

MARKET UPDATE FOR QUARTER ENDED 31 DECEMBER 2023

BauMart Holdings Limited (ASX: BMH) (“BauMart” or the “Company”) provides the following operational update along with the Appendix 4C for the quarter ended 31 December 2023.

Group Operations and Commentary on Appendix 4C

- The quarter was largely focussed on generating cashflow from the mining consumables business and in this regard, the Company received inflows of \$364K.
- During the quarter, the Company fully settled the outstanding trade facility and premium funding account amounting to \$261K.
- Subsequent to the repayment, the Company has made no further draw downs and continues to have access to a combined \$300K trade financing and overdraft facilities.

Source & Procure Division

- The Company continued to develop improved supplier relationships for this division.
- The Company is monitoring recent upheavals in seaborne freighting channels and its implications on the operations of this division.
- One of its key customers for mining equipment and consumables is currently negotiating development financing for its mining project in West Africa and the Company continued to work with this client to develop further business.

Washpod Division

- During the quarter, the Company continued the investigation and negotiation with strategic partners in relation to the development of new overseas markets for its Washpod products.

Related Party Payments and Other Overheads

- Payments to Related Parties totalled \$3K for the quarter, comprised of directors’ fees and salaries.
- Other operating overheads during the quarter were largely in line with management expectations.
- The Company continues to conserve overhead costs to enable the Company to better fund future orders of mining equipment and costs associated with the assessment and development of new business and investment activities.

Other Activities

- The Company continued the review of new investment opportunities to broaden and diversify its existing business operations. Along with this investment outlook, the Company is also considering appropriate funding strategies to support additional business activities that will add shareholder value.

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:

- 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.

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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 DECEMBER 2023

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	364	391
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs ¹	(30)	(82)
(c) advertising and marketing	-	-
(d) leased assets	-	-
(e) staff costs	(20)	(70)
(f) administration and corporate costs	(42)	(107)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	(8)	(8)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	1
1.8 Other (provide details if material) ²	18	18
1.9 Net cash from / (used in) operating activities	282	143

- Operating outflows include \$23K for import and shipping costs relating to the natural stones product.
- Second and final dividend payment from Stonehaus Pty Ltd (in liquidation) in respect of consignment stock.

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	-
(d) investments ¹	-	-
(e) intellectual property	-	-

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Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 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)	-	-
2.6	Net cash from / (used in) investing activities	-	-

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	Loans and borrowings	-	98
3.6	Repayment of borrowings	(261)	(265)
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	(261)	(167)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	35	80
4.2	Net cash from / (used in) operating activities (item 1.9 above)	282	143
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(261)	(167)
4.5	Effect of movement in exchange rates on cash held	(4)	(4)
4.6	Cash and cash equivalents at end of period	52	52

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	52	35
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)	52	35

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 ¹	3
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>		

1. Director's fees, salaries, and superannuation paid.

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. 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 ¹	250	-
7.3	Other (please specify) ²	50	-
7.4	Total financing facilities	300	-
7.5	Unused financing facilities available at quarter end		300
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.		
	<p>1. Trade Facility</p> <ul style="list-style-type: none"> - Lender: NAB - Interest Rate: 11.22% p.a. (base rate of 4.68% plus variable) - The drawn down amount of \$249K has been repaid in October and the full facility of \$250K is available to the Company as at the date of this report - Maturity Date: 31 May 2024 - Secured <p>2. Bank Overdraft</p> <ul style="list-style-type: none"> - Lender: NAB - Interest Rate: 12% p.a. - Secured 		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	282
8.2	Cash and cash equivalents at quarter end (item 4.6)	52
8.3	Unused finance facilities available at quarter end (item 7.5)	300
8.4	Total available funding (item 8.2 + item 8.3)	352
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

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.

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: 31 January 2024

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.