Annual Report 2025/26

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.

FY26 marked a year of channel diversification, with wholesale revenue growing 178% on the strength of our new CO_2 kava extract range, and Australian retail rebounding to finish the year up 30%, together offsetting softer e-commerce performance as we reset our online platform strategy for FY27.

DIRECTORS

James Tonkin (Non-Executive Chairman) – appointed 07 November 2025

Zane Yoshida (Managing Director) – appointed 20 December 2018

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

Karl Schlobohm (Non-Executive Director) – appointed 08 April 2026

John Homewood (Non-Executive Chairman) – appointed 06 November 2024 (resigned 07 November 2025)

Anthony Noble (Non-Executive Director) – appointed 20 December 2021 (resigned 01 February 2026)

COMPANY SECRETARY

Natalie Climo

REGISTERED OFFICE

24 Cansdale Street
Yeronga QLD 4104

CONTACT INFORMATION

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AUDITORS

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Brisbane QLD 4001

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Automic Share Registry
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BANKER

ANZ
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PRINCIPAL PLACE OF BUSINESS

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Yeronga QLD 4104

POSTAL ADDRESS

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Message from the Chairman

Dear Shareholders,

On behalf of the Board of The Calmer Co. International Limited, I am pleased to present the Company's Annual Report for the year ended 30 June 2026.

FY26 was an important year for The Calmer Co. as the business continued its transition from an emerging kava company into a more diversified, commercially focused wellness and botanical ingredients business with an increasingly global outlook.

Throughout the year, management remained focused on strengthening the foundations required to support sustainable growth. This included continued development of our Australian retail business, expansion of our wholesale and ingredients strategy, strengthening our Pacific kava supply chain, advancing new product innovation and maintaining a disciplined approach to costs and capital.

The progress achieved in Australian retail was particularly encouraging. The Fiji Kava® brand continued to establish its position within mainstream retail, providing an important platform from which the Company can broaden its product offering and introduce kava to a growing consumer audience. The planned expansion of the Fiji Kava® range through Coles in FY27 represents another important step in that journey.

Message from the Chairman

At the same time, the Company has continued to build the foundations of its global ingredients business. The development of strategic supply, manufacturing and distribution relationships is creating a more integrated platform connecting high-quality Pacific-grown Noble Kava with customers and consumers in international markets.

Importantly, this strategy is increasingly focused on leveraging partnerships and existing infrastructure rather than requiring significant investment in Company-owned manufacturing assets. The Board believes this approach provides a more capital-efficient pathway to scale while allowing The Calmer Co. to concentrate its resources on its core strengths in sourcing, product innovation, brands, customer relationships and global commercialisation.

The United States remains a significant long-term opportunity for the Company. During the year, management continued to develop our presence in this market across e-commerce, ingredients and regulatory engagement. While there remains work to be done, we believe the growing awareness of kava and consumer demand for alternatives within the relaxation and functional wellness categories provide a compelling backdrop for the Company's longer-term strategy.

FY26 was also a year of leadership transition. I would like to acknowledge the contribution of the Board and management team throughout this period and the commitment shown across the organisation as the Company continued to evolve.

As incoming Chairman, I am conscious of both the opportunities ahead of The Calmer Co. and the responsibility we have to shareholders to convert those opportunities into sustainable commercial outcomes. Our focus must remain on execution, financial discipline and ensuring that growth ultimately translates into improved returns for shareholders.

The Company enters FY27 with a broader commercial platform, an increasingly diversified supply chain and a growing number of pathways through which to commercialise kava internationally. While challenges remain and there is still considerable work ahead, the Board believes the foundations established during FY26 provide a stronger base from which to pursue the next stage of the Company's development.

I would like to thank our employees in Australia, Fiji and internationally for their dedication throughout the year. I also acknowledge our growers, suppliers, customers, commercial partners and other stakeholders whose continued support is essential to our success.

Finally, I would like to thank our shareholders for their continued support of The Calmer Co. We recognise the patience and commitment that many shareholders have demonstrated over a number of years, and the Board remains firmly focused on building a stronger and more valuable company on their behalf.

I look forward to working with my fellow Directors, management and our shareholders as The Calmer Co. moves into its next phase.

James Tonkin
Chairman
The Calmer Co. International Limited

CEO & Founder Report

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. That mission remains at the heart of our business, but the scale of the opportunity and our ambition have continued to grow.

During FY26, we continued our evolution from a predominantly branded consumer products business into an integrated global wellness company spanning Pacific sourcing, manufacturing and innovation, branded consumer products and premium botanical ingredients.

Our Fiji Kava® and Taki Mai® brands are now established across major Australian retail, Amazon and direct-to-consumer channels, while our growing Wholesale & Bulk Ingredients business is opening new opportunities across functional beverages, nutraceuticals and wellness products internationally. At the same time, we are building the foundations to take our established U.S. e-commerce presence into mainstream U.S. retail.

Underpinning this growth is an increasingly integrated Pacific supply chain and our continued investment in higher-value innovation, including premium water-extracted and CO_2 kava ingredients. Together, these capabilities position The Calmer Co. to participate across more of the global kava value chain and lead the next stage of the category's international development.

CEO & Founder Report

Dear Shareholders,

FY26 has been a defining year for The Calmer Co. Rather than pursuing growth at any cost, we focused on strengthening the foundations of our business, improving operational discipline, diversifying our revenue channels, and positioning the Company for sustainable, profitable growth. While revenue remained broadly consistent with the prior year, the quality of our business improved significantly through stronger retail execution, expanding wholesale opportunities, disciplined cost management, and continued investment in our Pacific supply chain. This evolution reflects the next stage in our strategy as we build a globally recognised wellness company founded on premium Pacific botanicals.

Our strategy continues to be underpinned by four strategic pillars:

- Regional Supply Chain, Manufacturing Excellence & Innovation
- Scalable and Profitable Retail
- Direct-to-Consumer
- Wholesale & Bulk Ingredients

Together, these pillars create a unique, integrated business model that few companies in the global botanical wellness sector can replicate. By combining premium Pacific sourcing, manufacturing capability, branded consumer products, botanical ingredients and international distribution, we are building a business designed to create long-term shareholder value while supporting the sustainable growth of the global kava industry.

Throughout FY26 we continued strengthening our regional supply chain across Fiji, Papua New Guinea and Vanuatu, improving manufacturing capability while investing in new extraction technologies that support higher-value ingredient opportunities. These investments are creating a resilient and diversified supply platform that gives us greater control over quality, security of supply and future scalability. Importantly, they also reinforce our long-standing commitment to the Pacific, where we continue working alongside farming communities to create sustainable economic opportunities through the cultivation of premium noble kava.

Retail continued to emerge as one of the Company’s most significant growth engines during FY26. We strengthened our partnerships with both Coles and Woolworths, expanded ranging, improved pricing and continued introducing more Australian consumers to kava as a natural wellness solution.

These achievements represent more than additional distribution; they demonstrate that kava is steadily transitioning from a niche botanical into a recognised mainstream wellness category. As consumer awareness continues to grow, we believe retail provides a powerful platform for long-term brand building and market leadership.

Our Direct-to-Consumer business also continued to evolve during the year. Following the successful migration of our digital platforms, we are now better positioned to scale customer acquisition, improve retention and enhance the consumer experience. Amazon USA once again delivered strong performance and remains one of our most important strategic channels. More importantly, it provides valuable market validation, consumer insights and brand recognition that support our broader ambition of expanding beyond online sales into mainstream retail distribution across the United States. As we enter FY27, we see our DTC business not as an endpoint, but as the foundation for establishing Fiji Kava® and Taki Mai® as nationally recognised wellness brands in the world’s largest consumer health market.

Perhaps the most exciting progress during FY26 was within our Wholesale and Bulk Ingredients business. Around the world, leading food, beverage and nutraceutical companies are increasingly seeking scientifically supported, natural botanical ingredients to meet growing consumer demand for functional wellness products. We continued expanding our ingredient portfolio, strengthened strategic global distribution partnerships and advanced both traditional water-based and premium CO_2 extraction capability. This positions The Calmer Co. to participate not only as a consumer brand owner, but also as a trusted global supplier of premium noble kava ingredients, significantly expanding our addressable market.

Equally important during FY26 was our continued focus on financial and operating discipline. We took deliberate steps to simplify the business, reduce our underlying cost base and ensure resources were directed toward areas capable of generating sustainable returns. Employment costs reduced by approximately $700,000 during the year, reflecting the leaner operating structure we have established, alongside further reductions in marketing expenditure and broader cost management initiatives. While there remains work to do on our pathway to profitability, these changes have created a more efficient operating platform and provide greater operating leverage as revenue scales.

CEO & Founder Report

Looking ahead, FY27 will be focused on execution as we build on the foundations established over the past year. We will continue expanding our Australian retail footprint while accelerating our entry into the United States retail market, building on the strong brand presence and customer loyalty we have established through Amazon USA and our direct-to-consumer channels. We believe this multi-channel approach positions The Calmer Co. to participate in the world's largest natural wellness market through both online and traditional retail distribution.

Alongside our branded consumer business, we will continue to scale our wholesale and bulk ingredients division through strategic global distribution partnerships, supporting the increasing adoption of noble kava by leading food, beverage and nutraceutical manufacturers. At the same time, we have further strengthened our integrated Pacific supply network across Fiji, Papua New Guinea and Vanuatu, while investing in higher-value product innovation, including premium water-based and CO_2 kava extracts. Supported by improving regulatory momentum, growing consumer awareness and a diversified global route-to-market spanning retail, e-commerce and botanical ingredients, we believe The Calmer Co. is exceptionally well positioned to capitalise on the significant opportunity emerging for noble kava. Our objective remains clear: to build a profitable, globally recognised wellness company while delivering sustainable long-term value for our shareholders.

Finally, I would like to sincerely thank our people across Australia, Fiji and North America, whose dedication, resilience and belief in our vision continue to drive the business forward. I also extend my gratitude to our Board of Directors for their guidance and governance, our retail, wholesale and distribution partners for their confidence in our brands, our Pacific growers and supply partners who remain at the heart of everything we do, and our shareholders for their ongoing support as we continue executing our long-term strategy.

The opportunity before us has never been greater. Consumer demand for natural wellness continues to accelerate, regulatory frameworks are evolving, and our integrated business model positions us to participate across every major segment of the global kava value chain. We believe The Calmer Co. has never been better positioned to lead the commercialisation of premium noble kava and build one of the world's most trusted natural wellness companies.

Zane Yoshida
Founder & Chief Executive Officer
The Calmer Co. International Limited

Company Overview

Company Snapshot

+1% Vs FY25	-35% Vs FY25	+30% Vs FY25	+178% Vs FY25
REVENUE	E-COMMERCE	RETAIL	WHOLESALE
$8.1m	$3.2m	$3.3m	$1.6m

FY2025/26 HIGHLIGHTS

RECORD REVENUE OF $8.1M

The Calmer Co. delivered record revenue of $8.1 million in FY26, broadly consistent with FY25 (+1%), while achieving a significant shift in channel mix. Strong growth across Australian Retail and Wholesale offset softer e-commerce performance, creating a more diversified revenue base and strengthening the platform for profitable growth in FY27.

AUSTRALIAN RETAIL - STRONG GROWTH AND MOMENTUM

Australian Retail delivered another strong year, with revenue increasing 30% to $3.3 million. Performance strengthened significantly in Q4, supported by improved supply consistency and successfully implemented pricing across Coles and Woolworths.

By year-end, Retail had become the Group's largest channel, contributing 45% of Q4 revenue and delivering strong double-digit margins. The result reinforces the growing mainstream adoption of Fiji Kava® and provides a strong foundation for further retail expansion and product innovation in FY27.

WHOLESALE - 178% REVENUE GROWTH

Wholesale emerged as the Company's fastest-growing channel in FY26, with revenue increasing 178% to $1.6 million, driven by growing demand for kava ingredients and expanding relationships with international customers and distribution partners.

The continued development of premium CO_2 kava extracts and expansion of the Company's botanical ingredient portfolio strengthened the platform for future growth. Following year-end, this strategy was further advanced through an exclusive international distribution agreement, providing a significant global commercial platform for the Company's premium kava ingredients.

E-COMMERCE - POSITIONED FOR IMPROVEMENT

E-commerce generated $3.2 million in FY26, compared with $4.9 million in FY25. While owned Direct-to-Consumer performance was below expectations under an externally managed operating model, Amazon continued to perform strongly, supported by revenue growth, pricing discipline and improving margins.

Following year-end, the Company brought responsibility for its owned Direct-to-Consumer operations back in-house and transitioned to Shopify, restoring greater control over digital strategy, conversion and customer experience. Together with the continued strength of Amazon, the revised operating model provides a stronger foundation for improved performance in FY27.

Geographic Analysis

AMERICAS - STRONG GROWTH ACROSS AMAZON AND WHOLESALE

The Americas delivered strong growth in FY26, with revenue increasing 73% to $3.8 million and representing 47% of Group revenue, compared with 28% in FY25.

Growth was led by the continued expansion of the Company's Wholesale & Bulk Ingredients business, alongside further growth through Amazon USA. The successful commercialisation of premium CO_2 kava extracts contributed to increasing B2B demand, while Amazon USA continued to strengthen its contribution through improved pricing and margin discipline.

The performance demonstrates the increasing importance of the United States to The Calmer Co.'s global strategy and provides a strong platform for further growth across Amazon, wholesale ingredients and mainstream U.S. retail in FY27.

OCEANIA - RETAIL GROWTH AND A MORE DIVERSIFIED CHANNEL MIX

Oceania generated $4.3 million in FY26, representing 53% of Group revenue. While total regional revenue was lower than FY25, this primarily reflected softer Direct-to-Consumer performance and the Company's changing channel mix.

Australian Retail was the standout performer within the region, increasing 30% to $3.3 million, supported by expanded distribution across Coles and Woolworths, improved retail execution and successfully implemented pricing.

The Company also commenced early-stage distribution activity in New Zealand during the year, providing an additional platform for future retail expansion across the region.

GLOBAL SALES IN FOCUS

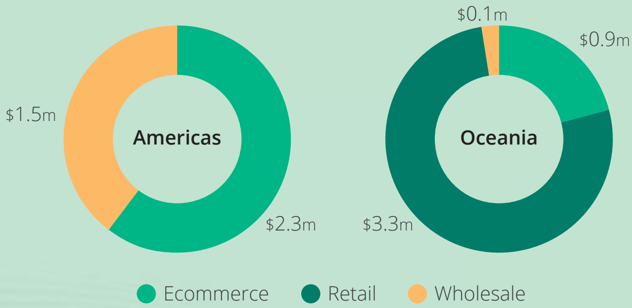
+73% Vs FY25

TOTAL SALES AMERICAS
$3.8m

-26% Vs FY25

TOTAL SALES OCEANIA
$4.3m

FY26 MARKET REVENUE MIX



Company Strategic Pillars

STRATEGIC PILLARS FOR GROWTH

The Calmer Co.'s four strategic pillars form an integrated business model designed to capture value across the global kava supply chain, from Pacific sourcing and manufacturing through branded consumer products, direct-to-consumer, retail and global botanical ingredients.

Together, these pillars provide a diversified platform for sustainable, profitable growth while supporting the Company's ambition to become the world's leading natural relaxation company.

1. **Regional Supply Chain, Manufacturing Excellence & Innovation**

   Build a resilient and scalable Pacific supply and manufacturing platform through regional sourcing, manufacturing excellence, product quality and innovation, while expanding higher-value extraction capability and new product formats.

2. **Direct-to-Consumer & Amazon**

   Build direct consumer relationships through owned digital channels and Amazon, leveraging customer insights, repeat purchasing and subscription growth to strengthen our brands and drive profitable digital growth.

3. **Profitable & Scalable Retail**

   Build market-leading positions with major retail partners through expanded distribution, product innovation and disciplined pricing, using our established Australian retail platform as a foundation for broader international retail expansion.

4. **Wholesale & Bulk Ingredients**

   Scale a global botanical ingredients business by leveraging the Company's Pacific sourcing network, extraction capability and strategic customer and distribution relationships to supply premium kava ingredients into global food, beverage, nutraceutical and wellness markets.

PILLARS FY26 HIGHLIGHTS

PILLAR 1	PILLAR 2	PILLAR 3	PILLAR 4
Regional Supply Chain, Manufacturing Excellence & Innovation:	**Direct-to-Consumer & Amazon:**	**Profitable & Scalable Retail:**	**Wholesale & Bulk Ingredients:**
Pacific Sourcing Network Expanded	Amazon Revenue Up 18%	Australian Retail Revenue Up 30%	Wholesale Revenue Up 178%
CO_2 Extract Capability Advanced	Amazon Margin Performance Improved	Coles & Woolworths Pricing Implemented	CO_2 Kava Extract Commercialised
Manufacturing & Quality Improvements Implemented	DTC Operating Model Reset for FY27	Fiji Kava® FZZR™ Ranging Secured	International Wholesale Partnerships Expanded

PILLAR

1

REGIONAL SUPPLY CHAIN, MANUFACTURING EXCELLENCE & INNOVATION

1. Strengthening Our Pacific Supply Network

Regional sourcing continued to underpin the business in FY26, with the Company strengthening its access to premium noble kava across Fiji, Papua New Guinea and Vanuatu.

The Company's diversified Pacific sourcing strategy provides greater supply resilience, quality and traceability while establishing the raw material platform required to support future growth across branded consumer products and Wholesale & Bulk Ingredients.

2. Advancing Extraction Capability

The Company continued to advance its higher-value extraction capability during FY26, including the commercial development of water-extracted and CO_2 kava formats.

These formats broaden the Company's addressable market and support increasing demand from food, beverage, nutraceutical and wellness customers seeking premium noble kava ingredients.

3. Manufacturing Excellence & Quality

Manufacturing and quality initiatives progressed throughout FY26, with an increased focus on product consistency, quality assurance and production efficiency.

Enhanced quality control and testing processes were implemented to strengthen consistency across Fiji Kava® and Taki Mai®, supporting the Company's commitment to delivering high-quality products as volumes scale across retail, digital and wholesale channels. The existing page specifically identifies improved testing and consistency initiatives across both brands during FY26.

4. Outlook: FY27

The Company enters FY27 focused on further strengthening its integrated Pacific supply and manufacturing platform.

Priorities include deepening strategic supply relationships across the Pacific, expanding higher-value extraction capability, improving manufacturing efficiency and quality systems, and developing strategic manufacturing partnerships to support increasing global demand across branded products and premium botanical ingredients.

PILLAR

2

DIRECT-TO-CONSUMER & AMAZON

1. Amazon USA – Continued Growth

Amazon remained the Company's strongest e-commerce platform in FY26, with revenue increasing 18% year-on-year. Performance strengthened through the second half as enhanced channel management, pricing discipline and more efficient promotional investment contributed to improved margins and a stronger earnings profile.

Amazon USA remains strategically important as a platform for consumer acquisition, repeat purchasing and brand development, while providing an established foundation to support the Company's broader expansion into mainstream U.S. retail.

2. Owned DTC – Reset for Growth

Owned Direct-to-Consumer performance was below expectations in FY26, with revenue of $0.9 million, as conversion performance was impacted following the move to an externally managed digital operating model.

Following year-end, the Company brought responsibility for its owned DTC operations back in-house and transitioned FijiKava.com and TakiMai.com to Shopify, restoring greater control over digital strategy, customer acquisition, conversion and customer experience.

3. Improving Channel Economics

A key focus during FY26 was improving the quality of e-commerce revenue. Amazon delivered a meaningful improvement in margin performance during the second half, supported by disciplined promotional investment and pricing management.

This approach reflects the Company's broader focus on profitable digital growth, balancing revenue and customer acquisition with contribution margin, repeat purchasing and disciplined marketing investment.

4. Outlook: FY27

FY27 priorities include rebuilding profitable growth across the Company's owned DTC platforms following their return in-house, sustaining Amazon USA's growth and improved margin profile, strengthening repeat and subscription purchasing, and improving Amazon Australia performance.

The Company will also continue leveraging the brand awareness and consumer insights established through Amazon USA to support its broader U.S. market strategy.

TOTAL E-COMMERCE REVENUE	AMAZON REVENUE GROWTH	OWNED DTC REVENUE	USA E-COMMERCE REVENUE
$3.2m	+18%	$0.9m	$2.3m

AMAZON VS DTC IN FY26

FY26 reinforced Amazon USA as the Company's leading digital growth platform, while highlighting the opportunity to improve performance across owned DTC channels. With DTC operations now returned in-house and Amazon delivering improved margins, the Company enters FY27 with greater control over its digital strategy and a clear focus on profitable growth.

PILLAR

3

PROFITABLE & SCALABLE RETAIL

1. Australian Retail – Strong Growth and Momentum

Australian Retail delivered another strong year in FY26, with revenue increasing 30% to $3.3 million, reinforcing the channel as an increasingly important contributor to Group revenue.

Fiji Kava® continued to strengthen its position across Coles and Woolworths, with Coles scan data confirming strong category performance and the Fiji Kava® 50g Instant product significantly outperforming its leading competitor.

Retail momentum strengthened through Q4, providing a strong platform for further growth entering FY27.

2. Improving Retail Economics

During FY26, the Company successfully secured and implemented pricing increases across Coles and Woolworths, improving the margin profile of the retail portfolio.

With revised pricing implemented toward the end of FY26, the Company enters FY27 positioned to benefit from the full-year impact of these changes, alongside continued focus on disciplined promotional investment and operating efficiency.

3. Product Innovation & Distribution

The Company continued to expand its retail proposition during FY26 through new product formats and broader ranging.

Importantly, Coles accepted the new Fiji Kava® FZZR™ range during FY26, creating an additional platform for product innovation and category growth. The Company also established the foundations for future expansion into mainstream U.S. retail through the appointment of a specialist natural products retail brokerage partner.

These initiatives extend the Company's retail strategy beyond its established Australian footprint and support its ambition to build Fiji Kava® into a globally recognised wellness brand.

4. Outlook: FY27

The Company enters FY27 focused on building on the strong momentum achieved across Australian Retail.

Priorities include supporting the rollout and performance of the Fiji Kava® FZZR™ range, continuing to optimise ranging and distribution across Coles and Woolworths, maintaining disciplined pricing and promotional investment, and progressing the Company's entry into mainstream U.S. retail.

AUSTRALIAN RETAIL REVENUE
$3.3m

REVENUE GROWTH VS FY25
+30%

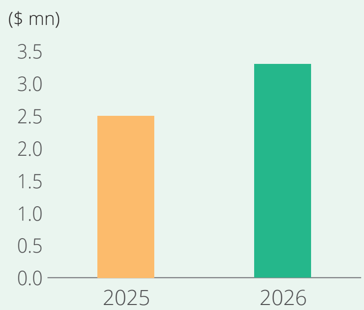
RETAIL DISTRIBUTION POINTS
3,400+

FIJI KAVA® – COLES STRESS CATEGORY
#1

KEY RETAIL WINS

- Australian Retail revenue increased 30% to $3.3m
- Fiji Kava® achieved the #1 position in the Coles stress category
- Coles and Woolworths pricing successfully implemented
- Fiji Kava® FZZR™ ranging secured with Coles
- Foundations established for mainstream U.S. retail expansion

FY26 Revenue by year



PILLAR

4

WHOLESALE & BULK INGREDIENTS

1. Wholesale – A Breakthrough Year

FY26 represented a significant step forward for the Company's Wholesale & Bulk Ingredients business, with revenue increasing 178% to $1.6 million.

Growth was driven by increasing demand for premium noble kava ingredients, the commercialisation of higher-value extract formats and deepening relationships with international customers and distribution partners.

The result demonstrates the potential for Wholesale & Bulk Ingredients to become an increasingly important contributor to the Company's diversified global revenue base.

2. Higher-Value Kava Extracts

A key milestone during FY26 was the continued commercialisation of the Company's premium CO_2 kava extract range, complementing its existing water-extracted and traditional bulk kava formats.

These higher-value ingredients broaden the Company's addressable market across functional beverages, food, nutraceutical and wellness applications, while leveraging the strength of its integrated Pacific sourcing network and growing extraction capability.

3. Building a Global Ingredients Platform

During FY26, the Company continued to strengthen relationships with international ingredient customers and strategic distribution partners, establishing a broader commercial platform for premium noble kava ingredients.

The Company's wholesale strategy combines direct B2B customer relationships with strategic distribution partnerships, providing multiple pathways to market while supporting greater scale and geographic diversification.

4. Outlook: FY27

The Company enters FY27 with a significantly strengthened platform for growth in Wholesale & Bulk Ingredients.

Priorities include converting the growing international customer pipeline, scaling sales of premium water-extracted and CO_2 kava ingredients, expanding global distribution and leveraging the Company's strengthened Pacific supply and manufacturing platform to support increasing customer demand.

Following year-end, the Company further advanced this strategy through an exclusive international distribution agreement, establishing a significant global commercial platform for its premium kava ingredient portfolio.

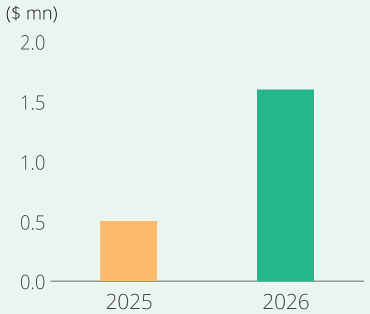
TOTAL WHOLESALE REVENUE
$1.6m

WHOLESALE REVENUE GROWTH
+178%

U.S. WHOLESALE REVENUE
$1.5m

U.S. WHOLESALE GROWTH
+927%

FY26 Wholesale Revenue by year



FY26 established Wholesale & Bulk Ingredients as a significant growth platform for The Calmer Co., combining premium Pacific noble kava sourcing with higher-value extraction capability and expanding international distribution.


FijiKava
FijiKava®

Brand & Product Development

The Calmer Co.'s brand portfolio combines the authenticity and heritage of Pacific kava with contemporary product innovation, creating differentiated products across retail, e-commerce and international markets.

During FY26, the Company continued to strengthen its core Fiji Kava® and Taki Mai® brands while expanding into new formats designed to broaden consumer accessibility and support the mainstream adoption of kava.

Fiji Kava® continued to strengthen its position as the Company's flagship premium kava brand during FY26, supported by growing distribution across major Australian retail channels and a strong presence through Amazon USA.

Built around premium noble kava, quality and authentic Pacific provenance, Fiji Kava® provides consumers with accessible and convenient ways to incorporate kava into modern wellness routines.

FY26 also marked an important step in the evolution of the brand with the development and retail acceptance of Fiji Kava® FZZR™, extending Fiji Kava® into an innovative new complementary medicine format and creating a platform for further product and flavour innovation.

Brand Snapshot

Products include traditional and instant drinking kava, FZZR™ effervescent products, capsules and branded accessories. The brand's proposition centres on premium noble kava, Pacific provenance, quality and traceability, with markets spanning Australia, the United States, New Zealand and the Pacific.

Taki Mai® continued its evolution as a contemporary Pacific kava brand during FY26, offering kava in convenient formats designed to appeal to new consumers, occasions and channels.

The portfolio includes kava shots, flavoured products, tinctures and drinking kava formats, combining authentic Pacific kava heritage with a more contemporary and accessible brand proposition.

Taki Mai® complements Fiji Kava® by broadening the Company's ability to introduce kava to different consumer demographics and consumption occasions across retail and digital channels.

Brand Snapshot

Products include flavoured and unflavoured kava shots, tinctures, and traditional and instant drinking kava. Its proposition combines premium Pacific kava sourcing with convenient, contemporary formats, with markets including the United States, Australia, New Zealand and the Pacific.

Danodan® is the Company's U.S.-focused hemp wellness brand, offering a range of USDA-certified organic hemp tinctures and topical products.

With its heritage in Oregon, Danodan® provides the Company with additional exposure to the U.S. natural wellness market through online, retail and B2B channels.

Brand Snapshot

Products include hemp and CBD oils, topical salves and pet CBD oils. The brand is differentiated by its organic full-spectrum hemp proposition and patented infusion process and is focused on the U.S. market.


FijiKava
NOBLE KAVA
100% Fijian Noble Kava Root Powder
Net Wt. 1 kg


GUAVA
MANGO
COCONUT
CHOCOLATE BANANA
PINEAPPLE
CALMS & SOOTHES
Tăki Mai
The antidote to a stressful world.
CALMS & SOOTHES
Tăki Mai
INSTANT
KAVA ROOT POWDER


DANODAN
ORGANIC
HEMP FLOWER INFUSION
20MG
HEMP CANNABINOIDS PER SERVING
DANODAN
ORGANIC
HEMP FLOWER INFUSION
30MG
HEMP CANNABINOIDS PER SERVING
DANODAN
HEMP FLOWER INFUSION
FOR PETS


Taki
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 2026 and the auditor’s report thereon.

1. DIRECTORS

Mr James Tonkin	Non-Executive Chairman appointed 07 November 2025
Mr Zane Yoshida	Executive Director appointed 20 December 2018
Mr Griffon Emose	Non-executive Director appointed 30 January 2023
Mr Karl Schlobohm	Non-executive Director appointed 08 April 2026
Mr John Homewood	Non-Executive Chairman appointed 06 November 2024 (resigned 07 November 2025)
Mr Anthony Noble	Non-executive Director appointed 20 December 2021 (resigned 01 February 2026)

For additional information on Directors including details of the qualifications of Directors please refer to paragraph 10 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 2026.

Please refer to Section 13.

3. MEETINGS OF DIRECTORS

During the financial year ending 30 June 2026, 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		COMMITTEE MEETINGS					
			DUE DILIGENCE COMMITTEE		REMUNERATION COMMITTEE		AUDIT COMMITTEE	
	Number eligible to attend	Number Attended	Number eligible to attend	Number Attended	Number eligible to attend	Number Attended	Number eligible to attend	Number Attended
James Tonkin	11	11						
Zane Yoshida	11	11						
Karl Schlobohm	4	4						
Griffon Emose	11	11						
John Homewood	4	4						
Anthony Noble	4	4						

At the date of this report, the Due Diligence Committee, Remuneration Committee and Audit Committee comprise the full Board of Directors. The Directors believe the Company is not currently of a size nor are its affairs of such complexity as to warrant the establishment of these separate committees. Accordingly, all matters capable of delegation to such committees are considered by the full Board of Directors.

Directors' Report

4. NATURE OF OPERATIONS AND PRINCIPAL ACTIVITY

The Calmer Co. International Limited ("The Calmer Co.") is a health and wellness company focused on the global commercialization of premium noble kava and other natural botanical ingredients. With operations spanning Australia, Fiji and the United States, the Company develops, manufactures and markets branded consumer products and botanical ingredients across retail, direct-to-consumer and wholesale channels.

The Company's strategy combines premium branded consumer products with a rapidly expanding botanical ingredients business, enabling participation across multiple segments of the global health and wellness market. Its integrated business model encompasses the entire value chain, from sourcing premium raw materials directly from Pacific Island farming communities, through manufacturing and product innovation, to global distribution. This vertically integrated approach provides greater quality assurance, supply chain resilience and long-term scalability while supporting sustainable economic development across the Pacific.

The Calmer Co.'s portfolio includes the internationally recognised Fiji Kava® and Taki Mai® brands, together with its Danodan® hemp wellness range in the United States. The Company's products include instant and traditional kava powders, ready-to-drink and concentrated kava beverages, botanical extracts, nutraceutical ingredients and functional wellness products sold through major retailers, online marketplaces, owned digital channels and business-to-business customers globally.

In addition to branded consumer products, The Calmer Co. is expanding its position as a supplier of premium botanical ingredients, including water-extracted and supercritical CO_2 extracted noble kava, supporting growing global demand from food, beverage, nutraceutical and wellness manufacturers.

The Company sources noble kava directly from Fiji, Papua New Guinea and Vanuatu through long-term grower relationships and strategic supply partnerships, reinforcing its commitment to building a resilient Pacific supply network while maintaining the highest standards of quality, traceability and sustainability.

The Calmer Co. believes noble kava represents one of the world's most significant emerging botanical wellness ingredients. Supported by thousands of years of traditional Pacific use, an expanding body of peer-reviewed scientific research and improving regulatory recognition internationally, the Company is focused on positioning kava as a natural alternative for relaxation, stress management and social wellbeing.

The Company's products are manufactured in accordance with applicable regulatory requirements and are sold through retail, wholesale and direct-to-consumer channels across Australia, New Zealand, Fiji, the United States and other international markets.

5. REVIEW OF OPERATIONS

FY26 represented a year of disciplined execution and strategic repositioning for The Calmer Co. While revenue remained broadly consistent with the previous financial year, the Company strengthened the quality of its business through improved channel diversification, disciplined cost management, expansion of its retail footprint and continued investment in its integrated Pacific supply chain.

The Company continued executing its strategy through four complementary strategic pillars, each designed to strengthen long-term competitive advantage and position the business for sustainable, profitable growth.

Pillar 1 – Regional Supply Chain, Manufacturing Excellence & Innovation

The Company continued strengthening its vertically integrated Pacific supply chain through expanded sourcing relationships across Fiji, Papua New Guinea and Vanuatu, providing greater supply security and supporting future growth in both branded consumer products and botanical ingredients.

Operational improvements at the Company's manufacturing facilities enhanced efficiency and production capability, while continued investment in water-extracted and premium CO_2 extraction technologies further positioned The Calmer Co. to participate in higher-value global ingredient markets.

These investments enhance the Company's ability to supply premium noble kava ingredients to both branded consumer and business-to-business customers while providing the manufacturing capability required to support future global growth.

Directors' Report

Pillar 2 – Scalable & Profitable Retail

Retail remained one of the Company's strongest strategic priorities during FY26, with continued expansion across Australia's leading supermarket retailers.

The Company strengthened its partnership with Coles through expanded product ranging and achieved improved pricing outcomes that enhanced gross margins across the retail portfolio. Woolworths also expanded distribution of Fiji Kava® Instant nationally, significantly increasing consumer accessibility and reinforcing kava's growing acceptance within mainstream Australian retail.

These achievements reflect increasing consumer awareness of kava as a natural wellness solution and reinforce The Calmer Co.'s leadership position within the emerging functional relaxation category.

Pillar 3 – Direct-to-Consumer (DTC)

The Direct-to-Consumer channel was below expectations during FY26, reflecting underperformance within an externally managed digital operating model. During the year, the Company completed the migration of its e-commerce platforms to the Acuity platform and implemented a revised digital strategy that provides greater operational control, improved scalability and a stronger foundation for customer acquisition and profitable growth.

While the Company's owned digital channels underperformed expectations, Amazon USA continued to deliver strong growth and remained one of the Company's most strategically important channels. Beyond revenue generation, Amazon provides valuable consumer insights, recurring subscription revenue and market validation that support the Company's broader strategy of expanding into mainstream retail distribution throughout the United States. Amazon Australia also continued building momentum alongside the Company's growing Australian retail presence.

Pillar 4 – Wholesale & Bulk Ingredients

Wholesale & Bulk Ingredients emerged as one of the Company's most significant long-term growth opportunities during FY26, reflecting increasing global demand for premium noble kava ingredients.

During FY26, The Calmer Co. expanded sales of premium noble kava ingredients through strategic distribution partnerships while continuing to develop higher-value water-extracted and CO_2 extracted formats for global food, beverage and nutraceutical customers.

The Company also strengthened relationships with international ingredient distributors and commercial partners, positioning its botanical ingredients business to benefit from increasing global demand for clinically supported natural wellness ingredients.

The continued expansion of Wholesale & Bulk Ingredients complements the Company's branded consumer business, diversifies its revenue base and further leverages the strength of its integrated Pacific supply chain.

Overall, FY26 delivered meaningful strategic progress across each of the Company's four strategic pillars. The business enters FY27 with a stronger operational platform, an expanding international distribution network and increasing opportunities across retail, direct-to-consumer and wholesale ingredients. Supported by an integrated Pacific supply chain, growing consumer demand and improving regulatory momentum, The Calmer Co. is well positioned to continue executing its strategy of becoming the global leader in premium noble kava and natural botanical wellness products.

6. OPERATING RESULTS

The Company's FY26 results reflect a year of channel diversification balanced with disciplined cost management.

- Revenue was \$8.12m (FY25: \$8.03m), broadly consistent year-on-year at approximately 1.0% growth, reflecting continued diversification across retail, Amazon USA, and wholesale channels.
- Gross Profit was \$2.87m (FY25: \$3.41m), with gross margin moving to 35.3% (FY25: 42.5%), reflecting a shift in channel mix.
- Net loss for the year was \$3.81m (FY25: \$3.99m), improving year-on-year, as reduced marketing and employment costs more than offset the softer gross margin.
- Cash receipts from customers were \$8.36m (FY25: \$8.71m).
- Inventory was \$1.34m (FY25: \$1.56m), reflecting tighter working capital management to support the year's channel mix.

7. FINANCIAL POSITION

- Revenues for the year ending 30 June 2026 were $8.12m (FY25: $8.03m), representing an increase of approximately 1.0% year-on-year.
- The Company recorded a statutory net loss from continuing operations of $3.81m (FY25: $3.99m).
- EBITDA for the year was ($2.99m) (FY25: ($3.41m)).
- Receipts from customers were $8.36m (FY25: $8.71m), while net cash used in operating activities was $2.94m (FY25: $4.37m).
- Staff costs were $1.65m (FY25: $2.36m), reflecting more efficient workforce allocation across online DTC and retail channels.
- Advertising and marketing expenses were $2.11m (FY25: $2.53m), reflecting more efficient spending allocation supporting DTC channel growth, retail, Amazon USA, and new product development.
- Product manufacturing and operating costs increased by approximately 13.6% to $5.25m (FY25: $4.62m), reflecting channel mix shift, higher raw material costs, and expanded ranging with Coles and Woolworths.
- Directors' and KMP fees for FY26 totaled $456,885. This included $297,553 to Mr. Zane Yoshida (Managing Director & CEO, including superannuation), $64,368 to Mr. James Tonkin, $23,333 to Dr. Anthony Noble, $43,981 to Mr. Griffon Emose, $17,628 to Mr. John Homewood and $10,022 to Mr. Karl Schlobohm.

8. SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

During the financial year ended 30 June 2026, The Calmer Co. International Limited continued executing its strategy to build an integrated Pacific botanical wellness business spanning premium raw material sourcing, manufacturing, branded consumer products and global commercialisation. The year was characterised by significant operational transformation, including expansion of the Company's retail platform, optimisation of its supply chain and fulfilment network, continued investment in higher-value botanical ingredients, and the establishment of foundations for international retail and wholesale growth.

Pillar 1 – Regional Supply Chain, Manufacturing Excellence & Innovation

- Continued strengthening the Company's integrated Pacific supply network across Fiji, Papua New Guinea and Vanuatu, supporting long-term supply security for both branded consumer products and botanical ingredients.
- Anticipating a non-repayable capital grant of FJ$548,214 from the Government of Fiji to expand ready-to-drink production capability and undertake strategic infrastructure upgrades at the Company's Navua manufacturing facility, including bottling capability, farm-gate sourcing infrastructure and processing equipment.
- Continued investment in manufacturing capability and the commercial development of premium water-extracted and CO_2 kava ingredients, supporting the Company's higher-value botanical ingredients strategy.

Pillar 2 – Scalable & Profitable Retail

- Expanded distribution through Coles and Woolworths, further strengthening Fiji Kava®'s position within Australia's mainstream retail wellness category.
- Secured retail ranging for the Fiji Kava® FZZR™ complementary medicine platform, introducing an innovative new delivery format that expands the Company's product portfolio and supports future flavour and product innovation.
- Appointed VDriven, a leading U.S. natural products brokerage, to support the Company's expansion into natural, organic and specialty retail channels across the United States, building on the Company's established Amazon USA presence and Australian retail success.
- Transitioned the Company's Australian retail, wholesale and direct-to-consumer fulfilment operations to a specialist third-party logistics provider, consolidating fulfilment across all sales channels. The new operating model is expected to improve operational efficiency, scalability and customer service as the business continues to grow.

Pillar 3 – Direct-to-Consumer (DTC)

- Completed the migration of the Company's owned digital platforms to the Acuity e-commerce platform, establishing improved digital infrastructure to support future growth.

Directors' Report

- While the Company's owned digital channels performed below expectations during the year, Amazon USA continued delivering strong growth, reinforcing the strength of the Company's brands and providing an important platform for future U.S. retail expansion.
- Continued expanding Amazon Australia alongside the Company's growing Australian retail footprint.

Pillar 4 – Wholesale & Bulk Ingredients

- Executed a multi-year Master Supply Agreement with a U.S. functional beverage company for the supply of premium CO_2 kava extracts, representing an important milestone in the commercialization of the Company's higher-value botanical ingredients strategy.
- Continued expanding relationships with international ingredient customers and distribution partners, supporting growth in higher-margin botanical ingredients.

Corporate & Governance

- Successfully completed a $1.6 million placement to strengthen the Company's balance sheet and support inventory expansion, U.S. wholesale growth, retail expansion and working capital requirements.
- Appointed Karl Schlobohm as an Independent Non-Executive Director, strengthening the Board's expertise in governance, capital markets, financial management and listed company compliance.
- Continued enhancing shareholder engagement through the Company's Investor Hub and regular market communications.

9. DIVIDENDS

No dividend was paid or declared during the financial year ended 30 June 2026 (FY25: Nil).

10. EVENTS SUBSEQUENT TO REPORTING DATE

Since 30 June 2026, the Company has continued executing its growth strategy through a number of significant commercial and operational initiatives.

Pillar 1 – Regional Supply Chain, Manufacturing Excellence & Innovation

- On 30 July 2026, the Company executed a Binding Strategic Partnership Heads of Agreement with Kaiming Agro Processing, establishing the framework for a long-term manufacturing partnership providing access to commercial-scale supercritical CO_2 extraction capability in Fiji.
- On 6 August 2026, the Company executed a long-term Strategic Supply Agreement securing dedicated supply capacity of premium noble kava from Papua New Guinea and Vanuatu, significantly strengthening the Company's integrated Pacific supply network and long-term raw material security.

Pillar 2 – Scalable & Profitable Retail

- Continued preparations for the commercial launch of the Fiji Kava® FZZR™ range through Coles and further development of the Company's retail innovation pipeline.

Pillar 3 – Direct-to-Consumer (DTC)

- Following a review of the Company's externally managed digital operating model, responsibility for the Direct-to-Consumer business was transitioned back in-house during July 2026. The Directors believe this revised operating structure will improve accountability, marketing effectiveness, customer acquisition and long-term profitability, while enabling closer integration of the Company's digital operations with its broader retail, wholesale and international growth strategy.
- Amazon USA continued to perform strongly following year-end, supported by increasing subscription sales and growing brand awareness.

Directors' Report

Pillar 4 – Wholesale & Bulk Ingredients

- On 18 August 2026, the Company executed an Exclusive Distribution Agreement with a multinational ingredients company covering Australia, New Zealand, North America and ASEAN markets. The agreement includes minimum performance requirements to maintain exclusivity of approximately $25 million over the initial three-year term and establishes a significant global commercial platform for the Company's premium kava ingredient portfolio.

Capital Management

- Following year-end, the Company successfully completed its pro-rata entitlement offer, strengthening its capital position to support continued commercial growth, working capital requirements and repayment of convertible notes.
- The Directors are not aware of any other matter or circumstance arising since 30 June 2026 that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

11. LIKELY DEVELOPMENTS AND FUTURE PROSPECTS

The Company will continue executing its strategy through its four strategic pillars with a focus on sustainable, profitable growth and long-term shareholder value.

Key priorities for FY27 include:

- Expanding the Company's integrated Pacific supply chain and manufacturing capability through strategic supply and manufacturing partnerships.
- Accelerating the commercialisation of premium water-extracted and CO_2 kava ingredients through global wholesale distribution.

- Continuing to expand the Australian retail footprint while progressing entry into mainstream retail channels within the United States.
- Strengthening the Direct-to-Consumer channel through the revised in-house operating model while continuing to leverage Amazon USA as a strategic growth platform.
- Continuing disciplined cost management, improving operating leverage and allocating capital efficiently to support the Company's pathway to sustainable profitability.

  Supported by a diversified sales channel mix, an integrated Pacific supply chain, expanding international distribution partnerships and growing global consumer demand for natural wellness products, the Directors believe The Calmer Co. is well positioned to continue strengthening its leadership position within the global premium kava industry.

12. ENVIRONMENTAL REGULATION

The Directors recognise the importance of responsible environmental stewardship across the Company's operations and supply chain and remain committed to ensuring compliance with all applicable environmental legislation and regulatory requirements.

The Board oversees the Company's environmental responsibilities by:

- establishing and communicating environmental objectives and performance expectations across the business;
- monitoring environmental performance and promoting continuous improvement throughout the Company's operations;
- supporting responsible sourcing and sustainable agricultural practices across its Pacific supply network;
- implementing appropriate environmental management systems where operations may have a material environmental impact; and
- maintaining compliance with applicable environmental laws and regulations in each jurisdiction in which the Company operates.

The Directors are not aware of any material breaches of environmental regulations during the financial year.

Directors' Report

13. INFORMATION ON DIRECTORS INCLUDING DIRECTORS' INTERESTS

MR JAMES TONKIN

Non-Executive Chairman

Appointed 07 November 2025

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 ZANE YOSHIDA

Managing Director

Appointed 20 December 2018

Experience and Qualifications

Mr Yoshida was born and raised in Fiji and has a longstanding connection to kava and its cultural significance, having first participated in a traditional kava ceremony more than 38 years ago.

Over the past two decades, he has founded and led businesses across Australia, the Asia-Pacific and the United States, developing extensive experience in entrepreneurship, product development, international market expansion and building businesses across multiple jurisdictions.

As Founder and Chief Executive Officer of The Calmer Co. International, Mr Yoshida has led the Company's evolution from its origins in Fiji into an integrated global natural wellness business spanning Pacific sourcing, manufacturing and innovation, branded consumer products, major retail, e-commerce and botanical ingredients.

Under his leadership, the Company has established Fiji Kava® and Taki Mai® across international markets, developed an integrated Pacific kava supply network, expanded distribution through major Australian retailers and Amazon USA, and established a growing international wholesale and botanical ingredients business.

Mr Yoshida holds a Bachelor of Mechanical Technology, a Postgraduate Diploma in Information Technology and an MBA from 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: 41,285,716 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

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 KARL SCHLOBOHM

Non-Executive Director

Appointed 08 April 2026

Experience and Qualifications

Karl Schlobohm was appointed to the Board on 8 April 2026. He is a Chartered Accountant with over 30 years' experience across a wide range of industries and businesses. He runs his own boutique practise focussing on the provision of corporate services to listed and emerging companies, capitalising on his extensive experience with financial accounting, corporate governance, and numerous public company executive and board roles.

Karl holds Bachelor's degrees in Commerce (UQ) and Economics (UQ), a Masters of Taxation (UNSW), and a Diploma of Forensic Accounting (QUT). He is also a Fellow of the Governance Institute of Australia.

He is currently the CFO / Company Secretary of ASX-listed Gold Hydrogen Ltd and a Non-Executive Director of the Australian Shareholders' Association.

Interest in Shares and Options

Nil

Directorships held in other listed entities

Nil

Directors' Report

MR JOHN HOMEWOOD

Non-Executive Chairman

Appointed 6 November 2024 (Resigned 07 November 2025)

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.

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.

DR ANTHONY NOBLE,

Non-Executive Director

Appointed 20 December 2021 (Resigned 01 February 2026)

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 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 spent 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, Xenitra Limited (ASX: XEN)
Executive Director: Servatus Limited (Public Unlisted).

Directors' Report

MS 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 AND INSURANCE

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.

The Company's listed options expired at 5:00pm (AEST) on 30 June 2026. Any options not exercised by the expiry date lapsed with all rights attaching to those options ceasing. The options did not entitle holders to participate in any share issue of the Company or any other body corporate.

Indemnification and Insurance Officers or Auditor

Indemnification

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

- Mr James Tonkin (Non-Executive Chairman);
- Mr Zane Yoshida (Managing Director);
- Mr Griffon Emose (current Non-Executive Director);
- Mr Karl Schlobohm (current Non-Executive Director);
- Mr John Homewood (former Non-Executive Director);
- Dr Anthony Noble (former Non-Executive Director); and
- Ms Natalie 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 $36,036.00 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.

17. LEAD AUDITOR'S INDEPENDENCE DECLARATION

The Lead auditor's independence declaration is set out on page 82 and forms part of the Directors' report for the financial year ended 30 June 2026.

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 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.

Directors’ Report

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 $162,861 (FY25: $224,132).

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

a. 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:

2025-26	Short-term benefits				Post-employment benefits	Long-term benefits	Termination benefits	Equity-settled share-based payments		Total
Key Management Personnel	Salary, fees and leave (Accrued)	Profit share and bonuses	Non-monetary	Other	Superannuation	Other		Equity	Options	
	$	$	$	$	$	$	$	$	$	$
A Noble	23,333	-	-	-	-	-	-	-	-	23,333
Z Yoshida	265,672	-	-	-	31,881	-	-	-	-	297,553
G Emose	43,981	-	-	-	-	-	-	-	-	43,981
J Homewood	17,628	-	-	-	-	-	-	-		17,628
J Tonkin	64,368	-	-	-	-	-	-	-	-	64,368
K Schlobohm	10,022	-	-	-	-	-	-	-	-	10,022
	425,004	-	-	-	31,881	-	-	-		456,885

2024-25	Short-term benefits				Post-employment benefits	Long-term benefits	Termination benefits	Equity-settled share-based payments		Total
Key Management Personnel	Salary, fees and leave (Accrued)	Profit share and bonuses	Non-monetary	Other	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 Homewood	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

Directors' Report

b. Analysis of Bonuses Included in Remuneration – audited

No Bonuses are due or payable for 2025/26 Financial Year.

c. 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 2026 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 2025	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 2026
Zane Yoshida	76,682,498	-	-	20,000,000	96,682,498
Anthony Noble	15,134,738	-	-	-	15,134,738
Karl Schlobohm	-	-	-	-	-
James Tonkin	12,961,571	-	-	-	12,961,571
Griffon Emose	14,852,012	-	-	-	14,852,012
John Homewood[1]	133,527,825	-	-	1,472,175	135,000,000
	253,158,644	-	-	21,472,175	274,630,819

	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	-	33,668,454	76,682,498
Anthony Noble	2,000,000	18,333,333	-	(5,198,595)	15,134,738
James Dack [1]	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 [2]	100,000,000	-	-	33,527,825	133,527,825
	168,039,107	49,761,905	-	35,357,632	253,158,644

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 2025	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 2026
Zane Yoshida	17,152,977	-	-	-	17,152,977
Anthony Noble	4,580,964	-	-	70,000	4,650,964
James Tonkin	-	-	-	-	-
Griffon Emose	1,679,973	-	-	-	1,679,973
John Homewood	42,138,890	-	-	-	42,138,890
	65,552,804	-	-	70,000	65,622,804

	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

Directors’ Report

d. Loans to Key Management Personnel

There are no loans made to Directors of the Group as at 30 June 2026 (2025: nil).

e. Loans from Key Management Personnel

There are no loans from Directors of the Group as at 30 June 2026 (2025: nil).

f. 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
CEO, Founder, Director

Dated this Monday, 31 August 2026


FijiKava
NOBLE KAVA
100% FIJIAN NOBLE
KAVA ROOT POWDER
INSTANT
MIX
NET WT.
250g
CERTIFIED
FIJIAN NOBLE KAVA
PRODUCT OF FIJI

Financial Information

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME - AS AT 30 JUNE 2026

	Note	2026 $	2025 $
Sales Revenue	10	**8,115,945**	8,034,682
Cost of Sales		**(5,250,135)**	(4,620,816)
Gross Profit		**2,865,811**	3,413,866
Other Income	11.1	**8,012**	10,471
Consulting and Professional fees		**(146,733)**	(119,807)
Audit and Accounting fees		**(118,052)**	(179,427)
Director Fees		**(162,861)**	(224,132)
Depreciation		**(389,421)**	(333,004)
Marketing		**(2,112,707)**	(2,530,928)
Insurance		**(143,136)**	(128,900)
Research and Development		**(376,794)**	(16,002)
Legal expenses		**(51,088)**	(117,500)
Occupancy costs		**9335**	-
Employment costs	15	**(1,647,853)**	(2,360,199)
ASX Fees		**(84,532)**	(187,925)
Other expenses	11.2	**(933,459)**	(1,041,338)
Finance expenses		**(425,202)**	(244,968)
Impairment of loss of plants		**(521)**	(24,276)
Impairment of provision of receivables		**(17,207)**	-
Impairment of goodwill		**-**	-
Impairment of inventory		**(81,312)**	91,792
Total Expenses		**(6,681,543)**	(7,416,614)
Loss before income tax expense		**(3,807,721)**	(3,992,277)
Income tax (benefit)/expense	17	**-**	-
Loss after tax from continuing operations		**(3,807,721)**	(3,992,277)
Other comprehensive income/(expense)			
Foreign exchange translation differences		**(120,585)**	(46,191)
Total comprehensive loss for the year		**(3,928,306)**	(4,038,468)
Basic and diluted loss per share (cents per share)	13	**(0.11)**	(0.16)

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 2026

	Note	2026 $	2025 $
Current assets			
Cash and cash equivalents	18	**668,732**	1,459,639
Trade and other receivables	19	**761,027**	485,331
Prepayments		**205,151**	619,805
Inventories	20	**1,341,857**	1,555,805
Total current assets		**2,976,767**	4,120,580
Non-current assets			
Property, plant and equipment	21	**758,156**	895,655
Intangible assets	22	**356,235**	420,245
Right-of-use assets	23	**815,236**	242,931
Total Non-current assets		**1,929,627**	1,558,830
Total assets		**4,906,394**	5,679,410
Current liabilities			
Trade and other payables	24	**1,281,742**	1,315,574
Provisions	25	**159,849**	126,701
Deferred revenue	26	**7,856**	15,803
Borrowings	27	**2,498,010**	515,050
Lease liability	23	**179,510**	121,898
Total current liabilities		**4,126,967**	2,095,026
Non-current liabilities			
Borrowings	27	**528,422**	1,536,621
Lease liability	23	**669,122**	135,639
Provisions	25	**24,563**	
Deferred tax liabilities		**8,661**	9,146
Total non-current liabilities		**1,230,768**	1,681,406
Total liabilities		**5,357,735**	3,776,432
Net assets/(liabilities)		**(451,341)**	1,902,978
Equity			
Issued Capital	28	**36,462,560**	34,967,100
Reserves		**278,776**	320,834
Accumulated losses		**(37,192,677)**	(33,384,957)
Total equity		**(451,341)**	1,902,978

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 2026

2026	Contributed Equity	Accumulated Loss	Foreign Exchange Reserve	Option Reserve	Business Combination Reserve	Convertible notes Reserve	Total Equity
Balance at 1 July 2025	34,967,100	(33,384,957)	(255,016)	511,671	64,179	-	1,902,977
Shares issued during the year (net of costs)	1,495,460	-	-	-	-	-	1,495,460
Convertible note equity allocation	-	-	-		-	78,527	78,527
Foreign exchange translation differences	-	-	(120,585)	-	-	-	(120,585)
Total profit items ecognized directly in other Comprehensive income for the year							
Loss for the year	-	(3,807,721)	-	-	-	-	(3,807,721)
Total comprehensive income for the year	-	-	-	-	-	-	-
Balance as at 30 June 2026	36,462,560	(37,192,677)	(375,601)	511,671	64,179	78,527	(451,341)

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 ecognized 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

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 2026

	Note	2026 $	2025 $
Cash flows from operating activities			
Cash receipts from customers		**8,360,955**	8,708,461
Payments for manufacturing and operations		**(6,881,226)**	(7,599,930)
Cash paid to employees		**(1,338,852)**	(1,713,684)
Payments for advertisement and marketing		**(560,284)**	(1,494,564)
Payments for administration and corporate costs		**(2,116,578)**	(2,080,899)
Research and development		**(34,841)**	-
Interest received/paid (net)		**(365,734)**	(189,775)
Net cash used by operating activities	18	**(2,936,560)**	(4,370,391)
Cash flows from investing activities			
Intangible asset purchases		**-**	-
Plant and equipment purchases		**(47,140)**	(459,908)
Net cash used by investing activities		**(47,140)**	(459,908)
Cash flows from financing activities			
Proceeds from shares issue (net costs)		**1,415,460**	5,271,848
Proceeds from convertible notes issued		**1,324,824**	-
Proceeds from borrowings		**-**	653,450
Repayments of borrowings		**(350,063)**	(587,685)
Repayments of leases		**(197,428)**	(146,692)
Net cash generated by financing activities		**2,192,793**	5,190,921
Net decrease in cash and cash equivalents		**(790,907)**	360,622
Cash and cash equivalents at the beginning of the period		**1,459,639**	1,099,017
Cash and cash equivalents at the end of the year	18	**668,732**	1,459,639

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 2026

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 2026, represent a general purpose financial report prepared in accordance 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 ecognized prospectively.

Calculation of loss allowance
The Group measures expected credit losses on trade receivables using a provision matrix based on historical credit loss experience, adjusted for current conditions and reasonable and supportable forward-looking information. Significant judgment is required in determining the appropriate loss rates and assessing the impact of economic conditions and customer-specific circumstances on the collectability of receivables. Changes in these assumptions may result in a material adjustment to the expected credit loss allowance recognised at the reporting date.

Inventory Costing
The determination of inventory cost and net realisable value requires the use of estimates and judgement. Inventory is carried at the lower of cost and net realisable value, with cost determined using the weighted average cost method.

Management assesses inventories at each reporting date for indicators of obsolescence, slow-moving stock, damage and changes in expected selling prices. The estimation of net realisable value involves judgement regarding future demand, expected selling prices and costs to complete and sell inventory. Changes in these assumptions may result in adjustments to the carrying value of 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 ecognized 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 ecognized 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 ecognized 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 ecognized at their previous carrying amounts;
- No adjustments are made to reflect the fair values and no new assets and liabilities of the acquire are ecognized at the date of the business combination;
- No new goodwill is ecognized; and
- Any difference between the acquired net assets and the consideration is ecognized 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 ecognized 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 ecognized 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 ecognized 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.

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 ecognized 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 ecognized 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 ecognized 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 ecognized 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 ecognized as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount ecognized 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 ecognized 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 ecognized 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 ecognized 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 ecognized in profit or loss.

Grants that compensate the Group for expenses incurred are ecognized in profit or loss on a systematic basis in the periods in which the expenses are ecognized, unless the conditions for receiving the grant are met after the related expenses have been ecognized. In this case, the grant is ecognized 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 ecognized 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 ecognized revenue when it satisfies a performance obligation by transferring control over a product to a customer. Revenue from the sale of investments property is ecognized 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 ecognized 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 ecognized in the Statement of Profit or Loss and Other Comprehensive Income except to the extent that is relates to items ecognized directly in equity, in which case it is ecognized 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 ecognized 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 ecognized only to the extent that it is probable that future taxable profits will be available against which the asset can be ecogniz. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be ecogniz.

5.9. Goods and Services Tax and Value added Tax

Revenue, expenses and assets are ecognized 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 ecognized 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 are measured at the lower of cost and net realisable value. Cost is determined using the weighted average cost method and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Costs of purchase include the purchase price, import duties, freight, insurance and other directly attributable costs incurred in acquiring inventories. Costs of conversion include direct labour and an allocation of production overheads based on normal operating capacity.

Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs of completion and the costs necessary to make the sale.

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.

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 ecognized 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 ecognized 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 ecognized 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 ecognized and any accumulated impairment losses. Expenditure on internally generated intangibles and brands is ecognized in the Statement of Profit or Loss and Other Comprehensive income as an expense as incurred. Subsequent expenditure is ecognized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is ecognized 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 ecognized 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 ecognized .

The Group has ecognized a portion of directly attributable development costs of new products. The costs are ecognized 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 ecognized 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 ecognized 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 ecognized on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are ecognized 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 ecognized 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 ecognized in profit or loss. When the financial asset is ecognized , the cumulative gain or loss previously ecognized in OCI is reclassified from equity to profit or loss and ecognized 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 ecognized 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 ecognized 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 ecognized 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.

For trade receivables, the Group applies the simplified approach permitted by AASB 9, which requires expected lifetime losses to be ecognized 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 ecognized in profit or loss. Any gain or loss on derecognition is also ecognized 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 ecognized on trade-date, the date on which the Group commits to purchase the financial liability. Financial liabilities are ecognized when the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liabilities ecognized and the consideration paid and payable is ecognized 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 ecognized 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 ecognized 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 ecognized at the fair value of a similar liability that does not have an equity conversion option. The equity component is initially ecognized 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 ecognized in profit or loss. On conversion at maturity, the financial liability is reclassified to equity and no gain or loss is ecognized.

5.16. Impairment

Non-derivative financial assets

Financial instruments and contract assets

The Group ecognized 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 ecognize 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 ecognized on; 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 ecognized 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 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 ecognized 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 ecognized 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 ecognized 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 ecognized 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 ecognized. 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 ecognized for the asset in prior years. Such reversal is ecognized 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 ecognized 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 ecognized 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 ecognize right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Group ecognized 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 ecognized 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.

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 ecogniz 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 ecognized 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 2026 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 Pte 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
Fiji Kava Australia Trading	Marketing and Selling of products	Australia
SPE Fiji	Sourcing and manufacturing of kava powder	Fiji
Fiji Kava Inc (USA)	Marketing and Selling of products	USA
Danodan Hempworks LLC (USA)	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.

2026	Reportable Segments				Business Combination Reserve	Total Equity
	Fiji Kava Trading	SPE Fiji	Fiji Kava USA	Danodan		
External revenues	4,162,614	3,480,998	3,838,998	71,888	-	11,554,498
Inter-segment revenue	(90,410)	(3,258,933)	(89,209)	-	-	(3,438,552)
Segment Revenue	4,072,204	222,065	3,749,789	71,888	-	8,115,945
Segment profit (loss) before tax	(417,536)	(735,211)	(52,408)	(29,721)	(2,563,575)	(3,807,721)
Interest income	-	-	-	-	4,520	4,520
Interest expense	(27,541)	(35,778)	(29,154)	(7,975)	(242,469)	(342,917)
Depreciation and amortisation	(13,575)	(216,419)	(28,450)	(1,181)	(129,796)	(389,421)
Impairment losses on non-financial assets	(15,933)	(42,868)	(27,533)	(12,185)	-	(98,519)
Segment assets	629,724	2,915,713	1,421,279	60,971	(121,293)	4,906,394
Segment liabilities	(9,468,583)	(6,993,175)	(3,352,230)	(1,186,615)	(15,642,868)	(5,357,735)

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)
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)	(3,285,257)	(3,776,432)

8. Disposal Group Held for Sale

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

9. Going Concern

The financial report has been prepared on a going concern basis, which contemplates the continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

For the year ended 30 June 2026, the Group incurred a loss before income tax of $3,807,721 (2025: $3,992,276) and, as at that date, had accumulated losses of $37,192,677, net current liabilities of $1,150,200 and cash and cash equivalents of $668,732.

The Directors have prepared cash flow forecasts covering at least twelve months from the date of approval of the financial report. These forecasts incorporate anticipated sales growth across the Group's wholesale, retail, Amazon and direct-to-consumer channels, improvements in gross margins, cost reduction initiatives, the conversion of certain convertible notes into equity and access to additional working capital.

A key component of the Group's funding plan is the renounceable entitlement offer announced subsequent to year end. On 27 July 2026, the Company lodged a prospectus with ASIC and ASX for a one-for-one pro-rata entitlement offer at an issue price of $0.001 per share, seeking to raise up to $3.5 million before costs. The offer closed on 17 August 2026. Of the amount sought, $500,000 is underwritten by Mahe Capital, of which $65,520 is sub-underwritten by two Directors. Accordingly, the balance of the funds sought under the offer is dependent on shareholder participation and the placement of any remaining shortfall.

In addition, under the terms of the entitlement offer and associated funding arrangements, if the entitlement offer proceeds are insufficient to facilitate the repayment of the Group's secured convertible notes, repayment of those notes is deferred until their contractual maturity date of 31 December 2026. This provides the Group with additional flexibility in managing its short-term funding requirements.

The Directors believe that the Group will be able to implement its funding and operational plans. However, the Group's ability to continue as a going concern is dependent on the proceeds ultimately raised under the entitlement offer, the successful implementation of its other funding initiatives, continued access to working capital and the achievement of forecast sales, margins and operating cash flows.

As these matters are not wholly within the Group's control, a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern and, therefore, whether it will realise its assets and discharge its liabilities in the ordinary course of business.

The financial report does not include any adjustments relating to the recoverability or classification of recorded assets, or the amounts or classification of liabilities, that may be necessary if the Group is unable to 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).

	2026 $	2025 $
Revenue from contracts with customers	**8,115,945**	8,034,682
Other income:		
Other Revenue	**8,012**	10,471
Total Revenue	**8,123,957**	8,045,153

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).

2026	Australia	Fiji	USA	Total
Geographical Markets				
Australia	4,072,205	-	-	4,072,205
Fiji	-	222,051	-	222,051
Other	-	-	3,821,689	3,821,689
	4,072,205	222,051	3,821,689	8,115,945
Major product lines				
Medicinal	-	21,908	29,054	50,962
Powder	3,905,304	172,708	2,302,062	6,380,074
RTD	170,797	27,435	132,798	331,030
Extract	(23,688)	-	1,273,326	1,249,638
CBD & Accessories	19,792	-	84,449	104,241
Other Revenue	-	-	-	-
External Revenue as reported in Note 7	4,072,205	222,051	3,821,689	8,115,945

	Reportable Segments			Total
2025	Australia	Fiji	USA	
Geographical Markets				
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
Major product lines				
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	-	-		-
External Revenue as reported in Note 7	5,535,268	284,959	2,214,455	8,034,682

10.3. Contract balances

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

	Note	2026 $	2025 $
Receivables, which are included in 'trade and other receivables'	19	671,457	472,296
Contract assets		-	-
Contract liabilities		7,856	15,803

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 ecognized revenue when it satisfies a performance obligation by transferring control over a product to a customer.

11. Income and Expenses

11.1. Other Income

	2026 $	2025 $
Interest income	-	-
Rental income	-	-
Other income	8,012	10,471
	8,012	10,471

11.2. Other Expenses

	2026 $	2025 $
Information Technology expenses	157,549	160,355
Entertainment	13,118	16,596
Investor relations and Fundraising Costs	124,870	37,056
Motor vehicle	37,892	44,318
Printing, stationery & postage	7,572	11,694
Staff amenities	5,584	8,688
Storage & third party logistics	21,449	79,162
Subscriptions & publications	122,230	122,561
Travel expenses	217,418	231,652
Other miscellaneous expenses	225,777	329,256
	933,459	1,041,338

12. Net finance costs

See Accounting Policies in Note 5.5

	2026 $	2025 $
Finance income		
Interest income	**4,520**	13,844
Foreign exchange (gains)	**-**	-
Finance costs		
Foreign exchange losses	**59,468**	55,193
Bank fees	**12,135**	11,170
Loan fees	**15,202**	1,504
Interest expense	**342,917**	190,945
Net finance costs recognised in profit or loss	**434,242**	244,968

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.

	2026 $	2025 $
Reconciliation of earnings to profit or loss		
Loss for the year	**(3,807,721)**	(3,992,277)
Loss used in the calculation of basic and diluted EPS	**(3,807,721)**	(3,992,277)
Weighted average number of ordinary shares outstanding during the period used in the calculation of basic EPS	**3,382,766,573**	2,477,404,760
Loss per share		
Basic and diluted loss per share (cents per share)	**(0.11)**	(0.16)

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14. Share Based Payment Arrangements
No outstanding share base payment arrangement as at 30th June 2026.

15. Employee Benefits
See accounting policies in Note 5.3

	2026 $	2025 $
Current liability for annual leave	**159,849**	126,701
Non-Current liability for long service leave	**24,563**	
Total employee benefit liabilities	**184,412**	126,701

Employee benefits expense

	2026 $	2025 $
Wages and salaries (including allowances)	**1,303,332**	1,796,891
Superannuation expense	**166,314**	196,197
Annual and long service leave expense	**75,437**	9,671
Equity-settled share-based payments	**-**	281,953
Payroll tax	**10,068**	-
Other employee benefits expense	**92,702**	75,487
	1,647,853	2,360,199

16. Auditor's Remuneration
Remuneration of the auditor for the Group for:

	2026 $	2025 $
Auditing or reviewing the financial reports	**78,332**	62,500
	78,332	62,500

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:

	2026 $	2025 $
Prima facie tax payable/(benefit) on profit/(loss) before income tax at 25% (2025: 25%)	**(951,930)**	(1,056,819)
Tax effect of other deductible expenses	**66,404**	4,069
International tax rate differences	**40,416**	23,253
Tax effect of unrecognised tax losses utilised	**845,110**	1,029,497
	-	-

Tax losses carried forward

The Group has estimated tax losses of approximately $22.4M (2025: $18.9M). 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 liabilities

As at 30 June 2026, the Group has recognised a net deferred tax liability of $8,661 (2025: $9,146).

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:

	2026 $	2025 $
Cash at bank	**668,732**	1,427,973
Term deposits	**-**	31,666
Cash on hand	**-**	-
Cash and cash equivalent	**668,732**	1,459,639

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

	2026 $	2025 $
Loss for the year	**(3,807,721)**	(3,992,276)
Non-cash items in profit from ordinary activities		
Depreciation and amortisation	**389,421**	329,026
Convertible note reserve	**78,527**	-
Shared based expense	**-**	208,452
Unrealised foreign exchange movement	**(45,661)**	(62,282)
(Profit)/loss on sale of fixed assets	**521**	24,276
Movements in working capital		
(Increase)/decrease in receivables and prepayments	**(155,693)**	150,833
(Increase)/decrease in inventories	**213,948**	(304,378)
(Increase)/decrease in other assets	**414,654**	(530,323)
Increase/(decrease) in trade and other payables	**(74,320)**	(196,944)
Increase/(decrease) in deferred revenue	**(7,947)**	(6,860)
Increase/(decrease) in provisions	**57,711**	10,085
Net cash used in operating activities	**(2,936,560)**	(4,370,391)

Changes in liabilities arising from Financing Activities

	1 July 2025	Cash Flows	Conversion to Equity	Accrued interest	Other movements	30 June 2026
Short term borrowings	515,050	974,761	-	-	1,008,199	2,498,010
Long term borrowings	1,536,621	-	-	-	(1,008,199)	528,422
Lease Liabilities	257,538	(197,428)	-	-	788,523	848,633
Total	2,309,209	1,565,856	-	-	-	3,875,065

19. Trade and Other Receivables

	2026 $	2025 $
Current		
Trade receivables	578,047	480,559
Other Receivables	106,789	3,395
Doubtful debts	(13,379)	(11,658)
GST receivables	89,570	13,035
	761,027	485,331

Ageing of trade receivables	2026 $	2025 $
0 - 60 days	513,168	408,120
60 - 120 days	31,301	4,707
Over 120 days	33,578	65,582
	578,047	468,901

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 2026 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.

20. Inventories

See accounting policy in Note 5.10.

	2026 $	2025 $
Raw material	308,722	82,244
Finished goods	1,033,135	1,473,561
	1,341,857	1,555,805

The reversal of inventory write-downs of $91,792 recognised in the year ended 30 June 2025 was attributable to improved inventory turnover and increased sales, which reduced the level of slow-moving inventory and supported the recovery of amounts previously written down. Inventories with a carrying amount of $42,776 (FY2025: $37,929) are pledged as security under the Group's SBA loan facility. These inventories form part of the assets pledged as collateral by Danodan under the related security agreement.

21. Property, Plant and Equipment

See accounting policies in Note 5.11.

	Green House	Plant & Equipment	Motor Vehicle	Furniture & Fittings	Total
Cost					
Balance at 1 July 2025	167,692	929,453	143,187	180,457	1,420,789
Effect of movements in exchange rates	(8,861)	(54,553)	(7,567)	(8,763)	(79,744)
Acquisitions	-	27,222	-	19,918	47,140
Disposals	-	(2,131)	-	-	(2,131)
Balance at 30 June 2026	158,831	899,991	135,620	191,612	1,386,054

	Green House	Plant & Equipment	Motor Vehicle	Furniture & Fittings	Total
Accumulated Depreciation					
Balance at 1 July 2025	55,001	268,318	117,674	84,140	525,133
Effect of movements in exchange rates	(3,211)	(23,850)	(6,314)	(7,141)	(40,516)
Depreciation	16,188	98,862	10,644	19,718	145,412
Disposals	-	(2,131)	-	-	(2,131)
Balance at 30 June 2026	67,978	341,199	122,004	96,717	627,898

	Green House	Plant & Equipment	Motor Vehicle	Lab & Nursery	Furniture & Fittings	Total
Cost						
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

	Green House	Plant & Equipment	Motor Vehicle	Lab & Nursery	Furniture & Fittings	Total
Accumulated Depreciation						
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

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

22. Intangible Assets

	2026 $	2025 $
Software & Website	**44,815**	46,127
Accumulated amortisation	**(21,311)**	(14,660)
Trademarks & Patents	**566,188**	582,818
Accumulated amortisation	**(233,457)**	(194,040)
	356,235	420,245

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).

2026	Total $
Right of use assets	
Opening balance	242,931
Right of use assets acquired	941,932
Current year disposals	(153,409)
Other current year increase / (decrease)	(22,462)
Depreciation charge for the year	(193,756)
Closing Balance	815,236

2026	Total $
Lease Liabilities	
Opening balance	257,537
Current year additions	941,932
Current year disposals	(120,813)
Other current year increase / (decrease)	(32,596)
Payments made	(197,428)
Closing Balance	848,632

2026	Total $
Current	179,510
Non-current	669,122
Closing Balance	848,632

Amounts recognised in profit or loss	Total $
Interest on lease liabilities	40,949
Expenses relating to short-term leases	-

24. Trade and Other Payables

See Note 5.13 for measurement policies.

	2026 $	2025 $
Current		
Trade payables	813,089	732,797
Share subscription funds received in advance	-	-
Other payables	221,056	138,570
Accrued expenses	237,114	444,207
	1,281,742	1,315,574

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

25. Provisions

See accounting policy in note 5.17

	2026 $	2025 $
Employee Annual Leave Provision		
Balance at start of year	126,701	116,616
Provisions made during the year	108,585	19,756
Provisions used during the year	(75,437)	(9,671)
Closing balance	159,849	126,701
Employee Long Service Leave Provision		
Balance at start of year	-	-
Provisions made during the year	24,563	-
Closing balance	24,563	-
Closing balance	184,412	126,701

26. Deferred Revenue

See accounting policy in note 5.6

	2026 $	2025 $
Other Grants	-	-
Unearned Income	7,856	15,803
Closing balance	7,856	15,803

27. Borrowings

	2026 $	2025 $
Current		
Convertible Notes	2,302,222	-
SBA Loan	4,276	
Other Borrowings	191,512	515,050
Closing balance	2,498,010	515,050
Non-Current		
Convertible Notes	331,725	1,320,259
SBA Loan	196,697	216,362
Closing balance	528,422	1,536,621

Convertible notes	2026 $
Balance at 1 July 2025	1,320,259
Proceeds from issue of convertible notes during the year	1,400,000
Transaction costs during the year	(75,176)
Net proceeds	1,324,824
Allocation to equity component	(78,527)
Unwinding during the year	67,391
Notes converted during the year	
Carrying amount of liability at 30 June 2026	2,633,947

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.

The terms and conditions of the convertible note (issued in FY 2026):

- Maturity date: 12 months anniversary of issue date
- Interest rate: 10% per annum till 31st July 2026 and 18% from 1st August to 31st December 2026
- Conversion price of $0.003.

US Small Business Administration (SBA) Loan	Current $	Non-current $
Balance at 1 July 2025	-	216,361
Transaction costs during the year	-	-
Net proceeds	-	-
Interest accrued during the year	7,975	-
Interest paid during the year	(7,975)	-
Principal Repayment		(5,092)
Foreign exchange movement (USD/AUD)		(10,296)
Carrying amount of liability at 30 June 2026	-	200,973

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

Assets pledged as security

The SBA loan is secured by a first-ranking security interest over substantially all of the present and future tangible and intangible personal property of Danodan Hempworks LLC. The collateral includes, but is not limited to, inventory, trade and other receivables, equipment, deposit accounts, software, intellectual property and other general intangible assets, together with the proceeds thereof.

28. Issued Capital

Fully paid ordinary shares	2026		2025	
	No.	$	No.	$
Balance at beginning of the reporting period	**3,011,353,260**	**34,967,100**	1,485,480,742	28,767,266
Shares issued during the year Placement (net costs)	**462,142,865**	**1,495,460**	1,478,872,518	6,058,834
Shares issued under employee incentive scheme	**47,000,000**	**-**	47,000,000	141,000
Conversion of Convertible Note	**-**	**-**	-	-
Balance at end of the reporting period	**3,520,496,125**	**36,462,560**	3,011,353,260	34,967,100

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 $1,495,460 during the year with the issue of 462,142,865 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:

2026	Note	Floating Interest Rate $	Fixed Interest Rate $	Non-interest Bearing $	Total $
Financial Assets					
Cash and cash equivalents	18	668,732	-	-	668,732
Trade and other receivables	19	-	-	761,027	761,027
Total Financial Assets		668,732	-	761,027	1,429,759
Financial Liabilities					
Borrowings	27	-	3,026,432	-	3,026,432
Trade and other payables	24	-	-	1,281,742	1,281,742
Total Financial Liabilities		-	3,026,432	1,281,742	4,308,714
Net Financial Assets/(Liabilities)		668,732	(3,026,432)	(520,715)	(2,878,955)

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

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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
A significant portion of the Group's credit risk exposure relates to a group of receivables arising from 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 recognised impairment expense of $17,207.00 in relation to trade receivables in the current year (2025: Nil).

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 2026			
Trade payables	813,089	-	813,089
Other payables	468,653	-	468,653
Convertible note and borrowings	2,498,010	528,422	3,026,432
Total contractual outflows	3,779,752	528,422	4,308,174

	Within 1 Year	Over a year	Total
Financial liabilities due for payment at 30 June 2025			
Trade payables	732,797	-	732,797
Other payables	582,777	-	582,777
Convertible note and borrowings	515,050	1,536,621	2,051,671
Total contractual outflows	1,830,624	1,536,621	3,367,245

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.

	2026 $	2025 $
Fixed rate		
Borrowings	(3,026,432)	(2,051,671)
Floating rate		
Cash and cash equivalents	668,732	1,459,639

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 2025.

	Profit $	Equity $
Year ended 30 June 2026		
±100 basis points change in interest rates	**± 6,687**	**± 6,687**
Year ended 30 June 2025		
±100 basis points change in interest rates	± 14,596	± 14,596

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.

	2026			2025		
	FJD	USD	NZD	FJD	USD	NZD
Trade receivables	**1,234,270**	**240,318**	**-**	1,943,292	71,230	-
Trade payables	**(684,680)**	**(472,811)**	**-**	(467,553)	(465,481)	-
Net exposure	**549,590**	**(232,493)**	**-**	1,475,739	(394,251)	-

The following exchange rates have been applied.

	Average Rate		Year-end rate	
AUD to	2026	2025	2026	2025
FJD	**1.507**	1.469	**1.551**	1.469
USD	**0.676**	0.646	**0.691**	0.658
NZD	**1.218**	1.079	**1.218**	1.080

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 $
Year ended 30 June 2026		
FJD (3% movement)	**33,239**	**34,209**
USD (8% movement)	**4,942**	**5,053**
NZD (3% movement)	**-**	**-**
Year ended 30 June 2025		
FJD (3% movement)	8,686	17,372
USD (8% movement)	3,154	6,307
NZD (3% movement)	-	-

32. Parent Entity Information

	2026 $	2025 $
Financial Position of The Calmer Co. International Limited		
Current Assets	**395,717**	1,165,995
Non-current assets	**18,973,206**	17,797,001
	19,368,923	18,962,996
Current liabilities	**2,999,064**	773,723
Non-current liabilities	**490,434**	1,320,260
	3,489,498	2,093,983
Net Assets	**15,879,425**	16,869,013
Contributed equity	**32,149,816**	30,654,356
Reserves	**433,214**	354,687
Accumulated losses	**(16,703,605)**	(14,140,030)
Total Equity	**15,879,425**	16,869,013
Financial Performance of The Calmer Co. International Limited		
Loss for the year	**(2,563,575)**	(3,193,123)
Total Comprehensive Loss	**(2,563,575)**	(3,193,123)

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 2026 (2025: none).

Contingent Liabilities of The Calmer Co. International Limited
There are no contingent liabilities as at 30 June 2026 (2025: none).

Commitments of The Calmer Co. International Limited
There are no commitments as at 30 June 2026 (2025: 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 2026	% Equity Interest 2025
Fiji Kava (Australia) Trading Pty Ltd	Australia	100%	100%
Fiji Kava Inc	USA	100%	100%
Fiji Kava NZ Limited	New Zealand	0%	0%
South Pacific Elixirs Pte 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:

	2026 $	2025 $
Short term employee benefits	425,004	504,375
Post-employment benefits	31,881	48,199
Other long-term benefits	-	-
Share-based payments	-	195,000
Closing balance	456,885	747,574

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 2026.

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 2026 $	Transaction value 2025 $
Consulting Service fees paid to Forest House Pty Ltd [1]	-	-
Consulting Service fees paid to ACE Property Holdings [2]	65,336	109,311
Consulting Service fees paid to Yoshida Enterprises Pty Ltd [3]	-	-
Consulting Service fees paid to Bio Pacific Partners Ltd [4]	-	-

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 Yoshida Enterprises Pte Ltd, a company related to Zane Yoshida, provided consulting services to the Group.

4 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

Subsequent to year end, on 27 July 2026, the Company lodged a prospectus with ASIC and ASX for a renounceable entitlement offer on the basis of one (1) new share for every one (1) existing share held at an issue price of $0.001 per share, seeking to raise up to $3.5 million before costs. The offer closed on 17 August 2026. The proceeds are intended to provide additional working capital and support the Group's ongoing operations and are a key component of the Directors' assessment of the Group's ability to continue as a going concern. No adjustment has been made to the financial statements in respect of this event.

Except for the matter disclosed above, no matter or circumstance has arisen since 30 June 2026 that has significantly affected, or may significantly affect, the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

CONSOLIDATED ENTITY DISCLOSURE STATEMENT
AS AT 30 JUNE 2026

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	-	-	New Zealand	New Zealand	n/a
South Pacific Elixirs Pte Ltd	Body Corporate	-	100	Fiji	Fiji	n/a
Danodan Hempworks LLC	Body Corporate	-	100	USA	USA	n/a

DIRECTORS' DECLARATION

The Directors of the Company declare that:

1. The financial statements and notes, as set out on pages (42 to 79), are in accordance with the Corporations Act 2001 (Cth) and:
   (a) comply with Accounting Standards;
   (b) 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
   (c) give a true and fair view of the financial position as at 30 June 2026 and of the performance for the year ended on that date of the Consolidated Group
   (d) the information disclosed in the attached Consolidated Entity Disclosure Statement is true and correct.
2. The Chief Executive Officer and Chief Finance Officer have each declared that:
   (a) 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);
   (b) the financial statements and notes for the financial year comply with the Accounting Standards; and
   (c) the financial statements and notes for the financial year give a true and fair view.

3 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
Founder, CEO, Director

Dated this 31st day of August 2026

Independent Auditor's Report

HALL CHADWICK
CHARTERED ACCOUNTANTS & BUSINESS ADVISORS | QLD

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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 2026, 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 2026 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 $3,807,721 and has accumulated losses of $37,192,677. 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 2026. 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
Inventory Existence and Valuation **Refer to Note 20 – Inventory** The Calmer Co. International Limited has inventories at a carrying value of $1.34m at 30 June 2026 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.	Our procedures included, but were not limited to, the following: • Observed the stocktake process at selected locations near period end and undertook our own test counts. • 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. • Assessed the inventory impairment provision by reviewing the level of inventory write downs during the period. • Held discussions with management to understand and corroborate the assumptions applied in estimating the impairment provisions. • Performed lower of cost or net realisable value testing on a sample of inventory items to confirm that there was no further impairment on other inventory items. • Assessing the appropriateness of the disclosures included in the relevant notes to the financial report.

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 2026 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 of 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 39 of the directors' report for the year ended 30 June 2026.

In our opinion the remuneration report of The Calmer Co. International Limited for the year ended 30 June 2026 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 31st day of August 2026

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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 2026, 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 at Brisbane this 31st day of August 2026

Corporate Governance Statement

CORPORATE GOVERNANCE STATEMENT

The Directors and management of The Calmer Co. International Ltd (CCO or the Company) and its controlled entities (the Group) are committed to conducting the Group's business in an ethical manner in accordance with the highest standards of corporate governance. The Company has adopted and substantially complies with the ASX Corporate Governance Principles and Recommendations (Fourth Edition) (Recommendations) to the extent appropriate to the size and nature of the Group's operations.

The Company has prepared this statement which sets out its corporate governance practices that were in operation throughout the financial year ended 30 June 2026. This statement identifies any Recommendations that have not been followed and provides reasons for not following such Recommendations. This statement is current as at 26 August 2026 and has been approved by the Board of the Company.

The Company's corporate governance policies and charters are all available on the Company's website https://thecalmerco.com/corporate-governance (the Website).

Principles and Recommendations	Comply	Explanation
Principle 1: Lay solid foundations for management and oversight		
Recommendation 1.1 A listed entity should have and disclose a charter which: (a) sets out the respective roles and responsibilities of the board, the chair and management; and (b) includes a description of those matters expressly reserved to the board and those delegated to management.	Complying	The Company has adopted a Board Charter. 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. 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.
Recommendation 1.2 A listed entity should: (a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a Director; and (b) provide security holders with all material information relevant to a decision on whether or not to elect or re-elect a Director.	Complying	(a) The Company has detailed guidelines for the appointment and selection of the Board. The Nomination Committee Charter, as stated in Schedule 5 of 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. (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.
Recommendation 1.3 A listed entity should have a written agreement with each Director and senior executive setting out the terms of their appointment.	Complying	The Nomination Committee Charter, as stated in Schedule 5 of 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.

CORPORATE GOVERNANCE STATEMENT

<table>
<tr><th>Principles and Recommendations</th><th>Comply</th><th>Explanation</th></tr>
<tr><td>Recommendation 1.4
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.</td><td>Complying</td><td>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.</td></tr>
<tr><td>Recommendation 1.5
A listed entity should:
(a) have a diversity policy which includes requirements for the board:
(i) to set measurable objectives for achieving gender diversity; and
(ii) to assess annually both the objectives and the entity’s progress in achieving them;
(b) disclose that policy or a summary or it; and
(c) disclose as at the end of each reporting period:
(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
(ii) either:
(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
(B) the entity’s “Gender Equality Indicators”, as defined in the Workplace Gender Equality Act 2012.</td><td>Partially Complying</td><td>(a) The Company has adopted a Diversity Policy.
(i) The Diversity Policy provides a framework for the Company to achieve a list of 5 measurable objectives that encompass gender equality.
(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.
(b) The Diversity Policy is stated in Schedule 10 of the Corporate Governance Plan which is available on the company website.
(c) As required:
(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.
(ii) 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.</td></tr>
</table>

Principles and Recommendations	Comply	Explanation
Recommendation 1.6 A listed entity should: (a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual Directors; and (b) disclose in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	Complying	(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 is outlined in the Performance Evaluation Policy as stated in Schedule 6 of the Corporate Governance Plan. (b) The Company's Performance Evaluation Policy requires the Board to disclose whether or not performance evaluations were conducted during the relevant reporting period. 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. The Board considers that at this stage of the Company's development an informal process is appropriate. 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.
Recommendation 1.7 A listed entity should: (a) have and disclose a process for periodically evaluating the performance of its senior executives; and (b) disclose in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	Complying	(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. (b) The Performance Evaluation Policy as stated in Schedule 6 of the Company's Corporate Governance Plan requires the Board to conduct annual performance of the senior executives. Further, the Board is to disclose whether or not performance evaluations were conducted during the relevant reporting period. (c) During the financial year an evaluation of performance of the senior executives was not formally carried out. However, a general review of the senior executives occurs on an on-going basis to ensure that structures suitable to the Company's status as a listed entity are in place.

<table>
<tr><th>Principles and Recommendations</th><th>Comply</th><th>Explanation</th></tr>
<tr><td colspan="3">Principle 2: Structure the board to add value</td></tr>
<tr><td>Recommendation 2.1
The board of a listed entity should:
(a) have a nomination committee which:
(i) has at least three members, a majority of whom are independent Directors; and
(ii) is chaired by an independent Director,
and disclose:
(iii) the charter of the committee;
(iv) the members of the committee; and
(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
(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.</td><td>Complying</td><td>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 5(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.

The duties of the Nomination Committee are outlined in the Nomination Committee Charter, as stated in Schedule 5 of the Company's Corporate Governance Plan available online on the website.

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.

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.</td></tr>
</table>

<table>
<tr><th>Principles and Recommendations</th><th>Comply</th><th>Explanation</th></tr>
<tr><td>Recommendation 2.2
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.</td><td>Complying</td><td>Board Skills Summary

</td></tr>
<tr><td>Recommendation 2.3
A listed entity should disclose:
(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 (4th 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
(c) the length of service of each Director</td><td>Complying</td><td>(a) The Board considers that the following Directors are independent:
<table><tr><th>Director</th><th>Independence Status</th><th>Appointment Date</th></tr><tr><td>James Tonkin</td><td>Non-Executive Director</td><td>30 January 2023</td></tr><tr><td>Griffon Emose</td><td>Non-Executive Director</td><td>30 January 2023</td></tr><tr><td>Karl Schlobohm</td><td>Non-Executive Director</td><td>8 April 2026</td></tr></table>
(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 website.
(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 website.</td></tr>
</table>

Principles and Recommendations	Comply	Explanation
Recommendation 2.4 A majority of the board of a listed entity should be independent Directors.	Not Complying	For the period ended 30 June 2026, the Board was comprised of one Executive Director and two Non-Executive Directors. The Non-Executive Directors are considered independent.
Recommendation 2.5 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 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.
Recommendation 2.6 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.
Principle 3: Act ethically and responsibly		
Recommendation 3.1 A listed entity should articulate and disclose its values	Complying	The Company values are articulated and disclosed on the Company's website.
Recommendation 3.2 A listed entity should: (a) have and disclose a code of conduct for its Directors, senior executives and employees; and (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 (c) any other material breaches of that code that call into question the culture of the organisation.	Complying	The Corporate Code of Conduct applies to the Company's Directors, senior executives and employees. The Company's Corporate Code of Conduct as stated in Schedule 2 of the Corporate Governance Plan is available on the Website.
Recommendation 3.3 A listed entity should: (a) have and disclose a whistleblower policy; and (b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.	Partially Complying	The Company has an Audit and Risk Committee Charter as stated in Schedule 3 of the Corporate Governance Plan which states that the Committee oversees procedures for whistle blower protection. Pursuant to Clause 5(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.

Principles and Recommendations	Comply	Explanation
Recommendation 3.4 A listed entity should: (a) have and disclose an anti-bribery policy; and (b) ensure that the board or a committee of the board is informed of any material incidents reported under that policy.	Partially Complying	The Company's Code of Conduct provides a framework for monitoring corrupt conduct.
Principle 4: Safeguard integrity in financial reporting		
Recommendation 4.1 The board of a listed entity should: (a) have an audit committee which: (i) has at least three members, all of whom are non-executive Directors and a majority of whom are independent Directors; and (ii) is chaired by an independent Director, who is not the chair of the board, and disclose: (iii) the charter of the committee; (iv) the relevant qualifications and experience of the members of the committee; and (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 (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.	Partially Complying	(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 Committee. Pursuant to Clause 5(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. The role and responsibilities of the Audit and Risk Committee are outlined in the Audit and Risk Committee Charter as stated in Schedule 3 of the Company's Corporate Governance Plan available online on the website. 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.

CORPORATE GOVERNANCE STATEMENT

Principles and Recommendations	Comply	Explanation
Recommendation 4.2 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 Audit and Risk Committee Charter as stated in Schedule 3 of the 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.
Recommendation 4.3 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 Audit and Risk Committee Charter as stated in Schedule 3 of the 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.
Principle 5: Make timely and balanced disclosure		
Recommendation 5.1 A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under Listing Rule 3.1 .	Complying	The Continuous Disclosure Policy as started in Schedule 7 of the Corporate Governance Plan provides details of the Company's disclosure requirements as required by the ASX Listing Rules and other relevant legislation. The Corporate Governance Plan is available on the Website.
Recommendation 5.2 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.
Recommendation 5.3 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 Announcements Platform ahead of the presentation.

CORPORATE GOVERNANCE STATEMENT

Principles and Recommendations	Comply	Explanation
Principle 6: Respect the rights of security holders		
Recommendation 6.1 A listed entity should provide information about itself and its governance to investors via its website.	Complying	CCO provides information on its Website about the Company and copies of the key governance charters and policies referred to in this Corporate Governance Statement. The Company's Annual Report also discloses the Company's interest in subsidiaries.
Recommendation 6.2 A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	Complying	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. The Shareholder Communications Strategy can be found in Schedule 10 of the Corporate Governance Plan which is available on the Website.
Recommendation 6.3 A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	Complying	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. 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.
Recommendation 6.4 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	Security holders can register with the Company to receive email notifications when an announcement is made by the Company to the ASX. Shareholders queries should be referred to the Company Secretary at first instance.
Recommendation 6.5 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	Security holders can register with the Company to receive email notifications when an announcement is made by the Company to the ASX. Shareholders queries should be referred to the Company Secretary at first instance.

Principles and Recommendations	Comply	Explanation
Principle 7: Recognise and manage risk		
Recommendation 7.1 The board of a listed entity should: (a) have a committee or committees to oversee risk, each of which: (i) has at least three members, a majority of whom are independent Directors; and (ii) is chaired by an independent Director, and disclose: (iii) the charter of the committee; (iv) the members of the committee; and (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 (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.	Partially Complying	(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 5(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. The role and responsibilities of the Audit and Risk Committee are outlined in the Audit and Risk Committee Charter as stated in Schedule 3 of the Company's Corporate Governance Plan available online on the Company's website. 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.
Recommendation 7.2 The board or a committee of the board should: (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 (b) disclose in relation to each reporting period, whether such a review has taken place.	Complying	(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. The Risk Management Policy as started in Schedule 8 of the Corporate Governance Plan details the Company's disclosure requirements with respect to the risk management review procedure and internal compliance and controls. (b) The Board regularly reviews the risk management framework of the Company.

Principles and Recommendations	Comply	Explanation
Recommendation 7.3 A listed entity should disclose: (a) if it has an internal audit function, how the function is structured and what role it performs; or (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.	Complying	(b) The Audit and Risk Committee Charter 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. The Charter outlines the monitoring, review and assessment of a range of internal audit functions and procedures.
Recommendation 7.4 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	The Risk Management Policy 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.
Principle 8: Remunerate fairly and responsibly		
Recommendation 8.1 The board of a listed entity should: (a) have a remuneration committee which: (i) has at least three members, a majority of whom are independent Directors; and (ii) is chaired by an independent Director, and disclose: (iii) the charter of the committee; (iv) the members of the committee; and (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 (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.	Partially Complying	(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 5(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. The role and responsibilities of the Remuneration Committee are outlined in the Remuneration Committee Charter as stated in Schedule 4 of the Corporate Governance Plan available online on the website. The Directors devote time at board meetings to discussing the roles and responsibilities of and setting the remuneration for directors and senior executives and ensuring that such remuneration is appropriate.

Principles and Recommendations	Comply	Explanation
Recommendation 8.2 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 Remuneration Committee Charter requires the Board to disclose its policies and practices regarding the remuneration of non-executive, executive and other senior Directors. Such information is detailed in the Annual Report.
Recommendation 8.3 A listed entity which has an equity-based remuneration scheme should: (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 (b) disclose that policy or a summary of it.	Complying	(a) The Company has a Securities Trading Policy, which is available on the Company's website. The policy prohibits the participants in the Company's equity-based remuneration scheme from entering any transactions which limit the economic risk associated with participating in the scheme.

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 14 August 2026 (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 3,521,129,113 ordinary fully paid shares held by 2,076 shareholders. Each share entitles the holder to one vote. The Company also has 1,400,000 convertible notes on issue held by 14 holders.

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.

1 Shareholding as at 14 August 2026

a. Distribution of Shareholders

Category (size of holding)	Total Holders	Number Ordinary	% Held of Issued Ordinary Capital
1 – 1,000	45	8,780	0.00%
1,001 – 5,000	231	760,310	0.02%
5,001 – 10,000	289	2,438,595	0.07%
10,001 – 100,000	516	23,074,133	0.66%
100,001 and over	995	3,494,847,295	99.25%
	2,076	3,521,129,113	100.00%

b. Unmarketable Parcels

Category (size of holding)	Minimum Parcel Size	Holders	Units
Minimum $500.00 parcel at $0.0015 per share	333,334	1,429	94,810,953

c. 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	970,767,533	27.57%

ADDITIONAL SECURITIES EXCHANGE INFORMATION

20 Largest Shareholders

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 at the Reporting Date by each holder is as follows:

Rank	Name	Holding	% IC
1	EST HOMEWOOD VENTURE CAPITAL PTY LTD	127,000,000	3.61%
2	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	110,020,592	3.12%
3	LANGLEY TARABAY SUPERANNUATION PTY LTD	101,094,771	2.87%
4	EDENGREEN PTY LTD <THE EDE SUPER FUND A/C>	75,000,000	2.13%
5	PJ & TK WATHERSTON PTY LTD <PETESS WATHERS S/F A/C>	75,000,000	2.13%
6	BENCHMARK FINE FOODS PTY LIMITED <BENCHMARK SUPER FUND A/C>	62,000,000	1.76%
7	RAHAL FAMILY PTY LTD <RAHAL FAMILY A/C>	51,428,572	1.46%
8	BDS INVESTMENTS (NSW) PTY LTD <BDS S/F A/C>	50,000,000	1.42%
9	MR WAYNE MARK ELSOM	48,000,000	1.36%
10	ENSTER PTY LTD <RP DRUMMOND PL S/F A/C>	47,110,000	1.34%
11	MR ALEX TAN	45,853,715	1.30%
12	JOHN TOOLAN PTY LTD <SUPER FUND A/C>	45,714,284	1.30%
13	LYNTOM PTY LTD <HASRY SUPER FUND A/C>	42,857,143	1.22%
14	UMI7 INVESTMENTS PTY LTD <UMI7 SF A/C>	41,285,716	1.17%
15	MYSTICS BEACH PTY LIMITED <HUXDALE PTY LIMITED S/F A/C>	36,681,429	1.04%
16	GERRICK PTY LTD <GERRICK PTY LTD S/F A/C>	35,000,000	0.99%
17	MR ZANE MASAO ERNEST YOSHIDA	34,888,988	0.99%
18	STATE ONE CAPITAL GROUP P/L <CJZ - CSABA A/C>	34,884,796	0.99%
19	MRS MARY THERESE MULLIGAN <MULLIGAN INVESTMENTS A/C>	34,310,000	0.97%
20	MR PETER IAN LESLEY ANDERSON	33,276,998	0.95%
	JB CAMERON NOMINEES PTY LTD <THE CAMERON FAMILY A/C>	30,000,000	0.85%
	Totals	1,161,407,004	32.98%

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 24 CANSDALE STREET, YERONGA QLD 4104, 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 2026.

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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