Equity / Large Cap. / Retail Trade

10/03/2026

# Sok Marketler

**BUY**

## Review of 4Q25 Financials

**Upside Potential 63%**

### Under IAS-29

**Topline was solid in 4Q25.** Slightly above estimates (İş Investment: TL 71,075 mn; consensus: TL 71,011 mn), Şok Marketler posted TL 71,740 mn in revenues in 4Q25, implying an 8.4% YoY increase in real terms. Full-year revenues reached TL 278.8 bn, up 5.4% YoY and within guidance. The strong final-quarter performance lifted FY25 growth to a level closer to the midpoint of the company's guidance range. The robust 4Q25 sales performance was mainly driven by basket size growth, with customer traffic also providing support. Furthermore, improving same-store trends in converted Şok 2.0 stores, along with the continued contribution of loyalty and omnichannel initiatives, seem to have reinforced quarterly sales momentum.

**Margins rebounded sharply in 4Q25.** Gross margin expanded by 1.4 ppt YoY to 22.0%, while EBITDA, well above estimates (İş Investment: TL 3,011 mn; consensus: TL 2,980 mn), rose to TL 3,756 mn in 4Q25 from TL 2,309 mn in 4Q24, with EBITDA margin improving by 1.7 ppt YoY to 5.2%. This points to a much healthier operating backdrop compared to last year, also helped by a more favorable opex-to-sales ratio, which declined by 0.8 ppt YoY. The full-year picture also indicates a notable recovery, with gross margin rising to 20.5% from 18.3% in 2024 and EBITDA margin reaching 2.8%, comfortably above the company's guided range.

**Bottom-line was weak in 4Q25** despite the marked recovery in margins and pre-tax profitability. Under IAS-29, significantly below estimates (İş Investment: TL 53 mn; consensus: TL 78 mn), Şok Marketler reported a net loss of TL 1.4 bn in 4Q25, versus a net loss of TL 212 mn in 4Q24, corresponding to a net margin of -1.9% against -0.3% in the prior-year period. The main reason behind the deterioration was the roughly TL 900 mn negative one-off impact on net profit stemming from the reversal of deferred tax income previously booked on inventories, following the removal of inflation adjustment in statutory accounts at year-end.

On a full-year basis, the company posted a net loss of TL 1.9 bn in 2025, compared to a net profit of TL 80 mn in 2024, implying a net margin of -0.7%. That said, the underlying picture looks materially better, as pre-tax profit turned positive both in 4Q25 and FY25, while net profit excluding monetary position gains/losses increased to TL 799 mn in 4Q25 from TL 532 mn a year ago and to TL 725 mn in 2025 from TL 658 mn in 2024.

### Without IAS-29

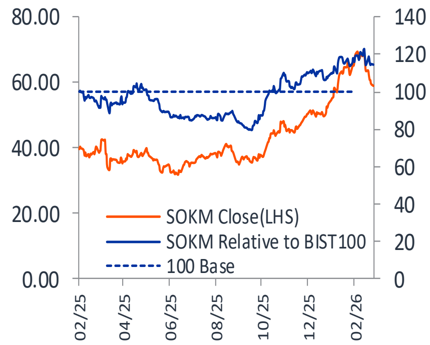
Without IAS-29, operational performance improved meaningfully in 4Q25. Revenues rose by 42.5% YoY to TL 71.16 bn, mainly driven by basket size growth, while traffic also remained supportive. Gross profit increased by 45.0% YoY to TL 16.54 bn, with gross margin expanding by 0.4 ppt YoY to 23.3%.

| Stock Data | TL |
|---|---|
| Price | 59.15 |
| Target Price* | 96.27 |
| Prev.TP | 96.27 |
| Mcap (mn) | 35,093 |
| Float Mcap (mn) | 16,048 |
| Avg.Daily Volume (3M, mn) | 317.5 |
| No. of Shares Outstanding (mn) | 593 |
| Free Float (%) | 46 |
| Foreign Share (%) | 39 |

| Price Perf. (%) | 1 Mn | Ytd | 12 Mn |
|---|---|---|---|
| TL | -5.4 | 15.9 | 46.7 |
| US$ | -6.6 | 12.8 | 21.1 |
| Rel.to BIST-100 | 0.7 | 2.7 | 21.4 |

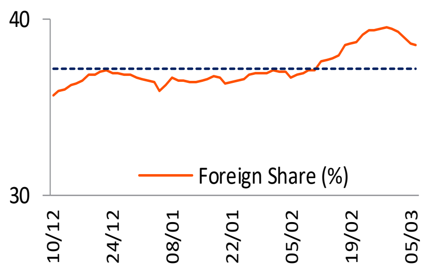
| Multiples ($) | 2025 | 2026 | 2027 |
|---|---|---|---|
| P/E | -70.7 | 61.5 | -194.3 |
| P/BV | 0.9 | 0.9 | 0.9 |
| EV/EBITDA | 5.0 | 4.4 | 3.5 |

Price / Relative Price




| 3M Range (Close TL) | 49.76 | 70.00 |
|---|---|---|

Foreign Share (%) Cur.(%) : 38.51

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Operating expenses normalized, implying a 0.8 ppt improvement in the opex-to-sales ratio to 16.7%. Accordingly, EBITDA surged by 68.0% YoY to TL 4.7 bn, with EBITDA margin rising to 6.5% from 5.4% in 4Q24. Net profit excluding net monetary position gains/losses also increased by 50.1% YoY to TL 799 mn, corresponding to a net margin of 1.1%, broadly flat YoY.

**On a full-year basis, the underlying picture also signaled a clear recovery.** Revenues increased by 42.1% YoY to TL 253.4 bn in 2025, while gross profit rose by 45.5% YoY to TL 58.1 bn, lifting gross margin by 0.5 ppt YoY to 22.9%. Operating expenses grew by 38.8% YoY, bringing the opex-to-sales ratio to 17.7%. As a result, EBITDA reached TL 13.3 bn, up strongly YoY, with EBITDA margin improving to 5.3% from 4.7% in 2024. Net profit excluding net monetary position gains/losses also edged up to TL 725 mn in 2025 from TL 658 mn in 2024, indicating a healthier underlying profitability profile despite continued pressure on reported net income under inflation accounting.

**Net debt / cash flow:** Şok Marketler's net cash position excluding IFRS-16 fell to TL 9.3 bn in 4Q25 from TL 11.6 bn in 3Q25. Including IFRS-16 lease liabilities, however, net debt rose to TL 5.1 bn from TL 1.0 bn in the previous quarter, reflecting lower cash balances and higher leasing obligations. Nevertheless, solid working capital dynamics and cash generation continued to underpin the balance sheet, reinforcing our view that Şok ended 2025 with a healthy underlying operating and financial profile.

**Guidance:** For 2026, Şok Marketler guides for 5.0% (+/-1.0%) real sales growth and an EBITDA margin of 3.0% (+/-0.5%) under IAS-29, compared to 5.4% sales growth and 2.8% EBITDA margin realized in 2025. The company also expects capex-to-sales at around 2.0%, broadly in line with the 1.9% level recorded in 2025. The guidance implies limited change on the top line, but signals further recovery in margins.

**Company Guidance**

| (IAS-29) | 2025 Realized | 2026 Guidance |
|---|---|---|
| **Real sales growth** | 5.40% | 5.0% (+/-1.0%) |
| **EBITDA margin** | 2.80% | 3.0% (+/-0.5%) |
| **Capex / Sales** | 1.90% | ~2.0% |

Source: Is Investment, the Company

**Comment:** Despite weak reported net income due to one-off IAS-29-related accounting effects, strong 4Q25 operational performance, sharp margin recovery, solid cash generation and supportive 2026 guidance point to a much healthier underlying picture. Overall, we view the results as mildly positive, although the weak reported bottom line may limit the extent of upside in the market reaction.

| 4Q25 Estimations vs Results | | | |
|---|---|---|---|
| **mn TL** | **İş Investment** | **Consensus** | **Realization** |
| Net Sales | 71,075 | 71,011 | 71,740 |
| EBITDA | 3,011 | 2,980 | 3,756 |
| EBITDA Margin, % | 4.2% | 4.2% | 5.2% |
| Net Income | 53 | 78 | (1,393) |
| Net Margin, % | 0.1% | 0.1% | -1.9% |

Source: Is Investment, the Company


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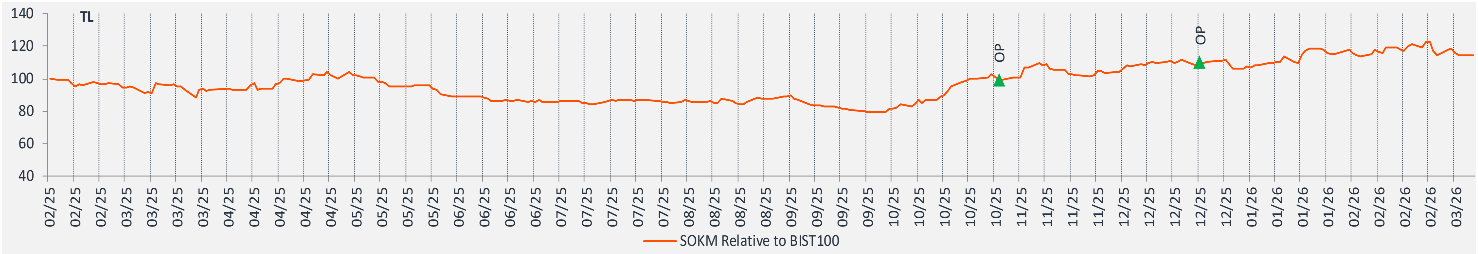
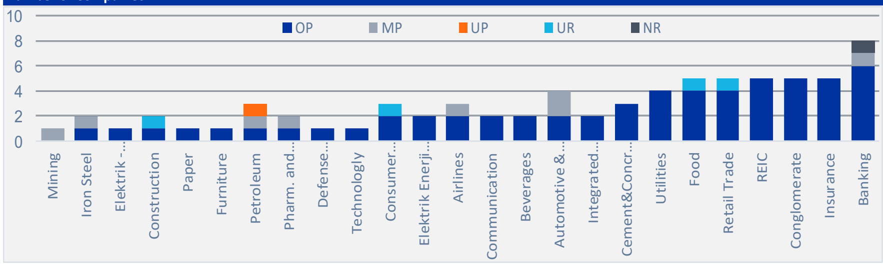
## Sok Marketler

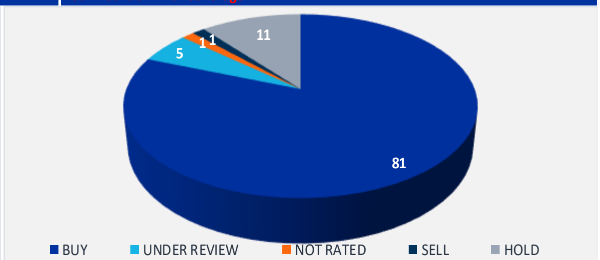
Relative to BIST 100 / Recommendations




Number of Companies




Rec. Breakdown for Coverage







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