6 Kenilworth Road, Newlands, Harare, Zimbabwe
Tel: (+263-24) 2776998/2776273

AXIA CORPORATION LIMITED
TRADING UPDATE FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2026

Trading Environment

During the first quarter, the Group's performance was reinforced by a stable trading environment in Zimbabwe, characterised by proactive policy adjustments, local currency stability and low inflation. Foreign currency generation remains a key element of the Group's growth drive, with sales predominantly denominated in USD.

Malawi continued to face persistent foreign exchange shortages, elevated inflation, fuel shortages and power supply disruptions. These challenges weighed on the economic environment and the performance of the Group's Malawi business during the quarter. Trading conditions in Zambia remained subdued during the first quarter amid political and economic disruptions post elections. The Zambian Kwacha depreciated marginally during the quarter, while inflation remained low.

TV Sales & Home

Revenue increased by 52% compared to prior year for the quarter, underpinned by a 42% volumes growth, improved average selling prices and the contribution from the expanded branch network. The performance reflects sustained customer demand, increased market coverage and promotional activity during the quarter.

Restapedic Bedding

Revenue increased by 21% compared to same period last year, supported by higher sales volumes and higher average selling prices. The business benefited from continued demand and increased market presence during the quarter.

Restapedic Lounge

Revenue growth at 37% compared to same period last year was supported by higher volumes and improved average selling prices. The improved pricing reflects the continued strategic shift towards higher-value lounge suites, particularly leather and motion products. Volumes grew by 26% largely driven by improved production output and stronger sales activity following the stabilisation of operations at the Sunway City facility.

Transerv

Revenue increased by 16% compared to the same period last year on the back of a 5% volumes growth. The growth was attributable to new branches that were opened as well as growth in sales of core products for existing shops.

DGA Zimbabwe

DGA Zimbabwe revenue grew by 85% compared to prior-year quarter. The growth was mainly attributable to strong performance in the core principals, volume deals and improved product availability. Volumes were up 52% as the business targeted wider distribution across both wholesale and retail markets in the country.

DGA Region

Zambia

Revenue decreased by 14% and volumes decreased by 16% compared to same period last year as a result of discontinued agencies during the quarter. Revenue growth from existing agencies marginally offset the decline.

Malawi

Revenue decreased by 21% compared to same period last year largely driven by intensifying informal sector competition and constrained consumer purchasing power. Similarly, volumes decreased by 45% owing to low disposable income and a massive portion of consumer demand which has shifted from regulated retail shelves to informal markets where very basic products are cheaper. The decline in the current period was also attributed to the abnormal sales in the prior year comparative period due to pricing disparities caused by the depreciating Kwacha foreign exchange rate against the United States Dollar.

DIRECTORS: *L.E.M. NGWERUME (CHAIRMAN), R.M. RAMBANAPASI (CHIEF EXECUTIVE OFFICER), *M. HOSACK, *Z. KOUDOUNARIS, S. MAMBANDA, *T.C. MAZINGI, *T.N. SIBANDA (* NON-EXECUTIVE DIRECTORS)

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Outlook

The Group remains focused on organic growth and broadening its market presence, providing customers with convenient access to suitably priced products. Management continues to focus on ensuring product availability as well as maintaining a disciplined pricing approach and in the process, preserving liquidity. The continued favourable operating environment in Zimbabwe will provide the necessary platform for sustained growth. Measures have been put in place to recover lost volumes in our Zambia and Malawi operations. The Group is positioned to meet its set annual targets as well as pursue acquisitive growth opportunities both in Zimbabwe and Zambia.

By Order of the Board.
AXIA CORPORATION LIMITED



Prometheus Corporate Services
Company Secretary
14 November 2026

DIRECTORS: *L.E.M. NGWERUME (CHAIRMAN), R.M. RAMBANAPASI (CHIEF EXECUTIVE OFFICER), *M. HOSACK, *Z. KOUDOUNARIS, S. MAMBANDA, *T.C. MAZINGI, *T.N. SIBANDA (* NON-EXECUTIVE DIRECTORS)