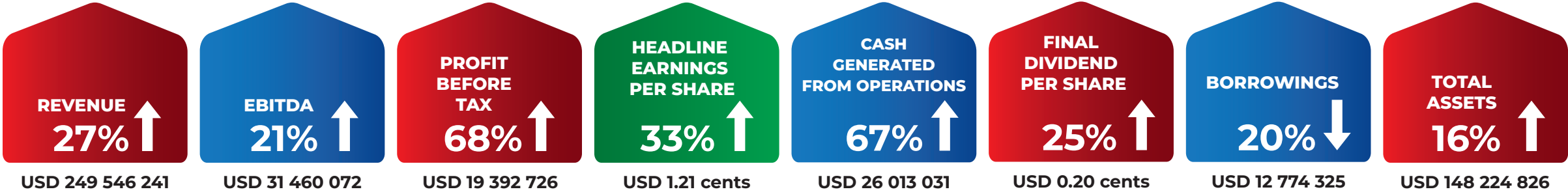




SALIENT FEATURES FOR THE YEAR



CHAIRMAN’S STATEMENT AND REVIEW OF OPERATIONS

Directors’ Responsibility

The Directors of Axia Corporation Limited are responsible for the preparation and fair presentation of the Group's consolidated financial statements. The financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) and in the manner required by the Companies and Other Business Entities Act (Chapter 24:31) and the Victoria Falls Stock Exchange (“VFE”) listing requirements.

The principal accounting policies of the Group are consistent with those applied in the previous annual financial statements.

Auditor’s Statement

These audited, abridged financial announcements should be read in conjunction with the complete set of the financial results for the year ended 30 June 2026, audited by BDO Zimbabwe Chartered Accountants and an unqualified opinion has been issued thereon. The opinion includes a key audit matter in respect of revenue recognition. The audit opinion has been made available to management and those charged with governance of Axia Corporation Limited. The Engagement Partner responsible for the audit is Mr. Davison Madhigi (PAAB 0610).

Operating Environment And Overview

The trading environment in Zimbabwe was stable during the financial year. Inflation remained low, with annual inflation notably returning to a single-digit level. Average inflation was at 4.4% between January 2026 and June 2026. The exchange rate was also stable during the year whilst the premium on the alternative market narrowed to around 12%. Growth in agriculture and mining sectors also helped the wider economy.

There were no major policy changes during the year. The Willing Buyer Willing Seller market was adequately funded. It appeared that more liquidity was moving through the informal market, and some of this liquidity flowed back into formal businesses. This supported stronger activity across several sectors.

Interruptions in the global supply network resulted in delays in the receipt of imported goods. These interruptions coupled with increases in global fuel prices resulted in higher prices for imported products. Despite these pressures, the demand for imported products remained high.

As noted in previous statements, counterfeit products and unregistered informal players remain a growing challenge in the economy. This continues to put pressure on formal businesses. Whilst we appreciate efforts being made by authorities to curb counterfeits, we believe that continued Government action is required to address these challenges. The formal businesses will continue to collaborate with Government efforts to control this problem.

The Malawi Kwacha depreciated by 7% against the US Dollar and 4% against the South African Rand. Malawi continues to face significant foreign currency shortages.

The Zambia Kwacha firmed by 25% against the US Dollar and 18% against the South African Rand. The Kwacha resurgence was a result of the firming of copper prices in addition to a disciplined and tight fiscal stance by the Zambian Government.

Tax Positions And Regulatory Environment

The local market has experienced significant currency and legislative changes since 2018. These have created numerous uncertainties in the tax treatment of transactions due to the complexities in interpretations. This matter is further complicated by the wording of the legislation concerning the currency of settlement of various taxes for the periods 2019 to 2021, which gave rise to interpretations that differed from those of the tax authorities, which created differences in tax positions.

Retrospective Treatment Of Taxation

The Zimbabwe Revenue Authority (“ZIMRA”) assessed additional Income Tax, penalties, and interest for the periods 2020 to 2021 against the Group's business units, for amounts that had already been lawfully settled in Zimbabwe Dollars, but which ZIMRA deemed should have been paid exclusively in foreign currency. The Group was also assessed taxes in circumstances in which it believes it has no lawful tax liabilities. No credit has been given by ZIMRA to the equivalent amounts already paid in the Country's local currency. As at 30 June 2026, these additional assessments for the Group's business units amounted to US\$ 1.673 million. Zimra also levied assessments for Value Added Taxes (“VAT”) relating to periods 2023 to 2025 totaling US\$1.370 million inclusive of penalties and fines for the Group's subsidiaries for various matters which includes disallowance of certain input claims amongst others.

The penalties and interest relating to income tax have been objected to and challenged with ZIMRA, and no substantial recourse has been found yet. The Group's subsidiaries have so far paid the full bills under the “pay now, argue later” principle. Tax payments that have been made with respect to these revised assessments have been accounted for as taxation expenses in the Statement of Comprehensive Income hence the Group recorded an unusually high effective tax rate.



ABRIDGED AUDITED GROUP FINANCIAL RESULTS For The Year Ended 30 June 2026



The year under review has also seen some constructive policy developments, most notably the recent taxation amendment, which now allows the deductibility of Intermediated Money Transfer Tax (“IMTT”) in the computation of Corporate Income Tax and the reduction in the IMTT rate on local currency denominated transaction from 2% to 1.5%. This represents a positive step in addressing distortions that have been affecting tax-compliant operators in the formal sector.

Financial Overview

The Group reported revenues of US\$249.546 million for the year, reflecting a 27% increase compared to the prior year, driven by disciplined, competitive and responsive pricing approach as well as product availability that lifted demand. Gross margin improved by 20%, driven by competitive pricing. The Group absorbed pricing shocks brought about by the instability in the Middle East such as fuel increases while maintaining selling pricing points to drive volumes and dollar revenues. Operating expenditure increased by 20% mainly due to once-off costs incurred in the local distribution business, we continue to refine and restructure its business model to align with the changes in the market.

The Group achieved an operating profit of US\$31.460 million, representing a 21% increase compared to the prior year. The distribution business recorded significant provisions for credit losses due to difficulties encountered in the credit performance of some customers in formal trade during the first half of the financial year. This affected the growth of the Group's profitability levels. Profits before tax grew by 68% to US\$19.392 million. The Group divested its interest in two joint ventures at total consideration of US\$3 million. This had an impact on the equity accounted profits recorded in the current year. As explained above, the Group received significant assessments from the revenue authority relating to prior financial periods and this significantly affected the attributable profit to the shareholders.

Headline Earnings Per Share (HEPS) was 1.21 US cents, reflecting a 33% growth from the prior year. The Group's statement of financial position remained strong. The current asset position increased by US\$22.432 million whilst borrowings declined significantly by US\$3.232 million from \$15.976 million to close off at US\$12.744 million. Working capital management remains robust with a strong net current asset position of US\$48.385 million and all our shops are adequately stocked.

The Group generated cash of US\$26.013 million from operations, representing a 67% increase on the prior year. This was a result of increased efforts in cash generation through prudent working capital management, growth in sales and timely collections of accounts receivables. This translated into enhanced free cash generation enabling the Group to incur capital expenditure for the year totaling US\$2.424 million.

The Group increased its effective shareholding in Transerv from 87.75% to 100% with effect from 1 June 2026. The acquisition was concluded with a purchase consideration of US\$1.08 million, which was settled through the issuance of Axia Corporation Limited shares. Accordingly, no cash consideration was paid by the Group. The acquisition of the remaining non-controlling interest in Transerv represents an important step in simplifying the Group structure and increasing our exposure to the future growth and earnings potential of the business. We are pleased to have concluded the transaction in a manner that preserves the Group's cash resources while delivering value to all stakeholders.

Sustainability Reporting

As part of our ongoing commitment to sustainable business practices, the Group continues to apply the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines across all operations. During the year, we made steady progress in embedding these principles into our retail and distribution activities. Our focus remains on balancing day-to-day operational performance with responsible environmental, social, and governance practices. The Group remains committed to long-term value creation that aligns sustainable growth with our broader business objectives.

Operations

The main operating business units in the Axia Corporation Limited Group are TV Sales & Home (TVSH), Transerv and Distribution Group Africa (DGA). TVSH is Zimbabwe's leading furniture and electronic appliance retailer with sites located countrywide. It has a manufacturing business unit, namely Restapedic, a bed and lounge manufacturing business. Transerv retails automotive spares and accessories through retail stores and fitment centers to service the needs of its customers through a national network of retail stores and service centers. DGA's core areas of expertise lie in inbound clearing and bonded warehousing, ambient and chilled warehousing, logistics, marketing, sales, and merchandising services. It has operations in Zimbabwe, Zambia and Malawi.

TV Sales & Home Retail

TV Sales & Home posted strong trading results, with volumes increasing by 37% to 224,452 units, driving turnover growth by 36%. The business experienced record turnover during the Black Friday and Christmas Ho-Ho Home promotions with customer count increasing by 33% year on year and the credit book growing by 70% over same period last year. This momentum carried on through to the fourth quarter of the financial year. Growth was primarily driven by the diverse and quality product range, competitive pricing and the availability of competitive credit, which enabled more customers to acquire the quality products that are offered.



CHAIRMAN’S STATEMENT AND REVIEW OF OPERATIONS (Cont’d)

Increased focus on e-commerce transactions coupled by organic growth in store network continue to be key pillars driving the performance. The opening of new branches on Churchill Avenue, Mvurwi, Norton, Hogerty Hill, and Garrison shops in army barracks grew customer reach. We continue to significantly invest in our customer experience both in the physical shops through improving aesthetics and our omnichannel. Nine new stores are planned across the nation on strategic sites.

Restapedic Bedding

Restapedic bedding volumes grew by 24% to end at 65,264 units, and this translated into a 30% increase in revenues. Revenue per unit improved during the year owing to the sales mix. Increased visibility in the market through engagement of distributors across the country in the different market segments has improved market penetration.

Restapedic Lounge

The factory production was adversely affected during the month of August 2025 when the manufacturing plant was relocated to the new premises in Sunway City. In spite of the challenges that the business faced, it recorded a 7% growth in sales volumes from 5 484 units to 5 846 units. Revenue growth of 29% compared to last year was in excess of the growth in volumes recorded. New product offerings and tailoring production to market demand have led to growth in high value lounge suites which improved the dollar revenues. Plans are in place to maximize capacity utilization of the plant.

Transerv

The Company recorded a 10% increase in revenue on the back of an 11% increase in volumes to 3,501,990 units for the year compared to prior year. This growth is primarily attributed to six new shops that opened during the year as well as sustained growth in core business. Excluding solar sales, core business grew by 15%. Improved stock management has bolstered the performance of the retail division. Introduction of new brands has also had a positive impact. Our refocus on our core products and continued market confidence in the quality of our products has helped the business to withstand competition from unregistered informal traders. Plans are underway to open six new shops and two service centers in the new financial year.

Distribution Group Africa (DGA) - Zimbabwe

Revenue for the year increased by 50% on the back of a 39% growth in sales volumes to 2 630 296 units. A major local agency was secured in October 2025 and this also contributed to the revenue and volumes growth. Most agencies recorded modest volume increases and significant revenue growth during the year, reflecting recovery of the formal sector. The business continues to face significant price competition from grey imports. The influx of counterfeit products is also impacting volumes and margins in general trade as well as sales in the wholesale market. We will continue to support the authorities in their efforts to clamp down on counterfeit product proliferation.

Distribution Group Africa (DGA) - Region

In Malawi, turnover increased by 27% in Kwacha terms while a 9% decline in US dollar terms was recorded against a volume increase of 2% to 2 489 839 units. The volume growth is significantly driven by an agency which is settled in local currency. Concerted efforts to generate foreign currency together with collaboration with suppliers have helped to mitigate foreign currency challenges.

In Zambia, turnover in Kwacha terms increased by 12% for the year and 25% in US dollar terms, on the back of a 2% increase in volumes to 3 208 053 units. The business in Zambia generates all its income and majority of expenses in Kwacha and it is therefore exposed to foreign currency risk on working capital. The strengthening of the Kwacha has contributed to the good results.

Prospects

In Zimbabwe, the sustained stability of the economy will continue to enable effective planning and better management of costs. The Group remains committed to sustaining steady growth amid an evolving regional trading environment.

The Group will remain focused on growing and protecting its market share by offering quality products conveniently at competitive prices and thus contributes towards improving the quality of life of our customers.

We will continue to focus on maintaining and strengthening our business relationships with both the formal and general trades as we all embrace a new era of competitive pricing and low margins essential for survival, continued relevance in a low inflation and stable currency environment.

In Zambia, continued stability of Kwacha is envisaged with the firming of copper prices and a tight fiscal stance to propel the country to growth with progressive debt management. In Malawi, continued strain on foreign currency is envisaged which affects critical imports such as fuel. Management teams in each market remain focused on maintaining healthy gearing levels, improving free cash generation, and protecting the balance sheet.

The Group remains committed to strengthening relationships with key suppliers, customers, and bankers, as these partnerships are essential to its working capital cycle. Keeping debtor accounts within agreed terms enables the Group to meet its obligations to suppliers on time. Given that many suppliers are based abroad, the Group will continue to align payment terms and implement financing arrangements that accommodate the longer lead times required to bring products into local markets.

Investments to fund our growth, improve our cash generation and enhance profitability, will be done through the expansion of our retail networks for both TV Sales & Home and Transerv. TV Sales & Home will open nine shops, whilst Transerv will open six shops. A new modern distribution center will be developed in Sunway City for use by TV Sales & Home. This should improve logistics and save on warehouse and distribution costs. We are planning to make acquisitions in Zimbabwe and Zambia.

Dividend

The Board has declared a final dividend of US\$0.0020 (0.20 US cents) per share in respect of all ordinary shares of the Company. This brings the total dividend for the year to US\$0.0040 (0.40 US cents). The dividend will be paid in full to all ordinary shareholders of the Company registered at close of business on the 9th of October 2026. The payment of this dividend will take place on or around the 16th of October 2026. The shares of the Company will be traded cum-dividend on the Victoria Falls Stock Exchange up to the 7th of October 2026 and ex-dividend as from the 8th of October 2026.

The Board has also declared a final dividend totaling US\$50,000, to the Axia Employee Trust (Private) Limited, which will be paid on or around the same date.

Appreciation

I extend my sincere appreciation to the Board of Directors, executives, management, and all staff for their hard work and commitment during the period under review. Their dedication, despite the ongoing challenges in our operating environment, remains invaluable. The Group results have been anchored on the existing strong cultural alignment between staff and its leadership to the Group's Vision and Mission. I also wish to thank our customers, suppliers, and all stakeholders for their continued trust and support. Their support remains central to the Group's progress.

Ngwerume
L.E.M. NGWERUME
Chairman
24 September 2026

ABRIDGED GROUP STATEMENT OF PROFIT OR LOSS & OTHER COMPREHENSIVE INCOME

	30 June 2026 Audited USD	30 June 2025 Audited USD
Revenue	249 546 241	196 472 952
Operating profit before depreciation and amortisation	31 460 072	25 898 635
financial losses	(47 684)	(2 443 122)
depreciation and amortisation	(7 573 516)	(7 225 936)
Profit before interest and tax	23 838 872	16 229 577
net interest expense	(4 494 230)	(4 667 689)
equity accounted earnings	48 084	(20 605)
Profit before tax	19 392 726	11 541 283
tax expense	(8 337 571)	(3 070 527)
Profit for the year	11 055 155	8 470 756
Other comprehensive income/(loss) - to be recycled to profit or loss		
exchange differences arising on the translation of foreign entities	1 359 432	(1 432 186)
Other comprehensive income/(loss) for the year, net of tax	1 359 432	(1 432 186)
Total comprehensive income for the year	12 414 587	7 038 570
Profit for the year attributable to:		
equity holders of the parent	6 856 131	5 060 271
non-controlling interests	4 199 024	3 410 485
Total comprehensive income for the year attributable to:	11 055 155	8 470 756
equity holders of the parent	7 535 847	4 344 178
non-controlling interests	4 878 740	2 694 392
	12 414 587	7 038 570

ABRIDGED GROUP STATEMENT OF FINANCIAL POSITION

	30 June 2026 Audited USD	30 June 2025 Audited USD
Assets		
Non-current assets		
property, plant and equipment	27 127 035	27 431 236
right of use assets	12 320 519	10 932 362
investments in associates and joint ventures	-	2 944 577
deferred tax assets	555 539	474 505
40 003 093	41 782 680	
Current assets		
financial assets at fair value through profit or loss	793 923	698 412
financial assets at amortised cost	878 887	-
inventories	55 418 036	41 341 511
trade and other receivables	43 851 950	40 951 557
cash and cash equivalents	7 278 937	2 798 124
108 221 733	85 789 604	
Total assets	148 224 826	127 572 284
Equity and Liabilities		
Capital and reserves		
ordinary share capital	56 738	55 600
share premium	4 699 434	3 620 572
non-distributable reserves	(3 812 666)	(4 492 382)
distributable reserves	44 685 360	40 049 000
Attributable to equity holders of parent	45 628 866	39 232 790
non-controlling interests	30 271 484	27 682 982
Total shareholders' equity	75 900 350	66 915 772
Non-current liabilities		
deferred tax liabilities	3 063 935	2 381 103
lease liabilities	9 423 412	9 045 670
12 487 347	11 426 773	
Current liabilities		
interest-bearing borrowings	12 774 325	15 976 709
lease liabilities	4 008 396	2 651 301
trade and other payables	39 752 705	28 015 966
provisions and other liabilities	1 264 794	1 035 550
current tax liabilities	2 036 909	1 550 213
59 837 129	49 229 739	
Total liabilities	72 324 476	60 656 512
Total equity and liabilities	148 224 826	127 572 284

ABRIDGED GROUP STATEMENT OF CHANGES IN EQUITY

For The Year Ended 30 June 2026

	Ordinary Share Capital USD	Share premium USD	Non- Distributable Reserves* USD	Distributable Reserves USD	Total USD	Non- Controlling Interests USD	Total USD
Balance at 1 July 2024	55 600	3 620 572	(3 776 289)	35 685 488	35 585 371	25 273 187	60 858 558
Profit for the year	-	-	-	5 060 271	5 060 271	3 410 485	8 470 756
Other comprehensive income	-	-	(716 093)	-	(716 093)	(716 093)	(1 432 186)
Dividends paid	-	-	-	(697 200)	(697 200)	(808 742)	(1 505 942)
Transaction with owners in their capacity as owners	-	-	-	441	441	524 145	524 586
Balance at 30 June 2025	55 600	3 620 572	(4 492 382)	40 049 000	39 232 790	27 682 982	66 915 772
Profit for the year	-	-	-	6 856 131	6 856 131	4 199 024	11 055 155
Other comprehensive income	-	-	679 716	-	679 716	679 716	1 359 432
Dividends paid	-	-	-	(2 091 601)	(2 091 601)	(1 338 408)	(3 430 009)
Transaction with owners in their capacity as owners	1 138	1 078 862	-	(128 170)	951 830	(951 830)	-
Balance at 30 June 2026	56 738	4 699 434	(3 812 666)	44 685 360	45 628 866	30 271 484	75 900 350

*Non-distributable reserve consists of foreign currency translation reserve and revaluation reserve.

ABRIDGED GROUP STATEMENT OF CASH FLOWS

For The Year Ended 30 June 2026

	30 June 2026 Audited USD	30 June 2025 Audited USD
Cash generated from operations	26 013 031	15 583 763
net interest paid	(4 494 230)	(4 667 689)
tax paid	(7 425 209)	(3 098 087)
Net cash generated from operating activities	14 093 592	7 817 987
Investing activities	1 680 463	(3 436 253)
Net cash inflow before financing activities	15 774 055	4 381 734
Financing activities	(11 293 242)	(10 280 757)
Increase/(decrease) in cash and cash equivalents	4 480 813	(5 899 023)
Cash and cash equivalents at the beginning of the year	2 798 124	8 697 147
Cash and cash equivalents at the end of the year	7 278 937	2 798 124

NOTES AND SUPPLEMENTARY INFORMATION

For The Year Ended 30 June 2026

	30 June 2026 Audited USD	30 June 2025 Audited USD
3 Commitments For Capital Expenditure		
Contracts and orders placed	-	-
Authorised by Directors but not contracted	6 528 259	5 842 999
	6 528 259	5 842 999
4 Borrowings & Security		
Net book value of Motor Vehicles and Buildings pledged as security for interest-bearing borrowings in the Region	2 159 668	2 943 442
	2 159 668	2 943 442

The capital expenditure is to be financed out of the Group's own resources and existing borrowing facilities.

Interest-bearing borrowings constitute bank loans from various financial institutions. The average cost of borrowings for the Axia Group operations in Zimbabwe is between 11% to 15% for USD borrowings and 40% to 47% for ZWG denominated borrowings per annum, with borrowings for Zambian operations averaging an interest rate of 20% while Malawian operations averaging 24% in the respective local currency loans. The facilities expire at different dates and will be reviewed and renewed as they mature.

NOTES AND SUPPLEMENTARY INFORMATION

For The Year Ended 30 June 2026

1 Corporate Information

The Company is incorporated and domiciled in Zimbabwe.

2 Operating Segments

The following table represents the summarised financial information of the Group's operating segments for the year ended 30 June 2026:

	Zimbabwe USD	Region USD	Intersegment adjustments USD	Total USD
Revenue				
30 June 2026	208 869 990	40 676 251	-	249 546 241
30 June 2025	158 407 694	38 065 258	-	196 472 952
Operating profit before depreciation and amortisation				
30 June 2026	26 622 797	4 837 275	-	31 460 072
30 June 2025	21 972 577	3 926 058	-	25 898 635
Depreciation and amortisation				
30 June 2026	(7 225 860)	(347 656)	-	(7 573 516)
30 June 2025	(6 909 839)	(316 097)	-	(7 225 936)
Equity accounted earnings				
30 June 2026	48 084	-	-	48 084
30 June 2025	(20 605)	-	-	(20 605)
Profit before tax				
30 June 2026	15 943 990	3 448 736	-	19 392 726
30 June 2025	9 049 742	2 491 541	-	11 541 283
Segment assets				
30 June 2026	162 367 667	23 033 689	(37 176 530)	148 224 826
30 June 2025	146 552 341	20 246 225	(39 226 282)	127 572 284
Segment liabilities				
30 June 2026	62 908 499	10 057 636	(641 659)	72 324 476
30 June 2025	53 363 863	11 064 062	(3 771 413)	60 656 512
Capital expenditure				
30 June 2026	2 386 558	37 734	-	2 424 292
30 June 2025	3 321 470	265 336	-	3 586 806

5 Earnings Per Share

Basic earnings basis

The calculation is based on the profit attributable to equity holders of the parent and the weighted average number of ordinary shares in issue for the year.

Diluted earnings basis

The calculation is based on the profit attributable to equity holders of the parent and the weighted average number of ordinary shares in issue after adjusting for the conversion of share options. Share options are considered for dilution if the average market price of ordinary shares during the year exceeds the exercise price of such options.

Headline earnings basis

Headline earnings comprise of basic earnings attributable to equity holders of the parent adjusted for profits, losses and items of a capital nature that do not form part of the ordinary activities of the Group, net of their related tax effects and share of non-controlling interests as applicable.

Reconciliation of basic earnings to headline earnings

Profit for the year attributable to equity holders of the parent

Adjustment for capital items (gross of tax):

loss on disposal of assets

Tax effect on adjustments

Non-controlling interests' share of adjustments

Headline earnings attributable to ordinary shareholders

Number of shares in issue

Number of ordinary shares in issue per Basic

and Headline Earnings Per Share

Effect of share options

Weighted average number of ordinary shares in issue adjusted for the effect of dilution

Basic earnings per share (cents)

Headline earnings per share (cents)

Diluted basic earnings per share (cents)

Diluted headline earnings per share (cents)

6 Events After The Reporting Date

There have been no significant events after reporting date at the time of issuing this press release.