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**TZ Limited**

**www.tz.net**

ABN 26 073 979 272

**30 July 2025**

## **ASX Announcement**

### **June 2025 – QUARTERLY ACTIVITIES REPORT**

TZ Limited (ASX: TZL) (“TZ” or “the Company”) releases its Appendix 4C – Quarterly Cash Flow Report for the quarter ended 30 June 2025, and provides the following operational and strategic update for FY26.

#### **Key Highlights**

- **Third Microsoft Order Secured:** TZ received a third purchase order from Microsoft (via Wesco Anixter). The three orders received so far to date, from Asia, Europe and North America, covers a total of 390 units, at approximately A\$750,000 (ASX release 9 May 2025). An additional 60 units “spare” have been requested by the client (an additional AUD\$115,000 in future billing). These units are being shipped and will be fully installed in September. That will bring the 1<sup>st</sup> tranche total value to AUD\$865,000. Note TZ is on 90-day payment terms
- **Further Microsoft requirement:** There is an 18 to 20 weeks manufacturing lead time for the Microsoft kits. At the request of the client, Microsoft, TZ placed a bulk production order for 900 kits in total. This represents Microsoft’s short term demand. The total value of the 900 kits is AUD\$1.75m.
- **Keyvision Integration:** The acquisition of Keyvision Holdings Pty Ltd was completed during the quarter, following shareholder approval at the EGM. There are new employees; the software team is under TZ tutelage; and the latest software version is undergoing rigorous quality assurance testing in preparation for the planned product offering in US and Asian. Keyvision’s operations have been transitioned into Keyvision Aust, a wholly owned subsidiary of TZ Australia, and legacy entity structures are being dissolved to streamline reporting and governance.
- **Keyvision Performance** Over the past six months, the Keyvision team has contracted 29 new projects, including the renewal of 7 existing long-term agreements that were due to expire. This represents a growth of over 100% in contracted projects over the period, effectively doubling the managed site portfolio.
- **The “Tariffs” disruption and the resulting US Order Backlog** As at 30 June 2025, the Company held a backlog of approximately A\$2.5 million in confirmed, unshipped orders, providing strong visibility heading into FY2026. FY25 saw global regions perform in line with budget, however, the US market was down by 50% (delayed, not abandoned projects).



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- **Major Hardware Refresh Program Commenced:** In response to Microsoft's end-of-support for Windows10 in October 2025, TZ has commenced a major upgrade program across its installed base. If all customers proceed as forecast, this is expected to contribute >A\$1.2 million in revenue.

## Financial Summary

The key points of the Company's fiscal 2025 Q4 performance are:

- The **net cash from operating activities** for the quarter was an outflow of **\$320,000**
- The **cash flows for operating activities** during the quarter included:
  - Receipts of **\$2.468m**
  - Payments for product manufacturing and operating costs of **\$512,000**.
  - Payments for staff costs of **\$1.165m**
  - Administration and corporate costs of **\$780,000**.
- Per item 6.1 of the Appendix 4C, **\$101,000** was paid to directors for non-executive directors' fees.

## Business Update

### FY2026

The FY25 revenue performance fell below internal expectations, solely due to the underperformance of the US business. The uncertainties of the US election followed by the volatility of radical changes to the US import tariffs.

A large portion of this shortfall is expected to be recovered in early FY2026. Approximately **50% of the FY2026 revenue budget is committed** through the contracted backlog and confirmed new projects.

**Data Centre Sector** TZ has the dominant market penetration in Australia – NextDC; Macquarie; Fujitsu etc. The Microsoft orders have given extra impetus. Recently TZ was requested to tender (by September 1st) for 7,500 racks needing electronic opening/closing. These racks are part of a portfolio of data centres held by a major European bank. The value of that tender is approximately AUD\$4.5m.

On this basis, the Company has established a **base-case FY2026 revenue forecast of A\$17 million**, with Annualised Recurring Revenue (ARR) exceeding AUD\$5.2m.



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Management remains focused on execution discipline, deepening customer relationships, and scaling delivery capacity across high-growth sectors such as AI infrastructure, logistics automation, and smart buildings.

**For further information, please contact:**

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## Appendix 4C

### Quarterly cash flow report for entities subject to Listing Rule 4.7B

**Name of entity**

TZ LIMITED

**ABN**

26 073 979 272

**Quarter ended ("current quarter")**

30 June 2025

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	2,468	10,825
1.2 Payments for		
(a) research and development		
(b) product manufacturing and operating costs	(512)	(5,240)
(c) advertising and marketing	(118)	(294)
(d) leased assets		
(e) staff costs	(1,165)	(4,055)
(f) administration and corporate costs	(780)	(2,461)
1.3 Dividends received (see note 3)		
1.4 Interest received	0	2
1.5 Interest and other costs of finance paid	(220)	(666)
1.6 Income taxes paid	(5)	(8)
1.7 Government grants and tax incentives	12	195
1.8 Other (provide details if material)		
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(320)</b>	<b>(1,702)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities		
(b) businesses	(1249)	(2348)
(c) property, plant and equipment	(10)	(29)
(d) investments		
(e) intellectual property	(81)	(391)
(f) other non-current assets		

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from disposal of:		
	(a) entities		
	(b) businesses		
	(c) property, plant and equipment	0	0
	(d) investments		
	(e) intellectual property		
	(f) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(1,340)</b>	<b>(2,768)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	200	1,137
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options	0	667
3.4	Transaction costs related to issues of equity securities or convertible debt securities		
3.5	Proceeds from borrowings	0	4,000
3.6	Repayment of borrowings	0	(1,800)
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)	(54)	(204)
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>146</b>	<b>3,800</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	1,767	1,050
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(320)	(1702)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1,340)	(2,768)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	146	3,800
4.5	Effect of movement in exchange rates on cash held	261	134
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>514</b>	<b>514</b>

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	514	1,767
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details)		
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>514</b>	<b>1767</b>

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	101
6.2	Aggregate amount of payments to related parties and their associates included in item 2	
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

<b>7.</b>	<b>Financing facilities</b> <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1	Loan facilities	5,500	5,500
7.2	Credit standby arrangements		
7.3	Other (please specify)		
7.4	<b>Total financing facilities</b>	5,500	5,500
7.5	<b>Unused financing facilities available at quarter end</b>		
7.6	<p>Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.</p> <p>AUD\$1.5 million secured debenture facility with First Samuel. Fully drawn down as of 30<sup>th</sup> June. The interest rate of the facility is 12% pa and maturing 30 June 2026.</p> <p>AUD\$4 million secured loan facility from Causeway Finance at 12% pa interest. \$2m maturing on 31 December 2025 and \$2m maturing 31 December 2027.</p>		

<b>8.</b>	<b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1	Net cash from / (used in) operating activities (item 1.9)	(320)
8.2	Cash and cash equivalents at quarter end (item 4.6)	514
8.3	Unused finance facilities available at quarter end (item 7.5)	
8.4	Total available funding (item 8.2 + item 8.3)	514
8.5	<b>Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>	1.6
	<p><i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i></p>	
8.6	<p>If item 8.5 is less than 2 quarters, please provide answers to the following questions:</p> <p>8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?</p> <p>Answer: The period was affected by the "tariff turmoil". The company has subsequently seen an uplift in sales which should see a return to positive cashflow.</p> <p>8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?</p> <p>Answer: The company has successfully raised capital over a long period with continued shareholder support. The company will monitor the situation and raise capital if required.</p>	

8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Yes

*Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.*

## Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 30 July 2025

Authorised by: The Board of Directors  
(Name of body or officer authorising release – see note 4)

## Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.