

## CHAIR'S FOREWORD



**We have repositioned Sukari, we as a tier one asset and have made significant progress in unlocking organic growth in Egypt and Côte d'Ivoire.**

**JAMES RUTHERFORD**  
NON-EXECUTIVE CHAIR



### INTRODUCTION

The world economy has proved to be remarkably resilient, despite having to deal with the shocks of post-COVID supply chain disruptions and the continuing impact of Russia's invasion of Ukraine. With inflation in several major economies falling faster than originally expected and concerted Central Bank interest rate increases serving to dampen overall demand, the IMF in its most recent update modestly raised its forecasts for global GDP growth for both 2024 and 2025, while at the same time acknowledging the potential risks to those forecasts of any escalation of the conflict in Gaza.

### GOLD MARKET UNDERPINNED BY CENTRAL BANK PURCHASES

Having navigated the headwinds from higher interest rates during 2022, the gold market maintained its strong performance during 2023. The gold price averaged US\$1,941/oz, which was not only 8% higher than the US\$1,800 achieved in 2022 but also a new record high in US\$ and every major currency.

Demand for gold in 2023 was underpinned by the continued elevated level of central bank purchases, which, based on World Gold Council data, totalled 1,037 tonnes. This was just 45 tonnes shy of the 2022 record high of 1,082 tonnes, but still more than twice the annual average of around 500 tonnes for the preceding decade. The World Gold Council calculates that, since 2010, central banks have acquired over 7,800 tonnes of gold, of which over a quarter has been bought in the past two years alone.

This emergence of what might be termed as a 'price insensitive' buyer helps explain why the strong correlation between the gold price and real interest rates, for the time being appears to have broken down. The pattern of central bank purchases is broad-based and dominated by emerging market countries (notably China) wishing to diversify their reserve base, suggesting that large central bank purchases could well remain an ongoing feature of the gold market.

### A YEAR OF ACHIEVEMENT

In the 2020 Annual Report, we described the three year plan to unlock Centamin's true potential, a plan that was grounded in operational discipline and rigorous long-term planning.

During 2023, the management team made further impressive progress on delivering on that plan. We reported a strong operational performance for the year. Gold production at Sukari, our flagship asset, grew by 2% to 450,058ozs and our guidance for 2024 is for a further increase in gold production to between 470,000 and 500,000 oz. Of equal importance, the continued focus on safety was reflected in the Lost Time Injury Frequency Rate being maintained at just 0.08 per million hours worked. At the same time, a continued focus on cost control and productivity improvements meant that, despite continuing local inflationary pressures, we were able to report a 14% reduction in the All-In Sustaining Cost ("AISC") of production from US\$1,399 to US\$1,205/oz of gold.

Total revenue for the year rose 13% from US\$788 million to US\$891 million, while net profit after tax posted a welcome 14% increase from US\$171 million to US\$195 million and EPS from 6.29 to 7.97 US cents per share.

### DIVIDEND

Against the backdrop of the significant reinvestment into the Sukari Mine, the Board has remained very mindful of the importance of delivering returns to shareholders and remains committed to a long-term dividend policy of paying out a minimum of 30% of free cash flow.

The Board is proposing a final dividend for 2023 of 2.0 US cents per share, which will be subject to shareholder approval at the Annual General Meeting on 21 May 2024. This would represent a proposed full-year dividend of 4.0 US cents per share, equivalent to US\$101 per gold ounce sold.

### ESTABLISHING A PLATFORM FOR GROWTH

The publication in October 2023 of the new Life of Mine ("LOM") Plan for Sukari provided confirmation of the significant progress that has been made in delivering the operational turnaround and firmly re-established the mine as a global Tier 1 operation.

Since coming on stream in 2009, Sukari has produced 5.7 million ounces of gold and has contributed US\$968 million to the Egyptian economy in the form of royalties and profit share, without taking account of the impact of wages and local purchases of supplies and equipment. With six million ounces in Proven & Probable Reserves, Sukari is well placed to produce its ten millionth ounce in the years ahead. Sukari as our flagship asset therefore provides a strong platform from which we can grow our business through our exploration in Egypt and projects in Côte d'Ivoire.

### EASTERN DESERT EXPLORATION PROGRAMME

During 2023 we completed the first drilling programme on our expanded 3,000km<sup>2</sup> of exploration licences in the Egyptian Eastern Desert, which is a highly prospective region for gold exploration. The initial results from the Nugrus Block are very encouraging, with drill intersects of gold mineralisation identified less than 30km from the Sukari Mine.

### DEFINITIVE FEASIBILITY NOW UNDERWAY AT DOROPO PROJECT

In addition, we announced the results from the pre-feasibility study for the Doropo greenfield gold project in Côte d'Ivoire, which demonstrated an economically robust project producing average gold production of approximately 175,000 ozs per annum at AISC of US\$1,000/oz over a ten-year life of mine. Work on the definitive feasibility study and environmental and social impact assessment is now underway and is due to be completed by mid-2024.

### SUSTAINABILITY IS CORE TO OUR BUSINESS MODEL

Reflecting our purpose statement, which is 'to create opportunity for people through responsible mining', we place enormous emphasis on positioning sustainability at the heart of the business. We have therefore continued to prioritise gender diversification, training and the development of local employees into management positions in the countries in which we operate.

Another important element of our responsible mining commitment is our transition to a low carbon future. During 2023, we published our interim Decarbonisation Roadmap to 2030, in which we set a tangible target of a 30% reduction in Scope 1 and 2 greenhouse gas emissions by 2030, compared to 2021 as the base year.

Importantly this target is derived from clearly identifiable projects to reduce emissions at Sukari, focused primarily on energy consumption. The first of these involves an expansion of the capacity of the solar plant, which would mean that the baseload power demand of the mine would be fully met during peak daylight hours.

The second project involves establishing a connection to the national grid, which, following recent upgrades, has been extended to Marsa Alam, just 25km from Sukari. This connection, combined with the existing solar plant, would fully meet the electricity needs of the mine without the need for onsite power generation using diesel fuel.

### BOARD

Four years ago, we undertook a considerable reshaping of both the Board and committee structure, when we strengthened the technical mining capability on the Board with the appointment of Dr. Catharine Farrow and Dr. Sally Eyre, who both have a strong background in geology, and Hennie Faul, who is an experienced mining engineer.

With the operational reset at Sukari progressing to completion, during 2023 we took the opportunity to initiate the next stage of Board evolution, this time focusing on augmenting our understanding and experience of Egypt and the broader Middle Eastern business environment.

In January, we were pleased to announce the appointment of Hoda Mansour and Iman Naguib as Non-Executive Directors. They bring a wealth of commercial and financial experience and extensive knowledge of Egypt and the broader region and will be a true asset to the Company as we move into our next phase of growth.

Hoda is Chief Operating Officer for IFS in Asia Pacific, Japan, Middle East and Africa, a global cloud-based enterprise software company. She previously worked for ten years for SAP, the market leader in enterprise application software, where she held several country head and leadership roles before becoming the Senior Vice President and Head of Business Process Transformation for the Southern Europe, Middle East and Africa regions in 2021.

Iman is a partner at Karnak Capital, an investment management vehicle that she founded in 2015. Prior to that, between 2012 and 2015, she was Group Chief Financial Officer at La Mancha Resources, a gold mining company with operating mines and exploration and development projects across Africa, Australia and Argentina. Before that, Iman also served as Corporate Finance Director for Orascom Telecom Holding and Weather Investments, an international telecoms group operating in Europe, Middle East, Africa and Asia.

As part of the ongoing Board succession, Dr. Ibrahim Fawzy has indicated that he does not intend to stand for re-election as a non-executive director at the Company's upcoming Annual General Meeting in May. I would like to extend my personal thanks to Prof. Fawzy for the invaluable contribution that he has made to Centamin as a Board member during his tenure. We have benefited from his wise counsel and his extensive experience across both the public and the private sector. We wish him all the very best with his important ongoing academic work in Egypt.

### THANK YOU

The completion of the extensive three-year restructuring and reinvestment programme at Sukari means that Centamin is now strongly positioned to focus on developing the growth potential that exists within our asset base in Egypt and Côte d'Ivoire. On behalf of the Board, I would like to thank the Centamin management and workforce for their diligence and dedication and our wider stakeholders for their support and commitment during what has been another successful year.

Similarly, I would like to acknowledge the ongoing guidance and support of the Egyptian government, through the Ministry of Petroleum and Natural Resources and the Egyptian Mineral Resources Authority ("EMRA"), who are our partners at Sukari.

The history of gold mining in Egypt is a long and illustrious one, on some estimates dating back as much as six thousand years. Centamin is the modern day custodian of that legacy and we share the Egyptian government's determined ambition to develop a successful, modern Egyptian gold industry and thereby enable mining to become a growth driver for the country.

Thank you.

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