BABYLON PUMP & POWER LTD

29 July 2026

BABYLON EXECUTES STRATEGIC SALE OF MAINTENANCE BUSINESS

Specialist resources services provider Babylon Pump & Power Limited (ASX: BPP) ("Babylon" or "the Company") is pleased to announce that it has executed a Share Purchase Agreement ("SPA") with Maximor Nominees Pty Ltd, trading as Westralian Diesel, for the sale of 100% of the issued share capital in Primepower Queensland Pty Ltd ("PPQ").

Providing an exit for the Company from the maintenance segment, the transaction represents a further milestone in Babylon's strategic transformation and sharpens the Company's focus on its core water management rental business.

Westralian Diesel is a Western Australia-based heavy-duty equipment maintenance and repair business providing specialised mechanical and maintenance services to the mining, automotive and power generation industries across Western Australia.

Transaction Highlights

- **Binding Share Purchase Agreement executed for the sale of 100% of PPQ**
- **Initial purchase price of $150,000, subject to customary post-completion adjustments for working capital and net debt**
- **Completion expected by the end of July 2026, subject to satisfaction of customary conditions precedent**
- **Provides Babylon with a clean exit from the maintenance business through a share sale structure, with no ongoing operating liabilities associated with PPQ**
- **Simplifies the Group's operating structure and supports the Company's ongoing corporate restructuring and cost reduction initiatives**
- **Further sharpens Babylon's strategic focus on its specialist water management rental business**

Strategic Rationale

The sale of PPQ is consistent with Babylon's previously announced strategy to simplify the Group and focus on its higher-margin, higher-growth water management rental operations.

Following completion, management will be able to concentrate its resources on growing the Company's specialist water management rental platform, supported by the recapitalisation initiatives currently underway.

The transaction is also expected to simplify the Group's corporate structure, support ongoing cost reduction initiatives and improve operational focus.

Financial Impact

Completion of the transaction is expected to result in a non-cash pre-tax accounting write-down of approximately $5.0 million, primarily relating to legacy engines and inventory associated with the maintenance business.

The accounting write-down does not impact the Company's cash position and reflects Babylon's strategic decision to exit the maintenance segment and focus future capital allocation on its core rental operations.

Babylon Managing Director, Michael Shelby, said:

"The sale of Primepower Queensland is another important milestone in Babylon's strategic transformation. It completes our exit from the maintenance segment and allows us to sharpen our focus on our specialist water management rental business, where we see the strongest long-term growth opportunities."

"Together with the recapitalisation currently underway, this transaction simplifies and strengthens the Company and positions Babylon to invest in the continued growth of its core rental operations."

Babylon will provide a further update following completion of the transaction.

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.

Forward-Looking Statements

This announcement contains forward-looking statements that involve risk and uncertainties. Indications of, and guidelines or outlook on, financial position and returns, performance, targets, timelines, estimates and assumptions in respect of production, prices, operating and other costs, capital expenditures and development timelines are forward looking statements. These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions and estimates regarding future events and actions that, while considered reasonable as at the date of this announcement are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies.

Forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the directors and management. We cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this announcement will actually occur and readers are cautioned not to place undue reliance on these forward-looking statements. These forward-looking statements are subject to various risk factors that could cause actual events or results to differ materially from the events or results estimated, expressed or anticipated in these statements