

02 February 2023

BABYLON COMPLETES RBH ENGINEERING ACQUISITION

Highlights

- **Babylon has acquired all shares of Boddington, W.A. based specialist rental pump provider RBH Engineering Pty Ltd effective 31 January 2023**
- **A\$3.0m purchase price represents a multiple of 3 times expected EBITDA contribution**
- **Fixed assets independently valued at \$2.6 million**
- **RBH is being acquired on the basis that its balance sheet is debt free and working capital neutral**
- **Immediate earnings contribution through ongoing high utilisation and minimal overheads**

Babylon Pump and Power (“Babylon” or the “Company”) (ASX: BPP) is pleased to announce the completion of the acquisition of all shares of RBH Engineering Pty Ltd (“RBH”). Babylon announced on 29 December 2022 that it had entered into agreement to acquire RBH, a provider of rental pumps and specialist mechanical services based in Boddington, Western Australia.

The total consideration of \$3.0 million has been structured as follows:

- Cash paid on Completion: \$1.8 million
- Deferred cash: \$1.2 million

The deferred cash component of 12 equal monthly deferred consideration payments of \$100,000 will be financed by the vendor and funded by RBH’s ongoing operations. Interest of 8.5% per annum will accrue daily and be payable no later than the final deferred consideration payment date.

RBH will be absorbed into Babylon’s existing operations with minimal incremental overheads, resulting in high net margin contributions to financial performance. The RBH assets have been independently valued at over \$2.6 million and will add circa 50 rental assets to the Babylon rental fleet.

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