



1Q 2020 FINANCIAL RESULTS

JUNE 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
- Large part of office employees working remotely until further notice



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 will jointly finance 25% of the fund's activities
- 45 medical ventilators donated to hospitals in Krasnoyarsk Territory, Magadan Region, Irkutsk Region, and the Republic of Sakha
- Other necessary medical equipment as well as personal protective devices donated to local hospitals basing on the hospitals' requests: Polyus provided financial as well as organisational support to ensure delivery
- Test systems purchased for local communities in all regions of operation



ENSURING BUSINESS CONTINUITY

- Supply chain: extension of inventory cycle
- Capex: consumables deliveries in line with the schedule; equipment deliveries with some delays
- Production assets are operating without interruption

KEY HIGHLIGHTS

- The Company completed a broad-based testing campaign for COVID-19.
- The employees and subcontractors at Olimpiada who received positive test results for the virus were:
 - ✓ isolated on-site with no or minor symptoms, with temporary isolation centers set up;
 - ✓ transferred to regional hospitals with moderate or severe symptoms to receive required medical assistance.
- The strict controls were put in place to minimize the possibility of any further spreading of the virus.
- Supply chain:
 - ✓ no disruption of consumables delivery;
 - ✓ consumables shipment accelerated to ensure the safety of operations;
 - ✓ no interruption to the equipment and spares deliveries from Russia and China, while deliveries from Europe and USA have been seriously affected.
- The work of the third party contractors at our key projects has been impacted:
 - ✓ drilling operations were negatively affected that could lead to delays in exploration program;
 - ✓ work of international engineering companies has been affected, which could lead to the extension of deadlines for the feasibility studies of development projects. That said, feasibility study results for Blagodatnoye Mill-5 have been postponed to 2H 2020.
- Polyus continues applying significant effort to ensure continuity of operations and on-schedule project execution, while assessing potential risks on a daily basis.

	2020F	UPDATE
GOLD PRODUCTION	CA. 2.8 MOZ	MODEST RISK, A FURTHER UPDATE TO BE PROVIDED AT 2Q20 TRADING UPDATE
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

1Q 2020 KEY HIGHLIGHTS

PRODUCTION, KOZ

595 26% Q-O-Q

GOLD SALES, KOZ

544 39% Q-O-Q

REVENUE, \$MLN

872 32% Q-O-Q



TCC, \$/OZ

394 16% Q-O-Q

EBITDA, \$MLN

589 33% Q-O-Q

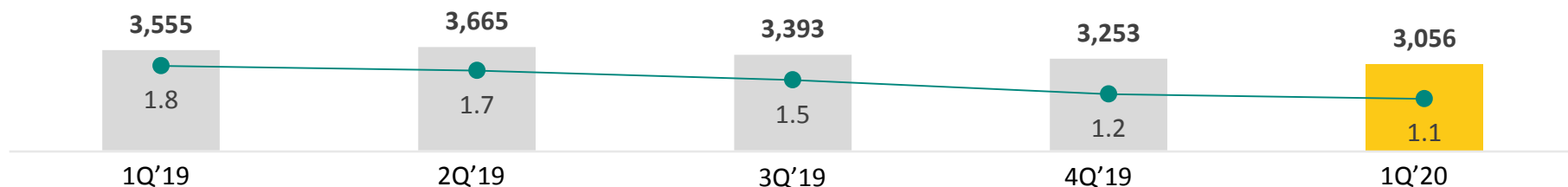
CAPEX, \$MLN

124 44% Q-O-QFREE CASH FLOW¹, \$MLN**260** 42% Q-O-QNET DEBT², \$MLN**3,056** 6% Q-O-QNET DEBT²/ EBITDA (LTM) RATIO**1.1X** 8% Q-O-Q¹ Free cash flow is presented on a levered basis² Inc. derivatives

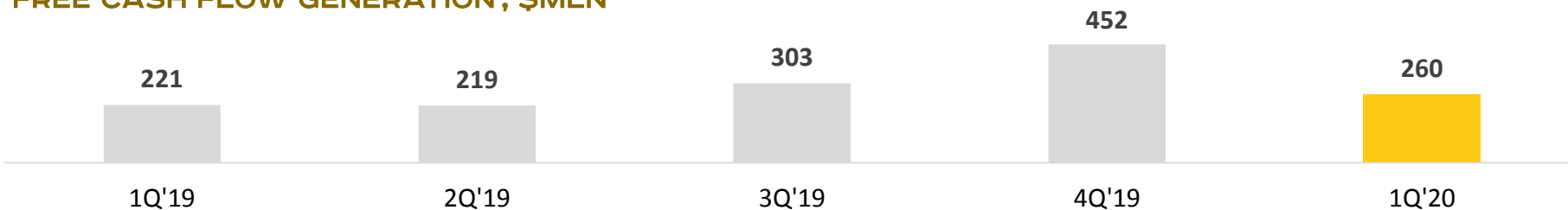
FINANCIAL PERFORMANCE

	1Q 2020	4Q 2019	Q-o-Q	1Q 2019	Y-o-Y
Gold production (doré) (koz)	660	714	(8%)	656	1%
Gold production (refined) (koz)	595	804	(26%)	601	(1%)
Average realised refined gold price excl. SPPP (\$/oz)	1,592	1,482	7%	1,308	22%
Average realised refined gold price incl. SPPP (\$/oz)	1,592	1,482	7%	1,308	22%
Total cash cost (TCC) (\$/oz)	394	341	16%	358	10%
All-in sustaining cash cost (AISC) (\$/oz)	684	576	19%	589	16%
Total revenue (\$mln)	872	1,287	(32%)	751	16%
Adjusted EBITDA (\$mln)	589	883	(33%)	488	21%
Adjusted EBITDA margin (%)	68%	69%	(1) ppts	65%	3 ppts
Adjusted net profit (\$mln)	486	520	(7%)	243	100%
Net cash generated from operations (\$mln)	544	682	(20%)	438	24%
Capital expenditure (\$mln)	124	220	(44%)	99	25%

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

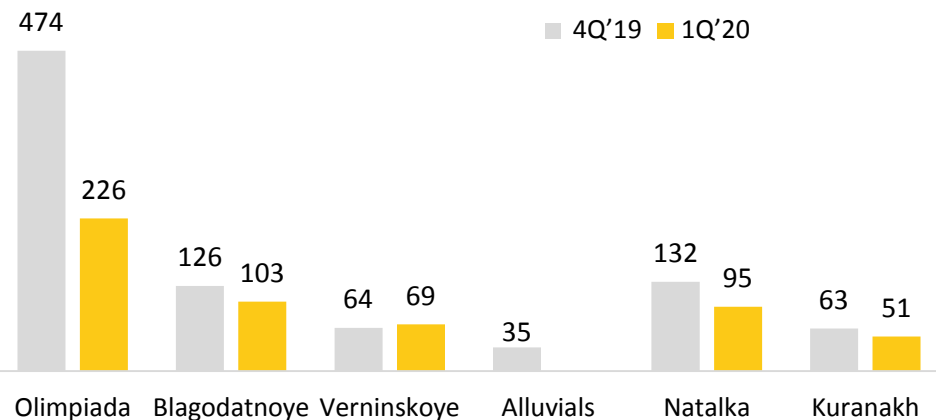
² Inc. derivatives

1. OVERVIEW

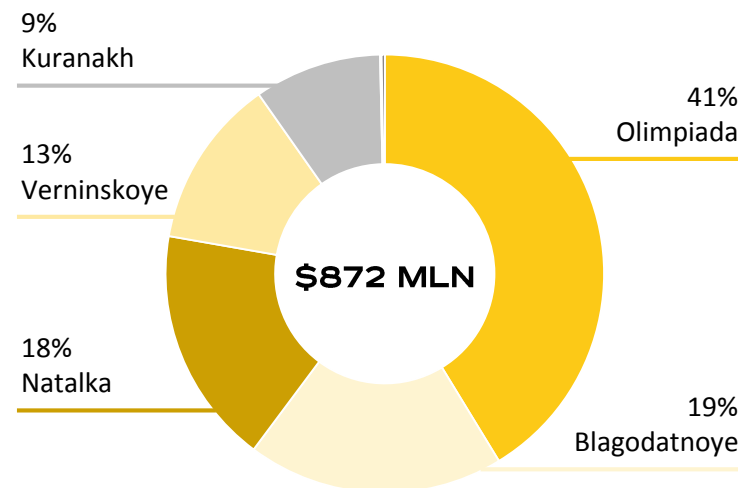


POLYUS

1Q 2020 SALES BY MINE DYNAMICS, KOZ

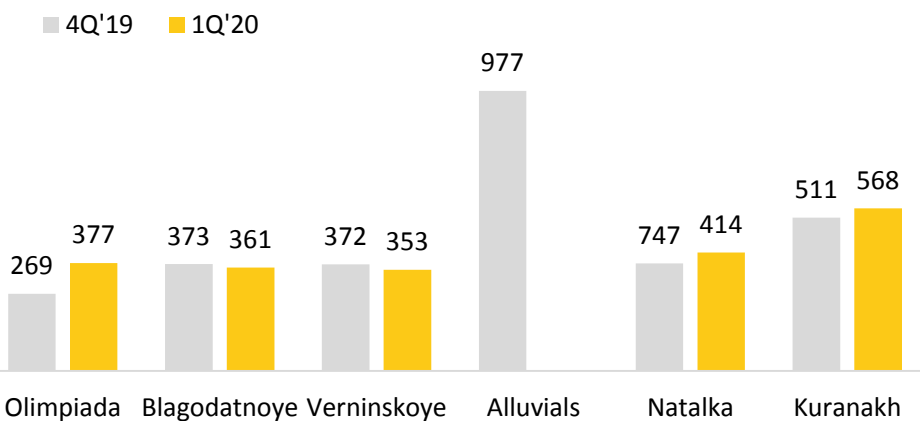


1Q 2020 REVENUE BREAKDOWN BY MINE, %

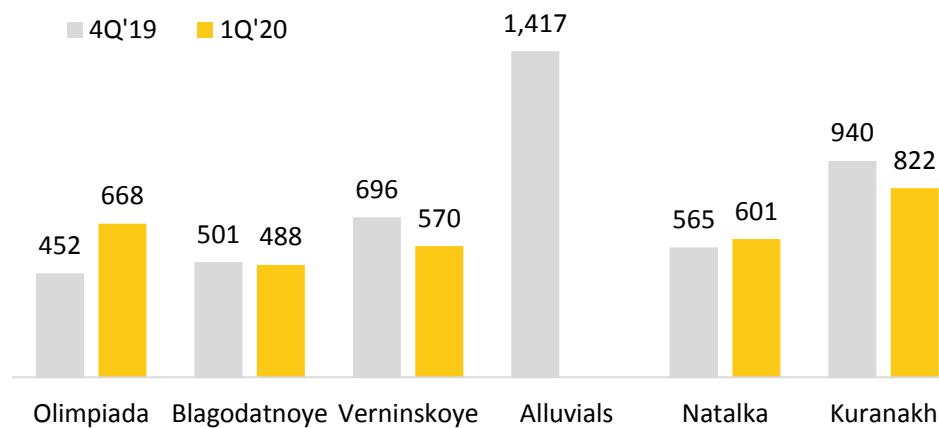


- In 1Q'20, the group's revenue from gold sales amounted to \$861 mln, a 33% decrease q-o-q.
- Gold sales totalled 544 koz, a 39% decrease q-o-q, driven by lower volumes of refined gold output from Olimpiada, Blagodatnoye, Nataalka and Kuranakh as well as a seasonal slowdown in production at Alluvials.
- At Olimpiada, Blagodatnoye and Nataalka, a decrease in refined gold volumes mainly reflects changes in gold in inventory at the refinery.
- In addition, a decline in flotation concentrate sales to 11 koz, compared to 172 koz in 4Q'19, also resulted in lower gold sales volumes during the period. This was primarily due to shipment schedule and negotiations with off-takers over the improved pricing terms for the current year, which took place in the first quarter.

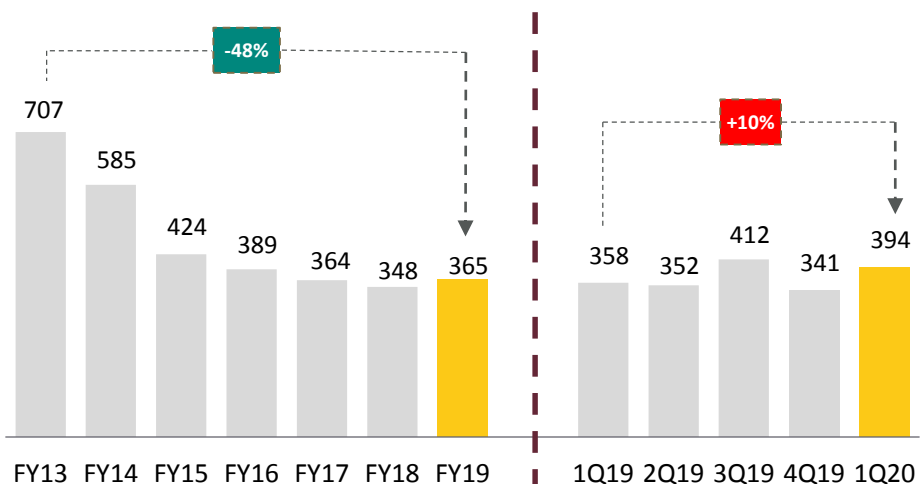
TCC DYNAMICS BY MINES, \$/OZ



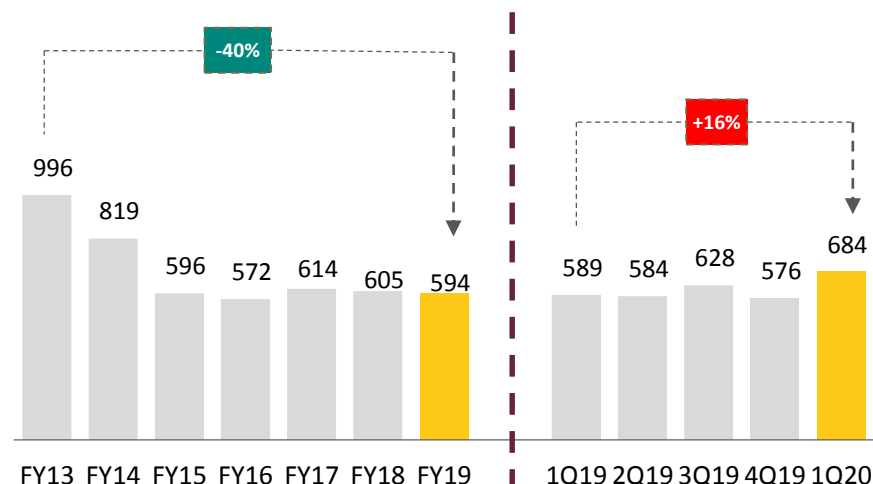
AISC DYNAMICS BY MINES, \$/OZ



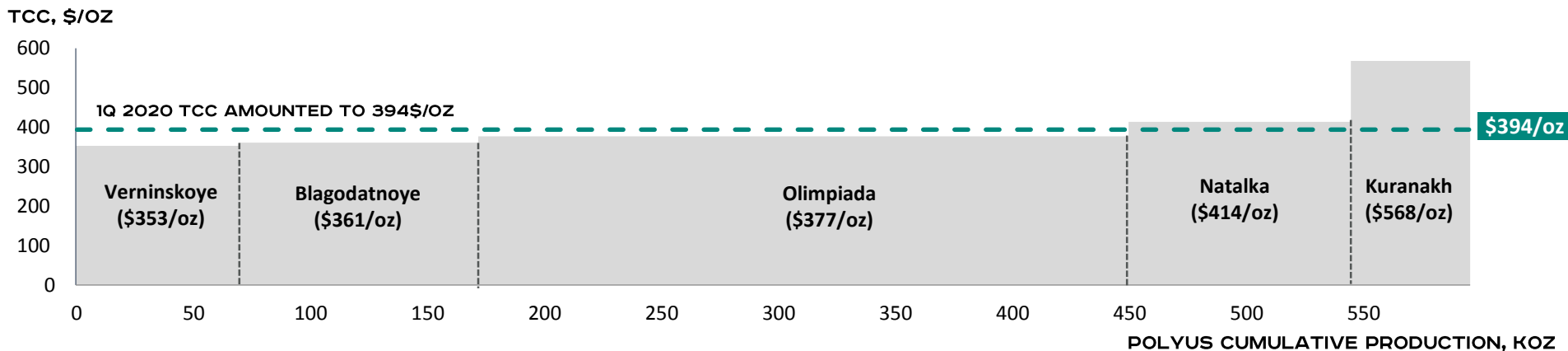
TCC DYNAMICS IN 2013 - 1Q 2020, \$/OZ



AISC DYNAMICS IN 2013 - 1Q 2020, \$/OZ



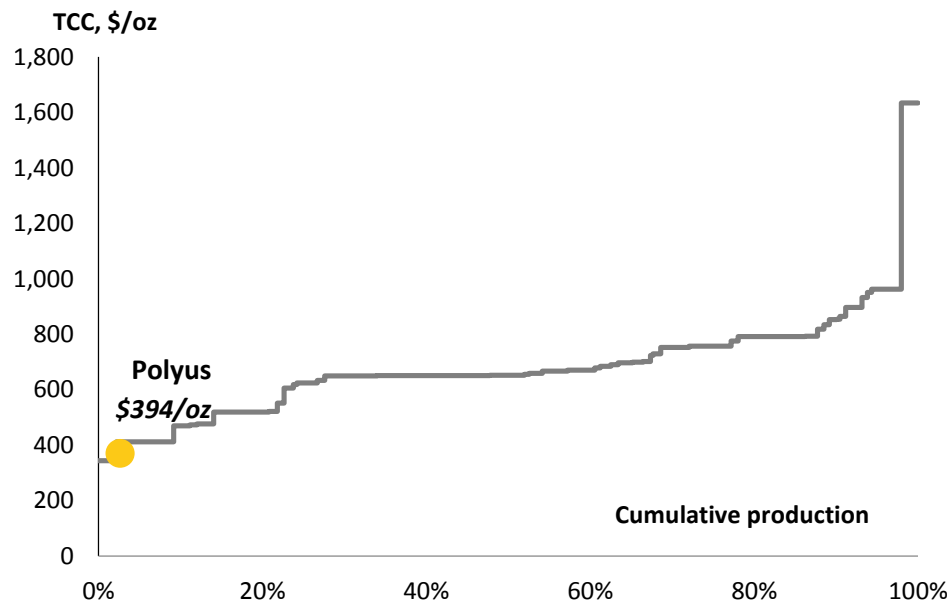
POLYUS' TCC CURVE IN 1Q 2020



HIGHLIGHTS

- In 1Q'20, the group's TCC increased to \$394/oz compared to \$341/oz in the previous quarter.
- This reflects the lower average grade in the ore processed at Olimpiada following a temporary decline in average grades in ore mined and a decline in the share of lower cost flotation concentrate in total gold sold during the quarter.
- The absence of sales of antimony-rich flotation concentrate in 1Q'20, resulting in a zero by-product credit, also negatively impacted the group's TCC.
- These factors were partially offset by the local currency depreciation and a seasonal downscale of the alluvial operations.

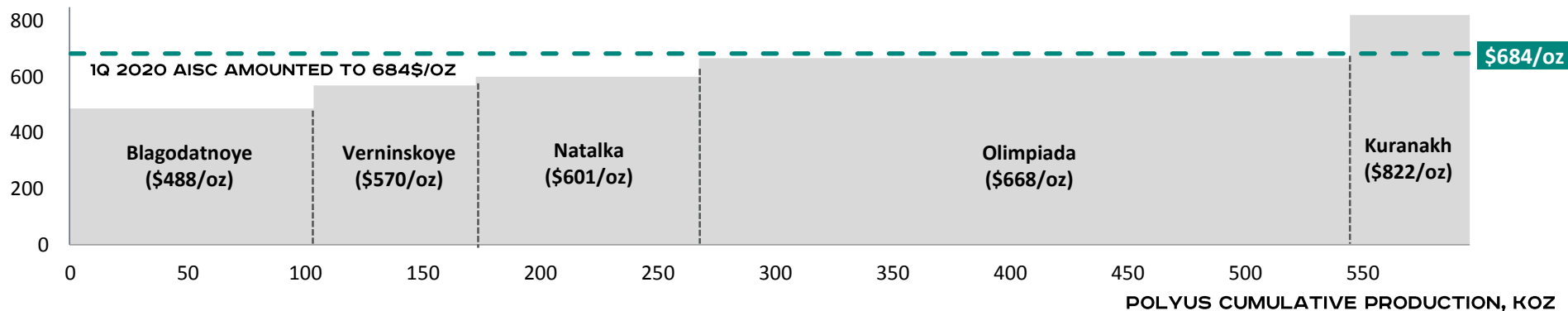
GLOBAL TCC CURVE¹



¹ Source: Metals Focus

POLYUS' AISC CURVE IN 1Q 2020

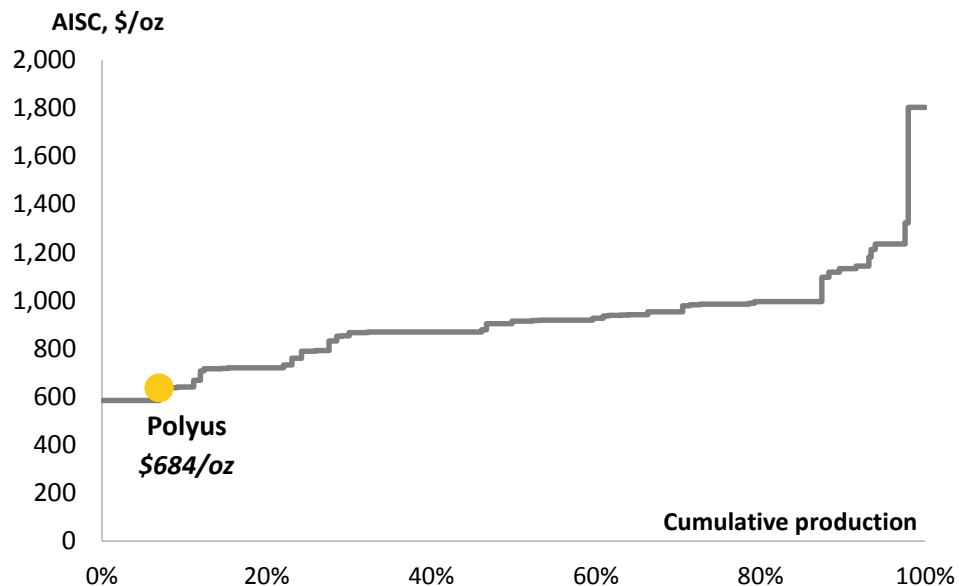
AISC, \$/OZ



HIGHLIGHTS

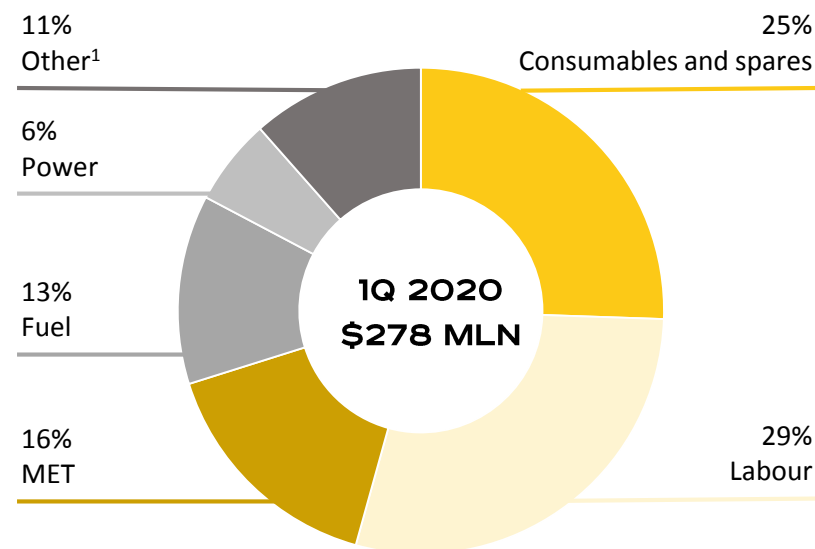
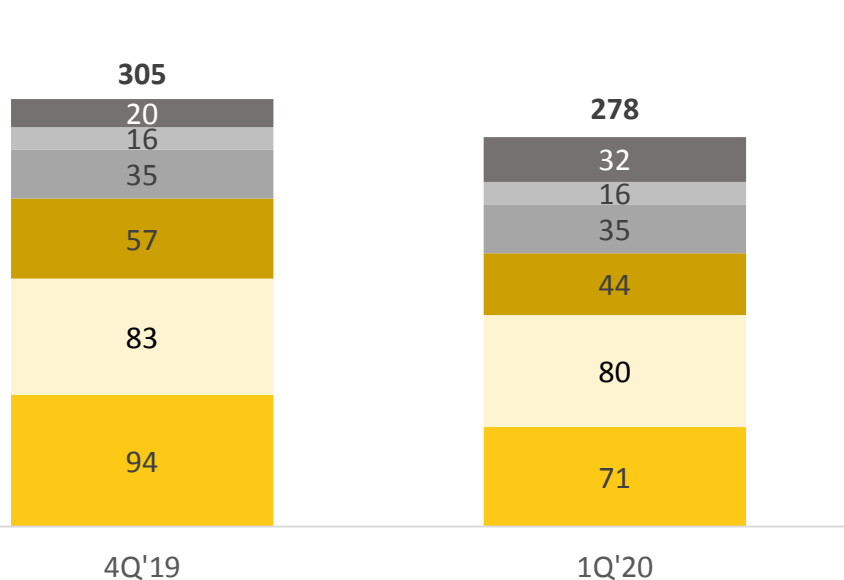
- In 1Q'20, the group's AISC increased to \$684/oz, up 19% reflecting
 - ✓ higher TCC per ounce for the period
 - ✓ higher SG&A expenses per ounce due to lower sales volumes.
- Meanwhile, AISC at Blagodatnoye, Verninskoye and Kuranakh decreased q-o-q driven by lower sustaining capital expenditures during the period.

GLOBAL AISC CURVE¹



¹ Source: Metals Focus

CASH OPERATING COSTS BREAKDOWN BY ITEM, \$ MLN

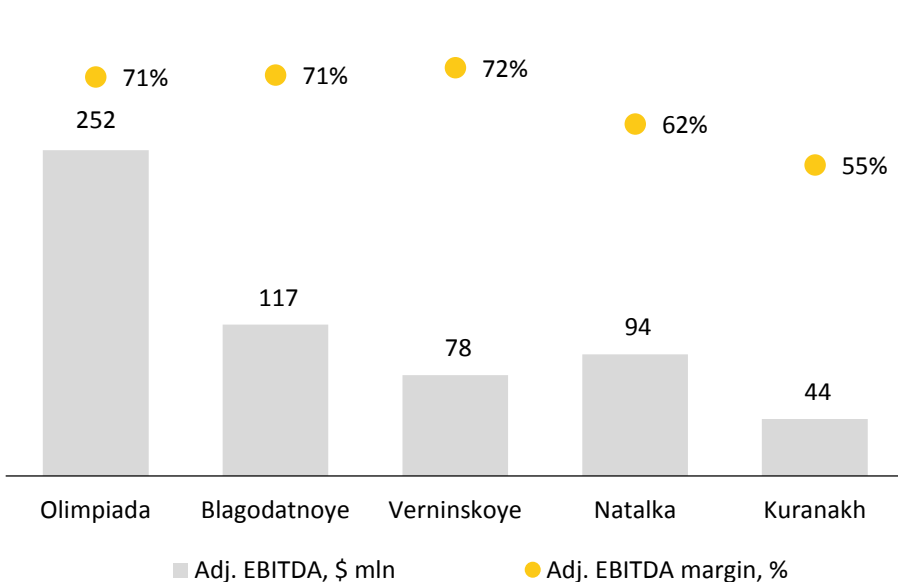


■ Consumables and spares ■ Labour ■ MET ■ Fuel ■ Power ■ Other¹

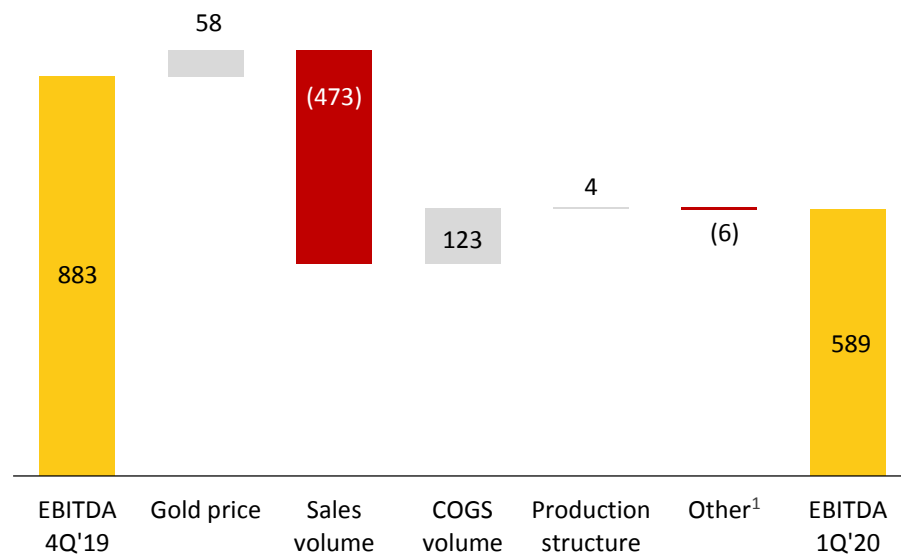
- In 1Q'20, consumables and spares expenses decreased by 24% q-o-q as a result of downscale of activities at Alluvials and the seasonal stoppage of the heapleaching operations at Kuranakh.
- Labour costs decreased by 4% q-o-q due to Alluvials.
- Power and fuel costs remained flat q-o-q.
- A quarterly decrease in the group's MET expenses was driven by lower sales volumes of flotation concentrate compared to 4Q'19 and aforementioned factors related to the alluvial operations.

¹ Other costs include outsourced mining services, refining, logistics and costs on explosives

1Q 2020 ADJ. EBITDA AND ADJ. EBITDA MARGIN



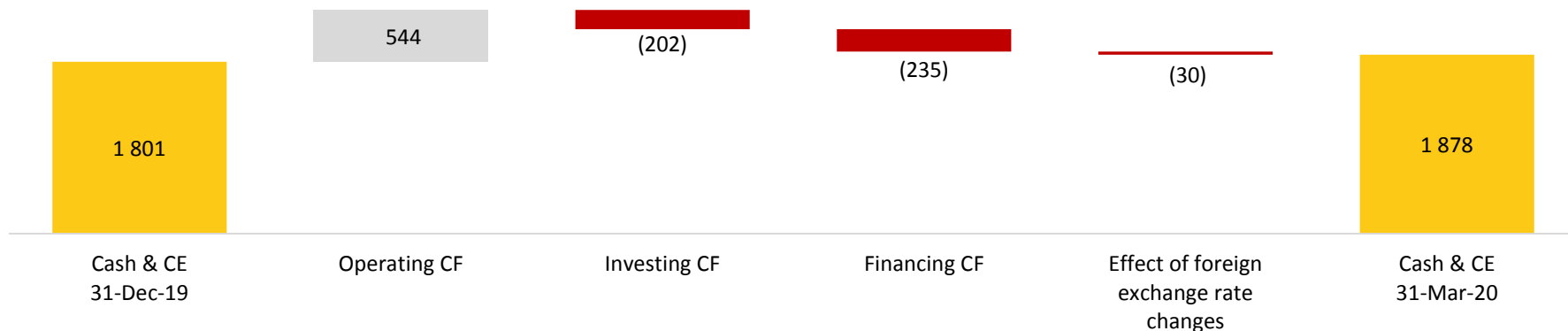
ADJ. EBITDA BRIDGE, \$ MLN



- In 1Q'20, the group's adjusted EBITDA amounted to \$589 mln, a 33% decrease compared to \$883 mln in the previous quarter.
- The decrease was driven by lower gold sales volumes over the period.

¹ Includes operating efficiency and FX effects

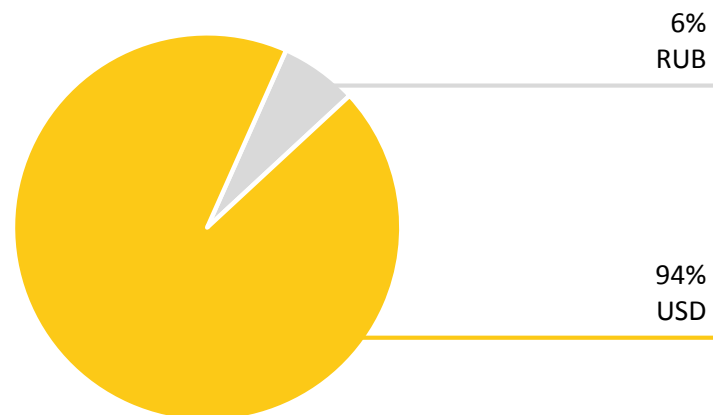
CASH FLOW BRIDGE, \$ MLN



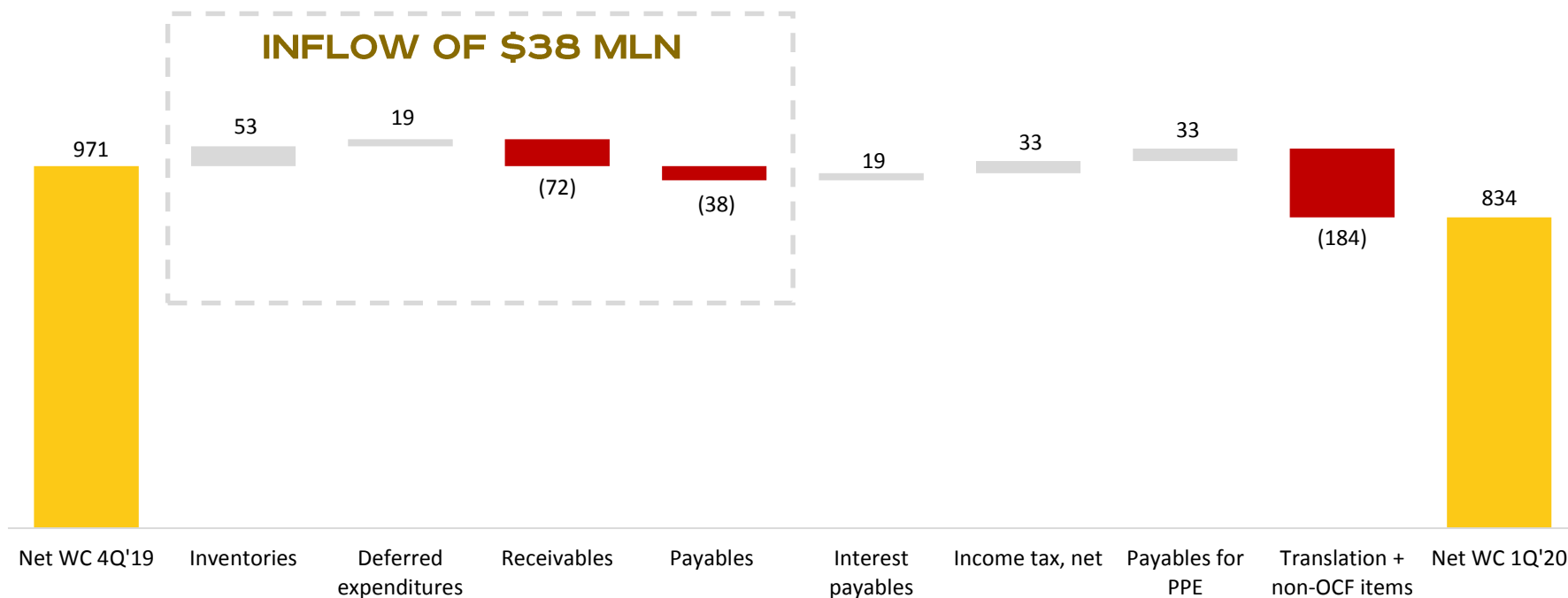
1Q 2020 HIGHLIGHTS

- Net cash generated from operations amounted to \$544 mln compared to \$682 mln in the 4Q'19, due to lower sales volumes in the reporting period.
- Net cash utilised in investing activities increased to \$202 mln compared to \$194 mln in the previous quarter, as lower capex spending during the period was offset by \$28 mln of cash paid for the stake in SL Gold.
- Net cash utilised in financing activities totalled \$235 mln.

CASH & CE BREAKDOWN BY CURRENCY

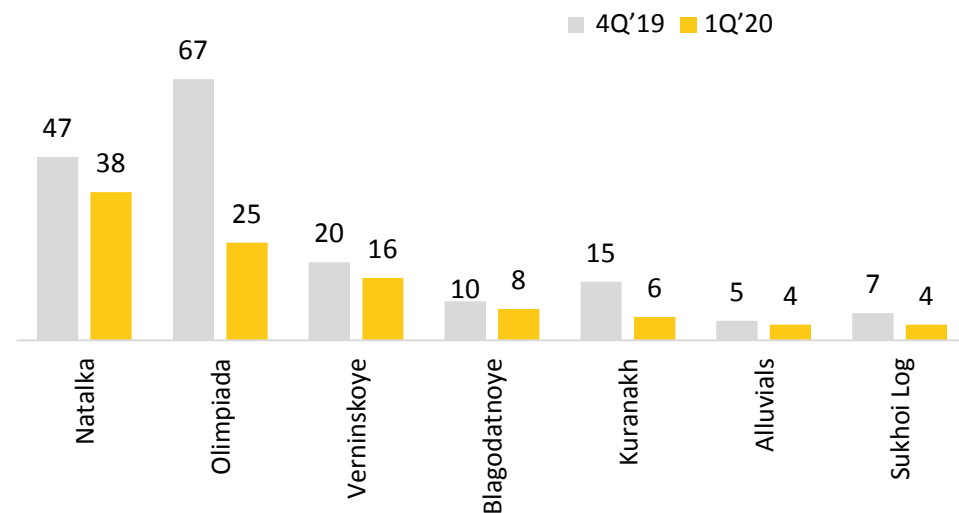


- The group's cash position is primarily denominated in USD

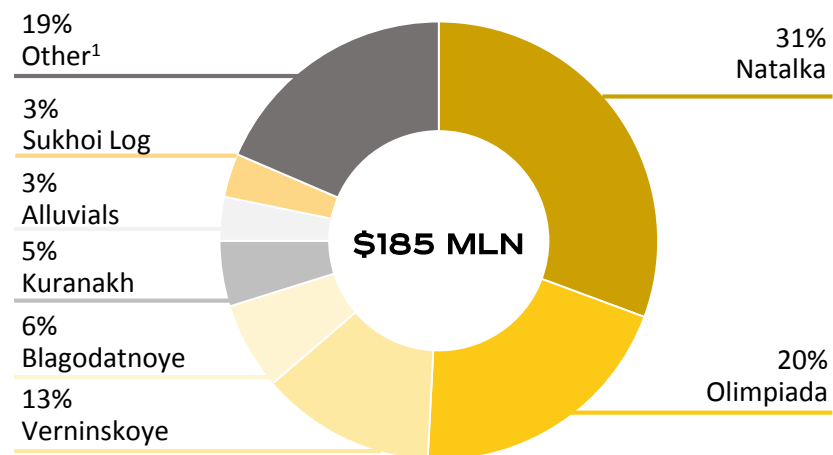


- Polyus registered a working capital release of \$38 mln.
- This figure primarily reflects a decrease in trade receivables related to sales of merchant gold containing flotation concentrate and antimony-rich flotation concentrate and an increase in payables related to stocks of fuel, reagents and spares.
- However, this was partially offset by an increase in the amount of gold in inventory at the refinery and an inventory accumulation of ore stockpiles at Blagodatnoye, Natalka and Verninskoye as well as an increase of the flotation concentrate inventory.

1Q 2020 CAPEX BY MINE DYNAMICS, \$ MLN



1Q 2020 CAPEX BREAKDOWN BY MINE, %

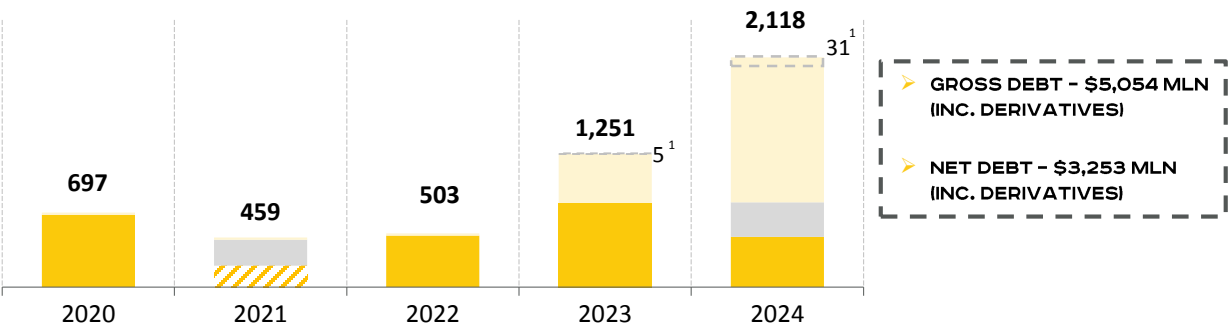


- In 1Q'20, capex decreased to \$124 mln, from \$220 mln in 4Q'19, reflecting lower spending across all business units.
 - Polyus progressed with the construction of auxiliary infrastructure at the Natalka Mill. To further improve recovery rate at Natalka, Polyus is currently proceeding with the installation of the first Outotec flotation machine.
 - At Olimpiada, the Company started exploration, hydrogeological and geomechanical drilling activities at the deep levels of the Vostochnyi pit. Also, Polyus continued to upgrade and expand its existing BIO units.
 - At Verninskoye, the Company proceeds with the mill's throughput expansion to 3.5 mtpa.
 - At Blagodatnoye, the Company fully ramped up the Jameson Cell flotation unit at Mill No. 4, targeting further recovery improvement. Separately, Polyus is now proceeding with the Feasibility Study for the construction of a new mill (Mill No. 5).

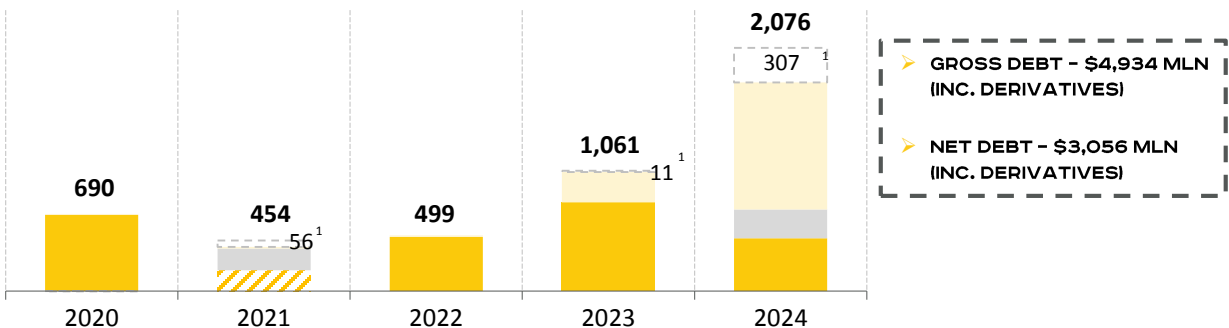
¹ Reflects IT capex, expenses related to exploration business unit, IT projects and construction of Razdolinskaya-Taiga, Peleduy-Mamakan grid lines.

2. FINANCIAL POSITION REVIEW

MATURITY SCHEDULE AS OF 31-DEC-19, \$MLN



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



■ Eurobonds ■ Convertibles ■ RUB bonds ■ Bank loans ■ Cross currency swaps

RECENT HIGHLIGHTS

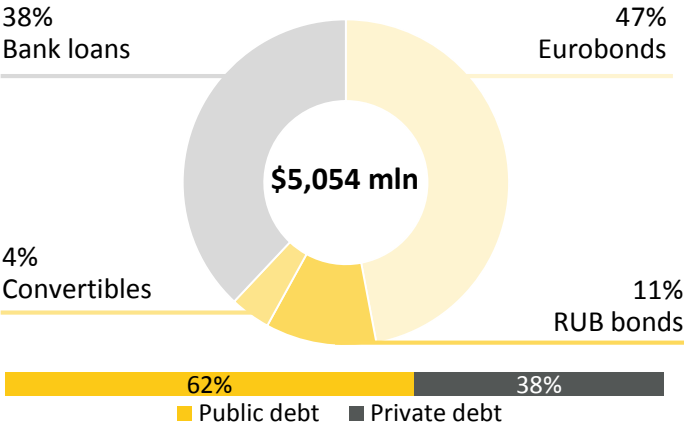
- Gross debt, decreased to \$4,934 mln, compared to \$5,054 mln in the previous quarter.
- The estimated net debt position, decreased to \$3,056 mln (31 Dec. 2019: \$3,253 mln).
- The group's liabilities under cross currency and interest rate swaps related to RUB-denominated bank credit facilities and rouble bonds totalled approximately \$373 mln as of the end of the first quarter.
- In April 2020, the Company repaid the Eurobonds with principal 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 \$50 mln of banking commissions and deduction of conversion option component of convertible bonds and the lease liabilities recognised under IFRS 16 as of 31 December 2019 in amount of \$80 mln.

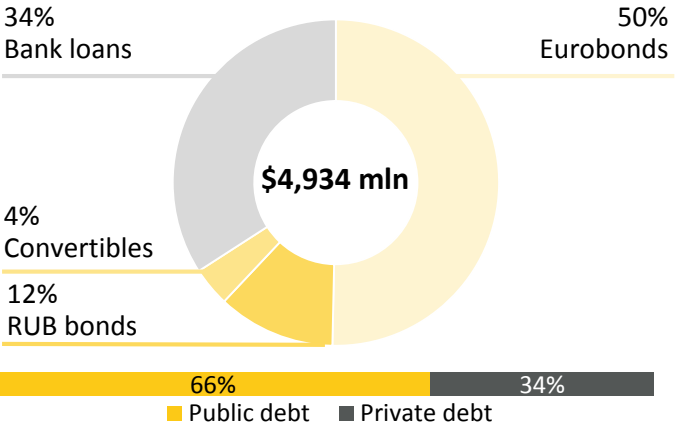
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AS OF 31 DECEMBER 2019

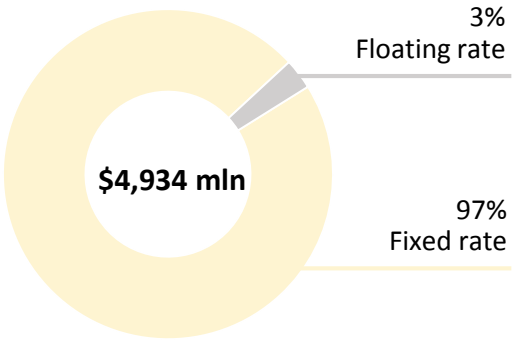
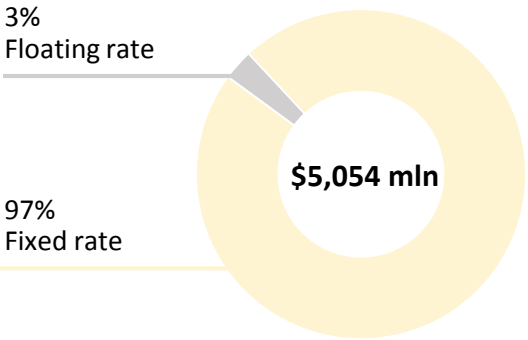
DEBT BREAKDOWN
BY SOURCE



AS OF 31 MARCH 2020



DEBT BREAKDOWN
BY INTEREST RATES



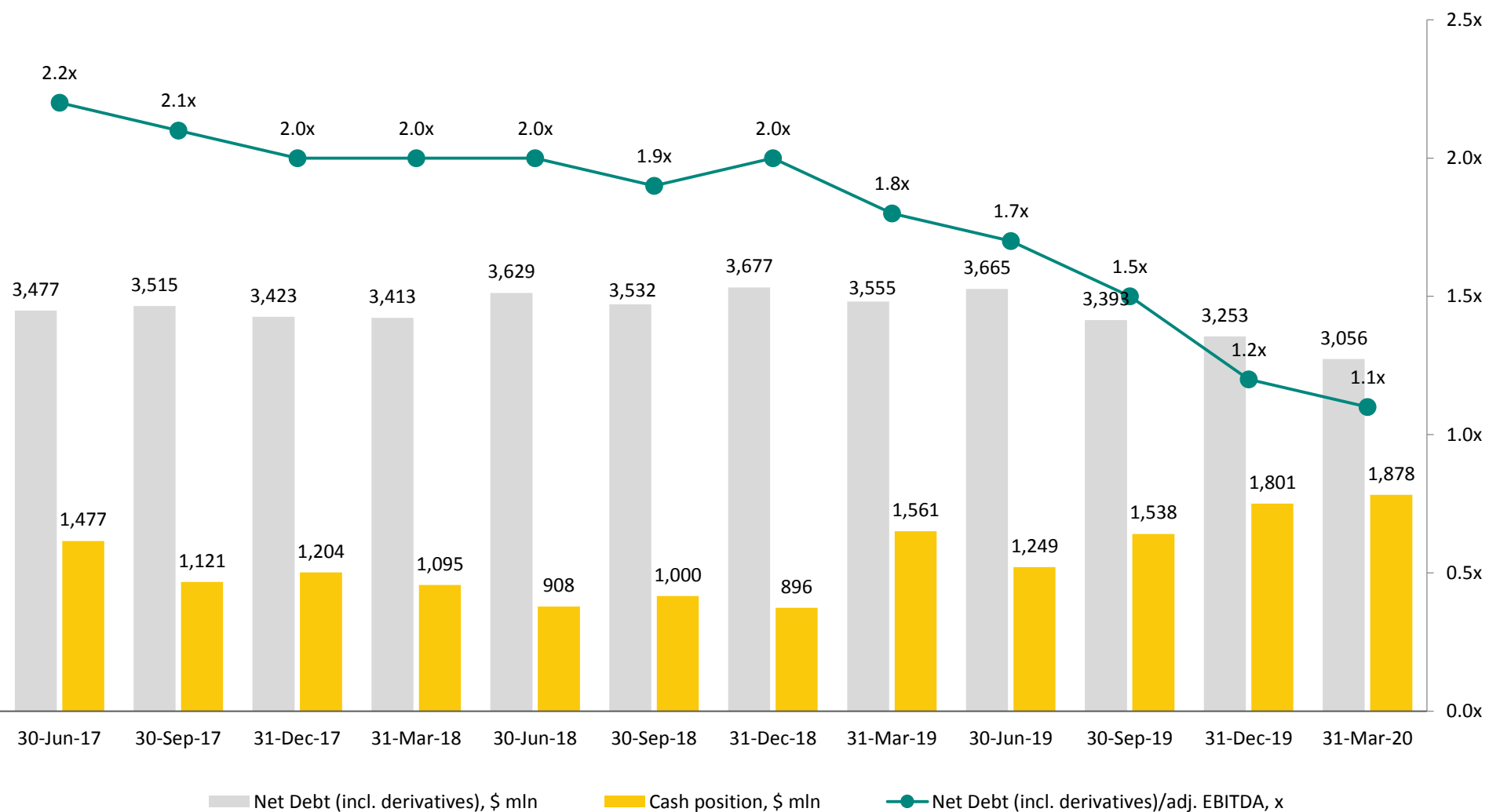
AVERAGE INTEREST
RATE

4.7%

4.6%

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 1.1x, 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