



Transcription for Q4 2025 Financial Results Webcast
March 17TH, 2026



Duygu Inceoz :

Hello everyone, Welcome to Mavi webcast regarding the last quarter and the financial year 2025. Again a quick reminder : our financials are reported using IAS29 - financial reporting in hyperinflationary economies. The financial figures in this presentation also have been adjusted according IAS 29 and are expressed in terms of purchasing power of the Turkish lira as of January 31, 2026. Historical figures for selected key performance indicators is 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, Cuneyt 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 Cuneyt Yavuz.

Cuneyt Yavuz:

Hello everyone! Thank you all for joining us in another year-end webcast. 2025 has been another year shaped by a complex macroeconomic environment in Türkiye. Consumer demand has moderated as normalization policies continue to take effect, while competition remains intense across both physical retail and online channels. In this environment, our focus has remained firmly on what we can control—staying disciplined around our strategic priorities, executing with consistency, and maintaining the operational agility needed to navigate a dynamic market.
As in every year-end meeting, I would like to walk you through the key strategic priorities that guided us throughout 2025—priorities that remain central to who we are as a brand and how we operate as a business.

As always, lets start with our brand positioning and customer acquisition strategy.

At Mavi, our strategy continues to be built around strengthening the brand while expanding our customer base. We focus on three key areas that support this objective: delivering premium product value, reinforcing our denim leadership, and increasing our lifestyle brand appeal.

First, on the product side, we continued to strengthen our lifestyle product portfolio. Our approach remains very clear — offering premium quality with the right product at the right price. Through diversified collections and our premium lines such as Mavi Edition, Mavi Black, Pro, Mavi Gold and Mavi Icon, we are addressing a broader set of customer segments while maintaining strong brand consistency.

Second, we continued to reinforce our denim-centric positioning. Jeans remain at the heart of our brand, and our “The Jean is Mavi” positioning reflects that leadership. We supported this through targeted campaigns such as Smoke and Rinse, highlighting new fits, silhouettes and colors, while continuing to innovate in denim with a strong focus on sustainable materials and regenerative cotton.



Third, we further strengthened our lifestyle brand appeal, which plays an important role in attracting new and younger customers. Collaborations such as our collection with Kein, as well as brand campaigns like “Mavi For You”, help us build a more distinctive and inspirational brand narrative. In addition, the Maviterranean collection continues to support our total-look proposition and reinforce our brand storytelling.

As a result of these initiatives, we continued to strengthen both our brand equity and our customer base. Mavi remains the clear leader in the jeans category in Türkiye with 25% market share, while also maintaining a Top 3 position in the overall apparel market.

At the same time, our brand continues to resonate strongly with consumers. Today, Mavi is the most top-of-mind jeans brand in Türkiye with a 65% score, highlighting the strong emotional connection we have built with our customers. Importantly, our customer acquisition strategy also continued to deliver. In 2025, we welcomed 1.4 million new customers to the Mavi brand, further expanding our reach and reinforcing our relevance across different customer segments.

Let me now move to how we continue to elevate the customer shopping experience across all touchpoints. At Mavi, our approach is to deliver a seamless and consistent experience across both physical retail and digital channels, while continuously strengthening our customer-centric culture.

Starting with retail, we have been upgrading our store concept to further elevate the in-store experience and strengthen brand perception. In 2025, we have upgraded 10 stores to the new format and have monitored significant improvements in all store KPIs. At the same time, we have enhanced our organization and field operations model, renewing our “Happiest Mavi Customer” approach to ensure that customer satisfaction remains at the center of everything we do in our stores.

On the digital side, we continue to invest in improving the user experience on Mavi.com. Initiatives such as Jean Finder, product recommendation engine, Fit Analytics size recommendations, and expanded payment options help make the online shopping journey easier and more personalized for our customers. We also expanded our delivery flexibility with the launch of PUDO parcel locker services across more than 1,000 locations in nine cities. Finally, we continue to strengthen our customer experience culture through a data-driven approach. We systematically measure customer satisfaction across both retail and online channels through NPS (net promoter score), CSAT (customer satisfaction score), and CES (customer effort score) surveys, allowing us to continuously improve our processes and service quality. By combining these insights with customer journey mapping across all touchpoints, we are able to further enhance the end-to-end customer experience and ensure that we consistently meet — and exceed — customer expectations.



Building on our focus on customer experience, we continue to strengthen our retail, digital and omnichannel capabilities in a very integrated way.

Starting with retail, we expanded our physical footprint with over 4% retail space growth, including net eight new stores openings and 10 store expansions in Türkiye. Internationally, we initiated our retail journey in the U.S., opening 11 stores since August 2025, which is an important step in our long-term global growth strategy.

On the digital side, Mavi Online continues to grow strongly. Our Mavi App user base reached 5.2 million active users, while mobile remains the dominant channel, accounting for 93% of traffic and 84% of online sales. We also expanded our geographic reach online, launching marketplace sales in five Eastern European countries, further diversifying our international digital presence beyond the MENA region.

Finally, our omnichannel capabilities continue to scale. In-store online sales grew a nominal 76% year-on-year, and we are now able to fulfill online orders from 341 stores. Altogether, our omnichannel initiatives generated close to 1 billion TL in incremental revenue, highlighting the strength of our integrated channel strategy.

Let me take a couple of minutes to talk about our best-in-class loyalty program, Kartuş, which sits at the core of our growth strategy. Today, Kartuş has approximately 6.1 million members who have been active over the past year, making it one of the largest and most engaged loyalty platforms in Turkish apparel retail. Kartuş is not only a driver of revenue but also the foundation of our customer insight capabilities. With 83% of our retail sales coming through the Kartuş program, we are able to identify and understand the vast majority of our customers and track their behavior across channels. This high level of customer visibility allows us to build very detailed segmentation and personalized engagement strategies. We can segment customers across revenue, channel, category and product dimensions, enabling much more precise lifecycle management and engagement. In 2025, we ran more than 300 personalized campaigns which resulted in 20% growth in customers activated through personalized offers. Another key strength of the program is its ability to attract younger consumers, which is critical for the long-term health of the brand. Of the new customers acquired in 2025, 70% are under the age of 35, and 41% are under 25, demonstrating Mavi's strong resonance with younger generations. To further strengthen this positioning, we launched Kartuş Genç, a dedicated program targeting the 16–24 age segment, offering tailored benefits and communication across multiple channels. The program has already reached 325 thousand members by the end of 2025 and increased the share of young customers in new customer acquisition by four percentage points.



Finally, we are increasingly using AI-driven predictive models to identify key moments in the customer journey and engage customers proactively. These models allow us to identify future MassMavi customers — our most valuable segment, who shop roughly twice as frequently as the average customer — and accelerate their transition into the loyal customer base.

Technology continues to evolve at a very rapid pace, and as Mavi we are closely following these developments to ensure that we remain at the forefront of the right trends. At the same time, we are building the necessary legal, governance, and operational infrastructure to responsibly support future technology adoption. As of today, we can group our current AI and advanced analytics applications across four main areas.

First, trend detection and forecasting, where we use AI to analyze market data, fashion weeks and social media to identify emerging trends and translate them into product insights.

Second, accelerating the design process, where generative AI tools help transform sketches into visuals and support the preparation of technical product packages.

Third, operational efficiency and automation, where AI supports areas such as product content creation, internal knowledge tools for employees, and marketing content production.

And finally, predictive customer management, where AI models help us better understand customer behavior and engage with customers more proactively throughout their lifecycle.

Beyond our commercial and technological priorities, we continue to place strong emphasis on people and culture, which we see as a key driver of our long-term success. At Mavi, we are proud of our inclusive organizational structure, where women represent 60% of our workforce, 53% of management, and 50% of our board, reflecting our strong commitment to diversity and inclusion.

We also invest heavily in leadership development and talent growth, through structured programs such as our 9-Box talent framework, employee training programs, and initiatives like Mavi Young Talent and Mavi NextGen, which help us develop future leaders within the organization.

We continue to strengthen our connection with communities and younger generations through community and social impact initiatives, ranging from youth-focused cultural projects to partnerships with leading NGOs and social organizations.

Together, these efforts reinforce Mavi's position not only as a strong brand, but also as a brand that resonates deeply with younger generations and the communities we serve.

Before moving to our financial results, let me briefly touch on sustainability, which remains a core pillar of Mavi's long-term strategy. We were particularly pleased to receive two important global



recognitions this year. Mavi was ranked second on TIME and Statista's list of the World's Best Companies in Sustainable Growth, leading the apparel industry. In addition, for the first time, Mavi was included in S&P Global's Sustainability Yearbook 2026, based on our Corporate Sustainability Assessment performance. Being listed among the leading companies globally in sustainability is a strong validation of the long-term work we have been doing in this area. Reflecting our ongoing investments in emission reduction and renewable energy, our Net Zero targets are now approved by the Science Based Targets initiative. Our All Blue program also continued to expand in scale, reaching 31% of total revenue and 68% of denim revenue in 2025. This reflects the increasing integration of sustainable products across our core collections. Finally, we continue to expand our circular economy initiatives, including resale partnerships and social impact collaborations that extend product life cycles and reduce waste. Together, these initiatives reinforce our commitment to responsible growth while strengthening the long-term resilience of the Mavi brand.

At this point I would like to sincerely thank our teams for their strong ownership, commitment, and consistent execution.

With that lets now move on to review our annual financial results:

- Consolidated revenue declined 5% yoy in 2025 and realized at 47 billion 729 million TL with Türkiye retail and online sales both declining 4%.
- Our EBITDA margin improved 40 basis points versus last year and reached 18.9% and our net income realized 2 billion 58 million TL with 4.3% net income margin in 2025
- With very strong operational cash generation in the year our net cash position reached 6.9 million TL as of year end.

Here, let me briefly highlight two important announcements regarding shareholder returns.

First, we will propose to the General Assembly a cash dividend distribution corresponding to 30% of our pre-IAS29 profit, which is equivalent to 58% of our reported distributable profit including IAS29 adjustments.

Second, in order to further strengthen our corporate governance practices in line with international best standards, our Board of Directors has decided to cancel all shares repurchased to date, as well as any shares that may be repurchased until the completion of the buyback program. We believe this decision enhances transparency and capital discipline, while ensuring that our capital allocation continues to support long-term shareholder value creation.

Moving on to review our channel performance on Slide 13 :

The softness in demand continued in the last quarter with Türkiye retail revenue printing flat results and Türkiye online declining 2%, bringing total Türkiye revenue to 1% decline year on year in real TL



terms in the fourth quarter. Total Türkiye sales was down 4% in 2025. International revenue grew 5.9% in constant currency during the fourth quarter, finalizing the year with a 2.8% contraction year on year. The positive performance of North America business was the main driver of growth in the last quarter.

Looking into our Türkiye retail business in more detail:

In 2025, we opened 14 new stores and closed 6 stores, bringing our total number of owned and operated retail stores in Türkiye to 360. We also expanded 10 stores, increasing our total selling space to 197 thousand sqm, with an average store size of 547 sqm.

There have notable delays in our store opening calendar in 2025, but we are eager to make up for it with our plans for 2026. Expanding and upgrading our store network in Türkiye is an important priority for us. We approach these investments with disciplined capital allocation, focusing on projects with strong feasibility and short payback periods. Encouragingly, the stores opened in recent years continue to perform well and contribute positively to our results.

On slide 16, Let me briefly touch on our like-for-like performance in Türkiye.

In the fourth quarter, nominal LFL sales grew 28.8%, while in real terms sales declined 1.9%, reflecting the continued normalization in consumer demand. Despite this environment, sales volumes increased by 4.8%, supported by stable traffic. Including the contribution of new sqms total retail sales volumes grew 6.3% in the quarter. Looking at the full year, LFL sales declined 6.7% in real terms and 2.7% in volume terms, while total Türkiye retail sales volumes remained broadly flat. Basket size grew 33.7% in nominal TL terms reflecting our pricing power as well as a change in product mix.

Moving on to slide 17 to review category-based developments in Türkiye retail:

Category trends were broadly in line with overall performance: denim sales declined 5%, knits and jerseys 8% and shirts 12%. These categories performed particularly weak in the first half of the year, but we witnessed a recovery in all three categories since the third quarter with positive volume growth in the second half. Non-denim bottoms, jackets and accessories were stronger performing categories with accessories growing 9%, non-denim bottoms growing 1%.

Going forward to review our online sales performance on page 19:

Global online sales, including wholesale partners, accounted for 11.4% of total consolidated revenue in 2025. In Türkiye, online sales — consisting solely of direct-to-consumer channels — declined 4% year-over-year, representing 8.8% of total sales in 2025. Within this, revenues contracted 10% on marketplaces while growing 1% on Mavi.com. International online sales grew 2% in inflation-adjusted TL terms, driven by the solid 19% growth of wholesale e-commerce operations. International Mavi.com sales were also strong with 5.5% growth in constant currency. Overall, online accounted for 36.6% 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.

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

Even in a challenging environment marked by pressure on consumer purchasing power and increased promotional activity, we were able to expand our already strong gross margin by 270 basis points in the fourth quarter and 70 basis points in full year realizing 51% in 2025. This result demonstrates the strength of our operational discipline, from accurate planning and flexible sourcing to effective pricing management and brand management.

Moving on to slide 21 to review our EBITDA performance:

In the fourth quarter, despite the 110 basis points negative impact of imputed interest rates, our EBITDA margin improved by 280 basis points. The operating expenses-to-sales ratio improved 40 basis points in the quarter with no operational leverage contribution. With this quarter's strong performance, we finalized the year 2025 with 18.9% EBITDA margin.

On Slide 22, looking into our net income margin performance:

The improvement in our operating margins was largely reflected at the profit before tax level. However, net income was significantly impacted by unusually high tax items in the quarter. In particular, the cancellation of inflation accounting in statutory financials resulted in a one-off negative impact of TRY 424 million on net income in Q4, which unfortunately also led to an actual tax cash outflow. Excluding this impact, adjusted net income reached TRY 276 million in the fourth quarter, corresponding to a 2.3% net income margin. For the full year, adjusted net income totaled TRY 2,482 million, resulting in a 5.2% net income margin.

On slide 23, we will review our operational cash flow and working capital performance:

Throughout the year, we continued to manage inventory and working capital with strong discipline, supported by our dynamic product planning and flexible sourcing strategy, which allow us to adapt quickly to demand conditions while maintaining operational agility. As a result, consolidated inventory ended the year 12% lower in value, while Türkiye inventory declined 8% in units compared to the prior year, and importantly consists entirely of fresh, new-season products. This disciplined inventory management also supported strong cash generation. In the fourth quarter alone, we generated TRY 4.5 billion of operational cash flow, bringing total operational cash generation for the year to TRY 8.6 billion.

Moving on to the next slide:

In 2025, we invested TRY 2.6 billion in capital expenditures, corresponding to a Capex-to-sales ratio of 5.5%. Approximately 25% of this amount was a one-off investment related to our new headquarters,



which we moved into in July 2025. Around 20% of total capex — slightly over 10 million dollars — was allocated to our retail investments in the United States. The remaining investments were primarily directed toward store openings, expansions, and renovations, as well as R&D initiatives in Türkiye. Our net cash position remains very strong at approximately TRY 6.9 billion.

As of year-end 2025, we have no outstanding debt in Türkiye. The foreign currency debt reflected in our consolidated financials relates solely to our international subsidiaries, which predominantly borrow in their respective local currencies, effectively eliminating foreign exchange risk.

Slide 26 is a reminder of our targets for the year 2025 and the realizations. As you may recall, we revised our guidance following our second-quarter results in September 2025. Our full-year results came broadly in line with these updated expectations. While top-line performance was slightly below guidance, partly due to the shortcomings and delays in our square-meter growth targets, margin realization came in slightly stronger than anticipated.

In the last page, we provide our guidance for the year 2026.

Looking ahead to 2026, the ongoing policy measures aimed at bringing inflation under control in Türkiye are expected to continue weighing on consumer spending. In this environment, our priority will be to stay disciplined around the areas we can influence, while continuing to execute on our long-term strategic roadmap. We also see 2026 as a transition year, during which we plan to step up our investments in our retail footprint in Türkiye. These investments are intended to position us strongly for the period ahead, so that when market conditions begin to normalize, we are well prepared to capture the opportunity. Our focus remains on outperforming the apparel market, strengthening the emotional connection between our customers and the Mavi brand, and delivering consistent results through operational excellence, while laying the groundwork for what we expect to be a stronger trading environment in 2027. Supporting these aspirations, we plan to open net 15 stores, expand 15 stores and upgrade 30 stores in Türkiye. We will continue our retail journey in the USA by opening 6 more retail stores, all in best-in-class shopping malls and premium locations. With that, we expect 5% plus or minus 1% consolidated revenue growth and 18% plus or minus 0,5% EBITDA margin on a reported basis, including inflation accounting. We target to maintain our net cash position and spend 6% of revenue on capital expenditure.

Some final words on the current quarter and the trading environment:

Generally being a soft demand month, February printed 27% growth in Türkiye retail sales.

The first 2 retail weeks of March show 74% growth in Türkiye retail with the positive impact of Ramadan Holiday sales. (Adjusted for the holiday calendar, sales growth is around 26%)

I am more than happy to take your questions now.

Duygu İnceöz:

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. For anyone dialing via audio, we can take your questions last. We already have our first question coming from Eren Erciş. Go ahead, Eren.

Eren Erciş:

Thank you for the presentation and congratulations for the results. I have three questions. The first one is, as you continue to expand in the US, how do store-level metrics such as payback periods, EBITDA margins and growth performance compare to Turkey operations? Also, what is the typical initial capex per store in the US and how does it differ from Turkey? I would like to ask similar question for your upgraded and renewed stores. Lastly, what is the share of US operations in 2026 guidance? Thank you.

Cüneyt Yavuz:

On a macro level, we plan to come back to you with a US update probably at the end of quarter two. This I'm mentioning as a micro picture because by then we will have opened these stores for quite a few months and we will have more data coming in. I will try and answer all the questions that you positioned in terms of EBITDA, payback, etc. In Turkey, typically, we target less than two years and we at times come close to a year, sometimes 18 months in terms of payback periods when we open up a new store. The case in the US when we started our strategic roadmap is more in the three-year vicinity. It will take a longer period of time for the paybacks to come in and deliver results. In terms of capex, in Turkey, we pay around 700 dollars per square meter in terms of when we make investments. The US is a bit more expensive. It's more likely a thousand to fifteen hundred dollars capex for each and every store. The good news in terms of the total US picture, despite this long time in terms of ROI and capex investments and also marketing investments, we are part of the Turquality Program, which helps us for the foreseeable couple of years to get paybacks in terms of some of the capex we are investing, half of the marketing investment we are putting in, and also we are getting a lot of brand support as we open up new businesses. That's why I want to come back within six months to you guys to look at it from a normalized version when the stores are up and running and we have 15 stores because that's the board decision we made. We allocated a certain amount of money that we believed that we could handle and we made a cautious choice to go to a shopping malls across the US so that we could have a presence and a better understanding of how and which parts of the US are responding to the Mavi proposition. Therefore, it's too early to say how things are going but all I can say is the US is an interesting sort of bet on Mavi Turkey's side. We have the cash, we have the history in the US and therefore we find it important that we have the retail know-how also that we can translate some of this into a success in the US market. Did I hit all the answers? I don't know. Eren, if I missed something, please do.



Duygu İnceöz:

Share of US revenue.

Eren Erciş:

Thank you.

Cüneyt Yavuz:

Yeah, share of US revenue. As you know, 90 plus percent is Turkey and share of total North America or US is more like five percent and the other five percent is split half-half between Russia and Europe and there is also a bit of export markets also included which is Middle East and Georgia, Azerbaijan, etc. Thank you.

Eren Erciş:

Thank you. One more question. Could you elaborate on your Turkey stores which are upgraded or renewed also?

Cüneyt Yavuz:

Upgraded stores which?

Eren Erciş:

Like store-based metrics like US.

Cüneyt Yavuz:

Okay. With the upgraded stores, a couple of things. First, wherever and whenever we can, we are taking current stores and trying to grow them in square meters and if we cannot for certain reasons, we are of course still applying the upgraded version. These stores typically have better product turn, faster product turn. So, we are getting a great benefit in terms of total revenue that is being generated. We are also seeing both units per transaction and frequency going up in both of these factors going up as we open up the new stores. Again, I think what is going to be more interesting for all of us is, as you can see this year, we're putting a lot of push and trying to do a bit of a revenge comeback from last year. We were a little falling behind versus what we had planned for and therefore, as I explained just a while ago, the top line growth, we missed it a bit. So, I'm not happy from that perspective. But as a team now, we've geared up and we have really a good game plan and we have the cash, we have the investment plans and we have the locations sorted out and agreed with shopping malls. So, this year, you'll see a mega push in terms of sort of, a new car model coming out. So, a significant percentage of our sales revenue generating stores will have gone through upgrades, refurbishments and/or expansions or new store openings at a bigger square meter. You may recall that we started just a couple of years ago, we were at 500 square meters. Now, we are at 550 on average total square meters. But the last two shops, for instance, we opened up one in Izmir Istinye Park and one



in Istanbul Forum, are more than 1200 square meters. So, it's a mega jump in terms of what we are achieving and what we are observing is opex ratios are coming down, traffic is going up, conversion is going up, basket size is going up, number of transactions are going up and also frequency is going up. So, all the indicators are very good and it's also giving our category teams a boost in morale because they also want to expand and capture more of the wardrobe of the customer. Therefore, we are also excited from that perspective also because we can extend our line extensions, staying true to our casual roots, of course, and our daily heritage, but also expanding the wardrobe so that we can sell and put on offer a great variety of products. Thank you.

Eren Erciř:

Thank you.

Duygu İnceöz:

Ali Kerim, we can have your question now.

Ali Kerim Akkoyunlu:

Yes, I think you've touched on the issue a little bit, but what I was wondering is, you know, you had good cash flow, especially in the fourth quarter, given the market conditions, good margins, but as you also said, the sales side is a bit softish and yet you are guiding for a five percent real growth for next year. What would be the key catalyst for that sluggish sales trend to turn around?

Cüneyt Yavuz:

Because it sometimes gets a bit distracted in the total presentation, we were able to grow our volume last year, roughly six percent in the last quarter, and despite not having opened up a lot of stores, we did expand and open up new stores, which contributes roughly three, four percent to our base moving into this year. Also, early on in this year, we've opened up quite a few big stores, so we've been really rushing really hard ahead of the bayram (holiday) sales in January, early February, to open up these 1,200 square meter stores and refurbishing some of the key stores as fast as we can. So, if you look at the total momentum we have and do the math in terms of what KPIs are showing us, indicating us, of what we can achieve when we do this transformation, it actually translates into a healthy growth in volume growth for this coming year. The first half of the year will be, I mean, will be busy, but the second half will be even busier. We are also holding off some of the investments because we don't want to close down stores during these high bayram sales periods and pre, let's say, summer sales coming in. But starting July, August, again, there will be another push in terms of opening new stores and expanding and refurbishing a lot of our stores. So, when we do the math, looking at base and categories and customer trends, we are feeling quite okay. Some of the sluggishness versus last year, again, in terms of what we guided and what we delivered, we missed out. I mean, you may recall, we started the year saying we will open up roughly 20 stores and we ended up around eight. I mean, so that was sort of a major disaster, something that we didn't expect.



So, from that perspective, we're really unhappy. But I think in the last quarter onwards, we've been really working hard to do, as I mentioned, a revenge comeback. And I think with the products we have, the portfolio, the marketing campaigns we are preparing, I think we can deliver this. Of course, there is one commitment, we can always discuss about this. When we finalized all of this budget that got the approval from the board, this Iranian war had not started. But at this point in time, so far, as some numbers are indicating in terms of pre-Ramadan holiday sales and the first six weeks of the year, sales are going as per our budget and plan. So, we still remain optimistic in terms of what we can deliver. There will be, of course, contribution coming from US and international. Remember, there will be all of a sudden, almost more than 10 stores in the US, retail stores, that was not in the base. That will also, it's not a major critical, it's not the biggest part of our business, but in terms of top line growth, they will also contribute to the top line growth this year.

Ali Kerim Akkoyunlu:

Perfect. Thank you very much.

Duygu İnceöz:

We have a question from Melis Pocar on the chat screen, I will read it. Can you give some hints about without IAS29, 2026 revenue, EBITDA margin and effective tax rate guidance with respect to annual net additions retail space in Turkey? Can you provide percentage in terms of new stores and store expansion regarding recent unrest in Middle East and global implications? What is your view on possible impact on your operations? How is consumer environment in Turkey and US and competitive environments? Can you touch upon working capital management plans in 2026? A lot of questions.

Cüneyt Yavuz:

Do you want to handle any of this?

Duygu İnceöz:

Yes, maybe. The first one is actually about the revenue guidance. We just talked about it actually a little bit. I want to also mention that the assumption for inflation is 25% here, so that also has implications in terms of the unrest in Middle East. If it has impact on inflation in Turkey, that might also impact our results, of course. But it's important to note that we took 25% as an assumption here. Also, with respect to annual net addition to retail space, the figures that you see on the screen, these 15 store openings and expansions, they come to around 10% square meter addition in the whole year. Of course, the revenue impact will be much more visible in 2027, but we should be able to see some of it here in this year.



Cüneyt Yavuz:

It's around 20,000 square meters, and we are roughly sub 200,000 square meters at this point in time. This addition of square meter growth and new store opening is roughly a 10% boost. Of course, as Duygu mentioned, there will be openings and closures and so on. There are periods of loss of sales and refurbishments and moving stores around, etc. But this will translate probably on average at 3-4% incremental top-line growth, coupled with the other 2-3% that's coming from the other stores that opened last year. This 5% should be achievable, just to reiterate what we just talked a second ago. In terms of our business dynamics, you have to understand that in terms of product, product planning, gross margin, and so on, a bulk of it for the first half of the year is already locked in, meaning you start the process of getting the raw materials, booking capacity, deciding on volume, etc. From that perspective, from 1st of February towards the end of July-August, we feel as Mavi, in terms of our flexibilities, open to buys, flashes, etc., but the raw materials we have in hand, that we can manage our gross margin and the product offering, and we remain agile for the consumer. In the second half of the year, it is more than likely that, as it happened also a couple of years back, we may see some impact on the logistic costs due to oil costs going up, some energy costs coming in, and that will be our challenge, you know, how we deal with that energy price increases as the cost base is coming up, whether it's the simple electricity or the simple gas delivery, online delivery, or redistribution across the many stores. I think Mavi is, generally speaking, well-positioned because we are quite efficient, and in terms of our sell-through rates, what we buy, how we distribute our products into the stores, returns, etc., we do a pretty good job, but there will definitely be a negative impact coming from there, and we will have to see how much of that we can mitigate in terms of product mix, gross margin, and campaigns. So, that's a bit of an uncertainty, and as Duygu mentioned, we budgeted the year with 25% inflation, and at this point, this part of the KPI is clearly under stress, but for us to come in, I mean, at the beginning, early days of the year, to change our target, I think would be premature. We can talk more when we finalize the first quarter and come together and see if things are going better or not, because we also don't know whether this conflict will be lasting for a couple more weeks or will become a more regional and entangled war. So, let's hope for the prior, and let's hope that passes by quickly.

Duygu İnceöz:

Okay, Cemal Demirtaş has a question. Please go ahead.

Cemal Demirtaş:

Sorry if I repeat the same questions, you know, I missed a portion of the presentation, but I would like to ask, you know, it's very early and it's very cloudy nowadays in terms of the global perspective, but how do we see the impact of those, you know, energy increases on your, the cost size overall? I know it's very early, but just, you know, in terms of the micro things, assuming that things will stabilize maybe at a higher level in terms of the oil price and others, and the procurement side also,



does there any, these tensions, continuation of these tensions at some level, not at as high as, you know, the highest level, what would be the impact on your operations going forward? Thank you very much.

Cüneyt Yavuz:

Thank you, thank you. In terms of overall supply chain, sourcing, the tensions and where this is taking place has little impact on our current trading amount. So, in terms of where we make our blue jeans, where we produce our t-shirts, or the global aspirations in terms of, you know, things we move around and shop around, whether it's Vietnam, Bangladesh, China, or Egypt, etc., vis-a-vis the current base from a geographical distribution perspective, it won't have, let's say, we don't foresee any product supply issues. Coming back to your initial proposition, and this is what we were discussing, the, of course, the logistics costs, the transportation costs due to energy costs are going to go up. These are typically, of the total proposition, typically 4-5% of the cost structure. So, you know, let's assume there's another 4% unexpected hit there. So, that makes the 4% of the 4-5% pressure on gross margin. But then it becomes, you know, what product we sell in the product portfolio, how we can also look into product mixes, etc. So, generally speaking right now, let's say, quote-unquote, in terms of Mavi's boardroom or management room, we are more in a wait-and-see mode right now. We are not panicked and we are not, you know, stressed out right now at this point in time. When I talk with my sourcing and manufacturing business partners, business is going as per plan with some expectations. Of course, pressure is coming, probably starting second quarter onwards into the equation. And that's when I will have more insight. As you mentioned, it's early days and it's a bit cloudy and uncertain. But, you know, once we meet at the end of first quarter, probably there will be more clarity and I can guide you for, you know, what's happening this way or that way. Generally speaking, I think we've had a few conversations with both the international and local investment community. Regardless of all the stresses that are going on currently, our approach, for better or worse, is to make a step change this year. So, our focus and energy is continue to build the brand, do a lot of next generation type of marketing, segmented communication, product innovation. At the same time, physically really expanding our footprint in Turkey and making a sort of an updated version, upgraded version, a happier and seamless shopping experience, both from product and service point of view in the Turkish environment. Therefore, we're putting a lot of betting and we're putting a lot of our money into a healthy capex. I say healthy because when we look at our returns in Turkey, it's typically, as I mentioned, less than two years and sometimes coming close to a year, so it's between a year or two. Even if this deteriorates a bit, it's still a very good return. And for a company like ours, which doesn't have a lot of debt, has the energy, has the brand aspiration, it is, I think, the right push that we should be making. And so, from that perspective, our momentum internally is very positive, despite the negative environment. We're cautious, we're smart, we're dealing with the problems, but the environment, the psyche we have in the office, is this is going to be a lot of



nice, good investments that will ensure continued sustainable growth for many years to come. So, let's see how that plays out. So, a few percentage points of top-line growth here, or half a point, one percent margin, their pressure is probably less of our concern, I would say, as a company, but more we are in an effort to step up for a continued growth, for an elevated growth for many years to come. So, that's my commitment to you guys, to make sure that we become even closer to the customers, give them a better offer, and at the same time, do this through growth, whatever that growth might be within the current apparel industry. Again, as I mentioned, when we start the year, our ambition is to beat the apparel market, and we still believe we can continue to gain share, both in menswear, both in womenswear, we can sell more jeans, there is still more customers that we can acquire, and increase wardrobe share, and we will be, you know, we will be relentless, and we will chase after that, as always. Thank you.

Cemal Demirtaş:

Thank you, and as a follow-up, related to your trading update, in February, you grew by 27 percent, and in your March calculation, how do you make that calculation, you know, 74 percent in two weeks, but when you adjust 26, I wonder how you reach that number, maybe the calculation, maybe I can ask after the meeting, and related to that, what was the price inflation on your side, you know, because it implies two, three percent, you know, the real contraction when we go with the 29 percent year-over-year average CPI increase in the first quarter, let's say, you know, the pricing side, or in the first quarter, it looks like we are going to be flattish, or lower, when we look with this perspective, we don't have the apparel figures, but just indication from the trading update.

Cuneyt Yavuz:

The calculation is as follows. When you do the Ramadan calculation, you take weeks, not sort of days. So, last year, prior to the bayram, say two weeks, versus this two weeks. So, we do an apple to apple, of course it's not 100 percent apple, because seasons are moving, timing is moving, political incidents, like last year, we had some Istanbul mail dissent issues, etc. But regardless of that, as a retail company, we work and do our planning on a 52-week calendar, and when we do, when the Bayrams come in, we look at the pre-Bayram, during Bayram, and after Bayram, year-on-year, with the similar timelines being moved left and right, 10-15 days. So, I hope that was clear for you. I mean, when we did, we are seeing, okay, good.

So, when it comes to the other part, in terms of flattish growth, etc., you have to recall that we're coming out of January into February and March. These four to six weeks is where we are depleting or selling out the seasonal products. So, in terms of revenue versus what we are delivering at the price point, and how the price increases are kicking in, it's a little deflated. But within that product portfolio, vis-a-vis the budget, in terms of pricing capability, do we see a capability by Mavi to take



25 to 30 percent price increases per ticket items? We do. So, and is the customer, when we have the new season products for March, for instance, being placed in the shops, buying those products at those new prices, they are also going positive. Over and out, also, I would just add another point. As you can imagine, we are tracking our price points vis-a-vis the competition. So, we are also seeing if our price points vis-a-vis the competition is competitive, and are we following in sync? That also seems all green. So, in terms of this period, where Bayram has moved in a little closer to the year opening, a bit more cooler period, transitional period, and in terms of the numbers that we are generating new products coming in at the new price points, I mean, take aside the Iran war or the uncertainty there, normally everything else is more or less in line with this five plus percent growth that we budgeted for. Iran is an unknown, or this oil price is an unknown, but this is something we will have to discuss, I think, after the first quarter. I find it a bit premature to talk about it right now.

Cemal Demirtaş:

Thank you.

Cüneyt Yavuz:

You're welcome. So, again, one more point. If the traffic and consumer activity continues as the first six weeks, we should expect the quarter to come in as per our budget, because there is also, let's say, the movement of masses that we can track in terms of how people are coming, frequency, shopping habits, basket size, UBTs, etc. From that perspective, it is going as per plan so far. Thank you.

Duygu İnceöz:

Kayan Demirak, would you like to go next?

Kayan Demirak:

I have an opportunity to ask questions. So, I have one question. I understand from your statement that you haven't decided whether to use the remaining funds for the shared buy-backs until the 10th of June. So, could you maybe provide us a perspective about this? How should we think about it in terms of capital allocation, in terms of evaluation, where you see the remaining share buyback will be appropriate? Thank you.

Cüneyt Yavuz:

You're welcome. I mean, our approach is as follows. First, the principles we have as Mavi, as you know, as you just witnessed, just ahead of a quarter-end announcement, we respect the quiet period and we don't trade. After, right now, we are again open to trade. So, we have now the quarter results out. We have shared with you the output that we want to deliver. Therefore, from here, I mean, from, let's say, today onwards, we are in, quote-unquote, in the market to stand beside our share price and follow how the market is trending in terms of our shares. So, if you ask me personally, current share price is still low. So, is this still a good time from a Mavi CEO's perspective to invest into Mavi



buying shares? Yes. But again, our perspective is not one of trading against you. It's more supporting the market and signaling the right direction in terms of what we think is a fair price. Therefore, for the rest of the year, we have half of our funds that we have not spent, which is around 500 million Turkish Liras. And as each quarter ends and we do the announcements, and then we get into the market and we track with our partners and our board and our buyback committee to see where the track is going and place orders when we see the stocks softening or going down below a farewell. So, if I were you, I would expect us to continue this, what you saw in the first half, spending the first half of the program. It's more than likely that we will continue in the same direction. Whether we will be able to spend everything or not, that's another question. But we will definitely be interested in tracking our shares and supporting our shares and signaling the markets when it goes soft. This is what I can tell you right now.

Kayan Demirak:

Thank you, I understand.

Cüneyt Yavuz:

You're welcome.

Duygu İnceöz:

Do we have any more questions?

Cüneyt Yavuz:

Okay, it seems we're all set. Should you, as always, have any questions for me, Duygu, or the team here at Mavi, more than happy to oblige. We look forward to seeing you soon and being in touch. And I would like to take this opportunity to thank you all and wish you a very happy, healthy, safe new year. And all the best. Take care. Bye-bye.