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

APPENDIX 4D
INTERIM FINANCIAL REPORT FOR THE SIX MONTHS ENDED 31 DECEMBER 2023

FINANCIAL REPORT

for the six months ended 31 December 2023

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for the six months ended 31 December 2023

1 REPORTING PERIOD (item 1)

■ Report for the period ended:	31 December 2023
■ Previous corresponding period is half-year ended:	31 December 2022

2 RESULTS FOR ANNOUNCEMENT TO THE MARKET

	Movement	Percentage %		Amount $
■ Revenues from ordinary activities (item 2.1)	↑	91%	to	$1,423,917
■ Loss from ordinary activities after tax attributable to members (item 2.2)	↓	31%	to	$1,634,204
■ Loss for the period attributable to members (item 2.3)	↓	37%	to	$1,685,462

a. Dividends (items 2.4 and 5)

	Amount per Security ¢	Franked amount per security %
■ Interim dividend	nil	n/a
■ Final dividend	nil	n/a
■ Record date for determining entitlements to the dividend (item 2.5)	n/a	

b. Brief explanation of any of the figures reported above necessary to enable the figures to be understood (item 2.6):

Refer to the following Directors' Report, Financial Review section

3 DIVIDENDS (item 6) **AND RETURNS TO SHAREHOLDERS INCLUDING DISTRIBUTIONS AND BUY BACKS**

Nil.

a. Details of dividend or distribution reinvestment plans in operation are described below (item 6):

Not applicable

4 RATIOS

	Current Period	Previous Corresponding Period
a. Financial Information relating to 4b:	**$**	**$**
Loss for the period attributable to owners of the parent	1,685,462	2,686,734
Net (liabilities)/assets	(487,630)	1,334,114
Less: Intangible assets	(471,341)	(889,706)
Net tangible (liabilities)/assets	(958,971)	444,408
	No.	**No.**
Fully paid ordinary shares	965,661,658	278,381,050
	¢	**¢**
b. Net tangible (liability)/assets backing per share (cents) (item 3):	(0.10)	0.16

RESULTS FOR ANNOUNCEMENT TO THE MARKET

for the six months ended 31 December 2023

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

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

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

■ Name of entities (item 7)	Nil
■ Percentage holding in each of these entities (item 7)	N/A

	Current Period	Previous Corresponding Period
■ Aggregate share of profits (losses) of these entities (item 7)	N/A	N/A

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

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

CORPORATE DIRECTORY

DIRECTORS

James Dack (Non-Executive Chairman)
Appointed 29 September 2022

Zane Yoshida (Non-Executive Director)
Appointed 20 December 2018

Anthony Noble (Managing Director)
Appointed 20 December 2021

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

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

COMPANY SECRETARY

Natalie Climo
Appointed 18 January 2024

REGISTERED OFFICE

96 Victoria Street, West End
QLD 4101

CONTACT INFORMATION

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AUDITORS

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Brisbane Qld 4000

SHARE REGISTRY

Automic Share Registry
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Perth WA 6000

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

BANKER

National Australia Bank
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West Perth WA 6005

PRINCIPAL PLACE OF BUSINESS

96 Victoria Street, West End
QLD 4101

POSTAL ADDRESS

PO Box 5864
Russell Street
West End QLD 4101

DIRECTORS' REPORT

The Directors of The Calmer Co International Limited (the **Company** or **The Calmer Co.**) and its controlled entities (collectively the Group) present their report together with the consolidated financial statements for the six months ended 31 December 2023 and the review report thereon.

Directors

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

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

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

Company Secretary	Position	Date Appointed	Date Resigned
Mr Jay Stephenson	Company Secretary	1 February 2018	18 January 2024
Mrs Natalie Climo	Company Secretary	18 January 2024	

Operating Review

The Calmer Co.'s strategy is underpinned by leveraging the sustainable competitive advantage embedded through our supply chain, with full vertical integration from farm to shelf into driving growth across key sales pillars, with the below a summary of highlights achieved during the half year to 31 December 2023.

Leverage assets, IP & our sustainable, fairtrade supply chain

- Modernisation of supply chain has been completed and our sourcing model now spans across the 8 major kava producing provinces of Fiji and encompasses both community based and commercial farming operations, and a growing network of collection centres.
- Digitisation of supply chain is now completed with Traseable Solutions Fiji. This system has begun to be rolled out with our sourcing team and will add consumer functionality over the course of 2024.
- The company has fully relocated in our 40,000ft^2 processing centre in Navua, on Fiji's main island of Viti Levu, and is collocated with KaiMing Agro Processing, a leading ginger and kava processor.
- Factory upgrades are underway to duplicate drying capacity, increase milling and sieving capacity and to automate key steps in the packaging and labelling process. Taken together the upgrades underway should increase output from the facility by 4-5 times by mid-2024.
- The company has completed the audit process for the Navua site with the USFDA in November 2023 and with HACCP Australia in December 2023, ensuring that regulatory approvals required for the two major markets of USA and Australia were in place for the coming years.

DIRECTORS' REPORT

Focus on eCommerce

- The company has focussed on building a sustainable and growing base of sales through eCommerce with investments in online advertising spend funded through growing sales.
- The Calmer Co. is now the number 1 instant kava brand selling on Amazon.com where sales exceed $3,000/day and from H2 an additional eCommerce channel Walmart.com will complement this.
- Global ecommerce sales grew to over $8,000 per day over the period to 31 December and this was driven by a bespoke strategy through social media targeting in the Australia market.
- The company is now leveraging this expertise to begin working on building a similar sales channel through direct to consumers in the USA in H2; which will have synergies with both Amazon and Walmart eCommerce sales by driving consumer awareness across digital channels.

Drive Profitable Retail Markets

- Sales of 50g pouches of powdered drinking kava grew strongly in 2023 and peaked at around $30,000 in late September, driven by social media activity and synergies with eCommerce.
- Coles has now listed the Taki Mai 50mL kava-shot in more than 500 stores around Australia and has added the larger 150g Drinking Kava SKU to around half of all stores, with strongest sales recorded.
- Distribution in the Pacific through CJ Patel group targeting $11m over initial 3-year term with one of the Pacific region's most recognised distribution partners across 17 countries commenced in the period with first sales orders valued at FJD $300k ($210k) received and shipped in July.
- The global distribution partnership with Leilo commenced with the launch into Fiji resorts and tourist retail stores.

Build B2B Opportunities in Kava Bars and through IMCD's Kavaton®

- 1.5MT of Fiji Kava bulk kava has arrived in the USA to support the launch of Fiji Kava branded bulk kava powder into the USA kava bar channel. The team visited close to one hundred kava bars in October and November as part of Sales and Marketing activation. First orders are now being taken from kava bar clients and new products including bulk Cold Pressed Kava will launch soon.
- Through our partnership with IMCD's Network Nutrition we saw renewed interest in the kava ingredient sales channel, and Metagenics USA launched the first practitioner targeted product using our kava extract, MetaSleep.

DIRECTORS' REPORT

Financial Review

The Company's financial performance for the period ending 31st December 2023 included:

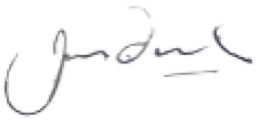
- The Company completed placements of 191,800,009 shares to raise $650,400 as per note 4 below.
- The Company issued Shares on the Conversion of Convertible Notes. During the six-month period, the Company Issued 108,166,476 Shares on convertibles notes to the value of $347,506.
- Revenues for the six months ended 31 December 2023 were $1,423,917 vs $746,043 last year, a 91% increase on the six months ended December 2022.
- Gross profit for the six months ended 31 December 2023 were $797,413 at 56% Gross Margin vs same period last year at $468,633 at 63% Gross Margin which is a 7% decrease YOY.
- The Calmer Co. recorded a statutory net loss from continuing operations for the six months ended 31 December 2023 of $1,634,204 vs $2,371,976 which is 30.7% improvement from the six-month period ended 31 December 2022.
- Net cash flow used in operating activities for the six months ended 31 December 2023 were $1,669,882 which is a 11% decrease from the six months ended 31 December 2022 that was $1,869,695.
- As at 31 December 2023, the company had $612,882 in cash. The Company completed placements totalling $1.5m over the course of February 2024. These funds will support ongoing operations, plant upgrades and inventory expansions.

DIRECTORS' REPORT

Auditor's Independence Declaration

The auditor's independence declaration is set out on page 6 and forms part of the directors' report for the six months ended 31 December 2023.

Signed in accordance with a resolution of the directors:



James Dack
Chairman
Dated at Brisbane this 28th day of February 2024.

HALL CHADWICK
CHARTERED ACCOUNTANTS & BUSINESS ADVISORS | QLD

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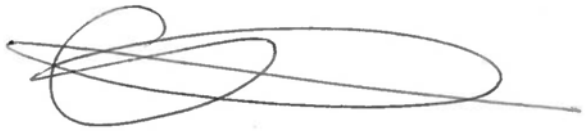
Auditor's Independence Declaration under Section 307C of the Corporations Act 2001 to the Directors of The Calmer Co International Limited

As lead auditor for the review of the financial statements of The Calmer Co International Limited for the financial half-year ended 31 December 2023, I declare that to the best of my knowledge and belief, there have been no contraventions of:

i) the auditor independence requirements of the Corporations Act 2001 in relation to the review; and

ii) any applicable code of professional conduct in relation to the review.

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



Clive Massingham
Hall Chadwick QLD
Chartered Accountants

Signed this 28th day of February 2024

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the six months ended 31 December 2023

	Note	For the six months ended 31 December 2023 $	31 December 2022 $
Continuing operations			
Revenue	3	1,423,917	746,043
Cost of Sales		(626,504)	(277,410)
Gross Profit / (Loss)		**797,413**	**468,633**
Other Income		31,079	44,515
Administrative expenses		(365,045)	(653,700)
Depreciation		(103,786)	(63,521)
Employment expenses		(707,817)	(913,223)
Research and development expenses		(10,283)	(1,050)
Marketing Expense		(523,519)	(545,865)
Other expenses		(682,510)	(637,903)
Operating loss		**(1,564,468)**	**(2,302,114)**
Finance costs		(69,736)	(69,862)
Net finance costs		**(69,736)**	**(69,862)**
Loss before tax		**(1,634,204)**	**(2,371,976)**
Income tax benefit		-	-
Loss from continuing operations		**(1,634,204)**	**(2,371,976)**
Loss for the period		**(1,634,204)**	**(2,371,976)**
Other comprehensive income/(expense)			
Foreign exchange translation differences		(51,258)	(314,758)
Total comprehensive loss for the period		**(1,685,462)**	**(2,686,734)**
Earnings per share			
Basic and diluted loss per share (cents per share)	5	**(0.22)**	**(1.03)**

The notes on pages 11 to 18 are an integral part of these condensed consolidated interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 31 December 2023

	Note	31 December 2023 $	30 June 2023 (Restated) $
Current assets			
Cash and cash equivalents	7	612,882	462,151
Trade and other receivables	8	274,414	296,237
Inventories	9	917,460	883,571
Prepayments		38,683	166,516
Total current assets		1,843,439	1,808,475
Non-current assets			
Property, plant and equipment	10	610,343	655,827
Intangible assets		471,341	467,738
Right of use assets		247,047	303,831
Total non-current assets		1,328,731	1,427,396
Total assets		**3,172,170**	**3,235,871**
Current liabilities			
Trade and other payables	11	853,991	1,221,016
Provisions	12	101,660	99,711
Deferred revenue		8,218	8,279
Borrowings	13	912,647	1,193,125
Lease liability		44,494	271,528
Total current liabilities		1,921,010	2,793,659
Non-current liabilities			
Loans and Borrowings	13	1,530,850	888,091
Lease liabilities		203,810	-
Deferred tax liabilities		4,130	4,160
Total non-current liabilities		1,738,790	892,251
Total liabilities		3,659,800	3,685,910
Net liabilities		**(487,630)**	**(450,039)**
Equity			
Share capital	4	26,785,643	25,137,772
Reserves		26,956	78,214
Accumulated losses		(27,300,229)	(25,666,025)
Total equity		**(487,630)**	**(450,039)**

The notes on pages 11 to 18 are an integral part of these condensed consolidated interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the six months ended 31 December 2023

	Attributable to owners of the Company					
	Share capital	Accumulated Loss	Foreign Exchange Reserve	Option Reserve	Business Combination Reserve	Total Equity
Balance at 30 June 2023	**25,389,905**	**(25,555,646)**	**(234,195)**	**248,230**	**64,179**	**(87,527)**
PY Error Adjustment (Note 19)	**(252,133)**	**(110,379)**	**-**	**-**	**-**	**(362,512)**
Balance at 30 June 2023 (Restated)	**25,137,772**	**(25,666,025)**	**(234,195)**	**248,230**	**64,179**	**(450,039)**
Total comprehensive income / (loss) for the period:						
Loss for the period	-	(1,634,204)	-	-	-	(1,634,204)
Other comprehensive income / (loss)	-	-	(51,258)	-	-	(51,258)
Total comprehensive income / (loss) for the period	-	**(1,634,204)**	**(51,258)**	**-**	**-**	**(1,685,462)**
Transactions with owners of the Company:						
Issue of ordinary shares (net)	1,466,554	-	-	-	-	1,466,554
Equity-settled share-based payments	181,317	-	-	-	-	181,317
Total transactions with owners of the Company	**1,647,871**	**-**	**-**	**-**	**-**	**1,647,871**
Balance as at 31 December 2023	**26,785,643**	**(27,300,229)**	**(285,453)**	**248,230**	**64,179**	**(487,630)**
Balance at 30 June 2022	**22,302,523**	**(20,313,762)**	**57,065**	**172,029**	**64,179**	**2,282,034**
Total comprehensive income / (loss) for the period:						
Loss for the period	-	(2,371,976)	-	-	-	(2,371,976)
Other comprehensive income / (loss)	-	-	(314,758)	-	-	(314,758)
Total comprehensive income / (loss) for the period	-	**(2,371,976)**	**(314,758)**	**-**	**-**	**(2,686,734)**
Transactions with owners of the Company:						
Issue of ordinary shares (net)	1,570,245	-	-	-	-	1,570,245
Equity-settled share-based payments	168,569	-	-	-	-	168,569
Total transactions with owners of the Company	**1,738,814**	**-**	**-**	**-**	**-**	**1,738,814**
Balance as at 31 December 2022	**24,041,337**	**(22,685,738)**	**(257,693)**	**172,029**	**64,179**	**1,334,114**

The notes on pages 11 to 18 are an integral part of these condensed consolidated interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

for the six months ended 31 December 2023

	Note	For the six months ended 31 December 2023 $	31 December 2022 $
Cash flows from operating activities			
Cash receipts from customers		1,500,938	763,230
Cash paid to suppliers and employees		(3,103,079)	(2,633,292)
Net cash used by operations		(1,602,141)	(1,870,062)
Interest Payment		(67,741)	367
Net cash used in operating activities		**(1,669,882)**	**(1,869,695)**
Cash flows from investing activities			
Acquisition of property, plant and equipment		(8,222)	(19,112)
Acquisition of intangible assets		-	(9,450)
Loan to Leilo Inc		-	(124,108)
Net cash used in investing activities		**(8,222)**	**(152,670)**
Cash flows from financing activities			
Proceeds from the issue of ordinary shares		1,466,554	1,570,245
Net Proceeds from borrowings		362,281	249,348
Net cash from by financing activities		**1,828,835**	**1,819,593**
Net (decrease)/increase in cash and cash equivalents		**150,731**	**(202,772)**
Cash and cash equivalents at 1 July		462,151	814,056
Cash and cash equivalents at 31 December	**7**	**612,882**	**611,284**

The notes on pages 11 to 18 are an integral part of these condensed consolidated interim financial statements.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

for the six months ended 31 December 2023

1. Reporting Entity

The Calmer Co International Limited (**"Calmer Co.**" or the "**Company**") is a company domiciled in Australia. These condensed consolidated interim financial statements ("interim financial statements") as at and for the six months ended 31 December 2023 comprise the Company and its subsidiaries (together referred to as the ('**Group**"). The Group is primarily involved in research, development and sale of kava and kava related product.

The consolidated annual financial statements of the Group as at and for the year ended 30 June 2023 are available upon request from the Company's registered office at 96 Victoria Street, West End QLD 4101 or at https://cdn-api.markitdigital.com/apiman-gateway/ASX/asx-research/1.0/file/2924-02706345-6A1166109

2. Basis Of Preparation

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

They do not include all the information required for a complete set of annual financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual consolidated financial statements as at and for the year ended 30 June 2023.

These interim financial statements were authorised for issue by the Company's Board of Directors on 28 February 2024.

2.1. Use Of Judgements and Estimates

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

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

2.2. Going Concern

The Financial Report has been prepared on the going concern basis that contemplates the continuity of normal business activities and the realisation of assets and extinguishment of liabilities in the ordinary course of business. During the six months ended 31 December 2023, the Group made a loss before tax of $1,634,204 and has accumulated losses of $27,300,229. As at 31 December 2023, the Group has a net current liabilities position of $77,571 including a cash position of $612,882. Based on the Group's cash flow forecast, the Group has approximately 6 months of funding, without including the benefit of continued revenue improvement which is expected to increase during FY 2024.

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

Based on these facts, the directors consider the going concern basis of preparation to be appropriate for this financial report. Should the projected growth in sales not eventuate, and/or should the Group be unsuccessful in raising additional funds through the issue of new equity, there is a material uncertainty which may cast significant doubt upon whether the Group will be able to continue as a going concern and therefore, whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

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

3. Revenue

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

	31 December 2023 $	31 December 2022 $
Revenue from contracts with customers	1,423,917	744,498
Rental of office space	-	1,545
	1,423,917	746,043

4. Issued Capital

	31 December 2023 No.	30 June 2023 No.
Fully paid ordinary shares	965,661,658	444,777,593

a. Issue of ordinary shares

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

Date	Number of shares	Price per share	Details
05-Jul-2023	115,966,676	$ 0.00300	Placement
05-Jul-2023	3,333,334	$ 0.00300	Issue of Shares to Directors
02-Aug-2023	178,041,678	$ 0.00300	Rights Issue
07-Aug-2023	26,096,105	$ 0.00291	Convertible Notes
07-Aug-2023	8,589,884	$ 0.00253	Convertible Notes
11-Aug-2023	75,000,000	$ 0.00400	Placement
01-Dec-2023	73,480,487	$ 0.00340	Convertible Notes
05-Dec-2023	39,542,568	$ 0.00400	Issue of Shares to Directors and Creditors
20-Dec-2023	833,333	$ 0.00300	Placement

b. Dividends

No dividends were declared or paid by the Company during the period (2022: $Nil)

5. Earnings Per Share

	31 December 2023 $	31 December 2022 $
Reconciliation of earnings to profit or loss		
Loss for the period	(1,634,204)	(2,371,976)
Loss used in the calculation of basic and diluted EPS	(1,634,204)	(2,371,976)
Weighted average number of ordinary shares outstanding during the period used in the calculation of basic EPS	752,237,155	229,446,709
Loss per share		
Basic and diluted loss per share (cents per share)	(0.22)	(1.03)

6. Financial Instruments

6.1. Capital Risk Management

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

The Group's overall strategy remains unchanged.

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

6.2. Fair Value

At 31 December 2023, there are no financial assets or financial liabilities which are accounted for at fair value. Carrying amounts approximate the fair value of financial assets and financial liabilities presented in the consolidated Statement of Financial Position.

7. Cash and Cash Equivalents

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

	31 December 2023 $	30 June 2023 $
Cash at bank	581,216	430,984
Term deposits	31,666	31,167
	612,882	462,151

8. Trade And Other Receivables

	31 December 2023 $	30 June 2023 $
Current		
Trade receivables	263,812	207,905
Other receivables	3,364	2,826
GST receivables	7,238	85,506
	274,414	296,237

9. Inventories

	31 December 2023 $	30 June 2023 $
Raw material	103,185	85,454
Finished goods	814,275	798,117
	917,460	883,571

10. Property, Plant and Equipment

	31 December 2023 $	30 June 2023 $
Green House		
Cost	173,282	169,654
Accumulated depreciation	(40,998)	(33,185)
Carrying amounts	132,284	136,469
Plant and Equipment		
Cost	527,027	536,479
Accumulated depreciation	(207,452)	(193,699)
Carrying amounts	319,575	342,780
Motor vehicle		
Cost	81,808	85,339
Accumulated depreciation	(38,564)	(38,355)
Carrying amounts	43,244	46,984
Furniture and Fittings		
Cost	173,696	181,909
Accumulated depreciation	(58,456)	(52,314)
Carrying amounts	115,240	129,595
Totals		
Cost	955,813	973,381
Accumulated depreciation	(345,470)	(317,553)
Carrying amounts	**610,343**	**655,828**

11. Trade And Other Payables

	31 December 2023 $	30 June 2023 (Restated) $
Current		
Trade and other payables	623,783	673,568
Share subscription funds received in advance	-	310,150
Other payables	149,606	114,278
Accrued expenses	80,602	123,020
	853,991	1,221,016

12. Provisions

	31 December 2023 $	30 June 2023 $
Current		
Employee benefits – annual leave provisions	101,660	99,711

13. Loans And Borrowings

	31 December 2023 $	30 June 2023 $
Current		
Convertible Notes	705,000	973,600
SBA Loan	3,652	-
Amazon Loan	160,911	-
Other Borrowings	43,084	219,525
	912,647	1,193,125
Non-Current		
Convertible notes	1,319,503	665,902
SBA Loan	211,347	222,189
	1,530,850	888,091

14. Segment Reporting

Basis for operating segments

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

The following summary describes the operations of each reportable segment.

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

Information about reportable segments

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

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

31 December 2022	USA $	Australia $	Fiji $	Other $	Total $
External revenues	489,508	219,934	35,056	1,545	746,043
Inter-segment revenue	-	-	154,345	-	154,345
Segment profit (loss) before tax	(446,826)	(461,816)	(237,870)	(1,225,464)	(2,371,976)
Segment assets	1,390,491	810,455	1,404,863	740,483	4,346,292
Segment Liabilities	(317,480)	(188,251)	(257,732)	(2,248,714)	(3,012,178)

Commitments And Contingent Liabilities

15.1 Commitments

No commitments exist as at the date of this report.

15.2 Contingent Assets And Liabilities

15.2.1 Contingent Liabilities

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

15.2.2 Contingent Assets

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

16 Subsequent Events

The company completed Placements of $1,000,000 on 12th February 2024 for shares priced at $0.0045 and of $515,000 on 26th February 2024 for shares priced at $0.005. Both placements included one attaching CCOOA option to be issued to investors, subject to shareholder approval.

17 Related Parties

The Company issued the following shares to Directors in December 2023, in line with shareholder approval in the Annual General Meeting for Directors Fees and Salary not taken as cash.

Mr James Tonkin	5,777,778 shares
Mr Zane Yoshida	5,111,111 shares
Mr Griffin Emose	5,777,778 shares
Dr Anthony Noble	5,111,111 shares

18 Significant Accounting Policies

The accounting policies applied in these interim financial statements are the same as those applied in the Group's consolidated financial statements as at and for the year ended 30 June 2023.

19 Prior year error adjustments

At the General Meetings dated 12th April 2023, 22nd June 2023 and Annual General Meeting dated 20th November 2023, the shareholders voted in favour of issuing shares to Directors in lieu of Directors fees valued at $130,792 relating to services performed in the 2023 FY. The issuance of these shares was not captured in the financial statements for the year ended 30 June 2023.

During the 30 June 2023 financial year, the Group recognised capital raising costs of $20,413 as investor relations expenses. These costs were associated with direct share issuances and should have been recognised in Share Capital.

On the 19th April 2023, the Group announced a $500,000 placement with a proposed issue date of 6th June 2023. A number of these shares were not formally issued until 5th July 2023. An amount of $310,510 relating to these unissued shares should have been classified as subscription funds received in advance as at 30 June 2023.

The impact of these adjustments are set out below:

Accounts Impacted	30 June 2023 Audited	Adjustment	30 June 2023 Restated
Consolidated Statement of Financial Position			
Share Capital			
(Share based payment – directors fees)		78,430	
(Reclassification of capital raising costs)		(20,413)	
(Shares subscription funds received in advance)		(310,150)	
Total Share Capital	**25,389,905**	**(252,133)**	**25,137,772**
Accumulated Losses			
(Directors fees)		(130,792)	
(Reclassification of capital raising costs)		20,413	
Total Accumulated Losses	**(25,555,646)**	**(110,379)**	**(25,666,025)**
Trade and other payables			
(Accrued directors Fees)		52,362	
(Share subscription funds received in advance)		310,150	
Total Trade and other payables	**858,504**	**362,512**	**1,221,016**
Total Liabilities	**3,323,398**	**362,512**	**3,685,910**
Net Liabilities	**87,527**	**362,512**	**450,039**

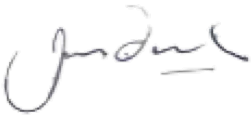
The adjustments outlined in the above table have no impact on the 31 December 2022 comparative figures in this interim financial report.

DIRECTORS' DECLARATION

In the opinion of the directors of The Calmer Co International Limited:

1. the condensed consolidated financial statements and notes set out on pages 7 to 18, are in accordance with the Corporations Act 2001 including:
    a. giving a true and fair view of the Group's financial position as at 31 December 2023 and of its performance for the six month period ended on that date and
    b. complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Regulations 2001 and
2. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors:



James Dack
Chairman
Dated at Brisbane this 28th day of February 2024

HALL CHADWICK
CHARTERED ACCOUNTANTS & BUSINESS ADVISORS | QLD

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Independent Auditor's Review Report

To the members of The Calmer Co International Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of The Calmer Co International Limited (the Company) and its controlled entities (collectively the Group), which comprises the consolidated statement of financial position as at 31 December 2023, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

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

(a) giving a true and fair view of the Group's financial position as at 31 December 2023 and of its performance for the half-year ended on that date; and

(b) complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report. We are independent of the Company in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Material Uncertainty Related to Going Concern

We draw attention to Note 2.2 of the financial statements which indicates that the group incurred a loss before tax of $1,634,204, has accumulated losses of $27,300,229 and retained a net current liability position of $77,571. As stated in Note 2.2, these events or conditions, along with other matters set forth in Note 2.2, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Responsibility of the Directors for the Financial Report

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

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

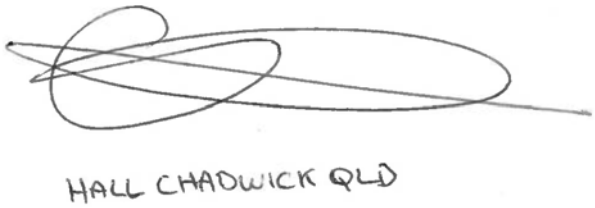
Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Corporations Act 2001 including giving a true and fair view of the Company's financial position as at 31 December 2023 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

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

Independence

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



Clive Massingham
Hall Chadwick QLD
Chartered Accountants

Signed this 28th day of February 2024