

KENYA AIRWAYS PLC

SUMMARY AUDITED GROUP RESULTS FOR THE YEAR ENDED 31 DECEMBER 2024

SUMMARY CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	31 December 2024 KShs M	31 December 2023 KShs M
Total income	188,495	178,496
Total operating costs	(171,874)	(167,966)
Operating profit	16,621	10,530
Foreign currency exchange gains/(losses) on borrowings and leases	1,234	(19,050)
Finance costs	(12,397)	(14,509)
Interest income	69	165
Profit/(loss) before income tax	5,527	(22,864)
Income tax (expense)/credit	(95)	167
Profit/(loss) for the year	5,432	(22,697)
Other comprehensive income		
<i>Items that may be reclassified subsequently to profit or loss</i>		
Foreign currency exchange gains/(losses) on cashflow hedges	10,554	(15,038)
Reclassification of foreign currency exchange gains to Profit or loss	3,826	9,718
Other comprehensive income/(loss) for the year net of tax	14,380	(5,320)
Total comprehensive income/(loss) for the year	19,812	(28,017)
Profit/(loss) for the year is attributable to:		
Owners of the company	5,511	(22,717)
Non-controlling interest	(79)	20
	5,432	(22,697)
Total comprehensive profit/(loss) is attributable to:		
Owners of the company	19,891	(28,037)
Non-controlling interest	(79)	20
Total comprehensive income/(loss) for the year	19,812	(28,017)
Basic profit/(loss) per share(KShs)	0.95	(3.90)
Diluted profit/(loss) per share(KShs)	0.74	(3.06)

SUMMARY CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2023	Share capital KShs M	Share premium KShs M	Mandatory Convertible Note KShs M	Treasury Shares KShs M	Other reserves KShs M	Accumulated Losses KShs M	Total KShs M	Non controlling Interest KShs M	Total equity KShs M
At start of year									
- as previously reported	5,824	49,223	9,630	(142)	(2,090)	(170,586)	(108,141)	50	(108,091)
- prior year adjustment	-	-	-	-	-	(1,955)	(1,955)	-	(1,955)
- as restated	5,824	49,223	9,630	(142)	(2,090)	(172,541)	(110,096)	50	(110,046)
Loss for the year	-	-	-	-	-	(22,717)	(22,717)	20	(22,697)
Other comprehensive loss for the year	-	-	-	-	(15,038)	-	(15,038)	-	(15,038)
Reclassified to Profit or Loss	-	-	-	-	9,718	-	9,718	-	9,718
At 31 December 2023	5,824	49,223	9,630	(142)	(7,410)	(195,258)	(138,133)	70	(138,063)
Year ended 31 December 2024									
At start of year									
- as previously reported	5,824	49,223	9,630	(142)	(7,410)	(193,303)	(136,178)	70	(136,108)
- prior year adjustment	-	-	-	-	-	(1,955)	(1,955)	-	(1,955)
- as restated	5,824	49,223	9,630	(142)	(7,410)	(195,258)	(138,133)	70	(138,063)
Profit for the year	-	-	-	-	-	5,511	5,511	(79)	5,432
Other comprehensive income for the year	-	-	-	-	10,554	-	10,554	-	10,554
Reclassified to Profit or Loss	-	-	-	-	3,826	-	3,826	-	3,826
At 31 December 2024	5,824	49,223	9,630	(142)	(7,410)	(189,747)	(118,242)	(9)	(118,251)

SUMMARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	31 December 2024 KShs M	31 December 2023 Restated KShs M	1 January 2023 Restated KShs M
Assets			
Non-current assets	137,497	146,204	141,774
Current assets	41,607	33,602	30,331
TOTAL ASSETS	179,104	179,806	172,105
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	5,824	5,824	5,824
Share premium	49,223	49,223	49,223
Mandatory convertible note	9,630	9,630	9,630
Treasury shares	(142)	(142)	(142)
Other reserves	6,970	(7,410)	(2,090)
Accumulated Loss	(189,747)	(195,258)	(172,541)
Equity attributable to owners	(118,242)	(138,133)	(110,096)
Non-controlling interest	(9)	70	50
TOTAL EQUITY	(118,251)	(138,063)	(110,046)
Liabilities			
Non-current liabilities	177,914	193,418	164,876
Current liabilities	119,441	124,451	117,275
TOTAL LIABILITIES	297,355	317,869	282,151
TOTAL EQUITY AND LIABILITIES	179,104	179,806	172,105

SUMMARY CONSOLIDATED STATEMENT OF CASH FLOWS

	31 December 2024 KShs M	31 December 2023 KShs M
Cashflows from operating activities		
Cash generated from operations	20,853	28,038
Interest received	69	165
Interest paid	(3,106)	(3,690)
Income tax paid	(76)	(56)
Net cash generated from operating activities	17,740	24,457
Cash flows from investing activities		
Purchase of Property and equipment	(7,128)	(7,044)
Purchase of intangible assets	(19)	(53)
Proceeds from disposal of property and equipment	9	13
Maturity of derivative assets	-	(118)
Payment of deposits for aircraft leases	(663)	(1,091)
Proceeds from refunds of aircraft deposits	333	434
Net cash used from investing activities	(7,468)	(7,859)
Cash flows from financing activities		
Proceeds from borrowings	7,504	1,402
Repayments of borrowings	(5,017)	(5,203)
Repayment of principal portion of lease liabilities	(14,517)	(14,352)
Payment of deferred borrowing costs	(7)	(53)
Net cash used in financing activities	(12,037)	(18,206)
Decrease in cash and cash equivalents	(1,765)	(1,608)
Effects of exchange rate changes on cash and cash equivalents	(219)	(260)
Cash and cash equivalents at start of year	7,765	9,633
Cash and cash equivalents at end of year	5,781	7,765

The summarised consolidated financial statements of Kenya Airways Plc have been prepared as per the requirements of the Capital Markets (Securities) (Public Offers, Listings and Disclosures) Regulation, 2002 ("the Regulations") as applicable to summary financial statements. The summarised financial statements are not a substitute to reading the full set of financial statements available on the company website.

COMMENTARY

Kenya Airways Plc achieves a record-breaking after-tax profit of KShs 5.4 billion for the financial year ended 31 December 2024, a significant improvement of KShs 28 billion from a loss of KShs 22.6 billion reported in the previous year.

...A testament that the recovery strategy is bearing fruit.

Operating Highlights:

- Capacity offered in terms of Available Seat Kilometers (ASKs) increased by 10%
- Cabin factor was 75.2%
- Passenger numbers grew by 4% to 5.23 million from 5.04 million
- Yield remained at par with prior year despite increased market capacity

Financial Highlights:

- Turnover higher by 6% due to higher passenger numbers
- Direct operating costs 8% up in line with increased capacity
- Operating profit higher by 58%
- Profit after tax improved by 124%.

Kenya Airways today reaffirmed progress in its turnaround strategy, Project Kifaru, recording a KShs 5.4 billion profit after tax for the year 2024 compared to a loss of KShs 22.68 billion in the prior period, a 124% upswing.

These results are remarkable because they mark the highest number of passengers that the airline has ever uplifted, the highest turnover and highest profit attained in the history of the airline.

This achievement marks a major turnaround of the performance of the airline, which emphasizes on customer obsession, operational excellence, financial discipline, culture transformation innovation and sustainability. The impressive performance reaffirms the operational viability of our business and underscores the strength and the resilience of Kenya Airways Plc team (Board of Directors, management and the entire staff) as we move forward on our path to sustainable growth. A strong and stable currency also created a viable economic environment which enabled KQ's performance in 2024.

The whole aviation industry is currently facing huge challenges characterized by the unavailability of aircraft (both new and leased) and engines as well as shortage of spare parts. This situation is likely to impact the pace of the Airline's growth in line with Project Kifaru and the path to full recovery in addition to the lack of sufficient capital to expand the airline.

Revenue and Capacity

Market capacity increased by 10% to 16.227 billion Available Seat Kilometers (ASKs), up from 14.804 billion in the last year. The uptake of this capacity measured in Revenue Passenger Kilometers (RPKs), improved by 5% resulting in a cabin factor of 75.2%. Total revenue grew by 6%, to KShs 188 billion, driven by a 4% increase in passenger numbers as well as 25% growth in cargo tonnage.

Costs

Total costs was 9% lower than prior year mainly due to savings on overheads as well as reduction in the net finance costs as a result of the stable currency. Direct operating costs was however up by 8% whereas fleet ownership costs increased by 5% in line with increase in the capacity deployed.

Company focus

During the year, the company continued to focus on improved customer experience, operational excellence as well as cash conservation. Some of the achievements during the year include but not limited to:

- The Airline added two Cargo freighters into its fleet. As a result, we have grown our cargo operations into the middle east supporting mainly meat exports and horticultural products which are a major forex earner for the economy of Kenya.
- EASA Recertification: This is a statement that KQ maintenance practices meet international standards. As a result of this certification, KQ is able to attract third party customers thus enhancing MRO revenue generation. In addition, the airline is able to undertake inhouse redelivery checks thus saving heavily on costs.
- Network optimization: KQ resumed direct flights between Nairobi and Maputo. Other destinations opened in the year are Eldoret and Mogadishu. This has contributed to growth in revenues.

The company exploited opportunities of raising the much-needed revenues by ramping up its scheduled operations through increased frequencies into various destinations as well as through passenger charters. Other initiatives undertaken by the management included partnerships with other airlines as well as cost containment measures

Outlook

Going forward, the Group will continue building on the gains made in the Airline's turnaround strategy, Project Kifaru. Along with this, and in the near term, the focus is on completing the capital restructuring plan whose main objectives are to reduce the Group's financial leverage and increase liquidity to ensure the company can operate at normalized levels.

The board and management are constantly engaged to ensure that the company is sufficiently funded to support the stability and future sustainability of the airline. The airline will be investing in increasing its fleet, modernizing the cabin of existing aircraft and growing the diversified business segments.

We extend our sincere appreciation to our customers, the Government of Kenya, the shareholders, financiers, suppliers, lessors, management, staff and all stakeholders for their unwavering support.


Michael Joseph
Chairman
25th March 2025


Kenya Airways
The Pride of Africa