



2Q 2020 FINANCIAL RESULTS

SEPTEMBER 2020





KEEPING EMPLOYEES SAFE

- All operating assets sufficiently equipped with protection devices and sanitizers
- Daily medical checks and disinfection at all business units and offices
- Regular testing of all the employees on-site and in the incoming shifts
- Quarantine zones established at all operating assets
- Office employees working remotely whenever required by the epidemiological situation in the region
- Coronavirus awareness campaign covering all company staff and subcontractors



SUPPORTING LOCAL COMMUNITIES

- RUB 1 bln fund established in a partnership with the Far East Development Fund (FEDF) to finance the fight against COVID-19 in the Russian Far East. Polyus and FEDF jointly finance 25% of the fund's activities.
- 62 medical ventilators donated to hospitals in Krasnoyarsk Territory, Magadan Region, Irkutsk Region, and the Republic of Sakha.
- 3 CT scanners donated to hospitals in Krasnoyarsk Territory and Magadan Region



ENSURING BUSINESS CONTINUITY

- Supply chain: extension of inventory cycle
- Capex: deliveries in line with the schedule with minor delays
- Production assets remain unaffected and are operating without interruption

	2020F	UPDATE
GOLD PRODUCTION	CA. 2.8 MOZ	INTACT
TCC*	\$400/OZ - \$450/OZ	INTACT
CAPEX*	\$700 MLN - \$750 MLN	INTACT

*Macro assumptions: USD/RUB of 60, a gold price of \$1,200/oz

2Q 2020 KEY HIGHLIGHTS

PRODUCTION, KOZ

690 16% Q-O-Q

GOLD SALES, KOZ

672 24% Q-O-Q

REVENUE, \$MLN

1,157 33% Q-O-Q


TCC, \$/OZ

340 14% Q-O-Q

EBITDA, \$MLN

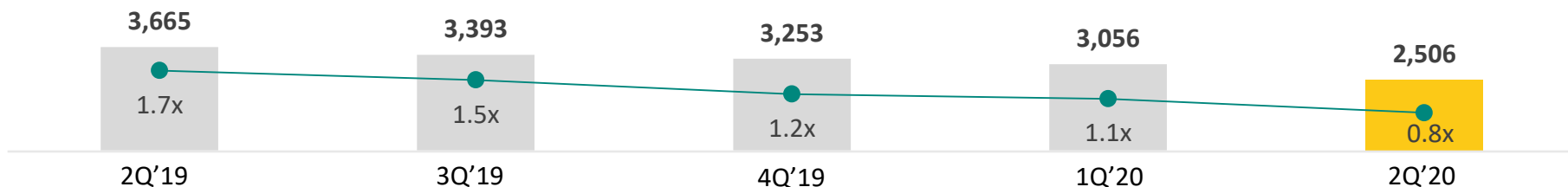
860 46% Q-O-Q

CAPEX, \$MLN

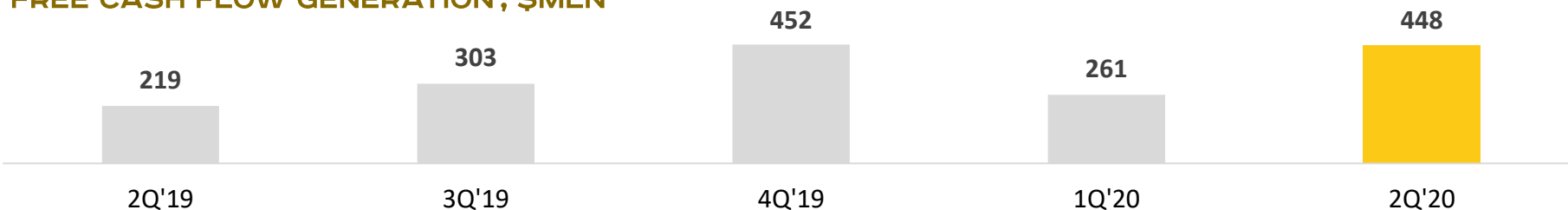
127 2% Q-O-QFREE CASH FLOW¹, \$MLN**448** 72% Q-O-QNET DEBT², \$MLN**2,506** 18% Q-O-QNET DEBT²/ EBITDA (LTM) RATIO**0.8X** 27% Q-O-Q¹ Free cash flow is presented on a levered basis² Inc. derivatives

	2Q 2020	1Q 2020	Q-O-Q	2Q 2019	Y-O-Y	1H 2020	1H 2019	Y-O-Y
Gold production (doré) (koz)	712	660	8%	706	1%	1,373	1,362	1%
Gold production (refined) (koz)	690	595	16%	684	1%	1,285	1,285	0%
Weighted-average refined gold selling price, \$/oz	1,723	1,592	8%	1,314	31%	1,664	1,311	27%
Total cash cost (TCC) (\$/oz)	340	394	(14%)	352	(3%)	364	355	3%
All-in sustaining cash cost (AISC) (\$/oz)	574	684	(16%)	584	(2%)	623	586	6%
Total revenue (\$mln)	1,157	872	33%	897	29%	2,029	1,648	23%
Adjusted EBITDA (\$mln)	860	589	46%	604	42%	1,449	1,092	33%
Adjusted EBITDA margin (%)	74%	68%	6 ppts	67%	7 ppts	71%	66%	5 ppts
Adjusted net profit (\$mln)	485	486	0%	365	33%	971	608	60%
Net cash flow from operations (\$mln)	652	544	20%	451	45%	1,196	889	35%
Capital expenditure (\$mln)	127	124	2%	154	(18%)	251	253	(1%)

NET DEBT² (\$MLN) AND NET DEBT²/ADJUSTED EBITDA (LTM) RATIO



FREE CASH FLOW GENERATION¹, \$MLN



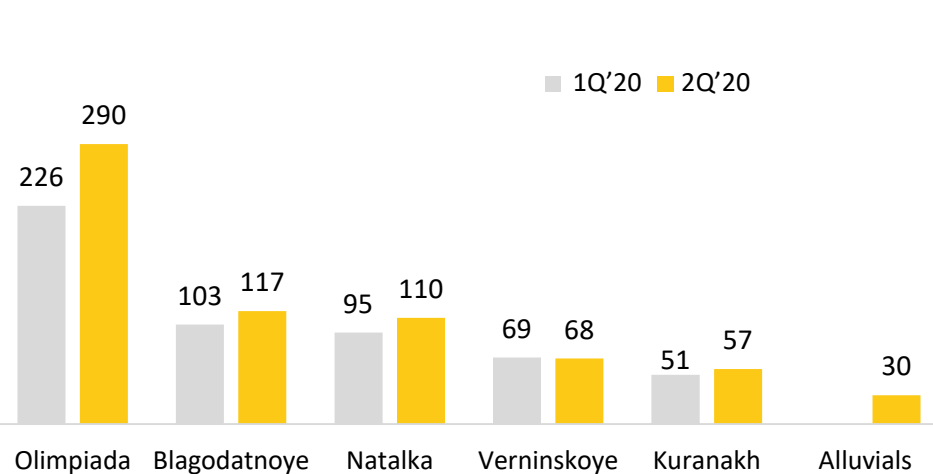
¹ Free cash flow is presented on a levered basis

² Inc. derivatives

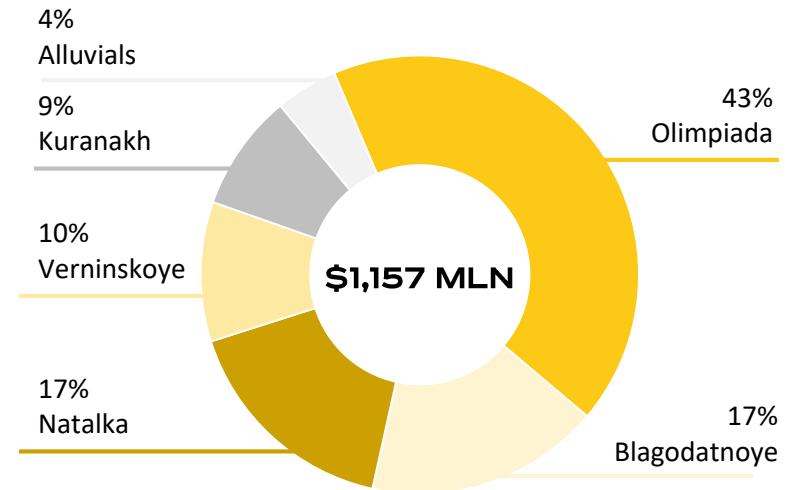
1. OVERVIEW



2Q 2020 SALES BY MINE DYNAMICS, KOZ

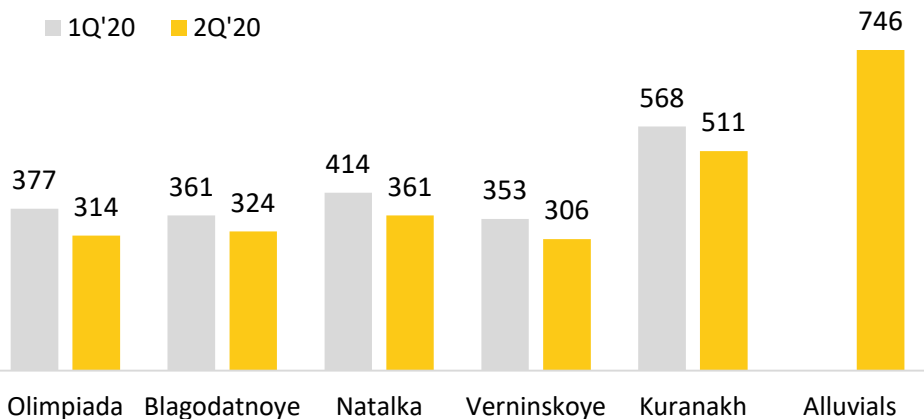


2Q 2020 REVENUE BREAKDOWN BY MINE, %

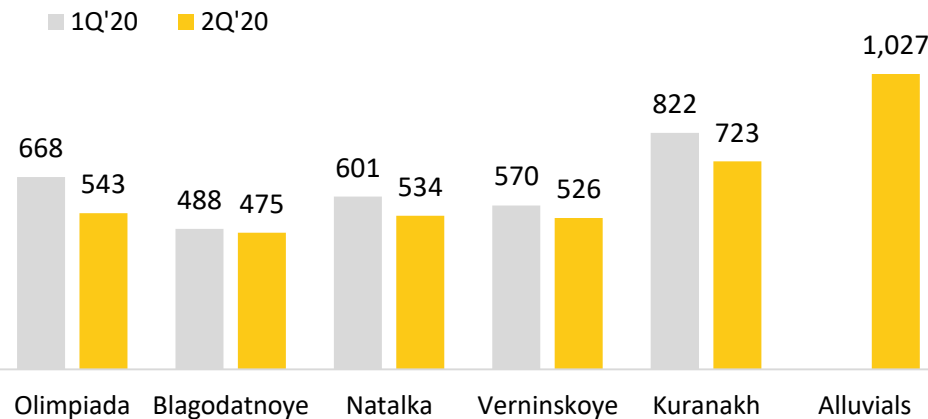


- In 2Q'20, the group's revenue from gold sales amounted to \$1,148 mln, a 33% increase q-o-q.
- Gold sales totalled 672 koz, a 24% increase compared to the previous quarter, driven by higher volumes of refined gold output from almost all hard rock deposits, as well as the start of the washing season at Alluvials.
- At the same time, the average realised refined gold price was 8% higher compared to the first quarter, at \$1,723/oz.

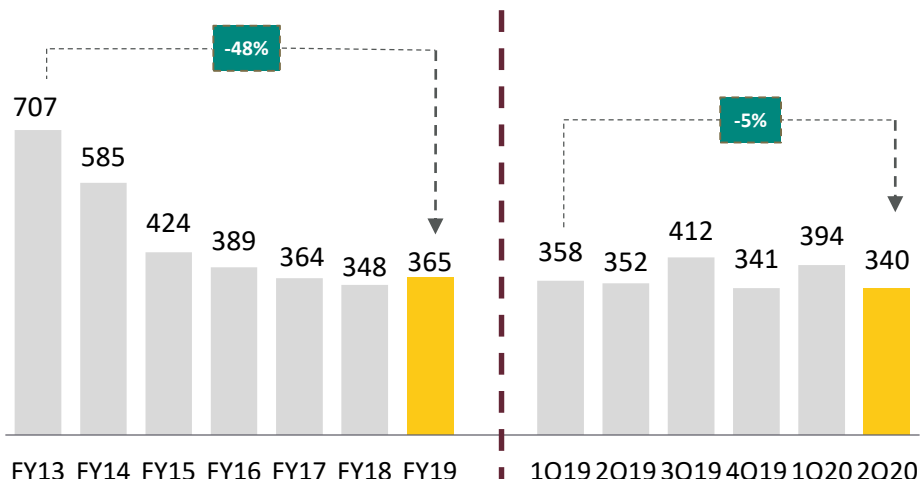
TCC DYNAMICS BY MINES, \$/OZ



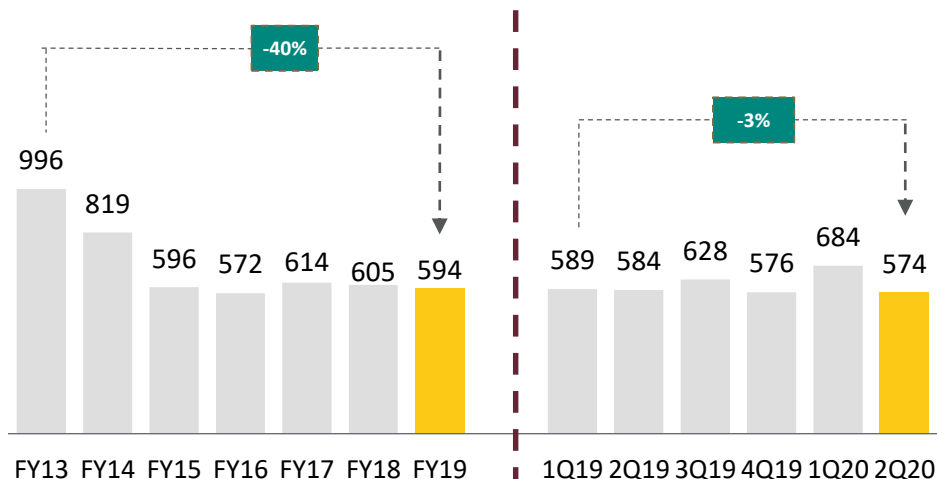
AISC DYNAMICS BY MINES, \$/OZ



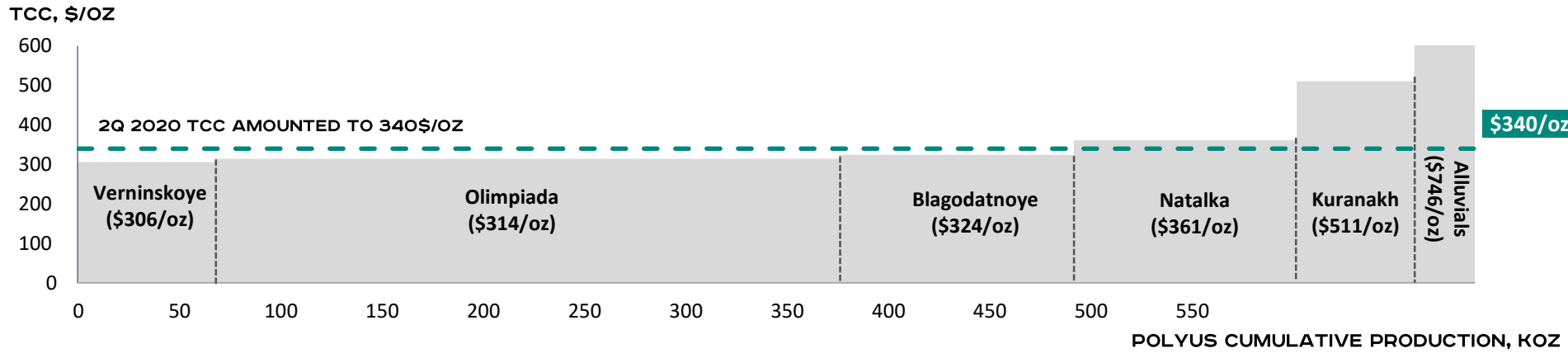
TCC DYNAMICS IN 2013 - 2Q 2020, \$/OZ



AISC DYNAMICS IN 2013 - 2Q 2020, \$/OZ



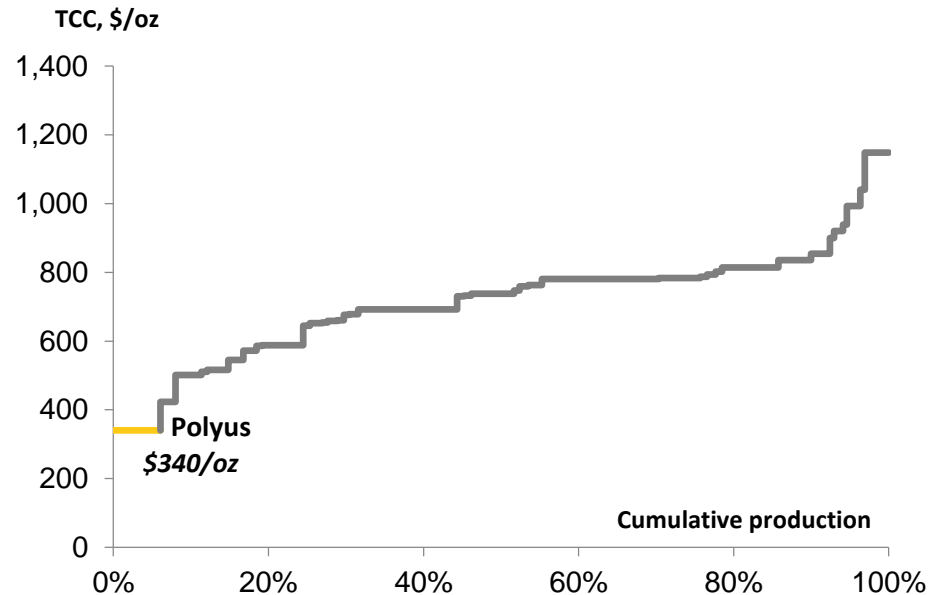
POLYUS' TCC CURVE IN 2Q 2020



HIGHLIGHTS

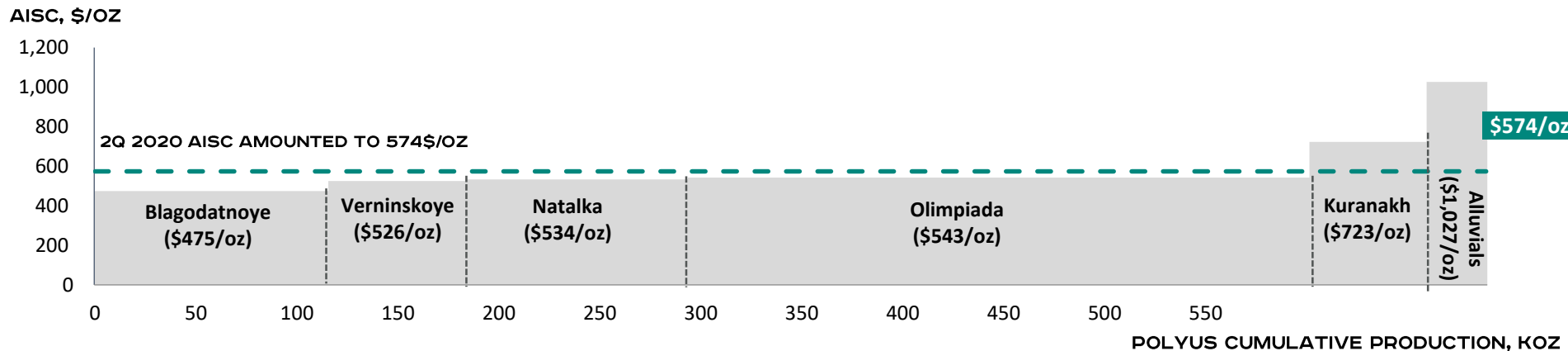
- In 2Q'20, the group's TCC decreased 14% q-o-q to \$340/oz.
- This reflects the following factors
 - higher average grade in ore processed at Olimpiada and Nataalka
 - the local currency depreciation
 - lower maintenance expenses during the quarter

GLOBAL TCC CURVE¹



¹ Source: Metals Focus

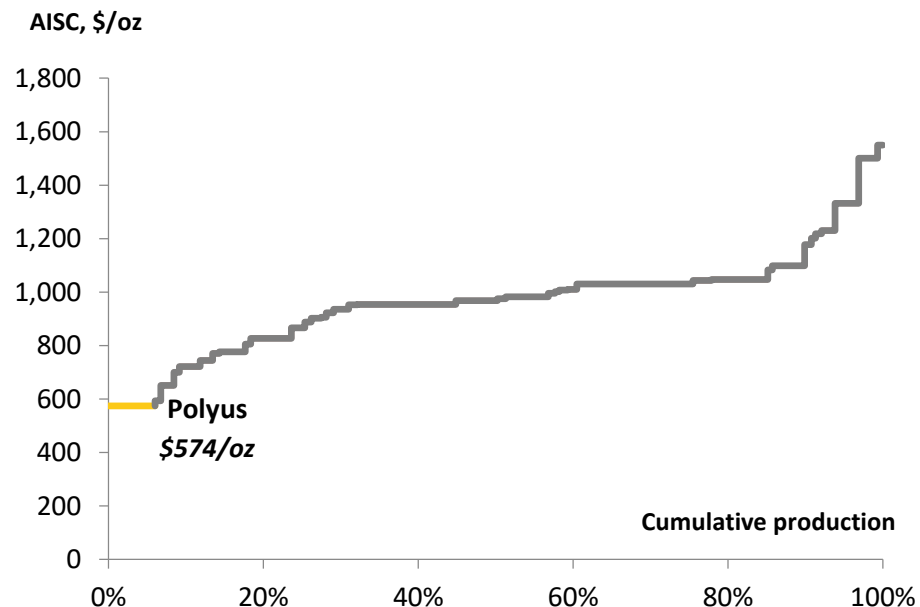
POLYUS' AISC CURVE IN 2Q 2020



HIGHLIGHTS

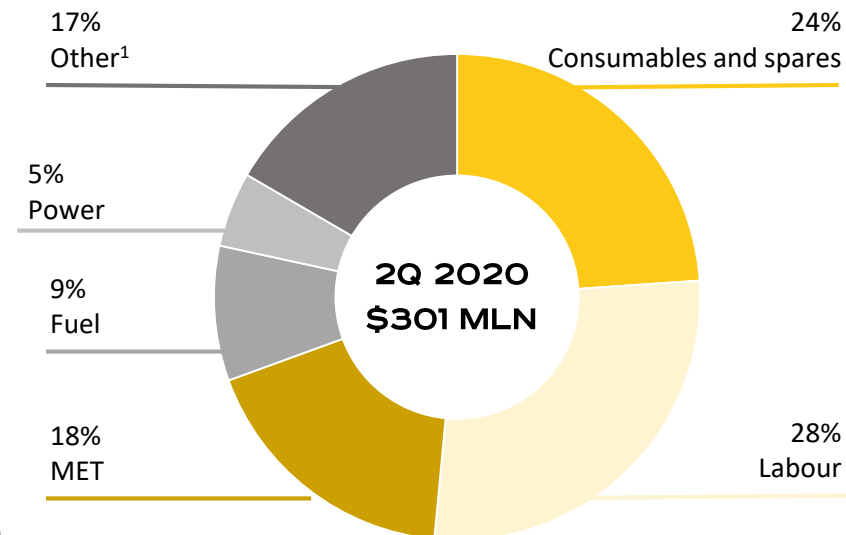
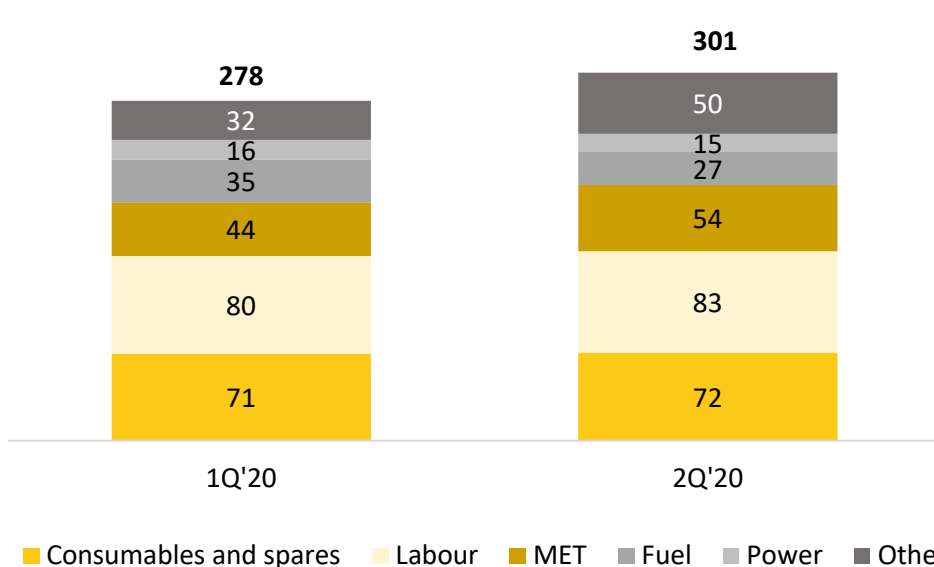
- In 2Q'20, the group's AISC decreased to \$574/oz, down 16% q-o-q reflecting higher volumes of sales with TCC in absolute terms remained almost flat.
- AISC at all hard-rock deposits declined q-o-q.

GLOBAL AISC CURVE¹



¹ Source: Metals Focus

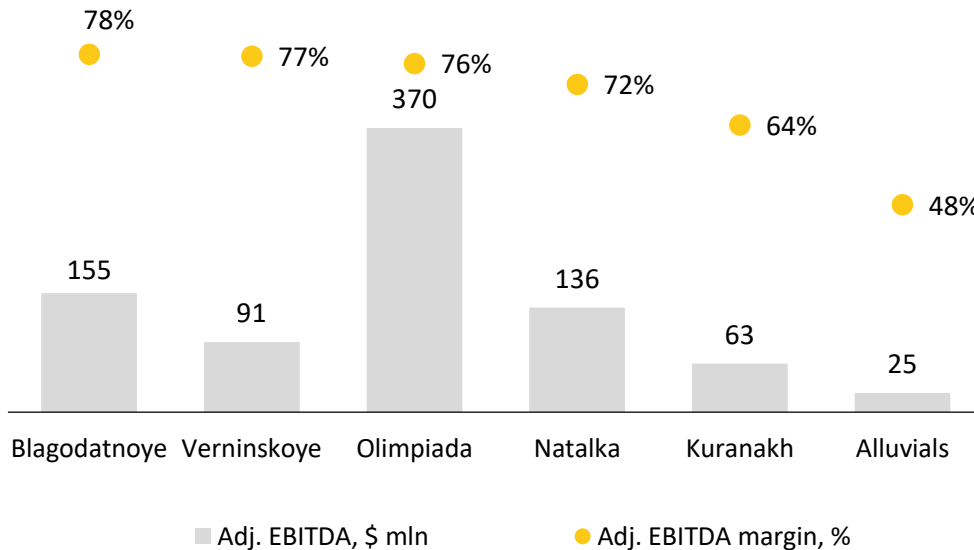
CASH OPERATING COSTS BREAKDOWN BY ITEM, \$ MLN



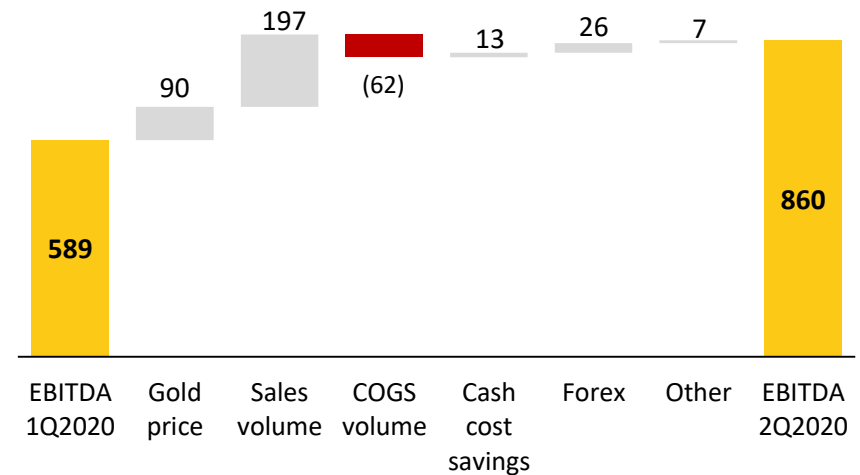
- In 2Q'20, consumables and spares expenses remained largely flat q-o-q. The impact of the alluvial operations recommencement and the seasonal start of heap leaching operations at Kuranakh were offset by the local currency depreciation in the reporting period.
- Labour costs (excluding additional expenses related to Covid-19) increased by 4% q-o-q. This mainly reflects the aforementioned factors related to the alluvial operations.
- Power costs decreased by 6% q-o-q, due to the local currency depreciation in the reporting period.
- A quarterly increase in the group's MET expenses was driven by higher production volumes of gold dore and higher average gold prices, as well as an increase in sales volumes of flotation concentrate during the period.
- Fuel costs decreased by 23% q-o-q. This reflects the decision to temporarily downscale stripping activities due to lower workforce availability during the outbreak of coronavirus at Olimpiada in May and early June 2020.

¹ Other costs include outsourced mining services, refining, logistics and costs on explosives. Other costs also include \$19 million of Covid-19 expenses related to employee compensation in the second quarter of 2020.

2Q 2020 ADJ. EBITDA AND ADJ. EBITDA MARGIN



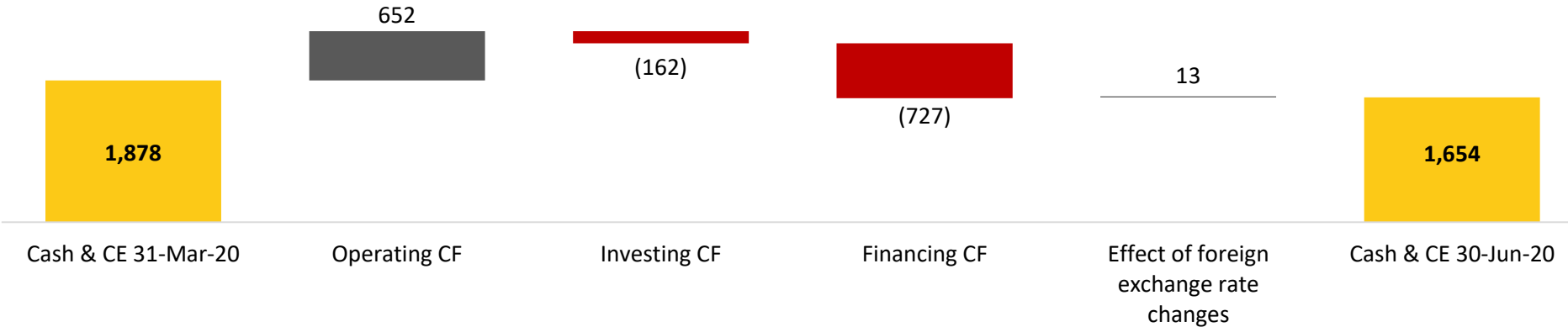
ADJ. EBITDA BRIDGE, \$ MLN



- In 2Q'20, the group's adjusted EBITDA amounted to \$860 mln, a 46% increase compared to \$589 mln in the previous quarter.
- This was driven by higher gold sales volumes and higher gold prices over the period.

¹ Includes operating efficiency and FX effects

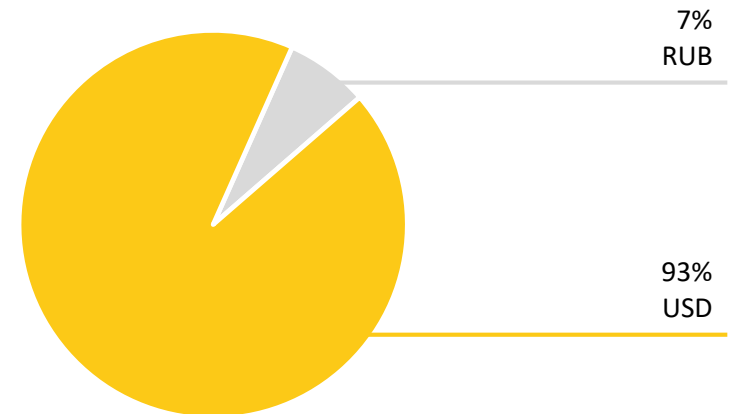
CASH FLOW BRIDGE, \$ MLN



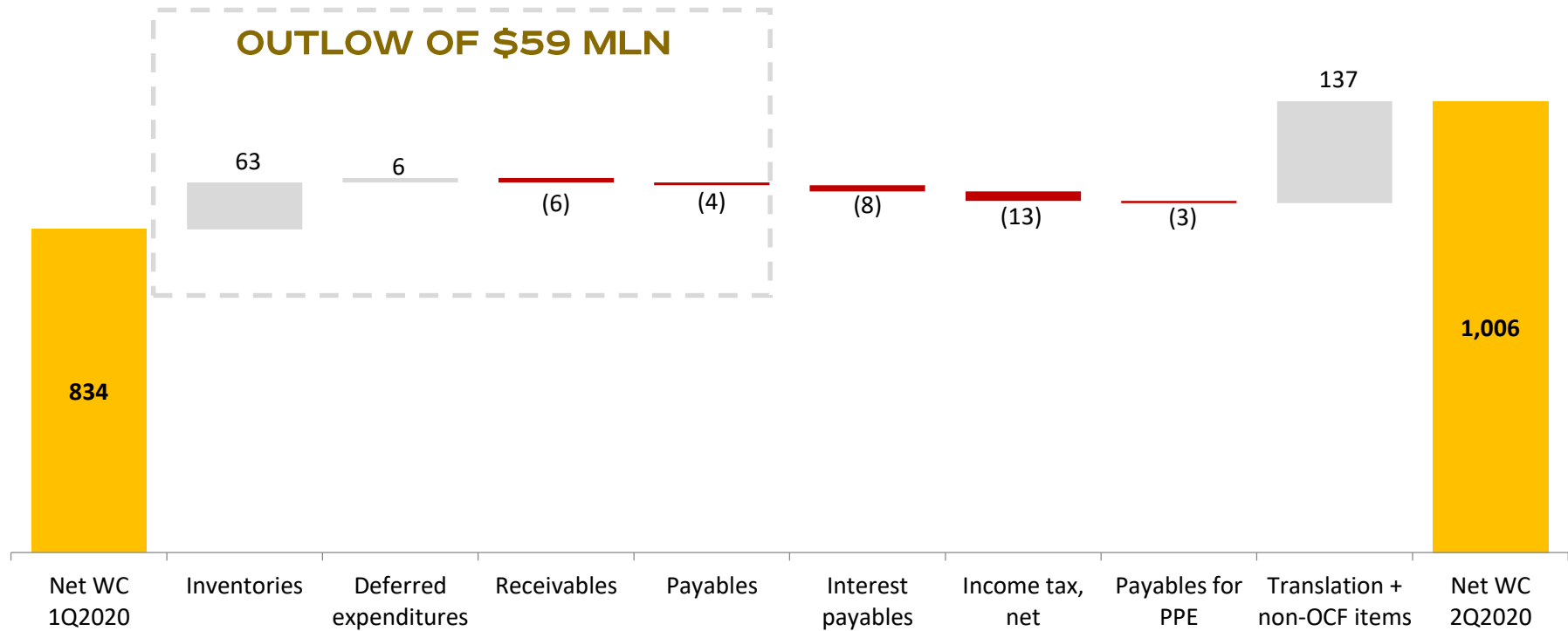
2Q 2020 HIGHLIGHTS

- Net cash generated from operations was \$652 mln, compared to \$544 mn in the first quarter, due to higher sales volumes in the reporting period.
- Net cash utilised in investing activities decreased to \$162 mln compared to \$202 mln in the previous quarter, due to lower capex spending during the period.
- Net cash utilised in financing activities totalled \$727 mln, representing the repayment of certain borrowings.

CASH & CE BREAKDOWN BY CURRENCY

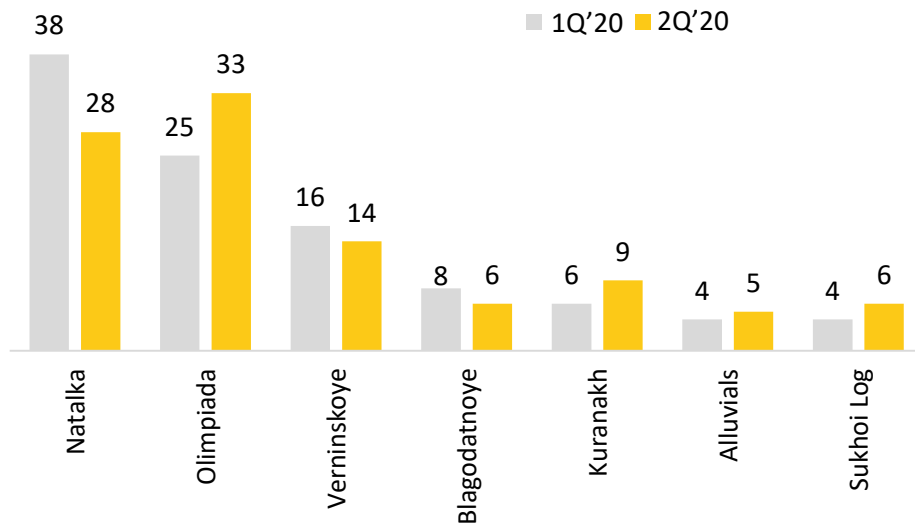


- The group's cash position is primarily denominated in USD

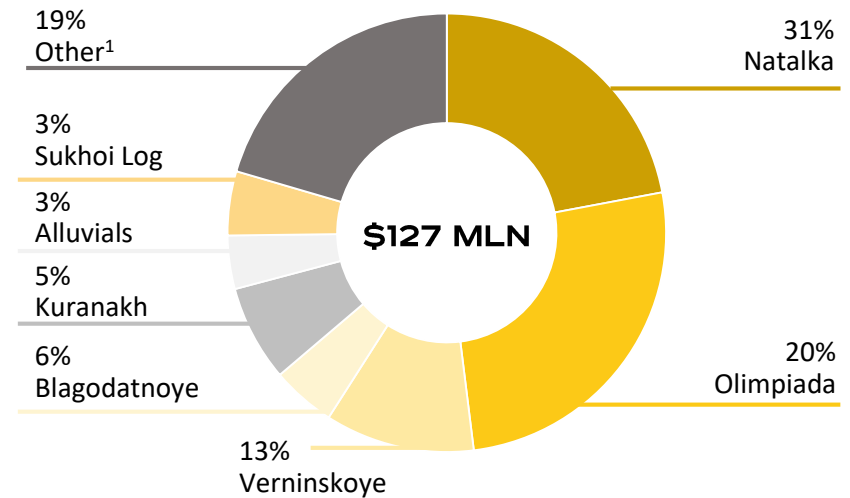


- Polyus registered a working capital release of \$59 mln.
- This primarily reflects an inventory accumulation of ore stockpiles across almost all hard rock deposits, as well as higher prepaid expenses related to the procurement of fuel and reagents during the reporting period and an increase in antimony-rich flotation concentrate inventory.
- However, this was partially offset by a decrease in trade receivables related to sales of merchant gold containing flotation concentrate and antimony-rich flotation concentrate.

2Q 2020 CAPEX BY MINE DYNAMICS, \$ MLN



2Q 2020 CAPEX BREAKDOWN BY MINE, %



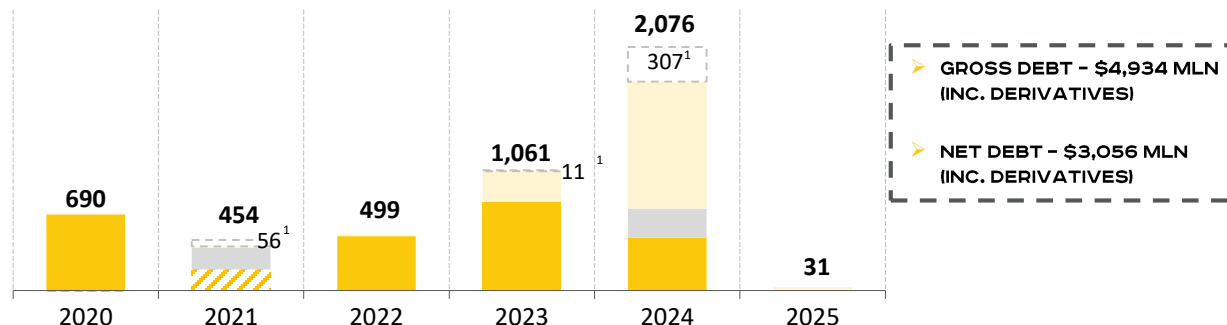
- In 2Q'20, remained broadly flat compared to the previous quarter, at \$127 mln.
 - At Nataalka, capex decreased to \$28 mln, down 26% q-o-q, due to mining fleet procurement in the first quarter of 2020.
 - At Olimpiada, capex increased to \$33 mln, up 32% q-o-q, as the Company continued to upgrade and expand its existing BIO units.
 - At Verninskoye, capex decreased to \$14 mln, down 13% q-o-q, due to the completion of scheduled procurement of technological equipment required to expand the capacity of the Verninskoye Mill to 3.5 mtpa in the first quarter of 2020.
 - At Blagodatnoye, capex decreased to \$6 mln, down 25% q-o-q. This is due to the completion of the main construction activities that have been implemented to increase the productivity of Mill No. 4 to 9 mtpa.

¹ Reflects IT capex, expenses related to exploration business unit, IT projects and construction of Razdolinskaya-Taiga, Peleduy-Mamakan grid lines.

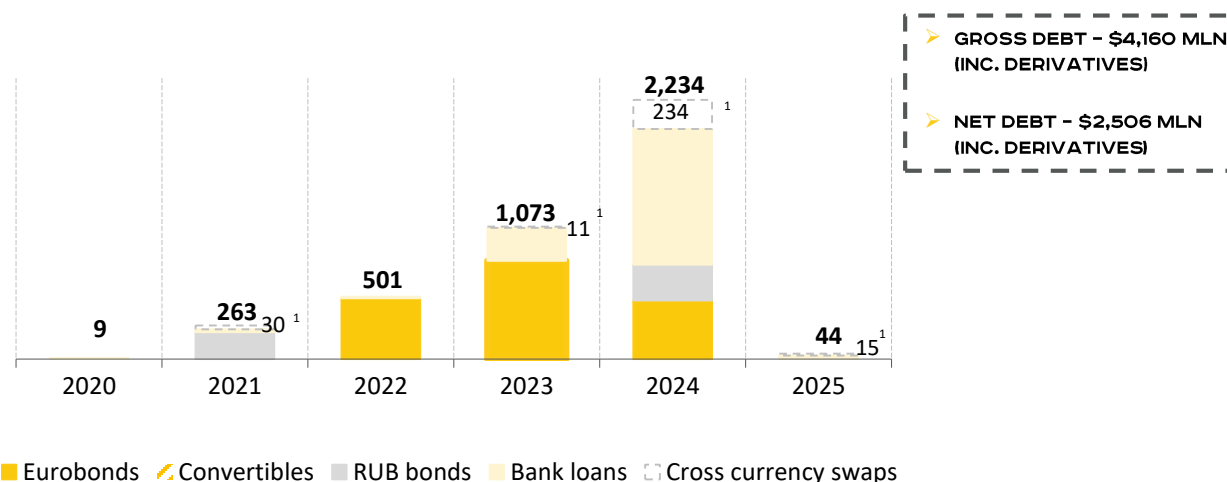


2. FINANCIAL POSITION REVIEW

MATURITY SCHEDULE AS OF 31-MAR-20, \$MLN



MATURITY SCHEDULE AS OF 30-JUN-20, \$MLN



2Q 2020 HIGHLIGHTS

- Gross debt, decreased to \$4,160 mln, compared to \$4,934 mln in the previous quarter.
- The estimated net debt position, decreased to \$2,506 mln (31-Mar-2020: \$3,056 mln).
- The group's liabilities under cross currency and interest rate swaps related to RUB-denominated bank credit facilities and rouble bonds totalled approximately \$290 mln as of 30 June 2020.

DEBT MANAGEMENT

- In April 2020, the Company repaid the Eurobonds with outstanding amount of \$677 mln at the scheduled maturity date from its own cash.
- In May 2020, the Company completed the early redemption of the \$186 mln convertible bonds due 2021.

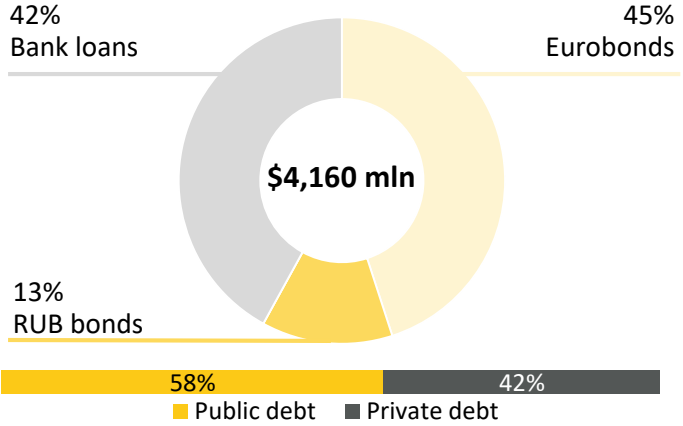
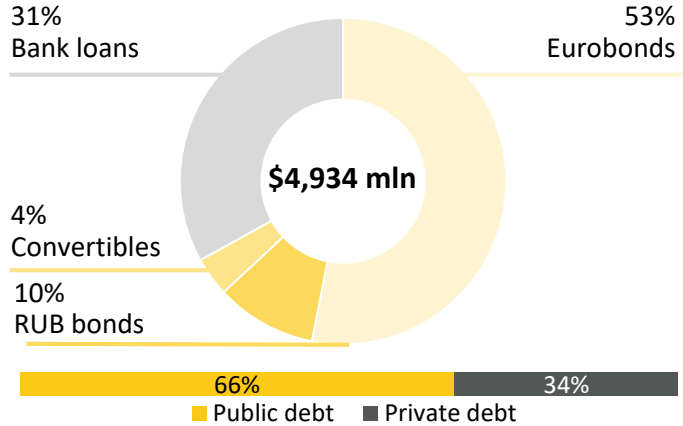
¹Payments under cross-currency swaps, including interest gain and exchange of notional amount

The breakdown is based on actual maturities and excludes banking commissions and deduction of conversion option component of convertible bonds and the lease liabilities recognised under IFRS 16.

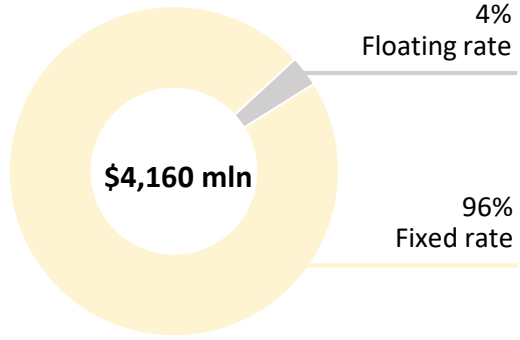
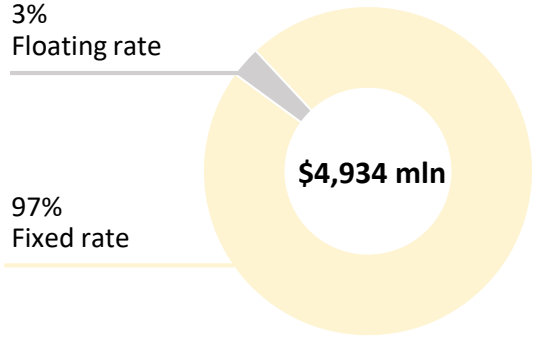
AS OF 31 MARCH 2020

AS OF 30 JUNE 2020

DEBT BREAKDOWN BY SOURCE



DEBT BREAKDOWN BY INTEREST RATES



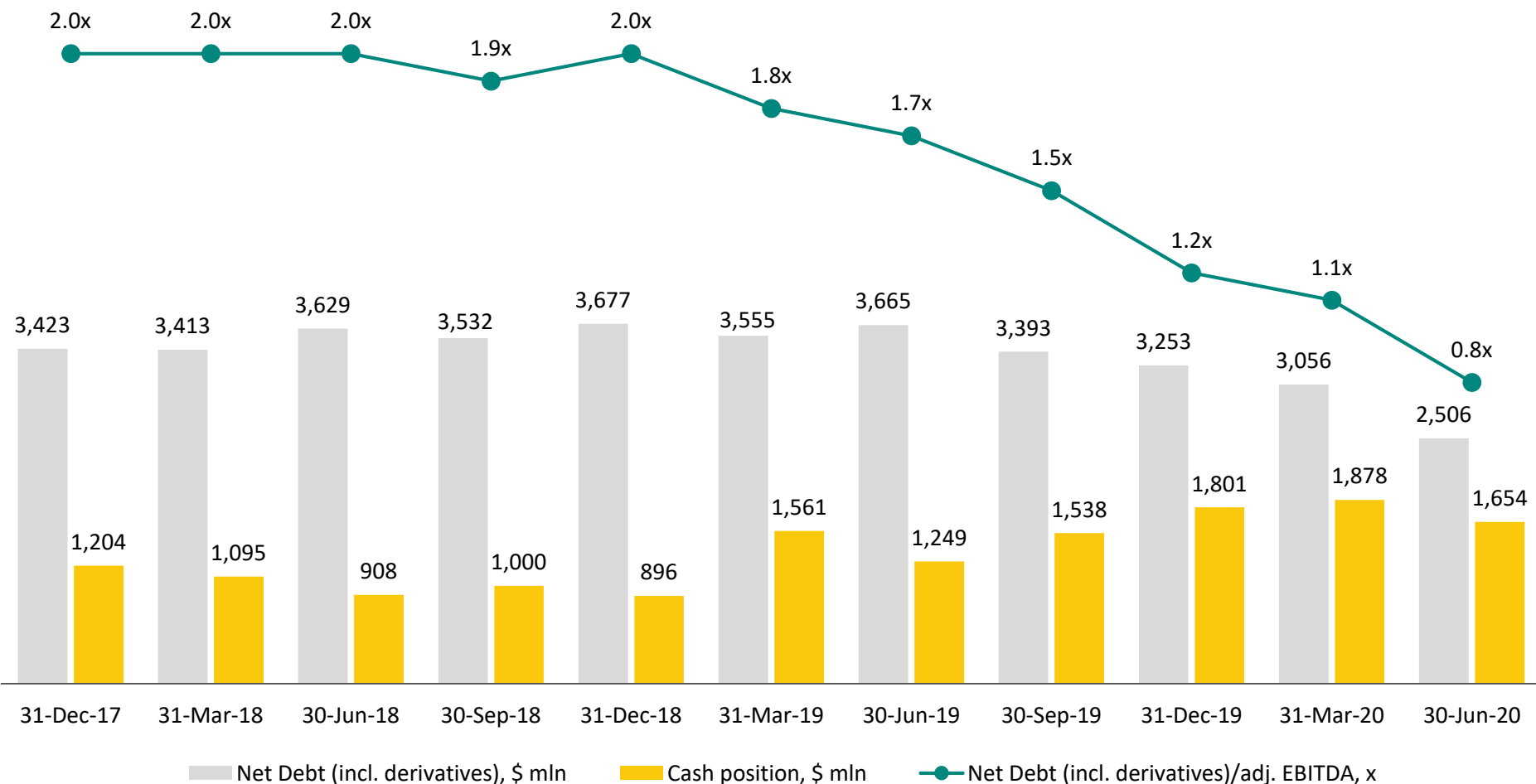
AVERAGE INTEREST RATE

4.6%

4.7%

Gross debt includes liabilities under cross-currency and interest rate swaps related to RUB-denominated bank credit facilities

NET DEBT & CASH EVOLUTION



- The net debt (incl. derivatives)/adjusted EBITDA¹ ratio decreased to 0.8x, reflecting a lower net debt position and adjusted EBITDA growth.

¹The net debt/adjusted EBITDA ratio of PJSC Polyus for the last 12 months

Net debt includes assets and liabilities under cross-currency and interest rate swaps related to RUB-denominated bank credit facilities