

ATLAS PEARLS

5 June 2026

Update – Kobe Auction June 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 2-3 June 2026.

Highlights:

- Kobe auction in June 2026 sold 76,029 pieces at an average price of \$55/piece.
- Total revenue \$4.15 million.
- Average Index Point per pearl sold was 18.
- Average \$/index point was \$3.05 (up from \$2.95 at the previous auction).

A total of 97,423 pearls were presented, with 76,029 pearls sold at an average price of \$55/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 June 2026 auction total goods offered had an average index per piece of 15 (average index per piece sold of 18), down from the average index for the stock presented at the March 2026 auction, which was 22ⁱ. The dollar per index point achieved was similar to last auction, \$2.95 in March to \$3.05 in Juneⁱ.

	Oct-24	Dec-24	Apr-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26
Av \$/Pc	\$74	\$73	\$129	\$86	\$60	\$80	\$66	\$55
Av Index	23	21	32	21	18	30	22	18
Av \$/IP	\$3.20	\$3.50	\$4.00	\$4.00	\$3.56	\$2.61	\$2.95	\$3.05

This event delivered a sell-through rate of 78%. 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 did again see lower demand for our smaller 7 to 8 mm pearls at this auction compared to previous auctions, though we did sell some lots of this product. As prices have eased, 8mm pearls are not in as much demand for stranding as customers trade up to larger sized pearls at similar prices. 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 auctions in March and Decemberⁱⁱ.

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

"The June auction was well attended, reflecting continued interest in the Company's South Sea pearl offering. A total of 51 companies participated, either through physical attendance or via the Company's online trade portal, where bidders inspected images and video and submitted bids.

The auction outcome reflected the quality profile of the product on offer. While the overall outcome aligned with expectations, the achieved average dollar per index point was higher than that recorded at both the December 2025 and March 2026 auctions.

As a result of current market conditions, participants demonstrated a selective purchasing approach amid subdued demand. This was evidenced by the broad distribution of successful bidders, with 25 discrete buyers acquiring one to multiple lots, primarily targeting specific product requirements rather than purchasing for inventory.

As noted, following the March 2026 auction, there has been a modest improvement in quality of pearls harvested relative to the first half of FY26. However, variability remains inherent due to differences in genetic groups and harvest sequencing across farm locations. Further clarity will be provided at the full-year update.

Softer market conditions, combined with the lower overall quality profile of harvested product, have continued to impact sales to certain private customers. Some customers have reduced purchasing volumes compared to prior periods, reflecting slower downstream demand and elevated inventory levels. The Company remains focused on expanding its private sales customer base to enhance channel resilience and diversification. During April and May 2026, approximately \$1.35 million of product was sold through private appointments, bringing forward a portion of sales that may otherwise have occurred at the June 2026 auction."

"Considering these factors, we consider the June 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 early September 2026. Atlas Pearls continues to sell and expand its sales into the wholesale channel through auctions and private sales, value-added, and a small retail channel.

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

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ⁱ Refer ASX announcement of 30 March 2026 'Update - Kobe Auction March 2026'.

ⁱⁱ Refer ASX announcement of 15 December 2025 'Update - Kobe Auction December 2025'.