

LETSHEGO DELIVERS STRONG UNDERLYING PERFORMANCE WITH IMPROVED CREDIT QUALITY AND STRATEGIC MOMENTUM IN FY2025

Letshego delivered a strong underlying financial performance in FY2025, with significantly improved profitability, credit quality and funding resilience across its core Southern African operations, notwithstanding a reported loss driven by a once-off non-cash impairment.

Financial highlights:

- **Profit after tax from continuing operations increased more than fourfold to BWP284 million (FY2024: BWP61.4 million)**
- **Operating income grew by 8%, reflecting solid commercial momentum**
- **Net impairments declined by 77%, with the loan loss ratio improving to 1%**
- **Customer deposits increased to BWP2.2 billion, supporting enhanced funding diversification**
- **Non-funded income rose by 26% to BWP552.8 million, driven by insurance and digital lending growth**
- **Consolidated loss after tax of BWP235.5 million, impacted by a once-off non-cash IFRS 5 impairment of BWP570 million**

26 March 2026 - Gaborone – Letshego Africa Holdings Limited (“Letshego”) today announced its unaudited financial results for the year ended 31 December 2025, reflecting a year of strong underlying performance, improved credit quality and continued strategic execution across all of its markets.

The Group reported a consolidated loss after tax of BWP235.5 million. This was driven by a once-off non-cash IFRS 5 impairment of BWP570.7 million relating to the classification of certain East and West African operations as discontinued and held for sale. Importantly, this accounting impact does not reflect the underlying performance of Letshego’s East and West African businesses which remain robust and improving.

On a normalised basis, however, the Group delivered a significant improvement in profitability, driven by enhanced credit discipline, growing deposit mobilisation and strong commercial momentum across Southern Africa. Profit after tax from continuing operations increased more than fourfold to BWP284 million (FY2024: BWP61.4 million), supported by an 8% increase in operating income and a 77% reduction in net impairments.

Basic earnings per share from continuing operations improved to 9.4 thebe, while the loan loss ratio reduced materially to 1%, reflecting strengthened underwriting and collections performance.

Customer deposits continued to grow, reaching BWP2.2 billion on a continuing basis, alongside strong momentum in digital channel adoption and funding diversification.

Reinette van der Merwe, Group CEO, said:

“Our FY2025 results demonstrate that our business is executing with discipline and gaining momentum across its core operations. We are seeing clear improvements in earnings quality, credit performance and funding resilience, underpinned by a more focused strategy and stronger operational execution.”

Importantly, while our reported results were impacted by accounting adjustments linked to our portfolio optimisation, the underlying performance of the Group is robust and improving, with our Southern African franchises continuing to deliver strong and consistent returns.”

The Group’s core Southern African markets remained the primary drivers of performance, with notable growth in Namibia, Botswana and Mozambique. Mozambique, in particular, delivered a 56% increase in profit after tax, supported by strong deposit mobilisation and improved asset quality. Botswana delivered a strong turnaround in 2025, with the successful exit from non-performing legacy lending driving a 23% increase in profit after tax, a 59% decline in net impairments, and a 5% growth in advances, reflecting improved credit quality and renewed momentum despite a challenging operating environment.

Letshego also made meaningful progress in diversifying its income streams, with non-funded income increasing by 26% to BWP552.8 million, supported by growth in insurance and digital lending solutions.

The Group’s ESG-aligned lending continues to scale, with 53% of borrowers now classified as ESG-aligned and 48% of disbursements directed towards productive use, reinforcing Letshego’s commitment to inclusive and sustainable finance. Additionally, ESG-linked businesses won several awards over the past year, with our Ghana business winning two awards in recognition of our commitment to sustainable finance.

The Botswana and Lesotho businesses were also recognised as the Best Microfinance companies in their markets by the Global Banking and Finance review.

A key strategic milestone during the year was the decision to streamline the Group’s footprint through the planned exit from selected East and West African markets. This portfolio optimisation is aimed at unlocking shareholder value and improving capital allocation.

Gwen Muteiwa, Group CFO, commented:

“From a financial perspective, the Group has delivered a meaningful step-up in the performance of its continuing operations, with strong improvements in profitability, credit quality and funding mix.

The statutory loss is largely attributable to a once-off, non-cash impairment linked to discontinued operations. This accounting treatment does not detract from the significant progress made in strengthening the Group’s balance sheet, improving liquidity discipline and positioning Letshego for more sustainable, risk-adjusted returns going forward.”

The Group also strengthened its funding profile during the year, with total customer deposits increasing significantly as part of a deliberate shift towards more stable, locally sourced funding.

Outlook

Looking ahead, Letshego will remain focused on executing its clearly defined strategic priorities, including scaling its lending franchise, accelerating deposit growth, enhancing digital capabilities and driving operational efficiencies.

With a strengthened core business, improved asset quality and a more focused geographic footprint, the Group is well positioned to deliver sustainable growth and long-term shareholder value.

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Van der Merwe concluded:

“We enter FY2026 with a stronger, more resilient business and a clear strategic roadmap. Our focus remains on disciplined execution, deepening customer engagement and continuing to build a diversified, inclusive financial services platform that delivers sustainable value for all stakeholders.”

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About Letshego Africa

Letshego Africa Holdings Ltd (“Letshego Africa” / “Letshego Group”) is a pan-African multinational, first opening its doors in Gaborone, Botswana 27 years ago in 1998 by offering loans to government employees. Today, the Group has over 3,000 employees, includes direct and indirect sales agents, with more than 21 nationalities. Letshego is an inclusive finance organisation that supports public and private sector individual customers, as well as micro and small entrepreneurs. The Africa Group has operations in 11 sub-Saharan African markets, including Eswatini, Ghana, Kenya, Lesotho, Mozambique, Namibia, Nigeria, Rwanda, Tanzania and Uganda. Letshego Africa Holdings Limited (the group holding company) is listed on the Botswana Stock Exchange, along with its Namibia subsidiary listing on the Namibian stock exchange, in addition to local bond listings in Namibia, Ghana and Mozambique. www.letshego.com / www.letshegoinvestor.com – follow us on LinkedIn #LetshegoGroup