

COMPLETION OF TRANSFORMATIONAL ACQUISITIONS OF MATRIX HYDRO SERVICES AND BLUE HIRE

- Fully integrated water services platform with early market entry points and strong downstream execution capacity
- Strategic acquisitions completed at attractive multiples, driving immediate EBITDA uplift, earnings accretive
- Growth in revenue from recurring clients & high-margin operations across all business units
- Disciplined capital management, with no material capex and a focus on debt reduction
- Clear growth trajectory underpinned by a scalable platform and operational momentum

Specialist resources services provider Babylon Pump & Power Limited ("Babylon", "the Company" or "the Group") (ASX: BPP) is pleased to confirm the successful completion of both the Matrix Hydro Services and Blue Hire acquisitions, further solidifying its position as a specialist provider of integrated rental and technical water services.

Settlement occurred on 1 August 2025, marking the successful legal transfer of both businesses into the Babylon group. Matrix Hydro and Blue Hire are now fully operational within Babylon's consolidated structure, with collaborative teams, assets and systems now actively integrated.

Transformational Acquisitions with Robust Strategic Rationale

Matrix Hydro Services significantly strengthens Babylon's front-end presence in the mining water lifecycle. Specialising in aquifer testing and groundwater solutions, Matrix provides a crucial early entry point into mining projects – positioning Babylon to establish relationships before major dewatering and water management contracts are awarded.

Matrix's diagnostic services align perfectly with Babylon's broader rental and water services platform, enabling a smooth transition from testing to full-site implementation. The Group is already realising this synergy, with Matrix and Babylon jointly supporting projects across WA and the NT.

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Blue Hire expands Babylon's rental footprint with a pure dry hire model focused on pumps, generators and hydrotesting services. Located in Bunbury, Blue Hire adds geographic depth to Babylon's WA operations and opens access to new long-term clients.

With minimal client overlap and complementary fleet profiles, integrating Blue Hire allows the Group to capitalise on cross-hiring opportunities and fleet flexibility. Blue Hire's high-margin business also expands and improves Babylon's earnings base, with a consistent EBITDA profile and significant opportunities to cross-sell additional Babylon capabilities into Blue Hire's customer base.

Consideration Summary

Matrix Hydro Services

- Upfront consideration: \$2.0 million in cash + \$0.5 million in shares
- Earn-out: Up to \$1.1 million cash based on FY26 EBITDA performance (1.0x FY26 EBITDA > \$800k)

Blue Hire

- Upfront consideration: \$16.35 million in cash + \$1.635 million in shares
- Deferred consideration: Up to \$6.97 million cash + \$1.23 million in shares (contingent on FY26 EBITDA)

Purchase Price Multiples

Business	EBITDA Basis (FY26 ¹)	Total Upfront Consideration	Multiple	Including All Equity	Multiple
Matrix Hydro	\$1.1 million	\$2.5 million	2.5×	\$3.6 million	3.5×
Blue Hire	\$6.8 million	\$18.0 million	2.5×	\$26.2 million	3.8×

Both acquisitions remain highly accretive, with acquisition multiples within or below comparable industry benchmarks, even after including share-based consideration.

Babylon shares (valued at \$0.005 per share, based on the 5-day VWAP preceding the date of issue) were issued to vendors on 1 August 2025. Performance-based earn-out securities (if any) will be issued in accordance with deal timelines post-FY26.

¹ Based on FY24

Outlook for the Combined Group

The completion of the acquisitions of Matrix Hydro Services and Blue Hire reinforces Babylon's strategy to become a high-margin, integrated platform for rental and technical water services across every phase of mine development and operations. It delivers fully operational businesses with existing client bases, early-stage market entry and minimal integration risk. The combined business brings increased fleet scale, new revenue streams from recurring clients and a larger footprint across key mining regions.

Both acquisitions add high-margin EBITDA uplift and extend cash flow visibility into FY26 and beyond. With both Matrix and Blue Hire trading in line with expectations and integration already yielding operational synergies, Babylon enters FY26 positioned for sustained earnings growth, stronger utilisation and improved cash conversion. The Group's expanded capabilities also enhance its ability to pursue additional contract wins across the mining sector.

Michael Shelby, Babylon Managing Director and CEO, said:

"With Babylon's acquisitions of both Matrix and Blue Hire now completed, we have expanded our toolbox and our scale - allowing us to deliver end-to-end water and equipment services to mining clients. The business combination brings strong recurring clientele, high margin revenue and low-risk synergies, all at attractive acquisition multiples. We are well on the way to integrating Matrix and Blue Hire into our platform and these businesses are delivering strong value from day one. I am fiercely determined to make BPP a business of consequence in the equipment rental space & as a shareholder am very excited for the future prospects of BPP"

This announcement marks a key milestone in Babylon's inorganic growth journey. The Company remains focused on disciplined integration, cash generation and strategic expansion through profitable acquisitions.

BPP Capital Structure

Following the issue of acquisition shares, the Company's capital structure will be as follows:

BPP Capital Structure	Number
Ordinary Shares (BPP)	3,806,890,974
Performance Rights	251,158,508

This ASX release has been authorised by Managing Director Michael Shelby.

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About Babylon Pump & Power Ltd

Babylon Pump & Power Ltd (ASX: BPP) is a provider of speciality mining services to the resources sector in Australia. The company is a specialist in high-pressure pumping, dewatering and project water management with decades of experience supplying and maintaining equipment in remote and offshore locations. Babylon also provides a full range of speciality power generation solutions, including system design, installation, commissioning, operations and maintenance services.

With a team of highly experienced technicians, Babylon also provides full maintenance and asset management services for high-horsepower mobile equipment including engines, power train assemblies and components. Babylon is based in Perth with operations in Western Australia and Queensland.