



The Calmer Co International Limited
and its controlled entities
ACN 169 441 874

APPENDIX 4D
INTERIM FINANCIAL REPORT
FOR THE SIX MONTHS ENDED
31 DECEMBER 2024

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FINANCIAL REPORT

for the six months ended 31 December 2024

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RESULTS FOR ANNOUNCEMENT TO THE MARKET

for the six months ended 31 December 2024

<p>1 REPORTING PERIOD (item 1)</p> <ul style="list-style-type: none"> ■ Report for the period ended: 31 December 2024 ■ Previous corresponding period is half-year ended: 31 December 2023 																																										
<p>2 RESULTS FOR ANNOUNCEMENT TO THE MARKET</p> <ul style="list-style-type: none"> ■ Revenues from ordinary activities (item 2.1) ■ Loss from ordinary activities after tax attributable to members (item 2.2) ■ Loss for the period attributable to members (item 2.3) <p>a. Dividends (items 2.4 and 5)</p> <ul style="list-style-type: none"> ■ Interim dividend ■ Final dividend ■ Record date for determining entitlements to the dividend (item 2.5) <p>b. Brief explanation of any of the figures reported above necessary to enable the figures to be understood (item 2.6): Refer to the following Directors' Report, Financial Review section</p>	<p>Movement</p> <p>↑</p> <p>↑</p> <p>↑</p> <p>n/a</p>	<p>Percentage %</p> <p>206% to</p> <p>44% to</p> <p>48% to</p>	<p>Amount \$</p> <p>\$4,363,428</p> <p>\$2,347,013</p> <p>\$2,499,215</p> <table border="1" data-bbox="1005 694 1426 884"> <thead> <tr> <th>Amount per Security ₪</th> <th>Franked amount per security %</th> </tr> </thead> <tbody> <tr> <td>nil</td> <td>n/a</td> </tr> <tr> <td>nil</td> <td>n/a</td> </tr> </tbody> </table>	Amount per Security ₪	Franked amount per security %	nil	n/a	nil	n/a																																	
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<p>3 DIVIDENDS (item 6) AND RETURNS TO SHAREHOLDERS INCLUDING DISTRIBUTIONS AND BUY BACKS</p> <p>Nil.</p> <p>a. Details of dividend or distribution reinvestment plans in operation are described below (item 6): Not applicable</p>																																										
<p>4 RATIOS</p> <p>a. Financial Information relating to 4b:</p> <p>Loss for the period attributable to owners of the parent</p> <p>Net (liabilities)/assets</p> <p>Less: Intangible assets</p> <p>Net tangible (liabilities)/assets</p> <p>Fully paid ordinary shares</p> <p>b. Net tangible (liability)/assets backing per share (cents) (item 3):</p>	<table border="1"> <thead> <tr> <th>Current Period</th> <th>Previous Corresponding Period</th> </tr> </thead> <tbody> <tr> <td>\$</td> <td>\$</td> </tr> <tr> <td>2,499,215</td> <td>1,685,462</td> </tr> <tr> <td>2,111,891</td> <td>(487,630)</td> </tr> <tr> <td>(464,429)</td> <td>(471,341)</td> </tr> <tr> <td>1,647,462</td> <td>(958,971)</td> </tr> <tr> <td>No.</td> <td>No.</td> </tr> <tr> <td>2,540,852,779</td> <td>965,661,658</td> </tr> <tr> <td>₪</td> <td>₪</td> </tr> <tr> <td>0.06</td> <td>(0.10)</td> </tr> </tbody> </table>	Current Period	Previous Corresponding Period	\$	\$	2,499,215	1,685,462	2,111,891	(487,630)	(464,429)	(471,341)	1,647,462	(958,971)	No.	No.	2,540,852,779	965,661,658	₪	₪	0.06	(0.10)	<table border="1"> <thead> <tr> <th>Current Period</th> <th>Previous Corresponding Period</th> </tr> </thead> <tbody> <tr> <td>\$</td> <td>\$</td> </tr> <tr> <td>2,499,215</td> <td>1,685,462</td> </tr> <tr> <td>2,111,891</td> <td>(487,630)</td> </tr> <tr> <td>(464,429)</td> <td>(471,341)</td> </tr> <tr> <td>1,647,462</td> <td>(958,971)</td> </tr> <tr> <td>No.</td> <td>No.</td> </tr> <tr> <td>2,540,852,779</td> <td>965,661,658</td> </tr> <tr> <td>₪</td> <td>₪</td> </tr> <tr> <td>0.06</td> <td>(0.10)</td> </tr> </tbody> </table>	Current Period	Previous Corresponding Period	\$	\$	2,499,215	1,685,462	2,111,891	(487,630)	(464,429)	(471,341)	1,647,462	(958,971)	No.	No.	2,540,852,779	965,661,658	₪	₪	0.06	(0.10)
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RESULTS FOR ANNOUNCEMENT TO THE MARKET

for the six months ended 31 December 2024

5 DETAILS OF ENTITIES OVER WHICH CONTROL HAS BEEN GAINED OR LOST DURING THE PERIOD: (item 4)

- a. Control gained over entities
- Name of entities (item 4.1) n/a
 - Date(s) of gain of control (item 4.2) n/a
- b. Loss of control of entities
- Name of entities (item 4.1) n/a
 - Date(s) of gain of control (item 4.2) n/a
- c. Contribution to consolidated profit (loss) from ordinary activities after tax by the controlled entities to the date(s) in the current period when control was gained / lost (item 4.3). n/a
- d. Profit (loss) from ordinary activities after tax of the controlled entities for the whole of the previous corresponding period (item 4.3) n/a

6 DETAILS OF ASSOCIATES AND JOINT VENTURES: (item 7)

- Name of entities (item 7) n/a
- Percentage holding in each of these entities (item 7) n/a

- Aggregate share of profits (losses) of these entities (item 7)

Current Period	Previous Corresponding Period
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nil	nil
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7 The financial information provided in the Appendix 4D is based on the interim final report (attached), which has been prepared in accordance with Australian Accounting Standards.

8 The report is based on accounts which have been reviewed by the Company's independent auditor (item 9) and an unqualified review conclusion is issued.

CORPORATE DIRECTORY

DIRECTORS

John Homewood (Non-Executive Chairman)
Appointed 06 November 2024

James Dack (Non-Executive Chairman)
Appointed 29 September 2022
Resigned 05 November 2024

Zane Yoshida (Managing Director)
Appointed 20 December 2018

Anthony Noble (Non-Executive Director)
Appointed 20 December 2021

James S Tonkin (Non-Executive Director)
Appointed 31 January 2023

Griffon Emose (Non-Executive Director)
Appointed 31 January 2023

COMPANY SECRETARY

Natalie Climo
Appointed 18 January 2024

REGISTERED OFFICE

96 Victoria Street, West End
QLD 4101

CONTACT INFORMATION

Tel: +61429 210 031
accounts@thecalmerco.com

AUDITORS

Hall Chadwick Qld
Level 4, 240 Queen Street
Brisbane Qld 4000

SHARE REGISTRY

Automic Share Registry
Level 2, 267 St Georges Terrace
Perth WA 6000

1300 288 664 (Local)
+61 2 9698 5414 (International)

BANKER

ANZ Bank
94 Robinson Road East, Virginia.
QLD 4014, Brisbane, Aust.

PRINCIPAL PLACE OF BUSINESS

96 Victoria Street, West End
QLD 4101

POSTAL ADDRESS

PO Box 5864
Russell Street
West End QLD 4101

DIRECTORS' REPORT

The Directors of The Calmer Co International Limited (the **Company**) and its controlled entities (collectively the Group) present their report together with the consolidated financial statements for the six months ended 31 December 2024 and the review report thereon.

Directors

The Directors of the Company at any time during or since the end of the interim period are:

Director	Position	Date Appointed	Date Resigned
Mr John Homewood	Non-Executive Chairman	06 November 2024	
Mr James Dack	Non-Executive Chairman	29 September 2023	05 November 2024
Mr Zane Yoshida	Managing Director	20 December 2018	-
Dr Anthony Noble	Non-Executive Director	20 December 2021	-
Mr Griffon Emose	Non-Executive Director	31 January 2023	-
Mr James S Tonkin	Non-Executive Director	31 January 2023	-

The names of the secretaries in office at any time during the half-year are:

Company Secretary	Position	Date Appointed	Date Resigned
Natalie Climo	Company Secretary	18 January 2024	-

Operating and Financial Review

The Calmer Co. is a rapidly growing beverage company seizing global opportunities in kava and other natural products that promote relaxation, alleviate anxiety and improve sleep quality. Our diverse portfolio include brands such as Fiji Kava, Taki Mai and Danodan Hempworks, offering products which include functional beverages, drinking powders, shots, and concentrates. The company operates across eCommerce, retail, and B2B channels in Australia, the USA, and the Pacific.

The first half of FY25 has been a transformative period for the company, marked by exceptional revenue growth, strong operational performance, and strategic expansion efforts. The company has surpassed its full-year FY24 sales within the first two quarters, reinforcing our momentum and commitment to achieving sustainable, long-term growth.

With a balanced approach between eCommerce and retail sales, strategic inventory management, and controlled expenditure, The Calmer Co. is well-positioned to continue its growth trajectory and strategic expansion into US functional beverage markets.

Review of Operations & Financial Performance

- Revenue for H1 FY25: **AU\$4.36M (+206% YoY)**.
- Net Loss: **AU\$2.35M**, impacted by **inventory buildup** and **increased ad spend** on Australian eCommerce.
- Marketing and advertising costs increased due to the ramp-up in online ad spending for eCommerce in Australia, aimed at driving new customer acquisition during the period. This resulted in increasing our eCommerce customer database by **600% to greater than 50,000 customers**.

DIRECTORS' REPORT

- Employment costs increased due to increased headcount in the marketing and operations team to support online ads, content creation and fulfilment of increased demand via our eCommerce Australia and Amazon USA Channels.
- eCommerce sales accounted for **70% of total revenue**, including strong growth on **Amazon USA**. Organic demand for Kava on Amazon USA is forecasted to grow by 44% for FY25.
- Retail sales through **Coles Australia expanded**, with Taki Mai Kava Shots now available in **500+ stores**.
- Gross Profit for the half year **AU\$2.25M** maintaining a 52% Margin.
- Net cash flow used in operating activities was **AU\$2.69M** vs **AU\$1.67M** for the same period Prior Year. This change comprised mainly of finished and prepaid inventory build-up by **AU\$0.82M** for the respective period.
- Inventory increased from **AU\$1.05M** to **AU\$1.66M**, 58% increase. Additionally, a further **\$0.21M** was prepaid for new product launches planned for April 2025 via Amazon USA.
- As of 31 December 2024, the company had **\$2.16M** in cash

Significant Events During the Period

- Expansion into **Quick-Stop convenience stores in Australia**.
- **Factory upgrade at Navua facility in Fiji** to scale production capacity by **2.5x**.
- The company completed placements and rights issue of **968,905,964 shares to raise \$4,488,221** to support operations and growth.

Likely Future Developments & Outlook

- The company remains **on track to drive consistent year on year growth with a key focus in strategic channels in the USA**.
- Launch of **Taki Mai flavoured RTD shots and stick packs in the USA (April 2025)**.
- Commissioning of **Navua facility upgrade by April** to drive efficiency and margin improvement. The COGS is expected to improve by 12% having an overall improvement on margins due to savings in employment and testing cost.

Significant Events After the Reporting Date

- On the 6th of **February 2025**, the company announced that it had received an offer from the **Fiji Development Bank for FJ\$2.64m (AU\$1.8m)** to support the acquisition of the Navua facility.
- **Zane Yoshida transitioned from Executive Director to Managing Director from 1st February 2025 and Anthony Noble transitioned from Managing Director to Non-Executive Director at that time.**

The **first half of FY25** has been a period of **exceptional performance and strategic progress**, with The Calmer Co. exceeding expectations and setting the foundation for sustained growth.

With a **clear roadmap, strong product innovation pipeline, and a strengthened leadership team**, the company is **well-positioned to expand its market presence, enhance profitability, and continue delivering value to shareholders**.

We look forward to an exciting second half of the year and appreciate the continued support of our investors, customers, and stakeholders.

DIRECTORS' REPORT

Signed in accordance with a resolution of the Directors.

28th February 2025

Auditor's Independence Declaration

The auditor's independence declaration is set out on page 5 and forms part of the directors' report for the six months ended 31 December 2024.

Signed in accordance with a resolution of the directors:



Zane Yoshida

Managing Director

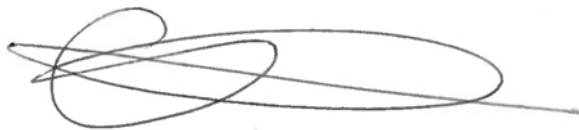
Dated at Brisbane this 28th day of February 2025.

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001 to the Directors of The Calmer Co International Limited

As lead auditor for the review of the financial statements of The Calmer Co International Limited for the financial half-year ended 31 December 2024, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- i) the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- ii) any applicable code of professional conduct in relation to the review.

This declaration is in respect of The Calmer Co International Limited and the entities it controlled during the financial period.



Clive Massingham
Hall Chadwick QLD
Chartered Accountants

Signed this 28th day of February 2025

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CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the six months ended 31 December 2024

	Note	For the six months ended	
		31 December 2024 \$	31 December 2023 \$
<i>Continuing operations</i>			
Revenue	3	4,363,428	1,423,917
Cost of Sales		(2,113,633)	(626,504)
Gross Profit / (Loss)		2,249,795	797,413
Other Income		9,453	31,079
Administrative expenses		(392,851)	(365,045)
Depreciation		(101,635)	(103,786)
Employment expenses		(1,212,908)	(707,817)
Employee share incentive expense		(376,000)	-
Research and development expenses		(1,788)	(10,283)
Marketing expense		(1,893,551)	(523,519)
Other expenses		(518,848)	(682,510)
Operating loss		(2,238,333)	(1,564,468)
Finance costs		(108,680)	(69,736)
Net finance costs		(108,680)	(69,736)
Loss before tax		(2,347,013)	(1,634,204)
Income tax expense		(11,287)	-
Loss from continuing operations		(2,358,300)	(1,634,204)
Loss for the period		(2,358,300)	(1,634,204)
Other comprehensive income/(expense)			
Foreign exchange translation differences		(140,915)	(51,258)
Total comprehensive loss for the period		(2,499,215)	(1,685,462)
Earnings per share			
Basic and diluted loss per share (cents per share)	5	(0.11)	(0.22)

The notes on pages 10 to 16 are an integral part of these condensed consolidated interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 31 December 2024

	Note	31 December 2024 \$	30 June 2024 \$
Current assets			
Cash and cash equivalents	7	2,157,370	1,099,017
Trade and other receivables	8	156,899	636,164
Inventories	9	1,657,313	1,251,427
Prepayments		630,376	89,481
Total current assets		4,601,958	3,076,089
Non-current assets			
Property, plant and equipment	10	578,841	570,468
Intangible assets		464,429	466,830
Right of use assets		202,408	221,213
Total non-current assets		1,245,678	1,258,511
Total assets		5,847,636	4,334,600
Current liabilities			
Trade and other payables	11	1,234,562	2,436,289
Provisions	12	144,751	116,616
Deferred revenue		50,393	27,029
Borrowings	13	538,259	447,877
Lease liability		49,273	226,608
Total current liabilities		2,017,238	3,254,419
Non-current liabilities			
Loans and Borrowings	13	1,546,472	1,538,028
Lease liabilities		162,700	-
Deferred tax liabilities		9,335	8,994
Total non-current liabilities		1,718,507	1,547,022
Total liabilities		3,735,745	4,801,441
Net assets / (liabilities)		2,111,891	(466,841)
Equity			
Share capital	4	33,595,256	28,767,266
Reserves		267,615	158,573
Accumulated losses		(31,750,980)	(29,392,680)
Total equity		2,111,891	(466,841)

The notes on pages 10 to 16 are an integral part of these condensed consolidated interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the six months ended 31 December 2024

	Attributable to owners of the Company					Total Equity
	Share capital	Accumulated Loss	Foreign Exchange Reserve	Option Reserve	Business Combination Reserve	
Balance at 30 June 2024	28,767,266	(29,392,680)	(208,825)	303,219	64,179	(466,841)
<i>Total comprehensive income / (loss) for the period:</i>						
Loss for the period	-	(2,358,300)	-	-	-	(2,358,300)
Options issued				21,839		21,839
Other comprehensive income / (loss)	-	-	87,203		-	87,203
Total comprehensive income / (loss) for the period	-	(2,358,300)	87,203	21,839	-	(2,249,258)
<i>Transactions with owners of the Company:</i>						
Issue of ordinary shares (net)	4,124,789	-	-	-	-	4,124,789
Equity-settled share-based payments	703,200	-	-	-	-	703,200
Total transactions with owners of the Company	4,827,989	-	-	-	-	4,827,989
Balance as at 31 December 2024	33,595,255	(31,750,980)	(121,622)	325,058	64,179	2,111,891
Balance at 30 June 2023	25,389,905	(25,555,646)	(234,195)	248,230	64,179	(87,527)
PY Error Adjustment	(252,133)	(110,379)	-	-	-	(362,512)
Balance at 30 June 2023 (Restated)	25,137,772	(25,666,025)	(234,195)	248,230	64,179	(450,039)
<i>Total comprehensive income / (loss) for the period:</i>						
Loss for the period	-	(1,634,204)	-	-	-	(1,634,205)
Other comprehensive income / (loss)	-	-	(51,258)	-	-	(51,258)
Total comprehensive income / (loss) for the period	-	(1,634,204)	(51,258)	-	-	(1,685,463)
<i>Transactions with owners of the Company:</i>						
Issue of ordinary shares (net)	1,466,554	-	-	-	-	1,466,554
Equity-settled share-based payments	181,317	-	-	-	-	181,317
Total transactions with owners of the Company	1,647,871	-	-	-	-	1,647,871
Balance as at 31 December 2023	26,785,643	(27,300,229)	(285,453)	248,230	64,179	(487,630)

The notes on pages 10 to 16 are an integral part of these condensed consolidated interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

for the six months ended 31 December 2024

	For the six months ended	
	31 December 2024	31 December 2023
Note	\$	\$
Cash flows from operating activities		
Cash receipts from customers	5,302,400	1,500,938
Cash paid to suppliers and employees	(6,677,612)	(2,975,776)
Payments for advertisement and marketing	(1,207,695)	(127,303)
Income tax paid	341	-
Net cash used by operations	(2,582,566)	(1,602,141)
Interest Payment	(108,680)	(67,741)
Net cash used in operating activities	(2,691,246)	(1,669,882)
Cash flows from investing activities		
Acquisition of property, plant and equipment	(84,484)	(8,222)
Prepaid suppliers for plant and equipment	(351,775)	-
Acquisition of intangible assets	(23,123)	-
Net cash used in investing activities	(459,382)	(8,222)
Cash flows from financing activities		
Proceeds from the issue of ordinary shares	4,124,790	1,466,554
Net Proceeds from borrowings	84,191	362,281
Net cash from by financing activities	4,208,981	1,828,835
Net (decrease)/increase in cash and cash equivalents	1,058,353	150,731
Cash and cash equivalents at 1 July	1,099,017	462,151
Cash and cash equivalents at 31 December	2,157,370	612,882
	7	

The notes on pages 10 to 16 are an integral part of these condensed consolidated interim financial statements.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

for the six months ended 31 December 2024

1. Reporting Entity

The Calmer Co. International Limited (the “**Company**”) is a company domiciled in Australia. These condensed consolidated interim financial statements (“interim financial statements”) as at and for the six months ended 31 December 2024 comprise the Company and its subsidiaries (together referred to as the ‘Group’). The Group is primarily involved in manufacture and sale of kava and kava related products.

The consolidated annual financial statements of the Group as at and for the half year ended 31 December 2024 are available upon request from the Company’s registered office at 96 Victoria Street, West End QLD 4101

2. Basis Of Preparation

These interim financial statements are general purpose financial statements prepared in accordance with AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*, and with IAS 34 *Interim Financial Reporting*.

They do not include all the information required for a complete set of annual financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance since the last annual consolidated financial statements as at and for the year ended 30 June 2024.

These interim financial statements were authorised for issue by the Company’s Board of Directors on 28 February 2025.

2.1. Use Of Judgements and Estimates

In preparing these interim financial statements, Management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of the assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgments made by Management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual financial statements.

2.2. Going Concern

The Financial Report has been prepared on the going concern basis that contemplates the continuity of normal business activities and the realisation of assets and extinguishment of liabilities in the ordinary course of business. During the six months ended 31 December 2024, the Group made a loss before tax of \$2,347,013 and has accumulated losses of \$31,750,980. As at 31 December 2024, the Group has a net current assets position of \$2,584,720 including a cash position of \$2,157,370. Based on the Group’s cash flow forecast, the projected net current asset position provides approximately 6 months of funding, without including the benefit of continued revenue improvement which is expected to increase during FY 2025.

The Group’s cash flow forecast shows that despite the projected growth in sales, it is likely that the Group will need to access additional working capital in the next few months to support and implement the Group’s goals and objectives. The directors are confident that the Group will be successful in raising additional funds through the issue of new equity and/or debt as they have been successful in raising equity in previous periods.

Based on these facts, the directors consider the going concern basis of preparation to be appropriate for this financial report. Should the Group be unsuccessful in raising additional funds through the issue of new equity,

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

for the six months ended 31 December 2024

there is a material uncertainty which may cast significant doubt whether the Group will be able to continue as a going concern and therefore, whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

The financial statements do not include any adjustments relative to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the Group not continue as a Going Concern.

3. Revenue

The Group's operations and main revenue streams are those described in the last annual financial statements. The Group's revenue is derived from contracts with customers.

	31 December 2024 \$	31 December 2023 \$
Revenue from contracts with customers	4,363,428	1,423,917
	<u>4,363,428</u>	<u>1,423,917</u>

4. Issued Capital

	31 December 2024 No.	30 June 2024 No.
Fully paid ordinary shares	2,540,852,779	1,485,480,742

a. Issue of ordinary shares

The following ordinary shares were issued and fully paid during the period:

Date	Number of shares	Price per share	Details
02-Jul-2024	661,212,112	\$ 0.00400	Placement
30-Jul-2024	5,231,724	\$ 0.00600	Placement
30-Jul-2024	1,395,149	\$ 0.00400	Placement
03-Sep-2024	47,000,000	\$ 0.00800	Issue of Shares to Directors
03-Sep-2024	1,000,001	\$ 0.00600	Placement
20-Sep-2024	66,666	\$ 0.00600	Placement
07-Nov-2024	3,000,000	\$ 0.00600	Share option exercised
27-Nov-2024	5,000,000	\$ 0.00800	Shares issued for services
09-Dec-2024	11,428,572	\$ 0.00700	Shares issued to directors.
09-Dec-2024	20,037,501	\$ 0.00400	Right issue and shares issued for services.
11-Dec-2024	300,000,312	\$ 0.00600	Placement

b. Dividends

No dividends were declared or paid by the Company during the period (2023: \$Nil)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

for the six months ended 31 December 2024

5. Earnings Per Share

	31 December 2024 \$	31 December 2023 \$
Reconciliation of earnings to profit or loss		
Loss for the period	(2,358,300)	(1,634,204)
Loss used in the calculation of basic and diluted EPS	(2,358,300)	(1,634,204)
Weighted average number of ordinary shares outstanding during the period used in the calculation of basic EPS	2,214,307,931	752,237,155
Loss per share		
Basic and diluted loss per share (cents per share)	(0.11)	(0.22)

6. Financial Instruments

6.1. Capital Risk Management

The Group manages its capital to ensure that it will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The Group's overall strategy remains unchanged.

Gearing levels are reviewed by the Board on a regular basis in line with its target gearing ratio, the cost of capital and the risks associated with each class of capital.

6.2. Fair Value

At 31 December 2024, there are no financial assets or financial liabilities which are accounted for at fair value. Carrying amounts approximate the fair value of financial assets and financial liabilities presented in the consolidated Statement of Financial Position.

7. Cash and Cash Equivalents

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and in banks. Cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows can be reconciled to the related items in the statement of financial position as follows:

	31 December 2024 \$	30 June 2024 \$
Cash at bank	2,125,704	1,067,351
Term deposits	31,666	31,666
	<u>2,157,370</u>	<u>1,099,017</u>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

for the six months ended 31 December 2024

8. Trade And Other Receivables

	31 December 2024 \$	30 June 2024 \$
Current		
Trade receivables	99,785	562,468
Other receivables	30,338	16,822
GST receivables	26,776	56,874
	<u>156,899</u>	<u>636,164</u>

9. Inventories

	31 December 2024 \$	30 June 2024 \$
Raw material	225,618	140,509
Finished goods	1,431,695	1,110,918
	<u>1,657,313</u>	<u>1,251,427</u>

10. Property, Plant and Equipment

	31 December 2024 \$	30 June 2024 \$
Green House		
Cost	171,166	164,904
Accumulated depreciation	(47,394)	(37,597)
Carrying amounts	<u>123,772</u>	<u>127,307</u>
Plant and Equipment		
Cost	550,476	521,221
Accumulated depreciation	(262,806)	(227,991)
Carrying amounts	<u>287,670</u>	<u>293,230</u>
Motor vehicle		
Cost	166,626	140,806
Accumulated depreciation	(112,273)	(104,766)
Carrying amounts	<u>54,353</u>	<u>36,040</u>
Furniture and Fittings		
Cost	188,491	177,424
Accumulated depreciation	(75,444)	(63,532)
Carrying amounts	<u>113,047</u>	<u>113,892</u>
Totals		
Cost	<u>1,076,759</u>	<u>1,004,355</u>
Accumulated depreciation	<u>(497,918)</u>	<u>(433,886)</u>
Carrying amounts	<u>578,841</u>	<u>570,469</u>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

for the six months ended 31 December 2024

11. Trade And Other Payables

	31 December 2024 \$	30 June 2024 \$
Current		
Trade and other payables	786,441	1,124,241
Shares subscription funds received in advance	-	663,960
Other payables	84,111	217,485
Accrued expenses	364,010	430,603
	<u>1,234,562</u>	<u>2,436,289</u>

12. Provisions

	31 December 2024 \$	30 June 2024 \$
Current		
Employee benefits – annual leave provisions	144,751	116,616

13. Loans And Borrowings

	31 December 2024 \$	30 June 2024 \$
Current		
Other Borrowings	533,066	447,877
SBA Loan	5,193	
	<u>538,259</u>	<u>447,877</u>
Non-Current		
Convertible notes	1,320,259	1,320,259
SBA Loan	226,213	217,769
	<u>1,546,472</u>	<u>1,538,028</u>

14. Segment Reporting

Basis for operating segments

The Group has the following three reportable segments namely Fiji Kava Inc (USA), South Pacific Elixirs Pte Limited and Fiji Kava Australia Trading Pty Ltd. These reportable segments operate in two different geographical areas.

The following summary describes the operations of each reportable segment.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

for the six months ended 31 December 2024

Reporting segments	Operations
Fiji Kava Inc (USA)	Marketing and Selling of products in the United States of America
Fiji Kava Australia Trading Pty Ltd	Marketing and Selling of products in Australia
South Pacific Elixirs Pte Limited	Sourcing and manufacturing of kava products in Fiji
Others	Marketing and Selling of products other than Australia and Fiji

Information about reportable segments

Information related to each reportable segment is set out below. Segment profit (loss) before tax is used to measure performance because management believes that this information is the most relevant in evaluating the results of the respective segments relative to other entities that operate in the same industries.

31 December 2024	USA \$	Australia \$	Fiji \$	Other \$	Total \$
External revenues	923,435	3,273,694	166,299	-	4,363,428
Inter-segment revenue	8,657	17,210	1,802,624	-	1,828,490
Segment profit (loss) before tax	(63,403)	(524,298)	60,466	(1,819,778)	(2,347,013)
Segment assets	1,101,667	1,226,619	3,380,444	138,906	5,847,636
Segment Liabilities	(1,047,183)	(1,895,259)	(677,111)	(116,192)	(3,735,745)

31 December 2023	USA \$	Australia \$	Fiji \$	Other \$	Total \$
External revenues	685,477	598,766	139,674	-	1,423,917
Inter-segment revenue	-	24,880	389,729	-	414,609
Segment profit (loss) before tax	(34,742)	(257,133)	(171,745)	(1,170,584)	(1,634,204)
Segment assets	846,102	540,545	1,594,170	191,353	3,172,170
Segment Liabilities	(576,158)	(577,402)	(544,135)	(1,962,105)	(3,659,800)

Commitments And Contingent Liabilities

15.1 Commitments

No commitments exist as at the date of this report.

15.2 Contingent Assets and Liabilities

15.2.1 Contingent Liabilities

No contingent liabilities exist as at the date of this report.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

for the six months ended 31 December 2024

15.2.2 Contingent Assets

No contingent assets exist as at the date of this report.

16 Subsequent Events

The company on the 6th of February 2025, announced that it had received an offer from the Fiji Development Bank (FDB) for FJ\$2.64m (AU\$1.8m) to support the acquisition of the Navua facility.

Zane Yoshida transitioned from Executive Director to Managing Director from 1st February 2025 and Anthony Noble transitioned from Managing Director to Non-Executive Director at that time.

17 Related Parties

The Company issued the following shares to Directors in September and December 2024, in line with shareholder approval in the Annual General Meeting for Directors Fees and Salary not taken as cash.

Mr James Tonkin	5,714,286 shares
Mr Zane Yoshida	20,000,000 shares
Mr Griffon Emose	5,714,286 shares
Dr Anthony Noble	15,000,000 shares

- All shares issued to Anthony and Zane as part of employee incentives securities program.
- 30,000,000 plan shares held in ESCROW under the Loan Funded Share Scheme (LFSS) used to remunerate James Dack were cancelled in February 2025 in line with the rules of the LFSS.

18 Significant Accounting Policies

The accounting policies applied in these interim financial statements are the same as those applied in the Group's consolidated financial statements as at and for the year ended 30 June 2024.

DIRECTORS' DECLARATION

In the opinion of the Directors of The Calmer Co International Limited (the **Company**):

1. the condensed consolidated financial statements and notes set out on pages 6 to 16, are in accordance with the Corporations Act 2001 including:
 - a. giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the six month period ended on that date and
 - b. complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Regulations 2001 and
2. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors:



Zane Yoshida

Managing Director

Dated at Brisbane this 28th day of February 2025

Independent Auditor's Review Report

To the members of The Calmer Co International Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of The Calmer Co International Limited (the Company) and its controlled entities (collectively the Group), which comprises the consolidated statement of financial position as at 31 December 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the Corporations Act 2001 including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report. We are independent of the Company 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 our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Material Uncertainty Related to Going Concern

We draw attention to Note 2.2 of the financial statements which indicates that the group incurred a loss before tax of \$2,347,013, has accumulated losses of \$31,750,980 and retained a net current assets position of \$2,584,720. As stated in Note 2.2, these events or conditions, along with other matters set forth in Note 2.2, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Responsibility of the Directors for the Financial Report

The directors of the Group are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the

Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

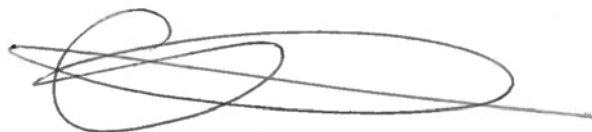
Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Corporations Act 2001 including giving a true and fair view of the Company's financial position as at 31 December 2024 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001.



HALL CHADWICK QLD

Clive Massingham
Hall Chadwick QLD
Chartered Accountants

Signed this 28th day of February 2025