

## Babylon March 2026 Quarterly Update and Appendix 4C

### Highlights:

- Rental segment delivering record revenue and on track to exceed full year budget, with improving utilisation and earnings quality
- Net operating cash inflow of \$0.9m (+215% YoY) with \$9.5m in cash receipts (+70% YoY), reflecting increased scale and activity<sup>1</sup>
- Secured extension of key pump hire contract with Talison Lithium (~\$3m p.a.), highlighting strength of Tier 1 customer relationships
- Completed divestment of Ausblast, simplifying the business and sharpening focus on high-margin water management rental activities

Specialist resources services provider Babylon Pump & Power Limited (“Babylon” or “the Company”) (ASX: BPP) is pleased to present its quarterly update and cash flow report for the period ended 31 March 2026 (Q3 FY26).

The quarter reflects continued strong demand in the Company’s rental segment, with improving utilisation and earnings quality as Babylon executes its strategy to build a scaled, high-margin water management platform. Utilisation has improved to a level where the Company has selectively cross-hired in additional equipment to meet elevated demand.

### Cash Flow Commentary

The Company recorded a net operating cash inflow of \$0.9 million for the March quarter (+215% from Q3 FY25), driven predominantly by increased activity in the high margin rental segment as receipts from customers reached \$9.5 million (+70% from Q3 FY25).

Operating cash flow reflects higher working capital to support increased activity across the rental business, with receivables timing aligned to higher levels of project delivery late in the quarter. These are expected to convert in the near term and are consistent with the growth trajectory of the business.

Cash at bank on 31 March 2026 was \$0.6m and undrawn finance facilities were \$3.7m.

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

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

*“Babylon continues to build momentum in its core rental business, with improving utilisation and strong demand across water management activities. The January holiday period is traditionally slower for site-based activity, however we are encouraged by the improvement in operational cash flow as it reflects the underlying profitability of the rental segment. The business is increasingly demonstrating the characteristics we are targeting – higher margins, more predictable earnings on increasing utilization and stronger cash generation.*

*“Our contract extension with long-term customer Talison Lithium underpins further confidence in the strength of the rental segment. I am proud of our team and their daily efforts to power the business forward, and as we continue to scale the platform, our focus remains on disciplined growth, operational execution and delivering long-term value for shareholders.”*

## **Operations Update**

### *Rental Segment*

Following two key acquisitions in August 2025, Babylon's rental business is increasingly benefiting from its expanded capability and integrated service offering, allowing the Company to engage earlier in project lifecycles and capture a greater share of customer spend across water management activities.

The mix of work continues to shift toward higher-margin rental and technical services across a range of commodities, supporting improved earnings quality and reducing reliance on labour-intensive activities.

Operational integration of the Matrix and Blue Hire acquisitions continues smoothly with each business supporting and providing resources across the Group. Integration of the Matrix and Blue Hire acquisitions continues to progress well, with full financial integration expected by FY26 year end as earnout periods come to an end.

Recent rental segment activity included:

- Babylon was awarded 2 x 2-year option extensions of its contract for Mine Dewatering Services with Talison Lithium Pty Ltd. Historically the contract has delivered ~\$3.0m in annual rental revenue.
- Divested non-core Ausblast business at EBITDA multiple of ~5.6x (see ASX announcement of 21 January 2025).
- Mobilised seasonal contracted pumps for the dewatering contract for Piper Preston Pty Ltd SO4 Project.

The Company continues to see a strong pipeline of opportunities, with increasing enquiry levels from both existing and new clients, underpinning confidence in continued growth in utilisation and earnings. This momentum reinforces the Company's transition to a higher-margin, more predictable rental-led earnings profile.

### *Maintenance Segment*

The Maintenance segment continues to operate in subdued market conditions, with activity levels broadly consistent with the first six months. The business has been right-sized to align with current demand and is operating around breakeven levels, with Q3 revenue increasing slightly to be the strongest revenue quarter of FY26 to date.

Consistent with its strategic focus on water management, the Company continues to evaluate options for a near-term exit from the Maintenance segment.

### **Strategy and Positioning**

Babylon continues to execute its strategy of building a scaled, high-margin water management platform, with a focus on rental and technical services.

The Company's recent portfolio actions, including the divestment of non-core operations and continued investment in rental capability, are simplifying the business and enhancing its earnings profile.

This strategic focus is expected to support improved earnings predictability, stronger margins and increased returns on capital over time.

### **Outlook**

Babylon enters Q4 FY26 with strong momentum in its Rental business, supported by improving utilisation, a growing pipeline of opportunities and favourable underlying market conditions in water management. The Company expects to deliver full year FY26 revenue of \$27-28m and underlying EBIT of approximately \$3.0m.

Key areas of focus include:

- Expanding the Rental fleet, subject to funding availability, to support contract wins and customer demand
- Maximising fleet utilisation and operational synergies across the combined group with an eye on asset rotation focusing on highest financial utilisation equipment
- Managing maintenance segment costs while evaluating long term commitment to the segment
- Financial discipline remains a priority, with continued emphasis on managing working capital, optimising fleet investment and reducing net debt

For the purpose of ASX Listing rule 4.7C.3, payments to related parties or associates of Babylon during the quarter totaled \$96k. The payments were in respect of director fees and superannuation.

This ASX release has been authorised by the Board.

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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

**Name of entity**

Babylon Pump & Power Limited

**ABN**

47 009 436 908

**Quarter ended ("current quarter")**

31 March 2026

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	9,544	29,803
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(5,301)	(14,538)
(c) advertising and marketing	-	-
(d) leased assets	-	-
(e) staff costs	(2,662)	(8,101)
(f) administration and corporate costs	(345)	(880)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	1	12
1.5 Interest and other costs of finance paid	(365)	(1,170)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (incl Debt arrangement costs)	-	(349)
<b>1.9 Net cash from / (used in) operating activities</b>	<b>872</b>	<b>4,778</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	(18,350)
(c) property, plant and equipment	(482)	(1,564)
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-
2.2 Proceeds from disposal of		
(a) entities	-	-
(b) businesses	2,800	2,800
(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 (Term Deposit)	-	329
<b>2.6 Net cash from / (used in) investing activities</b>	<b>2,318</b>	<b>(16,785)</b>

<b>3. 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	3,950	40,683
3.6 Repayment of borrowings	(7,683)	(31,084)
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	(14)
<b>3.10 Net cash from / (used in) financing activities</b>	<b>(3,733)</b>	<b>9,586</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	1,187	3,065
4.2	Net cash from / (used in) operating activities (item 1.9 above)	872	4,778
4.3	Net cash from / (used in) investing activities (item 2.6 above)	2,318	(16,785)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(3,733)	9,586
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>644</b>	<b>644</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	644	1,187
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>644</b>	<b>1,187</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	96
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<p><i>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.</i></p>		

<b>7. Financing facilities</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>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1 Loan facilities	25,114	(22,866)
7.2 Credit standby arrangements	-	-
7.3 Other: Invoice finance facility	2,200	(743)
<b>7.4 Total financing facilities</b>	<b>27,314</b>	<b>(23,609)</b>
<b>7.5 Unused financing facilities available at quarter end</b>		<b>3,706</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.		
<p>Facilities as at 31st March 2025:</p> <ul style="list-style-type: none"> <li>NAB asset finance facility with a \$2,000,000 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>\$240,000 amortising Premium Funding Loan with a 2.95% flat rate</li> <li>NAB invoice finance facility with a \$2,200,000 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)	871
8.2 Cash and cash equivalents at quarter end (item 4.6)	644
8.3 Unused finance facilities available at quarter end (item 7.5)	3,706
8.4 Total available funding (item 8.2 + item 8.3)	4,349
<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: 29 April 2026

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.