FINANCIAL STATEMENTS

IN THIS SECTION

Directors' Responsibilities	134
Independent Auditors' Report	135
Consolidated Statement of Comprehensive Income	141
Consolidated Statement of Financial Position	142
Consolidated Statement of Changes in Equity	143
Consolidated Statement of Cash Flows	144
Notes to the Consolidated Financial Statements	145
Additional Information	194

DIRECTORS' RESPONSIBILITIES

for the year ended 31 December 2023

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The Directors are responsible for preparing the financial statements in accordance with applicable Jersey law and International Financial Reporting Standards.

The Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and of the profit or loss of the Group for that period. In preparing the financial statements, the Directors are responsible for:

- selecting suitable accounting policies and then applying them consistently;
- stating whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- making judgements and accounting estimates that are reasonable and prudent; and
- preparing the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Directors confirm that they have complied with the above requirements in preparing the financial statements.

The Directors are responsible for ensuring that the financial statements comply with The Companies (Jersey) Law, 1991 and safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. So far as the Directors are aware, there is no relevant audit information of which the Group's auditors are unaware, and each Director has taken all the steps that he or she ought to have taken as a Director in order to make himself or herself aware of any relevant audit information and to establish that the Group's auditors are aware of that information.

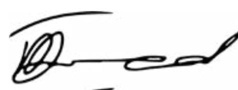
The Directors consider that the Annual Report and financial statements, taken as a whole, are fair, balanced, and understandable and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy.

The Directors have undertaken a robust assessment of the principal and emerging risks impacting the Company. The assessment identified strategic and operational risks at a corporate level and principal risks impacting our operations in Egypt and Côte d'Ivoire. Details of the risk assessment can be found in the Audit and Risk Committee Report and the risk management and principal risks section of the Strategic Report.

The Directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Group.

On behalf of the Board:

MARTIN HORGAN
CHIEF EXECUTIVE OFFICER
DIRECTOR
21 March 2024



ROSS JERRARD
CHIEF FINANCIAL OFFICER
DIRECTOR
21 March 2024

INDEPENDENT AUDITORS' REPORT

to the members of Centamin plc

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

In our opinion, Centamin plc's Group financial statements:

- give a true and fair view of the state of the Group's affairs as at 31 December 2023 and of its profit and cash flows for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies (Jersey) Law 1991.

We have audited the financial statements, included within the Annual Report & Accounts 2023 (the "Annual Report"), which comprise: the Consolidated statement of financial position as at 31 December 2023; the Consolidated statement of comprehensive income, the Consolidated statement of cash flows, and the Consolidated statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Our opinion is consistent with our reporting to the Audit and Risk Committee.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the Financial Reporting Council's ("FRC") Ethical Standard, as applicable to listed public interest entities in accordance with the requirements of the Crown Dependencies; Audit Rules and Guidance for market-traded companies, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that non-audit services prohibited by the FRC's Ethical Standard were not provided.

Other than those disclosed in note 6.5 to the financial statements, we have provided no non-audit services to the Company or its controlled undertakings in the period under audit.

Our audit approach

Overview

Audit scope

- We performed an audit of one significant component of the Group, Sukari Gold Mining Company ("Sukari"), based in Egypt, and performed specified procedures over two other components in the Group, which are based in two other locations, namely Côte d'Ivoire and Jersey. This enabled us to obtain coverage over 100% of Group consolidated revenue and 99% of Group consolidated total assets.

Key audit matters

- Amounts due to the government with respect to the Sukari operation
- The implementation of the SAP S/4HANA system

Materiality

- Overall materiality: US$9.2m (2022: US$11.2m) based on 5% of three-year average of profit before tax, adjusted to exclude one-off items.
- Performance materiality: US$6.9m (2022: US$8.4m).

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements.

Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

This is not a complete list of all risks identified by our audit.

INDEPENDENT AUDITORS' REPORT CONTINUED

to the members of Centamin plc

The implementation of the SAP S/4HANA system is a new key audit matter this year. The ongoing legal actions, which was a key audit matter last year, is no longer included because of the favourable rulings that were received from the Egyptian courts during 2023 in relation to the Concession Agreement case, as dis-closed within the Annual Report & Accounts 2022. Otherwise, the key audit matters below are consistent with last year.

Key audit matter	How our audit addressed the key audit matter
Amounts due to the government with respect to the Sukari operation	
Refer to note 1.2.1.2 to the financial statements, note 2.5 to the financial statements, note 2.13 to the financial statements, note 5.1 to the financial statements, and to the principal risks disclosed within the "Managing Risk" section of the Annual Report. The nature of the Concession Agreement with the Egyptian Mineral Resource Authority ('EMRA'), through which the Group is able to explore, develop, mine and sell gold and associated minerals at the Sukari Gold Mine Site, means that there are items that can be open to interpretation. As a result, the Group is subject to periodic challenges by EMRA on amounts owed to EMRA under the Concession Agreement. The amounts owed to EMRA with respect to the profit-sharing arrangement under the Concession Agreement are based on management's best estimate of the probable amount of the profit share liability. For the year ended 31 December 2023, the Group has paid dividends to the non-controlling interest in Sukari Gold Mine of $112 million under the profit sharing and cost recovery mechanisms of the Concession Agreement, which we considered merited our focus due to the inherent uncertainties that may arise in the determination of amounts due to EMRA. The Group has recognised a liability of $9.7m as at 31 December 2023, in relation to a settlement of historic profit share items, in line with the remaining instalments payable under the EMRA settlement agreement signed in March 2021.	We held discussions with management regarding their calculation of the amount due to EMRA. We agreed the amounts in the calculation to source documentation and the underlying accounting records. We read the minutes of meetings with EMRA and held discussions with the Group's external legal advisors regarding the current disputed items. We agreed the closing liability to the remaining instalments payable as set out in the EMRA settlement agreement. We performed procedures to check the completeness of amounts due to EMRA, with no material unrecorded amounts identified that are assessed as likely to result in additional payments to EMRA. We read the disclosures in notes 1.2.1.2, 2.5, 2.13 and 5.1 of the financial statements, as well as the principal risks disclosed within the "Managing Risk" section of the Annual Report, to check they were consistent with our knowledge and understanding of the matter obtained in the course of the audit, with no issues noted.
The implementation of the SAP S/4HANA system	
During 2023, a new Enterprise Resource Planning ("ERP") system, SAP S/4HANA, was implemented across the Group to replace the previous ERP system which contained the general ledgers of the Group. Following the system implementation, and before the go-live date of 1 November 2023, all master transaction records were migrated from the legacy SUN system into the new ERP. We have determined this to be a key audit matter as the implementation of a new ERP system, specifically, the transfer of master data to the new system and subsequent implementation of robust IT general controls, could lead to material errors in data integrity, accounting or financial reporting.	We obtained an understanding of the implementation of the SAP S/4HANA system, including confirming our understanding of the relevant processes pre- and post-implementation. Our procedures were designed to address the risk that the implementation of the SAP S/4HANA system could lead to errors in data integrity, accounting or financial reporting. Working together with our IT Audit specialists, we focussed on the completeness and accuracy of the data migration as well as the overall project implementation and governance process and the system implementation testing. We assessed the following areas of the migration project: • Project implementation and governance; • Functional and User Acceptance Testing; • Data cleansing and migration; and • Walkthrough of IT General Controls. We performed the following audit procedures: • We inspected the chart of accounts and validated the mapping from the legacy SUN system to SAP S/4HANA, as well as from SAP S/4HANA to the legacy ERP system for the purposes of the Group consolidation; • We performed a full reconciliation of the opening trial balance, as well as of the underlying schedules, within the SUN system, to ensure they were completely and accurately migrated; • We performed walkthroughs of the key business processes to assess the design and implementation of the relevant controls in SAP S/4HANA and to identify the relevant IT dependencies; • Where necessary, relevant IT dependencies were tested substantively confirming that these produce complete and accurate information; • We performed a full reconciliation of the year-end financial information transferred from the SAP S/4HANA system to the legacy SUN system for the purposes of performing the Group consolidation, including performing substantive analytical procedures over this financial information; and • We reviewed the key period-end reconciliations. Based on the results of our audit work, we are satisfied with the completeness and accuracy of the data migration from the legacy SUN system, into the new ERP system, and that, as a result, the Group's accounting and financial reporting is free from material error.

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which it operates.

The Group's principal operation is the Sukari Gold Mine in Egypt. In addition, the Group continues its exploration projects in Côte d'Ivoire, has had projects in Burkina Faso, which it is in the process of exiting, and has corporate activity in Jersey. For financial reporting purposes, each of these represents a separate component of the Group.

Our Group audit scope focused primarily on the Sukari Gold Mine, which was subject to a full-scope audit. We visited the Sukari Gold Mine and conducted audit fieldwork in Egypt. During these visits, we observed and discussed the mining and exploration operations with local management.

In addition, specific audit procedures were performed by the Group audit team over significant balances for two components relating to the Group's exploration operations and corporate activities.

Additionally, we performed work over the consolidation of the Group's components and the Parent Company.

All procedures were performed by the Group engagement team, including the work on the in-scope components.

The impact of climate risk on our audit

As part of our audit, we made enquiries of management to understand their process to assess the extent of the potential impact of climate change risks on the Group and its financial statements. During the year, the Group set its target to reduce Scope 1 and 2 GHG emissions by 30% by 2030. In 2024, further decarbonisation progress is expected to be made through reduction in waste mining volumes associated with the completion of the waste mining contract. The Group is also planning to connect to the national power grid, and to expand its solar plant capacity. Management assessed the Group to be resilient to physical climate change risks, particularly increased precipitation and rising temperatures, for the operational life of the Sukari Gold Mine.

Management has explained how it has considered the impact of climate change on the financial statements, specifically in respect of impairment trigger assessments, and the impact of the solar plant on operating costs and emission targets, in note 1.2.2 to the financial statements. We agreed with management that the most relevant impacted areas in financial reporting are impairment assessments of the Group's non-current assets.

We used our knowledge of the Group to consider the completeness of the climate risk assessment performed by management, including its assessment of the strategic and financial resilience of the Sukari Gold Mine, under various future emissions scenarios. Whilst the impact is uncertain, we particularly considered the impact of both physical and transition risks arising due to climate change, as well as related opportunities and climate targets made by the Group. We also took into consideration the relatively short remaining life of mine at Sukari, the physical location of the mine and the local regulatory environment. We agreed with management's conclusion that the risk of material financial impact from physical and transition risks on the Group's non-current assets is low.

We also read the disclosures made in relation to climate change, in the other information within the Annual Report, which includes reporting based on the Task Force on Climate-related Financial Disclosures recommendations, and considered their consistency with the financial statements and our knowledge from our audit.

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

Overall group materiality	US$9.2m (2022: US$11.2m).
How we determined it	5% of three-year average of profit before tax, adjusted to exclude one-off items
Rationale for benchmark applied	We chose profit before tax as it is one of the key indicators of the financial performance of the Group. We used a three-year average due to the volatility of annual Sukari gold production and gold prices.

For each component in the scope of our Group audit, we allocated a materiality that is less than our overall Group materiality. The range of materiality allocated across components was between $4.1m and $8.2m.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% (2022: 75%) of overall materiality, amounting to US$6.9m (2022: US$8.4m) for the Group financial statements.

INDEPENDENT AUDITORS' REPORT CONTINUED

to the members of Centamin plc

In determining the performance materiality, we considered a number of factors – the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls – and concluded that an amount at the upper end of our normal range was appropriate.

We agreed with the Audit and Risk Committee that we would report to them misstatements identified during our audit above $460,000 (2022: $560,000) as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Conclusions relating to going concern

Our evaluation of the Directors' assessment of the Group's ability to continue to adopt the going concern basis of accounting included:

- obtaining the board approved budget and life of mine model, which form the basis of management's base case model, challenging management's assumptions used and verifying that it is consistent with our existing knowledge and understanding of the business including the latest life of mine forecast
- obtaining and reviewing the Group's cashflow forecasts for the going concern period, agreeing the inputs back to the board approved budget, and testing the model for mathematical accuracy; and
- reviewing the Group's cashflow forecasts under the severe but plausible downside scenarios, evaluating the assumptions used, and assessing that the Group is able to maintain liquidity within the going concern period under these scenarios.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Group's ability to continue as a going concern.

In relation to the Directors' reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the Directors' statement in the financial statements about whether the Directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The Directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information 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 we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

Corporate governance statement

The Listing Rules require us to review the Directors' statements in relation to going concern, longer-term viability and that part of the corporate governance statement relating to the Company's compliance with the provisions of the UK Corporate Governance Code specified for our review. Our additional responsibilities with respect to the corporate governance statement as other information are described in the Reporting on other information section of this report.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement, included within the Compliance Statement is materially consistent with the financial statements and our knowledge obtained during the audit, and we have nothing material to add or draw attention to in relation to:

- The Directors' confirmation that they have carried out a robust assessment of the emerging and principal risks;
- The disclosures in the Annual Report that describe those principal risks, what procedures are in place to identify emerging risks and an explanation of how these are being managed or mitigated;
- The Directors' statement in the financial statements about whether they considered it appropriate to adopt the going concern basis of accounting in preparing them, and their identification of any material uncertainties to the Group's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements;
- The Directors' explanation as to their assessment of the Group's prospects, the period this assessment covers and why the period is appropriate; and
- The Directors' statement as to whether they have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the period of its assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

Our review of the Directors' statement regarding the longer-term viability of the Group was substantially less in scope than an audit and only consisted of making inquiries and considering the Directors' process supporting their statement; checking that the statement is in alignment with the relevant provisions of the UK Corporate Governance Code; and considering whether the statement is consistent with the financial statements and our knowledge and understanding of the Group and its environment obtained in the course of the audit.

In addition, based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement is materially consistent with the financial statements and our knowledge obtained during the audit:

- The Directors' statement that they consider the Annual Report, taken as a whole, is fair, balanced and understandable, and provides the information necessary for the members to assess the Group's position, performance, business model and strategy;
- The section of the Annual Report that describes the review of effectiveness of risk management and internal control systems; and
- The section of the Annual Report describing the work of the Audit and Risk Committee.

We have nothing to report in respect of our responsibility to report when the Directors' statement relating to the Company's compliance with the Code does not properly disclose a departure from a relevant provision of the Code specified under the Listing Rules for review by the auditors.

Responsibilities for the financial statements and the audit

Responsibilities of the Directors for the financial statements

As explained more fully in the statement of Directors' responsibilities in respect of the Annual Report and Financial Statements, the Directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Directors are also responsible for such internal control as they 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 financial statements, the Directors are responsible for assessing the Group'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 Group or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the 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 auditors' 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 ISAs (UK) 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 financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Group and industry, we identified that the principal risks of non-compliance with laws and regulations related to legal action before the Supreme Administrative Court in Egypt in relation to the validity of the Sukari Concession Agreement, and we considered the extent to which non-compliance might have a material effect on the financial statements.

We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies (Jersey) Law 1991. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate results, and management bias in accounting estimates, including in relation to the restoration and rehabilitation provision and the valuation of long-term stockpiles. Audit procedures performed by the engagement team included:

- performing enquiries with the Group's external legal counsel and obtaining a legal letter regarding the Sukari Concession Agreement case, noting the favourable developments that occurred within 2023;
- inspecting correspondence and related documentation, including the Concession Agreement, to understand any challenges to the cost recovery amounts and the basis of the Directors' assessment of the likely outcome of the challenges;
- testing journals that exhibit risk-based criteria, including unexpected account combinations that could be used to manipulate results including EBITDA and other key performance indicators;
- critical assessment of material estimates and judgements used by management, including in relation to the provision for restoration and rehabilitation, valuation of long-term stockpiles, and amounts due to government.

INDEPENDENT AUDITORS' REPORT CONTINUED

to the members of Centamin plc

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Article 113A of the Companies (Jersey) Law 1991 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

OTHER REQUIRED REPORTING

Companies (Jersey) Law 1991 exception reporting

Under the Companies (Jersey) Law 1991 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit;
- proper accounting records have not been kept; or
- the Group financial statements are not in agreement with the accounting records.

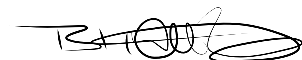
We have no exceptions to report arising from this responsibility.

Appointment

Following the recommendation of the Audit and Risk Committee, we were appointed by the members on 24 January 2014 to audit the financial statements for the year ended 31 December 2014 and subsequent financial periods. The period of total uninterrupted engagement is 10 years, covering the years ended 31 December 2014 to 31 December 2023.

OTHER MATTER

In due course, as required by the Financial Conduct Authority Disclosure Guidance and Transparency Rule 4.1.14R, these financial statements will form part of the ESEF-prepared annual financial report filed on the National Storage Mechanism of the Financial Conduct Authority in accordance with the ESEF Regulatory Technical Standard ('ESEF RTS'). This auditors' report provides no assurance over whether the annual financial report will be prepared using the single electronic format specified in the ESEF RTS.



TIMOTHY MCALLISTER (SENIOR STATUTORY AUDITOR)

FOR AND ON BEHALF OF PRICEWATERHOUSECOOPERS LLP
CHARTERED ACCOUNTANTS AND RECOGNIZED AUDITOR
LONDON
21 March 2024

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 December 2023

	Note	31 December 2023 US$'000	31 December 2022 US$'000
Revenue	2.2	**891,262**	788,424
Cost of sales	2.3	**(596,836)**	(544,075)
Gross profit		**294,426**	244,349
Exploration and evaluation expenditure	2.1	**(31,653)**	(29,723)
Other operating costs	2.3	**(68,542)**	(49,003)
Other income	2.3	**5,817**	6,623
Finance income	2.3	**4,127**	1,214
Finance costs	2.3	**(3,526)**	(2,459)
Fair value loss on derivative financial instruments	2.4	**(5,509)**	–
Profit for the year before tax		**195,140**	171,001
Tax	2.6	**(255)**	(226)
Profit for the year after tax		**194,885**	170,775
Profit for the year after tax attributable to:			
– the owners of the parent		**92,284**	72,490
– non-controlling interest in SGM	2.5	**102,601**	98,285
Total comprehensive income for the year		**194,885**	170,775
Total comprehensive income for the year attributable to:			
– the owners of the parent		**92,284**	72,490
– non-controlling interest in SGM	2.5	**102,601**	98,285
Earnings per share attributable to owners of the parent:			
Basic (US cents per share)	6.4	**7.970**	6.287
Diluted (US cents per share)	6.4	**7.817**	6.203

The above audited consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 31 December 2023

	Note	31 December 2023 US$'000	31 December 2022 US$'000
Non-current assets			
Property, plant and equipment	2.10	**1,084,019**	1,086,649
Exploration and evaluation asset	2.11	**24,809**	24,809
Inventories	2.12	**103,121**	94,773
Other receivables	2.8	**1,014**	1,372
Total non-current assets		**1,212,963**	1,207,603
Current assets			
Inventories	2.12	**149,457**	134,065
Trade and other receivables	2.8	**49,443**	35,628
Prepayments	2.9	**17,404**	13,864
Derivative financial instruments	2.4	**654**	–
Cash and cash equivalents	2.17(a)	**93,322**	102,373
Total current assets		**310,280**	285,930
Total assets		**1,523,243**	1,493,533
Non-current liabilities			
Other payables	2.13	**8,264**	11,801
Provisions	2.14	**40,039**	37,425
Total non-current liabilities		**48,303**	49,226
Current liabilities			
Trade and other payables	2.13	**94,248**	99,395
Tax liabilities	2.6	**102**	249
Provisions	2.14	**1,984**	3,256
Total current liabilities		**96,334**	102,900
Total liabilities		**144,637**	152,126
Net assets		**1,378,606**	1,341,407
Equity			
Issued capital	2.15	**673,432**	670,994
Share option reserve	2.16	**10,124**	6,082
Accumulated profits		**681,912**	641,794
Total equity attributable to owners of the parent		**1,365,468**	1,318,870
Non-controlling interest in SGM	2.5	**13,138**	22,537
Total equity		**1,378,606**	1,341,407

The above audited consolidated statement of financial position should be read in conjunction with the accompanying notes.

The audited consolidated financial statements were authorised by the Board of Directors for issue on 21 March 2024 and signed on its behalf by:

MARTIN HORGAN
CHIEF EXECUTIVE OFFICER
DIRECTOR
21 March 2024

ROSS JERRARD
CHIEF FINANCIAL OFFICER
DIRECTOR
21 March 2024

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2023

	Note	Issued capital US$'000	Share option reserve US$'000	Accumulated profits US$'000	Total US$'000	Non-controlling interests US$'000	Total equity US$'000
Balance as at 1 January 2023		**670,994**	**6,082**	**641,794**	**1,318,870**	**22,537**	**1,341,407**
Profit for the year after tax		**–**	**–**	**92,284**	**92,284**	**102,601**	**194,885**
Total comprehensive income for the year		**–**	**–**	**92,284**	**92,284**	**102,601**	**194,885**
Own shares acquired	2.15	**(245)**	**–**	**–**	**(245)**	**–**	**(245)**
Net recognition of share-based payments	2.16	**–**	**6,725**	**–**	**6,725**	**–**	**6,725**
Transfer of share-based payments	2.16	**2,683**	**(2,683)**	**–**	**–**	**–**	**–**
Dividend paid – non-controlling interest in SGM	2.5	**–**	**–**	**–**	**–**	**(112,000)**	**(112,000)**
Dividend paid – owners of the parent		**–**	**–**	**(52,166)**	**(52,166)**	**–**	**(52,166)**
Balance as at 31 December 2023		**673,432**	**10,124**	**681,912**	**1,365,468**	**13,138**	**1,378,606**

	Note	Issued capital US$'000	Share option reserve US$'000	Accumulated profits US$'000	Total US$'000	Non-controlling interests US$'000	Total equity US$'000
Balance as at 1 January 2022		669,531	4,975	655,508	1,330,014	(40,256)	1,289,758
Profit for the year after tax		–	–	72,490	72,490	98,285	170,775
Total comprehensive income for the year		–	–	72,490	72,490	98,285	170,775
Net recognition of share-based payments	2.16	–	2,570	–	2,570	–	2,570
Transfer of share-based payments	2.16	1,463	(1,463)	–	–	–	–
Dividend paid – non-controlling interest in SGM	2.5	–	–	–	–	(35,492)	(35,492)
Dividend paid – owners of the parent		–	–	(86,204)	(86,204)	–	(86,204)
Balance as at 31 December 2022		670,994	6,082	641,794	1,318,870	22,537	1,341,407

The above audited consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 31 December 2023

	Note	31 December 2023 US$'000	31 December 2022* US$'000 (restated)
Cash flows from operating activities			
Cash generated from operating activities	2.17(b)	356,195	294,625
Income tax paid		(402)	(230)
Interest paid		(2,193)	(1,871)
Net cash generated from operating activities		353,600	292,524
Cash flows from investing activities			
Acquisition of property, plant, and equipment		(190,723)	(263,622)
Brownfield exploration and evaluation expenditure		(12,172)	(12,175)
Finance income	2.3	4,127	1,214
Net cash used in investing activities		(198,768)	(274,583)
Cash flows from financing activities			
Cash element of share-based payments		(583)	(523)
Own shares acquired		(245)	–
Dividend paid – non-controlling interest in SGM	2.5	(112,000)	(35,492)
Dividend paid – owners of the parent	3.2.2	(52,166)	(86,204)
Net cash used in financing activities		(164,994)	(122,219)
Net decrease in cash and cash equivalents		(10,163)	(104,278)
Cash and cash equivalents at the beginning of the year		102,373	207,821
Effect of foreign exchange rate changes on cash and cash equivalents		1,112	(1,170)
Cash and cash equivalents at the end of the year	2.17(a)	93,322	102,373

* The comparatives in the Consolidated Statement of Cash Flows for the year ended 31 December 2022 have been restated to reflect an increase of cash generated from operating activities of $2.5m, interest paid of $1.9m and a reduction of the effect of foreign exchange rate changes of $0.6m.

The above audited consolidated statement of cash flows should be read in conjunction with the accompanying notes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 December 2023

BASIS OF PREPARATION

These financial statements are denominated in US dollars ("US$"), which is the presentation currency of Centamin plc. All companies in the Group use the US$ as their functional currency. All financial statements presented in US$ have been rounded to the nearest thousand dollars, unless otherwise stated.

These consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU") and interpretations issued from time to time by the IFRS Interpretations Committee ("IFRS IC") and which are mandatory for reporting as at 31 December 2023 and the Companies (Jersey) Law 1991. The Group has not early adopted any other amendments, standards or interpretations that have been issued but are not yet mandatory or effective.

The consolidated financial statements have been prepared on a going concern basis and under the historical cost convention, as modified by financial assets and financial liabilities (including derivative) instruments which are measured at fair value.

The consolidated financial statements for the year ended 31 December 2023 were authorised by the Board of Directors of the Company for issue on 21 March 2024.

GOING CONCERN

The Directors have assessed the going concern status of the Group, considering the period to 31 December 2025.

Management prepares consolidated group budgets for each upcoming financial period, the 2024 budget model has been used as the base case for the going concern analysis. Management also prepares a financial model over the life of mine which covers a period of twelve years and this model has been used as the base case for the viability assessment for the years beyond the going concern assessment period. Further detailed analyses and forecasts are then applied to the base case models to assess the economic impact of various downside scenarios from a going concern and viability perspective.

The Group continues to benefit from a strong balance sheet with a large cash balance and no debt. At 31 December 2023 the Group had cash and cash equivalents of US$93 million. As part of assessing the Group's ability to continue as a going concern, management performed various downside stress testing scenarios to assess the impact on liquidity headroom. The scenarios were considered without applying any mitigating actions over the assessment period, as well as assuming that the US$150 million revolving credit facility which was available as of 13 March 2023, will not be drawn down. An example of mitigating actions would involve assessing capital expenditures and focussing on critical items only. The assessment covers a period of 24 months from 1 January 2024 and therefore 21 months from the date of signing the consolidated financial statements.

Key assumptions underpinning the base case forecast include:

- A consistently applied fuel price of US$0.90/litre;
- A consistently applied processing plant recovery rate of 88.4%;
- A consistently applied gold price of US$1,900/oz.; and
- Production volumes and grades in line with 2024 guidance and in-line with the 2025 forecast.

Management considered the potential impact of climate-related physical and transition risks including modelling potential carbon pricing scenarios, in the context of the disclosures included in the Strategic Report. Based on this current assessment modelling plausible scenarios, climate-related risks are not assessed to have a material financial impact on the going concern assessment.

The base case and downside scenarios for the going concern assessment are as follows:

- Base case: 2024 budget/24-month forward plan run against the opening cash balance at 1 January 2024;
- Gold price reduced to US$1,600 per ounce consistently applied through the assessment period;
- Fuel price increase to US$1.25/litre;
- Open pit ore mined reduction by 10%;
- Open pit ore mined grade reduction by 15%;
- Underground ore mined reduction by 10%;
- Underground ore mined grade reduction by 15%;
- Processing capacity reduction by 20%; and
- Processing plant recovery rate reduction to 85.0%.

In all the above scenarios, liquidity was maintained throughout the going concern period. We also note that a scenario run with a combination of all the above factors consistently applied for a full 24-month period would still maintain liquidity after mitigating measures within management's control are applied.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended 31 December 2023

BASIS OF PREPARATION CONTINUED

The sensitivities applied were informed by internal and external data sources, were identified as scenarios that could have the most significant impact on the Group's available liquidity and are the primary drivers of the Group's profitability.

The ability of the Company to continue as a going concern is contingent on the ongoing viability of the Group, principally the Sukari operations. The Group meets its day-to-day working capital requirements through its available cash balances. The Group continues to closely monitor its major cost drivers e.g., fuel and other key consumables and reagents as well as key operational KPIs that may have an impact on going concern and take mitigating actions where necessary. The Group continues to benefit from a strong ungeared balance sheet and a gold price protection programme with put option contracts in place until 30 June 2024, refer to note 2.4. The Group also has US$150 million of liquidity through the undrawn RCF which can be accessed at any time.

The Group's forecasts and projections, taking account of reasonably possible changes in performance, show that the Group should be able to operate within the level of its available cash balances and will have adequate resources to continue in operational existence throughout the assessment period and that currently there are no material uncertainties regarding going concern.

Therefore, having assessed the Group's principal risks, a detailed cash flow forecast prepared by management and the various downside scenarios outlined above, the Directors considered it appropriate to adopt the going concern basis of accounting in preparing its consolidated financial statements for the year ended 31 December 2023, which contemplate the realisation of assets and settlement of liabilities during the normal course of operations.

ACCOUNTING POLICIES

This note provides a list of the other potentially material accounting policies adopted in the preparation of these consolidated financial statements to the extent that they have not already been disclosed above. These policies have been consistently applied to all the years presented, unless otherwise stated.

1. CURRENT REPORTING PERIOD AMENDMENTS

1.1 CHANGES IN POLICIES AND ESTIMATES

Certain new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for 31 December 2023 reporting periods and have not been early adopted by the Group.

New or amended accounting standards

a. Adoption of new accounting standards

The following accounting standards, amendments and interpretations became effective in the current year:

- IFRS 17, Insurance Contracts
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)
- Disclosure of Accounting Policies – Amendments to IAS 1 and IFRS Practice Statement 2
- Definition of Accounting Estimates – Amendments to IAS 8
- International Tax Reform – Pillar Two Model Rules (Amendments to IAS 12)

The application of these standards and interpretations effective for the first time in the current year has had no significant impact on the amounts reported in these financial statements.

b. Accounting standards issued but not yet effective

At the date of authorisation of these financial statements, the following standards and interpretations, which have not been applied in these financial statements, were in issue but not yet effective. It is expected that where applicable, these standards and amendments will be adopted on each respec-tive effective date. None of these standards are expected to have a significant impact on the Group.

Amendments to IFRSs	Effective date
Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)	Annual periods beginning on or after January 1, 2024
Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)	Annual periods beginning on or after January 1, 2024
Non-current Liabilities with Covenants (Amendments to IAS 1)	Annual periods beginning on or after January 1, 2024
Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)	Annual periods beginning on or after January 1, 2024
Lack of Exchangeability (Amendments to IAS 21)	Annual periods beginning on or after January 1, 2025

1.2 CRITICAL JUDGEMENTS AND ESTIMATES IN APPLYING THE ENTITY'S ACCOUNTING POLICIES

The following are the critical judgements and estimates that management has made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements. Management has discussed its critical accounting judgements and estimates and associated disclosures with the Company's Audit and Risk Committee.

The critical accounting judgements are as follows:

1.2.1 Judgement: Control

1.2.1.1 Judgement: Accounting treatment of the Sukari Gold Mining Company ("SGM")

Pharaoh Gold Mines NL ("PGM") (the holder of an Egyptian branch) and EMRA are 50:50 partners in SGM. However, SGM is fully consolidated within the Group as if it were a subsidiary due to it being a controlled entity, reflecting the substance and economic reality of the Concession Agreement ("CA") (see note 4.1 to the financial statements).

IFRS 10 *Consolidated financial statements* defines control as encompassing three distinct principles, which, if present, identify the existence of control by an investor over an investee, hence forming a parent-subsidiary relationship. The principles are:

- power over the investee;
- exposure, or rights, to variable returns from its involvement with the investee; and
- the ability to use its power over the investee to affect the amount of the investor's returns.

An investor has power over an investee when the investor has existing rights that give it the current ability to direct the relevant activities (i.e., the activities that significantly affect the investee's returns).

The Company's control of SGM, through PGM

PGM is a 100% owned subsidiary of the Company. The Company, through PGM, has the right to appoint or remove the managing director of SGM under the terms of the CA and in doing so controls the activities in relation to the operation of SGM that most significantly affect the returns of SGM. These are all illustrated in the sections that follow:

a) The duties of PGM

- PGM controls the appointment of the General Manager ("GM") at the Sukari Gold Mine; and
- By controlling the appointment of the GM and directing their activities, the GM will make all day-to-day decisions to allow the mine to operate in a manner that aligns with the Company's objectives which involve:
  - preparing SGM's work programmes through determination of the daily and longer-term mine plans, the budgets covering the operations to be carried out throughout the life of the mine ("LOM") and approval of the same;
  - managing capital expenditure, procurement, cost control and treasury;
  - conducting exploration, development, production, and marketing operations;
  - co-ordinating SGM operations and activities, including its dealings with all contractors and subcontractors;
  - bearing ultimate responsibility for all costs and expenses required in carrying out any and all operations under the CA;
  - funding the operations of SGM and recovering costs and expenses throughout the LOM (i.e., exploration, development, and production phases);
  - funding additional exploration and expansion programmes within the mine during the production phase;
  - taking custody of SGM's stock and management of its funds;
  - selling and shipping of all gold and associated metals produced; and
  - entering into and managing gold sales or hedging contracts and forward sale agreements.

b) The duties of EMRA

- EMRA must, under the terms of the CA, provide the required approvals to allow the mine to operate.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended 31 December 2023

1. CURRENT REPORTING PERIOD AMENDMENTS CONTINUED

c) The duties, role, and function of the board of SGM:

- The board of SGM has six board members:
  - three of whom are appointed by the Company, through PGM; and
  - three of whom are appointed by EMRA:
  - the executive chairman, as one of the three EMRA appointed board members, is a representative of EMRA and is appointed by the Egyptian Ministry of Finance.

The board of SGM convenes twice a year to:

- facilitate a forum for sharing information between the owners of SGM;
- provide a mechanism to scrutinise the timing and amounts of expenses; rather than as a decision-making body over SGM's most significant relevant activities;
- consider, review, and approve all the following in relation to SGM;
- the budget;
- the annual financial statements;
- the cost recovery position; and
- other compliance matters.

The board of SGM is not allowed to unreasonably withhold approval of any of the above.

- If there is a disputed matter or deadlock position at an SGM board level, it is resolved as follows:
  - through open discussion at board level;
  - the executive chairman does not have a veto or casting vote;
  - where matters cannot be agreed upon, an ad-hoc committee is appointed with each party having equal representation. This committee will then recommend an appropriate course of action to the board with the best interest of all shareholders in mind; and
  - should the board still not agree on a course of action, there is a provision for final and binding arbitration
- The board of SGM cannot appoint or remove the GM, this right belongs solely to the Company, through PGM, under the terms of the CA;

EMRA and/or the Egyptian government have no downside risk in their share of SGM. If SGM were to become loss making or insolvent, these costs are absorbed in their entirety by the Company, through PGM, in accordance with the CA.

The Company, through PGM, is therefore exposed to the variable returns of SGM, has the ability to affect the amount of those returns, has power over SGM through its ability to direct its relevant activities and therefore meets all the criteria of control to consolidate SGM's results within the Group to reflect the substance and economic reality of the CA.

As the Company, through PGM, is determined to be the controlling party, it should consolidate SGM, and should apply consolidation procedures, combining balance sheet and profit and loss items line by line as well as applying the rest of the consolidation procedures set out in IFRS 10 App B para B86. The Group therefore prepares consolidated financial statements on this basis.

1.2.1.2 Judgement: Treatment and disclosure of EMRA profit share

EMRA holds 50% of the shares in the Group controlled entity, SGM, which are not attributable to the Company, and it is entitled to receive net proceeds from the operations of SGM on a residual basis in accordance with their specified shareholding per the CA (this distribution is in accordance with the profit share mechanism and not as a consequence of accumulated profits as defined by accounting standards). Therefore, the Group recognises a Non-Controlling Interest ("NCI") in SGM to represent EMRA's participation.

In terms of the CA, the NCI's rights to any profit share payments (dividend distributions) is only triggered after the cost recovery of all amounts invested (or spent during operations) during the exploration, construction and development stages have been repaid to PGM. The profit share mechanism was only triggered in November 2016 (after all amounts due to be cost recovered were complete). Until that time the NCI had no rights to claim any distribution of accumulated profits or profit share.

It is important to note that the availability of cash in SGM for distribution to its shareholders as profit share is under the control of the Company, through PGM, by the decisions made on SGM's strategic direction and day-to-day operational requirements of running the mine. This is regarded as discretionary and exposes the Company to variable returns.

Distributions to shareholders in SGM:

- once all expenditure requirements, including current cost recovery payments due, have been met, excess cash reserves, if any, are distributed to both SGM shareholders:
  - distributions are always made simultaneously to both shareholders;
  - the split of the distribution is in accordance with the ratchet mechanism (i.e. the standard profit share ratios of 60/40 (first two years from 1 July 2016), 55/45 (second two years from 1 July 2018) and 50/50 (from 1 July 2020) to PGM and EMRA respectively) as governed by the CA; but:
  - distributions are not mandatory, they are entirely discretionary and are only done if there are excess funds;
  - distributions are paid in advance on a weekly or fortnightly basis by mutual agreement between shareholders;
- at the end of the SGM reporting period, final profits are determined, externally audited, and then approved by the SGM board:
  - final profit distributions become payable within 60 days of the financial year end, SGM is unable to avoid payment at this point and the amount payable is recorded as equity attributable to the NCI until paid;
- the CA is merely a shareholder agreement specifying how and when profits from SGM will be distributed to shareholders and is typical of a minority shareholder protection mechanism.

The Group should attribute the profit or loss for the year after tax and each component of other comprehensive income for the year to the owners of the parent and to the NCI in SGM. The entity shall also attribute total comprehensive income for the year to the owners of the parent and to NCI even if this results in the NCI having a deficit balance (IFRS 10 App B para B94). The CA only contemplates the distribution of profit to shareholders.

The NCI would only have a deficit balance where advance distributions paid during the year have exceeded final distributions payable after the year-end financial statements have been prepared and audited. This deficit would be entirely funded by the Company, through PGM, and would first be redeemed from future excess cash before regular distributions to both parties resume. SGM has no claw back provision for advance profits paid to the NCI. We note that annual dividend payments, after approval of audited financial statements, is a standard feature of transactions with an NCI and that such payments are not normally treated as non-discretionary payments triggering a liability in the consolidated statement of financial position of the parent.

Any losses generated by SGM will be entirely funded by the Company, through PGM, but attributed to both shareholders. These losses will first be recovered before further profit share distributions commence.

In the Group statement of financial position, all the accumulated profits of SGM are attributable to the Company as EMRA have already received their share through the advance profit distribution payments made, therefore NCI is usually disclosed in the financial statements as nil unless there is an outstanding distribution payable to, or deficit due from EMRA due to timing differences of the cash sweep.

SGM and Centamin have non-coterminous year ends and the audit of the profit share and cost recovery mechanism and numbers is performed by EMRA for each half year period ended 30 June and 31 December. There are inherent uncertainties that may arise in the determination of amounts due to EMRA from profit share and therefore, in some periods, additional amounts than would have been paid to EMRA may become due and payable, creating additional liabilities. The process may also determine that more profit share than was due to EMRA was paid in which case this will create a receivable from EMRA which will be offset against future profit share amounts. Please refer to note 2.5 for further information.

1.2.2 Judgement: Impairment trigger assessment – Sukari

IFRS requires management to test for impairment if events or changes in circumstances indicate that the carrying amount of a finite life asset may not be recoverable. Considering the requirements of IAS 36 Impairment of Assets an impairment trigger assessment has been performed.

Group operating assets

As part of the impairment trigger assessment, management has also considered movements in the key assumptions which have historically been used in impairment assessments and is satisfied that there have not been any changes that would constitute an impairment trigger.

These include changes to:

- forecast gold prices, considering current and historical prices, price trends and related factors;
- discount rates;
- operating performance which includes production and sales volumes;
- exploration potential and reserves and resources report;
- operating costs, taking into consideration the impact of the solar plant on those costs and emissions targets;
- recovery rates; and significant changes to the mine plan with an impact on the mine's cost of mineral extraction
- share price; sustained decline in share price which is not consistent with industry peers.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended 31 December 2023

1. CURRENT REPORTING PERIOD AMENDMENTS CONTINUED

Management has considered a number of factors as listed above when concluding on whether an impairment trigger existed as at 31 December 2023. Notwithstanding the fact that the carrying value of the Group's net assets exceeded its market capitalisation at some points during 2023, management noted that both the fall in the share price at those points and the general movement in the Company's share price was consistent with an industry-wide trend, and that there have not been significant Group specific operational issues at any of its locations in the year that may have a bearing on the share price movement.

The Group achieved its annual production guidance, with costs in line with forecasts.

On review, management concluded that there were no impairment triggers affecting the Group's fixed assets as at 31 December 2023.

Consideration of climate change risks

In preparing the financial statements, the Directors have considered the potential impact of climate-related physical and transitional risks for the Group's operating assets, in the context of the TCFD disclosures. The Directors recognise that climate-related risks have the potential to impact the carrying value of assets through their effect on future cash flow projections and impairments on the useful life of assets. The financial statements also consider the opportunities arising from our transition to a low carbon future and achievement of our target for reducing Greenhouse Gas (GHG) emissions.

In particular, the Directors have applied qualitative and quantitative methods to stress test the financial and strategic viability of the business for various climate scenarios (including 'Net Zero by 2050'), to the likely impact of climate-related transitional and physical risks in respect of the following areas and as described in the Sustainability Report pages 84 and 85:

- Cash flow forecasts considering carbon, diesel and utility pricing increases on operating and procurement costs;
- Effects on property, plant and equipment, arising from acute extreme weather events and chronic shifts in climate patterns including precipitation, temperature and sea-level rise;
- Capital expenditure over the short, medium and long term, arising from the adoption/deployment of low carbon technology; and
- Going concern and viability of the Group to decreases in gold price arising from market and investor uncertainty.

The Directors have made judgements and assumptions using available internal and external information to assess the impact of climate-related risks on the future cash flows and operations of the business and are aware of the uncertainty around how climate-related transition risks will affect global and national economies over the medium and longer term, and more specifically: gold price, carbon pricing, other regulatory mechanisms and the availability of low carbon technology of relevance to our operations.

In the case of climate-related transition risks under a Net Zero by 2050 scenario, preliminary modelling indicated that the introduction of carbon pricing on our Scope 1 and 2 GHG emissions in Egypt and domestic supply chain predicted that it could have an impact on the Group during the Sukari life of mine, however this is still being assessed. A review of the regulatory landscape relevant to our assets noted that Egypt does not have any carbon mechanisms in place and there is no indication of when one may be implemented. As a consequence, carbon pricing is not expected to have a material impact on the carrying values of assets or liability of the Group in the short term. If we conservatively assume that Egypt was to start developing ambitious (i.e. 'Net Zero by 2050') climate policies over the short term, these are not predicted to impact the business until the medium term and beyond. We will regularly review the development of climate policy and the timing of its potential impact on the business.

In the case of gold price, the nature and extent of impact arising from climate-related risk is uncertain taking into consideration the role of gold in low-carbon technologies, gold as a traditional investment asset or downstream consumption patterns. We have been unable to reference any credible data sources of gold price for future climate scenarios and therefore have not performed a quantitative assessment of climate-related impacts. Separately the impact of fluctuations in gold to the business is assessed in note 3.1.1(d).

Under the scope of our existing target for GHG emissions reductions, capital expenditure related to the adoption/deployment of low carbon technology is assessed to be financially material in the short term, however the technology is commercially available and the expenditure is value accretive in the medium term and beyond. At Sukari, our planned extension to the solar plant and grid connection are forecast to provide a positive return on investment within the life of the asset.

We have assessed the physical risks to our operations under future emissions scenarios. Our business was assessed to be resilient to physical risks for the near-term predictions indicating that adaptation specifically to mitigate the effects of climate change is not required for the operational life of Sukari. The useful life of the Sukari asset is not expected to be reduced by climate-related physical risks.

The Group will monitor and routinely test climate-related risk against judgements and estimates made in preparation of the Group's financial statements. Climate-related transitional and physical risks as well as carbon pricing is not expected to have a material impact on the carrying values of assets or liability of the Group during the Sukari life of mine and there is no expectation that climate change will impact any of the useful economic lives of the Sukari fixed assets.

The Group's critical estimates and assumptions are as follows:

1.2.3 Estimate: Mineral Reserve and Resource statement impact on ore reserves

Ore reserves and mineral resource estimates are estimates of the amount of ore that can be economically and legally extracted from the Group's mining properties. The Group's Mineral Reserve and Resource statement for SGM with an effective date of 30 June 2023 is contained in the supplementary section of the 2023 Annual Report. The information on the Mineral Resources and Reserves statement was prepared by Qualified Persons as defined by the National Instrument 43-101 of the Canadian Securities Administrators.

There are numerous uncertainties inherent in estimating Mineral Resources and Mineral Reserves. Assumptions that are valid at the time of estimation may change significantly when new information becomes available. Estimates of recoverable quantities of reserves include assumptions on commodity prices, exchange rates, discount rates and production costs for future cash flows. It also involves assessment and judgement of complex geological models. The economic, geological, and technical factors used to estimate ore reserves may change from period to period.

Ore reserves are integral to the recognised amounts of depreciation and amortisation and the valuation of inventory because of the unit of production ("UOP") amortisation method. Therefore, changes to ore reserves may impact the Group's reported financial position and results in the following way:

- The carrying value of mine development properties, which incorporates the rehabilitation obligation assets may be affected due to changes in estimated future cash flows. The recoverable amount of mine development properties is directly linked to the quantities of the economically recoverable reserves of the mine and therefore with other factors held constant, a significant decrease in the reserves might result in an impairment loss on the asset and have a negative impact on the carrying values;
- Capitalised stripping costs recognised in the statement of financial position, as either part of mine development properties or inventory or charged to profit or loss, may change due to changes in stripping ratios;
- Depreciation and amortisation charges in the statement of profit or loss and other comprehensive income may change where such charges are determined using the UOP, or where the useful life of the related assets change. The Group's mine development properties asset category, incorporating the deferred stripping asset and rehabilitation obligation assets is amortised using the UOP method; and
- Provisions for rehabilitation and environmental provisions may change where reserve estimate changes affect expectations about when such activities will occur and the associated cost of these activities.

Production forecasts from the underground mine at Sukari are partly based on estimates regarding future resource and reserve growth. It should be specifically noted that the potential quantity and grade from the Sukari underground mine is conceptual in nature and that it is uncertain if exploration will result in further targets being delineated as a mineral resource. Please refer to the Mineral Reserve and Resource statement impact on ore reserves sensitivity, note 3.1.1(h).

1.2.4 Estimate: Restoration and rehabilitation provision

Management performed a reassessment of the restoration and rehabilitation plan for Sukari to determine the Company's obligation as at 31 December 2023. This follows an extensive review process of the plan and provision in the prior year's assessment which involved an external third party to verify the assumptions and methodology used in the restoration and rehabilitation plan. On the financial side, the restoration and rehabilitation plan and provision assessment resulted in an increase of the provision by US$1.3 million (2022: US$5.8 million decrease) to US$40 million as at 31 December 2023, see note 2.14.

The marginal US$1.3 million increase in the provision from the December 2023 reassessment, other than the unwinding of interest was due to a number of factors and assumptions affecting the inputs to the model e.g. a small increase in the inflation rate to 2.40% in 2023 from 2.37% in 2022 and an increase in the undiscounted provision amount by US$6.2 million, partially offset by the increase in the discount rate from 3.63% in 2022 to 4.01% in 2023. The undiscounted cost base for various components of the expected rehabilitation activities also increased by a net amount of US$6.2 million. The key drivers for the cost base increase were mainly due to the following changes:

- Waste Rock Dumps – a US$1.3 million increase (2022: Nil) in the rehabilitation cost of the surface area requiring regrading of slopes and batters;
- Mine services area – a US$1.4 million increase (2022: Nil), in the costs related to the dismantling, grading of surfaces and restoration of contours within the mine services area;
- North and West Dump Leach – a US$0.9 million increase (2022: US$0.4 million increase) in the cost of loading and hauling waste rock to create a cover over the tailings surface;
- TSF2 – a US$2.1 million increase (US$3 million decrease) in the cost of loading and hauling and spreading the waste rock over the tailings surface and regrading of embankments. Increase was mainly due to a revision of the unit cost of the closure activities; and
- US$0.8 million increase (2022: US$1.5 million increase) in cost of mine closure planning and design related work.

Estimates in the process include the unit costs used in calculating the provision e.g., ripping and grading, hauling and application, regrading slopes, construction of bunds and demolition of buildings and certain fixed costs, including labour and dismantling of equipment. Management has assessed the compliance costs relating to Global Industry Standard on Tailings Management ("GISTM") and this was concluded to be immaterial.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended 31 December 2023

1. CURRENT REPORTING PERIOD AMENDMENTS CONTINUED

For rehabilitation activities measured in tonnes, the unit costs range between US$0.30/t to US$0.77/t and for those measured in cubic metres and for surface areas measured in metres, the unit cost used are as follows:

- Load and haul waste rock by mass (average haul distance of 2km) US$0.30/t
- Load and haul waste rock by mass (average haul distance of 6km) US$0.75/t
- Load and haul waste rock by volume (average haul distance of 2km) US$0.64/$m^3$
- Spread waste rock to create cover US$2.70/$m^3$
- Load and haul demolition waste for on-site landfill US$1.92/$m^3$
- Demolish concrete foundations (medium reinforced) US$53.00/$m^3$
- Regrade slopes and batters US$1.35/$m^2$
- Rip and grade compacted surfaces US$0.71/$m^2$
- Demolish buildings (mix of prefabricated, steel and blockwork) US$8.00/$m^2$

The range of the estimated unit costs as outlined above is primarily driven by the level of the work required for each work area requiring restoration and rehabilitation activity, the extent of the mine areas and/or infrastructure or equipment requiring such work as well as the expected mix of the resources to execute the activities i.e., either internally sourced, contracted third party, other specialist resource or a combination of the three.

Sukari has a life of mine which runs through to 2034 and while generally the majority of restoration and rehabilitation work will be undertaken when the economically viable resources of the mine are depleted at the end of the life of mine, the actual estimated timing of cash outflows for the restoration and rehabilitation work may be different and, in some cases, significantly different due to various factors, including the discovery of more resources that increase the quantities of economically recoverable resources and therefore, extend the life of mine. The ore reserves available for economic extraction, the extent of the area they are located and the timeframe within which they are reasonably expected to be depleted and consequently for rehabilitation activities to commence therefore, have a significant impact on the estimation process of the restoration and rehabilitation provision amount.

Some of the unit rates have changed from prior year, with a few of them having only a marginal change and there are also other unit rates with no movement from prior year. As the rehabilitation and restoration work will be done in-country, management has considered the year-on-year inflation in Egypt and particularly the devaluation of the Egyptian currency, EGP against the USD in the year over the last two years and concluded that maintaining the unit rates largely within the same range as the prior year would be reasonable in the estimation process for the current year provision.

Management has performed sensitivity analyses of reasonably possible changes in the significant assumptions which are primarily the unit costs of the rehabilitation activities above as well as the discount and inflation rates.

The sensitivity results below are based on illustrative percentage changes, however the estimates may vary by greater amounts. The provision for restoration and rehabilitation may also change where reserve estimate changes affect expectations about when such activities will occur and therefore the associated cost of these activities.

The reported provision and corresponding asset amount would change as shown below should there be a change in the estimated unit cost rates, discount rates and inflation rate assumptions on the basis that all the other factors that can potentially change remain constant:

- A 10% increase in these estimated unit and fixed costs elements would result in a US$3.3 million increase (2022:US$3.1 million) in the provision and corresponding asset amounts, while a 10% decrease would result in a US$3.3 million decrease- (2022:US$3.1 million).
- A 10% increase in the discount rate would result in a US$1.8 million decrease (2022: US$1.4 million) in the provision and corresponding asset amounts, while a 10% decrease would result in a US$1.9 million increase (2022: US$1.4 million).
- A 10% increase in the inflation rate would result in a US$1.1 million increase (2022: US$0.9 million) in the provision and corresponding asset amounts, while a 10% decrease would result in a US$1.1 million decrease (2022: US$0.9 million).

The above scenarios resulted in increases of the restoration and rehabilitation provision ranging from US$1.1 million (2022: US$0.7 million) to US$3.3 million (2022: US$3.1 million) and decreases of the similar ranges. All the scenarios would have an insignificant effect on the consolidated statement of comprehensive income, through immaterial movements in the interest cost on the liability and reduced rehabilitation asset amortisation charge. Refer to note 2.14 for additional information on the restoration and rehabilitation provision movements.

The sensitivities analysed above reflect reasonably possible changes in the provisions in response to changes in the underlying assumptions.

1.3 OTHER SIGNIFICANT ACCOUNTING POLICIES

1.3.1 Principles of consolidation

The consolidated financial statements are prepared by combining the financial statements of all the entities that comprise the consolidated group, being the Company (the parent entity) and its subsidiaries. Subsidiaries are all entities over which the Group has control, as defined in IFRS 10 *Consolidated financial statements*. Consistent accounting policies are employed in the preparation and presentation of the consolidated financial statements.

The consolidated financial statements include the information and results of each subsidiary and controlled entity from the date on which the Company obtains control and until such time as the Company ceases to control such entities. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

In preparing the consolidated financial statements, all intercompany balances and transactions, and unrealised profits arising within the consolidated group, are eliminated in full.

2. HOW NUMBERS ARE CALCULATED

2.1 SEGMENT REPORTING

The Group is engaged in the business of exploration for and mining of precious metals, which represents three operating segments, two in the business of exploration and one in the mining of precious metals. The Board is the Group's chief operating decision-maker within the meaning of IFRS 8 *Operating segments*. Management has determined the operating segments based on the information reviewed by the Board for the purposes of allocating resources and assessing performance. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors.

The Board considers the business from a geographic perspective and a mining of precious metals versus exploration for precious metals perspective. Geographically, management considers separately the performance in Egypt, Burkina Faso, Côte d'Ivoire and Corporate (which includes Jersey, United Kingdom, and Australia). From a mining of precious metals versus exploration for precious metals perspective, management separately considers the Egyptian mining of precious metals from the Egyptian and Côte d'Ivoire exploration for precious metals in these geographies. The Egyptian mining operations derive revenue from the sale of gold while Côte d'Ivoire and the new Egyptian entities are currently only engaged in precious metal exploration and do not produce any revenue.

The Board assesses the performance of the operating segments based on profits and expenditure incurred as well as exploration expenditure in each region. Egypt is the only operating segment with one of its entities, SGM, mining precious metals and therefore has revenue and cost of sales whilst the remaining operating segments do not. All operating segments are reviewed by the Board as presented and are key to the monitoring of ongoing performance and assessing plans of the Company.

The Burkina Faso incorporated legal entities are currently at an advanced stage of being formally wound-up and costs incurred in the year relate to various aspects of that process. Costs incurred up to the time the Burkina Faso entities' wind-up process is formally concluded will continue to be disclosed within exploration costs and under Burkina Faso in the segment reporting disclosures.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended 31 December 2023

2. HOW NUMBERS ARE CALCULATED CONTINUED

Non-current assets, including financial instruments by country:

31 December 2023	Total US$'000	Egypt US$'000	Burkina Faso US$'000	Côte d'Ivoire US$'000	Corporate US$'000
Non-current assets (excl. financial assets)	1,211,949	1,210,391	–	537	1,021
Non-current assets (financial instruments)	1,014	927	2	85	–
Total non-current assets	1,212,963	1,211,318	2	622	1,021

31 December 2022	Total US$'000	Egypt US$'000	Burkina Faso US$'000	Côte d'Ivoire US$'000	Corporate US$'000
Non-current assets (excl. financial assets)	1,206,231	1,204,956	–	826	449
Non-current assets (financial instruments)	1,372	1,270	20	82	–
Total non-current assets	1,207,603	1,206,226	20	908	449

Additions to non-current assets mainly relate to Egypt and are disclosed in note 2.10.

Statement of financial position by operating segment:

31 December 2023	Total US$'000	Egypt Mining US$'000	Egypt Exploration US$'000	Burkina Faso US$'000	Côte d'Ivoire US$'000	Corporate US$'000
Total assets	1,523,243	1,434,074	4,391	30	6,149	78,600
Total liabilities	(144,637)	(133,177)	(787)	–	(2,596)	(8,077)
Net assets	1,378,606	1,300,897	3,604	30	3,553	70,523

31 December 2022	Total US$'000	Egypt Mining US$'000	Egypt Exploration US$'000	Burkina Faso US$'000	Côte d'Ivoire US$'000	Corporate US$'000
Total assets	1,493,533	1,413,266	4,057	40	4,074	72,096
Total liabilities	(152,126)	(142,556)	(533)	(470)	(3,421)	(5,146)
Net assets/(liabilities)	1,341,407	1,270,710	3,524	(430)	653	66,950

Statement of comprehensive income by operating segment:

For the year ended 31 December 2023	Total US$'000	Egypt Mining US$'000	Egypt Exploration US$'000	Burkina Faso US$'000	Côte d'Ivoire US$'000	Corporate US$'000
Revenue	891,262	891,262	–	–	–	–
Cost of sales	(596,836)	(596,836)	–	–	–	–
Gross profit	294,426	294,426	–	–	–	–
Exploration and evaluation costs	(31,653)	–	(5,558)	(869)	(25,226)	–
Other operating costs[1]	(68,542)	(39,069)	(377)	1,221	(127)	(30,190)
Other income	5,817	6,058	99	102	1,686	(2,128)
Finance income	4,127	1,475	–	–	–	2,652
Finance costs	(3,526)	(1,681)	(42)	2	(75)	(1,730)
Net fair value loss on derivatives	(5,509)	–	–	–	–	(5,509)
Profit/(loss) for the year before tax	195,140	261,209	(5,878)	456	(23,742)	(36,905)
Tax	(255)	(220)	–	–	(21)	(14)
Profit/(loss) for the year after tax	194,885	260,989	(5,878)	456	(23,763)	(36,919)
Profit/(loss) for the year after tax attributable to:						
– the owners of the parent[2]	92,284	158,388	(5,878)	456	(23,763)	(36,919)
– non-controlling interest in SGM[2]	102,601	102,601	–	–	–	–

(1) The US$1.2m gain in the Burkina Faso segment relates to intercompany loans due to Centamin West Africa Holdings Limited (included as an expense within the Corporate segment) that were written off in the year. These amounts are fully eliminated on consolidation, therefore do not impact the overall Group results.

(2) Please note that the cost recovery model on which profit share is based under the Concession Agreement is different to the accounting results presented above due to various adjustments and as such the share of profit disclosed above is not reflective of the 55%:45% split that was in place from 1 July 2018 to 30 June 2020 and 50%:50% split from 1 July 2020 onwards that occurs in practice, refer to the statement of cash flows by operating segment below for further information.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended 31 December 2023

2. HOW NUMBERS ARE CALCULATED CONTINUED

Statement of comprehensive income by operating segment:

For the year ended 31 December 2022	Total US$'000	Egypt Mining US$'000	Egypt Exploration US$'000	Burkina Faso US$'000	Côte d'Ivoire US$'000	Corporate US$'000
Revenue	788,424	788,424	–	–	–	–
Cost of sales	(544,075)	(544,075)	–	–	–	–
Gross profit	244,349	244,349	–	–	–	–
Exploration and evaluation costs	(29,723)	–	(1,675)	(2,928)	(25,120)	–
Other operating costs	(49,003)	(27,299)	(116)	(506)	(326)	(20,756)
Other income	6,623	8,039	196	(168)	(666)	(778)
Finance income	1,214	99	–	–	–	1,115
Finance costs[1]	(2,459)	(1,098)	(19)	(2)	(58)	(1,282)
Impairment of intra-group loans	–	–	–	140,623	–	(140,623)
Profit/(loss) for the year before tax	171,001	224,090	(1,614)	137,019	(26,170)	(162,324)
Tax	(226)	(226)	–	–	–	–
Profit/(loss) for the year after tax	170,775	223,864	(1,614)	137,019	(26,170)	(162,324)
Profit/(loss) for the year after tax attributable to:						
– the owners of the parent[1]	72,490	125,579	(1,614)	137,019	(26,170)	(162,324)
– non-controlling interest in SGM[1]	98,285	98,285	–	–	–	–

(1) Please note that the cost recovery model on which profit share is based under the Concession Agreement is different to the accounting results presented above due to various adjustments and as such the share of profit disclosed above is not reflective of the 55%:45% split that was in place from 1 July 2018 to 30 June 2020 and 50%:50% split from the 1 July 2020 onwards that occurs in practice, refer to the statement of cash flows by operating segment below for further information.

Statement of cash flows by operating segment:

For the year ended 31 December 2023	Total US$'000	Egypt Mining US$'000	Egypt Exploration US$'000	Burkina Faso US$'000	Côte d'Ivoire US$'000	Corporate US$'000
Statement of cash flows						
Net cash generated from/(used in) operating activities	353,600	419,210	(395)	54	(1,384)	(63,885)
Net cash (used in)/generated from investing activities	(198,768)	(200,631)	(512)	–	(276)	2,651
Net cash used in financing activities	(164,994)	(232,994)	–	–	–	68,000
Own shares acquired	(245)	–	–	–	–	(245)
Cash component of share-based payments	(583)	–	–	–	–	(583)
Dividend paid – non-controlling interest in SGM	(112,000)	(112,000)	–	–	–	–
Dividend paid – intercompany	–	(120,994)	–	–	–	120,994
Dividend paid – owners of the parent	(52,166)	–	–	–	–	(52,166)
Net increase/(decrease) in cash and cash equivalents	(10,163)	(14,416)	(907)	54	(1,660)	6,766
Cash and cash equivalents at the beginning of the year	102,373	27,373	1,971	1	1,422	71,606
Effect of foreign exchange rate changes	1,112	729	100	(25)	1,782	(1,474)
Cash and cash equivalents at the end of the year	93,322	13,686	1,164	30	1,544	76,898

For the year ended 31 December 2022	Total US$'000 (restated)	Egypt Mining[1] US$'000	Egypt Exploration US$'000	Burkina Faso US$'000	Côte d'Ivoire US$'000	Corporate[1] US$'000
Statement of cash flows						
Net cash generated from/(used in) operating activities	292,524	321,542	1,912	(2,644)	1,673	(29,959)
Net cash (used in)/generated from investing activities	(274,583)	(274,120)	(976)	–	(595)	1,108
Net cash used in financing activities	(122,219)	(35,492)	–	–	–	(86,727)
Cash element of share-based payments	(523)	–	–	–	–	(523)
Dividend paid – non-controlling interest in SGM	(35,492)	(35,492)	–	–	–	–
Dividend paid – owners of the parent	(86,204)	–	–	–	–	(86,204)
Net (decrease)/increase in cash and cash equivalents	(104,278)	11,930	936	(2,644)	1,078	(115,578)
Cash and cash equivalents at the beginning of the year	(207,821)	13,609	935	5	859	192,413
Effect of foreign exchange rate changes	(1,170)	1,834	100	2,640	(515)	(5,229)
Cash and cash equivalents at the end of the year	102,373	27,373	1,971	1	1,422	71,606

(1) The comparatives in the Consolidated Statement of Cash Flows for the year ended 31 December 2022 have been restated to reflect an increase of cash generated from operating activities of $2.5m, interest paid of $1.9m and a reduction of the effect of foreign exchange rate changes of $0.6m.

2.2 REVENUE

An analysis of the Group's revenue for the year, is as follows:

	For the year ended 31 December 2023 US$'000	For the year ended 31 December 2022 US$'000
Gold sales	889,384	786,921
Silver sales	1,878	1,503
	891,262	788,424

All gold and silver sales up to 30 June 2023 were made to a single customer in North America, Asahi Refining Canada Ltd ("Asahi"). Asahi's contract expired on 30 June 2023 and effective 1 July 2023, all gold and silver sales were made to another single customer in Switzerland, MKS Pamp SA ("MKS").

ACCOUNTING POLICY: REVENUE

Revenue is measured at the fair value of the consideration received or receivable for goods in the normal course of business.

Sale of goods

Under IFRS 15, revenue from the sale of mineral production is recognised when the Group has passed control of the mineral production to the buyer (the performance obligation), it is probable that economic benefits associated with the transaction will flow to the Group, the sales price can be measured reliably, and the Group has no significant continuing involvement and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Up to 30 June 2023, with the Asahi contract, the performance obligation was satisfied when the doré bars were packaged and collected by the approved carrier with the appropriate required documentation at the gold room and the approved carrier accepted control of the shipment by signature. After receipt of the shipment at the refinery, 98% of the amounts due are paid within five working days, with the balance being paid within four working days thereafter. Effective 1 July 2023, a new contract was signed with MKS and based on management's assessment of the contract, SGM's performance obligations for the determination of timing of revenue recognition have not changed, and revenue continues to be recognised on satisfaction of the performance obligations as outlined above.

Where an adjustment to the sales price based on a survey of the mineral production by the buyer (for instance an assay for gold content) is done, recognition of the revenue from the sale of mineral production is based on the most recently determined estimate of product specifications.

Royalty

The Arab Republic of Egypt ("ARE") is entitled to a royalty of 3% of net sales revenue (revenue net of freight and refining costs) as defined from the sale of gold and associated minerals from SGM. This royalty is calculated and recognised on receipt of the final certificate of analysis document received from the refinery. Due to its nature, this royalty is not recognised in cost of sales but rather in other operating costs.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended 31 December 2023

2. HOW NUMBERS ARE CALCULATED CONTINUED

2.3 PROFIT BEFORE TAX

Profit for the year before tax has been arrived at after crediting/(charging) the following gains/(losses) and income/(expenses):

	Note	For the year ended 31 December 2023 US$'000	For the year ended 31 December 2022 US$'000
Other income			
Net foreign exchange gains		5,641	6,559
Other income		176	64
		5,817	6,623
Finance cost – net			
Finance income		4,127	1,214
Finance costs		(3,526)	(2,459)
		601	(1,245)
Net fair value loss on derivative financial instruments		(5,509)	–
Expenses			
Cost of sales*			
Mine production costs		(412,827)	(408,543)
Movement in inventory		13,319	10,659
Depreciation and amortisation		(197,328)	(146,191)
		(596,836)	(544,075)
Other operating costs			
Corporate compliance		(3,961)	(2,869)
Fees payable to the external auditors	6.5	(1,080)	(895)
Corporate consultants fees		(4,301)	(2,697)
Salaries and wages		(12,434)	(11,979)
Other administration expenses		(4,026)	(3,272)
Employee equity settled share-based payments		(7,308)	(2,570)
Corporate costs (sub-total)		(33,110)	(24,282)
Other provisions		1,182	1,180
Inventory written-off		(3,721)	(1)
Net movement on provision for stock obsolescence		4,004	(579)
Other non-corporate operating expenses		(10,215)	(1,479)
Royalty – attributable to the ARE government		(26,682)	(23,842)
Other operating costs (total)		(68,542)	(49,003)

* Inventories recognised as an expense in the Consolidated Statement of Comprehensive Income during the year ended 31 December 2023 amounted to US$ 597 million (2022: US$544 million) and these were included in 'cost of sales'.

ACCOUNTING POLICY: FINANCE INCOME, OTHER INCOME AND FOREIGN CURRENCIES

Finance income

Finance income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Finance income is generated mainly from treasury activities (e.g., income on surplus funds invested for the short term) and therefore is separately disclosed outside of the Group's operating profit in the consolidated statement of comprehensive income and disclosed as a separate line under investing activities in the consolidated statement of cash flows.

Foreign currencies

The individual financial statements of each Group entity are presented in its functional currency being the currency of the primary economic environment in which the entity operates. For the purpose of the consolidated financial statements, the results and financial position of each entity are expressed in US dollars, which is the functional currency of all companies in the Group and the presentation currency for the consolidated financial statements.

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency are recorded at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the reporting date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined.

Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences are recognised in profit or loss in the period in which they arise.

ACCOUNTING POLICY: FINANCE COSTS

Finance costs

Finance costs for the Group will normally include:

- Costs that are borrowing costs for the purposes of IAS 23 *Borrowing Costs*:
  - interest expense calculated using the effective interest rate method as described in IFRS 9 Financial Instruments;
  - interest in respect of lease liabilities; and
  - exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.
- the unwinding of the effect of discounting provisions.

Borrowing and finance costs which are generally incurred in the Group's ordinary activities are recognised in the statement of profit or loss and other comprehensive income in the period in which they are incurred, and the Group would also include foreign exchange differences on directly attributable borrowings as borrowing costs capable of capitalisation to the extent that they represented an adjustment to interest costs. These finance costs are separately disclosed in the consolidated statement of comprehensive income as required by IAS 1 *Presentation of Financial Statements* and disclosed under operating activities in the consolidated statement of cash flows.

Even though exploration and evaluation assets can be qualifying assets, they generally do not meet the 'probable economic benefits' test therefore any related borrowing costs incurred during this phase are generally recognised in the statement of profit or loss and other comprehensive income in the period in which they are incurred.

ACCOUNTING POLICY: EMPLOYEE BENEFITS

Employee benefits

Salary costs are absorbed within cost of sales and other operating costs. Short term employee benefits are recognised when an employee has rendered service to the Group in the accounting period, and bonus plans are recognised when the Group has a present legal or constructive obligation as a result of past events and the obligation can be reliably measured.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended 31 December 2023

2. HOW NUMBERS ARE CALCULATED CONTINUED

2.4 DERIVATIVE FINANCIAL INSTRUMENTS

On 14 June 2023, the Company entered into put option contracts whereby it purchased a series of gold put option contracts (the "commodity contracts"). A total of US$2.5 million, was paid to BMO, the counterparty as a premium on entering into six put option contracts for a total of 120,000 ounces representing, 20,000 ounces for each month beginning 1 July 2023 to 31 December 2023 at a strike price of US$1,900/oz as part of the Gold Price Protection Programme. As part of the same programme, on 20 July 2023, the Company entered into a second series of six put option contracts for a total of 120,000 ounces representing, 20,000 ounces for each month beginning 1 January 2024 to 30 June 2024 at a strike price of US$1,900/oz and a total of US$3.6 million, was paid to HSBC, the counterparty as a premium on entering into the contracts. By entering into these contracts, the Company was able to ensure it can reasonably protect the Group's cash flows by initiating a gold price protection program for the contracted ounces at these prices over the six-month period to year end.

The details of the commodity contracts opened and expired during the year and those outstanding as at 31 December 2023, are as follows:

Commodity contract Type purchased	Quantity[1] (Oz)	Contract Term	Strike price per Oz[1][2] $US	Premium Paid $US'000	Mark-to-Market (MtM) $US'000	Unrealised loss recognised (Open Contracts) $US'000	Realised loss recognised (Settled Contracts) $US'000
Gold put options	120,000	1 Jul 23 to 31 Dec 23	1,900	2,538	–	–	(2,538)
Gold put option	20,000	1 Jan 24 to 31 Jan 24	1,900	604	–	(604)	–
Gold put option	20,000	1 Feb 24 to 29 Feb 24	1,900	604	22	(582)	–
Gold put option	20,000	1 Mar 24 to 31 Mar 24	1,900	604	76	(528)	–
Gold put option	20,000	1 Apr 24 to 30 Apr 24	1,900	604	123	(481)	–
Gold put option	20,000	1 May 24 to 31 May 24	1,900	604	185	(419)	–
Gold put option	20,000	1 Jun 24 to 30 Jun 24	1,900	604	248	(357)	–
Total	**240,000**			**6,162**	**654**	**(2,971)**	**(2,538)**

1. Quantities and strike prices do not fluctuate by month within each calendar year.
2. Contracts are exercisable based on the average price for the month being below the strike price of the put.

The resulting fair values of the outstanding commodity contracts at 31 December 2023 as shown in the table above, have been recognised, in de-rivative financial instruments on the consolidated statement of financial position. These derivative financial instruments were not designated as hedges by the Company and are marked-to-market at the end of each reporting period with the mark-to-market adjustment recorded in the con-solidated profit or loss.

The commodity contracts are marked-to-market using a valuation model which uses quoted observable inputs and are classified as Level 2 in the fair value hierarchy. During the year ended 31 December 2023, a total of US$5.5m, made up of US$2.5m realised fair value loss and US$3.0m unrealised fair value loss on the put options was recognised in the consolidated profit or loss.

2.5 NON-CONTROLLING INTEREST IN SGM

EMRA is a 50% shareholder in SGM and is entitled to a share of 50% of SGM's net production surplus which can be defined as 'revenue less payment of the fixed royalty to the ARE and recoverable costs'.

Earnings attributable to the non-controlling interest in SGM (i.e., EMRA) are pursuant to the provisions of the CA and are recognised as profit attributable to the non-controlling interest in SGM in the attribution of profit section of the statement of comprehensive income of the Group. The profit share payments during the year will be reconciled against SGM's audited financial statements. SGM's financial statements for the year ended 30 June 2023 have been audited and signed off at the date of this report.

Certain terms of the CA and amounts in the cost recovery model may also vary depending on interpretation and management and the Board making various judgements and estimates that can affect the amounts recognised in the financial statements.

(a) Statement of comprehensive income and statement of financial position impact

	For the year ended 31 December 2023 US$'000	For the year ended 31 December 2022 US$'000
Statement of comprehensive income		
Profit for the year after tax attributable to the non-controlling interest in SGM[1]	102,601	98,285
Statement of financial position		
Total equity attributable to non-controlling interest in SGM[1] (opening)	22,537	(40,256)
Profit for the year after tax attributable to the non-controlling interest in SGM[1]	102,601	98,285
Dividend paid – non-controlling interest in SGM	(112,000)	(35,492)
Total equity attributable to non-controlling interest in SGM[1] (closing)	13,138	22,537

(1) Profit share commenced during the third quarter of 2016. The first two years was a 60:40 split of net production surplus to PGM and EMRA respectively. From 1 July 2018 this changed to a 55:45 split for the next two-year period until 30 June 2020, after which all net production surpluses have been split 50:50.

Any variation between payments made during the year (which are based on the Company's estimates) and the SGM audited financial statements, may result in a balance due and payable to EMRA or advances to be offset against future distributions and included within the non-controlling interest in SGM balance on the statement of financial position and statement of changes in equity.

(b) Statement of cash flows impact

	For the year ended 31 December 2023 US$'000	For the year ended 31 December 2022 US$'000
Statement of cash flows		
Dividend paid – non-controlling interest in SGM[1]	(112,000)	(35,492)

(1) Profit share commenced during the third quarter of 2016. The first two years was a 60:40 split of net production surplus to PGM and EMRA respectively. From 1 July 2018 this changed to a 55:45 split for the next two-year period until 30 June 2020, after which all net production surpluses will be split 50:50.

EMRA and PGM benefit from advance distributions of profit share which are made on a weekly or fortnightly basis and proportionately in accordance with the terms of the CA. Future distributions will consider ongoing cash flows, historical costs that are still to be recovered and any future capital expenditure. All profit share payments will be reconciled against SGM's audited June financial statements for current and future periods.

2.6 TAX

The Group operates in several countries and, accordingly, it is subject to the various tax regimes applicable in such countries. From time to time the Group is subject to changes in tax laws and/or a review of its related tax regime and filings. Disputes can arise with the tax authorities over the interpretation or application of applicable tax laws, regulations and/or rules to the Group's business. If the Group is unable to resolve any of these matters favourably, there may be an adverse impact on the Group's financial performance, cash flows or results of operations. If management's estimate of the future resolution of these matters' changes, the Group will recognise the effects of the changes in its consolidated financial statements in the period that such changes occur.

Tax exemptions

In Egypt, Pharaoh Gold Mines NL ("PGM") has entered into a Concession Agreement ("CA") with EMRA and the Government of Egypt represented by the Ministry of Petroleum & Natural Resources. The CA was issued under special law no. 222 of 1994. Under the CA, income generated by SGM's activities is granted a tax exemption (as described below) from all taxes imposed in Egypt (as at the date of the CA and any new taxes imposed under a different name since such date), other than the fixed 3% royalty attributable to the Egyptian government, rental income on property and interest income on cash and cash equivalents. PGM and SGM have further tax exemptions for the duration of the CA from certain other taxes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended 31 December 2023

2. HOW NUMBERS ARE CALCULATED CONTINUED

The CA grants certain tax exemptions, including the following:

- Article III(e) of the CA provides for a 15-year exemption from any taxes imposed by the Egyptian government on the revenues generated from SGM for the period 10 March 2010 (being the date of commencement of commercial production) to 9 March 2025. SGM will in due course have to file an application with the Ministry of Petroleum & Natural Resources to extend the tax-free period for a further 15 years to 9 March 2040. ("Tax Exemption Renewal") Under the CA, EMRA is obliged to support the application for the Tax Exemption Renewal so long as (i) there is no tax dispute with Government at SGM level or its equity holders (PGM & EMRA) and (ii) exploration activities in the licence areas have been planned and agreed by all parties. Preparatory works have already commenced on the application for the Tax Exemption Renewal and the Group intends for SGM to submit the application in the near future but no later than Q3 2024. If granted, the extension should be on the same terms (as it is an extension). Albeit there is no guarantee that the Government will agree to grant the renewal or on the same basis, the Group believes that all requisite requirements are and will have been complied with for such renewal. Should the Tax Exemption renewal not be granted, then SGM will be subject to previously exempted taxes, such as, for example, the prevailing 22.5% corporate income tax rate applicable in Egypt.
- Article XI of the CA provides for PGM and SGM to be exempt – for the duration of the CA – from custom taxes and duties with respect to the importation of machinery, equipment and consumable items required for the purpose of exploration and mining activities at SGM. The exemption shall only apply if there is no local substitution with the same or similar quality to the imported machinery, equipment, or consumables. Such exemption will also be granted if the local substitution is more than 10% more expensive than the imported machinery, equipment, or consumables after the addition of the insurance and transportation costs. To this end, PGM's contractors and subcontractors are – under the same provision – also entitled to import machinery, equipment, and consumable items under the 'Temporary Release System' which provides exemption from Egyptian customs duty.
- Under Article XIX of the CA, PGM, EMRA and SGM and their respective buyers will for the duration of the CA be exempt from any duties or taxes on the export of gold and associated minerals produced from SGM. PGM is – at all times – free to transfer in US$ or other freely convertible foreign currency, any cash of PGM representing its share of net proceeds and recovery of costs, without any Egyptian government limitation, tax or duty.
- Under Article VIII of the CA legal title of all operating assets of PGM will pass to EMRA when cost recovery is completed at the end of the life of mine. PGM is exempted from all custom, duties, excise, stamps and sale taxes on the transfer of such assets to EMRA. The right of use of all fixed and movable assets, however, remains with PGM and SGM.

Relevance of tax consolidation to the consolidated entity

In Australia, Centamin Egypt Limited and Pharaoh Gold Mines NL, both wholly owned Australian resident entities within the Group, have elected to form a tax-consolidated group from 1 July 2003 and therefore are treated as a single entity for Australian income tax purposes. The head entity within the tax-consolidated group is Centamin Egypt Limited. Pharaoh Gold Mines NL, which has a registered Egyptian branch, benefits from the 'branch profits exemption' whereby foreign branch income will generally not be subject to Australian income tax. Ampella Mining Limited (in Liquidation) is a single entity for Australian income tax purposes.

Nature of tax funding arrangements and tax-sharing agreements

Entities within the Australian tax-consolidated group have entered into a tax funding arrangement and a tax-sharing agreement with the head entity. Under the terms of the tax-funding agreement, Centamin Egypt Limited and each of the entities in the tax-consolidated group have agreed to pay a tax-equivalent payment to or from the head entity, based on the current tax liability or current tax asset of the entity. Such amounts are reflected in amounts receivable from or payable to other entities in the tax-consolidated group.

The tax-sharing agreement entered between members of the tax-consolidated group provides for the determination of the allocation of income tax liabilities between the entities should the head entity default on its tax payment obligations. No amounts have been recognised in the financial statements in respect of this agreement as payment of any amounts under the tax-sharing agreement is considered remote.

Tax recognised in profit is summarised as follows:

Tax expense

	For the year ended 31 December 2023 US$'000	For the year ended 31 December 2022 US$'000
Current tax		
Current tax expense in respect of the current year	(255)	(226)
Deferred tax	–	–
Total tax expense	(255)	(226)

The tax expense for the year can be reconciled to the profit per the consolidated statement of comprehensive income as follows:

	For the year ended 31 December 2023 US$'000	For the year ended 31 December 2022 US$'000
Profit for the year before tax	195,140	171,001
Tax expense calculated at 0%[1] (2022: 0%)[1] of profit for the year before tax	–	–
Tax effect of:		
Other	(255)	(226)
Tax expense	(255)	(226)

(1) The tax rate used in the above reconciliation is the corporate tax rate of 0% payable by Jersey corporate entities under the Jersey tax law (2022: 0%). There has been no change in the underlying corporate tax rates when compared with the previous financial period.

Tax recognised in the balance sheet is summarised as follows:

	For the year ended 31 December 2023 US$'000	For the year ended 31 December 2022 US$'000
Current tax liabilities	102	249

Global implementation of OECD Pillar Two model rules

In December 2021, the Organisation for Economic Co-operation and Development ("OECD") published Tax Challenges Arising from the Digitalisation of the Economy – Global Anti-Base Erosion Model Rules (Pillar Two): Inclusive Framework on BEPS, hereafter referred to as the 'OECD Pillar Two model rules' or 'the rules'. The rules are designed to ensure that large multinational enterprises within the scope of the rules pay a minimum level of tax on the income arising in a specific period in each jurisdiction where they operate. In general, the rules apply a system of top-up taxes that brings the total amount of taxes paid on an entity's excess profit in a jurisdiction up to the minimum rate of 15%.

The rules need to be passed into national legislation based on each country's approach. The Pillar Two legislation has not yet been enacted in Jersey, however, the treasury minister of Jersey, the Company's country of incorporation, announced the intentions in relation to Pillar Two implementation, they intend to implement an Income Inclusion Rule ("IIR") and domestic minimum tax from 2025, while continuing to monitor global implementation. The rules will impact current income tax when the legislation comes into effect.

When enacted, applying the OECD Pillar Two model rules and determining their impact on the Group's financial statements is complex and poses a number of practical challenges. However, since the Pillar Two legislation was not effective at the reporting date, the Group has no related current tax exposure.

The Group could be in scope of the OECD Pillar Two model rules from 2025 onwards in either Jersey or Australia based on current forecasts of revenue and is currently in the process of performing an assessment of the potential impact of this on the Group. The Group currently has an effective tax rate of approximately 0%, albeit it makes substantial profit share payments to EMRA, an Egyptian government body, refer to note 2.5 for further information on the profit attributable to the NCI. There is uncertainty around how the OECD Pillar Two model rules will be applied to the Group, and the position is currently being worked through with the relevant tax advisors.

ACCOUNTING POLICY: TAXATION

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

Current tax

The tax currently payable is based on taxable profit for the period. Taxable profit differs from profit as reported in the consolidated statement of comprehensive income because of items of income or expense that are taxable or deductible in other periods and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended 31 December 2023

2. HOW NUMBERS ARE CALCULATED CONTINUED

2.7 FINANCIAL INSTRUMENTS

Interest bearing loans and borrowings

US$150 million Revolving Credit Facility ("RCF")

On 22 December 2022, the Company entered into an agreement for a US$150 million RCF with a syndicate of four banks: Bank of Montreal (London Branch), HSBC Bank plc, ING Bank N.V. (Amsterdam Branch) and Nedbank Limited (London Branch).

As at 31 December 2023, there were no drawdowns on the facility and therefore no interest expense on borrowings was recognised in the period, however, in accordance with the RCF, commitment fees are charged on the US$150 million undrawn commitment and the total commitment fees charged on this undrawn commitment during the year ended 31 December 2023 was US$1.6 million (2022: US$ Nil) and this was recognised in the consolidated statements of comprehensive income in period. The commitment fee is charged and paid on a quarterly basis at an annual rate of 1.4%.

The terms of the facility imposes certain financial covenants on the Company in respect of each Relevant Period that has an outstanding borrowing as outlined below i.e., the Company shall ensure that:

a) *Interest Cover:* Interest Cover in respect of any Relevant Period shall not be less than the ratio of 4:1;

b) *Leverage:* Leverage in respect of any Relevant Period shall not exceed the ratio of 3:1;

c) *Liquidity:* Liquidity shall at all times exceed US$50,000,000; and

d) *Reserve Tail:* at each Scheduled Reserves Assessment Date, the Reserve Tail Ratio is not less than thirty per cent.

As at 31 December 2023, although there was no drawdown on the facility, the Company was in full compliance with all the requirements and obligations in respect of financial covenants and financial conditions as stipulated in the agreement.

The Relevant Period is defined as each period of twelve months ending on or about the last day of the Financial Year and each period of twelve months ending on or about the last day of each Financial Quarter.

ACCOUNTING POLICY: FINANCIAL INSTRUMENTS

Financial liabilities and equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement as defined below. Financial liabilities are recognised in the Group's balance sheet when the Group becomes a party to the contractual provisions of the instrument.

Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs and are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire.

Financial assets

Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss); and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at Fair Value through other Comprehensive Income ("FVOCI").

Recognition and derecognition

Purchases and sales of financial assets are recognised on trade date, being the date on which the Group commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, it continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at Fair Value through Profit or Loss ("FVPL"), transaction costs that are directly attributable to the acquisition of the financial asset and trade receivables are initially recognised at transaction price unless they have a significant financing component. Transaction costs of financial assets carried at FVPL are expensed in profit or loss. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Subsequent to initial recognition, investments in subsidiaries are measured at cost in the Company's financial statements. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Financial assets at amortised cost

The Group classifies its financial assets as at amortised cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cash flows; and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

This category of financial assets is measured at amortised cost using the effective interest rate method less impairment. Interest is recognised by applying the effective interest rate except for short-term receivables when the recognition of interest would be immaterial.

Impairment of financial assets

Financial assets, other than those at fair value through profit or loss, are assessed for indicators of impairment at each reporting date. In accordance with paragraph 5.5.1 of IFRS 9 Financial Instruments, with respect to recognition of expected credit losses, a loss allowance shall be recognised for expected credit losses on a financial asset that is measured in accordance with paragraphs 4.1.2 or 4.1.2A, a lease receivable, a contract asset or a loan commitment and a financial guarantee contract to which the impairment requirements apply in accordance with paragraphs 2.1(g), 4.2.1(c) or 4.2.1(d).

The objective of the impairment requirements is to recognise lifetime expected credit losses for which there have been significant increase in credit risk since initial recognition, whether assessed on an individual or collective basis, considering all reasonable and supportable information, including that which is forward-looking.

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets through the use of an allowance account, with a simplified approach for trade receivables. When a trade receivable is uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

With the exception of financial assets at fair value through other comprehensive income equity instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended 31 December 2023

2. HOW NUMBERS ARE CALCULATED CONTINUED

2.8 TRADE AND OTHER RECEIVABLES

	For the year ended 31 December 2023 US$'000	For the year ended 31 December 2022 US$'000
Non-current		
Other receivables – deposits	1,014	1,372
Current		
Gold and silver sales debtor	44,917	29,832
Other receivables	4,526	5,796
	49,443	35,628

Trade and other receivables are classified as financial assets subsequently measured at amortised cost.

All gold and silver sales during the first half of the year were made to a single customer in North America, Asahi Refining Canada Ltd, and there is no recognised receivable balance from this customer as at year end. In the second half of the year, all gold and silver sales were made to a single customer in Switzerland, MKS PAMP SA, and there were no receivables past due from this customer.

The average age of the total receivables is 20 days (2022: 16 days) while that of gold and silver sales only which make up the significant part of the debtors is an average of nine days (2022: nine days), see not 2.2 above and expected credit losses ("ECL") are considered immaterial and therefore, no ECL have been recognised in these financial statements. No interest is charged on the receivables. Of the trade receivables balance, the gold and silver sales debtor is all receivable from MKS PAMP SA. The amount due has been received in full after year end. Other receivables represent GST and VAT owing from various jurisdictions in which the Group operates.

The Directors consider that the carrying amount of trade and other receivables is approximately equal to their fair value, therefore no expected credit loss is recognised within this note, see note 3.1.1 for the risk assessment related to trade receivables.

2.9 PREPAYMENTS

	For the year ended 31 December 2023 US$'000	For the year ended 31 December 2022 US$'000
Current		
Prepayments[1]	17,404	13,864
	17,404	13,864

(1) The prepayments balance above mainly consists of warehouse inventories paid for in advance.

2.10 PROPERTY, PLANT, AND EQUIPMENT

	Office equipment US$'000	Buildings US$'000	Plant and equipment US$'000	Mining equipment US$'000	Mine development properties US$'000	Capital work in progress US$'000	Total US$'000
Year ended 31 December 2023 cost							
Balance at 1 January 2023	8,151	21,701	635,376	383,521	1,009,754	78,804	2,137,307
Additions	76	290	44	402	–	189,911	190,723
Additions: IFRS 16 right of use assets	–	1,150	66	–	–	–	1,216
Increase in rehabilitation asset	–	–	–	–	1,310	–	1,310
Transfers from capital work in progress	890	3,216	74,033	29,233	123,599	(230,971)	–
Transfers from exploration and evaluation asset	–	–	–	–	12,172	–	12,172
Transfers between categories	515	31,782	(26,266)	(6,031)	–	–	–
Disposals	(1,464)	(52)	(9,373)	(87,350)	–	–	(98,239)
Disposals: IFRS 16 right of use assets	–	(1,311)	(279)	–	–	–	(1,590)
Balance at 31 December 2023	8,168	56,776	673,601	319,775	1,146,835	37,744	2,242,899
Accumulated depreciation and amortisation							
Balance at 1 January 2023	(6,634)	(3,573)	(308,034)	(288,521)	(443,896)	–	(1,050,658)
Depreciation and amortisation	(1,387)	(3,001)	(63,511)	(43,986)	(86,242)	–	(198,127)
Transfers between categories	(522)	(19,412)	15,589	4,345	–	–	–
Disposals	1,467	1,018	9,620	77,800	–	–	89,905
Balance at 31 December 2023	(7,076)	(24,968)	(346,336)	(250,362)	(530,138)	–	(1,158,880)
Year ended 31 December 2022 cost							
Balance at 1 January 2022	9,243	13,823	625,077	359,467	816,224	85,003	1,908,837
Additions	127	1,041	526	281	–	261,647	263,622
Additions: IFRS 16 right of use assets	–	2,342	1,399	4,005	–	–	7,746
Decrease in rehabilitation asset	–	–	–	–	(5,839)	–	(5,839)
Transfers from capital work in progress	508	6,587	10,808	63,201	186,742	(267,846)	–
Transfers from exploration and evaluation asset	–	–	–	–	12,627	–	12,627
Disposals	(1,727)	(1,019)	(2,434)	(43,294)	–	–	(48,474)
Disposals: IFRS 16 right of use assets	–	(1,073)	–	(139)	–	–	(1,212)
Balance at 31 December 2023	8,151	21,701	635,376	383,521	1,009,754	78,804	2,137,307
Accumulated depreciation and amortisation							
Balance at 1 January 2022	(7,543)	(3,026)	(275,640)	(288,323)	(378,088)	–	(952,620)
Depreciation and amortisation	(818)	(2,221)	(34,467)	(43,455)	(65,808)	–	(146,769)
Disposals	1,727	1,674	2,073	43,257	–	–	48,731
Balance at 31 December 2022	(6,634)	(3,573)	(308,034)	(288,521)	(443,896)	–	(1,050,658)
Net book value							
As at 31 December 2023	**1,092**	**31,808**	**327,265**	**69,413**	**616,697**	**37,744**	**1,084,019**
As at 31 December 2022	1,517	18,128	327,342	95,000	565,858	78,804	1,086,649

Included within the depreciation charge in relation to depreciation of ROU assets is US$1.0 million within the buildings asset class (2022: US$1 million), US$0.3 million within plant and equipment (2022: US$0.3 million) and US$0.8 million related to mining equipment (2022: US$ 0.9 million).

The net book value of the assets in the note above includes the following amounts relating to ROU assets on leases; US$2.1 million (2022: US$1.8 million) within buildings, US$0.9 million (2022: US$1.1 million) within plant and equipment and US$2.4 million (2022: US$3.2 million) within mining equipment.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended 31 December 2023

2. HOW NUMBERS ARE CALCULATED CONTINUED

An impairment trigger assessment was performed in 2023 on all Cash Generating Units ("CGUs") including the Sukari Mine, refer to note 1.2.2, however no impairment triggers on property, plant and equipment were identified in the assessment.

Deferred stripping assets of US$90 million (2022: $141 million) were recognised in the year ended 31 December 2023 and have been included within mine development properties. An amortisation charge of US$35 million (2022: US$26 million) has been recognised in the year relating to the deferred stripping assets.

Assets that have been cost recovered under the terms of the Concession Agreement ("CA") in Egypt are included on the statement of financial position under property, plant and equipment as the Company will use them until the expiration of the CA.

None of the Group's property, plant and equipment items is pledged as security and the Group had US$54 million capital expenditure commitments as at 31 December 2023 (2022: US$19 million).

The Group implemented a new enterprise resource planning (ERP) software system, SAP (S4 HANA) during the year. As part of the implementation and migration from the legacy system, an extensive review process of the fixed assets was performed as part of the fixed asset register and operational record clean up and consequently assets that were identified as not being in use and/or had been previously replaced by other assets (e.g. mobile equipment rebuilds) had their carrying values derecognised from the statement of financial position. The fixed assets derecognised as part of this process, which are included within disposals in table 2.10, had a total cost of US$61million, accumulated depreciation of US$53 million and a carrying value of US$8 million which was recognised as a loss in the profit or loss statement within the other operating costs line. In addition, where assets were identified as being classified in incorrect asset categories, reclassification adjustments were made to correct this in the current year, see the PPE note above. The Directors have concluded that these adjustments are qualitatively immaterial to these financial statements given the small proportion of the overall property, plant and equipment balance impacted, and the quantum of the impact in the profit or loss statement.

ACCOUNTING POLICY: PROPERTY, PLANT AND EQUIPMENT ("PPE")

PPE is stated at cost less accumulated depreciation and impairment. PPE includes capitalised development expenditure. Cost includes expenditure that is directly attributable to the acquisition of the item and the estimated cost of abandonment. In the event that settlement of all or part of the purchase consideration is deferred, cost is determined by discounting the amounts payable in the future to their present value as at the date of acquisition. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial year in which they are incurred. The cost of PPE includes the estimated restoration costs associated with the asset.

Depreciation is charged on PPE, except for capital work in progress. Depreciation is calculated on a straight-line basis so as to write off the net cost or other revalued amount of each asset over its expected useful life to its estimated residual value. Depreciation on capital work in progress commences on commissioning of the asset and transfer to the relevant PPE category.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual financial year, with the effect of any changes recognised on a prospective basis. The following estimated useful lives are used in the calculation of straight-line basis depreciation:

Plant and equipment:	2–20 years
Office equipment:	3–7 years
Mining equipment:	2–13 years
Buildings:	4–20 years

Where the assets relate to an active mine site, the shorter of the above periods or remaining life of mine are used.

Freehold land is not depreciated, and all other depreciable assets are depreciated over their useful life or the life of mine whichever is shorter.

The gain or loss arising on the disposal or scrappage of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in other income or operating expenses.

Right of use assets

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Mine development properties

Where mining of a mineral reserve has commenced, the accumulated costs are transferred from exploration and evaluation assets to mine development properties.

Amortisation is first charged to new mine development ventures from the date of first commercial production. Amortisation of mine properties is on a unit of production basis resulting in an amortisation charge proportional to the depletion of the proven and probable ore reserves. The unit of production is on an ore tonne depleted basis for open pit mining property assets and an ounce depleted basis for underground mining property assets.

Capitalised underground development costs incurred to enable access to specific ore blocks or areas of the underground mine, and which only provide an economic benefit over the period of mining that ore block or area, are depreciated on a unit of production basis, whereby the denominator is estimated ounces of gold in proven and probable reserves within that ore block or area where it is considered probable that those reserves will be extracted economically.

IFRIC 20 'Stripping costs in the production phase of a surface mine'

IFRIC 20 provides clarity on how to account for and measure the removal of mine waste materials which provide access to mineral ore deposits. Within Sukari's open pit operations, removal of mine overburden or waste material is routinely necessary to gain access to mineral ore deposits and this waste removal activity is known as 'stripping'. There can be two benefits accruing to the entity from the stripping activity:

- usable ore that can be used to produce inventory; and
- improved access to further quantities of material that will be mined in future periods.

The costs of stripping activity are required to be accounted for in accordance with the principles of IAS 2 Inventories to the extent that the benefit from the stripping activity is realised in the form of inventory produced. The costs of stripping activity which provides a benefit in the form of improved access to ore is recognised as a non-current 'stripping activity asset' where the following criteria are met:

- it is probable that the future economic benefit (improved access to the ore body) associated with the stripping activity will flow to the entity;
- the entity can identify the component of the ore body for which access has been improved; and
- the costs relating to the stripping activity associated with that component can be measured reliably.

When the costs of the stripping activity asset and the inventory produced are not separately identifiable, production stripping costs are allocated between the inventory produced and the stripping asset by using an allocation basis that is based on a relevant production measure. A stripping activity asset is accounted for as an addition to, or as an enhancement of, an existing asset and classified as tangible or intangible according to the nature of the existing asset of which it forms part.

A deferred stripping asset is initially measured at cost and subsequently carried at cost or its revalued amount less depreciation or amortisation and impairment losses. A stripping asset is depreciated or amortised on a systematic basis, over the expected useful life of the identified component of the ore body that becomes more accessible as a result of the stripping activity. The stripping activity asset is depreciated using a unit of production method based on the total ounces to be produced for the component over the life of the component of the ore body.

Capitalised deferred stripping costs are included in 'Mine Development Properties', within property, plant, and equipment. These form part of the total investment in the relevant cash generating unit, which is reviewed for impairment if events or a change in circumstances indicate that the carrying value may not be recoverable. Amortisation of deferred stripping costs is included in cost of sales.

The stripping costs associated with the current period operations are expensed during that period and any stripping activity cost associated with producing future benefit is deferred on the balance sheet and amortised over the period that the benefit is received i.e., is classified as capital expenditure, creating a Deferred Stripping asset.

The pit components are the separate stages of the open pit mine. For each component, the stripping ratio is determined, and costs are capitalised if the stripping ratio in the year for that component is greater than the overall LOM stripping ratio for that component. Based on the calculations performed the amount capitalised to the balance sheet for 2023 is US$90 million (2022: US$141 million).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended 31 December 2023

2. HOW NUMBERS ARE CALCULATED CONTINUED

Impairment of assets (other than exploration and evaluation and financial assets)

At each reporting date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If such an indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). For the purposes of assessing impairment, assets are grouped at the lowest levels for which they potentially generate largely independent cash inflows (cash generating units).

Recoverable amount is the higher of fair value loss costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset for which the estimates of future flows have not been adjusted.

If the recoverable amount of a cash generating unit ("CGU") is estimated to be less than its carrying amount, the carrying amount of the CGU is reduced to its recoverable amount. Where an impairment loss subsequently reverses, the carrying amount of the cash generating unit is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the cash generating unit in prior years.

A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of an impairment loss is treated as a revaluation increase.

2.11 EXPLORATION AND EVALUATION ASSET

	For the year ended 31 December 2023 US$'000	For the year ended 31 December 2022 US$'000
Balance at the beginning of the year	24,809	25,261
Expenditure for the year	12,172	12,175
Transfer to property, plant, and equipment	(12,172)	(12,627)
Balance at the end of the year	**24,809**	24,809

The exploration and evaluation asset relates to the drilling, geological exploration and sampling of potential ore reserves and can all be attributed to Egypt, within the brownfield site at Sukari (US$24.8 million (2022: US$24.8 million)).

In accordance with the requirements of IAS 36 Impairment of assets ("IAS 36") and IFRS 6 Exploration for and evaluation of mineral resources ("IFRS 6") exploration and evaluation assets are assessed for impairment when facts and circumstances (as defined in IFRS 6 Exploration for and evaluation of mineral resources) suggest that the carrying amount of exploration and evaluation assets may exceed its recoverable amount.

An impairment trigger assessment was performed on the SGM's exploration and evaluation assets, and no impairment triggers were noted and therefore no formal impairment test has been performed.

ACCOUNTING POLICY: EXPLORATION, EVALUATION AND DEVELOPMENT EXPENDITURE

Exploration and evaluation expenditures in relation to each separate area of interest are differentiated between greenfield and brownfield exploration activities in the year in which they are incurred.

The greenfield and brownfield terms are generally used in the minerals sector and have been adopted to differentiate high risk remote exploration activity from near-mine exploration activity:

(a) greenfield exploration refers to territory, where mineral deposits are not already developed and has the goal of establishing a new mine requiring new infrastructure, regardless of it being in an established mining field or in a remote location. Greenfield exploration projects can be subdivided into grassroots and advanced projects embracing prospecting, geoscientific surveys, drilling, sample collection and testing, but excludes work of brownfields nature, pit and shaft sinking and bulk sampling; and

(b) brownfield exploration, also known as near-mine exploration, refers to areas where mineral deposits were previously developed. In brownfield exploration, geologists look for deposits near or adjacent to an already operating mine with the objective of extending its operating life and taking advantage of the established infrastructure.

Greenfield exploration costs are expensed as incurred and are not capitalised to the balance sheet until definitive feasibility studies have been completed for the project that would allow for the application and successful receipt of a mining license. Brownfield exploration costs continue to be capitalised to the statement of financial position. Brownfield exploration and evaluation expenditures in relation to each separate area of interest are recognised as an exploration and evaluation asset in the year in which they are incurred where the following conditions are satisfied:

- The rights to tenure of the area of interest are current; and
- At least one of the following conditions is also met:
  - the exploration and evaluation expenditures are expected to be recouped through successful development and exploration of the area of interest, or alternatively, by its sale; or
  - exploration and evaluation activities in the area of interest have not at the reporting date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are initially measured at cost and include acquisition of rights to explore, studies, exploration drilling, trenching, and sampling and associated activities. General and administrative costs are only included in the measurement of exploration and evaluation costs where they are related directly to operational activities in a particular area of interest.

Exploration and evaluation assets are assessed for impairment when facts and circumstances (as defined in IFRS 6) suggest that the carrying amount of exploration and evaluation assets may exceed its recoverable amount. The recoverable amount of the exploration and evaluation assets (or the cash generating unit(s) to which it has been allocated, being no larger than the relevant area of interest) is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years. The E&E asset's recoverable amount which is the higher of the amount to be recovered through use of the asset and the amount to be recovered through sale of the asset is determined based on the provisions of IAS 36.

In accordance with IFRS 6, the full balance of the Group's E&E assets which do not currently generate cash inflows is allocated to a producing mine's cash-generating unit (CGU) for the purpose of assessing and testing the assets for impairment as this is considered the most appropriate level of reporting reflecting the way the Groups' operations are managed. Management considers an operation actively mining precious metals as a distinct CGU and only E&E expenditure on such active mining operations is capitalised. Any E&E expenditure on operations exploring for precious metals is expensed.

The application of the Group's accounting policy for E&E expenditure requires judgement to determine whether future economic benefits are likely from either future exploitation or sale, or whether activities have not reached a stage that permits a reasonable assessment of the existence of reserves.

In addition to applying judgement to determine whether future economic benefits are likely to arise from the Group's E&E assets or whether activities have not reached a stage that permits a reasonable assessment of the existence of reserves, the Group has to apply a number of estimates and assumptions. The determination of the Group's ore reserves and mineral resource estimates is itself an estimation process that involves varying degrees of uncertainty depending on how the resources are classified (i.e., measured, indicated or inferred), refer to note 1.2.3. The estimates directly impact when the Group reclassifies E&E expenditure to mine development properties. The reclassification process requires management to make certain estimates and assumptions about future events and circumstances, particularly, when a decision is made to proceed with development in respect of a particular exploration area to start the economic extraction operation of the ore. Any such estimates and assumptions may change as new information becomes available. If, after expenditure is capitalised, information becomes available suggesting that the recovery of expenditure is unlikely, the relevant capitalised amount is written off to the statement of profit or loss and other comprehensive income in the period when the new information becomes available.

Where a decision is made to proceed with development in respect of a particular area of interest based on the commercial and technical feasibility, the relevant exploration and evaluation asset is tested for impairment, reclassified to mine development properties, and then amortised over the life of the reserves associated with the area of interest once mining operations have commenced.

Mine development expenditure is recognised at cost less accumulated amortisation and any impairment losses. When commercial production has commenced, the associated costs are amortised over the estimated economic life of the mine on a units of production basis. Changes in factors such as estimates of proved and probable reserves that affect the unit of production calculations are dealt with on a prospective basis.

All revenues recognised after the commencement of commercial production are recognised in accordance with the Revenue Policy stated in note 2.2.

The commencement date of commercial production is determined when stable and sustained production capacity has been achieved.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended 31 December 2023

2. HOW NUMBERS ARE CALCULATED CONTINUED

2.12 INVENTORIES

The treatment and classification of mining stockpiles within inventory is split between current and non-current assets. Priority is placed on the higher-grade ore, accordingly, stockpiles which will not be consumed within the next twelve months based on mining and processing forecasts have been classified to non-current assets. The volume of ore extracted from the open pit in the year exceeded the volume that could be processed, which has caused an increase in the volume and value of the mining stockpiles.

The carrying value of the non-current asset portion is assessed at the lower of cost or net realisable value. The long-term gold price would have to reduce to approximately US$1,475 per ounce for the net realisable value to fall below carrying value.

	For the year ended 31 December 2023 US$'000	For the year ended 31 December 2022 US$'000
Non-current		
Mining stockpiles	103,121	94,773
Current		
Mining stockpiles, ore in circuit, doré supplies	45,807	40,836
Stores inventory	106,150	99,733
Provision for obsolete stores inventory	(2,500)	(6,504)
	149,457	134,065

The calculation of weighted average costs of mining stockpiles is applied at a detailed level of ore grade categories. The open pit ore on the run-of-mine ("ROM") is split into seven different grade categories and the underground ore is treated as a single high-grade category. Each grade category is costed individually on a weighted average basis applying costs specifically related to extracting and moving that grade of ore to and from the ROM pad. The grade categories range from high-grade underground and open pit ore to low-grade open pit ore. Costs per contained ounce differ between the various cost categories.

Currently at Sukari, low-grade (0.4 to 0.5g/t) open pit stockpile material above the cut-off grade of 0.4g/t has been classified as follows on the statement of financial position:

- Current assets (ore tonnes scheduled to be processed within the next twelve months): None
- Non-current assets (ore tonnes not scheduled to be processed within the next twelve months): 15.2Mt at an average grade of 0.45g/t

ACCOUNTING POLICY: INVENTORIES

Inventories include mining stockpiles, gold in circuit, doré supplies and stores and materials. All inventories are stated at the lower of cost and net realisable value ("NRV"). The cost of mining stockpiles and gold produced is determined principally by the weighted average cost method using related production costs.

The cost of mining stockpiles includes costs incurred up to the point of stockpiling, such as mining and grade control costs, but excludes future costs of production. Ore extracted is allocated to stockpiles based on estimated grade, with grades below defined cut-off levels treated as waste and expensed. Material piled on the ROM pad is accounted for in their separate grade categories. While held in physically separate stockpiles, the Group blends the ore from selected stockpiles when feeding the processing plant to achieve the resultant gold content. In such circumstances, lower and higher-grade ore stockpiles each represent a raw material, used in conjunction with each other, to deliver overall gold production, as supported by the relevant feed plan.

The processing of ore in stockpiles occurs in accordance with the LOM processing plan and is constantly being optimised based on the known Mineral Reserves, current plant capacity and mine design. Ore tonnes contained in the stockpiles which exceed the annual tonnes to be milled as per the mine plan in the following year, are classified as non-current in the statement of financial position.

Costs of gold inventories include all costs incurred up until production of an ounce of gold such as milling costs, mining costs and directly attributable mine general and administration costs but excludes transport costs, refining costs and royalties. NRV is determined with reference to estimated contained gold and market gold prices, less estimated refining and transport costs.

Stores and materials consist of consumable stores and are valued at weighted average cost after appropriate impairment of redundant and slow-moving items. Consumable stock for which the Group has substantially all the risks and rewards of ownership are brought onto the statement of financial position as current assets.

2.13 TRADE AND OTHER PAYABLES

	For the year ended 31 December 2023 US$'000	For the year ended 31 December 2022 US$'000
Non-current		
Other creditors[(1)(2)]	8,264	11,801
Current		
Trade payables	27,637	43,493
Other creditors and accruals[(2)(3)]	66,611	55,902
	94,248	99,395

(1) Included within non-current other creditors is US$4.8m (2022: US$7.3m) in relation to the remaining instalments of a US$17.6m settlement agreement signed with EMRA in 2021. By its nature, elements of the cost recovery mechanism within the Concession Agreement are subject to interpretation and ongoing audits by EMRA. It is possible that future settlement agreements may be agreed with EMRA in relation to historic items. The Directors have assessed that it is not probable that any additional settlements with EMRA will be required as at 31 December 2023, and therefore no additional provisions have been recognised within these financial statements, therefore, this has been disclosed under contingent liabilities, refer to note 5.1.

(2) Lease liabilities – finance lease liabilities relating to some of the Group's property, plant and equipment of US$1.7m (2022: US$1.9m) are included in the current portion of other creditors and accruals balance and US$3.4m (2022: US$4.5m) is included in the non-current other creditors balance.

(3) The current portion of the EMRA settlement agreement referred to in (1) above of US$4.9m (2022: US$4.9m) is included in the current other creditors and accruals balance above. Also included within the current other creditors and accruals are stock accruals of US$35m (2022: US$17m) and non-stock items accruals of US$25m (2022: US$32m).

Trade payables principally comprise the amounts outstanding for trade purchases and ongoing costs. The average credit period taken for trade purchases is 17 days (2022: 29 days). Trade payables are interest free for periods ranging from 30 to 180 days. Thereafter interest is charged at commercial rates.

The Group has financial risk management policies in place to ensure that all payables are paid within the credit timeframe. Other creditors and accruals relate to various accruals that have been recognised due to amounts known to be outstanding for which the related invoices have not yet been received.

The Directors consider that the carrying amount of trade payables approximate their fair value.

ACCOUNTING POLICY: TRADE AND OTHER PAYABLES

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within twelve months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended 31 December 2023

2. HOW NUMBERS ARE CALCULATED CONTINUED

2.14 PROVISIONS

	For the year ended 31 December 2023 US$'000	For the year ended 31 December 2022 US$'000
Current		
Employee benefits[1]	1,054	2,276
Other current provisions[2]	930	980
	1,984	3,256
Non-current		
Restoration and rehabilitation[3]	40,039	37,396
Other non-current provisions	–	29
	40,039	37,425
Movement in restoration and rehabilitation provision		
Balance at beginning of the year	37,396	42,647
Increase/(decrease) in provision	1,310	(5,839)
Interest expense – unwinding of discount	1,333	588
Balance at end of the year	40,039	37,396

(1) Employee benefits relate to annual, sick, and long service leave entitlements and bonuses.

(2) Provision for customs, rebates and withholding taxes.

(3) The provision for restoration and rehabilitation has been discounted by 4.01% (2022: 3.63%) using a US$ applicable rate and inflation applied at 2.40% (2022: 2.37%). The annual review undertaken as at 31 December 2023 has resulted in a US$1.3 million increase in the provision (2022: US$5.8 million decrease). The key assumptions used to determine the provision are disclosed in note 1.2.4.

The Group recognises the Global Industry Standard on Tailings Management (GISTM) and is committed to full implementation of the GISTM at all its tailings storage facilities (TSFs). The standard sets a high bar and contains 77 requirements integrating social, environmental, local economic and technical considerations; with the aim to eliminate harm to people and the environment.

The Group manages two TSFs at Sukari, both of which are active. The TSFs are designed, constructed and operated to a rigorous set of standards and are carefully managed and monitored through a layered assurance system by internal specialists and independent external third-party reviews, with mechanisms in place for reporting risk and tracking mitigation measures. The GISTM guides and supports the Group's tailings management framework.

In 2023, the Group made significant progress to align its tailings management framework to the GISTM and is able to report its level of conformance against each principle of the standard. This did not have a material impact on the provision recognised during the year. Overall, the Group's tailings management and governance system was assessed to be in conformance with approximately 80 to 85% of the GISTM requirements. The Group has put in place a clear action plan and roadmap to fully conform with the GISTM by end-2025. We will monitor and report on our progress towards full conformance, refer to page 19 of the Strategic Report.

The Group publishes an annual disclosure report on its tailings facilities on its website. In 2024, the content of this disclosure will be updated to align with Principle 15 of the GISTM.

ACCOUNTING POLICY: RESTORATION AND REHABILITATION

A provision for restoration and rehabilitation is recognised when there is a present legal or constructive obligation as a result of exploration, development and production activities undertaken, it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount of the provision can be measured reliably. The estimated future obligations include the costs of dismantling and removal of facilities, restoration, and monitoring of the affected areas. The provision for future restoration costs is the best estimate of the present value of the expenditure required to settle the restoration obligation at the reporting date in accordance with the requirements of the Concession Agreement. Future restoration costs are reviewed annually and any changes in the estimate are reflected in the present value of the restoration provision at each reporting date.

The provision for restoration and rehabilitation represents the present value of the Directors' best estimate of the future outflow of economic benefits that will be required to decommission infrastructure, restore affected areas by ripping and grading of compacted surfaces to blend with the surroundings, closure of project components to ensure stability and safety at the Group's sites at the end of the life of mine. This restoration and rehabilitation estimate has been made based on benchmark assessments of restoration works required following mine closure and after considering the projected area disturbed to date.

Discount rates to present value the future obligations are determined by reference to risk free rates for periods which approximate the period of the associated obligation.

The initial estimate of the restoration and rehabilitation provision relating to exploration, development and mining production activities is capitalised into the cost of the related asset and amortised on the same basis as the related asset, unless the present obligation arises from the production of the inventory in the period, in which case the amount is included in the cost of production for the period. Changes in the estimate of the provision of restoration and rehabilitation are treated in the same manner, except that the unwinding of the effect of discounting on the provision is recognised as a finance cost within the income statement rather than capitalised to the related asset.

2.15 ISSUED CAPITAL

	31 December 2023		31 December 2022	
	Number	US$'000	Number	US$'000
Fully paid ordinary shares				
Balance at beginning of the year	1,156,450,695	670,994	1,156,450,695	669,531
Own shares acquired during the year[1]	–	(245)	–	–
Employee share option scheme – newly issued shares	1,982,000	–	–	–
Transfer from share option reserve	–	2,683	–	1,463
Balance at end of the year	1,158,432,695	673,432	1,156,450,695	670,994

(1) The US$ 0.2 million (2022: US$ Nil) represents the cost of shares in Centamin plc purchased on the market and held by the Centamin plc Employee Benefit Trust to satisfy share awards under the Group's share options plans.

The authorised share capital is an unlimited number of no-par value shares.

Pursuant to the plan rules, at 31 December 2023, the trustee of the deferred bonus share plan and Centamin incentive plan held 656,764 ordinary shares (2022: 1,187,779 ordinary shares).

Fully paid ordinary shares carry one vote per share and carry the right to dividends. See note 6.3 for more details of the share awards.

ACCOUNTING POLICY: ISSUED CAPITAL

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Where the Company or other members of the consolidated Group purchase the Company's equity share capital, the consideration paid is deducted from the total shareholders' equity of the Group and/or of the Company as treasury shares until they are cancelled. Where such shares are subsequently sold or reissued, any consideration received is included in shareholders' equity of the Group and/or the Company.

2.16 SHARE OPTION RESERVE

	For the year ended 31 December 2023 US$'000	For the year ended 31 December 2022 US$'000
Share option reserve		
Balance at beginning of the year	6,082	4,975
Share-based payments expense	6,725	2,570
Transfer to issued capital	(2,683)	(1,463)
Balance at the end of the year	10,124	6,082

The share option reserve arises on the grant of share options to employees under the employee share option plan. Amounts are transferred out of the reserve and into issued capital when the options and warrants are exercised/vested. Amounts are transferred out of the reserve into accumulated profits when the options and warrants are forfeited.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended 31 December 2023

2. HOW NUMBERS ARE CALCULATED CONTINUED

2.17 CASH FLOW INFORMATION

(a) Reconciliation of cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents includes cash on hand and at bank and deposits.

	For the year ended 31 December 2023 US$'000	For the year ended 31 December 2022 US$'000
Cash and cash equivalents	93,322	102,373

Most funds have been invested in international rolling short-term fixed interest money market deposits.

The Company secured an RCF on 22 December 2022 and the facility is secured by certain financial covenants on the Company (see note 2.7). The covenant specific to the Company's cash assets states that:

- Liquidity shall at all times exceed US$50 million and as 31 December 2023, the Company was in compliance with this financial covenant requirement.

The carrying amounts of financial assets pledged as security for the facility, being the cash is included in 2.17 above.

ACCOUNTING POLICY: CASH AND CASH EQUIVALENTS

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Investments normally only qualify as cash equivalent if they have a short maturity of three months or less from the date of acquisition.

(b) Reconciliation of profit before tax for the year to cash flows from operating activities

	For the year ended 31 December 2023 US$'000	For the year ended 31 December 2022[(1)] US$'000 (restated)
Profit for the year before tax	195,140	171,001
Adjusted for:		
Depreciation/amortisation of property, plant, and equipment	198,127	146,769
Inventory written off	3,721	2
Inventory obsolescence provision	(4,004)	579
Net fair value movements on derivative financial instruments	5,509	–
Foreign exchange gains, net	(5,682)	(6,559)
Share-based payments expense	7,306	2,570
Finance income	(4,127)	(1,214)
Finance costs	3,526	2,459
Loss on disposal of property, plant, and equipment	9,415	899
Changes in working capital during the year:		
Increase in trade and other receivables	(13,815)	(3,049)
Increase in inventories	(19,737)	(35,940)
Increase in prepayments	(3,181)	(7,172)
Purchase of derivative financial instruments	(6,163)	–
(Decrease)/increase in trade and other payables	(9,901)	25,053
Increase/(decrease) in provisions	61	(773)
Cash flows generated from operating activities	356,195	294,625

(1) The comparatives as at 31 December 2022 have been restated to reflect finance costs of US$2.5m, now added back to cash flows from operating activities.

(c) Non-cash financing and investing activities

During the year there have been no non-cash financing and investing activities other than in relation to leases accounted for under IFRS16 *Leases*.

3. GROUP FINANCIAL RISK AND CAPITAL MANAGEMENT

3.1 GROUP FINANCIAL RISK MANAGEMENT

3.1.1 Financial instruments

(a) Group risk management

The Group manages its capital to ensure that entities within the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the cash and equity balances. The Group's overall strategy remains unchanged from the previous financial year.

The Group has no debt and thus is not geared at the year end or in the prior year. However, on 22 December 2022, the Company entered into an agreement for a US$150 million revolving credit facility ("RCF") with four banks. The facility will introduce debt and gearing to the Company when drawn down. As at 31 December 2023, there were no draw downs on the facility and there were also no drawdowns during the year.

The capital structure currently consists of cash and cash equivalents and equity attributable to equity holders of the parent, comprising issued capital and reserves as disclosed in notes 2.15 and 2.16. The Group operates in Australia, Jersey, United Kingdom, Egypt and Côte d'Ivoire and is currently winding down its project in Burkina Faso. None of the Group's entities are subject to externally imposed capital requirements.

The Group utilises inflows of funds towards the ongoing exploration and development of SGM in Egypt and the exploration projects in both Côte d'Ivoire and Egypt.

Categories of financial assets and liabilities

	For the year ended 31 December 2023 US$'000	For the year ended 31 December 2022 US$'000
Financial assets		
Non-current		
Other receivables – deposits	1,014	1,372
Current		
Cash and cash equivalents	93,322	102,373
Trade and other receivables[(1)]	45,214	33,848
Derivative financial instruments	654	–
	140,204	137,593
Financial liabilities		
Non-current		
Other payables	8,264	11,801
Current		
Trade and other payables	94,248	99,395
	102,512	111,196

1. The prior year amount for Trade and other receivables has been restated to exclude an amount relating to taxes receivable.

(b) Financial risk management and objectives

The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential risk adverse effects and ensure that net cash flows are sufficient to support the delivery of the Group's financial targets whilst protecting future financial security. The Group continually monitors and tests its forecast financial position against these objectives.

The Group's activities expose it to a variety of financial risks: market, commodity, credit, liquidity, foreign exchange, and interest rate. These risks are managed under Board approved directives through the Audit and Risk Committee. The Group's principal financial instruments comprise interest bearing cash and cash equivalents. Other financial instruments include trade receivables and trade payables, which arise directly from operations.

It is, and has been throughout the period under review, Group policy that no speculative trading in financial instruments be undertaken.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended 31 December 2023

3. GROUP FINANCIAL RISK AND CAPITAL MANAGEMENT CONTINUED

(c) Market risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the Australian dollar, Great British pound, and Egyptian pound. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities that are denominated in a currency that is not the entity's functional currency. The risk is measured by regularly monitoring, forecasting and performing sensitivity analyses on the Group's financial position.

Financial instruments denominated in Great British pounds, Australian dollars and Egyptian pounds are as follows:

	Great British pound		Australian dollar		Egyptian pound	
	31 December 2023 US$'000	31 December 2022 US$'000	31 December 2023 US$'000	31 December 2022 US$'000	31 December 2023 US$'000	31 December 2022 US$'000
Financial assets						
Cash and cash equivalents	728	622	261	343	1,486	837
	728	622	261	343	1,486	837
Financial liabilities						
Trade and other payables	3,464	2,084	13,139	11,751	15,383	37,218
	3,464	2,084	13,139	11,751	15,383	37,218
Net exposure	(2,736)	(1,462)	(12,878)	(11,408)	(13,897)	(36,381)

The following table summarises the sensitivity of financial instruments held at the reporting date to movements in the exchange rate of the Great British pound, Egyptian pound, and Australian dollar to the US dollar, with all other variables held constant. The sensitivities are based on reasonably possible changes over a financial year, using the observed range of actual historical rates.

	Impact on profit		Impact on equity	
	31 December 2023 US$'000	31 December 2022 US$'000	31 December 2023 US$'000	31 December 2022 US$'000
US$/GBP increase by 10%	389	482	–	–
US$/GBP decrease by 10%	(476)	(590)	–	–
US$/AUD increase by 10%	(342)	98	–	–
US$/AUD decrease by 10%	417	(119)	–	–
US$/EGP increase by 20% (2022:10%)	833	(2,816)	–	–
US$/EGP decrease by 20% (2022:10%)	(1,249)	3,443	–	–

The amounts shown above are the main currencies to which the Group is exposed. The Group also has small deposits in Euro US$443,522 (2022: US$335,586) and West African Franc US$1,496,766 (2022: US$1,422,704), and net payables in Euro US$4,285,177 (2022: US$5,277,783) and in West African Franc US$3,024,139 (2022: US$3,064,019). A movement of 10% up or down in these currencies would have a negligible effect on the assets/liabilities.

The Group has not entered into forward foreign exchange contracts. Natural hedges are utilised wherever possible to offset foreign currency liabilities. The Company maintains a policy of not hedging its currency positions and maintains currency holdings in line with underlying requirements and commitments.

The 20% used for the EGP in the current year is in line with the average devaluation of the EGP against the USD during the year.

(d) Commodity price risk

The Group's future revenue forecasts are exposed to commodity price fluctuations, in particular gold that it produces and sells into the global market and fuel prices. The market prices of gold is the key driver of the Group's capacity to generate cash flow. The Group has not entered into any forward gold or fuel hedging contracts, it has however, entered into a series of gold put option contracts during the year, refer to note 2.4 for further details.

Gold price

The table below summarises the impact of increases/decreases of the average realised gold price on the Group's profit after tax for the year. The analysis assumes that the average realised gold price per ounce of US$1,948/oz (2022: US$1,794/oz) had increased/decreased by 10% with other variables held constant.

	Impact on after tax profit	
	31 December 2023 US$'000	31 December 2022 US$'000
After tax profit	194,885	170,775
After tax profit with impact of increase by 10% US$/oz	281,155	247,106
After tax profit with impact of decrease by 10% US$/oz	108,615	94,444

The table above is considered before factoring in the impact of the Group's gold price protection programme. Should the gold price per ounce drop to below US$1,900/oz, the gold put option contracts will pay out to the Group the difference between the realised average price per ounce and US$1,900/oz. Therefore, a 10% decrease on the average realised gold price during the year would result in all the six contracts for the 2023 financial year with a total of 120,000 ounces paying out approximately US$18 million. Refer to note 2.4 for further details on the gold price protection programme.

Fuel price

Any variation in the fuel price has an impact on the mine production costs and the table below summarises the impact of increases/decreases of the average fuel price on the Group's mine production costs. The analysis assumes that the average fuel price of US$ 0.80 per litre (2022: US$ 0.88 per litre) had increased/decreased by 10% per litre with all other variables held constant.

	Impact on mine production costs	
	31 December 2023 US$'000	31 December 2022 US$'000
Mine production costs	(412,827)	(408,543)
Mine production costs with impact of increase by 10% US$/litre	14,910	16,943
Mine production costs with impact of decrease by 10% US$/litre	(14,910)	(16,943)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended 31 December 2023

3. GROUP FINANCIAL RISK AND CAPITAL MANAGEMENT CONTINUED

(e) Interest rate risk and liquidity risk

The Group's main interest rate risk arises from cash and short-term deposits. Given the size of these balances and that the Group does not have any debt instruments, interest rate risk is not considered to be material. Cash deposits are placed on a term period of no more than 30 days at a time.

The financial instruments exposed to interest rate risk and the Group's exposure to interest rate risk as at the balance sheet date were as per the table below. The table analyses the Group's financial liabilities into relevant maturity groupings based on their expected settlement profiles for all non-derivative financial liabilities. The amounts disclosed in the table are the undiscounted expected cash flows. A separate line for lease liabilities has been presented in the maturity analysis of the Group's financial liabilities in the table below.

The Group's liquidity position is managed to ensure that sufficient funds are available to meet its financial commitments in a timely and cost-effective manner. The RCF requires a minimum liquidity level at all times of US$50 million.

Ultimate responsibility for liquidity risk management rests with the Board, which has established an appropriate management framework for the management of the Group's funding requirements. The Group manages liquidity risk by maintaining adequate cash reserves and management monitors rolling forecasts of the Group's liquidity based on expected cash flows. The tables in section (a) to (c) of this note above reflect a balanced view of cash inflows and outflows and show the implied risk based on those values. Trade payables and other financial liabilities originate from the financing of assets used in the Group's ongoing operations. These assets are considered in the Group's overall liquidity risk. Management continually reviews the Group's liquidity position including cash flow forecasts to determine the forecast liquidity position and maintain appropriate liquidity levels.

	Weighted average effective interest rate %	Less than one month US$'000	Between 1 and 12 months US$'000	Between 1 and 2 years US$'000	Between 2 and 5 years US$'000	Over 5 years US$'000	Total US$'000
31 December 2023							
Financial assets							
Fixed interest rate instruments	3.99%	31,868	33,775	–	–	–	65,643
Non-interest bearing		77,775	–	–	–	–	77,775
		109,643	33,775	–	–	–	143,418
Financial liabilities							
Non-interest bearing	0%	95,112	2,500	2,500	2,500	–	102,612
Lease liabilities		165	1,629	1,662	1,962	378	5,795
		95,277	4,129	4,162	4,462	378	108,407

	Weighted average effective interest rate %	Less than one month US$'000	Between 1 and 12 months US$'000	Between 1 and 2 years US$'000	Between 2 and 5 years US$'000	Over 5 years US$'000	Total US$'000
31 December 2022							
Financial assets							
Fixed interest rate instruments	1.04%	21,394	54,998	–	–	–	76,392
Non-interest bearing	–	61,610	–	–	–	–	61,610
		83,004	54,998	–	–	–	138,002
Financial liabilities							
Non-interest bearing	0%	97,716	2,500	2,500	5,000	–	107,716
Lease liabilities		234	1,929	1,750	2,587	549	7,049
		97,950	4,429	4,250	7,587	549	114,765

(f) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group measures credit risk on a fair value basis. The Group's credit risk is concentrated in one entity, the refiner Asahi Refining Canada Ltd, up to 30 June 2023 and thereafter MKS PAMP SA, but the Group has a good credit control on its customer and none of the trade receivables from the customer have been past due. Also, the cash balances held in all currencies are held with financial institutions with a high credit rating.

The gross carrying amount of financial assets recorded in the financial statements represents the Group's maximum exposure to credit risk without taking account of the value of collateral or other security obtained.

(g) Fair value

The carrying amount of financial assets and financial liabilities recorded in the financial statements represents their respective fair values, other than in relation to lease liabilities, principally as a consequence of the short-term maturity thereof.

(h) Mineral reserve and resource statement impact on ore reserves

The following disclosure provides information to help users of the financial statements understand the judgements made about the future and other sources of estimation uncertainty. The key sources of estimation uncertainty described in note 1.2.3 above and the range of possible outcomes are described more fully below.

Depreciation of capitalised underground mine development costs

Depreciation of capitalised underground mine development costs at SGM is based on reserve estimates. Management believe that these estimates are both realistic and conservative, based on current information. The sensitivity analysis assumes that the reserve estimate has increased/decreased by 25% with all other variables held constant.

	Decrease by 25% US$'000	31 December 2023 US$'000	US$'000 Increase by 25%
Amortisation of rehabilitation asset (within mine development properties)	(3,452)	(2,589)	(1,942)
Amortisation of mine development properties (remainder)	(111,537)	(83,653)	(62,740)
Mine development properties – net book value	587,950	616,697	638,258
Property, plant, and equipment – net book value*	1,055,272	1,084,019	1,105,580

* Reflects the impact on the overall property, plant and equipment carrying amount at the reporting date from the movements in mine development amortisation above.

	Decrease by 25% US$'000	31 December 2022 US$'000	Increase by 25% US$'000
Amortisation of rehabilitation asset (within mine development properties)	(3,978)	(2,984)	(2,238)
Amortisation of mine development properties (remainder)	(83,766)	(62,824)	(47,118)
Mine development properties – net book value	549,761	571,697	588,149
Property, plant, and equipment – net book value*	1,070,553	1,092,489	1,108,941

* Reflects the impact on the overall property, plant and equipment carrying amount at the reporting date from the movements in mine development amortisation above.

The sensitivity analysis presented above includes the impact on the amortisation amounts of the capitalised deferred stripping asset. The deferred stripping asset and the rehabilitation asset are included within the Mine Development Properties category in the Group's property, plant and equipment.

(i) Loan covenants

On 22 December 2022, the Company entered into an agreement for a US$150 million RCF with four banks: Bank of Montreal (London Branch), HSBC Bank plc, ING Bank N.V. (Amsterdam Branch) and Nedbank Limited (London Branch) (see note 2.7).

The terms of the facility impose certain financial covenants on the Company in respect of each Relevant Period that has an outstanding borrowing, refer to note 2.7 for further information on the covenant requirements. As at 31 December 2023, the Company was in compliance with all the RCF's financial covenants requirements however, there were no drawdowns on the facility yet.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended 31 December 2023

3. GROUP FINANCIAL RISK AND CAPITAL MANAGEMENT CONTINUED

3.2 CAPITAL MANAGEMENT

3.2.1 Risk management

The Group's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders; and
- maintain an optimal capital structure to reduce the cost of capital.

To maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to owners of the parent, return capital to owners of the parent or issue new shares.

3.2.2 Dividends to owners of the parent

	For the year ended 31 December 2023 US$'000	For the year ended 31 December 2022 US$'000
Ordinary shares		
Final dividend for the year ended 31 December 2022 of 2.5 US cents per share (2022: Q1 Final dividend for the year ended 31 December 2021 of 5.0 US cents per share)	29,100	57,740
Q2 Interim dividend for the year ended 31 December 2023 of 2.0 US cents per share (2022: Q2 Interim dividend for the year ended 31 December 2022 of 2.5 US cents per share)	23,065	28,464
Total dividends provided for or paid	52,166	86,204
Dividends to owners of the parent:		
Paid in cash	52,166	86,204

4. GROUP STRUCTURE

4.1 SUBSIDIARIES AND CONTROLLED ENTITIES

The parent entity of the Group is Centamin plc, incorporated in Jersey, and details of its subsidiaries and controlled entities are as follows:

			Ownership interest	
	Nature of activity	Country of incorporation	31 December 2023 %	31 December 2022 %
Centamin Egypt Limited	Holding company	Australia(1)	100	100
Pharaoh Gold Mines NL (holder of an Egyptian branch)	Holding company	Australia(1)	100	100
Sukari Gold Mining Company(*)	Mining company	Egypt(2)	50	50
Centamin Group Services UK Limited	Services company	UK(3)	100	100
Centamin West Africa Holdings Limited	Holding company	UK(3)	100	100
Centamin Group Services Limited	Services company	Jersey(4)	100	100
Centamin Holdings Limited	Holding company	Jersey(4)	100	100
MHA Limited	Holding company	Jersey(4)	100	100
Ampella Mining Limited (in Liquidation)	Holding company	Australia(1)	100	100
Ampella Mining Gold SARL (in Liquidation)	Exploration company	Burkina Faso(5)	100	100
Ampella Mining SARL (in Liquidation)	Exploration company	Burkina Faso(5)	100	100
Ampella Resources Burkina Faso (in Liquidation)	Exploration company	Burkina Faso(5)	100	100
Konkera SA (in Liquidation)	Mining company	Burkina Faso(5)	100	100
Ampella Mining Côte d'Ivoire	Exploration company	Côte d'Ivoire(6)	100	100
Centamin Côte d'Ivoire	Exploration company	Côte d'Ivoire(6)	100	100
Ampella Mining Exploration CDI	Exploration company	Côte d'Ivoire(6)	100	100
Centamin Exploration CI	Exploration company	Côte d'Ivoire(6)	100	100
Centamin Egypt Investments 1 (UK) Limited	Holding company	UK(7)	100	100
Centamin Egypt Investments 2 (UK) Limited	Holding company	UK(7)	100	100
Centamin Egypt Investments 3 (UK) Limited	Holding company	UK(7)	100	100
Centamin Mining Services Egypt LLC	Services company	Egypt(8)	100	100
Centamin Central Mining SAE	Exploration	Egypt(8)	100	100
Centamin North Mining SAE	Exploration	Egypt(8)	100	100
Centamin South Mining SAE	Exploration	Egypt(8)	100	100

(*) Sukari Gold Mining Company is fully consolidated within the Group under IFRS 10 Consolidated financial statements as if it were a subsidiary due to it being a controlled entity, reflecting the substance and economic reality of the Concession Agreement ("CA") (see note 1.2.1).

(1) Address of all Australian entities: Suite 8, 7 The Esplanade, Mount Pleasant, WA 6153.

(2) Address of all Egypt entities (except the new exploration entities in (11) and (12): 361 El-Horreya Road, Sedi Gaber, Alexandria, Egypt.

(3) Address of all UK entities: Hill House, 1 Little New Street, London, EC4A 3TR.

(4) Address of all Jersey entities: 2 Mulcaster Street, St Helier, Jersey, JE2 3NJ.

(5) Address of all Burkina Faso entities: Ampella Resources Burkina Faso: 11 BP 1974 Ouaga 11. Ampella Mining SARL: 01 BP 1621 Ouaga 01. Ampella Mining Gold SARL: 11 BP 1974 CMS 11 Ouaga 11. Konkera SA: 11 BP 1974 Ouaga CM11.

(6) Address of all Côte d'Ivoire entities: Cocody II Plateaux Les Vallons, En face de la Résidence Bertille Lot 1557, Ilot 149.

(7) Address of all the UK holding companies of the new Egypt exploration companies; Hill House, 1 Little New Street, London, EC4A 3TR.

(8) Address of the new Egypt exploration companies: F-1-5,Agora Mall, EL Nasr St., 5th settlement, Cairo.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended 31 December 2023

4. GROUP STRUCTURE CONTINUED

Through its wholly owned subsidiary, PGM, the Company entered into the Concession Agreement ("CA") with EMRA and the ARE granting PGM and EMRA the right – through SGM as Operating Company – to explore, develop, mine and sell gold and associated minerals in specific concession areas located in the Eastern Desert of Egypt. The CA came into effect under Egyptian law on 13 June 1995.

In 2005 PGM, together with EMRA, were granted an exploitation lease over 160 km^2 surrounding the Sukari Gold Mine site. The exploitation lease was signed by PGM, EMRA and the Egyptian Minister of Petroleum and gives tenure for a period of 30 years, commencing 24 May 2005 and extendable by PGM for an additional 30 years upon PGM providing reasonable commercial justification.

In 2006 SGM was incorporated under the laws of Egypt. SGM was formed to conduct exploration, development, exploitation, and marketing operations in accordance with the CA. Responsibility for the day-to-day management of the project rests with the General Manager, who is appointed by PGM.

The fiscal terms of the CA require that PGM solely funds SGM. PGM is however entitled to recover from sales revenue recoverable costs, as defined in the CA. EMRA is entitled to a share of SGM's net production surplus or profit share (defined as revenue less payment of the fixed royalty to ARE and recoverable costs). During 2016, payments to EMRA commenced as advance profit share distributions. Any payment made to EMRA pursuant to these provisions of the CA are recognised as dividend paid to the non-controlling interest in SGM.

5. UNRECOGNISED ITEMS

5.1 CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Contingent liabilities

Refer to note 2.13 for additional information on the EMRA position with respect to provisions.

Other than as highlighted above, there were no contingent liabilities at year end.

Contingent assets

There were no contingent assets at year-end, and none in 2022.

5.2 DIVIDENDS PER SHARE

The dividends paid in 2023 were US$52 million and are reflected in the consolidated statement of changes in equity for the year (2022: US$86 million).

A final dividend in respect of the year ended 31 December 2023 of 2.0 US cents per share, totalling approximately US$23 million has been proposed by the Board of Directors and is subject to shareholder approval at the Annual General Meeting on 21 May 2024. These financial statements do not reflect the dividend payable.

As announced on 9 January 2017, the update to the Company's dividend policy sets a minimum payout level relative to cash flow while considering the financial condition of, and outlook for, the Company. When determining the amount to be paid, the Board will take into consideration the underlying profitability of the Company and significant known or expected funding commitments. Specifically, the Board will aim to approve an annual dividend of at least 30% of the Company's net cash flow after sustaining capital costs and following the payment of profit share due to the government of Egypt.

5.3 SUBSEQUENT EVENTS

As referred to in note 5.2, subsequent to the year end, the Board proposed a final dividend for 2023 of 2.0 US cents per share. Subject to shareholder approval at the Annual General Meeting on 21 May 2024, the final dividend will be paid on 19 June 2024 to shareholders on record date of 31 May 2024.

Other than as noted above, there were no other significant events occurring after the reporting date requiring disclosure in the financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended 31 December 2023

6. OTHER INFORMATION

6.1 RELATED PARTY TRANSACTIONS

(a) Equity interests in related parties

Equity interests in subsidiaries

Details of the percentage of ordinary shares held in subsidiaries are disclosed in note 4.1.

(b) Key management personnel and non-executive director compensation

Key management personnel are persons having authority and responsibility for planning, directing, and controlling the activities of the Group, directly or indirectly, including any Director (executive or otherwise) of the Group.

The aggregate compensation made to key management personnel of the consolidated entity is set out below:

	For the year ended 31 December 2023 US$	For the year ended 31 December 2022 US$
Short-term employee benefits	9,212,369	10,261,960
Post-employment benefits	–	1,320
Share-based payments	3,352,786	1,949,569
	12,565,155	12,212,849

(c) Key management personnel and non-executive director equity holdings

The details of the movement in key management personnel equity holdings of fully paid ordinary shares in Centamin plc during the financial year ended 31 December 2023 are as follows:

For the year ended 31 December 2023	Balance at 1 January 2023	Granted as remuneration ("DBSP")	Granted as remuneration ("PSP")	Net other change – share plan lapse[1]	Net other change[2]	Balance at 31 December 2023[3]
M Horgan	2,326,193	–	835,800	(217,710)	(76,013)	2,868,270
R Jerrard	2,348,000	–	667,300	(143,910)	53,000	2,924,390
J Rutherford	250,000	–	–	–	–	250,000
S Eyre	15,000	–	–	–	–	15,000
M Bankes	319,000	–	–	–	–	319,000
M Cloete	15,000	–	–	–	–	15,000
C Farrow	30,000	–	–	–	–	30,000
I Fawzy	140,000	–	–	–	–	140,000
H Faul	–	–	–	–	–	–
G Du Toit	1,442,000	–	400,000	–	–	1,842,000
A Hassouna	697,931	–	400,000	–	–	1,097,931
C Barker	771,000	–	375,000	–	–	1,146,000
M Stoner	314,000	–	295,000	–	–	609,000
H Bills	980,000	–	375,000	(73,800)	(59,433)	1,221,767
P Cannon	627,000	–	295,000	–	–	922,000
C Murray	911,000	–	295,000	(73,800)	–	1,132,200
A Carse	856,688	–	295,000	(29,520)	(36,332)	1,085,836
D Le Masurier	677,300	–	250,000	(24,908)	(42,593)	859,799
R Nel	607,306	–	295,000	(18,450)	(48,216)	835,640

(1) 'Net other change – share plan lapse' relates to awards that have lapsed following partial vesting of the 2020 grant.
(2) 'Net other change' relates to the on-market acquisition or disposal of fully paid ordinary shares.
(3) Balance includes unvested grants under the Company's performance share plan.

Since 31 December 2023 to the date of this report there have been no transactions notified by the Company in accordance with the requirements of Article 19 of the UK Market Abuse Regulation (Regulation (EU) 596/2014).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended 31 December 2023

6. OTHER INFORMATION CONTINUED

The details of the movement in key management personnel and non-executive director's equity holdings of fully paid ordinary shares in Centamin plc during the financial year ended 31 December 2022 are as follows:

For the year ended 31 December 2022	Balance at 1 January 2022	Granted as remuneration ("DBSP")	Granted as remuneration ("PSP")	Net other change – share plan lapse(1)	Net other change(2)	Balance at 31 December 2022(3)
M Horgan	1,281,405	–	979,000	–	65,788	2,326,193
R Jerrard	2,077,000	–	821,000	(617,000)	67,000	2,348,000
J Rutherford	250,000	–	–	–	–	250,000
S Eyre	15,000	–	–	–	–	15,000
M Bankes	289,000	–	–	–	30,000	319,000
M Cloete	15,000	–	–	–	–	15,000
C Farrow	30,000	–	–	–	–	30,000
I Fawzy	140,000	–	–	–	–	140,000
H Faul	–	–	–	–	–	–
G Du Toit	950,000	–	492,000	–	–	1,442,000
A Hassouna	236,931	–	492,000	(31,000)	–	697,931
C Barker	300,000	–	471,000	–	–	771,000
M Stoner	–	–	314,000	–	–	314,000
H Bills	500,000	–	480,000	–	–	980,000
P Cannon	250,000	–	377,000	–	–	627,000
C Murray	474,000	–	461,000	–	(24,000)	911,000
A Carse	648,688	–	377,000	(169,000)	–	856,688
D Le Masurier	517,300	–	287,000	(127,000)	–	677,300
R Nel	401,973	–	332,000	(110,000)	(16,667)	607,306

(1) 'Net other change – share plan lapse' relates to awards that have lapsed due to the full performance conditions not being met on the 2019 grant.
(2) 'Net other change' relates to the on-market acquisition or disposal of fully paid ordinary shares.
(3) Balance includes unvested grants under the Company's performance share plan.

(d) Key management personnel and non-executive director share option holdings

There were no options held, granted, or exercised during the year by Directors or senior management in respect of ordinary shares in Centamin plc.

(e) Other transactions with key management personnel and non-executive director

The related party transactions for the year ended 31 December 2023 are summarised below:

- salaries, superannuation contributions, bonuses, LTIs, consulting and Directors' fees paid to Directors during the year ended 31 December 2023 amounted to US$4,439,649 (31 December 2022: US$3,918,404), with pension contributions amounting to US$51,753 (2022: US$16,670).

(f) Transactions with the government of Egypt

Royalty costs attributable to the government of Egypt of US$26,681,717 (2022: US$23,842,287) were incurred in 2023. Profit share to EMRA of US$112,000,000 (2022: US$ 35,492,459) was incurred in 2023.

(g) Transactions with other related parties

Other related parties include the parent entity, subsidiaries, and other related parties as disclosed in 4.1 above.

All amounts advanced to related parties are unsecured. No expense has been recognised in the year for bad or doubtful debts in respect of amounts owed by related parties.

Transactions and balances between the Company and its subsidiaries were eliminated in the preparation of the consolidated financial statements of the Group.

6.2 CONTRIBUTIONS TO EGYPT

(a) Gold sales agreement

On 27 March 2023, SGM and the Central Bank of Egypt ("CBE") amended their 20 December 2016 agreement with respect to SGM's facilitation of the purchase of refined gold bullion for the CBE from its refiner. The amended agreement provides that the parties may elect, on a monthly basis, for the CBE to supply SGM with its local Egyptian currency requirements for that month to a maximum value of EGP130 million (2022: EGP80 million). In return, SGM facilitates the purchase of refined gold bullion for the CBE from SGM's refiner, Asahi Refining Canada Ltd up to 30 June 2023 and thereafter, MKS PAMP SA. This transaction has been entered into as SGM requires local currency for its operations in Egypt (it receives its revenue for gold sales in US dollars). The values related to these transactions are as follows:

	For the year ended 31 December 2023 US$'000	For the year ended 31 December 2022 US$'000
Gold purchased	34,124	50,497
Refining costs	17	28
Freight costs	43	56
	34,184	50,581

	For the year ended 31 December 2023 Oz	For the year ended 31 December 2022 Oz
Gold purchased	17,520	27,907

At 31 December 2023 the amount receivable from CBE is approximately US$25,045 (2022: US$23,681 net receivable).

(b) University grant

During 2018, the Group together with Sami El-Raghy and the University of Alexandria Faculty of Science initiated a sponsored scholarship agreement, the Michael Kriewaldt Scholarships, to outstanding geology major students to enrol at the postgraduate research programme of the geology department of the University for their MSc and/or PhD in mining and mineral resources. An amount of EGP10,000,000 was deposited with an Egyptian bank as a nucleus of the scholarship fund in a fixed deposit account, with contributions of EGP7,330,000 from PGM and EGP2,670,000 from Sami El-Raghy. The interest earned on the account will be put towards the cost of the scholarships and will be administered by the University on the conditions set out in the agreement. This amount was accounted for under donations expense in profit and loss and any interest earned on the deposit is also accounted for under donations expense.

6.3 SHARE-BASED PAYMENTS

Performance share plan

The Company's shareholder approved Performance Share Plan ("PSP") allows the Company the right to grant awards (as defined below) to employees of the Group. Awards may take the form of either conditional share awards, where shares are transferred conditionally upon the satisfaction of performance conditions; or share options, which may take the form of nil cost options or have a nominal exercise price, the exercise of which is again subject to satisfaction of applicable performance conditions.

The awards granted in April 2023 will vest following the passing of three years. Vesting will be subject to the satisfaction of the performance conditions (and for Executive Directors a full two-year post-vesting holding period). Awards will vest based upon a blend of three-year relative TSR, cash flow and production targets, full details of which are set out in the Directors' Remuneration Report. These measures are assessed by reference to current market practice and the Remuneration Committee will have regard to current market practice when establishing the precise performance conditions for awards.

To date, the Company has granted the following conditional awards to employees of the Group:

June 2020 awards

Of the 2,582,500 awards granted on 5 June 2020 under the PSP, 1,153,153 vested to eligible participants (nine in total)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended 31 December 2023

6. OTHER INFORMATION CONTINUED

April 2021 awards

Of the 5,945,000 awards granted on 30 April 2021 under the PSP, 5,330,000 awards remain granted to eligible participants (28 in total) applying the following performance criteria:

- 50% of the award shall be assessed by reference to a target total shareholder return;
- 25% of the award shall be assessed by reference to compound growth in adjusted free cash flow; and
- 25% of the award shall be assessed by reference to compound growth in gold production.

May 2022 awards

Of the 9,042,000 contingent share awards granted on 20 May 2022 under the Incentive Share Plan (“ISP”), 8,982,000 awards remain granted to eligible participants (33 in total) applying the following performance criteria:

- 50% of the award shall be assessed by reference to a target total shareholder return;
- 25% of the award shall be assessed by reference to compound growth in adjusted free cash flow; and
- 25% of the award shall be assessed by reference to compound growth in gold production.

Conditional share awards and options together constitute ‘awards’ under the plan and those in receipt of awards are ‘award holders’.

A detailed summary of the scheme rules is set out in the 2022 AGM Notice which are available at www.centamin.com. In brief, awards will vest following the passing of three years from the date of the award and vesting will be subject to satisfaction of performance conditions. The above measures are assessed by reference to current market practice and the Remuneration Committee will have regard to market practice when establishing the precise performance conditions for future awards.

Where the performance conditions have been met, in the case of conditional awards awarded to certain participants, 50% of the total shares under the award will be issued or transferred to the award holders on or as soon as possible following the specified vesting date, with the remaining 50% being issued with a two year restriction on trading.

April 2023 awards

Performance share plan awards granted during the year:

Grant date	ISP 2023 25 April 2023
Number of instruments	1,903,100
TSR: fair value at grant date GBP(1)	0.59
TSR: fair value at grant date US$(1)	0.74
Adjusted free cash flow, gold production and decarbonisation targets: fair value at grant date GBP(1)	1.04
Adjusted free cash flow, gold production and decarbonisation targets: fair value at grant date US$(1)	1.29
Vesting period (years)	3
Holding period applicable to the award (years)	2
Expected volatility (%)	41.52%
Expected dividend yield (%)	4.89%
Number of instruments	4,537,500
TSR: fair value at grant date GBP(1)	0.59
TSR: fair value at grant date US$(1)	0.74
Adjusted free cash flow, gold production and decarbonisation targets: fair value at grant date GBP(1)	1.04
Adjusted free cash flow, gold production and decarbonisation targets: fair value at grant date US$(1)	1.29
Vesting period (years)	3
Holding period applicable to the award (years)	0
Expected volatility (%)	41.52%
Expected dividend yield (%)	4.89%

(1) The vesting of 50% of the awards granted under this plan are dependent on a TSR performance condition. As relative TSR is defined as a market condition under IFRS 2 Share-based payments, this requires that the valuation model used considers the anticipated performance outcome. We have therefore applied a Monte-Carlo simulation model. The simulation model considers the probability of performance based on the expected volatility of Centamin and the peer group companies and the expected correlation of returns between the companies in the comparator group. The remaining 50% of the awards are subject to adjusted free cash flow, decarbonisation targets and gold production performance conditions. As these are classified as non-market conditions under IFRS 2 they do not need to be considered when determining the fair value. The fair value calculated was then converted at the closing GBP:US$ foreign exchange rate on grant date.

Restricted share awards (“RSA”)

Under the Company’s Incentive Share Plan (“ISP”), the Company has restricted share awards, which are a long-term share incentive arrangement for senior management (but not Executive Directors) and other employees (participants).

The RSA awards shall be subject to the terms and conditions of the ISP and shall ordinarily vest in three equal tranches on the anniversary of the grant date, conditional upon the continued employment with the Group.

RSA awards granted during the year:

Grant date	RSA 2023 25 April 2023
Number of instruments	3,069,000
Fair value at grant date – tranches 1 to 3 £(1)	1.04
Fair value at grant date – tranches 1 to 3 US$(1)	1.29
Vesting period Tranche 1 (years)(2)	1
Vesting period Tranche 2 (years)(2)	2
Vesting period Tranche 3 (years)(2)	3
Expected dividend yield Tranche 1 (%)	4.87%
Expected dividend yield Tranche 2 (%)	4.88%
Expected dividend yield Tranche 3 (%)	4.89%

(1) The fair value of the shares awarded under the RSA were calculated by using the closing share price on grant date, converted at the closing GBP:US$ foreign exchange rate on that day. No other factors were considered in determining the fair value of the shares awarded under the RSA.

(2) Variable vesting dependent on one to three years of continuous employment.

ACCOUNTING POLICY: SHARE-BASED PAYMENTS

Equity settled share-based payments with employees and others providing similar services are measured at the fair value of the equity instrument at grant date. Fair value is measured using the Black-Scholes model. Where share-based payments are subject to market conditions, fair value is measured using a Monte-Carlo simulation. The fair value determined at the grant date of the equity settled share-based payments is expensed over the vesting period, based on the consolidated entity’s estimate of shares that will eventually vest.

Share-based payments

Equity settled share-based transactions with other parties are measured at the fair value of the goods or services received, except where the fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (for example, an entity’s share price);
- excluding the impact of any service and non-market performance vesting conditions (for example, profitability and remaining an employee of the entity over a specified period); and
- including the impact of any non-vesting conditions (for example, the requirement for employees to save or holding shares for a specific period).

When the options are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium. The expected life used in the model has been adjusted, based on management’s best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations. Further details on how the fair value of equity settled share-based transactions has been determined can be found above. At each reporting date, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss over the remaining vesting period, with corresponding adjustment to the equity settled employee benefits reserve.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended 31 December 2023

6. OTHER INFORMATION CONTINUED

6.4 EARNINGS PER SHARE ("EPS") ATTRIBUTABLE TO OWNERS OF THE PARENT

	For the year ended 31 December 2023 US cents per share	For the year ended 31 December 2022 US cents per share
Basic earnings per share	7.970	6.287
Diluted earnings per share	7.817	6.203

Basic earnings per share attributable to owners of the parent

The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

	For the year ended 31 December 2023 US$'000	For the year ended 31 December 2022 US$'000
Earnings used in the calculation of basic EPS	92,284	72,490

	For the year ended 31 December 2023 Number of shares	For the year ended 31 December 2022 Number of Shares
Weighted average number of ordinary shares for the purpose of basic EPS	1,157,933,122	1,152,960,534

Diluted earnings per share attributed to owners of the parent

The earnings and weighted average number of ordinary shares used in the calculation of diluted earnings per share are as follows:

	For the year ended 31 December 2023 US$'000	For the year ended 31 December 2022 US$'000
Earnings used in the calculation of diluted EPS	92,284	72,490

	For the year ended 31 December 2023 Number of shares	For the year ended 31 December 2022 Number of shares
Weighted average number of ordinary shares for the purpose of basic EPS	1,157,933,122	1,152,960,534
Shares deemed to be issued for no consideration in respect of employee options	22,654,848	15,597,563
Weighted average number of ordinary shares used in the calculation of diluted EPS	1,180,587,971	1,168,558,097

No potential ordinary shares were excluded from the calculation of weighted average number of ordinary shares for the purpose of diluted earnings per share.

6.5 AUDITORS' REMUNERATION

The analysis of the auditors' remuneration is as follows:

	For the year ended 31 December 2023 US$'000	For the year ended 31 December 2022 US$'000
Fees payable to the Company's auditors and their associates for the audit of the Company's annual financial statements		
Audit fee for the current year audit[1]	790	630
Fees payable to the Company's auditors and their associates for other services to the Group		
Audit fee of the Company's subsidiaries	225	126
Total audit fees	1,015	756
Non-audit fees:		
Audit related assurance services – interim review	151	139
Total non-audit fees	151	139

(1) The audit fee amount disclosed in note 2.3 is for the Jersey, UK and Australian companies only, the note above is for all the Group entities.

The audit fees for the corporate entities are billed in GBP and were translated at an average foreign exchange rate for the year ended 31 December 2023 of US$1.25:GB£1 (rate on 31 December 2022: US$1.23:GB£1). Not included within the above amounts are auditors' expenses (recharged to the Company) of US$31k (2022: US$19k).

6.6 GENERAL INFORMATION

Centamin plc (the "Company") is a listed public company, incorporated and domiciled in Jersey and operating through subsidiaries and jointly controlled entities operating in Egypt, Burkina Faso, Côte d'Ivoire, United Kingdom, Jersey and Australia. It is the Parent Company of the Group, comprising the Company and its subsidiaries and joint arrangements.

Registered office and principal place of business:

Centamin plc
2 Mulcaster Street
St Helier
Jersey
JE2 3NJ

The nature of the Group's operations and its principal activities are set out in the Governance Report and the Strategic Report of the 2023 Annual Report.