



GEMFIELDS

A world-leading miner of coloured gemstones



Gemfields Group Limited

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Inside front cover: Rachel Quinn x Gemfields: Crazy Love Collection.

Image courtesy of Rachel Quinn, featuring Gemfields Zambian emeralds and Mozambican rubies.

Gemfields is a *world-leading* miner of *coloured gemstones.*

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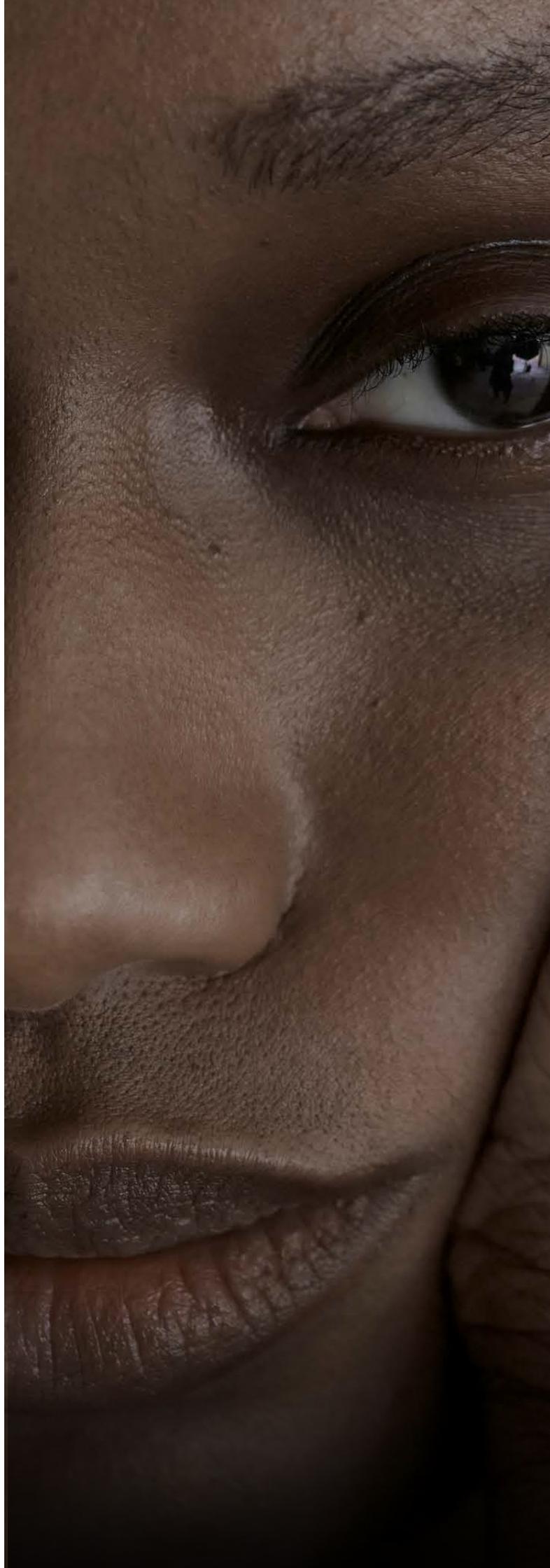


More details are available on
Gemfields Group Limited's website at:
www.gemfieldsgroup.com

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Overview

Gemfields is a world-leading miner of coloured gemstones



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ÄZLEE x Gemfields Origins Collection.
Image courtesy of ÄZLEE featuring Gemfields Zambian emerald

Highlights

REVENUE (USD)

135.1m



OPERATING EXPENSES¹ (USD)

(128.9)m



EBITDA² (USD)

6.3m



ADJUSTED EARNINGS PER SHARE (USD)

(0.01)



FREE CASH FLOW BEFORE WORKING CAPITAL MOVEMENTS

(29.2)m



NET DEBT (USD)

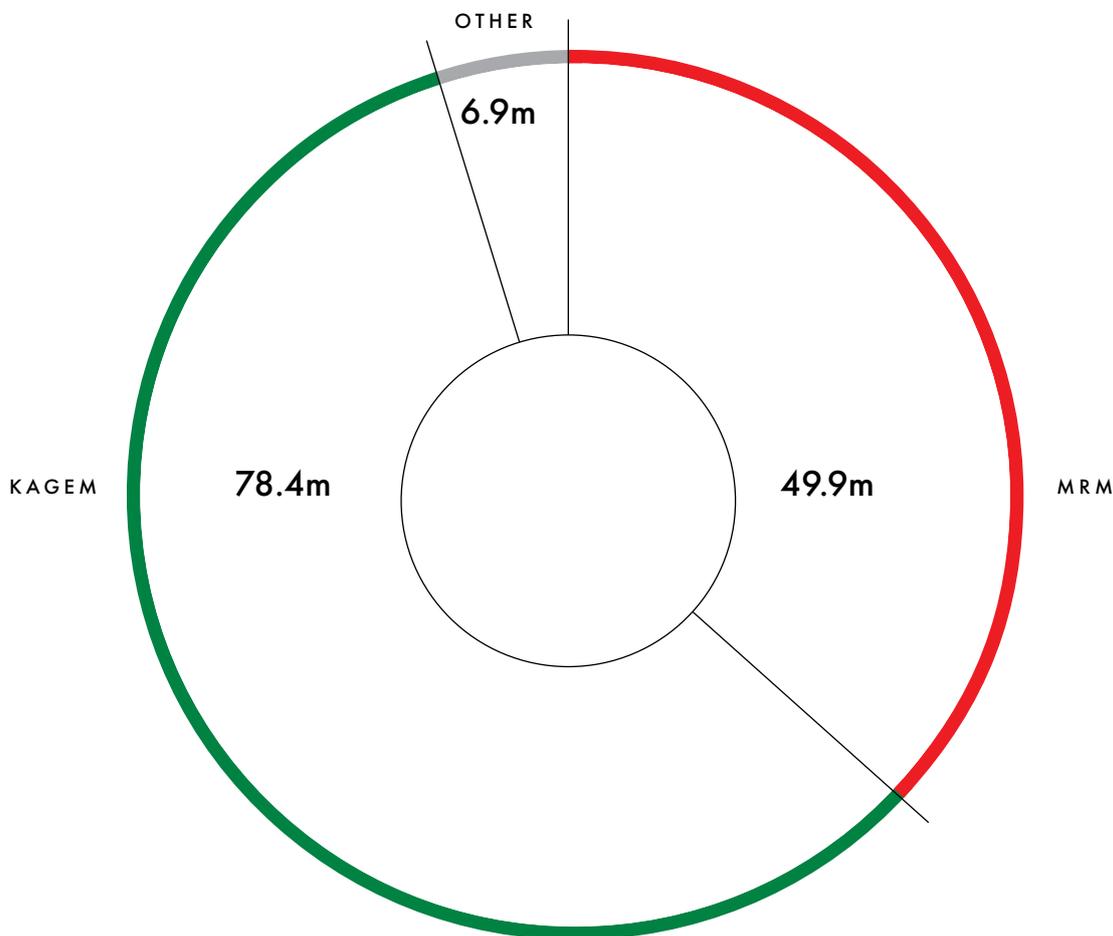
(39.3)m



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

² Earnings before interest, tax, depreciation and amortisation (“EBITDA”), adjusted to exclude one-off impairments and fair value gains or losses.

BREAKDOWN OF REVENUE (USD)



Production highlights

PREMIUM CARATS

MRM (Rubies)

76,646

2024: 40,006

Kagem (Emeralds)

175,501

2024: 159,351

ROCK HANDLING (MILLION TONNES)

MRM

6.84

2024: 7.97

Kagem

2.92

2024: 17.26

Operational highlights

EMPLOYEES & CONTRACTORS

MRM

1,564

2024: 1,624

Kagem

1,262

2024: 1,589

LOST TIME INJURIES

MRM

2

2024: 3

Kagem

0

2024: 0

Gemfields at a Glance

Who we are.

Gemfields is a world-leading miner of coloured gemstones.

Gemfields Group Limited (“Gemfields”, the “Company”, “GGL” or the “Group”) is the operator and 75% owner of both Kagem Mining Limited (“Kagem”) in Zambia and Montepuez Ruby Mining (“MRM”) in Mozambique. In addition, Gemfields holds controlling interests in various other gemstone mining and prospecting licences in Zambia, Mozambique and Madagascar.

Gemfields has developed a proprietary grading system and a pioneering auction platform to provide a consistent supply of coloured gemstones to downstream markets, a key component of Gemfields’ business model, and has played an important role in the growth of the global coloured gemstone sector.

Gemfields has a primary listing on the Johannesburg Stock Exchange in South Africa and is quoted on AIM, United Kingdom.

OUR MISSION

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

OUR STRATEGIC OBJECTIVE

Gemfields’ strategic objective is to be the standard for African emeralds, rubies and sapphires.

STRATEGIC PILLARS

- Responsible Mining

- Consistent Supply

- African Partner of Choice

- Mine and Market

 More details on Gemfields’ business, mission, strategy and values can be found on pages 22 to 25.

GROUP STRUCTURE CHANGES

GEMFIELDS CONFIRMS COMPLETION OF THE SALE OF FABERGÉ LIMITED

On 1 September 2025, Gemfields announced the completion of the sale of its entire interest in wholly owned Fabergé Limited (“Fabergé”), the iconic luxury brand, to SMG Capital LLC, for a total consideration of USD 50 million.

The sale concluded Gemfields’ strategic review in respect of Fabergé, which was first announced on 23 December 2024, then paused to facilitate Gemfields’ Rights Issue which completed on 13 June 2025.

With the sale of Fabergé and the discontinuation of other non-core projects, Gemfields is now a more streamlined and focussed investment proposition with a strengthened balance sheet.

The sale proceeds provided additional working capital while the new processing plant at MRM in Mozambique was operationalised, and mining at Kagem in Zambia was progressively expanded, having been suspended in the first half of 2025.

OPERATIONS

MRM

Mining of rough rubies



KAGEM

Mining of rough emeralds



Read more on page 32.

OVERVIEW

1

MOZAMBIQUE

- **Type of operation**
Shallow open-pit mining and exploration
- **Source of revenue**
Auction sales
- **Customer profile**
Ruby cutters, mainly found in Thailand

2

ZAMBIA

- **Type of operation**
Deep open-pit mining and exploration
- **Source of revenue**
Auction and direct sales
- **Customer profile**
Emerald cutters, mainly found in India

REVENUE (USD)

49.9m

78.4m

Read more on page 26.

OWNERSHIP

75%

75%

Map of Operations

OFFICES

- 1 **GEMFIELDS GROUP LIMITED**
Guernsey, Channel Islands, Registered Office
- 2 **GEMFIELDS LIMITED**
London, United Kingdom, Head Office
- 3 **GEMFIELDS LIMITED**
Bangkok, Thailand, Representative Office
- 4 **GEMFIELDS INDIA PVT LIMITED**
Jaipur, India, Office
- 5 **GEMFIELDS SOUTH AFRICA (PTY) LIMITED**
Johannesburg, South Africa, Office
- 6 **GEMFIELDS MAURITIUS LIMITED**
Ebane, Mauritius, Office
- 7 **GEMFIELDS LIMITED**
Dubai, United Arab Emirates, Office

MINES/EXPLORATION

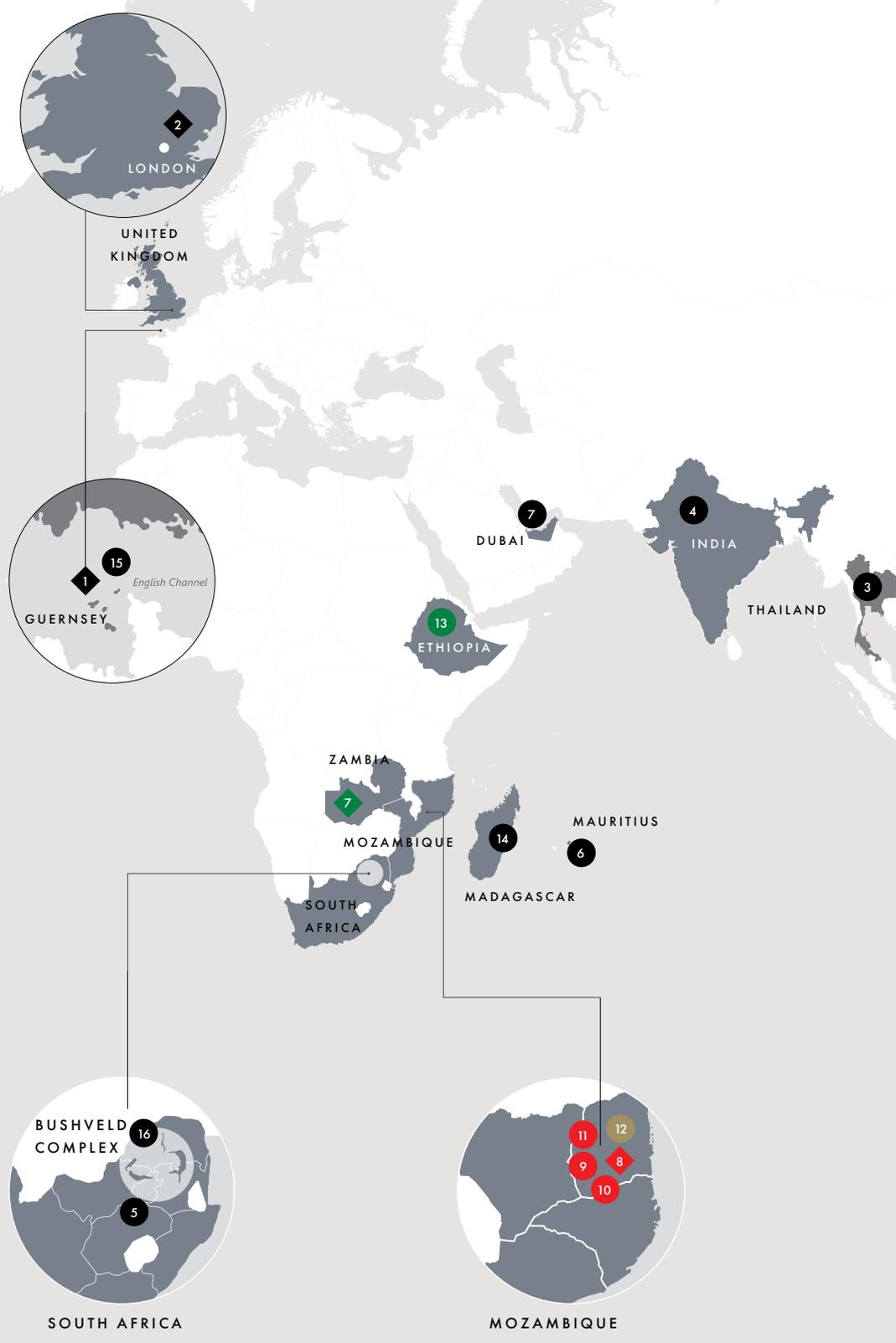
- 7 **KAGEM MINING LIMITED**
Kitwe, Zambia, Mine (emerald)
- 8 **MONTEPUEZ RUBY MINING LIMITADA (MRM)**
Montepuez, Mozambique, Mine (ruby)
- 9 **MEGARUMA MINING LIMITADA (MML)**
Montepuez, Mozambique, Development Asset (ruby)
- 10 **EASTERN RUBY MINING LIMITADA (ERM)**
Cabo Delgado, Mozambique, Development Asset (ruby)
- 11 **CAMPOS DE JOIA LIMITADA (CDJ)**
Cabo Delgado, Mozambique, Development Asset (ruby)
- 12 **NAIROTO RESOURCES LIMITADA (NRL)**
Mozambique, Development Asset (gold)
- 13 **WEB GEMSTONE MINING PLC (WGM)**
Yabelo, Ethiopia, Development Asset (emerald)
- 14 **ORIENTAL MINING SARL**
Madagascar, Development Asset (gemstones)

INVESTMENTS

- 15 **SEDIBELO RESOURCES LIMITED**
Guernsey, Channel Islands, Investment
- 16 **SEDIBELO RESOURCES LIMITED**
Bushveld Complex, South Africa,
Mine (platinum group metals)

KEY

- ◆ KEY ASSETS ● EMERALD ● RUBY ● GOLD



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Strategic Report

Moving towards stability

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Year in Review

A year of *focus...*

Q1 JANUARY

- Zambia introduces 15% export duty on emeralds.
- Only stockpiled ore processed at Kagem.



FEBRUARY

- Zambia 15% export duty suspended.
- Mini-auction held of previously unsold higher-quality emeralds from the November 2024 auction, raising USD 4.8 million.

Q2 APRIL

- Commercial-quality emerald auction raises USD 16.4 million.
- Ruby mini-auction raises USD 7.2 million.

MAY

- Kagem recommences focussed open pit mining.
- The publication of a Prospectus in relation to the issuance of 556,203,396 new shares to raise approximately USD 30 million by way of a fully underwritten Rights Issue.



JUNE

- Appointment of new Non-Executive Director Louis du Preez.
- Gemfields announces the successful outcome of its Rights Issue.
- Mixed-quality ruby auction, raises USD 31.7 million.

to increase stability and *resilience*

Q3

AUGUST

- Completion of the sale of Fabergé for a total consideration of USD 50 million.
- The sale concludes Gemfields' strategic review in respect of Fabergé.



Q4

OCTOBER

- Mini mixed-quality ruby auction raises USD 11 million.



DECEMBER

- Commercial-quality emerald auction raises a total of USD 25.3 million.

SEPTEMBER

- Higher-quality emerald auction raises USD 31.9 million.
- The auction included an exceptional gemstone named Imboo ('buffalo'), weighing 11,685 carats.



Investment Case

Gemfields is a unique investment proposition that offers investors exposure to a global leader in a niche field.

Committed to transparency, Gemfields is providing investors with the information to make informed decisions in a previously opaque industry. There are no other freely investable coloured gemstone companies of our scale.



Unparalleled Scale

Gemfields is the operator and 75% owner of both Montepuez Ruby Mining (“MRM”) in Mozambique and Kagem emerald mine in Zambia. MRM produces approximately **50% of the global supply of rubies, and this is set to increase as the new plant triples processing capacity. Kagem produces approximately 25% of the global supply of rough emeralds.**

World-Class Operation

Gemfields’ commitment to strong governance puts the business in the **best position to be the supplier of choice for luxury brands** that value corporate responsibility credentials. We actively welcome supply chain audits from luxury brands, in a previously opaque and unsophisticated market.



Near-term *Value Generation*

Gemfields' **considerable capital investment** across 2024 and 2025 prepared the Group for its **next stage of growth** while addressing a key recent weakness.

MRM's USD 70 million second processing plant is in the final stages of commissioning. By tripling MRM's processing capacity, the project should improve the recent weakness in MRM's premium ruby production. Rubies produced by the new plant were sold via auction in February 2026.

Asset *Rationalisation* and Cost *Reductions*

Throughout 2025, Gemfields has enacted a strategy **to simplify the business and remove costs**, culminating in the sale of its 100% interest in Fabergé, the iconic luxury brand, to SMG Capital LLC for a total consideration of USD 50 million.

A number of development assets have had capital investment paused or stopped, and detailed cost cutting exercises are ongoing across all businesses within the Gemfields Group to conserve cash and reposition the business for a **long-term improvement in efficiency**.

Untapped Resources

Gemfields' vast-scale licence areas provide the Group with **considerable potential for further exploration**.

At MRM, only 10% of its 349km² licence area (6x the size of Manhattan) is included within its life-of-mine model.

At Kagem, with a life-of-mine of 19 years, emerald production will continue into the 2040s, before possible additional resource upgrades.

Viable Alternative to Diamonds

Lab-grown or synthetic emeralds and rubies have been in existence for more than 100 years, with their prices vastly disconnected from the **long-term value of natural coloured gemstones**. Lower quality natural coloured gemstones are commonly treated which provides an affordable alternative for consumers and **diminishes the need for a synthetic equivalent**.

Chair's Statement and Q&A

Stabilising the Group and Rebuilding for the Road Ahead

The coloured gemstone market is showing signs of recovery, with demand and pricing for exceptional rubies and emeralds remaining resilient even as broader conditions normalise from recent lows. Gemfields remains distinctively positioned through its two world-class, market-leading operations: Kagem, our emerald mine in Zambia, and MRM, our ruby mine in Mozambique.

Operationally and financially, this has been a challenging year for the Group. Production of premium emeralds and rubies was constrained at points during the year for various reasons, highlighting the natural variability inherent in coloured gemstone orebodies. Overall auction revenues for the year were disappointing, reflecting the temporary production shortfalls, and although there were encouraging individual auctions, the decision to suspend mining at Kagem and softer demand driven by market conditions impacted the overall numbers. While this translated into one of our most difficult revenue periods, we believe the foundations are in place as operations stabilise, the second processing plant at MRM begins to contribute meaningfully and the market continues to firm.

Against this backdrop, we took decisive strategic actions to strengthen the balance sheet and sharpen our focus on our core mining activities.

BRUCE CLEAVER
Non-Executive Chair



We successfully completed a fully underwritten Rights Issue on 13 June 2025, raising approximately USD 30 million. We also completed the sale of Fabergé, concluding the strategic review initiated late in 2024 and simplifying the Group to concentrate capital and management time on Kagem and MRM.

MRM completed the construction phase of its second processing plant (“PP2”) in the third quarter, which was intended to lift processing capacity from roughly 200 to 600 tonnes per hour. However, the plant was not running at stable, reliable levels by year-end and continued to suffer material teething issues and intermittent downtime into 2026. Processing performance fell well below expectations in late 2025, and PP2’s benefits are likely to emerge only gradually as technical stability improves through 2026.

At Kagem, we resumed focussed mining in May, while continuing to run an additional shift at the processing plant, bolstering production through the processing of historic stockpiles. Activity levels are being reviewed on an ongoing basis and aligned with market conditions and our disciplined capital approach. We continue to see good pricing for the finest qualities of emeralds, even as midgrade segments recover more gradually.

The health, safety and well-being of our employees, contractors and host communities remains our highest priority. Northern Mozambique continues to face security challenges, including intensive illegal mining and broader regional instability, and we are working closely with the Mozambican authorities while adhering to the Voluntary Principles on Security and Human Rights (“VPSHR”). Our teams have shown exceptional resilience in this environment, and I extend my sincere thanks for their professionalism and dedication.

Looking ahead, the Board remains measured in its expectations. Although market signals at the premium end are broadly supportive, PP2 continues to face teething issues, limiting the expected benefit to MRM’s overall throughput. Kagem’s gradual return to normalised mining should support a more predictable auction calendar, but this remains dependent on stable operational performance and market demand. We are also monitoring the conflict involving Iran, which could place upward pressure on input costs, particularly fuel, but it is too early to determine the scale or timing of any impact. Our strategy remains unchanged: focus on our core assets, maintain cost discipline, and leverage our platform to meet customer demand for mined coloured gemstones.

On behalf of the Board, I would like to thank our colleagues, communities, partners, host governments and shareholders for their continued support during a difficult year.

Q WHAT WERE THE MOST NOTABLE DEVELOPMENTS FOR GEMFIELDS IN 2025?

A 2025 proved to be one of the most difficult years in the history of Gemfields, both operationally and financially, with materially lower revenues, prompting a continuation of the strong cost discipline started in 2024. Regional volatility, from the brief reintroduction (and swift reversal) of Zambia’s 15% export duty on emeralds, to civil unrest in northern Mozambique, added operational complexity.

The year’s standout developments were the successful Rights Issue and the sale of Fabergé, two decisive steps that strengthened the balance sheet, simplified the portfolio and reinforced our focus on core mining competencies and auctions.

Operationally, PP2 reached advanced commissioning during 2025, but, having not met management expectations, was not fully commissioned by year-end. At Kagem, mining was paused through April 2025, with operations limited to processing pre-mined stockpiles, before focussed extraction restarted in May in selected zones, with activity calibrated to market conditions and zones primed for the recovery of premium material.

Beyond operational execution, we advanced our responsible mining agenda. At MRM, we progressed our independent assessment against the IRMA Standard, having formally committed to a third-party audit in June 2025, while continuing to align site security with the Voluntary Principles on Security and Human Rights. At Kagem, our safety culture earned national recognition: the mine was honoured as “Best Mine in Safety” by the Permanent Secretary of Zambia’s Ministry of Mines and Minerals Development for the second consecutive year, and we surpassed 11.5 million Lost Time Injury-free hours.

Q WHAT LESSONS WILL GEMFIELDS TAKE FROM 2025?

A Three themes stand out.

- 1) Balance-sheet resilience: the year underscored the need for a larger liquidity buffer and greater cash headroom and for pacing major capital commitments so the business is better cushioned against shocks.
- 2) Cost discipline: experience reinforced the value of a tight, efficiency-led cost culture, shifting spend where prudent, sharpening procurement and operations, and strengthening readiness to limit the impact of inflation or ramp-up delays.
- 3) Financial and operating flexibility: volatility in supply and demand highlighted the importance of greater optionality in mine plans and auction scheduling, more agile inventory management, and deeper scenario planning to navigate both downturns and sharp upturns inherent in coloured gemstones.

Q WHAT ARE THE STRATEGIC PRIORITIES FOR THE GEMFIELDS BOARD IN 2026?

A The Board’s priorities in 2026 are to stabilise and rebuild. Our focus will be in four key areas: restoring operational efficiency in terms of safe, stable production and auction cadence; driving profitability through disciplined cost controls; productivity enhancements; and maintaining a conservative approach to capital allocation. A particular focus is the sustained, reliable operation of PP2 at MRM, aiming for the plant’s performance to underpin improved ruby production and inventory. These efforts sit alongside preserving the strengthened balance sheet following the Rights Issue and the simplification of the Group through the successful sale of Fabergé, providing greater financial resilience and flexibility again.

In parallel, the Board will continue to develop the overriding strategy, deepening work across risk, audit and ESG. That includes progressing MRM’s independent assessment against the IRMA Standard for Responsible Mining, maintaining alignment with the VPSHR and upholding appropriate operational standards across the Group so that governance, safety and community outcomes advance in step with operational recovery.

CEO Q&A

Disciplined Delivery Through Operational Headwinds

Q HOW HAVE THE OPERATIONS AT MRM AND KAGEM PERFORMED THIS YEAR?

A It has undoubtedly been a challenging year and we are cautiously optimistic that the worst is now behind us. Both mines faced headwinds, many driven by external factors, including civil unrest in Mozambique, competitor behaviour affecting Kagem, illegal mining intrusions at MRM and the Zambian government's brief imposition, and subsequent swift reversal, of the 15% export duty on emeralds.

MRM

MRM faced continued pressure on premium ruby output alongside delays and ongoing instability at PP2. Although progress is being made, the plant is still working through material teething issues and is not yet operating at the consistent levels expected, with resolution now expected to take place over the course of 2026. While PP2 is intended to increase total processing capacity and help offset lower ruby grades, these advantages are likely to emerge only gradually as the plant stabilises.

Another significant challenge has been incursions by illegal miners into the concession area - these intrusions have continued and are a key concern for us going into 2026.

SEAN GILBERTSON
Chief Executive Officer





We continue to work closely with local authorities and the Government of Mozambique to address and mitigate this issue.

During the year, MRM committed to an independent third-party assessment against IRMA standards, and in March 2025 celebrated a triple ISO certification, demonstrating excellence and effectiveness in safety, quality assurance and environmental management.

Kagem

Kagem also faced a very difficult year. For a period, the mine operated by processing stockpiles only (with no active mining), and by May it was undeniably on the back foot. Since then, scaled back mining activities have resumed, with positive performance across the second half. Emerald production remains robust, and mining has been concentrated in zones with historically high recoveries. Overall, Kagem's full-year performance is satisfactory and we approach 2026 with cautious optimism.

Safety

We are proud to report that Kagem has surpassed 10 million Lost Time Injury ("LTI")-free hours. We commend the team on the ground for their commitment and discipline.

Q HOW HAVE AUCTIONS PERFORMED DURING 2025?

A During the year, we held seven auctions, four emerald and three ruby, realising USD 128.2 million. This differs from our usual annual cadence as the final ruby auction originally scheduled for December 2025, was deferred to February 2026, primarily due to commissioning delays at PP2.

Ruby

A mini ruby auction in April 2025 realised USD 7.2 million. To support near-term liquidity, material that would typically have been bundled into the June auction was brought forward. The offering comprised commercial-quality primary rubies in smaller sizes and secondary material, over 90% of which was sub-carat (<0.2g), presented across 13 lots. Market interest was strong: 20 of 21 lots sold with only the largest by weight remaining unsold, affirming healthy demand despite tariff-related uncertainty.

The June 2025 mixed-quality ruby auction generated USD 31.7 million, with 87% of lots sold. Although the auction represented our smallest mixed-quality sale by weight to date, it featured rubies from a newer area of MRM with slightly different characteristics. A fine-quality 36-carat gemstone attracted significant interest and sold well, becoming the third-most valuable single gemstone lot in MRM's history.

The final ruby auction of 2025, a mini-mixed-quality sale held in October, realised USD 11 million and was well received. The catalogue primarily comprised medium and commercial-quality secondary material sourced from the same areas as the June auction. Overall, 79% of the lots were sold. The lots that remained unsold were concentrated in the smallest size ranges within the lower-quality grade, which were introduced for the first time at this event. This intentional inclusion enabled early market discovery and we will leverage buyer feedback to refine future offerings.

The outcome of these auctions reaffirms that demand for rubies remains robust overall, with particularly strong appetite for higher-quality goods, despite ongoing geopolitical turmoil.

Emerald

In February 2025, we hosted a mini-higher-quality emerald auction comprised exclusively of unsold lots from Kagem's November 2024 sale. These lots were not subject to Zambia's surprise 15% export duty introduced on 1 January 2025, which temporarily made emerald exports uneconomic. With unchanged schedules, this provided a rare like-for-like comparison: bids were notably higher, 10 of 13 lots sold, and revenues totalled USD 4.8 million, signalling subdued yet improving sentiment.

April 2025's commercial-quality auction reinforced this trend, with broader participation and stronger pricing across a wide quality range, delivering USD 16.4 million in revenues.

CEO'S STATEMENT CONTINUED

The September higher-quality emerald auction realised USD 31.9 million, the first such auction since focussed mining resumed at Kagem in May, and was well received. 100% of lots were sold at an average price of USD 160.21 per carat. The result showed signs that the pricing dislocations seen in 2024, linked to competitor behaviour and broader market instability, have largely normalised, and that demand for premium emeralds remains robust despite ongoing market challenges.

The final auction of the year, a commercial-quality emerald auction, realised USD 25.3 million. Of the 46 lots offered, 45 (98%) were sold at an average price of USD 7.43 per FR per carat. Firm pricing and broad-based demand indicated further signs that the pressures seen in late 2024 and early 2025 have largely subsided, with sentiment strengthening and robust pricing seen across all quality categories.

Overall, results point to a gradual recovery in demand and pricing despite tariff-related disruption amongst other factors.

Q WHAT ARE YOUR THOUGHTS ON THE OVERALL GEMSTONE MARKET?

A Pricing and demand across the gemstone market remain broadly healthy, with the highest-quality gemstones continuing to command, and in many cases widen, their premium. Buyer appetite is notably resilient in the premium segment, supported by lower supply, clear provenance and differentiated grading standards. Sentiment in China has slightly improved, offering constructive tailwinds for both top-end goods and well-presented commercial grades, and we are seeing steadier bid depth and firmer prices as a result.

That said, we remain mindful of potential headwinds. The risk of tariff disruptions and policy shifts, alongside broader geopolitical uncertainty, could affect auction cadence and consumer confidence in selected markets. Against this backdrop, our stance is cautiously optimistic: fundamentals for high-quality gemstones are intact, and we expect pricing performance to remain firm provided we maintain consistent quality grading, responsive market engagement and a disciplined release of supply.

“

In short: stabilise, rebuild and deleverage so the business is more resilient, more predictable, and better positioned to compound value over the long term.”

— SEAN GILBERTSON
Chief Executive Officer

Q WHAT ARE YOUR PRIORITIES AS CEO FOR 2026?

A The foremost priority is ensuring PP2 is a clear success. The focus is on a disciplined continuous operation at design capacity, stable recoveries and a consistent product mix, underpinned by rigorous maintenance, supply-chain readiness, and operational excellence. We aim for reliable throughput at the 400tph benchmark, a competitive cost per tonne processed, and robust quality assurance, delivering the step-change in performance PP2 was designed to achieve, with no surprises on safety, compliance, or environmental standards.

Once PP2 is running consistently, attention turns to stabilising the broader business. The aim is tighter production planning at MRM and Kagem, a predictable auction cadence and auction offerings aligned to market demand. Site discipline remains paramount, HSE, security, community engagement and continued collaboration with authorities to mitigate illegal mining activity. Recent certifications and assessments are to be embedded, with best-practice processes and clear accountability supporting steady, repeatable performance.

With operational stability in hand, priority will shift to the balance sheet: strengthening liquidity, driving sustainable free cash flow and bringing net debt down. In short: stabilise, rebuild and deleverage so the business is more resilient, more predictable, and better positioned to compound value over the long term.

Q HOW WILL GEMFIELDS DELIVER FOR SHAREHOLDERS GOING FORWARD?

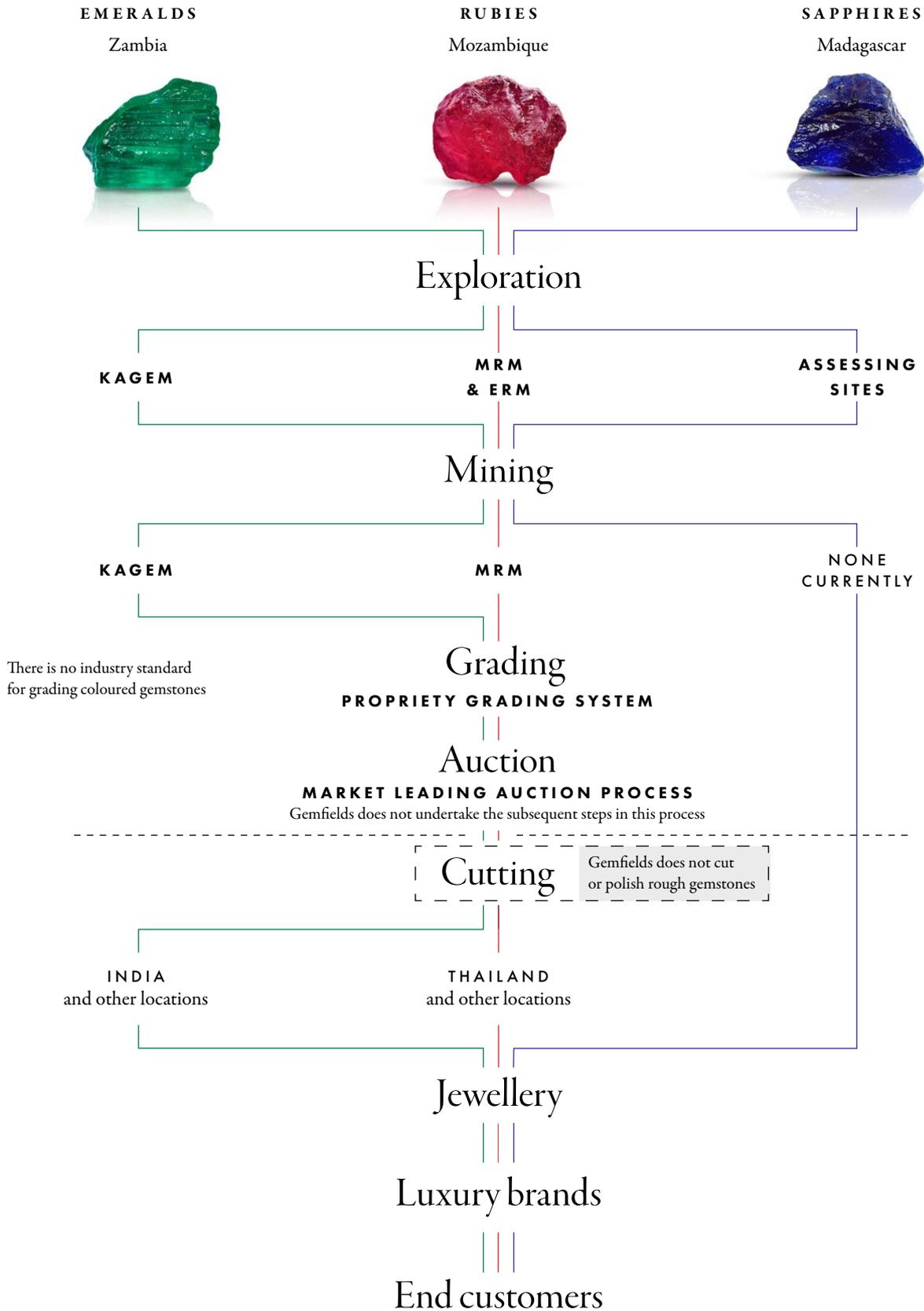
A Gemfields offers investors exposure to a global leader in a specialised, niche field. Coloured gemstone mining is exciting, dynamic and unique, yet it naturally carries geological and political risk. Against that backdrop, Gemfields brings best-in-class operations, a veteran team, a transparent approach, and substantial licence areas still to explore, combining disciplined execution with responsible, provenance-led practices to support durable value creation.

Following a period of concurrent but transient challenges that weighed on near-term cash flow, the priority is clear: focus resources on securing profitability across the Group. Stabilisation remains front and centre, restoring predictable operating rhythms, sharpening lots and auction cadence, and embedding efficiency and risk controls. PP2 at MRM provides an exciting prospect for notably increased ruby production, supporting stronger throughput, improved recoveries, and a more consistent product mix, key ingredients in rebuilding earnings quality and cash generation.

Capital discipline underpins delivery for shareholders. Balance sheet strength and a lower debt burden take precedence, with efforts centred on generating sustainable free cash flow and progressive deleveraging. It is therefore too early to discuss returning funds to shareholders via dividends; the emphasis remains on resilience first. As the business stabilises and rebuilds, performance, transparency, and prudent capital allocation are expected to translate into improved financial outcomes, laying the foundation for future shareholder distributions once appropriate strength and flexibility are restored.



Business Model

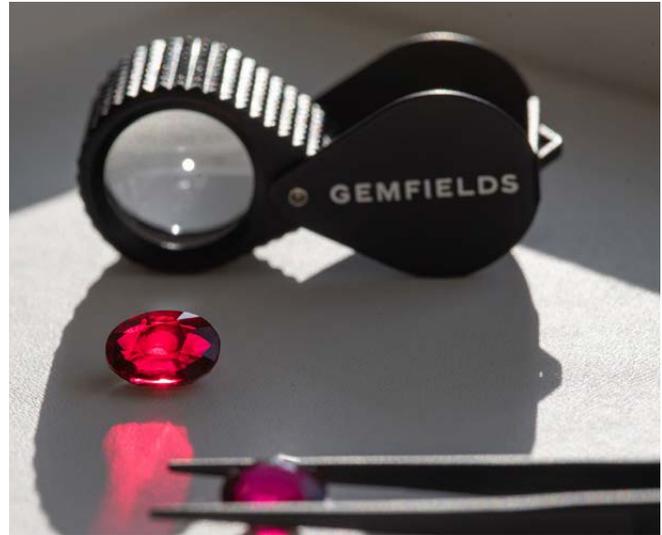


Gemfields' Values

TRANSPARENCY

In an industry famed for 'grey areas' and complexity, Gemfields strives to shine a light and transform the sector for the better.

Transparency for Gemfields means providing complete visibility across our business and processes. We do not accept secrets, corruption or distortion. We work with industry partners to standardise strong, transparent practices and hold the industry accountable, so consumers can make informed decisions when it comes to their gemstone purchase.



LEGITIMACY

We aim to go over and above accepted practices, operating in a way that not only meets international and national laws, but also challenges the sector.

We have set new benchmarks for corporate responsibility, responsible mining and creating a positive impact for stakeholders, including local communities and our international team. We have zero tolerance for corruption and bribery, and uphold policies and processes to guide internal decision making.



INTEGRITY

We are committed to embedding tangible operational actions, at our mines and beyond, as well as supporting the sales and marketing of our products.

Our internal policies help guide our moral principles and aid honest decision making. Our proprietary grading system provides our partners with trusted evaluation and declaration of treatment. Our community projects give back to our neighbours.



Strategy in Action

1

Responsible Mining

Luxury brands, and end consumers purchasing luxury goods, are seeking increasingly high standards from responsible sources.

STRATEGY IN ACTION:

- Responsible mining for Gemfields means implementing industry-leading policies and practices across operations, transparency in our auction sales process, an active role in working groups to modernise the sector, projects to improve health, education and livelihoods for the communities around our mines and conservation efforts to protect Africa's great wildlife and biodiversity.
- As a listed company on the Johannesburg Stock Exchange in South Africa and quoted on AIM in the UK, Gemfields has a responsibility to its shareholders, listing venues, regulators, auditors and advisors to follow strong standards of governance. Gemfields sees membership with industry bodies, such as IRMA, as important milestones and is increasingly being audited or reviewed by luxury brands that use Gemfields gemstones in their products.

2

Consistent Supply

Delivering consistent and reliable supply creates a powerful flywheel effect, generating more demand for coloured gemstones, leading to increased competition when sold at auction.

STRATEGY IN ACTION:

- Gemfields operates two world-class mines at scale, Kagem and MRM, that can produce a range of sizes, colours and qualities of emeralds and rubies respectively. By combining the level of production with our unique and proprietary grading system, customers can be confident that they have access to similarly graded rough coloured gemstones consistently over time.
- In 2025, premium ruby production at MRM totalled 76,646 carats, compared with a three-year average (2022–2024) of 60,275 carats. Although the overall volume of premium rubies recovered was above the historical average, the postponement of the December 2025 auction led to materially lower than expected revenue.



3

African Partner of Choice

Gemfields partners with governments and local parties to unlock the true economic value of their natural resources, benefitting society and local communities.

STRATEGY IN ACTION:

- Gemfields believes it is vital to have a strong relationship with local governments and the communities in which it operates. Countries of origin receive full tax payments based on the transparently reported revenues at full gemstone value, with both Kagem and MRM 25% owned by the local government or local partners.
- Gemfields developed the 'G-Factor for Natural Resources', a measure promoting greater transparency regarding the level of natural resource wealth shared with the governments of host countries. In 2025, 23% and 6% of revenue at MRM and Kagem was paid to the Mozambique and Zambian governments respectively in mineral royalties, corporation tax, dividends and export taxes/levies.

25%

OF KAGEM AND MRM IS OWNED BY LOCAL GOVERNMENT OR LOCAL PARTNERS

4

Mine and Market

Gemfields focuses on the mining and marketing of rubies and emeralds.

STRATEGY IN ACTION:

- The coloured gemstone market is not vertically integrated because of the wide range of different skills required at each stage of production, from mining, to cutting and polishing, to setting in to jewellery or luxury products. Gemfields focuses on the mining and the marketing of Zambian emeralds and Mozambican rubies.



Finance Review

DAVID LOVETT
Chief Financial Officer



The Group's primary financial key performance indicators ("KPIs") are revenue, EBITDA, free cash flow before working capital movements and net cash. These KPIs for the year ended 31 December 2025 are shown in the following table, alongside the prior year comparatives.

IN THOUSANDS OF USD	2025	2024
Revenue	135,109	199,431
EBITDA ¹	6,251	43,226
Loss after tax	(50,862)	(100,796)
Net cash generated from operating activities	21,461	12,029
Free cash flow before working capital movements ²	(29,231)	(61,394)
Net debt ³	(39,289)	(80,431)

1 Earnings before interest, taxation, depreciation and amortisation, adjusted to exclude one-off impairments made to the Group's non-current assets and inventory, fair value gains or losses on the Group's non-core equity investments, share-based payments and other impairments and provisions.

2 Free cash flow before working capital movements is calculated as cash flow from operations less taxation paid, sustaining and expansionary capital expenditure and foreign exchange gains and losses. A full breakdown can be seen in Note 3: *Segmental Reporting* to the Consolidated Financial Statements.

3 Net debt is calculated as cash and cash equivalents less total borrowings.

OVERVIEW

In 2025, the Group generated revenue of USD 135.1 million, largely from seven rough emerald and ruby auctions held during the year. Viewings were hosted in Bangkok and Jaipur, with online bidding via Gemfields' auction platform. Revenue was 32% lower than 2024, partly reflecting the deferral of the mixed-quality ruby auction from December 2025 to February 2026. The deferral followed delays in commissioning MRM's second processing plant, exacerbated by illegal miner action that targeted the plant's supply infrastructure.

The significant supply-side pressures experienced in Zambia in the second half of 2024 subsided during 2025, with Kagem achieving total auction revenues in line with the prior year, at USD 78.4 million, despite the pause in mining at Kagem during the first half of the year. The two most recent emerald auctions have signalled a return to robust pricing, with demand for premium grade material remaining healthy. This recovery provides cautious optimism as we look ahead.

The Group continues to face macroeconomic pressures, trade uncertainty and softer demand in China. While the full-year results are disappointing, underlying demand for high-quality gemstones remains. Management remains focussed on cost and cash control. The commissioning of PP2 in 2026, improved production of premium emeralds at Kagem and firmer emerald-market conditions support a positive medium-term outlook.

On 13 June 2025, the Group completed a fully underwritten USD 30.0 million Rights Issue through the issuance of 556,203,396 new shares. The Group also sold its 100% interest in Fabergé for total consideration of USD 50.0 million on 29 August 2025, comprising USD 45.0 million cash received on completion (before allowable leakage deductions) and USD 5.0 million payable through quarterly royalties (8% of Fabergé revenue) from the quarter ended 30 June 2026. Together, these transactions improved the Group's liquidity and working capital position.

Following the Fabergé disposal, Fabergé's results to the date of disposal are presented as a single post-tax loss line within discontinued operations in the Consolidated Income Statement, with the prior year re-presented for comparability.

REVENUE

IN THOUSANDS OF USD	2025	2024
Kagem	78,352	78,704
MRM	49,874	117,191
Other	6,883	3,536
Total	135,109	199,431

Auction revenue accounts for 95% of total Group revenue during the year, with a detailed breakdown of auction results as follows:

Emeralds (Kagem):

- **February 2025 mini-auction of previously unsold emeralds:** USD 4.8 million, with stronger bidding than in the original November 2024 auction.
- **April 2025 commercial-quality auction:** USD 16.4 million at an average price of USD 6.87 per carat.
- **September 2025 higher-quality auction:** USD 31.9 million at an average price of USD 160.21 per carat. The auction included an exceptional gemstone named Imboo ('buffalo'), weighing 11,685 carats, being the largest gemstone discovered at the Kagem mine.
- **December 2025 commercial-quality auction:** USD 25.3 million at an average price of USD 7.43 per carat.

Rubies (MRM):

- **April 2025 mini-auction (mixed primary and secondary rubies):** USD 7.2 million at an average price of USD 39.47 per carat.
- **June 2025 mixed-quality ruby auction:** USD 31.7 million at an average price of USD 461.48 per carat. This auction was bolstered by the sale of a standout 36-carat fine ruby, marking the third-most-valuable single-gemstone lot in MRM's history.
- **October 2025 mixed-quality mini-auction:** USD 11.0 million at an average price of USD 59.43 per carat.

During 2025, MRM brought rubies from a newer area of its licence to auction that had not previously been represented at auction in meaningful quantities. The market has initially reacted well to this new material, with the market discovery process ongoing as the Group continues to review market feedback and refine its future offerings.

Gemfields' auction processes were fully monitored by the Ministry of Mines and Minerals Development of Zambia and the Zambia Revenue Authority for the emerald auctions, and by the Ministry of Mineral Resources and Energy and the Mozambique Tax Authority for the ruby auctions, as in previous years.

Fabergé generated revenues of USD 8.1 million before being sold on 29 August 2025, compared to USD 13.4 million in the 12 months to 31 December 2024. As noted, Fabergé's results are presented under discontinued operations in the Consolidated Income Statement.

Other revenue represents the direct sales of low-quality emeralds and beryl in India, jewellery in the UK and the sale of historically purchased cut and polished gemstone inventory in the UK and South Africa.

OPERATING COSTS

Total operating costs for the year ended 31 December 2025 were significantly lower than the prior year, reflecting the cost-cutting and streamlining measures announced in December 2024. Actions included suspending mining at Kagem, halting non-essential spend and capex across ruby development projects, ceasing operations at Nairoto Resources Lda ("Nairoto" or "NRL") and reducing discretionary spend across the Group.

IN THOUSANDS OF USD	2025	2024
Mining and production costs ¹	(76,656)	(106,387)
Selling, general and administrative costs ²	(36,847)	(48,794)
Total operating costs	(113,503)	(155,181)
Mineral royalties and production taxes	(10,643)	(16,620)
Change in inventory and cost of goods sold	(9,133)	1,612
Mining and production costs capitalised to intangible assets	3,348	13,545
Total	(129,931)	(156,644)

1 Excludes mineral royalties, production taxes, depreciation and amortisation and inventory write-downs.

2 Excludes share-based payments, depreciation and amortisation, impairments and other asset write-downs.

Mining and production costs for the Group decreased by 28% to USD 76.7 million compared to USD 106.4 million in the prior year. The reduction was primarily driven by the suspension of mining activities at Kagem from 1 January 2025 to May 2025, with mining activities scaled back for the remainder of the year when compared to 2024. Additionally, cost-saving initiatives implemented across the wider Group, including at MRM, contributed to a moderate decline in expenses.

Selling, general and administrative expenses ("SG&A") decreased by USD 12.0 million to USD 36.8 million (2024: USD 48.8 million). These costs primarily comprise labour, legal and professional fees, insurance and marketing. The reduction reflects continued cost discipline and tighter control of discretionary spend.

Mineral royalties and production taxes, which are calculated as 6% and 10% of emerald and ruby auction revenues respectively, were USD 5.0 million for Kagem (2024: USD 4.9 million) and USD 5.6 million for MRM (2024: USD 11.7 million).

The change in inventory and cost of goods sold, which represents mining and production costs capitalised to inventory offset by the cost of goods sold in the year, was an expense of USD 9.1 million for the year, compared to a credit of USD 1.6 million in the prior year. The current year expense mainly reflected the higher sales volumes (in terms of carats) at Kagem in 2025 that increased cost of goods sold, combined with the lower mining and production costs capitalised to inventory at Kagem during the period of suspended mining activity.

Mining and production costs capitalised to intangible assets of USD 3.3 million relate to the Group's development projects and were significantly lower than the USD 13.5 million capitalised in 2024 due to a decrease in activities and the suspension of operations at some of the projects.

FINANCE REVIEW CONTINUED

EBITDA/EBITDA MARGIN

Group EBITDA was USD 6.3 million for 2025, compared to USD 43.2 million in 2024, primarily due to lower revenues. This resulted in a drop in EBITDA margin from 22% to 5%. At the operational level, Kagem and MRM have EBITDA margins of 10% and 13% respectively.

DEPRECIATION AND AMORTISATION

Depreciation and amortisation for the year was USD 31.4 million (2024: USD 36.1 million). It is anticipated that the depreciation charge will rise following the commissioning of the second processing plant at MRM.

IMPAIRMENT REVIEW

Non-current asset impairment charges include a USD 35.0 million impairment of evaluated mining properties at MRM and a USD 1.2 million impairment of property, plant and equipment at Nairoto, resulting in a total non-current asset impairment charge of USD 36.2 million (2024: USD 91.3 million). In 2025, MRM reduced its focus on the Mugloto block, which has historically been the main source of ore production, and increased its operations in the Maninge Nice and Glass blocks. As a result of this shift in production mix, during 2025, MRM brought rubies from these newer areas to auction that had not previously been offered in meaningful quantities. Whilst the market initially reacted well to this new material, to date it has achieved lower average auction prices than historical Mugloto-type production. In the absence of pricing history for these new products, conservative price assumptions were applied in updating the life-of-mine forecasts, resulting in an impairment of MRM. Given the limited marketing history of the Maninge Nice material, it remains uncertain whether this pricing profile will persist, and assumptions will be reviewed as further production is marketed and additional pricing data becomes available. Full details can be found in Note 11: *Property, plant and equipment* to the Consolidated Financial Statements.

Cost of sales included obsolete inventory provisions for consumable inventory totalling USD 0.4 million (2024: USD 0.6 million) at Kagem and USD 0.5 million (2024: USD 1.9 million) at MRM. Additionally, recorded within selling, general and administrative expenses during the year was a USD 0.2 million write down of other assets in Nairoto.

LOSS FROM CONTINUING OPERATIONS

Loss from continuing operations for 2025 was USD 62.7 million (2024: USD 92.3 million). Loss from operations at Kagem was USD 1.6 million (2024: loss of USD 47.4 million), while MRM made a loss from operations of USD 47.7 million (2024: profit of USD 6.7 million).

FINANCE INCOME AND COSTS

Net finance costs for the year were USD 3.7 million, compared to USD 5.4 million in 2024. Finance costs comprised USD 4.2 million interest on bank loans and borrowings at Kagem and MRM (2024: USD 5.2 million) and other finance costs, including bank charges and interest from lease liabilities, of USD 0.9 million (2024: USD 1.1 million). The finance costs are offset by interest earned on positive cash balances, totalling USD 1.4 million (2024: USD 0.9 million).

TAXATION

IN THOUSANDS OF USD, UNLESS OTHERWISE STATED	2025	2024
Loss before taxation	(66,446)	(97,651)
Tax credit	19,874	8,131
Effective tax rate %	29.9%	8.3%
Cash tax paid	1,887	18,535

The Group calculated the income tax credit for the year using the tax rate that would be applicable to the expected total annual earnings.

The tax credit of USD 19.9 million (2024: credit of USD 8.1 million) represents an effective tax rate of 29.9% (2024: 8.3%). The Group's effective tax rate is higher than the UK statutory rate because of the impact of (a) the different tax rates applied in overseas jurisdictions, (b) non-deductible expenses, and (c) the recognition of a deferred tax asset in respect of UK tax losses that had not previously been considered to be utilisable.

Tax payments in 2025 were primarily made by MRM (USD 1.4 million) and Kagem (USD 0.4 million). The decrease in tax paid is driven by higher advance payments made in the prior year due these being based on the stronger 2023 results at both MRM and Kagem, as well as the poorer pre-tax results achieved at MRM and Kagem in the current year.

LOSS FROM DISCONTINUED OPERATIONS

As noted earlier, Fabergé's results to its date of disposal, 29 August 2025, are presented as a single post-tax loss line under discontinued operations in the Consolidated Income Statement, with the prior year re-presented for comparability. The loss from discontinued operations was USD 4.3 million (2024: USD 11.3 million). This includes a USD 3.2 million loss after taxation realised by Fabergé for the eight-month period to 29 August 2025 and a USD 1.1 million loss on disposal incurred by Gemfields.

The loss on disposal reflected the amount by which the carrying value of Fabergé (including the cumulative foreign exchange translation reserve) together with associated disposal costs exceeded the net consideration. Full details can be found in Note 10: *Discontinued Operations* to the Consolidated Financial Statements.

LOSS AFTER TAXATION

The Group made a loss after tax of USD 50.9 million in 2025, a decrease of USD 49.9 million compared to the prior year loss of USD 100.8 million. The current year loss results from the reduction in revenues due to the deferral of the mixed-quality ruby auction that was planned for December 2025 and the USD 35.0 million impairment recorded against the mining asset in MRM. The large loss in the prior year primarily resulted from the significant impairment charges recorded of USD 91.3 million and the fair value loss recorded against the Group's investment in Sedibelo Resources Limited ("Sedibelo") of USD 4.0 million.

LOSS PER SHARE

Basic loss per share for the year was 2.6 USD cents, compared to a loss per share of 7.0 USD cents for 2024. From continuing operations basic loss per share was 2.4 USD cents (2024: loss per share of USD 6.1 cents). The weighted average number of shares in issue was 1,476,650,587 (2024: 1,168,833,774).

Headline loss per share is similar to loss per share except that attributable profit specifically excludes certain items, as set out in Circular 1/2023 "Headline Earnings" issued by the South African Institute of Chartered Accountants. In 2025, headline loss per share was 1.3 USD cents (2024: loss per share of 2.1 USD cents). From continuing operations, headline loss per share was USD 1.1 cents (2024: loss per share of USD 1.2 cents).

Adjusted loss per share is defined as headline loss per share adjusted for the unrealised fair value losses from Sedibelo. In 2025, adjusted loss per share was 1.3 USD cents (2024: loss per share of 1.8 USD cents). From continuing operations, adjusted loss per share was 1.1 USD cents (2024: loss per share of USD 0.8 cents).

CASH FLOWS

In 2025, the Group generated USD 23.3 million of cash from operating activities, paid USD 1.9 million of tax, spent USD 1.7 million on investing activities and generated USD 25.6 million from financing activities. Free cash flow before working capital movements was negative USD 29.2 million (2024: negative USD 61.4 million). Cash and cash equivalents were USD 64.1 million at 31 December 2025 (31 December 2024: USD 20.8 million). Net debt reduced to USD 39.3 million (31 December 2024: USD 80.4 million), excluding auction receivables of USD 20.5 million (31 December 2024: USD 33.9 million).

IN THOUSANDS OF USD	2025	2024
EBITDA	6,251	43,226
<i>Add back:</i> Change in inventory and cost of goods sold ¹	9,133	(1,612)
<i>Add back:</i> Costs capitalised to intangible assets ¹	(3,348)	(13,545)
Capital expenditure ²	(39,380)	(70,928)
Tax paid (excluding royalties)	(1,887)	(18,535)
Free cash flow before working capital movements	(29,231)	(61,394)
Working capital movements ¹	8,358	(13,767)
Free cash flow	(20,873)	(75,161)

1 Change in inventory and cost of goods sold ("COGS") and costs capitalised to intangible assets are added back to EBITDA to calculate free cash flow before working capital movements, and subsequently included within working capital movements in the calculation of free cash flow.

2 Excluding mining and production costs capitalised to intangible assets which are shown separately.

Capital expenditure for the year was USD 39.4 million, a decrease of USD 31.5 million from 2024. The lower spend reflected the pause on non-critical expenditure at Kagem whilst mining operations were suspended and the lower capital outlay on the construction of PP2 required in the year.

Of the total spend of USD 39.4 million, USD 36.2 million related to MRM. This amount was mainly spent on the construction of PP2, including contractual payments to Consulmet of approximately USD 16.5 million (2024: USD 34.4 million) (based on the original ZAR-denominated contract), and a further USD 18.2 million spent on power infrastructure for the plant, customs duties and capitalised borrowing costs accrued on the loans used to fund its construction. The remaining milestone payment due to Consulmet, of approximately USD 4.2 million, will be made following final commissioning. Remaining capital expenditure at MRM totalled USD 1.5 million and related to plant and machinery. At Kagem, capital expenditure totalled USD 2.1 million, mainly directed towards plant and machinery, staff accommodation and transportation. Expenditure on development assets was minimal at USD 0.9 million, relating mainly to the procurement of machinery and camp equipment at Eastern Ruby Mining Limitada ("ERM") and Campos de Joia Limitada ("CDJ").

Net cash utilised in investing activities was USD 1.7 million (2024: USD 84.8 million). This primarily reflected USD 42.8 million (2024: USD 84.9 million) spent on capital goods (as explained above) and cash advances of USD 1.3 million to Mwiriti (2024: USD 1.4 million), offset by net cash proceeds of USD 41.2 million from the sale of Fabergé and interest income of USD 1.2 million (2024: USD 0.6 million) on cash at bank.

Net cash generated from financing activities totalled USD 25.6 million (2024: USD 42.2 million), primarily driven by proceeds of USD 32.3 million from the Rights Issue. This exceeded the anticipated USD 30.0 million, mainly due to favourable foreign exchange rate movements. Transaction fees related to the Rights Issue totalled USD 3.3 million and were fully settled in 2025. Of this amount, USD 2.5 million was directly attributable to the Rights Issue and has been recognised within equity. The Group's net utilisation of borrowings was USD 2.1 million (2024: USD 60.8 million). Lease payments totalled USD 1.2 million (2024: USD 0.8 million), while interest on borrowings amounted to USD 5.1 million (2024: USD 6.6 million).

In 2023, Kagem entered into a revolving USD 15.0 million overdraft facility with ABSA Zambia, which was increased to USD 20.0 million in January 2025. As at 31 December 2025, the outstanding balance was USD 4.4 million (31 December 2024: USD 13.3 million). Also in 2023, Kagem entered into a USD 15.0 million overdraft facility with FNB Zambia, which was increased to USD 21.0 million in May 2024. As at 31 December 2025, the outstanding balance under this facility was USD 9.2 million (31 December 2024: USD 5.5 million).

As at 31 December 2025, MRM had outstanding balances on its overdraft facilities of USD 19.6 million (31 December 2024: USD 22.7 million) with BCI and USD 15.1 million (31 December 2024: USD 14.8 million) with ABSA. In 2024, two term loans, USD 30.0 million from BCI and USD 25.0 million from ABSA, were secured to finance PP2. Both loans were fully utilised as at 31 December 2025, with the first repayments due in January 2027.

FINANCE REVIEW CONTINUED

FINANCIAL POSITION

The Group's balance sheet is summarised below:

Assets

IN THOUSANDS OF USD	2025	2024
Property, plant and equipment	312,576	338,697
Intangible assets	15,171	40,322
Deferred tax assets	4,132	46
Other non-current assets	34,461	12,682
Total non-current assets	366,340	391,747
Inventory	82,660	114,028
Cash and cash equivalents	64,053	20,844
Trade and other receivables	48,843	76,716
Current tax receivable	9,266	7,899
Total current assets	204,822	219,487
Total assets	571,162	611,234

As at 31 December 2025, non-current assets comprised property, plant and equipment ("PPE") of USD 312.6 million (31 December 2024: USD 338.7 million), intangible assets of USD 15.2 million (31 December 2024: USD 40.3 million), deferred tax assets of USD 4.1 million (31 December 2024: USD 0.05 million) and other non-current assets of USD 34.5 million (31 December 2024: USD 12.7 million). Other non-current assets mainly comprise long-term VAT receivables of USD 30.0 million (31 December 2024: USD 12.2 million), deferred consideration from the sale of Fabergé due more than 12 months after the balance sheet date of USD 3.8 million (31 December 2024: Nil) and deposits paid.

Of total PPE held at 31 December 2025, 50% related to the mining assets (evaluated mining properties), totalling USD 156.6 million (31 December 2024: USD 201.3 million). These assets primarily reflect the recognition of the fair values of Kagem and MRM at the date that GGL acquired Gemfields Limited in July 2017. These assets are amortised on the unit-of-production basis over the life of the mine. During 2025, the MRM mine asset was impaired by USD 35.0 million, bringing its carrying value in line with its recoverable value. In 2024, an impairment of USD 47.4 million was also recorded against the Kagem mine asset. Another major component of PPE is the amount capitalised for the construction of PP2 that totalled USD 81.8 million at year end (31 December 2024: USD 51.1 million).

Intangible assets of USD 15.2 million (31 December 2024: USD 40.3 million) mainly consist of USD 14.5 million (31 December 2024: USD 11.1 million) related to unevaluated mining assets across the Group. The decrease in intangible assets is primarily attributable to the derecognition of the Fabergé brand and trademarks held of USD 28.5 million following the sale of Fabergé.

The Group's current assets mainly comprise inventory of USD 82.7 million (31 December 2024: USD 114.0 million), trade and other receivables of USD 48.8 million (31 December 2024: USD 76.7 million) and cash and cash equivalents of USD 64.1 million (31 December 2024: USD 20.8 million).

Auction receivables of USD 20.5 million (31 December 2024: USD 33.9 million), included within trade and other receivables, related entirely to the higher-quality rough emerald auction held in December 2025. As at the issuance date of this report, all outstanding auction receivables had been collected.

Inventory decreased by USD 31.3 million to USD 82.7 million at 31 December 2025 (31 December 2024: USD 114.0 million). Jewellery inventory reduced by USD 21.8 million following the sale of Fabergé. Emerald inventory also decreased due to higher sales volumes at Kagem, which increased cost of goods sold, combined with lower mining and production costs capitalised to inventory during the period of suspended mining. These reductions were partly offset by higher ruby inventory following the deferral of the December 2025 auction.

IN THOUSANDS OF USD	2025	2024
Rough inventory	24,984	49,235
– emeralds and beryl		
Rough inventory	36,085	19,806
– rubies and corundum		
Jewellery	3,729	25,554
Cut and polished gemstones	2,300	3,213
Spares and consumables	15,562	16,220
Total inventory	82,660	114,028

Trade and other receivables, excluding the auction receivables of USD 20.5 million, primarily consist of USD 0.9 million of non-auction trade receivables (31 December 2024: USD 3.1 million), USD 13.0 million of short-term VAT receivables (31 December 2024: USD 25.9 million) predominantly at MRM and Kagem, related-party receivables of USD 2.7 million (31 December 2024: USD 1.4 million) held with Mwiriti, USD 4.7 million of prepayments (31 December 2024: USD 6.5 million), USD 0.7 million of deferred consideration from the sale of Fabergé due within one year, with the remainder mainly comprising deposits paid. Total short-term and long-term VAT receivables of USD 43.0 million (31 December 2024: USD 38.1 million) are mainly the consequence of delayed processing and repayment of claims by the Zambian and Mozambique tax authorities.

The current tax receivable is USD 9.3 million (31 December 2024: USD 7.9 million), which is primarily due to payments on account made by MRM in 2024 following strong results in 2023, which exceeded the taxation charge for that year. Furthermore, the estimated taxation charge for 2025 is lower due to reduced revenues for the year. The Group calculated the income tax credit and tax recoverable for the year using the tax rate that would be applicable to the expected total annual earnings.

Liabilities

IN THOUSANDS OF USD	2025	2024
Deferred tax liability	34,871	50,753
Non-current borrowings	30,000	45,000
Non-current lease liabilities	2,353	3,231
Provisions	3,414	3,578
Other non-current payables	2,547	4,175
Total non-current liabilities	73,185	106,737
Trade and other payables	38,926	41,580
Current borrowings	73,342	56,275
Current lease liabilities	732	1,017
Provisions	2,641	2,848
Total current liabilities	115,641	101,720
Total liabilities	188,826	208,457

The deferred tax liability arises from the evaluated mining property and inventory at Kagem and MRM recognised on the IFRS 3 Business combinations fair value uplift on the acquisition of Gemfields Limited by the former Pallinghurst Resources Limited (now Gemfields Group Limited) in 2017.

Trade and other payables have remained broadly flat, decreasing by USD 2.7 million to USD 38.9 million as at 31 December 2025. Total provisions of USD 6.1 million (31 December 2024: USD 6.4 million) include USD 3.2 million (31 December 2024: USD 3.2 million) of environmental provisions for the rehabilitation and restoration of mined areas at Kagem and MRM, USD 1.0 million (31 December 2024: USD 1.0 million) of resettlement action plan provisions at MRM and USD 1.9 million (31 December 2024: USD 2.2 million) of other provisions for future legal claims and fees, including the OGM scheme.

Borrowings and Net Cash

IN THOUSANDS OF USD	2025	2024
Cash and cash equivalents	64,053	20,844
Borrowings	(103,342)	(101,275)
Net debt	(39,289)	(80,431)

Net debt decreased to USD 39.3 million as at 31 December 2025, compared to USD 80.4 million at 31 December 2024, driven by proceeds from the Rights Issue and the sale of Fabergé. As at 31 December 2025, the Group held USD 103.3 million in borrowings, representing a modest increase of USD 2.0 million from 31 December 2024. Further details on borrowings are provided in the "Cash Flows" section of this Finance Review.

GOING CONCERN

The 2025 Consolidated Financial Statements have been prepared on a going concern basis. The Group's base case model for the period to September 2027 shows that the Group has sufficient funds to meet its liabilities, as and when they fall due, throughout this period. The successful completion of the Rights Issue and sale of Fabergé in 2025 have materially improved the Group's liquidity position, reinforcing its expectation of continued operations through the going concern period and confidence in its ongoing viability, despite market challenges.

CAPITAL ALLOCATION PRIORITIES AND DIVIDEND POLICY

The Group defines its capital allocation priorities as managing debt, organic and inorganic investments and capital returns, and is assessed these on an ongoing basis.

As approved by the Board on 23 March 2023, Gemfields' dividend policy aims to provide regular returns of capital when the business performance and market conditions allow, at the Board's discretion and following assessment of Gemfields' capital allocation priorities.

SUMMARY AND OUTLOOK

2025 was a challenging year, with lower revenues only partly offset by disciplined cost control. The Rights Issue and the disposal of Fabergé materially improved liquidity and reduced net debt, but balance sheet resilience remains a priority.

Looking ahead, final commissioning of MRM's second ruby processing plant remains the Group's key operational priority and will materially increase processing capacity. The new plant will also enable broader exploration of the MRM licence area. The Group remains focussed on operational efficiency and capital discipline. Whilst market conditions remain uncertain, underlying demand for high-quality gemstones, improving pricing trends and a stronger balance sheet support a cautiously optimistic outlook for 2026.

DAVID LOVETT

Chief Financial Officer

Operations Review

MRM (Mozambique)

Montepuez Ruby Mining (“MRM”) is accessing the Montepuez ruby deposit, which is in north-east Mozambique within the Cabo Delgado province, with a licence that covers an area of 349 square kilometres. MRM is the largest known producing ruby mine in the world, supplying approximately 50% of the global supply of faceted-quality rubies.



AREA COVERAGE (KM²)

349

APPROX. GLOBAL RUBY SUPPLY

50%

GEMFIELDS OWNERSHIP

75%



KARTIKEYA PARIKSHYA
Managing Director, Mozambique

“MRM’s 2025 performance reflects operational difficulties amid a challenging environment. The decline in premium ruby production seen last year reversed in H1 and has since stabilised, albeit below the highs of prior years. Despite a stable market with resilient demand and pricing for fine-quality rubies, overall revenue and production for 2025 were disappointing.

Progress on bringing PP2 into steady, reliable operation remained slow during the period, and the plant is not expected to reach full operational status in the first half of the year. It continues to face recurring faults and requires ongoing optimisation work. While PP2 is ultimately intended to process around 400 tonnes per hour and strengthen operational resilience, these benefits are unlikely to materialise fully in the first half of 2026. In parallel, mining in a newer area of the deposit continued to yield secondary-type rubies with different characteristics; although generally well received by customers, this shift reflects the broader challenge of lower premium-quality production.

Security conditions were demanding. Illegal mining activity intensified and culminated in the tragic deaths of two police officers at the concession gate. MRM continues to work closely with local and national authorities to address illegal activity and to safeguard our people, contractors, and neighbouring communities.

From a revenue perspective, the postponement of the December auction weighed on the year’s outcome. Looking ahead, 2026 will be a consolidating year focussed on optimising the performance of PP2, restoring the auction schedule, maintaining strict cost discipline and preserving capital flexibility.”

LOCATION	Cabo Delgado province, Mozambique
INCEPTION BY GEMFIELDS	November 2011
OWNERSHIP STRUCTURE	75% Gemfields 25% Mwiriti Limitada (local partner)
GEMSTONES	Ruby and corundum
MINING METHOD	Shallow open-pit mechanised mining
CURRENT LIFE OF MINE	5 years to 2030 – 1.5% of licence area currently in LoM ¹

¹ Incorporates the second processing plant at MRM running at full capacity from February 2026. Management is confident that through further exploration, the life-of-mine will be extended in future reports.

2011

Inception by Gemfields in November 2011



OPERATIONS REVIEW CONTINUED



CASE STUDY

Second processing plant (“PP2”)

- **Timing:** Commissioning ongoing
- **Objective:** Unlock MRM’s processing bottleneck, by tripling processing capacity from 200 tonnes per hour to 600 tonnes per hour.
- **Rationale:** Allowing MRM to process its sizeable stockpile, bring to market additional size and colour variations of rubies and explore and expand into its substantially untapped licence area.
- **Capital expenditure value:** USD 70 million.

As previously announced, Gemfields entered into a lumpsum turnkey (“LSTK”) contract with Consulmet (Africa) Limited (“Consulmet”) to construct an additional processing plant at MRM’s ruby mine in Mozambique. The contract was signed on 7 August 2023, with construction beginning shortly afterwards in September 2023. The contract is based on industry standard International Federation of Consulting Engineers (“FIDIC”) terms, with MRM’s payment obligations agreed in South African Rand, and equating to approximately USD 70 million (at foreign exchange rates at signing and excluding VAT and government levies).

70% of this capital cost was paid by the end of 2024. 24% was paid in 2025, with the remaining 6% outstanding and is expected to be paid on final commissioning.

To fund the capital expenditure, a USD 30 million loan agreement with BCI was signed in May 2024, and a USD 25 million facility with ABSA was signed in October 2024. MRM expects an expansion of its mining fleet and capacity starting from 2027 to match the increased processing power from PP2, and accordingly is weighing various options as the business manages its cash in 2026.

The first revenues generated from rubies produced by PP2 were delivered in the February 2026 ruby auction.

HEALTH AND SAFETY

The safety and health of MRM’s employees and contractors is its first priority. Its commitment to safe and responsible mining goes beyond its organisational and legal obligation.

In 2025, MRM continued to engage proactively in enhancing the HSE culture among its operations by empowerment of the nominated Safety Representatives through training, Safety Committee meetings, increasing daily HSE inspections and the HSE team’s footprint on the floor. The MRM HSE team focussed on deploying the HSE plans throughout MRM with an emphasis on inculcating the safety culture through execution and ownership.

In October 2025, an external Integrated Management Safety (“IMS”) surveillance audit was carried out to ensure continued compliance with IMS standards (ISO 9001:2015, ISO 14001:2015, and ISO 45001:2018). MRM was recommended for continued certification.

As at end of December 2025, MRM had a 12-month rolling average Lost Time Injury Frequency Rate (LTIFR) of 0.47 against the global benchmark of 0.85. MRM had two LTI in the year, of which one occurred to a contractor and the other to an MRM employee. Each LTI is investigated to identify learnings and inform the actions to be taken for future prevention.

MINING AND PROCESSING

The mining operations at MRM comprise several shallow open-cast pits split between three main operating areas: the Mugloto Block, the Maninge Nice Block and the Glass Block. Since it is a shallow alluvial deposit, drilling and blasting are not required in the mining process. Mining is carried out as a mechanised open-pit operation utilising excavators, loaders, articulated dump trucks and associated ancillary equipment. Loaded trucks haul ore to stockpiles adjacent to the processing plant while the majority of waste is backfilled into mined-out areas, which are then revegetated, thereby returning the area to its natural aesthetic in a continuous process.

During 2025, 55% of ore production occurred in Mugloto pit, with 36% in Maninge Nice Secondary and 9% in Glass.

MRM has a considerable stockpile of unprocessed ruby-bearing ore, estimated to be 1.45 million tonnes, which would take five months of dedicated processing in both plants at the planned processing rate to exhaust the stockpile.

 Details on MRM’s geology and exploration can be found in the Summary Resources and Reserves Statement available from pages 46 to 55.

MINING AND PROCESSING

	2025	2024	% CHANGE
Total rock handling – <i>in thousand tonnes</i>	6,843	7,970	(14%)
Waste mined – <i>in thousand tonnes</i>	5,623	7,045	(20%)
Ore production (primary and secondary) – <i>in thousand tonnes</i>	1,220	926	32%
Ore processed (primary and secondary) – <i>in thousand tonnes</i>	1,391	1,072	30%
Stripping ratio	4.1	6.5	(37%)

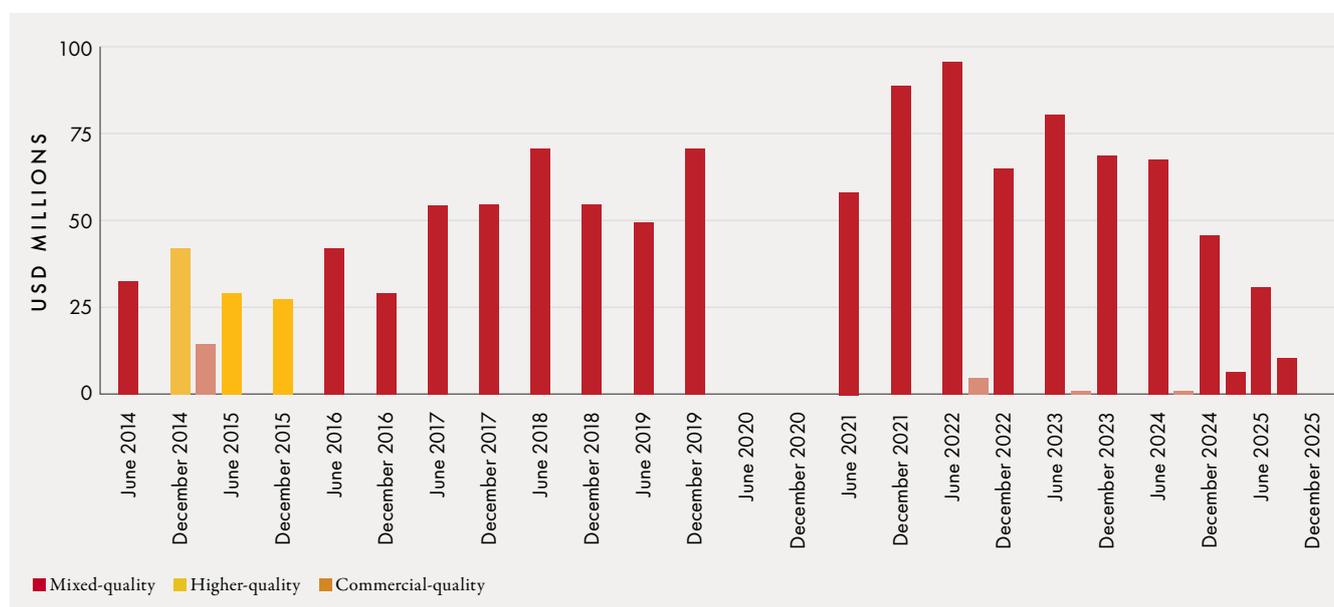
GEMSTONE PRODUCTION

	2025	2024	% CHANGE
Premium ruby – <i>in carats</i>	76,646	40,006	92%
Total ruby and corundum – <i>in carats</i>	2,698,642	1,561,443	73%
Grade (ruby and corundum/ore processed) – <i>in carats/tonnes</i>	1.94	1.46	33%

From June to December 2024 there was a considerable increase in low sapphire carats recovered, with a eight-fold increase in the average month production compared with January to May 2024 (average 129 thousand carats vs 14 thousand carats), materially improving the overall grade reported. Low sapphire is the lowest quality produced at MRM and therefore generates limited revenue.

REVENUE

All Ruby and Corundum Auctions held by MRM since incorporation



OPERATIONS REVIEW CONTINUED

AUCTIONS HELD IN 2025

AUCTION RESULTS	APR '25 AUCTION	JUN '25 AUCTION	OCT '25 AUCTION
Dates	20 Apr – 25 Apr 2025	2 Jun – 13 Jun 2025	29 Sep – 03 Oct 2025
Location	Bangkok / Online	Bangkok / Online	Bangkok / Online
Type	Mini – Rough Ruby	Rough Ruby (Higher, Medium and Commercial Quality), no Low Ruby or Corundum	Mini – Rough Ruby
Carats offered	250,004	99,830	297,449
Carats sold	182,003	68,705	184,418
No. of companies placing bids	31	47	32
No. of lots offered	21	90	33
No. of lots sold	20	78	26
Percentage of lots sold	95%	87%	79%
Percentage of lots sold by weight	73%	69%	62%
Total sales realised at auction	USD 7.2 million	USD 31.7 million	USD 11.0 million
Average per carat sales value	USD 39.47/carat	USD 461.48 /carat	USD 59.43/carat

In 2025, MRM held two mini auctions and one mixed-quality auction and generating a total of USD 49.9 million. The 28 auctions of MRM rubies held since June 2014 have generated USD 1.22 billion in total revenue.

The auction lots were made available for in-person and private viewings by customers in Bangkok, Thailand.

Following the viewings, the auctions took place via an online auction platform specifically adapted for Gemfields, which permitted customers from multiple jurisdictions to participate in a sealed-bid process.

The proceeds of these auctions were fully repatriated to MRM in Mozambique, with all royalties due to the Government of the Republic of Mozambique being paid on the full sales price achieved at the auction.



CASE STUDY

Solar plant project

The development of an on-site solar plant remains a key long-term objective for MRM. Since the operationalisation of PP2, it has been possible to re-do the techno-economic assessment based on the actual consumption profile. This work is ongoing. Presently the project scope remains unchanged: an 8 MWp solar plant combined with an 18 MWh battery energy storage system (BESS) intended to serve as the primary power source for ruby production facilities, providing cheaper, lower-carbon electricity. Heads of terms with Source Capital and Prosolia remain in place for the design and installation of the system on a 40-hectare site on the MRM concession.

During the second half of the year, there was no material change to the project status. The final technical, commercial and legal review to determine whether to proceed to signing the Power Purchase Agreement (“PPA”) and commence installation is ongoing. Timing for PPA execution and mobilisation will be confirmed following completion of this review.

PROTECTION SERVICES

Following the civil unrest triggered by the presidential election in late 2024, MRM experienced a marked increase in illegal mining activity within its licensed areas. The number of illegal miners encroaching on MRM's concession fluctuated between 600+ and a peak of over 1,500 individuals in a single day in April 2025. In April 2025, law enforcement agencies, supported by a contingent of approximately 250 personnel mobilised by the local government, launched an operation to dismantle illegal mining syndicates in the Montepuez district and specifically within MRM's concession area. This operation achieved notable success, resulting in a substantial reduction in incursions. Nevertheless, illegal mining remains an ongoing challenge for MRM.

During the second half of the year, illegal miners increasingly targeted critical infrastructure, including elements of the plant's water system. These attempts have been halted following targeted protective measures, and the affected systems have been secured. Illegal miners also damaged several Light Motor Vehicles (LMVs) and Heavy Motor Vehicles (HMs) during the year. While no injuries to employees were reported, we regret to report that two police officers were fatally attacked at the concession gate during the period, following violent protests by the illegal miners from a neighbouring village against an earlier operation of the law enforcement agencies. MRM continues to cooperate fully with the authorities.

Although insurgent activity remained distant from MRM's concession, insurgent movements were intermittently recorded approximately 30–40 kilometres from site during March and July 2025. The Forces for the Defence of Mozambique (FADM) deployed on-site responded effectively, maintaining control of the area and ensuring the continued safety and security of MRM's operations. Insurgent activity has not moved closer to the mine.

MRM continues to coordinate closely with local, provincial and national authorities to deter illegal mining, protect critical infrastructure, and safeguard employees, contractors, and neighbouring communities. Security measures, protocols, and monitoring remain under continuous review.

HUMAN RESOURCES

As at 31 December 2025, 1,564 people including 101 females were employed by MRM of whom 95% are local to Mozambique, with 747 directly employed and 817 employed as contractors.



Operations Review

Kagem (Zambia)

Kagem Mining Limited (“Kagem”), one of the world’s largest emerald producing mines accounts for approximately 25% of global emerald production. Kagem holds an asset portfolio of ten mining licences in Zambia, with the primary operating pits being Chama (strike length of over 2.3 kilometres), Chibolele (strike length of 550 metres) and Fibolele (strike length of 630 metres).



AREA COVERAGE (KM²)

42

APPROX. GLOBAL EMERALD SUPPLY

25%

GEMFIELDS OWNERSHIP

75%



CV SURESH
Managing Director, Zambia

“Kagem’s performance in 2025 reflects both the resilience of our operations and the disciplined approach adopted in response to challenging market dynamics. As outlined in our interim update, mining activities were temporarily paused from 1 January 2025, with the operation focussed solely on processing existing ore stockpiles through the upgraded wash plant. This difficult but prudent decision enabled the business to conserve cash while responding responsibly to uncertainty in the emerald market.

Stockpile processing during the first half of the year delivered carat volumes broadly in line with expectations. However, as anticipated, the proportion of premium-quality emeralds recovered was lower than that historically achieved through active mining. Encouraging improvements in market sentiment—supported by strong commercial-quality auction results in April 2025—provided the confidence required to recommence focussed open-pit mining in May. Two key production points in the Chama-FF pit were reopened with an emphasis on selective, low-waste mining to target higher-quality production.

Since the restart, the performance of these focussed production points has been very encouraging. Production levels seen throughout the second half of the year have demonstrated both the geological potential of the Chama-FF pit and the effectiveness of Kagem’s disciplined mining strategy. From July onwards, activities were further expanded through the addition of a third production area and the commencement of targeted waste removal to access future ore zones, while stockpile processing continued in parallel at the wash plant.

Importantly, market conditions have continued to strengthen. The two most recent emerald auctions have signalled a return to robust pricing, with demand for premium-grade material remaining healthy. This recovery provides cautious optimism as we look ahead.

Notwithstanding this improvement, the Group remains acutely focussed on cost discipline and capital allocation. Any further expansion of mining activities will be carefully aligned with market demand and undertaken only where justified by both operational requirements and long-term value considerations.

Kagem’s performance following the recommencement of mining, combined with signs of renewed confidence in the broader emerald market, supports our measured approach. We enter 2026 with stability restored, a strengthened understanding of our operational flexibility, and a continued commitment to responsible, value-driven growth.”

LOCATION	Copperbelt Province, Zambia
ACQUISITION BY GEMFIELDS	June 2008
OWNERSHIP STRUCTURE	75% Gemfields 25% Government of Zambia (through Industrial Development Corporation – IDC)
GEMSTONES	Emerald and beryl
MINING METHOD	Deep open-pit (up to 160 metres)
CURRENT LIFE OF MINE	19 years to 2044

2008

Acquired by Gemfields in 2008



OPERATIONS REVIEW CONTINUED

HEALTH AND SAFETY

Kagem's priority has always been the health and safety of its employees and contractors' employees. Its commitment to safe and responsible mining goes beyond its organisational and legal obligation. It continues to champion a "Zero-Harm" culture – a culture free of injury and damage to the environment in its mining operations. This is extended to business partners (suppliers, contractors and visitors).

In May 2025, Kagem was awarded a prestigious safety award by the Government Republic of Zambia's Mines Safety Department, recognising its achievement of over 10 million LTI-free hours. Kagem's zero-injury record continues to set the standard for responsible mining with 12,196,976 hours without lost time injury (3 years 11 months) as of 31 December 2025.

In October 2025, Kagem received the "Best Mine in Safety" award from Zambia's Ministry of Mines and Minerals Development for the second consecutive year, recognising its exemplary safety culture and commitment to a zero-harm working environment, thus strengthening its position as a safety benchmark within the mining sector.

Malaria has been a challenge with a larger number of cases in the first half of the year following a heavier rainy season in 2024-25. A successful spray program against mosquitoes was completed in November 2025 and ongoing fogging is done regularly in camp during the rainy season with a focus on prevention and effective treatment.

Kagem successfully renewed three International Organisation for Standardisation (ISO) certifications: ISO 14001:2015 (Environmental Management System), ISO 45001:2018 (Occupational Health and Safety Management System) and ISO 9001:2015 (Quality Management System), following the required three-year audit cycle. Kagem also earned a new certification: ISO 27001:2022 in Information Security Management System, demonstrating its commitment to safeguarding information and cybersecurity.

MINING AND PROCESSING

Kagem's mining operations are centred around three main deep open-pit mines. The largest and most advanced of these is Chama-FF, which has traditionally accounted for the bulk of Kagem's emerald production. Chibolele and Fibolele are considerable in size but less developed.

To expose the emerald-bearing zones, blasting and waste removal occurs. The emerald-bearing zones are then checked through by hand to recover the largest and most valuable emeralds and transferred to the sorting house for sorting and grading. The remaining ore is then put through the washing plant to recover further gemstones.

MINING

The challenging market conditions in the second half of 2024 led management to make the difficult but necessary decision to suspend open-pit mining from 1 January 2025 and instead focus on processing existing ore from Kagem's significant ore stockpiles. Management remained dynamic to changing market conditions in the first half of the year, making the decision to restart focussed open-pit mining from May 2025. This phased approach of restarting operations allowed a smooth transition to the resumption of mining activities from July 2025 at the Chama-FF pit.

For the second half of the year, mining activities remained scaled back in comparison to 2024. Chama-FF pit accounted for 100% of waste and ore mining in 2025, with Chibolele, Fibolele and Kamakanga temporarily put on hold. Despite this, ore production and total rock handling were in line with management plan. As Kagem moves forward into 2026, supported by improved market conditions, management will remain flexible and responsive, adjusting the pace and scale of mining activities accordingly.

 Details on Kagem's geology and exploration can be found in the Summary Resources and Reserves Statement available from pages 46 to 55.

PROCESSING

Kagem has a considerable stockpile of unprocessed emerald-bearing ore, estimated to be 540 thousand tonnes at 31 December 2025 (31 December 2024: 782 thousand tonnes), which accounts for around 60 months of processing in the wash plant, if processed at the current processing rate (taking into consideration that high quality ore from the pit is treated as priority).

During the first half of the year, the ore stockpile was being utilised as the sole source of emerald ore while mining activities were suspended. To optimise production during the suspension period, an additional shift (night shift) at the wash plant was introduced from January 2025.

The historic stockpiles have proven a good level of emerald recovery, with the grade achieved and total carats being in line with managements' expectation. As such, it was decided to continue to run the additional shift at the wash plant during the second half of 2025 to supplement the reduced level of mining activity planned. Management plans to continue to run the third shift during 2026, to further reduce the size of the stockpile and fully utilise the wash plant capacity. Total processing during 2025 was 250.4 thousand tonnes, at 51 tonnes per hour (2024: 169.4 thousand tonnes at 44 tonnes per hour).

	2025	2024	% CHANGE
Mining			
Total rock handling – <i>in thousand tonnes</i>	2,923	17,264	(83%)
Waste mined – <i>in thousand tonnes</i>	2,846	16,948	(83%)
Ore production (reaction zone) – <i>in thousand tonnes</i>	77	316	(76%)
Stripping ratio	35	48	(27%)



CASE STUDY

Imboo, the ‘Buffalo’

In 2025, Kagem announced the discovery of Imboo, a remarkable emerald weighing 2.337 kilograms (11,685 carats), making it the latest and largest exceptional gemstone recovered from the Chama-FF pit.

This milestone follows earlier discoveries of extraordinary emeralds, including the 6,225 carat Insofu (the ‘elephant’ 2010); the 5,655 carat Inkalamu (the ‘lion’ 2018); and the 7,525 carat Chipembele (the ‘rhino’ 2021).

The recovery of Imboo underscores the expertise and precision of Kagem’s team, who employ gentle, hand-based extraction methods to safeguard crystal integrity while minimising environmental impact.

Kagem introduced Imboo (‘Buffalo’) at its high-quality emerald auction, held from 25 August to 11 September 2025, with all proceeds repatriated to Zambia. This discovery further strengthens Kagem’s reputation for producing some of the world’s largest and finest emeralds.

GEMSTONE PRODUCTION

	2025	2024	% CHANGE
Gemstone Production			
Premium emeralds – <i>in carats</i>	175,503	159,351	10%
Total emerald and beryl – <i>in carats</i>	32,661,201	40,256,031	(19%)
Grade (emerald and beryl/reaction zone) – <i>in carats/tonnes</i>	421.8	127.49	231%

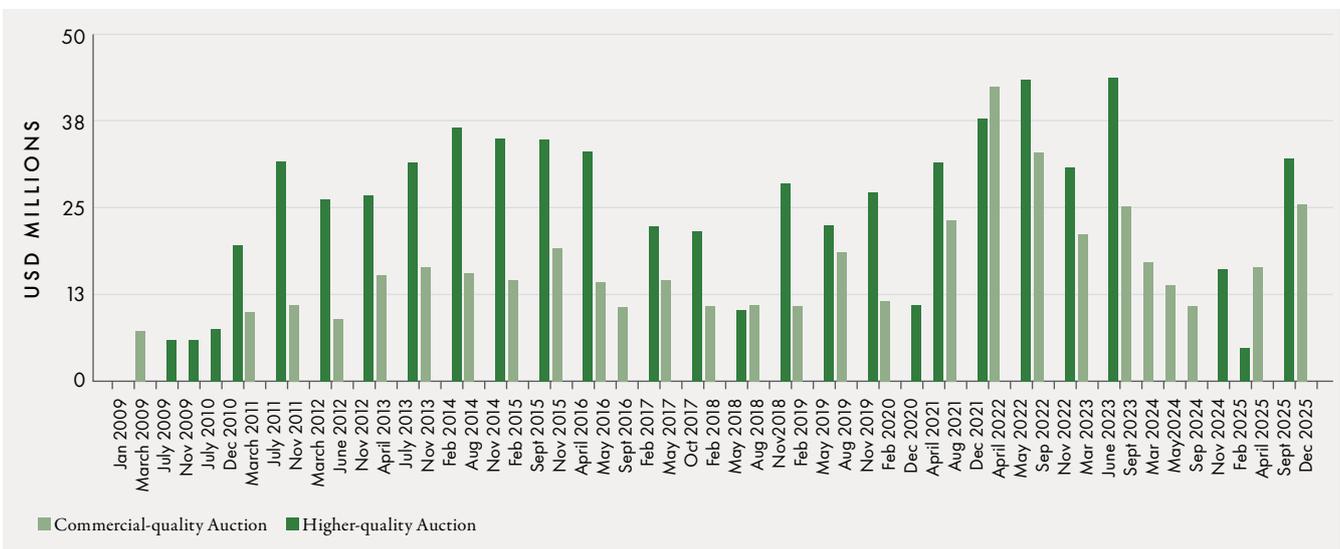
The 19% reduction in total gemstone production in the year was expected due to the reduction in mining across 2025. However, it was not directly correlated to the lower ore production in the year due to the addition of the third shift at the wash plant.

Premium emerald production achieved, however, was 10% above 2024, resulting from mining activity being in a high-yielding area in accordance with the mine sequencing for Chama-FF pit. This variability in premium emerald production demonstrates the uneven nature of emerald production.

The grade achieved in 2025 of 421.8 carats per tonne met expectations but was skewed due to the low ore mining in 2025 and therefore should not be compared to 2024.

REVENUE

All Emerald and Beryl auctions held by Kagem since acquisition



OPERATIONS REVIEW CONTINUED

AUCTIONS HELD IN 2025

AUCTION RESULTS	FEB '25 AUCTION	APR '25 AUCTION	SEP '25 AUCTION	DEC '25 AUCTION
Dates	19 – 21 Feb 2025	11 - 29 Apr 2025	25 Aug – 11 Sep 2025	17 Nov – 04 Dec 2025
Location	Bangkok, Thailand / Online	Jaipur, India / Online	Bangkok, Thailand / Online	Jaipur, India / Online
Type	Sale of previous unsold Higher Quality	Commercial Quality	Higher Quality	Commercial Quality
Carats offered	59,192	3,029,690	199,103	3,656,830
Carats sold	45,864	2,388,190	199,103	3,406,830
No. of companies placing bids	23	50	65	55
No. of lots offered	13	36	38	46
No. of lots sold	10	32	38	45
Percentage of lots sold	77%	89%	100%	93%
Percentage of lots sold by weight	77%	79%	100%	98%
Total sales realised at auction	USD 4.8 million	USD 16.4 million	USD 31.9 million	USD 25.3 million
Average per carat sales value	USD 105.49 / carat	USD 6.87 / carat	USD 160.21 / carat	USD 7.43 / carat

Kagem held its first auction of 2025 in February. This auction was not in line with Kagem's usual auction schedule and consisted exclusively of 13 previously unsold higher-quality emerald lots from the November 2024 auction. This approach was taken in response to the surprise 15% export duty imposed by the Government of Zambia on 1 January 2025, which halted Kagem's ability to export emeralds economically. This auction generated revenues of USD 4.8 million, with an average sales price of USD 105.49 per carat.

The export tax was revoked by the government in February 2025, following which Kagem held one higher-quality auction and two commercial-quality auctions generating a total of USD 73.6 million. Since the first auction in July 2009, Kagem has held 53 auctions of emerald gemstones, generating USD 1.15 billion in total revenues.

All auction lots were made available for in-person and private viewings by customers in Bangkok, Thailand for the higher-quality auctions and in Jaipur, India for commercial-quality auctions. Following the viewings, the auctions took place via an online auction platform specifically adapted for Gemfields, which permitted customers from multiple jurisdictions to participate in a sealed-bid process.

The proceeds of these auctions are fully repatriated to Kagem in Zambia, with all royalties due to the Government of the Republic of Zambia being paid on the full sales price achieved at the auction.

PROTECTION SERVICES

During the period, patrolling and surveillance within the licence area remained the focus, with an aim to reduce the incursions of illegal miners and theft cases in line with VPSHRs.

HUMAN RESOURCES

As at 31 December 2025, 1,262 people were employed by Kagem of whom 92% are local to Zambia, with 962 directly employed and 300 employed by contractors.



Goldsmiths x Gemfields Capsule Collection.
Image courtesy of Goldsmiths, featuring Gemfields Zambian emeralds.

OPERATIONS REVIEW CONTINUED

Developmental Assets

Rubies (Mozambique)

Gemfields has interests in various mining and development licences surrounding the main ruby producing MRM licence.



KARTIKEYA PARIKSHYA
Managing Director, Mozambique

“Throughout 2025, the Group concentrated capital and operating resources on completing the second Processing Plant (“PP2”) at Montepuez Ruby Mining (“MRM”). In light of capital constraints, developmental projects across the Mozambique portfolio received no meaningful expansion investment during the year. Activity at Eastern Ruby Mining (“ERM”) was limited to core, essential workstreams with discretionary capital expenditure paused.

Plans for further development and revenue generation at ERM and other ruby development licences, initially targeted for 2025, remained deferred as the Group prioritised the delivery of PP2 at MRM. A strong on-site presence and security apparatus have been maintained at the developmental assets to safeguard operations, preserve licences and asset integrity while financial investment remains focussed on MRM.”

LOCATION	Cabo Delgado province, Mozambique
GEMSTONES	Ruby and corundum
MINING METHOD	Shallow open-pit (typically 2-5 metres)

ENTITY	LICENCE	OWNERSHIP	LICENCE VALIDITY	LICENCE SIZE
ERM	8277C – Mining licence	80% Gemfields 20% Taibo Mucobora	16 years to Nov, 2041	116km ²
CDJ	7427C – Mining licence		17 years to Jun, 2042	74km ²
NCDJ1, 2, 3	6114L, 9059L, 9060L – Prospecting licence	100% Gemfields	Under renewal (since Feb 2024)	383km ²
MML	7057C – Mining licence	75% Gemfields	14 years to Dec 2039	155km ²
NMML	7049C – Mining licence	25% EME Investments SA, Mozambique	14 years to Sep, 2039	191km ²

Gold (Mozambique)

NAIROTO RESOURCES LIMITADA ("NRL")

Nairoto is a joint venture between Gemfields Ltd (75%) and Mwiriti Lda (25%), the Group's existing partner in MRM. The company became fully functional in January 2020. NRL is the beneficial owner of 12 licences (6 Mining and 6 Exploration) located about 30 kilometres to the north of the MRM concession, covering an area of 1,958 square kilometres. The licences hold exploration potential for gold (both primary and secondary), ruby and allied minerals.

Following the Group's decision to withdraw non-core projects, the NRL project has been wound up with all employees either being relocated to other Group projects or terminated in line with local regulations over the course of the year. A small contingent of police had maintained a security presence in the camp and at the TL5

area in an effort to keep the project open for potential investors and to deter illegal miners from inundating the license area. The camp was finally closed in November 2025 after all moveable assets were removed. Efforts were made to find a buyer for the project; however no firm candidates have emerged thus far despite initial interest from a number of parties. The updated mineral resource estimate was received from SRK in August after several months' delay. The total resource base remained by and large the same, while the additional exploration input and the updated CPR served to convert over 80% of the resource from inferred to indicated category, which will potentially provide increased confidence in the deposit for aspiring investors. The full report is available for download on the Company's website. The Company is reviewing its options with regard to the licenses and the Joint Venture.

Sapphires (Madagascar)

ORIENTAL MINING SARL

Oriental Mining SARL, a 100% subsidiary of Gemfields, holds a number of concessions for a range of minerals, including emerald and sapphire.

Gemfields' plans to establish its physical presence in Madagascar are currently on hold as the Group conserves cash to enhance balance sheet strength.

Emeralds (Ethiopia)

WEB GEMSTONE MINING PLC ("WGM")

Gemfields owns 75% of Web Gemstone Mining plc ("WGM"), a company that holds a 148.6 square kilometre emerald exploration licence in southern Ethiopia.

Gemfields is assessing its options in relation to its licences in Ethiopia, including the potential disposal as part of the Group's focus on simplifying its asset portfolio. There are no near-term ambitions to return to the region or restart operations due to on-going regional instability.

Gemstone Resources and Reserves Summary

This section is a condensed overview of GGL's Gemstone Resources and Gemstone Reserves Report 2025, which contains a comprehensive review of the Gemstone Resources and Gemstone Reserves for Kagem and MRM as at 31 December 2025 and details the location, geology, mining, processing and operational statistics at Kagem and MRM. The complete Gemstone Resources and Gemstone Reserves Report effective at 31 December 2025 and the Competent Person's Report ("CPR") for Kagem and MRM for 2019, from which the 2025 Report was compiled, are available online at www.gemfieldsgroup.com.

GGL's attributable Gemstone Resources and Gemstone Reserves are reported according to, and in compliance with, The South African Code for the Reporting of Exploration Results, Mineral Resources and Mineral Reserves (the SAMREC Code or SAMREC), 2016 edition, with special reference to sections 60 to 72 of SAMREC related to the reporting of results for diamond and other gemstone properties.

At the Effective Date of 31 December 2025, GGL's total attributable mineral resources amounted to 1,065 million carats (Mct) of combined emerald and beryl, with an average value of USD 2.51/ct. This represents an increase compared to previous years, driven by strengthened demand in the emerald market since the third quarter of 2025. The September and November 2025 auctions delivered robust performance results relative to Kagem's historical averages. In addition, GGL reported 491 Mct of ruby and corundum, with an average value of USD 22.98/ct (average 2014–2025). All Gemstone Resources are inclusive of the Gemstone Reserves.

COMPETENT PERSONS AND CONSENT

The Competent Persons ("CPs") in terms of SAMREC who take responsibility for the reporting of Gemstone Resources and Gemstone Reserves for Kagem and MRM in this report are respectively:

- Hemant Azad, Head of Geology, Kagem, PE & MSc (Geology), FAusIMM and MAIG, is the Competent Person responsible for reporting of Gemstone Resources and Gemstone Reserves at Kagem in this report. Hemant was Head of Geology with MRM until October 2021 before transferring to Kagem. He has more than ten years' relevant experience in this style of mineralisation.

The Competent Person's address is Kagem Mining Ltd, PO Box 21657, Plot 6374, Corner Dr. Aggrey and Kariba Roads, Light Industrial Area, Kitwe, Zambia.

- Murlidhar Gautam, Head of Geology, MRM, MTech (Applied Geology), MAusIMM, is the Competent Person responsible for reporting Gemstone Resources and Gemstone Reserves at MRM in this report. Murlidhar Gautam has over 24 years' experience in exploration and mining various commodities, including diamond, emerald, copper, bauxite and ruby. He has relevant experience in this style of mineralisation.

The Competent Person's address is Montepuez Ruby Mining Lda, Avenida Eduardo Mondlane, No. 178, Edificio Cruz Vermelha, Cidade De Pemba, Cabo Delgado, Mozambique.

The address of the Australasian Institute of Mining and Metallurgy is Ground/204 Lygon St, Carlton VIC 3053, Australia.

The CPs have confirmed to GGL in writing that the contents of this report are consistent with the CPR for Kagem and MRM and operational records for the period 1 July 2019 to 31 December 2025 and comply with the requirements of Section 14 of the JSE Listing Requirements and the SAMREC Code.

The CPs further consent to the disclosure of the 2025 Gemstone Resource and Gemstone Reserve Statement in the form and context in which it is presented.

This report contains statements of a forward-looking nature, which involve various uncertainties that may cause the actual results to differ materially from those presented.

Rounding off figures in this report may result in minor computational discrepancies. Where these occur, the CPs do not consider them to be material.

ABRIDGED REVIEW PER OPERATION

Kagem

Kagem is located in the Ndola Rural Emerald Restricted Area (“NRERA”) within the Kafubu area of the Zambian Copperbelt Province. Kagem operates in terms of a large-scale gemstone licence 14105HQ LSGL over an area of 42.4 square kilometres issued on 27 April 2010. The licence was renewed on 10 December 2019 for a further 25 years to 26 April 2045. A large-scale mining licence 8749HQ LML for the Chibolele mine was renewed on 30 August 2019 for 25 years and transferred to Kagem on 1 October 2019.

The emerald deposits are hosted by talc-magnetite schists (“TMS”) of the Muva Supergroup. The Gemstone Resources are reported within an optimised pit shell using the same input parameters as those in the mining study, but with a 30% mark-up on the anticipated prices to reflect an optimistic view. All grades quoted reflect beryl and emerald, expressed as carats per tonne.

Conventional open-pit mining using drill-blast-load-haul methods is done with Kagem-owned in-house fleet and a mix of directly-employed and contractor-provided labour.

Open-pit optimisations determined the economic pit shells were used for mine design and production scheduling.

The steeply dipping reaction zones (“RZs”) are mined using manual intensive methods with the assistance of hydraulic excavators under close supervision during daylight hours. All large and high-quality coloured gemstones are hand-sorted at the mining face and are placed in a drop-safe-type container that is tagged and closed with security-controlled locks. The remaining RZ material is loaded into trucks and transported directly to the processing facility.

The processing/wash plant (capacity 330 ktpa ore) processes RZ material mined directly from the open pit through a simple series of comminution, screening, washing and sorting facilities.

The wash plant products, together with the high-quality product recovered directly from the mine, are essentially hand-sorted in a secure sort house facility where gemstones are upgraded using manual methods to produce emerald (subdivided into premium emerald and emerald) and beryl (subdivided into beryl-1, beryl-2, specimen and fines categories).

The life-of-mine (“LoM”) plan provides for plant feed of 146 thousand tonnes per annum (“ktpa”) with an average feed grade of 194ct/t through to 2044. Kagem forecasts to recover 712 Mct over the LoM.

The auctions in 2025 realised USD 36.7 million from the sale of 0.25 Mct of higher-quality emeralds and USD 41.7 million from the sale of 5.79 Mct commercial-quality emeralds.

For the year ended 31 December 2025, Kagem recovered 32.7 Mct from 77 thousand tonnes (“kt”) of RZ ore at an average grade of 422ct/t.

The cash rock handling unit cost for 2025 was USD 12.96/t ore (2024: USD 3.32/t).

 Further details on Kagem’s performance in 2025 are available in the Operations Review on pages 38 to 42.



GEMSTONE RESOURCES AND RESERVES SUMMARY CONTINUED

KAGEM GEMSTONE RESOURCES AND GEMSTONE RESERVES ESTIMATES

The Kagem Gemstone Resources and Gemstone Reserves estimate (75% basis) for 31 December 2025 is set out below. Resources are reported at a bottom screen cut-off of 3 mm and are inclusive of the Gemstone Reserves. No Inferred Gemstone Resources are included in the LoM plans, which support the Gemstone Reserve declaration.

Kagem Attributable Gemstone Resource and Gemstone Reserve Estimate at 31 December 2025

GEMSTONE RESOURCE ATTRIBUTABLE TO GGL	TONNAGE (kt)	B+E GRADE (ct/t)	CONTAINED B+E (Mct)	GEMSTONE RESERVES ATTRIBUTABLE TO GGL	TONNAGE (kt)	B+E GRADE (ct/t)	CONTAINED B+E (Mct)
Chama				Chama			
Measured	60	282	17	Proved	48	187	9
Indicated	3,225	270	871	Probable	2,580	218	562
Total Measured + Indicated	3,284	270	887	Total Gemstone Reserve	2,627	217	571
Inferred	–	–	–				
Fibolele				Fibolele			
Measured	–	–	–	Proved	–	–	–
Indicated	76	160	12	Probable	61	139	9
Total Measured + Indicated	76	160	12	Total Gemstone Reserve	61	139	9
Inferred	900	160	144				
Libwente							
Measured	–	–	–				
Indicated	–	–	–				
Total Measured + Indicated	0	0	0				
Inferred	150	46	7				
Stockpiles				Stockpiles			
Measured	452	139	63	Proved	452	139	63
Indicated	–	–	–	Probable	–	–	–
Total Measured + Indicated	452	139	63	Total Gemstone Reserve	452	139	63
Inferred	–	–	–				
Chibolele				Chibolele			
Measured	350	160	56	Proved	280	128	36
Indicated	259	180	47	Probable	207	160	33
Total Measured + Indicated	608	169	103	Total Gemstone Reserve	487	142	69
Inferred	413	200	83				
Total M+I Gemstone Resources	4,421	241	1,065	Total Gemstone Reserves	3,627	196	712
Total Inf Gemstone Resources	1,463	160	233				

GEMSTONE RESOURCE GRADE AND VALUE	RECOVERED GRADE IN 2025 (ct/t)				2025 PARCEL VALUE (USD/ct)
	CHAMA	FIBOLELE	CHIBOLELE	LIBWENTE	
Premium Emerald	2.28	–	–	–	153.81
Emerald	125.25	–	–	–	7.09
Beryl-1	3.88	–	–	–	0.14
Beryl-2	4.20	–	–	–	0.01

Note: The 'Emerald' category is sold via three sales channels: higher-quality auctions, commercial-quality auctions, and Direct Sales. This price is the weighted average of (a) auction revenue per carat for 'Emerald' lots at higher-quality auctions, (b) auction revenue per carat for 'emerald' lots at commercial-quality auctions, and (c) Export prices per carat for Direct Sale 'Emerald' grades. For Beryl-1 the weighted average is based on the Direct Sale export prices per carat for Beryl-1 (<16mm) and Beryl-1 (>16mm). Kagem assumes an allowance of three months between a stone coming out of the ground and becoming available for auction (cleaning, grading, quality control, shipping, viewing, etc.), hence the auction revenue figures for the 12-month period from October 2024 to September 2025 were used.

The comparative Kagem Gemstone Resource and Gemstone Reserve estimate attributable to GGL (75% basis) at 31 December 2024 is set out on the following page. The key differences between the 2024 and 2025 attributable Gemstone Resource and Gemstone Reserve estimates are explained as follows:

Gemstone Resources:

- For Chama, the base data used was mining and production data. From July 2019 to December 2025, 967Kt of RZ has been mined, with 94 million carats produced, which caters confidence of the ore mineralisation pattern over the life of mine and gave reference for the upgrade of the resources in previous years.
- For Chibolele, the base data used was actual bulk sampling mining and production, where 341Kt of RZ has been mined, with 40 million carats produced carats from Dec 2017 to Dec 2024. This caters confidence of the ore mineralisation pattern over the life of mine and gave reference for the upgrade of the resources in previous years.

- No resource upgrades were undertaken. The year on year movement reflects ore depletion in Chama, as well as the depletion of Measured Gemstone Resources in surface stockpiles. This was primarily due to the suspension of mining activities and the processing of stockpile ore during the six month period from January to June 2025.

Gemstone Reserves:

- No increase in the Proved Gemstone Reserves in Chama.
- Maiden declaration of Proved and Probable Gemstone Reserves at Chama. Previous drilling confirmed the geological understanding, and the Measured Resources converted into Proved Reserves.
- Ore depletion in Chama and Chibolele and addition in Chama & Chibolele in Proved Gemstone Resources in surface stockpiles.



GEMSTONE RESOURCES AND RESERVES SUMMARY CONTINUED

Kagem Attributable Gemstone Resource and Gemstone Reserve Estimate at 31 December 2024

GEMSTONE RESOURCE ATTRIBUTABLE TO GGL	TONNAGE (kt)	B+E GRADE (ct/t)	CONTAINED B+E (Mct)	GEMSTONE RESERVES ATTRIBUTABLE TO GGL	TONNAGE (kt)	B+E GRADE (ct/t)	CONTAINED B+E (Mct)
Chama				Chama			
Measured	70	282	61	Proved	56	187	11
Indicated	3,228	270	879	Probable	2,583	218	563
Total Measured + Indicated	3,299	270	891	Total Gemstone Reserve	2,639	217	574
Inferred	–	–	–				
Fibolele				Fibolele			
Measured	–	–	–	Proved	–	–	–
Indicated	76	160	12	Probable	61	139	9
Total Measured + Indicated	76	160	12	Total Gemstone Reserve	61	139	9
Inferred	900	160	144				
Libwente							
Measured	–	–	–				
Indicated	–	–	–				
Total Measured + Indicated	–	–	–				
Inferred	150	46	7				
Stockpiles				Stockpiles			
Measured	586	139	81	Proved	586	139	81
Indicated	–	–	–	Probable	–	–	–
Total Measured + Indicated	586	139	81	Total Gemstone Reserve	586	139	81
Inferred	–	–	–				
Chibolele				Chibolele			
Measured	350	160	56	Proved	280	128	36
Indicated	259	180	47	Probable	207	160	33
Total Measured + Indicated	608	169	103	Total Gemstone Reserve	487	142	69
Inferred	413	200	83				
Total M+I Gemstone Resources	4,570	238	1,088	Total Gemstone Reserves	3,773	194	733
Total Inf Gemstone Resources	1,463	160	233				

GEMSTONE RESOURCE GRADE AND VALUE	RECOVERED GRADE IN 2024 (ct/t)				2024 ROM PARCEL VALUE (USD/ct)
	CHAMA	FIBOLELE	CHIBOLELE	LIBWENTE	
Premium Emerald	0.66	0.21	0.03	–	249.74
Emerald	38.20	21.96	11.60	–	4.67
Beryl-1	47.17	18.46	25.58	–	0.14
Beryl-2	53.44	32.28	56.50	–	0.01

Note: The 'Emerald' category is sold via three sales channels: higher-quality auctions, commercial-quality auctions, and Direct Sales. This price is the weighted average of (a) auction revenue per carat for 'Emerald' lots at higher-quality auctions, (b) auction revenue per carat for 'emerald' lots at commercial-quality auctions, and (c) Export prices per carat for Direct Sale 'Emerald' grades. For Beryl-1 the weighted average is based on the Direct Sale export prices per carat for Beryl-1 (<16mm) and Beryl-1 (>16mm). Kagem assumes an allowance of three months between a stone coming out of the ground and becoming available for auction (cleaning, grading, quality control, shipping, viewing, etc.), hence the auction revenue figures for the 12-month period from October 2023 to September 2024 were used.

M R M

MRM is located in Cabo Delgado province in northeastern Mozambique, approximately 170 kilometres west of Pemba. MRM is the world's single-largest producing ruby mine. The single mining licence 4703C Ref. 1588/CM/INAMI/2015 (combining the two initial licences 4702 and 4703) covering an area of 34,996 ha was issued by the Government of Mozambique to MRM in December 2015, valid until 11 November 2036.

The Montepuez ruby deposit is hosted by the Montepuez Complex, a strongly ductile-deformed, wedge-shaped, metamorphic terrane.

Ruby and corundum mineralisation is found in two styles: primary amphibolite, and a secondary gravel bed. The main source of rubies and corundum is secondary mineralisation, although mining has also occurred from the primary mineralisation. The gravel bed horizon is generally less than two metres thick, with an average thickness of 0.45 metres.

Grade control is constrained to visual inspection and mining of the mineralised zones is only undertaken during daylight hours. Geologists on site direct the mechanical loader from within the pit area to ensure that the gravel bed is mined correctly. An owner-operated fleet undertakes all material movement.

A processing plant including a scrubber, rated at 200 tph of RoM feed, and a dense medium separation plant ("DMS"), rated at 83 tph of washed -25 mm+1.6 mm material, was commissioned in December 2016. A new thickener was installed in 2019-20 to meet the operating capacity. The wash plant flowsheet incorporates wet scrubber screening to remove -1.6 mm solids, followed by a log washer to break up clay balls and a double deck wet screen to remove +25 mm stone fraction and -1.6 mm fines.

An additional processing plant is currently in the final stages of commissioning. This will increase the processing capacity from 200 tonnes per hour to 600 tonnes per hour.

 More details on MRM's second processing plant are available on page 34.

After washing and separation in the plant, the resulting gravity concentrate is sorted by hand in the high-security area under strict supervision incorporating automatic colour sorting machines.

The current life-of-mine ("LoM") plan production requires a ramp-up from 6.8 Mtpa total ore and waste to 10 Mtpa in 2026, with ore mining increasing to 3.7 Mtpa by 2027, and is projected to extend to 2030 (LoM of 5 years). The future LoM plan expects to achieve an overall stripping ratio of 3.2 over the LoM.

For the year ended 31 December 2025, MRM recovered 2.7 Mct from 1,391 kt ore at an average grade of 1.94 ct/t. The rock handling cash unit cost was USD 8.43/t in 2025 (2024: USD 8.03/t).

The auctions in 2025 realised USD 49.9 million from the sale of 0.43 Mct of mixed- and commercial-quality rubies.

 Further details on MRM's performance in 2025 are available within the Operational Review on pages 32 to 37, which also includes MRM's approach to corporate responsibility.



GEMSTONE RESOURCES AND RESERVES SUMMARY CONTINUED

MRM GEMSTONE RESOURCES AND GEMSTONE RESERVES ESTIMATES

The MRM Gemstone Resources and Gemstone Reserves estimate attributable to GGL (75% basis) at 31 December 2025 is set out below. Gemstone Resource grades are quoted with a bottom cut-off stone size of 1.6 mm and are inclusive of Gemstone Reserves. The stockpile grades are derived from the reported grades for the respective source materials.

No Inferred Gemstone Resources are included in the LoM plans, which support the Gemstone Reserve declaration.

MRM Attributable Gemstone Resource and Gemstone Reserve Estimate at 31 December 2025

GEMSTONE RESOURCE ATTRIBUTABLE TO GGL	TONNAGE (kt)	RECOVERED GRADE (ct/t)	CONTAINED (Mct)	GEMSTONE RESERVES ATTRIBUTABLE TO GGL	TONNAGE (kt)	RECOVERED GRADE (ct/t)	CONTAINED (Mct)
Maninge Nice				Maninge Nice			
Indicated – Primary	842	99.4	83.7	Probable – Primary	830	99.4	82.5
Indicated – Secondary	2,753	9.3	25.7	Probable – Secondary	2,726	9.3	25.5
Total Indicated	3,596	30.4	109.4	Total Probable Reserve	3,556	30.4	108.0
Inferred – Primary	180	97.9	17.7				
Inferred – Secondary	9,994	12.7	127.0				
Inferred – Total	10,174	14.2	144.7				
Mugloto				Mugloto			
Indicated – Primary	–	–	–	Probable – Primary	–	–	–
Indicated – Secondary	7,422	2.5	18.9	Probable – Secondary	7,422	2.5	18.9
Total Indicated	7,422	2.5	18.9	Total Probable Reserve	7,422	2.5	18.9
Inferred – Secondary	13,774	14.8	203.4				
Glass				Glass			
Indicated – Secondary	2,136	2.2	4.7	Probable – Secondary	2,136	2.2	4.7
Total Indicated	2,136	2.2	4.7	Total Probable Reserve	2,136	2.2	4.7
Inferred – Secondary	5,702	0.9	4.9				
Stockpiles				Stockpiles			
Indicated – Primary	12	100.1	1.2	Probable – Primary	12	100.1	1.2
Indicated – Secondary	1,078	2.3	2.5	Probable – Secondary ¹	1,078	2.3	2.5
Total Indicated	1,090	3.44	3.7	Total Probable Reserve	1,090	3.44	3.7
Total Indicated Gemstone Resources	14,245	9.6	136.7	Total Probable Gemstone Reserves	14,205	9.5	135.3
Natete*							
Inferred – Secondary	18,140	0.3	5.3				
Nathepo							
Inferred – Secondary	3,915	0.5	2.0				
Total Inf Gemstone Resources	51,706	7.0	360.6				

¹ Combination of material from Maninge Nice, Mugloto and Glass.

GEMSTONE GRADE AND VALUE	RECOVERED GRADE (ct/t)			AVERAGE PARCEL VALUE (2014–2025) ¹ (USD/ct)	AVERAGE PARCEL VALUE 2025 (USD/ct)
	MANINGE NICE	MUGLOTO	GLASS (1)		
Premium Ruby	0.090	0.032	0.035	1,227.37	1,403.16
Ruby	0.372	0.233	0.252	58.38	110.30
Low Ruby	0.142	0.030	0.105	3.36	4.32
Corundum	0.243	0.063	0.145	1.10	0.00
Sapphire	0.117	0.027	0.060	0.41	57.27
Low Sapphire	1.349	1.129	1.759	0.08	0.00
–4.6mm	0.000	0.000	0.000	10.55	–
Reject with some Low Sapphire	n/r	n/r	n/r	0.05	–
Weighted Average Value (USD/ct)				23.76	114.51

¹ Average parcel value for 2014 to 2025 applied.

The comparative MRM Gemstone Resource and Gemstone Reserve statement attributable to GGL (75% basis) at 31 December 2024 is set out below. The key differences between the 2024 and 2025 Gemstone Resource and Gemstone Reserve estimates are explained as follows:

Gemstone Resources:

- Mined out resource depletion from the resource model resulted in a 1.43 million tonnes (100% basis) increase and 1.1 million (75% basis), which is equivalent to 8% increase in total indicated resource inventory, with a minor increase in total contained carats of the indicated resource.
- Tonnage, grade and contained carats of Inferred resources remained unchanged, except for a minor increase in inferred resource in the Glass area after depletion.
- The limits of blocks are defined by the separation of Maninge Nice portion of resources from Glass Maninge Nice domain and addition to Maninge Nice secondary resources which resulted in; significant tonnage and contained carats increase in Maninge Nice indicated secondary resources, while the grade of Maninge Nice secondary reduced due to inclusion of lower grade tonnages from Glass Maninge Nice domain. Sharp reduction in tonnage and contained carats in the Glass block due to exclusion of Maninge block portion, while grade remained nearly unchanged.
- Tonnage increased in Mugloto by 23%, while grade and contained carats decreased after mined out resource depletion. Overall, total contained carats remained broadly in line with the previous year.
- Stockpile: A minor decrease (<1%) in tonnage of secondary stockpile of indicated secondary resources due to commissioning work of Processing Plant 2 in Q4 2025, while the stockpile of indicated primary resources remain unchanged.
- The tonnage grade and contained carats of Natete and Nathepo remain unchanged.
- The tonnage, grade and contained carats of inferred resources of Mugloto and Maninge Nice blocks remained unchanged. Inferred resource for in Glass block had a minor reduction.

- Increased tonnages in Maninge Nice and Mugloto blocks supports medium to long term production planning.
- Slight grade reduction is offset by higher contained carats and improved processing capacity.

Gemstone Reserves:

- Increase in tonnage and contained carats in probable gemstone reserve in Mugloto and Maninge Nice blocks due to depletion from the model and block limit definition, while Glass block tonnage and contained carats from probable gemstone reserves are reduced significantly, whereas grade remains largely unchanged.
- Stockpile: A slight decrease (<1%) in tonnage of secondary stockpile of probable secondary reserve due to commissioning work of Processing Plant 2 in Q4 2025, while the stockpile of probable primary reserve remains unchanged.
- The resource and reserve base remains robust and well-aligned with updated geological models and operational capacity. Increased tonnage in Maninge Nice and Mugloto supports long-term mine planning, while enhanced processing capacity mitigates grade reductions.



GEMSTONE RESOURCES AND RESERVES SUMMARY CONTINUED

MRM Attributable Gemstone Resource and Gemstone Reserve Estimate at 31 December 2024

GEMSTONE RESOURCE (ATTRIBUTABLE TO GGL)	TONNAGE (kt)	RECOVERED GRADE (ct/t)	CONTAINED (Mct)	GEMSTONE RESERVES (ATTRIBUTABLE TO GGL)	TONNAGE (kt)	RECOVERED GRADE (ct/t)	CONTAINED (Mct)
Maninge Nice				Maninge Nice			
Indicated – Primary	842	99.4	83.7	Probable – Primary	830	99.4	82.5
Indicated – Secondary	111	107.3	12.0	Probable – Secondary	111	106.7	11.9
Total Indicated	953	100.4	95.7	Total Probable Reserve	942	100.3	94.4
Inferred – Primary	180	97.9	17.6				
Inferred – Secondary	9,994	12.7	127.0				
Inferred – Total	10,174	14.2	144.7				
Mugloto				Mugloto			
Indicated – Primary	0	0.0	0.0	Probable – Primary	–	–	–
Indicated – Secondary	6,053	3.2	19.1	Probable – Secondary	5,960	3.0	18.1
Total Indicated	6,053	3.2	19.1	Total Probable Reserve	5,960	3.0	18.1
Inferred – Secondary	13,788	14.8	203.6				
Glass				Glass			
Indicated – Secondary	5,073	2.4	12.1	Probable – Secondary	5,066	2.2	11.2
Total Indicated	5,073	2.4	12.1	Total Probable Reserve	5,066	2.2	11.2
Inferred – Secondary	5,670	0.9	5.1				
Stockpiles				Stockpiles			
Indicated – Primary	12	100.1	3.2	Probable – Primary	12	100.1	1.2
Indicated – Secondary ¹	1,094	1.8	4.9	Probable – Secondary ¹	1,094	1.8	1.9
Total Indicated	1,107	2.9	8.1	Total Probable Reserve	1,107	2.9	3.2
Total Indicated Gemstone Resources	13,185	9.9	136.5	Total Probable Gemstone Reserves	13,075	9.7	126.8
Natete							
Inferred – Secondary	18,140	0.3	5.3				
Nathepo							
Inferred – Secondary	3,915	0.5	2.0				
Total Inf Gemstone Resources	51,687	7.0	360.6				

1 Combination of material from Maninge Nice, Mugloto and Glass.

GEMSTONE GRADE AND VALUE	RECOVERED GRADE (ct/t)			AVERAGE PARCEL VALUE (2014–2024) ¹ (USD/ct)	AVERAGE PARCEL VALUE 2024 (USD/ct)
	MANINGE NICE	MUGLOTO	GLASS (1)		
Premium Ruby	0.042	0.037	0.031	1,227.83	1,403.16
Ruby	0.287	0.268	0.253	58.40	110.30
Low Ruby	0.073	0.059	0.159	3.35	–
Corundum	0.080	0.030	0.055	1.10	3.95
Sapphire	0.045	0.080	0.108	0.40	1.66
Low Sapphire	0.310	0.931	0.738	0.08	0.05
–4.6mm	–	–	–	10.55	–
Reject with some Low Sapphire	n/r	n/r	n/r	0.05	–
Weighted Average Value (USD/ct)				22.98	19.41

1 Average parcel value for 2014 to 2024 applied..

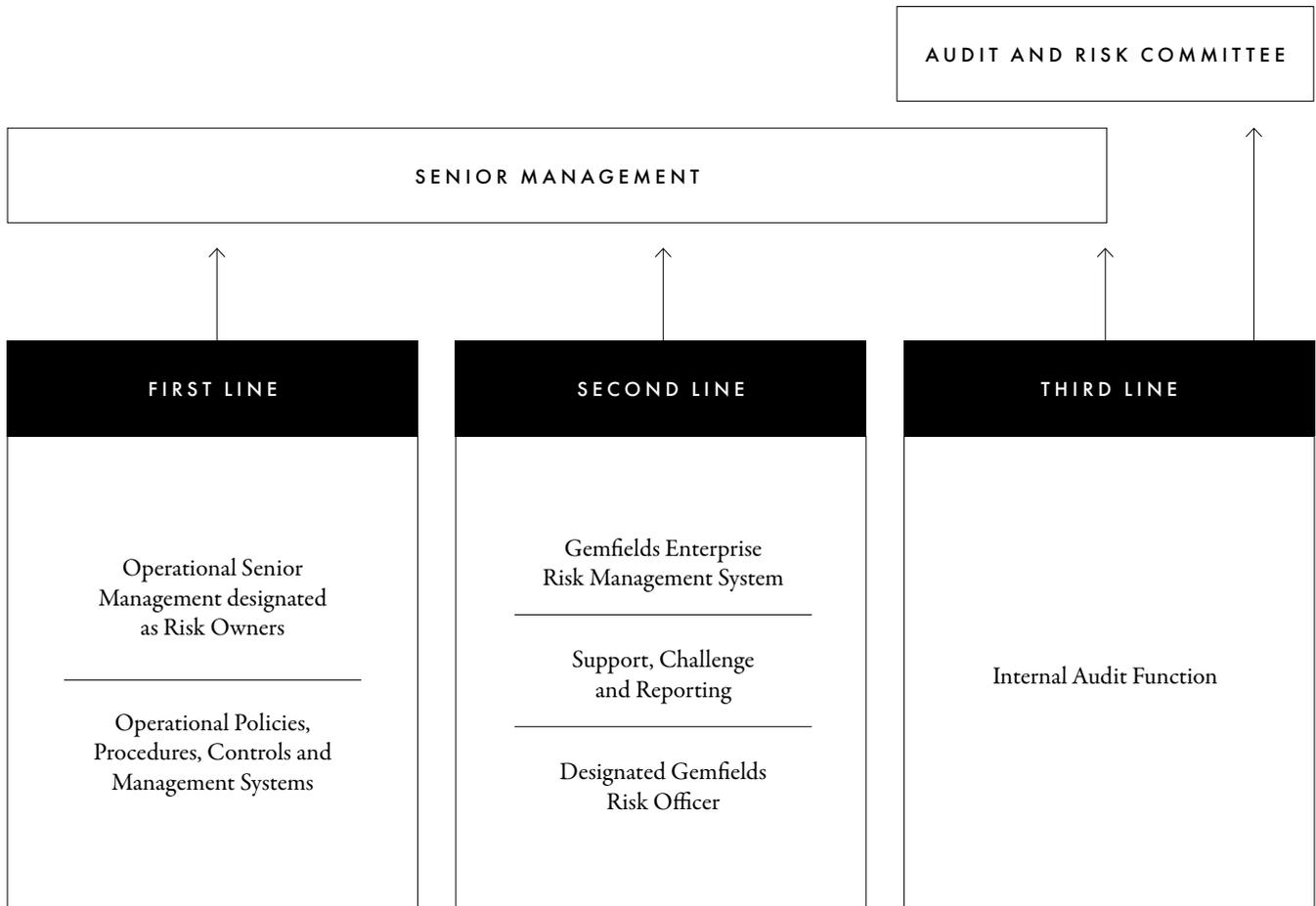


Risks and Uncertainties

Gemfields accepts that the sector in which it operates is one that contains a considerable variety of risks. Having a good understanding of the risks, and ensuring that we have sufficient levels of operational control in place to manage and mitigate these risks is critical to our continued growth and success. There is a well-established, integrated and functioning enterprise risk management system that has been developed internally over a period of time and is fully managed within the business without any external support. The following sections provide information on the risk framework and risk governance.

RISK MANAGEMENT FRAMEWORK

The Gemfields Board is the ultimate body responsible for the oversight of risk across the Group. This oversight is primarily provided at the strategic level. Risk management is operationalised through the management line using a ‘three lines’ model and as such a variety of assigned roles is provided to management and the business units to manage risks arising in each area of the Group. Information and considerations of risk flow between the three lines is outlined below.



FIRST LINE

Specific risks are assigned to the Group's operational senior management who is responsible for managing the risks through the introduction and maintenance of a range of operational controls, policies, procedures and management systems, within operational sites and functional areas.

SECOND LINE

The Group Head of Risk and Assurance has been designated as risk officer and facilitates the Gemfields Enterprise Risk Management System ("GERMS"). Risks are assigned to local risk owners (first line). The second line primarily supports the risk management efforts of the first line while also challenging risk ratings and mitigation measures. Corporate reporting on risks is a feature of the second line, and the Group's Risk Council sits within the second line.

THIRD LINE

A Group-level internal audit function provides independent assurance on the effectiveness of governance, risk management and internal controls, including the first two lines of defence. The internal audit function is independent and reports functionally to the Chair of the Audit Committee. The diagram below demonstrates how the three lines interact with the relevant governance structures within the Company.

RISK APPETITE STATEMENT

The Gemfields Risk Appetite Statement as approved by the Board is as follows:

Gemfields operates in a sector and locations that are inherently high risk. In particular, we are exposed to key macro-level risks such as the global economic outlook and political instability. More directly, risks such as geology, financing the expansion of operations and exploration sites, social licence to operate, safety, climate change, environmental compliance, security and the demand for rough gemstones and jewellery are important factors affecting the Group's operations. We aim to balance a high inherent risk appetite against a low appetite for risks which will materially impact the business such as bribery, corruption or human rights risk. We will support this inherently high-risk appetite with a pragmatic level of investment and policies and controls that are suitable for a business of our size. These policies and controls will facilitate growth and decision making, support the entrepreneurial culture we value and help us drive an acceptable return on investment.

STRATEGIC RISK CATEGORY PROFILE

The performance of the Group's investments, primarily the extraction and sale of coloured gemstones, is fundamental to the Group's long-term commercial prospects. Before investing in the Group, prospective investors should consider the Group's strategic risk categories, which are described below. These have been considered by the Board as those most significant to the Group's strategy and long-term performance. The table below provides a description of each strategic risk category and the mitigations in place. The Board's rating of each strategic risk category, considered over a forward-looking period of six months to one year, is shown as a red, amber, or green rating to signify whether the risk is considered high, medium or low respectively. The movement of the Board's view of risk compared to the Board's view of the same principal risk in the previous period is also shown.

ONGOING INSURGENCY IN CABO DELGADO, MOZAMBIQUE

While military presence in northern Mozambique has increased stability in Cabo Delgado province, sporadic insurgent activity persists, though on a smaller scale than in 2023. Gemfields' Mozambican operations remain largely unaffected by the insurgency although security controls at the operations remains at a heightened level. Risks associated with the insurgency are not limited to a single strategic risk category. These risks primarily relate to 'Health, Safety and People Protection,' 'Illegal Miners and Trespassers' and 'Security, Infrastructure and Asset Protection' but are not exclusive to these.

RISKS AND UNCERTAINTIES CONTINUED

STRATEGIC RISK CATEGORY	RISK DESCRIPTION	RISK MITIGATION
<p>Communication, Reputation, Ethics</p> <p>Risk rating:</p> <p></p>	<p>Gemfields is publicly listed and has a distinctive and well-known brand identity. It is a high-profile operator in the industry. The Company must uphold this identity while actively championing and communicating responsibly sourced coloured gemstones, low-impact mining and supply chain transparency in line with the Company's values. The Group's exposure to unethical practices such as bribery, corruption and security-related risk is high in its countries of operation. The Group's failure to be aware of such risks and manage these could erode reputation or contribute to legal or financial penalties, even if entirely unfounded and unproven.</p>	<ul style="list-style-type: none"> — Well-established head office functions such as communications, legal, risk and assurance, HR and teams at site level; — Extensive suite of policies and standard operating procedures established for the Group and replicated at site level; — Independent systems in place to handle ethics issues including internal whistle-blowing, internal and external grievances and incident, accident and near-miss reporting; — A strong tone from the top, instilling a culture of transparency and accountability to meeting internal policies and procedures and external regulations and laws; and — Appointment of marketing and communications agencies to promote the company; and — At our principal operations in Mozambique and Zambia, various industry brand partners conducted several audits and assessments, validating Gemfields' commitment and actions to champion responsibly sourced coloured gemstones.
<p>Community and Social</p> <p>Risk rating:</p> <p></p>	<p>The Group's operating mining sites in Africa require the continuous management of stakeholder relations to maintain a social licence to operate. Acceptance and support of a wide range of local community stakeholders most significantly includes the communities in and around operations. Failure to engage with stakeholders and create opportunities for long-term sustainable development around our operations may contribute to or exacerbate negative sentiment, tensions or at worst lead to strikes, disruptions or incursions to our operations. Long-term, these failures may undermine our ability to operate unhindered, regardless of the legal rights we may have.</p>	<ul style="list-style-type: none"> — Local community teams at site, specifically responsible for stakeholder relations, engagement and sustainable development projects; — Head office functions specialising in corporate responsibility, risk management, health, safety and policy; — Policies replicated with site-specific procedures that focus on community and sustainable development; — Grievance management systems to record and remedy community complaints, grievances and allegations; — Annual use of operational budget for investment in community projects; and — Emergency response and relief to community at times of crisis or weather-related disaster.

Change in risk rating key:

↑ Increasing ↓ Decreasing — No change

Level of risk:

● High risk ● Low risk ● Medium risk

STRATEGIC RISK CATEGORY	RISK DESCRIPTION	RISK MITIGATION
Environmental, Climate, Weather Risk rating: 	<p>The Group's operations cause impacts to, and are impacted by, the environment. Environmental, climate and weather-related risks arise in different ways both outside and inside the Group's control. Risks affecting the company include climate-related extreme weather events (such as hurricanes or cyclones), unseasonal or extreme levels of rainfall and higher than average humidity and heat. Risks caused by the company's operation include water and waste management, greenhouse gas emissions, land-use changes and biodiversity impacts. The Company can be subject to compliance fines for failing to plan and operate in accordance with prevailing environmental laws. Failure to plan strategically for changing environmental laws may increase the Group's operating costs.</p>	<ul style="list-style-type: none"> — Contingency plans to respond to extreme weather emergencies; — Physical preparation and protection of site assets and mine plans in accordance with geology and effects of corrosion, groundwater and slippages; — Consideration for the realistic use of renewable energy and fuel-efficient measures at operations to reduce operating costs and use of fossil fuels; — External reporting to be transparent in the disclosure of greenhouse gas emissions; — Safety, health and environmental teams responsible for site operational environmental compliance, management plans and execution of projects; and — Introduction of integrated safety, health and environmental management systems.
Financial, Economic, Markets, Business Risk rating: 	<p>The demand for gemstones may fall during times of economic uncertainty or hardship. Changes in the macro-economic environment may also result in creditors delaying or failing to pay the Company on time. Reduced sales resulting from an economic downturn can have an adverse effect on the profitability and cash flow of the business as experienced during the pandemic. The Company may need to go to the market to raise capital funds or debt, which may not be available on favourable terms. Failure to address falls in revenue or to stem the costs of production will result in the Group experiencing significant losses and the Group may be forced to curtail or suspend some or all of its capital projects and/or operations.</p> <p>The ongoing conflict with Russia and Ukraine as well as the conflict in Iran, may have the undesired impact of increasing input costs like fuel and spares and may also have an adverse impact on the prices of our goods.</p>	<ul style="list-style-type: none"> — Proprietary grading system developed as a transparent and reliable system for the market to value gemstones; — Long-developed relationships with authorised auction partners; — Partnerships with luxury brands to market coloured gemstones to end consumers; — Active financial management and consideration by management of different financing options; — Ability to run sequential online mini auctions that offer an alternative sales platform to physical in situ auctions; and — Resilient financial modelling and risk processes to allow flexibility and ability to action any cash conversation or mitigate global economic woes.

RISKS AND UNCERTAINTIES CONTINUED

STRATEGIC RISK CATEGORY	RISK DESCRIPTION	RISK MITIGATION
<p>Health, Safety and People Protection¹</p> <p>Risk rating:</p> 	<p>A company operating in the resource extraction sector is exposed to a range of health and safety risks, and the protection of employees is an inherent feature of the mining industry. Employees are operating in often hazardous operational environments and at development sites that are more remote. They are also exposed to other safety and security risks. Failure to maintain adequate health, safety and security standards may result in a significant incident, a deterioration in safety performance and at worst the injury or death of employees.</p> <p>Lost time disruption to the mining operations can affect the ability of the Company to continue to produce efficiently.</p>	<ul style="list-style-type: none"> — Locally developed teams at site specifically responsible for HSE risk management and training; — Our principal operations in Mozambique and Zambia are staffed (internally and externally) by highly skilled and sophisticated Protection Services teams that provide high-quality security and protection services; — Development of integrated HSE management systems to meet international standards; — HSE measures, training and compliance against policies and procedures continuously reviewed and implemented with management support; — Internal system for reporting of incidents, accidents and near-misses; and — Security measures and systems are constantly reviewed and revised in order to minimise the risk.
<p>Illegal Miners and Trespassers</p> <p>Risk rating:</p> 	<p>Theft, as a result of both internal collusion and illegal mining, is an inherent risk factor in the gemstone industry. Organised criminals can exploit situations of poverty, creating indebted servitude. Artisanal miners can gain easy access to sites where physical barriers on large concessions are not viable and they operate without licences to illegally extract gemstones which would otherwise be retrieved and sold by the Company. This situation presents the opportunity for gemstones finding their way out of the country illegitimately and onto the black market. Failure to protect the site from this loss of gemstones from the licence area consequently impacts the profitability of the Company. Furthermore, the presence of illegal miners and security forces who protect the assets can contribute to security risks arising from the conflict of interest between illegal miners and the Company.</p>	<ul style="list-style-type: none"> — Security measures and systems are constantly reviewed and revised in order to minimise the risk; — Multi-layered security approach across our operations with a mix of internal and external providers working with the local police and security forces in each geography, technology and system; — Security measures constantly reviewed and implemented in order to minimise the risk; — Engaging local authorities, communities and security and police forces in seeking to protect the Company's employees, equipment and mining assets; and — Community relations and grievance management systems in place to record and remedy community relations issues.

¹ Despite the ongoing insurgency in Cabo Delgado, which has largely not affected Gemfields' Mozambican operations, the Group delivered a strong HSE performance in 2025. No operational fatalities were recorded (the last in 2023), and Lost Time Injuries decreased from seven in 2024 to two in 2025, alongside a 71% reduction in major injuries and a 51% reduction in minor injuries. Both operating mines, MRM and Kagem, are now ISO 9001:2015, ISO 14001:2015, and ISO 45001:2018 certified.

Change in risk rating key:

↑ Increasing ↓ Decreasing — No change

Level of risk:

● High risk ● Low risk ● Medium risk

STRATEGIC RISK CATEGORY	RISK DESCRIPTION	RISK MITIGATION
<p>IT, Digital and Data</p> <p>Risk rating: </p>	<p>The Group has complex communications infrastructure and IT systems between head office and the sites. Due to the locations in which the Group operates, these systems can be subject to attempted breaches, deliberate damage, outages and delays. The Group also has a proprietary database and IT system that is used as a combination of customer relationship management, online sales, inventory management, incident reporting system, employee data management and a depository for key company documents. Failure to protect the company from breaches of the security and communications systems can result in the loss of data and communications or simply weaken the security system requiring improvements to be made.</p>	<ul style="list-style-type: none"> — Well-established and experienced head office IT team; — Site-level IT functions responsible for implementation and management of IT risk at site level; — IT policies and standard operating procedures; — Multifaceted IT security system that undergoes continuous assessment and improvement; and — Adoption of cyber security standards and systems.
<p>Legal, Legislative, Regulatory, Governance</p> <p>Risk rating: </p>	<p>Emerging markets are generally subject to greater risk and may be affected by legal and legislative changes. These may result in changes in legal requirements, mineral royalty rates, taxation policies or restrictions on the export of currency or gemstones, which may have a material adverse impact on the Company's operations or future development. Failure to prepare for renewal or continuance of appropriate surface and/or subsurface use contracts, licences, permits, regulatory approvals or consents may result in delays to the Group's operations, or in extreme circumstances, may require withdrawal.</p> <p>In addition, in the ordinary course of business, particularly given the industry the Group operates in, it will always be susceptible to legal actions and complaints on a wide range of issues.</p>	<ul style="list-style-type: none"> — Team highly experienced in operating in Africa; — Active and open engagement with the relevant Government bodies and ministries; — Regular reviews of commercial arrangements and regulatory requirements; — Internal controls, policies and procedures to ensure we can meet regulatory changes; and — External advice sought to supplement the skills and experience of our internal teams.

RISKS AND UNCERTAINTIES CONTINUED

STRATEGIC RISK CATEGORY	RISK DESCRIPTION	RISK MITIGATION
<p>Mining, Geology and Processing</p> <p>Risk rating:</p> 	<p>The Group's exploration and mining operations are dependent upon the grant, renewal or continuance in force of appropriate surface and/or subsurface use contracts, licences, permits, regulatory approvals and consents, which may only be valid for a defined period and may be subject to limitations. Geology of gemstone occurrences is relatively more complex, rendering it less predictable. It is not possible, for example, to predict the quality and quantity of gems in the host rock. Processing of ore can therefore be significantly affected, and the production of high-value gemstones can fluctuate, which has an effect on what can be sold at auction and therefore on revenue. Failure to retain data, knowledge and expertise regarding gemstone geology or adequately extract and process the ore will affect the Group's success.</p>	<ul style="list-style-type: none"> — A Group portfolio of projects and licence areas that carry a range of differing technical and commercial opportunities; — Assessment of a wide range of potential growth opportunities, from both the internal portfolio and external opportunities; — Retention of a vast body of historical data on gemstone mining to increase confidence levels in production; and — Team of highly qualified geologists and mine engineers at each site.
<p>Organisation, Culture, Training, Succession, Employment</p> <p>Risk rating:</p> 	<p>The Group's prospects depend in part on the ability of its executive officers, senior management and key consultants to operate effectively, both independently and as a group. To manage its growth, the Group must retain employees and attract additional highly qualified management and technical personnel. In addition, it must continue to put in place practices and systems for managing its people to encourage retention and lower employee turnover. Embedding a consistent culture across the Group ensures that all employees in the Company contribute to long-term success. Failure to continuously monitor and communicate with its people and improve the practices and systems in place for its people may result in loss of key personnel and knowledge for the Company.</p>	<ul style="list-style-type: none"> — Well-established head office HR function; — Site-level HR functions responsible for employment, culture, training at local level; — Use of recruitment companies to search for and engage high-quality talent; — Policies and standard operating procedures for employment contracts and protections including full unionisation where appropriate; — Employee relations and engagement with unions for negotiations of remuneration and benefits; and — Succession and retention plans for key positions.
<p>Political, Government</p> <p>Risk rating:</p> 	<p>Political instability, including changes in Government, may also result in a major disruption to the functions at state, provincial or district level Government. This can directly affect the Group's operations but also can result in civil unrest, labour disputes or the withdrawal or variation of existing agreements, mining licences and permits as resource management can be politicised. Resource nationalisation is a possibility in our countries of operation and pressure to hand back licences or parts of licences to the state is a risk that is monitored. Failure to engage with relevant Government departments can affect the Company's prospects in a range of ways and directly adversely affect operations.</p>	<ul style="list-style-type: none"> — Team highly experienced in operating in Africa; — Active and open engagement with the relevant Government bodies and ministries; and — Internal controls, policies and procedures to ensure we can meet regulatory changes.

Change in risk rating key:

↑ Increasing ↓ Decreasing — No change

Level of risk:

● High risk ● Low risk ● Medium risk

STRATEGIC RISK CATEGORY	RISK DESCRIPTION	RISK MITIGATION
<p>Security, Infrastructure and Asset Protection</p> <p>Risk rating: —</p>	<p>Resource and asset protection is a significant challenge in remote areas. Protecting the Company is a constant activity for internal security with the support of third-party contractors and the police who investigate acts committed against the Company by both external and internal parties. Plant, equipment and consumables are all easily stolen or at risk of loss. Infrastructure may be deliberately damaged and sites can attract trespassers who enter the licence area. Failure to protect the site internally and externally with measures to protect assets or people can result in increased costs associated with replacement and repairs.</p>	<ul style="list-style-type: none"> — Security measures and systems are constantly reviewed and revised in order to minimise the risk; — Engaging local authorities, communities and security and police forces in seeking to protect the Company’s equipment and mining assets; — Multi-layered security approach across our operations with a mix of internal and external providers working with the local police and security forces in each geography, technology and system; — Security measures constantly reviewed and implemented; and — Internal system for reporting of incidents, accidents and near-misses including security incidents.

OPERATIONAL RISK PROFILE OF THE GROUP

GERMS is the operational level management system for risk that sits within the second line, yet it is used and applied through all three lines. The system was developed by the Company and is hosted in G-TRAC (Gemfields’ internal knowledge base system), granting access to those participating in the process, as well as any other staff members. Risk owners are assigned risks in GERMS and are responsible for continuously reviewing and updating their risks, controls and actions on a continuous basis as the risk landscape changes. These risks are reviewed by their line managers and local-entity Board members for their review and approval. GERMS aims to achieve an integrated view of all risks faced by the group, assigning, inter alia, projects, events, incidents, accidents, near-misses, grievances, trainings and press/media releases to individual risks, thereby providing a realistic view of the operational risks at any given time. These risks are deliberated during the quarterly Risk Council meetings.

The diagram to the right is a summary of the operational risk profile of the Group, allocating the circa 560 specific risk ratings according to the combined likelihood and impact scores (which are rated 1–5 in ascending order of likelihood and impact, and then multiplied). By way of example, the diagram shows that at the end of the year there were 26 specific risks rated as very high (a total combined risk score of between 20 and 25), of which three have been rated as the very highest (a total combined risk score of 25). In contrast, 21 risks were rated with the lowest likelihood of occurring and lowest impact on the business (a total combined risk score of 1).

In total there are 73 risk types within GERMS, under the 12 strategic risk categories. These 73 risk types can then be applied to any of the Gemfields Group companies to create specific risks particular to those companies. The risk likelihood and impact scores of specific risks are reviewed by each risk owner on a continuous basis. By the end of the period, there were 563 specific risks across the Group and the GERMS system therefore also represents a consolidated risk register for the Group.

		2	1	5	15	5
HIGH LIKELIHOOD		2	5	21	59	20
	8	28	69	57	8	
	6	42	62	55	5	
LOW LIKELIHOOD		27	17	15	18	11
		LOW IMPACT				HIGH IMPACT

Corporate Responsibility

Delivering positive impact in Africa

APPROACH TO CORPORATE RESPONSIBILITY

Despite a challenging financial year for Gemfields, the Group recognises the importance of delivering positive impact in Africa through gemstones and remains committed to striving to return more value for all stakeholders in the host nations it operates in, primarily Zambia and Mozambique. Budget constraints were considered in setting targets to demonstrate progress. Consistent work and commitment to stakeholder needs throughout the year meant the Group was able to make headway on agreed objectives and targets, especially in supporting local communities around the mines living in challenging environments.

ESG AND ETHICS COMMITTEE ROLES AND RESPONSIBILITIES

The committee continued its operations throughout 2025. It was comprised of senior management from across the Group, with meetings held on a quarterly basis. Toby Hewitt, Group Legal and Corporate Affairs Director chaired the Committee.

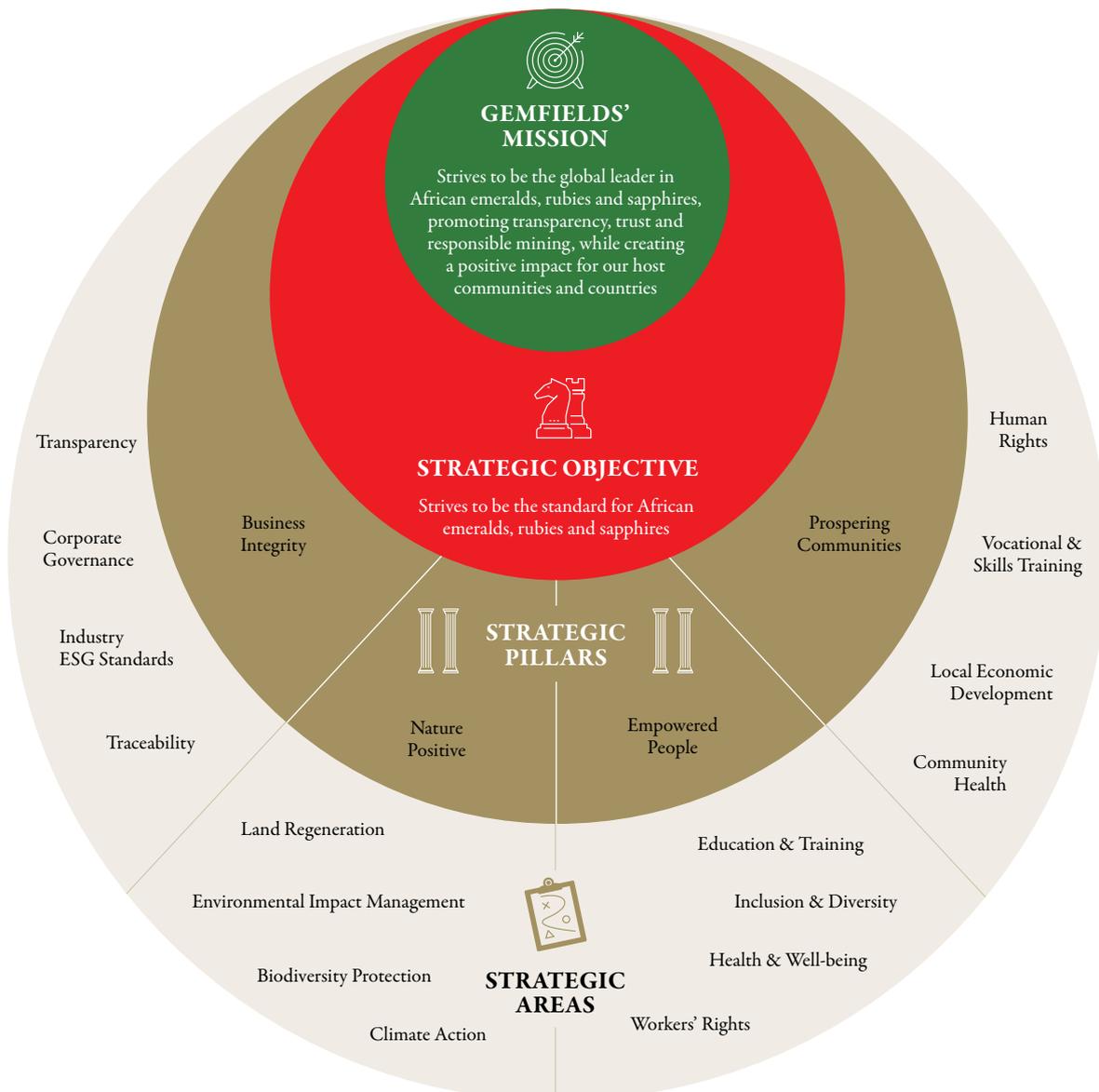
Both members of the Group-level Corporate Responsibility (“CR”) team are based in London with sufficient travel to operations at Kagem and MRM to work with local CR teams in Africa and elsewhere. As updated elsewhere in this report, in late 2025, the Board resolved to reconstitute the ESG and Ethics Committee as a full Board committee. The new Committee’s name is the Sustainability Committee and covers matters about social and ethical issues. The Sustainability Committee has its own terms of reference and must comprise of a minimum of three independent non-executive directors and shall meet at least twice a year.

ESG STRATEGY FRAMEWORK

Gemfields’ ESG Strategy Framework, as approved by the Board in 2023, is set out below.

The Framework established four Pillars and 16 Strategic Areas. Gemfields and the CR Team, along with Management and HODs in London, Mozambique and Zambia uses these to define and establish a series of targets and KPIs (37 in total for 2025, with an additional 13 set for Eastern Ruby Mining (“ERM”) to demonstrate adherence to the strategy. These were reviewed and monitored throughout the year and results are detailed in the Corporate Responsibility in Action section, alongside one highlighted KPI per each Pillar.

OUR RESPONSIBILITY AND SUSTAINABILITY FRAMEWORK



CORPORATE RESPONSIBILITY IN ACTION

Business Integrity

Aligning all operations with suitable industry standards

TARGET

Increased public disclosure on work as a member of the Voluntary Principles Initiative.

KPI

Publishing Gemfields 2024 VPI Report online.

RESULT

Completed. The report covers the Group’s activity as a Full VPI Corporate Member through 2024 and how the group of entities controlled by Gemfields have actively implemented the Voluntary Principles on Security and Human Rights (VPSHR).



In September 2025, the Minister of Technology and Science, Hon. Felix Mutati, MP (pictured centre), visited the construction site of the Chapula Polytechnic in Lufwanyama.



CORPORATE GOVERNANCE

In striving to comply with all applicable laws, regulations, and listing rules relating to integrity, Gemfields identified no material non-compliance in 2025. An annual statement was published on the Group's website to detail its compliance with the King IV Corporate Governance Code.

TRANSPARENCY

Seeking to increase the level of public reporting undertaken by Gemfields in 2025, Gemfields published the 2024 report on its membership of the Voluntary Principles Initiative on its website. Continued membership and adherence to the Voluntary Principles on Security and Human Rights is seen as critical and full membership has continued since 2023.

Gemfields' developed 'G-Factor of Natural Resources' continues to be a critical part of Gemfields' approach to transparency, beyond its approach to general reporting as a listed and quoted company. The 2025 G-Factor scores are set for release in April 2026 and will be promoted widely to multiple stakeholders including the Governments of both Zambia and Mozambique.



TRACEABILITY

All of the emeralds and rubies sold since 2017 through Gemfields' rough gemstone auctions can be fully traced from the customer back to the mine, with all gemstones added to an internet blockchain provided by Provenance Proof.

In 2025 Gemfields continued active participation in the Coloured Gemstone Working Group, a multi-stakeholder group established in 2015 uniting leading luxury brands and mining companies with a common interest in catalysing positive change in the coloured gemstones and jewellery industry. Advancing traceability solutions is one of the key pillars of the group's work.

INDUSTRY ESG STANDARDS

Work towards aligning Gemfields' mining projects with the Initiative for Responsible Mining Assurance ("IRMA") continued through 2025, despite budget constraints which delayed progressing to the official audit with KPMG. MRM has been operating using management systems designed to support continual improvement and alignment with the IRMA Responsible Mining Standard since January 2025. The Group announced its commitment to the audit process in June 2025, the first gemstone mine to do so. In September 2025, KPMG conducted a pre-audit review and in November 2025, a widespread sensitisation campaign was launched across Montepuez and in Pemba to raise visibility of the planned audit activities in 2026. Stage 1 audit activities started in March 2026, with Stage 2 following in August 2026.

Full membership of the Voluntary Principles Initiative was maintained with strong engagement in events and activities, including VPI's Annual Plenary in London in March 2025.

The Group's RJC Certification Team, which comprised members of Gemfields CR Team and Fabergé's management team, completed the 'Between Audit' workplan supporting the company's journey to 2026 re-certification as a Responsible Jewellery certified member. Following the sale of Fabergé, all work was handed over to the Fabergé team in October.

CORPORATE RESPONSIBILITY IN ACTION CONTINUED

Nature Positive

Recognising our impact on the environment

Manage operations to minimize our adverse impacts and enable the healthy functioning of surrounding ecosystems.

TARGET – MRM

Establish Green House Gas Emission Plan for MRM.

KPI

MRM’s 2025 Annual Emissions Plan 100% delivered.

RESULT

100% of MRM’s emission plan for 2025 has been delivered.

CLIMATE ACTION

MRM’s emission plan for 2025 was delivered. The plan focussed on four elements, each equally weighted at 25%:

- Emissions analysis
- Implementation of ongoing fleet management
- Solar plant due diligence support
- Developing an enhanced fleet management plan for 2026

 See data on Gemfields’ ESG Disclosures with GHG emission disclosure on pages 75 to 77.

LAND REGENERATION

Gemfields’ land regeneration efforts focus on reclaiming mined-out areas and returning them to their natural habitat, via the rehabilitation and the planting of trees.

At MRM, the focus was on increasing the area of rehabilitated land and increasing the capacity of the mine nursery and seed bank. By the end of 2025, 59% of mined-out areas on MRM’s concession, including those mined out during the year have been reclaimed, ahead of the internal target of 25%.

The HSE team also successfully relocated and expanded the nursery from within the MRM Camp area to within the mine concession. This reduces logistical requirements and improves operational efficiency. In addition, the new location contains a high diversity of mapped native tree species with significant ecological and economic value. This will support future biodiversity compensation. The proximity of natural seed sources also contributes to a more sustainable nursery operation. The total area of the new nursery is 187 m², with an estimated capacity of approximately 16,000 seedlings, based on the use of 8 cm diameter pots. This work was supported by a technical team from Universidad Lúrio, a public university in Nampula Province. Uni Lúrio have collaborated with the MRM team to consider more advanced approaches towards seed management and germination in the future, connecting with other workstreams managed by the HSE team (for example, on-site composting of plant and vegetable waste, which can be re-integrated as inputs to the seed bank).

At Kagem, to progress rehabilitation of disturbed areas and develop climate resilience, 12,000 trees and climate-resilient plants were planted following the onset of the annual rains at Chama Dump Sites B and C. These included *Afzelia quanzensis*, *Julbernardia paniculata*, *Guibourtia coleosperma*, *Baikiaea plurijuga*, *Acacia*, *Faidherbia*, *Gliricidia serpium* and *Khaya Nyasica*.



BIODIVERSITY PROTECTION

A team of biodiversity experts from Uni Lúrio have been working at MRM since June 2025 conducting daily monitoring to support with the design and implementation of MRM'S Biodiversity Monitoring Plan. Monitoring of Nsewe Lagoon has been advanced as part of this plan. The most recent monitoring report from Uni Lúrio includes a reference to the diversity of fish species identified and monitored within Nsewe Lagoon, within MRM's concession. Though a KPI to establish and implement a monitoring plan has been met as of time of writing, MRM recognises that improvements need to be made. Data has been collected but more rigorous consistency in reporting needs to be implemented in 2026 to allow it to develop into a monitoring, implementation and improvement plan.

Kagem again focussed on raising awareness of the negative impact of illegal charcoal production by communities on and around its concession, with total of 11 community campaigns delivered, touching Sandawana, Chapula, Kamakanga and other locations. The trainings focussed on interactive group discussions, covering a wide range of themes related to forest protection, as well as efforts to consider alternatives to poverty-driven charcoal production.

Both Kagem and MRM have established relationships and work to support local conservation NGOs focusing on wildlife conservation and biodiversity. Kagem has made a 5-year pledge to the Zambian Carnivore Program through 2027, and MRM supports Quirimbas National Park.

ENVIRONMENTAL IMPACT MANAGEMENT

MRM continued with its drive to develop capabilities to monitor environmental impacts with improved monitoring tools and manpower, better enabling adherence to statutory requirements. Fixed and permanent air quality monitoring instruments along with solar panel units used as power bases, are now installed at MRM providing real-time monitoring data for air quality from Q1 2026 onwards. The equipment will cater for the following monitoring:

- Dust monitoring (PM2.5; PM10:PM1)
- PTS-Total suspended particles m
- Gas monitoring (CO₂; CO; H₂S; NO; N₂O; Ozone; H₂S)
- Wind speed and rain fall monitoring
- Ambient Noise; Light intensity; UV radiation; visible light intensity; Temperature, Barometric pressure

A contract with Intertek for monthly monitoring of ground and surface water supplies at MRM Camp to ensure water quality is compliant with national legislation was completed by the end of February 2026. Additionally, for both ground and surface water quantity and quality on MRM concession, MRM is working to establish a Memorandum of Understanding (MoU) with Universidade Eduardo Mondlane (UEM) to conduct a comprehensive study on water quality and water quantity. This process is starting with an initial field discussion in the first week of February.

Gemfields' annual expectation of environmental non-compliances at its mining and exploration operations is set at zero. Neither Kagem nor MRM saw any environmental non compliances during 2025.

CORPORATE RESPONSIBILITY IN ACTION CONTINUED

Empowered People

Promoting a safe, inclusive and supportive workplace

Ensure all our people are treated with respect and have the support and tools they need to be safe and healthy in the workplace and contribute actively to the business.

TARGET – KAGEM

MRM – Skills development in local communities.

KPI

MRM – Implement the first phase of the 2030 Roadmap.

RESULT

MRM’s Human Resources and Corporate Responsibility Teams collaborated to begin the journey to enable MRM to provide greater employment among local communities.

EDUCATION & TRAINING

In 2025 MRM’s HR team started to implement the 5-year roadmap for local skills development, in partnership with the CR Team. Foreseen employment opportunities at MRM were mapped out and skills gaps in the community were identified. It is anticipated that MRM (with third-party support) may be able to “skill up” local community members, to enhance relevant skills and their employability for future positions with MRM. In total, it is foreseen that 150 new positions could be filled by local community members in the next 2 years and the 5-year Roadmap allows for 75% of MRM’s workforce to be local by 2030, an ambitious project. HR and CR are collaborating to utilise CR community engagements to help the process. Meetings have been completed and a proposal has been received from Field Ready, a trusted third-party provider. The proposal included feedback from other active mines in Mozambique but the plan can be tailored to suit MRM’s needs, including costs.

A further meeting took place on 29 January and a Field Ready representative will be on site from 31 January to finalise the training plan. MRM’s 2026 KPI on this goal will be focussed on delivery.

At Kagem, all agreed trainings plans, statutory and non-statutory, were completed and went 5% above statutory requirements. A series of 15 non-statutory courses were completed in late October/early November by in-house and third-party providers on courses including heavy machinery operator training and radiation training.

INCLUSION & DIVERSITY

Gemfields is an inclusive employer, while acknowledging that those involved in its mining operations are primarily male and more can be done to break down barriers to attract women to work at MRM and Kagem.

In 2025 MRM strove to make itself more gender-inclusive by monitoring and reviewing the implementation of the ambitious new 2024 policies on training and development of female employees. The new policies have been reviewed by the HR team and a meeting was held on 6 December 2025 between MRM's General Manager and all female employees and contractors on the new policies and working conditions. The purpose of the meeting was to provide an open forum for dialogue between female employees and management, enabling the identification of workplace challenges, collaborative problem-solving, and the development of actionable improvement initiatives to enhance employee well-being, communication, and career growth. Management acknowledged all concerns raised and committed to reviewing each issue further with relevant departments for feedback, planning, and implementation of potential solutions.

To satisfy the increased training needs for MRM's growing number of women employees and contractors, a service provider was identified in July 2025. Due to financial constraints the delivering of this training was delayed but is expected to progress in February 2026. The aim of the workshop is to provide a space for women in the mining industry to share experiences, discuss challenges and opportunities, and develop skills to advance their careers. The specific objectives of the workshop include:

- Promoting gender equality and empowering women in the mining industry
- Providing a space for women to share experiences and discuss challenges and opportunities
- Developing skills for women to advance their careers
- Establishing a support network for women in the mining industry.

Bi-annual forums with all Kagem's female employees, spearheaded by Gemfields' Group HR Director, was scheduled to take place once mining resumed in mid-2025. However, the Director resigned from Gemfields in October 2025. An informal meeting of all female employees did take place in August but no material progress was made. The Kagem HR team will work towards this goal in 2026.

HEALTH & WELL-BEING

Enhancements to employee insurance packages at MRM, which will increase access to healthcare for all staff, have regrettably been delayed due to financial constraints within MRM. Discussions with Union representatives restarted in Q4 with the GM with an agreed plan to postpone implementation to 2026. By end of January 2026, 537 staff health checks had taken place, representing 91% of the targeted MRM employees. Fully achieving the KPI of 100% despite best efforts was due to the limited available capacity to complete the tests using MRM's Clinic, which must prioritise the mandatory new employee medical tests. MRM has identified a need to increase capacity in the clinic to be able to complete regular medical checks and will use a KPI in 2026 to drive this improvement.

Two on-site health and wellness campaigns were conducted at Kagem on 25 September and 11 December with 525 and 495 participants, respectively. The September event focussed on mental health with the aim of raising awareness among all employees and contractors on the importance of mental health in the workplace. December focussed on raising awareness of HIV/AIDS. Both events were supported by relevant healthcare professionals from Kitwe and the Copperbelt, along with instructors from a local gym who kept participants very active on the day.

WORKER'S RIGHTS

Educating all employees on their rights, benefits, responsibilities and duties to avoid industrial action was prioritised in 2025. Regular union meetings, monthly with HR team and quarterly with management, were actioned to deliver this. An improvement for 2026 will address the quality of meetings and how MRM addresses any concerns raised.

All monthly meetings with Kagem's Union representatives took place as scheduled up to the end of Q4 2025, and in line with original plans. Additionally, Kagem successfully negotiated the 2026/2027 collective agreement for its unionised workers under which employees will receive a 10% salary increment for 2026 and a further 10% for 2027 across the board. The collective agreement, which has been approved by the Labour Commissioner in Lusaka, marks the fourth consecutive year that Kagem will be honouring such a commitment to its staff.

CORPORATE RESPONSIBILITY CONTINUED

Prospering Communities

Supporting local economic development

Support our communities to improve their lives, and to build their capacity for enduring economic development.

TARGET – MRM

MRM: Increase HIV testing and deliver a prevention and treatment awareness campaign.

KPI

50% increase in HIV testing in local communities and deliver a campaign on HIV awareness across the 10 communities accessed by the Mobile Health Clinic.

RESULT

1,945 HIV tests were completed in 2025, compared to 366 in 2024, an increase of over 430% and planned campaigns were completed in all ten communities targeted.



COMMUNITY HEALTH

Beyond the support of employees and contractors at MRM and Kagem, Gemfields provides access to and the availability of health services for local communities.

At MRM the 1,945 HIV tests were completed in 2025, compared to 366 in 2024, an increase of over 430% and planned campaigns were completed in all ten communities targeted. Topics were focussed on HIV and AIDS; forms and means of prevention; the importance of testing and treatments; cultural beliefs, gender and HIV; and the roles of Community Management Committees in combating HIV.

The total reach of campaigns was 489 attendees, 288 women and 201 men

Mpene: 117 (43 women, 74 men)	Nsewe: 31 (21 women, 10 men)
Chimoio: 63 (24 women, 39 men)	Namanhumbir: 57 (41 women, 16 men)
Nsembia: 40 (13 women, 27 men)	Nanhupo A: 52 (45 women, 7 men)
Wikhupuri: 14 (6 women, 8 men)	Nanhupo B: 42 (36 women, 6 men)
Mpuho: 39 (29 women, 10 men)	Nanhupo IDP: 20 (16 women, 4 men)

In Zambia, progress on delivery of the Lumpuma Health Clinic unfortunately experienced delays due to final decisions on the appropriate and agreed location, and the project plans and budget being agreed with the Zambian Government's Ministries of Health, and Infrastructure, Housing and Urban Development. In efforts to resolve the situation, Kagem visited First Quantum Minerals (FQM) operation in Kansanshi in November 2025 with Chief Lumpuma to inspect a Mini Hospital they had constructed and equipped. The objective was to better understand how to deliver a 'good practice' health clinic serving the needs of both the community and government requirements and showcasing the calibre of infrastructure that Kagem could seek to emulate. Kagem has since received the drawings and Bill of Quantities (BOQ) for the model mini hospital, and the drawings are under review.

LOCAL ECONOMIC DEVELOPMENT

Supporting local economic development, and leaving a lasting positive legacy, is a key part of Gemfields' approach to Corporate Responsibility.

MRM looked to increase the number of chicken farming cooperatives and double the production capacity of the existing ones. Due to budget constraints, the plan to double the production capacity of the six existing cooperatives (from 500 -1,000) was not progressed by end of 2025. MRM's CR team have instead focussed on working with suppliers to enhance the payment terms for procurement of chicken rearing materials as and when MRM's budget allows. They were able to establish and train three new cooperatives with a total of 30 members (20 women, 10 men).

Kagem sought to improve the support it provides to the local agricultural cooperatives by improving productivity and climate-smart farming techniques through capacity building and education. Chantete Co-operative completed the installation of its drip irrigation system in November 2025, following the start of the setup process in September 2025. A total of 260 community members (132 female, 128 male) from six communities around Kagem were also trained in financial literacy in 2025.

VOCATIONAL & SKILLS TRAINING

By providing vocational education and skills training opportunities, Gemfields looks to incentivise local community members away from illegal mining. MRM focussed on promotion of capacity building and trainings on agribusiness. Training plans were completed for all six existing chicken farming cooperatives focussed on three modules; leadership, business management and financial controls. Five were completed directly by MRM, and the sixth, Nsembia, was completed in collaboration with a local NGO consortium, Associacao Progresso and Aga Khan Foundation. In addition, three new cooperatives added and training done directly by MRM - Chimoio, Nanhupo B and Nsewe.

Construction of Chapula Polytechnic, believed to be Zambia's first official polytechnic, experienced delays due to heavy rains in H1 but progressed steadily in H2 supported by management focus and a new Construction Manager at Kagem. On 6 September, the Minister of Technology and Science, Hon. Felix Mutati, MP, visited the construction site, demonstrating the Zambian government's commitment to the project.

At the end of 2025 project progress was measured at 90% with expected completion by 31st March 2026, with handover scheduled thereafter to the Ministry of Technology and Science. The facility will operate under the administration of the Technical Education, Vocational and Entrepreneurship Training Authority (TEVETA), and will offer industry-standard curriculum-based courses to enable locals to acquire the necessary skills needed to improve their employability.

Kagem commenced construction works on the polytechnic in June 2024 in fulfilment of the Memorandum of Understanding (MoU) signed with the Government in September 2023, in which Kagem committed to the construction of the polytechnic up to a cost of USD 2.5 million.

HUMAN RIGHTS

At MRM, long-standing issues around land access and use for farming have persisted following the relocation of Ntorro villagers to the newly constructed Wikupuri village in 2023. Significant progress in resolving all these claims was made in 2025 but more work is needed in 2026 to reduce all historical claims related to land access for resettled villagers. Historically, 105 households in Wikupuri were allocated a total of 210 plots of farmland; 2 per household – one for the rainy season and one for the dry season. Out of these 210 plots, disputes were made by all 105 households due to encroachers accused of unlawfully prohibiting access and use of their allocated farmlands. Working with local Government, who organised the resettlement, and community leaders, during 2025 70 claims had been resolved by the end of Q3, representing 33% of the 210 plots.

The performance of Kagem's Operational Grievance Mechanism (OGM) was again assessed by the Independent Monitor Jonathan Drimmer with regular virtual meetings and a field visit in July 2025. His assessment, having consulted with a wide range of stakeholders, including communities, was of "continued positive change" for Kagem's OGM. It was also noted that the OGM, along with other community and agreed projects, was helping improve the relationship between the mine and community and that relations were moving in the right direction.

The OGM is currently in the process of remedying one claim following a successful mediation in 2025. Claims and contacts made to Kagem's OGM are received weekly and are being responded to. 2025 statistics include: 1,047 claims received from launch to date with the majority being historical between 2008-2013. 167 have been closed. 880 are still active cases being worked through following the OGM Protocol and using a group mediation process agreed with community leaders. A key observation in the Independent Monitor's report was that "the OGM is well-known and being utilized" demonstrating that steps taken to make communities aware of the OGM are working. A total of 36 community meetings, with a target of at least three per month, were held across all communities affected by Kagem's operations focussed on sensitising local communities to Kagem's OGM. They were conducted by a Zambian civil society organisation contracted by Kagem, Democratic Governance and Human Rights Advocates (DEGHA). In addition, Kagem's CR Team separately held regular community engagement meetings specifically on the OGM during 2025, augmenting the work of DEGHA.

Gemfields Foundation

Helping alleviate the effects of poverty in sub-Saharan Africa

Gemfields Foundation is the charitable arm of Gemfields, working independently to help alleviate the effects of poverty in sub-Saharan Africa. In 2025, the Foundation's activity was once again modest, completing two new projects and attracting a few new private donations.

In 2024, one of Gemfields' Authorised Auction Partners visited Kagem and donated USD 25,000 to the Foundation for the provision of a sports facility. This project took shape as a football field at Chapula school and was completed during the course of 2025, with the grass seed sown to grow through the rainy season. This is expected to be mown, lines painted and in use in 2026.

The second project completed during 2025 was at Mahadonga school in Madagascar, once again undertaken in partnership with REXMA NGO. Generous donations received from Fenton & Co.,

MCH Positive Impact and Hagura Mining Ltd. enabled the construction of a new kitchen, canteen and water supply at this school, which was inaugurated on 19 June 2025.

Gemfields Foundation took receipt of the remaining USD 75,000 of Faberge's donation in relation to the Malaika Egg – an object celebrating Mozambican rubies – restricted to funding projects in Mozambique. The trustees take on the task of allocating the funds to best effect. The charity also took receipt of a GBP 3,250 private donation to equip an 8-station computer lab for community use near ERM, Mozambique. The project is scheduled to get underway in 2026.

Several other private donations were generously made during the course of the year, providing unrestricted funds for future use. In 2026, the Foundation intends to instil greater monitoring of delivered projects to ensure these are realising their potential. It strives to find greater balance in fundraising and project realisation, as well as identifying on-going sources of funding.



ESG Disclosures

INTRODUCTION

Gemfields aims to follow responsible practices and demonstrate its commitment to Environmental, Social and Governance (“ESG”) issues by adhering to principles and standards that advance social and environmental goals and protect human rights.

GHG EMISSIONS – METRIC TONNES OF CARBON DIOXIDE EQUIVALENT (“TCO₂E”)

	2025	2024	2023
Gemfields London			
Scope 1 (Gas)	102	21	19
Scope 2 (Electricity)	14	27	30
Scope 3 (Business Travel)	183	744	708
Total	300	792	757
Kagem			
Scope 1	13,376	40,485	28,554
Scope 2	218	403	394
Scope 3 (Business Travel)	256	693	693
Scope 3 (Diesel consumption by 3rd parties)	59	83	149
Total	13,908	41,664	29,790
MRM			
Scope 1	16,723	16,998	17,016
Scope 2	634	556	432
Scope 3 (Business Travel)	3,033	1,560	1,330
Scope 3 (Diesel consumption by 3rd parties)	1,961	2,467	46
Total	22,350	21,581	18,824
Other Mozambique			
Scope 1	99	1,629	1,537
Scope 3 (Business Travel)	59	65	61
Total	157	1,694	1,598
Group Total	36,716	65,730	50,970

GHG EMISSIONS INTENSITY

INTENSITY TCO ₂ E/T ROCK HANDLED	2025	2024	2023
Kagem	0.005	0.002	0.002
MRM	0.003	0.003	0.002
Other Mozambique	0.000	0.005	0.003
Group Total	0.004	0.003	0.002

ESG DISCLOSURES CONTINUED

ENERGY MIX

	2025 (KWH)	%	2024 (KWH)	%
Kagem				
Solar energy consumption	78,113	2.1	112,666	2.8
Total power consumed through ZESCO	961,906	25.9	1,778,298	43.9
Total power consumed through diesel generators	2,677,106	72.0	2,157,956	53.3
Total power produced and consumed	3,717,125		4,048,920	
MRM				
Solar energy consumption	37,841	0.2	37,944	0.5
Total power consumed through EDM	5,819,670	37.5	5,100,755	67.2
Total power consumed through diesel generators	9,672,668	62.3	2,452,343	32.3
Total power produced and consumed	15,530,179		7,591,042	

The majority of grid supply from ZESCO and EDM is hydroelectric power.

WATER USAGE

FRESHWATER CONSUMPTION '000 M ³		2025	2024	2023
Kagem	Surface water	19.6	44.2	53.9
MRM	Groundwater	485.5	422.3	459.4
Total		505.2	466.6	513.3

No water stress was experienced at MRM and Kagem in 2025 (2024: None).

FRESHWATER CONSUMPTION M ³ /ROCK HANDLED		2025	2024	2023
Kagem	water intensity	0.007	0.003	0.004
MRM	water intensity	0.071	0.053	0.058
Total	water intensity	0.052	0.018	0.023

UK STREAMLINED ENERGY AND CARBON REPORTING ("SECR")

GEMFIELDS GROUP ENERGY USAGE DISCLOSURE TABLE (2020 – 2024)		UNIT	2025	2024	2023	2022	2021	2020	TOTAL
Gemfields Limited (UK)									
Electricity	MWh		80	132	143	113	54	68	510
Natural Gas	MWh		480	97	90	125	98	78	488
Kagem									
Diesel	MWh		52,990	141,286	110,095	99,404	74,325	24,488	449,598
Electricity ¹	MWh		1,924	1,778	3,477	3,418	2,787	1,925	13,386
Petrol	MWh		–	–	6.8	7.8	4.4	7.6	26.6
MRM									
Diesel	MWh		70,006	64,435	62,079	54,574	42,698	19,465	243,251
Electricity ¹	MWh		5,820	5,101	3,964	3,673	3,607	2,205	18,550
Charcoal	MWh		120	102	703	877	937	589	3,208
Other Mozambique sites									
Diesel	MWh		391	5,683	5,828	5,281	2,148	2,008	20,948
Charcoal	MWh		–	82.0	75.3	16.7	6.7	–	181
Total (Global)	MWh		131,810	218,695	186,462	167,490	126,666	50,834	750,145

¹ Electricity usage data included in the table above relates to power consumed by Kagem from ZESCO and MRM from EDM.

METHODOLOGY

In accordance with the UK Streamlined Energy and Carbon Reporting ("SECR") framework, we have calculated our energy consumption for the UK and on a global basis. The reporting methodology and conversion factors used are the Greenhouse Gas Protocol and the UK Government's Greenhouse Gas reporting conversion factors for 2025 and prior years.

ACTIVITIES TAKEN ON ENERGY EFFICIENCY IN 2025

Activities to reduce fossil fuel consumption and improve energy efficiency in 2025 can be found within the Corporate Responsibility section of this report, available from pages 64 and 65, under 'Climate Action'.

TCFD/IFRS Foundation Reporting

The Task Force on Climate-related Financial Disclosures (“TCFD”) aimed to improve and increase reporting of climate-related financial information to allow the market to better understand the impacts of climate change. It fulfilled its remit and as of October 2023 had been disbanded by the Financial Stability Board (“FSB”) that created TCFD in 2015. The FSB have asked the IFRS Foundation to take over the monitoring of the progress of companies’ climate-related disclosures.

TCFD has been used to inform the structure and focus of the Group’s reporting and disclosure on climate-related risks. Gemfields will adapt its disclosure and approach as TCFD is incorporated into the International Sustainability Standards Board’s (“ISSB’s”) IFRS Sustainability Disclosure Standards.

In 2023, the Gemfields Group identified key climate-related risks and commenced work to form a climate strategy and gather relevant historical emission data to incorporate emission analysis into financial planning.

In 2024, in line with the criteria embedded within the IRMA Standard, Gemfields has developed an emissions policy, ratified by the ESG and Ethics Committee, an emissions strategy and emissions annual plan template for 2025-2030. Work then commenced on specific emissions annual plans for both MRM and Kagem.

The purpose of these documents was to define and align on how we measure Green House Gas emissions across the Group and to unpack what steps can be taken to manage the overall intensity of our emissions; measured as CO₂e/tonnes rock handled.

For the short term (2026) efforts will be focussed on analysis of existing data. The practical outworkings of any analysis in 2026 would help to inform work between 2026-2030.

In respect of the TCFD’s key recommendations, the table below outlines an updated response for this period to each aspect, with signposts to where other relevant information can be found elsewhere in the report.

TCFD THEME	TCFD RECOMMENDATION	GEMFIELDS GROUP RESPONSE
Governance	a) Describe the Board’s oversight of climate-related risks and opportunities.	<p>Climate change risk and opportunity was delegated from the Gemfields Board to the Risk Council which was a sub-committee of the Audit Committee. The Risk Council was chaired by an Independent Non-Executive Director. The CEO and CFO were permanent members of this Council, together with other senior management. The Board was duly updated by the Chair of the Risk Council on matters of a material nature that were raised within the Risk Council across climate change and the Group’s actions relating to it. The CEO, CFO and Group General Counsel may also provide management’s comments to the Board for further discussion.</p> <p>The Risk Council met on a quarterly basis with a set agenda item to address any changes or updates to material risks for the Group. Material risks include those set as a principal risk within the Risks and Uncertainties section of this report. The relevant risk for climate-related risks and opportunities is ‘Environmental, Climate, Weather’ with further details available on pages 56 to 63.</p> <p>It should be noted that this strategic risk is the lowest rated of all 12 strategic risk categories recognised within the Group’s principal risks and it is not perceived to have a material impact on Gemfields as a business within the next 3-6 months.</p>

TCFD THEME	TCFD RECOMMENDATION	GEMFIELDS GROUP RESPONSE
Governance	<p>b) Describe management’s role in assessing and managing climate-related risks and opportunities.</p>	<p>Management takes a role in assessing climate-related risks by reviewing the operational risk register scores for environmental and climate risks. These risks are assigned to relevant risk owners and, as part of the GERMS, are monitored on a periodic basis, within the Risk Council cycle, in particular.</p> <p>Management is tasked with considering the types of projects that contribute to the Group’s own GHG emissions mitigation activities, as well as carrying out assessments of the physical resilience of the Group’s presence in countries that can be affected by climate-related risk (such as the increased likelihood of extreme weather events).</p> <p>Beyond the Group’s reporting to the Risk Council, a Group ESG and Ethics Committee, was made up of senior management across the business, that met quarterly. These meetings were used to collaborate and assess the performance of ongoing activities that relate to all ESG matters, including the Group’s action on climate change. Should there be any relevant and material matters raised at the ESG and Ethics Committee, these were then escalated and reported to the Risk Council.</p>
Strategy	<p>a) Describe the climate related risks and opportunities the organisation has identified over the short, medium and long term.</p>	<p>Gemfields has established definitions of each time horizon, with short term being three years from previous annual reporting period (now 2025-2027), medium term ten years beyond short term (now 2028-2038) and long term from the completion of medium term out to 2050. These time horizons have been established to align with international climate commitments such as the Paris Agreement and Science Based Targets initiative (SBTi) and will roll on, each year. Although both Kagem and MRM have established life-of-mines plans, the time horizons set above have not been adjusted to be aligned. This is because life-of-mines change depending on the speed of mining and exploration, rather than being related to climate change risk and opportunities, and there is an expectation of upgrades in the future at both mines.</p> <p>Gemfields has completed an internal assessment of the risks and opportunities that the Group may face in each time horizon within two categories:</p> <ol style="list-style-type: none"> 1) Climate-related risks as defined in the Group’s Risks and Uncertainties report available on pages 56 to 63. 2) Potential other climate-related risks that could be considered as having an impact on Gemfields. <p>The climate-related risks that were identified within the Group’s Risks and Uncertainties report are within the ‘Environmental, Climate, Weather’ principal risk as shown on page 59. A number of climate-related risks that could impact the Group have been identified, which include:</p> <ul style="list-style-type: none"> — Extreme weather events (such as hurricanes or cyclones) — Unseasonal or extreme levels of rainfall — Higher than average humidity and heat

TCFD/IFRS FOUNDATION REPORTING CONTINUED

Strategy

TCFD THEME	TCFD RECOMMENDATION	GEMFIELDS GROUP RESPONSE
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The potential other climate-related risks that could be considered as having an impact on Gemfields are:

- Water scarcity
- Increased energy costs
- Regulatory changes
- Reputation and social licence to operate

Each of the risks listed above that relate to weather across both categories could be seen as opportunities should climate change result in more favourable weather conditions for our operations. An example would be reduced rainfall or shorter rainy seasons, simplifying the mining operations during that period, as long as it does not result in water scarcity issues or other forms of disruption.

Here is a materiality table setting out the Group’s view on the likelihood and level of impact in which each risk and opportunity could result:

Climate related Risks	Short Term (2024–2026)		Medium Term (2027–2037)		Long Term (2038–2050)	
	Likelihood	Impact	Likelihood	Impact	Likelihood	Impact
Extreme weather events (such as hurricanes or cyclones)	Low	Low	Low	Medium	Medium	Medium
Unseasonal or extreme levels of rainfall	Low	Low	Low	Medium	Medium	Medium
Higher than average humidity and heat	Low	Low	Low	Medium	Medium	Medium
Water scarcity	Low	Low	Medium	Medium	High	High
Increased energy costs	Medium	High	High	High	High	High
Regulatory changes	Medium	High	High	High	High	High
Reputation and social licence to operate	Medium	High	High	High	High	High

Legend Low Medium High

The possible financial impacts that may relate to these climate related risks are challenging to quantify, particularly for ‘Regulatory changes’ and ‘Reputation and social licence to operate’. Both are ongoingly mitigated against, beyond items related to the climate.

With ‘Increased energy costs’, it is noticeable how energy prices globally rose between 2022 and 2025. There are a number of factors behind this and climate change’s cost cannot be isolated.

Both ‘Energy costs’ and ‘Regulatory changes’ could result in higher costs for the Group, should the transition to greener energy be sped up. Should access to fossil fuels be restricted (and therefore their cost rise) before technology is available that can help replace fossil fuel consuming equipment, this could increase operating costs at both Kagem and MRM. The Group is actively exploring all options to move away from fossil fuel consuming equipment where possible.

TCFD THEME	TCFD RECOMMENDATION	GEMFIELDS GROUP RESPONSE
Strategy	<p>b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning.</p>	<p>Climate change is referenced in the Group's risk appetite statement and is recorded together with environmental risk as one of the Group's principal risks (see page 56, Risks and Uncertainties, for full details of the Group's principal risks). However, the Group's Board of Directors currently rate environmental and climate-related risk as a low risk to the Group, primarily due to the time frame in which the Board is considering the status of these principal risks (between six months and one year).</p> <p>The Group recognises that, increasingly, investors and other stakeholders are interested in the Group's longer-term approach to climate risk and the impact that it may have on the Group's physical and financial resilience.</p> <p>The largest direct impact on business, strategy and financial planning that the Group faces is being prepared to continue operating in periods of extreme rainfall. Flooding in our pits can be an operational hazard as well as reduce the ability to successfully produce coloured gemstones. In Kagem, preparation begins before the rainy season to allow water to collect away from production points and to pump out excess water. Limited amounts of capital expenditure were used to add a second water pump in 2023 and this is considered alongside all other aspects of mining operations on an ongoing basis. In 2024, the additional water pump and more careful planning helped avoid significant pit flooding.</p> <p>In Mozambique, increased rainfall can attract more illegal miners to our licences, as it is easier to wash the gravel to expose rubies and corundum. The Group actively engages with the local community on illegal mining issues and aims to provide locals with employment.</p> <p>Gemfields' emission-related strategy is focussed on three areas:</p> <ol style="list-style-type: none"> 1) <i>Reduce</i> <ul style="list-style-type: none"> — Optimise blasting techniques to reduce fuel use and emissions. — Implement energy management systems to optimise energy use and reduce peak demand. — Work with suppliers to improve energy efficiency and reduce emissions in the production and transportation of raw materials. 2) <i>Replace</i> <ul style="list-style-type: none"> — Replace diesel-powered trucks and equipment with electric alternatives. — Purchase electricity from renewable sources such as wind, solar, or hydroelectric power through power purchase agreements (PPAs). — Encourage the use of renewable energy across the supply chain. 3) <i>Re-orient</i> <ul style="list-style-type: none"> — Water Management Systems. — Climate-Resilient Infrastructure — Enhanced Monitoring and Early Warning Systems — Emergency Response and Contingency Planning

TCFD/IFRS FOUNDATION REPORTING CONTINUED

TCFD THEME	TCFD RECOMMENDATION	GEMFIELDS GROUP RESPONSE
Strategy	c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2 °C or lower scenario.	<p>Gemfields has ambitions to undertake a climate scenario analysis by identifying relevant climate-related scenarios, including one consistent with a 2 °C or lower scenario. Any analysis would incorporate how resilient Gemfields' strategy is to the different climate scenarios, and how the strategy may be adapted accordingly based on the outcomes from the analysis, while considering the Group's life-of-mine plans.</p> <p>Relevant sources may be used to inform the Group's strategy under different climate-related scenarios, including: the IPCC Assessment Report 5 (IPCC, 2014)¹, the 2011 World Bank Climate Change Scenario report for Mozambique (obtained from the World Bank Climate Change Knowledge Portal https://climateknowledgeportal.worldbank.org/) and the 2020 First Biennial Update report for Zambia (https://unfccc.int/documents/267111).</p>
Risk Management	a) Describe the organisation's processes for identifying and assessing climate-related risks.	<p>A description of the Group's approach to identifying and assessing all risks, including climate-related, can be found from page 56, 'Risks and Uncertainties' on pages 56 to 63 of this report.</p> <p>The Group's Board and management have identified and assessed climate risk at the strategic and operational level. The Group's Head of Risk and Assurance completed an assessment of climate-related risks in 2023, using the internal GERMS as set out in the response to Strategy (a) part of this section.</p>
	b) Describe the organisation's processes for managing climate-related risks.	<p>Due to the physical nature and location of the Group's mining operations, there are relatively few options available (other than off-sets) to manage or strategically adapt to climate change, other than for more minor environment-related actions.</p> <p>Under the Group's ESG strategy framework, under the pillar 'Nature Positive', it has described how steps have been taken at both Kagem and MRM to investigate ways to reduce our dependence on fossil fuels used in our operations, such as diesel, primarily focussed on the establishment of a solar power plant at MRM. This is investigated because of the direct connection between fossil fuels and the negative impacts that can result from climate change. More details can see seen on page 59.</p> <p>Currently the technology is not available for alternatives to diesel for the yellow-goods equipment used on site in Kagem and MRM. As previously stated, the business prepares for strong rainfall each year through the rainy season to limit disruption. However, some extreme weather cannot be mitigated, such as flash floods or cyclones.</p>
	c) Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management.	<p>Climate change is one of the master operational risks assessed by the relevant operational risk owners on a periodic basis within the GERMS. Climate risk is reviewed over the same time horizon as other operational risks for the purposes of operational risk management. It is recognised that the timeframe is most likely too short to provide a meaningful risk-based assessment of identification or consideration of risks due to the long-term, chronic implications of the different climate change scenarios, with the recent assessment completed in 2023 a first step to consider longer-term risks.</p>

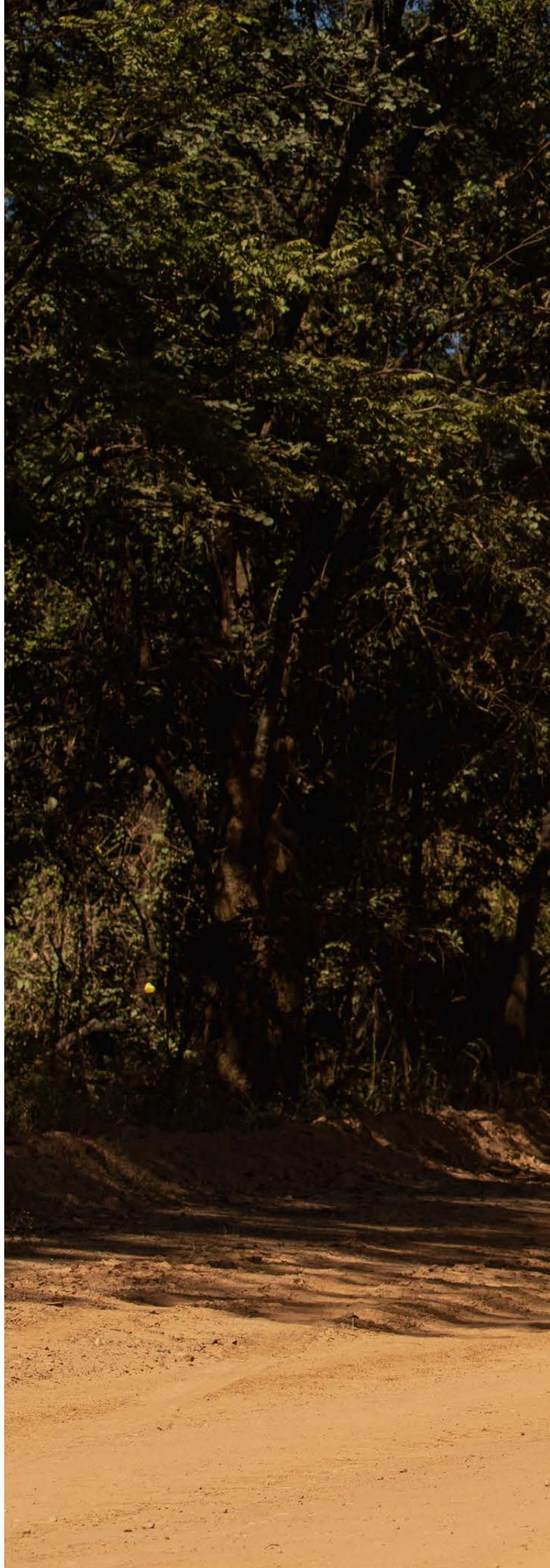
TCFD THEME	TCFD RECOMMENDATION	GEMFIELDS GROUP RESPONSE
Metrics and Targets	a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	<p>The Group captures and reports Greenhouse Gas (“GHG”) data on an absolute and intensity basis, and these are reported within this Annual Report on pages 75 and 76.</p> <p>In addition, the Group reports GHG emissions by different entity and source. The Group also reports on water usage because of its importance at both processing plants at Kagem and MRM. Finally, the Group reports alongside the UK Streamlined Energy and Carbon Reporting requirements on page 77, which sets out the energy used across the mines.</p> <p>Internally, the Group actively assesses fuel usage to improve efficiency and reduce emissions where possible. Projects are live to reduce fuel usage, in particular the establishment of a solar power plant discussed on page 36. The Group also assesses fleet usage, including how this changes during periods of extreme weather and any impact it may have.</p>
	b) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas emissions, and the related risks.	<p>The Group’s GHG emissions data for Scope 1, Scope 2 and Scope 3 can be found on page 75.</p> <p>The Scope 3 business travel emissions data primarily involves expatriates returning to and from the mine during the off-periods and is expected to be the most material source of emissions. Initial data was collected in 2023 from suppliers to expand the scope of Scope 3 emissions, further collection in 2025.</p> <p>2020 was not a representative year for GHG emissions as Kagem and MRM were closed for the majority of the year due to the Covid-19 pandemic.</p>
	c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	<p>Gemfields has an ambition to determine targets aligned with TCFD recommendations, primarily focusing on greenhouse gas emissions and a broader emissions strategy. Any Group-level targets are expected to be based on CO₂ equivalent per tonnes of rock handling, as the diesel used by our yellow-goods equipment is the largest contributor to the Group’s direct emissions.</p> <p>The setting of targets is subject to relevant detailed studies being completed (climate change scenarios under short-, medium- and long-term time frames, identification, assessment and management of risk in different contexts, the financial investments and implications required). For now, the GHG report provides a breakdown of the Group’s contribution to climate risk via its own emissions with an ambition to incorporate emission analysis within future budgeting.</p> <p>The Group’s current focus for setting targets to manage climate-related risks and opportunities is incorporated within the ESG KPIs the Group has established from 2023 onwards. In total, 34 KPIs/targets were set in 2025 across a broad range of ESG areas, with two specifically linked to GHG emissions and our mitigation of or adaptation to climate change. The set of KPIs that the Group will assess in 2026 is being currently developed and will be refined to ensure their ongoing relevance.</p>

3

Governance

A commitment to robust
corporate governance

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Board of Directors



Bruce Cleaver (60)

**INDEPENDENT
NON-EXECUTIVE CHAIR**

SKILLS AND EXPERIENCE:

Bruce Cleaver was CEO of De Beers group, the world's largest diamond business, from 2016 to early 2023, and thereafter he was the Chair of De Beers for a further year. During his time as CEO, Mr Cleaver was also a member of the Anglo American plc Group Management Committee.

In Mr Cleaver's tenure, De Beers was transformed into a consumer-facing, technology-led, vertically integrated business, with a strong focus on safety, sustainability and innovation. During his tenure as CEO, De Beers significantly improved its safety record, brought a number of new mines on stream, made sustainability a core part of the business, launched Lightbox as a response to lab grown diamonds, and created the first fully distributed diamond blockchain.

Before he became CEO, Mr Cleaver was a Director of De Beers from 2008 onwards, responsible at different times for exploration, strategy, corporate affairs and commercial matters.

Prior to joining De Beers, Mr Cleaver was a corporate partner at Webber Wentzel, Africa's largest law firm, and worked in corporate finance for 4 years.

He is a Non-Executive Director on various boards and involved in various non-profit initiatives.

Mr Cleaver is a British and South African citizen.

COMMITTEE MEMBERSHIP:

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Sean Gilbertson (53)

**CHIEF EXECUTIVE OFFICER -
EXECUTIVE DIRECTOR**

SKILLS AND EXPERIENCE:

Sean Gilbertson graduated as a mining engineer from Wits University in South Africa, having spent time in the country's deep-level gold and platinum mines. Mr Gilbertson worked as a project financier for Deutsche Bank in Frankfurt and London, specialising in independent power projects and public-private partnerships.

In 1998 Mr Gilbertson co-founded globalCOAL, a company that played a central role in the commoditisation of the thermal coal industry, and was appointed CEO in 2001 when the business was acquired by industry players including Anglo American plc, BHP Billiton plc, Glencore International AG and Rio Tinto plc. He was also co-founder of the pioneering Spectron eMetals trading platform for category I and II members of the London Metals Exchange.

Mr Gilbertson was a co-founder of the Pallinghurst Group in 2005 and bore responsibility for Pallinghurst's coloured gemstone strategy from 2006 to 2017. After the unbundling of the Pallinghurst Group in 2017/2018, Mr Gilbertson was appointed CEO of Gemfields Group Limited on 31 March 2018.

Mr Gilbertson is a British and South African citizen.

COMMITTEE MEMBERSHIP:

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David Lovett (43)

**CHIEF FINANCIAL OFFICER -
EXECUTIVE DIRECTOR**

SKILLS AND EXPERIENCE:

David Lovett graduated from Birmingham University's Business School in 2005 with a Bachelor of Commerce focussed on Economics and Marketing. He then joined Grant Thornton in the UK, working across advisory and tax services and becoming a chartered accountant with the Institute of Chartered Accountants in England and Wales (ICAEW).

Mr Lovett joined Gemfields' finance team in 2008. He has acted as a senior financial manager across a number of Gemfields' operating subsidiaries during his 17-year tenure and has a thorough understanding of the Group's activities. Mr Lovett is a Director of Gemfields and various related companies.

Mr Lovett is a British and Irish citizen.

COMMITTEE MEMBERSHIP:

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Committee Membership:

(A) Audit Committee Member

(R) Remuneration Committee Member

(N) Nomination Committee Member

(Ri) Risk Council Member

● Committee Chair



Kwape Mmela (55)

LEAD INDEPENDENT NON-EXECUTIVE DIRECTOR

SKILLS AND EXPERIENCE:

Kwape Mmela is the founder and Chairman of ShepherdTree Holdings Ltd and Hlamogolo Capital (Pty) Ltd, which are his family investment vehicles.

He has more than 20 years' experience in both public and private sectors in South Africa, including stints with the Constitutional Assembly during the drafting of South Africa's post-apartheid Constitution and with the Land Claims Commission to address past land dispossessions. Mr Mmela served as a Director of Sedibelo Platinum Mines Limited for almost ten years. In 2005, Mr Mmela established the Moepi Group (Pty) Ltd, which eventually became the Black Economic Empowerment partner of Sedibelo Platinum Mines.

Mr Mmela is a South African citizen.

COMMITTEE MEMBERSHIP:



Mary Reilly (72)

INDEPENDENT NON-EXECUTIVE DIRECTOR

SKILLS AND EXPERIENCE:

Mary Reilly has over 30 years' international experience as a chartered accountant and was a partner in Deloitte, working across various sectors and disciplines including luxury retail, manufacturing, business services, financial services, corporate governance and the public sector. Since retiring from Deloitte, Ms Reilly has had a varied and interesting portfolio of Non-Executive Directorships where she has chaired several Audit Committees. Her current roles are Mitie plc, a prominent facilities management and professional services company and Essentra plc, a global FTSE 250 company and a leading provider of essential components and solutions.

Among her charitable interests, Ms Reilly is a Trustee of the People's Dispensary for Sick Animals ("PDSA").

Ms Reilly's past appointments include a Non-Executive Directorship on the Board of Cazoo Group Limited, chairing the London Development Agency, the CBI London Regional Council and the Finance and Audit Committee of London 2012, the organisation that brought the Olympics to London.

Ms Reilly became Chair of the Audit and Risk Committee from 1 April 2024.

Ms Reilly is a British and Irish citizen.

COMMITTEE MEMBERSHIP:



Simon Scott (68)

INDEPENDENT NON-EXECUTIVE DIRECTOR

SKILLS AND EXPERIENCE:

Simon Scott has over 25 years of experience in the mining industry. Between 2010 and 2016, he was CFO of Lonmin plc, a London Stock Exchange listed mining company and acted as CEO between 2012 and 2013.

Prior to that, Mr Scott was CFO of Aveng Limited, a Johannesburg Stock Exchange listed construction company providing products and services to the mining industry globally. Mr Scott also held a variety of senior management positions in Anglo American Platinum Limited including as acting CFO. His early career was spent in various financial positions, including as CFO Southern Africa for JP Morgan Chase.

Mr Scott is a Chartered Accountant and holds degrees in both accounting and commerce from the University of the Witwatersrand in South Africa. He previously served on the board of AngloGold Ashanti Holdings plc., a global gold mining company (2019 – February 2024). He is currently a Non-Executive Director of First Quantum Minerals Limited, a global miner of copper, nickel, and gold listed on the Toronto Stock Exchange, and a Non-Executive Director of Sylvania Platinum Limited, a PGMs producing company listed on the London Stock Exchange's Alternative Investment Market.

Mr Scott is a British and South African citizen.

COMMITTEE MEMBERSHIP:



Committee Membership:

- Ⓐ Audit Committee Member
- Ⓝ Nomination Committee Member
- Ⓡ Remuneration Committee Member
- Ⓡi Risk Council Member
- Committee Chair



Patrick Sacco (48)

NON-EXECUTIVE DIRECTOR

SKILLS AND EXPERIENCE:

In 2003, Patrick Sacco joined the Assore group in Ore and Metal Co Ltd (a wholly-owned subsidiary of Assore Holdings Ltd, AHL), serving as its chairman from 2019 – 2023. He was appointed as a director of Assmang Ltd, a joint venture between AHL and African Rainbow Minerals in 2008.

Mr Sacco became a director of AHL in 2016, then deputy CEO in 2019 before being appointed as its chairman in 2023. In 2016, Mr Sacco was also appointed as director of Oresteel Propriety Ltd, the ultimate holding company of AHL.

In 2020, Mr Sacco moved to the UK as managing director of Assore International Holdings Ltd (AIHL), a new wholly-owned subsidiary of AHL. He was appointed as AIHL's executive chairman in 2023.

Mr Sacco served on the supervisory board of the International Manganese Institute (IMnI) from 2012 – 2016, and on its executive board from 2016 until he was elected as chairman in 2021 until 2024. Mr Sacco also served on the board of the REACH Manganese Administration (MARA) consortium between 2016 – 2021 when he was elected to chairman until 2024.

Mr Sacco is a South African citizen.

COMMITTEE MEMBERSHIP:

Ⓡ

BOARD OF DIRECTORS CONTINUED



Kieran Daly (56)

NON-EXECUTIVE DIRECTOR

SKILLS AND EXPERIENCE:

Kieran Daly holds a BSc Mining Engineering from Camborne School of Mines (1991) and an MBA from Wits Business School (2001). He spent the initial 15 years of his mining career in Anglo American plc's Coal Division in a number of international operations, sales and marketing, strategy and business development roles before a 10-year stint in investment banking/equity research at Investec, Macquarie and UBS. He then joined Assore Holdings in 2018 as Executive: Growth and Strategic Development and additionally became MD of Assore International Holdings (Gemfields' major shareholder) in 2023. Currently Mr Daly is a Non-Executive Director of AIM/ASX-listed Atlantic Lithium Ltd and of TSX/ASX-listed Marimaca Copper Corp.

Mr Daly became a Permanent Alternate to Mr Sacco during November 2021, before becoming a full member of the Board in July 2024.

Mr Daly is an Irish citizen.

COMMITTEE MEMBERSHIP:

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Louis du Preez (56)

NON-EXECUTIVE DIRECTOR

SKILLS AND EXPERIENCE:

Louis du Preez qualified as an attorney of the High Court of South Africa in 1997 after completing his articles. An accomplished legal and corporate executive, he has extensive experience in corporate governance, commercial strategy and cross-border transactions. Mr du Preez became a partner at Jan S de Villiers in 1998. Following the firm's merger with Werksmans Attorneys in 2009, he served on the national executive committee, playing a pivotal role in shaping the firm's strategic direction until 2017.

Mr du Preez has held multiple board positions across a number of organisations. Mr du Preez was appointed as a Non-Executive Director at KAP Industrial Holdings Limited in 2017 (and resigned in 2019) and as Director at Pepkor Holdings Limited in 2018. In 2017, Mr du Preez joined Steinhoff International (now Ibex Holdings) as General Counsel, progressing to Commercial Director in December 2017 before being appointed Group CEO effective 1 January 2019. He currently fulfils the role of Group CEO of Ibex Holdings. He is also a Director of Rational Expectations (Pty) Ltd. With a deep understanding of corporate restructuring, financial oversight and strategic decision-making, Mr du Preez continues to contribute his expertise at all levels of business leadership.

Mr du Preez is a South African citizen.

COMMITTEE MEMBERSHIP:

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Chair's Introduction



“A commitment to robust corporate governance underpins our efforts for responsible business practices”

DEAR SHAREHOLDERS,

Strong corporate governance is fundamental for ensuring that our Group's values of transparency, legitimacy and integrity flows throughout our operations. It provides a structure that empowers the Board to oversee management, safeguard shareholder and stakeholder interests, and foster value creation. This commitment to robust corporate governance underpins our efforts to maintain the highest standards of integrity and responsible business practices.

BOARD COMPOSITION

A Board should represent a diverse range of expertise, backgrounds and experience, providing impartial oversight in accordance with its Charter.

2025 saw Louis du Preez appointed to the Board as a Non-Executive Director by shareholders at the Company's AGM on 25 June 2025, in connection with the Company's successful USD 30 million Rights Issue. Louis is a representative of Rational Expectations (Pty) Ltd, which underwrote the Rights Issue together with Assore International Holdings Limited. Louis brings a wealth of expertise and experience to the Board and strengthens the Group's corporate governance prowess.

REMUNERATION

Incentivising our Executive Directors and key employees remains the focus of the Remuneration Committee.

As such, the Group re-initiated its LTIP scheme in late 2025 following completion of the Rights Issue and the sale of Fabergé, with an award of 48,853,247 performance shares in the form of nominal cost options (“Performance Shares”) to the two Executive Directors and a number of senior employees.

The Performance Shares equate to 2.83% of the issued share capital in aggregate as at 31 December 2025. The vesting of the Performance Shares is conditional on meeting performance conditions measured over a three-year period as detailed in the Company's regulatory announcement on 30 September 2025. If the performance conditions are met, the awards will vest on the third anniversary of grant and are subject to a two-year post-vesting holding period and to conventional malus and clawback provisions.

LOOKING AHEAD

The Board will continue to strive to maintain best practices in corporate governance whilst setting an example for the rest of the Group. This includes moving to following the new King V Code of Corporate Governance (“King V”) that was published on 31 October 2025. Whilst reporting against King V is not compulsory until next year, the Group is adopting an ‘early mover’ approach, consistent with our commitment to strong corporate governance and our values of transparency, legitimacy and integrity.

In the light of the recent difficulties facing the Group, a Board strategy review session was held on 28 January 2026. The Company will update on the outcomes of this if and when appropriate.

Corporate Governance Report

APPROACH TO CORPORATE GOVERNANCE

This Corporate Governance Report explains how the Group adheres to the mandatory requirements relating to corporate governance through the Group's position as a listed company on both the JSE and on AIM. Beyond the JSE Listings Requirements and the AIM Rules for Companies, the Group adheres to the principles of the King V Code of Corporate Governance (King V) on an apply-and-explain basis. A disclosure statement of how the Group complies with the principles of King V (the King V Statement) is updated at least annually and will be available on the Company's website, www.gemfieldsgroup.com. This details how compliance with each separate principle has been achieved and is updated on an annual basis.

The Board is satisfied that the Group predominantly complies with the principles and recommendations of King V, although it should be noted that as the Group has chosen to adopt King V sooner than its formal effective reporting date (disclosure on the application of King V is compulsory for financial years commencing on or after 1 January 2026). There may be some minor gaps that need to be filled for the Group's 2026 King V Statement (which will be published in 2027). The Board is also satisfied that the Company complies with the Guernsey Companies Law and the Company's Articles of Association.

BOARD RESPONSIBILITIES

The Board's responsibilities include providing strategic direction and overseeing the performance of the Group, including evaluating potential acquisitions and divestments. The Board is also responsible for determining policies and procedures that seek to ensure the integrity of the Group's risk management and internal controls, for implementing and maintaining the Group's communication strategy, and for ensuring the integrity and effectiveness of the Group's governance processes.

BOARD COMPOSITION

King V recommends that a Board should comprise the appropriate balance of knowledge, skills, experience, diversity and independence for it to discharge its governance role and responsibilities objectively and effectively. There are nine Directors on the Board, of whom seven are Non-Executive Directors. Four of the Non-Executive Directors are independent.

Mr Cleaver joined the Board as Chair on 1 July 2024. As Mr Cleaver has no significant interests in the Group and his remuneration is in line with the market level of remuneration for a non-executive chair for a company such as Gemfields, the Board has concluded that he is classified as an independent Non-Executive Director and should remain so for the foreseeable future. The other members of the Board believe that the Chair's wealth of knowledge and experience means that he is best placed to provide overall leadership to the Board. Mr Cleaver is also the Chair of the Nomination Committee.

Mr Daly and Mr Sacco are not deemed independent in the context of King V, as a result of representing the Group's largest shareholder, Assore International Holdings, which has a shareholding in the Company of 32.8% as at 31 December 2025. Similarly, Mr du Preez is not deemed independent in the context of King V, as a result of representing the Group's second largest shareholder, Rational Expectations, which has a shareholding in the Company of 17.5% as at 31 December 2025.

Mr Scott, Ms Reilly and Mr Mmela have also been deemed as independent due to having no significant interests in the Group.

As mentioned in the Chair's Introduction, Louis du Preez was appointed to the Board as a Non-Executive Director by shareholders at the Company's AGM on 25 June 2025, in connection with the Company's successful USD 30 million Rights Issue.

Mr Mmela is the Company's Lead Independent Non-Executive Director ("LID"). His main responsibilities are to chair any meeting in which the Chair is not able to participate and to give stakeholders a point of contact separate from the Executive Directors. Ms Reilly is the Chair of the Audit and Risk Committee, Mr Cleaver is the Chair of the Nomination Committee and Mr Mmela is the Chair of the Remuneration Committee.

A review of the independence of the Non-Executive Directors will continue to be undertaken each year by the Board.

The roles of the Chair and the Chief Executive Officer are formalised and clearly defined. This creates a balance of power and authority and means that no individual is able to exercise unrestricted power. King V recommends that the Board should be led by an independent Non-Executive Chair who should not be the Chief Executive Officer of the Company. The offices of Chair and Chief Executive Officer are separate.

BRUCE CLEAVER

Chair of Board of Directors, Gemfields Group Limited
25 March 2026

CORPORATE GOVERNANCE REPORT CONTINUED

DIVERSITY POLICY

When considering the balance of the Board, or the nomination of new members, or the appointment of Executive Directors, the range of skills, knowledge, experience and diversity of the existing incumbents is taken into account, including gender and race. The Company seeks to promote diversity at Board level, although it does not set targets in respect of race, age, sexual orientation or gender when making appointments to the Board. The key factors considered are those that will result in the appointment of the best-qualified individuals who can best serve the interests of all the stakeholders of the Company.

The Nomination Committee helps to ensure that the Board has the right balance necessary to carry out its responsibilities in keeping with robust standards of governance.

EXECUTIVE DIRECTORS

The Executive Directors, Mr Sean Gilbertson (CEO) and Mr David Lovett (CFO), are responsible for the implementation of the Group's strategy and for management of the Group. The Executive Directors often act as Directors of the Group's subsidiaries. For example, Mr Gilbertson and Mr Lovett are Directors of Gemfields Limited, as well as a number of other subsidiaries in the Group. The Executive Directors attend each of the Company's Board meetings.

BOARD MEETINGS

Board meetings are scheduled on a quarterly basis each year in order to consider the Group's strategy, performance, operations and other issues. Additional Board meetings may be convened on an ad hoc basis. Directors endeavour to be present at Board meetings and to participate fully, frankly and constructively. Matters are decided at Board meetings by a majority of votes. In the case of an equality of votes, the Chair has a second or casting vote. Four quarterly Board meetings were held during 2025, as well as five ad hoc meetings, primarily to discuss and approve the Rights Issue and sale of Fabergé.

Attendance at board meetings

Below is a list of the Directors and their attendance record in respect of the scheduled meetings of the Board and, where they were members thereof, its committees during 2025:

	BOARD	AUDIT	REMUNERATION	NOMINATION
Mr Bruce Cleaver	9/9	3/3*	4/4*	4/4
Mr Sean Gilbertson	9/9	n/a	n/a	n/a
Mr David Lovett	9/9	3/3**	3/3**	n/a
Mr Kwape Mmela	9/9	3/3	5/5	4/4
Ms Mary Reilly	9/9	3/3	5/5	n/a
Mr Simon Scott	9/9	3/3	n/a	4/4
Mr Patrick Sacco	9/9	n/a	5/5	n/a
Mr Kieran Daly	9/9	n/a	n/a	n/a
Mr Louis du Preez (joined 25 June 2025)	4/4	n/a	n/a	n/a

* Invited as observer.

** Invited as contributor.

Attendances set out above include attendance in person or by remote access.

Board committees

The Board has established certain committees to assist in discharging its responsibilities. Reports from the Audit and Risk Committee, Remuneration Committee and Nomination Committee are included in this Annual Report.

The Company does not currently have a Social and Ethics Committee as, historically, the nature and size of the Company has made such a committee unnecessary. However, in late 2025, the Board resolved to reconstitute the ESG Committee (formerly made up of a cross section of senior employees from across the Group) as a full Board committee. The new committee's name is the Sustainability Committee and covers matters pertaining to social and ethical issues. The Sustainability Committee has its own terms of reference and must comprise of a minimum of three independent non-executive directors and shall meet at least twice a year. As at the time of writing, the Nomination Committee has recommended to the full board that the Sustainability Committee comprise Mr Simon Scott as chair, Mr Patrick Sacco and another non executive director yet to be determined.

 Please refer to the Corporate Responsibility and ESG Report on pages 64 and 75 for further information on the Group's ESG strategy and approach.

In late 2025, the Board resolved that the former Risk Council (made up of a cross section of senior employees from across the Group) be subsumed by the newly named Audit and Risk Committee (formerly, the Audit Committee). To this end, the Audit and Risk Committee terms of reference were updated to reflect that general oversight of Risk now falls under the Audit and Risk Committee.

In November 2024, the Group established a Disclosure Committee, chaired by the Head of Investor Relations, with the CEO, CFO, Company Secretary and Managing Director of Product & Sales as additional members. The terms of reference for the committee set out the circumstances in when the Committee would meet, primarily to assess and agree the disclosure of price sensitive information for complex matters, alongside the guidance of the Company's Nominated Adviser ("NOMAD"), Panmure Liberum and JSE Sponsor, Investec., where appropriate.

In February 2025, an independent committee was established, consisting of all Board members except the shareholder representatives from Assore International Holding, Mr Sacco and Mr Daly. This was to establish the terms of sharing certain information between the Board, in light of the discussions with Assore to underwrite the Rights Issue. Following completion of the Rights Issue, this independent committee was made defunct.

CHIEF INFORMATION OFFICER

King V recommends that the Board should govern technology in a way that supports the Company in setting and achieving its strategic objectives. The Board is collectively responsible for information technology ("IT") governance. Mr Dewald Blom is the Group's Chief Information Officer, having been appointed on 6 December 2018.

ROTATION OF DIRECTORS

The Company's Articles of Incorporation specify that one-third of the Non-Executive Directors shall retire from office at each AGM, by rotation. Any Director appointed since the previous AGM also retires from their office. However, a retiring Director can be re-elected at the same AGM and, if re-elected, is deemed not to have vacated their office.

Accordingly, Mr Patrick Sacco and Ms Mary Reilly shall retire from office to seek re-election at the 2026 AGM.

COMPANY SECRETARY

Following Board approval, Mr Toby Hewitt, Group Legal and Corporate Affairs Director, was appointed as Company Secretary on 27 September 2018. Mr Hewitt is supported by Mourant Governance Services (Guernsey) Limited ("Mourant") and the Company's in-house legal and company secretarial team. The Company Secretary and the Board also engage external legal counsel and other advisors as necessary.

The Company Secretary presents the Board with a governance update at each scheduled meeting. The update usually includes corporate, legal and ESG issues, such as compliance with the UK Bribery Act, the JSE Listings Requirements and the AIM Rules for Companies. Other issues are raised as appropriate. The Company Secretary also considers non-binding codes, rules and standards, assesses the impact thereof, and recommends a suitable course of action to the Board. The Board takes responsibility for deciding whether to follow the recommendations of the Company Secretary and for ensuring compliance with applicable laws.

The Board is required to consider and satisfy itself on an annual basis of the competence, qualifications and experience of the Company Secretary (as a consequence of the Company's JSE listing). The Board believes that it is best served by employing Mr Toby Hewitt as Company Secretary, who has access to support from Mourant and external legal counsel and other advisors, as necessary. The Board is satisfied that the Company Secretary has the requisite competence, qualifications and experience to carry out the required responsibilities.

RISK MANAGEMENT

The Directors are responsible for the Group's system of internal controls, which is designed to provide reasonable assurance against material misstatement and loss. The Group's system of internal controls is also designed to provide assurance on the maintenance of proper accounting records, and on the completeness and accuracy of financial information used by the Board for decision-making and provision to shareholders. The internal control system includes the following elements:

- Risk Registers, which are monitored and updated on an ongoing basis;
- An organisational structure and division of responsibilities; and
- Policies, procedures and systems for monitoring controls.

As mentioned earlier, Risk oversight now falls within the remit of the recently renamed Audit and Risk Committee.

CORPORATE GOVERNANCE REPORT CONTINUED

INVESTMENT VALUATIONS

The Directors are collectively responsible for the estimation of the fair value of the Group's investments in each reporting period. The valuation of each investment as determined by the Directors has been prepared using a methodology and approach which is reasonable and compliant with the concept of fair value under IFRS.

CORPORATE RESPONSIBILITY AND ESG

The Directors recognise the importance of corporate responsibility. The Company has an integrated corporate responsibility and ESG strategy framework, with initiatives across the Group. Where possible, the Board also uses its influence on the Group's subsidiaries to ensure that independent assurance is provided on their corporate responsibility and ESG reporting. However, a wholly separate public corporate responsibility report is not produced by the Group or by the Group's subsidiaries.

SHAREHOLDER COMMUNICATION WITH THE BOARD

Shareholders are able to communicate with the Board either by attending the AGM in person or by submitting proxy voting forms. The Directors regularly meet with analysts, shareholders and the media. Gemfields also communicates with its shareholders regarding the Group's financial performance and strategy through the Stock Exchange News Service ("SENS"), the London Stock Exchange Regulatory News Service ("RNS") and via the website, www.gemfieldsgroup.com. The Board communicates with other stakeholders as appropriate.

INTERNAL AUDIT

King V recommends that all companies implement an internal audit function that is insourced to some degree. Gemfields' Internal Audit function is the responsibility of the Head of Risk and Assurance and reports functionally to the Chair of the Audit Committee, thereby ensuring its independence. The Internal Audit Function is assisted by external advisers as is necessary. The Audit and Risk Committee is satisfied that the Group's internal financial controls and the arrangements for internal audit were working effectively during the period and were predominantly adequate and fit for purpose.

DEALING IN SECURITIES

GGL has a defined policy for the conduct of Directors and employees in relation to dealing in the Company's shares. The JSE Listings Requirements and the UK Market Abuse Regime ("MAR") define closed periods, which are around the time of the annual results or interim results, or around the release of any other major announcements, or during price-sensitive negotiations, acquisitions or disposals, or pending the release of any other price-sensitive information. Directors (and their close family members), as well as employees who are classified as insiders, are prohibited from trading in the Company's shares during these prohibited periods. Directors and employees can trade in the Company's shares outside of these periods after first obtaining the necessary approval in writing in accordance with the Company's share dealing policy. Any dealings in the Company's shares by Directors, persons discharging managerial responsibilities ("PDMRs") or their closely associated persons are announced via SENS and RNS, published on the Company's website and notified to the UK's Financial Conduct Authority ("FCA").

BRUCE CLEAVER

Chair of Board of Directors, Gemfields Group Limited
25 March 2026

Nomination Committee Report



“The Committee’s focus in 2025 was evaluating and recommending Mr Louis du Preez’s appointment to the Board, developing a skills matrix for the board and recommending amalgamation of the Audit Committee and Risk Committee to form the Audit and Risk Committee.”

ROLE OF THE NOMINATION COMMITTEE

The Committee assists the Board with its oversight responsibilities in accordance with its terms of reference, including in relation to the following areas:

- Reviewing the structure, size and composition of the Board on an ongoing basis, recommending any changes to the Board as necessary;
- Considering diversity, including gender and race, when assessing suitable candidates for appointment to the Board;
- Overseeing the reappointment process in respect of all Directors at the point of their retirement by rotation in accordance with provisions in the Company’s Articles of Incorporation; and
- Reviewing the succession planning for Directors, including the identification, mentorship and development of future candidates.

COMPOSITION OF THE COMMITTEE

The Committee comprises three independent Non-Executive Directors, who have the requisite skills and experience to fulfil the Committee’s duties:

COMPOSITION DURING 2025	MEETING ATTENDANCE
Chair: Bruce Cleaver	4/4
Kwape Mmela	4/4
Simon Scott	4/4

MEETINGS

The Nomination Committee meets as often as required, but not less than twice per year. Four formal meetings were held during 2025. The Committee additionally deliberated on matters, as necessary, on an ad hoc basis.

The Nomination Committee is pleased to present its report for the year ended 31 December 2025, as recommended by King V.

The Committee is constituted by independent Non-Executive Directors and is accountable to the Board in the carrying of out its duties as required by King V and its terms of reference.

DUTIES CARRIED OUT IN 2025

- Considered and delivered its recommendation to the Board on Louis du Preez’s appointment by shareholders as a Non-Executive Director of the Company, in accordance with the relationship agreement dated 11 April 2025 and entered into by the Company and Rational Expectations (Pty) Ltd in connection with the Rights Issue;
- Approved updated terms of reference for the Nomination Committee;
- Reviewed the Nomination Committee Report included in the Company’s previous Annual Report;
- Reviewed Director independence and the composition of Board Committees;
- Confirmed that the reappointment process that was undertaken for the Company’s 2025 AGM was in line with the provisions in the Company’s Articles of Incorporation;
- Considered the potential composition of membership of the newly formed Sustainability Committee; and
- Considered its programme of activities going forward.

CONCLUSION

The Committee is satisfied that it considered and discharged its responsibilities in accordance with its mandate and its terms of reference during 2025. Accordingly, this report was recommended by the Nomination Committee to, and was approved by, the Board on 25 March 2026.

BRUCE CLEAVER

Chair of the Nomination Committee
25 March 2026

Audit and Risk Committee Report



“The Audit and Risk Committee’s role is to provide oversight of the company’s financial reporting, risk management and internal controls, working to ensure transparency for our shareholders and stakeholders.”

ROLE OF THE AUDIT AND RISK COMMITTEE

The Committee’s mandate in accordance with its terms of reference includes the following areas:

- Monitoring the accuracy and integrity of the Group’s financial and other reporting;
- Monitoring the effectiveness of risk management systems, processes and internal controls, including having general oversight over Risk on behalf of the Board;
- Recommending the appointment of external auditors to shareholders on an annual basis;
- Reviewing the independence of the external auditor;
- Supervises the Group’s Internal Audit function;
- Reviewing the scope, results and cost-effectiveness of independent accounting and valuation services; and
- Reviewing the expertise and experience of the Chief Financial Officer.

COMPOSITION OF THE COMMITTEE

The Committee comprises three independent Non-Executive Directors, who have the requisite skills and experience to fulfil the Committee’s duties:

COMPOSITION DURING 2025	MEETING ATTENDANCE
Chair: Mary Reilly	3/3
Kwape Mmela	3/3
Simon Scott	3/3

The Audit and Risk Committee (recently renamed from the prior title of ‘Audit Committee’) is pleased to present its report for the year ended 31 December 2025, as recommended by King V.

The Committee is constituted by the Board, has an independent role, and is accountable to both the Board and shareholders.

MEETINGS

The Audit and Risk Committee meets as often as required, but not less than twice per year to review the Group’s Annual and Interim Results. Three formal meetings were held during 2025. The CFO may attend meetings by invitation, with the Chair of the Committee typically meeting separately with both the CFO and the external auditor before Committee meetings. The Committee may meet with the external auditor either formally or informally throughout the year. The audit partner has access to the Committee via the Chair. The Chair of the Committee decides whether to convene any ad hoc meetings and who should be invited to such meetings.

INTERNAL AUDIT

King V recommends that all companies implement an internal audit function that is insourced to some degree. The Gemfields Internal Audit function is the responsibility of the Head of Risk and Assurance and reports functionally to the Chair of the Audit and Risk Committee, thereby ensuring its independence. The Internal Audit function is assisted by external advisers as necessary. The Audit and Risk Committee is satisfied that the Group’s internal financial controls and the arrangements for internal audit were working effectively during the period and were predominantly adequate and fit for purpose.

DUTIES CARRIED OUT IN 2025

In 2025, the Committee performed the following statutory duties:

- Considered the qualifications, independence and objectivity of EY and ensured its independence has not been compromised for any reason;
- Reviewed the performance of the external auditor;
- Considered the appropriateness of the Group's going-concern assessment, particularly in connection with the complexities of the Rights Issue; and
- Approved the fees paid to EY during 2025, which were for both audit and non-audit services.

In addition, the Committee performed the following duties in line with its mandate:

- Reviewed the Group Annual and Interim Consolidated Financial Statements for compliance with the IFRS, the JSE Listings Requirements, the AIM Rules for Companies and The Companies (Guernsey) Law, 2008;
- Reviewed, and where appropriate approved, the Group's working capital models in connection with the two major corporate transaction in 2025, these being the Rights Issue and the sale of Fabergé;
- Reviewed significant judgements and unadjusted differences resulting from the audit and interim review, in addition to material impairments included in the Annual and Interim Consolidated Financial Statements;
- Reviewed and recommended to the Board for approval the valuation of the Group's investments;
- Ensured that the Group's accounting policies are suitable and considered the adoption of new and amended accounting standards;
- Considered the performance of the Group's accounting function;
- Approved updated terms of reference for the Audit and Risk Committee to, amongst other things, reflect that oversight over Risk on behalf of the Board now falls within the Audit and Risk Committee's remit;
- Considered and recommended to the Board that it approve the Company's 2024 King IV statement;
- Considered paragraph 5.9 of the JSE Listings Requirements, which require the CEO and CFO to prepare a responsibility statement – in particular, the requirement for the Executive Directors to confirm the adequacy of internal financial controls, disclose any deficiencies in design and operational effectiveness of the Audit and Risk Committee, and confirm that the annual Consolidated Financial Statements are true and fair in respect of the financial position, financial performance and cash flows of the Company in terms of IFRS;
- Reviewed the performance of the CFO, and was satisfied that the CFO continues to possess the appropriate expertise and experience to carry out his responsibilities as CFO; and
- Reviewed the Audit Committee Report included in the Company's previous Annual Report.

EXTERNAL AUDIT

The Committee is satisfied that Ernst & Young LLP ("EY"), as external auditor to the Company, is entirely independent of the Group. The Committee is satisfied with the policies and controls in place that address the provision of non-audit services received from EY. The Committee was satisfied with the performance of EY as appointed external auditor to the Company in the 12-month period to 31 December 2025.

RISK

The Risk Council was formerly a subcommittee of the Audit and Risk Committee set up to monitor current and emerging strategic operational and ethical risks facing the Group. Its members were made up of a cross-section of senior employees, and it was chaired by Simon Scott. It met quarterly and its recommendations were reported to the Audit Committee. When the Audit Committee did not meet, the Risk Council reported to the Board. In late 2025, the Board resolved that the Risk Council be subsumed by the newly named Audit and Risk Committee (formerly the Audit Committee). To this end, the Audit and Risk Committee terms of reference were updated to reflect that general oversight of Risk on behalf of the Board now falls under the Audit and Risk Committee.

DISCLOSURE COMMITTEE

A Disclosure Committee was established in November 2024 to review, assess and agree any disclosure of potentially price sensitive information for complex matters, alongside the guidance of the Company's Nominated Adviser ("NOMAD"), Panmure Liberum and its JSE Sponsor, Investec. The committee is chaired by the Head of Investor Relations, with the CEO, CFO, Company Secretary and Managing Director of Product & Sales as the other members. The Chair of the Disclosure Committee is responsible for reporting to the Audit Committee. Given the Company's significant corporate activity in 2025, which required a large number of main Board meetings, the Disclosure Committee did not formally meet in 2025.

ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

The Committee has reviewed this Annual Report and the Consolidated Financial Statements and has concluded that they comply in all material respects with the IFRS, the JSE Listings Requirements, the AIM Rules for Companies and The Companies (Guernsey) Law, 2008. The Committee has therefore recommended the approval of the Annual Report to the Board.

CONCLUSION

The Committee is satisfied that it has considered and discharged its responsibilities in accordance with its mandate and its terms of reference during 2025. Accordingly, this report was recommended by the Audit and Risk Committee to, and was approved by, the Board on 25 March 2026.

MARY REILLY

Chair of the Audit and Risk Committee
25 March 2026

Remuneration Committee Report



“Incentivising executive management and ensuring balanced remuneration for non-executive directors are the key priorities of the Remuneration Committee.”

ROLE OF THE REMUNERATION COMMITTEE

The Committee’s mandate in accordance with its terms of reference includes the following areas:

- Determining levels of remuneration for each member of the Board;
- Determining levels of remuneration for senior members of management; and
- Monitoring and maintaining the Company’s Remuneration Policy.

COMPOSITION OF THE COMMITTEE

The Committee comprises of three Non-Executive Directors, the majority of whom are independent, and who have the requisite skills and experience to fulfil the Committee’s duties:

COMPOSITION DURING 2025	MEETING ATTENDANCE
Chair: Kwape Mmela	5/5
Mary Reilly	5/5
Patrick Sacco	5/5

The Remuneration Committee is pleased to present its report for the year ended 31 December 2025, as recommended by King V.

The Committee is constituted by the Board, has an independent role, and is accountable to both the Board and shareholders.

MEETINGS

The Committee meets as often as is required, but not less than twice a year. Five formal meetings were held during 2025. Members of the Remuneration Committee do not participate when the level of their personal remuneration is considered.

GEMFIELDS GROUP LIMITED REMUNERATION POLICY

Elements of Executive Director Remuneration

Executive Director remuneration is broken down into two key elements: fixed compensation and performance-related awards. This comprises the fixed base salary, fixed cash payment in lieu of pension and the variable employee benefits. The performance-related awards include the discretionary cash bonus and long-term incentives.

Elements of Non-Executive Director remuneration

Board remuneration comprises fixed cash fees for, respectively, the role of Chair and each Non-Executive Director. Additional cash fees are paid for the role of Lead Independent Director.

ELECTED REDUCTION OF REMUNERATION

In light of the working capital challenges of the Group, the Chair, Non-Executive Directors, Executive Directors and a number of the senior management team volunteered temporarily to reduce their annual fees and salary (as applicable) from 1 January 2025 until 30 June 2025. The temporary salary reduction volunteered by the Executive Directors, senior management and independent Non-Executive Directors was 20%, while the non-independent Non-Executive Directors volunteered to temporarily receive no fees. All other terms and conditions of employment remained unchanged. Upon successful completion of the Rights Issue and an improved Group cash position, the Company repaid all fee and salary reductions in September 2025. The Remuneration Committee is greatly thankful to all of those who made this gesture.

DUTIES CARRIED OUT IN 2025

The Committee performed the following additional duties in line with its mandate:

- Seeking and assessing internal feedback on the Company's Long Term Incentive Plan ("LTIP") introduced in 2023, including consideration of potential improvements to the LTIP;
- Considering and approving KPIs for Executive Directors and senior management;
- Assessing the mechanics of the Executive Directors' cash bonus calculation;
- Assessing the suitability of the Company's Remuneration Policy; and
- Considering and approving an award of Performance Shares for 2025 pursuant to the LTIP;
- Approving updated terms of reference for the Remuneration Committee.

AGM VOTING

The Board, with input from the Remuneration Committee, requested shareholders to endorse both the Company's Remuneration Policy and Remuneration Implementation Report, as set out in the 2024 Annual Report which was published on 11 April 2025. Both non-binding advisory votes were passed with support of over 75% of shareholders at the Company's Annual General Meeting (AGM) on 25 June 2025.

The Remuneration Policy and Remuneration Implementation Report will again be put to shareholders, as non-binding advisory votes, at the Company's next AGM to be held on 23 June 2026.

KWAPE MMELA

Chair of the Remuneration Committee
25 March 2026

REMUNERATION COMMITTEE REPORT CONTINUED

Remuneration Policy

EXECUTIVE DIRECTOR REMUNERATION

	COMPONENT	OBJECTIVE	LINK TO BUSINESS STRATEGY	POLICY
Element 1: Guaranteed pay and benefits	<p>Base compensation</p> <p>Akin to a salary, base compensation is received monthly, based on an annual figure decided by the Remuneration Committee.</p>	To engage the best talent at Executive Director level.	Ensures market competitiveness, helps to attract and retain key talent, and provides fair reward for individuals.	<p>Executive Director base compensation was initially determined by former holders of the equivalent office within Gemfields plc, and at prevailing market rates.</p> <p>Future reviews will be based on skill, experience, responsibilities and market rates, with particular emphasis on shareholder engagement.</p>
	<p>Insurance benefits</p> <p>Executive Directors receive medical and dental insurance for themselves and their families, and individual life assurance and travel insurance.</p>	The benefits package is comparable with others on the market, the aim being to attract and retain the best talent, as well as looking after the well being of our Executive Directors.	The Company recognises the need for a holistic approach to an Executive Director's guaranteed pay package.	Insurances are comparable with those offered to the wider employee base within the Group and are reviewed annually.
Element 2: Short- and long-term incentives	<p>Annual bonus</p> <p>At the end of each calendar year, Executive Directors may receive a cash bonus dependent on the relative success of the business, the Executive Directors' work over the previous year, and based on the value of their base compensation.</p>	To encourage performance over each one-year operating cycle.	Rewards Executive Directors for a measurable contribution to the Company.	<p>A balanced scorecard approach has been adopted from 1 January 2022.</p> <p>Performance across the various metrics is compared against previous years' performance.</p> <p>Outside exceptional circumstances, the maximum annual cash bonus will remain capped at 100% of base remuneration.</p>
	<p>LTIP scheme</p> <p>LTIP annual awards of performance shares vesting after three years subject to continued employment and the Company meeting objective three-year performance conditions (based on Earnings Per Share and Total Shareholder Return).</p> <p>Awards to Executive Directors are subject to a two-year post-vesting holding period.</p>	To retain, motivate and attract key individuals and align them with long-term company performance.	<p>Aligns Executive Director interests with those of shareholders, with growth in the share price, and with key group targets reflected in performance targets.</p> <p>Rewards Executive Directors for delivering tangible successes.</p>	Normal maximum annual award for Executive Directors at 150% of salary, maximum in exceptional circumstances, such as for recruitment, 300% of salary.

Annual Bonus

Since 1 January 2022, Gemfields has applied a balanced scorecard structure. The Company reviewed the workings of the annual cash bonus scheme after its first year of operation in order to assess its functioning and suitability, concluding that the structure had worked effectively.

The central methodology for this structure is an assessment of performance improvement across 10 Key Performance Indicators (“KPIs”) against performance in the previous year and the previous 3 years. For 2025, these KPIs were, in order of weighting:

1. Strategy/Business Development/Development Projects/Organic Growth – 30%;
2. Free Cash Flow – 14%;
3. HSEC (Health, Safety, Environment, Community) – 12.5%;
4. Total Premium Carats Produced – 10%
5. Total Cash Operating Cost – 8%;
6. Revenue – 8%;
7. Total Rock Handling – 7.5%;
8. Balance Sheet (net cash/net debt, treasury, financing, tax) – 5%;
9. Leadership/Organisational/People Development/Staff Turnover – 2.5%; and
10. Financial and Shareholder Reporting/Auditors/Accounting/Controls – 2.5%.

Performance against each KPI was scored in a matrix against previous performance which the Committee then assessed. The Committee updated the weighting of the 2025 KPIs against those set for 2024 to reflect: (i) that the sale process of Fabergé had started and therefore Fabergé’s performance was no longer material to the Group’s performance; and (ii) the increased importance of strong strategic and commercial leadership from the Executive Directors in the face of potentially two major corporate transactions for the Company in 2025, these being the sale of Fabergé and the Rights Issue.

All bonus payments are at the discretion of the Remuneration Committee. Under the structure, the Committee has an overriding discretion to adjust bonus payments from formulaic outcomes in light of the Committee’s overall assessment of performance, with the ability to apply a safety deductor should there be any serious HSEC matters during the relevant reporting period.

NON-EXECUTIVE DIRECTORS’ REMUNERATION

The fees for the Chair and Non-Executive Directors and additional committee memberships were unchanged in 2025. The Chair receives a fee of USD 130,000 per annum while Non-Executive Directors without any committee memberships and who do not chair committees will receive a fee of USD 50,000.

Non-Executive Directors who are members of up to two committees, and have one chair of a committee, will receive USD 65,000 per annum. The Lead Independent Non-Executive Director role is equivalent to one committee membership. Non-Executive Directors with additional roles beyond the foregoing will receive an additional USD 7,500 per annum per additional chair of a committee and USD 5,000 per annum per additional committee membership.

EVALUATION OF WHETHER THE REMUNERATION POLICY MEETS ITS OBJECTIVES

When developing the Remuneration Policy, the Remuneration Committee focussed on three key areas.

1. The elements of Executive Director remuneration are a good foundation for both the short- and long-term success of the Company.
2. The fixed remunerative elements (base compensation, benefits and Non-Executive Director fees) are competitively set to both attract and retain the key talent required by the Company.
3. The performance-related elements of variable remuneration (annual cash bonuses and LTIP) ensure that the interests of the shareholders are at the forefront of the minds of Executive Directors, all of whom would stand to benefit by short- and long-term growth of the Company’s business and the share price.

REMUNERATION COMMITTEE REPORT CONTINUED

SHAREHOLDER ENGAGEMENT

Shareholder engagement has been key to developing and revising the Remuneration Policy and applying it to Executive Director remuneration. Shareholder advisory votes are a key means of shareholder feedback from which the Committee can tailor both practical remuneration and the Remuneration Policy. Consequently, the Company commits to engaging shareholders about remuneration each financial year should there be any material change. As no material changes were made in 2025, there was no new shareholder engagement.

Should any shareholder advisory vote conclude in a result of less than 75% in favour of the remuneration matter under vote, the Committee will re-examine the matter. Where possible, the Committee will engage in direct discussion with shareholders in order to understand the motivation behind such a vote – that is, to better understand their concerns. However, some shares are held anonymously, thus creating an obstacle to shareholder engagement. The Committee will also consider communicating with shareholders individually, via the Company's website and via SENS and RNS, encouraging shareholders to come forward should they believe their view is yet to be represented.

King V standard

The Committee is satisfied that the Remuneration Policy complies with the King V Code and that the robust principles of governance encouraged by King V have been implemented.

Remuneration Policy availability

GGL's Remuneration Policy is available online at www.gemfieldsgroup.com within the 2025 Annual Report.

Remuneration Implementation Report

FIXED COMPENSATION

In 2025, the salary of the CEO was USD 630,759 and the salary of the CFO USD 420,546. There was no change to base salary for the CEO or CFO for 2025, in light of the Group's working capital challenges. As previously stated, both the CEO and CFO volunteered to reduce their base salary temporarily by 20% from 1 January 2025 to 30 June 2025. Said reductions were subsequently repaid by the Company to the CEO and CFO in September 2025.

PERFORMANCE-RELATED AWARDS

Annual Cash Bonus

In respect of 2025, cash bonuses of USD 378,455 & USD 252,328 were paid to the CEO and CFO, respectively.

Long Term Incentive Plan ("LTIP")

In 2025, 48,853,247 performance shares were awarded to the Executive Directors and a number of senior employees. Of these, 10,641,892 and 6,007,875 performance shares were awarded to the CEO and CFO, respectively.

The table below illustrates the number of options issued and forfeited/lapsed during the year in respect of the Executive Directors.

LTIP	OPTIONS HELD AT 1 JANUARY 2025	ISSUED DATE	EXERCISE PRICE	OPTIONS GRANTED DURING THE YEAR	OPTIONS FORFEITED/ LAPSED DURING THE YEAR	OPTIONS EXERCISED DURING THE YEAR	OPTIONS HELD AT 31 DECEMBER 2025
Sean Gilbertson	3,749,093	August 2023	Nominal – Performance Shares under the LTIP	–	–	–	3,749,093 (note, these have since lapsed)
Sean Gilbertson	–	September 2025	Nominal – Performance Shares under the LTIP	10,641,892	–	–	10,641,892
David Lovett	2,043,563	August 2023	Nominal – Performance Shares under the LTIP	–	–	–	2,043,563 (note, these have since lapsed)
David Lovett	–	September 2025	Nominal – Performance Shares under the LTIP	6,007,875	–	–	6,007,875

The Committee has noted that the 11,823,851 performance shares issued to the Executive Directors and senior employees in August 2023 will not vest and have therefore lapsed, as a result of the performance conditions (as detailed in the Company's regulatory announcement on 25 August 2023) not being met. As such, pursuant to paragraph 3.2 of the LTIP rules, these 11,823,851 performance shares do not count towards the limit of performance shares that can be issued under the LTIP (which is currently 60,630,523 as per paragraph 3.1 of the LTIP scheme). Given the current limit under the LTIP plan is 60,630,523 shares, and taking into account the 48,853,247 performance shares issued in September 2025, the available headroom under the LTIP is 11,777,276.

SHARE OPTIONS FOR EMPLOYEES OF THE WIDER GROUP

2018 Share Option Scheme (No further awards and now fully defunct)

In 2018, the Group implemented an employee share option scheme for the Executive Directors and employees of the wider Group within the parameters of the scheme approved by shareholders on 26 June 2017. In the same manner that the Company previously used share options as a long-term incentive for its Executive Directors, the Board extended this benefit to a wider number of its employees.

No share options remain outstanding under this scheme and it is now fully defunct.

REMUNERATION COMMITTEE REPORT CONTINUED

LTIP scheme for wider Group

In 2025, 32,203,480 performance shares were issued under the LTIP to members of the wider Group. These carry the same performance criteria as set for the Executive Directors.

Summary of options for Executive Directors and employees of the wider Group

At 31 December 2025, the following share options had been granted, including to Executive Directors, and were outstanding in respect of the ordinary shares:

ISSUE DATE	EXERCISE PRICE	OUTSTANDING AT 1 JANUARY 2025	OPTIONS GRANTED DURING THE YEAR	FORFEITED/ LAPSED	EXERCISED	OUTSTANDING AT 31 DECEMBER 2025
August 2023	Nominal – LTIP Performance Shares	11,823,851	–	–	–	11,823,851 (note, these have since lapsed)
September 2025	Nominal – LTIP Performance Shares	–	48,853,247	–	–	48,853,247
Total		11,823,851	48,853,247	–	–	60,677,098

DIRECTORS' REMUNERATION TABLE (NOT INCLUDING LTIP AWARDS)

The fees payable to Executive Directors for the year ended 31 December 2025 are as follows:

1 JANUARY 2025 TO 31 DECEMBER 2025	BASE COMPENSATION USD'000	BENEFITS USD'000	PENSION (CONTRIBUTIONS/ CASH IN LIEU) USD'000	BONUS USD'000	TOTAL USD'000
Sean Gilbertson	631	23	32	378	1,064
David Lovett	421	16	21	252	710
Total	1,052	39	53	630	1,774

The fees payable to Non-Executive Directors for the year ended 31 December 2025 are as follows:

1 JANUARY 2025 TO 31 DECEMBER 2025	GROUP DIRECTOR FEES USD'000	BOARD COMMITTEES USD'000	LEAD INDEPENDENT DIRECTOR USD'000	TOTAL USD'000
Bruce Cleaver (from 1 July)	130	–	–	130
Kwape Mmela (Lead NED from 1 July)	50	15	5	70
Kieran Daly (from 1 July)	50	15	–	65
Mary Reilly	50	15	–	65
Patrick Sacco	50	15	–	65
Simon Scott (from 1 July)	50	15	–	65
Louis du Preez (from 30 June)	26	–	–	26
Total	406	75	5	471

Remuneration in 2025

BENCHMARKING

No new benchmarking for Executive remuneration occurred in 2025, following the benchmarking report completed in January 2024. Benchmarking for Non-Executive remuneration was carried out in June 2025.

SALARIES

There was no change to base salary for the CEO or CFO for 2025, in light of the Group's working capital challenges. As previously stated, both the CEO and CFO volunteered to reduce their base salary temporarily by 20% from 1 January 2025 to 30 June 2025. Said reductions were subsequently repaid by the Company to the CEO and CFO in September 2025.

In February 2026, the Board, on the recommendation of the Committee, resolved to rebase the salaries of the CEO and CFO from USD to GBP, effective 1 January 2026, at the GBP-USD FX rate set for the 2025 financial year (1.2647). Further, the CEO and CFO were each awarded an annual increase of 3.4% to their base salaries, effective 1 January 2026.

ANNUAL BONUS

As mentioned above, the CEO and CFO each received bonuses equal to 60% of their annual base salaries for the 2025 financial year.

The Annual cash bonus scheme is expected to operate in 2026 based on a balanced scorecard previously described, with a normal maximum amount set at 100% of salary.

NON-EXECUTIVE DIRECTOR REMUNERATION

There were no changes to the base level or structure of Chair or Non-Executive Director remuneration in 2025.

APPROVAL OF THE REMUNERATION COMMITTEE REPORT FOR 2025

All decisions undertaken in the 2025 financial year were compliant with the Remuneration Policy as determined by the Committee. Accordingly, this report was recommended by the Committee and approved by the Board on 25 March 2026.

KWAPE MMELA

Chair of the Remuneration Committee
25 March 2026

Directors' Report

The Directors are pleased to present the Group's Annual Report and Consolidated Financial Statements for the year ended 31 December 2025.

NATURE OF BUSINESS AND PRINCIPAL ACTIVITIES

Gemfields Group Limited is an operating mining group. The Company is listed on the General Segment of the JSE Main Board and quoted on the AIM in London.

Gemfields was incorporated in Guernsey on 4 September 2007 as Pallinghurst Resources (Guernsey) Limited and was listed on the BSX on 26 September 2007. The Group subsequently listed on the JSE (as a primary listing) on 20 August 2008, followed by a dual listing on AIM (as a secondary listing) on 14 February 2020. The Company changed its name from Pallinghurst Resources Limited to Gemfields Group Limited on 26 June 2018. The Company de-listed from trading on the BSX effective from 1 July 2020.

The Directors, and their respective designations and appointment dates, are detailed in the table below.

COMPOSITION OF THE BOARD

DIRECTOR	DESIGNATION	APPOINTMENT DATE
Mr Bruce Cleaver	Independent Non-Executive Director – Chair	1 July 2024
Mr Sean Gilbertson	Executive Director – Chief Executive Officer	17 July 2017 (appointed CEO on 31 March 2018)
Mr David Lovett	Executive Director – Chief Financial Officer	31 March 2018
Dr Kwape Mmela	Lead Independent Non-Executive Director	31 July 2017
Ms Mary Reilly	Independent Non-Executive Director	4 December 2020
Mr Simon Scott	Independent Non-Executive Director	1 July 2024
Mr Patrick Sacco	Non-Executive Director	11 October 2021
Mr Kieran Daly	Non-Executive Director	1 July 2024
Mr Louis du Preez	Non-Executive Director	25 June 2025

CORPORATE GOVERNANCE

The Group subscribes to the King Code of Governance Principles and the King Report on Governance (“King V”). The Company publishes an annual statement on its compliance with King V on an apply-and-explain basis. The Directors carried out an assessment of the principles and recommendations of King V during the year and fully support its implementation across the Group.

FINANCIAL RESULTS

The results for the year are shown in the Consolidated Statement of Comprehensive Income.

RETIREMENT AND RE-ELECTION OF DIRECTORS

In accordance with the Company's Articles of Incorporation, Patrick Sacco and Mary Reilly will offer themselves for election at the Annual General Meeting (“AGM”) to be held on 23 June 2026.

DIRECTORS WHO RETIRED DURING THE YEAR

No directors retired or resigned during the 12-month period to 31 December 2025.

SHAREHOLDER MEETINGS

The Company's Annual General Meeting ("AGM") was held on 25 June 2025. The following resolutions were passed:

Ordinary resolutions:

1. The adoption of the Company's Annual Report and Consolidated Financial Statements for the year ended 31 December 2024.
2. The re-election of Bruce Cleaver, who retired by rotation, as a Director of the Company.
3. The re-election of Kieran Daly, who retired by rotation, as a Director of the Company.
4. The re-election of Simon Scott, who retired by rotation, as a Director of the Company.
5. The appointment of Louis du Preez as a Director of the Company.
6. The re-appointment of Simon Scott to the Company's Audit Committee.
7. The re-appointment of Ernst & Young LLP as the Company's auditor (until the conclusion of the 2026 Annual General Meeting) and to authorise the Directors to fix their remuneration.

The following resolution was passed as a special resolution:

1. To amend the Articles of Incorporation of the Company.

The following resolution was passed as a non-binding advisory vote:

1. The endorsement of the Company's Remuneration Policy.
2. The endorsement of the Company's Remuneration Implementation Report.

The following special resolution was not passed:

Special resolution:

1. General authority to issue shares for cash and waiver of pre-emption.

As over 25% of shareholders voted against Special Resolution 1, the Company does not have the general authority to issue shares for cash and a waiver of pre-emption.

The Group's next AGM is scheduled for 23 June 2026. Full details will be set out in the Notice of Annual General Meeting and will be distributed to shareholders accordingly. The Directors consider that passing the resolutions to be proposed at the AGM will be in the best interests of the Company and shareholders as a whole, and unanimously recommend that shareholders vote in favour of each of them, as they intend to do in respect of their own holdings.

INDEPENDENT AUDITOR

Ernst & Young LLP ("EY") continue as the Company's independent statutory auditor and was reappointed by shareholders until the conclusion of the 2026 Annual General Meeting ("AGM").

The Audit Committee has recommended to the Board that EY should be re-appointed as the Company auditor for the year commencing after the completion of the Group's 2026 AGM. The Board agreed with this recommendation and, accordingly, an ordinary resolution will be included within the forthcoming AGM for the reappointment of EY as independent auditors, and to authorise the Directors to fix their level of remuneration.

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

The Company holds Directors' and Officers' liability insurance. The level of cover and cost of the insurance are reviewed on an annual basis.

DIRECTORS' REPORT CONTINUED

GOING CONCERN

As a result of the assessment made, the Directors believe that the Group has sufficient cash to meet its obligations as they fall due and, consequently, the Consolidated Financial Statements have been prepared on the going-concern basis.

More details on Going Concern can be found in the Finance Review on page 26 and in the Notes to the Financial Statements on pages 110 to 168.

OMISSION OF COMPANY-ONLY FINANCIAL INFORMATION FROM THE CONSOLIDATED FINANCIAL STATEMENTS

The Financial Statements are presented on a consolidated basis as required by the International Financial Reporting Standards ("IFRS"). The Directors believe that the Group's results as presented provide all material and relevant information for users of the Consolidated Financial Statements and are satisfied that the provision of Company-only financial information would not contain any significant additional information that would be of interest. Accordingly, Company-only financial information has been omitted from the Consolidated Financial Statements, as permitted by Section 244(5) of The Companies (Guernsey) Law, 2008, and Sections 6.47(b) and 11.38(h) of the JSE Listings Requirements.

DIRECTORS' RESPONSIBILITIES FOR FINANCIAL REPORTING

The Directors are responsible for the preparation, fair presentation and integrity of the Annual Report and Consolidated Financial Statements, in accordance with IFRS as issued by the International Accounting Standards Board ("IASB"), UK Adopted International Accounting Standards, and the financial reporting pronouncements issued by the Financial Reporting Standards Council of South Africa (the "FRSC Pronouncements"), the JSE Listings Requirements, the AIM Rules for Companies and The Companies (Guernsey) Law, 2008.

The Directors are responsible for the following:

- Maintaining adequate accounting records and an effective system of risk management;
- The consistent selection and application of appropriate accounting policies;
- Making reasonable accounting judgements and estimates;
- Safeguarding shareholders' investments and the assets of the Group;
- The presentation of information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- The provision of additional disclosures when compliance with the specific requirements of the IFRS is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- Preparing the Consolidated Financial Statements on a going-concern basis unless it is inappropriate to presume that the Group will continue in business.

The Independent Auditor's Report is set out in the Consolidated Financial Statements section of this document. The auditors have unrestricted access to all accounting records and to the Audit and Risk Committee.

Having considered the Group's current financial position, risks and opportunities, the Directors consider it appropriate that the Consolidated Financial Statements be prepared on a going-concern basis.

JSE-REQUIRED ATTESTATION STATEMENT

Each of the Directors, whose names are stated below, hereby confirm that:

- a) the Consolidated Financial Statements, set out on pages 110 to 168, are true and fairly present in all material respects the financial position, financial performance and cash flows of the issuer in terms of IFRS;
- b) to the best of our knowledge and belief, no facts have been omitted or untrue statements made that would make the Consolidated Financial Statements false or misleading;
- c) internal financial controls have been put in place to ensure that material information relating to the issuer and its consolidated subsidiaries have been provided to effectively prepare the financial statements of the issuer;
- d) the internal financial controls are adequate and effective and can be relied upon in compiling the Consolidated Financial Statements, having fulfilled our role and function as executive directors with primary responsibility for implementation and execution of controls;
- e) where we are not satisfied, we have disclosed to the Audit Committee and the auditors any deficiencies in design and operational effectiveness of the internal financial controls, and have taken steps to remedy the deficiencies; and
- f) we are not aware of any fraud involving directors.

AUDITOR CONFIRMATION

Each of the Directors, at the date of approval of the Consolidated Financial Statements, confirms that:

1. So far as the Director is aware, there is no relevant audit information of which the Group's auditor is unaware; and
2. Each Director has taken all steps he ought to have taken to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 249(2) of The Companies (Guernsey) Law, 2008.

APPROVAL OF ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

The Annual Report and Consolidated Financial Statements for the year ended 31 December 2025 were approved by the Directors on 25 March 2026 and will be presented to shareholders at the AGM on 23 June 2026. The Consolidated Financial Statements are signed on the Directors' behalf by:

DAVID LOVETT

Chief Financial Officer

25 March 2026

SEAN GILBERTSON

Chief Executive Officer

25 March 2026

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Consolidated Income Statement

for the year ended 31 December 2025

	NOTES	2025 USD'000	AS RE-PRESENTED 2024 USD'000
Continuing operations			
Revenue	3	135,109	199,431
Cost of sales	4	(124,173)	(145,508)
Gross profit		10,936	53,923
Unrealised fair value losses on unlisted equity instruments	13	–	(4,000)
Selling, general and administrative expenses	5	(38,530)	(51,330)
Impairment charges	11,12	(36,224)	(91,287)
Other income		1,073	439
Loss from operations	3	(62,745)	(92,255)
Finance income	8	1,350	900
Finance costs	8	(5,051)	(6,296)
Loss before taxation from continuing operations		(66,446)	(97,651)
Taxation	9	19,874	8,131
Loss after taxation from continuing operations		(46,572)	(89,520)
Discontinued operations			
Loss after taxation from discontinued operations	10	(4,290)	(11,276)
NET LOSS AFTER TAXATION		(50,862)	(100,796)
Loss for the year attributable to:			
Owners of the Parent		(39,082)	(82,143)
Non-controlling interest		(11,780)	(18,653)
		(50,862)	(100,796)
Loss per share attributable to the Parent:			
Basic – USD cents	22	(2.6)	(7.0)
Diluted – USD cents	22	(2.6)	(7.0)
Loss per share from continuing operations attributable to the Parent:			
Basic – USD cents	22	(2.4)	(6.1)
Diluted – USD cents	22	(2.4)	(6.1)

Consolidated Statement of Comprehensive Income

for the year ended 31 December 2025

	2025 USD'000	AS RE-PRESENTED 2024 USD'000
Loss after taxation	(50,862)	(100,796)
Other comprehensive income/(loss):		
Items that have been/may be reclassified subsequently to profit or loss:		
Exchange gain/(loss) arising on translation of foreign operations	1,326	(720)
Total other comprehensive income/(loss)	1,326	(720)
TOTAL COMPREHENSIVE LOSS	(49,536)	(101,516)
Total loss attributable to:		
Owners of the Parent	(37,756)	(82,874)
Non-controlling interest	(11,780)	(18,642)
	(49,536)	(101,516)

Consolidated Statement of Financial Position

as at 31 December 2025

	NOTES	2025 USD'000	2024 USD'000
ASSETS			
Non-current assets			
Property, plant and equipment	11	312,576	338,697
Intangible assets	12	15,171	40,322
Unlisted equity investments	13	–	–
Deferred tax assets	9	4,132	46
Other non-current assets	15	34,461	12,682
Total non-current assets		366,340	391,747
Current assets			
Inventory	14	82,660	114,028
Trade and other receivables	15	48,843	76,716
Current tax receivable		9,266	7,899
Cash and cash equivalents		64,053	20,844
Total current assets		204,822	219,487
Total assets		571,162	611,234
LIABILITIES			
Non-current liabilities			
Deferred tax liabilities	9	34,871	50,753
Borrowings	17	30,000	45,000
Lease liabilities	19	2,353	3,231
Provisions	18	3,414	3,578
Other non-current payables	16	2,547	4,175
Total non-current liabilities		73,185	106,737
Current liabilities			
Trade and other payables	16	38,926	41,580
Borrowings	17	73,342	56,275
Lease liabilities	19	732	1,017
Provisions	18	2,641	2,848
Total current liabilities		115,641	101,720
Total liabilities		188,826	208,457
Net assets		382,336	402,777
EQUITY			
Share capital	20	17	12
Share premium	20	516,721	486,939
Cumulative translation reserve		3,268	2,950
Option reserve	21	4,259	4,006
Retained deficit		(187,203)	(148,184)
Attributable to equity holders of the Parent		337,062	345,723
Non-controlling interest	23	45,274	57,054
Total equity		382,336	402,777

The Financial Statements were approved and authorised for issue by the Directors on 25 March 2026 and were signed on their behalf by:

DAVID LOVETT
Director

SEAN GILBERTSON
Director

Consolidated Statement of Cash Flows

for the year ended 31 December 2025

	NOTES	2025 USD '000	AS RE-PRESENTED 2024 USD '000
Cash flow from operating activities			
Loss for the year before taxation from continuing operations		(66,446)	(97,651)
Loss for the year before taxation from discontinued operations	10	(3,180)	(5,970)
<i>Adjustments for:</i>			
Unrealised fair value losses	13	–	4,000
Depreciation and amortisation	3,10	31,963	36,689
Impairment of evaluated mining properties	3,11	35,000	47,400
Impairment of property, plant and equipment and intangible assets at development projects	3	1,224	43,887
Write down of inventory and other assets	3	1,017	3,985
Share-based payments	5	316	174
Write off of trade and other receivables	10	174	2,661
Net finance expenses	8,10	3,864	5,668
Net foreign exchange (gains)/losses	5,10	(1,241)	3,444
Profit on sale of fixed assets		–	(759)
<i>Change in operating assets and liabilities:</i>			
Decrease in trade and other receivables		6,947	835
Increase/(decrease) in trade and other payables		2,587	(7,341)
Decrease/(increase) in inventory		11,452	(7,512)
(Decrease)/increase in provisions		(329)	1,054
Cash generated from operations		23,348	30,564
Tax paid		(1,887)	(18,535)
Net cash generated from operating activities		21,461	12,029
Cash flows from investing activities			
Purchase of intangible assets		(3,687)	(16,318)
Purchase of property, plant and equipment		(39,145)	(68,627)
Disposal of property, plant and equipment		–	1,201
Interest received		1,200	598
Cash advances and loans made to related parties	27	(1,250)	(1,690)
Proceeds from sale of discontinued operations, net of cash disposed and transaction fees	10	41,169	–
Net cash utilised in investing activities		(1,713)	(84,836)
Cash flows from financing activities			
Issue of shares	20	–	251
Proceeds from Rights Issue	20	32,271	–
Transaction fees related to Rights Issue	20	(2,461)	–
Proceeds from borrowings	17	115,703	170,764
Repayments of borrowings	17	(113,636)	(109,963)
Payment of principal portion of lease liabilities	19	(1,169)	(755)
Interest paid		(5,121)	(6,602)
Dividends paid to shareholders of the Parent company		–	(10,000)
Dividends paid to non-controlling interest in Kagem		–	(1,500)
Net cash generated from financing activities		25,587	42,195
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		45,335	(30,612)
Cash and cash equivalents at the beginning of the year		20,844	51,621
Net foreign exchange loss on cash		(2,126)	(165)
CASH AND CASH EQUIVALENTS AT END OF THE YEAR		64,053	20,844

Consolidated Statement of Changes in Equity

for the year ended 31 December 2025

	SHARE CAPITAL USD'000	SHARE PREMIUM USD'000	CUMULATIVE TRANSLATION RESERVE USD'000	OPTION RESERVE USD'000	RETAINED (DEFICIT)/ EARNINGS USD'000	TOTAL ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT USD'000	NON- CONTROLLING INTEREST USD'000	TOTAL EQUITY USD'000
Balance at 1 January 2025	12	486,939	2,950	4,006	(148,184)	345,723	57,054	402,777
Loss for the year	–	–	–	–	(39,082)	(39,082)	(11,780)	(50,862)
Other comprehensive income	–	–	1,326	–	–	1,326	–	1,326
Total comprehensive income/(loss)	–	–	1,326	–	(39,082)	(37,756)	(11,780)	(49,536)
Share options recognised during the year	–	–	–	316	–	316	–	316
Share options lapsed/ forfeited during the year	–	–	–	(63)	63	–	–	–
Rights issue	5	29,782	–	–	–	29,787	–	29,787
Recycled translation reserve on disposal of discontinued operation	–	–	(1,008)	–	–	(1,008)	–	(1,008)
Total contributions to owners	5	29,782	(1,008)	253	63	29,095	–	29,095
Balance at 31 December 2025	17	516,721	3,268	4,259	(187,203)	337,062	45,274	382,336

	SHARE CAPITAL USD'000	SHARE PREMIUM USD'000	CUMULATIVE TRANSLATION RESERVE USD'000	OPTION RESERVE USD'000	RETAINED (DEFICIT)/ EARNINGS USD'000	TOTAL ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT USD'000	NON- CONTROLLING INTEREST USD'000	TOTAL EQUITY USD'000
Balance at 1 January 2024	12	486,688	3,681	4,295	(56,504)	438,172	85,321	523,493
Loss for the year	–	–	–	–	(82,143)	(82,143)	(18,653)	(100,796)
Other comprehensive (loss)/income	–	–	(731)	–	–	(731)	11	(720)
Total comprehensive loss	–	–	(731)	–	(82,143)	(82,874)	(18,642)	(101,516)
Share options recognised during the year	–	–	–	174	–	174	–	174
Share options exercised during the year	–	251	–	(123)	123	251	–	251
Share options lapsed/ forfeited during the year	–	–	–	(340)	340	–	–	–
Dividends declared	–	–	–	–	(10,000)	(10,000)	(9,625)	(19,625)
Total contributions to owners	–	251	–	(289)	(9,537)	(9,575)	(9,625)	(19,200)
Balance at 31 December 2024	12	486,939	2,950	4,006	(148,184)	345,723	57,054	402,777

Notes to the Consolidated Financial Statements

for the year ended 31 December 2025

1. BASIS OF PREPARATION

Gemfields Group Limited (or “GGL” or “the Company” or “the Parent”) is incorporated in Guernsey under The Companies (Guernsey) Law, 2008. The Company’s registered office address is PO Box 186, Royal Chambers, St Julian’s Avenue, St Peter Port, Guernsey, GY1 4HP, Channel Islands. The Company is listed on the Johannesburg Stock Exchange (“JSE”) and the Alternative Investment Market (“AIM”) of the London Stock Exchange. The nature of the operations and principal activities of the Company and its subsidiaries (together “the Group”) are set out in the Operations Review on pages 32 to 45.

The Company’s accounting policies are the same as those of the Group. Company-only financial information has been omitted from these Consolidated Financial Statements, as permitted by The Companies (Guernsey) Law, 2008, Section 244(5), sections 3.19(b) and 8.62(i) of the JSE Listings Requirements.

During the year, the Group sold Fabergé Limited (“Fabergé”). Consequently, its results to the date of disposal are presented within discontinued operations, and the prior year results are re-presented for comparability.

Statement of compliance

The Consolidated Financial Statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, UK Adopted International Accounting Standards, the SAICA Financial Reporting Guides, as issued by the Accounting Practices Committee, and the financial reporting pronouncements issued by the Financial Reporting Standards Council of South Africa (the “FRSC Pronouncements”). IFRS as adopted by the UK differs in certain respects from IFRS as issued by the IASB. However, the differences have no impact on the Group’s Consolidated Financial Statements for the years presented. The Consolidated Financial Statements also comply with the JSE Listings Requirements, the AIM Rules for Companies and The Companies (Guernsey) Law, 2008 and show a true and fair view.

The material accounting policies applied in preparing these Consolidated Financial Statements are set out in Note 2: *Accounting Policies*. These policies have been consistently applied throughout the year.

The Consolidated Financial Statements have been prepared under the historical cost convention except where stated.

Foreign currency

The Consolidated Financial Statements are presented in United States Dollars (“USD”), rounded to the nearest thousand (USD’000), except where otherwise indicated. This means that these Consolidated Financial Statements can be compared with those of similar companies.

Basis of consolidation

The Consolidated Financial Statements incorporate the financial information of Gemfields Group Limited as well as its subsidiary undertakings made up to 31 December each year. The results of subsidiaries acquired or disposed of during the year are included in the profit and loss from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used in line with those used by other Group entities and within these Consolidated Financial Statements.

All significant intercompany transactions and balances between Group entities are eliminated on consolidation.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

1. BASIS OF PREPARATION (CONTINUED)

New and amended standards which are effective for these Consolidated Financial Statements

Certain new and amended accounting standards and interpretations have been applied by the Group for the first time for the annual reporting period commencing on 1 January 2025. These have not had any material impact on the disclosures or on the amounts reported in these Consolidated Financial Statements, nor are they expected to significantly affect future periods.

- Amendments to IAS 21 – Lack of exchangeability

New and amended standards which are not yet effective for these Consolidated Financial Statements

The following new and amended accounting standards and interpretations have been published that are not mandatory for the year ended 31 December 2025, nor have they been adopted early by the Group.

- Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures
- IFRS 18 Presentation and Disclosure in Financial Statements
- IFRS 19 Subsidiaries without Public Accountability: Disclosures

There are no other standards, amendments or interpretations in issue but not yet adopted that the Directors anticipate will have a material impact on the Group's Consolidated Financial Statements in the current or future reporting periods.

Climate change

Management has considered the impact of climate change on the Group's business models, cash flows, financial position and financial performance, and does not consider the effect of climate-related matters to be material. The Group does not have any assets or liabilities for which measurement is directly linked to climate change performance. Further information on the impact of climate-related risks and opportunities on the Group's business activities, strategy and financial planning can be found on page 56 in the 'Risks and Uncertainties' section of this Annual Report.

Going Concern

The Group's business activities, together with the key factors likely to affect its future growth and performance, are set out in the Operational Review within Section 2.2. The financial performance and position of the Group, its cash flows and available debt facilities are provided in the Finance Review on pages 26 to 31. Performance by segment is outlined in Note 3: *Segmental Reporting*.

The Group manages liquidity risk through a combination of committed borrowing facilities, working capital facilities that are renewed annually or semi-annually and cash reserves. The Board monitors the Group's net debt position considering the projected financial performance, cash flows and future capital commitments. The Group's overdraft facilities have been renewed annually or semi-annually, subject to standard credit checks, since inception. The Directors have no reason to believe this trend will not continue. Given the inherent volatility in gemstone mining and prices, liquidity risk is actively monitored and managed.

The lower-than-expected auction results in the second half of 2024, combined with the significant investment in PP2, meant that the Group faced working capital challenges at the end of 2024. To mitigate this risk, in December 2024, the Group undertook group-wide actions to reduce costs and streamline business activities, while maintaining focus on the second processing plant at MRM. Key actions included suspending mining at Kagem, halting non-essential expenditure and capex across ruby development projects, ceasing operations at Nairoto, and reducing discretionary spend Group-wide.

Furthermore, the Group completed a fully underwritten USD 30.0 million Rights Issue on 13 June 2025 through the issuance of 556,203,396 new shares. On 8 August 2025, it also signed an agreement to sell its entire interest in wholly owned Fabergé for USD 50.0 million. The transaction, completed on 29 August 2025, included USD 45.0 million cash received on completion (before allowable leakage deductions), with the remaining USD 5.0 million to be received via quarterly royalties equal to 8% of Fabergé's future revenues. Both transactions have materially improved the Group's liquidity position.

The Group continues to monitor its working capital closely as it navigates the prevailing challenges and remains prepared to take additional cost reduction measures if needed.

MRM's second processing plant ("PP2"), contracted to Consulmet (Africa) Limited ("Consulmet") in August 2023 for approximately USD 70.0 million, is now in its final commissioning stage. As at 31 December 2025, approximately 94% of the total cost had been paid, with the remainder expected to be settled upon final commissioning in 2026. The project remains materially on budget and is expected to significantly increase MRM's processing capacity and revenue generation.

To determine the appropriate basis of preparation for the Consolidated Financial Statements for the year ended 31 December 2025, the Directors assessed the Group's ability to continue as a going concern through to September 2027, considering its current liquidity and expected performance. Following a rigorous review of financial forecasts, including a base case and severe but plausible downside scenarios, the Board concluded that it is appropriate to prepare the Consolidated Financial Statements on a going concern basis. These scenarios are outlined in the "Scenario analysis – risk assessment" section.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

1. BASIS OF PREPARATION (CONTINUED)

*Going Concern (continued)***Financial overview and debt facilities**

In 2025, the Group generated revenues of USD 135.1 million, comprising USD 128.2 million from auction revenues, USD 6.2 million from direct sales, USD 0.4 million from jewellery and USD 0.3 million from cut and polished sales. The Directors remain confident in the underlying demand for coloured gemstones.

As at 31 December 2025, the Group held gross cash of USD 64.1 million, along with USD 20.5 million in auction receivables at Kagem. All auction receivables had been collected by the date of these Consolidated Financial Statements. The Group's outstanding debt at 31 December 2025 was USD 103.3 million, comprising USD 89.7 million for MRM and USD 13.6 million for Kagem, with USD 27.7 million in available overdraft facilities. The Group's liquidity position has been strengthened in the year resulting from the successful completion of the USD 30.0 million Rights Issue in June 2025, and the sale of Fabergé for USD 50.0 million in August 2025.

The Group's debt portfolio comprises overdraft facilities and term loans held across the subsidiaries listed below:

Kagem Overdraft Facilities

In 2023, Kagem secured a USD 15.0 million overdraft facility with ABSA Zambia, at an interest rate of three-month USD SOFR plus 4.5% per annum. The facility was renewed in January 2025, with the overdraft facility increased to USD 20.0 million at the same interest rate. In December 2025 the facility was renewed with the interest rate updated to three-month USD SOFR plus 4.0% per annum. As at 31 December 2025, the outstanding balance was USD 4.4 million. The facility includes a covenant requiring a current ratio of at least 1.2x (excluding intercompany balances), with which Kagem is compliant. The overdraft must also be cleared to a nil balance at least twice annually.

Kagem also maintains an overdraft facility with FNB Zambia, originally established in February 2023 for USD 15.0 million at a fixed interest rate of 5.5% per annum. In May 2024, the facility was increased to USD 21.0 million, with the interest rate updated to USD SOFR plus 2.75% per annum. The facility was renewed in September 2025, with an interest rate of USD SOFR plus 3.25% applicable until its next renewal in May 2026. As at 31 December 2025, the outstanding balance was USD 9.2 million. The overdraft must be cleared to a nil balance at least once annually.

MRM Overdraft Facilities

In April 2016, MRM entered into a USD 15.0 million unsecured overdraft facility with ABSA Mozambique. This is a rolling facility that renews annually, provided that terms and conditions are met, and attracts interest at three-month USD SOFR plus 4.0% per annum. As at 31 December 2025, MRM had an outstanding balance of USD 15.1 million under this facility. The overdraft must be cleared to a nil balance at least once annually.

In June 2016, MRM entered into a USD 15.0 million unsecured overdraft facility with BCI, which was increased to USD 20.0 million in 2023. It accrues interest at three-month USD SOFR plus 3.75% per annum. The facility is scheduled for renewal in March 2026, which had not been finalised at the reporting date. The remaining steps to complete the renewal are administrative in nature, and accordingly, the facility continues to be included in the Group's going concern assessment, reflecting management's confidence in its ongoing availability. As at 31 December 2025, MRM had an outstanding balance of USD 19.6 million. The facility shares covenants with BCI's term loan (detailed below); however, any breach would only impact dividend payments. The overdraft must also be cleared to a nil balance at least once annually.

Term Loans for PP2 construction

To finance the construction of PP2, MRM entered into a USD 25.0 million term loan with ABSA Mozambique and a USD 30.0 million term loan with BCI Mozambique. As at 31 December 2025, the outstanding balance under these term loans was USD 55.0 million. The term loans are repayable in equal instalments, with the first repayment due in January 2027, for which sufficient liquidity is in place.

These term loans are subject to financial covenants, with the ABSA facility being subject to the following:

- (i) debt service cover ratio must be greater than 1.1;
- (ii) net debt to EBITDA ratio must not be greater than 3; and
- (iii) interest cover ratio must be greater than 3.

As at 31 December 2025, MRM did not meet these covenants mainly due to lower cash flows following weaker than expected auction results in 2025 and the re-scheduling of the December 2025 auction to February 2026, coupled with high capital expenditure due to PP2. ABSA has provided a waiver in respect of these breaches on 24 March 2026, and therefore remains in compliance with the terms of the facility. In all the scenarios modelled as part of the going concern assessment, no future breach of the covenants is forecast.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

1. BASIS OF PREPARATION (CONTINUED)

*Going Concern (continued)***Term Loans for PP2 construction (continued)**

The BCI facility also includes financial covenants, but these only affect MRM's ability to pay dividends. The BCI-related covenants are as follows:

- (i) the net debt to EBITDA ratio must be less than 1.5;
- (ii) the ratio of equity plus reserves to total assets must be greater than 40%; and
- (iii) leverage (total debt / total assets) must be under 3.

There is an additional covenant that applies only to the BCI overdraft facility and is not included in the term loan, being that the interest coverage ratio must be under 4.

Although the Group was not in compliance with the net debt to EBITDA ratio covenant and the ratio of equity plus reserves to total assets covenant during the reporting period, the only impact would be the restriction of dividend payments for MRM.

The going concern scenarios assume all overdrafts are available during the going concern period. Whilst the renewal of these facilities is outside of management's control, the Directors have no reason to believe that the long-standing history of successful renewals will not continue.

Scenario analysis – risk assessment

Several scenarios were modelled as part of the Directors' going concern assessment, covering the period up to 30 September 2027, including:

- (i) a base case scenario;
- (ii) a 10% reduction in Group revenues and 5% increase in operating costs across the going concern period to 30 September 2027;
- (iii) an insurgency scenario that assumes two months of insurgent activity in May of 2026 and 2027; and
- (iv) a reverse stress test.

i) Base case scenario

Under the base case, MRM and Kagem continue with seven to eight auctions per year in 2026 and 2027. The Group revenues also include direct sales, jewellery and cut and polished sales. The USD 5.0 million royalty linked to the sale of Fabergé has not been included in the model due to uncertainty regarding the timing of its receipt.

The cash flow forecast reflects the most recent market conditions in terms of pricing as well as the expected operational performance at both mines, considering the anticipated production from PP2 at MRM. Capital expenditure mainly consists of investments in mining and processing equipment, as well as development of infrastructure. Development projects, such as ERM, remain in care and maintenance until financial conditions improve and debt levels are reduced.

All existing term loans and overdraft facilities are assumed to remain available throughout 2026 and 2027. Existing overdrafts are modelled as renewing annually or semi-annually, depending on the facility, and meeting the annual clearance requirement.

The base case forecast indicates that the Group has sufficient cash headroom after settling all its liabilities as they fall due throughout the going concern assessment period to September 2027.

ii) Reduction in revenues and increased costs scenario

The reduced revenue and increased costs scenario is designed to reflect the risks of:

- Changing levels of demand resulting in deferrals in the planned auction schedule.
- Any significant downside trends in the grade that would have an impact on revenues.
- Potential implications on the Group's operations from geopolitical tensions, including the conflicts in Ukraine and the Middle East, as well as tariffs, in particular on the operating cash base at the mines. Trade disruptions, together with high commodity prices, have already affected the cost base across both mines.

Management considered a scenario where the Group's revenues declined by 10% and operating costs increased by 5% to assess the impact of these risks, with the result showing that the Group could continue operating throughout the going concern period with adequate headroom.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

1. BASIS OF PREPARATION (CONTINUED)

*Going Concern (continued)**iii) Insurgency scenario*

Given the proximity of insurgent activities to the MRM mine site and recent civil unrest in Mozambique, the Directors acknowledge the risk of an insurgent event affecting operations. Recent and historical events have only resulted in short-term disruption in MRM's operations, as such, an insurgency scenario was modelled that sees MRM evacuated and production cease for two months in the going concern period due to insurgent activities. In the insurgency scenario case, the Directors have assumed the following:

- Operations at MRM cease for two months, May 2026 and May 2027, referred to as "insurgency months".
- MRM auction revenues are reduced by 8% compared to the base case in FY26 and FY27 reflecting a 1/12th reduction in production.
- Unavoidable costs in insurgency months include total labour cost, security cost, fuel and camp costs for security and other fixed costs.
- Suspension of MRM's capital expenditure in insurgency months.

Considering the above, in the event that the Group is unable to execute normal operations at MRM due to the insurgency, the Group would still have sufficient liquidity to continue its operations over the going concern assessment period. Under this scenario, the ABSA term loan could be settled in the event of an un-waived breach of covenants, and considering the cash savings the Group would still have liquidity throughout the going concern period.

iv) Reverse stress test

The reverse stress test was conducted on auction revenues at Kagem and MRM, the Group's main revenue drivers. In the event that revenues at these operations were to decline by 20.9% relative to forecast levels during the going concern period, the Group could be at risk of having insufficient liquidity in September 2027. In such a scenario, the Group would likely cut costs further but need to secure additional new sources of capital to avoid the risk of administration or liquidation for the Company and other key entities within the Group.

Summary

The Board have concluded that, under the base case scenario, the Group is a going concern.

Under both the reduced revenue and increased costs scenario, and the insurgency scenario, the Group is able to continue operations through to September 2027 and can apply further cash-saving actions within its control if required. Management considers the reverse stress test scenario to be remote, as noted above, and will continue to monitor upcoming auction results, taking appropriate actions as necessary.

Considering the analysis above, the Directors concluded that no material uncertainties are present at the date of signing these Consolidated Financial Statements that would cast significant doubt over the Group's ability to continue as a going concern. The Directors have therefore adopted the going concern basis within these Consolidated Financial Statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

2 ACCOUNTING POLICIES

2.1 Critical accounting judgements, estimates and assumptions

In preparing these Consolidated Financial Statements in conformity with IFRS, the Directors are required to make necessary judgements, estimates and assumptions about the carrying amounts of assets and liabilities where information is not readily available from other sources. Judgements are based on the Directors' best knowledge of the relevant facts and circumstances, having regard to prior experience. Estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may, however, differ from these judgements and estimates.

The estimates and underlying assumptions applied are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, or in the period of the revision and future periods, if the revision affects both current and future periods.

The following are the critical judgements, key assumptions and sources of estimation uncertainty concerning the future that arise mainly from the nature of the Group's mining operations and which the Directors believe are likely to have the greatest effect on the amounts recognised in the Consolidated Financial Statements. The qualitative disclosures regarding these sources of estimation uncertainty are presented because the Directors consider these to be relevant and useful in understanding the Consolidated Financial Statements of the Group.

*2.1.1 Critical accounting judgements**Revenue recognition*

The critical accounting judgement surrounding revenue recognition relates to the identification of the specific performance obligations arising on sales of rough gemstones, from which the Group's revenue is predominantly derived. Revenue is recognised at the point at which such specified performance obligations are determined to have been met.

Rough gemstone sales are transacted through a competitive auction process and the performance obligation is determined to be satisfied at the point at which an auction is awarded to a buyer. Each individual customer enters into a sale agreement with the Group once a winning bid is awarded. The transaction price is determined as the winning bid price per parcel sold. Once the sales contract has been agreed upon by both parties, gemstones are placed with a custody agent who is legally bound by the sale agreement to deliver the goods to the buyer once they are paid for. If the customer does not pay the auction price by the specified due date, the Group has the right to sue the customer for payment, but may also choose to sell the gems to another party. The Group determines control to have passed to a buyer at the point at which an auction is awarded and goods have been invoiced at an amount agreed between the parties. In particular, in line with the terms and conditions of the Group's auction contracts, the Group considers the ability of the customer to prevent the Group from accessing the gemstones after the auction date and the ability of the Group to sue for payment in the event payment is not made by the due date to be the most substantive rights under the contract. The ability of the Group to sell the gemstones to another party, which arises only if payment is not made by the due date, is considered a right that primarily protects the Group's credit risk and does not give the Group ongoing control of the goods.

The Group also generates revenues from the sales of cut and polished gemstones and jewellery, the accounting policies for which are detailed in the Material Accounting Policies section below. Refer to Note 3: *Segmental reporting* for further details of revenue by segments.

Second ruby processing plant at MRM

In accordance with IAS 16, an asset held under construction should be considered as available for use when it is in the location and condition necessary to be capable of operating in the manner intended by management. At this point, all related amounts are reclassified from assets under construction to the corresponding type of asset under property, plant and equipment, and depreciation commences.

Judgement has therefore been applied in determining the date at which PP2 will be available for use. In making this judgement, the Group has considered relevant criteria including, but not limited to, the completion of construction and installation activities and the successful completion of the final commissioning activities that demonstrate the plant's ability to process ore as designed. This includes performance testing against expected throughput levels.

At the reporting date, final commissioning of PP2 had not been achieved. Whilst performance testing had commenced, the plant had not yet demonstrated the ability to operate, on a sustained basis, in line with expected throughput levels in the manner intended by management. Accordingly, the Group concluded that the PP2 was not available for use at the reporting date. No depreciation was recognised, and the plant continued to be classified as an asset under construction within property, plant and equipment at 31 December 2025.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

2 ACCOUNTING POLICIES (CONTINUED)

*2.1.2 Key sources of estimation uncertainty**Estimation of cash flows included in going concern assessment*

In forming its opinion on going concern, the Board reviews the working capital forecast prepared by management that is based on assumptions related to the future trading performance of the Group, as well as taking into account available borrowing facilities in line with the capital management policies referred to in Note 17: *Borrowings*. As part of the review, a number of alternative scenarios, modelling the business variables and key risks and uncertainties are prepared. Full details of the going concern assessment are set out in Note 1: *Basis of Preparation*.

Determination of the recoverable value of the Group's cash-generating units

Recoverable value (of a cash-generating unit ("CGU")) is determined as the higher of fair value less costs to sell and value-in-use, which is calculated on the basis of discounted future cash flows. The determination of the recoverable value therefore requires management to make estimates and assumptions about a number of key factors that are subject to risk and uncertainty. These factors include expected production and sales volumes, gemstone prices (considering current and historical prices, price trends and related factors), reserves, operating costs, closure and rehabilitation costs, the life of mine, future capital expenditure, economic and regulatory climates and the applicable discount rate.

The Directors consider the critical estimates in determining these recoverable values to be the future estimates of rough emerald and rough ruby prices, as well as the discount rate applied to the calculations. Any changes to the assumptions adopted in the calculation of the recoverable amount, individually or in aggregate, would result in a different valuation being determined.

There is inherent judgement in the estimation of rough emerald and rough ruby prices as they are not traded on a public exchange, with most transactions occurring in private auctions. The Group therefore determines future prices based on the historic price and product mix trends for each commodity.

Further details on the key estimates relating to the valuation of the Group's CGUs and details of the impairment assessment completed at 31 December 2025 are disclosed in Note 11: *Property, plant and equipment*.

Determination of ore reserves and mineral resources

The estimation of ore reserves primarily impacts the depreciation charge of evaluated mining assets, referred to in Note 11: *Property, plant and equipment*, which are depreciated based on the quantity of ore reserves at the respective mining operation. Reserve volumes are also used in calculating whether an impairment charge should be recorded where an impairment indicator exists.

The Group estimates its ore reserves and mineral resources based on information, compiled by appropriately qualified persons, relating to geological and technical data on the size, depth, shape and grade of the ore body and related to suitable production techniques and recovery rates. The estimate of recoverable reserves is based on factors such as gemstone prices, future capital requirements and production costs, along with geological assumptions and judgements made in estimating the size and grade of the ore body.

There are numerous uncertainties inherent in estimating ore reserves and mineral resources. Consequently, assumptions that are valid at the time of estimation may change significantly if and when new information becomes available.

The Gemstone Resources and Gemstone Reserves Report 2019, which contains a thorough review of the gemstone resources and gemstone reserves at 31 December 2019, and details the location, geology, mining, processing, operating statistics, and changes at the applicable mining operations and projects, is available at www.gemfieldsgroup.com. This report was completed by a third party and the Competent Person's Reports can also be found at www.gemfieldsgroup.com. In 2025 and 2024, internal competent persons conducted a review of the detailed 2019 report. The condensed version of the 2019 report, updated for 2025 and 2024 activity, can be found on page 48 of this report for Kagem and on page 52 for MRM.

Inventory valuation

The Group reviews the net realisable value of, and demand for, its inventory on a bi-annual basis in order to provide assurance that recorded inventory is stated at the lower of cost or net realisable value. Factors that could impact estimated demand and selling prices include competitor auctions and economic trends. The Directors use their experience, market data and trend analysis when undertaking these reviews. Refer to Note 14: *Inventory* for further details.

Inherent uncertainties in interpreting tax legislation

The Group is subject to uncertainties relating to the determination of its tax liabilities and the timing of the recovery of tax refunds. Mozambican and Zambian tax legislation and practice are in a state of continuous development and, therefore, are subject to varying interpretations and changes which may be applied retrospectively. The Directors' interpretation of tax legislation as applied to the transactions and activities of the Group may not coincide with that of the tax authorities. As a result, the tax authorities may challenge transactions and the Group may be assessed with additional taxes, penalties and fines or be refused refunds, which could have a material, adverse effect on the Group's financial performance or position.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

2 ACCOUNTING POLICIES (CONTINUED)

2.1.2 Key sources of estimation uncertainty (continued)

Historical tax years relating to various companies within the Group remain open for inspection during a future tax audit. Consequently, the tax figures recorded in the Consolidated Financial Statements for these years may be subject to change.

The Directors believe that the Group is in substantial compliance with the tax laws promulgated in all the jurisdictions in which it operates, and with any contractual terms entered into that relate to tax which affect its operations, and that, consequently, no additional, material tax liabilities will arise. However, due to the reasons set out above, the risk remains that the relevant tax authorities may take a different position with regard to the interpretation of contractual provisions or tax law (inclusive of corporate income taxes, value-added tax and subsoil-use legislation). The resulting effect of any positions taken by the tax authorities that differ from those of the Directors is that additional tax liabilities may arise, or that the timing of refunds due may take longer than expected or may be refused.

Due to the range of uncertainties described above, the Directors have made their best efforts to estimate the financial effect of potential additional tax liabilities, if any, together with any associated penalties and charges, for which the Group may be liable, but cannot include every eventuality.

VAT recoverability

The Group is exposed to credit risk in relation to VAT receivables due from the governments of Zambia and Mozambique. Management continually assesses the recoverability of these balances and maintains ongoing engagement with the relevant tax authorities regarding the status of outstanding claims. In the event a significant risk of default is identified, management would assess the potential loss by considering both the likelihood and timing of recovery. An extended period of recovery, on its own, does not indicate default and if all other factors, including historical settlement patterns and regular engagement with the relevant local authorities, indicate that full recovery is probable, then no provision is recorded. Based on management's assessment, the credit risk associated with these receivables is considered relatively low, except for those balances for which a provision has been recognised.

To reflect the longer periods of recovery typically experienced in these jurisdictions, VAT receivables expected to be recovered beyond 12-months from the balance sheet date have been presented as non-current. The split of VAT receivables between current and non-current is based solely on management's expected timing of recovery, taking into consideration historic payments received and does not indicate that the balances are irrecoverable.

2.2 Material accounting policies

Foreign currencies

The individual financial statements of each Group company are presented in the currency of the primary economic environment in which it operates (its functional currency). For the purposes of the Group's Consolidated Financial Statements, the results and financial position of each Group company are expressed in USD, which is the functional currency of the Company and the presentation currency for the Consolidated Financial Statements.

Transactions entered into by Group companies are recorded in their functional currencies at the exchange rate on the day of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the reporting date. Exchange differences arising on the retranslation of unsettled monetary assets and liabilities are recognised in the Consolidated Income Statement. On consolidation, all assets and liabilities of overseas operations are translated into USD at the rate ruling at the reporting date.

Where the functional currency of a subsidiary is not USD, the exchange differences that arise on translating i) the closing net assets at the closing rate at the balance sheet date, and ii) the income statement results at average exchange rates (unless these average rates are not reasonable approximations of the cumulative effect of the prevailing rate transaction dates, in which case actual rates are used) are recognised directly in equity in the cumulative translation reserve.

Exchange differences recognised in the income statement of the Group's subsidiaries' separate financial statements on the translation of long-term monetary items forming part of the Group's net investment in the overseas operation concerned are reclassified to the cumulative translation reserve on consolidation.

The key exchange rates impacting these Consolidated Financial Statements are detailed in the table below.

	2025		2024	
	SPOT	AVERAGE	SPOT	AVERAGE
Mozambican metical (MZN)	63.20	63.20	63.20	63.20
Zambian kwacha (ZMW)	22.27	24.99	27.74	26.07
UK pound sterling (GBP)	0.74	0.76	0.80	0.78
South African rand (ZAR)	16.63	17.79	18.74	18.33

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

2 ACCOUNTING POLICIES (CONTINUED)*2.2 Material accounting policies (continued)***Subsidiaries**

The Group is deemed to control an investee if it has all of the following:

- Power over the investee;
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect the Group's returns.

If these three criteria are not met, then the investee is determined to not be a subsidiary of the Group and its results will not be consolidated into these Consolidated Financial Statements.

Subsidiaries are consolidated into the Group's financial statements on a line-by-line basis. They are deconsolidated from the date on which control ceases.

Non-controlling interests

IFRS 3 Business Combinations gives the choice, on a transaction-by-transaction basis, to initially recognise any non-controlling interest in the acquiree that is a present ownership interest and entitles its holders to a proportionate share of the entity's net assets in the event of liquidation at either acquisition date fair value or at the present ownership instruments' proportionate share in the recognised amounts of the acquiree's identifiable net assets. Other components of non-controlling interest such as outstanding share options are generally measured at fair value.

The total comprehensive income of non-wholly-owned subsidiaries is attributed to owners of the Parent and to the non-controlling interests in proportion to their relative ownership interests.

Revenue

The Group recognises revenue at the point at which performance obligations related to the sale are determined to have been met. The Group recognises revenue under the following categories:

- i) Rough gemstones – the performance obligation is satisfied at the point at which the auction is awarded to the customer. Refer to the Critical Accounting Judgements section above for further details.
- ii) Cut and polished gemstones – the performance obligation is met through the supply of goods to the customer and control is determined to have passed at the point of delivery.
- iii) Jewellery sales – the performance obligation is met through the supply of goods to the customer and control is determined to have passed at the point of delivery.

The transaction price is determined as per the individual contracts or agreements, including final winning bids. There is no variable consideration included in the Group's contracts, and payment terms within the Group are usually less than 120 days.

Investment income and expenses

Unrealised fair value gains and losses – these amounts are movements in the carrying value of investments during the period. Foreign exchange gains and losses on investments are included within these fair value gains and losses.

Realised gains and losses – these amounts may arise on divestments, acquisitions, equity-for-equity swaps, loan conversions and similar transactions. The gains/losses usually represent the difference between the fair value of the consideration received and the fair value of the assets disposed of as part of the transaction. Realised is used to describe gains or losses on transactions where assets are either realised in return for cash or cash equivalents, or for other assets such as new equity interests or similar.

Mineral royalties and production taxes

The Group recognises mineral royalties and production taxes following the sale of rough gemstones at auction. Mineral royalties and production taxes are based on the fixed percentage of the final sales price achieved at auction applicable at the time.

Taxation

Taxation for the year comprises current and deferred tax. Current and deferred tax is charged or credited to the Consolidated Income Statement, except to the extent that it relates to items recognised directly in equity, in which case the taxation effect is recognised in equity.

Current taxation

The current tax expense or credit is the amount of taxes estimated to be payable or recoverable in respect of the taxable profit or loss for a period, as well as adjustments to estimates in respect of previous periods. It is calculated on the basis of the tax laws and rates enacted or substantively enacted at the balance sheet date in countries where the Group operates and generates taxable income.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

2 ACCOUNTING POLICIES (CONTINUED)

2.2 Material accounting policies (continued)

Deferred taxation

Deferred tax assets and liabilities are recognised where the carrying amount of an asset or liability in the balance sheet differs from its tax base, except for differences arising on:

- The initial recognition of goodwill;
- The initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting nor taxable profit; and
- Investments in subsidiaries and jointly controlled entities where the Group is able to control the timing of the reversal of the difference and it is probable that the difference will not reverse in the foreseeable future.

Recognition of deferred tax assets is restricted to those instances where it is probable that taxable profit will be available against which the temporary differences can be utilised.

The amount of the asset or liability is determined using tax rates that had been enacted or substantively enacted by the reporting date and are expected to apply when the deferred tax assets/(liabilities) are recovered/(settled) and taking account of the expected manner of recovery/(settlement) of the associated asset/(liability).

Deferred tax assets and liabilities are offset when the Group has a legally enforceable right to offset current tax assets and liabilities, and the deferred tax assets and liabilities relate to taxes levied by the same tax authority on either:

- The same taxable Group company; or
- Different Group companies which intend either to settle current tax assets and liabilities on a net basis or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax assets or liabilities are expected to be settled or recovered.

The Group has applied the exemption in IAS 12 Income Taxes to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

Property, plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation and accumulated impairment losses. As well as the purchase price, cost includes directly attributable costs and the estimated present value of any future unavoidable costs of dismantling and removing items. The corresponding liability is recognised within provisions.

Evaluated mining properties are amortised on the basis of ore mined in the year set against the total probable ore reserves, as detailed in the section below. Depreciation is provided on all other items of property, plant and equipment to write off the carrying value of items over their expected useful economic lives and is recognised within cost of sales or selling, general and administrative expenses depending on their nature. It is applied at the following rates:

Tangible asset	Depreciation rate
Buildings	5% per annum straight-line
Plant, machinery and motor vehicles	20–25% per annum straight-line
Fixtures, fittings and equipment	20–33% per annum straight-line
Evaluated mining properties	Unit of production based on estimated reserves

Useful lives are based on management's estimates of the period over which an asset is expected to be available for use by the Group, or the amount of production expected to be obtained from the asset by the Group. The useful lives and residual values (where applicable) of the tangible assets are reviewed annually.

The carrying value of property, plant and equipment is reviewed for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Any reversal of the impairment is determined using the depreciated historic cost of the specific asset.

Mining assets – evaluated mining properties

Following the determination of the commercial and technical viability of a mining project the relevant expenditure, including licence acquisition costs, is transferred from unevaluated mining properties within intangible assets to evaluated mining properties within property, plant and equipment. Exploration expenditure transferred to property, plant and equipment is subsequently depreciated using a unit-of-production method. The Group calculates depreciation based on the ratio of ore mined during the period to the total brought-forward ore reserve, based on the proven and probable estimated reserves. Expenditure deemed to be unsuccessful is written off to the Consolidated Income Statement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

2 ACCOUNTING POLICIES (CONTINUED)*2.2 Material accounting policies (continued)***Intangible assets**

Externally acquired intangible assets are initially recognised at cost and subsequently amortised on a straight-line basis over their useful economic life. Amortisation is recognised within cost of sales or operating expenses, depending on the nature of the asset.

An intangible asset is deemed to have an indefinite life when, based on an analysis of all the relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate cash flows for the Group.

The useful economic lives of significant intangibles recognised by the Group are as follows:

Intangible asset	Useful economic life
Software	3 years

The useful lives and residual values (where applicable) of the intangible assets are reviewed annually. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Unevaluated mining properties

The Group follows an accounting policy for exploration and appraisal assets that is based on the successful-efforts accounting method.

Initial exploration and evaluation expenditure incurred in relation to project areas to which the Group's licences and rights relate are capitalised on a project-by-project basis, pending determination of the feasibility of the project. Costs incurred include appropriate technical and administrative expenses, but not general overheads. Where a licence is relinquished or a project is abandoned, or it is considered to be of no further commercial value to the Group, the related costs are written off to the Consolidated Income Statement.

If a mining development project is successful, the related expenditures are transferred to property, plant and equipment, at which point they are assessed for impairment. Subsequently, costs are amortised over the estimated life of the commercial ore reserves using a unit-of-production method. The calculation is based on proved and probable ore reserves attributable to the specific asset.

Impairment

Impairment tests on intangible assets with indefinite useful economic lives are undertaken on an annual basis.

Other non-financial assets are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may be different from their recoverable amount. Where the carrying value of an asset exceeds its recoverable amount (i.e. the higher of value-in-use and fair value less costs to sell), the asset is written down. Where the carrying value of an asset is below its recoverable amount, any historic impairment charged in respect of the asset is reversed accordingly.

Investments

If an equity interest held by the Group is under 20%, it is recognised in the Consolidated Statement of Financial Position as an investment and accounted for at fair value in accordance with IFRS 13 Fair Value Measurement through the provisions under IFRS 9 Financial Instruments.

All equity investments with a holding of less than 20% are initially recognised at their fair value, with any subsequent changes in the assessed fair value being recognised in the Consolidated Income Statement as unrealised fair value gains or losses.

Dividends are recognised when the entity's right to receive payment is established, it is probable the economic benefits will flow to the entity and the amount can be measured reliably. Dividends are recognised in other income in the Consolidated Income Statement.

Unlisted equity investments

A number of different valuation methods can be used when assessing the fair value of the Group's unlisted equity investments. Appropriate methods include the discounted cash flow or earnings of the underlying investment, a market-based approach applying comparable company valuation multiples or valuing the investment in line with the price of a recent third-party, arm's-length transaction. Discounts for illiquidity may be applied to valuations where appropriate, in accordance with the relevant accounting standards. The Group engages the services of independent third-party valuation experts to assist with the valuation of its unlisted equity investments where the valuations are particularly complicated or subjective.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

2 ACCOUNTING POLICIES (CONTINUED)*2.2 Material accounting policies (continued)***Inventory**

Inventory relating to rough gemstones has been valued at the lower of cost, determined on the weighted-average basis, and net realisable value. Cost includes direct production costs, depreciation of mining equipment and amortisation of the mining asset, and deferred stripping costs. Net realisable value of rough gemstones is the estimated market value, split by grade and based on past auctions, less estimated costs to sell. Due to the nature of the Group's operations, in the event that mining operations become temporarily suspended for a prolonged period of time, certain direct production costs will still be incurred by the Group. In such an event, production costs are not capitalised to inventory during the period of non-operation but are expensed directly to the Consolidated Income Statement as and when incurred.

During the process of extracting emeralds and rubies, beryl and corundum are also produced. This production is treated as a by-product and is measured at net realisable value. The net realisable value is accounted for as a contribution to the costs of producing emeralds and rubies in the equivalent period. Upon sale of the by-products, the sale is recognised as revenue, with any profit over its previous carrying value being recognised within gross profit in the period of sale.

Cut and polished gemstones, and jewellery inventory are initially recognised at cost, and, subsequently, at the lower of cost and net realisable value. Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Net realisable value is based on expected sales price, less estimated costs to sell.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provision for decommissioning and restoration

A provision for decommissioning and restoration costs is recognised at the commencement of mining. The amount recognised is the present value of the estimated future expenditure determined in accordance with local conditions and requirements and based on management's best estimate of the future potential costs. The estimated future cash flows are then discounted to their present value using a risk-free discount rate, which is based on the Group's current market assessment of the time value of money relevant to the country of operation of the associated cash-generating unit.

A corresponding evaluated mining property asset is also recorded within property, plant and equipment at an amount equivalent to the provision and is subsequently depreciated as part of the associated evaluated mining property. Any change in the present value of the estimated future expenditure is reflected and adjusted against the provision and evaluated mining property, unless the asset to which the provision relates has been impaired, in which case the reversal of the provision is taken through the Consolidated Income Statement.

Share-based payments

The Company may issue equity-settled share-based payments in the form of share options to certain Directors and senior employees including 'Persons Discharging Management Responsibilities'. Equity-settled share-based payments are measured at fair value at the date of grant, using a Black-Scholes valuation model and Monte Carlo simulation. The fair value determined at the date of grant is expensed on a straight-line basis over the vesting period, based on the Company's estimate of the number of shares that will eventually vest, with the corresponding credit being recorded in the option reserve.

At the end of each reporting period the Group revises its estimates of the number of options that are expected to vest. It recognises the impact of the revision to original estimates, if any, in the Consolidated Income Statement with a corresponding adjustment to the option reserve.

Financial Instruments*Financial assets*

Financial assets are initially recognised at fair value, usually being the transaction price. In the case of financial assets not at fair value through profit or loss, directly attributable transaction costs are also included. The subsequent measurement of financial assets depends on their classification. The Group classifies its financial assets in the following categories:

- Financial assets measured at amortised cost; and
- Financial assets measured at fair value through profit or loss.

Classification depends on the business model for managing the financial assets and the contractual terms of the cash flows. Management determines the classification of financial assets at initial recognition. The Group's policy with regard to credit risk management is set out in Note 24: *Financial instruments*.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

2 ACCOUNTING POLICIES (CONTINUED)

2.2 Material accounting policies (continued)

*Measurement**i) Financial assets measured at amortised cost*

These assets arise principally from the provision of goods and services to customers (e.g. trade receivables), but also incorporate other types of financial assets where the objective is to hold these assets in order to collect contractual cash flows, and the contractual cash flows are solely payments of principal and interest. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue and are subsequently carried at amortised cost using the effective interest rate method, less any provision for impairment.

ii) Financial assets measured at fair value through profit and loss

Financial assets are recognised in this category when the asset does not meet the criteria to be measured at amortised cost or at fair value through other comprehensive income. Such assets are carried on the balance sheet at fair value with gains or losses recognised in the income statement. This classification is only relevant for the Group's investments, as discussed in the Investments section above.

Impairment

Credit risk arises from the Group's financial assets which are carried at amortised cost, including cash and cash equivalents and outstanding receivables with auction customers. The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired based on the credit loss model set out in IFRS 9.

i) Impairment – trade receivables

Impairment provisions for trade receivables are recognised based on the simplified approach within IFRS 9 using a provision matrix in the determination of the lifetime expected credit losses. During this process the probability of the non-payment of the receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default in order to determine the lifetime expected credit loss for the trade receivables.

Trade receivables are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group and a failure to make contractual payments for a period of greater than 120 days past due. Impairment losses are presented as net impairment losses within operating profit/(loss).

ii) Impairment – loans and other receivables

Impairment provisions for other receivables and loans are recognised based on the IFRS 9 credit loss model. The methodology used to determine the amount of the provision is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. Credit risk is assessed on an asset-by-asset basis. A key indicator that there has been a significant increase in credit risk is a failure to make contractual payments for a period of greater than 120 days past due. For financial assets where credit risk has not increased significantly since initial recognition, 12-month expected credit losses ("ECLs") along with gross interest income are recognised. For those for which credit risk has increased significantly, lifetime ECLs along with the gross interest income are recognised.

iii) Impairment – related party receivables

The Group also applies the IFRS 9 credit loss model to its related party loans. Both the 12-month ECL model and the lifetime ECL model require the Group to assess the probability of counterparty default and the expected loss given default.

The expected loss rates are based on management's assessment and understanding of the credit risk attached to the related party receivable and the expected repayment profile of that receivable, including the terms of any underlying loan contracts in place and management's assessment as to the sufficiency of the cash and liquid assets of the related party to repay the receivable when it falls due. The expected loss is multiplied by the assessed probability of non-payment to determine the expected credit loss.

Related party receivables are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, failure of the related party to make contractual payments under the terms of the loan agreement, or a significant change in the operations of the related party.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

2 ACCOUNTING POLICIES (CONTINUED)*2.2 Material accounting policies (continued)**Trade and other receivables*

The Group holds trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method less any provision for impairment. Trade receivables are measured at their transaction price, i.e. the amount of consideration that is unconditional, unless they contain significant financing components, when they are recognised at fair value. All amounts due from trade receivables have expected terms of less than six months and are therefore classified as current.

Prepayments for goods or services are not financial assets because they are associated with the receipt of goods or services and do not give rise to a present right to receive cash or any other financial asset.

Cash and cash equivalents

Cash and cash equivalents represent cash balances held at bank and on-demand deposits. Cash and cash equivalents are measured at amortised cost.

Financial liabilities

Financial liabilities include the following items:

Trade and other payables

Trade payables and other short-term monetary liabilities are initially measured at fair value and subsequently recognised at amortised cost using the effective interest rate method.

The initial measurement of a trade payable will be discounted to present value where the time value of money is deemed to be significant. Generally, on initial recognition, the transaction price giving rise to the liability to be settled in cash is regarded as the fair value.

Borrowings

Interest-bearing borrowings are financial liabilities with fixed or determinable payments. Interest-bearing borrowings are initially recognised at fair value, net of directly attributable transaction costs, and are subsequently measured at amortised cost using the effective interest method.

Derecognition of financial assets and financial liabilities

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. 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, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

A financial liability (in whole or in part) is derecognised when the Group has extinguished its contractual obligations, it expires or it is cancelled. Any gain or loss on derecognition is taken to the Consolidated Income Statement.

Leases

On inception of a contract the Group assesses whether it contains a lease. The contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The right to control the use of an identified asset is determined based on whether the Group has the right to obtain all the economic benefits from the use of the asset throughout the period of use and if the Group has the right to direct the use of the asset.

Lease obligations are recognised as a liability with a corresponding right-of-use asset at the commencement date. The lease liability is initially measured at the present value of the lease payments that are not paid at the lease commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. The lease liability is subsequently measured at amortised cost using the effective interest method.

The corresponding right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability plus any lease payments made at or before the commencement date, any initial direct costs incurred and an estimate of costs required to remove or restore the underlying asset, less any lease incentives received. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term, on a straight-line basis.

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets with an annual cost of USD 5,000 or less. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

2 ACCOUNTING POLICIES (CONTINUED)

2.2 Material accounting policies (continued)

Discontinued operations

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which:

- Represents a separate major line of business or geographic area of operations;
- Is part of a single co-ordinated plan to dispose a separate major line of business or geographic area of operations; or
- Is a subsidiary acquired exclusively with a view to resale.

Classification as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held for sale.

When an operation is classified as a discontinued operation, the comparative statement of profit or loss and other comprehensive income ("OCI") is re-presented as if the operation has been discontinued from the start of the comparative year.

3. SEGMENTAL REPORTING

The Executive Management team, which includes the Chief Executive Officer and the Chief Financial Officer, has been determined collectively as the Chief Operating Decision Maker for the Group. The information reported to the Group's Executive Management team for the purposes of resource allocation and assessment of segment performance is split between the Group's operations based on their differing products and services, and geographical locations.

The strategy of the Group is to be the world-leading responsible miner and marketer of coloured gemstones through its ownership and operation of the Kagem emerald mine in Zambia, and the MRM ruby mine in Mozambique. The Group also invests in certain exploration and evaluation opportunities within Africa that have been identified by Executive Management to have the potential to further the Group's strategy and widen its asset portfolio. Through its ownership of Fabergé, the Group participated in the downstream gemstone market. However, as disclosed in Note 10, the Group disposed of Fabergé during the year and its results have been excluded from segmental reporting where appropriate.

Accordingly, the Group has been organised into six operating and reportable segments, reflecting its business focus:

- Kagem Mining Limited ("Kagem") – the Group's emerald and beryl mine, in Zambia, Africa;
- Montepuez Ruby Mining Limitada ("MRM") – the Group's ruby and corundum mine, in Mozambique, Africa;
- Development assets – comprising the Group's exploration and evaluation assets accounted for under IFRS 6, in respect of exploration activities in Africa, including Megaruma Mining Limitada ("MML"), Eastern Ruby Mining Limitada ("ERM"), Campos de Joia Limitada ("CDJ"), Nairoto Resources Lda ("Nairoto" or "NRL"), and the Group's projects in Ethiopia and Madagascar;
- Fabergé – the Group's wholesale and retail sales of jewellery and watches. Sold on 29 August 2025;
- Corporate – comprising sales of jewellery and cut and polished gemstones, marketing, and technical and administrative services based in the UK; and
- Other – includes sales and marketing offices.

The reporting on these segments to Executive Management focuses on revenue, operating costs, earnings before interest, tax, depreciation and amortisation ("EBITDA"), key balance sheet lines and free cash flow (as defined further below).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

3. SEGMENTAL REPORTING (CONTINUED)

Consolidated Income Statement

1 JANUARY 2025 TO 31 DECEMBER 2025	KAGEM USD'000	MRM USD'000	DEVELOPMENT ASSETS USD'000	FABERGÉ USD'000	CORPORATE USD'000	OTHER USD'000	TOTAL USD'000
Rough gemstones ¹	78,352	49,874	–	–	–	6,151	134,377
Jewellery	–	–	–	–	398	–	398
Cut and polished	–	–	–	–	83	251	334
Revenue²	78,352	49,874	–	–	481	6,402	135,109
Mining and production costs ³	(33,090)	(39,296)	(4,270)	–	–	–	(76,656)
Mineral royalties and production taxes	(5,046)	(5,597)	–	–	–	–	(10,643)
Marketing, management and auction (costs)/income	(9,794)	(6,234)	–	–	15,530	498	–
Change in inventory and cost of goods sold	(18,845)	16,679	–	–	(878)	(6,089)	(9,133)
Mining and production costs capitalised to intangible assets	–	–	3,348	–	–	–	3,348
Selling, general and administrative expenses ⁴	(3,460)	(9,039)	(2,792)	–	(17,390)	(4,166)	(36,847)
Other income	41	171	–	–	586	275	1,073
EBITDA⁵	8,158	6,558	(3,714)	–	(1,671)	(3,080)	6,251
Share-based payments	–	–	–	–	(316)	–	(316)
Depreciation and amortisation	(9,397)	(18,766)	(2,078)	–	(717)	(481)	(31,439)
Impairment charges ⁶	(365)	(35,483)	(1,393)	–	–	–	(37,241)
Loss from operations	(1,604)	(47,691)	(7,185)	–	(2,704)	(3,561)	(62,745)
Finance income	–	345	–	–	977	28	1,350
Finance costs	(2,062)	(2,469)	–	–	(472)	(48)	(5,051)
Taxation credit	550	15,163	–	–	4,010	151	19,874
(Loss)/profit after taxation from continuing operations	(3,116)	(34,652)	(7,185)	–	1,811	(3,430)	(46,572)
Loss after taxation from discontinued operations ⁷	–	–	–	(4,290)	–	–	(4,290)
Loss after taxation	(3,116)	(34,652)	(7,185)	(4,290)	1,811	(3,430)	(50,862)

1 In April and October 2025, two mini mixed-quality ruby auctions were held and in June 2025 a mixed-quality ruby auction was held, generating USD 49.9 million in revenues. In April and December 2025, two commercial-quality rough emerald auctions were held and in September 2025, a higher-quality rough emerald auction was held, generating USD 73.6 million. Additionally, in February 2025, a mini higher-quality emerald auction was held that generated revenue of USD 4.8 million.

2 Revenues have been recognised at one point in time, when control passes to the customer. No third-party customer accounted for more than 10% of the Group's sales during 2025.

3 Excluding mineral royalties and production taxes, which have been presented separately, and inventory provisions of USD 0.9 million (see Note 4), which are not included in the Group's EBITDA.

4 Excluding share-based payments of USD 0.3 million, depreciation and amortisation of USD 1.2 million and other receivable and asset write downs of USD 0.2 million (see Note 5) that are not included in the Group's EBITDA.

5 Earnings before interest, taxation, depreciation and amortisation, adjusted to exclude one-off impairments made to the Group's non-current assets and inventory, share based payments and, other impairments and provisions.

6 Impairment charges recognised on the face of the Consolidated Income Statement total USD 36.2 million, and consisted of a USD 35.0 million impairment of evaluated mining properties at MRM and a USD 1.2 million impairment of plant and machinery at Nairoto (see Note 11). Additionally, cost of sales included impairments of consumable inventory totalling USD 0.4 million at Kagem and USD 0.5 million at MRM (see Note 4). Recorded in selling, general, and administrative expenses is a USD 0.2 million write off of other assets in Nairoto (see Note 5).

7 Fabergé was sold on 29 August 2025. Accordingly, its current year and comparative results are presented as part of discontinued operations and have been removed from segmental reporting. See Note 10: *Discontinued operations* for further details.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

3. SEGMENTAL REPORTING (CONTINUED)

Consolidated Income Statement

1 JANUARY 2024 TO 31 DECEMBER 2024 RE-PRESENTED	KAGEM USD'000	MRM USD'000	DEVELOPMENT ASSETS USD'000	FABERGÉ USD'000	CORPORATE USD'000	OTHER USD'000	TOTAL USD'000
Rough gemstones ¹	78,704	117,191	–	–	–	2,979	198,874
Jewellery	–	–	–	–	–	–	–
Cut and polished	–	–	–	–	31	526	557
Revenue²	78,704	117,191	–	–	31	3,505	199,431
Mining and production costs ³	(51,186)	(42,574)	(12,627)	–	–	–	(106,387)
Mineral royalties and production taxes	(4,900)	(11,720)	–	–	–	–	(16,620)
Marketing, management and auction (costs)/income	(9,838)	(14,649)	–	–	23,315	1,172	–
Change in inventory and cost of goods sold	13,254	(8,366)	–	–	(25)	(3,251)	1,612
Mining and production costs capitalised to intangible assets	–	–	13,545	–	–	–	13,545
Selling, general and administrative expenses ⁴	(7,852)	(15,153)	(2,552)	–	(19,215)	(4,022)	(48,794)
Other income	83	72	28	–	43	213	439
EBITDA⁵	18,265	24,801	(1,606)	–	4,149	(2,383)	43,226
Unrealised fair value losses	–	–	–	–	(4,000)	–	(4,000)
Share-based payments	–	–	–	–	(174)	–	(174)
Depreciation and amortisation	(17,591)	(15,195)	(2,386)	–	(733)	(205)	(36,110)
Impairment charges ⁶	(48,026)	(2,900)	(38,887)	–	(3,000)	(2,384)	(95,197)
(Loss)/profit from operations	(47,352)	6,706	(42,879)	–	(3,758)	(4,972)	(92,255)
Finance income	–	634	–	–	180	86	900
Finance costs	(2,349)	(3,360)	(132)	–	(401)	(54)	(6,296)
Taxation credit/(charge)	14,297	(3,327)	–	–	(731)	(2,108)	8,131
(Loss)/profit after taxation from continuing operations	(35,404)	653	(43,011)	–	(4,710)	(7,048)	(89,520)
Loss after taxation from discontinued operations ⁷	–	–	–	(11,276)	–	–	(11,276)
(Loss)/profit after taxation	(35,404)	653	(43,011)	(11,276)	(4,710)	(7,048)	(100,796)

1 In June and December 2024, two mixed-quality rough ruby auctions were held generating USD 114.9 million in revenues. Additionally, in September 2024, a low-quality ruby auction was held that generated revenue of USD 2.3 million. In March and September 2024, two commercial-quality rough emerald auctions were held and in May and November 2024, two higher-quality rough emerald auctions were held, generating USD 78.7 million for the year.

2 Revenues have been recognised at one point in time, when control passes to the customer. No third-party customer accounted for more than 10% of the Group's sales during 2024.

3 Excluding mineral royalties and production taxes, which have been presented separately, and inventory provisions of USD 2.5 million (see Note 4), which are not included in Group's EBITDA.

4 Excluding share-based payments of USD 0.2 million, depreciation and amortisation of USD 0.9 million and receivable and other asset write downs of USD 1.5 million (see Note 5) that are not included in the Group's EBITDA.

5 Earnings before interest, taxation, depreciation and amortisation, adjusted to exclude one-off impairments made to the Group's non-current assets and inventory, fair value gains or losses on the Group's non-core equity investments, share based payments, other impairments and provisions.

6 Impairment charges recognised on the face of the Consolidated Income Statement in 2024 totalled USD 91.3 million and consisted of a USD 47.4 million impairment of evaluated mining properties at Kagem (see Note 11), USD 1.9 million impairment of PPE at MML and Nairoto (see Note 11) and a USD 42.0 million impairment of unevaluated mining properties at MML and Nairoto (see Note 12). Additionally, cost of sales included impairments of consumable inventory totalling USD 0.6 million at Kagem and USD 1.9 million at MRM (see Note 4). Recorded in selling, general, and administrative expenses was a USD 2.0 million impairment of an investment within Gemdustry, USD 1.1 million write down of other assets in MRM, USD 0.4 million write off of other receivables in Gemdustry and a net USD 2.0 million reversal of Mwiriti balances (see Note 5).

7 Fabergé was sold on 29 August 2025. Accordingly, its results are presented as part of discontinued operations and have been removed from segmental reporting. See Note 10: *Discontinued operations* for further details.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

3. SEGMENTAL REPORTING (CONTINUED)

Change in inventory and cost of goods sold

1 JANUARY 2025 TO 31 DECEMBER 2025	KAGEM USD'000	MRM USD'000	DEVELOPMENT ASSETS USD'000	FABERGÉ ³ USD'000	CORPORATE USD'000	OTHER USD'000	TOTAL USD'000
Change in inventory and cost of goods sold	(18,845)	16,679	–	–	(878)	(6,089)	(9,133)
<i>Split between:</i>							
Mining and production costs capitalised to inventory ^{1,2}	27,723	32,061	–	–	–	–	59,784
Depreciation capitalised ¹	9,397	18,766	–	–	–	–	28,163
Cost of goods sold in the period	(55,965)	(34,148)	–	–	(878)	(6,089)	(97,080)
	(18,845)	16,679	–	–	(878)	(6,089)	(9,133)

- The Group values its rough emerald and ruby inventories based on their weighted average cost of production. Therefore, direct costs of production are capitalised to inventory when incurred, with the average cost accumulated per carat released back to the Consolidated Income Statement through cost of goods sold when the gemstones are sold. See Note 2: *Accounting Policies* for further detail.
- Mining and production costs capitalised to inventory exclude security costs (including the labour related component), which are not determined to be direct costs of production.
- Fabergé was sold on 29 August 2025. Accordingly, its current year and comparative results are presented as part of discontinued operations and have been removed from segmental reporting. See Note 10: *Discontinued operations* for further details.

1 JANUARY 2024 TO 31 DECEMBER 2024 RE-PRESENTED	KAGEM USD'000	MRM USD'000	DEVELOPMENT ASSETS USD'000	FABERGÉ ³ USD'000	CORPORATE USD'000	OTHER USD'000	TOTAL USD'000
Change in inventory and cost of goods sold	13,254	(8,366)	–	–	(25)	(3,251)	1,612
<i>Split between:</i>							
Mining and production costs capitalised to inventory ^{1,2}	45,319	33,773	–	–	–	–	79,092
Depreciation capitalised ¹	17,591	15,195	–	–	–	–	32,786
Cost of goods sold in the period	(49,656)	(57,334)	–	–	(25)	(3,251)	(110,266)
	13,254	(8,366)	–	–	(25)	(3,251)	1,612

- The Group values its rough emerald and ruby inventories based on their weighted average cost of production. Therefore, direct costs of production are capitalised to inventory when incurred, with the average cost accumulated per carat released back to the Consolidated Income Statement through cost of goods sold when the gemstones are sold. See Note 2: *Accounting Policies* for further detail.
- Mining and production costs capitalised to inventory exclude security costs (including the labour related component), which are not determined to be direct costs of production.
- Fabergé was sold on 29 August 2025. Accordingly, its results are presented as part of discontinued operations and have been removed from segmental reporting. See Note 10: *Discontinued operations* for further details.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

3. SEGMENTAL REPORTING (CONTINUED)

Consolidated Statement of Financial Position

31 DECEMBER 2025	KAGEM USD'000	MRM USD'000	DEVELOPMENT ASSETS USD'000	FABERGÉ USD'000	CORPORATE USD'000	OTHER USD'000	TOTAL USD'000
Mining asset ¹	63,954	92,657	–	–	–	–	156,611
Property, plant and equipment, and intangibles	25,898	124,148	17,182	–	2,056	1,852	171,136
Operating assets ²	69,442	87,458	5,220	–	11,952	1,158	175,230
Cash and cash equivalents	721	4,937	235	–	48,246	9,914	64,053
Deferred tax asset	–	–	–	–	4,038	94	4,132
Segment assets	160,015	309,200	22,637	–	66,292	13,018	571,162
Borrowings	13,630	89,712	–	–	–	–	103,342
Operating liabilities ³	15,629	24,896	1,631	–	7,218	1,239	50,613
Deferred tax liability	17,557	17,314	–	–	–	–	34,871
Segment liabilities	46,816	131,922	1,631	–	7,218	1,239	188,826
Net (debt)/cash⁴	(12,909)	(84,775)	235	–	48,246	9,914	(39,289)

1 Mining asset consists of evaluated mining properties.

2 Operating assets include inventory, current and non-current trade and other receivables, VAT receivables and current tax assets.

3 Operating liabilities include current and non-current trade and other payables, lease liabilities, provisions and current tax liabilities.

4 Net (debt)/cash is calculated as cash and cash equivalents less total borrowings.

31 DECEMBER 2024	KAGEM USD'000	MRM USD'000	DEVELOPMENT ASSETS USD'000	FABERGÉ USD'000	CORPORATE USD'000	OTHER USD'000	TOTAL USD'000
Mining asset ¹	64,968	136,337	–	–	–	–	201,305
Property, plant and equipment, and intangibles	32,935	92,470	17,818	29,948	2,592	1,951	177,714
Operating assets ²	74,022	97,536	5,113	25,765	7,649	1,240	211,325
Cash and cash equivalents	192	15,052	470	964	2,506	1,660	20,844
Deferred tax asset	–	–	–	–	46	–	46
Segment assets	172,117	341,395	23,401	56,677	12,793	4,851	611,234
Borrowings	18,741	82,534	–	–	–	–	101,275
Operating liabilities ³	18,503	22,240	2,084	6,223	6,605	774	56,429
Deferred tax liability	18,115	32,478	–	105	–	55	50,753
Segment liabilities	55,359	137,252	2,084	6,328	6,605	829	208,457
Net (debt)/cash⁴	(18,549)	(67,482)	470	964	2,506	1,660	(80,431)

1 Mining asset includes evaluated mining properties and deferred stripping costs.

2 Operating assets include inventory, current and non-current trade and other receivables, VAT receivables and current tax assets.

3 Operating liabilities include current and non-current trade and other payables, lease liabilities, provisions and current tax liabilities.

4 Net (debt)/cash is calculated as cash and cash equivalents less total borrowings.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

3. SEGMENTAL REPORTING (CONTINUED)

Consolidated Statement of Cash Flows

1 JANUARY 2025 TO 31 DECEMBER 2025	KAGEM USD'000	MRM USD'000	DEVELOPMENT ASSETS USD'000	FABERGÉ ^{5,6} USD'000	CORPORATE USD'000	OTHER USD'000	TOTAL USD'000
Revenue	78,352	49,874	–	–	481	6,402	135,109
Operating costs and cost of sales ¹	(60,400)	(37,082)	(3,714)	–	(17,682)	(9,980)	(128,858)
Marketing, management and auction (costs)/income	(9,794)	(6,234)	–	–	15,530	498	–
EBITDA	8,158	6,558	(3,714)	–	(1,671)	(3,080)	6,251
<i>Add back:</i>							
Change in inventory and purchases	18,845	(16,679)	–	–	878	6,089	9,133
<i>Add back:</i>							
Costs capitalised to intangible assets	–	–	(3,348)	–	–	–	(3,348)
Tax paid	(438)	(1,426)	(3)	–	–	(20)	(1,887)
Capital expenditure ⁶	(2,060)	(36,239)	(844)	–	(15)	(222)	(39,380)
Free cash flow before working capital movements	24,505	(47,786)	(7,909)	–	(808)	2,767	(29,231)
Working capital movements ²	(14,951)	35,061	2,198	–	(25,482)	11,532	8,358
Free cash flow³	9,554	(12,725)	(5,711)	–	(26,290)	14,299	(20,873)
Cash generated from/ (utilised in) operations⁶	10,130	25,641	(1,489)	–	(26,404)	14,200	22,078
Tax paid	(438)	(1,426)	(3)	–	–	(20)	(1,887)
Capital expenditure ^{4,6}	(2,060)	(36,239)	(4,192)	–	(15)	(222)	(42,728)
Foreign exchange ⁶	1,922	(701)	(27)	–	129	341	1,664
Free cash flow	9,554	(12,725)	(5,711)	–	(26,290)	14,299	(20,873)

1 Excluding share-based payments, inventory provisions and impairment charges.

2 Includes movements relating to inventory purchases.

3 Free cash flow is a non-IFRS performance measure used as a KPI by the Group and is calculated as cash flow from operations less taxation paid, sustaining and expansionary capital expenditure and foreign exchange gains and losses.

4 Includes costs capitalised to intangible assets.

5 Fabergé was sold on 29 August 2025. Accordingly, its current year and comparative results are presented as part of discontinued operations and have been removed from segmental reporting. See Note 10: *Discontinued operations* for further details.

6 As detailed in footnote 5, following its sale Fabergé's results have been excluded from segmental reporting. However, in line with IFRS 5, the Consolidated Statement of Cash Flows includes Fabergé's cash inflows and outflows up to the point of sale. Therefore, to reconcile the Consolidated Statement of Cash Flows to the Segmental Cash Flows presented above the following amounts need to be considered (as disclosed in Note 10): USD 0.1 million of capital expenditure, USD 1.3 million cash generated from operations and USD 0.4 million foreign exchange.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

3. SEGMENTAL REPORTING (CONTINUED)

Consolidated Statement of Cash Flows

1 JANUARY 2024 TO 31 DECEMBER 2024 RE-PRESENTED	KAGEM USD'000	MRM USD'000	DEVELOPMENT ASSETS USD'000	FABERGÉ ^{5,6} USD'000	CORPORATE USD'000	OTHER USD'000	TOTAL USD'000
Revenue	78,704	117,191	–	–	31	3,505	199,431
Operating costs and cost of sales ¹	(50,601)	(77,741)	(1,606)	–	(19,197)	(7,060)	(156,205)
Marketing, management and auction (costs)/income	(9,838)	(14,649)	–	–	23,315	1,172	–
EBITDA	18,265	24,801	(1,606)	–	4,149	(2,383)	43,226
<i>Add back:</i>							
Change in inventory and purchases	(13,254)	8,366	–	–	25	3,251	(1,612)
<i>Add back:</i>							
Costs capitalised to intangible assets	–	–	(13,545)	–	–	–	(13,545)
Tax (paid)/refunded	(1,919)	(16,665)	(1)	–	69	(19)	(18,535)
Capital expenditure ⁶	(8,198)	(59,029)	(3,137)	–	(46)	(518)	(70,928)
Free cash flow before working capital movements	(5,106)	(42,527)	(18,289)	–	4,197	331	(61,394)
Working capital movements ²	498	1,968	(57)	–	(7,652)	(8,524)	(13,767)
Free cash flow³	(4,608)	(40,559)	(18,346)	–	(3,455)	(8,193)	(75,161)
Cash generated from/ (utilised in) operations⁶	7,857	35,929	(1,526)	–	(3,242)	(7,640)	31,378
Tax (paid)/refunded	(1,919)	(16,665)	(1)	–	69	(19)	(18,535)
Capital expenditure ^{4,6}	(8,198)	(59,029)	(16,682)	–	(46)	(518)	(84,473)
Foreign exchange ⁶	(2,348)	(794)	(137)	–	(236)	(16)	(3,531)
Free cash flow	(4,608)	(40,559)	(18,346)	–	(3,455)	(8,193)	(75,161)

1 Excluding share-based payments, other fair value losses, inventory provisions and impairment charges.

2 Includes movements relating to inventory purchases.

3 Free cash flow is a non-IFRS performance measure used as a KPI by the Group and is calculated as cash flow from operations less taxation paid, sustaining and expansionary capital expenditure and foreign exchange gains and losses.

4 Includes costs capitalised to intangible assets.

5 Fabergé was sold on 29 August 2025. Accordingly, its results are presented as part of discontinued operations and have been removed from segmental reporting. See Note 10: *Discontinued operations* for further details.

6 As detailed in footnote 5, following its sale Fabergé's results have been excluded from segmental reporting. However, in line with IFRS 5, the Consolidated Statement of Cash Flows includes Fabergé's cash inflows and outflows for the year. Therefore, to reconcile the Consolidated Statement of Cash Flows to the Segmental Cash Flows presented above the following amounts need to be considered (as disclosed in Note 10): USD 0.5 million of capital expenditure, USD 0.8 million cash utilised in operations and USD 0.1 million foreign exchange.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

4. COST OF SALES

	2025 USD'000	RE-PRESENTED 2024 USD'000
Mining and production costs		
Labour and related costs	35,172	34,142
Mineral royalties and production taxes	10,643	16,620
Fuel costs	13,164	27,084
Repairs and maintenance costs	10,209	16,991
Security costs	7,774	11,215
Camp costs	4,985	6,606
Blasting costs	953	3,218
Other mining and production costs ¹	5,247	9,617
Total mining and production costs	88,147	125,493
Change in inventory and cost of goods sold ²	9,133	(1,612)
Mining and production costs capitalised to intangible assets ³	(3,348)	(13,545)
Depreciation and amortisation	30,241	35,172
Total cost of sales	124,173	145,508

1 In 2025, other mining and production costs included impairments of consumable inventory totalling USD 0.4 million at Kagem and USD 0.5 million at MRM (2024: USD 0.6 million at Kagem and USD 1.9 million at MRM).

2 Refer to Note 3: *Segmental reporting – change in inventory and cost of goods sold* for the split of this balance at year end.

3 Mining and production costs (excluding security costs) incurred at the Group's development projects are capitalised to unevaluated mining properties in intangible assets in line with the Group's IFRS 6 Exploration for and Evaluation of Mineral Properties accounting policy as disclosed in Note 2.

5. SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

	2025 USD'000	RE-PRESENTED 2024 USD'000
Labour and related costs	17,643	15,853
Selling, marketing and advertising	3,219	8,679
Professional, legal and other expenses	3,743	5,502
Insurance costs	3,647	3,969
IT operating costs	2,677	2,472
Rent and rates	913	926
Travel and accommodation	1,360	1,746
Depreciation and amortisation	1,198	938
Auditor's remuneration	2,086	1,193
Share-based payments	316	174
Net foreign exchange (gains)/losses	(1,664)	3,531
Other selling, general and administrative expenses ¹	3,392	6,347
Total selling, general and administrative expenses	38,530	51,330

1 Included in other selling, general, and administrative expenses is a USD 0.2 million write off of other assets within Nairoto (2024: USD 2.0 million impairment of an investment within Gemdustry, USD 1.1 million write down of other assets in MRM, USD 0.4 million write off of other receivables in Gemdustry and a net USD 2.0 million reversal of Mwiriti balances).

6. AUDITOR'S REMUNERATION

	2025 USD'000	2024 USD'000
Fees payable to the Company's auditor for the audit of the Parent Company and Consolidated Financial Statements ¹	1,135	787
<i>Fees payable to the Company's auditor for other services:</i>		
Review of the Interim Financial Statements	112	109
Audit of the UK statutory entities	66	90
Statutory audit work completed for the overseas entities	226	207
Working capital review in respect of Rights Issue	547	–
	2,086	1,193

1 Fees payable in respect of the 2024 audit totalled USD 0.3 million.

The Group has a policy in place for the award of non-audit work to the auditor which requires audit committee approval (refer to the Audit and Risk Committee Report on pages 96 and 97).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

7. EMPLOYEES AND DIRECTORS

The average number of employees during the year was:

	2025	2024
Directors	9	8
Administration staff	316	436
Fabergé staff ¹	–	39
Mining staff	3,007	3,300
	3,332	3,783

1 The average number of employees until the entity was sold was 39.

8. FINANCE INCOME AND COSTS

	2025 USD'000	RE-PRESENTED 2024 USD'000
Interest received	1,350	900
Finance income	1,350	900
Interest on bank loans and borrowings	(4,194)	(5,159)
Interest charge on lease liabilities	(349)	(387)
Other finance costs	(508)	(750)
Finance costs	(5,051)	(6,296)
Net finance costs	(3,701)	(5,396)

9. TAXATION

The Group's taxation credit is as follows:

	2025 USD'000	RE-PRESENTED 2024 USD'000
Current tax		
Tax (credit)/charge for the year	(11)	11,281
Deferred tax		
Origination and reversal of temporary differences	(16,179)	(18,886)
Recognition of previously unrecognised tax losses	(3,684)	(526)
Total taxation credit on continuing operations	(19,874)	(8,131)

The Company is incorporated in Guernsey, but qualified as a United Kingdom tax resident. Therefore, the United Kingdom corporation tax of 25% (2024: 25%) is used in the tax reconciliation for the Group.

The reconciliation of the effective tax rate is explained below:

	2025 USD'000	RE-PRESENTED 2024 USD'000
Loss on ordinary activities before taxation from continuing operations	(66,446)	(97,651)
Tax at the United Kingdom tax rate of 25% (2024: 25%)	(16,612)	(24,413)
<i>Effects of:</i>		
Different tax rates applied in overseas jurisdictions	(3,373)	215
Expenses not deductible for tax purposes	3,250	16,330
Adjustment in respect of prior periods	(21)	129
Previously unrecognised tax losses used to reduce deferred tax expense	(3,684)	(526)
Tax losses not recognised as a deferred tax asset	1,816	134
Tax losses claimed from discontinued operation	(1,250)	–
Total taxation credit on continuing operations	(19,874)	(8,131)

Different tax rates applied in overseas jurisdictions reflect the different tax rates applicable in the various jurisdictions in which the Group operates. The main rates of corporation tax in Zambia and Mozambique for the year were 30% and 32%, respectively.

The Group's effective tax rate of 29.9% (2024: 8.3%) predominantly arises because of the different tax rates applied in overseas jurisdictions and non-deductible expenses.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

9. TAXATION (CONTINUED)

Deferred tax

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised, or the liability is settled, based on tax rates that have been enacted or substantively enacted by the end of the reporting period.

Details of the deferred tax liabilities and assets and amounts recognised in the Consolidated Income Statement are as follows:

	31 DECEMBER 2025 USD'000	31 DECEMBER 2024 USD'000
<i>Recognised deferred tax assets</i>		
Tax losses	5,990	–
Property, plant and equipment	6,001	4,805
Other temporary differences	6,740	7,865
Total deferred tax assets	18,731	12,670
Deferred tax assets netted against deferred tax liabilities	(14,599)	(12,624)
Net deferred tax assets	4,132	46
<i>Recognised deferred tax liabilities</i>		
Property, plant and equipment	(57)	(162)
Other temporary differences	(2,079)	(987)
Evaluated mining property – Kagem and MRM	(43,632)	(57,827)
Inventory valuation – Kagem and MRM	(3,702)	(4,401)
Total deferred tax liabilities	(49,470)	(63,377)
Deferred tax assets netted against deferred tax liabilities	14,599	12,624
Net deferred tax liabilities	(34,871)	(50,753)

Deferred tax assets and deferred tax liabilities relating to the same tax authorities have been disclosed as a net asset or liability.

The movement on the deferred tax account is provided below.

	2025 USD'000	2024 USD'000
At 1 January	(50,707)	(64,813)
<i>Adjusted for:</i>		
Tax losses no longer recognised	–	(807)
Property, plant and equipment	1,196	570
Evaluated mining property – Kagem and MRM	14,195	18,621
Inventory valuation – Kagem and MRM	699	(104)
Unrealised foreign exchange movements	(2,274)	269
Other temporary differences	57	863
Current year tax losses recognised	2,306	–
Tax losses from prior years recognised	3,684	–
Recognised in the Consolidated Income Statement	19,863	19,412
Movement in deferred tax asset held by discontinued operation	–	(5,306)
Derecognised property, plant and equipment from discontinued operation	105	–
At 31 December	(30,739)	(50,707)

The net deferred tax liability decreased in the year by USD 20.0 million principally due to a net reduction of USD 14.9 million in mining assets and inventory because of amortisation and impairments and USD 6.0 million relating to the recognition of a deferred tax asset in relation to taxation losses, offset by other movements. The deferred tax liability in relation to evaluated mining property and inventory arose on the IFRS 3 Business Combinations fair value uplift on acquisition of Gemfields Limited by the former Pallinghurst Resources Limited (now Gemfields Group Limited) in 2017. The liability recognised will be unwound over the production profile of the mining assets.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

9. TAXATION (CONTINUED)

Deferred tax assets are only recognised in relation to tax losses and other temporary differences that would give rise to deferred tax assets where it is considered probable that the losses will be utilised in the foreseeable future and therefore that the asset is recoverable.

In the prior year, management reassessed the recoverability of a deferred tax asset of USD 6.0 million relating to UK trading losses, primarily associated with Fabergé's UK business. This was because management expected Fabergé, together with its UK tax losses, to be sold. As a result, it was concluded that it was no longer probable that Fabergé's UK tax losses would be available to be utilised by the Group. Accordingly, the deferred tax asset was derecognised, resulting in a tax expense of USD 6.0 million recognised in the 2024 Consolidated Income Statement.

In the current year, a deferred tax asset of USD 4.1 million has been recognised in respect of UK trading losses, which are available to be carried forward. The utilisation of these losses is dependent on the existence of future taxable profits, which management forecasts to arise in future years through the management income charged from the UK entity. The deferred tax asset recognised is based on the value of the taxable profit which is reasonably expected to be generated over the next three years.

Due to uncertainty over the timing of future utilisation of certain taxation losses, no deferred tax has been recognised in relation to unused tax losses in the amount of USD 36.0 million (2024: USD 93.2 million).

10. DISCONTINUED OPERATIONS

On 11 August 2025, Gemfields announced that it had signed an agreement to sell its entire interest in wholly owned Fabergé for a total consideration of USD 50.0 million, comprising USD 45.0 million cash payable on the completion date and the remaining USD 5.0 million to be paid by way of future royalty payments. The sale was completed on 29 August 2025, with USD 44.7 million in cash received by Gemfields after allowable leakage deductions. In the current year, Fabergé has been reported as a discontinued operation and its financial information relating to the eight-month period to the date of disposal is set out below. For comparability, the 12-month prior year results have been re-presented.

10.1 Financial performance and cash flow information

The financial performance and cash flow information presented below are for the eight-months ended 29 August 2025 and the year ended 31 December 2024.

Results of Fabergé

	2025 USD'000	2024 USD'000
Revenue	8,116	13,421
Cost of sales	(6,045)	(7,071)
Gross profit	2,071	6,350
Selling, general and administrative expenses ¹	(5,088)	(12,070)
Other income	–	22
Loss from operations	(3,017)	(5,698)
Net finance costs	(163)	(272)
Loss before taxation from discontinued operations	(3,180)	(5,970)
Taxation	(2)	(5,306)
Loss after taxation from discontinued operations	(3,182)	(11,276)
Loss on sale of discontinued operation	(1,108)	–
Loss from discontinued operations	(4,290)	(11,276)

¹ Includes depreciation and amortisation of USD 0.5 million, write off of trade receivables of USD 0.2 million and foreign exchange differences of USD 0.4 million (2024: depreciation and amortisation of USD 0.6 million, USD 2.7 million write off of trade and other receivables and foreign exchange differences of USD 0.1 million).

Cash flows from Fabergé

	2025 USD'000	2024 USD'000
Operating	1,270	(814)
Investing ¹	41,067	(472)
Financing	(360)	(572)
Net cash inflow/(outflow)	41,977	(1,858)

¹ Includes net inflow of USD 41.2 million from the sale of discontinued operation, and a net outflow of USD 0.1 million on capital expenditure (2024: USD 0.5 million).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

10. DISCONTINUED OPERATIONS (CONTINUED)

10.2 Effect of the sale on the financial position of the Group

The carrying amounts of assets and liabilities as at the date of sale (29 August 2025) were:

	2025 USD'000
Property, plant and equipment	995
Intangible assets	28,574
Deferred tax asset	38
Other non-current assets	16
Inventory	20,580
Trade and other receivables	2,921
Cash and cash equivalents	1,850
Total assets	54,974
Deferred tax liability	(143)
Right-of-use lease liability (non-current and current)	(634)
Other non-current liabilities	(15)
Trade and other payables	(4,678)
Total liabilities	(5,470)
Net assets	49,504

10.3 Details of the sale of Fabergé

	2025 USD'000
Consideration received, satisfied in cash	45,000
Permitted leakage costs paid	(325)
Cash and cash equivalents disposed of	(1,850)
Transaction fees, satisfied in cash at the reporting date	(1,656)
Net cash inflow	41,169

	2025 USD'000
<i>Consideration received or receivable:</i>	
Consideration received, satisfied in cash	45,000
Permitted leakage costs paid	(325)
Fair value of deferred consideration	4,469
Total disposal consideration	49,144
Carrying amount of net assets sold	(49,504)
Reclassification of foreign currency translation reserve	1,008
Transaction fees directly attributable to disposal ¹	(1,756)
Loss on sale of subsidiary	(1,108)

1 Directly attributable transaction fees incurred on the disposal of the discontinued operation amounted to USD 1.8 million, of which USD 1.7 million was settled in the reporting period.

Fair value of deferred consideration

The Group is entitled to deferred consideration of USD 5.0 million arising from the sale of Fabergé, receivable by way of future royalty payments. The royalty is calculated as 8% of Fabergé's revenue from 1 April 2026 and is receivable quarterly in arrears. The deferred consideration is classified as a financial asset and is measured at fair value through profit or loss accordance with IFRS 9. It was initially recognised at fair value at the date of sale. At the reporting date, the fair value of the deferred consideration was USD 4.5 million, with movements recognised in profit or loss. Of this amount, USD 0.7 million was classified within current receivables and USD 3.8 million within non-current receivables.

The instrument is classified as Level 3 under IFRS 13 Fair Value Measurement. The valuation of deferred consideration is based on management's estimates of future royalty payments, the discount rate, and the timing of cash flows. At the reporting date, the valuation used a discount rate of 3.69% and an estimated repayment period of 5 years.

Earnings per share

	2025	2024
Loss for the year from discontinued operations attributable to owners of the Parent – USD'000	(4,290)	(11,276)
Weighted average number of shares in issue	1,476,650,587	1,168,833,774
Loss per share – USD cents	(0.3)	(1.0)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

11. PROPERTY, PLANT AND EQUIPMENT

	LAND AND BUILDINGS USD'000	PLANT, MACHINERY AND VEHICLES USD'000	FIXTURES, FITTINGS AND OFFICE EQUIPMENT USD'000	EVALUATED MINING PROPERTIES USD'000	ASSETS UNDER CONSTRUCTION USD'000	DEFERRED STRIPPING COSTS USD'000	TOTAL USD'000
Cost							
At 1 January 2024	43,328	109,783	11,651	351,326	15,478	11,623	543,189
Additions	10,885	16,587	2,392	608	38,161	–	68,633
Disposals	(964)	(7,816)	(106)	–	–	–	(8,886)
Foreign exchange differences	–	–	(271)	–	–	–	(271)
At 31 December 2024	53,249	118,554	13,666	351,934	53,639	11,623	602,665
Additions	3,227	10,522	624	–	29,319	–	43,692
Disposals	(1,164)	(1,674)	(9,323)	–	–	(11,623)	(23,784)
Change in environmental provision	–	–	–	(40)	–	–	(40)
Foreign exchange differences	26	–	612	–	–	–	638
At 31 December 2025	55,338	127,402	5,579	351,894	82,958	–	623,171
Accumulated depreciation							
At 1 January 2024	17,440	59,698	8,915	88,924	–	11,623	186,600
Provided during the year	4,446	16,983	935	14,305	–	–	36,669
Disposals	(908)	(7,403)	(73)	–	–	–	(8,384)
Impairments	1,660	–	200	47,400	–	–	49,260
Foreign exchange differences	(3)	–	(174)	–	–	–	(177)
At 31 December 2024	22,635	69,278	9,803	150,629	–	11,623	263,968
Provided during the year	4,521	15,927	1,522	9,654	–	–	31,624
Disposals	(504)	(711)	(8,974)	–	–	(11,623)	(21,812)
Impairments	–	1,224	–	35,000	–	–	36,224
Foreign exchange differences	10	–	581	–	–	–	591
At 31 December 2025	26,662	85,718	2,932	195,283	–	–	310,595
Carrying value							
At 31 December 2024	30,614	49,276	3,863	201,305	53,639	–	338,697
At 31 December 2025	28,676	41,684	2,647	156,611	82,958	–	312,576

Evaluated mining properties relate to mining licences held mainly at Kagem and MRM and the Group fair value adjustments from the 2017 acquisition. A USD 35.0 million impairment was recorded against the Group fair value adjustment for MRM at 31 December 2025, as outlined in the Impairment Review section below.

Assets under construction primarily relate to the advance payments made and expenses incurred for the second processing plant at MRM.

Included within land and buildings are right-of-use assets with a cost of USD 7.7 million (31 December 2024: USD 8.4 million) and associated accumulated depreciation of USD 5.1 million (31 December 2024: USD 4.5 million). Right-of-use assets mostly relate to property leases held in the Group's various operating locations. Refer to Note 19: *Leases* for further details.

An impairment of USD 1.2 million related to plant and machinery at Nairobi has been recognised in 2025. In the prior year, an impairment of USD 1.7 million related to land and buildings and USD 0.2 million related to fixtures, fittings and office equipment was recognised in relation to the development projects, Nairobi and MML.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

11. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

FY25 Impairment review of Kagem and MRM

At 31 December 2025, the Group's market capitalisation based on the share price of ZAR1.32 was USD 137.0 million. This is USD 349.0 million below the Group's carrying value (consistent with the previous years), which under IAS 36 represents an impairment indicator. Whilst the Gemfields Group is not considered a cash-generating unit ("CGU"), the existence of this impairment indicator, implies that an impairment indicator may also exist at one or more of the Group's CGUs. As a result, an impairment review has been performed on the mining CGUs. The recoverable value of these assets was determined using a fair value less cost of disposal ("FVLCD") methodology, applying discounted cash flows techniques. The cash flows included in the fair value models were estimated in real terms.

KAGEM

In the second half of 2024, a turbulent emerald market caused by a slowdown in the wider luxury goods sector and an oversupply of Zambian emeralds into the market resulted in the September commercial quality ("CQ") and November higher quality ("HQ") auctions performing below expectation, with weak bidding compared to Kagem's usual auctions. This decline in performance, combined with the ongoing market uncertainty, led to a reduction in the emerald prices forecast across the life of mine model, resulting in an impairment charge of USD 47.4 million being recognised at 31 December 2024.

During the second half of 2025, both the September HQ and December CQ emerald auctions indicated market recovery, with strong bidding, an increased number of auction participants and an improvement in prices back towards the USD per carat prices achieved in 2023. Accordingly, no additional impairment was identified for Kagem at 31 December 2025, with the recoverable value calculated at USD 139.2 million, which exceeded the carrying value of USD 126.7 million.

Emerald prices used in the fair value model are based on the historic achieved prices over the past three HQ and three CQ auctions. Given only three auctions were held in 2025, management believes it to be premature to reverse any impairment. Despite the headroom over carrying value calculated at 31 December 2025, the model is still sensitive to a reduction in prices and/or grade, as detailed in the sensitivity analysis below.

MRM

In 2025, MRM reduced its focus on the Mugloto block, which has historically been the main source of ore production and revenue, and increased operations in the Maninge Nice and Glass blocks. Ore production from these newer blocks more than doubled in the year, with Maninge Nice increasing to 36% of total ore production (compared to 16% in 2024 and 11% in 2023) and Glass increasing to 9% of total ore production (compared to nil in 2024 and 3% in 2023).

This shift in the ore production mix drove a corresponding change in the ore processing mix, with an increased volume of Maninge Nice product being processed during the year (where previously it had been stockpiled). As a result, rubies from these newer areas were brought to auction in meaningful quantities for the first time. Whilst the market has initially reacted well to this new type of ruby material, the prices achieved have been lower than the historical average auction prices achieved for Mugloto production.

This, in combination with delays to the commissioning of PP2, led to the re-scheduling of the December 2025 mixed-quality auction to February 2026. This delay represented an additional impairment indicator for the MRM CGU under IAS 36 at year end. The February 2026 auction generated revenues of USD 53.0 million.

Changes in the 2025 model

Given the limited pricing history for the new ruby products, management determined it appropriate to use more conservative price assumptions for the ore produced from Maninge Nice in the life-of-mine ("LOM") forecast. This reduction in prices resulted in the recoverable value of MRM at 31 December 2025 being below its carrying value at that date.

As such, an impairment charge of USD 35.0 million was recorded to bring the carrying value of USD 275.0 million into line with the recoverable amount of USD 240.0 million at 31 December 2025. The impairment has been allocated in full to the Evaluated Mining Asset held within property, plant and equipment.

IMPAIRMENT	USD'000
Before tax	35,000
Tax	(11,200)
Non-controlling interest	(5,950)
Net impairment	17,850
<i>Allocated to:</i>	
Property, plant and equipment	35,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

11. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Given the limited market and price history of the Maninge Nice ruby material, it remains uncertain whether this pricing profile will persist over the medium to long-term. The auction held in February 2026 included several lots comprised of this new product, which will aid the understanding of the value of its material. LOM assumptions will be reviewed as the Group obtains a better understanding of the new product and its sales value across the coming year.

The insurgency in Cabo Delgado province remains a concern. Although a direct threat from the insurgents is currently deemed unlikely, MRM is conscious of the possibility of opportunists mounting an attack on MRM's assets. MRM and Gemfields are working in close coordination with relevant government and third-party agencies to track the developments in the region, including in relation to intelligence assessments which are being kept continually updated. An evacuation plan is in place in case a worst-case scenario should arise. Furthermore, a number of measures are in place to curb the risk of an attack. At present, no impairment has been identified should there be a temporary evacuation of the mine.

Sensitivity analysis

The calculation of the recoverable amount of the Group's CGUs (using a discounted cash flow model) is particularly sensitive to changes in auction prices, composition (in terms of gemstone quality) of auctions, plant processing capacity at MRM and the discount rate used, amongst other factors. Any changes to the assumptions adopted in the calculation of the discounted cash flows, individually or in aggregate, would result in a different valuation being determined. Key assumptions used in the MRM and Kagem analysis are summarised in the table below.

Management performed sensitivity analysis for both CGUs to assess the impact of changes in the key assumptions, including long-term price, ore grade, operational expenses and the discount rate. This analysis considers the impact of reasonable and plausible changes in these assumptions over the remaining life of the mines, while keeping all other inputs constant. Analysis as follows:

- A decrease in future rough emerald and ruby prices of 5% over the remaining life of the mines would result in a change in the impairment charge by USD 56.3 million for MRM. For Kagem, it would result in an impairment charge of USD 7.6 million. Gemfields uses a conservative approach to forecast prices, and therefore it is considered a low possibility that prices will fall below the projected levels for the remaining life of the mine.
- A reduction in grade by 5% over the remaining life of the mines would result in a change in the impairment charge by USD 56.3 million for MRM. For Kagem, it would result in an impairment charge of USD 16.3 million.
- A 5% surge in operational costs over the remaining life of the mines would result in a change in the impairment charge by USD 48.4 million for MRM. For Kagem, it would result in an impairment charge of USD 9.5 million.
- An increase in the discount rate of 1% was also performed over the life of mines. Kagem did not indicate any impairment under this scenario. For MRM, this would result in a change in the impairment charge by USD 39.7 million.

Typically, changes in any one of the aforementioned assumptions would be accompanied by a change in another assumption which may have an offsetting impact. Action is usually taken to respond to adverse changes in assumptions to mitigate the impact of such change.

As required by IAS 36, the amount by which the value assigned to a key assumption must change for headroom to be reduced to nil has been identified as:

- Kagem's recoverable amount would be USD 126.7 million with no headroom to carrying value when a price reduction of 6.6% is applied for a period of five years (at a 13.88% base case discount rate); or when a discount rate of 15.1% is applied to the base case cashflows.
- MRM's recoverable amount would be USD 275.0 million with nil headroom to carrying value, when a price increase of 8.2% is applied for the life of mine period (at a 13.25% base case discount rate); or when a discount rate of 6.8% is applied to the base case cashflows.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

11. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Key assumptions used in the recoverable amount calculations:

ASSUMPTION	KAGEM	MRM
Recoverable amount of reserves and resources	Economically recoverable reserves and resources are based on management's expectations and the technical studies and exploration and evaluation work undertaken by in-house and third-party specialists.	Economically recoverable reserves and resources are based on management's expectations and the technical studies and exploration and evaluation work undertaken by in-house and third-party specialists.
Commodity prices	Rough emerald and beryl prices have been determined using the Group's historic achieved prices over the past three HQ and three CQ auctions. Rough emerald and beryl prices are not traded on a public exchange and most transactions occur in private auctions. Therefore historic trends of prices and product mix are the most appropriate and reasonable basis.	Rough ruby and corundum prices are not traded on a public exchange and most transactions occur in private auctions. Therefore historic trends of prices and product mix are the most appropriate and reasonable basis.
Composition of auctions	The quality of production and product mix typically dictate the composition of the higher-quality auctions. The composition of the auction includes premium emeralds and emerald stones that enhance the auction parcels and schedules and is dependent on (i) production; (ii) management strategy, i.e. building inventory or cash generation; and (iii) market intelligence. Any variations in this composition are at the discretion of management.	The quantity of ruby production that is assumed to be sold at mixed quality auctions is based on available production from two to three months before the auction date; this allows for time taken for grading and referencing. The composition of the auction is dependent on (i) production; (ii) management strategy i.e. building inventory or cash generation; and (iii) market intelligence.
Operating costs	Variable operating costs have been included in the impairment test as a function of the related production volumes. Fixed costs at the mines, washing plant and sort house are largely constant but reflect material changes in activity levels.	Variable operating costs have been included in the impairment test as a function of the related production volumes. Fixed costs at the mines, washing plant and sort house are largely constant but reflect material changes in activity levels.
Timing of capital expenditure	The Directors have estimated the timing of capital expenditure at Kagem based on the Group's current and future financing plans and the results of technical studies completed to date.	The Directors have estimated the timing of capital expenditure at MRM based on the Group's current and future financing plans and the results of technical studies completed to date. Included in the MRM cashflows is the remaining capital investment in second processing plant. The mine plan has been updated based on forecasted production volumes for both processing plants, expected to generate additional revenues.
Discount rate	A real discount rate of 13.88% was used in the recoverable amount calculations. This represents the post-tax rate that reflects the Group's current market assessments of the time value of money and the risks specific to the cash-generating unit.	A real discount rate of 13.25% was used in the recoverable amount calculations. This represents the post-tax rate that reflects the Group's current market assessments of the time value of money and the risks specific to the cash-generating unit.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

12. INTANGIBLE ASSETS

	SOFTWARE USD'000	BRAND AND TRADEMARKS USD'000	UNEVALUATED MINING PROPERTIES USD'000	TOTAL USD'000
Cost				
At 1 January 2024	1,557	39,942	41,743	83,242
Additions	132	–	16,270	16,402
Transfers	155	–	(155)	–
At 31 December 2024	1,844	39,942	57,858	99,644
Additions	329	–	3,425	3,754
Disposals	(249)	(39,942)	–	(40,191)
Foreign exchange differences	20	–	–	20
At 31 December 2025	1,944	–	61,283	63,227
Accumulated amortisation				
At 1 January 2024	1,032	11,472	4,771	17,275
Charge for the year	20	–	–	20
Impairments	–	–	42,027	42,027
At 31 December 2024	1,052	11,472	46,798	59,322
Charge for the year	338	–	–	338
Disposals	(145)	(11,472)	–	(11,617)
Foreign exchange differences	13	–	–	13
At 31 December 2025	1,258	–	46,798	48,056
Carrying value				
At 31 December 2024	792	28,470	11,060	40,322
At 31 December 2025	686	–	14,485	15,171

Unevaluated mining properties

Unevaluated mining properties consist of intangibles relating to the mining and prospecting licences (evaluation and exploration assets) held mainly in the development projects in Mozambique. Assets are capitalised to unevaluated mining properties in accordance with the Group's exploration and evaluation accounting policy, which is disclosed in Note 2: *Accounting policies*.

Unevaluated mining properties are reviewed regularly for indicators of impairment and are tested for impairment where these indicators exist, in line with the Group accounting policy. Whilst management continuously reviews the insurgent activities in Mozambique, there have been no adverse changes which would represent an impairment indicator at 31 December 2025.

In 2024, indicators of impairment were identified in relation to the Group's exploration and evaluation assets in Mozambique, namely Megaruma Mining Limitada ("MML") and Nairoto Resources Lda ("Nairoto"), as a result of the cessation of any significant expenditure on the projects in the near future and the decision to seek potential buyers for the Nairoto project. As such, unevaluated mining properties for MML and Nairoto were written down to nil value at 31 December 2024, with an impairment charge of USD 42.0 million recognised within the Consolidated Income Statement. As at 31 December 2025, no indicators of impairment reversal were identified.

A full review of the Group's development projects can be found on pages 44 and 45 in the Operational Review.

Brand and trademarks

Brand and trademarks, forming indefinite life intangible assets, consisted of intangibles relating to the Fabergé brand and trademarks. The sale of Fabergé was completed on 29 August 2025, and therefore all assets and liabilities were disposed of at this date. Refer to Note 10: *Discontinued operations* for further details.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

13. UNLISTED EQUITY INVESTMENTS

The Group's unlisted equity investment relates to its 1.64% holding in Sedibelo Resources Limited ("Sedibelo") (previously Sedibelo Platinum Mines Limited), a producer of platinum group metals ("PGMs") with interests in the Bushveld Complex in South Africa. The investment is classified as Level 3 in the fair value hierarchy (31 December 2024: Level 3), the inputs for which are not based on observable market data.

The reconciliation of the valuation of the investment held in the current and prior year is shown in the table below.

	31 DECEMBER 2025 USD'000	31 DECEMBER 2024 USD'000
Balance at 1 January	–	4,000
Unrealised fair value losses	–	(4,000)
Balance at 31 December	–	–

In the prior year, the Group disclosed that Sedibelo had faced significant setbacks, including unplanned production disruptions due to safety incidents, community unrest, and excessive rainfall, as well as the suspension of operations in the West pit, half of the East pit and Underground development projects. These issues, combined with layoffs, a breach of a loan covenant, and the abandonment of its IPO, raised serious doubts about Sedibelo's future performance and ability to sustain production. As such management decided to write down the value of the investment to nil. In 2025 Sedibelo completed capital raises totalling approximately USD 35.0 million, in which the Group did not participate. Whilst these transactions provided additional liquidity, there is no evidence of significant developments or improvements in the underlying operational assets that would support an increase in the valuation of the investment. Therefore, as at 31 December 2025, the value of the Group's investment in Sedibelo remained at nil.

14. INVENTORY

	31 DECEMBER 2025 USD'000	31 DECEMBER 2024 USD'000
Rough inventory – emeralds and beryl	24,984	49,235
Rough inventory – rubies and corundum	36,085	19,806
Jewellery	3,729	25,554
Cut and polished gemstones	2,300	3,213
Spares and consumables	15,562	16,220
	82,660	114,028

The total provision held against inventory at 31 December 2025 was USD 5.3 million (2024: USD 7.3 million).

At 31 December 2025, USD 4.7 million of the rough inventory was carried at net realisable value (2024: USD 3.9 million) and principally related to beryl, corundum and some specific low-quality gemstones which are typically sold outside of the normal auction programme.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

15. TRADE AND OTHER RECEIVABLES

	31 DECEMBER 2025			31 DECEMBER 2024		
	CURRENT USD'000	NON-CURRENT USD'000	TOTAL USD'000	CURRENT USD'000	NON-CURRENT USD'000	TOTAL USD'000
Deferred consideration	733	3,790	4,523	–	–	–
Financial assets held at fair value through profit and loss	733	3,790	4,523	–	–	–
Trade receivables	21,400	–	21,400	36,973	–	36,973
Related-party receivables	2,739	–	2,739	1,395	–	1,395
Other receivables	6,259	89	6,348	4,796	89	4,885
Financial assets held at amortised cost	30,398	89	30,487	43,164	89	43,253
VAT receivable ¹	12,961	30,042	43,003	25,892	12,211	38,103
Prepayments	4,730	–	4,730	6,497	–	6,497
Other assets	21	540	561	1,163	382	1,545
Total trade and other receivables	48,843	34,461	83,304	76,716	12,682	89,398

¹ The non-current VAT receivable relates to amounts owed to MRM and Kagem, whose collection is expected more than 12 months from the balance sheet date.

Financial assets held at fair value through profit or loss

Deferred consideration relates to USD 5.0 million that is receivable by way of future royalty payments from Fabergé, classified as a financial asset and measured at fair value through profit or loss. At the reporting date, the carrying amount was USD 4.5 million, with USD 0.7 million classified within current receivables and USD 3.8 million within non-current receivables. See Note 10: *Discontinued operations* for further details. The Group monitors the credit risk of Fabergé on an ongoing basis, with no credit loss allowance identified as at 31 December 2025.

*Financial assets held at amortised cost***Trade receivables**

Trade receivables of USD 21.4 million at 31 December 2025 (31 December 2024: USD 37.0 million) primarily relate to Kagem auction receivables of USD 20.5 million outstanding from the commercial-quality emerald auction held in December 2025. At the date of issuance of these financial statements, all auction receivables had been fully collected.

The Group assesses the recoverability of its auction receivables based on the simplified approach within IFRS 9, which uses a provision matrix to determine the lifetime expected credit losses. Auction receivables are written off where there is no reasonable expectation of recovery, which includes, amongst other specified criteria, a failure to make contractual payments for a period of greater than 120 days past due. No impairment provision was recorded against auction receivables at 31 December 2025 (31 December 2024: No provision).

Refer to Note 24: *Financial instruments* for further discussion on credit risk.

Related party receivable

At 31 December 2025, the Group had a USD 2.7 million (31 December 2024: USD 1.4 million) related party receivable due from Mwiriti Ltda (“Mwiriti”), the Group’s partner in MRM and Nairoto. The total amount outstanding related to MRM and will be recovered from future dividends and management service fees payable by MRM to Mwiriti. The outstanding amount is inclusive of interest at the rate of three-month USD SOFR plus 4%. Please see Note 27: *Related party transactions* for further details.

At 31 December 2024, a USD 3.0 million receivable from Mwiriti held within non-current assets was written down to nil. The balance represented an advance payment made to Mwiriti in respect of the Nairoto project which had no fixed terms of repayment. Nairoto was set up with the objective of developing 12 gold-mining licences in Northern Mozambique, however, in 2024 Gemfields announced that it would cease operations at Nairoto and seek potential buyers for the project. In 2025, the Group has vacated the Nairoto site. The Group also held an outstanding non-current payable of USD 5.0 million to Mwiriti in respect of the Nairoto project at 31 December 2024 that was written down to nil in the prior year for the same reason.

Other receivables

The Group’s other receivables primarily comprise balances relating to the Aflife gratuity fund in Zambia and suppliers advances in Mozambique.

Other non-financial assets

VAT receivables, prepayments and other assets are not financial assets. If collection of amounts is expected in one year or less, they are classified as current assets.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

16. TRADE AND OTHER PAYABLES

	31 DECEMBER 2025			31 DECEMBER 2024		
	CURRENT USD'000	NON-CURRENT USD'000	TOTAL USD'000	CURRENT USD'000	NON-CURRENT USD'000	TOTAL USD'000
Trade payables	9,277	–	9,277	13,728	–	13,728
Accrued expenses	10,460	–	10,460	5,310	–	5,310
Payroll and employee-related payables	8,689	–	8,689	6,553	–	6,553
Other taxes, including mineral royalty and production taxes	2,732	–	2,732	5,870	–	5,870
Other payables	7,768	2,547	10,315	10,119	4,175	14,294
Total trade and other payables	38,926	2,547	41,473	41,580	4,175	45,755

Trade payables are unsecured and are usually paid within 30 days of recognition. The carrying amounts of trade and other payables are considered to be the same as their fair values due to their short-term nature.

In 2024, a related party payable of USD 5.0 million included in non-current payables was written down to nil. The amount was due to the Group's partner in Nairoto, Mwiriti, in relation to operating and capital expenses incurred on behalf of Nairoto before the control of the 12 mining licences passed to the Group. Please refer to Note 15: *Trade and other receivables* for further details.

17. BORROWINGS

		INTEREST RATE	MATURITY	31 DECEMBER 2025 USD'000
Non-current interest-bearing loans and borrowings				
BCI Mozambique	USD 30 million term loan	USD SOFR + 3.75%	2030	30,000
Total non-current borrowings				30,000
		INTEREST RATE	MATURITY	31 DECEMBER 2025 USD'000
Current interest-bearing loans and borrowings				
FNB Zambia	USD 21 million overdraft facility	USD SOFR + 3.25%	2026	9,183
ABSA Zambia	USD 20 million overdraft facility	Three-month USD SOFR + 4.00%	2026	4,447
ABSA Mozambique	USD 15 million overdraft facility	Three-month USD SOFR + 4.00%	2026	15,108
BCI Mozambique	USD 20 million overdraft facility	Three-month USD SOFR + 3.75%	2026	19,604
ABSA Mozambique	USD 25 million term loan	USD SOFR + 4.25%	2029	25,000
Total current borrowings				73,342
Total borrowings				103,342

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

17. BORROWINGS (CONTINUED)

		INTEREST RATE	MATURITY	31 DECEMBER 2024 USD'000
Non-current interest-bearing loans and borrowings				
BCI Mozambique	USD 30 million term loan	USD SOFR + 3.75%	2030	20,000
ABSA Mozambique	USD 25 million term loan	USD SOFR + 4.25%	2029	25,000
Total non-current borrowings				45,000

		INTEREST RATE	MATURITY	31 DECEMBER 2024 USD'000
Current interest-bearing loans and borrowings				
FNB Zambia	USD 21 million overdraft facility	USD SOFR + 2.75%	2025	5,463
ABSA Zambia	USD 15 million overdraft facility	Three-month USD SOFR + 4.50%	2025	13,278
ABSA Mozambique	USD 15 million overdraft facility	Three-month USD SOFR + 4.00%	2025	14,806
BCI Mozambique	USD 20 million overdraft facility	Three-month USD SOFR + 3.75%	2025	17,335
BCI Mozambique	MZN 632.5 million temporary overdraft facility	13.75%	2025	5,393
Total current borrowings				56,275

Total borrowings				101,275
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Cash and non-cash movements in borrowings are shown below:

	AT 1 JANUARY 2025 USD'000	CASH MOVEMENTS			NON-CASH MOVEMENTS		AT 31 DECEMBER 2025 USD'000
		CASH INFLOWS USD'000	REPAYMENT OF BORROWINGS USD'000	INTEREST PAID USD'000	MOVEMENT BETWEEN CURRENT AND NON-CURRENT USD'000	INTEREST CHARGE USD'000	
Current borrowings	56,275	105,703	(113,636)	(4,194)	25,000	4,194	73,342
Non-current borrowings ¹	45,000	10,000	–	–	(25,000)	–	30,000
	101,275	115,703	(113,636)	(4,194)	–	4,194	103,342

¹ Non-current borrowings are utilised entirely for the construction of the second processing plant at MRM. During 2025, interest of USD 4.7 million was incurred on the loans, of which USD 4.0 million was paid. The interest incurred of USD 4.7 million has been capitalised as part of the cost of the second processing plant, in line with IAS 23 Borrowing Costs, and therefore is not presented in the table above.

	AT 1 JANUARY 2024 USD'000	CASH MOVEMENTS			NON-CASH MOVEMENTS		AT 31 DECEMBER 2024 USD'000
		CASH INFLOWS USD'000	REPAYMENT OF BORROWINGS USD'000	INTEREST PAID USD'000	MOVEMENT BETWEEN CURRENT AND NON-CURRENT USD'000	INTEREST CHARGE USD'000	
Current borrowings	40,474	125,764	(109,963)	(5,159)	–	5,159	56,275
Non-current borrowings ¹	–	45,000	–	–	–	–	45,000
	40,474	170,764	(109,963)	(5,159)	–	5,159	101,275

¹ Non-current borrowings are utilised entirely for the construction of the second processing plant at MRM. During 2024, interest of USD 1.0 million was incurred on the loans, of which USD 0.6 million was paid. The interest incurred of USD 1.0 million was capitalised as part of the cost of the second processing plant, in line with IAS 23 Borrowing Costs, and therefore is not presented in the table above.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

17. BORROWINGS (CONTINUED)

*Non-current borrowings**Banco Comercial e de Investimentos ("BCI Mozambique")*

In May 2024, MRM entered into a USD 30.0 million term loan agreement with BCI Mozambique at an interest rate of USD SOFR plus 3.75% per annum to fund the construction of the second processing plant. As at 31 December 2025, the outstanding balance under this facility was USD 30.0 million (31 December 2024: USD 20.0 million). The loan is repayable in equal instalments, with the first repayment due in January 2027. The term loan is subject to the following covenants, only when a dividend is paid: (i) the net debt to EBITDA ratio must be less than 1.5, (ii) the ratio of equity plus reserves to total assets must be greater than 40%, (iii) leverage (total debt / total assets) must be under 3. Gemfields Group Limited acts as the guarantor for this facility.

*Current borrowings**ABSA Bank Mozambique, SA ("ABSA Mozambique")*

In October 2024, MRM entered into a USD 25.0 million term loan with ABSA Mozambique at an interest rate of USD SOFR plus 4.25% per annum to fund the construction of the second processing plant. As at 31 December 2025, the outstanding balance under this facility was USD 25.0 million (31 December 2024: USD 25.0 million). The loan is repayable in equal instalments, with the first repayment due in January 2027. The term loan is subject to the following covenants: (i) debt service cover ratio must be greater than 1.1, (ii) net debt to EBITDA ratio must not be greater than 3 and (iii) interest cover ratio must be greater than 3. Gemfields Group Limited acts as the guarantor for this facility.

As at 31 December 2025, MRM did not meet these covenants mainly due to lower cash flows following weaker than expected auction results in 2025 and the re-scheduling of the mixed-quality ruby auction from December 2025 to February 2026, coupled with the high capital expenditure on PP2, that has increased total debt. ABSA has provided a waiver in respect of these covenant breaches on 24 March 2026, and therefore MRM remains in compliance with the terms of the facility. As the waiver was obtained after the reporting period end, in accordance with IAS 1 Presentation of Financial Statements, the outstanding balance has been classified as a current liability at 31 December 2025.

First National Bank Zambia Limited ("FNB Zambia")

In February 2023, Kagem entered into a USD 15.0 million unsecured overdraft facility with FNB Zambia at a 5.50% fixed interest rate. The facility was increased in 2024 by USD 6.0 million at an interest rate of USD SOFR plus 2.75% per annum. The facility was renewed in September 2025, with an interest rate of USD SOFR plus 3.25% applicable until its next renewal in May 2026. As at 31 December 2025, the outstanding balance under this facility was USD 9.2 million (31 December 2024: USD 5.5 million). The overdraft must be cleared to a nil balance at least once annually. Gemfields Group Limited issued a corporate guarantee for the facility.

ABSA Bank Zambia Plc ("ABSA Zambia")

In 2023, Kagem entered into a USD 15.0 million overdraft facility with ABSA Zambia at an interest rate of three-month USD SOFR plus 4.5% per annum. The facility was renewed in January 2025, with the overdraft facility increased to USD 20.0 million at the same interest rate. In December 2026, the facility was again renewed with the interest rate updated to three-month USD SOFR plus 4.0% per annum. As at 31 December 2025, the outstanding balance under this facility was USD 4.5 million (31 December 2024: USD 13.3 million). The facility includes a covenant requiring the current ratio to be at least 1.2x (excluding any intercompany balances) with which Kagem is compliant. The overdraft must also be cleared to a nil balance at least twice annually. Gemfields Group Limited issued a corporate guarantee for the facility.

ABSA Bank Mozambique, SA ("ABSA Mozambique")

In April 2016, MRM entered into a USD 15.0 million unsecured overdraft facility with ABSA Mozambique. This is a rolling facility that renews annually, provided the terms and conditions are met, and attracts interest at three-month USD SOFR plus 4.0% per annum. As at 31 December 2025, the outstanding balance under this facility was USD 15.1 million (31 December 2024: USD 14.8 million). The overdraft must be cleared to a nil balance at least once annually. Gemfields Limited issued a corporate guarantee for the facility.

Banco Comercial e de Investimentos ("BCI Mozambique")

In June 2016, MRM entered into a USD 15.0 million unsecured overdraft facility with BCI, which increased to USD 20.0 million in 2023. It accrues interest at three-month USD SOFR plus 3.75% per annum. The facility is scheduled for renewal in March 2026, which had not been finalised at the reporting date. The remaining steps to complete the renewal are administrative in nature. As at 31 December 2025, the outstanding balance under this facility was USD 19.6 million (31 December 2024: USD 17.3 million). The facility shares covenants with the term loan, and the interest coverage ratio must be under 4, however, any breach would only impact dividend payments. The facility is secured by a blank promissory note undertaken by MRM and a corporate guarantee by Gemfields Group Limited.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

18. PROVISIONS

	ENVIRONMENTAL RESTORATION PROVISION USD'000	RESETTLEMENT ACTION PLAN USD'000	OTHER PROVISIONS USD'000	TOTAL USD'000
At 1 January 2024	2,671	1,239	2,003	5,913
Additions during the year	998	–	–	998
Utilised during the year	–	(253)	(463)	(716)
Change in estimates	(452)	–	683	231
At 31 December 2024	3,217	986	2,223	6,426
Utilised during the year	–	(2)	(261)	(263)
Change in estimates	(92)	–	(68)	(160)
Unwind of discount	52	–	–	52
At 31 December 2025	3,177	984	1,894	6,055
<i>Of which:</i>				
Non-current	3,177	–	237	3,414
Current	–	984	1,657	2,641

Environmental restoration

The Group has an obligation to undertake restoration, rehabilitation and environmental work when environmental disturbance is caused by the development or ongoing production of a mining property. A provision is recognised for the present value of such costs, based on management's best estimate of the legal and constructive obligations incurred. These estimates reflect industry best practice and currently applicable legislation. Significant changes in legislation could result in changes in provisions recognised. It is anticipated that the majority of these costs will be incurred over a period of 10 to 20 years from the balance sheet date.

Resettlement Action Plan ("RAP")

The Group has an obligation to compensate the households and other land users who are physically or economically displaced by the proposed mining in its concession areas, in accordance with local legislative requirements. A provision is recognised for the present value of such costs, based on management's best estimate of the obligations incurred.

Other provisions

Other provisions primarily consist of future legal claims and related legal expenses, including the operational grievance mechanism ("OGM") at both Kagem and MRM. Provisions for future legal claims relate to the estimated costs that the Group expects to incur relating to past events and are recorded where it has been determined that it is probable that an outflow of resources will be required to settle the claim, or where it is uncertain whether any action by a third party would be successful. Provisions are assessed on a case-by-case basis. All amounts classified as non-current are expected to be settled within five years from the balance sheet date.

MRM established the original OGM in February 2021, which ended in July 2023 and a new arrangement was launched, referred to as "OGM 2.0". Management considered four key criteria in valuing the potential remedy at 31 December 2025; the number of claims received by the OGM 2.0 since it was launched in 2023, the likelihood of success of each claim and the expected remedy assessed by mediation and the likelihood of pay-outs based on the OGM team's experience. Applying judgement to the analysis of this information, management arrived at what it considers to be a range of reasonable outcomes for the estimate of the potential future economic outflow. The provision recorded at 31 December 2025 reflects management's best estimate of the potential liability at the balance sheet date, which is within this sensitised range. The sensitivities do not necessarily cover all possible eventualities. It is expected that the liability will be settled within two years from the balance sheet date. The Group continues to monitor the scheme closely.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

19. LEASES

The Consolidated Statement of Financial Position contains the following amounts related to leases:

19.1 *Right-of-use assets*

	2025 USD'000	2024 USD'000
At 1 January		
Cost	8,372	5,427
Accumulated depreciation	(4,515)	(4,188)
Carrying value at 1 January	3,857	1,239
Additions	426	3,909
Disposal of assets – cost	(1,136)	(964)
Depreciation	(1,192)	(1,237)
Disposal of assets – accumulated depreciation	550	910
Foreign exchange movements	23	–
Carrying value at 31 December	2,528	3,857
At 31 December		
Cost	7,662	8,372
Accumulated depreciation	(5,134)	(4,515)
Carrying value at 31 December	2,528	3,857

Right-of-use assets held as at 31 December 2025 predominantly related to property leases in the Group's various operating locations and are presented within the land and buildings asset category in property, plant and equipment. Please refer to Note 11: *Property, plant and equipment*.

19.2 *Lease liabilities*

	2025 USD'000	2024 USD'000
At 1 January	4,248	1,170
Additions	426	3,909
Disposals	(634)	(54)
Cash payments of principal	(1,169)	(755)
Cash payments of interest	(395)	(459)
Other non-cash movements including foreign exchange	214	(22)
Interest charged to finance costs ¹	395	459
At 31 December	3,085	4,248
Of which:		
Current	732	1,017
Non-current	2,353	3,231
	3,085	4,248

¹ Includes USD 0.35 million (2024: USD 0.39 million) related to continuing operations and USD 0.05 million (2024: USD 0.07 million) related to discontinued operations.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

20. SHARE CAPITAL

Shares issued are recognised at the fair value of consideration received, with the excess over the nominal value of the shares credited to share premium. Costs directly attributable to a share issue are deducted from share premium rather than being included in profit or loss. When shares are cancelled, the excess over the nominal value of the shares is debited to share premium.

The Company has issued Ordinary Shares, which entitle the holder to a vote in shareholder meetings and to receive dividends.

As per the Company's Memorandum of Incorporation and subject to the JSE Listings Requirements and the AIM Rules for Companies, for the Company to issue additional shares for cash, the Company must obtain shareholder approval via a Special Resolution. As at the balance sheet date, the Company does not have the authority to issue additional shares for cash and therefore the Company's authorised share capital is displayed below.

Issued and fully paid share capital:

	NUMBER OF SHARES	SHARE CAPITAL USD'000	SHARE PREMIUM USD'000
Ordinary Shares (listed)			
Ordinary Shares of USD 0.00001 each			
Balance at 1 January 2024	1,166,695,130	12	486,688
Share options exercised in the year	1,332,000	–	251
Balance at 31 December 2024	1,168,027,130	12	486,939
Rights Issue	556,203,396	5	29,782
Balance at 31 December 2025	1,724,230,526	17	516,721

On 13 June 2025, Gemfields Group Limited completed a Rights Issue, issuing 556,203,396 ordinary shares on the basis of 10 new shares for every 21 existing shares, at a subscription price of GBP 4.22 pence or ZAR 1.06860 per share. The Company raised USD 29.8 million, after foreign exchange movements and net of directly attributable expenses of USD 2.5 million. Costs not directly attributable to the Rights Issue totalled USD 0.8 million and were expensed directly to the Consolidated Income Statement. Share capital increased by the nominal value of the shares issued, with the balance credited to share premium. The new shares rank equally with existing shares in all respects. No shares were held as treasury shares at the end of the reporting period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

21. SHARE-BASED PAYMENTS

The Group's Long Term Incentive Plan ("LTIP") was approved at the AGM held on 27 June 2023.

The Group also has a Share Option Plan that was approved by shareholders on 26 June 2017. Under the terms of the Share Option Plan, the Company can issue a maximum of 167,341,278 options. The Company, however, does not intend to issue any new share options under the plan following the implementation of the LTIP in 2023.

At 31 December 2025, the following share options had been granted and were outstanding in respect of the Ordinary Shares:

ISSUE DATE	EXERCISE PRICE	NUMBER OF OPTIONS					FINAL VESTING DATE
		OUTSTANDING AT 1 JANUARY 2025	GRANTED	FORFEITED/ LAPSED	EXERCISED	OUTSTANDING AT 31 DECEMBER 2025	
January 2018	ZAR 2.97	849,557	–	(849,557)	–	–	January 2022
July 2018	ZAR 2.30	572,950	–	(572,950)	–	–	July 2022
March 2019	ZAR 1.90	60,000	–	(30,000)	–	30,000	March 2023
August 2023	Nominal	11,823,851	–	–	–	11,823,851	August 2026
September 2025	Nominal	–	48,853,247	–	–	48,853,247	September 2028
Total		13,306,358	48,853,247	(1,452,507)	–	60,707,098	

Share options granted before 2023 under the Share Option Plan vested over a four-year period in equal tranches of 20%. One-fifth of the options granted vested immediately with the remaining 80% vesting annually on the grant date over the following four years, during which time the grantee had to remain in employment. The awards then had a three-year exercise window before lapsing, with three-fifths of the awards lapsing on the fifth anniversary of grant and the balance lapsing in equal tranches on the sixth and seventh anniversaries of grant. All share option schemes approved in June 2017 and granted between 2017 and 2020 had vested on or before 31 December 2023. At 31 December 2025, only the March 2019 Share Option Plan remained active, with the final tranche of awards due to lapse in March 2026.

On 25 August 2023, the Company awarded the first shares under the LTIP, referred to as the "2023 LTIP". A total of 11,823,851 performance shares in the form of nominal cost options ("performance shares") were awarded to the two Executive Directors and a small number of senior employees, including 'Persons Discharging Managerial Responsibilities'. The award had a performance period spanning 1 January 2023 to 31 December 2025. On 30 September 2025 a further 48,853,247 performance shares were awarded under the LTIP, referred to as the "2025 LTIP". The performance shares were awarded to the two Executive Directors and a number of senior employees, including 'Persons Discharging Managerial Responsibilities'.

The vesting of the performance shares under both the 2023 LTIP and 2025 LTIP is conditional on meeting performance conditions measured over a three-year period as detailed in the Remuneration Committee Report on pages 98 to 105. The awards vest on the third anniversary of the grant date and are subject to a two-year post vesting holding period and to conventional malus and clawback provisions.

Of the options granted to date, 60,707,098 options were outstanding at 31 December 2025 (31 December 2024: 13,306,358). No share options were exercised in the current year. In 2024, 1,332,000 share options were exercised at an average exercise price of ZAR 2.44.

A total of 1,452,507 (2024: 7,157,225) share options lapsed during the year that had a weighted average share price of ZAR 2.68 (2024: ZAR 3.23), resulting in a USD 0.1 million (2024: USD 0.3 million) transfer from the option reserve to retained earnings in 2025.

The total expense recognised during the year arising from equity-settled share-based payment transactions was USD 0.3 million (2024: USD 0.2 million). The total option reserve in equity at 31 December 2025 was USD 4.3 million (31 December 2024: USD 4.0 million).

The weighted average exercise price for outstanding and exercisable options at 31 December 2025 was ZAR 1.91 (31 December 2024: ZAR 2.67). The Parent Company's closing share price at 31 December 2025 was ZAR 1.32 (31 December 2024: ZAR 1.54). The lowest and highest closing prices during the year were ZAR 0.97 (2024: ZAR 1.52) and ZAR 1.78 (2024: ZAR 3.28), respectively. The weighted average remaining contractual life for these share options outstanding at 31 December 2025 was 12.3 years (2024: 10.4 years).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

21. SHARE-BASED PAYMENTS (CONTINUED)

The fair values of the options are calculated using the Black–Scholes method, except for the 2023 LTIP and 2025 LTIP, which were determined using both the Black–Scholes and Monte Carlo simulation methods. The assumptions applied to each share option scheme are detailed in the table below:

	ISSUE DATE JANUARY 2018	ISSUE DATE JULY 2018	ISSUE DATE MARCH 2019	ISSUE DATE AUGUST 2023	ISSUE DATE SEPTEMBER 2025
Exercise price	ZAR 2.97	ZAR 2.30	ZAR 1.90	Nominal	Nominal
Share price at date of grant	ZAR 3.00	ZAR 2.38	ZAR 1.85	GBP 0.16	GBP 0.06
Expected volatility	45.83%	47.54%	50.75%	41.12%	40.41%
Option life	1–4 years ¹	1–4 years ¹	1–4 years ¹	None–2 years ²	None–2 years ²
Expected dividends	Nil	Nil	Nil	Nil	Nil
Risk-free interest rate	6.67%–7.65%	6.82%–7.95%	6.69%–7.57%	4.90%	3.89%
Fair value of options	ZAR 0.64–1.37	ZAR 0.55–1.14	ZAR 0.40–0.87	GBP 0.065–0.151	GBP 0.034–0.063

1 As the first option tranche vests immediately and the gain to the employee is low, the valuation assumes the options are held for one year prior to exercise.

2 The net-of-tax number of shares acquired on the vesting of awards is subject to a two-year holding period. It was assumed that 47% of shares under award will be sold immediately on vesting to fund withholding taxes and social security, with the balance remaining subject to the holding period.

For share option schemes under the 2017 the Share Option Plan, the risk-free interest rates have been based on the yields offered from South African government bonds with maturities that range from one to four years as per the vesting profile of the options. South African government bonds are considered an appropriate risk-free rate as these are assumed to be the lowest-risk investment underpinning the market. In addition, as the Parent Company has a primary listing on the JSE where securities are quoted in South African Rand, the Directors believe that a local currency-based risk-free rate is the most appropriate input when valuing options with the Black–Scholes model.

For the 2023 LTIP and 2025 LTIP, the risk-free rate has been based on the implied yield of zero-coupon UK government bonds with a remaining term equal to the remaining performance period of the awards from the date of grant.

The expected volatility was based on the historic volatility data of the Parent Company's shares.

22. PER SHARE INFORMATION

Earnings/(Loss) Per Share ("EPS" or "LPS") and Net Asset Value ("NAV") are key performance measures for the Group. EPS/LPS is based on profit/(loss) for the year divided by the weighted average number of ordinary shares in issue during the year.

Headline Earnings/(Loss) Per Share ("HEPS" or "HLPS") is similar to EPS/LPS except that attributable profit specifically excludes certain items, as set out in Circular 1/2023 "Headline Earnings" ("Circular 1/2023") issued by the South African Institute of Chartered Accountants.

Adjusted Earnings/(Loss) Per Share ("AEPS" or "ALPS") is similar to HEPS except that attributable profit specifically excludes unrealised fair value losses/(gains) on unlisted equity investments (Sedibelo). This measure is used within Gemfields Group Limited 2023 LTIP and 2025 LTIP, as Sedibelo's performance is outside of management's control.

NAV per share is based on net assets divided by the number of ordinary shares in issue at the reporting date. NAV per share is a non-IFRS performance measure used by management to assess the performance of the Group.

On 13 June 2025, the Group completed a Rights Issue, issuing 556,203,396 new ordinary shares. The weighted average number of shares in issue have been adjusted in the current and prior year to reflect the bonus element of the Rights Issue in accordance with IAS 33 Earnings Per Share.

Loss per share

The Group's LPS is as follows:

	2025	2024 (RESTATED)
Loss for the year attributable to owners of the Parent – USD'000	(39,082)	(82,143)
<i>Weighted average number of shares in issue</i>	1,476,650,587	1,168,833,774
Loss per share – USD cents	(2.6)	(7.0)
Diluted loss per share – USD cents	(2.6)	(7.0)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

22. PER SHARE INFORMATION (CONTINUED)

Loss per share – continuing operations

The Group's LPS from continuing operations is as follows:

	2025	2024
Loss for the year from continuing operations attributable to owners of the Parent – USD'000	(34,792)	(70,867)
<i>Weighted average number of shares in issue</i>	1,476,650,587	1,168,833,774
Loss per share – USD cents	(2.4)	(6.1)
Diluted loss per share – USD cents	(2.4)	(6.1)

Headline loss per share

The Group's HLPS is as follows:

	2025	2024 (RESTATED)
Loss for the year attributable to owners of the Parent – USD'000	(39,082)	(82,143)
<i>Adjusted for:</i>		
Gain from disposal of fixed assets, attributable to owners of the Parent	–	(572)
Impairment charges related to tangible and intangible assets, attributable to owners of the Parent	27,168	68,465
Tax impact	(8,400)	(10,665)
Loss from disposal of discontinued operations	1,108	–
	(19,206)	(24,915)
<i>Weighted average number of shares in issue</i>	1,476,650,587	1,168,833,774
Loss per share – USD cents	(1.3)	(2.1)

Adjusted loss per share

The Group's ALPS is as follows:

	2025	2024 (RESTATED)
Loss for the year attributable to owners of the Parent – USD'000	(39,082)	(82,143)
<i>Adjusted for:</i>		
Unrealised fair value losses from Sedibelo	–	4,000
Gain from disposal of fixed assets, attributable to owners of the Parent	–	(572)
Impairment charges related to tangible and intangible assets, attributable to owners of the Parent	27,168	68,465
Tax impact	(8,400)	(10,665)
Loss from disposal of discontinued operations	1,108	–
	(19,206)	(20,915)
<i>Weighted average number of shares in issue</i>	1,476,650,587	1,168,833,774
Adjusted loss per share – USD cents	(1.3)	(1.8)

NAV per share

The Group's USD NAV per share is as follows:

	31 DECEMBER 2025	31 DECEMBER 2024
Net assets attributable to equity holders of the Company – USD'000	337,062	345,723
<i>Number of shares in issue</i>	1,724,230,526	1,168,027,130
NAV per share – USD cents	19.5	29.6

Tangible NAV per share

The Group's USD tangible NAV per share is as follows:

	31 DECEMBER 2025	31 DECEMBER 2024
Net assets attributable to equity holders of the Company – USD'000	337,062	345,723
<i>Adjusted for:</i>		
Intangible assets attributable to equity holders of the Company	(12,539)	(38,362)
	324,523	307,361
<i>Number of shares in issue</i>	1,724,230,526	1,168,027,130
Tangible NAV per share – USD cents	18.8	26.3

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

23. NON-CONTROLLING INTERESTS

Non-controlling interests in the Group that are material relate to the following subsidiaries:

- Kagem, a company incorporated in Zambia whose principal operation is rough emerald mining, exploration and processing. The Government of the Republic of Zambia (through the Industrial Development Corporation) holds a 25% non-controlling interest;
- MRM, a company incorporated in Mozambique whose principal operation is rough ruby mining, exploration and processing. Mwiriti Limitada, a private company incorporated in Mozambique, holds a 25% non-controlling interest;
- Development assets, comprising the Group's exploration and evaluation activities in Africa, including Megaruma Mining Limitada ("MML"), Eastern Ruby Mining Limitada ("ERM"), Nairoto Resources Lda ("Nairoto"), and the Group's development project in Ethiopia, Web Gemstone Mining Plc. The non-controlling interests of these entities are listed in Note 26: *Subsidiaries*; and
- Other, includes all the other subsidiaries with non-controlling interests which are listed in Note 26: *Subsidiaries* and which are not material.

	2025 KAGEM USD'000	2025 MRM USD'000	2025 DEVELOPMENT ASSETS USD'000	2025 TOTAL USD'000
Amount attributable to all shareholders:				
Loss after tax	(3,116)	(34,652)	(7,185)	(44,953)
Cash generated from/(utilised in) operations	10,130	25,641	(1,489)	34,282
Non-current assets	89,852	216,805	17,182	323,839
Current assets	70,163	92,395	5,455	168,013
Total assets	160,015	309,200	22,637	491,852
Non-current liabilities	(19,356)	(51,414)	–	(70,770)
Current liabilities	(27,460)	(80,508)	(1,631)	(109,599)
Total liabilities	(46,816)	(131,922)	(1,631)	(180,369)
Net assets	113,199	177,278	21,006	311,483
Amounts attributable to non-controlling interest:				
Loss after tax	(1,494)	(9,075)	(1,211)	(11,780)
Net assets/(liabilities)	2,186	58,552	(15,464)	45,274

	2024 KAGEM USD'000	2024 MRM USD'000	2024 DEVELOPMENT ASSETS USD'000	2024 OTHER ³ USD'000	2024 TOTAL USD'000
Amount attributable to all shareholders:					
(Loss)/profit after tax	(35,404)	653	(43,011)	7,098	(70,664)
Cash generated from/(utilised in) operations	7,857	35,929	(1,526)	–	42,260
Non-current assets	97,903	228,807	17,818	–	344,528
Current assets	74,214	112,588	5,583	–	192,385
Total assets	172,117	341,395	23,401	–	536,913
Non-current liabilities	(21,033)	(82,395)	–	–	(103,428)
Current liabilities	(34,326)	(54,857)	(2,084)	–	(91,267)
Total liabilities	(55,359)	(137,252)	(2,084)	–	(194,695)
Net assets	116,758	204,143	21,317	–	342,218
Amounts attributable to non-controlling interest:					
(Loss)/profit after tax	(9,627)	(173)	(10,627)	1,774	(18,653)
Dividends declared ^{1,2}	(1,500)	(8,125)	–	–	(9,625)
Net assets/(liabilities)	3,680	67,627	(14,253)	–	57,054

1 In 2024, Kagem declared a dividend, of which USD 1.5 million was due to the Group's non-controlling interest in Kagem, the Government of Zambia through the Industrial Development Corporation ("IDC").

2 In 2024, MRM declared a dividend, of which USD 8.1 million was due to the Group's non-controlling interest in MRM, Mwiriti. This dividend was settled against the receivable outstanding with Mwiriti in respect of prior cash advances.

3 The parent companies of the Sri Lankan subsidiaries categorised under 'Other' were dissolved in April 2024, with no material impact to consolidation due to intercompany eliminations.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

24. FINANCIAL INSTRUMENTS

The principal financial instruments used by the Group are as follows:

Financial assets

	31 DECEMBER 2025 USD'000	31 DECEMBER 2024 USD'000
Financial assets measured at fair value through profit and loss:		
Deferred consideration	4,523	–
Total financial assets at fair value through profit and loss	4,523	–
Financial assets measured at amortised cost:		
Trade and other receivables ¹	30,487	43,253
Cash and cash equivalents	64,053	20,844
Total financial assets	99,063	64,097

¹ Trade and other receivables excludes prepayments and VAT.

Deferred consideration is classified as Level 3 in the fair value hierarchy, the inputs for which are not based on observable market data. Refer to Note 10: Discontinued operations for further information.

Financial liabilities

	31 DECEMBER 2025 USD'000	31 DECEMBER 2024 USD'000
Financial liabilities measured at amortised cost:		
Trade and other payables	41,473	45,755
Borrowings	103,342	101,275
Lease liabilities	3,085	4,248
Total financial liabilities	147,900	151,278

Fair value of financial assets and liabilities

At 31 December 2025 and 31 December 2024, the carrying value of the Group's financial assets and financial liabilities carried at amortised cost approximated their fair values. Refer to Note 15: *Trade and other receivables* for detailed disclosure of the impairment assessment completed on the Group's financial assets measured at amortised cost at 31 December 2025.

Capital structure

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern while taking advantage of strategic opportunities in order to provide sustainable returns for shareholders. For the purpose of the Group's capital management, capital comprises equity shares.

The Group defines its capital allocation priorities as managing debt, organic and inorganic investments and capital returns, in no specific order and assessed on an ongoing basis. As approved by the Board on 23 March 2023, Gemfields' dividend policy aims to provide regular returns of capital when the business' performance and market conditions allow, at the Board's discretion and following assessment of Gemfields' capital allocation priorities. The Directors monitor the Group's gearing ratio on an ongoing basis.

An analysis of the carrying value of Group's financial liabilities carried at amortised cost compared to their contractual cashflows is detailed in the liquidity section of this note.

Credit risk

Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions and contractual cash flows of debt investments (loans) carried at amortised cost. The Group is also exposed to credit risk related to its customers and outstanding receivables with them. Credit risk arises when a failure by a counterparty to discharge their obligations could reduce the amount of future cash inflows from the related financial asset on hand at the reporting date.

i) Risk management

Credit risk is managed on a Group basis.

At 31 December 2025, the Group held materially all of its cash balances with five counterparties: ABSA Bank ("ABSA"), Investec Bank plc ("Investec"), Millennium BIM ("BIM"), Axis Bank ("Axis") and HDFC Bank ("HDFC"). Bankruptcy or insolvency of any of these counterparties could have a significant adverse impact on the Group. The Group's subsidiaries may also hold immaterial cash balances with various other banks. The failure of one of these counterparties would be unlikely to have a significant impact on the Group. Management monitor the Group's range of counterparties to ensure that the Group's credit/counterparty risk is at an appropriate level.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

24. FINANCIAL INSTRUMENTS (CONTINUED)

The Group's exposure to counterparty risk at 31 December 2025 is set out below:

COUNTERPARTY	LOCATION	CREDIT RATING (FITCH/S&P)	31 DECEMBER 2025 USD'000	31 DECEMBER 2024 USD'000
Investec	United Kingdom	BB minus	47,309	1,304
Axis	India	BB plus	3,965	408
BIM	Mozambique	CCC plus	3,277	116
HDFC	India	BBB	3,179	612
ABSA	Mauritius	BB minus	2,268	16
BCI	Mozambique	n/r	1,687	13,402
Barclays	United Kingdom	A plus	887	1,705
Citibank	Zambia	n/r	547	11
Other counterparties	Various	n/a	273	705
Nedbank	South Africa	BB minus	258	306
FNB	Zambia	n/r	161	171
ABSA	Mozambique	BB minus	99	1,946
ABSA	Zambia	BB minus	91	86
HSBC	United Kingdom	AA minus	52	56
			64,053	20,844

The Group's trade receivables are predominantly derived from auction customers who are specifically invited to each auction and the credit quality of whom is thoroughly assessed prior to invitation, considering financial position, past experience and other factors. No stock is transferred to the auction customers until full payment for the goods has been received. There are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sectors and/or regions. At the date of these financial statements, the Group had collected all auction receivables that were outstanding at 31 December 2025.

The credit quality of the Group's trade receivables can be assessed by reference to external credit ratings (where available) or to historical information about default rates. The trade receivables balance outstanding at the balance sheet date by counterparty credit risk is assessed as shown in the table below:

	31 DECEMBER 2025 USD'000	31 DECEMBER 2024 USD'000
Group 1 – direct customers	105	261
Group 2 – new counterparties, with a less than six-month relationship with the Group	–	146
Group 3 – existing counterparties, no past history of default	21,295	36,566
Group 4 – existing counterparties, past default but all amounts have been recovered	–	–
Total trade receivables	21,400	36,973

ii) Impairment of financial assets

The Group applies the IFRS 9 simplified approach to measuring credit losses for trade receivables, using a lifetime expected credit loss provision. Based on the assessment completed, no provision was recorded against trade receivables at 31 December 2025 (31 December 2024: USD 0.1 million).

The Group's other receivables primarily relate to related-party loans and deferred consideration receivable. These financial assets have been assessed for credit loss individually, considering financial position, past experience and other factors. There are no other financial assets that are impaired and, accordingly, no additional analysis has been provided.

Refer to Note 15: *Trade and other receivables* for details of the IFRS 9 assessment completed at 31 December 2025.

Liquidity risk

Liquidity risk arises from the Group's management of working capital and the finance charges and principal repayments on its debt instruments. It represents the risk that the Group will encounter difficulty in meeting its financial obligations.

The Group's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due. To achieve this aim the Group seeks to maintain cash balances and agreed bank facilities at levels considered appropriate to meet ongoing obligations.

The Group maintains an integrated business performance and cash flow forecasting model, incorporating financial position information, which is updated monthly.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

24. FINANCIAL INSTRUMENTS (CONTINUED)

The Group performance against budget and associated cash flow forecast is evaluated on a monthly basis. The Directors receive rolling 12-month cash flow projections monthly, as well as information regarding cash balances and Group performance against budget. See going concern assessment in Note 1 for further details on projections.

The following table illustrates the contractual maturity analysis of the Group's financial liabilities, including the liabilities that must be settled gross, based, where relevant, on interest rates and exchange rates prevailing at the reporting date.

31 DECEMBER 2025	REPAYABLE WITHIN ONE MONTH USD'000	REPAYABLE WITHIN ONE TO SIX MONTHS USD'000	REPAYABLE WITHIN SIX TO TWELVE MONTHS USD'000	REPAYABLE WITHIN ONE TO FIVE YEARS USD'000	REPAYABLE AFTER FIVE YEARS USD'000	TOTAL CONTRACTUAL CASH FLOWS USD'000	CARRYING VALUE AT 31 DECEMBER 2025 USD'000
Trade and other payables	22,778	4,573	11,575	2,547	–	41,473	41,473
Leases	31	593	618	2,630	37	3,909	3,085
Borrowings and interest ¹	25,218	29,851	20,845	34,719	–	110,633	103,342
Total	48,027	35,017	33,038	39,896	37	156,015	147,900

¹ The ABSA Mozambique term loan at MRM is classified as a current liability at 31 December 2025 due to breaches of financial covenants, which resulted in the loan becoming repayable on demand. After the reporting period, a waiver was granted in respect of these covenant breaches. See Note 17: Borrowings for further details.

31 DECEMBER 2024	REPAYABLE WITHIN ONE MONTH USD'000	REPAYABLE WITHIN ONE TO SIX MONTHS USD'000	REPAYABLE WITHIN SIX TO TWELVE MONTHS USD'000	REPAYABLE WITHIN ONE TO FIVE YEARS USD'000	REPAYABLE AFTER FIVE YEARS USD'000	TOTAL CONTRACTUAL CASH FLOWS USD'000	CARRYING VALUE AT 31 DECEMBER 2024 USD'000
Trade and other payables	30,965	2,102	3,196	9,492	–	45,755	45,755
Leases	36	751	719	3,276	81	4,863	4,248
Borrowings and interest	525	28,900	30,033	31,259	25,143	115,860	101,275
Total	31,526	31,753	33,948	44,027	25,224	166,478	151,278

Market risk

The significant market risks affecting the Group are currency risk, interest rate risk, and commodity risk. These risks relate to the Group's underlying mining operations.

i) **Currency risk**

The Group's operations are exposed to currency risk on foreign currency sales, purchases and expenses. As the majority of revenues are denominated in USD and the USD plays a dominant role in the Group's business, funds borrowed and held in USD provide a natural hedge against currency fluctuations. Operating costs and costs of locally sourced equipment are influenced by fluctuations in local currencies, primarily the Zambian kwacha ("ZMW") and Mozambican metical ("MZN").

A key tenet of the Group's treasury policy is that materially all of the Group's cash is held in USD, other than amounts allocated for a specific foreign currency investment or for specific material expenses which are usually held in the relevant currency. The Group's cash balance is therefore not subject to material foreign exchange risk in most circumstances.

Cash balances are translated into a currency other than the USD only when an outflow of cash is imminent or if required for legal or similar reasons. The Group may occasionally hold balances in currencies other than the USD for a material investment which is considered likely but is not yet certain. This gives rise to potential foreign exchange risk if the investment does not occur and the balance is translated back into USD at a different exchange rate. Alternatively, for specific material cash outflows, the Group may choose to enter into an appropriate hedging strategy, such as a forward contract or option, to minimise the Group's foreign exchange exposure. The Group did not enter into any hedging strategies during the current or prior year.

The Group also undertakes transactions and holds assets and liabilities in currencies other than the USD. The Group may enter into equity or loan investments in currencies other than the USD, including GBP and ZAR. These balances are translated at the end of each reporting period and the related foreign exchange gain or loss is included in the Consolidated Income Statement. The Directors consider the denomination of each investment as part of the initial decision as to whether to invest in an asset.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

24. FINANCIAL INSTRUMENTS (CONTINUED)

Market risk (continued)

Sensitivity analysis has been performed based on the sensitivity of the Group's net financial assets to movements in foreign exchange rates, assuming a movement of 10% against the USD.

AT 31 DECEMBER 2025	USD USD'000	GBP USD'000	ZMW USD'000	MZN USD'000	OTHER ¹ USD'000	TOTAL USD'000
Cash and cash equivalents	55,230	1,090	78	214	7,441	64,053
Trade and other receivables	31,774	217	240	2,689	90	35,010
Borrowings	(103,342)	–	–	–	–	(103,342)
Trade and other payables	(13,035)	(2,811)	(6,654)	(17,230)	(1,743)	(41,473)
Lease liabilities	(308)	(2,272)	–	(86)	(419)	(3,085)
Net financial (liabilities)/assets	(29,681)	(3,776)	(6,336)	(14,413)	5,369	(48,837)
<i>Sensitivity analysis</i>						
Impact on the Income Statement, assuming a 10% movement against the USD	n/a	(378)	(634)	(1,441)	537	(1,916)

¹ Cash and cash equivalents held in other currencies primarily consisted of balances held in India.

AT 31 DECEMBER 2024	USD USD'000	GBP USD'000	ZMW USD'000	MZN USD'000	OTHER USD'000	TOTAL USD'000
Cash and cash equivalents	15,845	994	19	2,065	1,921	20,844
Trade and other receivables	38,790	543	278	2,785	857	43,253
Borrowings	(101,275)	–	–	–	–	(101,275)
Trade and other payables	(17,576)	(4,236)	(4,028)	(15,325)	(4,590)	(45,755)
Lease liabilities	(649)	(2,833)	–	(101)	(665)	(4,248)
Net financial liabilities	(64,865)	(5,532)	(3,731)	(10,576)	(2,477)	(87,181)
<i>Sensitivity analysis</i>						
Impact on the Income Statement, assuming a 10% movement against the USD	n/a	(553)	(373)	(1,058)	(248)	(2,232)

ii) **Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is exposed to interest rate risk on its cash balances. The Group's policy is to invest cash at floating rates of interest and to maintain cash reserves in short-term investments which are for a maximum of one year but are usually for shorter time periods. This maintains the Group's liquidity levels whilst also securing a return for shareholders on uninvested cash. During 2025 and 2024 all uninvested cash was accessible either on demand, or shortly afterwards. In addition, the Group may make interest-bearing loans to its investments.

An analysis of the expected maturity of the Group's financial assets and liabilities exposed to variable interest rates at the balance sheet date based on their contractual cash flows is shown below. Expected maturities are usually based on contractual maturities. The sensitivity analysis completed has considered a 1.0% increase or decrease (2024: 1.0% increase or decrease) in interest rates to be reasonably possible based on the current interest rate environment. The Directors consider the impact of changes in interest rates on the Group to be immaterial.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

24. FINANCIAL INSTRUMENTS (CONTINUED)

31 DECEMBER 2025	REPAYABLE WITHIN ONE MONTH USD'000	REPAYABLE WITHIN ONE TO SIX MONTHS USD'000	REPAYABLE WITHIN SIX TO TWELVE MONTHS USD'000	REPAYABLE WITHIN ONE TO FIVE YEARS USD'000	REPAYABLE AFTER FIVE YEARS USD'000	TOTAL USD'000
Cash and cash equivalents	64,053	–	–	–	–	64,053
Borrowings	(25,218)	(29,851)	(20,845)	(34,719)	–	(110,633)
Net financial assets/(liabilities) subject to interest rate risk	38,835	(29,851)	(20,845)	(34,719)	–	(46,580)
<i>Sensitivity analysis</i>						
Impact on profit or loss, assuming a 1.0% movement in interest rate	388	(299)	(208)	(347)	–	(466)
31 DECEMBER 2024	REPAYABLE WITHIN ONE MONTH USD'000	REPAYABLE WITHIN ONE TO SIX MONTHS USD'000	REPAYABLE WITHIN SIX TO TWELVE MONTHS USD'000	REPAYABLE WITHIN ONE TO FIVE YEARS USD'000	REPAYABLE AFTER FIVE YEARS USD'000	TOTAL USD'000
Cash and cash equivalents	20,844	–	–	–	–	20,844
Borrowings	(525)	(28,900)	(30,033)	(31,259)	(25,143)	(115,860)
Net financial assets/(liabilities) subject to interest rate risk	20,319	(28,900)	(30,033)	(31,259)	(25,143)	(95,016)
<i>Sensitivity analysis</i>						
Impact on profit or loss, assuming a 1.0% movement in interest rate	203	(289)	(300)	(313)	(251)	(950)

iii) Commodity risk

The Group holds coloured gemstones on its Consolidated Statement of Financial Position in the form of inventory. A decrease in the price of coloured gemstones, specifically rubies and emeralds, may have a material impact on the Group's profitability.

Sensitivity analyses representative of the position throughout the year

The sensitivity analyses presented above are based on the financial instruments held at year-end. The sensitivity analyses presented for 31 December 2025 are considered likely to be representative of the financial instruments held and of risks to the balance sheet in the immediate future. Furthermore, if the Group divested an investment, its exposure to market risks would change. As there is uncertainty as to how the Group's risk profile will change in the future, no further representative sensitivity analyses have been disclosed, as the Directors do not believe that this would be useful. Users of the Consolidated Financial Statements should refer to the Risk and Uncertainties section of this Annual Report for further information on the risks that the enlarged Group is exposed to.

25. COMMITMENTS AND CONTINGENCIES

At 31 December 2025, the Group had the following capital commitments:

- USD 2.4 million (31 December 2024: USD 4.5 million) at MRM mainly for the purchase of mining equipment.
- USD 0.5 million (31 December 2024: USD 2.3 million) at Kagem for various technical and other IT equipment.
- USD Nil (31 December 2024: USD 0.1 million) at ERM.
- USD Nil (31 December 2024: USD 0.5 million) at CDJ.

In August 2023 MRM entered into a contract with Consulmet to construct an additional processing plant at MRM's ruby mine in Mozambique. The contract is a 'lump-sum turnkey contract' based on industry standard International Federation of Consulting Engineers ("FIDIC") terms, with MRM's payment obligations agreed in South African Rands and equating to approximately USD 70.0 million (at foreign exchange rates at signing and excluding VAT and government levies). As at 31 December 2025, 94% of the capital cost has been paid, totalling USD 64.1 million. This includes 20% paid in 2023, 50% paid in 2024, and 24% in 2025. The remaining 6% is expected to be paid on final commissioning in 2026.

MRM and Kagem have also provided USD 3.3 million and USD 1.6 million, respectively, in bank guarantees to support operational requirements related to compliance, management, and mine closure plans.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

25. COMMITMENTS AND CONTINGENCIES (CONTINUED)

In April 2024, MRM signed a heads of terms agreement to enter into a solar plant project, aimed at providing lower-cost green energy to the second processing plant in Mozambique. Under the agreement, MRM is required to pay up to USD 1.1 million early termination fees, which is contingent on a break clause being triggered. At the reporting date, the break clause had not been triggered. A final review of the project to determine whether to proceed with signing the Power Purchase Agreement (“PPA”) and commence installation is ongoing.

As at 31 December 2025, there were some tax matters that were under assessment with the Mozambique Revenue Authority (“MRA”), which remained open and under review at the date of signing these financial statements. No reasonable estimate of any potential liability could be made for these matters at 31 December 2025 as they had not been concluded.

The Group does not have any other significant contingencies.

26. SUBSIDIARIES

The Group’s subsidiaries are set out below. All interests are held directly or indirectly by the Group and are consolidated within these Consolidated Financial Statements.

NAME	COUNTRY OF INCORPORATION	GROUP % INTEREST AT 31 DECEMBER 2025	GROUP % INTEREST AT 31 DECEMBER 2024
Campos de Joia, Limitada	Mozambique	100%	100%
Chila Gemstone Mining Plc	Ethiopia	90%	90%
Clearwater Resources (Private) Limited ¹	Zimbabwe	–	100%
Eastern Ruby Mining Limitada	Mozambique	80%	80%
Fabergé (UK) Limited ²	United Kingdom	–	100%
Fabergé Hospitality Limited ²	British Virgin Islands	–	100%
Fabergé Inc. ²	United States of America	–	100%
Fabergé Limited ²	Cayman Islands	–	100%
Fabergé Suisse SA ²	Switzerland	–	100%
F1842 Fine Jewellery Trading LLC ²	United Arab Emirates	–	100%
Florescer Farming S.A.	Mozambique	97.9%	97.9%
G-Chime Solutions Limited ³	United Kingdom	100%	100%
Gemdustry Limited	United Kingdom	100%	100%
Gemfields BVI Limited	British Virgin Islands	100%	100%
Gemfields Canada Inc.	Canada	100%	100%
Gemfields CdJ Mauritius	Mauritius	100%	100%
Gemfields DMCC	United Arab Emirates	100%	100%
Gemfields Holdings Zambia Limited	Zambia	100%	100%
Gemfields India Pvt Limited	India	100%	100%
Gemfields Mauritius Limited	Mauritius	100%	100%
Gemfields Mining Limited	Zambia	100%	100%
Gemfields Limited	United Kingdom	100%	100%
Gemfields Madagascar Holding Limited	Mauritius	100%	100%
Gemfields Singapore Pte Limited ⁴	Singapore	100%	100%
Gemfields Resources (Guernsey) GP Ltd ⁵	Guernsey	–	100%
Gemfields Services Limited	United Kingdom	100%	100%
Gemfields South Africa (Pty) Limited	South Africa	100%	100%
Gemholds Ethiopia Limited	United Kingdom	100%	100%
Gemhouse Mining Zambia Limited	Zambia	100%	100%
G-Trac Knowledgebase Systems Limited	United Kingdom	100%	100%
Hagura Mining Limited	United Kingdom	100%	100%
Kagem Mining Limited	Zambia	75%	75%
Kagem Lapidaries Limited	Zambia	100%	100%
Megaruma Mining Limitada	Mozambique	75%	75%
Montepuez Ruby Mining Limitada	Mozambique	75%	75%
Nairoto Mining 01, Limitada	Mozambique	75%	75%
Nairoto Mining 02, Limitada	Mozambique	75%	75%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

26. SUBSIDIARIES (CONTINUED)

NAME	COUNTRY OF INCORPORATION	GROUP % INTEREST AT 31 DECEMBER 2025	GROUP % INTEREST AT 31 DECEMBER 2024
Nairoto Mining 03, Limitada	Mozambique	75%	75%
Nairoto Mining 04, Limitada	Mozambique	75%	75%
Nairoto Mining 05, Limitada	Mozambique	75%	75%
Nairoto Mining 06, Limitada	Mozambique	75%	75%
Nairoto Mining 07, Limitada	Mozambique	75%	75%
Nairoto Mining 08, Limitada	Mozambique	75%	75%
Nairoto Mining 09, Limitada	Mozambique	75%	75%
Nairoto Mining 11, Limitada	Mozambique	75%	75%
Nairoto Mining 16, Limitada	Mozambique	75%	75%
Nairoto Mining 18, Limitada	Mozambique	75%	75%
Nairoto Resources Holdings	Mauritius	100%	100%
Nairoto Resources Limitada	Mozambique	75%	75%
Novo Campos de Joia 1, Limitada	Mozambique	100%	100%
Novo Campos de Joia 2, Limitada	Mozambique	100%	100%
Novo Campos de Joia 3, Limitada	Mozambique	100%	100%
Novo Megaruma Mining Ltda	Mozambique	100%	100%
Oriental Mining SARL	Madagascar	100%	100%
Shakgem Gemstone Mining Plc	Ethiopia	90%	90%
The Gemfields Resources Fund L.P. ⁶	Cayman Islands	–	100%
Web Gemstone Mining plc	Ethiopia	75%	75%

1 The company was dissolved on 8 January 2025.

2 The company was sold on 29 August 2025.

3 The company was sold after the year end on 20 January 2026 for nominal consideration of £1.

4 The company was dissolved after the year end on 5 January 2026.

5 The company was dissolved on 17 December 2025.

6 The company was dissolved on 17 April 2025.

27. RELATED PARTY TRANSACTIONS

The Group's subsidiaries, as set out in Note 26: *Subsidiaries*, are determined to be related parties of the Group.

The Group also holds a related party receivable of USD 2.7 million (31 December 2024: USD 1.4 million) with Mwiriti Ltda, the Group's partner in MRM and Nairoto. During the year, an advance payment of USD 1.3 million (2024: USD 1.4 million) was made to Mwiriti, whilst the outstanding balance accrued interest of USD 0.1 million (2024: USD 0.3 million). Please refer to Note 15: *Trade and other receivables* for further details.

A management services agreement between Mwiriti and MRM was signed in May 2024, under which MRM will pay Mwiriti a management fee equivalent to 2% of MRM's auction revenue, capped at USD 3.0 million per annum. Any management fees payable under this agreement will be offset against any amounts due from Mwiriti to MRM. During 2025, USD 1.0 million (2024: USD 2.3 million) was paid to Mwiriti under the agreement.

During the prior year a number of the Group's Directors made purchases of jewellery and watches from Fabergé amounting to USD 56,510. All purchases were made in accordance with the Group's employee purchase policy.

In 2018 the Group established Gemfields Foundation (the "Foundation"), a UK-registered charitable company whose purpose is to benefit the public through supporting community projects and wildlife conservation in specific countries within Africa is to address poverty in developing countries and support conservation projects. The Foundation is determined to be independent of the Group and does not meet the definition of a subsidiary outlined in the Group's accounting policies. Therefore, its results are not consolidated into these Consolidated Financial Statements.

The Foundation is part-funded by Gemfields Limited and accepts donations from external bodies or individuals, with the funds received used to invest in community and conservation projects in Africa. During 2025, the Group made donations of USD 75,000 (2024: USD 29,000). The donations recorded in the current year were made by Fabergé prior to its disposal.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

27. RELATED PARTY TRANSACTIONS (CONTINUED)

The Directors are the Key Management Personnel of the Group. The amounts paid to the Executive Directors for services during 2025 are set out below:

1 JANUARY 2025 TO 31 DECEMBER 2025	BASE COMPENSATION USD'000	BENEFITS USD'000	BONUS USD'000	PENSION USD'000	TOTAL USD'000	EMPLOYER'S NATIONAL INSURANCE USD'000	TOTAL INCLUDING EMPLOYER'S NATIONAL INSURANCE USD'000
Sean Gilbertson ¹	631	23	378	32	1,064	147	1,211
David Lovett ¹	421	16	252	21	710	103	813
Total	1,052	39	630	53	1,774	250	2,024

1 During the year, a share-based expense of USD 134k was recognised in relation to the 2023 LTIP and 2025 LTIP scheme granted to Sean Gilbertson and David Lovett. These performance shares vest over a three-year period and the total expense is recognised over the vesting period.

1 JANUARY 2024 TO 31 DECEMBER 2024	BASE COMPENSATION USD'000	BENEFITS USD'000	BONUS USD'000	PENSION USD'000	TOTAL USD'000	EMPLOYER'S NATIONAL INSURANCE USD'000	TOTAL INCLUDING EMPLOYER'S NATIONAL INSURANCE USD'000
Sean Gilbertson ¹	631	18	–	32	681	88	769
David Lovett ¹	421	12	–	21	454	59	513
Total	1,052	30	–	53	1,135	147	1,282

1 During 2024, a share-based expense of USD 85k was recognised in relation to the 2023 LTIP scheme granted to Sean Gilbertson and David Lovett. These performance shares vest over a three-year period and the total expense is recognised over the vesting period.

The amounts paid to the Non-Executive Directors for services during 2025 and 2024 are set out below:

1 JANUARY 2025 TO 31 DECEMBER 2025	GROUP DIRECTOR FEES USD'000	BOARD COMMITTEES USD'000	LEAD INDEPENDENT DIRECTOR USD'000	TOTAL USD'000
Bruce Cleaver	130	–	–	130
Kwape Mmela	50	15	5	70
Mary Reilly	50	15	–	65
Patrick Sacco	50	15	–	65
Simon Scott	50	15	–	65
Kieran Daly	50	–	–	50
Louis du Preez ¹	26	–	–	26
Total	406	60	5	471

1 Appointed 25 June 2025.

1 JANUARY 2024 TO 31 DECEMBER 2024	GROUP DIRECTOR FEES USD'000	BOARD COMMITTEES USD'000	LEAD INDEPENDENT DIRECTOR USD'000	TOTAL USD'000
Kwape Mmela	50	18	3	71
Bruce Cleaver ²	65	–	–	65
Mary Reilly	50	15	–	65
Patrick Sacco	50	15	–	65
Martin Tolcher ¹	65	–	–	65
Lumkile Mondli ¹	25	10	3	38
Carel Malan ¹	25	8	–	33
Simon Scott ²	25	8	–	33
Kieran Daly ²	25	–	–	25
Total	380	74	6	460

1 Resigned 1 July 2024.

2 Appointed 1 July 2024.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

27. RELATED PARTY TRANSACTIONS (CONTINUED)

The interests in the Parent Company equity shares held by the Directors are set out below:

	2025		2024	
	NUMBER OF SHARES	INTEREST	NUMBER OF SHARES	INTEREST
Patrick Sacco ¹	556,357,695	32.85%	340,367,121	29.14%
Sean Gilbertson ^{2,3}	71,246,750	4.13%	48,263,928	4.13%
Kwape Mmela	12,289,779	0.71%	8,325,334	0.71%
David Lovett	2,128,666	0.12%	1,442,000	0.12%
Total	642,022,890	37.81%	398,398,383	34.11%

1 Patrick Sacco is the executive chairman of, and holds an indirect interest in, Assore International Holdings Limited, which in turn holds 556,357,695 ordinary shares in the Company.

2 Sean Gilbertson directly owns 25,904,672 Ordinary Shares, representing 1.5 per cent of the Company's issued shares. He has an indirect interest in Ordinary Shares, by virtue of being a beneficiary of the Brian Patrick Gilbertson Discretionary Settlement, a family trust which: (i) holds directly 42,556,167 Ordinary Shares and (ii) owns Autumn Holdings Asset Inc., which, in turn, holds a further 2,785,911 Ordinary Shares.

3 GigaJoule Ltd, a company wholly owned by Sean Gilbertson, may become entitled to 103,147 Ordinary Shares if a loan granted to a third party by GigaJoule Ltd is not repaid.

The Company had 1,724,230,526 shares in issue at 31 December 2025 (31 December 2024: 1,168,027,130). The number of shares in issue at the date of issuance of this Annual Report is unchanged from 31 December 2025 and the shareholding structure had not changed to the best of management's knowledge.

28. EVENTS OCCURRING AFTER THE END OF THE PERIOD

Approval of Consolidated Financial Statements

The Consolidated Financial Statements were approved by the Directors and authorised for issue on 25 March 2026.

Auction Results

After the reporting period, MRM hosted a mixed-quality ruby auction from 9 February 2026 to 20 February 2026 and generated auction revenues of USD 53.0 million. 90% of the 135 lots offered were sold with an average realised price of USD 279 per carat.

Independent Auditor's Report

to the members of Gemfields Group Limited

OPINION

In our opinion:

- Gemfields Group Limited's financial statements give a true and fair view of the state of the Group's affairs as at 31 December 2025 and of the Group's loss for the year then ended;
- the Group financial statements have been properly prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, UK-adopted international accounting standards, and the financial reporting pronouncements issued by the Financial Reporting Standards Council of South Africa; and
- the financial statements have been prepared in accordance with the requirements of the Companies (Guernsey) Law, 2008.

We have audited the financial statements of Gemfields Group Limited (the 'Company') and its subsidiaries (the 'Group') for the year ended 31 December 2025 which comprise the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Consolidated Statement of Cash Flows, the Consolidated Statement of Changes in Equity and the related notes 1 to 28, including material accounting policy information.

The financial reporting framework that has been applied in their preparation is applicable law and IFRS Accounting Standards as issued by the International Accounting Standards Board, UK-adopted international accounting standards, and the financial reporting pronouncements issued by the Financial Reporting Standards Council of South Africa.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements, including the UK FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

INDEPENDENT AUDITOR'S REPORT CONTINUED

CONCLUSIONS RELATING TO GOING CONCERN

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

- We obtained management's going concern assessment, including the cash flow forecasts and covenant calculations covering the going concern assessment period and management's severe but plausible downside scenarios as well as reverse stress test, and assessed whether the scenarios are sufficient and suitable to allow management to form their view on going concern. As part of this procedure, we have obtained an understanding of management's process and controls and tested the model for arithmetical accuracy.
- We assessed the appropriateness of the duration of the going concern assessment period to 30 September 2027 and considered whether there are any known events or conditions that could occur beyond the period which may create a material uncertainty over going concern.
- We challenged the appropriateness of key assumptions in management's going concern forecasts by agreeing them to supporting evidence, including macroeconomic information, recent performance and historical pricing data. We also assessed the existence and impact of any contradictory evidence.
- We assessed the accuracy of management's forecasts by assessing historical performance against budget, post year-end performance and any other evidence obtained through the audit.
- We read the terms and conditions of the term loans and overdraft facilities including the definitions of all covenants and checked to ensure that the forecast covenant calculations in the assessment period were in line with the terms of the agreements.
- We assessed the likelihood and impact of renewals of overdraft facilities for both MRM and Kagem. We discussed directly with bank representatives the Group's compliance with covenants and the terms and conditions for renewing existing overdraft facilities and the impact of the covenant breach as at December 2025. We also read and assessed the content of the waiver letter provided by ABSA.
- We assessed and challenged management's consideration of downside scenarios, considering whether further sensitivities were required and whether these appropriately cover the principal risks impacting the Group.
- We evaluated the appropriateness of management's reverse stress test scenario and assessed the likelihood of such conditions arising during the going concern assessment period.
- We have further performed our own sensitivity to factor any downside arising from production uncertainties, specifically relating to the assumed upside from MRM's second processing plant.
- We obtained an update from our EY Mozambique team on the risk of insurgency near the mine in order to understand the impact on operations. Our procedures also included discussions with local management, and consideration of the Foreign, Commonwealth & Development Office (FCDO) advice published by the UK government.
- We assessed the reasonableness of mitigating actions and their estimated amounts through evaluating whether these are within management's control and assessed this through our understanding of the business and the presence of any contrary evidence.
- We read the disclosures in the Annual Report and Accounts in relation to going concern with a view to assessing whether they appropriately disclose the risks and the impact on the Group's operations and results.

Going concern has also been determined to be a key audit matter.

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 to 30 September 2027.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Group's ability to continue as a going concern.

INDEPENDENT AUDITOR'S REPORT CONTINUED

OVERVIEW OF OUR AUDIT APPROACH

AUDIT SCOPE	<ul style="list-style-type: none"> We performed an audit of the complete financial information of two components and audit procedures on specific balances for a further four components.
KEY AUDIT MATTERS	<ul style="list-style-type: none"> Risk of improper revenue recognition due to cut-off. Risk related to the going concern assumption. Risk of impairment of mining assets.
MATERIALITY	<ul style="list-style-type: none"> Overall group materiality of USD 2.6 million which represents 0.5% of total assets, capped at USD 2.6 million, in line with prior year's materiality.

AN OVERVIEW OF THE SCOPE OF OUR AUDIT

Tailoring the scope

We have followed a risk-based approach when developing our audit approach to obtain sufficient appropriate audit evidence on which to base our audit opinion. We performed risk assessment procedures, with input from our component auditors, to identify and assess risks of material misstatement of the group financial statements and identified significant accounts and disclosures. When identifying components at which audit work needed to be performed to respond to the identified risks of material misstatement of the group financial statements, we considered our understanding of the Group and its business environment, the potential impact of climate change, the applicable financial reporting framework, the Group's system of internal control at the entity level, the existence of centralised processes, applications and any relevant internal audit results.

We then identified six components as individually relevant to the Group due to significant risks and areas of higher assessed risk of material misstatement, including higher risk estimates, of the group financial statements being associated with the components. Three of these six are individually relevant due to materiality or financial size of the component relative to the Group.

For those individually relevant components, we identified the significant accounts where audit work needed to be performed at these components by applying professional judgement, having considered the group significant accounts on which centralised procedures will be performed, the reasons for identifying the financial reporting component as an individually relevant component and the size of the component's account balance relative to the group significant financial statement account balance.

We then considered whether the remaining group significant account balances not yet subject to audit procedures, in aggregate, could give rise to a risk of material misstatement of the group financial statements. We selected six components of the Group to include in our audit scope to address these risks.

Having identified the components for which work will be performed, we determined the scope to assign to each component.

Of the twelve components selected, we designed and performed audit procedures on the entire financial information of two components ("full scope components"): MRM in Mozambique, and Kagem in Zambia. For four components, we designed and performed audit procedures on specific significant financial statement account balances or disclosures of the financial information of the component ("specific scope components"). For the remaining six components, we performed specified audit procedures to obtain evidence for one or more relevant assertions.

Our scoping to address the risk of material misstatement for each key audit matter is set out in the Key audit matters section of our report.

INDEPENDENT AUDITOR'S REPORT CONTINUED

Involvement with component teams

In establishing our overall approach to the Group audit, we determined the type of work that needed to be undertaken at each of the components by us, as the group audit engagement team, or by component auditors operating under our instruction.

The group audit team continued to follow a programme of planned visits that has been designed to ensure that the Auditor visits the key operating locations. The audit engagement partner visited Zambia in the prior year, while a senior member of the group audit team visited Mozambique this year. During the current year's audit cycle, this visit involved discussion and oversight of the component team audit approach, consideration of significant accounting and auditing issues arising from their work and meetings with local management. The primary team interacted regularly with the component teams where appropriate during various stages of the audit, reviewed relevant working papers and were responsible for the scope and direction of the audit process.

This, together with the additional procedures performed at group level, gave us appropriate evidence for our opinion on the group financial statements.

Climate change

Stakeholders are increasingly interested in how climate change will impact Gemfields Group Limited. The Group has explained its assessment of the impact of climate change in the Strategic Report section of the Annual Report. All of these disclosures form part of the "Other information," rather than the audited financial statements. Our procedures on these unaudited disclosures therefore consisted solely of considering whether they are materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appear to be materially misstated, in line with our responsibilities on "Other information".

In planning and performing our audit we assessed the potential impacts of climate change on the Group's business and any consequential material impact on its financial statements.

The Group has explained in Note 1, Basis of Preparation, how they have reflected the impact of climate change in their financial statements. Considering the timing of operations, we understand that all the potential impacts that climate change could have on the operations are not yet known or cannot be estimated with certainty. Therefore, certain sensitivities have been included in relevant areas such as impairment, where disclosures on prices and discount rate could reflect potential indirect impacts of climate change.

Our audit effort in considering the impact of climate change on the financial statements was focused on the adequacy of the Group's disclosures in the financial statements and its conclusion that no significant issues have been identified that would materially impact the carrying amounts of non-current assets and liabilities. As part of this evaluation, we performed our own risk assessment to determine the risks of material misstatement in the financial statements from climate change which needed to be considered in our audit.

We also challenged the Directors' considerations of climate change risks in their assessment of going concern and associated disclosures. Where considerations of climate change were relevant to our assessment of going concern, these are described above.

Based on our work we have not identified the impact of climate change on the financial statements to be a key audit matter or to impact a key audit matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our 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) that we identified. These matters included 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 were addressed in the context of our audit of the financial statements as a whole, and in our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITOR'S REPORT CONTINUED

RISK	OUR RESPONSE TO THE RISK	KEY OBSERVATIONS COMMUNICATED TO THE AUDIT COMMITTEE
<p>Risk of improper revenue recognition due to cut-off</p> <p> Refer to the Accounting policies (page 125); and Note 3 of the Consolidated Financial Statements (page 132)</p> <p>Total revenue as of 31 December 2025 is USD135.1 million (2024: USD199.4 million)</p> <p>One of the key areas of IFRS 15 is the assessment of when performance obligations are satisfied. As most of the Group's revenue arises from auctions of rough gemstones, there is a risk relating to the timing and cut-off.</p> <p>Under Gemfields' accounting policy, revenue is recognised when the auction is awarded, which management considers to be the point at which control transfers to the customer. This requires judgement and is supported by the control-transfer indicators in IFRS 15 paragraphs 33 and 38. There are no significant estimation uncertainties associated with this revenue recognition approach; however, consistent application of the control-transfer assessment requires ongoing monitoring across auction events.</p>	<p>Our procedures in respect of revenue recognition included:</p> <ul style="list-style-type: none"> • We updated our understanding of the auction revenue transactions, by performing a walkthrough of the process. • We obtained and reviewed management's paper on revenue recognition to validate whether the revenue recognition policy is consistent with the prior year and remains appropriate. • We read the terms and conditions ('T&Cs') for both emerald and ruby auctions, validating that both are consistent and assessed key considerations on transfer of control, as the key milestone to record revenue. We reviewed the T&Cs provided by management and assessed whether they are consistent with the requirements of IFRS 15 'Revenue from contracts with customers'. • We have performed an analytical review to evaluate price-per-carat variations, using a breakdown of auction sales prices by quality category. • In respect of auction revenue, we tested 100% of auction invoices and agreed key inputs. • As part of our revenue recognition testing, we used data analytics techniques. This comprises analysing the correlation of journal entries posted to revenue with journals posted to cash receipts and tracing cash receipts to bank statements on a sample basis. This procedure is to identify any revenue transactions that do not have a cash settlement and therefore could be potentially inappropriately recognised. • We performed cut-off procedures for auction revenue through vouching transactions before and post year-end. Furthermore, we assessed the recoverability of outstanding auction receivables by testing subsequent cash receipts to the date of our audit report and searched for evidence that would suggest that revenue should not have been recognised. • Assisted by our EY data analytics tools, namely the Journal Entry Fraud Risk Analyser and the Fraud Scheme Characteristics Analyser, we tested higher-risk journal entries, including manual revenue journals raised by unexpected individuals or at unusual times. • We reviewed the disclosures included in both the annual report and financial statements. 	<p>Based on our procedures performed, we concluded that revenue is appropriately recorded at 31 December 2025.</p> <p>We concluded that disclosures included in the financial statements are appropriate in accordance with IFRS 15.</p>
<p>How we scoped our audit to respond to the risk</p> <p>We performed audit procedures on two full scope and one specific scope components over this risk, which covered 99% of the risk amount. We also performed additional procedures on one specified procedures component.</p>		

INDEPENDENT AUDITOR'S REPORT CONTINUED

RISK	OUR RESPONSE TO THE RISK	KEY OBSERVATIONS COMMUNICATED TO THE AUDIT COMMITTEE
<p>Risk of impairment of mining assets</p> <p>At 31 December 2025, the Group Property, Plant & Equipment and Intangibles balance is USD 327.7 million (2024: USD 379.0 million), including USD 216.8 million and USD 89.9 million assets for MRM and Kagem, respectively.</p> <p> Refer to Accounting policies (page 126); and Note 11 and 12 of the Consolidated Financial Statements (pages 143 to 147)</p> <p>The impairment assessment of mining assets is a forecast-based estimate and therefore subject to a risk that potential impairments or impairment reversals are not identified on a timely basis.</p> <p>Auditing the impairment of mining assets involves a significant degree of judgement in assessing whether the assumptions applied by management are reasonable. These assumptions include discount rates (and the impact of changes in interest rates), forecast pricing for gemstones, asset performance, and future production profiles.</p> <p>We continued to assess for impairment of both MRM and Kagem. In performing our audit procedures, we remained alert to the risk of management override in the identification of impairment indicators and in the application of key assumptions used in the impairment models.</p>	<p>Our procedures in respect of the risk of impairment of mining assets included:</p> <ul style="list-style-type: none"> • We read and evaluated management's assessment of impairment triggers to assess whether indicators of impairment existed at MRM and whether indicators of reversal or further impairment existed in respect of Kagem. • We obtained an understanding of the methodology behind the fair value less cost of disposal models, assessed their consistency with IAS 36 'Impairment of assets', and we verified their mathematical accuracy and completeness. • We challenged the appropriateness of the extent to which the cashflows have been risked and considered the sensitivity of the impairment assessment to further risking. We note that inferred resources are not included in management's models. • We made enquiries of management and read both internal and external available information relating to the Group's performance and operational and financial results to assess whether any other impairment indicators existed. • We agreed the related production profiles to the estimated reserves and resources reports and corresponding current mine plans for each mine and considered their consistency with our understanding of future plans at the mines obtained through discussions with management. • We assessed key inputs of the models, including forecast pricing for products sold, operating and capital costs and future production (in line with the estimation of reserves and resources), assessing consistency with current revenue, reserves and resources and forecast mine production. • We assessed the competence, independence and objectivity of management's specialists involved in the estimation of key inputs such as discount rates and reserves and resources. • Assisted by our EY Valuation specialists, we assessed and challenged management's assessment of discount rates used in the impairment models. Our assessment of discount rates also included consideration of country and asset specific risk and challenging management to ensure that these had been appropriately captured in either the discount rate or underlying cash flow forecasts. • We remained alert to indicators of impairment during site visits and the performance of stock count procedures. • We evaluated the appropriateness of disclosures (including sensitivities and disclosure made in respect of the impairment charge) made in the annual report and accounts. 	<p>Based on the procedures performed, we concluded that the impairment model for Kagem supports the carrying value of the mining assets at 31 December 2025 and that no impairment reversal was required. Furthermore, we concluded that the impairment charge of USD 35.0 million at MRM as of 31 December 2025 is appropriate.</p> <p>We also concluded that disclosures, including sensitivities, made in the financial statements are appropriate, in accordance with IAS 36 'Impairment of assets'.</p>
<p>How we scoped our audit to respond to the risk</p> <p>We performed full scope audit procedures over this risk area in two components, which covered 100% of the risk amount.</p>		

INDEPENDENT AUDITOR'S REPORT CONTINUED

OUR APPLICATION OF MATERIALITY

We apply the concept of materiality in planning and performing the audit, in evaluating the effect of identified misstatements on the audit and in forming our audit opinion.

Materiality

The magnitude of an omission or misstatement that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of the financial statements. Materiality provides a basis for determining the nature and extent of our audit procedures.

We determined materiality for the Group to be USD 2.6 million (2024: USD 2.6 million), representing 0.5% of total assets and capped at USD 2.6 million, consistent with the prior year's materiality. This cap better reflects the Group's operational performance and prevents an increase in materiality arising solely from the change in basis. Using total assets represents a change in our materiality basis from a 3-year average pre-tax income used in the prior year. We consider this approach to be appropriate, as it takes into account the Group's current loss-making position and the volatility of earnings and revenue, and provides a more stable and representative basis aligned with the capital-intensive nature of the Group's operations and stakeholder focus on financial position.

During the course of our audit, we reassessed initial materiality which did not result in a change at year-end.

Performance materiality

The application of materiality at the individual account or balance level. It is set at an amount to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality.

On the basis of our risk assessments, together with our assessment of the Group's overall control environment, our judgement was that performance materiality was 50% (2024: 75%) of our planning materiality, namely USD 1.3 million (2024: USD 1.9 million). In the current year, we set performance materiality at 50% as, based on our previous experience auditing Gemfields, we expect a higher likelihood and magnitude of misstatements.

Audit work was undertaken at component locations for the purpose of responding to the assessed risks of material misstatement of the group financial statements. The performance materiality set for each component is based on the relative scale and risk of the component to the Group as a whole and our assessment of the risk of misstatement at that component. In the current year, the range of performance materiality allocated to components was USD 260 thousand to USD 780 thousand (2024: USD 300 thousand to USD 1.1 million).

Reporting threshold

An amount below which identified misstatements are considered as being clearly trivial.

We agreed with the Audit Committee that we would report to them all uncorrected audit differences in excess of USD 130 thousand (2024: USD 130 thousand), which is set at 5% of planning materiality, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

We evaluate any uncorrected misstatements against both the quantitative measures of materiality discussed above and in light of other relevant qualitative considerations in forming our opinion.

OTHER INFORMATION

The other information comprises the information included in the annual report set out on pages 1 to 109 and 178 to 179, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT CONTINUED

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters in relation to which The Companies (Guernsey) Law, 2008 requires us to report to you if, in our opinion:

- proper accounting records have not been kept by the Company; or
- the financial statements are not in agreement with the Company's accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the directors' responsibilities statement set out on page 108, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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 and the Company'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 the Company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S 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 auditor's 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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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

However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the company and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Group and determined that the most significant are those that relate to the reporting framework (IFRS, The Companies (Guernsey) Law, 2008, The King IV Report for Corporate Governance for South Africa 2016), AIM Rules for Companies (January 2026 edition), Johannesburg Stock Exchange Listings Requirements, the relevant tax regulations in the jurisdictions where the Group operates, Health & Safety and human rights regulations and the Bribery Act;
- We understood how the Group is complying with those frameworks through enquiries of management, including the finance and legal teams, and by identifying the Group's policies and procedures regarding compliance with laws and regulations. We also identified those members of management who have the primary responsibility for ensuring compliance with laws and regulations, and for reporting any known instance of non-compliance to those charged with governance. We corroborated our enquiries through our review of board minutes and papers provided to the board and the Audit Committee, as well as considerations of our audit procedures across the Group to either corroborate or provide contrary evidence which was then followed up;
- We assessed the susceptibility of the group's financial statements to material misstatement, including how fraud might occur by meeting with management from various parts of the business to understand where it is considered there was a susceptibility of fraud. We also considered performance targets and their propensity to influence on efforts made by management to manage earnings. We considered the programmes and controls that the Group has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included test of manual journals;

INDEPENDENT AUDITOR'S REPORT CONTINUED

- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved enquiries of group management and those charged with governance, legal counsel and internal audit; review of material capitalised expenses, journal entry testing using our EY data analytics tools namely the Journal Entry Fraud Risk Analyser and the Fraud Scheme Characteristics Analyser, with a focus on manual journals and those indicating large or unusual journals based on our understanding of the business; and challenging the assumptions and judgements made by management in respect of significant accounting estimates. Where observations are raised about management's process or controls surrounding compliance with laws and regulations by us or others, we consider the potential effect of those observations;
- If any instances of non-compliance with laws and regulations were identified, these were communicated to the relevant local EY teams, and, supported by forensic specialists, both the primary and component teams performed the relevant audit procedures including discussions with legal specialists, internal audit, reviewing supporting evidence and assessing any contradictory evidence to evaluate whether any instance of non-compliance could have an impact on the group financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

USE OF OUR REPORT

This report is made solely to the company's members, as a body, in accordance with Section 262 of The Companies (Guernsey) Law, 2008. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Ernst & Young LLP
London
25 March 2026

Shareholder Information

as at 31 December 2025

SIZE OF SHAREHOLDING	NUMBER OF SHAREHOLDERS	%	NUMBER OF SHARES	%
1–1,000 shares	3,460	66.30	427,217	0.02
1,001–10,000 shares	902	17.28	3,675,422	0.21
10,001–100,000 shares	612	11.73	22,061,848	1.28
100,001–1,000,000 shares	162	3.10	47,885,306	2.78
1,000,001–10,000,000 shares	60	1.15	181,764,325	10.54
10,000,001 shares and over	23	0.44	1,468,416,408	85.16
	5,219	100	1,724,230,526	100

CATEGORY OF SHAREHOLDER				
Banks/Brokers	160	3.07	1,146,160,791	66.47
Close Corporations	13	0.25	877,541	0.05
Endowment Funds	2	0.04	189,313	0.01
Individuals	4,836	92.66	83,670,926	4.85
Investment Companies	3	0.06	192,915	0.01
Mutual Funds	9	0.17	85,108,274	4.94
Nominees and Trusts	18	0.34	550,830	0.03
Other Corporations	18	0.34	2,327,137	0.13
Private Companies	64	1.23	314,123,887	18.22
Public Companies	9	0.17	50,164,835	2.91
Retirement Funds	5	0.10	31,699,207	1.84
Trusts	82	1.57	9,164,870	0.53
	5,219	100	1,724,230,526	100

PUBLIC/NON-PUBLIC SHAREHOLDERS				
Public Shareholders	5,195	99.54	764,087,341	44.31
Non-public Shareholders	24	0.46	960,143,185	55.69
Holdings of Directors ^{1,2}	21	0.40	959,985,036	55.68
Prescribed Officers ³	3	0.06	158,149	0.01
	5,219	100	1,724,230,526	100

1 Assore International Holdings Limited is categorised as part of Holdings of Directors, following the financial reporting disclosure amendments to the JSE Listing Requirements.

2 The "Holdings of Directors" also include the extended family members of the directors as prescribed by the amended JSE Listing Requirements.

3 Prescribed Officers or Key Management are include in the Non-Public Shareholders in respect to the amended JSE Listings Requirements.

SHAREHOLDER HOLDING 5% OR MORE	NUMBER OF SHARES	%
Assore International Holdings Ltd	566,357,695	32.85
Rational Expectations (Pty) Ltd. ¹	307,887,464	17.86
Oasis Group Holdings (Pty) Ltd.	126,981,859	7.36
FIL Limited	102,590,538	5.95
Ophorst Van Marwijk Kooy Vermogensbeheer NV	93,535,377	5.42
Van Lanschot N.V.	89,821,219	5.21
	1,287,174,152	74.65

1 The Rational Expectations shareholding includes interests held by Rational Expectations and its related entities.

2 The Oasis Group shareholding includes interests held by Oasis Asset Management and Oasis Crescent Capital.

INVESTOR CALENDAR

DATES	EVENT
30 January 2026	Release of Operational Update up to 31 December 2025
26 March 2026	Release of Gemfields' Annual Report for the year ended 31 December 2025
23 June 2026	Gemfields Group Limited Annual General Meeting
By 31 July 2026	Release of Operational Update up to 30 June 2026
September 2026	Release of Gemfields' Interim Results for the six months ended 30 June 2026

Company Details

Gemfields Group Limited

Incorporated in Guernsey. Guernsey registration number: 47656

South African external company registration number: 2009/012636/10

Share code on JSE:GML (General Segment of JSE Main Board) / AIM:GEM

ISIN: GG00BG0KTL52 | LEI: 21380017GAVXTCYS5R31

Executive Directors

Sean Gilbertson

David Lovett

Non-Executive Directors

Bruce Cleaver (Chair)

Kieran Daly

Kwape Mmela

Mary Reilly

Patrick Sacco

Simon Scott

Louis du Preez

Registered Office

Gemfields Group Limited

PO Box 186

Royal Chambers

St Julian's Avenue

St Peter Port

Guernsey

GY1 4HP

Channel Islands

Company Secretary

Mr Toby Hewitt

1 Cathedral Piazza

London

SW1E 5BP

United Kingdom

London Office

1 Cathedral Piazza

London

SW1E 5BP

United Kingdom

Legal Advisor (Guernsey)

Mourant

Royal Chambers

St Julian's Avenue

St Peter Port

Guernsey

GY1 4HP

Channel Islands

Legal Advisor (South Africa)

White & Case LLP

Katherine Towers

1st Floor

1 Park Lane, Wierda Valley

Sandton, 2196

Johannesburg

South Africa

Administration Services (Guernsey)

Mourant Governance Services

(Guernsey) Limited

PO Box 186

Royal Chambers

St. Julian's Avenue

St Peter Port

Guernsey

GY1 4HP

Channel Islands

JSE Sponsor

Investec Bank Limited
100 Grayston Drive
Sandton, 2196
South Africa

AIM Nominated Advisor and Broker

Panmure Liberum Limited
25 Ropemaker Street
London
EC2Y 9LY
United Kingdom

Registrar

Computershare Investor Services
(Guernsey) Limited
13 Castle Street
St Helier
Jersey
JE1 1ES
Channel Islands

South African Transfer Secretary

Computershare Investor
Services (Pty) Limited
Rosebank Towers
15 Biermann Avenue
Rosebank, 2196
South Africa

Auditor

Ernst & Young LLP
1 More London Place
London
SE1 2AF
United Kingdom



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100% of the inks used are HP Indigo ElectroInk which complies with RoHS legislation and meets the chemical requirements of the Nordic Ecolabel (Nordic Swan) for printing companies, 95% of press chemicals are recycled for further use and, on average 99% of any waste associated with this production will be recycled and the remaining 1% used to generate energy.

The paper is Carbon Balanced with World Land Trust, an international conservation charity, who offset carbon emissions through the purchase and preservation of high conservation value land. Through protecting standing forests under threat of clearance, carbon is locked-in that would otherwise be released.



Gemfields Group Limited

Annual Report 2025