ENGEN BOTSWANA LIMITED

Unaudited Group Results for the Half Year ended 30 June 2026

ABRIDGED STATEMENT OF COMPREHENSIVE INCOME FOR THE HALF YEAR ENDED 30 JUNE 2026

	Unaudited 6 Months to 30.06.26 P'000	Unaudited 6 Months to 30.06.25 P'000	% change	Unaudited 12 Months to 31.12.25 P'000
Revenue from contracts with customers	1,576,007	1,334,067	18%	2,772,706
Costs of goods sold	(1,449,272)	(1,236,898)		(2,557,975)
Gross Profit	**126,734**	**97,169**	30%	**214,731**
Other revenue	6,657	8,304		16,521
Other operating income/(loss)	3,265	(1,553)		(867)
Foreign currency gains/(losses)	180	165		(587)
Administrative expenses	(11,254)	(8,876)		(45,659)
Distribution and marketing expenses	(61,736)	(73,726)		(118,112)
Net impairment gains on financial assets	-	-		2,538
Other operating expenses	(2,332)	(2,570)		(3,909)
Share of profit of joint ventures	2,089	2,001		5,387
Finance income	1,905	1,289		2,408
Finance costs	(13,663)	(12,195)		(27,574)
Profit before taxation	**51,845**	**10,010**	418%	**44,877**
Taxation	(9,911)	(4,098)		(12,782)
Profit for the period attributable to equity holders of the parent	**41,934**	**5,911**	609%	**32,095**
Other comprehensive income	-	-		-
Total comprehensive income for the period	**41,934**	**5,911**	609%	**32,095**
Profit before taxation is stated after taking into account the following:				
Depreciation	21,147	20,084		41,754
Staff costs	8,175	7,821		16,292

Note:

Accounting Policies

The financial statements have been prepared in accordance with and compliance with the IFRS Accounting Standards issued by the International Accounting Standards Board ("IASB"), Interpretations issued by the IFRS Interpretations Committee of the IASB and the requirements of the Companies Act of Botswana (CAP 42:01).

Shares in issue	159,722,220	159,722,220	159,722,220
Historical cost earnings per share (thebe)	26.3	3.7	20.1
Replacement cost earnings per share (thebe)	26.2	3.7	21.9
Dividend per share paid and provided (thebe)	0.0	15.7	173.7
Historical cost dividend cover	0.0	0.2	0.1
Replacement cost dividend cover	0.0	0.2	0.1

ABRIDGED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2026

	Unaudited As at 30.06.26 P'000	Unaudited As at 30.06.25 P'000	% change	Unaudited As at 31.12.25 P'000
ASSETS				
Non current assets				
Property, plant and equipment	350,196	359,038		362,292
Right of Use of Assets	113,992	122,489		118,138
Investments	37	37		37
Investments in joint ventures	45,898	44,824		46,228
Deferred tax asset	15,239	12,260		15,095
	525,361	538,648		541,790
Current assets				
Inventories	82,735	62,148		75,174
Trade and other receivables	123,982	121,709		118,067
Tax receivable	11,564	17,422		9,615
Cash and cash equivalents	166,532	139,768		182,960
	384,812	341,046		385,816
Total Assets	**910,173**	**879,694**	3%	**927,606**
EQUITY AND LIABILITIES				
Equity				
Stated capital	8,138	8,138		8,138
Non distributable reserves	2,200	2,200		2,200
Retained earnings	440,940	375,553		399,006
	451,278	385,891		409,344
Non current liabilities				
Lease liabilities	137,851	137,525		131,029
Provisions	63,338	53,268		61,814
Borrowings	150,000	150,000		150,000
	351,189	340,793		342,843
Current Liabilities				
Trade and other payables	97,592	142,346		160,176
Lease liabilities	6,552	7,016		15,212
Dividend payable	3,531	3,649		-
Borrowings	31	-		31
	107,707	153,010		175,419
Total Liabilities	458,895	493,803		518,262
Total Equity and Liabilities	**910,173**	**879,694**	3%	**927,606**

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

	Stated Capital P'000	Non Distributable Reserves P'000	Retained Income P'000	Total P'000
Balance at 01 January 2026	**8,138**	**2,200**	**399,006**	**409,344**
Profit for six months ended 30 June 2026	-	-	41,934	**41,934**
Other comprehensive income for the period	-	-	-	-
Dividends on ordinary shares	-	-	-	-
Balance at 30 June 2026	**8,138**	**2,200**	**440,940**	**451,278**

ABRIDGED GROUP STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED 30 JUNE 2025

	Stated Capital P'000	Non Distributable Reserves P'000	Retained Income P'000	Total P'000
Balance at 01 January 2025	**8,138**	**2,200**	**394,798**	**405,136**
Profit for six months ended 30 June 2025	-	-	5,911	**5,911**
Other compehensive income for the period	-	-	-	-
Dividends on ordinary shares	-	-	(25,156)	**(25,156)**
Balance at 30 June 2025	**8,138**	**2,200**	**375,553**	**385,891**

ABRIDGED STATEMENT OF CASH FLOWS FOR THE HALF YEAR ENDED 30 JUNE 2025

	Unaudited 6 Months to 30.06.25 P'000	Unaudited 6 Months to 30.06.24 P'000	% change	Unaudited 12 Months to 31.12.25 P'000
Net cashflow from operations	72,822	29,792		81,164
Movement in working capital	(75,015)	(68,166)		(57,178)
Taxation paid	(10,390)	(4,132)		(12,371)
Cash flow available (used in) from operations	**(12,583)**	**(42,506)**		**11,615**
Dividend paid	-	(25,156)		(27,887)
Net cash flows (used in) from operating activities	**(12,583)**	**(67,662)**		**(16,272)**
Net cash flows from investing activities	(2,712)	(4,031)		(13,434)
Net cash flows from financing activities	(1,133)	(1,848)		(1,997)
Net decrease in cash and cash equivalents	(16,428)	(73,542)		(31,703)
Net foreign exchange differences	-	9		1,362
Cash and Cash equivalents at the beginning of the period	182,960	213,301		213,301
Cash and Cash equivalents at the end of the period	**166,532**	**139,768**	19%	**182,960**

SEGMENTAL REPORTING FOR THE HALF YEAR ENDED 30 JUNE 2026

Operating segments

2026

	Petrochemical Activities P'000	Property Letting P'000	Consolidated P'000
Revenues	1,576,007	-	1,576,007
Profit before taxation	49,756	2,089	51,845
Taxation	(9,911)	-	(9,911)
Net profit for the period	39,845	2,089	41,934
Total assets	864,275	45,898	910,173
Total liabilities	458,895	-	458,895

2025

	Petrochemical Activities P'000	Property Letting P'000	Consolidated P'000
Revenues	1,334,067	-	1,334,067
Profit before taxation	8,009	2,001	10,010
Taxation	(4,098)	-	(4,098)
Net profit for the period	3,910	2,001	5,911
Total assets	834,870	44,824	879,694
Total liabilities	493,803	-	493,803

EXECUTIVE COMMENTS

ECONOMIC OUTLOOK

There was slow economic growth for the first quarter as real GDP growth was 0.2% and this was an improvement from the annual contraction for 2025. There was modest growth across all non-mining sectors of the economy, which was offset by the continued contraction of the mining sector. All other sectors, with exception of the Mining and Construction experienced growth during the period. The Ministry of Finance forecast growth of 3.3% and the International Monetary Fund (IMF) forecast 4.7% growth in 2026. The World Bank anticipate growth of 2.7%. Economic recovery is underpinned by expectations of gradual improvement in the global diamond market.

Inflation increased to 10.7% in in Q2 of 2026 and was above the Bank of Botswana target range of 3% to 6%.

INDUSTRY ISSUES

The industry received a wholesale margin increase effective February 2026. There was a downward fuel price adjustment issued by Botswana Energy Regulatory Authority that was effective March 2026.

FINANCIAL PERFORMANCE

Net Profit Before Tax increased by 418% during the period under review compared to the previous year. This was mainly because of the margin increase and revision that was made to the transport recovery element of the slate in late 2025.

Earnings per share increased from 3.7 thebe per share during the same period in 2025 to 30.9 thebe per share for the period under review.

We draw attention to the increase in Net Profit After Tax of P4.2 million between the 2025 Unaudited Financial Statements in this press release and the 2025 Unaudited Financial Statements that were released in March 2026. This was due to the corrections of cost of sales with increased profit by P0.6 million, slate receivable which reduced profit by P4.8 million and deferred tax which increased profit by P8.4 million.

OPERATING REVIEW

The performance of the retail sales channel of the business declined by 23% in comparison to the same period in 2025 due to the decline in consumer buying power. All the network service stations were able to operate during the reporting period.

In addition, three service stations exited the network in April 2026 during the period and this impacted the volumes negatively. There were no new service stations that were opened during the period. Good margin management, cost control and improved cash flow also contributed to the improved financial performance.

The commercial sales channel increased by 35% compared to the previous year. This performance was mainly attributable to the increase in uplifts in new customers.

The lubricants sales channel performance was below 2025 due to decline in economic activity. It is expected that this performance will recover during the second half of the year.

There were no incidents concerning Health, Safety, Environment and Quality during the reporting period.

CONCLUSION

The Directors of the company acknowledge the contribution of the management, staff, valued customers, shareholders, and all other stakeholders for the support toward the success of Engen Botswana Limited during the first half of 2026.

UPDATE OF 2025 AUDITED FINANCIAL STATEMENTS AND AGM

Stakeholders are advised that the audit for the year ended 31 December 2025 has been completed and the audited financial statements for the year ended 31 December 2025 will be published by 30 October 2026. The Annual General Meeting will be held by 30 November 2026.

By order of the Board

Dr. S Ndzinge (Chairman)

B F Sameke (Acting Managing Director)

29 September 2026

Declaration of Interim Dividend

Notice is hereby given that an interim net dividend of 13.2 thebe per share in respect of the half year ended 30 June 2026 has been declared to ordinary shareholders registered in the books of the Group at the close of business on 21 October 2026 with an ex-dividend date of 19 October 2026.

Dividend transfers will be dispatched on or before 2 November 2026. A shareholder who requires the company to make any changes regarding the payment of their dividend must lodge a written request with their stock brokers on or before 26 October 2026.

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