



**Q1 2021
Results Presentation**

June 9, 2021

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Q1 2021 Business Overview

- In Q1 2021, Covid19 related restrictions continued across the countries we operate in
- Turkey operations experienced weekend and weekday evening lock-downs for most of the quarter resulting in 38% decline in total trading hours (vs 47% decline in Q1 2020)
- In our international markets, most of the Covid related restrictions have been gradually lifted throughout the quarter. In local currency sales EU and US reached 2019 levels, Canada and Russia exceeded 2019 levels
- Online sales remained strong globally. Turkey online experienced robust growth even in April on top of a high base
- Excelling at dynamic supply chain management, product planning and inventory management remain our key strengths for continued success
- Opex under control through continuous rent negotiations and capitalizing on available government employee support programs
- Continued investments on brand and customer, focusing on product newness and quality

Q1 2021 Highlights

- Consolidated revenue realized 759 TRYm, growing 96% versus Q1 2020, 17% versus Q1 2019
- EBITDA for the period is 142 TRYm resulting in 18.7% EBITDA margin
- Net income resulted 36 TRYm
- Total number of monobrand stores² stands at 441
- Turkey online sales increased by 258% in Q1 2021



GROUP HIGHLIGHTS¹

759 TRYm Revenue	142 TRYm EBITDA
18.7% EBITDA Margin	36 TRYm Net Income
441 ² Monobrand Stores	0.3x Net Debt / LTM EBITDA

¹ Including IFRS 16 impacts as reported

² Includes global franchise and owned stores

TURKEY HIGHLIGHTS

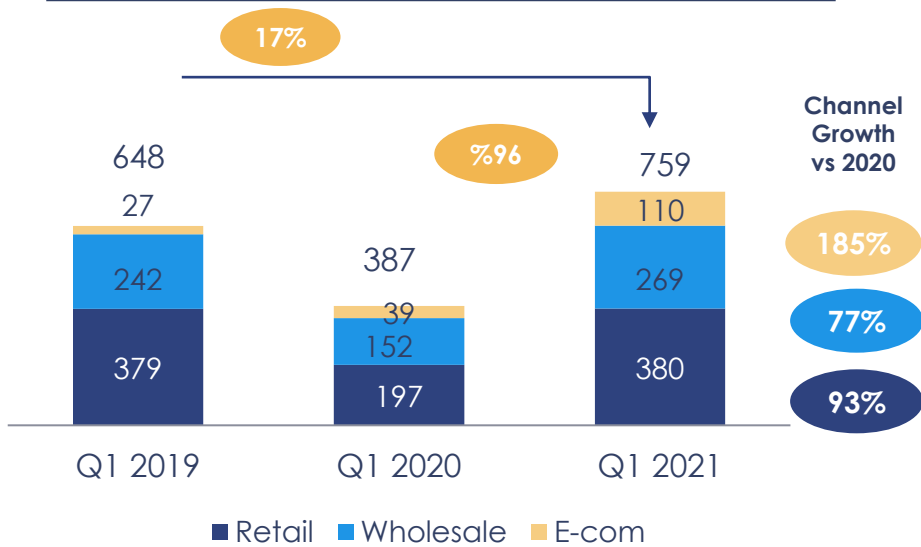
92% Retail Sales Growth	258% Online Sales Growth
c.53% Lifestyle	
c.47% Denim All	
	5.0 mn Active Loyalty Card Members ³

³Active means that the member has made a purchase of Mavi product in the last two years. Total number of Kartuş card holders is 8.1 mn

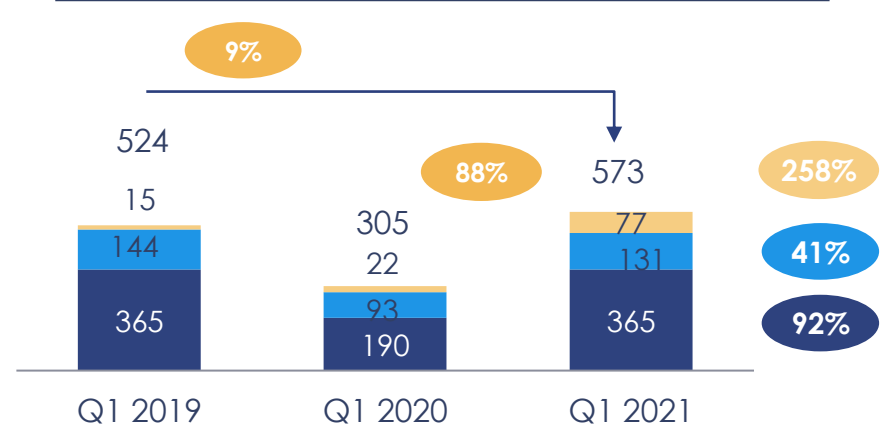
*Category and gender mix for Turkey Retail only

Revenue Evolution in Sales Channels

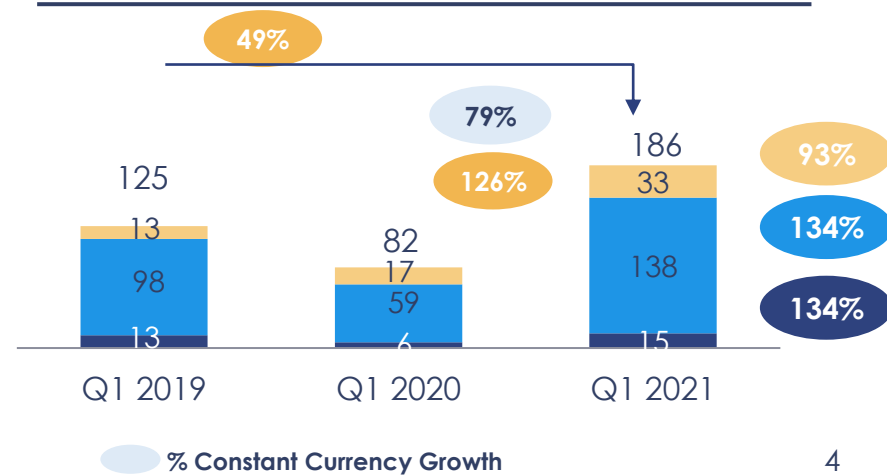
Global Revenue (TRYm)



Turkey Revenue (TRYm)

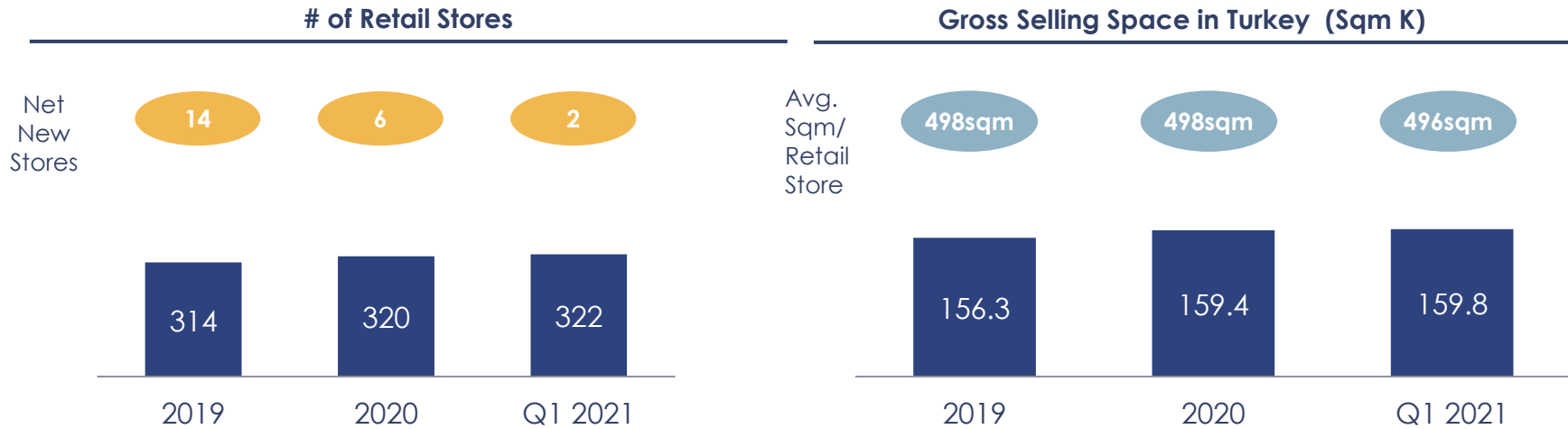


International Revenue (TRYm)



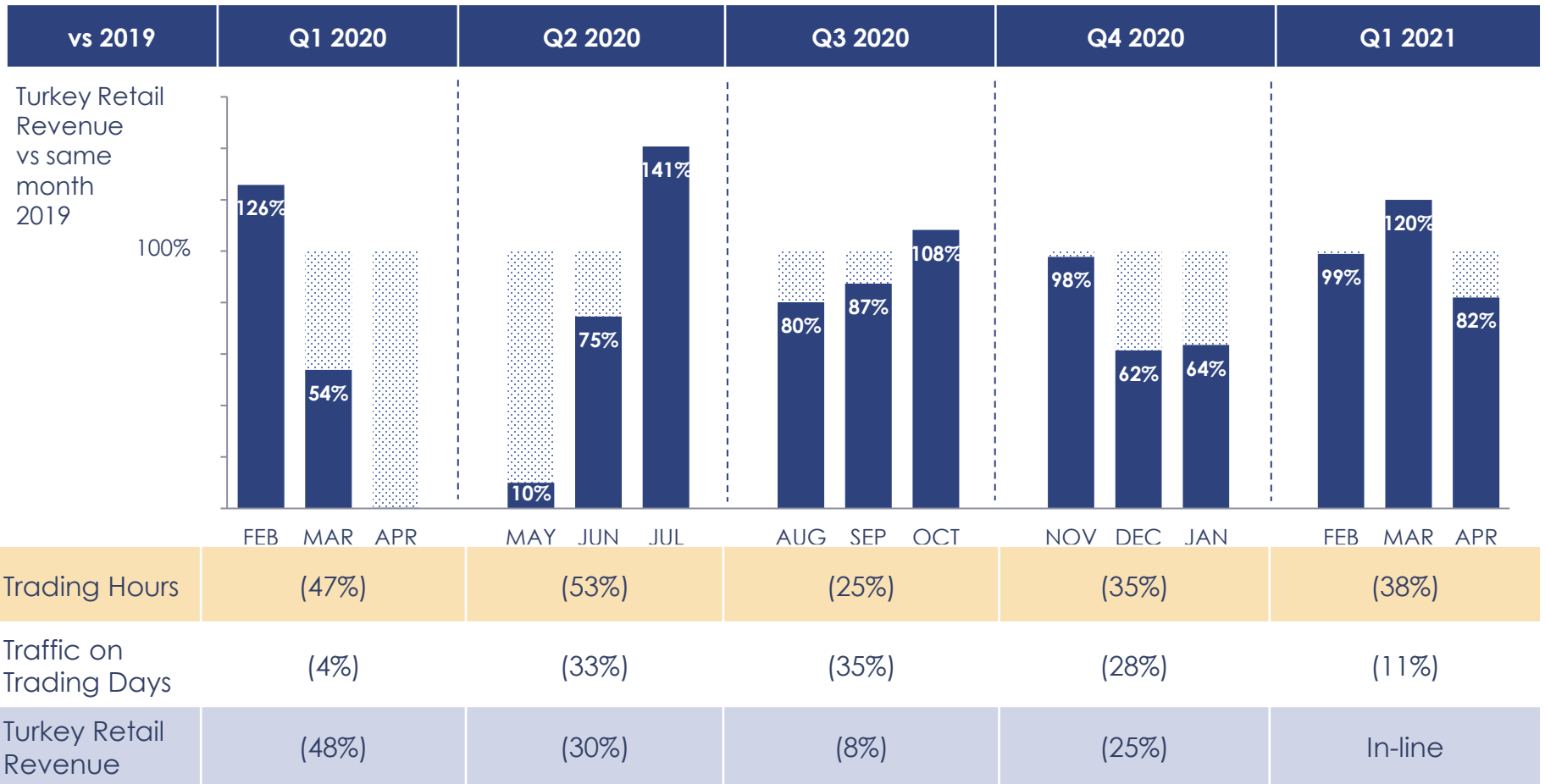
- Including the impact of retail trading hour restrictions, total revenue consists of 50% retail, 35% wholesale and 15% e-com as of Q1 2021. 75% of consolidated revenue is from Turkey
- International revenue grew 79% in constant currency terms

Turkey Retail Operations



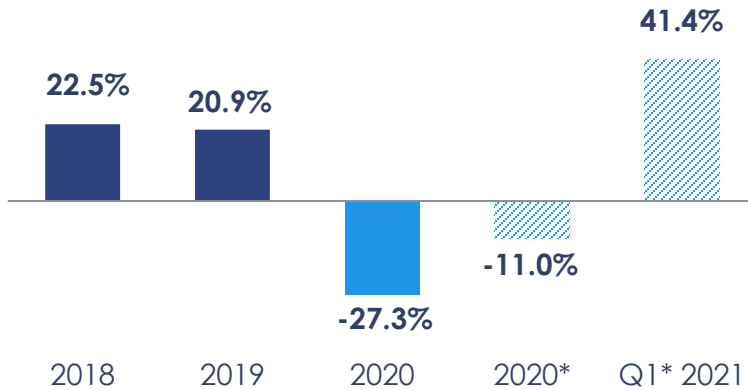
- With 3 openings and one closure in Q1 2021, number of retail stores in Turkey stands at 322 as of end-April 2021
- Total selling space stands at 159.8K sqm with average 496 sqm per store

Turkey Retail Business Resilient to Covid19 Conditions

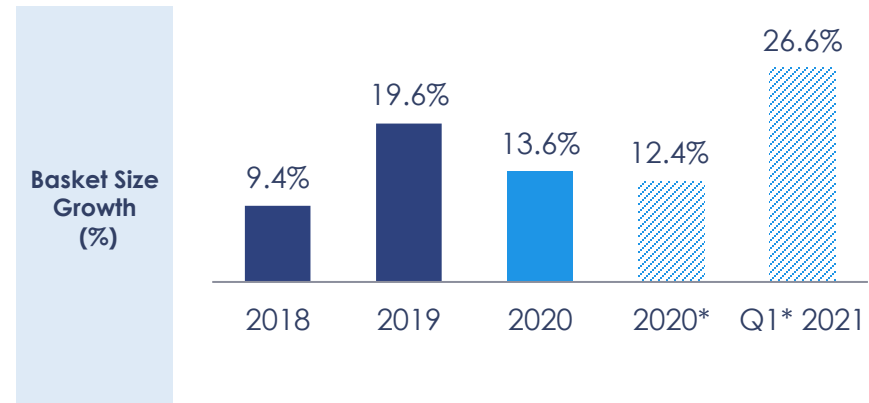
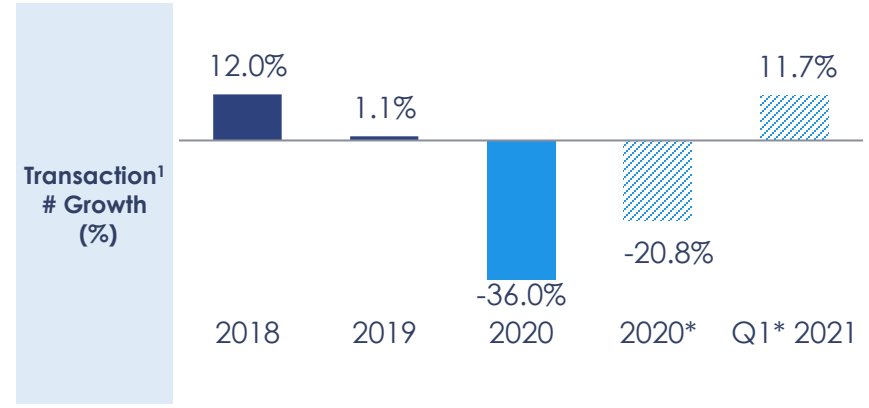


Turkey retail revenue reached pre-covid levels in Q1 2021 despite 38% decline in trading hours

Same Store Sales Performance

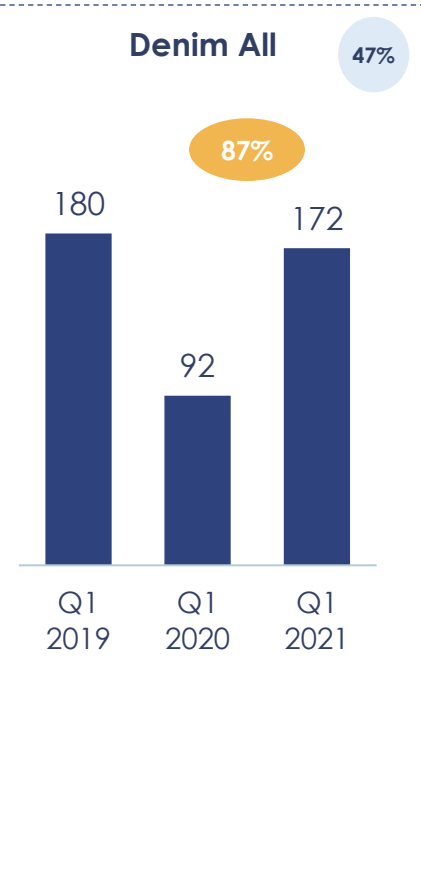


- 2020* and Q1* 2021 values are same store performance including only open days in the given period vs same period 2019
- On the open days of Q1 2021, overall traffic was down 11%, compensated by 26% higher conversion and 8% higher unit per transaction

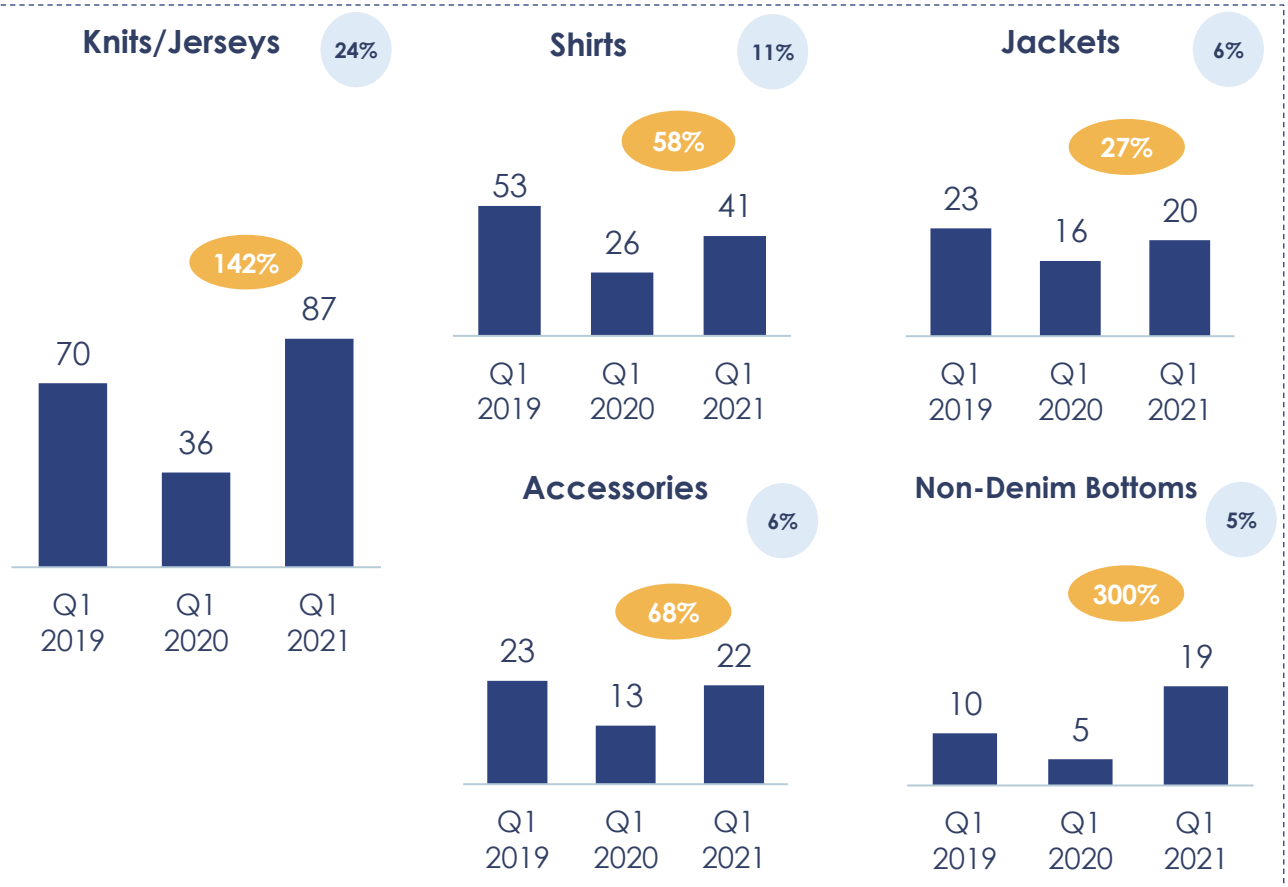


Sales in Denim & Lifestyle Categories

Denim Products (TRYm)



Lifestyle Products (TRYm)

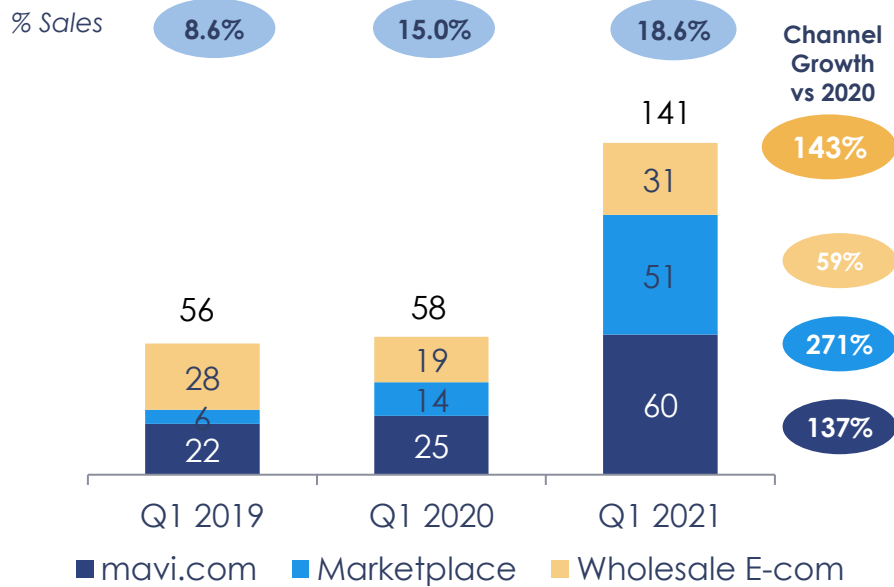


% Share in Q1 2021 Turkey retail net sales

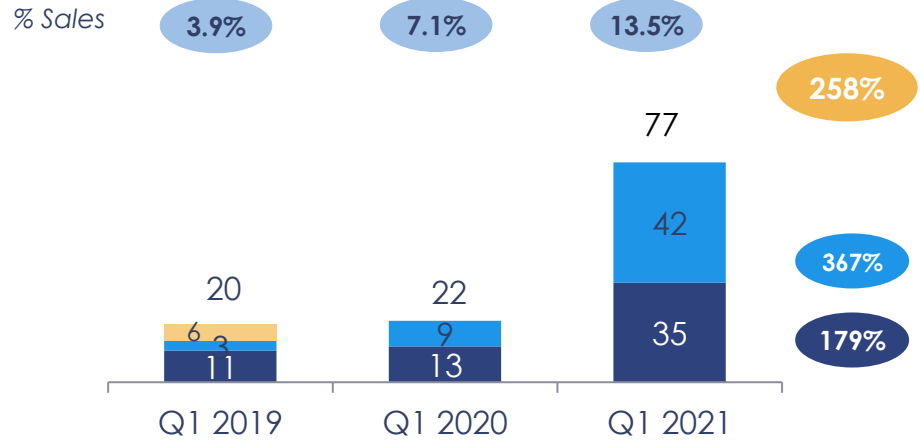
Note: Total Growth in Lifestyle Category is 97% Remaining 1% consists of skirts, dresses and kids

Online Sales Growth (inc. wholesale partners)

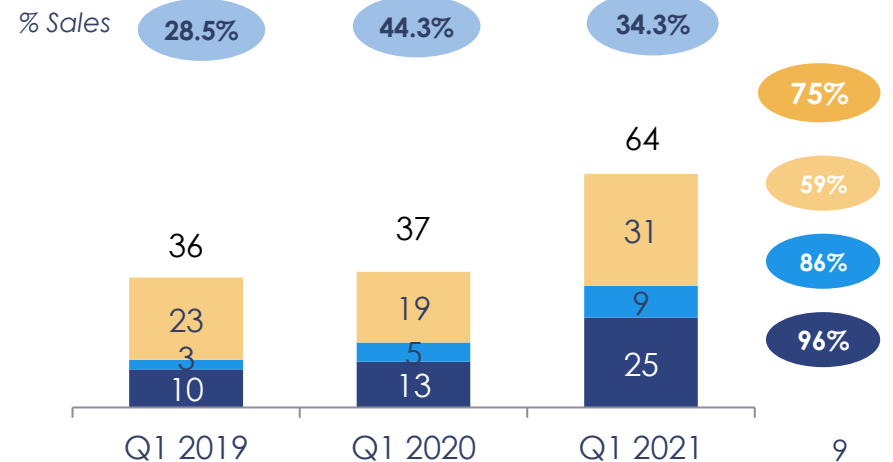
Global Online Sales (TRYm)



Turkey Online Sales (TRYm)

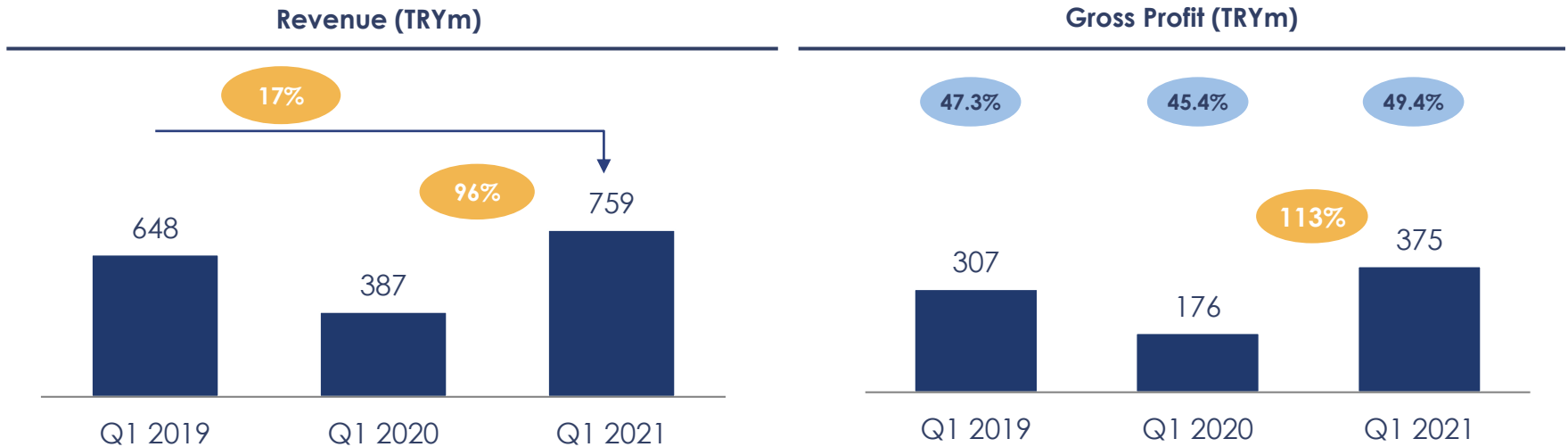


International Online Sales (TRYm)



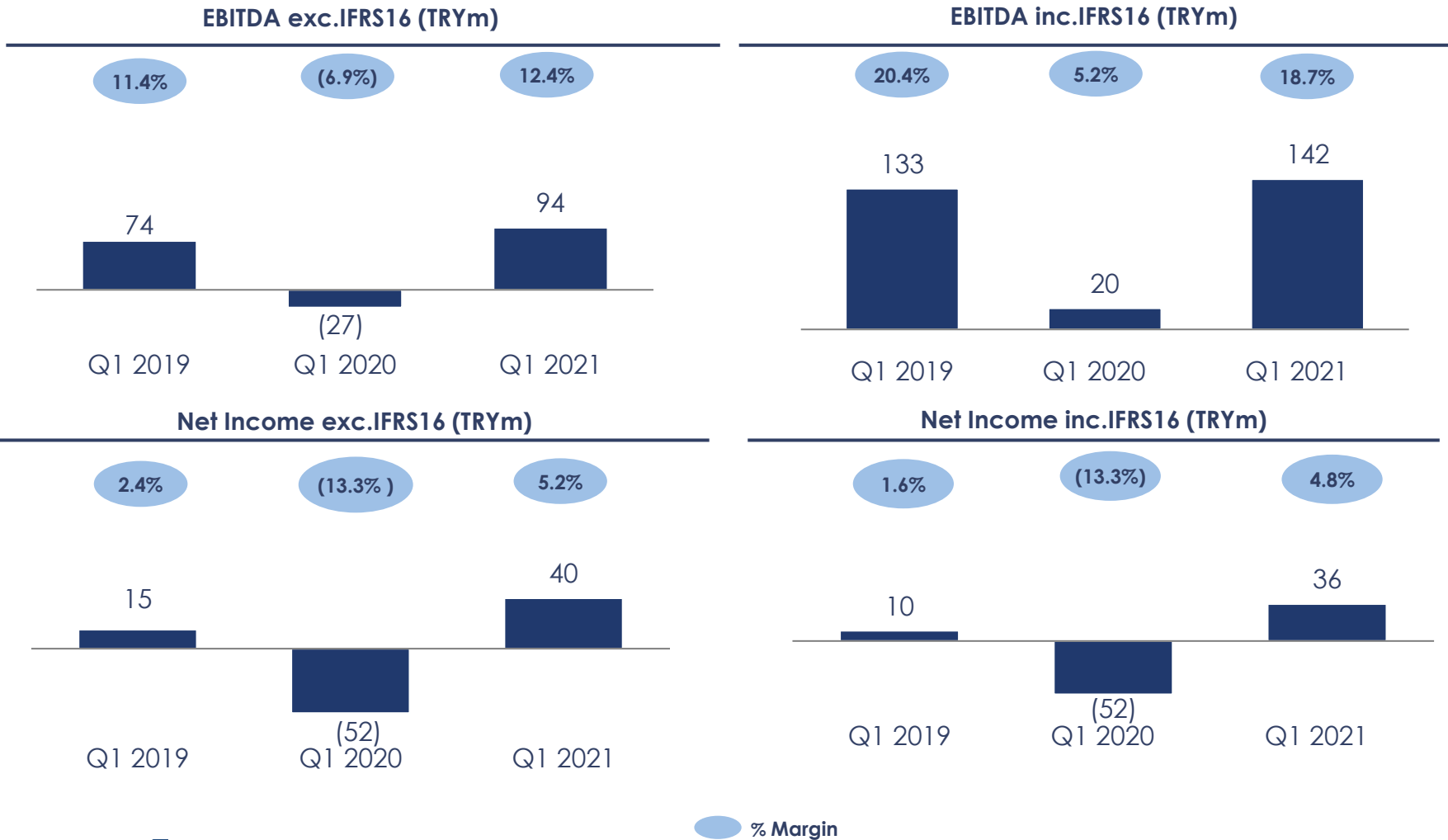
- Continuous investments in digital systems and online customers
- Full-price channel strategy across all categories with continued and increasing positive contribution to margins

Consolidated Gross Margins



- Q1 2019 and Q1 2020 gross margins normalized with current imputed interest rate and one-offs is 46.7% and 47.2% respectively
- Strong brand positioning, efficient product-price planning enabled high sell-through with lower markdowns resulting in 220bps improvement vs Q1 2020 and 270 bps improvement vs Q1 2019 in gross margins

Consolidated EBITDA and Net Income



Note: Net Income attributable to owners of the company is 31 TRYm in Q1 2021 inc. IFRS16

Operational Cash Flow and Working Capital Management

Operational Cash Flow (exc.IFRS16)

TRYm	Q1 2020	Q1 2021
EBITDA	(26.6)	94.3
Δ in NWC ¹	(132.8)	(118.0)
Operating Cash Flow	(159.3)	(23.7)

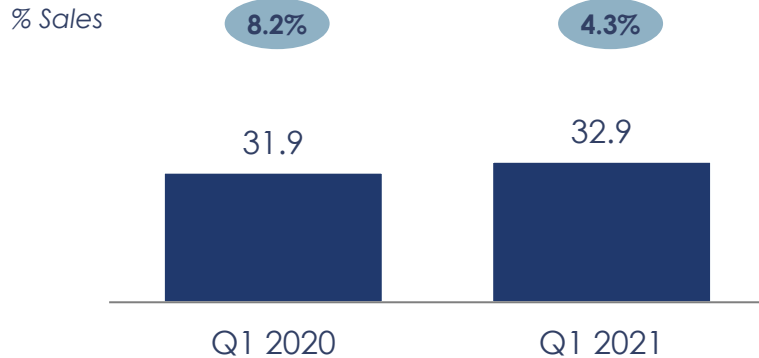
- Inventory in number of pieces in Turkey is down 9% compared to end-April 2020
- Period-end inventory includes all fresh, new season products
- 24 mn TL operational cash out-flow in Q1 2021

Main Working Capital Items

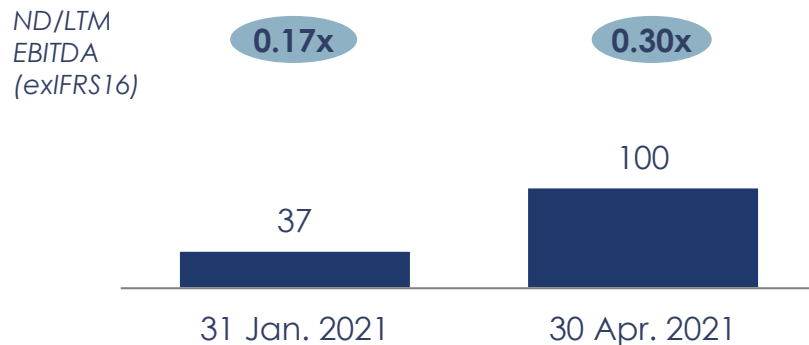
TRYm	2020	Q1 2020	Q1 2021
Trade & Other Receivables	247.9	237.0	347.1
% LTM Sales	10.3%	9.1%	12.5%
Inventories	560.1	611.3	659.3
% LTM COGS	45.1%	46.0%	46.6%
Trade & Other Payables	642.1	620.1	740.1
% LTM COGS	51.7%	46.7%	52.3%
Main NWC	165.9	228.2	266.2
% Sales	6.9%	8.8%	9.6%

Capex and Leverage Ratios

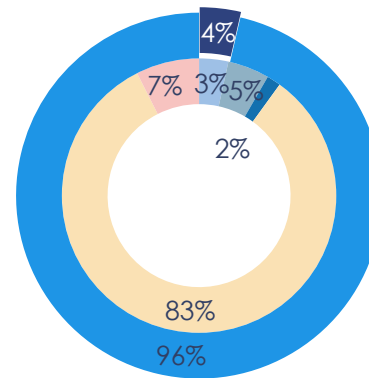
CAPEX (TRYm)



Net Debt exc. IFRS16 (TRYm)



Debt Breakdown (30 April 2021)



■ Local Currency
■ Foreign Currency

Average Cost of Debt

EUR	TRY	13.4%
USD	EUR	0.5%
CAD	USD	3.1%
TRY	RUB	10.5%
RUB	CAD	3.0%
Blended		12.1%

- 14% of total consolidated debt is carried by Mavi US, Mavi CA and Mavi RU - all denominated in their local currencies. Only 4% of total debt is in foreign currency and is naturally hedged
- Keeping no FX position is management priority

Outlook into 2021

As Covid19 related uncertainties prevail, we continue to refrain from providing guidance for 2021 at this time.

Trading Update for Q2 2021

- In May, Turkey experienced full lock-down until the 17th and weekend and weekday evening lock-downs throughout the rest of the month. Consequently, total Turkey retail sales were down 38% compared to 2019. However, same store sales **on the open days of May was up 37%** compared to 2019¹
- Gradual normalization started in June with weekend curfews limited to Sundays. In the first week of June, same stores sales grew 87% compared to 2020¹
- Our international operations are rapidly getting back on track with all regions reaching pre-covid sales levels in their local currencies
- Online Sales continue to perform well globally. In Turkey online sales grew 74% yoy in May on top of a high base



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Financial Statements

Income Statement (inc. IFRS 16)

TRYm	Q1 2020	Q1 2021	Change (%)
Revenue	387.1	758.8	96%
Cost of Sales	(211.4)	(383.7)	82%
Gross Profit	175.8	375.1	113%
Gross Margin	45.4%	49.4%	
Administrative Expenses	(39.2)	(49.9)	27%
Selling and Marketing Expenses	(181.3)	(256.7)	42%
R&D Expenses	(7.9)	(10.4)	32%
Other Income / (Expenses), net	4.0	7.9	96%
Operating Profit	(48.6)	65.9	n.m.
Profit/(Loss) from Investment Activities	(0.4)	(0.1)	(75%)
Operating Profit before Financial Income	(49.0)	65.8	n.m.
Operating Margin	(12.6%)	8.7%	
Financial Expenses, Net	(18.2)	(21.0)	16%
Profit Before Tax	(67.1)	44.8	n.m.
Income Tax Expense	15.5	(8.3)	n.m.
Profit	(51.6)	36.5	n.m.
Profit Margin	(13.3%)	4.8%	
EBITDA	20.1	141.5	603%
EBITDA Margin	5.2%	18.7%	
EBITDA exc. IFRS 16	(26.6)	94.3	n.m.
Profit exc. IFRS 16	(51.6)	39.6	n.m.

Financial Statements

Balance Sheet (inc. IFRS 16)

TRYm	31 January 2021	30 April 2021	Change (%)
Assets			
Current Assets			
Cash and Cash Equivalents	889.9	769.7	(14%)
Trade Receivables	231.4	332.0	43%
Inventories	560.1	659.3	18%
Other Current Assets	105.4	117.6	12%
Total Current Assets	1,786.7	1,878.6	5%
Property and Equipment	197.7	208.3	5%
Right of Use Assets	435.0	425.1	(2%)
Intangible Assets	262.7	293.2	12%
Other Non-Current Assets	25.6	28.6	12%
Total Non-Current Assets	921.0	955.2	4%
Total Assets	2,707.8	2,833.8	5%
Short-Term Financial Liabilities	821.0	791.0	(4%)
Short-Term Contractual Lease Liabilities	218.6	222.3	2%
Trade Payables	638.2	737.3	16%
Other Current Liabilities	108.3	115.4	7%
Total Current Liabilities	1,786.0	1,865.9	4%
Long-Term Financial Liabilities	105.6	78.4	(26%)
Long-Term Contractual Lease Liabilities	260.0	249.2	(4%)
Other non-current Liabilities	22.1	22.7	2%
Total Non-Current Liabilities	387.7	350.2	(10%)
Total Liabilities	2,173.7	2,216.1	2%
Total Equity	534.0	617.8	16%
Total Equity & Liabilities	2,707.8	2,833.8	5%

Financial Statements

Cash Flow Statement (inc. IFRS 16)

TRYm	Q1 2020	Q1 2021
Profit ¹	(51.6)	36.5
Adjustments	98.9	144.9
Cash Flow from Operating Activities	47.2	181.4
Δ in Net Working Capital ²	(132.8)	(118.0)
Income Tax Paid	(6.6)	(1.1)
Net Cash from Operating Activities	(92.1)	62.3
Capex	(31.9)	(32.9)
Other Investing Cash Flow ³	5.8	20.6
Net Cash Flow Used in Investing Activities	(26.1)	(12.3)
Debt Issued / (Repaid)	635.6	(71.5)
Payment of Contractual Lease Liabilities	(46.4)	(49.3)
Other Financial Payments ⁴	(11.1)	(24.4)
Interest Paid	(14.3)	(24.9)
Net Cash Flows Used in Financing Activities	563.7	(170.2)
Net Cash Flow	445.5	(120.1)
Cash and Cash Equivalents at the Beginning of the Period ⁵	310.8	889.9
Cash and Cash Equivalents at the End of the Period ⁵	756.4	769.7

¹Pre non-controlling interest. ²Working Capital includes main working capital items and employee benefits paid as well as deferred revenues. ³Other Investing Cash Flow includes proceeds from sale of tangible assets and interest received. ⁴Other Financial Payments include proceeds from derivatives, imputed interest and financial commissions. ⁵Cash and Cash Equivalents in the Cash Flow Statement includes Bank Overdraft as negative cash. Excluding Bank Overdraft, net cash at the end of the period is equal to Cash and Cash Equivalents on the Balance Sheet for the same fiscal year.

Global Footprint as of 30 April 2021

