



**EDGARS STORES  
LIMITED**



## Abridged Audited Results for the 52 weeks ended 4 January 2026

### ABRIDGED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the 52 weeks to 4 January 2026

		2025 USD	2024 USD
	Notes	52 weeks to 04.01.2026 Audited	52 weeks to 05.01.2025 *Restated
<b>Revenue</b>	4.1	<b>41,267,765</b>	<b>36,733,869</b>
Sale of merchandise		34,079,117	30,459,329
Cost of sales		(16,931,055)	(14,483,049)
<b>Gross profit</b>		<b>17,148,062</b>	<b>15,976,280</b>
Revenue from micro-finance and other debtors accounts		7,132,854	6,208,065
Other revenue		55,794	66,475
Other operating income		156,241	20,684
Other operating expenses		(6,529,046)	(6,325,288)
Movement in credit loss allowance		686,229	298,228
Selling expenses		(11,619,701)	(11,092,306)
Financial services expenses		(1,586,301)	(2,299,100)
<b>Trading profit</b>		<b>5,444,132</b>	<b>2,853,038</b>
Net foreign exchange (losses) / gains		(141,001)	308,118
<b>Operating profit</b>		<b>5,303,131</b>	<b>3,161,156</b>
Finance costs		(3,037,837)	(2,360,259)
<b>Profit before tax</b>		<b>2,265,294</b>	<b>800,897</b>
Income tax (expense) / credit	4.2	(318,131)	12,452
<b>Profit for the period</b>		<b>1,947,163</b>	<b>813,349</b>
<b>Other comprehensive losses</b>			
Impairment of property, plant and equipment		(60,349)	-
Deferred tax arising on property impairment		15,540	-
Other comprehensive losses (restated)		-	(310,278)
Other comprehensive losses for the year net of tax		(44,809)	(310,278)
<b>Total comprehensive income for the period</b>		<b>1,902,354</b>	<b>503,071</b>
<b>Earnings per share (cents)</b>			
Basic	5	<b>0.34</b>	<b>0.14</b>
Diluted	5	<b>0.34</b>	<b>0.14</b>

### ABRIDGED CONSOLIDATED STATEMENT OF CASH FLOWS

For the 52 weeks to 4 January 2026

		2025 USD	2024 USD
	Notes	52 weeks to 04.01.2026 Audited	52 weeks to 05.01.2025 *Restated
<b>Cash flows from operating activities</b>			
<b>Profit before tax</b>		<b>2,265,294</b>	<b>800,897</b>
Finance income		(7,132,854)	(6,208,065)
Finance costs		3,037,837	2,360,259
Non cash items		4,221,753	5,692,341
Movements in working capital		(163,489)	(1,378,544)
<b>Cash (utilised in) / generated from operations</b>		<b>2,228,541</b>	<b>1,266,888</b>
Finance costs paid		(2,675,210)	(2,224,144)
Lease interest paid		(856,415)	(544,151)
Finance income received		7,869,030	4,755,277
Taxation paid		(41,915)	(661,315)
<b>Net cash inflows from operating activities</b>		<b>6,524,031</b>	<b>2,592,555</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	6	(1,061,982)	(1,575,584)
Proceeds from disposal of property, plant and equipment		765	-
<b>Net cash utilised in investing activities</b>		<b>(1,061,217)</b>	<b>(1,575,584)</b>
<b>Cash flows from financing activities</b>			
Proceeds from borrowings		12,197,980	17,605,865
Repayment of borrowings		(12,653,227)	(14,088,193)
Payments of principal portion of lease liabilities		(2,633,512)	(3,422,013)
<b>Net cash generated from financing activities</b>		<b>(3,088,759)</b>	<b>95,659</b>
Total cash movements for the year		2,374,055	1,112,630
Effect of exchange rate fluctuations on cash held		(510,101)	(258,404)
Cash and cash equivalents at the beginning of the period		2,008,127	1,153,901
<b>Cash and cash equivalents at the end of the period</b>		<b>3,872,081</b>	<b>2,008,127</b>
Being:			
<b>Cash and bank balances</b>		<b>3,872,081</b>	<b>2,008,127</b>

### ABRIDGED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 4 January 2026

		2025 USD	2024 USD
	Notes	as at 04.01.2026 Audited	as at 05.01.2025 *Restated
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	11	5,532,149	5,409,488
Intangible assets		1,503,864	1,500,000
Right of use asset		4,391,301	2,620,613
<b>Total non-current assets</b>		<b>11,427,314</b>	<b>9,530,101</b>
<b>Current assets</b>			
Inventories	10	7,973,247	5,623,922
Trade and other receivables		15,863,365	14,079,797
Income tax receivable		608,894	1,120,290
Loans and advances to customers		1,233,461	1,730,114
Bank and cash balances		3,872,081	2,008,127
<b>Total current assets</b>		<b>29,551,048</b>	<b>24,562,250</b>
<b>Total assets</b>		<b>40,978,362</b>	<b>34,092,351</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Issued capital		679,741	679,741
Other reserves		5,775,534	5,835,531
Retained earnings		8,663,259	6,700,908
<b>Total capital and reserves</b>		<b>15,118,534</b>	<b>13,216,180</b>
<b>Non-current liabilities</b>			
Deferred tax liabilities		1,325,964	1,128,308
Interest bearing loans and borrowings	9	39,463	350,666
Borrowings - Related Parties	9	-	2,638,222
Lease liabilities	8	2,025,591	2,254,422
<b>Total non-current liabilities</b>		<b>3,391,018</b>	<b>6,371,618</b>
<b>Current liabilities</b>			
Trade and other payables		9,225,803	5,753,052
Current tax payable		-	27,478
Interest bearing loans and borrowings	9	6,842,900	4,215,069
Borrowings - Related Parties	9	2,638,222	1,792,747
Lease liabilities	8	2,804,860	780,055
Bank overdrafts		957,025	1,936,152
<b>Total current liabilities</b>		<b>22,468,810</b>	<b>14,504,553</b>
<b>Total liabilities</b>		<b>25,859,828</b>	<b>20,876,171</b>
<b>Total equity and liabilities</b>		<b>40,978,362</b>	<b>34,071,484</b>

### ABRIDGED AUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the 52 weeks to 4 January 2026

	Notes	Equity-settled employee benefits reserve	Revaluation reserve	Credit reserve	Foreign Currency Translation Reserve	Retained earnings	Total
<b>Balance at 7 January 2024</b>		<b>679,741</b>	<b>164,130</b>	<b>492,916</b>	<b>539,996</b>	<b>5,402,345</b>	<b>12,548,841</b>
Effect of prior period adjustment	13	-	-	-	164,268	-	164,268
<b>Balance at 7 January 2024 (restated)</b>		<b>679,741</b>	<b>164,130</b>	<b>492,916</b>	<b>539,996</b>	<b>5,566,613</b>	<b>12,713,109</b>
Profit for the year		-	-	-	-	813,349	813,349
Transfer from credit reserve		-	-	(453,716)	-	453,716	-
Equity settled employee benefits reserve derecognition		(164,130)	-	-	-	164,130	-
Other comprehensive losses (restated) <sup>13</sup>		-	-	-	(310,278)	-	(310,278)
<b>Balance at 5 January 2025 restated*</b>		<b>679,741</b>	<b>-</b>	<b>492,916</b>	<b>86,280</b>	<b>6,700,908</b>	<b>13,216,180</b>
Balance at 5 January 2025 as previously stated		679,741	-	492,916	86,280	6,700,908	13,362,190
Effect of prior period adjustment		-	-	-	(146,010)	-	(146,010)
Profit for the year		-	-	-	-	1,947,163	1,947,163
Other comprehensive losses for the period		-	(44,809)	-	-	-	(44,809)
Transfer from credit reserve		-	-	(15,188)	-	15,188	-
<b>Balance at 4 January 2026</b>		<b>679,741</b>	<b>-</b>	<b>448,107</b>	<b>71,092</b>	<b>8,663,259</b>	<b>15,118,534</b>



**EDGARS STORES  
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## Abridged Audited Results for the 52 weeks ended 4 January 2026

### NOTES TO THE ABRIDGED AUDITED CONSOLIDATED FINANCIAL STATEMENTS

For the 52 weeks to 4 January 2026

#### 1 Directors responsibility statement

The Board of Directors are responsible for the preparation of the Abridged Consolidated Financial Statements for the 52 weeks ended 04 January 2026 of which these abridged results are an extract of. For the full Financial Statements the reader can refer to the Victoria Falls Exchange (VFEX) website [www.vfex.co.zw](http://www.vfex.co.zw) or the Edgars Stores Limited website [www.edgars.co.zw](http://www.edgars.co.zw).

#### 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), and interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC). In addition, the consolidated financial statements have been prepared to comply with the requirements of the Companies and Other Business Entities Act (Chapter 24:31) and the Victoria Falls Stock Exchange regulations. They are presented in United States dollars ("USD"), which is the group and company's functional and reporting currency. The principal accounting policies used in the preparation of the financial statements are consistent with those used in prior years. No material new standards were applied in the current year.

#### 2.1 Determination of functional currency

The Group adopted the USD as its functional currency effective 8 January 2024, and the underlying financial records are prepared in USD. The change in the functional currency to USD was necessitated by the increase in the local transactions that took place and were denominated in USD.

#### 3 Auditor's Statement

The consolidated financial results for the 52 weeks ended 4 January 2026 have been audited by Axcantium

And a qualified opinion was issued there-on with respect to:

- Prior year non-compliance with International Accounting Standard 21 "The Effects of Changes in Foreign Exchange Rates" (IAS 21) with respect to change in functional and presentation currency in the comparative period
- Prior year non-compliance with IFRS Accounting Standard 13 "Fair Value Measurements" (IFRS 13) in the determination of the value of Property, Plant and Equipment in the comparative period

The audit opinion has been made available to management and those charged with the governance of Edgars Stores Limited, and is available for inspection at their registered offices. The engagement partner responsible for this audit was Stelios Michael. (PAAB Practicing Certificate Number 0443).



#### 4.1 Revenue

##### Sale of merchandise

Retail sales  
Manufacturing sales to third parties - local sales

	USD	USD *Restated
Retail sales	34,012,778	30,391,014
Manufacturing sales to third parties - local sales	66,339	68,315
<b>Total</b>	<b>34,079,117</b>	<b>30,459,329</b>

##### Other revenue

Revenue from Micro Finance and other debtor accounts  
Commission  
Edgars Club subscriptions

		*Restated
Revenue from Micro Finance and other debtor accounts	7,132,854	6,208,065
Commission	54,762	66,475
Edgars Club subscriptions	1,032	-
<b>Total</b>	<b>7,188,648</b>	<b>6,274,540</b>

##### Total revenue

	USD	USD
<b>Total revenue</b>	<b>41,267,765</b>	<b>36,733,869</b>

#### 4.2 Income tax credit / expense

Tax comprises of:  
Current tax  
Deferred tax

	USD	USD
Current tax	124,071	120,837
Deferred tax	194,060	(133,289)
<b>Total</b>	<b>318,131</b>	<b>(12,452)</b>

#### 5 Earnings per share

Earnings attributable to shareholders

##### Adjusted for non-recurring items:

Profit on disposal of property, plant and equipment  
Headline earnings

	USD	USD
Earnings attributable to shareholders	1,947,163	813,349
Profit on disposal of property, plant and equipment	-	-
Headline earnings	1,947,163	813,349

Issued ordinary shares at the beginning of the period  
Effect of treasury shares  
Weighted average number of ordinary shares used in calculating earnings per share

	000's	000's
Issued ordinary shares at the beginning of the period	609,741	609,741
Effect of treasury shares	(36,474)	(36,474)
Weighted average number of ordinary shares used in calculating earnings per share	573,267	573,267

Basic earnings per share (cents)  
Diluted earnings per share (cents)  
Headline earnings per share (cents)

	USD	USD
Basic earnings per share (cents)	0.34	0.14
Diluted earnings per share (cents)	0.34	0.14
Headline earnings per share (cents)	0.34	0.14

Headline earnings consist of basic earnings attributable to shareholders of the Group 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.

#### 6 Capital expenditure

Computer equipment  
Furniture, fittings and leasehold improvements  
**Total**

	USD	USD
Computer equipment	247,019	74,939
Furniture, fittings and leasehold improvements	814,963	1,500,645
<b>Total</b>	<b>1,061,982</b>	<b>1,575,584</b>

Capital expenditure in the current year was channelled towards retooling Carousel, purchase of solar equipment and leasehold improvements.

#### 7 Future Capital Expenditure

Authorised but not yet contracted for

	USD	USD
Authorised but not yet contracted for	2,073,994	1,296,532

All expenditure is to be financed from existing cash resources and utilisation of authorised borrowing facilities.

#### 8 Future lease commitments

Future minimum rentals under non-cancellable operating leases are as follows:

Within one year  
After one year but not more than five years

	USD	USD
Within one year	2,804,860	780,055
After one year but not more than five years	2,025,591	2,254,422
<b>Total</b>	<b>4,830,451</b>	<b>3,034,477</b>

#### 9 Borrowings

Non current interest bearing loans and borrowings - 3rd parties  
Non current interest bearing loans and borrowings - Related parties  
Current interest bearing loans and borrowings - 3rd parties  
Current interest bearing loans and borrowings - Related parties

	USD	USD
Non current interest bearing loans and borrowings - 3rd parties	39,463	350,666
Non current interest bearing loans and borrowings - Related parties	-	2,638,222
Current interest bearing loans and borrowings - 3rd parties	6,842,900	4,215,069
Current interest bearing loans and borrowings - Related parties	2,638,222	1,792,747
<b>Total</b>	<b>9,520,585</b>	<b>8,996,704</b>

Borrowings increased as a result of increased working capital investment. The increase funded capital expenditure and helped grow revenues

#### Terms and security

- Secured with a Notarial General Covering Bond over moveable assets, cession of fire policies, debtors book, an unlimited guarantee from shareholders and Edgars Industrial Park deeds.
- The weighted average effective interest rate on all the ZWG overdrafts is nil (2024:45%) per annum and 19.61% (2024:19.98%) for all USD overdrafts. The weighted average effective interest rate on all the ZWG loans is nil (2024:nil) per annum and 17.30% (2024:14.86%) for all USD loans.
- Tenures for 2025/2024 range between 90 days and 3 years  
\* There were no ZWG loans and overdrafts as at 4 January 2026

#### 10 Inventories

Merchandise  
Raw material, work in progress and consumables  
Inventory obsolescence

	USD	USD *Restated
Merchandise	6,673,119	4,926,512
Raw material, work in progress and consumables	1,688,413	1,260,519
Inventory obsolescence	(388,285)	(563,109)
<b>Total</b>	<b>7,973,247</b>	<b>5,623,922</b>

The amount of write-down on inventories recognised in cost of sales is:  
Amount of inventory written down to net realisable value (NRV) is:  
Amount of stock losses recognised in cost of sales is:

	USD	USD
Amount of inventory written down to net realisable value (NRV) is:	(350,071)	(247,385)
Amount of stock losses recognised in cost of sales is:	(69,587)	(133,461)

**EDGARS**

**Jet**

**CAROUSEL**  
A Division of Edgars Stores Limited



**clubplus**  
A Division of Edgars

**EDGARS**  
Financial Services

**Express  
Stores**

Directorate: Non Executive Independent Chairman: **T.N. Sibanda**, Group CEO: **S. Mushosho\***, **C. Mutevhe\***, **C. Claassen**, **M. Robb**, **P. Mnyama\*** and **M. Hosack** \*Executive



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## Abridged Audited Results for the 52 weeks ended 4 January 2026

### 11. Property, plant and equipment

	Land & Buildings	Leasehold Improvements	Furniture, fittings & equipment	Computer equipment	Motor Vehicles	Plant & Machinery	Total
<b>Revaluation</b>							
Balance at 7 January 2024	1,493,540	532,351	3,522,741	1,139,638	826,690	837,606	8,352,566
Additions	-	295,079	166,370	74,939	362,255	676,941	1,575,584
Balance at 5 January 2025	1,493,540	827,430	3,689,111	1,214,577	1,188,945	1,514,547	9,928,150
Additions	-	128,465	146,246	247,019	92,835	447,417	1,061,982
Impairment	-	-	(60,349)	-	-	-	(60,349)
Disposals	-	-	-	(850)	-	-	(850)
Balance at 4 January 2026	1,493,540	955,895	3,775,008	1,460,746	1,281,780	1,961,964	10,928,933
<b>Accumulated Depreciation</b>							
Balance at 7 January 2024	(33,376)	(214,493)	(1,999,581)	(599,945)	(297,982)	(480,906)	(3,626,283)
Current year expense	(16,688)	(54,263)	(416,006)	(131,004)	(122,450)	(151,968)	(892,379)
Balance at 5 January 2025	(50,064)	(268,756)	(2,415,587)	(730,949)	(420,432)	(632,874)	(4,518,662)
Current period expense	(16,688)	(72,694)	(363,343)	(128,337)	(194,648)	(102,503)	(878,213)
Eliminated on disposals of assets	-	-	-	91	-	-	91
Balance at 4 January 2026	(66,752)	(341,450)	(2,778,930)	(859,195)	(615,080)	(735,377)	(5,396,784)
<b>Net carrying amount at 5 January 2026</b>	<b>1,426,788</b>	<b>614,445</b>	<b>996,078</b>	<b>601,551</b>	<b>666,700</b>	<b>1,226,587</b>	<b>5,532,149</b>
<b>Net carrying amount at 4 January 2025</b>	<b>1,443,476</b>	<b>558,674</b>	<b>1,273,524</b>	<b>483,628</b>	<b>768,513</b>	<b>881,673</b>	<b>5,409,488</b>

Management assessed the appropriateness of the residual values and the useful life of the property, plant and equipment at the end of the reporting period and in prior year. The residual values were adjusted in prior year to reflect changes, with the changes being applied prospectively.

Included in property, plant and equipment are fully depreciated assets with gross carrying lives of US\$3,318,231 (2024:US\$1,701,901)

### 12. Segment reporting

#### 52 weeks to 4 January 2026

	Edgars Stores Retail USD	Jet Stores Retail USD	Manufacturing Carousel USD	Micro Finance Club Plus USD	Corporate Head Office USD	Financial services USD	Other Non reportable segment USD	Segment Totals USD	Adjustments Eliminations USD	Consolidated Total USD
Revenue										
External customers	18,923,454	14,784,178	-	-	-	-	608,658	34,316,290	(303,512)	34,012,778
Manufacturing sales to 3rd parties-local sales	-	-	66,339	-	-	-	-	66,339	-	66,339
Other revenue-Hospital cash plan and insurance	-	-	-	-	-	54,762	-	54,762	-	54,762
Other revenue-Commission Club Subscriptions	-	-	-	-	-	1,032	-	1,032	-	1,032
Inter-segments	-	-	4,139,286	-	-	-	-	4,139,286	(4,139,286)	-
Revenue from Micro Finance and debtors accounts	-	-	-	1,826,780	-	5,306,074	-	7,132,854	-	7,132,854
<b>Total revenue</b>	<b>18,923,454</b>	<b>14,784,178</b>	<b>4,205,625</b>	<b>1,826,780</b>	<b>-</b>	<b>5,361,868</b>	<b>608,658</b>	<b>45,710,563</b>	<b>(4,442,798)</b>	<b>41,267,765</b>
Depreciation and amortisation	1,824,187	1,140,325	77,600	61,560	347,448	14,568	28,131	3,493,819	-	3,493,819
Operating segment profit / (loss)	1,570,962	1,322,745	(496,513)	626,202	(143,731)	2,486,037	(62,571)	5,303,131	-	5,303,131
Finance costs	593,042	314,855	1,255	281,526	80,448	1,759,164	7,547	3,037,837	-	3,037,837
Segment profit / (loss) before tax	977,920	1,007,890	(495,258)	344,676	(224,179)	724,363	(70,118)	2,265,294	-	2,265,294
Income tax credit / (expense)	-	-	-	(121,686)	(196,445)	-	-	(318,131)	-	(318,131)
Segment assets	9,028,013	8,325,641	2,287,897	2,588,993	4,347,686	13,893,402	506,730	40,978,362	-	40,978,362
Segment liabilities	(3,203,939)	(3,660,271)	(124,369)	(1,095,842)	(4,202,780)	(13,388,425)	(184,202)	(25,859,828)	-	(25,859,828)
Capital expenditure	104,810	191,791	420,848	51,925	240,554	4,421	47,633	1,061,982	-	1,061,982

#### 53 weeks to 5 January 2025 (restated)

Revenue										
External customers	16,953,801	13,353,522	-	-	-	-	83,691	30,391,014	-	30,391,014
Manufacturing sales to 3rd parties-local sales	-	-	68,315	-	-	-	-	68,315	-	68,315
Manufacturing sales to 3rd parties-export sales	-	-	-	-	-	-	-	-	-	-
Other revenue - Hospital cash plan and insurance	-	-	-	-	-	66,475	-	66,475	-	66,475
Other revenue - Commission Club Subscriptions	-	-	-	-	-	-	-	-	-	-
Inter-segments	-	-	2,972,475	-	-	-	-	2,972,475	(2,972,475)	-
Revenue from Micro Finance and debtors accounts	-	-	-	1,467,381	-	4,740,684	-	6,208,065	-	6,208,065
<b>Total revenue</b>	<b>17,196,502</b>	<b>13,353,522</b>	<b>3,040,790</b>	<b>1,467,381</b>	<b>-</b>	<b>4,807,159</b>	<b>83,691</b>	<b>39,949,045</b>	<b>(2,972,475)</b>	<b>36,976,570</b>

Depreciation and amortisation	1,804,199	1,183,614	140,568	90,051	350,968	13,763	2,104	3,585,267	-	3,585,267
Operating segment profit / (loss)	121,102	140,668	(520,288)	541,921	98,894	2,763,677	15,182	3,161,156	-	3,161,156
Finance costs	433,498	228,897	-	122,658	90,960	1,482,668	1,578	2,360,259	-	2,360,259
Segment profit / (loss) before tax	(312,396)	(88,229)	(520,288)	419,263	7,934	1,281,009	13,604	800,897	-	800,897
Income tax (expense) / credit	(47,688)	98,260	36,717	(90,015)	15,178	-	-	12,452	-	12,452
Segment assets	7,417,474	6,277,664	3,352,327	2,263,737	2,817,032	11,809,607	154,510	34,092,351	-	34,092,351
Segment liabilities	(4,040,928)	(3,983,448)	(1,787,232)	(83,819)	(2,047,635)	(8,876,003)	(57,106)	(20,876,171)	-	(20,876,171)
Capital expenditure	263,087	252,471	707,262	13,726	317,210	7,323	14,505	1,575,584	-	1,575,584

### 13. Prior period adjustment

During the current period, the Group identified errors relating to the classification of consignment stock and the valuation of rental deposits. Consignment stock was not fully tagged in the inventory module, resulting in an overstatement of inventory and equity, while rental deposits were understated following the functional currency change in 2023. These corrections have no impact on the Group's bottom line for the respective periods but adjust the statement of financial position to reflect the appropriate equity value. The impact of the consignment stock and rental deposits was to overstate the equity in 2024 by \$292,376 and understate the equity in 2023 by \$125,499.

### 14. Dividend

No dividend was declared for the full year to 4 January 2026. The entity did not declare any dividend in prior year.

### 15. Going Concern

The Directors have assessed the ability of the Group to continue as a going concern and have satisfied themselves that the Group is in a sound financial position and has adequate resources to continue in existence for the foreseeable future. Accordingly, they believe that the preparation of these audited consolidated interim financial statements on a going concern basis is appropriate.

Based on the assessment undertaken, the directors consider that it is appropriate to adopt the going concern basis for these financial results.



**EDGARS STORES  
LIMITED**



## Abridged Audited Results for the 52 weeks ended 4 January 2026

### Chairman's Statement

#### Directors' Responsibility

The Directors are responsible for the preparation and fair presentation of the Group's audited consolidated annual financial statements. These financial statements have been prepared in accordance with the disclosure requirements of the Victoria Falls Stock Exchange ("VFEX") Listing Requirements, IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB), and the manner required by the Companies and Other Business Entities Act [Chapter 24:31].

The principal accounting policies applied in the preparation of these consolidated annual financial statements are consistent with those applied in the prior year. The adoption of new and revised IFRS Accounting Standards effective during the reporting period did not have a material impact on the Group's financial position or performance.

#### Operating Environment and Overview

The financial year ended 4 January 2026 was characterised by constrained liquidity, elevated real interest rates and ongoing structural adjustments within Zimbabwe's monetary framework. Tight monetary policy measures aimed at stabilising the ZiG currency contributed to improved exchange rate stability in the latter part of the year. However, limited local currency liquidity continued to weigh on transactional activity and credit extension across the economy.

Dollarisation trends intensified, with United States dollar transactions increasingly dominating formal sector trade. Concurrently, increases in electricity tariffs, municipal charges and other statutory costs placed upward pressure on operating expenses. Consumer spending remained subdued, with households prioritising essential goods ahead of discretionary purchases.

Against this backdrop, the Group maintained a disciplined operating model focused on margin preservation, cost optimisation, working capital efficiency and balance sheet resilience. Management's strategic emphasis on operational agility and prudent capital allocation positioned the business to navigate the challenging environment while protecting long-term shareholder value.

#### Financial Performance

Notwithstanding the constrained macro-economic environment, the Group delivered a strong improvement in financial performance.

Total units sold increased by 19.3% to 2.38 million units (2024: 1.99 million units). Merchandise revenue grew by 12.0% to USD 34.0 million (2024: USD 30.5 million), reflecting improved trading execution, strengthened customer engagement and enhanced merchandise availability.

Profit before tax increased significantly to USD 2.3 million, compared to USD 0.8 million in the prior year, demonstrating the positive impact of operational efficiencies, margin enhancement initiatives and improved trading volumes. Finance costs increased to USD 3.0 million (2024: USD 2.4 million), reflecting funding deployed to support working capital requirements and strategic initiatives.

Basic earnings per share improved to 0.34 US cents, compared to 0.14 US cents in the prior year.

During the year, capital was strategically allocated toward the retooling of the Carousel Manufacturing Division, expansion of the retail debtors' book and selective store roll-out initiatives. These investments are designed to support sustainable medium-term growth while strengthening the Group's vertical integration and competitive positioning.

#### Retail Operations

Retail merchandise revenue increased by 12% to USD 34.0 million.

The Edgars chain recorded turnover of USD 18.9 million, representing a 4.1% increase from the prior year, with units sold rising to 0.99 million (2024: 0.87 million). The Jet chain delivered turnover of USD 14.8 million, an increase of 10.5% from USD 13.4 million in the prior year, with units sold increasing to 1.25 million (2024: 1.11 million).

The Express format continues to gain traction within the value-conscious segment, and management remains focused on building scale and strengthening market penetration within this channel.

The Group was honoured as a Leading Clothing and Textile Brand at the 2025 ZIMBRANDS Awards. In addition, the Carousel Manufacturing Division received recognition for its contribution to Zimbabwe's clothing manufacturing sector, while the Group's communications function was awarded a Certificate of Excellence at the ZABC Pinnacle Awards. These accolades reflect the strength of our brands and the dedication of our teams.

#### Financial Services

The USD retail debtors' book closed at USD 12.6 million (2024: USD 11.6 million), representing growth of 8.6% year-on-year. Active USD accounts increased to 83.7 thousand (2024: 81.3 thousand), while credit limit utilisation improved to 30.6% from 16.8% in the prior year.

Asset quality strengthened materially during the year. Current accounts improved to 85.5% (2024: 77.7%), while arrears reduced to 14.5% (2024: 16.9%). Expected credit losses declined to 3.5% of the book (2024: 5.4%), reflecting enhanced underwriting standards, disciplined account monitoring and improved collections performance.

The ZiG retail debtors' book closed at ZiG 1.9 million (2024: ZiG 3.9 million) following the curtailment of ZiG credit in the first half of the year. ZiG lending was reintroduced in June 2025, following improved currency stability, with measured growth thereafter.

#### Club Plus Microfinance

Club Plus Microfinance maintained solid portfolio quality, with 89.7% of the loan book in current status at year end. Portfolio at Risk greater than 30 days (PAR>30) stood at 5.3%, remaining within manageable risk.

The business prioritised expansion of USD-denominated lending focused on lower-risk product lines. Despite tight market liquidity, external funding was secured, supporting a loan book closing balance of USD 1.25 million. With anticipated additional funding inflows and targeted business development initiatives, the business is well positioned for portfolio expansion and enhanced risk diversification in FY2026.

#### Carousel Manufacturing

The Manufacturing Division continues to be a key contributor to Group performance. Units supplied to the Retail chains increased by 47% to 448K (2024: 305K units), supported by improved production efficiencies and a growing order book.

The Group invested USD 1.1 million in maintaining and expanding production capacity, primarily toward the cutting room solution. This investment is expected to enhance output volumes, reduce fabric waste and further improve cost efficiency, reinforcing the strategic importance of vertical integration within the Group.

#### Governance Changes

Mrs C. Mafunga resigned as Company Secretary with effect from 31 December 2025. The Board expresses its sincere appreciation for her contribution during her tenure.

Ms R. Mutombwa was appointed Company Secretary with effect from 1 January 2026.

#### Outlook

The Group will continue refining its segmented retail propositions to ensure each brand remains aligned with evolving customer needs and purchasing patterns. Management remains focused on disciplined cost management, merchandise optimisation and prudent credit deployment to support sustainable revenue growth.

Operationally, the retooling of Carousel will continue to enhance manufacturing capacity and efficiency, strengthening support to the Retail chains and improving margin resilience. Smart procurement, optimal inventory planning and working capital discipline remain key priorities.

Selective store expansion in high-potential locations will proceed in line with the Group's measured capital allocation framework. Investment in back-up solar power will continue to enhance operational resilience and mitigate energy cost pressures.

While encouraging agricultural output provides cautious optimism for economic recovery, liquidity constraints and cost pressures are expected to persist in the near term. The Board remains confident in the Group's resilience, strengthened balance sheet and disciplined strategy, and is optimistic about the Group's ability to consolidate recent gains and deliver sustainable long-term growth.

#### Dividend

In light of ongoing strategic investments in ERP renewal, manufacturing capacity expansion, store expansion and working capital to support growth, the Board has resolved not to declare a dividend for the year ended 4 January 2026. The Board remains committed to prudent capital allocation and long-term shareholder value creation.

#### Appreciation

On behalf of the Board, I extend my sincere appreciation to management and staff for their resilience and dedication in a demanding operating environment. I also thank my fellow Directors for their guidance and stewardship, and our customers, suppliers and stakeholders for their continued support.

**TN SIBANDA**  
CHAIRMAN  
9 April 2026

**EDGARS**



**Jet**

**CAROUSEL**  
A Division of Edgars Stores Limited



**clubplus**  
A Division of Edgars

**EDGARS**



Financial Services

**Express  
Stores**

Directorate: Non Executive Independent Chairman: **T.N. Sibanda**, Group CEO: **S. Mushosho\***, **C. Mutevhe\***, **C. Claassen**, **M. Robb**, **P. Mnyama\*** and **M. Hosack** \*Executive