ENGEN BOTSWANA LIMITED

Audited Group Results for the year ended 31 December 2025

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ABRIDGED GROUP STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 December 2025

	2025 P'000	2024 P'000	% Change
Revenue	**2,772,706**	**3,450,419**	**(19.6)**
Cost of Sales	(2,557,975)	(3,146,513)	**(18.7)**
Gross Profit	**214,731**	**303,906**	**(29.3)**
Other revenue	**16,521**	**14,313**	**15.4**
Other Operating (loss)/income	(867)	6,868	(112.6)
Operating Expenses			
Foreign exchange (losses)/gains	(587)	1,852	(131.7)
Administrative Expenses	(45,659)	(18,097)	152.3
Distribution & marketing expenses	(118,112)	(168,716)	(30.0)
Net impairment gains/(losses) on financial assets	2,538	(7,872)	(132.2)
Other Operating Expenses	(3,909)	(4,954)	(21.1)
Total Operating Expenses	**(165,729)**	**(197,787)**	**16.2**
Operating profit	**64,656**	**127,300**	**(49.2)**
Share of profit of joint ventures	5,387	3,534	52.4
Finance income	2,408	4,178	(42.4)
Finance costs	(27,574)	(23,980)	15.0
Profit before tax	**44,877**	**111,032**	**(59.6)**
Taxation	(12,782)	(55,350)	
Profit for the year attributable to equity holders of the parent	**32,095**	**55,682**	**(42.4)**
Other comprehensive income	-	-	
Total comprehensive income for the year	**32,095**	**55,682**	**(42.4)**
Earnings per share (thebe)	20.09	34.86	
Profit before taxation is stated after taking into account the following:			
Depreciation	41,594	39,280	
Staff costs	16,292	17,116	

Note:

The abridged set was extracted from the unaudited IFRS financial statements.

Shares in issue	159,722,220	159,722,220
Historical cost earnings per share (thebe)	20.09	34.9
Gross dividend per share paid and provided (thebe)	19.40	193.00
Total gross dividend per share including proposed amount not provided for	40.80	210.50

ABRIDGED STATEMENT OF FINANCIAL POSITION
As at 31 December 2025

	31 December 2025 P'000	31 December 2024 P'000	% Change
ASSETS			
Non current assets			
Property, plant and equipment	362,292	367,617	(1.4)
Right of Use Assets	118,138	126,976	(7.0)
Share of investments in joint ventures	46,228	44,942	2.9
Investments	37	37	0.0
Deferred tax asset	15,095	11,783	28.1
	541,790	551,355	
Current assets			
Inventories	75,174	41,650	80.5
Trade and other receivables	118,067	138,024	(14.5)
Tax receivable	9,615	13,338	(27.9)
Cash and cash equivalents	182,960	213,301	(14.2)
	385,816	406,313	
Total Assets	**927,606**	**957,668**	
EQUITY AND LIABILITIES			
Equity			
Stated capital	8,138	8,138	
Non distributable reserve	2,200	2,200	
Retained earnings	399,006	394,798	
	409,344	405,136	
Non-Current Liabilities			
Lease Liabilities	131,029	130,344	0.5
Provisions	61,814	51,769	19.4
Borrowings	150,000	150,000	0.0
	342,843	332,113	
Current Liabilities			
Trade and other payables	160,176	206,329	(22.4)
Borrowings	31	59	(47.5)
Lease Liabilities	15,212	14,031	8.4
	175,419	220,419	
Total liabilities	518,262	552,532	
Total Equity and Liabilities	**927,606**	**957,668**	

ABRIDGED GROUP STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2025

	Stated Capital P'000	Non Distributable Reserves P'000	Retained Earnings P'000	Total P'000
Balance at 1 January 2024	**8,138**	**2,200**	**616,553**	**626,891**
Profit for the year			55,682	55,682
Other comprehensive income for the year		-	-	-
Dividends on ordinary shares			(277,437)	(277,437)
Balance at 31 December 2024	**8,138**	**2,200**	**394,798**	**405,136**
Profit for the year			32,095	32,095
Other comprehensive income for the year		-	-	-
Dividends on ordinary shares			(27,887)	(27,887)
Balance at 31 December 2025	**8,138**	**2,200**	**399,006**	**409,344**

ABRIDGED STATEMENT OF CASH FLOWS
For the year ended 31 December 2025

	2025 P'000	2024 P'000	% Change
Net cashflow from operations	83,339	150,726	(44.7)
Movement in working capital	(57,182)	(213,161)	(73.2)
Taxation paid	(12,371)	(58,855)	(79.0)
Net cash from operating activities	13,786	(121,290)	
Net cash flows used in investing activities	(15,605)	(14,710)	6.1
Net cash flows used in financing activities	(29,884)	(231,448)	(87.1)
Net increase in cash and cash equivalents	(31,703)	(367,448)	**(91.4)**
Net foreign exchange differences	1,362	104	1,209.6
Cash and Cash equivalents at the begining of the year	213,301	580,645	(63.3)
Cash and Cash equivalents at the end of the year	**182,960**	**213,301**	

ABRIDGED SEGMENT INFORMATION
For the year ended 31 December 2025

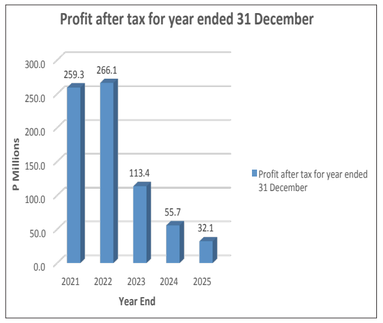
Operating segments

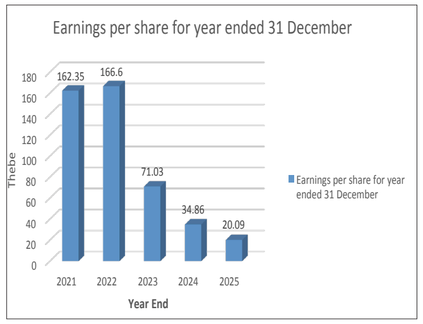
2025

	Petrochemical Activities P'000	Property Letting P'000	Consolidated P'000
Revenues	2,772,706	-	2,772,706
Depreciation	(41,594)	-	(41,594)
Forex losses	(587)	-	(587)
Finance costs	(27,574)	-	(27,574)
Taxation	(12,782)	-	(12,782)
Share of profit of joint ventures	-	5,387	5,387
Earnings before interest, tax, depreciation and amortisation	108,658	5,387	114,045
Profit for the year after tax	26,708	5,387	32,095
Total assets	881,378	46,228	927,606
Total liabilities	518,262	-	518,262
Capital expenditure	19,705	-	19,705

2024

	Petrochemical Activities P'000	Property Letting P'000	Consolidated P'000
Revenues	3,450,419	-	3,450,419
Depreciation	(39,280)	-	(39,280)
Forex gains	1,852	-	1,852
Finance costs	(23,980)	-	(23,980)
Taxation	(55,350)	-	(55,350)
Share of profit of joint ventures	-	3,534	3,534
Earnings before interest, tax, depreciation and amortisation	170,758	3,534	174,292
Profit for the period after tax	52,148	3,534	55,682
Total assets	912,726	44,942	957,668
Total liabilities	552,532	-	552,532
Capital expenditure	20,208	-	20,208





Audited Consolidated Financial Statements

The independent auditors, PricewaterhouseCoopers, have issued an unmodified opinion on group's financial statements for the year ended 31 December 2025.

Basis of Preparation and Accounting Policies

The accounting policies adopted in preparation of the financial statements from which the preliminary financial information in this announcement has been extracted, comply in all material respects with IFRS® Accounting Standards. These policies are consistent with those applied for the year ended 31 December 2024.

Executive Comments

This press release provides a preliminary overview of our financial performance for the year ended 31st December 2025.

GDP growth recovered in Q3 of 2025 mainly due to an increase in diamond production. The global diamond market became more stable in Q4 of 2025 although there was a high level of uncertainty. The low economic growth and rising interest rates affected the economy, however, the relatively low inflation and rising foreign exchange reserves were positive indicators in the economy's performance.

The profitability of the Group was significantly impacted following the commencement of the Petroleum Products Importation Quota on 01 April 2024 which affected the business environment. This has resulted in the Group being a price taker due to the single source of supply regulation whereas competitors that are not subject to this regulation are able to determine their source(s) of supply and benefit from the prices of procurement. The economy was affected by low consumer disposable incomes due to high food and fuel prices, and this affected sales volumes during the year. These factors contributed to the 2025 volumes being lower than 2024.

The retail channel continued to remain the cornerstone of the business in Botswana. This channel delivered subdued results mainly due to increasing price competition from newer market entrants and economic factors as mentioned above. Notwithstanding, there was a strong focus on efficiency improvements and cost management. There were no new retail service stations that were opened in 2025 although there is a pipeline to increase them in 2026.

The commercial sales channel continued to be highly price competitive and the Group had to continuously manage the effects of strong price competition in order to remain competitive in the market.

We believe that high levels of operational efficiency and the responsible conduct of our business in line with our values will stand us in good stead to surmount the challenges that we may encounter in the future.

We recognise the commitment of our investors to the Group, and therefore one of our key objectives is to ensure that the group delivers long term, sustainable and robust performance and value to our shareholders through leverage on technology, people, know-how, strong partnerships and adaptation to the rapidly changing business operating conditions.

The group results are underpinned by a strong focus on our key values of Safety, Excellence, Caring, Respect and Integrity.

Financial Performance

Financial performance comments:

Revenue decreased by 19.6% mainly due to economic factors and increased price competition in the market. Retail volumes decreased by 5.5% and Commercial volumes decreased by 61.0%. There was one price adjustment in September 2025 and the Unitary Pricing System was introduced in November 2025. There was no margin adjustment during the year. There were changes in the allocation method of expenses hence the significant variances in Administrative Expenses, and Distribution & Marketing Expenses.

Foreign exchange gains decreased from P1.9 million at the end of 2024 to a loss of P0.6 million at the end of 2025.

The Group exercised good margin management and cost control throughout the year.

Overall, the Group's performance reflects a net profit after tax of P32.1 million, a 42.4% decrease.

We draw attention to the increase in Net Profit After Tax of P4.2 million between the 2025 Audited Financial Statements in this press release and the 2025 Preliminary Unaudited Financial Statements that were released in March 2026. This was due to the corrections of cost of sales which 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

Despite the difficult and unprecedented trading conditions, both within Botswana and internationally, the Group grew shareholder value marginally during the course of 2025.

Fuel supply from our sole supplier, Botswana Oil Limited, was reasonably stable during the course of the year and we were able to supply our customers without any stock outs.

The retail network operated at lower than expected volumes mainly due the high price of fuel which curtailed travel of many consumers. In addition, the increased price competition and the proliferation of new retail sites opened by newer competitors also affected retail performance.

Despite these factors, the Group continued to compete effectively in the market and utilised its strong brand profile and consistent convenience and service offering to retain existing business and attract new customers.

The commercial side of the business delivered negative results which were below expectations. The Group achieved a fair Net Promoter Score, which was testimony to Engen Botswana team's dedication to customer centricity.

Health, Safety, Environmental and Quality (HSEQ) Key Performance Indicators for the year under review were met and, in many cases, exceeded. This continues to be a key focus area in our business and there is zero tolerance to actions or behaviour that will compromise our stringent HSEQ standards. No major health and safety incidents were recorded in 2025.

Efficiency continued to be enhanced in the Distribution part of the business in order to ensure 'On Time and In Full' deliveries, a healthy level of 'Inventory Days of Supply' and the effective management the 'Cost to Serve'.

Conclusion

The Directors of the Group would like to thank our valued customers, suppliers, shareholders and all other stakeholders for their on-going support which contributed towards a successful year of Engen Botswana Limited. The directors would also like to extend their appreciation to the management and staff for the tremendous effort applied during the year under review that ensured that we maintained our position as one of the leading petroleum companies in Botswana.

Declaration of Final Dividend No. 71

Notice is hereby given that a final gross dividend of 8.2 thebe per share in respect of the year ended 31 December 2025 has been declared payable to ordinary shareholders registered in the books of the Group at the close of business on 20 November 2026 with an ex-dividend date of 18 November 2026.

In compliance with the requirements of the Income Tax Act, withholding tax at the rate of 10% will be deducted by the company from all dividends.

Dividend transfers will be dispatched by the Transfer Secretaries on or before 02 December 2026. A shareholder who requires the company to make any changes regarding the payment of their dividend must lodge a written request with the Transfer Secretaries on or before 25 November 2026.

By order of the Board

Dr S Ndzinge (Chairman)

B F Sameke (Acting Managing Director)

28 October 2026

REGISTERED OFFICE	TRANSFER SECRETARIES	AUDITORS
Plot 54026	CSD Botswana	PriceWaterhouseCoopers
Western Bypass	Fairscape Precinct	Fairgrounds Office Park
Gaborone West	Plot 70667	Plot 50371
P O Box 867	P Bag 00417	P O Box 294
Gaborone	Gaborone	Gaborone