



Kresta Holdings Limited

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ASX ANNOUNCEMENT

## **Kresta streamlining its manufacturing operations**

Kresta Holdings Limited (ASX:KRS) announces that it has commenced streamlining its manufacturing operations and upgrading facilities as part of a strategic review of the business.

Changes to Kresta's operations will reduce costs, improve product ranges and provide greater flexibility in meeting market demands.

Key changes include:

- Investing in automated manufacturing equipment at Kresta's Malaga WA operations;
- Consolidation of curtain production to Curtain Wonderland's Brisbane operations;
- Relocating the Jandakot WA manufacturing operations to Kresta's Malaga headquarters;
- Outsourcing venetian blind manufacturing to high-quality manufacturers in Asia;
- Kresta's workforce will be reduced by 72 from a total of over 1,000, with a redundancy cost of approximately \$460,000; and
- The sale of commercial real estate which is surplus to operations, likely to yield in excess of \$5m.

"The over-riding factor in implementing these changes has been ensuring the quality that has been a mainstay of Kresta's success over the past 40 years is maintained and that our product range is enhanced," said Kresta's Chairman, John Molloy.

"While we have identified an offshore facility that will provide some of our products, we will continue to be a substantial manufacturer in Australia, with production facilities in Perth, Brisbane and Melbourne.

"We are improving some of these facilities and making them more efficient to ensure the ongoing development of our product range.

“For our customers, these changes will ensure the quality of Kresta’s products. They also improve our ability to respond quickly to market trends, ensuring our customers have access to the best possible range of window furnishings available in the Australian market,” Mr Molloy said.

Kresta is continuing to review all aspects of the company, however it is not anticipated that there will be any further redundancies. Kresta will announce further details of the review when the company releases its full year results in late August.

**For further information please contact:**

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**About Kresta**

Kresta is a leading national window furnishings manufacturer and retailer. The Company has been manufacturing blinds for over 38 years, and is now the largest window coverings manufacturer / retailer in Australia and New Zealand, employing over 1000 people. Kresta’s brands include: Kresta Blinds, Vista Window Coverings, Decor2Go, Curtain Wonderland and Ace of Shades. For further information, see [www.kresta.com.au](http://www.kresta.com.au)