



Zimi Limited
14 Millennium Circuit
Helensvale QLD 4212 Australia

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

Registered Office Address
Level 1, 2A/300 Fitzgerald Street
North Perth WA 6006 Australia

ASX RELEASE – 28 MARCH 2025

Chairmans Letter – General Meeting

Dear Shareholders,

Further to the Notice of General Meeting announced today, I am writing to provide a simplified summary of why your Board supports all five resolutions. These proposals are aimed at strengthening our company's financial position, ensuring good governance, and ultimately benefiting all shareholders. Please read the complete Notice of Meeting and Explanatory Statement, along with the following summarised overview for your convenience.

Summary of Resolutions:

Resolution 1 – Issue Shares in lieu of Debt (Related Party): Approval for Zimi to issue shares to a related party instead of repaying debt in cash. The Company owes approximately \$406,000 to GSM Retail (an entity associated with Director Simon Gerard). Rather than depleting our cash reserves, we propose to convert this debt into equity by issuing shares (at \$0.01 each, the same price as our last entitlement offer) to GSM Retail's nominee, Gerard Private. This preserves cash for the business while settling the debt responsibly.

Resolution 2 – Ratify Past Product Sales to a Related Party and Remedy ASX Breach: Shareholder approval to ratify previous sales of products to a related party (GSM Electrical) and formally correct an ASX compliance breach. Between May 2023 and November 2024, Zimi's subsidiary sold about \$2.37 million worth of products to GSM Electrical (also an entity related to Simon Gerard) without prior shareholder approval, which was an oversight under ASX Listing Rule requirements. This resolution will approve those historical transactions after the fact and remedy the inadvertent breach.

Resolution 3 – Approve Future Product Sales to GSM Electrical (Australia) Pty Ltd: Approval for Zimi to continue selling products up to \$6m over 2 years under an ongoing distribution agreement. This will allow future sales to that related party to proceed in compliance with ASX rules. It ensures our valuable distribution partnership with GSM Electrical can continue, with shareholder endorsement and transparency.

Resolution 4 – Approve Sales to a Different Related Party Zencontrol Pty Ltd: Approval for Zimi to sell products up to \$6m over 2 years to this new distributor that is a related party. We have entered a new distribution agreement to distribute our Senoa Pro product range globally. This resolution seeks shareholder approval for those sales, enabling us to expand our market reach while adhering to governance requirements.

Resolution 5 – Approve Purchases from Zencontrol Limited: Approval for Zimi to purchase certain products up to \$4m over 2 years under a manufacturing agreement. Shareholder



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approval of this related-party purchase arrangement will ensure we can source products efficiently, in a compliant manner.

Your Board believes all these resolutions are in the best interests of the Company and its shareholders. We have carefully considered each item. Importantly, an Independent Expert's Report (attached to the Notice of Meeting) examined the related-party transactions in Resolutions 2, 3, 4, and 5. The Independent Expert has concluded that each of Resolutions are **fair and reasonable to non-associated shareholders**. In other words, an external expert has confirmed that the terms of those deals are fair from the perspective of shareholders who are not involved in the transactions. This independent conclusion gives us additional confidence that supporting these resolutions is the right decision for shareholders. As part of the Board renewal at ZMM, we have established additional governance frameworks to enhance oversight of related party transactions, ensuring rigorous scrutiny and transparency while maintaining the highest standards of corporate governance.

The Independent Directors, together with the Directors (other than any with a personal interest in a particular matter) **unanimously recommend that shareholders vote in favour of Resolutions 1–5**. We see these measures as positive steps that will strengthen Zimi's financial position, improve governance, and support our future growth. By approving the share issue in Resolution 1, we conserve cash for operations. By approving Resolutions 2–5, we validate and enable important commercial partnerships while keeping in line with ASX compliance requirements.

Your vote and participation matter. I encourage all shareholders to vote on these resolutions and attend the General Meeting if possible. Every vote counts toward shaping the future of our company. For your convenience, key details on how to participate are outlined below:

Meeting Date & Time: 1:00pm (WST) on Monday, 28 April 2025.

Venue: Bellatrix Corporate, Level 1, 2A/300 Fitzgerald Street, North Perth, WA 6006, and online via Microsoft Teams (hybrid meeting format).

Proxy Voting: If you cannot attend in person or virtually, please complete and lodge the proxy form by 1:00pm (WST) on Saturday, 26 April 2025. (Proxy forms received after this deadline will be disregarded.)

Virtual Attendance: To attend online via Microsoft Teams, you must register in advance. Please email the Company Secretary at cath@bellatrixcorp.com.au with your name, address, and Shareholder HIN or SRN by 1:00pm (WST) on Sunday, 27 April 2025. After registering, you will receive login details for the virtual meeting. (Note: While you can ask questions live through the online platform, please be aware that online voting will not be available during the meeting, so submitting your proxy beforehand is important if you choose to attend virtually.)



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Thank you for your ongoing support of Zimi. The Board and I appreciate your attention to these matters and your engagement as owners of the Company. We are committed to upholding strong governance and creating value for all shareholders. If you have any questions about the resolutions or any other matter, please feel free to reach out to us prior to the meeting. We look forward to your participation on 28 April, either in person or online.

Sincerely,

Simon Beissel
Chairman, Zimi Limited

This release has been approved by the Board.

Further information:

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About Zimi

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

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

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

To learn more, please visit: www.zimi.life