



# Appendix 4D

## HALF YEAR REPORT

### RESULTS FOR ANNOUNCEMENT TO THE MARKET

Current reporting period: half-year ended 31 December 2025  
 Previous corresponding period: half-year ended 31 December 2024

<b>Consolidated financial results</b>		<b>% Change up/down</b>	<b>31 Dec 2025 \$</b>
Total revenue from ordinary activities	down	27% to	13,579,902
Profit from ordinary activities after tax	down	148% to	(5,228,128)
Net profit attributable to the owners of Atlas Pearls Ltd	down	148% to	(5,228,128)
<b>Net tangible assets (NTA) per security</b>		<b>31 Dec 2025 (cents)</b>	<b>31 Dec 2024 (cents)</b>
NTA per ordinary share		13.1	14.9
<b>Dividends</b>			
No dividend has been proposed or declared for the half-year ended 31 December 2025 and there were no dividend reinvestment plans in operation during the period.			
<b>Control gained or lost over entities during the financial year</b>			
Effective 1 July 2024, the Group ceased to consolidate PT Cahaya Bali, an Indonesian-incorporated entity previously included in the Group's operations. The accounting treatment for the deconsolidation was recognised in the financial statements for the year ended 30 June 2025. As a result, the comparative information presented for the half-year ended 31 December 2024 has been restated to exclude the results and financial position of the subsidiary from that date. This impacts the comparability of the Group's results between reporting periods. Further details are provided in the notes to the financial statements. No other control was gained or lost over entities during the period.			
<b>Commentary on the results</b>			
A detailed commentary on the results for the period is contained in the half-year financial report that accompanies this announcement.			
<b>Audit</b>			
This Appendix 4D is based on the attached half-year financial report which has been reviewed by the Group's auditors, BDO Audit Pty Ltd. A copy of BDO's unqualified review report can be found on page 22.			



# ATLAS

PEARLS

HALF-YEAR REPORT 31 DECEMBER 2025

# Corporate Directory



## DIRECTORS

**José Martins**, Independent Non-Executive Chairman

**Timothy Martin**, Non-Executive Director

**Cadell Buss**, Independent Non-Executive Director

## COMPANY SECRETARY

**Susan Park**, Company Secretary

## ASX CODE ASX:ATP

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## AUDITOR

BDO Audit Pty Ltd

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# 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 half-year ended 31 December 2025, referred to hereafter as the Company, the Group, or Atlas Pearls.

## 1. DIRECTORS

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

NAME	PERIOD OF DIRECTORSHIP
<b>JOSÉ MARTINS</b> , Independent Non-Executive Chairman, BAcc, GAICD	Chairman – 01/01/2025 Director – 17/05/2023
<b>TIMOTHY MARTIN</b> , Non-Executive Director, BA, MBA, GAICD	Director – 04/02/2013
<b>CADELL BUSS</b> , Independent Non-Executive Director, MBA, MPM, GAICD	Director – 01/02/2018

## 2. REVIEW OF OPERATIONS

### 2.1 REVIEW OF OPERATIONS

The first half was characterised by softer trading conditions in some of the Company's key markets, resulting in lower revenues compared to the corresponding period in FY25. While composition of sales shifted during the period towards a higher proportion of lower-grade pearls, this outcome should be considered in the context of opening inventory levels. The Company commenced the year with 219,436 pearls on hand, of which 117,236 were low-grade, and accordingly, not all low-grade pearls sold during the half were harvested within the reporting period. The combined impact of market conditions and product mix moderated revenue relative to the prior comparative period.

The Company recorded a net loss after tax of \$5.2M for the half-year ended 31 December 2025 (31 December 2024 (restated): net profit after tax of \$12.1M). The result includes a \$5.4M reduction in the fair value of biological assets (31 December 2024: 7.0M uplift). Normalised EBITDA for the half year was \$3.2M (31 December 2024 (restated): \$5.1M).

Against a more subdued market demand backdrop relative to the preceding two financial years, the Company has continued to refine its sales strategy and optimise its channel mix. While market demand moderated, sales mix reflected a higher proportion of low-grade pearls as the Company reduced its low-grade inventory holding. Management remains focused on disciplined inventory management, channel alignment, and positioning the business to respond to evolving market conditions.

Safety remains a core operational priority. Throughout the period, we continued to strengthen our safety agenda by deepening our understanding of key risk areas and aligning safety focus and resources through ongoing awareness, education, and training at the operational level.

### 2.2 OPERATIONAL HIGHLIGHTS

**Pearl production.** The Company harvested 264k pearls during the period (31 December 2024: 250k pearls), in line with our expectations.

Seeding targets were consistently met during the half-year with 464k oysters seeded compared to 471k in HY1 FY25.

The Group has also partnered with a number of third-party farmers, currently 12 with another two in negotiation, to grow-out spat from our hatcheries. These arrangements support ongoing expansion and help offset higher juvenile mortalities experienced over the past 12 months, while maintaining the use of the Group's own genetic stock, and to supplement internal supply as the Group expands. Approximately 179k shell were purchased in the half (in addition to the 299k oysters purchased in H2 FY25) from external farmers to ensure continuity of pearl production in the next two and three years' time, and to mitigate the risks from ongoing higher mortalities that could affect the Group's internal supply volume.

## 2.3 PERFORMANCE METRICS

**Market conditions, sales channels, and pearl quality.** The average selling price for the half-year ended 31 December 2025 was \$33/pearl, reflecting a decline compared to the same period last year at \$63/pearl. The decline in price is reflective of a shift in product mix with a higher percentage of low-grade pearls sold during the period (53%) compared to H1 FY25 (24%). A comparison between H1 FY25 and H1 FY26 loose and value add pearls sales performance is presented in the table below:

	6 MONTHS ENDED 31 DEC 2025	6 MONTHS ENDED 31 DEC 2024 (RESTATED)	MOVEMENT
<b>Loose and value add pearls– excluding low grade</b>			
Pearls sold	177k	215k	-17%
Average \$/pearl	\$63	\$81	-22%
Revenue - excluding low grade	\$11.1M	\$17.4M	-36%
<b>Loose and value add pearls–low grade</b>			
Pearls sold	201k	69k	+189%
Average \$/pearl	\$7	\$8	-7%
Revenue – low grade	\$1.5M	\$0.5M	+168%
<b>Loose and value add pearls – total</b>			
Pearls sold	379k	285k	+33%
Average \$/pearl	\$33	\$63	-47%
Total revenue – loose and value add pearls	\$12.6M	\$17.9m	-30%
Proportion of loose and value add pearls that are low grade	53%	24%	+118%

Sales of loose and value-add pearls for the half year ended 31 December 2025 reflected a shift in product mix of pearls sold and pricing dynamics relative to the prior corresponding period. While total volumes of pearls sold increased by 33% to 379k pearls, this growth was driven primarily by higher sales of low-grade pearls, which comprised 53% of sales (31 December 2024 (restated): 24%).

Low-grade pearl sales increased significantly (189% in volume), and sales of loose pearls and value add pearls declined by 17%, driven by softer demand and lower availability due to a moderate decline in quality. Pricing softened across both categories, with the average price per loose and value add pearls decreasing by 22% and low-grade pearls declining by 7%. Consequently, revenue from loose and value add pearls reduced disproportionately with the lower volumes, leading to a 30% decline in total loose and value-add pearl revenue. On a weighted average basis, the combined effect of lower realised prices, lower volume of loose pearls and value add pearls, and the increased proportion of low-grade pearls resulted in the average revenue per pearl decreasing from \$63 to \$33 for the period compared to H1 FY25.

The market softened during the half, following pricing stability in FY25, although current prices remain strong relative to historical averages. Auction sales now comprise traditional auctions in Japan and low-grade auctions in Bali, with both also offered to our customers worldwide via online platforms.

A reduction in quality during the half impacted our ability to supply private sale customers seeking higher-end products, which affected the average \$ per pearl for H1. In addition, demand from private sale customers for commercial-grade goods softened during the period, with purchasing activity slower compared to the previous 18 months.

The higher proportion of low-grade pearls sold through all channels in H1 FY26, while enabling inventory movement and releasing revenue/cash, but at a lower price per pearl and a lower gross margin, affected the comparison of the average piece per pearl received in H1 FY26 vs H1 FY25.

**Pearl quality.** The improvements in pearl quality reported in H1 FY25 and the FY25 full-year results moderated in H1 FY26. Quality enhancement remains a core operational focus. Genetics initiatives aimed at improving broodstock understanding continue to progress; however, due to the four-year growth cycle, the first harvests reflecting outcomes from the updated breeding matrix are not expected until H1 FY28. In addition, external shell purchased over the past 18 months will also provide an opportunity to diversify broodstock.

The Group continues to leverage its extensive operational and quality datasets, including the application of AI-enabled analytics, to assess correlations between genetics and key environmental variables such as chlorophyll levels and water temperature volatility. These insights are actively informing decisions relating to potential joint-venture grow-out locations, new farm developments, and optimisation within existing farm sites.

As previously noted, pearl quality outcomes can vary from harvest to harvest, and improvements are inherently incremental. Notwithstanding this variability, the Group continues to expect a steady, long-term upward trend in overall pearl quality.

## 2.4 BUSINESS INITIATIVES

Atlas Pearls provides the following update on its ongoing initiatives and upgrades across multiple areas in the business:

**Genetics project.** The genetics program is an ongoing initiative and continues to progress in line with expectations. The initial phase has been completed, including the implementation of a breeding matrix designed to maximise genetic diversity across future shell populations.

Genetics sampling and sequencing activities continue, with ongoing development of genetic profiles for oyster families that, based on longitudinal production data, demonstrate a higher-than-average pearl quality. These insights are being incorporated into breeding decisions to reduce exposure to unfavourable genetic markers over time.

We have continued to make purchases of third-party virgin oysters, which after their first pearl harvest and genetic sequencing, selected oysters will be included in our broodstock population, improving our genetic diversity.

**Vessels.** Construction of the new large shell transfer and logistics vessel (the Atlas Pearl) is nearing completion. Commissioning and handover of the vessel is scheduled for July 2026 and is currently on schedule and on budget. The operating model incorporating the vessel is currently being revised. With its increased carrying capacity and onboard operations rooms, the Atlas Pearl will improve efficiency by enabling the transfer of younger shell from hatcheries, spat and juvenile joint ventures (JVs), and virgin shell suppliers to grow out sites. This will allow shell to be seeded onsite, following an initial settling in period, so that the oysters are grown in the same water from seeding through harvest. The enhanced capability will also allow the transfer of shell a younger age, improving logistics flexibility and overall operational efficiency.

**Capacity expansion and JV spat expansion.** Over the half-year, we have added capacity at our sites in Alor and Pungu, and currently processing licenses for significant expansion at Alyui. Following the fire at the Gerogak hatchery, together with an increase in juvenile oyster mortalities across the Indonesian archipelago, we have contracted 12 JV grow-out partners to receive collectors from our hatcheries and grow out spat derived from our genetics. This approach allows us to expand capacity without increasing our physical asset footprint. This is a cost-effective way to increase numbers of shell progressing through the system being seeded. As these shell mature, additional capacity is being added at other sites to hold these seeded shell for their final two years of cultivation until pearl harvest.

**Sustainability (ESG) reporting.** During the period, the Group appointed a full-time Sustainability Manager, strengthening governance and capability in this area. We published our inaugural full-year Sustainability Report and completed a half-year update for the period ended 31 December 2025. Our sustainability reporting is aligned with the Global Reporting Initiative (GRI) framework, with reporting processes, metrics, and criteria now embedded within core business operations. The report is available on our website at [www.atlaspearls.com.au/pages/sustainability](http://www.atlaspearls.com.au/pages/sustainability).

**Innovation and diversification.** The Chief Innovation Officer and his team continue to focus on two primary areas: i) improving existing processes through innovative procedures and materials; and ii) assessing opportunities to diversify revenue streams by leveraging the Group's core competencies in aquaculture, established legal and corporate structures in Indonesia, existing water leases, and supporting infrastructure. A small hatchery near the North Bali operations has been leased to support the evaluation of alternative aquaculture processes and species, without compromising the biosecurity or operational focus of the Group's commercial pearling activities. Once proof of concept has been established, commercial-scale trials may be undertaken at other farms within a business-as-usual operating framework.

## 2.5 CORPORATE INITIATIVES

**Stakeholder management review.** Building on the successful HR and Safety review completed last year, which resulted in targeted personnel and structural enhancements, the Company has completed a comprehensive review of its supply chain, logistics, and procurement functions. This review has identified opportunities for improvement, and several process enhancements are now being implemented.

As the Company continues to grow in scale, with an increasing number of oysters under cultivation, we remain focused on ensuring our support services are optimised and evolve in line with operational complexity while strengthening our core capabilities.

We have been reviewing our stakeholder engagement frameworks, including engagement across all levels of government. An updated stakeholder management plan, incorporating a more structured cadence of engagement, is currently being finalised and will be rolled out in the coming period.

**Farm Manager Apprenticeship Program.** With a clear focus on long-term capability building and knowledge transfer to Indonesian employees, the Company has commenced its Farm Manager Apprenticeship Program, with the first cohort of trainees now underway.

The program is designed for individuals with tertiary qualifications and experience in aquaculture, and provides structured, in-depth training across sustainable pearl farm management, health and safety, environmental stewardship, commercial operations, and labour management. Delivered over a three-year period, the apprenticeship combines practical on-farm experience with formal development to build both technical and leadership capability.

## 2.6 OUTLOOK

Notwithstanding softer performance in the half, the Group remains firmly focused on executing its FY30 strategy, which is designed to deliver sustainable growth and long-term value creation.

In 2026, the Group will continue to focus on enhancing health, safety and environmental capability and capacity across the business, with ongoing investment in systems, capability, and continuous improvement.

Strategic initiatives and projects aligned with the FY30 strategy, including business improvement, growth, and innovation, will continue to be executed.

The Group will also continue its sustainability and CSR projects in collaboration with stakeholders as operations expand.

Innovation and R&D remain a key focus, aligned with the Group's objective of delivering the finest South Sea pearls at the lowest sustainably achievable production cost.

## 3. FINANCIAL RESULT

The Group net loss after tax for the period ended 31 December 2025 is \$5.2M, compared to a net profit after tax of \$12.1M in the prior comparative period. The operating revenue for the half-year was \$13.6M, a decrease of 27% over the same period last year.

To provide a better understanding of operating performance, Atlas Pearls has adopted the use of Normalised Earnings Before Interest, Tax, Depreciation, and Amortisation (Normalised EBITDA) as a more refined and effective metric for reporting comparative results. This approach offers a clearer and standardised perspective on our financial performance, facilitating a more insightful assessment of business performance.

	6 MONTHS ENDED 31 DEC 2025	6 MONTHS ENDED 31 DEC 2024 (RESTATED)
Pearls sold	378,617	284,071
Average \$/pearl	\$33	\$65
Total revenue from contracts with customers	13,579,902	18,509,668
Net profit/(loss) after tax (NPAT)	(5,228,128)	12,101,405
Normalised earnings before interest, taxes, depreciation, and amortisation (Normalised EBITDA)	3,151,931	6,204,598

The adjustments from NPAT to arrive at reported Normalised EBITDA for the half-year are shown below:

	6 MONTHS ENDED 31 DEC 2025	6 MONTHS ENDED 31 DEC 2024 (RESTATED)
Net profit/(loss) after tax	(5,228,128)	12,101,405
Tax expense	88,912	3,523,362
Interest (income)/expense	(136,495)	(193,744)
Depreciation and amortisation	236,031	138,970
(Profit)/loss on disposal of assets	1,956	(341,052)
Foreign exchange (gain)/loss	282,649	(1,302,030)
Agriculture standard revaluation (gain)/loss	5,362,437	(6,995,274)
Changes in inventory (farm costs) (gain)/loss	841,150	(1,334,701)
Write down of pearls to net realisable value	-	630,853
Impairment expense	1,800,344	-
Loss on deconsolidation	-	227,278
Other non-operating (income)/expense	(96,925)	(250,469)
<b>NORMALISED EBITDA</b>	<b>3,151,931</b>	<b>6,204,598</b>

### 3.1 FINANCIAL POSITION

Cash reserves have decreased to \$9.7M at 31 December 2025 (30 June 2025: \$20.2M).

Oyster asset values have decreased to \$39.5M during the six months ended 31 December 2025 (30 June 2025: \$42.8M).

Pearls on hand decreased to 92,886 at 31 December 2025 (30 June 2025: 219,436), resulting in a reduction in inventory value \$3.5M (30 June 2025: \$6.0M). Notwithstanding the lower volume, the value per pearl increased from \$27 per piece at 30 June 2025 to \$38 per piece at 31 December 2025, reflecting changes to product mix and a higher proportion of higher-grade pearls held at reporting date.

The Company's net tangible assets per share is 13.1 cents per share at 31 December 2025, which has decreased from the position at 30 June 2025 of 16.0 cents per share. The number of shares on issue at 31 December 2025 is 439,042,581, unchanged from 30 June 2025.

### 4. DIVIDENDS

The Board has determined that no interim dividend be paid in relation to the half year ended 31 December 2025 (31 December 2024: 1.00 cents per share). In arriving at this position, the Board has considered the EBITDA performance and the cash position weighed up against the company's strategic objectives of improved operational efficiencies through investment in a new larger vessel as well as significant expansion of pearl production at Alyui. This is a conservative position but reflects the commitment to execute on the FY30 strategy, which is designed to deliver sustainable growth and long-term value creation. Otherwise, the dividend policy remains in place and will be re-considered as part of the 30 June 2026 full year results.

### 5. EVENTS OCCURRING AFTER THE REPORTING PERIOD


There have been no significant events after balance date which require disclosure.

### 6. ROUNDING

The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest dollar.

### 7. 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 6. Signed in accordance with a resolution of the Directors.



JOSÉ MARTINS  
Chairman  
26 February 2026



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## DECLARATION OF INDEPENDENCE BY GLYN O'BRIEN TO THE DIRECTORS OF ATLAS PEARLS LTD

As lead auditor for the review of Atlas Pearls Ltd for the half-year ended 31 December 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 review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

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

A handwritten signature in black ink, appearing to read 'Glyn O'Brien', with a long, sweeping horizontal stroke extending to the right.

Glyn O'Brien

Director

BDO Audit Pty Ltd

Perth

26 February 2026

# Consolidated Statement of Profit or Loss & Other Comprehensive Income

	NOTES	6 MONTHS ENDED 31 DEC 2025 \$	6 MONTHS ENDED 31 DEC 2024 (RESTATED) \$
Revenue from contracts with customers	3	13,579,902	18,509,668
Farm costs and changes in inventory		(7,195,378)	(6,748,836)
Administration expenses	4	(3,591,547)	(3,498,351)
Finance costs		(17,001)	(22,989)
Marketing expenses		(241,727)	(319,289)
Change in fair value less husbandry costs of oysters	8	(5,362,437)	6,995,274
Write down of pearls to net realisable value		-	(630,852)
Impairment expense	9	(1,800,344)	-
Loss on deconsolidation	11	-	(227,278)
Other expenses		(780,628)	(292,395)
Other income		269,944	1,859,815
<b>PROFIT/(LOSS) BEFORE INCOME TAX</b>		<b>(5,139,216)</b>	15,624,767
Income tax expense	5	(88,912)	(3,523,362)
<b>PROFIT/(LOSS) AFTER INCOME TAX</b>		<b>(5,228,128)</b>	12,101,405
OTHER COMPREHENSIVE INCOME/(LOSS)			
Items that will be reclassified as profit or loss:		(1,236,565)	2,273,584
Exchange differences on translation of foreign operations		-	183,226
<b>Exchange differences on deconsolidation of subsidiary</b>		<b>(1,236,565)</b>	2,456,810
<b>OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD NET OF TAXES</b>		<b>(6,464,693)</b>	14,558,215
<b>TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD</b>		<b>(6,464,693)</b>	14,558,215
<b>PROFIT/(LOSS) ATTRIBUTABLE TO:</b>			
Owners of the Company		(6,464,693)	14,558,215
<b>TOTAL COMPREHENSIVE INCOME/(LESS)ATTRIBUTABLE TO:</b>			
<b>Owners of the Company</b>			
Basic earnings per share (cents)	6	(1.19)	2.77
Diluted earnings per share (cents)	6	(1.19)	2.74

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

	NOTES	31 DEC 2025 \$	30 JUN 2025 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		9,694,495	20,214,953
Trade and other receivables		2,564,171	1,595,049
Inventories	7	3,983,474	6,415,204
Biological assets	8	15,184,323	18,452,358
Current tax assets		1,079,894	-
<b>TOTAL CURRENT ASSETS</b>		<b>32,506,357</b>	<b>46,677,564</b>
<b>NON-CURRENT ASSETS</b>			
Intangibles		868,128	862,648
Biological assets	8	24,505,082	24,556,286
Property, plant and equipment		7,823,205	7,874,533
Right-of-use assets		1,023,954	1,179,601
Deferred tax assets		557,271	886,308
Loans receivable	9	2,601,185	3,848,573
<b>TOTAL NON-CURRENT ASSETS</b>		<b>37,378,825</b>	<b>39,207,949</b>
<b>TOTAL ASSETS</b>		<b>69,885,182</b>	<b>85,885,513</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		1,592,107	1,658,917
Provisions		2,196,378	3,558,107
Borrowings		406,812	-
Lease liabilities		108,963	161,891
Current tax liabilities		-	1,626,702
<b>TOTAL CURRENT LIABILITIES</b>		<b>4,304,260</b>	<b>7,005,617</b>
<b>NON-CURRENT LIABILITIES</b>			
Lease liabilities		76,113	239,944
Deferred tax liabilities		6,980,598	7,565,727
Provisions		38,720	38,720
Loans payable		-	-
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>7,095,431</b>	<b>7,844,391</b>
<b>TOTAL LIABILITIES</b>		<b>11,399,691</b>	<b>14,850,008</b>
<b>NET ASSETS</b>		<b>58,485,491</b>	<b>71,035,505</b>
<b>EQUITY</b>			
Contributed equity	10	37,648,403	37,648,403
Reserves		(9,348,162)	(8,172,872)
Retained earnings		30,185,250	41,559,974
<b>TOTAL EQUITY</b>		<b>58,485,491</b>	<b>71,035,505</b>

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

# Consolidated Statement of Changes in Equity

ATTRIBUTABLE TO THE OWNERS OF ATLAS PEARLS						
	Contributed equity	Revaluation reserve	Employee share reserve	Foreign currency reserve	Retained earnings/(accumulated losses)	Total equity
	\$	\$	\$	\$	\$	\$
<b>BALANCES AT 1 JULY 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>PROFIT/(LOSS) FOR THE PERIOD</b>	-	-	-	-	(5,228,128)	(5,228,128)
Exchange differences on translation of foreign operations	-	-	-	(1,236,565)	-	(1,236,565)
<b>TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD</b>	-	-	-	(1,236,565)	(5,228,128)	(6,464,693)
Employee share scheme	-	-	61,275	-	-	61,275
Dividends paid	-	-	-	-	(6,146,596)	(6,146,596)
<b>BALANCE AT 31 DECEMBER 2025</b>	<b>37,648,403</b>	<b>179,179</b>	<b>1,399,301</b>	<b>(10,926,642)</b>	<b>30,185,250</b>	<b>58,485,491</b>

ATTRIBUTABLE TO THE OWNERS OF ATLAS PEARLS (RESTATED)						
	Contributed equity	Revaluation reserve	Employee share reserve	Foreign currency reserve	Retained earnings/(accumulated losses)	Total equity
	\$	\$	\$	\$	\$	\$
<b>BALANCES AT 1 JULY 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>
<b>PROFIT FOR THE PERIOD</b>	-	-	-	-	12,101,405	12,101,405
Exchange differences on translation of foreign operations	-	-	-	2,456,810	-	2,456,810
<b>TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD</b>	-	-	-	2,456,810	12,101,405	14,558,215
Contributions of equity, net of transaction costs	381,454	-	-	-	-	381,454
Employee share scheme	-	-	27,617	-	-	27,617
Dividends paid	-	-	-	-	(4,385,826)	(4,385,826)
<b>BALANCE AT 31 DECEMBER 2024</b>	<b>37,623,305</b>	<b>179,179</b>	<b>1,310,859</b>	<b>(9,170,372)</b>	<b>36,154,025</b>	<b>66,096,996</b>

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

# Consolidated Statement of Cash Flows

	6 MONTHS ENDED 31 DEC 2025 \$	6 MONTHS ENDED 31 DEC 2024 (RESTATED) \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Proceeds from pearl and jewellery sales	12,726,237	18,409,851
Proceeds from pearl by-product sales	660,744	534,771
Payments to suppliers and employees	(13,093,585)	(11,512,386)
Income tax paid	(3,385,424)	(485,406)
Interest paid	(918)	(151)
Interest received	186,547	216,354
Other income	116,448	-
<b>Net cash inflow/(outflow) from operating activities</b>	<b>(2,789,951)</b>	<b>7,163,033</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payments for property, plant and equipment	(1,194,276)	(2,451,729)
Proceeds from the disposal of property, plant and equipment	-	468
Payments for acquisition of intangible assets	(75,846)	(552,924)
Loan (to)/from PT Cahaya Bali	(769,411)	(2,203,905)
Aggregate cash from loss of control of PT Cahaya Bali	-	(406,786)
<b>Net cash outflow from investing activities</b>	<b>(2,039,533)</b>	<b>(5,614,876)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from borrowings	726,799	934,297
Repayment of borrowings	(327,916)	(679,835)
Repayment of lease liabilities	(218,448)	(33,636)
Dividends paid	(6,146,596)	(4,385,825)
Proceeds from the issue of shares (net of share issue expenses)	-	369,447
<b>Net cash outflow from financing activities</b>	<b>(5,966,161)</b>	<b>(3,795,552)</b>
Net increase/(decrease) in cash and cash equivalents	<b>(10,795,645)</b>	<b>(2,247,395)</b>
Cash and cash equivalents at the beginning of the period	<b>20,214,953</b>	<b>17,623,313</b>
Effects of exchange rate changes on cash and cash equivalents	<b>275,187</b>	<b>3,176,081</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD</b>	<b>9,694,495</b>	<b>18,551,999</b>

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

# Notes to the Consolidated Financial Statements

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## 1. BASIS OF PREPARATION

### 1.1 BASIS OF PREPARATION OF HALF-YEAR REPORT

These general-purpose financial statements for the interim half-year reporting period ended 31 December 2025 have been prepared in accordance with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*.

These general-purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2025 and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

Certain comparative amounts have been represented to align with the current year's presentation and to reflect the deconsolidation of PT Cayaha Bali, which took effect on 1 July 2024 following management's reassessment of control under AASB 10 *Consolidated Financial Statements* during the 30 June 2025 financial year. The impact of this restatement is not considered material to the financial statements. Further information is provided in Note 11.

#### **New or amended Accounting Standards and Interpretations adopted**

The consolidated entity has adopted all 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.

## 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.

The operating segments are identified by management based on the location in which the product is sold, whether in 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.

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

- (i) The segment information provided to the Board of Directors and management team for the reportable segments for the period ended 31 December 2025 is as follows:

31 DECEMBER 2025	LOOSE PEARLS & BY PRODUCT		
	AUSTRALIA	INDONESIA	TOTAL
Total segment revenue	10,418,345	11,488,059	21,906,404
Inter-segment revenue	-	(8,326,502)	(8,326,502)
<b>REVENUE FROM EXTERNAL CUSTOMERS</b>	<b>10,418,345</b>	<b>3,161,557</b>	<b>13,579,902</b>
<b>TIMING OF REVENUE RECOGNITION</b>			
At a point in time	10,418,345	3,161,557	13,579,902
Over time	-	-	-
	<b>10,418,345</b>	<b>3,161,557</b>	<b>13,579,902</b>
<b>NORMALISED EBITDA</b>	<b>1,390,899</b>	<b>1,761,032</b>	<b>3,151,931</b>
<b>NET OPERATING PROFIT BEFORE INCOME TAX</b>	<b>1,877,648</b>	<b>(7,016,864)</b>	<b>(5,139,216)</b>
<b>TOTAL SEGMENT ASSETS</b>			
<b>31 DECEMBER 2025</b>	<b>9,691,205</b>	<b>58,556,812</b>	<b>68,248,017</b>
30 June 2025	20,741,936	64,257,269	84,999,205
<b>TOTAL SEGMENT LIABILITIES</b>			
<b>31 DECEMBER 2025</b>	<b>(1,486,331)</b>	<b>(2,340,875)</b>	<b>(3,827,206)</b>
30 June 2025	(2,268,619)	(2,987,125)	(5,255,744)

The segment information provided to the Board of Directors and management team for the reportable segments for the period ended 31 December 2024 is as follows:

31 DECEMBER 2024 (RESTATED)	LOOSE PEARLS & BY PRODUCT		
	AUSTRALIA	INDONESIA	TOTAL
Total segment revenue	16,430,389	11,486,133	27,916,522
Inter-segment revenue	-	(9,406,854)	(9,406,854)
<b>REVENUE FROM EXTERNAL CUSTOMERS</b>	<b>16,430,389</b>	<b>2,079,279</b>	<b>18,509,668</b>
<b>TIMING OF REVENUE RECOGNITION</b>			
At a point in time	16,430,389	2,079,279	18,509,668
Over time	-	-	-
	<b>16,430,389</b>	<b>2,079,279</b>	<b>18,509,668</b>
<b>NORMALISED EBITDA</b>	<b>5,449,216</b>	<b>755,382</b>	<b>6,204,598</b>
<b>NET OPERATING PROFIT BEFORE INCOME TAX</b>	<b>5,336,586</b>	<b>10,288,181</b>	<b>15,624,767</b>
<b>TOTAL SEGMENT ASSETS</b>			
<b>31 DECEMBER 2024</b>	<b>16,177,352</b>	<b>66,517,960</b>	<b>82,695,312</b>
30 June 2024	18,262,322	50,921,731	69,184,053
<b>TOTAL SEGMENT LIABILITIES</b>			
<b>31 DECEMBER 2024</b>	<b>(850,427)</b>	<b>(3,075,947)</b>	<b>(3,926,374)</b>
30 June 2024	(903,860)	(3,295,410)	(4,199,270)

Revenues of \$2.7M are derived from two external customers individually representing more than 10% of revenue. At 31 December 2024, revenues of \$5.9M were derived from two external customers individually representing more than 10% of revenue. These revenues are attributed to the Australian segment.

## 2.2 OTHER SEGMENT INFORMATION

### (i) Adjusted net operating profit

The Board of Directors and the management team review monthly the performance of each segment 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 before income tax is provided as follows:

	6 MONTHS ENDED 31 DEC 2025	6 MONTHS ENDED 31 DEC 2024 (RESTATED)
<b>NORMALISED EBITDA</b>	<b>3,151,931</b>	6,204,598
Interest income/(expense)	<b>136,495</b>	193,744
Depreciation and amortisation	<b>(236,031)</b>	(138,970)
Profit on disposal of assets	<b>(1,956)</b>	341,052
Changes in fair value of biological and agricultural assets	<b>(5,362,437)</b>	6,995,274
Changes in valuation of inventory	<b>(841,150)</b>	1,334,701
Write down of pearls to net realisable value	-	(630,852)
Foreign exchange gains/(losses)	<b>(282,649)</b>	1,302,030
Loss on deconsolidation	-	(227,278)
Impairment expense	<b>(1,800,344)</b>	-
Other non-operating income/(expense)	<b>96,924</b>	250,468
<b>TOTAL PROFIT/(LOSS) BEFORE INCOME TAX FROM OPERATIONS</b>	<b>(5,139,216)</b>	15,624,767

### (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:

	31 DEC 2025 \$	30 JUN 2025 \$
<b>SEGMENT ASSETS</b>	<b>69,327,911</b>	84,999,205
Unallocated:		
Deferred tax assets	<b>557,271</b>	886,308
<b>TOTAL ASSETS AS PER THE STATEMENT OF FINANCIAL POSITION</b>	<b>69,885,182</b>	85,885,513

The total of non-current assets other than financial instruments and deferred tax assets located in Australia is \$189,062 (30 June 2025: \$131,063). The total located in Indonesia is \$36,632,492 (30 June 2025: \$34,342,005).

### (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:

	31 DEC 2025 \$	30 JUN 2025 \$
<b>SEGMENT LIABILITIES</b>	<b>3,827,205</b>	5,255,744
Unallocated:		
Current tax liabilities	-	1,626,702
Borrowings	<b>406,812</b>	-
Lease liabilities	<b>185,076</b>	401,835
Deferred tax liabilities	<b>6,980,598</b>	7,565,727
<b>TOTAL LIABILITIES AS PER THE STATEMENT OF FINANCIAL POSITION</b>	<b>11,399,691</b>	14,850,008

### 3. REVENUE FROM CONTRACTS WITH CUSTOMERS

	6 MONTHS ENDING 31 DEC 2025 \$	6 MONTHS ENDING 31 DEC 2024 (RESTATED) \$
<b>SALES REVENUE</b>		
Sale of goods	13,579,902	18,509,668
<b>TOTAL REVENUE FROM CONTRACTS WITH CUSTOMERS</b>	<b>13,579,902</b>	<b>18,509,668</b>

### 4. PROFIT/(LOSS) BEFORE INCOME TAX INCLUDES THE FOLLOWING SPECIFIC ITEMS

#### 4.1 ADMINISTRATION EXPENSES FROM ORDINARY ACTIVITIES

	6 MONTHS ENDING 31 DEC 2025 \$	6 MONTHS ENDING 31 DEC 2024 (RESTATED) \$
Salaries and wages	2,754,552	2,694,105
Occupancy costs	50,649	45,744
Compliance and accounting	321,082	296,064
Other	465,264	462,438
<b>TOTAL ADMINISTRATION EXPENSES</b>	<b>3,591,547</b>	<b>3,498,351</b>

### 5. TAX

#### 5.1 INCOME TAX EXPENSE

	6 MONTHS ENDING 31 DEC 2025 \$	6 MONTHS ENDING 31 DEC 2024 (RESTATED) \$
<b>(A) THE COMPONENTS OF TAX EXPENSE/(BENEFIT) COMPRISE:</b>		
Current tax	377,458	1,904,933
Deferred tax	(1,025,331)	1,936,651
Prior period (over) provision	736,785	(318,222)
<b>INCOME TAX EXPENSE/(BENEFIT)</b>	<b>88,912</b>	<b>3,523,362</b>
<b>(B) DEFERRED INCOME TAX (REVENUE) EXPENSE INCLUDED IN INCOME TAX EXPENSE COMPRISES:</b>		
Decrease/(increase) in deferred tax assets (excluding tax losses)	307,542	47,350
Decrease/(increase) in opening balances	736,785	-
(Decrease)/increase in deferred tax liabilities	(1,332,874)	1,889,301
<b>DEFERRED TAX EXPENSE/(BENEFIT)</b>	<b>(288,546)</b>	<b>1,936,651</b>
<b>(C) NUMERICAL RECONCILIATION OF INCOME TAX EXPENSE TO PRIMA FACIE TAX PAYABLE:</b>		
Profit/(loss) before income tax expense	(5,139,216)	15,624,767
Tax at the Australian tax rate of 25% (31 December 2024: 25%)	(1,284,804)	3,906,192
<i>Tax effect of amounts which are not deductible in calculating taxable income:</i>		
Non-deductible expenses	146,725	41,411
Differences in overseas tax rates	31,143	(106,019)
Impairment of receivables	450,086	-
Under provision in prior years	745,763	(318,222)
<b>INCOME TAX EXPENSE/(BENEFIT)</b>	<b>88,912</b>	<b>3,523,362</b>

## 6. EARNINGS PER SHARE

	6 MONTHS ENDING 31 DEC 2025 Cents	6 MONTHS ENDING 31 DEC 2024 (RESTATED) Cents
Basic earnings/(loss) per share (cents)	(1.19)	2.77
Diluted earnings per share (cents)	(1.19)	2.74

Potential ordinary shares of the Company consist of 3,200,000 options which were considered as being potentially dilutive at balance date. In accordance with AASB 133 *Earnings per Share* these options have been excluded from the calculation of diluted loss per share due to their antidilutive effect and as such, diluted loss per share is equal to basic loss per share.

### 6.1 EARNINGS RECONCILIATION

	6 MONTHS ENDING 31 DEC 2025 \$	6 MONTHS ENDING 31 DEC 2024 (RESTATED) \$
Net profit/(loss) for basic earnings	(5,228,128)	12,101,405

	6 MONTHS ENDING 31 DEC 2025 No.	6 MONTHS ENDING 31 DEC 2024 No.
Weighted average number of ordinary shares outstanding during the period used for calculation of basic earnings per share	439,042,581	437,458,884
Adjustments for calculation of diluted earnings per share	-	3,500,000
<b>Weighted average number of potential ordinary shares outstanding during the period used for calculation of diluted earnings per share</b>	<b>439,042,581</b>	<b>440,958,884</b>

Potential ordinary shares of the Company consist of 3,200,000 options which were considered as being potentially dilutive at balance date. In accordance with AASB 133 *Earnings per Share* these options have been excluded from the calculation of diluted loss per share due to their antidilutive effect and as such, diluted loss per share is equal to basic loss per share.

## 7. INVENTORIES

	31 DEC 2025 \$	30 JUN 2025 \$
<b>CURRENT</b>		
Pearls	3,547,316	6,027,590
Jewellery	226,055	246,869
Mother of Pearl	54,453	-
Fuel	155,650	140,745
<b>TOTAL CURRENT INVENTORY</b>	<b>3,983,474</b>	<b>6,415,204</b>

A reconciliation of movements in pearl inventory:

	31 DEC 2025 \$	30 JUN 2025 \$
Carrying amount at beginning of the year	6,027,590	8,432,184
Harvest of new pearls	10,063,485	21,403,014
Deemed cost of pearls sold	(12,543,759)	(22,277,822)
Net movement in net realisable value adjustments	-	(1,529,786)
<b>CARRYING AMOUNT AT END OF PERIOD</b>	<b>3,547,316</b>	<b>6,027,590</b>

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

	31 DEC 2025 No.	30 JUN 2025 No.
Balance at beginning of the year	219,436	224,141
Oysters harvested	263,511	621,458
Unsellable pearls and other minor adjustments	(11,923)	(27,662)
Pearls added to inventory during the year	251,588	593,796
Pearls sold	(377,715)	(592,919)
Pearls transferred to jewellery inventory	(423)	(5,582)
<b>BALANCE AT END OF PERIOD</b>	<b>92,886</b>	<b>219,436</b>

#### MATERIAL 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 31 December 2025, no write-off of pearl stocks was required to bring the value in line with the assessed net realisable value (31 December 2024: \$630,853). Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale

## 8. BIOLOGICAL ASSETS

	31 DEC 2025 \$	30 JUN 2025 \$
<b>CURRENT</b>		
Oysters - at fair value	15,184,323	18,452,358
<b>TOTAL CURRENT BIOLOGICAL ASSETS</b>	<b>15,184,323</b>	<b>18,452,358</b>
<b>NON-CURRENT</b>		
Nuclei	179,053	240,864
Oysters – at fair value	24,326,029	24,315,422
<b>TOTAL NON-CURRENT BIOLOGICAL ASSETS</b>	<b>24,505,082</b>	<b>24,556,286</b>
<b>TOTAL BIOLOGICAL ASSETS</b>	<b>39,689,405</b>	<b>43,008,644</b>

During the six months ended 31 December 2025, no significant events occurred which impacted on oyster mortalities (30 June 2025: none).

#### 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. There is a fair value adjustment reduction of \$5.4M at 31 December 2025 (31 December 2024: \$7.0M uplift) as a result of the oyster valuation review conducted.

AASB 13 *Fair Value Measurements* 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 or 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 31 December 2025 and 30 June 2025 on a recurring basis:

	LEVEL 1 \$	LEVEL 2 \$	LEVEL 3 \$	TOTAL \$
<b>31 DECEMBER 2025</b>				
<b>ASSETS</b>				
Biological Assets	-	-	39,510,352	39,510,352
<b>TOTAL ASSETS</b>	<b>-</b>	<b>-</b>	<b>39,510,352</b>	<b>39,510,352</b>

	LEVEL 1 \$	LEVEL 2 \$	LEVEL 3 \$	TOTAL \$
<b>30 JUNE 2025</b>				
<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>

The following table presents the changes in level 3 Instruments for the half-year ended 31 December 2025:

	31 DEC 2025 \$	30 JUN 2025 \$
<b>Changes in fair value of oyster stock</b>		
<b>OPENING BALANCE AT 1 JULY</b>	<b>42,767,780</b>	33,684,246
Due to new stock	<b>3,552,852</b>	6,019,274
Due to mortalities	<b>(4,593,003)</b>	(7,499,744)
Due to ageing	<b>7,819,048</b>	12,308,550
Due to harvests	<b>(7,722,475)</b>	(14,910,073)
Due to price changes	<b>(2,313,850)</b>	13,165,527
<b>CLOSING BALANCE</b>	<b>39,510,352</b>	42,767,780

## 8.1 KEY PRODUCTION ASSUMPTIONS

INPUT	31 DEC 2025	30 JUN 2025	31 DEC 2025 ASSUMPTIONS	30 JUN 2025 ASSUMPTIONS
Average selling price per pearl	<b>\$53</b>	\$57	Based on sales prices achieved over the prior three years	Based on sales prices achieved over the prior three years
USD exchange rate	<b>US\$ 0.70</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%	Based on asset risk assessment	Based on asset risk assessment
Mortality	<b>17%</b>	15%	Based on current harvest mortality rates	Based on current harvest mortality rates
Average unseeded oyster value	<b>\$1.86</b>	\$1.78	Based on historical independent valuation	Based on historical independent valuation
Costs to complete	<b>\$0.82</b>	\$0.83	Based on current average	Based on current average
Costs to sell	<b>\$2.08</b>	\$2.08	Based on current average	Based on current average

## 8.2 SENSITIVITY ANALYSIS - OYSTERS

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

	Pearl Quality Scenario				
	Very Low	Low	Medium	High	Very High
Discount rate	Profit \$	Profit \$	Profit \$	Profit \$	Profit \$
22%	(8,099,089)	(5,109,625)	(705,624)	6,414,099	11,215,337
20%	(7,530,788)	(4,491,354)	-	7,279,166	12,175,588
18%	(6,938,368)	(3,846,942)	735,466	8,181,081	13,176,627

	Pearl Quality Scenario				
	Very Low	Low	Medium	High	Very High
Pricing	Profit \$	Profit \$	Profit \$	Profit \$	Profit \$
>10%	(2,667,694)	675,683	5,616,173	13,623,255	19,009,320
0%	(7,530,788)	(4,491,354)	-	7,279,166	12,175,588
<10%	(12,393,882)	(9,658,392)	(5,616,173)	935,077	5,341,857

	Pearl Quality Scenario				
	Very Low	Low	Medium	High	Very High
FX Rate	Profit \$	Profit \$	Profit \$	Profit \$	Profit \$
>10%	(2,667,694)	675,683	5,616,173	13,623,255	19,009,320
0%	(7,530,788)	(4,491,354)	-	7,279,166	12,175,588
<10%	(12,393,882)	(9,658,392)	(5,616,173)	935,077	5,341,857

## 9. LOANS RECEIVABLE

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

	6 MONTHS ENDING 31 DEC 2025 \$	6 MONTHS ENDING 31 DEC 2024 (RESTATED) \$
Loan Agreement - PT Cahaya Bali	2,144,949	374,164
Funding Facility Agreement - PT Cahaya Bali	3,835,591	4,249,131
<b>TOTAL LOANS RECEIVABLE</b>	<b>5,980,540</b>	<b>4,623,295</b>
Provision for impairment	(3,379,355)	(1,579,011)
<b>CARRYING AMOUNT AT END OF PERIOD</b>	<b>2,601,185</b>	<b>3,044,284</b>

## 10. CONTRIBUTED EQUITY

	31 DEC 2025 No.	30 JUN 2025 No.	31 DEC 2025 \$	30 JUN 2025 \$
Issued and fully paid-up capital	439,042,581	439,042,581	38,648,403	37,648,403
<b>ORDINARY SHARES</b>				
Balance at beginning of period	439,042,581	433,622,379	38,648,403	37,241,851
Shares issued	-	5,420,202	-	406,552
<b>BALANCE AT END OF PERIOD</b>	<b>439,042,581</b>	<b>439,042,581</b>	<b>38,648,403</b>	<b>37,648,403</b>
<b>TREASURY SHARES</b>				
Balance at beginning of period	3,062,138	3,062,138		
Shares released	-	-		
<b>BALANCE AT END OF PERIOD</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 half-year ended 31 December 2025 (31 December 2024: Nil / 30 June 2025: Nil).

## 11. CONTROL GAINED OR LOST OVER ENTITIES DURING THE FINANCIAL PERIOD

	31 DEC 2025 \$	31 DEC 2024 \$
Loss on deconsolidation of PT Cahaya Bali	-	227,278

### RESTATEMENT OF COMPARATIVE RESULTS: LOSS OF CONTROL OVER PT CAHAYA BALI

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

PT Cayaha Bali has historically been a small component of the Group and was controlled through shareholder agreements assigned to PT Cendana Indopearls, the Group's Indonesian subsidiary. Developments during the 30 June 2025 financial 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 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 included the Group seeking independent legal advice and 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 and the 31 December 2024 previously reported comparative financial results restated. This change does not result in discontinued operations, as the Group continues to operate and generate revenue from its other Indonesian operations. The Directors are also satisfied that this matter was not material to the previously provided financial information for the group.

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

## 12. CONTINGENCIES AND COMMITMENTS

There have been no changes to contingencies or commitments from those disclosed in June 2025.

## 13. RELATED PARTY TRANSACTIONS

The Company considered that it was desirable to issue equity securities to attract, motivate and retain key employees, and provide them with the opportunity to participate in the future growth of the Company. Accordingly, 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. Of these, 1,900,000 performance rights were granted to Key Management Personnel (KMP), including 1,500,000 to Michael Ricci and 400,000 to Jean-Marie Rudd.

## 14. DIVIDENDS

During the half-year, the Company made the following dividend payments:

	6 MONTHS ENDING 31 DEC 2025		6 MONTHS ENDING 31 DEC 2024	
	Cents per share	\$	Cents per share	\$
<b>FULLY PAID ORDINARY SHARES</b>				
Dividend	1.40	6,146,596	1.00	4,385,825

The Board has determined that no interim dividend be paid in relation to the half year ended 31 December 2025 (31 December 2024: 1.00 cents per share).

## 15. EVENTS OCCURRING AFTER THE REPORTING PERIOD

There have been no significant events after balance date which require disclosure.

# Directors' Declaration

The Directors of the Company declare that:

the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 *Interim Financial Reporting*, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2025 and of its performance for the financial half-year ended on that date; and there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors:

A handwritten signature in black ink, appearing to read 'José Martins', with a large, stylized initial 'J'.

JOSÉ MARTINS  
Chairman

Perth, Western Australia  
26 February 2026

## INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Atlas Pearls Ltd

### Report on the Half-Year Financial Report

#### Conclusion

We have reviewed the half-year financial report of Atlas Pearls Ltd (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 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 half-year ended on that date, material accounting policy information and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

- i. Giving a true and fair view of the Group's financial position as at 31 December 2025 and of its financial performance for the half-year ended on that date; and
- ii. Complying with Accounting Standard AASB 134 *Interim Financial Reporting and the Corporations Regulations 2001*.

#### Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of 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 the audit of the annual 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 the same terms if given to the directors as at the time of this auditor's review report.

#### Responsibility of the directors for the financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.



#### Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2025 and its financial performance for the half-year ended on that date and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

BDO Audit Pty Ltd

A handwritten signature in black ink, appearing to read 'Glyn O'Brien', written over a faint blue BDO logo.

Glyn O'Brien

Director

Perth, 26 February 2026

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## FARM SITES

EAST JAVA, Banyu Biru  
NORTH BALI, Penabangan  
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