

GEMFIELDS

GROUP LIMITED

Incorporated in Guernsey. Guernsey registration Number: 47656.
South African external company registration number 2009/012636/10
Share code on JSE:GML / AIM:GEM
ISIN: GG00BG0KTL52 | LEI: 21380017GAVXTCYS5R31
("Gemfields" or the "Company")

Trading Statement

LONDON, 25 MARCH 2021

For the year ended 31 December 2020.

In accordance with paragraph 3.4(b) of the JSE Limited Listings Requirements, Gemfields is reasonably certain that its net loss after tax will be USD 93.2 million for the year ended 31 December 2020 compared to a net profit after tax of USD 39.1 million for the comparative period. In ZAR terms, the net loss after tax is expected to be ZAR 1,535 million (ZAR 565 million net profit after tax for the comparative period).

Loss per share is expected to be USDc 7.0 for the year ended 31 December 2020 compared to earnings per share of USDc 2.0 for the comparative period. In ZAR terms, the loss per share is expected to be ZAR 1.20 (ZAR 0.32 earnings per share for the comparative period).

Gemfields' 2020 auction schedule was severely impacted by the many travel, quarantine and congregating restrictions put in place to mitigate Covid-19 contagion. The pandemic has meant that no traditional Gemfields auctions have been held since February 2020, when USD 11.4 million was realised from the sale of commercial quality emeralds in Lusaka. The Company subsequently conducted a series of sequential emerald mini-auctions during November and December 2020, generating total revenues of USD 10.9 million. In 2020 therefore, aggregate auction revenues were USD 22.3 million, a fall of USD 178.2 million (or approximately 89%) when compared with USD 200.5 million in 2019. There was no ruby revenue in 2020. During the year Fabergé recorded revenues of USD 7.1 million (USD 10.5 million for the comparative period). A USD 11.5 million impairment charge has been recognised against Fabergé's intangible asset for the year, driven by reduced revenue expectations arising from Covid-19 and general market conditions. A review of Gemfields' shareholding in Sedibelo Platinum Mines Ltd ("Sedibelo") has resulted in a fair value write down of USD 27.9 million to USD 29.6 million.

Excluding the impairment charge against the Fabergé intangible asset (and including the fair value loss against Sedibelo), the headline loss per share is expected to be USDc 6.0 for the year ended 31 December 2020 compared to headline earnings per share of USDc 1.0 for the comparative period. In ZAR terms, headline loss per share is expected to be ZAR 1.04 (ZAR 0.15 headline earnings per share for the comparative period).

The Company's weighted average shares in issue during the year ended 31 December 2020 was 1,169,141,485 (1,264,903,398 during the year ended 31 December 2019).

1 Net (loss)/profit after tax is reported on a 100% basis for the current period i.e. inclusive of the minority interest.

2 Per share metrics and earnings are based on parent-only figures i.e. exclusive of the minority interest.

The financial information upon which this trading statement is based is under review by Gemfields' auditors. The Company's financial results for the year ended 31 December 2020 are expected to be released on SENS and RNS on or around 30 March 2021.

Further to the Company's announcement on 1 March 2021, Gemfields is pleased to confirm that operations at both its 75%-owned Kagem Mining Limited ("Kagem") emerald mine and 75%-owned Montepuez Ruby Mining Limitada ("MRM") ruby mine have now restarted in a phased manner. It is expected that mining operations at both Kagem and MRM will ramp back up to full-scale by the end of April 2021.

The Company is also pleased to announce that its series of 7 ruby and 5 emerald auctions commenced on 15 March 2021. As part of this programme, selected lots are being made available for in-person and private viewings by customers in Bangkok, Dubai, Jaipur, Singapore and Tel Aviv. The series of ruby and emerald auctions are expected to complete on 8 April 2021 and 17 April 2021 respectively.

Shareholder and analyst webcast

A shareholder and analyst webcast is presently scheduled to take place on Tuesday, 30 March 2021 at 08.30 am (UK) / 09.30 am (South African) during which Sean Gilbertson and David Lovett will present the Company's 2020 Annual Results.

Shareholders who wish to participate in the webcast are requested to register via the link below:

<https://investorpresentations.co.za/gemfields/events/22-gemfields-group-limited-annual-results-presentation>

Shareholders are requested to register for the event by 5pm BST on 29 March 2021.

Should you have any further queries with regards to the proceedings of the event, kindly contact the Company Secretary at the email address below by 5pm BST on 29 March 2021 to obtain further details.

companysecretary@gemfields.com

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Further information on Gemfields Group Limited can be found at:

GEMFIELDSGROUP.COM

To join our investor mailing list, contact us on:

companysecretary@gemfields.com

For any press enquiries please contact us on:

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ADDITIONAL INFORMATION ON GEMFIELDS

Gemfields is a world-leading supplier of responsibly sourced coloured gemstones. Gemfields is the operator and 75% owner of both the Kagem emerald mine in Zambia (believed to be the world's single largest producing emerald mine) and the Montepuez ruby mine in Mozambique (one of the most significant recently discovered ruby deposits in the world). In addition, Gemfields also holds controlling interests in various other gemstone mining and prospecting licenses in Zambia, Mozambique, Ethiopia and Madagascar.

Gemfields' outright ownership of Fabergé - an iconic and prestigious brand of exceptional heritage - enables Gemfields to optimise positioning, perception and consumer awareness of coloured gemstones, advancing the wider group's "mine and market" vision.

Gemfields has developed a proprietary grading system and a pioneering auction and trading 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

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