



YEARS
of creating
Value

2026

ANNUAL REPORT

About This Report

ABOUT THIS REPORT

Axia Corporation Limited, a Group listed on the Victoria Falls Stock Exchange (VFEX), presents the Annual Report for the financial year ended 30 June 2026. The report integrates financial and non-financial information to enable stakeholders to make an informed assessment of our performance and impacts.

REPORTING SCOPE

The report covers sustainability information for Axia Corporation Limited, presenting a balanced view of material issues and performance from its operations in Zimbabwe, Malawi and Zambia. It contains relevant comparisons to previous periods and is consistent with information and performance indicators used in internal management reporting. In this report, unless otherwise noted, references to, 'our', 'we', 'us', 'the Group', and 'Axia' refer to Axia Corporation Limited.

REPORTING FRAMEWORKS

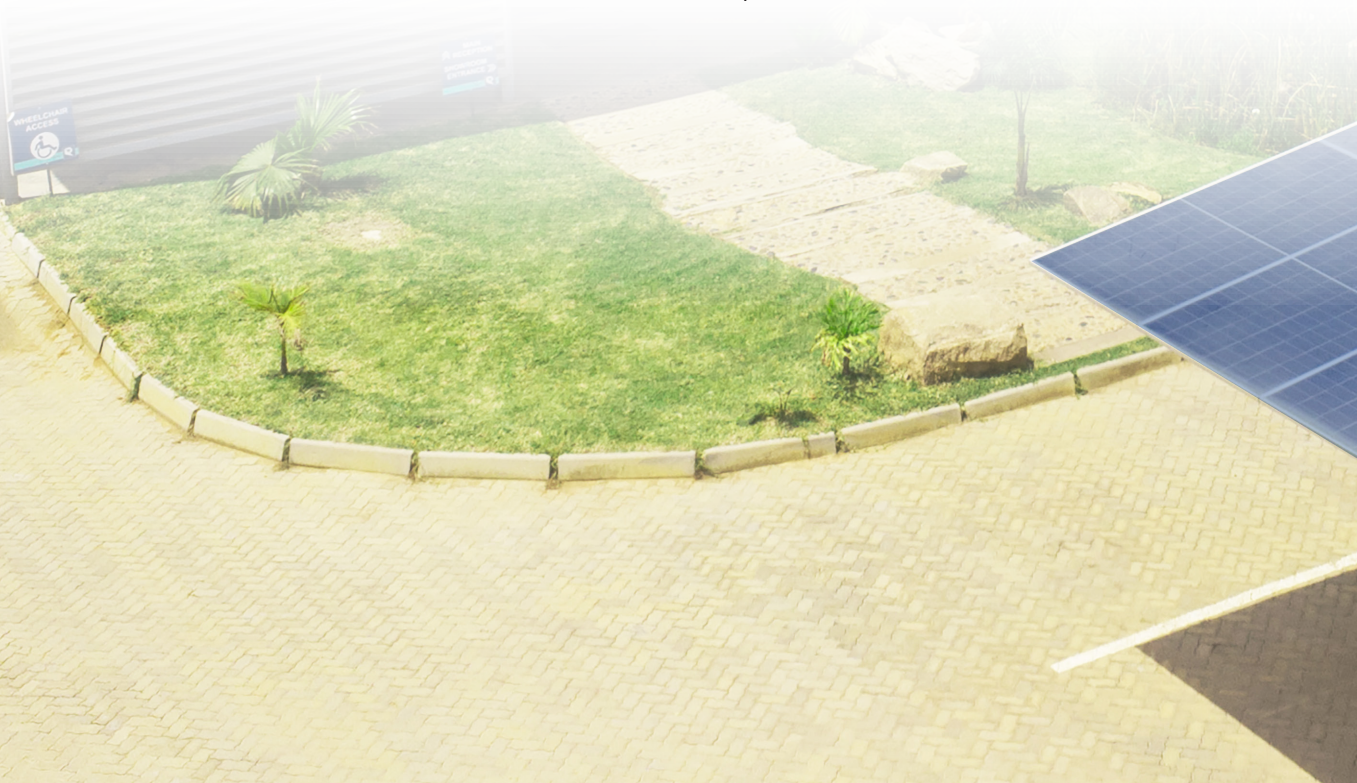
This report was compiled with consideration of the following:

- Companies and Other Business Entities Act [Chapter 24:31];
- Victoria Falls Stock Exchange Listing Requirements;
- International Financial Reporting Standards (IFRS) Accounting Standards.
- Global Reporting Initiative ("GRI") Standards (2021).

The report contains elements of the IFRS Sustainability Disclosure Standards (S1 and S2) which will continue to be aligned and developed along the systems to fully meet the standards' requirements.

SUSTAINABILITY DATA

The data presented in this report is a result of a thorough analysis of both qualitative and quantitative information extracted from various sources including company records, policy documents, and insights from management personnel responsible for the key areas of the business. The team took utmost care to ensure that estimations and assumptions made in the report are consistent with the current business operations, providing an accurate and comprehensive overview of the business' performance. In some cases, prior sustainability data was reassessed and necessary updates made in respective indicators.



About This Report (cont'd)

ASSURANCE

The financial statements were audited by BDO Zimbabwe Chartered Accountants, in accordance with the International Standards of Auditing ("ISA"). The independent auditor's report is contained on pages 96 to 100. Sustainability information was reviewed by the Institute for Sustainability Africa (INSAP) as subject matter experts for compliance with GRI Standards but was not externally assured. A GRI Content Index is contained on pages 183 to 185.

BOARD RESPONSIBILITY AND APPROVAL OF THIS REPORT

The Annual Report of Axia Corporation Limited has been compiled by the management team with the collective responsibility of the Board of Directors. The Board takes full accountability for the integrity of this report and has approved it on 24 September 2026.

REPORT DECLARATION

The Board of Directors and Management confirm that this report has been prepared in accordance with GRI Standards (2021).

REPORTING CURRENCY

All references to \$ throughout this report refer to the United States Dollar (USD).

FORWARD-LOOKING STATEMENTS

This report may contain forward-looking statements which relate to the future performance and prospects of the Group. Our assessment and future expectations are subject to various known and unknown risks, uncertainties, and factors that may negatively impact our business and performance. Stakeholders are cautioned not to place undue reliance on any forward-looking statements contained herein. We commit to publicly share any revisions of the forward-looking statements to reflect changes and or events after the publication of this report through trading and website updates.

FEEDBACK

The Group values opinions and feedback from all stakeholders on how we can improve operations and reporting. We welcome your feedback, and all enquiries you may have, kindly share your feedback with the finance team on finance@axiaops.com. You can find more information about Axia Corporation Limited online at www.axiacorpltd.com



L.E.M. NGWERUME
Chairman



R.M. RAMBANAPASI
Chief Executive Officer

A Decade of Creating Value



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For an online version of this report and additional information visit the following website
www.axiacorpltd.com

About AXIA

“At TV Sales & Home sales volumes increased by 37% reaching 224,452 units sold compared to the previous year. Growth was primarily driven by the diverse and quality product range, competitive pricing and the availability of competitive credit.”

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Aerial view of the exclusive TV Sales & Home Elite Furniture shop and the newly opened appliance shop in Harare.



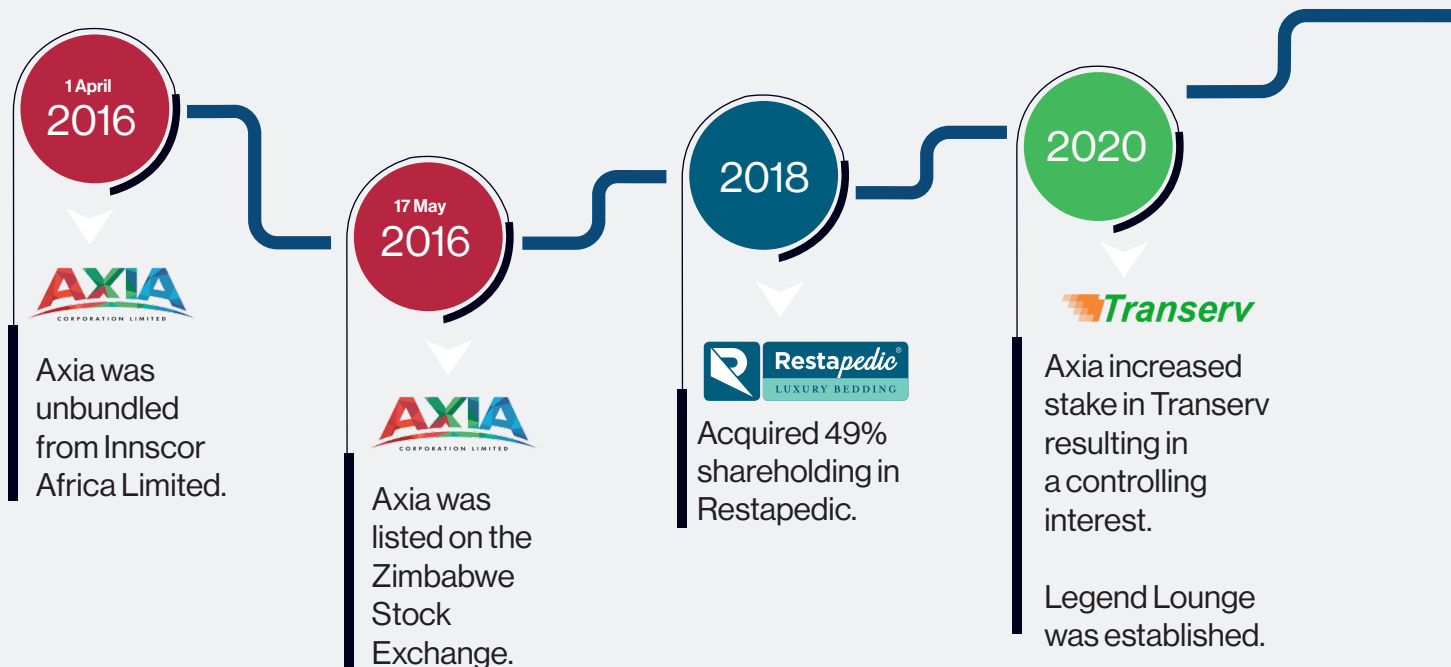
Our Vision & Mission

OUR VISION

To create value through the provision of high quality consumer and durable goods in Zimbabwe and the Region.

OUR MISSION

To sustainably and profitably distribute, market, merchandise and retail leading consumer and durable goods, thereby growing stakeholder value and to enable easier access to high quality consumer and durable goods at reasonable prices to our customers.



Our History & Milestones

OUR VALUES



Quality



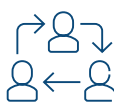
Fairness



Integrity



Teamwork



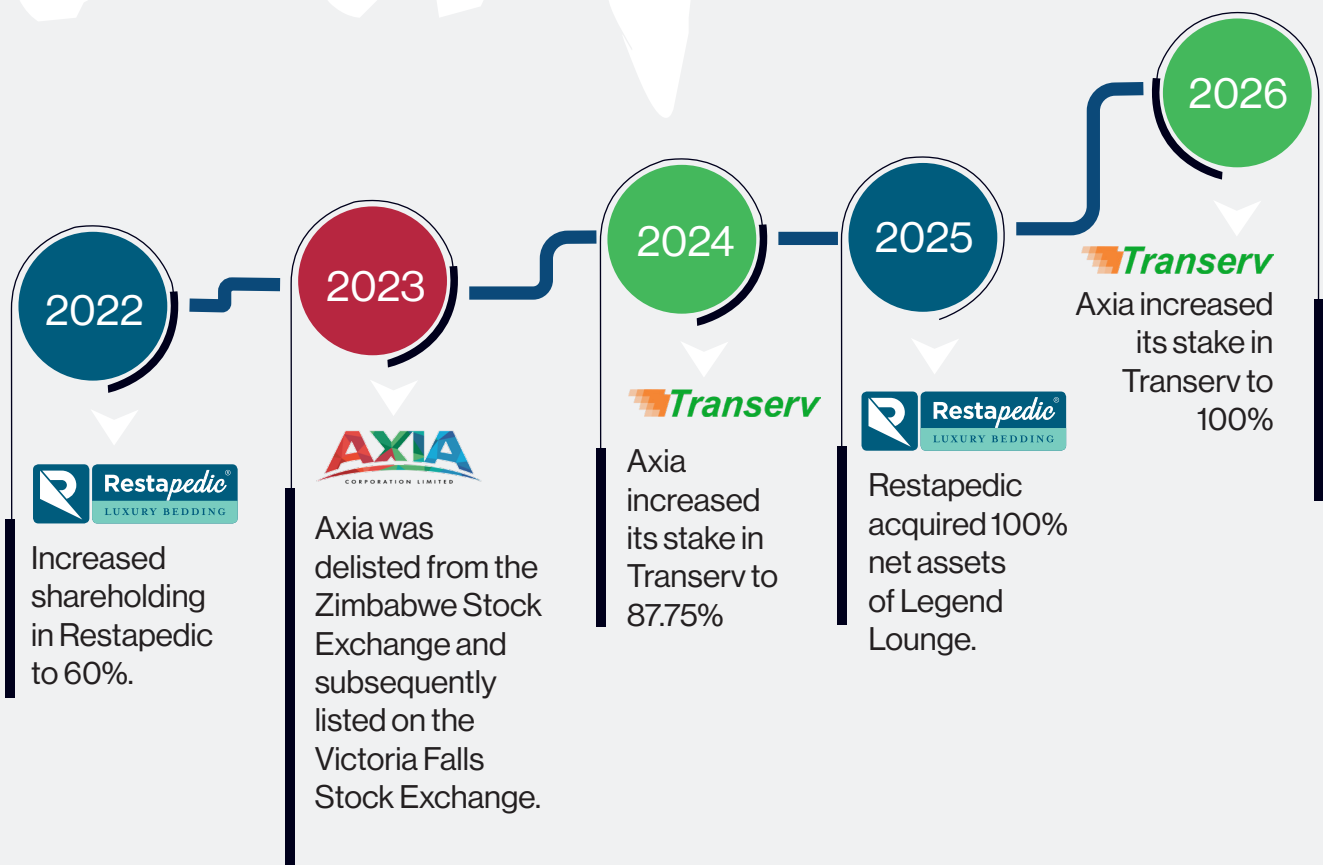
Accountability



Entrepreneurship

OUR HISTORY

The story of Axia Corporation Limited "Axia" began on 24 February 2016 when it was incorporated through a scheme of reconstruction, whereby the net assets of Innscor Africa Limited's Speciality Retail and Distribution business were unbundled to form the Group. On the 1st of April 2016, Axia unbundled from Innscor Africa Limited and was listed on the Zimbabwe Stock Exchange (ZSE) on the 17th of May 2016. The Group adopted a financial year ending on the 30th of June. Axia Corporation Limited was delisted from the ZSE on 28 February 2023 and subsequently listed on the Victoria Falls Stock Exchange (VFEX) on 3 March 2023.



Group Structure and Activities

Axia Corporation Limited operates within the speciality retail and distribution sector. It has three operating business units, namely TV Sales & Home (TVSH), Transerv and Distribution Group Africa (DGA).

- TVSH is a leading furniture and electronic appliance retailer with sites located countrywide. Over the years, TVSH has invested in manufacturing through the acquisition of 60% in Restapedic Bedding and the formation of Restapedic Lounge.
- Restapedic manufactures a wide range of quality beds for the local and export markets.
- Restapedic Lounge is a manufacturer of premium quality lounge suites.
- Transerv retails automotive spares and accessories, by utilising its network of home-grown retail branches and numerous fitments centres.
- DGA is a large and successful distribution and logistics company, with operations in Zimbabwe, Zambia and Malawi. Its core areas of expertise lie in inbound clearing and bonded warehousing, ambient warehousing, logistics, marketing, sales and merchandising services.

A.) SPECIALITY RETAIL

TV SALES & HOME

- TV Sales & Home 67*
- Restapedic
- Touch Distributors

TRANSERV

- Retail shops 64*
- Fitment Centres 15*
- Oilserv 2
- Tyreserve 1
- Solarserv 1

B.) DISTRIBUTION

DGA

Zimbabwe

- IQRTM Distribution
- Comox Trading
- Equip
- Vital Logistics

Zambia

- IQRTM Distribution
- Comox Trading
- Mukwa Distribution

Malawi

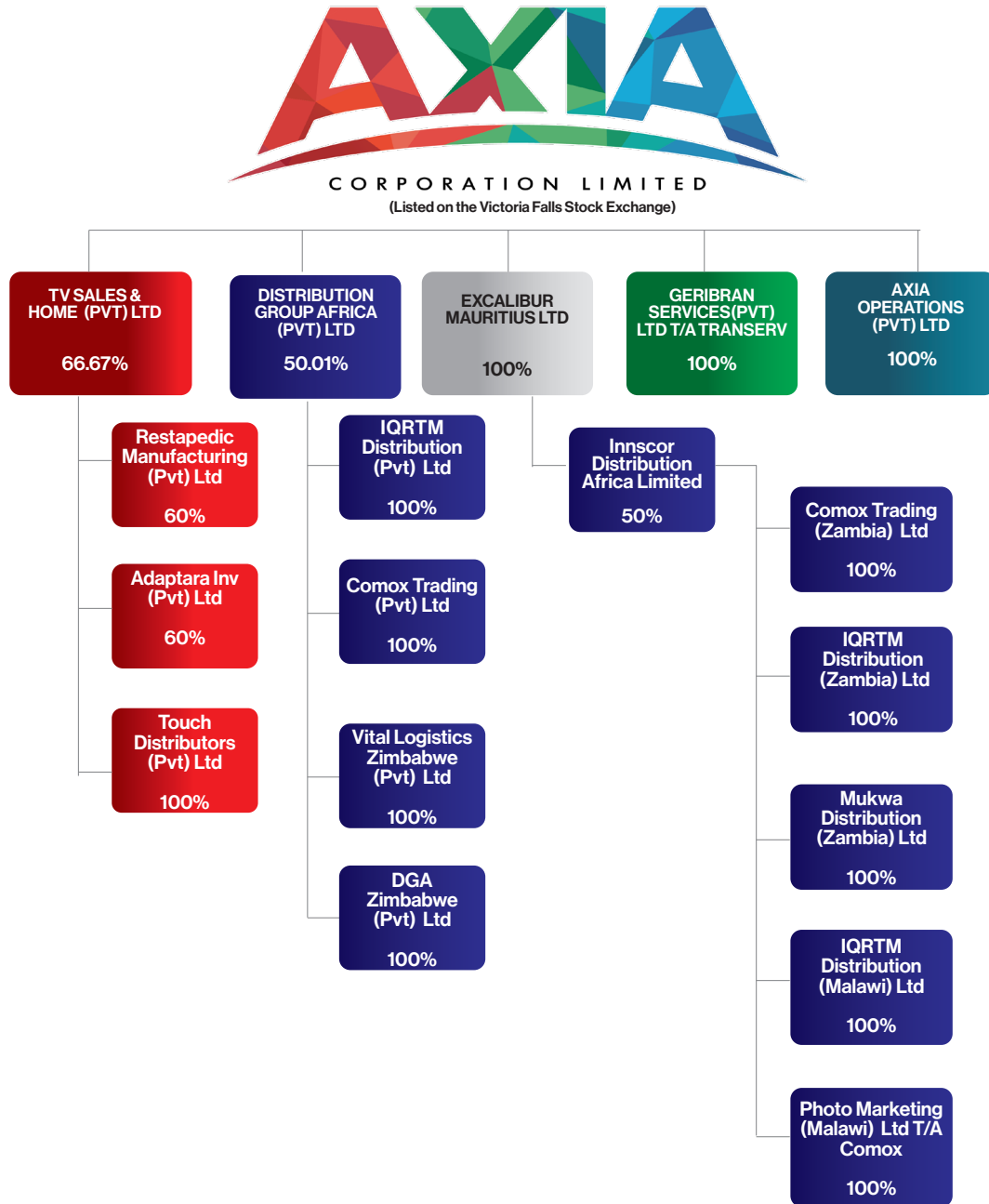
- IQRTM Distribution
- Comox Trading

* The number in front of a brand represents the total outlets open on 30 June 2026.



An assortment of products from the Group's divisions.

Group Structure



Key Brands & Operating Units

MARKETS

Our extensive knowledge of the African business environment particularly Zimbabwe, Zambia and Malawi help us meet our customers and beneficiaries at their point of need.

SUPPLY CHAIN

We rely on a network of suppliers and customers to deliver our products and services to the end consumer. This network includes manufacturers, distributors, vendors and merchandisers who play an essential role in ensuring our ability to meet the needs of our customers. Strengthening our relationships with our supply chain partners is crucial to providing quality products and services. We are always looking for ways to improve and appreciate feedback to help us achieve this goal.



Business Association Memberships & Awards

MEMBERSHIP

GENERAL	<ul style="list-style-type: none"> • Retailers Association of Zimbabwe • Confederation of Zimbabwe Industries • National Employment Council for Motor Industry • National Employment Council for the Furniture Manufacturing Industry
OTHER	<ul style="list-style-type: none"> • Association of Chartered Certified Accountants (ACCA) • Chartered Institute of Management Accountants (CIMA) • Chartered Institute of Purchasing and Supply (CIPS) • Institute of Chartered Accountants of Zimbabwe (ICAZ) • Institute of Chartered Secretaries and Administration (ICSAZ)

AWARDS

Subsidiary	Award
DGA	The supply chain operation Award (Warehousing)
DGA	Nestle Execution Excellence Award
TV SALES & HOME	MAZ Furniture and Homeware Sector Superbrands Award



Reflecting On FY2026 Performance

“Transerv recorded a 10% increase in revenue, driven by an 11% increase in sales volumes to 3,501,990 units compared to the prior year. This growth was primarily attributed to the opening of six new shops during the year, as well as sustained growth in the core business.”

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A customer being served at the Transerv shop on Airport Road in Harare.

Financial Highlights

For The Year Ended 30 June 2026



REVENUE

27%



USD 249 546 241 (2026)
USD 196 472 952 (2025)



OPERATING PROFIT

22%



USD 31 460 072 (2026)
USD 25 898 635 (2025)



TOTAL ASSETS

16%



USD 148 224 826 (2026)
USD 127 572 284 (2025)



PROFIT BEFORE TAX

68%



USD 19 392 726 (2026)
USD 11 541 283 (2025)



HEADLINE EARNINGS PER SHARE

33%



USD 1.21 cents (2026)
USD 0.91 cents (2025)



CASH GENERATED FROM OPERATIONS

67%



USD 26 013 031 (2026)
USD 15 583 763 (2025)



Sustainability Highlights

For The Year Ended 30 June 2026



TOTAL EMPLOYEES (HEADCOUNT)

2%

1 901	(2026)
1 861	(2025)



ELECTRICITY (KWH)

10%

1 670 524	(2026)
1 523 785	(2025)



TOTAL TRAINING (HOURS)

6%

1 577	(2026)
1 494	(2025)



LIQUID FUELS (LITRES)

31%

1 225 563	(2026)
933 426	(2025)



RECORDABLE WORK-RELATED INJURIES (COUNT)

42%

84	(2026)
59	(2025)



RECYCLED INPUT MATERIALS (TONNES)

12%

23	(2026)
26	(2025)



The appliance section of the TV Sales & Home shop at Sam Levy's Village Borrowdale.

Chairman's Statement & Review of Operations

“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.”



Chairman's Statement & Review of Operations (cont'd)

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.



*The Transerv Head Office Premises
in Southerton, Harare.*

Chairman's Statement & Review of Operations (cont'd)

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.

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, as 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.

Chairman's Statement & Review of Operations (cont'd)

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 centres 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 the 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.

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.

*Some beds manufactured by the
Restapedic Bedding Division.*

Chairman's Statement & Review of Operations (cont'd)

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 key 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 centres 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.



Forklifts stacking products at the DGA Zimbabwe warehouse.

Chairman's Statement & Review of Operations (cont'd)

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 centre 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.



L.E.M. NGWERUME

Chairman

24 September 2026



Our Framework for Accountability

“DGA Zimbabwe’s revenue increased by 50% during the year, driven by a 39% increase in sales volumes to 2,630,296 units. Most agencies recorded modest increases in sales volumes and significant revenue growth during the year.”

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Part of the warehouse at DGA Zimbabwe.



Board of Directors

Luke Ngwerume Independent Non-Executive Chairman

Qualifications: MBA (UCT)

Key Skills: Corporate Finance, Financial Performance, Strategy, Entrepreneurship, Investments, Compliance and Governance, Banking and Financial Services and Business Management.

Matthew Hosack Independent Non-Executive Director

Qualifications:
Business Science (Honours) degree
Investment Management (CFA UK Society)

Key Skills: Finance, Investment

Other Commitments: Founding partner of Sub-Sahara Capital Group Zimbabwe, a pan-African fund management company.

Simbarashe Mambanda Group Finance Director

Qualifications: Chartered Accountant

Key Skills: Taxation, Corporate Finance, FMCG, Manufacturing, Financial Performance, Strategy, Compliance and Business Management.

Thembinkosi (Themba) Sibanda Independent Non-Executive Director

Qualifications: Chartered Accountant

Key Skills: Taxation, Corporate Finance, FMCG, Manufacturing, Financial Performance, Strategy and Business Management.

Other Commitments: Director of Edgars Stores Limited (Chairman of the Board), Padenga Holdings Limited (Chairman of the Board) and Innscor Africa Limited. Principal at Schmullian & Sibanda (Chartered Accountants).

Ray Rambanapasi Group Chief Executive Officer

Qualifications: Chartered Accountant, MBA (UCT)

Key Skills: Taxation, Corporate Finance, FMCG, Manufacturing, Financial Performance, Strategy, Compliance and Governance and Business Management.

Zinona (Zed) Koudounaris Non-Independent Non-Executive Director

Qualifications: B.Com Business & Computer Science

Key Skills: Entrepreneurship, Strategy, Business Management, FMCG, Manufacturing, Quick Service Restaurants, Agriculture, Mining, Banking and Financial Services and Financial Performance.

Other Commitments: Director of Innscor Africa Limited and Simbisa Brands Limited.

Thembiwe Mazingi Independent Non-Executive Director

Qualifications: LLB, MBA (UZ)

Key Skills: Corporate Law, Taxation, Agriculture, Strategy, Compliance and Governance, Banking and Financial Services and Business Management.

Other Commitments: Director of Simbisa Brands Limited, Proplastics Limited, African Century Limited and Partner at Coghlan, Welsh & Guest Legal Practitioners.

Management

GROUP MANAGEMENT

Ray Rambanapasi	Group Chief Executive Officer
Simbarashe Mambanda	Group Finance Director

DIVISIONAL MANAGEMENT

TV Sales & Home

Sean Gorrige	Managing Director
Joseph Kamasho	Finance Director
Tatenda Gwakuka	Finance Executive

Restapedic

Neil Bruce	Managing Director
Wise Mhembe	Finance Director

Transerv

Lloyd Mugabe	Managing Director
Faith Manikai	Finance Executive

DISTRIBUTION

Distribution Group Africa-Zimbabwe

Craig Hodgson	Managing Director
Lucille Makwasha	Finance Director

IQRTM Distribution & Comox-Zambia

Seko Mwanyungwi	Managing Director
Kohan Morina	Sales Director

IQRTM Distribution & Comox-Malawi

Kennedy Muchenga	Managing Director
Matthew Shonhiwa	Finance Manager



Corporate Governance

GROUP GOVERNANCE

Axia Corporation Limited is dedicated to adhering to the principles of Corporate Governance outlined in the King IV Code and the National Code on Corporate Governance in Zimbabwe. The Directors understand the importance of conducting the Group's operations transparently, with integrity, accountability, and in accordance with accepted corporate standards. This commitment assures shareholders and stakeholders that Axia Corporation Limited is being managed ethically, with cautiously defined risk parameters and in compliance with international best practices. This, in turn, ensures the enhancement of the Group's financial and human capital investments.

BOARD STRUCTURE

The Group established committees to enable the Board to achieve its responsibilities as follows:



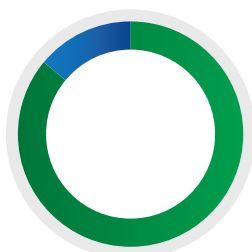
BOARD RESPONSIBILITY

The Board's main duty is to fulfill its fiduciary responsibility to both the shareholders and the Group. In this capacity, it acts as the top policy-making body of the Group and is tasked with offering strategic direction. The Board convenes on a quarterly basis to supervise management performance and maintain oversight of the Group's strategic direction.

BOARD COMPOSITION

The Board is composed of two executive directors and five non-executive Directors, four of whom are independent. Non-executive Directors provide independent guidance and oversight for the Company's strategic decision-making and corporate governance.

Gender Distribution



Male 86% Female 14%

Board Composition



Non-Independent Non-Executive 14%
Independent Non-Executive 57%
Executive 29%

Board Age Profile



40-60 57%
60-65 14%
Above 65 29%

Corporate Governance (cont'd)

BOARD EXPERTISE

The Board of Directors delegated responsibilities to sub-committees, assigning tasks to members according to their individual skills and areas of expertise. Each business unit within the Group operates under a distinct Board responsible for its daily activities and specific objectives. A robust financial reporting system is implemented to hold each business unit accountable monthly.

NOMINATION OF DIRECTORS

The Board comprises of individuals with demonstrated track records and diverse skills and experience, which they leverage for the benefit of the Group. The Group is committed to ensuring that there is excellent leadership at the highest level. Therefore, the selection of Board members considers diversity, independence, and expertise, while paying attention to the interests of the business stakeholders.

BOARD AND MANAGEMENT ETHICS

The Group emphasizes that it is the collective responsibility of the Board and management to lead by upholding acceptable ethical business standards. Therefore, all Directors and Management are obliged to disclose any interests that could pose conflicts with their engagements within the Group. Professionalism and ethical norms are regarded as fundamental pillars of the Group's business activities. Acknowledging that the Group's image is influenced by the conduct of its Directors, management, and employees, Axia Corporation Limited is committed to always maintaining the highest standards of integrity and ethical conduct.

MECHANISMS FOR COMMUNICATION WITH STAKEHOLDERS

The Group offers multiple channels for stakeholders to engage with its Board of Directors and senior management. These communication platforms encompass the Annual General Meeting, press releases, announcements of interim and year-end results, investor briefings, annual reports to shareholders, and the opportunity for shareholders to exercise their voting rights.

DECLARATION OF DIRECTORS' INTERESTS

The beneficial interests of Directors and their families in the shares of the Group are disclosed under note 22.3.

WHISTLE-BLOWER POLICY

The Group stands firm in upholding its values and code of conduct, expecting all individuals to adhere to ethical standards. It is compulsory for all employees and stakeholders to report unethical behavior through an independently managed whistle-blower system. This system offers a secure avenue for stakeholders to report any misconduct they encounter without the fear of facing consequences.

SHARE DEALINGS

The Group has a policy in line with the Victoria Falls Stock Exchange Listing Requirements prohibiting dealings in shares by Directors, officers, executive management and all its employees for a designated period which is:

- Any period when they are aware of any negotiations or in possession of price-sensitive information not within the public domain;
- The period from the end of the Group's financial year end to the date of earliest publication of the Group's preliminary report, abridged report or provisional report;
- The period from the expiry of the first six months of the Group's financial year to the date of publication of the Group's interim results;
- Where the Group reports quarterly, the period from the end of a quarter to the date of publication of the Group's quarterly results; or Any period when the Group is trading under cautionary announcement.

PROFESSIONAL ADVICE

It is the Group's policy that where justifiable, Directors are entitled to seek independent professional advice at the Group's expense on matters in the furtherance of their duties or in advance of the Group and its companies' value creation.

Corporate Governance (cont'd)

BOARD COMMITTEES

COMMITTEES	MEMBERS	SUMMARY ROLES AND RESPONSIBILITIES
EXECUTIVE	R.M.Rambanapasi (Chairman) , S. Mambanda S. Gorringer C. Hodgson L. Mugabe J. Kamasho L. Makwasha F. Manikai T. Gwakuka	The executive committee is responsible for formulating, directing, and implementing strategic decisions. The Committee meets monthly and comprises of two Directors and seven executives from business units.
AUDIT AND RISK	T.N Sibanda (Chairman) , R.M.Rambanapasi T.C. Mazingi M. Hosack	<p>The Audit and Risk committee of the Board deals, inter alia, with compliance, internal control, and risk management. The committee currently comprises of three independent non-executive directors and one executive director.</p> <p>The committee meets at least three times a year and its responsibilities include but are not limited to the following:</p> <ul style="list-style-type: none"> • Ensuring that financial reporting across the Group is transparent, accurate and reliable; • Overseeing and managing the performance, functioning, and effectiveness of the Group's finance and risk functions and internal audit functions; • Assisting the Board in fulfilling its corporate governance oversight responsibility regarding the identification, evaluation, and mitigation of operational, strategic and external risks; • Monitoring and reviewing the Group's risk management practices and risk-related disclosures and; • Ensuring that the roles and functions of both internal and external audit are lucid and synchronised. Both the internal and external auditors meet regularly and have unrestricted access to the Audit Committee.
REMUNERATION AND NOMINATION	T.C.Mazingi (Chairperson) , L.E.M Ngwerume, R.M.Rambanapasi, Z. Koudounaris, T.N. Sibanda, M. Hosack	<ul style="list-style-type: none"> • The Remuneration and nomination committee comprises of four independent non-executive Directors, one non-independent non-executive Director, and one executive Director. The remuneration and nomination committee's mandate has the following primary responsibilities. • Evaluating and sanctioning the appointment of, and remuneration packages for, all Board members, Executive Directors, and senior management. In doing so, it will assemble a structure and strategy related to the terms of employment for employees, management, and Board members, as well as any compensation that aims to reward in a manner that attracts and retains talented individuals, and employees to constantly seek to elevate and contribute to the Group's success. • Orchestrating succession planning within the Group, particularly that of the Chief Executive and Executive Management. <p>Criteria for Nomination</p> <ul style="list-style-type: none"> • The Board is key to the Group's long-term success and ensuring strong leadership is paramount. The Group strives to make sure that there is the right calibre of leadership at the top levels thus selection of Board members considers diversity, independence and expertise, with due consideration of the business stakeholders.

Corporate Governance (cont'd)

COMMITTEE MEETING ATTENDANCE

Attendance of meetings during the financial year ended 30 June 2026 was as follows:

BOARD MEMBER	BOARD ATTENDANCE & AGM	AUDIT AND RISK COMMITTEE	REMUNERATION AND NOMINATION COMMITTEE
Luke Ngwerume	5/5	N/A	1/1
Ray Rambanapasi	5/5	3/3	1/1
Simbarashe Mambanda	5/5	3/3	1/1
Matthew Hosack	5/5	3/3	N/A
Zinona (Zed) Koudounaris	4/5	N/A	1/1
Thembiwe Mazingi	5/5	3/3	1/1
Thembinkosi (Themba) Sibanda	4/5	3/3	1/1

COMPLIANCE WITH GOVERNANCE REGULATIONS

As per the Companies and Other Business Entities Act [Chapter 24:31] (COBE), section 206 (2), a public company must have a minimum of three(3) independent non-executive directors on its Board of Directors. Axia Corporation Limited fully complies with this requirement as its Board has 4 independent non-executive directors. The Group's Audit Committee consists of four(4) members, out of which three(3) are independent directors. Additionally, section 195(1) of the COBE requires a public company to have at least seven(7) directors. The Axia Directorate comprises of seven(7) directors.

Business Practices

BUSINESS ETHICS

Axia Corporation Limited places a high value on business ethics, viewing them as essential for building trust, credibility, and long-term success. To maintain these standards across our operations, we established clear recruitment, procurement, and payment procedures. By focusing on hiring individuals of high integrity, we actively work to prevent unethical behaviour. Furthermore, our payment systems feature built-in controls specifically designed to mitigate risk and block improper practices.

REPORTING MECHANISM

We provide secure, confidential channels including a dedicated hotline, online portal, and anonymous tip-off services allowing employees to report any unethical practices free from the risk of retaliation.

INVESTIGATION

Every report is assigned to a dedicated team tasked with conducting a swift, objective, and impartial inquiry. This process involves gathering the necessary facts and interviewing relevant parties to ensure a comprehensive review.

ACTION AND REMEDIATION

Depending on the investigation's conclusions, we take decisive disciplinary measures, ranging from formal warnings, targeted training to employment termination. We roll out targeted corrective actions to address root causes and prevent similar issues from happening again.

FOLLOW-UP

We communicate the outcomes back to the reporting employee to maintain full transparency and reinforce confidence in our reporting channels. Additionally, we regularly evaluate and refine our protocols to ensure our reporting and response framework remains robust and effective.

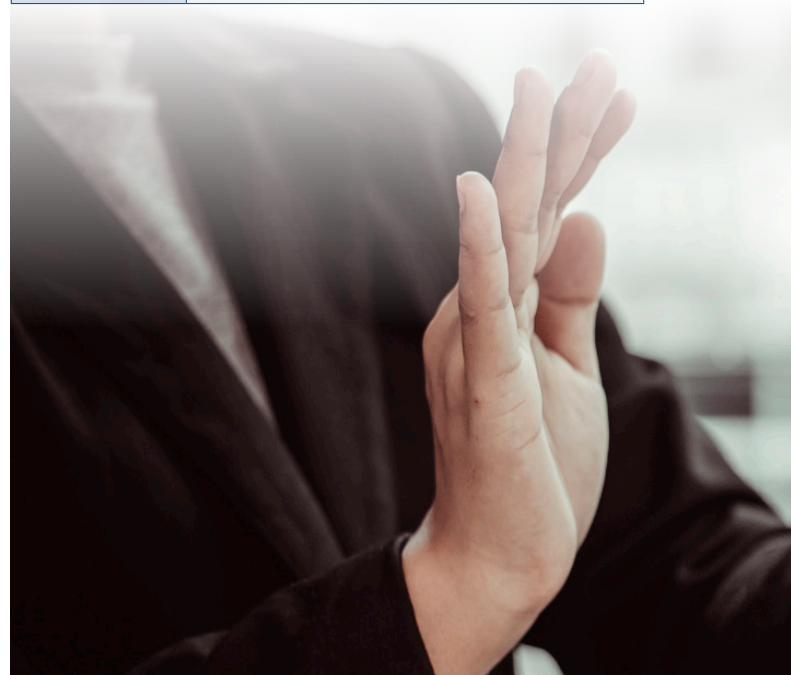
Routine internal and external audits are essential for ensuring our internal controls and procedures work as intended. They help us catch any deviations early and protect against potential financial losses.

REGULATORY COMPLIANCE

Maintaining compliance with applicable laws, regulations, industry standards, and statutory requirements remains fundamental to our business operations and governance framework. Compliance protects the Group from legal and financial risks, reinforces our credibility and strengthens stakeholder confidence and reputation. While meeting regulatory obligations is essential, we recognise that increasing statutory requirements may have additional financial demands on the business, which can indirectly affect employees and other operational priorities.

To uphold high standards of compliance, we implemented a compliance management programme focused on awareness, accountability and continuous improvement. Regular training initiatives are conducted to ensure employees understand their legal obligations and remain informed about regulatory developments relevant to their roles. In addition, ongoing monitoring activities enable the timely identification and resolution of potential compliance gaps. Risk assessments are undertaken to identify emerging compliance risks and implement appropriate mitigation measures before issues arise.

Processes	<ul style="list-style-type: none"> • Periodic internal risk assessments. • Internal audits.
Target	<ul style="list-style-type: none"> • Ensure full adherence to statutory requirements. • Maintain a zero-fine, zero-penalty record.



Business Practices (cont'd)

CORRUPTION PREVENTION

Promoting ethical business conduct and preventing corruption are essential to maintaining the integrity of our operations and supporting sustainable business growth. We enforce strong anti-corruption practices, to enhance stakeholder confidence and strengthen corporate reputation. Compliance with applicable anti-corruption legislation protects the Group from legal sanctions, financial penalties and reputational damage. Further, a workplace founded on integrity and accountability positively influences employee morale and encourages responsible behaviour across all levels.

We recognise that implementing and maintaining robust anti-corruption controls requires significant investment in training, monitoring activities, compliance processes governance systems, and the introduction of these enhanced controls and procedures may temporarily affect operational workflows as employees adapt to new requirements and ways of working.

As part of our commitment to preventing corruption, comprehensive background checks are conducted on prospective employees to assess their suitability and identify any associations that could expose the Group to corruption-related risks or reputational harm.

Processes	<ul style="list-style-type: none"> • Internal and external audits. • Use of anonymous tip offs
Target	<ul style="list-style-type: none"> • Achieve zero confirmed cases of corruption across all operations.
KPI	<ul style="list-style-type: none"> • Number of corruption related audit findings reported.
Progress	<ul style="list-style-type: none"> • Zero corruption-related incidents, investigations or breaches reported during the reporting period.



Business Practices (cont'd)

HUMAN RIGHTS

Human Rights & Workplace Standards Summary

Focus Area	Key Commitments and Frameworks	Monitoring and Risk Management	Strategic Goals and Metrics
Commitment and Scope	<ul style="list-style-type: none"> Fostering an inclusive, dignified, and ethical workplace. Protecting the rights of employees, customers, and local communities. 	<ul style="list-style-type: none"> Mitigating risks of reputation damage, legal trouble, or trust loss. Preventing poor working conditions and excessive hours 	<ul style="list-style-type: none"> Maintain status as an employer of choice. Drive economic stability and community quality of life.
Labour Standards and Compliance	<ul style="list-style-type: none"> Strict adherence to Zimbabwe's Labour Act [Chapter 28:01] and international standards. Zero-tolerance for child labour, forced labour, and discrimination. Full support for freedom of association and collective bargaining. 	<ul style="list-style-type: none"> Regular awareness and training programmes. Continuous updates to internal HR procedures. 	<ul style="list-style-type: none"> Maintain constructive trade union partnerships. Enforce strict anti-discrimination and anti-harassment policies.
Governance and Engagement	<ul style="list-style-type: none"> Utilising formal and informal feedback channels (e.g., Works Council). Collaborating with local organisations and human rights advocates. 	<ul style="list-style-type: none"> Routine internal and external audits. Ongoing dialogue with workforce and community neighbours. 	<ul style="list-style-type: none"> Strengthen bonds through complete transparency. Improve diversity and inclusion at all business levels.
Performance Tracking	<ul style="list-style-type: none"> Aligning daily operations with sustainable business targets. 	<ul style="list-style-type: none"> Tracking operational gaps and progress 	Key Metrics: <ul style="list-style-type: none"> Employee turnover rates Incident reports Employee satisfaction scores

New TV Sales & Home Harare Garrison shop.



Business Practices (cont'd)

DIVERSITY AND INCLUSION

The Group is committed to fostering a diverse, equitable, and inclusive workplace where all employees are valued, respected, and provided with equal opportunities to contribute, develop, and succeed. Through inclusive policies and practices, we promote a culture that embraces diversity and supports innovation, collaboration, and sustainable business performance. A diverse workforce also helps us understand and serve a broad customer base thereby improving satisfaction. We recognise that neglecting inclusion can lead to discrimination claims, regulatory breaches, reputational damage and impaired access to top talent, which may restrict growth.

Prejudice, stereotyping and discrimination can also undermine workplace harmony; we address these issues through open communication and inclusive practices. We further recognise that pay gaps linked to race, gender or disability may breach labour and human rights requirements. Fostering an inclusive culture is therefore both a moral responsibility and a strategic priority that supports responsible growth, stronger stakeholder confidence and the Group's long-term organisational success.

Our commitment to diversity and inclusion is demonstrated through the makeup of our Board and workforce, as well as our equitable remuneration practices. This commitment is supported by the following policies:

- Human Resources Policy Manual,
- Labour Act of Zimbabwe [Chapter 28:01]
- National Employment Council for the Commercial Sectors of Zimbabwe (CBA)

Gender Champions across our branches play a key role in fostering a conducive working environment through the implementation and development of gender-sensitive policies. The Group remains dedicated to promoting diversity and inclusion by providing equitable opportunities, fostering a culture of respect and belonging, and maintaining fair and transparent remuneration practices for all employees.

CYBER SECURITY AND PRIVACY PROTECTION

As business operations become more digitally connected, cyber security and data privacy are increasingly important priorities. We are dedicated to protecting confidential information and managing customer data responsibly. Our framework combines safeguards against unauthorised access with measures designed to preserve the accuracy, security and confidentiality of the personal information we hold.

These safeguards also strengthen customer confidence and encourage loyalty by providing assurance that sensitive information shared during our vetting procedures is handled securely. Our cyber security controls further reduce exposure to financial loss, reputational harm and legal consequences arising from data breaches. Nevertheless, we recognise the vulnerabilities associated with dependence on third-party service providers, including the possibility of improper data handling. This reinforces the need to maintain rigorous data protection standards and continuous oversight.

A Data Protection Policy guides how we collect, use and safeguard personal information, supported by a well-defined incident response framework. To manage risks arising from external relationships, we assess third-party providers and carry out vulnerability reviews and penetration tests to detect and remediate weaknesses within our systems. Firewalls and intrusion detection technologies reinforce network security by preventing unauthorised access. The Group provides employees with regular awareness training on phishing risks and sound cyber security practices. Should a security incident occur, encryption, routine data backups and related recovery measures help preserve data integrity and maintain continuity of operations.

We evaluate the performance of our cyber security programme through internal and independent audits, risk reviews and exercises that test the incident response plan. Ongoing monitoring is supported by scheduled vulnerability assessments and compliance audits, which help maintain the resilience of our systems. Feedback from clients, employees and regulators enables us to understand key concerns and direct attention to initiatives that strengthen our cyber security controls. Post-training surveys are used to measure programme effectiveness and inform necessary improvements. In addition, regular engagement with regulatory authorities helps us remain aligned with current data protection requirements, maintain compliant policies and minimise exposure to legal consequences.

The Group established the following KPIs and progress indicators:

KPIs	<ul style="list-style-type: none"> • Frequency of security incidents. • Audit findings. • Employee training completion rates.
Progress	<ul style="list-style-type: none"> • Implementation of mandatory cyber security awareness training, including simulations to prepare employees for real threats

Business Practices (cont'd)

SECURITY PRACTICES

Effective security management is essential to safeguarding our people, assets, operations and reputation. As Axia, we are committed to responsible security practices that minimise the risk of excessive use of force, inappropriate conduct and actions that may infringe upon the rights of stakeholders. However, instances of misconduct, negligence, or unlawful behaviour by security personnel can expose the Group to reputational harm, legal consequences, and a loss of stakeholder confidence. Further, security providers are often granted access to sensitive operational areas and information, creating potential risks related to confidentiality breaches, unauthorised disclosure of information, data leaks, or theft.

To support our security requirements, we engage third-party security service providers across our facilities and retail outlets. A key consideration in selecting and retaining these providers is ensuring that their values, culture, and operating standards are aligned with those of the Group. Our approach is anchored on establishing shared security objectives and ensuring that security personnel are appropriately trained in professional stakeholder interaction and conflict management.

We recognise that external security personnel may not have specialised training required to address specific risks faced by the Group. Third party security personnel may have a lower level of commitment to our corporate values, objectives and standards of accountability; hence we maintain oversight of third-party security arrangements and continuously evaluate their performance, conduct and adherence to our expectations.





Risk Management

“ The Group's Risk varies from strategic, operational and financial which are monitored by senior management, internal and external auditors. ”

ENTERPRISE RISK MANAGEMENT FRAMEWORK

We rely on a comprehensive Enterprise Risk Management framework (ERM) that actively integrates risk assessment into our daily operations. Through extensive consultations with internal stakeholders, we map out potential risks, rating them by their likelihood and potential impact so we can apply the right mitigation strategies.

Our internal audit process takes a risk-based approach, prioritising areas that directly impact our core operational and strategic objectives. We track a wide spectrum of risks spanning strategic, operational, and financial area, under the watchful eyes of senior management, alongside internal and external auditors.

Every identified risk, along with our planned response and residual risk evaluation, is logged in a centralised risk register. For evaluating residual risk, we utilise the BRAG rating system. To keep everyone accountable and ensure our operations stay aligned, risk management is a regular agenda item during our monthly operations meetings and quarterly Board meetings.

Risk Management (cont'd)

MANAGING FINANCIAL RISKS

As Axia, we take a proactive approach to protecting our financial health, combining preventive controls, continuous monitoring, and prudent management to shield the business from volatility. While we pay close attention to interest rate and liquidity risks, our broader focus encompasses foreign currency exposure, inflation, credit control, cost escalations, and operational disruptions.

To manage interest rates, we lean towards fixed rather than variable rates, ensuring our borrowing costs never outpace the projected returns on our investments. For liquidity, we maintain rigorous oversight of our financial instruments, regularly forecasting cash flows and maturity profiles. If a shortfall looks likely, management moves swiftly to restructure liabilities or secure new financing.

Given our operating environment, managing currency risk is vital. We carefully monitor our multi-currency cash flows on both receipts and payments to keep a balanced portfolio increasing our USD-denominated transactions where appropriate to minimise exchange losses.

We also enforce strict credit control procedures, conduct thorough customer assessments, and segregate financial duties with internal controls over cash, procurement, and inventory. To stay ahead of cost pressures, we continuously review product pricing, monitor procurement expenses, negotiate strategic supply agreements, and perform monthly budget variance analysis to catch and fix deviations early on. Finally, we regularly review our insurance coverage to minimise financial exposure from any unexpected operational disruptions.

Residual risks identified in the current reporting year were as follows:

RISK	DESCRIPTION	MITIGATION MEASURES
FINANCIAL	<ul style="list-style-type: none"> Rising material input costs and maintaining foreign currency generation to support sustainable growth. 	<ul style="list-style-type: none"> Maintain strong USD revenue generation streams. Conduct rigorous cash flow forecasting and budget monitoring. Perform continuous, dynamic pricing reviews to counter cost creep.
STRATEGIC	<ul style="list-style-type: none"> Declining consumer demand, increased market competition, and shifting customer preferences squeezing volumes. 	<ul style="list-style-type: none"> Drive continuous product innovation and diversify the product range. Leverage deep market research and regular customer engagement. Price products competitively while protecting operating margins.
OPERATIONS	<ul style="list-style-type: none"> Production downtime, factory machinery or plant equipment failure, and operational process bottlenecks 	<ul style="list-style-type: none"> Maintain strict preventive maintenance schedules for machinery. Optimise production planning and capacity scheduling. Manage critical spare parts inventories effectively.
HUMAN RESOURCES	<ul style="list-style-type: none"> High staff turnover, potential for industrial friction, and administrative risks like ghost employees or fraudulent credentials. 	<ul style="list-style-type: none"> Conduct thorough HR audits and qualification verifications. Implement targeted performance management systems. Review remuneration packages and drive engagement programmes.
INFORMATION SYSTEMS	<ul style="list-style-type: none"> Vulnerability to cyber threats, potential Enterprise Resource Planning (ERP) failures, and critical data loss. 	<ul style="list-style-type: none"> Implement controlled user access and robust password policies. Perform regular, automated data backups and disaster recovery drills. Secure reliable dedicated IT support to resolve anomalies quickly.
COMPLIANCE & REGULATORY	<ul style="list-style-type: none"> Navigating a stringent and changing regulatory landscape carries risks of operational disruptions or legal penalties 	<ul style="list-style-type: none"> Maintain proactive, continuous engagement with regulatory bodies. Keep internal compliance frameworks updated. Implement strict controls and automated statutory payment reminders.
CREDIT & REPUTATION	<ul style="list-style-type: none"> Extending customer credit risks payment defaults, while public controversies or ethical lapses can erode brand trust. 	<ul style="list-style-type: none"> Conduct credit worthiness assessments before extending terms. Adopt credit insurance to protect against potential financial defaults. Establish transparent communication channels and rapid response protocols.

Risk Management (cont'd)

SUSTAINABILITY-RELATED RISKS AND OPPORTUNITIES

Our sustainability risk management framework considers economic, environmental, social and governance (ESG) factors that could reasonably influence cash flows, the cost of capital and access to finance over the immediate, short and long term.

The Group's SRRO for the period under review were as follows:

RISK	DESCRIPTION	MITIGATION MEASURES	FINANCIAL IMPACTS
Poor Waste Management	<ul style="list-style-type: none"> Ineffective waste management practices can lead to pollution, resulting in fines and penalties due to regulatory non-compliance. 	<ul style="list-style-type: none"> Implement proper waste segregation and disposal procedures. Train employees on responsible waste handling practices. Promote waste reduction, reuse, and recycling initiatives. 	<ul style="list-style-type: none"> Increased operating expenses from waste disposal, remediation, fines, and legal costs. Reputational damage leading to reduced revenue opportunities. Reduced profitability due to penalties and compliance costs.
Inventory Shrinkage	<ul style="list-style-type: none"> Loss of inventory due to theft, damage, spoilage, or inadequate inventory controls may result in increased costs and reduced profitability. 	<ul style="list-style-type: none"> Conduct regular inventory counts and reconciliations. Implementation of inventory management systems. Enhancing security measures to prevent theft and loss. 	<ul style="list-style-type: none"> Increased cost of sales due to inventory losses. Reduced revenue from inventory shortages and product losses. Increased operating cash outflows for inventory controls and replacement of lost stock.
Cyber Security threats	<ul style="list-style-type: none"> Cyber attacks may compromise sensitive information, disrupt business operations, and expose the Group to financial and reputational losses 	<ul style="list-style-type: none"> Implementing cybersecurity controls. Maintenance of data backup and disaster recovery processes. Enforcement of access controls and encryption measures. 	<ul style="list-style-type: none"> Increased operating cash outflows from investment in cybersecurity enhancements. Loss of revenue from operational disruptions. Costs of incident response and system recovery.
Occupational Health & Safety	<ul style="list-style-type: none"> Unsafe working conditions or inadequate health and safety practices resulting in workplace injuries, illnesses and operational disruptions. 	<ul style="list-style-type: none"> Conducting regular safety inspections and risk assessments. Provision of employee health and safety training. 	<ul style="list-style-type: none"> Medical and compensation costs for injured employees. Reduced profitability due to business interruptions and lost productivity. Increased insurance premiums.
Fraud and Corruption	<ul style="list-style-type: none"> Unethical business practices and misuse of company resources resulting in financial losses, regulatory action, and erosion of stakeholder confidence. 	<ul style="list-style-type: none"> Implementing strong internal controls and segregation of duties. Conduct of regular audits and compliance reviews. Monitoring high-risk transactions and activities. 	<ul style="list-style-type: none"> Reduction in assets from theft, embezzlement, or asset misappropriation. Legal and investigation costs associated with fraud cases
Tax Compliance	<ul style="list-style-type: none"> Non-adherence to tax legislation and reporting requirements may expose the Group to penalties, interest charges, and regulatory scrutiny. 	<ul style="list-style-type: none"> Maintaining robust tax compliance processes and controls. Conduct of regular tax reviews and reconciliations. Engagement of qualified tax professionals where necessary. 	<ul style="list-style-type: none"> Additional tax assessments and legal costs. Reduced net profit due to additional tax liabilities. Reduction in cash and cash equivalents arising from tax payments and settlements.

Risk Management (cont'd)

The Group's SRRO for the period under review were as follows (cont'd):

RISK	DESCRIPTION	MITIGATION MEASURES	FINANCIAL IMPACTS
Energy Consumption	<ul style="list-style-type: none"> Higher energy costs and unreliable power supply may lead to increased operational expenses and business disruptions. 	<ul style="list-style-type: none"> Adoption of renewable energy sources where feasible. Investment in energy-efficient equipment and technologies. Implementation of energy efficiency initiatives. 	<ul style="list-style-type: none"> Reduced profitability due to higher utility costs and business interruptions. Increased electricity and utility costs. Increased operating cash outflows for electricity and fuel costs.
Product Damage or Spoilage	<ul style="list-style-type: none"> Inadequate storage, handling, or inventory management practices may lead to inventory losses, reduced product quality, and diminished asset value. 	<ul style="list-style-type: none"> Implementation of proper storage and handling procedures. Conduct of regular product inspections and quality checks. 	<ul style="list-style-type: none"> Increased inventory impairment and write-off expenses. Loss of revenue from unsellable inventory. Reduction in inventory carrying value.
Opportunities			
Recycling initiatives	<ul style="list-style-type: none"> Effective recycling practices can lower waste management costs, improve resource efficiency, and strengthen the Group's reputation as a responsible business. 	<ul style="list-style-type: none"> Implementation of waste segregation and recycling programmes. Monitoring and reporting recycling rates and waste reduction performance. 	<ul style="list-style-type: none"> Reduced waste disposal and landfill costs. Potential revenue from the sale of recyclable materials. Reduced risk of environmental compliance costs and penalties.
Energy conservation	<ul style="list-style-type: none"> Conducting energy conservation measures leads to energy consumption and operating costs reduction while improving operational efficiency and environmental performance. 	<ul style="list-style-type: none"> Installation of energy-efficient lighting and equipment. Investment in renewable and energy-efficient technologies. Monitoring and tracking energy consumption regularly. 	<ul style="list-style-type: none"> Reduced electricity and utility costs. Lower operating expenses through improved energy efficiency. Long-term cash savings from energy efficiency initiatives.
Advanced technology and cybersecurity	<ul style="list-style-type: none"> Adoption of innovative technologies and enhanced cybersecurity measures can improve business resilience, safeguard sensitive information, and drive operational excellence. 	<ul style="list-style-type: none"> Investment in modern and scalable technology solutions. Conduct of regular system upgrades and maintenance. Implementation of robust cybersecurity controls and data protection measures. 	<ul style="list-style-type: none"> Reduced operating costs through automation and process efficiencies. Increased productivity and improved service delivery. Reduced operating cash outflows due to efficiency improvements.

CLIMATE RELATED RISKS AND OPPORTUNITIES

Climate change influences the operating environment in which the Group conducts business, creating both risks and opportunities that may affect financial performance, operational resilience and long-term value creation. Climate-related risks, including extreme weather events, droughts, and energy supply challenges, have the potential to disrupt supply chains, increase operating costs, and impact production efficiency. Opportunities such as energy efficiency improvements, renewable energy adoption and growing demand for sustainable products can enhance competitiveness, reduce costs and support sustainable growth. The Group remains committed to identifying, assessing, and managing these risks and opportunities to strengthen business resilience and create lasting value for stakeholders.

Risk Management (cont'd)

Physical Risks:

These risks arise from climate-related events and shifts in climate conditions that may impact the Group's operations, infrastructure, resource availability, asset integrity and overall financial performance.

Transition Risks:

These risks result from the global movement towards a lower-carbon and more sustainable economy. They may emerge from evolving regulations and policies, technological advancements, changing market conditions, stakeholder expectations and shifts in business practices, potentially affecting operating costs, competitiveness, profitability and corporate reputation.

Climate Related Risks and Opportunities for the period under review were as follows:

RISK	DESCRIPTION	MITIGATION MEASURES	FINANCIAL IMPACTS
Prolonged droughts affecting timber supply. (Physical)	Reduced rainfall lowers forestry yields, resulting in timber shortages and increased raw material prices.	<ul style="list-style-type: none"> • Diversify timber sourcing. • Maintain strategic inventory levels. • Engage into long-term supply agreements. • Optimise material utilisation. 	<ul style="list-style-type: none"> • Increased cost of sales due to higher timber prices and reduced margins. • Higher working capital requirements to secure alternative supplies and maintain inventory. • Increased inventory balances and supplier commitments
Extreme weather disrupting transport and logistics. (Physical)	Flooding, storms, and heavy rainfall may interrupt supply chains and delay deliveries of raw materials and finished products.	<ul style="list-style-type: none"> • Engage multiple logistics providers. • Maintain safety stock and improve production and distribution planning. 	<ul style="list-style-type: none"> • Increased freight and distribution costs, potential loss of revenue from delayed deliveries. • Higher logistics expenditure and inventory carrying costs. • Increased inventory holdings to maintain buffer stock.
Power supply instability.	Power shortages and increased energy demand may disrupt production processes and reduce operational efficiency.	<ul style="list-style-type: none"> • Install standby power systems. • Implement preventive maintenance. • Adopt energy-efficient equipment • Optimise production schedules. 	<ul style="list-style-type: none"> • Increased fuel, maintenance and energy costs, resulting in reduced profitability. • Additional expenditure on backup power and energy efficiency initiatives. • Capital investment in generators and energy-efficient assets.
OPPORTUNITIES	DESCRIPTION	MEASURES TO MAXIMISE THE OPPORTUNITY	FINANCIAL IMPACTS
Investment in renewable energy solutions.	Adoption of solar and battery storage systems can reduce dependence on the national grid and mitigate climate-related energy disruptions.	<ul style="list-style-type: none"> • Install solar PV systems. • Use battery storage facilities. • Install energy-efficient infrastructure. 	<ul style="list-style-type: none"> • Reduced electricity and fuel costs over the long run. • Initial capital expenditure followed by lower operating cash outflows. • Increase in renewable energy assets that enhance business resilience and asset value.
Growing customer demand for sustainable products.	Increasing consumer preference for environmentally responsible products and manufacturers presents opportunities for market growth.	<ul style="list-style-type: none"> • Improve production efficiency. • Reduce waste. • Strengthen responsible sourcing practices. • Enhance sustainability reporting and communication. 	<ul style="list-style-type: none"> • Increased sales revenue, improved margins, and enhanced brand value. • Stronger operating cash inflows from increased sales volumes. • Growth in intangible assets such as goodwill and customer relationships.

Our Actions for Tomorrow

“Our ultimate objective is to create lasting value for our stakeholders by promoting sustainability and generating positive impacts through our business activities and operations, contributing to the Group’s long-term success.”

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Solar energy use at Restapedic Manufacturing plant.

Sustainability Approach

“

While the creation of economic value and employment opportunities remains the cornerstone of our approach to sustainable development, the Group continues to prioritise and monitor other key sustainability pillars to support long-term success.”

”



Sustainability Approach (cont'd)

OUR STRATEGY

Axia Corporation Limited is dedicated to fostering value through sustainable business strategies. Central to this commitment is the emphasis on recognising, quantifying, and taking responsibility for economic, environmental, and social concerns. Our key focus is on delivering environmentally friendly, top-quality, and long-lasting products to our customers. As a retail and distribution enterprise, we depend on our stakeholders to assist us in identifying the effects and possibilities within our operations and supply chain. Our overarching aim is to generate favourable outcomes for our stakeholders by means of our business practices and activities for long term success.

SUPPLY CHAIN

We act as a responsible intermediary between producers and consumers, ensuring a strong commitment to ethical practices. To uphold the highest standards within our supply chain, we implement a stringent monitoring system that involves comprehensive screening procedures. Supplier evaluation criteria include environmental impact, social responsibility, regulatory compliance, and human rights practices. Our aim is to encourage sustainable practices that align with our values and safeguard the integrity of our brands. We prioritise transparency and fairness in our relationships with supply chain partners, fostering mutually beneficial collaborations.

SUSTAINABLE OPERATIONS

As a socially responsible business, we acknowledge the critical importance of conducting operations in a sustainable manner that safeguards the environment. We actively encourage all our subsidiaries to proactively take measures to minimise any adverse effects on the environment, society, and the economy. Our subsidiaries are committed to following standardised operating procedures that promote sustainable practices, ensuring that their activities do not contribute to negative impacts on the environment, society, or the economy.

SHARED VALUES

Our business strategy revolves around customer satisfaction, emphasising inclusivity and responsiveness to their needs. We prioritise cultivating shared values with our customers and stakeholders by embracing eco-friendly practices and ensuring the responsible disposal of packaging waste. We strongly believe that by fostering shared values, we can contribute positively to a better world. Our approach to stakeholder engagement is implemented at the Group level, adhering to the guidelines set forth by the GRI Standards (2021). This framework guides us in identifying, prioritising, and managing our stakeholder relationships. We employ a variety of methods and channels to communicate with stakeholders, striving to gain an enhanced understanding of their expectations, interests, and concerns with the aim of addressing these issues promptly and constructively. We continuously monitor and assess the effectiveness of our stakeholder engagement initiatives. This evaluation process allows us to report on the outcomes and impacts of our efforts, ensuring accountability and fostering ongoing improvements in our engagement practices.

Inventory being transferred from warehouse to dispatch.



Stakeholder Engagement

“Building and maintaining meaningful relationships remains a key focus for the Group. This is achieved through proactive and transparent engagement with stakeholders whom management considers influential to the Group’s ability to create value in the short, medium and long term.”



Stakeholder Engagement (cont'd)

STAKEHOLDER ACTIVITIES

Our stakeholders are categorised as follows:

Stakeholder	Material Matters	Our Response	Engagement Methods	Engagement Frequency
EMPLOYEES	<ul style="list-style-type: none"> Employee welfare. Mental health and work-life balance. Remuneration. Efficiency. 	<ul style="list-style-type: none"> Payment of performance incentives. Regular breaks. Training and education. Regular salary reviews. 	<ul style="list-style-type: none"> WhatsApp. Emails. Calls. Texts. Works Council Meetings. Internal Memorandums. 	<ul style="list-style-type: none"> Monthly. Ad hoc.
CUSTOMERS	<ul style="list-style-type: none"> Value delivery. Promotions. Competitive pricing. Online sales channel. 	<ul style="list-style-type: none"> Monitoring of product pricing. Rigorous quality control measures. 	<ul style="list-style-type: none"> Customer feedback in-store and links on websites 	<ul style="list-style-type: none"> Daily. Weekly. Monthly.
SHAREHOLDERS & POTENTIAL INVESTORS	<ul style="list-style-type: none"> Business expansion opportunities. Profitability. Investment. 	<ul style="list-style-type: none"> Monitoring economic performance in tangible metrics. Investing in production facilities and expanding the number of store locations. 	<ul style="list-style-type: none"> Shareholder briefings. Annual General Meetings. Publication of bi-annual results. Trading updates. 	<ul style="list-style-type: none"> Annually. Quarterly.
LOCAL COMMUNITY	<ul style="list-style-type: none"> Employment Opportunities. CSR Projects. 	<ul style="list-style-type: none"> Investing in corporate social responsibility. Opening new business units. 	<ul style="list-style-type: none"> Continuous engagement with community leaders. 	<ul style="list-style-type: none"> Ad hoc.
GOVERNMENT & REGULATORS	<ul style="list-style-type: none"> Payment of taxes. Compliance with laws and regulations. 	<ul style="list-style-type: none"> Policy briefings. Compliance inspections. 	<ul style="list-style-type: none"> Memos. Emails. Phone calls. 	<ul style="list-style-type: none"> Annually. Ad hoc.
SUPPLIERS	<ul style="list-style-type: none"> Payment time. Product quality Delivery lead times Country risk 	<ul style="list-style-type: none"> Timeous and bulk payments. Bulk ordering 	<ul style="list-style-type: none"> Supplier briefings and meetings. Emails. Telephone. Competitive tenders. 	<ul style="list-style-type: none"> Quarterly. Ad hoc. Monthly.
FINANCIAL INSTITUTIONS	<ul style="list-style-type: none"> Lending rates. Market risks. Liquidity. 	<ul style="list-style-type: none"> Negotiating favourable interest rates. Diversification into other financial institutions. 	<ul style="list-style-type: none"> Briefings. Publications. Formal meetings 	<ul style="list-style-type: none"> Ad hoc.

Sustainability Materiality Assessment

“ The 2026 materiality assessment findings identified occupational health and safety as one of Axia’s highest-priority sustainability matters, reflecting the Group’s commitment to employee well-being and a safe working environment. ”



Sustainability Materiality Assessment (cont'd)

OUR SUSTAINABILITY CONTEXT

Axia Corporation Limited's sustainability strategy is designed to generate a positive impact through targeted initiatives that address the most pertinent concerns of stakeholders. Following the principles of Economic, Environmental, Social, and Governance (ESG) issues in line with the Global Reporting Initiative (GRI) Standards (2021), our strategy underscores a commitment to sustainable practices. We actively engage with both internal and external stakeholders, conduct thorough analyses of business risks and opportunities, and measure our performance against industry benchmarks. This evaluation forms the basis for shaping our sustainability strategy, setting goals, and informing our reporting practices. We firmly believe that our most significant contribution to sustainable development is the operation of an efficient and profitable business.

SUSTAINABILITY MATERIALITY ASSESSMENT PROCESS

Axia's materiality assessment is undertaken to identify, assess, and prioritise the sustainability matters that are most significant to our business and stakeholders across Economic, Environmental, Social and Governance scope. The assessment is guided by internationally recognised frameworks, including the Sustainability Accounting Standards Board (SASB) and the Global Reporting Initiative (GRI) Standards, and is informed by a review of sustainability practices and disclosures across leading companies to ensure alignment with evolving industry expectations and reporting requirements. Input from Axia's management team forms a key component of the process, helping to identify the sustainability topics, risks and opportunities that are most relevant to our operations, strategic objectives and long-term value creation.

MATERIAL TOPICS

The material issues identified have been reaffirmed as being the most relevant to Axia Corporation Limited for the year ended 30 June 2026. The identified issues were categorised into economic, environmental, social and governance topics as presented below:

- **Economic category**

Topics that cover the flow of capital among different stakeholders, and the main economic impacts of the business.

- **Environmental category**

Topics that cover the effects of our operations on both living and non-living elements of the ecosystems.

- **Social category**

Topics that cover the impacts on the communities, societies, and individuals affected by our activities.

- **Governance**

This topic covers impacts on the system of rules, practices and processes by which the Group is directed and controlled.

IDENTIFICATION

We carry out an internal sustainability materiality assessment by identifying key sustainability topics and comparing the outcomes with practices adopted by other companies within the industry.

PRIORITISATION

Material topics are prioritised based on feedback gathered through a survey of management and senior personnel, drawing on their knowledge of the business and stakeholder concerns.

MATRIX GENERATION

Axia reviews and approves the identified topics based on their relevance to the business operations and map them onto a materiality matrix to illustrate their importance to the Group and external stakeholders.

Sustainability Materiality Assessment (cont'd)

Material Topics (cont'd)

ECONOMIC	ENVIRONMENT	SOCIAL	GOVERNANCE
<ul style="list-style-type: none"> • Tax • Economic • Performance • Procurement 	<ul style="list-style-type: none"> • Climate Change • Water • Energy • Waste • Greenhouse Gas Emissions 	<ul style="list-style-type: none"> • Occupational Health and Safety • Diversity and Inclusion • Employment • Education and Training • Corporate Social Responsibility • Employee Relations • Human Rights • Customer Service • Outlets Accessibility • Product Quality and Safety • Product variety and availability • Timely Deliveries • Driver Working Conditions • Accident & Safety Management 	<ul style="list-style-type: none"> • Ethics and Compliance • Anticorruption • Cybersecurity and Data Privacy • Security Practices • Customer Privacy and Security

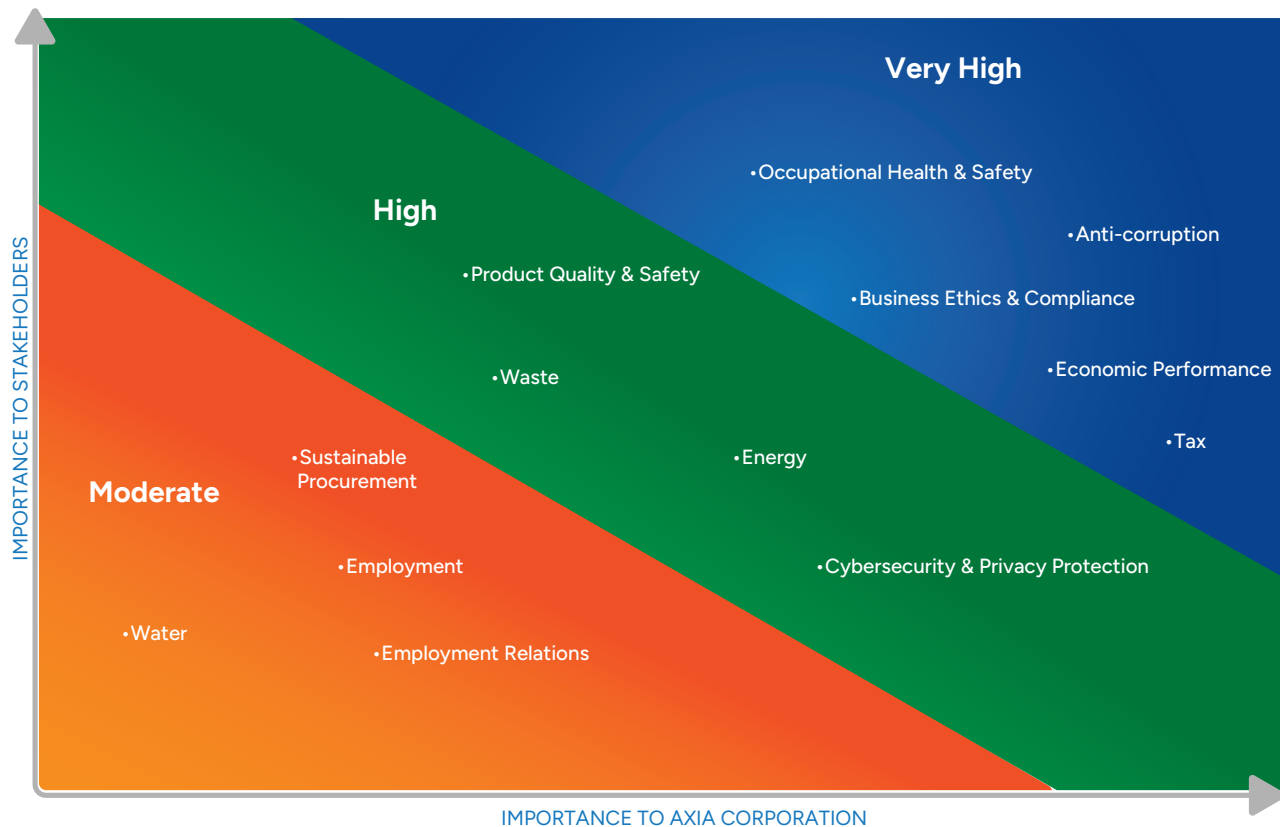
Product stewardship at Transerv.



Sustainability Materiality Assessment (cont'd)

Materiality Matrix

The materiality analysis presented below ranks the top 13 topics that are most significant to the business and to its stakeholders. The Group's assessment has shown that there are no changes in the material topics from the previous year.



VERY HIGH

Topics with potential significant risks and opportunities for Axia and stakeholders.

HIGH

Topics where action is taken to manage potential risks and opportunities.

MODERATE

Topics whose impact is under management control with negative impacts considered minimal.

Sustainability Materiality Assessment (cont'd)

The material topics identified as significant and important to both the business and stakeholders were:

- Occupational Health and Safety
- Anti-corruption
- Business Ethics and Compliance
- Economic Performance
- Tax

MATERIAL TOPICS LINKS TO SDGs

Our sustainability material topics were identified based on stakeholder input. The identified topics reflect our impact and contribution towards the SDGs, fostering a sustainable future for all. We are committed to making a positive impact and driving progress towards a more sustainable world.



Restapedic Case Study: Our Sustainability Story

*Loading Restapedic beds into the
delivery truck at Restapedic Bedding.*



Restapedic Case Study: Our Sustainability Story (cont'd)

“As Restapedic, sustainability is woven into every mattress, every lounge suite, and every decision we make. From the moment raw materials enter our facilities to the day a finished product reaches a customer’s home, we are committed to reducing environmental impact, supporting local industries, and creating lasting value for our communities.”



Restapedic Case Study: Our Sustainability Story (cont'd)

Our Sustainability factsheet:



We Build On Local Partnerships



Our key materials used in our products are proudly sourced within Zimbabwe:

- Foam for bedding and lounge products is locally sourced.
- Timber and chemicals used in our furniture and bedding products come from local suppliers.
- We operate our own foam manufacturing plant, giving us greater control over quality, efficiency, and resource management.



We Power Production Responsibly



Our factories operate on a hybrid power system, combining (Solar and Grid) with the bulk of the electricity supply coming from Solar.

- 9 MWh solar capacity for powering production.



We Turn Waste Into Resources



We recycle scrap into rebonded foam products (ribbons), extending the life of valuable materials and reducing waste.

- Scrap timber is donated to local communities where it can be repurposed and used productively.
- Other reusable scrap materials are sold, ensuring resources remain in circulation and do not become unnecessary waste.

We Transform Bare Spaces into Green Spaces



To improve biodiversity, beautify our surroundings, and contribute to carbon sequestration, Restapedic has planted:

- Over 400 indigenous trees.

We Integrate Sustainable Practices into Our Operations



Our operations utilise electric forklifts, helping to:

- Reduce fuel consumption.
- Lower workplace emissions.
- Create a cleaner and quieter work environment.

We Create Employment Opportunities for Local Communities



Our employees in both the bedding and lounge factory are from surrounding communities.

- 400+ local people employed.

Product Stewardship

“The quality of our products remains a key priority. Our experienced quality control officers conduct regular inspections across all product lines and provide ongoing training to our manufacturing and merchandising teams.”



Product Stewardship (cont'd)

To address any negative impacts on product quality and safety, we implemented the following actions:

Enhanced Quality Control:	Customer Feedback Mechanism:	Product Recall Procedures:	Supplier Audits and Training:
<ul style="list-style-type: none"> Established quality control processes at every stage of production, including regular inspections and testing of raw materials and finished products to ensure they meet safety standards. 	<ul style="list-style-type: none"> Developed a system for collecting and analysing customer feedback on product quality and safety. This identifies recurring issues and areas for improvement. 	<ul style="list-style-type: none"> Implemented clear and efficient product recall procedures to quickly address safety concerns. This includes transparent communication with customers and providing remedies such as refunds, replacements, or repairs. 	<ul style="list-style-type: none"> Conducted regular audits of suppliers to ensure they adhere to our quality and safety standards. Additionally, provide training and support to suppliers to help them improve their processes and meet our requirements.

PRODUCT VARIETY AND AVAILABILITY

As a business, product variety and availability are essential in ensuring that customers at our specialty retail outlets have different choices. By offering a wide range of options, we reduce the likelihood of customer grievances and increase sales volume, ultimately enhancing our market share. Our procurement strategy focuses on pre-planning and purchasing in large quantities to guarantee product availability. Additionally, our finance teams work diligently to ensure the business has sufficient working capital and financing to maintain strong relationships with our suppliers and prevent stock-outs. To further refine our offerings, we actively track customer preferences through consultations, allowing us to adapt our product variety to meet the tastes and needs of our clientele effectively.

Combining quality, comfort and thoughtful design.

PRODUCT QUALITY AND SAFETY

Product quality and safety are essential for our business to succeed in a competitive market. We ensure that our customers receive outstanding products that meet their expectations and uphold the Group's reputation. We source all our furniture, electronics, home appliances, automotive spare parts, and FMCG products from reputable suppliers and reputable brands. We established agreements with world-class suppliers to maintain a diverse range of quality products.

Our expert team conducts rigorous quality checks on all items to prevent any sub-standard products from being returned to our outlets. The Managing Director supervises the quality of raw materials at the highest level. In our furniture division, experienced quality control officers inspect each product before it leaves the factory. Additionally, we provide regular training for both our manufacturing and merchandising teams to enhance the quality of our offers.



Customer Relations

“Customer convenience and quality service remain key priorities for the Group as it continues to strategically expand its store network, enhancing product accessibility and ensuring locations are well positioned to meet the needs of its target customer base.”



Customer Relations (cont'd)

CUSTOMER SERVICE

Axia Corporation Limited recognises that delivering excellent customer service is essential for fostering strong relationships, crucial to our success. We provide top-quality products and services that meet our clients' needs and expectations. Valuing customer input allows us to enhance our performance and improve overall satisfaction. Our team, composed of highly skilled and experienced professionals, is always available to address customer complaints and concerns related to our business activities. Ultimately, our goal is to build long-term, mutually beneficial relationships with our customers, founded on trust, respect, and transparency.

CUSTOMER PRIVACY AND SECURITY

Axia Corporation Limited established a framework for safeguarding customer data through its Customer Privacy and Security Systems, reinforcing our commitment to maintaining high standards of integrity. To ensure the confidentiality and security of our customers' information, we implemented IT policies and controls designed to protect the integrity of customer data stored in our systems. Strict IT access controls are implemented, guaranteeing that only authorised personnel can access sensitive information. Additionally, we maintain proactive systems that ensure our IT control measures are continuously reviewed and updated. Our aim is to consistently safeguard customer information and prevent any instances of unauthorised access to our information systems, thereby upholding the trust our customers place in us.

OUTLETS ACCESSIBILITY

Outlet accessibility plays a crucial role in providing convenience to customers, enhancing brand recognition, and driving overall business performance. To achieve these objectives, the Group is continuously expanding its store network, strategically focusing on locations that cater to our target customer base. Our Business Development Policy ensures that we establish a presence in all key areas where our customers are located, allowing us to maximise accessibility and convenience.

We carefully select and manage the sites for our branches, ensuring they are optimally positioned to meet customer needs. Our strategy is guided by a rigorous performance-tracking mechanism that enables us to evaluate the effectiveness of our approach and make informed, data-driven decisions.

TIMELY DELIVERIES

The Group ensures timely deliveries as a cornerstone of our operational strategy, recognising our crucial role in customer satisfaction and overall business success. Our dedication to effective delivery management involves an approach aimed at minimising delays and enhancing service reliability. We are determined to achieve zero avoidable delays, understanding that prompt delivery not only builds trust with our customers but also strengthens our competitive position in the market. Further, consistently delivering products on time fosters enhanced customer satisfaction and loyalty, as clients feel confident in our ability to meet their needs. This reliability leads to increased sales opportunities and a competitive edge in the Fast-Moving Consumer Goods (FMCG) sector, where stock availability is critical.

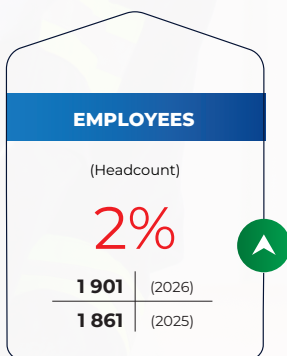
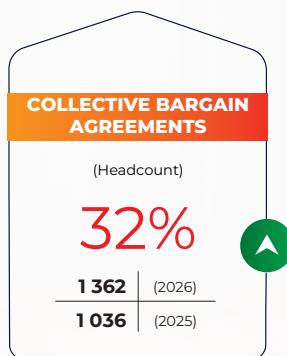
Moreover, effective delivery management streamlines our supply chain enabling better inventory control and ultimately driving operational efficiency. However, delays in deliveries result in customer dissatisfaction, potentially damaging relationships and leading clients to seek alternatives. The operational costs can increase due to penalties, rush delivery fees, or lost sales from stockouts, while reputational damage from repeated delays can hinder our ability to attract and retain customers. As a responsible retail business, we recognise that these challenges could arise from factors within our control, such as inadequate planning or insufficient communication.

We utilise advanced logistic technologies, including Global Positioning System (GPS) tracking and route optimisation software, to enhance delivery efficiency and reduce delays. Strengthening our relationships with reliable suppliers and adopting just in time inventory management ensures that products are readily available, minimising the risk of stockouts. Additionally, we prioritise clear communication with our customers regarding delivery status, offering real-time updates and alternative solutions when necessary. Investing in warehouse automation further streamlines our operations, improving order fulfillment processes to accelerate delivery times.

We continuously track the effectiveness of these actions through internal assessments and performance indicators. By grouping routes in advance and ensuring clear communication between branches and the transport department, we effectively manage and execute delivery schedules. Engagement with stakeholders, including customers and suppliers, has been crucial in shaping our strategies by providing feedback that highlights areas for improvement and ensures our initiatives align with market expectations and customer needs.

Our Employees

“Building and maintaining strong, motivated teams is important for the Group’s long-term outlook. This is supported by a comprehensive employee tracking system that monitors recruitment, training, performance evaluations and promotions, ensuring accountability and transparency throughout the employee development process.”



Our Employees (cont'd)

HUMAN CAPITAL MANAGEMENT

The Group recognises the critical role that employment plays in fostering economic growth, enhancing community well-being, and creating a positive workplace culture. Our commitment to creating employment opportunities and conducive working conditions is central to our operations. We strive to meet not only legal and ethical standards but also to promote a workplace environment that values diversity, inclusion, and the well-being of all employees.

Our employment initiatives led to the creation of job opportunities that contribute to lowering the unemployment rate. Employees benefit from enhanced job security and competitive wages, leading to improved living standards. A supportive work environment fosters employee confidence, boosting productivity and creating a better working atmosphere. Our focus on employee well-being helps employees manage stress effectively, enhancing resilience in challenging situations. However, we acknowledge potential challenges, such as changes in government economic policies and their influence on our operational environment. If not managed responsibly, our production activities can create electronic waste and environmental concerns, while employee exposure to hazardous materials and excessive working hours can impact employee welfare.

To manage these employment impacts, Axia Corporation Limited established policies including Recruitment Policy and Human Resources Policy which ensure fair and equitable hiring practices across all levels of the Group. We adhere to relevant employment laws and regulations emphasising respect and dignity for every employee.

EMPLOYEE BASE

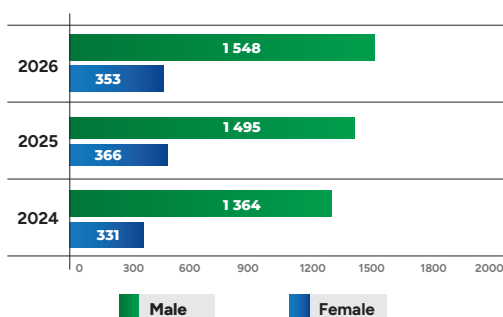
Employee statistics for the period under review were as follows:

Total employees increased by 2% compared to the prior year due to the strategic recruitment to support growth through new branch openings and to maintain service delivery.

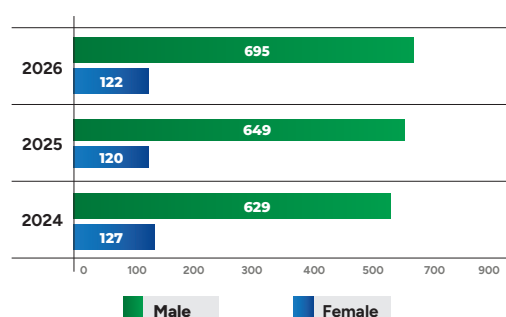
Further, we provide a safe, inclusive, and fair work environment, promoting diversity regardless of race, gender, or background. Our management team fosters a culture of open communication, collaboration, and professional development. We also maintain a workers' council to facilitate employee engagement and address concerns. Our business operations adapt to comply with government guidelines, ensuring legal and ethical adherence. We provide training and resources for employees to adapt to new safety protocols and remote work requirements, promoting their skills and capabilities. Employee morale is regularly assessed to identify and address any concerns promptly, and we offer flexible work hours and paid time off to support those dealing with illness or family responsibilities. Additionally, Axia Corporation Limited provides training and development programmes to enhance employee skills, ensure fair wages, and guarantee safe working conditions.

We use an employee tracking system that records hiring, training, performance evaluations, and promotions, ensuring accountability and transparency. We monitor attendance to identify absenteeism patterns and maintain compliance with work schedules. The Group's performance goals include expanding market share, boosting customer satisfaction, increasing revenue, and improving the company brand. We continuously assess our progress towards these goals, focusing on key performance indicators such as revenue, sales, and customer returns. The evaluations conducted indicate advancements in sales revenue, customer satisfaction, and overall growth, allowing us to identify successful strategies and areas for improvement. Engagement with stakeholders is vital for informing our actions, as seeking feedback from employees, customers, suppliers, and community members provides valuable insights into their needs and concerns, helping us assess our initiatives, adjust, and enhance our reputation.

Total Employees by Gender Headcount



Total Permanent Employees Headcount

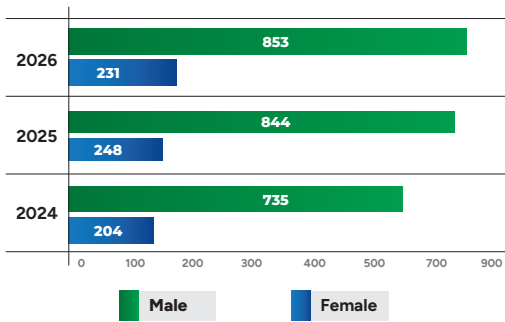


Our Employees (cont'd)

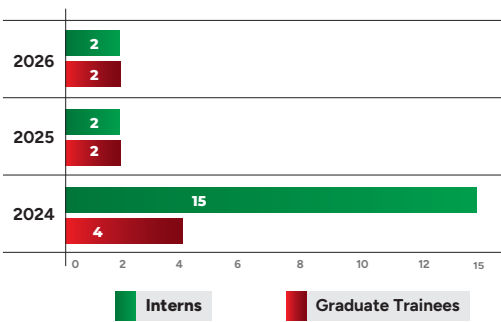
EMPLOYEE BASE (cont'd)

Third party employees were as follows:

Total Temporary Employees Headcount



Third Party Employees Headcount

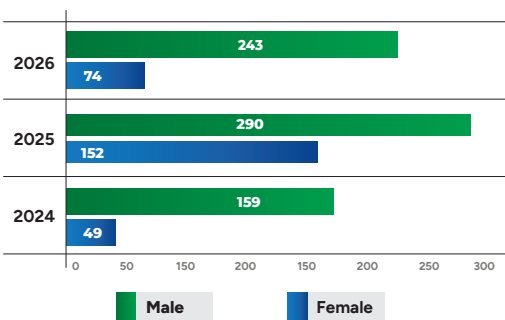


EMPLOYEE RECRUITMENT & RETENTION

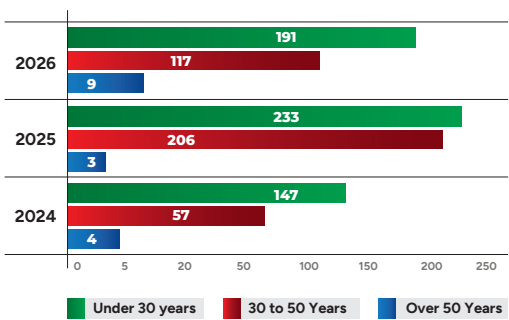
Axia Corporation Limited places high priority on employee recruitment and retention, while also striving to promote diversity in terms of gender and age. When hiring employees, we recruit individuals who not only possess the required skills and qualifications but also align with the Group's values. This ensures a cohesive and value-driven work environment.

Employee movement for the year under review was as follows:

Employee Hire by Gender Headcount

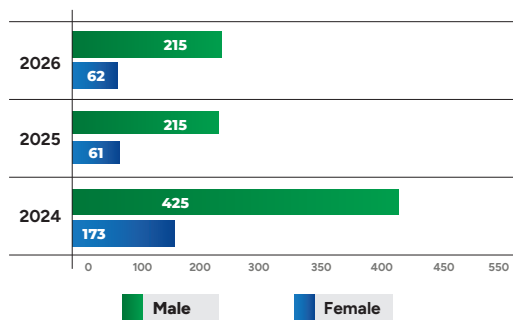


Employee Hire by Age Headcount

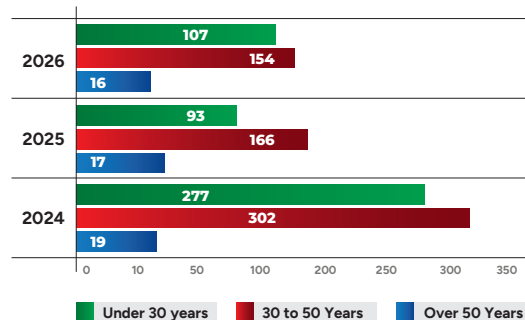


Employee movement was mainly influenced by contract expiries and targeted recruitment to support production, growth and continued service delivery.

Employee Turnover by Gender Headcount



Employee Turnover by Age Headcount



Our Employees (cont'd)

EMPLOYEE RELATIONS

As Axia Corporation Limited, we are committed to uniform, just, and fair labour practices, which yield numerous positive impacts. These include a rise in production, increased well-being of workers, improved working conditions, and enhanced relationships at work. Our focus on better dispute settlement, guided by the principles of our Collective Bargaining Agreement (CBA), has further strengthened our brand image and reduced employee turnover. Effective management of employee relations is critical for our Group, as strong relationships with our employees result in higher engagement, better legal compliance, and improved retention rates. However, neglecting employee welfare and relations can lead to significant negative outcomes. Poor treatment can result in low employee morale, disengaged employees, and ineffective Group performance, all of which contribute to a decline in economic activity. This may manifest as a sharp increase in sick days, a high turnover rate, and cognitive depletion due to skill flight. Additionally, restricted career growth and limited employment opportunities hinder our potential for economic growth.

The Group prioritised open communication, fair labour practices, and employee engagement. This includes adherence to the Employment Code of Conduct and Grievance Procedures SI45/93 for non-managerial employees, as well as the National Code of Conduct SI 15/2006 for managerial employees. We empower employees to voice their concerns by establishing clear channels for feedback, adopting a culture of trust and collaboration.



Further, our investment in training and development opportunities underscores our commitment to employee growth, mitigating turnover and boosting morale. By actively promoting a positive workplace environment that values employee contributions, the Group has significantly reduced the likelihood of industrial relations matters, creating a stronger employer-employee relationship. We closely monitor key performance indicators such as absenteeism rates, labour turnover, and the retention of high performers to ensure effective employee management.

Our goals include maintaining controllable employee costs, achieving high availability, enhancing employee engagement and relations, reducing workplace accidents, and minimising turnover rates. To support these objectives, we communicate the Group's vision to all employees and regularly assess our employee turnover rate and engagement levels, particularly during the hiring of new employees. Axia Corporation Limited made considerable progress in engaging employees and complying with the Labour Act [Chapter 28:01], as evidenced by the effective administration of employee salaries, the scheduling of regular meetings, and the accessibility of budgeted positions.

We are committed to treating all employees with respect and dignity, ensuring fair and equitable treatment, and addressing grievances in a timely manner. Our initiatives, including liaison meetings and National Works Council meetings, improved communication regarding job openings, and working conditions, creating a more inclusive and supportive work environment for all.

Empowering our people through trust, open communication and a supportive workplace.



Our Employees (cont'd)

COLLECTIVE BARGAINING

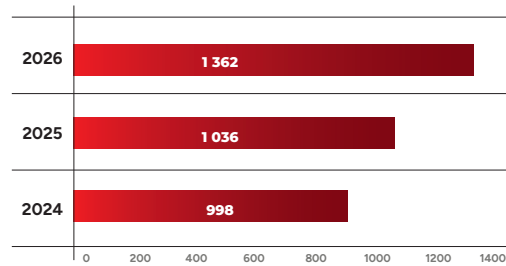
Axia Corporation Limited upholds employee rights to belong to collective bargaining and the National Employment Council for the sector which represent employee welfare interests. Employees covered under CBA were as follows:

Most employees are affiliated with National Employment Councils across the following sectors:

- Motor Industry;
- Furniture and Manufacturing Industry; and
- Retailers and Wholesalers.

CBA coverage increased by 31%, driven by employee base expansion to support operational requirements.

Employees under CBA Headcount

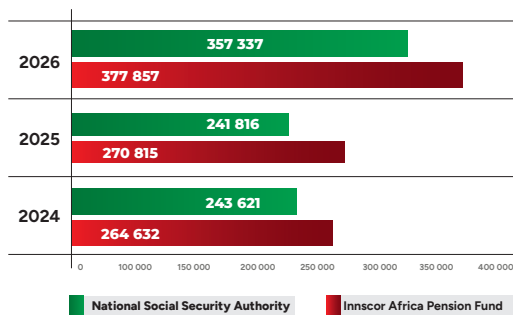


POST-EMPLOYMENT CONTRIBUTIONS

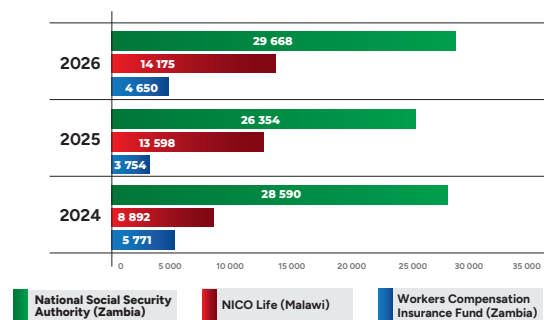
The Group contributes to employee retirement schemes under the statutory National Social Security Funds scheme and Group Pensions administered under the Innscor Africa Pension Fund.

Pension contributions for the reporting year were as follows:

Pension Contribution (US\$)



Pension Contribution (US\$)



Our Employees (cont'd)

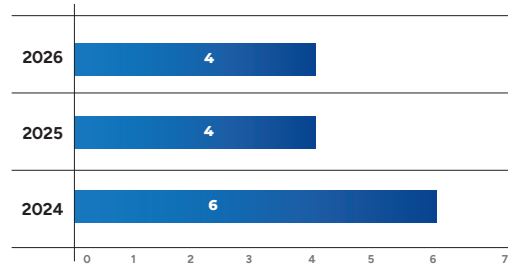
PARENTAL LEAVE

Axia Corporation limited in accordance with the Labour Act [Chapter 28:01] offers parental leave to all employees. Adjacent are the statistics of employees who took parental leave in FY26:

SKILLS DEVELOPMENT

Axia Corporation Limited recognises the importance of training and development as essential in shaping productive and efficient employees. Our training and development initiatives equip our employees with the skills and knowledge needed to perform their tasks more effectively. This leads to better customer service, quicker problem-solving, and improved operational efficiency. Providing continuous development opportunities creates a positive work environment, boosting morale and job satisfaction. Further, these programmes enhance the adaptability and innovation of our employees by informing them of updates in industry trends, new technologies, and best practices, making the Group more adaptable to market changes. However, developing and implementing training programmes is costly, especially for our large retail Group. Costs include hiring trainers, purchasing materials, and allocating time away from normal work duties, which temporarily affects productivity.

Female Employees Who Took Parental Leave Headcount



Three of the four employees who took maternity leave during FY2026 returned to work within the reporting period.

Developing skills and nurturing craftsmanship at Restapedic Lounge.



Our Employees (cont'd)

SKILLS DEVELOPMENT (cont'd)

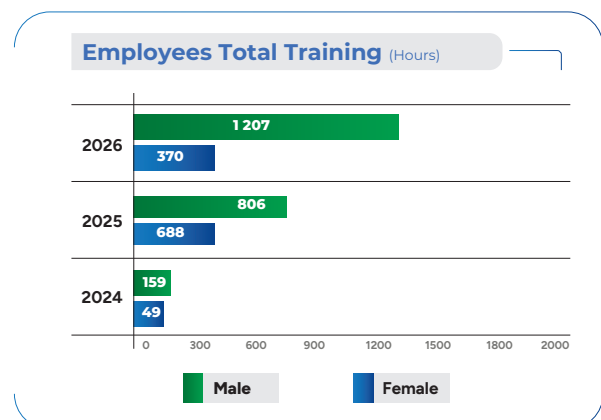
Conducting training sessions, especially during business hours, disrupts regular operations. This results in fewer employees available on the shop floor, leading to longer customer wait times and reduced service quality. Additionally, we experienced resistance to change as some employees are comfortable with current practices and do not acknowledge the importance of these programmes. This resistance hinders the effectiveness of the programs and lowers employee engagement levels.

Our Learning and Development Policy aims to enhance human resource capability, enabling employees to fully realise their potential by creating an environment that supports learning and growth. We encourage trainees to provide feedback on training programmes and regularly evaluate these programmes to ensure their effectiveness. Additionally, we established Bonding Training Agreements for employees attending high-cost training programmes, such as SABRE, and offer 'train the trainer' courses to build internal capacity. While our training and development programmes provide numerous benefits to the Group, balancing costs, minimising operational disruptions, and managing resistance are vital for maximising their effectiveness. To address these challenges, we introduced a training and development budget and encouraged our employees to join professional bodies such as The Institute of Chartered Accountants of Zimbabwe (ICAZ) and the Association of Chartered Certified Accountants (ACCA), which further enhance our initiatives and help reduce training costs. We empower management to act as change champions to mitigate resistance, cultivating a supportive culture. To minimise disturbances during training periods, we stagger employee training sessions, ensuring minimal disruptions to our operations. Further, we encourage our employees to maintain full compliance with the Continuous Professional Development (CPD) requirements of their respective boards.

We implemented a Training Needs Analysis which encompasses various components aimed at enhancing employee performance and productivity while improving teamwork and communication skills. Key activities include monitoring participant progress, tracking performance metrics, and conducting Return on Investment (ROI) analysis. We conduct post-training evaluations, such as product knowledge tests and 360-degree feedback

from line management, together with KPIs assessments and annual external audits to gain insights into employee development. Additionally, mystery shopping feedback and skills audits contribute to creating competent employees that contributes to higher employee retention, satisfaction ratings, and reduced turnover. This assessment relies on key performance indicators, including customer satisfaction, operational efficiency, and compliance with regulations, informed by regular stakeholder feedback and communication. Strategies such as employee multi-skilling and internal promotions further enhance retention, while lessons learned highlight the importance of customer satisfaction, continuous innovation, employee training, and strategic partnerships. To embed these insights into our operational policies, we prioritise customer service delivery, collaborate with suppliers for training, and utilise virtual training platforms such as Great People.

Total training hours during the year were as follows:



Training participation increased by 6% during the year, driven primarily by weekly product training initiatives aimed at equipping employees with enhanced product knowledge and enabling employees to engage customers from a more informed position.



Employee Safety

“Ongoing efforts to strengthen occupational health and safety (OHS) include regular safety training and the continuous improvement of safety standards.”



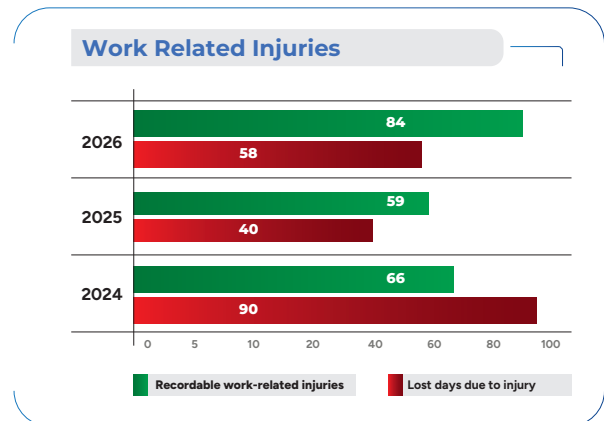
Employee Safety (cont'd)

OCCUPATIONAL HEALTH AND SAFETY (OHS)

Axia Corporation Limited aims to foster a safe and healthy work environment through management of Occupational Health and Safety (OHS). This commitment is crucial for preventing and promoting the overall well-being of our employees. Our OHS practices led to numerous positive outcomes including enhanced employee well-being and productivity, as healthy employees are generally more motivated and engaged. Moreover, the Group's compliance with legal requirements mitigates the risk of legal issues and fosters positive relationships with regulatory bodies. Further, a strong commitment to OHS enhances Axia Corporation Limited's reputation among stakeholders, which improves employee retention, customer loyalty and attracting new talent. However, inadequate OHS management can result in negative impacts, as the establishment of safety programmes often incurs initial costs for safety equipment and employee training, which can strain resources for a retail group operating on thin margins. Training sessions and audits may disrupt daily operations, impacting productivity and customer service. Introducing new OHS measures may face resistance from employees who perceive them as burdensome, potentially leading to decreased morale and compliance.

Our Human Resources Policy emphasises the importance of OHS as a fundamental aspect of our commitment to employee well-being while ongoing efforts include implementing regular safety training and continuous improvement of safety standards. To measure our progress, we established specific targets and performance indicators, such as aiming for zero workplace accidents and achieving 100% compliance with OHS regulations. Key performance indicators utilised include tracking the number of accidents, completion rates of mandatory OHS training, and the reduction of manual handling injuries.

Employee work related injuries were as follows:



HAZARD IDENTIFICATION AND RISK ASSESSMENT (HIRA)

Our approach to HIRA involves a process for recognising work-related hazards and assessing associated risks. Each shop manager is responsible for minimising OHS incidents within their locations, particularly in our retail operations where risks may arise from factors such as reckless driving during deliveries. To mitigate these risks, we ensure that our vehicles are regularly serviced and that drivers receive adequate rest. In our manufacturing units, such as Legend Lounge and Restapedic, we employ trained artisans to further reduce the likelihood of accidents. Regarding stakeholder engagement, we prioritise transparent communication about OHS performance. Employees are informed of OHS issues through bulletin boards and notifiable occurrences documented in our main board communications.

Protecting our people through safe working practices and appropriate protective equipment at Restapedic Bedding.

Employee Safety (cont'd)

HAZARD IDENTIFICATION AND RISK ASSESSMENT (HIRA) (cont'd)

Work related hazards that pose a risk of high consequence injury:

HAZARD	HAZARD IDENTIFICATION	MITIGATION
CHEMICAL EXPOSURE	Chemicals may cause skin irritation, respiratory problems, chemical burns, or environmental contamination if improperly handled.	<ul style="list-style-type: none"> • Provide and enforce the use of appropriate PPE, including gloves, goggles, and respirators. • Ensure chemicals are correctly labelled and stored. • Maintain Safety Data Sheets (SDS) for all hazardous substances. • Train employees on safe chemical handling and spill response procedures. • Install adequate ventilation in areas where chemicals are used. • Conduct regular inspections of chemical storage facilities.
FIRE	The combustible nature of wood products, upholstery materials, packaging materials, and potential electrical faults or overloads presents a significant fire risk.	<ul style="list-style-type: none"> • Conduct regular fire drills and emergency evacuation exercises. • Install and maintain fire extinguishers, smoke detectors, and fire alarm systems. • Inspect electrical equipment and wiring regularly. • Store flammable materials in designated areas away from ignition sources. • Maintain clear access to emergency exits and firefighting equipment.
MOVING OBJECTS	Heavy furniture, machinery, forklifts, and automotive parts can cause crushing injuries, struck-by incidents, or collisions if not handled safely.	<ul style="list-style-type: none"> • Train employees on safe equipment operation and material handling procedures. • Use mechanical lifting aids, forklifts, and trolleys where possible. • Establish pedestrian and vehicle segregation routes.
DUST EXPOSURE	Dust generated from wood processing, cutting, sanding, and handling of automotive components can cause respiratory illnesses, eye irritation, and reduced air quality.	<ul style="list-style-type: none"> • Implement routine cleaning schedules to prevent dust accumulation. • Install dust extraction and ventilation systems. • Provide appropriate respiratory protective equipment (dust masks or respirators). • Conduct regular air quality monitoring. • Train employees on dust hazard awareness and control measures.
SLIPS, TRIPS AND FALLS	Hazards arise from stacked inventory, wet or slippery surfaces, uneven flooring, obstructed walkways and improper housekeeping practices.	<ul style="list-style-type: none"> • Conduct regular safety inspections and audits. • Maintain good housekeeping standards. • Promptly clean up spills and debris. • Clearly mark walkways and hazardous areas. • Repair damaged flooring and uneven surfaces. • Provide anti-slip flooring and appropriate footwear.
MANUAL HANDLING AND LIFTING OF HEAVY OBJECTS	Raw materials such as timber, foam, and finished products are often moved manually, creating risks of musculoskeletal injuries, strains and sprains.	<ul style="list-style-type: none"> • Provide training on correct lifting and carrying techniques. • Use mechanical handling equipment such as pallet jacks, hoists, and forklifts where possible. • Implement team lifting procedures for heavy or bulky items. • Conduct ergonomic assessments of workstations and tasks. • Rotate tasks to reduce repetitive strain injuries. • Encourage employees to report discomfort and musculoskeletal concerns early.

Employee Safety (cont'd)

DELIVERY DRIVERS WORKING CONDITIONS

The Group ensures optimal working conditions for drivers as a fundamental aspect of its operational strategy. We understand that the environment in which our drivers work in significantly influences their performance, safety, and overall job satisfaction. The Group enhances productivity and strengthens its reputation as a responsible and supportive employer in the logistics sector by prioritising their well-being. When drivers are equipped with safe vehicles, adequate rest breaks, and fair compensation, their efficiency increases, leading to timely deliveries and improved customer satisfaction. Additionally, maintaining safe working conditions reduces the risk of accidents, which in turn lowers our exposure to liability and insurance costs. A positive work environment fosters higher morale and retention rates, reducing the need for costly recruitment and training efforts. However, we are aware that poor working conditions can have serious repercussions. Factors such as long hours, insufficient breaks, and pressure to meet tight schedules can lead to driver fatigue, increasing the likelihood of accidents and long-term health issues. High turnover rates, driven by dissatisfaction with working conditions, not only disrupt operations but also inflate training costs and impact supply chain efficiency. Further, neglecting the welfare of our drivers can damage our reputation and lead to legal challenges.

Recognising these dynamics, we are committed to adhering to industry standards and prioritising driver welfare. Our procedures align with recommendations from workers' councils and the National Employment Council (NEC) to ensure compliance with minimum standards for driver welfare. We provide medical aid for permanent employees and ensure they have adequate leave days to promote health and well-being.

Tracking driver departures serves as a critical metric for assessing the effectiveness of our efforts, as high turnover can signal underlying issues that need to be addressed promptly. We learned that stabilising our employees is crucial, given the significant costs associated with retraining departing drivers. We strive to create an environment that not only attracts talent but also retains it. Engagement with stakeholders has been invaluable in shaping our approach, feedback from drivers, regulatory bodies, and industry partners highlighted key areas for improvement. This collaborative effort allows us to adapt our strategies effectively, ensuring that our initiatives align with the needs and expectations of our employees.

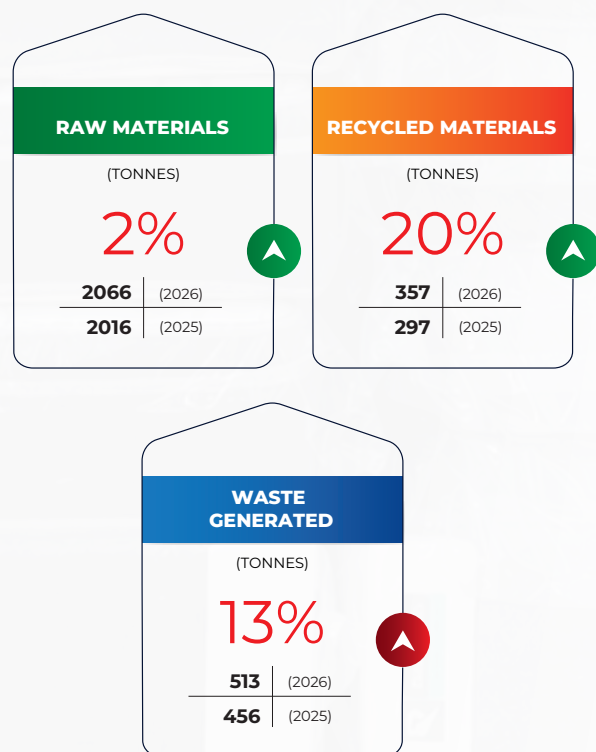
ACCIDENT AND SAFETY

Axia Corporation Limited is dedicated to enhancing accident and safety management as a fundamental aspect of our operational framework. We identify that safety practices are essential for compliance with local and international regulations and fostering a secure work environment that enhances employee morale and productivity. The Group aims to minimise workplace accidents and injuries, ensuring that employees feel secure in their roles, which ultimately leads to improved operational efficiency, particularly in fast-moving sectors like FMCG by prioritising safety. However, we acknowledge the challenges that come with implementing comprehensive safety programmes. While these initiatives are vital for reducing accidents and enhancing workplace safety, they may result in increased operational costs and potential temporary slowdowns in operations due to rigorous compliance checks and training. In addition, issues such as last-minute deliveries can complicate route planning, leading to longer driving times without adequate rest, which could affect safety.

We established a series of policies and commitments aimed at enhancing safety across all levels of our operations. This includes providing regular safety training for employees, enforcing a Zero-Tolerance Policy for safety breaches, and continuously improving our safety standards through technology and employee feedback. We conduct regular risk assessments and invest in modern safety equipment and personal protective gear, ensuring that our employees are well-equipped to handle potential hazards. The Group is in the process of refining our assessment protocols to track the effectiveness of our safety measures. Currently, we monitor compliance with driver licensing and training requirements, and in some of our business units, we introduced breathalysers to combat impaired driving. We aim to reduce accidents due to human error and are developing measurable metrics to evaluate our safety performance accurately. Engagement with stakeholders has been instrumental in informing our safety strategies. Feedback from employees and safety audits helps to identify areas for improvement, allowing us to adapt our policies effectively.

Circular Economy

“By transforming process offcuts of foam, fabric, leather and Dacron into valuable resources through sales to third parties, the Group strengthened its efforts to reduce waste and improve resource recovery. This initiative supports responsible materials management practices across the entire materials lifecycle.”



Circular Economy (cont'd)

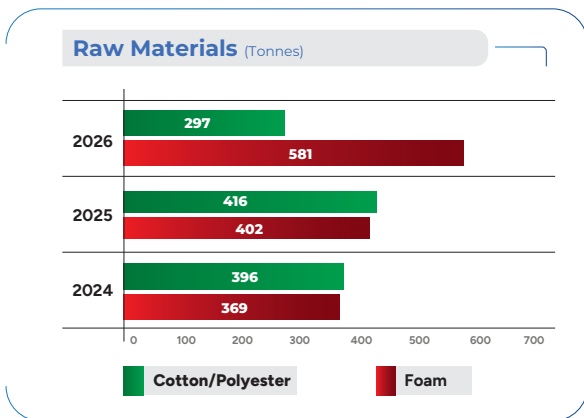
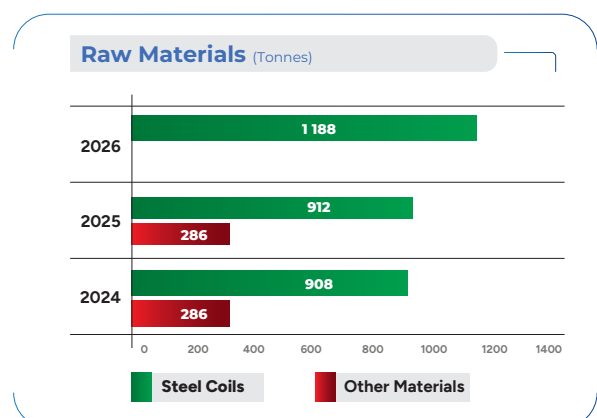
RAW MATERIALS

We recognise that responsible management of materials is essential for sustainable growth and environmental protection. Our commitment to materials stewardship involves a proactive approach to the entire lifecycle of materials, from sourcing and production to usage and disposal. Central to this effort is our focus on sustainable sourcing, particularly concerning raw materials. By prioritising the procurement of sustainably sourced materials, we aim to minimise environmental impacts and support ethical practices in our supply chain. This is crucial given the increasing demand for raw materials, which poses challenges like resource depletion and ecological degradation.

Efficiency in production is another key principle of our materials stewardship. We adopt advanced manufacturing technologies and processes designed to reduce waste, conserve energy, and optimise resource use. Our Restapedic and Legend Lounge business units use recycled materials such as foam and fibre in the manufacture of beds and lounge suites. We use complete steel coils to help reduce waste.

Looking ahead, our commitment to materials stewardship enhances our operational efficiency and strengthens our reputation as a responsible corporate citizen. We are setting ambitious targets for reducing our environmental impact and fostering innovation in sustainable materials. By engaging with our stakeholders, we aim to build a greener future. Through these efforts, Axia Corporation Limited is dedicated to not only addressing the challenges related to raw materials but also paving the way for sustainable practices that align with the global imperative for environmental responsibility.

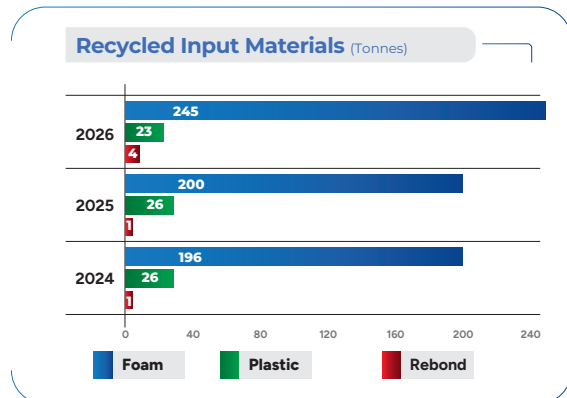
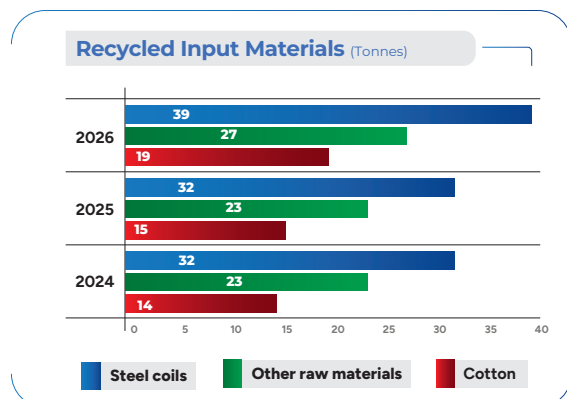
Raw materials for the period under review was as follows:



Circular Economy (cont'd)

RAW MATERIALS (cont'd)

Recycled input materials for the period under review was as follows:



The Restapedic Bedding and Lounge Division increased the use of recycled input materials by sourcing most of its packaging plastics from Rawplast, a local supplier that uses recycled plastic in its products.

ENERGY

The Group is dedicated to responsible energy management, balancing operational needs with environmental considerations and cost efficiency. We use energy for essential business operations, including powering computers, lighting, and heating our premises. We actively encourage our employees to be mindful of energy consumption, implementing measures such as turning off unused equipment and optimising heating and cooling systems. Regular maintenance of our electrical systems and equipment ensures they operate at peak efficiency. By managing our energy use responsibly, we aim to achieve cost savings that contribute to our profitability and maintain good relations with stakeholders. We recognise that increased energy costs could lead to higher operational expenses, potentially risking financial losses and straining stakeholder relationships. Through clear communication and training, we emphasise the importance of energy management practices in sustaining our business.

We are committed to ensuring optimum use of energy across our operations. Our energy management strategy focuses on both efficiency and sustainability ensuring that energy is only used when necessary and promptly switched off when not in use, minimising waste and reducing our overall consumption. As a Group, we have action plans to control the impacts of energy use, with our primary initiative being the transition to alternative energy, mainly solar-powered operations. This strategic move aligns seamlessly with our business model, as we also distribute solar products.

Advancing the circular economy through recycling materials and responsible resource use at Restapedic Bedding.

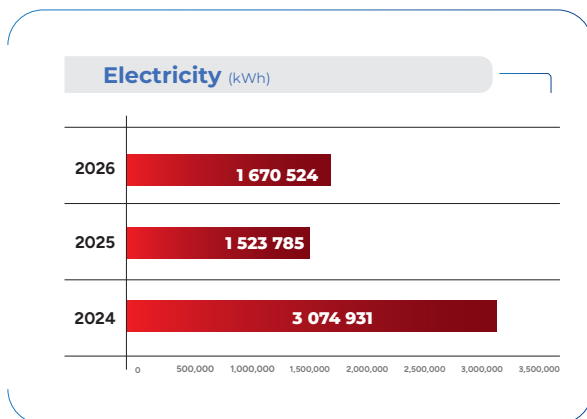


Circular Economy (cont'd)

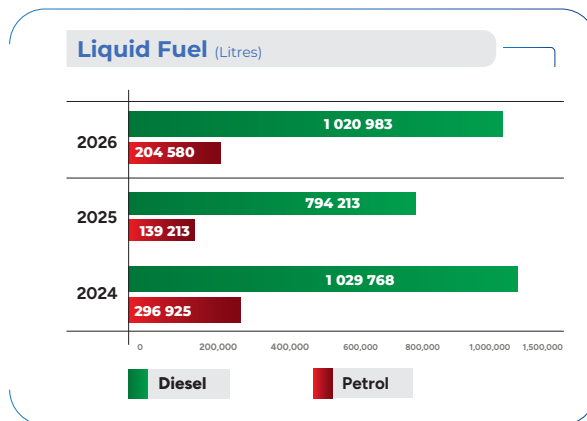
ENERGY (cont'd)

We aim to lead by example in adopting the very technologies we offer to our customers. This transition demonstrates our commitment to reduce our long-term operational costs and environmental footprint. Through these initiatives, we strive to balance operational needs with environmental responsibility, ultimately contributing to our profitability and maintaining positive relationships with our stakeholders.

Energy consumption within the Group for the period under review was as follows:



Electricity consumption increased by 10% during the reporting period due to improved grid power availability and the absence of power interruptions.



Fuel consumption increased during the period for Transerv due to higher fuel allocations following the onboarding of new employees entitled to fuel benefits as part of their remuneration packages. Consumption was also driven by increased travel by Cluster Managers conducting branch visits and attending meetings at Head Office. Fuel consumption for delivery vehicles increased for Transerv due to branch network expansion and the acquisition of an additional delivery vehicle to support improved service delivery.

Supporting everyday operations
through responsible energy and
resource use at Transerv.



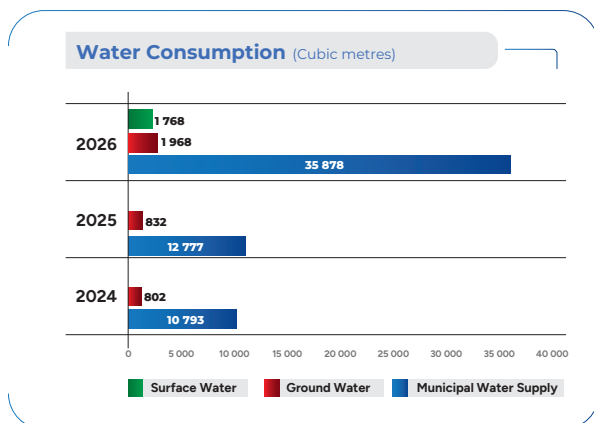
Circular Economy (cont'd)

WATER

Our water usage reflects our commitment to responsible resource management as a retailer. We acknowledge that water is a vital resource, primarily used in our kitchen operations, ablution services, and cleaning processes. To minimise wastage, we actively seek to implement best practices that promote efficient water use while ensuring that all effluent is directed through an approved drainage system. This guarantees compliance with local regulations and protects our local water sources from contamination. Through regular employee training and annual policy reviews, we strive to foster a culture of water conservation.

We prioritise proper drainage systems that are connected to approved City of Harare pipes, ensuring effective water disposal across all our premises. Recognising the importance of water conservation, we primarily utilise borehole water and actively encourage employees to use water sustainably. We conduct thorough inspections to ensure compliance with our water management standards before securing any retail site.

Our water consumption is:



Water consumption increased in 2026 as both the Restapedic Lounge and Bedding Division, now operating on the same premises, began utilising surface dam water. This source was not used in prior years, contributing to the year-on-year increase in water consumption.

WASTE

Axia Corporation Limited recognises the importance of reducing, reusing, and recycling the waste generated across our operations. Waste generation is the production of unwanted materials, offcuts or items during business activities. Waste arises from manufacturing, stock management, product packaging and daily office operations.

All waste is disposed through the general sewer and regular garbage collection, in accordance with standard practices. Waste diverted from disposal is waste recovered for reuse, recycling or repurposing instead of being discarded, while waste directed to disposal is waste sent for final disposal, such as landfill or incineration without energy recovery.

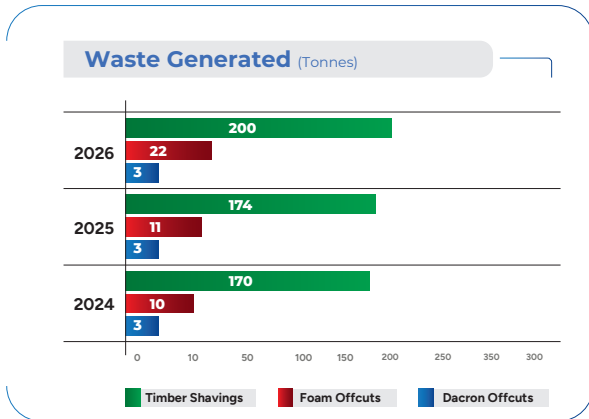
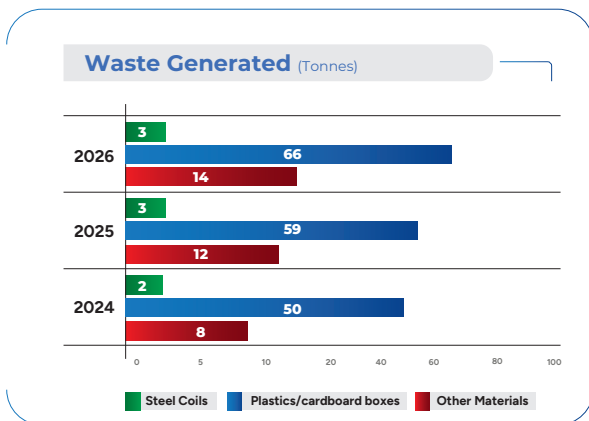
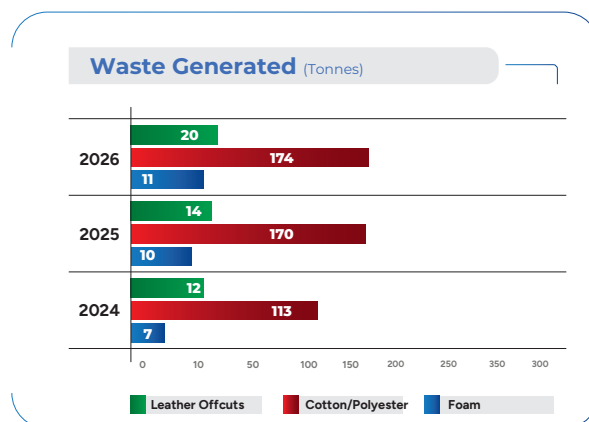
Our factory generates foam, Dacron, fibre, fabric and leather offcuts. We sell foam, fabric, leather and Dacron offcuts to third parties for reuse. Fabric and leather offcuts are also donated to Danhiko and Jairos Jiri Children's Home for use in handcraft activities. Any remaining waste is sent to Pomona Waste Management for disposal. To reduce perishable waste, we donate unsold food that is safe for consumption to local charities and establish composting programmes for suitable expired goods.

During the reporting year, we established a liquidation shop at TV Sales & Home, where offcuts, damaged goods and returned goods are sold at reduced prices. We continued to promote a paperless culture across most of our subsidiaries, conduct waste audits, optimise packaging and reduce the use of single-use items. We also continued to train employees on waste reduction to strengthen a culture of responsible waste management across our operations.

Circular Economy (cont'd)

WASTE (cont'd)

Waste generated for the reporting year was as follows:



Cotton/Polyester, Foam, Steel Coils, Other Materials statistics were restated for FY25 and FY24.

Promoting responsible packaging use
at Restapedic Bedding.

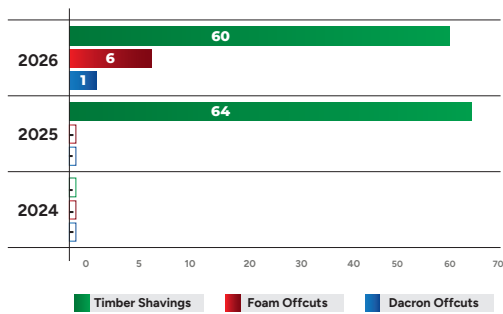


Circular Economy (cont'd)

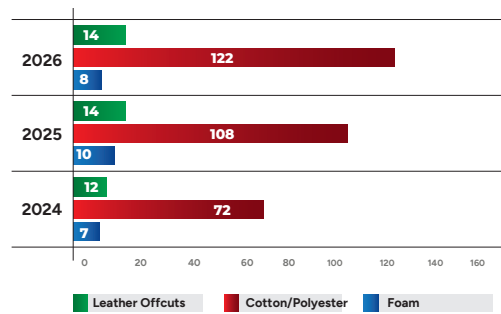
WASTE (cont'd)

Waste directed from and waste diverted to disposal for the reporting year was as follows:

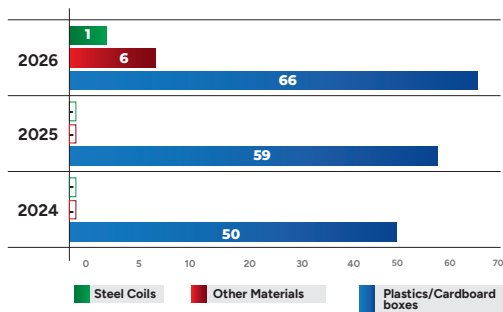
Waste Directed (Tonnes)



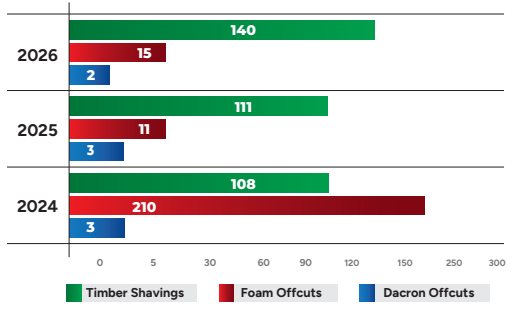
Waste Diverted (Tonnes)



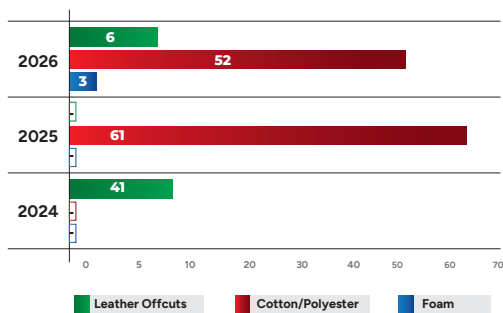
Waste Directed (Tonnes)



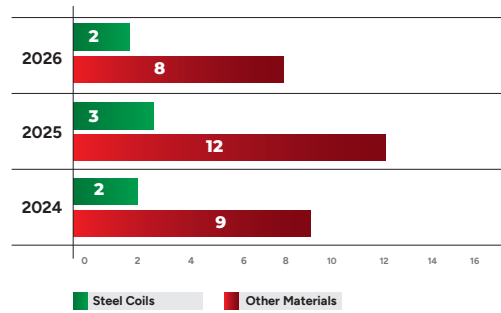
Waste Diverted (Tonnes)



Waste Directed (Tonnes)

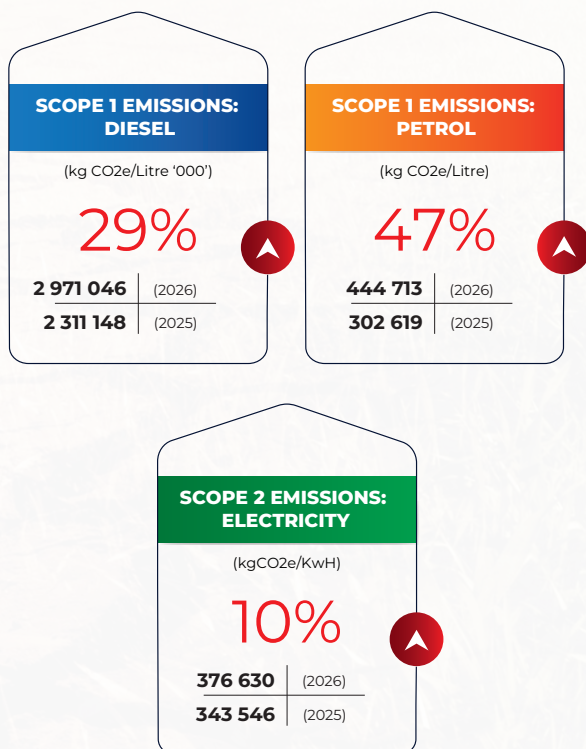


Waste Diverted (Tonnes)



Climate Change

“The Group continued to manage climate-related risks by focusing on reducing carbon emissions and improving energy efficiency across the Group.”



Climate Change (cont'd)

As part of our commitment to adapting to the impacts of climate change, we invested in water security through the construction of a water-harvesting dam to provide a sustainable supplementary water source for our production processes throughout the year. This reduces pressure on borehole water resources, strengthens our operational resilience during periods of drought and water scarcity, and supports the responsible stewardship of natural resources.



The Group acknowledges that its operations contribute both positively and negatively to the environment. While paper consumption from printing activities contributes negatively to environmental sustainability, the Group is addressing this through digitalisation efforts and the procuring fuel-efficient vehicles. Potential positive impacts include cost savings from energy efficiency measures, gaining a competitive edge in Zimbabwe's retail market as an early adopter of climate-conscious practices, and access to green financing opportunities. Our operations and business relationships are directly linked to climate impacts, particularly through energy consumption and supply chain interactions.

To mitigate negative impacts and capitalise on positive opportunities, the Group is implementing initiatives such as energy-efficient lighting, exploring renewable energy sources like solar power, and positioning itself as a responsible business. The Group is committed to addressing climate change through policies focused on digitalisation, energy efficiency, and reduced paper usage. We actively monitor electricity consumption and implement practices such as turning off lights when not in use. The Group is pursuing solar energy installations to leverage Zimbabwe's abundant sunlight, thereby decreasing reliance on the national grid. In addition, efforts to track and minimise paper usage are underway. Further initiatives include local sourcing to cut transportation emissions, upgrading to energy-efficient LED lighting and appliances, and exploring rainwater harvesting systems. The Group promotes sustainable products and packaging by offering eco-friendly options and shifting to sustainable, recyclable, or biodegradable packaging for our in-house brands. Axia Corporation Limited has taken significant steps towards managing climate change and energy consumption. We learnt that relying solely on diesel power can be expensive and we are now transitioning to a blend with solar energy to reduce our environmental footprint. To monitor progress, we track monthly energy bills and printing costs, which have shown our branch managers' commitment to keeping costs low has been effective.

CLIMATE-RELATED RISKS AND OPPORTUNITIES

Climate-related risks are continuously monitored for their physical impacts and financial implications on Axia Corporation Limited. During the period, we tracked the following:

Risk	Description	Classification	Mitigation Measures	Financial Impacts
Heat Wave	Heat Wave – The tyres of the distribution trucks would have been affected from the El Nino induced heat.	Physical	Investing in use of high-quality tyres that can sustain transportation over long distances.	Costs of frequent tyre changes may increase the overall operational costs.
Energy Supply Disruptions	Low generation of electricity due to low water levels at Lake Kariba results in increased use of diesel generators.	Transitional	Investing in use of solar energy.	Initial capital outlay for purchase of solar panels may be substantial.
Emissions	Increased use of fossil fuels used to power delivery vehicles.	Transitional	Investment in hybrid and electric vehicles. Frequent car servicing to make car engines efficient.	Increased initial costs in procuring and maintaining hybrid and electric vehicles.
Drought	The El Nino drought caused disruptions in agriculture leading to issues related to acquisition of cotton used in making beds.	Physical	The Group can consider contract farming and importations.	Loss of revenue due to operational disruptions.

Climate Change (cont'd)

GREENHOUSE GAS (GHG) EMISSIONS

We are committed to investing in renewable energy solutions, as demonstrated by our transition to solar power across our stores, warehouses, and distribution centres. We reduced our fleet emissions by adopting fuel-efficient vehicles and telematics to monitor and optimise our routes.

However, it is important to recognise that our fleet operations directly contribute to greenhouse gas emissions through fuel consumption. The Group faces indirect emissions from the production and supply chain of our vehicles, as well as the energy required for charging. Our emissions are further exacerbated by inefficient route planning and the retention of older vehicles. Further, our suppliers and logistics partners contribute to the overall emissions associated with our operations.

The business conducts regular audits to ensure compliance with environmental policies and procedures as we track progress towards emissions reduction targets using key performance indicators, such as fuel consumption per kilometre. We aim to reduce fleet emissions by 20% within the next five years and achieve annual fuel savings of 15% through improved route optimisation and vehicle maintenance. We monitor fuel consumption per vehicle and assess emission levels from our fleet operations. The Group implemented more efficient logistics practices, such as route optimisation software, and invested in hybrid or electric delivery vehicles to enhance our logistics and transportation efficiency. We strengthened our supply chain resilience by sourcing products from local suppliers whenever possible and adopting sustainable practices. Further, we diversify our suppliers to mitigate vulnerability to climate-related disruptions.

To support our efforts, we established a vehicle maintenance programme that provides detailed guidelines and procedures for the servicing and upkeep of our vehicles. We implemented a cost realignment due to high energy and fuel costs. Our drive to solar energy is an outcome of the engagements we made with our stakeholders. Plans are in progress to improve and optimise deliveries such as the setting up of a centralised distribution centre for the Group and its subsidiaries.

*Driving efforts to reduce fleet emissions
through efficient logistics at DGA.*



Climate Change (cont'd)

CARBON FOOTPRINT

AXIA monitors emissions from stationary and mobile sources as part of its commitment to reducing its greenhouse gas emissions.

Scope 1 (Direct Emissions)

These emissions arise directly from sources owned or controlled by the Group, including stationary sources like generators and mobile sources such as vehicles.

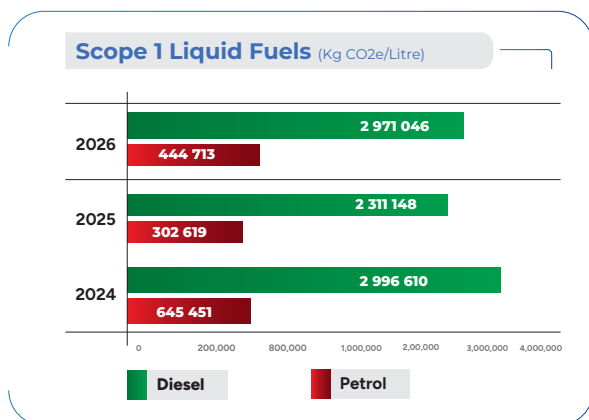
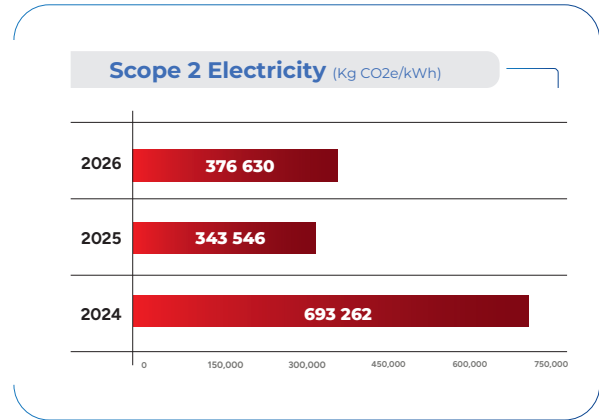
Scope 2 (Indirect Emissions)

These emissions result from the consumption of electricity generated by third parties, excluding the emissions from the electricity supplier.

EMISSION FACTORS AND METHODOLOGY

Scope 1 and 2 emissions were calculated based on AXIA's energy consumption, using emission factors from the Greenhouse Gas (GHG) Protocol. Petrol emissions were adjusted downward by 5% to reflect ethanol blending in Zimbabwe, while the emission factor for grid electricity was increased by 10% to account for the national energy mix of thermal and hydropower generation.

Scope 1 and 2 Emissions for the period under review were as follows:



Investing in the Community

“

In 2026, the Group strengthened its commitment to corporate social responsibility (CSR) through various initiatives. Among these was the support of building materials given to Dadaya Mission School for the construction of an administration block.”



Investing in the Community (cont'd)

COMMUNITY RESPONSIBILITY (CSR)

Corporate Social Responsibility (CSR) is integral to our operations, guiding our commitment to invest in the communities and societies where we operate. The Group's CSR initiatives are designed to enhance our impact on the environment, economy, and Human Rights while addressing the challenges that may arise. Through these efforts, we aim to foster a strong reputation, build customer loyalty, and attract talented individuals by demonstrating our dedication to ethical practices and social values. Our CSR activities yield significant benefits, including enhancements in our reputation and operational efficiencies such as energy savings and waste reduction. We recognise the resource-intensive nature of implementing effective CSR strategies, which requires careful management to ensure authenticity in our contributions and avoid perceptions of greenwashing.

The Group is dedicated to upholding CSR policies that prioritise sustainable practices and ethical labour. Moreover, these policies include sourcing materials locally such as timber for our furniture manufacturing which supports local farmers and businesses while investing in community development projects. Our actions to manage CSR and mitigate potential impacts include actively giving back to communities through donations and sponsorships.

The Group continuously assesses its progress through annual reporting, enabling us to monitor effectiveness and identify areas for improvement. Our goals focus on local sourcing, community investments in education and healthcare, and maintaining 100% compliance with ethical labour practices, further highlighting our commitment to social responsibility. As we strive to achieve these goals, we learnt valuable lessons through engagement with our stakeholders. The feedback indicated the necessity for greater community involvement, prompting us to partner with organisations like Society for the Prevention of Cruelty to Animals (SPCA) Zimbabwe. This collaboration enriched our understanding of community needs and shaped our actions, ensuring they align with stakeholder expectations

SUSTAINABLE DEVELOPMENT GOALS

The Group aligns its operations and Corporate Social Responsibility (CSR) strategy to United Nations Sustainable Development Goals. In FY2026 the Group, focused on the following SDGs, SDG3, SDG4, SDG 13 and SDG17



Investing in the Community (cont'd)

COMMUNITY RESPONSIBILITY INVESTMENT

Health and Well-being



Purpose

Driving cancer awareness and improving health outcomes in the community
Animal Wellness

Beneficiaries

Think Pink
Hellenic Junior School
Maroon Goose
SPCA

Items Donated

Lounge Suite
Beds
Refreshments
Cash
Electrical Appliances

Philanthropy



Purpose

To uplift communities through charitable giving and support

Beneficiaries

TM Pick & Pay
ZRP Sunway City
Government Institutions
Wedding Gift
Mbare ZRP Station
Ministry of Trade and Commerce

Items Donated

Gift Hampers
Cash
Office Furniture
Paint
Fuel
Beds
Electrical Appliances

Education



Purpose

Empowering communities through improving learning opportunities and providing access to quality education

Beneficiaries

Dadaya Mission School

Items Donated

Building Materials

Environmental Conservation



Purpose

To support reforestation and greener communities

Beneficiaries

My Trees

Items Donated

Beds
Cash



Financial Impacts

Through local procurement of materials and responsible tax contributions, the Group continued to support economic growth, create employment opportunities and contribute to improved living standards within communities.

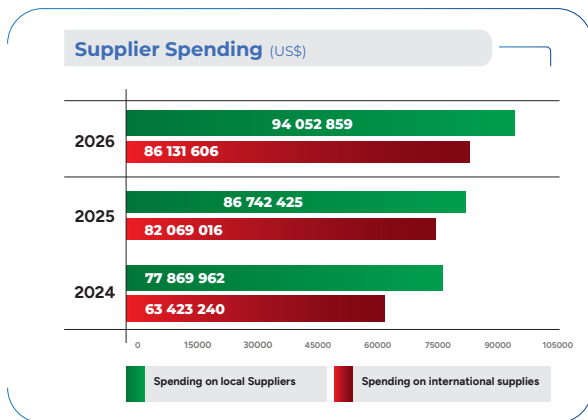


Financial Impacts (cont'd)

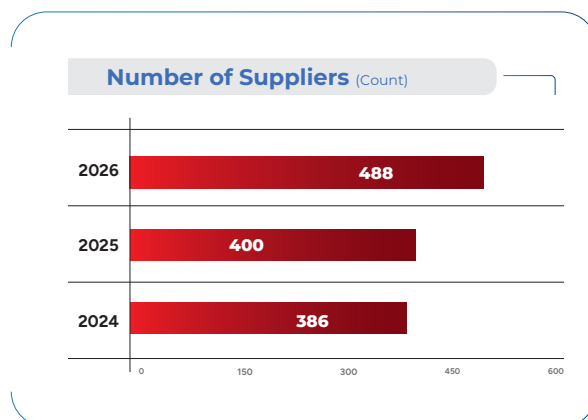
SUSTAINABLE PROCUREMENT

We make it our priority to maintain good relations with our suppliers to reduce the risk of disruptions which can cause late deliveries. We aim to support local suppliers for certain raw materials and finished goods as we aim to uplift the vulnerable groups in the communities in which we operate. Axia Corporation Limited's Procurement Policies guide our decision-making regarding responsible sourcing and supply chain management. Our commitment is to give a fair chance to all vulnerable groups and ensure we adhere to ethical procurement procedures. We carry out strict supplier vetting processes to ensure that we engage reliable, ethical and high-quality partners.

Procurement in the year under review was as follows:

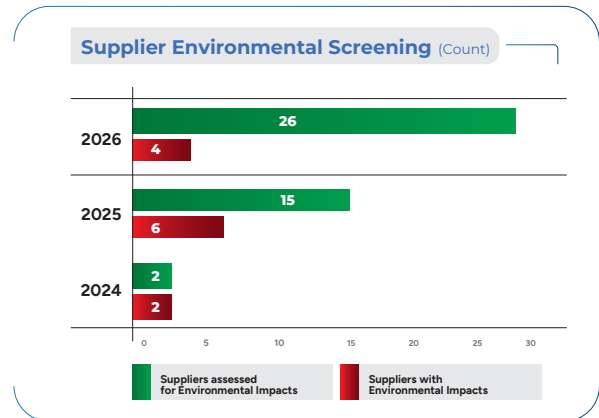


Procurement in the year under review was as follows:



SUPPLIER SCREENING

Suppliers screened for environmental impacts during the reporting year were as follows:



Foam is a flammable product hence it poses fire risk; Foam does not decompose; we also use diesel fuel which has potential to harm the environment if there is any spillage.

DIRECT ECONOMIC VALUE GENERATION AND DISTRIBUTION

As Axia Corporation Limited, we regard economic performance as a cornerstone of our mission to drive sustainable development and create lasting value for our stakeholders. Our operations extend beyond profitability, they encompass a commitment to enhancing the economic landscape of the countries we operate. We aim to uplift communities and contribute to improved living standards by paying taxes and generating employment. In pursuing our vision of delivering high-quality consumer and durable goods, we recognise that strong economic performance is essential for fostering wealth distribution and alleviating societal challenges. While we face challenges such as reliance on imported products, we are dedicated to maintaining policies that promote local engagement and quality assurance in our offerings.

Our approach combines experienced leadership, industry expertise, and innovative practices to ensure long-term growth and resilience. As we work to strengthen our performance, we remain focused on our responsibilities to shareholders, employees, suppliers, and the communities we serve. We understand that our economic activities have far-reaching impacts, including our role in supporting local industries through employment and services. Further, the Group's dedication to responsible business practices is evident through our measures to manage economic performance, ensuring that we align our operations with the broader goals of societal advancement and environmental stewardship.

Financial Impacts (cont'd)

DIRECT ECONOMIC VALUE GENERATION AND DISTRIBUTION (cont'd)

For detailed information on the direct economic value generated and distributed, please refer to pages 101 to 104 of our financial statements. These pages provide a comprehensive overview of the economic impact we have achieved.

TAX MANAGEMENT

The Group's Tax management encompasses compliance with all tax laws and regulations applicable to Axia Corporation Limited. We have a tax strategy, and we take a proactive approach to plan our tax matters to ensure we are compliant. Payment of taxes by Axia Corporation Limited contributes to fiscal revenue in the countries in which we operate. Our compliance with tax laws, avoids costly penalties, fines, and legal issues that arise from non-compliance. Compliance improves reputation with customers, investors, and regulators, fostering trust and potentially leading to increased business opportunities. Proper tax compliance helps in accurate financial reporting and planning, which can lead to better financial stability and decision-making. Many tax laws offer incentives, such as deductions and credits, which can reduce the overall tax burden and improve profitability.

However, compliance often requires significant resources such as hiring tax professionals, investing in compliance software, and training employees, which can increase operational costs for the Group. Navigating complex tax regulations can be time-consuming and burdensome, diverting resources from core business activities and often requires the work of experts. Despite best efforts, the complexity of tax laws can lead to errors in tax filings, which can result in audits, penalties, and additional scrutiny from tax authorities. Balancing these impacts requires careful planning and a proactive approach to tax compliance.

OUR APPROACH

The Board is responsible for reviewing and approving our tax strategy. We have tax experts on a monthly retainer who assist the Group with tax reviews, updates, trainings, and liaison with the tax authorities and assist in all tax investigations. We conduct external and internal audits on tax compliance and tracking our performance. Our teams regularly attend workshops held by the Revenue Authorities in Zimbabwe, Malawi and Zambia to stay updated with evolving compliance regulations. We engage tax authorities on matters needing clarity to ensure non-compliance is avoided.

Country by Country Tax payments

Country	2026 (US\$)	2025 (US\$)	2024 (US\$)
Zimbabwe	36 396 277	23 220 631	19 051 794
Zambia	2 394 466	1 957 275	533 575
Malawi	1 961 719	2 218 730	799 333
Total	40 752 462	27 396 636	20 384 702

Financial Reports

“Promoting transparency, safeguarding investor interests and ensuring compliance with Victoria Falls Stock Exchange (VFEX) requirements remain key priorities for AXIA. The Group continues to provide timely shareholder updates and notices to support effective communication and informed decision-making.”

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Report of the Audit and Risk Committee

The Audit and Risk Committee (the Committee) is a committee of the Board and assists the Board in fulfilling its oversight responsibilities relating to financial reporting, internal control, risk management, governance, compliance, ethics, internal audit and the independence and effectiveness of the external audit function. The Committee operates in accordance with applicable statutory and regulatory requirements and recognised principles of good corporate governance.

The Committee comprises executive and non-executive directors and meets at least three times annually, with additional meetings convened when required. During the year, the Committee received reports from the Group Finance Director, Internal Auditors, External Auditors, Company Secretary and other members of management

FINANCIAL REPORTING

The Committee reviewed the integrity of the interim and annual financial statements and recommended them to the Board for approval. In performing this role, the Committee assessed the appropriateness of accounting policies, significant estimates and judgements, disclosures, and the overall quality of financial reporting.

Areas of significant focus during the year included:

i) **Functional currency**

The Committee reviewed management's annual assessment of the Group's functional currency. After considering the currencies that primarily influence revenue generation, operating costs, financing activities and cash retention, the Committee concluded that the United States Dollar (USD) remains the most appropriate functional currency for the Group.

ii) **Significant Accounting estimates and judgements.**

The Committee evaluated key areas requiring management judgement, including the determination of useful lives and residual values of property, plant and equipment, inventory obsolescence provisions, expected credit loss allowances, impairment assessments and going concern assumptions. The Committee was satisfied that the assumptions applied were reasonable and appropriately disclosed.

iii) **Appropriateness of the going concern basis of accounting.**

The Committee assessed the appropriateness of the going concern basis of accounting, taking into consideration the Group's liquidity position, cash flow forecasts, funding arrangements, operational performance and prevailing macroeconomic conditions. The Committee concluded that the Group remains a going concern and is financially resilient over the foreseeable future.

RISK MANAGEMENT AND INTERNAL CONTROL

The Committee oversees the effectiveness of the Group's enterprise risk management framework and internal control environment. The Group's risk register is reviewed quarterly and key emerging risks are discussed with management.

Key activities undertaken during the year included:

- Reviewing principal and emerging risks, including economic volatility, foreign currency exposure, cyber security threats, business continuity, supply chain disruptions, regulatory compliance and fraud risk.
- Monitoring management's implementation of risk mitigation plans and evaluating the effectiveness of internal controls.
- Reviewing reports from Internal Audit on the execution of the approved audit plan, significant findings, management responses and remediation progress.
- Monitoring incidents involving fraud, misconduct and control breaches and ensuring appropriate corrective action was taken.
- Reviewing treasury, liquidity, funding and capital management activities and their associated risks.
- Assessing the adequacy of information technology controls, cyber security governance and data protection measures.
- Receiving updates on legal, regulatory and governance developments and monitoring compliance with applicable laws and regulations.

Report of the Audit and Risk Committee (cont'd)

INTERNAL AUDIT

The Committee reviewed and approved the annual Internal Audit Plan and satisfied itself that the Internal Audit function remained independent, adequately resourced and appropriately skilled. The Committee monitored the effectiveness of Internal Audit through regular reporting on audit results, thematic reviews and follow-up procedures relating to previously identified findings.

EXTERNAL AUDIT INDEPENDENCE AND EFFECTIVENESS

The Committee received written confirmation from the external auditors regarding their independence and compliance with applicable ethical and professional standards.

The Committee assessed the effectiveness, performance, objectivity and independence of the external auditors through consideration of audit quality, audit findings, technical competence, industry knowledge and independence safeguards. The Committee was satisfied that the external auditors remained independent and effective.

The Committee also reviewed the nature and extent of non-audit services provided, where applicable, to ensure that such services did not impair the auditors' independence.

COMBINED ASSURANCE

In line with leading governance practices, the Committee adopted a combined assurance approach, drawing assurance from management, Internal Audit, External Audit and specialist assurance providers. The Committee was satisfied that the combined assurance model provided appropriate coverage over the Group's significant risks and controls.

ETHICS, COMPLIANCE AND GOVERNANCE

The Committee monitored the Group's ethics and compliance framework and received regular reports relating to regulatory compliance, governance matters, changes in regulatory requirements (such as the Companies and Other Business Entities Act Chapter 24:31), whistleblowing reports and investigations. The Committee is satisfied that processes are in place to promote ethical conduct and support a strong risk-aware culture throughout the Group.

COMMITTEE ASSESSMENT

The Committee considered its performance during the year and concluded that it had discharged its responsibilities in accordance with its terms of reference and applicable governance requirements.

On behalf of the Audit and Risk Committee



T.N. SIBANDA

Audit Committee Chairman

24 September 2026

Directors' Responsibility & Approval of Financial Statements

The Directors of Axia Corporation Limited are responsible for the preparation and fair presentation of the Group's consolidated financial statements. The audited 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 ("VFEX") listing requirements.

The principal accounting policies of the Group are consistent with those applied in the previous annual financial statements. The financial statements are prepared with the objective of complying fully with International Financial Reporting Standards (IFRS). Complying with IFRSs achieves consistency with the financial reporting framework adopted by the Company and the Group since its inception. Using a globally recognized reporting framework also facilitates understandability and comparability with similar businesses and allows consistency in the interpretation of the financial statements.

The Directors have satisfied themselves that the Group is in a sound financial position and has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they are satisfied that it is appropriate to adopt the going concern basis in preparing the financial statements.

The Board of Directors recognises and acknowledges its responsibility for the Group's systems of internal financial control. Axia Corporation Limited maintains internal controls and systems that are designed to safeguard the assets of the Group, prevent and detect errors and fraud and ensure the completeness and accuracy of the Group's records.

The Group's Audit Committee has met the external auditors to discuss their reports on the results of their work, which includes assessments of the relative strengths and weaknesses of key control areas. Any breakdowns in established control procedures have been reported to the Group's Audit Committee and the Board.

The Group and Company External Auditors, BDO Zimbabwe Chartered Accountants, have audited the financial statements and their reports appear on pages 96 to 100 and 162 to 164 for the Group and Company financial statements respectively.

PREPARER OF FINANCIAL STATEMENTS

The financial statements were prepared by Axia's finance department under the supervision of the Executive Director, Mr Simbarashe Mambanda (Chartered Accountant Zimbabwe) (CA (Z), PAAB Registration number 0633).

APPROVAL OF FINANCIAL STATEMENTS

The Group and Company financial statements for the year ended 30 June 2026, which appear on pages 101 to 160 and 165 to 173 respectively, have been approved by the Board of Directors and are signed on its behalf by:



L. E. M. NGWERUME
Chairman
24 September 2026



S. MAMBANDA
Executive Director
24 September 2026

Certificate of Compliance by the Company Secretary

For The Year Ended 30 June 2026

I certify that, to the best of my knowledge and belief, the Company has lodged with the Registrar of Companies all such returns as are required to be lodged by the Public entity in terms of the Companies and Other Business Entities Act (Chapter 24:31) of the Republic of Zimbabwe, and all such returns are true, correct and up to date. I also confirm that the Company has complied with the Victoria Falls Stock Exchange Listing Regulations.



PROMETHEUS CORPORATE SERVICES (PRIVATE) LIMITED

Company Secretary

Harare

24 September 2026

Report of The Directors

For The Year Ended 30 June 2026

The Directors present their report together with the audited consolidated and separate financial statements of Axia Corporation Limited ("the Company") and its subsidiaries ("the Group") for the year ended 30 June 2026.

PRINCIPAL ACTIVITIES

The Group is a diversified consumer-focused business operating in the speciality retail, distribution and services sectors. Its activities include the retailing of furniture, homeware, electrical appliances and automotive spares and accessories, together with the distribution of locally and internationally recognised fast-moving consumer goods ("FMCG") brands. The Group also provides logistics, transportation, merchandising, warehousing and related support services to its customers in Zimbabwe and selected regional markets.

FINANCIAL RESULTS

The Group delivered a resilient financial performance during the year despite operating within a challenging regional trading environment characterised by changing consumer spending patterns, foreign currency constraints in certain markets and continued pressure on operating margins. Management remained focused on revenue growth, cost discipline, working capital management and cash generation.

Revenue increased by 27% to US\$249.5 million (2025: US\$196.5 million), reflecting improved product availability, growth in distribution volumes and continued demand across key operating segments. Gross margin increased to US\$77.5 million (2025: US\$64.4 million) while profit attributable to equity holders of the Company increased to US\$6.9 million (2025: US\$5.1 million). The Directors note that, without past tax reassessments by the Zimbabwe Revenue Authority relating to income tax and value added taxes, profitability would have been US\$3.043 million higher.

The Directors believe that the Group's diversified operating model, strong market positions and disciplined capital allocation framework continue to support long-term value creation for shareholders.

DIVIDENDS AND CAPITAL ALLOCATION

Consistent with the Group's commitment to delivering sustainable shareholder returns while preserving financial flexibility to support future growth, the Board declared:

- an interim dividend of US\$0.0020 per ordinary share;
- a final dividend of US\$0.0020 per ordinary share in respect of the financial year ended 30 June 2026; and
- total dividends of US\$0.0040 per ordinary share for the year.

The Board also approved interim and final dividends of US\$50,000 each in favour of Axia Employee Trust (Private) Limited.

In determining the level of distributions, the Board considered the Group's profitability, liquidity position, capital expenditure requirements, working capital needs and future growth opportunities.

Report of The Directors (cont'd)

For The Year Ended 30 June 2026

DIRECTORATE

The following Directors served during the year under review:

- Luke Ngwerume (Chairman)
- Ray Rambanapasi (Group Chief Executive Officer)
- Matthew Hosack (Independent Non-Executive Director)
- Zinona Koudounaris (Non-Executive Director)
- Simbarashe Mambanda (Group Finance Director)
- Thembiwe Mazingi (Independent Non-Executive Director)
- Themba Sibanda (Independent Non-Executive Director)

In accordance with the Company's Articles of Association, Luke Ngwerume and Zinona Koudounaris retire by rotation at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-election.

CORPORATE GOVERNANCE

The Board remains committed to the highest standards of corporate governance, integrity and ethical leadership. The governance framework adopted by the Group supports effective oversight, accountability, responsible decision-making and long-term sustainable value creation.

During the year, the Board continued to monitor the effectiveness of its governance structures, risk management processes and systems of internal control. Through its committees, the Board received regular reports on financial reporting, risk management, compliance, information technology, internal controls and stakeholder matters.

RISK MANAGEMENT

The Board is responsible for overseeing the Group's system of risk management and internal control. Key risks facing the Group include proliferation of counterfeit products, foreign currency availability, foreign exchange risk on rand denominated suppliers, credit quality and adherence to terms by debtors, supply chain disruptions, regulatory developments, working capital management and cybersecurity risks.

Management continuously monitors these risks and implements appropriate mitigation strategies. The Board is satisfied that the Group's risk management processes remain appropriate to support the achievement of its strategic objectives.

DIRECTORS' RESPONSIBILITY FOR FINANCIAL STATEMENTS

The Directors are responsible for the preparation and fair presentation of the financial statements 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 other applicable regulations. The Directors' responsibility statement is set out separately in this Annual Report.

GOING CONCERN

The Directors have assessed the ability of the Company and the Group to continue operating as a going concern. Based on the Group's current financial position and forecasts, the Directors believe that the Group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the financial statements have been prepared on a going concern basis.

Report of The Directors (cont'd)

For The Year Ended 30 June 2026

OUTLOOK

While regional trading conditions are expected to remain dynamic, the Board remains confident in the underlying strength and resilience of the Group's operations.

Management's priorities remain focused on:

- protecting and growing market share;
- strengthening supplier and customer relationships;
- improving operating efficiencies and productivity;
- optimising working capital and cash generation;
- enhancing product availability across all markets; and
- maintaining a strong and sustainable balance sheet.

The Group will continue pursuing profitable growth opportunities while maintaining disciplined capital allocation and prudent risk management.

AUDITORS

BDO Zimbabwe Chartered Accountants have expressed their willingness to continue in office as external auditors of the Company. A resolution proposing their reappointment and authorising the Directors to determine their remuneration will be submitted to shareholders at the forthcoming Annual General Meeting.

SUBSEQUENT EVENTS

The Directors have considered events occurring between the reporting date and the date of approval of these annual financial statements and are not aware of any material adjusting or non-adjusting events that require recognition in, or disclosure to, the financial statements.

APPRECIATION

The Board records its appreciation to employees, customers, suppliers, business partners, financiers and shareholders for their continued commitment, support and contribution during the year under review. The Group's achievements are a direct result of the dedication of its people and the strength of its stakeholder relationships.

For and on behalf of the Board,



L. E. M. NGWERUME

Chairman

24 September 2026



R. M. RAMBANAPASI

Executive Director

24 September 2026

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF AXIA CORPORATION LIMITED

Report on The Audit of The Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of **AXIA CORPORATION LIMITED AND ITS SUBSIDIARIES** (herein after referred to as, "the Group"), which comprise the consolidated statement of financial position as at 30 June 2026, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 30 June 2026, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (the "IESBA Code") together with the ethical requirements that are relevant to our audit of the consolidated financial statements in Zimbabwe, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
<p>Revenue recognition</p> <ul style="list-style-type: none"> • ISA 240 - The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements provides that the auditor is required, based on a presumption that there are risks of fraud in revenue recognition, to evaluate which types of revenue, revenue transactions or assertions give rise to such risks. • The Group's revenue streams are characterised by high volumes of transactional data which is generated in an automated environment across the Group's subsidiaries in Zimbabwe and the regional markets. There are also different prices for various products, and these were subject to frequent changes during the year in response to the changes in the operating environments. Included in the revenue streams is finance income arising from hire purchase agreements. The finance income is recognised in profit or loss using the effective interest method as it accrues over the term of the agreement. • Management remuneration is partly based on profitability of the Group, therefore there is a risk that sales may be deliberately overstated, motivated by pressure management may feel to achieve certain results. <p>As a result, we identified revenue recognition as a key audit matter.</p>	<p>To address this matter, we performed the following audit procedures:</p> <ul style="list-style-type: none"> • Obtained an understanding and tested the design and implementation of relevant controls over revenue recognition; • Obtained an understanding of the appropriateness of the Company's revenue recognition policies, particularly regarding sales near year end; • Assessed the appropriateness of the revenue recognition criteria for compliance with the requirements of IFRS 15; • Performed cut-off procedures for sales transactions recorded close to year-end, to ensure that these were recorded after the risks and rewards associated with ownership had been transferred to the customers; • Performed detailed tests on a sample of credit notes recorded after year-end and assessed validity of the transactions. • Wrote scripts which enabled us to recompute finance income and unearned finance income on hire purchase agreements. • Reviewed the financial statements for compliance with disclosure requirements applicable to revenue.

Other information

The Directors are responsible for the other information. The other information comprises the Chairman's Statement which we obtained prior to the date of this auditor's report. The other

information does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements 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 consolidated financial statements

The Directors are responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards as issued by the IASB, and for such internal control as the Directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Directors are responsible for assessing the Group's ability 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 consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are 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 ISAs 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 these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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 consolidated financial statements 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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 those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements 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 Other Legal and Regulatory Requirements

Report on legal and regulatory matters

In fulfilment of the requirements of Section 193 of the Companies and Other Business Entities Act (Chapter 24:31) ("the Act"), we report to the shareholders as follows:

Section 193(1)(a)

In our opinion, the consolidated financial statements are drawn up in accordance with the Act so as to give a true and fair view of the state of the Company's affairs at the date of its financial statements for its financial year ended on that date.

Section 193(2)

We have no matters to report in respect of Section 193(2) requirements of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Davison Madhigi PAAB Certificate No: 0610.



BDO Zimbabwe

Chartered Accountants

Per: Davison Madhigi CA(Z)

Partner

Registered Public Auditor

Kudenga House

3 Baines Avenue

Harare

24 September 2026

Group Statement of Profit or Loss and other Comprehensive Income

For The Year Ended 30 June 2026

	Notes	30 June 2026 USD	30 June 2025 USD
Revenue	8	249 546 241	196 472 952
Cost of sales		(176 829 953)	(136 389 168)
Gross profit		72 716 288	60 083 784
other income	9	4 777 985	4 293 638
operating expenses	10	(45 744 005)	(37 740 407)
expected credit losses on trade and other receivables	10	(290 196)	(738 380)
Operating profit before depreciation and fair value adjustments		31 460 072	25 898 635
financial loss	11	(176 527)	(2 446 810)
depreciation of property, plant and equipment and right of use assets		(7 573 516)	(7 225 936)
property, plant and equipment	15	(3 223 096)	(3 010 653)
right of use assets	16	(4 350 420)	(4 215 283)
fair value adjustments on financial assets	19.1	128 843	3 688
Profit before interest, equity accounted earnings and tax		23 838 872	16 229 577
interest income		97 787	189 245
interest expense	12	(4 592 017)	(4 856 934)
equity accounted earnings/(losses)	17.1	48 084	(20 605)
Profit before tax		19 392 726	11 541 283
income tax expense	13	(8 337 571)	(3 070 527)
Profit for the year		11 055 155	8 470 756
Other comprehensive income - to be recycled to profit or loss			
exchange differences arising on the translation of foreign operations		1 359 432	(1 432 186)
Other comprehensive income 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
		11 055 155	8 470 756
Total comprehensive income for the year attributable to:			
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
Earnings per share (cents)			
Basic earnings per share	6	1.21	0.91
Headline earnings per share	6	1.21	0.91
Diluted basic earnings per share	6	1.21	0.91
Diluted headline earnings per share	6	1.21	0.91

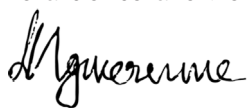
Group Statement of Financial Position

As at 30 June 2026

	Notes	30 June 2026 USD	30 June 2025 USD
ASSETS			
Non-current assets			
property, plant and equipment	15	27 127 035	27 431 236
right of use assets	16	12 320 519	10 932 362
investments in associates and joint ventures	17	-	2 944 577
deferred tax assets	26	555 539	474 505
		40 003 093	41 782 680
Current assets			
financial assets at fair value through profit or loss	19.1	793 923	698 412
financial assets at amortised cost	19.2	878 887	-
inventories	20	55 418 036	41 341 511
trade and other receivables	21	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	23	(3 812 666)	(4 492 382)
distributable reserves	24	44 685 360	40 049 000
Attributable to equity holders of the 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	26	3 063 935	2 381 103
lease liabilities	16	9 423 412	9 045 670
		12 487 347	11 426 773
Current liabilities			
interest-bearing borrowings	27	12 774 325	15 976 709
lease liabilities	16	4 008 396	2 651 301
trade and other payables	28	39 504 232	27 324 904
provisions	29	1 264 794	1 035 550
current tax liabilities		2 036 909	1 550 213
dividends payable		248 473	691 062
		59 837 129	49 229 739
Total liabilities		72 324 476	60 656 512
Total equity and liabilities		148 224 826	127 572 284

The above Group statement of financial position should be read in conjunction with the accompanying notes.

For and on behalf of the Board.



L.E.M. NGWERUME
Chairman
24 September 2026



S. MAMBANDA
Executive Director
24 September 2026

Group Statement of Changes In Equity

For The Year Ended 30 June 2026

	Ordinary Share Capital USD	NDR Share premium USD	Non- Distributable Reserves * USD	Distributable Reserves USD	Total USD	Non- controlling Interests USD	Total USD
Balance at 30 June 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 loss	-	-	(716 093)	-	(716 093)	(716 093)	(1 432 186)
Total comprehensive (loss)/ income	-	-	(716 093)	5 060 271	4 344 178	2 694 392	7 038 570
Dividends declared (note 7.2)	-	-	-	(697 200)	(697 200)	(808 742)	(1 505 942)
Transactions 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
Total comprehensive income	-	-	679 716	6 856 131	7 535 847	4 878 740	12 414 587
Dividends declared (note 7.2)	-	-	-	(2 091 601)	(2 091 601)	(1 338 408)	(3 430 009)
Transactions 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 reserves is comprised of foreign currency translation reserves and revaluation reserves.

Group Statement of Cash flows

For The Year Ended 30 June 2026

	Notes	2026 USD	2025 USD
Cash generated from operations	14.1	26 013 031	15 583 763
interest income		97 787	189 245
interest expense	12	(4 592 017)	(4 856 934)
tax paid		(7 425 208)	(3 098 087)
Total cash generated from operating activities		14 093 593	7 817 987
Investing activities	14.2	1 680 462	(3 436 253)
Net cash inflow before financing activities		15 774 055	4 381 734
Financing activities		(11 293 242)	(10 280 757)
dividends paid by holding company		(2 077 635)	(701 760)
dividends paid by subsidiaries to non-controlling interests		(1 754 482)	(2 053 998)
cash payments for the principal portion of the lease liabilities		(3 990 775)	(3 854 350)
proceeds from interest-bearing borrowings	14.3	13 801 441	18 632 709
repayment of interest-bearing borrowings	14.3	(17 271 791)	(22 303 358)
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 to the Financial Statements

For The Year Ended 30 June 2026

1 CORPORATE INFORMATION

The consolidated financial statements of Axia Corporation Limited for the year ended 30 June 2026 were authorized for issue in accordance with a resolution of the Directors on 24 September 2026. Axia Corporation Limited is a limited liability company incorporated and domiciled in Zimbabwe whose shares are publicly traded on the Victoria Falls Stock Exchange ("VFEX"). The Group operates within the specialty retail and distribution industries selling products such as homeware furniture, electrical appliances and automotive spares and accessories as well as the distribution of many locally and internationally branded FMCG products into the general retail and wholesale sectors whilst offering logistics, transport, marketing, merchandising, storage and maintenance services thereon. The registered office is on the 1st Floor, Edward Building, Corner Nelson Mandela/First Street, Harare and the physical address of the corporate office is 6 Kenilworth Road, Newlands, Harare.

2 STATEMENT OF COMPLIANCE

The consolidated and separate financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB). The Group and Company make an explicit and unreserved statement that these financial statements comply with IFRS Accounting Standards. The financial statements also comply with the applicable requirements of the Companies and Other Business Entities Act (Chapter 24:31) and the Victoria Falls Stock Exchange Listing Requirements.

2.1 Going concern

The Directors have satisfied themselves that the Group and Company are in a sound financial position and have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they are satisfied that it is appropriate to adopt the going concern basis in preparing the consolidated and separate financial statements.

2.2 Basis of preparation

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB), the applicable requirements of the Companies and Other Business Entities Act (Chapter 24:31), the Victoria Falls Stock Exchange Listing Requirements and relevant statutory instruments.

The consolidated financial statements have been prepared on the historical cost basis, except for property, plant and equipment measured under the revaluation model. They are presented in United States dollars (US\$), which is the Group's presentation currency, and amounts are rounded to the nearest dollar unless otherwise stated. The material accounting policies applied in preparing these consolidated financial statements have been applied consistently to all periods presented, unless otherwise stated.

3 BASIS OF CONSOLIDATION

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 30 June 2026. Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

Notes to the Financial Statements (cont'd)

For The Year Ended 30 June 2026

3 BASIS OF CONSOLIDATION (cont'd)

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee;
- Rights arising from other contractual arrangements; and
- The Group's voting rights and potential voting rights.

The Group reassesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Profit or loss and each component of other comprehensive income ("OCI") are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a negative balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets, liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a change of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences, recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss and;
- Reclassifies the parent's share of components previously recognised in other comprehensive income to profit or loss or retained earnings as appropriate

4 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

4.1 Adoption of new and revised standards that are relevant to the Group

Several amendments and interpretations apply for the first time in the financial year ended 30 June 2026 but did not have an impact on the consolidated financial statements of the Group. The Group has not adopted any standards, interpretations or amendments that have been issued but are not yet effective.

New standards, amendments and interpretations mandatory effective for periods beginning on or after 1 January 2025.

Lack of Exchangeability (Amendment to IAS 21)

The Amendments introduce requirements to assess when a currency is exchangeable into another currency and when it is not. The Amendments require an entity to estimate the spot exchange rate when it concludes that a currency is not exchangeable into another currency.

There was no significant impact on the Group on adoption as majority of Group's transactions are in the same currency as the functional and presentation currency.

Notes to the Financial Statements (cont'd)

For The Year Ended 30 June 2026

4 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (cont'd)

Disclosures about Uncertainties in the Financial Statements

Uncertainty in financial reporting arising from climate-related and other matters is a topic being focused on by many regulators and enforcers around the world. These illustrative examples set out fact patterns at a sufficiently high level to be applicable to a variety of entities operating in various industries experiencing different types of uncertainty

The Group has not experienced any uncertainties related to climate in general which are significant enough to be reported in this report.

4.2 New and revised standards in issue that are relevant to the Group but not yet effective

Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)

The Amendments modify the following requirements in IFRS 9 and IFRS 7 Financial Instruments: Disclosures:

Derecognition of financial liabilities

- Derecognition of financial liabilities settled through electronic transfers.

Classification of financial assets

- Elements of interest in a basic lending arrangement (the solely payments of principal and interest assessment – 'SPPI test')
- Contractual terms that change the timing or amount of contractual cash flows
- Financial assets with non-recourse features
- Investments in contractually linked instruments.

Disclosures

- Investments in equity instruments designated at fair value through other comprehensive income
- Contractual terms that could change the timing or amount of contractual cash flows.

The Amendments may significantly affect how entities account for the derecognition of financial liabilities and how financial assets are classified.

The Amendments permit an entity to early adopt only the amendments related to the classification of financial assets and the related disclosures and apply the remaining amendments later. This would be particularly useful to entities that wish to apply the Amendments early for financial instruments with ESG (Environmental, Social and Governance)-linked or similar features.

The above amendment is not expected to have a material impact on the Group

Annual Improvements to IFRS Accounting Standards

Annual improvements are limited to changes that either clarify the wording in an IFRS Accounting Standard, or correct relatively minor unintended consequences, oversights or conflicts between requirements of the Accounting Standards.

Notes to the Financial Statements (cont'd)

For The Year Ended 30 June 2026

4 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (cont'd)

4.2 New and revised standards in issue that are relevant to the Group but not yet effective (cont'd)

Annual Improvements to IFRS Accounting Standards

The proposed improvements are packaged together in one document. This cycle of annual improvements addresses the following:

- Hedge Accounting by a First-time Adopter (Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards)
- Disclosure of Deferred Difference between Fair Value and Transaction Price (Amendments to Guidance on implementing IFRS 7)
- Gain or Loss on Derecognition (Amendments to IFRS 7)
- Introduction and Credit Risk Disclosures (Amendments to Guidance on implementing IFRS 7)
- Derecognition of Lease Liabilities (Amendments to IFRS 9)
- Transaction Price (Amendments to IFRS 9)
- Determination of a 'De Facto Agent' (Amendments to IFRS 10 Consolidated Financial Statements)
- Cost Method (Amendments to IAS 7 Statement of Cash Flows).

The above improvements are not expected to have a material impact on the Group

IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18, which was published by the IASB on 9 April 2024, sets out significant new requirements for how financial statements are presented, with particular focus on:

- The statement of profit or loss, including requirements for mandatory sub-totals to be presented. IFRS 18 introduces requirements for items of income and expense to be classified into one of five categories in the statement of profit or loss. This classification results in certain subtotals being presented, such as the sum of all items of income and expense in the operating category comprising the new mandatory 'operating profit or loss' sub-total.
- Aggregation and disaggregation of information, including the introduction of overall principles for how information should be aggregated and disaggregated in financial statements.
- Disclosures related to management-defined performance measures (MPMs), which are measures of financial performance based on a total or sub-total required by IFRS Accounting Standards with adjustments made (e.g. 'adjusted profit or loss'). Entities will be required to disclose MPMs in the financial statements with disclosures, including reconciliations of MPMs to the nearest total or sub-total calculated in accordance with IFRS Accounting Standards.

The aim of the IASB in publishing IFRS 18 is to improve comparability and transparency of companies' performance reporting. IFRS 18 has also resulted in narrow changes to the statement of cash flows.

The above standard is expected to change the structure of the presentation of the Group's results. We are still assessing the full impact of the proposed changes.

4.3 The following amendments and standards were issued but not yet effective and are not relevant to the group

- Contract Referencing Nature-dependant Electricity (amendments to IFRS 9 and IFRS 7)
- IFRS 19 Subsidiaries without Public Accountability: Disclosures

Notes to the Financial Statements (cont'd)

For The Year Ended 30 June 2026

5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Revenue recognition

The Group recognises revenue according to the following 5 – step model:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract and
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Revenue is measured based on the consideration to which the Group expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. Revenue is presented net of discounts, rebates, returned products and other customer claims. The Group recognises revenue when it transfers control of a product or service to a customer.

The Group recognises revenue from the following major sources:

Sale of goods

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer on delivery of the goods. The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g. warranties). In determining the transaction price for the sale of goods, the Group considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

Sale of goods includes sale of furniture, household appliances, automotive spares and accessories, electronics and fast-moving consumer products such as perishable and non-perishable food and beverages.

Sales-related warranties associated with furniture, electronics and automotive spares cannot be purchased separately and they serve as an assurance that the products sold comply with agreed-upon specifications. Accordingly, the Group accounts for warranties in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets.

Rights of return

Certain contracts provide a customer with a right to return the goods within a specified period for reasons such as damaged or near expiry products delivered. The Group uses the expected value method to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the Group will be entitled. For goods that are expected to be returned, the Group recognises a contract liability processed against revenue.

Volume rebates

The Group (particularly in the distribution business) provides retrospective volume rebates to certain customers once the quantity of products purchased during the period exceeds the threshold specified in the contract. Rebates are offset against amounts payable by the customer and are accounted by netting-off against the related revenue.

Interest income

Revenue is recognised as interest accrues using the effective interest method (that is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset).

Dividends

Revenue is recognised when the Group's right to receive the payment is established, which is when the respective investee company shareholders have approved the dividends.

Notes to the Financial Statements (cont'd)

For The Year Ended 30 June 2026

5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Employee Benefits

Short-term benefits

The cost of all short-term employee benefits, such as salaries, employee entitlements to leave pay, bonuses, medical aid and other contributions are recognised during the period in which the employee renders the related service. The Group recognises the expected cost of bonuses only when the Group has a present legal or constructive obligation to make such payment and a reliable estimate can be made.

Retirement benefit costs

Retirement benefits are provided for Group employees through the Innscor Africa Pension Fund, the National Social Security Authority, the National Employment of the Motor Industry Pension Fund, Nico Life Insurance Company Limited (Malawi) and National Pension Scheme Authority (Zambia). The Group's pension schemes are defined contribution schemes and the cost of retirement benefits is determined by the level of contributions made in terms of the rules. Contributions to defined contributions to retirement plans are recognised as an expense when employees have rendered service entitling them to the contributions.

All eligible employees contribute to the National Social Security Authority (Zimbabwe) defined contribution pension scheme, or the equivalent in foreign subsidiaries. The cost of retirement benefits applicable to the National Social Security Authority, which commenced operations on 1 October 1994, is determined by the systematic recognition of legislated contributions.

Share based payments

The Group issues share options to certain employees. The options are measured at fair value at the date of grant. The fair value determined is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest and the corresponding equity is disclosed in a share option reserve which forms part of equity.

The fair value is determined by using the binomial option pricing model. The value transferred to the share option reserve is amortised to equity as the related share options are exercised or forfeited.

Equity Settled Transactions

Equity settled share-based payment transactions with parties other than employees are measured at fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the Group obtains the goods or the counterparty renders the service.

Leases

The Group assesses at contract inception whether a contract is or contains a lease. That is, if the contract conveys substantive rights to control the use of an identified asset for a period of time in exchange for consideration.

The Group as a lessee applies a single recognition and measurement approach for all leases except for short term and low value leases where the Group has elected to make use of the recognition exemptions provided for in IFRS 16. For other leases which do not meet the exemption criteria, the Group recognises lease liabilities together with the corresponding right of use assets which represents the right to use underlying assets.

Right of use assets

The Group recognises the right of use assets at commencement date of the lease. These assets are measured at cost, less accumulated depreciation, impairment losses and any adjustment for any remeasurement of lease liabilities. The right of use cost includes amount of lease liabilities recognised present valued, initial direct costs incurred, lease payments made before or after commencement date less any lease incentives received. Right of use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the underlying asset. These assets are also subject to impairment which is assessed in a similar way to property, plant and equipment explained under, 'Impairment of non-financial assets'.

Notes to the Financial Statements (cont'd)

For The Year Ended 30 June 2026

5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Leases (cont'd)

Lease liabilities

At lease commencement date, the Group recognises lease liabilities measured at the present value of contractual lease payments paid over the lease term. The lease payments include in substance fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate and amounts payable under a residual value guarantee. Variable lease payments that do not depend on an index or rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The Group makes use of the incremental borrowing rate to discount future lease payments at lease commencement date as implicit interest rate is not readily determinable. The Group's borrowing rate which was used is 16% for local leases and 25.5% for regional leases. After the commencement date, the lease liability amount is increased to reflect cumulation of interest and abated for lease payments made. In addition, the carrying amount of lease liability is remeasured if there is a modification i.e. a change in contractual lease term, a change in lease payments or a change in the option to purchase the underlying asset.

Foreign currency translation

The Group's financial statements are presented in United States of America Dollar, which is the Group's functional and presentation currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Transactions in foreign currencies are initially recorded at the functional currency rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are re-translated at the functional currency rate of exchange ruling at the reporting date. All differences are taken to profit or loss except for differences on foreign currency borrowings that provide a hedge against a net investment in a foreign entity. These are recognised in other comprehensive income until the disposal of the net investment, at which time they are recognised in profit or loss. The tax charges and credit attributable to exchange differences on those borrowings are also recognised in other comprehensive income.

Non-monetary items that are measured in terms of the historical cost basis in a foreign currency are translated using the exchange rates ruling at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates as at the dates when the fair value was determined. The gain or loss arising on retranslation of non-monetary items is treated in line with the recognition of gain or loss on change in fair value of the item.

Foreign operations

Assets and liabilities of subsidiary companies denominated in foreign currencies are translated into United States Dollars (USD) at rates of exchange ruling at reporting date and their statements of profit or loss and other comprehensive income results are translated at the monthly average rate of exchange for the period. The average rate of exchange is calculated by dividing the summation of the opening rate to the closing rate by two. Where there are drastic movements between the opening and closing rates of exchange, the statement of profit or loss and comprehensive income results is translated on a month-on-month basis using the average rate of exchange for each month. Differences on exchange arising from translation of assets and liabilities at the rate of exchange ruling at reporting date and translation of statement of comprehensive income items at average rates, are recognised in other comprehensive income. Upon divestment from a foreign operation, translation differences related to that entity are taken to profit or loss.

Notes to the Financial Statements (cont'd)

For The Year Ended 30 June 2026

5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Business combinations and Goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition-date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the Group measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs incurred are expensed.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree. If the business combination is achieved in stages, the acquisition date fair value of the Group's previously held equity interest in the acquiree is re-measured to fair value as at the acquisition date through profit or loss.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value, with changes in fair value recognised in profit or loss.

Goodwill is initially measured at cost, being the excess of the consideration transferred over the Group's net identifiable assets acquired and liabilities assumed, and the amount recognised for non-controlling interest. If this consideration is lower than the fair value of the net assets of the subsidiary acquired the difference is recognised in profit or loss as bargain purchase gain. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

Common control business combinations

A business combination involving entities under common control is a business combination in which all the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory. Such acquisition does not meet the definition of a business combination in accordance with IFRS 3 'Business Combinations'. The Group's policy is to treat such an acquisition as a group restructuring, using the common control method, as follows:

- The assets, liabilities and reserves of the acquired entity/entities are reflected at their carrying amounts. No adjustments are made to reflect fair values, or recognise any new assets or liabilities that would otherwise be required by IFRS 3.
- No new goodwill is recognised as a result of the restructuring. The only goodwill recognised is the existing goodwill in the business as reflected in the consolidated financial statements of the selling entity; and
- The statement of profit or loss and comprehensive income reflects the results of the Group from the effective date of such transaction.

Notes to the Financial Statements (cont'd)

For The Year Ended 30 June 2026

5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Property, plant and equipment

Property, plant and equipment is initially recognised at cost. After recognition, the Group applies the revaluation model to the relevant class of property, plant and equipment and measures those assets at fair value at the date of revaluation, less subsequent accumulated depreciation and impairment losses. Revaluations are performed with sufficient regularity to ensure that carrying amounts do not differ materially from fair value, and all assets within the same class are revalued. Revaluation increases are recognised in other comprehensive income and accumulated in the revaluation reserve, except to the extent that they reverse a previous revaluation decrease recognised in profit or loss. Revaluation decreases are recognised in profit or loss, except to the extent of any existing credit balance in the revaluation reserve for the same asset.

The various rates of depreciation are listed below:

- Freehold property - 2%
- Leasehold improvements - the lesser of period of lease or 10 years
- Fittings and equipment - 10% - 25%
- Vehicles - 12.5% - 25%

The carrying amounts of property, plant and equipment are reviewed at each reporting date for indications of impairment. If any indication exists, the Group estimates the asset's recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying value of the asset) is included in profit or loss in the year the asset is derecognised.

The residual values, useful lives and depreciation methods of property, plant and equipment are reviewed by the Group, and prospectively adjusted, if necessary, on an annual basis. Depreciation is not charged when the carrying amount of an item of property, plant and equipment becomes equal or less than the residual value.

Intangible assets

(i) Goodwill

Goodwill is measured as described in the note above on business combinations.

(ii) Software

Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets where the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use
- management intends to complete the software and use or sell it
- there is an ability to use or sell the software
- it can be demonstrated how the software will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads. Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use.

Notes to the Financial Statements (cont'd)

For The Year Ended 30 June 2026

5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Intangible assets (cont'd)

(iii) Amortisation methods and periods

The group amortises intangible assets with a limited useful life, using the straight-line method over the following periods:

- IT development and software 3–5 years

Impairment of non-financial assets

The Group assesses at each reporting date, or earlier where indications that impairment exists, whether an asset may be impaired. This entails estimating the asset's recoverable amount, which is the higher of the asset's fair value less costs of disposal and value in use. Where the asset's carrying amount exceeds its recoverable amount, the asset is considered impaired and its carrying amount is written down to its recoverable amount. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of time value of money and the risks specific to the asset. Impairment losses are recognised in profit or loss in those expense categories consistent with the function of the impaired asset. For non-financial assets including goodwill, an assessment is made at each reporting date as to whether previously recognised impairment losses may no longer exist or have decreased. If such indication exists, the recoverable amount is estimated in order to reverse the previously recognised impairment losses. A previously recognised impairment loss is reversed only to the extent that there has been a change in the estimates used in determining the asset's recoverable amount since the last impairment loss was recognised. If that is the case the asset's carrying amount is increased to its recoverable amount. However, the increased carrying value of the asset is limited to the carrying value determinable, net of depreciation, had the impairment not occurred. Such reversal is taken to profit or loss.

After the reversal, the depreciation charge is adjusted in future periods to allocate the revised carrying amount, less any residual value, on a systematic basis over the remaining useful life.

Investments in associates and joint ventures

The Group's investments in associates and joint ventures are accounted for using the equity method of accounting. Associates are entities in which the Group exercises significant influence and which are neither subsidiaries nor jointly controlled operations. Joint ventures are joint arrangements whereby the parties that have joint control have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates or joint ventures are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment or a portion thereof, is classified as held for sale, in which case it is accounted in accordance with IFRS 5, 'Non-current Assets held for Sale and Discontinued Operations'.

Under the equity method, an investment in an associate or a joint venture are initially carried in the statement of financial position at cost. Subsequently, the investments in associates or joint ventures are carried at cost plus post-acquisition changes in the Group's share of the reserves of the associate or joint venture, less dividends received from the associate or joint venture. Goodwill relating to an associate or joint venture is included in the carrying amount of the investment.

The statement of profit or loss and other comprehensive income reflects the share of the results of operations of the associates or joint ventures attributable to the Group.

Where there have been changes recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes and discloses this, when applicable, in the statement of changes in equity. Unrealised gains or losses resulting from transactions between the Group and associates or joint ventures are eliminated to the extent of the interest in the associate.

Notes to the Financial Statements (cont'd)

For The Year Ended 30 June 2026

5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Investments in associates and joint ventures (cont'd)

The financial statements of an associate or joint venture are prepared for the same reporting period as the parent company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group. After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investment in its associate or investment in joint venture. The Group determines at each reporting date whether there is any objective evidence that the investment in the associate or joint venture is impaired. If this is the case the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value and recognises the amount in profit or loss.

Upon loss of significant influence over the associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence, and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

The Group continues to use the equity method when an investment in associate becomes an investment in joint venture or when an investment in joint venture becomes an investment in associate. There is no remeasurement to fair value upon such changes in ownership interests.

When the Group reduces its ownership interest in an associate or joint venture, the Group discontinues to use the equity method and the Group reclassifies to profit or loss the portion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on disposal of the related assets and liabilities.

Investments in subsidiaries (held in the separate books of the company)

Subsidiaries are entities that are controlled by the Company. Control exists when the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Generally, control is presumed to exist when the Company holds, directly or indirectly, more than half of the voting rights of an entity; however, control may also exist through contractual arrangements or other means. In the Company's separate financial statements, investments in subsidiaries are initially recognised at cost and subsequently measured at cost less accumulated impairment losses, where applicable.

At each reporting date, the Company assesses whether there is any indication that an investment in a subsidiary may be impaired. If such an indication exists, the recoverable amount of the investment is estimated. Where the carrying amount of the investment exceeds its recoverable amount, an impairment loss is recognised immediately in profit or loss for the amount by which the carrying amount exceeds the recoverable amount. On disposal of a subsidiary, the difference between the proceeds received and the carrying amount of the investment at the date of disposal is recognised in profit or loss.

Financial instruments

Financial assets and financial liabilities are recognised in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Notes to the Financial Statements (cont'd)

For The Year Ended 30 June 2026

5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL). Despite the foregoing, the Group may make the following irrevocable election/designation at initial recognition of a financial asset:

- the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met (see (iii) below); and
- the Group may irrevocably designate a debt instrument that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

(i) Amortised cost and effective interest rate method

The effective interest rate method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial assets other than purchased or originated credit-impaired financial assets (i.e. assets that are credit impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

Notes to the Financial Statements (cont'd)

For The Year Ended 30 June 2026

5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Financial assets (cont'd)

(i) *Amortised cost and effective interest rate method (cont'd)*

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest rate method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance. Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI.

For financial assets other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset.

If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

For purchased or originated credit-impaired financial assets, the Group recognises interest income by applying the credit-adjusted effective interest rate to the amortised cost of the financial asset from initial recognition.

The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit impaired. Interest income is recognised in profit or loss and is included in the "interest income" line item.

(ii) *Equity instruments designated as at FVTOCI*

On initial recognition, the Group may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognised by an acquirer in a business combination.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has evidence of a recent actual pattern of short-term profit-taking; or
- it is a derivative, except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument.

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains or losses arising from changes in fair value recognised in other comprehensive income and accumulated in the investments revaluation reserve. The cumulative gain or loss is not reclassified to profit or loss on disposal of the equity investments, instead, it is transferred to retained earnings.

Dividends on these investments in equity instruments are recognised in profit or loss in accordance with IFRS 9 unless the dividends clearly represent a recovery of part of the cost of the investment.

Dividends are included in the 'financial income' line item disclosed under note 11 in profit or loss.

Notes to the Financial Statements (cont'd)

For The Year Ended 30 June 2026

5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Financial assets (cont'd)

(iii) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI are measured at FVTPL. Specifically:

- Investments in equity instruments are classified as at FVTPL, unless the Group designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition.
- Treasury Bills are classified and measured at fair value through profit or loss (FVTPL) in accordance with IFRS 9 – Financial Instruments. On initial recognition, they are recorded at fair value, and subsequently remeasured at each reporting date, with all changes in fair value recognised directly in profit or loss. Interest income, where applicable, is also recognised in profit or loss using the effective interest rate method. As the instruments are held for trading or do not meet the solely payments of principal and interest (SPPI) criteria, they do not qualify for amortised cost or FVOCI classification. Treasury Bills are presented as part of financial assets.
- Debt instruments that do not meet the amortised cost criteria or the FVTOCI criteria are classified as at FVTPL. In addition, debt instruments that meet either the amortised cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency (so called 'accounting mismatch') that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.
- Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset and is included in the 'financial income' line item disclosed under note 11 and "fair value adjustments on listed equities" line disclosed under note 19.

Foreign exchange gains or losses

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. Specifically:

- for financial assets measured at amortised cost that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the 'financial income' line item disclosed under note 11; and
- for financial assets measured at FVTPL that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the 'financial income' line item disclosed under note 11.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at FVTOCI, lease receivables, trade receivables and contract assets, as well as on financial guarantee contracts. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises lifetime Expected Credit Losses ("ECL") for trade receivables, contract assets and lease receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

Notes to the Financial Statements (cont'd)

For The Year Ended 30 June 2026

5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Financial assets (cont'd)

Impairment of financial assets (cont'd)

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. In contrast, 12 months ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument.

(i) Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that financial assets that meet either of the following criteria are generally not recoverable:

- when there is a breach of financial covenants by the debtor; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collateral held by the Group).

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 120 days past due unless the Group has reasonable and supportable information to demonstrate that a more default criterion is more appropriate.

(ii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the issuer or the borrower.
- a breach of contract, such as a default or past due event (see (i) above).
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider.
it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

(iii) Write-off policy

The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g., when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay.

Notes to the Financial Statements (cont'd)

For The Year Ended 30 June 2026

5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Financial assets (cont'd)

Derecognition of financial assets (cont'd)

If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received. On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received, and receivable is recognised in profit or loss.

Financial liabilities

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised when the proceeds are received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL. However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, and financial guarantee contracts issued by the Group, are measured in accordance with the specific accounting policies set out below.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is (i) contingent consideration of an acquirer in a business combination, (ii) held for trading or (iii) it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been acquired principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative, except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration of an acquirer in a business combination may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and IFRS 9 permits the entire combined contract to be designated as at FVTPL.

Financial liabilities at FVTPL are measured at fair value, with any gains or losses arising on changes in fair value recognised in profit or loss to the extent that they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'interest paid' line item (note 12) in profit or loss.

Notes to the Financial Statements (cont'd)

For The Year Ended 30 June 2026

5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Financial liabilities (cont'd)

Financial liabilities at FVTPL (cont'd)

However, for financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss.

The remaining amount of change in the fair value of liability is recognised in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are not subsequently reclassified to profit or loss; instead, they are transferred to retained earnings upon derecognition of the financial liability.

Gains or losses on financial guarantee contracts issued by the Group that are designated by the Group as at FVTPL are recognised in profit or loss.

Fair value is determined in the manner described in note 19.

Financial liabilities measured subsequently at amortised cost

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held-for-trading, or (iii) designated as at FVTPL, are measured subsequently at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Financial guarantee contract liabilities

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contract liabilities are measured initially at their fair values and, if not designated as at FVTPL and do not arise from a transfer of an asset, are measured subsequently at the higher of:

- the amount of the loss allowance determined in accordance with IFRS 9 (see financial assets above); and
- the amount recognised initially less, where appropriate, cumulative amortisation recognised in accordance with the revenue recognition policies set out above.

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments. These foreign exchange gains and losses are recognised in the 'financial income' line item in profit or loss (note 11) for financial liabilities that are not part of a designated hedging relationship.

Notes to the Financial Statements (cont'd)

For The Year Ended 30 June 2026

5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Financial liabilities (cont'd)

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss for financial liabilities that are not part of a designated hedging relationship.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held on call with financial institutions, other short-term and 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. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

Inventories

Inventories are stated at the lower of cost and estimated net realisable value. In general, cost is established on a weighted average basis. Cost of inventories comprise all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 90 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest rate method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for financial services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet 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 profit or loss as other income or finance costs.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Notes to the Financial Statements (cont'd)

For The Year Ended 30 June 2026

5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Financial liabilities (cont'd)

Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings, pending their expenditure on qualifying assets, is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, and when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Where the Group expects some or all of the provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

The expense relating to any provision is presented in profit or loss net of any certain reimbursements. If the effect of the time value of money is material, provisions are discounted using a pre-tax discount rate that reflects, where appropriate, the risks specific to those provisions. Where discounting is used, the increase in the provision due to passage of time is recognised in profit or loss as a borrowing cost.

Provision for warranty claims

In respect of provision for warranty claims, the Group warrants its television products and certain component parts of electronic appliances as well as some automotive spares. The provision is made on the basis of previous experience of the incidence of such claims.

Leave pay liability

Leave pay for employees is provided on the basis of leave days accumulated at an expected rate of payment. The timings of the cash out-flows are by their nature uncertain.

Contingent liabilities

Contingent liabilities, which include certain financial guarantees, litigation and other letters of credit pledged as collateral security, are possible obligations that arise from past events whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the Group's control. Contingent liabilities are not recognised in the financial statements but are disclosed in the notes to the financial statements.

Taxes

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from, or paid to, the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, at the reporting date in countries where the Group operates and generates taxable income.

Current income tax relating to items recognised directly in equity or other comprehensive income is recognised in equity or in other comprehensive income and not in profit or loss.

Notes to the Financial Statements (cont'd)

For The Year Ended 30 June 2026

5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Taxes (cont'd)

Deferred income tax

Deferred income tax is provided using the liability method on temporary differences at reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences, except:

- where the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries and associates where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credit and unused tax losses can be utilised except:

- where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries and associates, deferred income tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting 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 reporting 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 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 (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred income tax relating to items recognised directly in equity or other comprehensive income is recognised in equity or other comprehensive income and not in profit or loss. Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same tax authority.

Value Added Tax

Revenues, expenses and assets are recognised net of the amount of Value Added Tax except where the Value Added Tax incurred on a purchase of assets or services is not recoverable from the tax authority, in which case the Value Added Tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable. The net amount of Value Added Tax recoverable from, or payable to, the tax authority is included as part of receivables or payables in the statement of financial position.

Notes to the Financial Statements (cont'd)

For The Year Ended 30 June 2026

5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Operating Segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker is the Group's Executive and Non-Executive Directors.

Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no-longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

Key estimates, uncertainties and judgements

The following are the key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing material adjustments to the carrying amounts of assets and liabilities within the next financial year:

(i) *Useful lives and residual values of property, plant and equipment*

The Group assesses useful lives and residual values of property, plant and equipment each year taking into consideration past experience, technology changes and the local operating environment. The useful lives are set out on property, plant and equipment policy above and no changes to those useful lives have been considered necessary during the year. Residual values will be reassessed each year and adjustments for depreciation will be done in future periods if there is indication of impairment in value.

(ii) *Deferred tax assets*

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the value of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Refer to note 26 for more information on the evidence supporting recognition of deferred tax assets.

(iii) *Provision for obsolete stock*

The provision for obsolescence is based on assessment of quality of stock through sampling. Inventory that no longer meets minimum quality standards as a result of damage or exceeding standard shelf life is classified as obsolete. Inventory relating to discontinued products is also classified as obsolete. Refer to note 20 for more information on the carrying amount of inventory and the provision for obsolete stock.

(iv) *Allowance for Expected Credit Losses*

The expected credit losses of financial assets are estimated in a way that reflects the following:

- An unbiased and probability-weighted amount determined by evaluating a range of possible outcomes.
- The time value of money.
- Reasonable and supportable information about past events, current conditions and forecasts of economic conditions that is available without undue cost or effort at the reporting date.
- Refer to note 21 for more information on the carrying amounts of trade and other receivables and the allowance for credit losses.

Notes to the Financial Statements (cont'd)

For The Year Ended 30 June 2026

6 EARNINGS PER SHARE

6.1 Basic earnings basis

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

6.2 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.

6.3 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.

The following reflects the income and share data used in the basic, headline and diluted earnings per share computations:

	2026 USD	2025 USD
6.4 Number of shares in issue		
Number of ordinary shares in issue per basic and headline earnings per share	567 379 374	556 000 308
Effects of share options	-	-
Weighted average number of ordinary shares in issue adjusted for the effect of dilution	567 379 374	556 000 308
6.5 Reconciliation of basic earnings to headline earnings:		
Profit for the year attributable to equity holders of the parent	6 856 131	5 060 271
Adjustment for capital items (gross of tax):		
Loss on disposal of equipment and motor vehicles	37 473	58 351
Profit on disposal of investment in associates and joint ventures	(35 792)	-
Tax effect on adjustments	(433)	(15 025)
Non-controlling interests' share of adjustments	(821)	(21 658)
Headline earnings attributable to equity holders of the parent	6 856 558	5 081 939
Basic earnings per share (cents)	1.21	0.91
Headline earnings per share (cents)	1.21	0.91
Diluted basic earnings per share (cents)	1.21	0.91
Diluted headline earnings per share (cents)	1.21	0.91

Notes to the Financial Statements (cont'd)

For The Year Ended 30 June 2026

7 DIVIDENDS

	2026 USD	2025 USD
7.1 Dividends declared and paid on ordinary shares		
Final dividend declared relating to previous financial year	889 600	-
Interim dividend declared	1 112 001	667 200
Axia employee share ownership trust (Class "A" ordinary share dividends)	90 000	30 000
Final dividend declared relating to previous financial year	40 000	-
Interim dividend declared	50 000	30 000
	2 091 601	697 200

interim Dividend

The board declared an interim dividend of US\$0.0020 (0.20 cents) per share in respect of all ordinary shares of the company. The board also declared an interim dividend totalling US\$50,000 to the Axia Employee Trust (Private) Limited.

Final Dividend

The Board of Directors is pleased to announce a final dividend of US\$0.0020 (US0.20 cents) per share for the financial year ended 30 June 2026. This brings the total dividend for the year to US\$0.0040 (US0.40 cents) per share.

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

7.2 Dividends declared by subsidiaries to non-controlling interests

Declared and paid

TV Sales & Home (Private) Limited	1 159 063	482 248
Distribution Group Africa (Private) Limited	60 000	-
IQRTM Distribution Africa Limited	-	100 000
Geribrans Services (Private) Limited	-	26 494
Total dividends declared and paid by subsidiaries to non-controlling interests	1 219 063	608 742

Declared but not paid at year end

TV Sales & Home (Private) Limited	-	200 000
Geribrans Services (Private) Limited	119 345	-
	119 345	200 000

Total dividends for the year declared by subsidiaries to non-controlling interests	1 338 408	808 742
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Notes to the Financial Statements (cont'd)

For The Year Ended 30 June 2026

8 REVENUE

	2026 USD	2025 USD
Sale of goods	243 779 379	191 298 519
Interest on instalment credit sales	5 766 862	5 174 433
	249 546 241	196 472 952

Sale of goods includes sale of furniture, household appliances and electronics and fast-moving consumer products such as perishable and non-perishable food and beverages.

The Group has disaggregated revenue by operating segments as this is the information regularly reviewed by the Board, which is the Chief Operating Decision Maker (CODM) in order to evaluate the financial performance of the entity. Refer to note 31 for more information.

9 OTHER INCOME

Sundry income and sales	904 827	843 426
Scrap and repairs	384 691	349 178
Commissions and recoveries	338 725	559 798
Rebates	1 884 047	1 637 226
Merchandising	1 265 695	904 010
	4 777 985	4 293 638

Included in sundry income is the sale of non-core business items such as sale of raw materials, scrap and commissions.

Notes to the Financial Statements (cont'd)

For The Year Ended 30 June 2026

10 OPERATING EXPENSES

	2026 USD	2025 USD
Staff costs	22 720 421	19 643 445
Audit fees and expenses	314 261	379 845
Cleaning	170 477	119 720
Network charges	227 483	151 953
Sales commissions	49 780	27 201
Debtors Clearing	561 482	611 954
Rebates and warranty fees	54 568	30 546
Distribution costs	2 806 393	2 204 412
Repairs and maintenance	1 250 383	1 132 548
Electricity, water and rates	980 912	789 423
Delivery vehicle costs	225 870	189 145
Legal fees	58 205	50 589
Listing fees	98 903	97 505
Bank charges (including IMTT)	2 453 945	2 568 536
Security	588 434	617 299
Telephone and postage	125 085	170 625
Fuel	1 344 123	1 128 363
Printing & Stationery	218 638	222 203
Advertising and marketing	1 357 584	822 369
Directors fees	340 462	229 208
Operating lease charges	807 644	1 301 080
Consultancy fees	993 630	1 072 959
Insurance and licenses	1 254 678	917 405
Fines and Penalties	356 725	9 465
Travelling and accommodation	661 016	609 254
Inventories written off and obsolescence charges	1 624 748	1 443 309
Bad debts written off	2 364 570	668 476
Allowance for credit losses	290 196	738 380
Other*	1 733 585	531 570
	46 034 201	38 478 787
* Other operating expenses comprise computer expenses, financial reporting expenses and printing & stationery, etc.		
Operating expenses are disclosed per income statement :		
-Operating expenses	45 744 005	37 740 407
-Expected credit losses on trade and other receivables	290 196	738 380
Total operating expenses	46 034 201	38 478 787
10.2 Included in operating expenses are share-based payment expenses and key management's emoluments comprising of:		
10.2.1 Short-term employee benefits		
Executive directors and key management remuneration*	5 787 769	3 977 407
	5 787 769	3 977 407
*Key management are the Company's executives and senior management of the Group's subsidiary companies.		
10.2.2 Non-executive directors fees		
Independent, non-executive directors - fees	314 014	209 388
Non-independent, non-executive directors - fees	26 448	19 820
	340 462	229 208

Notes to the Financial Statements (cont'd)

For The Year Ended 30 June 2026

11 NET FINANCE AND OTHER LOSSES

	Notes	2026 USD	2025 USD
Net exchange losses		105 722	1 352 601
Fair value adjustments on treasury bills		33 332	1 035 858
Losses on disposal of equipment		37 473	58 351
		176 527	2 446 810
12 INTEREST EXPENSE			
Bank overdrafts and interest-bearing borrowings		3 124 889	3 296 939
Lease liabilities		1 467 128	1 559 995
		4 592 017	4 856 934
13 TAX EXPENSE			
13.1 Income tax expense			
Current income tax charge		6 154 866	2 599 227
Prior year tax charge under-provision*		1 673 149	-
Withholding tax		31 586	47 041
Deferred tax	26.1	477 970	424 259
		8 337 571	3 070 527

*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 tender. As at 30 June 2026, these additional assessments for the Group's business units amounted to US\$ 1.673m.

	2026 %	2025 %
13.2 Tax rate reconciliation		
Statutory rate of taxation, inclusive of AIDS levy	25.75	25.75
Adjusted for:		
Tax effect of equity accounted earnings	(0.06)	0.05
Regional rates	0.72	0.08
Prior year's tax under-provision	8.64	-
Fines and penalties	0.33	0.02
IMTT	0.18	2.71
Other non-taxable/non-deductible items*	7.44	(2.00)
Effective tax rate	43.00	26.61

*Other non-taxable and non-deductible items include, donations and non-deductible legal expenses and fringe benefits.

Notes to the Financial Statements (cont'd)

For The Year Ended 30 June 2026

14 CASH FLOW INFORMATION

	Notes	2026 USD	2025 USD
14.1 Cash generated from operations			
Profit before interest and tax		23 838 872	16 229 577
Adjustments		8 379 859	4 938 591
Depreciation of property, plant and equipment and right of use assets	15	7 573 516	7 225 936
Effects of translation of foreign subsidiaries		900 173	(3 377 866)
Profit on disposal of Investment in joint venture		(35 792)	-
Loss on disposal of fixed assets		37 473	58 351
Fair value adjustments on treasury bills	19	33 332	1 035 858
Fair value adjustments on financial assets at fair value through profit or loss	19	(128 843)	(3 688)
Operating profit before working capital changes		32 218 731	21 168 168
Working capital changes		(6 205 700)	(5 584 405)
(Increase)/decrease in inventories		(14 076 525)	3 457 504
Increase in trade and other receivables		(4 537 748)	(10 224 827)
Increase in trade and other payables		12 179 328	845 491
Increase in provisions and other liabilities		229 245	337 427
Cash generated from operating activities		26 013 031	15 583 763
14.2 Investing activities			
Expenditure on property, plant and equipment		(2 424 292)	(3 586 806)
To maintain operations		(1 902 739)	(841 580)
To expand operations		(521 553)	(2 745 226)
Proceeds on disposal of equipment		317 832	78 146
Proceeds from disposal of financial assets at fair value through profit and loss		-	226 008
Proceeds from disposal of investment in joint venture		2 180 107	-
Cash received from financial assets		1 606 815	-
Net cash outflow on derecognition of subsidiary		-	(33 602)
Net cash outflow on investment in subsidiary		-	(120 000)
		1 680 462	(3 436 253)

Notes to the Financial Statements (cont'd)

For The Year Ended 30 June 2026

14 CASH FLOW INFORMATION (cont'd)

14.3 Cash flow arising from interest-bearing borrowings (disclosed in financing activities)

	2025 USD Opening balance	USD Proceeds	USD Interest	USD Repayments Principal	USD Interest	USD Foreign exchange	2026 USD Closing balance
Short-term financing	15 976 709	13 801 441	3 124 889	(17 271 791)	(3 124 889)	267 966	12 774 325
Total liabilities from financing activities	15 976 709	13 801 441	3 124 889	(17 271 791)	(3 124 889)	267 966	12 774 325

	2024 USD Opening balance	USD Proceeds	USD Interest	USD Repayments Principal	USD Interest	USD Foreign exchange	2025 USD Closing balance
Short-term financing	20 447 000	18 632 709	3 296 939	(22 303 358)	(3 296 939)	(799 642)	15 976 709
Total liabilities from financing activities	20 447 000	18 632 709	3 296 939	(22 303 358)	(3 296 939)	(799 642)	15 976 709

Notes to the Financial Statements (cont'd)

For The Year Ended 30 June 2026

15.1 PROPERTY, PLANT AND EQUIPMENT

	Freehold property	Leasehold improvements	Fittings & Equipment	Motor vehicles	Total
	USD	USD	USD	USD	USD
Cost					
At 30 June 2024	16 578 262	1 285 374	11 355 117	8 598 891	37 817 644
Additions	2 180 746	237 955	701 089	467 016	3 586 806
Derecognition of subsidiary	-	-	(4 057)	-	(4 057)
Disposals	-	-	(880)	(241 300)	(242 180)
Exchange difference on translation of foreign entities	(81 332)	(24 191)	(20 593)	(39 849)	(165 965)
At 30 June 2025	18 677 676	1 499 138	12 030 676	8 784 758	40 992 248
Additions	961 340	277 299	475 360	710 293	2 424 292
Disposals	-	(137 689)	(428 193)	(195 961)	(761 843)
Exchange difference on translation of foreign entities	499 780	148 651	133 419	540 242	1 322 092
At 30 June 2026	20 138 796	1 787 399	12 211 262	9 839 332	43 976 789
Accumulated depreciation and impairment losses					
At 30 June 2024	409 010	432 716	4 533 938	5 331 057	10 706 721
Charge for the year	292 079	217 397	1 402 855	1 098 322	3 010 653
Derecognition of subsidiary	-	-	(719)	-	(719)
Disposals	-	-	(3 203)	(102 480)	(105 683)
Exchange difference on translation of foreign entities	(6 822)	(9 251)	(10 587)	(23 300)	(49 960)
At 30 June 2025	694 267	640 862	5 922 284	6 303 599	13 561 012
Charge for the year	422 309	314 872	1 391 565	1 094 350	3 223 096
Disposals	-	(68 500)	(104 163)	(233 875)	(406 538)
Exchange difference on translation of foreign entities	64 621	56 848	79 536	271 179	472 184
At 30 June 2026	1 181 197	944 082	7 289 222	7 435 253	16 849 754
Net carrying amount					
At 30 June 2026	18 957 599	843 317	4 922 040	2 404 079	27 127 035
At 30 June 2025	17 983 409	858 276	6 108 392	2 481 159	27 431 236

Certain properties are encumbered as indicated in note 15.4

15.2 Reconciliation of loss on disposal of property, plant and equipment

	2026 USD	2025 USD
Proceeds on disposal of property, plant and equipment	317 832	78 146
Carrying amount on disposal	(355 305)	(136 497)
Cost	(761 843)	(242 180)
Accumulated depreciation and impairment losses	406 538	105 683
Loss on disposal of property, plant and equipment	(37 473)	(58 351)

Notes to the Financial Statements (cont'd)

For The Year Ended 30 June 2026

15 PROPERTY, PLANT AND EQUIPMENT (cont'd)

15.3 Reconciliation of opening and closing carrying amounts

	2026 USD	2025 USD
Net carrying amount at the beginning of the year	27 431 236	27 110 923
Cost	40 992 248	37 817 644
Accumulated depreciation and impairment losses	(13 561 012)	(10 706 721)
Movement for the year:		
Additions at cost	2 424 292	3 586 806
Depreciation charge for the year	(3 223 096)	(3 010 653)
Disposal	(355 305)	(136 497)
Derecognition of subsidiary	-	(3 338)
Exchange movements	849 908	(116 005)
Net carrying amount at the end of the year	27 127 035	27 431 236
Cost	43 976 789	40 992 248
Accumulated depreciation and impairment losses	(16 849 754)	(13 561 012)
15.4 Security	2 159 668	2 943 442
Net book value of a property pledged as security for borrowings (Regional Operations) Details of the borrowings are shown in note 27.		

15.5 Impairment loss

The Group has made an impairment assessment as at year end on the condition of the assets and their ability to continue to produce economic benefits for the group and no impairment indicator was observed and no loss was recognised or provided for.

15.6 Revaluation, depreciation methods and useful lives

Property, plant and equipment are recorded at fair value based on periodic, but at least five years, valuations by external independent valuers, less subsequent depreciation. A revaluation surplus is credited to non distributable reserves (note 23). Refer to note 5 for depreciation rates.

15.7 Carrying amounts that would have been recognised if property, plant and equipment were stated at cost

If the property, plant and equipment were stated on historical cost basis, the amounts would be as follows:

	2026 USD	2025 USD
Freehold property		
Cost	16 706 041	15 744 701
Accumulated depreciation	(969 521)	(679 219)
Net book amount	15 736 520	15 065 482
Leasehold improvements		
Cost	1 713 620	1 574 010
Accumulated depreciation	(944 082)	(650 113)
Net book amount	769 538	923 897
Fittings and equipment		
Cost	12 376 920	12 329 753
Accumulated depreciation	(7 312 024)	(5 953 663)
Net book amount	5 064 896	6 376 090
Motor vehicles		
Cost	7 712 592	7 198 260
Accumulated depreciation	(5 848 755)	(5 906 975)
Net book amount	1 863 837	1 291 285

Notes to the Financial Statements (cont'd)

For The Year Ended 30 June 2026

15 PROPERTY, PLANT AND EQUIPMENT (cont'd)

15.8 Recognised fair value measurements

(i) Valuation techniques used to determine level 2 and level 3 fair values

The Group obtains independent valuations for its property, plant and equipment at least every five years. At the end of each reporting period, the directors update their assessment of the fair value of each property, plant and equipment, taking into account the most recent independent valuations. The directors determine an asset's value within a range of reasonable fair value estimates.

The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available the directors consider information from a variety of sources including:

- current prices in an active market for assets of a different nature or recent prices of similar assets in less active markets, adjusted to reflect those differences
- cost of building or rent purchase costs for similar assets or lease improvements or shop fittings adjusted for wear and tear

(ii) Valuation process

The group engages external, independent and qualified valuers to determine the fair value of the group's property, plant and equipment at least every five years. The previous valuation was undertaken in the financial year 30 June 2023 therefore management believes the values and assumptions remain appropriate.

16 LEASES

This note provides information for leases where the Group is a lessee.

	2026 USD	2025 USD
(i) Amounts recognised in the statement of financial position		
Right of use assets		
Buildings	12 320 519	10 932 362
Lease liabilities		
Current	4 008 396	2 651 301
Non-current	9 423 412	9 045 670
	13 431 808	11 696 971
(ii) Reconciliation right of use assets		
Carrying amount at the beginning of the year	10 932 362	12 559 601
Additions	156 627	397 325
Adjustments for lease remeasurements	5 539 003	2 275 688
Depreciation	(4 350 420)	(4 215 283)
Terminations	-	(4 950)
Movement in foreign currency translation reserve	42 947	(80 019)
Carrying amount at the end of the year	12 320 519	10 932 362
(ii) Reconciliation of lease liability		
Carrying amount at the beginning of the year	11 696 971	12 921 224
Additions	156 627	397 325
Adjustments for lease remeasurements	5 539 003	2 275 688
Interest charged on lease liability	1 467 128	1 559 995
Payments	(5 457 903)	(5 414 345)
Terminations	-	(4 950)
Movement in foreign currency translation reserve	29 982	(37 966)
Carrying amount at the end of the year	13 431 808	11 696 971

Notes to the Financial Statements (cont'd)

For The Year Ended 30 June 2026

16 LEASES (cont'd)

	2026 USD	2025 USD
(iv) Amounts recognised in the statement of profit or loss		
The statement of profit or loss shows the following amounts relating to leases:		
Depreciation charge of right of use assets		
Buildings	4 350 420	4 215 283
Interest expense (included in finance cost)	1 467 128	1 559 995
Expense relating to short term leases (included in operating expenses)	807 644	1 301 080
Total cash outflow for leases in 2026 was US\$ 3 990 775 (2025: US\$3 854 350)		

17 INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

	2026 USD	2025 USD
17.1 Reconciliation of movements in associates and joint ventures		
Opening balance	2 944 577	2 965 182
Equity accounted earnings/(losses)	48 084	(20 605)
Derecognition	(2 992 661)	-
Balance at the end of the year	-	2 944 577
Investments in associates and joint ventures comprise of:		
	2026 USD	2025 USD
Prodistribution (Private) Limited	-	791 640
National Foods Logistics (Private) Limited	-	2 152 937
	-	2 944 577

17.2 The Group has the following investments in associates and joint ventures:

17.2.1 National Foods Logistics (Private) Limited

The Group, through its subsidiary Distribution Group Africa (Private) Limited had a 50% interest in National Foods Logistics (Private) Limited ("Natlog"), a logistic and distribution company. The Group ceased to exercise joint control in National Foods Logistics (Private) Limited, as such the investment was derecognised as an investment in joint venture in accordance with International Financial Reporting Standards on 1 July 2025.

	2026 USD	2025 USD
Reconciliation of the investment in joint venture;		
Balance at the beginning of the year	2 152 937	2 149 454
Equity accounted earnings	-	3 483
Derecognition of investment in joint venture	(2 152 937)	-
Balance at the end of the year	-	2 152 937

Notes to the Financial Statements (cont'd)

For The Year Ended 30 June 2026

17 INVESTMENTS IN ASSOCIATES AND JOINT VENTURES (cont'd)

17.2.2 Prodistribution (Private) Limited

The Group, through its subsidiary Distribution Group Africa (Private) Limited had a 50% interest in Prodistribution (Private) Limited ("Prodist"), a logistic and distribution company. The Group, through its subsidiary Distribution Group Africa (Private) Limited derecognised its 50% interest in Prodistribution (Private) Limited ("Prodist"), a logistic and distribution company. The Group ceased to exercise joint control in Prodist, as such the investment was derecognised as an investment in joint venture in accordance with International Financial Reporting Standards on 31 October 2025.

	2026 USD	2025 USD
Reconciliation of the investment in joint venture;		
Balance at the beginning of the year	791 640	815 728
Equity accounted earnings/(losses)	48 084	(24 088)
Derecognition of investment in joint venture	(839 724)	-
Balance at the end of the year	-	791 640

17.2.3 Reconciliation of gain on derecognition of investments in joint ventures

	National Foods Logistics (Private) Limited USD	Prodistribution (Private) Limited USD	Total USD
Proceeds on derecognition	2 180 107	848 346	3 028 453
Cash consideration received	2 180 107	-	2 180 107
Conversion to financial asset at fair value	-	848 346	848 346
less investments in joint ventures at the dates of derecognition	(2 152 937)	(839 724)	(2 992 661)
Investments in joint ventures as at 30 June 2025	(2 152 937)	(791 640)	(2 944 577)
Share of profits from associates for the year	-	(48 084)	(48 084)
Profit on derecognition	27 170	8 622	35 792

Notes to the Financial Statements (cont'd)

For The Year Ended 30 June 2026

17.3 Summarised financial information of associates and joint ventures

	Revenue USD	Profit/ (loss) after tax USD	Non-current assets USD	Current assets USD	Non-current liabilities USD	Current liabilities USD
National Foods Logistics (Private) Limited						
30 June 2026	-	-	-	-	-	-
30 June 2025	15 134 990	6 967	4 402 344	860 235	664 338	167 046
Prodistribution (Private) Limited						
30 June 2026	5 846 709	96 168	2 415 930	1 965 922	153 158	2 532 014
30 June 2025	14 952 574	(48 177)	2 500 509	1 647 711	181 601	2 387 387
		Depreciation USD	Interest income USD	Interest expense USD	Taxation (credit)/ charge USD	Cash and cash equivalents USD
National Foods Logistics (Private) Limited						
30 June 2026		-	-	-	-	-
30 June 2025		825 558	-	51 487	(23 308)	44 663
Prodistribution (Private) Limited						
30 June 2026		175 291	-	31 048	40 693	39 442
30 June 2025		538 774	2 790	93 844	3 940	55 234

Notes to the Financial Statements (cont'd)

For The Year Ended 30 June 2026

18 DESCRIPTION OF GROUP INVESTMENTS IN SUBSIDIARY, ASSOCIATE AND JOINT VENTURE COMPANIES

Listed below are the Group's effective ordinary shareholding in the various business units and excludes dormant companies:

	2026	2025
Speciality Retail		
TV Sales & Home (Private) Limited	66.67%	66.67%
Restapedic Manufacturing (Private) Limited#	40.00%	40.00%
Geribrans Services (Private) Limited t/a Transerv	100.00%	87.75%
Freekstyle Investments (Private) Limited #	66.67%	66.67%
Touch Distributors (Private) Limited#	66.67%	66.67%
Distribution		
Distribution Group Africa (Private) Limited	50.01%	50.01%
IQRTM Distribution (Private) Limited #	50.01%	50.01%
Comox Trading (Private) Limited #	50.01%	50.01%
Eagle Agencies (Private) Limited #	50.01%	50.01%
Tevason Investments (Private) Limited t/a FreshPro #	50.01%	50.01%
Vital Logistics Zimbabwe (Private) Limited #	50.01%	50.01%
IQRTM Distribution Africa Limited	50.00%	50.00%
IQRTM Distribution (Malawi) Limited #	50.00%	50.00%
Photo Marketing (Malawi) Limited t/a Comox #	50.00%	50.00%
IQRTM Distribution (Zambia) Limited #	50.00%	50.00%
Comox Trading (Zambia) Limited #	50.00%	50.00%
Mukwa Distribution (Zambia) Limited #	50.00%	50.00%
Hat On Investments (Private) Limited #	50.01%	50.01%
Shipserv (Private) Limited #	50.01%	40.01%
National Foods Logistics (Private) Limited*	-	50.00%
Prodistribution (Private) Limited*	-	50.00%
Corporate Services		
Axia Operations (Private) Limited	100.00%	100.00%
Excalibur Mauritius Limited	100.00%	100.00%

* Associates or Joint Venture

Subsidiary of subsidiary

^ Some group subsidiary companies, also have subsidiaries which include non-controlling interests. The Group only consolidates its direct subsidiary, which would have consolidated its related subsidiaries.

18.1 Country of incorporation

All Group companies are incorporated in Zimbabwe, except for the following operating companies:

Company	Country of incorporation
Excalibur Mauritius Limited	Mauritius
IQRTM Distribution Africa Limited	Mauritius
IQRTM Distribution (Malawi) Limited	Malawi
Photo Marketing (Malawi) Limited	Malawi
IQRTM Distribution (Zambia) Limited	Zambia
Comox Trading (Zambia) Limited	Zambia
Mukwa Distribution (Zambia) Limited	Zambia

Notes to the Financial Statements (cont'd)

For The Year Ended 30 June 2026

19 FINANCIAL ASSETS

19.1 Financial assets at fair value through profit or loss

	2026 USD	2025 USD
Financial assets comprise of;		
Treasury bills	487 121	520 453
Listed equities	51 567	33 324
Derivative financial asset	255 235	144 635
Total	793 923	698 412
Reconciled as follows:		
Balance at the beginning of the year	698 412	400 279
Transfer from other receivables	-	1 556 311
Disposal of financial asset	-	(226 008)
Fair value adjustments treasury bills	(33 332)	(1 035 858)
Fair value adjustments and movements on listed equities and derivative financial asset	128 843	3 688
Balance at the end of the year	793 923	698 412

Axia Operations (Private) Limited, by way of guarantee, underwrote to Innscor Africa Limited ("IAL") an amount of US\$ 653 820 which represented the payment made by IAL to the Zimbabwe Revenue Authority for withholding tax arising from the unbundling of its Speciality Retail and Distribution businesses through a dividend in specie of Axia Corporation Limited shares in May 2016. In respect of this withholding tax IAL retained 12 886 241 Axia Corporation Limited shares which were registered in its name. During the year ended 30 June 2018, IAL disposed of 7 000 000 shares and Axia repaid the US\$ 653 820 underwritten to IAL remaining with 5 886 241 shares as at 30 June 2018. IAL went on to realise a total of 4 133 153 of the remaining shares in Axia for the period 2018 to date resulting in a balance of 1 753 088. The share from Axia's perspective are being held as a derivative financial asset in terms of IFRSs. The financial assets which emanates from this transaction is calculated at the fair value of the remaining Axia Corporation Limited shares taking into account relevant transaction costs, less any dividends received by IAL on the shares.

The treasury bills disclosed above represents the unpaid auction funds which were converted into treasury bills by the Reserve Bank of Zimbabwe. The treasury bills are classified and measured at fair value through profit or loss (FVTPL) in accordance with IFRS 9 – Financial Instruments.

The fair value adjustments on financial assets at fair value through profit or loss is included in the line item financial (loss)/gain in the statement of profit or loss and other comprehensive income and disclosed in note 11. At 30 June 2026, the financial assets were valued at US\$ 793 923 [2025: US\$ 698 412].

Notes to the Financial Statements (cont'd)

For The Year Ended 30 June 2026

19 FINANCIAL ASSETS (cont'd)

19.1 Financial assets at fair value through profit or loss (cont'd)

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

Fair value through profit or loss	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
30 June 2026				
Treasury bills	-	487 121	-	487 121
Listed equities	51 567	-	-	51 567
Derivative financial asset	-	255 235	-	255 235
	51 567	742 356	-	793 923
30 June 2025				
Treasury bills	-	520 453	-	520 453
Listed equities	33 324	-	-	33 324
Derivative financial asset	-	144 635	-	144 635
	33 324	665 088	-	698 412

Valuation techniques used to determine level 2 values

	Valuation technique	Significant inputs
Treasury bills	Market approach	Market prices Discount rates
Derivative financial asset	Market approach	Share price Share disposal costs

Notes to the Financial Statements (cont'd)

For The Year Ended 30 June 2026

19 FINANCIAL ASSETS (cont'd)

19.2 Financial assets at amortised costs

	Notes	2026 USD	2025 USD
Balance at the beginning of the year		-	-
Transfer from other receivables		1 637 356	-
Transfer from investment in associates and joint ventures	17.2.3	848 346	-
Unwinding of financial assets		(1 606 815)	-
Balance at the end of the year		878 887	-

Financial assets disclosed above represents the contractual right to receive cash which are solely payments of principal and interest on specified dates. As such the Group measures these financial assets at amortised costs at an interest rate of 12%.

20 INVENTORIES

	2026 USD	2025 USD
Consumable stores	205 654	171 276
Raw materials	3 806 539	2 832 388
Finished products	40 094 627	32 851 896
Goods in transit	12 699 284	6 625 094
Obsolescence provision	(1 388 068)	(1 139 143)
	55 418 036	41 341 511
Below is a reconciliation of the obsolescence provision:		
Opening balance on 1 July	1 139 143	872 580
*Movement in provision for obsolete inventory	248 925	266 563
Closing balance on 30 June	1 388 068	1 139 143

*Movement in provision for obsolete inventory includes inventory write offs charged to statement of profit or loss amounting to US\$ 1 624 748 (2025: US\$ 1 443 309). Refer to note 10.

Notes to the Financial Statements (cont'd)

For The Year Ended 30 June 2026

21 TRADE AND OTHER RECEIVABLES

	2026 USD	2025 USD
Non-financial assets		
Prepayments	7 027 752	7 338 097
VAT withholding tax receivable	2 737 745	2 742 681
Rental deposits	247 941	172 925
	10 013 438	10 253 703
Financial assets		
Trade receivables	18 530 700	18 851 639
Instalment sales receivables	15 460 079	11 458 985
Other receivables	1 926 178	2 175 479
	35 916 957	32 486 103
Loss allowance	(2 078 445)	(1 788 249)
	33 838 512	30 697 854
Total trade and other receivables	43 851 950	40 951 557

Included in other receivables are marketing claims from distribution principals, prepaid customs duties, other investments and staff loans.

The following table shows the movement in Lifetime Expected Credit Losses ("ECL") that has been recognised for trade and other receivables in accordance with the simplified approach set out in IFRS 9:

	Collectively assessed USD	Individually assessed USD	Total USD
Balance on 30 June 2024	875 545	174 324	1 049 869
movement in provision during the year*	738 380	-	738 380
Balance on 30 June 2025	1 613 925	174 324	1 788 249
movement in provision during the year*	290 196	-	290 196
Balance on 30 June 2026	1 904 121	174 324	2 078 445

Movement in provision for credit losses include actual write offs and increase in provision amounting to US\$ 290 196 (2025: US\$ 738 380) which are disclosed in note 10.

Notes to the Financial Statements (cont'd)

For The Year Ended 30 June 2026

21 TRADE AND OTHER RECEIVABLES (cont'd)

Credit terms vary per business unit. Interest is charged on overdue accounts at varying rates depending on the business and on the credit terms. If there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors.

The Group always measures the loss allowance for trade receivables at an amount equal to lifetime ECL. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date. The Group has recognised a loss allowance of 100% against all receivables over 120 days past due because historical experience has indicated that these receivables are generally not recoverable.

There has been no change in the estimation techniques or significant assumptions made during the current reporting year. No security or collateral is held as credit is held when advancing credit facilities.

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or when the trade receivables are over two years past due, whichever occurs earlier. None of the trade receivables that have been written off is subject to enforcement activities.

The following table details the risk profile of trade receivables (which are collectively assessed) based on the Group's provision matrix. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished between the Group's different customer base.

Trade receivables - days past due							
30 June 2026	Not Past due	30 days	60 days	90 days	120 days	120 days plus	Total
Expected credit loss rate	0.1% - 2.1%	0.1% - 4.2%	0.1% - 8.5%	0.1% - 8.5%	0.1% - 8.5%	100%	
Gross carrying amount-trade receivables plus other receivables	23 027 648	4 586 581	4 148 318	1 923 161	392 498	1 838 751	35 916 957
Lifetime ECL							(2 078 445)
							33 838 512

Trade receivables - days past due							
30 June 2025	Not Past due	30 days	60 days	90 days	120 days	120 days plus	Total
Expected credit loss rate	0.1% - 2.1%	0.1% - 4.2%	0.1% - 8.5%	0.1% - 8.5%	0.1% - 8.5%	100%	
Gross carrying amount-trade receivables plus other receivables	11 458 985	16 243 052	2 761 319	165 295	1 529 272	328 180	32 486 103
Lifetime ECL							(1 788 249)
							30 697 854

The estimated credit loss rates were adjusted for forward looking information such as the impacts of:

- Inflation
- Increase in interest rates
- increase in customer default risk due to liquidity challenges
- customer credit record and credit proofing

Notes to the Financial Statements (cont'd)

For The Year Ended 30 June 2026

21 TRADE AND OTHER RECEIVABLES (cont'd)

Note 34 on credit risk of trade receivables explains how the Group manages and measures credit quality of trade receivables that are neither past due nor impaired.

	2026 USD	2025 USD
Net impairment losses on trade and other receivable recognised in profit or loss		
During the year, the following gains/(losses) were recognised in profit or loss in relation to impaired financial assets:		
Impairment loss	-	-
Movement in loss allowance for trade receivables	290 196	738 380
	290 196	738 380

22 ORDINARY SHARE CAPITAL

22.1 Authorised

999 999 000 ordinary shares of US\$ 0.0001 each

1 000 Non-Voting Class "A" ordinary shares of US\$ 0.0001 each*

22.2 Issued and fully paid

567 379 374 (2025: 556 000 308) ordinary shares of US\$ 0.0001 each

*Class "A" shares are non-voting ordinary shares that will be allocated to the Axia Corporation Employee Share Trust.

	2026 USD	2025 USD
Opening balance	556 000 308	556 000 308
Issue of shares through a share exchange	11 379 066	-
Closing balance	567 379 374	556 000 308

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 11 379 066 Axia Corporation Limited shares.

22.3 Directors' shareholdings

At 30 June 2026, the Directors held directly and indirectly the following number of shares:

	2026 USD	2025 USD
Z. Koudounaris	114 612 912	114 612 912
T.C. Mazingi	861 802	861 802
M Hosack	1 385 763	-
R.M. Rambanapasi	114 985	114 985
L. E. M. Ngwerume	45 406	45 406
T. Sibanda	-	-
S. Mambanda	-	-
	117 020 868	115 635 105

Notes to the Financial Statements (cont'd)

For The Year Ended 30 June 2026

23 NON-DISTRIBUTABLE RESERVES

	Revaluation reserve	Foreign currency translation reserve	Total
Balance on 30 June 2024	1 868 818	(5 645 107)	(3 776 289)
Exchange differences arising on translation of foreign subsidiaries	-	(716 093)	(716 093)
Balance on 30 June 2025	1 868 818	(6 361 200)	(4 492 382)
Exchange differences arising on translation of foreign subsidiaries	-	679 716	679 716
Balance on 30 June 2026	1 868 818	(5 681 484)	(3 812 666)

Nature and purpose of reserves

Foreign currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of financial statements of foreign subsidiaries.

Revaluation surplus– property, plant and equipment

The property, plant and equipment revaluation surplus is used to record increments and decrements on the revaluation of non-current assets. In the event of a sale of an asset, any balance in the reserve in relation to the asset is transferred to retained earnings. See accounting policy note 5 for details.

24 DISTRIBUTABLE RESERVES

	2026 USD	2025 USD
Balance at the beginning of the year	40 049 000	35 685 488
Retained profit for the year	6 856 131	5 060 271
Dividends paid (note 7.1)	(2 091 601)	(697 200)
Transactions with owners in their capacity as owners	(128 170)	441
Balance on 30 June	44 685 360	40 049 000
Retained in:		
Holding company	1 368 343	1 257 417
Subsidiary companies	43 317 017	38 812 188
Associate companies and joint ventures	-	(20 605)
	44 685 360	40 049 000

Notes to the Financial Statements (cont'd)

For The Year Ended 30 June 2026

25 NON-CONTROLLING INTERESTS IN SIGNIFICANT SUBSIDIARIES

The Group has the following subsidiaries that have significant non-controlling interests:

	Distribution Group Africa (Private) Limited		IQRTM Distribution Africa Limited	
	2026	2025	2026	2025
Principal place of business	Zimbabwe	Zimbabwe	Zambia & Malawi	Zambia & Malawi
Proportion of ownership held by non-controlling interests	49.99% USD	49.99% USD	50% USD	50% USD
Loss/(profit) allocated to non-controlling interests	(64 296)	298 364	1 217 279	907 353
Accumulated non-controlling interests in subsidiaries	6 861 543	6 964 982	6 488 026	4 591 082
Statement of profit or loss				
Revenue	63 060 497	42 009 581	40 676 251	38 065 258
Operating profit (EBITDA)	3 364 137	4 028 411	4 837 275	3 926 058
Statement of financial position				
Current assets	23 714 222	24 382 768	19 221 004	16 955 918
Non-current assets	8 376 698	11 730 971	3 812 685	3 290 307
Current liabilities	14 481 889	17 967 362	9 622 752	10 706 174
Non-current liabilities	4 047 075	4 361 998	434 884	357 888
	TV Sales & Home (Private) Limited			
	2026	2025		
Principal place of business	Zimbabwe	Zimbabwe		
Proportion of ownership held by non-controlling interests	33.33% USD	33.33% USD		
Profit allocated to non-controlling interests	2 792 721	2 025 779		
Accumulated non-controlling interests in subsidiaries	16 921 917	15 935 204		
Statement of profit or loss				
Revenue	102 677 244	77 118 261		
Operating profit (EBITDA)	18 933 500	13 830 299		
Statement of financial position				
Current assets	48 445 496	35 134 062		
Non-current assets	23 602 423	24 031 185		
Current liabilities	24 597 265	15 738 293		
Non-current liabilities	6 361 323	5 836 332		

Dividends paid to non-controlling interests have been disclosed under note 7.2

The above summarised financial information of these subsidiaries is based on amounts before inter-company eliminations.

Notes to the Financial Statements (cont'd)

For The Year Ended 30 June 2026

26 NET DEFERRED TAX LIABILITIES/(ASSETS)

	2026 USD	2025 USD
26.1 Reconciliation		
Opening balance	1 906 598	1 484 409
Charge to profit or loss (note 13.1)	477 970	424 259
Exchange differences arising on translation of foreign subsidiaries	123 828	(2 070)
Closing balance	2 508 396	1 906 598
26.2 Analysis of net deferred tax liabilities/(assets)		
Accelerated depreciation for tax purposes	3 544 775	3 360 625
Tax losses	(431 384)	(610 037)
Derivative financial asset	(65 723)	37 244
Instalment credit receivables	1 096 840	809 075
Allowance for credit losses	(332 732)	(409 332)
Provision for obsolete inventories	(354 807)	(275 640)
Provision for leave pay, incentives and warranties	(948 573)	(1 005 337)
	2 508 396	1 906 598
The net deferred tax liabilities/(assets) are made up as follows:		
Deferred tax assets	(555 539)	(474 505)
Deferred tax liabilities	3 063 935	2 381 103
	2 508 396	1 906 598

The Group recognises deferred tax assets arising from tax losses where there is a reasonable expectation that sufficient taxable profit will be available in future through various initiatives by the Directors to utilise these losses.

Deferred tax assets relating to assessed tax losses have been recognised for three subsidiaries that incurred losses during the current financial year. The assessed losses arose primarily during the start-up and expansion phase of the respective operations. Management's forecasts indicate that the entities are expected to generate sufficient future taxable profits against which the losses can be utilised. These forecasts are supported by approved budgets, contracted business volumes, historical performance trends and expected market growth within the clearing and distribution segments. Accordingly, management considers recovery of the deferred tax assets to be probable and has recognised the assets in accordance with IAS 12 Income Taxes.

Notes to the Financial Statements (cont'd)

For The Year Ended 30 June 2026

27 INTEREST-BEARING BORROWINGS

	Interest rates	tenure	2026 USD	2025 USD
Short-term financing				
Secured				
Regional Operations	14% to 30%	up to 365 days	1 359 407	1 172 879
Unsecured				
Regional Operations	14% to 30%	up to 365 days	1 778 016	3 341 160
Unsecured				
Zimbabwe Operations	11% to 15%	up to 365 days	5 860 716	5 249 046
Overdrafts	11% to 15%	On demand	3 776 186	6 213 624
Total short-term financing			12 774 325	15 976 709
Total interest-bearing borrowings			12 774 325	15 976 709

As at 30 June 2026, the Board of Directors had authorised aggregate borrowing limits of US\$38.052 million (2025: US\$37.789 million) US\$ denominated facilities with interest costs of 11% to 15% while ZWG borrowings range from 40% to 47%.

Short-term borrowings form part of the Group's core borrowings and are renewed in terms of ongoing facilities negotiated with the relevant financial institutions. The facilities expire at different dates and are reviewed and renewed when they mature. Secured facilities in the region are secured by a cession of a property worth US\$ 2 159 668 (2025: US\$ 2 943 442).

The Group does not have any covenants on its borrowing facilities.

For the majority of the borrowings, the fair values are not materially different from their carrying amounts, since the interest payable on those borrowings is either close to the market rates or the borrowings are of a short term nature.

Details of the Groups exposure to the risks arising from borrowings are set out in note 34.

Borrowing powers

In terms of the Articles of Association, the borrowing powers of the company and its subsidiaries (excluding inter-company borrowings) are limited to twice the aggregate of the nominal amount of the share capital of the company plus the total free reserves of the company and its subsidiaries. The level of borrowings throughout the year was adequately covered in this respect.

Notes to the Financial Statements (cont'd)

For The Year Ended 30 June 2026

28 TRADE AND OTHER PAYABLES

	2026 USD	2025 USD
Trade payables	30 938 628	20 683 845
Accruals	6 023 268	5 525 742
Customer deposits	1 893 007	744 904
Other payables	649 329	370 413
	39 504 232	27 324 904

Trade payables are non-interest-bearing and are normally settled within 30 - 60 days. Other payables are non-interest-bearing and have varying settlement terms.

29 PROVISIONS

	2026 USD	2025 USD
Leave pay	1 264 794	1 035 550
	1 264 794	1 035 550

Reconciliation of provisions

Leave pay	2026 USD	2025 USD
Opening balance	1 035 550	698 123
Charge for the year	328 833	600 170
Foreign exchange movements	10 498	(7 134)
Less paid / utilised	(110 087)	(255 609)
Closing balance	1 264 794	1 035 550

Notes to the Financial Statements (cont'd)

For The Year Ended 30 June 2026

30 CAPITAL EXPENDITURE COMMITMENTS

	2026 USD	2025 USD
Authorised and contracted	-	-
Authorised but not yet contracted	6 528 259	5 842 999
	6 528 259	5 842 999

The capital expenditure will be financed from the Group's own resources and existing borrowing facilities.

31 SEGMENTAL ANALYSIS

Management has determined the Group's operating segments based on the information reviewed by the Group's Executives and Non-Executive Directors for the purposes of allocating resources and assessing performance. The revenue, operating profit, assets and liabilities reported to the Board are measured consistently with that in the reported consolidated financial statements.

31.1 Business Segments

The reporting structure is summarised as follows:

Speciality Retail

The main operations in this reporting silo are TV Sales & Home ("TVSH") and Transerv. TVSH is the leading furniture and electronic appliance retailer with sites located countrywide.

Transerv retails automotive spares and accessories through retail stores and fitment centers to service the needs of its customers.

Distribution

Distribution Group Africa is a large distribution and logistics concern with operations in Zimbabwe, Zambia and Malawi. Its core areas of expertise lie in inbound clearing and bonded warehousing, ambient and chilled/frozen warehousing, logistics, marketing, sales and merchandising services.

Other Segments

This segment reports the Group's head office support functions, namely company secretarial services, legal, treasury, internal audit and tax services.

Geographical Segments

The Group is also organised into parcels of businesses incorporated in Zimbabwe, and those incorporated in countries outside Zimbabwe. See note 18.1 for companies incorporated outside of Zimbabwe.

Notes to the Financial Statements (cont'd)

For The Year Ended 30 June 2026

31 SEGMENTAL ANALYSIS

31.1 Business Segments (cont'd)

	Speciality Retail USD	Distribution USD	Other Segments USD	Intersegment adjustments USD	Total USD
Revenue					
30 June 2026	145 809 493	103 736 748	-	-	249 546 241
30 June 2025	116 398 113	80 074 839	-	-	196 472 952
Operating profit / (loss) before depreciation and fair value adjustments					
30 June 2026	24 344 015	8 201 411	(1 085 354)	-	31 460 072
30 June 2025	18 768 119	7 954 469	(823 953)	-	25 898 635
Depreciation and amortisation					
30 June 2026	(6 113 049)	(1 437 089)	(23 378)	-	(7 573 516)
30 June 2025	(5 785 394)	(1 411 351)	(29 191)	-	(7 225 936)
Equity accounted earnings / (losses)					
30 June 2026	-	48 084	-	-	48 084
30 June 2025	-	(20 605)	-	-	(20 605)
Net interest expense					
30 June 2026	(2 355 815)	(2 158 768)	20 353	-	(4 494 230)
30 June 2025	(2 733 751)	(1 936 123)	2 185	-	(4 667 689)
Segment assets					
30 June 2026	92 199 829	55 124 609	38 076 918	(37 176 530)	148 224 826
30 June 2025	72 569 766	56 359 964	37 868 836	(39 226 282)	127 572 284
Segment liabilities					
30 June 2026	43 159 083	28 586 600	1 220 454	(641 661)	72 324 476
30 June 2025	28 924 391	33 393 422	2 110 112	(3 771 413)	60 656 512
Capital expenditure					
30 June 2026	2 114 014	304 372	5 906	-	2 424 292
30 June 2025	3 265 283	319 153	2 370	-	3 586 806

31.2 Geographical information

	Revenue USD	Operating Profit ("EBITDA") USD	Non-current assets USD	Current assets USD	Non-current liabilities USD	Current USD
Zimbabwe Operations						
30 June 2026	208 869 990	26 622 797	36 190 408	89 000 729	12 052 463	50 214 377
30 June 2025	158 407 694	21 972 577	38 492 373	68 833 686	11 068 885	38 523 565
Regional Operations						
30 June 2026	40 676 251	4 837 275	3 812 685	19 221 004	434 884	9 622 752
30 June 2025	38 065 258	3 926 058	3 290 307	16 955 918	357 888	10 706 174

(EBITDA) - Earnings Before Interest Tax Depreciation and Amortisation

Notes to the Financial Statements (cont'd)

For The Year Ended 30 June 2026

32 PENSION FUNDS

Innskor Africa Pension Fund

This is a self-administered, defined contribution fund. The Fund has been operational since 2000. Membership is compulsory for employees of the Group who are not members of other occupational pension funds. Contributions are at the rate of 14% of pensionable emoluments less N SSA of which members pay 7%. Following Axia Corporation Limited's (Axia) unbundling from Innskor Africa Limited, Axia's pensions remained part of the Innskor Africa Pension Fund.

National Employment of Motor Industry Pension Fund

This is a defined contribution fund which covers employees in specified occupations of the motor industry. The majority of employees at Transerv are members of this fund. The minimum contributions are 5% each for members and employer. Members have an option to elect to contribute up to a maximum of 10%.

National Social Security Authority Scheme (NSSA)

The scheme was established, and is administered, in terms of statutory Instrument 393 of 1993. Introduced in 1994, the Pension and Other Benefits Scheme is a defined contribution plan based on a 50/50 contribution from the employers and employees and are limited to specific contributions legislated from time to time.

National Pension Scheme Authority (NAPSA) – Zambia

The scheme was established and is administered, in terms of the Government of Zambia Act of 1996 and enacted effective 12th February 2000. This came after the formation of the Zambia National Provident Fund which has been in existence since 1966 with a mandate to act as the main vehicle for providing retirement and social security benefits to workers in the country. The benefits are based on a 50/50 contribution from the employers and employees are limited to specific contributions legislated from time to time.

NICO Life (Group Pension Scheme) – Malawi

NICO Life was established in line with the Pensions Act of 2010 of Malawi whereby both the employer and employee contribute. This is a Defined Contribution Arrangement with employees contributing 5% and employers contributing 10% of pensionable earnings.

Pension costs recognised as an expense for the year are as follows:

	2026 USD	2025 USD
Zimbabwe Operations		
Innskor Africa Pension Fund	377 857	270 815
National Social Security Authority Scheme & Workers' Compensation Insurance Fund	357 337	241 816
	735 194	512 631
Regional operations		
Workers Compensation Insurance Fund (Zambia)	4 650	3 754
National Pension Scheme Authority (Zambia)	29 668	26 354
NICO Life (Malawi)	14 175	13 598
	48 493	43 706
Total Pension costs	783 687	556 337

Notes to the Financial Statements (cont'd)

For The Year Ended 30 June 2026

33 RELATED PARTIES

33.1 List of related parties

Related Party	Nature of Service	Nature of relationship
Instinct Risk Advisory (Private) Limited	Internal auditors	Common control
Syntegra Solutions (Private) Limited	IT consultancy	Common control
Providence Human Capital (Private) Limited	Human resources management	Common control

33.2 Related party transactions

Related party activities consist of transactions between Axia Corporation Limited's consolidated entities, its associates and joint ventures. Balances and transactions between the Company and its subsidiaries, its associates and joint ventures, which are related parties, have been eliminated on consolidation and are not disclosed in this note. Details of transactions between Group companies and other related parties are disclosed below.

Transactions with related parties are carried out at terms equivalent to those that prevail in an arms length transaction. The amounts outstanding are unsecured and will be settled on normal terms. No expense has been recognised in the current or prior periods for bad or doubtful debts in respect of the amounts owed by related parties.

Related party transactions are summarised as follows:

Name of related party

	sales USD	service charge USD	rent received USD	interest received USD	trade & other receivables USD	trade & other payables USD
Instinct Risk Advisory						
30 June 2026	-	144 170	-	-	-	-
30 June 2025	-	150 952	-	-	-	-

Instinct provides internal audit services to the Group and all its entities.

Syntegra Solutions

30 June 2026	-	117 478	-	-	-	-
30 June 2025	-	128 108	-	-	-	-

Syntegra Solutions provides information and technology services and support to the group and its related companies

33.3 Compensation of key personnel to the Group

	2026 USD	2025 USD
Short - term employee benefits (note 10.2.1)	5 787 769	3 977 407

Notes to the Financial Statements (cont'd)

For The Year Ended 30 June 2026

33 RELATED PARTIES (CONT'D)

33.4 Transactions with Directors

The Group has leased properties from various companies in which some of the Directors have either a financial or custodial interest. The leases are undertaken at arm's length basis. The Group also pays consultancy fees to a non-executive Director from time to time.

	2026 USD	2025 USD
Lease payments	207 989	122 196
Consultancy fees to Director related entity	399 691	286 208
	607 680	408 404

33.5 Other related party payables

Amount payable to Axia Corporation Employee Share Trust (Private) Limited*	27 198	41 435
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*Dividends paid to the Axia Corporation Employee Share Trust (Private) Limited were held in trust by Axia Corporation Limited and earning interest amount equivalent to the Group's average cost of borrowing.

34 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise financial assets, trade and other receivables, cash and cash equivalents, interest-bearing borrowings and trade and other payables. The main purpose of these financial instruments is to raise finance for the Group's operations or to achieve a return on surplus short-term funds. The Group has various other financial assets and financial liabilities such as trade receivables and trade payables, which arise directly from its operations

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, credit risk, liquidity risk and equity price risk.

The Board reviews and agrees policies for managing each of these risks and they are summarised below:

Cash flow and fair value interest rate risk

Interest rate risk arises from borrowings with variable rates. The Group's policy is to adopt a non-speculative approach to managing interest rate risk. Approved funding instruments include bankers' acceptances, call loans, overdrafts, commercial paper, foreign loans and where appropriate long-term loans.

	2026 USD	2025 USD
Effect on profit before tax		
Increase of 25% (2025: 25%)	(781 222)	(787 794)
Decrease of 25% (2025 : 25%)	781 222	787 794
	2026 USD	2025 USD
Effect on equity net of tax		
Increase of 25% (2025: 25%)	(588 104)	(593 051)
Decrease of 25% (2025 : 25%)	588 104	593 051

Notes to the Financial Statements (cont'd)

For The Year Ended 30 June 2026

34 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. As a result of significant investment operations in countries outside Zimbabwe, the Group's statement of financial position can be affected significantly by movements in foreign currency exchange rates. The Group also has transactional currency exposures. Such exposure arises from the sale or purchase, by an operating unit, in currencies other than the unit's functional currency. The Group limits exposure to exchange rate fluctuations by either pre-paying for purchases, securing forward contracts to take advantage of exchange rate movements and/or retaining stock until the foreign currency to settle the related liability has been secured.

Exposure to exchange rate fluctuations and foreign denominated loans is monitored by Group Management and subsidiaries manage short-term exposures within approved parameters. The ZWG-denominated bank loans and foreign creditors are expected to be repaid with receipts from ZWG dollar-denominated sales. For Zimbabwean entities the impact is worsened by the hyper-inflationary economic situation persisting in Zimbabwe and the Group hedges by maintaining a net monetary liability position in ZWG.

The carrying amounts of the Group's foreign currency denominated monetary assets and liabilities at the reporting date are as follows:

30 June 2026

Currency	Liabilities	Assets	Net position
ZAR	(16 677 695)	22 232 346	5 554 651
USD equivalent	(902 473)	1 203 049	300 576
ZWG	(8 815 626)	88 586 037	79 770 411
USD equivalent	(259 283)	2 605 472	2 346 189
MWK	(18 404 954 075)	8 526 648 368	(9 878 305 707)
USD equivalent	(4 089 990)	1 894 811	(2 195 179)
ZMK	(41 869 708)	71 622 440	29 752 732
USD equivalent	(2 284 218)	3 907 389	1 623 171

30 June 2025

Currency	Liabilities	Assets	Net position
ZAR	(50 021 044)	21 874 463	(28 146 581)
USD equivalent	(2 706 766)	1 183 683	(1 523 083)
ZWL	(164 696 428)	119 542 359	(45 154 069)
USD equivalent	(4 844 013)	3 515 952	(1 328 061)
MWK	(14 492 221 434)	7 829 170 522	(6 663 050 912)
USD equivalent	(3 450 529)	1 879 088	(1 571 441)
ZMK	(97 005 304)	91 175 016	(5 830 288)
USD equivalent	(3 995 276)	3 755 149	(240 127)

Notes to the Financial Statements (cont'd)

For The Year Ended 30 June 2026

34 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

The following table details the Group's sensitivity to a 25% increase in the United States of America Dollar against the South African Rand, Zimbabwean Dollar, Malawian Kwacha and the Zambian Kwacha. The 25% represents management's assessment of reasonably possible change in foreign exchange rates. A positive number below indicates an increase in profit where the USD strengthens or weakens in a favourable manner against the net exposure.

	Change in rate	Effect on profit before tax USD	Effect on equity USD
30 June 2026			
South African Rand	+25%	(47 229)	(33 060)
	-25%	47 229	33 060
Zimbabwean Dollar	+25%	(469 238)	(353 242)
	-25%	469 238	353 242
Malawian Kwacha	+25%	439 036	330 506
	-25%	(439 036)	(330 506)
Zambian Kwacha	+25%	(324 634)	(244 385)
	-25%	324 634	244 385
30 June 2025			
South African Rand	+25%	304 617	213 232
	-25%	(304 617)	(213 232)
Zimbabwean Dollar	+25%	265 612	199 953
	-25%	(265 612)	(199 953)
Malawian Kwacha	+25%	314 288	236 596
	-25%	(314 288)	(236 596)
Zambian Kwacha	+25%	(3 677 748)	(2 768 609)
	-25%	3 677 748	2 768 609

Notes to the Financial Statements (cont'd)

For The Year Ended 30 June 2026

34 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or a customer contract, leading to a financial loss.

The Group trades only with recognised, creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to debt impairment is not significant. Refer to note 21 for detailed disclosure on the ECL analysis.

There is no concentration risk as the Group trades with a wide range of customers with different risk profiles. Credit limits are set by the Group to avoid exposure to a single customer.

Where it sees fit, the Group can from time to time ask for collateral security from customers. This is done after assessing the customers' ability to honour their obligations and the level of exposure. Collateral can be properties, listed equities or other assets.

With respect to credit risk arising from the financial assets of the Group, which comprise cash and cash equivalents and financial assets at fair value through profit or loss, the Group's Executive Committee approves all counterparties, sets and monitors exposure limits and terms of engagement.

The maximum exposure arising from default equals the carrying amount of the financial assets as disclosed in the statement of financial position less the market value of any security held.

Liquidity risk

The Group's objective is to maintain a balance between continuity of funding through a well managed portfolio of short-term investments and/or flexibility through the use of bank overdrafts and interest-bearing borrowings, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below summarises the maturity profile of the Group's financial assets and liabilities:

30 June 2026	Within 3 months USD	Between 4 -12 months USD	More than 12 months USD	Total USD
Liabilities				
Interest-bearing borrowings	3 776 186	8 998 139	-	12 774 325
Trade and other payables	39 504 232	-	-	39 504 232
Dividends payable	248 473			248 473
Total	43 528 891	8 998 139	-	52 527 030
Assets				
Cash and cash equivalents	7 278 937	-	-	7 278 937
Trade and other receivables excluding prepayments	11 350 680	15 460 079	-	26 810 759
Financial assets	306 802	487 121	-	793 923
Total	18 936 419	15 947 200	-	34 883 619

Notes to the Financial Statements (cont'd)

For The Year Ended 30 June 2026

34 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

Liquidity risk (cont'd)

30 June 2025	Within 3 months USD	Between 4 -12 months USD	More than 12 months USD	Total USD
Liabilities				
Interest-bearing borrowings	6 213 624	9 763 085	-	15 976 709
Trade and other payables	27 324 903	-	-	27 324 903
Dividends payable	691 062			691 062
Total	34 229 589	9 763 085	-	43 992 674
Assets				
Cash and cash equivalents	2 798 124	-	-	2 798 124
Trade and other receivables excluding prepayments	22 154 474	11 458 985	-	33 613 459
Financial assets	698 412	-	-	698 412
Total	25 651 010	11 458 985	-	37 109 995

35 FAIR VALUE OF FINANCIAL INSTRUMENTS

The estimated net fair values of all financial instruments, including instalment debtors, approximate the carrying amounts shown in the financial statements as at the reporting date (30 June 2026).

36 CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that all its companies maintain healthy capital ratios in order to support the business and maximise shareholder value.

The Group manages its capital (total equity and debt) and makes adjustment to it in light of changes in the economic environment. To maintain or adjust the capital structure the Group may adjust the dividend payment to shareholders, return on capital to shareholders, or issue new shares as well as reduce or increase debt levels. No changes were made to the objectives, policies or processes during the year ended 30 June 2026.

The Group manages capital using debt to equity ratios, which is calculated as total borrowings divided by the sum of total equity and borrowings.

	2026 USD	2025 USD
Total borrowings	12 774 325	15 976 709
Cash and cash equivalents	(7 278 937)	(2 798 124)
Net borrowings	5 495 388	13 178 585
Equity	75 900 350	66 915 772
Gross Debt to equity ratio	17%	24%
Net debt to equity ratio	7%	20%

Notes to the Financial Statements (cont'd)

For The Year Ended 30 June 2026

37 CONTINGENT LIABILITIES

There were no contingent liabilities as at 30 June 2026.

38 EVENTS AFTER REPORTING DATE

There have been no significant events after the reporting date.

39 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Board of Directors on 24 September 2026.



Company Financial Reports

“AXIA continues to provide timely shareholder notices as essential communications that promote transparency, safeguard investor interests and support compliance with Victoria Falls Stock Exchange (VFEX) requirements.”

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF AXIA CORPORATION LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of **AXIA CORPORATION LIMITED** (herein after referred to as, "the Company"), which comprise the statement of financial position as at 30 June 2026, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion the accompanying financial statements present fairly, in all material respects, the financial position of Axia Corporation Limited as at 30 June 2026, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (the "IESBA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Zimbabwe, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Directors for the financial statements

The Directors are responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability 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 Company or to cease operations, or have no realistic alternative but to do so.

BDO Zimbabwe, a Zimbabwean partnership, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO Network of independent member firms.

A list of partner names is available for inspection at our registered office, No. 3 Baines Avenue, Harare.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are 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 ISAs 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 these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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 Company'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 statements 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the audit to obtain sufficient appropriate audit evidence regarding the financial information of the company as a basis for forming an opinion on the financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the audit. We remain solely responsible for our audit opinion.

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 those charged with governance, we determine those matters that were of most significance in the audit of the financial statements 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 Other Legal and Regulatory Requirements

Report on legal and regulatory matters

In fulfilment of the requirements of Section 193 of the Companies and Other Business Entities Act (Chapter 24:31) ("the Act"), we report to the shareholders as follows:

Section 193(1)(a)

In our opinion, the financial statements are drawn up in accordance with the Act so as to give a true and fair view of the state of the Company's affairs at the date of its financial statements for its financial year ended on that date.

Section 193(2)

We have no matters to report in respect of Section 193(2) requirements of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Davison Madhigi PAAB Certificate No: 0610.



BDO Zimbabwe

Chartered Accountants

**Kudenga House
3 Baines Avenue
Harare**

24 September 2026

Company Statement of Profit or Loss and Other Comprehensive Income

For The Year Ended 30 June 2026

	Notes	30 June 2026 USD	30 June 2025 USD
Revenue		-	-
Cost of sales		-	-
Gross profit		-	-
other income		-	-
operating expenses	C1	(685 345)	(457 223)
Operating loss before impairment, depreciation and amortisation		(685 345)	(457 223)
financial income	C2	3 082 018	1 158 553
Profit before interest, equity accounted earnings and tax		2 396 673	701 330
interest expense	C3	(102 130)	(130 375)
Profit before tax		2 294 543	570 955
tax expense	C4	(31 586)	(70 727)
Profit for the year		2 262 957	500 228
Other comprehensive income			
other comprehensive income for the year		-	-
Total comprehensive income for the year		2 262 957	500 228
Earnings per share (cents)			
Basic earnings per share	C5	0.40	0.09
Headline earnings per share	C5	0.40	0.09
Diluted basic earnings per share	C5	0.40	0.09
Diluted headline earnings per share	C5	0.40	0.09

* Accounting policy notes of the company are the same as group accounting policies. Refer to accounting policy notes on pages 105 to 125.

Company Statement of Financial Position

As at 30 June 2026

	Notes	30 June 2026 USD	30 June 2025 USD
ASSETS			
Non-current assets			
investments in subsidiaries and joint ventures	C6	34 560 295	33 480 295
		34 560 295	33 480 295
Current assets			
trade and other receivables	C7	36 643	529 956
cash and cash equivalents		51 396	10 081
		88 039	540 037
Total assets		34 648 334	34 020 332
EQUITY AND LIABILITIES			
Capital and reserves			
ordinary share capital	22	56 738	55 600
share premium		4 699 434	3 620 572
non-distributable reserves		27 700 642	27 700 642
distributable reserves		13 683 43	11 96 987
Total equity		33 825 157	32 573 801
Current liabilities			
other payables and accruals	C8	694 050	1 331 370
dividend payables	C8	129 127	115 161
Total liabilities		823 177	1 446 531
Total equity and liabilities		34 648 334	34 020 332



R.M. RAMBANAPASI
Chief Executive Officer
24 September 2026



S. MAMBANDA
Finance Director
24 September 2026

Company Statement of Changes in Equity

For The Year Ended 30 June 2026

	Ordinary Share Capital USD	Share premium reserve USD	Non- Distributable Reserves USD	Distributable Reserves USD	Total USD
Balance at 30 June 2024	55 600	3 620 572	27 700 642	1 393 959	32 770 773
Profit for the year	-	-	-	500 228	500 228
Dividends paid	-	-	-	(697 200)	(697 200)
Balance at 30 June 2025	55 600	3 620 572	27 700 642	1 196 987	32 573 801
Profit for the year	-	-	-	2 262 957	2 262 957
Transaction with owners in their capacity as owners	1 138	1 078 862	-	-	1 080 000
Dividends paid	-	-	-	(2 091 601)	(2 091 601)
Balance at 30 June 2026	56 738	4 699 434	27 700 642	1 368 343	33 825 157

Company Statement of Cash flows

For The Year Ended 30 June 2026

	Notes	30 June 2026 USD	30 June 2025 USD
Cash generated from operations	C9.1	2 252 666	861 770
interest expense		(102 130)	(130 375)
tax paid		(31 586)	(47 040)
Total cash generated from operating activities		2 118 950	684 355
Investing activities		-	-
Net cash flow before financing activities		2 118 950	684 355
Financing activities			
dividends paid by holding company		(2 077 635)	(701 760)
Net increase/(decrease) in cash and cash equivalents		41 315	(17 405)
Cash and cash equivalents at the beginning of the year		10 081	27 486
Cash and cash equivalents at the end of the year		51 396	10 081

Notes to the Company Financial Statements (cont'd)

For The Year Ended 30 June 2026

	2026 USD	2025 USD
C1) OPERATING EXPENSES		
Directors fees	340 462	229 208
Audit fees and expenses	29 448	23 255
Financial reporting costs	18 600	16 496
Listing fees	98 903	97 505
Gifts and donations	84 736	17 140
Periodicals and publications	43 784	31 696
Share register maintenance fees	31 820	25 987
Intermediated money transfer tax	16 945	667
Bank charges	3 042	454
Travelling, meals and accommodation	7 056	3 838
Consulting and legal fees	1 150	2 484
Other overheads	9 399	8 493
	685 345	457 223
C2) FINANCIAL INCOME		
Financial income comprises of dividend income received from subsidiary companies. This income is eliminated in full on consolidation of the Company accounts into the Group.		
C3) INTEREST PAID		
Interest on amounts payable to other creditors	(102 130)	(130 375)
C4) TAX EXPENSE		
Withholding taxes paid	(31 586)	(70 727)
	2026 USD	2025 USD
C5) EARNINGS PER SHARE		
Number of shares in issue		
Number of ordinary shares in issue per basic and headline earnings per share	567 379 374	556 000 308
Effect of share options	-	-
Weighted average number of ordinary shares in issue adjusted for the effect of dilution	567 379 374	556 000 308
Reconciliation of basic earnings to headline earnings:		
Profit for the year attributable to equity holders of the parent	2 262 957	500 228
Headline earnings attributable to equity holders of the parent	2 262 957	500 228
Basic earnings per share (cents)	0.40	0.09
Headline earnings per share (cents)	0.40	0.09
Diluted basic earnings per share (cents)	0.40	0.09
Diluted headline earnings per share (cents)	0.40	0.09

Notes to the Company Financial Statements (cont'd)

For The Year Ended 30 June 2026

C6) INVESTMENTS IN SUBSIDIARIES AND JOINT VENTURES

66.67% equity shares in TV Sales & Home (Private) Limited
100% equity shares in Geribran Services (Private) Limited
50.01% equity shares in Distribution Group Africa (Private) Limited
100% equity shares in Axia Operations (Private) Limited
100% equity shares in Excalibur Mauritius Limited

C7) TRADE AND OTHER RECEIVABLES

Amounts due from group companies

Distribution Group Africa (Private) Limited
TV Sales & Home (Private) Limited
Geribran Services (Private) Limited t/a Transerv (Private) Limited
Excalibur Mauritius Limited
Total amounts due from group companies

2026 USD	2025 USD
4 340	395 696
14 550	14 530
2 753	4 730
15 000	115 000
36 643	529 956

Amounts due from group companies are at arm's length terms with no fixed repayment dates. However, these receivables are usually settled within a period of 3 to 6 months. Outstanding balances attract interest at rates similar or above to the company's cost of borrowing.

C8) OTHER PAYABLES AND ACCRUALS

Dividends payable
Other payables and accruals

129 127	115 161
304 392	165 080
433 519	280 241

Amounts payable to group companies
Axia Operations (Private) Limited

389 658	1 166 290
389 658	1 166 290

Total other payables and accruals

823 177	1 446 531
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C9) CASH FLOW INFORMATION

C9.1 Cash generated from operations

Profit before interest and tax
Decrease in trade and other receivables
Increase in other payables and accruals
Increase in amounts payable to group companies

2 396 673	701 330
493 313	74 990
139 312	13 472
(776 632)	71 978
2 252 666	861 770

C10) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial instruments comprise financial assets, sundry receivables, cash and cash equivalents, interest-bearing borrowings and sundry payables. The main purpose of these financial instruments is to raise finance for the Company's operations or to achieve a return on surplus short-term funds.

The main risks arising from the Company's financial instruments are interest rate risk, credit risk and liquidity risk.

Notes to the Company Financial Statements (cont'd)

For The Year Ended 30 June 2026

C10 FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (cont'd)

The Board reviews and agrees policies for managing each of these risks and they are summarised below:

Interest rate risk

The Company's exposure to the risk for changes in market interest rates relates primarily to variable short-term loan and overdraft rates. The Company's policy is to manage its interest cost by limiting exposure to short-term loans and overdrafts and where borrowings are required, to borrow at favourable and fixed rates of interest. The company had no exposure to interest rate risk as it had no borrowings.

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or a customer contract, leading to a financial loss.

Due to the nature of the operations of the Company, loans receivables of the Company which are subject to credit risk are receivable from its subsidiary companies. This therefore reduces the Credit risk to very minimal levels since the companies in question are controlled by the same people.

The maximum exposure arising from default equals the carrying amount of the financial assets as disclosed in the statement of financial position less the market value of any security held.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. At the end of the reporting period the company held a deficit of US\$ 735 138 (2025: (US\$ 906 496).

The company's management of liquidity risk improved from the prior year gap through rigorous management processes of clearing the interest-bearing borrowings coupled with improved collections from group companies.

30 June 2025	Within 3 months USD	Between 4-12 months USD	More than 12 months USD	Total USD
Liabilities				
Trade and other payables	(1 446 531)	-	-	(1 446 531)
Total	(1 446 531)	-	-	(1 446 531)
Assets				
Cash and cash equivalents	10 081	-	-	10 081
Trade and other receivables excluding prepayments	529 956	-	-	529 956
Total	540 037	-	-	540 037
Net liquidity deficit	(906 494)	-	-	(906 494)

Notes to the Company Financial Statements (cont'd)

For The Year Ended 30 June 2026

C10 FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (cont'd)

30 June 2026	Within 3 months USD	Between 4-12 months USD	More than 12 months USD	Total USD
Liabilities				
Trade and other payables	(823 177)	-	-	(823 177)
Total	(823 177)	-	-	(823 177)
Assets				
Cash and cash equivalents	51 396	-	-	51 396
Trade and other receivables excluding prepayments	36 643	-	-	36 643
Total	88 039	-	-	88 039
Net liquidity deficit	(735 138)	-	-	(735 138)

C11 FAIR VALUE OF FINANCIAL INSTRUMENTS

The estimated net fair values of all financial instruments approximate the carrying amounts shown in the financial statements as at the reporting date (30 June 2026).

Notes to the Company Financial Statements (cont'd)

For The Year Ended 30 June 2026

C12 CAPITAL MANAGEMENT

The primary objective of the Company's capital management is to ensure the company maintains healthy capital ratios in order to support the business and maximise shareholder value.

The Company manages its capital (total equity and debt) and makes adjustment to it in light of changes in the economic environment. To maintain or adjust the capital structure the Company may adjust the dividend payment to shareholders, return on capital to shareholders, or issue new shares as well as reduce or increase debt levels. No changes were made to the objectives, policies or processes during the year ended 30 June 2026.

The Company manages capital using debt to equity ratios, which is calculated as total borrowings divided by the sum of total equity and borrowings.

	2026 USD	2025 USD
Total borrowings	-	-
Cash and cash equivalents	(51 396)	(10 081)
Net Cash and cash equivalents	(51 396)	(10 081)
Equity	33 825 157	32 573 801
Gross Debt to equity ratio	0%	0%
Net debt to equity ratio	0%	0%

C14 CONTINGENT LIABILITIES

The Company did not have contingent liabilities as at year end.

C15 EVENTS AFTER REPORTING DATE

There have been no significant events after the reporting date.

C16 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Board of Directors on 24 September 2026

“The following annexures provide information on the Annual General Meeting, proxy arrangements and voting framework, facilitating informed shareholder participation and the effective exercise of shareholder rights.”

Annexures

Shareholders' Analysis and Calendar	175
Notice to Members	177
Proxy Form	179
Change of Address	182
GRI Context Index	183
Corporate Information	186

Shareholders' Analysis and Calendar

ANALYSIS BY INDUSTRY AS AT : 30 JUNE 2026

INDUSTRY	SHARES	SHARES %	NUMBER OF SHAREHOLDERS	SHAREHOLDERS %
LOCAL COMPANIES	299 433 615	52.77	524	10.90
PENSION FUNDS	109 805 524	19.35	299	6.22
INSURANCE COMPANIES	76 756 759	13.53	48	1.00
LOCAL NOMINEE	50 195 357	8.85	175	3.64
LOCAL INDIVIDUAL RESIDENT	15 818 424	2.79	3 391	70.56
FOREIGN NOMINEE	8 781 984	1.55	04	0.08
CHARITABLE	2 457 198	0.43	20	0.42
OTHER INVESTMENTS & TRUST	1 512 583	0.27	117	2.43
BANKS	674 341	0.12	02	0.04
TRUSTS	577 657	0.10	25	0.52
FUND MANAGERS	560 805	0.10	14	0.29
FOREIGN COMPANIES	322 972	0.06	08	0.17
NEW NON RESIDENT	266 259	0.05	97	2.02
FOREIGN INDIVIDUAL RESIDENT	121 721	0.02	19	0.40
DECEASED ESTATES	74 175	0.01	62	1.29
GOVERNMENT / QUASI	20 000	0.00	01	0.02
TOTALS	567 379 374	100.00	4 806	100.00

ANALYSIS BY VOLUME AS AT : 30 JUNE 2026

RANGE	SHARES	SHARES %	NUMBER OF SHAREHOLDERS	SHAREHOLDERS %
1-5000	2 508 494	0.44	3 812	79.32
5001-10000	1 525 954	0.27	210	4.37
10001-25000	3 384 369	0.60	207	4.31
25001-50000	5 191 006	0.91	147	3.06
50001-100000	8 103 064	1.43	115	2.39
100001-200000	13 012 715	2.29	93	1.94
200001-500000	31 175 722	5.49	99	2.06
500001-1000000	40 854 714	7.20	57	1.18
1000001 AND ABOVE	461 623 336	81.37	66	1.37
TOTALS	567 379 374	100.00	4 806	100.00

Shareholders' Analysis and Calendar (cont'd)

TOP 10 : SCHEDULE AS AT : 30 JUNE 2026

RANK	NAMES	COUNTRY	INDUSTRY	SHARES	PERCENTAGE
1	ZMD INVESTMENTS (PVT) LTD	ZIM	LC	107 468 922	18.94
2	H M BARBOUR (PVT) LTD	ZIM	LC	100 024 000	17.63
3	OLD MUTUAL LIFE ASS CO ZIM LTD	ZIM	INS	76 416 837	13.47
4	STANBIC NOMINEES (PVT) LTD	ZIM	LN	61 487 872	10.84
5	SARCOR INVESTMENTS (PVT) LTD	ZIM	LC	22 484 058	3.96
6	MINING INDUSTRY PENSION FUND	ZIM	PF	12 812 831	2.26
7	SSCG INVESTMENTS LIMITED	MAU	LC	10 241 159	1.80
8	MUSIC VENTURES (PVT) LTD	ZIM	LC	7 465 382	1.32
9	CITY AND GENERAL HOLDINGS P/L	ZIM	LC	6 822 598	1.20
10	DELTA BEVERAGES PENSION FUND	ZIM	PF	5 423 804	0.96
SELECTED SHARES				410 647 463	72.38
NON - SELECTED SHARES				156 731 911	27.62
ISSUED SHARES				567 379 374	100.00

Shareholders' Calendar

Eleventh Annual General Meeting
Financial Year End

24 November 2026
30 June

REPORTING AND MEETING DATES

3 Months to 30 September 2026	November 2026
6 Months to 31 December 2026	March 2027
9 Months to 31 March 2027	May 2027
12 Months to 30 June 2027	September 2027
Annual Report Published	November 2027
Twelfth Annual General Meeting	November 2027

Notice to Members

NOTICE IS HEREBY GIVEN that the Eleventh Annual General Meeting of members will be held on **Tuesday 24 November 2026** at **08:15hrs** at the Royal Harare Golf Club Building, Harare, for the purpose of transacting the following business:

ORDINARY BUSINESS

1. To receive and consider the financial statements for the year ended 30 June 2026 together with the report of the Directors and Auditors thereon.
2. To re-elect the retiring Director, Mr. Luke Ngwerume who retires by rotation and being eligible offers himself for re-election. Luke is an MBA graduate from the University of Cape Town Business School. He is retired Group CEO of Old Mutual. He comes from an investment background and he is a seasoned business leader in Zimbabwe. He sits on the Boards of Directors of Infrastructure Development Bank of Zimbabwe, Pfuma REIT and Old Mutual Nigeria.
3. To re-elect the retiring Director, Mr. Z. Koudounaris who retires by rotation and being eligible offers himself for re-election. Born in Zimbabwe, Zinona Koudounaris ("Zed") completed his tertiary education at Rhodes University in South Africa where he attained a Bachelor of Commerce degree majoring in Business and Computer Science. Zed is a founder shareholder of Innscor Africa Limited ("Innscor"). He was the driving force behind the initial creation and success of Innscor's core Quick Service Restaurant brands now Simbisa Brands Limited. Zed has held a number of positions within Innscor including Chief Executive Officer upon Innscor's listing in 1998. Zed remains highly active in pursuing strategic growth opportunities for Axia Corporation Limited and providing guidance to its management team. Zed currently sits on the Boards of Directors of Axia Corporation Limited, Innscor Africa Limited and Simbisa Brands Limited.
4. To approve Director's fees for the year ended 30 June 2026.

NOTE

The full report on Director's Remuneration shall be available for inspection at the registered address of the Company.

5. To approve the remuneration of the Auditors for the year ended 30 June 2026 and to re-appoint BDO Chartered Accountants of Harare as Auditors of the Company until the conclusion of the next Annual General Meeting. This is BDO's fifth year as independent auditors of the Company.

SPECIAL BUSINESS

6. Approval of Share Buy-Back

To approve as a special resolution, with or without amendments:

That the members authorize in advance, in terms of section 128 of the Companies and Other Business Entities Act (Chapter 24:31) and the Victoria Falls Stock Exchange (VFEX) Listing Requirements, the purchase by the Company of its own shares upon such terms and conditions and such amounts as the Directors of the Company may from time to time determine and such authority hereby specifies that: -

- i) The authority in terms of this resolution shall expire on the date of the Company's next Annual General Meeting; and
- ii) Acquisitions shall be of ordinary shares which, in aggregate in any one financial year, shall not exceed 10% (ten per centum) of the Company's issued ordinary share capital; and
- iii) The maximum and minimum prices, respectively, at which such ordinary shares may be acquired will not be more than 5% (five per centum) above and 5% (five per centum) below the weighted average of the market price at which such ordinary shares are traded on the VFEX, as determined over the 5 (five) business days immediately preceding the date of purchase of such ordinary shares by the Company; and
- iv) A press announcement will be published as soon as the Company has acquired ordinary shares constituting, on a cumulative basis in the period between Annual General Meetings, 3% (three per centum) of the number of ordinary shares in issue prior to the acquisition; and
- v) If during the subsistence of this resolution the Company is unable to declare and pay a cash dividend, then this resolution shall be of no force and effect."

Notice to Members (cont'd)

NOTE: -

In terms of this resolution, the Directors are seeking authority to allow the use of the Company's available cash resources to purchase its own shares in the market in terms of the Companies and Other Business Entities Act and the regulations of the VFEX. The Directors will only exercise the authority if they believe that to do so would be in the best interest of the shareholders generally. In exercising this authority, the Directors will duly take into account following such repurchase, the ability of the Company to pay its debts in the ordinary course of business, the maintenance of an excess of assets over liabilities, and for the Company and Group, the adequacy of ordinary capital and reserves as well as working capital.

7. Loans to Executive Directors

To approve as an ordinary resolution, with or without amendments: "That the Company be and is hereby authorized to make any loan to any Executive Director or to enter into any guarantee or provide any security in connection with a loan to such Executive Director for the purpose of enabling him to properly perform his duty as an officer of the Company, as may be determined by the Remuneration Committee of the Board of Directors, provided that the amount of the loan or the extent of the guarantee or security shall not exceed the annual remuneration of that Director."

ANY OTHER BUSINESS

8. To transact any other business competent to be dealt with at the Annual General Meeting.

PROXIES

In terms of the Companies and Other Business Entities Act, a Member entitled to attend and vote at a meeting is entitled to appoint a proxy to attend and vote on a poll and speak in his or her stead. No Director or Officer of the company may be appointed as a proxy for a Member. A proxy need not be a member of the Company.

Proxy forms must be forwarded to reach the Company's registered office not less than 48 (forty-eight) hours before the commencement of the meeting.

By order of the Board



AXIA CORPORATION LIMITED

Prometheus Corporate Services (Private) Limited

Company Secretary

Harare

31 October 2026

Proxy Form

I/We _____ of _____

being a member of the above Company and entitled to vote, hereby appoint _____

of _____ or failing him, _____

of _____

as my/our Proxy to vote for me/us on my/our behalf at the Eleventh Annual General Meeting of Axia Corporation Limited to be held on Tuesday, 24 November 2026 at 8:15 hours and at any adjournment thereof for the following purposes:-

	ITEM ON THE AGENDA FOR THE AGM	FOR	AGAINST	ABSTAIN
	ORDINARY BUSINESS			
1.	To receive and consider the financial statements for the year ended 30 June 2026 together with the report of the Directors and Auditors thereon..	☐	☐	☐
2.	To re-elect the retiring Director, Mr. Luke Ngwerume who retires by rotation and being eligible offers himself for re-election. Luke is an MBA graduate from the University of Cape Town Business School. He is retired Group CEO of Old Mutual . He comes from an investment background and he is a seasoned business leader in Zimbabwe. He sits on the Boards of Directors of Infrastructure Development Bank of Zimbabwe, Pfuma REIT and Old Mutual Nigeria.	☐	☐	☐
3.	To re-elect the retiring Director, Mr. Z. Koudounaris who retires by rotation and being eligible offers himself for re-election. Born in Zimbabwe, Zinona Koudounaris ("Zed") completed his tertiary education at Rhodes University in South Africa where he attained a Bachelor of Commerce degree majoring in Business and Computer Science. Zed is a founder shareholder of Innscor Africa Limited ("Innscor"). He was the driving force behind the initial creation and success of Innscor's core Quick Service Restaurant brands now Simbisa Brands Limited. Zed has held a number of positions within Innscor including Chief Executive Officer upon Innscor's listing in 1998. Zed remains highly active in pursuing strategic growth opportunities for Axia Corporation Limited and providing guidance to its management team. Zed currently sits on the Boards of Directors of Axia Corporation Limited, Innscor Africa Limited and Simbisa Brands Limited.	☐	☐	☐
4.	To approve Director's fees for the year ended 30 June 2026. Note The full report on Director's Remuneration shall be available for inspection at the registered address of the Company.	☐	☐	☐
5.	To approve the remuneration of the Auditors for the year ended 30 June 2026 and to re-appoint BDO Chartered Accountants of Harare as Auditors of the Company until the conclusion of the next Annual General Meeting. This is BDO's fifth year as independent auditors of the Company.	☐	☐	☐

Proxy Form (cont'd)

	ITEM ON THE AGENDA FOR THE AGM	FOR	AGAINST	ABSTAIN
	SPECIAL BUSINESS			
6.	<p>Approval of Share Buy-Back</p> <p>To approve as a special resolution, with or without amendments: "That the members authorize in advance, in terms of section 128 of the Companies and Other Business Entities Act (Chapter 24:31) and the Victoria Falls Stock Exchange (VFEX) Listing Requirements, the purchase by the Company of its own shares upon such terms and conditions and such amounts as the Directors of the Company may from time to time determine and such authority hereby specifies that: -</p> <ul style="list-style-type: none"> i) The authority in terms of this resolution shall expire on the date of the Company's next Annual General Meeting; and ii) Acquisitions shall be of ordinary shares which, in aggregate in any one financial year, shall not exceed 10% (ten per centum) of the Company's issued ordinary share capital; and iii) The maximum and minimum prices, respectively, at which such ordinary shares may be acquired will not be more than 5% (five per centum) above and 5% (five per centum) below the weighted average of the market price at which such ordinary shares are traded on the VFEX, as determined over the 5 (five) business days immediately preceding the date of purchase of such ordinary shares by the Company; and iv) A press announcement will be published as soon as the Company has acquired ordinary shares constituting, on a cumulative basis in the period between Annual General Meetings, 3% (three per centum) of the number of ordinary shares in issue prior to the acquisition; and v) If during the subsistence of this resolution the Company is unable to declare and pay a cash dividend, then this resolution shall be of no force and effect." <p>NOTE: - In terms of this resolution, the Directors are seeking authority to allow the use of the Company's available cash resources to purchase its own shares in the market in terms of the Companies and Other Business Entities Act and the regulations of the VFEX. The Directors will only exercise the authority if they believe that to do so would be in the best interest of the shareholders generally. In exercising this authority, the Directors will duly take into account following such repurchase, the ability of the Company to pay its debts in the ordinary course of business, the maintenance of an excess of assets over liabilities, and for the Company and Group, the adequacy of ordinary capital and reserves as well as working capital.</p> 	☐	☐	☐
7.	<p>Loans to Executive Directors</p> <p>To approve as an ordinary resolution, with or without amendments: "That the Company be and is hereby authorized to make any loan to any Executive Director or to enter into any guarantee or provide any security in connection with a loan to such Executive Director for the purpose of enabling him to properly perform his duty as an officer of the Company, as may be determined by the Remuneration Committee of the Board of Directors, provided that the amount of the loan or the extent of the guarantee or security shall not exceed the annual remuneration of that Director."</p>	☐	☐	☐
8.	<p>Any other business To transact any other business competent to be dealt with at the Annual General Meeting.</p>	☐	☐	☐

Proxy Form (cont'd)

Signed at _____ this _____ Day of _____ 2026.

Signature of Member _____

NOTES

1. Unless otherwise instructed, the proxy will vote as he/she thinks fit.

2. This proxy form must be signed, dated and returned so as to reach the Company no later than forty-eight hours before the Meeting.

NOTE 1: In terms of the Companies and Other Business Entities Act [Chapter 24:31], a member of the Company is entitled to appoint one or more proxies to attend, vote and speak in his or her stead. A proxy need not be a member of the Company. Proxy forms must be deposited at the registered office of the Company not less than forty-eight (48) hours before the time appointed for holding the meeting.

NOTE 2: ELECTRONIC ANNUAL REPORT

The Company's 2026 Annual Report will be made available on the Company's website <http://www.axiacorpltd.com/> Electronic copies of the Annual Report will also be emailed to those shareholders whose e-mail addresses are on record.



The Company Secretary
Axia Corporation Limited

6 Kenilworth Road
Newlands
Harare
Zimbabwe

Change of Address Form

The attention of shareholders is drawn to the necessity of keeping the transfer secretaries advised of any change in name and/or address.

Shareholder's name in full _____

New address _____

Shareholder's signature _____



The Company Secretary
Axia Corporation Limited

6 Kenilworth Road
Newlands
Harare
Zimbabwe

GRI Content Index

STATEMENT OF USE	Axia Corporation Limited reported the information cited in this GRI content index for the period from 01 July 2025 to 30 June 2026 in accordance with the GRI Standards.				
GRI USED	GRI 1: FOUNDATION 2021				
GRI STANDARD	DISCLOSURE	LOCATION (Page)	OMISSION		
			PART OMITTED	REASON	EXPLANATION
GRI 2: General Disclosures 2021	2-1 Organisational details	Front Cover, 105			
	2-2 Entities included in the organisation's sustainability reporting	10			
	2-3 Reporting period, frequency and contact point	2			
	2-4 Restatements of information	3			
	2-5 External assurance	3			
	2-6 Activities, value chain and other business relationships	10-13			
	2-7 Employees	61			
	2-8 Workers who are not employees	62			
	2-9 Governance structure and composition	26-28			
	2-10 Nomination and selection of the highest governance body	29			
	2-11 Chair of the highest governance body	26			
	2-12 Role of the highest governance body in overseeing the management of impacts	28			
	2-13 Delegation of responsibility for managing impacts	29			
	2-14 Role of the highest governance body in sustainability reporting	3			
	2-15 Conflicts of interest	29			
	2-16 Communication of critical concerns	29			
	2-17 Collective knowledge of the highest governance body	26			
	2-19 Remuneration policies	-			
	2-20 Process to determine remuneration	-			
	2-21 Annual total compensation ratio	-			
	2-22 Statement on sustainable development strategy	83			
	2-23 Policy commitments	34, 35			
	2-24 Embedding policy commitments	32, 34			
	2-25 Processes to remediate negative impacts	38-40			
	2-26 Mechanisms for seeking advice and raising concerns	29			
	2-27 Compliance with laws and regulations	31			
	2-28 Membership associations	13			
	2-29 Approach to stakeholder engagement	47			
	2-30 Collective bargaining agreements	64			

GRI Content Index (cont'd)

STATEMENT OF USE	Axia Corporation Limited reported the information cited in this GRI content index for the period from 01 July 2025 to 30 June 2026 in accordance with the GRI Standards.				
GRI USED	GRI 1: FOUNDATION 2021				
GRI STANDARD	DISCLOSURE	LOCATION (Page)	OMISSION		
			PART OMITTED	REASON	EXPLANATION
GRI 3: Material Topics 2021	3-1 Process to determine material topics	49			
	3-2 List of material topics	50			
	3-3 Management of material topics		See management approach for each topic.		
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	101-104			
	201-2 Financial implications and other risks and opportunities due to climate change	79			
	201-3 Defined benefit plan obligations and other retirement plans	64			
GRI 203: Indirect Economic Impacts 201	203-1 Infrastructure investments and services supported	84			
	203-2 Significant indirect economic impacts	84			
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	86			
GRI 207: Tax 2019	207-1 Approach to tax	87			
	207-2 Tax governance, control, and risk management	87			
	207-3 Stakeholder engagement and management of concerns related to tax	87			
	207-4 Country-by-country reporting	87			
GRI 301: Materials 2016	301-1 Materials used by weight or volume	72			
	301-3 Reclaimed products and their packaging materials		They were no reclaimed products.		
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	74			
	302-2 Energy consumption outside of the organisation	-			
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	75			
	303-2 Management of water discharge-related impacts	75			
	303-5 Water consumption	75			
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	81			
	305-2 Indirect (Scope 2) GHG emissions	81			
GRI 306: Waste 202	306-1 Waste generation and significant waste-related impacts	75			
	306-2 Management of significant waste-related impacts	75			
	306-3 Waste generated	76			
	306-5 Waste directed to disposal	77			

GRI Content Index (cont'd)

STATEMENT OF USE	Axia Corporation Limited reported the information cited in this GRI content index for the period from 01 July 2025 to 30 June 2026 in accordance with the GRI Standards.				
GRI USED	GRI 1: FOUNDATION 2021				
GRI STANDARD	DISCLOSURE	LOCATION (Page)	OMISSION		
			PART OMITTED	REASON	EXPLANATION
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	62			
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	64			
	401-3 Parental leave	65			
GRI 402: Labor/ Management Relations 2016	402-1 Minimum notice periods regarding operational changes		1 month		
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	68			
	403-2 Hazard identification, risk assessment, and incident investigation	69			
	403-3 Occupational health services	68			
	403-4 Worker participation, consultation, and communication on occupational health and safety	68			
	403-5 Worker training on occupational health and safety	68			
	403-6 Promotion of worker health	68			
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	68			
	403-8 Workers covered by an occupational health and safety management system	68			
	403-9 Work-related injuries	68			
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	66			
	404-2 Programs for upgrading employee skills and transition assistance programs	66			
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	28, 61			
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	83			

Corporate Information

DOMICILE

The Company is incorporated and domiciled in Zimbabwe.

CORE BUSINESS

Speciality Retail and Distribution.

REGISTERED OFFICE

Edward Building,
1st Street/Nelson Mandela Avenue,
Harare, Zimbabwe

POSTAL ADDRESS

6 Kenilworth Road
Newlands
Harare, Zimbabwe

CONTACT DETAILS

Telephone: +263 (24) 2776998/2776273

Email: finance@axiaops.com

COMPANY SECRETARY

Prometheus Corporate Services (Private) Limited
5 Dromore Road Highlands
Harare, Zimbabwe

LEGAL ADVISORS

Gill, Godlonton & Gerrans
15 Natal Road
Corner East Road, Belgravia
Harare, Zimbabwe

INDEPENDENT AUDITORS

BDO Zimbabwe Chartered Accountants
Kudenga House 3 Baines Avenue
Harare, Zimbabwe

PRINCIPAL BANKERS

Stanbic Bank Zimbabwe Limited
First Capital Bank Limited
NMB Bank Limited
CABS
Ecobank Zimbabwe Limited
FBC Crown Bank

REGISTRARS AND TRANSFER SECRETARIES

Corpserve Registrars (Private) Limited,
2nd floor, ZB Centre,
1st Street/Kwame Nkrumah Avenue,
Harare, Zimbabwe
Email: <https://escrowagm.com/eagmZim/Login.aspx>

SUSTAINABILITY ADVISORS

Institute for Sustainability Africa,
65 Whitwell Road Borrowdale West
Harare, Zimbabwe
Email: admin@insafrica.org.zw



www.axiacorpltd.com