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ASX RELEASE

The Calmer Co Grows Wholesale Channel to USA Kava Bars in Partnership with Leilo

07 May, 2025. Brisbane: **The Calmer Co. International Limited (ASX:CCO)**, a beverage company focused on kava and other natural products that support relaxation, aid sleep, and offer an alternative to alcohol, is pleased to announce that it has **executed a non-binding Memorandum of Understanding (MoU) with Leilo**, a leading US based functional beverage company specialising in kava based relaxation drinks.

Highlights

- The Calmer Co enters the US kava bar wholesale channel with an agreement to supply high grade noble kava powders, sourced from across the South Pacific to Leilo
- **Phase 1 pilot supply is targeted for launch in Q4FY25**. This will establish the pathway to a formal long term Supply Agreement.
- Wholesale revenue increased by 49% in Q3, underpinned by orders from IMCD and Two Valley. This partnership extends this rapid growth of the wholesale channel into the high growth US kava bar market.

The collaboration will initially focus on a pilot supply phase, during which The Calmer Co. will provide a range of noble kava powder formats from Fiji and across the South Pacific to Leilo to distribute to its various kava bar partners.

The parties plan to proceed into a full **Supply Agreement on successful completion of the pilot**, under which The Calmer Co. would become a key supplier to Leilo's network of kava bar customers in the USA.

The kava bar market is growing rapidly in the USA. **There are up to 500 kava bars in the United States** with the Florida leading the retail kava bar growth as consumers switch to no alcohol alternative beverages. It is estimated that each bar on average consumes 20-30kg of traditional noble kava powder per month.

Both parties have also agreed to **non-circumvention** terms regarding each other's customers and suppliers, reinforcing the trusted nature of the partnership.





Founder & CEO, **Zane Yoshida**, said, 'We are pleased to announce our strategic collaboration with Leilo. This partnership marks a significant step for The Calmer Co as we expand our presence in the North American wholesale market.

Leveraging over 15 years of expertise in vertically integrated kava supply, a capability that sets us apart and is challenging to replicate, this alliance underscores our commitment to delivering high quality noble kava products to a burgeoning consumer market in the USA.

We look forward to formalising this agreement and working closely with Leilo to bring the benefits of noble kava to more consumers"

Founder & CEO, **Sol Broady**, commented: "At Leilo, we are committed to sustainably growing the US kava market with the highest quality material we can find. Partnering with The Calmer Co, a global leader in noble kava production, enables us to better support our kava bar partners with a diversified and lab-tested range of high-quality kava from around the Pacific.

By adding The Calmer Co. to our existing roster of top-tier suppliers from around the world, we are able to better hedge against supply chain shocks and tariffs, ensuring we maintain consistent and economical offerings to the US market.

We are excited about the opportunities this collaboration presents and the shared vision for expanding the reach of kava based wellness solutions."

Memorandum of Understanding	
Counter Party	Leilo Inc
Term	60 days
Termination Clause	30 days notice by either party
Conditions	Acceptance of sample material provided by 30 June 2025

About Leilo Inc.

Leilo is the leading U.S. brand for kava-powered relaxation, offering a full portfolio of ready to drink cans, powdered mixes, and traditional kava products sold online and in retailers nationwide. Beyond consumer goods, Leilo also operates a robust wholesale division, supplying premium, lab-tested noble kava to many of the country's top kava bars. From a single can at home to bulk root powder behind the bar, Leilo sets the standard for safe, consistent, and delicious kava experiences. More information is available at <u>www.leilowholesale.com</u>.

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About The Calmer Co.

The Calmer Co. International Limited (ASX: CCO) provides natural solutions to calm nerves, support mind and muscle relaxation, and induce sleep. The product range includes drinking powders, liquid shots, concentrates, and capsules sold under the house of brands: Fiji Kava, Taki Mai, and Danodan Hempworks, in markets including the USA, Australia, China, New Zealand, and Fiji. The company also distributes Leilo's kava-based RTD products in Fiji.

More information is available at <u>www.thecalmerco.com</u>.

Forward-Looking Statements

This ASX release includes certain forward-looking statements that are based on information and assumptions known to date and are subject to various risks and uncertainties. Actual results, performance or achievements could be significantly different from those expressed in, or implied by, these forward-looking statements. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, and other factors, many of which are beyond the control of The Calmer Co. These factors may cause actual results to differ materially from those expressed in the statements contained in this announcement.

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