

ATLAS PEARLS

30 March 2026

Update – Kobe Auction March 2026

Atlas Pearls Ltd (ASX: ATP) (“Atlas Pearls” or “the Company”) is pleased to provide an update on an auction held in Kobe, Japan on 26-27 March 2026.

Highlights:

- Kobe auction in March 2026 sold 46,898 pieces at an average price of \$66/piece.
- Total revenue \$3.2 million.
- Average Index Point per pearl sold was 22.
- Average \$/index point was \$2.95, (up from \$2.61 at the previous auction).

A total of 74,605 pearls were presented, with 48,898 pearls sold at an average price of \$66/piece.

Atlas Pearls employs an internal Index Point system, a proprietary benchmarking tool used to assess the quality of pearls based on shape, grade, size, and colour. This system enables consistent comparison of auction results as the price per piece can differ significantly between pearl grades and shapes.

The composition of goods offered at each auction varies. The March 2026 auction had an average index per piece of 22, down from the average index for the stock sold at the December 2025 auction, which was 30¹. The dollar per index point achieved was up 13% from \$2.61 in December¹ to \$2.95 in March.

	Oct-24	Dec-24	Apr-25	Jun-25	Sep-25	Dec-25	Mar-26
Av \$/Pc	\$74	\$73	\$129	\$86	\$60	\$80	\$66
Av Index Point	23	21	32	21	18	30	22
Av \$/Index Point	\$3.20	\$3.50	\$4.00	\$4.08	\$3.56	\$2.61	\$2.95

This event delivered a sell-through rate of 66%. The volume of stock withheld from sale was due to bids not meeting our pricing expectations. These pearls will be directed into channels where we expect to realise better returns. We saw some product categories, especially our smaller 7 to 8 mm pearls, which have been selling well, not in demand as this auction coincided with the annual Akoya selling period. We will retain these pearls and find the appropriate customers for them.

The price per pearl achieved at this auction reflected the quality of pearls presented, however, the value per Index Point was higher than our previous auction in December. This reflects the slightly lower demand from our customers in recent months.

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Atlas Pearls' Chief Executive Officer, Michael Ricci, commented:

"The March auction was well attended, indicating continued interest in our South Sea Pearls. The sales outcome at this auction reflects index point of the products offered while the average dollar per index point was higher than that at the December auction. There is continuing caution from our auction attendees reflecting the subdued market, with many stating that they were holding more stock than they would like, and while they were moving stock, their customers are being considered in their buying behaviours. This caution was also reflected by the spread of successful bidders (33 discrete buyers winning one to multiple lots) and buying specific products rather than buying for stock.

As noted, following the December 2025 Auction, FY2026 H1 quality was below the prevailing levels of FY2025 due to some weaker harvest results. The FY2026 H1 average quality index was 13.6 and as anticipated, there has been a moderate improvement thus far to 14.3 in H2 FY2026, based on over 100,000 pearls harvested and graded since January 2026. However, whilst the trend is one of a slight improvement, we remain cautious due to the inherent volatility between genetic groups and the sequence of harvests from different farm locations.

"The current market demand, and current quality have continued to provide challenges for sales to our private sale customers, with several customers reducing their recent spending compared to prior years due to slower downstream demand and elevated stock holdings. We continue to look at building relationships with other prospective private sale customers to build more resilience in this channel. In early March 2026 we sold around \$1.3 million of product at the Hong Kong Jewellery Fair through private appointments, which bought forward some sales from this auction and partially contributed the relatively lower revenue in this auction. The combined result met our expectations for the March 2026 sales period overall.

"Considering these factors, we consider the March 2026 auction results as satisfactory. "

Atlas Pearls thanks all the customers who attended the auction physically and virtually, and who continue to put their trust in Atlas Pearls' consistency of product and quality.

The next major auction will be held in Kobe in June 2026. Atlas Pearls continues to sell and expand its sales into wholesale, value-added, and a small, but growing, retail channel.

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This ASX announcement was approved for release by the Board of Atlas Pearls Ltd.

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¹ Refer ASX announcement of 15 December 2025.