



BABYLON
PUMP & POWER LTD

25 February 2026

Babylon H1 FY26 Half Year Results

Rental Platform Expansion Underpins Operational Cash Flow;
Strategic Repositioning Toward Water Management Underway

Highlights:

- H1 FY26 revenue of \$17.6M (H1 FY25: \$17.4M)
- Underlying EBITDA of \$3.0M (H1 FY25: \$3.0M)
- Operational cash inflow of \$4.24M, up 52% on PCP
- Transformational expansion of rental platform following completion of Matrix Hydro Services and Blue Hire acquisitions on 1 August 2025
- Divestment of non-core Ausblast business completed post period end, sharpening strategic focus on water management
- Secured new 5-year corporate debt facility to support expanded rental operations
- Share consolidation completed to simplify capital structure
- Appointment of experienced Chief Financial Officer, strengthening governance and financial discipline

Specialist resources services provider Babylon Pump & Power Limited ("Babylon" or "the Company") (ASX: BPP) is pleased to present its Half Year Report for the six months ended 31 December 2025 ("H1 FY26").

Transformational Period for Rental Platform

H1 FY26 marked a pivotal period for Babylon, with the completion of the Matrix Hydro Services and Blue Hire acquisitions on 1 August 2025, materially expanding the Group's rental fleet, technical capability in water management and geographic footprint.

The rental segment delivered revenue of \$14.2M, up 212% on the prior corresponding period, and Underlying EBITDA of \$5.4M, both ahead of budget and reflecting strong organic performance and immediate contributions from the acquired businesses. Fleet utilisation



improved progressively through the half, supported by increased activity across multiple commodity sectors and enhanced deployment flexibility from the enlarged fleet.

The Group's expertise and performance in water management systems was endorsed by Newmont Corporation, the world's largest gold mining company, through the award of a new 3-year contract for a wide range of pumping equipment and maintenance at Boddington Gold Mine, expected to generate approximately \$3M revenue per annum, providing multi-year revenue visibility.

Maintenance Segment Impacted by Market Conditions

The Maintenance segment was impacted by a deterioration in the market during the six months, particularly in the Queensland coal sector where non-essential maintenance expenditure was deferred amid cost pressures across the entire sector. Segment revenue declined to \$3.4M (H1 FY25: \$12.8M).

Despite these headwinds, proactive cost management initiatives enabled the segment to trade close to breakeven during the half. Management has right sized the business to reflect current activity levels while preserving core technical capability to respond as market conditions normalise.

Underlying Performance and One-Off Adjustments

Statutory results reflect non-cash items associated with acquisition accounting and portfolio repositioning.

Underlying EBITDA of \$3.0M excludes:

- \$3.875M of deferred acquisition costs being expensed as a non-cash employment benefit; and
- \$2.26M impairment associated with the divestment of Pilbara Trucks Pty Ltd (Ausblast), completed subsequent to period end.

The statutory loss after tax for the period was \$7.16M (H1 FY25: profit \$0.4M).

Importantly, the Group generated operating cash inflow of \$4.24M, demonstrating the underlying cash-generative nature of the expanded rental platform.

Strengthened Capital Structure and Governance

In conjunction with the August acquisitions, Babylon secured a new five-year corporate markets loan facility with National Australia Bank to fund the enlarged rental platform.

During the period, shareholders approved a 30-for-1 share consolidation to simplify the Company's capital structure and enhance institutional accessibility.

In February 2026, Mr Paul Connolly commenced as Chief Financial Officer, bringing more than 25 years' experience in senior finance leadership roles within global industrial businesses, further strengthening the Company's governance and financial oversight framework.

Strategic Portfolio Repositioning

Subsequent to period end, Babylon completed the divestment of its non-core industrial services business, Pilbara Trucks Pty Ltd (trading as Ausblast), for \$2.8M in cash. The transaction reduces operational complexity, lowers risk exposure and sharpens the Group's focus on its higher-margin rental and water management platform.

Following the acquisitions and divestment, Babylon's earnings profile is now weighted more heavily toward specialist rental and technical water management services, reducing exposure to lower-margin contracting activities.

Outlook

Babylon enters the second half of FY26 with:

- A materially expanded rental fleet and technical capability.
- Improved fleet utilisation trends.
- A more diversified commodity exposure across a range of commodities, including gold and iron ore.
- A simplified portfolio focused on integrated water management solutions; and
- Demonstrated operating cash flow generation.

The Board remains focused on optimising capital allocation, debt reduction and reinvestment in the higher-margin rental platform to drive sustainable shareholder value and has a number of opportunities ahead of it in the second half.

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.

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