



GEMFIELDS

Full Year Results

For the year ended 31 December 2023

PUBLISHED 25 MARCH 2024

This document, which has been compiled by Gemfields Group Limited (the “Company”), comprises written materials and information regarding the Company, including its business, results of operations and possible prospects. This document does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, any shares in the Company, its shareholders or affiliates, in the United Kingdom, the United States nor any other country, nor may it or any part of it nor the fact of its distribution form the basis of, or be relied on in connection with, any contract or investment decision in relation thereto, nor does it constitute a recommendation regarding the shares of any group member.

No reliance may be placed for any purposes whatsoever on the information contained in this document or on its completeness, or lack thereof. In particular, any data or figures presented in this document may not have been audited and should therefore be treated with due caution. No representation or warranty, express or implied, is given by or on behalf of the Company, the Group their respective advisors or representatives as to the accuracy or completeness of the information or opinions contained in this presentation. None of the Company, the Group, their advisors or representatives shall have any liability whatsoever (in negligence or otherwise) for any loss whatsoever arising from any use of this document, or its contents, or otherwise arising in connection with this document.

This document and its contents contain information that is commercially sensitive, confidential and must not be reproduced, redistributed or passed on, directly or indirectly, to any other person or party or published, in whole or in part, for any purpose. The document is only being made available on the condition of confidentiality.

Certain statements in this presentation, or given in response to questions, may constitute forward-looking statements. These statements relate to future events or future performance and reflect the Company’s assumptions regarding the growth, results of operations, performance and business prospects and opportunities of the Company.

In particular, any statements regarding the Company’s objectives, plans and goals involve forward-looking statements. We caution you that any forward-looking statements are just estimates. They are not guarantees of future performance and involve manifold risks and uncertainties. A number of factors could cause actual events, performance or results to differ materially from what is indicated in the forward-looking statements. There can be no assurance that actual events, performance or results will be consistent with these forward-looking statements, and the Company’s assumptions may prove to be incorrect. The Company does not intend, and, subject to any legal or regulatory requirements, does not assume any obligation, to update or revise forward-looking statements to reflect new events or circumstances.

Our Mission

Gemfields strives to be the global leader in African emeralds, rubies and sapphires, promoting transparency, trust and responsible mining, while creating a positive impact for our host communities and countries.

Our Strategic Objective

Gemfields strives to be ***the*** standard for African emeralds, rubies and sapphires

Our Strategic Priorities

Safety first

Drive
shareholder
value

Invest for
growth

Improve our
efficiency

Develop our
infrastructure

Increase
prices of our
gemstones

Partnership
with local
governments

Exciting outlook - considerable investment for near term growth

Second highest annual revenues

- Robust total revenue in 2023: USD 262 million.
- Considerable capital investment = negative free cash flow.
- 2023 dividend of USD 10 million declared. Payable June 2024.

One emerald auction withdrawn, but gemstone prices remain strong

- Healthy prices paid at 2023 auctions for our rough gemstones.
- Lower production of premium emeralds and rubies in 2023.
- One higher-quality emerald auction withdrawn due to lower production.

2024 is a year of investment

- Second processing plant at MRM: fundamentally on schedule and on budget despite heavy rains and insurgency.
- Gemfields' largest-ever investment aims to significantly boost MRM.
- Capital expenditure will be heightened into early 2025.

2023 Full Year Results - Finance Review

DAVID LOVETT, CFO

GEMFIELDS



A Story in Every Gemstone | *Discover more about Gemfields and Fabergé at [gemfieldsgroup.com](https://www.gemfieldsgroup.com)*

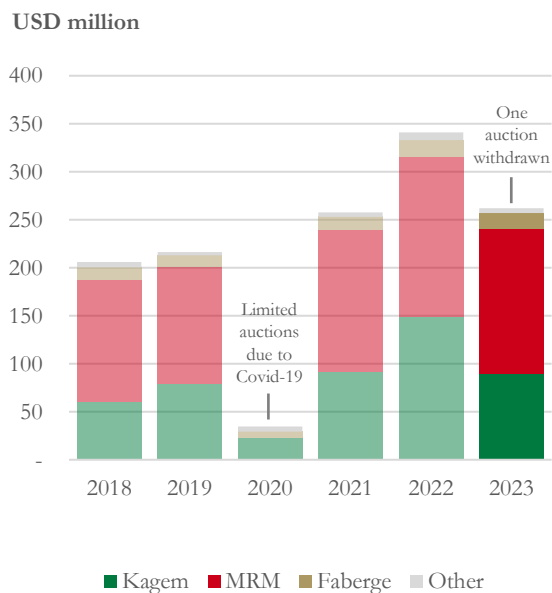
Financial Performance

GEMFIELDS

A GOOD YEAR. WITHDRAWN NOVEMBER 2023 EMERALD AUCTION IMPACTED REVENUE AND EBITDA

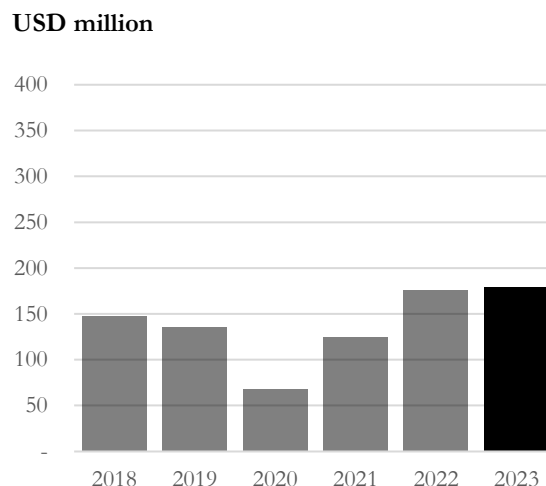
Revenues USD

262 million ▼ 23%
2022: 341 million



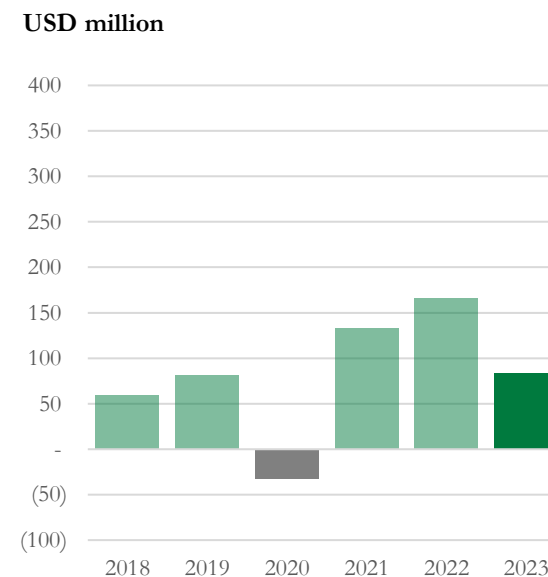
Operating expenses USD

179 million ▲ 2%
2022: 175 million



EBITDA¹ USD

83 million ▼ 50%
2022: 166 million



¹ Operating expenses – Operating costs and cost of sales per cash flow statement

² EBITDA, adjusted to exclude one-off impairments to inventory and fair value gains or losses

Financial Performance

GEMFIELDS

INVESTING IN THE BUSINESS AND RETURNING CAPITAL CONTINUES – WITH ONE LESS AUCTION IN 2023

Adjusted Earnings Per Share

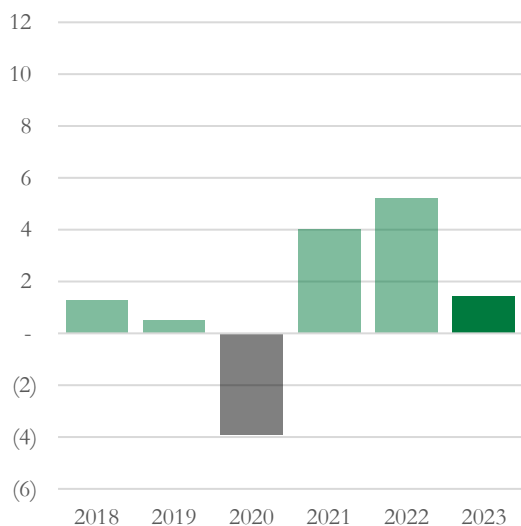
USDc

1.5 cents

72%

2022: 5.2 cents

USD cents per share



Free Cash Flow¹

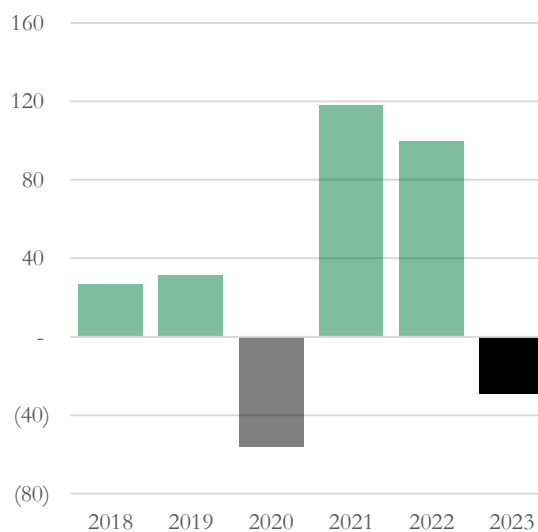
USD

(29 million)

-

2022: 99 million

USD million



Net Cash²

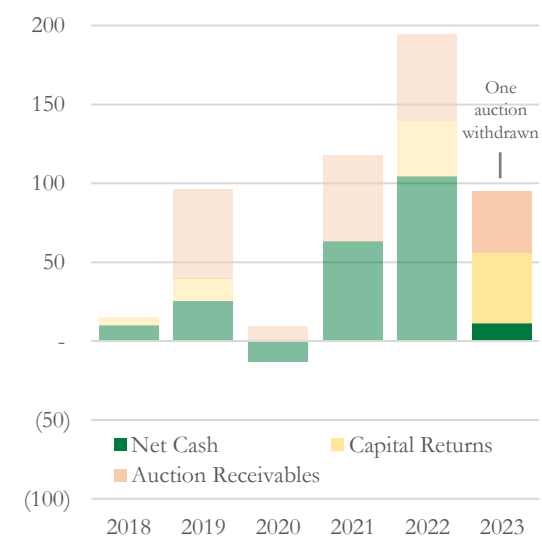
USD

11.1 million

89%

2022: 104.5 million

USD million



Group Revenue – Second Highest Year Ever

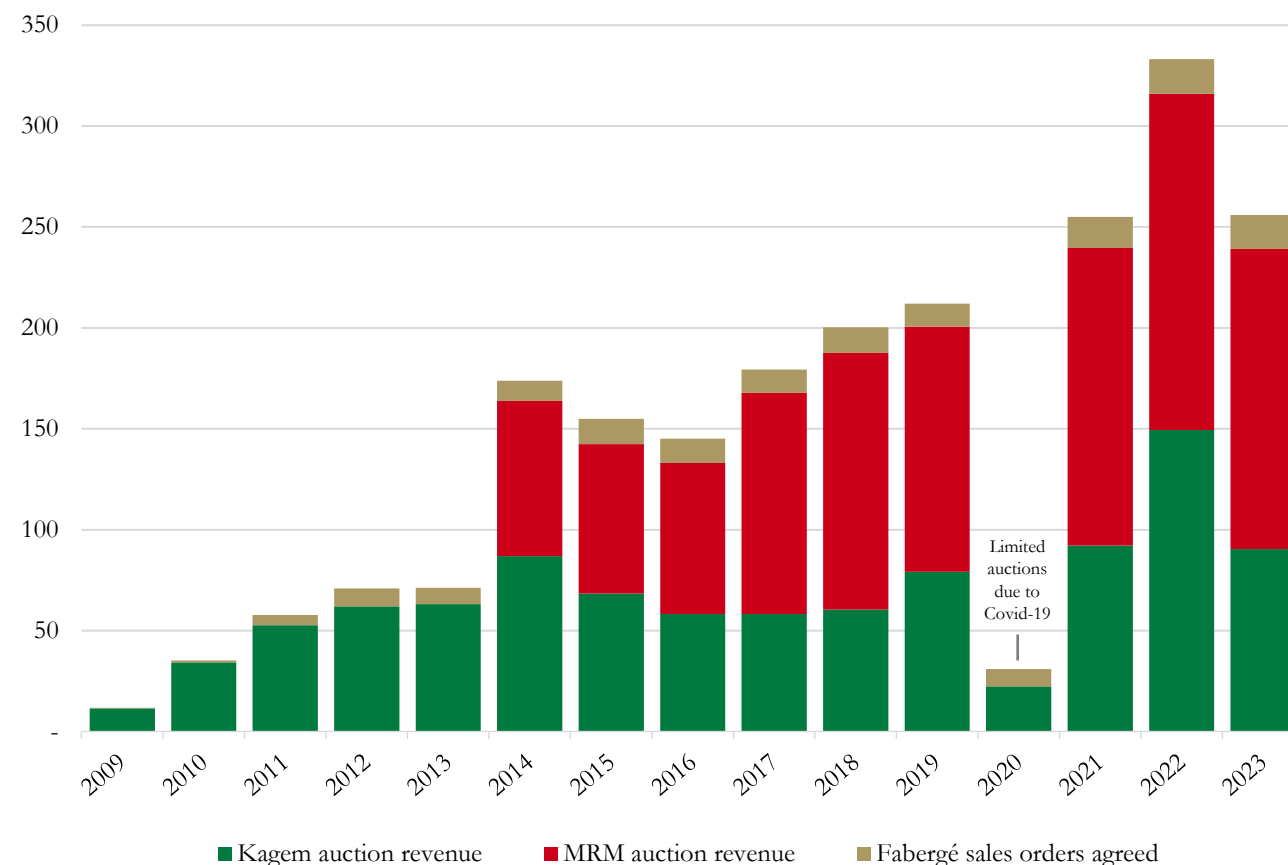
GEMFIELDS

2023 FULL YEAR RESULTS - FINANCE REVIEW (NOVEMBER 2023 EMERALD AUCTION WITHDRAWN)

KAGEM & MRM AUCTION REVENUE + FABERGÉ SALES ORDERS AGREED

USD MILLION, ANNUAL

USD million



Fabergé Revenue

USD 16 million

Down 11% vs 2022

MRM Revenue

USD 151 million

Down 9% vs 2022

Kagem Revenue

USD 90 million

Down 40% vs 2022

Gemfields - Total

USD 262 million

Down 23% vs 2022

Operating Costs Remain Heightened; Inflation Easing

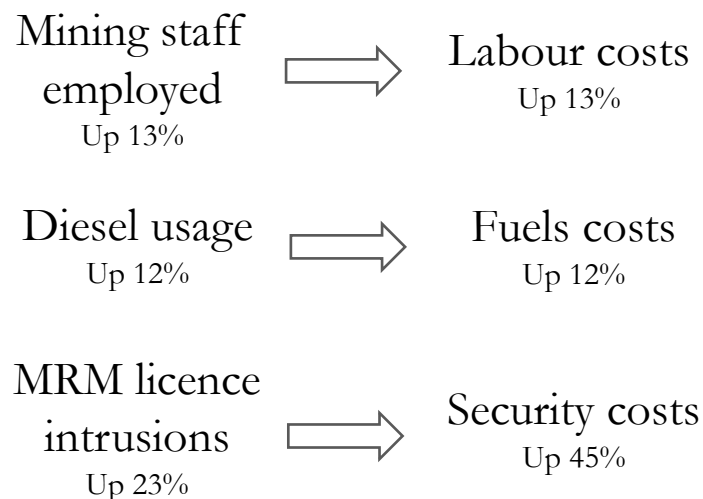
GEMFIELDS

2023 FULL YEAR RESULTS - FINANCE REVIEW

Group

Operating Costs
 USD 178.9 million
 Up 2% vs 2022

*Cost rises relate to
 growth in mining activities*

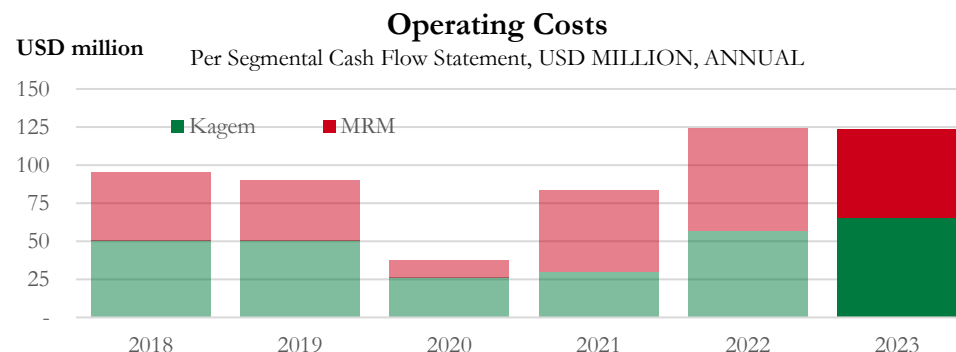


Kagem

Operating Costs
 USD 65.7 million
 Up 16% vs 2022

MRM

Operating Costs
 USD 58.1 million
 Down 14% vs 2022



EBITDA Margin

14.4%
low due to withdrawn auction
 2022: 49.4%

EBITDA Margin

50.9%
MRM's record margin
 2022: 49.7%

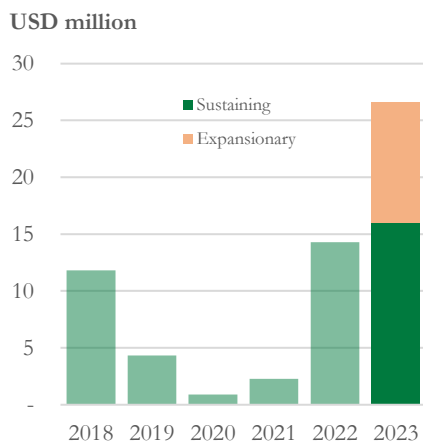
Capital Expenditure: Investing For Growth

GEMFIELDS

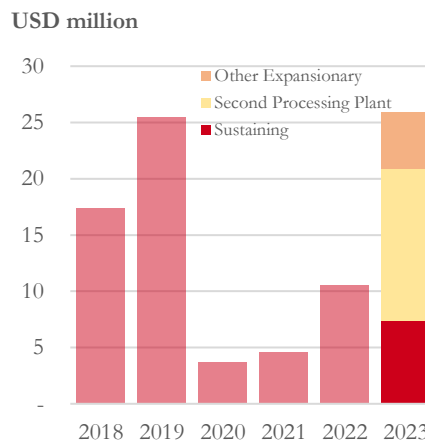
2023 FULL YEAR RESULTS - FINANCE REVIEW

Historic (2018-2023)

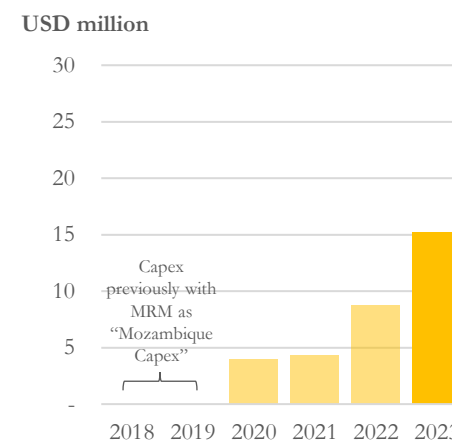
Kagem



MRM



Development Assets



Near term (2024-2025)

- a) Heightened catch-up sustaining capex to continue into 2024
- b) Wash plant rebuild will complete in H1 2024 increasing throughput to 75 tonnes per hour from 50 tph

- a) Second processing plant: USD 42 million expected in 2024; USD 7 million in H1 2025
- b) Expect steady sustaining and other expansionary capex

- a) Investing in ruby development projects adjacent to MRM: particular focus on Eastern Ruby Mining (“ERM”)
- b) Expanding exploration and processing activities

MRM's Second Processing Plant

Construction underway and is progressing well

ON SCHEDULE

ON BUDGET

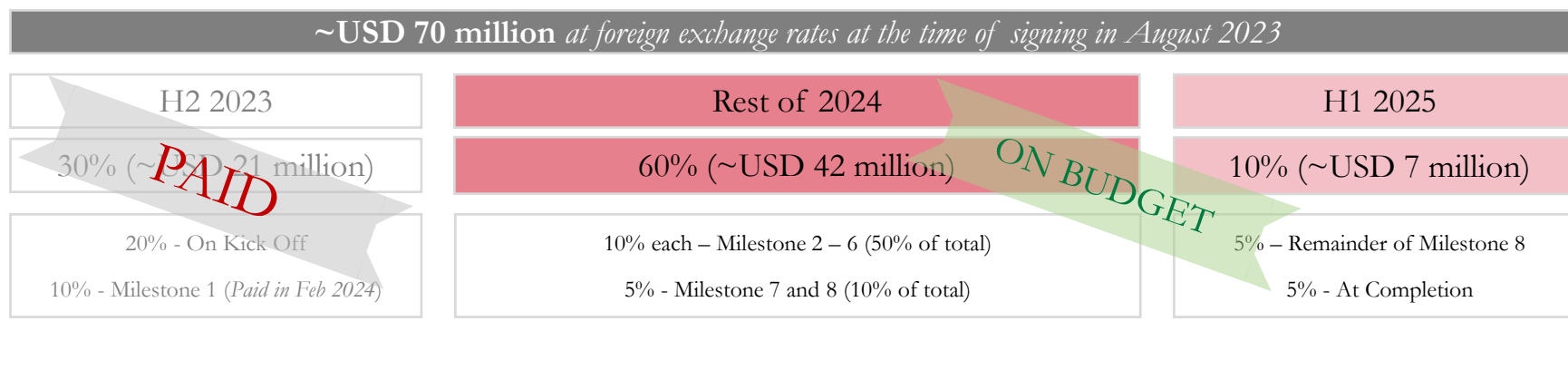
Triples MRM's processing capacity from *200 tonnes per hour* to *600 tonnes per hour*

- a) 'Lump-sum turnkey' contract
- b) Due to be **funded** entirely from **cash resources** and **in-country debt**
- c) Expected to become **operational** in the **first half of 2025**



MRM SECOND PROCESSING PLANT – CONSTRUCTION AND CAPEX TIMETABLE

COSTS ARE PRIMARILY IN ZAR. USD USED FOR REPORTING.



Strategic Rationale

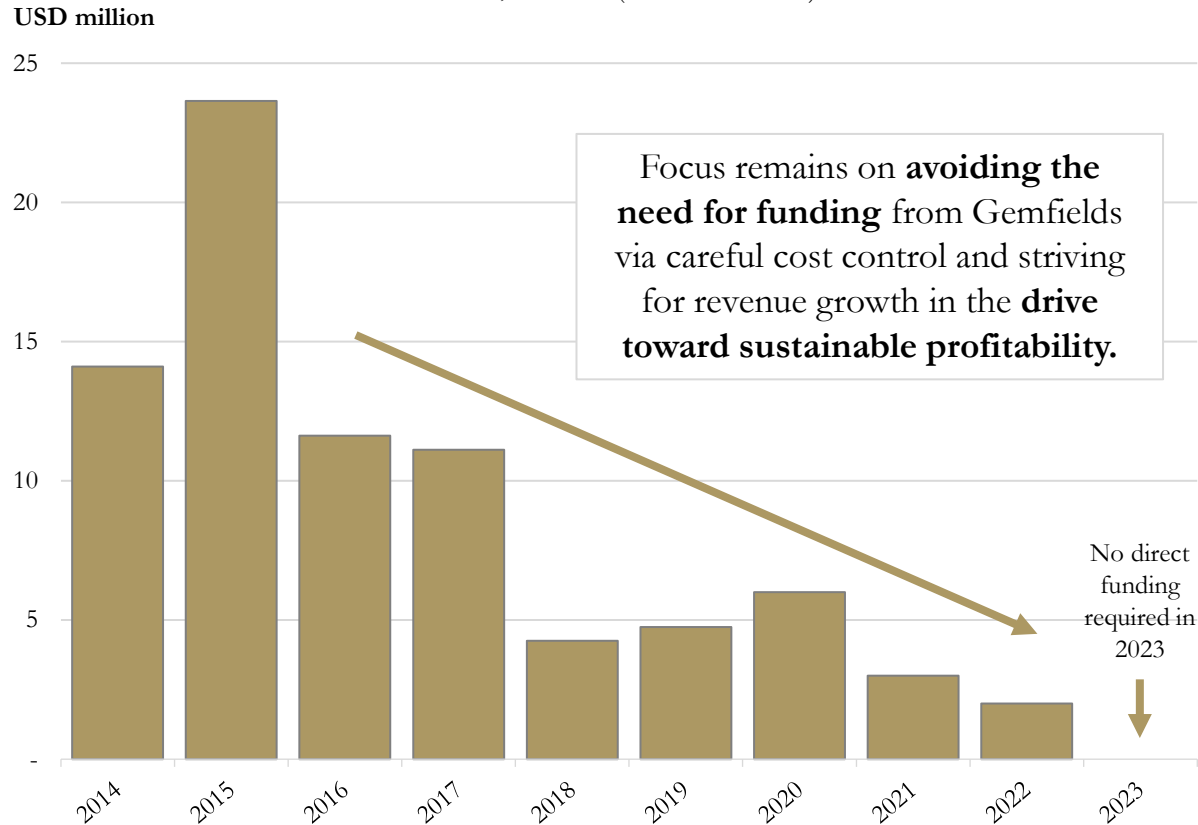
- MRM already has a sizable stockpile of ruby ore to process
- Brings to market additional sizes and colour variations of rubies - previously not practical given limited processing capacity
- Explore more of MRM's untapped licence areas (with currently only ~10% included within the life-of-mine calculation¹⁾)

Fabergé – No Direct Funding Required in 2023

2023 FULL YEAR RESULTS - FINANCE REVIEW

FUNDING REQUIRED BY FABERGÉ

USD MILLION, ANNUAL (UNLESS STATED)



2023 Revenues

USD 15.7 million

Down 11% vs 2022

2023 Operating Costs

USD 9.8 million

Up 7% vs 2022

Cash required from Gemfields in 2023:

Zero

Note: At acquisition by Gemfields in Jan 2013, Fabergé had USD 11.6 million in cash. Gemfields first provided funding to Fabergé in November 2013

Note: Costs is 'Selling, general and administrative expenses'

Capex & Large Cash Tax Bill Drive Negative Free Cash Flow

GEMFIELDS

2023 FULL YEAR RESULTS - FINANCE REVIEW

1 JANUARY 2023 TO 31 DECEMBER 2023	KAGEM USD'000	MRM USD'000	DEVELOPMENT ASSETS USD'000	FABERGÉ USD'000	CORPORATE USD'000	OTHER USD'000	TOTAL USD'000
Revenue	89,925	151,379	–	15,653	916	4,146	262,019
Operating costs and cost of sales ¹	(65,747)	(58,055)	(1,649)	(19,313)	(27,365)	(6,809)	(178,938)
Marketing, management and auction costs	(11,240)	(16,284)	–	–	27,524	–	–
EBITDA	12,938	77,040	(1,649)	(3,660)	1,075	(2,663)	83,081
<i>Add back:</i> Change in inventory and purchases	3,240	(4,030)	–	9,685	917	3,534	13,346
<i>Add back:</i> Costs capitalised to intangible assets	–	–	(8,140)	–	–	–	(8,140)
Tax paid	(16,647)	(38,956)	–	–	(1,613)	(36)	(57,252)
Capital expenditure	(26,580)	(25,885)	(7,102)	(135)	(46)	(411)	(60,159)
Free cash flow before working capital movements	(27,049)	8,169	(16,891)	5,890	333	424	(29,124)
Working capital movements ²	(2,439)	(6,082)	(1,092)	(5,358)	2,619	5,777	(6,775)
Free cash flow³	(29,488)	2,087	(17,983)	532	2,952	6,001	(35,899)
Cash generated from operations	15,437	67,330	(2,715)	1,108	4,847	6,477	92,484
Tax paid	(16,647)	(38,956)	–	–	(1,613)	(36)	(57,252)
Capital expenditure	(26,580)	(25,885)	(15,242)	(135)	(46)	(411)	(68,299)
Foreign exchange	(1,698)	(402)	(26)	(441)	(236)	(29)	(2,832)
Free cash flow	(29,488)	2,087	(17,983)	532	2,952	6,001	(35,899)

← *November 2023 higher-quality emerald auction was withdrawn due to lower production*

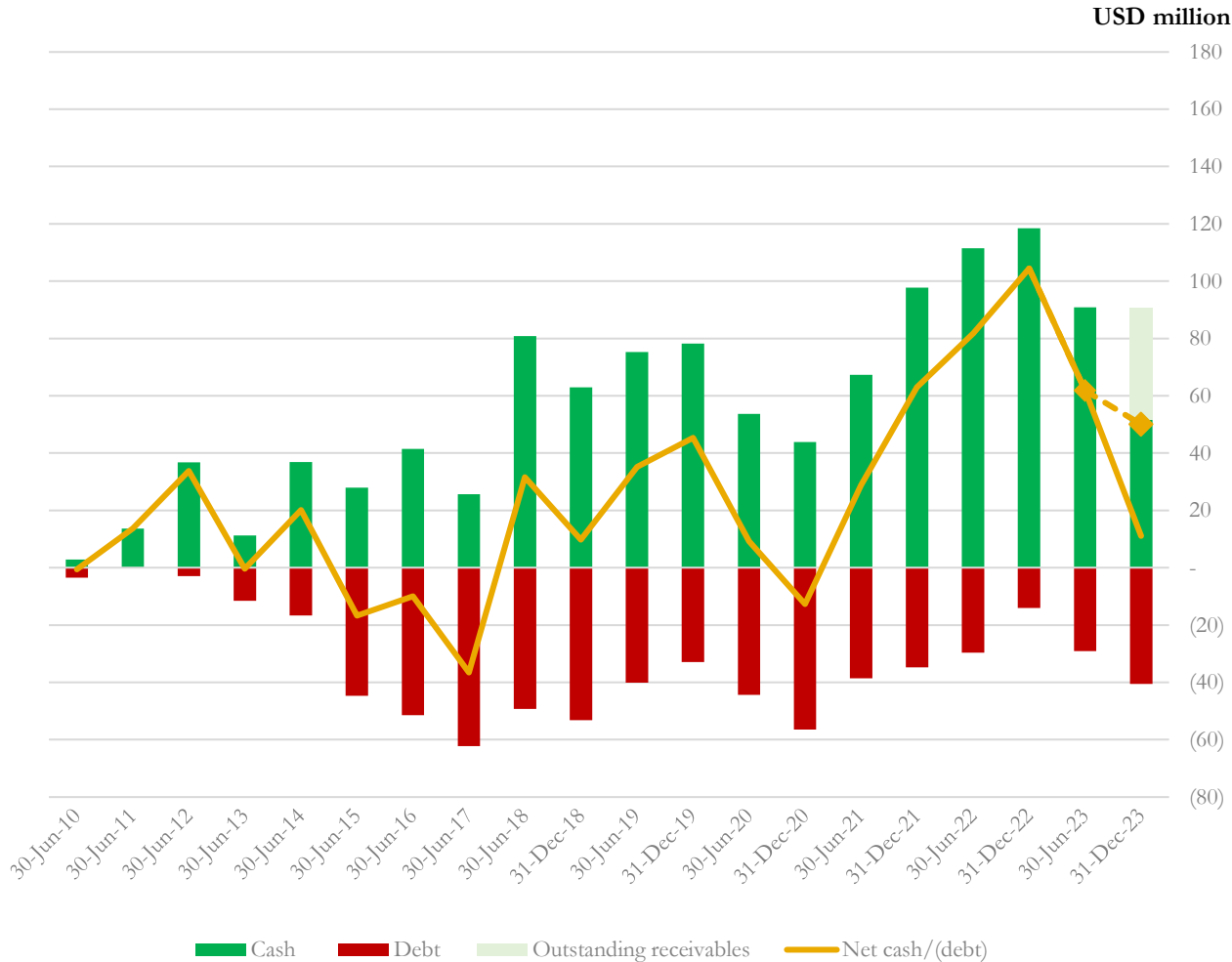
← *Tax paid in year includes USD 29.4 million relating to 2022*

← *Heightened capex as set out on slides 12-14*

Note: For details on ¹, ² and ³, please see on page 153 of the 2023 Annual Report

Net Cash Lower Due To Considerable 2023 Cash Usage

2023 FULL YEAR RESULTS - FINANCE REVIEW



At 31 December 2023

Gross cash: USD 51.6 million
 Gross debt: 40.5 million
Net cash: USD 11.1 million

Outstanding auction receivables:
 USD 38.5 million
**Net cash with auction
 receivables: USD 49.6 million**

**100% of 2023 auction
 receivables received**

Note: Net cash / (debt) yellow line excludes auction receivables. Yellow marker for 31 December 2023 is net cash/(debt) with auction receivables

2023 Final Dividend Declared:

USD 10,000,000

~USDc 0.857 per share

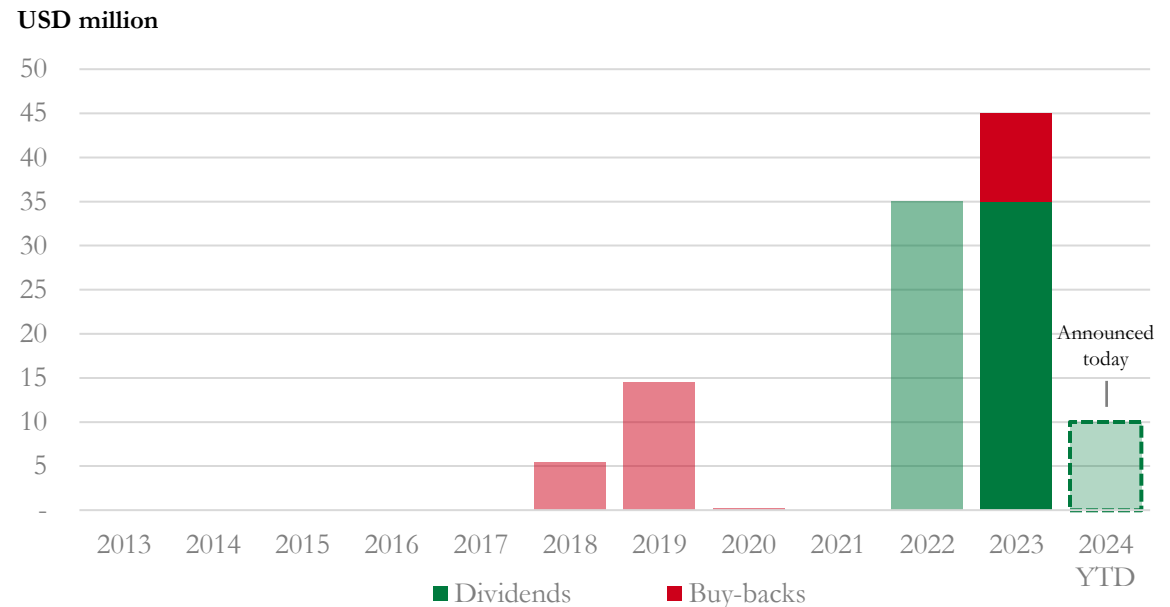
At 31 December 2023 market cap this is a 5% yield

Payable in June 2024

Capital Allocation Priorities in 2024

- a. Invest for growth
- b. Continue annual dividends
- c. Careful management of debt in 2024 given construction of MRM's second processing plant

CAPITAL RETURNS TO SHAREHOLDERS
CAPITAL RETURNED, USD MILLION, PER CALENDAR YEAR

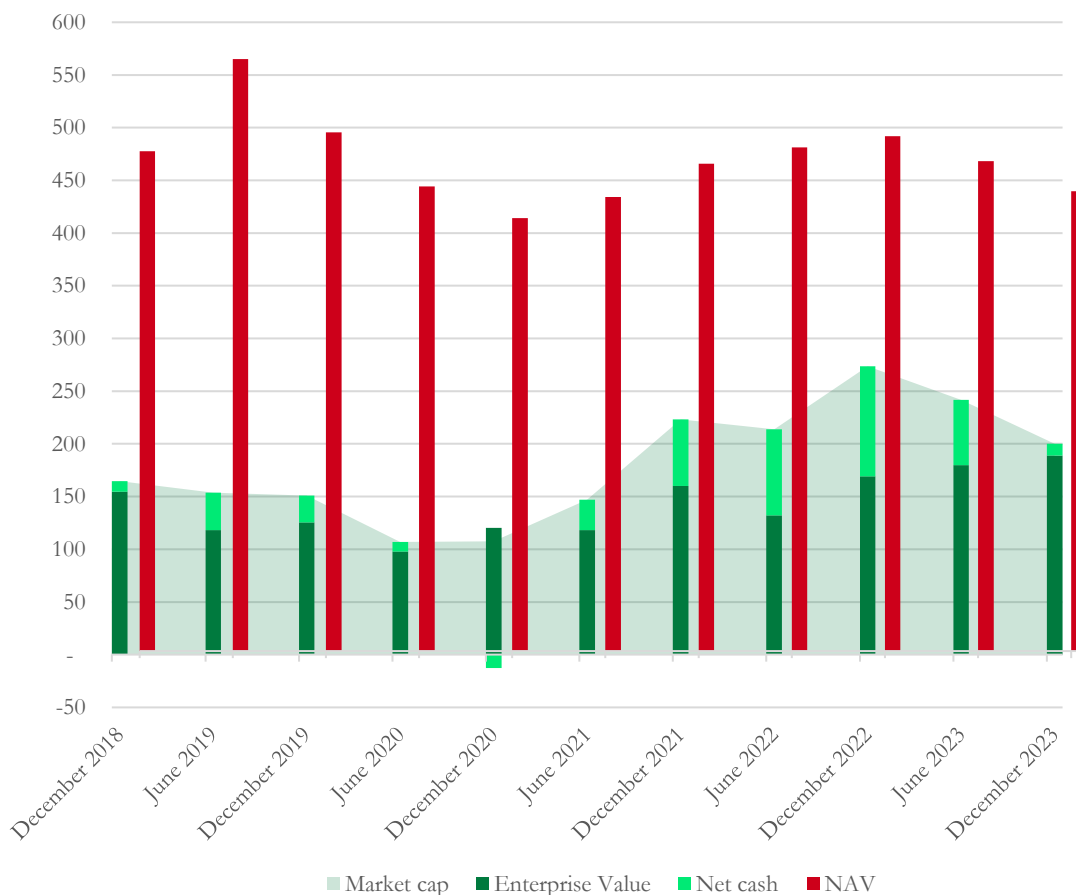


Gemfields sits at a considerable discount to Net Asset Value

STRONG INVESTMENT OPPORTUNITY

- a) Gemfields' market cap is **less than 50% of its Net Asset Value**
- b) Enterprise value is at a **5-year high**
- c) **USD 90 million** returned to shareholders since the start of 2022, including last year's USD 10 million buyback and the upcoming USD 10 million dividend

ENTERPRISE VALUE, NET CASH, MARKET CAP & NET ASSET VALUE
USD MILLION



Outlook and Summary

- a) 2023 delivered robust revenue generation despite the withdrawal of the November 2023 higher-quality emerald auction
- b) Challenges in 2023: lower quality and quantity of premium emerald production at Kagem; lower quantity of premium ruby production at MRM; Sedibelo devaluation
- c) Investment for growth across the Group continues:
 - i. MRM's second processing plant: another 60% of the USD 70 million of capex due during 2024
 - ii. Debt will rise at MRM to fund construction of the second processing plant
- d) Exciting investment and production outlook in 2024/5**

2023 Full Year Results - Operational Review

SEAN GILBERTSON, CEO

GEMFIELDS



A Story in Every Gemstone | *Discover more about Gemfields and Fabergé at gemfieldsgroup.com*



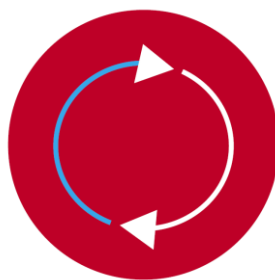
1

Responsible Mining

Approach to ESG

Listed company
accountability

Transparent auctions



2

Consistent Supply

Scale of mines

Proprietary grading
system



3

African Partner of Choice

G-Factor for Natural
Resources

Prefer partnership with
governments



4

Mine and Market

Marketing of coloured
gemstones

Owner of iconic luxury
brand Fabergé – a key
tool for marketing
coloured gemstones



Why is our approach to responsible mining important to our customers?

- a) Luxury brands increasingly audit their suppliers
- b) This demands considerable transparency and requires well developed processes
- c) **May result in brands not purchasing gemstones from certain producers**

42 internal ESG KPIs and targets set in 2023



Target

Reducing reliance on diesel generators by:

Advancing plans for a captive solar power plant at MRM by end of 2023



Result

Progression of captive solar power plant. Next steps in March 2024 after a review by an external third-party auditor

Our ESG Strategy Framework





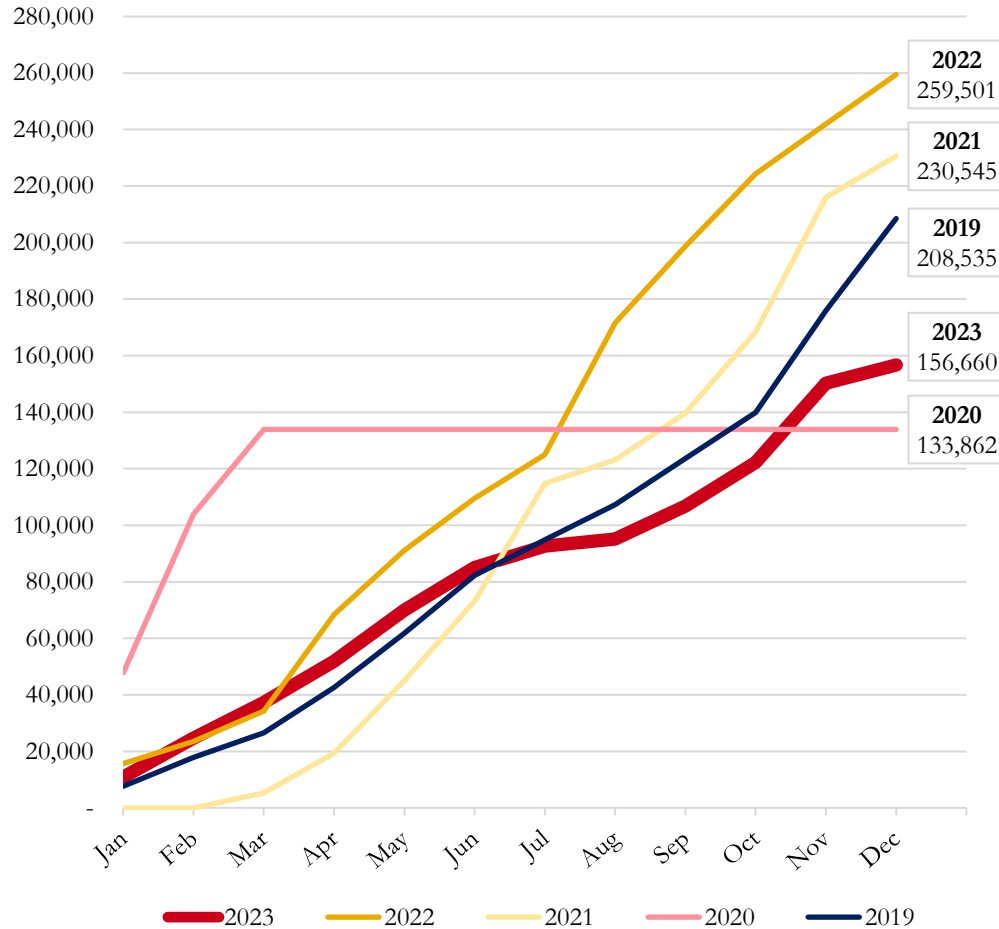
Normal Auction Schedule Expected in 2024 – 6 Auctions

	2023				2024			
	March	June	September ¹	December	March	June	September	December
Emerald	Commercial	Higher	Commercial	Higher	Commercial	Higher	Commercial	Higher
Auction revenue	USD 21.2m	USD 43.7m	USD 25.5m	<i>Withdrawn from schedule</i>	USD 17.1m	<i>Scheduled</i>	<i>Expected</i>	<i>Expected</i>
Price per carat	USD/carat 7.13	USD/carat 165.55	USD/carat 7.51		USD/carat 4.45			
Ruby		Mixed		Mixed		Mixed		Mixed
Auction revenue		USD 80.4m		USD 69.5m		<i>Scheduled</i>		<i>Expected</i>
Price per carat		USD/carat 265.99		USD/carat 290.02				

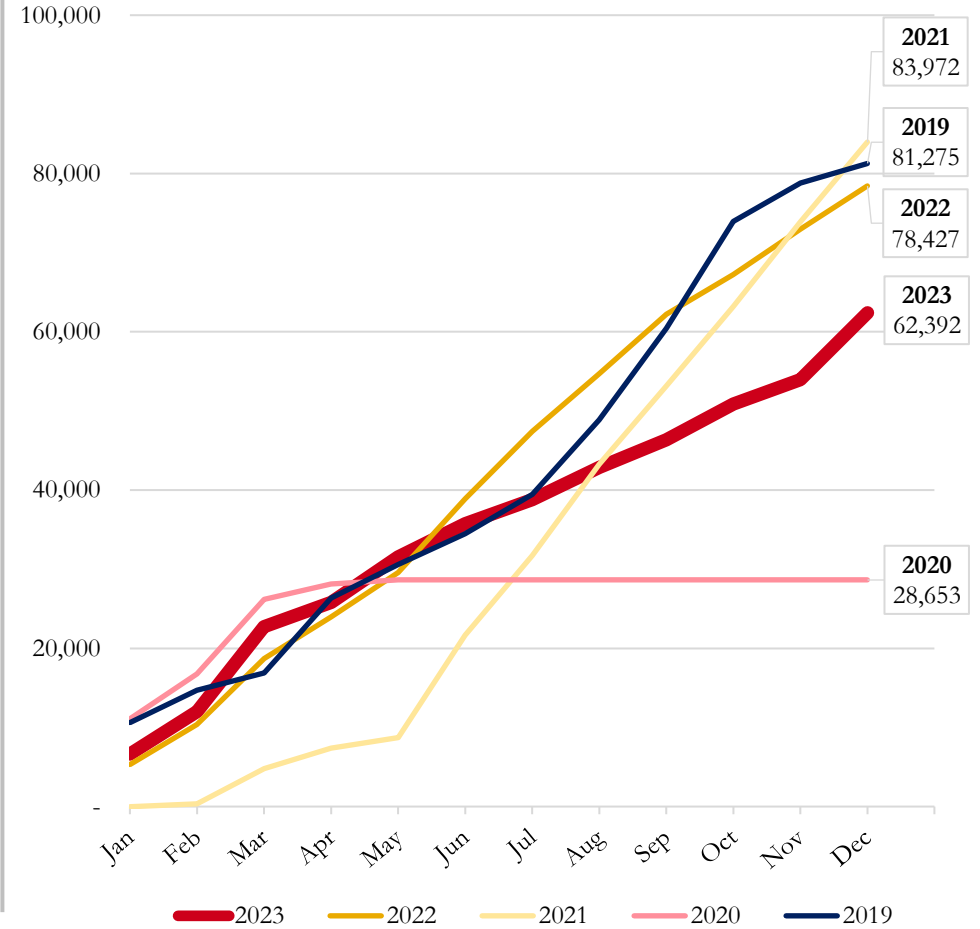
Auctions continue to depend on the quality and quantity of production of a natural and unpredictable product



CUMULATIVE PREMIUM EMERALD PRODUCTION CARATS, BY CALENDAR YEAR

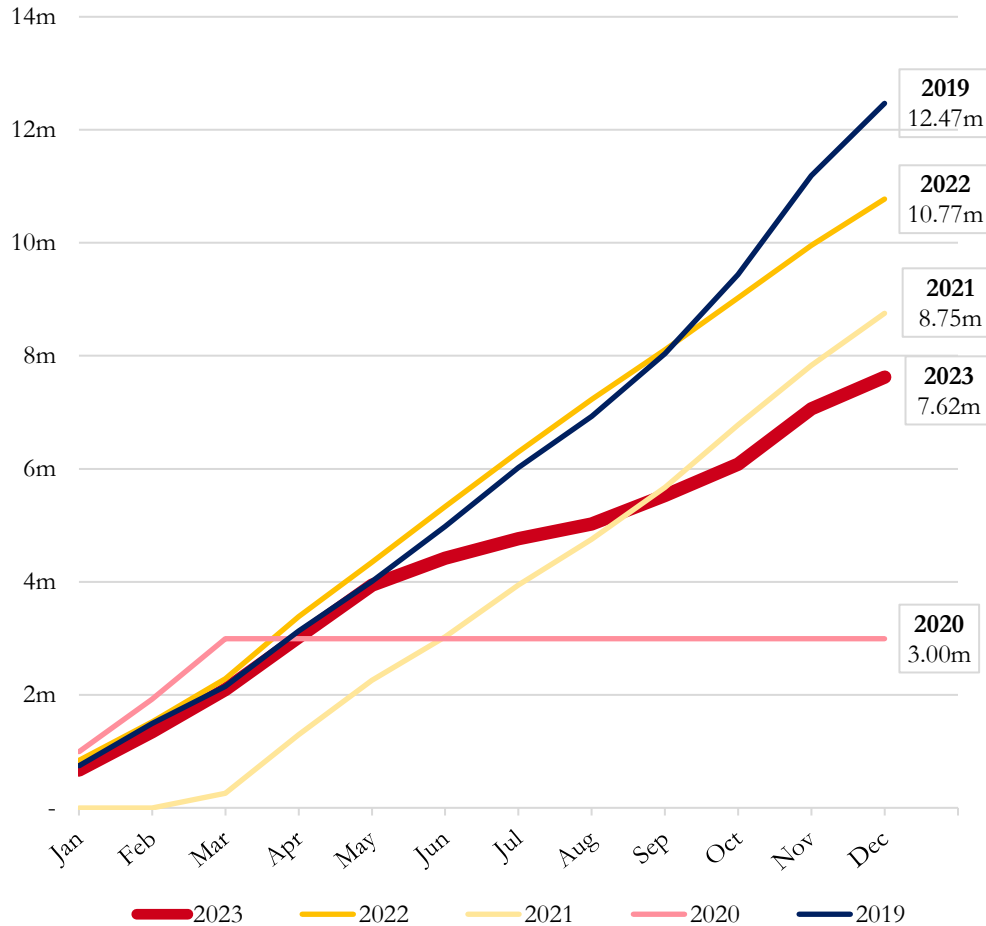


CUMULATIVE PREMIUM RUBY PRODUCTION CARATS, BY CALENDAR YEAR

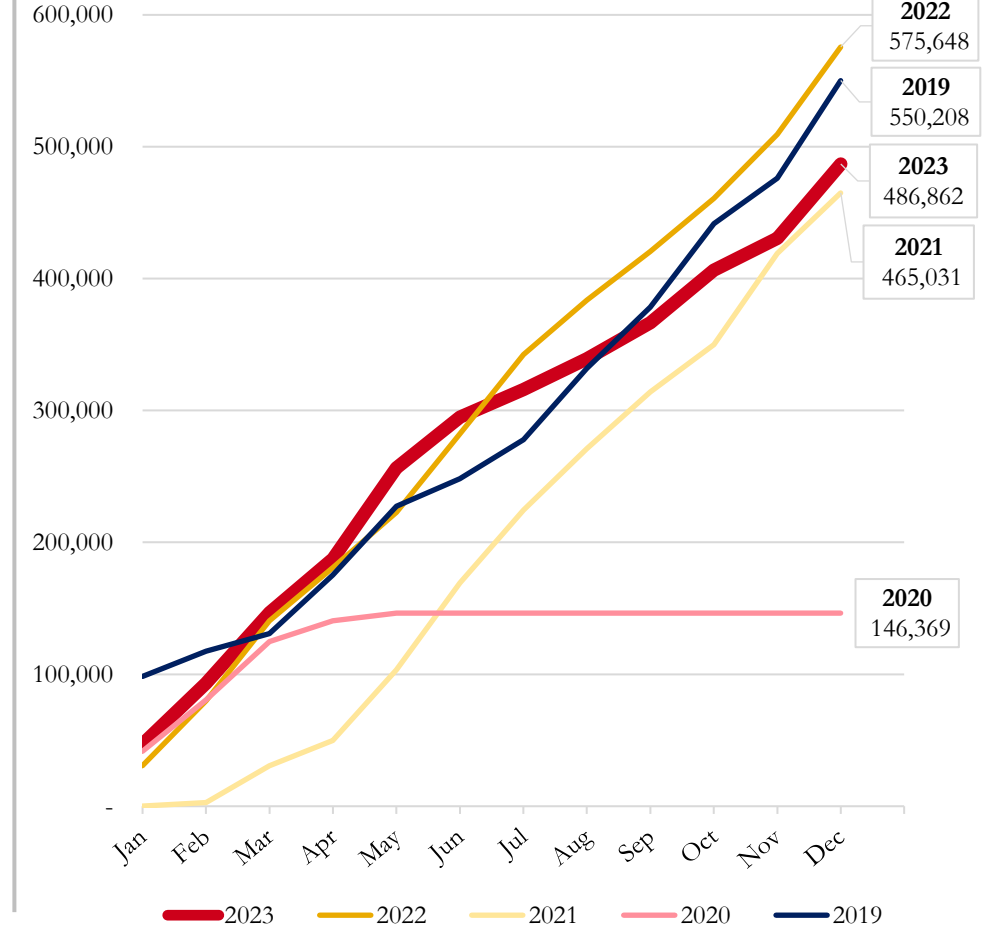


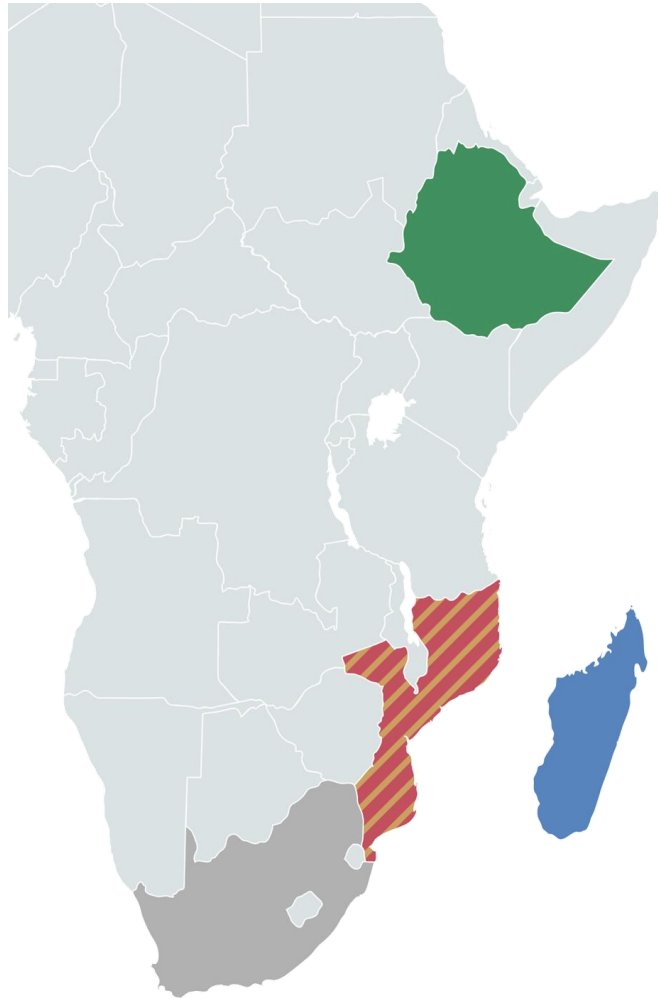


CUMULATIVE EMERALD PRODUCTION CARATS, BY CALENDAR YEAR



CUMULATIVE RUBY AND TUMBLE RUBY PRODUCTION CARATS, BY CALENDAR YEAR





Ethiopia (*Emeralds*)

- a. No current ambitions to operate in Ethiopia
- b. Operating conditions unsuitable
- c. Licences continued to be held

Madagascar (*Sapphires*)

- a. Presence to be established in 2024
- b. Assessing possible acquisitions
- c. No current sapphire mines operating at considerable scale

Mozambique (*Rubies and Gold*)

- a. Investing in various ruby projects (MML, NMML, ERM, CDJ)
- b. Nairoto gold project actively exploring (*see next slide*)

South Africa (*Platinum Group Metals*)

- a. Legacy 6.54% equity stake in Sedibelo Resources Limited
- b. Stake for sale. Sedibelo is privately owned and not operating
- c. Value in GGL accounts reduced from USD 32m to USD 4m



Actively Exploring to Establish Gold Resources

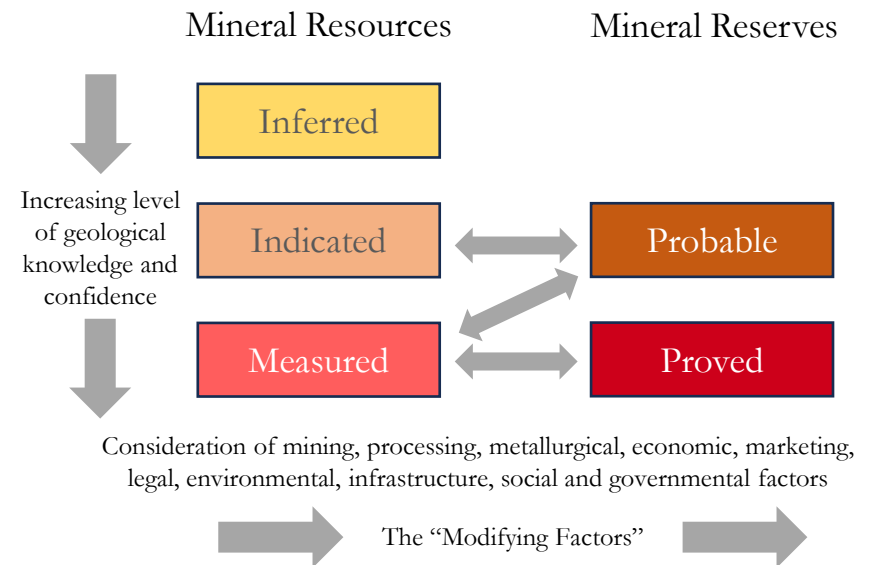
2020 – Project becomes fully functional, stopped shortly after due to Covid-19

2022 – First year of full activity post Covid-19

2023 – External assessment of initial exploration results, focusing on “Target Locations”

2024 – Further exploration via a reverse-circulation and diamond drilling programme with bulk sampling to work towards a gold resources statement at key “Target Locations”.

Understanding resources and reserves



Gemfields does not have ambitions to become a long-term gold producer. Focus remains on coloured gemstones.



Mine and Market

FABERGÉ

GEMFIELDS

Unique Fabergé partnerships with leading brands multiply marketing impact

Fabergé x 007 collection
in partnership with EON

Launching **today** 25 March 2024



Collaborated with
Regent Seven Seas Cruises
to create unique Fabergé egg



Fabergé x Game of Thrones
High Jewellery collection
featuring MRM rubies





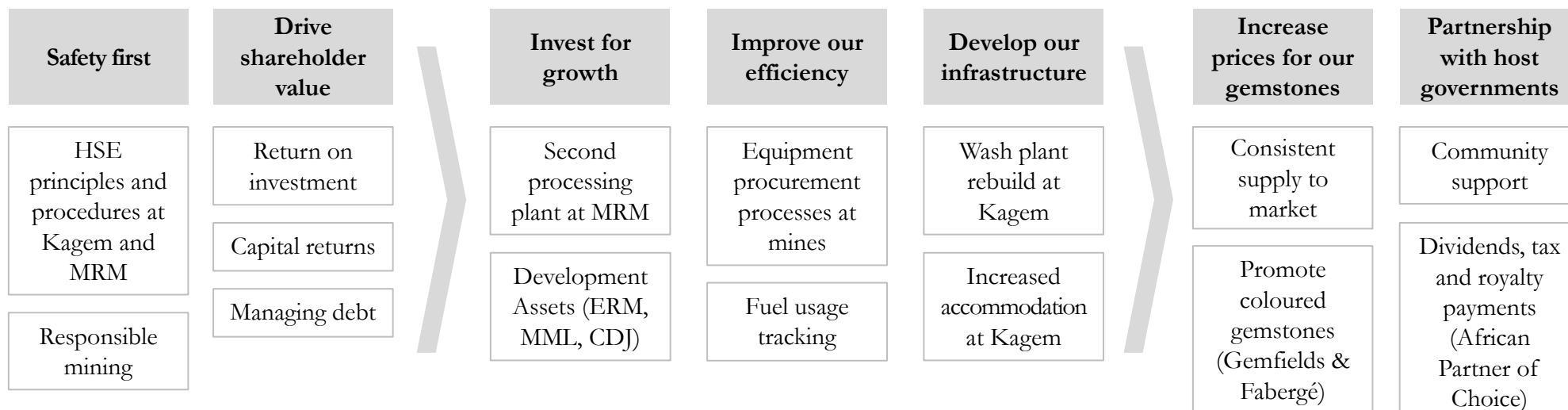
Our Mission

Gemfields strives to be the global leader in African emeralds, rubies and sapphires, promoting transparency, trust and responsible mining, while creating a positive impact for our host communities and countries.

Our Strategic Objective

Gemfields strives to be **the** standard for African emeralds, rubies and sapphires

Our Strategic Priorities



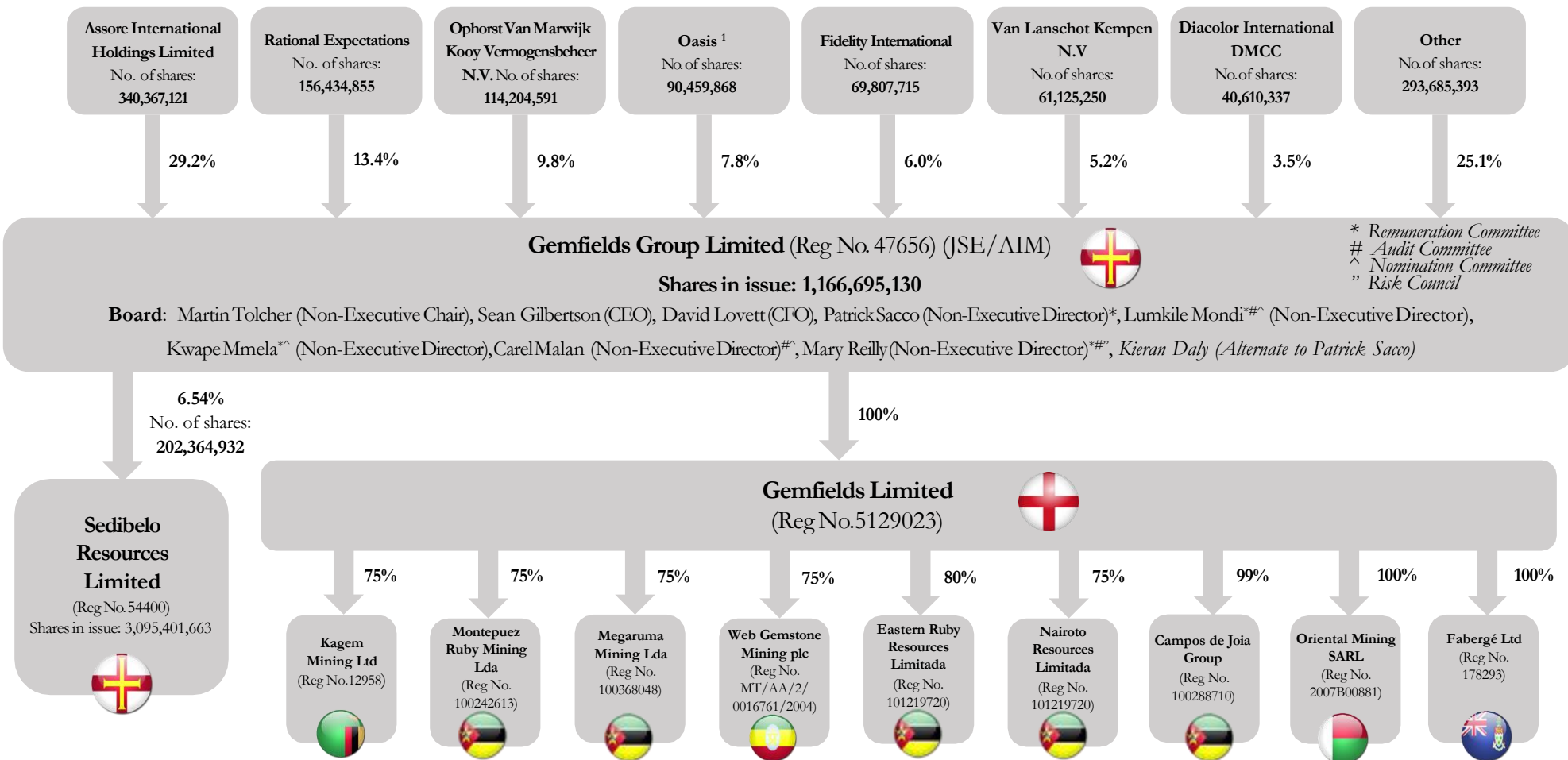
Exciting outlook - considerable investment for near term growth



Gemfields Group Limited

GEMFIELDS

CORPORATE STRUCTURE – AS AT 25 MARCH 2024



1 The Oasis shareholding includes interests held by Oasis Asset Management and Oasis Crescent Capital
2 Shareholdings based on 30 December 2023 analysis - Source: Nasdaq

Gemfields is a world-leading **responsible miner** **and marketer** of **coloured gemstones**

Responsible Mining

We implement industry-leading policies and practices across operations, with a transparent auction process, aiming to create a positive impact for the communities around our mines

Mine and Market

We operate sector-leading mines at Kagem and MRM and own the iconic Fabergé brand, allowing us to promote coloured gemstones to end customers via brand collaborations and stronger media interest.

Coloured Gemstones

We specialise in mining rough coloured gemstones, with emeralds from Zambia, rubies from Mozambique and the ambition of securing a suitable sapphire deposit

Key Assets – Kagem and MRM

GEMFIELDS

MAJORITY OWNED IN PARTNERSHIP WITH LOCAL GOVERNMENTS OR BUSINESSES

World's single-largest producing emerald and ruby mines

Kagem emerald mine

Zambia
75% owned



USD 1.007 billion

Cumulative auction sales revenue since 2009

Montepuez ruby mine

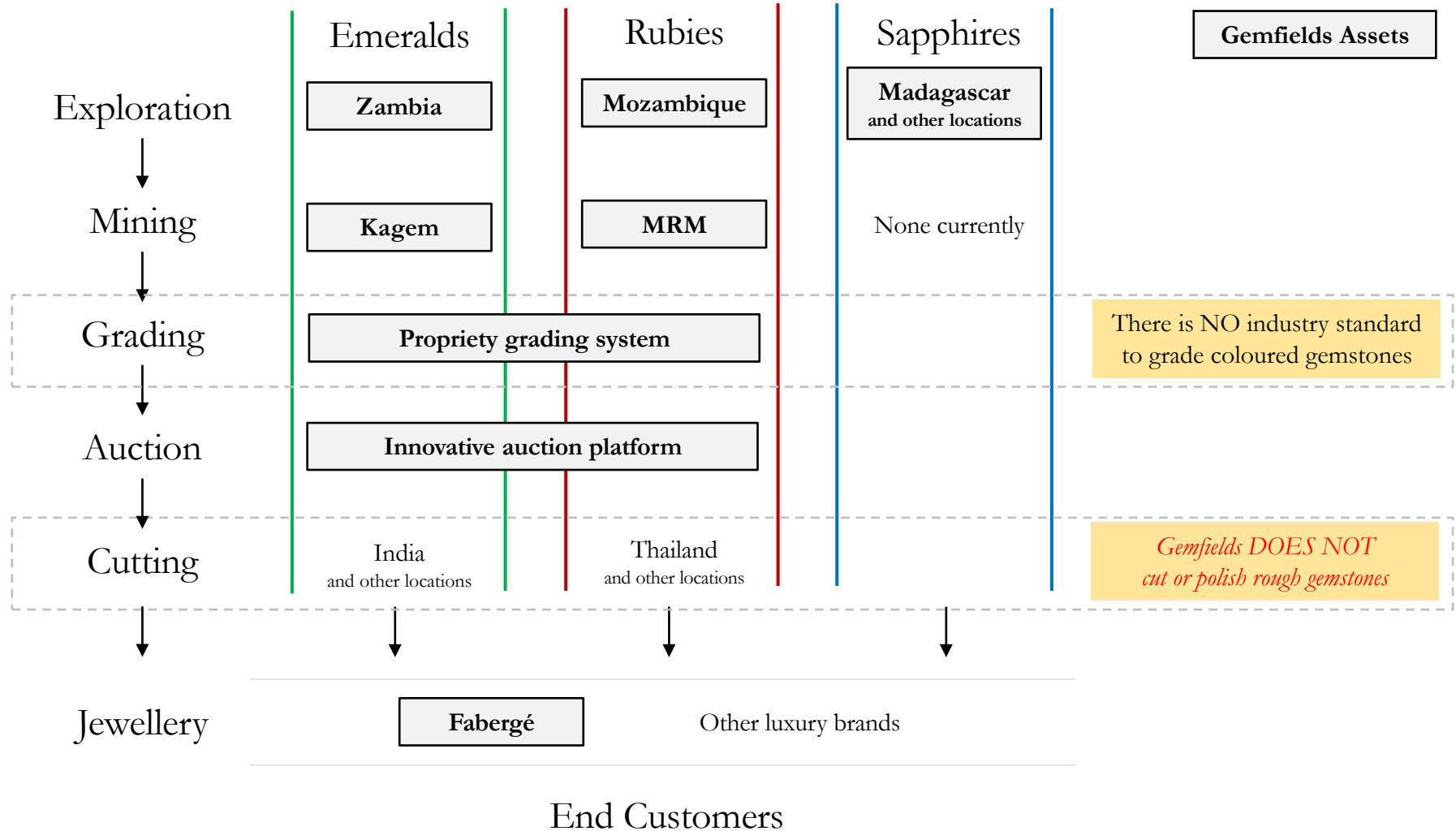
Mozambique
75% owned



USD 1.049 billion

Cumulative auction sales revenue since 2014



HOW GEMFIELDS OPERATES



2023 Production Summary

GEMFIELDS

KAGEM AND MRM

<i>Full year 2023</i> PRODUCTION AND MINING KPIs	UNITS	KAGEM	MRM
			
Premium Emerald / Premium Ruby Production	carat'000	156.7	62.4
Total Gemstone Production	carat'000	30,153	1,279
Ore Production	tonnes'000	248	1,044
Waste Mined	tonnes'000	13,637	6,922
Total Rock Handling	tonnes'000	13,885	7,966
Stripping Ratio ¹		47	5.9
Rock handling cash unit cost	USD / tonnes	4.10	5.90

Competent Persons Reports

GEMFIELDS

SRK CONSULTING - 2019

	KAGEM	MRM
Effective Date	1 July 2019	1 July 2019
Competent Person	SRK Consulting	SRK Consulting
Reporting code - mineral resources and mineral reserves	JORC Code (2012 edition)	JORC Code (2012 edition)
Net Present Value (post-tax -10% Discount Rate)	USD 600 million	USD 567 million
Mining Licence valid to	April 2045	November 2036
<u>Life-Of-Mine Plans (“LoMPs”) – (excludes inferred resources)</u>		
Duration (years)	23	14
Steady-state ore (Mtpa)	0.14	1.5
Steady-state waste (Mtpa)	12.7	6.0
Overall stripping ratio (t/t)	76	4.0
Attributable (75%) Mineral Resources – Primary	Measured 581kt at 210ct/t Indicated 2,880kt at 265ct/t Inferred 1,050kt at 145ct/t	- Indicated 857kt at 96ct/t Inferred 180kt at 98ct/t
Attributable (75%) Mineral Resources – Secondary	N/A	Indicated 14,773kt at 3.9ct/t Inferred 29,850kt at 11.3ct/t
Attributable (75%) Mineral Reserves – Primary	Proved 511kt at 179ct/t Probable 2,205kt at 215ct/t	- Probable 845kt at 98ct/t
Attributable (75%) Mineral Reserves – Secondary	N/A	- Probable 14,731kt at 4ct/t
Plant design capacity (tph):		
Scrubber	72 reduced to 45	200
DMS		83



GEMFIELDS

1 CATHEDRAL PIAZZA
LONDON SW1E 5BP
UNITED KINGDOM
T +44 20 7518 3419