

## Media release

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## Bremworth Expands Napier Production in \$6 million Post-Cyclone Rebuild

Carpet manufacturer, Bremworth (NZX: BRW), is expanding production capacity at its Napier plant more than two years after the site was heavily damaged by Cyclone Gabrielle, marking a key stage in its return to full domestic production of its woollen yarns and a boost to local employment.

Bremworth CEO, Craig Woolford, says the company is investing \$6 million in its Hawke's Bay facility to reinstate key yarn making equipment. The move is designed to ensure greater efficiency, product and quality control and significant lead time improvements, while avoiding excess capacity.

He says they plan to operate three shifts 24 hours a day, every weekday and will hire up to 40 new staff to accommodate expected demand.

"As a result of the cyclone, most of our Hawke's Bay facility was taken offline. To maintain carpet production, we introduced a hybrid yarn supply model which saw increased quantity of our yarns processed externally, including offshore. Rather than just reinstating everything, we've taken the opportunity to rebuild smarter – in the process, allowing us to ramp up yarn capacity as demand grows," says Woolford.

"We're bringing back the core pieces of equipment needed to give us flexibility and headroom while keeping costs down.

"The reinstated capacity brings Bremworth back to full operational strength, with both mills going to be able to meet current demands and support the company's plans to scale for growing international demand."

Woolford says key processes, including the site's dye house and other lines, are already operational. The first stage of the current equipment reinstatement is expected to be operational by the end of August, with a second stage three months later.

The production expansion is expected to dramatically reduce lead times, from up to six months down to six weeks, and cut yarn inventory by half, while allowing the company to take full control of yarn quality again.

"We'll also be rehiring a range of specialised staff in the process. "It's not just about rebuilding production but also restoring local capability, building resilience and bringing jobs back to Hawke's Bay."

Woolford says the reconfigured site gives Bremworth the ability to scale quickly in response to export growth, including new interest from the US and Australian markets.

"If demand spikes, we've got capacity we can activate. Each new addition takes about three months and hundreds of thousands of dollars to bring online, but that's a good problem to have," he says.

Bremworth has already begun phasing out its temporary hybrid yarn supply model and plans to bring yarn production fully back into its own New Zealand facility. Woolford says the move aligns with the company's focus on quality control and environmental impact.

"We're proud of what we are doing. It's a win not just for the business, but for Napier and the wider New Zealand manufacturing story."

Bremworth is working with industry group, Awatoto Industrial Action Group, to develop a flood mitigation solution in conjunction with the Hawkes's Bay Regional Council and the Napier City Council to prevent a repeat of the impact to the business community in that location following Cyclone Gabrielle. This initiative has local, regional and national government support.

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