

KENYA AIRWAYS PLC
SUMMARY UNAUDITED GROUP RESULTS
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2024

**SUMMARY CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME**

	30 June 2024	30 June 2023
	KShs M	KShs M
Total income	91,493	75,097
Total operating costs	(90,195)	(74,099)
Operating profit	1,298	998
Foreign currency exchange gains/ (losses) on borrowings and leases	5,394	(15,316)
Finance costs	(6,081)	(7,492)
Interest income	23	114
Profit /(loss) before income tax	634	(21,696)
Income tax expense	(121)	(7)
Profit/(loss) for the period	513	(21,703)
Other comprehensive income		
<i>Items that may be reclassified subsequently to profit or loss</i>		
Foreign currency exchange gains/(losses) on cashflow hedges - borrowings	2,972	(2,087)
Foreign currency exchange gains/(losses) on cashflow hedges - lease liabilities	9,034	(1,337)
Other comprehensive income for the year net of tax	12,006	(3,424)
Total comprehensive profit/ (loss) for the period	12,520	(25,127)
Profit/ (loss) for the year is attributable to:		
Owners of the company	549	(21,717)
Non-controlling interest	(36)	14
	513	(21,703)
Total comprehensive profit/ (loss) is attributable to:		
Owners of the company	12,556	(25,141)
Non-controlling interest	(36)	14
Total comprehensive profit/(loss) for the period	12,520	(25,127)
EBITDAR	15,442	11,053
Basic profit/(loss) per share(KShs)	0.09	(3.73)

SUMMARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	30 June 2024	31 December 2023
	KShs M	KShs M
Assets		
Non-current assets	122,323	124,468
Current assets	51,938	52,145
TOTAL ASSETS	174,261	176,613
EQUITY AND LIABILITIES		
Capital and reserves		
Share capital	5,824	5,824
Share premium	49,223	49,223
Mandatory convertible note	9,630	9,630
Treasury shares	(142)	(142)
Reserves	(188,156)	(200,712)
Equity attributable to owners	(123,621)	(136,177)
Non-controlling interest	34	70
TOTAL EQUITY	(123,587)	(136,107)
Liabilities		
Non - current liabilities	170,737	188,270
Current liabilities	127,111	124,450
	297,848	312,720
TOTAL EQUITY AND LIABILITIES	174,261	176,613

SUMMARY CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital KShs M	Share premium KShs M	Mandatory convertible note KShs M	Treasury shares KShs M	Other reserves KShs M	Reserves KShs M	Non controlling interest KShs M	Total Equity KShs M
Year ended 31 December 2023								
At 1 January 2023	5,824	49,223	9,630	(142)	(2,090)	(170,585)	50	(108,090)
Loss for the year	-	-	-	-	-	(22,717)	20	(22,697)
Other comprehensive loss for the year	-	-	-	-	(5,320)	-	-	(5,320)
At 31 December 2023	5,824	49,223	9,630	(142)	(7,410)	(193,302)	70	(136,107)
Six-month period ended 30 June 2024								
At 1 January 2024	5,824	49,223	9,630	(142)	(7,410)	(193,302)	70	(136,107)
Profit for the period	-	-	-	-	-	549	(36)	513
Other comprehensive gain for the period	-	-	-	-	12,006	-	-	12,006
At 30 June 2024	5,824	49,223	9,630	(142)	4,596	(192,753)	34	(123,587)

SUMMARY CONSOLIDATED STATEMENT OF CASH FLOWS

	30 June 2024	30 June 2023
	KShs M	KShs M
Cashflows from operating activities		
Cash generated from operations	11,784	14,450
Interest received	23	114
Interest paid	(3,830)	(4,831)
Income tax paid	(28)	(26)
Net cash generated from operating activities	7,949	9,707
Cash flows from investing activities		
Purchase of property and equipment and intangible assets	(3,584)	(2,743)
Proceeds from disposal of property and equipment	10	7
Aircraft deposits paid	(324)	(63)
Net cash used from investing activities	(3,898)	(2,799)
Cash flows from financing activities		
Proceeds from borrowings	-	9,362
Repayments of borrowings	(62)	(10,928)
Repayment of principal portion of lease liabilities	(6,997)	(7,042)
Payment of deferred borrowing costs	(10)	(31)
Net cash used in financing activities	(7,069)	(8,639)
Decrease in cash and cash equivalents	(3,017)	(1,731)
Cash and cash equivalents at beginning of year	7,765	9,633
Cash and cash equivalents at end of year	4,748	7,902

The summarized 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.

COMMENTARY

KQ achieves a record-breaking profit after tax of KShs 513 million in the first half of FY 2024, a significant improvement of KShs 22.2 billion from a loss position of KShs 21.7 billion reported over the same period last year.

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

- **Operating Highlights:**
 - Passenger numbers grew by 10% to 2.54 million
 - Capacity offered in terms of Available Seat Kilometers (ASKs) increased by 16%
 - Yield down 9% driven by market capacity pressures

- **Financial Highlights:**
 - Turnover higher by 22% due to higher passenger numbers
 - Total operating costs 22% higher in line with capacity growth
 - 40% increase in Operating profit
 - Profit after tax improved by 102%.

Kenya Airways Achieves Profit for First Time in Over a Decade

We are very pleased to announce a significant milestone in Kenya Airways PLC's journey to profitability. For the first time since 2013, KQ is reporting a profit before tax. This achievement marks a major turnaround for the airline, in line with the strategic recovery plan launched in 2021.

In the six months to 30 June 2024, Kenya Airways PLC has achieved a profit after tax of KShs 513 million, compared to the KShs 21.7 billion loss reported in the same period of last year.

This success is a direct result of our focused strategy, Project Kifaru, which emphasizes customer obsession, operational excellence, financial discipline, innovation, and sustainability. The impressive performance reaffirms the operational viability of our business and highlights the effectiveness of our Board, Management, and Staff's collective efforts. These results are also a reflection of the significant gain of the Kenya Shilling exchange rate against the dollar. The Shilling improved by 18% over the period.

Revenue and Capacity

In the first half of 2024, we increased our market capacity by 16% to 7.991 billion Available Seat Kilometers (ASKs), up from 6.878 billion in the same period last year. The uptake of this capacity, measured in Revenue Passenger Kilometers (RPKs), improved by 14%. Our total revenue grew by 22%, reaching KShs 91 billion, driven by a 10% increase in passenger numbers.

Costs

Total operating costs rose by 22%, aligning with the expansion of our operations as we continue to recover from the effects of Covid-19. Direct operating costs were up 36%, Fleet ownership costs increased by 11%, whereas overheads decreased by 22% partly due to strengthening of the Kenya Shilling against world major currencies.

Outlook

We are committed to completing our capital restructuring plan, which aims to reduce financial leverage and enhance liquidity. This will provide Kenya Airways with a stronger foundation for long-term growth and stability. The Government of Kenya, as a major shareholder, has shown continued strong support for our operational and capital structure optimization, playing a crucial role throughout the process.

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

This achievement underscores the strength and resilience of Kenya Airways as we move forward on our path to sustained profitability.



Michael Joseph
Chairman
19th August 2024