



Zimi Limited  
14 Millennium Circuit  
Helensvale QLD 4212 Australia

ASX: ZMM  
ABN: 25 113 326 524  
www.zimi.life

Registered Office Address  
Level 1, 2A/300 Fitzgerald Street  
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ASX RELEASE – 25 OCTOBER 2024

## Shortfall placement subscribed for \$2.375m with introduction of substantial shareholders and expanded Board of Directors

Zimi Limited (ASX:ZMM) (“Zimi”, or the “Company”), Zimi Limited, an Australian company specialising in innovative IoT electrical devices, is pleased to provide an update around its capital raising process and corporate initiatives.

### Highlights:

- The company has received firm commitments from investors totalling \$2.375m to participate in its Shortfall Placement<sup>1</sup>.
- Industry leader Zencontrol to take 19.3% strategic stake and enters MoU with Zimi for exclusive product range and synergies in sales, marketing and manufacturing.
- Creditor conversion shares to be issued subject to shareholder approval as cash flow initiative.
- Recomposition of Board with Simon Beissel appointed as Chair, and the appointment of Joshua Newell and Richard Brown as Non-Executive Directors.

### \$2.375m Placement

Zimi is pleased to announce that the Company has received binding commitments from institutional and sophisticated investors to raise gross proceeds of \$2.375m for 237,500,000 ordinary shares at an issue price of \$0.01 per Share. Shares to be placed under this raising form part of the Shortfall Placement (**Placement**).

Proceeds from the Placement (after offer costs) will be used to fund the Company’s growth and commercialisation plans including the deployment of sales and marketing initiatives, ongoing investment into research and development activities and providing required working capital (to support and expand our production pipeline).

### Zencontrol to become Substantial Shareholder

Zencontrol Pty Ltd (**Zencontrol**) have subscribed for 72,500,000 Shares under the Placement, representing an investment of \$0.725m and a substantial shareholding position of 19.3%<sup>2</sup>.

Founded in 2006, Zencontrol is a leading manufacturer of lighting and control systems, including Emergency Luminaries, control gear and building management systems with extensive experience in DALI control systems. Their portfolio includes high-profile installations across the globe. With over 150 employees across Europe, Asia, and Australia, they have established themselves as a global leader in the commercial lighting industry.

Zimi has also entered a Memorandum of Understanding (**MOU**) with Zencontrol to explore potential opportunities in respect of an exclusive range of ‘Senoa Professional’ products, aimed at the global commercial lighting market. This partnership presents a valuable opportunity for Zimi to access potential synergies from Zencontrol’s manufacturing capabilities, streamlining production processes and reducing costs for the Company<sup>3</sup>.

<sup>1</sup> As disclosed in section 2.8 of the offer document dated 29 August 2024 in connection with the Entitlement Offer, the Company had reserved the right to place up to 241,300,039 shares at \$0.01 per share, which remained unsubscribed following completion of the retail component of the Entitlement Offer (including the Shortfall Facility and Retail Shortfall Bookbuild) at the same price and on the same terms of the Retail Offer, at the discretion of the Board, for a period of up to three (3) months following close of the Retail Offer (being on or before 26 December 2024) (**Shortfall Placement**).

<sup>2</sup> Based on current shares on issue (138,694,106 shares) plus shares to be issued pursuant to the Placement (237,500,000 shares), the Company’s revised issued capital will be 376,194,106 shares. Zencontrol’s interest of 19.3% is calculated based on 72,500,000 shares over a total of 376,194,106 shares expected to be on issue post completion of the Shortfall Placement.

<sup>3</sup> Following completion of the Placement, Zencontrol will be a substantial (+10%) holder in the Company. ASX Listing Rule 10.1.3 applies in respect of substantial (+10%) holders where the holder is a counterparty to an acquisition or disposal of a substantial assets. The Company will have regard to compliance with ASX Listing Rule 10.1.3 in any future transactions that may be undertaken between Zimi and Zencontrol.



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**Joshua Newell, Managing Director of Zencontrol added**, "Our mission is to enable smarter buildings by simplifying traditional building control systems. Zimi aligns with our core values, and their product range complements our global sales strategy. We also see significant potential in contributing to Zimi's supply chain, particularly through our manufacturing expertise. Our facility is well-equipped to meet stringent standards and will focus on product cost down opportunities alongside the scalability to support Zimi's growth."

## Creditor Conversion Shares

Sales and purchase of product services are provided to the Company by several partners, including GSM Retail Australia Pty Ltd (**GSM Retail**) (an entity controlled by Simon Gerard, Non-Executive Chair of Zimi). As disclosed in the Company's 2024 Annual Report, GSM Retail assists the Company in the purchase of finished goods from third party manufacturers by remitting the purchase price consideration to those third party manufacturers on behalf of the Company. As at 30 June 2024, the outstanding creditor amount owed to GSM Retail in relation to such remittance was \$922,780 (**Creditor Amount**).

To preserve the Company's cash reserves, GSM Retail has agreed, subject to Shareholder approval, to convert \$500,000 of the Creditor Amount (**Creditor Conversion Amount**) into Shares rather than receive a cash payment and has nominated Gerard Private Holdings (Finance) Pty Ltd (**Gerard Private**) to receive those Shares on its behalf. The number of Shares to be issued to Gerard Private to repay the Creditor Conversion Amount is to be calculated by dividing the Creditor Conversion Amount by an issue price to be determined by the Board, which price will not be less than \$0.01.

Shareholder approval will be sought at the Company's upcoming Annual General Meeting to issue up to 50,000,000 Shares to Gerard Private (or its nominee) in lieu of Creditor Conversion Amount to be paid for the purposes of Listing Rule 10.11 (**Creditor Conversion Shares**).

## Board Recomposition

Zimi advises that **Mr Simon Beissel**, current Non-Executive Director, has been appointed to the position of Independent, Non-Executive Chair of the Company effective immediately. This role was previously held by **Mr Simon Gerard** who has transitioned to the role of Non-Executive Director.

Simon Beissel has been a Non-Executive Director of Zimi since February 2022. He is an experienced Company Director and Chair with other current roles including Chairman of ATF Group a leading hirer of industrial security and safety equipment, Chairman of Vision Intelligence the market leading provider of intelligent solar-powered remote surveillance and security solutions, and Director of Lighting Investments Australia. Prior to his time in these roles Simon was a senior executive at Investec Australia, and he remains a Responsible Manager and Authorised Representative of the successor advisory firm AdAstra Corporate Advisory.

Zimi is delighted to have secured the services of two new Non-Executive Directors with exceptional track records, being Mr Joshua Newell and Mr Richard Brown. These director appointments were a condition to securing investments from two substantial holders under the Placement. With their deep management experience, it's expected the Zimi management team will benefit from these appointments including deliverability in improving margins, driving sales, accountability against forecasts, strong commercial outcomes and further developing and commercialising Zimi's objectives. The appointment of Mr Newell and Mr Brown will take effect on 1 December 2024 (after the Company's upcoming Annual General Meeting).

**Mr Joshua Newell** – The Managing Director of Zencontrol, Harcroft Lighting Pty Ltd and Evolt Pty Ltd, Josh is operating at the forefront of the global lighting control and smart building industries. He holds degrees in both Microelectronics Engineering and Information Technology from Griffith University, which have shaped his technical expertise and leadership in these fields. His extensive experience in smart infrastructure and building technology has positioned him as a key figure in shaping the future of smart buildings globally.



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**Mr Richard Brown** – Brings over 20 years of entrepreneurial experience, having built global brands and led successful market expansions across various industries. His career includes significant achievements in scaling businesses, driving export growth, and fostering international partnerships. Richard has played a key role in developing high-performing teams and spearheading strategies that have resulted in measurable growth and enhanced market presence. His extensive industry relationships have been instrumental in opening doors for international collaborations and business expansion.

**Jordan Tentori, CEO of Zimi remarked,** "This marks a significant milestone for the company, underscored by the strong support and confidence of new investors, including Zencontrol as a substantial holder. Their backing enhances our growth trajectory as we pursue new opportunities to drive revenue and improve profit margins.

In addition to welcoming our new investors, I am pleased to extend a warm welcome to our newly appointed Directors. Their expertise will play a key role in accelerating the achievement of our company's strategic goals. I'm proud of the strides we have made and the continued success in this fast-growing market for smarter connected devices. I look forward to the positive outcomes of these initiatives and the meaningful impact we are making in advancing smarter residential and commercial buildings."

Cerberus Advisory acted as Lead Manager and Corporate Advisor to the capital raising process with the strong support of Evolution Capital and Scintilla Funds Management.

- Ends -

This release has been approved by the Board.

**Further information:**

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**About Zimi**

Zimi Limited (ASX: ZMM) is an Australian technology company focused on creating smarter living and working environments by connecting everyday electrical products to the Internet and to each other. The company's product lines, including Powermesh and Senoa, feature smarter switches, light dimmers, power points, fan controllers, and garage door controllers, all of which can be installed by electricians and are effortlessly managed through Zimi's intuitive home automation app, designed to provide a seamless and highly positive user experience.

Zimi is capitalising on a multi-billion-dollar opportunity within the Australian market alone, reaching customers through leading wholesale, commercial, retail, and trade channels, with partners such as Trader, Steel-Line, Beacon Lighting, Lighting Illusions, Zencontrol and Polyaire.

Looking ahead, Zimi plans to expand its product offerings into new sectors while continuing to expand its product range. The company is also pursuing global expansion opportunities through partnerships with top manufacturers of electrical appliances for residential and commercial applications. As the Internet of Things (IoT) continues to grow, Zimi is well-positioned to tap into the vast opportunities this rapidly evolving market presents.

To learn more, please visit: [www.zimi.life](http://www.zimi.life)

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