SHRI-KRISHANA OVERSEAS PLC HALF YEAR RESULTS

Statement of Comprehensive Income

for the six months to;	30th June 2025	30th June 2024
	Ksh.	Ksh.
	Unaudited	**Unaudited**
Revenue	158,651,619	168,448,265
Cost of sales	(110,286,868)	(116,658,693)
Gross profit	48,364,751	51,789,572
Other Income	-	2,208,173
Sales & Marketing Costs	(1,872,999)	(1,242,835)
Administrative Expenses	(16,660,152)	(17,669,999)
Establishment Expenses	(11,389,357)	(13,681,744)
Operating Profit	18,442,243	21,403,168
Finance Costs	(15,892,058)	(10,353,411)
Profit Before Tax	2,550,185	11,049,757
Tax expense	(523,962)	(4,198,365)
Profit and total comprehensive income for the year	2,026,222	6,851,391

Statement of financial position

as at;	30th June 2025	30th June 2024
	Ksh.	Ksh.
Equity	**Unaudited**	**Unaudited**
Share capital	10,100,000	10,100,000
Revaluation Surplus	38,955,301	38,955,301
General reserves	21,891,593	18,204,916
Total Equity	70,946,894	67,260,218
Non-Current Liability		
Borrowings	113,092,651	3,554,368
Deferred Tax	853,593	-
	113,946,244	3,554,368
	184,893,138	**70,814,586**
Represented By		
Non-Current Assets		
Property, plant and equipment	183,483,177	91,771,188
Current assets		
Inventories	45,485,086	17,890,007
Trade and other receivables	117,234,925	112,932,077
Cash and bank balances	3,306,590	2,721,850
Tax Recoverable	715,701	715,701

	166,742,303	134,259,634
Current liabilities		
Trade and other payables	124,065,533	115,073,836
Short term borrowings	37,124,618	34,691,973
Tax Payable	4,142,191	5,450,427
	165,332,342	155,216,237
Net Current Assets	1,409,961	(20,956,602)
	184,893,138	**70,814,586**

Statement of changes in Equity

	Share capital Ksh	General reserves Ksh	Revaluation surplus Ksh	Total Ksh
Balance as at January 1, 2024	100,000	9,690,187	38,955,301	48,745,488
Profit / (loss) for the year	-	10,175,184	-	10,175,184
Issue Of New Shares	10,000,000			10,000,000
Balance as at December 31, 2024	**10,100,000**	**19,865,371**	**38,955,301**	**68,920,672**
Balance as at January 1, 2025	10,100,000	19,865,371	38,955,301	68,920,672
Profit / (loss) for the year	-	2,026,222	-	2,026,222
Balance as at June 30, 2025	**10,100,000**	**21,891,593**	**38,955,301**	**70,946,894**

Statement of cash flows	30th June 2025 Ksh.	30th June 2024 Ksh.
Cash Flows from Operating Activities	**Unaudited**	**Unaudited**
Cash generated from operations	5,730,064	11,801,252
Income taxes	(3,563,935)	(3,468,951)
Net cash generated from/(used in) operating activities	2,166,129	8,332,301
Cash flows from investing activities		
Purchase of property, plant and equipment	(43,536,785)	(19,115,091)
Proceeds from sale of assets	-	2,350,000
Net cash generated from/(used in) investing activities	(43,536,785)	(16,765,091)
Cash flows from financing activities		
Proceeds from long-term borrowings	42,346,159	5,404,587
Issue Of New Shares	-	-

Net cash generated from/(used in) financing activities	42,346,159	5,404,587
Net (decrease)/increase in cash and cash equivalents	975,504	(3,028,203)
Cash and cash equivalents at the beginning of the year	2,331,086	5,750,053
Cash inflow/ outflow during the year	975,504	(3,028,203)
Cash and cash equivalents at the end of the year	3,306,590	2,721,850

SKL's strategic development in 2025 is going according to plan. The company pursued listing which it was able to achieve on 24th July 2025 and this put it on a firm platform for future growth. Additionally, its investment in the new plant in Kisaju, Kitengela is on course to commence the first phase of operations by the end of the year and we expect to be in full production by the end of the first quarter of 2026. Civil works should be complete by the end of November 2025.

Revenues for the first six months of 2025 were Kes 158 million. This was a 6% drop compared to a similar period last year. We consider the drop to be normal volatility owing to seasonality of the business and we expect to fully recover from this slight dip by the end of the year.

Operating costs over the first 6 months of 2025 dropped by 9% from Kes 32.6 million to Kes 29.9 million largely driven by efforts by management to control costs.

Profits did drop to Kes 2 million from Kes 6 million as a result of an increase in finance costs incurred from additional borrowing which was sourced to fund development of the Kisaju project. SKL's long term borrowings as at June 30th, 2025 was Kes 113 million up from Kes 3.5 million as at June 30th, 2024. The company also acquired additional machinery to increase production capacity at its industrial area plant.

Outlook; Full year profits are also expected to drop by more than 25% because of costs of the borrowing that was secured to fund the Kisaju development. In view of the above, and pursuant to Regulation 14.5.7 of the Thirteenth Schedule of the Capital Markets (Public Offers, Listings and Disclosures) Regulations, 2023 we wish to then notify the investors that we expect the profits at the end of the current financial year.