

KQ INVESTOR BRIEFING FY2021



ON THE PATH TO RECOVERY



*Overview of
Global & Africa
Aviation*

Global Aviation Performance



Passenger & Freight Traffic

2.2B

Passengers flown

FY 2020: 1.8B

FY 2019: 4.5B

6,939

Available Seat Kms (Bil KMs)

FY 2020: 6,014

FY 2019: 13,646

67.2%

Passenger Load Factor

FY 2020: 64.8%

FY 2019: 82.6%

1.9B

Cargo Yield Growth

FY 2020: 1.8B

FY 2019: 4.5B

51.8B

Global airline net loss

FY 2020: Net Loss 137.7B

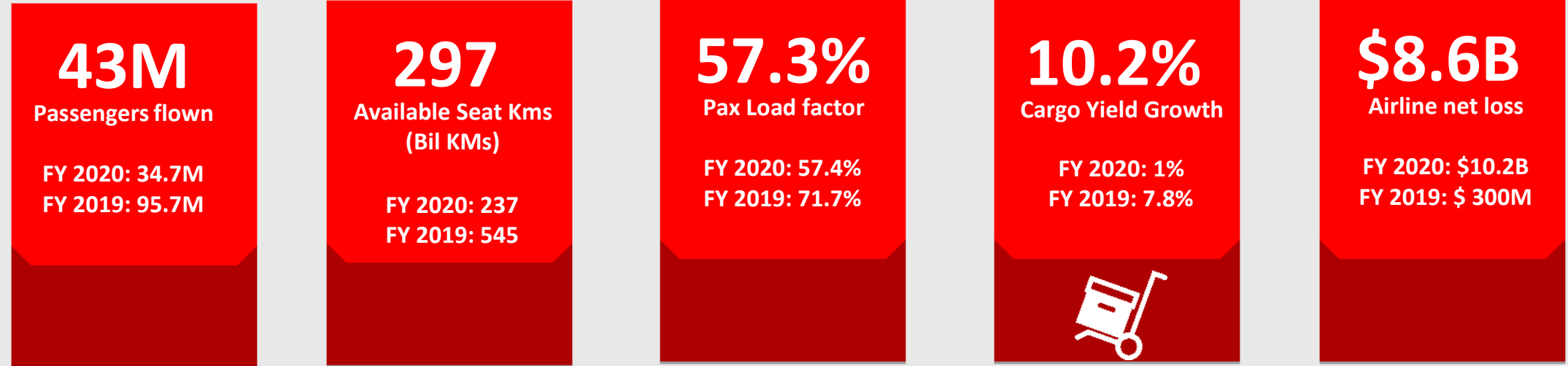
FY 2019: Net profit \$26.4B

Source: IATA : "Passenger Demand Recovery Continued in 2021 but Omicron Having Impact.
Center for Aviation (CAPA) Official Aviation Guide, Aviation Analysis.

Aviation Performance in Africa



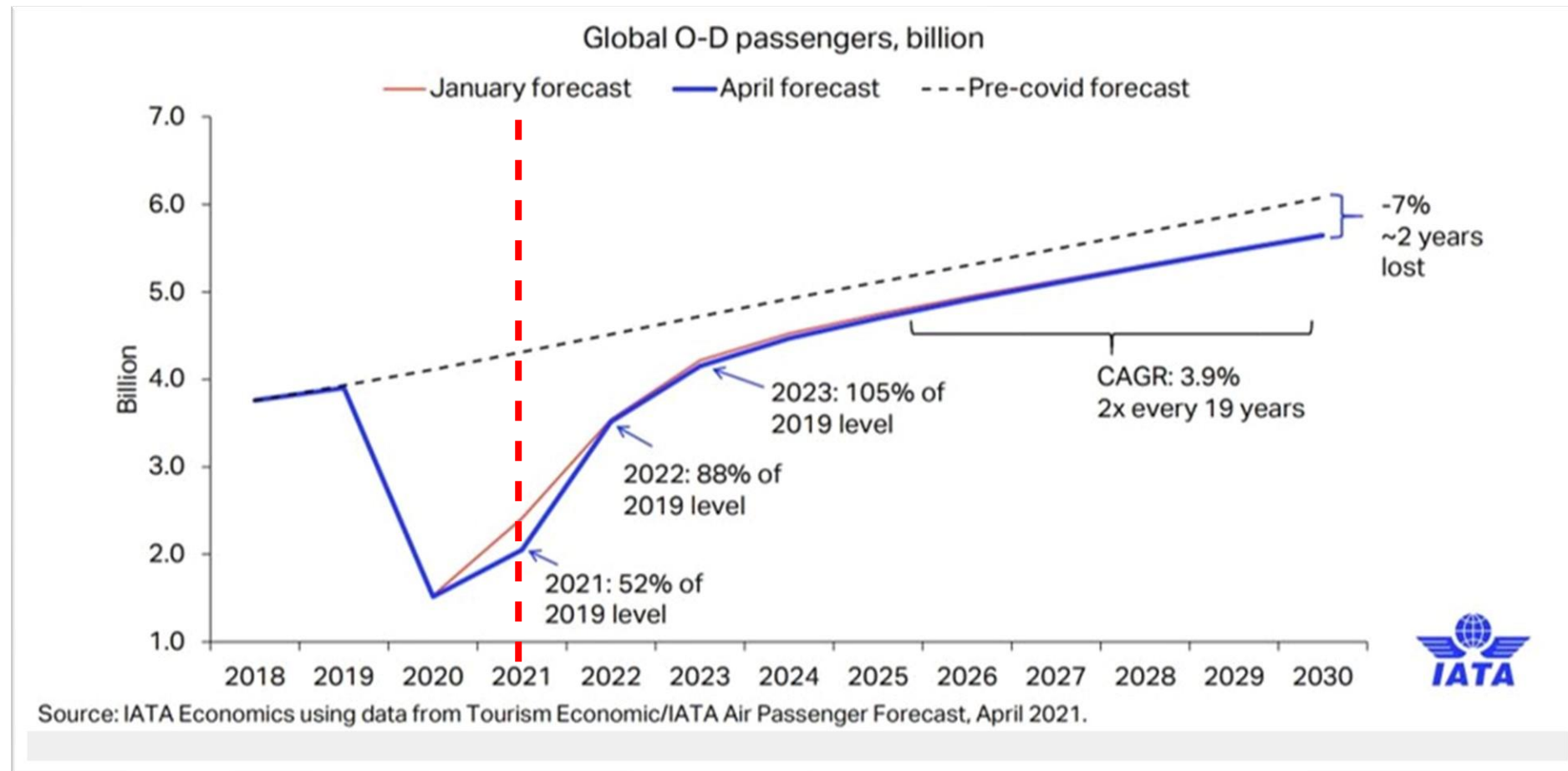
Passenger & Freight Traffic



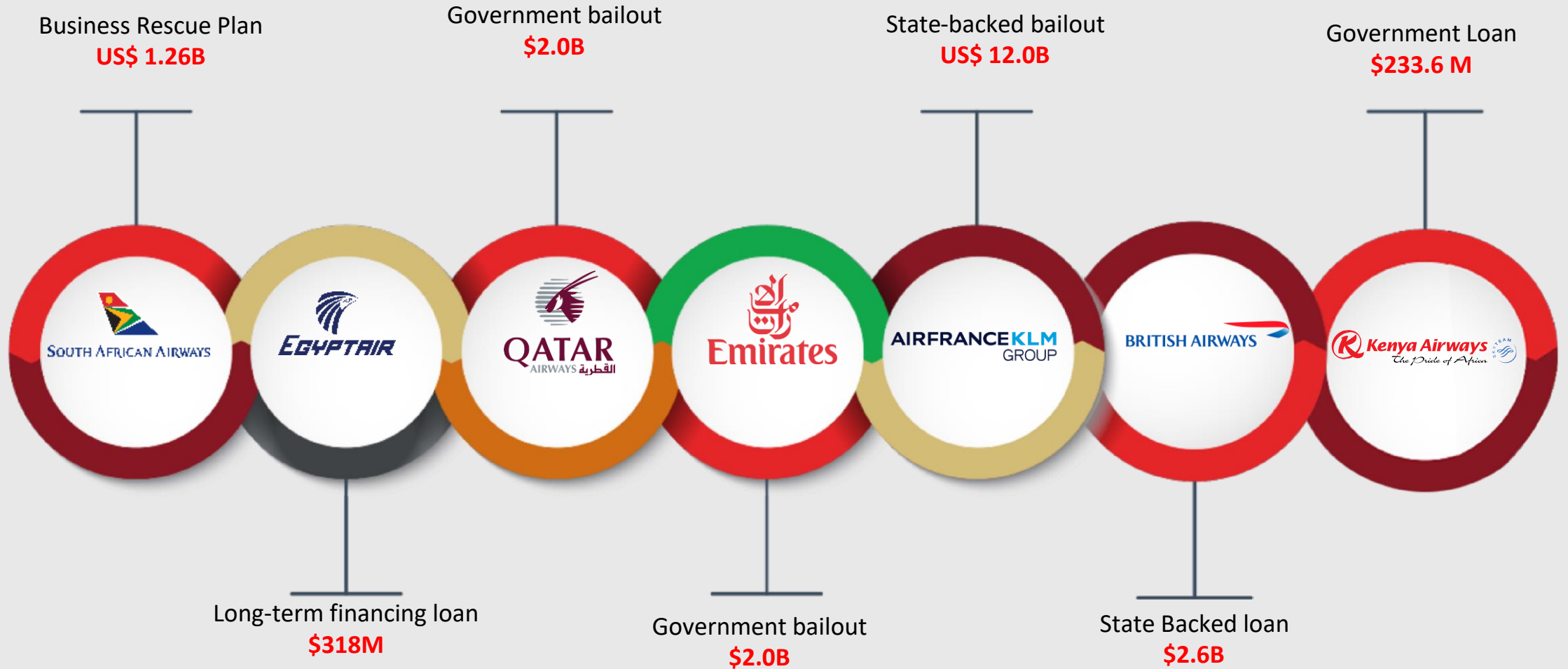
Source: "Passenger Demand Recovery Continued in 2021 but Omicron Having Impact."
www.iata.org, www.iata.org/en/pressroom/2022-releases/2022-01-25-02/.
Center for Aviation (CAPA) Official Aviation Guide, Aviation Analysis.

Global Aviation Revenue Passenger Kilometres

Global Aviation Air travel faces long haul to recovery



Government Support to Airlines





Business Review



Cargo Operations

Deliveries across markets

63,000 tons

Fresh Flowers, Fruits, and Vegetable

Fresh Meat Exports to the Middle East

Electronic consumer, machinery, and Fashiongoods

FY2020: 49,000 tons

B787 Preighter

Second repurposed freighter Added extra capacity- 9,000 tons

Southern Africa Cargo Operations

Between JNB, HRE, LLW DAR- 1,400 tons

Pharma

Vaccines and pharmaceutical supporting Covid 19 recovery -3,000 tons

Fleet Decisions

Aircraft Lease

Power by the Hour Arrangement

- Over Kes 10 B savings
- Reduced lease rentals
- 2-year extensions of leases

Post Covid Fleet Optimisation

Redelivered 2 aircraft

- 50% waiver in early termination & redelivery costs.

Sub Lease of B777-300

- Extension of term with Turkish Airways

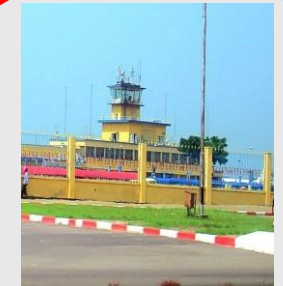


Partnerships & Codeshares : Increasing Connectivity



Vipper.Com

Partnership Intermodal interline agreement
Connectivity to Europe destinations through
AMS, Paris & London



South African Airways

Strategic Partnership Agreement.

Congo Airways

Partnership ACMI: 2 Embraer E190

British Airways

Codeshare: Connectivity to UK destinations on
reciprocal basis

Italia Trasporto Aereo

Codeshare: Connectivity to Europe through
AMS, Paris & London (codeshare)

Innovation



Fahari Aviation



Certification

- Acquired KCAA Certification for both Operations and Training
- Acquisition of UAS for Operations & Training (11 drones)



Business Activities

- KWS Animal Census at Taita Hills
- Demo for KENGEN at Ol Karia
- Boeing Test Inspection -1st African Airline to participate

Fahari Innovation



Innovation Hub

- Fahari Innovation challenge for Entrepreneurs
- Hackathons
- KQ Intrapreneurship Program
- Africa Aviation Innovation Summit



Partnerships

- Boeing
- Embraer
- Airbus
- General Electric
- Strathmore University
- QHALA, SNDBX, ALGUM CAPITAL



WRC Safari Rally:

Official Airline Partner

FIA Rally Star :

Sponsored 3 youth drivers

Marketing & Brand Visibility

- 848+ Million viewers across 150 countries
- 85+ Million advertising value equivalent

WRC Safari Rally & FIA Rally Stars

2021 Awards



World Travel Awards

- Africa's Leading Airline Business Class
- Africa's Leading Airline

LinkedIn Talent Awards

- Best Employer Brand

East African Quality Brand: Big platinum Award

- Best Express Air Cargo Service Provider

2021 Kenya E-commerce Awards

- Best e-commerce travel & tourism brand

Mobile App Awards- Kenya

- Mobile App of the year -Onboarding Experience



Operational Highlights



Available Seat Kms

2021	5,900 mil
2020	5,292 mil
2019	16,731 mil



Passenger Nos

2021	2.2 mil
2020	1.8 mil
2019	5.2 mil



Cabin Factor

2021	61 %
2020	65 %
2019	77 %



Cargo Volumes (Tons)

2021	63,726
2020	49,418
2019	68,264



Block Hours

2021	84,666
2020	67,437
2019	169,773



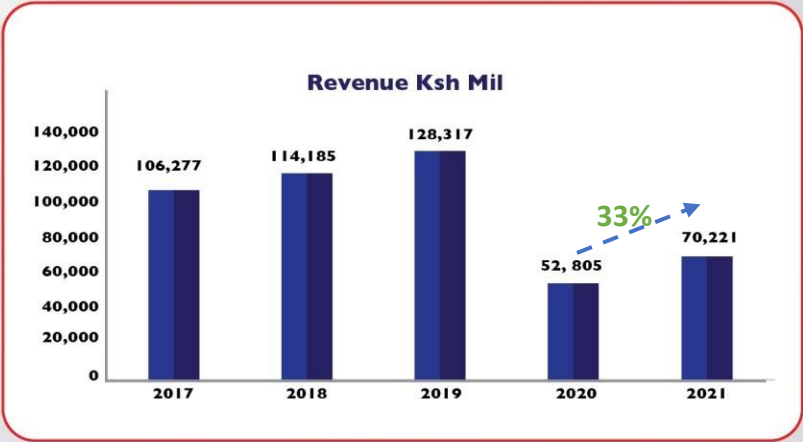
Turnover

2021	70,221mil
2020	52,805mil
2019	128,317mil

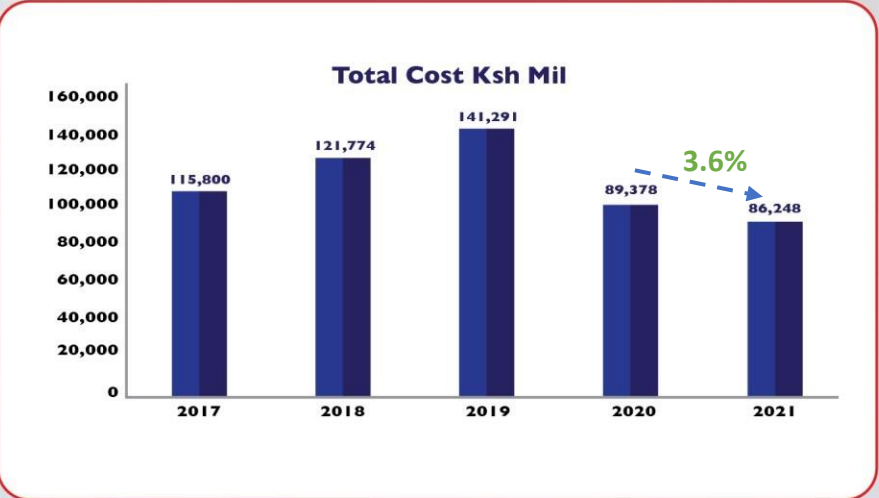
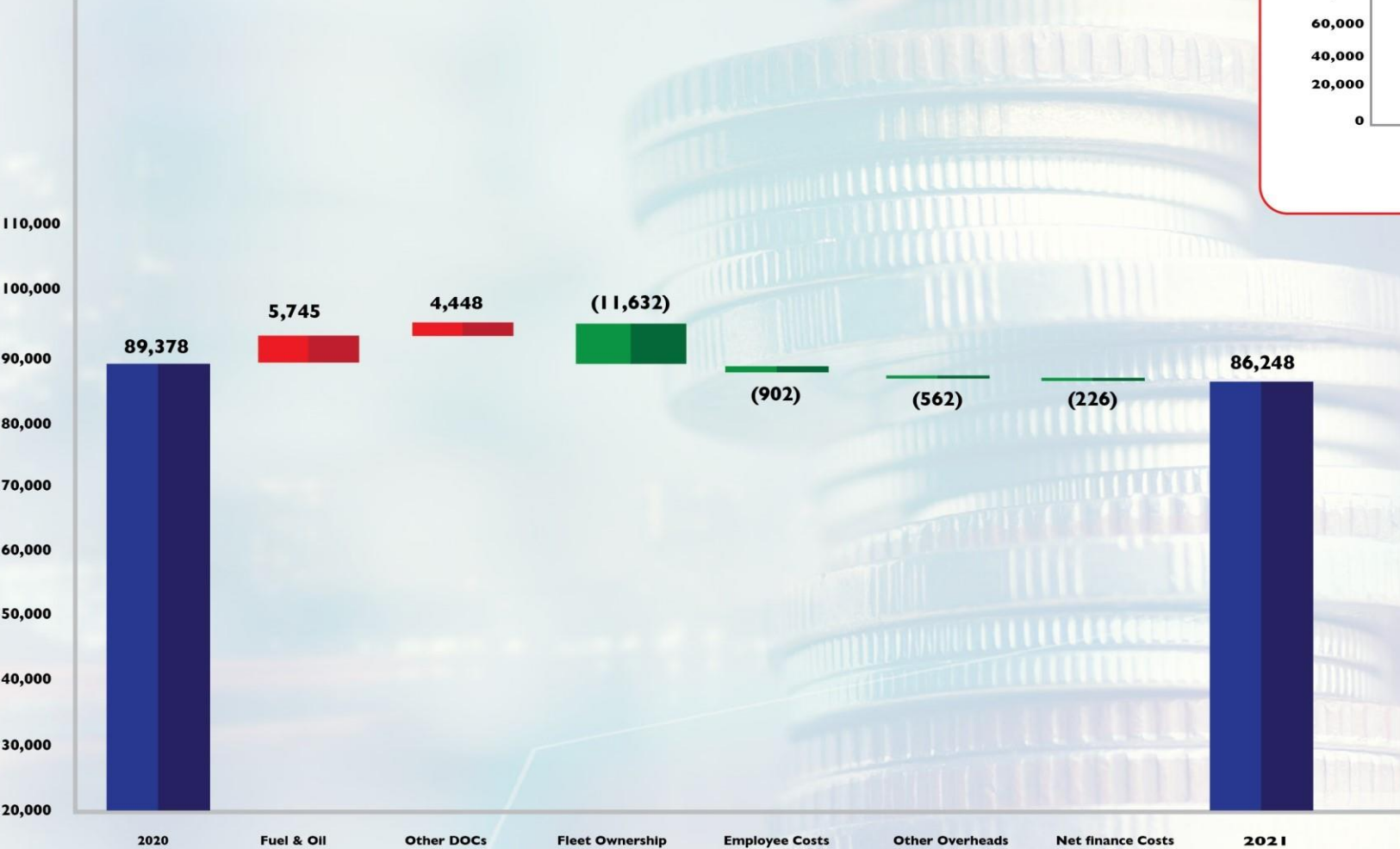


Financial Highlights

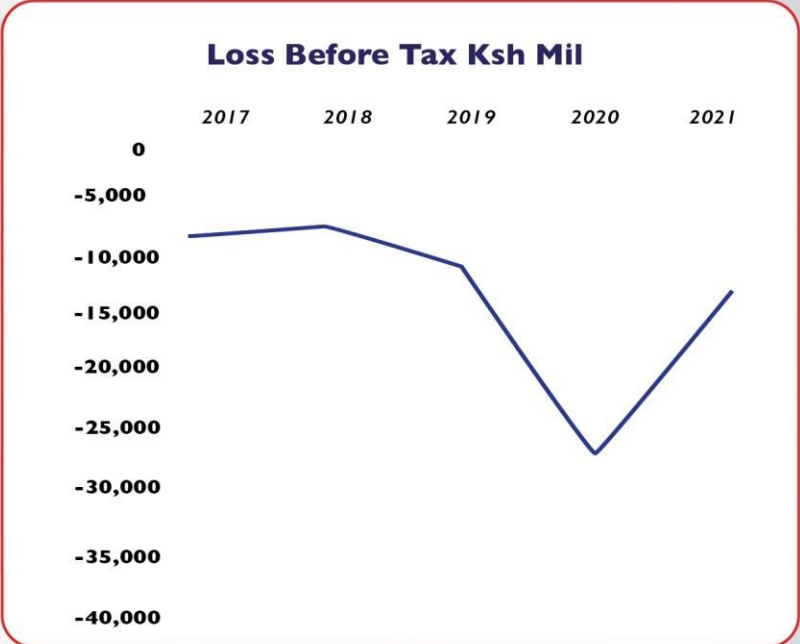
Turnover Trend



Cost Trend



Performance Trend

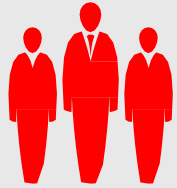


Summary of Consolidated Income Statement

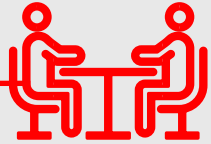
	2021	2020
	KShs. Mil	KShs. Mil
Total Income	70,221	52,805
Total Operating Costs	(77,024)	(79,916)
Operating Loss	(6,803)	(27,111)
Operating Margin %	(9.7)	(51.3)
Other costs	(9,387)	(9,524)
Interest income	162	62
Loss before Tax	(16,028)	(36,573)
Taxation	150	354
Net loss after tax	(15,878)	(36,219)
Net Margin %	(22.6)	(68.6)

*Focus for 2022
& Beyond*

2022 Focus



Business Reset
structure &
culture



Growth
through
Partnerships



Revenue
growth
&
maximization



Business Risk
Mitigation

Thank You

