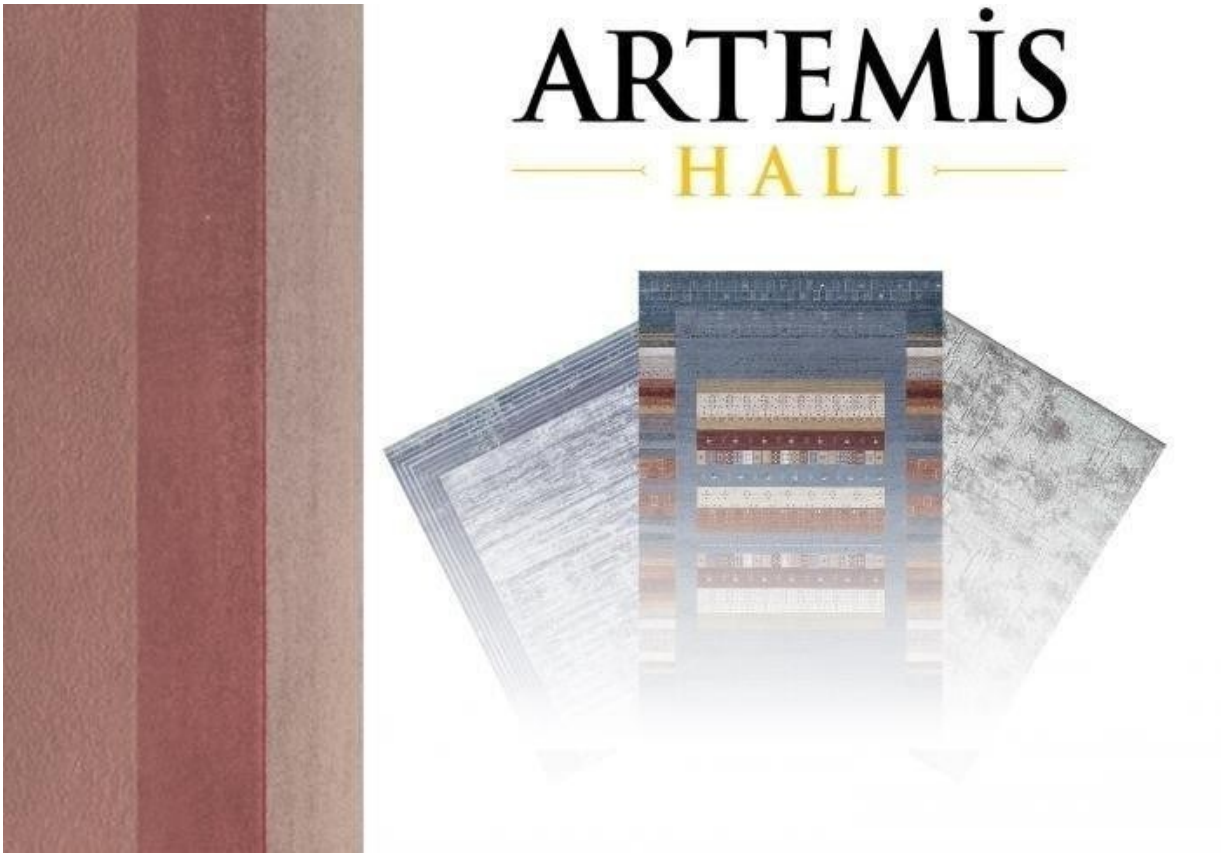


PREPARED PURSUANT TO THE CAPITAL MARKETS BOARD'S

COMMUNIQUÉ II-14.1 ON PRINCIPLES OF FINANCIAL REPORTING IN CAPITAL MARKETS FOR THE PERIOD 01.01.2026 – 30.09.2026 BOARD OF DIRECTORS'

ACTIVITY REPORT

CONTENTS

1. General Information
2. Financial Benefits Provided to Members of the Governing Body and Senior Executives
3. Research and Development Activities
4. Activities and Significant Developments Relating to Activities
5. Financial Position
6. Risks and Assessment by the Governing Body
7. Other Matters

1 – GENERAL INFORMATION

Reporting Period	01.01.2026 – 30.09.2026
Company Trade Name	ARTEMİS HALI A.Ş.
Trade Registry Number	188777-5– Istanbul Chamber of Commerce
Trade Registry Registration Date	16/07/2012
MERSIS No.	01680506168000012
Tax Office / No.	ISTANBUL– Beşiktaş Tax Office Directorate / 1680506168
Registered Office Address	Balmumcu Mah. Itri Sok. No: 8/1 Beşiktaş / İstanbul
Production Address:	5. Organize Sanayi Bölgesi 83505 Nolu Cad. No:11 Şehitkamil / Gaziantep
Contact Details	Telephone: +90 0850 640 0777 Fax: +090 212 544 86 56
Email Address	info@artemishali.com.tr; yatirimci.iliskileri@artemishali.com.tr
Website	www.artemishali.com.tr

Our Company was established in Gaziantep in 2012 under the trade name "BGM Halı Sanayi ve Ticaret A.Ş." and changed its trade name to Artemis Halı A.Ş. in 2015. The relevant resolution was announced in the Trade Registry Gazette dated 24.03.2015.

The Company's principal business is the manufacture, import, export, purchase, sale and marketing of all types of handmade and machine-made carpets, runners, prayer rugs, kilims, blankets and textile products.

The Company's registered address is Balmumcu Mahallesi, Itri Sokak, No:8/1, Beşiktaş/Istanbul, and its factory is located at 5. Organize Sanayi Bölgesi, 83505 Nolu Cad. No:11, Şehitkamil/Gaziantep. The Company's factory in the Gaziantep Organized Industrial Zone and its administrative building in Beşiktaş are leased from Doğu Taşıt Muayene İstasyonları İşletmeciliği A.Ş., a related party of the Company.

Artemis Halı A.Ş. exports mainly to the USA, Mexico, Russia, Jordan, Iraq, Qatar, Saudi Arabia, the United Arab Emirates, Georgia, Belarus, Kyrgyzstan, Slovenia, Uzbekistan, Macedonia, Austria, Dagestan and Kosovo.

The factory building in which Artemis Halı A.Ş. operates has an indoor area of 20,000 m² and an outdoor area of 12,346 m², totaling 32,346 m². According to the Company's capacity report dated 06.01.2025, its carpet weaving capacity is 1,994,304 m².

1.1. Capital and Shareholding Structure

Registered Capital: TRY 250,000,000

Paid-in Capital : TRY 70,000,000

By a Board of Directors resolution dated 8 July 2022, it was resolved to adopt the registered capital system and set the registered capital ceiling at TRY 250,000,000; the application was approved at the CMB meeting dated 03.11.2022 and numbered 65/1611.

Pursuant to the Capital Markets Board's Communiqué on Shares No. VII-128.1, permission was granted for the public offering of Company shares through a capital increase and their listing on Borsa İstanbul A.Ş. The Company's shares began trading on Borsa İstanbul on 04 March 2024.

Capital and Shareholding Structure

The Company's capital and shareholding structure is as follows:

Shareholders	30.09.2026 Shareholding (%)	30.09.2026 Share Amount (TRY)	31.12.2025 Shareholding (%)	31.12.2025 Share Amount (TRY)
Davut Batallı	48.99%	34,295,000	48.99%	34,295,000
Davut Tolga Batallı	22.66%	15,864,833	22.66%	15,864,833
Publicly Held Portion	28.34%	19,840,167	28.34%	19,840,167
Capital	**100%**	**70,000,000**	**100%**	**70,000,000**
Inflation Adjustment		485,162,426		485,162,426
Adjusted Capital		**555,162,426**		**555,162,426**

The Company's fully paid-in capital amounts to TRY 70,000,000 and is divided into 70,000,000 shares, each with a nominal value of TRY 1 (31 December 2025: TRY 70,000,000). Information on share classes and privileges is presented below.

Our Company trades on the Main Market of Borsa İstanbul in the "MANUFACTURING / TEXTILE, LEATHER" sector and is included in the BIST MAIN / BIST ALL / BIST 500 / BIST ALL-100 / BIST TEXTILE, LEATHER / BIST PARTICIPATION ALL / BIST INDUSTRIAL indices. In the notes to the financial statements dated 30.09.2026, the publicly held portion is presented as shares with a nominal value of TRY 19,840,167 and a rounded ratio of 28.34%.

1.2. Privileged Shares

Class	Registered / Bearer Shares	Type of Privilege (Holder)	Total (TRY)	Share of Capital (%)
A	**Registered**	**Privileges in voting and nominating Board members.**	**7,500,000**	**10.71**
B	**Registered**	**No privileges.**	**62,500,000**	**89.29**
TOTAL			**70,000,000**	**100.00**

Class A shares carry privileges in the nomination of Board members and the exercise of voting rights at General Assembly meetings, as set out in Articles 7 and 9 of these Articles of Association. Class B shares carry no privileges.

1.3. Information on the Company's Governing Body, Senior Executives and Personnel

1.3.1. Current Board of Directors

Full Name	Position	Executive Status
DAVUT TOLGA BATALLI	Chairman of the Board	Executive
DAVUT BATALLI	Deputy Chairman of the Board	Executive
MEHMET KÜRŞAT BATALLI	Board Member	Non-executive
TUNCAY YILDIRIM	Independent Board Member	Non-executive
BURHAN POLAT	Independent Board Member	Non-executive

The Board of Directors met 12 times during the reporting period 01.01.2026–30.09.2026.

Board Committees:

The Corporate Governance Committee, Audit Committee and Early Detection of Risk Committee operate within the Board of Directors. These committees were established by Board resolutions.

The operating principles of all three committees are set out in internal regulations published on the website and the Public Disclosure Platform (KAP).

Due to the limited number of Board members, Board members have had to serve on more than one committee.

The committees continue their activities within their terms of reference and operating principles. Their terms of office run concurrently with that of the Board of Directors.

a. Corporate Governance Committee

The Corporate Governance Committee, established to support the proper discharge of the Board's duties and responsibilities, monitors the Company's compliance with corporate governance principles, undertakes improvements and submits recommendations to the Board. It also performs the duties of the Nomination and Remuneration Committees. Its annual meeting schedule is determined under its terms of reference and operating principles. It met twice during the period.

Full Name	Title
Burhan Polat	Chairman – Independent Board Member
Tuncay Yıldırım	Member – Independent Board Member
Muhsin Danışman	Member – Investor Relations Manager

b. Audit Committee

The Committee oversees the Company's accounting system, public disclosure of financial information, independent audit, and the functioning and effectiveness of its internal control and internal audit systems.

The selection of the independent audit firm, preparation of audit contracts and initiation of the audit process, and the audit firm's work at every stage are carried out under the Audit Committee's oversight. The Audit Committee meets at least quarterly and at least four times a year.

The independent audit firm to serve the Company and the services to be obtained are determined by the Audit Committee and submitted to the Board for approval. The Committee met twice during the period.

Full Name	Title
Tuncay Yıldırım	Chairman – Independent Board Member
Burhan Polat	Member – Independent Board Member

c. Early Detection of Risk Committee

The Early Detection of Risk Committee assesses risks that may jeopardize the Company's existence and financial position and reports to the Board on the necessary measures. It meets once every two months and submits its assessments to the Board. It met four times during the period.

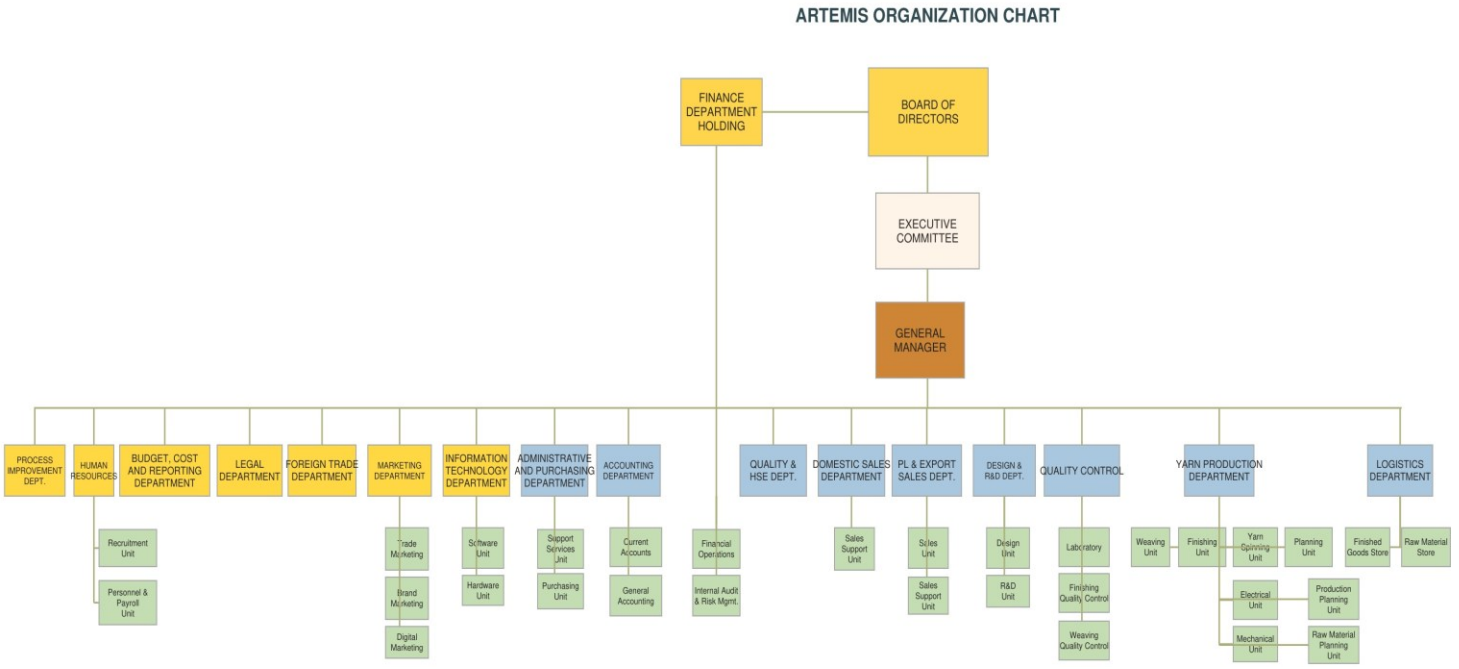
Full Name	Title
Tuncay Yıldırım	Chairman – Independent Board Member
Burhan Polat	Member – Independent Board Member

1.3.2. Information on Personnel with Management Authority

Full Name	Position	Business Address	Positions Held in the Company in the Last 5 Years	Shareholding	
				(TRY)	(%)
Arif Ali DEMİR	Artemis Halı Deputy General Manager	Başpınar OSB Mah. 5. OSB 83507 Cad. No:14 Şehitkamil / Gaziantep	None.	0	0

The powers of senior executives authorized to sign on behalf of the Company are specified in the Company's signature circular.

–Company Organization Chart:



1.3.3. Personnel Information Number of Personnel:

As of 30 September 2026, the Company's average number of personnel was 205 (31 December 2025: 182).

Collective Bargaining Agreements

No collective bargaining agreement has been concluded.

1.3.4. Rights and Benefits Provided to Personnel and Workers

Wages for work performed within the working hours specified in Labour Law No. 4857 are calculated and paid at the beginning of the following month. Overtime pay is paid under Article 41 and weekly rest pay under Article 46 of that Law and the relevant legislation. Employees' Social Security Institution (SGK) contributions are paid in the statutory amounts and within the prescribed periods. Notice periods are applied under Article 17 of Labour Law No. 4857.

–Additional Payments: Our Company provides employees with benefits such as marriage, childbirth and bereavement allowances. Employees' meal and transportation costs are also covered.

–Leave: Leave practices under the Company's working conditions instructions comprise annual leave, social leave (marriage, bereavement, paternity leave, etc.) and sick leave.

–Severance Pay Obligation:

The provision for severance pay was TRY 7,405,080 as of 30 September 2026 (31 December 2025: TRY 8,570,715).

Disclosures under Article 8, Entitled Corporate Governance Compliance Reports, of Corporate Governance Communiqué No. II-17.1

Our Company continues its efforts to comply with Corporate Governance Principles in accordance with Corporate Governance Communiqué No. II-17.1 issued by the Capital Markets Board.

Under Article 8 of the Communiqué, the Corporate Governance Compliance Report (URF) was prepared in the format annexed to the Communiqué and publicly disclosed on the Public Disclosure Platform (KAP). The report details compliance with the Corporate Governance Principles under the categories “Compliant”, “Partially Compliant” and “Non-Compliant”, clearly stating current practices and reasons for non-compliance or partial compliance.

The Corporate Governance Information Form (KYBF) was completed under the Communiqué and published on KAP. It includes information on Board structure, committees, the shareholder relations unit, public disclosure and transparency practices, stakeholder policies and remuneration principles. The information in the KYBF is periodically reviewed to keep it up to date.

Our Company complies with the mandatory Corporate Governance Principles. Compliance with non-mandatory principles is assessed in light of its business volume, organizational structure and operational needs, including the number of female members, independent members serving on multiple committees and the inability to disclose senior executives’ remuneration individually. There is no conflict of interest relating to matters of non-compliance.

The Corporate Governance Committee’s work and reports prepared during the year were submitted to the Board; the effectiveness of corporate governance practices was regularly reviewed and areas requiring improvement were identified.

Our Company continues to improve its corporate governance practices in line with the principles of transparency, fairness, accountability and responsibility.

2- FINANCIAL BENEFITS PROVIDED TO MEMBERS OF THE GOVERNING BODY AND SENIOR EXECUTIVES

Benefits provided to Board members and senior executives during 01.01.2026–30.09.2026 amounted to TRY 150,152.

3– THE COMPANY'S RESEARCH AND DEVELOPMENT ACTIVITIES

Artemis Halı, with its broad customer portfolio, closely follows global industry trends and identifies current colours, while considering customer expectations to develop new collections with different fibre options for both export and domestic markets. Production has begun using the currently prominent polyester and viscose fibres for styles such as Vintage, Modern and Abstract and our new qualities Viscolen, Vega and Cozy, which have been launched in domestic and export markets. The modern, economical carpet range produced using polypropylene and polyester together also meets customer expectations and has established its place in the market.

4– COMPANY ACTIVITIES AND SIGNIFICANT DEVELOPMENTS RELATING TO ACTIVITIES

The Company's business is the manufacture, import, export, purchase, sale and marketing of all types of handmade and machine-made carpets, runners, prayer rugs, kilims, blankets and textile products.

The Company operates at its facility in the Gaziantep Organized Industrial Zone, covering 32,346 m² (20,000 m² indoors + 12,346 m² outdoors). Its annual machine-made carpet production capacity is 1,994,304 m² according to the capacity report dated **06.01.2025.**

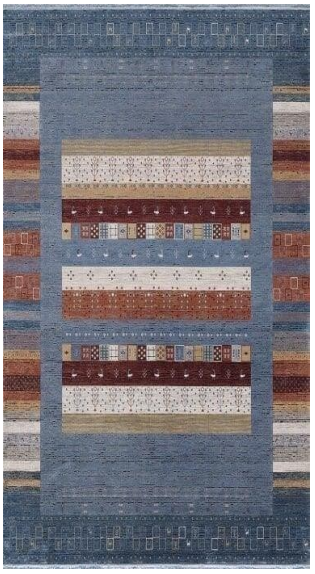
The facility also includes 6,000 m² of warehousing, comprising 3,000 m² for finished products and 3,000 m² for yarn. The factory building is leased from the related party Doğu Taşıt. The Company's head office at Balmumcu Mah. Itri Sok. No:8/ I Beşiktaş/Istanbul is also leased from the same related party, Doğu Taşıt.

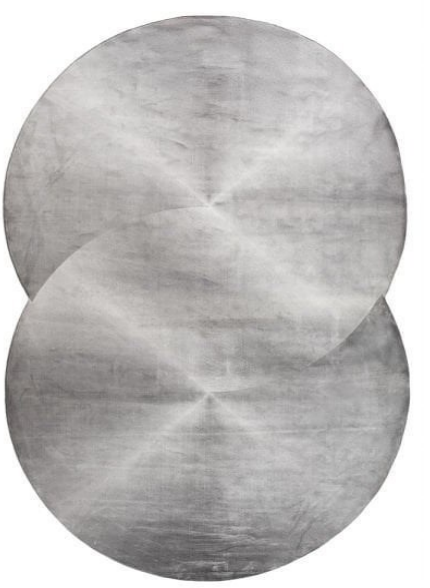
The Company plays an active role in every stage of projects, from designing products to meet customers' requests and needs through production and delivery. It manages and performs the design, production and delivery of its made-to-order and/or standard products itself. It closely follows global trends in carpet design and production and sells its carpets domestically through regional dealers at over 1,500 sales points throughout Türkiye.

Since its establishment, the Company has produced a cumulative total of approximately 1.5 million m². Its production consists of washed and ironed products made from natural fibres. Its product range comprises 19 collections for the domestic market and over 25 for export markets, with all brands owned by the Company. Carpets in its portfolio are designed by in-house designers, and patent registrations are obtained.

Product Types

The Company designs and manufactures products in three main categories based on carpet quality: Economic, Premium and Luxury.





Information on the main product categories and products is presented below.

Luxury Collection: Products in this collection are made in various qualities using natural fibres such as wool, bamboo and cotton. State-of-the-art machinery achieves silk-like textures and the feel of naturally woven handmade carpets. The Luxury category offers 44 different patterns, together with colour and size alternatives.

Premium Collection: This collection comprises carpets made from fibres that shed less dust in daily use and have anti-allergenic properties, featuring abstract, modern, classic and modern-classic patterns. The Premium category offers 84 different patterns, together with colour and size alternatives.

Economic (Eco) Collection: Designed for summer use, kitchens and smaller spaces, these collections use carefully selected special fibres to offer an economical and practical product range. The Eco category offers 47 different patterns, together with colour and size alternatives.

Sales Activities

Comparative figures for the Company's accounting period 01.01.2026–30.09.2026 are presented below. Domestic sales are made to over 1,500 sales points.

In addition to orders requested by dealers, the Company accepts special orders (Private Label) from customers and can develop original designs in line with these orders.

Sales to retail customers are made solely through the Company's own e-commerce website.

	1 January 2026	1 January 2025
	30 September 2026	30 September 2025
Sales	480,225,531	811,803,421
Domestic Sales	299,210,472	755,581,264
Export Sales	181,015,059	10,854,933
Other Income	-	45,367,224
Sales Returns (-)	(26,275,369)	(38,218,625)
Sales Discounts (-)	(14,450,904)	(3,466,942)
Other Deductions (-)	-	(48,301,935)
Revenue	439,499,258	721,815,919
Cost of Finished Goods Sold (-)	(295,279,183)	(268,637,804)
Cost of Merchandise Sold (-)	(6,168,816)	(221,592,948)
Cost of Services Sold (-)	(6,815,767)	-
Other Cost of Sales (-)	-	(3,523,741)
Total Cost of Sales (-)	(308,263,766)	(493,754,493)
GROSS PROFIT / (LOSS)	131,235,492	228,061,426

Domestic Sales

The Company makes domestic sales through its dealer network and does not sell directly to end consumers. Retail sales are made solely through its own e-commerce website. Through two regional dealers, the Company sells at over 1,500 points domestically. For domestic Private Label sales, custom designs are prepared and presented in line with customer requests; the order and production process starts upon approval.

Export Sales

The related party Artemis Export Dış Ticaret A.Ş. has been used in the Company's export organization since 01.01.2025. Trade receivables from Artemis Export and Acme Export as of 30.09.2026 are shown in the related party balances table.

Artemis Export Dış Ticaret A.Ş. sells products purchased from the Company to overseas customers at their purchase price without adding a profit margin and charges only its operating expenses to the Company.

Orders from overseas customers are mainly taken in person during factory visits when customers view the latest collections. The export operations team prepares the orders, price quotations and pro forma invoices, and production begins following customer approval.

Sales are made to over 20 countries, mainly through overseas wholesalers, major distributors and large carpet wholesalers distributing in the relevant regions.

Machine-Made Carpet Exports

Our Company began sales to the USA, European and Middle Eastern markets during the relevant period. Efforts to increase export sales in coming years continue. In line with the Company's quality policy, the extensive collection options developed by its strong design team enable exports of high-value-added Artemis-branded products, generating foreign currency inflows.

For the first nine months of 2026, Note 20 to the financial statements discloses export sales of TRY 181,015,059 and domestic sales of TRY 299,210,472. Of total sales before sales deductions of TRY 480,225,531, 37.69% comprised exports and 62.31% domestic sales.

Sales in the first nine months of 2026 were predominantly domestic.

As of 2026, the Company aims to increase export revenue by strengthening its export channels. In the domestic market, it continuously increases its market share by supporting demand arising from awareness of the Artemis brand and customers' strong perception of its quality with the latest colours and diverse collections.

It also pursues its goal of a presence throughout Türkiye by expanding e-commerce and its dealer network to diversify sales channels. To offer a broad product collection and respond promptly to demand, it has increased inventory diversity and focuses on meeting demand on time through its strong inventory base.

d) Information on the Industry in Which the Company Operates

Türkiye's carpet industry comprises the production of machine-made carpets, handmade carpets and other floor coverings and activities serving domestic and export markets. Raw material and energy costs, labour expenses, exchange rates and demand conditions are the main factors affecting the industry's operating results.

Türkiye's carpet industry has a dynamic structure, combining weaving traditions rooted in its cultural heritage with high export potential, global competitive advantages and regional production clusters. Artemis Halı has established a strong position in this industry, standing out in both production and sales.

e) Position within the Industry

Artemis Halı A.Ş. was established in Gaziantep in 2012 and quickly became a significant manufacturer and brand in Türkiye's carpet industry.

In this dynamic market, Artemis Halı stands out with modern production technology, a broad product portfolio and a strong distribution network. At its Gaziantep production facility covering approximately 32,346 m², the Company has annual carpet production capacity of approximately 2 million m² and has produced nearly 1.5 million m²
to date.

With over 1,500 sales points throughout Türkiye and strong export relationships in overseas markets, Artemis Halı maintains an active presence in both domestic and global markets.

Export sales accounted for 37.69% of total sales before sales deductions in the first nine months of 2026.

Although a significant portion of production was directed to exports in previous years, a sales strategy focused on the domestic market was followed in the first nine-month interim period of 2026.

As of 2026, the Company aims to increase export revenue by strengthening its export channels.

Overall, Artemis Halı is a significant manufacturer and brand in Türkiye's carpet and kilim industry, producing in the mid-to-upper segment and standing out through innovation, design and design-oriented production. It benefits from the industry's growth potential and maintains a competitive position in international markets.

Internal Control System and Internal Audit Activities

Oversight of the functioning and effectiveness of the Company's internal control and internal audit systems is among the Audit Committee's duties.

- The internal control system is designed to ensure the accuracy of financial reporting processes and safeguard assets.
- Internal control and internal audit processes are assessed in terms of financial reporting, safeguarding assets, operational processes and risk management.
- Assessments aimed at improving control processes are addressed within the duties and responsibilities of the relevant management units and the Audit Committee.
- Internal control and internal audit activities support the reliability of financial reporting, operating efficiency and risk management.

Information on donations and assistance made during the year and expenditure on social responsibility projects:

The ceiling for donations and assistance in the 2026 accounting period was set at TRY 5,000,000 at the Ordinary General Assembly meeting dated 26.06.2026. No donations were made during the year.

Related Party Transactions

Receivable and payable balances with related parties as of 30 September 2026 are presented below. Amounts are in TRY.

	30 September 2026		
	Receivables		**Payables**
	Short-term		Long-term
	Trade Receivables	**Other Receivables**	**Other Payables**
Artemis Export Dış Ticaret A.Ş.	84,297,953	-	-
Acme Export Dış Tic. A.Ş.	5,565,794	-	-
Davut Batallı	-	-	181,128
Davut Tolga Batallı	-	464,482	-
Total	89,863,747	464,482	181,128

Litigation and guarantees: The provision for litigation as of 30.09.2026 is TRY 1,939,387 (Note 16). Guarantees, pledges and mortgages provided by the Company on its own behalf total TRY 2,428,124; none were provided under other categories. Note 17 discloses sureties received of TRY 50,000,000 and letters of guarantee of TRY 695,316.

5– FINANCIAL POSITION

SUMMARY BALANCE
SHEET (TRY) Financial data and comparative amounts are presented in the purchasing power of 30 September 2026 under IAS 29. The interim financial statements dated 30.09.2026 are unaudited.

Items	30.09.2026	31.12.2025
Current Assets	2,737,708,191	2,609,142,172
Cash and Cash Equivalents	224,221,732	211,975,525
Trade Receivables	309,161,123	531,382,604
Inventories	2,039,489,011	1,659,018,105
Non-current Assets	1,084,687,818	1,140,885,686
TOTAL ASSETS	3,822,396,009	3,750,027,858
Current Liabilities	794,130,289	696,353,236
Non-current Liabilities	284,979,741	323,018,432
Equity	2,743,285,979	2,730,656,190
TOTAL LIABILITIES AND EQUITY	3,822,396,009	3,750,027,858

Cash flows: During 01.01.2026–30.09.2026, operating activities resulted in a cash outflow of TRY 355,362,735, while investing and financing activities generated cash inflows of TRY 21,904,841 and TRY 304,240,377, respectively. Cash outflows for purchases of property, plant and equipment were TRY 50,543,484 and for intangible assets TRY 1,175,571.

SUMMARY INCOME STATEMENT (TRY)

Items	01.01-30.09.2026	01.01-30.09.2025
Revenue	439,499,258	721,815,919
Cost of Sales	(308,263,766)	(493,754,493)
Gross Profit	131,235,492	228,061,426
General Administrative Expenses	(85,544,282)	(80,565,494)
Marketing Expenses	(92,496,568)	(86,800,095)
Operating Profit	3,926,446	49,779,545
Finance Income	73,389,409	98,756,256
Finance Costs	(87,505,811)	(95,292,540)
Monetary Gain	51,287,358	40,642,222
Profit Before Tax	42,325,001	93,885,483
Net Profit for the Period	14,791,005	214,329,486

Net financial debt/equity ratios as of the period ends are as follows:

	30.09.2026	31.12.2025
Total Borrowings (Note 4)	698,066,283	482,861,089
Cash and Cash Equivalents (-) (Note 3)	(224,221,732)	(211,975,525)
Net (Receivables) Debt	473,844,551	270,885,564
Equity	2,743,285,979	2,730,656,190
Total Net Financial Debt and Equity	3,217,130,530	3,001,541,754
Net Debt / Equity Ratio (%)	17.27%	9.92%

d) Findings and assessment by the governing body on whether the Company's capital is impaired or it is over-indebted,

As of 30 September 2026, our Company's equity was TRY 2,743,285,979, total assets TRY 3,822,396,009 and total liabilities TRY 1,079,110,030.
Equity is positive in the statement of financial position dated 30 September 2026, and total assets exceed total liabilities by TRY 2,743,285,979. These financial statement figures indicate no over-indebtedness.
Considering the current financial structure and equity base, the Board of Directors believes that the Company has the financial strength to continue its operations sustainably.

To strengthen its financial structure and ensure sustainability, our Company has taken measures including improving operational efficiency, optimizing marketing and general administrative expenses, improving inventory and supply chain processes, effectively managing cash and receivable collections, managing short- and long-term debt in a planned manner, controlling finance costs, making return-focused investments in property, plant and equipment, and strengthening internal audit and financial control mechanisms by monitoring currency, interest rate and monetary position risks.

Equity is positive in the financial statements dated 30 September 2026, and total assets exceed total liabilities. Cash generation capacity, conversion of inventories into sales and the debt maturity profile continue to be monitored.

e) Information on the dividend distribution policy and, if no dividend will be distributed, the reasons and the proposed use of undistributed profits.

Our Company's "Dividend Distribution Policy" is determined in accordance with the Turkish Commercial Code, capital markets legislation, tax legislation, other relevant legislation and the Company's Articles of Association, upon the Board's proposal and the resolution adopted by the General Assembly.

The Company distributes dividends under the Turkish Commercial Code, tax practices, other relevant regulations and the dividend distribution article of its Articles of Association.

At the 2025 Ordinary General Assembly meeting of Artemis Halı A.Ş., held on Friday, 26.06.2026 at 14:00 at Balmumcu Mah. Itri Sok. No:8/1 Beşiktaş/Istanbul, the Board's proposal not to distribute the 2025 profit was approved.

Following the Board meeting held at the Company's head office on 21.05.2026, our audited financial statements for 01.01.2025–31.12.2025, prepared under the Capital Markets Board's Communiqué No. II-14.1 on Principles of Financial Reporting in Capital Markets, reported an after-tax profit of TRY 243,592,267.00. Our financial statements prepared under the Turkish Commercial Code and the relevant provisions of Tax Procedure Law No. 213 (VUK) reported an after-tax net profit of TRY 14,143,079.47.

However, after evaluating the conditions in our dividend distribution policy and considering the current economic environment, the Company's long-term strategies, investment, cash flow and financing policies and the long-term interests of shareholders, the Company and employees, it was unanimously resolved by those present to propose that the distributable profit for 2025 not be distributed and be transferred to retained earnings, to strengthen the financial structure and avoid creating new financing needs, and to submit this proposal to shareholders for approval at the forthcoming Ordinary General Assembly.

6– RISKS AND ASSESSMENT BY THE GOVERNING BODY

1. Information on the Company's Risk Management Policy for Foreseeable Risks, Risks and Assessment by the Governing Body

Our Company categorizes risks as financial and non-financial. The Early Detection of Risk Committee operates to identify at an early stage strategic, operational, financial, compliance and all other risks that may jeopardize Artemis Halı A.Ş.'s existence, development and continuity, implement necessary measures and remedies, and manage risks.

Our Company applies comprehensive risk management to manage effectively the financial, operational and market risks it may encounter in its operations. Within this scope:

1. **Financial Risks: Currency,** interest rate and liquidity risks are regularly monitored and minimized through cash flow planning and financing strategies.
2. **Operational Risks: Production,** supply chain and inventory management processes are reviewed, and potential disruptions are prevented through internal control mechanisms and process improvements.
3. **Market and Strategic Risks: Risks** relating to sales, marketing and competitive conditions are analyzed, and the necessary strategic decisions are made by the Board.

As of 30 September 2026, the current ratio was 3.45, equity to total assets was 71.77%, and net financial debt to equity was 17.27%. With inventories reaching TRY 2,039,489,011, net financial debt TRY 473,844,551 and operating cash outflows TRY 355,362,735, inventory management, collections and financing needs require close monitoring. Nine-month revenue decreased by 39.11% and net profit for the period by 93.10% year on year. These indicators are considered together in assessing financial risks.

2. Information on the Work and Reports of the Early Detection of Risk Committee

The Early Detection of Risk Committee's Terms of Reference and Operating Principles are available under the Corporate Governance tab of the Investor Relations section on the Company's website.

Under its Terms of Reference and Operating Principles and applicable legislation, the Committee aims to identify at an early stage risks that may jeopardize the Company's existence, development and continuity, implement the necessary measures for identified risks and manage risks.

The Committee meets once every two months, at times aligned with regular Board meetings, to ensure the effective discharge of its duties. After each meeting, a written report on its activities is submitted to the Board together with a summary of the minutes. Meeting minutes are retained by the Investor Relations unit.

7. OTHER MATTERS

Disclosures on Events of Particular Importance Occurring during the Reporting Period That May Affect the Rights of Shareholders, Creditors and Other Relevant Persons and Organizations

During the first nine months of 2026, our Company continued its operations in line with its production, sales and marketing strategies and continued to fulfill its obligations relating to corporate governance, financial reporting and regulatory compliance.

By Board resolution dated 25.03.2026, in line with the Audit Committee's opinion, it was resolved to select Rehber Bağımsız Denetim ve Yeminli Mali Müşavirlik A.Ş. as the independent audit firm to audit our Company's

financial reports for the 2026 accounting period and to submit the selection to the Ordinary General Assembly for approval.

By Board resolution dated 21.05.2026, it was resolved to hold our Company's 2025 Ordinary General Assembly meeting on 26.06.2026, and the required invitations and disclosures were made under the relevant legislation.

On the same date, the Board assessed the use of the 2025 profit. Although net profit for the period was TRY 243,592,267 in the financial statements prepared under Capital Markets Board regulations and TRY 14,143,079.47 in the statutory records, the proposal not to distribute the distributable profit for 2025 and to transfer it to retained earnings was submitted to the General Assembly for approval, taking into account the current economic environment, long-term strategies, investment, cash flow and financing policies, and the objective of strengthening the Company's financial structure.

Our Company's 2025 Ordinary General Assembly meeting was held on 26.06.2026. The 2025 Board of Directors' Activity Report and independent auditor's report were discussed, the 2025 financial statements were approved, and the discharge of Board members in respect of their 2025 activities was resolved upon.

The General Assembly also approved the selection of Rehber Bağımsız Denetim ve Yeminli Mali Müşavirlik A.Ş. as independent audit firm for 2026 and the Board's proposal not to distribute the 2025 profit and to transfer it to retained earnings.

Shareholders were informed of donations and assistance totaling TRY 218,350 made in 2025, and the ceiling for donations and assistance in 2026 was set at TRY 5,000,000. It was also resolved to pay Board members a net monthly membership fee of TRY 3,000 in 2026.

As of 30.09.2026, our Company continues its operations at its production facility in Gaziantep and its efforts to develop production, sales, marketing and export activities.

There have been no significant changes after the balance sheet date.

Chairman of the Board
Board DAVUT TOLGA BATALLI

Deputy Chairman of the
DAVUT BATALLI