

# Financial results release

FULL YEAR ENDED  
31 JULY 2020



NEW HOPE  
GROUP

Presented by Robert Millner, Reinhold Schmidt,  
Andrew Boyd and Rob Bishop on September 22, 2020

Internal use only

## Highlights

Robert Millner



# Highlights

Full year profit before non regular items subdued by lower coal prices in the second half.  
Increase in coal tonnes sold due to increased production at Bengalla.

Revenue from  
operations

**\$1,084M**

▼ 17% from 2019

EBITDA  
(before non regular items)

**\$290M**

▼ 44% from 2019

Profit before income tax  
(before non regular items)

**\$120M**

▼ 69% from 2019

Total tonnes sold

**11.5M**

▲ 6% from 2019

Full year dividend

**6.0 cents**

▼ 65% from 2019

Earnings per share  
(before non regular items)

**10 cents**

▼ 69% from 2019



Please refer to Appendix for reconciliation of Non IFRS Financial Information.

## Financial Results

Rob Bishop



# Financial Highlights

Profit after income tax  
(before non regular items)

**\$84M**

▼ 69% from 2019

EBITDA Margin  
(before non regular items)

**27%**

▼ 33% from 2019

FOB Cash Cost

**\$64/t**

▲ 6% from 2019

Cash generated from ops  
(before interest and tax)<sup>1</sup>

**\$298M**

▼ 42% from 2019

Net debt

**290M**

▲ 4% from 2019

Gearing ratio

**14%**



Please refer to Appendix for reconciliation of Non IFRS Financial Information.

<sup>1</sup> The prior year cash from operations was before interest, tax and acquisition costs.

# Financial Performance

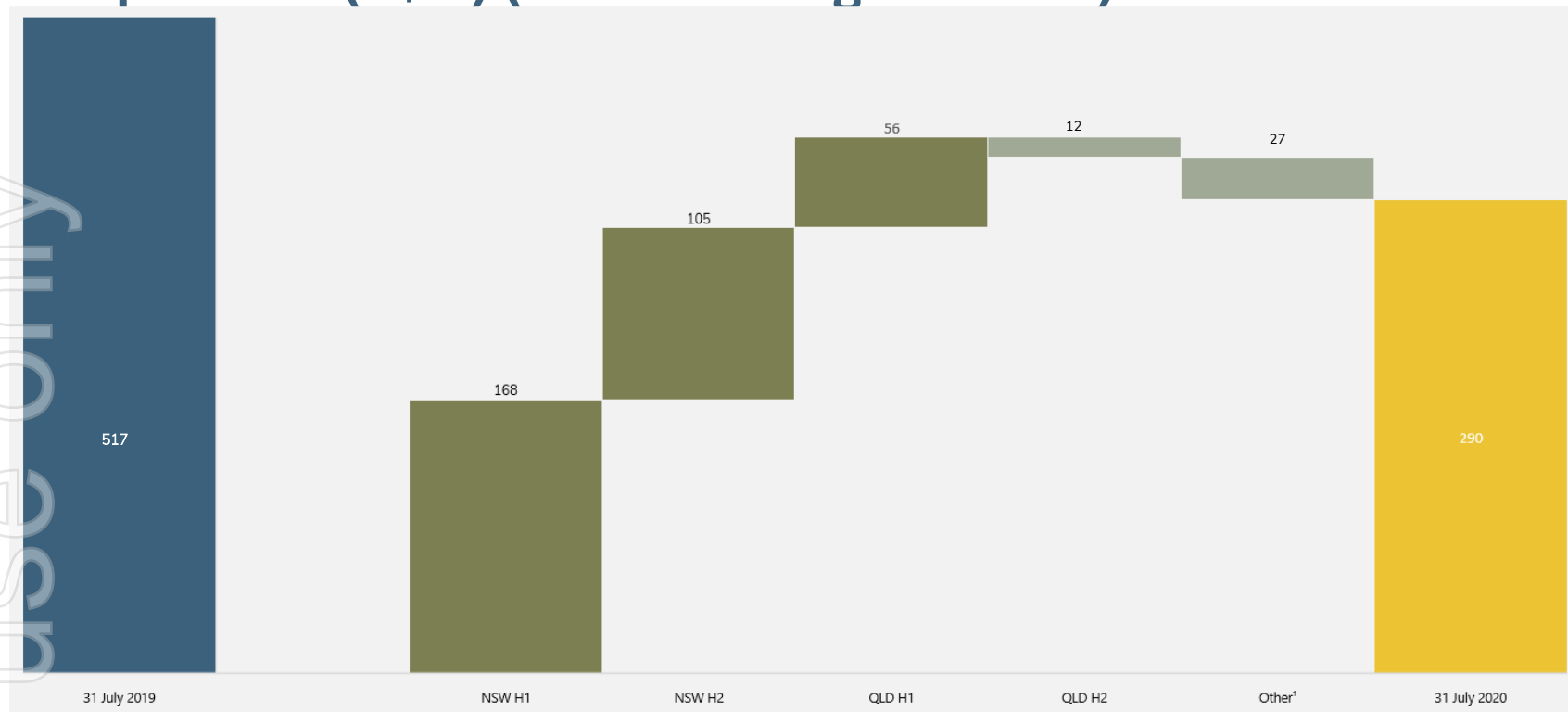
Year Ended 31 July

(A\$ millions)

	2020	2019	Variance
EBITDA before non regular items	<b>289.8</b>	517.1	(44%)
Profit / (loss) before tax and non regulars	<b>119.5</b>	384.3	(69%)
Non regular items before tax	<b>(345.1)</b>	(76.3)	(352%)
Profit / (loss) before tax and after non regular items	<b>(225.6)</b>	308.0	(173%)
Profit / (loss) after tax before non regulars	<b>83.9</b>	268.5	(69%)
Non regular items after tax	<b>(240.7)</b>	(57.8)	(316%)
Profit / (loss) after tax and non regular items	<b>(156.8)</b>	210.7	(174%)



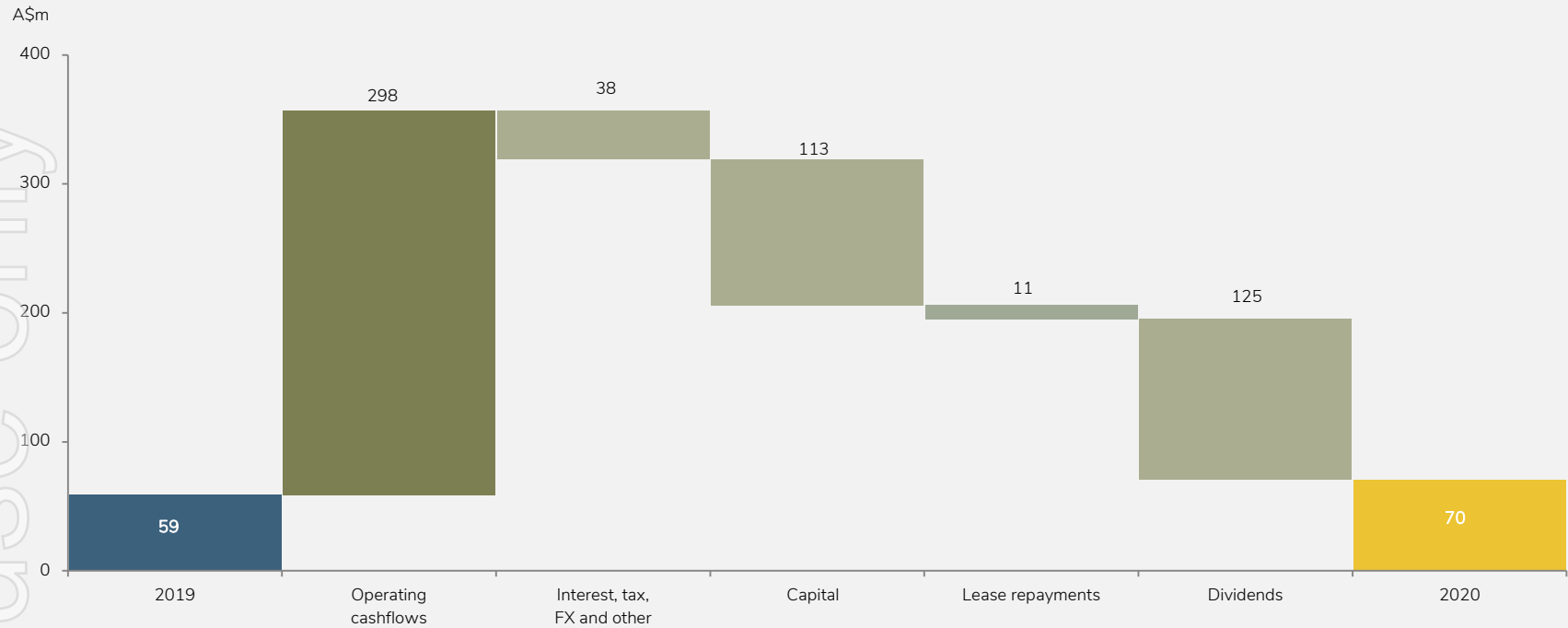
## Group EBITDA (A\$m) (before non regular items)



<sup>1</sup> Includes Other segment and Treasury.

Please refer to Appendix for reconciliation of Non IFRS Financial Information

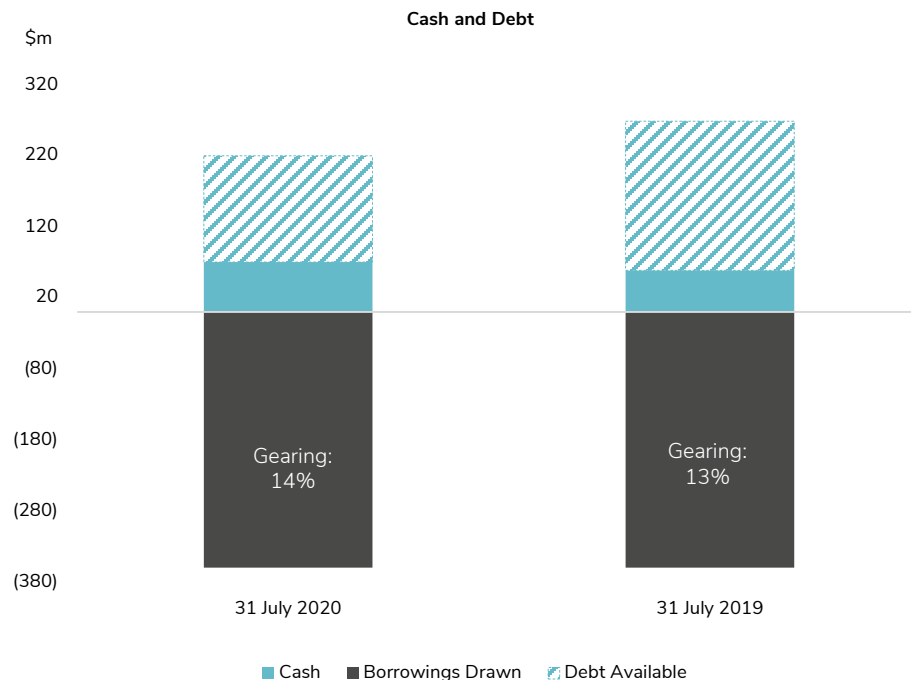
# Cash



# Debt

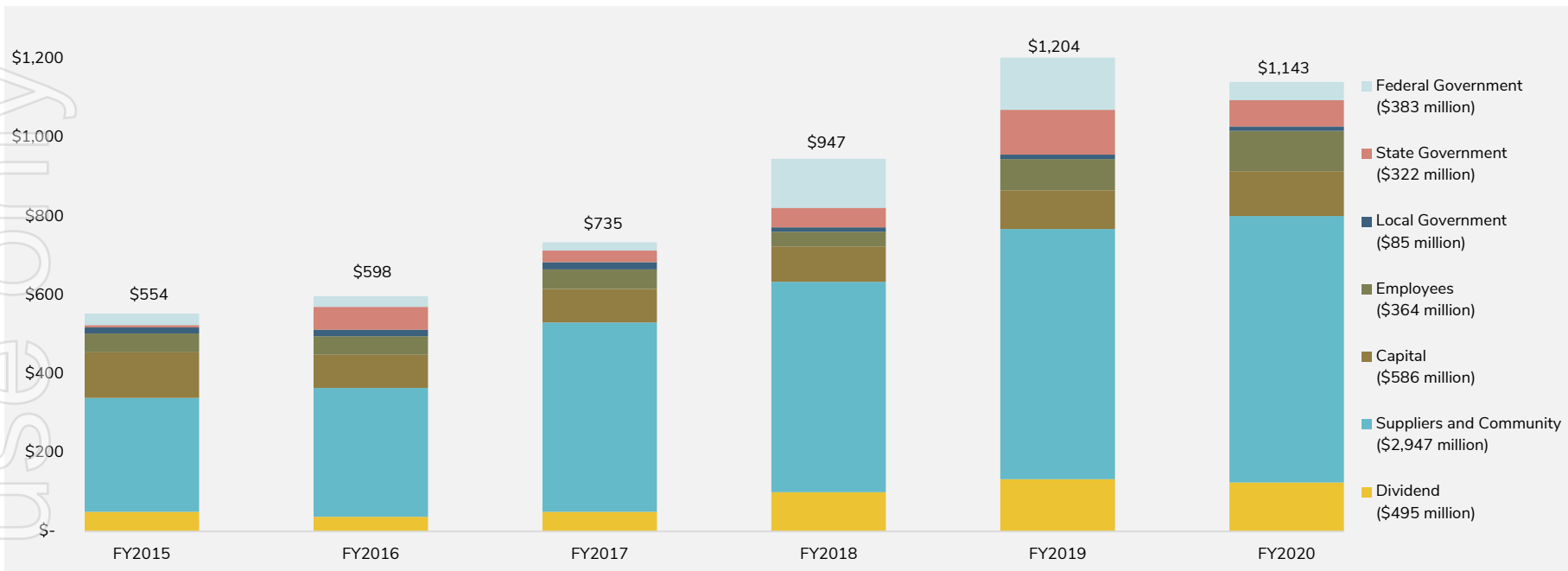
## Focus on responsible liquidity management

- The Company secured in the prior year an amortising secured loan facility for \$600 million (amortised to \$510 million as at 31 July 2020) with a syndicate of Australian and international banks. The Company had been debt free since 2006 prior to the draw down for the Bengalla acquisition.
- Net debt at 31 July 2020 \$290 million. The debt facility available for draw down is \$150 million.



# Economic contribution

## Bengalla acquisition sees increased economic contribution



# Operational Performance

Andrew Boyd



# Safety

## Managing COVID-19 impacts, improving safety performance

No cases of COVID-19, strong focus on employee health

COVID-19 management measures implemented with minimal impact on cost and productivity

Total Recordable Injury Frequency Rate (TRIFR) halved from 6 to 3 per million hours

Maintained safe performance through Jeebropilly closure and New Acland ramp down

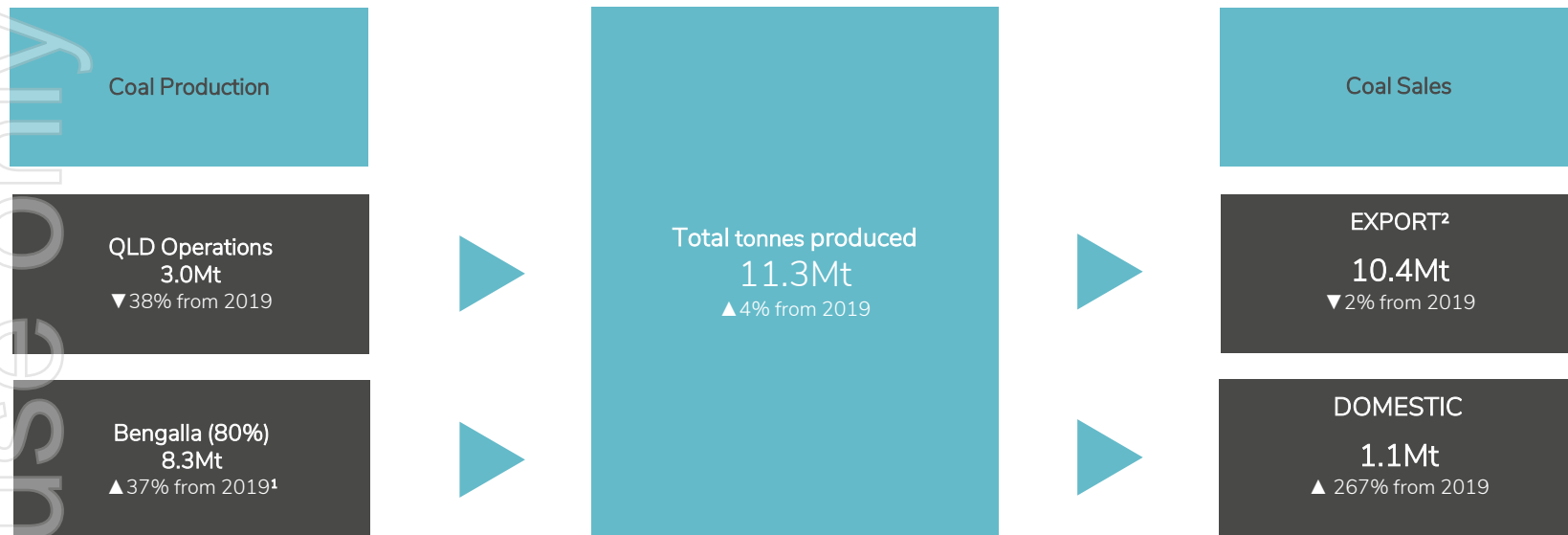
Risk management focus targeting controls for high consequence events

TRIFR excludes Bridgeport



# Production and sales

Year ended 31 July 2020



<sup>1</sup> NSW ownership 40% up to November 2018, 70% December 2018 to 25 March 2019 and 80% from 25 March 2019.

<sup>2</sup> Includes trade coal sales.

# Bengalla

## Record production and safety performance with strong cost focus

Record production 10.3 million tonnes (New Hope share 8.3 million tonnes)

One recordable injury, also record performance for the site

Strong cost and efficiency focus with unit costs reduced by 8.5% from 2019 to 2020

Dragline major shutdown commenced July 2020 on schedule to complete early October 2020



# New Acland Mine

## Stage 2 winds down, 600 jobs reliant on Stage 3 approval

Coal production from New Acland was 2.8 million tonnes down from 33% on 2019 production

150 jobs lost in September 2019 as site winds down

Stage 3 approvals remain stalled by Qld Government

Remaining workforce will lose their jobs over the next 12 months in the absence of stage 3 approvals

Success in Qld Court of Appeal proceedings November 2019

Opponents granted leave to appeal to the High Court

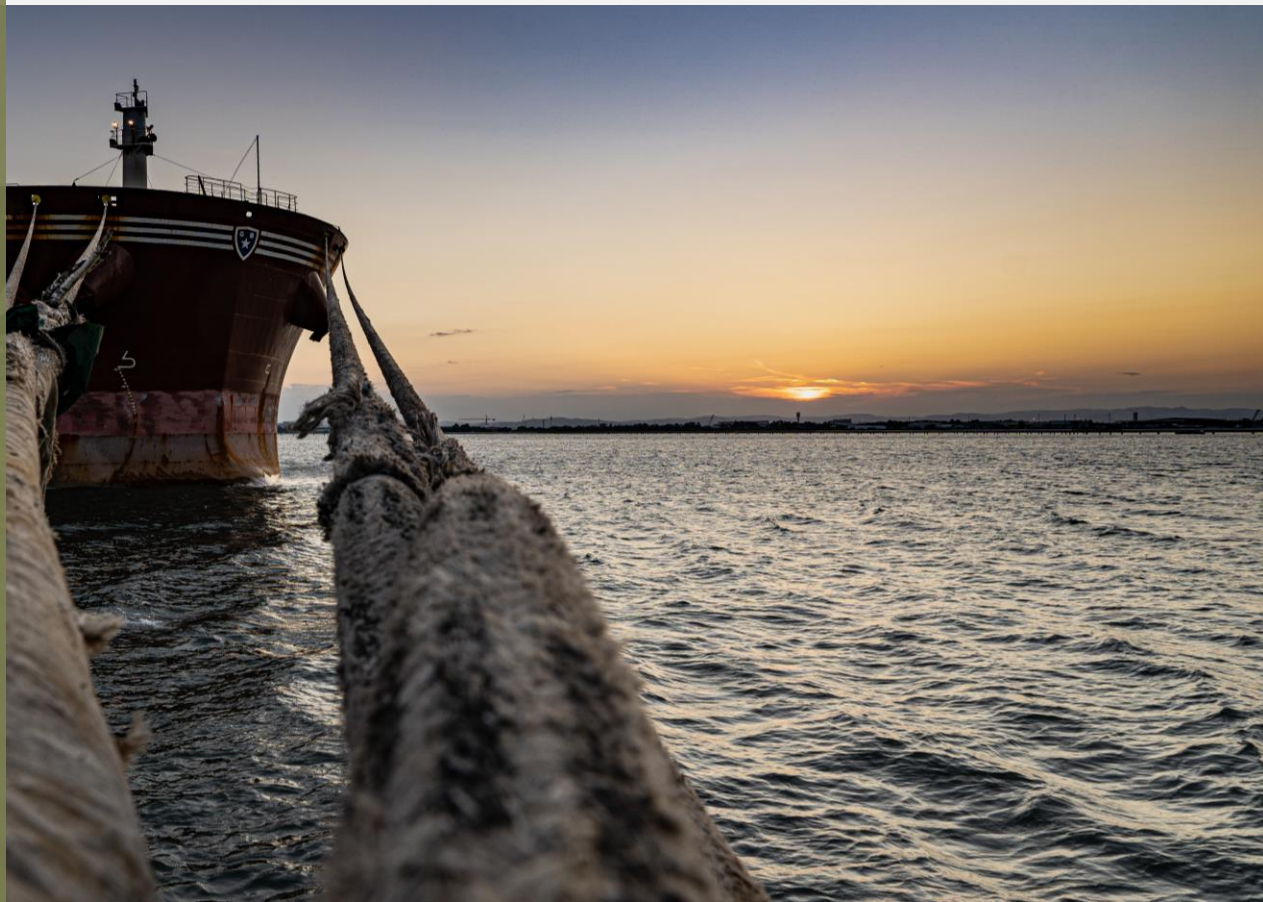
High Court appeal purely on a technical legal point and is being used by project opponents to delay the project

Timely approval of Stage 3 can save 125 existing direct jobs and potentially create a further 500 jobs within 18 months

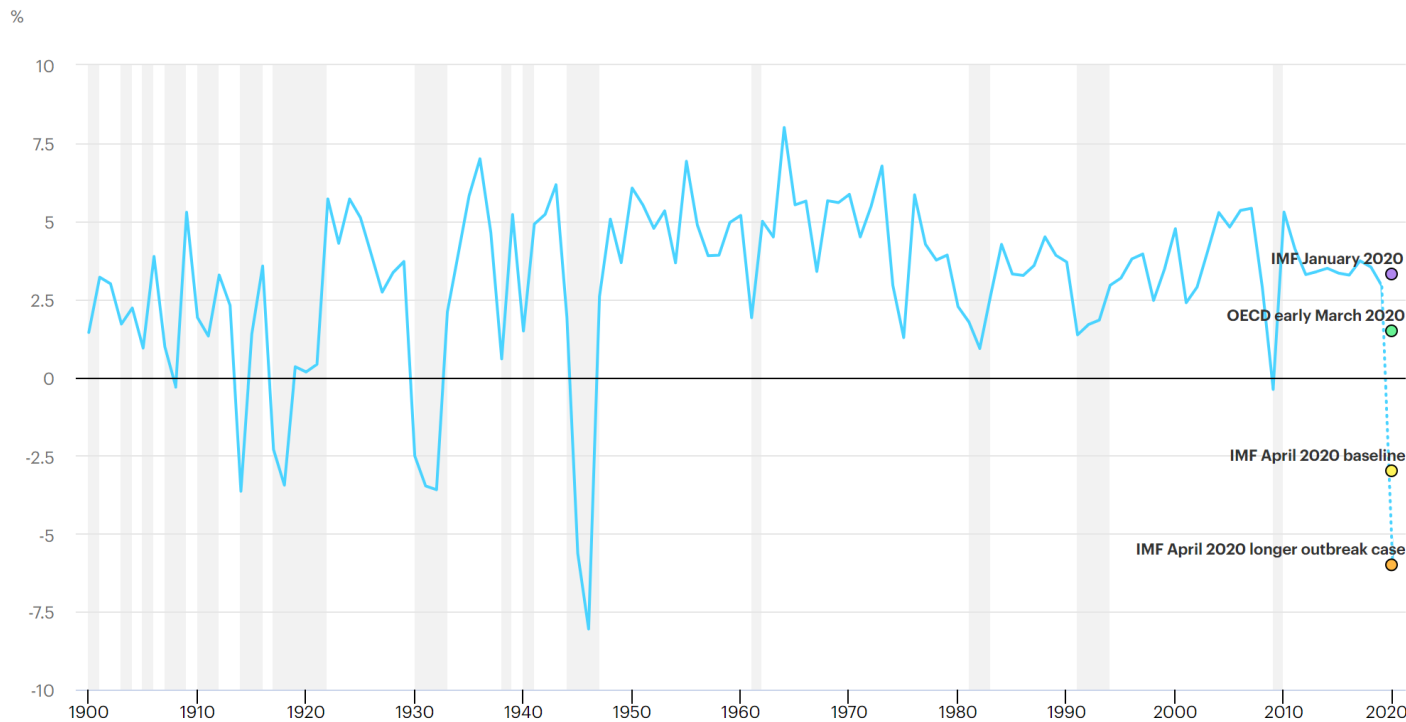


## Group Outlook

Reinhold Schmidt



# Global annual change in real GDP 1900-2020



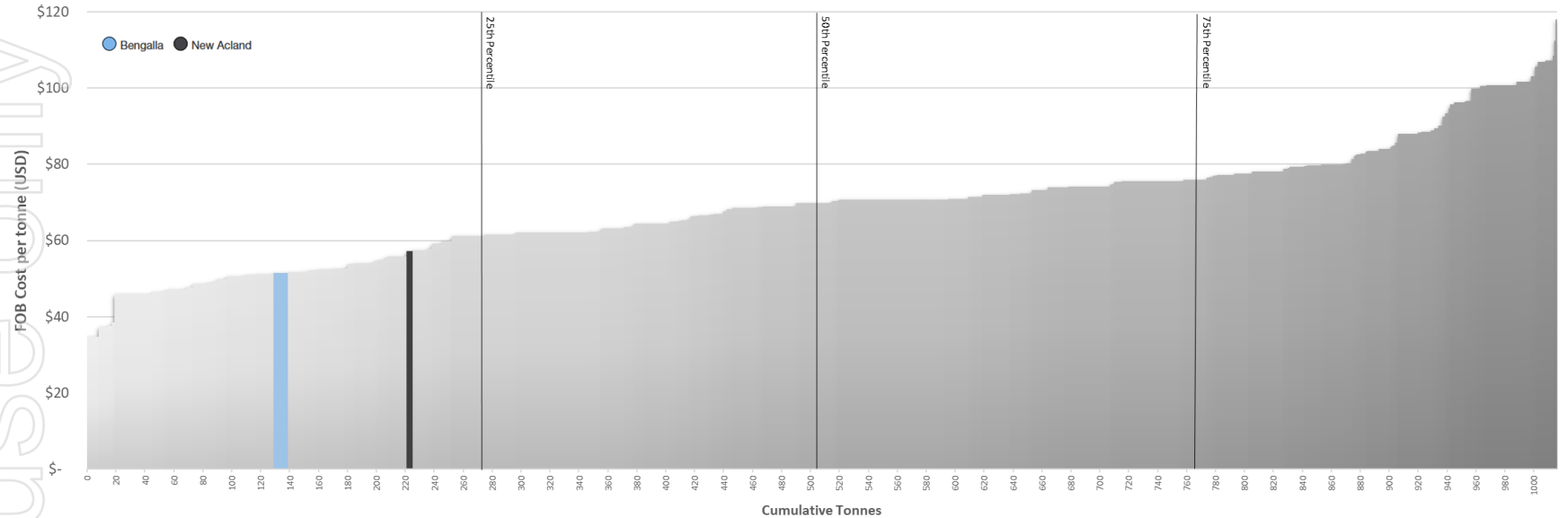
Sources

IEA based on IMF World Economic Outlook (January and April 2020), OECD Interim Economic Outlook Forecasts (March 2020) and Maddison Project Database (2018).

Last updated 4 May 2020

# Our position on the global cost curve

2019 FOB Cost per tonne  
Seaborne Thermal Coal Producers World Wide



CRU Data

## Disclaimer

The information in this document has been provided to you for information only by New Hope Corporation Limited ("NHC") and is subject to change without notice. Nothing contained in this document constitutes investment, legal, tax or other advice. The information in this document does not take into account your investment objectives, financial situation or particular needs. Before making an investment decision, you should consider, with or without the assistance of professional securities adviser, whether an investment in NHC is appropriate in the light of your particular investment needs, objectives and financial circumstances.

Nothing in this document should be considered a solicitation, offer or invitation to buy, subscribe for or sell any security in the United States of America ("US") or in any place in which, or to any person to whom, it would be unlawful to make such an offer or invitation. The distribution of this document outside Australia may be restricted by law. Persons who come into possession of this document who are not in Australia should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

Neither this document nor any copy hereof may be transmitted in the US or distributed, directly or indirectly, in the US or to any US person including (1) any US resident, (2) any partnership or corporation or other entity organised or incorporated under the laws of the US or any state thereof, (3) any trust of which any trustee is a US person, or (4) and agency or branch of a foreign entity located in the US.

By accepting this document you agree to be bound by these limitations. NHC has prepared this document based on information available to it. Although reasonable care has been taken to ensure that the facts stated and opinions given in this document are fair and accurate, the information provided in this document has not been independently verified. Accordingly, no representation or warranty, express or implied is made as to the fairness, accuracy, completeness or correctness of the information and opinions contained in this document. To the fullest extent permitted by law, none of NHC, its directors, employees or agents or any other persons accepts any liability for any loss whatsoever arising from any use of this document or its contents, or otherwise arising in connection therewith.

## Appendices



# Reconciliation of non IFRS financial information

Year Ended 31 July

(A\$ millions)

	2020	2019	Variance
Profit after tax	(156.8)	210.7	(174%)
Income tax expense	68.8	(97.4)	171%
Profit before income tax	(225.6)	308.0	(173%)
Non regular items before tax	(345.1)	(76.3)	352%
Profit before income tax and non regular items	119.5	384.3	(69%)
Interest expense	19.5	12.2	(60%)
Earnings before interest tax and non regular items	139.0	396.4	(65%)
Depreciation and amortisation	150.8	120.6	(25%)
Earnings before interest tax depreciation amortisation and non regular items	289.8	517.1	(44%)

Earnings before interest tax and non regular items (EBIT) and earnings before interest tax depreciation amortisation and non regular items (EBITDA) figures referenced in this presentation are unaudited and unreviewed. The figures have been extracted from the reviewed financial statements and reconcile to the results presented in the Appendix 4E Preliminary Final Report in the Consolidated Statement of Comprehensive Income. The presentation of the EBIT and EBITDA is to provide a measure of New Hope's performance prior to the impact of financing and non cash depreciation and amortisation.

An aerial, high-angle photograph of a busy city intersection at night. The image is characterized by long, colorful light trails from cars, creating a sense of motion and energy. The trails are primarily white, yellow, and red, indicating headlights and taillights. The intersection is marked with white lines and crosswalks. Surrounding the intersection are dark, silhouetted trees and some illuminated buildings. The overall scene is a vibrant, dynamic representation of urban life at night.

[newhopegroup.com.au](http://newhopegroup.com.au)