

MİGROS



MİGROS TİCARET A.Ş.

01.01.2025 - 31.03.2025 INTERIM ANNUAL REPORT
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CORPORATE PROFILE

Company	: Migros Ticaret A.Ş.
The Date of Foundation*	: 19.03.2008
Trade Registry Office	: Istanbul Trade Registry Office
Trade Registry Number	: 659896
Tax Administration	: Büyük Mükellefler Vergi Dairesi
Tax ID	: 6220529513
Address	: Atatürk Mahallesi Turgut Özal Bulvarı No: 7 34758 Ataşehir - İstanbul
Phone	: 0216 579 30 00
Fax	: 0216 579 35 00
Corporate Web Site	: www.migroskurumsal.com
E-mail	: malimigros@migros.com.tr
Share Capital	: TL 181,054,233
Capital Ceiling	: TL 500,000,000
Stock Exchange	: Borsa İstanbul
Listing Year at the Stock Exchange**	: 2009
Symbol	: MGROS.IS

(*): Migros Türk T.A.Ş. and Moonlight Perakendecilik ve Ticaret A.Ş., established in March 19, 2008, were merged on April 30, 2009. Moonlight changed its name to Migros Ticaret A.Ş. subsequent to the merger.

(**): It is the first listing date of Migros Ticaret A.Ş. in Borsa İstanbul following the merger with Migros Türk T.A.Ş.

INTRODUCTION: AN ECONOMIC REVIEW AND RETAIL MARKET

Gross Domestic Product (GDP) grew by 3.2% in 2024 in real terms. According to volume index, the consumption expenditures of households increased by 3.7% year on year during the same period.

The annual CPI, which was 44.38% at the end of 2024, grew by 38.10% in March 2025 versus the same month of the previous year. In March 2025, the prices of food and non-alcoholic beverages rose by 37.12% in comparison to March 2024. According to the latest Inflation Report of the Central Bank of Türkiye (CBRT), the annual CPI is expected to be between 19% and 29% (mid-point of 24%) by the end of 2025.

SECTION 1: CORPORATE INFORMATION

Board of Directors

The Board of Directors of Migros Ticaret A.Ş. consists of 12 members, of which four are independent members. All the board members except Ömer Özgür Tort are non-executives. The current Board members of our Company are shown below.

As of 15 April 2025;

Board of Directors	
Kamilhan Süleyman Yazıcı	Chairman
Talip Altuğ Aksoy	Vice Chairman
İbrahim İzzet Özilhan	Board Member
Burak Başarır	Board Member
Mehmet Hurşit Zorlu	Board Member
Esel Yıldız Çekin	Board Member
Rasih Engin Akçakoca	Board Member
Ömer Özgür Tort	Board Member and CEO
Emre Ekmekçi	Independent Board Member
Barış Tan	Independent Board Member
Bekir Ağırdır	Independent Board Member
Uğur Bayar	Independent Board Member

At the ordinary general assembly meeting held on 15 April 2025, Kamilhan Süleyman Yazıcı, Talip Altuğ Aksoy, İbrahim İzzet Özilhan, Burak Başarır, Mehmet Hurşit Zorlu, Esel Yıldız Çekin, Rasih Engin Akçakoca and Ömer Özgür Tort were elected as members of the Board of Directors and Emre Ekmekçi, Barış Tan, Bekir Ağırdır and Uğur Bayar were elected as independent members of the Board of Directors for 1 year until the General Assembly Meeting of the Company for the year of 2025.

Board members' résumés are provided at the Company corporate website at www.migroskurumsal.com. Information on external positions held by Board members and Independent Board Members' Affidavit is provided at the Company corporate website at www.migroskurumsal.com.

Authorities, Duties and Term of Office of the Board of Directors

According to the Articles of Association of the Company, the Board of Directors have the authority to take any decision with the exception of matters that needs the resolution of the General Assembly in accordance with the laws and the Company's Articles of Association. The Board of Directors of the Company were appointed at the 2024 Ordinary General Assembly Meeting dated 15 April 2025 for 1 year until the General Assembly Meeting in which the Company's 2025 accounts are to be discussed.

Committees of Board of Directors

In accordance with the Board of Directors resolution dated 17 April 2025, it was resolved that, within the scope of the Communiqué on Corporate Governance (II-17.1) of the Capital Markets Board ("CMB"), the Corporate Governance Committee shall be responsible for the duties of the Nomination Committee and Remuneration Committees and that the committees of our Company shall comprise of the following members.

Audit Committee		
Barış Tan	President	Non-executive
Emre Ekmekçi	Member	Non-executive

Corporate Governance Committee		
Uğur Bayar	President	Non-executive
Talip Altuğ Aksoy	Member	Non-executive
İbrahim İzzet Özilhan	Member	Non-executive
Burak Başarır	Member	Non-executive
Mehmet Hurşit Zorlu	Member	Non-executive
Esel Yıldız Çekin	Member	Non-executive
Rasih Engin Akçakoca	Member	Non-executive
Affan Nomak	Member	Investor Relations & Risk Mgmt.

Early Recognition of Risk Committee		
Uğur Bayar	President	Non-executive
İbrahim İzzet Özilhan	Member	Non-executive
Burak Başarır	Member	Non-executive
Esel Yıldız Çekin	Member	Non-executive
Barış Tan	Member	Non-executive

Sustainability Committee		
Bekir Ağırdır	President	Non-executive
İbrahim İzzet Özilhan	Member	Non-executive
Burak Başarır	Member	Non-executive
Esel Yıldız Çekin	Member	Non-executive
Emre Ekmekçi	Member	Non-executive

Working Principles of Committees

Working Principles of the Audit Committee

Scope and Objective

The Audit Committee, which was formed under the framework of the Capital Markets legislation, is continuing its activities under the auspices of the Board of Directors.

The objective of the Audit Committee is to oversee the operation of the Company's accounting and reporting system in line with the relevant law and regulatory framework, the audit and disclosure to the public of financial information, the operation and effectiveness of the independent audit and internal control systems.

Authority

The Audit Committee is formed and authorized by the Board of Directors. The Board of Directors determines the scope of the Audit Committee's duties as well as the working principles applicable thereto. The Audit Committee may make use of independent expert opinions on matters it may deem necessary with regards to its activities and the cost of such consultancy service shall be covered by the Company.

The committee acts within the scope of its own authority and responsibility and may advise the Board of Directors but ultimately the responsibility for making decisions lies with the Board of Directors at all times.

The detailed information on the structure of the Committee and its meetings, its duties and responsibilities, its basis and its effectiveness are provided in our corporate website (www.migroskurumsal.com) under the Investor Relations tab.

The Committee convenes at least four times a year. The results of these meetings are set down in minutes that are submitted to the Board of Directors along with any decisions that are taken.

Working Principles of the Corporate Governance Committee

Scope and Objective

The Corporate Governance Committee, which was formed under the framework of the Capital Markets legislation, is continuing its activities under the auspices of the Board of Directors.

The objective of the Corporate Governance Committee, in line with the Communiqué on Corporate Governance (II-17.1) of the Capital Market Board, is to ascertain whether or not the corporate governance principles are being implemented at our Company, if not, the reason for such failure and the conflict of interests arising from this failure to fully comply with these principles, to advise the Board of Directors on improving corporate governance implementation and monitoring the efforts of the Investor Relations Department.

Pursuant to the Communiqué on Corporate Governance, the Corporate Governance Committee also carries out the duties of the Nomination Committee and the Remuneration Committee.

Authority

The Corporate Governance Committee is formed and authorized by the Board of Directors. The Board of Directors determines the scope of the Corporate Governance Committee's duties as well as the working principles applicable thereto. The Corporate Governance Committee may make use of independent expert opinions on matters it may deem necessary with regards to its activities and the cost of such consultancy service shall be covered by the Company.

The committee acts within the scope of its own authority and responsibility and may advise the Board of Directors, but ultimately the responsibility for making decisions lies with the Board of Directors at all times.

The detailed information on the structure of the Committee and its meetings, its duties and responsibilities, its basis and its effectiveness are provided in our corporate website (www.migroskurumsal.com) under the Investor Relations tab.

The Committee convenes at least four times a year. The results of these meetings are set down in minutes that are submitted to the Board of Directors along with any decisions that are taken.

Working Principles of The Early Detection of Risk Committee

Scope and Objective

The Early Detection of Risk Committee, which was formed under the framework of the Capital Markets legislation and article 378 of the Turkish Commercial Code numbered 6102, is continuing its activities under the auspices of the Board of Directors.

The objective of the Early Detection of Risk Committee is to determine risks that could endanger the existence, development and continuity of the Company, the implementation of precautions necessary in relation to the risks that have been identified and the management of those risks.

Authority

The Early Detection of Risk Committee is formed and authorized by the Board of Directors. The Board of Directors determines the scope of the Early Detection of Risk Committee's duties as well as the working principles applicable thereto. The Early Detection of Risk Committee may make use of independent expert opinions on matters it may deem necessary with regards to its activities and the cost of such consultancy service shall be covered by the Company.

The committee acts within the scope of its own authority and responsibility and advises the Board of Directors, but ultimately the responsibility for making decisions lies with the Board of Directors at all times.

The detailed information on the structure of the Committee and its meetings, its duties and responsibilities, its basis and its effectiveness are provided in our corporate website (www.migroskurumsal.com) under the Investor Relations tab.

The Committee convenes six times a year. The results of these meetings are set down in minutes that are submitted to the Board of Directors along with any decisions that are taken.

Working Principles of the Sustainability Committee

Scope and Objectives

1. This document sets forth the rules, principles and procedures governing the duties and responsibilities owed by the Sustainability Committee of the Board of Directors (the "Sustainability Committee") to the Board of Directors of Migros Ticaret A.Ş. (the "Company").
2. In addition to developing sustainability strategies, policies and goals as well as improving the Company's performance on Environmental, Social and Corporate Governance ("ESG") issues, the Sustainability Committee also assists the Board of Directors in fulfilling its responsibilities in relation thereto.
3. The Sustainability Committee monitors risks to the Company as well as Company policies and programs pertaining to specific legal, regulatory, and public policy issues in the environmental and social area that could affect the Company's activities, its shareholders, all stakeholder communities within its ecosystem or even general public opinion from a sustainability perspective.
4. The Sustainability Committee serves as the guide to prioritizing the long term, integrating sustainability into the Company's strategic vision and activities in line with the Company's clearly defined corporate purpose. The Committee fulfills these obligations by carrying out the activities specified under Duties and Responsibilities.
5. The Sustainability Committee offers suggestions and supports the Board of Directors with its preparatory efforts.

Authority

1. Members of the Sustainability Committee are appointed and empowered by the Board of Directors. The scope of the duties and rules of procedure for the Sustainability Committee are established by the Board of Directors.
2. The Board of Directors may remove some or all of the members of the Sustainability Committee from office even if their term of office has not yet expired.
3. The Board of Directors shall appoint members to complete the term of office seat on the Sustainability Committee vacated because of removal from office, resignation or death.
4. The Committee shall act within the scope of its own powers and responsibilities and submit suggestions to the Board of Directors but the power and responsibility for taking final action shall always rest with the Board of Directors.

The detailed information on the structure of the Committee and its meetings, its duties and responsibilities, its basis and its effectiveness are provided in our corporate website (www.migroskurumsal.com) under the Investor Relations tab.

Senior Management

The following organizational change was made in the senior management roles of our Company. As of 1 January 2025;

- Migros Group Executive Committee member (Chief Expansion, Property and Construction Officer) Hakan Şevki Tuncer was appointed as the General Manager of our subsidiary Migen Enerji ve Elektrikli Araç Şarj Hizmetleri A.Ş.
- Yaşar Ender Tüzün, who had been serving as the Director of Expansion and Property, was appointed as the Chief Expansion, Property and Construction Officer.

Migros Group Executive Committee members Ömer Özgür Tort (CEO), Mustafa Murat Bartın (COO, Migros Retail General Manager), Ferit Cem Doğan (CFO) and Ekmel Nuri Baydur (CMO), Migros Group Assistant General Managers Kerim Tatlıcı (CIO), Olcay Yılmaz Nomak (CHRO), and Özlem Tavaslıoğlu (Chief Legal Officer), Assistant General Managers Cüneyt Taşpek (Chief Sales Officer), Aydın Ferit Cansever (Chief Supply Chain & Logistics Officer) and Yaşar Ender Tüzün (Chief Expansion, Property and Construction Officer).

Senior management compensation

Total compensation provided to the key management personnel by the Company for the periods ended 31 March 2025 and 31 March 2024 has been provided at Note 18 of Condensed Consolidated Financial Statements for the Interim Period 1 January – 31 March 2025 of the Company.

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

Number of Employees

As of 31 March 2025, the Company employs 53,748 employees including its subsidiaries (31 December 2024: 53,328).

Subsidiaries

The Company has the following 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:

As of 31 March 2025;

Subsidiaries	Country of incorporation	Geographical segment	Nature of business	March 2025 (%)	December 2024 (%)
Dijital Platform Gıda Hizmetleri A.Ş.	Türkiye	Türkiye	Online food retail	93.0	93.0
Moneypay Ödeme ve Elektronik Para Hizmetleri A.Ş.	Türkiye	Türkiye	Payment & electronic money services	80.0	80.0
Paket Lojistik ve Teknoloji A.Ş.*	Türkiye	Türkiye	Logistics	98.7	98.7
Mimeda Medya Platform A.Ş.	Türkiye	Türkiye	Media	100.0	100.0
Migen Enerji ve Elektrikli Elektrikli Araç Şarj Hizmetleri A.Ş.	Türkiye	Türkiye	Charging services to electric vehicles	100.0	100.0
CRC Danışmanlık ve Organizasyon A.Ş.**	Türkiye	Türkiye	Packed food production	48.6	48.6
Moneypay Finansal Teknoloji ve Yapay Zeka A.Ş***	Türkiye	Türkiye	Corporate payment services	63.0	-

* Migros owns indirectly 98.7% of Paket Lojistik ve Teknoloji A.Ş. ("Paket Taxi"), considering Migros' direct shareholding of 81.7% and Migros' subsidiary Dijital Platform Gıda Hizm. A.Ş. (Migros One)'s direct shareholding of 18.3% in the paid-in capital of Paket Taxi.

** Migros owns indirectly 48.6% of CRC Danışmanlık ve Organizasyon A.Ş. ("Gurmepack"), considering Migros' direct shareholding of 30% and Migros' subsidiary Dijital Platform Gıda Hizm. A.Ş. (Migros One)'s direct shareholding of 20% in the paid-in capital of Gurmepack.

*** Migros owns indirectly 63% of Moneypay Finansal Teknoloji ve Yapay Zeka A.Ş. ("Moneypay Technology"), considering Migros' direct shareholding of 55% and Migros' subsidiary Moneypay Ödeme ve Elektronik Para Hizmetleri A.Ş. (Moneypay)'s direct shareholding of 10% in the paid-in capital of Moneypay Technology.

Establishment of a new subsidiary

In our Company's public disclosure on 06.03.2025, it was announced that it was decided to establish a joint stock company titled Moneypay Finansal Teknoloji ve Yapay Zeka A.Ş. to operate in the field of corporate payment services (third party distributor payment platform, supplier financing platform, etc.), that the company's founding capital to be paid in cash is TL 70,000,000 and that our Company would participate in the paid-in capital of this new financial technology subsidiary at the rate of %55 and our subsidiary Moneypay Ödeme ve Elektronik Para Hizmetleri. A.Ş. would participate at the rate of %10.

The establishment of the aforementioned subsidiary was completed and the company has been registered by Istanbul Trade Registry on 19.03.2025.

The shareholding structure of Migros Ticaret A.Ş.

As stated in the Company's Articles of Association, there are no privileges in voting rights. All votes are equal. Shareholders may exercise their voting rights during the General Assembly pro rata to the total nominal value of their shares. There are no shareholders with whom there is a cross-shareholder relationship. The groups specified in the Articles of Association do not hold any privileged rights to be represented on the Board of Directors and/or any other similar special rights.

The share capital of our Company is TL 181,054,233. The capital structure is as follows:

As of 31 March 2025;

Migros Ticaret A.Ş. Shareholding Structure		
Shareholder	Amount (TL)	Share (%)
MH Perakendecilik ve Ticaret A.Ş.	89,046,058	49.18
Other	89,046,059	49.18
Migros Ticaret A.Ş.	2,962,116	1.64
Total	181,054,233	100.00

Information About the Most Recent Capital Increase

No increase was made in the capital during 01 January – 31 March 2025.

Information on General Assembly Meeting

General Assembly Meeting

Meeting Minutes and List of Attendees pertaining to 2024 Ordinary General Assembly Meeting of our Company dated 15 April 2025 were disclosed in our corporate web site (www.migroskurumsal.com) and the Public Disclosure Platform (KAP). In the Ordinary General Assembly Meeting, the consolidated financial statements dated 31.12.2024, which was prepared in accordance with IFRS, and the other agenda articles were duly accepted.

Information regarding the General Assembly Meeting was posted in the Turkish Trade Registry Gazette, the company's corporate website at www.migroskurumsal.com, Public Disclosure Platform and the Electronic General Assembly Portal of Central Registry Agency.

Amendments in the Articles of Association

As stated in our public disclosure dated 17.03.2025, it was resolved to amend Article 3 titled "Purpose and Scope" and Article 17 titled "Term of Office and Duties of the Board of Directors" in the Company's Articles of Association.

The necessary approvals for the proposed amendments was obtained from the Capital Markets Board and the Ministry of Trade of the Republic of Türkiye, and these changes to the Articles of Association were submitted to and approved by our shareholders at the General Assembly Meeting on 15.04.2025. These changes were registered on 28.04.2025 and announced in the Turkish Trade Registry Gazette dated 28.04.2025 and numbered 11320.

The final copy of the Articles of Association is posted to the Investor Relations page of the corporate website of the Company (www.migroskurumsal.com).

Authorities and Duties of the Auditors

Article 400 ("Auditors") of the Turkish Commercial Code reads:

An auditor may be any individual who is licensed pursuant to the Certified Public Accountancy and Chartered Accountancy Act (Statute 3568 dated 1 June 1989) to perform independent audits as a chartered accountant or as a certified public accountant and who has been authorized to do so by the Public Oversight, Accounting, and Auditing Standards Authority and/or by a joint-stock company whose shareholders consist of such individuals.

At the Company's 2024 Ordinary General Assembly Meeting dated 15 April 2025, PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. was elected as independent auditor for 2025 fiscal year.

The Dividend Policy of Migros

Our Company's Dividend Distribution Policy was approved as follows at the Ordinary General Assembly meeting dated 11 April 2023.

"Our Company conducts a dividend distribution policy within the framework of the provisions of the Turkish Commercial Code, Capital Markets Legislation, Tax Regulations and other relevant legislation as well as the provisions of our Articles of Association regarding the dividend distribution.

In line with the Corporate Governance Principles, a balanced and accurate policy is followed between the benefits of the shareholders and the Company. By taking our Company's long-term strategies, investment and financing plans as well as its profitability into consideration, our Company targets to distribute 50% of its annual net distributable profit every year, in cash or in the form of bonus shares of stock, or some combination of the two. This policy is subject to the Company's cash flow projections, forward looking expectations on its operations, investment plans and economic conditions. The General Assembly may decide to distribute dividend which differs from the targeted percentage by taking all these factors into consideration.

Dividend distribution shall start latest by the end of the fiscal year in which the General Assembly approves the dividend distribution.

The Company may decide to distribute dividend in advance or distribute dividend with either equal or different installments, in compliance with regulations in effect."

SECTION 2: FINANCIAL INFORMATION

Sales

(Thousand TL)	01 Jan. – 31 March 2025	01 Jan. – 31 March 2024
Domestic Sales	79,604,611	73,312,649
Other Sales	167,324	129,403
Gross Sales	79,771,935	73,442,052
Less: Discounts and Returns	(1,335,402)	(1,123,578)
Sales Revenue, Net	78,436,533	72,318,474

Financial Statements

Migros - IFRS Consolidated Income Statement Summary (Thousand TL)	01 Jan. – 31 March 2025	(%)	01 Jan. – 31 March 2024	(%)
Net Sales	78,436,533	100.0	72,318,474	100.0
Cost of Sales (-)	(59,419,358)	-75.8	(57,688,995)	-79.8
Gross Profit	19,017,175	24.2	14,629,479	20.2
Operating Expenses	(18,483,749)	-23.6	(16,292,530)	-22.5
Other Operating Income / (Expense)	(3,566,482)	-4.5	(2,866,775)	-4.0
Operating Profit	(3,033,056)	-3.9	(4,529,826)	-6.3
Income / (Expense) from Investment Activities	(7,314)	0.0	(5,758)	0.0
Operating Income Before Financial Income / (Expense)	(3,040,370)	-3.9	(4,535,584)	-6.3
Financial Income / (Expense)	(801,750)	-1.0	(905,657)	-1.3
Monetary Gain/Loss	5,895,116	7.5	7,995,019	11.1
Income/Loss Before Tax from Continuing Operations	2,052,996	2.6	2,553,778	3.5
Tax Income / (Expenses)	(54,513)	-0.1	(66,465)	-0.1
Deferred Tax Income	(966,877)	-1.2	(781,839)	-1.1
Net Profit / Loss from Continuing Operations	1,031,606	1.3	1,705,474	2.4
Net Profit / Loss from Discontinuing Operations		0.0	42,971	0.1
Net Profit / Loss	1,031,606	1.3	1,748,445	2.4
<i>Non-controlling Interest</i>	50,443	0.1	33,800	0.0
<i>Equity Holders of Parent</i>	981,163	1.3	1,714,645	2.4
EBITDA (after ETB & unused vacation provisions)	3,686,681	4.7	864,182	1.2

Migros IFRS Consolidated Balance Sheet Summary (Thousand TL)	March 2025	(%)	December 2024	(%)
Current Assets	57,114,070	35.2	63,499,746	38.4
Non-current Assets	105,291,156	64.8	101,659,563	61.6
Total Assets	162,405,226	100.0	165,159,309	100.0
Current Liabilities	71,664,609	44.1	78,159,690	47.3
Non-current Liabilities	26,297,485	16.2	23,512,862	14.2
Total Liabilities	97,962,094	60.3	101,672,552	61.6
Equity Attributable to Owners of Parent	63,982,246	39.4	63,076,314	38.2
Non-controlling Interest	460,886	0.3	410,443	0.2
Total Equity	64,443,132	39.7	63,486,757	38.4
Total Liabilities and Equity	162,405,226	100.0	165,159,309	100.0

Financial Structure and Profitability Ratios

LIQUIDITY RATIOS	March 2025	December 2024
Current Ratio	0.80	0.81

FINANCIAL STRUCTURE RATIOS	March 2025	December 2024
Financial Leverage (Total Liabilities / Total Liabilities & Equity)	0.60	0.62
Total Liabilities / Equity	1.52	1.60
Financial Liabilities (w/o Lease Liabilities) / Total Assets	0.01	0.01
Net Cash Position (w/o Lease Liabilities) (Thousand TL)	18,383,428	23,484,688

PROFITABILITY RATIOS (%)	01 Jan. – 31 March 2025	01 Jan. – 31 March 2024
Gross Profit Margin	24.2%	20.2%
EBITDA Margin	4.7%	1.2%
Net Profit / Loss Margin	1.3%	2.4%

SHARE PERFORMANCE RATIOS	March 2025
Market Cap (Thousand TL)	89,666,994
Share Price (TL)	495.25
Earnings Per Share (EPS) from continuing operations (TL)	5.42
Earnings Per Share (EPS) from discontinuing operations (TL)	0.00

Financial Evaluation

In the first quarter of 2025, Migros' consolidated sales grew by 8.5% year-on-year in real terms and reached TL 78.4 billion, in accordance with IAS 29 inflation accounting. The like-for-like sales growth across all formats, the customer traffic gain, new store openings and competitive pricing strategy were the main drivers of the consolidated sales growth in the first quarter of the year. By the end of 1Q25, the contribution of online channels in total sales reached 21.1%, excluding tobacco and alcohol products.

In 1Q25, the gross profit was recorded at TL 19,017 million, with IAS 29. The gross margin in the first quarter of 2025 was 24.2%. Migros reported a consolidated EBITDA of TL 3,687 million in the first quarter of 2025, with IAS 29. The EBITDA margin in 1Q25 increased to 4.7% from 1.2% in 1Q24.

In the first quarter of 2025, Migros generated a net profit of TL 1,032 million, with IAS 29, corresponding to net profit margin of 1.3% (1Q24: 2.4%). The main reasons of the decrease in net profit margin in 1Q25 are the increase in the depreciation & amortization expenses, the rise in the personnel expenses and the impact of inflation accounting, which resulted in booking less monetary gains on assets in 1Q25 compared to 1Q24, as the average inflation in 1Q25 was lower than 1Q24's average inflation.

The company's shareholders' equity rose to TL 64.4 billion by the end of March 2025, up by 9% y-o-y in real terms.

According to Nielsen, Migros' market share in the first quarter of 2025 increased by +70 bps in total FMCG and +50 bps in modern FMCG markets. By the end of March 2025, Migros' market share reached 10.2% in total FMCG market and 16.3% in modern FMCG market.

The expansion of both offline and online sales channels continued in the first three months of 2025. The Company opened 56 new stores in Q1 2025. The total number of stores reached 3,642 as of 31 March 2025. Furthermore, the number of stores serving online rose from 1,137 to 1,452 year on year. Besides new store openings and expansion in online channels, Migros invested in refurbishment of its existing stores, information technologies, self-checkouts, electronic shelf price tags, R&D and new distribution centers in 1Q25. With IAS 29, the Company spent TL 1,587 million in capital expenditures in the first quarter of 2025.

Migros maintains its full year guidance for 2025. With IAS 29 inflationary accounting, Migros expects a consolidated revenue growth of 8-10% in 2025. The consolidated EBITDA margin for 2025, with IAS 29, is targeted approximately 6.0%. Migros plans to open ~250 new stores this year and is committed to continuing its investment program. The capex to sales ratio in 2025 is expected to be 2.5-3.0% with IAS 29.

The Dividend Distribution

In the General Assembly Meeting on 15 April 2025, the General Assembly discussed the Board of Directors' dividend distribution proposal. Accordingly it was decided;

- after the allocation of the primary reserve up to the legal limit, to distribute gross dividends of TL 1,770,000,000.00, (TL 807,123,205.44 to be covered from the Net Distributable Period Profit and TL 962,876,794.56 to be covered from "other sources"),
- to allocate TL 176,094,728.84 secondary legal reserves for the dividend to be paid,
- to offset the advance dividend of TL 520,000,000.00 distributed in November 2024 from the dividend distribution to be made from the Net Distributable Period Profit,
- to distribute the remaining TL 1,250,000,000.00 to the shareholders as dividend to be paid in cash,
- to pay dividend TL 6.9040087 gross=net for shares at the nominal value of TL 1 for our shareholders which are full taxpayer institutions or limited taxpayer institutions obtaining dividend through a workplace or permanent representatives in Türkiye,
- to pay gross dividend of TL 6.9040087 and net dividend of TL 5.8684074 (by deducting 15% withholding tax) for shares at the nominal value of TL 1 for our other shareholders,
- to start dividend distribution on 28 May 2025 upon completion of the legal process following the General Assembly Meeting.

The financial resources and the risk management policies

Financial Debts

As of 31 March 2025, the total amount of outstanding financial loans and bonds of the Company stands at TL 1,071,024 thousand (TL 25,355,964 thousand including IFRS 16). Detailed information related to financial debts is provided in the Note 7 of the Condensed Consolidated Financial Statements for the Interim Period 1 January - 31 March 2025 of the Company.

The redemption schedule of principal amounts of financial debt at 31 March 2025:

(Thousand TL)	TL Loan
1 April 2025 - 31 March 2026	671,705
1 April 2026 - 14 December 2026	235,408
	907,113

Risk Management and Internal Control Mechanism

Pursuant to the applicable provisions of the Turkish Commercial Code, the Early Detection of Risk Committee, which is charged with early diagnosis of risks that may threaten the existence, development and survival of the Company, and with ensuring that necessary actions are taken in relation to those risks, carried on with its activities.

Within the scope of the activities conducted with the Company employees, the Committee follows up various risk indicators, which have been created to ensure identification of the risks that could preclude the achievement of the Company's strategic business goals, to monitor the factors that make up these risks, to determine and measure the probability and impact of the risks, and follows up the risk criteria deemed important.

These risk indicators are analyzed and followed up by the related Company units, and changes are monitored by the Early Detection of Risk Committee. In periodic meetings, the Early Detection of Risk Committee evaluates whether appropriate actions have been taken.

Detailed information has been provided at Note 20, titled Exchange Rate Risk and Foreign Currency Position, of Condensed Consolidated Financial Statements for the Interim Period 1 January – 31 March 2025 of the Company.

Risk management is implemented by each subsidiary within the framework of policies decided by the Board of Directors.

The Early Recognition of Risk Committee, which convenes 6 times a year, coordinates to take precaution against predictable risks that the company might face as a result of its financial structure and reports regularly to the Board of Directors about its practices.

In addition, the study initiated by the Company to have all its stores, administrative offices and distribution centers inspected by companies specialized in building control is ongoing. As a result of this study, it is aimed to strengthen the buildings where structural weaknesses are detected, if possible. For buildings that cannot be strengthened, the Company has started and continues to work on finding an alternative building and evacuating the existing building.

In the conduct and performance of its financial and operational reviews, the Internal Audit Department adheres to the following principles.

- Effective utilization of the resources of the Company,
- Effectiveness of the internal control mechanisms on operations,
- Confirmation of Company assets
- Efficiency and effectiveness of business operations,
- Compliance of employees with the quality management documentation and administrative instructions approved by the management,

The fundamental duties of the Internal Audit Department consist, among other things, of investigating/examining activities and transactions which previously had been determined and reported as having elements of risk in order to ascertain the degree to which such risks have been eliminated or brought under control in line with management-approved recommendations; performing follow-up reviews in situations where more detailed investigations and examinations are necessary.

Any problems that may be discovered during the course of review activities are investigated in detail with the aim of allowing measures to be taken as necessary while recommendations are also made concerning what action should be taken to deal with any losses which the Company is ascertained to have suffered. In all of these efforts, altering processes in such a way as to prevent recurrences of similar incidents is an issue of fundamental concern.

In line with the risk-based audit approach and the year's internal control plan, the Internal Audit Department conducted financial and operational reviews of various departments and processes. Assessments and recommendations based on review results are submitted to company senior management along with the reports in which matters where improvements may be made in keeping with the philosophy of continuous development are also pointed out. Besides financial and operational reviews, the Internal Audit Department also conducts follow-up reviews on issues about which senior management was previously informed and it was agreed that measures needed to be taken. Similar risk analysis and audits were conducted in the first three months of 2025.

The features and amount of the capital market instruments that was issued

The details of the debt securities (corporate bonds and bills) that the Company issued exclusively for domestic qualified investors are as follows:

ISIN Code	Issue Amount (TL)	Issue Date	Maturity	Maturity (Days)	Coupon Number	Number of Coupons Paid
TRSMGTI62517	300,000,000	13.06.2023	26.06.2025	744	8	7/8

Migros Board of Directors had taken a decision to determine the issuance limit of debt instruments to be issued in case of need. As stated in the Company's public disclosure dated 28.03.2025, our Company made an application to the Capital Markets Board for the approval of the issuance limit of TL 3,000,000,000.

SECTION 3: OPERATIONAL ACTIVITIES

Position of Migros in the Sector and Investments

Operating in the food retail sector, Migros is engaged in the retail sale of all types of food products and consumer goods, as well as their wholesale for retail consumption. Migros, through its subsidiaries, also operates in online food retailing and ready-to-eat meals, financial technologies, logistics (distribution by riders) services, development and marketing of retail media assets, electric vehicle charging services and shopping mall operation.

During 01 January – 31 March 2025, Migros opened 56 new stores - 33 Migros, 15 Migros Jet, 3 Macrocenter, 3 Macrokiosk and 2 Mion cosmetic stores. The Company operates a network of 3,642 stores in total as of 31 March 2025, including 2,076 Migros, 1,176 Migros Jets, 125 Macrocenter, 80 Macrokiosk, 54 hypermarkets, 29 Wholesale and 102 Mion stores in seven geographical regions throughout Türkiye.

New stores opened:

M		MM		Migros Jet	
Adana	1	Ankara	2	Ankara	1
Ankara	1	Antalya	1	Bursa	1
Antalya	1	İstanbul	3	Çanakkale	2
Ardahan	1			Eskişehir	1
Aydın	1			Hatay	2
Bingöl	1			İstanbul	3
Bitlis	1			Kars	1
Diyarbakır	1			Kocaeli	1
Gaziantep	3			Konya	1
Hatay	2			Mersin	1
İstanbul	2			Nevşehir	1
İzmir	2				
Kahramanmaraş	1				
Kocaeli	1				
Konya	1				
Mardin	1				
Muğla	2				
Uşak	1				
Van	2				
Zonguldak	1				
TOTAL	27	TOTAL	6	TOTAL	15

Macrocenter	
Antalya	1
Bursa	1
Eskişehir	1
TOTAL	3

Macrokiosk	
Ankara	1
Muğla	2
TOTAL	3

Mion	
İstanbul	1
Muğla	1
TOTAL	2

SECTION 4: CORPORATE GOVERNANCE

SAHA Corporate Governance and Credit Rating Services, Inc. ("SAHA"), rated our Company in accordance with the Corporate Governance Principles issued by the Capital Markets Board.

The Corporate Governance Rating of our Company was disclosed as 9.67 (96.74%) as of 27 December 2024 by SAHA in their report made public.

The breakdown of the corporate governance rating of our Company by sub-categories is stated in the table below.

Sub Sections	Weight	Rating (%)
Shareholders	25%	95.83
Public Disclosure and Transparency	25%	98.45
Stakeholders	15%	99.51
Board of Directors	35%	94.97
Average	100%	96.74

Statement of Compliance with Corporate Governance Principle

Migros Ticaret A.Ş. complies with the "**Communiqué on Corporate Governance (II-17.1)**", which were announced by the Capital Markets Board of Türkiye (CMB) and always aims to improve the principles therein. The application of the main principles of Corporate Governance, which are fairness, transparency, responsibility and accountability are continuously reviewed, deficiencies are addressed with the aspiration of becoming an exemplary role model. The Company has adopted the main principles of Corporate Governance which are:

- a) Fairness
- b) Transparency
- c) Responsibility
- d) Accountability.

Migros Corporate Governance Principles Compliance Report, in addition to the annual report, can be accessed at the corporate website (www.migroskurumsal.com) in the Investor Relations section.

Pursuant to the Capital Markets Board of Türkiye (CMB) resolution no. 2/49 dated 10 January 2019, Corporate Governance Compliance Reporting, which is made under the Corporate Governance Communiqué no. II-17.1, shall be made using the Corporate Governance Compliance Report (CRF) and Corporate Governance Information Form (CGIF) on the Public Disclosure Platform (KAP). The said reports can be reached under the Corporate Governance tab on the KAP website. (<https://www.kap.org.tr/en/sirket-bilgileri/ozet/1494-migros-ticaret-a-s>)

Corporate Governance Committee

The working principles of the Corporate Governance Committee are determined by the Board of Directors in line with the requirements of "**Communiqué on Corporate Governance (II-17.1)**" and the requirements of Turkish commercial law. The committee's duties consist of overseeing the company's compliance with corporate governance principles, with taking such action as may be required by current Capital Markets Law and other applicable laws, regulations, and administrative provisions, and with making such recommendations to the Board of Directors as may be deemed to be necessary to constantly improve the company's performance in the area of corporate governance.

A corporate governance committee was set up in 2007 and charged with monitoring corporate governance activities throughout the company and with overseeing the work of the Investor Relations Department.

Furthermore, within the scope of the "**Communiqué on Corporate Governance (II-17.1)**", it has been resolved that the Corporate Governance Committee will be responsible for the duties of the Nomination Committee and the Remuneration Committee. The committee, consists of seven members, convenes four times in a year.

Investor Relations

Investor Relations Department, founded under the Finance Department in 2003, not only manages the relations with domestic and foreign investors but also the processes related to General Assembly, capital increases and dividend distribution. All enquiries and transactions of the shareholders regarding capital increases and dividend payments are handled here by the Investor Relations Department.

In addition, the Investor Relations communicates directly with various institutions including the Capital Markets Board (CMB), Borsa Istanbul (BIST), Central Registry Agency (CRA) and Takasbank (ISE Settlement and Custody Bank Inc.) and represents the Company. Keeping records of the Board of Directors meetings and material disclosures to the Public Disclosure Platform (KAP) in compliance with the CMB Communiqué on Material Events are among the Department's other activities. Migros' Investor Relations Department keeps up with relevant legislation as well as CMB communiqués and informs the senior management on the matters requiring compliance.

The department also responds to the information requests about the Company. Investor Relations is also responsible for the preparation of the annual reports as well as the coordination of Corporate Governance operations and activities.

All shareholders requesting information about Migros can submit their queries by sending e-mail to investor_relations@migros.com.tr. All other channels of communication are also available for the shareholders.

Other Matters

- i. The stakeholders can reach the Corporate Governance Principles Compliance Report as well as the information on corporate social responsibility activities which has an impact on social and environmental matters, employees' rights and their vocational training at the Company corporate website at www.migroskurumsal.com. The assessment of the Board of Directors on the Committees' work guidelines and their effectiveness is included in the Corporate Governance Principles Compliance Report.
- ii. Migros has been continuing to be included in the BIST Sustainability Index since the beginning of the index in 2014.
- iii. Information about various lawsuits filed against or in favor of the Company is provided in the Note 8 of the Condensed Consolidated Financial Statements for the Interim Period 1 January – 31 March 2025 of the Company.
- iv. Information on tax assets and liabilities is provided in the Note 16 of the Condensed Consolidated Financial Statements for the Interim Period 1 January – 31 March 2025 of the Company.
- v. Information on related parties is provided in the Note 18 of the Condensed Consolidated Financial Statements for the Interim Period 1 January – 31 March 2025 of the Company.
- vi. The collective labor agreement, which covers the period of 01.01.2023 - 31.12.2025, was signed by our Company and Tez-Koop. Labor Union. Our Company announced this agreement by a public disclosure on April 12, 2023.
- vii. Migros' carbon reduction efforts in combating climate change received full validation from the Science Based Targets initiative (SBTi), one of the world's most respected authorities in this field. By validating the consistency and accuracy of its methodology for both its 2030 carbon emission reduction and 2050 net zero targets, Migros became the first food retailer in Türkiye to receive this global approval. Additionally, Migros is included in the "Global A Leaders " list of the Carbon Disclosure Project (CDP), one of the world's most reputable environmental reporting platforms, for the second consecutive year by receiving the highest grade of "A" in both the "Climate Change" and "Water Security" programs.
- viii. Our Company was informed that the Competition Authority initiated an investigation on some retail companies, including our Company, and some suppliers in order to determine whether Article 4 of the Act numbered 4054 on the Protection of Competition ("Act") had been violated. The initiation of an investigation by the Competition Authority cannot be interpreted as a violation of the Act or imposition of criminal penalties. Developments regarding the matter will be shared with the public. An announcement regarding this matter was made on 10.03.2025 through the Public Disclosure Platform (KAP).

Donations and Assistance

The upper limit of the donations to be made by the Company in 2025 was determined as 25,000,000 TL and this was approved by the General Assembly.

No event of any special importance has occurred at the Company after the end of the fiscal year that could affect the rights of shareholders, creditors or other concerned persons and institutions.

Research and Development Activities

The Company's total R&D expenditures in the first three months of 2025 are TL 224,984 thousand (1Q 2024: TL 199,645 thousand).

Migros Ticaret A.Ş., which was issued an R&D Center certificate from the Republic of Türkiye Ministry of Industry and Technology, has been continuing with its technical research and development activities in areas of business and software development in 2025.

New practices are being developed at the Migros R&D Center for creating new and/or improving existing processes pertaining to retail activities carried out by the Migros head office in the stores and distribution centers. Applications that mostly contain innovative solutions integrated with technological hardware and smart systems helped to improve our work processes related with customers and suppliers.

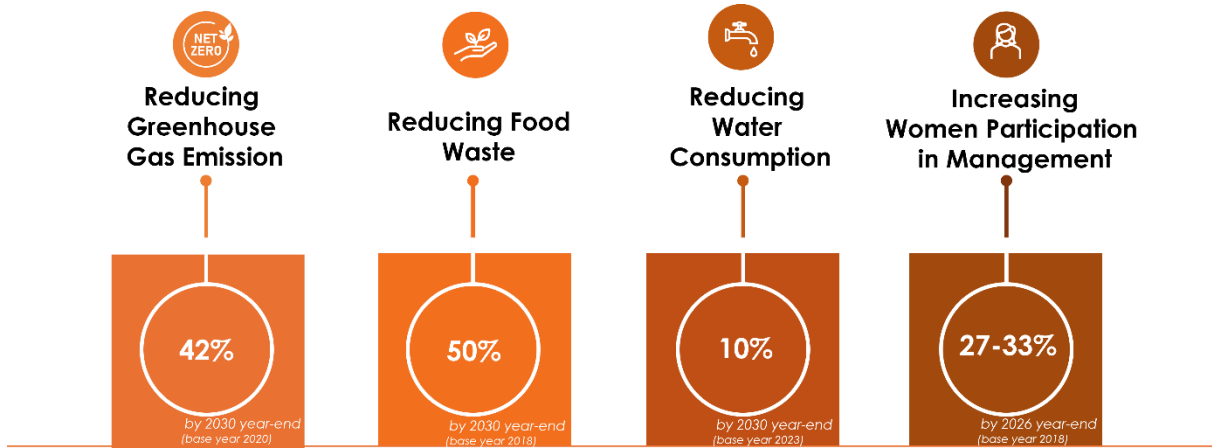
Our Sustainability Approach

The notion of sustainability is both the core of Migros' business model and the engine that powers its efforts to create value for all of its stakeholders. Migros addresses sustainability-related environmental, social, and economic-priority issues, focus issues, and roadmap issues in its "Migros Better Future Plan". To this end, activities are undertaken to address many different issues such as protecting biodiversity, supporting sustainable agriculture, preventing food waste, reducing plastic waste, combating climate change, standardizing product content information and making it more transparent, making products and services more accessible through digitalization, promoting gender and opportunity equality, and contributing to public wellbeing.

Migros announces in its annual report if the Company complies with the sustainability principles, the reasons of not complying to these principles, if any; and the impact on its environmental and social risk management because of not fully complying to these principles. There is not any material change in these announcements during the reporting period.

Migros' 2024 Annual Integrated Report is posted on the Company corporate website (www.migroskurumsal.com).

The long-term sustainability targets of Migros are as follows;



Subsequent Events

Information about subsequent events is provided in the Note 23 of the Condensed Consolidated Financial Statements for the Interim Period 1 January – 31 March 2025 of the Company.