

**MİGROS TİCARET A.Ş.**

**CONVENIENCE TRANSLATION INTO ENGLISH OF  
CONDENSED CONSOLIDATED  
FINANCIAL STATEMENTS FOR THE INTERIM PERIOD  
1 JANUARY - 31 MARCH 2022**

**(ORIGINALLY ISSUED IN TURKISH)**

**CONVENIENCE TRANSLATION INTO ENGLISH OF  
INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
ORIGINALLY ISSUED IN TURKISH**

**MİGROS TİCARET A.Ş.**

**CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 MARCH 2022**

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|   |              |
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**CONSOLIDATED BALANCE SHEETS AS OF  
31 MARCH 2022 AND 31 DECEMBER 2021**

(Amounts expressed in thousands of Turkish Lira ("TRY") unless otherwise indicated.)

(Currencies other than TRY are expressed in thousands unless otherwise indicated.)

|   | Notes | 31 March<br>2022  | 31 December<br>2021 |
|---|-------|-------------------|---------------------|
| <b>ASSETS</b>                               |       |                   |                     |
| <b>Current Assets:</b>                      |       |                   |                     |
| Cash and cash equivalents                   |       | 4,069,953         | 3,632,341           |
| Financial investments                       |       | 307,433           | 2,596               |
| Trade receivables                           |       | 246,544           | 177,905             |
| -Trade receivables from related parties     | 19    | 5,009             | 4,067               |
| -Trade receivables from third parties       |       | 241,535           | 173,838             |
| Other receivables                           |       | 40,598            | 41,729              |
| -Other receivables from third parties       |       | 40,598            | 41,729              |
| Derivative instruments                      |       | 9,290             | 14,611              |
| Inventories                                 | 7     | 6,104,250         | 4,675,317           |
| Prepaid expenses                            |       | 207,852           | 154,988             |
| Other current assets                        |       | 7,754             | 4,237               |
| <b>Total current assets</b>                 |       | <b>10,993,674</b> | <b>8,703,724</b>    |
| <b>Non-current assets:</b>                  |       |                   |                     |
| Financial investments                       |       | 73,919            | 97,059              |
| Other receivables                           |       | 9,998             | 5,530               |
| -Other receivables from third parties       |       | 9,998             | 5,530               |
| Derivative instruments                      |       | 6,753             | 8,423               |
| Investments accounted through equity method |       | 10,034            | -                   |
| Property, plant and equipment               | 4     | 3,839,896         | 3,750,426           |
| Intangible assets                           |       | 2,448,704         | 2,462,011           |
| -Goodwill                                   |       | 2,252,992         | 2,252,992           |
| -Other intangible assets                    | 5     | 195,712           | 209,019             |
| Prepaid expenses                            |       | 15,709            | 20,579              |
| Right of use assets                         | 6     | 2,883,752         | 2,785,466           |
| Deferred tax assets                         | 17    | 326,761           | 267,107             |
| <b>Total non-current assets</b>             |       | <b>9,615,526</b>  | <b>9,396,601</b>    |
| <b>Total assets</b>                         |       | <b>20,609,200</b> | <b>18,100,325</b>   |

The accompanying notes form an integral part of these consolidated financial statements.

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**CONSOLIDATED BALANCE SHEETS AS OF  
31 MARCH 2022 AND 31 DECEMBER 2021**

(Amounts expressed in thousands of Turkish Lira ("TRY") unless otherwise indicated.)

(Currencies other than TRY are expressed in thousands unless otherwise indicated.)

|  | Notes | 31 March<br>2022  | 31 December<br>2021 |
|--|-------|-------------------|---------------------|
| <b>LIABILITIES</b>                           |       |                   |                     |
| <b>Current liabilities:</b>                  |       |                   |                     |
| Short term borrowings                        |       | 717,853           | 715,860             |
| -Bank loans                                  | 8     | 717,853           | 715,860             |
| Short term portion of long term borrowings   |       | 1,691,305         | 1,328,799           |
| -Bank loans                                  | 8     | 863,308           | 569,464             |
| -Lease liabilities                           |       | 827,997           | 759,335             |
| Trade payables                               |       | 11,431,376        | 9,581,881           |
| -Trade payables to related parties           | 19    | 364,952           | 312,468             |
| -Trade payables to third parties             |       | 11,066,424        | 9,269,413           |
| Payables related to employee benefits        |       | 369,619           | 291,750             |
| Other payables                               |       | 90,306            | 225,021             |
| -Other payables to third parties             |       | 90,306            | 225,021             |
| Deferred income                              |       | 240,954           | 214,363             |
| Current tax liabilities                      | 17    | 52,441            | 49,285              |
| Short term provisions                        |       | 399,273           | 698,608             |
| -Short term provisions for employee benefits | 10    | 274,139           | 187,690             |
| -Other short term provisions                 | 9     | 125,134           | 510,918             |
| Other current liabilities                    |       | 23,975            | 3,431               |
| <b>Total current liabilities</b>             |       | <b>15,017,102</b> | <b>13,108,998</b>   |
| <b>Non-current liabilities:</b>              |       |                   |                     |
| Long term borrowings                         |       | 4,394,797         | 4,035,105           |
| -Bank loans                                  | 8     | 1,975,800         | 1,685,995           |
| -Lease liabilities                           |       | 2,418,997         | 2,349,110           |
| Other payables                               |       | 26,342            | 25,877              |
| -Other payables to third parties             |       | 26,342            | 25,877              |
| Deferred income                              |       | 7,127             | 10,727              |
| Long term provisions                         |       | 503,525           | 383,554             |
| -Long term provisions for employee benefits  | 10    | 503,525           | 383,554             |
| <b>Total non-current liabilities</b>         |       | <b>4,931,791</b>  | <b>4,455,263</b>    |
| <b>Total liabilities</b>                     |       | <b>19,948,893</b> | <b>17,564,261</b>   |

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**CONVENIENCE TRANSLATION INTO ENGLISH OF  
INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
ORIGINALLY ISSUED IN TURKISH**

**MİGROS TİCARET A.Ş.**

**CONSOLIDATED BALANCE SHEETS AS OF  
31 MARCH 2022 AND 31 DECEMBER 2021**

(Amounts expressed in thousands of Turkish Lira ("TRY") unless otherwise indicated.)

(Currencies other than TRY are expressed in thousands unless otherwise indicated.)

|  | Notes | 31 March<br>2022  | 31 December<br>2021 |
|--|-------|-------------------|---------------------|
| <b>EQUITY</b>                                      |       |                   |                     |
| <b>Attributable to equity holders of parent</b>    |       | <b>636,282</b>    | <b>536,064</b>      |
| Share capital                                      | 18    | 181,054           | 181,054             |
| Other capital reserves                             |       | (365)             | (365)               |
| Treasury shares                                    | 18    | (125,435)         | (125,435)           |
| Additional contribution to share capital           |       | 22,074            | 22,074              |
| Other comprehensive income/(expense)               |       |                   |                     |
| not to be classified to profit or loss             |       | 712,921           | 715,126             |
| -Defined benefit plans                             |       |                   |                     |
| re-measurement (losses)                            |       | 1,118             | 1,118               |
| -Revaluation fund of property, plant and equipment |       | 711,803           | 714,008             |
| Other accumulated comprehensive income/expense     |       |                   |                     |
| to be classified to profit or loss                 |       | 54,349            | 48,990              |
| -Currency translation differences                  |       | 54,349            | 48,990              |
| Restricted reserves                                |       | 527,099           | 250,582             |
| Accumulated losses                                 |       | (817,623)         | (914,843)           |
| Net income for the period                          |       | 82,208            | 358,881             |
| <b>Non-controlling interest</b>                    |       | <b>24,025</b>     | <b>-</b>            |
| <b>Total equity</b>                                |       | <b>660,307</b>    | <b>536,064</b>      |
| <b>Total liabilities and equity</b>                |       | <b>20,609,200</b> | <b>18,100,325</b>   |

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**CONSOLIDATED STATEMENTS OF PROFIT OR LOSS FOR THE  
INTERIM PERIOD 1 JANUARY - 31 MARCH 2022 AND 2021**

(Amounts expressed in thousands of Turkish Lira ("TRY") unless otherwise indicated.)

(Currencies other than TRY are expressed in thousands unless otherwise indicated.)

|   | Notes | 1 January -<br>31 March 2022 | 1 January -<br>31 March 2021 |
|---|-------|------------------------------|------------------------------|
| Revenue   | 3, 11 | 12,271,397                   | 7,689,091                    |
| Cost of sales (-)   | 3, 11 | (9,137,030)                  | (5,789,930)                  |
| <b>Gross Profit</b>   |       | <b>3,134,367</b>             | <b>1,899,161</b>             |
| General administrative expenses (-)                                     | 12    | (197,334)                    | (98,735)                     |
| Marketing expenses (-)  | 12    | (2,321,194)                  | (1,405,220)                  |
| Other operating income  | 13    | 173,052                      | 90,991                       |
| Other operating expenses (-)  | 13    | (447,384)                    | (228,696)                    |
| <b>Operating profit</b>   |       | <b>341,507</b>               | <b>257,501</b>               |
| Income from investment activities                                       | 14    | 39,506                       | 213,162                      |
| Expenses from investment activities (-)                                 | 14    | (2,888)                      | (1,483)                      |
| Share of profit of investments<br>accounted for using the equity method |       | 6,784                        | -                            |
| <b>Operating income before financial income</b>                         |       | <b>384,909</b>               | <b>469,180</b>               |
| Financial income  | 15    | 40,160                       | 59,271                       |
| Financial expense (-)   | 16    | (339,033)                    | (287,137)                    |
| <b>Net profit before tax from continuing operation</b>                  |       | <b>86,036</b>                | <b>241,314</b>               |
| <b>Tax expense from continuing operations</b>                           |       | <b>(3,638)</b>               | <b>(32,482)</b>              |
| Income tax expense (-)  | 17    | (62,520)                     | (56,619)                     |
| Deferred tax income   | 17    | 58,882                       | 24,137                       |
| <b>Continued operation period profit</b>                                |       | <b>82,398</b>                | <b>208,832</b>               |
| <b>Discontinued operations profit for the period</b>                    |       | <b>-</b>                     | <b>678</b>                   |
| <b>Net income for the period</b>  |       | <b>82,398</b>                | <b>209,510</b>               |
| <b>Net income attributable to:</b>                                      |       |                              |                              |
| - Non-controlling interest  |       | 190                          | -                            |
| - Equity holders of parent  | 20    | 82,208                       | 209,510                      |
| Profit per share (TRY) from<br>continuing operations                    | 20    | 0.45                         | 1.16                         |
| Profit per share (TRY) from<br>discontinuing operations                 |       | 0.00                         | 0.00                         |

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**CONSOLIDATED STATEMENTS OF OTHER COMPREHENSIVE INCOME  
FOR THE INTERIM PERIOD ENDED 1 JANUARY - 31 MARCH 2022 AND 2021**

(Amounts expressed in thousands of Turkish Lira ("TRY") unless otherwise indicated.)

(Currencies other than TRY are expressed in thousands unless otherwise indicated.)

|   | <b>1 January -<br/>31 March 2022</b> | <b>1 January -<br/>31 March 2021</b> |
|---|--------------------------------------|--------------------------------------|
| <b>Net profit for the period</b>                            | <b>82,398</b>                        | <b>209,510</b>                       |
| <b>Items that not to be reclassified to profit or loss</b>  |                                      |                                      |
| Tangible fixed asset revaluation increases                  | 564                                  | 466                                  |
| Tangible fixed asset revaluation increases, tax effect      | (113)                                | (93)                                 |
| <b>Items to be reclassified to profit or loss</b>           |                                      |                                      |
| -Currency translation differences                           | 5,359                                | (209,280)                            |
| <b>Other comprehensive income / (loss), after tax</b>       | <b>5,810</b>                         | <b>(208,907)</b>                     |
| <b>Total comprehensive income</b>                           | <b>88,208</b>                        | <b>603</b>                           |
| <b>Allocation of total comprehensive income / (expense)</b> |                                      |                                      |
| -Non-controlling interests                                  | 190                                  | (2,400)                              |
| -Equity holders of parent                                   | 88,018                               | 3,003                                |

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**MİGROS TİCARET A.Ş.**

**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE INTERIM PERIOD ENDED 1 JANUARY - 31 MARCH  
2022 AND 2021**

(Amounts expressed in thousands of Turkish Lira ("TRY") unless otherwise indicated.)

(Currencies other than TRY are expressed in thousands unless otherwise indicated.)

|   | Share<br>capital | Other<br>capital<br>reserves | Treasury<br>shares | Additional<br>contribution<br>share capital | Defined<br>benefit plans<br>re-measurement<br>(losses)/gains | Other<br>comprehensive<br>income / expense<br>not to be reclassified<br>to profit or loss<br>Increase/(decrease) of<br>revaluation fund of<br>fixed assets | Other<br>comprehensive<br>income / expense<br>to be reclassified<br>to profit or loss<br>Currency<br>translation<br>difference | Restricted<br>reserves | Retained earnings     |  | Attributable to<br>equity holder<br>of the parent | Non -<br>controlling<br>interests | Total<br>equity |
|---|------------------|------------------------------|--------------------|---|--|--|--|------------------------|-----------------------|--|---|-----------------------------------|-----------------|
|   |                  |                              |                    |   |  |  |  |                        | Accumulated<br>losses | Net (loss)<br>/income<br>for the<br>period |   |                                   |                 |
| <b>Balances at 1 January 2021</b>                                   | <b>181,054</b>   | <b>(365)</b>                 | <b>(125,435)</b>   | <b>22,074</b>                               | <b>(3,042)</b>   | <b>409,260</b>   | <b>256,000</b>   | <b>111,249</b>         | <b>(416,750)</b>      | <b>(402,984)</b>                           | <b>31,061</b>                                     | <b>2,400</b>                      | <b>33,461</b>   |
| Transfers   | -                | -                            | -                  | -   | -  | (28,789)   | (2,755)  | 139,017                | (510,457)             | 402,984                                    | -   | -                                 | -               |
| <b>Total comprehensive income</b>                                   | <b>-</b>         | <b>-</b>                     | <b>-</b>           | <b>-</b>                                    | <b>-</b>   | <b>373</b>   | <b>(206,880)</b>   | <b>-</b>               | <b>-</b>              | <b>209,510</b>                             | <b>3,003</b>                                      | <b>(2,400)</b>                    | <b>603</b>      |
| Net income for the period   | -                | -                            | -                  | -   | -  | -  | -  | -                      | -                     | 209,510                                    | 209,510   | -                                 | 209,510         |
| Currency translation differences                                    | -                | -                            | -                  | -   | -  | -  | (1,137)  | -                      | -                     | -  | (1,137)   | -                                 | (1,137)         |
| Increase / (decrease) due to the<br>loss of control in subsidiaries | -                | -                            | -                  | -   | -  | -  | (205,743)  | -                      | -                     | -  | (205,743)   | (2,400)                           | (208,143)       |
| Revaluation fund of property,<br>plant and equipment                | -                | -                            | -                  | -   | -  | 373  | -  | -                      | -                     | -  | 373   | -                                 | 373             |
| <b>Balances at 31 March 2021</b>                                    | <b>181,054</b>   | <b>(365)</b>                 | <b>(125,435)</b>   | <b>22,074</b>                               | <b>(3,042)</b>   | <b>380,844</b>   | <b>46,365</b>  | <b>250,266</b>         | <b>(927,207)</b>      | <b>209,510</b>                             | <b>34,064</b>                                     | <b>-</b>                          | <b>34,064</b>   |
| <b>Balances at 1 January 2022</b>                                   | <b>181,054</b>   | <b>(365)</b>                 | <b>(125,435)</b>   | <b>22,074</b>                               | <b>1,118</b>   | <b>714,008</b>   | <b>48,990</b>  | <b>250,582</b>         | <b>(914,843)</b>      | <b>358,881</b>                             | <b>536,064</b>                                    | <b>-</b>                          | <b>536,064</b>  |
| Transfers   | -                | -                            | -                  | -   | -  | (2,656)  | -  | 276,517                | 85,020                | (358,881)                                  | -   | -                                 | -               |
| Transactions with entities<br>with non-controlling interests        | -                | -                            | -                  | -   | -  | -  | -  | -                      | -                     | -  | -   | 23,835                            | 23,835          |
| Other adjustments   | -                | -                            | -                  | -   | -  | -  | -  | -                      | 12,200                | -  | 12,200  | -                                 | 12,200          |
| <b>Total comprehensive income</b>                                   | <b>-</b>         | <b>-</b>                     | <b>-</b>           | <b>-</b>                                    | <b>-</b>   | <b>451</b>   | <b>5,359</b>   | <b>-</b>               | <b>-</b>              | <b>82,208</b>                              | <b>88,018</b>                                     | <b>190</b>                        | <b>88,208</b>   |
| Net income for the period   | -                | -                            | -                  | -   | -  | -  | -  | -                      | -                     | 82,208                                     | 82,208  | 190                               | 82,398          |
| Currency translation differences                                    | -                | -                            | -                  | -   | -  | -  | 5,359  | -                      | -                     | -  | 5,359   | -                                 | 5,359           |
| Increase of revaluation fund of property,<br>plant and equipment    | -                | -                            | -                  | -   | -  | 451  | -  | -                      | -                     | -  | 451   | -                                 | 451             |
| <b>Balances at 31 March 2022</b>                                    | <b>181,054</b>   | <b>(365)</b>                 | <b>(125,435)</b>   | <b>22,074</b>                               | <b>1,118</b>   | <b>711,803</b>   | <b>54,349</b>  | <b>527,099</b>         | <b>(817,623)</b>      | <b>82,208</b>                              | <b>636,282</b>                                    | <b>24,025</b>                     | <b>660,307</b>  |

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INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
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**MİGROS TİCARET A.Ş.**

**CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE INTERIM PERIOD ENDED 1 JANUARY - 31 MARCH 2022 AND 2021**

(Amounts expressed in thousands of Turkish Lira ("TRY") unless otherwise indicated.)

(Currencies other than TRY are expressed in thousands unless otherwise indicated.)

|   | Notes | 1 January -<br>31 March 2022 | 1 January -<br>31 March 2021 |
|---|-------|------------------------------|------------------------------|
| <b>Cash flows from operating activities:</b>                                      |       |                              |                              |
| <b>Net profit for the period</b>  |       | <b>82,398</b>                | <b>209,510</b>               |
| Net income from continued operations for the period                               |       | 82,398                       | 208,832                      |
| Net income from discontinued operations for the period                            |       | -                            | 678                          |
| <b>Adjustments related to reconciliation of net profit for the period</b>         |       | <b>1,101,208</b>             | <b>485,267</b>               |
| Adjustments for depreciation and amortisation expenses                            | 12    | 252,546                      | 209,971                      |
| Adjustments for impairment on receivables   | 13    | 8,692                        | 263                          |
| Adjustments for inventory provisions  | 7     | 15,462                       | (13,054)                     |
| Adjustments for impairment on property, plant and equipment                       | 14    | 2,888                        | 1,059                        |
| Adjustments for provision for employee benefits                                   | 10    | 236,385                      | 76,356                       |
| Adjustments for provision for litigation  | 13    | 9,665                        | 13,904                       |
| Adjustments for interest income   | 13,15 | (79,002)                     | (30,092)                     |
| Adjustments for interest expense  | 16    | 282,506                      | 251,921                      |
| Adjustments for deferred financing due to forward purchases expenses              | 13    | 428,213                      | 199,553                      |
| Adjustments for unearned finance income from sales                                | 13    | (75,445)                     | ( 57,212)                    |
| Adjustments for unrealized foreign exchange losses related to bank borrowings     | 8     | 8,075                        | 24,132                       |
| Adjustments for fair value losses (gains) arising from derivatives                | 15,16 | 7,585                        | (11,278)                     |
| Adjustments for income tax expense  | 17    | 3,638                        | 32,482                       |
| Loss on sale of property plant and equipment                                      |       | -                            | 424                          |
| Adjustments for (gains) arising from the sale of fixed assets classified for sale |       | -                            | (213,162)                    |
| <b>Changes in net working capital</b>   |       | <b>(60,615)</b>              | <b>(456,431)</b>             |
| Adjustments for increase in trade receivables                                     |       | (75,062)                     | 2,837                        |
| Adjustments for increase in inventories   |       | (1,444,395)                  | (446,994)                    |
| Adjustments for increase in other receivables related with operations             |       | (430,725)                    | (11,459)                     |
| Adjustments for increase in trade payables  |       | 1,857,775                    | 45,231                       |
| Adjustments for increase in other payables related with operations                |       | 31,792                       | ( 46,046)                    |
| <b>Cash flows from operating activities</b>                                       |       | <b>1,122,991</b>             | <b>238,346</b>               |
| Employee benefits paid  | 10    | (29,965)                     | (11,586)                     |
| Interest received   |       | 143,841                      | 84,764                       |
| Interest paid   |       | (423,946)                    | (239,365)                    |
| Taxes paid  |       | (31,592)                     | (15,507)                     |
| Other provisions paid   | 9     | (397,445)                    | (4,205)                      |
| <b>Net cash provided by operating activities</b>                                  |       | <b>383,884</b>               | <b>52,447</b>                |

The accompanying notes form an integral part of these consolidated financial statements.

**CONVENIENCE TRANSLATION INTO ENGLISH OF  
INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
ORIGINALLY ISSUED IN TURKISH**

**MİGROS TİCARET A.Ş.**

**CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE INTERIM PERIOD ENDED 1 JANUARY - 31 MARCH 2022 AND 2021**

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated.)

(Currencies other than TRY are expressed in thousands unless otherwise indicated.)

|  | Notes | 1 January -<br>31 March 2022 | 1 January -<br>31 March 2021 |
|--|-------|------------------------------|------------------------------|
| <b>Investing activities</b>  |       |                              |                              |
| Cash outflows from the purchase of tangible and intangible assets                      |       | (164,128)                    | ( 105,833)                   |
| Cash inflows from the sale of fixed assets classified for sale                         |       | -                            | 374,451                      |
| Cash inflows from the sale of tangible and intangible assets                           |       | -                            | 14,949                       |
| <b>Cash flows from investing activities</b>  |       | <b>(164,128)</b>             | <b>283,567</b>               |
| <b>Financing activities</b>  |       |                              |                              |
| Cash inflows from financial liabilities  | 8     | 708,000                      | -                            |
| Cash outflows from repayments of borrowings  | 8     | (154,725)                    | (827,893)                    |
| Cash outflows from repayment of derivative instruments                                 |       | (594)                        | (356)                        |
| Interest received  | 15    | 8,337                        | 2,894                        |
| Interest paid  |       | (121,846)                    | (138,161)                    |
| Cash outflows from payments of lease liabilities                                       |       | (254,409)                    | (212,540)                    |
| <b>Cash flows from financing activities</b>  |       | <b>184,763</b>               | <b>(1,176,056)</b>           |
| <b>Effect of foreign currency translation differences on cash and cash equivalents</b> |       | <b>33,093</b>                | <b>( 48,147)</b>             |
| Net (decrease) / increase in cash and cash equivalents                                 |       | 437,612                      | (888,189)                    |
| <b>Cash and cash equivalents in the beginning of the period</b>                        |       | <b>3,632,341</b>             | <b>3,230,793</b>             |
| <b>Cash and cash equivalents in the end of the period</b>                              |       | <b>4,069,953</b>             | <b>2,342,604</b>             |

The accompanying notes form an integral part of these consolidated financial statements.

**CONVENIENCE TRANSLATION INTO ENGLISH OF  
INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
ORIGINALLY ISSUED IN TURKISH**

**MİGROS TİCARET A.Ş.**

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR  
THE INTERIM PERIOD 1 JANUARY - 31 MARCH 2022**

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated.)

(Currencies other than TRY are expressed in thousands unless otherwise indicated.)

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**NOTE 1 - ORGANISATION AND NATURE OF OPERATIONS**

Migros Ticaret A.Ş., (collectively referred to as “Migros” or the “Company”), was established on 19 March 2008 and is registered in Istanbul, Turkey under the Turkish Commercial Code. (Migros Türk Ticaret Anonim Şirketi, which was established in 1954, merged with its parent company Moonlight Perakendecilik ve Ticaret Anonim Şirketi (“Moonlight Perakendecilik”) on 30 April 2009 and the trade name of Moonlight Retailing was changed as Migros Ticaret A.Ş.)

The Company and its subsidiaries together will be referred as “the Group”.

As of 31 March 2022, the indirect shares of AG Anadolu Grubu Holding A.Ş. (“Anadolu Group”) is 50%.

Through its Migros, 5M, Migros Jet and Macrocenter banner stores in Turkey, shopping centers and internet, the Company is mainly engaged in the retail sales of food and beverages, consumer and durable goods. The Company also rents floor space in the shopping malls to other trading companies. As of 31 March 2022, the Group operates in 2,598 stores in total (31 December 2020: 2,565) which comprise 1,669,109 m2 from 2,573 retail stores and comprise 14,269 m2 from 25 wholesale stores with a total net space of 1,683,378 m2 (31 December 2021: 1,678,802 m2). As of 31 March 2022, the Group employed 40,060 people (31 December 2021: 40,470). Retail is the main business segment of the Group and constitutes almost 96% of gross sales (31 December 2021: 96%).

The address of the registered office is as follows:

Migros Ticaret A.Ş.  
Atatürk Mah., Turgut Özal Blv.,  
No: 7 Ataşehir İstanbul

These condensed consolidated financial statements have been approved for issue by the Board of Directors (“BOD”) on 9 May 2022 and signed by Ö. Özgür Tort, General Manager, and Ferit Cem Doğan, Assistant General Manager, on behalf of the BOD. The owners of the Company and regulatory bodies have the power to amend the consolidated financial statements after the issue in the General Assembly meeting of the Company.

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**MİGROS TİCARET A.Ş.**

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR  
THE INTERIM PERIOD 1 JANUARY - 31 MARCH 2022**

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated.)

(Currencies other than TRY are expressed in thousands unless otherwise indicated.)

**NOTE 1 - ORGANISATION AND NATURE OF OPERATIONS (Continued)**

**Subsidiaries:**

The Company has the following subsidiaries (the “Subsidiaries”). The nature of the business of the Subsidiaries and for the purpose of the consolidated financial statements, their respective geographical segments are as follows:

| Subsidiaries  | Country of<br>incorporation | Geographical<br>segment | Nature of<br>business                         | 31 March<br>2022 (%) | 31 December<br>2021 (%) |
|---|-----------------------------|-------------------------|---|----------------------|-------------------------|
| Ramstore Kazakhstan LLC<br>("Ramstore Kazakhstan"). | Kazakhstan                  | Kazakhstan              | Shopping<br>center<br>management              | 100.0                | 100.0                   |
| Mimeda Medya Platform A.Ş.                          | Turkey                      | Turkey                  | Media   | 100.0                | 100.0                   |
| Moneybay Ödeme ve Elektronik Para Hizmetleri A.Ş.   | Turkey                      | Turkey                  | Services limited<br>by e-money<br>legislation | 80.0                 | 80.0                    |
| Paket Lojistik ve Teknolojik A.Ş.                   | Turkey                      | Turkey                  | Logistics                                     | 25.0                 | 25.0                    |
| Dijital Platform Gıda Hizmetleri A.Ş.               | Turkey                      | Turkey                  | Online<br>food retailing                      | 100.0                | 100.0                   |

**NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS**

**2.1 Basis of Presentation**

**2.1.1 Basis of preparation and presentation of financial statements**

The interim condensed consolidated financial statements are prepared in accordance with Communiqué Serial II, No:14.1, “Principles of Financial Reporting in Capital Markets” (the Communiqué) published in the Official Gazette numbered 28676 on 13 June 2013 and interim condensed consolidated financial statements are prepared in accordance with the Turkish Accounting Standards (“TAS”) issued by Public Oversight Accounting and Auditing Standards Authority (“POAASA”) according to Article 5 of the Communiqué. TAS contains Turkish Accounting Standards, Turkish Financial Reporting Standards (“TFRS”) and its addendum and interpretations. The consolidated financial statements of the Group are prepared as per the CMB announcement of 7 June 2013 relating to financial statements presentations. Comparative figures are reclassified, where necessary, to conform to changes in the presentation of the current year’s consolidated financial statements.

The condensed consolidated financial statements are based on the statutory financial statements of the Group’s subsidiaries and presented in Turkish Lira in accordance with the CMB financial reporting standards with certain adjustments and reclassifications for the purpose of fair presentation. Such adjustments are primarily related to application of consolidation accounting, accounting for deferred taxes on temporary differences, accounting for employment termination benefits on an actuarial basis and accruals for various expenses. Except for the financial assets carried from their fair values and assets and liabilities, financial statements are prepared on historical cost basis.

**CONVENIENCE TRANSLATION INTO ENGLISH OF  
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**MİGROS TİCARET A.Ş.**

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THE INTERIM PERIOD 1 JANUARY - 31 MARCH 2022**

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated.)

(Currencies other than TRY are expressed in thousands unless otherwise indicated.)

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**NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS  
(Continued)**

**2.1 Basis of Presentation (Continued)**

In accordance with the CMB’s “Communiqué on Financial Reporting in Capital Market” Numbered II, 14.1 (Communiqué), promulgated in the Official Gazette numbered 28676 dated 13 June 2013, effective from interim periods beginning after 30 June 2013, listed companies required to prepare their financial statements in conformity with Turkey Accounting / Financial Reporting Standards (TAS / TFRS) as prescribed in the CMB Communiqué. The financial statements and explanatory notes are presented using the compulsory standard formats as published by the Communiqué.

In the scope of the CMB’s “Communiqué on Financial Reporting in Capital Market” Numbered II- 14.1 (Communiqué), the Group has prepared condensed consolidated interim financial statements in accordance with TAS 34 “Interim Financial Reporting”. The financial statements and explanatory notes are presented using the compulsory standard formats as published by the Communiqué.

In accordance with the TAS, the entities are allowed to prepare a complete set of interim financial statements in accordance with TAS 34, “Interim Financial Reporting”. In this respect the Group has preferred to prepare condensed consolidated financial statements in the interim periods and prepared the aforementioned condensed consolidated financial statements in compliance with CMB Financial Reporting Standards.

Furthermore in accordance with the Communiqué and announcements regarding the explanations of the Communiqué, guarantee pledge, mortgage table, foreign currency position table, total export and total import amounts and hedging amount of total foreign currency liabilities are presented in the condensed consolidated financial statements disclosures (Note 9, 21).

**2.1.2 Comparative information and restatement of prior period financial statements**

The consolidated financial statements of the Group are prepared comparatively with the previous period in order to enable the determination of financial position and performance trends. In order to comply with the presentation of the current period consolidated financial statements, comparative information is reclassified when deemed necessary and significant differences are disclosed.

In case of changes and errors in accounting policies and accounting estimates, significant changes made and significant accounting errors identified are applied retrospectively and prior period financial statements are restated. Changes in accounting estimates are applied in the current period when the change is made if they are related to only one period, and if they are related to future periods, they are applied both in the period when the change is made and prospectively.

In order to comply with the presentation of the current period consolidated financial statements as of 31 March 2022, in-store production and e-commerce expenses amounting to TL 223,093, which were classified under marketing expenses, were classified under cost of sales in the consolidated income statement for the period ending on 31 March 2021.

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(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated.)

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**NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS  
(Continued)**

**2.1 Basis of Presentation (Continued)**

**2.1.2 Changes in the accounting policies, estimates and errors**

Significant changes in accounting policies and accounting errors are applied retrospectively and prior period financial statements are restated. The effect of changes in accounting estimates affecting the current period is recognised in the current period; the effect of changes in accounting estimates affecting current and future periods is recognised in the current and future periods.

**2.1.3 Functional and reporting currency**

Items included in the financial statements of each of the Group’s entities are measured using the currency of the primary economic environment in which the entity operates (“the functional currency”). The consolidated financial statements are presented in TRY, which is the functional currency of Migros Ticaret A.Ş. and the reporting currency of the Group.

**Group companies**

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet
- Income and expenses for each statement of profit or loss and statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions),
- All resulting exchange differences are recognised in other comprehensive income.

**2.2 New and Amended Turkish Financial Reporting Standards**

**a) Standards, amendments and interpretations applicable as at 31 March 2022:**

- **Amendments to TFRS 7, TFRS 4 and TFRS 16 Interest Rate Benchmark Reform Phase 2 (effective 1 January 2021);** The Phase 2 amendments address issues that arise from the implementation of the reforms, including the replacement of one benchmark with an alternative one. The Phase 2 amendments provide additional temporary reliefs from applying specific TAS 39 and TFRS 9 hedge accounting requirements to hedging relationships directly affected by IBOR reform.

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(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated.)

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**NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS  
(Continued)**

**2.2 New and Amended Turkish Financial Reporting Standards (Continued)**

- **Amendments to TFRS 4 Insurance Contracts - deferral of TFRS 9 (effective 1 January 2021);** These amendments defer the date of application of TFRS 17 by two years to 1 January 2023 and change the fixed date of the temporary exemption in TFRS 4 from applying TFRS 9, Financial instrument until 1 January 2023.
- **Amendment to TFRS 16, ‘Leases’ - Covid-19 related rent concessions Extension of the practical expedient (effective 1 April 2021);** As a result of the coronavirus (COVID-19) pandemic, rent concessions have been granted to lessees. In May 2020, the IASB published an amendment to TFRS 16 that provided an optional practical expedient for lessees from assessing whether a rent concession related to COVID-19 is a lease modification. On 31 March 2021, the IASB published an additional amendment to extend the date of the practical expedient from 30 June 2021 to 30 June 2022. Lessees can elect to account for such rent concessions in the same way as they would if they were not lease modifications. In many cases, this will result in accounting for the concession as variable lease payments in the period(s) in which the event or condition that triggers the reduced payment occurs.
- b) ***Standards, amendments and interpretations that are issued but not effective as at 31 March 2022:***
  - **A number of narrow-scope amendments to TFRS 3, TAS 16, TAS 37 and some annual improvements on TFRS 1, TFRS 9, TAS 41 and TFRS 16;** effective from annual periods beginning on or after 1 January 2022.
    - **Amendments to TFRS 3, ‘Business combinations’** update a reference in TFRS 3 to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations.
    - **Amendments to TAS 16, ‘Property, plant and equipment’** prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognise such sales proceeds and related cost in profit or loss.
    - **Amendments to TAS 37, ‘Provisions, contingent liabilities and contingent assets’** specify which costs a company includes when assessing whether a contract will be loss-making.

Annual improvements make minor amendments to TFRS 1, ‘First-time Adoption of TFRS’, TFRS 9, ‘Financial Instruments’, TAS 41, ‘Agriculture’ and the Illustrative Examples accompanying TFRS 16, ‘Leases’.

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**NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS  
(Continued)**

**2.2 New and Amended Turkish Financial Reporting Standards (Continued)**

- **Amendments to TAS 1, Presentation of financial statements’ on classification of liabilities;** effective date deferred until accounting periods starting not earlier than 1 January 2024. These narrow-scope amendments to TAS 1, ‘Presentation of financial statements’, clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date (for example, the receipt of a waiver or a breach of covenant). The amendment also clarifies what TAS 1 means when it refers to the ‘settlement’ of a liability.
- **Narrow scope amendments to TAS 1, Practice statement 2 and TAS 8;** effective from annual periods beginning on or after 1 January 2023. The amendments aim to improve accounting policy disclosures and to help users of the financial statements to distinguish between changes in accounting estimates and changes in accounting policies.
- **Amendment to TAS 12 - Deferred tax related to assets and liabilities arising from a single transaction;** from annual periods beginning on or after 1 January 2023. These amendments require companies to recognise deferred tax on transactions that, on initial recognition give rise to equal amounts of taxable and deductible temporary differences.
- **TFRS 17, ‘Insurance Contracts’, as amended in December 2021;** effective from annual periods beginning on or after 1 January 2023. This standard replaces TFRS 4, which currently permits a wide variety of practices in accounting for insurance contracts. TFRS 17 will fundamentally change the accounting by all entities that issue insurance contracts and investment contracts with discretionary participation features.

These changes are not expected to have a significant impact on the financial status and performance of the Group.

**NOTE 3 - SEGMENT REPORTING**

Management determines the operating segments based on the reports analyzed and found effective in strategic decision making by the Board of Directors.

Management assesses the Group’s performance on a geographic level as Turkey and other countries since the gross sales of these subsidiaries are below 10% of the Group sales. Reportable operating segment revenue comprises primarily retail sales, rent income and wholesales. Rent income and wholesale revenues are not recognized as reportable segments as they are not stated in detail in the reports provided to the Board of Directors. The Board of Directors assesses the performance of the operating segments based on a measure of Earning Before Interest, Tax, Depreciation and Amortisation, “EBITDA” and Earning Before Interest, Tax, Depreciation, Amortisation and Rent, “EBITDAR”. The Group calculates the EBITDA by deducting general administrative expenses and selling, marketing and distribution expenses and adding depreciation expenses, unused vacation liability paid in current period, employee termination benefit provision expense, unused vacation liability expense on gross profit amount in consolidated statements of income.

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THE INTERIM PERIOD 1 JANUARY - 31 MARCH 2022**

(Amounts expressed in thousands of Turkish Lira (“TRY”) unless otherwise indicated.)

(Currencies other than TRY are expressed in thousands unless otherwise indicated.)

**NOTE 3 - SEGMENT REPORTING (Continued)**

The segment information provided to the board of directors as of 31 March 2022 and 2021 is as follows:

**a) Segment analysis for the period 1 January - 31 March 2022:**

|   | <b>Turkey</b>    | <b>Kazakhstan</b> | <b>Combined<br/>total</b> | <b>Intersegment<br/>eliminations</b> | <b>Total continued<br/>operations</b> | <b>Discounted<br/>operations</b> | <b>Total</b>     |
|---|------------------|-------------------|---------------------------|--------------------------------------|---------------------------------------|----------------------------------|------------------|
| External revenues   | 12,258,704       | 12,693            | 12,271,397                | -                                    | 12,271,397                            | -                                | 12,271,397       |
| Inter segment revenues  | 128,919          | -                 | 128,919                   | (128,919)                            | -                                     | -                                | -                |
| Sales revenue   | 12,387,623       | 12,693            | 12,400,316                | (128,919)                            | 12,271,397                            | -                                | 12,271,397       |
| Cost of sales   | (9,262,175)      | (3,774)           | (9,265,949)               | 128,919                              | (9,137,030)                           | -                                | (9,137,030)      |
| Gross profit  | 3,125,448        | 8,919             | 3,134,367                 | -                                    | 3,134,367                             | -                                | 3,134,367        |
| Marketing expenses  | (2,321,194)      | -                 | (2,321,194)               | -                                    | (2,321,194)                           | -                                | (2,321,194)      |
| General administrative<br>expenses                            | (193,221)        | (4,113)           | (197,334)                 | -                                    | (197,334)                             | -                                | (197,334)        |
| Addition: Depreciation<br>and amortisation expenses           | 249,769          | 2,777             | 252,546                   | -                                    | 252,546                               | -                                | 252,546          |
| Addition: Provision for<br>employment termination<br>benefits | 119,971          | -                 | 119,971                   | -                                    | 119,971                               | -                                | 119,971          |
| Addition: Unused vacation<br>pay liability                    | 86,449           | -                 | 86,449                    | -                                    | 86,449                                | -                                | 86,449           |
| <b>EBITDA</b><br><b>(Excluding TFRS 16 effect)</b>            | <b>1,067,222</b> | <b>7,583</b>      | <b>1,074,805</b>          | <b>-</b>                             | <b>1,074,805</b>                      | <b>-</b>                         | <b>1,074,805</b> |
| TFRS 16 effect  | (254,409)        | -                 | (254,409)                 | -                                    | (254,409)                             | -                                | (254,409)        |
| <b>EBITDA</b>   | <b>812,813</b>   | <b>7,583</b>      | <b>820,396</b>            | <b>-</b>                             | <b>820,396</b>                        | <b>-</b>                         | <b>820,396</b>   |
| Addition: Rent expenses                                       | 497,986          | -                 | 497,986                   | -                                    | 497,986                               | -                                | 497,986          |
| <b>EBITDAR</b>  | <b>1,310,799</b> | <b>7,583</b>      | <b>1,318,382</b>          | <b>-</b>                             | <b>1,318,382</b>                      | <b>-</b>                         | <b>1,318,382</b> |

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**NOTE 3 - SEGMENT REPORTING (Continued)**

**b) Segment analysis for the period 1 January - 31 March 2021:**

|   | Turkey         | Kazakhstan   | Combined<br>total | Intersegment<br>eliminations | Total continued<br>operations | Discounted<br>operations | Total          |
|---|----------------|--------------|-------------------|------------------------------|-------------------------------|--------------------------|----------------|
| External revenues   | 7,682,565      | 6,526        | 7,689,091         | -                            | 7,689,091                     | 60,704                   | 7,749,795      |
| Inter segment revenues  | 475            | -            | 475               | (475)                        | -                             | -                        | -              |
| Sales revenue   | 7,683,040      | 6,526        | 7,689,566         | (475)                        | 7,689,091                     | 60,704                   | 7,749,795      |
| Cost of sales   | (5,788,449)    | (1,956)      | (5,790,405)       | 475                          | (5,789,930)                   | (44,333)                 | (5,834,263)    |
| Gross profit  | 1,894,591      | 4,570        | 1,899,161         | -                            | 1,899,161                     | 16,371                   | 1,915,532      |
| Marketing expenses  | (1,405,220)    | -            | (1,405,220)       | -                            | (1,405,220)                   | (13,462)                 | (1,418,682)    |
| General administrative<br>expenses                            | (94,863)       | (3,872)      | (98,735)          | -                            | (98,735)                      | (1,871)                  | (100,606)      |
| Addition: Depreciation<br>and amortisation expenses           | 208,505        | 1,466        | 209,971           | -                            | 209,971                       | 2,607                    | 212,578        |
| Addition: Provision for<br>employment termination<br>benefits | 37,465         | -            | 37,465            | -                            | 37,465                        | -                        | 37,465         |
| Addition: Unused vacation<br>pay liability                    | 27,305         | -            | 27,305            | -                            | 27,305                        | -                        | 27,305         |
| <b>EBITDA (Including TFRS 16<br/>Effect)</b>                  | <b>667,783</b> | <b>2,164</b> | <b>669,947</b>    | <b>-</b>                     | <b>669,947</b>                | <b>3,645</b>             | <b>673,592</b> |
| TFRS 16 effect  | (212,540)      | -            | (212,540)         | -                            | (212,540)                     | -                        | (212,540)      |
| <b>EBITDA</b>   | <b>455,243</b> | <b>2,164</b> | <b>457,407</b>    | <b>-</b>                     | <b>457,407</b>                | <b>3,645</b>             | <b>461,052</b> |
| Addition: Rent expenses                                       | 349,633        | -            | 349,633           | -                            | 349,633                       | 2,805                    | 352,438        |
| <b>EBITDAR</b>  | <b>804,876</b> | <b>2,164</b> | <b>807,040</b>    | <b>-</b>                     | <b>807,040</b>                | <b>6,450</b>             | <b>813,490</b> |

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**MİGROS TİCARET A.Ş.**

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR  
THE INTERIM PERIOD 1 JANUARY - 31 MARCH 2022**

(Amounts expressed in thousands of Turkish Lira ("TRY") unless otherwise indicated.)

(Currencies other than TRY are expressed in thousands unless otherwise indicated.)

**NOTE 3 - SEGMENT REPORTING (Continued)**

A reconciliation of EBITDA figure to income before tax is provided as follows:

|   | <b>1 January -<br/>31 March 2022</b> | <b>1 January -<br/>31 March 2021</b> |
|---|--------------------------------------|--------------------------------------|
| EBITDAR reported segments   | 1,318,382                            | 807,040                              |
| Rent expenses   | (497,986)                            | (349,633)                            |
| The effect of new and revised standards                                 | 254,409                              | 212,540                              |
| <b>EBITDA reported segments</b>   | <b>1,074,805</b>                     | <b>669,947</b>                       |
| Depreciation and amortisation   | (252,546)                            | (209,971)                            |
| Provision for employee termination benefits                             | (119,971)                            | (37,465)                             |
| Provision for unused vacation liability                                 | (86,449)                             | (27,305)                             |
| Other operating income  | 173,052                              | 90,991                               |
| Other operating expense (-)   | (447,384)                            | (228,696)                            |
| <b>Operating profit</b>   | <b>341,507</b>                       | <b>257,501</b>                       |
| Income from investing activities  | 39,506                               | 213,162                              |
| Expense from investing activities (-)                                   | (2,888)                              | (1,483)                              |
| Share of profit of investments<br>accounted for using the equity method | 6,784                                | -                                    |
| <b>Operating profit before finance income/(expense)</b>                 | <b>384,909</b>                       | <b>469,180</b>                       |
| Financial income  | 40,160                               | 59,271                               |
| Financial expense (-)   | (339,033)                            | (287,137)                            |
| <b>Income before tax</b>  | <b>86,036</b>                        | <b>241,314</b>                       |

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**NOTE 4 - PROPERTY, PLANT AND EQUIPMENT**

Movement of property, plant and equipments period ended at 31 March 2022 is as follows;

|                                 | 1 January<br>2022  | Additions (*)   | Disposals | Impairment<br>loss(**) | Transfers | Currency<br>translaition<br>differences | 31 March<br>2022   |
|---------------------------------|--------------------|-----------------|-----------|------------------------|-----------|---|--------------------|
| <b>Cost</b>                     |                    |                 |           |                        |           |   |                    |
| Lands                           | 764,754            | -               | -         | -                      | -         | 29                                      | 764,783            |
| Buildings                       | 842,943            | 1,237           | -         | -                      | -         | 13,197                                  | 857,377            |
| Leasehold improvements          | 1,159,929          | 18,732          | -         | (2,910)                | -         | -                                       | 1,175,751          |
| Machinery and equipments        | 1,881,148          | 60,736          | -         | -                      | -         | 1,169                                   | 1,943,053          |
| Motor vehicles                  | 12,700             | 4,640           | -         | -                      | -         | -                                       | 17,340             |
| Furniture and fixtures          | 1,014,631          | 22,638          | -         | -                      | -         | 236                                     | 1,037,505          |
| Construction in progress        | 168,340            | 62,115          | -         | -                      | -         | -                                       | 230,455            |
|                                 | <b>5,844,445</b>   | <b>170,098</b>  | <b>-</b>  | <b>(2,910)</b>         | <b>-</b>  | <b>14,631</b>                           | <b>6,026,264</b>   |
| <b>Accumulated depreciation</b> |                    |                 |           |                        |           |   |                    |
| Buildings                       | (76,131)           | (6,568)         | -         | -                      | -         | (3,595)                                 | (86,294)           |
| Leasehold improvements          | (588,814)          | (20,980)        | -         | 22                     | -         | -                                       | (609,772)          |
| Machinery and equipments        | (867,253)          | (42,029)        | -         | -                      | -         | (695)                                   | (909,977)          |
| Motor vehicles                  | (5,171)            | (750)           | -         | -                      | -         | -                                       | (5,921)            |
| Furniture and fixture           | (556,650)          | (17,553)        | -         | -                      | -         | (201)                                   | (574,404)          |
|                                 | <b>(2,094,019)</b> | <b>(87,880)</b> | <b>-</b>  | <b>22</b>              | <b>-</b>  | <b>(4,491)</b>                          | <b>(2,186,368)</b> |
| <b>Net book value</b>           | <b>3,750,426</b>   |                 |           |                        |           |   | <b>3,839,896</b>   |

(\*) As of 31 March 2022, additions include costs amounting to TRY 8,654, accumulated depreciation amounting to TRY 4,003 and depreciation expense amounting to TRY 387 due to subsidiaries included in the consolidation as of 31 March 2022.

(\*\*) Impairment loss amounting to TRY 2,888 consists of leasehold improvements of the stores closed in 2022 (Note 14).

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**NOTE 4 - PROPERTY, PLANT AND EQUIPMENT (Continued)**

Movement of property, plant and equipments period ended at 31 March 2021 is as follows;

|                                 | <b>1 January<br/>2021</b> | <b>Additions</b> | <b>Disposals</b> | <b>Impairment<br/>loss (*)</b> | <b>Transfers</b> | <b>Currency<br/>translaiton<br/>differences</b> | <b>31 March<br/>2021</b> |
|---------------------------------|---------------------------|------------------|------------------|--------------------------------|------------------|---|--------------------------|
| <b>Cost</b>                     |                           |                  |                  |                                |                  |   |                          |
| Lands                           | 590,907                   | -                | -                | -                              | -                | 45  | 590,952                  |
| Buildings                       | 566,295                   | 246              | -                | -                              | -                | 13,617  | 580,158                  |
| Leasehold improvements          | 961,105                   | 7,665            | (497)            | (4,427)                        | 3,379            | 1,707   | 968,932                  |
| Machinery and equipments        | 1,450,494                 | 17,961           | (8,934)          | -                              | 22,981           | 2,045   | 1,484,547                |
| Motor vehicles                  | 9,745                     | 2,716            | (269)            | -                              | -                | -   | 12,192                   |
| Furniture and fixtures          | 887,016                   | 9,471            | (1,684)          | -                              | 3,387            | 1,446   | 899,636                  |
| Construction in progress        | 116,491                   | 46,607           | -                | -                              | (29,747)         | 1,801   | 135,152                  |
|                                 | <b>4,582,053</b>          | <b>84,666</b>    | <b>(11,384)</b>  | <b>(4,427)</b>                 | <b>-</b>         | <b>20,661</b>                                   | <b>4,671,569</b>         |
| <b>Accumulated depreciation</b> |                           |                  |                  |                                |                  |   |                          |
| Buildings                       | (41,710)                  | (4,392)          | -                | -                              | -                | (3,463)   | (49,565)                 |
| Leasehold improvements          | (511,194)                 | (20,457)         | 388              | 3,368                          | -                | (599)   | (528,494)                |
| Machinery and equipments        | (743,695)                 | (29,350)         | 6,294            | -                              | 37               | (1,302)   | (768,016)                |
| Motor vehicles                  | (3,385)                   | (524)            | 253              | -                              | -                | -   | (3,656)                  |
| Furniture and fixture           | (509,325)                 | (13,418)         | 1,186            | -                              | -                | (727)   | (522,284)                |
|                                 | <b>(1,809,309)</b>        | <b>(68,141)</b>  | <b>8,121</b>     | <b>3,368</b>                   | <b>37</b>        | <b>(6,091)</b>                                  | <b>(1,872,015)</b>       |
| <b>Net book value</b>           | <b>2,772,744</b>          |                  |                  |                                |                  |   | <b>2,799,554</b>         |

(\*) Impairment loss amounting to TRY 1,059 consists of leasehold improvements of the stores closed in 2021 (Note:14).

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**NOTE 5 - INTANGIBLE ASSETS**

Movement of intangible assets period ended at 31 March 2022 is as follows;

|                                 | <b>1 January<br/>2022</b> | <b>Additions(*)</b> | <b>Disposals</b> | <b>Transfers</b> | <b>Currency<br/>translation<br/>differences</b> | <b>31 March<br/>2022</b> |
|---------------------------------|---------------------------|---------------------|------------------|------------------|---|--------------------------|
| <b>Cost</b>                     |                           |                     |                  |                  |   |                          |
| Trademark                       | 2,787                     | -                   | -                | -                | -   | 2,787                    |
| Rent agreements                 | 39,131                    | -                   | -                | -                | -   | 39,131                   |
| Rights                          | 568,068                   | 4,472               | -                | -                | 526   | 573,066                  |
| Other intangible assets         | 170,167                   | 412                 | -                | -                | -   | 170,579                  |
|                                 | <b>780,153</b>            | <b>4,884</b>        | <b>-</b>         | <b>-</b>         | <b>526</b>                                      | <b>785,563</b>           |
| <b>Accumulated amortisation</b> |                           |                     |                  |                  |   |                          |
| Rent agreements                 | (37,132)                  | (239)               | -                | -                | -   | (37,371)                 |
| Rights                          | (413,673)                 | (17,766)            | -                | -                | (463)   | (431,902)                |
| Other intangible assets         | (120,329)                 | (249)               | -                | -                | -   | (120,578)                |
|                                 | <b>(571,134)</b>          | <b>(18,254)</b>     | <b>-</b>         | <b>-</b>         | <b>(463)</b>                                    | <b>(589,851)</b>         |
| <b>Net book value</b>           | <b>209,019</b>            |                     |                  |                  |   | <b>195,712</b>           |

(\*) As of 31 March 2022, additions include costs amounting to TRY 2,200, accumulated amortisation amounting to TRY 757 and amortisation expense TRY 159 due to subsidiaries included in the consolidation as of 31 March 2022.

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**NOTE 5 - INTANGIBLE ASSETS (Continued)**

Movement of intangible assets period ended at 31 March 2021 is as follows;

|                                 | <b>1 January<br/>2021</b> | <b>Additions</b> | <b>Disposals</b> | <b>Transfers</b> | <b>Currency<br/>translation<br/>differences</b> | <b>31 March<br/>2021</b> |
|---------------------------------|---------------------------|------------------|------------------|------------------|---|--------------------------|
| <b>Cost</b>                     |                           |                  |                  |                  |   |                          |
| Trademark                       | 2,787                     | -                | -                | -                | -   | 2,787                    |
| Rent agreements                 | 39,131                    | -                | -                | -                | -   | 39,131                   |
| Rights                          | 470,376                   | 21,167           | (4,104)          | -                | 633   | 488,072                  |
| Other intangible assets         | 170,167                   | -                | -                | (37)             | -   | 170,130                  |
|                                 | <b>682,461</b>            | <b>21,167</b>    | <b>(4,104)</b>   | <b>(37)</b>      | <b>633</b>                                      | <b>700,120</b>           |
| <b>Accumulated amortisation</b> |                           |                  |                  |                  |   |                          |
| Rent agreements                 | (36,176)                  | (239)            | -                | -                | -   | (36,415)                 |
| Rights                          | (340,426)                 | (14,628)         | 3,883            | -                | (448)   | (351,619)                |
| Other intangible assets         | (119,180)                 | (287)            | -                | -                | -   | (119,467)                |
|                                 | <b>(495,782)</b>          | <b>(15,154)</b>  | <b>3,883</b>     | <b>-</b>         | <b>(448)</b>                                    | <b>(507,501)</b>         |
| <b>Net defter değeri</b>        | <b>186,679</b>            |                  |                  |                  |   | <b>192,619</b>           |

Amortisation expenses related to intangible assets have been accounted under marketing expenses.

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**NOTE 6 - RIGHT OF USE ASSETS**

For 31 March 2022 and 2021, movement on right of use assets is as follows:

| <b>Cost</b>                     | <b>1 January 2022</b> | <b>Additions</b> | <b>31 March 2022</b> |
|---------------------------------|-----------------------|------------------|----------------------|
| Buildings                       | 4,264,990             | 249,458          | 4,514,448            |
|                                 | <b>4,264,990</b>      | <b>249,458</b>   | <b>4,514,448</b>     |
| <b>Accumulated Amortisation</b> |                       |                  |                      |
| Buildings                       | (1,479,524)           | (151,172)        | (1,630,696)          |
|                                 | <b>(1,479,524)</b>    | <b>(151,172)</b> | <b>(1,630,696)</b>   |
| <b>Net book value</b>           | <b>2,785,466</b>      |                  | <b>2,883,752</b>     |
| <b>Cost</b>                     | <b>1 January 2021</b> | <b>Additions</b> | <b>31 March 2021</b> |
| Buildings                       | 3,756,145             | 38,377           | 3,794,522            |
|                                 | <b>3,756,145</b>      | <b>38,377</b>    | <b>3,794,522</b>     |
| <b>Accumulated Amortisation</b> |                       |                  |                      |
| Buildings                       | (966,401)             | (126,677)        | (1,093,078)          |
|                                 | <b>(966,401)</b>      | <b>(126,677)</b> | <b>(1,093,078)</b>   |
| <b>Net book value</b>           | <b>2,789,744</b>      |                  | <b>2,701,445</b>     |

Amortisation expenses related to right of use asset have been accounted under marketing expenses.

**NOTE 7 - INVENTORIES**

|  | <b>31 March 2022</b> | <b>31 December 2021</b> |
|--|----------------------|-------------------------|
| Finished goods and commodities           | 6,126,637            | 4,731,014               |
| Work in progress                         | 78,188               | 54,928                  |
| Raw materials                            | 47,971               | 29,399                  |
| Other                                    | 19,318               | 12,378                  |
| Less: Provision for net realizable value | (167,864)            | (152,402)               |
|  | <b>6,104,250</b>     | <b>4,675,317</b>        |

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**NOTE 8 - FINANCIAL LIABILITIES**

|  | <b>31 March 2022</b>     |                    |                   |
|--|--------------------------|--------------------|-------------------|
|  | <b>Effective</b>         | <b>In original</b> | <b>Total TRY</b>  |
|  | <b>interest rate (%)</b> | <b>currency</b>    | <b>equivalent</b> |
| <b>Short term borrowings</b>                         |                          |                    |                   |
| Fixed interest rate - TRY                            | 17.86                    | 463,242            | 463,242           |
| Floating interest rate - TRY                         | 17.87                    | 254,611            | 254,611           |
| <b>Total short term borrowings</b>                   |                          |                    | <b>717,853</b>    |
| <b>Current portion of long term borrowings</b>       |                          |                    |                   |
| Fixed interest rate - TRY                            | 18.59                    | 763,634            | 763,634           |
| Floating interest rate - TRY                         | 20.31                    | 49,629             | 49,629            |
| Kazakhstan loan - EUR                                | 4.50                     | 22                 | 355               |
| Kazakhstan loan - Tenge                              | 13.97                    | 1,552,319          | 49,690            |
| <b>Total current portion of long term borrowings</b> |                          |                    | <b>863,308</b>    |
| <b>Total short term borrowings</b>                   |                          |                    | <b>1,581,161</b>  |
| <b>Long term borrowings</b>                          |                          |                    |                   |
| Fixed interest rate - TRY                            | 18.22                    | 1,596,246          | 1,596,246         |
| Floating interest rate - TRY                         | 20.31                    | 250,022            | 250,022           |
| Kazakhstan loan - EUR                                | 4.50                     | 4,600              | 74,913            |
| Kazakhstan loan - Tenge                              | 13.97                    | 1,706,294          | 54,619            |
| <b>Total long term borrowings</b>                    |                          |                    | <b>1,975,800</b>  |
| <b>Total financial liabilities</b>                   |                          |                    | <b>3,556,961</b>  |

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**NOTE 8 - FINANCIAL LIABILITIES (Continued)**

The redemption schedule of borrowings with effective interest rate at 31 March 2022 is as follows:

|                                 | <b>Tenge loan<br/>TRY equivalent</b> | <b>Euro loan<br/>TRY equivalent</b> | <b>TRY Loan</b>  | <b>Total<br/>(TRY equivalent)</b> |
|---------------------------------|--------------------------------------|-------------------------------------|------------------|-----------------------------------|
| 1 April 2022 - 31 March 2023    | 49,690                               | 355                                 | 1,531,116        | 1,581,161                         |
| 1 April 2023 - 31 March 2024    | 22,253                               | 26,056                              | 1,026,576        | 1,074,885                         |
| 1 April 2024 - 31 March 2025    | 26,885                               | 48,857                              | 444,125          | 519,867                           |
| 1 April 2025 - 31 March 2026    | 5,481                                | -                                   | 256,606          | 262,087                           |
| 1 April 2026 - 14 December 2026 | -                                    | -                                   | 118,961          | 118,961                           |
|                                 | <b>104,309</b>                       | <b>75,268</b>                       | <b>3,377,384</b> | <b>3,556,961</b>                  |

The fair value of borrowings at 31 March 2022 is TRY 3,460,900.

The redemption schedule of principal amounts of borrowings at 31 March 2022 is as follows:

|                                 | <b>Tenge loan<br/>TRY equivalent</b> | <b>Euro loan<br/>TRY equivalent</b> | <b>TRY Loan</b>  | <b>Total<br/>(TRY equivalent)</b> |
|---------------------------------|--------------------------------------|-------------------------------------|------------------|-----------------------------------|
| 1 April 2022 - 31 March 2023    | 36,082                               | -                                   | 1,105,352        | 1,141,434                         |
| 1 April 2023 - 31 March 2024    | 35,861                               | 26,057                              | 1,005,299        | 1,067,217                         |
| 1 April 2024 - 31 March 2025    | 26,885                               | 48,856                              | 521,938          | 597,679                           |
| 1 April 2025 - 31 March 2026    | 5,481                                | -                                   | 400,899          | 406,380                           |
| 1 April 2026 - 14 December 2026 | -                                    | -                                   | 235,408          | 235,408                           |
|                                 | <b>104,309</b>                       | <b>74,913</b>                       | <b>3,268,896</b> | <b>3,448,118</b>                  |

The redemption schedule of contractual cash outflows, which consists of principal and interest, of borrowings at 31 March 2022 is as follows:

|                                 | <b>Tenge loan<br/>TRY equivalent</b> | <b>Euro loan<br/>TRY equivalent</b> | <b>TRY Loan</b>  | <b>Total<br/>(TRY equivalent)</b> |
|---------------------------------|--------------------------------------|-------------------------------------|------------------|-----------------------------------|
| 1 April 2022 - 31 March 2023    | 45,177                               | 2,817                               | 1,623,323        | 1,671,317                         |
| 1 April 2023 - 31 March 2024    | 41,646                               | 29,428                              | 1,355,774        | 1,426,848                         |
| 1 April 2024 - 31 March 2025    | 29,026                               | 49,411                              | 718,498          | 796,935                           |
| 1 April 2025 - 31 March 2026    | 5,699                                | -                                   | 513,670          | 519,369                           |
| 1 April 2026 - 14 December 2026 | -                                    | -                                   | 132,604          | 132,604                           |
|                                 | <b>121,548</b>                       | <b>81,656</b>                       | <b>4,343,869</b> | <b>4,547,073</b>                  |

The Group has the obligation to comply with the various credit commitments in the loan agreement in the interest of the said bank credits. The financial ratios calculated on the financial statements as of 31 March 2022 are in line with the provisions of the bank loan agreement.

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**NOTE 8 - FINANCIAL LIABILITIES (Continued)**

The movement schedule of borrowings as of 31 March 2022 is as follows;

|  |                          |                    |                   |
|--|--------------------------|--------------------|-------------------|
| <b>Opening balance</b>                               |                          |                    | <b>2,971,319</b>  |
| Proceeds of borrowings                               |                          |                    | 708,000           |
| Payments (-)   |                          |                    | (154,725)         |
| Foreign exchange losses                              |                          |                    | 8,075             |
| Change in interest accrual                           |                          |                    | 24,292            |
| <b>Closing balance</b>                               |                          |                    | <b>3,556,961</b>  |
|  | <b>31 December 2021</b>  |                    |                   |
|  | <b>Effective</b>         | <b>In original</b> | <b>Total TRY</b>  |
|  | <b>interest rate (%)</b> | <b>currency</b>    | <b>equivalent</b> |
| <b>Short term borrowings</b>                         |                          |                    |                   |
| Fixed interest rate - TRY                            | 17.87                    | 459,096            | 459,096           |
| Floating interest rate - TRY                         | 17.87                    | 256,764            | 256,764           |
| <b>Total short term borrowings</b>                   |                          |                    | <b>715,860</b>    |
| <b>Current portion of long term borrowings</b>       |                          |                    |                   |
| Floating interest rate - TRY                         | 20.31                    | 49,654             | 49,654            |
| Fixed interest rate - TRY                            | 16.98                    | 486,504            | 486,504           |
| Kazakhstan loan - EUR                                | 4.50                     | 23                 | 341               |
| Kazakhstan loan - Tenge                              | 13.97                    | 1,065,687          | 32,965            |
| <b>Total current portion of long term borrowings</b> |                          |                    | <b>569,464</b>    |
| <b>Total short term borrowings</b>                   |                          |                    | <b>1,285,324</b>  |
| <b>Long term borrowings</b>                          |                          |                    |                   |
| Floating interest rate - TRY                         | 20.31                    | 249,929            | 249,929           |
| Fixed interest rate - TRY                            | 16.85                    | 1,291,278          | 1,291,278         |
| Kazakhstan loan - EUR                                | 4.50                     | 4,600              | 69,399            |
| Kazakhstan loan - Tenge                              | 13.97                    | 2,437,132          | 75,389            |
| <b>Total long term borrowings</b>                    |                          |                    | <b>1,685,995</b>  |
| <b>Total financial liabilities</b>                   |                          |                    | <b>2,971,319</b>  |

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**NOTE 8 - FINANCIAL LIABILITIES (Continued)**

The redemption schedule of borrowings with effective interest rate at 31 December 2021 is as follows:

|                                   | <b>Tenge loan<br/>TRY equivalent</b> | <b>Euro loan<br/>TRY equivalent</b> | <b>TRY Loan</b>  | <b>Total<br/>(TRY equivalent)</b> |
|-----------------------------------|--------------------------------------|-------------------------------------|------------------|-----------------------------------|
| 1 January 2022 - 31 December 2022 | 32,965                               | 341                                 | 1,252,018        | 1,285,324                         |
| 1 January 2023 - 31 December 2023 | 36,334                               | 24,139                              | 718,502          | 778,975                           |
| 1 January 2024 - 31 December 2024 | 31,109                               | 45,260                              | 487,819          | 564,188                           |
| 1 January 2025 - 31 December 2025 | 7,945                                | -                                   | 280,732          | 288,677                           |
| 1 January 2026 - 31 December 2026 | -                                    | -                                   | 54,155           | 54,155                            |
|                                   | <b>108,353</b>                       | <b>69,740</b>                       | <b>2,793,226</b> | <b>2,971,319</b>                  |

The fair value of borrowings at 31 December 2021 is TRY 2,936,696.

The redemption schedule of principal amounts of bank borrowings at 31 December 2021 is as follows:

|                                   | <b>Tenge loan<br/>TRY equivalent</b> | <b>Euro loan<br/>TRY equivalent</b> | <b>TRY Loan</b>  | <b>Total<br/>(TRY equivalent)</b> |
|-----------------------------------|--------------------------------------|-------------------------------------|------------------|-----------------------------------|
| 1 January 2022 - 31 December 2022 | 32,010                               | -                                   | 938,119          | 970,129                           |
| 1 January 2023 - 31 December 2023 | 36,334                               | 24,139                              | 663,857          | 724,330                           |
| 1 January 2024 - 31 December 2024 | 31,109                               | 45,260                              | 572,013          | 648,382                           |
| 1 January 2025 - 31 December 2025 | 7,945                                | -                                   | 423,719          | 431,664                           |
| 1 January 2026 - 31 December 2026 | -                                    | -                                   | 111,408          | 111,408                           |
|                                   | <b>107,398</b>                       | <b>69,399</b>                       | <b>2,709,116</b> | <b>2,885,913</b>                  |

The redemption schedule of contractual cash outflows, which consists of principal and interest, of borrowings at 31 December 2021 is as follows:

|                                   | <b>Tenge loan<br/>TRY equivalent</b> | <b>Euro loan<br/>TRY equivalent</b> | <b>TRY Loan</b>  | <b>Total<br/>(TRY equivalent)</b> |
|-----------------------------------|--------------------------------------|-------------------------------------|------------------|-----------------------------------|
| 1 January 2022 - 31 December 2022 | 40,786                               | 2,610                               | 1,360,531        | 1,403,927                         |
| 1 January 2023 - 31 December 2023 | 42,932                               | 27,262                              | 924,558          | 994,752                           |
| 1 January 2024 - 31 December 2024 | 33,997                               | 45,773                              | 736,195          | 815,965                           |
| 1 January 2025 - 31 December 2025 | 8,362                                | -                                   | 501,354          | 509,716                           |
| 1 January 2026 - 31 December 2026 | -                                    | -                                   | 132,604          | 132,604                           |
|                                   | <b>126,077</b>                       | <b>75,645</b>                       | <b>3,655,242</b> | <b>3,856,964</b>                  |

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**NOTE 9 - PROVISIONS, COMMITMENTS, CONTINGENT ASSETS AND LIABILITIES**

| <b>Short-term provisions</b> | <b>31 March<br/>2022</b> | <b>31 December<br/>2021</b> |
|------------------------------|--------------------------|-----------------------------|
| Provision for litigation     | 122,012                  | 121,537                     |
| Customer loyalty programs    | 3,122                    | 1,127                       |
| Competition board penalty    | -                        | 388,254                     |
|                              | <b>125,134</b>           | <b>510,918</b>              |

There are various lawsuits filed against or in favour of the Group. Receivables, rent or labour disputes constitute the majority of these lawsuits. The Group management estimates the outcomes of these lawsuits and estimates their financial impact according to which the necessary provisions are accounted.

Movements in the provision for litigation during the period are as follows:

|                        | <b>31 March<br/>2022</b> | <b>31 March<br/>2021</b> |
|------------------------|--------------------------|--------------------------|
| <b>Opening balance</b> | <b>121,537</b>           | <b>94,561</b>            |
| Increase during period | 9,665                    | 13,904                   |
| Payments (-)           | (9,190)                  | (4,205)                  |
| <b>Closing balance</b> | <b>122,012</b>           | <b>104,260</b>           |

**Collaterals, Pledges, Mortgages**

**31 March 2022:**

|   | <b>Total<br/>TRY equivalent</b> | <b>TRY</b>     | <b>USD</b>   | <b>EUR</b>   |
|---|---------------------------------|----------------|--------------|--------------|
| A. CPM given on behalf of the Company’s legal personality | 237,069                         | 227,215        | 651          | 20           |
| B. CPM given on behalf of fully consolidated subsidiaries | 179,583                         | -              | 7,151        | 4,600        |
| <b>Total collaterals, pledges and mortgages</b>           | <b>416,652</b>                  | <b>227,215</b> | <b>7,802</b> | <b>4,620</b> |
| <b>Proportion of the other CPM’s to equity (%)</b>        | <b>-</b>                        |                |              |              |

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**NOTE 9 - PROVISIONS, COMMITMENTS, CONTINGENT ASSETS AND LIABILITIES  
(Continued)**

**Collaterals, Pledges, Mortgages (Continued)**

**31 December 2021:**

|   | <b>Total<br/>TRY equivalent</b> | <b>TRY</b>     | <b>USD</b>   | <b>EUR</b>   |
|---|---------------------------------|----------------|--------------|--------------|
| A. CPM given on behalf of the Company’s legal personality | 231,077                         | 222,403        | 651          | -            |
| B. CPM given on behalf of fully consolidated subsidiaries | 144,788                         | -              | 5,656        | 4,600        |
| <b>Total collaterals, pledges and mortgages</b>           | <b>375,865</b>                  | <b>222,403</b> | <b>6,307</b> | <b>4,600</b> |
| <b>Proportion of the other CPM’s to equity (%)</b>        | <b>-</b>                        |                |              |              |

**Contingent assets and liabilities**

Guarantees given at 31 March 2022 and 31 December 2021 are as follows:

|                            | <b>31 March<br/>2022</b> | <b>31 December<br/>2021</b> |
|----------------------------|--------------------------|-----------------------------|
| Letter of guarantees given | 416,652                  | 375,865                     |
|                            | <b>416,652</b>           | <b>375,865</b>              |

Guarantees received at 31 March 2022 and 31 December 2021 are as follows:

|                                    | <b>31 March<br/>2022</b> | <b>31 December<br/>2021</b> |
|------------------------------------|--------------------------|-----------------------------|
| Guarantees obtained from customers | 289,665                  | 279,196                     |
| Mortgages obtained from customers  | 22,313                   | 21,280                      |
|                                    | <b>311,978</b>           | <b>300,476</b>              |

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**NOTE 10 - EMPLOYEE BENEFITS**

|   | <b>31 March<br/>2022</b> | <b>31 December<br/>2021</b> |
|---|--------------------------|-----------------------------|
| Provision for employment termination benefits | 503,525                  | 383,554                     |
| Provision for unused vacation                 | 274,139                  | 187,690                     |
|   | <b>777,664</b>           | <b>571,244</b>              |

Movement of provision for unused vacation for the periods ended in 31 March 2022 and 2021 is as follows:

|                        | <b>31 March 2022</b> | <b>31 March 2021</b> |
|------------------------|----------------------|----------------------|
| <b>Opening balance</b> | <b>187,690</b>       | <b>158,126</b>       |
| Increase during period | 91,580               | 29,246               |
| Payments during period | (5,131)              | (1,941)              |
| <b>Closing balance</b> | <b>274,139</b>       | <b>185,431</b>       |

Movement of provision for employee termination benefits for the periods ended in 31 March 2022 and 2021 is as follows:

|                        | <b>31 March 2022</b> | <b>31 March 2021</b> |
|------------------------|----------------------|----------------------|
| <b>Opening balance</b> | <b>383,554</b>       | <b>257,690</b>       |
| Increase during period | 144,805              | 47,110               |
| Payments during period | (24,834)             | (9,645)              |
| <b>Closing balance</b> | <b>503,525</b>       | <b>295,155</b>       |

**Provision for employment termination benefits**

Under the Turkish Labour Law, the Company is required to pay termination benefits to each employee who has completed one year of service and who reaches the retirement age, whose employment is terminated without due cause, is enlisted for military service or passed away. The termination benefit to be paid is one month wage per a service year up to the maximum employment termination benefit.

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**NOTE 10 - EMPLOYEE BENEFITS (Continued)**

In the condensed consolidated financial statements as of 31 March 2022 and consolidated financial statements as of 31 December 2021, the Group reflected a liability calculated using the projected unit credit method and based upon factors derived using their experience of personnel terminating their services and being eligible to receive retirement pay and discounted by using the current market yield at the balance sheet date on government bonds.

The principal assumption is that the maximum liability for each year of service will increase in line with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the anticipated effects of future inflation. As the maximum liability is revised once every six months, the maximum amount of TRY 10,848.59 effective from 1 April 2022 has been taken into consideration in calculating the reserve for employment termination benefit of the Group.

**NOTE 11 - REVENUE**

|                           | <b>1 January -<br/>31 March 2022</b> | <b>1 January -<br/>31 March 2021</b> |
|---------------------------|--------------------------------------|--------------------------------------|
| Domestic sales            | 12,449,537                           | 7,806,354                            |
| Foreign sales             | 11,423                               | 5,854                                |
| Other sales               | 41,674                               | 10,845                               |
| <b>Gross sales</b>        | <b>12,502,634</b>                    | <b>7,823,053</b>                     |
| Discounts and returns (-) | (231,237)                            | (133,962)                            |
| <b>Sales revenue, net</b> | <b>12,271,397</b>                    | <b>7,689,091</b>                     |
| Cost of sales (-)         | (9,137,030)                          | (5,789,930)                          |
| <b>Gross profit</b>       | <b>3,134,367</b>                     | <b>1,899,161</b>                     |

Details of domestic and foreign sales before other sales, discounts and returns are as follows:

|                      | <b>1 January -<br/>31 March 2022</b> | <b>1 January -<br/>31 March 2021</b> |
|----------------------|--------------------------------------|--------------------------------------|
| Retail sales revenue | 11,919,740                           | 7,543,087                            |
| Wholesale revenue    | 468,740                              | 231,465                              |
| Rent income          | 72,480                               | 37,656                               |
|                      | <b>12,460,960</b>                    | <b>7,812,208</b>                     |

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**NOTE 12 - EXPENSE BY NATURE**

| <b>Total</b>                           | <b>1 January -<br/>31 March 2022</b> | <b>1 January -<br/>31 March 2021</b> |
|--|--------------------------------------|--------------------------------------|
| Personnel expenses                     | 1,314,329                            | 766,866                              |
| Rent and common area                   | 298,679                              | 174,416                              |
| Depreciation and amortisation          | 252,546                              | 209,971                              |
| Energy                                 | 238,065                              | 86,093                               |
| Information technology maintenance     | 92,054                               | 41,054                               |
| Porterage and cleaning                 | 83,245                               | 54,022                               |
| Advertising                            | 72,333                               | 63,403                               |
| Repair and maintenance                 | 33,520                               | 20,837                               |
| Security                               | 23,213                               | 17,851                               |
| Taxes and other fees                   | 10,436                               | 7,171                                |
| Communication                          | 6,882                                | 5,750                                |
| Other                                  | 93,226                               | 56,521                               |
|  | <b>2,518,528</b>                     | <b>1,503,955</b>                     |
| <b>Marketing expenses</b>              | <b>1 January -<br/>31 March 2022</b> | <b>1 January -<br/>31 March 2021</b> |
| Personnel expenses                     | 1,154,468                            | 687,321                              |
| Rent and common area                   | 295,162                              | 171,219                              |
| Depreciation and amortisation          | 252,546                              | 209,971                              |
| Energy                                 | 236,847                              | 85,412                               |
| Information technology maintenance     | 87,816                               | 38,856                               |
| Porterage and cleaning                 | 81,072                               | 52,462                               |
| Advertising                            | 72,333                               | 63,403                               |
| Repair and maintenance                 | 33,004                               | 20,350                               |
| Security                               | 22,375                               | 17,272                               |
| Taxes and other fees                   | 9,620                                | 6,636                                |
| Communication                          | 6,057                                | 5,242                                |
| Other                                  | 69,894                               | 47,076                               |
|  | <b>2,321,194</b>                     | <b>1,405,220</b>                     |
| <b>General administrative expenses</b> | <b>1 January -<br/>31 March 2022</b> | <b>1 January -<br/>31 March 2021</b> |
| Personnel expenses                     | 159,861                              | 79,545                               |
| Other                                  | 37,473                               | 19,190                               |
|  | <b>197,334</b>                       | <b>98,735</b>                        |

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**NOTE 12 - EXPENSE BY NATURE (Continued)**

Expenses by nature in cost of sales for the periods 1 January - 31 March 2022 and 2021 are as follows:

|                          | <b>1 January -<br/>31 March 2022</b> | <b>1 January -<br/>31 March 2021</b> |
|--------------------------|--------------------------------------|--------------------------------------|
| Cost of goods sold       | (9,120,521)                          | (5,781,763)                          |
| Cost of service rendered | (16,509)                             | (8,167)                              |
|                          | <b>(9,137,030)</b>                   | <b>(5,789,930)</b>                   |

Cost of trade goods include discounts, incentives and volume rebates obtained from suppliers. Service costs comprise energy, advertising, cleaning, security and administrative expenses incurred in the Group's shopping malls.

**NOTE 13 - OTHER OPERATING INCOME AND EXPENSES**

| <b>Other operating income</b>             | <b>1 January -<br/>31 March 2022</b> | <b>1 January -<br/>31 March 2021</b> |
|---|--------------------------------------|--------------------------------------|
| Interest income on term sales             | 75,445                               | 57,212                               |
| Interest income from operating activities | 70,665                               | 27,198                               |
| Other                                     | 26,942                               | 6,581                                |
|   | <b>173,052</b>                       | <b>90,991</b>                        |

| <b>Other operating expenses</b>        | <b>1 January -<br/>31 March 2022</b> | <b>1 January -<br/>31 March 2021</b> |
|--|--------------------------------------|--------------------------------------|
| Interest expense on term purchases (*) | (428,213)                            | (199,553)                            |
| Litigation provision                   | (9,665)                              | (13,904)                             |
| Bad debt provision expense             | (8,692)                              | (263)                                |
| Other                                  | (814)                                | (14,976)                             |
|  | <b>(447,384)</b>                     | <b>(228,696)</b>                     |

(\*) Term purchases are discounted to the present value with the relevant government securities interest rates for each month, and as a result, forward purchase interest expenses are calculated. Average interest rate in 2022 is (18.24%) ; 2021 (16.75%)

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**NOTE 14 - INCOME AND EXPENSES FROM INVESTMENT ACTIVITIES**

| <b>Income from investing activities</b> | <b>1 January -<br/>31 March 2022</b> | <b>1 January -<br/>31 March 2021</b> |
|---|--------------------------------------|--------------------------------------|
| Foreign currency linked deposits income | 39,506                               | -                                    |
| Subsidiary sales profit (*)             | -                                    | 213,162                              |
|   | <b>39,506</b>                        | <b>213,162</b>                       |

(\*) The Group recorded a sales profit of TRY 213,162 arising from the sale of its subsidiary Ramstore Macedonia DOO ("Ramstore Macedonia") in accordance with the share transfer agreement dated 9 March 2021. TRY 205,743 of this amount is due to the classification of the foreign currency translation differences that the subsidiary accounted for in other comprehensive income in the previous periods, and the total effect of the transaction on equity is TRY 7,419.

| <b>Expense from investing activities</b>                        | <b>1 January -<br/>31 March 2022</b> | <b>1 January -<br/>31 March 2021</b> |
|---|--------------------------------------|--------------------------------------|
| Losses from leasehold improvements<br>of closed stores (Note 4) | (2,888)                              | (1,059)                              |
| Losses on sale of property, plant and equipment                 | -                                    | (424)                                |
|   | <b>(2,888)</b>                       | <b>(1,483)</b>                       |

**NOTE 15 - FINANCIAL INCOME**

|                                  | <b>1 January -<br/>31 March 2022</b> | <b>1 January -<br/>31 March 2021</b> |
|----------------------------------|--------------------------------------|--------------------------------------|
| Foreign exchange gains           | 30,731                               | 41,409                               |
| Interest income on bank deposits | 8,337                                | 2,894                                |
| Financial income on derivatives  | 1,092                                | 14,968                               |
|                                  | <b>40,160</b>                        | <b>59,271</b>                        |

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**NOTE 16 - FINANCIAL EXPENSES**

|                                       | <b>1 January -<br/>31 March 2022</b> | <b>1 January -<br/>31 March 2021</b> |
|---------------------------------------|--------------------------------------|--------------------------------------|
| Interest expense on bank borrowings   | (145,609)                            | (136,351)                            |
| Interest expense on lease liabilities | (136,897)                            | (115,570)                            |
| Foreign exchange losses               | (14,161)                             | (24,359)                             |
| Financial expense on derivatives      | (8,677)                              | (3,690)                              |
| Other                                 | (33,689)                             | (7,167)                              |
|                                       | <b>(339,033)</b>                     | <b>(287,137)</b>                     |

**NOTE 17 - TAX ASSETS AND LIABILITIES**

|                                    | <b>31 March 2022</b> | <b>31 December 2021</b> |
|------------------------------------|----------------------|-------------------------|
| Corporate and income taxes payable | 206,967              | 185,780                 |
| Less: Prepaid current income taxes | (154,526)            | (136,495)               |
| <b>Taxes on income</b>             | <b>52,441</b>        | <b>49,285</b>           |

|                                 | <b>31 March 2022</b> | <b>31 December 2021</b> |
|---------------------------------|----------------------|-------------------------|
| Deferred tax assets             | 377,070              | 312,225                 |
| Deferred tax liabilities        | (50,309)             | (45,118)                |
| <b>Deferred tax assets, net</b> | <b>326,761</b>       | <b>267,107</b>          |

**General Information**

The Group is subject to taxation in accordance with the tax regulations and the legislation effective in the countries in which the Group companies operate. In Turkey, the tax legislation does not permit a parent company and its subsidiaries to file a consolidated tax return. Therefore, provision for taxes, as reflected in the consolidated financial statements, has been calculated on a separate-entity basis.

In Turkey, corporate tax rate is 23% (2021: 25 %).

The Group calculates deferred income tax assets and liabilities based on the temporary difference between the financial statements prepared in accordance with TFRS and the financial statements prepared in accordance with TFRS. Future periods to deferred tax assets and liabilities are calculated based on the liability method on temporary differences for the rates used as of March 31, 2022 Turkey and Kazakhstan respectively 23% and 20% (2021: 25% and 20%).

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**NOTE 17 - TAX ASSETS AND LIABILITIES (Continued)**

The details of taxation on income for the periods ended 31 March 2022 and 31 March 2021 are as follows:

|                                   | <b>1 January -<br/>31 March 2022</b> | <b>1 January -<br/>31 March 2021</b> |
|-----------------------------------|--------------------------------------|--------------------------------------|
| Current period income tax expense | (62,520)                             | (56,619)                             |
| Deferred tax income               | 58,882                               | 24,137                               |
| <b>Current period tax expense</b> | <b>(3,638)</b>                       | <b>(32,482)</b>                      |

The composition of cumulative temporary differences and the related deferred income tax assets and liabilities in respect of items for which deferred income tax has been provided as of 31 March 2022 and 31 December 2021 using the currently enacted tax rates, is as follows:

|   | <b>Cumulative<br/>temporary differences</b> |                         | <b>Deferred tax<br/>assets/(liabilities)</b> |                         |
|---|---|-------------------------|--|-------------------------|
|   | <b>31 March 2022</b>                        | <b>31 December 2021</b> | <b>31 March 2022</b>                         | <b>31 December 2021</b> |
| <b>Deferred tax assets:</b>                           |   |                         |  |                         |
| Provision for employee termination benefits           | 503,525                                     | 383,554                 | 100,705                                      | 76,711                  |
| Inventories   | 423,241                                     | 358,208                 | 97,345                                       | 82,388                  |
| Right of use assets                                   | 398,378                                     | 372,117                 | 91,627                                       | 85,587                  |
| Short term provisions                                 | 362,126                                     | 275,202                 | 83,289                                       | 63,296                  |
| Finance income not accrued from future sales          | 3,398                                       | 1,129                   | 782  | 260                     |
| Tax carry forward loss                                |   |                         |  |                         |
| Other   | 14,514                                      | 17,393                  | 3,322  | 3,983                   |
| <b>Deferred tax assets</b>                            | <b>1,705,182</b>                            | <b>1,407,603</b>        | <b>377,070</b>                               | <b>312,225</b>          |
| <b>Deferred tax liabilities:</b>                      |   |                         |  |                         |
| Finance expense not accrued from future sales         | (228,040)                                   | (232,093)               | (52,449)                                     | (53,381)                |
| Property, plant and equipment and intangible assets   | 72,341                                      | 121,966                 | 10,526                                       | 18,633                  |
| Fair value change of derivative financial instruments | (16,043)                                    | (23,035)                | (3,690)                                      | (5,298)                 |
| Other   | (23,481)                                    | (23,481)                | (4,696)                                      | (5,072)                 |
| <b>Deferred tax liabilities</b>                       | <b>(195,223)</b>                            | <b>(156,643)</b>        | <b>(50,309)</b>                              | <b>(45,118)</b>         |
| <b>Total deferred tax assets, net</b>                 | <b>1,509,959</b>                            | <b>1,250,960</b>        | <b>326,761</b>                               | <b>267,107</b>          |

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**NOTE 17 - TAX ASSETS AND LIABILITIES (Continued)**

Movements of deferred tax assets and liabilities are as follows:

|  | <b>1 January -<br/>31 March 2022</b> | <b>1 January -<br/>31 March 2021</b> |
|--|--------------------------------------|--------------------------------------|
| <b>Opening balance</b>                         | <b>267,107</b>                       | <b>(13,005)</b>                      |
| Deferred tax income from continuing operations | 58,882                               | 24,137                               |
| Charged to equity                              | (113)                                | (93)                                 |
| Currency translation difference                | 885                                  | (287)                                |
| <b>Closing balance</b>                         | <b>326,761</b>                       | <b>10,752</b>                        |

**NOTE 18 - CAPITAL, RESERVES AND OTHER EQUITY ITEMS**

The shareholders of the Company and their shareholdings stated at historical amounts at 31 March 2022 and 31 December 2021 are stated below:

|                                   | <b>31 March 2022</b> |                  | <b>31 December 2021</b> |                  |
|-----------------------------------|----------------------|------------------|-------------------------|------------------|
|                                   | <b>TRY</b>           | <b>Share (%)</b> | <b>TRY</b>              | <b>Share (%)</b> |
| MH Perakendecilik ve Ticaret A.Ş. | 89,046               | 49.18            | 89,046                  | 49.18            |
| Migros Ticaret A.Ş.               | 2,962                | 1.64             | 2,962                   | 1.64             |
| Other                             | 89,046               | 49.18            | 89,046                  | 49.18            |
| <b>Total</b>                      | <b>181,054</b>       | <b>100.00</b>    | <b>181,054</b>          | <b>100.00</b>    |
| <b>Treasury shares (*)</b>        | <b>(125,435)</b>     |                  | <b>(125,435)</b>        |                  |

(\*) In the utilisation process of separation funds for Kipa shareholders due to the merger, Migros shares with a total nominal value of TRY 2,962, corresponding to Kipa shares with a total nominal value of TRY 48,998 which were converted to Migros shares due to the merger were purchased by Migros with a total amount of TRY 125,435 within the scope of separation funds.

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**NOTE 19 – RELATED PARTY DISCLOSURES**

**a) Balances with related parties**

As of 31 March 2022 and 31 December 2021, due from and due to related parties are as follows:

| <b>Trade receivables from related parties</b> | <b>31 March<br/>2022</b> | <b>31 December<br/>2021</b> |
|---|--------------------------|-----------------------------|
| Paket Lojistik ve Teknoloji A.Ş.              | 4,027                    | -                           |
| Anadolu Isuzu Otomotiv Sanayi ve Tic. A.Ş.    | 884                      | 699                         |
| Mimeda Medya Platform A.Ş.                    | -                        | 3,000                       |
| Anadolu Motor Üretim ve Pazarlama A.Ş.        | -                        | 117                         |
| Anadolu Restoran İşl. Ltd. Şti.               | -                        | 114                         |
| Other   | 98                       | 137                         |
|   | <b>5,009</b>             | <b>4,067</b>                |

| <b>Trade payables to related parties</b>                            | <b>31 March<br/>2022</b> | <b>31 December<br/>2021</b> |
|---|--------------------------|-----------------------------|
| Anadolu Efes Pazarlama ve Dağıtım Ticaret A.Ş.                      | 193,831                  | 175,214                     |
| Coca Cola Satış ve Dağıtım A.Ş.                                     | 156,209                  | 112,804                     |
| Adel Kalemcilik Ticaret ve San. A.Ş.                                | 13,387                   | 16,170                      |
| AEH Anadolu Etap Penkon Gıda ve<br>Tarım Ürünleri San. ve Tic. A.Ş. | 1,343                    | 8,028                       |
| AEH Sigorta Acenteliği A.Ş.   | 25                       | 104                         |
| Other   | 157                      | 148                         |
|   | <b>364,952</b>           | <b>312,468</b>              |

**b) Transactions with related parties**

Significant transactions regarding purchases and sales with related parties for the periods ending on 31 March 2022 and 2021 are as follows:

| <b>Inventory purchases</b>  | <b>31 March<br/>2022</b> | <b>31 March<br/>2021</b> |
|---|--------------------------|--------------------------|
| Coca Cola Satış ve Dağıtım A.Ş.                                     | 162,826                  | 74,354                   |
| Anadolu Efes Paz. ve Dağıtım Ticaret A.Ş.                           | 192,370                  | 113,792                  |
| Adel Kalemcilik Ticaret ve San. A.Ş.                                | 5,868                    | 409                      |
| AEP Anadolu Etap Penkon Gıda ve<br>Tarım Ürünleri San. ve Tic. A.Ş. | 6,403                    | 13,284                   |
|   | <b>367,466</b>           | <b>201,839</b>           |

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**NOTE 19 - TRANSACTIONS AND BALANCES WITH RELATED PARTIES (Continued)**

| <b>Other transactions</b>      | <b>31 March<br/>2022</b> | <b>31 March<br/>2021</b> |
|--------------------------------|--------------------------|--------------------------|
| Rent expenses                  | (1,610)                  | (1,496)                  |
| Rent revenue                   | -                        | 122                      |
| Other income                   | 290                      | 115                      |
| <b>Other transactions, net</b> | <b>(1,320)</b>           | <b>(1,259)</b>           |

**c) Key management compensation**

The Group has determined key management personnel as chairman, members of Board of Directors, general manager and vice general managers.

Total compensation provided to key management personnel by Group for the period ended 31 March 2022 and 31 March 2021 is as follows:

|                     | <b>31 March<br/>2022</b> | <b>31 March<br/>2021</b> |
|---------------------|--------------------------|--------------------------|
| Short term benefits | 17,841                   | 13,583                   |
|                     | <b>17,841</b>            | <b>13,583</b>            |

Key management compensation paid or payable consists of benefits, salaries, premiums, individual pension premiums, vehicle rents and SSI and employer shares.

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**NOTE 20 - EARNINGS PER SHARE**

Basic earnings / (losses) per share is calculated by dividing net income / (loss) for the period by the weighted average number of ordinary shares outstanding during the related period. The Company has no diluted instruments.

|   | <b>31 March<br/>2022</b> | <b>31 March<br/>2021</b> |
|---|--------------------------|--------------------------|
| Net profit attributable to shareholders                             | 82,208                   | 209,510                  |
| Weighted average number of shares with<br>Kr1 face value each(‘000) | 18,105,233               | 18,105,233               |
| <b>Earnings per share</b>   | <b>0.45</b>              | <b>1.16</b>              |

There is no difference between basic and diluted earnings per share for any of the periods.

**NOTE 21 - EXCHANGE RATE RISK AND FOREIGN CURRENCY POSITION**

The Group is exposed to foreign exchange risk primarily arising from the borrowings denominated in foreign currencies. Aforementioned foreign exchange risk is monitored and limited with derivative instruments. At 31 March 2022, if Euro had appreciated against TRY by 20% and all other variables had remained constant, the profit for the period before tax as a result of foreign exchange rate difference arising out of assets and liabilities denominated in Euro would have been high in the amount of TRY 3,681.

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NOTE 21 - EXCHANGE RATE RISK AND FOREIGN CURRENCY POSITION (Continued)

|                                | FOREIGN CURRENCY POSITION |              |              |                         |                         |              |               |                         |
|--------------------------------|---------------------------|--------------|--------------|-------------------------|-------------------------|--------------|---------------|-------------------------|
|                                | 31 March 2022             |              |              |                         | 31 December 2021        |              |               |                         |
|                                | Total TRY<br>equivalent   | USD          | EUR          | Other TRY<br>equivalent | Total TRY<br>equivalent | USD          | EUR           | Other TRY<br>equivalent |
| Monetary financial assets      | 173,770                   | 5,342        | 5,752        | 1,904                   | 290,178                 | 2,870        | 16,623        | 1,138                   |
| Other                          | 132                       | 9            | -            | -                       | 120                     | 9            | -             | -                       |
| <b>Current assets</b>          | <b>173,902</b>            | <b>5,351</b> | <b>5,752</b> | <b>1,904</b>            | <b>290,298</b>          | <b>2,879</b> | <b>16,623</b> | <b>1,138</b>            |
| <b>Total assets</b>            | <b>173,902</b>            | <b>5,351</b> | <b>5,752</b> | <b>1,904</b>            | <b>290,298</b>          | <b>2,879</b> | <b>16,623</b> | <b>1,138</b>            |
| Financial liabilities          | 355                       | -            | 22           | -                       | 341                     | -            | 23            | -                       |
| <b>Current liabilities</b>     | <b>355</b>                | <b>-</b>     | <b>22</b>    | <b>-</b>                | <b>341</b>              | <b>-</b>     | <b>23</b>     | <b>-</b>                |
| Financial liabilities          | 74,913                    | -            | 4,600        | -                       | 69,399                  | -            | 4,600         | -                       |
| Non-monetary other liabilities | 9,527                     | -            | 585          | -                       | 8,403                   | -            | 557           | -                       |
| <b>Non-current liabilities</b> | <b>84,440</b>             | <b>-</b>     | <b>5,185</b> | <b>-</b>                | <b>77,802</b>           | <b>-</b>     | <b>5,157</b>  | <b>-</b>                |
| <b>Total liabilities</b>       | <b>84,795</b>             | <b>-</b>     | <b>5,207</b> | <b>-</b>                | <b>78,143</b>           | <b>-</b>     | <b>5,180</b>  | <b>-</b>                |

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**NOTE 21 - EXCHANGE RATE RISK AND FOREIGN CURRENCY POSITION (Continued)**

|  | FOREIGN CURRENCY POSITION |              |              |                         |                         |              |               |                         |
|--|---------------------------|--------------|--------------|-------------------------|-------------------------|--------------|---------------|-------------------------|
|  | 31 March 2022             |              |              |                         | 31 December 2021        |              |               |                         |
|  | Total TRY<br>equivalent   | USD          | EUR          | Other TRY<br>equivalent | Total TRY<br>equivalent | USD          | EUR           | Other TRY<br>equivalent |
| Net asset/(liability) position of<br>off-balance sheet derivatives (A-B)     | -                         | -            | -            | -                       | -                       | -            | -             | -                       |
| A. Total amount of off-balance sheet<br>derivative financial assets          | -                         | -            | -            | -                       | -                       | -            | -             | -                       |
| B. Total amount of off-balance sheet<br>derivative financial liabilities     | -                         | -            | -            | -                       | -                       | -            | -             | -                       |
| <b>Net foreign currency asset/(liability)<br/>position</b>                   | <b>89,107</b>             | <b>5,351</b> | <b>545</b>   | <b>1,904</b>            | <b>212,155</b>          | <b>2,879</b> | <b>11,443</b> | <b>1,138</b>            |
| <b>Net foreign currency asset/(liability)<br/>position of monetary items</b> | <b>98,502</b>             | <b>5,342</b> | <b>1,130</b> | <b>1,904</b>            | <b>220,438</b>          | <b>2,870</b> | <b>12,000</b> | <b>1,138</b>            |
| Fair value hedge funds of<br>foreign currency                                | -                         | -            | -            | -                       | -                       | -            | -             | -                       |
| Hedge amount of foreign currency assets                                      | -                         | -            | -            | -                       | -                       | -            | -             | -                       |
| Hedge amount of foreign currency liabilities                                 | -                         | -            | -            | -                       | -                       | -            | -             | -                       |
| Export   | -                         | -            | -            | -                       | -                       | -            | -             | -                       |
| Import   | 121,766                   | 8,319        | -            | -                       | 233,916                 | 17,549       | -             | -                       |

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**NOTE 21 - EXCHANGE RATE RISK AND FOREIGN CURRENCY POSITION (Continued)**

Foreign currency sensitivity analysis as of 31 March 2022 and 31 December 2021 is as follows:

**31 March 2022**

|  | <b>Gain/Loss</b>                             |  |
|--|--|--|
|  | <b>Foreign<br/>exchange<br/>appreciation</b> | <b>Foreign<br/>exchange<br/>depreciation</b> |
| %20 change in Euro exchange rate<br>Euro net asset/liability | 3,681  | (3,681)                                      |
| <b>Euro net effect</b>                                       | <b>3,681</b>                                 | <b>(3,681)</b>                               |

**31 December 2021**

|  | <b>Gain/Loss</b>                             |  |
|--|--|--|
|  | <b>Foreign<br/>exchange<br/>appreciation</b> | <b>Foreign<br/>exchange<br/>depreciation</b> |
| %20 change in Euro exchange rate<br>Euro net asset/liability | 36,208                                       | (36,208)                                     |
| <b>Euro net effect</b>                                       | <b>36,208</b>                                | <b>(36,208)</b>                              |

**NOTE 22 - FINANCIAL INSTRUMENTS**

**Fair value estimation**

Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced sale or liquidation, and is best evidenced by a quoted market price, if one exists.

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

**NOTE 23 - SUBSEQUENT EVENTS**

As of March 31, 2022, the Group has increased its shareholding in its subsidiary, Paket Lojistik ve Teknolojik A.Ş., of which it has 25%, to 75% as of April 1, 2022. The effect of the subsidiary on the financial statements has been evaluated under the investments valued by equity method as of 31 March 2022 and will be accounted for using the full consolidation method in the following periods.

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**APPENDIX 1 - CONSOLIDATED STATEMENTS OF PROFIT OR LOSS BEFORE THE  
EFFECT OF TFRS 16**

The effect of TFRS 16 standart on Group’s financial statements are presented below:

|  | <b>31 March 2022</b> | <b>TFRS 16 EFFECT</b> | <b>BEFORE TFRS 16</b> |
|--|----------------------|-----------------------|-----------------------|
| <b>ASSETS</b>                            |                      |                       |                       |
| <b>Current assets</b>                    |                      |                       |                       |
| Prepaid expenses                         | 207,852              | (2,768)               | 210,620               |
| <b>Total current assets</b>              | <b>10,993,674</b>    | <b>(2,768)</b>        | <b>10,996,442</b>     |
| <b>Non-current assets:</b>               |                      |                       |                       |
| Prepaid expenses                         | 15,709               | (33,252)              | 48,961                |
| Right of use assets                      | 2,883,752            | 2,883,752             | -                     |
| Deferred tax assets                      | 326,761              | 91,627                | 235,134               |
| <b>Total non-current assets</b>          | <b>9,615,526</b>     | <b>2,942,127</b>      | <b>6,673,399</b>      |
| <b>Total assets</b>                      | <b>20,609,200</b>    | <b>2,939,359</b>      | <b>17,669,841</b>     |
| <b>LIABILITIES</b>                       |                      |                       |                       |
| <b>Current liabilities</b>               |                      |                       |                       |
| Lease liabilities                        | 827,997              | 827,997               | -                     |
| <b>Total current liabilities</b>         | <b>15,017,102</b>    | <b>827,997</b>        | <b>14,189,105</b>     |
| <b>Non-current liabilities</b>           |                      |                       |                       |
| Lease liabilities                        | 2,418,997            | 2,418,997             | -                     |
| <b>Total non-current liabilities</b>     | <b>4,931,791</b>     | <b>2,418,997</b>      | <b>2,512,794</b>      |
| <b>Total liabilities</b>                 | <b>19,948,893</b>    | <b>3,246,994</b>      | <b>16,701,899</b>     |
| <b>EQUITY</b>                            |                      |                       |                       |
| Attributable to equity holders of parent | 636,282              | (307,635)             | 943,917               |
| Accumulated losses                       | (817,623)            | (280,071)             | (537,552)             |
| Net profit for the period                | 82,208               | (27,564)              | 109,772               |
| <b>Total equity</b>                      | <b>660,307</b>       | <b>(307,635)</b>      | <b>967,942</b>        |
| <b>TOTAL LIABILITIES AND EQUITY</b>      | <b>20,609,200</b>    | <b>2,939,359</b>      | <b>17,669,841</b>     |

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**APPENDIX 1 - CONSOLIDATED STATEMENTS OF PROFIT OR LOSS BEFORE THE  
EFFECT OF TFRS 16 (Continued)**

|   | <b>31 March 2022</b> | <b>TFRS 16 EFFECT</b> | <b>BEFORE TFRS 16</b> |
|---|----------------------|-----------------------|-----------------------|
| <b>PROFIT OR LOSS</b>   |                      |                       |                       |
| Revenue   | 12,271,397           | -                     | 12,271,397            |
| Cost of sales (-)   | (9,137,030)          | 40,338                | (9,177,368)           |
| <b>Gross profit</b>   | <b>3,134,367</b>     | <b>40,338</b>         | <b>3,094,029</b>      |
| General administrative expenses (-)                                     | (197,334)            | -                     | (197,334)             |
| Marketing expenses (-)  | (2,321,194)          | 62,899                | (2,384,093)           |
| Other operating income  | 173,052              | -                     | 173,052               |
| Other operating expense (-)   | (447,384)            | 56                    | (447,440)             |
| <b>Operating profit</b>   | <b>341,507</b>       | <b>103,293</b>        | <b>238,214</b>        |
| Income from investing activities  | 39,506               | -                     | 39,506                |
| Loss from investing activities  | (2,888)              | -                     | (2,888)               |
| Share of profit of investments<br>accounted for using the equity method | 6,784                | -                     | 6,784                 |
| <b>Operating income before finance<br/>income</b>                       | <b>384,909</b>       | <b>103,293</b>        | <b>281,616</b>        |
| Financial income  | 40,160               | -                     | 40,160                |
| Financial expense (-)   | (339,033)            | (136,897)             | (202,136)             |
| <b>Net profit before tax from continuing<br/>operations</b>             | <b>86,036</b>        | <b>(33,604)</b>       | <b>119,640</b>        |
| <b>Tax expense from continuing operations</b>                           | <b>(3,638)</b>       | <b>6,040</b>          | <b>(9,678)</b>        |
| Income tax expense  | (62,520)             | -                     | (62,520)              |
| Deferred tax income   | 58,882               | 6,040                 | 52,842                |
| <b>Net profit for the period</b>  | <b>82,398</b>        | <b>(27,564)</b>       | <b>109,962</b>        |

.....