



Kresta Holdings Limited

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ASX Announcement

## December 2016 Annual Results

Kresta Holdings Limited (ASX:KRS) would like to report it has recorded an after tax loss of \$857k for the 12 months ended 31 December 2016.

### Key points:

### Change from 2015

- |  |                          |
|--|--------------------------|
| • <b>Net loss after tax of \$0.86 million</b>        | ↓ \$1.79m from PCP       |
| • <b>Sales revenue of \$85.83 million</b>            | ↓ 10.5% from PCP         |
| • <b>Net Operating Cash in flow of \$4.3 million</b> | ↑ \$10.09 million in PCP |

The business recorded revenue of \$85,834k which was 10.5% lower than the corresponding period last year. Factors contributing to this reduction in revenue include:

- the closure of Vista stores across Australia that were not generating profits,
- Curtain Wonderland Ready Made business was relatively subdued for the period as we went through changes in store ranging and our approach to and mix of marketing.

The company recorded a loss after tax of \$861k (December 2015 loss after tax \$2,649k). During the year, the Company continued to restructure its operations and made progress with its cost reduction initiatives. These two areas had a material impact on reducing our losses for the year.

On a cash flow basis, the Company recorded a cash inflow from operations of \$4,378k (December 2015 cash outflow from operations of \$5,713k). This significant improvement in cashflows from operations reflects the performance of the business and the Company's focus on improvements to Working Capital Management.

During the period the company repaid the related party loan provided by The Lylu Trust totalling \$2,000k. Cash at the end of the year was \$9,009k.

### For further information please contact:

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