



Transcription for Q3 2025 Financial Results Webcast
December 14TH, 2025



Duygu Inceoz:

Dear Analysts and Investors, welcome to Mavi webcast regarding the third quarter of 2025. As you all know, our financials are reported using IAS29 financial reporting in hyperinflationary economies. The financial figures in this presentation and all comparative amounts for previous periods have been adjusted according to IAS 29 and are finally expressed in terms of purchasing power of the Turkish lira as of July 31, 2025. Historical figures for selected key performance indicators are also provided only for information purposes. I would like to remind you that this presentation is being recorded and we kindly ask you to review the disclaimer and consider all forward-looking statements and comments in accordance. Our CEO, Cunevt Yavuz, will be presenting the results now followed by a Q&A session. Please make sure to keep your microphones muted throughout the presentation.

Now, I will leave the floor to Cunevt Yavuz.

Cunevt Yavuz:

Hello everyone! Thank you all for joining us again in another webcast to review our third quarter financial results. As always let's start with a comprehensive overview of the business in Q3.

The Turkish market is operating in a complex macro environment, with consumer demand moderating amid ongoing normalization policies and continued competition across both physical retail and online channels. In this context, we remain highly focused on what we can control—clear strategic priorities, disciplined execution, and operational agility. We are encouraged to see that this focus is once again enabling us to deliver resilient results, and I would like to sincerely thank our teams for their strong ownership and consistent effort as we continue to build for a sustainable growth future.

Against a challenging macro and competitive landscape, we delivered a 130-basis point expansion in gross margin, driven by the continued strength of our brand, highly effective targeted communication, and agile product and pricing decisions. Our disciplined approach to cost management further supported profitability, resulting in a 160-basis point improvement in the opex-to-sales ratio and a cumulative 310 basis point increase in EBITDA margin. In parallel, strong inventory discipline and working capital management enabled us to generate TRY 1.5 billion in operating cash flow in the third quarter of 2025, reinforcing our balance sheet and financial flexibility.

In Türkiye, consumer demand remains selective, reflecting the ongoing impact of macroeconomic policies aimed at controlling inflation. In this environment, we continue to see solid resilience in our retail channel, delivering 1% volume growth in the third quarter. In online, while heightened promotional activity across the industry—particularly on marketplace platforms—led to a flat sales performance overall, our own channel continued to outperform, with Mavi.com delivering 13% volume growth. Maintaining our leadership in jeans with a market share exceeding 25%, we remain among the top three brands in the total apparel market and are the number one destination for



casual wear in Türkiye. In this highly competitive landscape, it gives us great confidence that Mavi continues to be the aspirational ‘love brand,’ the most trusted brand, and the preferred choice of consumers.

In the United States, we opened four new retail stores toward the end of the quarter, supporting a 7.3% year-on-year growth in U.S. dollar terms in the third quarter of 2025. In our other international markets, operating conditions remain softer, and we continue to manage these markets with a disciplined and selective approach.

Before moving on with the presentation, I would like to proudly announce that Mavi was ranked the 2nd best company in the world for sustainable growth by TIME, in collaboration with Statista, and once again is recognized as the #1 company in the global apparel industry. Last year, we entered the list at #8; this year, we climbed six places to reach an outstanding score of 97.52. We are thrilled and honored that our pioneering role in the industry has elevated us to a global leadership position beyond Türkiye’s borders. Throughout our journey, driven by innovation, creativity, digitalization, and a customer-centric approach, we will continue to deliver strong financial performance while remaining committed to reducing our environmental footprint.

Lets move on to review our year to date results:

- Consolidated revenue declined 7% yoy in 9M 2025 and realized at 33 billion 580 million TL with Türkiye retail sales declining 6% and online sales declining 5% in the period.
- Our EBITDA is 6 billion 628 million TL resulting in a strong 19.7% EBITDA margin and our net income reached 2 billion 67 million TL as of the first nine months of 2025
- Our customer acquisition is on track with 1.1 million new customers shopping with us for the first time in the 9 months of this year. The number of active loyalty card members, implying the number of people who have shopped with us in the last 12 months, reached 6.1 million.

Moving on to review our channel performance on Slide 7 :

The third quarter, which historically represents our strongest trading period with the back-to-school and back-to-city seasons, delivered a comparatively resilient performance in Türkiye. Across all channels — retail, wholesale and online — sales were broadly flat year-on-year.

International operations, accounting for 9% of consolidated revenue, recorded an 11% decline in inflation-adjusted TRY and a 4% decrease in constant-currency terms in Q3. The United States remained the sole international market posting positive growth in its local currency. While four new stores were opened in the U.S. toward the end of the quarter, the overall growth in this market continues to be primarily driven by the wholesale and e-commerce channels.



Looking into our Türkiye retail business in more detail:

As of the end of October, we have opened 7 new stores and closed 5, bringing our total number of owned and operated retail stores in Türkiye to 354. During the first half, we also expanded 9 stores, increasing our total selling space to 193 thousand sqm, with an average store size of 544 sqm.

We remain firmly committed to strengthening our physical footprint in Türkiye and enhancing the in-store customer experience. Our disciplined capital allocation approach prioritizes feasibility and short payback periods. All stores opened in recent years continue to generate positive contributions.

On slide 10, let's elaborate on the like for like store performance:

In Q3 2025, LFL sales decreased 3.2% in real TRY terms and 2.3% in volume terms. Number of transactions was down 5.3% while basket size grew 2.2%. Including the contribution of new sqms total retail sales volumes grew 1% in the quarter.

LFL sales decline in the first nine months stands at 8.2% in real TL terms and 4.7% in volume. Basket size grew 35.1% in nominal TL terms reflecting our pricing power as well as a change in product mix. It is important to note that the official clothing and footwear inflation in Türkiye is around 8% year on year as of October.

Moving on to slide 11 to review category-based developments in Türkiye retail:

Category trends were broadly in line with overall performance: denim sales declined 7%, knits 10%, shirts 13%, and non-denim bottoms 2%. Denim demand was particularly soft over the summer months, but we witnessed a recovery in both men's and women's denim in the third quarter with the category growing around 6% in volume. Jacket and accessories have remained growth categories throughout the year with 14% and 7% real yoy growth respectively in the first 9M. With this performance, we continue to rank among the top three players in the total apparel market, maintaining our strong position across both women's and men's categories, while sustaining clear leadership in denim.

Going forward to review our online sales performance on page 13:

Global online sales, including wholesale partners, accounted for 10.4% of total consolidated revenue in 9M 2025. In Türkiye, online sales — consisting solely of direct-to-consumer channels — declined 5% year-over-year, representing 8.0% of total sales. Within this, revenues contracted 12% on marketplaces and grew 1% on Mavi.com. Number of active Kartus app users reached 5 million as of the last 12 months.

International online sales contracted 1% in inflation-adjusted TL, while wholesale e-commerce operations delivered a solid 13% growth. Overall, online accounted for 33.6% of total international sales.



We continue to invest in digital infrastructure and customer experience, maintaining online as a full-price channel with margins comparable to retail, while at the same time ensuring competitiveness. We are observing an increase in our online market share as of the 3rd quarter.

Let's move on to review our consolidated financial results:

Since the second half of last year, we've been operating in a challenging environment with consumers' purchasing power coming under pressure and competitors increasing promotions to drive demand. This has naturally put pressure on gross margins across the market. Under these circumstances, we have been able to increase our already strong gross margins by 130 basis points in the third quarter to 52%. We believe this to be a testament to our management effectiveness, highlighting the accuracy of our planning, the flexibility of our sourcing, the success of our pricing strategy and the strength of our brand. Gross margin in 9 months came in at 51.6%, up 20 basis points year-over-year.

Moving on to slide 16 to review our EBITDA performance:

In the third quarter, despite the negative 90 basis points negative impact of imputed interest rates, our EBITDA margin improved by 310 basis points. The operating expenses-to-sales ratio improved 160 basis points in the quarter with no operational leverage contribution. With this quarter's performance, our 9M EBITDA margin reached 19.7%.

On Slide 17, looking into our net income margin performance:

The significant improvement in operational margins was relatively less reflected on the net income margin, mainly due to close to 300 mn TL lower financial income this quarter versus same quarter last year. This was due to lower TRY cash balance as well as lower interest rates. Net income came in at 969 million TL for the quarter, bringing the first nine months total to 2 billion 67 million TL, with a net income margin of 6.2%.

On slide 18, we will review our operational cash flow and working capital performance:

Through dynamic product planning and a flexible sourcing strategy, we continue to efficiently manage inventory and working capital, ensuring operational agility. I am pleased to share that our inventory levels - as always - remain exceptionally healthy, comprising fresh, seasonal products. Inventory in number of pieces in Türkiye is 9% lower than that of same period last year and the total consolidated inventory is 11% lower than last year in value. We created 1.5 billion TL cash from our operations in Q3 2025, resulting in over 4 billion TRY cash generation in nine months with 61% cash conversion ratio.



Moving on to the next slide:

We invested 1.8 billion TL in capital expenditure year to date, resulting in a Capex-to-sales ratio of 5.5%. Of this figure around 31%, close to 560 mn TL, is related to our new headquarters which we moved in in July this year. This was a one-off and is completed. The rest of the capex was primarily focused on retail investments such as store openings, expansions and renovations as well as R&D investments. Our net cash position stands at close to 4.3 billion TL and reflects the dividend payments and share buy-back spending year to date.

As of the end of third quarter, we do not have any outstanding debt in Türkiye. The foreign currency debt reflected in our consolidated reports pertains solely to our subsidiaries, which mostly borrow in their respective local currencies, thereby eliminating currency risk.

We are maintaining our full-year guidance following the third-quarter results.

As previously communicated, we expect to close 2025 with a low single-digit revenue decline and an EBITDA margin of 18%. Our priorities remain unchanged: outperforming the apparel market, strengthening customer loyalty, and executing with unwavering operational discipline. Turning briefly to fourth-quarter trading: November performance was shaped by unusually warm weather and broad-based promotional activity across the sector. In Türkiye, retail sales grew by 27% and online sales increased 20% in nominal terms. Consistent with our disciplined approach, we executed three days of Black Friday activity, enabling clear like-for-like benchmarking; we are pleased to report positive LFL growth for the period, both online and offline.

Early December trends are encouraging, with Türkiye retail up 31% in the first week. Online data is not yet fully indicative, though we are seeing improving momentum as of this last weekend as colder weather supports seasonal demand.

With that, at this point, I would be more than happy to take any questions you might have.

Duygu Inceoz:

Ladies and gentlemen, if you wish to ask a question, please raise your hand and we will call your name. If you prefer to type your questions, you may use the chat screen also. For those of you who have dialed in via audio, we will have your questions last when there are no more questions left on the platform. Eren, you can go first.

Eren Ercis:

Hello. Thank you for the presentation and congratulations for the results. My first question is regarding your 2025 guidance. Do you see any downside risk on your guidance? Because even if we assume a 2% contraction for the full year 2025, you still need roughly 13% growth in the fourth quarter. And my second question is, could you give some color regarding to your 2026 outlook?



Thank you.

Cuneyt Yavuz:

Eren, thank you for the questions. Yes, for the 2025 guidance, as I just mentioned, we are not changing our current position when it comes to how we are guiding for the closure of the year. As you mentioned, maybe that can be 1% up or 1% down in terms of top-line growth. But overall, in terms of the health of the balance sheet working capital, and the momentum we have, we remain relatively confident that we will stick to our guidance targets. As for the coming year, in terms of how we will proceed, we are in the midst of completing our budget process. As you know, in the next couple of weeks, we will be very much focused on the minimum wage adjustments and other tax-related laws that might pass through the Assembly. And we close the year in January, and our budget comes into place in early February. So I think, in terms of what I should say at this point, you can hear much more from how we are guiding for the next year when it comes in March, when we are presenting the closure of the year, and we have a much clearer understanding of how we think the next year will play out. On a very macro-general front, I think we see a similar continuation of what's taking place in Turkey, excluding any uncertainties and unknowns. We look forward to a similar year, potentially with better volume growth and more store openings in the coming year. But more details will follow up in a couple of months. Thank you.

Eren Ercis:

Thank you.

Duygu Inceoz:

Baris Senol, we can take your question.

Baris Senol:

Thank you for taking my question. Specifically, I was also going to ask about the next year. Particularly, if you can give us at least a little bit of color about the store openings in Turkey. Because in the last earnings call, you mentioned that there was a deference in mall openings, which resulted in a lower number of stores growth in Turkey. So should we expect at least the number to exceed 20 stores in the next year? Maybe if you can give us some color on that, that would be very helpful. Thank you very much.

Cuneyt Yavuz:

Thank you. This is a great question. It gives me an opportunity to clarify some of what happened this year. By the way, since our last meeting, we had the opportunity to calibrate the transitioning of new store openings from this year to next year and how much of an impact that had on the top line, which comes out to be roughly around 2-3%. So it goes back to the original guidance that we



were presenting at the beginning of the year. I just wanted to put that out on the table so that you all understand some of the softness in top line sales versus how we guided at the very beginning of the year. In terms of next year, as we are offloading some of the pressure on Capex from the new office moving, as the team leader of Mavi, especially focusing on Turkey, we will take a lot of the freed up cash and put it back into opening and being more aggressive when it comes to store openings, both on new stores as well as expansions. You have to understand when you're opening new stores and or expanding new stores, you are at times also losing sales because you have to close down stores or relocate. So I see the next year definitely a much more aggressive vis-a-vis this year, maybe double if not more of what we delivered this year in terms of new store openings and expansions. But clear guidance will come in, as I mentioned in a couple of months, but you wanted to give me a flavor, so I'm doing that. So you can put in much more new store openings, which will have 2-3% positive impact in terms of volume. I am extremely encouraged. I know I'm going ahead of myself in terms of how I see 2027. So I see 2026 as a huge investment year in terms of, on the one hand, internally focusing on technology, data, innovation, product, even better working capital management, as well as coupled with new store opening expansion, which will set us up to a very, very solid 2027. As I see next year more of a still continued transition year, I find it very important that this year, this coming year, becomes a critical year where we put the good positive cash and balance sheet we have to use in preparation for a continued growth. I also try to, in my speech today, try to allude to that in one or two sentences, meaning that we are a growth company, we have to set it up. Yes, externality, some things might be difficult, but we believe as Mavi in the Turkey context, and I mentioned this to many of you and the investors that come by, in a long-term perspective, Mavi has, in real terms, in volume terms, has a doubling opportunity in the Turkish market. I'm a staunch believer in what we can do, and we will continue to work restlessly until we at least double our business over the next 5-10 years. Thank you.

Baris Senol:

Thank you very much.

Duygu Inceoz:

We have a question on the chat screen. (Alper Akalin) As a follow-up question of your expansion plans, with the headquarters and investment now largely completed and CapEx2 sales running around 6% this year, above your historical average, how should we think about CapEx intensity for next year? Do you expect CapEx2 sales to stay close to the elevated level or normalize towards your historical range of 3-4%?

Cuneyt Yavuz:

Very good question again. Hopefully, not at 6%, but I am consistently chasing with our real estate development team, both for expansion, so meeting, having a lot of top-to-top meetings with mall



operators, as well as looking at a lot of street locations, secondary, tertiary cities where we still have green space to expand. So, if I were to model, at this point in time, it's still early days, but at least 5% CapEx would be my guidance, if not a little more, but not necessarily potentially 6%, but definitely not the traditional 3-4%, but more close to 5-5+.

Duygu Inceoz:

We have another question on the chat screen from Melis Pocar. Melis is asking, I observed two stories, what was the rationale behind this? Do you expect to increase store numbers in Canada going forward, apart from expansions in the USA? What was the reason behind slowing down US revenue growth? That was 7% compared to annual increase of 19% in the second quarter. What is the share of USA revenues in international revenue?

Cuneyt Yavuz:

First, thanks for the question. We don't have a Canada retail strategy. From time to time, we are opening up pop-up shops, where we have the opportunity to sell some of the inventory we have in very low-rent proposed locations across the Canadian country. So, those two stores that you see in the list, of course, we report it as part of our transparency, as part of our retail lit. But they will not be there probably two years, three years down the road. So, please, when you see something happening in Canada, at least for the next year or two, unless I say something differently, see them as opportunistic pop-up stores that we are opening up to capture some opportunistic sales. In terms of what was the other question? U.S. sales. U.S. actually is, I mean, we have opened up sales, and the top-line growth is, as you see, at around 7%. And the contribution of stores in that sense is very minimal, because they have opened up at the back end of Q3. So, we see, actually, as a total growth, U.S. holding up pretty good. So, 19%, now 7%. These are, for the U.S. market, solid numbers. In terms of real double-digit growth, I mean, of course, we have to, in the short term, we aim to reach around 15 stores within the next year. And that will, as a total, start impacting the total revenue growth in terms of double-digit. Hopefully, a lot of good stuff will come in also as we open up more stores through both the specialty department stores and e-commerce, as we have more visibility for the brand across the country. Any other questions? The share of U.S. Share of U.S. In terms of our total business, our total international business is around 10%, slightly less, around 9%. And U.S. is the bigger chunk of this part, so around 4% or 5%. I will potentially, or we will potentially be able to talk more about U.S. in two levels. One, we will be able to share more about how U.S. is progressing in terms of how many stores do we open up, how they are going, what's the stop-and-go measures that we will have to take in terms of retail expansion. And the second element will be, as things get better and if they go well and we decide to move from 15 to 30, 50 stores, et cetera, then I think there will come a time where we will separate U.S. in terms of presentation and give you more color in terms of where we are going. So see our efforts, I would like all of you to see our efforts, as an opportunity, a ticket that we are buying in a market where we have been existing for the past 30 years, where there is brand awareness, where we have an organization, where we have



financial acumen and people skills, where we are making an effort to enter the market, which is a long journey that is ahead of us. So just to give you again a color, within the Mavi organization, when we talk about U.S., we're not talking this year, next year. We are talking five years, seven years, ten years, with a longer-range perspective in terms of U.S. contributing significantly to our total business. We still remain in over the coming second, third year, two years, three years down the road, a highly Turkey-oriented company, and we will chase after this, what I mentioned a while ago, in terms of doubling opportunity within the Turkey organization, with excellent management, cash generation, and being able to support both Turkey growth, and hopefully put aside a bit of it to see what more we can do in the U.S. market. Thank you.

Duygu Inceoz:

We have Turgut Uslu, whose hand is up. I think Turgut put his hand back down. Okay, so Ece, would you like to go next?

Ece Mandaci:

Hello. Thank you for the presentation. I have a question about your gross margin performance. It was impressive, really impressive in the fourth quarter, even if you adjust the imputed interest and inventory inflation effect. So would that be sustainable at such a high level for the fourth quarter as well? I feel like you have a better revenue estimate for the fourth quarter, implying some kind of a growth, including the international operations. So would it be at the expense of gross margins, or will that margin gain be sustainable for the fourth quarter, or even first quarter, second quarter as well? And what's the main drivers behind that? Because since you have a higher inflation compared to the apparel inflation publicly announced, so it would be very helpful if you provide some insight about your gross margin performance going forward. Thank you.

Cuneyt Yavuz:

Thank you, Ece. When it comes to gross margins, clearly Mavi has four quarters across the year, and within the four quarters, there are ups and downs, some periods of going up and down. And the third quarter is one of our strongest, as I mentioned also in my communication, strongest quarter. Quarter four, typically, of course, some of the margins do erode, especially because you have the year-end markdowns and closure of the year and sales. Hopefully, that will help more on the top-line sales, as you directed, but eventually, hopefully also, it will help us get to a better revenue situation and continue to have good sell-through and start the next year with good fresh products, as we currently are doing. When it comes to gross margin, I would, if I were you, generally speaking, if you look at our historical performance of how we are doing gross margin, I would look at it as an annual placeholder, if I were to model it, and from one quarter to another, it might go 1% up or 1% down, but it will eventually average out. And currently, it would be fair to say that Mavi is a 50-plus gross margin company, and I see this year in a similar sense. And I also, just to give you a flavor and color, when I look at next year, I see the same continuing out in the coming year, because you might



also have some, you and some others might also have a few questions about gross margins when it comes to next year, and you hear a lot of the cost pressures going up, et cetera. When I'm doing the first cut targets, what I'm seeing is that current margin levels at least will sustain for a foreseeable future. I hope that helps.

Ece Mandaci:

Yeah, thank you very much for your detailed answer. I can ask you also, again, about your procurement. I mean, you generally procure raw materials or the ready-to-wear materials from the Turkish market. Domestically, you procure most of that. Could there be any change in your strategy in the following years? Or it's also related to the position of the textile industry of the Turkish market. So do you observe any differences in your sector, and could there be any differences in your procurement behavior as well?

Cuneyt Yavuz:

We choose to produce whatever we can, or we have chosen, let's say, over the last 10, 15 years to produce whatever we could in Turkey for a couple of reasons. Quality, speed to shelf, traceability, sustainability targets, and quality assurance, and also good manufacturing base. As you are aware, there's a lot of cost pressure in the Turkish textiles industry, manufacturing industry. Therefore, just not now, but for the past three, four years, we've been looking into opportunities of where we can produce and what we can produce outside of Turkey that can be complementary to our business. Just so that you know, for the past 15, 20 years, we've been producing in Egypt, so it's not something new. We produce in Georgia, we produce in Serbia, we produce also in Asia, Bangladesh, Vietnam, Indonesia, India. So this company and its sourcing capability is global. And as long as we feel that the product is a Mavi product, the sustainability and quality targets are met, we are more than able to move things around. And when I say move things around, they are not, of course, moving things around on one month to another. They're more like a strategic thinking. And like all the companies, we are also in the midst of opening up certain pockets in certain countries, potentially for future changes that might take place in the Turkish production facilities here in Turkey. So we go with the flow, but priority being quality, sustainability, traceability, social compliance. Beyond that, you name a country, and we have access to that country, and we know how to produce all over the world. So I don't feel stressed, or even if there is a stress factor externally, in a midterm, midterm meaning nine months, 12 months, we can adjust our sourcing capabilities to meet the gross margin needs if Turkey really gets out of hand. But at this point in time, as you've seen this year, we were able to manage our gross margins. There will be some migration out of Turkey over the next seasons. Spring-summer products we have already placed, so we already know what spring-summer is going to be. Therefore, I have a level of confidence of what I said just a while ago in terms of gross margin for next year, because I can already see what we're producing and where we're producing and what we're going to get. Fall-winter is still a bit of unknown, but that's, again, nine months, 12 months out. And as Mavi, we have the capability, agility, to adapt if things change across the next three, four months. I hope



this explanation takes away a little of the concern you might have when it comes to potential gross margin and sourcing capabilities with regards to Mavi.

Ece Mandaci:

Thank you very much, Cunevt Bey.

Duygu Inceoz:

Baris has a follow-up question, I think.

Baris Senol:

Yeah, thank you for taking my other question. When you said doubling in Turkey business, are we talking about market share, square meter, number of stores? What parameters should we be watching specifically? And also, is there a rough timeframe? Or maybe I will talk about five years, 10 years, 15 years. Like, what is the – I mean, I'm just asking the rough estimate, not the exact numbers, of course. What's on your mind exactly? Can you give us a little bit more color?

Cunevt Yavuz:

Baris, thank you. Baris, can you just elaborate what you mean in terms of the five-year, 10-year? What do you expect me to focus?

Baris Senol:

When you said doubling the Turkey business, what's the timeframe for doubling the business?

Cunevt Yavuz:

I mean, let's do a basic math together. We can work this out together. If there is about 350-plus stores in Turkey, and if you're able to open up 20 stores that are double the size of current stores, plus if you are every year able to bring in another 20 stores that are already double in size in terms of the journey, it's probably – not all of them are already small stores, so we already have a base of already 1,200 square meter shops that are delivering good timelines. I think doubling in six, seven years is not illogical, because if we can bring in roughly 150, 200 stores that are much bigger than what we have together and add the omnichannel and like-for-like growth performance, and of course we are changing – we are also doing investment when it comes to the shopping experience, whether it's the checkout, the changing rooms, the product, the display, and the visual displays, because we now have, for instance, a new shopping concept, and that's also on its own. Like-for-like store is delivering 15%, 20% growth. So if you put all those into a bundle, over the next five to seven years, if Mavi were to double in volume in terms of how many pieces of apparel we sell, I wouldn't be surprised. Internally, just to again give you another flavor, we are working with this assumption in terms of supply chain logistics and sourcing. So we have a five-year perspective, and we are building our warehousing infrastructure, the robotic investments, the technology, the omnichannel online-



offline collaboration, based on the assumption that beyond five years, we will be twice as big as who we are in terms of volume as of today, versus today. I hope that gives you a clear perspective of what we are trying to achieve.

Baris Senol:

That's very helpful. Thank you very much.

Cuneyt Yavuz:

You're welcome.

Duygu Inceoz:

Alper Akalin has a follow-up question on the chat screen. Another quick follow-up on online and marketplaces. Marketplaces have become heavily promotional channels and seem to be limiting Mavi's online growth. If this trend persists, how could it impact the sales productivity and growth plans of your physical stores? And what is your strategy to protect store efficiency and brand positioning against this online competitive pressure?

Cuneyt Yavuz:

If you look at the marketplace and the role they play in our total business, it's very minimal. Consumer migration into digital and online or marketplace when it comes to apparel is also minimal. Turkish consumer is still out there and shopping physical stores. If you look at total marketplace standing of Mavi, in good times and bad times, this is also another perspective that I want to drill down a bit, so that's a good question, to give you guys a better perspective. Even when some of our competitors go really deep in terms of price cuts, Mavi remains in the top three, top five brands, vis-à-vis Hepsiburada, Trendyol, in terms of total apparel. Even in the bad times, we probably go to worst case, number six, number seven position. On a normal, regular run rate, we are always, I don't want to sound arrogant, but we are always in the top three. I was almost tempted to say number one, number two, but we are always a top three brand in marketplace. I think overall, both Trendyol, Hepsiburada, and similar other models, they themselves have been going through some struggle in terms of getting more consumers to shop with them. It's less of our problem, but it's more of their problem in terms of how do they grow. When you look at how Mavi is growing, as I just mentioned, we have surpassed five million apps that have been downloaded. Our total last quarter, Mavi.com, is growing in real terms in volume 13%, so even much better than retail. We're putting a lot of omnichannel initiatives to make the shopping between online and offline seamless. Therefore, when we sit down, we don't actually in Mavi terms, in this office where I'm reaching out to you all, we talk about retail and online together as one team. When it comes to marketplace, they're a smaller portion of the total big picture. At this point in time, we are a very important players for them and we collaborate with them. We make sure that we deliver against their expectations and we work with them really strongly to make sure that they're happy to have Mavi on board. But I don't feel



that much intimidated whether they are doing extremely well or at times they're doing a lot of undercutting of prices, but it also shows that they're suffering a bit, that that line is suffering a bit, trying to promote themselves. I don't know. Hopefully, that gives you some flavor about how we are viewing the total online business. Thank you.

Duygu Inceoz:

Okay. It seems like we don't have any other questions. Thank you for your attendance and contribution to our webcast. Should you have any follow-up questions or comments, please don't hesitate to reach out to us. Hope to see you again in three months with our year-end results.

Cuneyt Yavuz:

Thank you, Duygu. Thank you, everyone, for joining us in this quarter's year-end meeting. I wish you all a happy New Year. I hope to see you in good health and good spirits very soon. Take care. Bye-bye.