

Mavi reports TL 26 billion 293 million in consolidated revenues

Mavi, Turkey's leading jeans and apparel brand, today announced its 2023FY results. According to the financial statements for the fiscal year from February 1, 2023 to January 31, 2024, **adjusted to inflation accounting**, the company's consolidated revenues increased by **25%** (pre IAS 29 91%) year on year, reaching **TL 26 billion 293 million**. With this strong performance, the company posted **TL 1 billion 757 million** in net profits. Mavi completed the year with **TL 4 billion 959 million** in EBITDA and an **EBITDA margin of 18.9%**. Mavi continued to generate cash from its operations, increasing its net cash position to **TL 3 billion 662 million, supporting its robust balance sheet**. Based on the indicators in the third quarter, the company had **revised its year-end 2023 revenue growth guidance upward to exceed 85%**. According to data before IAS 29 inflation adjustments, Mavi surpassed this guidance, capturing a **91% growth** in consolidated revenues year on year.

Mavi's successful growth trend across retail, wholesale and e-commerce continued throughout 2023 in Turkey and international markets. Retail sales accounted for 68%, wholesale for 22%, and online for 10% of the revenues that the company achieved through 471 stores and nearly 3,500 doors in 37 countries, and a strong e-commerce platform.

Maintaining its sustainable profitable growth, Mavi **increased its retail sales in Turkey by 31% and e-commerce by 26%** (inflation-adjusted rates). With seven net store openings in Turkey, Mavi's retail square footage grew by 4%, bringing the total sales space to 174 thousand 500 square meters. While LFL (like-for-like) sales increased by 31%, a 17% rise in number of transactions and a 12% in basket size contributed to the growth.

A review of 2023 by Mavi CEO Cüneyt Yavuz

Mavi CEO Cüneyt Yavuz commented on the company's performance over the past year:

"At Mavi, our hard work delivered strong financial results, while our commitment as a responsible brand to our employees, customers, business partners, and community remained steadfast throughout the year. As a **people-oriented global company with sound financial management**, we closed the year with 25% growth according to inflation-adjusted results. Recognizing the increasing importance of **change management and data-driven decision-making** in today's landscape, we kept our **strategic focus on sustainable, profitable growth and long-term goals**. A **robust balance sheet structure bolstered by a flexible supply chain, precise planning, and diligent inventory and cash flow management** contributed to our efforts to maintain our profitability. I am grateful to my dedicated team, invaluable business partners, investors, and loyal customers for their contributions to Mavi's continued success."

"We sold 14 million pairs of jeans worldwide in 2023"

"Throughout 2023, we remained focused on doing what we do best, introducing denim innovations and newness and variety in lifestyle products to offer collections appealing to diverse consumer tastes. Capturing growth in both volume and value across all product categories, including denim and non-denim, we sold **14 million pairs of jeans** worldwide in 2023, with a year on year increase of 12%. As a

result, we expanded our market shares across women's, men's, and denim categories, solidifying our position as a leader in the industry."

"We acquired 1.3 million new customers in 2023"

"We are dedicated to creating the happiest Mavi customers and offering the best shopping experience both in-store and online. Therefore, we continue to expand our omni-channel applications to achieve ultimate customer satisfaction. In addition to increasing the shopping frequency and basket size, we grew our Kartuş customer base to 9.2 million people, including 6.9 million active users, through strategic engagement with prospective customer segments. With our app installed on 5.7 million mobile devices, we surpassed our goal of acquiring 1 million new customers annually, welcoming **1.3 million new members**. The demographic profile of our new customers, with 70% under 35 and 37% under 25, demonstrates that younger audiences are a key driver of Mavi's growth. Leveraging personalized approaches, brand partnerships, strong communications, and data-driven methodologies allows us to cater to customers of all ages, sizes, clothing preferences, and lifestyles."

"We were recognized as the most trusted* brand in Turkey"

"Aligned with our market positioning and strategy of offering the right product at the right price with high quality and a customer-centric approach, we further solidified our status as a 'trust brand'. Recognition as **Turkey's most trusted brand** in 2023 is a great motivator for us and a reminder of our commitment to ensuring customer trust and satisfaction."

* According to Future Bright's trust link index survey.

"We maintained our place among global climate leaders"

"We continue to make strides in our sustainability journey with our **All Blue** strategy, focused on **People, Planet, Community, and Denim**. With our Climate Change and Water Security reporting, we became **the first and only Turkish apparel company** to make the **A list** of CDP, the world's largest environmental disclosure platform, with a **double A score**. The share of our sustainable All Blue collection in revenues rose to 25%, with All Blue denim sales accounting for 51% of our total denim sales."

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