



(ASX: BPP)

AGM PRESENTATION

28 NOVEMBER 2024

RECORD REVENUE | MAIDEN NPAT
\$6M EBITDA | DE-LEVERAGING BALANCE SHEET

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ABOUT BABYLON PUMP & POWER LTD



GROWING A PORTFOLIO OF SPECIALTY, ESSENTIAL SERVICES HIGHLY VALUED BY MAJOR RESOURCES COMPANIES



Rental of specialised water management equipment and specialist services



Rental of portable hybrid power and traditional generation



Unique rental offerings to assist clients in their carbon reduction efforts

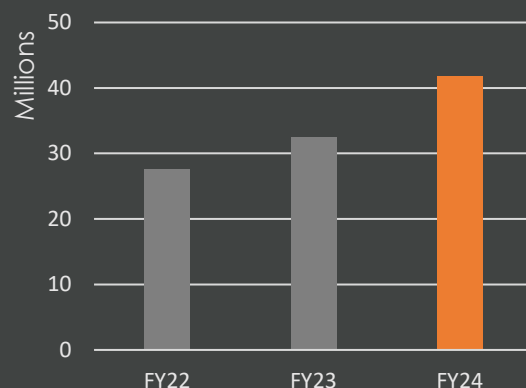


Critical engine rebuilding services to keep clients operating efficiently



FY24 FINANCIAL HIGHLIGHTS

REVENUE

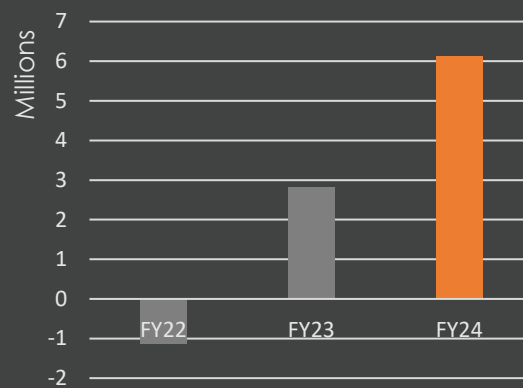


\$41.7m

Up 28% from
\$32.5m FY23

~29% CAGR since ASX listing in FY18

EBITDA

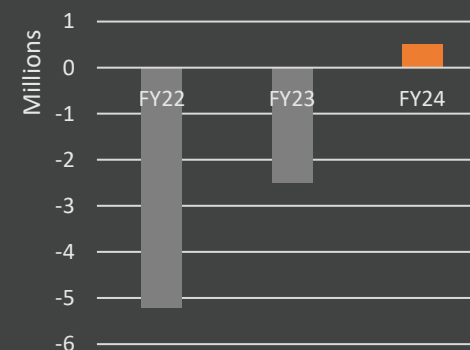


\$6.1m

Up 118% from
\$2.8m⁽¹⁾ FY23

Record EBITDA since ASX listing

NPAT

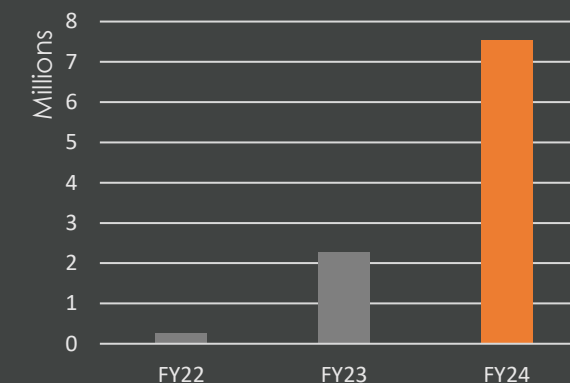


\$0.5m

Up 120% from
(\$2.5m)⁽¹⁾ FY23

Maiden NPAT since ASX listing

OPERATING CASHFLOW



\$7.5m

Up 231% from
\$2.3 FY23

Deferred compensation paid, \$2.4m
additional annual free cash flow

**Growth trajectory driven
by market demand and
improving margins**



Continued **EBITDA**
growth momentum



Investment in **fleet**
and **service** expansion



Maintaining positive
operating cash flow

(1) Result after \$1m other income from write-back of Pilbara Trucks deferred consideration has been removed

FY24 FINANCIAL SNAPSHOT

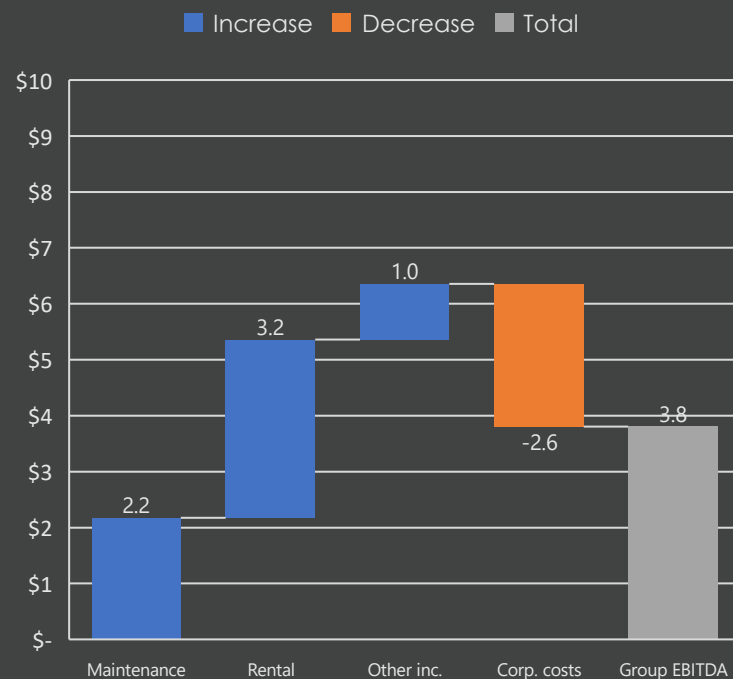


Profit & Loss A\$'000	FY 2024	FY 2023	% Growth	Balance Sheet A\$'000	30 June 2024	30 June 2023
Revenue	41,738	32,500	28%	Cash & cash equivalents	367	1,565
Operating and indirect costs	35,614	29,693		Trade & other receivables	4,631	5,758
EBITDA	6,124	2,807 ⁽¹⁾	118%	Inventories	6,077	7,490
Interest expense	1,644	1,362		Property, plant & equipment	13,782	14,073
Depreciation and amortisation	3,972	3,933		Goodwill and other assets	8,558	7,140
NPAT	508	(2,488) ⁽¹⁾	120%	Total Assets	33,415	36,026
Inventory reduction of 19% freeing \$1.4m of working capital				Trade payables	6,781	7,666
\$2.5m of deferred consideration fully paid				Lease liabilities	4,460	3,383
\$1.4m of borrowings repaid reducing total by 12%				Deferred consideration	0	2,453
				Borrowings	10,341	11,732
				Other	744	459
				Total Liabilities	22,326	25,693
				Net Assets	11,089	10,333

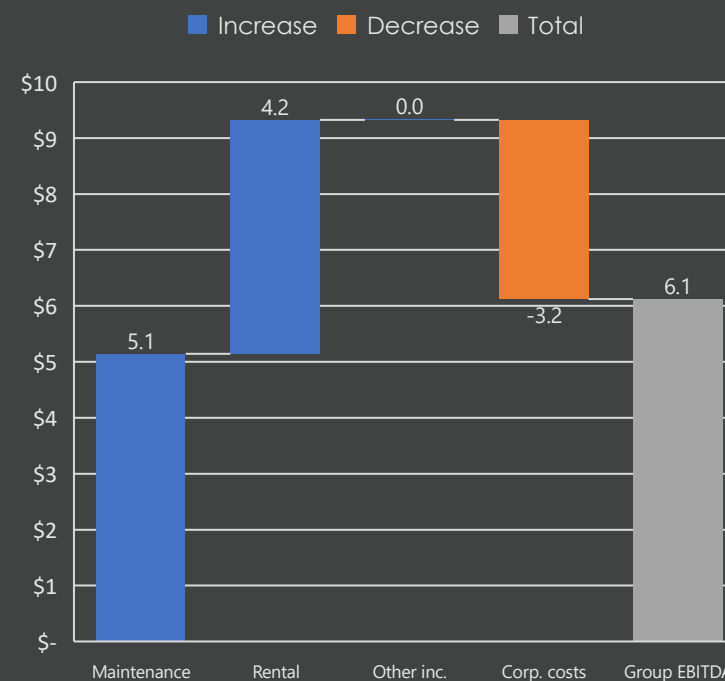
(1) Result after \$1m other income from write-back of Pilbara Trucks deferred consideration has been removed

EBITDA GROWTH ACROSS BOTH SEGMENTS

FY23 segment EBITDA breakdown (\$M)



FY24 segment EBITDA breakdown (\$M)



Segment contributions to Group EBITDA in FY23 and FY24



Babylon has generated \$2.3M of incremental EBITDA in FY24 through growth in both segments, with minimal change in corporate overheads

*FY23 Other Income = Reversal of deferred consideration provision for Ausblast acquisition, as noted in BPP FY23 Annual Report
Removing this reversal results in underlying EBITDA of \$2.8m.*

DELIVERING IMPROVED PERFORMANCE ACROSS OUR BUSINESS



Improved financial performance

- Record EBITDA, Operating Cash Flow and NPAT exceeding revenue growth
- Maiden NPAT of \$0.5m
- Deferred consideration fully paid for historical acquisitions, freeing \$2.4m of cash annually to fund growth initiatives



Advancing rental & water management strategy

- Successful introduction of new passive evaporation technology with rental units deployed to major rental client
- New Standalone Hybrid Power units deployed to major rental client
- Successfully executed test pumping projects in WA and NT



Profitability improvement across all segments

- Maintenance segment strategic initiatives delivering 137% EBITDA growth
- Consolidation of operational facilities in FY24 reducing overheads and improving profitability
- Asset utilisation within rental segment delivering 31% EBITDA growth



Deleveraging balance sheet and improving working capital

- Borrowings reduced 12% over previous year
- 18% reduction in inventory freeing up working capital
- Increase in finance facility with NAB to \$5.1m providing financing flexibility with revenue growth

HISTORY OF DELIVERING GROWTH THROUGH ACQUISITION



PRIMEPOWER QUEENSLAND SEPTEMBER 2019

- Specialist provider of diesel engine maintenance
- Total purchase price of \$3.8m cash and shares, plus \$0.4m assumed debt, represented 6.2x FY19 EBITDA
- EBITDA has since grown 3x:
 - FY19 EBITDA = \$0.7m
 - FY24 EBITDA = \$2.1m
- Continued positive outlook with growth in revenue and profitability through blue chip client base



AUSBLAST MARCH 2021

- Specialised pumping service provider
- Total purchase price of \$5.4m cash and shares represented 2.7x FY20 EBITDA
- Rotation of business away from lower margin contracting has improved EBITDA margin:
 - FY21 EBITDA = (\$0.1m)
 - FY24 EBITDA = \$1.6m
- Focus on rental vs contracting has de-risked the business and will underpin growth with less dependence on site staff



RESOURCE WATER GROUP AUGUST 2022

- Specialist in test pumping and water management
- Total purchase price of \$3.0m cash and shares represented 3.0x expected EBITDA contribution multiple
- The acquisition diversified Babylon's services, opening earlier engagement in water management cycle
- Test pumping has brought new clients and commodity exposure (manganese) and has diversified BPP's services with existing clients



RBH ENGINEERING FEBRUARY 2023

- Specialist rental pump provider
- Total purchase price of \$3.0m cash represented 3.0x expected EBITDA contribution multiple
- The acquisition contributed assets to Babylon's rental fleet and delivered significant works with a major gold producer
- Steady utilisation is delivering to expectations while opening opportunities for other Babylon assets and services in the region

RENTAL SEGMENT CONTINUES TO GROW

- Rental segment revenue up 20% over previous year
- Rental segment EBITDA up 31% over previous year
- Rental growth has been predominantly in the gold and iron ore sectors with increasing utilisation of existing assets
- Lower CAPEX spend in FY24 as assets have been built and assembled in-house
- Circa \$2.5m of asset financing available in current facility to support growth
- Evaluating opportunities to grow capabilities and rental assets through acquisition

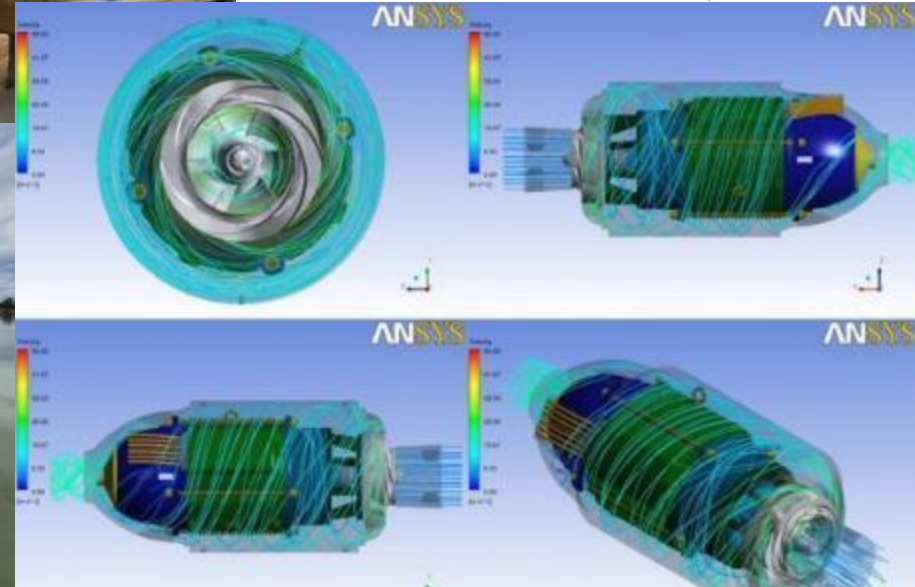


Specialty Rental Water & Power

NEW WATER MANAGEMENT OFFERING – **HIGRA**



- Babylon appointed distributor by Higma Industrial (HIGRA) for pumps in Australia
- Pioneering technology allows for pump usage inside and out of water
- High power efficiency providing better performance by state-of-the-art software
- Versatility in application with low maintenance costs
- Water cooled mechanical and electrical systems with no need for lubricants and low noise emission
- First orders secured with existing client and multiple engagements with potential new clients rounding out the water management cycle



Specialty Rental Water & Power

MAINTENANCE SEGMENT DELIVERS STRONG RESULTS

- Maintenance segment revenue up 32% over previous year
- Maintenance segment EBITDA up 137% over previous year
- Growth in revenue and profitability seen in both WA and QLD facilities as repeat clients are scheduling recurring works for rebuild programmes
- Minimising working capital requirements by reducing inventory by \$1.4m whilst increasing turnover
- Blue chip client base predominantly serving iron ore and coal sectors



Maintenance Services

DEWATERING: A LONG-TERM GROWTH OPPORTUNITY

- The ongoing activities of miners continue to move deeper under the water table.
- This trend takes in many significant mines throughout the region including the major gold and iron ore producers (pictured at right is an iron ore mine after heavy rainfall in Jan 2024).
- This creates an ongoing and significant need for the removal and responsible management of water, further driven by our clients' environmental obligations. The industry is increasingly focused on meeting the objectives of the 2013 Western Australia [Water in Mining Guideline](#).
- This critical and escalating issue is driving a significant ongoing growth opportunity in Babylon's specialty rental business.



Image source: Facebook

GROUP OUTLOOK

Increasing sector demand and streamlined business focus will continue trajectory of improved earnings and overall business growth.

Following Q1 FY25, Babylon has recorded positive operating cashflow in ten of the last eleven quarters. Babylon expects FY25 to be its fourth full year posting positive operational cashflow.

Babylon continues to add new assets driving organic growth in the rental segment and remains alert for potential acquisitions to build scale and expand capabilities in the mining service sector.

Improving Balance Sheet

Eliminating deferred compensation and reducing borrowings



Growing Profits Across Segment

Group achieves 118% improvement in EBITDA and maiden NPAT of \$0.5m



Providing Critical Services

Water management and sustainable remote power are critical for Australian mines throughout lifecycle

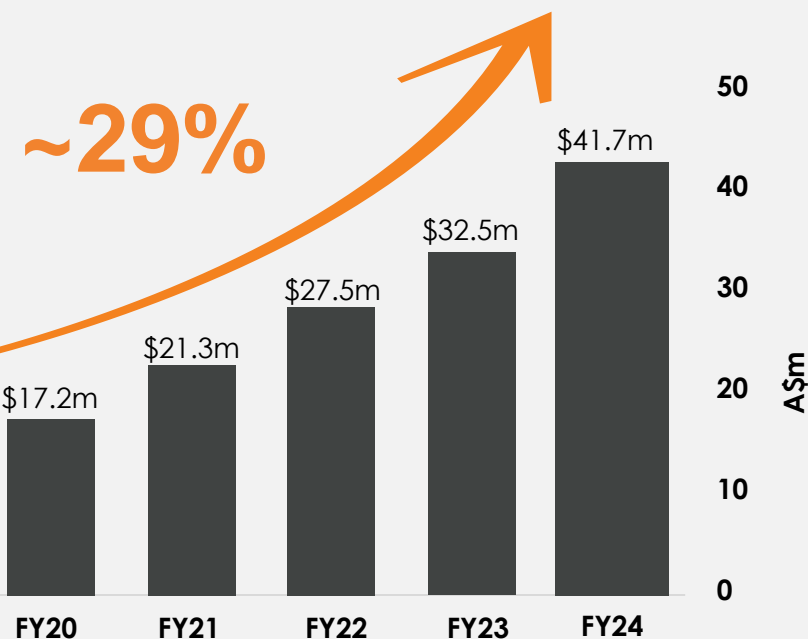


Innovative Offerings

Providing sustainable rental offering with hybrid power and passive evaporation systems to reduce client's carbon output



Revenue CAGR

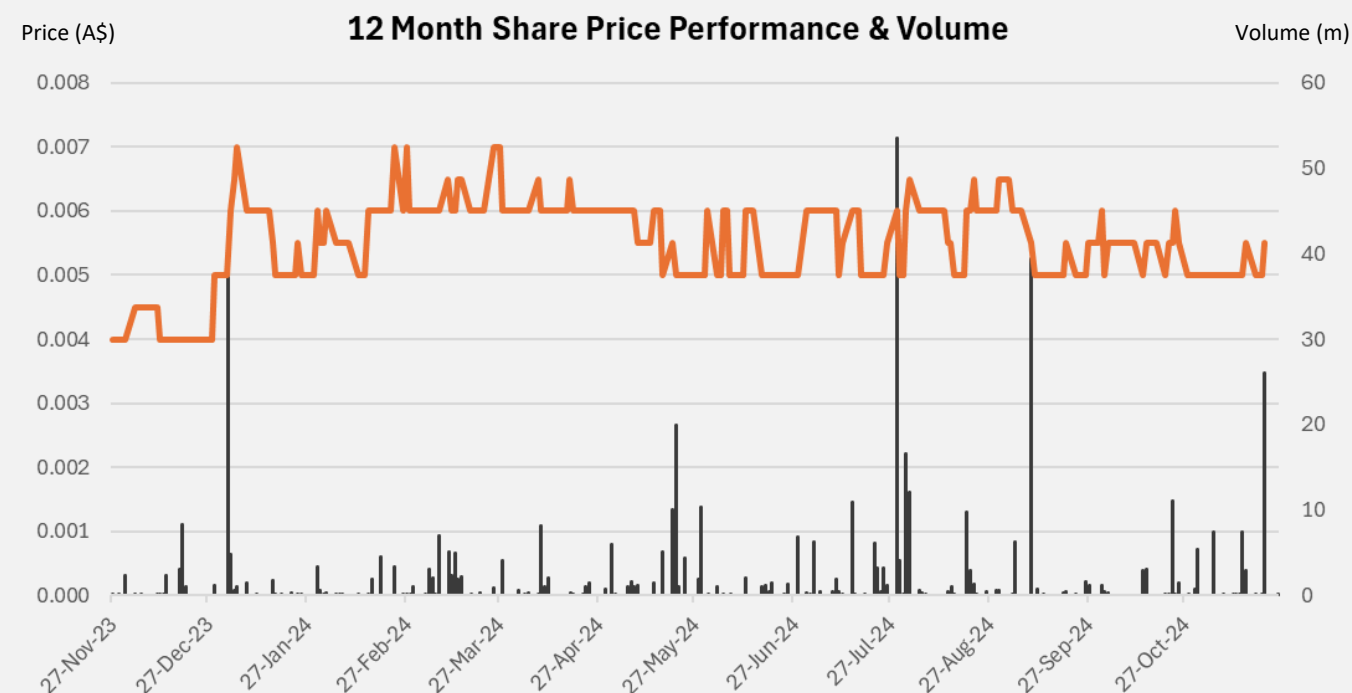


CORPORATE SNAPSHOT



ASX Code	BPP
Ordinary Shares	2,500m
Performance Rights	186m
Market cap (@ 0.6 cents)	\$15.0m
Shareholders	816
Board & Management Ownership	8.9%
Top 20 Holdings	53%

Major Shareholders	
Belgravia Strategic Equities Pty Ltd & other entities controlled by Geoff Lord	27.9%
Cumulus Wealth Pty Ltd	10.3%
Resource Water Group Pty Ltd (RWG vendor)	3.0%
Chesapeake Capital Ltd	2.2%



BOARD OF DIRECTORS



James Cullen
Non-Executive Chairman

Jamie has over 20 years' experience in the resources sector. He is the current CEO of Pacific Energy Limited and has been CEO of three resource companies that have been acquired under takeover transactions for significant premiums (Pacific Energy, Resource Equipment Ltd and PCH Group Ltd).



Michael Shelby
Managing Director

Co-Founder of Babylon, Michael has over 20 years' experience in the resource sector and was previously the GM at Resource Equipment Ltd.



Patrick Maingard
Non-Executive Director

Patrick has over 30 years of management experience with a strong SME background with Director and Managing Director portfolios. Patrick is well versed with the business having been an Executive Director of the business at listing.



Louise Bower
Non-Executive Director

Louise has 27 years' experience in senior executive roles across various industry sectors and jurisdictions including Australia, South Africa and the United Kingdom. Currently a Non-Executive Director of DUG Technology Ltd (ASX: DUG) and Lycopodium Ltd (ASX: LYL).



Chris Radin
Non-Executive Director

Chris has accumulated 30 plus years' experience across equipment rental, capital equipment, industrial and retail markets, holding Senior Executive and Managing Director roles over the past 20 years.



MICHAEL SHELBY Managing Director



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