



# Annual Report **2024/25**







**Our vision is to lead the world in plant-based wellness products that deliver calm, balance, and well-being.**

Anchored by a world-class supply chain spanning the Pacific, we source the finest noble kava and other natural ingredients to produce premium, science-backed products for consumers worldwide. From our state-of-the-art facility in Navua to advanced eCommerce platforms and growing retail footprints, we are scaling a sustainable business that connects tradition with modern wellness innovation.

FY25 marked a milestone year as we expanded into high-growth channels, from Amazon USA to leading Australian retailers, while advancing our wholesale and extract businesses to capture global demand.





# THE CALMER CO.



## DIRECTORS

**John Homewood** (Non-Executive Chairman) –  
appointed 6 November 2024

**Zane Yoshida** (Managing Director) –  
appointed 20 December 2018

**Anthony Noble** (Non-Executive Director) –  
appointed on 20 December 2021

**James Tonkin** (Non-Executive Director) –  
appointed 30 January 2023

**Griffon Emose** (Non-Executive Director) –  
appointed 30 January 2023

## COMPANY SECRETARY

Natalie Climo

## REGISTERED OFFICE

96 Victoria Street  
West End QLD 4101

## CONTACT INFORMATION

Tel: +61 7 3844 1010

## AUDITORS

Hall Chadwick QLD  
Level 4, 240 Queen Street  
Brisbane QLD 4000  
GPO Box 389  
Brisbane QLD 4001

## SHARE REGISTRY

Automatic Share Registry  
Level 2, 267 St Georges Terrace  
Perth WA 6000  
1300 288 664 (Local)  
+61 2 9698 5414 (International)

## BANKER

ANZ  
94 Robinson Road East Virginia QLD 4014

## PRINCIPAL PLACE OF BUSINESS

96 Victoria Street  
West End QLD 4101

## POSTAL ADDRESS

PO Box 5864, 77-75 Russell Street, West  
End, Queensland, 4101



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# Message from the Chairman



FY25 has been a transformative year for The Calmer Co. International, marked by record revenue growth, expanding retail and eCommerce channels, and the early success of our wholesale kava extract formats.

Our progress has been anchored by four strategic pillars: regional supply chain and manufacturing excellence, profitable retail expansion, direct-to-consumer growth via Amazon and Acuity-powered platforms, and wholesale B2B ingredient sales. Together, these pillars are shaping a more scalable, diversified, and resilient business model.

During my visit to our Navua processing facility in Fiji, I had the opportunity to meet directly with our farming partners and see firsthand the quality, care, and commitment that go into every batch of kava we produce. It was clear that we are blending

Pacific tradition with modern manufacturing standards to deliver products that meet the highest global quality expectations.

With strong momentum in the USA and Australia, new product innovation underway, and a focus on high-margin channels, we are building the foundations for sustainable growth and profitability.

On behalf of the Board, I would like to thank our shareholders, employees, and partners for their continued support as we pursue our mission to become the world's leading kava company.

**John Homewood**  
Chairman



# CEO & Founder Report



**“As we conclude FY2025 I’m filled with a deep sense of gratitude and excitement for the journey we’ve embarked on together.”**

## **OUR EVOLUTION AND VISION**

The Calmer Co International began with a singular mission: to share the calming properties of kava with the world, rooted in the rich traditions of the Pacific Islands. Over the past year, this mission has grown in scope and ambition.

In FY25, we have continued evolving beyond our origins in Fiji Kava, building a diversified wellness company with a global footprint. Our portfolio now spans multiple kava formats, from ready-to-drink functional beverages to high-potency CO<sub>2</sub> and water-based extracts, designed to meet the rapidly growing global demand for natural, effective, and ethically sourced relaxation products.



# CEO & Founder Report

This transformation has been underpinned by our four strategic pillars:

1. Regional Supply Chain and Manufacturing Excellence & Innovation
2. Scalable and Profitable Retail Channel
3. Direct-to-Consumer Growth via [www.fijikava.com](http://www.fijikava.com), [www.takimai.com](http://www.takimai.com), and Amazon USA/Australia
4. Wholesale and Bulk Ingredients, including kava extracts through IMCD subsidiary Network Nutrition

Through each of these pillars, we have positioned The Calmer Co at the intersection of tradition, innovation, and wellness, a platform ready to scale.

## A YEAR OF GROWTH AND EXECUTION

FY25 has been a year of record-breaking milestones and operational progress:

- **Revenue Growth:** We achieved full-year audited revenue exceeding \$8 million, up 86% year-on-year, driven by record Direct to Consumer online channel, including Amazon USA sales, retail expansions into Woolworths and Coles, and our growing wholesale business.
- **Retail Channel Expansion:** Fiji Kava® and Taki Mai® products are now available in over 1,600 major retail outlets across Australia, including national rollouts with Coles and Woolworths, cementing our leadership in the functional relaxation category.
- **Direct-to-Consumer Acceleration:** The migration to the Acuity digital platform has enabled scalable e-commerce growth, while Amazon USA sales grew over 56% YoY, with subscriptions now representing nearly a third of total Amazon sales.
- **Wholesale & Extracts:** Our investment in advanced extraction technology and global B2B distribution channels is unlocking the market for high-potency kava extracts, with our first commercial-scale CO<sub>2</sub> production run now successfully completed.

Operationally, our Navua facility in Fiji has been strengthened to support future growth, with upgrades completed to meet expanding export demand and evolving quality standards.

## FINANCIAL DISCIPLINE & MARGIN GAINS

Alongside revenue growth, we have sharpened our focus on profitability and cost control. FY25 saw:

- Gross profit improvement quarter-on-quarter
- Operating expense reductions in non-sales functions
- Strategic investments in marketing and digital infrastructure directly linked to revenue growth

This disciplined approach has laid the foundation for sustainable margin expansion in FY26 and beyond.

## LOOKING AHEAD

As we enter FY26, our focus shifts from transformation to scale. Key priorities include:

- Launching new kava-based functional beverages for global markets
- Expanding our Amazon USA and wholesale footprints
- Optimising Fiji facility upgrades to support growing global demand
- Driving towards profitable growth through high-margin channels

The global wellness market continues to expand, and The Calmer Co is now positioned as a pioneer in natural relaxation solutions, ready to capitalise on both consumer demand and international distribution opportunities.

## A HEARTFELT THANK YOU

To our team members, whose dedication spans Australia, Fiji, and North America; to our retail and wholesale partners; to our investors for their belief in our vision; and to our customers around the world, thank you.

Your support has enabled us to transform The Calmer Co into a business with strong foundations, a clear strategy, and global ambition. Together, we are building a future of calm, balance, and lasting impact.

Vinaka Vakalevu,



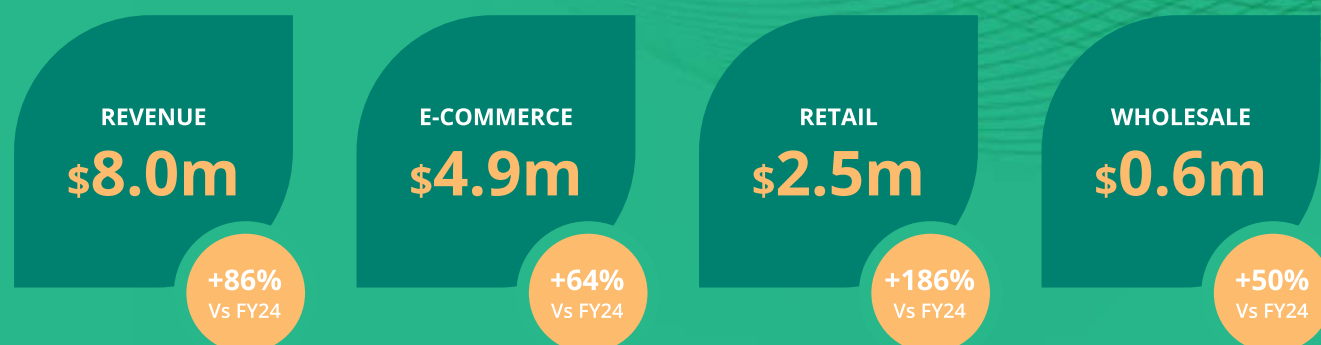
**Zane Yoshida**  
Founder & CEO  
The Calmer Co International

# Company Overview





# Company Snapshot



## FY25 HIGHLIGHTS



### ESTABLISHING GROWING, PROFITABLE E-COMMERCE SALES

E-commerce, through both Direct-to-Consumer (DTC) platforms and Amazon, has now been firmly established as a cornerstone revenue stream for The Calmer Co (up 64% on FY24). This channel enables rapid route-to-market access for new product development (NPD) while delivering a controllable, positive gross margin profile.

Amazon USA remains the immediate priority, with revenue growth of 56% on FY24 reflecting strong consumer demand in a market valued at USD 45 million in FY24, projected to grow by +40% over the coming year. Alongside Amazon, we continue to expand other online channels profitably, ensuring e-commerce remains a scalable and sustainable growth engine for the business.



### AUSTRALIAN RETAIL LAYS THE BLUEPRINT FOR GLOBAL EXPANSION

Australian retail momentum accelerated in FY25, with Coles extending ranging across all three SKUs (a 100% increase in distribution points) and Woolworths adding nearly 1,000 stores nationally in June 2025. These milestones have transformed kava from a niche product into a national grocery item and an accepted natural health alternative.

Importantly, the successful June 2025 price increase lifted gross margins in the retail channel, demonstrating the channel's capacity for sustainable profitability while building consumer awareness and mainstream adoption—a model now being assessed for international retail expansion.



### EMERGING WHOLESALE CHANNEL AS A CORE REVENUE DRIVER

The wholesale channel has matured into a core pillar of long-term growth (up 50% in FY25), underpinned by the IMCD complementary medicine market and the addition of high-potency CO<sub>2</sub> kava extracts to the product portfolio.

This channel enables The Calmer Co to leverage vertical integration and expand the consumption of kava into food & beverage ingredients, nutraceuticals, and bulk raw supply, positioning the company to capture multiple segments of the growing global wellness market.



### ANNUAL SALES BREAK \$8M IN FY25

The simultaneous development of e-commerce, retail, and wholesale channels, supported by ongoing investment in regional supply chain and manufacturing excellence, delivered record revenue exceeding \$8 million in FY25, representing 86% growth year-on-year.



# Geographic Analysis

## AMERICAS MARKET – FAST APPROACHING #1 POSITION

The Americas market continues to expand rapidly, now representing 28% of total revenue, up 35% from FY24. With a clear focus on Amazon's extensive reach, supported by a streamlined supply chain and a growing portfolio of market-relevant products, the region is on track to become the #1 market by early FY26.

Significant investments made in FY25 have established:

- A comprehensive product portfolio spanning traditional and instant kava powders, capsules, RTDs, tinctures, and a new flavoured powders range set for launch in early FY26.
- Entry into the B2B bulk raw kava market and expansion into higher potency CO<sub>2</sub> extracts, targeting both the functional beverage and complementary medicine segments.

## OCEANIA MARKET – STRENGTHENING RETAIL & ONLINE PRESENCE

The Oceania region continues to convert early strong volumes into profitable channels through improved pricing and promotional strategies, contributing 50% of regional revenue and 72% of total revenue.

Key growth drivers include:

- A full year of distribution in Australia's two largest retailers, Woolworths and Coles, with the FijiKava® brand.
- Expansion of the Taki Mai® product range across online and alternative channels, despite regulatory restrictions on pre-mixed kava beverages.
- The Fiji retail market as a strategic touchpoint, introducing tourists (primarily from US, AU, and NZ) to kava, creating a funnel for trial and repeat purchases in their home markets.

## GLOBAL SALES IN FOCUS

TOTAL SALES  
AMERICAS

**\$2.2m**

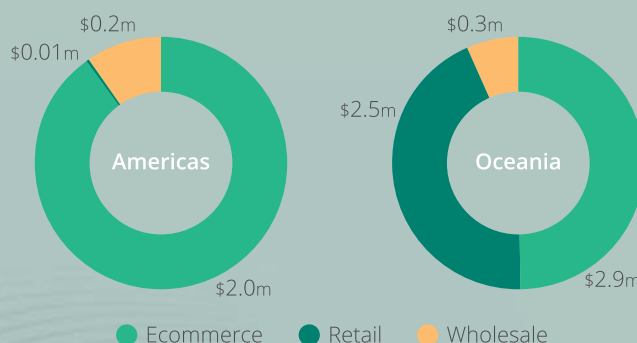
**+47%**  
Vs FY24

TOTAL SALES  
OCEANIA

**\$5.8m**

**+107%**  
Vs FY24

### FY25 MARKET REVENUE MIX



# Company Strategic Pillars

## STRATEGIC PILLARS FOR GROWTH

With the global kava market expanding rapidly and The Calmer Co leveraging its vertically integrated advantages and growing influence across the industry, the company has taken deliberate steps to diversify and strengthen its revenue base. Guided by a vision to become the world's leading natural relaxation company, our strategy focuses on four key pillars:

### 1. Maximising Vertical Integration

Further leverage our control over the regional sourcing network and drive product innovation, ensuring consistent quality and cost advantages while expanding our product range.

### 2. Scaling eCommerce Channels

Accelerate growth across The Calmer Co's owned websites and Amazon, increasing brand reach and digital capabilities to drive repeat purchases and customer loyalty.

### 3. Expanding Profitable Retail Partnerships

Strengthen relationships with leading Australian retailers, using these as a steppingstone to mainstream market adoption domestically and internationally.

### 4. Building a Significant Wholesale Revenue Stream

Establish and scale wholesale sales direct to customers and through strategic partners, diversifying revenue sources while supporting expanded kava sourcing volumes.



## PILLAR

1

# REGIONAL SOURCING & INNOVATION

A core priority for The Calmer Co is strengthening and diversifying our regional supply network to meet the rising global demand for kava products. In FY25, we expanded our sourcing footprint across the Pacific, adding supply partners in Papua New Guinea and the Solomon Islands, with discussions underway to extend into Tonga and Samoa. This regional approach enhances resilience, supports consistent production volumes, and ensures long-term security of high-quality raw materials.

We remain committed to working with farmers and local stakeholders to foster best practices in crop management and sustainable farming. Our support includes providing technical guidance, facilitating access to grant programs for farm development, and offering official supply documentation to assist with funding applications. These initiatives deliver tangible benefits to farming communities, from improved farming materials to upgraded infrastructure such as access roads.

Supply chain digitisation has also been a focus, with the Traseable App now live across our product range. By scanning a QR code on the packaging, customers can trace the origin of their kava back to the region where it was grown, offering a new level of transparency and authenticity.

On the manufacturing front, we commissioned over \$1M FJD in equipment upgrades at our Navua facility in early 2025. These include an automated kava washing line, conveyor belt drier, external cooling milling machine, 1-tonne ribbon blender, and a semi-automated packing line capable of handling multiple product formats. Together, these upgrades have tripled our processing capacity, significantly improved efficiency, and positioned the facility to support future demand growth.

Innovation continues to drive our product development strategy. Recent milestones include the launch of Fiji Rugby®-branded kava products infused with coconut water powder for broader consumer appeal, the introduction of Taki Mai® Kava Tinctures for convenient stress relief, and the scaling of high-potency water-based and CO<sub>2</sub> kava extracts for both retail and B2B applications. These initiatives reflect our commitment to blending tradition with modern wellness trends while ensuring we remain at the forefront of product quality and innovation.





## PILLAR

2

# DIRECT TO CONSUMER & AMAZON

### ECOMMERCE HIGHLIGHTS

#### Amazon US Leads the Way

Amazon US, with an estimated USD 45m market growing at +40% p.a., remains the primary driver of online growth for FY26. The appointment of Amazon specialist Andy Burger in February 2025, combined with new product launches (including flavoured kava shots and tinctures), enhanced promotions management, and the growth of the Taki Mai® brand (market share rising from <7% to 26% alongside FijiKava®), delivered a H2 vs H1 sales increase of \$0.3m and 45%.

#### Building Platforms for the Future

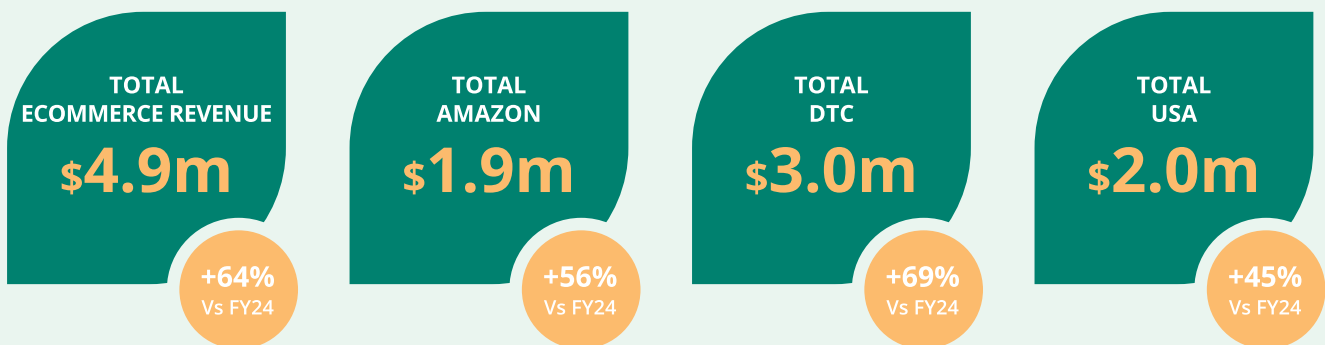
To complement Amazon's expansion in the US and Australia, a major focus in the second half of FY25 was the development of individual brand websites for FijiKava® and Taki Mai®. Built on the Salesforce platform, with support from IMS Digital, these sites will:

- Enable immediate eCommerce capabilities in existing markets
- Support rapid rollout across direct-to-consumer (DTC) and B2B channels in future markets
- Provide streamlined management through international agency expertise

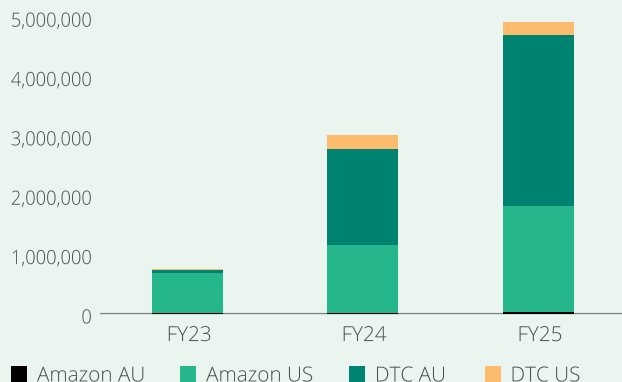
Both sites are scheduled to launch in Q1 FY26 across the US, AU, and NZ, with the Danodan US site to follow in Q2 FY26.

#### H2 Gross Profit Foundations

Following heavy customer acquisition investment in H1, both DTC and Amazon channels transitioned to profitable baseline operations in H2. Through a combination of advertising optimization and pricing strategy, H2 profitability improved by 21%, positioning both platforms for scalable growth while maintaining profitability in FY26.



### FY25 eCommerce Mix Evolution



### DIFFERENT ROLES OF SUB-CHANNEL

The Australian market continues to prefer the direct from brand purchase as Amazon is yet to take the integrated day-to-day part of life status that it has in the US.

However, Amazon dominates the purchase preference in the United States, with a high population adoption and high-speed quality service.

Amazon Australia has responded quickly to increased management, and with further investment from Amazon to increase penetration and speed of service it is likely to continue to grow as the overall market adoption grows.

## PILLAR

3

# PROFITABLE & SCALABLE RETAIL

### RETAIL OVERVIEW

#### Coles & Woolworths – National Ranging Confirmed

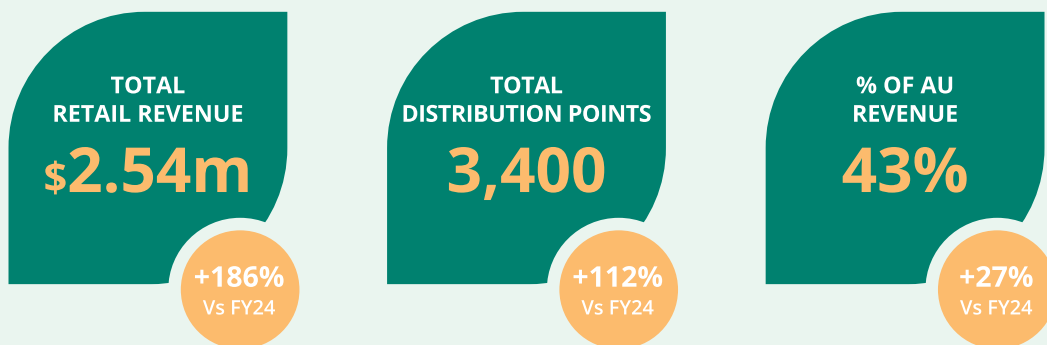
As a pioneer in the Australian kava industry for food-based formats, FijiKava® has secured national ranging with both Coles and Woolworths, achieving distribution across over 1,800 retail locations in Australia. This represents growth in distribution points from ~1,600 in FY24 to 3,400 in FY25, an increase of 112%.

With Coles and Woolworths holding 67% of Australia's grocery market share, these partnerships provide The Calmer Co with unparalleled access to the largest retail customer base in the region. This not only enhances brand awareness and trial with new customers but also drives repeat purchases and customer loyalty through improved accessibility and future SKU expansion opportunities.

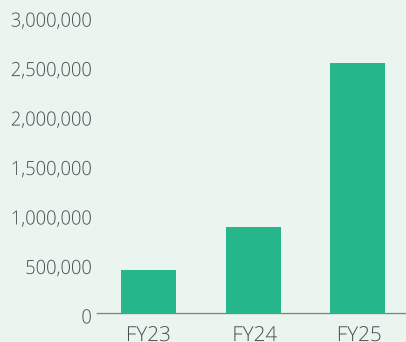
#### Price & Promotion Evolution

In H2 FY25, The Calmer Co implemented a national pricing strategy across all channels, including Coles and Woolworths in June 2025, enabling the business to remain competitive while maintaining product quality and expanding sourcing across the South Pacific.

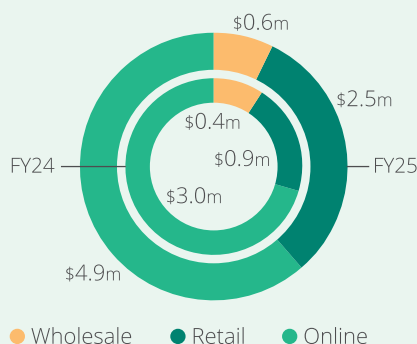
Working closely with retail partners on targeted promotions has allowed The Calmer Co to balance customer acquisition with sustainable margin growth, resulting in an increase in profitability by +500%.



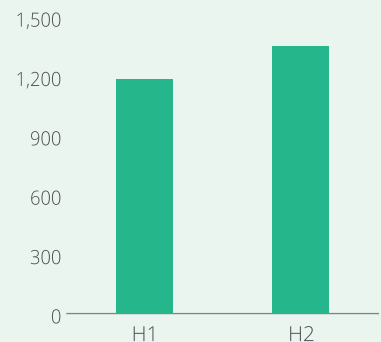
#### Continued Retail Growth



#### Broadening Revenue Mix



#### Total Revenue by Half Year



## PILLAR

4

# WHOLESALE (BULK) INGREDIENTS

### WHOLESALE HIGHLIGHTS

#### Growing IMCD partnership

The partnership with IMCD (Network Nutrition subsidiary) has continued to strengthen, delivering year-on-year growth as the lengthy TGA regulatory pathway for various consumer and practitioner brands progresses toward full commercial launch.

To date, the collaboration has focused on water-based extracts (8.5–10% kavalactones). Building on the successful CO<sub>2</sub> extractions completed in late FY25, the partnership has now committed to introducing a higher potency extract range (30% kavalactones) in FY26. This development opens up significant opportunities in the complementary medicine sector, particularly in the growing USA market, where demand for high-strength, kava extracts continues to accelerate.

#### Establishing High Potency Offering

In late FY25, The Calmer Co successfully produced and sold its first CO<sub>2</sub>-extracted kava product, marking a major milestone for the company. This innovation has unlocked a significant new ingredients market, spanning:

- **Complementary medicine** – distributed through our IMCD partnership to leading consumer and practitioner brands

- **Beverage applications** – supplying the rapidly growing functional drinks category, both direct to brands and through manufacturing and ingredient distribution channels

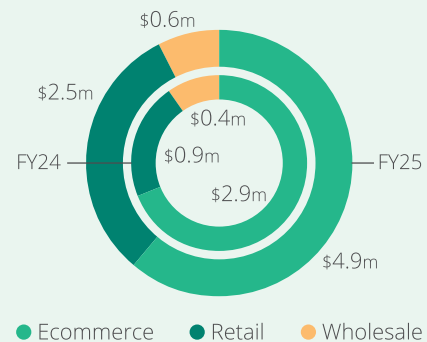
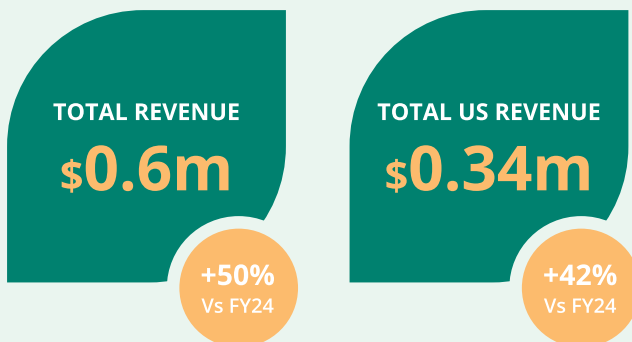
This development positions The Calmer Co at the forefront of the high-potency, natural wellness ingredients market, creating multiple revenue pathways across global health and beverage sectors.

#### Expanding Bulk and Wholesale Channels

With the appetite for kava growing rapidly across the US and Australian markets, demand for both bulk and wholesale kava continues to accelerate. To meet this need, direct B2B online platforms are currently under development, targeting the US kava bar segment and Australian independent retail channels, with launch planned for Q1 FY26.

These platforms, combined with our CO<sub>2</sub>-extract range and strategic brand and distribution partnerships, will open up a new and diversified revenue stream. This complements our existing online and retail channels, positioning The Calmer Co to capture growth in both functional beverage and wellness ingredients markets.

### Wholesale Becomes Significant Third Channel in FY25







The antidote to a stress

CALMS & SOOTHES

**Taki  
Mai**

# Brand & Product Development



FijiKava® has reinforced its position as the leading and most trusted instant kava drinking powder across both the US and Australian markets, achieving the #1 ranking on Amazon and in major retail channels in each region.

With its strong Fijian authenticity and reputation for quality and efficacy, FijiKava® is firmly positioned as a premium, science-backed brand within The Calmer Co portfolio, driving growth across both e-commerce and retail channels.

## Brand Snapshot

**Products:** Traditional and Instant drinking kava, capsules and branded accessories

**USP:** High quality noble kava from Fiji, with traceable sourcing from traditional farming communities.

**Markets:** USA, Australia, NZ, Pacific Islands

**URL:** [fijkava.com](http://fijkava.com)



Taki Mai®, a heritage brand for The Calmer Co, has been repositioned to a South Pacific Kava brand, focusing on modern format and demand. FY25 has seen significant growth in its variety and distribution, with shots (AU, FJ and US), flavoured powder (FJ, US), tinctures (US) combined with traditional and instant powders now available. The brand carries a broader product benefit and younger brand appeal.

## Brand Snapshot

**Products:** Flavoured and non-flavoured kava shots, Tinctures, Traditional and Instant drinking kava

**USP:** High quality Pacific sourcing combined with a light-hearted modern-day kava 'vibe', creating kava in formats that fit their occasion.

**Markets:** US, Australia, NZ, Pacific Islands

**URL:** [takimai.com](http://takimai.com)



Danodan Hempworks is a CBD oils and topicals brand, with strong rural US (Oregon) heritage. Working across available retail channels and the more broadly accessible US online channel, the brand continues to evolve its range to fit the changing CBD market in the US.

## Brand Snapshot

**Products:** Hemp & CBD oils, Topical Salves, Pet CBD Oils

**USP:** Organic Full spectrum CBD, utilising patented infusing processing with organic vegetable glycerin

**Markets:** USA

**URL:** [danodan.com](http://danodan.com)







**Tāki  
Mai®**



# Directors Report




# Directors Report

The Directors present their report together with the summary of the financial information of The Calmer Co. International Limited and its Controlled Entities (the Group or Calmer Co.) for the financial year ended 30 June 2025 and the auditor’s report thereon.

## 1. DIRECTORS


Mr John Homewood	Non-Executive Chairman appointed 6 November 2024
Mr Zane Yoshida	Managing Director appointed 20 December 2018
Mr Anthony Noble	Non-Executive Director appointed 20 December 2021
Mr James Tonkin	Non-Executive Director appointed 30 January 2023
Mr Griffon Emose	Non-Executive Director appointed 30 January 2023

 For additional information on Directors including details of the qualifications of Directors please refer to Section 13 of this Directors’ Report.

## 2. INFORMATION ON OTHER OFFICERS

### Company Secretary

Natalie Climo held the position of Company Secretary for the financial year ended 30 June 2025.

 Please refer to Section 13.

## 3. MEETINGS OF DIRECTORS

During the financial year ending 30 June 2025, 11 meetings of Directors (including committees of Directors) were held. Attendances by each Director during the year are stated in the following table:

	DIRECTORS’ MEETINGS	
	Number Eligible to Attend	Number Attended
James Dack – resigned 2 November 2024	5	4
John Homewood – appointed 6 November 2024	6	6
Anthony Noble	11	11
Zane Yoshida	11	11
Jim Tonkin	11	11
Griffon Emrose	11	10



## 4. NATURE OF OPERATIONS AND PRINCIPAL ACTIVITY

The Calmer Co. International Limited ("The Calmer Co.") is a health and wellness company with operations in Australia, Fiji, and the USA, producing nutraceuticals and functional beverage products designed to reduce anxiety, promote relaxation, improve sleep, and support sports recovery and performance.

The Company works directly with Pacific Island farmers to source high-quality noble kava and USDA-certified organic hemp, which are processed into active, pharmaceutical-grade extracts for use in nutraceutical products, B2B supply, and beverage applications. These include powdered drinking kava, cold-pressed kava shots, un-flavoured kava shots, CBD and kava tinctures, and ready-to-drink beverages.

The Calmer Co.'s Taki Mai® and FijiKava® brands are focused on expanding the global distribution of kava as a natural alternative to alcohol and to synthetic sleep and anti-anxiety medicines. Noble kava extracts are supported by a significant body of peer-reviewed clinical research into the safe and effective use of kava, together with thousands of years of traditional use across the Pacific Islands.

The Company's Danodan® brand offers a unique, patented range of USDA-certified organic hemp tinctures and topical products sold throughout the USA in natural grocery chains, to B2B partners as white-label offerings, and online for relaxation, sleep, and recovery.

All products are compliant with Therapeutic Goods Administration (TGA), Food Standards Australia New Zealand (FSANZ), and U.S. Food and Drug Administration (FDA) regulations, and are sold online and through retail channels in Australia, Fiji, New Zealand, and the United States.

## 5. REVIEW OF OPERATIONS

For the year ended 30 June 2025, The Calmer Co. International Limited delivered revenue of \$8.03 million, an 86% increase on FY24 (\$4.3 million) and nearly five times growth in the past two years. Gross margin improved year-on-year through retail price adjustments, a higher mix of premium products, and the Company's first CO<sub>2</sub> kava extract sale.

The Company's operations are guided by four strategic pillars:

### Pillar 1 – Regional Supply Chain, Manufacturing Excellence & Innovation

In FY25, The Calmer Co. enhanced supply chain resilience and production capacity by:

- **Expanding regional sourcing** – Establishing operational supply channels from the Solomon Islands and Papua New Guinea in addition to Fiji, ensuring consistent raw material flow for extract formats.
- **Manufacturing upgrades** – Implementing significant process improvements at the Navua facility in Fiji, increasing throughput and efficiency.
- **Innovation in extracts** – Scaling production of water-based and CO<sub>2</sub> kava extracts to meet demand for high-potency formats in both consumer and B2B channels.

### Pillar 2 – Scalable & Profitable Retail Channel

Retail delivered 32% of FY25 revenue, supported by:

- **Coles expansion** – Broader ranging with the addition of 150g Fiji Kava® packs and 50ml Taki Mai® Kava Shots. July 2025 marked a record sales month, with an 81% month-on-month increase.
- **Woolworths launch** – National rollout of 50g Fiji Kava® Instant, confirming ranging in over 900 stores.
- **Margin improvement** – Revised retail pricing, supported by category value positioning, lifted gross margins across the portfolio.

### Pillar 3 – Direct-to-Consumer (DTC)

The DTC segment contributed 61% of FY25 revenue across owned websites and Amazon marketplaces:

- **Acuity migration** – Successful transition of [www.fjikkava.com](http://www.fjikkava.com) and [www.takimai.com](http://www.takimai.com) to the Acuity platform, enabling enhanced scalability, improved conversion rates, and streamlined fulfilment.
- **Amazon USA growth** – Sales increased 56% YoY to \$1.81m, with Subscriptions accounted for 30% of Amazon USA volume, reflecting strong repeat purchase behaviour.
- **Amazon Australia** – Continued to build presence alongside retail listings, expanding customer reach.

# Directors Report

## Pillar 4 – Wholesale Channel

Wholesale contributed 7% of FY25 revenue and included:

- **Kava extracts** – Bulk ingredient formats, including water-based and CO<sub>2</sub> extracts, supplied to B2B partners.
- **Distribution partnerships** – Ongoing sales through IMCD subsidiary Network Nutrition.
- **USA kava bar sector** – Expanded partnership proposed with Leilo to supply high-potency kava extracts.
- **Co-branding** – Launch of co-branded products with the Fiji Rugby Union to leverage brand alignment and expand awareness.

## 6. OPERATING RESULTS

The Company delivered another year of strong progress in FY25, with continued revenue growth, margin expansion, and improved cost efficiency.

- Revenue increased to \$8.03m (FY24: \$4.26m), representing an 86% increase year-on-year, reflecting growth across retail, Amazon USA, and wholesale channels.
- Gross Profit increased to approximately \$3.4m (FY24: \$2.1m, FY23: \$0.56m), a 62% increase YoY, supported by improved channel mix and stronger retail pricing.
- Operating losses increased to (\$3.9m) (FY24: (\$3.7m), FY23: (\$5.3m)), This was largely driven by a \$1.3m increase in marketing and advertising costs to create brand awareness to support online and retail channels in Australia to drive growth.

Cash receipts from customers rose to \$8.18m, a 105% increase vs FY24 (\$3.9m). Inventory increased from \$1.25m in FY24 to \$1.55m in FY24 to support increased retail footprint and channel expansion in DTC and Wholesale, demonstrating an operating business with healthier margins, lower costs, and accelerating sales growth.

## 7. FINANCIAL POSITION

- Revenues for the year ended 30 June 2025 were \$8.03m (FY24: \$4.26m; FY23: \$1.78m), representing an 86% increase vs FY24 and a >4x increase vs FY23.
- The Company recorded a statutory net loss from continuing operations of (\$3.9m) (FY24: (\$3.76m); FY23: (\$5.35m)).

- EBITDA for the year was \$4m (FY24: (\$3.6m); FY23: (\$3.9m)).
- Receipts from customers were \$8.18m, up 105% YoY (FY24: \$3.9m), while net cash flow used in operating activities was \$5.5m, (FY24: \$2.08m).
- Staff costs were \$2.59m (vs \$1.77m in FY24). This increase was largely attributed to supporting additional spend across online DTC and retail channels marketing and advertising in the first half of the year to drive growth.
- Advertising and marketing expenses increased to \$2.53m (FY24: \$1.22m), supporting DTC channel growth, retail launches, Amazon USA, and new product development.
- Product manufacturing and operating costs increased by 114% to \$4.62m (FY24: \$2.15m), reflecting higher sales volumes, channel expansion, and strategic inventory build to support growth which included expanded ranging with Coles and Woolworths. Raw material costs also increased with global demand for kava. The revised price of CCO's kava products across its channels was implemented from June.

### Second-Half Performance and Operational Improvements (H2 FY25)

The second half of FY25 reflected a transitional period for The Calmer Co as we rebalanced our cost base, implemented operational efficiencies, and positioned the business for profitable growth in FY26.

While total revenue decreased by 16% in H2 (\$3.67M vs \$4.36M in H1) due to the timing of price increases in retail and online channels, we made material progress on cost control:

- Total expenses reduced by 27% in H2 (\$3.22M vs \$4.43M in H1), largely driven by a \$800k reduction in direct-to-consumer advertising spend and lower people costs as we transitioned to the Acuity eCommerce platform.
- Operating losses improved by 33% H2 ((\$1.56)M vs (\$2.36)M in H1), reflecting tighter expense management and early benefits from channel pricing reviews introduced late in Q4.

Margins were impacted in the short term by higher raw material costs and the timing of price adjustments, particularly as retail price increases only took effect in June 2025. These improvements will therefore have their full impact reflected in FY26, with stronger gross margins and lower operating expenses across all channels.

The focus for H2 FY25 was to lay the groundwork for profitable growth, and with cost efficiencies now embedded, retail pricing adjustments implemented, and eCommerce transitioned to a scalable platform, The Calmer Co enters FY26 with a leaner cost structure and greater earnings potential.

- Payments to related parties were \$224,000. This included \$40,000 each in Directors' fees to Mr. James Tonkin, Mr. Griffon Emose and Dr. Anthony Noble. Mr. Homewood was paid \$50,000 for his services as Chairman.

As at 30 June 2025, the Company had \$1.46m in cash and continues to maintain a disciplined approach to capital deployment.

## 8. SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

During FY25, The Calmer Co. International Limited executed several strategic initiatives and milestones that significantly shaped the state of the Company's affairs. These changes were aligned with the Company's four strategic pillars:

### Pillar 1 – Regional Supply Chain, Manufacturing Excellence & Innovation

- Expanded sourcing footprint beyond Fiji, establishing new operational export pathways from the Solomon Islands and Papua New Guinea, each capable of supplying four to six tonnes of noble kava monthly for extract production.
- Completed key facility upgrades in Navua, Fiji, enhancing processing efficiency and supporting scale-up of kava production.
- Advanced development of CO<sub>2</sub> extraction capability, validating high-potency formats for global wellness and B2B markets.

### Pillar 2 – Scalable & Profitable Retail Channel

- Coles expanded store footprint with ranging of 150g Fiji Kava® packs and 50ml Taki Mai® Kava Shots. Post year-end, July 2025 delivered a record sales month with 81% growth month-on-month.

- Woolworths launched the 50g Fiji Kava® Instant product nationally across more than 900 stores, significantly expanding market access.
- Retail pricing revisions were secured in June, materially improving gross margins across the retail portfolio.

### Pillar 3 – Direct-to-Consumer (DTC)

- Transitioned [www.fijikava.com](http://www.fijikava.com) and [www.takimai.com](http://www.takimai.com) to the Acuity platform, positioning the business for scalable DTC growth.
- Achieved record performance in Amazon USA, with annual sales up 56% YoY, subscriptions accounting for 28% of channel volume, and market share gains of Taki Mai® brand, rising from 6% in January to 30% in June).
- Expanded presence on Amazon Australia, complementing growth in Coles and Woolworths retail channels.

### Pillar 4 – Wholesale Channel

- Expanded wholesale sales through the USA kava bar sector, supplying high-potency extracts for the rapidly growing functional beverage market.
- Continued supply through IMCD subsidiary Network Nutrition, ensuring global B2B reach for bulk kava formats.
- Entered into a new co-branded partnership with the Fiji Rugby Union, leveraging national brand equity to introduce co-branded FijiKava® products.
- Appointed Matt Kowal as Chief Commercial Officer and Andy Burger as Head of eCommerce, strengthening commercial and digital leadership.
- Launched a dedicated Investor Hub, improving transparency and engagement with the shareholder base.

## 9. DIVIDENDS

There were no dividends paid or recommended during the financial year ended 30 June 2025 (FY24: Nil).



# Directors Report

## 10. EVENTS SUBSEQUENT TO REPORTING DATE

Since 30 June 2025, the Company has continued to make progress across its strategic pillars:

### Pillar 1 – Regional Supply Chain, Manufacturing Excellence & Innovation

- Regional sourcing operations in the Solomon Islands and Papua New Guinea have continued to scale, with monthly supply volumes building to support increased extract production and export.
- Further technical and process improvements have been implemented at the Navua facility, enhancing manufacturing capacity and efficiency.

### Pillar 2 – Scalable & Profitable Retail Channel

- In July 2025, Coles delivered a record sales month, with retail channel revenue increasing 81% month-on-month to \$344,000, compared with \$190,000 in June. This milestone reflects both expanded store footprint and rising consumer adoption.
- Woolworths distribution of Fiji Kava® Instant continues to expand nationally, with confirmed ranging across more than 900 stores.

### Pillar 3 – Direct-to-Consumer (DTC)

- Amazon USA continues to deliver strong growth momentum, underpinned by subscription sales, which remain a significant contributor to monthly volumes.
- Further optimisation of the Acuity-powered DTC platform has been undertaken to improve customer experience and support scalable growth in FY26.

### Pillar 4 – Wholesale Channel

- The Company's wholesale channel continues to expand, with demand for high-potency kava extracts growing in the USA.
- Fiji Rugby Union co-branded products have commenced rollout, broadening brand visibility and expanding into new consumer segments.

### Corporate

- Engagement with investors has been strengthened following the launch of the dedicated Investor Hub, which provides real-time access to company news, presentations, and announcements.

## 11. LIKELY DEVELOPMENTS AND FUTURE PROSPECTS

Looking ahead, The Calmer Co. International Limited will continue to execute its strategy through its four strategic pillars, with a clear focus on delivering sustainable and profitable growth in FY26 and beyond.

### Pillar 1 – Regional Supply Chain, Manufacturing Excellence & Innovation

- Further expansion of regional sourcing operations in Fiji, and across the South Pacific, securing diversified and resilient supply of noble kava.
- Continued investment in process innovation to enhance product quality, margin profile, and scalability, including advancing CO<sub>2</sub> extraction partnerships.

### Pillar 2 – Scalable & Profitable Retail Channel

- Growth expected through increased store footprint with Coles and Woolworths, supported by targeted marketing to drive consumer awareness of kava as a natural alternative to alcohol and prescription sleep aids.
- Expansion of new product formats, including flavoured Taki Mai® Kava Shots, to broaden the consumer base and increase sales.
- Focus on margin optimisation through ongoing pricing management and improved supply chain efficiencies.

### Pillar 3 – Direct-to-Consumer (DTC)

- Ongoing development of Amazon USA as a key growth engine, leveraging increasing subscription sales and growing brand share.
- Expansion of Amazon Australia presence and scaling of the Acuity-powered websites (fijikava.com and takimai.com) to deliver improved consumer reach and retention.
- Enhanced use of digital marketing and customer insights to strengthen lifetime value and drive channel profitability.



#### Pillar 4 – Wholesale Channel

- Continued scale-up of kava extracts supplying the growing functional beverage and kava bar markets.
- Increased distribution of bulk kava ingredient formats through IMCD subsidiary Network Nutrition, further embedding kava into global B2B wellness and nutraceutical markets.
- Exploration of additional co-branded partnerships to build consumer trust and expand awareness of kava's role in relaxation, recovery, and wellness.

#### Corporate Outlook

- The Company remains committed to its pathway to profitability, underpinned by high-margin channels, disciplined cost management, and efficient capital deployment.
- Continued utilisation of the Investor Hub will enhance shareholder engagement and value creation.
- With stronger foundations in place, the Company is well positioned to deliver sustainable, profitable growth in FY26, consolidating its leadership position in the global kava category.

## 12. ENVIRONMENTAL REGULATION

The Directors maintain ongoing oversight of the Company's environmental exposures and compliance obligations. As part of this commitment, the Board is responsible for:

- Establishing and communicating clear environmental objectives and measurable targets to guide performance across all operations;
- Monitoring progress toward these objectives and ensuring continuous improvement;
- Implementing environmental management plans in areas where operations may have a significant environmental impact;



# Directors Report

- Identifying potential environmental risks and ensuring that timely remedial actions are taken where required; and
- Conducting regular reviews of licence conditions with performance outcomes reported to relevant regulatory authorities as appropriate.

The Board believes that the Company has appropriate systems in place to manage its environmental responsibilities and remains committed to compliance with all applicable regulations.





## 13. INFORMATION ON DIRECTORS INCLUDING DIRECTORS' INTERESTS



**MR JOHN HOMEWOOD**

**Non-Executive Chairman**

Appointed 6 November 2024

### Experience and Qualifications

Mr Homewood is a graduate of Queensland University, holding a Bachelor of Commerce degree. He began his career in senior cost accounting roles before founding the Ace Waste Group of Companies in 1988. Over the past 35 years, Ace Waste has grown to become the leading medical, pharmaceutical, quarantine, and related waste management business on Australia's East Coast, employing 95 staff and operating high-temperature waste incineration facilities on freehold land in Brisbane and Melbourne.

In addition to his role as the largest individual shareholder and Chairman of The Calmer Co International, Mr Homewood manages several family-owned professional share trading and property investment entities.

### Interest in Shares and Options

Shareholding: Indirect: 135,000,000 FPOS + 42,138,890 CCOOA Options held by Homewood Venture Capital Pty Ltd and 1,925,000 CCOOPT3 Options held by Ace Property Holdings Pty Ltd.



**MR ZANE YOSHIDA**

**Managing Director**

Appointed 20 December 2018

### Experience and Qualifications

Mr Yoshida was born and raised in the Fiji Islands and remains deeply passionate about kava, having first experienced a traditional kava ceremony 38 years ago.

Over the past two decades, he has founded and led multiple start-ups across Australia, Asia, and the United States, bringing a strong track record in entrepreneurship, product development, and international market expansion.

As the Founder and Chief Executive Officer of The Calmer Co International, Mr Yoshida has overseen the company's transformation from a single-brand operation into a diversified natural wellness business with a growing global footprint. Under his leadership, the company has launched a range of farm-to-shelf kava supplements and functional beverages, manufactured to HACCP and GMP standards, across Australia, New Zealand, the USA, and Fiji.

Mr Yoshida holds a Bachelor of Mechanical Technology, a Postgraduate Diploma in Information Technology, and an MBA from the Queensland University of Technology. He is a member of the Australian Institute of Company Directors and currently serves as President of the Australia Fiji Business Council.

### Interest in Shares and Options

Shareholding: Direct: 34,890,947 FPOS + 6,010,119 CCOOA Options Indirect: 21,285,716 FPOS and 10,642,858 CCOOA Options held by UMI7 Superfund and 20,505,835 FPOS and 500,000 CCOOA Options held by Sharifah Oumuhaney Yoshida.

### Directorships held in other listed entities

Nil

# Directors Report



**DR ANTHONY NOBLE,**  
**PHD. MBA. GDIPTIM. B.APP.SCI.(HONS)**

**Non-Executive Director**

Appointed 20 December 2021

## Experience and Qualifications

Dr Anthony Noble transitioned this year to Non-Executive Director of The Calmer Co International, after his tenure as Chief Executive Officer. He was appointed Non-Executive Chairman of Aumake Limited in March 2025 and in April 2025 he joined Servatus Biopharmaceuticals Limited as an Executive Director, heading their Consumer Health and Cosmetics business, Biomiq. Anthony has more than 20 years' experience working across life sciences, consumer health and in international trade, with a focus on building partnerships and creating sustainable growth. His career has spanned clinical research, quality management, operational and executive leadership as well as strategic advisory roles in listed, public and private companies. Prior to joining The Calmer Co., Anthony was a founder of Australian Biotherapeutics and spend more than a decade in various roles within the SFI-Health Group; including serving as Global Head of Innovation, Regional Head of North Asia, General Manager of both SFI-Shineway (China) and of SFI Korea and as Managing Director of SFI-Research Pty Ltd.

## Interest in Shares and Options

Shareholding: Direct: 11,706,060 FPOS + 3,687,114 CCOOA  
Options Indirect: 3,428,678 FPOS + 963,850 CCOOA Options held by Tanano Pty Ltd

## Directorships held in other listed entities

Non-Executive Chairman, AuMake Limited (ASX: AUK)  
Executive Director: Servatus Limited (Public Unlisted)<sup>1</sup>



**MR JAMES TONKIN**

**Non-Executive Director**

Appointed as Director 30 January 2023

## Experience and Qualifications

Mr Tonkin is a retired private branding agency owner with more than 40 years of experience in building and developing food and beverage brands, particularly in the United States marketplace. Over the course of his career, he has founded, grown, and successfully exited numerous businesses, bringing deep expertise in brand strategy, product marketability, and consumer engagement.

With extensive experience consulting to household-name brands globally, Mr Tonkin has served on over 100 boards, providing strategic guidance across brand development, marketing, and growth execution.

## Interest in Shares and Options

12,961,571 Ordinary Shares

## Directorships held in other listed entities

Nil



### **MR GRIFFON EMOSE**

#### **Non-Executive Director**

Appointed as Director 30 January 2023

#### **Experience and Qualifications**

Born and raised in the Fiji Islands, Mr Emose is the Managing Director of Kontiki Capital, a Fiji-based investment banking firm. He brings extensive experience in corporate finance and investment advisory across Fiji and the broader Pacific region.

Prior to joining the Board of The Calmer Co International, Mr Emose advised on the investment of Fiji institutional capital into the company, providing strategic guidance on capital markets and corporate finance matters.

He holds a Bachelor of Commerce from the University of Auckland and a Graduate Diploma in Applied Finance & Investment from the Securities Institute of Australia. Mr Emose also holds the Chartered Financial Analyst (CFA) designation and is a member of the CFA Institute.

#### **Interest in Shares and Options**

14,852,012 FPOS and 1,679,973 CCOOA Options

#### **Directorships held in other listed entities**

Nil



### **MR JAMES DACK OAM**

#### **Previous Non-Executive Chairman**

Appointed 29 September 2022 and resigned on 2 November 2024

#### **Experience and Qualifications**

Mr Dack began his career at St Vincent's Hospital in Sydney, progressing from porter to payroll manager for 2,500 staff before being appointed to oversee the entire New South Wales public hospital payroll system within the Department of Health.

After leaving the public sector, Mr Dack became a founding partner of one of Australia's most successful real estate companies, before establishing Sunshine Group Investments in 2014, where he currently serves as Managing Director.

In addition to his business interests, Mr Dack sits on the Board of the Police and Citizens Youth Clubs New South Wales. He was awarded the Order of Australia Medal (OAM) in the King's Birthday Honours in 2023 for his services to youth.

#### **Interest in Shares and Options**

Nil

#### **Directorships held in other listed entities**

Nil



# Directors Report



## **NATALIE CLIMO**

### **Company Secretary**

Appointed 18 January 2024

#### **Experience and Qualifications**

Ms Climo has over 16 years of experience in corporate law and governance, beginning her career in the legal team at Repsol S.A. in Brisbane before moving to Sydney in 2017 to focus on company secretarial roles for a portfolio of ASX-listed and unlisted companies.


She brings extensive expertise in corporate governance and board advisory across multiple sectors, including financial services, retail, utilities, healthcare, and investment management. Ms Climo holds a Bachelor of Laws and a Graduate Diploma in Legal Practice and currently serves as Company Secretary to several ASX-listed entities.

## 14. SHARE OPTIONS

### Unissued Shares Under Option

At the date of this report unissued shares of the Group under option are:

Option	Expiry Date	Exercise price	Number of shares
Ordinary Shares	30/06/2026	\$0.006	1,241,238,435

 Further details about share-based payments to Directors and KMP are included in the remuneration report.

These options do not entitle the holder to participate in any share issue of the Group or any other body corporate.

### Shares Issued on Exercise of Options

During or since the end of the financial year, the Group issued 127,796,583 ordinary shares of the Company as a result of the exercise of options.

### Indemnification and Insurance Officers or Auditor

#### Indemnification

The group has agreed to indemnify the following officers of the Group:

- Mr J Homewood (current Non-Executive Chairman);
- Mr Z Yoshida (current Managing Director);
- Mr J Tonkin (current Non-Executive Director);
- Mr G Emose (current Non-Executive Director);
- Dr Anthony Noble (current Non-Executive Director); and
- N Climo (Corporate Secretary)

Against all liabilities to another person (other than the Group or a related body corporate) that may arise from their position as officers of the Group and its controlled entities, with the exception of conduct involving a wilful breach of duty or improper use of information to gain a personal advantage. This agreement stipulates that the Group will meet the full amount of any such liabilities, including costs and expenses.

The Group has not entered into any agreement with its current auditors indemnifying them against any claims by third parties arising from their report on the financial report.

#### Insurance premiums

- Since the end of the previous financial year the Group has paid insurance premiums of \$39,822.00 in respect of Directors' and officers' liability insurance contracts for current and former Directors and officers of the Group. The insurance premiums relate to:
- Costs and expenses incurred by the relevant officers in defending proceedings, whether civil or criminal and whatever their outcome.
- Other liabilities that may arise from their position, with the exception of conduct involving a wilful breach of duty or improper use of information or position to gain a personal advantage.

## 15. NON-AUDIT SERVICES

The Group's auditor has not performed services in addition to the audit and review of the financial statements.

## 16. PROCEEDINGS ON BEHALF OF GROUP

No person has applied for leave of Court to bring proceedings on behalf of the Group or intervene in any proceedings to which the Group is a party for the purpose of taking responsibility on behalf of the Group for all or any part of those proceedings.

The Group was not a party to any such proceedings during the year.

# Directors Report

## 17. LEAD AUDITOR'S INDEPENDENCE DECLARATION

The Lead auditor's independence declaration is set out on page 19 and forms part of the Directors' report for the financial year ended 30 June 2025.

## 18. REMUNERATION REPORT (AUDITED)

### 18.1 Principles of Compensation – audited

Remuneration levels for KMP are competitively set to attract and retain appropriately qualified and experienced Directors and executives

To this end, the Group embodies the following principles in its remuneration framework:

- Provide competitive rewards to attract qualified and experienced executives;
- Link executive rewards to length of service, experience and overall performance of the Group; and
- Equity participation is a cost effective and efficient incentive given the Group's pre-production status.

The Board of The Calmer Co. International Limited believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best executives and Directors to run and manage the Group, as well as create goal congruence between Directors, executives and shareholders.

Shares and options may only be issued to Directors subject to approval by shareholders in a general meeting.

The Board has no established retirement or redundancy schemes.

The remuneration structure for KMP is based on a number of factors, including length of service, particular experience of the individual concerned, and overall performance of the Group. The contracts for service between the Group and KMP are on a continuing basis, the terms of which are not expected to change in the immediate future.

The Board determines the proportion of fixed and variable compensation for each KMP.

Director's fees are reviewed annually by the Board. No termination payments are payable to Non-Executive Directors.

In accordance with best practice corporate governance, the structure of Non-Executive Director and senior management remuneration is separate and distinct.

### a. Fixed Remuneration

Fixed remuneration for the Group's executive officers consists of base cash remuneration and statutory superannuation entitlements. Longer term discretionary remuneration consists of share option grants. Remuneration levels are based on an overall assessment of both individual and Group performance.

The Group believes that encouraging its executives and employees to become shareholders is the best way of aligning their interest to those of its shareholders. In addition, equity participation is a cost effective and efficient incentive as compared to cash bonuses or increased remuneration, particularly given the Group's pre-production status.

Accordingly, all executives and employees are entitled to participate in the Group's equity incentive scheme. Generally, the ability to exercise an option is conditional upon the holder remaining in the Group's employment. There are presently no other non-cash benefits available to Directors or employees. There is no separate profit-sharing or bonus plan.

### b. Performance Based Remuneration – Short-Term and Long-Term Incentive Structure

The Board will review executive packages annually by reference to the Group's performance and executive performance and comparable information from industry sectors using independent external advice where appropriate.

#### Short-term incentives

No short-term incentives in the form of cash bonuses were granted during the year.

#### Long-term incentives

No long-term incentives in the form of cash bonuses were granted during the year.



### **c. Service Contracts**

The contracts for service between the Group and Directors and executives are on a continuing basis, the terms of which are not expected to change in the immediate future. Upon retirement, Directors and executives are paid employee benefit entitlements accrued to date of retirement. The Group may terminate the contracts without cause by providing one month's written notice. Termination payments (if applicable) are generally not payable on resignation or dismissal for serious misconduct. In the instance of serious misconduct, the Group can terminate employment at any time.

### **d. Non-executive Directors**

The Board seeks to set aggregate remuneration at a level which provides the Group with the ability to attract and retain Directors of the highest calibre, whilst incurring a cost which is acceptable to shareholders.

The Constitution and the ASX Listing Rules specify that the aggregate remuneration of Non-Executive Directors shall be determined from time to time by a general meeting. An amount not exceeding the amount determined is then divided between the Directors as agreed.

The amount of aggregate remuneration sought to be approved by shareholders and the manner in which it is apportioned amongst Directors is reviewed annually. The Board considers advice from external consultants as well as the fees paid to Non-Executive Directors of comparable companies when undertaking the annual review process.

Each Non-Executive Director receives a fee for being a Director of the Group. No additional fees are paid for participation on subcommittees, such as the Audit Committee. Non-Executive Directors are encouraged by the Board to hold shares in the Group. Accordingly, they are entitled to participate in equity incentive schemes if offered by the Group.

Total fees for the Non-Executive Directors for the financial year were \$220,597 (FY24: \$183,489).

### **e. Engagement of Remuneration Consultants**

During the financial year, the Group did not engage any remuneration consultants.

### **f. Relationship between Remuneration of Key Management Personnel and Shareholder Wealth**

During the Group's initial phases of its business, the Board anticipates that the Group will retain earnings (if any) and other cash resources to expand its manufacturing facilities, further its project innovations and clinical research. Accordingly, the Group does not currently have a policy with respect to the payment of dividends and returns of capital. Therefore, there was no relationship between the Board's policy for determining, or in relation to, the nature during the current and previous financial years.

The Board did not determine the nature and amount of remuneration of the KMP by reference to changes in the price at which shares in the Group traded between its quotation on ASX and end of the current financial years. However, where the Directors of the Group receive incentive options, such options generally would only be of value if the Group's share price increased sufficiently to warrant exercising the incentive options.

### **g. Relationship between Remuneration of Key Management Personnel and Earnings**

The Group currently does not expect to be undertaking profitable operations (other than by way of material asset sales, none of which is currently planned) until sometime after the successful commercialisation, production and sales of its kava products. Accordingly, the Board does not consider earnings during the current financial year when determining the nature and amount of remuneration of KMP.

# Directors Report

## 18.2 Directors' and Executive Officers' Remuneration – audited

The following table of benefits and payment details, in respect to the financial year, the components of remuneration for each member of the KMP of the Group:

2024-25	Short-term benefits			Other	Post-employment benefits	Long-term benefits	Termination benefits	Equity-settled share-based payments		Total
	Salary, fees and leave (Accrued)	Profit share and bonuses	Non-monetary		Superannuation	Other		Equity	Options	
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
A Noble	204,309	-	-	-	20,125	-	-	55,000	-	279,434
Z Yoshida	244,125	-	-	-	28,074	-	-	60,000	-	332,199
J Dack	29,166	-	-	-	-	-	-	-	-	29,166
J Tonkin	18,544	-	-	-	-	-	-	40,000	-	58,544
G Emose	4,064	-	-	-	-	-	-	40,000	-	44,064
	500,209	-	-	-	48,199	-	-	195,000	-	743,407

2023-24	Short-term benefits			Other	Post-employment benefits	Long-term benefits	Termination benefits	Equity-settled share-based payments		Total
	Salary, fees and leave (Accrued)	Profit share and bonuses	Non-monetary		Superannuation	Other		Equity	Options	
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
A Noble	251,389	-	-	-	27,653	-	-	6,667	-	285,708
Z Yoshida	222,497	-	-	-	24,475	-	-	6,667	-	253,638
J Stephenson	16,932	-	-	-	-	-	-	-	-	16,932
J Dack	5,500	-	-	-	-	-	-	-	116,716	122,216
J Tonkin	48,514	-	-	-	-	-	-	9,867	-	58,381
G Emose	30,133	-	-	-	-	-	-	9,867	-	40,000
	574,965	-	-	-	52,128	-	-	33,068	116,716	776,877

### 18.3 Analysis of Bonuses Included in Remuneration – audited

Mr James Dack had performance-related bonus for which the set performance criteria were not met. No bonus was therefore payable. The contractual life of the options has now expired.

### 18.4 Key Management Personnel Equity Holdings – audited

#### Options Over Equity Instruments Granted as Compensation

Details on rights and options over ordinary shares in the Group that were granted as compensation to each key management person during the reporting period and details on options that vested during the reporting period are as follows:

No options vested during the 2025 financial year, the contractual life of the options have now expired.

#### Exercise of Options Granted as Compensation

During the reporting period, no shares were issued on the exercise of options previously granted as compensation.

#### Analysis of Movements in Shares – audited

The movement during the reporting period in the number of ordinary shares in the Group held, directly, indirectly or beneficially, by each KMP, including their related parties, is as follows:

	Number held at 1 July 2024	Number received during the year as compensation	Number received during the year on the exercise of options	Number other changes during the year	Number held at 30 June 2025
Zane Yoshida	23,014,044	20,000,000	-	33,848,454	76,862,498
Anthony Noble	2,000,000	18,333,333	-	(5,198,595)	15,134,738
James Dack <sup>1</sup>	30,000,000	-	-	(30,000,000)	-*
James Tonkin	7,247,285	5,714,286	-	-	12,961,571
Griffon Emose	5,777,778	5,714,286	-	3,359,948	14,852,012
John Homewood <sup>2</sup>	100,000,000	-	-	35,000,000	135,000,000
	168,039,107	49,761,905	-	35,537,632	254,810,819

\* Shareholder approval was obtained for the grant of 30,000,000 Plan Shares to Director James Dack under a Loan Funded Share Scheme (LFSS).

<sup>1</sup> James Dack resigned as a Director on the 2nd November 2024.

<sup>2</sup> John Homewood was appointed as a Director on the 6th November 2024.



# Directors Report

	Number held at 1 July 2023	Number received during the year as compensation	Number received during the year on the exercise of options	Number other changes during the year	Number held at 30 June 2024
Zane Yoshida	16,946,683	5,111,111	-	956,250	23,014,044
Anthony Noble	1,996,078	5,111,111	-	(5,107,189)	2,000,000
James Dack	30,000,000	-	-	-	30,000,000
James Tonkin	1,469,507	5,777,778	-	-	7,247,285
Griffon Emose	-	5,777,778	-	-	5,777,778
	50,412,268	21,777,778	-	(4,150,939)	68,039,107

## Analysis of Movements in Listed Options – audited

The movement during the reporting period in the number of listed options in the Group held, directly, indirectly or beneficially, by each KMP, including their related parties, is as follows:

	Number held at 1 July 2024	Number received during the year as compensation	Number received during the year on the exercise of options	Number other changes during the year	Number held at 30 June 2025
Zane Yoshida	318,750	-	-	16,834,227	17,152,977
Anthony Noble	249,510	-	-	4,331,454	4,580,964
James Tonkin	-	-	-	-	-
Griffon Emose	-	-	-	1,679,973	1,679,973
John Homewood	37,138,890	-	-	5,000,000	42,138,890
	37,707,150	-	-	27,845,654	65,552,804

	Number held at 1 July 2023	Number received during the year as compensation	Number received during the year on the exercise of options	Number other changes during the year	Number held at 30 June 2024
Zane Yoshida	-	-	-	318,750	318,750
Anthony Noble	-	-	-	249,510	249,510
	-	-	-	568,260	568,260

#### **18.5 Loans to Key Management Personnel**

There are no loans made to Directors of the Group as at 30 June 2025 (2024: nil).

#### **18.6 Loans from Key Management Personnel**

There are no loans from Directors of the Group as at 30 June 2025 (2024: nil).

#### **18.7 Other Transactions with Key Management Personnel**

There have been no other transactions involving equity instruments other than those described in the paragraphs above.

### **END OF REMUNERATION REPORT**

This Report of the Directors, incorporating the remuneration report, is signed in accordance with a resolution of Directors made pursuant to s298(2) of the Corporations Act 2001 (Cth).



**Mr Zane Yoshida**  
Managing Director

Dated this Friday, 29 August 2025

# FijiKava®





# Financial Information



## CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME - AS AT 30 JUNE 2025

	Note	2025 \$	2024 \$
Sales Revenue	10	8,034,682	4,262,840
Cost of Sales		(4,620,816)	(2,147,414)
Gross Profit		3,413,866	2,115,426
Other Income	11.1	10,471	53,789
Consulting and Professional fees		(119,807)	(102,573)
Audit and Accounting fees		(179,427)	(194,499)
Director Fees		(224,132)	(208,245)
Depreciation		(333,004)	(201,423)
Marketing		(2,530,928)	(1,220,651)
Insurance		(128,900)	(129,081)
Research and Development		(16,002)	(10,283)
Legal expenses		(117,500)	(103,057)
Occupancy costs		-	(172,257)
Employment costs	15	(2,360,199)	(1,779,247)
ASX Fees		(187,925)	(180,930)
Other expenses	11.2	(1,041,338)	(1,340,788)
Finance expenses		(244,968)	(173,349)
Impairment of loss of plants		(24,276)	(7,418)
Impairment of provision of receivables		-	(13,805)
Impairment of goodwill		-	-
Impairment of inventory		91,792	(58,264)
Total Expenses		(7,416,614)	(5,895,871)
Loss before income tax expense		(3,992,277)	(3,726,655)
Income tax (benefit)/expense	17	-	-
<b>Loss after tax from continuing operations</b>		<b>(3,992,277)</b>	<b>(3,726,655)</b>
Other comprehensive income/(expense)			
Foreign exchange translation differences		(46,191)	25,370
<b>Total comprehensive loss for the year</b>		<b>(4,038,468)</b>	<b>(3,701,285)</b>
Basic and diluted loss per share (cents per share)	13	(0.16)	(0.33)

The consolidated statement of profit or loss and other comprehensive income is to be read in conjunction with the notes to the consolidated financial statements.

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

### AS AT 30 JUNE 2025

	Note	2025 \$	2024 \$
<b>Current assets</b>			
Cash and cash equivalents	18	1,459,639	1,099,017
Trade and other receivables	19	485,331	636,164
Prepayments		619,805	89,481
Inventories	20	1,555,805	1,251,427
Total current assets		4,120,580	3,076,089
<b>Non-current assets</b>			
Property, plant and equipment	21	895,655	570,468
Intangible assets	22	420,245	466,830
Right-of-use assets	23	242,931	221,213
Total Non-current assets		1,558,830	1,258,511
Total assets		5,679,410	4,334,600
<b>Current liabilities</b>			
Trade and other payables	24	1,315,574	2,436,289
Provisions	25	126,701	116,616
Deferred revenue	26	15,803	27,029
Borrowings	27	515,050	447,877
Lease liability	23	121,898	226,608
Total current liabilities		2,095,026	3,254,419
<b>Non-current liabilities</b>			
Borrowings	27	1,536,621	1,538,028
Lease liability	23	135,639	-
Deferred tax liabilities		9,146	8,994
Total non-current liabilities		1,681,406	1,547,022
Total liabilities		3,776,432	4,801,441
Net assets/(liabilities)		1,902,978	(466,841)
<b>Equity</b>			
Issued Capital	28	34,967,100	28,767,266
Reserves		320,834	158,573
Accumulated losses		(33,384,957)	(29,392,680)
Total equity		1,902,978	(466,841)

The consolidated statement of financial position is to be read in conjunction with the notes to the consolidated financial statements.



## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2025

2025	Contributed Equity	Accumulated Loss	Foreign Exchange Reserve	Option Reserve	Business Combination Reserve	Total Equity
Balance at 1 July 2024	28,767,266	(29,392,680)	(208,825)	303,219	64,179	(466,841)
Shares issued during the year (net of costs)	6,199,834	-	-	-	-	6,199,834
Options Issued	-	-	-	208,452	-	208,452
Foreign exchange translation differences	-	-	(46,191)	-	-	(46,191)
Total profit items recognised directly in other Comprehensive income for the year						
Loss for the year	-	(3,992,277)	-	-	-	(3,992,277)
Total comprehensive income for the year	-	-	-	-	-	-
Balance as at 30 June 2025	34,967,100	(33,384,957)	(255,016)	511,671	64,179	1,902,978

2024	Contributed Equity	Accumulated Loss	Foreign Exchange Reserve	Option Reserve	Business Combination Reserve	Total Equity
Balance at 1 July 2023	25,137,772	(25,666,025)	(234,195)	248,230	64,179	(450,039)
Shares issued during the year (net of costs)	3,629,494	-	-	-	-	3,629,494
Options Issued	-	-	-	54,989	-	54,989
Foreign exchange translation differences	-	-	25,370	-	-	25,370
Total profit items recognised directly in other Comprehensive income for the year						
Loss for the year	-	(3,726,655)	-	-	-	(3,726,655)
Total comprehensive income for the year	-	-	-	-	-	-
Balance as at 30 June 2024	28,767,266	(29,392,680)	(208,825)	303,219	64,179	(466,841)

The consolidated statement of changes in equity is to be read in conjunction with the notes to the consolidated financial statements.

## CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 \$	2024 \$
<b>Cash flows from operating activities</b>			
Cash receipts from customers		8,178,655	3,995,452
Payments for manufacturing and operations		(7,070,125)	(2,929,501)
Cash paid to employees		(1,713,684)	(1,136,520)
Payments for advertisement and marketing		(1,494,564)	(959,957)
Payments for administration and corporate costs		(2,080,899)	(864,491)
Interest received/paid (net)		(189,775)	(181,267)
Income tax paid		-	-
<b>Net cash used by operating activities</b>	18	<b>(4,370,391)</b>	<b>(2,076,285)</b>
<b>Cash flows from investing activities</b>			
Intangible asset purchases		-	(47,692)
Plant and equipment purchases		(459,908)	(69,279)
<b>Net cash used by investing activities</b>		<b>(459,908)</b>	<b>(116,971)</b>
<b>Cash flows from financing activities</b>			
Share Issue (net costs)		5,271,848	2,270,353
Receipt of Loan or Convertible notes issued		65,765	604,689
Payment of Loan		-	-
Repayment of leases		(146,692)	(44,920)
Proceed from lease liability		-	-
<b>Net cash generated by financing activities</b>		<b>5,190,921</b>	<b>2,830,122</b>
<b>Net decrease in cash and cash equivalents</b>		<b>360,622</b>	<b>638,656</b>
Movement in foreign exchange		-	(1,790)
Cash and cash equivalents at the beginning of the period		1,099,017	462,151
<b>Cash and cash equivalents at the end of the year</b>	18	<b>1,459,639</b>	<b>1,099,017</b>

The consolidated statement of cash flows is to be read in conjunction with the notes to the consolidated financial statements.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2025

### GENERAL INFORMATION

The Calmer Co. International Limited (Calmer Co. or the "Company") is a for-profit company limited by shares, domiciled and incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange (ASX). The financial statements are presented in the Australian currency.

The nature of operations and principal activities of the Company are described in the Directors' Report.

### 1. Basis of Preparation

The consolidated financial statements of The Calmer Co. International Limited (the "Company") and its controlled entities ("Calmer Co." or the "Group") for the year ended 30 June 2025, represent a general purpose financial report prepared in accordance with the Corporations Act 2001, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board. The financial report has also been prepared on the historical cost basis. The financial report complies with Australian Accounting Standards and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

### 2. Functional and Presentation Currency

These consolidated financial statements are presented in Australian dollars which is the Company's functional currency. The Group is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 and in accordance with that instrument, amounts in the consolidated financial statements and Directors' report have been rounded off to the nearest dollar, unless otherwise stated.

### 3. Use of Judgements and Estimates

In preparing these consolidated financial statements, management has made judgements and estimates that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

### Calculation of loss allowance

When measuring expected credit losses ("ECL") the Group uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other. Loss given default is an estimate of the loss arising on default.

It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements. Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

### Inventory Costing

Inventories mainly consist of Kava products (capsules and powder) and are measured at standard cost. A standard cost system determines inventory unit cost based on certain reasonable historical or expected cost, which are based on management's industry experience and expertise. Costs are assigned to individual items of stock on the basis of the direct materials, direct labour and direct overhead. Adequate provision has been made for slow moving and obsolete inventories.

### Measurement at Fair Values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the chief financial officer.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of the Standards, including the level in the fair value hierarchy in which the valuations should be classified.

Significant valuation issues are reported to the Group's audit committee.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.



- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 14 – share-based payment arrangements;
- Note 31 – financial instruments; and
- Note 33 – acquisition of subsidiary.

#### 4. Changes in Significant Accounting Policies

The Group has not adopted any significant new accounting policies.

#### 5. Significant Accounting Policies

The Group has consistently applied the following accounting policies to all periods presented in these consolidated financial statements, except if mentioned otherwise.

##### 5.1. Consolidation

###### 5.1.1. Business combination under common control (BCUCC)

BCUCCs are outside the scope of AASB 3 – Business Combinations when the same group of individuals has, as a result of contractual arrangements, ultimate collective power to govern the financial and operating policies of each of the combining entities so as to obtain benefits from their activities, and that ultimate collective power is not transitory.

The Group accounts for BCUCC transactions as follows:

- The assets and liabilities of the acquire are recognised at their previous carrying amounts;
- No adjustments are made to reflect the fair values and no new assets and liabilities of the acquire are recognised at the date of the business combination;

- No new goodwill is recognised; and
- Any difference between the acquired net assets and the consideration is recognised directly in equity in the business combination reserve.

##### 5.1.2. Subsidiaries

Subsidiaries are entities controlled by the Company. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. In assessing control, potential voting rights that presently are exercisable or convertible are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

##### 5.1.3. Interests in equity-accounted investees

The Group's interests in equity-accounted investees comprise interests in associates. Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies.

Interests in associates and the joint venture are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the

Group's share of the profit or loss and OCI of equity-accounted investees, until the date on which significant influence or joint control ceases.

##### 5.1.4. Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

#### 5.2. Foreign Currency

##### 5.2.1. Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of Group companies at the exchange rates at the end of the month of the date of the transaction.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences arising on translation are generally recognised in profit or loss and presented within finance costs.

### 5.2.2. Foreign operations

The assets and liabilities of foreign operations are translated into Australian dollars at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into Australian dollars at the exchange rates at the dates of the transactions. Foreign exchange differences on translation are recognised as a separate component of equity.

Exchange differences arising from the translation of the net investment in foreign operations are taken to translation reserve. They are recognised in the Statement of Profit or Loss and Other Comprehensive Income upon disposal.

### 5.3. Employee Benefits

#### 5.3.1. Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

#### 5.3.2. Share-based payment arrangements

The grant-date fair value of equity-settled share-based payment arrangements granted to employees is generally recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

#### 5.3.3. Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided.

#### 5.3.4. Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods.

### 5.4. Government Grants

The Group recognises an unconditional government grant related to a biological asset in profit or loss as other income when the grant becomes receivable. Other government grants are initially recognised as deferred income at fair value if there is reasonable assurance that they will be received, and the Group will comply with the conditions associated with the grant; they are then recognised in profit or loss.

Grants that compensate the Group for expenses incurred are recognised in profit or loss on a systematic basis in the periods in which the expenses are recognised, unless the conditions for receiving the grant are met after the related expenses have been recognised. In this case, the grant is recognised when it becomes receivable.

### 5.5. Finance Income and Finance Costs

The Group's finance income and finance costs include:

- interest income;
- interest expense;
- the net gain or loss on financial assets at FVTPL; and
- the foreign currency gain or loss on financial assets and financial liabilities;

Interest income or expense is recognised using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the

amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

## **5.6. Revenue**

### **5.6.1. Sale of goods**

Revenue is measured based on the consideration specified in a contract with a customer and excluded any amounts collected on behalf of third parties. The Group recognises revenue when it satisfies a performance obligation by transferring control over a product to a customer. Revenue from the sale of investments property is recognised at a point in time when control of the asset is transferred which is on delivery of the goods.

### **5.6.2. Interest revenue**

Interest revenue is recognised as it accrues, taking into account the effective yield on the financial asset.

## **5.7. Borrowing Costs**

Borrowing costs comprise interest payable on borrowings calculated using the effective interest method, interest receivable on funds invested, dividend income and foreign exchange gains and losses. Borrowing costs are expenses as incurred and included in financing costs.

## **5.8. Income Tax**

Income tax on the Statement of Profit or Loss and Other Comprehensive Income for the period comprises current and deferred tax. Income tax is recognised in the Statement of Profit or Loss and Other Comprehensive Income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous periods.

Deferred tax is provided using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Temporary differences arising from the initial recognition of goodwill, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit,

and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future, are not provided for.

The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

## **5.9. Goods and Services Tax and Value added Tax**

Goods and Services Tax and Value added Tax Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the local legislative taxation office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense. The same treatment is applied to equivalent taxes in other jurisdictions including VAT. Receivables and payables are stated with the amount of GST/VAT included. The net amount of GST/VAT recoverable from, or payable to the local legislative taxation office is included as a current asset or liability in the Statement of Financial Position.

Cash flows are included in the statement of cash flows on a gross basis. The GST/VAT components of cash flows arising from investing and financing activities which are recoverable from, or payable to the local legislative taxation office are classified as operating cash flows.

## **5.10. Inventories**

Inventories consist mainly of kava products (capsules and powder) and are measured at the lower of cost and net realisable value. Costs are assigned to individual items of stock on the basis of the landed Director cost, insurance, freight, and an allocation of overhead expenditure, the latter being allocated on the basis of labour incurred. Adequate provision has been made for slow moving and obsolete inventories.

## **5.11. Property, Plant and Equipment**

### **5.11.1. Recognition and measurement**

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 30 JUNE 2025

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

#### 5.11.2. Depreciation

Depreciation is calculated to write off the cost of items of property, plant and equipment using the straight-line method over their estimated useful lives and is generally recognised in profit or loss. Land is not depreciated.

The depreciation rates used for each class of asset are as follows:

- Buildings - 1.25%
- Greenhouse - 1.25%
- Plant and equipment - 10.0%
- Motor vehicles - 12.0%
- Furniture and fittings - 15.0%

Assets are depreciated or amortised from the date of acquisition or, in respect of internally generated assets, from the time an asset is completed and held ready for use.

Depreciation and amortisation rates and methods are reviewed annually for appropriateness. When changes are made, adjustments are reflected prospectively in current and future periods only.

#### 5.12. Intangible Assets

##### 5.12.1. Recognition and measurement

Intangible assets that are acquired by the Group are stated at cost less accumulated amortisation and any accumulated impairment losses. Expenditure on internally generated intangibles and brands is recognised in the Statement of Profit or Loss and Other Comprehensive income as an expense as incurred. Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss as incurred. Intangible assets are deemed to have an indefinite useful life are systematically tested for impairment at each reporting date.

Website costs are charged as expenses when they are incurred unless they relate to the acquisition or development of an asset when they may be capitalised or amortised. Generally, costs in relation to feasibility studies during the planning phase of a website, and ongoing costs of maintenance during the operating phase are expensed. Costs incurred in building or enhancing a website, to the extent that they represent probable future economic benefits that can be reliably measured, are capitalised.

The Group has capitalised a portion of directly attributable development costs of new products. The costs are capitalised only when technical feasibility of new product is demonstrated, and the Group has an intention and ability to complete and use the products and the costs can be measured reliably. Such costs include purchase of materials and services and payroll related costs of employees directly involved in the product development. Research costs are recognised as an expense when incurred.

##### 5.12.2. Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method and is generally recognised in profit or loss.

The estimated useful lives for current and comparative periods are as follows:

- Trademark costs - 10 years (2023: 10 years)

#### 5.13. Financial Instruments

Financial Instruments – Assets

##### a. Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

#### **b. Recognition and derecognition**

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

#### **c. Measurement**

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

#### **i. Debt instruments**

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.

- **FVOCI:** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the statement of profit or loss.
- **FVTPL:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

#### **ii. Equity instruments**

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVTPL are recognised in other gains/(losses) in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

#### **d. Impairment**

The Group assesses on a forward-looking basis, the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

For trade receivables, the Group applies the simplified approach permitted by AASB 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

### Financial Instruments – Liabilities

#### a. Classification

The Group classifies its financial liabilities in the following measurement categories:

- those to be measured subsequently at FVTPL, and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial liabilities and the contractual terms of the cash flows.

For financial liabilities measured at FVTPL, gains and losses, including any interest expenses will be recorded in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

For financial liabilities measured at amortised cost, the effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

#### b. Recognition and derecognition

Regular way purchases of financial liabilities are recognised on trade-date, the date on which the Group commits to purchase the financial liability. Financial liabilities are derecognised when the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liabilities derecognised and the consideration paid and payable is recognised in profit or loss.

#### c. Measurement

At initial recognition, the Group measures financial liabilities at its fair value plus, in the case of financial liabilities not at fair

value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial liabilities. Transaction costs of financial liabilities carried at FVTPL are expensed in profit or loss.

### 5.14. Share Capital

#### Ordinary shares

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a business are not included in the cost of the acquisition as part of the purchase consideration.

#### Reacquisition of ordinary shares

If the entity reacquires its own equity instruments, there is no gain or loss recognised in the Statement of Profit or Loss and Other Comprehensive Income, the instruments are cancelled and deducted from equity, and the consideration paid (net of income tax) is recognised directly in equity.

### 5.15. Compound Financial Instruments

Compound financial instruments issued by the Group comprise convertible notes denominated in Australian dollars that can be converted to ordinary shares at the option of the holder, when the number of shares to be issued is fixed and does not vary with changes in fair value.

The liability component of compound financial instruments is initially recognised at the fair value of a similar liability that does not have an equity conversion option. The equity component is initially recognised at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest method. The equity component of a compound financial instrument is not remeasured.

Interest related to the financial liability is recognised in profit or loss. On conversion at maturity, the financial liability is reclassified to equity and no gain or loss is recognised.

### 5.16. Impairment

#### Non-derivative financial assets

Financial instruments and contract assets

The Group recognises loss allowances for expected credit losses ("ECLs") on:

- financial assets measured at amortised cost;
- debt investments measured at FVOCI; and
- contract assets.

The Group measures loss allowances at an amount equal to lifetime ECLs.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment, that includes forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Group considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

#### Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in

accordance with the contract and the cash flows that the Group expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

#### Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the debtor will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

For debt securities at FVOCI, the loss allowance is charged to profit or loss and is recognised in OCI.

#### Write-off

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For individual customers, the Group has a policy of writing off the gross carrying amount when the financial asset is 180 days past due based on historical experience of recoveries of similar assets. For corporate customers, the Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Group expects no significant recovery from the



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### FOR THE YEAR ENDED 30 JUNE 2025

amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

#### Non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU's) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit or loss in expense categories consistent with the function of the impaired asset, except for properties previously revalued with the revaluation taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined,

net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

#### 5.17. Provisions

A provision is recognised in the Statement of Financial Position when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

#### 5.18. Leases

##### As a lessee

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset whichever is the shortest. Where a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses the incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments less lease incentives;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

#### **Short-term leases and leases of low-value assets**

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

#### **As a lessor**

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, then the Group applies IFRS 15 to allocate the consideration in the contract.

The Group applies the derecognition and impairment requirements in IFRS 9 to the net investment in the lease. The Group further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease.

The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'other revenue'.

#### **5.19. Fair Value Measurement**

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities (see Note 2).

When one is available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

If there is no quoted price in an active market, then the Group uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all the factors that market participants would take into account in pricing a transaction.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and long positions at a bid price and liabilities and short positions at an ask price.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

### 6. New accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2024 reporting periods and have not been early adopted by the group. These standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

### 7. Segment Reporting

#### Basis for operating segments

The Group has adopted AASB 8 Operating Segments whereby segment information is presented using a 'management approach', i.e. segment information is provided on the same basis as information used for internal reporting purposes by the Board of Directors. At regular intervals, the board is provided with management information at a group level for the Group's cash position and a Group cash forecast for the next twelve months of operation.

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

The following summary describes the operations of each reportable segment.

Reporting segments	Operations	Geographical areas
<b>Fiji Kava (Australia) Trading PTY Ltd</b>	Marketing and Selling of products	Australia
<b>South Pacific Elixirs PTE Ltd</b>	Sourcing and manufacturing of kava powder	Fiji
<b>Fiji Kava Inc (USA)</b>	Marketing and Selling of products	USA
<b>Danodan Hempworks LLC (USA)</b>	Manufacture, Marketing and Selling of products	USA

The Group's chief executive officer reviews the internal management reports of each division on at least a monthly basis.

These reporting segments have not changed from the 2024 financial year.

There are varying levels of integration between the reporting segments. This integration includes transfers of raw materials and shared distribution services, respectively. Inter-segment pricing is determined on an arm's length basis.

#### Information about reportable segments

Information related to each reportable segment and all other segments 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.

2025	Reportable Segments				Business Combination Reserve	Total Equity
	Fiji Kava Trading	SPE Fiji	Fiji Kava USA	Danodan		
External revenues	5,555,783	3,422,788	2,058,103	165,008		11,201,682
Inter-segment revenue	(20,514)	(3,137,829)	-	(8,657)	-	(3,167,000)
Segment Revenue	5,535,268	284,959	2,058,103	156,352	-	8,034,682
Segment profit (loss) before tax	(484,733)	(270,375)	39,226	(197,169)	(3,079,227)	(3,992,277)
Interest income	-	-	-	-	13,844	13,844
Interest expense	(48,056)	(13,426)	(32,185)	(8,422)	(88,857)	(190,946)
Depreciation and amortisation	13,426	155,216	31,632	1,238	131,492	333,004
<b>Other material non-cash items:</b>						
Impairment losses on non-financial assets	-	-	-	-	-	-
Segment assets	1,166,591	1,531,383	1,527,582	54,823	1,399,031	5,679,410
Segment liabilities	(8,479,046)	(1,072,009)	4,611,964	(2,122,598)	(3,776,432)	3,285,257

2024	Reportable Segments				Business Combination Reserve	Total Equity
	Fiji Kava Trading	SPE Fiji	Fiji Kava USA	Danodan		
External revenues	2,481,954	1,782,929	1,235,929	276,483	4,647	5,781,942
Inter-segment revenue		(1,465,313)	-	-	-	(1,465,313)
Segment Revenue	2,481,954	317,615	1,235,929	276,483	4,647	4,316,629
Segment profit (loss) before tax	(406,095)	(233,956)	123,462	(275,457)	(2,934,609)	(3,726,655)
Interest income	38	-	-	-	3,932	3,970
Interest expense	(35,361)	(16,382)	(17,442)	(9,414)	(94,750)	(173,349)
Depreciation and amortisation	11,848	130,814	33,640	1,222	23,899	201,423
<b>Other material non-cash items:</b>						
Impairment losses on non-financial assets	-	-	-	-	-	-
Segment liabilities	1,224,056	1,332,780	767,114	103,000	907,650	4,334,600
Segment liabilities	(662,156)	(668,127)	(461,769)	(139,725)	(2,869,664)	(4,801,441)

## 8. Disposal Group Held for Sale

The Group does not currently have any disposal group held for sale.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

### 9. 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 financial year, the Group made a loss before tax of \$3,992,277 (2024: loss of \$3,726,655) and has accumulated losses of \$33,384,957. As at 30 June 2025, the Group held a net current liability position of (\$2,025,554) including a cash position of \$1,459,639. Based on the Group's cash flow forecast, management expects the net current asset position will provide approximately 4 months of funding, without including the benefit of continued revenue improvement which is expected to increase during FY 2026.

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, 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.

### 10. Revenue

#### 10.1. Revenue streams

The Group generates revenue primarily from the sale of Kava products to its customers. Other sources of revenue include rental income from an owned investment property (for a further split see note 11 below).

	2025 \$	2024 \$
Revenue from contracts with customers	8,034,682	4,262,840
Other income:		
Other Revenue	10,471	53,789
<b>Total Revenue</b>	<b>8,045,153</b>	<b>4,316,629</b>

#### 10.2. Disaggregation of revenue from contracts with customers

In the following table, revenue from contracts with customers (including revenue related to a discontinued operation) is disaggregated by primary geographical market, major products and service lines and timing of revenue recognition. The table also includes a reconciliation of the disaggregated revenue with the Group's reportable segments (see Note 7).

2025	Australia	Fiji	USA	Total
<b>Geographical Markets</b>				
Australia	5,535,268	-	-	5,535,268
Fiji	-	284,959	-	284,959
Other	-	-	2,214,455	2,214,455
	5,535,268	284,959	2,214,455	8,034,682
<b>Major product lines</b>				
Medicinal	83,595	28,601	38,637	150,833
Powder	4,819,331	235,645	1,865,692	6,920,668
RTD	548,004	20,713	-	568,717
Extract		-	146,239	146,239
CBD		-	156,353	156,351
Accessories	84,338	-	7,534	91,872
Other Revenue	-	-	-	-
<b>External Revenue as reported in Note 7</b>	5,541,966	289,449	2,214,455	8,034,682

2024	Reportable Segments				Other	Total
	Fiji Kava Trading	SPE Fiji	Fiji Kava USA	Danodan		
Geographical Markets						
Australia	2,428,166	-	-	-	-	2,428,166
Fiji	-	317,615	-	-	-	317,615
Other	-	-	1,235,929	276,483	4,647	1,517,059
	2,428,166	317,615	1,235,929	276,483	4,647	4,262,840
Major product lines						
Drinking	2,035,446	246,737	299,462	28,198	-	2,609,843
Capsules	255,074	27,953	24,525	2,481	-	310,032
Other	110,859	23,342	911,943	244,086	-	1,290,229
Other Revenue	26,788	19,583	-	1,718	4,647	52,736
External Revenue as reported in Note 7	2,428,166	446,770	1,235,929	276,483	4,647	4,262,840

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 30 JUNE 2025

#### 10.3. Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers.

	Note	2025 \$	2024 (Restated) \$
Receivables, which are included in 'trade and other receivables'	19	472,296	579,290
Contract assets		-	-
Contract liabilities		15,803	27,029

The contract assets primarily relate to the Group's rights to consideration for orders completed but not billed at the reporting date on made-to-order products. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Group issues an invoice to the customer.

The contract liabilities primarily relate to the advance consideration received from customers.

#### 10.4. Revenue recognition policies

Revenue is measured based on the consideration specified in a contract with a customer and excludes any amounts collected on behalf of third parties. The Group recognises revenue when it satisfies a performance obligation by transferring control over a product to a customer.

## 11. Income and Expenses

### 11.1. Other Income

	2025 \$	2024 \$
Interest income	-	3,970
Rental income	-	-
Other income	10,471	49,819
	10,471	53,789

### 11.2. Other Expenses

	2025 \$	2024 \$
Information Technology expenses	160,355	146,792
Entertainment	16,596	8,122
Investor relations and Fundraising Costs	37,056	326,393
Motor vehicle	44,318	38,281
Printing, stationery & postage	11,694	4,594
Staff amenities	8,688	7,166
Storage & third party logistics	79,162	52,388
Subscriptions & publications	122,561	37,970
Travel expenses	231,652	221,748
Other miscellaneous expenses	329,256	497,333
	1,041,338	1,340,788

## 12. Net finance costs

See Accounting Policies in Note 5.5

	2025 \$	2024 \$
<b>Finance income</b>		
Interest income	13,844	3,970
Foreign exchange (gains)	-	-
<b>Finance costs</b>		
Foreign exchange losses	55,193	(7,918)
Bank fees	11,170	10,463
Loan fees	1,504	8,593
Interest expense	190,945	166,181
<b>Net finance costs recognised in profit or loss</b>	<b>244,968</b>	<b>173,349</b>

## 13. Earnings per share

Basic earnings per share is calculated as net profit attributable to members of the parent, adjusted to exclude any costs of servicing equity (other than dividends), divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted earnings per share is calculated as net profit attributable to members of the parent, adjusted for:

- Costs of servicing equity (other than dividends);
- The after-tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- Other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares.

Divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

	2025 \$	2024 \$
<b>Reconciliation of earnings to profit or loss</b>		
Loss for the year	(3,992,277)	(3,726,655)
Loss used in the calculation of basic and diluted EPS	(3,992,277)	(3,726,655)
Weighted average number of ordinary shares outstanding during the period used in the calculation of basic EPS	2,477,404,760	1,139,492,309
Loss per share		
Basic and diluted loss per share (cents per share)	(0.16)	(0.33)



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2025

### 14. Share Based Payment Arrangements

#### Share options (Equity-settled)

The key terms and conditions related to the grants under these programmes are as follows; all options are to be settled by the physical delivery of shares.

Name and grant date	Number of options	Contractual life of options
James Dack 30 November 2022	10,000,000	12 Months
James Dack 30 November 2022	10,000,000	18 Months
James Dack 30 November 2022	10,000,000	24 Months

#### Measurement of fair values

The fair value of the share options has been measured using the Black-Scholes formula.

The inputs used in the measurement of the fair values at grant date of the equity-settled share-based payment plans were as follows.

	2024
Fair value per option at grant date	\$0.00778
Market value per share at grant date	
Exercise price per option	\$0.02
Expected volatility <sup>1</sup>	82.74%
Expected life	2 years
Expected dividend yield	0.00%

Risk-free interest rate (based on government bonds)

<sup>1</sup> Expected volatility has been based on an average of the standard deviation of the Group for approximately 2 years prior to the issuance of the options.

### 15. Employee Benefits

See accounting policies in Note 5.3

	2025 \$	2024 \$
Current liability for annual leave	126,701	116,616
Total employee benefit liabilities	126,701	116,616

#### Employee benefits expense

	2025 \$	2024 \$
Wages and salaries (including allowances)	1,796,891	1,418,048
Superannuation expense	196,197	128,523
Annual leave expense	9,671	17,022
Equity-settled share-based payments	281,953	116,716
Other employee benefits expense	75,487	98,938
	2,360,199	1,779,247

#### 16. Auditor's Remuneration

Remuneration of the auditor for the Group for:

	2025 \$	2024 \$
Auditing or reviewing the financial reports	62,500	90,850
	62,500	90,850

#### 17. Income Tax

See accounting policy in Note 5.8.

There are no current or deferred tax expenses during the year.

#### Reconciliation of income tax

The prima facie tax expense/(credit) on profit/(loss) from ordinary activities before income tax is reconciled to income tax is:

	2025 \$	2024 \$
Prima facie tax payable/(benefit) on profit/(loss) before income tax at 25% (2024: 25%)	(1,056,819)	(931,664)
Tax effect of other deductible expenses	4,069	12,161
International tax rate differences	23,253	18,623
Tax effect of unrecognised tax losses utilised	1,029,497	900,880
	-	-

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 30 JUNE 2025

#### Tax losses carried forward

The Group has estimated tax losses of approximately \$18.9M (2024: \$14.6M). Utilization of the carried forward tax losses by the Group is subject to satisfaction of the Continuity of Ownership Test, the Same Business Test or the Similar Business Test.

#### Deferred tax asset

The Group has recognized a deferred tax asset of \$25K (2024: \$9K) on the basis that it is not 'probable' that the carried forward revenue loss will be against future assessable taxable profits, as set out in the accounting policy of Note 5.8.

From 1 July 2021, the corporate tax rate in Australia for base rate entities has been 25%.

#### 18. 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:

	2025 \$	2024 \$
Cash at bank	1,427,973	1,067,351
Term deposits	31,666	31,666
Cash on hand	-	-
Cash and cash equivalent	1,459,639	1,099,017

#### Reconciliation of loss for the year to net cash flows from operating activities

	2025 \$	2024 (Restated) \$
Loss for the year	(3,992,277)	(3,726,655)
Non-cash items in profit from ordinary activities		
Depreciation	281,659	201,423
Shared based option expense	(26,547)	116,716
Interest expense and borrowing costs	190,946	173,349
Unrealised foreign exchange movement	(36,057)	(31,890)
Interest income	(13,844)	(3,970)
(Profit)/loss on sale of fixed assets	(28,970)	28,200
Movements in working capital		
(Increase)/decrease in receivables and prepayments	(379,491)	(262,892)
(Increase)/decrease in inventories	(304,378)	(367,856)
(Increase)/decrease in interest received	-	-
Increase/(decrease) in trade and other payables	(66,000)	1,874,414
Increase/(decrease) in deferred revenue	(11,226)	(18,750)
Increase/ (decrease) in interest paid	5,709	(75,279)
Increase/(decrease) in provisions	10,085	16,905
Net cash used in operating activities	(4,370,391)	(2,076,285)

#### Changes in liabilities arising from Financing Activities

	1 July 2024	Cash Flows	Conversion to Equity	Accrued interest	Other movements	30 June 2025
Short term borrowings	447,877	79,895	-	(12,722)	-	515,050
Long term borrowings	1,538,028	1,407	-	-	-	1,536,621
Lease Liabilities	226,608	30,554	-	376	-	257,538
Total	2,212,513	111,856	-	12,346	-	2,309,209

#### 19. Trade and Other Receivables

	2025 \$	2024 \$
Current		
Trade receivables	468,901	562,468
Other Receivables	3,395	16,822
GST receivables	13,035	56,874
	485,331	636,164

Ageing of trade receivables	2025 \$	2024 \$
0 - 60 days	413,445	531,612
60 - 120 days	1,771	12,503
Over 120 days	53,685	18,353
	468,901	562,468

The Group applies the simplified approach to providing for expected credit losses prescribed by AASB 9, which permits the use of the lifetime expected loss provision for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on the days past due. The loss allowance provision as at 30 June 2025 is determined based on the expected credit losses, incorporating forward-looking information.

#### Fair value and credit risk

Due to the short-term nature of these receivables, their carrying value is assumed to approximate their fair values.

The maximum exposure to credit risk is the fair value of receivables.

#### Foreign exchange and interest rate risk

Foreign exchange and interest rate risk exposure are disclosed in note 31.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 30 JUNE 2025

#### 20. Inventories

See accounting policy in Note 5.10.

	2025 \$	2024 \$
Raw material	82,244	140,509
Finished goods	1,473,561	1,110,917
	1,555,805	1,251,427

#### 21. Property, Plant and Equipment

See accounting policies in Note 5.11.

	Buildings	Green House	Plant & Equipment	Motor Vehicle	Lab & Nursery	Furniture & Fittings	Total
<b>Cost</b>							
Balance at 1 July 2024	-	164,904	521,221	140,806	-	177,424	1,004,355
Effect of movements in exchange rates	-	2,788	5,830	-	-	-	8,618
Acquisitions	-	-	429,569	-	-	970	430,539
Disposals	-	-	(23,942)	-	-	-	(23,942)
Other movement	-	-	(3,225)	2,381	-	2,063	1,219
Balance at 30 June 2025	-	167,692	929,453	143,187	-	180,457	1,420,789

	Buildings	Green House	Plant & Equipment	Motor Vehicle	Lab & Nursery	Furniture & Fittings	Total
<b>Accumulated Depreciation</b>							
Balance at 1 July 2024	-	37,597	227,991	104,766	-	63,532	433,886
Effect of movements in exchange rates	-	562	492	8	-	541	1,603
Depreciation	-	16,842	40,125	12,900	-	20,067	89,934
Disposals	-	-	-	-	-	-	-
Other movement	-	-	(290)	-	-	-	(290)
Balance at 30 June 2025	-	55,001	268,318	117,674	-	84,140	525,133

	Buildings	Green House	Plant & Equipment	Motor Vehicle	Lab & Nursery	Furniture & Fittings	Total
<b>Cost</b>							
Balance at 1 July 2023	-	169,654	536,479	85,339	-	181,909	973,381
Effect of movements in exchange rates	-	(1,794)	(512)	(539)	-	(590)	(3,435)
Acquisitions	-	-	19,942	58,916	-	-	78,858
Disposals	-	-	(28,200)	-	-	-	(28,200)
Other movement	-	(2,956)	(6,488)	(2,910)	-	(3,895)	(16,249)
Balance at 30 June 2024	-	164,904	521,221	140,806	-	177,424	1,004,355

	Buildings	Green House	Plant & Equipment	Motor Vehicle	Lab & Nursery	Furniture & Fittings	Total
<b>Accumulated Depreciation</b>							
Balance at 1 July 2023	-	33,185	193,699	38,355	-	52,314	317,553
Effect of movements in exchange rates	-	293	581	-	-	1,040	1,914
Depreciation	-	4,119	27,223	63,501	-	10,178	105,021
Disposals	-	-	-	-	-	-	-
Other movement	-	-	6,488	2,910	-	-	9,398
Balance at 30 June 2024	-	37,597	227,991	104,766	-	63,532	433,886

Property, plant and equipment does not include right-of-use assets. Please see note 23 for information on leased assets.

## 22. Intangible Assets

	2025 \$	2024 \$
Capitalised website costs, at cost	-	-
Trademarks	628,945	623,771
Accumulated amortisation	(208,700)	(156,941)
Goodwill	-	-
	420,245	466,830

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2025

### Amortisation

The amortisation of trademarks and website costs is included in 'total expenses' under depreciation.

### Impairment tests for goodwill

Goodwill is allocated to the Danodan operations as a single cash-generating unit (CGU) which is included in the US business segment, and to Danodan following the acquisition as a single cash-generating unit included in the USA business segment. The recoverable amount of the CGU is determined based on a valuation performed on the business (fair value less costs to sell). Goodwill on the Danodan acquisition has been fully written off.

### 23. Leases

#### Leases as a lessee

The group's lease portfolio includes building and Kava plantation estate in Fiji. The option to extend or terminate are contained in property leases of the group. These clauses provide the group opportunities to manage leases to align with its strategies. The extension options or termination options which were probable to be exercised have been included in the calculation of the right-of-use asset.

Information about leases for which the Group is a lessee is presented below.

#### Right-of-use assets

Right-of-use assets related to leased properties that do not meet the definition of investment property are presented as property, plant and equipment (see Note 5.18).

2025	Total \$
<b>Right of use assets</b>	
Opening balance	221,213
Right of use assets acquired	182,594
Current year disposals	-
Other current year increase / (decrease)	-
Depreciation charge for the year	(160,876)
<b>Closing Balance</b>	<b>242,931</b>

2025	Total \$
<b>Lease Liabilities</b>	
Opening balance	226,608
Current year additions	73,626
Current year disposals	-
Other current year increase / (decrease)	-
Accretion of interest	375
Payments made	(43,072)
<b>Closing Balance</b>	<b>257,537</b>

2025	Total \$
Current	121,898
Non-current	135,639
<b>Closing Balance</b>	<b>257,537</b>

Amounts recognised in profit or loss	Total \$
Interest on lease liabilities	13,426
Expenses relating to short-term leases	-

Amounts recognised in statement of cash flows	Total \$
Income from sublease	-
Total cash inflow for leases	30,930

## 24. Trade and Other Payables

See Note 5.13 for measurement policies.

	2025 \$	2024 (Restated) \$
<b>Current</b>		
Trade payables	732,797	1,124,241
Share subscription funds received in advance	-	663,960
Other payables	138,570	217,485
Accrued expenses	444,207	430,603
	<b>1,315,574</b>	<b>2,436,289</b>

Information about the Group's exposure to currency and liquidity risks is included in the notes to these financial statements.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 30 JUNE 2025

#### 25. Provisions

See accounting policy in note 5.17

	2025 \$	2024 \$
Balance at start of year	116,616	99,711
<b>Employee Annual Leave Provision</b>		
Provisions made during the year	19,756	30,573
Provisions used during the year	(9,671)	(13,668)
Provisions reversed during the year	-	-
Closing balance	126,701	116,616

#### 26. Deferred Revenue

See accounting policy in note 5.6

	2025 \$	2024 \$
Other Grants	-	-
Unearned Income	15,803	27,029
	15,803	27,029

#### 27. Borrowings

	2025 \$	2024 \$
<b>Current</b>		
Convertible Notes	-	-
Other Borrowings	515,050	447,877
	515,050	447,877
<b>Non-Current</b>		
Convertible Notes	1,320,259	1,320,259
SBA Loan	216,362	217,769
	1,536,621	1,538,028

Convertible notes	2025 \$
Balance at 1 July 2024	1,320,259
Proceeds from issue of convertible notes during the year	-
Transaction costs during the year	-
Net proceeds	-
Notes converted during the year	-
Carrying amount of liability at 30 June 2025	1,320,259

#### Terms and conditions

The terms and conditions of the convertible note (issued in FY 2022):

- Maturity date: 60 months anniversary of issue date
- Interest rate: 5% per annum
- Conversion rate: 5% discount per annum with a maximum conversion price of \$0.15.

US Small Business Administration (SBA) Loan	Current \$	Non-current \$
Balance at 1 July 2024	-	217,769
Transaction costs during the year	-	-
Net proceeds	-	217,769
Interest accrued during the year	4,217	-
Interest paid during the year	(4,217)	-
Principal Repayment	-	(4,644)
Foreign exchange movement (USD/AUD)	-	3,236
Carrying amount of liability at 30 June 2025	-	216,361

#### Terms and conditions

The terms and conditions of the SBA Loan is:

- Details: Currently paying principal and interest on the loan taken out 4 June 2020 with a maturity of 30 years from the date of the loan.
- Interest rate: 3.75% per annum

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2025

### 28. Issued Capital

Fully paid ordinary shares	2025		2024	
	No.	\$	No.	\$
Balance at beginning of the reporting period	1,485,480,742	28,767,266	444,777,593	25,137,772
Shares issued during the year Placement (net costs)	1,478,872,518	6,058,834	758,353,665	2,581,409
Shares issued under employee incentive scheme	47,000,000	141,000		
Conversion of Convertible Note	-	-	282,349,484	1,048,085
Balance at end of the reporting period	3,011,353,260	34,967,100	1,485,480,742	28,767,266

Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held. At the shareholders' meetings, each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

#### Issue of ordinary shares

The Company completed a capital raising of \$6,058,834 during the year with the issue of 1,478,872,518 shares.

### 29. Capital risk management

When managing capital, the Board's objective is to ensure the Group continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders.

In the short to medium term the Group is focussed on maintaining an appropriate level of working capital. Until achievement of profitable operations and positive cash flow, the Directors do not anticipate paying dividends.

The level of dividends paid by the Company in the future will depend upon the availability of distributable earnings, the Company's franking credit position, operating results, available cash flow, financial condition, taxation position, future capital requirements, as well as general business and financial conditions and any other factors the Directors may consider relevant.

The Group is not subject to any externally imposed capital requirements.

### 30. Reserves

#### Option reserve

The option reserve records items recognised as expenses on valuation of employee share options.

#### Business combination reserve

The business combination reserve recognises any difference between the acquired net assets and the consideration exchanged in a business combination under common control transaction, as described in Note 5.1.1.

#### Foreign exchange reserve

The foreign exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations where their functional currency is different to the presentation currency of the reporting entity, as well as from the translation of liabilities that hedge the Company's net investment in a foreign subsidiary.

### 31. Financial Instruments - Risk Management

#### Financial Risk Management Policies

This note presents information about the Group's exposure to risks, its objectives, policies and procedures for measuring and managing risk, and the management of capital.

The Group's financial instruments consist mainly of deposits with banks, accounts payable and receivable and convertible notes.

The Group does not speculate in the trading of derivative instruments.

A summary of the Group's Financial Assets and Liabilities is shown below:

2025	Note	Floating Interest Rate \$	Fixed Interest Rate \$	Non-interest Bearing \$	Total \$
<b>Financial Assets</b>					
Cash and cash equivalents	18	1,459,639	-	-	1,459,639
Trade and other receivables	19	-	-	485,331	485,331
<b>Total Financial Assets</b>		<b>1,459,639</b>	<b>-</b>	<b>485,331</b>	<b>1,944,970</b>
<b>Financial Liabilities</b>					
Borrowings	27	-	2,051,670	-	2,051,670
Trade and other payables	24	-	-	1,315,574	1,315,574
<b>Total Financial Liabilities</b>		<b>-</b>	<b>2,051,670</b>	<b>1,315,574</b>	<b>3,367,244</b>
<b>Net Financial Assets/(Liabilities)</b>		<b>1,459,639</b>	<b>(2,051,670)</b>	<b>(830,243)</b>	<b>(1,422,274)</b>

2024	Note	Floating Interest Rate \$	Fixed Interest Rate \$	Non-interest Bearing \$	Total \$
<b>Financial Assets</b>					
Cash and cash equivalents	18	1,099,017	-	-	1,099,017
Trade and other receivables	19	-	-	636,164	636,164
<b>Total Financial Assets</b>		<b>1,099,017</b>	<b>-</b>	<b>636,164</b>	<b>1,735,181</b>
<b>Financial Liabilities</b>					
Borrowings	27	-	1,985,905	-	1,985,905
Trade and other payables	24	-	-	2,436,289	2,436,289
<b>Total Financial Liabilities</b>		<b>-</b>	<b>1,985,905</b>	<b>2,436,289</b>	<b>4,422,194</b>
<b>Net Financial Assets/(Liabilities)</b>		<b>1,099,017</b>	<b>(1,985,905)</b>	<b>(1,800,125)</b>	<b>(2,687,013)</b>



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

### Specific Financial Risk Exposures and Management

The main risk the Group is exposed to through its financial instruments are credit risk, liquidity risk and market risk consisting of interest rate, foreign currency risk and equity price risk.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. The Board adopts practices designed to identify significant areas of business risk and to effectively manage those risks in accordance with the Group's risk profile. This includes assessing, monitoring and managing risks for the Group and setting appropriate risk limits and controls. The Group is not of a size nor is its affairs of such complexity to justify the establishment of a formal system for risk management and associated controls. Instead, the Board approves all expenditure, is intimately acquainted with all operations and discuss all relevant issues at the Board meetings. The operational and other compliance risk management have also been assessed and found to be operating efficiently and effectively.

### Credit Risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from customers and investments in debt securities.

### Credit risk exposures

The Group does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the Group.

The maximum exposure to credit risk is that to its alliance partners and that is limited to the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements.

Credit risk related to balances with banks and other financial institutions is managed by the Group in accordance with approved Board policy. Such policy requires that surplus funds are only invested with financial institutions residing in Australia, where-ever possible.

### Impairment losses

The Group has not recognised any impairment expense in relation to trade receivables in the current year (2024: \$13,805).

### Liquidity Risk

Liquidity risk arises from the possibility that the Group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Group's objective when managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Board of Directors constantly monitor the state of equity markets in conjunction with the Group's current and future funding requirements, with a view to initiating appropriate capital raisings as required. Any surplus funds are invested with major financial institutions.

The financial liabilities of the Group are confined to trade and other payables and borrowings as disclosed in the Note 24 and 27 of the financial statements.

The following are the remaining contractual maturities of financial liabilities at the reporting date.

## Financial Asset and Liability Maturity Analysis

	Within 1 Year	Over a year	Total
Financial liabilities due for payment at 30 June 2025			
Trade payables	729,103	-	729,103
Other payables	586,471	-	586,471
Convertible note and borrowings	515,050	1,536,621	2,051,671
<b>Total contractual outflows</b>	<b>1,830,624</b>	<b>1,536,621</b>	<b>3,367,245</b>

	Within 1 Year	Over a year	Total
Financial liabilities due for payment at 30 June 2024			
Trade payables	1,120,547	-	1,120,547
Other payables	1,315,742	-	1,315,742
Convertible note and borrowings	447,877	1,538,028	1,985,905
<b>Total contractual outflows</b>	<b>2,884,166</b>	<b>1,538,028</b>	<b>4,422,194</b>

## Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Board meets on a regular basis and considers the Group's exposure currency and interest rate risk.

### 1. Interest Rate Risk

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The Group is also exposed to earnings volatility on floating rate instruments.

The interest rate profile of the Group's interest-bearing financial instruments as reported to the management of the Group is as follows.

	2025 \$	2024 \$
<b>Fixed rate</b>		
Borrowings	(2,051,671)	(1,985,905)
<b>Floating rate</b>		
Cash and cash equivalents	1,459,639	1,099,017

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 30 JUNE 2025

#### Sensitivity Analysis

##### Fixed rate instruments

The Group does not account for any fixed-rate financial assets or financial liabilities at FVTPL, therefore, a change in interest rates at the reporting date would not affect profit or loss.

##### Floating rate instruments

The following table illustrates sensitivities to the Group's exposures to changes in interest rates. The table indicates the impact on how profit and equity values reported at balance sheet date would have been affected by changes in the relevant risk variable that management considers to be reasonably possible. These sensitivities assume that the movement in a particular variable is independent of other variables.

A change of 100 basis points in the interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. The analysis was performed on the same basis for 2024.

	Profit \$	Equity \$
<b>Year ended 30 June 2025</b>		
±100 basis points change in interest rates	± 14,596	± 14,596
<b>Year ended 30 June 2024</b>		
±100 basis points change in interest rates	± 10,990	± 10,990

#### 1. Foreign Exchange Risk

Exposure to foreign exchange risk may result in the fair value or future cash flows of a financial instrument fluctuating due to movement in foreign exchange rates of currencies in which the Group holds financial instruments which are other than the AUD functional currency of the Group. The Group transacts in Fijian Dollar, US Dollar and New Zealand Dollar as well as AUD but these are not considered to be significant in comparison to the AUD denominated transactions/balances.

	2025			2024		
	FJD	USD	NZD	FJD	USD	NZD
Trade receivables	1,943,292	71,230	-	2,166,783	26,845	-
Trade payables	(467,553)	(465,481)	-	(562,650)	(193,094)	(995)
Net exposure	1,475,739	(394,251)	-	1,604,133	(166,249)	(995)

The following exchange rates have been applied.

AUD to	Average Rate		Year-end rate	
	2025	2024	2025	2024
FJD	1.469	1.476	1.469	1.494
USD	0.646	0.656	0.658	0.667
NZD	1.079	1.090	1.080	1.094

### Sensitivity Analysis

A reasonably possible strengthening or weakening of the Australian dollar, Fijian dollar, US dollar or New Zealand dollar against all other currencies at 30 June would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

	Profit \$	Equity \$
<b>Year ended 30 June 2025</b>		
FJD (3% movement)	8,686	17,372
USD (8% movement)	3,154	6,307
NZD (3% movement)	-	-
<b>Year ended 30 June 2024</b>		
FJD (3% movement)	6,822	13,644
USD (8% movement)	33,871	67,742
NZD (3% movement)	-	-

### 32. Parent Entity Information

	2025 \$	2024 \$
<b>Financial Position of The Calmer Co. International Limited</b>		
Current Assets	1,165,995	864,975
Non-current assets	17,797,001	15,775,443
	18,962,996	16,640,418
Current liabilities	773,723	1,666,379
Non-current liabilities	1,320,260	1,320,259
	2,093,983	2,986,638
<b>Net Assets</b>	16,869,013	13,653,780
Contributed equity	30,654,356	24,454,452
Reserves	354,687	146,235
Accumulated losses	(14,140,030)	(10,946,907)
<b>Total Equity</b>	16,869,013	13,653,780
<b>Financial Performance of The Calmer Co. International Limited</b>		
Loss for the year	(3,193,123)	(2,900,673)
Total Comprehensive Loss	(3,193,123)	(2,900,673)

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 30 JUNE 2025

### Guarantees entered into by The Calmer Co. International Limited

There are no guarantees entered into by The Calmer Co. International Limited for the debts of its subsidiaries as at 30 June 2025 (2024: none).

### Contingent Liabilities of The Calmer Co. International Limited

There are no contingent liabilities as at 30 June 2025 (2024: none).

### Commitments of The Calmer Co. International Limited

There are no commitments as at 30 June 2025 (2024: none).

### 33. Subsidiaries

See accounting policy in Note 5.1.2.

The consolidated financial statements include the financial statements of The Calmer Co. International Limited (legal parent) and the subsidiaries listed in the following table.

Subsidiary Name	Country of Incorporation	% Equity Interest 2025	% Equity Interest 2024
Fiji Kava (Australia) Trading Pty Ltd	Australia	100%	100%
Fiji Kava Inc	USA	100%	100%
Fiji Kava NZ Limited	New Zealand	100%	100%
South Pacific Elixirs Ltd	Fiji	100%	100%
Danodan Hempworks LLC	USA	100%	100%

### 34. Contingent Assets and Liabilities

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

### 35. Related Party Transactions

#### The ultimate parent

The ultimate parent and ultimate controlling parent of the Group is The Calmer Co. International Limited.

#### Key management personnel compensation

The totals of remuneration paid or payable to KMP during the year are as follows:

	2025 \$	2024 \$
Short term employee benefits	500,209	574,965
Post-employment benefits	48,199	52,128
Other long-term benefits	-	-
Share-based payments	195,000	149,784
	743,407	776,877



Refer to the Remuneration Report contained in the Directors' Report for details of the remuneration paid to each member of the Group's KMP for the year ended 30 June 2025.

### Key management personnel transactions

A number of key management personnel, or their related parties, hold positions in other companies that result in them having control or significant influence over these companies.

A number of these companies transacted with the Group during the year. The terms and conditions of these transactions were no more favourable than those available, or which might reasonably be expected to be available, in similar transactions with non-key management personnel-related companies on an arm's length basis.

The aggregate value of transactions and outstanding balances related to key management personnel and entities over which they have control or significant influence were as follows.

	Transaction value 2025 \$	Transaction value 2024 \$
Consulting Service fees paid to Forest House Pty Ltd <sup>1</sup>	-	16,932
Office rental fee paid to ACE Property Holdings Pty Ltd <sup>2</sup>	109,311	-
Consulting Service fees paid to Bio Pacific Partners Ltd <sup>4</sup>	-	11,509

1 Forest House Pty Ltd, a company related to Jay Stephenson, provided consulting services to the Group in relation to the creation of the Company's Prospectus.

2 ACE Property Holdings Pty Ltd, a company related to John Homewood, provided office space on rent to the Group.

3 Bio Pacific Partners Ltd, a company related to Dr Andrew Kelly, Provided consulting services to the Group.

From time to time Directors of the Group, or their related entities, may buy goods from the Group. These purchases are on the same terms and conditions as those entered into by other Group employees or customers.

### 36. Subsequent Events

No matters or circumstances have arisen since the end of the financial year which have significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future years.

## DIRECTORS' DECLARATION

Name of entity	Type of entity	Trustee, partner or participant in JV	% of share capital	Country of incorporation	Australian or foreign resident for tax	Foreign jurisdiction(s) of foreign residents for tax
The Calmer Co International Limited	Body Corporate	-	-	Australia	Australia	n/a
Fiji Kava (Australia) Trading Pty Ltd	Body Corporate	-	100	Australia	Australia	n/a
Fiji Kava Inc	Body Corporate	-	100	USA	USA	n/a
Fiji Kava NZ Limited	Body Corporate	-	100	New Zealand	New Zealand	n/a
South Pacific Elixirs Ltd	Body Corporate	-	100	Fiji	Fiji	n/a
Danodan Hempworks LLC	Body Corporate	-	100	USA	USA	n/a

The Directors of the Company declare that:

- The financial statements and notes, as set out on pages [38 to 78], are in accordance with the Corporations Act 2001 (Cth) and:
  - comply with Accounting Standards;
  - are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board, as stated in note 1.1 to the financial statements; and
  - give a true and fair view of the financial position as at 30 June 2025 and of the performance for the year ended on that date of the Consolidated Group.
  - the information disclosed in the attached Consolidated Entity Disclosure Statement is true and correct.
- The Chief Executive Officer and Chief Finance Officer have each declared that:
  - the financial records of the Consolidated Group for the financial year have been properly maintained in accordance with s 286 of the Corporations Act 2001 (Cth);
  - the financial statements and notes for the financial year comply with the Accounting Standards; and
  - the financial statements and notes for the financial year give a true and fair view.
- In the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

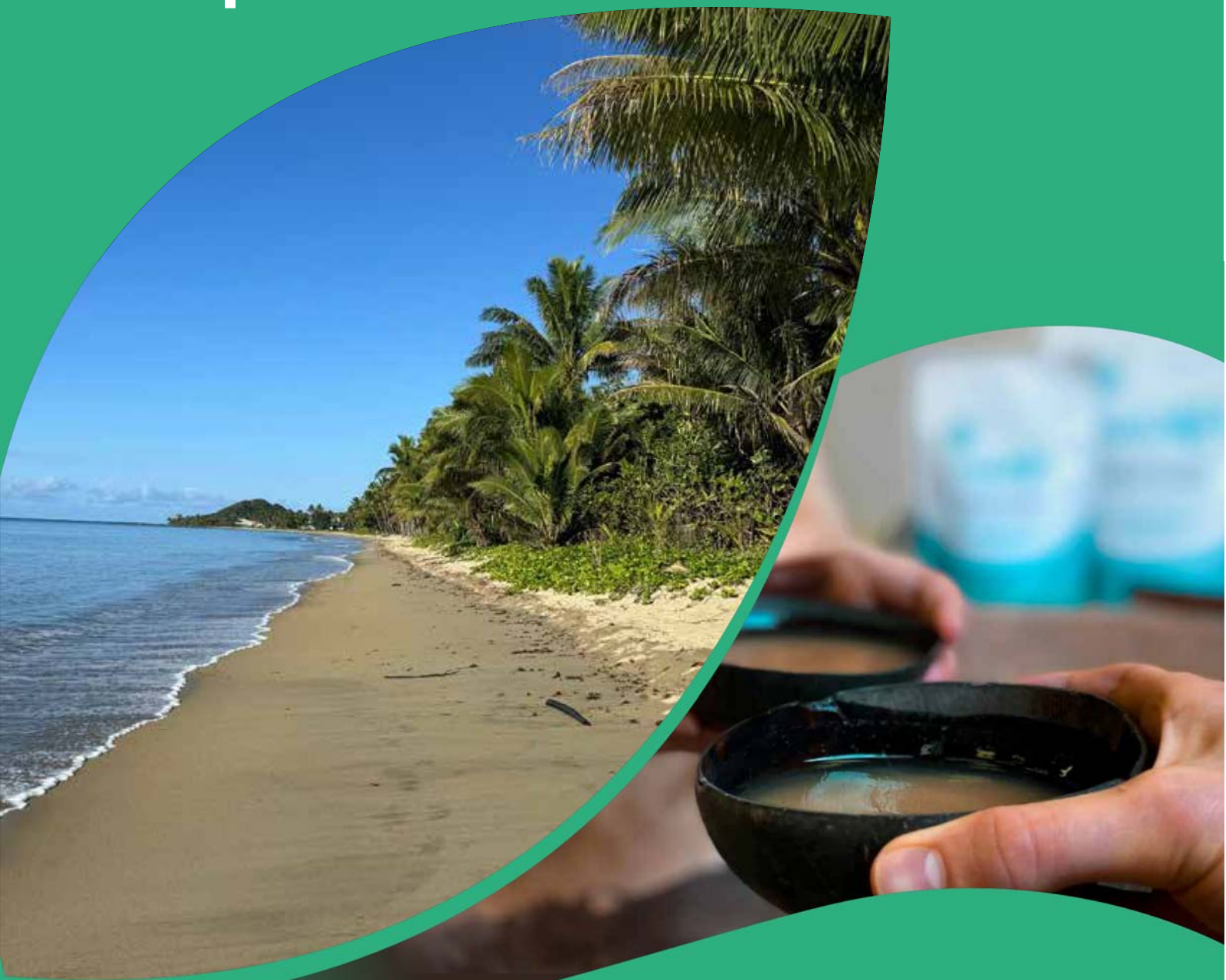
This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the Directors by:



**Mr Zane Yoshida**  
Managing Director

Dated this Friday, 29 August 2025

# Independent Auditor's Report



## **INDEPENDENT AUDITOR'S REPORT – TO THE MEMBERS OF THE CALMER CO. INTERNATIONAL LIMITED**

### **Report on the Audit of the Financial Report**

#### **Opinion**

We have audited the accompanying financial report of The Calmer Co. International Limited and controlled entities (the Group), which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity, and the consolidated statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies, the consolidated entity disclosure statement and the directors' declaration.

In our opinion the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Group's financial position as at 30 June 2025 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

#### **Basis for Opinion**

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the audit of the financial report* section of our report. We are independent of the Group 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 financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Material Uncertainty Related to Going Concern**

We draw attention to Note 9 of the financial statements which indicates that the Group incurred a loss before tax of \$3,992,277 and has accumulated losses of \$33,384,957. As stated in Note 9, these events or conditions, along with other matters set forth in Note 9, 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.

## Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the year ended 30 June 2025. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit addressed the key audit matter
<p><b>Going Concern</b></p> <p><b>Refer to Note 9 – Going Concern</b></p> <p>For the financial year ended 30 June 2025, The Calmer Co. International Limited incurred a net loss of \$3.99m, net cash outflows from operating activities of \$4.37m and net cash outflows from investing activities of \$459k.</p> <p>The directors have prepared the financial report on the going concern basis. The directors' assessment of the Group's ability to continue as a going concern is based on a cash flow budget and potential future capital raising.</p> <p>We determined this assessment of going concern to be a key audit matter due to the significant judgements involved in preparing the cashflow budget and the potential material impact of the results of management's assessment.</p>	<p>Our procedures included, but were not limited to, the following:</p> <ul style="list-style-type: none"> <li>• Critically assessing the directors' reasons as to why they believe it appropriate to prepare the financial report on a going concern basis;</li> <li>• Reviewing the current financial position of the Group;</li> <li>• Assessing the appropriateness and mathematical accuracy of the cash flow forecasts and budgets prepared by management;</li> <li>• Challenging the reasonableness of key assumptions used; and</li> <li>• Assessing the adequacy of the going concern disclosures in the financial report.</li> </ul>
<p><b>Inventory Existence and Valuation</b></p> <p><b>Refer to Note 20 – Inventory</b></p> <p>The Calmer Co. International Limited has inventories at a carrying value of \$1.56m at 30 June 2025 as disclosed in Note 20. Inventory valuation and existence was an audit focus area because of the number of locations that inventory was held at, and the judgement applied to the valuation of inventory to incorporate potential impairment on slow moving product lines.</p>	<p>Our procedures included, but were not limited to, the following:</p> <ul style="list-style-type: none"> <li>• Observed the stocktake process at selected locations near period end and undertook our own test counts.</li> <li>• For inventory held at third party distribution centres, we obtained independent verification of inventories held at balance date and reconciled back to the inventory reports.</li> <li>• Assessed the inventory impairment provision by reviewing the level of inventory write downs during the period.</li> <li>• Held discussions with management to understand and corroborate the assumptions applied in estimating the impairment provisions.</li> <li>• Performed lower of cost or net realisable</li> </ul>



	<p>value testing on a sample of inventory items to confirm that there was no further impairment on other inventory items.</p> <ul style="list-style-type: none"> <li>Assessing the appropriateness of the disclosures included in the relevant notes to the financial report.</li> </ul>
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### Information Other Than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2025 but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Director's Responsibility for the Financial Report

The directors of the company are responsible for the preparation of

- (a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and
- (b) the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

for such internal control as the directors determine is necessary to enable the preparation of

- (i) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- (ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

## **Auditor's Responsibilities for the Audit of the Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on the Remuneration Report**

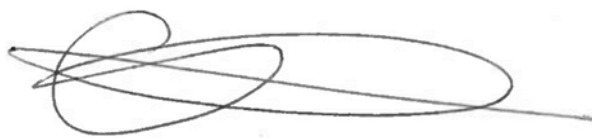
#### **Opinion on the Remuneration Report**

We have audited the remuneration report included in pages 34 to 37 of the directors' report for the year ended 30 June 2025.

In our opinion the remuneration report of The Calmer Co. International Limited for the year ended 30 June 2025 complies with section 300A of the *Corporations Act 2001*.

#### **Responsibilities**

The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

  
HALL CHADWICK QLD

Clive Massingham  
Director  
Hall Chadwick Qld, Chartered Accountants

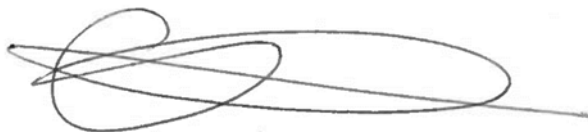
Dated at Brisbane this 29<sup>th</sup> August 2025

**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 audit of the financial report of The Calmer Co. International Limited for the financial year ended 30 June 2025, I declare, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

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



HALL CHADWICK QLD

Clive Massingham  
Director  
HALL CHADWICK QLD, Chartered Accountants

Dated this 29<sup>th</sup> August 2025





# Corporate Governance Statement



# CORPORATE GOVERNANCE STATEMENT

The Board of The Calmer Co International Limited (CCO or Company) is committed to conducting the business of the Company in an ethical manner and in accordance with principles of best practice in corporate governance. and is responsible for ensuring the existence of an effective corporate governance environment to safeguard the interests of the Company, its shareholders and other stakeholders.

This Corporate Governance summary discloses the extent to which the Company will follow the recommendations set by the ASX Corporate Governance Council in its publication 'Corporate Governance Principles and Recommendations (4th Edition)' (Principles or Recommendations) as at the date indicated. The Principles are not prescriptive regarding the conduct of ASX-listed companies but require a company to disclose the reasons why it is not complying fully with the Principles. To the extent that they are relevant and appropriate to CCO's present circumstances, the Company has adopted the Principles. This statement details where the Recommendations have not been followed, and the reasons therefore.

All references to the Website are to the investor section of the company's website, which can be accessed at The Calmer Co

Principles and Recommendations	Comply	Explanation
<b>Principle 1: Lay solid foundations for management and oversight</b>		
<b>Recommendation 1.1</b> A listed entity should have and disclose a charter which: <ul style="list-style-type: none"> <li>(a) sets out the respective roles and responsibilities of the board, the chair and management; and</li> <li>(b) includes a description of those matters expressly reserved to the board and those delegated to management.</li> </ul>	Complying	<p>The Company has adopted a Board Charter.</p> <p>The Board Charter sets out the specific responsibilities of the Board, requirements as to the Boards composition, the roles and responsibilities of the Chairman and Company Secretary, the establishment, operation and management of Board Committees, Directors access to company records and information, details of the Board's relationship with management, details of the Board's performance review and details of the Board's disclosure policy.</p> <p>A copy of the Company's Board Charter is stated in Schedule 1 of the Corporate Governance Plan which is available on the Company's website.</p>
<b>Recommendation 1.2</b> A listed entity should: <ul style="list-style-type: none"> <li>(a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a Director; and</li> <li>(b) provide security holders with all material information relevant to a decision on whether or not to elect or re-elect a Director.</li> </ul>	Complying	<ul style="list-style-type: none"> <li>(a) The Company has detailed guidelines for the appointment and selection of the Board. The Company's Corporate Governance Plan requires the Board to undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a Director.</li> <li>(b) Material information relevant to any decision on whether or not to elect or re-elect a Director will be provided to security holders in the notice of meeting holding the resolution to elect or re-elect the Director.</li> </ul>
<b>Recommendation 1.3</b> A listed entity should have a written agreement with each Director and senior executive setting out the terms of their appointment.	Complying	<p>The Company's Corporate Governance Plan requires the Board to ensure that each Director and senior executive is a party to a written agreement with the Company which sets out the terms of that Director's or senior executive's appointment.</p>

## CORPORATE GOVERNANCE STATEMENT

Principles and Recommendations	Comply	Explanation
<b>Recommendation 1.4</b> The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	Complying	The Board Charter outlines the roles, responsibility and accountability of the Company Secretary. The Company Secretary is accountable directly to the Board, through the chair, on all matters to do with the proper functioning of the Board.
<b>Recommendation 1.5</b> A listed entity should: <ul style="list-style-type: none"> <li>(a) have a diversity policy which includes requirements for the board:               <ul style="list-style-type: none"> <li>(i) to set measurable objectives for achieving gender diversity; and</li> <li>(ii) to assess annually both the objectives and the entity's progress in achieving them;</li> </ul> </li> <li>(b) disclose that policy or a summary of it; and</li> <li>(c) disclose as at the end of each reporting period:               <ul style="list-style-type: none"> <li>(i) the measurable objectives for achieving gender diversity set by the board in accordance with the entity's diversity policy and its progress towards achieving them; and</li> <li>(ii) either:                   <ul style="list-style-type: none"> <li>(A) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or</li> <li>(B) the entity's "Gender Equality Indicators", as defined in the Workplace Gender Equality Act 2012.</li> </ul> </li> </ul> </li> </ul>	Complying	(a) The Company has adopted a Diversity Policy. <ul style="list-style-type: none"> <li>(i) The Diversity Policy provides a framework for the Company to achieve a list of 6 measurable objectives that encompass gender equality.</li> <li>(ii) The Diversity Policy provides for the monitoring and evaluation of the scope and currency of the Diversity Policy. The Company is responsible for implementing, monitoring and reporting on the measurable objectives.</li> </ul> (b) The Diversity Policy is stated in Schedule 10 of the Corporate Governance Plan which is available on the company website.           (c) <ul style="list-style-type: none"> <li>(i) The measurable objectives set by the Board will be included in the annual key performance indicators for the CEO, MD and senior executives. In addition the Board will review progress against the objectives in its annual performance assessment.</li> <li>(ii) As at 30 June 2022, there were no female directors or executives.  The Board will review this position on an annual basis and will implement measurable objectives as and when they deem the Company to require them.</li> </ul>

Principles and Recommendations	Comply	Explanation
<b>Recommendation 1.6</b> A listed entity should: <ul style="list-style-type: none"> <li>(a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual Directors; and</li> <li>(b) disclose in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</li> </ul>	Complying	<p>(a) The Board is responsible for evaluating the performance of the Board and individual Directors on an annual basis. It may do so with the aid of an independent advisor. The process for this can be found in Schedule 6 of the Company's Corporate Governance Plan.</p> <p>(b) The Company's Corporate Governance Plan requires the Board to disclose whether or not performance evaluations were conducted during the relevant reporting period.</p> <p>Due to the size of the Board and the nature of the business, it has not been deemed necessary to institute a formal documented performance review program of individuals. However, the Chairman intends to conduct formal reviews each financial year whereby the performance of the Board as a whole and the individual contributions of each Director are disclosed. The Board considers that at this stage of the Company's development an informal process is appropriate.</p> <p>The review will assist to indicate if the Board's performance is appropriate and efficient with respect to the Board Charter.</p> <p>The Board regularly reviews its skill base and whether it remains appropriate for the Company's operational, legal and financial requirements. New Directors are obliged to participate in the Company's induction process, which provides a comprehensive understanding of the Company, its objectives and the market in which the Company operates.</p> <p>Directors are encouraged to avail themselves of resources required to fulfil the performance of their duties.</p>
<b>Recommendation 1.7</b> A listed entity should: <ul style="list-style-type: none"> <li>(a) have and disclose a process for periodically evaluating the performance of its senior executives; and</li> <li>(b) disclose in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.</li> </ul>	Complying	<p>(a) The Board is responsible for evaluating the performance of senior executives. The Board is to arrange an annual performance evaluation of the senior executives.</p> <p>(b) The Company's Corporate Governance Plan requires the Board to conduct annual performance of the senior executives. Schedule 6 'Performance Evaluation' requires the Board to disclose whether or not performance evaluations were conducted during the relevant reporting period.</p> <p>During the financial year an evaluation of performance of the individuals was not formally carried out. However, a general review of the individuals occurs on an on-going basis to ensure that structures suitable to the Company's status as a listed entity are in place.</p>



## CORPORATE GOVERNANCE STATEMENT

Principles and Recommendations	Comply	Explanation
<b>Principle 2: Structure the board to add value</b>		
<b>Recommendation 2.1</b> The board of a listed entity should: <ul style="list-style-type: none"> <li>(a) have a nomination committee which:               <ul style="list-style-type: none"> <li>(i) has at least three members, a majority of whom are independent Directors; and</li> <li>(ii) is chaired by an independent Director, and disclose:</li> <li>(iii) the charter of the committee;</li> <li>(iv) the members of the committee; and</li> <li>(v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</li> </ul> </li> <li>(b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, experience, independence and knowledge of the entity to enable it to discharge its duties and responsibilities effectively.</li> </ul>	Complying	<p>(b) Due to the size and nature of the existing Board and the magnitude of the Company's operations the Company currently has no Nomination Committee. Pursuant to clause 4(h) of the Company's Board Charter, the full Board carries out the duties that would ordinarily be assigned to the Nomination Committee under the written terms of reference for that committee.</p> <p>The duties of the Nomination Committee are outlined in Schedule 5 of the Company's Corporate Governance Plan available online on the Company's website.</p> <p>The Board devotes time at board meetings to discuss board succession issues. All members of the Board are involved in the Company's nomination process, to the maximum extent permitted under the Corporations Act and ASX Listing Rules.</p> <p>The Board regularly updates the Company's board skills matrix (in accordance with recommendation 2.2) to assess the appropriate balance of skills, experience, independence and knowledge of the entity.</p>



Principles and Recommendations	Comply	Explanation																																		
<b>Recommendation 2.2</b> A listed entity should have and disclose a board skill matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.	Complying	<table><tr><th>Board Skills Matrix</th><th>Number of Directors that Meet the Skill</th></tr><tr><td>Executive &amp; Non- Executive experience</td><td>5</td></tr><tr><td>Industry experience &amp; knowledge</td><td>5</td></tr><tr><td>Leadership</td><td>5</td></tr><tr><td>Corporate governance &amp; risk management</td><td>5</td></tr><tr><td>Strategic thinking</td><td>5</td></tr><tr><td>Desired behavioural competencies</td><td>5</td></tr><tr><td>Geographic experience</td><td>5</td></tr><tr><td>Capital Markets experience</td><td>5</td></tr><tr><td>Subject matter expertise:</td><td></td></tr><tr><td>- accounting</td><td>1</td></tr><tr><td>- capital management</td><td>5</td></tr><tr><td>- corporate financing</td><td>5</td></tr><tr><td>- industry taxation</td><td>1</td></tr><tr><td>- risk management</td><td>5</td></tr><tr><td>- legal<sup>1</sup></td><td>0</td></tr><tr><td>- IT expertise<sup>2</sup></td><td>1</td></tr></table> <p><sup>1</sup> Skill gap noticed however an external legal firm is employed to maintain legal requirements.</p> <p><sup>2</sup> Skill gap noticed however an external IT firm is employed on an adhoc basis to maintain IT requirements.</p>	Board Skills Matrix	Number of Directors that Meet the Skill	Executive & Non- Executive experience	5	Industry experience & knowledge	5	Leadership	5	Corporate governance & risk management	5	Strategic thinking	5	Desired behavioural competencies	5	Geographic experience	5	Capital Markets experience	5	Subject matter expertise:		- accounting	1	- capital management	5	- corporate financing	5	- industry taxation	1	- risk management	5	- legal <sup>1</sup>	0	- IT expertise <sup>2</sup>	1
Board Skills Matrix	Number of Directors that Meet the Skill																																			
Executive & Non- Executive experience	5																																			
Industry experience & knowledge	5																																			
Leadership	5																																			
Corporate governance & risk management	5																																			
Strategic thinking	5																																			
Desired behavioural competencies	5																																			
Geographic experience	5																																			
Capital Markets experience	5																																			
Subject matter expertise:																																				
- accounting	1																																			
- capital management	5																																			
- corporate financing	5																																			
- industry taxation	1																																			
- risk management	5																																			
- legal <sup>1</sup>	0																																			
- IT expertise <sup>2</sup>	1																																			
<b>Recommendation 2.3</b> A listed entity should disclose:	Complying	(a) The Board Charter provides for the disclosure of the names of Directors considered by the Board to be independent. These details are provided in the Annual Reports and Company website.																																		
(a) the names of the Directors considered by the board to be independent Directors;																																				
(b) if a Director has an interest, position, association or relationship of the type described in Box 2.3 of the ASX Corporate Governance Principles and Recommendation (3rd Edition), but the board is of the opinion that it does not compromise the independence of the Director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and		(b) The Board Charter requires Directors to disclose their interest, positions, associations and relationships and requires that the independence of Directors is regularly assessed by the Board in light of the interests disclosed by Directors. Details of the Directors interests, positions associations and relationships are provided in the Annual Reports and Company website.																																		
(c) the length of service of each Director		(c) The Board Charter provides for the determination of the Directors' terms and requires the length of service of each Director to be disclosed. The length of service of each Director is provided in the Annual Reports and Company website.																																		

## CORPORATE GOVERNANCE STATEMENT

Principles and Recommendations	Comply	Explanation
<b>Recommendation 2.4</b> A majority of the board of a listed entity should be independent Directors.	Not Complying	For the period ended 30 June 2025, the Board was comprised of one Executive Director and four Non-Executive Directors.  Two of the Non-Executive Directors are considered independent.
<b>Recommendation 2.5</b> The chair of the board of a listed entity should be an independent Director and, in particular, should not be the same person as the CEO of the entity.	Not Complying	The Board Charter provides that where practical, the Chairman of the Board will be an independent Chairman. The current Chair is a substantial shareholder and not considered by the Board to be independent. The directors consider the structure of the Board to be appropriate for the Company's needs at this time.
<b>Recommendation 2.6</b> A listed entity should have a program for inducting new Directors and providing appropriate professional development opportunities for continuing Directors to develop and maintain the skills and knowledge needed to perform their role as a Director effectively.	Complying	The Board Charter states that a specific responsibility of the Board is to procure appropriate professional development opportunities for Directors. The Board is responsible for the approval and review of induction and continuing professional development programs and procedures for Directors to ensure that they can effectively discharge their responsibilities.
<b>Principle 3: Act ethically and responsibly</b>		
<b>Recommendation 3.1</b> A listed entity should articulate and disclose its values	Complying	The Company values are articulated and disclosed on the Company's website.
<b>Recommendation 3.2</b> A listed entity should: <ul style="list-style-type: none"> <li>(a) have and disclose a code of conduct for its Directors, senior executives and employees; and</li> <li>(b) ensure that the board or a committee of the board is informed of any material breaches of that code by a Director or senior executive; and</li> <li>(c) any other material breaches of that code that call into question the culture of the organisation.</li> </ul>	Complying	<ul style="list-style-type: none"> <li>(a) The Corporate Code of Conduct applies to the Company's Directors, senior executives and employees.</li> <li>(b) The Company's Corporate Code of Conduct is in the Corporate Governance Plan, which is summarised on the Company's website.</li> </ul>
<b>Recommendation 3.3</b> A listed entity should: <ul style="list-style-type: none"> <li>(a) have and disclose an anti-bribery policy; and</li> <li>(b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.</li> </ul>	Partially Complying	The Company has a whistleblowing policy which is outlined in the Company Corporate Governance Plan. The board is informed of any material incidents reported under the policy.

Principles and Recommendations	Comply	Explanation
<b>Recommendation 3.4</b> A listed entity should: <ul style="list-style-type: none"> <li>(a) have and disclose an anti-bribery policy; and</li> <li>(b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.</li> </ul>	Partially Complying	The Company has an anti-corruption policy which is outlined in the Company Corporate Governance Plan. The board is informed of any material incidents reported under the policy.
<b>Principle 4: Safeguard integrity in financial reporting</b>		
<b>Recommendation 4.1</b> The board of a listed entity should: <ul style="list-style-type: none"> <li>(a) have an audit committee which: <ul style="list-style-type: none"> <li>(i) has at least three members, all of whom are non-executive Directors and a majority of whom are independent Directors; and</li> <li>(ii) is chaired by an independent Director, who is not the chair of the board,</li> </ul> and disclose: <ul style="list-style-type: none"> <li>(iii) the charter of the committee;</li> <li>(iv) the relevant qualifications and experience of the members of the committee; and</li> <li>(v) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</li> </ul> </li> <li>(b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its financial reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.</li> </ul>	Complying	<ul style="list-style-type: none"> <li>(b) Due to the size and nature of the existing Board and the magnitude of the Company's operations the Company currently has no Audit and Risk Committee. Pursuant to Clause 4(h) of the Company's Board Charter, the full Board carries out the duties that would ordinarily be assigned to the Audit and Risk Committee under the written terms of reference for that committee.</li> </ul> <p>The role and responsibilities of the Audit and Risk Committee are outlined in Schedule 3 of the Company's Corporate Governance Plan available online on the Company's website.</p> <p>The Board devote time at annual board meetings to fulfilling the roles and responsibilities associated with maintaining the Company's internal audit function and arrangements with external auditors. All members of the Board are involved in the Company's audit function to ensure the proper maintenance of the entity and the integrity of all financial reporting.</p>

## CORPORATE GOVERNANCE STATEMENT

Principles and Recommendations	Comply	Explanation
<b>Recommendation 4.2</b> The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	Complying	The Company's Corporate Governance Plan states that a duty and responsibility of the Board is to ensure that before approving the entity's financial statements for a financial period, the CEO and CFO have declared that in their opinion the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.
<b>Recommendation 4.3</b> A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	Complying	The Company's Corporate Governance Plan provides that the Board must ensure the Company's external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.
<b>Principle 5: Make timely and balanced disclosure</b>		
<b>Recommendation 5.1</b> A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under Listing Rule 3.1 .	Complying	The Board Charter provides details of the Company's disclosure policy. In addition, Schedule 7 of the Corporate Governance Plan is entitled 'Disclosure – Continuous Disclosure' and details the Company's disclosure requirements as required by the ASX Listing Rules and other relevant legislation. The Summary of the Corporate Governance Plan are available on the Company website.
<b>Recommendation 5.2</b> A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.	Complying	Each member of the board receives copies of all material market announcements promptly after they have been made.
<b>Recommendation 5.3</b> A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.	Complying	All substantive investor or analyst presentations are released on the ASX Market Announcement Platform ahead of the presentation.

Principles and Recommendations	Comply	Explanation
<b>Principle 6: Respect the rights of security holders</b>		
<b>Recommendation 6.1</b> A listed entity should provide information about itself and its governance to investors via its website.	Complying	<p>Information about the Company and its governance is available in the Corporate Governance Plan which can be found on the Company's website.</p> <p>Information about the Company and its governance is available in the Corporate Governance Plan which can be found on the Company website.</p>
<b>Recommendation 6.2</b> A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	Complying	<p>The Company has adopted a Shareholder Communications Strategy which aims to promote and facilitate effective two-way communication with investors. The Shareholder Communications Strategy outlines a range of ways in which information is communicated to shareholders.</p> <p>The Shareholder Communications Strategy can be found in Schedule 10 of the Board Charter which is available on the Company website.</p>
<b>Recommendation 6.3</b> A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	Complying	<p>The Shareholder Communications Strategy states that as a part of the Company's developing investor relations program, Shareholders can register with the Company Secretary to receive email notifications of when an announcement is made by the Company to the ASX, including the release of the Annual Report, half yearly reports and quarterly reports. Links are made available to the Company's website on which all information provided to the ASX is immediately posted.</p> <p>Shareholders are encouraged to participate at all EGMs and AGMs of the Company. Upon the despatch of any notice of meeting to Shareholders, the Company Secretary shall send out material with that notice of meeting stating that all Shareholders are encouraged to participate at the meeting.</p>
<b>Recommendation 6.4</b> A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	Complying	<p>Security holders can register with the Company to receive email notifications when an announcement is made by the Company to the ASX.</p> <p>Shareholders queries should be referred to the Company Secretary at first instance.</p>
<b>Recommendation 6.5</b> A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	Complying	<p>Security holders can register with the Company to receive email notifications when an announcement is made by the Company to the ASX.</p> <p>Shareholders queries should be referred to the Company Secretary at first instance.</p>



## CORPORATE GOVERNANCE STATEMENT

Principles and Recommendations	Comply	Explanation
<b>Principle 7: Recognise and manage risk</b>		
<b>Recommendation 7.1</b> The board of a listed entity should: <ul style="list-style-type: none"> <li>(a) have a committee or committees to oversee risk, each of which:               <ul style="list-style-type: none"> <li>(i) has at least three members, a majority of whom are independent Directors; and</li> <li>(ii) is chaired by an independent Director, and disclose:</li> <li>(iii) the charter of the committee;</li> <li>(iv) the members of the committee; and</li> <li>(v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</li> </ul> </li> <li>(b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the process it employs for overseeing the entity's risk management framework.</li> </ul>	Complying	<p>Due to the size and nature of the existing Board and the magnitude of the Company's operations the Company currently has no Audit and Risk Committee. Pursuant to Clause 4(h) of the Company's Board Charter, the full Board currently carries out the duties that would ordinarily be assigned to the Audit and Risk Committee under the written terms of reference for that committee.</p> <p>The role and responsibilities of the Audit and Risk Committee are outlined in Schedule 3 of the Company's Corporate Governance Plan available online on the Company's website.</p> <p>The Board devote time at annual board meeting to fulfilling the roles and responsibilities associated with overseeing risk and maintaining the entity's risk management framework and associated internal compliance and control procedures.</p>
<b>Recommendation 7.2</b> The board or a committee of the board should: <ul style="list-style-type: none"> <li>(a) review the entity's risk management framework with management at least annually to satisfy itself that it continues to be sound, to determine whether there have been any changes in the material business risks the entity faces and to ensure that they remain within the risk appetite set by the board; and</li> <li>(b) disclose in relation to each reporting period, whether such a review has taken place.</li> </ul>	Complying	<p>(a) The Company process for risk management and internal compliance includes a requirement to identify and measure risk, monitor the environment for emerging factors and trends that affect these risks, formulate risk management strategies and monitor the performance of risk management systems. Schedule 8 of the Corporate Governance Plan is entitled 'Disclosure – Risk Management' and details the Company's disclosure requirements with respect to the risk management review procedure and internal compliance and controls.</p> <p>(b) The Board Charter requires the Board to disclose the number of times the Board met throughout the relevant reporting period, and the individual attendances of the members at those meetings. Details of the meetings will be provided in the Company's Annual Report.</p>

Principles and Recommendations	Comply	Explanation
<b>Recommendation 7.3</b> A listed entity should disclose: <ul style="list-style-type: none"> <li>(a) if it has an internal audit function, how the function is structured and what role it performs; or</li> <li>(b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.</li> </ul>	Complying	<p>(b) Schedule 3 of the Company's Corporate Plan provides for the internal audit function of the Company. In the absence of a risk committee, the Board is responsible for identifying risks and ensuring that there are controls for these risks which are to be designed and ensure that any identified risk is mitigated to an acceptable level. The Board will review and discuss strategic risks and opportunities as they arise and arising from changes in the Company's business evaluate regularly on an 'as need' basis.</p> <p>The Charter outlines the monitoring, review and assessment of a range of internal audit functions and procedures.</p>
<b>Recommendation 7.4</b> A listed entity should disclose whether, and if so how, it has regard to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.	Complying	<p>Schedule 3 of the Company's Corporate Plan details the Company's risk management systems which assist in identifying and managing potential or apparent business, economic, environmental and social sustainability risks (if appropriate). Review of the Company's risk management framework is conducted at least annually and reports are continually created by management on the efficiency and effectiveness of the Company's risk management framework and associated internal compliance and control procedures.</p>
<b>Principle 8: Remunerate fairly and responsibly</b>		
<b>Recommendation 8.1</b> The board of a listed entity should: <ul style="list-style-type: none"> <li>(a) have a remuneration committee which: <ul style="list-style-type: none"> <li>(i) has at least three members, a majority of whom are independent Directors; and</li> <li>(ii) is chaired by an independent Director, and disclose: <ul style="list-style-type: none"> <li>(iii) the charter of the committee;</li> <li>(iv) the members of the committee; and</li> </ul> </li> <li>(v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or</li> </ul> </li> <li>(b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for Directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</li> </ul>	Complying	<p>(b) Due to the size and nature of the existing board and the magnitude of the Company's operations the Company currently has no Remuneration Committee. Pursuant to clause 4(h) of the Company's Board Charter, the full Board currently carries out the duties that would ordinarily be assigned to the Remuneration Committee under the written terms of reference for that committee.</p> <p>The role and responsibilities of the Remuneration Committee are outlined in Schedule 4 of the Company's Corporate Governance Plan available online on the Company's website.</p> <p>The Board devote time at annual board meetings to fulfilling the roles and responsibilities associated with setting the level and composition of remuneration for Directors and senior executives and ensuring that such remuneration is appropriate and not excessive.</p>

## CORPORATE GOVERNANCE STATEMENT

Principles and Recommendations	Comply	Explanation
<b>Recommendation 8.2</b> A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive Directors and the remuneration of executive Directors and other senior executives and ensure that the different roles and responsibilities of non-executive Directors compared to executive Directors and other senior executives are reflected in the level and composition of their remuneration.	Complying	The Company's Corporate Governance Plan requires the Board to disclose its policies and practices regarding the remuneration of non-executive, executive and other senior Directors.
<b>Recommendation 8.3</b> A listed entity which has an equity-based remuneration scheme should: <ul style="list-style-type: none"> <li>(a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and</li> <li>(b) disclose that policy or a summary of it.</li> </ul>	Complying	<ul style="list-style-type: none"> <li>(a) Company's Corporate Governance Plan states that the Board is required to review, manage and disclose the policy (if any) on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme. The Board must review and approve any equity based plans.</li> <li>(b) A copy of the Company's Corporate Governance Plan is available on the Company's website.</li> </ul>

## ADDITIONAL SECURITIES EXCHANGE INFORMATION

In accordance with ASX Listing Rule 4.10, the Company provides the following information to shareholders not elsewhere disclosed in this Annual Report. The information is current as at 19 August 2025 (Reporting Date).

### Corporate Governance Statement

The Company has prepared a statement which sets out the corporate governance practices that were in operation throughout the financial year for the Company, identifies any Recommendations that have not been followed, and provides reasons for not following such Recommendations (Corporate Governance Statement).

In accordance with ASX Listing Rules 4.10.3 and 4.7.4, the Corporate Governance Statement will be available for review on the Company website and will be lodged together with an Appendix 4G with ASX at the same time that this Annual Report is lodged with ASX.

### Number of Holdings of Equity Securities

As at the Reporting Date, the number of holders in each class of equity securities on issue is as follows:

The fully paid issued capital of the Company consisted of 3,011,353,260 ordinary fully paid shares held by 2,126 shareholders. Each share entitles the holder to one vote. The Company also has 1,241,238,435 quoted options held by 602 holders. The options to not have voting rights.

The Company has the following unquoted securities (none of which have voting rights):

Options	#Holders
30,535,700 Ex \$0.03	57
172,241,016 Ex \$0.006	53

### Voting Rights of Equity Securities

The only class of equity securities on issue in the Company which carry voting rights is ordinary shares.

At a general meeting of the Company, every holder of ordinary shares is entitled to vote in person or by proxy or attorney or, in the case of a body corporate, its duly authorised representative; and on a show of hands every person present who is a member has one vote, and on a poll every person present in person or by proxy or attorney or duly authorised representative has one vote for each ordinary share held by that person.

### Distribution of Holders of Equity Securities

Category (size of holding)	Total Holders	Number Ordinary	% Held of Issued Ordinary Capital
1 – 1,000	46	9,945	0.00%
1,001 – 5,000	238	792,462	0.03%
5,001 – 10,000	298	2,521,097	0.08%
10,001 – 100,000	591	26,989,707	0.90%
100,001 – and over	953	2,981,040,049	98.99%
	2,126	3,011,353,260	100.00%

### b. Unmarketable Parcels

Category (size of holding)	Minimum Parcel Size	Holders	Units
Minimum \$500.00 parcel at [\$0.003per unit]	166,666	1,331	51,348,036

## ADDITIONAL SECURITIES EXCHANGE INFORMATION

### Substantial holders

As at the Reporting Date, the names of the substantial holders and the number of equity securities in which those substantial holders and their associates have a relevant interest, are as follows:

Shareholder	No. of Shares Held	% of Issued Capital
Moon Cunningham Wealth Management	836,117,165	27.77%

### c. Voting Rights

The voting rights attached to each class of equity security are as follows:

- Ordinary shares: Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.

### Twenty Largest Holders of Quoted Equity Securities

The Company only has one class of quoted securities, being ordinary shares. The names of the 20 largest holders of ordinary shares, the number of ordinary shares and the percentage of capital held by each holder is as follows:

#### 20 Largest Shareholders

Rank	Name	Holding	% IC
1	Holder Name	Holding	% IC
2	HOMEWOOD VENTURE CAPITAL PTY LTD	135,000,000	4.48%
3	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	129,126,031	4.29%
4	LANGLEY TARABAY SUPERANNUATION PTY LTD	101,094,771	3.36%
5	PJ & TK WATHERSTON PTY LTD <PETESS WATERS S/F A/C>	55,000,000	1.83%
6	EDENGREEN PTY LTD <THE EDE SUPER FUND A/C>	55,000,000	1.83%
7	MR WAYNE MARK ELSOM	48,765,380	1.62%
8	BENCHMARK FINE FOODS PTY LIMITED <BENCHMARK SUPER FUND A/C>	47,729,635	1.59%
9	MR ALEX TAN	41,803,715	1.39%
10	ENSTER PTY LTD <RP DRUMMOND PL S/F A/C>	37,110,000	1.23%
11	PARKES TRADING CO PTY LTD	35,000,000	1.16%
12	MR ZANE MASAO ERNEST YOSHIDA	34,888,988	1.16%
13	MR SPIRO SARANTZOUKLIS	34,000,000	1.13%
14	MYSTICS BEACH PTY LIMITED <HUXDALE PTY LIMITED S/F A/C>	31,681,429	1.05%
14	CSCDE PTY LTD <BOUNDS GREEN SUPER FUND A/C>	30,000,000	1.00%
15	BDS INVESTMENTS (NSW) PTY LTD <BDS S/F A/C>	29,220,000	0.97%
16	GORMCO PTY LTD <THE GORMAN FAMILY A/C>	28,336,915	0.94%
17	SARANTZOUKLIS INVESTMENTS PTY LTD <SARANTZOUKLIS SF A/C>	27,500,000	0.91%
18	MISS THUY THI PHUONG VU	27,333,331	0.91%
19	MR PETER IAN LESLEY ANDERSON	26,599,998	0.88%
20	PHARMACEUTICAL SUNDRIES PTY LTD <THE BENNETT FAMILY S/F A/C>	26,110,000	0.87%
20	ELSOM REEVES PTY LTD <ELSOM REEVES A/C>	25,741,666	0.85%
<b>Totals</b>		1,007,041,859	33.44%
<b>Total Issued Capital</b>		3,011,353,260	100.00%



**Other Information**

The name of the Company Secretary is Ms Natalie Climo. The address of the registered office in Australia, and the principal administrative office is 96 Victoria Street, West End Qld 4101, Australia, Ph +61 429 210 031. The Company is listed on the Australian Securities Exchange. The home exchange is Perth. Registers of securities are held by Automic Group, Level 5, 126 Phillip Street, Sydney, Australia, Ph 1300 288 664.

**Stock Exchange Listing**

The Company's ordinary shares are quoted on the Australian Securities Exchange (ASX issuer code: CCO).

**Voluntary Escrow**

There are no securities on issue that are subject to voluntary escrow.

**Buyback**

The Company did not conduct a buyback in the period ended 30 June 2025.

**Issues of Securities**

There are no issues of securities approved for the purpose of Item 7 of Section 611 of the Corporations Act which have not yet been completed.

**Securities purchased on-market**

No securities were purchased on-market during the reporting period under or for the purposes of an employee incentive scheme or to satisfy the entitlements of the holders of options or other rights to acquire securities granted under an employee incentive scheme.



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