

MARKET UPDATE FOR QUARTER ENDED 31 DECEMBER 2018

BauMart Holdings Limited (ASX: BMH) (“BauMart” or the “Company”) is pleased to present its quarterly cash report for the period ended 31 December 2018 and advises:

Materials Handling Supply Division

- Strong quarter of revenue up 64% compared to same period last year, while year to date revenue is up 85% compared to same period last year
- Diverse geographical and industry spread of revenue across each state in Australia
- The pipeline for cyclical capital orders is being closely monitored as customers submit tenders for their expansion projects
- An uptake in sizeable repeat ordering from mining and field supply customers is a strong sign of a sustained recovery across the resources industry
- As previously announced, the division has increased inventory levels to meet existing and anticipated future demand
- The upcoming March quarter is a very busy period for the supply chain with vibrant activity continuing in all regions across Australia

Building Materials Supply Division

- The Queensland distribution centre for natural stones was established during the quarter enabling the division to more effectively service the region
- Sale and distribution of glass products, natural stones and wood plastic composite decking were stable during the quarter
- The natural stone division benefited from a streamlining of its operations through cloud-based platforms
- The building materials division continues to expand its partnerships in the industry as it grows its portfolio of architects, builders, designers, property developers and pool builders

Other Income

- During the quarter the Group finalised its R&D claim of \$175,247 under the Federal Government’s Research and Development (R&D) Tax Incentive program. The funds were receipted during the quarter
- The Company’s operator of its glass processing equipment performed well during the quarter. The Company continues to work closely with the operator and remains positive about the growth potential of the expanding eastern states market

Unaudited quarter results

Sales Revenue	Dec 2018 Qtr. \$	Dec 2017 Qtr. \$	FY19 \$	FY18 \$
Materials Handling	839,357	510,816	1,664,387	900,748
Building Materials	240,243	73,356	534,372	212,450
Other Income	144,281	171,724	288,562	336,319
Total	1,223,881	755,896	2,487,321	1,449,517

AUTHORISED BY:

Matthew Logan

Executive Director

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, Melbourne and Brisbane.

For further information, please contact:

Matthew Logan, Executive Director

T: +61 8 6558 0814

E: info@baumart.com.au

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")

31 DECEMBER 2018

Consolidated statement of cash flows	Current quarter (December 2018) \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	989	2,178
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	(13)	(24)
(d) leased assets	-	-
(e) staff costs	(116)	(232)
(f) administration and corporate costs	(86)	(156)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	1	2
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	175	175
1.8 Other (provide details if material) ¹	(807)	(2,067)
1.9 Net cash from / (used in) operating activities	143	(124)

1. Payments for inventory and other general working capital

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(1)	(1)
(b) businesses (see item 10)	-	-

Consolidated statement of cash flows		Current quarter (December 2018) \$A'000	Year to date (6 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)	-	-
2.6	Net cash from / (used in) investing activities	(1)	(1)

3.	Cash flows from financing activities		
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)	-	-
3.10	Net cash from / (used in) financing activities	-	-

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of quarter/year to date	172	439
4.2	Net cash from / (used in) operating activities (item 1.9 above)	143	(124)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1)	(1)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-

Consolidated statement of cash flows		Current quarter (December 2018) \$A'000	Year to date (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of quarter/year to date	314	314

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	155	13
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details) ¹	159	159
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	314	172

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

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3

Current quarter \$A'000
(60)
-

- 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

7. Payments to related entities of the entity and their associates

- 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

Current quarter \$A'000
-
-

- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

N/A

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
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

9. Estimated cash outflows for next quarter¹	\$A'000
9.1 Research and development	-
9.2 Product manufacturing and operating costs	-
9.3 Advertising and marketing	(16)
9.4 Leased assets	-
9.5 Staff costs	(133)
9.6 Administration and corporate costs	(53)
9.7 Other (provide details if material) ²	(1,018)
9.8 Total estimated cash outflows	(1,220)

1. Estimated cash outflows for the next quarter do not include any sales receipts
2. Payments for inventory to support sales and other general working capital

10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
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: **22 JANUARY 2019**

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.