



Kenya Airways on recovery path as FY 2021 Results improve significantly

- *The Group's total revenue in 2021 increased by 33% to Kshs. 70.2 billion*
- *Costs reduced by 3.6% over 2020*
- *KQ performance significantly improves as operating loss reduces by 75% to Kshs. 6.8 billion from Kshs. 27.1 billion reported in 2020.*

Nairobi, 29 March, 2022 – Kenya Airways (KQ) released its full year financial results for the financial year ended on 31 December 2021 at a virtual investor briefing held this afternoon.

The Group's total revenue during the year increased by 33% to Kshs. 70.2 billion driven by the easing of travel restrictions in some key markets. The Group uplifted a total of 2.2 million passengers during the year, a 25% increase compared to the year 2020, but 57% lower than 2019. The cargo business uplifted 63,276 tonnes, recording an improvement of 29% over the year 2020.

The results, announced by Michael Joseph, Chairman Kenya Airways show a significant improvement in performance over the previous year. The Airline significantly reduced its operating loss to Kshs. 6.8 billion from Kshs. 27.1 billion in 2020, an improvement of 75%, despite muted operations in the year.

Kenya Airways like other aviation players was impacted by international travel restrictions occasioned by the COVID-19 pandemic that slowed down capacity and air traffic recovery especially in December 2021 where the highly infectious Omicron variant hindered recovery. The accelerated pace of vaccination in some markets and easing of travel restrictions enabled the gradual re-opening of key destinations to vaccinated travellers. The resumption of operations increased the airline's capacity by 11.5% over 2020 but remained 65% below the 2019 pre-pandemic levels.

Michael Joseph, Chairman Kenya Airways PLC said, "The year 2021 was a challenging one for the aviation industry. Just when travel restrictions were easing up and recovery was looking good, the highly infectious Omicron variant disrupted this improved performance. Throughout the year, we continued with our efforts to improve our flexibility and service offering to customers. The restructuring and transformation initiatives made during the year 2020 lockdown contributed immensely to the recovery during the second half of the financial year 2021."

Total operating costs for the year decreased by 3.6%, while direct operating costs increased by 32.9%, mainly driven by increased operations and rising global fuel prices throughout the year. Fixed costs declined by 26.7% due to reduced fleet ownership costs and overheads. This performance is a testament to the tremendous work that management is doing to improve revenue, contain costs and conserve cash.

Allan Kilavuka, Group Managing Director & Chief Executive Officer, Kenya Airways said, "As we close out another year of operation through the global pandemic, we reflect on the journey that the airline has had this year. The leadership is committed to strengthening our business and achieving profitability by embracing the ideals of sustainable business operations anchored around resilience, innovation, and diversification. We are making investments in innovation, technology and other efficiencies that will give our employees the support they need to take care of our customers. I remain grateful to Kenya Airways' employees for their continued commitment to our customers as it has been



crucial to our ability to weather the effects of COVID-19, and it will fuel our success as we move forward.”

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About Kenya Airways

Kenya Airways, a member of the Sky Team Alliance, is a leading African airline flying to 41 destinations worldwide, 34 of which are in Africa and carries over four million passengers annually. In 2020 KQ was named Africa’s Leading Airline by the World Travel Awards. It continues to modernize its fleet with its 32 aircraft being some of the youngest in Africa. This includes its flagship B787 Dreamliner aircraft. Kenya Airways offers services Cargo services to key locations including London, Amsterdam, Guangzhou, Sharjah, Mumbai and over 25 intra-Africa routes in addition to its passenger network. The on-board service is renowned and the lie-flat business class seat on the wide-body aircraft is consistently voted among the world’s top 10. Kenya Airways takes pride in being at the forefront of connecting Africa to the World and the World to Africa through its hub at the new ultra-modern Terminal 1A at the Jomo Kenyatta International Airport in Nairobi.

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