

## Polymetal: production growth for 9M2019

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Altynay Ibraimova — October 25, 2019

The company continues to increase gold equivalent production thanks to the Kyzyl project in Kazakhstan, where in 9M2019 the design capacity was exceeded by 11%. As a result, gold equivalent production grew by 7% yoy to 476ths ounces.

Gold production as a whole increased by 16% yoy to 1,232ths ounces, and the Company expects to exceed its production plan for 2019 (1,550ths ounces) by up to 50ths ounces.

Revenues for 9M2019 amounted to \$1248mn, mainly due to an increase in gold sales by 30% to 992ths ounces. Good growth in revenue (+43% yoy) was in 3Q2019 due to rising gold prices, which exceeded the maximum five-year level.

Net debt remains at \$ 1,700mn.

### **Our view**

The performance dynamics are in line with our expectations. In addition, the possibility of overfulfilling the declared production plans for the year, as we expected, increased. We reiterate our Buy recommendation on Polymetal, marking the company's strong production results as expected.

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