GB Holdings Limited

Abridged Unaudited Financial Results

For the half year ended 30 June 2026

CHAIRMAN'S STATEMENT

FOR THE HALF YEAR ENDED 30 JUNE 2026

INTRODUCTION

It is my pleasure to present to you the half year results to 30 June 2026.

The conflict in the Middle East and Europe has continued unabated exerting presure on raw materials costs through volatile crude oil prices and more expensive alternative routes for cargo. The unrelenting push by the US to reassert itself as a world power through tariff increases and funding cuts to the rest of the world dislocated global economies including Zimbabwe's economy. However, the continued dialogue to end the conflict and the consequent interim ceasefire periods enabled replenishment of stocks albeit at relatively higher landed costs.

The imminent inflationary effect of oil price increases in the domestic economy was ameliorated by an array of measures by government which targeted price stability and insulation of the local operating environment against external shocks. A stellar performance by the mining sector and a recovering agricultural sector bolstered foreign currency reserves enabling firms to access foreign currency at the willing buyer willing seller market with relative ease. Simultaneously, government was steadfast in its pursuit of achieving set economic targets before a wholesome adoption of the ZWG as a local currency in the economy. According to Zimstats the ZWG and USD inflation was 4.7 and 3.1 % respectively as at June 2026. Although the inflationary trend was on target the drip release of the local currency in the economy was inadequate to stimulate aggregate demand.

Despite deliberate policy initiatives to promote the use of locally manufactured goods through import substitution, the increases in power, labour and utility costs rendered locally produced goods uncompetitive against relatively cheaper imports. Local agents of cheaper imports were the preferred suppliers due to their shorter working capital cycles while manufacturers endured high stock holding and interest costs. The technical skills flight risk widened as regional competitors' remuneration levels attracted competent skills from Zimbabwe.

Nevertheless, the company delivered a commensurate value proposition to its customers through a competitive product offering and competent technical back up service. The investment in enhanced internal process efficiencies together with improved customer relationships enabled it to match competition and grew the order book. Following the downgraded Zimbabwe credit risk in the first quarter of the year, key raw materials suppliers cut the credit extended to the company and demanded cash payment upfront leading to uneconomic factory throughput at General Beltings. To counter the effect of pricing limitations, General Beltings adopted a product diversification strategy in other rubber moulded products whose demand in the mining and agricultural sectors has been rising. Cernol Chemicals market recovery efforts yielded a notable uptick in the dairy and tourism sectors through its enduring product quality offering.

GROUP PERFORMANCE

Overall volumes at 420 metric tonnes were 5 % lower than the comparable period's 438 due to working capital constraints. Cernol Chemicals volumes at 221 metric tonnes were 14 % lower than the comparable prior year period's 257 due to a slow start in the first quarter. General Belting's volumes at 199 metric tonnes were 10 % up on the prior year comparable period's 181 as the market responded positively to the company's initiatives to match competitor prices in its niche markets.

Although total volumes were 5 % lower than the comparable prior year period, turnover at USD 2.053 million was 9 % lower than the comparable period's USD 2.242 million as recoveries per metric tonne aligned with market trends to fend off price competition from cheap imports. Consequently, the overall gross profit at USD 658k was 24 % lower than the comparable period's USD 894k.

In response to the increased price competition, operating costs at USD 658k were 17 % lower than the comparable prior period's USD 791k as cost reduction was imperative in a USD inflationary environment. A resultant operating profit of USD 53 k was recorded against a comparable prior year period' USD125 k.

OUTLOOK

The performance rebound in the latter half of the year is premised on securing sufficient raw materials to convert a healthy order book at General Beltings and a seasonal holiday peak demand at Cernol Chemicals. Both divisions are expected to benefit from the mining sector buoyancy and growth in the tourism sector respectively. The continued growth in the Dairy sector will further propel demand for product from Cernol Chemicals. The company is alive to the inherent concentration risk in the mining sector and forays in the non-platinum sectors are promising.

DIVIDEND

At their meeting on 28 September 2026, the Board found it prudent to reinvest in working capital to meet product demand and resolved not to pay an interim dividend for the period under review.

APPRECIATION

Although the operating environment was relatively stable, limited access to credit facilities constrained the company's ability to convert orders timeously. In spite of these challenges, employees and management resilience was exceptional while the wise counsel from the Board ensured that the company stayed afloat. I thank all stakeholders for the support in the first half of the year and look forward to the same as the company navigates the latter half of the year. I thank you.

T MABEZA
Chairman
29 September 2026

DIRECTORS' RESPONSIBILITY STATEMENT

The directors are required by the Companies and other Business Entities Act (Chapter 24:31) to maintain adequate accounting records and are responsible for the content and integrity of the Company's full year abridged financial statements and related financial information included in this report. It is their responsibility to ensure that the Company's full year abridged financial statements fairly present the state of affairs of the Company as at the end of the year and the results of its operations and cash flows for the year then ended, in conformity with International Financial Reporting Standards.

Unaudited statement of financial position as at 30 June 2026

	Notes	Unaudited 30 June 2026 USD	Audited 31 Dec 2025 USD
ASSETS			
Non-current assets			
Property, plant and equipment	6	3 904 408	3 898 890
Current assets			
Inventories	7	474 788	429 814
Trade and other receivables	8	1 174 572	1 024 588
Cash and cash equivalents	9	62 758	290 290
		1 712 118	1 744 692
Total assets		**5 616 526**	**5 643 582**
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital		95 541	95 541
Share options reserve		3 419	3 419
Non distributable reserve		(1 787 098)	(1 787 098)
Revaluation reserve		2 121 976	2 121 976
Retained earnings		2 401 487	2 371 760
		2 835 325	2 805 598
Non-current liabilities			
Deferred tax		932 831	947 759
Current liabilities			
Current portion of borrowings	11	43 000	-
Trade and other payables	10	1 591 906	1 712 854
Corporate tax payable		213 464	177 371
		1 848 370	1 890 225
Total liabilities		**2 781 201**	**2 837 984**
Total equity and liabilities		**5 616 526**	**5 643 582**

Mabeza T.
Chairman

Gunda J.
Managing Director

Unaudited statement of profit or loss and other comprehensive income for the six months ended 30 June 2026

	Notes	Unaudited 30 June 2026 USD	Unaudited 30 June 2025 USD
Revenue	12	2 053 099	2 241 649
Cost of sales		(1 395 253)	(1 348 102)
Gross profit		**657 846**	**893 547**
Other income		53 129	23 263
Operating expenses		(657 729)	(768 146)
Profit from operations		**53 246**	**148 664**
Finance costs		(2 354)	-
Profit before tax		50 892	148 664
Income tax expense	13	(21 165)	(67 812)
Profit for the year		29 727	80 852
Total comprehensive income for the year		**29 727**	**80 852**
Number of shares in issue		536 588 624	536 588 624
Basic earnings / (loss) per share (cents)		0.00006	0.00018
Diluted earnings / (loss) per share (cents)		0.00005	0.00017
Headline earnings / (loss) per share (cents)		0.00005	0.00017

Unaudited Statement of changes in equity for the six months ended 30 June 2026

	Share capital USD	options reserve USD	Non Distributable reserve USD	Revaluation reserve USD	Retained earnings USD	Total USD
Balance at 1 January 2025	**95 541**	**3 419**	**(1 787 098)**	**2 392 342**	**2 224 664**	**2 766 648**
Effects of change in functional currency	-	-	-	(270 366)	108 146	(162 220)
Total comprehensive income for the year	-	-	-	-	38 950	38 950
Balance at 31 December 2025	**95 541**	**3 419**	**(1 787 098)**	**2 121 976**	**2 371 760**	**2 805 598**
Total comprehensive income for the half year	-	-	-	-	29 727	29 727
Balance at 30 June 2026	**95 541**	**3 419**	**(1 787 098)**	**2 121 976**	**2 401 487**	**2 835 326**

Unaudited statement of cash flows for the six months ended 30 June 2026

	Notes	Unaudited 30 June 2026 USD	Unaudited 30 June 2025 USD
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit / (loss) before tax		**50 892**	**148 664**
Adjusted for:			
Depreciation charge for the year	6	74 323	101 199
Interest Paid		2 354	-
Profit on disposal of assets		-	(2 540)
Operating cash inflows before working capital changes		**127 569**	**247 323**
Changes in working capital			
(Increase) / decrease in inventories		(44 974)	(188 592)
(Increase) / decrease in trade and other receivables		(149 984)	(349 054)
(Decrease) / (increase) in trade and other payables		(120 948)	289 517
Cash generated from operating activities		**(188 337)**	**(806)**
Net cash generated from operating activities		**(188 337)**	**(806)**
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from disposal of vehicles		-	13 959
Purchase of equipment	6	(79 841)	(2 380)
Net cash utilised in investing activities		(79 841)	11 579
CASH FLOWS FROM FINANCING ACTIVITIES			
Interest paid		(2 354)	-
Borrowings		43 000	-
Net cash outflows from financing activities		40 646	-
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		(227 532)	10 773
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		**290 290**	**25 670**
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	9	62 758	36 443

Notes to the financial statements for the six months ended 30 June 2026

1 Nature of operations
The main business of the company, which is incorporated in Zimbabwe (Registration Number 510/68), is that of producing rubber and chemical products.

2 General information, basis of preparation and statement of compliance with IFRS

The abridged interim financial results are for the six months ended 30 June 2026 and are presented in United States dollars (USD), which is the functional currency of the Company and all values are rounded to the nearest dollar.

The abridged financial results have been prepared in accordance with International Accounting Standard (IAS) 34 - interim Financial Reporting " as well as the requirements of the Securities and Exchange (Zimbabwe Stock Exchange) (ZSE) Listing Rules and in the manner required by the Companies and Other Business Entities Act (Chapter 24:31). The abridged financial results are presented in USD dollars and are based on the historical cost approach.

3 New standards adopted at 1 January 2026
There are no accounting pronouncements which have become effective from 1 January 2026 that have a significant impact on the Company's abridged interim financial results.

4 Significant accounting policies
The abridged unaudited Financial results have been prepared in accordance with the accounting policies adopted in the Company's most recent annual financial results for the year ended 31 December 2025.

5 Estimates and judgements
When preparing the abridged interim financial results, management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.

The judgements, estimates and assumptions applied in the abridged interim financial results, including the key sources of estimation uncertainty, were the same as those applied in the Company's last annual financial results for the year ended 31 December 2025. The only exceptions are the estimate of income tax liabilities which is determined in the abridged reviewed financial results using the estimated average annual effective income tax rate applied to the pre-tax income of the interim period.

Historical Cost

	Unaudited 30 June 2026 USD	Audited 31 Dec 2025 USD
6 Property, plant and equipment		
Opening carrying amount	3 898 890	4 198 093
Effects of change in functional currency	-	(160 030)
Additions to property and equipment	79 841	14 222
Disposal	-	(18 260)
Disposal Depreciation	-	6 841
Effects of change in functional currency depreciation	-	(2 190)
Depreciation Charge	(74 323)	(139 786)
Closing carrying amount	**3 904 408**	**3 898 890**
7 Inventory		
Raw materials	223 290	283 482
Finished goods	160 141	146 332
Work in progress	91 357	-
	474 788	**429 814**
8 Trade and other receivables		
Trade receivables	1 290 623	1 135 729
Less: Allowance for credit losses	(122 718)	(114 658)
Trade receivables-net	1 167 905	1 021 071
Other receivables	6 667	3 517
Financial assets other than cash and cash equivalents classified as loans and receivables	**1 174 572**	**1 024 588**
9 Cash and cash equivalents		
For the purposes of statement of cash flows, cash and cash equivalents consist of:		
Cash at bank	58 774	289 292
Cash in hand	3 984	998
	62 758	290 290
10 Trade and other payables		
Trade payables	630 190	806 911
Other payables	651	84 123
Total financial liabilities, excluding loans and borrowings, classified as financial liabilities measured at amortised cost	630 841	891 034
Other statutory payables	961 065	821 820
Total trade and other payables	1 591 906	1 712 854
11 Loan from Stanbic bank - Order financing facility		
Opening carrying amount	-	-
Amount drawn during the year	50 000	-
Payments during the year	(7 000)	-
Closing balance	**43 000**	**-**

The Group obtained an order financing facility from Stanbic Bank to finance the procurement of raw materials and fulfilment of confirmed customer orders. The facility is utilised against qualifying customer orders and is repayable in accordance with the agreed financing terms.

12 Revenue

Disaggregation of revenue:		
Sale of chemicals	611 182	729 962
Sale of rubber	1 441 917	1 511 687
	2 053 099	2 241 649

The company has disaggregated revenue into two categories in the above table which is intended to enable users to understand the relationship with revenue segment information.

13 Income tax expense

Current tax	36 092	36 750
Deferred tax	(14 927)	31 062
	21 165	**67 812**

14 Going concern

At 30 June 2026, the Company's current liabilities exceeded current assets by USD136,251, compared to USD145,533 at 31 December 2025. The Board has continued to implement measures under the 2026 strategic plan to address the working capital position and improve financial performance. These measures include:

- Strengthen revenue through confirmed orders from key customers in mining sector.
- Improve production efficiency and overhead recovery through repairs to machinery.
- Secure and optimizing external working facilities.
- Strengthen operational resilience and risk mitigation

Unaudited statement of financial position as at 30 June 2026

	Notes	Unaudited 30 June 2026 ZWG	Audited 31 Dec 2025 ZWG
ASSETS			
Non-current assets			
Property, plant and equipment		104 520 221	104 372 506
Current assets			
Inventories		12 709 980	11 506 035
Trade and other receivables		31 443 058	27 428 016
Cash and cash equivalents		1 680 019	7 771 005
		45 833 057	46 705 056
Total assets		**150 353 278**	**151 077 562**
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital		2 557 612	2 557 612
Share options reserve		91 515	91 515
Non distributable reserve		(47 840 243)	(47 840 243)
Revaluation reserve		56 804 871	56 804 871
Retained earnings		64 287 351	63 491 554
		75 901 106	75 105 309
Non-current liabilities			
Deferred tax		24 971 699	25 371 319
Current liabilities			
Current portion of borrowings		1 151 106	-
Trade and other payables		42 615 005	45 852 759
Corporate tax payable		5 714 362	4 748 175
		49 480 473	50 600 934
Total liabilities		74 452 172	75 972 253
Total equity and liabilities		**150 353 278**	**151 077 562**

Mabeza T.
Chairman

Gunda J.
Managing Director

Unaudited statement of profit or loss and other comprehensive income for the six months ended 30 June 2026

	Notes	Unaudited 30 June 2026 ZWG	Unaudited 30 June 2025 ZWG
Revenue		54 961 050	60 008 495
Cost of sales		**(37 350 644)**	**(36 088 421)**
Gross profit		17 610 406	23 920 074
Other (loss) / income		1 422 253	622 756
Operating expenses		**(17 607 274)**	**(20 563 115)**
Profit from operations		1 425 385	3 979 715
Fair value adjustment on investment property			
Finance costs		(63 016)	-
Profit before tax		1 362 369	3 979 715
Income tax expense		(566 572)	(1 815 314)
Profit for the year		**795 797**	**2 164 401**
Total comprehensive income for the year		795 797	2 164 401
Number of shares in issue		536 588 624	536 588 624
Basic earnings / (loss) per share (cents)		0.00148	0.00403
Diluted earnings / (loss) per share (cents)		0.00147	0.00399
Headline earnings / (loss) per share (cents)		0.00147	0.00399

Statement of changes in equity for the six months ended 30 June 2026

	Share capital ZWG	Share options reserve ZWG	Non Distributable reserve ZWG	Revaluation reserve ZWG	Retained earnings ZWG	Total ZWG
Balance at 1 January 2025	**2 557 612**	**91 515**	**(47 840 243)**	**64 042 515**	**59 553 817**	**78 242 996**
Effects of change in functional currency	-	-	-	(7 237 644)	2 895 047	(4 342 597)
Total comprehensive loss for the year	-	-	-	-	1 042 690	1 042 690
Balance at 31 December 2025	**2 557 612**	**91 515**	**(47 840 243)**	**56 804 871**	**63 491 554**	**75 105 309**
Total comprehensive income for the half year	-	-	-	-	795 797	795 797
Balance at 30 June 2026	**2 557 612**	**91 515**	**(47 840 243)**	**56 804 871**	**64 287 351**	**75 901 106**

Unaudited statement of cash flows for the six months ended 30 June 2026

	Notes	Unaudited 30 June 2026 ZWG	Unaudted 30 June 2025 ZWG
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit / (loss) before tax		**1 362 369**	**3 979 713**
Adjusted for:			
Depreciation charge for the year		1 989 612	2 709 077
Interest paid		63 016	-
Profit on disposal of assets		-	(67 995)
Operating cash inflows before working capital changes		3 414 997	6 620 795
Changes in working capital			
(Increase) / decrease in inventories		(1 203 945)	(5 048 570)
(Increase) / decrease in trade and other receivables		(4 015 042)	(9 344 114)
Increase / (decrease) in trade and other payables		(3 237 753)	7 750 313
Cash generated from operating activities		(5 041 743)	(21 576)
Net cash generated from operating activities		(5 041 743)	(21 576)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from disposal of vehicles		-	373 680
Purchase of equipment		(2 137 328)	(63 712)
Net cash utilised in investing activities		(2 137 328)	(309 968)
CASH FLOWS FROM FINANCING ACTIVITIES			
Interest paid		(63 016)	-
Borrowings		1 151 101	-
Net cash outflows from financing activities		1 088 085	-
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		(6 090 986)	288 392
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		7 771 005	687 181
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		**1 680 019**	**975 573**

Notes to the financial statements for the six months ended 30 June 2026

1. Statement of compliance
The abridged consolidated special purpose financial statement of the Group have been presented in ZiG in compliance with the 2025 Monetary Policy Statement (MPS) issued by the Reserve Bank Of Zimbabwe (RBZ) and the Zimbabwe Stock Exchange (ZSE) listing.

2. Basis of preparation and presentation
The special purpose Interim consolidated financial statement are presented in Zimbabwe Gold (ZiG) and has been prepared based on the statutory records that are maintained under the historical cost basis. The abridged consolidated special purpose financial information for the six months ended 30 June 2026 has been converted from US dollars which is the functional currency for the Group to the presentation currency at the spot rate at 30 June 2026 of US$1 : 26,7698

The Directors recommend users to exercise caution when analysing the ZiG financial information due to variations caused by fluctuations in exchange rates and high inflation.

Directors: Mr. Tichaona Mabeza (Chairman); Mr. Tapiwa Zhou; Mr. Toindepi Muganyi; Dr. Tariro Mushuku Mushayavanhu ; Mrs. Patricia Nyazenga; Mr. Davis Ndumiso Sibanda; Mr. Patrick Munyanyi (Finance Director); Mr. Joseph Gunda (Managing Director)