

BauMart Holdings Limited

ABN 87 602 638 531

Annual Report - 30 June 2025

Directors	Ms Agata Nisianti Dharma – Executive Director Mr Jack Spencer-Cotton – Non-Executive Director Mr Anson Gan – Non-Executive Director
Company secretary	Mr Nicholas Ong
Registered office	Unit 16A, 81 Briggs Street Carlisle WA 6101 Telephone: +61 8 6558 0810
Principal place of business	Unit 16A, 81 Briggs Street Carlisle WA 6101
Share registry	Automic Registry Services Level 5, 126 Philip Street Sydney NSW 2000
Auditor	Stantons International Audit and Consulting Pty Ltd Level 2, 40 Kings Park Rd West Perth WA 6005
Solicitors	Blackwall Legal LLP Level 26, 140 St Georges Terrace Perth WA 6000
Bankers	National Australia Bank Limited 100 St Georges Terrace Perth WA 6000
Stock exchange listing	BauMart Holdings Limited shares are listed on the Australian Securities Exchange (ASX code: BMH)
Website	www.baumart.com.au

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of BauMart Holdings Limited (referred to hereafter as the 'company' or 'parent entity') and the entity it controlled at the end of, or during, the year ended 30 June 2025.

Directors

The following persons were directors of BauMart Holdings Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Ms Agata Nisianti Dharma	Executive Director, appointed 18 July 2024
Mr Jack Spencer-Cotton	Non-Executive Director
Mr Anson Gan	Non-Executive Director
Mr Ben Talbot	Non-Executive Director, resigned 18 July 2024

Review of operations

The loss for the Group after providing for income tax amounted to \$1,014,292 (30 June 2024: \$4,677,224).

Group operations

The Group continued to review ongoing operations throughout the year, and management turned their focus towards the Source and Procure Division and two key projects, being the mining supplies project and the Washpod distribution project. The Group also continued its review of corporate and administration costs. Post the end of reporting period, the Group appointed Ms Agata Dharma as Executive Director to drive business outcome by strengthening existing business divisions through the development of new opportunities.

Source & procure update

The division provides sourcing, procurement, and end-to-end supply chain services for its network of clients, and a key project is the supply of mining consumables and equipment.

The Group has invested significant resources during the year towards identifying and establishing new business relationships with overseas suppliers and to grow its pipeline of orders. A key focus for financial year ended 30 June 2025 is the expansion of the mining supplies project, with plans to explore trade facility and other financing avenues to fund working capital requirements.

The Group completed sale and leaseback arrangements for several Washpod machines in financial year ended 30 June 2025 and more recently, has progressed discussions with overseas partners on distribution networks and/or arrangements for new markets. The Group continues to work closely with Washpod on product improvements and will continue to review and evaluate distribution opportunities.

During the year, BauMart advanced its strategic growth across multiple key areas, reinforcing its position in both domestic and international markets. The Company strengthened its international recruitment capabilities to support the mobilisation of skilled construction personnel to Western Australia, while exploring sustainable building materials in collaboration with global partners. Expansion of sales and distribution networks, including Washpod products, further enhanced market presence and operational reach, supporting the Company's broader growth objectives.

Concurrently, BauMart progressed its heavy equipment and wet-hire offerings across mining, agriculture, and industrial sectors, and developed sustainable energy and off-grid solutions for residential and commercial markets. Strengthened international supplier partnerships have enhanced supply chain resilience and access to high-quality materials. Together, these initiatives position BauMart to diversify its operations, pursue new revenue streams, and create a foundation for sustainable, long-term value for shareholders and stakeholders alike.

Strategic business objectives

The Board will continue to focus on driving the growth of the mining supplies project as well as the distribution of Washpods for financial year ended 30 June 2025, whilst carefully monitoring the Group's cash flow requirements and expenditures. The Board and management remain committed to identifying new projects and opportunities that will provide the Group with new revenue streams and a sustainable business model.

The Board will also continue to review potential funding avenues to secure and access additional working capital for the above objectives.

Information on directors

Name: Agata Nisianti Dharma
Title: Executive Director (appointed 18 July 2024)
Experience and expertise: Ms Dharma has significant experience in finance and innovation with a proven track record of executing complex projects in diverse global industries. Agata's strategic leadership skills have led to significant achievements, including the successful implementation of innovative solutions for large-scale government and corporate initiatives. Ms Dharma holds degrees in Computer Science from The University of Western Australia and International Business and Commerce from the University of Vermont.

Other current and former directorships (last 3 years): None.

Interests in shares: 2,000,000

Interests in options: Nil.

Name: Jack Dylan Spencer-Cotton
Title: Non-Executive Director (appointed 4 April 2024)
Experience and expertise: Mr Spencer-Cotton has over three decades of experience in the field of engineering. His career includes senior engineering roles at ERG Group Ltd, Sanmina-SCI Corporations and Pfizer Australia. In addition to managing his own engineering and consulting business, Jack serves as a non-executive director for two other ASX-listed companies.

Other current and former directorships (last 3 years): Newfield Resources Ltd (24 May 2021 to the present) ; Mustera Property Group (4 April 2024 to the present)

Interests in shares: 60,000

Interests in options: Nil.

Name: Anson Gan
Title: Non-Executive Director, B.Eng (Hons) (appointed 19 March 2015)
Experience and expertise: Mr Gan is a registered electrical engineer with the Institution of Engineers (Malaysia). He has held a range of project engineering and consulting positions with various engineering companies in Australia, Malaysia and China, as well as establishing his own business specialising in green building design and green energy technology and the supply of green building materials.

He is experienced in electrical engineering, project management and green building consultancy in large scale residential and commercial construction projects in Malaysia.

Mr Gan has a Bachelor of Engineering with a major in Electrical Engineering from Curtin University, Western Australia.

Other current and former directorships (last 3 years): None.

Interests in shares: 8,500,000

Interests in options: Nil.

Name: Ben Talbot
Title: Non-Executive Director (appointed 1 January 2022 as Executive Director; transitioned to Non-Executive Director on 1 April 2023; resigned on 18 July 2024)
Experience and expertise: Ben has over 15 years' experience as a senior financial and engineering consultant with special interests in the aviation industry and rural communities. In this role, he provided strategic planning, compliance and corporate services to his clients in various engineering and development projects, all over regional Western Australia.

Between 2000-2005 Ben developed a security solutions business installing integrated electronic security systems and access control solutions for his clients. Ben has also been involved in the management of his family's farming interests in the south-west region of WA and has over 25 years' experience in the agribusiness and finance sector.

Ben holds a Juris Doctor from the University of Southern Queensland, and MBA from Murdoch University and a Bachelor of Business from the Edith Cowan University, and an Advanced Diploma of Electrical Engineering from EIT. He also holds a commercial pilot's licence with a flight instructor rating.

Other current and former directorships (last 3 years): None.
Interests in shares: Nil.
Interests in options: Nil.

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

Company secretary

Mr Nicholas Ong appointed 25 July 2024
 Mr Amos Tan appointed 4 April 2024 and resigned 25 July 2024

Mr Nicholas Ong brings 20 years' of experience in listing rules compliance and corporate governance. He is a non-executive director and company secretary of several ASX listed companies, and has extensive experience in mining project finance as well as mining and offtake contract negotiations. Mr Ong is a fellow member of the Governance Institute of Australia and holds a Bachelor of Commerce and a Master of Business Administration from the University of Western Australia.

Meetings of directors

The number of meetings of the company's Board of Directors ('the Board') held during the year ended 30 June 2025, and the number of meetings attended by each director were:

	Full Board	
	Attended	Held
Agata Nisianti Dharma	3	3
Jack Spencer-Cotton	3	3
Anson Gan	2	3

Principal activities

During the financial year the principal continuing activities of the Group consisted of:

- sourcing, procurement and supply chain services
- supply and distribution of industrial products;
- other managed services.

Significant changes in the state of affairs

During the year, the company completed a rights issue to raise \$182,303 working capital, before share issue costs of \$25,090, by issuing 18,230,367 new ordinary shares. The shares were issued at \$0.01 per share.

There were no other significant changes in the state of affairs of the Group during the financial year.

Likely developments and expected results of operations

Information on likely developments in the operations of the Group and the expected results of operations have not been included in this report because the directors believe it would be likely to result in unreasonable prejudice to the Group.

Dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Environmental regulation

The Directors are not aware of any particular and significant environment regulation under a law of the Commonwealth, State or Territory relevant to the Consolidated Entity.

Matters subsequent to the end of the financial year

No matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Shares under option

There were no unissued ordinary shares of BauMart Holdings Limited under option outstanding at the date of this report.

Shares issued on the exercise of options

There were no ordinary shares of BauMart Holdings Limited issued on the exercise of options during the year ended 30 June 2025 and up to the date of this report.

Material business risk

There are a number of factors, both specific to the Group and of a general nature, which may threaten both the future operating and financial performance of the Group. The operating and financial performance of the Group is influenced by a variety of general economic and business conditions, including inflation, interest and exchange rates, access to debt and capital markets.

The Group makes every effort to identify materials risks and to manage these effectively. This section does not attempt to provide an exhaustive list of risks faced by the Group or by investors in the Group, nor are they in order of significance. Actual events may be different to those described.

Liquidity risk

The Group has incurred a net loss for the year ended 30 June 2025 of \$1,014,292 (2024: loss \$4,677,224). At 30 June 2025, the Group had a cash balance of \$52,112 (2024: \$4,352).

These conditions indicate a liquidity risk to the Group's operation. However, the Group have implemented various measures to mitigate the risk, including:

- The Group had inventories valued at \$230,262 as of 30 June 2025. All the goods are fully paid and available for resale. Subsequent to the year-end, new sales were generated with a positive margin;
- New market opportunities: The Group is in advanced discussions with potential partners that could facilitate penetration into new markets. These partnerships are expected to not only boost sales but also enhance the Group's overall market presence;
- Structured payment plans: The Group is working to negotiate payment arrangement plans with creditors, aiming to provide flexibility in cash flow management without compromising its operational capabilities;
- Reduction of operational expenses. The Group has undertaken significant cost reduction initiatives, including streamlining operations, renegotiating supplier contracts, and optimizing labour costs. These measures have already started to create saving;
- Available bank overdraft and trade finance facilities. As of 30 June 2025, the Group had unused banking facilities with a total of \$50,000.

Dependence on third party suppliers and/or resellers

The Group's business model heavily depends on third-party suppliers for the procurement of essential materials, components, and services, as well as on resellers for the distribution and sale of its products. This reliance means that the performance, reliability, and stability of these external partners directly impact the Group's ability to operate efficiently and meet customer demand.

To mitigate the risks of dependence on third-party suppliers and resellers, the Group aims to diversify its supplier and reseller base, strengthen relationships through long-term partnerships. In addition, the Group regularly assess supplier risks, establish contractual safeguards, and engage directly with customers to build brand loyalty and reduce dependency on third-party channels. The Group has support measures in place, including regular scheduled forecasting, maintenance of supply contracts and dual sourcing of key suppliers however any disruption could materially impact the Group's operations and may affect customer confidence.

Market volatility

Changes in demand for the Group's products or adverse activities in key industry sectors may influence ongoing demand and pipeline opportunities for the Group's key divisions, including but not limited to supply of materials, global supply chain disruptions, distribution capacity constraints and technology upgrades for mining equipment in the wider industry. Demand for the Group's products may vary due to economic cycles, shifts in consumer preferences, or changes in industry regulations. A downturn in key markets can lead to reduced sales volumes, impacting revenue and profitability.

The Group is considering to expand the range of products or services offered to reduce reliance on a single product line or market segment. By catering to different customer needs or entering new markets, the Group can spread risk and reduce the impact of a downturn in any one area. In addition, the Group is actively seeking business opportunities in different geographic regions to mitigate the impact of localised economic downturns.

Additional Requirement for Funding

The Group's funding requirements depend on numerous factors including the Group's future business plan and development. Furthermore, the Company may require further capital in addition to current cash reserves to fund future projects. If required funding cannot be sourced, then this may limit the capacity of the Group to execute its business strategy and operational programs.

Additional equity funding, if available, may be dilutive to shareholders and at lower prices than the current market price. Debt funding, if available, may involve restrictions on financing and operating activities and be subject to risks relating to movements in interest rates. Increases in interest rates may make it more expensive for the Company to fund its operations.

Industry-Specific Downturns

The Group may be exposed to risks related to downturns in specific sectors it serves. For instance, if the Group is involved in the mining industry, a global decline in commodity prices or stricter environmental regulations could reduce investment in mining operations, directly affecting demand for the Group's products.

The Group considers to expand the Group's offerings to other sectors beyond mining, such as construction, renewable energy, or infrastructure, the Group can reduce its dependence on the mining sector and buffer against downturns in any single industry.

Cost Inflation

Cost inflation risk refers to the potential negative impact on the Group's profitability due to rising costs of inputs such as materials, labour, energy, and transportation. When these costs increase, the Group may face margin compression if it is unable to pass these higher costs onto customers through price adjustments.

Although the Group is unable to predict with certainty what the inflated costs may be, the Board ensures that costing and budgeting are appropriately benchmarked, and management continues to have a key focus on cost control measures and seeking efficiencies and lead to further cost reductions.

Remuneration report (audited)

The remuneration report details the key management personnel remuneration arrangements for the Group, in accordance with the requirements of the *Corporations Act 2001* and its Regulations.

For the purposes of this report, key management personnel of the Group are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Group, directly or indirectly, including any director (whether executive or otherwise) of the company.

The remuneration report is set out under the following main headings:

- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Share-based compensation
- Additional information
- Additional disclosures relating to key management personnel

Principles used to determine the nature and amount of remuneration

The remuneration structures explained below are competitively set to attract, motivate and retain suitably qualified and experienced candidates, reward the achievement of strategic objectives and achieve the broader outcome of creation of value for shareholders. The remuneration structures take into account:

- the capability and experience of the key management personnel;
- the key management personnel's ability to control the achievement of strategic objectives;
- the Group's performance including the growth in share price and the amount of incentives within each key management person's compensation.

Remuneration structure

In accordance with best practice corporate governance, the structure of non-executive directors' remuneration is clearly distinguished from that of executives and senior managers. Remuneration is determined by the Board as a whole as the Company has not yet established a remuneration committee.

Non-executive directors remuneration

Non-executive directors do not receive any retirement benefits, other than statutory superannuation, nor do they receive any performance-related compensation.

Non-executive directors' fees as at the reporting date are as follows:

Name	Non-executive directors' fees
Anson Gan	\$20,000 per annum plus superannuation
Jack Spencer-Cotton	\$20,000 per annum plus superannuation
Ben Talbot (resigned 18 July 2024)	\$20,000 per annum plus superannuation

Executive directors' fees as at the reporting date are as follows:

Name	Executive directors' fee
Agata Nisianti Dharma	\$100,000 per annum plus superannuation

ASX listing rules require the aggregate non-executive directors' remuneration be determined periodically by a general meeting. The most recent determination was at the Annual General Meeting held in February 2015, where the shareholders approved a maximum annual aggregate remuneration of \$300,000.

Executive remuneration

The Group aims to reward executives based on their position and responsibility, with a level and mix of remuneration which has both fixed and variable components.

Fixed remuneration

Fixed remuneration consists of base compensation as well as employer contributions to superannuation funds. Fixed remuneration is reviewed annually by the Board through a process that considers individual and overall performance of the Group.

Long-term incentive

Long-term incentives (**LTI**) may be provided to key management personnel in the form of options over ordinary shares of the Company. LTI are considered to promote continuity of employment and provide additional incentive to recipients to increase shareholder wealth. Options may only be issued to directors subject to approval by shareholders in general meeting.

There were no options issued as LTI during the year.

The Company has introduced a policy that prohibits employees and Directors of the Company from entering into transactions that operate or are intended to operate to limit the economic risk or are designed or intended to hedge exposure to unvested Company securities. This includes entering into arrangements to hedge their exposure to LTI granted as part of their remuneration package. This policy may be enforced by requesting employees and Directors to confirm compliance.

Use of remuneration consultants

The Group did not engage the services of a remuneration consultant during the year.

Voting and comments made at the company's 26 November 2024 Annual General Meeting ('AGM')

At the 26 November 2024 AGM, 100% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2024. The company did not receive any specific feedback at the AGM regarding its remuneration practices.

Details of remuneration

Either the Executive Director or BauMart Holdings may terminate the agreement at any time by giving three months' written notice to the company. Executive Directors have no entitlement to termination payment should they terminate the agreement by written notice. BauMart Holdings may, by giving written notice to either Executive Directors, immediately terminate the agreement should a number of specified occurrences happen, including a serious breach of the agreement or serious misconduct. Executive Directors have no entitlement to termination payment in the event of removal for misconduct.

Termination benefits are within the limits set by the *Corporations Act 2001* such that they do not require shareholder approval.

Amounts of remuneration

The key management personnel of the Group consisted of the following directors of BauMart Holdings Limited:

- Agata Dharma (appointed 18 July 2024)
- Jack Dylan Spencer-Cotton
- Anson Gan
- Ben Talbot (resigned 18 July 2024)

Details of the remuneration of key management personnel of the Group are set out in the following tables.

	Short-term benefits	Post- employment benefits	
	Cash salary and fees	Super- annuation	Total
	\$	\$	\$
30 June 2025			
<i>Non-Executive Directors:</i>			
Anson Gan	20,000	2,300	22,300
Jack Spencer-Cotton	20,000	2,300	22,300
Ben Talbot (resigned on 18 July 2024)	712	82	794
<i>Executive Directors:</i>			
Agata Dharma (appointed on 18 July 2024)	95,068	10,933	106,001
	<u>135,780</u>	<u>15,615</u>	<u>151,395</u>

	Short-term benefits	Post- employment benefits	
	Cash salary and fees	Super- annuation	Total
	\$	\$	\$
30 June 2024			
<i>Non-Executive Directors:</i>			
Anson Gan	20,000	2,200	22,200
Jack Spencer-Cotton	4,833	532	5,365
Ben Talbot (resigned on 18 July 2024)	20,000	2,200	22,200
Berthus Budiman (resigned on 13 March 2024)	14,055	1,546	15,601
<i>Executive Directors:</i>			
Hadi Widayat (resigned on 30 April 2024)	83,333	9,167	92,500
	<u>142,221</u>	<u>15,645</u>	<u>157,866</u>

Service agreements

Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

Name:	Agata Nisianti Dharma
Title:	Executive Director
Agreement commenced:	18 July 2024
Details:	Ms Dharma is entitled to \$100,000 salary per annum (exclusive of statutory superannuation).

Name: Jack Spencer-Cotton
Title: Non-Executive Director
Agreement commenced: 4 April 2024
Details: Mr Spencer-Cotton is entitled to receive \$20,000 director's fee plus superannuation per annum.

Name: Anson Gan
Title: Non-Executive Director
Agreement commenced: 19 March 2015
Details: Mr Gan is entitled to receive \$20,000 director's fee plus superannuation per annum.

Key management personnel have no entitlement to termination payments in the event of removal for misconduct.

Share-based compensation

Issue of shares

There were no shares issued to directors and other key management personnel as part of compensation during the year ended 30 June 2025.

Options

There were no options over ordinary shares issued to directors and other key management personnel as part of compensation that were outstanding as at 30 June 2025.

There were no options over ordinary shares granted to or vested by directors and other key management personnel as part of compensation during the year ended 30 June 2025.

Additional information

The earnings of the Group for the five years to 30 June 2025 are summarised below:

	2025	2024	2023	2022	2021
	\$	\$	\$	\$	\$
Sales revenue	35,218	486,981	1,463,023	214,014	562,389
Profit/(loss) after income tax	(1,014,292)	(4,677,224)	(259,808)	350,784	3,316,069

The factors that are considered to affect total shareholders return ('TSR') are summarised below:

	2025	2024	2023	2022	2021
Share price at financial year end (\$)	0.01	0.08	0.10	0.19	0.20
Total dividends declared (cents per share)	-	-	-	-	-
Basic earnings per share (cents per share) for continuing operations	(0.69)	(3.23)	(0.21)	(0.28)	2.00
Basic earnings per share (cents per share) for discontinuing operations	-	-	0.43	0.52	0.29

Additional disclosures relating to key management personnel

Shareholding

The number of shares in the company held during the financial year by each director and other members of key management personnel of the Group, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration	Additions	Disposals/ other	Balance at the end of the year
<i>Ordinary shares</i>					
Agata Dharma (appointed on 18 July 2024)	-	-	2,000,000	-	2,000,000
Anson Gan	8,500,000	-	-	-	8,500,000
Jack Dylan Spencer-Cotton	60,000	-	-	-	60,000
Ben Talbot	-	-	-	-	-
	<u>8,560,000</u>	<u>-</u>	<u>2,000,000</u>	<u>-</u>	<u>10,560,000</u>

Option holding

Directors did not hold any options at the beginning or end of the financial year.

Indemnity and insurance of officers

The company has indemnified the directors and executives of the company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the company paid a premium in respect of a contract to insure the directors and executives of the company against a liability to the extent permitted by the *Corporations Act 2001*. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

This concludes the remuneration report, which has been audited.

Proceedings on behalf of the company

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

Non-audit services

There were no non-audit services provided during the financial year by the auditor.

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 immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the *Corporations Act 2001*.

On behalf of the directors



Agata Nisianti Dharma
Executive Director

30 September 2025



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30 September 2025

Board of Directors
Baumart Holdings Limited
Unit 16A,
81 Briggs Street,
Carlisle WA 6101

Dear Directors

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 audit of the financial statements of Baumart Holdings Limited for the year ended 30 June 2025, 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 audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely

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

Samir Tirodkar
Director



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General information

The financial statements cover BauMart Holdings Limited as a Group consisting of BauMart Holdings Limited and the entity it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is BauMart Holdings Limited's functional and presentation currency.

BauMart Holdings Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Unit 16A, 81 Briggs Street,
Carlisle WA 6101

A description of the nature of the Group's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 30 September 2025. The directors have the power to amend and reissue the financial statements.

BauMart Holdings Limited
Consolidated statement of profit or loss and other comprehensive income
For the year ended 30 June 2025



		Consolidated	
	Note	30 June 2025	30 June 2024
		\$	\$
Revenue			
Sale of goods	4	35,218	486,981
Cost of sales		(12,994)	(385,229)
Gross profit		22,224	101,752
Other income	5	26,217	18,699
Expenses			
Corporate and administrative expenses		(213,829)	(233,491)
Operational expenses		(12,507)	(37,139)
Occupancy expenses		(1,750)	(19,110)
Finance costs		(45,259)	(13,069)
Impairment of plant and equipment	11	(891,206)	-
Depreciation and amortisation expense	11,12	(102,360)	(13,871)
Employee benefits expense		(147,782)	(203,398)
Reversal of expected credit losses/(allowance for expected credit losses)	7	347,406	(777,597)
Unrealised exchange gain/(loss)		4,554	-
Change in the fair value of financial assets		-	(3,500,000)
Loss before income tax expense		(1,014,292)	(4,677,224)
Income tax expense	6	-	-
Loss after income tax expense for the year attributable to the owners of BauMart Holdings Limited		(1,014,292)	(4,677,224)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive (loss) for the year attributable to the owners of BauMart Holdings Limited		(1,014,292)	(4,677,224)
		Cents	Cents
Basic (loss) per share	19	(0.69)	(3.23)
Diluted (loss) per share	19	(0.69)	(3.23)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

BauMart Holdings Limited
Consolidated statement of financial position
As at 30 June 2025



		Consolidated	
	Note	30 June 2025	30 Jun 2024
		\$	\$
Assets			
Current assets			
Cash and cash equivalents	26	52,112	4,352
Trade and other receivables	7	54,637	746,294
Lease receivables	9	172,862	-
Prepayments		5,654	6,044
Inventories	8	230,262	230,262
Total current assets		<u>515,527</u>	<u>986,952</u>
Non-current assets			
Lease receivables	9	278,270	-
Plant and equipment	11	-	-
Right-of-use assets	12	1,094	15,568
Total non-current assets		<u>279,364</u>	<u>15,568</u>
Total assets		<u>794,891</u>	<u>1,002,520</u>
Liabilities			
Current liabilities			
Trade and other payables	13	452,860	482,499
Borrowings	14	250,000	-
Lease liabilities	15	175,855	22,432
Total current liabilities		<u>878,715</u>	<u>504,931</u>
Non-current liabilities			
Lease liabilities	16	278,449	2,783
Total non-current liabilities		<u>278,449</u>	<u>2,783</u>
Total liabilities		<u>1,157,164</u>	<u>507,714</u>
Net assets/(liabilities)		<u>(362,273)</u>	<u>494,806</u>
Equity			
Issued capital	17	8,408,432	8,251,219
Accumulated losses		<u>(8,770,705)</u>	<u>(7,756,413)</u>
Total equity/(deficiency)		<u>(362,273)</u>	<u>494,806</u>

The above consolidated statement of financial position should be read in conjunction with the accompanying notes

BauMart Holdings Limited
Consolidated statement of changes in equity
For the year ended 30 June 2025



	Issued capital \$	Accumulated losses \$	Total equity \$
Consolidated			
Balance at 1 July 2023	8,251,219	(3,079,189)	5,172,030
Loss after income tax expense for the year	-	(4,677,224)	(4,677,224)
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive (loss) for the year	-	(4,677,224)	(4,677,224)
Balance at 30 June 2024	8,251,219	(7,756,413)	494,806
	Issued capital \$	Accumulated losses \$	Total deficiency in equity \$
Consolidated			
Balance at 1 July 2024	8,251,219	(7,756,413)	494,806
Loss after income tax expense for the year	-	(1,014,292)	(1,014,292)
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive (loss) for the year	-	(1,014,292)	(1,014,292)
<i>Transactions with owners in their capacity as owners:</i>			
Contributions of equity, net of transaction costs (note 17)	157,213	-	157,213
Balance at 30 June 2025	8,408,432	(8,770,705)	(362,273)

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes

BauMart Holdings Limited
Consolidated statement of cash flows
For the year ended 30 June 2025



		Consolidated	
	Note	30 June 2025	30 June 2024
		\$	\$
Cash flows from operating activities			
Receipts from customers		510,731	500,594
Other income received		-	18,699
Payments to suppliers and employees		(457,703)	(410,657)
Interest received from lease receivables		31,285	-
Interest and other finance costs paid		(63,337)	(10,097)
Net cash from operating activities	26	20,976	98,539
Cash flows from investing activities			
Payments for plant and equipment	11	(400,000)	-
Net cash (used in) investing activities		(400,000)	-
Cash flows from financing activities			
Proceeds from issue of shares	17	182,303	-
Proceeds from borrowings		1,000,000	-
Receipt of lease receivables		48,715	-
Share issue transaction costs	17	(25,090)	-
Repayment of borrowings		(750,000)	(151,000)
Repayment of lease liabilities		(29,144)	(23,880)
Net cash from/(used in) financing activities		426,784	(174,880)
Net increase/(decrease) in cash and cash equivalents		47,760	(76,341)
Cash and cash equivalents at the beginning of the financial year		4,352	80,693
Cash and cash equivalents at the end of the financial year	26	52,112	4,352

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes

Note 1. Reporting Entity

BauMart Holdings Limited ("BauMart", "Company" or "Parent Entity") is a public company limited by shares, whose shares are publicly traded on the Australian Securities Exchange. The financial statements cover BauMart Holdings Limited as a consolidated entity consisting of BauMart and its subsidiaries (together referred to as the "Consolidated Entity" or "Group") for the year ended 30 June 2025.

A description of the nature of the Consolidated Entity's operations and its principal activities are included in the Directors' Report, which is not part of the financial statements. The financial statements were authorised for issue, in accordance with a resolution of directors, on 15 August 2025. The directors have the power to amend and reissue the financial statements.

The following is a summary of the material accounting policies adopted by the Group in the preparation of the financial statements. The accounting policies have been consistently applied, unless otherwise stated.

Note 2. Material accounting policy information

The accounting policies that are material to the Group are set out below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

- AASB 16 Lease liability in a sale and leaseback (AASB 2022-5)
- AASB 101 Classification of liabilities as current or non-current, including non-current liabilities with covenants (AASB 2020-1, AASB 2020-6 and AASB 2022-6)
- AASB 1060 Disclosure of non-current liabilities with covenants (AASB 2023-3)
- AASB 1/ AASB 121/ AASB 1060 Lack of exchangeability (AASB 2023-5)
- AASB 10/ AASB 128 Sale or contribution of assets between an investor and its associate or joint venture (AASB 2014-10 and related amendments)

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Going concern

The 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 Group recorded a net loss attributable to the owners of the Company of \$1,014,292 for the year (2024: \$4,677,224 net loss). At 30 June 2025, the Group reported a net liabilities position of (\$362,273) (2024: net assets of \$494,806) and working capital deficiency of \$363,188 (2024: working capital of \$482,021). The Group had a cash and cash equivalent balance at balance date of \$52,112 (2024: \$4,352).

The Directors believe that there are reasonable grounds to believe the Group 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 Group has unused bank overdraft facilities totalling \$50,000 as of 30 June 2025 (2024: \$299,950).
- The budget and forecasts reviewed and approved by the Directors for the next 12 months anticipate that the business will continue to produce improved results.
- New market opportunities: The Group is in advanced discussions with potential partners that could facilitate penetration into new markets. These partnerships are expected to not only boost sales but also generate potential business income.
- Structured payment plans: The Group is working to negotiate payment arrangement plans with creditors, aiming to provide flexibility in cash flow management without compromising its operational capabilities.
- Reduction of operational expenses. The Group has undertaken significant cost reduction initiatives, including streamlining operations, renegotiating supplier contracts, and optimizing labour costs. These measures have already started to create saving.

Note 2. Material accounting policy information (continued)

While it is the Group's intention to be cash flow positive through operations, the Group 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 Group will be able to raise further working capital either through debt or equity as and when required to continue to support the business

In the event that the Group is unable to achieve the above, there is a material uncertainty that may cast significant doubt as to whether the Group will continue as a going concern and therefore proceed with realising its assets and discharging its liabilities in the normal course of business at the amount stated in the financial report.

The financial report does not include any adjustments relating to the recoverability or classification of recorded asset amounts or to the amounts or classification of liability that may be necessary should the Group not be able to continue as a going concern.

Basis of preparation

These general purpose consolidated financial statements have been prepared on accruals basis, in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These consolidated financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

The financial report has been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates

The preparation of the consolidated financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the Group only. Supplementary information about the parent entity is disclosed in note 28.

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of BauMart Holdings Limited ('company' or 'parent entity') as at 30 June 2025 and the results of all subsidiaries for the year then ended. BauMart Holdings Limited and its subsidiaries together are referred to in these financial statements as the 'Group'.

Subsidiaries are all those entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Note 2. Material accounting policy information (continued)

Where the Group loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The Group recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Foreign currency translation

The consolidated financial statements are presented in Australian dollars, which is BauMart Holdings Limited's functional and presentation currency.

Revenue recognition

The Group recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the Group is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Group: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Sale of goods

Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

Rendering of services

Revenue from a contract to provide services is recognised over time as the services are rendered based on either a fixed price or an hourly rate.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Note 2. Material accounting policy information (continued)

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the statement of financial position.

Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The Group has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Inventories

Stock on hand is stated at the lower of cost and net realisable value. Cost comprises of purchase and delivery costs, net of rebates and discounts received or receivable.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Note 2. Material accounting policy information (continued)

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

A financial asset is measured at amortised cost only if both of the following conditions are met: (i) it is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and (ii) the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

Financial assets at fair value through profit or loss

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the Group's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

Plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Plant and equipment	7 years
Motor vehicles	3 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Group. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Leases receivables

The Group acts as an intermediate lessor in certain arrangements where it subleases right-of-use assets obtained under head lease agreements. In accordance with AASB 16 *Leases*, the classification of the sublease is determined by reference to the right-of-use asset arising from the head lease, rather than the underlying asset.

Lease receivables recognized in a finance sublease arrangement are accounted for under AASB 9 *Financial Instruments* and measured at amortised cost using the effective interest method, subject to impairment testing for expected credit losses (ECL).

Note 2. Material accounting policy information (continued)

Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Group expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Finance costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

Note 2. Material accounting policy information (continued)

Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave, long service leave and accumulating sick leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled. Non-accumulating sick leave is expensed to profit or loss when incurred.

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Issued capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of BauMart Holdings Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Goods and Services Tax ('GST')

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the annual reporting period ended 30 June 2025. The Group has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

- AASB S1 *General Requirements for Disclosure of Sustainability-related Financial Information*
- AASB S2 *Climate-related Disclosures*
- AASB 18 *Presentation and Disclosure in Financial Statements*
- AASB 2024-2 *Amendments to Australian Accounting standards – Classification and measurement of financial instruments*
- AASB 2025-1 (AASB 9 *Financial Instruments* & AASB 7 *Financial Instruments: Disclosures*)

Note 3. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Allowance for expected credit losses

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

Provision for impairment of non-current assets

Management makes significant judgments and estimates in determining the provision for impairment of investment. This process involves assessing objective evidence of impairment and incorporating forward-looking information, such as the financial condition of counterparties and broader economic trends.

Provision for impairment of inventories

The provision for impairment of inventories assessment requires a degree of estimation and judgement. The level of the provision is assessed by taking into account the recent sales experience, the ageing of inventories and other factors that affect inventory obsolescence.

Estimation of useful lives of assets

The Group determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Income tax

The Group is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Group recognises liabilities for anticipated tax audit issues based on the Group's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

Note 4. Sale of goods

	Consolidated	
	30 June 2025	30 June 2024
	\$	\$
Sales from source & procurement supply	24,018	441,831
Sales from building materials	11,200	45,150
	<u>35,218</u>	<u>486,981</u>

Note 5. Other income

	Consolidated	
	30 June 2025	30 June 2024
	\$	\$
R&D refund	-	750
Other income	26,396	17,949
Net finance income	(179)	-
Other income	26,217	18,699

Note 6. Income tax

	Consolidated	
	30 June 2025	30 June 2024
	\$	\$
<i>Income tax expense</i>		
Current tax	-	-
Deferred tax	-	-
Aggregate income tax expense	-	-
<i>Numerical reconciliation of income tax expense and tax at the statutory rate</i>		
Loss before income tax expense	(1,014,292)	(4,677,224)
Tax at the statutory tax rate of 25%	(253,573)	(1,169,306)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Non-deductible expenses and temporary differences	139,070	1,065,006
Section 40-880 deduction	(734)	(75)
Future tax benefit not brought to account	115,237	104,375
Income tax expense	-	-

	Consolidated	
	30 June 2025	30 Jun 2024
	\$	\$
<i>Tax losses not recognised</i>		
Unused tax losses for which no deferred tax asset has been recognised	849,167	762,336
Potential tax benefit @ 25%	212,292	190,584

The above potential tax benefit for tax losses has not been recognised in the statement of financial position. These tax losses can only be utilised in the future if the continuity of ownership test is passed, or failing that, the same business test is passed.

Note 6. Income tax (continued)

	Consolidated	
	30 June 2025	30 Jun 2024
	\$	\$
<i>Deferred tax assets not recognised</i>		
Deferred tax assets not recognised comprises temporary differences attributable to:		
Allowance for expected credit losses and other provisions	1,263,164	1,078,466
Transaction costs arising on shares issued	5,687	298
	<u>1,268,852</u>	<u>1,078,764</u>

The above potential tax benefit, including tax losses and deductible temporary differences has not been recognised in the statement of financial position as the recovery of this benefit is uncertain.

The income tax expense has been computed on the consolidation basis as the Group is a tax consolidation group.

Note 7. Trade and other receivables

	Consolidated	
	30 June 2025	30 Jun 2024
	\$	\$
Trade receivables due from external customers	135,933	917,841
Trade receivables due from related companies	348,895	606,050
Less: Allowance for expected credit losses	(430,191)	(777,597)
	<u>54,637</u>	<u>746,294</u>
Other receivables	-	40,782
Less: Allowance for expected credit losses	-	(40,782)
	<u>-</u>	<u>-</u>
	<u>54,637</u>	<u>746,294</u>

The Group's exposure to credit risk related to trade and other receivables is disclosed in note 20.

The average credit period on sales of goods is 30 - 90 days. No interest is charged on outstanding trade receivables.

The Group measures the loss allowance for trade receivables at an amount equal to lifetime Expected Credit Losses (ECL). The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date. The Consolidated Entity has recognised a loss allowance of 100 per cent against all receivables overdue over 1 year.

Allowance for expected credit losses

The Group has recognised a reversal of impairment loss of \$347,406 in profit or loss for the year ended 30 June 2025 (2024: impairment loss \$777,597).

The ageing of the receivables and allowance for expected credit losses provided for above are disclosed in note 20.

Movements in the allowance for expected credit losses are disclosed in note 20.

Note 8. Inventories

	Consolidated	
	30 June 2025	30 Jun 2024
	\$	\$
Source and procure supply	230,262	230,262

Note 9. Lease receivables

During the year, the Group entered into a lease agreement with Clearwin Investments Pty Ltd for certain office premises to support its business expansion. The lease commenced on 1 December 2024 and has a fixed term of three years (the "Head Lease").

As the business development plan was delayed, the Group subleased the office premises to third parties. The sublease terms, including all contractual provisions, are identical to those of the Head Lease (the "Sublease").

The Head Lease is accounted for in line with AASB16 *Leases*, therefore recognising a right-of-use asset and lease liability on initial recognition by the Group being the lessee in this lease.

The Sublease is classified as a finance lease as the risks and rewards incidental to the right-of-use asset arising from the Head Lease have substantially been transferred to the sub-lessee.

As intermediate lessor of a finance lease, the Group derecognised the right-of-use asset and instead recognised a lease receivable.

The Group recognises interest expense on the lease liability over the term of the Head Lease and finance income on the finance lease receivable over the term of the Sublease.

	Consolidated	
	30 June 2025	30 Jun 2024
	\$	\$
Lease receivables - current	172,862	-
Lease receivables - non current	278,270	-
	<u>451,132</u>	<u>-</u>

The company received \$31,285 as interest income portion from lease receivables, which is presented in operating cash flows. The receipts of the reduction of the lease receivables (i.e. principal repayment) is presented in financing cash flows.

Note 10. Other financial assets

	Consolidated	
	30 June 2025	30 Jun 2024
	\$	\$
Shares in Australia Sunny Glass Group Limited - at cost	3,500,000	3,500,000
Less: Provision for impairment	(3,500,000)	(3,500,000)
	<u>-</u>	<u>-</u>

Note 10. Other financial assets (continued)

The Group holds 11,666,667 ordinary fully paid shares in Australia Sunny Glass Group Limited (**AG1**), a listed entity on the National Stock Exchange (NSX). AG1 shares have been suspended on the NSX since 18 March 2024. This suspension was initiated to provide AG1 with time to finalise a new funding facility. There have been no further updates on the outcome of these funding activities.

Further to AG1's announcement on 20 December 2023, AG1 announced on 2 February 2024 that under a Deed of Company Arrangement (DOCA) approved by the creditors of D W Sullivan Windows Pty Ltd, one of AG1's Melbourne-based subsidiaries, unsecured creditors are expected to receive an estimated \$0.07 to \$0.08 in the dollar.

On 23 April 2024, AG1 announced its decision to close its Sydney site and began negotiation to sale the equipment and stock from the site. Although this closure was intended to enhance cost-effectiveness and address challenging trading conditions in NSW, there has been no substantial progress or positive updates as of the reporting date.

Given these recent developments, the Group no longer considered its investments in AG1 shares as a strategic investment. Although AG1 remains a listed company, its shares have not traded on the NSX since December 2020 and no off-market transactions have been published during the year. As such, the Group re-assessed its investment in AG1 using the discounted cashflow method and charged the change in value to the profit or loss accounts during the year ended 30 June 2024.

The Group received no update on AG1's business restructure and maintained full impairment provision against its investment in AG1 as at 30 June 2025.

Note 11. Plant and equipment

	Consolidated	
	30 June 2025	30 Jun 2024
	\$	\$
Plant and equipment - at cost	922,492	-
Less: Accumulated depreciation	(83,286)	-
Less: Impairment	(839,206)	-
	-	-
Fixtures and fittings - at cost	19,101	19,101
Less: Accumulated depreciation	(19,101)	(19,101)
	-	-
Motor vehicles - at cost	56,600	-
Less: Accumulated depreciation	(4,600)	-
Less: Impairment	(52,000)	-
	-	-
Office equipment - at cost	20,007	20,007
Less: Accumulated depreciation	(20,007)	(20,007)
	-	-
	-	-

Note 11. Plant and equipment (continued)

Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Plant and equipment \$	Fixtures and fittings \$	Motor vehicles \$	Office equipment \$	Total \$
Balance at 1 July 2023	-	-	-	-	-
Depreciation expense	-	-	-	-	-
Balance at 30 June 2024	-	-	-	-	-
Additions	922,492	-	56,600	-	979,092
Impairment of assets*	(839,206)	-	(52,000)	-	(891,206)
Depreciation expense	(83,286)	-	(4,600)	-	(87,886)
Balance at 30 June 2025	-	-	-	-	-

*: During the year, the Company purchased equipment valued at \$922,492 and a motor vehicle valued at \$56,600 from Newfield Resources Limited ("Newfield"), with the objective of establishing mining contracting services for Newfield's wholly-owned subsidiary, Sierra Diamonds Limited ("Sierra Diamonds"), with which the Company has a long-standing business relationship. The equipment was intended to be contracted out to Sierra Diamonds and other local mining companies to generate income for the Company.

In February 2025, Sierra Diamonds received a termination notice from its joint venture partner to withdraw the mining licence. Given the increased uncertainty surrounding the mine's future and Sierra Diamonds' constrained funding position, the equipment has not been utilised as originally planned. Following a review, the Company resolved to recognise a full impairment provision on the equipment and motor vehicle as at 30 June 2025.

Note 12. Right of use assets

	Consolidated	
	30 June 2025	30 Jun 2024
	\$	\$
Right of use assets	31,751	31,751
Less: Accumulated depreciation	(30,657)	(16,183)
	<u>1,094</u>	<u>15,568</u>

(a) Right-of-use assets

Note 12. Right of use assets (continued)

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	\$
Balance at 1 July 2023	29,439
Depreciation expense	<u>(13,871)</u>
Balance at 30 June 2024	15,568
Depreciation expense	<u>(14,474)</u>
Balance at 30 June 2025	<u>1,094</u>

Note 13. Trade and other payables

	Consolidated	
	30 June 2025	30 Jun 2024
	\$	\$
Trade payables	285,456	285,977
Provision for annual leave	8,514	15,043
Other payables	<u>158,890</u>	<u>181,479</u>
	<u>452,860</u>	<u>482,499</u>

Refer to note 20 for further information on financial instruments.

Note 14. Borrowings

This note provides information about the contractual terms of the Group's interest-bearing credit facility and borrowings.

	Consolidated	
	30 June 2025	30 Jun 2024
	\$	\$
Trade finance	<u>250,000</u>	<u>-</u>

Refer to note 20 for further information on financial instruments.

Note 14. Borrowings (continued)

Financing arrangements

Unrestricted access was available at the reporting date to the following lines of credit:

	Consolidated	
	30 June 2025	30 Jun 2024
	\$	\$
Total facilities		
Bank overdraft	50,000	50,000
Trade finance facility	250,000	250,000
	<u>300,000</u>	<u>300,000</u>
Used at the reporting date		
Bank overdraft	-	50
Trade finance facility	250,000	-
	<u>250,000</u>	<u>50</u>
Unused at the reporting date		
Bank overdraft	50,000	49,950
Trade finance facility	-	250,000
	<u>50,000</u>	<u>299,950</u>

Details	Trade finance facility	Bank overdraft
Facility provider	National Australia Bank	National Australia Bank
Facility limit	\$250,000	\$50,000
Interest rate	13.54%	12% per annum
Term of drawings	116 days	No limit
Maturity date	1 August 2025	Revolving term, subject to annual review

The finance facilities provided by NAB comprises of trade refinance facility and an overdraft facility. Should the Group 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 Group's cash & cash equivalents and any income from trade receivables received as securities totalling the amounts owed to the limit of drawdown. The trade refinance facility is a revolving term facility and there is no reason that the Group will not have continued access to the facility after the maturity date of 1 August 2025.

There are no conditions or loan covenants associated with the facility.

Note 15. Lease liabilities - current

	Consolidated	
	30 June 2025	30 Jun 2024
	\$	\$
Lease liability - equipment	2,994	22,432
Lease liability - office (refer to note 9)	172,861	-
	<u>175,855</u>	<u>22,432</u>

Note 15. Lease liabilities - current (continued)

The Group made a principal repayment for lease liability of \$29,144 for the financial year ended 30 June 2025 (2024: \$23,880). The total interest expenses of \$19,736 related to the lease liabilities was recognised in statement of profit or loss accounts and comprehensive income for the financial year ended 30 June 2025 (2024: \$2,972).

Note 16. Lease liabilities - non current

	Consolidated	
	30 June 2025	30 Jun 2024
	\$	\$
Lease payable - equipment	-	2,783
Lease payable - office (refer to note 9)	278,449	-
	<u>278,449</u>	<u>2,783</u>

Note 17. Issued capital

	Consolidated			
	30 June 2025	30 Jun 2024	30 June 2025	30 Jun 2024
	Shares	Shares	\$	\$
Ordinary shares - fully paid	<u>162,975,124</u>	<u>144,744,757</u>	<u>8,408,432</u>	<u>8,251,219</u>

Movements in ordinary share capital

Details	Date	Shares	\$
Balance	1 July 2023	144,744,757	8,251,219
Balance	30 June 2024	144,744,757	8,251,219
Shares issued under Rights Issue	30 May 2025	18,230,367	182,303
Less: Share issue transaction costs	30 May 2025	-	(25,090)
Balance	30 June 2025	<u>162,975,124</u>	<u>8,408,432</u>

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Share buy-back

There is no current on-market share buy-back.

Capital risk management

The Group'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.

Note 17. Issued capital (continued)

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

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

The Group would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current company's share price at the time of the investment. The Group is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximise synergies.

The Group is subject to certain financing arrangements covenants and meeting these is given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year.

Note 18. Dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Note 19. Earnings per share

	Consolidated	
	30 June 2025	30 June 2024
	\$	\$
Loss after income tax attributable to the owners of BauMart Holdings Limited	<u>(1,014,292)</u>	<u>(4,677,224)</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>146,343,036</u>	<u>144,744,757</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>146,343,036</u>	<u>144,744,757</u>
	Cents	Cents
Basic (loss) per share	(0.69)	(3.23)
Diluted (loss) per share	(0.69)	(3.23)

Note 20. Financial instruments

Financial risk management objectives

The Group's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The Group is using a combination of the cash inflows from the financial assets and the available of borrowing and equity financing facilities to manage the liquidity.

The Group holds the following financial instruments as at the reporting date:

Note 20. Financial instruments (continued)

	Consolidated	
	30 June 2025	30 Jun 2024
	\$	\$
Financial assets		
Cash and cash equivalents	52,112	4,352
Trade receivables	54,637	746,294
Lease receivables	451,132	-
	<u>557,881</u>	<u>750,646</u>
Financial liabilities		
Trade and other payables	452,860	482,499
Borrowings	250,000	-
Lease liabilities	454,304	25,215
	<u>1,157,164</u>	<u>507,714</u>

Market risk

Foreign currency risk

Foreign currency-denominated financial assets, translated into Australian Dollars at the closing exchange rate, are as follows. No financial liabilities are denominated in foreign currencies as at 30 June 2025 and 30 June 2024.

	Consolidated	
	30 June 2025	30 Jun 2024
	\$	\$
Financial assets		
Trade receivables	-	606,050

As the trade receivables denominated in USD were fully settled during the year, management considers the Group's exposure to currency risk to be insignificant.

Price risk

The Group is not exposed to any significant price risk.

Interest rate risk

As there is no interest rate applicable on trade receivables or trade and other payables, the Group's primary exposure to interest rate risk is its bank overdraft facility, which has an interest rate of 12%, and its trade finance facility, which has an interest rate of 13.54% (comprising a base rate of 6.04% plus a variable component). Management believes that a 5% change in interest rates will not have a material effect on the result of operations or equity of the Consolidated Entity.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has a strict code of credit, including confirming references and setting appropriate credit limits. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The Group does not hold any collateral.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which the customers operate.

Note 20. Financial instruments (continued)

The Group has adopted a lifetime expected loss allowance in estimating expected credit losses to trade receivables through the use of a provisions matrix using fixed rates of credit loss provisioning. These provisions are considered representative across all customer groups of the Group based on recent sales experience, historical collection rates and forward-looking information that is available.

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 1 year.

Allowance for expected credit losses

The Group has reversed an impairment loss of \$347,406 (2024: recognised an impairment loss of \$777,597) in profit or loss in respect of the expected credit losses for the year ended 30 June 2025.

The ageing of the receivables and allowance for expected credit losses provided for above are as follows:

	Expected credit loss rate		Carrying amount		Allowance for expected credit losses	
	30 June 2025	30 Jun 2024	30 June 2025	30 Jun 2024	30 June 2025	30 Jun 2024
Consolidated	%	%	\$	\$	\$	\$
Not overdue	-	-	21,021	38,002	-	-
0 to 6 months overdue	10%	-	9,570	2,643	957	-
6 to 12 months overdue	30%	-	4,290	705,649	1,287	-
Over 12 months overdue	100%	100%	422,447	818,379	422,447	818,379
Overdue sublease receivables	20%	-	27,500	-	5,500	-
			<u>484,828</u>	<u>1,564,673</u>	<u>430,191</u>	<u>818,379</u>

Movements in the allowance for expected credit losses are as follows:

	Consolidated	
	30 June 2025	30 Jun 2024
	\$	\$
Opening balance	818,379	40,782
Additional provisions recognised	-	777,597
Receivables written off during the year as uncollectable	(40,782)	-
Unused amounts reversed	(347,406)	-
Closing balance	<u>430,191</u>	<u>818,379</u>

Liquidity risk

Vigilant liquidity risk management requires the Group to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The Group manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Note 20. Financial instruments (continued)

Financing arrangements

Unused borrowing facilities at the reporting date:

	Consolidated	
	30 June 2025	30 Jun 2024
	\$	\$
Bank overdraft	50,000	49,950
Trade finance facility	-	250,000
	<u>50,000</u>	<u>299,950</u>

Remaining contractual maturities

The following tables detail the Group's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

	Weighted average interest rate	1 year or less	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Remaining contractual maturities
	%	\$	\$	\$	\$	\$
Consolidated - 30 June 2025						

Non-derivatives

Non-interest bearing

Trade and other payables	-	452,860	-	-	-	452,860
Lease liabilities	-	175,855	193,094	85,355	-	454,304

Interest-bearing - fixed rate

Trade finance	13.54%	250,000	-	-	-	250,000
Total non-derivatives		<u>878,715</u>	<u>193,094</u>	<u>85,355</u>	<u>-</u>	<u>1,157,164</u>

	Weighted average interest rate	1 year or less	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Remaining contractual maturities
	%	\$	\$	\$	\$	\$
Consolidated - 30 Jun 2024						

Non-derivatives

Non-interest bearing

Trade and other payables	-	482,499	-	-	-	482,499
Lease liabilities	-	22,432	2,783	-	-	25,215
Total non-derivatives		<u>504,931</u>	<u>2,783</u>	<u>-</u>	<u>-</u>	<u>507,714</u>

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Fair value of financial instruments

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

Note 21. Key management personnel disclosures

Directors

The following persons were directors of BauMart Holdings Limited during the financial year:

Agata Nisianti Dharma	Executive Director, appointed 18 July 2024
Jack Spencer-Cotton	Non-Executive Director
Anson Gan	Non-Executive Director
Ben Talbot	Non-Executive Director, resigned on 18 July 2024

Compensation

The aggregate compensation made to Directors and other members of Key Management Personnel of the Group during the year is set out below:

	Consolidated	
	30 June 2025	30 June 2024
	\$	\$
Short-term employee benefits	135,780	142,221
Post-employment benefits	15,615	15,645
	<u>151,395</u>	<u>157,866</u>

Note 22. Related party transactions

Parent entity

BauMart Holdings Limited is the parent entity.

Subsidiaries

Interests in subsidiaries are set out in note 27.

Key management personnel

Disclosures relating to key management personnel are set out in note 21 and the Remuneration Report (as set out in the Director's report).

Transactions with related parties

The following transactions occurred with related parties:

	Consolidated	
	30 June 2025	30 June 2024
	\$	\$
Purchase of plant and equipment	979,091	-

During the year, the Group purchased \$1,077,000 incl GST mining equipment from Newfield Resources Limited ("Newfield Resources"), of which Mr Jack Spencer-Cotton is a director.

Note 22. Related party transactions (continued)

Receivable from and payable to related parties

The following balances are outstanding at the reporting date in relation to transactions with related parties:

	Consolidated	
	30 June 2025	30 Jun 2024
	\$	\$
Current receivables:		
Trade receivables from Sierra Diamonds Limited (i)	-	606,500

(i) Sierra Diamonds Limited is a wholly-owned subsidiary of Newfield Resources Limited ("Newfield"). During the year, the Group purchased equipment valued at \$1,077,000 incl GST from Newfield. Of this amount, \$440,000 was paid in cash to Newfield. The remaining balance of \$637,000 was offset under two agreements between Newfield and the Company, whereby the amounts were netted against receivables of USD404,038 owed by Sierra Diamonds to the Group as at 30 June 2024. As at 30 June 2025, all balances between Sierra Diamonds and the Group, and between the Group and Newfield, had been fully settled.

Other related party transactions

During the year, the Group entered into a lease agreement with Clearwin Investments Pty Ltd for premises intended for future office use. The lease commenced on 1 December 2024 for a fixed term of three years, with monthly rent of \$17,500.

Due to delayed business development, the Group was unable to occupy the premises immediately as initially planned. As a result, the Group subleased the premises to Creative Pantry Pty Ltd and Industria Holdings Pty Ltd under the same lease terms and rental rates.

Clearwin Investments Pty Ltd, Creative Pantry Pty Ltd, and Industria Holdings Pty Ltd are entities related to Mr Benjamin Young, who became a substantial shareholder of the Company (indirectly through Mutual Street Pty Ltd) on 17 April 2025.

Other than the above lease arrangement, the Group did not enter into any trading transactions with these parties after Mutual Street Pty Ltd became a substantial shareholder. As at 30 June 2025, the Group had a receivable balance of \$324,145 due from Industria Holdings Pty Ltd, comprising \$22,000 in lease receivables and \$302,145 in trade receivables relating to prior transactions involving washpod equipment trading and leasing.

Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.

Note 23. Operating segments

Identification of reportable operating segments

The Group is organised into two operating segments: Building Materials Supply and Source & Procurement Supply. These operating segments are based on the internal reports that are reviewed and used by the Board of Directors in assessing performance and in determining the allocation of resources. There is no aggregation of operating segments.

Building Materials Supply

The Building Materials Supply division 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.

Note 23. Operating segments (continued)

Source & Procurement Supply

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

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.

Operating segment information

	Building Materials Supply \$	Source & Procurement Supply \$	Corporate & Administrativ e \$	Total \$
Consolidated - 30 June 2025				
Revenue				
Sales to external customers	11,200	24,018	-	35,218
Total revenue	11,200	24,018	-	35,218
Segment results	1,790	287,965	(1,304,047)	(1,014,292)
Loss before income tax expense				(1,014,292)
Income tax expense				-
Loss after income tax expense				(1,014,292)
Assets				
Segment assets	-	594,904	199,987	794,891
Total assets				794,891
Liabilities				
Segment liabilities	-	20,412	1,136,752	1,157,164
Total liabilities				1,157,164
Consolidated - 30 June 2024				
Revenue				
Sales to external customers	45,150	441,831	-	486,981
Total revenue	45,150	441,831	-	486,981
Segment results	(3,473,021)	(610,301)	(593,902)	(4,677,224)
Loss before income tax expense	(3,473,021)	(610,301)	(593,902)	(4,677,224)
Income tax expense				-
Loss after income tax expense				(4,677,224)
Assets				
Segment assets	-	995,238	7,282	1,002,520
Liabilities				
Segment liabilities	-	96,035	411,679	507,714

Note 24. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by Stantons International Audit and Consulting Pty Ltd, the auditor of the company:

	Consolidated	
	30 June 2025	30 June 2024
	\$	\$
<i>Audit services - Stantons International Audit and Consulting Pty Ltd</i>		
Audit or review of the financial statements	40,050	37,000

Note 25. Commitments and Contingencies

The Group has no commitments or contingent liabilities as at 30 June 2025.

The Group, through its wholly owned subsidiary Buildmart Services Pty Ltd, is required to fulfil an annual order quantity of 100 Washpods each year over a 2-year period under a worldwide distribution agreement with Washpod Consolidated Pty Ltd and the anniversary date is 21 March 2024. If the Group fails to meet the annual condition, Washpod Consolidated Pty Ltd can elect to terminate the agreement or remove the exclusive worldwide distribution rights. However, there are no financial consequences should it fail to meet the commitment apart from the potential cancellation of its exclusive distributorship. The Group has not received any termination notice from Washpod Consolidated Pty Ltd as at the date of this report.

Note 26. Reconciliation of loss after income tax to net cash from operating activities

(a) Cash flows from operating activities

	Consolidated	
	30 June 2025	30 June 2024
	\$	\$
Loss after income tax expense for the year	(1,014,292)	(4,677,224)
Adjustments for:		
Depreciation and amortisation	102,360	13,871
Impairment provision for doubtful debt	(347,406)	777,597
Change in FVPL	-	3,500,000
Impairment of equipment	891,206	-
Interest as per AASB16	1,658	2,972
Unrealised exchange gain	(4,554)	6,768
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	432,619	(26,264)
Decrease in inventories	-	335,256
Decrease in prepayments and other current assets	390	25,566
Increase/(decrease) in trade and other payables	(41,005)	162,412
Decrease in other provisions	-	(22,415)
Net cash from operating activities	20,976	98,539

Note 26. Reconciliation of loss after income tax to net cash from operating activities (continued)

(b) Non-cash investing and financing activities

The Company purchased AUD\$1,077,000 (incl GST) plant and equipment from Newfield Resources Limited ("Newfield"). Of this amount, AUD\$440,000 (incl GST) was paid in cash to Newfield. The remaining balance of AUD\$637,000 (incl GST) was offset under two agreements between Newfield and the Company, whereby the amounts were netted against receivables of USD404,038 owed by Sierra Diamonds to the Group as at 30 June 2024. As at 30 June 2025, all balances between Sierra Diamonds and the Group, and between the Group and Newfield, had been fully settled (refer to note 22).

(c) Cash and cash equivalents

	Consolidated	
	30 June 2025	30 June 2024
	\$	\$
Cash in bank	52,112	4,402
Bank overdraft	-	(50)
	<u>52,112</u>	<u>4,352</u>

Note 27. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiary in accordance with the accounting policy described in note 2:

Name	Principal place of business / Country of incorporation	Ownership interest	
		30 June 2025	30 Jun 2024
		%	%
Buildmart Services Pty Ltd	Australia	100.00%	100.00%

Note 28. Parent entity information

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

	Parent	
	30 June 2025	30 June 2024
	\$	\$
Loss after income tax	<u>(1,333,250)</u>	<u>(4,070,017)</u>
Total comprehensive (loss)	<u>(1,333,250)</u>	<u>(4,070,017)</u>

Note 28. Parent entity information (continued)

Statement of financial position

	Parent	
	30 June 2025	30 Jun 2024
	\$	\$
Total current assets	267,307	7,332
Total assets	257,272	708,371
Total current liabilities	858,218	411,729
Total liabilities	1,136,667	411,729
Equity		
Issued capital	8,408,432	8,251,219
Accumulated losses	(9,287,827)	(7,954,577)
Total equity/(deficiency)	(879,395)	296,642

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries

The parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2025 and 30 June 2024.

Contingent liabilities

The parent entity had no contingent liabilities as at 30 June 2025 and 30 June 2024, other than as disclosed in note 25.

Note 29. Events after the reporting period

No matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Consolidated entity disclosure statement

Set out below is a list of entities that are consolidated in this set of consolidated financial statements at the end of the financial year.

Entity name	Entity type	Place of business / Country of incorporation	Ownership interest %	Tax residency
BauMart Holdings Limited (Parent)	Corporate	Australia	-	Australia
Buildmart Services Pty Ltd	Corporate	Australia	100.00%	Australia

Basis of preparation

This consolidated entity disclosure statement has been prepared in accordance with the s295 (3A)(a) of the Corporations Act 2001 and includes the required information for BauMart Holdings Limited and the entities it controls in accordance with AASB 10 Consolidated Financial Statements.

Key assumptions and Judgements

Determination of Tax Residency

Section 295 (3A) of the *Corporation Acts 2001* requires that the tax residency of each entity which is included in the Consolidated Entity Disclosure Statement (CEDS) be disclosed. For the purposes of this section, an entity is an Australian resident at the end of a financial year if the entity is:

- an Australian resident (within the meaning of the *Income Tax Assessment Act 1997*) at that time; or
- a partnership, with at least one partner being an Australian resident (within the meaning of the *Income Tax Assessment Act 1997*) at that time; or
- a resident trust estate (within the meaning of Division 6 of Part III of the *Income Tax Assessment Act 1936*) in relation to the year of income (within the meaning of that Act) that corresponds to the financial year.

The determination of tax residency involves judgment as the determination of tax residency is highly fact dependent and there are currently several different interpretations that could be adopted, and which could give rise to a different conclusion on residency. In determining tax residency, the consolidated entity has applied the following interpretations:

Australian tax residency

The consolidated entity has applied current legislation and judicial precedent, including having regard to the Commissioner of Taxation's public guidance in Tax Ruling TR 2018/5.

Foreign tax residency

The consolidated entity has applied current legislation and where available judicial precedent in the determination of foreign tax residency. Where necessary, the consolidated entity has used independent tax advisers in foreign jurisdictions to assist in its determination of tax residency to ensure applicable foreign tax legislation has been complied with. At the reporting date, the Company did not have any consolidated entities with foreign residency.

In the directors' opinion:

- the attached financial statements and notes comply with the *Corporations Act 2001*, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 2 to the financial statements;
- the attached financial statements and notes give a true and fair view of the Group's financial position as at 30 June 2025 and of its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and
- the information disclosed in the attached consolidated entity disclosure statement is true and correct.

The directors have been given the declarations required by section 295A of the *Corporations Act 2001*.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the *Corporations Act 2001*.

On behalf of the directors

A handwritten signature in black ink, appearing to read "Agata", written over a horizontal line.

Agata Nisianti Dharma
Executive Director

30 September 2025

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
BAUMART HOLDINGS LIMITED****Report on the Audit of the Financial Report****Opinion**

We have audited the financial report of Baumart Holdings Limited ("the Company") and its subsidiaries ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the Group's financial position as at 30 June 2025 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the APES 110: *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board (the Code) that are relevant to our audits of the 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*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Relating to Going Concern

We draw attention to Note 2 of the financial statements, which indicates that the Group recorded a net loss attributable to the owners of the Company of \$1,014,292 for the year (2024: \$4,677,224 net loss). At 30 June 2025, the Group reported a net liabilities position of (\$362,273) (2024: net assets of \$494,806) and working capital deficiency of \$363,188 (2024: working capital of \$482,021). The Group had a cash and cash equivalent balance at balance date of \$52,112 (2024: \$4,352). As stated in Note 2, the events or conditions, along with other matters, as set forth in Note 2, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined the matter described below to be a Key Audit Matter to be communicated in our report.

Key Audit Matters	How the matter was addressed in the audit
Inventories (refer to Note 8 to the consolidated financial statements) The Group reported inventories balance of \$230,262 as at 30 June 2025. We consider the inventories balance as considered a key audit matter due to: • The size of the inventories balance representing 29% of total assets; • No movement in the balance from prior year; and • Key estimates and judgements applied by management in assessing the net realisable value ('NRV') of inventory due to the nature of the inventories balance.	Inter alia, our audit procedures included the following: i. Observing the inventory count procedures performed by management and assessing, by inspection, for evidence of damaged or obsolete inventory. ii. Testing the inventory items on hand at year end to ascertain whether these balances have been recognised at the lower of cost and net realisable value. This assessment also included a specific focus on aged inventory items whereby recent turnover for these items was also critically assessed. iii. Discussing with management about the realisation of slow-moving stock. iv. Assessing the appropriateness of the disclosure in the notes to the consolidated financial statements.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2025 but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of:

- a) the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* (other than the consolidated entity disclosure statement); and
- b) the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and for such internal control as the directors determine is necessary to enable the preparation of:
 - i) the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
 - ii) the consolidated entity disclosure statement that is true and correct and is free from misstatement whether due to fraud and error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report.

The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

We conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

We evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in Internal control that we identify during our audit.

The Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements. We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2025.

In our opinion, the Remuneration Report of Baumart Holdings Limited for the year ended 30 June 2025 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

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

Stantons International Audit and Consulting Pty Ltd
Samir

Samir Tirodkar
Director
West Perth, Western Australia
30 September 2025

Additional Information

Top holders

The 20 largest registered holders of each class of quoted equity security as at 19 August 2025:

Fully paid ordinary shares – quoted

	Name	No. of Shares	%
1.	WONDER HOLDINGS PTY LTD	28,333,334	17.39%
2.	MUTUAL STREET PTY LTD	11,943,486	7.33%
3.	MRS IDA PRATIGNJO LAU	11,807,256	7.24%
4.	MR TZE FONG GAN	8,500,000	5.22%
5.	MR HOONG NGAI CHRISTOPHER LAI	8,000,000	4.91%
6.	MS MAY ERN GLORIA LAI	8,000,000	4.91%
7.	QP & CO PTY LTD <QUPPI FAMILY A/C>	7,500,000	4.60%
8.	MR SUMAMPO LAU	6,711,832	4.12%
9.	ANRINZA FUTURE PTY LTD	6,577,500	4.04%
10.	HZN PTY LTD	6,250,000	3.83%
11.	CATECHIN ENTERPRISE PTY LTD <TAN POH HONG FAMILY A/C>	6,033,430	3.70%
12.	MR WEI QUAN LONG	5,000,000	3.07%
13.	BRIGHT ELEMENT PTY LTD	5,000,000	3.07%
14.	MR ROBERT ANG	5,000,000	3.07%
15.	MR PARK ON LAI	4,000,000	2.45%
16.	KUSWANDI AMAN	3,650,000	2.24%
17.	SEAN MATTHEW ANG	3,100,000	1.90%
18.	B YOUNG HOLDINGS PTY LTD	3,000,000	1.84%
19.	BROADWAY CORPORATE SERVICES PTY LTD	2,436,683	1.50%
20.	MR WILLY ERWIN MASTURI <THE W E MASTURI FAMILY A/C>	2,250,000	1.38%
		143,093,521	87.80%

Distribution schedules

A distribution schedule of each class of equity security as at 28 August 2024:

Ordinary fully paid shares

	Range	Holders	Units	%
1	- 1,000	3	122	0.00%
1,001	- 5,000	14	46,260	0.03%
5,001	- 10,000	123	1,227,309	0.75%
10,001	- 100,000	35	1,114,269	0.68%
100,001	- Over	55	160,587,164	98.53%
Total		230	162,975,124	100.00%

Substantial shareholders

The names of substantial shareholders in the Company as at 19 September 2025, and the number of shares to which each substantial shareholder and their associates have a relevant interest, as disclosed in substantial shareholding notices given to the Company, are set out below:

Substantial shareholder	Number of Shares
WONDER HOLDINGS PTY LTD	28,333,334
MUTUAL STREET PTY LTD	11,943,486
MRS IDA PRATIGNJO LAU	11,807,256
MR TZE FONG GAN	8,500,000

Restricted securities or securities subject to voluntary escrow

As at 19 September 2025, the Company had no restricted securities on issue.

As at 19 September 2025, the Company had no securities subject to voluntary escrow.

Unmarketable parcels

Holdings less than a marketable parcel of ordinary shares (being 5,883 shares as at 19 September 2025):

Holders	Units
167	1,904,974

Voting Rights

The voting rights attaching to ordinary shares are:

On a show of hands, every member present in person or by proxy shall have one vote, and upon a poll, each share shall have one vote.

Options do not carry any voting rights.

Unquoted Securities

The Company does not have any unquoted securities on issue.

On-Market Buy Back

There is no current on-market buy-back.

Corporate Governance

The Board has adopted and approved the Company's Corporate Governance Statement, which can be found on the Company's website at www.baumart.com.au.