



ANNUAL REPORT

FOR THE YEAR ENDED 30 JUNE 2025

Shareholder information and enquiries

All enquiries and correspondence regarding shareholdings should be directed to Zimi Limited's share registry provider:

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Stock Exchange Listing

Zimi Limited shares are listed on the Australian Securities Exchange, code ZMM.

Zimi Limited

ABN 25 113 326 524

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ANNUAL REPORT

FOR THE YEAR ENDED 30 JUNE 2025

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CHAIR OF THE BOARD'S ADDRESS

Dear Shareholders,

As your newly appointed Independent Chairman, I am pleased to present my first address in Zimi Limited's Annual Report for the financial year ended 30 June 2025. It has been a year of significant transformation encompassing governance enhancements, operational optimisation, successful capital raising, and strategic cost management initiatives that collectively strengthen Zimi's foundation for sustainable growth.

An important governance milestone was the transition to an independent Chair in October 2024, aligning with ASX corporate governance best practices and establishing enhanced independence between the Board and management. We strengthened the Board with the appointments of Joshua Newell and Richard Brown as Non-Executive Directors, bringing extensive manufacturing, technology, and commercial experience that directly complement Zimi's strategic priorities. This Board renewal enhances our collective capability to provide strategic oversight and guide the company through its next phase of growth.

The Board implemented comprehensive governance enhancements, particularly introducing additional governance policies regarding related party transactions. We established robust frameworks and obtained an Independent Expert Report as required to ensure all dealings meet the highest standards. At our General Meeting in April 2025, shareholders approved all five resolutions with strong support, including formalised agreements with GSM Electrical and Zencontrol. The Independent Expert assessed all transactions as "fair and reasonable to non-associated shareholders," providing confidence in our governance approach and commercial relationships.

Following a comprehensive board review, we implemented enhanced executive performance frameworks to ensure management accountability against strategic objectives and operational targets. This reinforces the Board's commitment to effective oversight while supporting management in executing the company's growth strategy. The Board led a cost base review program, achieving over \$400,000 in annualised cost savings through strategic restructuring and operational efficiencies, demonstrating our commitment to prudent capital allocation and shareholder value creation.

We oversaw successful completion of our supply chain optimisation program, including our new contract manufacturing agreement. This complex project involved relocating production capabilities to establish enhanced supply chain relationships with improved cost structures and quality control. The Board successfully guided capital raising activities totalling \$2.495 million during the year, introducing new institutional investors while maintaining appropriate dilution levels and strengthening our financial position.

The governance foundations established during FY25 position Zimi well for future opportunities. With enhanced Board capabilities, strengthened governance frameworks, optimised cost structures, and resolved supply chain challenges, we have created a platform for sustainable value creation in the rapidly expanding smart home market.

As we look toward FY2026, the comprehensive transformation undertaken this year has laid a strong foundation for what we anticipate will be a productive year ahead, with the company well-positioned to capitalise on emerging growth opportunities.

I thank my fellow directors for their dedication during this transformational year, and our shareholders for their continued support.



Simon Beissel
Chair of the Board

CHIEF EXECUTIVE OFFICER'S ADDRESS

Dear Shareholders,

I am pleased to report on Zimi's operational achievements during FY25, a year that has positioned us strongly for accelerated growth in the expanding smart home market.

We achieved significant milestones across our product development pipeline. Our Matter Connect product successfully completed testing and certification processes, positioning Zimi to become one of the first Australian manufacturers with official Matter certification. This enables seamless integration with major smart home ecosystems including Apple Home, Google Home, Amazon Alexa, and Samsung SmartThings. We successfully completed production of our Smoke Connect range, marking our entry into the critical home safety segment with strong pre-order demand and successful market introduction.

A major achievement was the successful transition to new contract manufacturing arrangements with our strategic partner. This complex project involved relocating production capabilities and establishing enhanced supply chain relationships that deliver superior quality control and improved cost structures. The new manufacturing partnership integrates advanced infrastructure with greater production flexibility, positioning us for scalable growth with ongoing margin improvement opportunities through better economies of scale.

Device pairings to the Zimi Cloud continued to grow strongly throughout the year, demonstrating continued market adoption and robust distributor sell-through. This growth validates underlying demand for our products and our distributors' confidence in specifying Zimi solutions for new projects.

We secured important distribution agreements during the year, including renewal of our partnership with GSM Electrical, ensuring continued access to their extensive network of electrical wholesaler locations across Australia. Additionally, our exclusive distribution agreement with Zencontrol for "Senoa PRO" products expands our reach into the commercial lighting sector, creating new revenue opportunities in large-scale building automation. Following shareholder approval, we received substantial confirmed orders from our major distributor, demonstrating the strong underlying demand for our products.

While revenue was impacted by the manufacturing transition period and regulatory compliance matters, the underlying fundamentals remain strong. Our supply chain capabilities are now positioned to meet market demand with improved cost structures and manufacturing partnerships that support our growth trajectory.

Looking ahead, I am particularly excited about the acceleration in smart home adoption driven by Matter's emergence as the universal standard. This technological breakthrough is breaking down traditional barriers that previously limited market growth, creating exceptional opportunities for companies like Zimi with comprehensive Matter-compatible ecosystems. With the Senoa PRO range coming to market, we benefit from new revenue streams in the commercial building controls market, which is complementary to Zimi's core focus of the smart home.

As we enter the new financial year, we are well-positioned to fulfil customer back orders and maintain adequate stock supplies, providing a strong foundation for revenue growth. This operational readiness, combined with our resolved supply chain capabilities, sets us up for an excellent start to FY26.

With Matter adoption accelerating globally and smart homes becoming increasingly commonplace, we see an exciting year ahead for mass market adoption. I extend sincere gratitude to our customers for their patience during our operational transition, our distribution partners for their continued support, and our dedicated team for their commitment to excellence in delivering innovative smart home solutions.



Jordan Tentori
Chief Executive Officer

DIRECTORS' REPORT



INTRODUCTION

Your Directors present their report on the consolidated entity (referred to hereafter as "the Group") consisting of Zimi Limited ("Zimi" or "the Company") and its controlled entities for the financial year ended 30 June 2025.

This Directors' Report has been prepared in accordance with the requirements of Division 1 of Part 2M.3 of the *Corporations Act 2001*.

BOARD OF DIRECTORS

The Directors of Zimi Limited at any time during or since the end of the financial year are:

Name	Position
Simon Beissel	Chair of the Board (appointed as Chair 25 October 2024) and Non-Executive Director
Jordan Tentori	Executive Director and Chief Executive Officer (CEO)
Simon Gerard	Non-Executive Director (resigned as Chair 25 October 2024)
Richard Brown	Non-Executive Director (appointed 1 December 2024)
Joshua Newell	Non-Executive Director (appointed 1 December 2024)

PRINCIPAL ACTIVITIES

Zimi is an innovative Australian technology company that creates 'the Zimi experience' by connecting everyday electrical products to the Internet and each other to create smarter living and working spaces.

The principal activities of the Group during the year were research and development within the Internet of Things (IoT) market, the assessment of new investment opportunities, product commercialisation and sale of electrical devices and accessories, including switches, power points, fan/blind controllers and garage door controllers.

REVIEW AND RESULTS OF OPERATIONS

KEY DEVELOPMENTS

The Group achieved several important milestones during FY25, including:

- Generating \$815,877 in revenue from product sales and related services, with over 9,300 devices and accessories delivered to customers.
- Appointing Zencontrol as a new manufacturing and distribution partner.
- Achieving strong growth in Zimi Cloud device pairings, which rose to 59,399 as at 30 June 2025 — an increase of 13,029 devices from the prior year.
- Securing the first customer order for the new smart smoke alarm product, *Smoke Connect*.
- Continuing investment in research and development to expand the Group's product offerings and advance technology across existing ranges.
- Completing a \$2,495,294 share placement, issuing 249,529,391 ordinary shares and introducing a new pool of investors, along with 40,599,717 shares issued in exchange for services provided by entities associated with Director Simon Gerard.
- Welcoming two new Non-Executive Directors to the Board from 1 December 2024 — Joshua Newell and Richard Brown.

FINANCIAL RESULTS

Zimi recorded \$815,877 in revenue for the year ended 30 June 2025 (2024: \$3,231,843). This result was impacted by the suspension of sales in late November 2024 to major distributor, GSM Electrical (Australia) Pty Ltd (GSM Electrical or TRADER). This suspension was a result of a notification received from the ASX that sales to GSM Electrical, an associate of the Group's major shareholder Gerard Private, may have been undertaken in breach of ASX listing rule 10.1/10.2 (which requires shareholders in a general meeting to approve sales of assets to related parties in certain circumstances). This suspension was lifted once agreement was approved by the ASX and then shareholders on 28 April 2025.

Administrative and corporate costs have reduced from the prior year as the Group remains diligent on cost control and focused on the delivery of operating efficiencies.

Depreciation and amortisation of \$862,650 in FY25 (2024: \$1,685,755) largely relates to the amortisation of capitalised development costs and plant and equipment.

For the year ended 30 June 2025, the Group reports an operating loss before interest, tax, depreciation and amortisation (EBITDA) of \$2,332,951 (2024: \$1,619,073). EBITDA is a non-IFRS financial measure used by management and the Directors to assess the financial performance of the Group. The Directors believe that this non-IFRS measure assists in providing additional meaningful information for stakeholders and provides them with the ability to compare against prior periods in a consistent manner. EBITDA is unaudited but is extracted from the audited financial statements.

The Group reports a net loss after tax of \$3,252,864 for the financial year ended 30 June 2025 (2024: \$3,365,212). This loss is not unexpected given the GSM Electrical trading suspension and our continuing investment into research and development activities and planned entry into new markets, including the smoke detector market in Australia. This includes investment into new products and services as well as into advancements of our existing products and our Zimi App.

CAPITAL MANAGEMENT

The Group continues to seek to maintain a sustainable balance sheet, and cashflow liquidity has been effectively managed across the business. By the end of FY25, Zimi had consolidated net assets of \$932,293 (2024: \$1,363,279), including cash and cash equivalents of \$215,963 (2024: \$520,572). The Group's current ratio was at 1.2 times for the year ending 30 June 2025 (2024: 1.1). Net cash outflows used in operating activities for the year were 2,467,830, including the receipt of \$701,777 in relation to the research and development tax incentive (2024: \$746,872).

CORPORATE UPDATE

During the financial year period, Zimi conducted the following capital raise activities:

- Accelerated renounceable entitlement offer (2 for 1 ordinary shares at an issuance price of \$0.01). The offer launched on 21 August 2024 and had an institutional and a retail offer component. The offer closed on 26 September 2024, with gross proceeds of \$120,294 received and 12,029,391 ordinary shares issued.
- Following closure of the entitlement offer, the Company reserved the right to place shares unsubscribed in the accelerated renounceable entitlement offer at the same price and same terms via a Shortfall Placement Facility. Under the facility, Zimi raised gross proceeds of \$2,375,000, with 237,500,000 ordinary shares issued on 4 November 2024.
- On 29 April 2025, 40,599,717 shares were issued in exchange for services provided by entities associated with Director Simon Gerard.

DIVIDENDS

No dividends have been paid or declared since the start of the financial year and the Directors do not recommend the payment of a dividend in respect of the financial year.

KEY RISKS

The Board is cognisant of certain principal risks that may impact the ability of the Group to achieve its business objectives which include:

- **Capital and funding requirements** – Depending on how successfully the Group times and executes its monetisation and depending on the opportunities that arise for growth and development, additional capital may be required (beyond current ongoing capital raising activity) to support our growth and strategic plans.
- **Development and commercialisation of the Group's Technology** – The success of the Group will depend upon our ability to develop and commercialise its technology and intellectual property. A failure to successfully develop and commercialise the technology could lead to a loss of opportunities and impact on the Group's operating results and financial position
- **Protection of intellectual property and competition** – Securing and maintaining rights to intellectual property, and in particular patents, is an integral part of our ability to secure product value from the development of our Technology. Competition in retaining and sustaining of intellectual property may be complex and expensive for which there can be no guaranteed outcome. There are a number of competitors in the Internet of Things industry and there is no assurance that other parties will not successfully develop competitive products that impact our market share.
- **Sales and customer risks** – In order to fully commercialise our technology, the Group will need to maintain its existing and develop new relationships with our key customers. The Group generates revenue through a reseller strategy. The reseller model provides significant advantages by increasing customer reach, however, risks lie in the ability or motivation of the reseller to achieve agreed sales volumes which are not under the direct control of the Group.
- **Relationships with suppliers and supply chain** – The Group relies on a number of suppliers that are located in Asia and who typically charge in US dollars. Issues with supply chain management may impact lead times and costs of production. We continue to monitor and closely manage supply chain risks (which includes use of more than one key supplier for our products).
- **Reliance on key personnel** - The Company relies on the experience and knowledge of key members of its staff. In the event that key personnel leave and the Company is unable to recruit suitable replacements, such loss could have an adverse effect on the Company.
- **Macroeconomic conditions** – Economic and market risks, both in Australia and internationally, may have a direct and/or indirect impact on our ability to achieve our business objectives. These include movements in interest, inflation and currency exchange rates (as these may have an impact on supply and demand in the industry in which we operate).

The Board is responsible for setting the risk culture of the Group and is committed to maintaining a risk management framework that monitors and manages business risks.

OUTLOOK

The Board believes Zimi is well positioned to capitalise on the immense opportunities of the smart space technology market. Now with a proven suite of products and sales track record, the Group looks to the next phase of growth and expansion. Going forward, the Company will focus on achieving required scale and turnover to achieve profitability. Additionally, the Group will continue its investment into research and development to remain at the forefront of the dynamic smart space market.

SHARES UNDER OPTION

Unissued ordinary shares of Zimi Limited under option at the date of this report are as follows:

- 20,668,750 unlisted options exercisable at \$0.12 expiring 18 October 2025
- 28,697,361 unlisted options exercisable at \$0.08 expiring 30 June 2026
- 7,125,000 unlisted options exercisable at \$0.0125 expiring 16 December 2027.

These options do not entitle the holder to participate in any share issue of the Company or any other body corporate.

SHARES ISSUED ON EXERCISE OF OPTIONS

No options were exercised between 1 July 2024 and 30 June 2025.

EVENTS OCCURRING AFTER THE REPORTING PERIOD

Since the end of the reporting period, a capital raise has been announced to market totalling \$1.85m. Tranche #1 of \$375k was received in July 2025 with tranche #2 of \$1.48m to be received in September 2025.

DIRECTORS AND OFFICERS

CURRENT DIRECTORS

SIMON BEISSEL

Non-Executive Chair of the Board
Since 25 October 2024

Non-Executive Director
7 February 2022 to 25 October 2024



Background and experience

Simon has board experience with a number of industrial and financial services companies including ATF Services Pty Ltd, Lighting Investments Australia Holdings Pty Ltd, Investec Credit Funds Management Pty Ltd and SMEBL. He is an experienced senior banker who was previously Head of Corporate Lending at Investec Australia. Prior to that, Simon held senior roles at St. George Bank. Simon holds a Bachelor of Commerce, MBA and Grad Dip (Applied Finance).

JORDAN TENTORI

Executive Director and Chief Executive Officer Since 7 February 2022

Executive Director and Chief Technology Officer 11 December 2020 to 7 February 2022



Background and experience

Jordan is the co-founder and CEO of Zimi. He was previously the EGM of Diginet, deploying innovative technology throughout the Gerard Lighting Group of companies. For the past 20 years, Jordan has successfully worked nationally and internationally within the electrical and lighting industry to evolve technologies into commercial realities.

SIMON GERARD

Non-Executive Chair of the Board
16 February 2021 to 25 October 2024

Non-Executive Director
Since 11 December 2020



Background and experience

Simon is the Managing Director of the Gerard Private Group, owner of TRADER, Australia's fastest growing brand of electrical wiring accessories and MISTRAL, one of Australia's most recognisable retail brands. He is a fourth generation of the well-respected Gerard family, founders of CLIPSAL, and a former CEO of the Gerard Lighting Group. Simon has extensive global controls experience. Simon holds a Bachelor of Management.

RICHARD BROWN

Non-Executive Director
Since 1 December 2024



Background and experience

Richard 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 holds a Bachelor of Commerce (Information Systems). Richard is not a director in another listed company.

JOSHUA NEWELL

Non-Executive Director
Since 1 December 2024



Background and experience

Joshua is 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. His extensive experience in smart infrastructure and building technology has positioned him as a key figure in shaping the future of smart buildings globally. Joshua holds a Bachelor of Engineering (Microelectronics) and a Bachelor of Information Technology.

OTHER LISTED COMPANY DIRECTORSHIPS

None of the Directors have current directorships of any other listed companies, nor have they held any such directorships in the last three years.

COMPANY SECRETARIES

Catherine Grant-Edwards and Melissa Chapman

Since 4 May 2021

Catherine Grant-Edwards (BCom, Chartered Accountant (CA)) and Ms Melissa Chapman (BCom, Certified Practising Accountant (CPA), AGIA/ACIS, GAICD) were appointed as Joint Company Secretaries on 4 May 2021. Catherine and Melissa are directors of Bellatrix Corporate Pty Ltd, a company that provides company secretarial and accounting services to a number of publicly listed companies. Between them, Catherine and Melissa have over 30 years of experience in the provision of accounting, finance and company secretarial services to publicly listed and private companies in Australia and the United Kingdom, and in the field of public practice within external audit.

DIRECTORS' INTERESTS

Directors' interests in ordinary shares and convertible securities of Zimi Limited as at the date of this report are set out in the table below.

Name	Number of securities				
	Ordinary shares	Options	Performance shares	Performance rights	Total securities
Simon Gerard	85,466,010	12,812,500	-	-	98,278,510
Jordan Tentori	5,376,353	312,500	-	-	5,688,853
Simon Beissel	13,288,751	1,981,667	-	-	15,270,418
Richard Brown	35,000,000	-	-	-	35,000,000
Joshua Newell	36,250,000	-	-	-	36,250,000

MEETINGS OF DIRECTORS

The number of meetings of the Company's Board of Directors held during the year ended 30 June 2025, and the number of meetings attended by each Director are set out below.

Name	Number of	
	Eligible meetings	Attended meetings
Simon Gerard	17	17
Jordan Tentori	17	16
Simon Beissel	17	16
Richard Brown	12	12
Joshua Newell	12	12

COMMITTEES

The functions that would be performed by a committee are currently performed by the full Board. Having regard to the number of members currently comprising the Company's Board and the stage of the Company's development, the Board does not consider it appropriate to delegate these responsibilities to a subcommittee.

OTHER ITEMS

CORPORATE GOVERNANCE STATEMENT

The Board believes that genuine commitment to good corporate governance is essential to the performance and sustainability of the Company's business. The Board has given due consideration to the ASX 'Corporate Governance Principles and Recommendations', which offer a framework for good corporate governance.

The Board has approved the Corporate Governance Statement for the year ended 30 June 2025 which can be viewed on the Company's website at <https://zimi.life/investor>.

ENVIRONMENTAL REGULATION

Management continues to work with local regulatory authorities to achieve, where practical, best practice environmental management to minimise risk to the environment, reduce waste and ensure compliance with regulatory requirements. The Group had no adverse environmental issues during the year.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

INSURANCE OF OFFICERS AND INDEMNITIES

(A) Insurance of officers

During the financial year, the Company paid a premium in respect of a contract insuring the Directors, the Company Secretaries, and all Executive Officers of the Company and of any related body corporate against a liability incurred by a Director, Company Secretary or Executive Officer to the extent permitted by the *Corporations Act 2001*.

Details of the nature of the liabilities covered or the amount of the premium paid in respect of the Directors' and Officers' liability, costs and charges is not disclosed as such disclosure is prohibited under the terms of the contract.

(B) Indemnity of auditors

The Company has not during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify the Auditor of the Company or of any related body corporate against a liability incurred by the Auditor.

NON-AUDIT SERVICES

No non-audit services were performed by the auditor (HLB Mann Judd) during the year ended 30 June 2025. Details of amounts paid or payable to HLB Mann Judd for audit services during the year are disclosed in note F3.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 25.

ROUNDING OF AMOUNTS

The Company is of a kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*, relating to the 'rounding off' of amounts in the Directors' Report. Amounts in the Directors' Report have been rounded off in accordance with the instrument to the nearest dollar.

REMUNERATION REPORT

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INTRODUCTION AND REMUNERATION GOVERNANCE

This Remuneration Report provides shareholders with an understanding of our remuneration strategy and outcomes for our Key Management Personnel (KMP) for the year ended 30 June 2025.

This report is presented in accordance with the requirements of the *Corporations Act 2001* and its regulations. Information has been audited as required by section 308(3C) of the *Corporations Act 2001*.

KEY MANAGEMENT PERSONNEL

The KMP of the Group comprise all Directors (Executive and Non-Executive) and other members of Zimi's Executive Management who have authority and responsibility for planning, directing and controlling the activities of the Group, as follows:

Name	Position	Dates
Simon Beissel	Chair of the Board and Non-Executive Director	Full financial year
Jordan Tentori	Executive Director and CEO	Full financial year
Simon Gerard	Non-Executive Director	Full financial year
Richard Brown	Non-Executive Director	Appointed 1 December 2024
Joshua Newell	Non-Executive Director	Appointed 1 December 2024
Rachel Tuck	Chief Financial Officer (CFO)	Ceased 31 March 2025
Chas Storer	Chief Financial Officer (CFO)	Appointed 31 March 2025

REMUNERATION STRATEGY AND OBJECTIVES

The Group acknowledges the correlation between highly engaged employees, a positive governance culture, and the growth and development of the business, all of which are aimed at increasing shareholder value. The key to the Group's success lies in retaining and attracting high performing people, and a primary focus is to build the leadership capability by identifying and retaining key talent.

The Group's remuneration objectives includes:

- Set fair and market competitive remuneration packages to attract, motivate and retain talent;
- An appropriate balance of fixed and variable components which is simple and transparent; and
- Establish appropriate performance hurdles for variable remuneration which is aligned to shareholder value.

In accordance with best practice corporate governance, the structure of Executive Management, and Non-Executive Director remuneration is separate and distinct. Executive remuneration generally consists of fixed and variable remuneration. Non-Executive Director remuneration does not include variable remuneration and is based on fixed fees reflective of the size of the Group, responsibilities of the position and within the aggregate Directors' fee pool limit.

ADDITIONAL INFORMATION

The earnings of the Group for the five years to 30 June 2025 are summarised below:

	2025 \$	2024 \$	2023 \$	2022 \$	2021 \$
Sales revenue	815,877	3,231,843	219,844	3,051,534	18,244
EBITDA	(2,332,951)	(1,619,073)	(2,545,252)	(2,114,104)	(2,303,409)
Profit / (Loss) after income tax	(3,252,864)	(3,365,212)	(5,369,745)	(4,931,102)	(2,893,201)

These factors that are considered to affect shareholder wealth are summarised below:

	2025	2024	2023	2022	2021 ¹
Share price at balance date (\$)	0.008	0.011	0.031	0.113	0.207
Basic earnings/(loss) per share (cents per share) ¹	(1.08)	(2.81)	(6.33)	(8.66)	(10.77)

¹ Earnings per share has been re-presented on an adjusted basis to include the 15:1 share consolidation which occurred on 2 June 2022.

REMUNERATION GOVERNANCE

(A) Board and management responsibilities

Given the size of the Group, the Board has an active role in reviewing new appointments and overseeing the remuneration objectives in relation to the attraction, development and retention of key employees.

The roles of the CEO and CFO include providing recommendations on remuneration design and outcomes to the Board, and to implement the remuneration strategies (e.g. execute employment agreements).

(B) Securities trading policy

The Group has adopted a Securities Trading Policy that applies to all employees of the Group including contractors, Directors and their associated persons. The policy ensures compliance with insider trading laws, to protect the reputation of the Group and maintain confidence in trading in Zimi Limited securities. The policy also prohibits specific types of transactions being made which are not in accordance with market expectations or may otherwise give rise to reputational risk.

(C) Board discretion

Our Employee Securities Incentive Plan (**Plan**) was re-approved by shareholders at the Annual General Meeting on 28 November 2022. The Plan is designed to assist in the reward, retention and motivation of eligible participants and align the reward to shareholder value creation. Awards under the Plan are issued to eligible participants by way of a security, which includes a Share, an Option or a Performance Right.

The Plan is administered by the Board, which maintains full discretion to adjust remuneration outcomes—upwards or downwards—where necessary to avoid inappropriate or unintended results. In making such determinations, the Board considers the interests of all stakeholders.

If a participant holding convertible securities ceases employment with the Group, all unvested securities are automatically forfeited unless the Board exercises its discretion to allow some or all to be retained or to vest. The Board may choose to do so in cases such as death, redundancy, permanent disability, mental incapacity, or retirement.

Where a participant is found to have acted fraudulently, dishonestly, or has wilfully breached their duties to the Group, the Board may, at its discretion, deem all unvested convertible securities held by that participant to be forfeited.

(D) Remuneration consultants

The Board has access to independent external consultants to seek advice on various remuneration related matters as required. No remuneration recommendations as defined in the *Corporations Act 2001* were provided by remuneration consultants to the Board during the financial year.

EXECUTIVE REMUNERATION STRUCTURE

EXECUTIVE REMUNERATION FRAMEWORK

The executive remuneration framework is designed to support the Group's remuneration objectives, instil a strong performance culture, and provide a link between remuneration and group performance and shareholder return.

The Group's remuneration framework consists of the following:

- Total Fixed Remuneration (TFR): cash salary, superannuation, long-service leave and any additional benefits such as minor fringe benefits or training and development.
- Short-term Incentives (STI): cash or share bonuses provided on an ad-hoc basis for achievement of specific performance objectives or to attract talent (e.g., sign-on bonuses).
- Long-term Incentives (LTI): performance rights provided to employees to assist in attracting, motivating and retaining talent, and drive shareholder value.

Total Fixed Remuneration considers the complexity and expertise required of individual roles. To assess the competitiveness of fixed remuneration, the Board considers market data by reference to appropriate independent and externally sourced comparable benchmark information, as required.

EXECUTIVE EMPLOYMENT AGREEMENTS

Remuneration and other terms of employment for Executive KMP are formalised in employment agreements and are summarised in the table below.

Executive KMP	Base salary ¹ \$	Term of agreement	Notice period	Review period ²
Jordan Tentori	275,000	Ongoing	3 months	Annually
Rachel Tuck ³	170,000	Ceased - Resigned	3 months	Annually
Chas Storer ⁴	140,000	Ongoing	3 months	Annually

¹ Base salary excludes statutory superannuation (i.e. 11.5% for the year ended 30 June 2025).

² The review will have regard to such matters as the responsibilities, performance and remuneration of the employee.

³ Ceased as Chief Financial Officer on 31 March 2025.

⁴ Appointed as Chief Financial Officer on 31 March 2025.

(A) Short-term incentives

Given the Group's size and cash reserves, the Group does not currently have a formal short-term incentive program for key management personnel.

LONG-TERM INCENTIVES

There are currently no active long-term incentive arrangements in place for key management personnel. The Board will continue to review the appropriateness of introducing long-term incentives in the future, with a view to aligning employee and shareholder interests and supporting the Group's strategic objectives.

NON-EXECUTIVE DIRECTOR REMUNERATION STRUCTURE

POLICY AND APPROACH TO SETTING FEES

The remuneration policy for Non-Executive Directors aims to ensure the Group can attract and retain suitably skilled, experienced and committed individuals to serve on the Board and remunerate them appropriately for their time and expertise. The remuneration policy is reviewed annually by the Board, taking into consideration the size and scope of the Group's activities, the responsibilities and liabilities of Directors, and demands placed upon them.

Non-Executive Director fees are benchmarked against an appropriate group of comparator companies and determined within the aggregate Non-Executive Directors' fee pool limit of \$350,000, excluding share-based payments. The fee pool limit was approved by shareholders at the Annual General Meeting held on 22 December 2016.

NON-EXECUTIVE DIRECTOR ARRANGEMENTS

Non-Executive Directors do not receive variable remuneration. Non-Executive Directors are entitled to reimbursement for reasonable business-related expenses and are covered by the Group's Directors and Officers liability insurance policy. The Group does not remunerate Directors for their additional committee responsibilities and termination benefits are not paid to Non-Executive Directors.

Set out below is the annual fee for each Non-Executive Director set for FY25.

Non-Executive Director	2025 \$
Simon Gerard	53,750
Simon Beissel	53,750
Total Non-Executive Director annual fees	107,500

LONG-TERM INCENTIVES

Non-Executive Directors did not receive performance-based remuneration for FY25.

REMUNERATION

KEY MANAGEMENT PERSONNEL REMUNERATION

The table below sets out the KMP remuneration. Amounts represent remuneration relating to the period during which the individuals were KMP.

Name		Salary and fees ¹ \$	Non-monetary benefits ² \$	Post-employment benefits ³ \$	Ordinary share settled benefits ⁴ \$	Performance shares and rights benefits \$	Total remuneration \$	Performance related %
Simon	FY25	-	-	-	53,750	-	53,750	0.0%
Gerard	FY24	-	-	-	53,438	-	53,438	0.0%
Simon	FY25	-	-	-	53,750	-	53,750	0.0%
Beissel	FY24	-	-	-	53,438	-	53,438	0.0%
Richard	FY25	-	-	-	-	-	-	0.0%
Brown ⁵	FY24	-	-	-	-	-	-	0.0%
Joshua	FY25	-	-	-	-	-	-	0.0%
Newell ⁶	FY24	-	-	-	-	-	-	0.0%
Jordan	FY25	278,754	-	32,276	-	-	311,030	0.0%
Tentori	FY24	286,732	-	31,540	-	63,823	382,095	16.70%
Rachel	FY25	119,985	-	14,679	-	-	134,664	0.0%
Tuck ⁷	FY24	170,419	-	18,746	-	17,414	206,579	8.43%
Chas	FY25	43,952	-	5,086	-	-	49,038	0.0%
Storer ⁸	FY24	-	-	-	-	-	-	0.0%
Consolidated	FY25	442,691	-	52,041	107,500	-	602,232	0.00%
remuneration	FY24	457,151	-	50,286	106,876	81,237	695,550	11.68%

¹ Salary includes short-term absences and the movement in the provision for annual leave.

² Non-monetary benefits represent the effective net cost to the Group, consisting of the taxable value of fringe benefits aggregated with the associated fringe benefit tax payable on those benefits.

³ Post-employment benefits represent superannuation.

⁴ Ordinary share settled benefits represent shares issued to all Non-Executive Directors of the Company. Each of the Non-Executive Directors agreed to each receive 5,375,000 shares in lieu of cash payments for the period 1 August 2024 to 31 July 2025. This arrangement was approved by the shareholders at the 28 November 2024 annual general meeting. The shares have a deemed issue price of \$0.01 and were subject to voluntary escrow until 31 July 2025.

⁵ Richard Brown was appointed as a Non-Executive Director on 1 December 2024.

⁶ Joshua Newell was appointed as a Non-Executive Director on 1 December 2024.

⁷ Rachel Tuck ceased as Chief Financial Officer on 31 March 2025.

⁸ Chas Storer was appointed as Chief Financial Officer on 31 March 2025.

EQUITY INSTRUMENTS

KEY MANAGEMENT PERSONNEL ORDINARY SHARES

Name	Opening balance 1 Jul 2024	Balance on appointment	Acquired or (disposed)	Converted during the year	Issued as share-based payments	Balance on cessation	Closing balance 30 Jun 2025
Simon Gerard ¹	39,491,293	-	40,599,717	-	5,375,000	-	85,466,010
Simon Beissel ²	5,413,751	-	2,500,000	-	5,375,000	-	13,288,751
Richard Brown ³	-	35,000,000	-	-	-	-	35,000,000
Joshua Newell ⁴	-	36,250,000	-	-	-	-	36,250,000
Jordan Tentori ⁵	5,376,353	-	-	-	-	-	5,376,353
Rachel Tuck ⁶	525,000	-	-	-	-	(525,000)	-
Chas Storer ⁷	-	-	-	-	-	-	-
Total ordinary shares	50,806,397	71,250,000	43,099,717	-	10,750,000	(525,000)	175,381,114

¹ Simon Gerard (or nominee):

- On 28 November 2024, Non Executive Director Fee shares were issued as approved by shareholders. 5,375,000 shares were issued to each of the Non-Executive Directors at an issue price of \$0.01 (i.e. total value of \$53,750) and relate to a period of service from 1 August 2024 to 31 July 2025. These shares are to be held in escrow until 31 July 2025.
- On 28 April 2025, creditor conversion shares to entities related to Simon Gerard were approved by shareholders. 40,599,717 shares were issued at an issue price of \$0.01 (i.e. total value of \$405,997.17).

² Simon Beissel (or nominee):

- On 8 October 2024, entities related to Simon Beissel participated in a retail entitlement offer for 2,500,000 shares. 2,500,000 shares were issued at an issue price of \$0.01 (i.e. total value of \$25,000)
- On 28 November 2024, Non Executive Director Fee shares were issued as approved by shareholders. 5,375,000 shares were issued to each of the Non-Executive Directors at an issue price of \$0.01 (i.e. total value of \$53,750) and relate to a period of service from 1 August 2024 to 31 July 2025. These shares are to be held in escrow until 31 July 2025.

³ Richard Brown (or nominee):

- No changes during the year since appointment of directorship.

⁴ Joshua Newell (or nominee):

- No changes during the year since appointment of directorship.

⁵ Jordan Tentori (or nominee):

- No changes during the year.

⁶ Rachel Tuck (or nominee):

- Rachel Tuck ceased as Chief Financial Officer on 31 March 2025.

⁷ Chas Storer (or nominee):

- No changes during the year.

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KEY MANAGEMENT PERSONNEL CONVERTIBLE SECURITIES (OPTIONS AND PERFORMANCE RIGHTS)

Name	Opening balance 1 Jul 2024	Granted during the year	Exercised during the year	Cancelled during the year	Balance on resignation	Closing balance 30 Jun 2025	Vested and exercisable	Unvested
Simon Gerard ¹								
- Options	12,812,500	-	-	-	-	12,812,500	12,812,500	-
Simon Beissel ²								
- Options	1,981,667	-	-	-	-	1,981,667	1,981,667	-
Jordan Tentori ³								
- Options	312,500	-	-	-	-	312,500	312,500	-
Total convertible securities	15,106,667	-	-	-	-	15,106,667	15,106,667	-

¹ Simon Gerard (or nominee):

- No changes during the year.

² Simon Beissel (or nominee):

- No changes during the year.

³ Jordan Tentori (or nominee):

- No changes during the year.

OTHER TRANSACTIONS AND BALANCES WITH KEY MANAGEMENT PERSONNEL

RELATED PARTY TRANSACTIONS

As disclosed in the Annual Report for the year ended 30 June 2024 (Note F2), the Group engaged in related party transactions with GSM Electrical (Australia) Pty Ltd and GSM Retail Australia Pty Ltd (together, the GSM Entities). These entities are related parties of Key Management Personnel (KMP) Mr. Simon Gerard.

The transactions included:

- Sales and purchases of product;
- Provision of quality assurance and logistics services; and
- Management of international manufacturing and engineering operations (ceased as of 1 April 2025).

Note that the management of engineering operations ceased as of 1 January 2025 and the management of internal manufacturing ceased as of 1 April 2025.

In November 2024, the Group suspended all purchase and sale transactions involving the GSM Entities due to a breach of ASX Listing Rule 10.1 and 10.2, which govern transactions involving related parties.

Following shareholder approval and clearance from the ASX, the suspension was lifted on 28 April 2025, enabling the Group to recommence transactions under new manufacturing and distribution agreements, with transactional limits approved for a period of two years.

During the year ended 30 June 2025, the Group continued transacting with Bell Total Logistics Pty Ltd (**Bell Total Logistics**), an entity related to KMP Simon Gerard. These transactions were for logistics services and importation of product. The majority of the transactions relate to Goods and Services Tax on importation of goods, which is recoverable from the Australian Tax Office (ATO). There is no separate formal agreement in place with Bell Total Logistics and the Group engages their logistic services on a case-by-case basis.

On 28 April 2025, following shareholder approval and clearance from the ASX, the Group executed a new distribution and manufacturing agreement with Zencontrol Limited, a related party of KMP Mr. Joshua Newell, with transaction limits approved for a period of two years.

This agreement enables the Group to engage a new manufacturing partner and commence sales to a new customer, supporting the Group's operational continuity and strategic growth.

The goods and services received or provided were on commercial arms-length terms.

RELATED PARTY TRANSACTIONS (continued)

The following table provides details of transactions during the year ended 30 June 2025, and balances as at 30 June 2025.

	Settled during 1 Jul 2024 to 30 Jun 2025		Outstanding as at 30 June 2025		Total transactions during the period 1 Jul 2024 to 30 Jun 2025 \$
	Cash settled \$	Equity settled ¹ \$	Accounts receivable \$	Accounts payable or accrued \$	
Transactions with GSM Electrical					
Sales of finished goods (inclusive of GST) ²	360,126	-	1,038	-	339,110
Project and tooling contribution (inclusive of GST)	-	-	-	-	-
Personnel, engineering project costs and warehousing services ² (inclusive of GST)	-	-	-	(289,642)	(149,613)
Net total with GSM Electrical	360,126	-	1,038	(289,642)	189,497
Transactions with GSM Retail					
Purchases of finished goods ³ which are to be remitted to 3rd-party manufacturers (no GST)	(638,488)	(405,997)	-	(304,383)	(426,088)
Quality assurance services (no GST)	-	-	-	(105,633)	(33,103)
Net total with GSM Retail	(638,488)	(405,997)	-	(410,016)	(459,191)
Transactions with Bell Total Logistics					
Freight and import duties (inclusive of GST)	(27,491)	-	-	(3,065)	(30,556)
GST on importation which is recoverable from the ATO	(41,410)	-	-	(18,190)	(59,600)
Net total with Bell Total Logistics	(68,901)	-	-	(21,255)	(90,156)
Transactions with Zencontrol Limited ⁴					
Purchases of finished goods (no GST)	(108,862)	-	-	(51,118)	(159,980)
Net total with Zencontrol Limited	(108,862)	-	-	(51,118)	(159,980)
Total related party transactions	(456,125)	(405,997)	1,038	(772,031)	(519,830)

¹ During the year ended 30 June 2025, shareholders approved the issuance of a further \$405,997 shares to settle against creditor for purchase of finished goods. The amount remaining to be utilised is nil.

² Sales of finished goods, sales returns and warehousing services pursuant under the Distribution Agreement.

³ Finished goods includes saleable product and engineering samples.

⁴ Finished goods includes deposits paid on saleable products and tooling expenses.

RELATED PARTY COMMITMENTS

The following table provides the total amount of commitments with related parties.

The amounts disclosed include commitments to do something if a particular event occurs (or does not occur) in the future. The amounts disclosed relate to transactions in which neither party has performed any of their obligations, and as such, there are no associated amounts owed by or to either party.

	2025 \$	2024 \$
Commitments with GSM Electrical		
Sales of finished goods (inclusive of GST)	1,276,153	713,460
Net total with GSM Electrical	1,276,153	713,460
Commitments with GSM Retail		
Purchases of finished goods to be remitted to 3rd party manufacturer (no GST)	(552,960)	(1,276,671)
Quality assurance services (no GST)	(32,183)	(70,217)
Net total with GSM Retail	(585,143)	(1,346,888)
Total related party commitments	691,010	(633,428)

RELATED PARTY LOANS

As at 30 June 2025, there were no loans outstanding to related parties (2024: nil).

End of audited Remuneration Report.

This Directors’ Report, incorporating the Remuneration Report, is signed in accordance with a resolution of the Board of Directors.



Jordan Tentori
Executive Director and Chief Executive Officer

29 August 2025

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the consolidated financial report of Zimi Limited for the year ended 30 June 2025, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- a) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- b) any applicable code of professional conduct in relation to the audit.

Perth, Western Australia
29 August 2025



M R Ohm
Partner

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FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2025

FINANCIAL REPORT

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These Financial Statements are Consolidated Financial Statements of the Group consisting of Zimi Limited and its controlled entities.
A list of controlled entities is included in note E2.

The Financial Statements are presented in Australian currency.

Zimi Limited is a Company limited by shares, incorporated and domiciled in Australia.
Its registered office is Level 1, 2A / 300 Fitzgerald Street, North Perth WA 6006.

The Financial Statements were authorised for issue by the Directors on 29 August 2025.
The Directors have the power to amend and reissue the Financial Statements.

All press releases, financial reports and other information are available at our Investor Centre on our website:
<https://zimi.life/investor>

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2025

	Notes	2025 \$	2024 \$
Revenue	B2	815,877	3,231,843
Cost of sales		(579,662)	(2,536,297)
Gross profit		236,215	695,546
Other income	B3	753,163	746,284
Other net gains/(losses)	B5	(13,518)	44,402
Expenses			
Administrative and corporate		(817,363)	(553,824)
Employee benefits		(2,216,758)	(2,306,566)
Occupancy		(72,899)	(81,006)
Advertising and marketing		(49,528)	(91,174)
Travel		(72,599)	(70,755)
Depreciation and amortisation	B6	(862,650)	(1,685,755)
Impairment charge	B7	(79,664)	(1,980)
Total expenses		(4,171,461)	(4,791,060)
Operating loss before interest and income tax		(3,195,601)	(3,304,828)
Net finance costs	B8	(57,263)	(60,384)
Loss before income tax		(3,252,864)	(3,365,212)
Income tax benefit	B9	-	-
Loss after income tax		(3,252,864)	(3,365,212)
Other comprehensive income		-	-
Other comprehensive income/(loss) for the year, net of tax		-	-
Total comprehensive loss for the year		(3,252,864)	(3,365,212)

	Notes	2025 cents	2024 cents
Loss per share			
Basic loss per share	B4	(1.08)	(2.81)
Diluted loss per share	B4	(1.08)	(2.81)

The above Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

	Notes	2025 \$	2024 \$
ASSETS			
Current assets			
Cash and cash equivalents	D3	215,963	520,572
Trade and other receivables	C1	835,833	814,471
Inventories	C2	809,187	496,133
Other assets	C3	307,224	316,003
Total current assets		2,168,207	2,147,179
Non-current assets			
Property, plant and equipment	C5	205,261	254,571
Intangible assets	C6	372,946	912,678
Right-of-use assets	C7	74,407	160,115
Total non-current assets		652,614	1,327,364
Total assets		2,820,821	3,474,543
LIABILITIES			
Current liabilities			
Trade and other payables	C8	(1,270,521)	(1,459,609)
Provisions	C9	(98,449)	(112,763)
Lease liabilities	C7	(86,788)	(102,309)
Unearned revenue and customer deposits		-	(11,209)
Borrowings	D4	(404,047)	(356,000)
Total current liabilities		(1,859,805)	(2,041,890)
Non-current liabilities			
Provisions	C9	(28,723)	-
Lease liabilities	C7	-	(69,374)
Total non-current liabilities		(28,723)	(69,374)
Total liabilities		(1,888,528)	(2,111,264)
Net assets		932,293	1,363,279
EQUITY			
Issued capital	D1	55,021,238	52,281,443
Reserves	D2	164,953	82,871
Accumulated losses		(54,253,898)	(51,001,035)
Total equity		932,293	1,363,279

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2025

	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2023	51,352,650	908,038	(47,976,972)	4,283,716
Loss for the year	-	-	(3,365,212)	(3,365,212)
Other comprehensive income/(loss)	-	-	-	-
Total comprehensive loss for the year	-	-	(3,365,212)	(3,365,212)
Other equity transactions				
Shares issued as part of capital raising	211,091	-	-	211,091
Transaction costs related to shares issued	(18,247)	-	-	(18,247)
Shares issued in exchange for services	34,000	-	-	34,000
Options converted to ordinary shares	273,024	(271,659)	-	1,365
Options lapsed and transferred to accumulated losses	-	(341,149)	341,149	-
Director share-based payments	107,500	-	-	107,500
Performance rights lapsed and reversed through P&L	-	(168,361)	-	(168,361)
Shares issued in relation to the satisfaction of performance rights criteria	312,675	(312,675)	-	-
Employee share-based payments	8,750	268,677	-	277,427
Total other equity transactions	928,793	(825,167)	341,149	444,775
Balance at 30 June 2024	52,281,443	82,871	(51,001,035)	1,363,279

	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2024	52,281,443	82,871	(51,001,035)	1,363,279
Loss for the year	-	-	(3,252,864)	(3,252,864)
Other comprehensive income/(loss)	-	-	-	-
Total comprehensive loss for the year	-	-	(3,252,864)	(3,252,864)
Other equity transactions				
Shares issued as part of capital raising	2,495,294	-	-	2,495,294
Transaction costs related to shares issued	(268,996)	62,988	-	(206,008)
Shares issued in exchange for finished goods	405,997	-	-	405,997
Options converted to ordinary shares	-	-	-	-
Director share-based payments	107,500	-	-	107,500
Shares issued in relation to the satisfaction of performance rights criteria	-	19,094	-	19,094
Total other equity transactions	2,739,795	82,082	-	2,821,877
Balance at 30 June 2025	55,021,238	164,953	(54,253,898)	932,293

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 June 2025

	Notes	2025 \$	2024 \$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		913,920	3,410,477
Payments to suppliers and employees (inclusive of GST)		(4,011,213)	(4,400,619)
Receipts from government grants		701,777	746,872
Receipts from interest income		3,585	5,071
Payments for interest and other finance costs		(75,899)	(56,757)
Net cash outflows used in operating activities	D3	(2,467,830)	(294,956)
Cash flows from investing activities			
Payments for property, plant and equipment		(18,573)	(90,352)
Payments for intangible assets		(223,430)	(63,667)
Net cash outflows used in investing activities		(242,003)	(154,019)
Cash flows from financing activities			
Principal elements of lease payments		(118,473)	(80,955)
Proceeds from borrowings	D3	454,047	356,000
Repayment of borrowings	D3	(406,000)	(431,217)
Proceeds from issuance of shares		2,526,355	201,365
Payments for transaction costs related to issuance of securities		(97,956)	(28,691)
Net cash inflows provided by financing activities		2,357,973	16,502
Net decrease in cash and cash equivalents		(351,860)	(432,473)
Cash and cash equivalents, at the beginning of the financial year		520,572	980,126
Effects of exchange changes on the balances held in foreign currencies		47,251	(27,081)
Cash and cash equivalents, at the end of the financial year	D3	215,963	520,572

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

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A BASIS OF PREPARATION

A1 BASIS OF PREPARATION

Zimi Limited is a listed for-profit public Company incorporated and domiciled in Australia. This Consolidated Financial Report for the year ended 30 June 2025 was authorised for issue in accordance with a resolution of the Board of Directors on 29 August 2025.

The Consolidated Financial Report is a general-purpose financial report which has been prepared in accordance with the *Corporations Act 2001*, and Australian Accounting Standards and Interpretations. Compliance with Australian Accounting Standards ensures that the Consolidated Financial Report complies with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

The accounting policies and methods of computation adopted are consistent with those of the previous financial year. The Consolidated Financial Statements have been prepared on the historical cost basis except for derivative financial instruments which are measured at fair value. Details of the Group's material accounting policies are outlined in the following notes. The Consolidated Financial Statements are presented in Australian currency and amounts have been rounded to the nearest dollar unless otherwise stated, in accordance with *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*.

A2 GOING CONCERN

The Consolidated Financial Report has been prepared on a going concern basis, which assumes that the Group will be able to meet its debts as and when they become due and payable. Notwithstanding that the Group incurred an operating loss of \$3,252,864 for the year ended 30 June 2025, and a net cash outflow from operating activities of \$2,467,830, the Directors are of the opinion that the Group is a going concern for the following reasons:

- As at 30 June 2025, the Group has current assets exceeding current liabilities by \$308,402, and cash and cash equivalents of \$215,963.
- Customer orders continue to be received for Zimi product. Additionally, the Group is continuing to invest into research and development activities to introduce new products and improve existing offerings.
- If required, the Group can flex discretionary spend or rephase the timing of certain product manufacturing cash outflows. The Group can also reduce certain other operating costs in line with available working capital (including payroll, marketing and administration costs).
- The Group completed capital raising activities during the year period with a total of \$2,901,291 raised (gross of associated capital raising costs). The group has also secured a \$1,851,000 capital raise to occur Q1 FY2026 subject to shareholder approval. The Group has a proven history of raising capital and can undertake fund raisings to secure additional sources of funds where required.

Management has prepared cash forecasts for the next 12 months that support the ability of the Group to continue as a going concern. Sufficient cash reserves are forecast to be maintained throughout the forecast period. These cash reserves are reliant on the Group generating revenues and maintaining expenditures in line with the forecast. The Group acknowledges there is inherent uncertainty in any forecast and therefore, these circumstances give rise to a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern.

Management believes that the range of actions available (as disclosed above) means that the uncertainty can be managed. However, in the event the Group does not achieve its forecast results, it may not be able to continue its operations as a going concern and therefore, may not be able to realise its assets and extinguish its liabilities in the ordinary course of business and at the amounts stated in this Consolidated Financial Report.

A3 MATERIAL ACCOUNTING POLICIES

(A) Basis of consolidation

The Consolidated Financial Statements incorporate the assets and liabilities of all controlled entities of the Company as at 30 June 2025 and the results of all controlled entities for the year then ended. A list of the controlled entities is provided in note E2. Zimi Limited and its controlled entities together are referred to in this Consolidated Financial Report as the Group.

The Group controls an entity when the Group 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. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(B) Use of estimates and judgements

In preparing the Consolidated Financial Statements, the Directors have made judgements, estimates and assumptions that affect the application of accounting policies and the reporting amounts of assets and liabilities, revenue and expenses. The significant judgements made by the Directors in applying the Group's accounting policies and key sources of estimation uncertainty are included in the following notes:

- Note A2 - Going concern
- Note C6 – Intangible assets

The estimates, judgements and assumptions are based on historical experience, adjusted for current market conditions, and other factors that are believed to be reasonable under the circumstances, and are reviewed on a regular basis. Actual results may differ from these estimates.

(C) New and amended standards adopted by the Group

The Group has adopted all new or amended Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are mandatory for the current reporting period. There is no material impact of the new and revised Australian Accounting Standards and Interpretations on the Group.

(D) New and amended standards not yet adopted by the Group

Certain new or amended Australian Accounting Standards and Interpretations have been published that are not mandatory have not been early adopted by the Group. These standards are not expected to have a material financial impact on the Group in the current or future reporting periods and on foreseeable future transactions.

B PERFORMANCE FOR THE YEAR

B1 SEGMENT INFORMATION

AASB 8 *Operating Segments* requires operating segments to be identified on the basis of internal reports that are reviewed and used by the Chief Operating Decision Maker (CODM). The Board and executive management, identified as the CODM, assess the performance of the Group and determine the allocation of resources.

The Group's operating segments have been determined with reference to the monthly management accounts used by the CODM to make decisions regarding the Group's operations and allocation of working capital.

Based on the quantitative thresholds included in AASB 8 *Operating Segments*, there is only one reportable segment, being development and manufacturing and one geographical segment, namely Australia.

The revenues and results of this segment are those of the Group as a whole and are set out in the Consolidated Statement of Comprehensive Income. The assets and liabilities of the Group as a whole are set out in the Consolidated Statement of Financial Position.

B2 REVENUE

For the year ended 30 June 2025, the Group recognised revenue through the sale and delivery of finished goods to customers. The disaggregation of the Group's revenue from contracts with customers is set out below.

	2025 \$	2024 \$
At a point in time		
Revenue from sale of finished goods	815,877	3,231,843
Total revenue	815,877	3,231,843

(A) Major customers

During the year ended 30 June 2025, \$308,282 of the Group's revenue was derived from sales to GSM Electrical Pty Ltd (2024: \$2,173,098). Refer to Note F2(C) for further information.

Material accounting policy

Revenue from contracts with customers is recognised when the Group transfers control of products or provides services to a customer at the amount to which the Group expects to be entitled.

Revenue is recognised in accordance with the following five-step process:

1. Identifying the contract with the customer.
2. Identifying the performance obligations in the contract.
3. Determining the transaction price.
4. Allocating the transaction price to the performance obligations in the contract.
5. Recognising revenue as and when the performance obligations are satisfied.

During the year ended 30 June 2025, the Group primarily recognised revenue from the sale of goods (e.g., switches, power points and garage door controllers etc). The Group's sales channels solely included Australian distributors for the year ended 30 June 2025.

Revenue is recognised when control of the goods has transferred, that is, when the goods are delivered to the customer. The transaction price at the date control passes is based on the contractually agreed price. A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

B3 OTHER INCOME

Other income consists of income unrelated to the Group's ordinary activities.

	2025 \$	2024 \$
Research and development tax incentive	751,663	695,570
Other income	1,500	50,714
Total other income	753,163	746,284

Material accounting policy

The Group engages in R&D activities with regards to its development of an intelligent, decentralised smart home ecosystem. Certain judgements are required in assessing whether the Group is eligible for the R&D tax incentive based on the activities undertaken and nature of expenditure.

Government grants (e.g., R&D tax incentive) are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. The Group recognises the amount received from government grants within other income.

B4 LOSS PER SHARE

Loss per share presents the amount of loss generated for the reporting period attributable to shareholders divided by the weighted average number of shares on issue. The potential for any options, performance shares and performance rights issued by the Group to dilute existing shareholders' ownership when these instruments are exercised are also presented.

	2025 \$	2024 \$
Loss for the period	(3,252,864)	(3,365,212)

	2025 Shares	2024 Shares
Weighted average number of shares used as denominator in calculating both basic and diluted loss per share	302,276,639	119,570,618

	2025 Cents	2024 Cents
Basic and diluted loss per share	(1.08)	(2.81)

Diluted loss per share adjusts the basic loss per share for the effects of any instruments that could potentially be converted into ordinary shares. Potential ordinary shares shall be treated as dilutive when, and only when, their conversion to ordinary shares would decrease earnings per share or increase loss per share. As the Group is loss making, there is no dilutive effect of the potential ordinary shares.

B5 OTHER NET GAINS

	2025 \$	2024 \$
Loss on disposal of assets	123	-
Gain/(loss) on unrealised and realised foreign exchange	(13,641)	44,402
Total other net gains	(13,518)	44,402

B6 DEPRECIATION AND AMORTISATION

	2025 \$	2024 \$
Depreciation on property, plant and equipment	(67,906)	(120,289)
Depreciation on right-of-use assets	(118,662)	(100,040)
Amortisation on intangible assets	(676,082)	(1,465,426)
Total depreciation and amortisation	(862,650)	(1,685,755)

B7 IMPAIRMENT CHARGE

	2025 \$	2024 \$
Expected credit losses on trade receivables	-	(1,980)
Impairment – discontinued hybrid project	(79,664)	-
Total impairment charge	(79,664)	(1,980)

B8 NET FINANCE COSTS

	2025 \$	2024 \$
Interest income	3,585	5,071
Interest and finance charges	(40,403)	(35,194)
Interest expense on lease liabilities	(20,445)	(30,261)
Total net finance costs	(57,263)	(60,384)

Material Accounting Policy

Finance costs are recognised as expenses in the period in which they are incurred. Finance costs comprise interest income, interest and finance charges calculated using the effective interest method and interest expense on lease liabilities.

B9 TAXES**(A) Income tax benefit**

	2025 \$	2024 \$
Current tax		
Current tax benefit	-	-
Total current tax benefit	-	-
Deferred tax		
Decrease / (increase) in deferred tax assets (DTA)	(63,213)	463,641
Increase / (decrease) in deferred tax liabilities (DTL)	63,213	(463,341)
Total deferred tax benefit	-	-
Income tax benefit	-	-

B9 TAXES (continued)**(B) Numerical reconciliation of income tax benefit to prima facie tax payable**

	2025 \$	2024 \$
Loss before income tax	(3,252,864)	(3,365,212)
Tax at the Australian tax rate of 25%	(813,216)	(841,303)
Tax effect of amounts which are not (assessable) / deductible in calculating taxable income:		
Non-deductible expenses	4,399	147,063
R&D non-deductible expenses	392,764	378,407
Share-based payments expenses	133,148	116,353
Non-assessable income	(175,444)	(173,893)
DTA and DTL not recognised	458,349	373,373
Total adjustments	813,216	841,303
Income tax benefit	-	-

(C) Deferred tax assets and liabilities

	Deferred tax assets		Deferred tax liabilities	
	2025 \$	2024 \$	2025 \$	2024 \$
Other assets	-	-	(15,556)	(21,291)
Intangible assets	-	54,816	(11,749)	(145,887)
Right-of-use assets	-	-	(18,602)	(40,029)
Trade and other payables	20,666	2,491	-	-
Provisions	24,612	40,050	-	-
Lease liabilities	21,697	42,921	-	-
Undeducted s. 40-880 costs (profit or loss)	25,704	11,212	-	-
Undeducted s. 40-880 costs (equity)	190,601	108,334	-	-
Tax losses	5,559,730	5,161,826	-	-
Other - DTA not recognised	(5,797,103)	(5,312,530)	-	98,087
Deferred tax assets / (liabilities)	45,907	109,120	(45,907)	(109,120)
Balance at 1 July	109,120	572,761	(109,120)	(572,761)
Movement:				
To profit or loss	(63,213)	(463,641)	63,213	463,641
Balance at 30 June	45,907	109,120	(45,907)	(109,120)

B9 TAXES (continued)**(D) Unrecognised tax losses - temporary differences**

	2025 \$	2024 \$
Unused tax losses for which no deferred tax asset has been recognised		
Unused revenue losses	22,238,921	20,633,415
Potential tax benefit at 25%	5,559,730	5,158,354
Unused capital losses	81,319	81,319
Potential tax benefit at 25%	20,330	20,330
Total potential tax benefit at 25%	5,580,060	5,178,684

All unused tax losses can be carried forward indefinitely subject to the loss utilisation tests and have no expiry date. The unused revenue losses for which no deferred tax asset has been recognised represent revenue and capital losses of the Company and its subsidiaries.

The unused capital losses for which no deferred tax asset has been recognised represent capital losses of the Company and its subsidiaries. Management has determined a deferred tax asset on unused capital losses should not be recognised on the basis that it is not probable that future capital gains would be available against which the capital losses can be utilised.

(E) Corporate tax rate

In accordance with the new tax legislation, the Company and its Australian subsidiaries are subject to a corporate tax rate of 25% for the year ended 30 June 2025. Deferred tax assets and liabilities are required to be measured at the tax rate that is expected to apply in the future income year when the asset is realised, or the liability is settled.

Material Accounting Policy**Income tax**

Income tax expense in the Consolidated Statement of Comprehensive Income for the period presented comprises current and deferred tax.

Income tax is recognised in the Consolidated Statement of Comprehensive Income except to the extent that it relates to items recognised in other comprehensive income, or directly in equity, in which case the tax is also recognised in other comprehensive income, or directly in equity, respectively.

Current tax

Current tax expense or benefit is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current tax assets or liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance date.

Deferred tax

Deferred income tax is provided on all temporary differences at the balance date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at the balance date.

Deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit or in relation to the initial recognition of goodwill.

The carrying amount of deferred income tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Unrecognised deferred income tax assets are reassessed at each balance date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

C ASSETS AND LIABILITIES

C1 TRADE AND OTHER RECEIVABLES

	2025 \$	2024 \$
Trade receivables	92,935	121,458
Research and development tax incentive receivable	742,898	693,013
Total trade and other receivables	835,833	814,471

(A) Allowance for expected credit losses

As at 30 June 2025, there were no remaining trade receivables which were past due but not impaired. As a result, there was no allowance for expected credit loss recognised (2024: \$1,980).

(B) Fair value disclosure

Due to the short-term nature, the carrying amount of trade and other receivables is considered to approximate their fair value. For information about the methods and assumptions used in determining the fair value of the Group's receivables refer to note D5(D).

Material Accounting Policy

Trade and other receivables

Trade and other receivables are recognised initially at fair value and are subsequently measured at amortised cost using the effective interest method, less an allowance for expected credit loss. Trade receivables are generally due for settlement within periods up to 30 days.

Allowance for expected credit losses

The Group assesses the expected credit losses associated with its trade and other receivables on a forward-looking basis. The Group applies the simplified approach to measuring expected credit losses, which requires expected lifetime losses to be recognised from initial recognition of the receivables. To measure the expected credit losses, trade and other receivables that share similar credit risk characteristics and days past due are grouped and then assessed for collectability as a whole.

C2 INVENTORIES

	2025 \$	2024 \$
Finished goods – at cost	458,972	346,663
Components – at cost	61,945	33,948
Stock in transit – at cost	288,270	115,522
Total inventories	809,187	496,133

(A) Provision for inventory obsolescence

As at 30 June 2025, there were no inventory items which required a provision for inventory obsolescence (2024: nil).

C2 INVENTORIES (continued)

Material Accounting Policy

Inventories are valued at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion necessary to make the sale.

Reviews are made periodically by management on inventories for excess inventories, obsolescence and decline in net realisable value below cost. Allowances are recorded against inventories for any such declines based on historical experience on obsolescence and slow-moving inventory.

Costs incurred in bringing each product to its present location and condition are determined after deducting rebates and discounts received or receivable and are accounted for on an average cost basis.

C3 OTHER ASSETS

	2025 \$	2024 \$
Prepayments	82,357	84,141
Deposits paid on products in production	224,867	212,432
Other deposits	-	19,430
Total other assets	307,224	316,003

C4 OTHER FINANCIAL ASSETS

The Group's policy allows for the use of derivatives to hedge exposure to fluctuations in foreign exchange rates. However, the Group did not enter into any derivative contracts during the financial year and did not have any open contracts as at 30 June 2025.

(A) Fair value disclosure

The fair value of a hedging derivative is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. It is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months.

C5 PROPERTY, PLANT AND EQUIPMENT

The net book amounts and movements in property, plant and equipment are set out below.

	Plant and equipment \$	Computer equipment \$	Furniture and fittings \$	Leasehold improvements \$	Total \$
2024					
Opening balances:					
Cost	632,575	58,344	70,968	75,414	837,301
Accumulated depreciation	(468,230)	(35,286)	(20,720)	(3,281)	(527,517)
Net book amount – 1 July 2023	164,345	23,058	50,248	72,133	309,784
Movement:					
Additions	47,159	17,917	-	-	65,076
Depreciation	(97,727)	(11,849)	(8,829)	(1,885)	(120,290)
Closing net book amount – 30 June 2024	113,777	29,126	41,419	70,248	254,571
2025					
Opening balances:					
Cost	679,734	76,261	70,968	75,414	902,377
Accumulated depreciation	(565,957)	(47,135)	(29,549)	(5,166)	(647,806)
Net book amount – 1 July 2024	113,777	29,126	41,419	70,248	254,571
Movement:					
Additions	10,148	9,192	-	-	19,340
Disposals	-	(744)	-	-	(744)
Depreciation	(45,505)	(13,344)	(7,171)	(1,885)	(67,905)
Closing net book amount – 30 June 2025	78,420	24,230	34,248	68,363	205,261
Cost	689,882	80,015	70,968	75,414	916,279
Accumulated depreciation	(611,462)	(55,785)	(36,720)	(7,051)	(711,018)
Net book amount – 30 June 2025	78,420	24,230	34,248	68,363	205,261

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Material Accounting Policy**Property, plant and equipment**

Each class of property, plant and equipment is carried at cost less any accumulated depreciation. Cost includes expenditure that is directly attributable to the acquisition of the assets.

Subsequent costs

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the profit or loss during the reporting period in which they are incurred.

Depreciation

Assets are depreciated from the date the asset is brought to use, or in business combinations, the date of acquisition. Depreciation is calculated on either a straight line or diminishing value basis as considered appropriate to write off the net cost of each item of plant and equipment over its expected useful life to the Group. The depreciation period and method are reviewed at each financial year-end. The expected useful lives are as follows:

- Plant and equipment: 2 to 6 years
- Computer equipment: 2 to 10 years
- Furniture and fittings: 2 to 15 years
- Leasehold improvements: 3 years

Derecognition

An item of property, plant and equipment is derecognised when it is disposed of or no future economic benefits are expected from its use or disposal. Gains and losses on disposals are determined by comparing proceeds with the carrying amount and are recognised in the profit or loss.

Impairment

The carrying amounts of the Group's property, plant and equipment are reviewed for impairment where there is an indication that the asset may be impaired (assessed at least at each reporting date) or when there is an indication that a previously recognised impairment may need to be reversed. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of its fair value less costs of disposal and its value in use and 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 and the asset's value in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash-generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

C6 INTANGIBLE ASSETS

The net book amounts and movements in intangible assets are set out below.

	Capitalised development \$	Sales channels \$	Patents and trademarks \$	Other intangibles \$	Total \$
2024					
Opening balances:					
Cost	4,457,093	2,908,770	44,445	7,995	7,418,303
Accumulated amortisation and impairment	(2,649,386)	(2,473,119)	(3,859)	-	(5,126,364)
Net book amount – 1 July 2023	1,807,707	435,651	40,586	7,995	2,291,939
Movement:					
Additions	77,493	-	995	10,716	89,204
Disposals	(3,039)	-	-	-	(3,039)
Amortisation	(1,026,635)	(435,651)	(2,961)	(179)	(1,465,426)
Impairment	-	-	-	-	-
Closing net book amount – 30 June 2024	855,526	-	38,620	18,532	912,678
2025					
Opening balances:					
Cost	4,531,548	2,908,770	45,440	18,711	7,504,469
Accumulated amortisation and impairment	(3,676,022)	(2,908,770)	(6,820)	(179)	(6,591,791)
Net book amount – 1 July 2024	855,526	-	38,620	18,532	912,678
Movement:					
Additions	203,383	-	1,025	11,606	216,014
Disposals	-	-	-	-	-
Amortisation	(669,948)	-	(3,039)	(3,095)	(676,082)
Impairment ¹	(79,664)	-	-	-	(79,664)
Closing net book amount – 30 June 2025	309,297	-	36,606	27,043	372,946
Cost	4,654,990	2,908,770	46,465	30,317	7,640,542
Accumulated amortisation and impairment	(4,345,693)	(2,908,770)	(9,859)	(3,274)	(7,267,596)
Net book amount – 30 June 2025	309,297	-	36,606	27,043	372,946

¹ Hybrid Module Development Project was abandoned following a board and management decision. No future cash inflows were assumed from the abandoned project. The carrying amount of \$79,664 was therefore written down in full. As the recoverable amount was assessed as nil, any changes in assumptions would not result in a reversal of the impairment.

Material Accounting Policy**Intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost and subsequently measured at cost less accumulated amortisation and impairment losses. Where acquired in a business combination, cost represents the fair value at the date of acquisition.

Expenditure on research activities is recognised as an expense in the period in which it is incurred. Where no internally-generated intangible asset can be recognised, development expenditure is recognised as an expense in the period as incurred.

An intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- The intention to complete the intangible asset and use or sell it;
- The ability to use or sell the intangible asset;
- How the intangible asset will generate probable future economic benefits;
- The availability of adequate technical, financial and other resources to complete development and to use or sell the intangible asset; and
- The ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets acquired separately.

Amortisation

Intangible assets with finite lives are amortised on a straight-line basis over their estimated useful lives and tested for impairment whenever there is an indication that they may be impaired. The amortisation period and method are reviewed at each financial year-end. The expected useful lives are as follows:

- Capitalised development: 4 years
- Sales channels: 3 years
- Patents: over the life of the patent
- Trademarks: indefinite trademarks, not amortised
- Other intangibles: indefinite brand name, not amortised

Derecognition

An item of intangible assets is derecognised when it is disposed of or no future economic benefits are expected from its use or disposal. Gains and losses on disposals are determined by comparing proceeds with the carrying amount and are recognised in the profit or loss.

Impairment

The carrying amounts of the Group's intangible assets are reviewed for impairment where there is an indication that the asset may be impaired (assessed at least at each reporting date) or when there is an indication that a previously recognised impairment may need to be reversed. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of its fair value less costs of disposal and its value in use and 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 and the asset's value in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash-generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

C7 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

(A) Amounts recognised in the Consolidated Statement of Financial Position

	2025 \$	2024 \$
Right-of-use assets		
Leased properties	74,407	160,115
Total right-of-use assets	74,407	160,115
Lease liabilities		
Current	(86,788)	(102,309)
Non-current	-	(69,374)
Total lease liabilities	(86,788)	(171,683)

(B) Amounts recognised in the Consolidated Statement of Comprehensive Income

	2025 \$	2024 \$
Depreciation on right-of-use assets	(119,283)	(100,040)
Interest expense on lease liabilities	(20,445)	(30,261)
Total amounts recognised in Consolidated Statement of Comprehensive Income	(139,728)	(130,301)

(C) Amounts recognised in the Consolidated Statement of Cash Flows

The total cash outflow for leases for the year ended 30 June 2025 was \$138,917 (30 June 2024: \$111,216).

C7 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (continued)**(D) Net book amounts and movements in right-of-use assets**

	Leased properties \$
2024	
Opening balances:	
Cost	431,200
Accumulated depreciation	(201,301)
Net book amount – 1 July 2023	229,899
Movement:	
Depreciation	(100,040)
Modification to lease terms	30,256
Closing net book amount – 30 June 2024	160,115
2025	
Opening balances:	
Cost	260,155
Accumulated depreciation	(100,040)
Net book amount – 1 July 2024	160,115
Movement:	
Depreciation	(119,283)
Modification to lease terms	33,575
Closing net book amount – 30 June 2025	74,407
Cost	294,352
Accumulated depreciation	(219,945)
Net book amount – 30 June 2025	74,407

Material Accounting Policy**Right-of-use assets**

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses and adjusted for any remeasurement of lease liabilities.

The cost of the right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. The recognised right-of-use assets are depreciated on a straight-line basis over the shorter of useful life and the lease term.

Right-of-use assets are tested for impairment which replaces the previous requirement to recognise a provision of onerous lease contracts. Any identified impairment loss is accounted for in line with the Group's accounting policy for property, plant and equipment which is set out in note C5.

Lease liabilities

At commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable and variable lease payments that depend on an index or rate. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date as the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Lease term

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

In determining the lease term, the Group applies judgement and considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

At the end of each lease term, the Group assumes the lease arrangements will be automatically renewed regardless of whether the lease is no longer enforceable. The lease will remain in effect until one of the parties gives notice to terminate with no more than an insignificant penalty.

The initial lease term assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the lessee.

C8 TRADE AND OTHER PAYABLES

	2025 \$	2024 \$
Trade and other payables	(1,035,802)	(1,275,674)
Payroll and statutory liabilities	(108,058)	(133,586)
Accrued expenses	(126,661)	(50,349)
Total trade and other payables	(1,270,521)	(1,459,609)

(A) Fair value disclosure

Due to the short-term nature, the carrying amount of trade and other payables is considered to approximate their fair value. For information about the methods and assumptions used in determining the fair value of the Group's payables refer to note D5(D).

Material Accounting Policy

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year and which are unpaid. The amounts are unsecured and are usually paid within 30-90 days of recognition in accordance with supplier terms. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date.

C9 PROVISIONS

	2025 \$	2024 \$
Current		
Annual leave	(98,449)	(112,763)
Total current provisions	(98,449)	(112,763)
Non-Current		
Long service leave	(28,723)	-
Total non-current provisions	(28,723)	-

Material Accounting Policy

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable the Group will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses. Provisions are measured at the present value or management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. If the effect of the time value of money is material provisions are discounted using a rate that reflects the risk.

Annual leave

Liabilities for wages and salaries, including non-monetary benefits and accumulating annual leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service, are recognised up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

The provision for annual leave is presented as current, since the Group does not have an unconditional right to defer settlement. Based on the hours accrued, the Group expects all employees to take the full amount of accrued leave within the next 12 months.

Long-service leave

Long service leave includes all unconditional entitlements where employees have completed the required period of service. In calculating the provision for long-service leave, consideration is given to expected future wage and salary levels, periods of service and adjusted for the probability of likely realisation.

Long-service leave expected to be settled within 12 months of the balance date are recognised in within current liabilities. Long-service leave not expected to be settled within 12 months of the balance date are recognised in non-current liabilities. Given the period of service for all employees, the provision for long-service leave is currently nil.

D CAPITAL STRUCTURE, FINANCING AND FINANCIAL RISK MANAGEMENT

D1 ISSUED CAPITAL

	2025		2024	
	Shares	\$	Shares	\$
Issued ordinary shares	427,543,823	55,021,238	126,664,715	52,281,443
Total contributed equity	427,543,823	55,021,238	126,664,715	52,281,443

A reconciliation of the movement in ordinary shares is set out below.

	2025		2024	
	Shares	\$	Shares	\$
Issued ordinary shares at 1 July	126,664,715	52,281,443	111,494,890	51,352,650
Movement:				
Shares issued as part of capital raising	249,529,391	2,495,294	5,305,000	211,091
Transaction costs related to shares issued	-	(268,996)	-	(18,247)
Options converted to shares	-	-	910,002	1,364
Transfer value of options exercised from reserves	-	-	-	271,660
Employee share-based payments	-	-	250,000	8,750
Director share-based payments	10,750,000	107,500	2,687,500	107,500
Shares issued in relation to satisfaction of performance rights criteria	-	-	4,975,000	312,675
Shares issued to suppliers for payment of goods and/or services	40,599,717	405,997	1,042,323	34,000
Issued ordinary shares at 30 June	427,543,823	55,021,238	126,664,715	52,281,443
Total contributed equity	427,543,823	55,021,238	126,664,715	52,281,443

During the year, there were a number of movements in ordinary shares as outlined below:

- In relation to the accelerated renounceable entitlement offer (2 for 1 ordinary shares at an issuance price of \$0.01) launched on 21 August 2024, 12,029,391 ordinary shares were issued to investors, raising gross proceeds of \$120,294.
- Following closure of the entitlement offer on 4 October 2024, the Company reserved the right to place shares unsubscribed in the accelerated renounceable entitlement offer at the same price and same terms via a Shortfall Placement Facility. Under the facility, Zimi raised gross proceeds of \$2,375,000, and issued 237,500,000 ordinary shares to investors on 4 November 2024.
- The shareholders of the Company provided approval to grant Non-Executive Directors Simon Beissel and Simon Gerard 5,375,000 shares each (total of 10,750,000 shares) in lieu of cash payments for Directors' fees for the 12 month period to 31 July 2025. These shares will be held in escrow until 31 July 2025.
- On 28 April 2025, creditor conversion shares to entities related to Simon Gerard were approved by shareholders. 40,599,717 shares were issued at an issue price of \$0.01 (i.e. total value of \$405,997.17).

Material Accounting Policy

Ordinary shares are classified as equity. 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, or for the acquisition of a business, are included in the cost of the acquisition as part of the purchase consideration.

Ordinary shares have no par value and the company does not have a limited amount of authorised capital. Fully paid ordinary shares carry one vote per share and carry the right to dividends.

D2 RESERVES

	2025 \$	2024 \$
Share-based payments reserve	164,953	82,871
Total reserves	164,953	82,871

The share-based payments reserve is used to recognise the fair value of equity-settled share-based payments issued to eligible participants as part of their remuneration, or to advisors in respect of transaction costs. Further detail on the share-based payments reserve is in note F1. Equity instrument disclosures relating to key management personnel is disclosed in note F2(B) and within the Remuneration Report.

D3 CASH AND CASH EQUIVALENTS

	2025 \$	2024 \$
Cash and cash equivalents	215,963	520,572

(A) Reconciliation of loss for the year to net cash outflows used in operating activities

	Notes	2025 \$	2024 \$
Loss for the year		(3,252,864)	(3,365,212)
Adjustment for:			
Depreciation and amortisation	B6	862,650	1,685,755
Impairment on intangible assets	B7	79,664	
Expected credit losses on trade receivables		-	1,980
Loss on disposal of assets	B5	123	-
(Gain) / loss on unrealised foreign exchange		(20,133)	(29,981)
(Gain) / loss on AASB <i>Leases</i> event	B5	-	-
Share based payments expense	F1(C)	19,094	109,067
Share issuance in exchange for goods/services	D1	405,997	223,075
Total adjustments		1,347,395	1,989,896
(Increase) / decrease in assets:			
Trade and other receivables		(21,362)	198,640
Inventories		(313,054)	(322,370)
Other assets		8,779	369,320
Total (increase) / decrease in assets		(325,637)	245,590
Increase / (decrease) in liabilities:			
Trade and other payables		(211,201)	953,009
Provisions		(14,314)	23,585
Unearned revenue and customer deposits		(11,209)	(141,824)
Total Increase / (decrease) in liabilities		(236,724)	834,770
Net cash outflows used in operating activities		(2,467,830)	(294,956)

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D3 CASH AND CASH EQUIVALENTS (continued)

(B) Changes in liabilities arising from financing activities

The following table provides a reconciliation between opening and closing balances on the face of the Consolidated Statement of Financial Position arising from financing activities.

	Lease liabilities		Borrowings		Total liabilities from financing activities	
	2025 \$	2024 \$	2025 \$	2024 \$	2025 \$	2024 \$
Balance at 1 July	(171,683)	(231,969)	(356,000)	(431,217)	(527,683)	(663,186)
Financing cash movements:						
Principal elements of lease payments	118,473	80,955	-	-	118,473	80,955
Proceeds from borrowings	-	-	(454,047)	(356,000)	(454,047)	(356,000)
Repayment of borrowings	-	-	406,000	431,217	406,000	431,217
Total cash (inflows) / outflows provided in financing activities	118,473	80,955	(48,047)	75,217	70,426	156,172
Other movements:						
Non-cash AASB 16 Leases modification or additions	(33,578)	(20,669)	-	-	(33,578)	(20,669)
Total other movements	(33,578)	(20,669)	-	-	(33,578)	(20,669)
Balance at 30 June	(86,788)	(171,683)	(404,047)	(356,000)	(490,835)	(527,683)

Material Accounting Policy

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of the Consolidated Statement of Cash Flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

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D4 BORROWINGS

	2025 \$	2024 \$
Third-party borrowings	404,047	356,000

Third-party borrowings relate to the pre-funding of the R&D tax incentive from Radium Capital. The loan is secured against the R&D tax incentive receivable from the ATO, following lodgement of the tax return. The receipt of the R&D tax incentive is anticipated to be in September 2025 and the interest on the pre-funding accrues at 15% per annum.

Material Accounting Policy

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost, using the effective interest rate method. Interest is accrued over the period it becomes due and unpaid interest is recorded as part of current trade and other payables.

Borrowings are removed from the Consolidated Statement of Financial Position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the Consolidated Statement of Comprehensive Income as net finance costs.

D5 FINANCIAL RISK MANAGEMENT

This section provides a summary of the Group's exposure to market, liquidity, and credit risks, along with the Group's policies and strategies in place to mitigate these risks.

The Group holds the following financial instruments:

	Notes	2025 \$	2024 \$
Financial assets at amortised cost			
Cash and cash equivalents	D3	215,963	520,572
Trade and other receivables	C1	835,833	814,471
Total financial assets		1,051,796	1,335,043
Financial liabilities at amortised cost			
Trade and other payables	C8	(1,270,521)	(1,459,609)
Lease liabilities	C7	(86,788)	(171,683)
Unearned revenue and customer deposits		-	(11,209)
Borrowings	D4	(404,047)	(356,000)
Total financial liabilities		(1,761,356)	(1,998,501)

(A) Market risk

Market risk is the risk that the fair value or future cash flows of a financial asset or financial liability will fluctuate because of changes in market prices. Market risk comprises three types of risk: foreign exchange risk, interest rate risk and price risk.

The Group's exposure to market risk arises from adverse movements in foreign exchange which affect the Group's financial performance. The Group is not exposed to any significant interest rate risk or price risk.

D5 FINANCIAL RISK MANAGEMENT (continued)

(A) Market risk (continued)

(i) Foreign exchange risk

Foreign exchange risk is the risk that a change in foreign exchange rates may negatively impact the Group's cash flow or profitability because the Group has an exposure to a foreign currency or has foreign currency denominated obligations.

The Group's exposure to foreign exchange risk arises from its future commercial transactions, and recognised assets and liabilities denominated in a currency that is not the entity's functional currency.

The following table summarises the carrying amounts of the Group's financial assets and liabilities that are denominated in other foreign currencies and discloses the sensitivity of net profit before tax to a 10% change against the foreign currency with all other variables held constant.

The Group is primarily exposed to changes in the US Dollar exchange rate. In assessing the sensitivity of the foreign currency on the loss before tax, the Group applies the exchange rate as at 30 June 2025 being 0.6550 (30 June 2024: 0.6624).

	Carrying amount		Impact of + 10% FX change on loss before tax		Impact of - 10% FX change on loss before tax	
	2025 \$	2024 \$	2025 \$	2024 \$	2025 \$	2024 \$
Assets						
US\$ denominated cash and cash equivalents	67,383	46,367	(9,352)	(6,363)	11,431	7,778
US\$ denominated trade receivables	70,073	59,481	(9,726)	(8,163)	11,887	9,977
US\$ denominated assets	137,456	105,848	(19,078)	(14,526)	23,318	17,755
Liabilities						
US\$ denominated trade payables	(171,145)	(661,472)	23,754	90,782	(29,032)	(110,955)
US\$ denominated liabilities	(171,145)	(661,472)	23,754	90,782	(29,032)	(110,955)

The aggregate net foreign exchange gains / losses recognised in profit or loss were:

	Notes	2025 \$	2024 \$
Gain on unrealised and realised foreign exchange	B5	(13,641)	44,402

From time to time, the Group is party to derivatives in the normal course of business in order to hedge exposure to fluctuation in foreign exchange rates. In accordance with the Group's financial risk management policies, the Group does not hold or issue derivatives for trading purposes.

D5 FINANCIAL RISK MANAGEMENT (continued)

(A) Market risk (continued)

Material Accounting Policy

Functional presentation currency

Items included in the Consolidated Financial Statements are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The Consolidated Financial Statements are presented in Australian Dollars (AU\$).

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

Foreign exchange gains and losses are presented in the Consolidated Statement of Comprehensive Income on a net basis within other gains and losses.

(B) Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group is exposed to credit risk from its operating activities (primarily trade receivables), foreign exchange transactions and other financial instruments.

The maximum exposure to credit risk at the end of the reporting period is the carrying amount, net of any provisions for impairment for each class of the following financial assets.

(i) Cash and cash equivalents

Credit risk from cash arises from balances held with counterparty financial institutions. Credit risk is managed by the Group's finance department which restrict the Group's exposure to financial institutions by credit rating band. For banks and financial institutions, only independently rated parties with a minimum rating of "A" are accepted.

(ii) Trade and other receivables

Credit risk arising on trade and other receivables is monitored on an ongoing basis, mitigating exposure to impairment of receivables and contract assets.

Trade receivables are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include failure to make contractual payments for a period of greater than 30 days past due. The Group does not hold any collateral in relation to these receivables.

The Group is exposed to material concentrations of credit risk due to its relatively small customer base. The Group's receivables are solely collected from Australian distributors who have strong long-term credit ratings. The Group focuses largely on experienced payment history and does not expect that these customers will fail to meet their obligations.

As at 30 June 2025, the Group has not recognised an expected credit loss provision as all receivable balances are current and considered to be collectible (30 June 2024: \$1,980).

D5 FINANCIAL RISK MANAGEMENT (continued)

(C) Liquidity Risk

Liquidity risk is the risk the Group may face difficulties in meeting its financial obligations. The Group manages this by maintaining sufficient liquidity to meet liabilities when due, in both normal and stressed conditions, without incurring unacceptable losses or reputational damage. Management monitors rolling forecasts weekly at an operational level and reports to the Directors monthly to support ongoing liquidity and timely decision-making.

(i) Maturities of financial instruments

The tables below provide an analysis of the Group's financial assets and liabilities into relevant maturity groupings based on the remaining period between the reporting date and the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	Within 1 year \$	Between 1 and 5 years \$	Over 5 years \$	Total contractual cash flows \$
2025				
Financial assets realisable cash flows				
Cash and cash equivalents	215,963	-	-	215,963
Trade and other receivables	835,833	-	-	835,833
Total inflow on financial assets	1,051,796	-	-	1,051,796
Financial liabilities due for payment				
Trade and other payables	(1,270,521)	-	-	(1,270,521)
Lease liabilities	(86,788)	-	-	(86,788)
Unearned revenue and customer deposits	-	-	-	-
Other financial liabilities	(404,047)	-	-	(404,047)
Total (outflow) on financial liabilities	(1,761,356)	-	-	(1,761,356)
Total (outflow) on financial instruments	(709,560)	-	-	(709,560)
2024				
Financial assets realisable cash flows				
Cash and cash equivalents	520,572	-	-	520,572
Trade and other receivables	814,471	-	-	814,471
Total inflow on financial assets	1,335,043	-	-	1,335,043
Financial liabilities due for payment				
Trade and other payables	(1,459,609)	-	-	(1,459,609)
Lease liabilities	(102,309)	(69,374)	-	(171,683)
Unearned revenue and customer deposits	(11,209)	-	-	(11,209)
Other financial liabilities	(356,000)	-	-	(356,000)
Total (outflow) on financial liabilities	(1,929,127)	(69,374)	-	(1,998,501)
Derivatives				
Foreign exchange derivative asset	-	-	-	-
Total inflow on derivative assets	-	-	-	-
Total inflow / (outflow) on financial instruments	(594,084)	(69,374)	-	(663,458)

D5 FINANCIAL RISK MANAGEMENT (continued)

(D) Fair value measurement of financial instruments

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. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

The Group measures certain financial instruments at fair value at each reporting date using a hierarchy based on the lowest level of input that is significant to the fair value measurement.

The fair value hierarchy consists of the following levels:

- quoted prices in active markets for identical assets or liabilities (Level 1);
- inputs other than quoted prices included within Level 1 that are observable for the asset / liability, either directly (as prices) or indirectly (derived from prices) (Level 2); and
- inputs for the asset / liability that are not based on observable market data (unobservable inputs) (Level 3).

There were no transfers between levels during the financial year.

(i) Carrying amounts approximate fair values

The carrying amount of trade and other receivables and trade and other payables are assumed to approximate their fair values due to their short-term nature. The fair value of non-current borrowings is estimated by discounting the future contractual cash flows at the current market interest rates that are available to the Group for similar financial instruments.

The carrying amount of the Group's borrowings approximates their fair values, as commercial rates of interest are paid, and the impact of discounting is not significant.

(ii) Fair value of derivative financial instruments

The fair value of the foreign exchange forward contracts is the estimated amount that the entity would receive or pay to terminate the swap at the balance sheet date, taking into account current foreign exchange rates. The fair value of the foreign exchange forward contracts is calculated as the present value of the estimated future cash flows and is classified as Level 2 under the fair value hierarchy.

E GROUP STRUCTURE

E1 PARENT ENTITY INFORMATION

This section presents the stand-alone financial information of the parent entity, Zimi Limited. The financial information has been prepared on the same basis as the Consolidated Financial Statements with the exception of investments in controlled entities which are accounted for at cost less any impairment.

	2025 \$	2024 \$
ASSETS		
Current assets	120,169	443,882
Non-current assets	-	49,314
Total assets	120,169	493,196
LIABILITIES		
Current liabilities	(172,835)	(61,045)
Non-current liabilities	-	-
Total liabilities	(172,835)	(61,045)
Net assets	(52,666)	432,151
EQUITY		
Issued capital	55,021,238	52,281,443
Other reserves	164,953	82,871
Accumulated losses	(55,238,857)	(51,932,163)
Total equity	(52,666)	432,151
Loss for the year	(3,306,694)	(806,406)
Total comprehensive loss for the year	(3,306,694)	(806,406)

At 30 June 2025, the parent entity had net liabilities of \$52,666 (2024: net assets \$432,151). The ability of the parent entity to continue as a going concern is dependent upon ongoing financial support from the consolidated entity.

E2 INVESTMENT IN CONTROLLED ENTITIES

The Consolidated Financial Statements incorporate the assets, liabilities and results of the parent entity, Zimi Limited and the following subsidiaries in accordance with the accounting policy described in note A3(A).

	Entity type	Country of incorporation	Equity holding	
			2025 %	2024 %
Zimi Technology Pty Ltd	Body Corporate	Australia	100	100
Zimi Innovations Pty Ltd	Body Corporate	Australia	100	100

F OTHER INFORMATION

F1 SHARE-BASED PAYMENTS

(A) Share-based payments reserve in the Consolidated Statement of Financial Position

	2025 \$	2024 \$
Options reserve	145,859	82,271
Director performance shares reserve	-	-
Director performance rights reserve	-	-
Employee performance rights reserve	19,094	-
Total share-based payments reserve	164,953	82,271

	Options reserve \$	Director performance shares reserve \$	Director performance rights reserve \$	Employee performance rights reserve \$	Total share-based payments reserve \$
Balance at 1 July 2023	695,680	64,136	61,802	86,420	908,038
Movement:					
Transfer value of options exercised to issued capital	(271,660)	-	-	-	(271,660)
Transfer value of performance shares converted to issued capital	-	-	(125,625)	(187,050)	(312,675)
Share-based payments expense through the P&L	-	-	105,698	167,774	273,472
Share-based payments forfeited / expired transferred to accumulated losses	(341,149)	-	-	-	(341,149)
Share-based payments forfeited / expired reversed through the P&L		(64,136)	(41,875)	(67,144)	(173,155)
Balance at 30 June 2024	82,871	-	-	-	82,871
Movement:					
Transfer value of options exercised to issued capital	62,988	-	-	-	62,988
Share-based payments expense through the P&L	-	-	-	19,094	19,094
Balance at 30 June 2025	145,859	-	-	19,094	164,953

F1 SHARE-BASED PAYMENTS (continued)**(B) Convertible securities movement reconciliation**

	Number of convertible securities				
	Options	Director performance shares	Director performance rights	Employee performance rights	Total convertible securities
Balance at 1 July 2023	56,571,140	320,003	2,500,000	1,600,004	60,991,147
Movement:					
Free-attaching options issued	5,305,000	-	-	-	5,305,000
Options expired and cancelled	(11,600,027)	-	-	-	(11,600,027)
Options exercised and converted to ordinary shares	(910,002)	-	-	-	(910,002)
Director performance rights converted to ordinary shares	-	-	(1,875,000)	-	(1,875,000)
Director performance rights expired / forfeited	-	-	(625,000)	-	(625,000)
Director performance shares expired / forfeited	-	(320,003)	-	-	(320,003)
Employee performance rights converted to ordinary shares	-	-	-	(3,100,004)	(3,100,004)
Employee performance rights issued	-	-	-	2,600,000	2,600,000
Employee performance rights expired / forfeited	-	-	-	(1,100,000)	(1,100,000)
Balance at 30 June 2024	49,366,111	-	-	-	49,366,111
Movement:					
Free-attaching options issued	7,125,000	-	-	-	7,125,000
Balance at 30 June 2025	56,491,111	-	-	-	56,491,111

	2025 number	2024 number
Options	56,491,111	49,366,111
Director performance shares	-	-
Director performance rights	-	-
Employee performance rights	-	-
Total convertible securities	56,491,111	49,366,111

F1 SHARE-BASED PAYMENTS (continued)

(C) Share-based payments (expense) in the Consolidated Statement of Comprehensive Income

	2025 \$	2024 \$
Recognised through share-based payments reserve		
Director performance shares share-based payments (expense)	-	(64,136)
Director performance rights share-based payments (expense)	-	(63,823)
Employee performance rights share-based payments (expense)	(19,094)	(100,631)
Total recognised through share-based payment reserve	(19,094)	(228,590)
Recognised directly to issued capital		
Director share-based payments (expense)	(107,500)	(111,042)
Employee share-based payments (expense)	-	(8,750)
Total recognised directly to issued capital	(107,500)	(119,792)
Total share-based payments expense	(126,594)	(348,382)

(D) Options

(i) Broker unlisted options

In association with historical capital raises, Zimi previously granted lead manager / broker options to advisors in respect of brokerage services relating to the capital raises. Options granted to advisors for capital raising services are valued and recognised as an associated cost to issued capital. A number of options expired during the year and were subsequently cancelled. Balances associated with these cancellations were transferred to accumulated losses. No new broker options were granted during the year ended 30 June 2025.

The fair value of the lead manager unlisted options issued for brokerage services has been determined based on a Black-Scholes option pricing model. The lead manager unlisted options have no vesting conditions. The variables in the table below were used as inputs into the model to determine the fair value of the lead manager unlisted options.

Grant date	Expiry date	Number of options	Exercise price	Share price volatility	Risk-free rate	Value per options	Value of options
14 Oct 2022	18 Oct 2025	1,481,250	\$0.1200	125%	3.45%	\$0.0407	\$60,231
9 June 2023	30 Jun 2026	1,000,000	\$0.0800	106%	2.99%	\$0.0226	\$22,640
28 Nov 2024	16 Dec 2027	7,125,000	\$0.0125	126%	3.91%	\$0.0088	\$62,988
Total value of lead manager unlisted options							\$145,859

¹ Any unexercised options relating to these two tranches expired during the year and were subsequently cancelled.

Set out in the table below is a reconciliation of broker unlisted options.

	2025		2024	
	Number	\$	Number	\$
Balance at 1 July	2,481,250	82,871	6,435,700	695,680
Movement:				
Lead manager unlisted options issued	7,125,000	62,988	-	-
Exercised and converted into ordinary shares	-	-	(910,002)	(271,659)
Expired and cancelled	-	-	(3,044,448)	(341,150)
Balance at 30 June	9,606,250	145,859	2,481,250	82,871

The balance of 9,606,250 lead manager unlisted options are all exercisable at the end of the year. The weighted average exercise price for these options is \$0.036.

F1 SHARE-BASED PAYMENTS (continued)**(ii) Unlisted free-attaching options**

In association with historical capital raises, there were certain arrangements whereby for every one share issued, one free-attaching option was also issued. Free-attaching options are not valued and recognised in the share-based payments reserve unless the attaching options were issued in respect of services relating to the capital raises (refer to note F1(D)(i)).

Set out in the table below is a reconciliation of free-attaching options.

	2025		2024	
	Number	\$	Number	\$
Balance at 1 July	46,884,861	-	50,135,440	-
Movement:				
Free-attaching options issued	-	-	5,305,000	-
Free-attaching options expired / forfeited	-	-	(8,555,579)	-
Balance at 30 June	46,884,861	-	46,884,861	-

The balance of 46,884,861 free-attaching options are all exercisable at the end of the year. The weighted average exercise price for these options is \$0.096.

(E) Director performance shares

No performance shares were held by, or granted to, directors during the year.

(F) Director performance rights

No performance rights were held by, or granted to, directors during the year.

(G) Employee performance rights

Details of these performance rights are set out in the below table.

Grant date	Expiry date	Total no. issued	Value per right	Total value of right
31 Mar 2025	30 Sep 2025	2,225,000 ¹	\$0.01	\$22,250
31 Mar 2025	30 Sep 2025	2,225,000 ²	\$0.01	\$22,250
Total value of employee performance rights				\$44,500

¹ Performance rights issued under ZMMPR7.

² Performance rights issued under ZMMPR8, 1,112,500 of these performance rights were forfeited and cancelled upon employee resignation.

The fair value of the performance rights has been determined based on the Company's share price at the date of grant. The total value of the rights was to be brought to account over the period from grant date to expiry date, with adjustments made where an employee does not meet the required service condition or where acceleration criteria is met.

F1 SHARE-BASED PAYMENTS (continued)

(G) Employee performance rights (continued)

Set out in the table below is a reconciliation of employee performance rights.

	2025		2024	
	Number	\$	Number	\$
Balance at 1 July	-	-	1,600,004	86,420
Movement:				
Employee performance rights issued	-	-	2,600,000	-
Employee performance rights converted to ordinary shares	-	-	(3,100,004)	(187,050)
Share-based payments expense through the P&L	-	19,094	-	167,773
Share-based payments forfeited and reversed through the P&L upon departure of employee	-	-	(66,667)	(4,793)
Share-based payments forfeited / expired and trued up through the P&L	-	-	(1,033,333)	(62,350)
Balance at 30 June	-	19,094	-	-

Material Accounting Policy

The cost of share-based payments are determined on the basis of the fair value of the equity instrument at grant date. The grant date for valuation purposes is generally the relevant approval date, such as shareholder or Board approval date.

Determining the fair value assumes choosing the most suitable valuation model for these equity instruments, by which the characteristics of the grant have a decisive influence. The input into the valuation model includes relevant judgments such as the estimated probability of vesting and the volatility of the underlying share.

The grant date fair value of equity-settled share-based payments is recognised as an expense proportionally over the vesting period, with a corresponding increase in equity.

The fair value of instruments with market-based performance conditions is calculated at the date of grant using relevant models such as a barrier up and in trinomial option pricing model or Monte Carlo simulation model. The probability of achieving market-based performance conditions is incorporated into the determination of the fair value per instrument.

The fair value of instruments with non-market-based performance conditions and service conditions are calculated using a Black-Scholes option pricing model.

At each Statement of Financial Position date, the entity revises its estimate of the number of convertible securities that are expected to become exercisable. The employee benefit expense recognised each period takes into account the most recent estimate.

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F2 RELATED PARTY DISCLOSURES

(A) Parent entity and subsidiaries

The ultimate holding entity is Zimi Limited. Information about the Group's structure, including details of the controlled entities and holding company are set out in note E2.

(B) Key management personnel remuneration

The total remuneration for KMP of the Group is set out below:

	2025 \$	2024 \$
Salary and fees	442,691	457,151
Post-employment benefits	52,041	50,286
Ordinary share settled benefits	107,500	111,043
Performance share and rights benefits ¹	-	17,101
Total key management personnel remuneration	602,232	635,581

¹ The performance share and rights benefits for the year ended 30 June 2024 includes write-backs (of accounting expense recognised in prior periods). The probability of the related performance conditions being satisfied is assessed at the end of each reporting period to reflect the most current expectation of vesting i.e. either the service condition or a re-assessment that the relevant non-market performance hurdle will not be achieved.

Detailed remuneration disclosures and information regarding compensation of individual KMP are provided in the Remuneration Report on pages 12 to 24.

(C) Related party transactions

As disclosed in the Annual Report for the year ended 30 June 2024 (Note F2), the Group engaged in related party transactions with GSM Electrical (Australia) Pty Ltd and GSM Retail Australia Pty Ltd (together, the GSM Entities). These entities are related parties of key management personnel (KMP) Mr. Simon Gerard.

The transactions included:

- Sales and purchases of product;
- Provision of quality assurance and logistics services; and
- Management of international manufacturing and engineering operations.

In November 2024, the Group suspended all purchase and sale transactions involving the GSM Entities due to a breach of ASX Listing Rule 10.1 and 10.2, which govern transactions involving related parties. Following shareholder approval and clearance from the ASX, the suspension was lifted on 28 April 2025, enabling the Group to recommence transactions under new manufacturing and distribution agreements, with transactional limits approved for a period of two years.

During the year ended 30 June 2025, the Group continued transacting with Bell Total Logistics Pty Ltd (**Bell Total Logistics**), an entity related to KMP Simon Gerard. These transactions were for logistics services and importation of product. The majority of the transactions relate to Goods and Services Tax on importation of goods, which is recoverable from the Australian Tax Office (ATO). There is no separate formal agreement in place with Bell Total Logistics and the Group engages their logistic services on a case-by-case basis.

On 28 April 2025, following shareholder approval and clearance from the ASX, the Group executed a new distribution and manufacturing agreement with Zencontrol Limited, a related party of KMP Mr. Joshua Newell, with transaction limits approved for a period of two years.

This agreement enables the Group to engage a new manufacturing partner and commence sales to a new customer, supporting the Group's operational continuity and strategic growth.

The goods and services received or provided were on commercial arms-length terms.

F2 RELATED PARTY DISCLOSURES (continued)

(C) Related party transactions (continued)

The following table provides details of transactions during the year ended 30 June 2025, and balances as at 30 June 2025.

	Settled during 1 Jul 2024 to 30 Jun 2025		Outstanding as at 30 June 2025		Total transactions during the period 1 Jul 2024 to 30 Jun 2025 \$
	Cash settled \$	Equity settled ¹ \$	Accounts receivable \$	Accounts payable or accrued \$	
Transactions with GSM Electrical					
Sales of finished goods (inclusive of GST) ²	360,126	-	1,038	-	339,110
Personnel, engineering project costs and warehousing services ² (inclusive of GST)	-	-	-	(289,642)	(149,613)
Net total with GSM Electrical	360,126	-	1,038	(289,642)	189,497
Transactions with GSM Retail					
Purchases of finished goods ³ which are to be remitted to 3rd-party manufacturers (no GST)	(638,488)	(405,997)	-	(304,383)	(426,088)
Quality assurance services (no GST)	-	-	-	(105,633)	(33,103)
Net total with GSM Retail	(638,488)	(405,997)	-	(410,016)	(459,191)
Transactions with Bell Total Logistics					
Freight and import duties (inclusive of GST)	(27,491)	-	-	(3,065)	(30,556)
GST on importation which is recoverable from the ATO	(41,410)	-	-	(18,190)	(59,600)
Net total with Bell Total Logistics	(68,901)	-	-	(21,255)	(90,156)
Transactions with Zencontrol Limited ⁴					
Purchases of finished goods (no GST)	(108,862)	-	-	(51,118)	(159,980)
Net total with Zencontrol Limited	(108,862)	-	-	(51,118)	(159,980)
Total related party transactions	(456,125)	(405,997)	1,038	(772,031)	(519,830)

¹ During the year ended 30 June 2025, shareholders approved the issuance of a further \$405,997 shares to settle against creditor for purchase of finished goods. The amount remaining to be utilised is nil.

² Sales of finished goods, sales returns and warehousing services pursuant under the Distribution Agreement.

³ Finished goods includes saleable product and engineering samples.

⁴ Finished goods includes deposits paid on saleable products and tooling expenses.

F2 RELATED PARTY DISCLOSURES (continued)

(C) Related party transactions (continued)

The following table provides details of transactions during the year ended 30 June 2024, and balances as at 30 June 2024.

	Settled during 1 Jul 2023 to 30 Jun 2024		Outstanding as at 30 June 2024		Total transactions during the period 1 Jul 2023 to 30 Jun 2024 \$
	Cash settled \$	Equity settled \$	Accounts receivable \$	Accounts payable or accrued \$	
Transactions with GSM Electrical					
Sales of finished goods (inclusive of GST) ¹	2,368,354	-	22,054	-	2,390,408
Project and tooling contribution (inclusive of GST)	49,841	-	-	-	49,841
Personnel, engineering project costs and warehousing services ² (inclusive of GST)	-	(85,097)	-	(140,029)	(225,126)
Net total with GSM Electrical	2,418,195	(85,097)	22,054	(140,029)	2,215,123
Transactions with GSM Retail					
Purchases of finished goods ² which are to be remitted to 3rd-party manufacturers (no GST)	(1,188,580)	-	-	(922,780)	(2,111,360)
Quality assurance services (no GST)	-	(67,377)	-	(72,530)	(139,907)
Net total with GSM Retail	(1,188,580)	(67,377)	-	(995,310)	(2,251,267)
Transactions with Bell Total Logistics					
Freight and import duties (inclusive of GST)	(87,089)	-	-	-	(87,089)
GST on importation which is recoverable from the ATO	(280,090)	-	-	-	(280,090)
Net total with Bell Total Logistics	(367,179)	-	-	-	(367,179)
Transactions with Harness Investment Partners					
Consulting services (inclusive of GST)	(33,000)	-	-	-	(33,000)
Net total with Harness Investment Partners	(33,000)	-	-	-	(33,000)
Total related party transactions	829,436	(152,474)	22,054	(1,135,339)	(436,323)

¹ Sales of finished goods, sales returns and warehousing services pursuant under the Distribution Agreement.

² Finished goods includes saleable product and engineering samples.

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F2 RELATED PARTY DISCLOSURES (continued)

(D) Related party commitments

The following table provides the total amount of commitments with related parties.

The amounts disclosed include commitments to do something if a particular event occurs (or does not occur) in the future. The amounts disclosed relate to transactions in which neither party has performed any of their obligations, and as such, there are no associated amounts owed by or to either party.

	2025 \$	2024 \$
Commitments with GSM Electrical		
Sales of finished goods (inclusive of GST)	1,276,153	713,460
Net total with GSM Electrical	1,276,153	713,460
Commitments with GSM International		
Purchases of finished goods to be remitted to 3rd party manufacturer (no GST)	(552,960)	(1,276,671)
Quality assurance services (no GST)	(32,183)	(70,217)
Net total with GSM International	(585,143)	(1,346,888)
Total related party commitments	691,010	(633,428)

(E) Related party loans

As at 30 June 2025, there were no loans outstanding to related parties (2024: nil).

F3 AUDITOR'S REMUNERATION

During the year the following fees were paid or payable for services provided by HLB Mann Judd.

	2025 \$	2024 \$
Audit and review of financial statements - Group	60,826	67,694
Total auditor's remuneration	60,826	67,694

There were no fees paid or payable in respect of non-audit services.

F4 COMMITMENTS AND CONTINGENCIES

(A) Commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities are set out below.

	2025 \$	2024 \$
Intangible assets	40,000	365,324
Total capital commitments	40,000	365,324

F4 **COMMITMENTS AND CONTINGENCIES (continued)**

(B) **Contingent liabilities**

The Group has no contingent liabilities as at 30 June 2025 (2024: nil).

(C) **Contingent assets**

The Group has no contingent assets as at 30 June 2025 (2024: nil).

F5 **EVENTS OCCURRING AFTER THE REPORTING PERIOD**

Since the reporting period, a capital raise has been announced to market totalling \$1.85m. Tranche #1 of \$375k was received in July 2025 with tranche #2 of \$1.48m to be received in September 2025.

CONSOLIDATED ENTITY DISCLOSURE STATEMENT

For the year ended 30 June 2025

Entity name	Entity type	Country of incorporation	Tax residency	Equity holding	
				2025 %	2024 %
Zimi Limited (parent)	Body Corporate	Australia	Australian	N/A	N/A
Zimi Technology Pty Ltd	Body Corporate	Australia	Australian	100	100
Zimi Innovations Pty Ltd	Body Corporate	Australia	Australian	100	100

Basis of Preparation

The Consolidated Entity Disclosure Statement (CEDS) has been prepared in accordance with the *Corporations Act 2001* and includes required information for each entity that was part of the consolidated entity as at the end of the financial year.

Consolidated Entity

This CEDS includes only those entities consolidated as at the end of the financial year, in accordance with AASB 10: *Consolidated Financial Statements*.

Determination of Tax Residency

Section 295.3A of the *Corporations Act 2001* defines tax residency as having the meaning in the *Income Tax Assessment Act 1997*. The determination of tax residency involved judgement as there are currently several different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

In determining tax residency, the Consolidated Entity has applied the following interpretations.

Australian tax residency

The Consolidated Entity has applied current legislation and judicial precedent, including having regard to the Tax Commissioner’s public guidance.

DIRECTORS' DECLARATION

In the opinion of the Directors of Zimi Limited (the Company):

- (a) the attached Financial Statements and notes thereto are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Australian Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
 - (ii) giving a true and fair view of the Group's financial position as at 30 June 2025 and of its performance for the financial year ended on that date;
- (b) subject to the matters disclosed at note A2, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable;
- (c) note A1 confirms that the Financial Statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board; and
- (d) the attached consolidated entity disclosure statement is true and correct.

The Directors have been given the declarations by the Chief Executive Officer and Chief Financial Officer required by section 295A of the *Corporations Act 2001*.

Signed in accordance with a resolution of the Board of Directors made pursuant to section 303(5) of the *Corporations Act 2001*.



Jordan Tentori
Executive Director and Chief Executive Officer

29 August 2025

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INDEPENDENT AUDITOR'S REPORT

To the Members of Zimi Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Zimi Limited ("the Company") and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes to the financial statements, including material accounting policy information, 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 2025 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 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 A2 in the financial report, which indicates that a material uncertainty exists that may cast significant doubt on the Group'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 of the current period. 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.

In addition to the matter described in the *Material Uncertainty Related to Going Concern*, we have determined the matters described below to be the key audit matters to be communicated in our report.

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Key Audit Matter	How our audit addressed the key audit matter
Revenue recognition Refer to Note B2	
<p>The Group generates revenue predominantly from the sale of products. The Group recognised sales revenue of \$815,877 for the year. Revenue recognition is considered to be a key audit matter given the significance of revenue to the Group's results as well as the fraud risk around cut-off including:</p> <ul style="list-style-type: none"> - An overstatement of revenues through premature revenue recognition or recording of fictitious revenues. - Revenue not being recognised when control is transferred to the customer, resulting in revenue not being recognised in the correct accounting period. 	<p>Our audit procedures included but were not limited to the following:</p> <ul style="list-style-type: none"> - We evaluated management's processes and key controls regarding accounting for the Group's revenue; - We ensured that recognition of revenue is consistent with the requirements of AASB 15 <i>Revenue from Contracts with Customers</i>; - We performed testing over revenue to supporting evidence; - We considered management's assessment of the status of contracts; and - We ensured that the disclosures required by AASB 15 were made in the financial report.
<p>Revenue is recognised when control is transferred to the customer and the amount of revenue can be reliably determined.</p>	
Carrying value of intangible assets Refer to Note C6	
<p>In accordance with AASB 136 <i>Impairment of Assets</i>, the Group was required to assess at balance date whether there was any indication that the intangible assets may have been impaired. If any such indication existed, the Group was required to estimate the recoverable amount of the asset.</p> <p>We focused on this area as the intangible assets represent significant assets of the Group. We planned our work to address the audit risk that the intangible assets may have been impaired.</p>	<p>Our procedures included, but were not limited to the following:</p> <ul style="list-style-type: none"> - We reviewed management's assessment of whether any impairment indicators existed that would require the assets to be tested for impairment, as well as performing our own assessment; - We performed substantive testing over additions, agreeing amounts recognised to supporting evidence and ensured these items could be capitalised under AASB 138 <i>Intangible Assets</i>; - We ensured that the Group's policy on amortisation of its intangible assets had been applied appropriately; and - We ensured that the disclosures required by AASB 138 were made in the financial report.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2025, 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 accordingly 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.

Responsibilities of the Directors 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:

- (a) 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
- (b) the consolidated entity disclosure statement that is true and correct and is free from material 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 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 or 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 control.
- Obtain an understanding of internal control 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 control.
- 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.

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, actions taken to eliminate threats or safeguards applied.

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 within the Directors' Report for the year ended 30 June 2025.

In our opinion, the Remuneration Report of Zimi Limited for the year ended 30 June 2025 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.

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

Perth, Western Australia
29 August 2025



M R Ohm
Partner

OTHER INFORMATION



ASX ADDITIONAL INFORMATION

In accordance with the ASX Listing Rules, the following information as at 6 August 2025, is provided:

SUBSTANTIAL HOLDERS

Set out below are all substantial holders who have a holding of more than 5% of a Company's voting rights (as per notice given):

	Number of shares held	% of total shares held
GERARD PRIVATE HOLDINGS (FINANCE) PTY LTD AND ITS ASSOCIATES	85,466,010	17.44%
RB HOLDINGS AUSTRALIA PTY LTD <HOMECORP AUSTRALIA A/C> AND ITS ASSOCIATES	62,500,000	12.75%
TODD MILLINER AND ITS ASSOCIATES	36,250,000	7.40%
ZENDO PTY LTD <ZENDO FAMILY A/C> AND ITS ASSOCIATES	36,250,000	7.40%
RJ18 SMSF PTY LTD <RJ18 SMSF A/C> AND ITS ASSOCIATES	35,000,000	7.14%
CRAIG CHAPMAN AND ITS ASSOCIATES	25,000,000	5.10%
SCINTILLA STRATEGIC INVESTMENTS LIMITED AND ITS ASSOCIATES	24,967,000	5.09%

DISTRIBUTION OF EQUITABLE SECURITIES

	Number of holders	Number of shares held	% of total shares held
1 - 1,000	78	11,968	0.00%
1,001 - 5,000	106	385,066	0.08%
5,001 - 10,000	174	1,191,566	0.24%
10,001 - 100,000	291	10,002,057	2.04%
100,001 and over	179	478,453,166	97.63%
Total equitable securities	828	490,043,823	100.00%

There were 606 shareholders with less than a marketable parcel totalling 8,068,655 shares.

UNQUOTED EQUITY SECURITIES

There are 20,668,750 options exercisable at \$0.12 expiring 18 October 2025 (with the potential to take up ordinary shares) issued to 33 holders. Names of security holders holding more than 20% of this class of security are as follows:

- Gerard Private Holdings (Finance) Pty Ltd (holding of 4,375,000 options)

There are 28,697,361 options exercisable at \$0.08 expiring 30 June 2026 (with the potential to take up ordinary shares) issued to 77 holders. Names of security holders holding more than 20% of this class of security are as follows:

- Smart Safety and Security Pty Ltd <Smart Safety & Security A/C> (holding of 10,000,000 options)
- Gerard Private Holdings (Finance) Pty Ltd (holding of 7,500,000 options)

There are 7,125,000 options exercisable at \$0.0125 expiring 16 December 2027 (with the potential to take up ordinary shares) issued to one holder. Names of security holders holding more than 20% of this class of security are as follows:

- Cerberus Investments Pty Ltd (holding of 7,125,000 options)

There are no voting rights attached to the unquoted equity securities.

QUOTED EQUITY SECURITIES

As at 6 August 2025 there were 828 individual holders.

The voting rights attaching to the ordinary shares are:

- On a show of hands every shareholder present at a meeting in person or by proxy shall have one vote; and
- Upon a poll, each share shall have one vote.

For details of registered office and share registry details refer to Shareholder Information and Enquiries on page 2 of this Annual Report.

SECURITIES SUBJECT TO ESCROW

There were nil securities subject to escrow as at 6 August 2025.

TOP 20 SHAREHOLDERS

	Number of shares held	% of total shares held
GERARD PRIVATE HOLDINGS (FINANCE) PTY LTD	74,613,606	15.23%
RB HOLDINGS AUSTRALIA PTY LTD	62,500,000	12.75%
TODD MILLINER	36,250,000	7.40%
ZENDO PTY LTD	36,250,000	7.40%
RJ18 SMSF PTY LTD	35,000,000	7.14%
SCINTILLA STRATEGIC INVESTMENTS LIMITED	24,967,000	5.09%
MR CRAIG GRAEME CHAPMAN	15,000,000	3.06%
SMART SAFETY & SECURITY PTY LTD	10,000,000	2.04%
LACE POP PTY LTD	10,000,000	2.04%
MADURTA INVESTMENTS PTY LTD	7,343,750	1.50%
CHEMBANK PTY LIMITED	7,000,000	1.43%
CHIFLEY PORTFOLIOS PTY LIMITED	6,751,825	1.38%
SHIRLEY ROAD CUSTODIANS PTY LIMITED	6,570,001	1.34%
MR ALLAN JOHN HEBERT & MRS PRUE NATALIE HEBERT	6,500,000	1.33%
DR JAMES ANTHONY MULLINS	6,500,000	1.33%
FINCLEAR SERVICES PTY LTD	6,392,235	1.30%
SHIRLEY ROAD CUSTODIANS PTY LIMITED	5,375,000	1.10%
A G & E JENZEN PTY LTD	5,000,000	1.02%
MR CRAIG GRAEME CHAPMAN & MRS JOANNE CHAPMAN	5,000,000	1.02%
MR CRAIG GRAEME CHAPMAN & MRS JOANNE CHAPMAN	5,000,000	1.02%
Total top 20 holders of fully paid ordinary shares	372,013,417	75.91%



For internal use only



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