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# ATLAS

PEARLS





Over more than 30 years, Atlas Pearls has become one of the world's largest producers & distributor of the highly sought-after, white & silver South Sea pearls. Operating across eight farming locations throughout the South Seas, the Company employs more than 1,200 people and in 2025 harvested more than 620,000 pearls.

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# THE ATLAS PEARLS SPIRIT

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AT ATLAS PEARLS, WE FOSTER A DEEPLY ROOTED COMMUNITY SPIRIT,  
GUIDED BY A BOLD VISION TO PRODUCE THE WORLD'S FINEST SOUTH SEA PEARLS.  
THIS PURSUIT OF EXCELLENCE IS BROUGHT TO LIFE BY A PASSIONATE AND DEDICATED TEAM  
WHO EMBODY OUR CORE VALUES OF INTEGRITY & RESPECT, PASSION & COMMITMENT,  
COMMUNICATION & TEAMWORK, CARE & UNDERSTANDING, AND INTUITION & INNOVATION.  
OUR WORK IS FURTHER STRENGTHENED BY AN UNWAVERING COMMITMENT TO SUSTAINABILITY,  
BOTH IN OUR ENVIRONMENTAL PRACTICES AND IN THE COMMUNITIES WE ARE PRIVILEGED  
TO OPERATE WITHIN. TOGETHER, THESE VALUES DRIVE NOT JUST OUR BUSINESS,  
BUT OUR SHARED PURPOSE.



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# Message from the Chairman

**Mr José Martins**  
Chairman



Dear fellow Shareholders, on behalf of the Board of Directors of Atlas Pearls Ltd I am pleased to present to you the Company's 2025 Annual Report and my first Chairman's address.

FY25 marked a period of solid financial performance, continued strategic execution, and disciplined capital management. The Company closed the year with revenue of \$44.3M (FY24: \$41.7M), EBITDA of \$18.6M (FY24: \$22.6M), and net profit after tax of \$21.9M (FY24: \$31.5M). Cash at bank strengthened to \$20.2M (FY24: \$17.6M), reinforcing our strong balance sheet and financial resilience. This result builds on the strong momentum established over the past two years. It reflects our continued focus on maximising the value of every pearl through expanding and diversifying sales channels.

During FY25, the market stabilised, reflecting a new 'normal' with prices lower than the peak highs seen in November 2023, but higher than previous long-term pricing. The Company continued to refine its sales strategy, implementing a 'waterfall approach', ensuring every pearl has multiple opportunities for sale to realise the highest possible price for each pearl. Increasing data capture and analytics are further driving our ability to make smarter, long-term planning and decisions around sales channels and pricing.

The Company developed a 5-year strategic plan that remains firmly focused on four key elements of our business, being quality, sustainability, people and culture, and our customers. This strategic plan aims to drive operational expansion and business diversification, leveraging our existing infrastructure and investments to unlock future growth. This approach is directed towards an increase in production capacity by between 30% and 50% by FY30, while also targeting a reduction in the real cost for each pearl we produce, continued improvements in pearl quality, and the development of complementary revenue streams. By

building on the strong foundations of our core pearling operations, we are positioning the business to grow sustainably, adapt to evolving market opportunities, and maximise long-term value for shareholders.

We are once again pleased to announce the closing of FY25 with the Company in a strong financial and operational position. As a result, the Board was pleased to declare a 1.4 cents per share fully franked dividend for H2 FY25, bringing total dividends paid for the year to 2.4 cents per share (FY24: 1.85 cents). This follows the formal adoption of a dividend policy in October 2024, targeting a payout ratio of 50% of normalised net profit after tax. The introduction of this policy reflects the Company's improved and now sustained profitability, as well as our commitment to delivering ongoing shareholder returns.

Following Geoff Newman's retirement as Chairman at the end of 2024, I took up the role as Chair and am pleased to be concluding my first year on such a positive note. I take this opportunity to thank our incredible team of employees and our shareholders, whose continued support we could not have done without. Their dedication, resilience, and shared belief in our vision have been instrumental in driving the Company's progress. As we look ahead, I am confident that with this strong foundation and clear strategic direction, we are well-positioned to continue delivering sustainable growth and long-term value.

Sincerely

A handwritten signature in black ink, appearing to be 'J. Martins', written over a white background.

José Martins  
Chairman – 28 August 2025

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*Sunrise from the jetty at the Atlas Pearls, Alyui Bay pearl farm*

# CEO Report

## FY25 Business Performance & Strategic Outlook

**Mr Michael Ricci**

Chief Executive Officer



Financially and operationally, it was another strong year with the number of pearls harvested at 621k, compared to the 598k harvested in FY24, and the medium-term trend for pearls to be harvested is for a positive increase. Profits for FY25 were again strong, with EBITDA at \$18.6M, against \$22.6M in FY24.

Total revenue for FY25 was \$44.3M vs FY24 \$41.7M, and pearls sold in FY25 were 593k, up from 477k in FY24. Atlas Pearls will carry closing stock of 219k pearls into FY26 (FY24: 224k). Net profit after tax for the year was \$21.9M, compared to \$31.5M in FY24.

As stated in last year's report we saw pricing increasing over the year, and for FY24 we had prices achieved in H1 FY24 that were the highest seen for several years, driving the profit and cash results for the Company. In H2 FY24, we saw prices decline, from those in H1 FY24, but prices achieved were still at levels that we would consider very good, based on our current operating model. In FY25, we saw prices being very stable and consistent at the levels we saw in H2 FY24. This stability has been good for producers and our customers who can both go about their business with confidence of a stable business environment.

The quality of pearls produced in the year was similar to that of FY24, as measured by the "index score", our preferred internal measure of pearl quality. In FY25, the quality index score showed results where H1 was marginally higher than H2, albeit well within the normal range of variation expected across genetic groups and cultivation location.

With the solid profit result we finished the year in a strong financial position, with cash in the bank of \$20.2M (FY24: \$17.6M). We still have an overdraft facility of \$2.5M to provide us with working capital flexibility to better manage our sales cycles and to maximise opportunities, however we have not had to call on this overdraft in FY25.

In view of the EBITDA result and associated cash position for FY25, the Board has resolved to declare a final dividend of 1.4 cents per share, fully franked, and payable on 26 September 2025.

Atlas Pearls' performance over the year is attributable to the ongoing work and dedication of the entire team across all facets of the business. Their collective efforts were instrumental in executing the initiatives that we identified from an operational and sales perspective.

We again held leadership workshops in Sanur, convening senior leaders from operations, sales, and finance. We presented the FY30 strategy to the group and discussed the initiatives that we will be putting in place to help us deliver the strategy, and to continue to drive operational excellence and execution. These sessions were pivotal in aligning the leadership within the business and determining the strategic focal points essential for executing the FY30 strategy while also setting a focus on the execution of our operational budgets.

### FY30 STRATEGIC ROADMAP

During the year we finalised the FY30 Strategic Roadmap for the business which covers every aspect of the business including sales and operations. This has been communicated to the business, and we have teams in place that are executing 12 key initiatives that will drive the continued improvement in the business, mapping out continued growth of the business and its activities over this period. The strategy has four focus areas:

- Quality operations
- People and culture
- Sustainability
- Customers

We will, over the term of the strategy period, aim to increase the number of pearls that we produce by between 30% and 50% per annum by FY30, and will also target a reduction in the real cost of production for the pearls produced.

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To realise the opportunity to increase pearl production, we are running several initiatives in tandem, with the most material being:

- Developing joint ventures with juvenile shell producers to accelerate our supply of shell to nucleate, at a lower average cost per unit.
- Growing organically through traditional means, by increasing capacity on our farms and continuing to search for and develop new farm locations.
- Optimising the cultivation duration on a per site basis, to increase asset turnover, and reduce production loss to mortalities.

And while we have put a lot of time into developing and cultivating these arrangements and relationships, there is no guarantee these initiatives will all be successful. However, they are mutually exclusive and there are limited interdependencies, maximising the chance one or more will be a success in materially increasing our production levels over the long term.

Atlas Pearls is engaging with a number of government agencies to gain support and collaborate across several areas, as our strategic roadmap closely aligns with the Indonesian Government's Blue Economy Roadmap 2023–2045. The priority sector of Marine Capture Fisheries and Aquaculture outlines that

*'the development direction of capture fisheries and aquaculture will be focused on encouraging the implementation of sustainable management of capture fisheries and aquaculture ... improving aquaculture practices to be more sustainable and environmentally friendly... encouraging the downstream of aquaculture products ... and the application of innovative and sustainable technology solutions.'*

Atlas Pearls is well placed and already actively pursuing initiatives in these areas. This has been recognised by sectors of the Indonesian Government, positioning us to participate in initiatives that offer the greatest mutual benefit for Atlas Pearls while aligning with the Indonesian Government's vision for its Blue Economy.

### SALES INITIATIVES

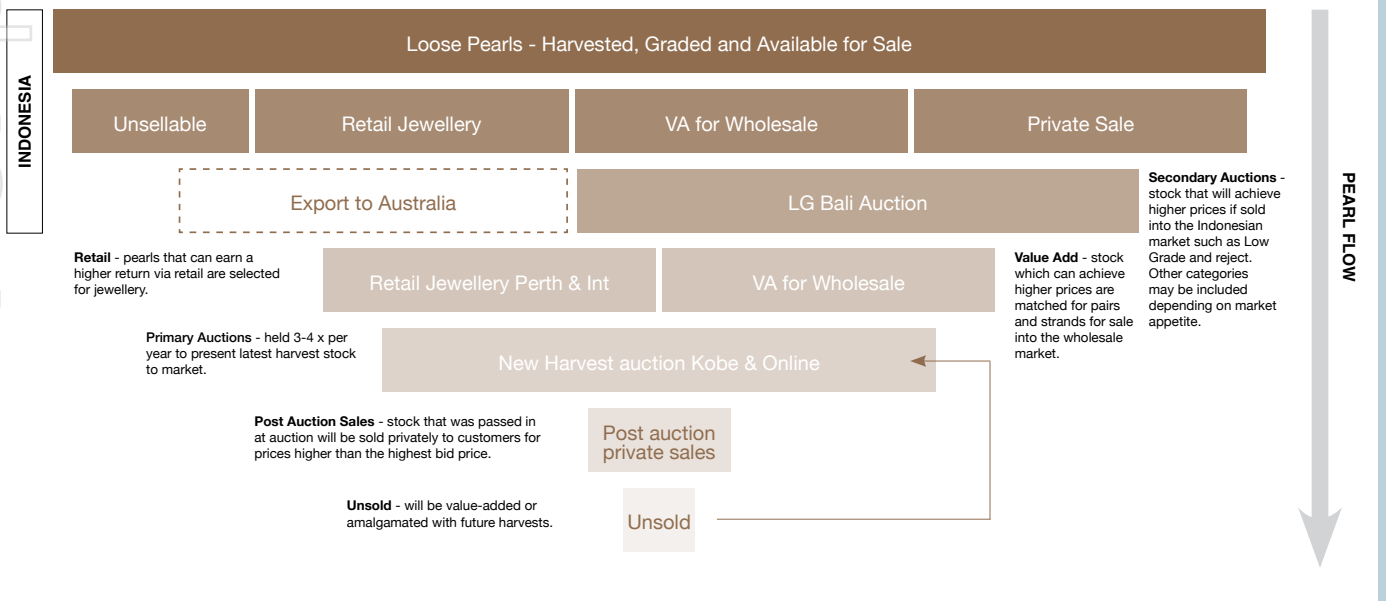
Atlas Pearls continues to build its revenue and execute its strategy of being a multi-channel distribution company that looks to maximise the value of every pearl that we grow and harvest. We have continued to sell pearls and enhance our offering through our traditional channels, including hybrid auctions in Kobe, Japan, and Bali, Indonesia. Loose pearls are also available online via our wholesale portal while auctions are taking place. Additionally, we have increased the number of pearls sold through private sales to large loose pearl customers.

As part of our sales strategy, we have focused on servicing and reconnecting with our wholesale customers, primarily within Australia, but also in Asia and Europe, by attending multiple jewellery fairs and trade shows across both regions. We continue to grow our customer base not just for loose pearls but also in the value-added areas, particularly strands and matched pairs, where we can deliver significant value outside of the traditional auction channels.

We have reviewed our sales patterns and the timing of pearl movements after harvest and grading. Based on this, we have restructured how pearls flow through the pipeline, giving each pearl multiple opportunities to sell in Indonesia before being exported, where options become more limited. This marks a strategic shift from our previous approach of moving all pearls to Australia, which restricted flexibility. Due to tariff restrictions, pearls could not be re-imported into Indonesia for value-add or low-grade sales, even though that is where they originated.

This change has given us a clearer sales focus and has also now led to increased utilisation of our Indonesian grading employees between harvests, by engaging them in value-add tasks. In addition, we are now investing more in training and quality reviews for our grading team in Bali, with an eye to handling the growing volume of pearls expected in the coming years.

### Waterfall Sales Strategy





In March FY25, we refurbished and re-opened our flagship retail and pearling experience in North Bali to deliver an enhanced offering that tells the Atlas Pearls story and takes visitors on a journey through sustainable pearling.

#### OPERATIONS INITIATIVES

As part of our FY30 strategy we identified key continuous improvement initiatives which are grouped at a high level under the quality operations focus area:

- Grow a better pearl.
- Reduce the cost of production.
- Diversification opportunities.

These are underpinned by our existing standard operating procedures (SOPs) for our operations personnel and are supported by our R&D and Innovation function. We are leveraging the extensive data built up in the business over many years to better understand our operations and identify areas for improvement. Some areas of focus include:

- Gaining a better understanding of the factors affecting oyster health and pearl quality.
- Developing farming methods to reduce cost of production while improving pearl quality.
- Diversifying revenue through alternative revenue streams at our existing operations and locations.

We have one of the largest pearl cultivation databases in the world. With the help of external advanced analytics consultants, we are integrating our husbandry data from over 5 million pearls produced with environmental data over the previous 15 years. This will enable us to scientifically deepen our understanding of how environmental conditions interact with our husbandry practices to produce the highest quality pearls. As we expand the database, this knowledge will allow us to identify the optimal pearl cultivation environments across Indonesia and guide site selection for new operations.

#### NEW SITE DEVELOPMENT AND GROWTH PLAN

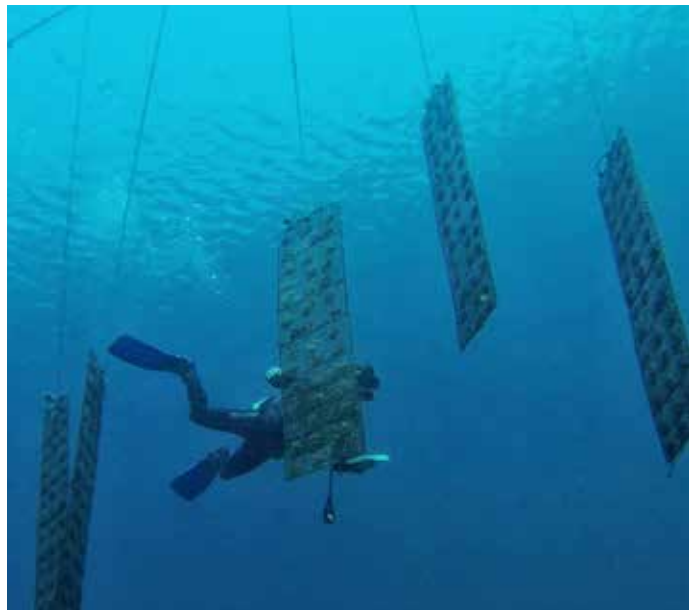
We have a number of levers to expand pearl production. Our strategy in expanding capacity, and therefore production, is to increase the volume of pearls we can sell, reduce their average cost through greater economies of scale, and diversify and de-risk our production.

As outlined above, the three largest levers are:

- Augmenting our production through joint ventures, production sharing agreements, and oyster purchases.
- Organically growing production by expanding our traditional production model.
- Optimising our production cycle to increase asset turnover and reduce mortalities.

Our initiative of augmenting production via third party providers, through them growing out our own spat or providing externally bred oysters, at juvenile stage of 12 to 18 months, is a very efficient and capex-light route to expansion, also providing additional geographic diversification and an alternative channel of supply outside our own nursery farms. We have signed long-term agreements with a number of providers.

During the year we experienced a period of elevated mortalities at our North Bali nursery, which would have led to a material reduction of oysters available for seeding in the coming year, and pearls in the medium-term. However, we were able to leverage our third-party relationships to purchase more than 300,000 oysters ready for seeding in 4-6 months. This enables us to keep our growth trajectory while demonstrating the benefit of a diversified oyster supply.



We will look to grow this supply channel going forward; however, it will never represent the majority of our needs, as the continuity of supply from our own hatcheries and nurseries remains a key pillar of our ongoing operations and future expansion.

Our organic growth has seen incremental capacity expansions at our North Bali, West Lembata (including a trial hatchery facility), Banyu Biru, Alyui, and Sumba sites in the year, with a reduction in capacity at the Lembata site (a separate site to West Lembata). These expansions are relatively low-cost and further dilute the fixed cost of each site.

The largest expansion program is at the new trial site in Sumba. We now have almost 30,000 nucleated oysters on lines in Sumba, with plans to increase to 50,000. This site is a trial, and we will be disciplined in deploying additional expansion capital expenditure until results



are proven. To date, mortalities on nucleated oysters in Sumba have been above averages seen at other sites. Trials in growing juveniles have been more promising and, depending on pearl quality at the first harvest, the focus of the site could pivot towards juvenile production.

In addition to Sumba, we are actively searching for new greenfield pearl farm developments, supported by the aforementioned analytical processes being applied. The time from identifying a site to commencing operations is rarely less than three years; therefore, we aim to maintain a continual pipeline of prospects being identified and developed.

Production cycle duration is currently being investigated to determine the optimal cultivation period at each site. This involves calculating the profit-maximising harvest age, taking into account the cost of continued rearing, greater numbers available from reduced lifecycle mortalities, and any impact on pearl quality, and consequently, price. Based on initial results, it is likely that the majority of sites will remain on the current 24-month cycle. However, our largest pearl cultivation site in Alyui could see significant benefit from moving to a shorter cycle. This would result in increased production and a lower average cost per pearl for the site.



## HR AND SAFETY

Overall, this year has been a successful one for both HR and safety. We have made significant progress in developing and implementing training programs, improving safety protocols, and enhancing employee engagement. Our focus on safety, leadership development, and employee well-being has yielded positive results, and we will continue to build on these achievements in the coming year. With a strong foundation in place, we are well-positioned to drive further improvements and achieve our goals.

The HR team has made significant progress in FY25, including:

- Development and implementation a leadership training program.
- Development of a supervisor training program.
- Creating a training program to build understanding and engagement of company values.
- Establishment of a mentorship program, matching mentors from within the Company's leadership with mentees, with defined processes and expectations.
- Developing specific KPIs for employees for assistant manager level and above and communicating them to the relevant employees.
- Conducting the first-ever full performance review for all the employees across the Company, followed by a lessons learned process to improve for the coming year.
- Our employee engagement survey has provided valuable insights, and we have developed actions to address areas for improvement. We have designed a quarterly HR newsletter to ensure transparency around HR programs, recognise long-term employees, and encourage better employee welfare. We have also created a rewards and recognition program, and established a way for employees to submit questions or concerns anonymously through a whistleblower process.
- The health and safety team have made significant progress in FY25 and, through their focus, have achieved the following results, among others:
  - Reduction in the occurrence of Lost Time Injuries (LTIs) and severe injuries through targeted employee education and awareness initiatives.
  - Conducted scheduled and ongoing toolbox talks and awareness campaigns that have played a key role in this achievement, enabling employees with the knowledge and skills necessary to work safely and avoid injuries.
  - Completed at least two deep-dive audits on each site, delivered training to all relevant personnel, and conducted monthly drills.
  - Completed ICAM (Incident Cause Analysis Method) training for our safety coordinators.
  - Safety officers have completed the next step in the certification required in the health and safety field as well as completing the train-the-trainer, focusing on high-risk activities such as basic sea survival, man overboard, and fire hazards.
  - Engaged an external expert to conduct audits of our diving practices, record-keeping, and equipment. From this we have developed a structured ongoing engagement focusing on testing, training, and monitoring of this area of our operations.
  - Analysed incident data to identify our recurring incidents, creating an action list to target a reduction of the risk these hazards impose.
  - Communicated best safety practices to employees, and nominated first-aid personnel on each site, as back up for the safety officers.
  - Developed awareness programs for Hepatitis and Malaria, and created a schedule of regular health visits.

Our focus on safety has been a top priority, and we will continue to build on these achievements as we go forward.

## GENETIC IMPROVEMENT PROJECT

Commencing two years ago, the sampling and genetic sequencing of our broodstock has continued, with approximately 4,500 oysters having now been sampled. The use of the resulting breeding matrix is now a business-as-usual activity, and we aim to establish our founder population in FY26. As the pearl life-cycle is a 4-year process, this is considered to be a long-term strategic project, with benefits expected to accrue over the medium to long-term.

We had originally planned to start work on the founder population in FY25, but a fire at our Gerokgak hatchery, the smaller of our two facilities in Bali, required us to shift focus to increasing production at the other, larger hatchery at Penyabangan. Despite the fire, we were able to continue spat production at planned levels. Reconstruction of the Gerokgak hatchery will commence once the necessary permits are issued. The building was insured, and we are taking this opportunity to construct a larger, upgraded facility.

We continue to refine our approach in this area, building a deeper understanding of our results and gaining insights into the drivers of growing a better pearl. The collection and integration of data into our databases, and use of this information, are increasingly becoming business-as-usual activities.

## ESG/SUSTAINABILITY AND COMMUNITY ENGAGEMENT (CSR)

Atlas Pearls has a longstanding commitment to supporting the villages, local environment, and communities around our farms. To strengthen this commitment, late in FY25 we created a full-time role to lead our Sustainability and CSR activities. As the Company has grown, we have recognised the need for a dedicated resource in this area to continuously improve our efforts and strategically plan initiatives that deliver meaningful outcomes. This ensures that we are partnering with the right organisations and individuals who have the capacity to make a real difference to our communities and the environment.

During the year we published our first half-yearly Sustainability Update, which establishes baseline measures and how we will track improvements across key areas. This framework aligns with the Global Reporting Initiative (GRI) standards, providing transparency and tangible, measurable outcomes. It also adheres to the United Nations Sustainability Development Goals (SDGs), ensuring that we keep in step with global endeavours as well as Indonesian sustainability and environmental stewardship initiatives. Our baseline numbers are periodically reviewed by external consultants to independently verify our data and measurement processes going forward. Additionally, we released a full-year FY25 Sustainability Update, parts of which are included in the annual report, with the complete update available on our website at [www.atlaspearls.com.au/pages/sustainability](http://www.atlaspearls.com.au/pages/sustainability).

During the year, we celebrated our 30-year anniversary. To mark this milestone, we supported each local village at our farms with a long-term capital project aimed at delivering lasting improvements. These projects included refurbishing community health clinics, installing drinking water wells, providing generators to areas without electricity, and many more. A summary of each initiative is provided in our full-year Sustainability Report, which can be found on our website.

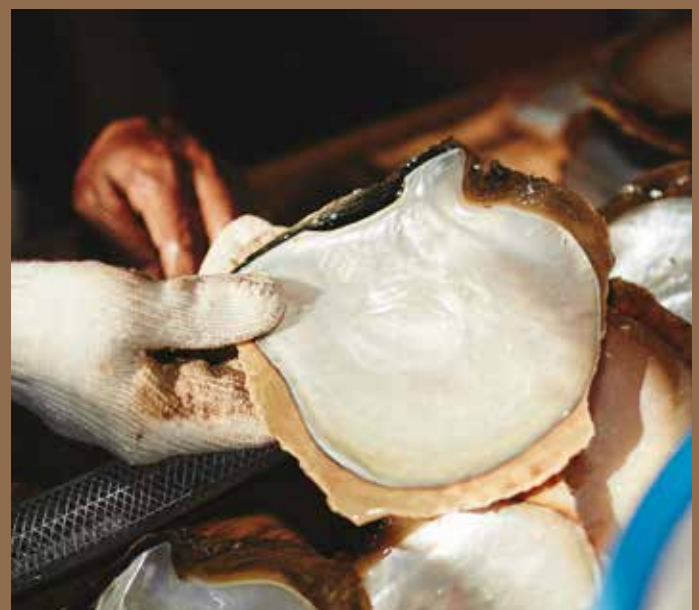
We are very proud of our work in this area and the difference we are making, not only for our 1,200 employees in Indonesia, but also our stakeholders in the region.

## DATA CAPTURE AND IT SYSTEMS

The data capture project, initiated last year to centralise information in a cloud-hosted database, has now been expanded. We are now using the data from a number of function-specific systems to leverage historical trends for data-driven decision making. This enhanced capability also supports the development of forward-looking models to assist with planning for financial forecasting, sales planning, and operations planning.

We have built databases and dashboards in the following areas:

- Operations Dashboard – all by cohort and tracked through the four-year growth cycle:
  - Hatchery and nursery
  - Grow-out farms
  - Harvest results
  - Grading information
  - Technician data and splits
  - Transport
- Site Efficiency Matrices Dashboard - for benchmarking the operational performance of farms.
- Dynamic Harvest Forecast Model - provides a two-year production forecast based on hundreds of live feed inputs from across the business.
- Sales and Marketing Dashboard - to increase our understanding of, and sophistication in managing our different product types and sales channels.



**DIVERSIFICATION**

As announced to the market in June 2024, we appointed a Chief Innovation Officer and, as well as looking at innovation and R&D in our pearling operations, the Company is exploring revenue diversification opportunities within our existing geographic locations. As a leading pearl producer, with a skilled aquaculture workforce, a comprehensive operational presence in Indonesia, and backed with strong government and community relationships, Atlas Pearls has several core competencies that could be applied to closely related aquaculture products.

Throughout FY26, we will continue to evaluate key opportunities in this space, leveraging external hatcheries, partner facilities, and third-party expertise to build models and assess viability. Specifically, we are looking at alternative sources of protein, such as lobster and abalone, to determine whether they can be farmed efficiently and profitably at a commercial scale. Within Indonesia, these species are currently farmed by small-scale, artisanal operators, and we are investigating the potential to commercialise such operations alongside our existing oyster farming infrastructure.

We acknowledge the hard work and dedication from our management team and employees who have demonstrated exceptional commitment in executing the strategy into tangible

actions and navigating periods of change. It is important to emphasise that Atlas Pearls thrives on a culture of continuous improvement and evolution, not just in terms of the perspective of our standard operating procedures related to our oysters, but also in how we view and measure the key aspects of our business.

Our focus remains on the production and distribution of the highest quality, ethically produced, and luxurious pearls in the world. This focus is underpinned by our Vision and Mission:

**OUR VISION** - To be the global leader in the production of the world's finest South Sea pearls.

**OUR MISSION** - Producing the world's best South Sea pearls in a way that is sustainable, respectful, and caring of our environment, people, communities and shareholders.



**Michael Ricci**  
CEO – 28 August 2025



YUSAK LAPN'AYELLO

# Bringing education back to his village...

*Growing up in a small, remote village where quality education was scarce, Yusak witnessed firsthand the struggles that children faced in accessing even basic learning. His village often lacked teachers, and the schools were under-resourced, leaving many young students without the support they needed to thrive. It was these challenges that ignited Yusak's passion for education and set him on a path to pursue a degree in teaching.*



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# Our commitment to sustainability...

## At Atlas Pearls, sustainability is at the heart of how we operate.

We are committed to building a business that creates lasting value, environmentally, socially, and economically, for our communities, our people, our customers, and the planet.

To reinforce this commitment, we are publishing a dedicated Sustainability Report alongside each interim and full-year financial report. This will ensure transparency and accountability as we align our business strategy with the interests of our key stakeholders.

To support this, we have defined six core sustainability KPIs. These indicators form a vital link between our long-term success and the wellbeing of the ecosystems, communities, and partnerships that support us.

## Identifying what matters most

With guidance from sustainability experts, we undertook a structured materiality assessment to identify the most significant sustainability risks and opportunities for Atlas Pearls. These material issues reflect the environmental, social, and governance factors that have the greatest potential impact on our business and stakeholders.

We are committed to keeping this process dynamic. Over time, we will revisit and refresh our materiality assessment to ensure it remains relevant and responsive to emerging risks and evolving stakeholder expectations.

MATERIAL TOPICS		
ENVIRONMENTAL	SOCIAL	GOVERNANCE
Energy Consumption	Local Communities	Business Ethics & Transparency
Biodiversity	Employment & Labour Relations	Legal/Regulatory Compliance
Waste & Hazardous Material	Training & Education	Risk Management
Input Materials	Human Rights	Stakeholder Engagement
Energy Consumption	Diversity & Equity	
	Occupational Health & Safety	

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# Update: our 6 strategic sustainability pillars

## ENVIRONMENT

### EMISSIONS

#### *Addressing our carbon footprint*

Since the industrial revolution, the rise in man-made greenhouse gas emissions has led to ocean warming and acidification, both of which pose serious risks to marine ecosystems, including the health of our oysters.

As a business dependent on the ocean, we recognise our responsibility to reduce and manage our emissions. To support transparency and accountability, we report our Scope 1 and 2 emissions per pearl harvested on a rolling 12-month basis. This approach accounts for the natural seasonality of our pearl production and helps us track our impact over time.

#### MEASURE

Average Scope 1 and 2 carbon emissions, measured in kilograms of CO<sub>2</sub> equivalent, per pearl harvested and per shell stock, calculated over the past 12 months.

#### RESULT

**7.95 kg / pearl**  
**2.29 kg / oyster**



## ENVIRONMENT

### WASTE

#### *Minimising waste, protecting our oceans*

Protecting the marine environments we depend on, both from our own activities and from broader human impacts, is essential to the sustainability of our operations. However, effective waste management in remote locations with limited infrastructure presents ongoing challenges.

Our primary focus is on reducing waste generation through increased reuse and recycling. To support this, we have recently standardised our waste management processes and definitions across all sites. Beginning with our full-year reporting, we will share performance data on recycling and reuse to drive accountability and continuous improvement.

#### MEASURE

Percentage of all waste produced that is reused or recycled, reducing our environmental footprint and supporting sustainable resource management.

#### RESULT

**57% past 6 months**



## SOCIAL

### GENDER EQUALITY

#### *Championing equality of opportunity*

Equality of opportunity is a core pillar of our sustainability approach. Across our workforce of nearly 1,000 employees, and an additional 200 casual or daily workers, we are committed to supporting every individual to reach their full potential, regardless of gender or background.

We believe that hiring and promoting based on merit creates a high-performing, inclusive workplace. Currently, 30% of our employees are women and 70% are men. Importantly, our gender pay analysis, covering all staff across all countries, shows a negative gender pay gap on both a mean and median basis. This means that, on average, women at Atlas Pearls earn more than men.

#### MEASURE

Average (mean) and middle-point (median) pay ratios comparing male and female employees across all Atlas locations, calculated from staff employed as of 30 June 2025.

#### RESULT

**-33% mean**  
**-8% median**



**SOCIAL**

**COMMUNITY HEALTH**

*Supporting health and wellbeing in remote communities*

The physical and mental wellbeing of our employees and the communities in which we operate is fundamental to the long-term success of the company. Many of our farm sites are located in remote areas where access to healthcare is limited, and open discussion around some health issues, particularly women's health, can be culturally sensitive or considered taboo.

To help address these challenges, we operate our own on-site health clinics and have formed partnerships with charitable health organisations.

Together, we aim to improve access to education, prevention and treatment services, contributing to better health outcomes for our teams and the communities we're part of.

**MEASURE**

The total number of healthcare interactions funded by Atlas Pearls in the last 12 months, covering education, prevention, and treatment initiatives.

**RESULT**

**2,302 past 12 months**



**SOCIAL**

**EDUCATION & TRAINING**

*Investing in education and opportunity*

In many remote regions of Indonesia, young people face limited opportunities for employment and social advancement. Improving access to education is essential to unlocking their potential and creating pathways to a brighter future.

Atlas Pearls supports this by providing school scholarships for children who might otherwise be unable to afford tuition and related expenses.

We also provide free English language lessons in our local communities, helping to build valuable skills that can expand future opportunities and support long-term development.

**MEASURE**

Total students sponsored for school attendance during the year, along with the average number participating in English language classes.

**RESULT**

**232 | 175 past 12 months**



**GOVERNANCE**

**ECONOMIC EMPOWERMENT**

*Enabling local economic growth*

In many of the remote regions of Indonesia where we operate, Atlas Pearls is one of the few, if not the only, formal employer. In areas where alternative job opportunities are limited or unavailable, our presence plays a vital role in supporting local livelihoods.

To maximise our positive impact, we prioritise local content in our procurement practices, directing spend to nearby businesses and suppliers whenever possible. In addition, we provide capital, business advice, and practical support to help local entrepreneurs establish and grow their own enterprises, fostering long-term economic resilience in the communities we call home.

**MEASURE**

The amount and proportion of our total spending that goes to local suppliers in the regions where we operate.

**RESULT**

**\$3m | 77% past 12 months**



# Risk Management

Atlas Pearls' approach to managing risk is documented in a Corporate Risk Register reviewed and approved by the Board of Directors. The risk register seeks to ensure that risk management is embedded throughout the business and managed in a structured and systematic manner. It is reviewed regularly by the Board and is evaluated and updated as the Company's business model evolves and underlying risks change.

The Board has overall responsibility for managing the organisation's risks, and monitors management's actions to ensure they are in line with Company policy. The following is a summary of the key continuing significant risks facing the business and the way in which Atlas Pearls manages these risks:

## (I) CORPORATE

The Company manages a number of corporate risks such as safety, recruitment and retention of key employees, tax, foreign exchange, purchasing and procurement, potential lower than anticipated return on capital invested, and potential lower underlying earnings. All the aforementioned risks are managed through Atlas Pearls' risk management framework, which includes review and monitoring by management, and the Board.

## (II) MATERIAL CONTRACTS

Atlas Pearls may enter into contracts with suppliers that exceed \$1M. Some of the key risks associated with these material contracts include cash flow management, contract management, performance and quality of the services being delivered, and reputation. Atlas Pearls manages these material contracts with steering committee reviews, operating reviews, and other strict project management practices. External legal counsel may be involved. Atlas Pearls negotiates favourable payment terms and reviews financial risk to manage cash flow as effectively as possible.

## (III) CONSUMER PREFERENCES AND PRICING RISK

Atlas Pearls has exposure to pricing risk in relation to the sale of pearls, specifically the weakening of customer demand resulting in the softening of pearl prices. This risk also encompasses the volatility from shifts in consumer preferences. To address these challenges, the Company has implemented a multi-channel sales approach that provides the ability to diversify market presence by creating alternative revenue streams. Additionally, the Company consistently monitors the market, staying attuned to shifts in customer preferences and price trends. By closely tracking these indicators, the Company can proactively adjust pricing strategy and sales and marketing efforts to align with evolving market conditions.

## (IV) COMPETITION

To address the risk associated with market competition, Atlas Pearls has developed strategies on multiple fronts. The Company continuously invests in research and development activities, to maintain its reputation as a producer of quality pearls, and to innovate and differentiate products from competitors. Atlas Pearls prioritises maintaining strong relationships with customers, built on trust, quality, and excellence. Atlas Pearls maintains a pricing structure that takes into account market dynamics and competitive positioning. The Company also reviews and assesses industry trends and emerging competitors, allowing Atlas Pearls to proactively adapt strategies to remain one of the world's largest producers and distributor of South Sea pearls.

## (V) OPERATIONAL RISK

Pearl quality is an ongoing risk to Atlas Pearls. The Company's proactive approach involves measures like reviewing seeding procedures and grow-out times, diversifying hatchery broodstock, refining the hatchery spawning strategy, and genetic analysis

of broodstock. These risks necessitate the Company applying continuous procedural control at every phase of spat and pearl production. Complementary initiatives encompass a genetics project, probiotics research, and broodstock conditioning. These strategies are closely monitored, with oyster growth and genetics reporting being actively tracked to ensure effective risk management aligned with the Company's broader risk framework.

## (VI) COST CONTROLS, INFLATION, AND SUPPLY CHAIN CONSTRAINTS

Rising input costs and supply chain constraints have the potential to reduce profit margins where those costs cannot be recovered from customers. Significant input costs include labour, components and materials, and fuel. Atlas Pearls has the ability to recover costs through the selling price of pearls. The Company sources components and equipment from multiple suppliers and vendors, to secure the most competitive pricing on various input components. The Company employs centralised logistics and purchasing personnel to co-ordinate the movement of components and materials across the Company's pearl farms, and the pricing of those items. Senior management monitors the effectiveness of this process regularly.

## (VII) POLITICAL, REGULATORY AND COMPLIANCE

Atlas Pearls is a global company and operates in numerous countries around the world. The Company must comply with a range of governance requirements which are conditions of its ASX listing. New or evolving regulations and international standards are outside the Company's control and can often be complex and difficult to predict. The potential development of international opportunities can be jeopardised by changes to fiscal or regulatory regimes, adverse changes to tax laws and the application thereof, or changes to existing political, judicial or administrative policies, and changing community expectations. Atlas Pearls seeks to manage and minimise this risk through its existing risk management framework including Board approved governance policies which are subject to regular review.

## (VIII) ANTI-BRIBERY AND CORRUPTION

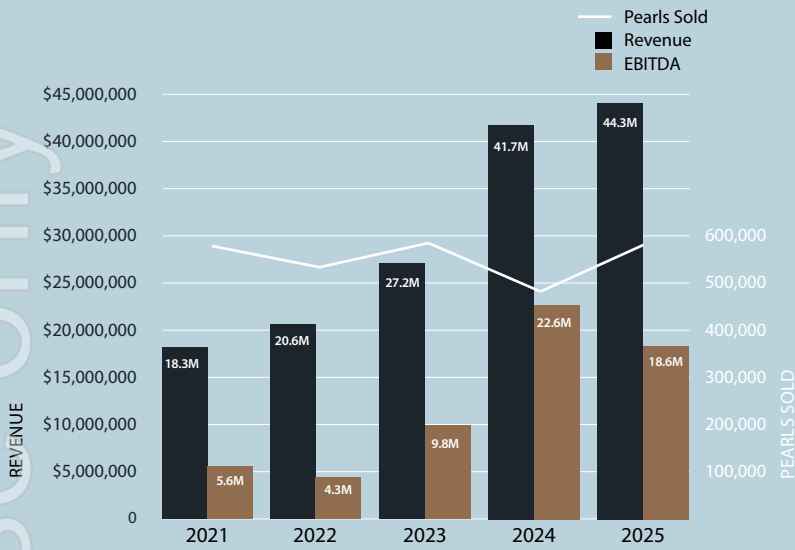
Atlas Pearls' business activities and operations are located in jurisdictions with varying degrees of political, economic and judicial stability, including an inherently high risk of bribery and corruption. This exposes Atlas Pearls to the risk of unauthorised payments, or offers of payments, to or by employees or agents that could be in violation of applicable anti-corruption laws. Atlas Pearls has a clear Anti-Bribery and Corruption Policy and internal controls and procedures to protect against such risks. However, there can be no assurances that such controls, policies and procedures will absolutely protect Atlas Pearls from potentially improper or criminal acts.

## (IX) ENVIRONMENTAL, SOCIAL, GOVERNANCE (ESG)

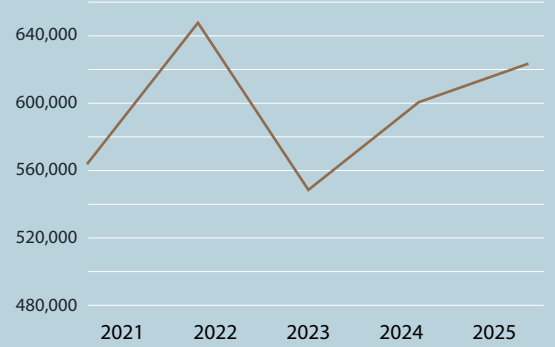
Atlas Pearls has a longstanding commitment to supporting the villages, stakeholders, and communities around the Company's farms. Building on ongoing environmental initiatives, and in a conscious approach to building a sustainable business, the Board has begun the process of developing a reporting framework to manage and monitor the Company's ESG impact. The Company has aligned its framework with the Global Reporting Initiative Standard (GRI) to provide transparency and tangible measurable outcomes that adheres to the United Nations Sustainability Development Goals (SDGs) to ensure that we, as a company, are also keeping in step with global endeavours, and with the Indonesian initiatives around sustainability and environmental stewardship. The Sustainability Roadmap can be found on our website at: [www.atlaspearls.com.au/pages/sustainability](http://www.atlaspearls.com.au/pages/sustainability).

# FY25 Highlights

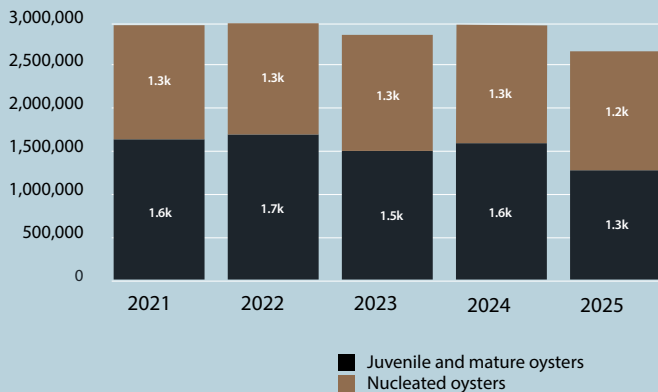
Annual Revenue and EBITDA



Pearls Harvested



Total Number of Oysters

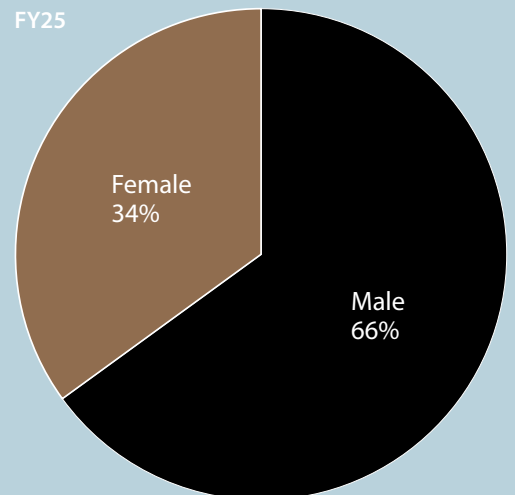


Total Revenue  
**\$44.3M**

EBITDA  
**\$18.6M**

The salary ratio between woman and men was 1.10, due to the proportion of women in higher paying, senior management and specialist roles across our Indonesian operations.

Gender Ratio FY25



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# Summary of fiscal indicators

	30 JUNE 25 \$'000	30 JUNE 24 \$'000
Revenue from contracts with customers	44,271	41,706
Net profit after tax	21,898	31,469
Normalised EBITDA <sup>1</sup>	18,600	22,633
Normalised EBITDA margin	42%	54%
Basic EPS (cents)	5.00	7.37
Cash and cash equivalents	20,215	17,623
Assets	85,886	69,853
NTA	70,173	55,516
NTA per share (cents)	16.0	12.8
Shareholder funds	71,036	55,516
Number of shares on issue (million)	439.0	433.6
Share price at year end (cents)	16.5	9.1

Notes:

1. Atlas Pearls uses 'normalised EBITDA' to comment on its financial performance and is used internally to evaluate performance. Normalised EBITDA is a non-IFRS financial measure and is not audited. Refer to note 5.1 of the Director's Report for a reconciliation to statutory earnings.

# Directors' Report

The Directors present their report on the consolidated entity consisting of Atlas Pearls Ltd and the entities it controlled at the end of, or during, the year ended 30 June 2025. Referred to hereafter as, the Company, Atlas Pearls, or the Group.

## 1. Directors

The following were Directors of Atlas Pearls during the financial year and up to the date of this report, unless otherwise indicated.

**Name:** JOSÉ MARTINS  
**Title:** Independent Non-Executive Chairman  
**Qualifications:** BAcc, GAICD

### Experience and expertise:

José is a highly regarded finance executive with over 25 years' experience in the management of public and private companies. He has previously held CFO roles with Macmahon Holdings Limited, Ausdrill Limited (now part of Perenti), and Alliance Mining Commodities Limited.

José qualified as a Chartered Accountant in South Africa and holds a Bachelor of Accountancy (with distinction) from the University of Witwatersrand, Johannesburg, and is a graduate of the Australian Institute of Company Directors.

**Appointments:** Director - 17/05/2024  
Chairman – 01/01/2025

**Special responsibilities:** Chairman of the Board

**Former directorships (last 3 years):** Non-Executive Director of GenusPlus Group Limited (appointed 03/01/2018)

**Interests in shares:** 500,000 ordinary shares

**Interests in options:** None

**Contractual rights to shares:** None

**Name:** GEOFFREY (Geoff) NEWMAN  
**Title:** Chairman (retired 31/12/2024)  
**Qualifications:** BEc (Hons), MBA, FCPA, FAICD

### Experience and expertise:

Geoff has more than 30 years' experience in finance, marketing, and general management roles within the resources sector.

In 1995, after managing Bunnings Pulpwood operations, he joined Coogee Chemicals Pty Ltd as Commercial Manager and was appointed to the Board as Finance Director the following year.

Until August 2005, Geoff was Finance Director/Chief Financial Officer and Company Secretary of both Coogee Chemicals Pty Ltd and its oil and gas subsidiary, Coogee Resources Pty Ltd, before retiring from the Coogee Group in June 2006.

**Appointments:** Chairman - 13/07/2022 (retired 31/12/2024)  
Executive Chairman - 01/10/2019  
Chairman - 16/02/2015  
Director - 15/10/2010

**Special responsibilities:** Chairman of the Board

**Former directorships (last 3 years):** None

**Interests in shares:** 5,115,835 ordinary shares

**Interests in options:** None

**Contractual rights to shares:** None

**Name:** TIMOTHY (Tim) MARTIN  
**Title:** Non-Executive Director  
**Qualifications:** BA, MBA, GAICD

### Experience and expertise:

Tim has been an executive manager at Coogee Chemicals Pty Ltd since 2005. He held the position of Managing Director from 2012 - 2015 and was appointed Executive Chairman in July 2015.

Prior to working at Coogee, Tim worked in management roles within the packaged food manufacturing sector, supplying to national supermarket chains, and has ongoing interests in commercial property development.

In 2013, Tim graduated from Harvard University, completing their OPM (Owner/President Management) Program.

Tim is a former Director of the Plastics and Chemicals Industries Association (PACIA) and a former Director of the Kwinana Industries Council.

**Appointments:** Director - 04/02/2013

**Special responsibilities:** None

**Former directorships (last 3 years):** None

**Interests in shares:** 106,742,128 ordinary shares

**Interests in options:** None

**Contractual rights to shares:** None

**Name:** CADELL BUSS  
**Title:** Independent Non-Executive Director  
**Qualifications:** MBA, MPM, GAICD

### Experience and expertise:

Cadell is the founder and Managing Director of Chilwa Minerals Limited (ASX: CHW). He is a multi-industry senior executive with over 20 years' experience locally and internationally in marketing, project development, and equity capital markets.

Cadell was the CEO of Western Australia's longest-serving stockbroking firm, DJ Carmichael, and has consulted to a number of ASX-listed companies with African-based assets. Cadell was previously Project and Finance Director with Luso Global Mining, an angel investor to African-based mining and exploration companies.

Cadell has a Masters' degree in Project Management and an MBA from Murdoch University, Perth, and is a graduate of the Australian Institute of Company Directors.

**Appointments:** Director - 01/02/2018

**Special responsibilities:** None

**Former directorships (last 3 years):** Managing Director of Chilwa Minerals Limited (appointed 01/02/2022)

**Interests in shares:** 1,500,000 ordinary shares

**Interests in options:** None

**Contractual rights to shares:** None

## 2. Company Secretary

**Name:** SUSAN PARK  
**Title:** Company Secretary  
**Qualifications:** BCom, CA, F Fin, FGIA, FCG, GAICD

### Experience and expertise:

Susan has over 25 years of experience in the corporate finance sector. She is the founder and Managing Director of the consulting firm Park Advisory, which specialises in the provision of corporate governance and company secretarial advice to ASX-listed companies. She has held senior executive roles at Ernst & Young and PricewaterhouseCoopers in the Corporate Finance divisions and at Bankwest in the Strategy and Ventures division. Susan holds a Bachelor of Commerce from the University of Western Australia, majoring in Accounting and Finance, she is a Member of the Chartered Accountants Australia and New Zealand, a Fellow of the Financial Services Institute of Australasia, and a graduate Member of the Australian Institute of Company Directors. She is also a Fellow of the Governance Institute of Australia and the Chartered Governance Institute.

**Appointments:** Company Secretary - 19/12/2012

**Special responsibilities:** None

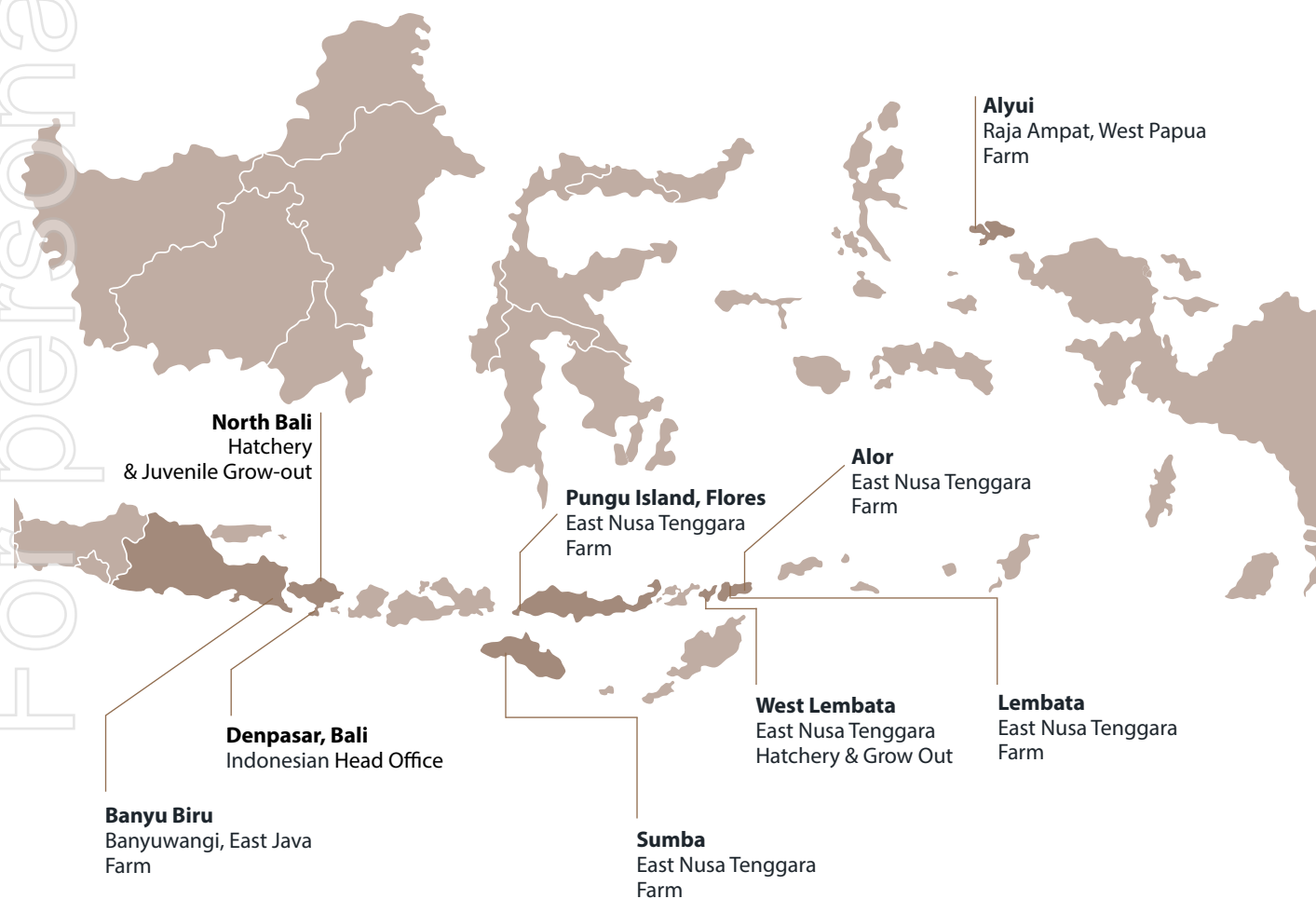
**Former directorships (last 3 years):** None

**Interests in shares:** None

**Interests in options:** None

**Contractual rights to shares:** None

## Atlas Pearls facility sites



### 3. Principal activities

#### 3.1 PRINCIPAL ACTIVITIES

Atlas Pearls produces South Sea pearls, with pearling operations located throughout Indonesia (refer to map on previous page). Pearls produced are sold through a multi-channel distribution network. No significant changes in the nature of Atlas Pearls principal activities occurred during the year ended 30 June 2025.

#### 3.2 ABOUT ATLAS PEARLS

Over the past 30+ years Atlas Pearls has become one of the world's largest producers of the highly sought after white and silver South Sea pearls. Operating across eight farming locations throughout Indonesia and employing more than 1,200 people, the Company harvested 621,458 pearls this year (2024: 598,324 pearls).

### 4. Directors' meetings

The attendance at meetings of the Company's Directors, including meetings of committees of Directors, is shown below:

Director	Period	Directors' meetings	
		Meetings held whilst in office	Attended
Geoff Newman (retired 31/12/2024)	1 July 2024 - 30 June 2025	4	4
José Martins	1 July 2024 - 30 June 2025	7	7
Tim Martin	1 July 2024 - 30 June 2025	7	7
Cadell Buss	1 July 2024 - 30 June 2025	7	7

### 5. Financial review

#### 5.1 SHAREHOLDER RETURNS

	30 June 2025 \$'000	30 June 2024 \$'000	30 June 2023 \$'000
Net profit after tax	21,898	31,469	9,088
Basic EPS (cents)	5.00	7.37	2.14
Dividends paid	8,776	8,002	Nil
Dividends paid per share (cents)	2.00	1.85	Nil

The adjustments from net profit after tax to arrive at the reported normalised EBITDA for these years are shown below:

	30 June 2025 \$'000	30 June 2024 \$'000	30 June 2023 \$'000
Net profit after tax	21,898	31,469	9,088
Tax expense	5,408	8,343	626
Interest expense/(income)	(365)	(262)	60
Depreciation/amortisation	442	322	291
Net foreign exchange (gain)/loss	(1,954)	156	382
Agriculture standard revaluation (gain)	(5,887)	(13,947)	(641)
Changes in inventory (farm costs) (gain)	(2,036)	(3,448)	-
Write down of pearls to net realisable value	1,530	-	-
Loss on deconsolidation/deregistration	227	-	-
Other non-operating (income)/expenses	(663)	-	(1)
<b>Normalised EBITDA</b>	<b>18,600</b>	<b>22,633</b>	<b>9,805</b>

### 5.2 FINANCIAL POSITION

	30 June 2025 \$'000	30 June 2024 \$'000	30 June 2023 \$'000
Total assets	85,886	69,853	40,066
Debt (current and non-current)	-	-	-
Total liabilities	(14,850)	(14,338)	(5,982)
Shareholder funds/net assets	71,036	55,515	34,084
Debt/shareholder funds	-	-	-
Number of shares on issue (million)	439.0	433.6	427.9
Net tangible assets per share (cents)	16.0	12.8	8.0
Share price at reporting date (cents)	16.5	9.1	4.2

There has been an increase in the net assets of the Group of \$15.5M in the year ended 30 June 2025 (2024: \$21.4M increase).

#### 5.2.1 OPERATING RESULTS

The Company is pleased to announce a net profit after tax of \$21.9M (2024: \$31.5M) and a reported inflow of cash from operating activities for the year ended 30 June 2025 of \$16.4M (2024: \$20.7M).

Atlas Pearls continued evolving its sales distribution plan, learning from each sales event and enhancing the current strategy to meet its customer's needs, ensuring each pearl is reaching its potential.

At an operational level, the farms continue to work assiduously to ensure oyster health is optimised. The passion and dedication shown by all employees translate to beautiful, coveted South Sea pearls.

The operating revenue for the year ended 30 June 2025 was \$44.3M (2024: \$41.7M), an increase of \$2.6M. Administration, finance, and marketing expenses were \$8.9M (2024: \$9.2M), a decrease of \$0.3M.

#### 5.2.2 REVIEW OF OPERATIONS

##### 5.2.2.1 PEARLING

The Company harvested 621,458 pearls during the year ended 30 June 2025 (2024: 598,324).

The quality of pearls produced in the year was similar to that of FY24, as measured by the "index score", our preferred internal measure of pearl quality. In FY25, the quality index score showed results where H1 was marginally higher quality than H2, albeit well within the normal range of variation expected across genetic groups and cultivation location.

##### 5.2.2.2 PEARLING VALUE ADDED

Atlas Pearls continues to review and refine its sales strategy with the core objective of ensuring each pearl achieves maximum return. This strategy involves directing pearls through different sales channels whilst also being available online to reach customers globally. This hybrid approach achieves not only reach but competitive tension across the different markets. The Company will continually review and refine to adapt to changing markets.

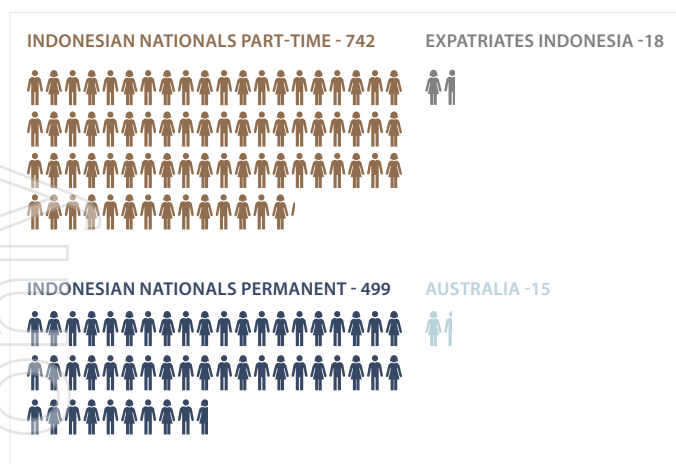
For a detailed review of operations please refer to the CEO's review of operations on page 6.

#### 5.2.3 AUDIT OPINION

The financial report has been audited independently and received an unmodified opinion. Refer to page 29 for the Independent Auditors' Report and page 57 onwards for the Auditors' Opinion.

## 5.2.4 PERSONNEL

Staff numbers at the end of the year were as follows:



## 6. Dividends

In line with the Company's Dividend Policy, and considering the EBITDA performance and cash position, the Board has approved a final dividend (fully franked) of 1.40 cents per share to the holders of fully paid ordinary shares in respect of the year ended 30 June 2025.

Key dates:

- Record date for determining entitlement to dividend: 5 September 2025
- Date the dividend is payable: 26 September 2025

## 7. Events since the end of the financial year

On 28 August 2025, the Company declared a final fully franked dividend of 1.40 cents per share. The total value of the payment is \$6.1M. The record date is 5 September 2025 with a payment date of 26 September 2025.

On 27 August 2025, the Company issued 4,400,000 performance rights to Executives and senior managers under the Atlas Pearls Ltd Employee Awards Plan. Details of Performance Rights granted to KMPs as part of their remuneration are set out in the Remuneration Report.

Other than the matters disclosed above, there have been no other significant events after balance date which require disclosure.

## 8. Likely developments and expected results of operations

During the year the Company finalised its FY30 Strategic Roadmap which covers every aspect of the business including sales and operations. This has been communicated to the business, and teams are in place to execute the key initiatives that will drive the continued improvement in the business. Over the term of the strategy period, the Company aims to increase the number of pearls that are produced by between 30% and 50% per annum by FY30, and will also target a reduction in the real cost of production for the pearls produced. The Company remains committed to the multi-channel approach to the distribution of the pearls, with the plan to continue increasing customer reach.

## 9. Directors' interests

The relevant interest of each current Director in the share capital of the Company, as notified by the Directors to the Australian Securities Exchange in accordance with S205G (1) of the Corporations Act 2001, at the date of this report, are detailed in note 14.5.3 (B) of this report.

## 10. Options & performance rights

On 27 August 2025, 4,400,000 performance rights were granted to Executives and key senior managers. Details of performance rights granted to key management personnel as part of their remuneration are set out in the Remuneration Report.

Refer to note 23.2 for further information.

## 11. Indemnification & insurance of Directors and officers

### 11.1 INDEMNIFICATION

The Company has agreed to indemnify all current and former Directors and officers of the Company against all liabilities to another person (other than the Company or a related body corporate) that may arise from their position as Directors and officers of the Company, except where the liability arises out of conduct which involves negligence, default, breach of duty, or a lack of good faith. The agreement stipulates that the Company will meet the full amount of any such liabilities, including costs and expenses.

### 11.2 INSURANCE PREMIUMS

During the financial year the Company has paid insurance premiums of \$35,168 (2024: \$34,906) in respect of Directors' and officers' liability and legal expenses insurance for current and former Directors and officers.

## 12. Audit and non-audit services

The Company did not engage the auditor (BDO) to provide any non-audit related services during the financial year.

The following fees were paid or payable for services provided by the auditor of the Company during the year ended 30 June:

	30 June 2025 \$	30 June 2024 \$
<b>BDO Australian Firm</b>		
Audit and review of financial reports	167,101	134,370
<b>BDO Indonesian Firm</b>		
Audit and review of financial reports	52,063	47,577
<b>Total remuneration for audit services</b>	<b>219,164</b>	<b>181,947</b>

## 13. Proceedings on behalf of the Company

No person has applied under section 237 of the Corporations Act 2001 for leave of court to bring proceedings on behalf of the Company or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings. The Company has not been a party to any proceedings during the year.

## 14. Remuneration report (audited)

The Directors are pleased to present your Company's 2025 remuneration report, which sets out remuneration information for Atlas Pearls' Directors and other Key Management Personnel, as listed in the table below. The information provided in this Remuneration Report has been audited as required by section 300(a) of the Corporations Act 2001.

Name	Position
<b>Directors</b>	
Geoff Newman	Non-Executive Chairman (retired 31/12/2024)
José Martins	Independent Non-Executive Chairman
Tim Martin	Non-Executive Director
Cadell Buss	Independent Non-Executive Director
<b>Other Key Management Personnel</b>	
Michael Ricci	Chief Executive Officer
Jean-Marie Rudd	Chief Financial Officer

### 14.1 REMUNERATION GOVERNANCE

#### 14.1.1 ROLE OF THE BOARD IN REMUNERATION GOVERNANCE

Remuneration governance is the responsibility of the full Board. Primary responsibilities include recommendations for;

- Non-Executive Director fees,
- Remuneration levels of Executive Directors and other Key Management Personnel,
- The overarching Executive remuneration framework and the operation of incentive plans, and
- Key performance indicators (KPIs) and performance hurdles for the Executive team.

The objective is to ensure that remuneration policies and structures are fair and competitive and are aligned with the long-term interests of the Company.

#### Assessing performance and claw-back remuneration

KPIs are set annually, with a certain level of consultation with Key Management Personnel. The measures are specifically tailored to the area everyone is involved in and has a level of control over. The KPIs target areas the Board believes hold greater potential for group expansion and profit, covering financial and non-financial, as well as short and long-term goals. The level set for each KPI is based on budgeted figures for the Group and respective industry standards.

Performance in relation to the KPIs is assessed annually, with bonuses being awarded depending on the number and deemed difficulty of the KPIs achieved. Following the assessment, the KPIs are reviewed by the Board considering the desired and actual outcomes, and their efficiency is assessed in relation to the Group's goals and shareholder wealth, before the KPIs are set for the following year.

In the event of serious misconduct or a material misstatement in the Company's financial statements, the Board may cancel or defer performance-based remuneration and may also claw-back performance-based remuneration paid in previous financial years.

#### 14.1.2 NON-EXECUTIVE DIRECTOR REMUNERATION POLICY

Fees and payments to Non-Executive Directors reflect the demands which are made on, and the responsibilities of, the Directors.

Non-Executive Directors' fees are reviewed annually by the Board. Consideration is given to the remuneration of comparable companies when setting fee levels.

The Non-Executive Directors' aggregate annual remuneration may not exceed \$500,000 (2024: \$500,000) which is periodically recommended for approval by shareholders. This limit was approved by shareholders at the Extraordinary General Meeting on 29 April 2022. In the year ending 30 June 2025, the total Non-Executive Directors' fees including retirement benefit contributions were \$282,095 (2024: \$329,426).

The base fees for Non-Executive Directors are \$82,800 per annum (inclusive of superannuation) (2024: \$72,475 inclusive of superannuation). The base fee for the Chairman of the Board is \$115,800 per annum (inclusive of superannuation) (2024: \$100,350 inclusive of superannuation).

#### 14.1.3 EXECUTIVE REMUNERATION POLICY AND FRAMEWORK

In determining Executive remuneration, the Board aims to ensure that remuneration practices are:

- Competitive and reasonable, enabling the Company to attract and retain key talent
- Aligned to the Company's strategic and business objectives and the creation of shareholder value
- Transparent, and
- Acceptable to shareholders.

Executive remuneration framework has three components;

- Base pay and benefits
- Short-term performance incentives, and
- Long-term incentives through participation in the Atlas Pearls Ltd Employee Awards Plan.

Employment contracts are in place between the Company (or its subsidiaries) and all Key Management Personnel. Under these contracts, Key Management Personnel are paid a base salary (which may be provided in the form of cash or non-financial benefits) in accordance with their skills and experience, as well as entitlements including superannuation, accrued annual leave and long service leave.

The Atlas Pearls Ltd Employee Awards Plan (Plan) provides some senior executives with incentives over and above their base salary (refer section 14.2.1). The allocation of shares or options under the Plan are not subject to the performance conditions of the Company. The allocation of performance rights are subject to performance conditions of the Company.

#### Short-term incentives

The Atlas Pearls Ltd Salaried Employee Bonus Scheme (STI Plan) is maintained as the primary financial reward for employee performance. The underlying principle of the STI Plan is, the greater a salaried employee's ability to influence overall group and individual department results, the greater the "at risk" component of their remuneration package should be.

The employee's designated bonus level is expressed as percentage of base salary and determines the maximum bonus payment possible for the employee year-on-year. Calculation of the employee's actual bonus payment takes into consideration:

- the business results of the Company overall
- the results of the department in which the participant works, and
- the employee's individual results against their established quantitative and qualitative KPIs.

The Board shall retain absolute discretion over how the bonus program operates, who participates, and all bonus payments generated by it.

The structure of the STI Plan relating to senior executives is outlined in the table below:

Feature	Description			
Max opportunity	CEO: 22.5% of fixed remuneration Other senior executives: 17.5% of fixed remuneration			
	The STI metrics align with the Group's strategic priorities of market competitiveness, operational excellence, shareholder value, and fostering talented and engaged people.			
Performance metrics	Metric	Target	Weighting	Reason for selection
	EBITDA	Budget <sup>1</sup>	50%	Reflects improvements in both revenue and cost control.
	Individual performance metrics	Specific to individuals <sup>2</sup>	50%	Targeted metrics have been chosen that are critical to individual roles and which support the Group's strategic objectives.
Delivery of STI	100% of the STI award is paid in cash no later than three months following the end of the financial year.			
Board discretion	The Board has discretion to adjust remuneration outcomes up or down to prevent any inappropriate reward outcomes.			

Notes:

1. The budget for consolidated EBITDA is set as a dollar figure by the Board on an annual basis. The actual EBITDA results achieved are expressed as a percentage of the relevant budget figure. The bonus outcomes are calculated on a sliding scale, with the minimum payment at 90% of budget and maximum payment at 115% of budget.
2. Individual KPIs are established and agreed between the employee and their manager. This is done either at the annual performance appraisal each year for existing employees, or soon after commencement of employment for new employees.

Long-term incentives

The Company considered that it was desirable to issue equity securities to attract, motivate and retain key Directors, employees, and consultants and provide them with the opportunity to participate in the future growth of the Company. The Atlas Pearls Ltd Employee Awards Plan (Plan) was adopted by shareholders at the Annual General Meeting of the Company held on 29 October 2024.

The purpose of the Plan is to:

- assist in the reward, retention and motivation of Eligible Employees
- link the reward of Eligible Employees to performance and the creation of Shareholder value
- align the interests of Eligible Employees more closely with the interests of Shareholders by providing an opportunity for Eligible Employees to receive an equity interest in the form of Awards
- provide Eligible Employees with the opportunity to share in any future growth in the value of the Company, and
- provide greater incentive for Eligible Employees to focus on the Company's longer term goals.

Feature	Description			
The opportunity	Performance Rights			
	The LTI metrics aim to encourage eligible participants to have a greater involvement in the achievement of the Group objectives and to provide an incentive to strive to that end by participating in the future growth and prosperity of the Group's through share ownership.			
Performance metrics	Metric	Compound annual growth rate (CAGR) of ATSR	Proportion of performance rights that will vest	Reason for selection
	Absolute Total Shareholder Return (ATSR)	Below 15% Between 15% and up to 20% Between 20% and up to 30% Greater than 30%	0% Pro-rata from 50% to 75% Pro-rata from 75% to 100% 100%	Reflects improvement in shareholder value.
Vesting condition	Performance Rights will be measured by comparing the 30-day volume weighted average price (VWAP) as at the commencement of the ATSR testing period to the 30-day VWAP at the ATSR measurement date (3 years after the commencement date), plus any dividends paid to Shareholders during this period.			
Other terms	Any unvested performance rights or vested performance rights that have not been exercised will lapse if the eligible participant ceases to be an employee of the Company.			
Delivery of LTI	The performance rights may be exercised after the Board has provided a vesting notice confirming that vesting conditions have been satisfied or waived, and setting out the proportion of the performance rights that have vested. On exercise of a holder's vested performance rights, eligible participants will be entitled to receive one share for every performance right exercised. All or some of the performance rights may be exercised, provided that the performance rights are exercised in multiples of 100 rights.			
Board discretion	The Board has discretion to adjust remuneration outcomes up or down to prevent any inappropriate reward outcomes.			

## Use of remuneration consultants

During the financial year ended 30 June 2025 the Company did not engage any remuneration consultants.

## Voting and comments made at the Company's 2024 Annual General Meeting

Atlas Pearls received 96.26% of 'yes' votes on adoption of the remuneration report for the 2024 financial year. 99.99% of 'yes' votes were received on the resolution to re-elect Tim Martin as Director. 94.95% of 'yes' votes were received on the resolution to approve the Atlas Pearls Ltd Employee Awards Plan. 99.99% of 'yes' votes were received on the resolution to appoint the auditor. The Company did not receive any specific feedback at the Annual General Meeting or throughout the year on its remuneration.

## Relationship between Key Management Personnel Remuneration and Performance

Each Key Management Personnel is remunerated on an individual basis.

### 14.2 DETAILS OF REMUNERATION

The following tables show details of the remuneration received by the Directors and the Key Management Personnel (KMP) of the Group for the current and previous financial period.

Name		Cash salary and fees \$	Short-term benefits				Total cash salary, fees and short-term benefits \$	Post-employment benefits	Long-term benefits	Share-based compensation	Total \$
			Salary sacrifice for shares \$	Short-term incentive cash bonus \$	Non-cash monetary benefit \$	Superannuation benefit \$		Long service leave \$	Options <sup>5</sup> \$		
Geoff Newman <sup>1</sup>	2025	45,692	-	-	-	45,692	5,255	-	-	50,947	
	2024	90,000	-	-	-	90,000	9,900	-	13,076	112,976	
José Martins <sup>2</sup>	2025	77,308	-	-	-	77,308	8,890	-	-	86,198	
	2024	65,000	-	-	-	65,000	7,150	-	-	72,150	
Tim Martin	2025	72,475	-	-	-	72,475	-	-	-	72,475	
	2024	72,150	-	-	-	72,150	-	-	-	72,150	
Cadell Buss	2025	72,475	-	-	-	72,475	-	-	-	72,475	
	2024	72,150	-	-	-	72,150	-	-	-	72,150	
Michael Ricci	2025	362,893	-	79,166	-	442,059	60,808	5,283	54,784	562,934	
	2024	328,567	-	94,806	-	423,373	45,513	5,437	62,221	536,544	
Gemma Cann <sup>3</sup>	2025	-	-	-	-	-	-	-	-	-	
	2024	49,198	-	-	-	49,198	5,542	(8,211)	1,214	47,743	
Jean-Marie Rudd <sup>4</sup>	2025	229,775	-	39,589	-	269,364	32,439	3,030	-	304,833	
	2024	41,258	-	48,600	-	89,858	9,997	1,097	-	100,952	
<b>TOTAL 2025</b>	<b>2025</b>	<b>860,618</b>	<b>-</b>	<b>118,755</b>	<b>-</b>	<b>979,373</b>	<b>107,392</b>	<b>8,313</b>	<b>54,784</b>	<b>1,149,862</b>	
<b>TOTAL 2024</b>	<b>2024</b>	<b>718,323</b>	<b>-</b>	<b>143,406</b>	<b>-</b>	<b>861,729</b>	<b>78,102</b>	<b>(1,677)</b>	<b>76,511</b>	<b>1,014,665</b>	

#### Notes:

1. Geoff Newman retired on 31 December 2024.
2. José Martins was appointed Chairman on 1 January 2025.
3. Gemma Cann was appointed CFO on 17 July 2023 and resigned as CFO on 7 February 2024.
4. Jean-Marie Rudd was appointed CFO on 4 May 2024.
5. Share-based remuneration related to options being recognised over the respective vesting period.

#### 14.2.1 DETAILS OF REMUNERATION – PERFORMANCE ANALYSIS

The following table indicates the percentage of remuneration relating to options and performance:

Name	30 June 2025 % Performance	30 June 2024 % Performance
Geoff Newman <sup>1</sup>	0.00%	11.57%
Michael Ricci	25.48%	31.30%
Jean-Marie Rudd	14.40%	53.68%

Notes:

1. Geoff Newman retired on 31 December 2024.

The proportion of the cash bonus paid/payable or forfeited is as follows:

	Cash bonus paid/ payable		Cash bonus forfeited	
	30 June 2025	30 June 2024	30 June 2025	30 June 2024
<b>Other key management personnel</b>				
Michael Ricci	100%	90%	0%	10%
Gemma Cann <sup>1</sup>	0%	0%	0%	100%
Jean-Marie Rudd	100%	85%	0%	15%

Notes:

1. Gemma Cann was appointed CFO on 17 July 2023 and resigned as CFO on 7 February 2024.

#### 14.2.2 RELATIONSHIP BETWEEN REMUNERATION AND ATLAS PEARLS' PERFORMANCE

The following table shows performance indicators as prescribed by the Corporations Act 2001 over the past five reporting periods:

	30 June 2025	30 June 2024	30 June 2023	30 June 2022	30 June 2021
Profit/(loss) for the year	21,897,781	31,469,017	9,087,744	4,591,551	6,719,924
Basic earnings per share	5.00	7.37	2.14	1.08	1.58
Dividend payments	8,776,251	8,001,889	-	-	-
Increase/(decrease) in share price	76%	117%	17%	140%	200%
Total KMP incentives as percentage of profit/(loss) %	0.8%	0.8%	0.8%	0.6%	0.1%

#### 14.3 SERVICE AGREEMENTS

On appointment to the Board, all Non-Executive Directors enter into a service agreement with the Company. Remuneration and other terms of employment for the Chief Executive Officer other KMPs are also formalised in service agreements.

Details of KMP service agreements are set out below:

##### 14.3.1 MICHAEL RICCI (CHIEF EXECUTIVE OFFICER)

Michael has been engaged as Chief Executive Officer of the Group pursuant to an employment agreement between the Group and Michael (Ricci Agreement).

The total annual remuneration payable to Michael under the Ricci Agreement is a salary of \$367,058 per annum (exclusive of superannuation) (2024: \$345,000). Michael is also entitled to participate in STIs of up to 22.5% of the base salary, inclusive of superannuation (2024: 20% of the base salary, inclusive of superannuation) and LTIs, as determined by the Board. An STI bonus of \$79,166 has been accrued in respect of the financial year ended 30

June 2025, exclusive of superannuation (2024: \$94,806 exclusive of superannuation) under the STI Plan, representing a 100% achievement (2024: 90%) of the maximum bonus payable.

On 27 August 2025, 1,500,000 performance rights were granted to Michael as an LTI under the Atlas Pearls Ltd Employee Awards Plan. No accrual has been recognised in respect of the financial year ended 30 June 2025 as the grant date was after year-end.

The Ricci Agreement commenced on 13 June 2022 and employment under the Ricci Agreement will continue until terminated in accordance with the Ricci Agreement (Term). During the Term, the Ricci Agreement may be terminated by the Group at any time:

- by three months written notice to Michael, at which time the Group will immediately pay Michael three months base salary in lieu; or
- by summary notice in circumstances where Michael neglects to perform his duties or comply with reasonable or proper direction or engages in serious misconduct.
- Otherwise, the Ricci Agreement may be terminated by Michael at any time for any reason by giving not less than three months' notice in writing to the Group.

Michael is also subject to restrictions in relation to the use of confidential information during and after his employment with the Group ceases, being directly or indirectly involved in a competing business during the continuance of his employment with the Group, and for a period of 12 months after his employment with the Group ceases, on terms which are otherwise considered standard for agreements of this nature.

The Ricci Agreement contains additional provisions considered standard for agreements of this nature.

##### 14.3.3 JEAN-MARIE RUDD (CHIEF FINANCIAL OFFICER)

Jean-Marie was appointed to the position of Chief Financial Officer of the Group on 4 May 2024, pursuant to an employment agreement between the Group and Jean-Marie (Rudd Agreement). Prior to her appointment as CFO, Jean-Marie was employed on a 12-month fixed-term contract.

The total annual remuneration payable to Jean-Marie under the Rudd Agreement is a salary of \$248,400 per annum (exclusive of superannuation) (2024: \$240,000). Jean-Marie is also entitled to participate in STIs of up to 17.5% of the base salary (2024: 15%) and LTIs, as determined by the Board. An STI bonus of \$36,000 has been accrued in respect of the financial year ended 30 June 2025 exclusive of superannuation (2024: \$48,600 exclusive of superannuation) under the STI Plan, representing a 100% achievement (2024: 85%) of the maximum bonus payable.

On 27 August 2025, 400,000 performance rights were granted to Jean-Marie as an LTI under the Atlas Pearls Ltd Employee Awards Plan. No accrual has been recognised in respect of the financial year ended 30 June 2025 as the grant date was after year-end.

The Rudd Agreement commenced on 4 May 2024 and employment under the Rudd Agreement will continue until terminated in accordance with the Rudd Agreement (Term). During the Term, the Rudd Agreement may be terminated by the Group at any time:

- by three months written notice to Jean-Marie, at which time the Group will immediately pay Jean-Marie three months base salary in lieu; or
- by summary notice in circumstances where Jean-Marie neglects to perform her duties or comply with reasonable or proper direction or engages in serious misconduct.
- Otherwise, the Rudd Agreement may be terminated by Jean-Marie at any time for any reason by giving not less than three months' notice in writing to the Group.

Jean-Marie is also subject to restrictions in relation to the use of confidential information during and after her employment with the Group ceases, being directly or indirectly involved in a competing business during the continuance of her employment with the Group, and for a period of 12 months after her employment with the Group ceases, on terms which are otherwise considered standard for agreements of this nature.

The Rudd Agreement contains additional provisions considered standard for agreements of this nature.

#### 14.4 ADDITIONAL INFORMATION OF THE REMUNERATION REPORT

##### 14.4.1 OPTIONS

No options were issued to KMP during the financial year end 30 June 2025 (2024: 4,000,000 issued to Michael Ricci).

Refer to section 14.5.2 below and to section 23.2 of the notes to the consolidated financial statements for details of options on issue.

#### 14.4.2 OTHER KMP TRANSACTIONS

As at 30 June 2025, salaries of \$2,288 (2024: nil) and Director fees of \$6,040 are payable (2024: \$6,013).

#### 14.5 SHARE-BASED PAYMENTS COMPENSATION

##### 14.5.1 EMPLOYEE SALARY SACRIFICE SHARE PLAN

There was no salary sacrifice scheme in place for the year ended 30 June 2025 (2024: no scheme in place).

##### 14.5.2 PERFORMANCE OPTIONS

The details relating to performance options allocated to KMP under the Atlas Pearls Ltd Employee Awards Plan are shown in the table below.

The fair value at grant date is independently determined using a Hoadley Trading and Investment valuation model, which takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected volatility of the underlying share, the expected dividend yield, and the risk-free interest rate for the term of the option.

Name	Date of grant	Entitlement No. of options	Vesting date	Expiry date	Financial year in which options vest	Share price at grant date	Option exercise price	Volatility	Risk free rate	Total value of options at grant date	Fair value
Michael Ricci <sup>1</sup>	15/11/23	800,000 <sup>2</sup>	30/06/24	30/09/26	2024	\$0.075	\$0.085	85%	4.17%	\$28,000	\$0.0350
Michael Ricci <sup>1</sup>	15/11/23	1,200,000	30/06/25	30/09/26	2025	\$0.075	\$0.091	85%	4.17%	\$43,200	\$0.0360
Michael Ricci <sup>1</sup>	15/11/23	2,000,000	30/06/26	30/09/26	2026	\$0.075	\$0.097	85%	4.17%	\$74,000	\$0.0370

Notes:

- 4,000,000 options were issued to CEO, Michael Ricci, under an offer to Michael on 15/11/23. These options are subject to the employee remaining engaged as an employee at the date of the prescribed vesting date.
- 800,000 options were exercised by Michael Ricci during the year ended 30 June 2025 (2024: nil).

##### 14.5.3 EQUITY INSTRUMENTS

The details relating to the equity instruments held by KMP are as follows:

###### (A) EQUITY INSTRUMENT DISCLOSURES RELATING TO KMP

###### Options and rights granted as compensation

No options were issued to KMP during the financial year ended 30 June 2025 (2024: 4,000,000). Refer to section 23.2 of the notes to the consolidated financial statements for details of options on issue.

On 27 August 2025, 1,900,000 performance rights were issued to KMP.

###### (B) SHAREHOLDINGS

The number of shares in the Company held during the financial year by each Director and the other KMP of the Group, including their personally related parties, are set out below:

	Balance 01/07/24	Granted as compensation	Options exercised	Acquired/(sold) on market	Becoming/ceasing to be KMP	Balance 30/06/25
<b>Directors</b>						
Geoff Newman <sup>1</sup>	3,839,639	-	1,276,196	-	(5,115,835)	-
José Martins <sup>2</sup>	500,000	-	-	-	-	500,000
Tim Martin <sup>3</sup>	105,033,931	-	-	1,708,197	-	106,742,128
Cadell Buss <sup>4</sup>	1,427,385	-	-	72,615	-	1,500,000
<b>Total Directors</b>	<b>110,800,955</b>	<b>-</b>	<b>1,276,196</b>	<b>1,780,812</b>	<b>(5,115,835)</b>	<b>108,742,128</b>
<b>Other KMP</b>						
Michael Ricci <sup>5</sup>	512,800	-	800,000	-	-	1,312,800
Jean-Marie Rudd <sup>6</sup>	170,000	-	-	-	-	170,000
<b>Total Other KMP</b>	<b>682,800</b>	<b>-</b>	<b>800,000</b>	<b>-</b>	<b>-</b>	<b>1,482,800</b>
<b>TOTAL</b>	<b>111,483,755</b>	<b>-</b>	<b>2,076,196</b>	<b>1,780,812</b>	<b>(5,115,835)</b>	<b>110,224,928</b>

Notes:

- Geoff Newman retired on 31 December 2024.
- Shares are held by Sintra Business Services Pty Ltd <Sintra SF A/C> of which José Martins is a beneficiary.
- 54,907,327 shares are held by Boneyard Investments Pty Ltd; 46,129,176 shares are held by Chemco Superannuation Fund Pty Ltd <Chemco Super Fund No 2 A/C>, 2,027,511 shares are held by TJM SF Pty Ltd <TJM Superannuation Fund A/C> and the remaining balance of 3,678,114 shares are held personally by Tim Martin.
- Shares are held by Cadon Holdings Pty Ltd <Cadon S/F A/C> of which Cadell Buss is a beneficiary.
- 512,800 shares are held by M&K Ricci Pty Ltd <Ricci Super Fund A/C> of which Michael Ricci is a beneficiary, and the remaining 800,000 share are held personally by Michael Ricci.
- Shares are held by Jean-Marie Rudd <Rudd Family A/C> of which Jean-Marie Rudd is a beneficiary.

## Shares issued on the exercise of options

The following ordinary shares of Atlas Pearls Ltd were issued during the year ended 30 June 2025 and up to the date of this report on the exercise of options granted:

	Date options granted	Exercise date	Exercise price	Shares issued (no)
Geoff Newman	29/04/2022	14/08/2024	\$0.075	1,276,196
Michael Ricci	15/11/2023	12/09/2024	\$0.085	500,000
Michael Ricci	15/11/2023	06/03/2025	\$0.085	300,000
<b>TOTAL</b>				<b>2,076,196</b>

## (C) OPTION HOLDING

The number of options over ordinary shares in the parent entity held during the year ended 30 June 2025 by each Director and other KMP of the Group, including their personally related parties, is set out below:

	Balance 01/07/24	Granted	Exercised	Forfeited/ Lapsed	Commenced/ (Ceased) as KMP	Balance 30/06/25	Fully Vested <sup>1</sup>
<b>Directors</b>							
Geoff Newman <sup>1</sup>	1,276,196	-	(1,276,196)	-	-	-	-
<b>Other KMP</b>							
Michael Ricci	4,000,000	-	(800,000)	-	-	3,200,000	1,200,000
<b>TOTAL</b>	<b>5,276,196</b>	<b>-</b>	<b>(2,076,196)</b>	<b>-</b>	<b>-</b>	<b>3,200,000</b>	<b>1,200,000</b>

Notes:

1. 1,200,000 Options vested 30 June 2025 (2024: 2,076,196).

**This is the end of the Audited Remuneration Report.**

## 15. Rounding of amounts

The Company is of a kind referred to in ASIC Legislative Instrument 2016/191, relating to the 'rounding off' of amounts in the Directors' report and financial report. Amounts in the Directors' report and financial report have been rounded off to the nearest whole dollar, unless otherwise indicated, in accordance with the instrument.

## 16. Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 29.

Signed in accordance with a resolution of the Directors.



José Martins  
Chairman - 28 August 2025

## DECLARATION OF INDEPENDENCE BY JARRAD PRUE TO THE DIRECTORS OF ATLAS PEARLS LIMITED

As lead auditor of Atlas Pearls Limited for the year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Atlas Pearls Limited and the entities it controlled during the period.



**Jarrad Prue**

**Director**

**BDO Audit Pty Ltd**

Perth

28 August 2025

# Consolidated Statement of Profit or Loss and Other Comprehensive Income

	NOTE	2025 \$	2024 \$
Revenue from contracts with customers	3	44,271,016	41,705,611
Farm costs and changes in inventory		(13,817,265)	(8,245,951)
Administration expenses	5	(8,345,314)	(8,056,407)
Finance costs		(57,424)	(34,126)
Marketing expenses		(522,883)	(359,083)
Change in fair value less husbandry costs of oysters	4	5,887,197	15,562,188
Write down of pearls to net realisable value	9	(1,529,786)	-
Loss on deconsolidation	20.2	(227,278)	-
Other expenses	5	(1,082,810)	(1,125,017)
Other income	3	2,729,847	364,706)
<b>PROFIT BEFORE INCOME TAX</b>		<b>27,305,300</b>	<b>39,811,921</b>
Income tax expense	7	(5,407,519)	(8,342,905)
<b>PROFIT AFTER INCOME TAX</b>		<b>21,897,781</b>	<b>31,469,016</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
Items that will be reclassified as profit or loss:			
Exchange differences on translation of foreign operations		1,753,879	(2,538,480)
Exchange differences on deconsolidation of subsidiary	20.2	183,226	-
<b>OTHER COMPREHENSIVE INCOME NET OF TAXES</b>		<b>1,937,105</b>	<b>(2,538,480)</b>
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>23,834,886</b>	<b>28,930,536</b>
<b>PROFIT IS ATTRIBUTABLE TO:</b>			
Owners of the Company		21,897,781	31,469,016
<b>TOTAL COMPREHENSIVE INCOME IS ATTRIBUTABLE TO:</b>			
Owners of the Company		23,834,886	28,930,536
<b>EARNINGS PER SHARE</b>			
<b>ATTRIBUTABLE TO THE ORDINARY EQUITY HOLDERS OF THE COMPANY</b>			
Basic earnings per share (cents)	6	5.00	7.37
Diluted earnings per share (cents)	6	4.96	7.11

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

# Consolidated Statement of Financial Position

	NOTE	2025 \$	2024 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	8	20,214,953	17,623,315
Trade and other receivables		1,595,049	870,517
Inventories	9	6,415,204	8,973,203
Biological assets	4	18,452,358	13,909,930
<b>TOTAL CURRENT ASSETS</b>		<b>46,677,564</b>	41,376,965
<b>NON-CURRENT ASSETS</b>			
Intangibles		862,648	-
Biological assets	4	24,556,286	20,077,639
Property, plant and equipment	12	7,874,533	7,062,086
Right-of-use assets		1,179,601	667,363
Deferred tax assets		886,308	669,071
Loans receivable	10	3,848,573	-
<b>TOTAL NON-CURRENT ASSETS</b>		<b>39,207,949</b>	28,476,159
<b>TOTAL ASSETS</b>		<b>85,885,513</b>	69,853,124
<b>CURRENT LIABILITIES</b>			
Trade and other payables		1,658,917	569,582
Provisions	11	3,558,107	3,590,969
Lease liabilities		161,891	69,210
Current tax liabilities	7	1,626,702	3,496,781
<b>TOTAL CURRENT LIABILITIES</b>		<b>7,005,617</b>	7,726,542
<b>NON-CURRENT LIABILITIES</b>			
Lease liabilities		239,944	218,222
Deferred tax liabilities	7	7,565,727	6,354,104
Provisions	11	38,720	38,720
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>7,844,391</b>	6,611,046
<b>TOTAL LIABILITIES</b>		<b>14,850,008</b>	14,337,588
<b>NET ASSETS</b>		<b>71,035,505</b>	55,515,536
<b>EQUITY</b>			
Contributed equity	13	37,648,403	37,241,851
Reserves	14	(8,172,872)	(10,164,761)
Retained earnings / (accumulated losses)		41,559,974	28,438,446
<b>TOTAL EQUITY</b>		<b>71,035,505</b>	55,515,536

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

# Consolidated Statement of Changes in Equity

	NOTE	Attributable to owner of Atlas Pearls					Total equity
		Contributed equity	Revaluation reserve	Employee share reserve	Foreign currency translation reserve	Retained earnings (accumulated losses)	
		\$	\$	\$	\$	\$	\$
<b>BALANCES AT 1 JULY 2024</b>		37,241,851	179,179	1,283,242	(11,627,182)	28,438,446	55,515,536
Net profit for the year						21,897,781	21,897,781
Exchange differences on translation of foreign operations	14				1,937,105		1,937,105
<b>Total comprehensive income</b>					1,937,105	21,897,781	23,834,886
<b>Transactions with owners in their capacity as owners</b>							
Contributions of equity, net of transaction costs		406,552					406,552
Share-based payments	23			54,784			54,784
Dividends paid	15					(8,776,253)	(8,776,253)
<b>BALANCE AT 30 JUNE 2025</b>		<b>37,648,403</b>	<b>179,179</b>	<b>1,338,026</b>	<b>(9,690,077)</b>	<b>41,559,974</b>	<b>71,035,505</b>
<b>BALANCES AT 1 JULY 2023</b>		36,857,415	179,179	1,164,841	(9,088,702)	4,971,318	34,084,051
Net profit for the year		-	-	-	-	31,469,016	31,469,016
Exchange differences on translation of foreign operations	14	-	-	-	(2,538,480)	-	(2,538,480)
<b>Total comprehensive income</b>		-	-	-	(2,538,480)	31,469,016	28,930,536
<b>Transactions with owners in their capacity as owners</b>							
Contributions of equity, net of transaction costs		384,436	-	-	-	-	384,436
Share-based payments	23	-	-	118,401	-	-	118,401
Dividends paid	15	-	-	-	-	(8,001,888)	(8,001,888)
<b>BALANCE AT 30 JUNE 2024</b>		<b>37,241,851</b>	<b>179,179</b>	<b>1,283,242</b>	<b>(11,627,182)</b>	<b>28,438,446</b>	<b>55,515,536</b>

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

# Consolidated Statement of Cash Flows

	NOTE	2025 \$	2024 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Proceeds from pearl and jewellery sales		<b>43,222,203</b>	40,452,654
Proceeds from pearl by-product sales		<b>1,522,459</b>	914,335
Payments to suppliers and employees		<b>(23,170,997)</b>	(20,493,174)
Income tax paid		<b>(5,572,898)</b>	(451,639)
Interest paid		<b>(11,159)</b>	(19,527)
Interest received		<b>429,046</b>	255,049
Other income		<b>22,727</b>	-
Net cash inflow from operating activities	8	<b>16,441,381</b>	20,657,698
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from the disposal of property, plant and equipment		-	262
Payments for acquisition of intangible assets		<b>(912,099)</b>	-
Payments for property, plant and equipment		<b>(3,234,237)</b>	(1,851,175)
Loan (to)/from PT Cahaya Bali		<b>(1,821,173)</b>	-
Aggregate cash from loss of control of PT Cahaya Bali		<b>(406,786)</b>	-
Net cash outflow from investing activities		<b>(6,374,295)</b>	(1,850,913)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayment of borrowings		<b>(959,946)</b>	(650,869)
Proceeds from borrowings		<b>934,297</b>	631,449
Repayment of lease liabilities		<b>(558,681)</b>	(99,899)
Dividends paid		<b>(8,776,253)</b>	(8,001,888)
Proceeds from the issue of shares (net of share issue expenses)		<b>394,543</b>	340,738
Net cash outflow from financing activities		<b>(8,966,040)</b>	(7,780,469)
Net increase in cash and cash equivalents		<b>1,101,046</b>	11,026,316
Cash and cash equivalents at the beginning of the year		<b>17,623,315</b>	7,845,286
Effects of exchange rate changes on cash and cash equivalents		<b>1,490,592</b>	(1,248,287)
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR</b>	8	<b>20,214,953</b>	17,623,315

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

# Index of notes to the consolidated financial statements

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# Notes to the consolidated financial statements

## PART A - Basis of preparation

### 1. Basis of preparation

#### 1.1 BASIS OF PREPARATION

The financial statements cover the consolidated entity of Atlas Pearls Ltd and its subsidiaries. Atlas Pearls is a listed public Company, incorporated and domiciled in Australia.

A description of the nature of the consolidated entity's operations and its principal activities is included in the review of operations and activities in the Directors' report, which, is not part of these financial statements. The financial statements were authorised for issue by the Directors on 28 August 2025. The Directors have the power to amend and reissue the financial statements.

These general-purpose financial statements have been prepared in accordance with Australian Accounting Standards, and other authoritative pronouncements of the Australian Accounting Standards Board (AASB), IFRS, and the Corporations Act 2001. Atlas Pearls is a for-profit entity for the purpose of preparing financial statements.

These financial statements have been prepared under the historical cost basis, financial assets and liabilities (including derivative instruments) at fair value through profit or loss, and biological assets and inventories at fair value less cost to sell.

The accounting policies are consistent with those disclosed in the 2024 financial statements, except for the impact of all new or amended standards and interpretations.

#### 1.2 CRITICAL ACCOUNTING ESTIMATES

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The Directors evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events, and are based on current trends and economic data, obtained both externally and within the Group. Actual results may differ from these estimates under different assumptions and conditions and may materially affect financial results or the financial position reported in future periods.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are detailed below:

- Determination of market value of biological assets – see note 4
- Property, plant and equipment depreciation rates - see note 12
- Valuation of share-based payments – see note 23

## PART B - Financial performance

### 2. Segment reporting

The Group has identified its operating segments based on internal reports that are reviewed and used by the Board of Directors and management team (the chief operating decision makers) in assessing performance and in determining the allocation of resources.

#### DISAGGREGATION OF REVENUE

The Group derives revenue from the transfer of goods at a point in time in major product lines and geographical regions as shown below.

The operating segments are identified by management based on the location in which the product is sold, whether Australia or Indonesia. Discrete financial information about each of these operating businesses is reported to the Board of Directors and management team on at least a monthly basis.

The accounting policies used by the Group in reporting segments are the same as those detailed throughout the financial statements and in the prior period, except as detailed below.

#### INTER-ENTITY SALES

Inter-entity sales are recognised on a cost-plus arrangement as per the Advance Pricing Agreement (APA), which was effective 1 July 2021 through to 30 June 2025. The transfer price terms under the APA are between 11.80% and 16.47%. These transactions are eliminated on consolidation. The revenue from external parties, reported to the chief operating decision makers is measured in a manner consistent with that in the statement of profit or loss and other comprehensive income.

It is the Group's policy that if items of revenue and expense are not allocated to operating segments, then any associated assets and liabilities are also not allocated to segments. This is to avoid asymmetrical allocations within segments which management believe would be inconsistent.

Segment revenue reconciles to total revenue from contracts with customers in the statement of profit or loss and other comprehensive income as follows:

	2025	2024
<b>Total segment revenue</b>	<b>64,759,725</b>	64,800,428
Inter-segment eliminations	<b>(20,488,709)</b>	(23,094,817)
<b>Total revenue from contracts with customers (note 3)</b>	<b>44,271,016</b>	41,705,611

## 2.1 SEGMENT INFORMATION PROVIDED TO THE BOARD OF DIRECTORS AND MANAGEMENT TEAM

The segment information provided to the Board of Directors and management team for the reportable segments for the year ended 30 June 2025 is as follows:

30 June 2025	NOTE	Loose pearls and by-product		
		Australia \$	Indonesia \$	Total \$
Total segment revenue		39,765,977	24,993,748	64,759,725
Inter-segment revenue		-	(20,488,709)	(20,488,709)
<b>Revenue from external customers</b>	3.1	<b>39,765,977</b>	<b>4,505,039</b>	<b>44,271,016</b>
<b>Timing of revenue recognition</b>				
At a point in time		39,765,977	4,505,039	44,271,016
Over time		-	-	-
		<b>39,765,977</b>	<b>4,505,039</b>	<b>44,271,016</b>
<b>Normalised EBITDA</b>	2.2(IV)	<b>16,320,814</b>	<b>2,278,899</b>	<b>18,599,713</b>
<b>Adjusted net operating profit before income tax</b>	2.2(I)	<b>15,688,568</b>	<b>2,833,708</b>	<b>18,522,276</b>
Depreciation and amortisation	5	82,024	360,052	442,076
Revaluation of biological assets		-	(7,923,115)	(7,923,115)
<b>TOTAL SEGMENT ASSETS</b>	2.2(II)	<b>20,741,936</b>	<b>64,257,269</b>	<b>84,999,205</b>
Total assets include:				
Additions to non-current assets		9,596	4,786,612	4,796,208
<b>TOTAL SEGMENT LIABILITIES</b>	2.2(III)	<b>(2,268,619)</b>	<b>(2,987,125)</b>	<b>(5,255,744)</b>

The segment information provided to the Board of Directors and management team for the reportable segments for the year ended 30 June 2024 is as follows:

30 June 2024	Loose pearls and by-product		
	Australia \$	Indonesia \$	Total \$
Total segment revenue	39,766,618	25,033,810	64,800,428
Inter-segment revenue	-	(23,094,817)	(23,094,817)
<b>Revenue from external customers</b>	<b>39,766,618</b>	<b>1,938,993</b>	<b>41,705,611</b>
<b>Timing of revenue recognition</b>			
At a point in time	39,766,618	1,938,993	41,705,611
Over time	-	-	-
	<b>39,766,618</b>	<b>1,938,993</b>	<b>41,705,611</b>
<b>Normalised EBITDA</b>	<b>19,401,764</b>	<b>3,230,914</b>	<b>22,632,678</b>
<b>Adjusted net operating profit before income tax</b>	<b>19,559,508</b>	<b>3,013,675</b>	<b>22,573,183</b>
Depreciation and amortisation	76,068	245,736	321,804
Revaluation of biological assets	-	(17,395,029)	(17,395,029)
<b>TOTAL SEGMENT ASSETS</b>	<b>18,262,322</b>	<b>50,921,731</b>	<b>69,184,053</b>
Total assets include:			
Additions to non-current assets	8,101	1,843,074	1,851,175
<b>TOTAL SEGMENT LIABILITIES</b>	<b>(903,860)</b>	<b>(3,295,410)</b>	<b>(4,199,270)</b>

Revenues of \$14.3M are derived from two external customers representing more than 10% of revenue (2024: \$13.2M). These revenues are attributed to the Australian loose pearls and by-product segment.

## 2.2 OTHER SEGMENT INFORMATION

### (I) ADJUSTED NET OPERATING PROFIT

The Board of Directors and the management team review the performance of each segment on a monthly basis by analysing the segment's net operating profit before tax. A segment's net operating profit before tax excludes non-operating income and expenses such as interest paid and received, foreign exchange gains and losses whether realised or unrealised, fair value gains and losses, and impairment charges.

A reconciliation of adjusted net operating profit/(loss) before income tax is provided as follows:

	2025 \$	2024 \$
<b>Segment net operating profit before tax</b>	<b>18,522,276</b>	22,573,183
Foreign exchange gain/(loss)	<b>1,954,000</b>	(156,291)
Agriculture standard revaluation gain	<b>5,887,197</b>	13,946,511
Changes in inventory (farm costs) gain/(loss)	<b>2,035,918</b>	3,448,518
Write down of pearls to net realisable value	<b>(1,529,786)</b>	-
Loss on deconsolidation/deregistration	<b>(227,278)</b>	-
Other non-operating income/(expenses)	<b>662,973</b>	-
<b>TOTAL PROFIT BEFORE INCOME TAX FROM OPERATIONS</b>	<b>27,305,300</b>	39,811,921

### (II) SEGMENT ASSETS

Assets are allocated based on the operations of the segment and the physical location of the asset. Reportable segments' assets are reconciled to total assets as follows:

	2025 \$	2024 \$
<b>Segment assets</b>	<b>84,999,205</b>	69,184,053
Unallocated:		
Deferred tax assets	<b>886,308</b>	669,071
<b>TOTAL ASSETS AS PER THE STATEMENT OF FINANCIAL POSITION</b>	<b>85,885,513</b>	69,853,124

The total of non-current assets other than financial instruments and deferred tax assets located in Australia is \$131,063 (2024: \$203,491). The total located in Indonesia is \$34,342,005 (2024: \$28,846,630).

### (III) SEGMENT LIABILITIES

Liabilities are allocated based on the operations of the segment and the physical location of the asset. Reportable segments' liabilities are reconciled to total liabilities as follows:

	2025 \$	2024 \$
<b>Segment liabilities</b>	<b>5,255,744</b>	4,199,270
Unallocated:		
Current tax liabilities	<b>1,626,702</b>	3,486,782
Lease liabilities	<b>401,835</b>	287,432
Deferred tax liabilities	<b>7,565,727</b>	6,354,104
<b>TOTAL LIABILITIES AS PER THE STATEMENT OF FINANCIAL POSITION</b>	<b>14,850,008</b>	14,327,588

## (IV) NORMALISED EBITDA RECONCILIATION

	2025 \$	2024 \$
Net profit before tax	<b>27,305,300</b>	39,811,921
Interest expense/(income)	<b>(364,639)</b>	(262,309)
Depreciation/amortisation	<b>442,076</b>	321,804
Foreign exchange (gain)/loss	<b>(1,954,000)</b>	156,291
Agriculture standard revaluation (gain)	<b>(5,887,197)</b>	(13,946,511)
Changes in inventory (farm costs) (gain)/loss	<b>(2,035,918)</b>	(3,448,518)
Write down of pearls to net realisable value	<b>1,529,786</b>	-
Gain on deconsolidation/deregistration	<b>227,278</b>	-
Other non-operating (income)/expenses	<b>18,599,713</b>	-
<b>NORMALISED EBITDA</b>	<b>18,599,713</b>	22,632,678

## 3. Revenue

### 3.1 REVENUE FROM CONTRACTS WITH CUSTOMERS

	2025 \$	2024 \$
Sale of goods	<b>44,271,016</b>	41,705,611
<b>TOTAL REVENUE FROM CONTRACTS WITH CUSTOMERS</b>	<b>44,271,016</b>	41,705,611

Refer to note 2.1 for the disaggregation of revenue.

### 3.2 OTHER INCOME

	2025 \$	2024 \$
Interest income	<b>422,063</b>	296,469
Net gain/(loss) on foreign exchange	<b>1,954,000</b>	(156,291)
Other	<b>353,784</b>	224,528
<b>TOTAL OTHER INCOME</b>	<b>2,729,847</b>	364,706

### MATERIAL ACCOUNTING POLICY

#### Revenue from contracts with customers

Revenue is recognised when the Group transfers control of products to a customer at the amount to which the Group expects to be entitled. The amount of revenue arising on a transaction is usually determined by an agreement between the Group and the customer.

#### Sale of Goods - Wholesale

The Group produces and sells pearls in the wholesale market. Revenue from the sale of goods is recognised at a point in time when control of the product is transferred to the customer, which is typically on delivery.

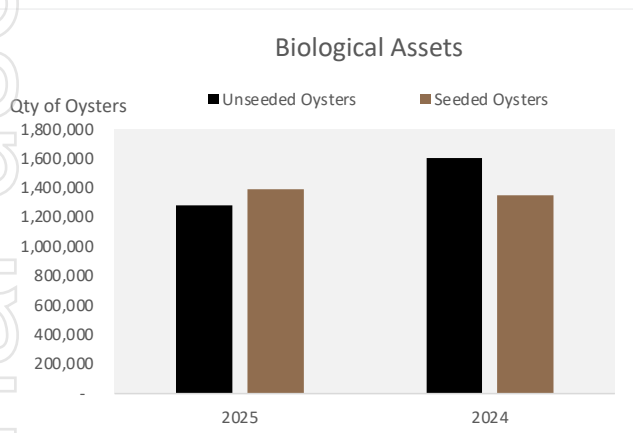
#### Sale of Goods - Retail

The Group operates an online retail store and farm experience stores selling pearl jewellery. Revenue from the sale of goods is recognised when the Group transfers control of the product to the customer, which is typically at the point of sale.

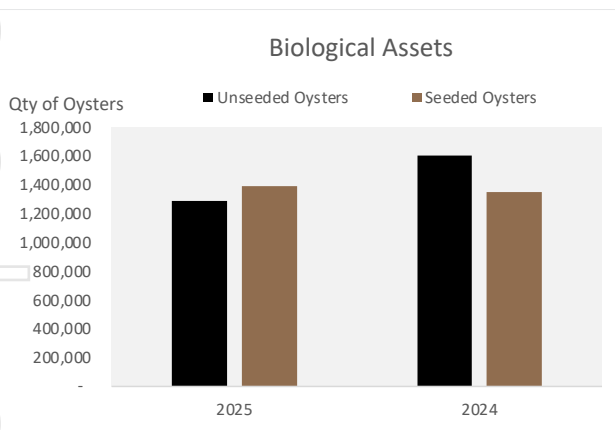
## 4. Biological assets

	2025 \$	2024 \$
<b>Current</b>		
Oysters – at fair value	18,452,358	13,909,930
<b>TOTAL CURRENT BIOLOGICAL ASSETS</b>	<b>18,452,358</b>	<b>13,909,930</b>
<b>Non-current</b>		
Nuclei	240,864	303,323
Oysters – at fair value	24,315,422	19,774,316
<b>TOTAL NON-CURRENT BIOLOGICAL ASSETS</b>	<b>24,556,286</b>	<b>20,077,639</b>
<b>TOTAL BIOLOGICAL ASSETS</b>	<b>43,008,644</b>	<b>33,987,569</b>

Biological assets recognised as current assets on the statement of financial position represent the estimated value of the pearls to be harvested within the next 12 months.



The details of the biological assets that are held by the Group as at year end are as follows:



### MATERIAL ACCOUNTING POLICY

Agricultural assets include pearl oysters, both seeded and unseeded. Seeded oysters are measured at their fair value less estimated husbandry costs. The fair value of these biological assets is determined by using the present value of expected net cash flows from the oysters, discounted using a pre-tax market determined rate. The fair value of unseeded oysters is determined by reference to market prices for this type of asset in Indonesia. Changes in fair value less estimated husbandry costs of these assets are recognised in the consolidated statement of profit or loss and other comprehensive income in the period they arise.

### MATERIAL JUDGEMENT

Fair value should reflect market participant views and market data at the measurement date under current market conditions. The valuation of oysters contains both observable and unobservable inputs. The Group carefully considered these inputs when assessing the fair value of oyster stocks. A fair valuation uplift of \$5,887,197 (2024: \$15,562,188 increase) is included in the valuation of biological assets, representing an average fair value per pearl of \$57 less costs to sell.

AASB 13 requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (level 2), and
- inputs for the asset/liability that are not based on observable market data (unobservable inputs) (level 3).

The finance and operations departments undertake the valuation of the oysters. The calculations are considered to be level 3 fair values as the significant inputs used in the model are not based on observable market data. The data is taken from internal management reporting work and work completed by the executive within the respective field teams to determine the material inputs in the model. The key inputs are confirmed with the relevant executives and agreed with the Board of Directors every six months.

The Group is exposed to financial risk in respect of its involvement in primary production, which consists of the breeding and rearing of oysters for the purpose of producing pearls. The primary financial risk associated with this activity occurs due to the length of time between the expenditure of cash in relation to the operation of the farm, the harvesting of the pearls, and realisation of cash receipts from the sale to third parties. The Group ensures that it maintains sufficient working capital to sustain its operations through any delays in cash flow that may be reasonably foreseen.

The following table presents the group's biological assets (excluding nuclei) measured and recognised at fair value at 30 June 2025 and 30 June 2024 on a recurring basis:

30 June 2025	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
<b>Assets</b>				
Biological assets	-	-	42,767,780	42,767,780
<b>TOTAL ASSETS</b>	<b>-</b>	<b>-</b>	<b>42,767,780</b>	<b>42,767,780</b>

30 June 2024	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
<b>Assets</b>				
Biological assets	-	-	33,684,246	33,684,246
<b>TOTAL ASSETS</b>	<b>-</b>	<b>-</b>	<b>33,684,246</b>	<b>33,684,246</b>

The following table presents the changes in level 3 instruments for the period ended 30 June 2025:

	2025 \$	2024 \$
<b>Changes in fair value of oyster stock</b>		
Opening balances 30 June 2024	<b>33,684,246</b>	20,256,722
Due to new stock	<b>6,019,274</b>	3,515,012
Due to mortalities	<b>(7,499,744)</b>	(3,979,979)
Due to ageing	<b>12,308,550</b>	9,374,354
Due to harvests	<b>(14,910,073)</b>	(8,877,180)
Due to price changes	<b>13,165,527</b>	13,395,317
<b>CLOSING BALANCE AT 30 JUNE 2025</b>	<b>42,767,780</b>	33,684,246

#### 4.1 KEY PRODUCTION ASSUMPTIONS

During the current reporting period, management continued to apply the revised methodology for determining the fair value of oysters, which was introduced in the prior year.

Future pearl quality is projected using a scenario-based model, with outcomes expressed as an average index score derived from key grading attributes (size, colour, shape, and grade). This approach allows for comparison of harvest quality across sites over time, independent of market demand. Management applies judgement to select the most likely scenario over the next two years for use in the valuation model. Consistent with the prior year, forecast revenues are determined using USD per pearl, reflecting the Group's primary trading currency. All other key assumptions used in the fair value calculation remain unchanged and are disclosed below.

All other assumptions integral to the fair valuation calculation of oysters remain unchanged. The key assumptions utilised to determine the fair market value of oysters are detailed below:

Input	2025	2024	2025 Assumptions	2024 Assumptions
Average selling price per pearl	<b>\$57</b>	\$52	Based on sale prices achieved over three prior reporting periods.	Based on sale prices achieved over three prior reporting periods.
USD exchange rate	<b>US \$0.72</b>	US\$ 0.72	Based on the forward USD price per a financial institution.	Based on the forward USD price per a financial institution.
Pearl quality scenario	<b>Medium</b>	Medium	Based on management assessment.	Based on management assessment.
Discount rate	<b>20%</b>	20%	No change to prior period.	No change to prior period.
Mortality	<b>15%</b>	14%	Based on current harvest mortality rates.	Based on current harvest mortality rates.
Average unseeded oyster value	<b>\$1.78</b>	\$1.73	Based on historical independent valuation.	Based on historical independent valuation.
Costs to complete	<b>\$0.83</b>	\$0.86	Based on current average.	Based on current average.
Costs to sell	<b>\$2.08</b>	\$1.84	Based on current average.	Based on current average.

#### 4.2 SENSITIVITY ANALYSIS – OYSTERS

The following tables summarise the potential impact of changes in the key non-production-related variables on the fair value oyster adjustment:

	Pearl Quality Scenario				
	Very Low	Low	Medium	High	Very High
Discount rate	Profit \$	Profit \$	Profit \$	Profit \$	Profit \$
22%	(9,200,253)	(4,421,017)	(694,956)	3,754,711	8,533,956
20%	(8,670,745)	(3,810,042)	-	4,536,408	9,397,111
18%	(8,120,181)	(3,174,838)	722,750	5,349,525	10,294,867

	Pearl Quality Scenario				
	Very Low	Low	Medium	High	Very High
Pricing	Profit \$	Profit \$	Profit \$	Profit \$	Profit \$
>10%	(3,849,099)	1,497,674	5,688,720	10,678,769	16,025,542
0%	(8,670,745)	(3,810,042)	-	4,536,408	9,397,111
<10%	(13,492,390)	(9,117,757)	(5,688,720)	(1,605,953)	2,768,680

	Pearl Quality Scenario				
	Very Low	Low	Medium	High	Very High
FX Rate	Profit \$	Profit \$	Profit \$	Profit \$	Profit \$
>10%	(3,849,099)	1,497,674	5,688,720	10,678,769	16,025,542
0%	(8,670,745)	(3,810,042)	-	4,536,408	9,397,111
<10%	(13,492,390)	(9,117,757)	(5,688,720)	(1,605,953)	2,768,680

## 5. Expenses

### 5.1 ADMINISTRATION EXPENSES

	2025 \$	2024 \$
Salaries and wages	6,320,210	5,748,210
Share-based payment expenses (refer to note 23.4)	54,784	118,401
Occupancy costs	96,487	204,668
Compliance and accounting	692,321	598,848
Other	1,181,507	1,386,280
<b>TOTAL ADMINISTRATION EXPENSES</b>	<b>8,345,314</b>	<b>8,056,407</b>

### 5.2 OTHER EXPENSES

	2025 \$	2024 \$
Depreciation/amortisation	442,076	321,804
Other	640,734	803,213
<b>TOTAL OTHER EXPENSES</b>	<b>1,082,810</b>	<b>1,125,017</b>

## 6. Earnings per share

	2025 \$	2024 \$
Basic earnings per share (cents per share)	5.00	7.37
Diluted earnings per share (cents per share)	4.96	7.11

### 6.1 EARNINGS RECONCILIATION

	2025 \$	2024 \$
<b>Net profit used for basic earnings</b>	<b>21,897,781</b>	<b>31,469,016</b>
	2025	2024
Weighted average number of ordinary shares outstanding during the period used for the calculation of basic earnings per share	437,458,884	427,186,130
Adjustments for calculation of diluted earnings per share	3,200,000	15,312,755
<b>Weighted average number of potential ordinary shares outstanding during the year used for calculation of diluted earnings per share</b>	<b>441,379,137</b>	<b>442,498,885</b>

Diluted earnings per share is calculated after taking into consideration all options and any other securities that were on issue that remain unconverted at 30 June 2025 as potential ordinary shares, which may have a dilutive effect on the profit of the Group.

Ordinary shares issued to employees under the Atlas Pearls Ltd Employee Awards Plan are considered to be potential ordinary shares and have been included in the determination of diluted earnings per share to the extent that they are dilutive.

## PART C - Tax

## 7. Tax

### 7.1 INCOME TAX EXPENSE

	2025 \$	2024 \$
<b>(A) THE COMPONENTS OF TAX EXPENSE/ (BENEFIT) COMPRISE:</b>		
Current tax	4,729,782	3,721,646
Deferred tax	1,144,521	4,621,259
Prior period (over) provision	(466,784)	-
<b>INCOME TAX EXPENSE</b>	<b>5,407,519</b>	<b>8,342,905</b>
<b>(B) DEFERRED INCOME TAX (REVENUE) EXPENSE INCLUDED IN INCOME TAX EXPENSE COMPRISES:</b>		
Decrease/(increase) in deferred tax assets (excluding tax losses) (note 7.2)	483,096	128,040
(Decrease)/increase in deferred tax liabilities (note 7.2)	(466,784)	-
Decrease/(increase) in opening balances	1,128,209	4,493,219
<b>DEFERRED TAX EXPENSE</b>	<b>1,144,521</b>	<b>4,621,259</b>
<b>(C) NUMERICAL RECONCILIATION OF INCOME TAX EXPENSE TO PRIMA FACIE TAX PAYABLE:</b>		
Profit before income tax expense	27,305,300	39,811,922
Tax at the Australian tax rate of 25% (30 June 2024: 25%)	6,826,325	9,952,980
Tax effect of amounts which are not deductible in calculating taxable income:		
Non-deductible expenses	242,480	82,961
Non-assessable income	(1,119,647)	-
Sundry items	-	996
Permanent differences	6,003	(27,998)
Difference in overseas tax rates	(74,855)	(78,787)
Deferred tax movement	-	-
Income tax (over) provided in previous years	-	154,806
Capital losses included in current year and not recognised	-	59,896
Utilisation of tax losses	(472,787)	(1,801,949)
<b>INCOME TAX EXPENSE</b>	<b>5,407,519</b>	<b>8,342,905</b>
Weighted average effective tax rates	20%	21%
<b>(D) DEFERRED INCOME TAX AT 30 JUNE RELATES TO THE FOLLOWING:</b>		
Deferred tax liabilities		
Fair value adjustment on biological assets	1,011,773	(4,368,918)
Prepayments	7,884	(14,152)
Other	(16,320)	(48,056)
Unrealised foreign exchange gain	226,292	(62,093)
Deferred tax assets		
Difference in accounting and tax depreciation	(44,860)	(47,811)
Stock	(90,844)	(10,855)
Accruals	(115,668)	16,508
Provisions	(318,222)	(55,365)
Other	17,702	(30,518)
<b>DEFERRED (INCOME)</b>	<b>677,737</b>	<b>(4,621,260)</b>

## 7.2 TAX ASSETS AND LIABILITIES

	2025 \$	2024 \$
<b>(A) LIABILITIES</b>		
<b>CURRENT</b>		
Income tax payable	1,626,702	3,496,781
<b>NON-CURRENT</b>		
Deferred tax liabilities comprise of temporary differences attributable to:		
Agricultural and biological assets at fair value	7,218,654	6,208,304
Prepayments	27,007	19,123
Unrealised foreign exchange gains	288,385	62,093
Other	31,681	64,584
<b>TOTAL DEFERRED TAX LIABILITIES</b>	<b>7,565,727</b>	6,354,104
<b>(B) ASSETS</b>		
Deferred tax assets comprise of temporary differences attributable to:		
Agricultural and biological assets at fair value	-	23,505
Accruals	107,352	16,508
Provisions	712,470	574,494
Tax allowances relating property, plant and equipment	41,875	2,705
Other	24,611	51,859
	886,308	669,071
Previously recognised deferred tax assets		
Tax losses recognised	-	-
<b>TOTAL DEFERRED TAX ASSETS</b>	<b>886,308</b>	669,071
<b>(C) RECONCILIATIONS</b>		
The overall movement in deferred tax account is as follows:		
Opening balance	(5,685,033)	(1,063,770)
(Charge) to statement of profit or loss and other comprehensive income	(1,144,521)	(4,621,260)
Decrease in opening balances	150,135	-
<b>CLOSING BALANCE</b>	<b>(6,679,419)</b>	(5,685,030)

### MATERIAL JUDGEMENT

#### Deferred tax assets

Deferred tax assets and liabilities have been brought to account after considering the level of tax losses carried forward and available to the Group against future taxable profits and the probability within the future that taxable profits will be available against which the benefits of the deductible temporary difference can be claimed.

Losses can be carried forward indefinitely and have no expiry date, provided the loss recoupment test can be satisfied. The balance of losses available to the Group at 30 June 2025 is \$491,964 (2024: \$1,764,853).

## PART D - Cash flow information

### 8. Cash and cash equivalents

	2025 \$	2024 \$
Cash at bank	20,214,953	17,623,315
<b>CLOSING BALANCES/PER STATEMENT OF CASH FLOWS</b>	<b>20,214,953</b>	17,623,315

#### Risk exposure

The Group's exposure to interest rate risk is disclosed in note 16. The maximum exposure to credit risk at the reporting date is the carrying amount of each class of cash and cash equivalents mentioned above.

### 8.1 NOTES TO THE CASH FLOW STATEMENT

#### 8.1.1 RECONCILIATION OF CASH

For the purposes of the statement of cash flows, and in line with the accounting policy, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term high liquid investments, with original maturity of three months or less that are readily convertible to known amounts of cash, and which are subject to an insignificant risk of change in value, and bank overdrafts.

Cash at the end of the financial period as shown in the statement of cashflows is reconciled to the related items in the statement of financial performance as noted above.

#### 8.1.2 RECONCILIATION OF PROFIT/(LOSS) AFTER INCOME TAX TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2025 \$	2024 \$
<b>Profit after income tax</b>	<b>21,897,781</b>	31,469,016
Depreciation/amortisation	442,076	321,804
(Profit)/loss on sale of assets	(331,057)	-
Share-based payments expense	54,784	118,401
Foreign exchange loss/(gain) unrealised	(1,701,702)	283,101
Agricultural asset fair value (gains)/losses	(5,887,197)	(17,395,029)
Write down of pearls to net realisable value	1,529,786	-
Gain on deconsolidation	227,278	-
Decrease/(increase) in trade and other receivables	156,588	(512,343)
Decrease/(increase) in inventories	1,509,912	(1,989,166)
(Decrease)/increase in trade and other payables	98,587	(257,178)
(Decrease)/increase in other non-current liabilities	(124,815)	-
Increase/(decrease) in provision	(443,243)	613,317
Increase/(decrease) in taxes	(987,397)	8,005,775
<b>NET CASH OBTAINED IN OPERATING ACTIVITIES</b>	<b>16,441,381</b>	20,657,698

As at the date of this report the Company has not entered into any non-cash financing or investing activities.

### 8.1.3 CREDIT FACILITIES

As at 30 June 2025 the Company had in place a bank overdraft loan facility with the National Australia Bank with a limit of \$2.5M (2024: \$2.5M). As at 30 June 2025 no amount has been drawn down on this facility (2024: nil).

## PART E - Working capital

### 9. Inventories

	2025 \$	2024 \$
Pearls	6,027,590	8,432,183
Jewellery	246,869	541,020
Fuel	140,745	-
<b>TOTAL INVENTORY</b>	<b>6,415,204</b>	<b>8,973,203</b>

A reconciliation of movements in pearl inventory:

	2025 \$	2024 \$
Carrying amount at beginning of the year	8,432,184	3,017,706
Harvest of new pearls	21,403,014	22,755,397
Deemed cost of pearls sold	(22,277,822)	(17,340,920)
Write down of pearls to net realisable value	(1,529,786)	-
<b>CARRYING AMOUNT AT END OF YEAR</b>	<b>6,027,590</b>	<b>8,432,183</b>

A reconciliation of movements in the number of pearls on hand:

	2025 No.	2024 No.
Balance at beginning of the year	224,141	160,653
Oysters harvested	621,458	597,655
Unsellable pearls and other minor adjustments	(27,662)	(50,544)
Pearls added to inventory during the year	593,796	547,111
Pearls sold	(592,919)	(477,190)
Pearls transferred to jewellery inventory	(5,582)	(6,433)
<b>BALANCE AT END OF YEAR</b>	<b>219,436</b>	<b>224,141</b>

#### SIGNIFICANT JUDGEMENT

Pearl and jewellery inventory is held at cost and value assessed based on the fair value of oyster stock at time of harvest. At each reporting date, pearl inventory is reviewed to ensure it is valued at the lower of cost and net realisable value. At 30 June 2025, a \$1,529,786 write off of pearl stocks has been recorded (2024: nil).

Net realisable value: Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

### 10. Loans receivable

At reporting date, the Group had non-current loans receivable as follows:

	2025 \$	2024 \$
Loan agreement - PT Cahaya Bali <sup>1</sup>	1,365,678	-
Funding facility agreement - PT Cahaya Bali <sup>2</sup>	4,061,906	-
<b>TOTAL LOANS RECEIVABLE</b>	<b>5,427,584</b>	<b>-</b>
Provision for impairment <sup>3</sup>	(1,579,011)	-
<b>CARRYING AMOUNT</b>	<b>3,848,573</b>	<b>-</b>

Notes:

- Loan dated 5 August 2024, advanced to facilitate the construction of a bulk cargo carrier (vessel) until completion, at which point the parties agree that the vessel shall be pledged to the Group pursuant to separate mortgage and bareboat charter agreements. The loan is interest-bearing at 6.5% per annum, unsecured, no fixed terms of repayment.
- Loan dated 30 June 2025, advanced to facilitate working capital requirements up to IDR 50 billion (approximately AUD 5M). The loan is interest-bearing at 6.5% per annum, unsecured, repayable on demand or at the end of 5 years, whichever is earlier.
- During the period, the Group's control over PT Cahaya Bali was lost (refer note 20.2). The recoverability of loans receivable at that date was assessed and a provision for impairment was raised for the unrecoverable amount. The impairment is included in the calculation of the loss on deconsolidation in the Consolidated Statement of Profit or Loss.

### 11. Provisions

	2025 \$	2024 \$
<b>Current</b>		
Provisions	3,558,107	3,590,969
<b>TOTAL CURRENT PROVISIONS</b>	<b>3,558,107</b>	<b>3,590,969</b>
<b>Non-Current</b>		
Make Good Provision <sup>1</sup>	38,720	38,720
<b>TOTAL NON-CURRENT PROVISIONS</b>	<b>38,720</b>	<b>38,720</b>
<b>TOTAL PROVISIONS</b>	<b>3,596,827</b>	<b>3,629,689</b>

Notes:

- Non-current provisions comprise the estimated cost to restore leased premises to their original condition in accordance with the requirements of the Company's commercial lease agreements.

## PART F - Fixed assets and liabilities

### 12. Property, plant and equipment

	2025 \$	2024 \$
<b>(A) NON-PEARLING ASSETS</b>		
Plant and equipment		
- at cost	456,482	596,068
- accumulated depreciation	(417,708)	(516,890)
	38,774	79,178
Leasehold improvements		
- at cost	54,833	278,495
- accumulated depreciation	(54,833)	(251,776)
	-	26,719
<b>Total non-pearling assets</b>	<b>38,774</b>	<b>105,897</b>
<b>(B) PEARLING PROJECT</b>		
Land (leasehold and freehold) and buildings		
- at cost	3,350,355	3,186,691
- accumulated depreciation	(1,150,182)	(987,807)
	2,200,173	2,198,884
Plant and equipment, vessels, vehicles		
- at cost	15,521,573	14,216,946
- accumulated depreciation	(9,885,987)	(9,459,641)
	5,635,586	4,757,305
<b>Total pearling project</b>	<b>7,835,759</b>	<b>6,956,189</b>
<b>TOTAL PROPERTY, PLANT AND EQUIPMENT</b>	<b>7,874,533</b>	<b>7,062,086</b>

Reconciliations of the carrying amount for each class of property, plant and equipment are set out below:

	2025 \$	2024 \$
<b>(A) NON-PEARLING ASSETS</b>		
<b>Plant and equipment</b>		
Carrying amount at beginning of the year	79,178	91,291
Additions	9,596	33,930
Reclassifications/disposals	-	(14,164)
Derecognised as part of deconsolidation	(26,772)	-
Depreciation	(23,728)	(24,885)
Foreign exchange movement	-	(6,994)
<b>Carrying amount at end of the year</b>	<b>38,774</b>	<b>79,178</b>
<b>Leasehold Improvements</b>		
Carrying amount at beginning of the year	26,179	37,426
Additions	-	-
Reclassifications/disposals	-	-
Derecognised as part of deconsolidation	(26,719)	-
Depreciation	-	(7,915)
Foreign exchange movement	-	(2,792)
<b>Carrying amount at end of the year</b>	<b>-</b>	<b>26,719</b>
<b>Total non-pearling assets</b>	<b>38,774</b>	<b>105,897</b>

	2025 \$	2024 \$
<b>(B) PEARLING PROJECT</b>		
<b>Leasehold land and buildings</b>		
Carrying amount at beginning of the year	2,198,884	2,417,321
Additions	2,413,150	956,102
Reclassifications/disposals	(2,298,355)	(865,883)
Depreciation	(211,679)	(100,265)
Foreign exchange movement	98,173	(208,391)
<b>Carrying amount at end of the year</b>	<b>2,200,173</b>	<b>2,198,884</b>
<b>Plant and equipment, vessels, and vehicles</b>		
Carrying amount at beginning of the year	4,757,305	4,382,691
Additions	2,373,462	861,143
Reclassifications/disposals	(1,421,703)	865,883
Depreciation	(1,119,523)	(974,591)
Foreign exchange movement	1,046,045	(377,821)
<b>Carrying amount at end of the year</b>	<b>5,635,586</b>	<b>4,757,305</b>
<b>Total pearling project assets</b>	<b>7,835,759</b>	<b>6,956,189</b>
<b>TOTAL CARRYING AMOUNT – PROPERTY, PLANT AND EQUIPMENT</b>	<b>7,874,533</b>	<b>7,062,086</b>

Reconciliation of depreciation to the Statement of Profit or Loss and Other Comprehensive Income:

	2025 \$	2024 \$
Depreciation charge	1,354,930	1,107,656
Capitalised depreciation charge	(1,152,407)	(772,970)
<b>Depreciation of property, plant and equipment (PPE)</b>	<b>202,523</b>	<b>334,686</b>
Amortisation of intangible asset	28,168	-
Amortisation of Right-of-Use Asset	213,385	(12,882)
<b>Depreciation/amortisation charge (note 5)</b>	<b>442,076</b>	<b>321,804</b>

#### MATERIAL ESTIMATE

Depreciation on property, plant and equipment is calculated on a straight-line basis so as to write off the cost or valuation of property, plant and equipment over their estimated useful lives, commencing from the time the asset is held ready for use. The depreciation rates used for each class of depreciable assets are: Freehold Buildings (5-25%), leasehold land and buildings improvements (5-33%), vessels (10-50%), and plant and equipment (12.5-50%). Depreciation on property, plant and equipment which are directly related to biological assets are capitalised to the carrying amount of biological assets.

The estimations of useful lives, residual values and depreciation methods require significant management judgements and are regularly reviewed. If they need to be modified, the depreciation and amortisation expense is accounted for prospectively from the date of the assessment until the end of the revised useful life (for both the current and future years).

#### Construction in Progress

Included in pearling project land (leasehold and freehold) and buildings is \$584,379 (2024: \$1,027,605) which represents construction of buildings in progress at cost. These expenses will be capitalised within property, plant and equipment when a project is completed.

## PART G - Funding, capital management and equity

### 13. Contributed equity

	2025 No.	2024 No.	2025 \$	2024 \$
Issued and fully paid-up capital	439,042,581	433,622,379	37,648,403	37,241,851
<b>Ordinary shares</b>				
Balance at beginning of year	433,622,379	427,871,758	37,241,851	36,857,415
Shares issued	5,420,202	5,750,621	406,552	384,436
<b>Balance at end of year</b>	<b>439,042,581</b>	<b>433,622,379</b>	<b>37,648,403</b>	<b>37,241,851</b>
<b>Treasury shares</b>				
Balance at beginning of year	3,062,138	3,062,138		
Shares released	-	-		
<b>Balance at end of year</b>	<b>3,062,138</b>	<b>3,062,138</b>		

Treasury shares are shares in Atlas Pearls that are held by the Atlas Pearls Ltd Executive Share Plan Trust for the purpose of issuing shares under the Atlas South Sea Pearl Employee Share Plan. No treasury shares were issued during the financial year ended 30 June 2025 (2024: nil).

#### (i) RIGHTS

Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholders' meetings. In the event of winding up of the Company, ordinary shareholders rank after all other shareholders (where applicable) and creditors and are fully entitled to any proceeds of liquidation in proportion to the number of shares held.

#### (ii) OPTIONS

There are 3,200,000 unlisted options on issue at 30 June 2025 (2024: 14,643,644). Information relating to the Atlas Pearls Ltd Employee Awards Plan, including details of options issued, exercised and lapsed during the financial year and the options outstanding at the end of the reporting period are set out in note 23.

#### (iii) CAPITAL RISK MANAGEMENT

The Group's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns to shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt. The Group has a net gearing ratio of nil at 30 June 2025 (2024: nil)

The Group has no external requirements imposed upon it in relation to capital structure.

### 14. Reserves

	2025 \$	2025 \$
Foreign currency translation reserve	(9,690,077)	(11,627,182)
Employee share reserve	1,338,026	1,283,242
Revaluation reserve	179,179	179,179
<b>Total reserves</b>	<b>(8,172,872)</b>	<b>(10,164,761)</b>
Movements:		
<b>Foreign currency translation reserve<sup>1</sup></b>		
Balance at beginning of year	(11,627,182)	(9,088,702)
Currency translation differences arising during the year	1,937,105	(2,538,480)
<b>Balance at end of year</b>	<b>(9,690,077)</b>	<b>(11,627,182)</b>
<b>Employee share reserve<sup>2</sup></b>		
Balance at beginning of year	1,283,242	1,164,841
Movement in employee share reserve	54,784	118,401
<b>Balance at end of year</b>	<b>1,338,026</b>	<b>1,283,242</b>
<b>Revaluation reserve<sup>3</sup></b>		
Balance at beginning of year	179,179	179,179
<b>Balance at end of year</b>	<b>179,179</b>	<b>179,179</b>

Notes:

- The foreign currency translation reserve records exchange differences arising on translation of foreign controlled subsidiaries to the reporting currency.
- The employee share reserve records the value of equity portion of remuneration paid to employees in the form of shares or other equity instruments.
- The revaluation reserve records the value of increase in the carrying value of assets as a result of revaluation.

### 15. Dividends

#### 15.1 DIVIDEND FRANKING ACCOUNT

	2025 \$	2025 \$
Dividend franking account		
Franking credits available to shareholders of the Company for subsequent financial years based on a tax rate of 25%	1,395,847	-

The above amounts represent the balance of the franking account as at the end of the financial period adjusted for:

- Franking credits that will arise from the payment of the amount of the provision for income tax;
- Franking debits that will arise from the payment of dividends recognised as a liability at the reporting date;
- Franking credits that will arise from the receipt of dividends recognised as receivables at the reporting date; and
- Franking debits that will arise from R&D offsets incurred after the franking credits were earned.

#### 15.2 DIVIDENDS PAID

Dividends paid during the financial year were as follows:

	2025 \$	2025 \$
Ordinary dividend of 0.61 cents per ordinary share plus a special dividend of 0.39 cents per ordinary share paid on 27 September 2024	4,385,826	1,497,552
Ordinary dividend of 0.64 cents per ordinary share plus a special dividend of 0.36 cents per ordinary share paid on 21 March 2025	4,390,427	6,504,336
	<b>8,776,253</b>	<b>8,001,888</b>

On 28 August 2025 the Directors declared a final fully franked dividend for the year ended 30 June 2025 of 1.40 cents per ordinary share to be paid on 26 September 2025, a total estimated distribution of \$6,146,596 based on the number of shares on issue as at 30 June 2025.

## PART H - Risk management

### 16. Risk management

#### 16.1 FINANCIAL RISK

##### (I) FINANCIAL RISK

The Group's activities expose it to a variety of financial risks (including currency risk, interest rate risk, and price risk), credit risk, and liquidity risk. The Group uses sensitivity analysis in the case of interest rate and foreign exchange risks, and ageing analysis for credit risk. Risk management is carried out by the Board of Directors and senior management.

The Group holds the following financial instruments:

	2025 \$	2024 \$
<b>Financial assets</b>		
Cash and cash equivalents	<b>20,214,953</b>	17,623,315
Trade and other receivables	<b>1,595,049</b>	870,517
Loan receivable	<b>3,848,573</b>	
<b>TOTAL FINANCIAL ASSETS</b>	<b>25,658,575</b>	18,493,832
<b>Financial liabilities</b>		
Trade and other payables	<b>1,171,898</b>	390,605
Lease liabilities	<b>161,891</b>	287,432
<b>TOTAL FINANCIAL LIABILITIES</b>	<b>1,333,789</b>	678,037

##### (II) FOREIGN EXCHANGE RISK

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the Japanese Yen (JPY), Indonesian Rupiah (IDR) and US Dollar (USD). Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities denominated in a currency that is not the entity's functional currency, and net investments in foreign operations. The risk is measured using sensitivity analysis and cash flow forecasting.

The Group manages their foreign exchange risk against their functional currency. Group companies review exposure on a regular basis and will undertake hedging, if deemed appropriate, under guidance of the Board of Directors. The majority of the Group's cash reserves are held in Australian banks with AA- ratings.

##### GROUP SENSITIVITY ANALYSIS

Sensitivity analysis is based on exchange rates in IDR, JPY, NZD, and USD increasing or decreasing by 10% and the effect on profit and equity.

	Statement of financial position amount AUD	Foreign exchange rate risk									
		2025	2024	30 June 2025				30 June 2024			
				-10%		10%		-10%		10%	
				Profit	Equity	Profit	Equity	Profit	Equity	Profit	Equity
<b>Financial assets</b>											
Cash	<b>20,214,953</b>	17,623,315	<b>1,570,239</b>	-	<b>(1,285,027)</b>	-	1,157,754	-	(947,253)	-	
Trade and other receivables	<b>1,595,049</b>	870,518	<b>603</b>	-	<b>(493)</b>	-	38,753	-	(31,707)	-	
<b>Financial liabilities</b>											
Trade and other payables	<b>1,171,898</b>	390,605	<b>(20,487)</b>	-	<b>16,957</b>	-	3,029	-	(2,479)	-	
Total Increase/(Decrease)			<b>1,550,355</b>	-	<b>(1,268,564)</b>	-	1,199,536	-	(981,439)	-	

Trade debtors relate to sales made in JPY and USD. Not shown in the table above is the exposure to exchange movements on the inter-company loans made to the Indonesian subsidiaries. The loans are held in IDR and revalued to AUD at each year end. The loan balance as at 30 June 2025 was \$878,132 (2024: \$2,175,342). The inter-company loans are eliminated on consolidation.

The carrying amount of the consolidated entity's foreign currency denominated financial assets and financial liabilities at the reporting date were as follows:

	Assets		Liabilities	
	2025 \$	2024 \$	2025 \$	2024 \$
IDR	-	-	127,293	-
JPY	1	4,075,752	53,786	20,493
NZD	-	-	33,234	-
USD	14,178,742	6,740,568	-	-
	14,178,743	10,816,320	214,313	20,493

### (iii) PRICE RISK

The Group is exposed to fluctuations in pearl prices; both increases and decreases. This product is not traded as a commodity on an open market and as such the price risk cannot be hedged.

### 16.2 CREDIT RISK

Credit risk is managed on a Group basis. Credit risk arises from cash and cash equivalents, derivative financial instruments, as well as credit exposures to customers, including outstanding receivables. The Group considers the credit quality of the customer, taking into account its financial position, past experience, and other factors. Sales to retail customers are required to be settled in cash or using major credit cards, thus mitigating credit risk.

The maximum exposure to credit risk at the reporting date is the carrying amount of the financial assets as summarised below.

All cash balances held at banks are held at internationally recognised institutions. The Australian Government has guaranteed all deposits held with Australian banks; cash held in Indonesia is not covered by this guarantee. Cash balances held in Australia are held with financial institutions with a AA- credit rating. Cash balances held in Indonesia are held with financial institution with an BBB credit rating. The majority of other receivables held are with related parties and within the Group. Given this, the credit quality of financial assets that are neither past due or impaired can be assessed by reference to historical information about default rates.

#### Impairment of financial assets

The Group holds trade receivables that are subject to the expected credit loss model. While cash and cash equivalents are also subject to the impairment requirements of AASB 9, the identified impairment loss was immaterial.

#### Trade receivables

The Group applies the AASB 9 simplified approach to measuring the expected credit losses, which uses a lifetime expected loss allowance for all trade receivables. The expected credit losses have been grouped based on shared credit risk characteristics and the days past due.

The assessment for expected credit losses requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience, historical collection rates, and forward-looking information that is available. The allowance for expected credit losses is calculated based on the information available at the time of preparation. The actual credit losses in future years may be higher or lower.

Major purchases are invoiced as cash on delivery (COD). Smaller accounts are provided 30-day credit terms and are usually paid by their due date.

On that basis, the loss allowance as at 30 June 2025 and 30 June 2024 was determined to be nil.

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group and failure to make contractual payments for a period of greater than 120 days past due.

Impairment losses on trade receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

	2025 \$	2024 \$
<b>TRADE RECEIVABLES</b>		
Existing customers with no previous defaults	62,170	441,717

### 16.3 LIQUIDITY RISK

Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities, and the ability to close out market positions. The Group manages liquidity risk by continuously monitoring forecast and actual cash flows, and matching the maturity profiles of financial assets and liabilities. Management aims at maintaining flexibility in funding by keeping committed credit lines available. Surplus funds are generally only invested in instruments such as on-call deposits that are highly liquid. Management monitors rolling forecasts of the Group's liquidity reserve (comprising the undrawn borrowing facilities below) and cash and cash equivalents (note 8) on the basis of expected cash flows. This is generally carried out by the senior management and the Board of Directors on a Group basis. In addition, the Group's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, and monitoring debt financing plans.

### 16.4 FINANCING ARRANGEMENTS

The Group had access to the following financing arrangements at the reporting date:

	2025 \$	2024 \$
Overdraft facility (NAB)	2,500,000	2,500,000

The overdraft facility with the National Australia Bank (NAB) is secured by a registered company charge over the Company's assets. As at 30 June 2025 no amount has been drawn down on this facility (2024: nil).

### 16.5 MATURITIES OF FINANCIAL LIABILITIES AND DERIVATIVE FINANCIAL INSTRUMENTS

The table below analyses the Group's financial liabilities, net and gross settled derivative financial instruments, into relevant maturity groupings based on their remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Consolidated entity	30 June 2025							30 June 2024						
	Less than 6 months	6 - 12 months	Between 1 and 2 years	Between 2 and 5 years	Greater than 5 years	Total contractual cash flows	Carrying amount (asset)/ liabilities	Less than 6 months	6 - 12 months	Between 1 and 2 years	Between 2 and 5 years	Total contractual cash flows	Carrying amount (asset)/ liabilities	
<b>Non-derivatives</b>														
Trade payables	1,050,264	-	-	-	-	1,050,264	1,050,264	390,605	-	-	-	-	390,605	
Lease liabilities <sup>1</sup>	179,361	149,203	90,370	67,910	190,525	677,369	401,831	29,148	40,850	68,383	149,051	287,432	287,432	
<b>TOTAL NON-DERIVATIVES</b>	<b>1,229,625</b>	<b>149,203</b>	<b>90,370</b>	<b>67,910</b>	<b>190,525</b>	<b>1,849,267</b>	<b>1,452,095</b>	419,753	40,850	68,383	149,051	287,432	678,037	

Notes:

1. The weighted average incremental borrowing rate applied to lease liabilities at 30 June 2025 was 8.08% (2024: 7.27%).

## PART I - Unrecognised items

### 17. Events occurring after the reporting period

On 28 August 2025, the Company declared a final (fully franked) dividend of 1.4 cents per share. The total value of the payment is \$5.9M. The record date is 5 September 2025, with a payment date of 26 September 2025.

On 27 August 2025, the Company issued 4,400,000 performance rights to Executives and senior managers under the Atlas Pearls Ltd Employee Awards Plan. Details of Performance Rights granted to KMPs as part of their remuneration are set out in the Remuneration Report.

Other than the matters disclosed above, there have been no other significant events after the balance date which require disclosure.

### 18. Commitments

As of 30 June 2025, Atlas Pearls had no material commitments that require disclosure in this section.

### 19. Contingencies

The Company's historical tax affairs are regularly subject to audit by the Indonesian Tax Office and this process remains ongoing. There is a possibility that this review program may result in future tax liabilities in relation to prior year tax returns. All assessments received to date have been brought to account.

## PART J - Other

### 20. Subsidiaries

#### 20.1 CONTROLLING INTERESTS

The consolidated financial statements incorporate the assets, liabilities and results of the following entities over which the Company has control in accordance with the accounting policy described in note 25.2.

Name of entity	Controlling Interest		Place of incorporation
	30 June 2025	30 June 2024	
Perl'Eco Pty Ltd <sup>1</sup> (deregistration in progress)	100%	100%	Australia
Tansim Pty Ltd	100%	100%	Australia
Atlas Pearls Employee Share Plan Pty Ltd	100%	100%	Australia
PT Cendana Indopearls	100%	100%	Indonesia
PT Disthi Mutiara Suci	100%	100%	Indonesia
PT Cahaya Bali <sup>2</sup>	0%	100%	Indonesia

Notes:

1. Perl'Eco Pty Ltd is a dormant company that has not traded for many years. An application for deregistration was filed on 9 July 2025.
2. Control over PT Cahaya Bali was lost on 1 July 2024. Refer note 20.2.

The ultimate parent entity, Atlas Pearls Ltd, is incorporated in Australia.

#### 20.2 CONTROL GAINED OR LOST OVER ENTITIES DURING THE FINANCIAL YEAR

	\$
Loss on deconsolidation of PT Cahaya Bali	227,278

#### LOSS OF CONTROL OVER PT CAHAYA BALI

Effective 1 July 2024, the Group has ceased to consolidate PT Cahaya Bali, an Indonesian-incorporated entity previously considered part of the Group's operations in Indonesia.

PT Cahaya Bali has historically been a small component of the Group and was thought to be controlled through shareholder agreements assigned to PT Cendana Indopearls, the Group's Indonesian subsidiary.

Developments during the year, including an increase in revenue from low-grade pearl auctions, prompted a more detailed assessment of control under AASB 10 *Consolidated Financial Statements*.

While Atlas Pearls, through its subsidiary PT Cendana Indopearls, has historically maintained close operational alignment with PT Cayaha Bali through various commercial and governance arrangements, a review under the framework of AASB 10 concluded that these arrangements do not provide sufficient evidence to demonstrate control for accounting consolidation purposes. This assessment took into account the practical limitations of certain contractual rights and the broader regulatory context in which PT Cayaha Bali operates.

Accordingly, PT Cayaha Bali has been deconsolidated from the Group's financial statements effective 1 July 2024. This change does not result in discontinued operations, as the Group continues to operate and generate revenue from its other Indonesian operations.

PT Cayaha Bali remains closely aligned with PT Cendana Indopearls, and future pearl auctions in Indonesia will be conducted by PT Cendana Indopearls.

The carrying amounts of assets and liabilities as at the date of loss of control were:

	\$
<b>Assets</b>	
Cash and cash equivalents	406,786
Trade and other receivables	169,140
Inventories	498,810
Property, plant and equipment	52,991
<b>Total assets</b>	<b>1,127,727</b>
<b>Liabilities</b>	
Trade and other payables	15,029
Borrowings	2,640,343
Current tax liabilities	4,844
Deferred tax liabilities	2,470
<b>Total liabilities</b>	<b>2,662,686</b>
<b>Net liabilities</b>	<b>(1,534,959)</b>

The loss on deconsolidation recognised in the Statement of Profit and Loss is as follows:

	\$
Consideration received	-
Net recoverable assets <sup>1</sup>	44,052
Loss on deconsolidation before reclassification of foreign currency translation reserve	44,052
<b>Reclassification of foreign currency translation reserve</b>	<b>183,226</b>
Loss on deconsolidation	227,278
<b>Loss on deconsolidation</b>	<b>227,278</b>

*Notes:*  
1. The recoverability of loans receivable at the date of deconsolidation was assessed and a provision for impairment was raised for the unrecoverable amount. The impairment is included in the calculation of the loss on deconsolidation in the Consolidated Statement of Profit or Loss.

## 21. Related party transactions

### (A) SUBSIDIARIES

Interests in subsidiaries are set out in note 20.

### (B) KEY MANAGEMENT PERSONNEL

Detailed remuneration disclosures are provided in section 14.2 of the Directors' Report.

	2025 \$	2024 \$
Short-term employment benefits	979,373	861,729
Long-term employment benefits	8,313	(1,677)
Post-employment benefits	107,392	78,102
Share-based compensation	54,784	76,511
	<b>1,149,862</b>	<b>1,014,665</b>

### (C) TRANSACTIONS WITH OTHER RELATED PARTIES

	2025 \$	2024 \$
Director fees payable <sup>1</sup>	6,040	6,013
Office lease expenses <sup>2</sup>	24,000	14,000
	<b>30,040</b>	<b>20,013</b>

*Notes:*

1. Non-Executive Director, Cadell Buss.

2. Office sub lease expenses from CSO Limited, a company Michael Ricci is also a Director of.

### (D) CONTINGENT LIABILITIES RELATING TO JOINT VENTURES

There were no contingent liabilities relating to Joint Ventures during the year.

## 22. Parent entity financial information

### (A) SUMMARY FINANCIAL INFORMATION

The individual financial statements for the parent entity show the following aggregate amounts:

	2025 \$	2024 \$
<b>Statement of financial position</b>		
Current assets	20,580,779	18,086,815
Total assets	48,962,318	31,182,593
Current liabilities	16,468,111	4,007,726
Total liabilities	23,237,465	10,488,493
Net assets	25,724,853	20,694,100
<b>Shareholders' equity</b>		
Issued capital	37,648,402	37,241,855
Share-based payment reserve	1,318,375	1,283,242
Accumulated losses	(13,241,924)	(17,830,997)
Total equity	25,724,853	20,694,100
<b>PROFIT FOR THE YEAR</b>	<b>16,020,924</b>	<b>10,909,914</b>
<b>TOTAL COMPREHENSIVE PROFIT</b>	<b>16,020,924</b>	<b>10,909,914</b>

### (B) CONTINGENT LIABILITIES

The parent entity did not have any contingent liabilities as at 30 June 2025 (2024: nil). The parent entity did not provide financial guarantees during the year (2024: nil).

## 23. Share-based payments

### 23.1 EMPLOYEE SHARE PLAN

At the Annual General Meeting on 29 October 2024, the Atlas Pearls Ltd Employee Awards Plan (Plan) was approved by Shareholders. The Board adopted the Plan under which eligible participants may be offered the opportunity to subscribe for shares, options, or performance rights in the Company.

The Plan is designed to provide incentives to the employees and Directors of the Company and to recognise their contribution to the Company's success. The Directors consider that the proposed incentives under the Plan to employees and Directors are a cost effective and efficient incentive for the Company as opposed to alternative forms of incentives such as cash bonuses or increased remuneration. To enable the Company to secure employees and Directors who can assist the Company in achieving its objectives, it is necessary to provide remuneration and incentives to such personnel. The Plan is designed to achieve this objective, by encouraging continued improvement in performance over time and by encouraging personnel to acquire and retain significant shareholdings in the Company.

Under the Plan, the Board may offer to eligible employees the opportunity to subscribe for such number of incentives in the Company as the Board may determine and on the terms set out in the rules of the Plan. Incentives granted under the Plan will be offered to eligible employees on the basis of the Board's view of the contribution of that eligible employees to the Company.

#### LAPSE OF INCENTIVE:

Unless otherwise determined by the Board, an incentive will not vest and will lapse on the earlier of:

- (i) the Board determining that the vesting conditions attaching to the incentive have not been satisfied, reached or met in accordance with its terms or is not capable of being satisfied, reached or met;
- (ii) the day immediately following the last exercise date; or
- (iii) with respect of unvested incentives, the date the participant ceases employment in the relevant circumstances summarised below.

#### CEASING EMPLOYMENT:

If the eligible employee ceases to be employed by the Group for any reason, then (subject to compliance with the Corporations Act and Listing Rules):

- (i) any unvested shares held by the relevant participant will be forfeited;
- (ii) any unvested options or performance rights held by the relevant participant will immediately lapse; and
- (iii) any vested options or performance rights that have not been exercised will lapse on the date the eligible employee ceases to be employed by the Company, although the Board may (subject to compliance with the Corporations Act and Listing Rules determine to treat any unvested incentives in any other way if the Board determines that the relevant circumstances warrant such treatment. If the Board makes such a determination for alternative treatment, then it must give the relevant participant notice within 14 days of that determination.

### 23.2 OPTIONS ON ISSUE

The Group has the following equity compensation arrangements to remunerate Directors, executives and employees of the Group.

4,000,000 Options granted to Atlas Pearls' Chief Executive Officer, Michael Ricci (CEO)

	CEO		
	Tranche 1	Tranche 2	Tranche 3
Grant date	15/11/2023	15/11/2023	15/11/2023
Vesting date	30/06/2024	30/06/2025	30/06/2026
Expiry date	30/09/2026	30/09/2026	30/09/2026
Options issued	800,000	1,200,000	2,000,000
Exercise price	\$0.085	\$0.091	\$0.097
Remaining at 30/6/2025	-	1,200,000	2,000,000

### 23.3 MEASUREMENT OF FAIR VALUE

The fair value at grant date is independently determined using a Hoadley Trading and Investment valuation model, which takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield, and the risk-free interest rate for the term of the option.

	CEO		
	Tranche 1	Tranche 2	Tranche 3
Fair value at grant date	\$0.0350	\$0.0360	\$0.0370
Share price at grant date	\$0.075	\$0.075	\$0.075
Exercise price	\$0.085	\$0.091	\$0.097
Expected future volatility	85%	85%	85%
Risk free rate	4.17%	4.17%	4.17%
Dividend yield	Nil	Nil	Nil

### 23.4 OPTIONS REMAINING AT YEAR-END

The following options remain outstanding at year-end.

	ESOP	Chairman	CEO	TOTAL
Balance at 30 June 2024	9,367,448	1,276,196	4,000,000	14,643,644
Granted during the period	-	-	-	-
Exercised during the period	(3,344,006)	(1,276,196)	(800,000)	(5,420,202)
Forfeited during the period	(6,023,442)	-	-	(6,023,442)
<b>BALANCE AT 30 JUNE 2025</b>	<b>-</b>	<b>-</b>	<b>3,200,000</b>	<b>3,200,000</b>

The following share-based payment expenses were recognised to profit and loss:

	2025	2024
ESOP Options	-	43,104
Chairman Options	-	13,076
CEO Options	54,784	62,221
<b>TOTAL SHARED-BASED PAYMENT EXPENSES</b>	<b>54,784</b>	<b>118,401</b>

#### MATERIAL ACCOUNTING POLICY

The fair value of shares granted under the Atlas Pearls Ltd Employee Awards Plan is recognised as an employee expense with a corresponding increase in equity. The fair value is measured at the date that the employee enters into the plan and is recognised over the period during which the employee becomes unconditionally entitled to the shares.

## 24. Remuneration of auditors

During the period, the following fees were paid or payable for services provided by the auditor of the parent entity, its related practices, and non-related audit firms:

	2025 \$	2024 \$
<b>BDO Australian firm</b>		
Audit and review of financial reports	167,101	134,370
<b>BDO Indonesian firm</b>		
Audit and review of financial reports	52,063	47,577
<b>TOTAL REMUNERATION FOR AUDIT SERVICES</b>	<b>219,164</b>	<b>181,947</b>
<b>TOTAL REMUNERATION FOR OTHER SERVICES</b>	<b>-</b>	<b>-</b>

## 25. Accounting policies

### 25.1 NEW AND AMENDED STANDARDS ADOPTED BY THE GROUP

#### NEW OR AMENDED ACCOUNTING STANDARDS AND INTERPRETATIONS ADOPTED

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

#### NEW ACCOUNTING STANDARDS AND INTERPRETATIONS NOT YET MANDATORY OR EARLY ADOPTED

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2025. The consolidated entity's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the consolidated entity, are set out as follows:

## AASB 18 PRESENTATION AND DISCLOSURE IN FINANCIAL STATEMENTS

This standard is applicable to annual reporting periods beginning on or after 1 January 2027 and early adoption is permitted. The standard replaces IAS 1 'Presentation of Financial Statements', with many of the original disclosure requirements retained and there will be no impact on the recognition and measurement of items in the financial statements. But the standard will affect presentation and disclosure in the financial statements, including introducing five categories in the statement of profit or loss and other comprehensive income: operating, investing, financing, income taxes and discontinued operations. The standard introduces two mandatory sub-totals in the statement: 'Operating profit' and 'Profit before financing and income taxes'. There are also new disclosure requirements for 'management-defined performance measures', such as earnings before interest, taxes, depreciation and amortisation (EBITDA) or 'adjusted profit'. The standard provides enhanced guidance on grouping of information (aggregation and disaggregation), including whether to present this information in the primary financial statements or in the notes. The consolidated entity will adopt this standard from 1 July 2027 and it is expected that there will be a significant change to the layout of the statement of profit or loss and other comprehensive income.

### 25.2 PRINCIPLES OF CONSOLIDATION

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Atlas Pearls as at 30 June 2025, and the results of its subsidiaries for the period then ended. Atlas Pearls and its subsidiaries together are referred to in this financial statement as the consolidated entity.

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The acquisition method of accounting is used to account for the acquisition of business combinations by the Group. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of financial position respectively.

The interest in a joint venture entity is accounted for using the equity method after initially being recognised at cost in the consolidated statement of financial position. Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated

unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group. The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to the owners.

### 25.3 FOREIGN CURRENCY TRANSLATION

#### (A) FUNCTIONAL AND PRESENTATION CURRENCY

Items included in the financial statements of each of the subsidiaries within the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The consolidated financial statements are presented in Australian dollars, which is Atlas Pearls' functional and presentation currency.

#### (B) TRANSACTIONS AND BALANCES

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation at period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated statement of profit or loss and other comprehensive income, except when they are deferred in equity as qualifying cash flow hedges and qualifying net investment hedges, or are attributable to part of the net investment in a foreign operation.

Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. Translation differences on non-monetary assets and liabilities, such as equities held at fair value through profit or loss, are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary assets, such as equities classified as available for sale financial assets, are included in the fair value reserve in equity.

All foreign exchange gains and losses are presented in the statement of profit or loss and other comprehensive income within other income or other expenses, unless they relate to financial instruments.

#### (C) GROUP COMPANIES

The results and financial position of all Group entities (none of which has the currency of a hyperinflation economy), that have a functional currency different from the presentation currency, are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position,
- Income and expenses for each statement of profit or loss and other comprehensive income are translated at average exchange rates, and
- all resulting exchange differences are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other currency instruments designated as hedges of such investments, are taken to shareholders' equity. When a foreign operation is sold or borrowings are repaid, a proportional share of such exchange differences are recognised in the statement of profit or loss and other comprehensive income as part of the gain or loss on sale.

### 25.4 COMPARATIVE FIGURES

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial period.

### 25.5 FINANCIAL INSTRUMENTS

#### CLASSIFICATION AND MEASUREMENT

Except for certain trade receivables the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

Under AASB 9, financial assets are subsequently measured at fair value through profit or loss (FVPL), amortised cost, or fair value through other comprehensive income (FVOCI). The classification is based on two criteria: The Group's business model for managing the assets; and whether the instruments' contractual cash flows represent 'solely payments of principal and interest' on the principal amount outstanding (the 'SPPI criterion').

The new classification and measurement of the Group's financial assets are, as follows:

Debt instruments at amortised cost, for financial assets that are held within a business model with the objective to hold the financial assets in order to collect contractual cash flows that meet the 'SPPI criterion'. This category includes the Group's trade and other receivables and long-term loans receivable.

#### IMPAIRMENT

The Group assesses, on a forward-looking basis, the expected credit losses (ECLs) associated with its debt instruments carried at amortised cost and FVOCI. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate.

For trade receivables, the Group has applied the standard's simplified approach and has calculated ECLs based on lifetime expected credit losses. The Group has established a provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. The loss allowance calculated for 30 June 2025 is \$nil due to past history with customers who have never previously defaulted on amounts due.

For other debt financial assets, including long-term loan receivables, the ECL is based on either the 12-month or lifetime ECL. The 12-month ECL is the portion of lifetime ECLs that results from default events on a financial instrument that are possible within 12 months after the reporting date. When there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. In all cases, the Group considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Group considers a financial asset in default when contractual payment are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.

## 25.6 INCOME TAX

The income tax expense or benefit for the period is the tax payable on the current period's taxable income, based on the applicable tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company's subsidiaries operate and generate taxable income. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled. Deferred tax is credited in the consolidated statement of profit or loss and other comprehensive income except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses, only to the extent that it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities have been brought to account after considering the level of tax losses carried forward and available to the Group against future taxable profits, and the probability within the future that taxable profits will be available against which the benefits of the deductible temporary difference can be claimed.

## Consolidated Entity Disclosure Statement as at 30 June 2025

Entity Name	Entity Type	Body Corporates		Tax Residency	
		Place Formed or Incorporated	% of Share Capital Held	Australian or Foreign	Foreign Jurisdiction
Atlas Pearls Ltd	Body Corporate	Australia	100%	Australian	N/A
Perl'Eco Pty Ltd (deregistration in progress)	Body Corporate	Australia	100%	Australian	N/A
Tansim Pty Ltd	Body Corporate	Australia	100%	Australian	N/A
Atlas Pearls Employee Share Plan Pty Ltd	Body Corporate	Australia	100%	Australian	N/A
PT Cendana Indopearls	Body Corporate	Indonesia	100%	Foreign	Indonesia
PT Disthi Mutiara Suci	Body Corporate	Indonesia	100%	Foreign	Indonesia

# Directors' Declaration

The Directors of the Company declare that:

- a) the financial statements comprising the statement of profit or loss and other comprehensive income, statement of financial position, statement of cash flows, statement of changes in equity, and accompanying notes are in accordance with the Corporations Act 2001 and:
  - I. give a true and fair view of the consolidated entity's financial position as at 30 June 2025 and of the performance for the year ended on that date; and
  - II. comply with Accounting Standards, and the Corporations Act 2001 and other mandatory professional reporting requirements.
- b) the Company has included in the notes to the financial statements an explicit and unreserved statement of compliance with International Financial Reporting Standards.
- c) the Directors have been given the declarations by the Chief Executive Officer and Chief Financial Officer required by section 295A. In the Directors opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
- d) the remuneration disclosures included in the Directors' Report (as part of the audited remuneration report) for the year ended 30 June 2025 comply with section 300A of the Corporations Act 2001.
- e) The consolidated entity disclosure statement on page 53 is true and correct.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the Directors by:



José Martins  
Chairman - 28 August 2025

## Additional ASX information

The following additional information is required by the Australian Securities Exchange. The information is current as at 18 August 2025.

### (A) DISTRIBUTION SCHEDULE AND NUMBER OF HOLDERS OF EQUITY SECURITIES AS AT 18 AUGUST 2025

	1 – 1,000	1,001 - 5,000	5,001 - 10,000	10,001 - 100,000	100,001 - and over	Total
Ordinary Fully Paid Shares	153	448	361	919	387	2,268
Unlisted options: 9.1 cents, exp 30/09/2026	-	-	-	-	1	
Unlisted options: 9.7 cents, exp 30/09/2026	-	-	-	-	1	

The number of holders holding less than a marketable parcel of fully paid ordinary shares as at 18 August 2025 is 336.

### (B) 20 LARGEST HOLDERS OF QUOTED EQUITY SECURITIES AS AT 16 AUGUST 2025

The names of the twenty largest holders of fully paid ordinary shares (ASX: ATP) as at 18 August 2025 are:

Rank	Name	Shares	% of shares
1.	Boneyard Investments Pty Ltd	54,907,327	12.51
2.	Chemco Superannuation Fund Pty Ltd <Chemco Super Fund No 2 A/C>	46,129,176	10.51
3.	Citicorp Nominees Pty Limited	25,730,640	5.86
4.	HSBC Custody Nominees (Australia) Limited	25,519,470	5.81
5.	Abermac Pty Ltd	14,000,000	3.19
6.	BNP Paribas Noms Pty Ltd	9,197,090	2.09
7.	Morckstow Pty Ltd	8,000,000	1.82
8.	Westwood Properties Pty Ltd	8,000,000	1.82
9.	Mr Wesley Rutherford + Mrs Sian Rutherford <Rutherford Family S/F A/C>	7,400,000	1.69
10.	BNP Paribas Nominees Pty Ltd <IB AU Noms Retail Client>	5,823,941	1.33
11.	Mr Tingyao Xu	5,160,000	1.18
12.	Mr Cameron Beavis <The Schindler S/F A/C>	4,500,000	1.02
13.	Mr Timothy James Martin	3,678,114	0.84
14.	Queensridge Investments Pty Ltd <Gleeson Super Fund A/C>	3,549,072	0.81
15.	Ten Talents (2020) Limited <Five Talents A/C>	3,390,000	0.77
16.	Ms Jennifer Michelle Roughan	3,360,000	0.77
17.	Mr Pawel Rej + Mrs Miroslawa Rej	3,078,000	0.70
18.	Dorran Pty Ltd	3,000,000	0.68
19.	Gee Enn Pty Ltd <Geryl SF A/C>	3,000,000	0.68
20.	Westor Asset Management Pty Ltd <Value Partnership A/C>	2,990,359	0.68
		<b>240,413,189</b>	<b>54.76</b>

Stock Exchange Listing – Listing has been granted for 439,042,581 ordinary fully paid shares of the Company on issue on the Australian Securities Exchange.

### (C) SUBSTANTIAL SHAREHOLDERS IN ATLAS PEARLS LTD AND THE NUMBER OF EQUITY SECURITIES OVER WHICH THE SUBSTANTIAL SHAREHOLDER HAS A RELEVANT INTEREST AS DISCLOSED IN SUBSTANTIAL HOLDING NOTICES PROVIDED TO THE COMPANY ARE LISTED BELOW;

Name	Shares	% Voting Power	Date of Notice
Boneyard Investments Pty Ltd and Associates *		%	9 April 2025

\*Includes shares held by Boneyard Investments Pty Ltd, Chemco Superannuation Fund Pty Ltd, Jingie Investments Pty Ltd, T. Martin, TJM SF Pty Ltd, and J. Roughan and B. Martin.

#### (D) UNQUOTED SECURITIES

The number of unquoted securities on issue as at 18 August 2025;

Security	Number on issue
Unlisted options exercisable at 9.1 cents on or before 30 September 26	1,200,000
Unlisted options exercisable at 9.7 cents on or before 30 September 26	2,000,000

#### (E) HOLDER DETAILS OF UNQUOTED SECURITIES

All unquoted securities were issued under an employee incentive scheme. Therefore, no disclosure is required in relation to people that hold more than 20% of a given class of unquoted securities as at 18 August 2025.

#### (F) RESTRICTED SECURITIES AS AT 18 AUGUST 2025

There were no restricted securities on issue as at 18 August 2025.

#### (G) VOTING RIGHTS

All fully paid ordinary shares carry one vote per ordinary share without restriction.

#### (H) ON-MARKET BUY-BACK

The Company is not currently performing an on-market buy-back.

#### (I) CORPORATE GOVERNANCE

The Board of Atlas Pearls Ltd is committed to achieving and demonstrating the highest standards of Corporate Governance. The Board is responsible to its shareholders for the performance of the Company and seeks to communicate extensively with Shareholders. The Board believes that sound Corporate Governance practices will assist in the creation of Shareholder wealth and provide accountability. In accordance with ASX Listing Rule 4.10.3, the Company has elected to disclose its Corporate Governance policies and its compliance with them on its website rather than in the Annual Report. Accordingly, information about the Company's Corporate Governance practices is set out on the Company's website at <https://www.atlaspearls.com.au/pages/corporate-governance>

## INDEPENDENT AUDITOR'S REPORT

To the members of Atlas Pearls Limited

### Report on the Audit of the Financial Report

#### Opinion

We have audited the financial report of Atlas Pearls Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

- (i) Giving a true and fair view of the Group's financial position as at 30 June 2025 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

#### Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

## Accounting for Biological Assets

Key audit matter	How the matter was addressed in our audit
<p>The Group's biological assets, as disclosed in Note 4 to the financial report, was a key audit matter as the calculation of the fair value of the oysters requires significant estimates and judgements by management.</p> <p>The Australian Accounting Standards require biological assets to be measured at fair value less costs to sell or, in the absence of a fair value, at cost less impairment.</p> <p>The Group have valued the biological assets at fair value less costs to sell. The valuation requires management's judgement in relation to estimating the average selling price, pearl quality scenarios, discount rate, mortalities, average unseeded oyster value, costs to complete and sell.</p>	<p>Our audit procedures included, but were not limited to:</p> <ul style="list-style-type: none"> <li>• Considering the appropriateness of the valuation methodology against the relevant Australian Accounting Standards;</li> <li>• In conjunction with our valuation specialist, reviewing the appropriateness of the valuation methodology, along with the accuracy and integrity of management's fair value model and the discount rate used by management;</li> <li>• Attending the physical stocktake procedures and verifying a sample of oysters on hand at reporting date and agreeing this to the fair value model;</li> <li>• Assessing the key inputs contained within the fair value model, including the average selling price, pearl quality scenarios, discount rate, mortalities, average unseeded oyster value, costs to complete and sell; and</li> <li>• Evaluating the adequacy of the related disclosure in Note 4 to the financial report.</li> </ul>

### Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2025, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of:

- a) the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and
- b) the consolidated entity disclosure statement that is true and correct in accordance with the Corporations Act 2001, and

for such internal control as the directors determine is necessary to enable the preparation of:

- i) the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

[https://www.auasb.gov.au/admin/file/content102/c3/ar1\\_2020.pdf](https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf)

This description forms part of our auditor's report.

## Report on the Remuneration Report

### Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 23 to 28 of the directors' report for the year ended 30 June 2025.

In our opinion, the Remuneration Report of Atlas Pearls Limited, for the year ended 30 June 2025, complies with section 300A of the *Corporations Act 2001*.



### Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

**BDO Audit Pty Ltd**

BDO

A handwritten signature in black ink, appearing to read 'J Prue', is written over the printed name.

**Jarrad Prue**

**Director**

Perth, 28 August 2025

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## FARM SITES

EAST JAVA, Banyu Biru  
NORTH BALI, Penyabangan  
FLORES, Labuan Bajo, Pungu Island  
EAST NUSA TENGGARA, West Lembata  
EAST NUSA TENGGARA, Lembata Bay  
EAST NUSA TENGGARA, Alor Bay  
RAJA AMPAT, Alyui Bay  
EAST NUSA TENGGARA, Sumba