

BAUMART FINALISES SUPPLY AND DISTRIBUTION AGREEMENT

BauMart Holdings Limited (ASX: **BMH**) (the **Company** or **BauMart**) is pleased to provide an update on its previously announced Binding Terms Sheet (**Terms Sheet**) with Washpod Consolidated Pty Ltd (**Washpod Consolidated**).

Highlights:

- Definitive Supply and Distribution Agreement (**Agreement**) concluded with Washpod Consolidated
- Washpod Consolidated is the owner of the Washpod High Impact 1200 (**Washpod**), an innovative brand of industrial parts washing machines based in Perth, Western Australia
- Washpod's are currently used by over 150 industrial and mining industry customers in Australia
- BauMart's strong network of distribution in Australia and overseas will provide the platform to expand the sales of Washpods

The parties have signed an Agreement on similar terms and conditions as outlined in the Terms Sheet. Progress has already been made on the rollout of the project with more details expected to be updated in the Company's Q3 FY22 quarterly report.

Summary of Material Terms:

Item	Details
Parties	Buildmart Services Pty Ltd (BuildMart), a wholly owned subsidiary of BauMart Holdings Limited And Washpod Consolidated
Initial Term	5 years
Option	BuildMart has the option to renew for successive periods of 5 years
Annual Condition	Washpod Consolidated has a right to terminate the Agreement if BuildMart fails to meet the minimum order quantity of 100 Washpods each year (or, in respect of any period of time which is less than a year, at least the pro rata proportion of such amount)
Termination Notice	30 days by each Party

Strategic business review update:

As previously announced the Company is undergoing a strategic business review to unlock and enhance value for BauMart shareholders. The Company continues to work closely with our advisors and is evaluating potential projects, divestments and strategies to determine the optimal future direction of the Company.

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

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.

Disclaimer

This announcement contains “forward-looking statements concerning BauMart Holdings Limited (**BauMart**) and its operations, economic performance, plans and expectations. Without limiting the foregoing, statements including the words “believes”, “anticipates”, “plans”, “expects”, and similar expressions are also forward-looking statements.

Forward-looking statements reflect, among other things, BauMart’s plans and objectives for future operations, current views with respect to future events and future economic performance and projections of various financial terms. These forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements to differ from those expressed or implied by forward-looking statements. Factors that may cause actual results to differ materially include, among other factors, general economic conditions in Australia and globally, competition in the markets in which BauMart does and will operate, technological innovation and business and operational risk management.

The forward-looking statements contained in this announcement should not be taken as implying the assumptions on which the projections have been prepared are considered correct or exhaustive. Readers are cautioned not to unduly rely on these forward-looking statements and the Company undertakes no obligation to update or revise the forward-looking statements except as required by law.

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