



Charles & Colvard Partners with Ethara Capital to Expand Lab-Grown Diamond Offerings

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RESEARCH TRIANGLE PARK, N.C., Oct. 9, 2025 /PRNewswire/ -- [Charles & Colvard, Ltd.](#) (OTC: CTHR) (the "Company"), a globally recognized fine jewelry company that specializes in moissanite and lab-grown diamonds, today announced plans to expand its lab-grown diamond ("LGD") offerings to consumers as well as wholesale markets with the supply chain support from its strategic investor, Ethara Capital ("Ethara"), whose affiliates pioneered Chemical Vapor Deposition LGD manufacturing, and own and operate over 3,000 diamond-growing machines today.

In June, Ethara Capital announced a Convertible Secured Note Purchase Agreement with Charles & Colvard, and, in September, it converted the first 10% of its Note to the Company's common equity.

"As consumer awareness of lab-grown diamonds continues to accelerate, we see a significant opportunity to expand our LGD products to leverage on our online platforms and wholesale distribution channels to meet that growing demand," said Don O'Connell, President and CEO of Charles & Colvard. "We are excited to welcome Ethara and its affiliates as strategic investors and supply chain partners. Our partnership with Ethara Group, one of the largest growers in the LGD industry, brings to us an expanded, vertically integrated, and global supply chain of CVD lab-grown diamonds, and, we believe, will unlock tremendous growth opportunities for us," continued O'Connell.

This partnership and ensuing product expansion initiative will broaden the Company's Caydia[®] lab-grown diamond fine jewelry offerings with new bridal and fashion designs on [charlesandcolvard.com](#), and, for the first time, enable approved retailers to purchase lab-grown diamonds through the Company's B2B platform, [charlesandcolvarddirect.com](#).

Charles & Colvard Direct, the Company's online wholesale portal launched last year, will now allow approved retailers and independent jewelers to browse and purchase certified and non-certified loose lab-grown diamonds in a variety of shapes, carat weights, and grading profiles. The addition marks a natural expansion of the platform's existing offerings, which include the Company's Forever One[™] and Forever Bright[™] moissanite product brands.

"Our goal has always been to empower our partners and customers with exceptional, high-quality, and responsibly made gemstones," O'Connell continued. "By expanding our LGD jewelry assortments and offering loose stones through our wholesale platform, we're strengthening our positioning in the lab-grown category and giving our customers direct access to lab-grown gems with the quality and consistency they rely on from Charles & Colvard."

"Charles & Colvard has consistently led the charge in responsibly made gemstones and fine jewelry for decades," said Ruten Bhanderi, Managing Partner at Ethara Capital. "Our investment and supply chain partnership with the Company demonstrates our excitement and aligns with our commitment to support companies reshaping the diamond industry through continuing innovation and vertical integration. Together with our global diamond growing partners, we look forward to elevating Charles & Colvard to new heights as Made, not Mined[™] gemstones usher the world into a new diamond age characterized by affordability, quality, consistency, versatility, and social responsibility.

About Charles & Colvard, Ltd.

Charles & Colvard, Ltd. (OTC: CTHR) believes that fine jewelry should be as ethical as it is exquisite. Charles & Colvard is the original creator of lab-grown moissanite (a rare gemstone formed from silicon carbide). The Company brings revolutionary gems and fine jewelry to market by using exclusively *Made, not Mined*[™] above-ground gemstones and a dedication to 100% recycled precious metals. The Company's Forever One[™] moissanite and Caydia[®] lab-grown diamond brands provide exceptional quality, incredible value, and a conscious approach to bridal, high-fashion, and everyday jewelry. Charles & Colvard was founded in 1995 and is based in North Carolina's Research Triangle Park region. For more information, please visit [charlesandcolvard.com](#).

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Statements expressing expectations regarding our future and projections relating to our products, sales, revenues, and earnings are typical of such statements and are made under the Private Securities Litigation Reform Act of 1995. These forward-looking statements include, but are not limited to, statements about our plans, objectives, representations, and contentions and are not historical facts and typically are identified by use of terms such as "may," "will," "should," "could," "expect," "intend," "plan," "anticipate," "believe," "estimate," "predict," "continue," and similar words, although some forward-looking statements are expressed differently.

All forward-looking statements are subject to the risks and uncertainties inherent in predicting the future. You should be aware that although the forward-looking statements included herein represent management's current judgment and expectations, our actual results may differ materially from those projected, stated, or implied in these forward-looking statements as a result of many factors including, but not limited to, (1) the execution of our business plans could significantly impact our liquidity and there is substantial doubt about our ability to continue as a going concern; (2) our business and our results of operations could be materially adversely affected as a result of general economic and market conditions; (3) our future financial performance depends upon increased consumer acceptance, growth of sales of our products, and operational execution of our strategic initiatives; (4) we face intense competition in the worldwide gemstone and jewelry industry; (5) we are subject to certain risks due to our international operations, distribution channels and vendors; (6) we are currently dependent on a limited number of distributor and retail partners in our Traditional segment for the sale of our products; (7) seasonality of our business may adversely affect our net sales and operating income; (8) sales of moissanite and lab grown diamond jewelry could be dependent upon the pricing of precious metals, which is beyond our control; (9) our current customers may potentially perceive us as a competitor in the finished jewelry business; (10) if the e-commerce opportunity changes dramatically or if e-commerce technology or providers change their models, our results of operations may be adversely affected; (11) we are subject to arbitration, litigation and demands, which

could result in significant liability and costs, and impact our resources and reputation; (12) the financial difficulties or insolvency of one or more of our major customers or their lack of willingness and ability to market our products could adversely affect results; (13) negative or inaccurate information on social media could adversely impact our brand and reputation; (14) environmental, social, and governance matters may impact our business, reputation, financial condition, and results of operations; (15) If we fail to evaluate, implement, and integrate strategic acquisition or disposition opportunities successfully, our business may suffer; (16) as a public reporting company, we are subject to rules and regulations established from time to time by the SEC regarding our internal control over financial reporting. If we fail to establish and maintain effective internal control over financial reporting and disclosure controls and procedures, we may not be able to accurately report our financial results, or report them in a timely manner; (17) our recent delisting from The Nasdaq Stock Market and move to over the counter ("OTC") trading could limit the liquidity and price of our common stock; (18) we could be negatively affected as a result of a proxy contest or other actions of activist shareholders; (19) some anti-takeover provisions of our charter documents may delay or prevent a takeover of our Company; in addition to the other risks and uncertainties described in more detail in our filings with the U.S. Securities and Exchange Commission (the "SEC"), including our Annual Report on Form 10-K for the fiscal year ended June 30, 2024 and subsequent reports filed with the SEC. Forward-looking statements speak only as of the date they are made. We undertake no obligation to update or revise such statements to reflect new circumstances or unanticipated events as they occur except as required by the federal securities laws, and you are urged to review and consider disclosures that we make in the reports that we file with the Securities and Exchange Commission, or SEC, that discuss other factors relevant to our business.

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