

# MAVİ GİYİM SANAYİ VE TİCARET A.Ş.

## Financial Report

### Consolidated

## 2019 - 2. 3 Monthly Notification

### General Information About Financial Statements

Financial Report for the period Feb.1 - July 31, 2019

## Independent Audit Comment

Independent Audit Company	KPMG BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.
Audit Type	Limited
Audit Result	Positive

### Ara Dönem Konsolide Finansal Bilgilere İlişkin Sınırlı Denetim Raporu

#### Mavi Giyim Sanayi ve Ticaret Anonim Şirketi Yönetim Kurulu'na,

##### Giriş

Mavi Giyim Sanayi ve Ticaret Anonim Şirketi'nin ("Şirket") ve bağlı ortaklıklarının (birlikte "Grup" olarak anılacaktır) 31 Temmuz 2019 tarihli ilişikteki özet konsolide finansal durum tablosunun, aynı tarihte sona eren altı aylık hesap dönemine ait özet konsolide kar veya zarar ve diğer kapsamlı gelir tablosunun, özkaynak değişim tablosunun ve nakit akış tablosunun ("ara dönem özet konsolide finansal bilgi") sınırlı denetimini yürütmüş bulunuyoruz. Grup yönetimi, söz konusu ara dönem konsolide finansal bilgilerin Kamu Gözetimi Muhasebe ve Denetim Standartları Kurumu ("KGK") tarafından yayımlanan Türkiye Muhasebe Standardı 34 "Ara Dönem Finansal Raporlama" Standardı'na ("TMS 34") uygun olarak hazırlanmasından ve sunumundan sorumludur. Sorumluluğumuz, yaptığımız sınırlı denetime dayanarak söz konusu ara dönem konsolide finansal bilgilere ilişkin bir sonuç bildirmektir.

##### Sınırlı Denetimin Kapsamı

Yaptığımız sınırlı denetim Sınırlı Bağımsız Denetim Standardı ("SBDS") 2410 "Ara Dönem Finansal Bilgilerin, İşletmenin Yıllık Finansal Tablolarının Bağımsız Denetimini Yürüten Denetçi Tarafından Sınırlı Bağımsız Denetimi"ne uygun olarak yürütülmüştür. Ara dönem finansal bilgilere ilişkin sınırlı denetim, başta finans ve muhasebe konularından sorumlu kişiler olmak üzere ilgili kişilerin sorgulanması ve analitik prosedürler ile diğer sınırlı denetim prosedürlerinin uygulanmasından oluşur. Ara dönem finansal bilgilerin sınırlı denetiminin kapsamı, Bağımsız Denetim Standartları'na uygun olarak yapılan ve amacı finansal tablolar hakkında bir görüş bildirmek olan bağımsız denetimin kapsamına kıyasla önemli ölçüde dardır. Sonuç olarak ara dönem finansal bilgilerin sınırlı denetimi, denetim şirketinin, bir bağımsız denetimde belirlenebilecek tüm önemli hususlara vâkıf olabileceğine ilişkin bir güvence sağlamamaktadır. Bu sebeple, bir bağımsız denetim görüşü bildirmemekteyiz.

##### Sonuç

Sınırlı denetimimize göre ilişikteki ara dönem özet konsolide finansal bilgilerin, tüm önemli yönleriyle, TMS 34 "Ara Dönem Finansal Raporlama" Standardı'na uygun olarak hazırlanmadığı kanaatine varmamıza sebep olacak herhangi bir husus dikkatimizi çekmemiştir.

KPMG Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş.

A member firm of KPMG International Cooperative

İsmail Önder Ünal, SMMM

Sorumlu Denetçi

19 Eylül 2019

İzmir, Türkiye

# Statement of Financial Position (Balance Sheet)

Presentation Currency	1.000 TL
Nature of Financial Statements	Consolidated

	Footnote Reference	Current Period 31.07.2019	Previous Period 31.01.2019
<b>Statement of Financial Position (Balance Sheet)</b>			
<b>Assets [abstract]</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		399.037	266.571
Trade Receivables		202.995	168.593
Trade Receivables Due From Unrelated Parties		202.995	168.593
Other Receivables		11.903	17.059
Other Receivables Due From Unrelated Parties		11.903	17.059
Inventories		514.996	457.229
Prepayments		39.461	37.985
Prepayments to Unrelated Parties		39.461	37.985
Current Tax Assets		3.672	15.805
Other current assets		27.922	22.070
Other Current Assets Due From Unrelated Parties		27.922	22.070
<b>SUB-TOTAL</b>		<b>1.199.986</b>	<b>985.312</b>
<b>Total current assets</b>		<b>1.199.986</b>	<b>985.312</b>
<b>NON-CURRENT ASSETS</b>			
Other Receivables		3.260	2.411
Other Receivables Due From Unrelated Parties		3.260	2.411
Property, plant and equipment		174.970	159.739
Vehicles		34	49
Fixtures and fittings		103.983	91.567
Leasehold Improvements		70.534	65.452
Construction in Progress		419	2.671
Right of Use Assets		420.721	
Intangible assets and goodwill		207.016	194.454
Goodwill		144.332	136.878
Brand names		668	711
Licenses		11.502	10.479
Capitalized Development Costs		9.125	4.192
Other intangible assets		41.389	42.194
Prepayments		385	114
Prepayments to Unrelated Parties		385	114
Deferred Tax Asset		1.809	1.880
<b>Total non-current assets</b>		<b>808.161</b>	<b>358.598</b>
<b>Total assets</b>		<b>2.008.147</b>	<b>1.343.910</b>
<b>LIABILITIES AND EQUITY</b>			
<b>CURRENT LIABILITIES</b>			
Current Borrowings		370.575	79.742
Current Borrowings From Related Parties		1.363	0
Lease Liabilities		1.363	0
Current Borrowings From Unrelated Parties		369.212	79.742
Bank Loans		180.406	79.742
Lease Liabilities		188.806	0
Current Portion of Non-current Borrowings		203.899	204.317
Current Portion of Non-current Borrowings from Unrelated Parties		203.899	204.317
Bank Loans		203.899	204.317
Trade Payables		574.146	510.284
Trade Payables to Related Parties		199.865	155.105
Trade Payables to Unrelated Parties		374.281	355.179
Employee Benefit Obligations		23.976	32.512
Other Payables		17.815	16.534
Other Payables to Related Parties		10.926	10.330
Other Payables to Unrelated Parties		6.889	6.204
Derivative Financial Liabilities		6.820	9.577
Deferred Income Other Than Contract Liabilities		17.579	17.086
Current tax liabilities, current		10.837	2.732
Current provisions		15.944	13.034
Current provisions for employee benefits		4.509	2.679
Other current provisions		11.435	10.355

Other Current Liabilities		11.362	11.116
Other Current Liabilities to Unrelated Parties		11.362	11.116
SUB-TOTAL		1.252.953	896.934
Total current liabilities		1.252.953	896.934
NON-CURRENT LIABILITIES			
Long Term Borrowings		368.994	91.985
Long Term Borrowings From Related Parties		3.345	0
Lease Liabilities		3.345	0
Long Term Borrowings From Unrelated Parties		365.649	91.985
Bank Loans		122.383	91.985
Lease Liabilities		243.266	0
Deferred Income Other Than Contract Liabilities		114	119
Non-current provisions		5.848	5.018
Non-current provisions for employee benefits		5.848	5.018
Deferred Tax Liabilities		2.522	12.686
Total non-current liabilities		377.478	109.808
Total liabilities		1.630.431	1.006.742
EQUITY			
Equity attributable to owners of parent		370.225	333.774
Issued capital		49.657	49.657
Effects of Business Combinations Under Common Control		-35.757	-35.757
Other Accumulated Comprehensive Income (Loss) that will not be Reclassified in Profit or Loss		-4.571	-4.460
Gains (Losses) on Revaluation and Remeasurement		-4.571	-4.460
Gains (Losses) on Remeasurements of Defined Benefit Plans		-4.571	-4.460
Other Accumulated Comprehensive Income (Loss) that will be Reclassified in Profit or Loss		65.349	56.477
Exchange Differences on Translation		70.669	63.935
Gains (Losses) on Hedge		-5.320	-7.458
Gains (Losses) on Cash Flow Hedges		-5.320	-7.458
Restricted Reserves Appropriated From Profits		19.771	19.771
Legal Reserves		19.771	19.771
Prior Years' Profits or Losses		248.086	156.569
Current Period Net Profit Or Loss		27.690	91.517
Non-controlling interests		7.491	3.394
Total equity		377.716	337.168
Total Liabilities and Equity		2.008.147	1.343.910

# Statement of Profit or Loss and Other Comprehensive Income

Presentation Currency	1.000 TL
Nature of Financial Statements	Consolidated

	Footnote Reference	Current Period 01.02.2019 - 31.07.2019	Previous Period 01.02.2018 - 31.07.2018	Current Period 3 Months 01.05.2019 - 31.07.2019	Previous Period 3 Months 01.05.2018 - 31.07.2018
<b>Statement of Profit or Loss and Other Comprehensive Income</b>					
<b>PROFIT (LOSS)</b>					
Revenue		1.340.120	1.062.476	691.767	526.638
Cost of sales		-678.773	-505.517	-337.385	-237.009
GROSS PROFIT (LOSS) FROM COMMERCIAL OPERATIONS		661.347	556.959	354.382	289.629
GROSS PROFIT (LOSS)		661.347	556.959	354.382	289.629
General Administrative Expenses		-79.281	-64.105	-42.574	-34.261
Marketing Expenses		-410.093	-358.535	-212.252	-183.709
Research and development expense		-11.443	-13.479	-6.280	-6.911
Other Income from Operating Activities		1.080	4.929	-4.830	4.659
Other Expenses from Operating Activities		-1.100	-3.339	291	1.383
PROFIT (LOSS) FROM OPERATING ACTIVITIES		160.510	122.430	88.737	70.790
Investment Activity Expenses		-179	-577	25	-544
PROFIT (LOSS) BEFORE FINANCING INCOME (EXPENSE)		160.331	121.853	88.762	70.246
Finance income		5.408	778	3.981	107
Finance costs		-124.909	-54.772	-64.104	-35.128
PROFIT (LOSS) FROM CONTINUING OPERATIONS, BEFORE TAX		40.830	67.859	28.639	35.225
Tax (Expense) Income, Continuing Operations		-9.237	-15.077	-7.128	-7.502
Current Period Tax (Expense) Income		-20.629	-25.078	-12.047	-11.924
Deferred Tax (Expense) Income		11.392	10.001	4.919	4.422
PROFIT (LOSS) FROM CONTINUING OPERATIONS		31.593	52.782	21.511	27.723
PROFIT (LOSS)		31.593	52.782	21.511	27.723
<b>Profit (loss), attributable to [abstract]</b>					
Non-controlling Interests		3.903	1.624	563	-106
Owners of Parent		27.690	51.158	20.948	27.829
<b>Earnings per share [abstract]</b>					
<b>Earnings per share [line items]</b>					
<b>Basic earnings per share</b>					
<b>Diluted Earnings Per Share</b>					
<b>OTHER COMPREHENSIVE INCOME</b>					
Other Comprehensive Income that will not be Reclassified to Profit or Loss		-111	48	-28	33
Gains (Losses) on Remeasurements of Defined Benefit Plans		-142	62	-36	42
Taxes Relating To Components Of Other Comprehensive Income That Will Not Be Reclassified To Profit Or Loss		31	-14	8	-9
Deferred Tax (Expense) Income		31	-14	8	-9
Other Comprehensive Income That Will Be Reclassified to Profit or Loss		9.066	27.854	-26.305	19.332
Exchange Differences on Translation		6.928	28.159	-10.697	20.380
Gains (Losses) on Exchange Differences on Translation		6.928	28.159	-10.697	20.380
Other Comprehensive Income (Loss) Related with Cash Flow Hedges		2.741	-391	-20.010	-1.344
Gains (Losses) on Cash Flow Hedges		2.741	-391	-20.010	-1.344
Taxes Relating to Components of Other Comprehensive Income that will be Reclassified to Profit or Loss		-603	86	4.402	296
Deferred Tax (Expense) Income		-603	86	4.402	296
<b>OTHER COMPREHENSIVE INCOME (LOSS)</b>		<b>8.955</b>	<b>27.902</b>	<b>-26.333</b>	<b>19.365</b>
<b>TOTAL COMPREHENSIVE INCOME (LOSS)</b>		<b>40.548</b>	<b>80.684</b>	<b>-4.822</b>	<b>47.088</b>
<b>Total Comprehensive Income Attributable to</b>					
Non-controlling Interests		4.097	935	121	-916
Owners of Parent		36.451	79.749	-4.943	48.004

# Statement of cash flows (Indirect Method)

Presentation Currency	1.000 TL
Nature of Financial Statements	Consolidated

	Footnote Reference	Current Period 01.02.2019 - 31.07.2019	Previous Period 01.02.2018 - 31.07.2018
<b>Statement of cash flows (Indirect Method)</b>			
<b>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</b>		<b>256.252</b>	<b>126.277</b>
Profit (Loss)		31.593	52.782
Profit (Loss) from Continuing Operations		31.593	52.782
<b>Adjustments to Reconcile Profit (Loss)</b>		<b>272.374</b>	<b>104.726</b>
Adjustments for depreciation and amortisation expense		136.390	34.901
Adjustments for Impairment Loss (Reversal of Impairment Loss)		4.012	7.175
Adjustments for Impairment Loss (Reversal of Impairment Loss) of Receivables		114	-210
Adjustments for Impairment Loss (Reversal of Impairment Loss) of Inventories		3.797	7.165
Other Adjustments for Impairment Loss (Reversal of Impairment Loss)		101	220
Adjustments for provisions		5.935	3.499
Adjustments for (Reversal of) Provisions Related with Employee Benefits		5.935	3.499
Adjustments for Interest (Income) Expenses		120.628	43.482
Adjustments for Interest Income		-3.405	-388
Adjustments for interest expense		124.033	43.870
Adjustments for unrealised foreign exchange losses ( gains)		-4.883	404
Adjustments for fair value losses (gains)		876	-390
Adjustments for Fair Value (Gains) Losses on Derivative Financial Instruments		876	-390
Adjustments for Tax (Income) Expenses		9.237	15.077
Adjustments for losses (gains) on disposal of non-current assets		179	578
Adjustments for Losses (Gains) Arised From Sale of Tangible Assets		179	578
<b>Changes in Working Capital</b>		<b>-43.680</b>	<b>-15.009</b>
Adjustments for decrease (increase) in trade accounts receivable		-35.236	-20.416
Decrease (Increase) in Trade Accounts Receivables from Unrelated Parties		-35.236	-20.416
Decrease (increase) in Financial Sector Receivables		0	0
Adjustments for Decrease (Increase) in Other Receivables Related with Operations		4.397	11.529
Decrease (Increase) in Other Unrelated Party Receivables Related with Operations		4.397	11.529
Adjustments for decrease (increase) in inventories		-61.155	-81.894
Decrease (Increase) in Prepaid Expenses		-3.685	-6.521
Adjustments for increase (decrease) in trade accounts payable		63.889	87.096
Increase (Decrease) in Trade Accounts Payables to Related Parties		44.787	9.162
Increase (Decrease) in Trade Accounts Payables to Unrelated Parties		19.102	77.934
Increase (Decrease) in Employee Benefit Liabilities		-8.535	2.148
Adjustments for increase (decrease) in other operating payables		1.765	1.680
Increase (Decrease) in Other Operating Payables to Unrelated Parties		1.765	1.680
Increase (Decrease) in Deferred Income Other Than Contract Liabilities		489	1.670
Other Adjustments for Other Increase (Decrease) in Working Capital		-5.609	-10.301
Decrease (Increase) in Other Assets Related with Operations		-5.852	-8.890
Increase (Decrease) in Other Payables Related with Operations		243	-1.411
<b>Cash Flows from (used in) Operations</b>		<b>260.287</b>	<b>142.499</b>
Payments Related with Provisions for Employee Benefits		-3.600	-2.396
Income taxes refund (paid)		-435	-13.826
<b>CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES</b>		<b>-49.450</b>	<b>-47.685</b>
Cash Flows Used in Obtaining Control of Subsidiaries or Other Businesses		0	-14.507

Proceeds from sales of property, plant, equipment and intangible assets		74	37
Proceeds from sales of property, plant and equipment		74	37
Purchase of Property, Plant, Equipment and Intangible Assets		-52.838	-33.603
Purchase of property, plant and equipment		-40.684	-30.885
Purchase of intangible assets		-12.154	-2.718
Interest received		3.314	388
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		-75.222	-131.817
Proceeds from borrowings		307.147	186.275
Proceeds from Loans		307.147	186.275
Repayments of borrowings		-180.272	-249.034
Loan Repayments		-180.272	-249.034
Payments of Lease Liabilities		-119.148	0
Cash Receipts from Future Contracts, Forward Contracts, Option Contracts and Swap Contracts		-892	-35
Dividends Paid		0	-25.925
Interest paid		-38.627	-15.555
Other inflows (outflows) of cash		-43.430	-27.543
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS BEFORE EFFECT OF EXCHANGE RATE CHANGES		131.580	-53.225
Net increase (decrease) in cash and cash equivalents		131.580	-53.225
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		262.023	266.280
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		393.603	213.055



Previous Period 01.02.2018 - 31.07.2018	Statement of changes in equity (abstract)													
	Statement of changes in equity (line items)													
	Equity at beginning of period		49.657	-35.757	-5.145	25.310	666		17.427	111.717	85.871	249.736	-2.555	247.181
	Adjustments Related to Accounting Policy Changes													
	Adjustments Related to Required Changes in Accounting Policies									215		215		215
	Adjustments Related to Voluntary Changes in Accounting Policies													
	Adjustments Related to Errors													
	Other Restatements													
	Restated Balances													
	Transfers									85.871	-85.871			
	Total Comprehensive Income (Loss)				48	28.848	-305				51.158	79.749	935	80.684
	Profit (loss)													
	Other Comprehensive Income (Loss)													
	Issue of equity													
	Capital Decrease													
	Capital Advance													
	Effect of Merger or Liquidation or Division													
	Effects of Business Combinations Under Common Control													
	Advance Dividend Payments													
	Dividends Paid								2.344	-28.269	-25.925		-25.925	
	Decrease through Other Distributions to Owners													
	Increase (Decrease) through Treasury Share Transactions													
	Increase (Decrease) through Share-Based Payment Transactions													
	Acquisition or Disposal of a Subsidiary													
	Increase (decrease) through changes in ownership interests in subsidiaries that do not result in loss of control, equity													
	Transactions with noncontrolling shareholders									-12.965	-12.965		-1.542	-14.507
	Increase through Other Contributions by Owners													
	Amount Removed from Reserve of Cash Flow Hedges and Included in Initial Cost or Other Carrying Amount of Non-Financial Asset (Liability) or Firm Commitment for which Fair Value Hedge Accounting is Applied													
	Amount Removed from Reserve of Change in Value of Time Value of Options and Included in Initial Cost or Other Carrying Amount of Non-Financial Asset (Liability) or Firm Commitment for which Fair Value Hedge Accounting is Applied													
	Amount Removed from Reserve of Change in Value of Forward Elements of Forward Contracts and Included in Initial Cost or Other Carrying Amount of Non-Financial Asset (Liability) or Firm Commitment for which Fair Value Hedge Accounting is Applied													
	Amount Removed from Reserve of Change in Value of Foreign Currency Basis Spreads and Included in Initial Cost or Other Carrying Amount of Non-Financial Asset (Liability) or Firm Commitment for which Fair Value Hedge Accounting is Applied													
	Increase (decrease) through other changes, equity													
Equity at end of period		49.657	-35.757	-5.097	54.158	351		19.771	156.569	51.158	290.810	-3.162	287.649	
	Statement of changes in equity (abstract)													
	Statement of changes in equity (line items)													
	Equity at beginning of period		49.657	-35.757	-4.460	63.935	-7.458		19.771	156.569	91.517	333.774	3.394	237.168
	Adjustments Related to Accounting Policy Changes													
	Adjustments Related to Required Changes in Accounting Policies													
	Adjustments Related to Voluntary Changes in Accounting Policies													
	Adjustments Related to Errors													
	Other Restatements													
	Restated Balances													
	Transfers									91.517	-91.517			
	Total Comprehensive Income (Loss)				-111	6.734	2.138					36.451	4.097	40.548
	Profit (loss)													
	Other Comprehensive Income (Loss)													
	Issue of equity													
	Capital Decrease													
	Capital Advance													
	Effect of Merger or Liquidation or Division													
	Effects of Business Combinations Under Common Control													
	Advance Dividend Payments													
	Dividends Paid													

Current Period 01.02.2019 - 31.07.2019															
	Decrease through Other Distributions to Owners														
	Increase (Decrease) through Treasury Share Transactions														
	Increase (Decrease) through Share-Based Payment Transactions														
	Acquisition or Disposal of a Subsidiary														
	Increase (decrease) through changes in ownership interests in subsidiaries that do not result in loss of control, equity														
	Transactions with noncontrolling shareholders														
	Increase through Other Contributions by Owners														
	Amount Removed from Reserve of Cash Flow Hedges and Included in Initial Cost or Other Carrying Amount of Non-Financial Asset (Liability) or Firm Commitment for which Fair Value Hedge Accounting is Applied														
	Amount Removed from Reserve of Change in Value of Time Value of Options and Included in Initial Cost or Other Carrying Amount of Non-Financial Asset (Liability) or Firm Commitment for which Fair Value Hedge Accounting is Applied														
	Amount Removed from Reserve of Change in Value of Forward Elements of Forward Contracts and Included in Initial Cost or Other Carrying Amount of Non-Financial Asset (Liability) or Firm Commitment for which Fair Value Hedge Accounting is Applied														
	Amount Removed from Reserve of Change in Value of Foreign Currency Basis Spreads and Included in Initial Cost or Other Carrying Amount of Non-Financial Asset (Liability) or Firm Commitment for which Fair Value Hedge Accounting is Applied														
	Increase (decrease) through other changes, equity														
	Equity at end of period		49.657	-35.757	-4.571	70.669	-5.320			19.771	248.086	27.690	370.225	7.491	377.716