4th September 2026

Update – Kobe Auction September 2026

Atlas Pearls Ltd (ASX: ATP) ("Atlas Pearls" or "the Company") is pleased to provide an update on an auction held in Kobe, Japan on 1st and 2nd September2026.

Highlights:

- Kobe auction in September 2026 sold 50,818 pieces at an average price of $75.90/piece.
- Total revenue $3.86million.
- Average Index Point per pearl sold was 29.67
- Average $/index point was $2.56, (down from $3.05 at the previous auction).

A total of 81,176 pearls were presented, with 50,818 pearls sold at an average price of $75.90/piece.

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

The composition and quality profile of goods offered at each auction can vary significantly and should be considered when comparing auction outcomes. The September 2026 auction achieved an average index of 29.67 per piece sold, compared with an average index of 18 for stock sold at the June 2026 auction, reflecting the higher quality profile of goods offered in September. The average price achieved per index point was $2.56, compared with $3.05 at the June 2026 auction.

	Dec-24	Apr-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sept-26
Av $/Pc	$73	$129	$86	$60	$80	$66	$55	$76
Av Index	21	32	21	18	30	22	18	30
Av $/IP	$3.50	$4.00	$4.00	$3.56	$2.61	$2.95	$3.05	$2.56

The auction achieved a sell-through rate of 63%. The unsold stock reflected bids that did not meet the Company's pricing expectations and has therefore been withheld from sale. The Company will review these goods and direct them to alternative sales channels where stronger returns are expected.

Demand for 8mm C-grade pearls was softer relative to other categories and represented the majority of stock withheld from sale. With prices for larger-sized pearls moderating, buyers have increasingly elected to purchase larger pearls at comparatively similar price levels. The Company will retain the 8mm C-grade stock and pursue sales opportunities through customer channels where demand for this product category remains strongest.

The average price achieved per pearl at this auction reflected the higher-quality profile of pearls offered. However, the value realised per Index Point is typically lower when the overall index weighting of the auction catalogue is higher.

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

"The September auction was well attended given its proximity to the upcoming Hong Kong Jewellery Fair, which impacted the attendance of some market participants. A total of 52 companies participated in the auction, either in person or through the Company's online trading platform, demonstrating continued interest in Atlas Pearls' South Sea pearl offering.

The auction outcome reflected the quality profile of the pearls offered and was broadly in line with the Company's expectations. We continue to closely monitor performance across all sales channels and optimise the allocation of product grades and qualities to maximise overall returns.

Buyer behaviour remained selective ahead of the Hong Kong Jewellery Fair, with many customers carrying higher inventory levels in preparation for the event. This was reflected in the broad distribution of successful bidders, with 27 buyers purchasing between one and multiple lots, primarily to meet specific product requirements rather than replenish inventory.

As previously noted, following the June auction, where the Company reported a modest improvement in harvest quality relative to the first half of FY26, this trend has continued through the first two months of FY27. While the improvement is encouraging, variations in quality remain inherent due to genetic diversity and harvest sequencing across the Company's farming operations.

The Company continues to generate satisfactory results through private sales channels and remains focused on expanding its private sales customer base to further strengthen channel diversification and sales resilience.

Following the Kobe auction, the Company will participate in the Hong Kong Jewellery Fair, where product will be offered through private appointments. As private sales become an increasingly important component of the Company's sales strategy, the quantity and mix of goods available at individual auctions may vary. Accordingly, comparisons between auction outcomes over time should be considered within the context of the Company's broader multi-channel sales approach.

Considering these factors, we consider the September auction results as satisfactory, and it met our expectations. "

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

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

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

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