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FOR IMMEDIATE RELEASE

25 November 2020

G4S TO RESUME DIVIDEND FOR 2021 WITH CLEAR POTENTIAL FOR SIGNIFICANT FURTHER CASH RETURNS TO SHAREHOLDERS

G4S plc (“G4S” or the “Company”) has today published its Second Defence Circular (“Circular”) in relation to the unsolicited Offer for G4S made by Garda World Security Corporation (“GardaWorld”).

Highlights:

- G4S is a global leader in security services
- Continued strong trading performance for 2020
- Momentum for 2021: 73% of revenue growth covered by new contracts already won
- Confidence in achieving financial targets, including:
 - o Revenue growth of 4-6% per annum
 - o Profit⁽¹⁾ margin expansion to 7% in the medium term⁽²⁾
 - o Free cash flow in excess of £1bn from 2021-2025⁽²⁾
 - o Leverage of 2.0-2.5x
- Resume dividend for 2021 and beyond
- Clear potential for significant further cash returns to shareholders
- Potential for significant re-rating

John Connolly, Chairman of G4S, said:

“G4S has a bright future as an independent company with significant value upside for shareholders.

The Board believes that G4S has significant potential to re-rate as a result of its above-market growth outlook, higher margins from integrated security services and the material value upside in Retail Cash Solutions.

The Company’s resilient performance and positive outlook enables it to resume the dividend for 2021 and provides clear potential for significant further cash returns to shareholders.

The GardaWorld Offer does not remotely reflect G4S’s fundamental value, let alone its value to GardaWorld and BC Partners. We urge shareholders to take no action in relation to GardaWorld’s Offer.”

Ashley Almanza, Chief Executive Officer of G4S, said:

“G4S has fundamentally refocused and repositioned its business and is today a global leader in security services with an unmatched market footprint and industry-leading capabilities. Our sustained focus on technology and high value integrated security clearly differentiates G4S in the marketplace and has delivered robust results in the first nine months of this year with

strong cash flow and underlying earnings ahead of last year. Our momentum remains very good with contracts won and retained year to date that have an annual value of £2.5 billion.

G4S is now well-positioned to accelerate sustainable profitable growth, and we are confident that we will deliver our financial targets including free cash flow in excess of £1 billion from 2021 to 2025.⁽²⁾ That confidence is reflected in our intention to resume dividends for 2021.”

The Circular, which is attached, can also be accessed via www.g4s.com/seconddefence.
A copy of this announcement will be available at www.g4s.com/gardaresponse.

The letter from the Chairman of the Board of G4S to G4S shareholders, set out in the Circular, is extracted below.

LETTER TO G4S SHAREHOLDERS FROM THE CHAIRMAN OF G4S

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25 November 2020

Dear Shareholder,

I wrote to you on 29 October 2020, setting out the reasons why the Board of G4S unanimously rejected GardaWorld’s wholly inadequate Offer of 190 pence per share on the basis that it significantly undervalues G4S and is not in the interests of shareholders and other stakeholders. I am writing to you today to update you on the Company’s position, performance and prospects. We continue to urge you to reject GardaWorld’s Offer.

G4S is an outstanding business with excellent prospects. This document sets out why we have a high degree of confidence in our ability to deliver value for our shareholders and our other stakeholders:

- **We are confident in achieving our financial targets, including:**
 - Revenue growth of 4-6% per annum
 - Profit⁽¹⁾ margin expansion to 7% in the medium term⁽²⁾
 - Free cash flow in excess of £1bn from 2021-2025⁽²⁾
 - Leverage of 2.0-2.5x
- Reflecting our confidence in the Company’s outlook, we intend to **resume dividends for 2021 and beyond**
- We are committed to disciplined capital allocation. There is **clear potential for significant further cash returns to shareholders**, arising from both strong free cash flow generation and any disposal proceeds.

As the equity market recovers from the pandemic, and as we successfully execute on our strategic and financial plan, we firmly believe that G4S is well positioned to re-rate, at least

in line with the valuation multiple of Securitas, our closest peer.

We believe that GardaWorld and BC Partners have a clear understanding of the strengths of G4S and recognise that G4S is well positioned to generate substantial free cash flow for you, our shareholders. GardaWorld is seeking to use G4S's strong balance sheet and healthy cash flows to finance their purchase of your Company. Furthermore they are capitalising on the impact of COVID-19 on UK equities to make an opportunistic and wholly inadequate Offer.

We strongly urge shareholders to take absolutely no action in relation to GardaWorld's Offer.

G4S is an outstanding business

G4S is a global leader with a clear and compelling strategy. We have an unmatched global footprint and an excellent position in the growing market for security. The Group's global blue-chip customers provide a high quality revenue base and we continue to leverage technology and software alongside risk consulting and data analytics services to deliver integrated security solutions for our customers. We also have a unique, high margin, rapidly growing Retail Cash Solutions business which offers substantial value upside for shareholders.

We are immensely proud of our global workforce of over half a million people who work tirelessly to keep our customers and communities safe.

You own an outstanding business with a bright, independent future.

Confidence in achieving our financial targets

As a result of the fundamental repositioning of the Company and the strength of our competitive capabilities we are confident in our ability to meet our financial targets. The competitive strength of the Company is reflected in the excellent performance of the business in 2020 which has remained robust in the face of the global pandemic. Our underlying earnings for the 9 months to 30 September 2020 were ahead of the same period for 2019 and since then the Group has continued to trade well. This performance together with contracts won and retained, with an annual value of £2.5 billion, and a strong pipeline of additional opportunities provide us with substantial confidence in the outlook for 2021.

Our highly competitive Integrated Security offering and our Retail Cash Solutions business provide us with confidence that we can grow revenues faster than the market, at 4-6% per annum.

We are confident about enhancing our PBITA margin with a clear path to 7% in the medium-term⁽²⁾. This is underpinned by an increasing proportion of revenues coming from our higher margin G4S Integrated Security offering, which combines technology, consulting and data analytics; from operational leverage as we grow our business; and from cost saving programmes.

As a result, we are also confident in our ability to deliver more than £1bn of free cash flow from 2021-2025⁽²⁾.

Confidence in our ability to return significant cash to G4S shareholders

The positive outlook for free cash flow generation enables us to resume dividends for 2021, while targeting leverage in the range of 2.0-2.5x. Specifically:

- **Dividends to resume for 2021 onwards:** the Board intends to resume dividends from 2021 onwards, in line with its existing dividend policy of attaining 2.0x cover; and

- **Allocation of surplus capital:** we are committed to disciplined capital allocation. There is clear potential for significant further cash returns to shareholders, arising from both strong free cash flow generation and any disposal proceeds.

G4S is well positioned for a significant re-rating

The Board believes that G4S has significant potential to re-rate, in particular:

- G4S has been fundamentally repositioned and today is a focused global leader in security;
- Our Secure Solutions business (93% of revenues) has a large Integrated Security business which is driving above market growth;
- In Retail Cash Solutions we have created a substantial, high-growth business with material value upside;
- The Company's performance and prospects already compare very favourably with its closest peer, Securitas, which has traded at a 3 year average multiple of 10.5x LTM EBITDA pre COVID-19; and
- The positive outlook for free cash flow generation supports significant cash returns to shareholders.

In addition, the recent positive movement in global equity markets, above all in relation to value stocks, reflects the improving macro- economic outlook.

GardaWorld's Offer does not remotely reflect G4S's fundamental value, let alone its value to GardaWorld and BC Partners

In 2019, BC Partners, now the majority shareholder of GardaWorld, paid a multiple of 11.2x LTM EBITDA for its acquisition of GardaWorld. The 190p Offer for G4S is very significantly below this value at 7.7x LTM EBITDA, despite G4S being a far superior business to GardaWorld.

GardaWorld would benefit immeasurably from the global scale that G4S would provide and from very significant operational and financial synergies. The Offer captures these benefits for BC Partners and GardaWorld, without providing you, the owners of G4S, with fair value.

Acquiring G4S at a significant discount to fair value would quite simply allow BC Partners and GardaWorld to acquire a global leader in security at your, our shareholders', expense.

TAKE NO ACTION

Your Board believes that G4S has a bright future as an independent company with significant value upside for G4S shareholders.

Your Board, which has been so advised by Citi, J.P. Morgan Cazenove, Goldman Sachs and Lazard (the "Financial Advisers") as to the financial terms of the Offer, believes that GardaWorld's Offer significantly undervalues G4S. In providing their financial advice to the Board, the Financial Advisers have taken into account the Board's commercial assessments. Lazard and Citi are providing independent financial advice to the Board for the purposes of Rule 3 of the Takeover Code.

Accordingly, the Board unanimously recommends that you should take no action in relation to the Offer and that you should not sign any document which GardaWorld or its advisers send to you. Your Directors will not be accepting GardaWorld's Offer in respect of their own beneficial shareholdings.

Yours sincerely,

John Connolly
Chairman of the Board of Directors

Unless otherwise stated, the words and phrases used in this announcement have the meanings given to the appendices of the Circular. For further details of the sources of information and bases of calculation of the numbers set out in this announcement please refer to "Bases and Sources" in the Circular.

(1) PBITA

(2) Aspirational target which should not be construed as a profit forecast under the Takeover Code or interpreted as such.

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Media Advisers

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Notes to Editors:

G4S is the leading global security company, specialising in the provision of security services and solutions to customers. Our mission is to create material, sustainable value for our customers and shareholders by being the supply partner of choice in all our markets.

G4S is quoted on the London Stock Exchange and has a secondary stock exchange listing in Copenhagen. After taking account of the businesses being sold in the year, G4S is active in more than 80 countries and has around 533,000 employees. For more information on G4S, visit www.g4s.com.

Important Notices

Citigroup Global Markets Limited ("Citi"), which is authorised by the Prudential Regulation Authority ("PRA") and regulated in the UK by the Financial Conduct Authority ("FCA") and the PRA, is acting exclusively for G4S and no one else in connection with the matters set out in this announcement and will not regard any other person as its client in relation to the matters in this announcement and will not be responsible to anyone other than G4S for providing the protections afforded to clients of Citi nor for providing advice in relation to any matter referred to herein.

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Disclosure Requirements

Under Rule 8.3(a) of the Code, any person who is interested in 1% or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10th business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in 1% or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain

details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8 of the Code. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3 of the Code.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4 of the Code).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

Rule 26.1 Disclosure

In accordance with Rule 26.1 of the Code, a copy of this announcement will be available at www.g4s.com, by no later than 12 noon (London time) on the business day following this announcement. The content of the website referred to in this announcement is not incorporated into and does not form part of this announcement.