

## MARKET UPDATE FOR QUARTER ENDED 30 SEPTEMBER 2017

BauMart Holdings Limited (ASX: BMH) (“BauMart” or the “Company”) is pleased to present its quarterly cash report for the period ended 30 September 2017 and advises:

### Materials Handling Division

- Continued execution of key priorities during the quarter
- Foodpro exhibition in July 2017 continuing to generate recurring orders from the food and beverage industry
- Pharmaceutical manufacturers contributing recurring revenue via export operations
- New plastic pallet trials with a subsidiary of a leading biopharmaceutical company in Australia
  - Division already holds a supply contract with the biopharmaceutical company for another department of the same business.
- Sales pipeline and forward order book remains robust
- Pharmaceutical, export, food and packaging industries in the Eastern States providing sustainable growth opportunities, with the sales pipeline management recently bolstered by additional support staff

### Building Materials Division

- Major focus was market penetration during the quarter
- Current quarter sales of stones and decking has surpassed the FY17 year to date sales, albeit from a low base
- Natural stone sales, in particular the Company’s unique resort style green sukabumi range is proving to be a popular feature of landscape designs Australia wide
- Wood plastic composite decking sales experienced their strongest quarter sales since inception via the Perth network of resellers
- Performance this quarter is reflective of the initial stage of a sales expansion program, with the sales pipeline management recently bolstered by additional support staff
- Project tendering for residential window and door projects beginning to reach completion stage during the quarter

### Glass Division

- During the quarter, the Company’s operator of its glass processing equipment (“**Equipment**”) in Smithfield, New South Wales achieved commendable results
- Revenue continued to show impressive growth for the operator as production capacity increased significantly
- All operational lines for the Equipment are now at an improved status, positioning the operator to take full advantage of the booming construction market in Sydney
- Presently, the Company has not billed the operator for the equipment rental component of its agreement (Refer ASX release dated 24 April 2017), however the Company remains confident of the ability of the operator to produce profitable results in the near future

## Unaudited quarter results

Sales Revenue	Sept 2017 Qtr. \$	Sept 2016 Qtr. \$
Materials Handling	389,933	319,475
Building Materials	139,093	130,019
Rental Income	164,595	153,123
<b>Total</b>	<b>693,621</b>	<b>602,617</b>

## AUTHORISED BY:

Matthew Logan  
*Executive Director*

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**About BauMart Holdings Limited**

BauMart Holdings Limited is listed on the Australian Securities Exchange (ASX: BMH). It is a supplier of building products to the residential and commercial construction industries. The Company has invested in automated glass-processing equipment that is capable of producing a range of custom-made glass products for supply to the building construction industry. In addition to this, BauMart is a leading supplier of plastic materials handling products, such as pallets and crates, to the pharmaceutical, agricultural, industrial, mining, energy and export markets in Australia. BauMart is headquartered in Perth and has operations in Sydney and Melbourne.

**For further information, please contact:**

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## Appendix 4C

### Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

**Name of entity**

**BAUMART HOLDINGS LIMITED**

**ABN**

**87 602 638 531**

**Quarter ended ("current quarter")**

**30 SEPTEMBER 2017**

<b>Consolidated statement of cash flows</b>	<b>Current quarter (September 2017) \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	520	520
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	(30)	(30)
(d) leased assets	-	-
(e) staff costs	(143)	(143)
(f) administration and corporate costs	(63)	(63)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	2	2
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material) <sup>1</sup>	(708)	(708)
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(422)</b>	<b>(422)</b>

1. Payments for inventory and other general working capital

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	(4)	(4)
(b) businesses (see item 10)	-	-

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Consolidated statement of cash flows	Current quarter (September 2017) \$A'000	Year to date (3 months) \$A'000
(c) investments	-	-
(d) intellectual property	-	-
(e) other non-current assets	-	-
2.2 Proceeds from disposal of:		
(a) property, plant and equipment	-	-
(b) businesses (see item 10)	-	-
(c) investments	-	-
(d) intellectual property	-	-
(e) 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)	-	-
<b>2.6 Net cash from / (used in) investing activities</b>	<b>(4)</b>	<b>(4)</b>

<b>3. Cash flows from financing activities</b>		
3.1 Proceeds from issues of shares		
3.2 Proceeds from issue of convertible notes	-	-
3.3 Proceeds from exercise of share options	-	-
3.4 Transaction costs related to issues of shares, convertible notes or options	-	-
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material) <sup>1</sup>	(250)	(250)
<b>3.10 Net cash from / (used in) financing activities</b>	<b>(250)</b>	<b>(250)</b>

1. Short term secured loan.

<b>4. Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1 Cash and cash equivalents at beginning of quarter/year to date	905	905
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(422)	(422)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(4)	(4)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	(250)	(250)

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<b>Consolidated statement of cash flows</b>		<b>Current quarter (September 2017) \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	<b>Cash and cash equivalents at end of quarter/year to date</b>	<b>229</b>	<b>229</b>

<b>5. Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1 Bank balances	70	746
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details) <sup>1</sup>	159	159
<b>5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>229</b>	<b>905</b>

1. Cash placed on deposit to secure bank guarantees in respect of obligations entered into for office/warehouse rental

<b>6. Payments to directors of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1 Aggregate amount of payments to these parties included in item 1.2	(60)
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

Director's wages/fees and superannuation

<b>7. Payments to related entities of the entity and their associates</b>	<b>Current quarter \$A'000</b>
7.1 Aggregate amount of payments to these parties included in item 1.2	-
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

N/A

<b>8. Financing facilities available</b> <i>Add notes as necessary for an understanding of the position</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

N/A

<b>9. Estimated cash outflows for next quarter</b>	<b>\$A'000</b>
9.1 Research and development	-
9.2 Product manufacturing and operating costs	-
9.3 Advertising and marketing	(20)
9.4 Leased assets	-
9.5 Staff costs	(140)
9.6 Administration and corporate costs	(60)
9.7 Other (provide details if material) <sup>1</sup>	(300)
<b>9.8 Total estimated cash outflows</b>	<b>(520)</b>

1. Payments for inventory and other general working capital

<b>10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)</b>	<b>Acquisitions</b>	<b>Disposals</b>
10.1 Name of entity	Nil	Nil
10.2 Place of incorporation or registration		
10.3 Consideration for acquisition or disposal		
10.4 Total net assets		
10.5 Nature of business		

### 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.

Sign here: .....  
(Executive Director)

Date: **19 OCTOBER 2017**

Print name: Matthew Logan

### Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly 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 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.

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