



CHAIRMAN'S STATEMENT

Operating overview

The operating environment was characterized by stability in the market due to tight monetary policy resulting in a stable currency against the US Dollar. The Bank Policy Rate for the Zimbabwe Gold (ZWG) was maintained at 35% from the beginning of the period and then reduced to 30% in the middle of June 2026. These measures by the monetary authorities enhanced business confidence and improved forward planning for companies.

The Zimbabwe economy is expected to grow by 5% in 2026 in a stable economy.

Performance review

The group recorded revenues of ZWG 6,281,032 for the six months ended 30 June 2026 compared to ZWG 2,062,125 for the same period last year. Other income amounted to ZWG 3,238,664 during the same period. The group reported a loss of ZWG 2,951,618 for the period compared to a profit of ZWG 3,165,591 for the same period last year. Total assets as at 30 June 2026 amounted to ZWG 154.375 million.

During the period, Mr. C Frankis was appointed CEO of the company.

Dividend

No dividend was paid for the period.

Sustainability

The group is committed to sustainability practices that are guided by internal policies and procedures and driven by best practices. The company integrate international standards as a strategy through activities that include training, strategy and policy review. The company is committed to continued sustainability in key areas that will ensure long-term value for all stakeholders.

Outlook

We expect the tight monetary conditions to persist with a stable ZWVG currency resulting in moderate economic growth though there may be disruptions caused by expected El Nino-induced drought. We expect modest business growth resulting from opening up of new markets.

Acknowledgments

On behalf of the Board of Directors, I would like to thank our customers, suppliers, key stakeholders, fellow Directors, Management and Staff of ZECO Holdings for their continued support.

Dr Eng. B. Rafemoyo
Chairman

UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2026

	Notes	June 2026 ZWG Unaudited	December 2025 ZWG Audited
ASSETS			
Non-current assets			
Property, plant and equipment	5	75,920,401	78,136,056
Investment property		1,316,774	1,316,774
Total non-current assets		77,237,175	79,452,830
Current assets			
Inventory	6	189,652	19,889
Trade and other receivables	7	264,399	282,770
Other financial assets	8	2	2
Cash and cash equivalents	9	152,824	348,985
Total current assets		606,877	651,646
Assets of discontinued operations	15	76,527,276	78,787,700
Total assets		154,371,328	158,892,176
EQUITY AND LIABILITIES			
Equity			
Share capital		2	2
Derived equity		1,340,371	1,340,371
Distributable reserve		8,401,420	8,401,420
Revaluation reserve		129,835,385	129,835,385
Translation reserve		(3,624,759)	4,638,997
Retained earnings		6,824,098	10,006,849
Total equity		142,776,517	154,223,022
Non current liabilities			
Deferred tax	10	193,613	193,613
Related party payables	11	208,094	208,094
Total non current liabilities		401,707	401,707
Current liabilities			
Trade and other payables	12	5,693,349	2,036,907
Total current liabilities		5,693,349	2,036,907
Liabilities associated with discontinued operations	15	5,499,755	2,230,540
Total equity and liabilities		154,371,328	158,892,176

UNAUDITED STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED 30 JUNE 2026

	Translation reserve ZWG	Distributable reserve ZWG	Derived equity ZWG	Revaluation reserve ZWG	Retained earnings ZWG	Total ZWG
Balance as at 30 June 2025	4,638,997	3,255,423	1,340,371	134,975,715	1,669,473	141,240,982
Profit for the half year	-	5,145,997	-	-	3,165,593	8,311,590
Foreign exchange gain	-	-	-	-	31,452	31,452
Distribution reserve	-	-	-	-	-	-
Revaluation surplus	-	-	-	(5,140,330)	5,140,330	-
Balance as at 31 December 2025 (audited)	4,638,997	8,401,420	1,340,371	129,835,385	10,006,849	149,584,024
Loss for the half year	-	-	-	-	(2,951,618)	(2,951,618)
Foreign exchange loss	-	-	-	-	(231,133)	(231,133)
Translation movement	(8,263,756)	-	-	-	-	-
Balance as at 30 June 2026 (unaudited)	(3,624,759)	8,401,420	1,340,371	129,835,385	6,824,098	146,401,274

UNAUDITED STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME FOR THE HALF YEAR ENDED 30 JUNE 2026

	Note	June 2026 ZWG Unaudited	June 2025 ZWG Unaudited
Income			
Revenue	16	6,181,032	2,062,125
Cost of sales	17	(3,777,270)	(1,521,988)
Gross profit		2,403,762	540,137
Other income	18	3,238,664	6,058,865
Operating profit		5,642,426	6,599,002
Expenditure			
Administration costs	19	(8,594,044)	(3,433,409)
Total expenditure		(8,594,044)	(3,433,409)
(Loss)/profit from continuing operations		(2,951,618)	3,165,593
Revenue attributable to:			
Equity holders of the parent company:		(2,951,618)	3,165,593
Loss per share (cents)			
Weighted average number of shares in issue		463,337,661	463,337,661
Basic (loss)/profit per share from continuing operations		(0.01)	0.01
Basic (loss)/profit per share		(0.01)	0.01
Diluted earnings per share from continuing operations		(0.01)	0.01
Diluted earnings per share		(0.01)	0.01
Headline earnings per share		(0.01)	0.01

UNAUDITED STATEMENT OF CASH FLOWS FOR THE HALF YEAR ENDED 30 JUNE 2026

	June 2026 ZWG Unaudited	June 2025 ZWG Unaudited
Cash flows from operating activities		
(Loss)/Profit before tax - continuing operations	(2,951,618)	3,165,593
(Loss)/Profit before tax - continuing operations	(2,951,618)	3,165,593
Adjustments for non-cash items		
Depreciation	2,361,202	2,997,511
Effects of opening balances	(8,263,756)	-
Foreign exchange loss	(231,131)	-
Net cash flows after working capital changes	(9,085,303)	6,163,105
Working capital changes		
(Increase)/ Decrease in trade and other inventories	(169,763)	177,078
Decrease in trade and other receivables	18,371	13,771
Decrease in related party payables	-	(3,562)
Increase in trade and other payables	3,656,442	3,098,539
Increase in discontinued operations liabilities	3,269,215	3,637
Increase/(decrease) in discontinued operations assets	2,260,424	(7,257,682)
Net cash outflows from working capital changes	9,034,689	(3,968,219)
Cash (outflows)/inflows from operating activities	(50,614)	2,194,886
Cash flows from investing activities		
Purchase of property and equipment	(145,547)	-
Net cash flows from investing activities	(145,547)	-
(Decrease)/Increase in cash and cash equivalents	(196,161)	2,194,886
Movement of cash and cash equivalents		
Cash and cash equivalents at beginning of the year	348,985	2,817,881
(Decrease)/Increase in cash and cash equivalents	(196,161)	2,194,886
Cash and cash equivalents at end of the period	152,824	5,012,767

NOTES TO THE FINANCIAL STATEMENTS

1 General Information

ZECO Holdings Limited specializes in steel fabrication and installation, manufacture of window frames and door frames and is moving towards a new strategic thrust.

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below.

2.1 Basis of preparation and presentation

The group's financial statements for the half year ended 30 June 2026 have been prepared in accordance with the requirements of the Zimbabwe Companies and Other Business Entities Act (Chapter 24:31) (COBE). The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The group's financial statements have been prepared based on the statutory records that are maintained under the historical cost basis and are presented in Zimbabwe Gold (ZWG). The principal accounting policies applied in the preparation of the group financial statements are in terms of IFRS except for the non-compliance with inflation adjusted amounts determined in terms of IAS 29 (Financial Reporting in Hyperinflationary Economies).

2.2 Changes in accounting policy and disclosures

2.2.1 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which group operates ('the functional currency'). The financial statements are presented in the Zimbabwe Gold ("ZWG"), which is the group's functional and presentation currency.

3 Significant accounting policies

3.1 New and amended standards and interpretations

3.1.1 Revised IAS 21 - Spot Rates

During the half year ended 30 June 2026, the company adopted the amendments to IAS 21 - The Effects of changes in Foreign Exchange Rates issued by the International Standards Board in August 2023. These amendments address the determination of exchange rates when there is a lack of exchangeability between currencies.

In accordance with the revised IAS 21, the company now uses the spot exchange rate at the date of the transaction. The company applies the interbank rate that faithfully affects the rate at which the company could have exchanged the currency at the transaction date.

3.2 Property, plant and equipment

Property, plant and equipment held for use in the production or supply of goods or services, or for administrative purposes, are stated in the statement of financial position at their revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The group will conduct regular valuations going forward given the volatility in the economic environment to ensure that carrying amounts do not differ materially from those that would be determined using fair values at the end of each reporting period.

Any revaluation increase arising on the revaluation of such property plant and equipment is recognised in other comprehensive income and accumulated in equity, except to the extent that it reverses a revaluation decrease for the same asset previously recognised in profit or loss, in which

NOTES TO THE FINANCIAL STATEMENTS CONT.

case the increase is credited to profit or loss to the extent of the decrease previously expensed. A decrease in the carrying amount arising on the revaluation of such property plant and equipment is recognised in profit or loss to the extent that it exceeds the balance, if any, held in the revaluation reserve relating to a previous revaluation of that asset.

Gains and losses on disposals of property and equipment are determined by comparing the proceeds with the carrying amount. These are included in the statement of profit or loss and other comprehensive income. An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Depreciation is provided on property, plant and equipment to write off the carrying value of those items over their expected useful economic lives. The rates applied are as follows:

Land	Nil
Buildings	2% per annum
Motor vehicles	20% per annum
Plant and machinery	20% per annum
Computer equipment	20% per annum
Office equipment	10% per annum

3.4 Financial Instruments

Recognition

Financial assets and liabilities are recognised in the statement of financial position when the group has become party to the contractual provisions of the instruments. Purchase and sales of financial assets are recognised on trade date, being the date on which the group commits to purchase or sell the instrument.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the consolidated statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Fair value of financial instruments

The fair value of financial instruments that are traded in active markets at each reporting date is determined by reference to quoted market prices or dealer price quotations (bid price for long

positions and ask price for short positions), without any deduction for transaction costs. For financial instruments not traded in an active market, the fair value is determined using appropriate valuation techniques. Such techniques may include using recent arm's length market transactions; reference to the current fair value of another instrument that is substantially the same; discounted cash flow analysis or other valuation models.

3.4.1 Financial assets

Financial assets are recognised initially at fair value plus directly attributable transaction costs, except in the case of financial assets recorded at fair value through profit or loss, and subsequently as set out below.

Trade and other receivables

Trade and other receivables are measured at fair value and are subsequently measured at amortised using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. Trade and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

The allowance for credit losses is established and recognised in profit or loss when there is objective evidence that the group will not be able to collect all amounts due in accordance with the original terms of the credit given and includes an assessment of the recoverability based on historical trend analyses and events that exist at reporting date. Bad debts are written off to profit or loss when identified.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits, restricted cash and short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. Cash and cash equivalents are subsequently measured at amortised cost. For the purposes of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short term investments.

Derecognition of financial assets

A financial asset (or where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised when:

The rights to receive cash flows from the asset have expired or - when the group has transferred the financial asset and substantially all the risks and rewards of ownership of the asset to another party, or the group has neither transferred nor retained substantially all the risks and rewards of ownership and continues to control the transferred asset, the group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the group retains substantially all the risks and rewards of ownership of a transferred financial asset, the group continues to recognize the financial asset and also recognises a collateralised borrowing for the proceeds received.

3.4.2 Financial liabilities

Financial liabilities include trade and other accounts payable and interest bearing borrowings, and these are recognised initially at fair value including transaction costs and subsequently carried at amortised cost using the effective interest rate method. Gains or losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate method amortization process.

Trade and other payables

Trade and other payables are liabilities to pay for goods or services that have been received or supplied and have been invoiced or formally agreed with the supplier.

Borrowings

Interest-bearing borrowings are initially measured at a fair value and are subsequently measured at amortised cost using the effective-interest rate method. Any difference between the proceeds (net of the transaction cost) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the group's accounting policy on borrowing cost.

De-recognition of financial liabilities

A financial liability is de-recognised when, and only when, the group's obligation under the liability is discharged or cancelled or expires. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

3.5 Fair value measurement

The group measures financial instruments and non-financial assets such as investment properties, at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- (i) In the principal market for the asset or liability or
- (ii) In the absence of a principal market, in the most advantageous market for the asset or liability.

Level 1 – Quoted (unadjusted) market prices active markets for identical assets or liabilities
Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are measured at fair value in the financial statements on a recurring basis, the group determines whether transfers have occurred between levels in the hierarchy by reassessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

3.6 Income tax

Income tax expense represents the sum of the tax paid, currently payable and deferred tax.

Current tax

Current tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's and Company's asset and liability for current tax is calculated using tax rates and tax laws that have been enacted or substantively enacted by the reporting date.

Current tax relating to items recognised directly in other comprehensive income or equity is recognised in other comprehensive income or equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax assets and liabilities are recognised where the carrying amount of an asset or liability in the statement of financial position differs from its tax base, except for differences arising on:

- the initial recognition of goodwill;
- the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting nor taxable profit.



NOTES TO THE FINANCIAL STATEMENTS CONT.

Value added taxed (VAT)

Revenues, expenses and assets are recognised net of the amount of Value Added Taxes except:
(i) Where the Value Added Tax incurred on the purchase of assets or services is not recoverable from the taxation authority, in which case, the VAT is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable;
(ii) Receivables and payables that are stated with the amount of VAT included.

Outstanding net amounts of VAT recoverable from, or payable to, the taxation authority are included as part of receivables or payables in the statement of financial position. Recognition of deferred tax assets is restricted to those instances where it is probable that taxable profit will be available against which the difference can be utilised.

3.7 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises costs of purchase, direct materials and, where applicable, direct labour costs, costs of conversion and those overheads that have been incurred in bringing the inventories to their present location and condition. Costs are assigned using the first-in-first-out method for raw materials, work in progress and finished goods, and using the weighted average cost method for maintenance spares. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

3.8 Prepayments and deposits

The group makes advance payments in respect of some key goods and services associated with its overall operations. The prepayments are initially recognised as assets in the balance sheet and subsequently expensed to profit or loss or capitalized to other assets on delivery.

3.9 Cash and cash equivalents

In the statement of cash flows, cash and cash equivalents comprise:
• cash on hand; and
• balances with banks.

Cash and cash equivalents only include items held for the purpose of meeting short-term cash commitments rather than for investing or other purposes. Cash and cash equivalents have a maturity of less than three months. Cash and cash equivalents are carried at cost which, due to their short term nature, approximates fair value.

3.10 Provisions

Provisions are recognised when the group has a present obligation (legal or constructive) as a result of a past event, it is probable that the group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

3.1 Leases

The group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessor

Leases in which the group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

3.12 Retirement benefit costs

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered services entitling them to the contributions.

Retirement benefits are provided for the group's employees through an independently administered defined contribution fund and the Zimbabwe government's National Social Security Authority (NSSA). With the group's independent fund, contributions are charged to profit or loss so as to spread the cost of pension over the employee's working life within the group. The amounts payable to the National Social Security Authority are determined by the systematic recognition of legislated contributions. Payments to the two retirement benefit schemes are charged as an expense as they fall due.

3.13 Termination benefits

Termination benefits are recognised at the earlier of when the group can no longer withdraw the offer for the benefits or when the entity recognises costs for a restructuring that involves the payment of termination benefits. The calculation takes into account the employee's basic salary at agreed rate over the years of service.

3.14 Revenue recognition

Revenue is measured based on the consideration to which the group expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The group recognises revenue when it transfers control of a product or service to a customer.

Sale of goods

For sales of steel metal products, revenue is recognised when control of the goods has transferred, being when the goods have been collected by the customer from the group's premises, or shipped to the customer's specific location (delivery). Following collection or delivery, the customer has full discretion over the manner in which it handles the goods, and also bears the risks of obsolescence and loss in relation to the goods. A receivable is recognised by the group when the goods are collected by, or shipped to, the customer as appropriate, as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due.

Interest income

Interest income from financial assets is recognised when it is probable that the economic benefits will flow to the group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Rental income

Rental income from the group's building is recognised on the basis of the amount of time that the tenants have use of the group's offices.

3.2 Cost of sales

Cost of sales comprises of raw materials, packaging and consumables used and any other direct handling costs incurred.

3.2 Borrowings

a Unsecured

The group did not obtain any new borrowings during the year under review.

b Borrowing powers

In terms of the group companies' Articles of Association, management may exercise the powers of the group to borrow as they deem necessary.

3.2 Financial risk management

The group is exposed through its operations to the following financial risks:-

- a. Foreign exchange risk
- b. Credit risk
- c. Liquidity risk

In common with all other businesses, the group is exposed to risks that arise from its use of financial instruments. This note describes the group's objectives, policies and processes for managing those risks and methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from the previous periods unless otherwise stated in this note.

(a) Foreign exchange risk management

The group is mainly exposed to the United States Dollar and South African Rand.

The group undertakes transactions denominated in foreign currencies. Consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters.

(b) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the group. The group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. Credit exposure is controlled by counterparty limits that are reviewed and approved by management annually. Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable. The group does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The group defines counterparties as having similar characteristics if they are related entities.

(c) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has established an appropriate liquidity risk management framework for the management of the group's short, medium and long-term funding and liquidity management requirements. The group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecasts and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. Borrowing facilities in the form of bank overdrafts and acceptance credits are negotiated with approved and registered financial institutions at acceptable interest rates. Expended overdraft facilities are repayable on demand. Approved financial institutions with sound capital bases are utilised to both borrow funds and invest surplus funds.

3.18 Capital management

The group manages its capital to ensure that it will be able to continue as going concern while maximizing the return to stakeholders through the optimization of the debt and equity balance. The group's overall strategy remains unchanged from previous years. The capital structure of the group consists of debt and equity of the group comprising issued capital, reserves and retained earnings. The group is not subject to any externally imposed capital requirements.

Gearing ratio	June 2026 ZWG	December 2025 ZWG
Debt	401,707	401,707
Equity	142,776,517	154,223,022
Net debt to equity ratio	0.28%	0.26%

- (i) Debt is defined as long term and short term borrowings
- (ii) Equity includes all capital and reserves of the group that are managed as capital.
- (iii) Target debt to equity ratio is 0%.
- (iv) The group does not consider overdraft to be debt as it uses it intermittently to cover short term working capital requirements.

4 Critical accounting estimates and judgments

In the application of the group's accounting policies, which are described in note 3, management is required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

4.1 Useful lives and residual values of property, plant and equipment

The group assesses useful lives and residual values of property, plant and equipment each year taking into consideration past experience, technology changes and the local operating environment. The useful lives are set out in note 3.3 and no changes to those useful lives have been considered necessary during the year.

Residual values will be reassessed each year and adjustments for depreciation will be done in future periods if there is indication of impairment in value.

4.2 Provision for impairment of receivables

The provision for impairment of receivables is a specific provision made for trade and other receivables which is reviewed on a monthly basis. In determining the recoverability of a trade receivable the group considers any change in the credit quality of the trade receivable from the date the credit was initially granted up to the end of the reporting period as well as the value of security held over that receivable.

4.3 Exchange Rate

The group entered into foreign currency transactions throughout the year. Transactions in foreign currencies are initially recorded by the group at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. In determining transactional and closing exchange rates, the group made use of the prevailing interbank rate and trading arrangements.

5 Property, plant and equipment

Description	Construction in progress ZWG	Land ZWG	Buildings ZWG	Plant and machinery ZWG	Motor vehicles ZWG	Office equipment ZWG	Computer equipment ZWG	Total ZWG
Half year end 30 June 2026								
Opening net book value	145,547	5,274,546	58,248,873	11,807,872	2,774,304	19,543	10,918	78,136,056
Additions	-	-	(627,883)	(1,450,786)	(279,023)	(1,975)	(1,535)	(2,361,202)
Depreciation	-	-	-	-	-	-	-	-
Closing net book value	145,547	5,274,546	57,620,990	10,357,086	2,495,281	17,568	9,383	75,920,401
At 30 June 2026								
Cost/Valuation	145,547	5,274,546	62,788,300	14,507,857	2,790,225	39,497	15,347	85,561,319
Accumulated depreciation	-	-	(5,167,310)	(4,150,771)	(294,944)	(21,929)	(5,964)	(9,640,918)
Net book value	145,547	5,274,546	57,620,990	10,357,086	2,495,281	17,568	9,383	75,920,401
Year end 31 December 2025								
Opening net book value	-	5,274,546	59,567,272	6,785,337	16,793	21,428	11,431	71,676,807
Additions	-	-	-	6,697,422	2,759,338	-	-	9,456,760
Revaluation	-	-	-	-	-	-	-	-
Depreciation	-	-	(1,318,309)	(1,674,807)	(1,627)	(1,805)	(513)	(2,997,511)
Closing net book value	-	5,274,546	58,248,873	11,807,872	2,774,304	19,543	10,918	78,136,056
At 31 December 2025								
Cost/Valuation	-	5,274,546	62,788,300	14,507,857	2,790,225	39,497	15,347	85,415,772
Accumulated depreciation	-	-	(4,539,427)	(2,699,985)	(15,921)	(19,954)	(4,429)	(7,279,716)
Net book value	-	5,274,546	58,248,873	11,807,872	2,774,304	19,543	10,918	78,136,056

	June 2026 ZWG Unaudited	Dec-25 ZWG Audited
6 Inventory		
Raw materials-contents	189,028	480
Work in progress	-	-
Finished goods	624	19,409
Total inventory	189,652	19,889
7 Trade and other receivables		
Trade	264,570	282,742
Other	28	28
Discontinued operations	-	-
Provision for bad debts	(199)	-
Total trade and other receivables	264,399	282,770
8 Other financial assets		
Other financial assets	2	2
Total other financial assets	2	2
9 Cash and cash equivalents		
Cash on hand	152,824	348,985
Total cash and cash equivalents	152,824	348,985
10 Deferred taxation		
Deferred tax liabilities		
At 01 January	193,613	67,482
Charge to profit or loss	-	126,131
At period end	193,613	193,613
11 Related Party balances		
The group's related parties include companies under common control, key management and others as described below:		
Related party payables		
Non-current liabilities due to:		
Pinnacle Holdings Ltd	208,094	208,094
Total	208,094	208,094
Discontinued operations		
Non-current liabilities due to:		
Zimplastics (Private) Limited	7	7
Total	7	7
12 Trade and other payables		
Trade	5,693,254	2,036,812
Bank overdraft	76	76
Other	19	19
Continuing operations	5,693,349	2,036,907
Total trade and other payables	5,693,349	2,036,907
13 Reconciliation of income tax expense		
Loss before tax	(2,951,618)	3,165,593
Notational tax expense at a rate of 25.75%	760,042	(815,140)
Income tax due (receivable)	760,042	(815,140)
ZECO Holdings Ltd has cumulative assessed loss from prior periods hence no tax charge is applicable.		
14 Share capital		
Authorised		
600 000 000 ordinary shares at USD nil par value		
Issued and fully paid		
463 337 661 ordinary shares at USD nil par value		

15 Discontinued operations

Zimplastics (Private) Limited and Delward T/A ZECO (Private) Limited

The subsidiaries' operations were discontinued as they had been negatively affected by changing market dynamics and competition from cheap imports mainly from the East. The businesses had become unsustainable with no prospects of recovery.

	June 2026 ZWG Unaudited	December 2025 ZWG Audited
Assets		
Property, plant and equipment	75,920,401	78,136,056
Inventories	189,652	19,888
Trade receivables	264,399	282,770
Cash and bank	152,824	348,985
Assets classified as held for sale	76,527,276	78,787,699
Liabilities		
Deferred tax liability	(193,613)	193,613
T & S Marketing (Private) Limited	13	13
Trade and other payables	5,693,349	2,036,907
Jetmaster	6	6
Liabilities associated with assets classified as held for sale	5,499,755	2,230,539
Net assets associated with discontinued operations	71,027,521	76,557,160

	Jun-26 ZWG Unaudited	Jun-25 ZWG Unaudited
16 Revenue		
Sales	6,181,032	2,062,125
Total revenue	6,181,032	2,062,125
17 Cost of sales		
Direct materials	3,777,270	1,521,988
Total cost of sales	3,777,270	1,521,988
18 Other income		
Rent received	3,137,300	6,058,865
Sundry income	101,364	-
Total other income	3,238,664	6,058,864
19 Administration costs		
Audit fees	94,154	35,656
Employee costs	3,803,280	2,453,026
Administration expenses	4,696,610	944,727
Total administration costs	8,594,044	3,433,409
20 Profit/(Loss) per share (cents)		
Basic loss per share		
(Loss)/profit for the period/year from continuing operations	(2,951,618)	3,165,593
(Loss)/profit for the period/year	(2,951,618)	3,165,593
Weighted average number of shares in issue	463,337,661	463,337,661
Basic (loss)/profit per share from continuing operations	(0.01)	0.01
Basic (loss)/profit per share (cents)	(0.01)	0.01

Basic loss per share is calculated by dividing the net loss attributed to shareholders by the weighted average number of ordinary shares in issue during the year, excluding the average number of ordinary shares purchased by the group and held as treasury shares.

Diluted loss per share (cents)

For diluted loss per share (cents), the weighted average number of shares in issue is adjusted to assume conversion of all dilutive potential ordinary shares. The group does not have any dilutive potential ordinary shares.

	June 2026 ZWG Unaudited	December 2025 ZWG Audited
Net loss used to determine diluted loss per share:		
• Loss for the period/year from continuing operations	(2,951,618)	3,365,505
Loss for the period/year	(2,951,618)	3,365,505
June 2026 ZWG Unaudited		
Weighted average number of ordinary shares in issue for the purpose of diluted loss per share, reconciles to the weighted average number of ordinary shares used in the calculations of basic loss per share as follows:		
Weighted average number of ordinary shares in issue	463,337,661	463,337,661
Diluted (loss)/profit per share from continuing operations	(0.01)	0.01
Diluted (loss)/profit per share (cents)	(0.01)	0.01

Headline earnings per share

Headline earnings per share is determined by adjusting basic earnings attributable to ordinary

shareholders for separate identifiable re-measurements that are non-operational or one-off in nature. There were no one-off, non-operational, or adjusting items affecting the earnings of the company during the current or prior periods under review. Consequently, headline earnings is equal to basic earnings attributable to ordinary shareholders.

Basic earnings attributable to ordinary shareholders	(2,951,618)	3,365,505
Adjustments for headline earnings:	-	-
Headline Earnings	(2,951,618)	3,365,505
Weighted average number of ordinary shares in issue	463,337,661	463,337,661
Headline Earnings Per Share (cents)	(0.01)	0.01

21 Retirement benefit obligations

National Social Security Authority (NSSA) Scheme

The group and its employees also contribute to the National Social Security Authority Scheme. This is a social security scheme which was promulgated under the National Social Security Act. The group's obligations under the scheme are limited to specific contributions legislated from time to time.

Contributions to the schemes, recognised in profit or loss were as follows:

National Social Security Authority	41,507	258,549
Total contributions	41,507	258,549

22 Going concern

The Directors have not satisfied themselves with the group's ability to continue operating as a going concern. The going concern reporting basis has been maintained with the view of anticipated improved operational prospects for the entity.

Whilst Management has put in place measures to preserve cash and secure additional finance, these circumstances create material uncertainties over future operating results and cash flows. Management has concluded that the combination of these circumstances create material uncertainties over future operating results and cash flows. Management has concluded that the combination of these circumstances represents a material uncertainty that casts significant doubt upon the group's ability to continue as a going concern and that, therefore, the group may be unable to realise its assets and discharge its liabilities in the normal course of business. However, after considering the uncertainties described above, management has a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. For these reasons, Management continues to adopt the going concern basis of accounting in preparing these annual financial statements.

The following are some of the key initiatives in place that support the continued preparation of the group's financial statements on a going concern basis:

- Additional revenue is now being generated from Crittall Hope renting out space.
- Major construction work is underway at Dingani Investments and upon completion management will explore new revenue streams from the project.
- The group also hires workers according to the number of ongoing projects so as to minimize staff costs.
- The group is actively applying for new tenders so as to increase revenue generation.

23 Events after the reporting date

There were no events after the reporting date that warranted disclosure in the financial statements.