

FY25 Half Year Results & On-Market Share Buy-Back

A strong first half for the 2025 financial year, higher production and lower costs enabling solid shareholder returns

Highlights¹

- Group saleable coal production of 5.4Mt, an increase of 32.9 per cent (31 January 2024: 4.1Mt) reflecting the continued execution of our organic growth plans.
- Group Free on Rail (FOR) cash costs of \$55.5/t, representing a reduction of 23.5 per cent (31 January 2024: \$72.5/t) driven by increased coal production and disciplined cost control.
- Discontinuance of OCAA's² legal challenge in relation to the associated water license granted to New Acland Stage 3, providing certainty for the community and our operations.
- Underlying EBITDA³ of \$517.3 million (31 January 2024: \$424.8 million).
- Net profit after tax of \$340.3 million (31 January 2024: \$251.7 million).
- Net cash flow from operating activities of \$316.9 million (31 January 2024: \$130.6 million), and available cash⁴ of \$805.0 million (31 July 2024: \$824.5 million).
- Increased equity interest in Malabar Resources Limited from 19.97 per cent to 22.97 per cent.
- 2025 fully franked interim dividend declared of 19.0 cents per ordinary share payable to shareholders on 9 April 2025 (31 January 2024: 17.0 cents per ordinary share).
- Announcement of an on-market share buy-back of up to \$100 million, providing further shareholder returns.

New Hope Corporation Limited (**ASX:NHC**) (the **Company** or **New Hope**) has reported net profit after tax of \$340.3 million for the half year, up 35 per cent compared to the first half of the 2024 financial year, as production increases and unit costs decrease.

During the half, Bengalla Mine achieved steady state operations following completion of the Bengalla Growth Project, and is now operating at the targeted 13.4Mtpa ROM run rate.

¹ Figures reflect New Hope Group equity interest basis.

² Oakey Coal Action Alliance.

³ Underlying earnings before interest, tax and depreciation and amortisation (EBITDA) is a non-IFRS measure.

⁴ Includes cash and cash equivalents and fixed income investments, which are reported as other financial assets.

For personal use only

FY25 Half Year Results & On-Market Share Buy-Back

The continued ramp-up of New Acland Mine delivered a further lift in coal production. In addition, the conclusion of the Oakey Coal Action Alliance's legal challenge provides certainty for the community and a clear runway to reach production of ~5Mtpa by developing the Manning Vale West mining area.

During the half, New Hope increased its equity interest in Malabar Resources Limited to 22.97 per cent, further growing exposure to high-quality metallurgical coal in alignment with the Company's strategy of investing in low-cost coal assets with long-life approvals.

As part of the Company's capital management program, an on-market buy-back of up to \$100 million has been announced, along with a fully franked interim dividend declared of 19.0 cents per ordinary share.

Comments attributable to New Hope Chief Executive Officer Rob Bishop:

"We have had a strong first half, with our Bengalla Mine now operating at 13.4Mtpa capacity and New Acland Mine now having a clear runway to achieving ~5Mtpa run rate by 2027."

"Earnings are up compared to the first half of 2024, even as the coal price has declined, thanks to our continued focus on cost control and execution of our organic growth plans. This outcome demonstrates our low-cost operations' greater resilience to coal price fluctuations."

"As a result of this performance, we are able to return value to shareholders by way of a fully franked interim dividend of 19.0 cents per ordinary share. In addition, we are pleased to announce the start of an on-market share buy-back of up to \$100 million."

"We remain focused on ramping up production at New Acland Mine and sustaining increased production at Bengalla Mine, while continuing our disciplined approach to cost control. Our performance in the first half of the year has us tracking very well in terms of our guidance ranges."

Notification of Share Buy-Back

The Company is pleased to announce its intention, as part of ongoing capital management, to undertake an on-market buy-back of ordinary shares. Taking into account the Company's future expected operating and cash flow requirements and the prevailing market share price, the Board has unanimously approved an on-market buy-back of ordinary shares for up to \$100 million to commence on or about 1 April 2025 and to be completed within 12 months of the date of this announcement (the Buy-Back).

The Buy-Back is subject to prevailing share price and market conditions and will be executed at the Company's discretion.

The Board and Management consider the Company's current share price does not accurately reflect the underlying value of the Company's assets and the Buy-Back represents an opportunity to enhance the value of the remaining shares on issue. Given the Company's cash balance and earnings from its fixed income portfolio, together with its low-cost operations providing greater resilience against coal price fluctuations, the Board and Management believe the Buy-Back is an opportunity to provide an efficient and balanced form of capital management.

Comments attributable to the Company's Chairman Robert Millner AO:

"The Board carefully considers a range of methods to return surplus capital to shareholders, and seeks to action those which maximise value."

"The Company expects ongoing cash generation from its operations as we execute our targeted coal production increases, which provides important energy security to our customers and the regions they service."

FY25 Half Year Results & On-Market Share Buy-Back

“We believe the Buy-Back will benefit all our shareholders via a reduction in the number of shares on issue, thereby supporting the Company’s return on equity, earnings per share and dividend per share, for all shareholders who continue to hold shares in the Company.”

On-market share Buy-Back

The Buy-Back will otherwise be undertaken in accordance with the terms specified in the Appendix 3C dated 18 March 2025.

The Buy-Back will be conducted in the ordinary course of trading over the next 12 months. The final amount of the Buy-Back and the exact timing of any trades made from time to time will depend on a number of factors including market conditions, the Company’s prevailing share price, its future capital requirements and consideration of any unforeseen developments or circumstances that may arise in the course of the Buy-Back.

Accordingly, there is no assurance that the Company will buy back any or all of the \$100 million worth of shares contemplated. The Company reserves the right to suspend or terminate the Buy-Back at any time (having regard to the previously mentioned factors and the best interests of the Company).

The Buy-Back will fall within the “10/12” limit permitted under the Corporations Act and does not require shareholder approval. The “10/12” limit for a company proposing a buy-back is 10 per cent of the smallest number of votes attached to the Company’s ordinary shares at any time during the past 12 months.

Consistent with the requirements of the Corporations Act, the Company will immediately cancel any shares acquired by it under the Buy-Back.

Future capital management actions

The Company will continue to assess various options to return capital to shareholders. The exact nature, amount and timing of any future capital returns beyond the Buy-Back announced today will be dependent upon market conditions and capital outlook at the relevant time.

In addition, the Company has franking credits available for distribution and its current intention is to maintain payment of fully franked dividends as a core component of its capital management strategy.

ENDS

FY25 Half Year Results Webcast

The Company will host a webcast to provide an overview of the FY25 Half Year Results, followed by a Q&A session.

Date: Tuesday, 18 March 2025

Time: 11.00am (AEDT)

Registration: <https://www.streamgate.co/new-hope-group-hy2025>

For more information, please contact:

Robert Bishop
Chief Executive Officer

Rebecca Rinaldi
Chief Financial Officer

Dominic O’Brien
Executive General Manager & Company Secretary

P +61 7 3418 0500

E cossec@newhopegroup.com.au This ASX announcement was approved and authorised by the Board.

For personal use only