



September 29, 2025

ASX RELEASE

The Calmer Co. Secures \$1.4m via Convertible Note Raise Strategic US Investor Applied Food Sciences Joins as Wholesale Channel Grows

29 September 2025, Brisbane: The Calmer Co. International Limited (ASX: CCO), a leading consumer packaged goods company specialising in kava and other natural products that promote relaxation, sleep support, and provide healthier alternatives to alcohol, is pleased to announce it has secured commitments for \$700,000 as the first tranche of a proposed two-tranche, \$1,400,000 secured convertible note issuance.

Funds raised from this two-tranche initiative will be applied towards **inventory build and general working capital requirements**, positioning The Calmer Co. to continue its growth trajectory across international markets. This two-tranche funding follows the Company's successful launch of new products into the US market in July and continued sales momentum, with a 21% increase in monthly revenue over the 2 months from July to August. The Company is now operating at an annualised revenue run rate exceeding \$10 million. The Board considers the convertible note structure the most appropriate capital solution at this stage of high growth.

Highlights

- **Total raise:** Proposed **\$1.4 million** via secured convertible notes
- **Tranche 1:** \$700,000 (commitment received, with settlement by 30 September 2025), issued under the Company's existing Listing Rule 7.1 issue capacity
- **Tranche 2:** \$700,000 (subject to shareholder approval under Listing Rule 7.1 at the Company's upcoming AGM; offered to Tranche 1 investors with any shortfall to be placed by Novus Capital Limited, Lead Manager)
- **Use of Funds:** \$500,000 to support wholesale inventory build. \$200,000 for general working capital

Strong investor participation: Notes have been subscribed by many of the Company's top 10 shareholders, reflecting confidence and alignment with the Company's strategic direction.

Strategic Investment from Applied Food Sciences: The Company is pleased to welcome Applied Food Sciences, Inc. (AFS), a leading US based distributor of ethically and sustainably sourced functional ingredients, as a new strategic investor with a \$100,000 allocation in Tranche 1. AFS previously invested in The Calmer Co. prior to its 2019 IPO and their renewed participation underscores support for the Company's strategic focus on US market expansion, particularly in the high growth wholesale channel.



The Calmer Co is actively seeking high quality distribution partners, such as Network Nutrition (a subsidiary of IMCD), to strengthen its global wholesale capabilities and expand access to the nutraceutical market.

Zane Yoshida, CEO and Founder of The Calmer Co., commented: “The secured convertible note, subscribed almost entirely by existing investors provides the optimal funding solution at this point in our growth trajectory. With strong revenue growth, a clear path to profitability, and declining corporate costs, we believe our current valuation does not reflect the fundamental strength of our business. We’re also excited to welcome Applied Food Sciences as a strategic investor. Their support aligns with our push into the US wholesale channel, and their global reach in the food and beverage space complements our growing footprint in nutraceuticals. Together with Network Nutrition, we are now building a truly global platform to scale our ingredients business.”

Strategic Investor Background

Applied Food Sciences, Inc. (AFS) is a U.S.-based global leader in functional, ethically and sustainably sourced ingredients for the food, beverage, and nutraceutical industries. Headquartered in Texas, AFS partners with brands worldwide to deliver high-quality botanical extracts, organic caffeine solutions, functional mushrooms, and specialty actives designed to support health and wellness.



<https://appliedfoods.com/>

Key Note Terms

Offer: The offer was available to existing shareholders and other investors who qualify as professional and sophisticated investors under section 708 of the Corporations Act.

Security: A General Security Deed over all assets of the Company, will be held by an independent professional Security Trustee on behalf of note investors and registered on the PPSR has been entered into in favour of the noteholders.

Settlement and allotment of Tranche 1 is on Tuesday, 30 September 2025. The Tranche 2 settlement and allotment date will be set out in the Company’s Notice of Annual General Meeting seeking approval for issue of the Tranche 2 Notes under Listing Rule 7.1.



Key Terms of the Convertible Notes
Issue Price/Face Value: \$1.00 per Note
Interest Rate: 10% per annum until 31 July 2026; 18% thereafter if not converted (paid monthly in arrears). Interest is paid monthly in arrears in cash.
Conversion Price: \$0.003 per share
Conversion Trigger: VWAP of at least \$0.004 in the 15 trading days prior to maturity on 31 July 2026 or if not satisfied then, on 31 December 2026
Conversion Dates: 31 July 2026 or 31 December 2026 (subject to Conversion Trigger)
Maturity Dates: 31 July 2026 (or 31 December 2026 if Conversion Trigger not satisfied)
Repayment: If the Conversion Trigger is not satisfied by 31 December 2026, repayment of principal and accrued but unpaid interest will occur in cash
Transferability: Notes may be transferred to sophisticated/professional investors (s.708)

All the Notes will rank equally among themselves.

The Notes will not be quoted on the ASX, but may be transferred to sophisticated or professional investors who are exempt from disclosure under section 708 of the Corporations Act.

The Company will seek quotation of shares issued on conversion of the Notes, which will rank equally with all the Company's fully paid ordinary shares then on issue. A more detailed summary of the terms of the Notes is set out in the Annexure to this announcement.

[View Full Media Release and Join the Conversation at our Investor Hub](#)

ENDS

This announcement has been approved for release by the Board of The Calmer Co. International Limited.

For further information

Investor & Media Relations

Matthew Reede

Dominion Communications

matt@dominion.partners

+61 414 483 054

About The Calmer Co.

The Calmer Co. International Limited (ASX:CCO) is a fast growing beverage business leveraging a global opportunity in kava and other natural products that replace alcohol and support relaxation and sleep.



Our products are delivered to consumers globally through e-commerce channels and blue-chip retail distribution partners, supported by a reliable farm to shelf supply chain.

The product range includes drinking powders, natural and flavoured kava shots, concentrates and capsules, sold under the brands Fiji Kava, Taki Mai and Danodan Hempworks in markets including USA, Australia, New Zealand, China and the Pacific Islands.

Forward looking statements

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



Annexure - Summary of Note Terms

Summary of Note Terms:	
Issue Date	On or around 30 September 2025.
Offer Size	(a) First Tranche: \$700,000 (b) Second Tranche (subject to prior shareholder approval under Listing Rule 7.1) on or before 30 November 2025, \$700,000 (each, a Tranche).
Face Value per Note	\$1.00.
Conversion Trigger	On a Maturity Date, the VWAP of the Company's Shares traded on ASX in the previous 15 trading days, is \$0.004 or higher.
Conversion Price	\$0.003 per share.
Conversion	(a) If there is a Conversion Trigger, Company will convert the principal amount and unpaid interest on each of the Notes into fully paid ordinary shares (Conversion Shares) within 5 business days of the relevant date. (b) A fraction of a Conversion Share will not be issued on the Conversion of a Note and will be rounded up to the nearest whole number. (c) No right to conversion at election of Noteholder
Maturity Date	31 July 2026, unless the Conversion Trigger is not satisfied that date, in which case the date is 31 December 2026.
Interest Rate	(a) Up to 31 July 2026, 10% per annum (b) If the Notes are not Converted on that date by satisfaction of a Conversion Trigger, 18% per annum from that date onwards.
Quotation	The Notes will not be quoted on the ASX. The Company will apply for quotation of any ordinary shares issued on conversion of the Notes.
Security	Secured by a security interest to be granted over the assets and undertaking of the Company, provided that no security interest will be granted in respect of a Noteholder coming within the criteria set out in ASX Listing Rule 10.1, unless: (a) ASX provides a waiver of the requirements of ASX Listing Rule 10.1 to permit the grant of the security interest in respect of such Noteholder. The Company will use its reasonable endeavours to seek such a waiver; or (b) appropriate shareholder approval is obtained. The security trustee (Security Trustee) holding the security interest (on behalf of the Noteholders) is Specialised Investment and Lending Corporation Ltd (AFSL 407100).
Voting Rights	The Notes do not confer any voting rights at shareholder meetings, until and unless converted into ordinary shares.
Early Redemption	None
Redemption on Maturity	Redemption by repayment in cash of Face Value and accrued but unpaid interest if the Conversion Trigger is not satisfied by 31 December 2026.
First Refusal	Investors who subscribe for Notes under Tranche 1 have a right of first refusal to participate by way of preferential allocation in the Tranche 2 issue at any time during November 2025 (with the issue subject to the shareholder approval contemplated in item 2).



Transferability	The notes are transferable and assignable, but may only be transferred to sophisticated investors, professional investors or other investors approved by the Company who are exempt from disclosure pursuant to section 708 of the Corporations Act 2001 (Cth).
Restrictions on conversion	A Noteholder is prohibited from being issued Conversion Shares where the effect of such conversion would constitute a breach of a law relating to the acquisition of securities in the Company.
Restrictions on issue	Section 708 investors.
Reorganisation Event	<p>If the Company reorganises its share capital in any way (including consolidation or subdivision) (Reorganisation Event), the number of Conversion Shares after the Reorganisation Event will be:</p> <ul style="list-style-type: none">(a) adjusted so that the entitlement of the shares issued on conversion to participate in profits and assets of the Company will be the same as if there had been no Reorganisation Event; and(b) otherwise reorganised so that the Noteholder will not receive a benefit that the holders of shares do not receive and vice versa.
Event of Default	<ul style="list-style-type: none">(a) On the occurrence of specified events of default, the Noteholders may by an 80% resolution declare that the Notes are to be redeemed together with accrued interest, or take enforcement action against the Company (or direct the Security Trustee to do so).(b) Events of default include the insolvency of the Company and non-payment.