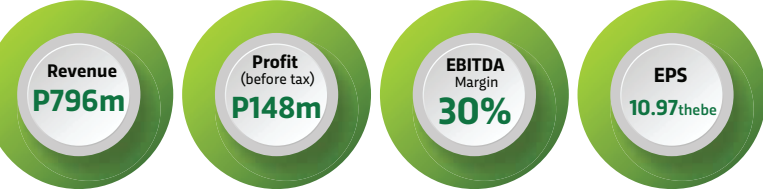




# Botswana Telecommunications Corporation Limited

## ABRIDGED UNAUDITED INTERIM FINANCIAL RESULTS FOR THE HALF YEAR ENDED 30 SEPTEMBER 2025

The Board and Management of Botswana Telecommunications Corporation Limited ('BTC') are pleased to present to shareholders the abridged unaudited financial results of the Company for the half year ended 30 September 2025.



### COMMENTARY

#### Our Business

Botswana Telecommunications Corporation is a converged telecommunications operator offering fixed (voice and data), mobile (voice and data) and broadband services to consumers, enterprise and other licensed service providers.

#### Financial Highlights for the half year

- Revenue: P796 million
- Cost of Services and Goods Sold: P327 million
- Profit Before Tax: P148 million
- EBITDA margin: 30%
- Earnings Per Share (EPS): 10.97 thebe
- Cost to income ratio: 81%

#### Review of Results

The interim unaudited financial statements of the Company for the six months ended 30 September 2025 were authorised for issue by the Board of Directors on 27 November 2025.

#### Performance Overview

BTC has delivered a strong financial performance for the half-year period, driven by strong growth in key revenue streams and continued investment in network modernisation.

Revenue for the period closed at P796 million representing a 10.3% increase compared to the prior year. This underlying performance was underpinned by resilient growth in data services, with mobile data growing by 8% and broadband by 1%, both demonstrating solid traction during the period. Revenue was further supported by the successful delivery of a digital project, which provided an additional uplift to overall results. Mobile money and digital services continue to show sustained growth, reinforcing BTC's ongoing transformation journey and its commitment to delivering innovative solutions to customers. Cost of services and goods sold amounted to P327 million, maintaining a stable gross margin position, while disciplined cost management supported overall profitability. Profit before tax stood at P148 million, demonstrating resilience despite the pressure from increased spectrum licence fees and higher debtors' impairment.

EBITDA margin of 30% underscores the strength of BTC's core business and improved earnings quality. This translated into an Earnings Per Share (EPS) of 10.97 thebe (6.80 thebe prior year), reflecting enhanced shareholder value.

A continued area of focus for BTC is its cost-to-income ratio of 81%, with initiatives underway to optimise operating expenditure and unlock efficiency gains across the business.

Overall, BTC maintains a solid financial position, driven by consistent revenue growth, prudent management of costs, and strategic capital investments aimed at enhancing service delivery and network modernisation.

#### Domestic Economy

Botswana's economy contracted by 3% in the third quarter of 2025, reflecting a 28% decline in the diamond sector's performance. However, the non-diamond private sector expanded by 3.4% supported by growth in the service industries. The downturn has been driven by weaker global demand and fiscal challenges, though Bank of Botswana reports early signs of stabilisation in some service sectors such as tourism. Inflation stood at 3.7% in September, following the Bank of Botswana exchange rate adjustments that increased the downward crawl of the Pula and is expected to rise further as tight economic conditions continue.

#### Outlook

BTC will continue to advance Botswana's digital transformation during the second half of 2025 through a series of innovative initiatives focused on enhancing customer experience, improving network quality, and expanding digital and financial inclusion.

Key initiatives include implementing an omnichannel service strategy that seamlessly integrates all customer touchpoints, i.e. physical, digital, and mobile, to deliver a more convenient and responsive experience. In parallel, BTC will ensure it strengthens service reliability, improving capacity, and extending high-speed connectivity to underserved communities. The company will also upgrade and enhance its mobile money platform, to simplify onboarding and provide a superior, more intuitive user experience. Additionally, BTC will expand SMEGA Pay acceptance points through innovative payment solutions that enable the use of QR codes and tap-to-pay functionality. This will empower the informal sector and retail outlets to accept secure digital payments effortlessly.

### STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the half year ended 30 September 2025	Unaudited 6 Months to 30.09.2025 P '000	Unaudited 6 Months to 30.09.2024 P '000	Audited 12 Months to 31.03.2025 P '000
Revenue from contracts with customers	796,125	722,059	1,492,760
Cost of services and goods sold	(327,018)	(267,098)	(603,005)
<b>Gross profit</b>	<b>469,107</b>	<b>454,961</b>	<b>889,755</b>
Interest income	41,506	28,185	60,422
Interest expense	(7,058)	(7,585)	(14,938)
Other income	23,925	2,671	38,708
Selling and distribution costs	(14,420)	(10,759)	(23,489)
Administrative expenses	(198,622)	(185,016)	(387,825)
Impairment loss on financial assets and contract assets	(14,507)	(7,838)	(24,973)
Other expenses	(151,526)	(129,297)	(278,631)
<b>Profit before tax</b>	<b>148,405</b>	<b>145,322</b>	<b>259,029</b>
Income tax expense	(33,210)	(33,458)	(56,825)
<b>Profit for the period/ year</b>	<b>115,195</b>	<b>111,864</b>	<b>202,204</b>
<b>Other comprehensive income not to be reclassified to profit /loss in subsequent periods</b>	-	-	(2,745)
Impairment on assets transferred to held for sale	-	-	604
Income tax effect	-	-	(2,141)
<b>Other comprehensive loss for the period/year</b>	-	-	(2,141)
<b>Total comprehensive income for the period/year</b>	<b>115,195</b>	<b>111,864</b>	<b>200,063</b>
Basic and diluted earnings per share (Thebe):	10.97	6.80	19.26

### STATEMENT OF FINANCIAL POSITION

As at 30 September 2025	Unaudited 6 Months to 30.09.2025 P '000	Unaudited 6 Months to 30.09.2024 P '000	Audited 12 Months to 31.03.2025 P '000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	1,772,301	1,513,886	1,638,484
Intangible assets	154,745	150,388	151,934
Right of use assets	134,987	139,066	136,938
Performance bond	16,650	-	16,650
IRU asset	286,573	324,782	305,678
Contract assets	66,510	65,669	49,212
	<b>2,431,766</b>	<b>2,193,792</b>	<b>2,298,896</b>
<b>Current assets</b>			
Inventories	65,739	63,581	50,128
Trade and other receivables	481,451	322,380	380,766
Contract assets	41,089	21,375	43,920
Income tax receivable	2,891	897	-
Short term investments	96,776	170,350	56,411
Cash and cash equivalents	225,095	404,432	442,360
	<b>913,041</b>	<b>983,015</b>	<b>973,585</b>
Assets held for sale	12,488	6,332	14,742
<b>Total assets</b>	<b>3,357,295</b>	<b>3,183,139</b>	<b>3,287,223</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and reserves</b>			
Stated capital	478,892	478,892	478,892
Revaluation reserve	382,719	387,889	385,663
Accumulated profits	1,543,782	1,490,933	1,539,358
	<b>2,405,393</b>	<b>2,357,714</b>	<b>2,403,913</b>
<b>Non-current liabilities</b>			
Development grants	26,910	30,618	26,910
Lease liabilities	140,796	148,753	146,084
IRU liability	40,021	54,740	47,278
Contract liabilities	94	9,402	2,897
Deferred tax liability	232,720	176,475	199,510
Employee related provisions	2,649	4,166	3,776
	<b>443,190</b>	<b>424,153</b>	<b>426,455</b>
<b>Current liabilities</b>			
Trade and other payables	436,520	341,003	383,007
Contract liabilities	4,848	5,017	2,879
Lease liabilities	20,721	17,435	15,898
IRU liability	14,291	12,965	13,834
Current portion of development grants	10,110	1,470	7,567
Current portion of employee related provisions	22,222	23,381	33,670
	<b>508,712</b>	<b>401,271</b>	<b>456,855</b>
<b>Total liabilities</b>	<b>951,902</b>	<b>825,425</b>	<b>883,310</b>
<b>Total equity and liabilities</b>	<b>3,357,295</b>	<b>3,183,139</b>	<b>3,287,223</b>

### STATEMENT OF CASH FLOWS

For the half year ended 30 September 2025	Unaudited 6 Months to 30.09.2025 P '000	Unaudited 6 Months to 30.09.2024 P '000	Audited 12 Months to 31.03.2025 P '000
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Operating cash flow before working capital changes	219,665	215,682	437,018
Working capital adjustments:			
(Increase)/Decrease in inventories	(15,564)	(4,324)	5,471
Increase in trade and other receivables, contract assets and prepayments	(128,195)	(103,577)	(184,671)
Increase in trade and other payables and contract liabilities	51,932	12,637	32,259
Cash generated from operations	127,838	120,419	290,077
Ordinary dividend paid to shareholders	(110,547)	(227,908)	(269,787)
Income tax received	-	-	1,169
<b>Net cash from operating activities</b>	<b>17,291</b>	<b>(107,489)</b>	<b>21,459</b>
<b>CASH FLOWS USED IN INVESTING ACTIVITIES:</b>			
Investment to expand operations:			
Purchase of property, plant and equipment	(216,904)	(66,425)	(277,765)
Purchase of intangible assets	(20,243)	(2,811)	(17,830)
Proceeds from disposal of property, plant and equipment and assets held for sale	15,141	17,691	37,663
Interest income received	44,714	27,913	60,821
Purchase of investments	(506,004)	(750,000)	(306,262)
Disposal of investments	465,639	677,547	357,654
Purchase of performance bond	-	-	(16,650)
<b>Net cash generated used in investing activities</b>	<b>(217,657)</b>	<b>(96,084)</b>	<b>(162,369)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Grants received	3,399	4,248	7,591
Interest paid on lease liabilities and IRU liability	(7,138)	(7,645)	(15,029)
Principal payment of lease liabilities	(11,143)	(7,350)	(21,044)
Principal payment of IRU liability	(6,800)	(6,372)	(12,965)
<b>Net cash from financing activities</b>	<b>(21,682)</b>	<b>(17,119)</b>	<b>(41,447)</b>
Decrease in cash and cash equivalents	(222,047)	(220,692)	(182,357)
Net foreign exchange difference on cash and cash equivalents	4,782	(220)	(627)
Cash and cash equivalents at beginning of the period/year	442,360	625,344	625,344
<b>Cash and cash equivalents at end of the period/year</b>	<b>225,095</b>	<b>404,432</b>	<b>442,360</b>

### STATEMENT OF CHANGES IN EQUITY

For the half year ended 30 September 2025	Stated Capital P '000	Revaluation Reserve P '000	Accumulated Profits P '000	Total P '000
<b>Balance at 1 April 2024</b>	478,892	393,713	1,614,745	2,487,350
Profit for the year	-	-	202,204	202,204
Other comprehensive loss for the year	-	(2,141)	-	(2,141)
<b>Total Comprehensive Income</b>	-	(2,141)	202,204	200,063
Ordinary dividend declared	-	-	(283,500)	(283,500)
Depreciation transfer for land and buildings	-	(5,909)	5,909	-
<b>Balance at 31 March 2025 (Audited)</b>	<b>478,892</b>	<b>385,663</b>	<b>1,539,358</b>	<b>2,403,913</b>
Profit for the period	-	-	115,195	115,195
Other comprehensive loss for the period	-	-	-	-
<b>Total Comprehensive Income (Unaudited)</b>	-	-	115,195	115,195
Ordinary dividend declared	-	-	(113,715)	(113,715)
Depreciation transfer for land and buildings (Unaudited)	-	(2,944)	2,944	-
<b>Balance at 30 September 2025 (Unaudited)</b>	<b>478,892</b>	<b>382,719</b>	<b>1,543,782</b>	<b>2,405,393</b>

#### Presentation of Interim Financial Statements

The interim unaudited financial statements are presented in Botswana Pula (BWP), the Company's functional currency.

#### Basis of Preparation and Accounting Policies

The unaudited interim financial statements have been prepared on a historical cost basis, except as modified by the revaluation of certain fixed assets and on the going concern basis.

The accounting policies adopted for the period comply in all materials respects with IFRS @ Accounting Standards as issued by the International Accounting Standards Board ("IASB"), IFRIC @ interpretations issued by IFRS interpretations Committee and in the manner required by the Companies Act (CAP 42:01). These policies are consistent with those applied for the year ended 31 March 2025.

#### Outlook (Continued)

##### Driving Digital Inclusion

In partnership with the Government of Botswana, BTC is driving digital inclusion by extending high-speed satellite connectivity to 61 rural villages across the country. Through this initiative, schools, clinics, community centres, and other key public service institutions are gaining access to reliable internet services.

##### Enhancing Customer Experience through Network Expansion and Optimisation

BTC is in the process of connecting 105 localities across the country, bringing fast and reliable internet connectivity to underserved communities. To enhance customer experience and the quality of our mobile network, we are introducing Voice over LTE (VoLTE), a service that enables high-quality voice calls to be carried directly over our 4G/LTE data network. VoLTE delivers High Definition (HD) voice, providing clearer, more natural sound and significantly reducing call setup times, and enabling users to simultaneously use voice and data services without interruptions.

##### Transforming Enterprises

BTC continues to lead Botswana's digital transformation journey by implementing advanced data centre solutions that offer secure, scalable, and locally hosted services that can be tailored to meet the evolving needs of businesses. In addition, BTC is enabling cloud-based disaster recovery solutions designed to strengthen business resilience, safeguard critical data, and ensure continuity in an increasingly digital economy.

The Company has also introduced Cybersecurity as a Service, providing businesses proactive protection against emerging cyber threats, through real-time threat monitoring, vulnerability management, and incident response support - ensuring enterprises can operate confidently and securely in the digital landscape.

#### Dividends Declaration

The Board has declared an interim dividend of 5.15 thebe per share for the half year ended 30 September 2025. In accordance with the Botswana Income Tax Act (Cap 52:01) as amended, withholding tax at the rate of 10% or any other currently enacted tax rate will be deducted from the gross dividend.

Important dates pertaining to this dividend are:

Declaration date: 27 November 2025

Ex-dividend date: 07 January 2026

Last date to register: 09 January 2026

Dividend payment date: 21 January 2026

By order of the Board

**Thato Kewakae**  
Chairperson (Interim) | **Jürgen Peschel**  
Chief Executive Officer

#### Board of Directors

Thato Kewakae (Chairperson - Interim), Jürgen Peschel (Chief Executive Officer), Amantle Kgosiemang, Itemogeng B. Pheto, Mcedisi R. Solomon, Kgotsa Bannalothle.

#### Company Secretary

Sidney Mganga

#### Company Number

BW00000748937

#### Transfer Secretaries

Central Securities Depository Company of Botswana  
Plot 70667, Fairscape Precinct, 4th Floor, Fairgrounds, Gaborone  
Private Bag 00417, Gaborone  
Contact Details:  
3674400/ 09/11/12  
Contact Person: Nonfo Phalatse or Ambrosia Khupe

#### Auditor

Deloitte & Touche  
2nd Floor, Twin Towers, East Building  
Plot 2883, Fairgrounds Office Park  
P O Box 778 Gaborone, Botswana

#### Registered Office

Megaleng House  
Plot 50350, Khama Crescent  
P.O. Box 700 Gaborone, Botswana