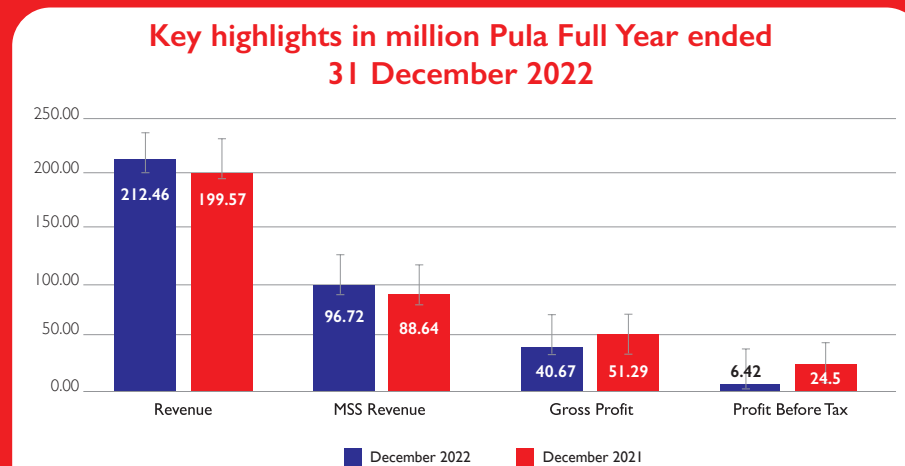


Preliminary Unaudited Financial Statements

for the year ended 31 December 2022



FINANCIAL HIGHLIGHTS | GROUP KPI'S

Category	2021	2022	Change
REVENUE	BWP199.5M	BWP212.4M	6.5% INCREASE
MSS REVENUE	BWP88.63M	BWP96.72M	9.1% INCREASE
GROSS PROFIT	BWP51.29M	BWP40.67M	-20.7% DECLINE
PROFIT BEFORE TAXATION	BWP24.5M	BWP6.4M	-73.8% DECLINE

STATEMENT OF COMPREHENSIVE INCOME for the year ended 31 December 2022

	Unaudited Year ended 31 December 2022 P'000	Audited & Restated Year ended 31 December 2021 P'000
Continuing operations		
Revenue	212,460	199,565
Cost of goods sold	-7,354	-5,493
Cost of providing services	-164,440	-142,783
Gross profit	40,665	51,289
Other income	875	2,518
Movement in credit loss allowances	3,821	4,479
Administrative expenses	-40,238	-35,209
Operating profit	5,124	23,076
Finance income	2,547	3,008
Interest paid	-1,250	-1,556
Profit before taxation	6,421	24,528
Taxation	-1,594	-4,957
Profit after tax	4,826	19,571
Total comprehensive income for the year	4,826	19,571
Profit attributable to:		
Owners of the parent of the company	4,859	19,416
Non-controlling interest	-32	155
	4,826	19,571
Earnings per share (thebe)	6.07	24.27

STATEMENT OF FINANCIAL POSITION for the year ended 31 December 2022

	Unaudited Year ended 31 December 2022 P'000	Audited Year ended 31 December 2021 P'000
Assets		
Non-Current Assets		
Property, plant and equipment	24,101	14,309
Right-of-use assets	11,235	14,988
Goodwill	9,715	9,715
Deferred tax	4,411	5,479
	49,462	44,491
Current Assets		
Inventories	6,254	5,478
Amounts due from related parties	50,369	59,327
Trade and other receivables	52,262	37,462
Current tax receivable	2,925	672
Cash and cash equivalents	12,051	16,027
	123,861	118,966
Non-current assets held for sale	0	5,264
Total Assets	173,323	168,721
Equity and Liabilities		
Equity		
Equity Attributable to Equity Holders of Parent		
Stated capital	1,805	1,805
Retained income	119,712	114,853
	121,517	116,658
Non-controlling interest	1,366	1,398
	122,883	118,056
Liabilities		
Non-Current Liabilities		
Finance lease liabilities	9,352	12,117
Current Liabilities		
Trade and other payables	35,562	27,208
Loans from group companies	1,092	3,393
Finance lease liabilities	4,435	5,413
Provisions	0	984
	41,089	36,998
Non-current liabilities of held for sale	0	1,550
Total Liabilities	50,440	50,665
Total Equity and Liabilities	173,323	168,721

STATEMENTS OF CHANGES IN EQUITY for the year ended 31 December 2022

	Stated capital P'000	Retained income P'000	Total P'000	Non-controlling interest P'000	Total equity P'000
GROUP					
Balance at 01 January 2021 (Audited & restated)	1,805	111,137	112,942	1,753	114,695
Profit for the year	0	19,416	19,416	155	19,571
Dividends paid	0	-15,700	-15,700	-510	-16,210
Balance at 31 December 2021 (Audited & restated)	1,805	114,853	116,658	1,398	118,056
Balance at 1 January 2022 (Audited & restated)	1,805	114,853	116,658	1,398	118,056
Profit for the year	0	4,859	4,859	-32	4,827
Balance at 31 December 2022 (Unaudited)	1,805	119,712	121,517	1,366	122,883

STATEMENTS OF CASH FLOWS for the year ended 31 December 2022

	Unaudited 2022 P'000	Audited & Restated 2021 P'000
Cash flows from operating activities		
Cash flows generated from operations	22,041	29,586
Taxation paid	-1,678	-10,085
Net cash flows generated from operating activities	20,363	19,501
Cash flows from investing activities		
Purchase of property, plant and equipment	-18,600	-13,107
Sale of property, plant and equipment	0	61
Interest received	15	66
Net cash flows utilised in investing activities	-18,585	-12,980
Cash flows from financing activities		
Payment on lease liabilities	-5,617	-8,033
Dividends paid	0	-16,210
Interest paid	-1,250	-1,556
Net cash flows utilised in financing activities	-6,868	-25,798
Movement in cash and cash equivalents	-5,090	-19,278
Cash and cash equivalents at the beginning of the year	16,027	35,304
Cash and cash equivalents of discontinued operations	1,114	0
Total cash and cash equivalents at the end of the year	12,051	16,027

GENERAL INFORMATION

G4S (Botswana) Limited is a company registered under the Companies Act, 2003 of Botswana and domiciled in Botswana. The financial statements comprise the company and its subsidiary (together referred to as the 'Group').

BASIS OF PREPARATION

The annual financial statements for the year ended 31 December 2022, have been prepared in accordance with International Financial Reporting Standards ("IFRS"). The financial information is presented in Botswana Pula. The annual financial statements have been prepared under the supervision of the Acting Finance Director, Mr Ketshepang Mothetho (ACA) and the results published are unaudited. The board approved the annual financial statements for the year ended 31 December 2022 for issue on 31 March 2023.

The Company's auditors, Deloitte and Touche, have not yet issued an opinion on the annual financial statements as the audit is still ongoing. Any investment decisions by investors should be exercised with caution on the consideration of this set of unaudited consolidated financial statements. A copy of the full set of annual financial statements are available for inspection at the registered office of the Company.

ACCOUNTING POLICIES

The accounting policies adopted are consistent with those of the previous financial year. Amendments to IFRS effective for the financial year ending 31 December 2022 have been addressed during the year. New accounting standards and interpretations that have been published that are not effective for 31 December 2022 reporting periods have not been adopted by the Group. These standards are not expected to have a material impact on the entity or its transactions in the current or future reporting periods.

USE OF JUDGEMENTS AND ESTIMATES

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. In preparing these financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were similar to those applied to the consolidated financial statements for the year ended 31 December 2021.

KEY HIGHLIGHTS & FINANCIAL PERFORMANCE YEAR ON YEAR COMPARISON

Revenue performance for the period increased by 6% year on year driven primarily by good growth in the MSS service line. The top line growth was despite the contract losses experienced during the period under review primarily because of the new citizen economic empowerment legislation. The Cash service line grew marginally by 4% while the Systems security service remained largely unchanged as it continues to experience intense competition from new entrants particularly in the Alarm Monitoring and Response (AMR) space. A Price Increase (PI) was levied on our MSS customers in January 2022 following a statutory wage increase by the Government which had a marginal impact on the revenue line. Additionally, a marginal inflationary adjustment was passed to some of our cash customers (fuel surcharge) as a response to the abnormally high fuel prices experienced during the year while in the Security systems service line the business passed a 5% increase in pricing to monthly customers from July 2022.

The significant decline in gross profit for the year was as a result of the abnormal price increases on fuel - fuel expenses increased by 88% for the full year, compared to prior year adding significantly to total cost. Additionally due to the heightened security risk environment, the business invested in enhanced security upgrades to its infrastructure specifically in the cash service line (investment in live monitoring of all cash vehicles) which further added to the cost of providing service putting further pressure to total costs.

The significant miss in Gross Profit (GP) largely drives the decline in the profit before tax (PBT) year on year. Added to the PBT decline is the increase in administrative expenses owing to the normalisation of the alarm monitoring and response (AMR) teams wherein from September 2021 Management added back the full crew complement to the AMR response crew structure which had been reduced during 2020 - effectively experiencing the full cost of this change in the whole of 2022 while in 2021 this was only experienced for 4 months. Additionally other income did not yield a comparatively higher interest as compared to prior year as a result of the prevailing investment climate with lower yield effectively shedding over 65% compared to the prior year.

OUTLOOK

The Group continues to focus on growing revenue following encouraging increases in revenue quarter on quarter for both Q3 and Q4 2022, indicating that revenue lost during H1 2022 is systematically being recovered. We will continue driving the sale of integrated security solutions to ensure that we remain at the forefront of security capability in Botswana. The trading conditions remain challenging with significantly fewer opportunities than in prior years (primarily due to CEE legislation). As a response, Management continues to drive its commercial strategy of focusing on industry-specific growth (such as the retail growth strategy that has driven the H2 MSS revenue growth. The infusion of technology into our service offering has also been successful as a revenue driver. Specific focus for the year is on cost management with driving efficiencies across the business and continued fuel management aimed at managing profitability. Despite the reduced performance of the company, in lieu of stated reasons, the Board of Directors and Management are confident of the company's going concern status and will continue to work hard towards improved profitability in the foreseeable future.

NON-CURRENT ASSETS HELD FOR SALE

The G4S subsidiary "G4S Facilities Management Pty (Ltd)" was held for sale and in 2022 it ceased to be held for sale and hence its results fully consolidated with G4S Botswana Limited results.

RELATED PARTY TRANSACTIONS

There has been no significant change in the nature of related party transactions from those reported in the annual financial statements for the year ended 31 December 2021.

EVENTS OCCURRING AFTER REPORTING DATE

There were no significant events that occurred after the reporting date that required adjustment to or disclosure in the annual financial statements for the year ended 31 December 2022.

SEGMENT REPORTING

A segment is a distinguishable component of the Group that is engaged either in providing related products or services (business segment) or in providing products or services within a particular economic environment (geographic segment) which is subject to risks and rewards that are different from those of other segments. The business activities of the Group are concentrated in the segment of security related services and are provided within the geographical region of Botswana, therefore geographical segmental information is not considered necessary. Management identifies three of its five service lines as its reportable segments. The Executive Management monitors the performance of these service lines and makes decisions on the allocation of resources to them. Segmental performance is monitored using adjusted segment operating results. Revenue and assets of reportable segments exceed 10 percent of the consolidated revenue and assets reported by the Group.

SEGMENTS

GROUP BUSINESS SEGMENTS 31 December 2022

	Security Systems P'000	Manned Security P'000	Cash Solutions P'000
Revenue	47,107	96,725	63,174
Direct labour	-15,823	-73,392	-18,919
Direct vehicles	-12,193	-6,481	-9,357
Direct other costs	1,457	-4,537	-9,658
Cost of sales	-26,559	-84,411	-37,934
Gross profit	20,548	12,314	25,240
SG&A labour	-1,908	-2,192	-1,725
SG&A vehicles	0	-124	-185
SG&A other costs	-5,827	-3,919	-17,463
SG&A expenses	-7,735	-6,235	-19,373
Trading profit	12,813	6,079	5,868
Other income/expenses	622	953	464
Profit before taxation	13,435	7,032	6,332
Taxation	-1,466	-2,244	-1,093
Profit for the period	24,941	4,788	-7,733
Material non-cash items			
Group			
31 December 2022			
Depreciation	-3,110	-5,224	-6,180
Finance income	143	280	192
Finance cost	-285	-584	-382
Segment assets			
Group			
31 December 2022			
Total assets	70,304	34,252	39,278
Total liabilities	-16,050	-9,119	-10,943

GROUP BUSINESS SEGMENTS 31 December 2021

	Security Systems P'000	Manned Security P'000	Cash Solutions P'000
Revenue	45,114	88,636	60,939
Direct labour	-14,860	-64,648	-17,152
Direct vehicles	-5,153	-3,558	-7,954
Direct other costs	-10,065	-6,327	-12,510
Cost of sales	-30,077	-74,533	-37,616
Gross profit	15,037	14,103	23,323
SG&A labour	-4,342	-7,610	-4,925
SG&A vehicles	-120	-140	-69
SG&A other costs	-3,710	-4,005	-3,684
SG&A expenses	-8,172	-11,754	-8,678
Trading profit	6,865	2,349	14,645
Other income/expenses	140	274	189
Profit before taxation	7,005	2,623	14,834
Taxation	-1,058	-2,078	-1,429
Profit for the period	5,947	545	13,405
Material non-cash items			
Group			
31 December 2021			
Depreciation	-3,430	-1,717	5,033
Finance income	696	1,368	941
Finance cost	-335	676	452
Segment assets			
Group			
31 December 2021			
Total assets	69,200	39,318	47,182
Total liabilities	-15,960	-9,068	-10,882

The above segmentation excludes immaterial non-reportable segments and the head office, which bears centralised costs.

The directors of G4S (Botswana) Limited ("the Company") are responsible for the financial statements of the Company and its subsidiary. Their responsibility includes the maintenance of financial records and the preparation of the financial statements consistent with the accounting policies of G4S (Botswana) Limited, which comply with International Financial Reporting Standards ("IFRS"). The company and subsidiary maintains systems of internal control, which are designed to provide reasonable assurance that the financial records accurately reflect its transactions, and to provide protection against serious misuse of Group's assets. The directors are also responsible for design, implementation, maintenance and monitoring of these internal controls. Nothing has come to the attention of the directors to indicate that any significant break down in the functioning of these systems has occurred during the period under review.

The Board of Directors has reviewed and approved the accompanying condensed financial statements for issue on 31 March 2023.

Signed on behalf of the Board of Directors

DocuSigned by:
CC1256CCD48B462

T. Mbaakanyi
Board Chairperson



M. Molokomme
Managing Director

31 March 2023

Registered Address
Plot 20584 Western Bypass P.O. Box 1488 Gaborone Botswana
Auditors: Deloitte & Touche, Deloitte House, Plot 64518, Fairgrounds, Gaborone, Botswana.
BOARD OF DIRECTORS
M. Molokomme*, T. Mbaakanyi*, L. Mosethanyane*, C.M Motswiso*, TK Matthews*, R.Smit**
* Botswana ** South African