6 Kenilworth Road, Newlands, Harare, Zimbabwe
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AXIA CORPORATION LIMITED
TRADING UPDATE FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2025

Trading Environment

During the first quarter, the Group's performance was underpinned by a stable macroeconomic environment in Zimbabwe, characterized by policy consistency, stable exchange rates, and contained inflation. Access to foreign currency remains robust in our Zimbabwean operations, given that the majority of sales proceeds are denominated in USD, allowing the Group to self-generate most of its import requirements. However, the foreign currency liquidity situation in Malawi remained elusive. Zambia witnessed a rebound in currency appreciation as the country continues to implement measures aimed at restoring exchange rate stability.

TV Sales & Home

The business witnessed a revenue growth of 14% on the back of a 31% increase in volumes to 45 580 units. The volumes growth was a result of competitive pricing strategies, the impact of new branches (Churchill, Mvurwi, Norton, Hogerty, and Factory Shop) opened post September 2024, and an expanded product range. Strategic price reductions implemented in FY25 were aimed at achieving our objective of expanding our market share which in turn then contributed to the increase in volumes.

Restapedic Bedding

The bedding operations saw a revenue growth of 28% on the back of a 28% increase in volumes to 16 140 units. Revenue growth during the period was mainly attributable to higher sales volumes, underpinned by the expansion of distribution channels and stronger brand penetration, especially across urban and rural markets and the business-to-business segment.

Restapedic Lounge

The lounge business experienced a revenue decline of 13% on the back of a 22% decline in volumes to 1 170 units. Revenue declined primarily due to reduced production volumes in August, which were impacted by the relocation of the operations to Sunway City. The relocation project was successful, and business has resumed production to targeted levels.

Transerv

Transerv's revenue growth of 6% was on the back of a 15% increase in volumes to 883 929 units. The volumes growth was driven by 8 additional shops that were opened post September 2024. Volumes continue to surge in the core business due to competitive pricing and having a wider product range.

DGA Zimbabwe

The distribution operations witnessed a revenue growth of 22% on the back of a 20% increase in volumes to 782 998 units. The volume and turnover growth were spearheaded by the new route to market created to augment the struggling formal retail channels as well as impact of additional new agencies contracted in the FY25 financial year, post September 2024.

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

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DGA Region

Zambia

The Zambian business recorded a revenue growth of 27% on the back of a 16% increase in volumes to 206 263 units. Pricing resulting from favorable exchange rate in the economy contributed to the revenue growth.

Malawi

The business in Malawi had a marginal revenue growth of 3% on the back of a 36% increase in volumes to 825 184 units. This was driven by high sales of the range of local products as imported lines experienced a slump in sales due to non-availability of foreign currency. Despite the volumes growth, overall currency depreciation continues to affect the dollar revenue growth which is below the volume growth.

Outlook

Management remains hopeful that progressive policies regarding ease of doing business and improved regulatory landscape will be reinforced to foster stability in the market leading to gradual building of market confidence. The Group is focused on growing its market footprint to bring convenience to our customers and the provision of suitably priced quality products.

By Order of the Board.
AXIA CORPORATION LIMITED

Prometheus Corporate Services
Company Secretary
14 November 2025

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