

## New facility secured to expand production



### HIGHLIGHTS

- **New manufacturing, storage and distribution premise secured in Wangara, Western Australia.**
- **Manufacturing capacity tripled, with newly added automated machines**
- **Maiden investments to expand production capabilities follows successful IPO in October.**

Australian Merino wool products company Merino & Co. (ASX:MNC) (“Merino & Co” or the “Company”) is pleased to announce that it has entered into a long-term lease agreement for a new manufacturing, storage and distribution facility in Wangara, Western Australia.

The new premises have a total plant area of approximately 1,400m<sup>2</sup>, which almost doubles the current facilities occupied by the Company. Strategically located near major infrastructure, the facility has direct transport lines to Fremantle Port for importing materials and exporting finished products.

Merino & Co has also ordered four automated weaving loom machines, and four automated socks knitting and sewing & setting machines. These machines are expected to be delivered in February 2025.

The Company has also leased an additional 15 knitting machines. Together these machines will almost triple the current garment manufacturing capacity, and they require very few human interactions which will lower the unit cost of production.

Merino & Co aims to rapidly scale its manufacturing capabilities to produce a diversified range of merino wool products in Australia. The Company’s executives have recently returned from China having assessed suitable machines and materials and engaged with new supply and distribution network.

### MERINO AND CO MANAGING DIRECTOR FIONA YUE COMMENTED:

*“I am pleased to provide the very first update to shareholders since our highly successful IPO in late October 2024, raising \$6.35 million.*

*“As part of our strategy to offer a more fulsome product range of fine Merino wool products, we have now ordered our first batch of highly automated machines to manufacture socks, scarves, shawls and throws.*

*“When this added manufacturing capability is in place, Merino & Co. will be able to develop its own branded range of high-quality merino socks to meet growing market demand.*

*“I look forward to providing further updates as we continue to expand our capabilities, and work towards our vision of delivering high-quality Merino wool products to new and emerging global markets.”*



# MERINO&CO

**This announcement is approved for release by the Board of Directors.**

For further information, please contact:

## **INVESTORS**

**Alan Thomas**

**Company Secretary**

**E. [mnc@merinoandco.com.au](mailto:mnc@merinoandco.com.au)**

## **MEDIA**

**Emily Evans**

**Media and Content Manager**

**E. [emily@hellospoke.com.au](mailto:emily@hellospoke.com.au)**

## **ABOUT MERINO & CO.**

Merino & Co. is a vertically integrated Company, involving the manufacture, marketing and sale of wool products. The Company has over 600 points of sale spanning across Australia, selling wool clothing and accessories from its own showrooms as well as at duty free shops, airports, boutique shops, tourism sites, and generally via wholesalers and agents. The Company has also been exporting and selling direct to international markets, including China, Japan and North America, where high-quality wool products are in higher demand owing to colder climates.

The Company is a strong advocate of the benefits of wool as a natural fibre and is a strong supporter of the proliferation of more sustainable, renewable and biodegradable products made from environmentally friendly and raw natural materials such as wool, alpaca and possum.

## **FORWARD LOOKING STATEMENTS**

This announcement contains certain “forward-looking statements”. Forward looking words such as, “expect”, “should”, “could”, “may”, “predict”, “plan”, “will”, “believe”, “forecast”, “estimate”, “target” “continue”, “anticipate”, “guidance”, “outlook”, “aim” and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Forward-looking statements, opinions and estimates provided in this announcement are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions.

You are cautioned not to place undue reliance on any forward-looking statements regarding our belief, intent or expectations with respect to Merino & Co’s businesses, market conditions and/or results of operations.