



**Şok Marketler Ticaret A.Ş.**

**01.01.2021 – 31.03.2021**

**Interim Report**

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## 1. About Şok Marketler

Şok Marketler Ticaret Anonim Şirketi (“Şok” or the “Company”) was established in 1995 to operate in the retail sector, selling fast moving consuming products in Turkey. The registered address of the Company is Kısıklı mah. Hanımseti sok No:35 B/1 Üsküdar and continues its activities in 81 provinces of Turkey. The number of personnel is 36,365 as of March 31, 2021 (31 December 2020: 35,665).

Şok and its subsidiaries, are comprised of the parent, Şok and two subsidiaries in which the Company owns the majority share of the capital or which are controlled by the Company.

On 25 August 2011, Şok 's shares were transferred from Migros Ticaret A.Ş.

The Company acquired 18 stores of Dim Devamlı İndirim Mağazacılık A.Ş between February 21, 2013 and March 28, 2013. The purchase was not made through the purchase of shares but through the purchase of the assets in stores.

All of DiaSA's shares were transferred to Şok Marketler A.Ş. on 1 July 2013.

On 8 July 2013, 100% of the shares of Onur Ekspres Marketçilik A.Ş. was purchased by Şok. DiaSA and OnurEx merged with Şok on 1 November 2013 and 19 December 2013, respectively.

On 29 May 2015, the Company acquired 80% share of Mevsim Taze Sebze Meyve San. ve Tic. A.Ş. (“Mevsim”).

Group acquired 55% shares of Teközel on 26 December 2017 and remaining 45% of shares were acquired on 2 July 2018. The merger completed on 10 May 2019 and approved by CMB on the date of 28 March 2019 and Trade Registry approval completed on 10 May 2019. After the merger, Şok has %100 shares of Teközel’s subsidiary UCZ Mağazacılık Tic. A.Ş (“UCZ”).

Group’s shares have been trading at Istanbul Stock Exchange since 18 May 2018.

Within the framework of the registered capital system, with the completion of the public offering with restricting the rights of the existing shareholders to purchase new shares, total capital of the Company increased by TL 33,428,571 to TL611,928,571.

As of March 31, 2021, the Company has a total of 8,432 stores including 8,068 units "Şok" sales store, 364 units "Şok Mini" sales store (31 December 2020: Company has a total of 8,145 stores including "Şok" sales store: 7,803, "Şok Mini" sales store: 342).

The Company's internet address is [www.sokmarket.com.tr](http://www.sokmarket.com.tr).

## 2. General Information

### a) Shareholding Structure

Shareholder structure of Şok Marketler as of March 31, 2021 is stated below;

Shareholders	%	
Turkish Retail Investments B.V.	23.53	144,000,000
Gözde Girişim Sermayesi Yat.Ort. A.Ş.	22.94	140,400,327
Templeton Strategic Emerging Markets Fund IV.LDC	5.88	36,000,000
Yıldız Holding A.Ş.*	5.46	33,428,571
European Bank For Reconstruction And Development	5.55	33,950,000
Publicly listed & Other	36.64	224,149,673
<b>Total</b>	<b>100.00</b>	<b>611,928,571</b>

\* According to the public disclosure dated on 05/04/2021; Yıldız Holding A.Ş. transferred its Şok shares, amounting to 30.428.571 shares to Istanbul Portfolio Yıldız Private Fund within the scope of the protocol signed with Istanbul Portfolio Management Inc., in return for the Fund Participation Certificate.

### b) Board of Directors

Members' names and roles are as follows:

Name Surname	Title	Term
Cengiz SOLAKOĞLU	Chairman	Board members were elected for a term of three years at the Ordinary General Assembly meeting held on 18 July 2018
Ali ÜLKER	Deputy Chairman	
Erman KALKANDELEN	Board Member	
Murat ÜLKER	Board Member	Board member was elected at the Extraordinary General Assembly meeting held on 31 October 2019 to serve for the term of office of the current Members
Mehmet TÜTÜNCÜ	Board Member	Board member was elected on 02.03.2020 and election of Board member was approved at the Ordinary General Assembly Meeting dated 16.07.2020 to complete the term of Office of previous Board Member
Ahmet BAL	Board Member (Independent)	Board member was elected for a term of three years at the Ordinary General Assembly meeting held on 18 July 2018
Fatma Pınar ILGAZ	Board Member (Independent)	Board member was elected on 30.04.2019 and election of Board member was approved at the Extraordinary General Assembly Meeting dated 31.10.2019 to complete the term of Office of previous Board Member
Aytaç Saniye MUTLUGÜLLER	Board Member (Independent)	Board member was elected at the Extraordinary General Assembly meeting held on 31 October 2019 to serve for the term of office of the current Members

2019 Ordinary General Assembly meeting of our Company was held on July 16th, 2020 at 14:00, at the address Kısıklı Mahallesi Hanımseti Sok. No:35 B-1 Üsküdar/İstanbul.

It has been resolved not to distribute dividends for 2019 since Company has no distributable profit for the year ended 31/12/ 2019 due to net period loss recorded and previous year's losses in its financial statements which are prepared in compliance with the Turkish Accounting Standards.

Our Company's Ordinary General Assembly for the of 2020 will be held on 26/05/2021 at 14:00 at Kısıklı Mahallesi Hanımseti Sok. No:35 B-1 Üsküdar/İstanbul.

As a result of the evaluation of the Capital Markets Law and the Article 25 of the Articles of Association and Profit Distribution Policy of our Company along with considering the long-term strategies, investment, cash and financing policies of our Company; it has been decided to submit for the approval of our shareholders at the Ordinary General Assembly Meeting, about dividend distribution in cash by gross TRY 79.565.667 out of the distributable net profit for 2020 in accordance with the Profit Distribution Proposal Table attached and to allocate the remaining balance as extraordinary reserves, and to give authorization to the Board of Directors for determining the date of the dividend distribution.

### c) Executive Board

Executive Board of Şok Marketler as of March 31, 2021 is stated below;

Name Surname	Title	Address
Uğur Demirel	CEO	Kısıklı Mahallesi Hanımseti Sokak No:35 B/1 Üsküdar, İstanbul
Ziya Kayacan	CFO	
Tuncer Konak	Human Resources Director	
Kazım Çağlar	Sales & Operation Director	
Hakan Koyun	Sales & Operation Director	
Bülent Ömürlü	Sales & Operation Director	
Çağlar Dağlar Aygün	Sales & Operation Director	
Nilhan Gülbahçe	Marketing Director	
Tolga Genç	Trade Director	
İsmail Özen	Trade Director	
Dila Duruca*	Trade Director	
Kenan Hatipoğlu	Construction, Technical Purchasing and Investment Director	
Tuncay Çelikoğlu	Supply Chain Director	

\* Mr. Hakan Kurtul resigned from his duty as of 02.03.2021 and Dila Duruca was appointed as Sales & Operation Director.

### 3. Operations

The Company operates in the food retail market in Turkey. As of March 31,2021, the Company has a total of 8,432 stores 8,068 units "Şok" sales store, 364 units "Şok Mini" sales store.

### 4. Investments

For the period of 1 January- 31 March 2021, The Company opened 265 Şok and 22 Şok Mini Stores and total capital expenditure was TL151,8 million.

### 5. After the reporting Period

None.

## 6. Financials

The details of the Company's subsidiaries at March 31, 2021 and December 31, 2020 are as follows:

Subsidiaries	31 March 2021	31 December 2020	31 March 2021	31 December 2020
	Direct Ownership Rate %		Group Efficiency Rate %	
Mevsim Taze Sebze Meyve San. ve Tic. A.Ş.	80%	80%	80%	80%
UCZ Mağazacılık Tic. A.Ş.	100%	100%	100%	100%

Consolidated financial statements include financial statements of entities controlled by the Company and its subsidiaries.

Control is obtained by the Company, when the following terms are met;

- having power over the investee, i.e. the investor has existing rights that provides the ability to direct the relevant activities (the activities that significantly affect the investee's returns),
- having exposure, or rights, to variable returns from its involvement with the investee
- having the ability to use its power over the investee to affect the amount of the investor's returns

If a situation or event arises that could cause any change in at least one of the criteria listed above, the Company will reevaluate the control power over the Company's investment.

Profit or loss and other comprehensive income are attributable to the equity holders of both the parent company and noncontrolling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the noncontrolling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of the subsidiaries in relation to accounting policies so that they conform to the accounting policies followed by the Company. All cash flows from in-Company assets and liabilities, equity, income and expenses, and transactions between companies are eliminated in consolidation.

Consolidated Income Statement Summary for the period of 1Q'21 and 1Q'20;

million TL	Excl. IFRS 16			Incl. IFRS 16		
	1Q'20	1Q'21	Δ (%)	1Q'20	1Q'21	Δ (%)
<b>Net Sales</b>	4.688,3	6.377,0	36,0%	4.688,3	6.377,0	36,0%
Gross Profit	1.130,0	1.495,0	32,3%	1.130,0	1.495,0	32,3%
<b>Gross Profit %</b>	24,1%	23,4%	-0,7 Ppt	24,1%	23,4%	-0,7 Ppt
Marketing, selling & GA expenses (-)	(911,2)	(1.185,7)	30,1%	(829,1)	(1.083,6)	30,7%
Amortisation	(60,2)	(71,3)	18,4%	(162,6)	(191,0)	17,5%
Marketing, selling & GA expenses (-) (Excl Amortisation)	(851,0)	(1.114,4)	31,0%	(666,5)	(892,5)	33,9%
<b>EBITDA</b>	279,0	380,6	36,4%	463,5	602,5	30,0%
<b>EBITDA %</b>	6,0%	6,0%	0,0 Ppt	9,9%	9,4%	-0,4 Ppt
<b>Operating Profit (EBIT)</b>	59,7	154,0	158,1%	141,7	256,2	80,8%
Financial Expense	(22,2)	(38,7)	74,1%	(138,3)	(177,7)	28,5%
<b>Profit / (Loss) Before Tax</b>	38,6	148,2	283,5%	5,3	111,3	1989,0%
<b>Net Profit / (Loss) for the Period</b>	31,6	113,4	259,3%	5,3	83,7	1472,6%

Consolidated Balance Sheet Summary for the period of 1Q'21 and 12M'20;

million TL	Excl. IFRS 16		Incl. IFRS 16	
	31.12.2020	31.03.2021	31.12.2020	31.03.2021
Cash & cash equivalents	1.149,1	1.310,8	1.149,1	1.310,8
Trade receivables	106,2	115,4	106,2	115,4
Inventories	2.090,3	2.385,7	2.090,3	2.385,7
Other current assets	33,8	39,7	31,5	37,1
<b>Total Current Assets</b>	<b>3.379,4</b>	<b>3.851,6</b>	<b>3.377,0</b>	<b>3.849,0</b>
Property & equipment	1.352,7	1.432,0	1.352,7	1.432,0
Intangible assets	692,0	691,7	692,0	691,7
Other non-current assets	167,0	136,4	2.340,1	2.435,3
<b>Non-Current Assets</b>	<b>2.211,7</b>	<b>2.260,2</b>	<b>4.384,8</b>	<b>4.559,1</b>
<b>Total Assets</b>	<b>5.591,0</b>	<b>6.111,8</b>	<b>7.761,8</b>	<b>8.408,1</b>

Consolidated Balance Sheet Summary (TLm)

million TL	Excl. IFRS 16		Incl. IFRS 16	
	31.12.2020	31.03.2021	31.12.2020	31.03.2021
Short term financial liabilities	32,7	20,7	32,7	20,7
Trade payables	4.600,8	4.975,9	4.600,8	4.975,9
Other current payables	367,3	416,1	1.112,7	1.204,1
<b>Total Current Liabilities</b>	<b>5.000,9</b>	<b>5.412,7</b>	<b>5.746,2</b>	<b>6.200,7</b>
<b>Total Non Current Liabilities</b>	<b>102,7</b>	<b>99,4</b>	<b>1.761,7</b>	<b>1.870,8</b>
Shareholder's equity	486,4	598,7	253,1	335,9
Non-controlling interests	1,0	1,0	0,8	0,6
<b>Total Equity</b>	<b>487,4</b>	<b>599,7</b>	<b>253,9</b>	<b>336,5</b>
<b>Total Liabilities and Equity</b>	<b>5.591,0</b>	<b>6.111,8</b>	<b>7.761,8</b>	<b>8.408,1</b>

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