

ABRIDGED UNAUDITED CONSOLIDATED FINANCIAL RESULTS

for the half year ended 30 June 2026

FINANCIAL HIGHLIGHTS

			
Revenue	Loss from operations	Loss before taxation	Loss for the period
5,813,901	232,408	372,208	665,856



CHAIRMAN'S STATEMENT

The Chairman's statement is based on the general purpose United States Dollar (USD) financial statements.

Operating Environment

Zimbabwe's macroeconomic environment remained relatively stable during the first half of the 2026 financial year, characterised by low inflation, stable exchange rates and improved foreign currency inflows. Government should be commended for making significant efforts to maintain a stable currency market over the period, thereby enabling an investable environment for risk capital and long-term strategy execution.

However, liquidity challenges persisted during the period, borrowing costs remained high, and consumer purchasing power remained constrained. The Middle East conflict also caused disruptions in global supply-chain logistics, thereby resulting in higher energy prices, commodity price volatility, unfavourable global conditions which also generated cost-push inflation in the economy.

Economic growth is projected to remain strong at 5%, driven by a robust performance in agriculture and mining. However, these prospects may be dampened, particularly if the Middle East conflict takes a long time to resolve. In addition, the anticipated return of the El Niño weather phenomenon presents downside risks, although the Government is seized with the matter and is working on mitigation measures.

Financial Performance

Revenue increased by 15% to US\$5.81 million during the half-year, underpinned by a significant improvement in sales volumes, which increased by 33% to 16,807 tonnes, compared to 12,674 tonnes achieved during the corresponding period in 2025. Production capacity was also enhanced following the commissioning of the new fibre-cement manufacturing plant. Production volumes increased by 32% to 21,420 tonnes, compared to 16,236 tonnes in the prior year. Management continues to implement targeted marketing initiatives aimed at enhancing brand visibility, strengthening the Group's market presence and driving sustainable revenue growth.

Despite the strong turnover performance, the gross margin declined to 20% from 25% recorded in the comparative period last year. This was primarily attributable to pricing pressures in a competitive market. In spite of increases in input costs, the Group maintained its selling prices in an effort to remain competitive. In addition, higher production costs were incurred during the commissioning of the new manufacturing facility, and efforts are currently underway to optimise its performance. These costs are expected to moderate as the plant achieves higher production efficiencies and utilisation levels. Lastly, changes in the sales mix also contributed to the reduced margins, as a higher proportion of concrete products were sold during the half-year under review compared to the prior-year comparative period.

Operating expenses declined by 4% compared to the previous year, despite the 15% increase in turnover. This bears testament to the effectiveness of the ongoing cost-containment measures being implemented by management.

Finance costs increased by 109% to US\$139,800 during the current period, mainly due to the completion of the capital project. In the prior year, borrowing costs in respect of the new manufacturing plant were being capitalised; however, once the plant was commissioned in March 2026, those costs are now being expensed.

The Group generated a total comprehensive loss for the half-year of US\$665,856, compared to US\$244,884 incurred during the corresponding period last year. The increase in the loss reflects the lower gross margins, increased finance costs and the deferred tax accrual in respect of the period under review.

Operational Review

The commissioning of the Harare fibre-cement plant marks a transformational milestone in the Group's history. The new facility has significantly enhanced manufacturing capability, product quality and operational flexibility. During the period, management's focus was on stabilising production, optimising machine performance and improving product quality to meet customer expectations.

Management continues to implement initiatives aimed at improving production yields, reducing waste, lowering conversion costs and enhancing equipment reliability. Despite the subdued demand in certain market segments, the Group maintained its leadership position within the fibre-cement industry through continued product innovation, customer service improvements and disciplined market engagement.

Strategic Investments

The Board remains committed to investing in projects that will generate sustainable long-term shareholder value. Plans are also under way to upgrade the Bulawayo sheeting plant to enable it to use synthetic fibres for exports, which will enhance revenue generation and improve foreign currency inflows.

Financial Position and Liquidity

The Group maintained a stable financial position during the reporting period. Management continued to prioritise working capital optimisation through improved debtor collections, effective inventory management and prudent supplier management. Operating cash flows remained positive, providing support for the ongoing operations and strategic investments.

Borrowings were largely used to meet the funding requirements of the new fibre-cement manufacturing plant. While finance costs increased during the period, the Board considers these costs to be an investment in the Group's future productive capacity and earnings potential.

The Directors have reviewed the Group's cash flow forecasts, available funding facilities and anticipated trading performance and are satisfied that the Group has adequate resources to continue operating as a going concern for the foreseeable future.

Governance and Sustainability

The Board remains committed to maintaining the highest standards of corporate governance, accountability and ethical business conduct. Turnall continues to strengthen its environmental, social and governance (ESG) practices through investments in modern manufacturing technologies that improve energy efficiency, reduce waste and enhance sustainable production processes.

The health, safety and wellbeing of employees remain key priorities, while continued investment in employee development and operational excellence supports the Group's long-term success.

We continue to apply an integrated approach to managing sustainability impacts and opportunities. The Group adopted the Global Reporting Initiative (GRI) Sustainability Reporting Framework for addressing the economic, environmental, social and governance aspects of our operations.

Turnall Holdings Limited continued to uphold its ISO 14001 and ISO 9001 certifications during the period under review.

Outlook

The Board is encouraged by the positive operational momentum achieved during the first six months of the year. The new fibre-cement plant is expected to operate at higher utilisation levels during the remainder of the year, delivering improved production efficiencies and enhanced product quality. Management will continue to focus on increasing sales volumes, expanding the Group's market share, strengthening margins, containing costs and improving cash generation.

The Board remains confident that the investments undertaken over the past several years have established a solid platform for sustainable growth and improved profitability over the medium term.

Dividend

The Directors have resolved that no dividend will be declared or paid in respect of the six-month period ended 30 June 2026.

Appreciation

I extend my sincere appreciation to all our stakeholders for their continued support and commitment to the Group.

By Order of the Board


Kenneth R. R. Schofield
Board Chairman
8 September 2026

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the period ended 30 June 2026

	Six months 30 June 2026 USD	Six months 30 June 2025 USD
Revenue	5,813,901	5,049,574
Cost of sales	(4,639,962)	(3,798,597)
Gross profit	1,173,939	1,250,977
Other income	119,967	190,338
Selling and distribution expenses	(563,457)	(520,567)
Administrative expenses	(962,857)	(1,069,022)
Loss from operating activities	(232,408)	(148,274)
Finance costs	(139,800)	(66,768)
Loss before taxation	(372,208)	(215,042)
Taxation	(293,648)	(29,842)
Loss for the period	(665,856)	(244,884)
Other comprehensive income / (loss)		
Other comprehensive income / (loss) for the period	-	-
Total comprehensive loss for the period	(665,856)	(244,884)
Loss per share		
Number of shares in issue	4,315,726,499	4,315,726,499
Basic and diluted (cents per share)	(0.02)	(0.01)
Headline (cents per share)	(0.02)	(0.01)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

	As at 30 June 2026 USD	As at 31 Dec 2025 USD
ASSETS		
Non-current assets		
Property, plant and equipment	26,587,279	26,856,659
Investment property	270,000	270,000
Investment in joint venture	239,938	-
Total non-current assets	27,097,217	27,126,659
Current assets		
Inventories	3,786,527	2,923,592
Trade and other receivables	1,180,856	4,153,056
Bank and cash balances	303,638	332,921
Total current assets	5,271,021	7,409,569
Total assets	32,368,238	34,536,228
EQUITY AND LIABILITIES		
Capital and reserves		
Share capital	4,938,029	4,938,029
Share premium	6,676,344	6,676,344
Non-distributable reserve	6,069,642	6,069,642
Revaluation reserve	348,699	348,699
Retained earnings	6,195,268	6,868,653
Total equity	24,227,982	24,901,367
Non-current liabilities		
Loans and borrowings	4,196,122	3,753,005
Deferred taxation	699,192	405,544
Total non-current liabilities	4,895,314	4,158,549
Current liabilities		
Trade and other payables	2,139,096	4,338,891
Loans and borrowings	1,105,846	1,105,846
Current tax liability	-	31,575
Total current liabilities	3,244,942	5,476,312
Total liabilities	8,140,256	9,634,861
Total equity and liabilities	32,368,238	34,536,228



CONSOLIDATED STATEMENT OF CASH FLOWS

for the half year ended 30 June 2026

	Six months 30 June 2026 USD	Six months 30 June 2025 USD
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before income tax	(372,208)	(215,042)
Adjustment for:		
Depreciation of property, plant and equipment	570,751	554,728
Finance costs	139,800	66,768
Impairment of financial assets	-	75
Operating cash flows before working capital changes	338,343	406,529
Movement in working capital		
Change in inventories	(862,935)	(17,992)
Change in trade and other receivables	2,972,200	1,964,643
Change in trade and other payables	(2,199,795)	(2,089,641)
Increase in shareholder profit share accrual	216,542	221,411
Operating cash flows after working capital changes	464,355	484,950
Tax paid	(39,104)	(7)
Financing costs	(139,800)	(66,768)
Net cash flows generated from operating activities	285,451	418,175
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(301,371)	(3,197,674)
Investment in joint venture	(239,938)	-
Net cash flows utilised in investing activities	(541,309)	(3,197,674)
CASH FLOWS FROM FINANCING ACTIVITIES		
Change in loans and borrowings	-	(427,882)
Change in shareholder loans	226,575	(77,118)
Net cash flows generated from / (utilised in) financing activities	226,575	(505,000)
CHANGE IN CASH AND CASH EQUIVALENTS	(29,283)	(3,284,499)
OPENING CASH AND CASH EQUIVALENTS	332,921	3,519,178
CLOSING CASH AND CASH EQUIVALENTS	303,638	234,679

Abridged Unaudited Translated Financial Statements

For the period ended 30 June 2026

Short Form Financial Announcement
Issued in terms of Practice Note 13 of the Zimbabwe Stock Exchange

The short form financial announcement is a summarised version of the special purpose consolidated financial statements for the half-year ended 30 June 2026. These translated financial statements are presented in Zimbabwe Gold (ZWG) as per the Monetary Policy Statement pronounced on the 6th of February 2025 and the Securities and Exchange Commission of Zimbabwe (SECZ) Notice Number SECZ070325 issued on 12 March 2025 which require all listed companies to report in ZWG. The short form financial announcement is the responsibility of the Directors and does not contain the full details.

A copy of the detailed translated financial statements is available upon request at the Company's registered office, 5 Glasgow Road, Southerton, Harare.

Financial Highlights	Change	30.06.2026 ZWG	30.06.2025 ZWG
Revenue	15%	155,636,967	135,176,086
Loss before taxation	73%	(9,963,934)	(5,756,631)
Loss for the year	172%	(17,824,832)	(6,555,496)
Total assets	-6%	866,491,258	924,527,916
Total equity	-3%	648,578,233	666,604,614
Total liabilities	-16%	217,913,025	257,923,302
Share Performance in ZWG Cents			
Number of shares in issue	-	4,315,726,499	4,315,726,499
Basic and diluted (cents per share)	172%	(0.41)	(0.15)
Headline (cents per share)	172%	(0.41)	(0.15)

By order of the Board


Kenneth R. R. Schofield
Board Chairman
8 September 2026

SUPPLEMENTARY INFORMATION

For the half year ended 30 June 2026

1. Basis of preparation
The abridged consolidated financial results have been extracted from the general purpose financial statements which have been prepared in compliance with International Financial Reporting Standards (IFRSs). These consolidated financial statements are presented in United States Dollars (USD) which is the Group's functional and presentation currency effective 1 January 2024. The consolidated financial statements are based on statutory records that are prepared under the historical cost convention, except for property, plant and equipment which is carried at revalued amounts or fair values. The financial statements are in agreement with the underlying books and records, which have been prepared in accordance with the accounting policies set out in Note 3, and comply with the disclosure requirements of the Companies and Other Business Entities Act (Chapter 24:31), and the applicable Zimbabwe Stock Exchange Listing Requirements.

2. Functional and presentation currency
Management reassessed its functional currency, in accordance with IAS 21 - The Effects of Changes in Foreign Exchange Rates, for the half-year ended 30 June 2026. Management concluded that the USD remains the functional currency based on the underlying transactions, events and conditions affecting the Group which include:
- revenue being predominantly denominated in USD;
- major input costs and capital expenditure being denominated in USD; and
- financing arrangements being denominated in USD.

Consequently, the Group maintained the USD as both the functional and presentation currency for the half year ended 30 June 2026.

3. Significant accounting policies
The accounting policies applied in preparing these interim financial statements are consistent with those applied in the audited financial statements for the year ended 31 December 2025.

Key policies include:
- Revenue recognition in accordance with IFRS 15
- Property, plant and equipment accounted for under IAS16
- Financial instruments accounted for under IFRS 9
- Income taxes accounted for under IAS 12

4. Significant events and transactions
4.1 Commissioning of the Harare Fibre Cement Plant
During the reporting period, the Group successfully completed the commissioning of the new state-of-the-art fibre-cement manufacturing plant in Harare. Commercial production commenced in March 2026 following completion of testing and commissioning. The investment significantly enhances the Group's production capacity and manufacturing efficiencies, improves the Group's product offering and is expected to strengthen the Group's competitiveness and improve revenue generation.

4.2 Investment in Joint Venture
The Group continued to pursue its broader diversification strategy through a USD239,938 investment in a joint venture during the period under review. Management is rolling out the necessary development activities and the Board is confident that the project has the potential to contribute positively to shareholder value once commercial operations commence. The investment has been recognised as a non-current asset in the Statement of Financial Position and is accounted for in accordance with IAS 28 – Investments in Associates and Joint Ventures. Management continues to assess the performance of the investment and does not consider any impairment indicators to exist as at 30 June 2026.

4.3 Property, plant and equipment
Property, plant and equipment continue to be carried at revalued amounts or fair values less accumulated depreciation and impairment losses. No further impairment indicators requiring recognition of additional impairment losses were identified during the reporting period.

5. Capital commitments
At 30 June 2026, the Group had no material contractual capital commitments relating to the Harare fibre- cement plant. Future capital expenditure relates primarily to plant optimisation and strategic expansion initiatives.

6. Borrowings
The loans and borrowings as at 30 June 2026 were in respect of the shareholder's loan which is Sharia-compliant and attracts a profit share of 10%. The loan was used mainly to finance the installation costs of the new manufacturing plant in Harare and also to meet some of the working capital requirements.

7. Going Concern
The Directors have assessed the Group's ability to continue as a going concern for at least twelve months from the date of approval of these interim financial statements.

In making this assessment, the Directors considered the:
- successful commissioning of the Harare fibre-cement manufacturing plant;
- improved production capacity and operational efficiencies;
- projected revenue growth from an improved product offering;
- continued availability of key raw materials;
- positive operating cash flows generated during the reporting period; and
- ongoing cost containment initiatives.
Based on these considerations, the Directors are satisfied that the Group will continue as a going concern for the next 12 months and will be able to meet its commitments as they fall due.

Accordingly, the financial statements have been prepared on a going concern basis.

8. Events after the reporting date
The Directors have evaluated all events occurring between 30 June 2026 and the date of approval of these interim financial statements and concluded that there are no subsequent events that have occurred that would require recognition or disclosure in the consolidated financial statements.

9. Approval of consolidated financial statements
The abridged consolidated interim financial statements were approved for issue by the Board of Directors on 8 September 2026.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the half year ended 30 June 2026

	Share capital USD	Share premium USD	Non-distributable reserves USD	Revaluation reserves USD	Foreign currency translation reserve USD	Retained earnings USD	Total USD
Balance at 1 January 2025	4,938,029	6,676,344	7,655,239	291,582	(1,585,597)	7,629,912	25,605,509
Transactions with owners	-	-	-	-	-	-	-
Transfer between reserves	-	-	(1,585,597)	-	1,585,597	-	-
Revaluation losses charged against existing surplus	-	-	-	(291,582)	-	-	(291,582)
Total comprehensive loss for the year	-	-	-	348,699	-	(761,259)	(412,560)
Balance at 31 December 2025	4,938,029	6,676,344	6,069,642	348,699	-	6,868,653	24,901,367
Balance at 1 January 2026	4,938,029	6,676,344	6,069,642	348,699	-	6,868,653	24,901,367
Transactions with owners	-	-	-	-	-	-	-
Prior year adjustment	-	-	-	-	-	(7,529)	(7,529)
Total comprehensive loss for the period	-	-	-	-	-	(665,856)	(665,856)
Balance at 30 June 2026	4,938,029	6,676,344	6,069,642	348,699	-	6,195,268	24,227,982

