



Mavi Giyim Sanayi ve Ticaret A.Ş.

(“Mavi”, the “Company” or the “Group”)

March 12, 2020

Mavi continues steady growth trend with significant revenue and a 33% net profit increase in FY 2019

Mavi, Turkey's leading jeans and apparel brand, announces its financial results* for the year ended 31 January 2020, with double-digit growth across all product categories and channels in Turkey and abroad and announces its targets for 2020.

- **Resilient top and bottom line growth**, with 22% rise in consolidated revenues to TL 2.863 billion and escalated its net profit by 33% to TL 134 million
- **EBITDA grew by 9%** to TL 401 million, representing a margin of 14%
- Consolidated e-commerce revenues **soared by 86%**
- **20.9% like-for-like (LFL) sales growth in Turkey** with revenues up 23% to TL 2.365 billion
- Customer-focused strategy and high brand awareness attracted **1.2 million new customers** in the full year
- With **14 net store openings** and 11 store expansions the brand is now available in 35 countries through 440 stores and more than 5,500 sales points

Commenting on the company’s 2019 performance, **Cüneyt Yavuz, Chief Executive Officer at Mavi**, said:

“Mavi’s exceptional brand awareness levels, our uncompromising customer focus and approach to quality from material innovation to production to after-sales services enabled us to achieve significant double-digit revenue and profit growth while attracting more new customers than ever in 2019.

While reaching our ambitious targets and maintaining our financial discipline, we were particularly pleased to see an increase in both global transaction frequency and volume while also observing an encouraging uptick in customer traffic in our stores in Turkey, particularly in the last quarter of the year.

I would like to thank the outstanding Mavi team around the world for contributing to this success and I am confident that we will be able to continue this trajectory in 2020.”

*adjusted for IFRS 16 effects

Continued focus on quality and sustainable growth in 2019

In 2019, Mavi continued to refocus its operations towards sustainable practices, which was notably driven forward by the alignment of all departments and processes, including Procurement and Supply Chain. As a first result, Mavi launched its environmentally friendly All Blue collection which was well-received by customers around the globe.

Meanwhile, productivity alongside efficient procurement, stock and cash flow management continued to be a priority and resulted in lower debt levels without compromising Mavi's strategy of total customer focus and offering the right product with the right prices at the right quality.

Consolidated e-commerce revenues increased by 86%

In addition to healthy retail and wholesale growth, Mavi achieved tremendous success across its e-commerce channels, including mavi.com and strategic online business associates which, together, continue to be an important driver for future growth. With an increase of 86% in consolidated revenues, e-commerce now constitutes 5.1% of Mavi's total sales.

Target of 1 million new customers exceeded

Mavi's industry-leading CRM program Kartuş helped to attract 1.2 million new customers in 2019. Of these new customers, 65% are younger than 35 with whom the innovative "Mavi Black Pro" (men) and "Mavi Icon" (women) collections proved particularly popular. As a brand selling 10 million jeans a year, Mavi continues to offer the finest and most innovative products to our customers.

The Kartuş program now has a total of 8.2 million members, including 5.8 million active users in the last 2 years.

Consolidated revenue growth target of 23% for 2020

Mavi is set to maintain its solid financials and profitable growth in the year ahead with a revenue growth target of 23%, an EBITDA margin of 14% and a net cash surplus. In Turkey, the Company aims to add net 15 stores and expand 10 existing locations alongside a LFL sales growth target of 18% for the full year.

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

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