

# 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

# 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

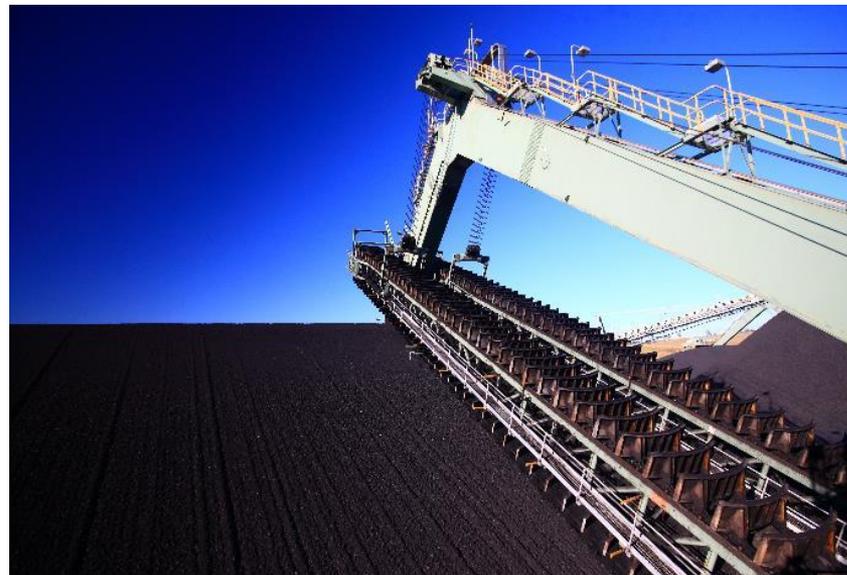
Net debt

**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.

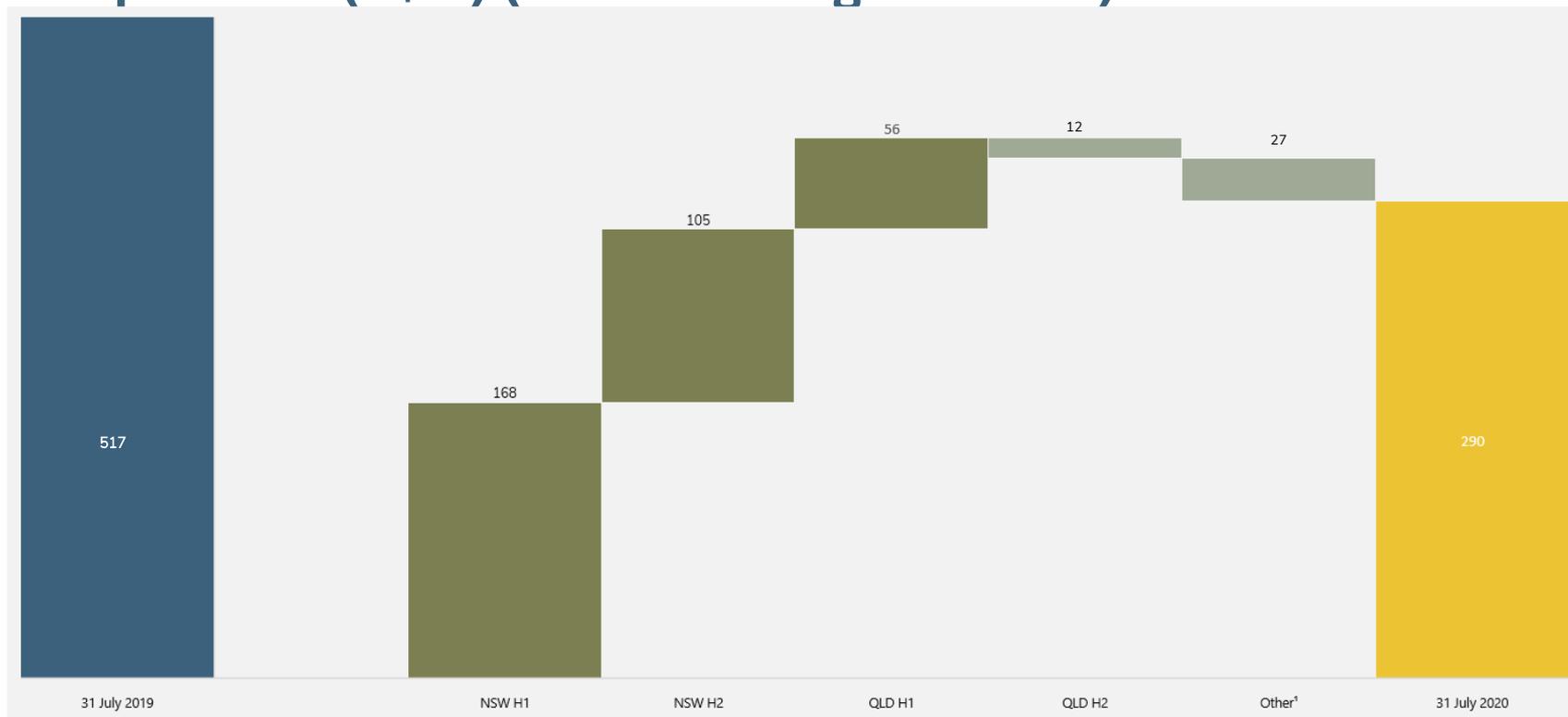
# Financial Performance

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%)

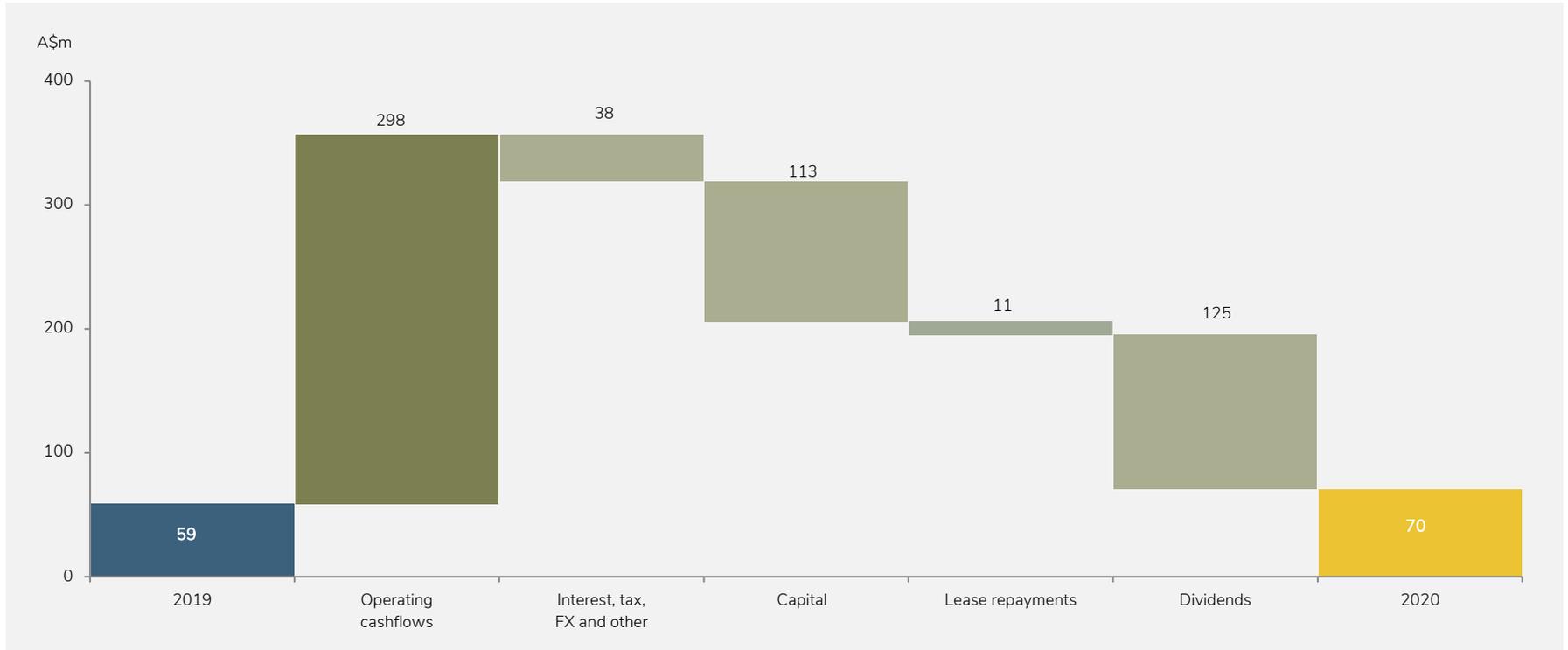


## Group EBITDA (A\$m) (before non regular items)



<sup>1</sup> Includes Other segment and Treasury.  
Please refer to Appendix for reconciliation of Non IFRS Financial Information

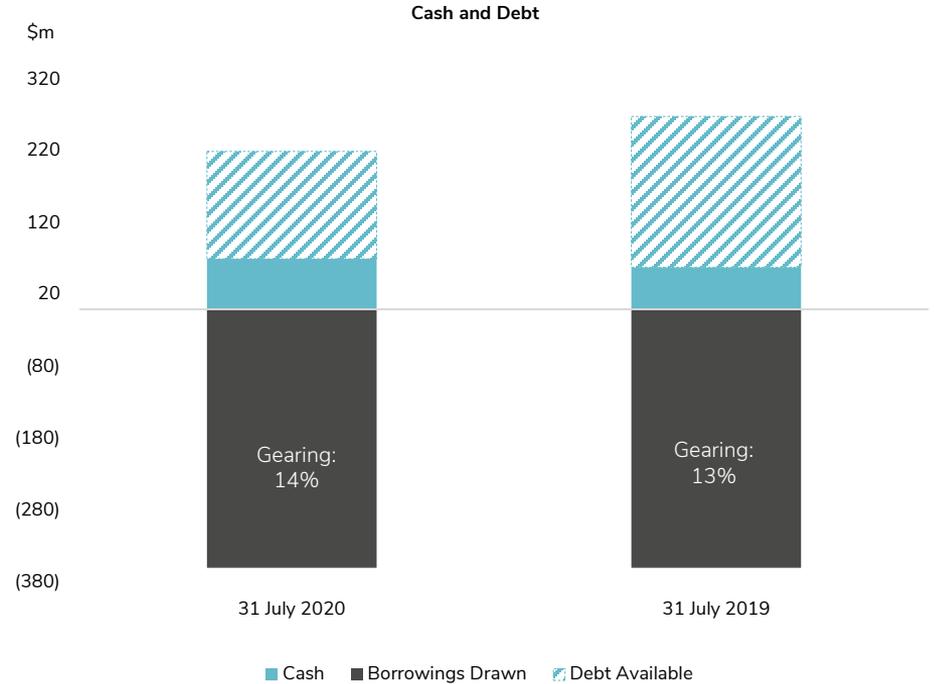
# Cash



# Debt

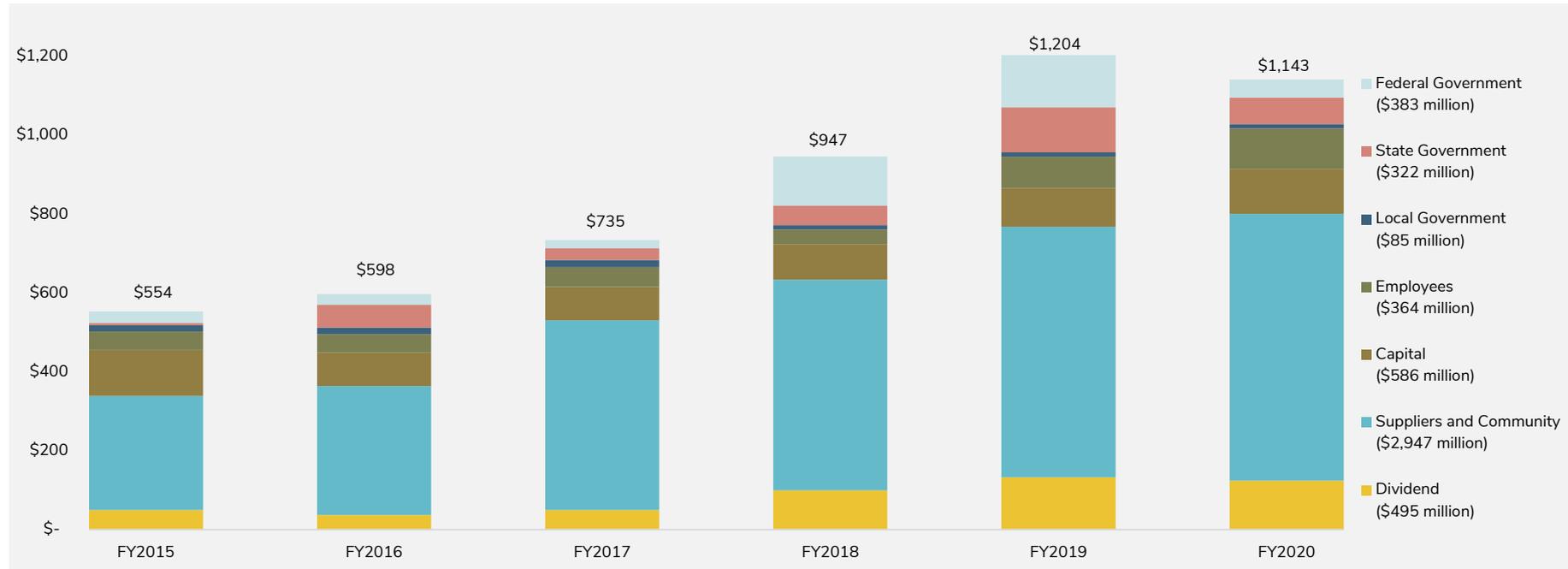
## Focus on responsible liquidity management

- 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

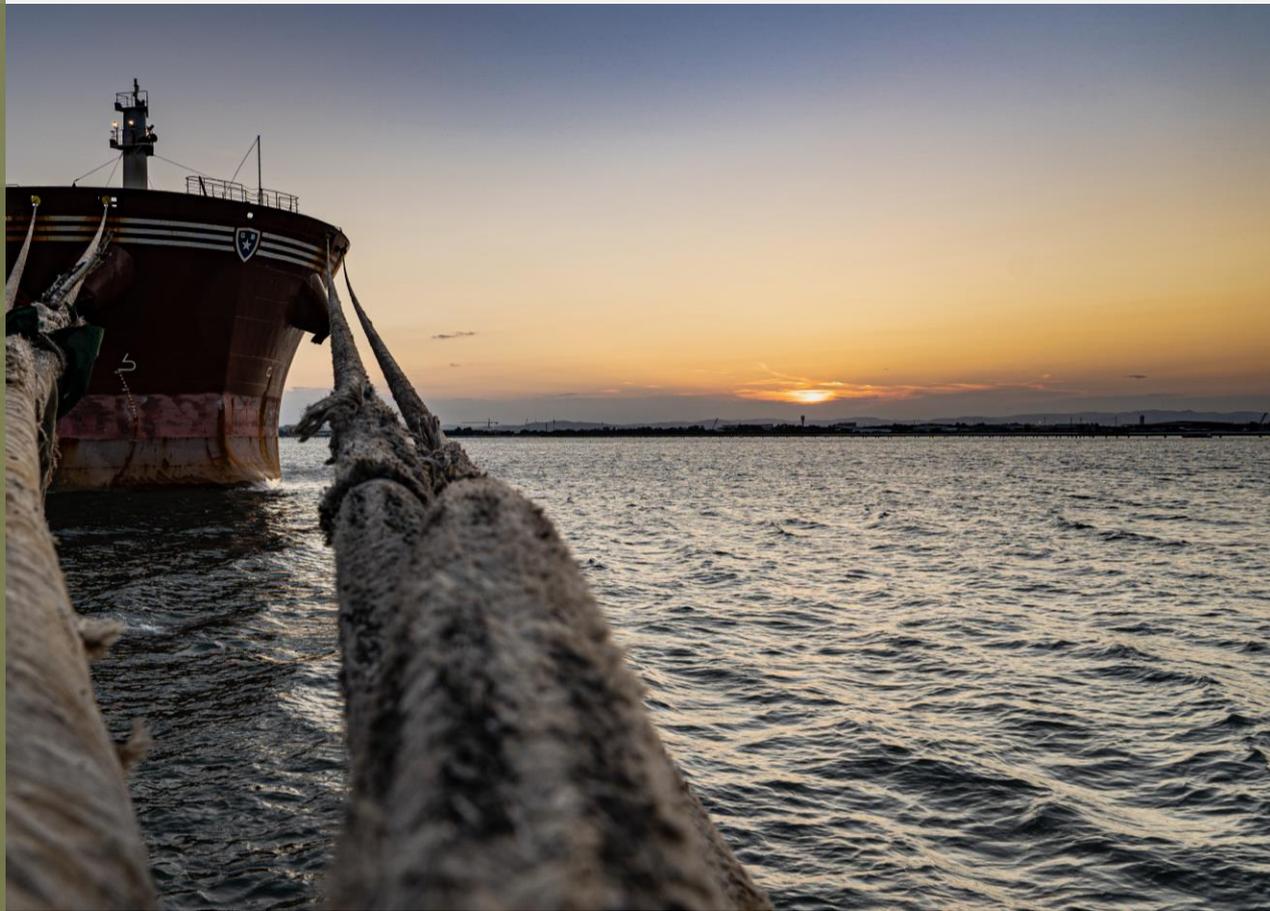
High Court appeal purely on a technical legal point and is being used by project opponents to delay the project

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

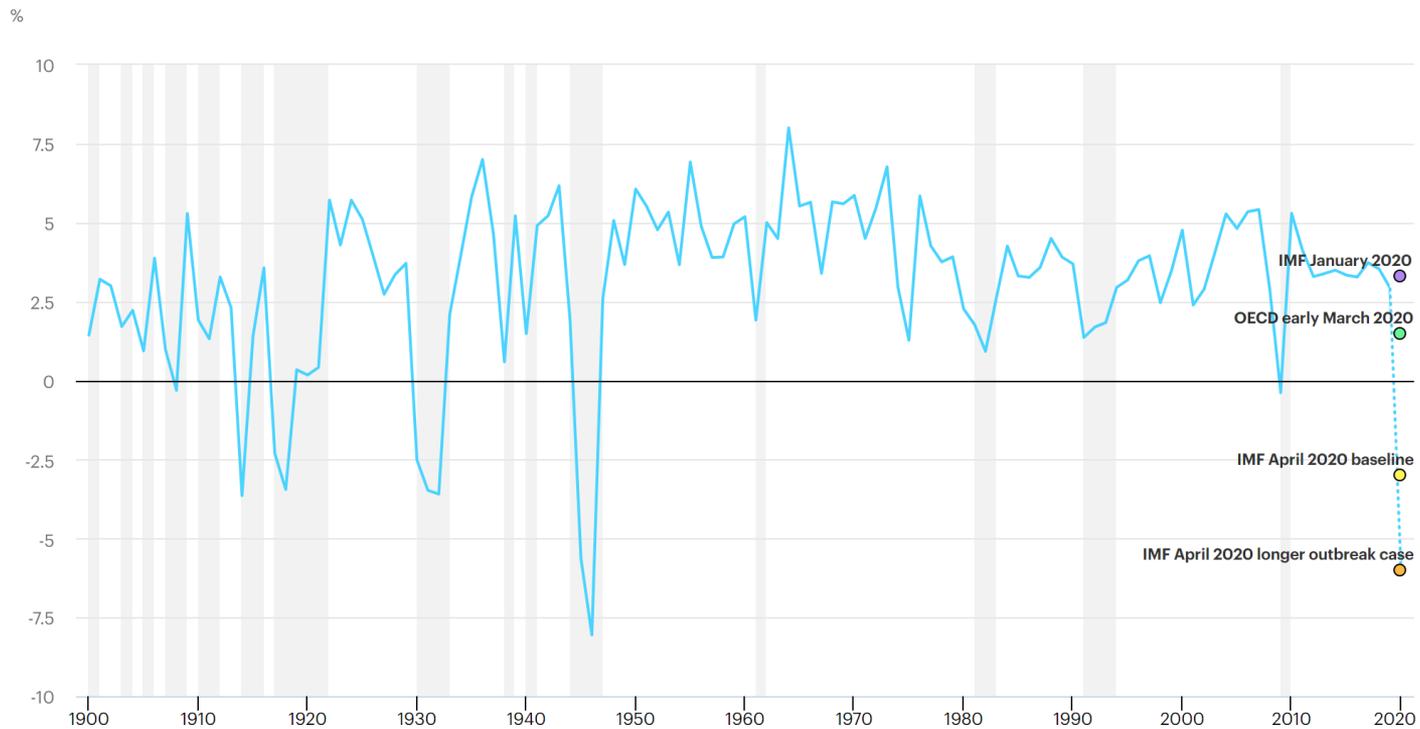


# Group Outlook

Reinhold Schmidt



# Global annual change in real GDP 1900-2020

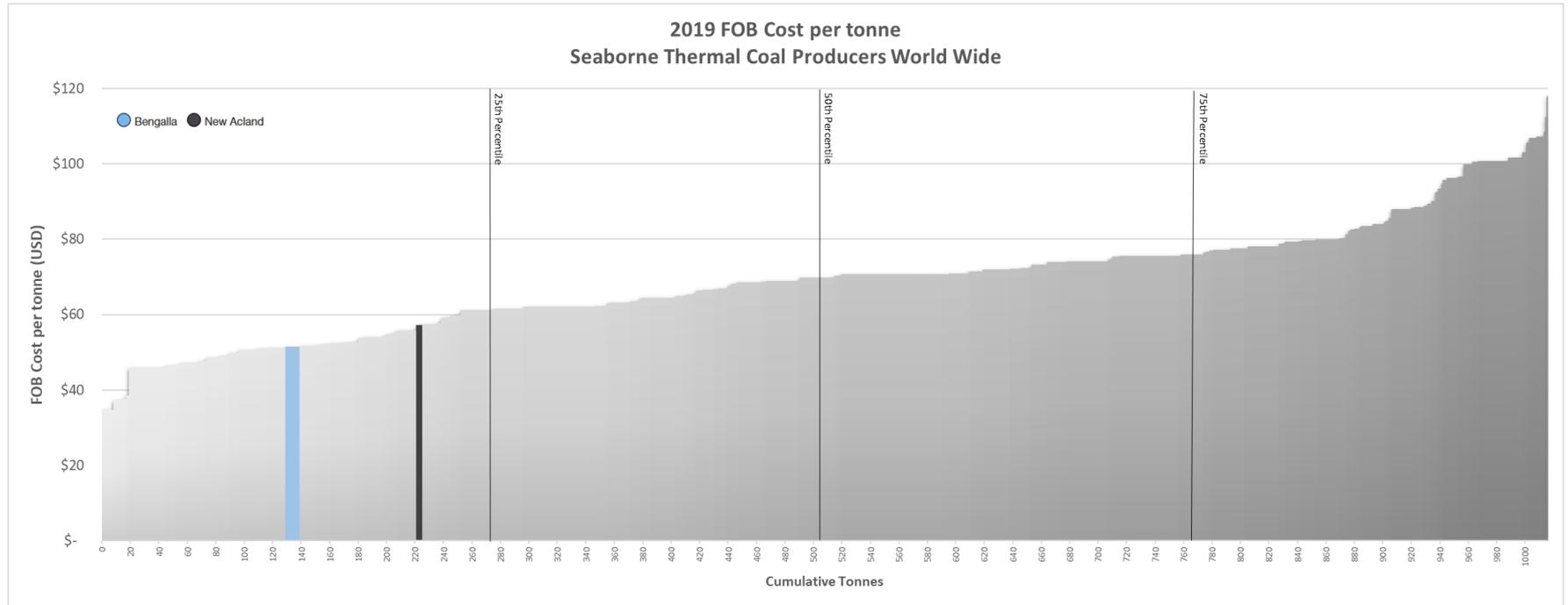


## Sources

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



CRU Data

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# Appendices

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# 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 dominated by long, colorful light trails from cars and streetlights, creating a sense of motion and energy. The trails are in shades of white, yellow, red, and blue. The intersection is a complex grid of roads with crosswalks and traffic lights. In the background, there are several modern buildings with illuminated windows and facades. The overall scene is a vibrant, dynamic representation of urban life at night.

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