AXIA CORPORATION LIMITED

ANALYST PRESENTATION

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Contents

Operations Review

Key highlights of FY25 – TSVH Group TV Sales & Home

- Q4 F25 revenue was **15% up** on comparative year and this on the back of a **25%** volumes growth.
- YTD revenue was **8% up** on prior year on the back of a **13% growth** in volumes.
- This growth was underpinned by competitive pricing strategies, the opening of new branches (**Mvurwi, Norton, and Hogerty Hill)**, and an expanded product range. Eastlea shop was closed during the year.
- The credit book grew **by 34%**, reflecting the results of the company's competitive credit terms. This translated into a 13% increase in finance income.
- The business opened an **Elite Furniture** by TVSH premium segment offering exclusive designs and ambience to attract affluent clientele. The shop located along Churchill Ave, opened mid August 2025 but work is still underway to increase product range.
- Management is working on the opening of **two new** sites and a factory shop is being established at Conald Road.

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Key highlights of FY25 – TSVH Group Restapedic Bedding

- Q4 F25 revenue was **24% up** on comparative year and this is on the back of a **28% volumes growth**.
- YTD revenue was **18% up** on prior year on the back of a **25% growth** in volumes.
- Distribution was strengthened through a new Bulawayo outlet and increased use of freelance sales reps, resulting in record Q4 volumes. Significant volumes were also pushed through the B2B channel and the Msasa factory shop.
- The business started retailing the Restonic Bed range and efforts are being made for the market to fully know about the brand.
- The factory is now operating at circa **60% capacity** utilization and efforts are underway to increase production.

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Key highlights of FY25 – TSVH Group Restapedic Lounge

- Q4 F25 revenue was **13% down** on comparative period and this on the back of a **23%** volumes decline.
- Volume decline stemmed from a strategic decision to reduce production in Q3 and Q4 to clear stock ahead of the transition to Sunway.
- Synergies in manufacturing thus cost savings expected in F26.
- The business is now operating from its completed new factory at our Sunway City Factory. This move is expected to unlock operational efficiencies and restore the division to a growth trajectory.
- YTD revenue was **11% down** on prior period on the back of a **10% decline** in volumes.
- Management is working on manufacturing low-end lounge suites to fulfil mass market demand.

Key highlights of FY25 Transerv

- Q4 F25 revenue was **6% up** on comparative period and this is on the back of a **3% volumes growth**.
- YTD revenue was **18% up** on prior period on the back of a **5% growth** in volumes. Excluding solar sales, core business grew **by 14%** on a year-on-year basis.
- The specialized division experienced substantial growth at 84%, year on year, largely driven by improved performance of fitment centers and contribution from the solar division in the first half of the year.
- The number of retail shops increased with the opening of **eight new shops** in the 2025 financial year while **seven shops** are expected to be rolled out in the coming year

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Key highlights of FY25
Distribution Group Africa-Zimbabwe

- Q4 F25 revenue was **36% up** on comparative period and this is on the back of **9%** volumes decline.
- YTD revenue was **11% down** on prior year on the back of a **44%** decline in volumes.
- Excluding Discontinued business in FreshPro, revenues grew by **44%** on a continuing basis.
- DGA won **55% of the Unilever business** upon its exit from the Zimbabwean market in Q2 .
- Effective 1 Oct, DGA will be supplying some of the morden and informal trade routes for Nestle Zimbabwe

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Key highlights of FY25
Distribution Group Africa-Malawi

- Q4 F25 revenue was **2% down** on comparative year despite a **42% growth** in volumes.
- YTD revenue was **15% down** on prior year despite a 25% growth in volumes.
- The commodity trading initiatives of exporting commodities continues to assist the business in generating foreign currency which is in short supply in their market.

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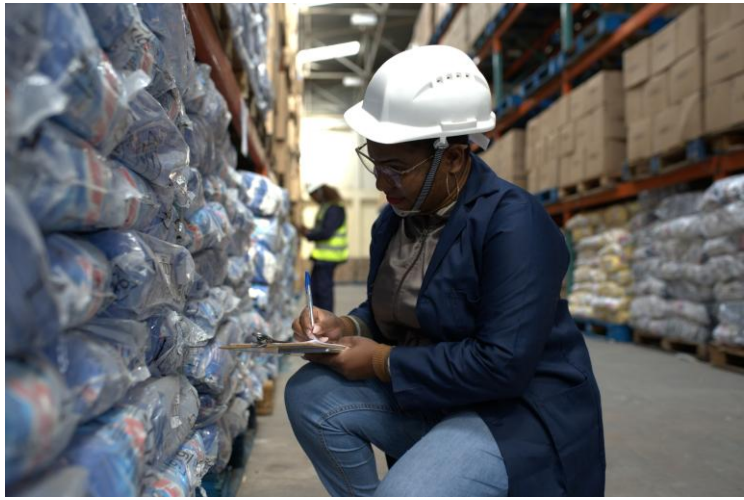
Key highlights of FY25
Distribution Group Africa-Zambia

- Q4 F25 revenue was **10% up** on comparative year although a **21%** volumes growth.
- YTD revenue was **5% down** on prior year on the back of a **6% decline** in volumes.
- The loss of TigerBrands a key agency in the past has affected the business , however smaller agencies including Tiger Animal Feed, Konyagi and Upfield-Flora range have now come on board .
- The business was, however, constrained in its ability to increase pricing to match currency depreciation as there was significant substitution to newly introduced locally manufactured (and cheaper) alternatives, especially in the informal market.
- The business has on-boarded some agencies for locally manufactured goods as well as new multinational agencies that are in the pipeline to support volume growth in the up coming FY26 financial year.



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Macro Economic Environment

- In Zimbabwe, the local currency was devalued in September 2024 by 43% and in the second half of the year the currency has regained its stability.
- Our business units have been able to pick tranches on the WBWS though in the second half of the year, our sales skewed mainly towards the USD hence lower local currency has been available to participate on the WBWS market.
- The RBZ reaffirmed its long-term strategy to strengthen the Zimbabwe Gold (ZiG) currency and gradually reduce over-reliance on foreign currencies in domestic transactions and underscored the need for an inclusive approach in the De-dollarization roadmap.
- Continuation of Targeted Finance Facility (TFF) introduced in January 2025 to channel affordable financing from banks' statutory reserves towards productive sectors.
- The successful tobacco season contributed to growth in Q4 sales revenues.
- In Malawi, Exchange rate depreciated by 83% against the USD Dollar and 85% against the South African Rand on the informal market.
- The Zambian Kwacha depreciated marginally against the US Dollar and against the South African Rand from the start of this financial year to its ending. However, during the financial year, the currency has been volatile to the US$ and ZAR.

FINANCIAL REVIEW

Salient Features

	Audited FY 2025 USD	Audited FY 2024 USD	
Revenue	196 472 952	193 849 387	1%
Gross margin	64 377 422	61 657 425	4%
Operating profit before depreciation and amortisation	25 898 635	19 645 442	32%
Profit for the year	8 470 756	6 063 908	40%
Net cash generated from operating activities	7 817 986	7 925 955	-1%
Headline earnings per share (cents)	0.91	0.60	51%
Final dividend per share (cents)	0.16	-	100%
Total dividend per share (cents)	0.28	0.18	56%
Total assets	127 572 284	127 553 911	0%
Shareholders equity	66,915,772	60,858,558	10%

US$ Income Statement

	FY 2025 YTD US$	FY 2024 YTD US$	Growth
Revenue	**196 472 952**	**193 849 387**	**1%**
Gross Margin	**64 377 422**	**61 657 425**	**4%**
Operating expenses	(38 478 787)	(42 011 983)	-8%
EBITDA	**25 898 635**	**19 645 442**	**32%**
Depreciation	(7 225 936)	(7 458 283)	3%
Net interest expense	(4 667 689)	(4 431 009)	5%
Equity accounted (losses)/earnings	(20 605)	261 307	-108%
Profit before financial (loss)/gains	**13 984 405**	**8 017 467**	**74%**
Financial (losses)/gains	(2 443 122)	1 178 373	-307%
Profit before tax	**11 541 283**	**9 195 840**	**26%**
Tax expense	(3 070 527)	(3 131 932)	2%
Profit for the year	**8 470 756**	**6 063 908**	**40%**
HEPS	**0.91**	**0.60**	**51%**
Final dividend	0.16	-	100%
Total dividend	0.28	0.18	56%

Income Statement Contributors - USD

REVENUE

	REVENUE FY2025	REVENUE FY2024	FY 2025 vs FY2024
TV Sales & Home Group	77,118,261	70,226,297	10%
Transerv	39,279,852	33,236,570	18%
DGA Zimbabwe	42,009,581	47,464,850	-11%
DGA Zambia	17,968,695	19,162,341	-6%
DGA Malawi	20,096,563	23,533,852	-15%
Others	-	225,477	-100%
Total	**196,472,951**	**193,849,388**	1%

Income Statement Contributors - USD

GROSS MARGIN

	GROSS MARGIN FY2025	GROSS MARGIN FY2024	FY 2025 vs FY2024
TV Sales & Home Group	32,522,592	30,603,054	6%
Transerv	11,963,557	9,847,385	21%
DGA Zimbabwe	12,196,045	12,312,767	-1%
DGA Zambia	3,603,197	4,025,864	-10%
DGA Malawi	4,092,031	4,454,620	-8%
Intercompany eliminations + Head Office	-	413,735	-100%
Total	**64,377,422**	**61,657,425**	4%

Income Statement Contributors - USD

OPERATING EXPENSES

	OPEX		FY 2025 vs FY2024
	FY2025	FY2024	
TV Sales & Home Group	18,692,293	19,219,917	-3%
Transerv	7,025,737	6,433,264	9%
DGA Zimbabwe	8,167,634	10,356,064	-21%
DGA Zambia	2,335,960	2,920,674	-20%
DGA Malawi	1,733,642	2,206,162	-21%
Intercompany eliminations + Head Office	523,520	875,901	-40%
Total	**38,478,787**	**42,011,983**	-8%

Income Statement Contributors - USD

EBITDA

	EBITDA FY2025	FY2024	FY 2025 vs FY2024	
TV Sales & Home Group	13,830,299	11,383,137	▲	18%
Transerv	4,937,820	3,414,121	▲	31%
DGA Zimbabwe	4,028,411	1,956,703	▲	51%
DGA Zambia	1,201,524	1,074,401	▲	11%
DGA Malawi	2,358,391	2,248,458	▲	5%
Intercompany eliminations + Head Office	(457,810)	(431,378)	▼	6%
Total	**25,898,635**	**19,645,442**	▲	24%

Statement of Financial Position USD – Assets

		30 JUNE 2025	30 JUNE 2024
		USD	USD
ASSETS			
Non-current assets			
	property, plant and equipment	27 431 236	27 110 923
	right of use assets	10 932 362	12 559 601
	investments in associates and joint ventures	2 944 577	2 965 182
	deferred tax assets	474 505	295 034
	other non-current assets	520 453	-
		42 303 133	**42 930 740**
Current assets			
	financial assets	177 959	400 279
	inventories	41 341 511	44 799 015
	trade and other receivables	40 951 557	30 726 730
	cash and cash equivalents	2 798 124	8 697 147
		85 269 151	**84 623 171**
Total assets		**127 572 284**	**127 553 911**

Statement of Financial Position USD – Equity & Liabilities

		30 JUNE 2025	30 JUNE 2024
		USD	USD
Capital and reserves			
	ordinary share capital	55 600	55 600
	share premium	3 620 572	3 620 572
	non-distributable reserves	(4 492 382)	(3 776 289)
	distributable reserves	40 049 000	35 685 488
Attributable to equity holders of parent		**39 232 790**	**35 585 371**
	non-controlling interests	27 682 982	25 273 187
Total shareholders' equity		**66 915 772**	**60 858 558**
Non-current liabilities			
	deferred tax liabilities	2 381 103	1 779 443
	lease liabilities	9 045 670	8 755 360
		11 426 773	**10 534 803**
Current liabilities			
	interest-bearing borrowings	15 976 709	20 447 000
	lease liabilities	2 651 301	4 165 864
	trade and other payables	28 015 966	28 861 457
	provisions and other liabilities	1 035 550	698 123
	current tax liabilities	1 550 213	1 988 106
		49 229 739	**56 160 550**
Total liabilities		**60 656 512**	**66 695 353**
Total equity and liabilities		**127 572 284**	**127 553 911**

Cashflow USD

	30 JUNE 2025	30 JUNE 2024
	USD	USD
Cash generated from operations	**15 593 147**	**15 348 217**
net interest paid	(4 677 074)	(4 431 009)
tax paid	(3 098 087)	(2 991 253)
Net cash generated from operating activities	**7 817 986**	**7 925 955**
Investing activities	**(3 436 253)**	**(4 297 864)**
Net cash inflow before financing activities	**4 381 733**	**3 628 091**
Financing activities	**(10 280 756)**	**2 229 771**
(Decrease)/increase in cash and cash equivalents	**(5 899 023)**	**5 857 862**
Cash and cash equivalents at the beginning of the year	**8 697 147**	**2 839 285**
Cash and cash equivalents at the end of the year	**2 798 124**	**8 697 147**

QUESTIONS

CONCLUSION

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