SHRI KRISHANA OVERSEAS PLC

Unaudited results for the six months ended 30 June 2026

HIGHLIGHTS

- Revenue of KES 194.3 million, 22.5% ahead of the first half of 2025 and 55.3% of the whole of last year's turnover.
- Gross margin of 18.4%, against 20.5% in the second half of 2025 and 30.5% a year ago, reflecting weaker demand from the floriculture sector and higher input costs.
- Operating profit of KES 13.9 million, close to three times the KES 4.7 million earned in the second half of 2025.
- Profit after tax of KES 4.2 million (2025: KES 2.0 million). Earnings per share of KES 0.083.
- KES 64.1 million invested in the period, taking the Kisaju plant to KES 162.2 million. Commissioning is expected in November 2026.

Statement of comprehensive income

For the six months ended 30 June 2026

	6 months to 30 June 2026 KSh	6 months to 30 June 2025 KSh
	Unaudited	**Unaudited**
Revenue	194,296,277	158,651,619
Cost of sales	(158,498,997)	(110,286,868)
Gross profit	**35,797,280**	**48,364,751**
Other income	–	–
Sales and marketing costs	(672,300)	(1,872,999)
Administrative expenses	(16,130,590)	(16,660,152)
Establishment expenses	(5,122,570)	(11,389,357)
Operating profit	**13,871,820**	**18,442,243**
Finance costs	(9,662,480)	(15,892,058)
Profit before tax	**4,209,340**	**2,550,185**
Tax expense	–	(523,962)
Profit and total comprehensive income for the period	**4,209,340**	**2,026,222**
Earnings per share (KES)	**0.083**	**0.040**

Statement of financial position

As at 30 June 2026

	30 June 2026 KSh	31 December 2025 KSh
	Unaudited	**Audited**
EQUITY		
Ordinary share capital	10,100,000	10,100,000
Revaluation surplus	38,955,302	38,955,302
Accumulated profits	28,211,883	24,002,543
Total equity	**77,267,185**	**73,057,845**
NON-CURRENT LIABILITIES		
Borrowings	138,798,960	120,000,557
Deferred tax	3,606,765	3,606,765
	142,405,725	123,607,322
	219,672,910	**196,665,167**
REPRESENTED BY		
NON-CURRENT ASSETS		
Equipment	257,997,890	198,185,095
Right-of-use assets	25,249,400	25,227,222
	283,247,290	223,412,317
CURRENT ASSETS		
Inventory	72,104,000	62,469,885
Trade and other receivables	174,320,600	164,129,456
Cash at bank and in hand	626,500	7,225,241
Current tax receivable	–	715,701
	247,051,100	234,540,283
CURRENT LIABILITIES		
Trade and other payables	252,156,630	213,867,871
Borrowings	54,136,620	42,371,333
Current tax payable	4,332,230	5,048,229
	310,625,480	261,287,433
Net current liabilities	**(63,574,380)**	**(26,747,150)**
	219,672,910	**196,665,167**

Statement of changes in equity

	Share capital KSh	Revaluation surplus KSh	Accumulated profits KSh	Total KSh
At 1 January 2025	10,100,000	38,955,302	19,865,371	68,920,673
Profit for the period	–	–	2,026,222	2,026,222
At 30 June 2025	**10,100,000**	**38,955,302**	**21,891,593**	**70,946,895**
At 1 January 2026 (audited)	10,100,000	38,955,302	24,002,543	73,057,845
Profit for the period	–	–	4,209,340	4,209,340
At 30 June 2026	**10,100,000**	**38,955,302**	**28,211,883**	**77,267,185**

Statement of cash flows

For the six months ended 30 June 2026

	6 months to 30 June 2026 KSh	6 months to 30 June 2025 KSh
	Unaudited	**Unaudited**
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	4,209,340	
Adjustments for:		
Depreciation of equipment and right-of-use assets	4,303,450	
Interest expense	9,662,480	
Operating profit before working capital changes	**18,175,270**	
Inventories	(9,634,115)	
Trade and other receivables	(10,191,144)	
Trade and other payables	38,288,759	
Cash generated from operations	**36,638,770**	**5,730,064**
Interest paid	(9,662,778)	
Tax paid	–	(3,563,935)
Net cash generated from operating activities	**26,975,992**	**2,166,129**
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of equipment	(64,138,423)	(43,536,785)
Net cash used in investing activities	**(64,138,423)**	**(43,536,785)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Movement in borrowings	30,563,690	42,346,159
Net cash generated from financing activities	**30,563,690**	**42,346,159**
Net (decrease)/increase in cash and cash equivalents	**(6,598,741)**	**975,503**
Cash and cash equivalents at start of period	7,225,241	2,331,086
Cash and cash equivalents at end of period	**626,500**	**3,306,589**

Operating and financial review

Business environment

The fundamentals of the Kenyan packaging market remain supportive. Foreign exchange conditions have been stable, the policy emphasis on local manufacturing continues, and demand from the sectors the Company serves — herbs, dairy, edible oils, pharmaceuticals, and sugar and confectionery — has held up.

Two features of the period were less helpful. Liquidity across the domestic value chain remained tight, with slower payment by customers and cautious spending by manufacturers, which lengthened the Company's cash conversion cycle. And demand from the floriculture sector, which is among the Company's higher-margin business, was weak, affected by higher freight rates into European markets.

Trading

Revenue for the half year was KES 194.3 million, 22.5% ahead of the KES 158.7 million recorded in the first half of 2025 and slightly ahead of the KES 192.4 million achieved in the second half of last year. The Company delivered growth in every month of the period against the corresponding month of 2025.

Gross profit was KES 35.8 million, giving a margin of 18.4%. The comparison with the first half of 2025, when the margin was 30.5%, overstates the deterioration in the period: the margin was 20.5% in the second half of 2025, so the movement over the last six months is 2.1 percentage points rather than 12.1. The causes are the weakness in floriculture noted above, higher input prices, and process losses in production.

Operating profit of KES 13.9 million compares with KES 4.7 million in the second half of 2025 and KES 18.4 million in the first half of that year. Overheads were held broadly flat while turnover grew, with establishment expenses reduced from KES 11.4 million to KES 5.1 million and sales and marketing costs from KES 1.9 million to KES 0.7 million.

Profit after tax was KES 4.2 million against KES 2.0 million a year earlier, and earnings per share were KES 0.083 against KES 0.040.

The Kisaju project

KES 30.3 million was invested in the Kisaju plant during the half year, bringing capital work in progress to KES 162.2 million. Construction is materially advanced. The Directors regard the additional capacity as the principal driver of the Company's next stage of growth, and expect margins to improve as volume is put through the new plant.

Outlook

The Directors expect turnover to continue to grow in the second half. Priorities for the remainder of the year are the commissioning of the Kisaju plant, the recovery of margin through cost control and a shift in mix toward higher-yielding business, the conversion of the receivables book to cash, and the reduction of trade creditors as bank facilities are drawn.

The Directors will keep the market informed of the commissioning timetable for Kisaju and of any development that materially affects the outturn for the year. The Company continues to monitor developments in the Middle East and their effect on freight rates and on demand from its export-facing customers.

By order of the Board

[Name], Company Secretary · [Date]

The interim financial information set out above is unaudited and has not been reviewed by the Company's auditors. This announcement is issued in accordance with the Company's continuing obligations as an issuer listed on the Growth Enterprise Market Segment of the Nairobi Securities Exchange.