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INTEGRATED REPORT



SECHABA BREWERY
HOLDINGS LIMITED

STEWARDING CAPITAL
CREATING VALUE AND IMPACT



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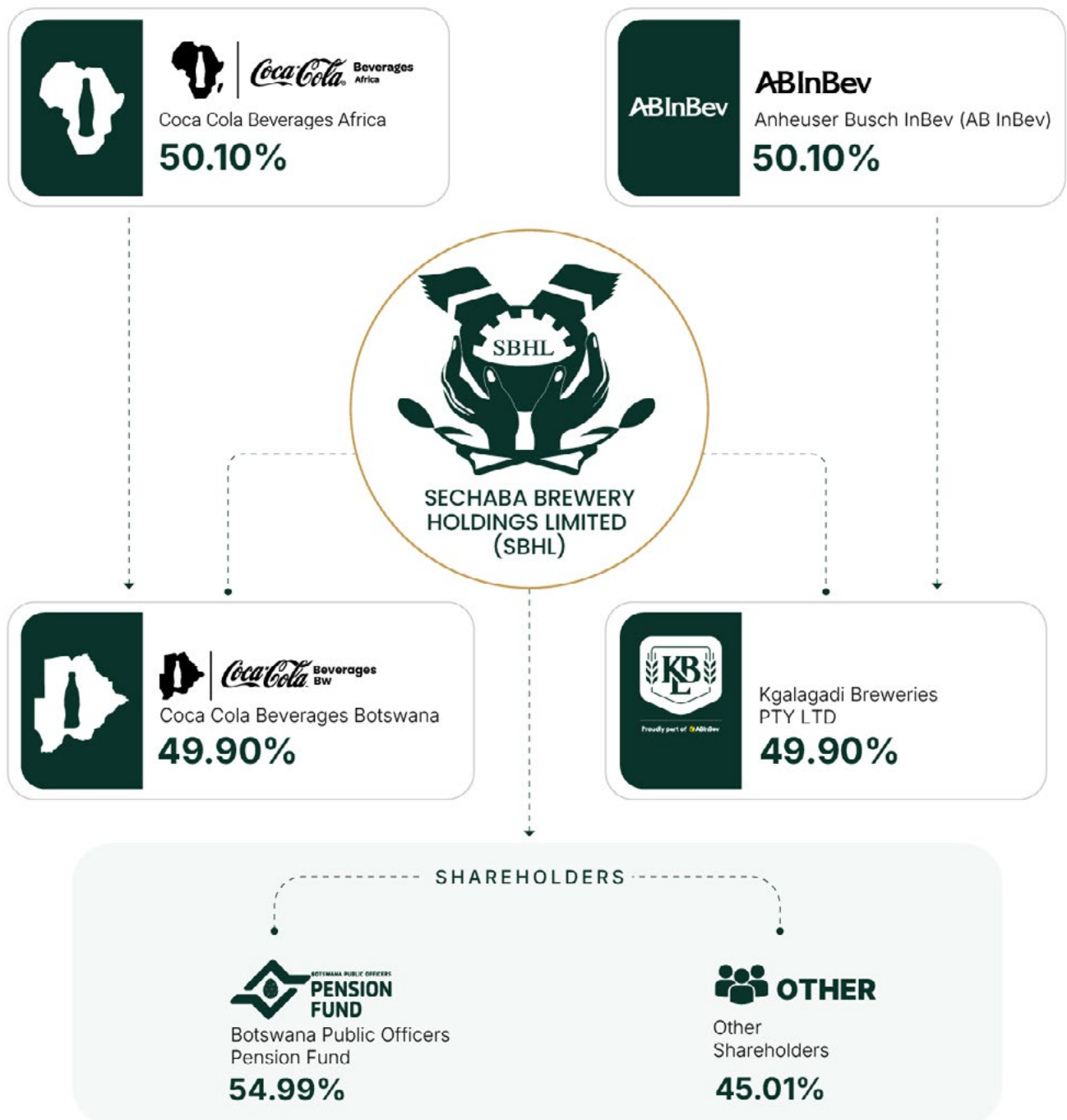
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SECHABA BREWERY HOLDINGS LIMITED (SBHL)

Ownership Structure



About Sechaba Brewery Holdings Limited

STEWARDSHIP CAPITAL. CREATING VALUE AND IMPACT.

BUILDING VALUE THAT ENDURES

Sechaba Brewery Holdings Limited (SBHL), listed on the Botswana Stock Exchange, exists to do more than hold investments. It exists to responsibly steward capital in ways that create value, strengthen industries, unlock opportunity, and leave a meaningful impact on Botswana's future.

As a strategic investment holding company within Botswana's beverage sector, SBHL has built a legacy grounded in resilience, disciplined governance, strategic foresight, and long-term thinking. Through its investments and oversight role, the Group continues to shape sustainable growth while ensuring that value created today contributes to stronger outcomes for future generations.

SBHL maintains strategic investments in two of Botswana's leading beverage companies:

- **KGALAGADI BREWERIES LIMITED (KBL)**
- **COCA-COLA BEVERAGES BOTSWANA (CCBB)**

Over the years, SBHL has played a defining role in advancing Botswana's beverage landscape and capital markets by:

- Creating opportunities for broad-based local participation in premier beverage assets.
- Supporting major industry transformation initiatives, including the formation of Coca-Cola Beverages Botswana (CCBB).
- Bringing together global expertise and local ambition through partnerships with internationally respected players such as AB InBev and Coca-Cola Beverages Africa.
- Strengthening confidence in Botswana's investment environment through sound governance, transparency, and responsible oversight.
- Creating economic impact through shareholder returns, employment contribution, supplier ecosystems, taxation, and consumer value creation.

Today, SBHL holds a 49.90% equity stake in both Kgalagadi Breweries Limited (KBL) and Coca-Cola Beverages Botswana (CCBB), with both associate companies continuing to play an important role in the national economy and the everyday lives of consumers.

A BUSINESS BUILT ON STRENGTH, DISCIPLINE AND POSSIBILITY

SBHL continues to operate from a position of resilience and strategic strength, supported by:

- A portfolio of established associate companies with strong market presence and enduring brands.
- Consistent value generation supported by disciplined governance and strategic oversight.
- Strong leadership, institutional knowledge, and deep understanding of the beverage sector.
- A robust financial foundation, healthy cash generation capability, and a trusted corporate reputation.
- A focused operating model that enables clarity, efficiency, and long-term sustainability.
- A commitment to responsible stewardship that balances shareholder expectations with broader economic and stakeholder impact.

As the business looks ahead, SBHL remains focused on protecting and growing value, strengthening resilience, and positioning itself to continue creating meaningful impact in a changing world. The Group's journey is not only about preserving what has already been built, it is about ensuring that the capital entrusted to it continues to create opportunities, progress, and sustainable value well into the future.

OUR VALUES

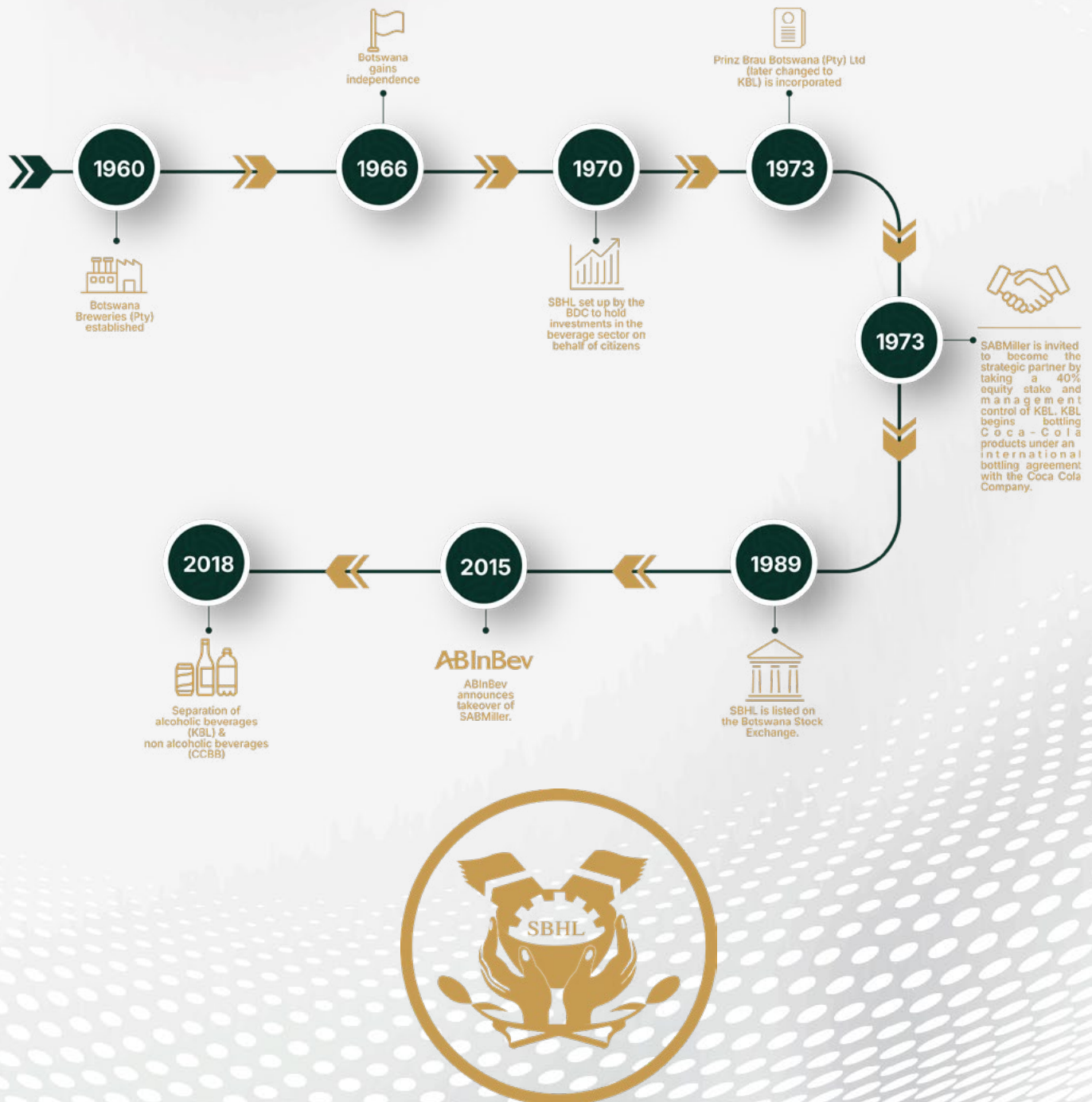
- Sustainability
- Ethics & Governance Shareholder value creation
- Social Consciousness & corporate citizenship
- Winning Mindset
- Stakeholder & Shareholder Focus
- Partnerships & collaborations

“OUR PURPOSE GOES BEYOND PRESERVING VALUE — IT IS ABOUT RESPONSIBLY STEWARDING CAPITAL TO CREATE ENDURING IMPACT, RESILIENCE, AND SHARED PROSPERITY”



SECHABA BREWERY HOLDINGS LIMITED (SBHL)

Our Journey





Company Reports

A structured overview of the key sections in the Annual Report, guiding you through the company's strategic, financial, operational, and governance highlights for the year ended 2025.

Chairman's Message to Shareholders

TO OUR SHAREHOLDERS AND STAKEHOLDERS

The 2025 financial year unfolded amid continued economic pressure in Botswana. National output is estimated to have contracted by approximately 0.9% during the year, while average annual inflation remained relatively subdued at 2.7%. Continued weakness in global diamond demand also weighed on the broader economy, business confidence, and consumer spending.

The beverages sector continued to face constrained consumer demand, foreign exchange volatility, rising input costs, and intensifying competition across both formal and informal channels. In such an environment, sustainable value creation depends not only on resilience, but on disciplined stewardship, prudent capital allocation, and the ability to respond decisively to changing market realities.

The Board remained focused on its stewardship responsibilities over SBHL as a listed investment holding company with strategic interests in Kgalagadi Breweries Limited (KBL) and CocaCola Beverages Botswana (CCBB). Through rigorous oversight, prudent capital stewardship, and clear strategic direction, the Company delivered a resilient performance despite operating pressures.

PERFORMANCE IN CONTEXT

Against this backdrop, our performance reflects the underlying quality of the portfolio under demanding conditions. Trading conditions across our Associates remained challenging during the year, with affordability pressures and heightened competition continuing to shape consumer behaviour and market dynamics.

Even amid these pressures, the Group delivered a resilient financial performance. Total comprehensive income and earnings per share rose by 19% to P360.1 million and 325.58 thebe respectively. The Group continued to generate robust returns on shareholder capital, with return on equity remaining above 40%, reinforcing the Board's continued emphasis on prudent capital stewardship and sustainable long-term shareholder value creation.

CAPITAL STEWARDSHIP AND SHAREHOLDER VALUE

Throughout the year, the Board maintained focused, rigorous oversight across four strategic priorities:

- Disciplined capital allocation across the portfolio
- Oversight of Associate performance with clear emphasis on profitability, cash generation, and returns
- Preservation of balance sheet strength and financial flexibility
- Positioning the portfolio for sustainable long-term value creation

These priorities are not short-term responses to cyclical pressure. They reflect SBHL's role as a steward of capital and shareholder interests. In Botswana, where economic growth cannot be assumed, enduring value is created not by scale alone, but through sound investment decisions, strong governance, disciplined oversight, and long-term strategic clarity.

That discipline is reflected in the Board's declaration of a final dividend of 137.38 thebe per share and a special dividend of 157.48 thebe per share, supported by strong year-end liquidity, a sound solvency position, and continued growth in earnings.

STRATEGIC DIRECTION IN A CHANGING INDUSTRY

Beyond the year under review, the beverages industry is undergoing important structural shifts. Consumer preferences continue to evolve, affordability pressures are reshaping purchasing behaviour, and competitive intensity is increasing across categories.

In response, the Board has identified a set of strategic priorities aimed at strengthening portfolio relevance, resilience, and long-term value creation:

- Portfolio diversification aligned to evolving consumer preferences and market dynamics
- Disciplined evaluation of growth and investment opportunities

Sustained focus on returns, resilience, and long-term portfolio quality. The Board also remains mindful of the degree of earnings concentration within SBHL's portfolio and continues to evaluate opportunities to enhance diversification, strengthen resilience, and sustain returns over time.

Taken together, these considerations underscore the importance of strategic responsiveness as the Board shapes SBHL's next phase of strategic development.

Chairman of the Board

TABUYA B. TAU

To the Shareholders of **SECHABA BREWERY HOLDINGS LIMITED (SBHL)**:

It is my privilege to present the Annual Report of **SECHABA BREWERY HOLDINGS LIMITED** for the financial year ended 31 December 2025.

Chairman's Message to Shareholders

A NEW STRATEGIC HORIZON: THE NEXT FIVE YEARS

As we close the financial year, we enter a new five-year strategic cycle shaped both by the realities of the operating environment and by our ambition for SBHL. This next phase is anchored in strengthening portfolio quality, unlocking new avenues for growth, and delivering consistent shareholder returns in a constrained but opportunity-rich market. It will emphasise prudent investment decisions, portfolio optimisation, and sustained focus on returns.

Importantly, this strategy is designed to remain robust under pressure and is not built on assumptions of favourable conditions. The next phase of progress will come not from scale alone, but from disciplined investment, active oversight, sound governance, and decisive positioning in response to market shifts.

The Board will continue to test strategic assumptions, monitor performance rigorously, and ensure that capital is deployed in a manner consistent with long-term shareholder interests.

GOVERNANCE, RESILIENCE AND ACCOUNTABILITY

Delivering on this strategic agenda depends on accountable leadership, sound governance, and consistent execution. Throughout the year, the Board remained actively engaged in overseeing the Company's response to current pressures while maintaining strategic discipline and close regard for shareholder interests.

The Board continued to monitor the principal risks affecting the Group and its Associates, including pressure on consumer demand, cost inflation, foreign exchange volatility, competitive intensity, and the execution risks associated with long-term strategic investment decisions. Our focus remained on preserving financial resilience and ensuring that management responses were measured and appropriate to the prevailing operating environment.

This oversight is supported by a robust governance framework. The Board remains committed to high standards of corporate governance and continues to apply the principles of King III in a manner appropriate to the Company's size, structure, and strategic context. We take confidence from the work of the Board and its committees, together with the assurance processes that support accountability, risk oversight, and the integrity of our reporting.

The Board also remained closely focused on the Company's regulatory obligations and is satisfied that a sound compliance framework, supported by appropriate controls and oversight, was maintained throughout the year to uphold adherence to applicable laws, regulations, and governance requirements.

An important component of this governance agenda is the work of the Nominations Committee. During the year, the Committee continued to focus on succession planning, Board composition, and the depth and diversity of skills required to support SBHL's long-term strategic direction. In this way, the Board seeks to ensure that its composition continues to evolve in line with the Company's governance responsibilities, strategic priorities, and changing operating environment.

LEADERSHIP TRANSITIONS ACROSS OUR ASSOCIATE COMPANIES

During the year under review, our Associate Companies experienced important leadership transitions that mark both the end of significant chapters and the beginning of new ones. On behalf of the Board of Directors and shareholders of Sechaba Brewery Holdings Limited, I would like to extend our sincere appreciation to the outgoing Managing Directors for their dedication, leadership, and contribution to the growth and success of their respective organisations.

Leadership is ultimately measured not only by financial performance, but also by the legacy of capability, culture, and resilience that is left behind. We are grateful for the commitment and stewardship demonstrated by our outgoing leaders, whose efforts have helped strengthen the businesses and position them for future success. We wish them every success as they embark on the next phase of their professional and personal journeys.

At the same time, we are pleased to welcome the incoming Managing Directors who assume leadership at an important period in the evolution of our Associate Companies. They inherit businesses with strong foundations and significant opportunities for growth and value creation. We look forward to working closely with them as they lead their organisations through an increasingly dynamic and competitive operating environment.

The Board remains confident that the combination of experienced governance, capable executive leadership, and committed employees will continue to support the long-term success of our Associate Companies and the sustainable creation of value for shareholders. We thank all stakeholders for their continued support during these transitions and look forward to the next chapter of growth and performance under the new leadership teams.

OUTLOOK

Looking ahead, the economic environment in Botswana is expected to remain demanding, notwithstanding moderate growth expectations, easing inflation, and continued infrastructure development. Consumer demand is likely to remain under pressure, while competitive intensity and cost pressures will continue to test business performance.

Even so, the Board believes SBHL remains well positioned, supported by prudent capital management, strategic clarity, and a sound liquidity position.

The Board expects our Associates to remain focused on protecting profitability, strengthening cash generation, and supporting long-term value creation. At holding company level, our emphasis will remain on the following priorities:

- Maintaining disciplined capital management
- Monitoring associate performance against return and cash generation objectives
- Preserving balance sheet resilience and financial flexibility
- Evaluating strategic opportunities that enhance long-term portfolio value

As we look ahead, we do so with clarity and resolve. The environment will remain demanding, but our approach is deliberate, disciplined, and firmly focused on prudent decision-making and effective oversight.

The Board is confident that SBHL is well placed to navigate current pressures while remaining alert to future opportunities.

We recognise that sustainable performance depends not only on financial discipline, but also on the strength of our relationships with key stakeholders, including our shareholders, Associates, regulators, business partners, and the communities connected to our businesses. Stewardship of these relationships remains essential to preserving trust and supporting institutional strength over time.

On behalf of the Board, I extend my sincere appreciation to our shareholders for their continued trust and support, to the leadership and management teams of SBHL and our Associates for their disciplined execution in a challenging environment, and to my fellow Directors for their steadfast commitment to governance, accountability, and oversight.

We move forward with confidence, committed to disciplined stewardship and sustained value for shareholders and stakeholders alike.

TABUYA B. TAU
CHAIRMAN OF THE BOARD

Finance & Audit Committee Report

INTRODUCTION

The year under review was characterised by continued financial discipline, resilient operational oversight, and a sustained focus on long-term value preservation and enhancement. Despite a dynamic operating and regulatory environment, SBHL remained firmly focused on prudent governance, disciplined capital stewardship, and the optimisation of returns from its associate investments.

The Committee continued to play a central role in supporting the Board's oversight responsibilities through rigorous review of financial reporting processes, monitoring of internal controls, assessment of risk management practices, and oversight of compliance with applicable legal and regulatory requirements.

Throughout the year, the Committee worked closely with management and external auditors to ensure that the Company maintained high standards of financial integrity, transparency and accountability. Particular attention was placed on ensuring that the annual financial statements fairly present the financial position and performance of the Company and remain balanced, reliable, and understandable to stakeholders.

The Committee remains committed to reinforcing sound governance structures that support SBHL's strategic objectives and sustainable value creation for shareholders.

I would like to extend my sincere appreciation to my fellow Committee members, the Board of Directors, executive management, and our external auditors for their professionalism, diligence, and valuable contributions throughout the year.

COMMITTEE COMPOSITION AND GOVERNANCE

The Finance and Audit Committee operates under delegated authority from the Board and in accordance with the SBHL Board Charter and the Finance and Audit Committee Charter.

The Committee comprises independent non-executive directors with diverse expertise in finance, accounting, governance, risk management, business leadership and other disciplines as prescribed in the SBHL skills matrix. This composition ensures objective oversight and independent judgment in the execution of the Committee's responsibilities.

During the 2025 financial year, the Committee convened regularly to discharge its mandate and address key governance, financial, and risk-related matters affecting the Company.

The Committee continued to align its activities with the requirements and principles of:

- The Botswana Stock Exchange (BSE) Listings Requirements
- The Botswana Accountancy Oversight Authority (BAOA) standards
- The Companies Act (Cap 42:01)
- International Financial Reporting Standards (IFRSs)
- King III principles and broader corporate governance best practice

ROLES AND RESPONSIBILITIES

The Committee's primary responsibilities include oversight of:

- The integrity and reliability of financial reporting
- The effectiveness of internal financial controls
- Enterprise risk management processes
- Regulatory and statutory compliance
- External audit independence and effectiveness
- Ethical conduct and governance practices
- The adequacy of accounting policies and judgments
- The effectiveness of assurance processes

In executing its mandate, the Committee seeks to ensure that governance structures remain effective, risks are appropriately managed, and financial disclosures continue to support informed stakeholder decision-making.

Chairman, Finance & Audit Committee

MS. BOITUMELO C. PAYA

In fulfilment of its governance responsibilities and Sechaba Brewery Holdings Limited's ("SBHL") continued commitment to accountability, transparency, and ethical leadership, I am pleased to present to you the Finance and Audit Committee report for the financial year ended 31 December 2025.

The Committee provides independent oversight on behalf of the Board in relation to financial reporting integrity, risk management, internal controls, governance processes, regulatory compliance, and external assurance. This report serves to provide shareholders and stakeholders with assurance regarding the effectiveness of the Company's governance and financial control environment.

The audited annual financial statements for the year ended 31 December 2025, prepared in accordance with International Financial Reporting Standards (IFRSs), are presented as part of this Integrated Report.

Finance & Audit Committee Report

FINANCIAL PERFORMANCE OVERSIGHT

SBHL delivered a resilient financial and operational performance during the year under review, supported by continued operational efficiencies within associate entities and disciplined financial management practices.

The Committee closely monitored the Company's financial performance, capital allocation decisions, and significant accounting matters throughout the year. Focus areas included revenue sustainability, cost management initiatives, cash flow oversight, and the continued enhancement of shareholder value.

The Committee is satisfied that the financial statements appropriately reflect the operational and financial performance of the Company for the year ended 31 December 2025.

EXTERNAL AUDIT AND ASSURANCE

The Committee maintained a constructive and independent relationship with the external auditors throughout the audit cycle.

The external audit process included a comprehensive review of the Company's financial statements, governance controls, and compliance environment. The Committee engaged extensively with the auditors on significant audit matters, key judgments, internal control observations, and financial reporting considerations.

In fulfilling its oversight responsibilities, the Committee:

- Reviewed and approved the external audit scope and engagement terms
- Assessed the independence and objectivity of the external auditors
- Evaluated audit findings and management responses
- Monitored non-audit services to safeguard auditor independence.
- Reviewed the effectiveness and quality of the external audit process.

The Committee is satisfied that the external auditors remained independent and conducted the audit with the necessary professional scepticism, diligence, and objectivity. Further, the Committee evaluated the performance of Grant Thornton and reaffirmed confidence in their competence, professionalism, and impartiality. The Committee further confirms that no prohibited non-audit services were provided during the year that could impair auditor independence.

Additionally, the Committee confirms the appropriateness of the accounting policies adopted, the integrity of financial reporting, and the adequacy of the company's internal financial controls.

INTERNAL CONTROLS, RISK MANAGEMENT AND COMPLIANCE

The Committee continued to oversee the adequacy and effectiveness of the Company's internal control environment and risk management framework.

Management maintained systems and processes designed to provide reasonable assurance regarding:

- The safeguarding of Company assets
- The reliability and integrity of financial reporting
- Compliance with applicable laws and regulations
- The prevention and detection of fraud and material misstatements
- Operational effectiveness and accountability

The Committee also monitored key strategic, operational, financial, and compliance risks facing the Company and reviewed management's mitigation plans and control responses.

Based on the work performed during the year, the Committee is satisfied that the Company's internal financial controls were effective and that the finance function possessed the appropriate expertise, experience, and resources necessary to fulfil its responsibilities.

GOVERNANCE AND ETHICAL LEADERSHIP

The Committee remained committed to promoting high standards of governance, ethical conduct, and responsible corporate citizenship throughout the organisation.

During the year, emphasis continued to be placed on strengthening accountability structures, reinforcing policy compliance, and fostering a culture of integrity and ethical leadership across the business. The Committee believes that strong governance practices remain fundamental to protecting stakeholder interests and supporting sustainable long-term growth.

PRIORITIES FOR 2026

Looking ahead, the Committee will continue to focus on strengthening the Company's governance and financial oversight capabilities. Key priorities for the coming year include:

- Enhancing enterprise risk management and internal control frameworks
- Strengthening governance oversight and regulatory compliance
- Supporting digital transformation within finance and reporting functions
- Reinforcing ethical leadership and accountability across the organisation
- Monitoring emerging financial, regulatory, and operational risks
- Promoting sustainable value creation through prudent financial stewardship
- Enhancing cybersecurity oversight and resilience
- Strengthening tax governance and regulatory transparency
- Advancing ESG reporting and assurance readiness
- Monitoring associate investment performance and returns optimisation

APPRECIATION

The Committee extends its sincere appreciation to the Board of Directors, executive management, external auditors, and business partners for their continued commitment, professionalism, and collaboration throughout the year.

Special recognition is extended to Ernst & Young for their valued contribution during their tenure, and to Grant Thornton for their seamless transition and professional support during the year under review.

The Committee further extends its gratitude to SBHL shareholders for their continued trust and confidence in the Company.

The Committee remains committed to maintaining the highest standards of financial governance, transparency, and accountability in support of SBHL's long-term strategic objectives and sustainable value creation.

The Finance and Audit Committee is satisfied that it has fulfilled its statutory and governance responsibilities during the year under review and that the Company continues to maintain an effective control environment that supports sustainable value creation and stakeholder confidence.

MS. BOITUMELO C. PAYA
FINANCE AND AUDIT COMMITTEE CHAIRMAN



Managing Director

FAITH A. M. NTETA

Managing Director's Statement

TO SBHL SHAREHOLDERS

This past year has been one of disciplined execution, operational focus, and deliberate recalibration in response to a demanding operating environment. While the broader economic context continued to exert pressure on the beverages sector through constrained consumer demand, cost inflation, and competitive intensity our focus with our Associates has been clear: to stabilise performance, strengthen operational fundamentals, and position the Associate businesses for sustained value delivery.

Our priority during the year was to ensure that SBHL, through its associates, remained operationally sound, responsive, and aligned to performance expectations. As a non-operational holding company, our focus was not on direct execution, but on strengthening the frameworks, oversight, and engagements that enable consistent delivery across our portfolio. This required a sharper emphasis on disciplined oversight enhancing performance monitoring, reinforcing governance standards within associates, and ensuring that cost management, service delivery, and operational efficiency remained firmly in focus at the underlying business level.

We also placed particular attention on improving coordination and information flow between the Company and its associates, recognising that timely, transparent, and high-quality reporting is essential for effective oversight and decision-making. Through these efforts, we have sought to ensure that while operations reside within our associates, accountability, performance discipline, and value focus remain consistently upheld across the company. We placed particular emphasis on strengthening internal processes and governance discipline. This included ensuring timely statutory compliance, improving reporting quality, and maintaining strong alignment with Board expectations. These are not simply governance requirements they are essential enablers of performance and accountability. At the same time, we advanced key operational improvements, including the progression of our financial systems upgrade, which will enhance reporting accuracy, control effectiveness, and decision-making capability going forward.

STRENGTHENING STAKEHOLDER AND ASSOCIATE ENGAGEMENT

A significant portion of the year was dedicated to deepening engagement with our key stakeholders, shareholders and associates. This included extensive consultations on governance-related matters, where management played an active role in facilitating dialogue, addressing concerns, and working towards alignment on sensitive but important issues. These engagements were not always straightforward. They required patience, transparency, and sustained effort. However, they were necessary to preserve trust, strengthen relationships, and ensure that the business continues to operate on a credible and stable governance foundation.

We also intensified our focus on improving communication and accountability across our associates. Progress has been made in enhancing information flow, responsiveness, and alignment on governance expectations. This remains an ongoing area of focus, as stronger associate performance and transparency are critical to overall company value.

DRIVING OPERATIONAL ACCOUNTABILITY AND SERVICE EXCELLENCE

Operationally, we continued to strengthen oversight of our service providers and support functions, ensuring that performance standards, cost discipline, and value delivery are consistently maintained. This included reviewing key contracts, reinforcing service-level expectations, and ensuring that all service arrangements are aligned with the Company's efficiency and governance objectives. In a constrained environment, every cost line and every service relationship must justify its value. This discipline will continue to define how we operate.

Managing Director's Statement

POSITIONING FOR THE NEXT STRATEGIC PHASE

As we close the year, we are entering a new strategic cycle with a clear understanding of both our strengths and the areas requiring further focus. Management is actively preparing the organisation for this next phase, which will prioritise:

- Stronger investment discipline and value creation
- Improved associate performance and governance
- Enhanced use of data and systems to support decision-making
- Greater integration of sustainability and stakeholder considerations
- Continued strengthening of operational efficiency and accountability

Importantly, this next phase will require a shift from stabilisation to more proactive value creation. The foundations laid during this period provide a platform, but execution will remain the defining factor.

LOOKING AHEAD

The environment in which we operate is unlikely to ease in the near term. As such, our approach will remain grounded in realism and disciplined execution.

OUR FOCUS IS STRAIGHTFORWARD:

- To improve operational performance
- To strengthen governance and accountability across the business
- To enhance the quality and consistency of stakeholder engagement
- To deliver measurable value from our portfolio

We are committed to ensuring that the business not only remains stable, but becomes more responsive, more efficient, and ultimately more competitive.

APPRECIATION

I would like to thank our partners and service providers for their continued commitment during a demanding period, our shareholders for their engagement and support, and the Board for its guidance and oversight. The work ahead remains significant, but we are clear on our priorities and confident in our ability to execute.

FAITH A. M. NTETA
MANAGING DIRECTOR





Finance Administrator

THANDISA T. SEKGA

Delivering Strong Financial Performance and Sustainable Shareholder Value

Finance Administrator's Report

INTRODUCTION

The 2025 financial year represented another period of resilient performance for Sechaba Brewery Holdings Limited (SBHL), supported by disciplined financial management, robust associate performance, and continued focus on long-term shareholder value creation.

Despite ongoing economic pressures within the regional and global environment, including constrained consumer spending, subdued diamond sector performance, and tightening financial conditions, SBHL remained financially resilient and strategically well-positioned.

As Finance Administrator, I am pleased to present the financial review for the year ended 31 December 2025.

FINANCIAL PERFORMANCE OVERVIEW

SBHL delivered a strong financial performance during the year under review, driven primarily by improved profitability from associate entities and continued operational efficiencies across the business.

Total comprehensive income for the year increased 19% at P360.1 million, reflecting sustained earnings growth and improved associate performance. Earnings per share (EPS) similarly increased by 19% to 325.58 thebe. Share of profit from associates increased by 17% to 396.2 million compared to the prior year.

The Company's performance reflects the resilience and the continued strength of its strategic associate investments, which remain central to SBHL's value creation strategy.

Throughout the year, management maintained disciplined cost management, capital allocation, liquidity preservation, and operational governance to ensure the Company remained financially stable and well-positioned for future growth opportunities.

PROFITABILITY AND EARNINGS GROWTH

The increase in profitability during the reporting period was largely attributable to enhanced operational performance and efficiencies achieved within associate entities.

Management continued to focus on:

- Strengthening financial discipline and governance
- Preserving profitability through prudent cost management
- Enhancing shareholder returns through sustainable earnings growth

The Company's improved earnings position translated into stronger returns for shareholders while maintaining a prudent and sustainable financial profile.

LIQUIDITY POSITION

SBHL closed the year with sufficient liquidity to meet its operational and strategic obligations. The Statement of Financial Position shows a marginal 1% decrease in total assets, primarily due to a reduction in investment in associates.

Total equity remained robust at P892.7 million at year-end, reflecting the Company's strong capital base and continued profitability. The Company maintained a prudent approach to treasury and liquidity management during the year, ensuring adequate financial flexibility while preserving capital strength and supporting shareholder distributions.

Finance Administrator's Report

Management remained focused on:

- Preserving liquidity and financial resilience
- Maintaining disciplined capital allocation practices
- Supporting sustainable dividend distributions
- Monitoring cash flow adequacy and investment requirements
- Enhancing risk management

This disciplined approach continues to support the Company's long-term sustainability and strategic positioning.

FINANCIAL GOVERNANCE AND REPORTING INTEGRITY

SBHL remains committed to maintaining the highest standards of financial governance, transparency, and reporting integrity.

The annual financial statements for the year ended 31 December 2025 were prepared in accordance with International Financial Reporting Standards (IFRSs) and applicable statutory and regulatory requirements.

During the year, management continued to strengthen financial governance processes through:

- Enhancement of internal financial controls
- Ongoing monitoring of accounting and reporting standards
- Strengthening risk management and compliance processes
- Maintaining robust assurance and audit coordination
- Reinforcing accountability and governance discipline across the organisation

The finance function continued to work closely with the Finance and Audit Committee, executive management, the board and external auditors to ensure the integrity, accuracy, and reliability of financial reporting.

RISK MANAGEMENT AND INTERNAL CONTROLS

The Company maintained a strong focus on enterprise risk management and internal control effectiveness throughout the year. Management continuously assessed key financial, operational, regulatory, and strategic risks impacting the business environment and implemented mitigation measures aimed at preserving operational resilience and financial stability.

The Company's internal financial control environment remained effective and provided reasonable assurance regarding:

- The safeguarding of Company assets
- Reliability of financial reporting
- Compliance with laws and regulations
- Operational accountability and governance effectiveness

The finance team continued to strengthen reporting processes and governance frameworks in support of sustainable long-term performance.

RISK MANAGEMENT

Effective risk management remains integral to SBHL's governance and operational structure. The company continues to reinforce its risk framework to respond proactively to evolving market and regulatory dynamics. A Risk Management Register is maintained and reviewed regularly to identify emerging risks and develop mitigation plans. Key areas of focus included; regulatory compliance, market volatility and operational resilience. SBHL remains solvent, financially sound, and a going concern, with its financial statements prepared in accordance with International Financial Reporting Standards (IFRSs).

ECONOMIC ENVIRONMENT AND OUTLOOK

Botswana's economic outlook remains cautiously optimistic despite ongoing global and regional uncertainties. While the mining sector continues to experience pressure, easing inflationary trends, infrastructure investment, and resilience within non-mining sectors continue to support broader economic activity.

Against this backdrop, SBHL remains focused on maintaining financial resilience, supporting strategic growth opportunities, and preserving long-term shareholder value.

LOOKING AHEAD

In 2026, management will continue to focus on strengthening SBHL's financial resilience and governance capabilities while supporting the Company's long-term strategic objectives.

Priority areas for the coming year include:

- Enhancing financial planning and analytical capabilities
- Strengthening liquidity and capital management
- Advancing finance process optimisation and digital transformation
- Supporting operational efficiency initiatives within associate entities
- Enhancing risk management and governance frameworks
- Maintaining disciplined financial stewardship and sustainable shareholder returns

Management remains confident in the Company's long-term fundamentals and its ability to continue delivering sustainable value to shareholders.

APPRECIATION

I would like to extend my sincere gratitude to the Board of Directors, executive management, service providers, associate partners, external auditors, and all stakeholders for their professionalism, collaboration, and commitment throughout the year.

Your collective support and dedication have been instrumental in sustaining SBHL's financial resilience, governance excellence, and strategic progress.

I also wish to express special appreciation to our shareholders for their continued trust and confidence in the Company.

THANDISA T. SEKGA
FINANCE ADMINISTRATOR





BOARD OF DIRECTORS

BOARD OF DIRECTORS



MS. TABUYA TAU

Ms. Tabuya Tau is an accomplished business leader and Chairperson of the Board with more than two decades of experience spanning financial services, executive leadership, corporate governance, strategic oversight, and business transformation. She joined the Board of Sechaba Brewery Holdings Limited in December 2019 as an Independent Non-Executive Director, later serving as Chairperson of the Finance and Audit Committee before assuming the role of Chairperson of the Board. Over the course of her career, she has established a strong record in corporate strategy, financial stewardship, risk management, regulatory compliance, and stakeholder engagement.

Ms. Tau currently serves as Managing Director and Executive Director of Hollard Life Botswana, where she is responsible for strategy, performance, governance, regulatory compliance, and sustainable growth. Her earlier senior leadership roles include Group Chief Financial Officer at Hollard, Deputy Chief Financial Officer at First National Bank of Botswana Limited, Senior Manager Finance, and Finance

Manager at Letshego Holdings Limited. She has also served in a range of board and governance capacities, including as Independent Non-Executive Director and Chairperson of the Board of Kgalagadi Breweries Limited, as well as on nominations, audit, and risk committees.

She holds a Master of Business Administration from Henley Business School, has completed the Senior Management Development Programme at the University of Stellenbosch, is a Fellow of the Association of Chartered Certified Accountants (FCCA), a member of the Botswana Institute of Chartered Accountants (BICA), and holds a Bachelor of Commerce degree from the University of the Witwatersrand.

Her boardroom contribution is distinguished by strategic clarity, financial acumen, and a strong commitment to sound governance and long-term institutional strength.



MS. BOITUMELO PAYA

Ms. Boitumelo Paya was appointed to the Board on 1st March 2021 as an Independent Non-Executive Director and currently serves as Chairperson of the Audit Committee. She is a seasoned Business Executive and Board Director with over 25 years of experience in executive financial management across diverse sectors and geographies. Ms. Paya has a distinguished track record of enhancing business performance, improving operating margins, and driving sustainable cash flow. Her expertise lies in leading organizations through complex transformations, margin expansion initiatives, and strategic growth, consistently delivering strong commercial outcomes.

In her current role as Chief Financial Officer for Botswana Telecommunications Corporation Limited, she provides governance oversight of financial reporting processes and offers strategic advice on long-term financial and business planning. Her core competencies include finance integration, business transformation, financial planning and analysis, audit and assurance, strategic decision support, investor relations, and Mergers & Acquisitions.

Throughout her career, Ms. Paya has held several senior leadership positions, including Finance Director, Kgalagadi Breweries (Pty) Limited Finance Director and Interim Country Director, Malawi Beverages Limited Finance Executive, SABMiller plc, United Kingdom. She is a Fellow of both the Association of Chartered Certified Accountants (ACCA) and the Botswana Institute of Chartered Accountants (BICA). She holds a Master of Business Administration (MBA) from the University of Derby and has completed a Management Development Programme at the Gordon Institute of Business Science (GIBS).



MS. FAITH A. M. NTETA

Ms. Faith Mabhu Asnath Nteta

joined SBHL on 1st July 2021 as a part time Managing Director and assumes full accountability to the board for all company operations. Her strategic prowess has enabled the implementation of comprehensive governance frameworks that ensure accountability, transparency, and effective decision-making across the organization. These structures have enhanced the company's ability to manage risks and maintain high standards of corporate governance. Ms. Nteta is a Principal Management Consultant and an experienced and solutions driven entrepreneur with experience in leadership training, business turnaround and performance improvement. She has previously worked at leadership levels for Air France Botswana, Botswana National Productivity Centre and thereafter founded Service Bridges Consulting where she plays the role of culture transformation partner for public, private and parastatal organisations. Her knowledge, expertise and experience in service excellence strategies have earned her a strong and impactful local, regional, international reputation and brand. She holds a Bachelor of Arts (BA) degree, a master's in business administration (MBA) degree.

She possesses abilities in accurately identifying business problems, formulating strategic plans, facilitating and initiating cultural change projects. Ms. Nteta helps to design strategies for implementing organisations new processes in challenging and diverse environments. She has extensive experience in corporate governance, Board Self Evaluation and leadership from both a training, facilitation and board membership perspective. She has held Directorship roles in private and parastatal organisations such as the National Development Bank, where she served as vice Chairman, Chairman of the Board Transformation Committee and member of the Board Human Resources Committee. Ms. Nteta also served on the Local Enterprise Authority (LEA) Board as Chairman of the Board. She currently serves on the First Mutual Reinsurance Board and chairs its Human Resource Committee. She also is the founder and Chairman of Japhala Youth Development Organisation commonly referred to as The House of Young. She is a gender activist and is involved in various advocacy programmes to champion the rights of women and girls as the founder of the Wave Women and Girls Network.



MR. MESHACK TSHEKEDI

Mr. Meshack Tshekedi is the former Chief Executive Officer for Botswana Oil Limited (BOL). He holds an MSc. in Engineering Management at Missouri Institute of Science & Technology (MIST) in the USA, a Bachelor of Science in Chemical Engineering and Economics (MIST). He also holds also several qualifications in both engineering, supply chain and management. Mr Tshekedi has held senior leadership positions in various industries including Brewing and Beverage Production, Mining, Consultancy, Export & Investment Promotion and Brand Promotion fields.

He started his career at the Missouri Institute of Science & Technology in the USA when he worked for the Could & Aerosol Science, Engineering and Physics Research Laboratory (CASEL). He then joined Debswana Diamond Company as a Process Engineer in 2002 and was later engaged at Kgalagadi Breweries Limited (KBL) as Strategic Planning Manager and Cash & Carry Manager respectively.

In 2004, he joined X-pert Botswana (now Innolead) as a Consultant providing project management services to clients including Debswana Diamond Company, DTC and Geoflux. Mr Tshekedi returned to KBL where he held various posts including National Supply Chain Manager and Group Supply Chain Director later part of 2004.

He became the General Manager for MRI Botswana in 2010 to 2013 where he was then appointed Group Supply Chain Director for SAB Miller Africa – Zambian Breweries Group PLC (Zambian Breweries, National Breweries & Hendricks Beverages). Returning from Zambia, he joined Botswana Oil Limited as General Manager – Corporate Policy, Strategy & Business Planning in the later part of 2014.

In 2015, he joined Botswana Investment & Trade Centre (BITC) as Chief Operations Officer and later Acting Chief Executive Officer (2016-2018) where he was responsible for promoting investment and trade in Botswana and promoting the National Brand. Mr Tshekedi rejoined Botswana Oil Limited in 2018 as General Manager, Supply and Manufacturing, where he was later appointed as the Acting Chief Operations Officer and ultimately appointed Chief Executive Officer in 2020.

Since leaving Botswana Oil Limited at the end of February 2026, Mr Tshekedi remains active as a consultant and entrepreneur in the supply chain and logistics fields as well as the Oil & Gas sector.

Mr Tshekedi served in numerous Boards of both private and public entities. He currently sits on the Sechaba Brewery Holdings Limited as a Board Member and a Member of the Remunerations Committee as well as at Coca Cola Beverages Botswana as non-Executive Director.

BOARD OF DIRECTORS



MR. MODISE B. MOKONE

Mr. Modise B. Mokone joined the SBHL Board on the 12th February 2019 as a non-executive director. Mr. Mokone is a seasoned investment professional with over 18 years' experience in asset management, venture capital, private equity and development finance. Mr Mokone is currently the Chief Investment Officer at the Minerals Development Company Botswana (MDCB) where he is responsible for leading the company's investment strategy and overseeing the full investment life cycle of the MDCB towards the implementation of its mandate to grow and optimise its mining and minerals investment portfolio.

Mr Mokone previously served as an Investment Principal at the Botswana Development Corporation (BDC) and the Head of Structured Finance at the Citizen Entrepreneurial Development Agency (CEDA). Mr Mokone has held other senior positions at CEDA and

Stanlib Investment Management Services (SIMS), now Vunani Fund Managers Botswana. Mr Mokone holds a Bachelor of Commerce (Banking, Finance and Risk Management), a Chartered Financial Analyst (CFA) – Level 1, concluded a Global Executive Development Programme with GIBS and is pursuing his Masters in Finance and Investment. Mr Mokone has significant corporate governance experience having sat on several boards during his career.



MR. JAYARAMAN RAMESH

Mr. Jayaraman Ramesh joined the Board on 1 March 2021 as an Independent non - executive director and also serves on the Board of Kgalagadi Breweries (Proprietaries) Limited, our Associate.. He is the co-founder and the current non-executive Chairman of the Board of Botho University, Botswana's Leading Private University with additional campuses in Lesotho, Eswatini, Botho Online and its first African International school, Enko Botho, in Gaborone.

Mr. Ramesh also serves on the Boards of Engen Botswana Limited and New African Properties Limited, as an Independent non-executive director. He was the 1st Chairman of the Government Audit Committee set up by Government of Botswana and completed his 5-year tenure in June 2021. He was previously the non-executive Chairman, Managing Partner, and Partner at Grant Thornton Botswana during his 36-year career at Grant Thornton that began in July 1984.

He also has experience at Grant Thornton International initially as a Board member of Grant Thornton International and later as the

Regional Leader for Africa from April 2010 to April 2020, strengthening the presence of Grant Thornton on the African continent. He graduated with a Bachelor of Commerce degree from the University of Madras, India, and then qualified as a Chartered Accountant. He is a Fellow Chartered Accountant of the Botswana Institute of Chartered Accountants and is a Past President of BICA. He is also an Alumnus of Oxford University's Said Business School where he completed the senior leadership programme, Organisational leadership, while at Grant Thornton International.



MS. GORATA DIBOTELO

Ms. Gorata Dibotelo has 15 years as a qualified legal practitioner, holding a Bachelor of Laws degree from the University of Botswana and a Master of Laws degree specialising in Commercial Law from the University of Cape Town. In addition, she has completed an Executive Development Programme with the University of Stellenbosch Business School.

She is currently the Group General Counsel & Board Secretary of Letshego Africa Holdings Limited, a Pan-African Financial Services Group operating in eleven countries, serving as the principal legal advisor to the Group in providing strategic and operational oversight on legal, regulatory, compliance and governance matters across diverse jurisdictions and regulatory environments. She furthermore provides secretariat services to the Group Board and supports the effective functioning of governance structures in accordance with applicable legislation and recognised principles of good corporate governance and international best practice, as well as advising the Group Board,

sub-committees, senior management and external key stakeholders on legal, regulatory and governance matters in strengthening informed decision making and institutional accountability.

Her previous roles include, Head of Legal Services & Board Secretary at the Botswana Stock Exchange and prior to that, Associate Attorney at Armstrongs Attorneys. She has also lectured on a part-time basis at the University of Botswana.

Gorata currently serves on the following main boards; as an Independent Non-Executive Director of Sechaba Brewery Holdings Limited, a Non-Executive Director on Kgalagadi Breweries Limited and Independent Non-Executive Director and Chairperson on the Botswana Competition and Consumer Authority Board.



MS. LORATO MORAPEDI

Ms. Lorato Morapedi is a transformational leader who has successfully led strategic transformative projects both in the public and private sector. She is an astute business leader with 22 years executive management experience with 12 years of these as Chief Executive Officer at the National Development Bank with a key focus on governance, environment and sustainability. Some of the organisations she worked for include the Absa Bank (then Barclays Bank of Botswana), Citizen Entrepreneurial Development Agency (CEDA) and Botswana Examinations Council.

In addition to being a board member at Sechaba Breweries Holdings Ltd, she is also a non-executive director in the board and Audit Committee for Coca-Cola Beverages Botswana. She has also served as a non-executive director in several institutions including Export Credit Insurance and Guarantee Company Botswana (BECI), ABM University College, Youth Alliance

for Leadership & Development in Africa (YALDA), Local Enterprise Authority (LEA), Botswana

Institute of Bankers, Botswana Agricultural Science Professionals Association and The Business Place. She holds a MSc in Economics from the University of Illinois, USA, a Bachelor of Arts (Economics & Accounting) from the University of Botswana and she is also an Alumni of the London Business School. In recognition of her excellent leadership and contribution to the corporate world she was recognised as one of the 2019 Reset Global People Top 100 women CEOs in Africa and Botswana Celebrated Women in 2021.



Governance Report





Governance Report

Governance Report

BOARD AND MANAGEMENT EXPERIENCE, EXPERTISE, SKILLS AND COMPETENCIES

STRENGTHENING GOVERNANCE THROUGH TARGETED OVERSIGHT AND SELF-REFLECTION

The Board of Sechaba Brewery Holdings Limited (SBHL) is comprised of individuals with extensive experience, sectoral insight, and diverse professional backgrounds that are fundamental to driving the company's long-term value creation agenda. The collective expertise spans investment management, finance, governance, legal and regulatory compliance, strategy development, risk management, and the beverage industry experience, reflecting a deliberate approach to ensuring that the Board is equipped to govern with competence, depth, and foresight.



Statement of Compliance

SECHABA BREWERY HOLDINGS LIMITED (SBHL) and its associates are committed to observing the highest standards of pre-eminent practice in corporate governance. SBHL complied with the regulatory provisions as provided by the Botswana Stock Exchange (BSE), King III Corporate Governance, and Botswana Accountancy Oversight Authority (BAOA).



Board Structure



BOARD OF DIRECTORS

- Membership is between Four and twelve members
- Independent/Non-Executive Directors majority
- One Executive Director



FINANCE AND AUDIT COMMITTEE

- Three Independent/Non-Executive Directors
- One Executive Director



NOMINATIONS COMMITTEE

- Three Independent/Non-Executive Directors





Board of Directors

Guiding with vision.

Leading with integrity.

Committed to sustainable growth and lasting impact.

Governance

Strong leadership and ethical oversight.

Strategy

Driving innovation and creating value.

Impact

Building a better future together.

Governance Report

MEMBERS OF THE FINANCE AND AUDIT COMMITTEE

The Finance & Audit Committee provides oversight of the Company's financial reporting, internal controls, risk management, compliance, and audit processes, supporting the Board in safeguarding shareholder value and promoting sound corporate governance



Finance and Audit Committee

• Three Independent Non-Executive Directors



CHAIRMAN
Boitumelo Paya



DIRECTOR
Jayaraman Ramesh



DIRECTOR
Modise Mokone



Nominations Committee

• Three Independent Non-Executive Directors



CHAIRMAN
Tabuya Tau



DIRECTOR
Gorata Dibotelo



DIRECTOR
Meshack Tshekedi

The Nominations Committee helps ensure that the Board and leadership structures remain effective, diverse, and aligned to the Company's long-term strategic needs. The committee ensures the strengthening of leadership, succession, and governance excellence.



Strong governance.
Sustainable value.

Governance Report

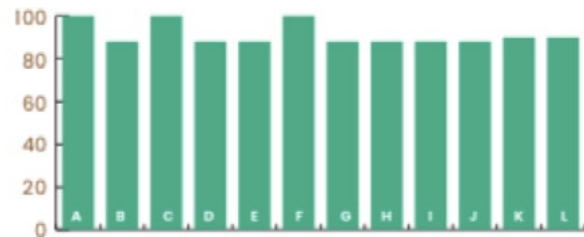
SBHL's Board Skills and Competency Matrix is a core governance mechanism used to map, assess, and align the expertise of the Board with the strategic needs of the business. The matrix is regularly reviewed and serves as a diagnostic and planning tool, identifying both the strengths and potential gaps in the Board's collective capabilities.

KEY AREAS REPRESENTED WITHIN THE CURRENT MATRIX INCLUDE:



The matrix informs Board composition decisions, succession planning, and continuous professional development. It also ensures that the Board remains responsive to emerging trends, regulatory shifts, and evolving shareholder expectations. The matrix is reinforced by the Board Training and Development Policy, which serves to expose directors to emerging governance practices, sectoral trends, regulatory updates, and sustainability issues. Through structured training, site visits, and stakeholder engagements, the policy ensures that Board members continuously enhance their ability to guide the company with foresight, agility, and accountability. This practice contributes to SBHL's commitment to sound governance, shareholder confidence, and long-term value creation, underpinned by a Board that is both competent and continually evolving. The 2025 board skills, competencies and experience matrix is as follows:

BOARD AND MANAGEMENT EXPERIENCE, EXPERTISE, SKILLS AND COMPETENCIES



BOARD SKILLS AND EXPERIENCE MATRIX

#	BOARD SKILLS AND EXPERIENCE	%
A	Board membership experience OTHER THAN SBHL	100%
B	Board leadership experience OTHER THAN SBHL	88%
C	Governance experience	100%
D	Beverages Industry/sector experience	88%
E	Financial/Accounting	88%
F	Strategic planning	100%
G	Investment and commercial expertise and experience	88%
H	Capital Allocation	88%
I	Enterprise leadership experience	88%
J	Risk and controls management	88%
K	Legal/regulatory knowledge /expertise	90%
L	ESG Skills	90%

ANNUAL BOARD EVALUATION: REINFORCING ACCOUNTABILITY AND EFFECTIVENESS

Complementing the Skills Matrix is SBHL's Annual Board and Committee Self-Evaluation Process, which serves as a reflective governance practice. Conducted either internally or with independent facilitation, the evaluation assesses:



Feedback from the evaluation informs the governance improvement plan for the subsequent year and helps tailor capacity-building interventions where needed. It also reinforces individual and collective accountability while ensuring alignment with the principles of King III and best practice.



Governance Report

MANAGEMENT COMPETENCE AND ALIGNMENT

The management team, under the oversight of the Board, possesses strong execution capability, industry knowledge, and stakeholder management skills. Together with the Board, they ensure that strategic priorities are translated into results, while maintaining high standards of compliance, operational resilience, and financial discipline.

DELIVERING EFFECTIVE GOVERNANCE

Together, the Board Skills Matrix and Self-Evaluation Process create a closed-loop feedback system that ensures:

- Board composition remains fit for purpose
- Performance is continuously evaluated and improved
- Skills are refreshed and aligned with the company's growth ambitions
- Governance remains forward-looking, agile, and value-driven

This commitment to skills alignment, reflection, and development is integral to SBHL's continued ability to deliver oversight that is robust, ethical, and value-enhancing.

BOARD MEMBER IDENTIFICATION POLICY

SBHL maintains a Board Member Identification Policy that guides the identification, recruitment, selection, and appointment of Directors to the Board. The policy promotes an open, transparent, and merit-based approach to Board appointments, underpinned by the principles of good governance, compliance, fairness, and accountability.

Guided by the Company's Constitution and governance framework, Board appointments are made based on the competencies, skills, experience, independence, and capabilities required to effectively discharge the responsibilities of a Director. The Board recognises that the recruitment and selection of Directors is a critical governance process that directly influences the effectiveness, oversight, and long-term sustainability of the Company.

Through this policy, SBHL seeks to ensure that Board appointments are conducted in a structured and objective manner, with a focus on attracting and selecting individuals who possess the requisite expertise and leadership qualities to contribute meaningfully to the Company's strategic direction and governance responsibilities.

SBHL remains committed to maintaining a high-performing Board with an appropriate balance of skills, experience, diversity of thought, and professional expertise. This commitment supports the continuous strengthening of the Company's governance framework and enhances the Board's ability to create and protect long-term shareholder value.

RECRUITMENT, SUCCESSION PLANNING POLICY & GUIDELINES

Effective leadership is critical to the achievement of the Company's strategic objectives, long-term sustainability, and value creation aspirations. SBHL recognises that the appointment, development, and succession of the Managing Director as one of its important strategic responsibilities.

To support this responsibility, the Board maintains a Recruitment and Succession Planning Policy and Guidelines framework designed to ensure that leadership appointments are conducted in a transparent, objective, timely, and merit-based manner. The policy establishes clear principles and procedures for the identification, assessment, appointment, development, and succession of executive leadership, with a focus on securing individuals who possess the requisite skills, experience, leadership capabilities, and values to successfully lead the organisation.

The policy further supports leadership continuity by ensuring that succession plans are regularly reviewed and maintained, thereby reducing key-person risk and strengthening the Company's ability to sustain performance and strategic momentum during leadership transitions.

BOARD TRAINING

SBHL remains committed to the continuous development and training of its Directors, as demonstrated during 2025 through various programmes focused on corporate governance, cyber security awareness, and the application of King governance principles. These training initiatives were aimed at strengthening the Board's oversight capabilities, enhancing governance effectiveness, and ensuring Directors remain informed of emerging risks, regulatory developments, and evolving best practices. The Company believes that ongoing Board development is essential in supporting sound decision-making, accountability, and long-term sustainable value creation.

EQUITY AND DIVERSITY POLICY

The Company has an Equity and Diversity Policy. The objective of this policy is to facilitate the promotion of diversity to foster an inclusive and equitable work environment where everyone is treated with dignity, respect, and fairness, regardless of their race, ethnicity, gender, sexual orientation, disability, religion, age, or any other characteristic protected by applicable laws. As a company, we strive to create a workplace that celebrates individual differences and encourages the contributions of the employees and directors.

APPOINTMENT OF AUDITORS FOR NON-AUDIT WORK POLICY

The Company has an Appointment of Auditors for Non-Audit Work Policy. The Policy is designed to establish clear guidelines for engaging auditors in non-audit services. This policy ensures transparency, preserves auditor independence, and prevents any conflicts of interest as provided for in the International Ethics Standards Board for Accountants (IESBA) code of ethics, thereby maintaining the integrity and credibility of Sechaba Brewery Holdings Limited's financial reporting process.

All non-audit engagements must receive prior approval from the Audit Committee. The Committee will evaluate the scope of work, fee structure, and potential impact on auditor independence.

NOMINATIONS COMMITTEE

The purpose of the Committee is to provide an independent and objective body that will;

- Make recommendations on the remuneration policies and practices of the Executive Directors, senior management and the company in general.
- Make recommendations on the composition of the board and board committees and ensure that the board of Directors consists of individuals who are equipped to fulfil the role of Director of the company.
- Ensure associate companies' work towards delivering zero harm to the health and safety of employees, the general public and the environment.

Governance Report

BOARD COMPOSITION AND INDEPENDENCE

As at 31 December 2025, the board had eight directors, comprising seven independent non-executive directors and one executive director.

The year under review marks Ms. Tabuya Tau's fourth year of SBHL Board leadership. For this period SBHL Board was composed of eight board members. The majority of the board are independent non-executive members (seven non-executive and one executive member). The company's Board Charter stipulates that the number of directors should not be less than four but not more than twelve. This diverse composition ensures a balance of skills, experience, and perspectives necessary for effective governance. The roles of the Chairman and the Managing Director are separate, promoting a clear division of responsibilities and enhancing the Board's independence.

MAIN BOARD ROLES AND RESPONSIBILITIES

Strategic Oversight: Setting the strategic direction and approving the company's strategic objectives and plans. **Risk Management:** Overseeing the implementation of effective risk management frameworks to identify and mitigate risks.

FINANCIAL PERFORMANCE: Monitoring the financial performance of the company and ensuring the integrity of financial reporting.

COMPLIANCE: Ensuring compliance with applicable laws, regulations, and corporate governance standards.

STAKEHOLDER ENGAGEMENT: Engaging with shareholders and other stakeholders to ensure their interests are considered in decision-making.

SHAREHOLDER ENGAGEMENT

SBHL is committed to maintaining open and transparent communication with its shareholders. The Board ensures that shareholders are provided with timely and accurate information about the company's performance and strategic direction.

FINANCE AND AUDIT COMMITTEE

The purpose of the Finance and Audit Committee is to assist the Board in fulfilling its oversight responsibilities by reviewing and making recommendations to the Board regarding;

- A. Strategic financial plans and the annual operating budgets.
- B. The integrity of the Financial Information, including audited financial statements, and recommendation for approval to the Board of Directors and the stakeholders
- C. Finance functions, Policies and Procedures.
- D. The Company's Internal Audit and External Audit functions by ensuring they are appropriately skilled and resourced for the complexity and volume of risk and assurance needs.
- E. The Company's Investment management activities.
- F. The integrity of the financial statements of the company and any announcements of the company's financial performance, reviewing significant financial reporting judgements contained in them reviewed and recommended for board, and shareholders' approval, quarterly, half-year, and annual financial statements.
- G. The Company's compliance and risk management systems.
- H. The expertise and experience of the outsourced service provider engaged to provide the execution of the Financial Director functions.
- I. The appointment of the external auditor, their proposed remuneration and the terms of engagement, subject to final approval by the shareholders at the Annual General Meeting (AGM).

- J. The external auditor's independence and objectivity and the effectiveness of the audit process, taking into consideration relevant professional and regulatory requirements.
- K. Communication with external auditors at Finance and Audit Committee meetings on audit-related issues.
- L. The effectiveness of the system for monitoring compliance with laws and regulations.

The Finance and Audit Committee assessed the effectiveness and performance of the finance function during the year under review and is satisfied that the function is appropriately structured, adequately resourced, and possesses the requisite experience, competence, and technical expertise to effectively support the Company's strategic and operational requirements.

The Committee further confirmed the appropriateness of the accounting policies applied, the integrity and reliability of the financial reporting process, and the adequacy and effectiveness of the Company's internal financial controls and risk management processes.

The Committee is satisfied that the finance function continues to operate effectively and contributes meaningfully to the Company's governance, control environment, and long-term sustainability.

RISK MANAGEMENT PROCESS

The Board recognizes that effective risk management is essential to achieving the Company's strategic objectives, safeguarding stakeholder value, and ensuring long-term sustainability. SBHL maintains an integrated risk management framework designed to identify, assess, manage, monitor, and report material risks across the business.

The risk management process is aligned with leading corporate governance principles and supports informed decision-making throughout the organization.

RISK GOVERNANCE STRUCTURE

The Board retains overall responsibility for risk governance and oversight. The Finance and Audit Committee assists the Board by reviewing the effectiveness of the risk management framework, internal controls, compliance processes, and key strategic and operational risks.

Management is responsible for implementing the risk management framework and embedding risk management practices into daily operations. Risk owners are accountable for identifying and managing risks within their respective functions.

RISK MANAGEMENT PROCESS

The Company follows a structured and continuous risk management process comprising the following key stages:

1. RISK IDENTIFICATION

Risks are identified through strategic planning sessions, operational reviews, management meetings, audits, stakeholder engagements, regulatory developments, and environmental scanning. Risks considered include strategic, operational, financial, legal and compliance, technology, environmental, social, and reputational risks.

2. RISK ASSESSMENT AND EVALUATION

Identified risks are assessed based on their likelihood of occurrence and potential impact on the Company's operations, financial performance, reputation, and strategic objectives. Risks are prioritized using a risk matrix to determine the significance of each risk and the level of management attention required.

Governance Report

3. RISK MITIGATION AND RESPONSE

Appropriate mitigation strategies and controls are implemented to manage identified risks within acceptable risk tolerance levels. Risk responses may include avoiding, reducing, transferring, or accepting risks depending on the nature and significance of the exposure.

Management continuously reviews internal controls and business processes to strengthen resilience and improve operational effectiveness.

4. MONITORING AND REPORTING

Key risks and mitigation plans are monitored regularly by management and reported to the Finance and Audit Committee and the Board. The monitoring process includes reviewing key risk indicators, compliance matters and emerging risks that may affect the Company.

The effectiveness of risk mitigation measures and internal controls is assessed periodically to ensure continued relevance and adequacy.

5. CONTINUOUS IMPROVEMENT

The Company remains committed to continuously enhancing its risk management practices in response to changes in the operating environment, regulatory requirements, technological developments, and stakeholder expectations.

Lessons learned from incidents, audits, economic and industry developments are incorporated into the risk management framework to strengthen organizational resilience and governance practices.

ANNUAL GENERAL MEETING (AGM):

The AGM provides an opportunity for shareholders to engage with the Board and management, ask questions, and vote on key resolutions.

Investor Relations: The company has a dedicated investor relations team that communicates with shareholders and analysts, providing updates on financial performance and strategic initiatives.

Reports and Publications: SBHL publishes its annual report, interim financial statements, and other relevant reports to keep shareholders informed.

BOARD PERFORMANCE AND EVALUATION

The annual board evaluation process serves as a valuable opportunity to identify efficiencies, leverage strengths and identify areas for further development. This continuous improvement approach aims to enhance both the board member's performance individually as well as a group.

The Board evaluation process confirmed a strong and effective Board that continues to provide sound governance, strategic oversight, and stewardship of the Company. The assessment reflected a high level of engagement, commitment, and collective effectiveness in discharging the Board's responsibilities.

As a Board that believes in continuous improvement and governance excellence, the evaluation process remains an important mechanism for reflection, learning, and ongoing development. The Board is committed to regularly assessing its effectiveness and ensuring that its practices, capabilities, and governance approach continue to evolve in line with emerging best practices and the changing needs of the Company.

	NAME	DESIGNATION	STATUS	APPOINTMENT DATE	POSITION STATUS
1	Ms. Tabuya B. Tau	Chairman	Non-Executive	20 December 2019	Active
2	Ms. Faith Mabu Nteta	Managing Director	Executive	01 July 2021	Active
3	Mr. Modise Mokone	Director	Non-Executive	12 February 2019	Active
4	Ms. Boitumelo C. Paya	Director	Non-Executive	01 March 2021	Active
5	Mr. Meshack Tshekedi	Director	Non-Executive	01 March 2021	Active
6	Mr. Jayaraman Ramesh	Director	Non-Executive	01 March 2021	Active
7	Ms. Gorata T. Dibotelo	Director	Non-Executive	01 July 2023	Active
8	Ms. Lorato C. Morapedi	Director	Non-Executive	15 September 2023	Active

Governance Report

BOARD MEETINGS ATTENDANCE REGISTER

During the year under review, the Board of Directors met for all its scheduled meetings. The attendance register is indicated in the table below;

NAME	DATE								OVERALL
	28 MAR 2025	26 APR 2025	26 JUN 2025 (AGM)	26 JUN 2025	18 JUL 2025	26 SEP 2025	30 OCT 2025	10 DEC 2025	
Ms. Tabuya B. Tau	✓	✓	✓	✓	✓	✓	✓	✓	8/8
Ms. Faith Mabu Nteta	✓	✓	✓	✓	✓	✓	✓	✓	8/8
Mr. Modise B. Mokone	✓	✓	×	✓	✓	✓	✓	✓	7/8
Ms. Boitumelo C. Paya	×	×	✓	×	✓	×	✓	✓	4/8
Mr. Meshack Tshekedi	×	✓	✓	✓	×	✓	✓	✓	6/8
Mr. Jayaraman Ramesh	✓	×	✓	✓	✓	✓	×	✓	6/8
Ms. Gorata T. Dibotelo	✓	✓	✓	✓	✓	✓	×	✓	7/8
Ms. Lorato C. Morapedi	✓	✓	✓	✓	✓	✓	✓	✓	8/8

FINANCE AND AUDIT COMMITTEE

NAME	DATE				OVERALL
	20 MAR 2025	13 JUN 2025	11 SEP 2025	27 NOV 2025	
Ms. Boitumelo C. Paya		×	✓	✓	3/4
Mr. Modise B. Mokone		✓	✓	×	3/4
Mr. Jayaraman Ramesh		✓	✓	✓	4/4
Ms. Faith Mabu Nteta		✓	✓	✓	4/4

NOMINATIONS COMMITTEE

NAME NAME	DATE		OVERALL
	12 MAR 2025	16 SEPT 2025	
Ms. Tabuya B. Tau	×	✓	1/2
Mr. Meshack Tshekedi	✓	✓	2/2
Ms. Faith Mabu Nteta	✓	✓	2/2
Ms. Gorata T. Dibotelo	✓	✓	2/2

COCA-COLA BEVERAGES BOTSWANA MAIN BOARD

NAME	DATE			OVERALL
	14 MAR 2025	14 MAR 2025	14 NOV 2025	
Ms. Boitumelo C. Paya	✓	✓	✓	3/3
Mr. Meshack Tshekedi	✓	✓	✓	3/3
Ms. Lorato C. Morapedi	✓	✓	✓	3/3

COCA-COLA BEVERAGES BOTSWANA FINANCE & AUDIT COMMITTEE

NAME	DATE		OVERALL
	7 MAR 2025	29 OCT 2025	
Ms. Boitumelo C. Paya	✓	✓	2/2
Ms. Lorato C. Morapedi	✓	✓	2/2

KGALAGADI BREWERIES

NAME	DATE							OVERALL
	11 MAR 2025	30 JUN 2025	30 JUN 2025 (AGM)	7 JUL 2025	20 AUG 2025	31 OCT 2025	26 NOV 2025	
Mr. Jayaraman Ramesh	✓	✓	✓	✓	✓	✓	✓	7/7
Mr. Modise B. Mokone	✓	✓	✓	✓	✓	✓	✓	7/7
Ms. Gorata Dibotelo	✓	✓	✓	✓	✓	✓	✓	7/7

Governance Report

DIRECTORS REMUNERATION

The remuneration details for Board members, specifically in the form of sitting allowances, are outlined in the table below. It is important to note that the executive director does not receive sitting allowance as her remuneration is solely for executive responsibilities and duties. The table includes the sitting allowances for both the Main Board and the committees for the year, covering both SBHL and its associate boards. The directors' fees for the financial year 2025 encompass both sitting allowances and retainer fees. This comprehensive approach to remuneration ensures that our non-executive directors are appropriately compensated for their ongoing commitment and the substantial expertise they bring to their governance roles. The company also pays associates directors sitting allowances.

DIRECTORS' DECLARATION OF INTERESTS

Directors declared their interests at every meeting throughout the year.

FINANCIAL YEAR ENDED 31 DECEMBER 2025

NON-EXECUTIVE DIRECTORS' FEES

NAME	REMUNERATION
	P'000
Ms. Tabuya B. Tau	240
Mr. Modise B. Mokone	245
Ms. Boitumelo C. Paya	193
Mr. Meshack Tshekedi	191
Mr. Jayaraman Ramesh	243
Ms. Gorata T. Dibotelo	235
Ms. Lorato C. Morapedi	211

FINANCIAL YEAR ENDED 31 DECEMBER 2025 EXECUTIVE

DIRECTORS' FEES

NAME	REMUNERATION
	P'000
Ms. Faith A. Nteta	881

FINANCIAL YEAR ENDED 31 DECEMBER 2024

NON-EXECUTIVE DIRECTORS' FEES

NAME	REMUNERATION
	P'000
Ms. Tabuya B. Tau	180
Mr. Modise B. Mokone	216
Ms. Boitumelo C. Paya	204
Mr. Meshack Tshekedi	124
Mr. Jayaraman Ramesh	220
Ms. Gorata T. Dibotelo	180
Ms. Lorato C. Morapedi	170

FINANCIAL YEAR ENDED 31 DECEMBER 2024

EXECUTIVE DIRECTORS' FEES

NAME	REMUNERATION
	P'000
Ms. Faith A. Nteta	823

COMPANY SECRETARY

Wise Leadership was appointed in April 2025 and continued to serve as the Company Secretary for Sechaba Brewery Holdings Limited during the period under review.

The Company Secretary is responsible for ensuring that the Board complies with all applicable statutes, regulations, and governance procedures relevant to the effective conduct of the Company's business. In this capacity, the Company Secretary serves as Secretary to the Board and its Committees and attended all meetings held during the year under review.

In addition, the Company Secretary is responsible for facilitating ongoing training and development of Directors, thereby promoting continuous enhancement of their skills, knowledge, and understanding of Sechaba Brewery Holdings Limited's operations, governance framework, and regulatory environment.

During the period under review, the Board conducted the necessary assessments and is satisfied that the Company Secretary possesses the requisite competence, experience, and expertise to effectively discharge the responsibilities of the role. The Board further confirms that the relationship between the Board and the Company Secretary remains independent and conducted at arm's length, in line with good corporate governance principles.

SBHL MANAGEMENT TEAM

The financial year 2025 marked the fourth consecutive year under the capable leadership of Ms. Faith Asnath Mabu Nteta, who has skilfully navigated SBHL through a dynamic and challenging business environment.

SBHL maintained a streamlined organizational structure, with Ms. Nteta serving as the Managing Director of the Company. Ms. Nteta is a distinguished entrepreneur and business leader, whose extensive experience has been a cornerstone of SBHL's strategic direction and operational success. She holds a Bachelor of Arts (BA) degree and a Master of Business Administration (MBA) qualifications that underpin her deep understanding of both theoretical and practical aspects of business management. Her expertise extends far beyond her academic achievements.

In addition to her formal qualifications, Ms. Nteta's practical experience in corporate governance and leadership has been instrumental in shaping the company's strategic vision. She has a proven track record in facilitating training sessions and conducting board evaluations, which has significantly contributed to enhancing the overall effectiveness of SBHL's governance framework. Her leadership style, characterized by inclusivity and strategic foresight, has fostered a culture of accountability and innovation within the organisation.

Under Ms. Nteta's stewardship, SBHL has not only navigated the complexities of the modern business landscape but has also positioned itself for sustained growth and long-term success. Her commitment to excellence and her strategic insights have been vital in steering the company towards achieving its business objectives while maintaining the highest standards of corporate governance.

Governance Report

MANAGING DIRECTOR KEY RESPONSIBILITIES

The Managing Director (MD) is responsible for the overall leadership, strategic execution, operational oversight, governance, stakeholder management, and sustainable performance of the Company, in accordance with the authority delegated by the Board of Directors. The MD's responsibilities include, among others:

- Ensuring that the organisation's operations, activities, and business affairs are conducted within the strategic, financial, and governance parameters approved by the Board from time to time
- Providing leadership in the implementation and execution of the Company's strategic objectives, business plans, and operational priorities
- Keeping the Board fully informed of all material developments relating to the Company's operations, financial performance, business environment, risks, opportunities, and strategic matters to enable the Board to effectively discharge its governance responsibilities
- Overseeing and coordinating liaison activities with enabling structures and external service providers, including associates, auditors, the Botswana Stock Exchange (BSE), transactional advisors, corporate secretarial service providers, media agencies, and advertising agencies
- Ensuring compliance with applicable legal, regulatory, governance, and reporting requirements, including BSE Listings Requirements, International Financial Reporting Standards (IFRS), Botswana Accountancy Oversight Authority (BAOA) requirements, and other relevant laws and regulations
- Promoting and ensuring adherence to high standards of legal, ethical, and professional conduct consistent with the Company's values, Code of Conduct, and governance principles
- Identifying, assessing, monitoring, and managing operational, strategic, financial, compliance, and corporate risks that may materially impact the organisation and ensuring that appropriate mitigation measures are implemented
- Ensuring that the Board receives sufficient, accurate, relevant, and timely information regarding the Company's affairs, operations, financial condition, performance, and future prospects to support effective oversight and decision-making
- Building and maintaining effective relationships with shareholders, regulators, analysts, asset managers, business partners, government authorities, media representatives, and other key stakeholders
- Representing the Company in strategic engagements, negotiations, and discussions with suppliers, service providers, regulators, government officials, investors, and other external stakeholders
- Leading stakeholder engagement initiatives and managing communications with analysts, shareholders, the media, and the investment community regarding the Company's operations, strategy, and performance
- Participating in relevant business, professional, and industry associations, networks, and forums that support and advance SBHL's strategic and commercial interests
- Ensuring that the Company maintains effective governance structures, internal controls, risk management frameworks, and compliance monitoring processes to support sustainable business operations and long-term value creation
- Driving a culture of accountability, operational excellence, transparency, innovation, and continuous improvement across the organisation.

The Board is satisfied that the Managing Director continues to provide effective leadership and strategic direction in support of the Company's long-term sustainability and shareholder value creation.

THE SBHL SERVICE DELIVERY ECO SYSTEM

The company appoints service providers on a consultancy basis. During this period, Ms. Thandisa Thulethu Sekga continued to serve as the Finance Administrator and Compliance Officer for the company, a role she has held since January 2022. Mrs. Sekga brings a wealth of experience to the position, with over two decades in both financial services and the public sector. Her extensive background includes significant roles such as Head of Finance at both the Citizen Entrepreneurial Development Agency (CEDA) and the National Development Bank (NDB).

She is a Fellow Member of the Association of Chartered Certified Accountants (FCCA) and a Fellow Certified Professional Accountant (FCPA), registered with the Botswana Institute of Chartered Accountants (BICA). Her academic credentials include a Bachelor of Social Sciences (BASS) degree, with a double major in Accounting and Public Administration, showcasing her strong foundation in both financial management and organizational governance. Ms. Sekga is an alumnus of the University of Stellenbosch (USB), where she completed the Senior Management Development Programme (SMDP).

FINANCE ADMINISTRATOR KEY RESPONSIBILITIES

The Finance Administrator (FA) who also serves as the Compliance Officer of the Company, is responsible for overseeing the financial management and compliance functions of SBHL. The FA's responsibilities include, among others:

- Overseeing the financial management, financial reporting, treasury, budgeting, and forecasting functions of the Company
- Ensuring the integrity, accuracy, and completeness of accounting records and financial information
- Preparation and presentation of management accounts, financial performance reports, and related analyses to the Board and its committees
- Preparation of annual financial statements and coordination of the external audit process
- Monitoring the effectiveness of internal financial controls and ensuring sound financial governance practices across the Company
- Ensuring that SBHL's financial systems and reporting mechanisms capture all relevant and material information accurately and on a timely basis
- Supporting the implementation and maintenance of prudent risk management and internal control frameworks
- Managing financial activities within approved budgets and providing timely reporting to the Board on financial performance and variances
- Facilitating the annual budgeting and business planning processes in conjunction with management and the Board
- Managing stakeholder engagement with shareholders, regulators, auditors, financial institutions, and other key stakeholders on financial and compliance-related matters
- Serving as Compliance Officer and overseeing compliance with applicable laws, regulations, listing requirements, and governance obligations
- Coordinating statutory and regulatory submissions and maintaining effective compliance monitoring processes
- Supporting the Board and Board Committees through the provision of financial, governance, and compliance-related information
- Overseeing procurement and engagement of professional service providers in accordance with approved policies and governance requirements
- In conjunction with the Company Secretary, coordinating Board, Committee, shareholder, and other governance-related meetings
- Overseeing day-to-day financial administration, including transaction processing, cashbook management, and related financial reconciliations as required.

Governance Report

The Finance and Audit Committee assessed the effectiveness and performance of the finance function during the year under review and is satisfied that the function is appropriately structured, adequately resourced, and possesses the requisite experience, competence, and technical expertise to effectively support the Company's strategic and operational requirements.

The Committee further confirmed the appropriateness of the accounting policies applied, the integrity and reliability of the financial reporting process, and the adequacy and effectiveness of the Company's internal financial controls and risk management processes.

The Committee is satisfied that the finance function continues to operate effectively and contributes meaningfully to the Company's governance, control environment, and long-term sustainability.



Governance Report

KING III COMPLIANCE

The following abridged checklist has been prepared in terms of King Report Governance (King III). The checklist outlines SBHL's application of King III principles on the various areas of governance.

KEY				
✓	Compliant	P	Partially compliant	N/A Not applicable

		2025
ETHICAL LEADERSHIP AND CORPORATE CITIZENSHIP		
The board should provide effective leadership based on an ethical foundation	✓	
The board should ensure that the company's ethics are managed effectively	✓	
The board should ensure that the company is and is seen to be a responsible corporate citizen	✓	
BOARD AND DIRECTORS		
The board should act as the focal point for, and custodian of corporate governance	✓	
The board should appreciate that the strategy, risk performance and sustainability are inseparable	✓	
The board should provide effective leadership based on an ethical foundation	✓	
The board should ensure that the company is and is seen to be a responsible corporate citizen	✓	
The board should ensure that the company's ethics are managed effectively	✓	
The board should ensure that the company has an effective and independent audit committee	✓	
The board should be responsible for the governance of risk	✓	
The board should be responsible for the information technology (IT) governance	✓	
The board should ensure that the company complies with applicable laws and considers adherence to non-binding rules, codes, and standards	✓	
The board should ensure that there is an effective risk-based internal audit	P	Note 1
The board should appreciate that stakeholder's perceptions affect the company's reputation	✓	
The board should ensure the integrity of the company's integrated annual report	✓	
The board should report on the effectiveness of the company's system of internal controls	✓	
The board and its directors should act in the best interest of the company	✓	
The board should consider business rescue proceedings or other turnaround mechanisms as soon as the company is financially distressed as defined in the act	✓	
The board should elect a chairman of the board who is an independent non-executive director. The CEO of the company should not also fill the role of chairman of the board	✓	
The board should appoint the chief executive officer and establish a framework for the delegation of authority	✓	
The board should comprise a balance of power, with a majority of non-executive directors. The majority of non-executive directors should be independent	✓	
Directors should be appointed in a formal process	✓	
The induction of and ongoing training and development of directors should be conducted through formal processes	✓	
The board should be assisted by a competent, suitably qualified and experienced company secretary	✓	
The evaluation of the board, its committees, and the individual directors should be performed every year	✓	
The board should delegate certain functions to well-structured committees but without abdicating its responsibilities	✓	
A governance framework should be agreed upon between the group and its subsidiaries	✓	
Companies should remunerate directors and executives fairly and responsibly	✓	
Companies should disclose the remuneration of each individual director and certain senior executives	✓	
Shareholders should approve the company's remuneration policy	✓	

Governance Report

KEY				
✓	Compliant	P	Partially compliant	N/A Not applicable

		2025
AUDIT COMMITTEE		
The board should ensure that the company has an effective and independent audit committee	✓	
Audit committee members should be suitably skilled and experienced independent non-executive directors	✓	
The audit committee should be chaired by an independent non-executive director	✓	
The audit committee should oversee integrated reporting	✓	
The audit committee should ensure that a combined assurance model is applied to provide a coordinated approach to all assurance activities	✓	
The audit committee should satisfy itself with the expertise, resources and experience of the company's finance function	✓	
The audit committee should be responsible for overseeing of internal audit	P	Note 1
The audit committee should be an integral component of the risk management process	✓	
The audit committee is responsible for recommending the appointment of the external auditor and overseeing the external audit process	✓	
The audit committee should report to the board and shareholders on how it has discharged its duties	✓	
THE GOVERNANCE OF RISK		
The board should be responsible for the governance of risk	✓	
The board should determine the levels of risk tolerance	✓	
The risk committee or audit committee should assist the board in carrying out its risk responsibilities	✓	
The board should delegate to management the responsibility to design, implement and monitor the risk management plan	✓	
The board should ensure that risk assessments are performed on a continual basis. Board and audit committee are responsible for risks	✓	
The board should ensure that frameworks and methodologies are implemented to increase the probability of anticipating risks	✓	
The board should ensure that management considers and implements appropriate risk responsibilities	✓	
The board should ensure continual risk monitoring by management	✓	
The board should receive assurance regarding the effectiveness of the risk management process	✓	
The board should ensure that there are processes in place enabling complete, timely, relevant, accurate and accessible risk disclosure to stakeholders	✓	
COMPLIANCE WITH LAWS, RULES, CODES AND STANDARDS		
The board should ensure that the company complies with applicable laws and considers adherence to non-binding rules, codes, and standards	✓	
The board and its individual directors should have a working understanding of the effect of the applicable laws, rules, codes, and standards on the company and its business	✓	
Compliance risk should form an integral part of the company's risk management process	✓	
The board should delegate to management the implementation of an effective compliance framework and process	✓	
INTERNAL AUDIT		
The board should follow a risk-based approach to its plan	N/A	Note 1
The board should ensure that there is an effective risk-based internal audit	N/A	Note 1
Internal audit should provide a written assessment of the effectiveness of the company's system control and risk management	N/A	Note 1
The audit committee should be responsible for overseeing internal audit	N/A	Note 1
Internal audit should be strategically positioned to achieve its objectives	N/A	Note 1

Governance Report

KEY				
✓	Compliant	P	Partially compliant	N/A Not applicable

		2025
GOVERNING STAKEHOLDER RELATIONSHIPS		
The board should appreciate that stakeholders' perceptions affect a company's reputation	✓	
The board should delegate to management to proactively deal with stakeholder relationships, stakeholders and the outcomes of these dealings	✓	
The board should strive to achieve the appropriate balance between its various stakeholder's groupings, in the interests of the company	✓	
Companies should ensure the equitable treatments of shareholders	✓	
Transparent and effective communication with stakeholders is essential for building and maintaining their trust and confidence	✓	
The board should ensure that disputes are resolved as efficiently and expeditiously as possible	✓	
INTEGRATED REPORTING		
The board should ensure that there is integrity of the company's integrated and annual report	✓	
Sustainability reporting and disclosure should be integrated with the company's financial reporting	✓	
Sustainability reporting should be independently assured	✓	Note 2

NOTES:	
NOTE 1	The process and practices in place concerning this governance principle are managed at the associate company level
NOTE 2	Sustainability reporting and disclosure are reported at the associate company level



Sechaba Brewery Holdings Limited



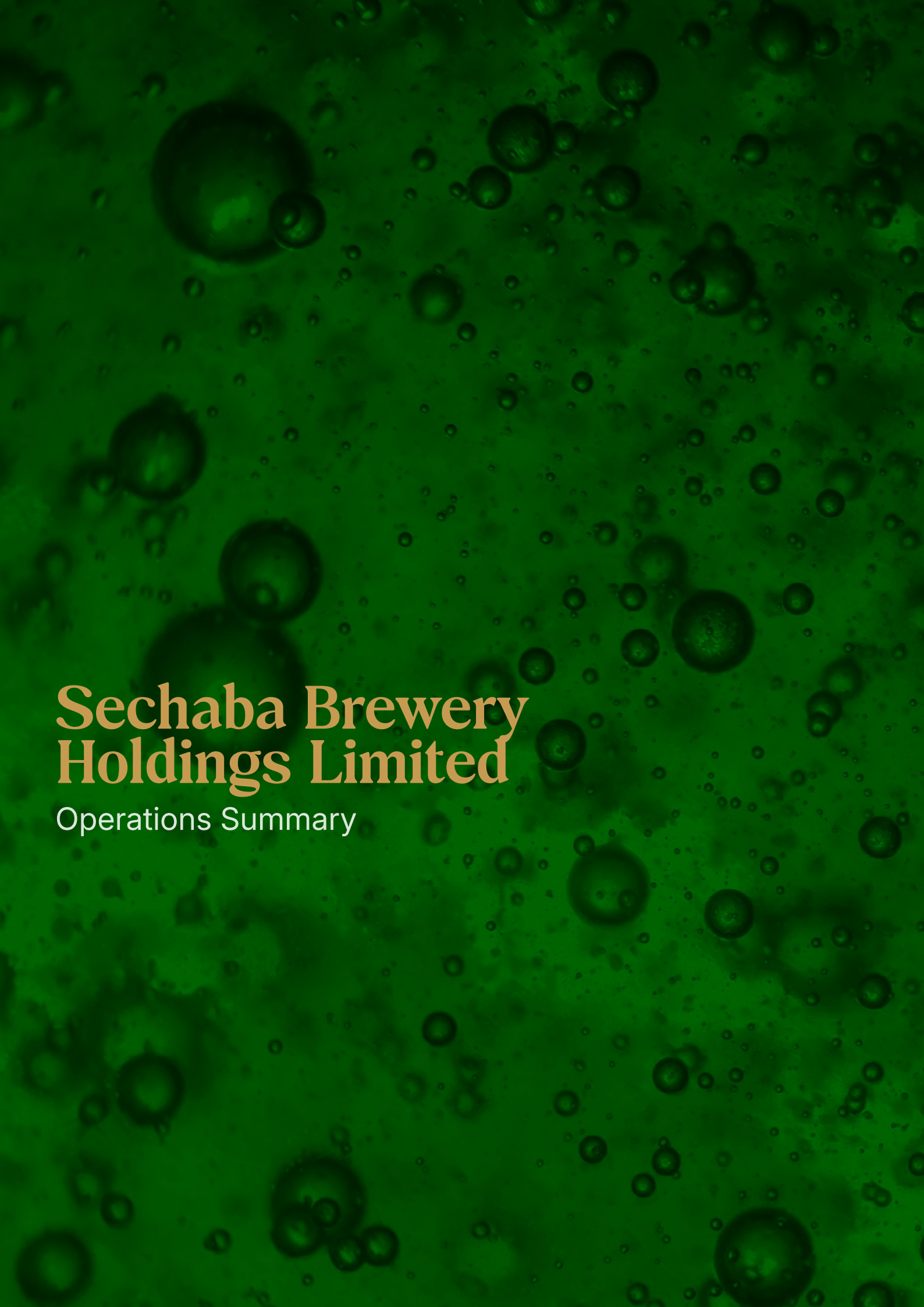
MS. FAITH MABU NTETA



MS. THANDISA T SEKGA

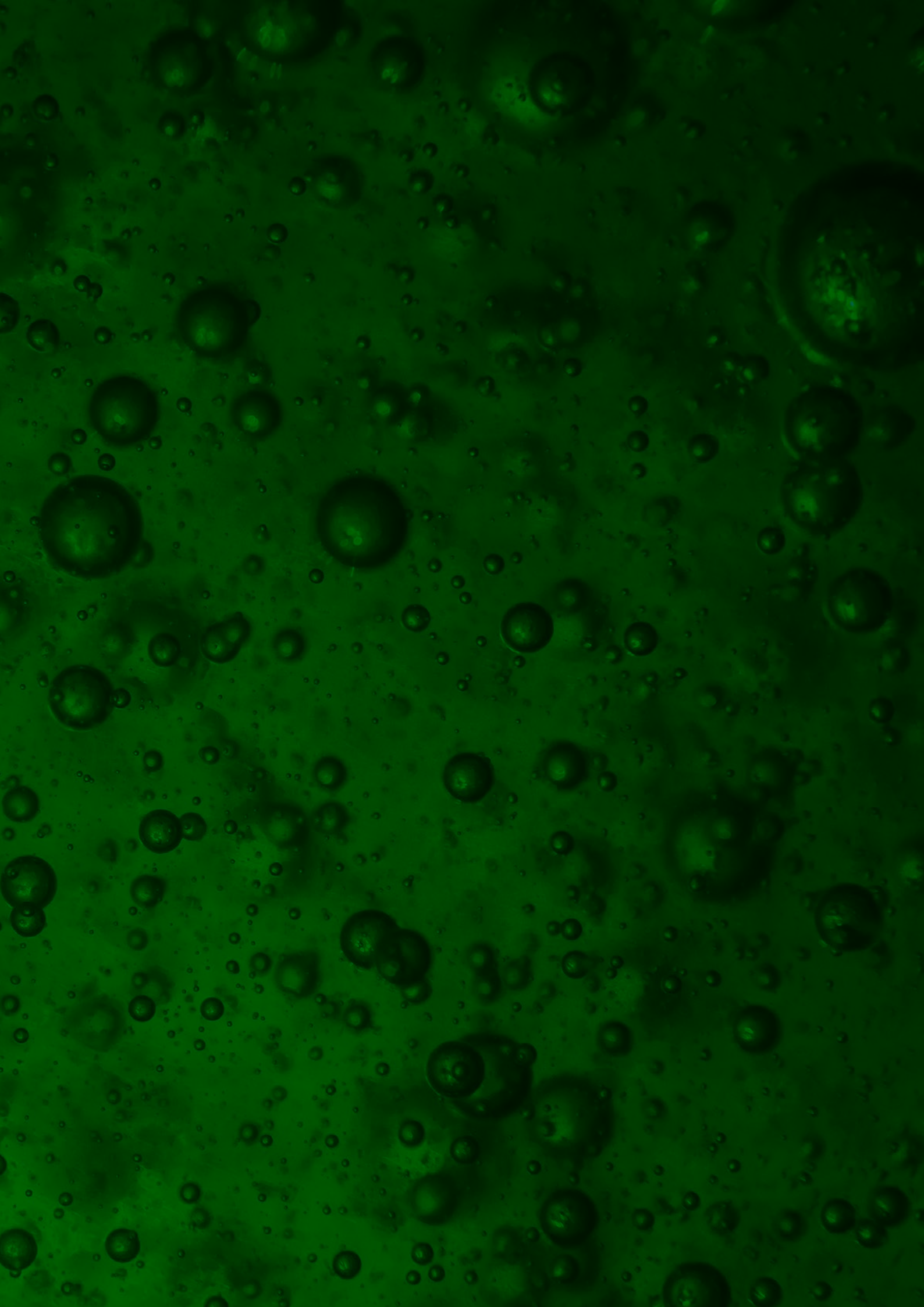


MR. THAPELO LESOLE



Sechaba Brewery Holdings Limited

Operations Summary





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Kgalagadi Breweries Limited Operations & Sustainability Report



SBHL NOMINATED MEMBERS OF
THE KBL BOARD

2025 Leadership Changes



Mr. Carlos Bernitt
OUTGOING MANAGING DIRECTOR



Mr. Hannes Smal
CURRENT MANAGING DIRECTOR



Kgalagadi Breweries Limited

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Management Team



MR. HANNES SMAL
MANAGING DIRECTOR



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Kgalagadi Breweries Limited

Operations & Sustainability Report



Operations Report

In 2025, Botswana's economic difficulties weighed on consumer demand, directly impacting Kgalagadi Breweries Limited's (KBL) volume and top-line performance.

KBL's overall volume declined by 9.4% compared to the previous year, affecting both the clear beer (9.8%) and traditional beer (8.7%) segments. Despite these economic pressures, the company demonstrated resilience and agility, executing key initiatives and improving its Low Alcohol Drinks (LADS) share by 0.2pp in a highly regulated and challenging market. It maintained leadership in the beer market and emerged as a strong challenger in the Beyond Beer category through continuous innovation and portfolio diversification, which contributed to the LADS share gain.

KBL remains committed to sustaining leadership in its core categories while building new growth platforms, ensuring long-term value creation for stakeholders even in a difficult economic climate.

CLEAR BEER PERFORMANCE

The clear beer category experienced a volume decline of 9.8% compared to the previous year, with reductions across all segments driven by economic challenges and supply constraints. Premium brands recorded a 23.5% decline in volume, while CORE and CORE+ brands declined by 7.4%. Overall clear beer market share decreased by 0.8pp, reflecting portfolio-wide pressures.

BEYOND BEER MARKET SHARE

The Beyond Beer category recorded a volume decline of 26.2% compared to the previous year. Despite this, it strengthened its market position, increasing share by 1.6pp to 32.6%, up from 31% in the prior year. This growth was primarily driven by Brutal Fruit, which expanded by 2.9pp, while Flying Fish remained flat. Redd's Vodka Lemon, however, declined by 1.5pp. Despite this setback, the business remains optimistic about future performance, with plans to enhance brand availability and expand the portfolio through new innovations.

TRADITIONAL AFRICAN BEER

Total opaque beer volumes declined by 8.7% year-on-year, primarily driven by lower performance in Chibuku liquid. In contrast, beer powder volumes increased by 12.4%, resulting in its contribution to the segment rising from 15.7% to 19.3%.

This growth was supported by the commencement of local powder production in the second half of the year, which improved supply efficiency, as well as increased consumer demand for more affordable product options amid constrained spending conditions.





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Kgalagadi Breweries Limited

Operations & Sustainability Report



Marketing Highlights

CARLING BLACK LABEL

Ke Bolo Ya Rona:"



Building on the Sunday Soccer platform launched in 2024, Carling Black Label continued to strengthen its leadership in community football. The programme expanded from 300 to over 400 registered social clubs in 2025, delivering more than 50 fixtures nationwide and driving strong consumer participation. The campaign culminated in a high-attendance final, with Skontere SC winning P100,000, supported by a Scratch and Win promotion that rewarded six consumers with P50,000 each. The initiative significantly enhanced brand visibility, engagement, and emotional connection by celebrating community pride, football excellence, and shared experiences.

CASTLE LITE

"Lite Side of the Court:"



Castle Lite reinforced its premium positioning among younger consumers through its NBA partnership campaign. Integrating basketball, music, and fashion, the campaign featured a high-impact launch event and nationwide activations. Consumer promotions drove strong engagement, with selected winners travelling to Abu Dhabi to attend the NBA Playoffs, strengthening brand affinity within the youth segment.

CORONA

"Corona Sunsets" & 100-Year Celebration:



Corona advanced its premium lifestyle positioning through large-scale open-air Sunset events in Gaborone and Maun, each attracting over 3,000 consumers. The brand also marked its global 100-year milestone with a consumer promotion offering trips to Corona Islands, reinforcing its association with relaxation, nature, and escapism.

ST. LOUIS LAGER

Hype the Homegrown:



St. Louis Lager drove national pride and cultural relevance through its Independence Month campaign, celebrating local fashion, music, and cultural identity. Amplified by influencer partnerships and the #MokgaboFriday movement, the campaign achieved strong consumer participation and digital traction. A national trade promotion supported the initiative, culminating in premium experiential rewards, including a destination experience in Kasane.

BRUTAL FRUIT

Spritzer Saturday



Brutal Fruit sustained growth through its Spritzer Saturday series, delivering curated lifestyle experiences centred on self-expression and celebration. The platform reinforced the brand's premium positioning, while the introduction of the 620ml Ruby Apple SKU responded to evolving demand for more shareable and sessionable offerings.

FLYING FISH

Chase the Flavour:



Flying Fish strengthened its unconventional positioning through a high-energy experiential campaign featuring a branded double-decker bus activation across key regions. The initiative reinforced the brand's association with spontaneity, fun, and social connection.



Kgalagadi Breweries Limited

Operations & Sustainability Report



Sustainability Report

FOREVER COMMITTED TO CREATING A FUTURE WITH MORE CHEERS

Beer is inclusive, natural, and rooted in local communities. Through our Forever Committed approach, sustainability is embedded at the core of how we operate and grow. From building a resilient and agile value chain, to strengthening our role as a trusted partner, and unlocking new sources of business value, we are shaping a future that balances commercial success with lasting impact.

KBL has established a clear framework to drive holistic environmental and social impact across our value chain, accelerating transformation while advancing our company purpose and long-term vision.

DRIVING IMPACT THROUGH THE "CHEERS" PLATFORM

KBL implemented the "Cheers" platform as a structured communications and stakeholder engagement approach to articulate its commitments across sustainability, quality, partnerships, and responsible consumption. The platform was executed sequentially through Cheers to Nature, Cheers to Farmers, Cheers to Bars, and Cheers to Moderation, creating a coherent narrative across the value chain.



Cheers to Nature, aligned to World Water Day, included a brewery engagement hosted for Minister of Trade and Entrepreneurship Tiroyaone Ntsima and Assistant Minister Baratiwa Mathoothe, reinforcing KBL's focus on water stewardship and sustainable resource management.

Cheers to Farmers supported KBL's quality positioning by highlighting the role of locally sourced, high-quality ingredients in brewing, strengthening the link between agriculture and product excellence.

Cheers to Bars focused on trade partnerships and socio-economic contribution. A Gaborone tour of Yarona Bar, Cool Pub 3, and Ress Bar brought together KBL senior management, Deputy Mayor Hon. Mankie Sekete, Councillor Hon. Phethiso Moruti, Liquor Board Authority Chairperson Jacob Sesinyi, and members of the media, reinforcing alignment across industry, government, and regulators, while showcasing entrepreneurship and community impact within the retail network.

Cheers to Moderation, delivered through the Ja Easy campaign, advanced responsible consumption through behaviour-led messaging. Execution included a three-month Yarona FM radio integration, out-of-home placements in high-traffic areas, and Hydration Bar activations at key events, promoting practical responsible drinking behaviours.

Overall, the platform strengthened stakeholder engagement, reinforced KBL's leadership in sustainability and responsible consumption, and highlighted the contribution of its ecosystem of over 3,400 bars to inclusive economic growth.

EXTENDING IMPACT THROUGH STRATEGIC PARTNERSHIPS

For the second consecutive year, KBL reinforced its commitment to national sports development by sponsoring the Public Athlete or Team of the Year and Print Journalist of the Year categories at the 44th Botswana Sport Awards. The company also served as the official beverage partner for the event, in collaboration with the Botswana National Sport Commission.

KBL extended its commitment to community engagement and sustainability through its participation in the Media Institute of Southern Africa (MISA) Golf Day 2025 and the Birdies for Conservation initiative, including support for fundraising efforts to protect Botswana's endangered vulture population.

These initiatives provided a platform to bring people together around shared purpose, with brands such as Stella Artois and Castle Double Malt reinforcing the company's commitment to creating meaningful connections and advancing its ambition to build a future with more cheers.

WATER STEWARDSHIP

Water is the main ingredient in beer. More than just a key ingredient in our products, water is a critical resource for the health and well-being of communities around the world.

The business remains committed to driving water usage efficiency and responsible discharge and effluent re-use within our operations. These improvements are attained through modulation, a system of checks and balances put in place to ensure water usage matches the recommended or manualized volumes, as well as recycling.

WASTE MANAGEMENT PRACTICES

KBL adopts a holistic approach to waste management, focusing on scalable and practical solutions across the value chain. At production and distribution facilities, waste is segregated at source using dedicated bins for plastic, paper, glass, cans, and general waste. Additional on-site collection points are provided for spent grain and yeast, scrap metal, ash, empty malt bags, and other production by-products. During the year under review, the business achieved a 99.31% recycling rate, exceeding its 98% target.

KBL continues to strengthen local recycling ecosystems through value chain investments, including initiatives to improve the recovery of returnable glass. Through the Ra Di Busa campaign, the Company works with waste collectors and retail partners to enable consumers to conveniently return empty bottles.





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Kgalagadi Breweries Limited

Operations & Sustainability Report



Social Statements

The company seeks to attract and develop great people, and its ability to successfully recruit and retain talent contributes to employment, individual economic opportunities, and local economic development in its markets of operation. KBL's strong corporate culture may contribute to a more engaged workforce. The company's operations subject it and its employees working in certain roles and contexts to risks arising from labor practices, work conditions and employee safety, including road safety.

The company's approach to human rights is based on the United Nations Guiding Principles on Business and Human Rights (UNGPs) and is outlined in its Global Human Rights Policy. The policy prohibits all forms of forced or compulsory labor; human trafficking, including arranging or facilitating the travel of another person with a view to that person being exploited; and the employment and exploitation of children within its facilities. This policy covers AB InBev employees and is periodically reviewed and modified.

The company's Anti-Harassment and Anti-Discrimination Policy aim to create a workplace free from all forms of harassment, including unfair discrimination, sexual harassment and sexual misconduct. This Policy defines discrimination and addresses inappropriate actions that are unwanted and unwelcome and/or which create an intimidating, offensive, or hostile work environment. The discrimination parameters defined by the policy include, but are not limited to, age, race, and physical or mental disability. Diversity and inclusion are further covered in the company's Code of Business Conduct. For more information, see the Business conduct section in these Sustainability statements.

To monitor, track and address potential risks and actual impacts related to its workforce, the company's global Compliance Helpline is accessible worldwide, and offers employees and third parties direct access to the Ethics & Compliance team for reporting concerns. The Compliance Helpline is promoted to employees through internal communications. Reported matters are assessed, remedied, and monitored on an individual basis.

KBL's total full-time employees at the end of the reporting period comprised 397 permanent employees and 30 fixed-term contract employees. Women accounted for approximately one-third of the workforce, reflecting a meaningful increase from 24% in the prior year.

KBL's corporate culture revolves around AB InBev's 10 guiding principles, which form the foundation of the company's culture. These principles are integrated into people management, visually communicated, and reinforced through internal campaigns. The company measures and analyzes its culture using specific processes, including its annual Engagement Survey. Engagement is part of the company's talent retention strategy and its approach to managing associated risks and impacts.

EMPLOYEE ENGAGEMENT

As part of the Company's performance management processes and ongoing due diligence, an annual Engagement Survey is administered to all active employees to assess overall engagement levels. The survey provides an objective evaluation of the employee experience and informs engagement strategies and initiatives implemented at a local level. It captures feedback across key areas, including rewards and recognition, wellbeing, belonging, and employees' confidence in reporting unethical conduct or other concerns without fear of retaliation.

During the year under review, KBL achieved an engagement score of 92%, representing a 2% improvement year on year, reflecting sustained focus on employee experience and workplace culture.

Our People and their safety are fundamental to our operations, entrenched in our principles. KBL is committed to reducing the exposure of employees and contractors to health and safety hazards. We believe in fostering our employees to be safety leaders by developing evidence-based processes and training programs that encourage ownership at all levels.

Safety forms the prerequisite in our pursuit to achieve set targets. We believe in driving continuous improvement measured against set targets and objectives and applying the more stringent standards, in line with Botswana laws and regulations. Our commitment to safety extends beyond our production and distribution centres into the communities we service, through continuous risk assessments of all areas we deliver our products to.

To this end, we have committed to improving the working conditions and employee behaviour at our site through continual trainings and rigorous checks and balances that form part of our daily facilities management routines.

VOYAGER PLANT OPTIMIZATION (VPO)

The VPO is the global management system employed within our breweries that cultivates a culture of continuous improvement and is at the core of our dream of creating a future with more cheers.

Within the VPO system, the mission of the Safety Pillar is to provide and implement safety policies, procedures, and tools to reduce risk exposure to as low as practicable and to establish the behaviours necessary to sustain a safe and healthy working environment.

In the year under review, the company reported zero lost-time injuries (LTIs) and total recordable injuries (TRI). This performance demonstrates that we are well on our way to entrenching a "World Class Safety Culture" at KBL.

DISTRIBUTION PROCESS OPTIMIZATION (DPO)

Under DPO, the management system used to ensure Logistics operations run efficiently, our distribution teams achieved stellar results.

Similarly, our production facilities, the company reported zero lost time injuries (LTI) at its distribution centers countrywide. Further, the business attained "Sustainable Qualifications" for all distribution centers, under the Safety Pillar.

RESPONSIBLE DRINKING & MODERATION

Beer is part of celebrating life's moments. It is brewed with simple ingredients, and a driver of economies and jobs. Consuming beer responsibly has been part of culture and sociability for thousands of years. As consumers are increasingly embracing moderation as part of their balanced lifestyles, beer is well-suited to meet their needs. As the country's leading brewer, the company is committed to promoting moderation and responsible drinking.

KBL remains committed to promoting moderation through its Smart Drinking initiatives. The company's marketing efforts, along with those within its downstream value chain, are subject to restrictions on the permissible advertising style, media channels and messages used, over and above legislative governing marketing activities in the country.

The Responsible Marketing and Communications Code (RMCC) sets the standards for KBL's marketing and commercial communication to ensure that commercial communications are aimed only at individuals above the legal drinking age and are carried out responsibly. The company's marketers, distributors and customers share similar impacts and are subject to the same legal drinking age requirements. As a result, employees and the company's relevant contractors and agencies are trained periodically in matters related to the RMCC. The RMCC applies to all consumers.

KBL engages with consumers and end users through its marketing practices at various stages and frequencies, and input is reflected in the relevant strategies. When it comes to responsible drinking and moderation, the business focuses on these key areas:



Kgalagadi Breweries Limited

Operations & Sustainability Report



- **SOCIAL NORMS MARKETING:** The company seeks to drive positive behavioural change and reinforce social expectations that those who drink should do so responsibly. KBL's social norms efforts include investments in campaigns like Ja Easy, the RMCC, and alignment with the International Alliance for Responsible Drinking's International Digital Guiding Principles.
- **LABELING:** As part of AB InBev's voluntary guidance labeling initiative, KBL continues to include smart drinking label designs on primary product packaging and all its marketing materials.



Governance Statements

At KBL, our organization is committed to maintaining the highest standards of corporate governance. This statement outlines our governance framework, ethical standards, and commitment to transparency.

GOVERNANCE STRUCTURE:	Our Board of Directors consists of 6 members, including 3 non-executive directors. We are in the process of establishing an Audit Committee to ensure effective oversight.
ETHICAL STANDARDS	We uphold a strict Code of Business Conduct that emphasizes integrity and ethical behavior. Our Whistleblower Policy encourages reporting of unethical conduct.
RISK MANAGEMENT	We conduct annual risk assessments to identify potential risks and implement appropriate mitigation strategies.
STAKEHOLDER ENGAGEMENT	We prioritize open communication with our stakeholders and provide multiple channels for feedback.
COMPLIANCE AND REPORTING:	We comply with all relevant regulations and publish an annual sustainability report.
CONTINUOUS IMPROVEMENT:	We regularly review our governance practices and provide training to our board members.



Proudly part of ABInBev

Kgalagadi Breweries Limited

Operations & Sustainability Report



KBL @ the Sports Awards



Cheers To Bars





Coca-Cola®

Coca Cola Beverages
Botswana **Operations**
Summary



2025 Leadership Changes



Mr. David Chait
OUTGOING MANAGING DIRECTOR



Ms. Flora Jika
CURRENT MANAGING DIRECTOR



Coca Cola
Beverages
Botswana



Management
Team



MS. FLORA JIKA
MANAGING DIRECTOR

Coca-Cola Beverages Botswana



Coca-Cola Beverages Africa

OPERATIONS SUMMARY

Coca-Cola Beverages Botswana Operations Summary

CCBB's 2025 performance was impacted by the economic conditions and exacerbated by the floods in the first half of the year.

At the end of the first half of the year, the organisation's volume was 14% down and 70% down on operating profit. At the end of the year, the business rebounded to 7% down on volume, but only 2.6% down on revenue vs the prior year. The operating profit declined by 28% for the full year.

The company maintained a positive net cash flow for the reporting period and remains in a sound financial position to meet its foreseeable cash requirements.

In supply chain, the organisation improved manufacturing efficiencies, and this resulted in availability of stock increasing to over 95% against 88% in 2024. This enabled introduction of new packs in juice, energy and water categories.

Commercial and brand performance

The 2025 volume decline of 7% was largely due to a 7.1% decline in 2L pack, which is 59% of the portfolio mix.

The 1.5L and 1L packs, while coming off a low base with a combined portfolio mix of less than 5%, grew by 30% and 14.3%, respectively. This shows the emerging consumer preference for smaller packs due to the decline in the daily disposable income. A more granular look at brand performance is as follows:

SPARKLING SOFT DRINKS (SSDS)

SSDs contributed over 87% of the total volume in the reporting period, led by the Coca-Cola brand at 60% total contribution. While the brand showed resilience in maintaining its contribution, it experienced a 9% decline driven by 2L and 500ml cans. The 500ml cans were launched in October 2025 after the 400ml cans were discontinued in May 2025.

The best performing SSD brand was Sprite with a 22% growth and a portfolio mix of 2.3%. This was driven by improved availability through better manufacturing efficiencies.

ENERGY

Following a stop in the sales of energy in July 2024, the category comprising Monster and Predator brands was relaunched in September 2025 and sold 62% more than in 2024. Monster brand alone sold 89% more than in 2024. The category has gained 10% market share in the first 5 months following the launch, taking this from main competitors.

JUICE

CCBB's juice brands comprise Cappy, Appletiser, Grapetiser and Mazoe cordial.

For the Cappy brand, two new pack sizes: 330ml Cappy Burst and 1.5L Cappy Burst were launched in December 2025 to address the increasing affordable market and reduced disposable income in the country.

TISER

The Tiser brands showed their resilience in the reporting period with Appletiser's 11% growth, while the Mazoe cordial brand declined a steep 22% following a price increase in April 2025. This increase was necessitated by the increasing prices of juice parts.

SPORTS

CCBB's sports brand, Powerade, was relatively flat in 2025. The brand gained from increased exposure through sponsorships in both indoor and outdoor sports.

WATER

Bonaqua water gained from the improved manufacturing efficiencies and grew by 1% in the reporting period.

In December, Bonaqua sparkling water was introduced to the market. The sparkling offering is expected to do well in 2026, given the good uptake it experienced immediately after launch.

Coca-Cola Beverages Botswana

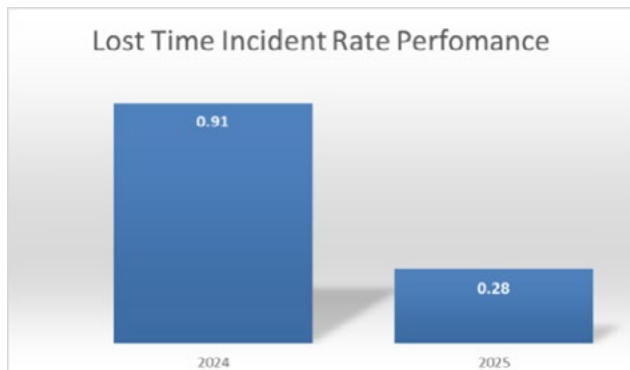
SUSTAINABILITY REPORT

Environmental, Social and Governance Report PEOPLE FIRST, SOCIAL REPORT

At Coca-Cola Beverages Botswana (CCBB), ESG is increasingly embedded into operational excellence.

BUILDING A SAFE AND RESPONSIBLE OPERATING ENVIRONMENT

Under the company's "Zero is Possible" campaign, the business maintained zero workplace fatalities throughout 2025, sustaining the achievement recorded in 2024. It was awarded a NOSA 5-Star rating in recognition of its commitment to occupational health and safety standards. The company records the Lost Time Incident Rate (LTIR), which is a key driver in maintaining safe operations. This metric continued to improve significantly in 2025, showing a continued reduction in safety incidents resulting in lost time.



These results reflect a strong internal culture of accountability, discipline, and continuous improvement across manufacturing operations.

In 2025, CCBB continued to reinforce its commitment to responsible environmental management through disciplined operational controls, continuous improvement initiatives, and investment in resource recovery systems within the plant environment. These initiatives are aligned with the company's ISO 14001:2015 Environmental Management System certification, which CCBB has successfully maintained since 2023.

DIVERSITY AND INCLUSION

In 2025, the organisation continued its ongoing focus on creating a more balanced and inclusive leadership structure. During the reporting period, female representation in leadership positions increased significantly from 20% to 35%. The company had a total head count of under 600 people in the reporting period, comprising a 62% split ratio between permanent employees and contractors.

In support of youth development and employment creation, CCBB implemented a Sales Learner Programme in partnership with the Botswana Ministry of Labour, designed to provide practical workplace exposure, commercial capability development, and employment opportunities for emerging youth talent entering the workforce. Over 15 youth have formed part of the first cohort.

LABOUR PRACTICES AND HUMAN RIGHTS

CCBB remains committed to maintaining high standards of labour practices and human rights in line with both local regulatory requirements and global Coca-Cola system standards. The company continues to operate in accordance with Botswana labour legislation and applies strict human rights practices across its operations.

Compliance with these standards is independently assessed through human rights and workplace practice audits conducted as part of The Coca-Cola Company's governance framework. Following previous successful assessments, CCBB is scheduled to undergo its next independent human rights audit in June 2026.

In recognition of its people practices and workplace standards, CCBB was also awarded the internationally recognised Top Employer Certification, reflecting the organisation's commitment to employee wellbeing, ethical labour practices, talent development, and the creation of a positive and inclusive working environment. The certification further reinforces CCBB's position as an employer committed to global best practices in human capital management and responsible business conduct.

COMMUNITY ENGAGEMENT INITIATIVES

In our host communities, CCBB continued to prioritise inclusive economic participation through targeted community empowerment programs. During the reporting period, the entrepreneurial development initiative reached 447 women, 329 youth, and 106 persons living with disabilities (PWDs), equipping beneficiaries with practical business and personal development skills aimed at supporting sustainable livelihoods.

The program focused on training in goal setting, customer engagement, networking, resilience building, and access to financial opportunities.



Coca-Cola Beverages Botswana

OPERATIONS SUMMARY

Environmental impact, Sustainability Report ADVANCING CIRCULAR ECONOMY PRACTICES: WASTE MANAGEMENT

CCBB continues to apply circular economy principles by treating operational outputs as recoverable resources rather than waste within the plant. Through structured waste segregation processes and partnerships with licensed recycling and waste management service providers, waste generated within manufacturing operations is responsibly recycled and diverted from landfill wherever possible. As a result of these focused internal waste management efforts, the company achieved a 74% recycling rate in 2025, improving from 71% in 2024. This progress reflects the growing maturity of CCBB's internal waste handling systems and its commitment to reducing the environmental footprint of its operations.

In our host communities, a key area of the reporting period was the expansion of PET recovery and recycling initiatives aimed at reducing landfill dependency and encouraging greater participation within Botswana's recycling value chain. Through various partnerships, CCBB continued to support the collection and recovery of PET bottles.

STRENGTHENING WATER EFFICIENCY

Water stewardship remains central to sustainable manufacturing operations. During 2025, CCBB intensified its focus on reducing water losses, improving process efficiencies, and increasing water recovery inside the plant. Although the Water Usage Ratio (WUR) increased from 2.53 in 2024 to 2.83 in 2025, highlighting operational challenges linked to higher water consumption, the year also saw the implementation of targeted internal recovery projects designed to improve long-term efficiency.

One of the key initiatives introduced was the Nano Reject Recovery Project, which enables reject water from the Nano filtration system to be recovered and reused for condenser cooling processes within the plant. By recovering water that would otherwise be discharged, the project reduces dependence on municipal water supplies while improving operational water efficiency.

In addition, treated effluent from the wastewater treatment plant began being reused internally for landscape irrigation purposes. This initiative reduced the use of potable water for non-production activities and strengthened the plant's water conservation efforts during a period of heightened water scarcity concerns.

These interventions demonstrate CCBB's commitment to building more efficient and resilient internal water management systems.

The company's commitment to sustainable development also extends to water stewardship and community resilience initiatives.

In 2025, CCBB commenced implementation of a three-year water Stewardship project within the Madikwe sub-catchment in the Kgatleng region. This project is focused on strengthening watershed sustainability and supporting long-term water security through collaborative environmental management interventions. CCBA will be investing over P13m for the duration of the project.

IMPROVING ENERGY EFFICIENCY

In 2025, the business implemented energy-saving initiatives aimed at improving efficiency and reducing operational energy demand. Across plant and warehouse areas, conventional lighting systems were replaced with energy-efficient LED lighting, while motion sensor technology was introduced to minimise unnecessary electricity consumption.

These operational improvements form part of CCBB's broader climate protection efforts focused on reducing energy consumption and strengthening manufacturing efficiency.

Governance

The Coca-Cola Beverages Botswana (CCBB) board of directors consists of 6 directors (3 non-executive) who convened 3 times during the year. The board operates according to the King Code to provide strategic guidance in line with the strong Code of Business Conduct subscribed to by CCBA.

The Audit committee focused on the upkeep of the financial controls and compliance. The company has a Risk Management Steering Committee, which continuously assesses any current as well as emerging risks and develops mitigating plans. The committee provides updates to both the Audit Committee and the Board of Directors.

For the reporting period, CCBB was audited by EY Botswana.

Coca-Cola Beverages Africa (CCBA) owns 100% of the shareholding in Strategic Alliance J.V., which owns 50.1% of Coca-Cola Beverages Botswana (CCBB). On 21 October 2025, Coca-Cola Hellenic Bottling Company (CCH), a major partner of the Coca-Cola Company in Europe and Africa, signed an agreement to acquire a majority stake in CCBA.



Coca-Cola Beverages Botswana

OPERATIONS SUMMARY



Looking Forward

SBHL STRATEGIC PLAN 2026–2030

The SBHL Board has developed a strategy which provides a clear and disciplined pathway for creating sustainable value over the next five years. The 2026–2030 Strategy has been formulated against a backdrop of increasing economic uncertainty, changing consumer and industry dynamics, heightened competition, and growing expectations for sustainable shareholder returns. As an investment holding company, SBHL operates in an environment where protecting value is as important as creating it, requiring careful stewardship of existing investments while remaining alert to new opportunities that can strengthen the portfolio over time.

The strategy was therefore developed to provide shareholders with a clear view of the future the Company seeks to create. It reflects a deliberate balance between resilience and growth protecting the foundations that have served the Company well while positioning SBHL to unlock new sources of value and long-term prosperity. Through a phased journey of strengthening foundations, unlocking value, and creating the future, the Company aims to enhance governance excellence, optimise portfolio performance, build strategic capabilities, explore disciplined diversification opportunities, and deliver sustainable returns for shareholders.

As part of this journey, shareholders will be progressively appraised of the strategic direction, priorities, milestones, and outcomes of the strategy through the Company's governance and reporting structures. This is intended to provide transparency on how the Company is translating strategic intent into measurable results, while enabling shareholders to follow the evolution of SBHL's value creation journey over the coming years.

Ultimately, this strategy represents SBHL's commitment to being a trusted steward of shareholder capital, a resilient and forward-looking investment holding company, and a long-term creator of value for shareholders, stakeholders, and the broader economy.

The strategy recognizes the need to strengthen the foundations that have served the Company well, while progressively unlocking new opportunities for growth, resilience, and long-term prosperity. Through a deliberate focus on governance excellence, portfolio optimization, strategic diversification, capability building, and shareholder value creation, SBHL seeks to evolve from preserving value to actively creating the future. This journey is anchored in prudent stewardship, sound investment decisions, and an unwavering commitment to delivering sustainable returns for shareholders and broader stakeholders alike.



WHAT SUCCESS LOOKS LIKE BY 2020



By the end of the strategy period, SBHL aims to be:

- ✓ A trusted steward of shareholder capital
- ✓ A high-performing investment holding company with strong governance credentials
- ✓ A resilient portfolio delivering sustainable returns
- ✓ A recognised contributor to economic development and shared prosperity
- ✓ A company positioned for future growth through disciplined investment and strategic diversification
- ✓ A long-term creator of value for shareholders and stakeholders alike

SBHL STRATEGIC PLAN 2026–2030



CORPORATE CITIZENSHIP

Our Collaborative Approach

The success of this strategy will depend on partnership and shared commitment. SBHL will therefore work closely with its associate companies to:

- Identify common areas of impact and collaboration
- Share knowledge, best practices and resources
- Align selected sustainability priorities where practical
- Encourage measurement and reporting of impact outcomes
- Strengthen stakeholder engagement and partnerships
- Maximise collective contribution to Botswana's development agenda

The intention is not to duplicate the work of associate companies, but rather to strengthen, support and amplify impact through coordinated action and responsible stewardship.

GOVERNANCE AND OVERSIGHT

The Board will provide oversight of ESG and Corporate Citizenship activities through regular reporting, performance monitoring and stakeholder engagement. Progress will be assessed against clearly defined objectives, impact measures and strategic priorities to ensure initiatives deliver meaningful outcomes while remaining aligned with the Company's values and long-term objectives.

OUR 2030 ASPIRATION

By 2030, SBHL aspires to be recognised as:

A trusted steward of capital, a responsible corporate citizen and a collaborative partner in advancing sustainable economic growth, environmental responsibility and community development across Botswana.

OUR COMMITMENT

Creating Value for Shareholders. Strengthening Communities. Sustaining Futures.



Together with our associates, partners and stakeholders, we are committed to building a legacy that extends beyond financial performance and contributes positively to future generations.



OUR CORPORATE CITIZENSHIP FRAMEWORK

STEWARDING CAPITAL, CREATING VALUE AND IMPACT



Annual Financial Statements

SECHABA BREWERY HOLDINGS LIMITED

(Registration number BW00000952293)

ANNUAL FINANCIAL STATEMENTS

for the year ended 31 December 2025



Sechaba Brewery Holdings Limited

(Registration number BW00000952293)

Annual Financial Statements for the year ended 31 December 2025

Annual Financial Statements

Index

The reports and statements set out below comprise the annual financial statements presented to the shareholders:

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Statement of Financial Position	76
Statement of Changes in Equity	77
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Sechaba Brewery Holdings Limited

(Registration number BW00000952293)

Annual Financial Statements for the year ended 31 December 2025

Annual Financial Statements

General Information

Country of incorporation and domicile	Botswana
Nature of business and principal activities	Sechaba Brewery Holdings Limited ("the company") is an investment company with interests in two associates, Kgalagadi Breweries (Proprietary) Limited ("KBL"), and Coca-Cola Beverages (Botswana) (Proprietary) Limited ("CCBB").
Directors	Tabuya B Tau Modise B Mokone Meshack Tshekedi Boitumelo C Paya Jayaraman Ramesh Faith A Nteta Gorata T Dibotelo Lorato C Morapedi
Registered office	Plot 64517, Unit 5 The Office Fairground Gaborone Botswana
Business address	Plot 54367, 2nd Floor, Mogobe Plaza Central Business District Gaborone Botswana
Postal address	P O Box 1956 AAD Gaborone Botswana
Bankers	Standard Chartered Bank Botswana Limited
Auditors	Grant Thornton Chartered Accountants Member firm of Grant Thornton International Ltd
Secretary	Wise Leadership Proprietary Limited (BW00000572123)
Transfer secretaries	Central Securities Depository Botswana
Company registration number	BW00000952293
Sponsoring Brokers	Imara Capital Securities Proprietary Limited
Functional currency	Botswana Pula
Date of incorporation	12 July 1984

Sechaba Brewery Holdings Limited

(Registration number BW00000952293)

Annual Financial Statements for the year ended 31 December 2025

Annual Financial Statements

Directors' Responsibilities and Approval

The directors are required in terms of the Companies Act of Botswana (Cap 42:01) to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with IFRS® Accounting Standards as issued by the International Accounting Standards Board (IASB). The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board (IASB) and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the directors set standards for internal control aimed at reducing the risk of error or loss in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the company's cash flow forecast for the year to 31 December 2026 and, in light of this review and the current financial position, they are satisfied that the company has or had access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the company's annual financial statements. The annual financial statements have been examined by the company's external auditors and their report is presented on pages 71 to 74.

The annual financial statements set out on pages 75 to 99, which have been prepared on the going concern basis, were approved by the board of directors on 30 March 2026 and were signed on their behalf by:

Approval of financial statements

TABUYA B. TAU

Chairman

FAITH A. M. NTETA

Managing Director

Note: In the interest of digital security, signatures have not been included.

Sechaba Brewery Holdings Limited

(Registration number BW00000952293)

Annual Financial Statements for the year ended 31 December 2025

Annual Financial Statements

Directors' Report

The directors have pleasure in submitting their report on the annual financial statements of Sechaba Brewery Holdings Limited for the year ended 31 December 2025.

1. Nature of business

Sechaba Brewery Holdings Limited was incorporated in Botswana with interests in associate companies that operate in the beverage industry. The company operates in Botswana.

There have been no material changes to the nature of the company's business from the prior year.

2. Review of financial results and activities

The annual financial statements have been prepared in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board (IASB) and the requirements of the Companies Act of Botswana (Cap 42:01). The accounting policies have been applied consistently compared to the prior year.

Full details of the financial position, results of operations and cash flows of the company are set out in these annual financial statements from pages 75 - 99.

3. Stated capital

There have been no changes to the authorised or issued share capital during the year under review. The total number of ordinary shares issued and fully paid is 110 616 859 amounting to P194 548 000 (2024: P194 548 000).

4. Dividends

The company's dividend policy is to consider an interim and a final dividend in respect of each financial year. At its discretion, the board of directors may consider a special dividend, where appropriate. Depending on the perceived need to retain funds for expansion or operating purposes, the board of directors may pass on the payment of dividends.

Gross dividends amounting to P368 million (2024: P482 million) were declared and paid during the year.

5. Directorate

The following persons acted as directors of the company during the period under review and up to the date of approval of these financial statements:

Directors	Designation
Tabuya B Tau	Non-executive
Modise B Mokone	Non-executive
Meshack Tshekedi	Non-executive
Boitumelo C Paya	Non-executive
Jayaraman Ramesh	Non-executive
Faith A Nteta	Executive
Gorata T Dibotelo	Non-executive
Lorato C Morapedi	Non-executive

6. Directors' interests in contracts

During the financial year, no contracts were entered into which directors or officers of the company had an interest and which significantly affected the business of the company.

7. Events after the reporting period

The company is expecting to receive P123.5 million dividends from its associates in April 2026.

A dividend of 294.86 thebe per share constituting special dividend of 157.48 thebe per share and final dividend of 137.38 thebe per share was recommended and declared by the Board of Directors on the 30 March 2026 subject to approval by the shareholders at the Annual General Meeting. There have been no other events, facts or circumstances of a material nature that have occurred subsequent to the reporting date which necessitate an adjustment to the disclosure in these annual financial statements or the notes thereto.

Sechaba Brewery Holdings Limited

(Registration number BW00000952293)

Annual Financial Statements for the year ended 31 December 2025

Annual Financial Statements

Directors' Report

8. Going concern

The Board of Directors have assessed the company's ability to continue as a going concern taking into account all available information about the future including an analysis of the possible impact on the company operations and those of its associates. During the assessment, a determination was made that there are sufficient cash resources available to settle the company's obligations up to twelve months from the date of the approval of these financial statements. The financial statements have thus been prepared based on accounting policies applicable to a going concern. The basis presumes that funds will be available to finance future operations and the realisation of assets and settlement of liabilities.

Chartered Accountants

Grant Thornton
Acumen Park, Plot 50370
Fairgrounds, Gaborone
P O Box 1157
Gaborone, Botswana

T +267 395 2313

[linkedin.com/company/Grant-Thornton-Botswana](https://www.linkedin.com/company/Grant-Thornton-Botswana)
[facebook.com/GrantThorntonBotswana](https://www.facebook.com/GrantThorntonBotswana)

Independent Auditor's Report

To the Shareholders of Sechaba Brewery Holding Limited

Opinion

We have audited the annual financial statements of Sechaba Brewery Holdings Limited (the company) set out on pages 75 to 99, which comprise the statement of financial position as at 31 December 2025, and the statement of profit or loss and other comprehensive income for the year then ended, statement of changes in equity for the year then ended and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the annual financial statements give a true and fair view of the financial position of Sechaba Brewery Holdings Limited as at 31 December 2025, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the annual financial statements section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts 1, 3 and 4A) (IESBA Code) and other independence requirements applicable to performing audits of annual financial statements in Botswana. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and in accordance with other ethical requirements applicable to performing audits in Botswana. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the annual financial Statements of the current period. These matters were addressed in the context of our audit of the annual financial statements as a whole, and in forming our opinion thereon, and the report below is not intended to constitute separate opinions on those key audit matters.



Partners

Kalyanaraman Vijay (Managing), Aswin Vaidyanathan*, Madhavan Venkatachary*, Anthony Quashie, Sunny K Mulakulam*,
Aparna Vijay* (*Indian)

Key audit matter	How the matter was addressed in our audit
Assessment for the impairment of investments in associates As at 31 December 2025, the investment in associates was valued at P2,152 billion (2024: P2,398 billion) using a discounted cashflow model. The carrying amount of the investment in associates as at 31 December 2025 was P732 million (2024: P770 million) which represents 77% (2024: 80%) of the Company's total assets. Significant judgement was required in the determination of the appropriateness of the assumptions such as growth rates and discount rate used in the discounted cash flow method which is used to assess the potential impairment of the investments in associates based on IAS 36 -- Impairment of Assets. The assumptions such as growth rates, discount rate, expense, staff costs and inflation rates within the associates have been impacted by the current economic environment. This resulted in increased judgement being applied by directors relating to the assumptions used in the valuation of the associates and thus required significant audit attention. We identified the valuation of the investments in associates to be a key audit matter as the valuation is highly sensitive to these assumptions and the assumptions are judgmental. Refer to Note 1.2 - Summary of significant accounting policies and Note 11 - Investment in associates.	Our audit procedures included, amongst others: • We assessed the valuation methodology against the industry norms and the requirements of IAS36 -Impairment of Assets. • We assessed the reasonableness of the forecasts and expectations of future cash flows with reference to internal and market data. • We assessed the appropriateness of inputs that required significantly more judgement, such as growth rates by benchmarking inputs against those of other comparable industry participants. • We considered the reasonability of the economic assumptions applied against independent market data. • We performed a sensitivity analysis over the assumptions in order to assess the impact of the changes to the key assumptions on the valuation of the investment in associate. • We also assessed the adequacy of the disclosures regarding the associates in the financial statements to determine they were in accordance with IFRS. • We assessed the adequacy of the disclosures regarding the associates in the financial statements with reference to the requirements of IAS 36 - Impairment of Assets

Other matter

The annual financial statements of Sechaba Brewery Holdings Limited for the year ended 31 December 2024, were audited by another auditor who expressed an unmodified opinion on those statements on the 31 of March 2025.



Other information

The directors are responsible for the other information. The other information comprises the information included on a document titled "Sechaba Brewery Holdings Limited Annual financial Statements for the year ended 31 December 2025" which includes the general information, directors' responsibility and approval of the financial statement, directors report, which were obtained prior to the date of this auditor's report and the annual report will be made available after the date of our independent auditor's report. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the annual financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the annual financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information we have obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the annual financial statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial Statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the company's financial reporting process.

Auditor's responsibilities for the audit of the Annual Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements.



As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- ☒ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ☒ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- ☒ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- ☒ Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- ☒ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Grant Thornton

Firm of Certified Auditors

Practising Member: Sunny Mulakulam (CAP 0034 2026)



Gaborone

Sechaba Brewery Holdings Limited

(Registration number BW00000952293)

Annual Financial Statements for the year ended 31 December 2025

Annual Financial Statements

Statement of Profit or Loss and Other Comprehensive Income

Figures in Pula thousand	Note(s)	2025	2024
Share of profit after tax of associate companies	4	396 236	338 638
Administrative and other expenses	6	(6 283)	(4 954)
Operating profit		389 953	333 684
Interest income	5	12 547	5 150
Finance costs	7	(11)	(20)
Profit before taxation		402 489	338 814
Taxation	8	(42 345)	(34 982)
Total comprehensive income for the year		360 144	303 832
Earnings per share information			
Basic earnings per share (thebe)	10	325.58	274.67

The accounting policies on pages 79 to 84 and the notes on pages 85 to 99 form an integral part of the annual financial statements.

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Annual Financial Statements for the year ended 31 December 2025

Annual Financial Statements

Statement of Financial Position as at 31 December 2025

Figures in Pula thousand	Note(s)	2025	2024
Assets			
Non-Current Assets			
Investments in associates	11	732 476	769 615
Property, plant and equipment	12	126	83
Right-of-use assets	13	-	121
		732 602	769 819
Current Assets			
Other receivables	14	1 335	503
Cash and cash equivalents	15	216 005	188 882
		217 340	189 385
Total Assets		949 942	959 204
Equity and Liabilities			
Equity			
Stated capital	16	194 548	194 548
Retained earnings		698 151	706 151
		892 699	900 699
Liabilities			
Non-Current Liabilities			
Deferred tax	17	44 094	47 807
Current Liabilities			
Other payables	18	1 086	423
Lease liabilities	13	-	134
Current tax payable	9	1 997	581
Dividend payable	19	10 066	9 560
		13 149	10 698
Total Liabilities		57 243	58 505
Total Equity and Liabilities		949 942	959 204

The accounting policies on pages 79 to 84 and the notes on pages 85 to 99 form an integral part of the annual financial statements.

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Annual Financial Statements for the year ended 31 December 2025

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Statement of Changes in Equity

Figures in Pula thousand	Stated capital	Retained earnings	Total equity
Balance at 01 January 2024	194 548	884 055	1 078 603
Total comprehensive income for the year	-	303 832	303 832
Dividends	-	(481 736)	(481 736)
Total contributions by and distributions to owners of company recognised directly in equity	-	(481 736)	(481 736)
Balance at 01 January 2025	194 548	706 151	900 699
Total comprehensive income for the year	-	360 144	360 144
Dividends	-	(368 144)	(368 144)
Total contributions by and distributions to owners of company recognised directly in equity	-	(368 144)	(368 144)
Balance at 31 December 2025	194 548	698 151	892 699

Note(s)

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The accounting policies on pages 79 to 84 and the notes on pages 85 to 99 form an integral part of the annual financial statements.

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Annual Financial Statements for the year ended 31 December 2025

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Statement of Cash Flows

Figures in Pula thousand	Note(s)	2025	2024
Cash flows from operating activities			
Cash used in operations	20	(6 315)	(4 974)
Interest income	5	12 547	5 150
Finance costs	7	(11)	(20)
Tax paid	9	(44 643)	(41 075)
Net cash from operating activities		(38 422)	(40 919)
Cash flows from investing activities			
Purchase of office equipment	12	(60)	(50)
Dividends received	11	433 377	399 043
Net cash from investing activities		433 317	398 993
Cash flows from financing activities			
Cash repayments on lease liabilities	13	(134)	(109)
Dividends paid	19	(367 638)	(480 364)
Net cash from financing activities		(367 772)	(480 473)
Total cash movement for the year		27 123	(122 399)
Cash and cash equivalents at the beginning of the year		188 882	311 281
Cash and cash equivalents at the end of the year	15	216 005	188 882

The accounting policies on pages 79 to 84 and the notes on pages 85 to 99 form an integral part of the annual financial statements.

Sechaba Brewery Holdings Limited

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Annual Financial Statements for the year ended 31 December 2025

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Material Accounting Policies

CORPORATE INFORMATION

Sechaba Brewery Holdings Limited is an investment Company with interests in Kgalagadi Breweries (Proprietary) Limited (KBL) and Coca-Cola Beverages (Botswana) (Proprietary) Limited (CCBB).

The Company is a public limited company, which is listed on the Botswana Stock Exchange and incorporated and domiciled in Botswana. The address of its registered office is Plot 64517, Unit 5, The Office, Fairgrounds, Gaborone.

The annual financial statements for the year ended 31 December 2025 were authorised for issue in accordance with a resolution of the directors on 30 March 2026.

1. MATERIAL ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. Accounting policies are material and must be disclosed if they can reasonably be expected to influence the decisions of users of the financial statements. Information is material if users of an entity's financial statements would need it to understand other material information in the financial statements.

1.1 BASIS OF PREPARATION

The annual financial statements have been prepared on the going concern basis in accordance with, and in compliance with, IFRS® Accounting Standards as issued by the International Accounting Standards Board (IASB) and International Financial Reporting Standards Interpretations Committee ("IFRS IC") interpretations issued and effective at the time of preparing these annual financial statements and the Companies Act of Botswana (Cap 42:01) as amended.

The annual financial statements have been prepared on the historic cost convention, unless otherwise stated in the accounting policies which follow and incorporate the material accounting policies set out below. They are presented in Botswana Pula rounded to the nearest thousand, which is the company's functional currency.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies.

These accounting policies are consistent with the previous period.

1.2 SIGNIFICANT JUDGEMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

The preparation of annual financial statements in conformity with IFRS requires management, from time to time, to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

CRITICAL JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

The critical judgements made by management in applying accounting policies, apart from those involving estimations, that have the most significant effect on the amounts recognised in the financial statements, are outlined as follows:

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Material Accounting Policies

1.2 SIGNIFICANT JUDGEMENTS AND SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED) IMPAIRMENT OF INVESTMENTS IN ASSOCIATES

Investments in associates are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An investment's recoverable amount is the higher of its fair value less costs of disposal and its value in use. The recoverable amount is determined for each investment in associates unless the investment does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an investment exceeds its recoverable amount, the investment is considered impaired and is written down to its recoverable amount.

Management compares the carrying values of the investments in equity accounted investees with the respective fair value of the investments using discounted cash flow analysis. Management also takes into consideration information available at the reporting date which may have contributed to the current performance, or which is expected to improve future performance of the equity accounted investees companies. The assessment of these investments for impairment therefore requires the application of judgment and the use of significant assumptions in determining future profitability and the current value of assets held by the equity accounted investees companies. The entity bases its impairment assessment calculation on most recent budgets and forecasts, which are prepared separately for each investment. The group has long term investments therefore the budgets and discounted cashflows are done on a ten-year period. A long-term growth rate which is entity specific is used and this is reviewed against the applicable GDP growth rate. The country specific equity risk premium rate is used for discounted future cash flows. (Refer to note 11 - Investment in associates)

1.3 INVESTMENTS IN ASSOCIATES

Associates are all entities over which the Company has significant influence but not control or joint control, generally accompanying a shareholding of between 20% and 50% of the voting rights.

Investments in associates are accounted for using the equity method of accounting. Under this method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognize the investor's share of the profit or loss of the investee after the date of acquisition in profit or loss and the company's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

The Company's share of post-acquisition profit or loss is recognised in the statement of profit or loss, and its share of postacquisition movements in other comprehensive income is recognised in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. When the Company's share of losses in an associate equals or exceeds its interest in the associates, including any other unsecured receivables, the Company does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associates.

The Company determines at each reporting date whether there is any objective evidence that the investment in the associates is impaired. If this is the case, the Company calculates the amount of impairment as the difference between the recoverable amount of the associates and its carrying value and recognises the amount adjacent to 'share of profit/(loss) of associates' in the statement of comprehensive income.

Profits and losses resulting from upstream and downstream transactions between the Company and its associates are recognized in the statement of profit or loss and other comprehensive income in the Company's financial statements only to the extent of unrelated investor's interests in the associates. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the company. Dilution gains and losses arising in investments in associates are recognised in the statement of profit or loss and other comprehensive income.

Goodwill relating to the associate is included in the carrying amount of the investment and is not tested for impairment separately. Thus, reversals of impairments may effectively include reversal of goodwill impairments. Impairments and reversals are presented within 'Share of profit of an associate' in the statement of profit or loss.

1.4 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment is initially measured at cost.

Expenditure incurred subsequently for major services, additions to or replacements of parts of property, plant and equipment are capitalised if it is probable that future economic benefits associated with the expenditure will flow to the company and the cost can be measured reliably. Day to day servicing costs are included in profit or loss in the year in which they are incurred.

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Annual Financial Statements

Material Accounting Policies

1.4 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Property, plant and equipment is subsequently stated at cost less accumulated depreciation .

The useful lives of items of property, plant and equipment have been assessed as follows:

ITEM	DEPRECIATION METHOD	AVERAGE USEFUL LIFE
Furniture and fixtures	Straight line	10 years
IT equipment	Straight line	4 years
Other assets	Straight line	2 years

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting period. No material changes were made.

There were no indicators of impairment for property, plant and equipment and no impairment tests were performed.

1.5 FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments (a financial asset and financial liability) are recognised when the company becomes a party to the contractual provisions. They are measured, at initial recognition, at fair value plus transaction costs, if any financial instruments held by the Company are classified in accordance with the provisions of IFRS 9 Financial Instruments.

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis.

The material accounting policies for each type of financial instrument held by the company are presented below:

TRADE AND OTHER RECEIVABLES

Other receivables , excluding, when applicable, VAT and prepayments, are initially recognised at fair value and subsequently measured at amortised cost.

Amortised cost represents the initial carrying amount, minus principal repayments, plus the cumulative amortisation (interest) of any difference between the initial amount and the maturity amount using the effective interest method, and adjusted for any loss allowance.

The accounting policy for impairment of other receivables is set out in the loss allowances and write offs accounting policy.

TRADE AND OTHER PAYABLES

Other payables , excluding VAT and amounts received in advance, are classified as financial liabilities and are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash on hand, call deposits and other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and subject to insignificant risk of value changes. The Company does not have bank overdrafts.

Cash and cash equivalents are classified as financial assets measured at amortised cost. Amortised cost approximates fair value due to the short term nature of these balances.

The Company applies the IFRS 9 expected credit loss model to cash and cash equivalents. The loss allowance is measured at an amount equal to 12 month expected credit losses unless credit risk has increased significantly, in which case lifetime expected credit losses are recognised.

DERECOGNITION

The company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the company retains substantially all the risks and rewards of ownership of a transferred financial asset, the company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

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Material Accounting Policies

1.5 FINANCIAL INSTRUMENTS (CONTINUED) DERECOGNITION

The company derecognises financial liabilities when its obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

RECLASSIFICATION

The company only reclassifies affected financial assets if there is a change in the business model for managing financial assets. If a reclassification is necessary, it is applied prospectively from the reclassification date. Any previously stated gains, losses or interest are not restated.

The reclassification date is the beginning of the first reporting period following the change in business model which necessitates a reclassification.

Financial liabilities are not reclassified.

1.6 TAX

CURRENT TAX ASSETS AND LIABILITIES

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Current tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted by the end of the reporting period.

DEFERRED TAX ASSETS AND LIABILITIES

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the tax base used for taxation purposes.

A deferred tax liability is recognised for all taxable temporary differences.

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised.

A deferred tax asset is recognised for the carry forward of unused tax losses to the extent that it is probable that future taxable profit will be available against which they can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The deferred tax rate applied to assets is determined by the expected manner of recovery. The normal tax rate is applied when the expected recovery is through use.

Deferred tax assets are reviewed at each reporting date and are reduced if it is no longer probable that the related tax benefit will be realised. Such reductions are reversed when the probability of future taxable profits improves. The review by management has not resulted in the reduction of the deferred tax assets.

TAX EXPENSES

The income tax expense consists of current and deferred tax and is recognised in profit or loss.

1.7 LEASES

The company assesses whether a contract is, or contains a lease, at the inception of the contract.

No contracts were identified that required specific judgement as to whether they contained leases.

COMPANY AS LESSEE

A lease liability and corresponding right-of-use asset are recognised at the lease commencement date, for all lease agreements for which the company is a lessee, except for short-term leases of 12 months or less, or leases of low value assets. For these leases, the company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

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1.7 LEASES (CONTINUED) LEASE LIABILITY

Lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect lease payments made. Interest charged on the lease liability is included in finance costs.

RIGHT-OF-USE ASSETS

Right-of-use assets are presented as a separate line item on the Statement of Financial Position .

They are measured initially at the initial amount of the lease liability plus upfront payments and initial direct costs . Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated, from commencement date, over the shorter period of lease term and useful life of the underlying asset.

The useful lives of right-of-use assets are presented in the following table:

ITEM	DEPRECIATION METHOD	AVERAGE USEFUL LIFE
Buildings	Straight line	Period of the lease

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting period. No material changes were made.

1.8 IMPAIRMENT OF ASSETS

The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. If the recoverable amount cannot be determined for an individual asset, then it is determined for the cash generating unit to which the asset belongs.

Impairment losses are recognised immediately in profit or loss.

1.9 STATED CAPITAL AND EQUITY

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Equity instruments issued by the company are recognised at the proceeds received, net of direct issue costs.

Retained earnings includes all current and prior period retained profits.

All transactions with owners of the parent are recorded separately within equity.

Dividend distributions payable to equity shareholders are included in other liabilities when the dividends have been approved in a general meeting prior to the reporting date.

1.10 EMPLOYEE BENEFITS

The Company is an investment holding company and has no permanent and pensionable staff of its own and as such, the Company does not operate any employee pension schemes. The qualifying members of the staff of its associates contribute to a defined contribution plan.

1.11 RELATED PARTIES

Related parties comprise directors of the Company, its associates and companies with common control or significant influence. Transactions with related parties are in the normal course of business and on normal commercial terms.

1.12 SEGMENT REPORTING

The Company operates as an investment holding Company, currently holding two investment companies. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision makers.

The chief operating decision makers, who are responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors. In this capacity, the Board monitors the overall financial results and financial positions of the associates, and its ability to pay dividends to the Company.

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Material Accounting Policies

1.12 SEGMENT REPORTING (CONTINUED)

The key financial indicators and performance of this investment as monitored by the Board of Directors are clearly presented in the annual financial statements of the Company, specifically through disclosures of dividend income and detailed disclosures of the summarised statement of profit or loss and other comprehensive income and statement of financial position of the associates in note 11.

1.13 EARNINGS PER SHARE

Earnings per ordinary share are calculated using the weighted average number of ordinary shares in issue during the period and are based on the net profit attributable to ordinary shareholders.

1.14 DIVIDEND INCOME

Dividend income is recognised when the right to receive payment is established. Dividends received included in the cash flow statement relates to equity accounted investments.

1.15 DIVIDEND DISTRIBUTION

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements in the period in which the dividends are approved and declared by the Company's directors.

1.16 INTEREST INCOME

Interest income is recognised on a time-proportion basis using the effective interest rate method. When a receivable is impaired, the Company reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at original effective interest rate of the instrument and continues unwinding the discount as interest income. Interest income on impaired loans is recognised using the original effective interest rate.

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Notes to the Annual Financial Statements

2. NEW STANDARDS AND INTERPRETATIONS

2.1 STANDARDS AND INTERPRETATIONS EFFECTIVE AND ADOPTED IN THE CURRENT YEAR

In the current year, the company has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

LACK OF EXCHANGEABILITY - AMENDMENTS TO IAS 21

The amendments apply to currencies which are not exchangeable. The definition of exchangeable is provided as being when an entity is able to obtain the other currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism in which an exchange transaction would create enforceable rights and obligations. The amendments require an entity to estimate the spot exchange rate at measurement date when a currency is not exchangeable into another currency. Additional disclosures are also required to enable users of financial statements to understand the impact of the non-exchangeability on financial performance, financial position and cash flow.

The effective date of the amendment is for years beginning on or after 01 January 2025.

The company has adopted the amendment for the first time in the 2025 annual financial statements. The impact of the amendment is not material.

2.2 STANDARDS AND INTERPRETATIONS NOT YET EFFECTIVE

The company has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the company's accounting periods beginning on or after 01 January 2026 or later periods:

AMENDMENTS TO IFRS 10 AND IAS 28: SALE OR CONTRIBUTION OF ASSETS BETWEEN AN INVESTOR AND ITS ASSOCIATE OR JOINT VENTURE

If a parent loses control of a subsidiary which does not contain a business, as a result of a transaction with an associate or joint venture, then the gain or loss on the loss of control is recognised in the parents' profit or loss only to the extent of the unrelated investors' interest in the associate or joint venture. The remaining gain or loss is eliminated against the carrying amount of the investment in the associate or joint venture. The same treatment is followed for the measurement to fair value of any remaining investment which is itself an associate or joint venture. If the remaining investment is accounted for in terms of IFRS 9, then the measurement to fair value of that interest is recognised in full in the parents' profit or loss.

The effective date of the amendment is to be determined by the IASB.

It is unlikely that the amendment will have a material impact on the company's annual financial statements.

AMENDMENTS TO IFRS 19 SUBSIDIARIES WITHOUT PUBLIC ACCOUNTABILITY: DISCLOSURES

Amendments were made to this disclosure-based Standard, resulting in further changes to the disclosures required of subsidiaries qualifying under IFRS 19. The amendments to IFRS 19 become effective concurrently with the original Standard.

The effective date of the amendment is for years beginning on or after 01 January 2027.

The company expects to adopt the amendment for the first time in the 2027 annual financial statements. The impact of this standard is currently being assessed.

IFRS 19 SUBSIDIARIES WITHOUT PUBLIC ACCOUNTABILITY: DISCLOSURES

This is a new standard which may be applied by subsidiaries which do not have public accountability. It is a disclosure only standard and provides for reduced disclosures for qualifying subsidiaries to apply, while still remaining compliant with the recognition, measurement and presentation requirements of IFRS Accounting Standards. The reduced disclosures provided in IFRS 19 may be applied by the subsidiary in their consolidated, separate or individual financial statements, provided that the ultimate or any intermediate parent produces consolidated financial statements available for public use that comply with IFRS Accounting Standards. A subsidiary has public accountability, and may not apply IFRS 19, if its debt or equity instruments are traded in a public market or it is in the process of issuing such instruments for trading in a public market, or if it holds assets in a fiduciary capacity for a broad group of outsiders as one of its primary businesses.

The effective date of the standard is for years beginning on or after 01 January 2027.

The company expects to adopt the standard for the first time in the 2027 annual financial statements.

It is unlikely that the standard will have a material impact on the company's annual financial statements.

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Notes to the Annual Financial Statements

2. NEW STANDARDS AND INTERPRETATIONS (CONTINUED)

IFRS 18 PRESENTATION AND DISCLOSURE IN FINANCIAL STATEMENTS

This is a new standard which replaces IAS 1 Presentation of Financial Statements and introduces several new presentation requirements. The first relates to categories and subtotals in the statement of financial performance. Income and expenses will be categorised into operating, investing, financing, income taxes and discontinued operations categories, with two new subtotals, namely "operating profit" and "profit before financing and income taxes" also being required. These categories and sub totals are defined in IFRS 18 for comparability and consistency across entities. The next set of changes requires disclosures about management-defined performance measures in a single note to the financial statements. These include reconciliations of the performance measures to the IFRS defined subtotals, as well as a description of how they are calculated, their purpose and any changes. The third set of requirements enhance the guidance on grouping of information (aggregation and disaggregation) to prevent the obscuring of information.

The effective date of the standard is for years beginning on or after 01 January 2027.

The company expects to adopt the standard for the first time in the 2027 annual financial statements.

It is unlikely that the standard will have a material impact on the company's annual financial statements.

AMENDMENTS TO IFRS 7 FINANCIAL INSTRUMENTS: DISCLOSURES

Annual Improvements to IFRS Accounting Standards - Volume 11 - Gain or loss on derecognition - Amendment to delete an obsolete reference that remained in IFRS 7 after the publication of IFRS 13 Fair Value Measurement, as well as to improve consistency of wording of the requirements of IFRS 7 with IFRS 13 concepts regarding disclosure of a gain or loss on derecognition.

The effective date of the amendment is for years beginning on or after 01 January 2026.

The company expects to adopt the amendment for the first time in the 2026 annual financial statements.

It is unlikely that the amendment will have a material impact on the company's annual financial statements.

AMENDMENTS TO IFRS 9 FINANCIAL INSTRUMENTS

Annual Improvements to IFRS Accounting Standards - Volume 11 - Derecognition of lease liabilities. The amendment clarifies that if a lease liability has been extinguished in accordance with IFRS 9, the lessee is required to recognise any resulting gain or loss in profit or loss.

The effective date of the amendment is for years beginning on or after 01 January 2026.

The company expects to adopt the amendment for the first time in the 2026 annual financial statements.

It is unlikely that the amendment will have a material impact on the company's annual financial statements.

AMENDMENTS TO IFRS 9 FINANCIAL INSTRUMENTS

Annual Improvements to IFRS Accounting Standards - Volume 11 - Transaction price. The amendment clarifies that trade receivables must be measured initially, in accordance with IFRS 9, at the amount determined by applying IFRS 15 Revenue from Contracts with Customers.

The effective date of the amendment is for years beginning on or after 01 January 2026.

The company expects to adopt the amendment for the first time in the 2026 annual financial statements.

It is unlikely that the amendment will have a material impact on the company's annual financial statements.

AMENDMENT TO IFRS 9 AND IFRS 7

Two amendments were made which deal with contracts referencing nature-dependent electricity and may not be applied to other contracts by inference. In terms of these contracts, buyers of nature-dependent electricity may have no practical ability to avoid making sales of unused electricity.

In the first instance, the amendments allow for entities to satisfy the "own-use" requirement when considering whether contracts to buy or sell non-financial items fall within the scope of IFRS 9. This will apply if the entity is, or expects to be a net purchaser of electricity. If the contract qualifies under the amendment, then the "own-use" requirement will be met and the contract will fall outside the scope of IFRS 9.

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2. NEW STANDARDS AND INTERPRETATIONS (CONTINUED)

AMENDMENT TO IFRS 9 AND IFRS 7 (continued)

The second amendment deals with hedge accounting. It allows an entity to designate as the hedged item a variable nominal amount of forecast electricity transactions that is aligned with the variable amount of nature-dependent electricity expected to be delivered by the generation facility.

Additional disclosure will be required relating to each of these amendments.

The effective date of the amendment is for years beginning on or after 01 January 2026.

The company expects to adopt the amendment for the first time in the 2026 annual financial statements.

It is unlikely that the amendment will have a material impact on the company's annual financial statements.

AMENDMENTS TO IFRS 10 CONSOLIDATED FINANCIAL STATEMENTS

Annual Improvements to IFRS Accounting Standards - Volume 11 - Determination of a 'de facto agent'. The amendment is to clarify whether a party acts as a de facto agent in assessing control of an investee.

The effective date of the amendment is for years beginning on or after 01 January 2026.

The company expects to adopt the amendment for the first time in the 2026 annual financial statements.

It is unlikely that the amendment will have a material impact on the company's annual financial statements.

AMENDMENTS TO IAS 7 STATEMENT OF CASH FLOWS

Annual Improvements to IFRS Accounting Standards - Volume 11 - Cost method - Amendment to replace the term 'cost method' with 'at cost' following the earlier removal of the definition of cost method from IFRS Accounting Standards.

The effective date of the amendment is for years beginning on or after 01 January 2026.

The company expects to adopt the amendment for the first time in the 2026 annual financial statements.

It is unlikely that the amendment will have a material impact on the company's annual financial statements.

AMENDMENTS TO IFRS 9 AND IFRS 7: AMENDMENTS TO THE CLASSIFICATION AND MEASUREMENT OF FINANCIAL INSTRUMENTS

The amendments clarify the classification of financial assets with environmental, social and corporate governance (ESG) and similar features, as such features could affect whether the assets are measured at amortised cost or fair value. The amendment also clarifies the date on which a financial asset or financial liability is derecognised in cases where liabilities are settled through electronic payment systems.

The effective date of the amendment is for years beginning on or after 01 January 2026.

The company expects to adopt the amendment for the first time in the 2026 annual financial statements.

It is unlikely that the amendment will have a material impact on the company's annual financial statements.

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2025

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3. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT CAPITAL RISK MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. Total capital employed is calculated as equity. There are no externally imposed capital requirements other than to meet solvency requirements per Section 58 of the Companies Act prior to declaration of dividends. This has been met.

The capital structure and gearing ratio of the company at the reporting date was as follows:

Other payables	18	1 086	423
Dividend payable		10 066	9 560
Tax payable		1 997	581
TOTAL BORROWINGS		13 149	10 564
Cash and cash equivalents	15	(216 005)	(188 882)
NET CASH POSITION		(202 856)	(178 318)
Equity		892 699	900 699

FINANCIAL RISK MANAGEMENT

OVERVIEW

The company is exposed to the following risks from its use of financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk (currency risk, interest rate risk and price risk).

The board of directors has overall responsibility for the establishment and oversight of the company's risk management framework. The board has established the risk committee, which is responsible for developing and monitoring the company's risk management policies. The committee reports quarterly to the board of directors on its activities.

The company's risk management policies are established to identify and analyse the risks faced by the company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the company's activities.

The company audit committee oversees how management monitors compliance with the risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee and the risk committee.

CREDIT RISK

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

The company is exposed to credit risk on other receivables, cash and cash equivalents.

Credit risk exposure arising on cash and cash equivalents is managed by the group through dealing with well-established financial institutions with high credit ratings.

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3. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

The maximum exposure to credit risk is presented in the table below:

		2025			2024		
		Gross carrying amount	Credit loss allowance	Amortised cost / fair value	Gross carrying amount	Credit loss allowance	Amortised cost / fair value
Other receivables	14	1 290	-	1 290	461	-	461
Cash and cash equivalents	15	216 005	-	216 005	188 882	-	188 882
		217 295	-	217 295	189 343	-	189 343

LIQUIDITY RISK

The company is exposed to liquidity risk, which is the risk that the company will encounter difficulties in meeting its obligations as they become due.

Management monitors rolling forecasts of the company's liquidity reserve (comprises cash and cash equivalents) based on expected cash flows to ensure that the company has sufficient reserves available to meet its obligations as those arise in the ordinary course of business.

Surplus cash balances are required for working capital management and is invested in interest bearing current and time deposits accounts, choosing instruments to provide sufficient headroom as determined by the above- mentioned forecasts. At the reporting date, the company held liquid cash assets of P216 million (31 December 2024: P189 million) for managing liquidity risk. In addition, cash for expansion or dividends pay-outs to shareholders is fully funded through dividends receipts from the associates.

There have been no significant changes in the liquidity risk management policies and processes since the prior reporting period.

The maturity profile of contractual cash flows of non-derivative financial liabilities, and financial assets held to mitigate the risk, are presented in the following table. The cash flows are undiscounted contractual amounts.

2025

		Less than 1 year	Contractual amount	Carrying amount
CURRENT LIABILITIES				
Other payables	18	1 086	1 086	1 086
Dividend payable	19	10 066	10 066	10 066
		11 152	11 152	11 152

2024

		Less than 1 year	Contractual amount	Carrying amount
CURRENT LIABILITIES				
Other payables	18	423	423	423
Lease liabilities		134	134	134
Dividend payable	19	9 560	9 560	9 560
		10 117	10 117	10 117

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3. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED) FOREIGN CURRENCY RISK

In the normal course of business, the Company may enter into transactions denominated in foreign currencies. During the year, the Company did not have foreign currency assets and liabilities and therefore was not exposed to foreign currency risk.

INTEREST RATE RISK

The Company may from time-to-time have interest-bearing assets and liabilities. The Company management ensures that cash resources are placed with financial institutions giving the best interest rates to mitigate any significant changes in interest rates. The Company's income and operating cash flows are substantially independent of changes in market interest rates. There were no significant interest-bearing assets or liabilities during the financial period.

PRICE RISK

The Company's financial results and position are not exposed to equity or security price risk or commodity price risks. Due to the nature of their operations, the Company's associates are exposed to significant commodity price risks through their procurement of raw materials on international commodities markets. These are managed and monitored by the associates.

CATEGORIES OF FINANCIAL INSTRUMENTS

CATEGORIES OF FINANCIAL ASSETS

2025

	Note(s)	Amortised cost	Total	Fair value
Other receivables	14	1 290	1 290	1 290
Cash and cash equivalents	15	216 005	216 005	216 005
		217 295	217 295	217 295

2024

	Note(s)	Amortised cost	Total	Fair value
Other receivables	14	461	461	461
Cash and cash equivalents	15	188 882	188 882	188 882
		189 343	189 343	189 343

CATEGORIES OF FINANCIAL LIABILITIES

2025

	Note(s)	Amortised cost	Total	Fair value
Other payables	18	1 086	1 086	1 086
Dividend payable		10 066	10 066	10 066
		11 152	11 152	11 152

2024

	Note(s)	Amortised cost	Leases	Total	Fair value
Other payables	18	423	-	423	423
Lease liabilities	13	-	134	134	134
Dividend payable		9 560	-	9 560	9 560
		9 983	134	10 117	10 117

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4. SHARE OF PROFIT AFTER TAX OF ASSOCIATE COMPANIES

SHARE OF PROFIT

Kgalagadi Breweries Proprietary Limited	371 924	297 798
Coca-Cola Beverages (Botswana) Proprietary Limited	24 312	40 840
	396 236	338 638

5. INTEREST INCOME

INTEREST INCOME INVESTMENTS IN FINANCIAL ASSETS:

Bank and other cash	12 547	5 150
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6. OPERATING EXPENSES

Management fees	1 057	851
Advertising	58	77
Auditors remuneration – external auditors	602	452
Bank charges	26	22
Computer expenses	94	57
Consulting and professional fees	728	215
Board expenses	288	119
Depreciation	138	132
Employee costs	881	823
Directors fees	1 558	1 294
Stock exchange fees	351	381
Transfer costs	308	332
Office maintenance	62	37
Publishing annual report	87	113
Insurance	19	21
Utilities	12	14
Postage and couriers	1	1
Telephone and internet charges	13	13
	6 283	4 954

7 FINANCE COSTS

Lease liabilities	11	20
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8. TAXATION

MAJOR COMPONENTS OF THE TAX EXPENSE

CURRENT

Local income tax - current period

2 721

1 118

Withholding tax on dividends received

43 338

39 904

46 059**41 022**

DEFERRED

Originating and reversing temporary differences

(3 714)

(6 040)

42 345**34 982**

RECONCILIATION OF THE TAX EXPENSE

Reconciliation between accounting profit and tax expense.

Accounting profit

402 489

338 814

Tax at the applicable tax rate of 22% (2024: 22%)

88 548

74 539

TAX EFFECT OF ADJUSTMENTS ON TAXABLE INCOME

Tax effect of expenses that are not deductible for tax purposes

1 345

1 079

Effect of deferred tax liability recognised on investment in associates at (10%)

(3 714)

(6 040)

Withholding tax on dividend paid at (10%)

43 338

39 904

Income not subject to tax – share of profit

(87 172)

(74 500)

42 345**34 982**

TAX PER STATEMENT OF PROFIT OR LOSS

Effective tax rate

10.5 %

10.3 %

9. TAX PAID

Balance at beginning of the year

(581)

(634)

Current tax recognised in profit or loss

(46 059)

(41 022)

Balance at end of the year

1 997

581

(44 643)**(41 075)**

10. EARNINGS PER SHARE

BASIC EARNINGS PER SHARE

Basic earnings per share is determined by dividing profit (loss) attributable to the ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

BASIC EARNINGS PER SHARE

Basic and diluted earnings per share (thebe)

325.58

274.67

RECONCILIATION OF PROFIT FOR THE YEAR TO BASIC EARNINGS

Profit for the year attributable to equity holders of the parent

360 144

303 832

WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES USED FOR BASIC EARNINGS PER SHARE

Weighted average number of ordinary shares used for basic earnings per share

110 617

110 617

110 617**110 617**

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11. INVESTMENTS IN ASSOCIATES

The following table lists all of the associates in the company:

Name of company	Held By	% ownership interest 2025	% ownership interest 2024	Carrying amount 2025	Carrying amount 2024
Kgalagadi Breweries Limited (Pty) Ltd ("KBL")		49.90 %	49.90 %	563 810	615 536
Coca-Cola Beverages (Botswana) (Pty) Ltd ("CCBB")		49.90 %	49.90 %	168 666	154 079
				732 476	769 615

MATERIAL ASSOCIATES

The following associates are material to the company:

	Country of incorporation	Method	% Ownership interest	
			2025	2024
Coca-Cola Beverages (Botswana) Proprietary Limited	Botswana	Equity	49.90 %	49.90 %
Kgalagadi Breweries Proprietary Limited	Botswana	Equity	49.90 %	49.90 %

Kgalagadi Breweries Proprietary Limited is involved in the manufacture, import, distribution and marketing of a portfolio of clear beers, alcoholic fruit beverages and traditional beers. Coca-Cola Beverages (Botswana) Proprietary Limited is involved in the manufacturing, import, distribution and marketing of a portfolio of soft drinks, purified water and other non-alcoholic beverages. Both entities are not listed in any stock exchange.

SUMMARISED FINANCIAL INFORMATION OF MATERIAL ASSOCIATES

Summarised Statement of Profit or Loss and Other Comprehensive Income

	Coca-Cola Beverages (Botswana) Proprietary Limited		Kgalagadi Breweries Proprietary Limited	
	2025	2024	2025	2024
Revenue	1 220 700	1 254 386	2 929 190	2 988 566
Other income and expenses	(1 158 905)	(1 156 810)	(2 057 069)	(2 272 567)
Profit before tax	61 795	97 576	872 121	715 999
Tax expense	(13 073)	(15 732)	(126 782)	(119 209)
Profit from continuing operations	48 722	81 844	745 339	596 790
TOTAL COMPREHENSIVE INCOME	48 722	81 844	745 339	596 790
DIVIDENDS RECEIVED FROM ASSOCIATE	9 726	43 755	423 651	355 288

Summarised Statement of Financial Position

	Coca-Cola Beverages (Botswana) Proprietary Limited		Kgalagadi Breweries Proprietary Limited	
	2025	2024	2025	2024
ASSETS				
Non-current	501 165	505 616	647 376	607 089
Current	409 509	419 474	842 631	964 538
TOTAL ASSETS	910 674	925 090	1 490 007	1 571 627
LIABILITIES				
Non-current	189 997	28 511	54 274	68 052
Current	382 673	587 808	487 629	451 810

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TOTAL LIABILITIES

572 670	616 319	541 903	519 862
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TOTAL NET ASSETS

338 004	308 771	948 104	1 051 765
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11. INVESTMENTS IN ASSOCIATES (CONTINUED)

Reconciliation of net assets to equity accounted investments in associates	Coca-Cola Beverages (Botswana) Proprietary Limited		Kgalagadi Breweries Proprietary Limited		Total	
	2025	2024	2025	2024	2025	2024
Interest in associates at percentage ownership	168 665	154 079	473 110	524 836	641 775	678 915
Goodwill	-	-	90 700	90 700	90 700	90 700
Carrying value of investment in associate	168 665	154 079	563 810	615 536	732 475	769 615
Investment at beginning of period	154 079	156 994	615 536	673 026	769 615	830 020
Share of profit	24 312	40 840	371 924	297 798	396 236	338 638
Dividends received from associate	(9 726)	(43 755)	(423 650)	(355 288)	(433 376)	(399 043)
Investment at end of period	168 665	154 079	563 810	615 536	732 475	769 615

An assessment was conducted to evaluate the impairment of investments in associates, considering the impact of global interest rate fluctuations, supply chain disruptions, and rising living costs. Despite these challenges, no objective evidence of impairment was identified in the investment valuation. Refer note 1.3.

The summarised information presented above reflects the financial statements of the associates after adjusting for differences in accounting policies between the company and the associates.

Management performed an investment impairment assessment based on ten-year discounted cashflows using 6.30% (5.93% 2024) country specific equity premium rate given that the company capital is mainly composed equity. A 0.5% (2.6% 2024) growth rate for the expected cashflows from the associates was used in line with the GDP growth rate. Assessment results and sensitivity analysis based on the shareholding of 49.9% are as follows:

Investment in associates	Growth rate	DCF	Coca-Cola Beverages (Botswana) Proprietary Limited		Kgalagadi Breweries Proprietary Limited	
			2025	2024	2025	2024
Carrying value	-	-	168 666	154 079	563 810	615 536
Present value	0.50 %	6.30 %	257 202	495 104	1 894 854	1 903 089
Sensitivity analysis:						
Present value (-5%)	- %	- %	252 097	445 283	1 726 037	1 711 586
Present value (+5%)	5.50 %	- %	315 966	611 365	2 327 780	2 349 975
Present value (-5%)	- %	1.30 %	331 011	643 940	2 438 622	2 475 188
Present value (+5%)	- %	11.30 %	205 760	392 253	1 515 877	1 507 748

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12. PROPERTY, PLANT AND EQUIPMENT

	2025			2024		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Furniture and fixtures	66	(13)	53	66	(7)	59
IT equipment	83	(12)	71	23	(6)	17
Other property, plant and equipment	11	(9)	2	11	(4)	7
TOTAL	160	(34)	126	100	(17)	83

RECONCILIATION OF PROPERTY, PLANT AND EQUIPMENT - 2025

OPENING BALANCE

	Furniture and fixtures	IT equipment	Other property, plant and equipment	Total
Cost	66	23	11	100
Accumulated depreciation and impairment	(7)	(6)	(4)	(17)
NET BOOK VALUE AT 01 JANUARY 2025	59	17	7	83

Additions	-	60	-	60
Depreciation	(6)	(6)	(5)	(17)
NET BOOK VALUE AT 31 DECEMBER 2025	53	71	2	126

MADE UP AS FOLLOWS:

Cost or revaluation	66	83	11	160
Accumulated depreciation and impairment	(13)	(12)	(9)	(34)
	53	71	2	126

RECONCILIATION OF PROPERTY, PLANT AND EQUIPMENT - 2024

OPENING BALANCE

	Furniture and fixtures	IT equipment	Other property, plant and equipment	Total
Cost	32	12	7	51
Accumulated depreciation and impairment	(3)	(3)	-	(6)
NET BOOK VALUE AT 01 JANUARY 2024	29	9	7	45

Additions	34	11	4	49
Transfers	-	-	-	17
Depreciation	(4)	(3)	(4)	(11)
NET BOOK VALUE AT 31 DECEMBER 2024	59	17	7	100

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MADE UP AS FOLLOWS:

Cost or revaluation

Accumulated depreciation and impairment

66	23	11	100
(7)	(6)	(4)	(17)
59	17	7	83

13. RIGHT-OF-USE ASSETS

The company holds a lease contract for rental property used in its operations, which is set to expire within one year as at reporting date. The company's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets. There are no lease contracts that include variable lease payments.

Details pertaining to leasing arrangements, where the company is lessee are presented below:

	2025			2024		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Buildings	243	(243)	-	243	(122)	121

RECONCILIATION OF RIGHT-OF-USE ASSETS - 2025

	Opening balance	Additions	Depreciation	Total
Buildings	121	-	(121)	-

RECONCILIATION OF RIGHT-OF-USE ASSETS - 2024

	Opening balance	Additions	Depreciation	Total
Buildings	-	243	(121)	121

OTHER DISCLOSURES

Interest expense on lease liabilities

Total cash outflow from leases

11	20
(134)	(129)

LEASE LIABILITIES

The maturity analysis of lease liabilities is as follows:

Current liabilities	-	134
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14. OTHER RECEIVABLES

Other receivable

1 290	461
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NON-FINANCIAL INSTRUMENTS:

Prepayments

45	42
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TOTAL TRADE AND OTHER RECEIVABLES

1 335	503
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FINANCIAL INSTRUMENT AND NON-FINANCIAL INSTRUMENT COMPONENTS OF OTHER RECEIVABLES

At amortised cost	1 290	461
Non-financial instruments	45	42
	1335	503

FAIR VALUE OF OTHER RECEIVABLES

The fair value of other receivables approximates their carrying amounts.

Figures in Pula thousand	2025	2024
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15. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of:

Bank balances	7 352	26 335
Short-term deposits	208 653	162 547
	216 005	188 882

CREDIT QUALITY OF CASH AT BANK AND SHORT-TERM DEPOSITS, EXCLUDING CASH ON HAND

The credit quality of cash at bank and short-term deposits, excluding cash on hand that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or historical information about counterparty default rates:

16. STATED CAPITAL

ISSUED

110 616 859 Ordinary shares of no par value, fully paid	194 548	194 548
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17. DEFERRED TAX

DEFERRED TAX LIABILITY

Investments in associates	(44 094)	(47 807)
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RECONCILIATION OF DEFERRED TAX ASSET / (LIABILITY)

At beginning of year	(47 807)	(53 847)
Deferred tax credit on investment in associates	3 713	6 040
	(44 094)	(47 807)

18. OTHER PAYABLES

FINANCIAL INSTRUMENTS:

Other payables	1 086	423
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FINANCIAL INSTRUMENT AND NON-FINANCIAL INSTRUMENT COMPONENTS OF OTHER PAYABLES

At amortised cost	1 086	423
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FAIR VALUE OF OTHER PAYABLES

The fair value of other payables approximates their carrying amounts.

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19. DIVIDENDS PAID

Balance at beginning of the year	(9 560)	(8 188)
Dividends	(368 144)	(481 736)
Balance at end of the year	10 066	9 560
	(367 638)	(480 364)

DIVIDEND PER SHARE

Dividend per share (thebe)	332.81	434.26
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Figures in Pula thousand

2025

2024

20. CASH USED IN OPERATIONS

Profit before taxation	402 489	338 814
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ADJUSTMENTS FOR NON-CASH ITEMS:

Office equipment depreciation	17	11
Right of use asset depreciation	121	122
Share of profit from associates	(396 236)	(338 638)

ADJUST FOR ITEMS WHICH ARE PRESENTED SEPARATELY:

Interest income	(12 547)	(5 150)
Finance costs	11	20

CHANGES IN WORKING CAPITAL:

(Increase) decrease in other receivables	(832)	(63)
Increase (decrease) in other payables	662	(90)
	(6 315)	(4 974)

21. RELATED PARTIES

Related parties comprise of directors of the company, the company's associates and entities under common control and ownership. Transaction with related parties carried out during the year are:

Relationships

Associates

Kgalagadi Breweries (Proprietary) Limited

Coca-Cola Beverages (Botswana) (Proprietary) Limited

RELATED PARTY BALANCES

There were no outstanding balances due to or from related parties at the end of the year (2024: P'Nil)

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RELATED PARTY TRANSACTIONS

DIVIDEND RECEIVED

Kgalagadi Breweries (Proprietary) Limited

423 651 355 288

Coca-Cola Beverages (Botswana) (Proprietary) Limited

9 725 43 755

433 376	399 043
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DIRECTORS' FEES (NON-EXECUTIVE) *

Directors' fees

1 558	1 294
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*Some of the Non-Executive Directors represent the entity on the board of directors of the associates and are paid directors' fees by Sechaba Brewery Holdings Limited.

KEY MANAGEMENT PERSONNEL COMPENSATION

Short-term employee benefits

881	823
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22. GOING CONCERN

Sechaba Brewery Holdings Limited Board of Directors have assessed the company's ability to continue as a going concern taking into account all available information about the future including an analysis of the possible impact on the company operations and those of its associates. During the assessment, a determination was made that there are sufficient cash resources available to settle the company's obligations up to twelve months from the date of the approval of these financial statements. The financial statements have thus been prepared based on accounting policies applicable to a going concern. The basis presumes that funds will be available to finance future operations and the realisation of assets and settlement of liabilities.

23. EVENTS AFTER THE REPORTING PERIOD

The company is expecting to receive P123.5 million dividends from its associates in April 2026.

A dividend of 294.86 thebe per share constituting special dividend of 157.48 thebe per share and final dividend of 137.38 thebe per share was recommended and declared by the Board of Directors on the 30 March 2026 subject to approval by the shareholders at the Annual General Meeting. There have been no other events, facts or circumstances of a material nature that have occurred subsequent to the reporting date which necessitate an adjustment to the disclosure in these annual financial statements or the notes thereto.

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SHAREHOLDERS INFORMATION

RANK	NAME	TOTAL SHARES HELD	% HOLDING
1	SCBN (PTY) LTD RE: BPOPF LEA PORTFOLIO CO AG	26,868,357	24.29%
2	FNBBN (PTY) LTD RE: BPOPF MORULA ACT MEM DEP EQ	13,913,223	12.58%
3	FNBB NOMS RE: BPOPF (Transition) MORULA B ACT DEF LE	11,120,376	10.05%
4	FNB BOTSWANA NOMINEES RE: MVA FUND	6,426,143	5.81%
5	STANBIC NOMINEES BOTSWANA RE ALLAN GRAY DEBSWANA PF	4,053,727	3.66%
6	STANBIC NOMS BW RE 5TH QUARTER BPOPF LOCAL EQUITIES INCUBAT	3,939,347	3.56%
7	STANBIC NOMINEES BOTSWANA RE BIFM PLEF	3,528,106	3.19%
8	BOTSWANA DEVELOPMENT CORPORATION LIMITED	3,275,970	2.96%
9	SCBN (PTY) LTD RE: SSB 001/216	3,065,521	2.96%
10	STANBIC NOMINEES BOTSWANA RE MORULA DPF	2,469,442	2.23%
11	STANBIC NOMINEES BOTSWANA RE NINETY-ONE DPF (LOCAL EQ)	2,207,341	2.00%
12	STANBIC NOMINEES BOTSWANA RE BPOPF NON PROFIT-MCP	2,014,590	1.82%
13	STANBIC NOMINEES BOTSWANA RE BPOPF WT PRO PORT MCP	1,638,960	1.48%
14	STANBIC NOMINEES BOTSWANA RE BIFM MLF	1,501,166	1.36%
15	FNB NOMS RE: BOB DCSPF MCP	1,440,047	1.30%
16	STANBIC NOMINEES BOTS RE: FIRST LIGHT MULTI MANAGER GROWTH F	1,219,224	1.10%
17	FNB BOTSWANA NOMINEES RE: MORULA - ACT MEM & DP EQ BPOPF	1,157,702	1.05%
18	SCBN (PTY) LTD RE: NINETYONE 030/30 METROPOLITAN LIFE BW POL	1,141,294	1.03%
19	SCBN(PTY)LTD RE: KC ALEXANDER FORBES RF	1,125,882	1.02%
20	SCBN (PTY) LTD RE: BIFM ALEXANDER FORBES RF	999,150	0.90%
21	SCBN(PTY) LTD RE: BIFM WUC STAFF PENSION FUND	888,832	0.80%
22	SCBN (PTY) LTD RE: BIFM 028914400011 UB DC PF	821,523	0.74%
23	SCBN (PTY) LTD RE: SSB 001/81 PARAMETRIC TAX-MAN E M F	731,999	0.66%
24	SCBN (PTY) LTD RE: NINETY ONE 030/25 ALEX FORBES RF	695,037	0.63%
25	SCBN (PTY) LTD RE: AG 216/001 ALEXANDER FORBES RF	581,028	0.53%
	TOTAL	96,823,987	87.53%

NAMES	TOTAL SHARES	% HOLDING
SCBN (PTY) LTD RE: BPOPF LEA PORTFOLIO CO AG	26,868,357	24.29%
FNBBN (PTY) LTD RE: BPOPF MORULA ACT MEM DEP EQ	13,913,223	12.58%
FNBB NOMS RE: BPOPF (Transition) MORULA B ACT DEF LE	11,120,376	10.05%
FNB BOTSWANA NOMINEES RE: MVA FUND	6,426,143	5.81%

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SHAREHOLDERS INFORMATION

SHAREHOLDER SPREAD (PUBLIC/NON PUBLIC)

	No. of shareholders	Total Shares	% Holding
Total	1,696	110,615,930	100.00%
Public shareholders	1,696	110,615,930	100.00%
Non Public shareholders	0	0	0.00%

Analysis of non public shareholders

Ms. Lorato Charity Morapedi	1	1,000	0.00%
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Spread by number of shares

	No. of shareholders	Shareholders	Total Shares	% Holding
< 2,000	1,375	81.07%	652,144	0.59%
2,001-5,000	132	7.78%	457,377	0.41%
5,001-10,000	43	2.54%	309,400	0.28%
10,001-50,000	56	3.30%	1,231,284	1.11%
50,001-100,000	23	1.36%	1,690,970	1.53%
100,001-500,000	41	2.42%	8,906,653	8.05%
> 500,000	26	1.53%	97,369,031	88.02%
	1,696	100.00%	110,616,859	100.00%

BSE performance

Total number of shares traded FY 2025	34,257,004
As a % of shares in issue	30.97%
Total value of shares traded	P1,237,168,897.61
Total number of trades	423
Average trade size (number of shares)	81,082
Share price 31 December 2024	P32.02
Share price 31 December 2025	P38.00
Growth in share price	18.68%
DCI 31 December 2024	10,049.11
DCI 31 December 2025	11,030.03
Growth in DCI	9.76%

SHAREHOLDER'S DIARY

Financial Year End – 31 December 2025
 Annual Audited Financial Statements Announcement – 31 March 2026
 Annual Report Posted – 5th June 2026
 Annual General Meeting – 26th June 2026
 Preliminary Half year results announcement – On or before 30 September 2026

DIVIDENDS

	Declared	Paid
Interim	September	October
Final	March	May

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NOTICE OF THE ANNUAL GENERAL MEETING

Notice is hereby given that the 2025 Annual General Meeting of SECHABA BREWERY HOLDINGS LIMITED will be held at 14:00 hours on Friday, 26 June 2026 via Microsoft Teams

AGENDA:

1. To read notice convening the meeting
2. Welcome and opening remarks by the Chairman.
3. Adoption of Agenda

A. ORDINARY RESOLUTIONS

4. **Resolution 1** - To receive consider and adopt the Audited Financial Statements for the year ended 31 December 2025 together with the Auditors Report.
5. **Resolution 2** - To consider and ratify the distribution of dividends declared for the year ended 31 December 2025 at 299.06 thebe per share composed of annual dividends of 141.58 thebe per share and special dividends of 157.48 thebe per share.
6. **Resolution 3** - To confirm the re-election of the following Directors of the company:
 - i. Lorato Charity Morapedi
 - ii. Gorata Tlhale Dibotelo
7. **Resolution 4** - To ratify the remuneration paid to Non-Executive Directors for the year ended 31 December 2025.
8. **Resolution 5** - To ratify the remuneration paid to the auditors, Grant Thornton Botswana for the year ended 31 December 2025..
9. **Resolution 6** - To reappoint Grant Thornton as the Company's External Auditors for the ensuing year and authorize the Directors to fix their remuneration.

B. SPECIAL RESOLUTION

10. **Resolution 7** – To receive, consider and approve the adoption of Sechaba Brewery Holdings Limited Constitution in terms of Section 43 (1) of the Companies Act, Cap 42:01 as amended (<https://www.bse.co.bw/sechaba/>).
11. To close the meeting.

A member entitled to attend and vote may appoint a proxy to attend and vote for him on his behalf and such a proxy need not be a member of the Company. The instrument appointing such a proxy must be deposited at the registered office of the Company at Plot 64511, Block B5, Unit 2, Fairgrounds, Gaborone, Botswana, or be sent by email to sechabainvestors@sbhl.co.bw not less than 48 hours before the meeting.

By order of the Board
Wise Leadership (Pty) Ltd
Company Secretary

05 June 2026

REGISTERED OFFICE:
Plot 64511, Block B5, Unit 2, Fairgrounds
P O Box 25684
Gaborone
Botswana

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NOTICE OF THE ANNUAL GENERAL MEETING

PROXY FORM
(To be completed by shareholders)
Please read the notes overleaf before completing this form

For use at the Annual General Meeting of shareholders of the company to be held virtually at 14:00 hours on Friday 26th June 2026.

I/We
(Name in block letters) _____

Of (address) _____

Hereby appoint _____

Or failing him/her _____

Or failing him/her, the Chairman of the meeting as my/our proxy to act for me/us at the 2026 Annual General Meeting, to vote for or against the resolutions and/or abstain from voting in respect of the shares registered in my/our name in accordance with the following instruction

NUMBER OF SHARES		FOR	AGAINST	ABSTAIN
Ordinary resolution 1	Agenda No 4			
Ordinary resolution 2	Agenda No 5			
Ordinary resolution 3 (Annexure)	Agenda No 6			
i. Lorato Charity Morapedi				
i. Gorata Tlhale Dibotelo				
Ordinary resolution 4	Agenda No 7			
Ordinary resolution 5	Agenda No 8			
Ordinary resolution 6	Agenda No 9			
Special resolution 7 (See Constitution)	Agenda No 10			

Signed at:
Date:

Signature:
Assisted by (where applicable)

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NOTICE OF THE ANNUAL GENERAL MEETING

Each Shareholder who is entitled to attend and vote at a General Meeting is entitled to appoint one or more persons as proxy to attend speak and vote in place of the Shareholder at the Annual General Meeting and the proxy so appointed need not be a member of the Company.

Please read notes 1-8 on the reverse side hereof

1. A Shareholder must insert the names of two alternative proxies of the Shareholders choice in the space provided with or without deleting "Chairman of the Annual General Meeting". The person whose name appears first on the form of proxy and whose name has not been deleted shall be entitled to act as proxy to the exclusion of those whose names follow.
2. A Shareholder's instruction to the proxy must be indicated by the insertion of the relevant number of votes exercisable by the Shareholder in the appropriate space provided. Failure to comply herewith will be deemed to authorize the proxy to vote at the General Meeting as he/she deems fit in respect of the Shareholders votes exercisable thereat, but where the proxy is the Chairman, failure to comply will be deemed to authorize the proxy to vote in favour of the resolution. A Shareholder or his/her proxy is obliged to use all the votes exercisable by the Shareholder or by his/her proxy.
3. The completion and lodging of this form will not preclude the relevant Shareholder from attending the General Meeting.
4. The proxies need to be received no later than 48 hours before the time of the meeting **(Wednesday the 24th June before 14.00 hrs)**.
5. The Chairman of the Annual General Meeting may reject or accept any form of proxy not completed and/or received other than in accordance with these notes provided that he/she is satisfied as to the manner in which the Shareholder concerned wishes to vote.
6. An instrument of proxy shall be valid for the Annual General Meeting as well as for any adjournment thereof, unless the contrary is stated thereon.
7. The authority of a person signing the form of proxy under power of attorney or on behalf of a company must be attached to the form of proxy.
8. Where Ordinary Shares are held jointly, all Shareholders must sign. A minor must be assisted by his/her guardian.

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ANNEXURE I Directors Profiles

PROFILE - MS. GORATA TLHALE DIBOTELO

Gorata has 15 years as a qualified legal practitioner, holding a Bachelor of Laws degree from the University of Botswana and a Master of Laws degree specialising in Commercial Law from the University of Cape Town. In addition, she has completed an Executive Development Programme with the University of Stellenbosch Business School.

She is currently the Group General Counsel & Board Secretary of Letshego Africa Holdings Limited, a Pan-African Financial Services Group operating in eleven countries, serving as the principal legal advisor to the Group in providing strategic and operational oversight on legal, regulatory, compliance and governance matters across diverse jurisdictions and regulatory environments. She furthermore provides secretariat services to the Group Board and supports the effective functioning of governance structures in accordance with applicable legislation and recognised principles of good corporate governance and international best practice, as well as advising the Group Board, sub-committees, senior management and external key stakeholders on legal, regulatory and governance matters in strengthening informed decision making and institutional accountability.

Her previous roles include, Head of Legal Services & Board Secretary at the Botswana Stock Exchange and prior to that, Associate Attorney at Armstrongs Attorneys. She has also lectured on a part-time basis at the University of Botswana.

Gorata currently serves on the following main boards as an Independent Non-Executive Director of Sechaba Brewery Holdings Limited, a Non-Executive Director on Kgalagadi Breweries Limited and Independent Non-Executive Director and Chairperson on the Botswana Competition and Consumer Authority Board.

PROFILE- MS. LORATO CHARITY MORAPEDI

Ms. Lorato Morapedi is a transformational leader who has successfully led strategic transformative projects both in the public and private sector. She is an astute business leader with 22 years executive management experience with 12 years of these as Chief Executive Officer at the National Development Bank with a key focus on governance, environment and sustainability. Some of the organisations she worked for include the Absa Bank (then Barclays Bank of Botswana), Citizen Entrepreneurial Development Agency (CEDA) and Botswana Examinations Council. In addition to being a board member at Sechaba Breweries Holdings Ltd, she is also a non-executive director in the board and Audit Committee for Coca-Cola Beverages Botswana. She has also served as a non-executive director in several institutions including Export Credit Insurance and Guarantee Company Botswana (BECI), ABM University College, Youth Alliance for Leadership & Development in Africa (YALDA), Local Enterprise Authority (LEA), Botswana

Institute of Bankers, Botswana Agricultural Science Professionals Association and The Business Place. She holds a MSc in Economics from the University of Illinois, USA, a Bachelor of Arts (Economics & Accounting) from the University of Botswana and she is also an Alumni of the London Business School. In recognition of her excellent leadership and contribution to the corporate world she was recognised as one of the 2019 Reset Global People Top 100 women CEOs in Africa and Botswana Celebrated Women in 2021.

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