



**BAUMART HOLDINGS LIMITED**

**ABN 87 602 638 531**

**INTERIM FINANCIAL REPORT**

**FOR THE HALF YEAR ENDED 31 DECEMBER 2023**

---

For personal use only

## CONTENTS

Contents .....	1
Corporate Directory .....	2
Appendix 4D .....	3
Review of Operations.....	4
Directors' Report .....	4
Consolidated Statement of Profit or Loss and Other Comprehensive Income.....	6
Consolidated Statement of Financial Position.....	7
Consolidated Statement of Changes in Equity .....	8
Consolidated Statement of Cash Flows.....	9
Condensed Notes to the Consolidated Financial Statements .....	10
Directors' Declaration .....	21
Auditor's Independence Declaration.....	22
Independent Auditor's Review Report.....	23

---

## CORPORATE DIRECTORY

### Directors

Mr Hadi Widayat – Executive Director  
Mr Ben Talbot – Non-Executive Director  
Mr Berthus Budiman – Non-Executive Director  
Mr Anson Gan – Non-Executive Director

### Company Secretary

Ms Natalie Teo

### Principal Place of Business

15 McCabe Street  
North Fremantle WA 6159

Telephone: +61 8 6558 0814  
Website: [www.baumart.com.au](http://www.baumart.com.au)

### Registered Office

Suite 6, 4 Riseley Street  
Applecross WA 6153

Telephone: +61 8 6558 0814

### Share Registry

Advanced Share Registry Services Pty Ltd  
110 Stirling Highway  
Nedlands WA 6009

Telephone: +61 8 9389 8033  
Facsimile: +61 8 9262 3723

### Auditor

Stantons International Audit and Consulting Pty Ltd  
Level 2, 40 Kings Park Rd  
West Perth WA 6005

### Australian Securities Exchange

Australian Securities Exchange Limited  
Level 40, Central Park,  
152-158 St George's Terrace  
Perth WA 6000

ASX Code: BMH

## APPENDIX 4D

### FOR THE HALF YEAR ENDED 31 DECEMBER 2023

The following information is provided to the ASX under listing rule 4.2A.3

Company Name: BauMart Holdings Limited (the **Company**)  
ABN: 87 602 638 531  
Reporting Period: Half year ended 31 December 2023  
Previous Reporting Period: Half year ended 31 December 2022

#### RESULTS FOR ANNOUNCEMENT TO THE MARKET

	31 December 2023	31 December 2022	Change up/ (down) %
\$ Revenue from Ordinary Activities (\$'000)	442	125	254%
\$ Profit (loss) from ordinary activities after tax (\$'000)	(1,145)	135	(948%)
\$ Profit (loss) from discontinued operations (\$'000)	-	87	(100%)
\$ Net profit (loss) attributable to members (\$'000)	(1,145)	222	(616%)
Net tangible assets per security	\$0.0278	\$0.0350	(21%)

#### DIVIDENDS

No dividends have been paid or declared by the Company since the beginning of the current reporting period. No dividends were paid for the previous reporting period.

#### FOR FURTHER INFORMATION

The Independent Auditor's Review Report contains a material uncertainty relating to going concern and an emphasis of matter relating to the valuation of equity investments.

Further information to assist in the understanding of the financial results presented above is provided throughout this Interim Financial Report.

## DIRECTORS' REPORT

### FOR THE HALF YEAR ENDED 31 DECEMBER 2023

The Board of Directors present their report together with the consolidated financial statements of BauMart Holdings Limited (the **Company** or **Parent Entity**) and its controlled entities (together referred to hereafter as the **Consolidated Entity** or **Group**) for the half year ended 31 December 2023 and the auditor's review report thereon.

#### DIRECTORS

The Directors of the Company at any time during or since the end of the half year are:

Name	Period of directorship
Mr Hadi Widayat <i>Executive Director</i>	Director since 20 February 2023
Mr Ben Talbot <i>Non-Executive Director</i>	Director since 1 January 2022
Mr Berthus Budiman <i>Non-Executive Director</i>	Director since 31 October 2014
Mr Anson Gan <i>Non-Executive Director</i>	Director since 19 March 2015

#### GROUP RESULTS

The loss of the Consolidated Entity for the half-year was \$1,145,361 (2022: \$221,883 profit).

#### REVIEW OF OPERATIONS

##### GROUP RESULTS

The Group had a loss of \$1,145,361 for the half-year (2022: \$221,883 profit).

During the period, the Group fully settled the outstanding trade facility premium funding account amounting to \$249,000.

Subsequent to the repayment, the Group has made no further drawdowns and continues to have access to a combined \$300,000 in trade financing and overdraft facilities.

The Group is actively sourcing additional financing through the exploration of various funding avenues and remains committed to securing adequate capital resources for sustained growth and operational flexibility in its divisions.

##### SOURCE & PROCURE UPDATE

The division continued to supply mining consumables and industrial equipment during the period. Top line revenue increased to \$396,823 (H1 FY23: \$125,044) for the period.

One of its key clients for mining equipment and consumables is currently negotiating development financing for its mining project in West Africa and the Group continues to work with this client to develop further business.

During the half, the Group continued the investigation and negotiation with strategic partners regarding the development of new overseas markets for its distribution of Washpod products.

##### BUILDING MATERIALS UPDATE

The division captured several new sales through its reseller channels during the period and revenue was \$45,150 (H1 FY23: \$nil).

The Group continues to foster strong relationships with its network of existing suppliers and maintains an optimistic outlook on the demand in the domestic sector.

## **DIRECTORS' REPORT**

**FOR THE HALF YEAR ENDED 31 DECEMBER 2023**

### **OTHER ACTIVITIES**

The Group continued the review of new investment opportunities to broaden and diversify its existing business operations. Along with this investment outlook, the Group remains committed to securing funding for expansion in its existing business activities and potential growth opportunities that will add shareholder value.

### **EVENTS SUBSEQUENT TO REPORTING DATE**

Other than the matters described above and in Note 19 to the financial statements, there has not arisen in the interval between the end of the half year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors, to affect significantly the operations of the Consolidated Entity, the results of those operations, or the state of affairs of the Consolidated Entity in future financial years.

### **AUDITOR'S INDEPENDENCE DECLARATION**

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 22.

This Directors' Report is made out in accordance with a resolution of the Directors:



Hadi Widayat  
*Executive Director*

Dated at Perth this 28th day of February 2024

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE HALF YEAR ENDED 31 DECEMBER 2023

	Note	31 December 2023 \$	31 December 2022 \$
<b>CONTINUING OPERATIONS</b>			
<b>Revenue and other income</b>			
Sale of goods		441,973	125,044
<b>Total Revenue</b>		441,973	125,044
<b>Cost of sales</b>		(355,105)	(92,023)
<b>Total cost of sales</b>		(355,105)	(92,023)
<b>Gross profit</b>		86,868	33,021
Other revenue	4(a)	18,699	360,994
Net finance income / (expense)	4(b)	(9,926)	(17,344)
<b>Expenses</b>			
Corporate and administrative expenses		(229,489)	(290,566)
Operational expenses		(36,531)	(9,686)
Occupancy expenses	4(c)	(12,364)	(3,185)
Marketing expenses		1,477	(25,810)
Depreciation and amortisation expenses	10(c)	(6,935)	(450,440)
Doubtful debt expense	5	(930,063)	-
Other expenses		(27,097)	-
<b>Total expenses</b>		(1,241,002)	(779,687)
<b>Profit / (Loss) before income tax</b>		(1,145,361)	(403,016)
Income tax benefit/(expense)		-	-
<b>Net profit / (loss) from continuing operations</b>		(1,145,361)	(403,016)
<b>DISCONTINUED OPERATIONS</b>			
Gain on disposal of discontinued operations	18	-	537,797
Net profit / (loss) from discontinued operations	18	-	87,102
<b>Net profit /(loss) for the half year period</b>		<b>(1,145,361)</b>	<b>221,883</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified to profit or loss		-	-
Items that may be reclassified subsequently to profit or loss		-	-
<b>Other comprehensive income for the half year, net of tax</b>		-	-
<b>Total comprehensive profit / (loss)</b>		<b>(1,145,361)</b>	<b>221,883</b>
<b>Profit / (Loss) attributable to:</b>			
Owners of the Company		(1,145,361)	221,883
		(1,145,361)	221,883
<b>Total comprehensive profit / (loss) attributable to:</b>			
Owners of the Company from continuing operations		(1,145,361)	(403,016)
Owners of the Company from discontinuing operations		-	624,899
		(1,145,361)	221,883
<b>Basic and diluted earnings/(loss) per share attributable to the ordinary equity holders of the Company</b>			
Basic and diluted (loss) per share on continuing operations	16	(\$0.0079)	(\$0.0028)
Basic and diluted earnings per share on discontinuing operations	16	-	\$0.0043

The Consolidated Statement of Profit or Loss and Other Comprehensive Income is to be read in conjunction with the accompanying notes



# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2023

	Note	31 December 2023 \$	30 June 2023 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		51,991	80,693
Trade and other receivables	5	602,862	1,504,395
Other current assets	6	40,654	31,610
Inventories	7	250,262	565,518
<b>Total current assets</b>		<b>945,769</b>	<b>2,182,216</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	8	-	-
Financial assets	12	3,500,000	3,500,000
Right of use assets	10 (a)	22,504	29,439
<b>Total non-current assets</b>		<b>3,522,504</b>	<b>3,529,439</b>
<b>TOTAL ASSETS</b>		<b>4,468,273</b>	<b>5,711,655</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	9	323,396	317,144
Employee benefits		79,596	22,415
Current tax liabilities		2,943	2,943
Lease liabilities	10 (b)	35,669	21,117
Loans & borrowings	11 (a)	-	151,000
<b>Total current liabilities</b>		<b>441,604</b>	<b>514,619</b>
<b>NON-CURRENT LIABILITIES</b>			
Lease liabilities	10 (b)	-	25,006
<b>Total non-current liabilities</b>		<b>-</b>	<b>25,006</b>
<b>TOTAL LIABILITIES</b>		<b>441,604</b>	<b>539,625</b>
<b>NET ASSETS</b>		<b>4,026,669</b>	<b>5,172,030</b>
<b>EQUITY</b>			
Issued capital	13	8,251,219	8,251,219
Accumulated losses		(4,224,550)	(3,079,189)
<b>TOTAL EQUITY</b>		<b>4,026,669</b>	<b>5,172,030</b>

The Consolidated Statement of Financial Position is to be read in conjunction with the accompanying notes.



# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## FOR THE HALF YEAR ENDED 31 DECEMBER 2023

	Issued Capital \$	Accumulated Profit (Losses) \$	Reserves \$	Total Equity \$
<b>Balance at 30 June 2023</b>	<b>8,251,219</b>	<b>(3,079,189)</b>	<b>-</b>	<b>5,172,030</b>
Profit / (loss) for the half year	-	(1,145,361)	-	(1,145,361)
Share Equity Reserves	-	-	-	-
Foreign Currency Translation	-	-	-	-
<b>Total comprehensive profit / (loss) for the half year</b>	<b>-</b>	<b>(1,145,361)</b>	<b>-</b>	<b>(1,145,361)</b>
<b>Transaction with equity holders, in their capacity as equity holders</b>				
Issue of ordinary shares, net of transaction costs	-	-	-	-
<b>Balance at 31 December 2023</b>	<b>8,251,219</b>	<b>(4,224,550)</b>	<b>-</b>	<b>4,026,669</b>
<b>Balance at 30 June 2022</b>	<b>8,251,219</b>	<b>(3,403,368)</b>	<b>583,987</b>	<b>5,431,838</b>
Profit for the half year	-	221,883	-	221,883
Share Equity Reserves	-	-	(583,333)	(583,333)
Foreign Currency Translation	-	-	(654)	(654)
<b>Total comprehensive profit for the half year</b>	<b>-</b>	<b>221,883</b>	<b>(583,987)</b>	<b>(362,104)</b>
<b>Transaction with equity holders, in their capacity as equity holders</b>				
Issue of ordinary shares, net of transaction costs	-	-	-	-
<b>Balance at 31 December 2022</b>	<b>8,251,219</b>	<b>(3,181,485)</b>	<b>-</b>	<b>5,069,734</b>

*The Consolidated Statement of Changes in Equity is to be read in conjunction with the accompanying notes.*

# CONSOLIDATED STATEMENT OF CASH FLOWS

## FOR THE HALF YEAR ENDED 31 DECEMBER 2023

	Note	31 December 2023 \$	31 December 2022 \$
<b>Cash flows from operating activities</b>			
Receipts in the course of operations		419,637	740,084
Government grants and tax incentives received		750	3,000
Payments to suppliers & employees		(277,709)	(1,829,954)
Interest received		-	-
Interest paid		(8,440)	(9,610)
<b>Net cash inflow / (outflow) from operating activities</b>		<u>134,238</u>	<u>(1,096,480)</u>
<b>Cash flows from investing activities</b>			
Proceeds on disposal of entities		-	1,112,926
<b>Net cash inflow / (outflow) from investing activities <sup>1</sup></b>		<u>-</u>	<u>1,112,926</u>
<b>Cash flows from financing activities</b>			
Proceeds from borrowings		98,000	213,518
Repayment of borrowings		(249,000)	(200,225)
Payments of lease liabilities		(11,940)	-
<b>Net cash (outflow) / inflow from financing activities</b>		<u>(162,940)</u>	<u>13,293</u>
<b>Net (decrease) / increase in cash and cash equivalents</b>		(28,702)	29,739
<b>Cash and cash equivalents as at beginning of the period</b>		80,693	110,544
<b>Effect of movement in exchange rates on cash held</b>		-	942
<b>Cash and cash equivalents as at end of the period</b>		<u><u>51,991</u></u>	<u><u>141,225</u></u>

*The Consolidated Statement of Cash Flows is to be read in conjunction with the accompanying notes.*

<sup>1</sup> There were no non-cash financing and investing activities during the period.

# CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE HALF YEAR ENDED 31 DECEMBER 2023

### 1. REPORTING ENTITY

BauMart Holdings Limited (“**BauMart**”, “**Company**” or “**Parent Entity**”) is a public company limited by shares incorporated in Australia whose shares are traded on the Australian Securities Exchange.

These consolidated financial statements comprise the Company and its subsidiaries (together referred to as the “**Consolidated Entity**” or “**Group**”) and authorised for issue by the Board of Directors on 28 February 2024.

### 2. BASIS OF PREPARATION

These general purpose interim financial statements for the half-year reporting period ended 31 December 2023 have been prepared in accordance with requirements of the Corporations Act 2001 and Australian Accounting Standard AASB 134: Interim Financial Reporting. The Consolidated Entity is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of BauMart Holdings Limited and its controlled entities (referred to as the “Consolidated Entity” or “Group”). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2023, together with any public announcements made during the following half-year.

These interim financial statements were authorised for issue on 28 February 2024.

#### a) Accounting Policies

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements.

#### b) New and amended Accounting Standards and Interpretations adopted by the Group

None of the new standards and amendments to standards that are mandatory for the first time for the financial year beginning 1 January 2023 affected any of the amounts recognised in the current period or any prior period.

The Group has not adopted any new or revised Accounting Standards that are not mandatory for this reporting period.

### 3. SIGNIFICANT ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

The preparation of the interim financial report requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing the interim financial report, the significant judgments made by management in applying the Consolidated Entity’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial report as at and for the year ended 30 June 2023. Critical accounting judgements, estimates and assumptions adopted by management are discussed below.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are outlined below:

#### *Provision for impairment of receivables*

The provision for impairment of receivables assessment requires a degree of estimation and judgement. The level of provision is assessed by taking into account the recent sales experience, the ageing of receivables, historical collection rates and specific knowledge of the individual debtors’ financial position.

#### *Estimation of useful lives of assets*

The estimation of the useful lives of assets has been based on historical experience. The condition of the assets are assessed at least once per year and considered against the remaining useful life. Depreciation charges are included in Note 8.

# CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE HALF YEAR ENDED 31 DECEMBER 2023

### *Business combinations*

Business combinations are initially accounted for on a provisional basis. The fair value of assets acquired, liabilities and contingent liabilities assumed are initially estimated by the Consolidated Entity taking into consideration all available information at the reporting date. Fair value adjustments on the finalisation of the business combination accounting is retrospective, where applicable, to the period the combination occurred and may have an impact on the assets and liabilities, depreciation and amortisation reported cash flows.

### *Going Concern*

The interim financial report has been prepared on a going concern basis, which assumes continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

The Consolidated Entity incurred a net loss of \$1,145,361 during the half year (2022: \$221,883 profit). Included in trade and other receivables at 31 December 2023 is an amount of \$1,532,925 which is overdue and an amount of \$930,063 has been provided for.

The ability of the Consolidated Entity to pay its debts as and when they fall due and to continue as a going concern is dependent upon the Consolidated Entity's ability to generate positive cash flows through its existing business collecting receivables from customers, and/or raise further equity.

The Directors are of the opinion that there are reasonable grounds to believe the Consolidated Entity will be able to pay its debts as and when they become due and payable, and therefore continue as a going concern after consideration of the following factors:

- The Consolidated Entity has net working capital surplus of \$504,165 this includes cash reserves of as at 31 December 2023 of \$51,991 and available trade finance facility of \$250,000 and overdraft facility of \$50,000;
- The Directors are confident that the trade receivables referred to in Note 5 are fully recoverable following discussions with the debtors;
- The budgets and forecasts reviewed by the Directors for the next 12 months anticipate that the business will produce improved results; and
- The Consolidated Entity has the ability to continue to adjust its operational outlays subject to the results of its strategic review process and the Consolidated Entity's funding position.

In the event that the above events do not occur, then the Consolidated Entity may be required to raise additional capital either through equity or debt in order to continue as a going concern. The Directors are confident that the Consolidated Entity will be able to raise further working capital either through debt or equity as and when required to continue to support the business.

Should the Consolidated Entity not be able to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that may differ from those stated in the financial statements. The interim financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or liabilities that might be necessary should the Consolidated Entity not continue as a going concern.

# CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE HALF YEAR ENDED 31 DECEMBER 2023

### 4. REVENUE AND EXPENSES

	Note	31 December 2023 \$	31 December 2022 \$
<b>a) Other revenue</b>			
Rental from sublet of leased property		-	336,434
Government grant		750	-
Other income		17,949	24,560
		<b>18,699</b>	<b>360,994</b>
<b>b) Net finance income</b>			
Interest expense		(8,440)	(5,040)
Interest expense from unwinding of interest per AASB16	10(d)	(1,486)	(12,304)
		<b>(9,926)</b>	<b>(17,344)</b>
<b>c) Occupancy expenses</b>			
Rental expense for office premises		(12,364)	(3,185)
		<b>(12,364)</b>	<b>(3,185)</b>

### 5. TRADE AND OTHER RECEIVABLES

	31 December 2023 \$	30 June 2023 \$
<b>Current</b>		
Trade receivables – normal activities	1,532,925	1,504,395
Provision for debtors	(930,063)	-
	<b>602,862</b>	<b>1,504,395</b>

At reporting date, \$1,532,925 (30 June 2023: \$131,365) were past due and \$930,063 has been provided for.

### 6. OTHER CURRENT ASSETS

Deposits to suppliers	-	26,340
Prepaid insurance	25,565	5,270
Prepaid services	15,089	-
	<b>40,654</b>	<b>31,610</b>

### 7. INVENTORIES

Source and procure supply	250,262	565,518
	<b>250,262</b>	<b>565,518</b>

As at reporting date, inventories comprised of Washpods and consumables. These have been carried at the lower of cost and net realisable value.

# CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE HALF YEAR ENDED 31 DECEMBER 2023

### 8. PROPERTY, PLANT & EQUIPMENT

	Plant & equipment \$	Furniture & fittings \$	Office equipment \$	Pooled assets \$	Subtotal \$
<b>At 31 December 2023</b>					
Cost	-	19,101	20,007	-	39,108
Accumulated depreciation	-	(19,101)	(20,007)	-	(39,108)
Disposals	-	-	-	-	-
Net book amount	-	-	-	-	-
<b>At 30 June 2023</b>					
Cost	-	19,743	21,212	-	40,955
Additions	-	-	-	-	-
Accumulated depreciation	-	(19,101)	(20,007)	-	(39,108)
Disposals	-	(642)	(1,205)	-	(1,847)
Net book amount	-	-	-	-	-
Movement in the carrying amounts for each class of plant and equipment between the beginning and the end of the current financial period.					
<b>Half Year ended 31 December 2023</b>					
Opening net book amount	-	-	-	-	-
Additions	-	-	-	-	-
Depreciation charges	-	-	-	-	-
Disposals	-	-	-	-	-
Closing net book amount	-	-	-	-	-
<b>Year ended 30 June 2023</b>					
Opening net book amount	-	1,136	1,543	-	2,679
Additions	-	-	-	-	-
Depreciation charges	-	(494)	(428)	-	(922)
Disposals / reclassification	-	(642)	(1,115)	-	(1,757)
Closing net book amount	-	-	-	-	-

# CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE HALF YEAR ENDED 31 DECEMBER 2023

### 9. TRADE AND OTHER PAYABLES

	31 December 2023 \$	30 June 2023 \$
<b>Current</b>		
Trade payables – normal activities	212,316	179,555
Other payables	83,636	137,589
Accrued expenses	21,250	-
Deposits from customers	6,194	-
	<b>323,396</b>	<b>317,144</b>

### 10. LEASES

	31 December 2023 \$ Equipment lease <sup>1</sup>	30 June 2023 \$ Property & Equipment lease
<b>(a) Right-of-use assets (ROU)</b>		
Opening net book value	29,439	735,220
Additions	-	48,522
Adjustment to ROU	-	(31,013)
Depreciation	(6,935)	(723,290)
Closing net book value	<b>22,504</b>	<b>29,439</b>
<b>(b) Lease liabilities</b>		
Current	35,669	21,117
Non-current	-	25,006
	<b>35,669</b>	<b>46,123</b>
<b>(c) Depreciation charge of ROU</b>		
Depreciation expense per AASB 16	<b>6,935</b>	<b>723,290</b>
<b>(d) Interest expense on lease liabilities (under net finance income) – property lease</b>		
Interest expense from the unwinding of interest per AASB 16	<b>1,486</b>	<b>1,442</b>
	<b>31 December 2023 \$</b>	<b>31 December 2022 \$</b>
Total outflows for leases during the half year period	<b>11,940</b>	<b>518,780</b>

<sup>1</sup>As of 30 June 2023, the Company no longer has any property lease



# CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE HALF YEAR ENDED 31 DECEMBER 2023

### 11. LOANS AND BORROWINGS

This note provides information about the contractual terms of The Consolidated Entity's interest-bearing loans and borrowings.

	31 December 2023 \$		30 June 2023 \$	
	Facility drawdown	Facility available	Facility drawdown	Facility available
<b>a) Trade finance</b>				
NAB facility - \$250,000 limit	-	250,000	151,000	99,000
	-	250,000	151,000	99,000
<b>b) Bank overdraft</b>				
NAB facility - \$50,000 limit	50	49,950	50	49,950
	50	49,950	50	49,950

#### Terms of loans and borrowings

Details	Trade finance facility	Bank overdraft
Facility provider	National Australia Bank	National Australia Bank
Facility limit	\$250,000	\$50,000
Interest rate	4.68% p.a., plus variable	12.25% p.a.
Term of drawings	120 days	No limit
Services fees	1.00% p.a. on trade finance limit	\$50 per month
Application fees	\$1,000 once off	\$600 once off
Expiry date	31 May 2024	Revolving term, subject to annual review

#### Assets pledged as security.

The finance facilities provided by NAB comprises of trade refinance facility and an overdraft facility. Should the Consolidated Entity fail to make on-time repayments on these facilities and breaching the covenants, NAB are deemed as secured creditors and are first in line to the Consolidated Entity's cash & cash equivalents and any income from trade receivables received as securities totalling the amounts owed to the limit of drawn down.

### 12. FINANCIAL ASSETS

	31 December 2023 \$	30 June 2023 \$
<b>Long term equity investments</b>		
Fair value as at 30 June 2023	3,500,000	4,083,333
Movement in fair value	-	(583,333)
Fair value as at 31 December 2023	3,500,000	3,500,000

The Company holds 11,666,667 ordinary fully paid shares in Australia Sunny Glass Group Limited (NSX: AG1), an entity that is listed on the National Stock Exchange. The fair value of the investment at period end has been determined based on the last issue price of the same class of securities, being \$0.30 with reference to an announcement by AG1 dated 5 July 2023 relating to the issue of consideration shares.

NSX is a principal market and the only one in which AG1 transacts, representing an orderly market with directly observable inputs. AG1's shares are tightly held with ~97% held by the Top 20 shareholders (refer AG1 Annual Report for the year ended 30 June 2023). The tightly held nature of AG1 shares resulted in trading volumes being impacted on NSX (the last on-market trade was on 7 December 2020 and there have been no trades since the balance date of this report).

# CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE HALF YEAR ENDED 31 DECEMBER 2023

### 12. FINANCIAL ASSETS (CONTINUED)

During the six months ended 31 December 2023, there were no off-market transfers recorded in respect of AG1 shares.

During the period, AG1 completed the acquisition of DW Sullivan Windows Pty Ltd. Consideration for the acquisition was the issuance of 13,333,333 shares at \$0.30 per share, and issue and allotment of the consideration shares was completed on 5 July 2023.

The Company has considered the above in its valuation of AG1 shares at period end and determined that the issue price of \$0.30, in respect of the consideration shares and cleansing offer shares, is an observable input and comparable to the quoted price in an active market. It is this price that the Company has used to value its investment in AG1 as at 31 December 2023. This is a Level 2 valuation technique.

### 13. ISSUED CAPITAL

	31 December 2023	30 June 2023
	\$	\$
144,744,757 (30 June 2023: 144,744,757) fully paid ordinary shares	<u>8,251,219</u>	<u>8,251,219</u>

#### a) Ordinary shares

The following movements in ordinary share capital occurred during the half year:

	31 December 2023 No.	30 June 2023 No.	31 December 2023 \$	30 June 2023 \$
Balance at beginning of the period	144,744,757	144,744,757	8,251,219	8,251,219
Share issues	-	-	-	-
Balance at the end of the period	<u>144,744,757</u>	<u>144,744,757</u>	<u>8,251,219</u>	<u>8,251,219</u>

Ordinary shares entitle the holder to participate in dividends and the proceeds from winding up of the Company in proportion to the number and amounts paid on the shares held.

On a show of hands every holder of ordinary securities present at a shareholder meeting in person or by proxy is, entitled to one vote, and upon a poll each share is entitled to one vote.

#### b) Options

No options were issued, exercised or lapsed during the half year.

There were no options to subscribe for ordinary fully paid shares at the end of the half year.

#### c) Capital risk management

The Consolidated Entity's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Consolidated Entity may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Board seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position although there is no formal policy regarding gearing levels.

There were no changes in the Consolidated Entity's approach to capital management during the half year. The Consolidated Entity is not subject to any externally imposed capital requirements.

### 14. CONTINGENCIES AND COMMITMENTS

The Consolidated Entity does not have any contingent liabilities as well as contractual commitments at balance and reporting dates.

# CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE HALF YEAR ENDED 31 DECEMBER 2023

### 15. SUBSIDIARIES

Name of entity	Country of incorporation	Equity holding 31 December 2023	Equity holding 30 June 2023	Principal activities
Buildmart Services Pty Ltd	Australia	100%	100%	Project management, source and procure services

Loans made by the Company to its wholly owned subsidiaries are contributed to meet required expenditure payable on demand and are not interest bearing.

### 16. EARNINGS / (LOSS) PER SHARE

#### Basic and diluted earnings / (loss) per share

The calculation of basic earnings / (loss) per share at 31 December 2023 was based on the following:

	31 December 2023 \$	31 December 2022 \$
<b>Earnings / (loss) attributable to ordinary shareholders</b>		
Net profit / (loss) for the year attributable to owners of the Company	(1,145,361)	221,883
<b>Weighted average number of ordinary shares</b>	<b>Number</b>	<b>Number</b>
Balance at beginning of year	144,744,757	144,744,757
Balance at end of year	<b>144,744,757</b>	<b>144,744,757</b>
Basic and diluted (loss) per share on continuing operations	(\$0.0079)	(\$0.0028)
Basic and diluted earnings per share on discontinuing operations	-	\$0.0043

Diluted earnings/(loss) per share must be calculated where potential ordinary shares on issue are dilutive. There are no potential ordinary shares outstanding as set out in Note 13.

### 17. SEGMENTS INFORMATION

The Consolidated Entity has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources. The Consolidated Entity is managed primarily based on product category and service offerings since the diversification of the Consolidated Entity's operations inherently have notably different risk profiles and performance assessment criteria. Operating segments are therefore determined on the same basis. Reportable segments disclosed are based on aggregating operating segments where the segments are considered to have similar economic characteristics and are also similar with respect to the products sold and/or services provided by that segment.

#### Types of products and services by segment

##### *Source & Procurement Supply*

The Sourcing and Procurement division is focused on providing specialised procurement solutions to a broad range of sectors.

##### *Building Materials Supply*

The Building Materials Supply is focused on the supply of building products and materials procured from local and offshore suppliers to both the residential and commercial property construction markets.

# CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE HALF YEAR ENDED 31 DECEMBER 2023

### 17. SEGMENTS INFORMATION (continued)

#### Basis of accounting for purposes of reporting by operating segments

##### Accounting policies adopted

Unless stated otherwise, all amounts reported to the Board of Directors as the chief decision maker with respect to operating segments are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Consolidated Entity.

All inter-segment loans payable and receivable are eliminated on consolidation for the Consolidated Entity's financial statements.

##### Segment Assets

Where an asset is used across multiple segments, the asset is allocated to the segment that receives the majority of economic value from the asset. In the majority of instances segment assets are clearly identifiable on the basis of their nature and physical location.

##### Segment Liabilities

Liabilities are allocated to segments where there is direct nexus between the incurrence of the liability and the operations of the segment. Borrowings and tax liabilities are generally considered to relate to the Consolidated Entity and are not allocated. Segment liabilities include trade and other payables and certain borrowings.

##### Unallocated items

Items of revenue, expenses, assets and liabilities which are not considered part of the core operations of any segment are allocated to Corporate and Administrative:

	Segment Revenue <sup>1</sup>		Segment Results		Segment Assets		Segment Liabilities	
	31 December 2023 \$	31 December 2022 \$	31 December 2023 \$	31 December 2022 \$	31 December 2023 \$	30 June 2023 \$	31 December 2023 \$	30 June 2023 \$
Materials Handling Supply	-	803,006	-	87,102	-	-	-	-
Building Materials Supply	45,150	-	9,030	-	3,500,000	3,500,000	332,108	425,152
Source & Procurement Supply	396,823	125,044	(783,922)	6,886	879,863	1,972,626	106,553	111,530
Corporate & Administrative	8,773	360,994	(370,469)	127,895	88,410	239,029	2,943	2,943
Consolidated Entity (Total)	450,746	1,289,044	(1,145,361)	221,883	4,468,273	5,711,655	441,604	539,625

<sup>1</sup> Segment revenue includes sale of goods, income from delivery of services and other revenue earned during the period

# CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE HALF YEAR ENDED 31 DECEMBER 2023

### 18. DISPOSAL OF SUBSIDIARIES

#### *Sale of Eco Pallets (discontinued operation)*

On 23 June 2022, following consultation with the Australian Securities Exchange (ASX), the Company announced that its Board of Directors had resolved to sell wholly owned subsidiary Eco Pallets Pty Ltd (**Eco Pallets**) (including Eco Pallets' subsidiary, Eco Pallets NZ), subject to shareholder and other approvals, to APX Holdings Pty Ltd for cash consideration of \$1 million.

The decision was based on a thorough review of the Consolidated Entity's business divisions that considered a range of options. The Board ultimately concluded that the Consolidated Entity's capital resources would be better applied to expanding other divisions and pursuing new opportunities.

On 18 August 2022, the Company received shareholder approval to proceed with the sale, subject to completion of conditions precedent as set out in the share sale agreement.

On 29 August 2022, the Company received \$1 million in cash from APX Holdings Pty Ltd and announced completion of the sale of Eco Pallets. A further working capital adjustment payment of \$112,926 was received in September 2022.

The following were the results of the discontinued operations for the period ended 31 December 2022:

	<b>2 months ended 29 August 2022</b>
	<b>\$</b>
Revenue	803,006
Cost of goods sold	(576,710)
Gross profit	226,296
Other income	-
Operating expenses	(139,194)
Profit before income tax	87,102
Income tax expense/(benefit)	-
Profit after income tax	87,102

The Consolidated Entity recognised the following gain on deconsolidation of Eco Pallets in the 2023 financial year:

	<b>31 December 2022</b>
	<b>\$</b>
Net assets disposed of (excluding goodwill)	573,372
Attributable goodwill <sup>1</sup>	1,511,458
Goodwill fully impaired, at date of disposal	(1,511,458)
Gain on disposal of discontinued operation <sup>3</sup>	539,554
Total consideration received <sup>2</sup>	1,112,926
Satisfied by cash, and net cash inflow arising on disposal	<b>1,112,926</b>

#### Notes:

- Goodwill attributable to Eco Pallets at acquisition date of 31 May 2016 as reported in Baumart Holdings Limited Annual report for year ended 30 June 2016. It is fully impaired at disposal date 29 August 2022.
- The total cash consideration paid by APX Holdings Pty Ltd for 100% of the issued capital in Eco Pallets (and Eco Pallets' subsidiary, Eco Pallets NZ), comprised of \$1 million cash consideration and working capital adjustment payment of \$112,926.
- Carrying value of fixed assets of \$1,757 was written off by the parent entity (BauMart Holdings Limited) due to disposal of discontinued operations.

**CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE HALF YEAR ENDED 31 DECEMBER 2023**

**19. EVENTS SUBSEQUENT TO REPORTING DATE**

Other than what has been disclosed in the accounts, there has not arisen in the interval between the end of the interim period and the date of this report any item, transaction or event of a material and unusual nature likely to significantly affect the operations of the Consolidated Entity, the results of those operations, or the state of affairs of the Consolidated Entity in future financial years.

## DIRECTORS' DECLARATION

In the opinion of the Directors of BauMart Holdings Limited:

1. the consolidated financial statements and notes, set out on pages 6 to 20 are in accordance with the *Corporations Act 2001*, including:
  - (a) complying with Accounting Standards AASB 134: Interim Financial Reporting and the Corporations Regulations 2001; and
  - (b) giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2023 and its performance for the half-year ended on that date; and
2. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Dated at Perth, Western Australia this 28<sup>th</sup> day of February 2024

Signed in accordance with a resolution of the Directors.



Hadi Widayat

*Executive Director*



**INDEPENDENT AUDITOR'S REVIEW REPORT  
TO THE MEMBERS OF BAUMART HOLDINGS LIMITED****Report on the Half-Year Financial Report****Conclusion**

We have reviewed the half-year financial report of Baumart Holdings Limited, which comprises the consolidated statement of financial position as at 31 December 2023, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, condensed notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that causes us to believe that the accompanying half-year financial report of Baumart Holdings Limited does not comply with the *Corporations Act 2001* including:

- (a) giving a true and fair view of Consolidated Entity's financial position as at 31 December 2023 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

**Basis for Conclusion**

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report. We are independent of the Company and its subsidiaries in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* has been given to the directors of the Company on 28 February 2024.

**Material Uncertainty Relating to Going Concern**

Without modifying our conclusion expressed above, attention is drawn to the following matter:

As referred to in Note 3 to the financial statements, the financial statements have been prepared on the going concern basis. At 31 December 2023 the Consolidated Entity had cash and cash equivalents totalling \$51,991, working capital of \$504,165 and has incurred a loss before tax from continuing operations for the period of \$1,145,361. This indicates that a material uncertainty exists that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern.

The Consolidated Entity's ability to continue operations is dependent upon the Consolidated Entity's ability to generate positive cashflows from its existing businesses, collecting receivables from customers, and/or raise further equity.

**Emphasis of Matter - Carrying Value of Equity Investments**

We draw attention to Note 12 to the financial report, which discloses the carrying value of the investment in Australia Sunny Glass Group Limited ("AG1"). Our conclusion is not modified in respect of this matter.

The Company holds 11,666,667 ordinary shares in AG1, which is listed on the National Stock Exchange of Australia ("NSX") and is valued at \$0.30 per share totalling \$3,500,000. The share price of AG1 shares has not changed since December 2020 as there have been no trades on the NSX in the AG1 shares. In order to estimate the fair value of these shares, the management have considered the share price for shares issued by AG1 during the period. After considering the share price for shares issued by AG1 during the period (at 30 cents per share), the directors and the management believe that the carrying amount reflects the fair value and is recoverable.

**Responsibility of the Directors for the Financial Report**

The directors of Baumart Holdings Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility for the Review of the Financial Report**

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Company's financial position as at 31 December 2023 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD**  
**(An Authorised Audit Company)**

*Stantons International Audit and Consulting Pty Ltd*  
*Eliya Mwale*

**Eliya Mwale**  
Director

West Perth, Western Australia  
28 February 2024



PO Box 1908  
West Perth WA 6872  
Australia  
Level 2, 40 Kings Park Road  
West Perth WA 6005  
Australia  
Tel: +61 8 9481 3188  
Fax: +61 8 9321 1204  
ABN: 84 144 581 519  
[www.stantons.com.au](http://www.stantons.com.au)

28 February 2024

Board of Directors  
Suite 6, 4 Riseley Street  
Applecross WA 6153

Dear Sirs

**RE: BAUMART HOLDINGS LIMITED**

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Baumart Holdings Limited.

As Audit Director for the review of the financial statements of Baumart Holdings Limited for the half-year ended 31 December 2023, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

Yours faithfully

**STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD**  
(An Authorised Audit Company)

**Eliya Mwale**  
Director

