

**MİGROS TİCARET A.Ş.**

**CONVENIENCE TRANSLATION INTO ENGLISH OF  
CONDENSED CONSOLIDATED  
FINANCIAL STATEMENTS FOR THE INTERIM PERIOD  
1 JANUARY - 31 MARCH 2021**

**(ORIGINALLY ISSUED IN TURKISH)**

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

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**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

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<b>INTERIM CONSOLIDATED BALANCE SHEETS .....</b>	<b>1-3</b>
<b>INTERIM CONSOLIDATED STATEMENTS OF PROFIT OR LOSS .....</b>	<b>4</b>
<b>INTERIM CONSOLIDATED STATEMENTS OF OTHER COMPREHENSIVE INCOME.....</b>	<b>5</b>
<b>INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY.....</b>	<b>6</b>
<b>INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS .....</b>	<b>7-8</b>
<b>NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS.....</b>	<b>9-45</b>
NOTE 1 ORGANISATION AND NATURE OF OPERATIONS.....	9-10
NOTE 2 BASIS OF PRESENTATION OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS.....	10-17
NOTE 3 SEGMENT REPORTING.....	18-19
NOTE 4 PROPERTY, PLANT AND EQUIPMENT .....	20-21
NOTE 5 INTANGIBLE ASSETS .....	22
NOTE 6 RIGHT OF USE ASSETS.....	23
NOTE 7 INVENTORIES .....	24
NOTE 8 FINANCIAL LIABILITIES.....	24-27
NOTE 9 PROVISIONS, COMMITMENTS, CONTINGENT ASSETS AND LIABILITIES .....	28-29
NOTE 10 PROVISION FOR EMPLOYEE BENEFITS .....	29-30
NOTE 11 REVENUE.....	31
NOTE 12 EXPENSES BY NATURE.....	31-32
NOTE 13 OTHER OPERATING INCOME AND EXPENSES .....	33
NOTE 14 INCOME AND EXPENSES FROM INVESTMENT ACTIVITIES .....	33
NOTE 15 FINANCIAL INCOME.....	34
NOTE 16 FINANCIAL EXPENSES.....	34
NOTE 17 TAX ASSET AND LIABILITIES .....	34-36
NOTE 18 CAPITAL, RESERVES AND OTHER EQUITY ITEMS .....	37
NOTE 19 TRANSACTIONS AND BALANCES WITH RELATED PARTIES .....	37-39
NOTE 20 EARNINGS / (LOSSES) PER SHARE .....	39
NOTE 21 EXCHANGE RATE RISK AND FOREIGN CURRENCY POSITION .....	39-42
NOTE 22 FINANCIAL INSTRUMENTS.....	42
NOTE 23 DISPOSAL OF SUBSIDIARY .....	43
NOTE 24 SUBSEQUENT EVENTS.....	43
APPENDIX – 1 OTHER INFORMATIONS .....	44-45

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**CONSOLIDATED BALANCE SHEETS AS OF  
31 MARCH 2021 AND 31 DECEMBER 2020**

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

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

	Notes	31 March 2021	31 December 2020
<b>ASSETS</b>			
<b>Current Assets:</b>			
Cash and cash equivalents		2,342,604	3,230,793
Financial investments		2,296	5,879
Trade receivables		171,071	174,525
<i>Trade receivables from related parties</i>	19	124	154
<i>Trade receivables from third parties</i>		170,947	174,371
Other receivables		29,976	27,854
<i>Other receivables from third parties</i>		29,976	27,854
Derivative instruments		7,281	5,174
Inventories	7	3,799,628	3,339,580
Prepaid expenses		92,884	114,183
Other current assets		12,394	10,318
<b>Sub total</b>		<b>6,458,134</b>	<b>6,908,306</b>
Assets held for sale		-	422,615
<b>Total current assets</b>		<b>6,458,134</b>	<b>7,330,921</b>
<b>Non-current assets:</b>			
Financial investments		10,815	10,815
Other receivables		5,070	4,913
<i>Other receivables from third parties</i>		5,070	4,913
Derivative instruments		14,291	8,249
Property, plant and equipment	4	2,799,554	2,772,744
Intangible assets		2,445,611	2,439,671
<i>Goodwill</i>		2,252,992	2,252,992
<i>Other intangible assets</i>	5	192,619	186,679
Prepaid expenses		30,528	21,002
Right-of-use assets	6	2,701,445	2,789,744
Deferred tax assets	17	10,752	-
<b>Total non-current assets</b>		<b>8,018,066</b>	<b>8,047,138</b>
<b>Total assets</b>		<b>14,476,200</b>	<b>15,378,059</b>

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

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	Notes	31 March 2021	31 December 2020
<b>LIABILITIES</b>			
<b>Current liabilities:</b>			
Short term borrowings		942,304	1,144,343
<i>Bank loans</i>	8	942,304	1,144,343
Short term portion of long term borrowings		1,124,726	1,011,299
<i>Bank loans</i>	8	423,406	413,522
<i>Lease liabilities</i>		701,320	597,777
Trade payables		7,344,813	7,339,394
<i>Trade payables to related parties</i>	19	258,933	280,013
<i>Trade payables to third parties</i>		7,085,880	7,059,381
Employee benefits payables		218,916	239,125
Other payables		95,223	178,714
<i>Other payables to third parties</i>		95,223	178,714
Derivative Instruments		1,275	4,760
Deferred income		137,036	142,332
Taxes on income	17	50,579	8,208
Short term provisions		308,306	257,013
<i>Short term provisions for employee benefits</i>	10	185,431	158,126
<i>Other short term provisions</i>	9	122,875	98,887
Other current liabilities		3,000	1,389
<b>Sub total</b>		<b>10,226,178</b>	<b>10,326,577</b>
Liabilities regarding asset groups classified for sale		-	76,374
<b>Total current liabilities</b>		<b>10,226,178</b>	<b>10,402,951</b>
<b>Non-current liabilities:</b>			
Long term borrowings		3,872,225	4,616,639
<i>Bank loans</i>	8	1,697,878	2,279,885
<i>Lease liabilities</i>		2,174,347	2,336,754
Other payables		27,095	29,232
<i>Other payables to third parties</i>		27,095	29,232
Deferred income		21,483	25,081
Long term provisions		295,155	257,690
<i>Long term provisions for employee benefits</i>	10	295,155	257,690
Deferred tax liabilities	17	-	13,005
<b>Total non-current liabilities</b>		<b>4,215,958</b>	<b>4,941,647</b>
<b>Total liabilities</b>		<b>14,442,136</b>	<b>15,344,598</b>

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**CONSOLIDATED BALANCE SHEETS AS OF  
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	Notes	31 March 2021	31 December 2020
<b>EQUITY</b>			
<b>Attributable to equity holders of parent</b>	<b>18</b>	<b>34,064</b>	<b>31,061</b>
Share capital		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 accumulated comprehensive income/(loss) that will not be reclassified in profit or loss		377,802	406,218
-Defined benefit plans re-measurement (losses)		( 3,042)	( 3,042)
-Revaluation fund of property, plant and equipment		380,844	409,260
Other accumulated comprehensive income/(loss) that will be reclassified in profit or loss		46,365	256,000
- Currency translation differences		46,365	256,000
Restricted reserves		250,266	111,249
Accumulated losses		( 927,207)	( 416,750)
Net income/(loss)		209,510	( 402,984)
<b>Non-controlling interest</b>		<b>-</b>	<b>2,400</b>
<b>Total equity</b>		<b>34,064</b>	<b>33,461</b>
<b>Total liabilities and equity</b>		<b>14,476,200</b>	<b>15,378,059</b>

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**MİGROS TİCARET A.Ş.**

**CONSOLIDATED STATEMENTS OF PROFIT OR LOSS  
FOR THE INTERIM PERIOD 1 JANUARY - 31 MARCH 2021 AND 2020**

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

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	Notes	1 January - 31 March 2021	Restated 1 January - 31 March 2020
Revenue	3, 11	7,689,091	6,347,597
Cost of sales (-)	3, 11	( 5,566,837)	( 4,651,340)
<b>Gross profit</b>		<b>2,122,254</b>	<b>1,696,257</b>
General administrative expenses (-)	12	( 97,474)	( 83,559)
Marketing expenses (-)	12	( 1,629,574)	( 1,312,253)
Other operating income	13	90,991	67,833
Other operating expense (-)	13	( 228,696)	( 133,776)
<b>Operating profit</b>		<b>257,501</b>	<b>234,502</b>
Income from investment activities	14	213,162	1,078
Expenses from investment activities (-)	14	( 1,483)	( 2,547)
<b>Operating income before finance income/(expense)</b>		<b>469,180</b>	<b>233,033</b>
Financial income	15	59,271	5,803
Financial expense (-)	16	( 287,137)	( 383,101)
<b>Net (loss) / income before tax from continuing operations</b>		<b>241,314</b>	<b>( 144,265)</b>
<b>Tax expense from continuing operations</b>		<b>( 32,482)</b>	<b>10,607</b>
- Income tax expense	17	( 56,619)	( 32,284)
- Deferred tax income / (expense)	17	24,137	42,891
<b>Continued operation period loss</b>		<b>208,832</b>	<b>( 133,658)</b>
<b>Discontinued operations profit for the period</b>		<b>678</b>	<b>1,791</b>
<b>Net income / (loss)</b>		<b>209,510</b>	<b>( 131,867)</b>
<b>Net (loss) / income attributable to:</b>			
- Non-controlling interest		-	24
- Equity holders of parent	20	209,510	( 131,891)
Loss per share (TRL) from continuing operations	20	1.15	( 0.74)
Profit per share (TRL) from discontinuing operations	20	0.00	0.01

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**MİGROS TİCARET A.Ş.**

**CONSOLIDATED STATEMENTS OF OTHER COMPREHENSIVE INCOME  
FOR THE INTERIM PERIOD 1 JANUARY - 31 MARCH 2021 AND 2020**

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

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	<b>1 January - 31 March 2021</b>	<b>Restated 1 January - 31 March 2020</b>
<b>Net income / (loss) for the period</b>	<b>209,510</b>	<b>( 131,867)</b>
<b>Items that may not be reclassified subsequently</b>		
Tangible fixed asset revaluation decreases	466	( 58,922)
Tangible fixed asset revaluation decreases, tax effect	( 93)	12,933
<b>Items to be reclassified to profit or loss</b>		
Currency translation differences	( 209,280)	21,259
<b>Other comprehensive (loss) / income, after tax</b>	<b>( 208,907)</b>	<b>( 24,730)</b>
<b>Total comprehensive income / (loss)</b>	<b>603</b>	<b>( 156,597)</b>
<b>Total comprehensive income / (loss) attributable to:</b>		
-Non-controlling interests	( 2,400)	276
-Equity holders of parent	3,003	( 156,873)

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**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE INTERIM PERIOD 1 JANUARY - 31 MARCH 2021 AND 2020**

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

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	Share capital	Other capital reserves	Treasury shares	Additional contribution to share capital	Other comprehensive income / expenses not to be reclassified to profit or loss		Other comprehensive income / expenses to be reclassified to profit or loss		Restricted reserves	Retained earnings			Non-controlling interests	Total equity
					Defined benefit plans re-measurement (losses)	Increase/(decrease) of revaluation fund of fixed assets	Cumulative translation differences	Accumulated gain / (losses) for the period		Net (loss) / income	Attributable to equity holders of the parent			
<b>Balances at 1 January 2020</b>	181,054	(365)	(125,435)	22,074	(14,215)	652,137	176,102	23,771	(101,808)	(460,812)	352,503	1,665	354,168	
Transfers	-	-	-	-	-	(29,526)	-	87,478	(518,764)	460,812	-	-	-	
Total comprehensive income	-	-	-	-	-	(45,989)	21,007	-	-	(131,891)	(156,873)	276	(156,597)	
Net loss for the period	-	-	-	-	-	-	-	-	-	(131,891)	(131,891)	24	(131,867)	
Cumulative translation differences	-	-	-	-	-	-	21,007	-	-	-	21,007	252	21,259	
Tangible fixed asset revaluation decreases	-	-	-	-	-	(45,989)	-	-	-	-	(45,989)	-	(45,989)	
<b>Balances at 31 March 2020</b>	181,054	(365)	(125,435)	22,074	(14,215)	576,622	197,109	111,249	(620,572)	(131,891)	195,630	1,941	197,571	
<b>Balances at 1 January 2021</b>	181,054	(365)	(125,435)	22,074	(3,042)	409,260	256,000	111,249	(416,750)	(402,984)	31,061	2,400	33,461	
Transfers	-	-	-	-	-	(28,789)	(2,755)	139,017	(510,457)	402,984	-	-	-	
Total comprehensive income	-	-	-	-	-	373	(206,880)	-	-	209,510	3,003	(2,400)	603	
Net income for the period	-	-	-	-	-	-	-	-	-	209,510	209,510	-	209,510	
Cumulative translation differences	-	-	-	-	-	-	(1,137)	-	-	-	(1,137)	-	(1,137)	
Increase / (decrease) due to loss of control in subsidiaries	-	-	-	-	-	-	(205,743)	-	-	-	(205,743)	(2,400)	(208,143)	
Tangible fixed asset revaluation increases	-	-	-	-	-	373	-	-	-	-	373	-	373	
<b>Balances at 31 March 2021</b>	181,054	(365)	(125,435)	22,074	(3,042)	380,844	46,365	250,266	(927,207)	209,510	34,064	-	34,064	

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**CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE INTERIM PERIOD 1 JANUARY - 31 MARCH 2021 AND 2020**

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

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	Notes	1 January - 31 March 2021	Restated 1 January - 31 March 2020
<b>Cash flow from operating activities:</b>			
<b>Net (loss) / income for the period</b>		<b>209,510</b>	<b>( 131,867)</b>
Net (loss) / income from continued operations for the period		208,832	( 133,658)
Net (loss) / income from discontinued operations for the period		678	1,791
<b>Adjustments related to reconciliation of (loss) / profit</b>		<b>485,267</b>	<b>750,923</b>
Adjustments for depreciation and amortisation expenses	12	209,971	202,446
Adjustments for impairment on receivables	13	263	1,348
Adjustments for inventory provisions	7	( 13,054)	17,011
Adjustments for impairment on property, plant and equipment	14	1,059	2,547
Adjustments for provision for employee benefits	10	76,356	63,058
Adjustments for provision for litigation	13	13,904	6,368
Adjustments for interest income		( 30,092)	( 8,360)
Adjustments for interest expense	16	251,921	204,763
Adjustments for deferred financing due to forward purchases expenses	13	199,553	122,146
Adjustments for unearned finance income from sales	13	( 57,212)	( 26,340)
Adjustments for unrealized foreign exchange losses related to bank borrowings	8	24,132	175,622
Adjustments for fair value losses arising from derivatives	15, 16	( 11,278)	1,999
Adjustments for income tax expense	17	32,482	( 10,607)
Loss on sale of property plant and equipment		424	( 1,078)
Adjustments for losses / (gains) arising from the sale of fixed assets classified for sale		( 213,162)	-
<b>Changes in net working capital</b>		<b>( 456,431)</b>	<b>( 33,903)</b>
Adjustments for increase in trade receivables		2,837	( 57,263)
Adjustments for increase in inventories		( 446,994)	( 333,777)
Adjustments for increase in other receivables related with operations		( 11,459)	( 49,379)
Adjustments for increase in trade payables		45,231	311,039
Adjustments for increase in other payables related with operations		( 46,046)	95,477
<b>Cash flows from operating activities</b>		<b>238,346</b>	<b>585,153</b>
Employee benefits paid	10	( 11,586)	( 13,094)
Interest received		84,764	35,125
Interest paid		( 239,365)	( 127,531)
Taxes paid		( 15,507)	( 1,555)
Other provisions paid	9	( 4,205)	( 2,954)
<b>Net cash provided by operating activities</b>		<b>52,447</b>	<b>475,144</b>

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	Notes	1 January - 31 March 2021	Restated 1 January - 31 March 2020
<b>Cash flows from investing activities:</b>			
Cash outflows from the purchase of investment properties, tangible and intangible assets		( 105,833)	( 60,631)
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	240,880
<b>Net cash used in investing activities</b>		<b>283,567</b>	<b>180,249</b>
<b>Cash flows from financing activities</b>			
Proceeds from borrowings	8	-	487,334
Repayment of borrowings	8	( 827,893)	( 637,239)
Repayment of derivative instruments		( 356)	-
Interest received	15	2,894	936
Interest paid		( 138,161)	( 114,859)
Cash outflows from payments of rent agreements		( 212,540)	( 196,614)
<b>Net cash provided by financing activities</b>		<b>( 1,176,056)</b>	<b>( 460,442)</b>
<b>Impact of foreign currency translation differences on cash and cash equivalents</b>			
Net (decrease) / increase in cash and cash equivalents		( 48,147)	13,120
		( 888,189)	208,071
<b>Cash and cash equivalents at the beginning of period</b>		<b>3,230,793</b>	<b>2,328,309</b>
<b>Cash and cash equivalents at the end of period</b>		<b>2,342,604</b>	<b>2,536,380</b>

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**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
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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 Sirketi (“Moonlight Perakendecilik”) on April 30, 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 2021, 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 2021, the Group operates in 2,330 stores in total (31 December 2020: 2,100) which comprise 1,559,937 m2 from 2,307 retail stores and comprise 13,412 m2 from 23 wholesale stores with a total net space of 1,573,349 m2 (31 December 2020: 1,580,317 m2). As of 31 March 2021, the Group employed 38,368 people (31 December 2020: 38,458). Retail is the main business segment of the Group and constitutes almost 97% of gross sales (31 December 2020: 97%).

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 5 May 2021 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 regulators have the power to amend the consolidated financial statements after the issue in the General Assembly meeting of the Company.

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**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 interim condensed consolidated financial statements, their respective geographical segments are as follows:

<b>Subsidiaries</b>	<b>Country of incorporation</b>	<b>Geographical segment</b>	<b>Nature of business</b>	<b>March</b>	
				<b>2021 (%)</b>	<b>December 2020 (%)</b>
Ramstore Bulgaria E.A.D. (“Ramstore Bulgaria”)	Bulgaria	Bulgaria	Dormant	0	100
Ramstore Kazakhstan LLC (“Ramstore Kazakhstan”)	Kazakhstan	Kazakhstan	Mall management	100	100
Ramstore Macedonia DOO (“Ramstore Macedonia”)	Macedonia	Bulgaria	Retailing	0	99
Money pay Ödeme ve Elektronik Para Hizmetleri A.Ş. (*)	Turkey	Turkey	Services limited by e-money legislation	80	80
Paket Lojistik ve Teknoloji A.Ş.	Turkey	Turkey	Logistics services	25	25

(\*) Not included in the scope of consolidation on the grounds of materiality.

During the period, the Group sold 100% shares of our inactive subsidiary Ramstore Bulgaria EAD (“Ramstore Bulgaria”), which has 99% shares of its subsidiary Ramstore Macedonia DOO (“Ramstore Macedonia”), with a share transfer agreement dated 9 March 2021 (Note 23).

**NOTE 2 - BASIS OF PRESENTATION OF CONDENSED 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  
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 2021**

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

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

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**NOTE 2 - BASIS OF PRESENTATION OF CONDENSED 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 June 13, 2013, effective from interim periods beginning after June 30, 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 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.

On 31 December 2020, the Group reviewed the calculation applied in the prior period for the calculation of TFRS 16 lease liability, which became effective as of 1 January 2019. The Group has adjusted the effects of this change retrospectively in accordance with TAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors". The effect of this adjustment made on 31 December 2020 on prior years' profits and net profit for the period as of 31 March 2020 are as follows:

**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 2021**

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

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

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

**2.1 Basis of presentation (Continued)**

**2.1.2 Changes in the accounting policies, estimates and errors (Continued)**

	<u>Previously reported</u>	<u>Restatement effect</u>	<u>Restated</u>
	<u>31 March 2020</u>	<u>31 March 2020</u>	<u>31 March 2020</u>
<b>ASSETS</b>			
<b>Current assets:</b>			
Prepaid expenses	131,687	( 92,412)	39,275
<b>Total current assets</b>	<b>5,888,823</b>	<b>( 92,412)</b>	<b>5,796,411</b>
<b>Non-current assets:</b>			
Prepaid expenses	92,570	( 11,662)	80,908
Right of use assets	2,888,907	( 442,583)	2,446,324
Deferred tax assets	32,975	( 8,381)	24,594
<b>Total non-current assets</b>	<b>8,859,546</b>	<b>( 462,626)</b>	<b>8,396,920</b>
<b>Total Assets</b>	<b>14,748,369</b>	<b>( 555,037)</b>	<b>14,193,332</b>
<b>LIABILITIES</b>			
<b>Current Liabilities:</b>			
Lease liabilities	239,584	270,479	510,063
<b>Total current liabilities</b>	<b>8,018,105</b>	<b>270,479</b>	<b>8,288,584</b>
<b>Non-current liabilities</b>			
Lease liabilities	2,858,808	( 861,221)	1,997,587
<b>Total non-current liabilities</b>	<b>6,568,397</b>	<b>( 861,221)</b>	<b>5,707,176</b>
<b>Total Liabilities</b>	<b>14,586,502</b>	<b>( 590,741)</b>	<b>13,995,761</b>
<b>EQUITY</b>			
Attributable to equity holders of parent	159,926	35,704	195,630
Accumulated losses	( 651,872)	31,300	( 620,572)
Net loss for the period	( 136,295)	4,404	( 131,891)
Non-controlling interest	1,941		1,941
<b>Total equity</b>	<b>161,867</b>	<b>35,704</b>	<b>197,571</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>14,748,369</b>	<b>( 555,037)</b>	<b>14,193,332</b>

**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 2021**

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

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

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

**2.1 Basis of presentation (Continued)**

**2.1.2 Changes in the accounting policies, estimates and errors (Continued)**

<b>PROFIT OR LOSS</b>	<b>Previously reported</b>	<b>Restatement effect</b>	<b>Discontinued operations classification effect</b>	<b>Restated</b>
	<b>31 March 2020</b>	<b>31 March 2020</b>	<b>31 March 2020</b>	<b>31 March 2020</b>
Revenue	6,432,794	-	( 85,197)	6,347,597
Cost of sales (-)	( 4,711,142)	( 3,398)	63,200	( 4,651,340)
<b>Gross profit</b>	<b>1,721,652</b>	<b>( 3,398)</b>	<b>( 21,997)</b>	<b>1,696,257</b>
General administrative expenses (-)	( 86,431)	-	2,872	( 83,559)
Marketing expenses (-)	( 1,327,213)	( 2,201)	17,161	( 1,312,253)
Other operating income	68,037	-	( 204)	67,833
Other operating expense (-)	( 138,563)	4,618	169	( 133,776)
<b>Operating profit</b>	<b>237,482</b>	<b>( 981)</b>	<b>( 1,999)</b>	<b>234,502</b>
Income from investment activities	1,078	-	-	1,078
Expenses from investment activities (-)	( 2,547)	-	-	( 2,547)
<b>Operating income before finance income / (expenses)</b>	<b>236,013</b>	<b>( 981)</b>	<b>( 1,999)</b>	<b>233,033</b>
Financial income	6,256	-	( 453)	5,803
Financial expense (-)	( 388,286)	5,094	91	( 383,101)
<b>Net loss before tax from continuing operations</b>	<b>( 146,017)</b>	<b>4,113</b>	<b>( 2,361)</b>	<b>( 144,265)</b>
<b>Tax expense from continuing operations</b>	<b>9,746</b>	<b>291</b>	<b>570</b>	<b>10,607</b>
- Income tax expense	( 32,854)	-	570	( 32,284)
- Deferred tax income	42,600	291	-	42,891
<b>Net loss from continued operations for the period</b>	<b>( 136,271)</b>	<b>4,404</b>	<b>( 1,791)</b>	<b>( 133,658)</b>
<b>Net (loss) / income from discontinued operations for the period</b>	<b>-</b>	<b>-</b>	<b>1,791</b>	<b>1,791</b>
<b>Net loss / income for the period</b>	<b>( 136,271)</b>	<b>4,404</b>	<b>-</b>	<b>( 131,867)</b>

**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 2021**

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

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

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

**2.1 Basis of presentation (Continued)**

**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 TRL, 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) Amendments that are mandatorily effective from 2021

**Amendments to TFRS 9, TAS 39, TFRS 7, TFRS 4 and TFRS 16 *Interest Rate Benchmark Reform*  
— *Phase 2***

The amendments in Interest Rate Benchmark Reform — Phase 2 (Amendments to TFRS 9, TAS 39, TFRS 7, TFRS 4 and TFRS 16) introduce a practical expedient for modifications required by the reform, clarify that hedge accounting is not discontinued solely because of the IBOR reform, and introduce disclosures that allow users to understand the nature and extent of risks arising from the IBOR reform to which the entity is exposed to and how the entity manages those risks as well as the entity’s progress in transitioning from IBORs to alternative benchmark rates, and how the entity is managing this transition.

The amendments to TFRS 9, TAS 39, TFRS 7, TFRS 4 and TFRS 16 are all effective for annual periods beginning on or after 1 January 2021. Early application is permitted.

The Group assessed that the adoption of this amendment does not have any effect on the Group’s 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 2021**

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

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

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

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

b) New and revised TFRSs in issue but not yet effective

The Group has not yet adopted the following standards and amendments and interpretations to the existing standards:

TFRS 17	<i>Insurance Contracts</i>
Amendments to TAS 1	<i>Classification of Liabilities as Current or Non-Current</i>
Amendments to TFRS 3	<i>Reference to the Conceptual Framework</i>
Amendments to TAS 16	<i>Property, Plant and Equipment – Proceeds before Intended Use</i>
Amendments to TAS 37	<i>Onerous Contracts – Cost of Fulfilling a Contract</i>
Annual Improvements to TFRS Standards 2018-2020	<i>Amendments to TFRS 1, TFRS 9 and TAS 41</i>
Amendments to TFRS 4	<i>Extension of the Temporary Exemption from Applying IFRS 9</i>
Amendments to TFRS 16	<i>COVID-19 Related Rent Concessions beyond 30 June 2021</i>

**TFRS 17 *Insurance Contracts***

TFRS 17 requires insurance liabilities to be measured at a current fulfillment value and provides a more uniform measurement and presentation approach for all insurance contracts. These requirements are designed to achieve the goal of a consistent, principle-based accounting for insurance contracts. TFRS 17 supersedes TFRS 4 Insurance Contracts as of 1 January 2023.

**Amendments to TAS 1 *Classification of Liabilities as Current or Non-Current***

The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current.

Amendments to TAS 1 are effective for annual reporting periods beginning on or after 1 January 2023 and earlier application is permitted.

**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 2021**

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

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

---

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

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

b) New and revised TFRSs in issue but not yet effective (Continued)

**Amendments to TFRS 3 *Reference to the Conceptual Framework***

The amendments update an outdated reference to the Conceptual Framework in IFRS 3 without significantly changing the requirements in the standard.

The amendments are effective for annual periods beginning on or after 1 January 2022. Early application is permitted if an entity also applies all other updated references (published together with the updated *Conceptual Framework*) at the same time or earlier.

**Amendments to TAS 16 *Proceeds before Intended Use***

The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognizes the proceeds from selling such items, and the cost of producing those items, in profit or loss.

The amendments are effective for annual periods beginning on or after 1 January 2022. Early application is permitted.

**Amendments to TAS 37 *Onerous Contracts – Cost of Fulfilling a Contract***

The amendments specify that the ‘cost of fulfilling’ a contract comprises the ‘costs that relate directly to the contract’. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract or an allocation of other costs that relate directly to fulfilling contracts.

The amendments published today are effective for annual periods beginning on or after 1 January 2022. Early application is permitted.

**Annual Improvements to TFRS Standards 2018-2020 Cycle**

**Amendments to TFRS 1 *First time adoption of International Financial Reporting Standards***

The amendment permits a subsidiary that applies paragraph D16(a) of TFRS 1 to measure cumulative translation differences using the amounts reported by its parent, based on the parent’s date of transition to TFRSs.

**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 2021**

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

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

---

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

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

b) New and revised TFRSs in issue but not yet effective (Continued)

**Annual Improvements to TFRS Standards 2018-2020 Cycle (Continued)**

Amendments to TFRS 9 *Financial Instruments*

The amendment clarifies which fees an entity includes in assessing whether to derecognize a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other’s behalf.

Amendments to TAS 41 *Agriculture*

The amendment removes the requirement in paragraph 22 of TAS 41 for entities to exclude taxation cash flows when measuring the fair value of a biological asset using a present value technique. This will ensure consistency with the requirements in TFRS 13.

The amendments to TFRS 1, TFRS 9, and TAS 41 are all effective for annual periods beginning on or after 1 January 2022. Early application is permitted.

**Amendments to TFRS 4 *Extension of the Temporary Exemption from Applying IFRS 9***

The amendment changes the fixed expiry date for the temporary exemption in TFRS 4 Insurance Contracts from applying TFRS 9 Financial Instruments, so that entities would be required to apply TFRS 9 for annual periods beginning on or after 1 January 2023.

**Amendments to TFRS 16 *COVID-19 Related Rent Concessions beyond 30 June 2021***

Public Oversight Accounting and Auditing Standards Authority (“POA”) has published *COVID-19 Related Rent Concessions beyond 30 June 2021 (Amendment to TFRS 16)* that extends, by one year, the June 2020 amendment that provides lessees with an exemption from assessing whether a COVID-19 related rent concession is a lease modification.

On issuance, the practical expedient was limited to rent concessions for which any reduction in lease payments affects only payments originally due on or before 30 June 2021. Since lessors continue to grant COVID-19 related rent concessions to lessees and since the effects of the COVID-19 pandemic are ongoing and significant, the POA decided to extend the time period over which the practical expedient is available for use.

The amendment is effective for annual reporting periods beginning on or after 1 June 2020. Earlier application is permitted.

The Group has applied the practical expedient to all rent concessions that have met the above criteria. There were no COVID-19-related rent concessions prior to 1 January 2020.

**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 2021**

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

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

**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.

The segment information provided to the board of directors as of 31 March 2021 and 2020 is as follows:

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

	<b>Turkey</b>	<b>Kazakhstan</b>	<b>Combined total</b>	<b>Intersegment eliminations</b>	<b>Total continued operations</b>	<b>Discounted operations</b>	<b>Total</b>
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	(5,565,356)	(1,956)	(5,567,312)	475	(5,566,837)	(44,332)	(5,611,169)
Gross profit	2,117,684	4,570	2,122,254	-	2,122,254	16,371	2,138,625
Selling and marketing expenses	(1,629,574)	-	(1,629,574)	-	(1,629,574)	(13,462)	(1,643,036)
General administrative expenses	(93,602)	(3,872)	(97,474)	-	(97,474)	(1,871)	(99,345)
Addition: Depreciation and amortisation expenses	208,505	1,466	209,971	-	209,971	2,607	212,578
Addition: Provision for termination benefits	37,465	-	37,465	-	37,465	-	37,465
Addition: Termination benefits paid	9,645	-	9,645	-	9,645	-	9,645
Addition: Provision for Unused vacation	27,305	-	27,305	-	27,305	-	27,305
<b>EBITDA (Including TFRS 16 effect)</b>	<b>677,428</b>	<b>2,164</b>	<b>679,592</b>	<b>-</b>	<b>679,592</b>	<b>3,645</b>	<b>683,237</b>
TFRS 16 effect	(212,540)	-	(212,540)	-	(212,540)	-	(212,540)
<b>EBITDA</b>	<b>464,888</b>	<b>2,164</b>	<b>467,052</b>	<b>-</b>	<b>467,052</b>	<b>3,645</b>	<b>470,697</b>
Rent Expense	349,633	-	349,633	-	349,633	2,805	352,438
<b>EBITDAR</b>	<b>814,521</b>	<b>2,164</b>	<b>816,685</b>	<b>-</b>	<b>816,685</b>	<b>6,450</b>	<b>823,135</b>

**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 2021**

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

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

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

**Segment analysis for the period 1 January - 31 March 2020**

	Turkey	Kazakhstan	Combined total	Intersegment eliminations	Total continued operations	Discounted operations	Total
External Revenues	6,285,550	62,047	6,347,597	-	6,347,597	85,197	6,432,794
Inter segment revenues	1,725	-	1,725	( 1,725)	-	-	-
Sales revenue	6,287,275	62,047	6,349,322	( 1,725)	6,347,597	85,197	6,432,794
Cost of sales	( 4,608,428)	( 44,637)	( 4,653,065)	1,725	( 4,651,340)	( 63,200)	( 4,714,540)
Gross profit	1,678,847	17,410	1,696,257	-	1,696,257	21,997	1,718,254
Selling and marketing expenses	( 1,300,283)	( 11,970)	( 1,312,253)	-	( 1,312,253)	( 13,953)	( 1,326,206)
General administrative expenses	( 78,781)	( 4,778)	( 83,559)	-	( 83,559)	( 6,081)	( 89,640)
Addition: Depreciation and amortisation expenses	200,624	1,823	202,447	-	202,447	3,209	205,656
Addition: Provision for termination benefits	30,305	-	30,305	-	30,305	39	30,344
Addition: Termination benefits paid	10,779	-	10,779	-	10,779	-	10,779
Addition: Provision for Unused vacation	19,620	-	19,620	-	19,620	-	19,620
<b>EBITDA (Including TFRS 16 effect)</b>	<b>561,111</b>	<b>2,485</b>	<b>563,596</b>	<b>-</b>	<b>563,596</b>	<b>5,211</b>	<b>568,807</b>
TFRS 16 effect	( 196,614)	-	( 196,614)	-	( 196,614)	-	( 196,614)
<b>EBITDA</b>	<b>364,497</b>	<b>2,485</b>	<b>366,982</b>	<b>-</b>	<b>366,982</b>	<b>5,211</b>	<b>372,193</b>
Rent Expense	290,520	4,935	295,455	-	295,455	3,849	299,304
<b>EBITDAR</b>	<b>655,017</b>	<b>7,420</b>	<b>662,437</b>	<b>-</b>	<b>662,437</b>	<b>9,060</b>	<b>671,497</b>

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

	<b>1 January - 31 March 2021</b>	<b>1 January - 31 March 2020</b>
EBITDAR reported segments	816,685	662,437
Rent expenses	( 349,633)	( 295,455)
The effect of new and revised standards	212,540	196,614
<b>EBITDA reported segments</b>	<b>679,592</b>	<b>563,596</b>
Depreciation and amortisation	( 209,971)	( 202,447)
Provision for employment termination benefits	( 37,465)	( 30,305)
Termination benefits paid	( 9,645)	( 10,779)
Provision for unused vacation liability	( 27,305)	( 19,620)
Other operating income	90,991	67,833
Other operating expense (-)	( 228,696)	( 133,776)
<b>Operating profit</b>	<b>257,501</b>	<b>234,502</b>
Income from investing activities	213,162	1,078
Expense from investing activities (-)	( 1,483)	( 2,547)
<b>Operating profit before finance income</b>	<b>469,180</b>	<b>233,033</b>
Financial income	59,271	5,803
Financial expense (-)	( 287,137)	( 383,101)
<b>Income/(loss) before tax</b>	<b>241,314</b>	<b>( 144,265)</b>

**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 2021**

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

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

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

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

	<b>1 January 2021</b>	<b>Additions</b>	<b>Disposals</b>	<b>Impairment loss (*)</b>	<b>Transfers</b>	<b>Cumulative translation differences</b>	<b>31 March 2021</b>
<b>Cost</b>							
Land	590,907	-	-	-	-	45	590,952
Buildings	566,295	246	-	-	-	13,617	580,157
Leasehold improvements	961,105	7,665	( 497)	( 4,427)	3,379	1,707	968,933
Machinery and equipments	1,450,494	17,961	( 8,934)	-	22,981	2,045	1,484,548
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 improvementsc	( 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 TRL 1,059 consists of leasehold improvements of the stores closed in 2021 (Note:14).

**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 2021**

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

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

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

Movement of property, plant and equipments period ended at 31 March 2020 is as follows;

	<b>1 January 2020</b>	<b>Additions</b>	<b>Disposals</b>	<b>Impairment loss (*)</b>	<b>Transfers</b>	<b>Cumulative translation differences</b>	<b>31 March 2020</b>
<b>Cost</b>							
Land	1,288,070	-	( 210,535)	-	-	2,008	1,079,543
Buildings	1,048,096	994	( 128,883)	-	1,209	598	922,014
Leasehold improvements	899,000	5,437	-	( 6,246)	( 2,493)	( 107)	895,591
Machinery and equipments	1,279,878	13,629	( 4,334)	-	17,973	( 334)	1,306,812
Motor vehicles	10,988	490	( 378)	-	-	236	11,336
Furniture and fixtures	840,781	9,357	( 1,235)	-	2,011	2,938	853,852
Construction in progress	54,913	26,266	-	-	( 24,438)	( 861)	55,880
	<b>5,421,726</b>	<b>56,173</b>	<b>( 345,365)</b>	<b>( 6,246)</b>	<b>( 5,738)</b>	<b>4,478</b>	<b>5,125,028</b>
<b>Accumulated depreciation</b>							
Buildings	( 29,461)	( 8,927)	5,103	-	-	11,757	( 21,528)
Leasehold improvementsc	( 459,195)	( 16,093)	-	3,699	-	400	( 471,189)
Machinery and equipments	( 684,063)	( 26,822)	3,900	-	( 8)	330	( 706,663)
Motor vehicles	( 3,378)	( 442)	355	-	-	( 120)	( 3,585)
Furniture and fixture	( 509,391)	( 12,970)	904	-	( 60)	( 2,832)	( 524,349)
	<b>( 1,685,488)</b>	<b>( 65,254)</b>	<b>10,262</b>	<b>3,699</b>	<b>( 68)</b>	<b>9,535</b>	<b>( 1,727,314)</b>
<b>Net book value</b>	<b>3,736,238</b>						<b>3,397,714</b>

(\*) Impairment loss amounting to TRL 2,547 consists of leasehold improvements of the stores closed in 2020 (Note:14).

There are no mortgages on property, plant and equipment as of March 31, 2021 and 2020. Depreciation expenses of the property, plant and equipment have been accounted under marketing expenses.

**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 2021**

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

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

**NOTE 5 - INTANGIBLE ASSETS**

Movement of intangible assets period ended at 31 March 2021 and 2020 is as follows;

	<b>1 January 2021</b>	<b>Additions</b>	<b>Disposals</b>	<b>Transfers</b>	<b>Cumulative translation differences</b>	<b>31 March 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 book value</b>	<b>186,679</b>					<b>192,619</b>
	<b>1 January 2020</b>	<b>Additions</b>		<b>Transfers</b>	<b>Cumulative translation differences</b>	<b>31 March 2020</b>
<b>Cost</b>						
Trademark	2,787	-		-	-	2,787
Rent agreements	39,131	-		-	-	39,131
Rights	408,899	4,458		-	( 389)	412,968
Other intangible assets	169,302	-		5,806	-	175,108
	<b>620,119</b>	<b>4,458</b>		<b>5,806</b>	<b>( 389)</b>	<b>629,994</b>
<b>Accumulated amortisation</b>						
Rent agreements	( 35,403)	( 242)		-	-	( 35,645)
Rights	( 290,041)	( 12,446)		-	407	( 302,080)
Other intangible assets	( 101,842)	( 5,741)		-	-	( 107,583)
	<b>( 427,286)</b>	<b>( 18,429)</b>		<b>-</b>	<b>407</b>	<b>( 445,308)</b>
<b>Net book value</b>	<b>192,833</b>					<b>184,686</b>

Depreciation expenses of the intangible assets have been accounted under marketing expenses.

**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 2021**

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

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

**NOTE 6 – RIGHT OF USE ASSETS**

For 31 March 2021 and 2020, movement on right of use assets is as follows:

	<b>1 January 2021</b>	<b>Additions</b>	<b>Disposals</b>	<b>31 March 2021</b>
<b>Cost</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 depreciation</b>				
Buildings	( 966,401)	( 126,677)	-	( 1,093,078)
<b>Net book value</b>	<b>2,789,744</b>			<b>2,701,445</b>
	<b>1 January 2020</b>	<b>Additions</b>	<b>Disposals</b>	<b>31 March 2020</b>
<b>Cost</b>				
Buildings	2,769,878	172,505	-	2,942,383
	<b>2,769,878</b>	<b>172,505</b>	-	<b>2,942,383</b>
<b>Accumulated depreciation</b>				
Buildings	( 451,334)	( 120,722)	-	( 572,057)
<b>Net book value</b>	<b>2,318,544</b>			<b>2,370,327</b>

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

**NOTE 7 - INVENTORIES**

	<b>31 March 2021</b>	<b>31 December 2020</b>
Raw materials	22,186	18,381
Work in progress	64,592	50,882
Merchandise stocks	3,764,309	3,325,656
Other	20,130	19,304
Less: Provision for net realizable value	( 71,589)	( 74,643)
	<b>3,799,628</b>	<b>3,339,580</b>

**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 2021**

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

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

**NOTE 8 - FINANCIAL LIABILITIES**

	<b>31 March 2021</b>		
	<b>Effective interest rate (%)</b>	<b>In original currency</b>	<b>Total TRL equivalent</b>
<b>Short term borrowings</b>			
With fixed interest rate - TRL	12,94	657,308	657,308
With floating interest rate - TRL	18,87	284,996	284,996
<b>Total short term borrowings</b>			<b>942,304</b>
<b>Current portion of long term borrowings</b>			
With floating interest rate - EUR	5,30	964	9,434
With fixed interest rate - TRL	17,44	365,684	365,684
With floating interest rate - TRL	16,43	39,193	39,193
Kazakhstan Loan - EUR	4,50	22	213
Kazakhstan Loan - Tenge	10,69	452,707	8,882
<b>Total current portion of long term borrowings</b>			<b>423,406</b>
<b>Total current borrowings</b>			<b>1,365,710</b>
<b>Non-current borrowings</b>			
With floating interest rate - EUR	5,30	28,579	279,689
With fixed interest rate - TRL	17,44	1,091,696	1,091,696
With floating interest rate - TRL	16,43	217,539	217,539
Kazakhstan Loan - EUR	4,50	4,600	45,017
Kazakhstan Loan - Tenge	10,69	3,258,613	63,937
<b>Total non-current borrowings</b>			<b>1,697,878</b>
<b>Total financial liabilities</b>			<b>3,063,588</b>

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

	<b>Tenge loan TRL equivalent</b>	<b>Euro loan TRL equivalent</b>	<b>TRL loan</b>	<b>Total (TRL equivalent)</b>
1 April 2021- 31 March 2022	8,882	9,647	1,347,180	1,365,709
1 April 2022- 31 March 2023	22,117	13,675	599,584	635,376
1 April 2023- 31 March 2024	21,981	311,031	366,195	699,207
1 April 2024- 31 March 2025	16,479	-	242,725	259,204
1 April 2025- 12 September 2025	3,360	-	100,732	104,092
	<b>72,819</b>	<b>334,353</b>	<b>2,656,416</b>	<b>3,063,588</b>

The fair value of bank borrowings at 31 March 2021 is TRL 3,043,949.

**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 2021**

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

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

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

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

	<b>Tenge loan TRL equivalent</b>	<b>Euro loan TRL equivalent</b>	<b>TRL loan</b>	<b>Total (TRL equivalent)</b>
1 April 2021- 31 March 2022	8,341	-	1,090,523	1,098,864
1 April 2022- 31 March 2023	22,117	-	547,197	569,314
1 April 2023- 31 March 2024	21,981	335,138	416,165	773,284
1 April 2024- 31 March 2025	16,479	-	341,636	358,115
1 April 2025- 12 September 2025	3,360	-	183,378	186,738
	<b>72,278</b>	<b>335,138</b>	<b>2,578,899</b>	<b>2,986,315</b>

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

	<b>Tenge loan TRL equivalent</b>	<b>Euro loan TRL equivalent</b>	<b>TRL loan</b>	<b>Total (TRL equivalent)</b>
1 April 2021- 31 March 2022	16,152	11,116	1,470,351	1,497,619
1 April 2022- 31 March 2023	28,271	16,074	782,503	826,848
1 April 2023- 31 March 2024	25,527	344,016	538,865	908,408
1 April 2024- 31 March 2025	17,792	-	408,252	426,044
1 April 2025- 12 September 2025	3,493	-	211,946	215,439
	<b>91,236</b>	<b>371,206</b>	<b>3,411,916</b>	<b>3,874,358</b>

The Group has obligation to meet various financial covenants according to loan agreement related to bank borrowings. As of 31 March 2021 the Group has met defined financial covenants requirements.

The movement schedule of borrowings as of 31 March 2021 is as follows;

<b>Beginning balance</b>	<b>3,837,750</b>
Proceeds of borrowings	-
Payments	( 827,893)
Foreign exchange losses	24,132
Interest accrual	( 12,029)
Change due to the sale of subsidiaries	41,628
<b>Closing</b>	<b>3,063,588</b>

**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 2021**

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

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

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

	<b>31 December 2020</b>		
	<b>Effective interest rate (%)</b>	<b>In original currency</b>	<b>Total TRL equivalent</b>
<b>Short term borrowings</b>			
With fixed interest rate - TRL	14,84	657,772	657,772
With floating interest rate - TRL	21,47	486,571	486,571
<b>Total short term borrowings</b>			<b>1,144,343</b>
<b>Current portion of long term borrowings</b>			
With floating interest rate - EUR	5,29	4,614	41,563
With fixed interest rate - TRL	11,79	333,392	333,392
With floating interest rate - TRL	16,65	34,213	34,213
Kazakhstan Loan - Tenge	11,53	249,569	4,354
<b>Total current portion of long term borrowings</b>			<b>413,522</b>
<b>Total current bank borrowings</b>			<b>1,557,865</b>
<b>Non-current bank borrowings</b>			
With floating interest rate - EUR	5,29	90,102	811,629
With fixed interest rate - TRL	11,79	1,187,555	1,187,555
With floating interest rate - TRL	16,65	220,123	220,123
Kazakhstan Loan - Tenge	11,53	3,471,945	60,578
<b>Total non-current bank borrowings</b>			<b>2,279,885</b>

**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 2021**

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

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

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

The redemption schedule of bank borrowings with effective interest rate at 31 December 2020 is as follows:

	<b>Tenge loan TRL equivalent</b>	<b>Euro loan TRL equivalent</b>	<b>TRL loan</b>	<b>Total (TRL equivalent)</b>
1 January 2021- 31 December 2021	4,354	41,563	1,511,948	1,557,865
1 January 2022- 31 December 2022	18,055	39,682	547,261	604,998
1 January 2023- 31 December 2023	20,495	771,947	324,242	1,116,684
1 January 2024- 31 December 2024	17,547	-	348,639	366,186
1 January 2025- 5 June 2025	4,481	-	187,536	192,017
	<b>64,932</b>	<b>853,192</b>	<b>2,919,626</b>	<b>3,837,750</b>

The fair value of bank borrowings at 31 December 2020 is TRL 3,856,169.

The redemption schedule of principal amounts of bank borrowings at 31 December 2020 is as follows:

	<b>Tenge loan TRL equivalent</b>	<b>Euro loan TRL equivalent</b>	<b>TRL loan</b>	<b>Total (TRL equivalent)</b>
1 January 2021- 31 December 2021	3,695	-	1,241,414	1,245,109
1 January 2022- 31 December 2022	18,055	-	448,978	467,033
1 January 2023- 31 December 2023	20,494	852,554	308,575	1,181,623
1 January 2024- 31 December 2024	17,547	-	450,729	468,276
1 January 2025- 5 June 2025	4,481	-	378,312	382,793
	<b>64,272</b>	<b>852,554</b>	<b>2,828,008</b>	<b>3,744,834</b>

The redemption schedule of contractual cash outflows, which consists of principal and interest, of borrowings at 31 December 2020 is as follows:

	<b>Tenge loan TRL equivalent</b>	<b>Euro loan TRL equivalent</b>	<b>TRL loan</b>	<b>Total (TRL equivalent)</b>
1 January 2021- 31 December 2021	10,711	41,059	1,586,029	1,637,798
1 January 2022- 31 December 2022	24,023	41,284	713,245	778,552
1 January 2023- 31 December 2023	24,216	872,691	475,567	1,372,474
1 January 2024- 31 December 2024	19,176	-	557,479	576,654
1 January 2025- 5 June 2025	4,716	-	420,078	424,794
	<b>82,842</b>	<b>955,034</b>	<b>3,752,398</b>	<b>4,790,272</b>

**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 2021**

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

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

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

	<b>31 March 2021</b>	<b>31 December 2020</b>
<b>Short-term provisions</b>		
Provision for litigation	104,260	94,561
Provisions for customer loyalty programs	17,693	2,344
Other	922	1,982
	<b>122,875</b>	<b>98,887</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.

Movement of provision for lawsuits is as follows:

	<b>1 January - 31 March 2021</b>	<b>1 January - 31 March 2020</b>
<b>Beginning balance</b>	94,561	81,125
Increase during period	13,904	6,368
Payments during period	(4,205)	(2,954)
<b>Ending balance</b>	<b>104,260</b>	<b>84,539</b>

**Collaterals, Pledges, Mortgages**

**31 March 2021:**

	<b>TL equivalent</b>	<b>TL</b>	<b>USD</b>	<b>EUR</b>
A. CPM given on behalf of the Company's legal personality	219,985	214,567	651	-
B. CPM given on behalf of fully consolidated subsidiaries	108,950	-	7,686	4,600
<b>Total collaterals, pledges and mortgages</b>	<b>328,935</b>	<b>214,567</b>	<b>8,336</b>	<b>4,600</b>
<b>Proportion of the other CPM's to equity (%)</b>	-			

**31 December 2020:**

	<b>TL equivalent</b>	<b>TL</b>	<b>USD</b>	<b>EUR</b>
A. CPM given on behalf of the Company's legal personality	242,637	237,861	651	-
B. CPM given on behalf of fully consolidated subsidiaries	60,578	-	8,253	-
<b>Total collaterals, pledges and mortgages</b>	<b>303,215</b>	<b>237,861</b>	<b>8,904</b>	-
<b>Proportion of the other CPM's to equity (%)</b>	-			

**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 2021**

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

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

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

**Contingent assets and liabilities**

Guarantees given at 31 March 2021 and 31 December 2020 are as follows:

	<b>31 March 2021</b>	<b>31 December 2020</b>
Letter of guarantees given	328,935	303,215
	<b>328,935</b>	<b>303,215</b>

Guarantees received at 31 March 2021 and 31 December 2020 are as follows:

	<b>31 March 2021</b>	<b>31 December 2020</b>
Guarantees obtained from customers	206,460	224,732
Mortgages obtained from customers	16,908	16,129
	<b>223,368</b>	<b>240,861</b>

**NOTE 10 - PROVISION FOR EMPLOYEE BENEFITS**

	<b>31 March 2021</b>	<b>31 December 2020</b>
Provision for employee termination benefits	295,155	257,690
Provision for unused vacation	185,431	158,126
	<b>480,586</b>	<b>415,816</b>

**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 2021**

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

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

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

Movement of unused vacation provision at 31 March 2021 and 31 March 2020 is as follows:

	<b>2021</b>	<b>2020</b>
<b>Beginning balance</b>	<b>158,126</b>	<b>139,366</b>
Increase during period	29,246	21,935
Recovered during period	( 1,941)	( 2,315)
<b>Ending balance</b>	<b>185,431</b>	<b>158,986</b>

Movements in the provision for employee termination benefits are as follows:

	<b>2021</b>	<b>2020</b>
<b>Beginning balance</b>	<b>257,690</b>	<b>204,503</b>
Increase during period	47,110	41,123
Payments during period	( 9,645)	( 10,779)
<b>Ending balance</b>	<b>295,155</b>	<b>234,847</b>

**Provision for employee 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 limit.

In the condensed consolidated financial statements as of 31 March 2021 and consolidated financial statements as of 31 December 2020, 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 TRL 7,638.96 effective from 1 January 2021 has been taken into consideration in calculating the reserve for employment termination benefit of the Group.

**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 2021**

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

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

**NOTE 11 - REVENUE**

	<b>1 January - 31 March 2021</b>	<b>1 January - 31 March 2020</b>
Domestic sales	7,806,354	6,398,950
Foreign sales	5,854	61,142
Other sales	10,845	8,586
<b>Gross sales</b>	<b>7,823,053</b>	<b>6,468,678</b>
Discounts and returns (-)	( 133,962)	( 121,081)
<b>Sales revenue, net</b>	<b>7,689,091</b>	<b>6,347,597</b>
Cost of sales	( 5,566,837)	( 4,651,340)
<b>Gross profit</b>	<b>2,122,254</b>	<b>1,696,257</b>

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

	<b>1 January - 31 March 2021</b>	<b>1 January - 31 March 2020</b>
Retail sales revenue	7,543,087	6,229,084
Wholesale revenue	231,465	182,208
Rent income	37,656	48,800
	<b>7,812,208</b>	<b>6,460,092</b>

**NOTE 12 - EXPENSE BY NATURE**

<b>Total</b>	<b>1 January - 31 March 2021</b>	<b>1 January - 31 March 2020</b>
Staff costs	897,773	747,850
Rent and common area	174,416	129,730
Depreciation and amortisation	209,971	202,446
Energy	86,093	86,291
Porterage and cleaning	54,022	44,519
Advertising	44,206	29,969
Repair and maintenance	20,837	17,757
Mechanisation	41,054	29,565
Security	17,851	15,654
Taxes and other fees	7,171	6,652
Communication	5,750	4,126
Other	167,904	81,253
	<b>1,727,048</b>	<b>1,395,812</b>

**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 2021**

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

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

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

	<b>1 January - 31 March 2021</b>	<b>1 January - 31 March 2020</b>
<b>Marketing expenses</b>		
Staff costs	825,156	682,418
Depreciation and amortisation	209,971	202,446
Rent and common area	171,219	129,643
Energy	85,412	85,625
Porterage and cleaning	52,462	43,163
Advertising	44,206	29,969
Mechanisation	38,856	26,414
Repair and maintenance	20,350	17,351
Security	17,272	15,138
Taxes and other fees	6,636	6,233
Communication	5,242	3,483
Other	152,792	70,370
	<b>1,629,574</b>	<b>1,312,253</b>

	<b>1 January - 31 March 2021</b>	<b>1 January - 31 March 2020</b>
<b>General administrative expenses</b>		
Staff costs	72,617	65,432
Other	24,857	18,127
	<b>97,474</b>	<b>83,559</b>

Expenses by nature in cost of sales for the periods 1 January - 31 March 2021 and 2020 are as follows:

	<b>1 January - 31 March 2021</b>	<b>1 January - 31 March 2020</b>
Cost of goods sold	(5,558,670)	(4,637,160)
Cost of service rendered	(8,167)	(14,180)
	<b>( 5,566,837)</b>	<b>( 4,651,340)</b>

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

**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 2021**

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

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

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

	<b>1 January - 31 March 2021</b>	<b>1 January - 31 March 2020</b>
<b>Other operating income</b>		
Interest income on term sales	57,212	26,340
Interest income from operating activities	27,198	7,864
Other	6,581	33,629
	<b>90,991</b>	<b>67,833</b>

	<b>1 January - 31 March 2021</b>	<b>1 January - 31 March 2020</b>
<b>Other operating expenses</b>		
Interest expense on term purchases (*)	(199,553)	(122,146)
Litigation provision	(13,904)	(6,368)
Bad debt provision expense	(263)	(1,348)
Other	(14,976)	(3,914)
	<b>(228,696)</b>	<b>(133,776)</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 rates 2021 (16.75%); 2020 (10.65%)

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

	<b>1 January - 31 March 2021</b>	<b>1 January - 31 March 2020</b>
<b>Income from investing activities</b>		
Gain on sale of property, plant and equipment	-	1,078
Subsidiary sales profit (*)	213,162	-
	<b>213,162</b>	<b>1,078</b>

	<b>1 January - 31 March 2021</b>	<b>1 January - 31 March 2020</b>
<b>Expense from investing activities</b>		
Loss on sale of property, plant and equipment	(424)	-
Losses from leasehold improvements of closed stores (Note 4)	(1,059)	(2,547)
	<b>(1,483)</b>	<b>(2,547)</b>

(\*) The Group recorded a sales profit of TRL 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. TRL 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 TRL 7,419.

**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 2021**

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

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

**NOTE 15 - FINANCIAL INCOME**

	<b>1 January- 31 March 2021</b>	<b>1 January- 31 March 2020</b>
Foreign exchange gains	41,409	5,307
Interest income on bank deposits	2,894	496
Financial income on derivatives	14,968	-
	<b>59,271</b>	<b>5,803</b>

**NOTE 16 - FINANCIAL EXPENSES**

	<b>1 January- 31 March 2021</b>	<b>1 January- 31 March 2020</b>
Foreign exchange losses	(24,359)	(153,351)
Interest expense on bank borrowings	(136,351)	(102,836)
Financial expense on derivatives	(3,690)	(1,999)
Interest expense on leasings	(115,570)	(101,927)
Other	(7,167)	(22,988)
	<b>(287,137)</b>	<b>(383,101)</b>

**NOTE 17 - TAX ASSETS AND LIABILITIES**

	<b>31 March 2021</b>	<b>31 December 2020</b>
Corporate and income taxes payable	52,595	190,924
Less: Prepaid current income taxes	(2,016)	(182,716)
<b>Taxes on income</b>	<b>50,579</b>	<b>8,208</b>
	<b>31 March 2021</b>	<b>31 December 2020</b>
Deferred tax assets	222,381	196,662
Deferred tax liabilities	(211,629)	(209,667)
<b>Deferred tax (liabilities)/assets, net</b>	<b>10,752</b>	<b>( 13,005)</b>

**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 2021**

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

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

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

**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 20% (December 31, 2020: 22%).

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, 2021 for Turkey and Kazakhstan 20% and 20% (2020: 22% and 20%).

The details of taxation on income for the periods ended 31 March 2021 and 2020 are as follows:

	<b>1 January- 31 March 2021</b>	<b>1 January- 31 March 2020</b>
Current period tax expense	( 56,619)	( 32,284)
Deferred tax income	24,137	42,891
<b>Current period tax amount</b>	<b>( 32,482)</b>	<b>10,607</b>

**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 2021**

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

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

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

**Deferred income tax**

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 2021 and 31 December 2020 using the currently enacted tax rates, is as follows:

	Cumulative temporary differences		Deferred tax assets/(liabilities)	
	31 March 2021	31 December 2020	31 March 2021	31 December 2020
<b>Deferred tax assets:</b>				
Short term provisions	289,691	252,687	57,938	50,537
Inventories	209,029	193,538	41,806	38,708
Provision for employee termination benefits	295,155	257,690	59,031	51,538
Unincurred interest income	1,697	1,343	339	269
TFRS 16 effect	293,380	266,774	58,676	53,355
Other	22,954	11,276	4,591	2,255
<b>Deferred tax assets</b>			<b>222,381</b>	<b>196,662</b>
<b>Deferred tax liabilities:</b>				
Fair value change of derivative financial instrume:	(20,298)	(8,663)	(4,060)	(1,733)
Property, plant and equipment, intangible assets and investment properties	(1,054,149)	(1,093,910)	(170,156)	(178,611)
Unincurred interest expense	(168,787)	(128,326)	(33,757)	(25,665)
Other	(18,281)	(18,281)	(3,656)	(3,658)
<b>Deferred tax liabilities</b>			<b>(211,629)</b>	<b>(209,667)</b>
<b>Total deferred tax liability, net</b>			<b>10,752</b>	<b>(13,005)</b>

	<b>1 January- 31 March 2021</b>	<b>1 January- 31 March 2020</b>
<b>Beginning balance</b>	( 13,005)	(18,613)
Deferred tax income from continuing operations	24,137	42,891
Charged to equity	( 93)	14,948
Cumulative translation difference	( 287)	( 6,251)
<b>Ending balance</b>	<b>10,752</b>	<b>32,975</b>

**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 2021**

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

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

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

The shareholders of the Company and their shareholdings stated at historical amounts at 31 March 2021 and 31 December 2020 are stated below:

	<b>31 March 2021</b>		<b>31 December 2020</b>	
	<b>TL</b>	<b>Share (%)</b>	<b>TL</b>	<b>Share (%)</b>
MH Perakendecilik ve Ticaret A.Ş.	89,046	49.18	89,046	49.18
Kenan Investments S.A.	-	0.00	21,308	11.77
Migros Ticaret A.Ş.	2,962	1.64	2,962	1.64
Other	89,046	49.18	67,738	37.41
<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 TL 2,962, corresponding to Kipa shares with a total nominal value of TRL 48,998 which were converted to Migros shares due to the merger were purchased by Migros with a total amount of TRL 125,435 within the scope of separation funds.

On 26 January 2021, Kenan Investments S.A sold its Migros Ticaret A.Ş shares with the nominal value of TRL 21,308,336 over TRL 44.15 sell price. After the mentioned transaction, the share ownership of Kenan Investments SA and the funds managed by BC Partners subsidiaries decreased to 0%. The freefloat increased to 49.18% as of 26 January 2021.

**NOTE 19 - TRANSACTIONS AND BALANCES WITH RELATED PARTIES**

**a) Balances with related parties**

<b>Due from related parties</b>	<b>31 March 2021</b>	<b>31 December 2020</b>
Anadolu Restoran İşl. Ltd. Şti.	64	-
Anadolu Motor Üretim ve Pazarlama A.Ş.	-	80
Other	60	74
	<b>124</b>	<b>154</b>

**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 2021**

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

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

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

**a) Balances with related parties (Continued)**

<b>Due to related parties</b>	<b>31 March 2021</b>	<b>31 December 2020</b>
Anadolu Efes Pazarlama ve Dağıtım Ticaret A.Ş.	152,141	162,315
Coca Cola Satış ve Dağıtım A.Ş.	93,398	78,381
Adel Kalemçilik Ticaret ve San. A.Ş.	9,389	10,498
AEH Anadolu Etap Penkon Gıda ve Tarım Ürünleri San. ve Tic. A.Ş.	3,655	8,889
AEH Sigorta Acenteliği A.Ş.	315	17,731
Other	35	2,199
	<b>258,933</b>	<b>280,013</b>

**b) Transactions with related parties**

<b>Inventory purchases</b>	<b>31 March 2021</b>	<b>31 March 2020</b>
Anadolu Efes Paz. ve Dağıtım Ticaret A.Ş.	113,792	88,443
Coca Cola Satış ve Dağıtım A.Ş.	74,354	71,733
AEP Anadolu Etap Penkon Gıda ve Tarım Ürünleri San. ve Tic. A.Ş.	13,284	7,870
Adel Kalemçilik Ticaret ve San. A.Ş.	409	1,736
	<b>201,839</b>	<b>169,782</b>

  

<b>Other transactions</b>	<b>31 March 2021</b>	<b>31 March 2020</b>
Rent revenue	122	346
Rent expenses	( 1,496)	( 1,361)
Other income	115	155
<b>Other transactions, net</b>	<b>( 1,258)</b>	<b>( 860)</b>

**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 2021**

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

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

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

**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 2021 and 2020 is as follows:

	<b>31 March 2021</b>	<b>31 March 2020</b>
Short term benefits	13,583	12,560
	<b>13,583</b>	<b>12,560</b>

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

**NOTE 20 - EARNINGS/(LOSSES) 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.

	<b>31 March 2021</b>	<b>31 March 2020</b>
Net profit/(loss) attributable to shareholders	209,510	( 131,891)
Weighted average number of shares with Kr1 face value each ('000)	18,105,233	18,105,233
<b>Earnings per share</b>	<b>1.16</b>	<b>( 0.73)</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 2021, if Euro had appreciated against TRL 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 TRL 62,721.

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 2021

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

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

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

	FOREIGN CURRENCY POSITION							
	31 March 2021				31 December 2020			
	Total TL equivalent	USD	Euro	Other TL equivalent	Total TL equivalent	USD	Euro	Other TL equivalent
Monetary financial assets	654,442	713	66,210	548	738,895	930	81,211	528
Trade receivables	-	-	-	-	-	-	-	-
Other	75	9	-	-	66	9	-	-
<b>Current assets</b>	<b>654,517</b>	<b>722</b>	<b>66,210</b>	<b>548</b>	<b>738,961</b>	<b>939</b>	<b>81,211</b>	<b>528</b>
<b>Total assets</b>	<b>654,517</b>	<b>722</b>	<b>66,210</b>	<b>548</b>	<b>738,961</b>	<b>939</b>	<b>81,211</b>	<b>528</b>
Financial liabilities	9,647	-	986	-	41,563	-	4,614	-
Non-monetary other liabilities	-	-	-	-	-	-	-	-
<b>Current liabilities</b>	<b>9,647</b>	<b>-</b>	<b>986</b>	<b>-</b>	<b>41,563</b>	<b>-</b>	<b>4,614</b>	<b>-</b>
Financial liabilities	324,702	-	33,179	-	811,629	-	90,102	-
Non-monetary other liabilities	6,723	-	687	-	6,080	-	675	-
<b>Non-current liabilities</b>	<b>331,425</b>	<b>-</b>	<b>33,866</b>	<b>-</b>	<b>817,709</b>	<b>-</b>	<b>90,777</b>	<b>-</b>
<b>Total liabilities</b>	<b>341,072</b>	<b>-</b>	<b>34,852</b>	<b>-</b>	<b>859,272</b>	<b>-</b>	<b>95,391</b>	<b>-</b>

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 2021

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

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

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

	FOREIGN CURRENCY POSITION							
	31 March 2021				31 December 2020			
	Total TL equivalent	USD	Euro	Other TL equivalent	Total TL equivalent	USD	Euro	Other TL equivalent
Net asset/(liability) position of off-balance sheet derivatives (A-B)	-	-	-	-	-	-	-	-
A. Total amount of off-balance sheet derivative financial assets	-	-	-	-	-	-	-	-
B. Total amount of off-balance sheet derivative financial liabilities	-	-	-	-	-	-	-	-
<b>Net foreign currency asset/(liability) position</b>	<b>313,445</b>	<b>722</b>	<b>31,358</b>	<b>548</b>	<b>( 120,311)</b>	<b>939</b>	<b>( 14,180)</b>	<b>528</b>
<b>Net foreign currency asset/(liability) position of monetary items</b>	<b>320,093</b>	<b>713</b>	<b>32,045</b>	<b>548</b>	<b>( 114,297)</b>	<b>930</b>	<b>( 13,505)</b>	<b>528</b>
Fair value hedge funds of foreign currency	-	-	-	-	-	-	-	-
Hedge amount of foreign currency assets	-	-	-	-	-	-	-	-
Hedge amount of foreign currency liabilities	-	-	-	-	-	-	-	-
Export	-	-	-	-	-	-	-	-
Import	67,244	8,077	-	-	165,547	22,553	-	-

**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 2021**

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

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

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

Foreign currency sensitivity analysis as of 31 March 2021 and 31 December 2020 is as follows:

**31 March 2021**

	<b>Gain/Loss</b>	
	<b>Foreign exhcange appreciation</b>	<b>Foreign exhcange depreciation</b>
% 20 change in Euro exchange rate		
Euro net asset/liability	62,721	( 62,721)
<b>Euro net effect</b>	<b>62,721</b>	<b>( 62,721)</b>

**31 December 2020**

	<b>Gain/Loss</b>	
	<b>Foreign exhcange appreciation</b>	<b>Foreign exhcange depreciation</b>
% 20 change in Euro exchange rate		
Euro net asset/liability	( 24,330)	24,330
<b>Euro net effect</b>	<b>( 24,330)</b>	<b>24,330</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).

**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 2021**

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

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

**NOTE 23 – DISPOSAL OF SUBSIDIARY**

During the period, the Group sold its subsidiary, Ramstore Macedonia DOO ("Ramstore Macedonia"), with a share transfer agreement dated 9 March 2021.

<b>Current Assets</b>	<b>150,105</b>
Cash and Cash Equivalents	58,948
Trade Receivables	6,383
Inventories	41,524
Other Current Assets	43,250
<b>Non-Current Assets</b>	<b>285,019</b>
Property, Plant and Equipment	282,791
Other Non-Current Assets	2,227
<b>Current Liabilities</b>	<b>57,967</b>
Trade Payables	50,982
Other Current Liabilities	6,984
<b>Current Liabilities</b>	<b>10,126</b>
Deferred Tax Liabilities	10,126
<b>Gain on disposal of subsidiary</b>	
	<b>2020</b>
Consideration received	374,451
Net assets disposed of	367,032
Currency translation differences fund	205,743
Gain on disposal	213,162

Sales profit amounting to TRL 213,162 was classified in income from investment activities.

**NOTE 24 - SUBSEQUENT EVENTS**

On 27 April 2021, a principal payment of EUR 29,645,287 was made for the loan debts in Euro.

As per the Article 11 of the Law No. 7316 on the Certain Amendments on the Law on the Collection of the Public Receivables and Certain Laws and and as per the temporary Article 13 of the Law No. 5520 on the “Corporate Tax Law” published in the Official Gazette dated 22 April 2021 and numbered 31462, the corporate tax rate of 20% has been increased to 25% for corporate income for the 2021 taxation period, and to 23% for corporate income for the 2022 taxation period as of 1 April 2021. Since the amendment came into effect as of 22 April 2021, this amendment was evaluated within the events that do not require correction in accordance with TAS 10 and the tax rate was used as 20% in the consolidated financial statements as at 31 March 2021, and this amendment will be reflected in the consolidated financial statements as at 30 June 2021.

**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 2021**

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

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**NOTE 24 - SUBSEQUENT EVENTS (Continued)**

In the public disclosure dated 07.01.2021, the Group has disclosed that an agreement regarding the transfer of the lease contracts together with the lease rights of 34 stores being operated by CarrefourSA Carrefour Sabancı Ticaret Merkezi A.Ş (“CarrefourSA”) was signed. In accordance with the Competition Board’s resolution dated 04.05.2021, the lease rights and the fixed assets of the aforementioned 34 stores have been permitted to be transferred to the Group.

**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 2021**

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

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**APPENDIX 1 – CONSOLIDATED FINANCIAL STATEMENTS BEFORE THE EFFECT OF TFRS 16**

TFRS 16 “Lease Transactions”

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

	<u>31 March 2021</u>	<u>TFRS 16 EFFECT</u>	<u>BEFORE TFRS 16</u>
<b>ASSETS</b>			
<b>Current Assets:</b>			
Prepaid expenses	92,884	( 50,944)	143,828
<b>Total current assets</b>	<b>6,458,134</b>	<b>( 50,944)</b>	<b>6,509,078</b>
<b>Non-current assets:</b>			
Prepaid expenses	30,528	( 54,343)	84,871
Right of use assets	2,701,445	2,701,445	-
Deferred tax assets	10,752	10,752	-
<b>Total non-current assets</b>	<b>8,018,066</b>	<b>2,657,854</b>	<b>5,360,212</b>
<b>Total Assets</b>	<b>14,476,200</b>	<b>2,606,910</b>	<b>11,869,290</b>
	<u>31 March 2021</u>	<u>TFRS 16 EFFECT</u>	<u>BEFORE TFRS 16</u>
<b>LIABILITIES</b>			
<b>Current Liabilities:</b>			
Lease liabilities	701,320	701,320	-
<b>Total current liabilities</b>	<b>10,226,178</b>	<b>701,320</b>	<b>9,524,858</b>
<b>Non-current liabilities</b>			
Lease liabilities	2,174,347	2,174,347	-
Deferred tax liabilities	-	( 47,924)	47,924
<b>Total non-current liabilities</b>	<b>4,215,958</b>	<b>2,126,423</b>	<b>2,089,535</b>
<b>Total Liabilities</b>	<b>14,442,136</b>	<b>2,827,742</b>	<b>11,614,394</b>
<b>EQUITY</b>			
Attributable to equity holders of parent	34,064	( 220,833)	254,897
Accumulated losses	( 927,207)	( 196,448)	( 730,759)
Net loss for the period	209,510	( 24,385)	233,895
<b>Total equity</b>	<b>34,064</b>	<b>( 220,833)</b>	<b>254,897</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>14,476,200</b>	<b>2,606,910</b>	<b>11,869,290</b>

**CONVENIENCE TRANSLATION INTO ENGLISH OF  
INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
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**MİGROS TİCARET A.Ş.**

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE INTERIM PERIOD 1 JANUARY - 31 MARCH 2021**

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

<b>PROFIT OR LOSS</b>	<b>31 March 2021</b>	<b>TFRS 16 EFFECT</b>	<b>BEFORE TFRS 16</b>
Revenue	7,689,091	-	7,689,091
Cost of sales (-)	( 5,566,837)	34,867	( 5,601,704)
<b>Gross profit</b>	<b>2,122,254</b>	<b>34,867</b>	<b>2,087,387</b>
General administrative expenses (-)	( 97,474)	-	( 97,474)
Marketing expenses (-)	( 1,629,574)	50,997	( 1,680,571)
Other operating income	90,991	-	90,991
Other operating expense (-)	( 228,696)	-	( 228,696)
<b>Operating profit</b>	<b>257,501</b>	<b>85,864</b>	<b>171,637</b>
Income from investment activities	213,162	-	213,162
Expenses from investment activities (-)	( 1,483)	-	( 1,483)
<b>Operating income before finance income / (expenses)</b>	<b>469,180</b>	<b>85,864</b>	<b>383,316</b>
Financial income	59,271	-	59,271
Financial expense (-)	( 287,137)	( 115,570)	( 171,567)
<b>Net loss before tax from continuing operations</b>	<b>241,314</b>	<b>( 29,706)</b>	<b>271,020</b>
<b>Tax expense from continuing operations</b>	<b>( 32,482)</b>	<b>5,321</b>	<b>( 37,803)</b>
- Income tax expense	( 56,619)	-	( 56,619)
- Deferred tax income	24,137	5,321	18,816
<b>Net loss for the period</b>	<b>208,832</b>	<b>( 24,385)</b>	<b>233,217</b>