



Kresta Holdings Limited

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ASX Announcement

Half year results to 30 June 2016

Kresta Holdings Limited would like to report it has achieved an after tax loss of \$840k for the six months ended 30 June 2016. This is a 57.6% improvement when compared to the after tax loss of \$1,981k for the comparative period last year.

The business recorded revenue of \$41,970k which was 10.7% lower than the corresponding period last year. Factors contributing to this reduction in revenue include:

- weaker retail activity across a number of states in Australia,
- the closure of stores not generating profits across Australia,
- 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.

During the period the group undertook a review of its operating overheads and has taken action to reduce costs across all areas of the business including production, marketing, sales and administration.

Operating cash flow for the period was a positive movement of \$596k reflecting the operating performance of the business and the company's focus on improvements to working capital management. Investing activities were an outflow of \$900k reflecting investment in new and existing stores and purchase of machinery for our Queensland manufacturing operation.

During the period the company repaid the related party loan provided by The Lylu Trust totalling \$2,000k. Cash at the end of the period was \$6,234k.

For further information please contact:

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