

NOTICE OF 2023 ANNUAL GENERAL MEETING

BauMart Holdings Limited (**ASX: BMH**) (**BauMart** or the **Company**) advises that it will be holding its 2023 Annual General Meeting at 10:00am (WST) on Tuesday, 28 November 2023 at Suite 6, 4 Riseley Street, Applecross Western Australia 6153 (**Meeting**).

Attached are copies of the following documents in relation to the Meeting:

- a) Letter to Shareholders;
- b) Notice of Meeting (including an explanatory statement); and
- c) Proxy Form.

The Notice of Meeting can be viewed and downloaded from the Company's website at <https://baumart.com.au/asx-announcements/>. Shareholders will be able to submit their proxy vote and questions in accordance with the instructions on the Proxy Form.

This announcement was authorised by the Company Secretary.

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:

- sourcing, procurement and end-to-end supply chain services;
- supply and distribution of industrial products, including the Washpod product; and
- other managed services.

Headquartered in Perth, the Company has a robust network of suppliers and infrastructure that is positioned for growth for its sourcing and procurement services.

For further information, please contact:

Hadi Widayat, Executive Director

T: +61 8 6558 0814

E: info@baumart.com.au



15 McCabe Street
North Fremantle, Western Australia 6159
T: +61 8 6558 0814
www.baumart.com.au
ABN 87 602 638 531

31 October 2023

Dear Shareholder

2023 Annual General Meeting – Notice and Proxy Form

Notice is hereby given that the Annual General Meeting of BauMart Holdings Limited (ACN 602 638 531) (the **Company**) will be held at 10:00am (WST) on Tuesday, 28 November 2023 at Suite 6, 4 Riseley Street, Applecross Western Australia 6153 (**Meeting**).

In accordance with the *Corporations Amendments (Meetings and Documents) Act 2022*, the Company will not be dispatching physical copies of the Notice of Meeting and Explanatory Statement (**Notice**) to Shareholders, unless you have elected to receive these documents by post. Instead, the Notice is being made available to shareholders electronically and can be viewed and downloaded online at the following link: <https://baumart.com.au/asx-announcements/>. The Notice is also available online at <https://www2.asx.com.au/markets/company/bmh>.

All resolutions at the Meeting will be decided by poll. Shareholders are encouraged to complete and lodge their proxies in accordance with the instructions set out in the proxy form and Notice.

A copy of your personalised proxy form is enclosed for your convenience and you can return a completed proxy form by:

post to: BauMart Holdings Limited
PO Box 216
Applecross WA 6953

or email to: Company Secretary, natalie.teo@anthonyho.com.au

Your proxy voting instructions must be received by no later than 10:00am (WST) on 26 November 2023, being not less than 48 hours before the commencement of the Meeting. Any proxy voting instructions received after that time will not be valid for the Meeting. **The Company strongly encourages shareholders to lodge a directed proxy form.**

The Notice is important and should be read in its entirety. If you have any difficulties obtaining a copy of the Notice please contact the Company Secretary on +618 6389 2688 between 9:00am to 5:00pm (WST), Monday to Friday.

Yours sincerely

A handwritten signature in blue ink that reads "Natalie Teo".

Natalie Teo
Company Secretary
BauMart Holdings Limited

For personal use only



ACN 602 638 531

NOTICE OF ANNUAL GENERAL MEETING

EXPLANATORY STATEMENT

PROXY FORM

Date of Meeting

Tuesday, 28 November 2023

Time and Place of Meeting

10:00am (WST)

Suite 6, 4 Riseley Street
Applecross Western Australia 6153

Format

To be held as a physical meeting

This Notice should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 4:00pm (WST) on 26 November 2023.

For personal use only

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Notice is hereby given that the Annual General Meeting (**Meeting**) of BauMart Holdings Limited (ACN 602 638 531) (**Company** or **BauMart**) is to be held at:

Venue: Suite 6, 4 Riseley Street
Applecross Western Australia 6153

Date: Tuesday, 28 November 2023

Time: 10:00am (WST)

Format: To be held as a physical meeting

Shareholders are urged to attend or vote by lodging the Proxy Form attached to this Notice. If Shareholders are in doubt as to how to vote, they should seek advice from their professional advisers prior to voting.

Agenda

1. Annual Report (no resolution required)

To receive and consider the Annual Report of the Company and its controlled entities for the financial year ended 30 June 2023, which includes the Financial Report, the Directors' Report and the Auditor's Report.

Note: there is no requirement for Shareholders to approve these reports.

2. Resolution 1 – Adoption of Remuneration Report

To consider and, if thought fit, to pass with or without amendment, the following resolution as an **advisory only, ordinary resolution**:

“That pursuant to and in accordance with section 250R(2) of the Corporations Act and for all other purposes, approval is given by Shareholders for the adoption of the Remuneration Report on the terms and conditions in the Explanatory Statement.”

Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company. The Directors will consider the outcome of the vote and any comments made by Shareholders on the Remuneration Report when reviewing the Company's remuneration policies.

Voting Prohibition Statement:

A vote on this Resolution must not be cast (in any capacity) by or on behalf of any of the following persons:

- a) a member of the Key Management Personnel whose details are included in the Remuneration Report; or
- b) a Closely Related Party of such a member.

However, a person (the voter) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- a) the voter is appointed as a proxy in writing that specifies the way the proxy is to vote on this Resolution; or
- b) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

3. Resolution 2 – Election of Director – Mr Hadi Widayat

To consider and, if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

“That for the purposes of Listing Rule 14.4, clause 8.3 of the Company's Constitution and for all other purposes, Mr Hadi Widayat, a Director and who retires in accordance with clause 8.3 of the Company's Constitution and, being eligible, offers himself for re-election, is elected as a Director.”

4. Resolution 3 – Re-election of Director – Mr Anson Gan

To consider and, if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

“That for the purposes of Listing Rule 14.5, clause 8.3 of the Company's Constitution and for all other purposes, Mr Anson Gan, a Director who retires by rotation in accordance with clause 8.3 of the Company's Constitution and, being eligible, offers himself for re-election, is re-elected as a Director.”

5. Resolution 4 – Approval of 10% Placement Facility

To consider and, if thought fit, to pass with or without amendment, the following resolution as a **special resolution**:

“That, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities of up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Statement.”

Voting Exclusion Statement:

If, at the time of the Meeting, the Company is proposing to make an issue of Equity Securities under the 10% Placement Facility, it will disregard any votes cast in favour of the Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.

However, the Company will not disregard a vote if:

- a) it is cast by a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- b) it is cast by the Chair as proxy or attorney for a person who is entitled to vote, in accordance with a direction given to the Chair to vote as the Chair decides; or
- c) it is cast by a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - i. the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an 'associate' (as defined in the Listing Rules) of a person excluded from voting, on the Resolution; and
 - ii. the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Explanatory Statement

The Explanatory Statement and the Proxy Form form part of the Notice. Shareholders should read the Notice carefully before deciding how to vote on the Resolutions.

Shareholders are referred to the Glossary for terms and abbreviations used in this Notice.

Voting in person

To vote in person, Shareholders are able to attend the Meeting at the time, date and place set out above.

Based on the best information available to the Board at the time of this Notice, the Board considers it will be in a position to hold an "in-person" meeting to provide Shareholders with a reasonable opportunity to participate in and vote at the Meeting.

The Company, however, strongly encourages Shareholders to submit proxies prior to the Meeting.

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form in accordance with the lodgement instructions as set out in the Proxy Form. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

- a Shareholder entitled to attend and vote at the Meeting is entitled to appoint not more than two proxies to attend and vote on behalf of the Shareholder;
- a proxy need not be a Shareholder of the Company, but must be a natural person (not a corporation). A proxy may also be appointed by reference to an office held by the proxy (e.g. "the Company Secretary"); and
- where more than one proxy is appointed, each proxy may be appointed to represent a specified proportion of the Shareholder's voting rights. If no such proportion is specified, each proxy may exercise half of the Shareholder's votes.

The enclosed Proxy Form provides further details on appointing proxies and lodging proxy forms.

Voting entitlements

For the purposes of section 1074E(2) of the Corporations Act 2001 and regulation 7.11.37 of the Corporations Regulations 2001, the Company has determined that members holding ordinary shares as set out in the Company's share register at **4:00pm (WST) on 26 November 2023**, will be entitled to attend and vote at the Meeting.

Corporate representative

Any corporate Shareholder who has appointed a person to act as its corporate representative at the meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company in advance of the meeting or handed in at the meeting when registering as a corporate representative.

Attorneys

If an attorney is to attend the meeting on behalf of a Shareholder, a properly executed original (or originally certified copy) of an appropriate power of attorney must be received by the Company by the deadline for the receipt of Proxy Forms, being no later than 48 hours before the Meeting, being **10:00am (WST) on 26 November 2023**.

Lodgement of Appointment Documents

Duly completed corporate representative appointment documents, powers of attorney and Proxy Forms (together with any power of attorney or other authority under which they are executed, if applicable) must be received by the Company on or before **10.00am (WST) 26 November 2023**. Documents received after that time will be invalid. Appointment documents are to be submitted by emailing the Company Secretary, Natalie Teo, at natalie.teo@anthonyho.com.au.

Submitting questions

Shareholders may submit questions in advance of the Meeting to the Company. Questions must be submitted by emailing the Company Secretary, Natalie Teo, at natalie.teo@anthonyho.com.au by Friday, 24 November 2023.

Shareholders will also have the opportunity to submit questions during the Meeting in respect of the formal items of business. In order to ask a question during the Meeting, please follow the instructions from the Chair.

The Chair will attempt to respond to the questions during the Meeting. The Chair will request prior to a Shareholder asking a question that they identify themselves.

By order of the Board



Natalie Teo

Company Secretary

BauMart Holdings Limited

31 October 2023

This Explanatory Statement has been prepared to provide Shareholders with material information to enable them to make an informed decision on the business to be conducted at the Company's Annual General Meeting.

The Directors recommend Shareholders read this Explanatory Statement in full before making any decision in relation to the Resolutions. Capitalised terms and abbreviations used in this Notice and Explanatory Statement are defined in the Glossary.

1. Annual Report

Under the Corporations Act, the Directors of the Company must table the Annual Report of the Company, the Financial Report, the Directors' Report and the Auditor's Report at the Meeting.

Shareholders will be given reasonable opportunity at the meeting to ask questions and make comments on the Annual Report.

There is no requirement for Shareholders to approve the Annual Report. At the Meeting, Shareholders will have a reasonable opportunity to discuss the Annual Report, and to ask the Directors, or the Company's auditor, about:

- (a) the preparation and the content of the Auditor's Report;
- (b) the conduct of the audit;
- (c) accounting policies of the Company in relation to the preparation of the financial statements; and
- (d) the independence of the auditor in relation to the conduct of the audit.

The Company will not provide a hard copy of the Company's Annual Report unless specifically requested to do so. The Company advises that the Annual Report is available on its website at <https://baumart.com.au/annual-reports/>.

2. Resolution 1 – Adoption of Remuneration Report

2.1 General

The Directors' Report for the year ended 30 June 2023 contains a Remuneration Report which sets out the policy for the remuneration of Directors and executives of the Company.

Under section 250R(2) of the Corporations Act, the Company must put the Remuneration Report to the vote of Shareholders.

2.2 Voting consequences

The vote on Resolution 1 is advisory only and does not bind the Directors or the Company. However, under the Corporations Act, if at least 25% of the votes cast on the resolution at the Meeting are against adoption of the Remuneration Report, then:

- if comments are made on the Remuneration Report at the Meeting, the Company's remuneration report for the financial year ending 30 June 2024 will be required to include an explanation of the Board's proposed action in response or, if no action is proposed, the Board's reasons for this; and
- if, at the Company's next annual general meeting, at least 25% of the votes cast on the resolution are voted against adoption of the remuneration report, the Company will be required to put to Shareholders a resolution proposing that a general meeting (**Spill Meeting**) be called to consider the election of Directors of the Company (**Spill Resolution**). For any Spill Resolution to be passed, more than 50% of the votes cast on the resolution must be in favour of it. If a Spill Resolution is passed, all of the Directors (other than any managing director) will cease to hold office immediately before the end of the Spill Meeting unless re-elected at that meeting.

If the Remuneration Report receives a strike at this Meeting, Shareholders should be aware that if a second strike is received at the 2024 annual general meeting, this may result in the re-election of the Board (except the managing director (if any)).

2.3 Previous voting results

At the Company's 2022 annual general meeting, all of the votes cast, of those shareholders who exercised their right to vote, were in favour of the remuneration report for the 2022 financial year.

2.4 Additional information

Resolution 1 is an advisory only ordinary resolution.

2.5 Board Recommendation

The Board declines to make a recommendation as to how shareholders should vote in respect of Resolution 1 as each Director has an interest in the outcome of the Resolution.

The Chair intends to vote undirected proxies in favour of Resolution 1 in accordance with the express authorisation on the Proxy Form.

3. Resolution 2 – Election of Director – Mr Hadi Widayat

3.1 General

Clause 8.1 of the Company's Constitution allows the Directors to appoint at any time a person to be a Director either to fill a casual vacancy or as an addition to the existing Directors, but only where the total number of Directors does not at any time exceed the maximum number specified by the Company's Constitution.

Pursuant to clause 8.3 of the Company's Constitution and Listing Rule 14.4, any Director so appointed holds office only until the next annual general meeting and is then eligible for election by Shareholders but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting.

Mr Hadi Widayat, having been appointed as an Executive Director on 20 February 2023, will retire in accordance with clause 8.3 of the Company's Constitution and Listing Rule 14.4 and being eligible, will seek election from Shareholders pursuant to clause 8.3 of the Company's Constitution.

3.2 Qualifications

Mr Widayat has a wealth of experience in banking and corporate finance, with a career of more than 25 years serving in various senior management and company directorship roles with private and multi-national companies in the South-East Asian region. In his previous roles, he was responsible for a number of value-accretive mergers and acquisitions, and successfully led a number of business expansions and successful joint ventures across a diverse range of industries, spanning from manufacturing to property development. Hadi holds a Bachelor of Business Administration majoring in Finance and Information System from the University of Washington, Seattle.

The Company confirms that it took appropriate checks on the background and experience of Mr Widayat before his appointment to the Board. Mr Widayat has confirmed he has sufficient time to fulfil his responsibilities as a Director. If elected as an Executive Director, the Board considers Mr Widayat will not be an independent director.

3.3 Additional information

Resolution 2 is an ordinary resolution.

If Resolution 2 is passed, Mr Widayat will be elected as an Executive Director of the Company.

If Resolution 2 is not passed, Mr Widayat will not be elected as an Executive Director of the Company. The Board may consider an appointment to fill a casual vacancy in accordance with clause 8.1 of the Company's Constitution, with ratification at the Company's next annual general meeting.

3.4 Board recommendation

The Board (other than Mr Widayat) supports the election of Mr Widayat and recommends that Shareholders vote in favour of Resolution 2 on the basis that Mr Widayat's skills and experience as outlined above, have and will continue to support the Company in achieving its strategic objectives.

The Chair intends to vote undirected proxies in favour of Resolution 2.

4. Resolution 3 – Re-election of Director – Mr Anson Gan

4.1 General

Clause 8.3 of the Company's Constitution requires that an election of directors must be held at the annual general meeting each year.

This may be satisfied by a Director standing for re-election in accordance with the process set out in clause 8.3. At least one Director shall retire from office, provided always that no Director except a Managing Director shall hold office for a period in excess of 3 years, or until the third annual general meeting following his or her appointment, whichever is the longer, without submitting himself or herself for re-election. The Directors to retire at an annual general meeting are those who have been the longest in the office since their last election, but, as between persons who became Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by drawing lots.

A Director who retires by rotation under clause 8.3 of the Constitution is eligible for re-election,

Listing Rule 14.5 provides that an entity which has directors must hold an election of directors at each annual general meeting.

Mr Anson Gan retires by rotation at this Meeting and, being eligible, offers himself for re-election.

4.2 Additional information

Details of Mr Gan's qualifications and experience is set out in the Company's Annual Report for the financial year ended 30 June 2023. Mr Gan is a substantial shareholder of the Company and accordingly, the Board does not consider Mr Gan to be an independent director.

Resolution 3 is an ordinary resolution.

If Resolution 3 is passed, Mr Gan will be re-appointed as a Non-Executive Director of the Company.

If Resolution 3 is not passed, Mr Gan will not be re-elected as a Non-Executive Director of the Company. The Board may consider an appointment to fill a casual vacancy in accordance with clause 8.1 of the Company's Constitution, with ratification at the Company's next annual general meeting.

4.3 Board recommendation

The Board (other than Mr Gan) supports the re-election of Mr Gan and recommends that Shareholders vote in favour of Resolution 3 on the basis that Mr Gan's skills and experience as outlined above, have and will continue to support the Company in achieving its strategic objectives.

The Chair intends to vote undirected proxies in favour of Resolution 3.

5. Resolution 4 – Approval of 10% Placement Facility

5.1 General

Listing Rule 7.1A enables an eligible entity (as defined below) to issue Equity Securities totalling up to 10% of its issued share capital through placements over a 12-month period after the entity's annual general meeting at which a special resolution for the purposes of Listing Rule 7.1A is passed (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company's 15% placement limit under Listing Rule 7.1.

An 'eligible entity' for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. As at the date of this notice, the Company is an eligible entity.

The Company is now seeking Shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Facility.

The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2.

5.2 Listing Rule 7.1A

Any Equity Securities issued under Listing Rule 7.1A must be the same class as an existing class of the Company's quoted securities.

As at the date of this Notice, the Company has one quoted class of Equity Securities, being its ordinary fully paid shares (ASX: BMH) (**Shares**).

Shareholders should note that the calculation of the number of Equity Securities permitted to be issued under the 10% Placement Capacity is a moving calculation and will be based on the formula set out in Listing Rule 7.1A.2 at the time of issue of the Equity Securities. That formula is:

(A x D) – E

A is the number of shares on issue 12 months before the date of issue or agreement:

- (a) plus the number of Shares issued in the relevant period under an exception in Listing Rule 7.2 (other than exceptions 9, 16 or 17);
- (b) plus the number of Shares issued in the relevant period on the conversion of convertible securities within rule 7.2 exception 9 where:
 - (i) the convertible securities were issued or agreed to be issued before the commencement of the relevant period;
 - (ii) the issue of, or agreement to issue, the convertible securities was approved, or taken under these rules to have been approved, under rule 7.1 or 7.4;
- (c) plus the number of Shares issued in the relevant period under an agreement to issue securities within rule 7.2 exception 16, where:
 - (i) the agreement was entered into before the commencement of the relevant period; or
 - (ii) the agreement or issue was approved, or taken under the Listing Rules to have been approved, under rules 7.1 or 7.4;
- (d) plus the number of partly paid Shares that became fully paid in the relevant period;
- (e) plus the number of Shares issued in the relevant period with the approval of holders of Shares under Listing Rules 7.1 and 7.4. This does not include an issue of fully paid shares under the Company's 15% placement capacity without shareholder approval; and
- (f) less the number of fully paid shares cancelled in the relevant period.

Note that 'A' has the same meaning as in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%.

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders under Listing Rules 7.1 or 7.4

5.3 Specific information required by Listing Rule 7.1A

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

- (a) The Equity Securities will be issued at an issue price of not less than 75% of the volume weighted average price of Equity Securities in the same class calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:
- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
 - (ii) if the Equity Securities are not issued within 10 trading days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (b) If Resolution 4 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, then there is a risk to existing Shareholders of economic and voting dilution, including the risk that:
- (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and
 - (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities in the same class on the issue date.

The table below identifies the potential dilution to existing Shareholders following the issue of Equity Securities under the 10% Placement Facility (based on the formula set out above) using different variables for the number of issued Shares and the market price of Shares.

Number of Shares on Issue	Dilution				
	New Shares issued under the 10% Placement Facility	Voting Dilution	Funds raised based on issue price of \$0.05 (50% decrease in Market Price)	Funds raised based on issue price of \$0.10 (Current Market Price)	Funds raised based on issue price of \$0.15 (50% increase in Market Price)
144,744,757 (Current Variable A)	14,474,475	10%	\$723,724	\$1,447,448	\$2,171,171
217,117,136 (50% increase)*	21,711,713	10%	\$1,085,586	\$2,171,171	\$3,256,757
289,489,514 (100% increase)*	28,948,951	10%	\$1,447,448	\$2,894,895	\$4,342,343

*The number of Shares on issue (variable "A" in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under an entitlements issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

The table has been prepared on the following basis:

1. The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
 2. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
 3. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.
 4. The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
 5. The issue of Equity Securities under the 10% Placement Facility consists only of Shares.
 6. The current market price used is \$0.10 based on the closing price as at 6 October 2023.
- (c) The Company will only issue the Equity Securities during the period commencing from the date of the Meeting at which the approval is obtained until the earlier of:
- (i) the date that is 12 months after the date of the Meeting;
 - (ii) the time and date of the Company's next annual general meeting; and
 - (iii) the time and date of the approval by Shareholders of a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking),
- (10% Placement Period).**

- (d) The Company can only issue the Equity Securities for cash consideration. In such circumstances, the Company may use the funds raised towards its existing divisions (e.g. sales and marketing), the acquisition of new assets or investments (including expenses associated with such acquisitions) and/or general working capital.
- (e) The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the persons to whom the Equity Securities will be issued will be determined on a case-by-case basis having regard to the factors including but not limited to the following:
- (i) the purpose of the issue;
 - (ii) the methods of raising funds that are available to the Company including, but not limited to, an entitlements issue or other issue in which existing security holders can participate;
 - (iii) the effect of the issue of the Equity Securities on the control of the Company;
 - (iv) the financial situation and solvency of the Company;
 - (v) prevailing market conditions; and
 - (vi) advice from corporate, financial and broking advisers (if applicable).

The Company notes that:

- prior to undertaking any fundraising, the Board will have regard to whether it is in the Company's best interest to structure such a fundraising as an entitlements issue to all of the Company's existing Shareholders at that time.
 - the persons to be issued securities under the 10% Placement Facility have not been determined as at the date of this Notice but are likely to be investors who are sophisticated and/or professional investors for the purposes of section 708 of the Corporations Act. No Equity Securities will be issued under Listing Rule 7.1A to related parties of the Company.
- (f) The Company previously obtained Shareholder approval under Listing Rule 7.1A at the Annual General Meeting held on 28 November 2022 (**Previous Approval**).
- (g) The Company has not issued, nor agreed to issue, any Equity Securities pursuant to the Previous Approval in the 12 months preceding the date of this Notice of Meeting. Further, the Company has not agreed to issue any Equity Securities under the Previous Approval where such securities remain unissued as at the date of the Meeting.
- (h) When the Company issues Equity Securities pursuant to the 10% Placement Capacity, it will comply with the disclosure obligations under Listing Rules 7.1A.4 and 3.10.3
- (i) A voting exclusion statement is included in the Notice. At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing Shareholders will be excluded from voting on Resolution 4.

5.4 Additional information

Resolution 4 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 4 for it to be passed.

If Resolution 4 is passed, the Company will effectively be able to issue Equity Securities up to the combined 25% limit under Listing Rules 7.1 and 7.1A without any further shareholder approval.

If Resolution 4 is not passed, the Company will not be able to access the additional 10% Placement Facility to issue Equity Securities without shareholder approval provided for in Listing Rule 7.1A and will remain subject to the 15% limit on issuing Equity Securities without shareholder approval set out in Listing Rule 7.1.

5.5 Board recommendation

The Board believes that Resolution 4 is in the best interests of the Company and recommends that Shareholders vote in favour of the Resolution as it will give the Company the flexibility to raise additional working capital whilst preserving the Company's cash reserves.

The Chair intends to vote undirected proxies in favour of Resolution 4.

Glossary

\$ means an Australian dollar.

10% Placement Facility has the meaning given in Resolution 4.

10% Placement Period has the meaning given in Resolution 4.

Annual General Meeting or **Meeting** means the annual general meeting the subject of this Notice.

Annual Report means the Directors' Report, the Financial Report and the Auditor's Report in respect of the financial year ended 30 June 2023.

ASX means ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX.

Auditor's Report means the auditor's report in the Financial Report.

Board means the board of Directors.

Chair means the person appointed to chair the Meeting, or any part of the Meeting, convened by the Notice.

Closely Related Party means a closely related party of a member of Key Management Personnel as defined in section 9 of the Corporations Act, being

- (a) a spouse or child of the member;
- (b) a child of that member's spouse;
- (c) a dependent of that member or of that member's spouse;
- (d) anyone else who is one of that member's family and may be expected to influence that member, or be influenced by that member, in that member's dealings with the Company;
- (e) a company that is controlled by that member; or
- (f) any other person prescribed by the regulations.

Company or **BauMart** means BauMart Holdings Limited (ACN 602 638 531).

Company's constitution or **Constitution** means the constitution of the Company.

Corporations Act means the Corporations Act 2001 (Cth).

Director means a Director of the Company and **Directors** means the directors of the Company.

Directors' Report means the annual directors' report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.

Equity Security has the same meaning as in the Listing Rules.

Explanatory Statement means the explanatory statement which forms part of the Notice.

Key Management Personnel means key management personnel of the Company as defined in section 9 of the Corporations Act and Australian Accounting Standards Board accounting standard 124, broadly including those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise).

Financial Report means the annual financial report of the Company and its controlled entities prepared under Chapter 2M of the Corporations Act.

Listing Rules mean the official listing rules of ASX.

Notice means this notice of meeting comprising the notice, agenda, Explanatory Statement and Proxy Form.

Proxy Form means a proxy form attached to the Notice.

Remuneration Report means the remuneration report of the Company contained in the Directors' Report.

Resolution means a resolution contained in the Notice.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a member of the Company.

Share Registry means the Company's share registry, Advanced Share Registry Ltd.

WST means Western Standard Time, as observed in Perth, Western Australia.

In this Notice, words importing the singular includes the plural and vice versa.

For personal use only

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ACN 602 638 531

PROXY VOTING FORM

For personal use only

a) Appointment of Proxy

I/We

[Empty box for I/We name]

of

[Empty box for company name]

being a member/s of BauMart Holdings Limited and entitled to attend and vote hereby appoint

[Empty box for Chair of Meeting name]

the Chair of the Meeting (mark with an 'X')

OR

[Empty box for alternative name]

PLEASE NOTE: Leave this box blank if you have selected the Chair of the Meeting. Do not insert your own name(s).

or if no person is named, the Chair of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of BauMart Holdings Limited to be held at Suite 6, 4 Riseley Street, Applecross Western Australia 6153, on Tuesday, 28 November 2023 commencing at 10:00am (WST) and at any adjournment of that meeting.

The Chair of the Meeting intends to vote undirected proxies in favour of each of the items of business. In exceptional circumstances the Chair may change his or her voting intentions on any resolution. In the event this occurs an ASX announcement will be made immediately disclosing the reasons for the change.

Chair authorised to exercise proxies on remuneration-related matters: If I/we appoint the Chair of the Meeting as my/our proxy (or the Chair of the Meeting becomes your proxy by default), I/we expressly authorise the Chair of the Meeting to exercise my/our proxy in respect of Resolution 1 even though that item is connected directly or indirectly with the remuneration of a member of key management personnel of BauMart Holdings Limited, which includes the Chair. I/we acknowledge that if the Chair of the Meeting is my/our proxy and I/we have not marked any of the boxes opposite Resolution 1, the Chair of the Meeting intends to vote my/our proxy in favour of Resolution 1.

b) Items of Business

Please mark [X] to indicate your voting directions

Table with 4 rows of business items and 3 columns: FOR, AGAINST, ABSTAIN. Each cell contains a checkbox.

PLEASE NOTE: If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a poll and your votes will not be counted in computing the required majority on a poll.

c) Signature of Securityholder(s)

Please sign here

THIS SECTION MUST BE SIGNED IN ACCORDANCE WITH THE INSTRUCTIONS OVERLEAF TO ENABLE YOUR DIRECTIONS TO BE IMPLEMENTED.

Individual or Securityholder 1

[Signature box for Individual or Securityholder 1]

Individual/ Sole Director and Sole Company Secretary

Securityholder 2

[Signature box for Securityholder 2]

Director

Securityholder 3

[Signature box for Securityholder 3]

Director/ Company Secretary

Contact Name

Contact Daytime Telephone



ACN 602 638 531

HOW TO COMPLETE THE PROXY FORM

a) Appointment of Proxy

If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If the person you wish to appoint as your proxy is someone other than the Chair of the Meeting, please write the name of that person. If you leave this section blank, or your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy. A proxy need not be a securityholder of the Company.

If you have appointed a company as your proxy and a representative of that company wishes to attend the meeting, the representative will be required to provide the Company with the appropriate written documentation evidencing that the person is a representative of the proxy. Should you require it, the Company will provide you with a corporate representative form free of charge. Please contact the Company Secretary if you require a corporate representative form.

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote as they choose. If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote for in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies, you must specify the percentage of votes or numbers of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Section (a).

b) Items of Business

You may direct your proxy how to vote by placing a mark in one of the three boxes opposite each item of business. All your securities will be voted in accordance with your directions. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

c) Signing Instructions

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: to sign under Power of Attorney, you must have already lodged this document with the Company. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate may be obtained from the Company.

Lodgement of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received by the Company no later than 10:00am (WST) on 26 November 2023, being 48 hours before the commencement of the meeting. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Documents may be lodged by post to BauMart Holdings Limited at **Suite 6, 4 Riseley Street, Applecross WA 6153** or by email to the Company Secretary at natalie.teo@anthonyho.com.au.