

## Babylon H1 FY25 Half Year Results

### Stronger Profitability and Cash Generation in H1 FY25

#### Highlights

- Strong margin expansion underpins H1 FY25 EBITDA of \$3.0M and NPAT of \$0.4M
- H1 FY25 Group revenue of \$17.4M, with revenue expected to improve in H2 based on high demand for test pumping services, multiple new rental projects expected to mobilise and maintenance enquiries and rebuild activities stepping up in the new calendar year
- Babylon expects FY25 to be its fourth full year posting positive operational cashflow
- \$4.4M of undrawn finance facilities available plus receivables of \$4.4M from blue chip client base to support continued growth

Specialist resources services provider Babylon Pump & Power Limited ("Babylon", "the Company" or "the Group") (ASX: BPP) is pleased to present its results and Half Year Report for the six months ended 31 December 2024 ("H1 FY25").

The Group has experienced a solid improvement in EBITDA margin to start FY25 and has delivered growth in net profit in comparison to the previous corresponding period (H1 FY24). Operational discipline has increased Group profitability and positioned Babylon for continued profit growth in the second half with revenues anticipated to increase.

Previously-flagged setbacks in the nickel and lithium sectors resulted in lower revenues during H1 as project and supplier delays shifted the start of several rental projects; however, Babylon expects revenue to improve in the second half of FY25 based on increased test pumping activity and multiple new rental projects expected to mobilise. Demand for rental services remains strong in other minerals sectors and Babylon is progressing opportunities to remobilise equipment to other mining projects. Babylon continues to see high utilisation of rental assets and high demand for test pumping services.

The Group remains focused on growing its specialty rental capabilities with the introduction of hybrid power units and sprayer-less evaporators, both of which support clients' emission reduction goals. The Australian distributorship with Brazilian based HIGRA Industrial, announced

as part of the September quarterly update, has proven successful with Babylon receiving first orders during the reporting period.

In the Maintenance segment, operational efficiencies supported growth in EBITDA from a lower revenue base in H1 FY25. Significant improvement in EBITDA is a result of holding overheads steady while continually improving business processes. Higher EBITDA margins are expected to continue with increased revenue in the second half.

After a seasonally slow period around the holidays, both enquiries and rebuild activities have stepped up in the new calendar year, with the Group's workshops in Perth and Mackay both experiencing strong customer demand for engine rebuild services. The Group has secured an extension of its repair services contract with Rio Tinto executed out of the Perth workshop until mid-2027, and organic revenue growth has grown supported by recurring works from existing clients. Primepower Qld has secured multiple engine rebuild orders for a large contract miner, which will underpin a high level of activity in Mackay across H2 FY25.

The Board is pleased with the continuing improvements in business performance, cashflow, safety and strategy execution, and Babylon expects FY25 to be its fourth full year posting positive operational cashflow. Babylon continues to add new assets while driving organic growth in the rental segment and remains alert for potential acquisitions to build rental scale and expand the Company's capabilities in the mining services sector.

With the Group's loan facilities successfully restructured in early H2 FY25, Babylon's borrowing costs are coming down, with new terms reflective of Babylon's strengthening financial position. In addition to \$665k of cash at bank, Babylon has \$4.4M of undrawn finance facilities available plus trade receivables of \$4.4M from a blue chip client base to support continued growth.

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.