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## Mavi recorded TL 2.4 billion in consolidated revenues in 2020 Online sales in Turkey grew by 152%

Turkey's leading jeans and apparel brand **Mavi** announced **TL 2 billion 402 million** in consolidated revenues in financial year 2020, a year marked by the pandemic. Despite the Covid-19 restrictions, the company demonstrated strong recovery and maintained its profitable growth. Mavi recorded TL 392 million in EBITDA with an EBITDA margin of 16.3%.

In the 2020 financial year, Mavi continued to grow in the e-commerce channels in the Turkish and international markets, achieving a 110% increase in consolidated **online sales** and **152% in Turkey**. E-commerce accounted for 13% of total revenues. Currently operating with 439 stores and over 4,500 sales points globally, Mavi's total retail footprint reached 159 thousand square meters (nearly 1.7 million square feet) with net six store openings and expansions in seven stores.

### Cüneyt Yavuz, Chief Executive Officer, Mavi, evaluated 2020FY:

- Throughout 2020, our **priority as a leading and responsible brand was to protect the health of our employees, customers, business partners, and the public**. I am **grateful to the entire Mavi team** for helping us navigate through this challenging period by standing in unity and working with great energy and dynamism.
- The efforts we have put in for years to become a global company with **strong foundations and robust financial management** paid off and kept us strong during the pandemic. We remained **focused on sustainable profitable growth and long-term targets**. We know that **managing the risks accurately and making data-driven decisions** is more important now than ever. Therefore, as Mavi Management Team, we prioritize operational efficiency under all conditions.
- Our **online sales grew by 110% globally and 152% in Turkey** thanks to our channels coupled with marketplace partnerships that have become increasingly diversified. According to our calculations, e-commerce penetration jumped two years ahead. At a time when **digitalization is of critical importance**, continuing with our investments seamlessly **to complete our CRM and ERP transformation** will allow us to respond to new needs faster and with more agility.
- **Maintaining a robust balance sheet and company profitability through effective management of our flexible supply chain, precise planning, inventory, and cash flow** remained our top strategic priority. **Preserving our gross margins by offering the right product at the right price and quality to the customers was valuable** in these challenging times.

### Higher conversion rate and basket size through continued innovation

- Staying in alignment with the strategy we set for 2020 and offering new products to the consumer resulted in **higher conversion rates and unit per transaction (UPT) as the basket size increased by 13.6%** despite lower store traffic.

- **We continue to focus on what we do best, adapting to change through the lens of jeans culture and leading with our denim innovations.** Our passion for creating the best jeans in terms of quality, fashion, and innovation remains at an all-time high.

The product is at the heart of the story that we communicate seamlessly. In addition to the “**Efsane (Legendary) Jeans Series**” with **Kıvanç Tatlıtuğ** that maximized comfort with technical fabrics, we also introduced **15 new women’s jeans fits** with **Serenay Sarıkaya** for perfect fits for all age groups, styles, and body types.

- **Being the most preferred brand in smart casual wear** further increased the consumers’ interest in Mavi at a time when shopping behaviors changed toward more casual styles. We enriched our product range to respond to this demand as we remained the **favorite brand of men and women consumers from all age groups and segments**. We **maintained our strong market share in women’s** while **increasing our share in men’s** driven by the changes seen in men’s wardrobes.
- We launched **Team Mavi**, a new **sporty line** with **Merih Demiral**, the star player of the Turkish National Football Team, and Juventus, introducing Mavi to new customer segments.

#### **All Blue brought momentum to sustainability transformation**

- In a year when we achieved significant progress in Mavi’s sustainability strategy, we launched important projects.
- **Mavi became the first and only Turkish apparel brand to disclose its carbon footprint transparently.** The company received a score of B from CDP (Carbon Disclosure Project) for its first climate change report, outperforming the industry average in 2020.
- Our sustainable and environment-friendly **All Blue collection more than doubled** in 2020.
- **We opened our first eco-store at the Istanbul Zorlu Shopping Mall.**
- Mavi is an always forward-looking brand and as we mark our 30<sup>th</sup> anniversary in 2021, we are dedicated to drive the company into the future as a strong team.

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