

THE KENYA POWER AND LIGHTING COMPANY PLC

UNAUDITED FINANCIAL RESULTS

FOR THE HALF-YEAR PERIOD ENDED

31ST DECEMBER 2025



The Board of Directors of the Kenya Power and Lighting Company Plc is pleased to announce the unaudited financial results for the half-year period ended 31st December 2025

CONDENSED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 DECEMBER 2025

	31.12.2025 Ksh Million	31.12.2024 Ksh Million
Revenue from contracts with customers	114,873	107,425
Cost of sales	(76,704)	(71,376)
Gross Margin	38,169	36,049
Other income	3,011	3,362
Operating costs	(25,163)	(23,736)
Operating Profit	16,017	15,675
Interest income	296	361
Finance costs	(1,479)	(1,971)
Profit before tax	14,834	14,065
Income tax expense	(4,431)	(4,095)
Profit for the period	10,403	9,970
Basic and diluted earnings per Share	Ksh 5.33	Ksh 5.11

CONDENSED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2025

	31.12.2025 Ksh Million	30.06.2025 Ksh Million
Assets		
Property and equipment	288,581	287,477
Other non-current assets	3,173	3,345
Current assets	105,264	98,063
	397,018	388,885
Equity and Liabilities		
Shareholders' Equity	118,177	109,336
Non-current liabilities	161,035	162,278
Current liabilities	117,806	117,271
	397,018	388,885

CONDENSED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 DECEMBER 2025

	31.12.2025 Ksh Million	31.12.2024 Ksh Million
Cash generated from operating activities	14,086	11,651
Net Cash used in investing activities	(10,679)	(9,134)
Net Cash generated from financing activities	(4,948)	(5,835)
Decrease in cash and cash equivalents	(1,541)	(3,318)
Effect of foreign exchange rate changes on cash and cash equivalents	34	30
Cash and cash equivalents at the beginning of the year	7,685	10,353
Cash and cash equivalents	6,178	7,065

Key Highlights for the Half -Year Period Ended 31st December 2025

The Company recorded a profit before tax of KShs.14.83 billion for the six-month period to 31st December 2025, compared to KShs.14.06 billion reported in the corresponding prior period, representing an increase of KShs.769 million (5.5%). The improved performance is attributed to higher electricity sales and reduced finance costs.

Revenue from electricity sales increased by 6.9%, from KShs.107.42 billion to KShs.114.87 billion, supported by higher electricity demand and improved distribution efficiency over the two comparative periods. Electricity unit sales increased by 10.5% to 6,086 GWh, while distribution efficiency improved from 76.35% to 77.97%, reflecting enhanced network performance and effective loss reduction initiatives.

Power purchase costs increased by KShs.5.33 billion, largely driven by higher electricity demand, as total energy purchases increased by 8.3% to 7,807 GWh during the period.

Operating expenses rose by KShs.1.43 billion, from KShs.23.74 billion to KShs.25.16 billion, primarily driven by higher provisions for expected credit losses following growth in customer debt levels, increased depreciation arising from the capitalisation of completed network projects, and staff-related cost movements.

Finance costs were lower by KShs.492 million as the loan portfolio reduced by 6% and foreign currency exchange rates remained relatively stable over the period.

The Company's financial position continued to improve, with total borrowings reducing from KShs.87.64 billion to KShs.84.23 billion as at 31st December 2025. The working capital position also improved, with net liability reducing from KShs.19.21 billion as at 30th June 2025 to KShs.12.54 billion as at 31st December 2025.

Interim Dividend

Based on the improved financial performance, and in line with the Company's Dividend Policy, the Board of Directors is pleased to announce an interim dividend of KSh.0.30 per share. The interim dividend will be paid, subject to withholding tax where applicable, on or about 27th March 2026 to shareholders registered in the Company's register at the close of business on 23rd February 2026.

Business Outlook

Our half year results reflect continued momentum in strengthening performance and building resilience through a stronger balance sheet. The continued growth in electricity sales, supported by rising demand, improving distribution efficiency, combined with lower finance costs, lay out a solid foundation for improved profitability, enhanced service delivery, and financial sustainability into the future.

Looking ahead, we will safeguard supply adequacy as demand grows and accelerate our loss reduction programme. We are also advancing our grid modernisation and digitisation projects to improve service reliability and efficiency, enhance customer experience, and support sustainable growth.

We appreciate our stakeholders for their continued support as we deliver reliable and sustainable electricity to power the nation, while creating long-term value for shareholders.

Pamoja Twang'aa!

BY ORDER OF THE BOARD

**I. BORE
COMPANY SECRETARY**

February 2, 2026