



Mavi Giyim Sanayi ve Ticaret A.Ş.

("Mavi", the "Company" or the "Group")

30 May 2019

Mavi maintains upward trend with 21% revenue growth in Q1 2019; international e-commerce up 132%

Mavi, Turkey's leading jeans and apparel brand, announces its Q1 2019 results for the three months to April 30, 2019. As Mavi maintained its positive growth trend in Turkey and its international markets, the company increased its consolidated Q1 2019 revenue by 21% year-on-year to TL 648 million with a net profit of TL 15 million (TL 10 million under IFRS 16).

Key Group Highlights

- Consolidated revenue increased by 21% to TL 648 million
- EBITDA grew by 2.3% to TL 74 million resulting in 11.4% EBITDA margin (TL 133 million under IFRS 16)
- Net profit of TL 15 million (TL 10 million under IFRS 16)
- Net debt to EBITDA ratio at 0.4 (x)
- Consolidated e-commerce revenue up 114%, with international e-commerce revenue up 132%
- Global number of stores at 425

Key Highlights – Turkey

- Revenue in Turkey grew by 19% to TL 524 million, driven by 15.5% like-for-like growth
- Total retail space at 149K m² across 300 stores
- Strong growth across all product lines with a 21% revenue increase in jeans, 23% in jackets, 20% in knits, 12% in shirts and 18% in accessories
- Kartuş, Turkey's industry leading CRM program, reached 7.5 million members, 5.4 million of which have been active over the last two years

Mavi continues its strategy of understanding and meeting customer expectations across its activities by offering the right product, for the right price and at the highest quality in keeping with the company's "Happiest Mavi Customer" vision. The success of these efforts manifested itself in 19% revenue growth in Turkey and 32% internationally as well as double-digit growth in denim and all lifestyle categories.

Due to its continued investment into and focus on e-commerce, online channels including digital wholesale now account for 8.4% of total sales, with all markets exceeding their growth targets in the first quarter. In this context, consolidated e-commerce revenues increased by 114% while the brand's international e-commerce channels grew 132% in the first quarter.

Furthermore, Mavi continued to evolve its retail footprint in Turkey, opening three new stores and expanding four stores to reinforce its presence in strategic locations.

Cüneyt Yavuz, Chief Executive Officer of Mavi, commented:

"We are pleased to have marked another quarter of consistent growth in Turkey and abroad based on our strong brand positioning and customer-focused operations. Our performance across *Mavi.com* and all our online partners was a particular highlight and building on this momentum to further increase our e-commerce sales will be a top priority for this year.

Meanwhile, we will focus on preserving our robust balance sheet structure despite challenging conditions and smartly manage our investments by aid of efficient and effective operations and sourcing as well as inventory and cash flow management.

We are further encouraged by the sales trend observed in May and expect to meet our year-end targets. We maintain our guidance for revenue and sales growth as well as net store openings in 2019, and remain confident that the combination of our exceptional customer loyalty, talented employees, and outstanding product mix will continue to drive Mavi's performance and long-term success."

For further information about Mavi, please visit www.mavicompany.com.

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