29th February 2024 **ASX RELEASE**

Half Year Financial Results Summary

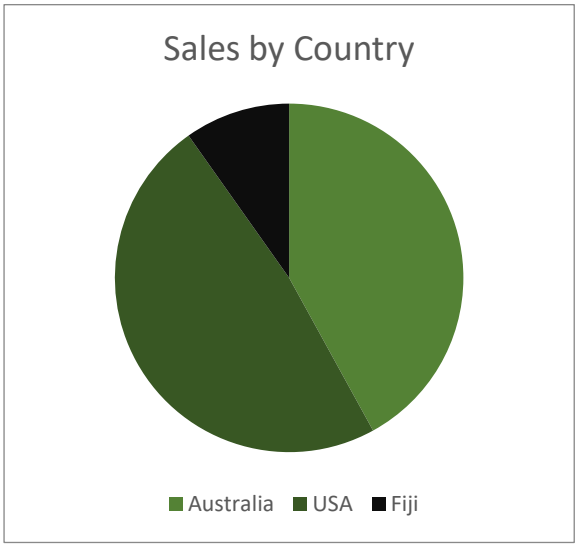
29 February 2024, USA: The Calmer Co. International Limited (ASX:CCO), a health and wellness company focussing on natural products that promote calmness submits the following Appendix 4D Preliminary Report for the six months to 31 December 2023 (H1FY24).

Highlights

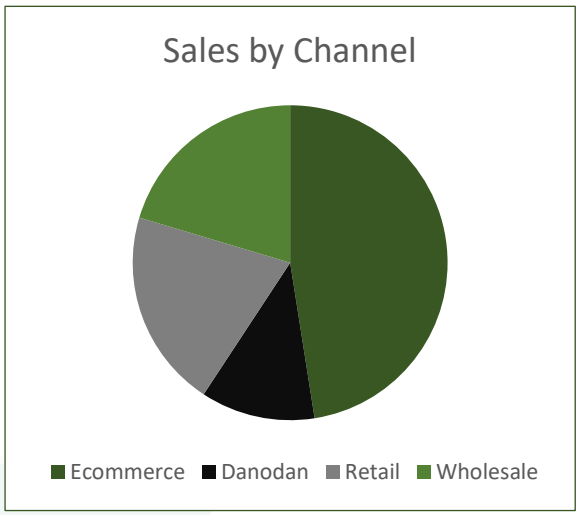
- **Revenues have grown by over 90%** vs the prior corresponding period *[$1.424m vs $746k in H1FY23].*
- **Cash Receipts have grown by 97%** vs the prior corresponding period *[$1.5m vs $763k in H1FY23].*
- Products maintain a premium market position with **profit margins of 56%.**
- **Net cash used in operating activites fell by 11%** for the period despite supporting stronger sales, after the business was re-based in 2023.
- **Operating profitability has improved by 31%** for the period as the company continues to focus on ecommerce and profitable retail and wholesale partnerships while aggressively managing costs *[($1.6m) vs ($2.4m) in H1 FY23]*

CEO, Anthony Noble said: "The half year results presented today are pleasing initial signs that the work done over the previous year to re-base the business and shift focus to more profitably scalable products and sales channels is now showing results. The demand for our products, that we are seeing in online channels, and in Australian retail is promising, and our challenges to support this growth now lie in supply chain expansion and inventory management, not in demand generation. For the balance of the year we will be focussing on driving sustainable growth in our established channels, supporting the launch of new ready-to-drink products; our cold pressed kava shots, and continuing to drive online marketing to break into a new western market consumer base who are discovering the benefits of using kava both therapeutically and recreationally."

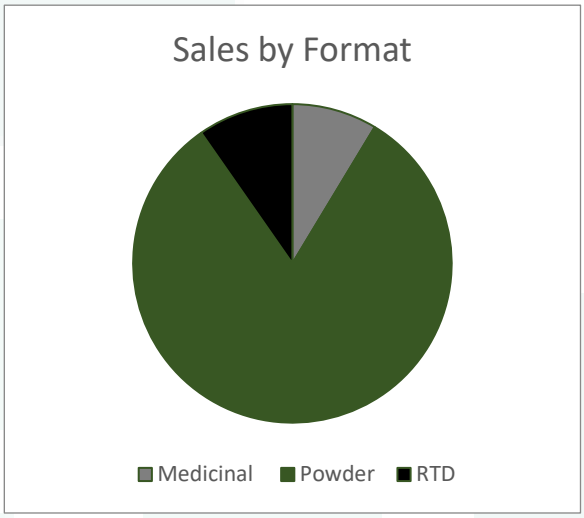
Sales Overview and Outlook



Sales in Australia have grown from a 20% share in the prior corresponding year to 42% in H1. This has been led by the strong sales online, with ecommerce marketing focussed in the Australian market in the period. Cross border ecommerce sales to China are included in the Australian figures. Fiji sales fell to a 10% share of global sales in period but grew by >30% in absolute terms. USA sales were dominated by Amazon.com and grew by 40% compared to the prior corresponding period. The company expects to see continued strong sales growth in all three regions in the second half of the financial year with a focus on ecommerce.



Ecommerce has seen a 25% growth in proportion of sales in line with the company focus on this channel. Retailer sales were consistent with same level in the prior year. Wholesale sales increased more than five fold, due to the onboarding of CJ Patel in the pacific region and orders to IMCD for Kavaton®. The Company expects to see strong growth in the ecommerce channel as we focus on this, and would also expect further growth in retail with expanded ranging in Coles supermarkets in Australia and new products, like Leilo, in the Fiji tourist channel.



Drinking Kava powders accounted for >80% of sales volume and this was consistent across all regions and sales channels. The 150g Instant Kava SKU being the driving force of sales in ecommerce in Australia and in Amazon.com. Drinking kava powders also lead sales in the Fijian market and in Coles Australia. Medicinal and RTD product sales accounted for around 10% of volumes each. The company expects to see RTD formats increase as a percentage of sales as the Taki Mai® shots and bulk cold pressed kava offerings enter the market in H2. Medicinal formats may increase sales as they are incorporated into our USA ecommerce strategy beginning from H2.

This release has been approved by the board of directors.

Ends

For further information

Investor & Media Relations
Matthew Reede
Dominion Communications
matt@dominion.partners
+61 414 483 054

About The Calmer Co.

The Calmer Co. International Limited (ASX:CCO), provides natural solutions to calm nerves, support mind and muscle relaxation and induce sleep. The product range includes drinking powders, teas, shots, concentrates and capsules. Sold under our house of brands: Fiji Kava, Taki Mai and Danodan Hempworks in markets including USA, Australia, China, New Zealand and Fiji.

forward looking statements

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