INVESTING FOR THE FUTURE

Centamin is a robust business, committed to responsible mining. In 2020 we set out bold capital reinvestment plans required to sustain our business and drive higher production and improve margins for the long term, and for the last two years we have delivered on those plans.

Despite persisting global supply-side issues and global inflation, our focus is on what we can control. We do this with rigorous planning and subsequent disciplined compliance to plan, a thriving culture of continuous improvement, and active risk and opportunity assessment to ensure we don't stop at the minimum but are always looking to improve.

OVERVIEW

TOTAL REVENUE
(US$m)
2021: US$733m

US$788M

PROFIT AFTER TAX
(US$m)
2021: US$154m

US$171M

TOTAL DIVIDEND[2]
(US$m)
2021: US$105m

US$58M

CASH AND LIQUID ASSETS[1]
(US$m)
2021: US$257m

US$157M

ADJUSTED EBITDA[1]
(US$m)
2021: US$329m

US$319M

ALL-IN SUSTAINING COSTS[1]
("AISC") (per ounces sold)
2021: US$1,234/oz

US$1,399/oz

TOTAL ADJUSTED CAPITAL EXPENDITURE
(US$m)
2021: US$233m

US$224M

ADJUSTED FREE CASH FLOW[1]
(US$m)
2021: US$(6)m

US$(18)M

CASH COST PER OUNCE PRODUCED[1]
(cash cost /oz produced)
2021: US$866m

US$913M

(1) Cash and liquid assets are defined as cash, bullion on hand and gold sales receivables. Cash cost of production, AISC, EBITDA and Adjusted EBITDA, Cash, bullion on hand and gold sales receivables (also known as Cash and liquid assets) and Free cash flow and Adjusted free cash flow are non-GAAP measures and are defined in the Financial Review non-GAAP measures section.

(2) Attributable to the financial year and final dividend is subject to shareholder approval.

FINANCIAL STATEMENTS

For more information on our **FINANCIAL STATEMENTS** visit www.centamin.com

DIRECTORS' RESPONSIBILITIES
for the year ended 31 December 2022

DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ANNUAL REPORT AND 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 West Africa. 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
16 March 2023

ROSS JERRARD
CHIEF FINANCIAL OFFICER
DIRECTOR
16 March 2023

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 2022 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, which comprise: the Consolidated Statement of Financial Position as at 31 December 2022; 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 other components in the Group, which are based in three other locations, namely Burkina Faso, Côte d'Ivoire and Jersey. This enabled us to obtain coverage over 100% of Group consolidated revenue and 99.9% of Group consolidated total assets.

Key audit matters

- Ongoing legal actions
- Amounts due to the government with respect to the Sukari operation

Materiality

- Overall materiality: US$11.2m (2021: US$11.5m) based on 5% of three-year average of profit before tax, adjusted to exclude one-off items.
- Performance materiality: $8.4m (2021: $8.6m).

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.

INDEPENDENT AUDITORS' REPORT CONTINUED

to the members of Centamin plcKey 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.

The restoration and rehabilitation provision, which was a key audit matter last year, is no longer included because of the external review commissioned by management, which in our view has derisked the process. Otherwise, the key audit matters below are consistent with last year.

Key audit matter	How our audit addressed the key audit matter
Ongoing legal actions	
Refer to page 195 (note 5.1 to the financial statements) and page 58 (Principal risks). The Group is in the process of appealing a ruling passed by the Egyptian Administrative Court in October 2012. On 14 January 2023, the Egyptian Law No. 32 of 2014 ("Law 32") which limits the right of third parties to challenge bilateral agreements involving the Egyptian government and an investor, was upheld as constitutional by the Egyptian Supreme Constitutional Court (SCC), having been under challenge since 2014. The judgement permits Centamin to appeal to the Supreme Administrative Court on the legal inadmissibility of the 2011 challenge to the Sukari Concession Agreement on the basis that the original complainant was not a party to the Concession Agreement. If the original 2012 ruling was upheld, the Group's operations at the Sukari site may be significantly reduced and there is, therefore, a risk of material impairment of non-current assets at Sukari, which have a carrying value of $1,148m at 31 December 2022. The outcome of this matter is subject to significant uncertainty due to the political, social and economic environment in Egypt.	We reviewed the official SCC's judgement as gazetted on 17 January 2023 and discussed the case with the Group's external legal counsel, obtained a legal letter and read correspondence and related documentation, including the Concession Agreement, to understand the legal challenge and the basis of the Directors' assessment of the likely outcome of the case. All the evidence we obtained was consistent with the Directors' assessment of the case, and in line with our understanding. We assessed the competence and objectivity of the external legal counsel by considering factors, including professional qualifications and fee arrangements. These procedures satisfied us that the external legal advisors were competent and objective. Based on our work summarised above, we determined that the Directors had reflected all available information in their assessment, and that this case does not give rise to a provision as at 31 December 2022.
Amounts due to the government with respect to the Sukari operation	
Refer to page 169 (note 2.1 to the financial statements), page 174 (note 2.4 to the financial statements) and page 58 (Principal risks). The nature of the Concession Agreement means that there are items that can be open to interpretation. As a result, the Group is subject to periodic challenges by the Egyptian Mineral Resource Authority ('EMRA') on amounts owed 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 2022, the Group has paid dividends to the non-controlling interest in SGM of $35 million as the result of the profit sharing and cost recovery mechanisms under the Concession Agreement, which we considered merited our focus due to its size and nature. The Group has recognised a liability of $12m as at 31 December 2022, 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 of $12m 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 2.1 and 2.4 of the financial statements to check they were consistent with our knowledge and understanding of the matter obtained in the course of the audit, with no issues noted.

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 an exploration licence in Burkina Faso, 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 mining and exploration operations with local management.

In addition, specific audit procedures were performed by the Group audit team over significant balances for three 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.

Note that 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 continued to develop its strategy in response to the potential risks associated with climate change by commissioning the 36MW solar PV project and battery storage facility. This is in an effort to reduce Scope 1 emissions and giving consideration to further reduce carbon intensity and reliance on diesel, including grid connection and fuel switching to natural gas. 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 1.3.2 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 scenarios impacting precipitation and temperature fluctuations. 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 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$11.2m (2021: US$11.5m).
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 $5.1 million and $10.2 million.

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% (2021: 75%) of overall materiality, amounting to US$8.4m (2021:US$8.6m) 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 $560,000 (2021: $575,000) 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, 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 opening cash balance to the audited financial statements, agreeing the inputs back to the board approved budget, and testing the model for mathematical accuracy; and
- reviewing the Group's cashflow forecasts under a severe but plausible downside scenario, evaluating the assumptions used, and assessing that the Group is able to maintain liquidity within the going concern period under this scenario.

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 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 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 (see page 195 in the Annual Report), which was accepted as constitutional in the year, 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 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;
- 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 (refer to the "Key audit matters" section above for further information on the procedures performed);
- 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, and journals posted by unexpected personnel;
- 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 9 years, covering the years ended 31 December 2014 to 31 December 2022.

OTHER MATTER

As required by the Financial Conduct Authority Disclosure Guidance and Transparency Rule 4.1.14R, these financial statements 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 has been prepared using the single electronic format specified in the ESEF RTS.

JONATHAN LAMBERT

FOR AND ON BEHALF OF PRICEWATERHOUSECOOPERS LLP
CHARTERED ACCOUNTANTS AND RECOGNIZED AUDITOR
LONDON
16 March 2023

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 December 2022

	Note	31 December 2022 US$'000	31 December 2021 US$'000*
Revenue	2.2	788,424	733,306
Cost of sales	2.3	(544,075)	(487,376)
Gross profit		244,349	245,930
Exploration and evaluation expenditure	2.1	(29,723)	(13,879)
Other operating costs	2.3	(49,003)	(48,427)
Other income	2.3	6,623	5,708
Finance income	2.3	1,214	196
Finance costs	2.3	(2,459)	(673)
Impairment of exploration and evaluation asset	2.10	–	(35,208)
Profit for the year before tax		171,001	153,647
Tax	2.5	(226)	20
Profit for the year after tax		170,775	153,667
Profit for the year after tax attributable to:			
– the owners of the parent		72,490	101,527
– non-controlling interest in SGM	2.4	98,285	52,140
Total comprehensive income for the year		170,775	153,667
Total comprehensive income for the year attributable to:			
– the owners of the parent		72,490	101,527
– non-controlling interest in SGM	2.4	98,285	52,140
Earnings per share attributable to owners of the parent:			
Basic (US cents per share)	6.4	6.287	8.811
Diluted (US cents per share)	6.4	6.203	8.738

* In the 2021 Consolidated Statement of Comprehensive Income, Finance costs were included and disclosed in the line 'Other operating costs', in these financial statements they are now separately disclosed in their own line and as such 'Other operating costs' for 2021 have changed.

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 2022

	Note	31 December 2022 US$'000	31 December 2021 US$'000
Non-current assets			
Property, plant and equipment	2.9	**1,086,649**	956,217
Exploration and evaluation asset	2.10	**24,809**	25,261
Inventories	2.11	**94,773**	64,756
Other receivables	2.7	**1,372**	101
Total non-current assets		**1,207,603**	1,046,335
Current assets			
Inventories	2.11	**134,065**	128,721
Trade and other receivables	2.7	**35,628**	32,579
Prepayments	2.8	**13,864**	7,964
Cash and cash equivalents	2.16(a)	**102,373**	207,821
Total current assets		**285,930**	377,085
Total assets		**1,493,533**	1,423,420
Non-current liabilities			
Other payables	2.12	**11,801**	10,386
Provisions	2.13	**37,425**	42,647
Total non-current liabilities		**49,226**	53,033
Current liabilities			
Trade and other payables	2.12	**99,395**	75,759
Tax liabilities	2.5	**249**	253
Provisions	2.13	**3,256**	4,617
Total current liabilities		**102,900**	80,629
Total liabilities		**152,126**	133,662
Net assets		**1,341,407**	1,289,758
Equity			
Issued capital	2.14	**670,994**	669,531
Share option reserve	2.15	**6,082**	4,975
Accumulated profits		**641,794**	655,508
Total equity attributable to:			
– owners of the parent		**1,318,870**	1,330,014
– non-controlling interest in SGM	2.4	**22,537**	(40,256)
Total equity		**1,341,407**	1,289,758

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 16 March 2023 and signed on its behalf by:

MARTIN HORGAN
CHIEF EXECUTIVE OFFICER
DIRECTOR
16 March 2023

ROSS JERRARD
CHIEF FINANCIAL OFFICER
DIRECTOR
16 March 2023

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2022

	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	2.15	**–**	**2,570**	**–**	**2,570**	**–**	**2,570**
Transfer of share-based payments	2.15	**1,463**	**(1,463)**	**–**	**–**	**–**	**–**
Dividend paid – non-controlling interest in SGM	2.4	**–**	**–**	**–**	**–**	**(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**

	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 2021		668,807	3,343	634,498	1,306,648	(17,196)	1,289,452
Profit for the year after tax		–	–	101,527	101,527	52,140	153,667
Total comprehensive income for the year		–	–	101,527	101,527	52,140	153,667
Own shares acquired	2.14	(1,391)	–	–	(1,391)	–	(1,391)
Net recognition of share-based payments	2.15	–	3,747	–	3,747	–	3,747
Transfer of share-based payments	2.15	2,115	(2,115)	–	–	–	–
Dividend paid – non-controlling interest in SGM	2.4	–	–	–	–	(75,200)	(75,200)
Dividend paid – owners of the parent		–	–	(80,517)	(80,517)	–	(80,517)
Balance as at 31 December 2021		669,531	4,975	655,508	1,330,014	(40,256)	1,289,758

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 2022

	Note	31 December 2022 US$'000	31 December 2021 US$'000
Cash flows from operating activities			
Cash generated from operating activities	2.16(b)	**292,166**	309,873
Income tax (paid)/received		**(230)**	5
Net cash generated from operating activities		**291,936**	309,878
Cash flows from investing activities			
Acquisition of property, plant, and equipment		**(263,622)**	(224,929)
Brownfield exploration and evaluation expenditure		**(12,175)**	(15,943)
Finance income	2.3	**1,214**	196
Net cash used in investing activities		**(274,583)**	(240,676)
Cash flows from financing activities			
Cash element of share-based payments		**(523)**	–
Own shares acquired		**–**	(1,391)
Dividend paid – non-controlling interest in SGM	2.4	**(35,492)**	(75,200)
Dividend paid – owners of the parent	3.2.2	**(86,204)**	(80,517)
Net cash used in financing activities		**(122,219)**	(157,108)
Net decrease in cash and cash equivalents		**(104,866)**	(87,906)
Cash and cash equivalents at the beginning of the year		**207,821**	291,281
Effect of foreign exchange rate changes		**(582)**	4,446
Cash and cash equivalents at the end of the year	2.16(a)	**102,373**	207,821

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 2022

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 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 2022 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 2022 were authorised by the Board of Directors of the Company for issue on 16 March 2023.

GOING CONCERN

Under guidelines set out by the FRC, the directors of UK listed companies are required to consider whether the going concern basis is the appropriate basis of preparation of consolidated financial statements, under the historical cost convention, as modified by financial assets and financial liabilities (including derivative) instruments which are measured at fair value.

The FRC has released updated guidelines regarding disclosure of 'material uncertainties' related to going concern in current circumstances. Material uncertainties refers to uncertainties related to events or conditions that may cast significant doubt upon the entity's ability to continue as a going concern. In other words, if boards identify possible events or scenarios (other than those with a remote possibility of occurring) that could lead to corporate failure, then these should be disclosed. When assessing whether material uncertainties exist, boards should consider both the uncertainty and the likely success of any realistically possible response to mitigate this uncertainty.

Management has performed detailed analyses and forecasts 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 large cash balances and no debt. At 31 December 2022 the Group had cash and cash equivalents of US$102 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 a period of at least twelve months from 16 March 2023, examples of such mitigating actions which were not applied would be drawdowns of the US$150 million revolving credit facility which was available as of 13 March 2023.

Key assumptions underpinning this forecast include:

- Available cash balances;
- Favourable litigation outcomes, for current litigation refer to note 5.1 to the financial statements;
- A fuel price of US$0.90/litre;
- A processing plant recovery rate of 88.2%
- Gold price of at least US$1,600/oz.; and
- Production volumes in line with 2023 guidance

The scenarios and impact on liquidity is as follows:

- Base case: No change to parameters, expected closing cash balance of US$52 million;
- Average gold price reduction to US$1,475 per ounce: resulted in a closing cash balance of US$6 million;
- Fuel price increase to US$1.25/litre: resulted in a closing cash balance of US$9 million;
- Processing capacity reduction by 20%: resulted in a closing cash balance of US$10 million; and
- Processing plant recovery rate reduction to 85.0%: resulted in a closing cash balance of US$37 million.

The sensitivities applied were informed by internal and external data sources, including a review of the Group's most recent production levels with reductions or increases of various levels to various stages of slowdown, or metal content. The Group doesn't engage in any hedging activities and as such all gold sales are exposed to movements in market prices. In each scenario, sufficient liquidity was maintained without applying mitigating measures.

The above sensitivity analysis was also used to assess each scenario's outcome as a short-term impairment trigger necessitating a need for a full impairment assessment review for the Sukari operating assets as at the reporting date. All the various outcomes assessed did not reflect an adverse position that would be indicative of a potential impairment trigger for the Sukari operating assets.

Based on a detailed cash flow forecast prepared by management, and the various downside scenarios, the Directors have a reasonable expectation that the Group will have adequate resources to continue in operational existence for twelve months from 16 March 2023 and that currently there are no material uncertainties regarding going concern.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED
for the year ended 31 December 2022Basis of preparation continued

These financial statements for the year ended 31 December 2022 have therefore been prepared on a going concern basis, which contemplate the realisation of assets and liquidation of liabilities during the normal course of operations, in preparing these financial statements.

In preparing the financial statements, we have considered the potential impact of climate-related physical and transition risks, in the context of the disclosures included in the Strategic Report. Based on this assessment, climate-related risk is not assessed to have a material financial impact on the viability of the business at the current time primarily due to the short remaining life of mine for Sukari.

ACCOUNTING POLICIES

Accounting policies are selected and applied in a manner which ensures that the resulting financial statements satisfy the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported. These policies have been consistently applied to all the years presented, unless otherwise stated.

1. CURRENT REPORTING PERIOD AMENDMENTS

1.1 CHANGES IN CRITICAL JUDGEMENTS AND ESTIMATES

There were no material updates and/or changes to critical accounting judgements and estimates that management has made in the year in applying the Group's accounting policies that have a significant effect on the amounts recognised and the related disclosures in the financial statements.

1.2 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 2022 reporting periods and have not been early adopted by the Group.

New or amended accounting standards

The amendments to accounting standards that are effective for annual periods beginning on 1 January 2022 did not have a significant impact on the Group's results for the year and are also not expected to have a significant impact in future reporting periods and on foreseeable future transactions.

Further details of new or revised accounting standards, interpretations or amendments which are effective for the periods beginning on or after 1 January 2022 and their impact on the Group are listed below:

Accounting standard	Requirement	Impact on financial statements
Amendment to IAS 16 *'Property, Plant and Equipment'*: proceeds before intended use.	The amendment to IAS 16 '*Property, Plant and Equipment*' ("PP&E") prohibits an entity from deducting from the cost of an item of PP&E any proceeds received from selling items produced while the entity is preparing the asset for its intended use. It also clarifies that an entity is 'testing whether the asset is functioning properly' when it assesses the technical and physical performance of the asset. The financial performance of the asset is not relevant to this assessment.	No material change to the Group's financial position or performance.
Amendments to IAS 37 '*Provisions, Contingent Liabilities and Contingent Assets*': Onerous Contracts – Cost of Fulfilling a Contract.	The amendment of ISA 37 clarifies that the direct costs of fulfilling a contract include both the incremental costs of fulfilling the contract and allocation of other costs directly related to fulfilling contracts. Before recognising a separate provision for an onerous contract, the entity recognises any impairment loss that has occurred on assets used in fulfilling the contract.	No material change to the Group's financial position or performance.
Annual improvements to IFRS Standards 2018 – 2020.	The following improvements we finalised in May 2020: • IFRS 9 '*Financial Instruments*' – clarifies which fees should be included in the 10% test for derecognition of financial liabilities. • IFRS 16 '*Leases*' – amendment of illustrative example 13 to remove the illustration of payments from the lessor relating to leasehold improvements, to remove any confusion about the treatment of lease incentives.	No material change to the Group's financial position or performance.
Amendments to IFRS 3 '*Business Combinations*' – Reference to the Conceptual Framework.	Minor amendments were made to IFRS 3 '*Business Combinations*' to update the references to the Conceptual Framework for Financial Reporting and add an exception for the recognition of liabilities and contingent liabilities within the scope of IAS 37 '*Provisions, Contingent Liabilities and Contingent Assets*' and Interpretation 21 '*Levies*'. The amendments also confirm that contingent assets should not be recognised at the acquisition date.	No material change to the Group's financial position or performance.

For a detailed discussion about the Group's performance and financial position, please refer to the financial review.

1.3 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:

1.3.1 Judgement: Control

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

Pharaoh Gold Mines NL (the holder of an Egyptian branch) ("PGM") 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 and note 4.2 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:

1. power over the investee;
2. exposure, or rights, to variable returns from its involvement with the investee; and
3. 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;
- 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.

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

- The board of SGM has six board members:
  - three of which are appointed by the Company, through PGM; and
  - three of which 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended 31 December 20221. Current reporting period amendments continued

- 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 arbitration and ultimately matters can be presented to the International Court of Arbitration at The Hague.
- 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 its 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.

1.3.1.2 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 through time) as governed by the CA; but:
    - distributions are not mandatory, entirely discretionary and there are only distributions 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 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 from EMRA due to timing differences of the cash sweep. Please refer to note 2.4 for further information.

1.3.2 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.

On review, no impairment triggers were identified.

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 operating assets, in the context of the TCFD disclosures. The Directors recognise that climate-related risks have potential to impact the carrying value of assets through its effects on future cash flow projections and impairments on the useful life of assets. The financial statement also considers the opportunities arising from our transition to a low carbon future and achievement of our target for reducing GHG emissions.

In particular, the Directors have qualitatively assessed the financial and strategic viability of the business to the likely impact of climate-related risk in respect of the following areas:

- Going concern and viability of the Group over the short term, arising from market and investor uncertainty
- Cash flow forecasts considering increased price forecasts for commodities and consumables
- Effects on property, plant and equipment, arising from carbon pricing and the adoption/deployment of low carbon technology
- Capital expenditure over the short and medium term, arising from the adoption/deployment of low carbon technology

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended 31 December 2022

1. CURRENT REPORTING PERIOD AMENDMENTS CONTINUED

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. The Directors 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 2023, we will undertake a more detailed analysis of climate-related scenarios aligned to the Intergovernmental Panel on Climate Change ("IPCC") and review the impact of these transition risks on business strategy and financial performance over the life of our assets. Centamin will monitor and routinely test climate-related risk against judgements and estimates made in preparation of the Group's financial statements.

Based on the considerations of climate-related transition risk in the short term, no factors are expected to have a material impact on the carrying values of assets or liability of the Group in the next financial year. Capital expenditure to support our target for GHG emissions reduction is assessed to be financially material in the short term, however the technology is commercially available and the expenditure is value accretive. At Sukari, our planned extension to solar plant and grid connection are forecast to provide a positive return on investment within the life of 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.

1.3.3 Judgement: Litigation

The Group exercises judgement in measuring and recognising provisions and the exposure to contingent liabilities related to pending litigation, (see note 5.1 to the financial statements). Judgement is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of any financial settlement.

The Group is party to a significant legal action in Egypt, which could potentially adversely affect its profitability and affect its ability to operate the mine at Sukari in the manner in which it is currently operated. The details of this litigation, which relate to the Concession Agreement under which Sukari operates, and the latest developments, are provided in note 5.1 to the financial statements.

With respect to the Administrative Court ruling in the Concession Agreement case (discussed in note 5.1 below), on 20 March 2013 the Supreme Administrative Court upheld the Company's application to suspend this decision until the merits of the Company's appeal are considered and ruled on, thus providing assurance that normal operations will be able to continue during this process. In 2016, the Company's appeal was indefinitely stayed by the Supreme Administrative Court, pending judgment in a separate case currently before the Supreme Constitutional Court, the outcome of which affects the Concession Agreement case. The Supreme Constitutional Court has now given a favourable judgment in that case, as a result of which an application has been made to resume proceedings in the original appeal (which is a purely procedural matter). The Group's Egyptian lawyers will then make an application to the Supreme Administrative Court to have the original case dismissed and the judgment cancelled. Further details are provided in note 5.1.

In the unlikely event that the Group is unsuccessful in this action and the operating activities are restricted to a reduced area, it is management's belief that the Group would be able to continue as a going concern. The Group is in regular contact with its Egyptian lawyers, who are monitoring developments on a day-to-day basis, and is therefore able to react swiftly if action is required.

The changes to critical accounting estimates and assumptions are disclosed in notes 1.2 and 1.3 above. The other critical estimates and assumptions are as follows:

1.3.4 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 Mineral Reserve and Resource statement for SGM with an effective date of 30 June 2022 is contained in the supplementary section of the 2022 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, ore reserves and mineral resource estimates and changes to these 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).

1.3.5 Estimate: Long-term gold price used in the non-current stockpiles net realisable value ("NRV") assessment

All inventories are stated at the lower of cost and net realisable value. Management and Directors believe that the estimates used regarding long-term gold prices in the non-current stockpiles NRV assessment are critical estimates and are realistic based on current information. Please refer to inventories, note 2.11.

1.3.6 Estimate: Restoration and rehabilitation provision unit rates

The Sukari's life of asset review was completed in Q4 of 2021 and announced to the market on 8 December 2021. After completion of the life of asset review, work commenced on the full review of the restoration and rehabilitation plan for Sukari to determine the Company's obligation as at 31 December 2022. This work which involved an external third party to verify the assumptions and methodology used in the restoration and rehabilitation plan has been completed. On the financial side, the restoration and rehabilitation plan and provision assessment resulted in a decrease of the provision by US$5.8million (2021: US$ 21.9million increase) to US$37 million as at 31 December 2022, see note 2.13.

The US$5.8 million decrease in the provision was mainly due to an increase in the discount rate to 3.63% in 2022 from 1.38% in 2021 and decrease in the inflation rate to 2.37% in 2022 from 2.50% in 2021. The cost base before discounting however increased by a net amount of US$4.7 million. The key drivers for the cost base increase were mainly due to the following significant changes:

- TSF1 – A US$1million increase (2021: $9 million increase) in the cost of loading and hauling waste rock to create a two-metre cover over the tailings surface;
- TSF2 – the TSF usable area is significantly bigger in 2022 compared to 2021 as construction work of certain stages was completed. There is US$3 million decrease (2021: $5 million increase) in the cost of loading and hauling and spreading the waste rock to create a two-metre cover over the tailings surface. The 2022 cost base is determined using the actual surface area of the tailings dam as at year end compared to the surface area of the entire TSF in 2021;
- North and west dump leach area – A US$0.4 million (2021: $2.6 million) increase in the cost including the cost of supplying and installing an impermeable liner over the dump leach areas; and
- US$1.5 million (2021: $1.6 million) increase in the engineering 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.

For rehabilitation activities measured in tonnes, the unit costs range between $0.31/t to US$0.77/t and 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)	$0.31/t
• Load and haul waste rock by mass (average haul distance of 6km)	$0.77/t
• Load and haul waste rock by volume (average haul distance of 2km)	$0.66/m^3
• Spread waste rock to create cover	$1.25/m^3
• Load and haul demolition waste for on-site landfill	$1.97/m^3
• Demolish concrete foundations (medium reinforced)	$53.00/m^3
• Regrade slopes and batters	$0.40/m^2
• Rip and grade compacted surfaces	$0.95/m^2
• Demolish buildings (mix of prefabricated, steel and blockwork)	$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 2033 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended 31 December 2022

1. CURRENT REPORTING PERIOD AMENDMENTS CONTINUED

Most of the unit rates have not changed from prior year while others have marginally changed. 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 (of over 45%) and concluded that maintaining the unit rates 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. Also analysed was a change in the estimated unit cost due to the rehabilitation process being executed illustratively five years later due to changes in the reserve estimates altering the expected dates of performing the rehabilitation:

- A 10% increase in these estimated unit and fixed costs elements would result in a US$3.1million increase on the provision and corresponding asset amounts, while a 10% decrease would result in a US$3.1million decrease.
- A 10% increase in these unit and fixed costs with a five year longer time horizon to perform the rehabilitation activities would result in a US$0.7 million increase on the provision and corresponding asset amounts, while a 10% decrease would result in a US$5.1 million decrease.
- A 10% increase in the discount rate would result in a US$1.4 million decrease on the provision and corresponding asset amounts, while a 10% decrease would result in a US$1.4 million increase.
- A 10% increase in the inflation rate would result in a US$0.9 million increase on the provision and corresponding asset amounts, while a 10% decrease would result in a US$0.9 million decrease.

The above scenarios resulted in increases of the restoration and rehabilitation provision ranging from US$0.7 million to US$3.1 million and decreases ranging from US$0.9 million to US$5.1 million. 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 2.13 for additional information on the restoration and rehabilitation provision movements.

The sensitivities analysed above reflect both reasonably possible changes in the provisions in response to changes in the underlying assumptions as well as an illustrative analysis from a change in rehabilitation activities' timeframe.

1.4 OTHER SIGNIFICANT ACCOUNTING POLICIES

1.4.1 Principles of consolidation

The consolidated financial statements are prepared by combining the financial statements of all the entities that comprise the consolidated entity, being the Company (the parent entity) and its subsidiaries. Subsidiaries are all entities (including structured 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 entity, 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 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.

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 West African exploration for precious metals in these geographies. The Egyptian mining operations derive revenue from the sale of gold while the West African 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.

Non-current assets, including financial instruments by country:

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**

31 December 2021	Total US$'000	Egypt US$'000	Burkina Faso US$'000	Côte d'Ivoire US$'000	Corporate US$'000
Non-current assets (excl. financial assets)	1,046,234	1,044,543	505	516	670
Non-current assets (financial instruments)	101	–	21	80	–
Total non-current assets	1,046,335	1,044,543	526	596	670

Additions to non-current assets mainly relate to Egypt and are disclosed in note 2.9.

Statement of financial position by operating segment:

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 (liability)/total equity	**1,341,407**	**1,270,710**	**3,524**	**(430)**	**653**	**66,950**

31 December 2021	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	1,423,420	1,228,758	935	1,724	1,650	190,353
Total liabilities	(133,662)	(129,762)	–	(368)	(829)	(2,703)
Net assets/total equity	1,289,758	1,098,996	935	1,356	821	187,650

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended 31 December 2022

2. HOW NUMBERS ARE CALCULATED CONTINUED

Statement of comprehensive income by operating segment:

For the year ended 31 December 2022[1]	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[1]	(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[2]	72,490	125,579	(1,614)	137,019	(26,170)	(162,324)
– non-controlling interest in SGM[2]	98,285	98,285	–	–	–	–

(1) In the 2021 Consolidated Statement of Comprehensive Income, Finance costs were included and disclosed in the line 'Other operating costs', in these financial statements they are now separately disclosed in their own line and as such 'Other operating costs' for 2021 have changed.

(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.

Statement of comprehensive income by operating segment:

For the year ended 31 December 2021	Total US$'000	Egypt Mining US$'000	Egypt Exploration US$'000	Burkina Faso US$'000	Côte d'Ivoire US$'000	Corporate US$'000
Revenue	733,306	733,306	–	–	–	–
Cost of sales	(487,376)	(487,376)	–	–	–	–
Gross profit	245,930	245,930	–	–	–	–
Exploration and evaluation costs	(13,879)	–	–	(2,380)	(11,499)	–
Other operating costs[1]	(48,427)	(15,158)	–	(19)	(227)	(33,024)
Other income	5,708	6,922	–	(105)	(238)	(871)
Finance income	196	(1)	–	–	–	197
Finance costs[1]	(673)	(598)	–	(2)	(20)	(52)
Impairment of exploration and evaluation asset	(35,208)	–	–	(35,208)	–	–
Profit/(loss) for the year before tax	153,647	237,095	–	(37,714)	(11,984)	(33,750)
Tax	20	20	–	–	–	–
Profit/(loss) for the year after tax	153,667	237,115	–	(37,714)	(11,984)	(33,750)
Profit/(loss) for the year after tax attributable to:						
– the owners of the parent[2]	101,527	184,975	–	(37,714)	(11,984)	(33,750)
– non-controlling interest in SGM[2]	52,140	52,140	–	–	–	–

(1) In the 2021 Consolidated Statement of Comprehensive Income, Finance costs were included and disclosed in the line 'Other operating costs', in these financial statements they are now separately disclosed in their own line and as such 'Other operating costs' for 2021 have changed.

(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 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 2022	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[1]	291,936	320,954	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)
Own shares acquired	(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	(104,866)	11,342	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	(582)	2,422	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) Please note that the cash generated by operating activities for Burkina Faso and Côte d'Ivoire are affected by the movements in working capital, specifically intercompany loans, with its direct parent entity Centamin West Africa Holdings Limited which is included within the corporate segment.

For the year ended 31 December 2021	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[1]	309,878	372,972	887	200	901	(65,082)
Net cash (used in)/generated from investing activities	(240,676)	(241,250)	–	(1)	(308)	883
Net cash used in financing activities	(157,108)	(150,400)	–	–	–	(6,708)
Own shares acquired	(1,391)	–	–	–	–	(1,391)
Dividend paid – non-controlling interest in SGM	(75,200)	(75,200)	–	–	–	–
Dividend (paid)/received – controlling interest in SGM	–	(75,200)	–	–	–	75,200
Dividend paid – owners of the parent	(80,517)	–	–	–	–	(80,517)
Net (decrease)/increase in cash and cash equivalents	(87,906)	(18,678)	887	199	593	(70,907)
Cash and cash equivalents at the beginning of the year[2]	291,281	11,899	–	5	456	278,921
Effect of foreign exchange rate changes[2]	4,446	20,388	48	(199)	(190)	(15,601)
Cash and cash equivalents at the end of the year[2]	207,821	13,609	935	5	859	192,413

(1) Please note that the cash generated by operating activities for Burkina Faso and Côte d'Ivoire are affected by the movements in working capital, specifically intercompany loans, with its direct parent entity Centamin West Africa Holdings Limited which is included within the corporate segment.

(2) The numbers have been restated to reflect a reclassification of US$2m on the opening cash and cash equivalents balance and US$5m on the foreign exchange rate change between Corporate and Egypt Mining segments.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended 31 December 2022

2. HOW NUMBERS ARE CALCULATED CONTINUED

ACCOUNTING POLICY: SEGMENT REPORTING

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.

2.2 REVENUE

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

	For the year ended 31 December 2022 US$'000	For the year ended 31 December 2021 US$'000
Gold sales	786,921	731,945
Silver sales	1,503	1,361
	788,424	733,306

All gold and silver sales during the year were made to a single customer in North America, Asahi Refining Canada Ltd.

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. This is when insurance risk has passed to the buyer and the goods have been collected at the agreed location.

The performance obligation is satisfied when the doré bars are packaged and collected by the approved carrier with the appropriate required documentation at the gold room and the approved carrier accepts control of the shipment by signature. 98% of the payable gold and silver content of the refined gold bars will be priced and paid within one working day after receipt of the shipment at the refinery with the balance being paid five working days after receipt. There are no significant judgements applied to the determination of revenue.

Where the terms of the executed sales agreement allow for an adjustment to the sales price based on a survey of the mineral production by the buyer (for instance an assay for gold content), 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.

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):

	For the year ended 31 December 2022 US$'000	For the year ended 31 December 2021 US$'000*
Other income		
Net foreign exchange gains	6,559	5,158
Other income	64	550
	6,623	5,708
Finance cost, net		
Interest received	1,214	196
Finance costs	(2,459)	(672)
Expenses		
Cost of sales		
Mine production costs	(408,543)	(368,327)
Movement in inventory	10,659	19,968
Depreciation and amortisation	(146,191)	(139,017)
	(544,075)	(487,376)
Other operating costs		
Corporate compliance	(2,869)	(2,698)
Fees payable to the external auditors	(895)	(856)
Corporate consultants	(2,697)	(1,914)
Salaries and wages	(11,979)	(10,094)
Other administration expenses	(3,272)	(3,070)
Employee equity settled share-based payments	(2,570)	(3,747)
Corporate costs (sub-total)	(24,282)	(22,379)
Other provisions	1,180	(731)
Net movement on provision for stock obsolescence	(579)	(3,135)
Other non-corporate operating expenses	(1,480)	(511)
Royalty – attributable to the ARE government	(23,842)	(21,672)
Other operating costs (total)	(49,003)	(48,428)

* In the 2021 Consolidated Statement of Comprehensive Income, Finance costs were included and disclosed in the line 'Other operating costs', in these financial statements they are now separately disclosed in their own line and as such 'Other operating costs' for 2021 have changed.

ACCOUNTING POLICY: FINANCE INCOME, OTHER INCOME AND FOREIGN CURRENCIES

Finance income

Finance income is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED
for the year ended 31 December 2022

2. HOW NUMBERS ARE CALCULATED CONTINUED

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 costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale (a qualifying asset) are capitalised as part of the cost of the respective asset. Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds.

Where funds are borrowed specifically to finance a project, the amount capitalised represents the actual borrowing costs incurred. Where surplus funds are available for a short term from funds borrowed specifically to finance a project, the income generated from the temporary investment of such amounts is also capitalised and deducted from the total capitalised borrowing cost. Where the funds used to finance a project form part of general borrowings, the amount capitalised is calculated using a weighted average of rates applicable to relevant general borrowings of the Group during the period.

All other 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 they are incurred.

2.4 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 financial statements for the year ended 30 June 2022 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 2022 US$'000	For the year ended 31 December 2021 US$'000
Statement of comprehensive income		
Profit for the year after tax attributable to the non-controlling interest in SGM[1]	98,285	52,140
Statement of financial position		
Total equity attributable to non-controlling interest in SGM[1] (opening)	(40,256)	(17,196)
Profit for the year after tax attributable to the non-controlling interest in SGM[1]	98,285	52,140
Dividend paid – non-controlling interest in SGM	(35,492)	(75,200)
Total equity attributable to non-controlling interest in SGM[1] (closing)	22,537	(40,256)

(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. This will be reflected as an amount attributable to the non-controlling interest in SGM on the statement of financial position and statement of changes in equity.

(b) Statement of cash flows impact

	For the year ended 31 December 2022 US$'000	For the year ended 31 December 2021 US$'000
Statement of cash flows		
Dividend paid – non-controlling interest in SGM[1]	(35,492)	(75,200)

(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.

2.5 TAX

The Group operates in several countries and, accordingly, it is subject to the various tax regimes in the countries in which it operates. From time to time the Group is subject to a review of its related tax filings and in connection with such reviews, disputes can arise with the taxing authorities over the interpretation or application of certain rules to the Group's business conducted within the country involved. 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.

In Egypt, Pharaoh Gold Mines NL ("PGM") has entered into a Concession Agreement ("CA") that provides that the income generated by SGM's activities is granted a long-term tax exemption from all taxes imposed in Egypt, other than the fixed royalty attributable to the Egyptian government, rental income on property and interest income on cash and cash equivalents.

The CA grants certain tax exemptions, including the following:

- from 1 April 2010, being the date of commercial production, SGM is entitled to a 15-year exemption from any taxes imposed by the Egyptian government on the revenues generated from SGM. PGM and EMRA intend that SGM will in due course file an application to extend the tax-free period for a further 15 years. The extension of the tax-free period requires that there have been no tax problems or disputes in the initial period and that certain activities in new remote areas have been planned and agreed by all parties;
- PGM and SGM are exempt 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;
- PGM, EMRA and SGM and their respective buyers will be exempt from any duties or taxes on the export of gold and associated minerals produced from SGM;
- PGM at all times is 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;

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED
for the year ended 31 December 2022

2. HOW NUMBERS ARE CALCULATED CONTINUED

- PGM's contractors and subcontractors are entitled to import machinery, equipment, and consumable items under the 'Temporary Release System' which provides exemption from Egyptian customs duty; and
- legal title of all operating assets of PGM will pass to EMRA when cost recovery is completed. The right of use of all fixed and movable assets 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 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)/credit

	For the year ended 31 December 2022 US$'000	For the year ended 31 December 2021 US$'000
Current tax		
Current tax (expense)/credit in respect of the current year	(226)	20
Deferred tax	–	–
Total tax (expense)/credit	(226)	20

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

	For the year ended 31 December 2022 US$'000	For the year ended 31 December 2021 US$'000
Profit for the year before tax	171,001	153,647
Tax expense calculated at 0%(1) (2021: 0%)(1) of profit for the year before tax	–	–
Tax effect of:		
Other	(226)	20
Tax	(226)	20

(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 (2021: 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 2022 US$'000	For the year ended 31 December 2021 US$'000
Current tax liabilities	249	253

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.

2.6 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 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 2022, there were no drawdowns on the facility and therefore no interest expense was recognised in the period. A facility establishment and commitment fee of US$1.2 million was recognised in the profit or loss statement.

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 2022, the Company's compliance requirements and obligations in respect of financial covenants and financial conditions were not yet effective as conditions precedent were not yet satisfied and completed to make the agreement effective and available for drawdown.

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. Other financial liabilities 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED
for the year ended 31 December 2022

2. HOW NUMBERS ARE CALCULATED CONTINUED

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. 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

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as financial assets at amortised cost. 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 of IFRS 9 *'Financial Instruments'*, a loss allowance shall be recognised for expected credit losses on a financial asset 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 increases 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.

In respect of FVOCI equity instruments, any subsequent increase in fair value after an impairment loss is recognised in other comprehensive income.

2.7 TRADE AND OTHER RECEIVABLES

	For the year ended 31 December 2022 US$'000	For the year ended 31 December 2021 US$'000
Non-current		
Other receivables – deposits	1,372	101
Current		
Gold and silver sales debtor	29,832	29,147
Other receivables	5,796	3,432
	35,628	32,579

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

All gold and silver sales during the year were made to a single customer in North America, Asahi Refining Canada Ltd, and are neither past due nor impaired.

The average age of the receivables is 16 days (2021: 16 days) and expected credit losses are considered immaterial. No interest is charged on the receivables. Of the trade receivables balance, the gold and silver sales debtor is all receivable from Asahi Refining Canada Ltd. The amount due has been received in full after year end. Other receivables represent GST and VAT owing from various jurisdictions that the Group operates in.

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.

2.8 PREPAYMENTS

	For the year ended 31 December 2022 US$'000	For the year ended 31 December 2021 US$'000
Current		
Prepayments[1]	13,864	7,964
	13,864	7,964

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended 31 December 2022

2. HOW NUMBERS ARE CALCULATED CONTINUED

2.9 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 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 2022	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)
Year ended 31 December 2021 Cost							
Balance at 1 January 2021	8,792	5,690	617,465	359,009	662,496	44,554	1,698,006
Additions	11	–	54	231	–	224,633	224,929
Increase in rehabilitation asset	–	–	–	–	21,875	–	21,875
Transfers from capital work in progress	1,127	8,489	7,848	54,042	112,678	(184,184)	–
Transfers from exploration and evaluation asset	–	–	–	–	19,175	–	19,175
Disposals	(687)	(5)	(290)	(53,673)	–	–	(54,655)
Disposals: IFRS 16 right of use assets	–	(351)	–	(142)	–	–	(493)
Balance at 31 December 2021	9,243	13,823	625,077	359,467	816,224	85,003	1,908,837
Accumulated depreciation and amortisation							
Balance at 1 January 2021	(7,542)	(1,641)	(242,853)	(298,572)	(317,514)	–	(868,122)
Depreciation and amortisation	(688)	(1,597)	(33,077)	(43,518)	(60,574)	–	(139,454)
Disposals	687	212	290	53,769	–	–	54,958
Balance at 31 December 2021	(7,543)	(3,026)	(275,640)	(288,323)	(378,088)	–	(952,620)
Net book value							
As at 31 December 2022	1,517	18,128	327,342	95,000	565,858	78,804	1,086,649
As at 31 December 2021	1,700	10,797	349,437	71,144	438,136	85,003	956,217

Included within the depreciation charge in relation to depreciation of ROU assets is US$1 million within the buildings asset class (2021: US$0.7 million), US$0.3 million within plant and equipment (2021: US$0.1 million) and US$0.9 million related to mining equipment (2021: US$ Nil).

The net book value of the assets in the note above includes the following amounts relating to ROU assets on leases; US$2.4 million (2021: US$1.0 million) within buildings, US$1.1 million (2021: US$0.1 million) within plant and equipment and US$3.2 million (2021: US$0.1 million) within mining equipment.

An impairment trigger assessment was performed in 2022 on all Cash Generating Units ("CGUs") including the Sukari Mine, refer to note 1.3.2 above, however no impairment triggers on property, plant and equipment were identified in the assessment.

Deferred stripping assets of US$141 million (2021: $59 million) were recognised in the year ended 31 December 2022 and have been included within mine development properties. An amortisation charge of US$26 million (2021: $10 million) has been recognised in the year relating to the deferred stripping assets.

Assets that have been cost recovered in Egypt under Concession Agreement ("CA") terms are included on the statement of financial position under property, plant, and equipment due to the Company having the right of use of these assets. These rights will expire together with the CA.

None of the Group's property, plant and equipment items is pledged as security and the Group had US$19 million capital expenditure commitments as at 31 December 2022 (2021: US$17 million).

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

PPE is stated at cost less accumulated depreciation and impairment. PPE will include 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.

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.

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for the year ended 31 December 2022

2. HOW NUMBERS ARE CALCULATED CONTINUED

The costs of stripping activity 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.

The change in mine plan has necessitated an increase in stripping activity during the year (more than has been experienced in the past) and includes activity from both internal and external parties. As a result, there has been a significant increase in the stripping activity. Based on the calculations performed the amount capitalised to the balance sheet for 2022 is US$141 million (2021: $59m).

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 any such 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.

2.10 EXPLORATION AND EVALUATION ASSET

	For the year ended 31 December 2022 US$'000	For the year ended 31 December 2021 US$'000
Balance at the beginning of the year	**25,261**	63,701
Expenditure for the year	**12,175**	15,943
Transfer to property, plant, and equipment	**(12,627)**	(19,175)
Impairment charge on exploration and evaluation asset	**–**	(35,208)
Balance at the end of the year	**24,809**	25,261

The exploration and evaluation asset relates to the drilling, geological exploration and sampling of potential ore reserves and can all be attributed to Egypt (US$24.8 million (2021:$25.3 million)).

In accordance with the requirements of IAS 36 '*Impairment of assets*' and IFRS 6 '*Exploration for and evaluation of mineral resources*' 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 in 2021 on the exploration and evaluation assets, and the asset in Burkina Faso of US$35.2 million relating to the acquisition of Ampella Mining Limited was impaired in full. No impairment triggers were noted in the current year following a similar impairment trigger and review assessment on the Group's E&E assets.

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 will be expensed as incurred and will not be capitalised to the balance sheet until a decision is made to pursue a commercially viable project. Brownfield exploration costs will 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 '*Exploration for and evaluation of mineral resources*') 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, Impairment of Assets'*.

In accordance with IFRS 6, the full balance of the Groups' 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED
for the year ended 31 December 2022

2. HOW NUMBERS ARE CALCULATED CONTINUED

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 1.3.4. 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 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.

Income derived by the entity prior to the date of commercial production is offset against the expenditure capitalised and carried in the consolidated statement of financial position. All revenues recognised after 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.

2.11 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 a large 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$1,415 per ounce for the net realisable value to fall below carrying value.

	For the year ended 31 December 2022 US$'000	For the year ended 31 December 2021 US$'000
Non-current		
Mining stockpiles	94,773	64,756

	For the year ended 31 December 2022 US$'000	For the year ended 31 December 2021 US$'000
Current		
Mining stockpiles, ore in circuit, doré supplies	40,836	60,194
Stores inventory	99,733	74,452
Provision for obsolete stores inventory	(6,504)	(5,925)
	134,065	128,721

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 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 Mine 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): 13.7Mt at 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.

Cost of mining stockpiles include costs incurred up to the point of stockpiling, such as mining and grade control costs, but exclude 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 exclude transport costs, refining costs and royalties. NRV is determined with reference to estimated contained gold and market gold prices.

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.

2.12 TRADE AND OTHER PAYABLES

	For the year ended 31 December 2022 US$'000	For the year ended 31 December 2021 US$'000
Non-current		
Other creditors[1]	11,801	10,386
Current		
Trade payables	43,493	36,050
Other creditors and accruals[1][2]	55,902	39,709
	99,395	75,759

(1) Included within non-current other creditors and current other creditors and accruals is $7.3m (2021: $9.8m) and $4.9m (2021: $2.4m) respectively in relation to the remaining instalments of a $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 2022, and therefore no additional provisions have been recognised within these financial statements.

Also included within current and non-current other creditors are lease liabilities of US$1.9m and US$4.5m respectively.

(2) Included within the current other creditors is a US$12m increase in SGM's stock item accruals as at 31 December 2022 as compared to the prior year mainly driven by increased material procurement following the underground transition from Barminco to owner operated model in Q1 2022.

Trade payables principally comprise the amounts outstanding for trade purchases and ongoing costs. The average credit period taken for trade purchases is 29 days (2021: 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.

Employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave, bonuses, pensions, and sick leave when it is probable that settlement will be required, and they are capable of being measured reliably.

Liabilities recognised in respect of employee benefits expected to be settled within twelve months, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement. Liabilities recognised in respect of employee benefits which are not expected to be settled within twelve months are measured at the present value of the estimated future cash flows to be made by the consolidated entity in respect of services provided by employees up to the reporting date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED
for the year ended 31 December 2022

2. HOW NUMBERS ARE CALCULATED CONTINUED

Superannuation
The Company contributes to, but does not participate in, compulsory superannuation funds (defined contribution schemes) on behalf of the employees and Directors in respect of salaries and Directors' fees paid. Contributions are charged against income as they are made.

2.13 PROVISIONS

	For the year ended 31 December 2022 US$'000	For the year ended 31 December 2021 US$'000
Current		
Employee benefits(1)	2,276	2,798
Other current provisions(2)	980	1,819
	3,256	4,617
Non-current		
Restoration and rehabilitation(3)	37,396	42,647
Other non-current provisions	29	–
	37,425	42,647
Movement in restoration and rehabilitation provision		
Balance at beginning of the year	42,647	20,496
(Decrease)/Increase in provision	(5,839)	21,875
Interest expense – unwinding of discount	588	276
Balance at end of the year	37,396	42,647

(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 3.63% (2021: 1.38%) using a US$ applicable rate and inflation applied at 2.37% (2021: 2.5%). The annual review undertaken as at 31 December 2022 has resulted in a US$5.8 million decrease in the provision (2021: US$21.9 million increase). The key assumptions within the estimate, the various ranges and further details are disclosed in note 1.3.6.

The Group is working towards conformance with the Global Industry Standard for Tailings Management ("GISTM"). Whilst not a member of ICMM, the Group has committed to a plan for conformance by August 2023, with respect to its two active TSFs ("TSF1" and "TSF2") at Sukari by August 2023. In 2022, we continued to review our conformance, and completed a gap analysis of our tailings governance and management framework, with reference to the ICMM Conformance Protocols for the GISTM.

In 2023, we will develop a road-map that further reinforces our tailings governance and management framework to conform with the GISTM. While this work is ongoing, it is not currently possible to reliably estimate the value of incremental costs required to achieve conformance with the new standard and hence no provision has been recorded.

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.

2.14 ISSUED CAPITAL

	31 December 2022		31 December 2021	
	Number	US$'000	Number	US$'000
Fully paid ordinary shares				
Balance at beginning of the year	1,156,450,695	669,531	1,155,955,384	668,807
Own shares acquired during the year(1)	–	–	–	(1,391)
Employee share option scheme – proceeds from shares issued	–	–	495,311	–
Transfer from share option reserve	–	1,463	–	2,115
Balance at end of the year	1,156,450,695	670,994	1,156,450,695	669,531

(1) The US$nil (2021: US$1.4m) represents the cost of shares in Centamin plc purchased in 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 2022, the trustee of the deferred bonus share plan held 1,187,779 ordinary shares (2021: 2,205,280 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.

2.15 SHARE OPTION RESERVE

	For the year ended 31 December 2022 US$'000	For the year ended 31 December 2021 US$'000
Share option reserve		
Balance at beginning of the year	4,975	3,343
Share-based payments expense	2,570	4,044
Transfer to accumulated profits	–	(297)
Transfer to issued capital	(1,463)	(2,115)
Balance at the end of the year	6,082	4,975

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 2022

2. HOW NUMBERS ARE CALCULATED CONTINUED

2.16 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 2022 US$'000	For the year ended 31 December 2021 US$'000
Cash and cash equivalents	102,373	207,821

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

The Company secured an RCF on 22 December 2022 (see note 2.6) and the facility is secured by certain financial covenants on the Company which are applicable from the date the conditions precedent are met. The covenant specific to the Company's cash assets states that:

- Liquidity shall at all times exceed US$50 million

The carrying amounts of financial assets pledged as security for the facility, being the cash is included in 2.16 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.

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

	For the year ended 31 December 2022 US$'000	For the year ended 31 December 2021 US$'000
Profit for the year before tax	171,001	153,647
Adjusted for:		
Impairment of exploration and evaluation assets	–	35,208
Depreciation/amortisation of property, plant, and equipment	146,769	139,454
Inventory written off	2	21
Inventory obsolescence provision	579	3,135
Foreign exchange gains, net	(6,559)	(5,158)
Share-based payments expense	2,570	3,747
Finance income	(1,214)	(196)
Loss on disposal of property, plant, and equipment	899	53
Changes in working capital during the year:		
Increase in trade and other receivables	(3,049)	(14,155)
Increase in inventories	(35,940)	(13,036)
(Increase)/decrease in prepayments	(7,172)	946
Increase in trade and other payables	25,053	8,823
Decrease in provisions	(773)	(2,616)
Cash flows generated from operating activities	292,166	309,873

(c) Non-cash financing and investing activities

During the year there have been no non-cash financing and investing activities.

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 balance. The Group's overall strategy remains unchanged from the previous financial year.

The Group has no debt and thus 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 2022, the facility was not yet available for draw down on as there were conditions precedent not yet satisfied.

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 2.14 and 2.15. The Group operates in Australia, Jersey, Egypt, Burkina Faso, and Côte d'Ivoire. None of the Group's entities are subject to externally imposed capital requirements.

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

Categories of financial assets and liabilities

	For the year ended 31 December 2022 US$'000	For the year ended 31 December 2021 US$'000
Financial assets		
Non-current		
Other receivables – deposits	1,372	101
Current		
Cash and cash equivalents	102,373	207,821
Trade and other receivables	35,628	32,579
	139,373	240,501
Financial liabilities		
Non-current		
Other payables	11,801	10,386
Current		
Trade and other payables	99,395	75,759
	111,196	86,145

(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.

(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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED
for the year ended 31 December 2022

3. GROUP FINANCIAL RISK AND CAPITAL MANAGEMENT CONTINUED

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

	Great British pound		Australian dollar		Egyptian pound	
	31 December 2022 US$'000	31 December 2021 US$'000	31 December 2022 US$'000	31 December 2021 US$'000	31 December 2022 US$'000	31 December 2021 US$'000
Financial assets						
Cash and cash equivalents	622	1,392	343	16,063	837	2,147
	622	1,392	343	16,063	837	2,147
Financial liabilities						
Trade and other payables	2,084	1,835	11,751	15,530	37,218	23,727
	2,084	1,835	11,751	15,530	37,218	23,727
Net exposure	(1,462)	(443)	(11,408)	533	(36,381)	(21,580)

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 2022 US$'000	31 December 2021 US$'000	31 December 2022 US$'000	31 December 2021 US$'000
US$/GBP increase by 10%	482	634	–	–
US$/GBP decrease by 10%	(590)	(774)	–	–
US$/AUD increase by 10%	98	866	–	–
US$/AUD decrease by 10%	(119)	(1,058)	–	–
US$/EGP increase by 10%	(2,816)	(1,476)	–	–
US$/EGP decrease by 10%	3,443	1,804	–	–

The amounts shown above are the main currencies to which the Group is exposed. The Group also has small deposits in Euro US$335,586 (2021: US$37,552) and West African Franc US$1,422,704 (2021: US$863,807), and net payables in Euro US$5,277,783 (2021: US$2,384,886) and in West African Franc US$3,064,019 (2021: US$1,105,789). 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.

(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 markets 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.

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 had increased/decreased by 10% with other variables held constant.

	Impact on average realised gold price	
	31 December 2022 US$/Oz	31 December 2021 US$/Oz
Average realised gold price	1,794	1,797
Average realised gold price with impact of increase by 10% US$/oz	1,973	1,977
Average realised gold price with impact of decrease by 10% US$/oz	1,615	1,618

	Impact on after tax profit	
	31 December 2022 US$'000	31 December 2021 US$'000
After tax profit	170,775	153,667
After tax profit with impact of increase by 10% US$/oz	247,106	223,346
After tax profit with impact of decrease by 10% US$/oz	94,444	81,349

Fuel price

Any variation in the fuel price has an impact on the mine production costs. The analysis assumes that the average fuel price had increased/decreased by a few US cents per litre with all other variables held constant.

	Impact on fuel price	
	31 December 2022 US$/litre	31 December 2021 US$/litre
Fuel price	0.88	0.52
Fuel price with impact of increase by 10% US$/litre	0.99	0.57
Fuel price with impact of decrease by 10% US$/litre	0.81	0.47

	Impact on mine production costs	
	31 December 2022 US$'000	31 December 2021 US$'000
Mine production costs	(408,543)	(368,327)
Mine production costs with impact of increase by 10% US$/litre	16,943	9,714
Mine production costs with impact of decrease by 10% US$/litre	(16,943)	(9,714)

(e) Interest rate risk and liquidity risk

The Group's main interest rate risk arises from cash and short-term deposits and is not considered to be a material risk due to the short-term nature of these financial instruments. 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.

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 flow. 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended 31 December 2022

3. GROUP FINANCIAL RISK AND CAPITAL MANAGEMENT CONTINUED

	Weighted average effective interest rate %	Less than one month US$'000	One to twelve months US$'000	One to two years US$'000	Two to five years US$'000	Total US$'000
31 December 2022						
Financial assets						
Variable 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	3,136	7,049
		97,950	4,429	4,250	8,136	114,765
31 December 2021						
Financial assets						
Variable interest rate instruments	0.13%	60,278	125,058	–	–	185,336
Non-interest bearing	0%	55,064	–	–	–	55,064
		115,342	125,058	–	–	240,400
Financial liabilities						
Non-interest bearing	0%	73,514	2,851	1,829	6,828	85,022
Lease liabilities		21	260	632	463	1,376
		73,535	3,111	2,461	7,291	86,398

(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 on one entity, the refiner Asahi Refining Canada Ltd, but the Group has a good credit check on its customer and none of the trade receivables from the customer has 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, 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 1.3.4 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 and Directors 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$'000	31 December 2022 US$'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.

	Decrease by 25% US$'000	31 December 2021 US$'000	Increase by 25% US$'000
Amortisation of rehabilitation asset (within mine development properties)	(1,915)	(1,436)	(1,077)
Amortisation of mine development properties (remainder)	(78,850)	(59,138)	(44,353)
Mine development properties – net book value	417,945	438,136	453,280
Property, plant, and equipment – net book value*	937,951	958,142	973,286

* 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 2.6).

As at 31 December 2022, there were no drawdowns on the facility. 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 2.6 for further information on the covenant requirements.

However, as at 31 December 2022, the Company's compliance requirements and obligations in respect of the financial covenants and financial conditions had not yet started as there were certain conditions precedent that were still to be satisfied to make the agreement effective. The conditions precedent were met on 13 March 2023 and the facility is available for draw down from this date.

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 2022 US$'000	For the year ended 31 December 2021 US$'000
Ordinary shares		
Final dividend for the year ended 31 December 2021 of 5.0 US cents per share (2021: Q1 interim dividend for the year ended 31 December 2021 of 3.0 US cents per share)	57,740	34,461
Q2 Interim dividend for the year ended 31 December 2022 of 2.5 US cents per share (2021: Q2 Interim dividend for the year ended 31 December 2021 of 4.0 US cents per share)	28,464	46,056
Total dividends provided for or paid	86,204	80,517
Dividends to owners of the parent:		
Paid in cash	86,204	80,517

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended 31 December 2022

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:

	Nature of activity	Country of incorporation	Ownership interest 31 December 2022 %	31 December 2021 %
Centamin Egypt Limited	Holding company	Australia(2)	100	100
Pharaoh Gold Mines NL (holder of an Egyptian branch)	Holding company	Australia(2)	100	100
Sukari Gold Mining Company(10)	Mining company	Egypt(5)	50	50
Centamin Group Services UK Limited	Services company	UK(3)	100	100
Centamin West Africa Holdings Limited	Holding company	UK(4)	100	100
Sheba Exploration Limited (liquidated) (holder of an Ethiopia branch)	Holding company	UK(4)	–	100
Sheba Exploration Holdings Limited (liquidated)(1)	Exploration company	UK(4)	–	100
Centamin Group Services Limited	Services company	Jersey(9)	100	100
Centamin Holdings Limited	Holding company	Jersey(9)	100	100
MHA Limited	Holding company	Jersey(9)	100	100
Centamin Limited (liquidated)	Holding company	Bermuda(8)	–	100
Ampella Mining Limited	Holding company	Australia(2)	100	100
Ampella Mining Gold SARL	Exploration company	Burkina Faso(6)	100	100
Ampella Mining SARL	Exploration company	Burkina Faso(6)	100	100
Ampella Resources Burkina Faso	Exploration company	Burkina Faso(6)	100	100
Konkera SA	Mining company	Burkina Faso(6)	100	100
Ampella Mining Côte d'Ivoire	Exploration company	Côte d'Ivoire(7)	100	100
Centamin Côte d'Ivoire	Exploration company	Côte d'Ivoire(7)	100	100
Ampella Mining Exploration CDI	Exploration company	Côte d'Ivoire(7)	100	100
Centamin Exploration CI	Exploration company	Côte d'Ivoire(7)	100	100
Centamin Egypt Investments 1 (UK) Limited	Holding company	UK(11)	100	100
Centamin Egypt Investments 2 (UK) Limited	Holding company	UK(11)	100	100
Centamin Egypt Investments 3 (UK) Limited	Holding company	UK(11)	100	100
Centamin Mining Services Egypt LLC	Services company	Egypt(12)	100	100
Centamin Central Mining SAE	Exploration	Egypt(12)	100	100
Centamin North Mining SAE	Exploration	Egypt(12)	100	100
Centamin South Mining SAE	Exploration	Egypt(12)	100	100

(1) Previously Sheba Exploration (UK) plc.
(2) Address of all Australian entities: Suite 8, 7 The Esplanade, Mount Pleasant, WA 6153.
(3) Address of Centamin Group Services UK Limited, Second Floor, 9-10 Savile Row, London, W1S 3PF.
(4) Address of all other UK entities: Hill House, 1 Little New Street, London, EC4A 3TR.
(5) Address of all Egypt entities (except the new exploration entities in (11) and (12): 361 El-Horreya Road, Sedi Gaber, Alexandria, Egypt.
(6) 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.
(7) Address of all Côte d'Ivoire entities: 20 BP 945 Abidjan 20.
(8) Address of Bermuda entity: Appleby Corporate Services (Bermuda) Ltd, Canon's Court, 22 Victoria Street, Hamilton HM EX, Bermuda.
(9) Address of all Jersey entities: 2 Mulcaster Street, St Helier, Jersey JE2 3NJ.
(10) 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 1.3.1, note 4.1 and note 4.2).
(11) Address of all the UK holding companies of the new Egypt exploration companies; Hill House, 1 Little New Street, London, EC4A 3TR.
(12) Address of the new Egypt exploration companies: c/o Arabella Plaza, Building 2 First Floor, Office no. 1 to 3, Gamal Abdelansser Street, New Cairo.

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 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). As at 31 December 2015, PGM had not recovered its cost and, accordingly, no EMRA entitlement had been recognised at that date. 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.

4.2 JOINT ARRANGEMENTS

The consolidated entity has interests in the following joint arrangements:

Name of joint operation	Percentage interest 31 December 2022 %	31 December 2021 %
Sukari Gold Mining Company(1)	50	50
Egyptian Pharaoh Investments(2)	50	50

(1) 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 1.3.1, note 4.1 and note 4.2).
(2) Dormant company.

The Group has a US$1 (cash) interest in the Egyptian Pharaoh Investments joint operation. The amount is included in the consolidated financial statements of the Group. There are no capital commitments arising from the Group's interests in this joint operation.

ACCOUNTING POLICY: INTERESTS IN JOINT ARRANGEMENTS

The Group applies IFRS 11 '*Joint arrangements*'. Under IFRS 11, investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. Joint ventures are accounted for using the equity method. In relation to its interests in joint operations, the Group recognises its share of assets and liabilities; revenue from the sale of its share of the output; and its share of expenses.

SGM is wholly consolidated within the Centamin Group of companies, reflecting the substance and economic reality of the CA (see note 1.3.1 note 4.1 and note 4.2).

5. UNRECOGNISED ITEMS

5.1 CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Contingent liabilities

Concession Agreement court case

On 30 October 2012, the Administrative Court in Egypt handed down a judgment in relation to a claim brought by, amongst others, an independent member of a previous parliament, in which he argued for the nullification of the agreement that confers on the Group rights to operate in Egypt. This agreement, the Concession Agreement, was entered into between the ARE, EMRA and Centamin's wholly owned subsidiary, Pharaoh Gold Mines NL, and was approved by the People's Assembly as Law 222 of 1994.

In summary, that judgment states that, although the Concession Agreement itself remains valid and in force, insufficient evidence had been submitted to court to demonstrate that the 160km² exploitation lease between PGM and EMRA had received approval from the relevant minister as required by the terms of the Concession Agreement. Accordingly, the Court found that the exploitation lease in respect of the area of 160km² was not valid although it stated that there was in existence such a lease in respect of an area of 3km². Centamin, however, is in possession of the executed original lease documentation which clearly shows that the 160km² exploitation lease was approved by the Minister of Petroleum and Mineral Resources. It appears that an executed original document was not supplied to the Court in the first instance.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED
for the year ended 31 December 2022

5. UNRECOGNISED ITEMS CONTINUED

Upon notification of the judgment the Group took immediate steps to protect its ability to continue to operate the mine at Sukari. These included lodging a formal appeal before the Supreme Administrative Court on 26 November 2012. In addition, in conjunction with the formal appeal, the Group applied to the Supreme Administrative Court to suspend the initial decision until such time as the Court was able to consider and rule on the merits of the appeal. On 20 March 2013, the Court upheld this application thus suspending the initial decision and providing assurance that normal operations would be able to continue whilst the appeal process was underway.

EMRA lodged its own appeal in relation to this matter on 27 November 2012, the day after the Company's appeal was lodged, supporting the Group's view in this matter. Furthermore, in late December 2012, the Minister of Petroleum lodged a supporting appeal and shortly thereafter publicly indicated that, in his view, the terms of the Concession Agreement were fair, and that the exploitation lease was valid. The Minister of Petroleum also expressed support for the investment and expertise that Centamin brings to the country.

The Group believes this demonstrates the government's commitment to their investment at Sukari and the government's desire to stimulate further investment in the Egyptian mining industry.

In 2016 the Supreme Administrative Court stayed the Concession Agreement appeal until the Supreme Constitutional Court has ruled on the validity of Law no. 32 of 2014. Law no. 32 of 2014 restricts the right of third parties to challenge contractual agreements between the Egyptian government and an investor and has partial retrospective effect, applying to any cases then before the Courts but in which no final judgment had been given. Law 32 should, therefore, render the third party challenge to the Concession Agreement inadmissible (as no final judgment has yet been given in that case), although the validity of Law 32 was challenged and has been under review by the Supreme Constitutional Court. The Court finally issued judgment in the case on 14 January 2023, dismissing the various challenges and upholding the constitutionality of Law 32. The Group's Egyptian lawyers have now filed an application to the Supreme Administrative Court to resume proceedings in the original appeal (this is a purely procedural step) and they will then make a further application to the Supreme Administrative Court, on behalf of PGM, asking the Court to confirm that the original complainant had no capacity to bring the claim in the first place, as he was not a party to the Concession Agreement. They will ask the Court to reject the case in its entirety and treat it as never having been filed. If that occurs, the earlier judgment at first instance would be cancelled and the appeal proceedings would be terminated.

The Group's Egyptian lawyers have confirmed that continuing operations at Sukari will be unaffected by the judgment in the Law 32 case, as they are protected by the suspension of enforcement of the first instance judgment, which was granted pending the hearing of the appeal, and which will remain effective until final judgment is handed down by the Supreme Administrative Court or the original case is dismissed and the first instance judgment cancelled.

Refer to note 2.12 for additional information on the EMRA position with respect to provisions.

Contingent assets

There were no contingent assets at year end (2021: nil).

5.2 DIVIDENDS PER SHARE

The dividends paid in 2022 were US$86 million and are reflected in the consolidated statement of changes in equity for the year (2021: US$81 million).

A final dividend in respect of the year ended 31 December 2022 of 2.5 US cents per share, totalling approximately US$29 million has been proposed by the Board of Directors and is subject to shareholder approval at the annual general meeting on 23 May 2023. 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 2022 of 2.5 US cents per share. Subject to shareholder approval at the Annual General Meeting on 23 May 2023, the final dividend will be paid on 23 June 2023 to shareholders on record date of 02 June 2023.

Also refer to note 5.1 above for more information on the Law 32 judgement that was handed down in January 2023.

The Company's compliance requirements and obligations in respect of the US$150 million revolving credit facility ("RCF") had not yet commenced as at 31 December 2022 as there were certain conditions precedent that were still to be satisfied to make the agreement effective. The conditions precedent were met on 13 March 2023 subsequent to year end and before the annual financial statements were signed and the facility is available for draw down from this date the conditions precedent were met.

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

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.

Equity interest in associates and jointly controlled arrangements

Details of interests in joint ventures are disclosed in note 4.2.

(b) Key management personnel 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 2022 US$	For the year ended 31 December 2021 US$
Short-term employee benefits	10,261,960	7,370,964
Post-employment benefits	1,320	7,852
Share-based payments	1,949,569	1,500,304
	12,212,849	8,879,120

(c) Key management personnel 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 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	–	–	–	–	–	–
Gustav 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.

Since 31 December 2022 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 2022

6. OTHER INFORMATION CONTINUED

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 2021 are as follows:

For the year ended 31 December 2021	Balance at 1 January 2021	Granted as remuneration ("DBSP")	Granted as remuneration ("PSP")	Net other change – share plan lapse[1]	Net other change	Balance at 31 December 2021[2]
M Horgan	606,405	–	650,000	–	25,000	1,281,405
R Jerrard	1,882,000	–	570,000	(408,000)	33,000	2,077,000
J Rutherford	200,000	–	–	–	50,000	250,000
S Eyre	–	–	–	–	15,000	15,000
M Bankes	190,000	–	–	–	99,000	289,000
M Cloete	15,000	–	–	–	–	15,000
C Farrow	–	–	–	–	30,000	30,000
I Fawzy	–	–	–	–	140,000	140,000
H Faul	–	–	–	–	–	–
Y El-Raghy	691,662	–	160,000	(104,000)	–	747,662
Gustav Du Toit	–	510,000	440,000	–	–	950,000
H Bills	200,000	–	300,000	–	–	500,000
P Cannon	–	–	250,000	–	–	250,000
J Singleton	746,000	–	250,000	–	–	996,000
C Murray	200,000	–	250,000	–	24,000	474,000
A Carse	541,592	–	250,000	(168,000)	25,096	648,688
D Le Masurier	437,300	–	200,000	(120,000)	–	517,300
R Nel	330,000	–	200,000	(96,000)	(32,027)	401,973

(1) 'Net other change' relates to the on-market acquisition or disposal of fully paid ordinary shares.
(2) Balance includes unvested grants under the Company's performance share plan.

(d) Key management personnel 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

The related party transactions for the year ended 31 December 2022 are summarised below:

- salaries, superannuation contributions, bonuses, LTIs, consulting and Directors' fees paid to Directors during the year ended 31 December 2022 amounted to US$3,918,404 (31 December 2021: US$3,694,236).

(f) Transactions with the government of Egypt

Royalty costs attributable to the government of Egypt of US$23,842,287 (2021: US$21,671,928) were incurred in 2022. Profit share to EMRA of US$ 35,492,459 (2021: US$75,200,000) was incurred in 2022.

(g) Transactions with other related parties

Other related parties include the parent entity, subsidiaries, and other related parties.

During the financial year, the Company recognised tax payable in respect of the tax liabilities of its wholly owned subsidiaries.

Payments to/from the Company are made in accordance with terms of the tax funding arrangement.

During the financial year the Company provided funds to and received funding from subsidiaries.

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 20 December 2016, SGM entered a contract with the Central Bank of Egypt ("CBE"). The 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 EGP80 million (2021: EGP80 million). In return, SGM facilitates the purchase of refined gold bullion for the CBE from SGM's refiner, Asahi Refining Canada Ltd. 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). Forty-five transactions have been entered into at the date of this report, eleven of which in the current year, pursuant to this agreement, and the values related thereto are as follows:

	For the year ended 31 December 2022 US$'000	For the year ended 31 December 2021 US$'000
Gold purchased	**50,497**	56,147
Refining costs	**28**	31
Freight costs	**56**	55
	50,581	56,233

	For the year ended 31 December 2022 Oz	For the year ended 31 December 2021 Oz
Gold purchased	**27,907**	31,219

At 31 December 2022 the amount receivable from CBE is approximately US$23,681 (2021: US$24,761 net payable).

(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 has been accounted for under donations expense in profit and loss in 2021 and in 2022 the interest earned has also been 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 May 2022 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 2018 awards

Of the 4,908,000 awards granted on 27 June 2018 under the PSP, 495,311 awards vested to eligible participants (27 in total).

June 2019 awards

Due to the performance conditions not being met, all remaining awards eligible to participants lapsed in 2021.

June 2020 awards

Of the 2,582,500 awards granted on 5 June 2020 under the PSP, 1,370,625 awards remain granted to eligible participants (nine 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended 31 December 2022

6. OTHER INFORMATION CONTINUED

April 2021 awards

Of the 5,945,000 awards granted on 30 April 2021 under the PSP, 5,375,000 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"), 9,042,000 awards remain granted to eligible participants (34 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 proxy materials 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 or transferred on the second anniversary of the vesting date.

Performance share plan awards granted during the year:

Grant date	ISP 2022 20 May 2022
Number of instruments	1,524,223
TSR: fair value at grant date GBP[(1)(2)]	0.34
TSR: fair value at grant date US$[(1)(2)]	0.43
Adjusted free cash flow and gold production: fair value at grant date GBP[(1)(2)]	0.73
Adjusted free cash flow and gold production: fair value at grant date US$[(1)(2)]	0.92
Vesting period (years)	3
Holding period applicable to the award (years)[(2)]	2
Expected volatility (%)	51.0%
Expected dividend yield (%)	0%
Number of instruments	7,517,777
TSR: fair value at grant date GBP[(1)]	0.39
TSR: fair value at grant date US$[(1)]	0.50
Adjusted free cash flow and gold production: fair value at grant date GBP[(1)]	0.83
Adjusted free cash flow and gold production: fair value at grant date US$[(1)]	1.06
Vesting period (years)	3
Holding period applicable to the award (years)	0
Expected volatility (%)	51.0%
Expected dividend yield (%)	0%

(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 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. These grants have been valued using a Black-Scholes model. The fair value calculated was then converted at the closing GBP:US$ foreign exchange rate on that day.

(2) A discount for lack of marketability has been applied to account for the decrease in value of the award by reason of the two-year holding period restriction.

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 2022 20 May 2022
Number of instruments	2,010,000
Fair value at grant date Tranche 1 £[(1)]	0.80
Fair value at grant date Tranche 1 US$[(1)]	1.01
Fair value at grant date Tranche 2 £[(1)]	0.75
Fair value at grant date Tranche 2 US$[(1)]	0.95
Fair value at grant date Tranche 3 £[(1)]	0.71
Fair value at grant date Tranche 3 US$[(1)]	0.90
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 (%)	4.4%
Expected dividend yield Tranche 2 (%)	5.1%
Expected dividend yield Tranche 3 (%)	5.2%

(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 was measured using a Monte-Carlo simulation. A discount for lack of marketability has been applied to account for the decrease in value of the award by reason of the two-year holding period restriction. 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 2022

6. OTHER INFORMATION CONTINUED

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

	For the year ended 31 December 2022 US cents per share	For the year ended 31 December 2021 US cents per share
Basic earnings per share	6.287	8.811
Diluted earnings per share	6.203	8.738

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 2022 US$'000	For the year ended 31 December 2021 US$'000
Earnings used in the calculation of basic EPS	72,490	101,527

	For the year ended 31 December 2022 Number of shares	For the year ended 31 December 2021 Number of Shares
Weighted average number of ordinary shares for the purpose of basic EPS	1,152,960,534	1,152,246,924

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 2022 US$'000	For the year ended 31 December 2021 US$'000
Earnings used in the calculation of diluted EPS	72,490	101,527

	For the year ended 31 December 2022 Number of shares	For the year ended 31 December 2021 Number of shares
Weighted average number of ordinary shares for the purpose of basic EPS	1,152,960,534	1,152,246,924
Shares deemed to be issued for no consideration in respect of employee options	15,597,563	9,717,092
Weighted average number of ordinary shares used in the calculation of diluted EPS	1,168,558,097	1,161,964,016

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 2022 US$'000	For the year ended 31 December 2021 US$'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)	630	586
Fees payable to the Company's auditors and their associates for other services to the Group		
Audit fee of the Company's subsidiaries	126	132
Total audit fees	756	718
Non-audit fees:		
Audit related assurance services – interim review	139	138
Total non-audit fees	139	138

(1) 2022 fee includes amounts in relation to the base audit fee US$562k (2021: US$566k) and prior year overruns of US$26k, new applicable regulatory and auditing standards US$37k (2021: US$ nil), and corporate reporting review US$ nil (2021: US$20k).

All audit fees are billed in GBP and were translated at an average foreign exchange rate for the year ended 31 December 2022 of US$1.23:GB£1 (rate on 31 December 2021: US$1.35:GB£1). Not included within the above amounts are auditors' expenses (recharged to the Company) of US$19k (2021: US$10k).

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 2022 Annual Report.