

*arzum*

INTERIM ACTIVITY REPORT  
FOR THE PERIOD  
1 JANUARY – 31 MARCH 2026



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## GENERAL INFORMATION

Arzum Elektrikli Ev Aletleri Sanayi ve Ticaret Anonim Şirketi ("the Company") engages in the trade of electric home appliances through wholesalers, retailers, and chain stores, as well as via e-commerce.

### a) Reporting Period

1 January– 31 March 2026

### b) Company Information

<b>Trade Name</b>	<b>Arzum Elektrikli Ev Aletleri Sanayi ve Ticaret A.Ş.</b>
<b>Commercial Registry Number</b>	148674
<b>Headquarters Address</b>	Defterdar Mahallesi Otakçılar Cad. Sinpaş Flatofis No:78 İç Kapı No:34, Eyüpsultan - İstanbul
<b>Phone Number</b>	0 (212) 467 80 80
<b>Fax Number</b>	0 (212) 467 80 00
<b>Corporate web sites</b>	<a href="http://www.arzum.com.tr">www.arzum.com.tr</a>

### c) Information Regarding the Company's Capital and Ownership Structure :

**Authorized Capital Limit** : 2.000.000.000, -TL

**Issued Capital** : 600.000.000, -TL

The authorized capital ceiling approved by the Capital Markets Board is valid for the period 2024–2028 (5 years), and the current ownership structure is as follows.

Ownership Structure	Share Group	Share Amount (TL)	Share (%)
Talip Murat Kolbaşı	A	32.760.009	5,46%
	B	13.560.009	2,26%
Ali Osman Kolbaşı	A	29.119.999	4,85%
	B	10.060.000	1,68%
Yasemin Rezan Kolbaşı	A	25.740.004	4,29%
	B	6.810.005	1,14%
Zeynep Figen Peker	A	25.740.004	4,29%
	B	6.810.005	1,14%
Aliye Kolbaşı	A	18.719.981	3,12%
	B	59.982	0,01%
Rengin Yağan	A	11.959.999	1,99%
	B	-	-
Bora Kolbaşı	A	2.990.002	0,50%
	B	2.875.003	0,48%
İbrahim Buğra Kolbaşı	A	2.990.002	0,50%
	B	2.875.003	0,48%
Kayra Kolbaşı	A	2.990.002	0,50%
	B	2.875.003	0,48%
Filiz Kolbaşı	A	2.989.993	0,50%
	B	2.874.995	0,48%
Other	B	395.200.000	65,87%
<b>Total</b>		<b>600.000.000</b>	<b>100,00%</b>

**d) Disclosures Regarding Preferred Shares and Voting Rights of Shares**

The Company holds the right to nominate candidates for the election of members of the board of directors for its Class A shares. However, the Company's articles of incorporation do not grant shareholders any special rights regarding the exercise of voting rights. Each share carries one vote.

**e) Amendments to the Articles of Association Made During the Period**

Pursuant to the Board of Directors' Resolution dated April 16, 2026, and in light of the need to specify the primary business activity in the Articles of Association—as required by relevant authorities when obtaining a “NACE code” (an international economic activity code used to classify business sectors)—the Company has decided to amend Article 3 of its Articles of Association, titled “Purpose and Scope,” to ensure compliance with applicable regulations. under the heading “Purpose and Scope,” and to authorize the management to carry out all necessary actions and procedures, including submitting applications to the Capital Markets Board and the Ministry of Trade to obtain the required legal approvals for this purpose, the participants unanimously decided to grant such authorization. As part of the amendment to Article 3 of the Company's Articles of Association titled “Purpose and Scope,” an application was submitted on April 16, 2026, for the necessary approval from the Capital Markets Board. However, no amendment to the Articles of Association was finalized during the period.

**f) Board of Directors, Evaluation of Board Committees, Information Regarding Senior Executives**

**I. Members of the Board of Directors**

The members of the Company's Board of Directors were elected at the Annual General Meeting held on June 23, 2025, to serve for a term of one year, in accordance with the Turkish Commercial Code and relevant regulations and within the framework of the Company's Articles of Association.

<b>Board Member</b>	<b>Role</b>	<b>Date of Appointment</b>
Talip Murat Kolbaşı	Chairman	23.06.2025
Yasemin Rezan Kolbaşı	Vice Chair	23.06.2025
Ali Osman Kolbaşı	Board Member	23.06.2025
Hakan Erkun	Member of the Board and CEO	31.12.2025
Yıldırım Can Arpaçay (*)	Independent Board Member	01.01.2026
Murat Onsekizoğlu (**)	Independent Board Member	10.04.2026

(\*) The resignation of Ms. Server Gamze Çuhadaroğlu, who resigned from her position as an Independent Board Member as of December 31, 2025, has been accepted by the Board of Directors. In accordance with Article 363 of the Turkish Commercial Code (TCC), Mr. Yıldırım Can Arpaçay has been appointed to the vacated seat to complete the remaining term of office, effective from January 1, 2026, subject to the approval of the first upcoming General Assembly.

(\*\*) The resignation of Mr. Cenk Serdar, who resigned from his position as an Independent Board Member via a petition dated February 9, 2026, was accepted by the Board of Directors' resolution dated February 10, 2026. In accordance with Article 363 of the Turkish Commercial Code (TCC), Mr. Murat Onsekizoğlu has been appointed to the vacated seat to complete the remaining term of office, effective from April 10, 2026, subject to the approval of the first upcoming General Assembly.

[Click here](#), to view the profiles of our Board of Directors.

## II. Board Committees

The working principles and duties of the Board Committees have been published and are accessible via the Public Disclosure Platform (KAP) and the Investor Relations page of our corporate website, [www.arzum.com.tr](http://www.arzum.com.tr).

Committee	Members	Role	Nature	Meeting Frequency
<b>Audit Committee</b>	Yıldırım Can Arpaçay	Chair	Independent Board Member	Meets at least four times a year, at least once every three months.
	Murat Onsekizoğlu	Member	Independent Board Member	
<b>Corporate Governance Committee (*)</b>	Yıldırım Can Arpaçay	Chair	Independent Board Member	Meets at least twice a year.
	Murat Onsekizoğlu	Member	Independent Board Member	
	İnci Tarı	Member	Investor Relations and Sustainability Manager	
<b>Committee on Early Risk Detection</b>	Murat Onsekizoğlu	Chair	Independent Board Member	Meets at least six times a year, once every two months.
	Yıldırım Can Arpaçay	Member	Independent Board Member	
	Hakan Erkun	Member	Member of the Board and CEO	
<b>Executive Committee</b>	Talip Murat Kolbaşı	Chair	Chairman of the Board	Meets at least once a month, for a total of at least 12 times a year.
	Yasemin Rezan Kolbaşı	Member	Vice Chair of the Board	
	Ali Osman Kolbaşı	Member	Board Member	
<b>Sustainability Committee</b>	Hakan Erkun	Chair	Member of the Board and CEO	Meets at least twice a year.
	İnci Tarı	Member	Investor Relations and Sustainability Manager	
	Aslı Yanıkömeroğlu	Member	Assistant Manager of Financial Planning and Control	

\* In accordance with the Corporate Governance Communiqué No. II-17.1 issued by the Capital Markets Board (SPK), the duties of the Nomination and Compensation Committees are carried out by the Corporate Governance Committee.

### III. Senior Executives

Senior Management	Role	Date of Appointment
Hakan Erkun	Board Member, General Manager/CEO	31.12.2025
Canyiğit Atay	Vice President of Product and Marketing	30.04.2026

### IV. Financial Benefits Provided to Board Members and Senior Executives

The Group's senior management team consists of the Members of the Board of Directors and Members of the Executive Board. Benefits provided to senior executives comprise payments made within the scope of salaries, severance pay, bonuses, private pension contributions, health insurance, life insurance, and other expenses such as housing allowances for expatriate personnel, relocation costs, vehicle leasing, fuel, and mobile phone expenses, as well as provisions for employee termination benefits and other related accruals.

The total benefits provided to the senior management team for the period January 1 – March 31, 2026 amounted to TL 18,227,832 (March 31, 2025: TL 33,603,716).



**g) Arzum Milestones**

<b>DATE</b>	<b>DEVELOPMENT</b>
1950'ler	The company's roots trace back to a sole proprietorship established in the early 1950s by Kazım Kolbaşı, Kemal Kolbaşı, and İbrahim Kolbaşı.
1966	The "Arzum" brand has been introduced.
1977	The company was founded in 1977 under the name "Güney İthalat Anonim Şirketi" and began conducting its operations under this legal entity.
1993	Arzum Dış Ticaret A.Ş. was established to market "Arzum" products.
2002	The first electric coffee pot, a milestone in the industry, has been launched.
2005	Felix Electric Home Appliances Inc. was established to cater to different consumer segments.
2007	The company was registered under the name "Arzum Electric Home Appliances Industry and Trade Inc.," as we know it today.
2008	Arzum Dış Ticaret and Felix have been merged under a single umbrella to improve efficiency.
2008	A partnership has been established with the global giant Ashmore Group; the fund has acquired a 49% stake in the company.
2009	Arzum Asia Pacific Ltd. was established in Hong Kong as the hub for its global operations.
2012	The company issued bonds for the first time to diversify its financing sources.
2013	Ashmore Group has ushered in a new era of partnership by transferring its shares to SDA International (Mediterra Capital).
2019	Arzum was honored with the ***"Best Managed Company Award"*** as part of the "Best Managed Companies" program organized by Deloitte Private, in recognition of its success in criteria such as strategy and financial performance.
2020	Arzum shares have begun trading on Borsa Istanbul (under the ticker symbol ARZUM).
2021	Arzum has reinforced its "design-focused technology" vision by winning dozens of awards from the world's most prestigious design competitions, such as the Red Dot, iF Design, and Plus X Awards.
2022	As part of its vision to promote Turkish coffee culture in global markets, Arzum has accelerated its growth momentum worldwide with the OKKA series.
2023	With a brand philosophy focused on social and environmental responsibility, Arzum published its first Sustainability Report; its financial strength was bolstered through new instruments in the capital markets, such as sukuk.
2024	The establishment of "Arzum FZE" in Dubai marked a critical step in the company's Middle East and globalization strategy.
2024-2025	With bond and note issuances totaling over 2 billion TL, the company diversified its financing sources and maintained strong investor confidence in the capital markets.
2025	Through paid-in and non-paid-in capital increases, the Company's capital was increased to 600,000,000 TL.
2026	An application has been filed with the Capital Markets Board (SPK) to increase the company's capital to 1.2 billion TL.
2026	It was announced that a decision has been made to hold talks with potential buyers regarding the sale of shares by the controlling shareholders or potential partnerships.
2026	A strategic Memorandum of Understanding has been signed with Ülkügrup (Ülkea) to license the Arzum brand in new categories such as home textiles and furniture.

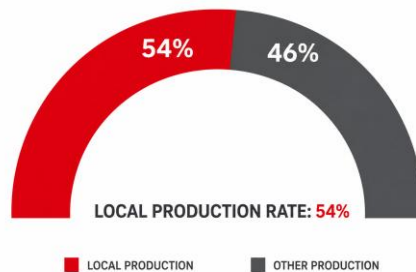
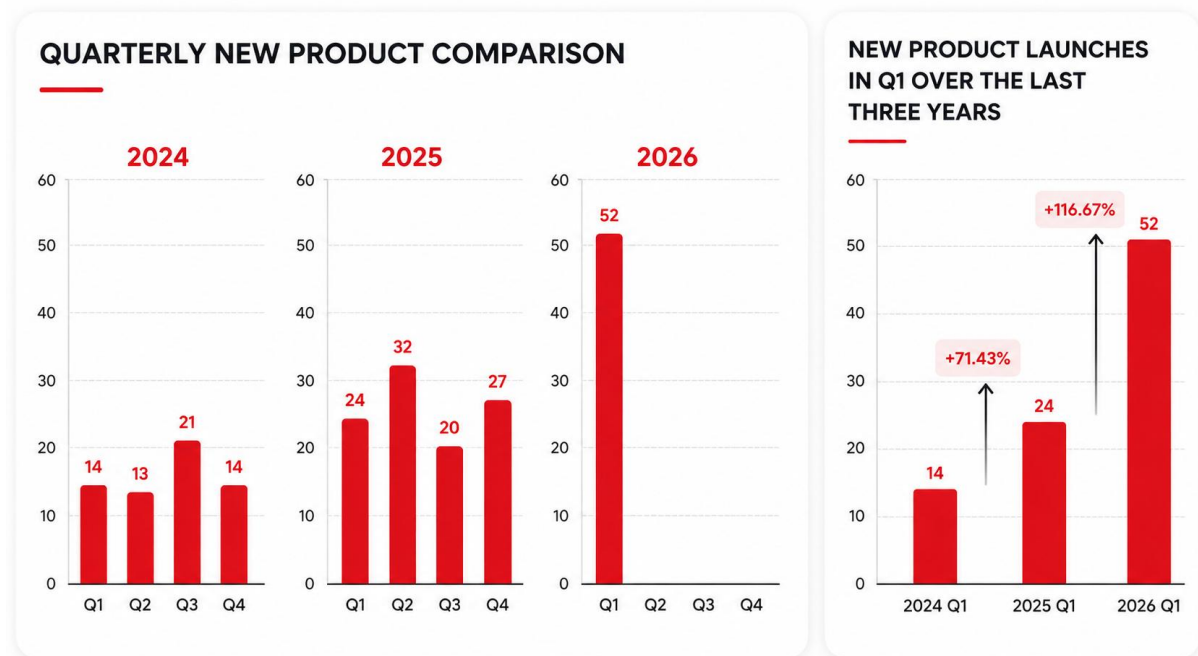


## IMPORTANT DEVELOPMENTS REGARDING THE COMPANY'S OPERATIONS

### a) Research and Development

As in previous years, Research and Development activities were conducted simultaneously in Turkey and China during the first quarter of 2026, guided by a focus on innovation, sustainable growth, and a user-centric approach. As part of the work carried out in the fields of design, engineering, project management, and intellectual property, evolving consumer needs were closely monitored; projects focused on technology, quality, ergonomics, user experience, and sustainability were developed. Alongside these efforts, activities aimed at strengthening a product portfolio that is globally competitive and adaptable to current market needs continued.

In the first quarter of 2026, a total of 36 new projects—15 of which were new platforms—were completed, and 52 new SKUs were launched. The number of new products launched increased by 116.67% compared to the first quarter of 2025. The fact that a 71.43% increase was recorded in the first quarter of 2026 compared to the same period of the previous year demonstrates that the sustainable growth approach and momentum in R&D activities are continuing steadily.



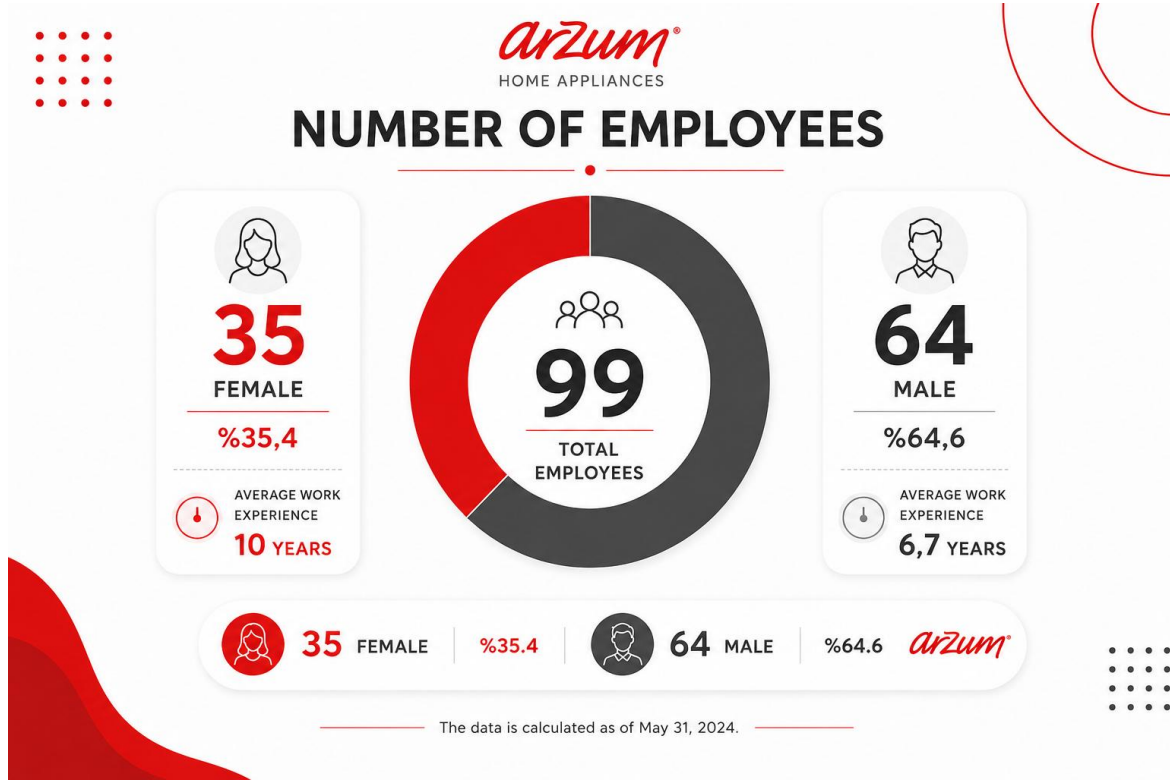
54% of the new products launched in the first quarter of 2026 were domestically produced. These products, developed through our in-house engineering, R&D, and product development capabilities, have not only strengthened our company's technology development capacity but also made a significant contribution to supporting domestic production and enhancing the value-added production capacity of Turkish industry. Thanks to the design, engineering, and development activities conducted within the company, we have continued to add innovative products capable of competing on a global scale to our product portfolio.

## b) Donations and Aid

The total amount of donations and contributions made to various social welfare organizations as of March 31, 2026, is 10,147 TL (March 31, 2025: 339,655 TL- Restated according to March 31, 2026 Purchasing Power of TL).

## c) Staff Movements

As of March 31, 2026, the Group had 99 employees (December 31, 2025: 109). The average length of service for employees is 7.9 years.



## d) Securities Transactions

### i. Securities Transactions During the Period

The Company's public disclosures regarding securities during the fiscal year are as follows:

Date	Explanation
<a href="#">14 January 2026</a>	The redemption and interest payment transactions for the Financing Bond with ISIN code TRFAZEV42615 has been completed.
<a href="#">11 February 2026</a>	The redemption and interest payment procedures for the financing bond with ISIN code TRFAZEV52614 has been completed.
<a href="#">3 March 2026</a>	The redemption and interest payment procedures for the financing bond with ISIN code TRFAZEV32616 has been completed.
<a href="#">14 April 2026</a>	The sale of the financing bond with ISIN code TRFAZEV42615 to qualified investors has been completed.

## e) Credit Rating Agency Assessments

**In KAP announcement dated January 20, 2026,** following a review of the company's credit ratings by the credit rating agency JCR Eurasia Rating; the Company's long-term national rating was confirmed as "BB (tr)", its short-term national rating as "J3 (tr)", with both outlooks rated 'Negative', and its long-term international rating in foreign and local currency as "B+", with the outlook rated "Negative", as disclosed to the public.

[JCR Eurasia's announcement dated January 20, 2026](#)

**f) Abnormal Price Movements**

None.

**g) Subsequent Events**

Date	Explanation
30 April 2026	Canyiğit Atay has been appointed to the position of Deputy General Manager for Products and Marketing.
28 April 2026	Following the commencement of the Financial Debt Restructuring process, as disclosed in the financial statement notes and to the public, our headcount as of the September 30, 2025 fiscal year decreased from 156 to 129; as of December 31, 2025, it further decreased to 109; and as of the present, it stands at 99.
24 April 2026	According to a disclosure made in accordance with Article 12(4) of the Special Circumstances Regulation, it has been announced that the shareholding of Talip Murat Kolbaşı, Chairman of the Board of Directors and Partner of the Company, has decreased from 10.71% to 7.72%.
20-21 April 2026	A non-binding Memorandum of Understanding (MoU) has been signed with Ülkea Ülkügrup Ev Konsept Limited Company, based in Izmir, to establish cooperation regarding the licensing, production, and domestic and international sales and distribution of the Arzum brand across the categories of furniture, home textiles, and various home products.
20 April 2026	According to the disclosure made in accordance with Article 12(4) of the Special Circumstances Regulation, it was announced that Company Partner Aliye Kolbaşı's stake in the company has decreased from 6.12% to 3.13%.
15 April 2026	In line with the Company's growth strategies and objectives to diversify its sales channels, a "Sales and Distribution Agreement" has been signed between the Company and Boyner Büyük Mağazacılık A.Ş.—which operates over 100 branches in more than 40 provinces across Turkey—to make the products available to consumers at selected stores within the relevant sales network.
14 April 2026	The sale of the financing notes with ISIN code TRFAZEV72612 to qualified investors has been completed.
14 April 2026	The redemption and yield payment processes for the financing bond with ISIN code TRFAZEV42615 have been completed.
10 April 2026	Mr. Murat Onsekizoğlu, who was recommended in the Corporate Governance Committee's Candidate Evaluation Report and submitted his declaration of independence and consent, has been appointed as an Independent Member of the Board of Directors.
2 April 2026	Our Company has been informed that our individual shareholders, who collectively hold 51% of the shares representing the Company's capital, have decided to enter into discussions with potential buyers regarding the sale of all or part of their shares or the development of various partnerships ("Transaction").
1 April 2026	As part of our company's strategy to increase our market share in the personal care products category and expand our product range, we have launched new-generation hair removal systems featuring IPL (Intense Pulsed Light) technology, following the completion of R&D efforts.



## FINANCIAL PERFORMANCE

The Company's consolidated financial statements for the period from January 1, 2026, to March 31, 2026, have been published on the Public Disclosure Platform, and these reports can be accessed via the "Investor Relations" page on the Company's website at [www.arzum.com.tr](http://www.arzum.com.tr).

The company's summary financial figures and information regarding its financial position are provided below.

### Summary Balance Sheet

TL	31 March 26	31 December 25
Current Assets	1.967.033.866	2.042.997.735
Non-Current Assets	900.541.837	902.972.216
<b>Total Assets</b>	<b>2.867.575.703</b>	<b>2.945.969.951</b>

TL	31 March 26	31 December 25
Short-term Liabilities	3.234.823.425	3.172.050.100
Long-term Liabilities	54.444.504	76.223.075
Shareholders' Equity	(421.692.226)	(302.303.224)
<b>Total Liabilities and Shareholders' Equity</b>	<b>2.867.575.703</b>	<b>2.945.969.951</b>

### Summary Income Statement

TL	1 Ocak – 31 Mart 2026	1 Ocak – 31 Mart 2025	Değişim (%)
Sales	1.015.467.101	1.963.708.020	(48,29%)
Cost of Sales	(707.617.762)	(1.317.103.434)	(46,27%)
Gross Profit	307.849.339	646.604.586	(52,39%)
Operating Income/ (Loss)	(64.980.129)	142.922.159	(145,47%)
EBITDA	20.184.905	247.261.487	(91,84%)
Adjusted EBITDA (*)	39.402.314	280.783.933	(85,97%)
Profit/ (Loss) Before Tax	(121.736.034)	(85.185.252)	42,91%
Net Profit/ (Loss)	(82.587.584)	(100.072.338)	(17,47%)

### Temel Rasyolar

	1 Ocak – 31 Mart 2026	1 Ocak – 31 Mart 2025	1 Ocak – 31 Aralık 2025
Gross Profit Margin	30,32%	32,93%	25,39%
Operating Profit Margin	(6,40%)	7,28%	(5,79%)
EBITDA Margin	1,99%	12,59%	(1,89%)
Adjusted EBITDA Margin (*)	3,88%	14,30%	2,91%
Profit/ (Loss) Before Tax Margin	(11,99%)	(4,34%)	(22,46%)
Net Profit/ (Loss) Margin	(8,13%)	(5,10%)	(17,62%)

(\*) Penalties and expenses related to organizational changes and the Competition Authority's audit have not been included.

## **COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES**

In accordance with Article 5 of the Corporate Governance Circular No. II-17.1 of the Capital Markets Board (CMB), published in the Official Gazette No. 28871 on January 3, 2014, and entered into force, (Communication), the Company has exercised the utmost care to ensure compliance as of the date of the first general meeting. The Company has adopted the principles of equality, transparency, accountability, and responsibility as set forth in the Corporate Governance Principles.

Prior to the Company's 2020 Annual General Meeting, the Disclosure Policy, Donation and Aid Policy, Compensation Policy, and Profit Distribution Policy were approved by our Board of Directors and disclosed to the public; these policies were then presented to the shareholders for their information and approval at the 2020 Annual General Meeting. While the Company's Board of Directors includes two independent members, an independent member was also appointed at the 2020 Annual General Meeting, and committees were established in this context.

While full compliance with the Corporate Governance Principles is the objective, efforts are ongoing regarding the principles where full compliance has not yet been achieved. The status of compliance with principles other than those addressed at the General Meeting was disclosed in the Company's 2025 Annual Report, published on the Public Disclosure Platform and the corporate website on March 19, 2026. More detailed information is available via the links below:

[Corporate Governance Information Form/ Corporate Governance Compliance Report](#)

Efforts to improve corporate governance practices are ongoing. In this context, as disclosed to the public in the KAP announcement dated February 3, 2025, in accordance with the provisions of Article 4.2.8 of the Corporate Governance Principles set forth in the Capital Markets Board's Corporate Governance Regulation No. II-17.1, a "[Directors' and Officers' Liability Insurance](#)" policy has been issued with a coverage amount of 3,300,000 USD. The relevant policy has been renewed for 2026 with the same coverage amount; however, since the amount remains below 25% of the capital, no additional KAP announcement was made.

In addition, the "[Code of Conduct and Ethics Policy](#)," prepared in accordance with Article 3.5 of the corporate governance principles attached to the Capital Markets Board's Corporate Governance Communiqué No. II-17.1, has been revised, approved by our Board of Directors, and disclosed to the public. The principles that are not currently in effect and have not yet been implemented have not, to date, given rise to any conflicts of interest among stakeholders.

Capital Markets Board (CMB) As a result of the assessment conducted by SAHA Corporate Governance and Credit Rating Services Inc., a rating agency authorized to conduct ratings in accordance with the Corporate Governance Principles, regarding our Company's compliance with the Corporate Governance Principles, [the report published on August 15, 2025](#), determined our Company's Corporate Governance Score to be 9.48 out of 10. When examining the scores by subheadings on a scale of 100, the scores were as follows: 90.40 for the Shareholders section, 98.03 for the Disclosure and Transparency section, 96.74 for the Stakeholders section, and 94.77 for the Board of Directors section.

## **COMPLIANCE WITH SUSTAINABILITY PRINCIPLES**

The Company continues its efforts with the aim of complying with the Sustainability Principles Compliance Framework, which was prepared in accordance with the amendments made by the Capital Markets Board to its Corporate Governance Communiqué on October 2, 2020. In accordance with the CMB's decision dated June 23, 2022, No. 34/977, the [Sustainability Compliance Report](#), published on KAP on March 19, 2026, includes information regarding compliance with the principles outlined in the Sustainability template and explanations regarding those for which compliance has not yet been achieved.

**Board of Directors' Activity Report Prepared in Accordance with the  
Communiqué on Principles of Financial Reporting in the Capital Markets (II-14.1)  
01.01.2026 – 31.03.2026**

**LEGAL NOTICE**

This Activity Report ("Report") has been prepared in accordance with applicable laws and regulations. The Report has been prepared for the purpose of informing shareholders and is not intended to serve as a basis for any investment decision. The forward-looking statements and estimated figures contained in the Report reflect the Company's management's views regarding future conditions; actual results may differ depending on the variables and assumptions underlying the forward-looking estimates. Accordingly, the Company, its Board of Directors, advisors, or employees shall not be liable for any loss or damage, whether direct or indirect, incurred by any person as a result of any information or communication conveyed in this Report or based on information contained in or omitted from this Report. As of the date of this Report's preparation, it is believed that all information contained herein is accurate; however, the Company assumes no liability for any errors that may arise during the drafting or printing process.



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