

## Babylon September 2025 Quarterly Update and Appendix 4C

- Net operating cash inflow of \$1.6m with \$8.7m in cash receipts
- Rental segment performing in line with expectations with multiple new contract wins
- Matrix Hydro Services and Blue Hire performing to expectations following completion of both acquisitions on 1 August 2025, with upside from new contract wins
- Maintenance segment impacted by ongoing cost deferrals in mining
- Receivables decreased to \$6.2m, reflecting improved collections across combined group

Specialist resources services provider Babylon Pump & Power Limited (“Babylon” or “the Company”) (ASX: BPP) is pleased to present a quarterly update and cash flow report for the period ended 30 September 2025 (Q1 FY26).

### Cash Flow Commentary

The Company recorded a net operating cash inflow of \$1.6m for the quarter with receipts from customers of \$8.7 million. This reflects a partial period of contribution from the recently acquired Matrix Hydro Services and Blue Hire businesses, which completed on 1 August 2025.

Investing outflows of \$18.6m primarily relate to the two acquisitions settled during the period, with corresponding financing cash inflows of \$16.3m reflecting the drawdown of a new debt facility to support the acquisitions and refinance legacy debt. Cash at bank on 30 September 2025 was \$2.3m.

Commenting on the results, Babylon Managing Director Michael Shelby said:

*“We’ve seen a strong start to the new financial year from our Rental division, supported by a growing pipeline of water management contracts and early positive signs from Matrix and Blue Hire. We are seeing opportunities for rental and are executing as available capital permits. The Maintenance market remains cyclical and is in a challenging phase, with coal and iron ore producers continuing to cut costs and defer maintenance activities, but we’re well positioned to benefit as & when delayed work programs inevitably return. Most importantly, the quarter marked the successful completion of our two strategic acquisitions, which together expand our fleet, footprint and capability to deliver end-to-end water management and rental solutions.”*

<sup>1</sup> All financial figures provided in this announcement are unaudited.

## Operations Update

### *Rental Segment*

Babylon's expanding rental operations, including contributions from Matrix and Blue Hire (for August and September), have increased the segment's EBITDA contribution 87% vs the previous quarter:

- Test pumping activity remained steady across gold and base metal projects in WA and the NT
- Babylon was awarded and commenced new works for a dewatering contract at the Cockatoo Island (WA) iron ore mine, which will continue to ramp up through Q2 FY26
- The HIGRA pump distribution partnership continued to gain traction with new pump supply and maintenance wins across Australia in multiple sectors
- Babylon's scope of works with existing water management and dewatering contracts continues to grow as client's mining plans evolve
- The Company is actively mobilising additional available fleet to meet demand and fulfil anticipated new project starts in Q2

Integration of Matrix and Blue Hire has progressed well, with shared project delivery and no operational disruption. Cultural alignment remains a key focus.



**Cockatoo Island dewatering**



Test pumping activity in remote Western Australia



Representatives from HIGRA Pumps during their recent visit to Australia

For personal use only

### *Maintenance Segment*

As anticipated, maintenance activity remained heavily subdued in Q1 as clients across the iron ore and coal sectors continued to defer spending on non-critical repairs. Revenues are materially lower than the prior year as the broader Australian mining and resources services sector remains under pressure from budget constraints, delayed capital works and an increasing emphasis on cost control.

- Demand was strongest for parts and components, while large engine rebuilds were delayed
- The Company used the opportunity to clear internal repair backlogs and support clients with low-cost, quick-turnaround solutions for ancillary equipment
- A new senior sales resource was added in Queensland to enhance customer engagement and quoting activity

Management maintains a conservative approach to cost and inventory in this segment, with expectations of a cyclical rebound as deferred maintenance becomes urgent during FY26.

### **Outlook**

Babylon enters Q2 FY26 with momentum in its Rental business and the integration of Matrix and Blue Hire well advanced. After a weak quarter in the Maintenance division, there are signs of improvement appearing through increased quoting activity. Key areas of focus include:

- Adding Rental assets to fleet, subject to funding availability, to meet contract wins and mobilising works in Q2
- Maximising fleet utilisation and operational synergies across the combined group
- Capitalising on test pumping and dewatering contracts to deepen customer relationships
- Continuing integration activities, with a key focus on preserving culture of successful businesses
- Maintaining cost discipline and targeting profitable growth in Rental and Maintenance
- Continued application of operating cash generation to meet debt reduction and sinking fund obligations

The Board is pleased with the significant growth achieved in the rental business, which has become the primary focus for the Company following the two recent acquisitions. Our priority is to apply operating cash generation to meet associated funding obligations whilst capitalising on growing the rental business with available funding resources

For the purpose of ASX Listing rule 4.7C.3, payments to related parties or associates of Babylon during the quarter totaled \$62k. The payments were in respect of director fees and superannuation (\$42k), and contract finance services of (\$20k) on market related commercial terms to Ms Bower.

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.

## Appendix 4C

### Quarterly cash flow report for entities subject to Listing Rule 4.7B

<b>Name of entity</b>		
Babylon Pump & Power Limited		
<b>ABN</b>	<b>Quarter ended ("current quarter")</b>	
47 009 436 908	30 September 2025	
<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	8,710	8,710
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(3,010)	(3,010)
(c) advertising and marketing	-	-
(d) leased assets	-	-
(e) staff costs	(3,329)	(3,329)
(d) administration and corporate costs	(248)	(248)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	2	2
1.5 Interest and other costs of finance paid	(226)	(226)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (Debt arrangement costs)	(349)	(349)
<b>1.9 Net cash from / (used in) operating activities</b>	<b>1,550</b>	<b>1,550</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	(18,350)	(18,350)
(c) property, plant and equipment	(280)	(280)

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.2	Proceeds from disposal of		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(18,630)</b>	<b>(18,630)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	28,854	28,854
3.6	Repayment of borrowings	(12,516)	(12,516)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>16,338</b>	<b>16,338</b>

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	3,065	3,065
4.2	Net cash from / (used in) operating activities (item 1.9 above)	1,550	1,550
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(18,630)	(18,630)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	16,338	16,338
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>2,323</b>	<b>2,323</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	2,323	3,065
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>2,323</b>	<b>3,065</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1	62
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

*Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.*

<b>7. Financing facilities</b>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	27,674	(25,194)
7.2 Credit standby arrangements	-	-
7.3 Other: Invoice finance facility	5,100	(2,187)
<b>7.4 Total financing facilities</b>	<b>32,774</b>	<b>(27,380)</b>
<b>7.5 Unused financing facilities available at quarter end</b>		<b>5,394*</b>
* Amortising loans are unable to be redrawn		
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.	
	<ul style="list-style-type: none"> <li>• NAB asset finance facility with a \$5,000,000 revolving line of credit, NAB daily variable rate, with the interest rate fixed for the term of each drawing, secured by a GSA</li> <li>• NAB 5-year term loan facility of \$21,174,000, BBSY +3.5%, secured by GSAs over group assets and guarantees from group entities</li> <li>• Toyota Fleet Management asset finance facility \$750,000, rate variable +/- 7.30%, secured by GSA, subject to review</li> <li>• Caterpillar Financial Australia Limited \$750,000 amortising trade finance loan with a fixed interest rate of 5.29% p.a, secured by a parent company guarantee</li> <li>• Westpac \$440,513 amortising Premium Funding Loan with a 3.75% flat rate</li> <li>• NAB invoice finance facility with a \$5,100,000 revolving line of credit, NAB daily variable rate +1.50%, secured by a GSA</li> </ul>	

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	1,550
8.2 Cash and cash equivalents at quarter end (item 4.6)	2,323
8.3 Unused finance facilities available at quarter end (item 7.5)	5,394
8.4 Total available funding (item 8.2 + item 8.3)	9,266
<b>8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>	<b>N/A</b>
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6	If item 8.5 is less than 2 quarters, please provide answers to the following questions:
8.6.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?
	Answer: N/A

8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: N/A

8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

*Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.*

## Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 31 October 2025

Authorised by: By the board

## Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.