



UNAUDITED GROUP FINANCIAL RESULTS

For the 26 week period (half - year) ended 26 October 2025

ABRIDGED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

| | Unaudited 26 weeks ended 26 October 2025 P'm | Unaudited 26 weeks ended 27 October 2024 P'm | Audited 52 weeks ended 27 April 2025 P'm |
|---|---|---|---|
| Revenue | 5 819.4 | 5 356.4 | 11 173.7 |
| Cost of sales | (5 466.2) | (4 994.6) | (10 381.3) |
| Gross profit | 353.2 | 361.8 | 792.4 |
| Other income and gains | 33.0 | 28.0 | 155.9 |
| Administrative expenses | (193.1) | (165.8) | (394.2) |
| Earnings before interest, tax and amortisation (EBITA) | 193.1 | 224.0 | 554.1 |
| Amortisation | (3.2) | (3.8) | (6.6) |
| Investment income | 35.1 | 17.5 | 47.4 |
| Finance costs | (25.4) | (14.2) | (38.1) |
| Profit before share of results of associates | 199.6 | 223.5 | 556.8 |
| Share of results of associates | (2.7) | (4.2) | (6.7) |
| Profit before tax | 196.9 | 219.3 | 550.1 |
| Income tax expense | (57.1) | (60.8) | (124.1) |
| PROFIT FOR THE PERIOD | 139.8 | 158.5 | 426.0 |
| Other comprehensive income: | | | |
| Items that will not be reclassified to profit or loss | | | |
| Net gain on revaluation of land and buildings | 20.0 | | |
| Gross gain on revaluation of land and buildings | 25.4 | | |
| Income tax on gain on revaluation of land and buildings | (5.4) | | |
| Items that may be subsequently reclassified to profit or loss | | | |
| Currency translation differences | 170.3 | 31.5 | (3.2) |
| Other comprehensive income for the period (net of tax) | 170.3 | 31.5 | 16.8 |
| TOTAL COMPREHENSIVE INCOME FOR THE PERIOD | 310.1 | 190.0 | 442.8 |
| PROFIT FOR THE PERIOD ATTRIBUTABLE TO: | | | |
| Owners of the parent | 138.6 | 156.4 | 423.8 |
| Non - controlling interests | 1.2 | 2.1 | 2.2 |
| TOTAL PROFIT FOR THE PERIOD | 139.8 | 158.5 | 426.0 |
| TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO: | | | |
| Owners of the parent | 308.9 | 187.9 | 440.6 |
| Non - controlling interests | 1.2 | 2.1 | 2.2 |
| TOTAL COMPREHENSIVE INCOME | 310.1 | 190.0 | 442.8 |
| Number of shares in issue at beginning and end of the year | 250 726 709 | 250 726 709 | 250 726 709 |
| Dividends per share (thebe) - ordinary - interim | 12 | 12 | |
| Dividends per share (thebe) - ordinary - final | n/a | n/a | 38 |
| Basic earnings per share (thebe) | 55.2 | 62.4 | 169 |
| ABRIDGED CONSOLIDATED STATEMENT OF CASH FLOWS | | | |
| | Unaudited 26 weeks ended 26 October 2025 P'm | Unaudited 26 weeks ended 27 October 2024 P'm | Audited 52 weeks ended 27 April 2025 P'm |
| Net cash generated from operating activities | 323.2 | 325.9 | 281.4 |
| Net cash flows utilised in investment activities | (90.3) | (201.5) | (299.4) |
| Dividends paid | (95.3) | (132.9) | (163.0) |
| Loan funding for investments including preference shares | | 200.0 | 250.0 |
| Net cash flows from other financing activities | (43.6) | (31.1) | (76.3) |
| Net movement in cash and cash equivalents | 94.0 | 160.4 | (7.3) |
| Cash and cash equivalents at beginning of year | 528.2 | 533.9 | 533.9 |
| Effect of exchange rate on cash and cash equivalents | 46.7 | 13.0 | 1.6 |
| Cash and cash equivalents at end of year | 668.9 | 707.3 | 528.2 |

COMMENTARY

Basis of preparation and accounting policies

The unaudited abridged consolidated financial results of Sefalana Holding Company Limited and its subsidiaries ("Sefalana" / the "Group") are extracted from the interim Group financial information that has been prepared in accordance with International Financial Reporting Standards ("IFRS"), under the historical cost convention except for the revaluation of certain non - current assets, being land and buildings and investment in properties, which are carried at fair value.

The accounting policies applied in the preparation of the unaudited financial information for the 26-week period ended 26 October 2025 (the "period" / the "half year"), are consistent with those applied in the preparation of the audited financial statements for the 52-week period ended 27 April 2025.

Trading overview and context for Group results

Although we report our highest top line Group revenue in our 51 year history, for the first time since 2017, we report negative growth in profit compared to the prior period. This is largely due to the incredibly difficult economic trading conditions in Botswana following the decline in worldwide demand for diamonds and the related liquidity crunch which has made borrowing significantly more expensive for the consumer, impacting spending power.

In July 2025 the Botswana Pula depreciated 8% against the ZAR following an adjustment made by the Bank of Botswana. This has made import of product more expensive. The majority of products consumed in Botswana is imported from South Africa. Consequently, the Group's settlement of creditors in that month cost the business an extra unanticipated P16 million. Stripping out the impact of this once-off additional cost during the period, the Group's profit would have been less than 3% below that of the prior period.

Consumer spending has dropped and our customer base is closely managing available spend and prioritising low margin necessities and essentials. Demand for the higher margin luxury items has diminished resulting in an overall dilution of gross margin.

The Namibian economy, where we have our second largest business, is also experiencing some strain, albeit not at the levels being seen in Botswana. Pressure on consumer affordability has been impacted by general inflation and persistent unemployment.

In the last 15 years, we have consistently reported an upward profit trend at each half year and year end, other than in 2017, following the closure of the BCL mines which resulted in significant unemployment and reduction in consumer spending. The country took a number of years to recover from the impact of that event. We are hopeful and optimistic that the country will recover more quickly this time, through the diversification of the Botswana economy and a level of restoration in global demand for diamonds.

Our diversification strategy along with continued innovation and focus on business development, has enabled us to mitigate against downward trends in certain sectors and territories over the years. We will continue to pursue a diversification strategy to optimise Shareholder return and value.

Due to the complex nature of the sectors in which we operate, the Management teams across the various business units

have had to find new and creative ways of doing business better. Whilst we did not actively pursue new store locations, we did honour earlier commitments made to local landlords and as a result an additional 6 stores were opened across the Group. We anticipate another 5 stores opening over the coming 6 months. Our footprint has further improved during the period and enhanced our market share and presence across all our territories.

Whilst the reported results are down on the prior period, we are still extremely proud to be reporting a solid profit of just under P200 million for our Shareholders and having been able to increase headcount by 5% (383) in 6 months. **The July 2025 depreciation of the Botswana Pula cost the Group just over P16 million. Excluding this impact, the Group PBT would have been P213 million, broadly in line with the prior period.**

Regional operations and foreign exchange exposure
Our diversification into neighbouring countries over the last 12 years has helped us maintain and grow the Group's overall performance. Our business model has been tailored to each economy.

Diversification into other regions brings with it foreign exchange exposure. For this period, we have recorded a retranslation gain of P170 million largely relating to the Namibian and Lesotho businesses which are all ZAR denominated, with the ZAR appreciating against the Pula. This compares to a translation gain of P32 million in the comparative period when there was lesser volatility. These currencies constantly fluctuate, and the retranslation gains and losses are largely temporary and are recorded in other comprehensive income and losses in line with IFRS.

Financial highlights
For the 26-week period to 26 October 2025, the Group achieved:

- Revenue of P5.8 billion – up 9% on prior period;
- Earnings before interest, tax, and amortisation ("EBITA") of P193 million – down 14% on prior period;
- Profit before tax of P197 million – down 10% on the prior period;
- Total Comprehensive income of P310 million – up 63% on prior period; and
- Total employment of 8,555 – up 383 individuals – up 5%.

Key performance indicators

Revenue – top line growth

Revenue of P5.8 billion was our highest reported half year results with an increase of 9% on the prior period. This is a solid increase in the context of inflation rates of between 3-5% in our Region. Top line growth is an indication of market share penetration. We are pleased with the level of growth despite the challenges being experienced in the various economies.

Sefcash Botswana increased its turnover by 5%, Metro Namibia by 16% (in Pula terms), Sefalana Lesotho by 10% (in Pula terms). In functional currencies, like for like sales increase in Botswana was 2%, Namibia 3% and Lesotho (5%).

Gross profit and impact of July currency adjustment

Group Gross Profit (GP) of 6.1% was achieved compared to 6.8% in the prior period, illustrating the increased competitive environment in all the territories in which we operate. Absolute GP reported of P353m was 2% down on the prior period.

GP percentage for Sefcash Botswana was 3.4% compared to 4.6% in the prior period, Metro Namibia at 5.0% compared to 5.2% previously, and Sefalana Lesotho at 5.4% compared to

ABRIDGED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

| | Unaudited 26 October 2025 P'm | Unaudited 27 October 2024 P'm | Audited 27 April 2025 P'm |
|---|--|--|------------------------------------|
| ASSETS | | | |
| NON - CURRENT ASSETS | | | |
| Property, plant and equipment | 1322.9 | 1130.3 | 1261.6 |
| Right of use asset | 297.8 | 216.0 | 239.0 |
| Investment property | 220.8 | 225.8 | 207.1 |
| Intangible assets | 109.9 | 106.4 | 103.0 |
| Investment in associates | 38.2 | 43.5 | 39.2 |
| Loan to associate | 60.8 | 55.0 | 55.2 |
| Investment in preference shares | 344.5 | 303.5 | |
| Deferred lease assets | 4.2 | 5.4 | 3.9 |
| Deferred tax assets | 38.5 | 35.4 | 35.5 |
| Trade and other receivables | 1.5 | 3.4 | 4.1 |
| Total non - current assets | 2 439.1 | 1 821.2 | 2 252.1 |
| CURRENT ASSETS | | | |
| Inventories | 1659.8 | 1417.6 | 1487.5 |
| Trade and other receivables | 384.1 | 437.5 | 404.3 |
| Short term investments | 120.9 | 280.2 | 76.3 |
| Current tax assets | 14.8 | 16.7 | 5.3 |
| Cash and cash equivalents | 668.9 | 707.3 | 528.2 |
| Total current assets | 2 848.5 | 2 859.3 | 2 501.6 |
| TOTAL ASSETS | 5 287.6 | 4 680.5 | 4 753.7 |
| EQUITY AND LIABILITIES | | | |
| EQUITY | | | |
| Stated capital | 686.4 | 686.4 | 686.4 |
| Other reserves | 459.8 | 304.2 | 289.5 |
| Retained earnings | 1865.4 | 1584.7 | 1822.1 |
| Equity attributable to owners of the parent | 3 011.6 | 2 575.3 | 2 798.0 |
| Non - controlling interests | 27.8 | 26.5 | 26.6 |
| Total equity | 3 039.4 | 2 601.8 | 2 824.6 |
| NON - CURRENT LIABILITIES | | | |
| Lease liabilities | 255.9 | 155.2 | 179.7 |
| Loans and borrowings | 311.7 | 281.2 | 310.0 |
| Deferred tax liabilities | 134.6 | 129.6 | 131.7 |
| Total non - current liabilities | 702.2 | 566.0 | 621.4 |
| CURRENT LIABILITIES | | | |
| Trade and other payables | 1258.3 | 1228.4 | 972.7 |
| Lease liabilities | 67.2 | 82.7 | 80.2 |
| Loans and borrowings | 23.7 | 22.0 | 23.5 |
| Contract liabilities | 11.2 | 13.9 | 12.2 |
| Current tax liabilities | 33.9 | 43.1 | 34.0 |
| Bank overdrafts | 65.1 | 47.7 | 66.9 |
| Provisions and accruals | 86.6 | 74.9 | 118.2 |
| Total current liabilities | 1 546.0 | 1 512.7 | 1 307.7 |
| Total liabilities | 2 248.2 | 2 078.7 | 1 929.1 |

award of two thirds of the national tender in May 2023. We completed the contract (with a 5 month extended contract) in November 2025. The business looks forward to the forthcoming tender which was recently issued but cancelled by Government and is expected to be re-issued in the coming weeks.

FB has procured most of the grain required to fulfil any orders placed on us, such that the recipients of the Tsabana and Malutu feeding scheme will be able to receive what they are entitled to without delay as soon as the tender is awarded. Until such time the tender is awarded, the Group's investment in grain remains in place, resulting in a delay in its conversion to cash.

We continue to focus on the manufacture and supply of branded milling products to utilise factory capacity and to create further employment. Growth in this area is positive. The Sechaba range of products continues to be a popular household name and a preferred choice for many shoppers in all areas of Botswana. We have placed considerable effort in building our brands and this has proven to be a successful strategy.

Beverages Division

This division is largely dependent on the manufacture and supply to Government of milk for the children's feeding scheme. We are pleased to report that most of the current tenders have been awarded to us either directly or indirectly through tenderers, however, there have been delays in the award of some regional tenders due to additional administrative hurdles at the Councils. All orders received during this period were successfully completed and delivered.

Raw material milk shortages in the Region over the last 4-5 years, due to repeated outbreaks of Foot and Mouth Disease in South Africa, had resulted in a drop in production volumes and as a result we had not been able to supply the Trade consistently with the required volumes. This has had an adverse impact of our brand building program. We are pleased to report that these challenges have eased and we are able to source adequate volumes to strengthen our market presence and brand equity.

We await further clarity regarding the renewal of Government protection on UHT milk imports, which expired in May 2025. We understand that a final decision on the extension is still pending. The removal of this protection could significantly impact domestic UHT milk producers, potentially leading to job losses and broader economic consequences. We remain hopeful that the policy will be extended, enabling locally manufactured products to remain competitive in the market.

The Interpack and First Choice product ranges we introduced 2 years ago are doing very well in not just our stores but a number of other retailers. Further growth is expected in this space.

Turnbridge Projects

During the second half of the previous year, we set up our in-house signage and printing business to support our Group businesses. This is expected to yield a 20% saving compared to what we would typically pay third parties. There are several store upgrades and refurbishments scheduled over the next 5 years where these savings will be made. This business commenced manufacture in January 2025 and works alongside Level 55 to support the new store rollouts in Botswana, Namibia and Lesotho. We also service third party customers. This business is expected to break even this year, in its first full year of operation.

Level 55

In 2024 we set up our in-house shop fittings and equipment business to support our new store roll outs, along with our existing store upgrades and refurbishments. We have extended this supply support to our other Group companies including Namibia and Lesotho and also now service third party customers. This business generated a profit in its first year of operation and contributed to P1.5 million to the current period Group profit.

Properties

Our property portfolio

Our Botswana property portfolio performed well, contributing 1% and 16% to Group revenue and PBT respectively. Almost all properties are tenanted, and leases are in place for periods between two and five years. Most of our properties are self-occupied, and this provides us with the ability to remain in the location indefinitely.

Metro (Sefalana) Namibia

Metro Namibia contributed 36% of revenue and 35% of PBT and is the largest profit centre this period. Turnover amounted to P2.1 billion, a growth of 16% on the prior period. PBT amounted to P69 million, up 10% on the prior period. Our operations in Namibia continue to grow despite clear indications of stress in the economy. There remains significant pressure on margins largely as a result of the competitive pressure in the country and the high unemployment rates. Our customers' disposable income remains directed towards essential products and away from luxury, higher margin products.

This business makes a significant contribution to overall Group results each year. We remain one of the largest FMCG businesses in Namibia. At the start of the year, we had 32 stores across the country. During the period we did not open any new stores.

We continue to look for new suitable locations for further store openings. There are several new stores in the pipeline (of different size and formats) that are dependent on the landlords completing the development of their sites. The recent Oil and Gas findings at the coast are expected to stimulate the economy and support further growth of our business in the coming years.

Sefalana Lesotho

We have been operating in Lesotho for 10 years and the underlying business is performing well. At the start of the year we had 5 stores across the country located in Mafupse, Maseru and Mohale's Hoek. During the period we opened 1 store in Lithabaneng. Total store compliment at the reporting period is 6. This recently opened Retail store in Lithabaneng is performing well and being welcomed by the community. We are exploring other potential sites where we can open similar supermarkets.

Our discussions are on-going with the Revenue Service Lesotho for the settlement of the remaining VAT due to us. This process has taken longer than anticipated, but we have made good progress and expect finality on this by mid 2026. For some time now this matter has meant the business has experienced cash flow constraints and has required Group support to assist during peak times.

Turnover of P0.5 billion has been achieved for the period, with a contribution of 9% to total Group revenue. A PBT of P5 million was generated significantly down from P12 million in the prior period. This was largely due to the margin pressures arising from a general strain in the economy and reduced consumer spending.

Australian investment

Our investment in Australia (30% associate) continues to generate a positive EBITA and cash. We currently operate 9 stores across Brisbane under the Seasons IGA brand.

As indicated previously, it is the norm in Australia for long leases of 20 years or more to be entered into on properties. In accordance with IFRS 16, this results in a front-loaded interest and depreciation charge in the earlier years of the lease. Consequently, the positive EBITDA is eroded by the related lease charges. In the latter period of the leases, this is expected to unwind, such that the reported PBT figures for this investment will grow significantly. This is aligned to our intended strategy to re-invest in that business for the first five years before dividends are declared to Shareholders.

The Group's share of results from this associate for the period amounts to a net loss of P2.7 million compared to a net loss of P4.2 million in the prior period. We are pleased with the current year improved performance and we anticipate a break even or even positive outcome for the full year.

ABRIDGED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

| | Equity attributable to owners of the parent | | | | | Non-controlling interests P'm | Total equity P'm |
|--|---|-----------------|-----------------------------|--------------|--|-------------------------------------|------------------------|
| | Stated capital P'm | Reserves P'm | Retained earnings P'm | Total P'm | | | |
| | | | | | | | |
| At 27 April 2025 | 686.4 | 289.5 | 1822.1 | 2798.0 | | 26.6 | 2 824.6 |
| Profit for the year | | | 138.6 | 138.6 | | 1.2 | 139.8 |
| Other comprehensive income for the year: | | | | | | | |
| Currency translation differences | | | 170.3 | 170.3 | | | 170.3 |
| Dividends paid - 2025 final dividend | | | (95.3) | (95.3) | | | (95.3) |
| At 26 October 2025 | 686.4 | 459.8 | 1865.4 | 3 011.6 | | 27.8 | 3 039.4 |

ABRIDGED SEGMENTAL ANALYSIS

| For the 26 week period ended 26 October 2025 | Botswana | | | Zambia | Lesotho | Namibia | South Africa | Australia | Group | |
|--|-------------------------------------|--------------------------|----------------------|-----------------|-----------------|-------------------------------------|-------------------------------------|--|-----------------------------------|--|
| | Trading consumer goods P'm | Trading others P'm | Manufacturing P'm | Property P'm | Property P'm | Trading consumer goods P'm | Trading consumer goods P'm | Investment in preference shares P'm | Investment in associate P'm | Inter- segment or unallocated P'm |
| | | | | | | | | | | Consolidated P'm |
| Revenue | 2 976.9 | 64.7 | 321.9 | 38.9 | 2.9 | 497.0 | 2 117.4 | | | 5 819.4 |
| Cost of sales | (2 875.6) | (53.9) | (239.2) | | | (470.0) | (2 010.7) | | | (5 466.2) |
| Gross profit | 101.3 | 10.8 | 82.7 | 38.9 | 2.9 | 27.0 | 106.7 | | | 353.2 |
| Other income and gains / (losses) | 18.4 | 3.5 | 2.0 | 1.7 | (0.6) | 0.1 | 11.2 | | | 33.0 |
| Administrative expenses | (68.1) | (11.2) | (44.7) | (7.6) | (0.8) | (18.4) | (37.9) | | | (193.1) |
| Earnings before interest, tax and amortisation (EBITA) | 51.6 | 3.1 | 40.0 | 33.0 | 1.5 | 8.7 | 80.0 | | | 193.1 |
| Amortisation | (0.5) | | | | | (0.9) | (1.8) | | | (3.2) |
| Investment income | 4.2 | 0.6 | 0.2 | 2.5 | | 0.7 | 5.1 | | | 35.1 |
| Finance costs | (13.9) | (0.7) | (9.6) | (3.3) | | (3.5) | (14.0) | | | (25.4) |
| Profit before share of results of associates | 41.4 | 3.0 | 30.6 | 32.2 | 1.5 | 5.0 | 69.3 | | | 199.6 |
| Share of results of associates | | | | | | | | | | (2.7) |
| Profit before tax (PBT) | 41.4 | 3.0 | 30.6 | 32.2 | 1.5 | 5.0 | 69.3 | | | 196.9 |

ABRIDGED SEGMENTAL ANALYSIS

| For the 26 week period ended 27 October 2024 | Botswana | | | Zambia | Lesotho | Namibia | South Africa | Australia | Group | |
|--|-------------------------------------|--------------------------|----------------------|-----------------|-----------------|-------------------------------------|-------------------------------------|--|-----------------------------------|--|
| | Trading consumer goods P'm | Trading others P'm | Manufacturing P'm | Property P'm | Property P'm | Trading consumer goods P'm | Trading consumer goods P'm | Investment in preference shares P'm | Investment in associate P'm | Inter- segment or unallocated P'm |
| | | | | | | | | | | Consolidated P'm |
| Revenue | 2 829.4 | 102.4 | 261.8 | 34.6 | 2.4 | 453.5 | 1827.6 | | | 5 356.4 |
| Cost of sales | (2 699.6) | (79.8) | (194.4) | | | (425.2) | (1 732.1) | | | (4 994.6) |
| Gross profit | 129.8 | 22.6 | 67.4 | 34.6 | 2.4 | 28.3 | 95.5 | | | 361.8 |
| Other income and gains / (losses) | 15.2 | 2.4 | 2.3 | (0.7) | | 0.1 | 9.0 | | | 28.0 |
| Administrative expenses | (59.2) | (15.7) | (25.8) | (7.3) | (0.5) | (13.7) | (30.6) | | | (165.8) |
| Earnings before interest, tax and amortisation (| | | | | | | | | | |