ATLAS PEARLS

Appendix 4E

Preliminary final report

Results for announcement to the market

Current reporting period:	Year ended 30 June 2026
Previous corresponding period:	Year ended 30 June 2025

Consolidated financial results	**% Change up/down**	**2026 $**
Total revenue from ordinary activities	down 42%	25,779,240
Loss from ordinary activities after tax	down 137%	(7,897,114)
Net loss attributable to the owners of Atlas Pearls Ltd	down 137%	(7,897,114)

Dividends	**Amount per security (cents)**	**Franked amount per security**
This year		
Interim dividend per ordinary share	-	-
Final dividend per ordinary share	0.45	100%
Record date 1 September 2026		
Payment date 25 September 2026		
Previous corresponding period		
Interim dividend per ordinary share	1.00	100%
Final dividend per ordinary share	1.40	100%

Net tangible assets (NTA) per security	**2026 (cents)**	**2025 (cents)**
NTA per ordinary share	12.0	16.0

Control gained or lost over entities during the financial year

During the year, Atlas Pearls Ltd, through its subsidiary PT Cendana Indopearls, established two wholly owned Indonesian subsidiaries: PT Pungu Atlas Indopearls and PT Lembata Atlas Indopearls. Neither entity had commenced trading as at the date of this report.

Commentary on the results

A detailed commentary on the results for the year is contained in the annual financial report that accompanies this announcement.

Audit

The accounts have been audited and an unmodified opinion has been issued.

ATLAS PEARLS

ANNUAL REPORT 2026

Over more than 30 years, Atlas Pearls has become one of the world's largest producers & distributors 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 & in 2026 harvested approximately 620,000 pearls.

JOSÉ MARTINS

Message from the Chairman

Dear Shareholders

FY26 was a year that tested our business. While Atlas Pearls remained financially resilient, the year was marked by lower pearl quality, softer market conditions, and operational challenges that impacted both revenue and earnings. The global luxury goods market faced challenges with geopolitical issues, and we were not immune to these pressures. As a result, we have reported sales revenue of $25.8 million (FY25: $44.3 million), normalised EBITDA of $5.8 million (FY25: $18.6 million) and a statutory net loss after tax of $7.9 million (FY25: net profit after tax of $21.6 million).

This loss includes non-cash losses totalling $11.9 million (FY25 non-cash net gains of $4.1 million). This means that the business remained financially positive despite the lower revenues.

Despite these challenges, I am encouraged by the strength and adaptability shown by our people and by the progress we have made in positioning the Company for future growth. Importantly, we seeded a record number of oysters during the year and continued to invest in the long-term drivers of value rather than focusing solely on short-term results.

Management responded decisively to elevated oyster mortalities experienced at our North Bali nursery by expanding our network of joint venture nursery partners, increasing geographic diversification of our oyster supply, and accelerating investment in data, research and environmental monitoring. While the immediate impact was challenging, these actions have strengthened the resilience of our production model in order to mitigate future risk.

We also continued to execute our FY30 Strategic Roadmap. Significant progress was made across our key priorities of operational quality, innovation, people and culture, and customer development. The expansion of our Alyui farm, improvements to cultivation practices, advances in genetics and hatchery programs, and the introduction of a dedicated Chief Operating Officer position all support our objective of producing more pearls, at lower cost, and with higher quality outcomes over time.

Encouragingly, early FY27 harvest results at several sites have shown meaningful improvements in quality. While it is too early to draw firm conclusions, these outcomes provide confidence that the investments made over recent years in breeding, husbandry and operational excellence are beginning to deliver measurable results.

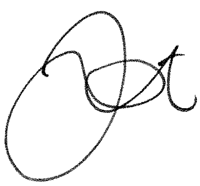
Beyond our core pearling operations, Atlas continues to strengthen its sustainability framework, deepen relationships with government and local communities, and evaluate carefully selected diversification opportunities that leverage our aquaculture expertise and established operating footprint in Indonesia.

On behalf of the Board, I would like to thank the leadership team, and all employees across Atlas Pearls for their dedication and commitment during a demanding year. Their efforts have ensured the Company remains well positioned for the future.

Despite a challenging year, the Board is pleased to declare a fully franked dividend of 0.45 cents per share (FY25: 1.4 cents). The dividend is consistent with the Company's policy and reflects the underlying profitability of the business.

While we remain mindful of ongoing market uncertainty, we enter FY27 with confidence in our strategy, a strong operational platform, and clear opportunities to improve quality, increase production and create long-term value for shareholders.

Yours sincerely



José Martins
Chairman – 25 August 2026

FY26 Business Performance & Strategic Outlook

FY26 was a challenging year both financially and operationally. Atlas Pearls harvested approximately 620k pearls, in line with the 621k pearls harvested in FY25, while the business continued to manage biological challenges within parts of our oyster supply chain. Despite these challenges, the business achieved a record number of oysters seeded during FY26, providing a strong foundation for near-term pearls produced.

Financial performance reflected both the operational challenges experienced during the year and softer market conditions. EBITDA for FY26 was $5.8 million, compared with $18.6 million in FY25. Total revenue was $25.8 million, compared with $44.3 million in the prior year. Despite lower revenue, pearl sales volumes increased to 647k pearls, up from 593k pearls in FY25. This reflected a higher proportion of lower-grade pearls available for sale during the period. Atlas Pearls will carry closing inventory of 159k pearls into FY27 (FY25: 219k pearls). Net loss after tax was $7.9 million, compared with a net profit after tax of $21.6 million in FY25.

As noted in last year's report, stable pricing is beneficial for both producers and customers, creating confidence and supporting long-term planning across the value chain. While market pricing remained relatively predictable and from auction to auction during FY26, average realised prices for FY26 were lower than FY25. Loose pearl auction sales averaged $63 per pearl, compared with $87 per pearl in FY25. This average price reflected a combination of factors, including lower pearl quality, foreign exchange movements, and softer demand from some key private-sale customers amidst geopolitical uncertainty and reduced spending.

The product mix available for sale also influenced results. During FY26, we sold 273k low-grade pearls at an average price of $3.45 per pearl, compared with 149k pearls at an average price of $6.90 per pearl in FY25. As a result, average selling prices were lower in FY26.

Pearl quality for FY26, as measured by our internal Quality Index Score, was below FY25 levels. The overall index score was 18% lower than FY25, including the impact of lower-quality harvests from our Sumba trial site. Excluding Sumba, quality was 15% below the prior year. While these results were disappointing, they reinforce the importance of the investments being made through our genetics, hatchery, and pearl improvement programs.

We expect to begin seeing the benefits of these initiatives in future harvests. Increasing numbers of oysters derived from our breeding matrix program and our probiotic-supported hatchery processes are now entering our harvest schedules. Encouragingly, initial FY27 harvests from both the Alor and Pungu farm sites have delivered Quality Index Scores around 20% above the average achieved since mid-2022. While these early results may not be indicative of the full FY27 harvest, they provide encouraging evidence that quality improvement initiatives are beginning to deliver positive outcomes.

Significant effort during the year was directed towards addressing elevated mortality rates at our nursery operation in North Bali that required action in FY25,

The Atlas Pearl is currently undergoing sea trials and is scheduled to sail to North Bali in September, where its operations room will be fitted out ahead of harvesting its first pearls in October.

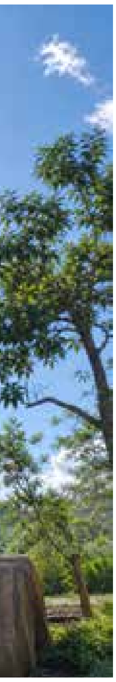
and again in FY26. We have acted to strengthen oyster supply through expanded joint venture partnerships and external purchases, and executing the strategic initiatives that will support future growth.

During the year, we again brought together our senior leadership team and farm managers in Sanur to review and present our updated FY30 Strategy. These sessions focused on the Pearl Improvement Plan, Revised Operating Model and other initiatives designed to improve operational performance, pearl quality, and long-term business sustainability. We also strengthened our leadership structure with the appointment of Chief Operating Officer, Mat Pullen. Based in Indonesia and having worked in the business for over 5 years, Mat provides greater focus and coordination as we continue to scale our operations and execute our strategic priorities.

While FY26 presented a number of challenges, we enter FY27 focused on optimising the opportunities in front of us over the next few years, supported by record seeding volumes, expanded oyster supply channels and increased farm capacity. The encouraging improvement in the quality of our initial FY27 harvests reinforces our focus on pearl quality, executing our revised operational model and maximising the value of every pearl we sell, as we continue to build on our solid foundations for future growth and long-term value creation.

Despite the lower earnings result, Atlas Pearls finished FY26 in a sound financial position, with cash on hand of $6.9 million (FY25: $20.2 million) and continued access to an undrawn $2.5 million overdraft facility. This provides the business with flexibility to manage seasonal working capital requirements and pursue strategic opportunities as they arise.

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 0.45 cents per share to the holders of fully paid ordinary shares in respect of the year ended 30 June 2026 (FY25: 1.4 cents).



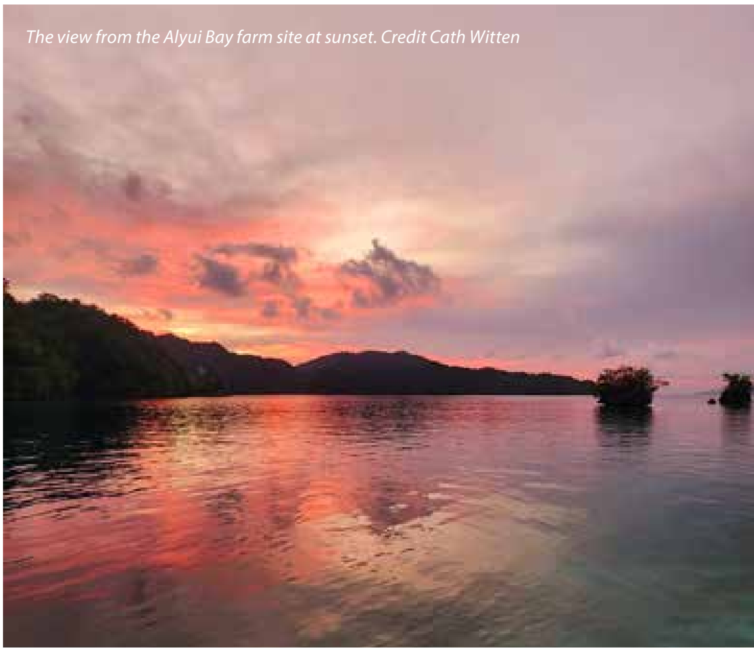
FY30 STRATEGIC ROADMAP, REVIEW AND UPDATE

During FY26, we refined our FY30 Strategic Roadmap and have commenced work to extend the planning horizon through to FY32.

Our strategy is built around four core pillars:

1. Quality Operations
2. Innovation
3. People & Culture
4. Customers & Stakeholders

The roadmap provides a clear framework for sustainable growth and value creation, supported by a dynamic operating model and our comprehensive Pearl Improvement Plan. Together, these programs coordinate a range of initiatives commenced in FY25, and provide a disciplined approach to improving production, quality, operational efficiency, and long-term returns.



The view from the Alyui Bay farm site at sunset. Credit Cath Witten

Our focus remains on growing pearl production, improving pearl quality, and reducing the real cost of production through operational excellence, scale, and innovation. We continue to progress a number of strategic initiatives, including:

- Expanding our network of joint venture nursery partners that utilise Atlas Pearls' genetic stock, increasing oyster supply while lowering the average cost of oysters available for nucleation, and providing geographic diversity of our nursery locations to reduce risk. By now, having a large number of joint venture nursery partners of varying sizes, we have developed a map of the best locations for nurseries, based on results achieved to date, which we will use to help make decisions on future Atlas Pearls nursery operations in the future.
- Driving organic growth through capacity expansion across existing farms, optimisation of farming techniques and stocking densities, and the identification and development of new farming locations.
- Optimising site by site stocking levels and cultivation cycles to improve asset utilisation, increase production throughput, and reduce losses associated with oyster mortality.

Beyond operational initiatives, we continue to strengthen our relationships with government agencies and key stakeholders across Indonesia. Our strategic direction aligns closely with the Indonesian Government's Blue Economy Roadmap 2023-2045, particularly within the priority sectors of aquaculture and marine industries.

During the year, Atlas Pearls received valuable support from government partners in relation to licensing approvals for multi-species hatchery and farming operations. We have also worked collaboratively with government stakeholders to progress the approvals and partnerships required to undertake a pilot lobster aquaculture project. This lobster initiative has the potential to provide a complementary revenue stream while aligning with Indonesia's objective of increasing the value captured from its marine resources through domestic aquaculture development.

Aerial view of the BanyuBiru farm site.

To further strengthen these relationships, Atlas Pearls implemented a formal Government and Stakeholder Engagement Plan during FY26. The framework provides structured engagement across all levels of government, industry groups and local communities, ensuring regular communication, stronger collaboration, and greater recognition of the economic, environmental, and social benefits that Atlas Pearls delivers throughout the regions in which we operate.

SALES INITIATIVES

The global pearl market, consistent with the broader luxury goods sector, faced a more challenging operating environment during FY26. Ongoing geopolitical uncertainty, softer consumer confidence, and subdued economic conditions across several key markets contributed to more cautious purchasing behaviour and increased pricing pressure throughout the year.

Against this backdrop, Atlas Pearls continued to execute and evolve the sales strategy established over recent years, with a focus on strengthening market resilience, expanding customer relationships, and maximising value across all sales channels. A key component of this strategy has been the continued development of a diversified multi-channel sales model designed to reduce reliance on the auction channel and individual customers, and create more consistent demand across varying market conditions.

Throughout FY26, we further enhanced our sales and pricing discipline through detailed market analysis, customer insights, and ongoing evaluation of sales performance by product category, channel and customers. This increasingly data-driven approach enables us to optimise pricing outcomes and identify opportunities, while maintaining market integrity and building mutual benefits for Atlas Pearls and its long-term customer relationships.

While pearl sales volumes increased during FY26, total revenue was lower than FY25. This outcome reflected the mix of pearls available for sale, not just the underlying demand. Harvest results, combined with inventory carried forward from FY25, resulted in a higher proportion of lower-grade pearls, including C2, low grade and reject pearls, being offered to market and, as a result, average realised selling prices were lower.

Importantly, the Company's diversified sales platform continues to provide flexibility in how different pearl categories are marketed and sold. Our focus remains on identifying the most appropriate channel and customers for each product category while continuing to broaden and deepen our customer base across all regions and channels.

As part of this strategy, we are actively reviewing product categories that generate lower wholesale/auction margins and assessing opportunities to redirect suitable inventory into higher-value channels, including value-add wholesale programs, and retail sales. By aligning product categories with the channels best positioned to maximise value, we aim to improve overall margins, while further strengthening customer diversification and long-term market positioning.

Despite the challenges experienced across the luxury goods sector during FY26, Atlas Pearls continues to benefit from a strong and increasingly diversified customer base. We remain focused on enhancing customer relationships, refining our sales mix, and expanding market opportunities to support sustainable revenue growth and long-term value creation.

OPERATIONS INITIATIVES

As part of the ongoing execution of our FY30 Strategy, we have identified several continuous improvement initiatives under our Quality Operations pillar. These initiatives have been consolidated into three key business-wide programs to ensure clear ownership, alignment and execution:

1. Pearl Improvement Plan
2. Revised Operating Model
3. Revenue Diversification Opportunities

A key focus during FY26 was improving our understanding of the factors influencing oyster health and pearl quality. Elevated mortality rates at our North

Workers at the North Bali farm.

Bali nursery, which remain above historical levels, have required significant investigation and operational adjustment. Extensive reviews of hatchery procedures and spat production processes have not identified any operational causes. As a result, our Innovation and R&D teams have undertaken extensive environmental analysis in North Bali. While no single cause has yet been isolated, a number of potential factors have been eliminated, and current evidence suggests environmental conditions are the most likely major contributor.

In response, we modified our operating plans during the second half of FY26. All spat produced at the North Bali hatchery is now being directed to other Atlas Pearls farms and JV nursery partners, while the transfer of juvenile and virgin oysters into North Bali has been suspended pending further environmental assessment. We have also expanded environmental monitoring across all farming locations to establish deeper baseline datasets and enable ongoing comparison between sites.

Additional spat survival and growth trials are being conducted across our farms and JV partner locations to identify areas delivering the strongest biological performance. At the same time, we continue to expand the JV nursery network and increase capacity at both the Lembata and West Lembata hatcheries and nurseries.

Despite these challenges, Atlas Pearls seeded a record number of oysters during FY26, with FY27 seeding projections remaining strong relative to our historic averages. Our focus is now on ensuring future production volumes continue to grow, and addressing any potential production shortfall that elevated mortality rates may otherwise create in future years to ensure that we maintain a baseline in line with historical volumes.

During FY26, we also selectively reintroduced a process to reseed oysters that reject the nucleus during their initial seeding operation. Historically, these oysters were sold to other farmers at minimal value. By reseeding these oysters, we expect to generate additional value from an asset where much of the cultivation cost has already been incurred in the two years of growing and taking care of the oysters until seeding. While the pearls from reseeding operations typically achieve lower quality outcomes than first operation pearls, our analysis indicates this initiative could contribute between $1.0 million and $1.5 million of additional annual earnings from FY29 onwards, reflecting a broader focus on optimising overall value rather than assessing opportunities solely through a quality lens.

We also continue to evaluate complementary revenue streams that leverage our existing infrastructure and operating footprint. One opportunity under assessment is lobster aquaculture. During FY26, our Innovation and R&D team completed a review of the Indonesian lobster industry and identified potential opportunities aligned with the Indonesian Government's Blue Economy agenda, which seeks to increase domestic grow-out capacity and capture greater value from Indonesia's natural lobster seed stock resources. Indonesia has one of the largest wild sea stock resources in the world, with the majority of peurulus caught being exported to Vietnam for grow-out. Our intention is to run a pilot program to prove we can grow lobster in Indonesia on a commercial scale for export into major Asian markets. As a result, Atlas Pearls has commenced a pilot lobster grow-out trial in FY27. The trial will focus on husbandry practices, feed formulation, feed conversion ratios and growth performance to assess the commercial viability of the opportunity and develop a business case for potential future investment.

SITE DEVELOPMENT AND GROWTH PLAN

As outlined in FY25, Atlas Pearls has several levers available to drive future production growth. During FY26, we continued to execute our FY30 Strategy by leveraging the advantages of our 30-plus years of operating experience in Indonesia, established infrastructure, and expanding oyster supply network.

Our growth strategy remains focused on:

- Expanding production through joint ventures, production-sharing arrangements, and selective oyster purchases.
- Growing organically through capacity expansion at existing sites.
- Optimising cultivation cycles to increase biological asset turnover and improve production efficiency.

The Alor team hard at work cleaning lines. Photo credit Chris Hamilton

A key component of our growth strategy is the continued expansion of our joint venture nursery network. During FY26, we increased the number of long-term JV partners growing Atlas Pearls-produced spat using our genetic stock. This capital-light approach enhances oyster supply, increases geographic diversification, and helps mitigate biological risks across the production cycle, which are an increasingly impactful feature of pearl cultivation.

While elevated mortality rates continued to impact our North Bali nursery during FY26, we have taken proactive steps to minimise the effect on future production. This has included expanding our JV network, increasing nursery capacity at the Pungu, Banyu Biru, and Lembata farm sites, and redirecting hatchery output to alternative locations while environmental investigations continue. Encouragingly, mortality and growth data gathered from JV partners has identified several locations performing at or near historical norms. Initial results at Pungu have been particularly positive, and the site is being developed into a hybrid nursery and grow-out operation to further strengthen supply security.

Our hatcheries and nurseries remain the foundation of our long-term growth plans, while JV partnerships and external oyster purchases provide valuable flexibility, growth opportunities, and resilience within the broader oyster supply chain.

Organic Growth and Capacity Expansion

During FY26, we continued to expand capacity across several existing farm sites:

- Alor: Additional capacity of 50k nucleated oysters.
- Alyui: Additional capacity of 25k nucleated oysters.
- West Lembata: Additional spat capacity equivalent to capacity for 30k nucleated oysters.
- Pungu: Additional spat capacity equivalent to capacity for 50k nucleated oysters.

These expansions are relatively low-cost and help further dilute site fixed costs, while reducing the average cost of pearl production over time.

A particularly significant milestone is the future expansion of our Alyui operation. During the year, approval was received for an additional seven blocks adjacent to the existing lease, with approvals for a further five blocks currently progressing. Combined with the transition to an 18-month cultivation cycle, from the current 24-month cycle post-seeding, this expansion is expected to more than double the annual pearl production at the Alyui site over the medium to long-term, increasing output from approximately 180k pearls per annum to more than 400k pearls at the site. The first stage of expansion, involving the launch of two to four new blocks, is scheduled to commence in the second half of FY27.

Site Portfolio Optimisation

Following 12 months of evaluation and three harvest cycles, the Sumba trial site did not meet our operational or quality expectations. As a result, the decision has been made to mothball the site and reallocate assets and future oyster placements to higher-performing locations. This reflects our disciplined approach to capital allocation and focus on directing resources to sites offering the greatest long-term value.

We continue to actively assess new greenfield opportunities across the Indonesian archipelago. Supported by our growing environmental and operational database, we have identified approximately 20 prospective locations for further assessment and testing. Recognising that new farm development typically requires several years from identification to operation, maintaining a strong pipeline of potential sites remains an important component of our long-term growth strategy.

Production Cycle Optimisation

Following extensive trials across 18-month, 21-month, and 24-month cultivation cycles, we have identified opportunities to improve production efficiency at two of our largest grow-out sites.

As stated above, in FY27 Alyui will transition approximately 80% of production to an 18-month cycle, while Alor will initially transition approximately 20% of production. These changes are expected to reduce production costs, improve asset utilisation, and increase pearl production. The shorter cultivation cycle is expected to reduce mortalities experienced during the final six months of production at Alyui and so enabling harvests of those pearls that would have been lost in that last six month. We will also increase long-term production throughput by approximately 25% by maintaining optimal stocking densities, with the space made available by the shorter growing cycle of 18 months verse the traditional 24 months.

As Alor and Alyui currently contribute approximately two-thirds of Atlas Pearls' total pearl production, these cultivation cycle improvements have the potential to deliver meaningful increases in production volumes, and lower average production costs over time, subject to maintaining target stocking levels. Further expansion of the18-month harvesting cycle at Alor will be assessed as additional results become available. While most other sites are expected to remain on a 24-month cycle, the optimisation work undertaken during FY26 represents a significant opportunity to enhance future productivity and returns.

HR AND SAFETY

FY26 was a year of meaningful progress across both Health, Safety & Environment (HSE) and Human Resources (HR). We continued to strengthen systems, processes and capabilities across the business while building momentum towards key certification milestones. Investment in training, leadership development, and workforce systems is helping create a safer, more capable, and resilient organisation to support our long-term growth strategy.

Health & Safety

Safety remains a core priority for Atlas Pearls, and FY26 saw continued progress in building a more consistent and proactive safety culture across our operations.

Key achievements during the year included:

- Enhanced safety training programs across all sites, including implementation of first-aid training and initiatives aimed at reducing communicable disease risks.

- Continued advancement towards ISO 45001 accreditation, including substantial progress in risk assessments, control registers, and the introduction of a Just Culture framework that encourages open reporting and continuous learning.
- Improved consistency in safety standards through stronger HSE systems, enhanced emergency preparedness, standardised reporting processes, and a strengthened food and hygiene program.
- Development of vessel-specific safety and risk management plans for major vessels, supported by enhanced crew training and competency requirements.
- Improved accountability through a centralised HSE action tracking system and implementation of incident cause analysis method (ICAM) investigations for all serious incidents.
- Initial work on digitising HSE processes and enhancing data capture to support more effective risk management and decision-making.

Collectively, these initiatives reflect the continued maturity of our safety culture, with leaders and employees increasingly engaged in driving safe behaviours and operational excellence.

Human Resources

During FY26, our HR team continued to strengthen the foundations required to attract, develop, and retain a high-performing workforce.

Key achievements included:

- Further improvements to HR systems, payroll accuracy, compliance processes, and progress towards ISO-based HR standards.
- Enhanced employee engagement through targeted programs focused on communication, wellbeing, and workplace culture.
- Expanded learning and development initiatives, including structured onboarding programs, career development pathways, leadership training, and the continued rollout of the Farm Manager Apprenticeship Program.
- Significant progress in succession planning, workforce capability development, and initiatives designed to mitigate key-person risk across the business.
- Advancement of broader organisational initiatives, including sustainability-focused employee programs, reviews aimed at improving operational efficiency, and workplace support services.

Taken together, FY26 delivered stronger systems, improved workforce capability, and a more consistent approach to people management across the organisation. Safety, leadership development, and employee wellbeing will remain key priorities as we continue to build capability and support the Company's long-term growth objectives.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG), SUSTAINABILITY AND COMMUNITY ENGAGEMENT (CSR)

For more than 30 years, Atlas Pearls has been committed to supporting the communities and environments in which we operate. During FY26, we continued to strengthen our sustainability framework, reporting processes and stakeholder engagement, building on the foundations established in previous years.

A key milestone was the completion of our updated Sustainability Framework and three-year roadmap. The framework is built around three pillars:

1. Environmental Stewardship
2. Thriving Communities
3. Responsible & Ethical Business Operations

These pillars are supported by 13 strategic pathways and six sustainability KPIs, providing a clear structure for prioritisation, performance measurement and long-term value creation. Progress against these KPIs will be reported through our interim and annual Sustainability Reports.

During the year, we also further enhanced our sustainability data collection and reporting systems, improving consistency and transparency across our operations. Alongside this Annual Report, we will publish our FY26 Sustainability Report, which is aligned with the Global Reporting Initiative (GRI) Standards, and references the United Nations Sustainable Development Goals (SDGs). Our sustainability approach also remains closely aligned with relevant Indonesian government priorities.

Community investment continues to be an important part of our long-term commitment to the regions in which we operate. Our established CSR programs are increasingly delivered through partnerships with government agencies, non-government organisations, educational institutions, and community groups. These collaborations enhance the reach and effectiveness of our initiatives across education, environmental stewardship, women's and children's health, and broader community development.

While our approach to measuring and reporting sustainability performance continues to evolve, the values underpinning our commitment remain unchanged. Through stronger systems, meaningful partnerships and decades of community engagement, Atlas Pearls continues to create lasting value for our stakeholders, our communities, and the environments that support our business.

I would like to acknowledge the dedication, resilience and hard work of our management team and employees across Indonesia and Australia. Their commitment throughout FY26 has been instrumental in navigating a challenging operating environment, while continuing to execute our strategy, and position the business for future growth.

Atlas Pearls has built a culture of continuous improvement that extends across every aspect of our operations. This commitment drives not only how we cultivate and produce pearls, but also how we measure performance, embrace innovation, develop our people, and create long-term value for all stakeholders. Through disciplined execution, data-driven decision-making, and a willingness to challenge conventional practices, we continue to strengthen the foundations of the business for the years ahead.

Our focus remains unchanged: to produce and market the world's finest South Sea pearls, while operating responsibly, sustainably, and with respect for the environments and communities in which we work.

Atlas Pearls' progress during FY26 was made possible through the dedication and resilience of our employees across Australia and Indonesia. I thank them all for their efforts, resilience, and commitment looking forward to FY27 and beyond, as we rise to meet the challenges and the great opportunities that lie ahead.

This commitment is reflected in 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.

Sincerely

Michael Ricci
Chief Executive Officer

The pristine landscape at Alyui Bay. Photo credit Jarryd Campbell

Sustainability Update

At Atlas Pearls, sustainability is central to the resilience of our business & the long-term value we create. Our operations depend on healthy marine ecosystems, trusted relationships with remote coastal communities, & responsible business practices across our workforce & supply chain.

During FY26, we developed a refreshed Sustainability Strategy and Execution Plan to guide our priorities. The framework brings our material sustainability topics into a clearer structure, helping us focus our effort, investment, and reporting on the areas where we can create meaningful and enduring impact.

SUSTAINABILITY FRAMEWORK - Our refreshed framework is built around three pillars and thirteen pathways under the central ambition of responsible pearls and a resilient business. This framework reflects the practical nature of our business. Sustainability is not a separate program at Atlas Pearls; it is part of how we operate, manage risk, work with communities, support our people, and protect the environments that sustain pearl cultivation.

RESPONSIBLE PEARLS, RESILIENT BUSINESS

Pathways

- Energy & Emissions Reduction
- Waste Management
- Biodiversity & Nature Recovery
- Conscious Consumption
- Health & Wellbeing
- Education
- Local Livelihoods
- Community Development
- Health & Safety
- Staff Development & Training
- Equity & Labour Rights
- Governance & Ethics
- Responsible Sourcing

Pillars

Environmental Stewardship

If we reduce emissions, manage waste responsibily, protect biodiversity, and promote conscious consumption,

then natural systems around our operations will recover and thrive,

so that our pearling activites sustain the ecosystems that sustain us, supporting long-term environmental resillience and climate stability.

Thriving Communities

If we strengthen health, education, livelihoods and community partnerships

then people in remote regions will have greater access to opportunity, well-being, and shared prosperity,

so that communities grow more resilient, equitable, and empowered along-side the company's success.

Responsible & Ethical Business Operations

If we uphold strong governance, fair labour practices, saftey standards, and responsible sourcing,

then our operation will reflect integrity, respect and accountability at every level,

so that Atlas Pearls is recognised as a trusted and ethical business that drive positive impact across its supply chain and workforce.

Guiding Principles

Prioritise for meaningful and enduring change. We focus our time, energy and investment on strategic programs that create broad, long-term, cumulative benefits - guided by community needs, government priorities, company values, stakeholder expectations, and environmental responsibility.

Partner to multiply impact. We collaborate across sectors - with government agencies, NGO's, community groups and business partners - to achieve more than we could alone. By combining strengths, resources, and knowledge, we expand our reach, deepen expertise and amplify outcomes.

Prioritise efficiency and continuous improvement. We make the most of our existing resources, infrastructure, and networks while continually refining how we operate - using fewer resources, streamlining processes, and increasing effectiveness to support sustainable growth.

Build trust through transparency and accountability. We track what we do, show and tell how we do it, and take ownership of our results - building trust, measuring impact, and using insights to keep getting better.

Keeping Languages Alive

Atlas Pearls partnered with local communities to document Indigenous languages, preserve oral histories & create learning resources that support cultural identity, literacy development & the continuation of traditional knowledge.

FY26 Sustainability Performance

In FY26, we continued to report against six core sustainability KPIs. These indicators provide a focused view of performance across environmental, social, and governance priorities while we continue to strengthen the systems, baselines, and governance needed for more mature reporting over time.

Emissions

Managing emissions is important to the long-term health of the marine environments on which our farms depend. Ocean warming and acidification present risks to marine ecosystems, oyster health, and farm productivity, making climate performance a practical operational priority as well as an environmental responsibility.

During the year, we continued to measure Scope 1 and Scope 2 emissions across our operating locations and track emissions intensity against production. This approach helps us account for the natural seasonality of pearl cultivation while building a stronger evidence base for potential future reduction initiatives.

MEASURE: Average Scope 1 and Scope 2 emissions intensity over the reporting period.

FY26 RESULT	PRIOR PERIOD COMPARISON
• **6.42 kg** CO2-e per pearl harvested • **2.04 kg** CO2-e per oyster / shell stock	• 7.95 kg/pearl • 2.29kg/oyster

Waste

Responsible waste management remains a priority across our remote operating locations, where waste infrastructure can be limited and logistics are complex. Reducing waste, increasing reuse, and improving recycling practices helps protect the marine environments around our farms and supports more efficient use of materials.

During FY26, we continued to strengthen waste management practices across our operations through improved segregation, more consistent data collection, and the introduction of standardised reporting processes. These improvements provide a stronger foundation for measuring performance and identifying opportunities to increase waste diversion over time. This work supports our Waste Management and Conscious Consumption pathways under the Environmental Stewardship pillar.

MEASURE: Percentage of total waste diverted from landfill through reuse or recycling.

FY26 RESULT	PRIOR PERIOD COMPARISON
• **37%** of waste diverted from landfill	• 59% (6 month result)

Gender Equality

Atlas Pearls is committed to fair, inclusive, and merit-based employment practices. Workforce equity supports our ability to attract, retain, and develop people across our operations, while helping create a culture where employees can contribute and progress.

During FY26, we continued to monitor gender representation and gender pay outcomes across our workforce. Our approach is focused on ensuring remuneration is aligned to role, responsibility, and performance, and on supporting long-term pathways for participation and advancement.

MEASURE: Gender pay ratio for male and female staff, measured on mean and median bases.

FY26 RESULT	PRIOR PERIOD COMPARISON
• Mean gender pay ratio: **-29%** • Median gender pay ratio: **-7 %** Women represented 32% of the workforce	• -33% mean • -8% median Women represented 34% of the workforce

Community Health

The wellbeing of our employees and neighbouring communities is fundamental to shared success. Many of our sites are located in remote regions where access to healthcare can be limited, and where some health topics, including women's health, may be under-addressed.

In FY26, Atlas Pearls continued to support healthcare access, health education, prevention initiatives, and partnerships with specialist organisations. This work aligns with our Health & Wellbeing pathway and reflects our commitment to practical, community-informed programs that address local needs.

MEASURE: Atlas Pearls funded healthcare interactions during the reporting period.

FY26 RESULT	PRIOR PERIOD COMPARISON
6,424 healthcare interactions funded by Atlas Pearls	2,302 healthcare interactions funded by Atlas pearls

Education

Education is one of the most effective ways to expand opportunity in the remote regions where we operate. By supporting scholarships, English lessons, internships, and practical learning experiences, Atlas Pearls helps build local capability and pathways to future employment.

During FY26, we continued to support school students through education programs and English lessons, while also broadening practical learning opportunities connected to aquaculture and marine operations. These initiatives align with our Education and Local Livelihoods pathway and help strengthen long-term community resilience.

MEASURE: Number of students supported through scholarships and hours of English lessons taught.

FY26 RESULT	PRIOR PERIOD COMPARISON
• **241** students supported through scholarships • **296.5** hours of English lessons taught	• 232 students supported through scholarships • 352 hours of English lessons taught

Economic Empowerment

Atlas Pearls plays an important economic role in many of the regions where we operate. Local procurement and supplier engagement strengthen regional livelihoods, support continuity of supply, and help ensure that the economic benefits of our operations are shared more broadly.

In FY26, we continued to prioritise local suppliers where practical and to support initiatives that build local capability. This work sits within our Responsible Sourcing and Local Livelihoods pathways and supports both community impact and business resilience.

MEASURE: Value and proportion of procurement spend with local suppliers.

FY26 RESULT	PRIOR PERIOD COMPARISON
• **74%** of procurement spend with local suppliers • **$3.7m** total local procurement spend	• 77% of procurement spend with local suppliers • $3m total local procurement spend

As we move into FY27, our refreshed Sustainability Strategy and Execution Plan will guide a more structured approach to delivery, measurement, and reporting. Our immediate focus is to strengthen data quality, embed sustainability considerations into operational decision-making, and prioritise programs that create measurable environmental, social, and business value.

We will continue to build trust through transparent reporting, practical partnerships, and disciplined execution. By focusing on responsible pearls and a resilient business, Atlas Pearls aims to support healthy ecosystems, thriving communities, ethical operations, and long-term value for shareholders and stakeholders.

Risk Management

Atlas Pearls operates in an environment subject to a range of strategic, operational, financial, and external risks. Effective risk management is integral to the Company's decision-making and supports the achievement of its strategic and operational objectives.

The Company's approach to risk management is documented through its corporate risk management framework and Group Risk Register. During the year, the Company completed a comprehensive refresh of its Group Risk Register to provide a more structured and consistent approach to the identification, assessment, ownership, and monitoring of risk across the Group.

The Group Risk Register comprises 12 primary risk categories, with each category assigned to an executive owner responsible for monitoring the risk profile and the effectiveness of key controls and mitigation actions. The risk register is maintained on an ongoing basis, supported by bi-annual management reviews and reporting to the Board on the Group's risk profile and material changes in risk exposure at each Board meeting. A comprehensive review of the Group Risk Register is undertaken annually and presented to the Board for approval.

The Board has overall responsibility for oversight of the Company's risk management framework and monitors the Company's material risk exposures and management's response to those risks.

The following material business risks have been identified as those which may have a significant effect on the Company's operations, financial position, and future prospects. The risks described below are not exhaustive and may change as the Company's operations and external environment evolve.

(I) CLIMATE AND NATURAL HAZARDS

The Company's pearl farming operations are geographically dispersed and exposed to weather events, changing ocean and environmental conditions, and natural hazards. These may include severe weather, changes in water temperature or quality, and other environmental events that may affect oyster health, farm infrastructure, vessel access, and production activities.

Such events may result in oyster mortality, damage to infrastructure or vessels, disruption to operations, and increased operating or capital costs.

The Company manages these risks through the geographic diversification of its farming operations, environmental and production monitoring, operating and emergency response procedures, and the maintenance of insurance arrangements where commercially available and appropriate.

(II) ENVIRONMENTAL AND BIOSECURITY

The Company operates biological production systems that are inherently exposed to environmental degradation, water quality changes, pollution incidents, disease outbreaks, and biosecurity breaches. These factors may adversely affect oyster health, pearl quality, harvest volumes, production costs, remediation costs, and the Company's reputation.

Atlas Pearls manages these risks through diversified farming locations, continuous monitoring of environmental conditions and oyster health, established production controls, hatchery and genetics programs, biosecurity measures, and ongoing research and development.

(III) FINANCIAL CONTROL AND LIQUIDITY

The timing and value of pearl sales, together with the long production cycle associated with pearl farming, may result in variability in the Company's cash flows and working capital requirements. The Company is also exposed to inflation, foreign exchange movements, and increases in significant operating inputs, including labour, fuel, materials, and logistics costs.

These factors may adversely affect margins, liquidity and the Company's capacity to fund operations, capital expenditure, and strategic initiatives.

The Company manages financial risk through budgeting and forecasting, cash flow and liquidity monitoring, expenditure and procurement controls, and regular review of financial performance to support the Company's capital allocation and funding requirements.

(IV) MARKET, REVENUE AND COMMERCIAL

The Company is exposed to fluctuations in demand and pricing for South Sea pearls. Pearl prices and sales volumes may be affected by global economic conditions, changes in consumer preferences, customer demand, competitor activity, and the timing and composition of pearls available for sale.

A reduction in demand or pearl prices, particularly for specific grades or product categories, may adversely affect the Company's revenue, profitability, and cash flows.

The Company seeks to manage this exposure through a diversified, multi-channel sales model, ongoing development of customer and market relationships, and active monitoring of sales performance, market conditions, and customer preferences. Sales and marketing strategies, product positioning, and the timing and method of sale are reviewed in response to changing market conditions.

(V) FRAUD AND ETHICS

The Company is exposed to the risk of fraudulent activity, corruption, theft, conflicts of interest or unethical conduct by employees, contractors or third parties, which could result in financial loss, regulatory penalties, reputational harm, and erosion of stakeholder trust.

The Company maintains policies and internal controls addressing fraud, bribery and corruption, and expected standards of conduct. These are supported by financial and procurement controls, delegated authorities, whistleblower arrangements, and internal review processes. While these controls are designed to reduce the risk of improper conduct, they cannot eliminate the risk entirely.

(VI) LEGAL, REGULATORY AND SOVEREIGN

The Company operates predominantly in Indonesia and is subject to laws, regulations, licences and government requirements across the jurisdictions in which it operates. Non-compliance, adverse regulatory developments, or the delay, non-renewal or revocation of permits, licences or approvals could result in penalties, operational restrictions, increased costs, or loss of operating rights.

The Company seeks to manage these risks through established governance and compliance processes, engagement with professional advisers and relevant authorities, and ongoing monitoring of regulatory developments.

(VII) OPERATIONAL AND INFRASTRUCTURE

The Company's operations are dependent on vessels, marine infrastructure, logistics networks, key suppliers, and critical equipment. Operational disruptions may affect production, increase costs, or delay deliveries.

The Company manages these risks through preventative maintenance programs, operating procedures, capital planning, supplier diversification, safety and compliance requirements, business continuity planning, insurance arrangements, and ongoing operational oversight.

(VIII) PEOPLE, WORKFORCE AND SAFETY

The Company's success depends upon attracting, developing and retaining skilled employees while maintaining a safe workplace across geographically dispersed operations.

The Company manages these risks through workforce planning, recruitment and development initiatives, succession planning and remuneration practices. Health and safety risks are managed through the Company's safety management systems, policies, procedures, training, incident reporting, and ongoing monitoring of workplace practices.

(IX) SOCIAL LICENCE, REPUTATION AND COMMUNITY

The Group's operations depend in part on maintaining the confidence of local communities, regulators, customers, investors and other stakeholders. Community or NGO opposition, adverse media coverage, or failure to meet ESG commitments could affect regulatory standing, market access, investor confidence and the Company's reputation.

Atlas Pearls has a longstanding commitment to supporting the communities surrounding its farming operations and to the responsible management of its environmental impacts. Sustainability and social licence risks are incorporated into the Company's broader risk management framework.

Further information regarding the Company's sustainability approach and initiatives is contained in the Sustainability Report and Sustainability Roadmap available on the Company's website.

(X) STRATEGY, GROWTH AND INNOVATION

The Company's future financial performance is dependent on the successful execution of its strategy, including production improvement initiatives, capital investment, and the development of new products, markets, and commercial opportunities.

Strategic initiatives may not deliver the anticipated operational or financial benefits, may require greater investment than expected or may be affected by changes in market or operating conditions.

The Board and management monitor the Company's strategic priorities and material investment decisions through established planning, budgeting, and governance processes. The performance of significant initiatives is reviewed against strategic and financial objectives, with priorities and investment decisions adjusted where appropriate.

(XI) SUPPLY CHAIN, LOGISTICS AND ACCESS

The Company relies on the reliability of key suppliers, transport and logistics networks, and access to ports and other government-provided services such as customs and quarantine. Disruption to these dependencies, or the failure of a counterparty under a material contract, could delay delivery, increase costs, or impair the Company's ability to meet customer demand.

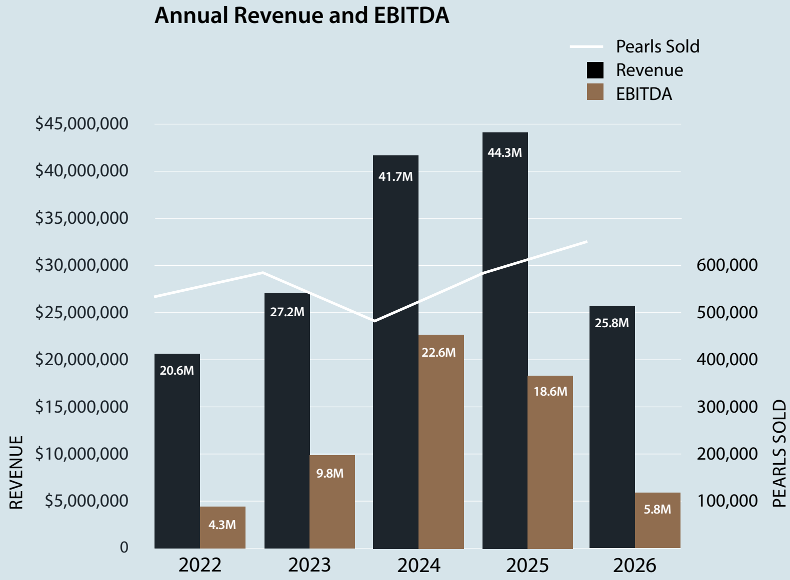
The Company manages these risks through supplier diversification where practicable, contractual risk allocation, and contingency logistics planning.

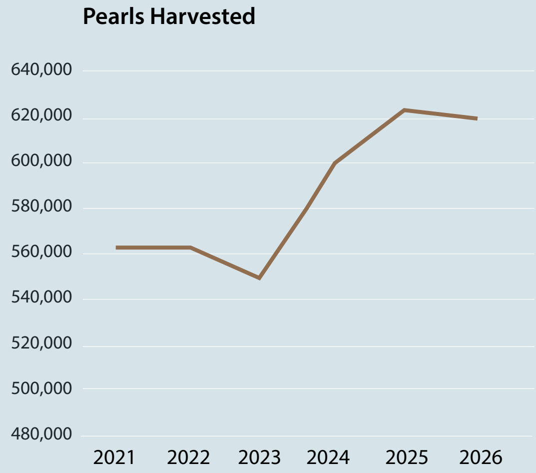
(XII) TECHNOLOGY, INFORMATION AND IP

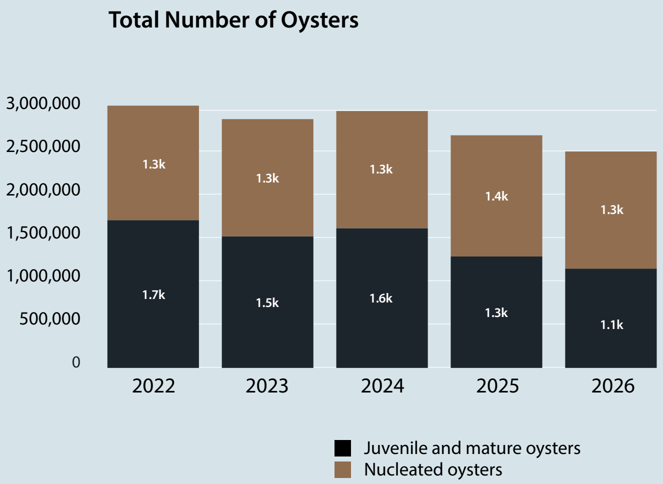
The Company relies on information technology systems and data to support its financial, commercial, and operational activities. Cyber incidents, system failures, unauthorised access, data loss or disruption to critical technology may affect business operations, compromise confidential information or result in financial and reputational damage.

The Company manages technology and cybersecurity risk through access controls, system security measures, data backup and recovery processes, technology governance, and ongoing review of its information technology environment. The Company continues to develop its technology and cybersecurity capabilities having regard to the changing nature of cyber threats.

FY26 Highlights







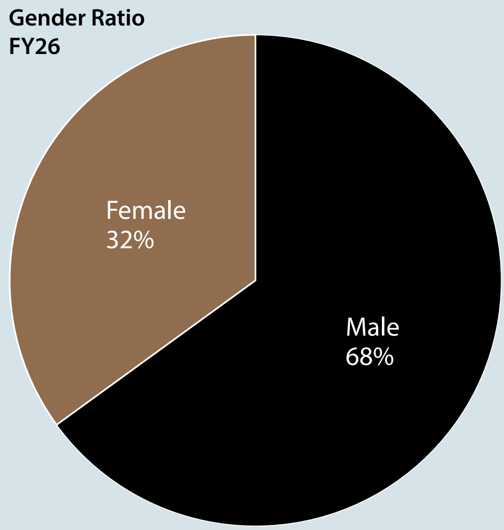
Total Revenue

$25.8M

EBITDA

$5.8M

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



Summary of fiscal indicators

	2026 $'000	2025 $'000
Revenue from contracts with customers	**25,779**	**44,271**
Net profit/(loss) after tax	**(7,897)**	**21,566**
Normalised EBITDA[1]	**5,772**	**18,600**
Normalised EBITDA margin	**22%**	**42%**
Basic EPS (cents)	**(1.80)**	**4.93**
Cash and cash equivalents	**6,947**	**20,215**
Assets	**64,017**	**85,886**
NTA	**52,659**	**70,173**
NTA per share (cents)	**12.0**	**16.0**
Shareholder funds	**53,955**	**71,036**
Number of shares on issue (million)	**439.0**	**439.0**
Share price at year end (cents)	**8.3**	**16.5**

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 2026, 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 Alliance Mining Commodities Limited, ASX listed Macmahon Holdings Limited and Ausdrill Limited (now part of Perenti). 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 - 17/05/2023, Chairman – 01/01/2025
Special responsibilities:	Chairman of the Board
Other directorships (last 3 years):	Non-Executive Director of GenusPlus Group Limited (appointed 03/01/2018) Non-Executive Director of Chilwa Minerals Limited (appointed 20/10/2025)

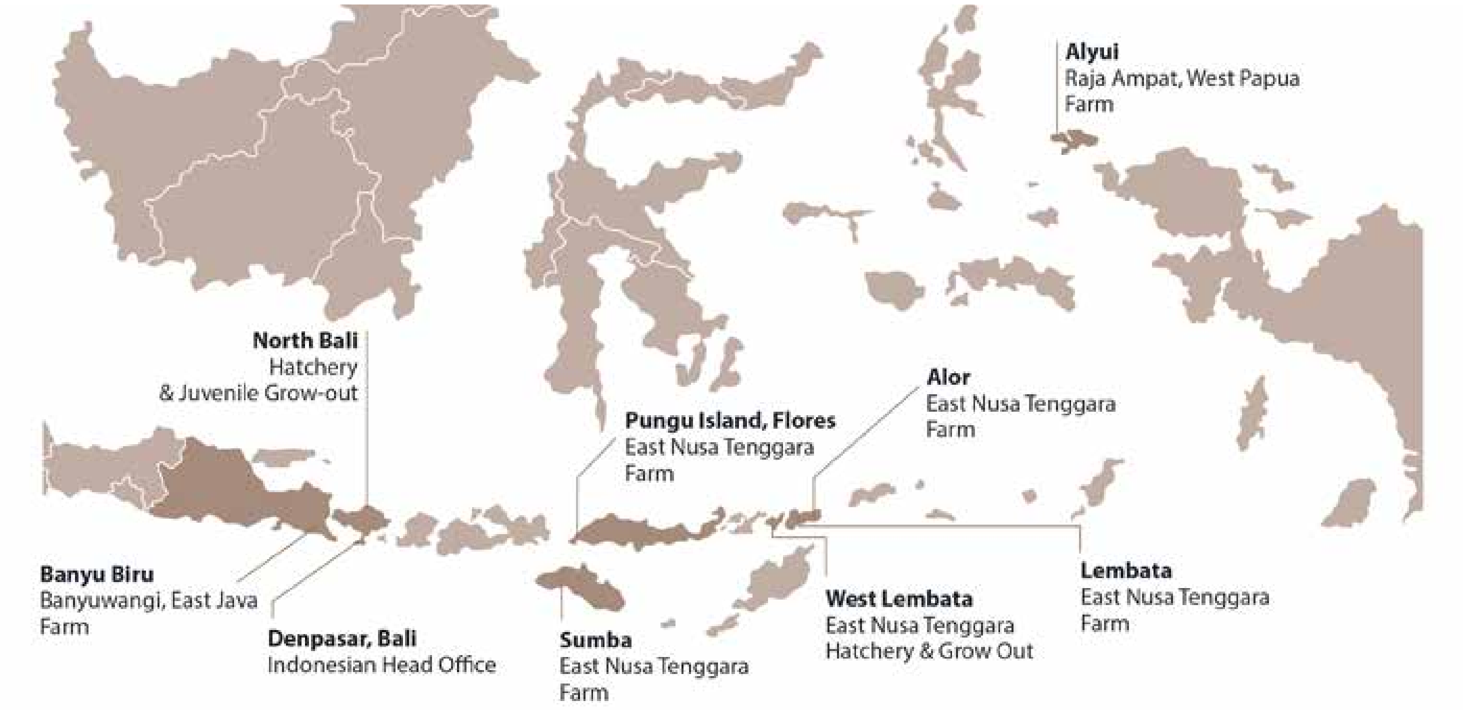
Name:	**TIMOTHY (Tim) MARTIN**
Title:	NON-EXECUTIVE DIRECTOR
Qualifications:	BA, MBA, GAICD
Experience and expertise:	Tim has been an executive manager at Coogee Chemicals Pty Ltd since 2005. He held the position of Managing Director from 2012 - 2015 and was appointed Executive Chairman in July 2015. 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
Other directorships (last 3 years):	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
Other directorships (last 3 years):	Managing Director of Chilwa Minerals Limited (appointed 01/02/2022)

2. Company Secretary

Name:	**SUSAN PARK**		
Title:	COMPANY SECRETARY		
Qualifications:	BCom, ACA, F Fin, FGIA, FCG, GAICD		
Experience and expertise:	Ms Park is a governance professional with over 25 years' experience in the corporate finance industry and extensive experience in Company Secretary and Non-Executive Director roles in ASX, AIM, Nasdaq and TSX listed companies. Ms Park holds a Bachelor of Commerce from the University of Western Australia majoring in Accounting and Finance, is a Member of the Australian Institute of Chartered Accountants, a Fellow of the Chartered Institute for Securities & Investment, a Graduate Member of the Australian Institute of Company Directors, and a Fellow of the Chartered Governance Institute. She is Managing Director of boutique advisory firm Park Advisory Pty Ltd which provides Boards with company secretarial and corporate governance advice and input. She is currently Company Secretary of several ASX listed companies.		
Appointments:	Company Secretary - 19/12/2012		
Special responsibilities:	None	Former directorships (last 3 years):	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 map above). 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 2026.

3.2 ABOUT ATLAS PEARLS

Over more than 30 years Atlas Pearls has become one of the world's largest producers and distributor of the highly sought after white and silver South Sea pearls. Operating across eight farming locations throughout Indonesia, the Company employs more than 1,200 people, and in 2026 harvested 619,598 pearls (2025: 621,458 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
José Martins	1 July 2025 - 30 June 2026	9	9
Tim Martin	1 July 2025 - 30 June 2026	9	9
Cadell Buss	1 July 2025 - 30 June 2026	9	9

5. Financial review

5.1 SHAREHOLDER RETURNS

	2026 $'000	2025 $'000	2024 $'000
Net profit/(loss) after tax	**(7,897)**	21,566	31,469
Basic EPS (cents)	**(1.80)**	4.93	7.37
Dividends paid	**6,147**	8,776	8,002
Dividends paid per share (cents)	**1.40**	2.00	1.85

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

	2026 $'000	2025 $'000	2024 $'000
Net profit/(loss) after tax	**(7,897)**	21,566	31,469
Interest (income)/expense	**(197)**	(365)	(262)
Tax (benefit)/expense	**2**	5,408	8,343
Depreciation/amortisation	**449**	442	322
(Profit)/loss on disposal of assets	**13**	(331)	-
Net foreign exchange (gain)/loss	**1,291**	(1,954)	156
Agriculture standard revaluation (gain)/loss	**7,906**	(5,887)	(13,947)
Changes in inventory (farm costs) (gain)/loss	**164**	(2,036)	(3,448)
Write down of pearls to net realisable value	**1,453**	1,530	-
Loss on deconsolidation/deregistration	**-**	227	-
Impairment expense	**2,588**	-	-
Normalised EBITDA	**5,772**	18,600	22,633

5.2 FINANCIAL POSITION

	30 June 2026 $'000	30 June 2025 $'000	30 June 2024 $'000
Total assets	**64,017**	85,886	69,853
Debt (current and non-current)	**(38)**	-	-
Total liabilities	**(10,062)**	(14,850)	(14,338)
Shareholder funds/net assets	**53,955**	71,036	55,515
Debt/shareholder funds	**-**	-	-
Number of shares on issue (million)	**439.0**	439.0	433.6
Net tangible assets per share (cents)	**12.0**	16.0	12.8
Share price at reporting date (cents)	**8.3**	16.5	9.1

There has been a decrease in the net assets of the Group of $17.1M in the year ended 30 June 2026 (30 June 2025: $15.5M increase).

5.2.1 OPERATING RESULTS

The Company reports a net loss after tax of $7.9M (30 June 2025: $21.6M profit) and a net cash outflow from operating activities for the year ended 30 June 2026 of $0.09M (2025: $16.4M inflow).

The operating revenue for the year ended 30 June 2026 was $25.8M (2025: $44.3M), a decrease of $18.5M. Administration, finance, and marketing expenses were $8.0M (2025: $8.9M), a decrease of $0.9M.

FY26 was a challenging year both financially and operationally as Atlas Pearls continued to manage biological challenges within parts of the Company's oyster supply chain. Despite these challenges, the Company achieved a record number of oysters seeded during the year, providing a strong foundation for medium term production growth.

5.2.2 REVIEW OF OPERATIONS

5.2.2.1 PEARL PRODUCTION

The Company harvested 619,598 pearls during the year ended 30 June 2026 (2025: 621,458).

Pearl quality, as measured by the Company's internal Quality Index Score, was below FY25 levels. The overall index score was 18% lower than FY25. While these results were disappointing, they reinforce the importance of the investments being made through our genetics, hatchery, and pearl improvement programs.

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

5.2.2.2 PEARL SALES

Atlas Pearls continued to execute the sales strategy established in FY24 and FY25, with a focus on strengthening market resilience, expanding customer relationships, and maximising value across all sales channels. A key component of this strategy has been the continued development of a diversified multi-channel sales model designed to reduce reliance on individual customers and create more consistent demand across varying market conditions.

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 35 for the Independent Auditors' Report and page 70 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 0.45 cents per share to the holders of fully paid ordinary shares in respect of the year ended 30 June 2026.

Key dates:

- Record date for determining entitlement to dividend: 1 September 2026
- Date the dividend is payable: 25 September 2026

7. Events since the end of the financial year

On 1 July 2026, the Company issued 9,250,000 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 & expected results of operations

The Company continues to execute its FY30 Strategic Roadmap, which covers every aspect of the business including sales and operations. Over the term of the strategy period, the Company aims to increase the number of pearls that are produced 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 Section 1 of this report.

10. Options & performance rights

On 11 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 23.3 for further information.

11. Indemnification & insurance of Directors & 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 $26,308 (2025: $35,168) 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:

	2026 $	2025 $
BDO Australian Firm		
Audit and review of financial reports	187,942	167,101
BDO Indonesian Firm		
Audit and review of financial reports	42,047	52,063
Total remuneration for audit services	**229,989**	**219,164**

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 2026 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**
Directors	
José Martins	Independent Non-Executive Chairman
Tim Martin	Non-Executive Director
Cadell Buss	Independent Non-Executive Director
Other Key Management Personnel	
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 (2025: $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 2026, the total Non-Executive Directors' fees including retirement benefit contributions were $282,232 (2025: $282,095).

The base fees for Non-Executive Directors are $82,800 per annum (inclusive of superannuation) (30 June 2025: $82,800 inclusive of superannuation). The base fee for the Chairman of the Board is $115,800 per annum (inclusive of superannuation) (2025: $115,800 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 and 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 Short Term Incentive Plan (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 a 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;
- 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: 25% of fixed remuneration Other senior executives: 20% 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[1]	30% - 50%	Reflects improvements in both revenue and cost control.
	Individual performance metrics	Specific to individuals[2]	30% - 50%	Targeted metrics have been chosen that are critical to individual roles and which support the Group's strategic objectives.
	Qualitative	Specific to individuals[3]	20%	Recognises overall contribution not recognised through the quantitative measures.
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.*
3. *In assessing this component, consideration may be given to leadership collaboration, judgement, initiative, governance, risk management, demonstration of company values, and other significant contributions made during the year.*

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:

(a) assist in the reward, retention, and motivation of Eligible Employees;
(b) link the reward of Eligible Employees to performance and the creation of Shareholder value; and
(c) 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;
(d) provide Eligible Employees with the opportunity to share in any future growth in the value of the Company; and
(e) 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 Company's objectives and to provide an incentive to strive to that end by participating in the future growth and prosperity of the Company 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	Rule 18 of the Plan provides that 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 2026 the Company did not engage any remuneration consultants.

Voting and comments made at the Company's 2025 Annual General Meeting

Atlas Pearls received 92.61% of 'yes' votes on adoption of the remuneration report for the 2025 financial year. 99.13% of 'yes' votes were received on the resolution to re-elect Cadell Buss as Director. 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			Short-term benefits			Post-employment benefits	Long-term benefits	Share-based compensation	Total
		Cash salary and fees	Short-term incentive cash bonus	Non-cash monetary benefit	Total cash salary, fees and short-term benefits	Superannuation benefit	Long service leave	Options and performance rights[1]	
		$	$	$	$	$	$	$	$
Geoff Newman[2]	**2026**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	2025	45,692	-	-	45,692	5,255	-	-	50,947
José Martins	**2026**	**104,136**	**-**	**-**	**104,136**	**12,496**	**-**	**-**	**116,632**
	2025	77,308	-	-	77,308	8,890	-	-	86,198
Tim Martin	**2026**	**82,800**	**-**	**-**	**82,800**	**-**	**-**	**-**	**82,800**
	2025	72,475	-	-	72,475	-	-	-	72,475
Cadell Buss	**2026**	**82,800**	**-**	**-**	**82,800**	**-**	**-**	**-**	**82,800**
	2025	72,475	-	-	72,475	-	-	-	72,475
Michael Ricci[1]	**2026**	**406,304**	**55,468**	**-**	**461,772**	**60,536**	**6,286**	**57,154**	**585,748**
	2025	362,893	79,166	-	442,059	60,808	5,283	54,784	562,934
Jean-Marie Rudd[1]	**2026**	**247,191**	**34,335**	**-**	**281,526**	**37,861**	**3,760**	**7,723**	**330,870**
	2025	229,775	39,589	-	269,364	32,439	3,030	-	304,833
TOTAL 2026	**2026**	**923,231**	**89,803**	**-**	**1,013,034**	**110,893**	**10,046**	**64,877**	**1,198,850**
TOTAL 2025	2025	860,618	118,755	-	979,373	107,392	8,313	54,784	1,149,862

Notes

1. Share-based remuneration related to options and performance rights being recognised over the respective vesting period.

2. Geoff Newman retired on 31 December 2024.

14.2.1 DETAILS OF REMUNERATION – PERFORMANCE ANALYSIS

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

Name	2026 % Performance	2025 % Performance
Geoff Newman	**0%**	0%
José Martins	**0%**	0%
Tim Martin	**0%**	0%
Cadell Buss	**0%**	0%
Michael Ricci	**20.1%**	25.5%
Jean-Marie Rudd	**13.5%**	14.4%

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

	Cash bonus paid/payable		Cash bonus forfeited	
	2026	2025	2026	2025
Other Key Management Personnel				
Michael Ricci[1]	**118%**	100%	**0%**	0%
Jean-Marie Rudd[1]	**135%**	100%	**0%**	0%

Notes:

1. The percentage of the cash bonus paid or payable exceeds 100% due to an additional discretionary bonus awarded by the board. The forfeited percentage is calculated by reference to the original maximum STI opportunity and excludes the discretionary bonus.

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:

	2026	2025	2024	2023	2022
Profit/(loss) after tax for the year	**(7,897,114)**	21,565,868	31,469,017	9,087,744	4,591,551
Basic earnings per share	**(1.80)**	4.93	7.37	2.14	1.08
Dividend payments	**6,146,596**	8,776,251	8,001,889	-	-
Increase/(decrease) in share price	**(50%)**	76%	117%	17%	140%
Total KMP incentives as percentage of profit/(loss) %	**(2.1%)**	0.8%	0.8%	0.8%	0.6%

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 and 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).

Effective 1 July 2026, the total annual remuneration payable to Michael under the Ricci Agreement is a salary of $379,905 per annum (exclusive of superannuation) (2025: $367,058). Michael is also entitled to participate in STIs of up to 25% of the base salary, inclusive of superannuation (2025: 22.5% of the base salary, inclusive of superannuation) and LTIs, as determined by the Board. An STI bonus of $41,294 has been accrued in respect of the financial year ended 30 June 2026, exclusive of superannuation (2025: $79,166 exclusive of superannuation) under the STI Plan, representing a 50% achievement (2025: 100%) of the maximum bonus payable.

On 1 July 2026, 2,000,000 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 2026 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).

Effective 1 July 2026, the total annual remuneration payable to Jean-Marie under the Rudd Agreement is a salary of $257,094 per annum (exclusive of superannuation) (2025: $248,400). Jean-Marie is also entitled to participate in STIs of up to 20% of the base salary (2025: 17.5%) and LTIs, as determined by the Board. An STI bonus of $21,735 has been accrued in respect of the financial year ended 30 June 2026 exclusive of superannuation (2025: $36,000 exclusive of superannuation) under the STI Plan, representing a 50% achievement (2025: 100%) of the maximum bonus payable.

On 1 July 2026, 1,000,000 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 2026 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 AND PERFORMANCE RIGHTS

No options were issued to KMP during the financial year end 30 June 2026 (2025: nil).

On 11 August 2025, 1,900,000 performance rights were granted to KMP (2025: nil). The rights are subject to the applicable service and performance conditions. No performance rights vested or were exercised during the year.

Refer to section 14.5.2 and 14.5.3 below and to section 23.2 and 23.3 of the notes to the consolidated financial statements for details of options and performance rights on issue.

14.4.2 OTHER KMP TRANSACTIONS

As at 30 June 2026, salaries of $5,530 (2025: $2,288) and Director fees of $6,900 are payable (2025: $6,040).

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 2026 (2025: no scheme in place).

14.5.2 OPTIONS

The details relating to 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.)	Vesting date	Expiry year	Vesting year	Share price at grant date	Option exercise price	Volatility	Risk free rate	Value of options at grant date	Fair value	% Vested
Michael Ricci[1]	15/11/23	1,200,000	30/06/25	30/09/26	2025	$0.075	$0.091	85%	4.17%	$43,200	$0.036	100%
Michael Ricci[1]	15/11/23	2,000,000	30/06/26	30/09/26	2026	$0.075	$0.097	85%	4.17%	$74,000	$0.037	100%

Notes:

1. *4,000,000 options were granted 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. At 30 June 2026, 3,200,000 options remain outstanding.*

14.5.3 PERFORMANCE RIGHTS

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

The performance rights were granted at nil exercise price and are subject to the applicable service and performance conditions. Subject to satisfaction of those conditions, each vested performance right entitles the holder to one fully paid ordinary share at no cost.

Name	Date of grant	Entitlement No. of rights	Vesting date	Expiry date	Financial year in which rights vest	Exercise price	Fair value at grant date	% Vested
Michael Ricci[1]	11/08/25	1,500,000	30/06/28	30/09/30	2028	Nil	$0.063	0%
Jean-Marie Rudd[2]	11/08/25	400,000	30/06/28	30/09/30	2028	Nil	$0.063	0%

Notes:

1. *1,500,000 rights were issued to CEO, Michael Ricci, under an offer to Michael on 11/08/25. These rights are subject to the employee remaining engaged as an employee at the date of the prescribed vesting date.*
2. *400,000 rights were issued to CFO, Jean-Marie Rudd, under an offer to Jean-Marie on 11/08/25. These rights are subject to the employee remaining engaged as an employee at the date of the prescribed vesting date.*

14.5.4 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 2026 (2025: nil).

On 11 August 2025, 1,900,000 performance rights were granted to KMP (2025: nil). The rights are subject to the applicable service and performance conditions. No performance rights vested or were exercised during the year.

Refer to section 23.2 and 23.3 of the notes to the consolidated financial statements for details of options and performance rights on issue.

(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 01/07/25	Granted as compensation	Options exercised	Acquired/(sold) on market	Becoming/ ceasing to be KMP	Balance 30/06/26
Directors						
José Martins[1]	500,000	-	-	-	-	500,000
Tim Martin[2]	106,742,128	-	-	-	-	106,742,128
Cadell Buss[3]	1,500,000	-	-	-	-	1,500,000
Total Directors	**108,742,128**	**-**	**-**	**-**	**-**	**108,742,128**
Other KMP						
Michael Ricci[4]	1,312,800	-	-	(800,000)	-	512,800
Jean-Marie Rudd[5]	170,000	-	-	-	-	170,000
Total Other KMP	**1,482,800**	**-**	**-**	**(800,000)**	**-**	**682,800**
TOTAL	**110,224,928**	**-**	**-**	**(800,000)**	**-**	**109,424,928**

Notes:

1. *Shares are held by Sintra Business Services Pty Ltd <Sintra SF A/C> of which José Martins is a beneficiary.*
2. *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.*
3. *Shares are held by Cadon Holdings Pty Ltd <Cadon S/F A/C> of which Cadell Buss is a beneficiary.*
4. *212,800 shares are held by M&K Ricci Pty Ltd <Ricci Super Fund A/ C> of which Michael Ricci is a beneficiary, and the remaining balance of 300,000 shares are held personally by Michael Ricci.*
5. *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 or performance rights:

No shares were issued on the exercise of options or performance rights during the year ended 30 June 2026 (2025: 2,076,196).

(C) OPTION HOLDINGS

The number of options over ordinary shares in the parent entity held during the year ended 30 June 2026 by each Director and other KMP of the Group, including their personally related parties, is set out below:

	Balance 01/07/25	Granted	Exercised	Forfeited/lapsed	Commenced/ (Ceased) as KMP	Balance 30/06/26	Fully vested[1]
Michael Ricci	3,200,000	-	-	-	-	3,200,000	3,200,000
TOTAL	**3,200,000**	**-**	**-**	**-**	**-**	**3,200,000**	**3,200,000**

Notes:

1. *2,000,000 options vested 30 June 2026 (30 June 2025: 1,200,000).*

(D) PERFORMANCE RIGHTS HOLDING

The number of performance rights over ordinary shares in the parent entity held during the year ended 30 June 2026 by each Director and other KMP of the Group, including their personally related parties, is set out below:

	Balance 01/07/25	Granted	Exercised	Forfeited/lapsed	Commenced/ (Ceased) as KMP	Balance 30/06/26	Fully vested[1]
Michael Ricci	-	1,500,000	-	-	-	1,500,000	-
Jean-Marie Rudd	-	400,000	-	-	-	400,000	-
TOTAL	**-**	**1,9000,000**	**-**	**-**	**-**	**1,900,000**	**-**

Notes:

1. *The performance rights outstanding at 30 June 2026 are subject to continued employment and the achievement of the applicable performance hurdles. Subject to satisfaction of these conditions, the rights are scheduled to vest on 30 June 2028.*

This is the end of the Audited Remuneration Report.

15. Rounding of amounts

The Company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2026/183, 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, in accordance with the instrument, unless otherwise indicated.

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 35.

Signed in accordance with a resolution of the Directors.

José Martins
Chairman - 25 August 2026

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

As lead auditor of Atlas Pearls Ltd for the year ended 30 June 2026, 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 Ltd and the entities it controlled during the period.

Glyn O'Brien

Director

BDO Audit Pty Ltd

Perth

25 August 2026

Consolidated Statement of Profit or Loss and Other Comprehensive Income

	NOTE	2026 $	2025 $
Revenue from contracts with customers	3	**25,779,240**	44,271,016
Other income	3	**368,414**	2,729,847
Farm costs and changes in inventory		**(11,588,970)**	(13,817,265)
Administration expenses	4	**(7,512,321)**	(8,345,314)
Finance costs		**(33,731)**	(57,424)
Marketing expenses		**(434,342)**	(522,883)
Other expenses	4	**(2,527,048)**	(1,414,723)
Change in fair value less husbandry costs of oysters	9	**(7,906,174)**	5,887,197
Write down of pearls to net realisable value	8	**(1,452,774)**	(1,529,786)
Impairment expense	11	**(2,587,802)**	-
Loss on deconsolidation		**-**	(227,278)
PROFIT/(LOSS) BEFORE INCOME TAX		**(7,895,508)**	26,973,387
Income tax expense	5	**(1,606)**	(5,407,519)
PROFIT/(LOSS) AFTER INCOME TAX		**(7,897,114)**	21,565,868
OTHER COMPREHENSIVE INCOME			
Items that will be reclassified as profit or loss:			
Actuarial gain/(loss)		**286,877**	421,483
Deferred tax income/(expense) from OCI liabilities		**(63,113)**	(89,570)
Exchange differences on translation of foreign operations		**(3,373,883)**	1,753,879
Exchange differences on deconsolidation of subsidiary		**-**	183,226
OTHER COMPREHENSIVE INCOME/(LOSS) NET OF TAXES		**(3,150,119)**	2,269,018
TOTAL COMPREHENSIVE INCOME/(LOSS)		**(11,047,233)**	23,834,886
PROFIT/(LOSS) IS ATTRIBUTABLE TO:			
Owners of the Company		**(7,897,114)**	21,565,868
TOTAL COMPREHENSIVE INCOME/(LOSS) IS ATTRIBUTABLE TO:			
Owners of the Company		**(11,047,233)**	23,834,886
EARNINGS PER SHARE			
ATTRIBUTABLE TO THE ORDINARY EQUITY HOLDERS OF THE COMPANY			
Basic earnings per share (cents)	6	**(1.80)**	4.93
Diluted earnings per share (cents)	6	**(1.80)**	4.89

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	2026 $	2025 $
CURRENT ASSETS			
Cash and cash equivalents	7	**6,946,727**	20,214,953
Trade and other receivables		**2,696,796**	1,595,049
Inventories	8	**3,800,914**	6,415,204
Biological assets	9	**15,952,041**	18,452,358
Current tax assets	5	**1,574,392**	-
TOTAL CURRENT ASSETS		**30,970,870**	46,677,564
NON-CURRENT ASSETS			
Intangibles		**1,296,077**	862,648
Biological assets	9	**21,069,512**	24,556,286
Property, plant and equipment	10	**7,341,072**	7,874,533
Right-of-use assets		**870,453**	1,179,601
Deferred tax assets	5	**654,551**	886,308
Loans receivable	11	**1,814,692**	3,848,573
TOTAL NON-CURRENT ASSETS		**33,046,357**	39,207,949
TOTAL ASSETS		**64,017,227**	85,885,513
CURRENT LIABILITIES			
Trade and other payables		**1,543,847**	1,658,917
Provisions	12	**2,161,054**	3,558,107
Borrowings		**38,117**	-
Lease liabilities		**45,823**	161,891
Current tax liabilities	5	**-**	1,626,702
TOTAL CURRENT LIABILITIES		**3,788,841**	7,005,617
NON-CURRENT LIABILITIES			
Lease liabilities		**91,815**	239,944
Deferred tax liabilities	5	**6,143,033**	7,565,727
Provisions	12	**38,720**	38,720
TOTAL NON-CURRENT LIABILITIES		**6,273,568**	7,844,391
TOTAL LIABILITIES		**10,062,409**	14,850,008
NET ASSETS		**53,954,818**	71,035,505
EQUITY			
Contributed equity	13	**37,648,403**	37,648,403
Reserves	14	**(11,433,613)**	(8,172,872)
Retained earnings / (accumulated losses)		**27,740,028**	41,559,974
TOTAL EQUITY		**53,954,818**	71,035,505

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

Consolidated Statement of Changes in Equity

	NOTE	Contributed equity $	Revaluation reserve $	Employee share reserve $	Foreign currency translation reserve $	Retained earnings (accumulated losses) $	Total equity $
		Attributable to owner of Atlas Pearls					
BALANCES AT 1 JULY 2025		**37,648,403**	**179,179**	**1,338,026**	**(9,690,077)**	**41,559,974**	**71,035,505**
Net profit/(loss) for the year		-	-	-	-	(7,897,114)	(7,897,114)
Other comprehensive income		-	-	-	-	223,764	223,764
Exchange differences on translation of foreign operations	14	-	-	-	(3,373,883)	-	(3,373,883)
Total comprehensive income		-	-	-	(3,373,883)	(7,673,350)	(11,047,233)
Transactions with owners in their capacity as owners		-	-	-	-	-	-
Contributions of equity, net of transaction costs		-	-	-	-	-	-
Share-based payments	23	-	-	113,142	-	-	113,142
Dividends paid	15	-	-	-	-	(6,146,596)	(6,146,596)
BALANCE AT 30 JUNE 2026		**37,648,403**	**179,179**	**1,451,168**	**(13,063,960)**	**27,740,028**	**53,954,818**

BALANCES AT 1 JULY 2024		**37,241,851**	**179,179**	**1,283,242**	**(11,627,182)**	**28,438,446**	**55,515,536**
Net profit for the year		-	-	-	-	21,565,868	21,565,868
Other comprehensive income		-	-	-	-	331,913	331,913
Exchange differences on translation of foreign operations	14	-	-	-	1,937,105	-	1,937,105
Total comprehensive income		-	-	-	1,937,105	21,897,781	23,834,886
Transactions with owners in their capacity as owners		-	-	-	-	-	-
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)
BALANCE AT 30 JUNE 2025		**37,648,403**	**179,179**	**1,338,026**	**(9,690,077)**	**41,559,974**	**71,035,505**

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

Consolidated Statement of Cash Flows

	NOTE	2026 $	2025 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Proceeds from pearl and jewellery sales		**24,274,494**	43,222,203
Proceeds from pearl by-product sales		**1,180,466**	1,522,459
Payments to suppliers and employees		**(20,498,633)**	(23,170,997)
Income tax paid		**(5,422,726)**	(5,572,898)
Interest paid		**(918)**	(11,159)
Interest received		**240,330**	429,046
Other income		**137,902**	22,727
Net cash inflow/(outlfow) from operating activities	7	**(89,085)**	16,441,381
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from the disposal of property, plant and equipment		**1,136**	-
Payments for acquisition of intangible assets		**(651,789)**	(912,099)
Payments for property, plant and equipment		**(4,445,210)**	(3,234,237)
Loan (to)/from PT Cahaya Bali		**(1,203,898)**	(1,821,173)
Aggregate cash from loss of control of PT Cahaya Bali		**-**	(406,786)
Net cash outflow from investing activities		**(6,299,761)**	(6,374,295)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings		**(702,956)**	(959,946)
Proceeds from borrowings		**726,807**	934,297
Repayment of lease liabilities		**(255,220)**	(558,681)
Dividends paid		**(6,146,596)**	(8,776,253)
Proceeds from the issue of shares (net of share issue expenses)		**-**	394,543
Net cash outflow from financing activities		**(6,377,965)**	(8,966,040)
Net increase/(decrease) in cash and cash equivalents		**(12,766,811)**	1,101,046
Cash and cash equivalents at the beginning of the year		**20,214,953**	17,623,315
Effects of exchange rate changes on cash and cash equivalents		**(501,415)**	1,490,592
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	7	**6,946,727**	20,214,953

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

Index of notes to the consolidated financial statements

Notes to the consolidated financial statements

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 25 August 2026. 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 2025 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:

a) Determination of market value of biological assets – see note 9
b) Property, plant and equipment depreciation rates - see note 10
c) Valuation of share-based payments – see note 23

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 per the APA are between 11.8% and 16.47%. The Group has applied for an extension of the current APA agreement, which is currently being reviewed by the respective tax authorities. These transactions are eliminated within the internal reports. 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:

	2026 $	2025 $
Total segment revenue	**41,418,358**	64,759,725
Inter-segment eliminations	**(15,639,118)**	(20,488,709)
TOTAL REVENUE FROM CONTRACTS WITH CUSTOMERS (NOTE 3)	**25,779,240**	44,271,016

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 2026 is as follows:

30 June 2026	NOTE	Loose pearls and by-product Australia $	Indonesia $	Total $
Total segment revenue		20,598,994	20,819,364	**41,418,358**
Inter-segment revenue		-	(15,639,118)	**(15,639,118)**
Revenue from external customers	3.1	**20,598,994**	**5,180,246**	**25,779,240**
Timing of revenue recognition				
At a point in time		20,598,994	5,180,246	**25,779,240**
Over time		-	-	**-**
Normalised EBITDA	2.2(IV)	**3,817,296**	**1,954,418**	**5,771,714**
Adjusted net operating profit/(loss) before income tax	2.2(I)	**4,781,923**	**(12,677,431)**	**(7,895,508)**
Depreciation and amortisation	4.2	76,022	373,128	**449,150**
Revaluation of biological assets		-	8,070,301	**8,070,301**
TOTAL SEGMENT ASSETS	2.2(II)	**7,699,783**	**54,088,501**	**61,788,284**
Total assets include:				
Additions to non-current assets		9,797	4,569,623	**4,579,420**
TOTAL SEGMENT LIABILITIES	2.2(III)	**(1,467,585)**	**(2,276,036)**	**(3,743,621)**

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)**
Revenue from external customers	3.1	**39,765,977**	**4,505,039**	**44,271,016**
Timing of revenue recognition				
At a point in time		39,765,977	4,505,039	**44,271,016**
Over time		-	-	**-**
Normalised EBITDA	2.2(IV)	**16,320,814**	**2,278,899**	**18,599,713**
Adjusted net operating profit before income tax	2.2(I)	**15,688,568**	**2,833,708**	**18,522,276**
Depreciation and amortisation	4.2	82,024	360,052	**442,076**
Revaluation of biological assets		-	(7,923,115)	**(7,923,115)**
TOTAL SEGMENT ASSETS	2.2(II)	**20,741,936**	**64,257,269**	**84,999,205**
Total assets include:				
Additions to non-current assets		9,596	4,786,612	**4,796,208**
TOTAL SEGMENT LIABILITIES	2.2(III)	**(2,268,619)**	**(2,987,125)**	**(5,255,744)**

No individual customer represented more than 10% of revenue during the year (2025: $14.3M). 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:

	2026 $	2025 $
Segment net operating profit before tax	**5,519,345**	18,522,279
Foreign exchange gain/(loss)	**(1,291,219)**	1,954,000
Agriculture standard revaluation gain/(loss)	**(7,906,174)**	5,887,197
Changes in inventory (farm costs) gain/(loss)	**(164,127)**	2,035,918
Write down of pearls to net realisable value	**(1,452,774)**	(1,529,786)
Loss on deconsolidation/deregistration	**-**	(227,278)
Impairment expense	**(2,587,802)**	-
(Profit)/loss on disposal of assets	**(12,757)**	331,057
TOTAL PROFIT/(LOSS) BEFORE INCOME TAX FROM OPERATIONS	**(7,895,508)**	26,973,387

(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:

	2026 $	2025 $
Segment assets	**61,788,284**	84,999,205
Unallocated:		
Current tax assets	**1,574,392**	-
Deferred tax assets	**654,551**	886,308
TOTAL ASSETS AS PER THE STATEMENT OF FINANCIAL POSITION	**64,017,227**	85,885,513

The total of non-current assets other than financial instruments and deferred tax assets located in Australia is $64,838 (30 June 2025: $131,063). The total located in Indonesia is $32,326,968 (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:

	2026 $	2025 $
Segment liabilities	**3,743,621**	5,255,744
Unallocated:		
Current tax liabilities	**-**	1,626,702
Borrowings	**38,117**	-
Lease liabilities	**137,638**	401,835
Deferred tax liabilities	**6,143,033**	7,565,727
TOTAL LIABILITIES AS PER THE STATEMENT OF FINANCIAL POSITION	**10,062,409**	14,850,008

(IV) NORMALISED EBITDA RECONCILIATION

	2026 $	2025 $
Net profit/(loss) before tax	**(7,895,508)**	26,973,387
Interest expense/(income)	**(196,781)**	(364,642)
Depreciation/amortisation	**449,150**	442,076
(Profit)/loss on disposal of assets	**12,757**	(331,057)
Foreign exchange (gain)/loss	**1,291,219**	(1,954,000)
Agriculture standard revaluation (gain)/loss	**7,906,174**	(5,887,197)
Changes in inventory (farm costs) (gain)/loss	**164,127**	(2,035,918)
Write down of pearls to net realisable value	**1,452,774**	1,529,786
Loss on deconsolidation/deregistration	**-**	227,278
Impairment expense	**2,587,802**	-
NORMALISED EBITDA	**5,771,714**	18,599,713

3. Revenue

3.1 REVENUE FROM CONTRACTS WITH CUSTOMERS

	2026 $	2025 $
Sale of goods	**25,779,240**	44,271,016
TOTAL REVENUE FROM CONTRACTS WITH CUSTOMERS	**25,779,240**	44,271,016

Refer to note 2.1 for the disaggregation of revenue.

3.2 OTHER INCOME

	2026 $	2025 $
Interest income	**230,512**	422,063
Net gain on foreign exchange	**-**	1,954,000
Other	**137,902**	353,784
TOTAL OTHER INCOME	**368,414**	2,729,847

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. 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. Expenses

4.1 ADMINISTRATION EXPENSES

	2026 $	2025 $
Salaries and wages	**5,707,265**	6,320,210
Share-based payment expenses (refer to note 23.4)	**113,142**	54,784
Occupancy costs	**92,092**	96,487
Administration expenses	**735,025**	704,817
Compliance and accounting	**730,869**	692,321
Other	**133,928**	476,695
TOTAL ADMINISTRATION EXPENSES	**7,512,321**	8,345,314

4.2 OTHER EXPENSES

	2026 $	2025 $
Depreciation/amortisation	**449,150**	442,076
Net loss on foreign exchange	**1,291,219**	-
Travel and accommodation	**608,645**	720,762
Other	**178,034**	251,883
TOTAL OTHER EXPENSES	**2,527,048**	1,414,721

5. Tax

5.1 INCOME TAX EXPENSE

	2026 $	2025 $
(A) THE COMPONENTS OF TAX EXPENSE/(BENEFIT) COMPRISE:		
Current tax	**1,183,567**	4,729,782
Deferred tax	**(1,684,980)**	1,144,521
Prior period (over) provision	**833,485**	(466,784)
FX movement on opening DTA	**(330,466)**	-
INCOME TAX EXPENSE/(BENEFIT)	**1,606**	5,407,519
(B) DEFERRED INCOME TAX (REVENUE) EXPENSE INCLUDED IN INCOME TAX EXPENSE COMPRISES:		
Decrease/(increase) in deferred tax assets (excluding tax losses) (note 5.2)	**249,290**	483,096
(Decrease)/increase in deferred tax liabilities (note 5.2)	**263,781**	(466,784)
Decrease/(increase) in opening balances	**(1,704,009)**	1,128,209
DEFERRED TAX EXPENSE/(BENEFIT)	**(1,190,938)**	1,144,521
(C) NUMERICAL RECONCILIATION OF INCOME TAX EXPENSE TO PRIMA FACIE TAX PAYABLE:		
Profit/(loss) before income tax expense	**(7,895,508)**	26,973,387
Tax at the Australian tax rate of 25% (30 June 2025: 25%)	**(1,973,877)**	6,743,347
Tax effect of amounts which are not deductible in calculating taxable income:		
Non-deductible expenses	**912,193**	325,458
Non-assessable income	**-**	(1,119,647)
Movement in deferred tax balances attributable to foreign exchange	**330,466**	-
Permanent differences	**39,417**	6,003
Difference in overseas tax rates	**190,388**	(74,855)
Income tax (over) provided in previous years	**503,019**	-
Capital losses included in current year and not recognized	**-**	-
Utilisation of tax losses	**-**	(472,787)
INCOME TAX EXPENSE/(BENEFIT)	**1,606**	5,407,519
Weighted average effective tax rates	**20%**	20%
(D) DEFERRED INCOME TAX AT 30 JUNE RELATES TO THE FOLLOWING:		
Deferred tax liabilities		
Fair value adjustment on biological assets	**(1,332,070)**	1,011,773
Prepayments	**14,481**	7,884
Other	**(8,457)**	(16,320)
Unrealised foreign exchange gain/(loss)	**(6,717)**	226,292
ROUA	**18,888**	-
Deferred tax assets		
Difference in accounting and tax depreciation	**(81,916)**	(44,860)
Stock	**-**	(90,844)
Accruals	**8,098**	(115,668)
Provisions	**196,391**	(318,222)
Other	**9,341**	17,702
DEFERRED TAX EXPENSE/(BENEFIT)	**(1,181,961)**	677,737

5.2 TAX ASSETS AND LIABILITIES

	2026 $	2025 $
(A) LIABILITIES		
CURRENT		
Income tax payable/(receivable)	**(1,574,392)**	1,626,702
NON-CURRENT		
Deferred tax liabilities comprise of temporary differences attributable to:		
Agricultural and biological assets at fair value	**5,792,337**	7,218,654
Prepayments	**41,488**	27,007
Unrealised foreign exchange gains	**281,668**	288,385
Other	**27,540**	31,681
TOTAL DEFERRED TAX LIABILITIES	**6,143,033**	7,565,727
(B) ASSETS		
Deferred tax assets comprise of temporary differences attributable to:		
Agricultural and biological assets at fair value	**-**	-
Accruals	**30,940**	107,352
Provisions	**495,699**	712,470
Tax allowances relating property, plant and equipment	**118,238**	41,875
Other	**9,674**	24,611
	654,551	886,308
Previously recognised deferred tax assets	**-**	-
Tax losses recognised	**-**	-
TOTAL DEFERRED TAX ASSETS	**654,551**	886,308
(C) RECONCILIATIONS		
The overall movement in deferred tax account is as follows:		
Opening balance	**(6,679,419)**	(5,685,033)
(Charge)/Credit to statement of profit or loss and other comprehensive income	**1,454,719**	(1,144,521)
(Charge)/Credit for adjustment to foreign exchange rate	**(330,466)**	-
Decrease in opening balances	**66,684**	150,135
CLOSING BALANCE	**(5,488,482)**	(6,679,419)

MATERIAL JUDGEMENT

Deferred tax assets

Deferred tax assets and liabilities have been bought 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 2026 is $491,964 (30 June 2025: $491,964).

6. Earnings per share

	2026 $	2025 $
Basic earnings per share (cents per share)	**(1.80)**	4.93
Diluted earnings per share (cents per share)	**(1.80)**	4.89

6.1 EARNINGS RECONCILIATION

	2026 $	2025 $
Net profit/(loss) after tax used for basic earnings	**(7,897,114)**	21,565,868

	2026 No.	2025 No.
Weighted average number of ordinary shares outstanding during the period used for the calculation of basic earnings per share	**439,042,581**	437,458,884
Adjustments for calculation of diluted earnings per share	**-**	3,200,000
Weighted average number of potential ordinary shares outstanding during the year used for calculation of diluted earnings per share	**439,042,581**	441,379,137

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 2026 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.

7. Cash and cash equivalents

	2026 $	2025 $
Cash at bank	**6,946,727**	20,214,953
BALANCES PER STATEMENT OF CASH FLOWS	**6,946,727**	20,214,953

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.

7.1 NOTES TO THE CASH FLOW STATEMENT

7.1.1 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 cash-flows is reconciled to the related items in the statement of financial performance as noted above.

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

	2026 $	2025 $
Profit/(loss) after income tax	**(7,897,114)**	21,565,868
Depreciation/amortisation	**449,150**	442,076
(Profit)/loss on sale of assets	**12,757**	(331,057)
Share-based payments expense	**113,142**	54,784
Foreign exchange loss/(gain) unrealised	**2,263,094**	(1,701,702)
Agricultural asset fair value (gains)/losses	**7,906,174**	(5,887,197)
Write down of pearls to net realisable value	**1,452,774**	1,529,786
Impairment expense	**2,587,802**	-
Loss on deconsolidation	**-**	227,278
Decrease/(increase) in trade and other receivables	**(482,011)**	156,588
Decrease/(increase) in inventories	**668,316**	1,509,912
Decrease/(increase) in right of use assets	**309,148**	(512,238)
(Decrease)/increase in trade and other payables	**(434,800)**	610,825
(Decrease)/increase in other non-current liabilities	**-**	(124,815)
Increase/(decrease) in provision	**(1,397,053)**	(111,330)
Increase/(decrease) in taxes	**(5,571,274)**	(987,397)
NET CASH OBTAINED IN OPERATING ACTIVITIES	**(19,895)**	16,441,381

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

7.1.3 CREDIT FACILITIES

As at 30 June 2026 the Company had in place a bank overdraft loan facility with the National Australia Bank with a limit of $2.5M (2025: $2.5M). As at 30 June 2026 no amount has been drawn down on this facility (2025: nil).

8. Inventories

	2026 $	2025 $
Pearls	**3,313,098**	6,027,590
Jewellery	**312,731**	246,869
Fuel	**175,085**	140,745
TOTAL INVENTORY	**3,800,914**	6,415,204

A reconciliation of movements in pearl inventory:

	2026 $	2025 $
Carrying amount at beginning of the year	**6,027,590**	8,432,184
Harvest of new pearls	**18,597,234**	21,403,014
Deemed cost of pearls sold	**(19,858,952)**	(22,277,822)
Write down of pearls to net realisable value	**(1,452,774)**	(1,529,786)
CARRYING AMOUNT AT END OF YEAR	**3,313,098**	6,027,590

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

	2026 No.	2025 No.
Balance at beginning of the year	**219,436**	224,141
Oysters harvested	**619,598**	621,458
Unsellable pearls and other minor adjustments	**(32,043)**	(27,662)
Subtotal pearls added to inventory during the year	**587,555**	593,796
Pearls sold	**(647,271)**	(592,919)
Pearls transferred to jewellery inventory	**(937)**	(5,582)
BALANCE AT END OF YEAR	**158,783**	219,436

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 2026, a $1,452,774 write off of pearl stocks has been recorded (30 June 2025: $1,529,786).

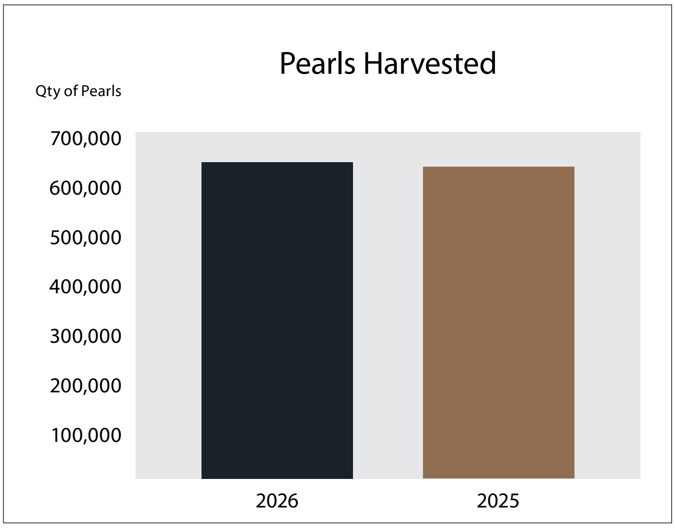
Net realisable value: Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

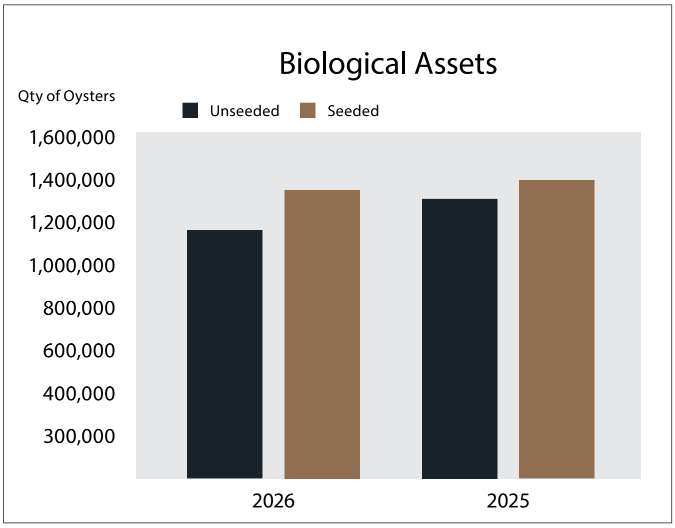
9. Biological Assets

	2026 $	2025 $
Current Oysters – at fair value	**15,952,041**	18,452,358
TOTAL CURRENT BIOLOGICAL ASSETS	**15,952,041**	18,452,358
Non-current		
Nuclei	**151,100**	240,864
Oysters – at fair value	**20,918,412**	24,315,422
TOTAL NON-CURRENT BIOLOGICAL ASSETS	**21,069,512**	24,556,286
TOTAL BIOLOGICAL ASSETS	**37,021,553**	43,008,644

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 decrease of $7,906,174 (2025: $5,887,197 increase) is included in the valuation of biological assets, representing an average fair value per pearl of $51 (2025: $57) less costs to sell.

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

a) quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
b) inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (level 2), and
c) 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 2026 and 30 June 2025 on a recurring basis:

2026	Level 1 $	Level 2 $	Level 3 $	Total $
Assets				
Biological assets	-	-	36,870,453	36,870,453
TOTAL ASSETS	**-**	**-**	**36,870,453**	**36,870,453**

2025	Level 1 $	Level 2 $	Level 3 $	Total $
Assets				
Biological assets	-	-	42,767,780	42,767,780
TOTAL ASSETS	**-**	**-**	**42,767,780**	**42,767,780**

The following table presents the changes in level 3 instruments for the year ended 30 June 2026:

	2026 $	2025 $
Changes in fair value of oyster stock		
Opening balance 30 June 2025	**42,767,780**	33,684,246
Due to new stock	**5,500,833**	6,019,274
Due to mortalities	**(6,430,509)**	(7,499,744)
Due to ageing	**13,596,558**	12,308,550
Due to harvests	**(15,597,459)**	(14,910,073)
Due to price changes	**(2,966,750)**	13,165,527
CLOSING BALANCE AT 30 JUNE 2026	**36,870,453**	42,767,780

9.1 KEY PRODUCTION ASSUMPTIONS

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	2026	2025	2026 Assumptions	2025 Assumptions
Average selling price per pearl	**$51**	$57	Based on sale prices achieved over three prior reporting periods factoring in the upper quartile of auction bids	Based on sale prices achieved over three prior reporting periods
USD exchange rate	**US $0.69**	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	**Medium**	Medium	Based on management assessment of forecast index scores	Based on management assessment of forecast index scores
Discount rate	**20%**	20%	No change to prior period	No change to prior period
Mortality	**15%**	15%	Based on current harvest mortality rates	Based on current harvest mortality rates
Average unseeded oyster value	**$1.34**	$1.78	Based on historical independent valuation	Based on historical independent valuation
Costs to complete	**$0.76**	$0.83	Based on current average	Based on current average
Costs to sell	**$1.98**	$2.08	Based on current average	Based on current average

9.2 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 $
24%	(8,717,510)	(3,510,737)	(1,134,747)	5,802,419	10,049,709
20%	(7,880,608)	(2,483,100)	-	7,207,318	11,600,076
16%	(6,973,425)	(1,369,223)	1,230,191	8,731,212	13,281,509

	Pearl Quality Scenario				
	Very Low	Low	Medium	High	Very High
Pricing	Profit $	Profit $	Profit $	Profit $	Profit $
>10%	(3,611,585)	2,325,675	5,057,085	12,985,134	17,817,169
0%	(7,880,608)	(2,483,100)	-	7,207,318	11,600,076
<10%	(12,149,632)	(7,291,875)	(5,057,085)	1,429,501	5,382,984

	Pearl Quality Scenario				
	Very Low	Low	Medium	High	Very High
FX Rate	Profit $	Profit $	Profit $	Profit $	Profit $
>10%	(3,611,585)	2,325,675	5,057,085	12,985,134	17,817,169
0%	(7,880,608)	(2,483,100)	-	7,207,318	11,600,076
<10%	(12,149,632)	(7,291,875)	(5,057,085)	1,429,501	5,382,984

10. Property, plant and equipment

	2026 $	2025 $
(A) NON-PEARLING ASSETS		
Plant and equipment		
- at cost	**466,278**	456,482
- accumulated depreciation	**(435,433)**	(417,708)
	30,845	38,774
Leasehold improvements		
- at cost	**54,833**	54,833
- accumulated depreciation	**(54,833)**	(54,833)
	-	-
Total non-pearling assets	**30,845**	38,774
(B) PEARLING PROJECT		
Land (leasehold and freehold) and buildings		
- at cost	**2,452,905**	2,765,976
- accumulated depreciation	**(1,093,359)**	(1,150,182)
	1,359,546	1,615,794
Plant and equipment, vessels, vehicles		
- at cost	**14,488,389**	15,521,573
- accumulated depreciation	**(8,766,478)**	(9,885,987)
	5,721,911	5,635,586
Capital works in progress		
- at cost	**228,770**	584,379
- accumulated depreciation	**-**	-
	228,770	584,379
Total pearling project	**7,310,227**	7,835,759
TOTAL PROPERTY, PLANT AND EQUIPMENT	**7,341,072**	7,874,533

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

	2026 $	2025 $
(A) NON-PEARLING ASSETS		
Plant and equipment		
Carrying amount at beginning of the year	**38,774**	79,178
Additions	**9,797**	9,596
Reclassifications/disposals	**-**	-
Derecognised as part of deconsolidation	**-**	(26,772)
Depreciation	**(17,726)**	(23,728)
Foreign exchange movement	**-**	-
Carrying amount at end of the year	**30,845**	38,774
Leasehold Improvements		
Carrying amount at beginning of the year	**-**	26,719
Additions	**-**	-
Reclassifications/disposals	**-**	-
Derecognised as part of deconsolidation	**-**	(26,719)
Depreciation	**-**	-
Foreign exchange movement	**-**	-
Carrying amount at end of the year	**-**	-
Total non-pearling assets	**30,845**	38,774

	2026 $	2025 $
(B) PEARLING PROJECT		
Leasehold land and buildings		
Carrying amount at beginning of the year	**1,615,794**	1,171,278
Additions	**157,703**	603,668
Reclassifications/disposals	**(73,941)**	(45,646)
Depreciation	**(187,944)**	(211,679)
Foreign exchange movement	**(66,272)**	98,173
Carrying amount at end of the year	**1,445,340**	1,615,794
Plant and equipment, vessels, and vehicles		
Carrying amount at beginning of the year	**5,635,586**	4,757,305
Additions	**2,333,244**	2,373,462
Reclassifications/disposals	**(1,082,224)**	(1,421,703)
Depreciation	**(1,356,489)**	(1,119,523)
Foreign exchange movement	**106,000**	1,046,045
Carrying amount at end of the year	**5,636,117**	5,635,586
Capital works in progress		
Carrying amount at beginning of the year	**584,379**	1,027,605
Additions	**2,078,676**	1,873,909
Reclassifications/disposals	**(2,434,285)**	(2,317,135)
Depreciation	**-**	-
Foreign exchange movement	**-**	-
Carrying amount at end of the year	**228,770**	584,379
Total pearling project assets	**7,310,227**	7,835,759
TOTAL CARRYING AMOUNT – PROPERTY, PLANT AND EQUIPMENT	**7,341,072**	7,874,533

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

	2026 $	2025 $
Depreciation charge	**1,562,159**	1,354,930
Capitalised depreciation charge	**(1,425,881)**	(1,152,407)
Depreciation of property, plant and equipment (PPE)	**136,278**	202,523
Amortisation of intangible asset	**49,532**	28,168
Amortisation of Right-of-Use Asset	**263,340**	213,385
DEPRECIATION/AMORTISATION CHARGE (NOTE 5)	**449,150**	442,076

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).

Capital Works in Progress

Capital works in progress of $228,770 (30 June 2025: $584,379) relates to incomplete projects. Upon completion, costs are transferred to the appropriate class of property, plant and equipment and depreciated from the date available for use.

11. Loans receivable

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

	2026 $	2025 $
Loan Agreement - PT Cahaya Bali[1]	**2,673,028**	1,365,678
Funding Facility Agreement - PT Cahaya Bali[2]	**3,308,477**	4,061,906
Total Loans Receivable	**5,981,505**	5,427,584
Provision for impairment[3]	**(4,166,813)**	(1,579,011)
CARRYING AMOUNT	**1,814,692**	3,848,573

Notes:

1. *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.*
2. *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.*
3. *The recoverability of loans receivable at 30 June 2026 was assessed and a provision for impairment was raised for the unrecoverable amount.*

12. Provisions

	2026 $	2025 $
Current		
Provisions	**2,161,054**	3,558,107
TOTAL CURRENT PROVISIONS	**2,161,054**	3,558,107
Non-Current		
Make Good Provision[1]	**38,720**	38,720
TOTAL NON-CURRENT PROVISIONS	**38,720**	38,720
TOTAL PROVISIONS	**2,199,774**	3,596,827

Notes:

1. *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.*

13. Contributed equity

	2026 No.	2025 No.	2026 $	20265 $
Issued and fully paid-up capital	**439,042,581**	439,042,581	**37,648,403**	37,648,403
Ordinary shares				
Balance at beginning of year	**439,042,581**	433,622,379	**37,648,403**	37,241,851
Shares issued	**-**	5,420,202	**-**	406,552
Balance at end of year	**439,042,581**	439,042,581	**37,648,403**	37,648,403
Treasury shares				
Balance at beginning of year	**3,062,138**	3,062,138		
Shares released	**-**	-		
Balance at end of year	**3,062,138**	3,062,138		

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 2026 (30 June 2025: 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 2026 (2025: 3,200,000). 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 23.2.

(iii) PERFORMANCE RIGHTS

There were 1,900,000 performance rights outstanding at 30 June 2026 (2025: nil). Subject to satisfaction of the applicable vesting conditions, each performance right entitles the holder to one fully paid ordinary share in the Company for nil consideration. Information relating to the Atlas Pearls Ltd Employee Awards Plan, including details of performance rights granted, vested, converted and lapsed during the financial year and outstanding at the end of the reporting period, is set out in Note 23.3.

(iv) 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 2026 (30 June 2025: nil)

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

14. Reserves

	2026 $	2025 $
Foreign currency translation reserve	**(13,063,960)**	(9,690,077)
Employee share reserve	**1,451,168**	1,338,026
Revaluation reserve	**179,179**	179,179
TOTAL RESERVES	**(11,433,613)**	(8,172,872)
Movements:		
Foreign currency translation reserve[1]		
Balance at beginning of year	**(9,690,077)**	(11,627,182)
Currency translation differences arising during the year	**(3,373,883)**	1,937,105
Balance at end of year	**(13,063,960)**	(9,690,077)
Employee share reserve[2]		
Balance at beginning of year	**1,338,026**	1,283,242
Movement in employee share reserve	**113,142**	54,784
Balance at end of year	**1,451,168**	1,338,026
Revaluation reserve[3]		
Balance at beginning of year	**179,179**	179,179
Balance at end of year	**179,179**	179,179

Notes:

1. *The foreign currency translation reserve records exchange differences arising on translation of foreign controlled subsidiaries to the reporting currency.*
2. *The employee share reserve records the value of equity portion of remuneration paid to employees in the form of shares or other equity instruments.*
3. *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

	2026 $	2025 $
Dividend franking account		
Franking credits available to shareholders of the Company for subsequent financial years based on a tax rate of 25%	**5,466,556**	1,395,847

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

(i) Franking credits that will arise from the payment of the amount of the provision for income tax;
(ii) Franking debits that will arise from the payment of dividends recognised as a liability at the reporting date;
(iii) Franking credits that will arise from the receipt of dividends recognised as receivables at the reporting date; and
(iv) 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:

	2026 $	2025 $
Ordinary dividend of 1.40 cents per ordinary share paid on 5 September 2025	**6,146,596**	
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
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
	6,146,596	8,776,253

On 25 August 2026 the Directors declared a final fully franked dividend for the year ended 30 June 2026 of 0.45 cents per ordinary share to be paid on 25 September 2026, a total distribution of $1,975,692 based on the number of shares on issue as at 30 June 2025.

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:

	2026 $	2025 $
Financial assets		
Cash and cash equivalents	**6,946,727**	20,214,953
Trade and other receivables	**2,696,796**	1,595,049
Loans receivable	**1,814,692**	3,848,573
TOTAL FINANCIAL ASSETS	**11,458,215**	25,658,575
Financial liabilities		
Trade and other payables	**798,561**	1,171,898
Borrowings	**38,117**	-
Lease liabilities	**137,638**	401,835
TOTAL FINANCIAL LIABILITIES	**974,316**	1,573,733

(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 EUR, IDR, JPY, and USD increasing or decreasing by 10% and the effect on profit and equity.

	Statement of financial position amount AUD		Foreign exchange rate risk							
			30 June 2026				30 June 2025			
			-10%		10%		-10%		10%	
	2026	2025	Profit	Equity	Profit	Equity	Profit	Equity	Profit	Equity
Financial assets										
Cash	**6,946,727**	20,214,953	**7,268**	-	**(5,933)**	-	1,570,239	-	(1,285,027)	-
Trade and other receivables	**2,696,796**	1,595,049	**21,770**	-	**(17,812)**	-	603	-	(493)	-
Financial liabilities										
Trade and other payables	**798,561**	1,171,898	**(4,479)**	-	**3,656**	-	(20,487)	-	16,957	-
Total Increase/(Decrease)			**24,559**	-	**(20,089)**	-	1,550,355	-	(1,268,564)	-

Trade debtors relate to sales made in EUR 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 2026 was $1,894,700 (2025: $878,132). 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	
	2026	2025	2026	2025
EUR	**-**	-	**1,327**	-
IDR	**-**	-	**-**	127,293
JPY	**-**	1	**40,756**	53,786
NZD	**-**	-	**-**	33,234
USD	**262,597**	14,178,742	**-**	-
	262,597	14,178,743	**42,083**	214,313

(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 institutions with a 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.

<u>Trade receivables:</u>

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 2026 and 30 June 2025 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.

	2026 $	2025 $
TRADE RECEIVABLES		
Existing customers with no previous defaults	**243,944**	62,170

<u>Loan receivable – PT Cahaya Bali</u>

At 30 June 2026, the Group had loans receivable from PT Cahaya Bali with a gross carrying amount of $6.0M (2025: $5.4M). During the year, the Group recognised an expected credit loss allowance of $4.2M (2025: $1.6M, resulting in a net carrying amount of $1.8M at the reporting date (2025: $3.8M).

The loan is unsecured. Accordingly, recoverability depends on PT Cahaya Bali having sufficient assets available after satisfying liabilities and claims that rank ahead of or equally with the Group's loan.

The recoverable amount of the loan was assessed by reference to PT Cahaya Bali's liquid assets at the reporting date that management expects will be available to settle the loan. These principally comprise cash and cash equivalents, trade receivables and other readily realisable assets.

In estimating the amount recoverable, management considered the carrying value and expected realisable value of these assets, the expected timing of their conversion to cash, any associated realisation costs, liabilities and claims ranking ahead of or alongside the Group's loans, and the Group's legal and contractual rights to repayment. Appropriate adjustments were made where the expected realisable value was lower than the carrying value.

Based on this assessment, management estimated that $1.8M of the gross loan balance was recoverable and recognised an expected credit loss of $4.2M. The assessment is sensitive to the value and timing of realisation of PT Cahaya Bali's liquid assets, and actual recoveries may differ from management's estimate.

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 7) 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:

	2026 $	2025 $
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 2026 no amount has been drawn down on this facility (30 June 2025: 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.

	30 June 2026							30 June 2025						
	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	Greater than 5 Years	Total contractual cash flows	Carrying amount (asset)/ liabilities
Consolidated entity	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Non-derivatives														
Trade payables	**798,561**	-	-	-	-	**798,561**	**798,561**	1,050,264	-	-	-	-	1,050,264	1,050,264
Borrowings	**38,117**	-	-	-	-	**38,117**	**38,117**	-	-	-	-	-	-	-
Lease liabilities[1]	**33,637**	**18,229**	**31,161**	**36,449**	**144,782**	**264,258**	**137,638**	179,361	149,203	90,370	67,910	190,525	677,369	401,835
TOTAL NON-DERIVATIVES	**870,315**	**18,229**	**31,161**	**36,449**	**144,782**	**1,100,936**	**974,316**	1,229,625	149,203	90,370	67,910	190,525	1,727,633	1,452,099

Notes:

1. *The weighted average incremental borrowing rate applied to lease liabilities at 30 June 2026 was 7.8% (2025: 8.1%).*

17. Events occurring after the reporting period

On 1 July 2026, the Company issued 9,250,000 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.

On 25 August 2026, the Company declared a final (full franked) dividend of 0.45 cents per share. The total value of the payment is $2.0M. The record date is 1 September 2026, with a payment date of 25 September 2026.

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 2026, 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.

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 2026	30 June 2025	
Tansim Pty Ltd	100%	100%	Australia
Perl'Eco 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 Pungu Atlas Indopearls	100%	-	Indonesia
PT Lembata Atlas Indopearls	100%	-	Indonesia

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

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.

	2026 $	2025 $
Short-term employment benefits	**1,013,034**	979,373
Long-term employment benefits	**10,046**	8,313
Post-employment benefits	**110,893**	107,392
Share-based compensation	**64,877**	54,784
	1,198,850	1,149,862

(C) TRANSACTIONS WITH OTHER RELATED PARTIES

	2026 $	2025 $
Director fees payable[1]	**6,900**	6,040
Office lease expenses[2]	**8,800**	24,000
	15,700	30,040

Notes:

1. *Non-Executive Director, Cadell Buss.*
2. *Office sublease expenses from CSO Limited, a company Michael Ricci is also a Director of. The lease was terminated on 30 November 2025.*

(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:

	2026 $	2025 $
Statement of financial position		
Current assets	**11,251,251**	20,580,779
Total assets	**41,698,506**	48,962,318
Current liabilities	**9,284,376**	16,468,111
Total liabilities	**16,003,544**	23,237,465
Net assets	**25,694,962**	25,724,853
Shareholders' equity		
Issued capital	**37,648,402**	37,648,402
Share-based payment reserve	**1,431,517**	1,318,375
Accumulated losses	**(13,384,957)**	(13,241,924)
Total equity	**25,694,962**	25,724,853
PROFIT FOR THE YEAR	**4,279,358**	16,020,924
TOTAL COMPREHENSIVE PROFIT	**4,279,358**	16,020,924

(B) CONTINGENT LIABILITIES

The parent entity did not have any contingent liabilities as at 30 June 2026 (2025: nil). The parent entity did not provide financial guarantees during the year (2025: 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. Under the Company's current circumstances, 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 decide 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 those 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 Company 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 other than in the manner set out above 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

(I) OPTIONS ON ISSUE

The Group has the following equity compensation arrangements to remunerate eligible 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 November 2023	15 November 2023	15 November 2023
Vesting date	30 June 2024	30 June 2025	30 June 2026
Expiry date	30 September 2026	30 September 2026	30 September 2026
Options issued	800,000	1,200,000	2,000,000
Exercise price	$0.085	$0.091	$0.097
Remaining at 30 June 2026	-	1,200,000	2,000,000

(II) 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

(III) OPTIONS REMAINING AT YEAR END

The following options remain outstanding at year-end.

	2026 No.	2026 Weighted Average Exercise Price $	2025 No.	2025 Weighted Average Exercise Price $
Balance at 30 June 2025	3,200,000	$0.095	14,643,644	$0.168
Granted during the period	-	-	-	-
Exercised during the period	-	-	(5,420,202)	$0.076
Forfeited during the period	-	-	(6,023,442)	$0.073
BALANCE AT 30 JUNE 2026	**3,200,000**	**$0.095**	**3,200,000**	**$0.095**

23.3 PERFORMANCE RIGHTS

(I) PERFORMANCE RIGHTS ON ISSUE

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

	CEO[1]	CFO[2]	Other Employees
Grant date	11 August 2025	11 August 2025	11 August 2025
Vesting date	30 June 2028	30 June 2028	30 June 2028
Expiry date	30 September 2030	30 September 2030	30 September 2030
Performance rights issued	1,500,000	400,000	2,500,000
Exercise price	-	-	-
Remaining at 30 June 2026	1,500,000	400,000	2,500,000

Notes:
1. *Atlas Pearls' Chief Executive Officer, Michael Ricci*
2. *Atlas Pearls' Chief Finance Officer, Jean-Marie Rudd*

(II) 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 performance right, 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 performance right.

	CEO	CFO	Other Employees
Fair value at grant date	$0.063	$0.063	$0.063
Share price at grant date	$0.165	$0.165	$0.156
Exercise price	-	-	-
Expected future volatility	75%	75%	75%
Risk free rate	3.58%	3.58%	3.58%
Dividend yield	15.82%	15.82%	15.82%

(III) PERFORMANCE RIGHTS REMAINING AT YEAR END

The following performance rights remain outstanding at year-end.

	CEO	CFO	Other Employees	TOTAL
Balance at 30 June 2025	-	-	-	-
Granted during the period	1,500,000	400,000	2,500,000	4,400,000
Exercised during the period	-	-	-	-
Forfeited during the period	-	-	-	-
BALANCE AT 30 JUNE 2026	**1,500,000**	**400,000**	**2,500,000**	**4,400,000**

23.4 SHARE BASED PAYMENT EXPENSE

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

	2026 $	2025 $
Options	**28,194**	54,784
Performance Rights	**84,948**	-
TOTAL SHARED-BASED PAYMENT EXPENSES	**113,142**	54,784

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:

	2026 $	2025 $
BDO Australian firm		
Audit and review of financial reports	**187,942**	167,101
BDO Indonesian firm		
Audit and review of financial reports	**42,047**	42,835
TOTAL REMUNERATION FOR AUDIT SERVICES	**229,989**	209,937
TOTAL REMUNERATION FOR OTHER SERVICES	**-**	-

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 2026. 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 below.

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 2026, 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 loan 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 2026 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 substantially 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 bought 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 2026

Entity Name	Entity Type	Body Corporate		Tax Residency	
		Place Formed or Incorporated	% of Share Capital Held	Australian or Foreign	Foreign Jurisdiction
Atlas Pearls Ltd	Body Corporate	Australia	100%	Australian	-
Tansim Pty Ltd	Body Corporate	Australia	100%	Australian	-
Perl'Eco Pty Ltd	Body Corporate	Australia	100%	Australian	-
Atlas Pearls Employee Share Plan Pty Ltd	Body Corporate	Australia	100%	Australian	-
Pt Cendana Indopearls	Body Corporate	Indonesia	100%	Foreign	Indonesia
PT Disthi Mutiara Suci	Body Corporate	Indonesia	100%	Foreign	Indonesia
PT Pungu Atlas Indopearls	Body Corporate	Indonesia	100%	Foreign	Indonesia
PT Lembata Atlas Indopearls	Body Corporate	Indonesia	100%	Foreign	Indonesia

Basis of preparation

This Consolidated Entity Disclosure Statement has been prepared in accordance with subsection 295(3A) of the Corporations Act 2001 and includes information for Atlas Pearls Ltd and each entity it controlled in accordance with AASB 10 Consolidated Financial Statements at 30 June 2026.

Australian tax residency has been determined in accordance with the Income Tax Assessment Act 1997. Foreign tax residency has been determined in accordance with the taxation laws of the relevant foreign jurisdiction. In determining the tax residency of the Group's Indonesian subsidiaries, the Group has considered their place of incorporation and their treatment as residents under Indonesian taxation law.

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 2026 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.

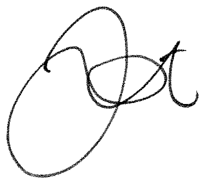
b) the Company has included in the notes to the financial statements an explicit and unreserved statement of compliance with International Financial Reporting Standards.

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 2026 comply with section 300A of the *Corporations Act 2001*.

e) The consolidated entity disclosure statement on page 66 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 - 25 August 2026

Additional ASX information

The following additional information is required by the Australian Securities Exchange. The information is current as at 20 August 2026.

(A) DISTRIBUTION SCHEDULE AND NUMBER OF HOLDERS OF EQUITY SECURITIES AS AT 20 AUGUST 2026

	1 – 1,000	1,001 - 5,000	5,001 - 10,000	10,001 - 100,000	100,001 -and over	Total
Ordinary Fully Paid Shares	162	451	355	914	366	2,248
Unlisted options: 9.1 cents, exp 30/09/2026	-	-	-	-	1	1
Unlisted options: 9.7 cents, exp 30/09/2026	-	-	-	-	1	1
Performance rights FY26	-	-	-	-	13	13
Performance rights FY27	-	-	-	-	13	13

The number of holders holding less than a marketable parcel of fully paid ordinary shares as at 20 August 2026 is 641.

(B) 20 LARGEST HOLDERS OF QUOTED EQUITY SECURITIES AS AT 20 AUGUST 2026

The names of the twenty largest holders of fully paid ordinary shares (ASX: ATP) as at 20 August 2026 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	24,833,145	5.66
4.	JP Morgan Nominees Australia Pty Limited	21,042,936	4.79
5.	Abermac Pty Ltd	13,200,000	3.01
6.	BNP Paribas Noms Pty Ltd	9,615,595	2.19
7.	BNP Paribas Nominees Pty Ltd <IB AU Noms Retail Client>	8,768,269	2.00
8.	Morckstow Pty Ltd	8,000,000	1.82
8.	Westwood Properties Pty ltd	8,000,000	1.82
10.	Mr Wesley Rutherford + Mrs Sian Rutherford <Rutherford Family S/F A/C>	7,215,206	1.64
11.	HSBC Custody Nominees (Australia) Limited	5,890,768	1.34
12.	Mr Tingyao Xu	5,160,000	1.18
13.	Mr Cameron Beavis <The Schindler S/F A/C>	4,500,000	1.02
14.	Mr Timothy James Martin	3,678,114	0.84
15.	Ten Talents (2020) Limited <Five Talents A/C>	3,585,000	0.82
16.	Queensridge Investments Pty Ltd <Gleeson Super Fund A/C>	3,549,072	0.81
17.	Ms Jennifer Michelle Roughan	3,360,000	0.77
18.	Westor Asset Management Pty Ltd <Value Partnership A/C>	3,351,804	0.76
19.	Mr Ranald Brian Luxton + Mrs Rosemary Grace Luxton <Luxton SF A/C>	3,227,500	0.74
20.	Mr Pawel Rej + Mrs Miroslawa Rej	3,078,000	0.70
		241,091,912	**54.93**

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

Name	Shares	% Voting Power	Date of Notice
Boneyard Investments Pty Ltd and Associates *	108,535,667	25.09%	21 February 2024

**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 20 August 2026:

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
Performance rights FY26	4,400,000
Performance rights FY27	9,250,000

(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 20 August 2026.

(F) RESTRICTED SECURITIES AS AT 20 AUGUST 2026

There were no restricted securities on issue as at 20 August 2026.

(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

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INDEPENDENT AUDITOR'S REPORT

To the members of Atlas Pearls Ltd

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Atlas Pearls Ltd (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2026, 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 2026 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 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 audits of the financial report of public interest entities 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
As disclosed in Note 9, the Group's biological assets of $37.01 million comprised of seeded and unseeded oysters measured at fair value less costs to sell. The valuation of biological assets represents a significant proportion of the Group's total assets and requires management to apply significant judgement and estimation uncertainty. Key assumptions include expected pearl quality, future pearl prices, mortality rates, exchange rates, discount rates and forecast production volumes. Small changes in these assumptions can have a material impact on the valuation recognised in the financial statements. During the period, the Group recognised a reduction in the fair value of biological assets of $7.91 million, highlighting the sensitivity of the valuation to changes in market conditions and operational performance. Given the significance of the balance and the judgement involved in determining fair value, this was considered a key audit matter.	Our audit procedures included, but were not limited to: • Considering the appropriateness of the valuation methodology against the relevant Australian Accounting Standards; • Assessing the design and mathematical integrity of the valuation model, in conjunction with our valuation specialists; • Attending physical stocktake procedures and verifying a sample of oysters on hand at reporting date to the fair value model; • Challenging and assessing key assumptions used in the model, including forecast pearl prices, pearl quality assumptions, mortality rates, foreign exchange rates and discount rates; • Comparing key assumptions to historical operating results, market data and other available evidence; • Assessing the reasonableness of sensitivity analyses prepared by management; • Testing the completeness and accuracy of data inputs used in the valuation model; and • Evaluating the adequacy of the related disclosures in Note 9 to the financial report.

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 2026, 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/media/bwvjcgre/ar1_2024.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 paragraphs 14 to 14.5.4(D) of the directors' report for the year ended 30 June 2026.

In our opinion, the Remuneration Report of Atlas Pearls Ltd, for the year ended 30 June 2026, 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

Glyn O'Brien

Glyn O'Brien

Director

Perth, 25 August 2026

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FARM SITES

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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