G4S (Botswana) Limited

The Board and Management of G4S (Botswana) Limited ((G4S) hereby present to shareholders, the

Abridged Audited Financial Results

For the Year ended 31 December 2025

2025 ANNUAL PERFORMANCE

HIGHLIGHTS

	2025	2024	CHANGE
REVENUE	233,019,165	231,122,252	0.8% ▲
GROSS PROFIT	47,807,642	39,169,785	22.1% ▲
GROSS MARGIN	20.52%	16.95%	21.1% ▲

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2025

Figures in Pula	GROUP 2025	GROUP 2024
Revenue	233,019,165	231,122,252
Cost of goods sold	(4,888,945)	(9,592,043)
Cost of providing services	(180,322,578)	(182,360,424)
Gross profit	**47,807,642**	**39,169,785**
Other income gains	3,801,016	184,459
Net impairment losses on financial assets	(7,869,118)	(6,246,225)
Administrative expenses	(44,322,401)	(49,681,764)
Impairment loss on non-financial assets	(4,459,000)	-
Operating loss	**(5,041,861)**	**(16,573,745)**
Finance income	1,382,744	1,508,146
Finance costs	(537,773)	(982,841)
Loss before taxation	**(4,196,890)**	**(16,048,440)**
Taxation	(664,037)	1,699,376
Loss for the year	**(4,860,927)**	**(14,349,064)**
Other comprehensive income	-	-
Total comprehensive loss for the year	**(4,860,927)**	**(14,349,064)**
Loss attributable to:		
Owners of the parent	(5,168,255)	(14,620,947)
Non-controlling interest	307,328	271,883
	(4,860,927)	**(14,349,064)**
Total comprehensive loss attributable to:		
Owners of the parent of the company	(5,168,255)	(14,620,947)
Non-controlling interest	307,328	271,883
	(4,860,927)	**(14,349,064)**
Loss per share		
Per share information		
Basic and diluted loss per share (thebe)	(6.46)	(18.28)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED 31 DECEMBER 2025

Figures in Pula	GROUP 2025	GROUP 2024
Assets		
Non-Current Assets		
Property, plant and equipment	8,791,824	13,499,500
Right-of-use assets	4,217,902	10,275,499
Goodwill	4,430,000	8,889,000
Deferred tax	9,142,254	9,564,362
	26,581,980	**42,228,361**
Current Assets		
Inventories	6,576,311	4,594,507
Amounts due from related parties	54,129,574	53,678,919
Trade and other receivables	22,294,104	25,824,706
Current tax receivable	3,943,044	3,853,234
Cash and cash equivalents	16,414,067	13,181,685
	103,357,100	**101,133,051**
Total Assets	**129,939,080**	**143,361,412**
Equity and Liabilities		
Equity		
Equity Attributable to Equity Holders of Parent		
Stated capital	1,804,557	1,804,557
Retained income	72,414,278	77,582,533
	74,218,835	**79,387,090**
Non-controlling interest	**1,893,017**	**1,585,689**
	76,111,852	**80,972,779**
Liabilities		
Non-Current Liabilities		
Lease liabilities	1,084,233	1,634,544
Current Liabilities		
Trade and other payables	37,258,011	43,741,730
Amounts due to related companies	10,906,896	6,472,768
Lease liabilities	4,460,847	10,491,941
Provisions	117,241	47,650
	52,742,995	**60,754,089**
Total Liabilities	**53,827,228**	**62,388,633**
Total Equity and Liabilities	**129,939,080**	**143,361,412**

GENERAL INFORMATION

G4S (Botswana) Limited is a public limited company registered under the Companies Act, Chapter 42:01 of Botswana and domiciled in Botswana. G4S (Botswana) Limited is listed on the Botswana Stock Exchange and primarily operates in Botswana. These financial statements represent its statutory financial statements. The consolidated financial statements of the company comprise the company and its subsidiaries (together referred to as the 'Group').

BASIS OF PREPARATION

The consolidated 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 interpretations issued by the IFRS Interpretations Committee ("IFRIC") issued and effective at the time of preparing these consolidated and separate financial statements. The consolidated and separate financial statements ("the 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, which is the group's functional currency. These accounting policies are consistent with the previous period.

The financial statements have been prepared under the supervision of the Finance Director, Ms Tobile Lemo.

MATERIAL ACCOUNTING POLICIES

The accounting policies adopted are consistent with those of the previous financial year. Amendments to IFRS Accounting Standards effective for the financial year ending 31 December 2025 have been adopted during the year. New accounting standards and interpretations that have been published that are not effective for the 31 December 2025 reporting period have not been adopted by the Group. These standards are not expected to have a material impact on the entity or its transactions in the current or future reporting periods.

ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires Management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. 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. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Judgements and estimates were similar to those applied to the consolidated financial statements for the year ended 31 December 2024.

2025 HIGHLIGHTS AND FINANCIAL PERFORMANCE

Revenue for the year ended stood at P233.0 million, reflecting a marginal increase of 0.8% (P1.8 million) over the previous financial year. Revenue growth was primarily attributable to the Manned Guarding business unit, which outperformed the prior year by P9.1 million, a growth rate of 8.2%.

The Group's gross margin improved to 20.5% from 16.9% in the prior period, reflecting a 3.6% increase underpinned by stronger profitability across all key segments. On a divisional basis, Manned Guarding (MSS) achieved a 4.7% margin improvement over the prior year, followed by Electronic Security Systems (ESS) at 5.3% and Cash Solutions (CSS) at 1.9%.

Overhead expenses decreased by P5.4 million, or 10.8%, primarily driven by a reduction in Selling, General, and Administrative (SG&A) personnel costs. This positive variance reflects the benefits of the comprehensive corporate restructuring exercises implemented in 2024. Through these targeted efficiency measures, the Group successfully optimized its workforce structure, culminating in a permanent 28% reduction in core labour costs and a significantly leaner operational cost base.

The Group recorded a net impairment loss on trade receivables of P7.9 million, up from P6.2 million in the prior year. The Electronic Security Services (ESS) segment comprised 70% (P5.5 million) of this total, driven by its core retail customer base within alarm installations, monitoring, and maintenance. Conversely, the manned guarding, cash, and cleaning segments continue to demonstrate greater resilience, benefiting from a predominantly corporate client base.

In accordance with IAS 36, the Group conducted an impairment assessment of its non-financial assets during the period. This review was triggered by a sustained decline in the company's share price, which resulted in the Group's market capitalization falling below its net asset value - a recognized indicator of impairment. Consequently, an impairment loss of P4.5 million was recognized in the statement of profit or loss and other comprehensive income. This impairment charge was fully allocated to write down the goodwill associated with the MSS segment.

The Group's financial performance for the period demonstrates strong operational resilience. While profitability was largely weighed down by increased impairment charges on trade receivables and non-financial assets, this was successfully countered by disciplined cost management and margin expansion in core business units. As a result, the loss before tax was reduced by P11.9 million, or 73.8%, to stand at P4.2 million, compared to a loss before tax of P16.0 million in the previous year. This trajectory underscores Management's commitment to structural efficiency and a return to profitability.

MANNED GUARDING SERVICES (MSS)

The MSS division delivered a strong performance, with revenue increasing by 8.2% (or P9.1 million) year-on-year to reach P121.2 million. Top-line performance was significantly bolstered by positive net portfolio growth, underpinned by key competitive contract wins within the financial services sector.

On the operational side, the direct labor ratio contracted by 2.5% compared to the prior period. This efficiency was achieved through the execution of targeted labor optimization and workforce deployment strategies, which effectively enhanced overall operating leverage and drove gross margin expansion.

While the MSS segment continues to demonstrate consistent year-on-year growth and remains a core pillar of the Group's portfolio, it operates within a highly saturated market characterized by intense pricing competition. Furthermore, the business encounters structural headwinds, including specific tendering restrictions resulting from the Group's 70% foreign-ownership structure. Despite these regulatory and market challenges, Management maintains a bullish outlook for the division, continuously leveraging its premium brand equity to selectively pursue high-value, margin-accretive opportunities.

CASH SOLUTIONS & SERVICES (CSS)

The CSS division generated revenue of P62.1 million, reflecting a marginal contraction of 2.1% (or P1.3 million) against the prior year. This contraction was primarily attributable to the rationalization and strategic termination of certain low-yield contracts during the financial period.

Notwithstanding the lower volume of business, the CSS segment demonstrated exceptional resilience and pricing power, with gross margins expanding by 1.9% to close at 34.8% for the year, up from 32.9% in the prior period. This sustained profitability underscores the efficacy of the Group's strict cost-containment frameworks and its focus on high-margin service streams within the cash management ecosystem.

SECURITY SYSTEMS SERVICES (ESS)

Revenue within the Electronic Security Systems division experienced a decline, closing the period at P42.4 million down from P46.7 million in the prior year. This top-line contraction was, however, countered by robust profitability improvements at the gross margin level, which expanded by 530 basis points (5.3%) in 2025 to 33.8% from 28.5% in 2024.

This significant margin expansion was primarily underpinned by structural efficiencies achieved through the comprehensive optimization of the Group's alarm response fleet, which yielded substantial savings in direct vehicle operating costs. Furthermore, the business unit benefited from reduced fixed overheads and optimized labor costs following a strategic restructuring exercise successfully executed during the year. These combined interventions successfully decoupled profitability from revenue pressures, establishing a leaner and more agile operating model for the segment moving forward.

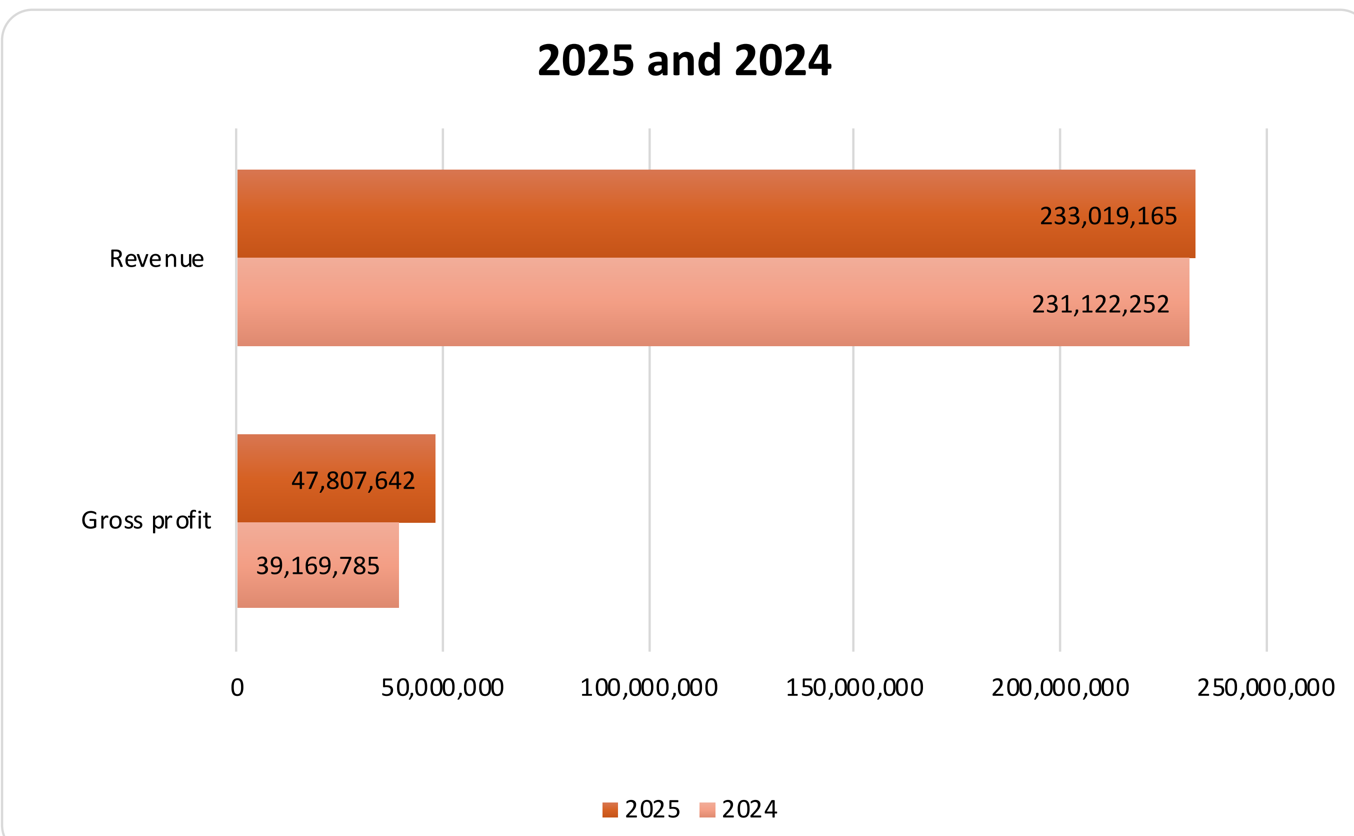
G4S (Botswana) Limited

Abridged Audited Financial Results

For the Year ended 31 December 2025

2025 ANNUAL PERFORMANCE

HIGHLIGHTS



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2025

Figures in Pula	Stated capital	Retained income	Total	Non controlling interest	Total equity
GROUP					
Balance at 01 January 2024	**1,804,557**	**92,203,480**	**94,008,037**	**1,313,806**	**95,321,843**
Loss for the year	-	(14,620,947)	(14,620,947)	271,883	(14,349,064)
Total comprehensive Loss for the year	**-**	**(14,620,947)**	**(14,620,947)**	**271,883**	**(14,349,064)**
Balance at 31 December 2024	**1,804,557**	**77,582,533**	**79,387,090**	**1,585,689**	**80,972,779**
Balance at 01 January 2025	**1,804,557**	**77,582,533**	**79,387,090**	**1,585,689**	**80,972,779**
Loss for the year	-	(5,168,255)	(5,168,255)	307,328	(4,860,927)
Total comprehensive Loss for the year	**-**	**(5,168,255)**	**(5,168,255)**	**307,328**	**(4,860,927)**
Balance at 31 December 2025	**1,804,557**	**72,414,278**	**74,218,835**	**1,893,017**	**76,111,852**

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2025

	GROUP	
Figures in Pula	**2025**	**2024**
Cash flows from operating activities		
Cash generated from operations	16,657,684	9,940,723
Tax (paid)/received	(331,739)	1,951,870
Net cash flows generated from operating activities	**16,325,945**	**11,892,593**
Cash flows utilised in investing activities		
Purchase of property, plant and equipment	(4,420,261)	(3,544,075)
Interest received	20,170	11,863
Net cash flows utilised in investing activities	**(4,400,091)**	**(3,532,212)**
Cash flows utilised in financing activities		
Cash repayments on lease liabilities-capital portion	(8,155,699)	(7,696,237)
Interest paid	(537,773)	(982,841)
Net cash flows utilised in financing activities	**(8,693,472)**	**(8,679,078)**
Total cash movement for the year	3,232,382	(318,697)
Cash and cash equivalents at the beginning of the year	13,181,685	13,500,382
Cash and cash equivalents at the end of the year	**16,414,067**	**13,181,685**

DELAYED SUBMISSION OF 2025 AUDITED ANNUAL FINANCIAL STATEMENTS

In line with Botswana Stock and Exchange regulations, the Group annual financial statements (AFS) were due to be published on 31 March 2026. The financial statements are being published at the beginning of July 2026, which has led to reduced shareholder confidence in the company as well as penalties and fines. Management regrets the delay which is a recurrence from 2023.

During the reporting period, a combination of key staff turnover and a reliance on manual internal workflows severely impacted the Group's data processing capabilities. These factors exposed ongoing weaknesses in internal financial controls around various financial statement account areas, namely: revenue recognition for the ESS segment, including trade accounts receivable, impairment of trade accounts receivable, impairment of non-financial assets including goodwill, leases, uniforms capitalised and value added tax. Addressing these complexities required extensive Management involvement, which directly caused the delay in completing the external audit and finalizing the financial statements.

The Board and Management of G4S Botswana Limited fully recognize that this non-compliance with regulatory principles is unacceptable. During this period regular updates were provided to the Regulator to ensure continuous transparency regarding the completion of the financial statements. We apologize to our shareholders and stakeholders and are taking immediate corrective action to regain market confidence. Work is actively ongoing to modernize our financial reporting ecosystem by replacing manual workflows with automated systems, improving key talent retention, and institutionalizing strict internal controls to ensure the future punctuality of audited financial statements.

Despite underperforming over the last four years, the Group maintains a robust balance sheet and stable cash flows, confirming our capacity to fund operations and future expansion. The Board has a clear, strategic vision to guide the Group back to profitability and resume dividend payments.

Leveraging our strong competitive advantage and resilient market share, G4S Botswana will focus on high-margin innovative products and services to drive future revenues. Simultaneously, we are aggressively driving operational efficiencies and resource optimization to reduce structural costs. We acknowledge external risks, such as local citizen empowerment policies, but have deployed robust mitigation plans. Our turnaround is focused on delivering long-term value to shareholders, protecting minority interests, and fostering transparent communication with the market.

SEGMENT REPORTING

Management identifies three of its five service lines as its operating segments. An operating segment is a component of the Group that engages in unique business activities from which it may earn revenues and incur expenses including revenues and expenses that relate to transactions with any of the Group's other components. The Group has three primary operating segments: Cash Solutions, Guarding Services and Electronic Security Services. Management generally follows the Group's service lines representing its main products and services in identifying these operating segments. Each of these operating segments is managed separately as each requires different technologies, marketing approaches and other resources. Segment performance is monitored using adjusted segment operating results. Revenue and assets of reportable segments exceed 10 percent of the consolidated revenue and assets reported by the Group.

EVENTS OCCURRING AFTER REPORTING DATE

As at the reporting date of 31 December 2025, the Group had begun the process of winding up its subsidiary, Access and Beyond Botswana Proprietary Limited. The subsidiary had been engaged in the business of selling security merchandise, ceased trading at the end of September 2025 and will be deregistered from the registrar of companies once all regulatory and compliance matters are finalised.

The Group continues to monitor market developments and internal indicators, and remains committed to strategic adjustments to preserve long-term value.

The Directors are not aware of any other material event which occurred after the reporting date and up to the date of approval of the consolidated and separate financial statements.

AUDITORS REPORT

The auditor, Deloitte & Touche, has issued its unmodified opinion on the consolidated and separate financial statements for the year ended 31 December 2025. The financial statements are available for inspection at the registered G4S (Botswana) Limited office. This publication has been extracted from these financial statements. The abridged financial information and any reference to future financial performance has however not been audited by the auditors.

CONCLUSION

The Directors are required in terms of the Botswana Companies Act, Chapter 42:01 to maintain adequate accounting records and are responsible for the content and integrity of the consolidated and separate financial statements and related financial information included in this report. In preparing the accompanying Company and Group financial statements, IFRS Accounting Standards as issued by the International Accounting Standards Board have been followed; suitable accounting policies have been used and applied consistently, and reasonable and prudent judgements and estimates have been made. Any changes in accounting policies are approved by the Board of Directors and effects thereof are fully explained in the financial statements.

The Directors have reviewed the Group and company budget and forecast cash flow for the year to 30 June 2027. On the basis of this review, and in light of the current financial position, the Directors are satisfied that the Group is a going concern and have continued to adopt a going concern basis in preparing the financial statements.

The Board recognises and acknowledges its responsibility for the Group's internal control system. The effectiveness of the internal control system is monitored through Management reviews and the internal auditors' review and testing of appropriate aspects of the internal control systems during the course of their internal audit review of the Company and Group.

The Directors have considered the results of these reviews and have noted that the control environment requires improvement and will continue to be a focal point within 2026. No breakdowns involving material loss have been reported to the Directors in respect of the year under review.

The external auditors have unrestricted access to the Board of Directors.

The annual financial statements for the year ended 31 December 2025 were authorised for issue by the Board of Directors on 29 June 2026.

By order of the Board of Directors

MS WINCEY RAMAPHOI
Board Chairperson

MR MOTHUSI MOLOKOMME
Managing Director

02 July 2026

REGISTERED ADDRESS: Plot 20584 Western Bypass P.O. Box 1488 Gaborone Botswana
AUDITORS: Deloitte & Touche, Twin Towers East Wing, Second Floor, Plot 2883, Fairgrounds, Gaborone, Botswana
BOARD OF DIRECTORS: Wincey Ramaphoi | Thabo Mathews | Mompati Kgaimena | Mothusi Molokomme | Tobile Lemo