

ATLAS PEARLS

ASX Release
9 November 2023

ANNUAL GENERAL MEETING CHAIRMAN'S ADDRESS

Good morning ladies and gentlemen. I am Geoff Newman, Chairman of Atlas Pearls Ltd (ASX:ATP) ("Atlas Pearls" or "the Company"). The time for the commencement of the meeting has passed and a quorum is now present. I therefore call the meeting to order and declare the 2023 Annual General Meeting for Atlas open for business. In accordance with the Constitution of the company, as Chairman of the Board of Directors, I will chair this meeting. I welcome you all and thank you for attending.

2022-23 was a year of significant achievements for the Company with sales in excess of \$27.2 million, normalised EBITDA of \$9.8 million, retirement of all term debt and a closing cash balance of \$7.8 million. That financial performance enabled us to pay a special dividend – the first since the early 2000's.

Strong demand and high prices for South Sea pearls were major contributors to the record performance which, combined with the wider reach and a more competitive on-line sales platform, saw prices in some categories two to three times higher than in the recent past.

Pearl quality, which reached a low point in the middle of the year stabilised and improved modestly in the latter part of the year but was still below long-term averages.

On behalf of the Board, I want to acknowledge our CEO Michael Ricci's considerable contribution to the advancement of Atlas Pearls over the last 12 months. By its nature pearling is an organic business with much of the expertise residing in long term industry stalwarts. But there is considerable scope for continuous improvement through better data analysis and the application of R&D findings from the growing field of marine science and we are increasingly employing this expertise in the management of the business.

Our improved financial position enabled Michael and his team to launch new initiatives to better position the company for future growth. These included:

- Formation of a data analytics team and a roll-out of sea monitoring devices to better understand the impacts of variations in marine conditions on pearl outcomes.
- Appointing new key personnel to fill some strategic gaps in the management team.
- Commencing the scoping and design of a new vessel to improve productivity.
- Gaining a better understanding our markets and identifying the opportunities to grow into them.
- Commencing negotiations to be granted a lease on a new farm site.
- Formalising our extensive ESG / CSR programs to better communicate to all stakeholders the considerable work we do within the communities where we operate.

The last few years have seen a remarkable turnaround in the Company's fortunes, and I want to thank all of our employees for their contribution to our significantly improved financial position.

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Finally, I also want to thank our shareholders – both those who have stuck with us through the lean years and those who have assessed that we have a bright future and have only recently joined us.

I look forward to your ongoing support.

We will now move to the formal proceedings of the meeting.

-END-

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

Investor & Media Queries:

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