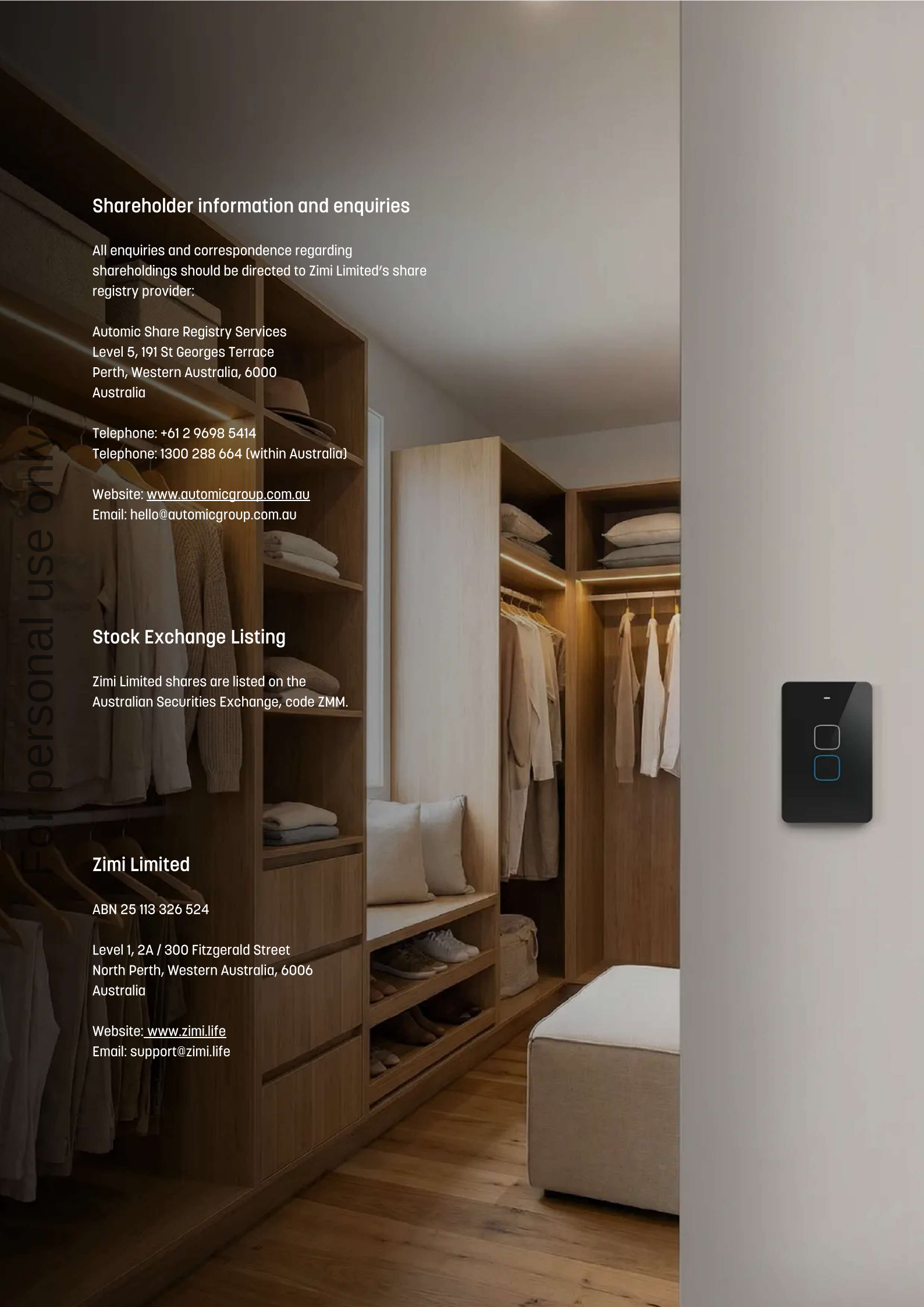


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ANNUAL REPORT

FOR THE YEAR ENDED 30 JUNE 2026

ZIMI LIMITED | ABN 25 113 326 524



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Shareholder information and enquiries

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

Automic Share Registry Services
Level 5, 191 St Georges Terrace
Perth, Western Australia, 6000
Australia

Telephone: +61 2 9698 5414
Telephone: 1300 288 664 (within Australia)

Website: www.automicgroup.com.au
Email: hello@automicgroup.com.au

Stock Exchange Listing

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

Zimi Limited

ABN 25 113 326 524

Level 1, 2A / 300 Fitzgerald Street
North Perth, Western Australia, 6006
Australia

Website: www.zimi.life
Email: support@zimi.life



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ANNUAL REPORT

FOR THE YEAR ENDED 30 JUNE 2026

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CHIEF EXECUTIVE OFFICER'S ADDRESS

Dear Shareholders,

The smart home industry has grown strongly over recent years, as more households embrace connected, more convenient ways of living. That growth has occurred despite consumers having to navigate a range of different systems and products that don't always talk to each other — and it's now poised to accelerate further, with the market making a seismic shift toward 'Matter', a single, unified global standard for smart homes.

Matter is developed by the Connectivity Standards Alliance, whose more than 600 member companies include Apple, Google, Samsung and Amazon. The unified smart home connectivity standard simply means products can work seamlessly across Apple Home, Google Home, Samsung SmartThings and Amazon Alexa — alongside any other certified hardware. We expect this alignment to accelerate adoption in a market that was already growing, and FY26 was the year Zimi moved to position itself firmly in front of that shift, reinforcing our commitment to the platform at every stage of our roadmap. Our first step in bridging to Matter was Matter Connect, which brings all of our current Bluetooth product ranges into the Matter ecosystem and made us one of Australia's first companies to achieve official Matter certification.

At the same time, the major smart home ecosystems are increasingly building artificial intelligence directly into their platforms, and we expect this to make the smart home genuinely intelligent for the first time — anticipating and responding to how people actually live, rather than simply being remotely controlled. Combined with well-designed, reliable hardware like Zimi's, we believe AI-powered smart homes will create real, everyday value for consumers, and become a further driver of mass-market adoption.

Our products are now transitioning further to being native Matter devices. Throughout FY26 we developed Senoa Matter, our first native Matter product range, giving us a first-mover advantage in Australia as we pursue both retail shelves and the significant electrical wholesale distribution market. Being a native Matter product means it works straight out of the box in any home, a genuinely consumer-friendly proposition as smart home adoption becomes mainstream. We are now industrialising the range for production as we prepare to bring it to market.

FY26 also saw us secure some of our largest projects to date, with Zimi products specified as the standard smart home solution in property developments comprising single projects of hundreds of homes, including our largest to date from Homecorp for its Cienna Apartments development. Wins of this scale reflect the growing confidence developers and builders are placing in Zimi, and mark an important step in our transition from individual product sales toward specification at a project level.

FY26 revenue grew by more than 120% on the prior year, supported by a more reliable production pipeline and an expanded product range. At the same time, we remained highly disciplined on costs, reducing administrative and corporate expenses by over 30% and improving our earnings before interest, tax, depreciation and amortisation (EBITDA) by close to half compared with FY25 — delivering our strongest EBITDA result since Zimi's inception.

It has been a genuinely foundational year for Zimi — building the technology, the manufacturing capability and the project pipeline that we believe will support our next phase of growth. I want to thank our shareholders for their continued support through this investment period, our distribution and development partners for their confidence in Zimi, and our team for their dedication and hard work in delivering these outcomes.

We are genuinely excited about Zimi's alignment with this highly anticipated market shift, led by four of the world's largest technology companies, and look forward to bringing our Matter-enabled products to market as this new chapter for the smart home unfolds.



Jordan Tentori
Chief Executive Officer

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DIRECTORS' REPORT

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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 2026.

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 and Non-Executive Director up to 30 June 2026.
Jordan Tentori	Executive Director and Chief Executive Officer (**CEO**).
Simon Gerard	Non-Executive Director.
Todd Milliner	Non-Executive Director from 28 November 2025 (replacing Joshua Newell)
Joshua Newell	Non-Executive Director up to 28 November 2025.
Richard Brown	Non-Executive Director up to 28 November 2025.

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.

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REVIEW AND RESULTS OF OPERATIONS

KEY DEVELOPMENTS

The Group achieved several important milestones during FY26, including:

- Generating $1,797,017 in revenue from product sales and related services, with over 24,843 devices and accessories delivered to customers.
- Achieving strong growth in Zimi Cloud device pairings, which rose to 69,703 as at 30 June 2026 — an increase of 10,304 devices from the prior year.
- Securing the Company's largest single project order to date from Homecorp for the Cienna Apartments development, with a purchase order of approximately $547,000 (including GST) for Senoa smart home products, reflecting growing adoption of Zimi's technology in residential construction.
- Continuing investment in research and development to expand the Group's product offerings and advance technology across existing ranges.
- Successfully completing two capital raises during the year, both of which broadened the Group's investor base: a $1,851,000 share placement in July/September 2025, issuing 308,500,000 ordinary shares, followed by a $1,558,057 share placement in May/July 2026, issuing a further 389,514,250 ordinary shares.
- Welcoming new Non-Executive Director Todd Milliner to the Board from 28 November 2025.

FINANCIAL RESULTS

Zimi recorded $1,797,017 in revenue for the year ended 30 June 2026 (2025: $815,877). The Company has now re-established a reliable production pipeline that has materially alleviated stock availability issues. This improved operational stability, combined with the expansion of our product portfolio through the launch of Smoke Connect in July 2025 and Matter Connect in November 2025, has supported a strong recovery in sales.

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 $307,135 in FY26 (2025: $862,650) largely relates to the amortisation of capitalised development costs and plant and equipment.

For the year ended 30 June 2026, the Group reports an operating loss before interest, tax, depreciation and amortisation (**EBITDA**) of $1,196,167 (2025: $2,332,951). 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 $1,542,355 for the financial year ended 30 June 2026 (2025: $3,252,864). This loss is not unexpected given our continuing investment into research and development activities, expanding our product range and planned entry into new markets. 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 FY26, Zimi had consolidated net assets of $2,002,546 (2025: $932,293), including cash and cash equivalents of $452,267 (2025: $215,963). The Group's current ratio was at 2.7 times for the year ending 30 June 2026 (2025: 1.2). Net cash outflows used in operating activities for the year were $1,432,190, including the receipt of $758,065 in relation to the research and development tax incentive (2025: $701,777).

CORPORATE UPDATE

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

- July 2025 – The Company raised gross proceeds of $375,000 through the completion of tranche 1 of its capital-raising program, issuing 62,500,000 ordinary shares on 9 July 2025.
- September 2025 – raised gross proceeds of $1,476,000 through tranche 2 of its capital-raising program, with 246,000,000 ordinary shares issued across two allotments on 16 September 2025 and 19 September 2025 respectively.
- May 2026 - raised gross proceeds of $740,000 through the completion of tranche 1 of its capital-raising program, issuing 185,000,000 ordinary shares on 12 May 2026.

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.

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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:

- 7,125,000 unlisted options exercisable at $0.0125 expiring 16 December 2027.
- 34,000,000 unlisted options exercisable at $0.025 expiring 3 December 2028.
- 231,757,125 unlisted options exercisable at $0.006 expiring 30 March 2029.

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 2025 and 30 June 2026.

EVENTS OCCURRING AFTER THE REPORTING PERIOD

Shares to be issued
As part of tranche 2 of the Company's capital raising program, $55,111 was received prior to 30 June 2026 and is reflected in the financial statements as issued capital. A further $762,946 was received subsequent to 30 June 2026. All 204,514,250 tranche 2 shares were issued on 15 July 2026 at $0.004 per share, raising total gross proceeds of $818,057. Shareholder approval for the issue was obtained at an Extraordinary General Meeting held on 29 June 2026.

Options issued
On 15 July 2026, the Company issued 194,757,125 free-attaching options in connection with the May and July 2026 capital raising, on the basis of one option for every two shares subscribed. The options are exercisable at $0.006 each and expire on 30 March 2029. Free-attaching options are not separately valued (refer note F1(D)(ii)).
On the same date, the Company issued 37,000,000 unlisted options to the lead manager, exercisable at $0.006 each and expiring on 30 March 2029. These options were approved by shareholders on 29 June 2026, being the grant date. As they carry no vesting conditions, their fair value of $69,576 has been recognised in full during the year ended 30 June 2026 (refer note F1(D)(i)).

Director participation
Mr Simon Gerard, a Director of the Company, participated in tranche 2 on the same terms as other subscribers, subscribing for 38,264,250 ordinary shares for consideration of $153,057, together with 19,132,125 free-attaching options. The issue to Mr Gerard was approved by shareholders at the Extraordinary General Meeting held on 29 June 2026.

Other matters
No other matter or circumstance has arisen since 30 June 2026 that has significantly affected, or may significantly affect, the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

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DIRECTORS AND OFFICERS

CURRENT DIRECTORS

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.

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.

TODD MILLINER



Non-Executive Director
Since 28 November 2025

Background and experience

Todd Milliner is a Co-founder of Zencontrol and the key driver behind the company's manufacturing excellence and continued success. Holding a Bachelor's Degree in Microelectronic Engineering from Griffith University, Todd possesses a deep technical foundation that he has applied directly to product design and industrialization.

FORMER DIRECTORS

RICHARD BROWN — Non-Executive Director, 1 December 2024 to 28 November 2025
Entrepreneur with over 20 years building global brands and leading market expansions across multiple industries, with a focus on scaling businesses, export growth and international partnerships. Richard holds a Bachelor of Commerce (Information Systems).

JOSHUA NEWELL — Non-Executive Director, 1 December 2024 to 28 November 2025
Managing Director of Zencontrol, Harcroft Lighting Pty Ltd and Evolt Pty Ltd, operating at the forefront of the global lighting control and smart building industries. 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.

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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 Practicing 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.

	Number of securities				
Name	Ordinary shares	Options	Performance shares	Performance rights	Total securities
Simon Gerard[1]	184,730,260	19,132,125	-	-	203,862,385
Jordan Tentori[2]	5,376,353	-	-	-	5,376,353
Todd Milliner	36,250,000	-	-	-	36,250,000

[1] Simon Gerard participated in tranche 2 of the capital raise, approved by shareholders at the EGM held on 29 June 2026, subscribing for 38,264,250 ordinary shares issued on 15 July 2026 together with 19,132,125 free-attaching options.
[2] Jordan Tentori held 3,000,000 performance rights at 30 June 2026. Following assessment of the FY26 performance conditions, none were satisfied and all 3,000,000 rights lapsed.

MEETINGS OF DIRECTORS

The number of meetings of the Company's Board of Directors held during the year ended 30 June 2026, and the number of meetings attended by each Director are set out below.

	Number of	
Name	Eligible meetings	Attended meetings
Simon Gerard	18	17
Jordan Tentori	18	18
Simon Beissel	18	18
Todd Milliner	12	12
Richard Brown	6	6
Joshua Newell	6	5

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 2026 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 2026. 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 23.

ROUNDING OF AMOUNTS

The Company is of a kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2026/183*, 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.

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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 2026.

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 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 – resigned 30 June 2026
Jordan Tentori	Executive Director and CEO	Full financial year
Simon Gerard	Non-Executive Director	Full financial year
Todd Milliner	Non-Executive Director	Appointed 28 November 2025
Joshua Newell	Non-Executive Director	Resigned 28 November 2025
Richard Brown	Non-Executive Director	Ceased 28 November 2025
Chas Storer	Chief Financial Officer (CFO)	Full financial year

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 2026 are summarised below:

	2026 $	2025 $	2024 $	2023 $	2022 $
Sales revenue	1,797,017	815,877	3,231,843	219,844	3,051,534
EBITDA	(1,196,167)	(2,332,951)	(1,619,073)	(2,545,252)	(2,114,104)
Profit / (Loss) after income tax	(1,542,355)	(3,252,864)	(3,365,212)	(5,369,745)	(4,931,102)

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

	2026	2025	2024	2023	2022
Share price at balance date ($)	0.003	0.008	0.011	0.031	0.113
Basic earnings/(loss) per share (cents per share) [1]	(0.21)	(1.08)	(2.81)	(6.33)	(8.66)

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 2025. 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.

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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
Chas Storer[4]	140,000[3]	Ongoing	3 months	Annually

[1] Base salary excludes statutory superannuation (i.e. 12% for the year ended 30 June 2026).
[2] The review will have regard to such matters as the responsibilities, performance and remuneration of the employee.
[3] Effective 6 July 2026, Chas Storer's base salary was increased to $160,000 per annum, excluding statutory superannuation.
[4] In accordance with his employment agreement, Chas Storer was issued 250,000 fully paid ordinary shares on 17 October 2025 upon successful completion of his probationary period, with a fair value of $5,000 at the date of issue.

(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

During the year, Jordan Tentori (Executive Director and CEO) was issued 3,000,000 Performance Rights as a long-term incentive, designed to align his interests with those of shareholders and reward the achievement of key strategic milestones. Vesting was subject to performance conditions measured over the period ended 30 June 2026, comprising a FY26 revenue growth hurdle (50%), a Senoa+ Matter product design, manufacture and sale milestone (30%) and a capital raising hurdle (20%).

Following the Board's assessment of the performance conditions, none of the conditions were satisfied and all 3,000,000 Performance Rights lapsed. No amount has been recognised as remuneration in respect of the Performance Rights for the year ended 30 June 2026. Full details are set out in note F1(F).

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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.

Following a Board review in September 2025, the Board resolved to reduce Non-Executive Director fees effective 1 August 2025. Details of the revised fee arrangements are set out under "Non-Executive Director Arrangements" below.

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.

Effective 1 August 2025, the Board resolved to implement the following revised fee structure:

- The Chair's (Simon Beissel) annual fee was reduced to $50,000 p.a., to be settled in shares at an issue price of $0.006, subject to receipt of shareholder approval at the Annual General Meeting.
- Non-Executive Directors — Simon Gerard, Richard Brown and Joshua Newell — agreed to receive nil fees effective 1 August 2025, until such time as the Company achieves break-even. Director fees for these Non-Executive Directors will be subject to review once break-even is achieved.

Set out below is the annual fee for each Non-Executive Director set for FY26.

Non-Executive Director	2026 $	2025 $
Simon Gerard	4,479	53,750
Simon Beissel	55,174	53,750
Richard Brown	4,447	31,136
Joshua Newell	4,447	31,136
Total Non-Executive Director annual fees	**68,547**	**169,772**

LONG-TERM INCENTIVES

Non-Executive Directors did not receive performance-based remuneration for FY26.

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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	FY26	-	-	-	-	-	-	0.0%
Gerard	FY25	-	-	-	53,750	-	53,750	0.0%
Simon	FY26	-	-	-	61,111	-	61,111	0.0%
Beissel[5]	FY25	-	-	-	53,750	-	53,750	0.0%
Richard	FY26	-	-	-	35,583	-	35,583	0.0%
Brown[6]	FY25	-	-	-	-	-	-	0.0%
Joshua	FY26	-	-	-	35,583	-	35,583	0.0%
Newell[7]	FY25	-	-	-	-	-	-	0.0%
Todd	FY26	-	-	-	-	-	-	0.0%
Milliner[8]	FY25	-	-	-	-	-	-	0.0%
Jordan	FY26	287,492	-	34,239	-	-	321,731	0.0%
Tentori	FY25	278,754	-	32,276	-	-	311,030	0.0%
Rachel	FY26	-	-	-	-	-	-	0.0%
Tuck[9]	FY25	119,985	-	14,679	-	-	134,664	0.0%
Chas	FY26	141,917	-	16,361	5,000	-	163,278	0.0%
Storer[10]	FY25	43,952	-	5,086	-	-	49,038	0.0%
Consolidated	**FY26**	**429,409**	**-**	**50,600**	**137,277**	**-**	**617,286**	**0.00%**
remuneration	**FY25**	**442,691**	**-**	**52,041**	**107,500**	**-**	**602,232**	**0.00%**

[1] Salary includes motor vehicle allowances, 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] Non-executive directors' fees are settled in fully paid ordinary shares, recognised in the year the shares are granted. Effective 1 August 2025, the Board resolved that non-executive directors would receive nil fees and the Chair's fee was reduced to $50,000 per annum. The Chair's FY26 fees were settled via 8,333,333 shares issued following the November 2025 AGM, subject to voluntary escrow until 31 July 2026. Fees of $35,583 each, accrued to R. Brown and J. Newell for the period from appointment (1 December 2024) to 31 July 2025, were settled in shares following shareholder approval at the November 2025 AGM and are recognised in FY26. Chas Storer received 250,000 shares at $0.02 per share on 17 October 2025 upon completing his probation period (refer footnote 10).
[5] Simon Beissel resigned as Chair and Non-Executive Director on 30 June 2026. He agreed to assist with the transition to a new Chair during July 2026, and the 8,333,333 shares issued in respect of his fees cover the period to 31 July 2026.
[6] Richard Brown ceased as Non-Executive Director on 28 November 2025.
[7] Joshua Newell resigned as Non-Executive Director on 28 November 2025.
[8] Todd Milliner was appointed as Non-Executive Director on 28 November 2025 (replacing Joshua Newell).
[9] Rachel Tuck resigned as Chief Financial Officer on 31 March 2025.
[10] Chas Storer was allocated 250,000 ordinary shares at a deemed issued price of $0.02 per share on 17 October 2025 for successfully completing his probation period.

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EQUITY INSTRUMENTS

KEY MANAGEMENT PERSONNEL ORDINARY SHARES

Name	Opening balance 1 Jul 2025	Balance on appointment	Acquired or (disposed)	Converted during the year	Issued as share-based payments	Balance on cessation	Closing balance 30 Jun 2026
Simon Gerard[1]	85,466,010	-	61,000,000	-	-	-	146,466,010
Simon Beissel[2]	13,288,751	-	5,000,000	-	8,333,333	(26,622,084)	-
Richard Brown[3]	35,000,000	-	-	-	3,558,333	(38,558,333)	-
Joshua Newell[4]	36,250,000	-	-	-	3,558,333	(39,808,333)	-
Todd Milliner[5]	-	36,250,000	-	-	-	-	36,250,000
Jordan Tentori[6]	5,376,353	-	-	-	-	-	5,376,353
Chas Storer[7]	-	-	-	-	250,000	-	250,000
Total ordinary shares	**175,381,114**	**36,250,000**	**66,000,000**	**-**	**15,699,999**	**(104,988,750)**	**188,342,363**

[1] Simon Gerard (or nominee):
- On 19 September 2025, entities related to Simon Gerard participated in a capital raise for 61,000,000 shares. 61,000,000 shares were issued at an issue price of $0.006 (i.e. total value of $366,000).

[2] Simon Beissel (or nominee):
- On 16 September 2025, entities related to Simon Beissel participated in a capital raise for 5,000,000 shares. 5,000,000 shares were issued at an issue price of $0.006 (i.e. total value of $30,000)
- On 28 November 2025, Non Executive Director Fee shares were issued as approved by shareholders. 8,333,333 shares were issued to the chair at an issue price of $0.006 (i.e. total value of $50,000) and relate to a period of service from 1 August 2025 to 31 July 2026. These shares are to be held in escrow until 31 July 2026.
- Simon Beissel resigned as Chair and Non Executive Director on 30 June 2026.

[3] Richard Brown (or nominee):
- On 28 November 2025, Non Executive Director Fee shares were issued as approved by shareholders. 3,558,333 shares were issued to at an issue price of $0.01 (i.e. total value of $35,583) and relate to a period of service from 1 December 2024 to 31 July 2025.
- Richard Brown ceased as an Non Executive Director on 28 November 2025.

[4] Joshua Newell (or nominee):
- On 28 November 2025, Non Executive Director Fee shares were issued as approved by shareholders. 3,558,333 shares were issued to at an issue price of $0.01 (i.e. total value of $35,583) and relate to a period of service from 1 December 2024 to 31 July 2025.
- Joshua Newell resigned as an Non Executive Director on 28 November 2025. Being replaced by Todd Milliner.

[5] Todd Milliner (or nominee):
- No changes during the year.

[6] Jordan Tentori (or nominee):
- No changes during the year.

[7] Chas Storer (or nominee):
- On 17 October 2025, Chas Storer was allocated 250,000 ordinary shares at a deemed issued price of $0.02 per share for successfully completing his probation period.

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KEY MANAGEMENT PERSONNEL CONVERTIBLE SECURITIES (OPTIONS AND PERFORMANCE RIGHTS)

Name	Opening balance 1 Jul 2025	Granted during the year	Exercised during the year	Cancelled during the year	Balance on resignation	Closing balance 30 Jun 2026	Vested and exercisable	Unvested
Simon Gerard [1]								
- Options	12,812,500	-	-	(12,812,500)	-	-	-	-
Simon Beissel [2]								
- Options	1,981,667	-	-	(1,981,667)	-	-	-	-
Jordan Tentori [3]								
- Director performance rights	-	3,000,000	-	-	-	**3,000,000**	-	3,000,000
- Options	312,500	-	-	(312,500)	-	-	-	-
Total convertible securities	**15,106,667**	**3,000,000**	**-**	**(15,106,667)**	**-**	**3,000,000**	**-**	**3,000,000**

[1] Simon Gerard (or nominee):
- On 18 October 2025, 5,312,500 unlisted options ($0.12 exercise price) expired and were cancelled.
- On 30 June 2026, 7,500,000 unlisted options ($0.08 exercise price) expired and were cancelled.

[2] Simon Beissel (or nominee):
- On 18 October 2025, 625,000 unlisted options ($0.12 exercise price) expired and were cancelled.
- On 30 June 2026, 1,356,667 unlisted options ($0.08 exercise price) expired and were cancelled.

[3] Jordan Tentori (or nominee):
- On 18 October 2025, 312,500 unlisted options ($0.12 exercise price) expired and were cancelled.
- On 28 November 2025, following shareholder approval at the Annual General Meeting, the Company issued 3,000,000 Performance Rights to Mr Tentori as part of his remuneration, for nil cash consideration. Vesting was subject to performance conditions measured over a performance period ending 30 June 2026: a FY26 revenue growth hurdle (50%), a Senoa+ Matter product design, manufacture and sale milestone (30%), and a capital raising hurdle (20%). Full details of the conditions and other terms are set out under Long-term Incentives in the Executive Remuneration Structure section and in note F1(F). As at 30 June 2026, none of the Performance Rights had vested. Following the Board's assessment of the performance conditions after the reporting date, it was determined that none of the conditions had been satisfied and, accordingly, all 3,000,000 Performance Rights lapsed. The Performance Rights would otherwise have been capable of conversion until their expiry on 30 June 2029.

OTHER TRANSACTIONS AND BALANCES WITH KEY MANAGEMENT PERSONNEL

RELATED PARTY TRANSACTIONS

As disclosed in the Annual Report for the year ended 30 June 2025 (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; and
- Provision of quality assurance and logistics services.

During the year ending 30 June 2026, 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.

During the year ending 30 June 2026, the Group continued to transact with Zencontrol Limited, an entity related to KMP Todd Milliner. The transactions related to the manufacture and purchase of product and were conducted in accordance with the approved manufacturing agreement and within the limits authorised for the two-year period.

The sales to and purchases from GSM Electrical (Australia) Pty Ltd and Zencontrol Limited have been undertaken in accordance with the pricing parameters and formulas provided by RSM Corporate Australia Pty Ltd in the Independent Expert Report (as contained in the Notice of General Meeting for the meeting held 28 April 2025) for each of the above agreements respectively.

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

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RELATED PARTY TRANSACTIONS (continued)

The following table provides details of transactions during the year ended 30 June 2026, and balances as at 30 June 2026.

	Settled during 1 Jul 2025 to 30 Jun 2026	Outstanding as at 30 June 2026		Total transactions during the period 1 Jul 2025 to 30 Jun 2026 $
	Cash settled $	Accounts receivable $	Accounts payable or accrued $	
Transactions with GSM Electrical				
Sales of finished goods (inclusive of GST) [1]	1,640,964	11,414	-	1,651,340
Personnel, engineering project costs and warehousing services [2] (inclusive of GST)	(289,642)	-	-	-
Net total with GSM Electrical	**1,351,322**	**11,414**	**-**	**1,651,340**
Transactions with GSM Retail				
Purchases of finished goods [2] which are to be remitted to 3rd-party manufacturers (no GST)	(376,693)	-	(191,092)	(263,402)
Quality assurance services (no GST)	(16,539)	-	(91,260)	(2,166)
Net total with GSM Retail	**(393,232)**	**-**	**(282,352)**	**(265,568)**
Transactions with Bell Total Logistics				
Freight and import duties (inclusive of GST)	(38,254)	-	-	(35,189)
GST on importation which is recoverable from the ATO	(155,853)	-	-	(137,663)
Net total with Bell Total Logistics	**(194,107)**	**-**	**-**	**(172,852)**
Transactions with Zencontrol Limited [3]				
Purchases of finished goods (no GST)	(708,853)	-	(16,412)	(674,147)
Net total with Zencontrol Limited	**(708,853)**	**-**	**(16,412)**	**(674,147)**
Total related party transactions	**55,130**	**11,414**	**(298,764)**	**538,773**

[1] Sales of finished goods, sales returns and warehousing services pursuant under the Distribution Agreement.
[2] Finished goods includes saleable product and engineering samples.
[3] Finished goods includes deposits paid on saleable products and tooling expenses.

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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.

	2026 $	2025 $
Commitments with GSM Electrical		
Sales of finished goods (inclusive of GST)	468,854	1,276,153
Net total with GSM Electrical	**468,854**	**1,276,153**
Commitments with GSM Retail		
Purchases of finished goods to be remitted to 3rd party manufacturer (no GST)	(274,789)	(552,960)
Quality assurance services (no GST)	(15,113)	(32,183)
Net total with GSM Retail	**(289,902)**	**(585,143)**
Commitments with Zencontrol Limited		
Purchases of finished goods (no GST)	(188,754)	-
Net total with Zencontrol Limited	**(188,754)**	**-**
Total related party commitments	**(9,802)**	**691,010**

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

28 August 2026

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HLB MANN JUDD
ADVISORY AND ACCOUNTING

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the consolidated financial report of Zimi Limited for the year ended 30 June 2026, 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
28 August 2026

M R Ohm
Partner

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FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2026

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 28 August 2026.
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 2026

	Notes	2026 $	2025 $
Revenue	B2	1,797,017	815,877
Cost of sales		(1,262,920)	(579,662)
Gross profit		**534,097**	**236,215**
Other income	B3	849,757	753,163
Other net gains/(losses)	B5	(22,415)	(13,518)
Expenses			
Administrative and corporate		(559,898)	(817,363)
Employee benefits		(1,792,666)	(2,216,758)
Occupancy		(53,325)	(72,899)
Advertising and marketing		(43,857)	(49,528)
Travel		(90,052)	(72,599)
Depreciation and amortisation	B6	(307,135)	(862,650)
Impairment charge	B7	(17,808)	(79,664)
Total expenses		**(2,864,741)**	**(4,171,461)**
Operating loss before interest and income tax		**(1,503,302)**	**(3,195,601)**
Finance income	B8	2,650	-
Finance costs	B9	(41,703)	(57,263)
Loss before income tax		**(1,542,355)**	**(3,252,864)**
Income tax benefit	B10	-	-
Total comprehensive loss for the year		**(1,542,355)**	**(3,252,864)**

Loss per share	Notes	2026 cents	2025 cents
Basic loss per share	B4	(0.21)	(1.08)
Diluted loss per share	B4	(0.21)	(1.08)

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

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

	Notes	2026 $	2025 $
ASSETS			
Current assets			
Cash and cash equivalents	D3	452,267	215,963
Trade and other receivables	C1	910,868	835,833
Inventories	C2	611,095	809,187
Other assets	C3	148,306	307,224
Total current assets		**2,122,536**	**2,168,207**
Non-current assets			
Property, plant and equipment	C5	177,791	205,261
Intangible assets	C6	441,586	372,946
Right-of-use assets	C7	250,482	74,407
Total non-current assets		**869,859**	**652,614**
Total assets		**2,992,395**	**2,820,821**
LIABILITIES			
Current liabilities			
Trade and other payables	C8	(539,333)	(1,270,521)
Provisions	C9	(123,097)	(98,449)
Lease liabilities	C7	(81,916)	(86,788)
Borrowings	D4	(29,907)	(404,047)
Total current liabilities		**(774,253)**	**(1,859,805)**
Non-current liabilities			
Provisions	C9	(40,421)	(28,723)
Lease liabilities	C7	(175,175)	-
Total non-current liabilities		**(215,596)**	**(28,723)**
Total liabilities		**(989,849)**	**(1,888,528)**
Net assets		**2,002,546**	**932,293**
EQUITY			
Issued capital	D1	57,188,640	55,021,238
Reserves	D2	527,288	164,953
Accumulated losses		(55,713,382)	(54,253,898)
Total equity		**2,002,546**	**932,293**

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

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2026

	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
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**

	Issued capital $	Reserves $	Accumulated losses $	Total equity $
Balance at 1 July 2025	**55,021,238**	**164,953**	**(54,253,898)**	**932,293**
Loss for the year	-	-	(1,542,355)	(1,542,355)
Other comprehensive income/(loss)	-	-	-	-
Total comprehensive loss for the year	**-**	**-**	**(1,542,355)**	**(1,542,355)**
Other equity transactions				
Shares issued as part of capital raising	2,591,000	-	-	2,591,000
Application monies received in advance — tranche 2 shares issued 15 July 2026	55,111	-	-	55,111
Transaction costs related to shares issued	(196,186)	-	-	(196,186)
Director ordinary shares	132,277	-	-	132,277
Employee ordinary shares	5,000	-	-	5,000
Conversion of employee performance rights to ordinary shares	44,500	(44,500)	-	-
Share-based payment expense related to employee performance rights	-	25,406	-	25,406
Options issued as part of capital raising cost	(464,300)	464,300	-	-
Options lapsed and transferred to accumulated losses	-	(82,871)	82,871	-
Total other equity transactions	**2,167,402**	**362,335**	**82,871**	**2,612,608**
Balance at 30 June 2026	**57,188,640**	**527,288**	**(55,713,382)**	**2,002,546**

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

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CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 June 2026

	Notes	2026 $	2025 $
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		1,992,117	913,920
Payments to suppliers and employees (inclusive of GST)		(4,130,129)	(4,011,213)
Receipts from government grants		758,065	701,777
Receipts from interest income		2,467	3,585
Payments for interest and other finance costs		(54,710)	(75,899)
Net cash outflows used in operating activities	D3	**(1,432,190)**	**(2,467,830)**
Cash flows from investing activities			
Payments for property, plant and equipment		(32,812)	(18,573)
Payments for intangible assets		(186,709)	(223,430)
Net cash outflows used in investing activities		**(219,521)**	**(242,003)**
Cash flows from financing activities			
Principal elements of lease payments		(111,493)	(118,473)
Proceeds from borrowings	D3	-	454,047
Repayment of borrowings	D3	(404,047)	(406,000)
Proceeds from issuance of shares		2,646,110	2,526,355
Payments for transaction costs related to issuance of securities		(234,736)	(97,956)
Net cash inflows provided by financing activities		**1,895,834**	**2,357,973**
Net increase/(decrease) in cash and cash equivalents		**244,123**	**(351,860)**
Cash and cash equivalents, at the beginning of the financial year		**215,963**	**520,572**
Effects of exchange changes on the balances held in foreign currencies		(7,819)	47,251
Cash and cash equivalents, at the end of the financial year	D3	**452,267**	**215,963**

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 2026 was authorised for issue in accordance with a resolution of the Board of Directors on 28 August 2026.

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. 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 2026/183*.

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 a loss of $1,542,355 for the year ended 30 June 2026, and a net cash outflow from operating activities of $1,432,190, the Directors are of the opinion that the Group is a going concern for the following reasons:

- As at 30 June 2026, the Group has current assets exceeding current liabilities by $1,348,283, and cash and cash equivalents of $452,267.
- 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 $2,646,110 raised (gross of associated capital raising costs). 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 or alternatively does not raise sufficient capital on a timely basis, 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.

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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 2026 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 that 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.

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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 2026, 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.

	2026 $	2025 $
At a point in time		
Revenue from sale of finished goods	1,797,017	815,877
Total revenue	**1,797,017**	**815,877**

(A) Major customers

During the year ended 30 June 2026, $1,501,218 of the Group's revenue was derived from sales to GSM Electrical (Australia) Pty Ltd (2025: $308,282). 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 2026, 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 2026.

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.

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B3 Other income

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

	2026 $	2025 $
Research and development tax incentive	849,757	751,663
Other income	-	1,500
Total other income	**849,757**	**753,163**

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.

	2026 $	2025 $
Loss for the period	(1,542,355)	(3,252,864)

	2026 Shares	2025 Shares
Weighted average number of shares used as denominator in calculating both basic and diluted loss per share	719,953,411	302,276,639

	2026 Cents	2025 Cents
Basic and diluted loss per share	(0.21)	(1.08)

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/(losses)

	2026 $	2025 $
Gain/(loss) on disposal of assets	-	123
Gain/(loss) on extinguishment of liability	(5,556)	-
Gain/(loss) on unrealised and realised foreign exchange	(16,859)	(13,641)
Total other net gains/(losses)	**(22,415)**	**(13,518)**

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B6 Depreciation and amortisation

	2026 $	2025 $
Depreciation on property, plant and equipment	(65,427)	(67,906)
Depreciation on right-of-use assets	(105,718)	(118,662)
Amortisation on intangible assets	(135,990)	(676,082)
Total depreciation and amortisation	**(307,135)**	**(862,650)**

B7 Impairment charge

	2026 $	2025 $
Impairment of capitalised development costs	(17,808)	(79,664)
Total impairment charge	**(17,808)**	**(79,664)**

B8 Finance income

	2026 $	2025 $
Interest income	2,650	3,585
Total finance income	**2,650**	**3,585**

B9 Finance costs

	2026 $	2025 $
Interest and finance charges	(23,343)	(40,403)
Interest expense on lease liabilities	(18,360)	(20,445)
Total finance costs	**(41,703)**	**(60,848)**

Material Accounting Policy

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

B10 Taxes

(A) Income tax benefit

	2026 $	2025 $
Current tax		
Current tax benefit	-	-
Total current tax benefit	-	-
Deferred tax		
Decrease / (increase) in deferred tax assets (DTA)	34,274	(63,213)
Increase / (decrease) in deferred tax liabilities (DTL)	(34,274)	63,213
Total deferred tax benefit	-	-
Income tax benefit	-	-

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B10 Taxes (continued)

(B) Numerical reconciliation of income tax benefit to prima facie tax payable

	2026 $	2025 $
Loss before income tax	(1,542,355)	(3,252,864)
Tax at the Australian tax rate of 25%	**(385,589)**	**(813,216)**
Tax effect of amounts which are not (assessable) / deductible in calculating taxable income:		
Non-deductible expenses	3,359	4,399
R&D non-deductible expenses	479,650	392,764
Share-based payments expenses	45,444	133,148
Non-assessable income	(212,439)	(175,444)
DTA and DTL not recognised	69,575	458,349
Total adjustments	**385,589**	**813,216**
Income tax benefit	**-**	**-**

(C) Deferred tax assets and liabilities

	Deferred tax assets		Deferred tax liabilities	
	2026 $	2025 $	2026 $	2025 $
Other assets	-	-	(17,560)	(15,556)
Intangible assets	-	-	-	(11,749)
Right-of-use assets	-	-	(62,621)	(18,602)
Trade and other payables	12,684	20,666	-	-
Provisions	40,880	24,612	-	-
Lease liabilities	64,273	21,697	-	-
Undeducted s. 40-880 costs (profit or loss)	17,143	25,704	-	-
Undeducted s. 40-880 costs (equity)	102,343	190,601	-	-
Tax losses	5,778,253	5,559,730	-	-
Capitalised Asset	24,368	-	-	-
Other - DTA not recognised	(5,959,762)	(5,797,103)	-	-
Deferred tax assets / (liabilities)	**80,181**	**45,907**	**(80,181)**	**(45,907)**
Balance at 1 July	**45,907**	**109,120**	**(45,907)**	**(109,120)**
Movement:				
To profit or loss	34,274	(63,213)	(34,274)	63,213
Balance at 30 June	**80,181**	**45,907**	**(80,181)**	**(45,907)**

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B10 Taxes (continued)

(D) Unrecognised tax losses - temporary differences

	2026 $	2025 $
Unused tax losses for which no deferred tax asset has been recognised		
Unused revenue losses	23,113,011	22,238,921
Potential tax benefit at 25%	**5,778,253**	**5,559,730**
Unused capital losses	81,319	81,319
Potential tax benefit at 25%	**20,330**	**20,330**
Total potential tax benefit at 25%	**5,798,583**	**5,580,060**

All unused tax losses can be carried forward indefinitely subject to satisfying the loss utilisation tests and have no expiry date.

On formation of the tax-consolidated group on 1 July 2025, the unused losses of the controlled entities were transferred to Zimi Limited as head entity. These pre-consolidation losses are subject to the available fraction method, which limits the amount applied against the group's taxable income each year by reference to each loss entity's value relative to the group at consolidation. The available fractions are reduced by subsequent capital raisings.

The unused revenue and capital losses for which no deferred tax asset has been recognised represent losses of the Company and its subsidiaries. A deferred tax asset on the unused capital losses has not been recognised as it is not probable that future capital gains would be available against which they can be utilised.

(E) Corporate tax rate

In accordance with tax legislation, the Company and its Australian subsidiaries are subject to a corporate tax rate of 25% for the year ended 30 June 2026. 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.

(F) Tax consolidation

Zimi Limited and its wholly-owned Australian subsidiaries formed an income tax-consolidated group with effect from 1 July 2025. Zimi Limited is the head entity of the tax-consolidated group. Members of the group have entered into a tax funding agreement under which each subsidiary is required to compensate Zimi Limited for the current tax payable assumed and is compensated for any tax losses and credits transferred to the head entity. The members have also entered into a tax sharing agreement that limits the joint and several liability of the subsidiaries in the case of default by the head entity.

Current and deferred tax amounts are allocated to members of the tax-consolidated group using a "stand-alone taxpayer" approach, whereby each entity measures its current and deferred taxes as if it continued to be a separate taxpayer. Amounts receivable or payable under the tax funding agreement are recognised as inter-entity receivables or payables. The head entity recognises the current tax liability and any deferred tax assets arising from unused tax losses and tax credits assumed from controlled entities within the group.

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B10 Taxes (continued)

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.

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C ASSETS AND LIABILITIES

C1 Trade and other receivables

	2026 $	2025 $
Trade receivables	76,278	92,935
Research and development tax incentive receivable	834,590	742,898
Total trade and other receivables	**910,868**	**835,833**

(A) Allowance for expected credit losses

As at 30 June 2026, there were no trade receivables which were past due but not impaired. As a result, there was no allowance for expected credit loss recognised (2025: nil).

(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

	2026 $	2025 $
Finished goods – at cost	590,249	458,972
Components – at cost	20,847	61,945
Stock in transit – at cost	-	288,270
Total inventories	**611,095**	**809,187**

(A) Provision for inventory obsolescence

As at 30 June 2026, there were no inventory items which required a provision for inventory obsolescence (2025: nil).

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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

	2026 $	2025 $
Prepayments	71,553	82,357
Deposits paid on products in production	76,753	224,867
Total other assets	**148,306**	**307,224**

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 2026.

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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 $
2025					
Opening balances:					
Cost	679,734	76,261	70,968	75,414	902,377
Accumulated depreciation	(565,957)	(47,135)	(29,549)	(5,166)	(647,807)
Net book amount – 1 July 2024	**113,777**	**29,126**	**41,419**	**70,248**	**254,570**
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**
2026					
Opening balances:					
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 – 1 July 2025	**78,420**	**24,230**	**34,248**	**68,363**	**205,261**
Movement:					
Additions	31,670	6,252	35	-	37,957
Disposals	-	-	-	-	-
Depreciation	(44,117)	(13,555)	(5,869)	(1,886)	(65,427)
Closing net book amount – 30 June 2026	**65,973**	**16,927**	**28,414**	**66,477**	**177,791**
Cost	721,552	86,267	71,003	75,414	954,236
Accumulated depreciation	(655,579)	(69,340)	(42,589)	(8,937)	(776,445)
Net book amount – 30 June 2026	**65,973**	**16,927**	**28,414**	**66,477**	**177,791**

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C5 Property, plant and equipment (continued)

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.

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C6 Intangible assets

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

	Capitalised development $	Sales channels $	Patents and trademarks $	Website, App & Cloud $	Other intangibles $	Total $
2025						
Opening balances:						
Cost	4,531,548	2,908,770	45,440	10,716	7,995	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**	**10,537**	**7,995**	**912,678**
Movement:						
Additions	203,383	-	1,025	11,606	-	216,014
Disposals	-	-	-	-	-	-
Amortisation	(669,948)	-	(3,039)	(3,095)	-	(676,082)
Impairment	(79,664)	-	-	-	-	(79,664)
Closing net book amount – 30 June 2025	**309,297**	**-**	**36,606**	**19,048**	**7,995**	**372,946**
2026						
Opening balances:						
Cost	4,654,990	2,908,770	46,465	22,322	7,995	7,640,542
Accumulated amortisation and impairment	(4,345,693)	(2,908,770)	(9,859)	(3,274)	-	(7,267,596)
Net book amount – 1 July 2025	**309,297**	**-**	**36,606**	**19,048**	**7,995**	**372,946**
Movement:						
Additions	133,372	-	21,649	67,417	-	222,438
Amortisation	(100,306)	-	(3,484)	(32,200)	-	(135,990)
Impairment[1]	(17,808)	-	-	-	-	(17,808)
Asset Reclassification[2]	(113,423)	-	-	113,423	-	-
Closing net book amount – 30 June 2026	**211,132**	**-**	**54,771**	**167,688**	**7,995**	**441,586**
Cost	4,656,830	2,908,770	68,114	203,162	7,995	7,844,871
Accumulated amortisation and impairment	(4,445,698)	(2,908,770)	(13,343)	(35,474)	-	(7,403,285)
Net book amount – 30 June 2026	**211,132**	**-**	**54,771**	**167,688**	**7,995**	**441,586**

[1] During the period, $17,808 in impairment expense was recognised on the Group's intangible assets. This impairment related to a portion of a development project that no longer has any future economic benefits.

[2] Project costs relating to the Zimi iOS app and Zimi Cloud were reclassified from capitalised development to Website, App and Cloud when the assets became available for use (ready for their intended use). The reclassification represents an internal transfer and does not impact total intangible assets.

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C6 Intangible assets (continued)

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 and Trademarks: over the life of the patent/trademark.
- Website, App and Cloud: 5 years
- 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.

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C7 Right-of-use assets and lease liabilities

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

	2026 $	2025 $
Right-of-use assets		
Leased properties	250,482	74,407
Total right-of-use assets	**250,482**	**74,407**
Lease liabilities		
Current	(81,916)	(86,788)
Non-current	(175,175)	-
Total lease liabilities	**(257,091)**	**(86,788)**

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

	2026 $	2025 $
Depreciation on right-of-use assets	(105,718)	(119,283)
Interest expense on lease liabilities	(18,360)	(20,445)
Total amounts recognised in Consolidated Statement of Comprehensive Income	**(124,078)**	**(139,728)**

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

The Group's lease over premises at Sugar Road, Maroochydore ceased on 31 December 2025 and was not renewed. The Group's remaining lease is at Millennium Circuit, Helensvale, which was renewed for a further term of 18 months commencing 1 March 2026 and ending 31 August 2027, with an option to renew for a further 18 months exercisable by 1 June 2027. Rent is $115,000 per annum plus GST, subject to a fixed increase of $5,000 on 1 September 2027. The Group also pays outgoings, which are largely consolidated into body corporate levies. The total cash outflow for leases for the year ended 30 June 2026 was $129,850 (30 June 2025: $138,917).

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C7 Right-of-use assets and lease liabilities (continued)

(D) Net book amounts and movements in right-of-use assets

	Leased properties $
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**
2026	
Opening balances:	
Cost	294,352
Accumulated depreciation	(219,945)
Net book amount – 1 July 2025	**74,407**
Movement:	
Additions	281,793
Depreciation	(105,718)
Closing net book amount – 30 June 2026	**250,482**
Cost	469,059
Accumulated depreciation	(218,577)
Net book amount – 30 June 2026	**250,482**

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C7 Right-of-use assets and lease liabilities (continued)

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.

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C8 Trade and other payables

	2026 $	2025 $
Trade and other payables	(391,766)	(1,035,802)
Payroll and statutory liabilities	(134,983)	(108,058)
Accrued expenses	(12,584)	(126,661)
Total trade and other payables	**(539,333)**	**(1,270,521)**

(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.

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C9 Provisions

	2026 $	2025 $
Current		
Annual leave	(123,097)	(98,449)
Total current provisions	**(123,097)**	**(98,449)**
Non-Current		
Long service leave	(40,421)	(28,723)
Total non-current provisions	**(40,421)**	**(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.

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D CAPITAL STRUCTURE, FINANCING AND FINANCIAL RISK MANAGEMENT

D1 Issued capital

	2026		2025	
	Shares	$	Shares	$
Issued ordinary shares	941,193,822	57,188,640	427,543,823	55,021,238
Total contributed equity	**941,193,822**	**57,188,640**	**427,543,823**	**55,021,238**

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

	2026		2025	
	Shares	$	Shares	$
Issued ordinary shares at 1 July	**427,543,823**	**55,021,238**	**126,664,715**	**52,281,443**
Movement:				
Shares issued as part of capital raising	493,500,000	2,591,000	249,529,391	2,495,294
Application monies received in advance — tranche 2 shares issued 15 July 2026	-	55,111	-	-
Transaction costs related to shares issued	-	(196,186)	-	(206,008)
Options issued to lead manager for capital raising	-	(464,300)	-	(62,988)
Employee share-based payments	4,700,000	49,500	-	-
Director share-based payments	15,449,999	132,277	10,750,000	107,500
Shares issued to suppliers for payment of goods and/or services	-	-	40,599,717	405,997
Issued ordinary shares at 30 June	**941,193,822**	**57,188,640**	**427,543,823**	**55,021,238**
Total contributed equity	**941,193,822**	**57,188,640**	**427,543,823**	**55,021,238**

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

- The Company raised gross proceeds of $375,000 in July 2025 through the completion of Tranche 1 of its capital-raising program, issuing 62,500,000 ordinary shares on 9 July 2025.
- The Company raised gross proceeds of $1,476,000 through Tranche 2 of its capital-raising program, with 246,000,000 ordinary shares issued across two allotments on 16 September 2025 and 19 September 2025.
- The Company raised gross proceeds of $740,000 in May 2026 through completion of Tranche 1 of its 2026 capital-raising program, issuing 185,000,000 shares on 12 May 2026. $55,111 of Tranche 2 funds were received prior to 30 June 2026 in relation to Tranche 2 allotment on 15 July 2026
- 4,700,000 ordinary shares were issued to employees under the Company's Employee Securities Incentive Plan.
- Shareholders approved the issue of 8,333,333 ordinary shares to Non-Executive Director and Chairman, Simon Beissel, in lieu of cash payment of Directors' fees for the 12-month period to 31 July 2026. These shares are subject to escrow until 31 July 2026.
- Shareholders also approved the issue of 3,558,333 ordinary shares each to Non-Executive Directors Richard Brown and Joshua Newell (an aggregate of 7,116,666 shares) in lieu of cash payment of Directors' fees for the period 1 December 2024 to 31 July 2025.

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.

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D2 Reserves

	2026 $	2025 $
Share-based payments reserve	527,288	164,953
Total reserves	**527,288**	**164,953**

A reconciliation of the movement in the share-based payments reserve is set out below.

	2026 $	2025 $
Share-based payments reserve at 1 July	**164,953**	**82,871**
Movement:		
Transaction costs related to shares issued	464,300	62,988
Share-based payment expense related to employee performance rights	25,406	19,094
Conversion of employee performance rights to ordinary shares	(44,500)	-
Options lapsed and transferred to accumulated losses	(82,871)	-
Share-based payments reserve at 30 June	**527,288**	**164,953**
Total reserves	**527,288**	**164,953**

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

	2026 $	2025 $
Cash and cash equivalents	452,267	215,963

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

	Notes	2026 $	2025 $
Loss for the year		**(1,542,355)**	**(3,252,864)**
Adjustment for:			
Depreciation and amortisation	B6	307,135	862,650
Impairment on intangible assets	B7	17,808	79,664
Expected credit losses on trade receivables		-	-
Loss on disposal of assets	B5	-	123
(Gain) / loss on unrealised foreign exchange		1,311	(20,133)
(Gain) / loss on extinguishment of liability	B5	5,556	
(Gain) / loss on AASB *Leases* event	B5	-	-
Share based payments expense	F1(C)	98,953	19,094
Non-cash settlement of prior-period obligations by share issue		82,824	-
Share issuance in exchange for goods/services	D1	-	405,997
Total adjustments		**513,587**	**1,347,395**
(Increase) / decrease in assets:			
Trade and other receivables		(75,035)	(21,362)

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Inventories	198,092	(313,054)
Other assets	158,918	8,779
Total (increase) / decrease in assets	**281,975**	**(325,637)**
Increase / (decrease) in liabilities:		
Trade and other payables	(721,743)	(211,201)
Provisions	36,346	(14,314)
Unearned revenue and customer deposits	-	(11,209)
Total Increase / (decrease) in liabilities	**(685,397)**	**(236,724)**
Net cash outflows used in operating activities	**(1,432,190)**	**(2,467,830)**

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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	
	2026 $	2025 $	2026 $	2025 $	2026 $	2025 $
Balance at 1 July	**(86,788)**	**(171,683)**	**(404,047)**	**(356,000)**	**(490,835)**	**(527,683)**
Financing cash movements:						
Principal elements of lease payments	111,493	118,473	-	-	111,493	118,473
Cash flows -Proceeds from borrowings	-	-	-	(454,047)	-	(454,047)
Cash flows - Repayment of borrowings	-	-	411,536	406,000	411,536	406,000
Total cash (inflows) / outflows provided in financing activities	**111,493**	**118,473**	**411,536**	**(48,047)**	**523,029**	**70,426**
Other movements:						
Non-cash AASB 16 *Leases* modification or additions	(281,796)	(33,578)	-	-	(281,796)	(33,578)
Non-cash – insurance premium funding drawdown	-	-	(37,396)	-	(37,396)	-
Total other movements	**(281,796)**	**(33,578)**	**(37,396)**	**-**	**(319,193)**	**(33,578)**
Balance at 30 June	**(257,091)**	**(86,788)**	**(29,907)**	**(404,047)**	**(286,998)**	**(490,835)**

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

	2026 $	2025 $
Third-party borrowings	29,907	404,047

The 30 June 2026 balance relates to insurance premium funding. During the year the Group drew down $37,396 under a premium funding arrangement to finance annual insurance policies, repayable in 10 monthly instalments. The drawdown was non-cash and is presented as such in note D3(B). At 30 June 2026, $29,907 remained outstanding, all of which is repayable within 12 months.
The 30 June 2025 balance related to pre-funding of the R&D tax incentive from Radium Capital. The loan was secured against the R&D tax incentive receivable from the ATO, following lodgement of the tax return. The R&D tax incentive was received in October 2025 and the loan was repaid in full.

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	2026 $	2025 $
Financial assets at amortised cost			
Cash and cash equivalents	D3	452,267	215,963
Trade and other receivables	C1	910,868	835,833
Total financial assets		**1,363,135**	**1,051,796**
Financial liabilities at amortised cost			
Trade and other payables	C8	(539,333)	(1,270,521)
Lease liabilities	C7	(257,091)	(86,788)
Borrowings	D4	(29,907)	(404,047)
Total financial liabilities		**(826,331)**	**(1,761,356)**

(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.

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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 2026 being 0.6869 (30 June 2025: 0.6550).

	Carrying amount		Impact of + 10% FX change on loss before tax		Impact of - 10% FX change on loss before tax	
	2026 $	2025 $	2026 $	2025 $	2026 $	2025 $
Assets						
US$ denominated cash and cash equivalents	47,088	67,383	(6,232)	(9,352)	7,617	11,431
US$ denominated trade receivables	69,936	70,073	(9,256)	(9,726)	11,313	11,887
US$ denominated assets	**117,024**	**137,456**	**(15,488)**	**(19,078)**	**18,929**	**23,318**
Liabilities						
US$ denominated trade payables	(321,227)	(171,145)	42,513	23,754	(51,961)	(29,032)
US$ denominated liabilities	(321,227)	(171,145)	**42,513**	**23,754**	**(51,961)**	**(29,032)**

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

	Notes	2026 $	2025 $
Net foreign exchange gain/(loss)	B5	(16,859)	(13,641)

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.

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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 2026, the Group has not recognised an expected credit loss provision as all receivable balances are current and considered to be collectible (30 June 2025: nil).

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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 $
2026				
Financial assets realisable cash flows				
Cash and cash equivalents	452,267	-	-	452,267
Trade and other receivables	910,868	-	-	910,868
Total inflow on financial assets	1,363,135	-	-	1,363,135
Financial liabilities due for payment				
Trade and other payables	(539,333)	-	-	(539,333)
Lease liabilities	(81,916)	(175,175)	-	(257,091)
Unearned revenue and customer deposits	-	-	-	-
Other financial liabilities	(29,907)	-	-	(29,907)
Total (outflow) on financial liabilities	(651,156)	(175,175)	-	(826,331)
Total (outflow) on financial instruments	**711,979**	**(175,175)**	**-**	**536,804**
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)**

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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.

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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.

	2026 $	2025 $
ASSETS		
Current assets	1,221,570	120,169
Non-current assets	-	-
Total assets	**1,221,570**	**120,169**
LIABILITIES		
Current liabilities	(55,401)	(172,835)
Non-current liabilities	-	-
Total liabilities	**(55,401)**	**(172,835)**
Net assets	**1,166,169**	**(52,666)**
EQUITY		
Issued capital	57,188,640	55,021,238
Other reserves	527,288	164,953
Accumulated losses	(56,549,759)	(55,238,857)
Total equity	**1,166,169**	**(52,666)**
Profit/(loss) for the year	445,058	(3,306,694)
Total comprehensive profit/(loss) for the year	**445,058**	**(3,306,694)**

At 30 June 2026, the parent entity had net assets of $1,166,169 (2025: net assets $(52,666)). The ability of the parent entity to continue as a going concern is dependent upon ongoing financial support from the consolidated entity.

E2 Investments 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).

			Equity holding	
	Entity type	Country of incorporation	2026 %	2025 %
Zimi Technology Pty Ltd	Body Corporate	Australia	100	100
Zimi Innovations Pty Ltd	Body Corporate	Australia	100	100

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F OTHER INFORMATION

F1 Share-based payments

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

	2026 $	2025 $
Options reserve	527,288	145,859
Director performance shares reserve	-	-
Director performance rights reserve	-	-
Employee performance rights reserve	-	19,094
Total share-based payments reserve	**527,288**	**164,953**

	Options reserve $	Director performance shares reserve $	Director performance rights reserve $	Employee performance rights reserve $	Total share-based payments reserve $
Balance at 1 July 2024	**82,871**	**-**	**-**	**-**	**82,871**
Movement:					
Issued to lead manager for capital raise	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**
Movement:					
Issued to lead manager for capital raise	464,300	-	-	-	464,300
Share-based payments expense through the P&L	-	-	-	25,406	25,406
Share-based payments forfeited / expired transferred to accumulated losses	(82,871)	-	-	-	(82,871)
Transfer value of performance rights converted to issued capital	-	-	-	(44,500)	(44,500)
Balance at 30 June 2026	**527,288**	**-**	**-**	**-**	**527,288**

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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 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**
Movement:					
Options issued to brokers/ lead managers	34,000,000	-	-	-	34,000,000
Director performance rights issued	-	-	3,000,000	-	3,000,000
Options expired and cancelled	(49,366,111)	-	-	-	(49,366,111)
Balance at 30 June 2026	**41,125,000**	**-**	**3,000,000**	**-**	**44,125,000**

	2026 number	2025 number
Options	41,125,000	56,491,111
Director performance shares	-	-
Director performance rights	3,000,000	-
Employee performance rights	-	-
Total convertible securities	**44,125,000**	**56,491,111**

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F1 Share-based payments (continued)

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

	2026 $	2025 $
Recognised through share-based payments reserve		
Director performance shares share-based payments (expense)	-	-
Director performance rights share-based payments (expense)	-	-
Employee performance rights share-based payments (expense)	(25,406)	(19,094)
Total recognised through share-based payment reserve	**(25,406)**	**(19,094)**
Recognised directly to issued capital		
Director share-based payments (expense)	(68,547)	(107,500)
Employee share-based payments (expense)	(5,000)	-
Total recognised directly to issued capital	**(73,547)**	**(107,500)**
Total share-based payments expense	**(98,953)**	**(126,594)**

(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.

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
28 Nov 2024	16 Dec 2027	7,125,000	$0.0125	126%	3.91%	$0.0088	$62,988
9 Sep 2025	3 Dec 2028	34,000,000	$0.0250	121%	3.41%	$0.0116	$394,724
29 Jun 2026	30 Mar 2029	37,000,000[1]	$0.0060	129%	4.38%	$0.0019	$69,576
Total value of lead manager unlisted options							**$527,288**

[1] These options were approved by shareholders at the General Meeting held on 29 June 2026 and were issued on 15 July 2026.

	2026		2025	
	Number	$	Number	$
Balance at 1 July	**9,606,250**	**145,859**	**2,481,250**	**82,871**
Movement:				
Lead manager unlisted options issued[1]	34,000,000	464,300	7,125,000	62,988
Exercised and converted into ordinary shares	-	-	-	-
Expired and cancelled	(2,481,250)	(82,871)	-	-
Balance at 30 June	**41,125,000**	**527,288**	**9,606,250**	**145,859**

[1] In addition to the movements above, 37,000,000 lead manager options were approved by shareholders on 29 June 2026 (the grant date) and issued on 15 July 2026. As these options have no vesting conditions, their fair value of $69,576 has been recognised in full during the year ended 30 June 2026. As the options were not issued until after balance date, they are not included in the number on issue at 30 June 2026.

The balance of 41,125,000 lead manager unlisted options are all exercisable at the end of the year. The weighted average exercise price for these options is $0.0228.

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F1 Share-based payments (continued)

(ii) Unlisted free-attaching options

In association with capital raises, the Company has from time to time issued free-attaching options to subscribers. The number of options issued per share subscribed has varied between raises. Free-attaching options are not valued or recognised in the share-based payments reserve. Options issued to the lead manager as consideration for capital raising services are valued and recognised in the share-based payments reserve (refer to note F1(D)(i)).

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

	2026		2025	
	Number	$	Number	$
Balance at 1 July	**46,884,861**	**-**	**46,884,861**	**-**
Movement:				
Free-attaching options issued[1]	-	-	-	-
Free-attaching options expired / forfeited	(46,884,861)	-	-	-
Balance at 30 June	**-**	**-**	**46,884,861**	**-**

[1] On 15 July 2026, the Company issued 194,757,125 free-attaching options in connection with the May and July 2026 capital raising, on the basis of one option for every two shares subscribed. The options are exercisable at $0.006 and expire on 30 March 2029. Consistent with the accounting policy above, free-attaching options are not separately valued.

(E) Director performance shares

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

(F) Director performance rights

During the year ended 30 June 2026, the Company issued 3,000,000 performance rights to Jordan Tentori (Executive Director and CEO) upon approval from shareholders. The grant date of the performance rights was 28 November 2025. The performance rights do not have an exercise price. The performance rights had three separate vesting conditions, each designed as stretch targets to incentivise exceptional performance, as set out below.

- 50% of the Performance Rights will vest upon the Company's reported audited revenue from ordinary activities (sale of finished goods to customers) for the financial year ending 30 June 2026 (FY26) being an amount which is at least a 550% increase on the reported revenue from ordinary activities for FY25;
- 30% of the Performance Rights will vest upon the Company completing design, manufacture, delivery and sale to a customer of a product within the "Senoa+ Matter" product range (consisting of switch and dimmer) designed and manufactured in accordance with Standards AS/NZ60669.2.1 and AS/NZS CISPR15; and
- 20% of the Performance Rights will vest if the Company decides to undertake and completes an equity capital raising by an issue of shares to raise a gross amount of at least $1,850,000 at an issue price per share greater than the issue price of shares issued by the Company on 9 July 2025 and 16 September 2025 to raise capital.

The fair value of the Performance Rights was determined using the Company's share price at the grant date of $0.007, giving a total fair value of $21,000.

As at 30 June 2026, management assessed the performance conditions attaching to the Performance Rights. None of the performance conditions were achieved by 30 June 2026, and accordingly all Performance Rights have lapsed.

In accordance with AASB 2 Share-based Payment, no share-based payment expense has been recognised in respect of the Performance Rights for the year ended 30 June 2026. Any expense previously recognised in respect of the equity capital raising condition during the half-year ended 31 December 2025 has been reversed in the current period.

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F1 Share-based payments (continued)

(G) Employee performance rights

During the year ended 30 June 2026, two engineering employees and one app developer satisfied the relevant performance conditions and 4,450,000 performance rights vested and were converted into ordinary shares under the Employee Securities Incentive Plan (ESIP). The fair value of the performance rights was measured at the grant date based on a share price of $0.01, resulting in a total grant date fair value of $44,500. This amount is recognised as an expense over the applicable vesting (service) period. No employee performance rights were outstanding at 30 June 2026.
Set out in the table below is a reconciliation of employee performance rights.

	2026		2025	
	Number	$	Number	$
Balance at 1 July	-	**19,094**	-	-
Movement:				
Share-based payments expense through the P&L	-	25,406	-	19,094
Employee performance rights issued	4,450,000	-	-	-
Employee performance rights converted to ordinary shares	(4,450,000)	(44,500)	-	-
Balance at 30 June	-	-	-	**19,094**

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.

(H) Shares issued as remuneration

In accordance with his employment agreement, Chas Storer was issued 250,000 fully paid ordinary shares on 17 October 2025 upon successful completion of his probationary period. The fair value of the shares was $5,000 at the date of issue, based on a share price of $0.02. This amount has been recognised as an expense in the year ended 30 June 2026.

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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:

	2026 $	2025 $
Salary and fees	429,409	442,691
Post-employment benefits	50,600	52,041
Ordinary share settled benefits	137,277	107,500
Total key management personnel remuneration	**617,286**	**602,232**

Detailed remuneration disclosures and information regarding compensation of individual KMP are provided in the Remuneration Report on pages 13 to 22.

(C) Related party transactions

As disclosed in the Annual Report for the year ended 30 June 2025 (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; and
- Provision of quality assurance and logistics services.

During the year ending 30 June 2026, 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.

During the year ending 30 June 2026, the Group continued to transact with Zencontrol Limited, an entity related to former KMP Joshua Newell (who resigned on 28 November 2025) and current KMP Todd Milliner (who was appointed on 28 November 2025). The transactions related to the manufacture and purchase of product and were conducted in accordance with the approved manufacturing agreement and within the limits authorised for the two-year period.

The sales to and purchases from GSM Electrical (Australia) Pty Ltd and Zencontrol Limited have been undertaken in accordance with the pricing parameters and formulas provided by RSM Corporate Australia Pty Ltd in the Independent Expert Report (as contained in the Notice of General Meeting for the meeting held 28 April 2025) for each of the above agreements respectively.

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

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F2 Related party disclosures (continued)

(C) Related party transactions (continued)

The following table provides details of transactions during the year ended 30 June 2026, and balances as at 30 June 2026.

	Settled during 1 Jul 2025 to 30 Jun 2026	Outstanding as at 30 June 2026		Total transactions during the period 1 Jul 2025 to 30 Jun 2026
	Cash settled $	Accounts receivable $	Accounts payable or accrued $	$
Transactions with GSM Electrical				
Sales of finished goods (inclusive of GST) [1]	1,640,964	11,414	-	1,651,340
Personnel, engineering project costs and warehousing services [2] (inclusive of GST)	(289,642)	-	-	-
Net total with GSM Electrical	**1,351,322**	**11,414**	**-**	**1,651,340**
Transactions with GSM Retail				
Purchases of finished goods [2] which are to be remitted to 3rd-party manufacturers (no GST)	(376,693)	-	(191,092)	(263,402)
Quality assurance services (no GST)	(16,539)	-	(91,260)	(2,166)
Net total with GSM Retail	**(393,232)**	**-**	**(282,352)**	**(265,568)**
Transactions with Bell Total Logistics				
Freight and import duties (inclusive of GST)	(38,254)	-	-	(35,189)
GST on importation which is recoverable from the ATO	(155,853)	-	-	(137,663)
Net total with Bell Total Logistics	**(194,107)**	**-**	**-**	**(172,852)**
Transactions with Zencontrol Limited [3]				
Purchases of finished goods (no GST)	(708,853)	-	(16,412)	(674,147)
Net total with Zencontrol Limited	**(708,853)**	**-**	**(16,412)**	**(674,147)**
Total related party transactions	**55,130**	**11,414**	**(298,764)**	**538,773**

[1] Sales of finished goods, sales returns and warehousing services pursuant under the Distribution Agreement.
[2] Finished goods includes saleable product and engineering samples.
[3] Finished goods includes deposits paid on saleable products and tooling expenses.

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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.

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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.

	2026 $	2025 $
Commitments with GSM Electrical		
Sales of finished goods (inclusive of GST)	468,854	1,276,153
Net total with GSM Electrical	**468,854**	**1,276,153**
Commitments with GSM Retail		
Purchases of finished goods to be remitted to 3rd party manufacturer (no GST)	(274,789)	(552,960)
Quality assurance services (no GST)	(15,113)	(32,183)
Net total with GSM Retail	**(289,902)**	**(585,143)**
Commitments with Zencontrol Limited		
Purchases of finished goods (no GST)	(188,754)	-
Net total with Zencontrol Limited	**(188,754)**	**-**
Total related party commitments	**(9,802)**	**691,010**

(E) Related party loans

As at 30 June 2026, there were no loans outstanding to related parties (2025: nil).

F3 Auditor's remuneration

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

	2026 $	2025 $
Audit and review of financial statements - Group	68,296	60,826
Total auditor's remuneration	**68,296**	**60,826**

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.

	2026 $	2025 $
Intangible assets	-	40,000
Total capital commitments	**-**	**40,000**

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F4 Commitments and contingencies (continued)

(B) Contingent liabilities

The Group has no contingent liabilities as at 30 June 2026 (2025: nil).

(C) Contingent assets

The Group has no contingent assets as at 30 June 2026 (2025: nil).

F5 Events occurring after the reporting period

Completion of tranche 2 of the capital raising
As part of tranche 2 of the Company's capital raising program, $55,111 was received prior to 30 June 2026 and is reflected in the financial statements as issued capital. A further $762,946 was received subsequent to 30 June 2026. All 204,514,250 tranche 2 shares were issued on 15 July 2026 at $0.004 per share, raising total gross proceeds of $818,057. Shareholder approval for the issue was obtained at an Extraordinary General Meeting held on 29 June 2026.

Options issued
On 15 July 2026, the Company issued 194,757,125 free-attaching options in connection with the May and July 2026 capital raising, on the basis of one option for every two shares subscribed. The options are exercisable at $0.006 each and expire on 30 March 2029. Free-attaching options are not separately valued (refer note F1(D)(ii)).
On the same date, the Company issued 37,000,000 unlisted options to the lead manager, exercisable at $0.006 each and expiring on 30 March 2029. These options were approved by shareholders on 29 June 2026, being the grant date. As they carry no vesting conditions, their fair value of $69,576 has been recognised in full during the year ended 30 June 2026 (refer note F1(D)(i)).

Director participation
Mr Simon Gerard, a Director of the Company, participated in tranche 2 on the same terms as other subscribers, subscribing for 38,264,250 ordinary shares for consideration of $153,057, together with 19,132,125 free-attaching options. The issue to Mr Gerard was approved by shareholders at the Extraordinary General Meeting held on 29 June 2026.

Other matters
No other matter or circumstance has arisen since 30 June 2026 that has significantly affected, or may significantly affect, the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

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CONSOLIDATED ENTITY DISCLOSURE STATEMENT

For the year ended 30 June 2026

Entity name	Entity type	Country of incorporation	Tax residency	Equity holding 2026 %	Equity holding 2025 %
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.

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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 2026 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

28 August 2026

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HLB MANN JUDD
ADVISORY AND ACCOUNTING

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 2026, 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 2026 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 audits of the financial report of public interest entities 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* section, 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	
The Group generates revenue predominantly from the sale of products. The Group recognised sales revenue of $1,797,017 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: - An overstatement of revenues through premature revenue recognition or recording of fictious revenues. - Revenue not being recognised when control is transferred to the customer, resulting in revenue not being recognised in the correct accounting period. Revenue is recognised when the entity satisfies the performance obligation to transfer an asset and the customer obtains control of that asset.	Our audit procedures included but were not limited to the following: - 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 *Revenue from Contracts with Customers*; - 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.
Carrying value of intangible assets Refer to Note C6	
In accordance with AASB 136 *Impairment of Assets*, the Group is required to assess at balance date whether there is any indication that intangible assets may be impaired. If any such indication exists, the Group is required to estimate the recoverable amount of the asset. 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 be impaired.	Our procedures included, but were not limited to the following: - 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 *Intangible Assets*; - 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 2026, 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.

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- 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 2026.

In our opinion, the Remuneration Report of Zimi Limited for the year ended 30 June 2026 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

M R Ohm
Partner

Perth, Western Australia
28 August 2026

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OTHER INFORMATION

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ASX ADDITIONAL INFORMATION

In accordance with the ASX Listing Rules, the following information as at 28 July 2026, 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	184,730,260	16.09%
RB HOLDINGS AUSTRALIA PTY LTD <HOMECORP AUSTRALIA A/C> AND ITS ASSOCIATES	152,500,001	13.29%
DIRECTED INVESTMENTS PTY LTD	75,000,004	6.53%

DISTRIBUTION OF EQUITY SECURITIES

	Number of holders	Number of shares held	% of total shares held
1 - 1,000	76	12,219	0.00%
1,001 - 5,000	100	363,237	0.03%
5,001 - 10,000	158	1,080,067	0.09%
10,001 - 100,000	266	9,718,583	0.85%
100,001 and over	247	1,136,739,848	99.03%
Total equity securities	**847**	**1,147,913,954**	**100.00%**

There were 623 shareholders with less than a marketable parcel totalling 15,623,313 shares.

UNQUOTED EQUITY SECURITIES

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 34,000,000 options exercisable at $0.0250 expiring 3 December 2028 (with the potential to take up ordinary shares) issued to two holders. Names of security holders holding more than 20% of this class of security are as follows:

- Cerberus Investments Pty Ltd (holding of 32,000,000 options)

There are 231,757,125 options exercisable at $0.006 expiring 30 March 2029 (with the potential to take up ordinary shares) issued to 42 holders. No security holders are holding more than 20% of this class of security.

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

QUOTED EQUITY SECURITIES

As at 28 July 2026 there were 847 individual holders.
The voting rights attaching to the ordinary shares are:
(a) On a show of hands every shareholder present at a meeting in person or by proxy shall have one vote; and
(b) 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 8,333,333 securities subject to escrow as at 28 July 2026. These shares are due to be released from escrow on 31 July 2026.

TOP 20 SHAREHOLDERS

	Number of shares held	% of total shares held
RB HOLDINGS AUSTRALIA PTY LTD	152,500,001	13.29%
GERARD PRIVATE HOLDINGS (FINANCE) PTY LTD	135,613,606	11.81%
DIRECTED INVESTMENTS PTY LTD	75,000,004	6.53%
TORNADO NOMINEES PTY LTD	42,339,999	3.69%
MADURTA PTY LTD	41,712,904	3.63%
ZENDO PTY LTD	39,808,333	3.47%
RJ18 SMSF PTY LTD	38,558,333	3.36%
BERNE NO 132 NOMINEES PTY LTD	37,500,000	3.27%
TODD MILLINER	36,250,000	3.16%
NOBLE INVESTMENTS SUPERANNUATION FUND PTY LTD	28,660,604	2.50%
CHALEYER HOLDINGS PTY LTD	21,072,800	1.84%
SCINTILLA STRATEGIC INVESTMENTS LIMITED	20,513,961	1.79%
MR CRAIG GRAEME CHAPMAN	15,000,000	1.31%
NETWEALTH INVESTMENTS LIMITED	14,196,348	1.24%
SHIRLEY ROAD CUSTODIANS PTY LIMITED	13,708,333	1.19%
DUNN & HORNE PTY LTD	12,759,610	1.11%
PATRON PARTNERS PTY LTD	12,500,001	1.09%
SHIRLEY ROAD CUSTODIANS PTY LIMITED	11,570,001	1.01%
CHIFLEY PORTFOLIOS PTY LIMITED	11,520,206	1.00%
DR JAMES ANTHONY MULLINS	11,500,000	1.00%
Total top 20 holders of fully paid ordinary shares	**772,285,044**	**67.28%**

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