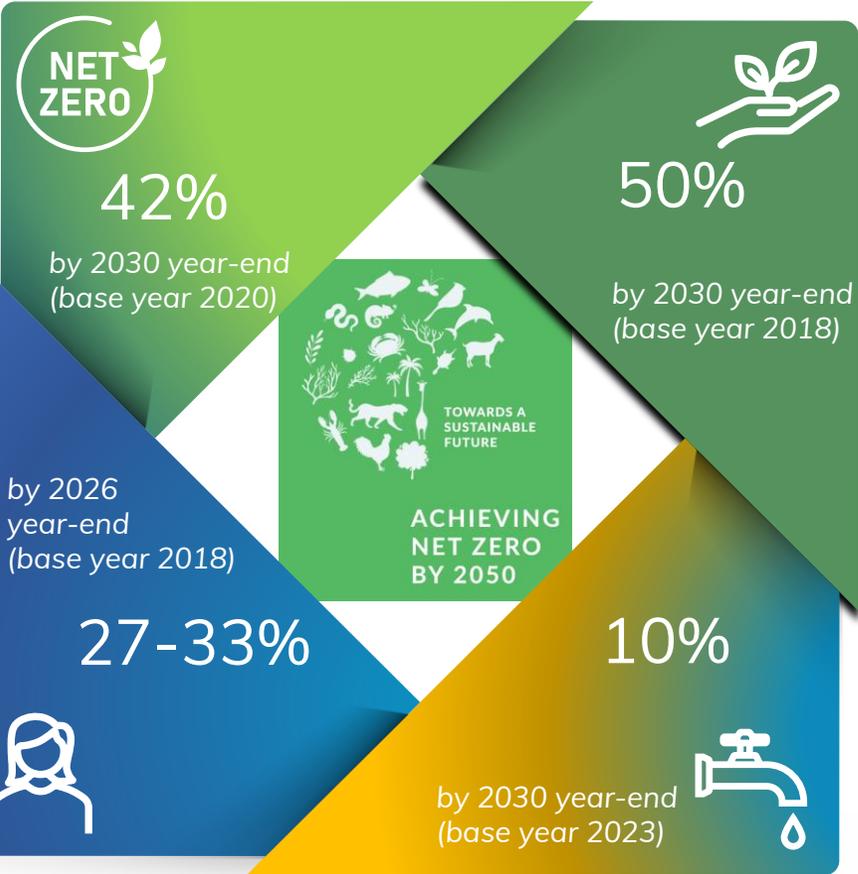
(*): Migros purchased its own shares due to the merger in 2018 in accordance with relevant CMB legislation

Sustainability



Sustainability Targets

Reducing Greenhouse Gas Emission



Reducing Food Waste

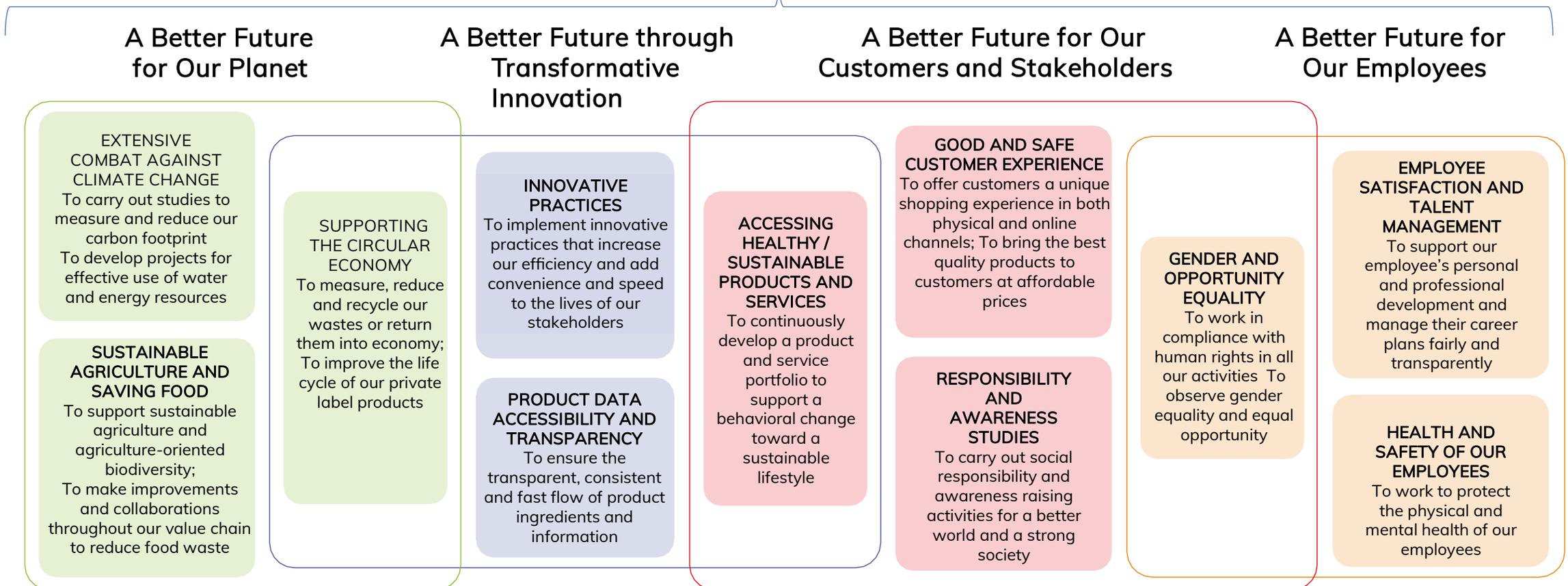
Increasing Women Participation in Top Management

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*

16,643 tons of food



Food Donation

24,265 tons of food



Fresh leftovers to stray animals

9,384 tons of food



* 2024 data

Reducing Plastic Waste



Bag-Free Shopping Movement*

2,018,247 eco friendly reusable bags



Good Agricultural Practices (GAP)



GAP certified F&V

1.7 million tons in 14 years



GAP certified poultry products

316 checkpoints



GAP certified fisheries

193 checkpoints