



Kresta Holdings Limited

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ASX ANNOUNCEMENT

December 2015 Annual Results

Results – 12 Months ending December 2015

Kresta Holdings Limited (ASX: KRS) would like to report it has recorded an after tax loss of (\$2,629k) for the 12 months ended 31 December 2015, this compares with an after tax loss of (\$1,888k) for the prior year corresponding period ("PCP") on a full year basis.

Key points:

- **Net loss after tax of (\$2.6 million)**
- **Sales revenue of \$95.9 million**
- **Cash at bank of \$8.7 million**
- **Net Debt Position (\$7.8 million)**

Change from 2014 (Full Year)

- ↓ **\$0.7m from PCP**
- ↑ **2% from PCP**
- ↑ **\$7.4 million from Dec 14**
- ↓ **\$7.1 million from Dec 14**

The Company recorded revenue 2.4% higher than last year on a full year comparative basis. Growth in our Kresta brand across a number of states was achieved which was encouraging.

Profitability during the period was impacted by additional costs in our manufacturing operations as we transition into dual East Coast and West Coast production facilities. Furthermore there was investment across our retail footprint as we opened additional Curtain Wonderland stores on the East Coast and refurbished and relocated a number of Kresta stores across Australia.

Capital investment within the business for the year was (\$3.0m) predominantly spent on the store and showroom openings and refurbishments, and the East Coast manufacturing investment.

During the period our stock increased by \$8.0m with an increase in our quantity and ranging of stock. Somewhat offset by some favourable working capital movements during the period the company recorded a net cash outflow from operations of (\$5.7m).

Cash at the end of the year was \$8.6m with a total of (\$15.9m) in non secured related party loans in place to support ongoing capital and working capital requirements.

The Company has decided not to declare a dividend for the twelve months.

For further information please contact:

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About Kresta

Kresta Holdings is a leading national window furnishings manufacturer and retailer. The Company has been manufacturing blinds for over 40 years, and is now the largest window coverings manufacturer / retailer in Australia and New Zealand, employing approximately 700 people. Kresta's brands include: Kresta Blinds, Vista Window Coverings, Decor2Go, Curtain Wonderland, Ace of Shades and Mardo. For further information, see www.kresta.com.au