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ASX Announcement and Media Release

9 October 2026

Business and Funding Update

Management restructure delivers improved performance

Highlights

- **Placement of the Shortfall Shares:** Completion of the placement of shortfall shares was not able to be finalised in totality by expiry date. TZ has been approached by a party wishing to inject funds and more importantly, fill the management void. The board aims to conclude a deal in a short time frame as the company needs to make a debt repayment of \$500,000 and the payment owing to the vendor of Keyvision of \$800,000.
 - **Data centre growth:** Increased demonstrations and retrofits, including engagement with Rittal and Schneider Electric across broader cabinet ranges.
 - **Smart locker expansion:** Renewed customer orders, opportunities to expand relationships with Apple and DSV, and development of a digital display locker bank.
 - **Keyvision growth:** More than 13,000 apartments under contract, with the portfolio expected to exceed 15,000 by March 2027 and positive divisional EBITDA forecast in early 2027.
 - **Lower cost base:** Restructuring has reduced employee expenses and overheads by approximately \$1.6 million, with further initiatives underway.
 - **Improved cash generation:** Operating cash flow expected to be at least break-even for the September 2026 quarter and positive for the December 2026 quarter.
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TZ Limited (“TZ” or “the Company”) (ASX: TZL) provides an update in relation to funding, changes to senior management, a restructuring of its operating cost base and improving commercial activity across its businesses.

Shortfall Placement and Funding Update

TZ advises that the placement of the shortfall shares arising from its recent entitlement rights issue was not fully completed within the prescribed three-month placement period. The Company continues to engage with prospective investors and funding parties regarding alternative capital arrangements to strengthen its balance sheet and meet its financial commitments, including outstanding debt repayment obligations. The Company will provide further updates to the market as material developments occur.

Think SMART. Think TZ.



Restructuring strengthens operations and cash generation

In response to FY26 performance, TZ restructured its senior leadership with the departure of the CEO and CTO and the introduction of a flatter operating structure.

Chris Kelliher, based in the United States, leads the restructured operations, supported by Shi Song in Singapore. Ashwini Taylor has returned on a permanent basis to lead the software department and address delivery bottlenecks.

These changes have strengthened operational accountability and execution. TZ is now directing its established technology and customer relationships towards new orders and recurring revenue, with additional resources allocated to data centre security to capture growing customer demand.

TZ expects to report break-even net cash from operating activities for the quarter ended 30 September 2026, subject to finalisation of quarterly reporting. The Company also expects positive operating cash flow for the quarter ending 31 December 2026.

The outlook reflects the lower cost base, anticipated project deliveries and customer receipts. The December-quarter forecast remains dependent on delivery schedules, customer collections and the timing of new orders.

Data centre demand supports commercial expansion

TZ is experiencing increased requests for demonstrations and cabinet retrofits as investment in data centre infrastructure expands. Participation in two recent industry trade shows has generated further engagement with customers and major rack and cabinet manufacturers.

JLL forecasts global data centre capacity to increase from 103 GW to approximately 200 GW by 2030. Grand View Research projects the global data centre rack market to grow from an estimated US\$5.3 billion in 2026 to US\$7.6 billion by 2030.^{1 2}

TZ continues to supply Microsoft through Wesco Anixter, including installation of TZ security solutions on a specific Rittal rack model. Following engagement at a recent trade show, Rittal is preparing a broader range of cabinets for a trial of TZ's locking technology.

Microsoft has also acquired Schneider Electric's APC new-generation cabinets, with Wesco Anixter now ordering TZ data centre security kits for these installations. TZ is scheduling a trial with Schneider Electric cabinets, building on previous installations of its proprietary security solution on Schneider Electric racks at Canada Life Insurance and Shared Services Canada.

These engagements are aimed at establishing TZ's locking technology and management software as an integrated security option within manufacturers' standard cabinet offerings, supporting repeatable deployment across customer sites and broader adoption of TZ's hardware and software platform.

In Australia, TZ serves established customers including NEXTDC and Macquarie Telecom. Following a recent demonstration, CDC Data Centres has requested a proof of concept for TZ's cabinet security solution.



TZ's US subsidiary, Telezygology, has also been awarded a City of New York data centre security contract supporting essential and emergency services, including fire and police operations. This builds on TZ's established deployment experience in high-security government and defence environments.

Smart lockers and customer expansion

Major customers are resuming orders for capital projects following earlier deferrals associated with tariff uncertainty and conflict in the Middle East. TZ is progressing opportunities to expand relationships with Apple in the United States and DSV across Africa and Europe, with potential for significant additional deployments during FY27.

TZ is developing a digital display locker bank with its Chinese manufacturing partner, Zhilai. The product combines secure locker functionality with digital advertising screens, with a prototype expected within the next two weeks.

The product presents a potential multimillion-dollar order opportunity, subject to prototype completion and customer commitment. TZ also sees opportunities to introduce the product to its existing click-and-collect customers, including Adidas, Nike and Apple.



DSV requires an upgrade of its locker network from Windows10 to Windows11, including hardware replacement. TZ is pursuing the opportunity to migrate DSV to its upgraded Courier Pro platform as part of this transition.

TZ is evaluating expansion into the Middle East and Africa through its relationship with DSV, including a proposed holding company in Dubai and subsidiaries in selected African countries. The proposed structure would also support opportunities for Keyvision and data centre security in the Middle East.



Proposed digital display locker bank designs. Concept illustrations; product under development.

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Keyvision expands its contracted portfolio

Keyvision's contracted apartment base has grown from just over 7,000 at acquisition to more than 13,000. The Company expects the portfolio to exceed 15,000 apartments by March 2027.

Recent signings involving Salta Group and Accor complement established relationships with CBUS and Essence Communities. As contracted properties commence services, the expanding portfolio is expected to increase recurring revenue.

Keyvision is forecast to generate positive EBITDA in early 2027. The timing depends on property activations, recognised revenue and the final divisional cost structure. Management's focus is on converting contracted apartment growth into recurring revenue while maintaining expenditure discipline.

TZ plans to expand Keyvision into additional regions during 2027, initially focusing on Southeast Asia.

ENDS



Authorised for release by the Board of Directors of TZ Limited and ceases the trading halt of the Company's securities on the ASX.

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References

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2. Grand View Research, Data Center Rack Market Size and Share Report, 2024–2030, accessed 6 October 2026.
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