December 18, 2025 **ASX RELEASE**

The Calmer Co. closes second tranche of $700k via Convertible Note Raise

18 December 2025, Brisbane: The Calmer Co. International Limited (ASX: CCO), a leading consumer packaged goods company specialising in kava and other natural products that promote relaxation, sleep support, and provide healthier alternatives to alcohol, is pleased to advise that it has now closed the second tranche of its previously announced secured Convertible Note raise. Commitments totaling $700,000 have been received for Tranche 2, completing the planned two-tranche $1.4 million issuance.

Settlement and allotment of Tranche 2 will occur on Monday, 22 December 2025.

Funds raised across both tranches will support inventory build for the Company's expanding wholesale business, as well as general working capital requirements. This positions The Calmer Co. to maintain its strong revenue growth and execute against its strategic priorities in both domestic and international markets.

Highlights

- **Total raise:** $1.4 million via secured convertible notes
- **Tranche 1**: $700,000 (secured), issued under the Company's existing Listing Rule 7.1 issue capacity
- **Tranche 2**: $700,000 (commitments received, funds to be received by 22nd December)
- **Use of Funds**: to support wholesale inventory build and for general working capital

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

Zane Yoshida, CEO and Founder of The Calmer Co., commented: "The strong support we've received from investors in closing Tranche 2 underscores confidence in our strategy and execution. This funding will allow us to meet rising demand, build inventory for wholesale growth, and continue progressing toward profitability."

Key Note Terms

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

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

Settlement and allotment of Tranche 2 is on Monday, 22 December 2025.

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

All the Notes will rank equally among themselves.

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

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

ENDS

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

For further information

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About The Calmer Co.

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

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

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

Forward looking statements

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

Annexure - Summary of Note Terms

Summary of Note Terms:	
Issue Date	On or around 22 December 2025.
Offer Size	(a) **First Tranche**: $700,000 closed (b) **Second Tranche** on or around 22 December 2025, $700,000 (each, a **Tranche**).
Face Value per Note	$1.00.
Conversion Trigger	On a Maturity Date, the VWAP of the Company's Shares traded on ASX in the previous 15 trading days, is $0.004 or higher.
Conversion Price	$0.003 per share.
Conversion	(a) If there is a Conversion Trigger, Company will convert the principal amount and unpaid interest on each of the Notes into fully paid ordinary shares (**Conversion Shares**) within 5 business days of the relevant date. (b) A fraction of a Conversion Share will not be issued on the Conversion of a Note and will be rounded up to the nearest whole number. (c) No right to conversion at election of Noteholder
Maturity Date	31 July 2026, unless the Conversion Tigger is not satisfied that date, in which case the date is 31 December 2026.
Interest Rate	(a) Up to 31 July 2026, 10% per annum (b) If the Notes are not Converted on that date by satisfaction of a Conversion Trigger, 18% per annum from that date onwards.
Quotation	The Notes will not be quoted on the ASX. The Company will apply for quotation of any ordinary shares issued on conversion of the Notes.
Security	Secured by a security interest to be granted over the assets and undertaking of the Company, provided that no security interest will be granted in respect of a Noteholder coming within the criteria set out in ASX Listing Rule 10.1, unless: (a) ASX provides a waiver of the requirements of ASX Listing Rule 10.1 to permit the grant of the security interest in respect of such Noteholder. The Company will use its reasonable endeavours to seek such a waiver; or (b) appropriate shareholder approval is obtained. The security trustee (**Security Trustee**) holding the security interest (on behalf of the Noteholders) is Specialised Investment and Lending Corporation Ltd (AFSL 407100).
Voting Rights	The Notes do not confer any voting rights at shareholder meetings, until and unless converted into ordinary shares.
Early Redemption	None
Redemption on Maturity	Redemption by repayment in cash of Face Value and accrued but unpaid interest if the Conversion Trigger is not satisfied by 31 December 2026.
First Refusal	Investors who subscribe for Notes under Tranche 1 have a right of first refusal to participate by way of preferential allocation in the Tranche 2 issue at any time during November 2025 (with the issue subject to the shareholder approval contemplated in item 2).
Transferability	The notes are transferable and assignable, but may only be transferred to sophisticated investors, professional investors or other investors approved by the Company who are exempt from disclosure pursuant to section 708 of the Corporations Act 2001 (Cth).

Restrictions on conversion	A Noteholder is prohibited from being issued Conversion Shares where the effect of such conversion would constitute a breach of a law relating to the acquisition of securities in the Company.
Restrictions on issue	Section 708 investors.
Reorganisation Event	If the Company reorganises its share capital in any way (including consolidation or subdivision) (**Reorganisation Event**), the number of Conversion Shares after the Reorganisation Event will be: (a) adjusted so that the entitlement of the shares issued on conversion to participate in profits and assets of the Company will be the same as if there had been no Reorganisation Event; and (b) otherwise reorganised so that the Noteholder will not receive a benefit that the holders of shares do not receive and vice versa.
Event of Default	(a) On the occurrence of specified events of default, the Noteholders may by an 80% resolution declare that the Notes are to be redeemed together with accrued interest, or take enforcement action against the Company (or direct the Security Trustee to do so). (b) Events of default include the insolvency of the Company and non-payment.

THE CALMER CO.