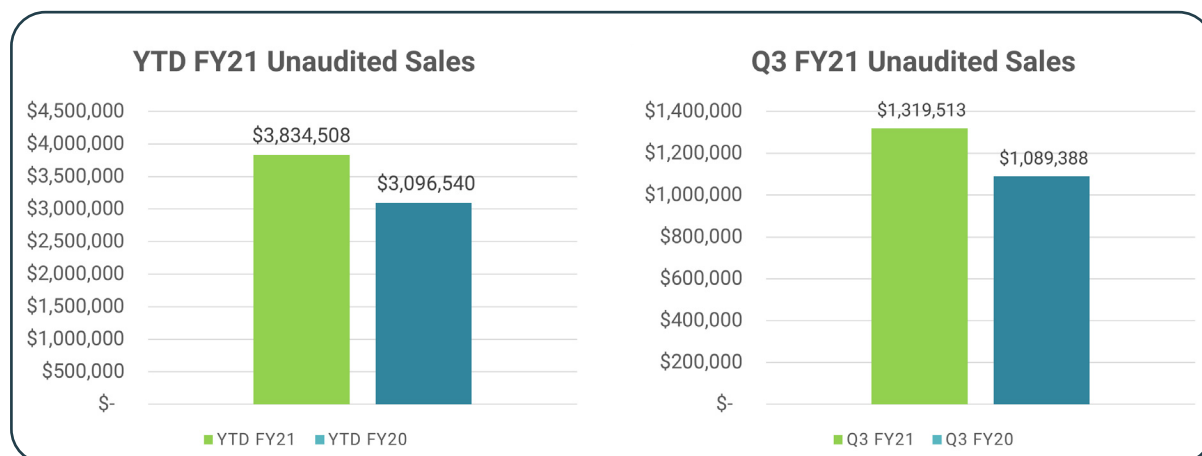


MARKET UPDATE FOR QUARTER ENDED 31 MARCH 2021

BauMart Holdings Limited (ASX: BMH) ("BauMart" or the "Company") is pleased to present its quarterly cash report for the period ended 31 March 2021 and provides the below operational update for the quarter, in relation to its business divisions (hereafter referred to as the "Group"):

Group



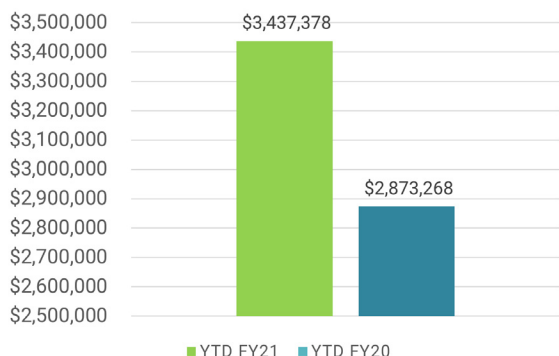
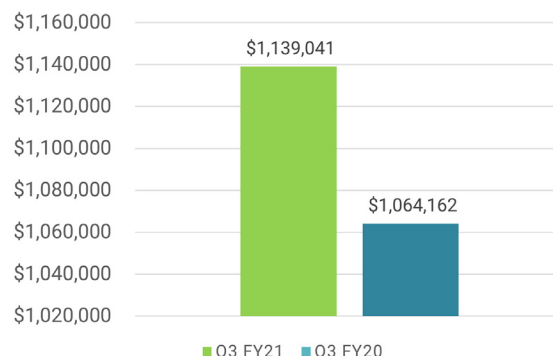
Key Points

- Strong third quarter in sales for the Group, despite ongoing supply chain congestion
- Tracking very positively against prior corresponding period
- Group expenditure for the quarter was in line with normal day to day operations including payments for inventory, staff costs and marketing

YTD FY21  **24%**

Q3 FY21  **21%**

Materials Handling Division

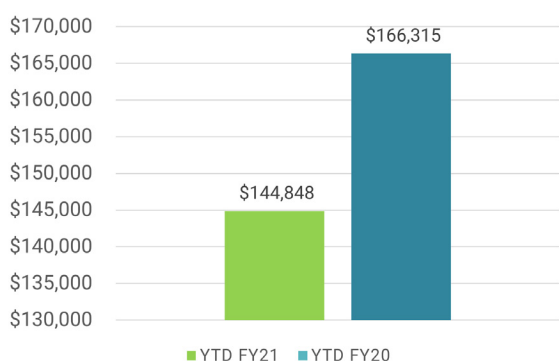
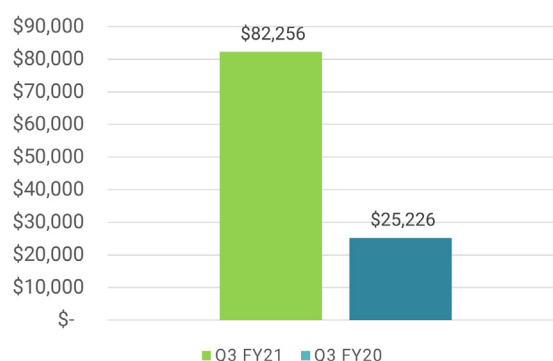
YTD FY21 Unaudited Sales

Q3 FY21 Unaudited Sales


Key Points

- Q3 FY21 7% increase in sales
- Online marketing spend increased during the quarter and will remain in place throughout Q4 FY21
- Historically the second half of the financial year produces higher revenue and a positive finish to FY21 is expected

YTD FY21  **20%**
Q3 FY21  **7%**

Building Materials Division

YTD FY21 Unaudited Sales

Q3 FY21 Unaudited Sales


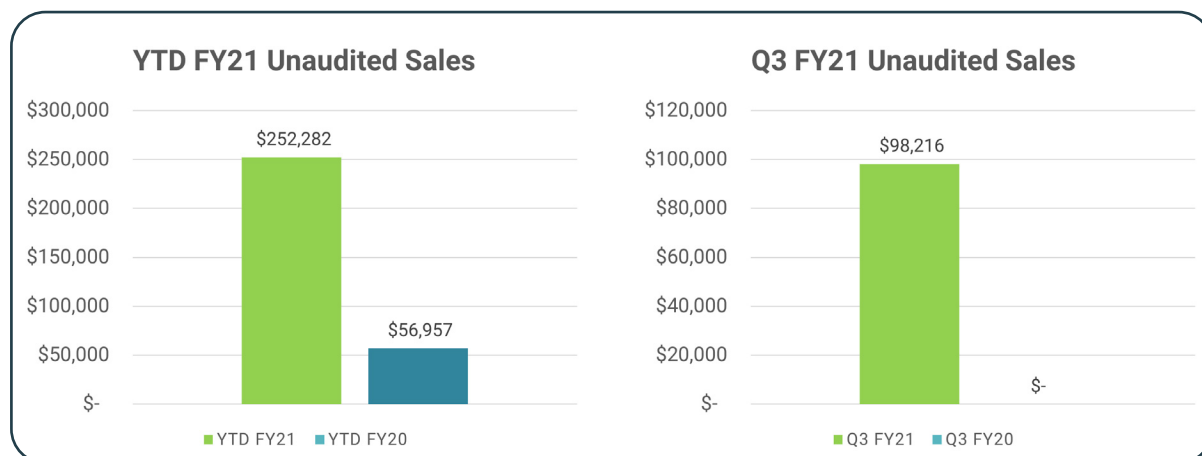
Key Points

- Q3 FY21 226% increase in sales
- Leaner business model focused on regional distribution partners is generating consistent opportunities
- Supply chain congestion has affected sales capture during the quarter, but is expected to improve in coming months

YTD FY21  **226%**
Q3 FY21  **13%**

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Source and Procure Division



Key Points

- Improving sales for Q3 FY21 to \$98K
- Ongoing supply of products to customers in the industrial and resources sectors
- The division remains focused on identifying value add projects in sectors where management has significant experience

YTD FY21 ▲ **343%**

Q3 FY21 ▲ **N/a**

Other and Net Finance Income

- The underground mining equipment project has been stop start since January 2021 and as a consequence our client is in arrears by 4 months as at 31 March 2021. Discussions for the next phase of equipment and consumables are currently on hold.
- An ongoing contract to provide broad management services to a Perth based industrial distribution business provided recurrent income during the quarter. The contract reached its 12 month expiry on 28 February 2021 but the client has elected to continue on a rolling basis.

Commentary on Appendix 4C

- Net operating cashflows for the quarter was positive at \$33K with a decrease of \$385K in receipts from customers on the previous quarter. The Group continued to invest cashflows (approx. \$1.3m) into inventory to support growing sales which attracted associated costs such as shipping, transport and warehousing costs. Other lease payment obligations for properties were also paid during the quarter.
- Payments to Related Parties of the Company and their associates comprised executive director salaries and non-executive director fees of approx. \$60k.
- At 31 March 2021, the Group had \$0.3m cash at bank and no debt.

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This announcement was authorised by the Board of BauMart Holdings Limited.

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About BauMart Holdings Limited

BauMart Holdings Limited (ASX: BMH) is an Australian public company listed on the Australian Securities Exchange. The origins of the Company began with securing distribution partnerships with suppliers of building materials and its investment and leasing of automated glass-processing equipment. Since its listing in June 2015, the Company has diversified its business across a broad range of divisions including, but not limited to:

- supply of industrial products, including plastic material handling unit load devices;
- supply of building products, including premium volcanic natural stones;
- sourcing, procurement and end-to-end supply chain services; and
- managed services.

Headquartered in Perth with operations in Sydney, Melbourne and Brisbane and overseas in Auckland, New Zealand, the Company has a far-reaching presence and a robust network of infrastructure that is positioned for growth.

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity
BAUMART HOLDINGS LIMITED
ABN
87 602 638 531
Quarter ended ("current quarter")
31 MARCH 2021

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	1,638	4,930
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	(23)	(51)
(d) leased assets	-	-
(e) staff costs	(170)	(498)
(f) administration and corporate costs	(118)	(418)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	8	390
1.5 Interest and other costs of finance paid	(19)	(49)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	361
1.8 Other (provide details if material) ¹	(1,283)	(4,399)
1.9 Net cash from / (used in) operating activities	33	266

1. Payments for inventory, lease payment obligations and other general working capital

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	(2)	(13)
(d) investments	300	(200)
(e) intellectual property	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
	(f) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material) ¹	(234)	49
2.6	Net cash from / (used in) investing activities	64	(164)

1. Other payment comprised of manufacturer payments for underground mining equipment project totalling (\$607K) and lease payment receivable of \$656K (refer ASX Announcement dated 4 October 2019 for details on the Company's mining equipment project).

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	-

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	210	269
4.2	Net cash from / (used in) operating activities (item 1.9 above)	33	266

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.3	Net cash from / (used in) investing activities (item 2.6 above)	64	(164)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	(3)	(67)
4.6	Cash and cash equivalents at end of period	304	304

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	304	210
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	304	210

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	60
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

7. Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
N/A		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	33
8.2 Cash and cash equivalents at quarter end (item 4.6)	304
8.3 Unused finance facilities available at quarter end (item 7.5)	-
8.4 Total available funding (item 8.2 + item 8.3)	304
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	N/A
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/A	
8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/A	
8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: N/A	
<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 21 April 2021

Authorised for release by the Board of BauMart Holdings Limited

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.