



Annual 2024/2025 Review



AEROSPACE



Military night flying training in Southport.



Snow in Hamilton.



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Rainbow over the Convair 580 in Kelowna.



The Pilatus PC-21 was recently acquired for the FAcT Program.



KF's Hamilton location with the adjoining Mohawk College facility.



GREETINGS FROM PRESIDENT & CEO TRACY MEDVE



As we reach our 55th anniversary, I want to reflect on a year of significant milestones and achievements at KF Aerospace. This year, we delivered exceptional results for our civil and military customers, once again showcasing the dedication and expertise of our teams. To our customers, thank you for placing your trust in us and allowing us to do what we love—supporting aviation and the people who make the power of flight possible.

We are proud to report two major achievements: Being awarded the Future Aircrew Training (FAcT) contract, and the renewal of our 10-year partnership with Purolator for the BC Feeder Network. These contracts strengthen two of our key business areas, Defence and Flight Operations, and position us for continued growth while creating exciting new opportunities. We're already making great strides on both fronts, with several fleet acquisition contracts recently announced for FAcT and the first ATR72-500 nearly ready to take off and enter into service for Purolator.

On the maintenance and engineering side, demand remains high as we continue to serve Canada's largest airlines, global OEMs, and the

Department of National Defence. After facing challenges with the labour market and supply chains in recent years, we've made significant progress and are proud to see our hangars busy with trusted customer aircraft.

Looking ahead to 2025, we are excited about opportunities such as accelerating our Grob dealership, the continued transition into FAcT, and delivering on the new BC Feeder Network contract. While global uncertainties remain, the diversity of our business units and our team's unwavering commitment to excellence ensure we are well-positioned for success.

To our incredible KF team—thank you once again for your dedication and contributions this year. Together, we'll continue to build a strong, bright future.

Warm Regards,

Tracy Medve
President & CEO



A Boeing 737-600 used for KF's Aeroflyer charter service.

ABOUT KF AEROSPACE

A LEGACY OF EXCELLENCE

Founded by Barry Lapointe in 1970, KF Aerospace is a proudly Canadian success story with over five decades of experience delivering world-class aviation solutions. Headquartered in Kelowna, British Columbia, KF has grown from a small regional operation

into one of Canada's most capable and diversified aerospace companies. Today, with a workforce of 1,200 skilled professionals, KF provides innovative and reliable services to commercial and military customers across the globe.

OUR BUSINESS UNITS

- **Maintenance & Engineering:** Canada's largest commercial Maintenance, Repair, and Overhaul (MRO) provider, completing over 1,000,000 hours of maintenance on 150+ projects annually. With facilities in Kelowna, Hamilton, and Vancouver, KF specializes in heavy maintenance, modifications, and cutting-edge engineering backed by extensive in-house shops.
- **Flight Operations:** Operating Purolator's British Columbia air cargo feeder network with a 99% fleet dispatch reliability. KF is also home to Aeroflyer, which provides passenger charter services with a fleet of B737NG aircraft.
- **Defence Programs:** A trusted partner of the Royal Canadian Air Force (RCAF) since 2005, KF delivers pilot training and in-service support at Southport, Manitoba. As a founding partner of SkyAlyne, KF will play a critical role in the Future Aircrew Training (FAcT) Program.
- **Leasing:** Offering a diverse fleet of aircraft and engines, KF provides tailored leasing solutions for cargo, passenger, and specialized operations worldwide.

20
25

QUICK FACTS



Over **55 YEARS**
of aviation expertise



1,200 EMPLOYEES
across multiple locations
in Canada



INDUSTRY LEADER in MRO,
training, cargo, engineering,
and leasing services



RECOGNIZED by Transport
Canada and the Department of
National Defence as a **Design
Approval Organization (DAO), Approved Training
Organization (ATO) and
Approved Maintenance
Organization (AMO)**

At KF Aerospace, we take pride in our legacy of excellence, innovation, and teamwork. From our founding in 1970 to our ongoing growth today, we remain dedicated to delivering aviation solutions that set the standard for quality and reliability.



2024 AT A GLANCE

● JANUARY 30

KF Aerospace secures exclusive North American distribution for Grob Aircraft SE

● APRIL 25

KF founder Barry Lapointe receives Anita Tozer Memorial Award

Performance bonus paid out to KF staff (\$39.6 million in profit sharing bonuses paid out to KF staff in 24 years of the program)

● MAY 29

Government of Canada awards SkyAlyne (partnership between KF and CAE) contract for Future Aircrew Training (FAcT) Program

● JUNE 27

Barry Lapointe appointed to the Order of Canada

● JULY 5

KF Aerospace's Allied Wings team receives Wing Commander's Commendation for helicopter upgrades

● JULY 24

Snowbirds visit KF facility in YPG

● AUGUST 14

RCAF's Twin Otter CC13803 completes its first test flight with MFATMA modification at KF's YLW facility

● SEPTEMBER 13

KF announces collaboration with the City of Kelowna, YMCA of Southern Interior BC, and Kelowna International Airport to expand the Kelowna Airport YMCA Child Care Centre

● SEPTEMBER 18

KF takes part in Hope Air's annual Haul for Hope

● OCTOBER 3

KF and community partners YLW and the YMCA of Southern Interior BC celebrate one year since joint opening of on-site child care centre at Kelowna International Airport

● OCTOBER 7

KF kicks off its 2024-2025 Employee Engagement Survey

● NOVEMBER 4

SkyAlyne and KF Aerospace sign contract with Airbus to acquire 19 H135 aircraft for the FAcT program

● NOVEMBER 5

KF's COO Gregg Evjen is recognized with the ATAC Lifetime Honoree Award

● NOVEMBER 8

KF President & CEO Tracy Medve named 2025 inductee to Canada's Aviation Hall of Fame

● NOVEMBER 15

KF Aerospace named 2024 Large Business of the Year at Kelowna Chamber Business Excellence Awards

● NOVEMBER 18

SkyAlyne and KF Aerospace sign contract with Grob Aircraft SE to acquire 23 Grob G 120TP-A aircraft for the FAcT program

● NOVEMBER 26

Purolator awards KF Aerospace with renewed BC Feeder Network contract

● NOVEMBER 28

SkyAlyne and KF Aerospace sign contract with Pilatus to acquire 19 PC-21 aircraft for the FAcT program

● DECEMBER 1

KF Aerospace hits annual milestone of 1,000,000 hours of maintenance work

● DECEMBER 10

KF founder Barry Lapointe celebrates 80 trips around the sun!



Canada's Chief of the Defence Staff (CDS) General Wayne Eyre (ret.) visited KF's YLW facility in 2024.



Large Business of the Year

ABOVE: KF founder Barry Lapointe accepts the Large Business of the Year award from the Kelowna Chamber of Commerce.

TOP, LEFT: Members of SkyAlyne including KF President and CEO Tracy Medve (2nd from right) and VP of Defence Programs Peter Fedak (right) pose with Minister of National Defence Bill Blair following the official announcement for the FAcT contract.

MIDDLE, LEFT: KF COO Gregg Evjen receives the Air Transport Association of Canada (ATAC) Lifetime Honoree Award.



LIFE AT KF AEROSPACE



SUPPORTING CANADA'S DEFENCE & SECURITY FAcT PROGRAM

In 2024, KF Aerospace took key steps in our mission to play a pivotal role in Canada's defence sector. A highlight of the year was the **May announcement by the Government of Canada** awarding the landmark **Future Aircrew Training (FAcT)** Program contract to **SkyAlyne**, a partnership between KF Aerospace and CAE Inc. This 25-year initiative, valued at \$11.2 billion, redefines training for the Royal Canadian Air Force (RCAF), consolidating three aircrew training operations under Canadian-led management.

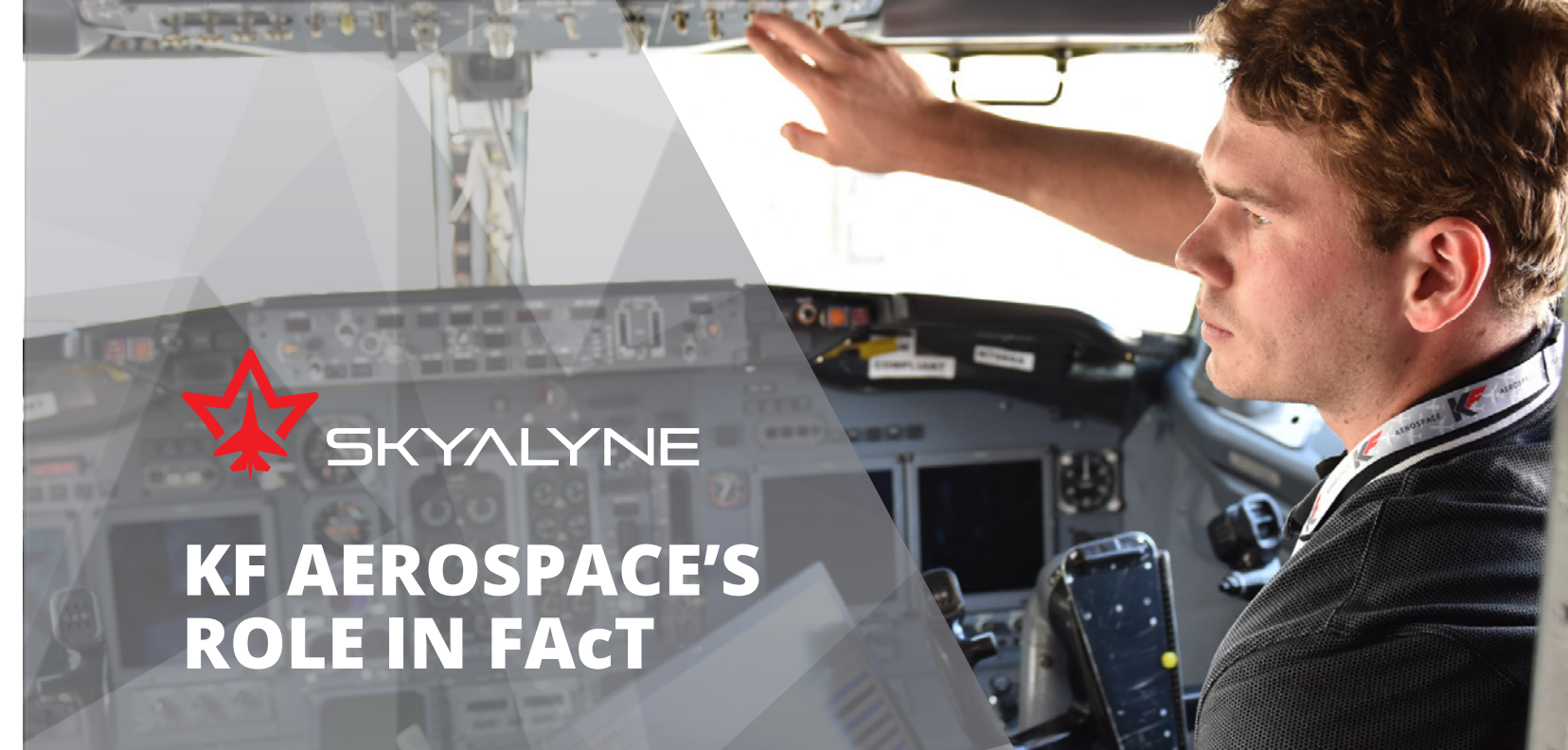


*The vision for FAcT represents a unified effort from Canada's finest minds and organizations. We're geared up to bring this vision to life with our truly Canadian expertise, **working closely with Canada and the RCAF to usher in a new era of aircrew training.** Our focus is beyond meeting today's standards but **shaping the future of aircrew readiness, creating new jobs and opportunities in communities across Canada.***

– Tracy Medve, President & CEO, KF Aerospace



In June, SkyAlyne and the DND officially kicked off the FAcT Program in Ottawa.



SKYALYNE KF AEROSPACE'S ROLE IN FAcT

Centrally managed from Ottawa, the FAcT Program builds upon the long-standing training expertise of KF Aerospace and CAE, with operations at **15 Wing Moose Jaw, Southport (Portage la Prairie), and 17 Wing Winnipeg.** The program introduces a complete training enterprise across these locations to ensure the RCAF maintains its reputation for excellence and innovation.

As a **50/50 partner in SkyAlyne**, KF Aerospace will directly deliver on the following critical areas for FAcT:

SOUTHPORT BASE OPERATIONS AND MULTI-ENGINE TRAINING

KF Aerospace will continue its management of day-to-day training operations at the **Southport Base**, taking on **Advanced Flying Training – Multi-Engine (AFT-ME)** using the newly acquired **King Air 260 aircraft**, which replaces the current King Air C-90Bs. KF will also oversee a rebuilding of base facilities and the delivery of new equipment including the Airbus H135 for Rotary Wing training and new simulator devices.

Key responsibilities at Southport include:

- Scheduling simulator and classroom training
- Flight operations and dispatch
- Training administration and continuous improvement
- Office functions and subcontractor management



The Hilly Brown Administration building serves as the heart of operations in Southport. FAcT will see a total overhaul of site facilities and equipment needed for RCAF training.

AIRCRAFT ACQUISITION

KF Aerospace is tasked with acquiring and managing five specialized training fleets for use in **Southport, Moose Jaw, and Winnipeg.** Each fleet has been carefully selected to meet the diverse needs of future RCAF aircrew.

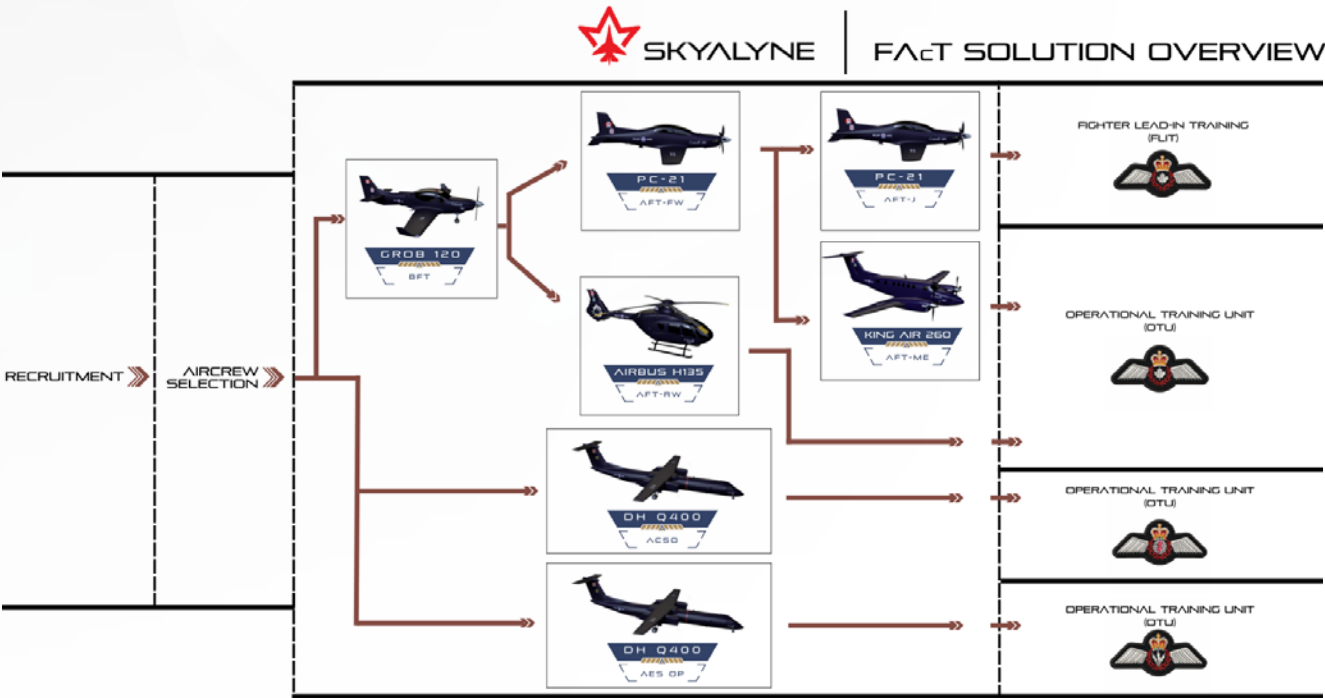
Each of these aircraft were chosen based on their performance, safety features, and suitability for military training. They will be critical for ensuring that future RCAF aircrew receive high-quality, mission-focused training that prepares them for real-world operations.

- A Grob G 120TP-A** for Basic Flying Training (BFT)
- B Pilatus PC-21** for Advanced Flying Training (AFT) and Advanced Flying Training – Jet (AFT-J)
- C Beechcraft King Air 260** for Advanced Flying Training – Multi-Engine (AFT-ME)
- D Airbus H135 Helicopter** for all Advanced Flying Training - Rotary Wing
- E De Havilland Dash 8-400** for training Air Combat Systems Officers and Airborne Electronic Sensor Operators in Winnipeg (ACSO/AESOp)



AIRWORTHINESS AND ENGINEERING (ATO)

In addition to Southport management and aircraft acquisition, KF Aerospace will ensure the **airworthiness** of all training aircraft. This includes overseeing the **Approved Technical Organization (ATO)**, ensuring that our fleet meets the stringent safety and operational standards required for military use.



A breakdown of the training streams for FAcT and the corresponding aircraft used for live-flying training. Graduating students who receive their 'wings' move on to their Operational Training Units (OTUs) at bases across Canada.

MFATMA:
ADVANCING THE TWIN OTTER FLEET

In 2024, KF Aerospace continued its trusted partnership with the Department of National Defence by advancing the Multi-Fleet Air Traffic Management Avionics Modification (MFATMA) on the CC-138 Twin Otter fleet. This program builds on a previous upgrade completed 12 years ago and introduces cutting-edge technology to meet modern standards.

"The team here at KF takes immense pride in supporting DND for over 35 years. Our tight-knit group brings more than 100 years of combined experience to the table, and with the Twin Otter, we've built a signature support program that reflects our expertise and dedication."

- Kelly Cornell, DND Program Lead

- Key Upgrades:
- Enhanced Electronic Flight Instrument System (EFIS).
 - Installation of a Cockpit Voice and Flight Data Recorder (CVFDR) with a cockpit camera.
 - Replacement of the IFF system with a modern ADS-B (Automatic Dependent Surveillance-Broadcast) System.

Despite condensed timelines due to a late project start, the team is on track to deliver the prototype aircraft on schedule. This project has been a true team effort, bringing together engineering, avionics, AMEs, and more to tackle complex modifications. With three more aircraft to follow, KF Aerospace is excited to help extend the operational life of Canada's Twin Otter fleet.



Posing in front of the Otter in our YLW Hangar. (From Left): Bram Eekhout, former KF CI Manager; Dr. Keith Culver, UBCO; Dr. Jaspinder Komal, ADM Defence and Research Development Canada; Kelly Cornell, KF DND Program Lead; John Tola, SR AME AVI; Griff Francis, DND Mechanic Shift Lead; Brad Schroeder, KF Director of Engineering.



In August, this RCAF CC-13803 did its first test flight at our facility in YLW (and is now trackable on Flightradar24) thanks to a recently completed avionics upgrade! Kudos to the KF DND Program team!

KF DEFENCE & ALLIED WINGS PARTNERS: PREPARING TO TRANSITION TO FAcT

While excitement builds for SkyAlyne and the upcoming Future Aircrew Training (FAcT) Program, it's business as usual at Southport, where our team continues to excel in training RCAF pilots through the basic, multi-engine, and rotary-wing phases.

Under FAcT, KF Aerospace will continue responsibilities for multi-engine training and managing Southport Base Operations, while basic flying training with the Grob G 120TP-As transitions to 15 Wing Moose Jaw, led by CAE.

LIFE & CAREERS AT SOUTHPORT

Located near Portage la Prairie, Manitoba, the Contracted Flying Training and Support (CFTS) Program at Southport Aerospace Centre is where KF Aerospace and our partners train the next generation of RCAF pilots and aircrew. As we prepare for the upcoming FAcT program, our team continues to deliver excellence, providing vital support to the Canadian Armed Forces while fostering rewarding, stable careers for our employees.

KF Aerospace offers a wide range of aviation career opportunities with competitive salaries and benefits, and a bonus program paid twice annually. For those seeking a rural or small-town lifestyle, Portage provides a welcoming community, affordable housing, and access to amenities like gyms, golf courses, and even a bowling alley.



Leah Marcoux, CFTS Grob Flight Instructor Supervisor.



SPOTLIGHT: RANDY DYCK

GROB STANDARDS OFFICER
AND FLIGHT INSTRUCTOR

What inspired you to pursue this career?

I always loved flying and started in aviation as a teenager. Teaching others to fly is incredibly rewarding.

What's unique about your work with KF Aerospace?

The opportunity to work with a variety of students and to support the RCAF. It's challenging but fulfilling.

What's the best part about life in Portage?

The sense of community and the slower pace. It's a great place to raise a family and focus on what matters.



ALLIED WINGS TEAM EXCELLENCE RECOGNIZED

In July 2024, the Allied Wings team in Southport was awarded the prestigious Wing Commander's Commendation for their exceptional work upgrading ten Bell 206 Jet Ranger helicopters. The team's dedication ensured uninterrupted training operations and compliance with NAV Canada standards, earning high praise from leadership.

“

The hard work and commitment to excellence demonstrated by the Allied Wings team ensured Canada's critical military pilot training program continued without disruption.

– Colonel Dan Coutts, Wing Commander of 15 Wing



• **Expanding the Grob Dealership:** Connecting new customers to this versatile military training aircraft.

• **Acquiring maintenance contract for the P-8 Poseidon:** Preparing to deliver top-tier services for this critical RCAF aircraft.

2025 promises to be a year of growth as we continue to deliver excellence for Canada and beyond.



FOCUS ON THE FUTURE

KF READY TO PROPEL GROB AIRCRAFT INTO NORTH AMERICA IN 2025

KF Aerospace is ready to take flight with Grob Aircraft SE as the exclusive North American dealer for the German manufacturer. After announcing this exciting partnership in 2024, we are prepared for takeoff in 2025, engaging with prospective customers and showcasing why this aircraft is a game-changer in aviation training.

ABOUT GROB AIRCRAFT SE

Based in Tussenhausen-Mattsies, Germany, Grob Aircraft SE has been a global leader in composite aircraft manufacturing for over 50 years. Renowned for their durable, efficient, and innovative designs, Grob's aircraft are trusted by leading training programs worldwide to deliver exceptional performance and reliability.

KF Aerospace has nearly two decades of experience operating the Grob 120A as part of the CFTS Program at Southport, training Royal Canadian Air Force (RCAF) pilots. This long-standing history demonstrates our deep operational knowledge of Grob's platforms and positions us as an expert partner for the Grob G 120TP-A's North American debut.

THE GROB G 120TP-A: Elevating Training Standards

The Grob G 120TP-A is the ultimate two-seat turboprop trainer, designed to seamlessly bridge primary and advanced flight training. Its advanced flight deck, exceptional fuel efficiency, and robust performance make it an unparalleled choice for military and civilian pilot development. Chosen as the fixed-wing basic training platform for Canada's Future Aircrew Training (FACt) Program (SkyAlyne), the Grob G 120TP-A is a world-class training aircraft with excellent reliability and capabilities.

CUSTOMER SUPPORT AND SERVICING

Beyond sales, KF Aerospace will provide comprehensive support for Grob G 120TP-A operators, including maintenance, servicing, and operational expertise. Our world-class facilities and highly skilled teams are ready to deliver the reliable service Grob customers can expect.

Get in touch with us today at grob@kfaero.ca.



The Grob 120A has supported RCAF pilot training at the KF-led CFTS program since 2005.

SECURING THE FUTURE & PREPARING FOR GROWTH IN 2025 FLIGHT OPERATIONS

10-YEAR CONTRACT RENEWAL WITH PUROLATOR CEMENTS LONG-STANDING RELATIONSHIPS

In 2024, KF Aerospace proudly renewed its partnership with Purolator, securing a **10-year contract** to continue managing the **British Columbia Feeder Network (BCFN)**. This collaboration, which began nearly 50 years ago, has been pivotal in connecting communities across the province with reliable cargo services.



Our nearly 50-year relationship with Purolator has been built on trust and a shared commitment to excellence. This contract renewal and fleet upgrade position us to continue delivering exceptional service across British Columbia.

– Bryan Akerstream, Vice President of Business Development at KF Aerospace



A MODERNIZED FLEET: Introducing the ATR72-500F

As part of the renewed Purolator contract, KF Aerospace selected the ATR72-500F aircraft as the single fleet solution that best meets Purolator's operational needs. After a comprehensive evaluation, the ATR72-500F stood out as the ideal choice to replace the aging Convair fleet.

Key Benefits of the ATR72-500F:

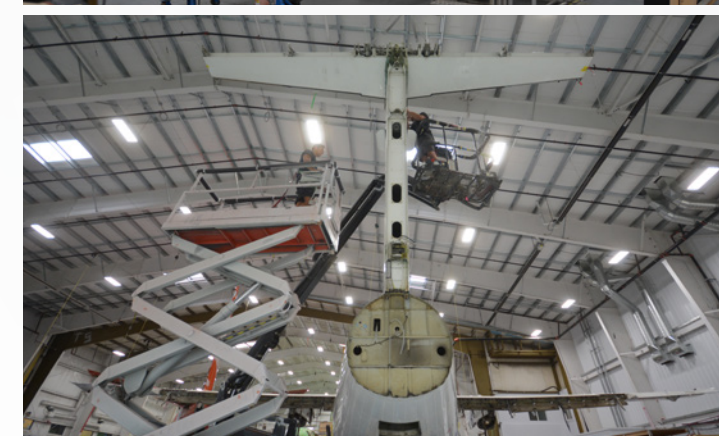
- **Efficiency and Speed:** Provides a containerized solution to meet or exceed morning delivery time requirements at key locations, including Kelowna (YLW) and Victoria (YYJ).
- **Advanced Design:** The aircraft features the Large Cargo Door (LCD) Conversion STC package, uniquely applicable to the ATR72-500F, offering enhanced flexibility for cargo operations.

GALLERY: ATR72-500F Conversion



KF Aerospace is nearing the **completion of its first ATR72-500F conversion** at our YLW facility. Thanks to the incredible dedication of our **AMEs, engineers, and support staff**, this challenging job is on track for success.

We are already sourcing **two additional ATR72-500F aircraft**, with plans to begin their conversion soon as part of our transition to the new program.



Ground handling crews in Kelowna load Purolator cargo on a Convair 580 for the daily route.



A LEGACY OF EXCELLENCE: KF Aerospace and Purolator Through the Years

- KF Aerospace’s partnership with Purolator spans nearly five decades, marked by growth, innovation, and shared success.
- **1976:** KF founder Barry Lapointe personally pilots a high-priority cargo flight for Purolator during the Air Traffic Controllers’ strike.
 - **1981:** Purolator requests KF to add Convair aircraft to its fleet.
 - **1994:** KF is awarded the contract to fly Purolator’s entire domestic network, operating up to 14 B727s and 5 CV580s by 2005.
 - **2015:** KF begins servicing the BC Feeder Network (BCFN) with three dedicated Convair aircraft.
 - **2024:** KF renews its 10-year contract with Purolator and begins upgrading to the ATR72-500F fleet.
- Today, KF Aerospace proudly operates the BCFN with the same dedication and excellence that has defined this partnership since its inception.



Aeroflyer ELEVATING THE CHARTER PASSENGER EXPERIENCE

- Aeroflyer is KF’s dedicated passenger air charter service, offering a suite of transportation solutions focused on safety, on time performance, reliability, and comfort. Launched in 2022, Aeroflyer has grown rapidly to provide leisure, tourism, and workforce transportation to domestic and international destinations with a fleet of B737 NG aircraft.
- 2024 was a landmark year, with Aeroflyer playing a critical role in some truly remarkable operations:
- **Film Production:** Transporting a movie crew for *The Last of Us*.
 - **Emergency Response:** Supporting the urgent deployment of firefighters from Costa Rica and Mexico to Canada.
 - **Youth & Sports:** Flying young athletes to the BC Summer Games in Cranbrook and moving a WHL team from Portland to Regina for a playoff game.
 - **Growing Partnerships:** Establishing a new relationship with the Okanagan Sun Football Club right in our own backyard.
 - **Out-of-Province Operations:** Completing numerous successful trips to Winnipeg, Regina, Hamilton, and Moncton.

It was certainly a busy year—our team achieved a milestone **820 flight legs** for just one of our clients! We achieved an on-time performance rate of **99.6%**, with only three controllable delays across the entire year.

Our successes in 2024 proved our ability to deliver at the highest level, even in a challenging market. Aeroflyer’s expansion since our first flight is a testament to the dedication and excellence of our team, including our pilots, flight attendants, maintenance teams, and everyone in between who helps us uphold an industry-leading standard of reliability.

Learn more at kfaeroflyer.com



TOP: The Okanagan Sun team flew with Aeroflyer several times in 2024. (Photo Credit: Martyne Vallerand).

BOTTOM: The Aeroflyer crew enjoys the sunshine during a stop in Mexico.

Photo courtesy of Ethan Davies.

ODE TO THE CONVAIR

As KF Aerospace transitions to the ATR72-500F, we bid a fond farewell to the **Convair aircraft** that have faithfully served the **BC Feeder Network** for years.

The Convair fleet has been a cornerstone of KF’s operations, reliably delivering goods to communities across British Columbia. These aircraft embody a legacy of resilience, capability, and performance that has been essential to our success.

“The Convals have been workhorses for our operations, and their contributions will always be remembered as we embrace the future with the ATR fleet.”

– Richard Mrazek, Director, Flight Operations

Thank you, Convair, for your decades of service.

WHAT'S NEXT IN 2025?

- We continue to strengthen relationships with Canadian North, supporting major projects in Alberta and BC.
- Our collaboration with Chrono Aviation in Quebec remains a key strategic focus.



COO Gregg Evjen delivers a quarterly hangar update.



KF Aerospace staff pose with a recently converted Boeing 737-800 for Alaska Air Cargo.

MAINTENANCE & ENGINEERING CRAFTING SOLUTIONS, DELIVERING RESULTS

In 2024, KF Aerospace's MRO and Engineering teams showcased their expertise, delivering complex modifications and maintenance across various airframe types while supporting our customers in reaching new milestones. From innovative shop solutions to seamless collaboration with our partners, KF continues to set the standard in aviation maintenance and engineering services.

Following our recognition as Boeing's Global Supplier of the Year for Safety and Quality in 2023, KF Aerospace continued to build on its reputation for excellence in 2024. The success of the Boeing White Tail Program—where we modified 21 Boeing 737MAX aircraft for Alaska Airlines and United Airlines—set the stage for another strong year.

EXPANDING CAPABILITIES IN 2024

This past year, we successfully completed the Boeing Converted Freighter Program, delivering an additional freighter conversion for Alaska Airlines (pictured left). However, as market demand for passenger-to-freighter conversions softened, KF pivoted to focus on expanding our maintenance operations, securing new projects with Air Canada, WestJet, and Flair Airlines.

We continued to strengthen our position as Canada's leading MRO, surpassing 1,000,000 maintenance hours once again—an achievement that reflects the hard work and dedication of our teams in Kelowna, Hamilton, Southport, and Vancouver.



- Supporting WestJet's integration of the **Sunwing fleet** into its standard configuration.
- Expanding our work with **Air Canada**, with a focus on Airbus aircraft.
- Strengthening our technical expertise across both **Boeing and Airbus airframes** to serve a growing customer base.

With a proven track record of excellence and the flexibility to adapt to shifting market demands, KF Aerospace is well-positioned to drive continued success in 2025 and beyond.





Jeff Ruth (left) and Graham Allport (right) are ready for another day of highly specialized work in KF's Machine Shop.



SHOPS & SUPPLY CHAIN

KF's in-house shops and machining capabilities separate us from other industry competitors and enable KF to deliver a one-stop-shop solution for our customers.

SHOPS: A Rare, Fully Capable Operation

Few organizations in the industry can match the breadth of capabilities offered by KF's Shops department. From composite repairs to plating, NDT, and landing gear overhauls, our in-house teams handle specialized work that other MRO providers often outsource.

In 2024, the Shops department completed major projects that demonstrated their versatility and precision, contributing to the success of high-profile maintenance programs and custom modifications. Machine Shop Lead, Jeff Ruth, tells us more.



Q&A WITH JEFF RUTH

What were some of the highlights of 2024 in the Machine Shop?

For me, the biggest highlight was working on the Boeing Converted Freighter (BCF) conversion program. We worked with Boeing engineers to come up with an adjustable spot face tool and then manufactured a prototype for them. Once the design was approved, Boeing ordered 10 kits which were sent around the world to support the BCF program on a global scale. It was a great experience using our expertise to make this repair possible for Boeing to complete at other MROs.

What challenges did your team face in 2024?

One of the biggest challenges we have in the shop is machining tall, thin walls, and in 2024, we had some very long and very thin extrusions we needed to machine. However, we came up with Vacuum-Assisted Fixturing, which uses a vacuum to hold thin walls as we machine them. Going forward this will greatly improve our ability to complete the task.

In terms of our Shops capabilities, what makes KF stand out from other MROs?

I think that the fact that KF has an in-house machine shop is one of the big differences between us and other MROs. It allows us to keep machining in our control, allowing for a very fast turnaround time on one-off and custom repair parts for our customers.

SUPPLY CHAIN: Keeping KF Aerospace Moving

KF Aerospace's Supply Chain team plays a critical role in ensuring smooth operations across our Maintenance, Flight Operations, and Leasing divisions. From sourcing aircraft components and optimizing warehouse operations to supporting major fleet transitions, Supply Chain is at the heart of keeping our business running efficiently.



Q&A WITH JILLIAN STUART SUPPLY CHAIN MANAGER

What were some highlights of 2024 in Supply Chain?

2024 was a great year. Our team focused on warehouse optimization, tooling improvements, and expanding Airbus airframe support. New tools were acquired to reduce reliance on rentals, and inventory tracking enhancements significantly reduced misplaced parts and tools. The team also received recognition from Buffalo Airways for its quick response in loaning specialized tooling for their first jet engine change.

What's next in 2025?

We'll focus on managing the Convair 580 to ATR72-500 transition, mitigating US trade and tariff risks and impact, and rolling out new technologies to improve efficiencies. We'll also strengthen compliance efforts under Canada's Bill S-211 to ensure ethical sourcing and responsible supply chain practices.



KF's recently acquired ATR72-500F lands in Kelowna.



Aeroflyer's B737 in YYC captured by KF AME, Tristin Kenney.

CONTINUOUS IMPROVEMENT

At KF Aerospace, the Continuous Improvement (CI) team is dedicated to making our operations more efficient, effective, and innovative. By identifying opportunities to optimize workflows, enhance digital tools, and eliminate roadblocks, CI helps every department work smarter. Whether it's upgrading systems, refining processes, or implementing employee-driven ideas, the team ensures that KF remains adaptable and positioned for long-term success.

EMPLOYEE IDEAS IN ACTION

The KF Idea Portal, launched in late 2023, is a place where employees can share their ideas for improvement. So far:

- Over 150 ideas have been submitted, averaging three per week.
- The program has helped connect employees across departments and locations.
- Employees are playing a bigger role in shaping KF's future.



In 2025, the CI team will build on these successes, **exploring new ways to improve operations** and make work easier for everyone.

At KF Aerospace, Continuous Improvement is all about making things better—one step at a time. It's this mindset that keeps us moving forward and delivering excellence.

QUALITY ASSURANCE (QA)

The Quality and Safety Teams successfully navigated a challenging year, completing a three-year ISO re-certification audit, undertaking numerous customer audits, providing solutions to any findings or incidents, and making continual improvements to our Quality and Safety programs.

2025 is already shaping up to be another exciting year with a focus on building on a strong safety record and expanded QA measures with customers.



KF ENGINEERING

EXPANDING EXPERTISE & SUPPORTING FACt

GROWTH & INNOVATION

KF Aerospace’s Engineering team continued its rapid expansion in 2024, taking on more challenging and innovative projects. From passenger-to-freighter conversions to custom repair solutions, the team delivered expertise that keeps KF Aerospace at the forefront of the aviation industry.

AIR INUIT COMBI CONVERSIONS

This project involved designing and converting two combi aircraft for Air Inuit, enabling them to modernize their fleet with B737-800 aircraft. It showcased our engineering team’s expertise in delivering complex, custom solutions for our customers.

NEW HORIZONS: FACt Engineers in Ottawa

As part of our role in the Future Aircrew Training (FACt) Program, KF Aerospace is hiring Aircraft Fleet Engineers for SkyAlyne’s Joint Management Office in Ottawa. These engineers are pivotal to ensuring the airworthiness and operational readiness of five advanced training fleets, including the Grob G 120TP-A, Pilatus PC-21, Beechcraft/ Textron King Air 260, DeHavilland Dash 8-400, and Airbus H135 Helicopter.

2024 KEY HIGHLIGHTS

- ✓ **New ATRs For Purolator Contract:** Our team of experts converted the first ATR72-500 into a freighter for our new BC Feeder Network contract—with two more to come.
- ✓ **Completion of the Boeing Converted Freighter Program:** In 2024, we completed the final 737-800 freighter for Alaska Airlines, including innovative solutions like the gooseneck fitting replacement.
- ✓ **Flair Airlines Maintenance Checks:** Delivered seamless maintenance for operational excellence.
- ✓ Continued the Combi Conversions for Air Inuit
- ✓ Launched Air North and Air Inuit into the B737 NG world with some unique projects

WHAT’S NEXT IN 2025?

In 2025, KF Aerospace will continue to focus on expanding its expertise and delivering innovative solutions:

- **Airbus Maintenance Expansion:** We continued our work with Air Canada on A320s, strengthening KF’s Airbus servicing capabilities—work that we expect to accelerate in 2025.
- **Fleet Standardization for Westjet:** Supporting integration of Sunwing and Swoop aircraft into the Westjet fleet.
- **Supporting Air Inuit and Air North** as they expand their fleets.

Stay tuned for updates as we continue to innovate and expand our capabilities in Maintenance and Engineering.



AMEs work on a combi conversion.



An ATR72-500F undergoes a cargo conversion.



SUPPORTING GROWTH WITH DIVERSE FLEETS: LEASING & ACQUISITIONS

KF Aerospace’s Leasing & Acquisitions division plays a critical role in enabling us to deliver on key contracts and support our global customers. With in-house maintenance, engineering, and conversion expertise, our team ensures every aircraft we lease or acquire meets the highest standards for reliability and performance.




2024 HIGHLIGHTS

- **Acquisitions to Support Growth:** Secured key aircraft acquisitions for the Future Aircrew Training (FAcT) Program and the BC Feeder Network, including ATR72-500s and other essential fleet additions.
- **Engine Leasing Success:** Leased out multiple engines in 2024, demonstrating the profitability of leasing engines without the airframe. By storing these aircraft at our facilities, we optimized costs and increased efficiency.
- **International Leasing Subsidiary:** Knight Aircraft Leasing enabled us to provide seamless leasing solutions across jurisdictions worldwide.

KF’s Vice President of Business Development Bryan Akerstream (left) and Vice President of Aircraft Acquisition, Leasing, and Legal Jesse Bernhardt (right) visited Pilatus Aircraft in Switzerland to check out our newly acquired PC-21s for the FAcT program.



**WHAT'S
NEXT
IN 2025?**

- Continued acquisitions of 2 more ATR72-500s for the BC Feeder Network contract, ensuring seamless transitions and operational readiness.
- Expanding engine leasing operations to further service our customers – particularly for expansion of our Aeroflyer fleet based on market demands.
- Ongoing global support for lessee customers, with a focus on meeting diverse operational needs.

AIRCRAFT TYPES AVAILABLE FOR LEASING:

- ✓ Boeing 737-800
- ✓ Boeing 737-400
- ✓ Boeing 737-300
- ✓ ATR 42-500
- ✓ Convair 580

Q&A WITH JESSE BERNHARDT VP OF AIRCRAFT ACQUISITION & LEASING

What happened in 2024 on the acquisition and leasing side?
It was a transition year for us. Several aircraft returned as leases ended, so we’re preparing them to go back out. Additionally, we have engines on lease that will return in 2025, ready for deployment on departing aircraft.

What challenges in this area did we overcome in 2024?
Post-pandemic, there was significant movement in freighter fleets, with a shift from demand for Boeing Classics to Boeing Next Generations. Our main challenge was finding a market for our Boeing 737-400 fleet. By broadening our scope, we identified jurisdictions where demand aligned with our fleet.

Why is KF continually relied on to acquire and lease aircraft?
Our collaborative approach ensures every aspect of leasing is covered. Our skilled in-house aircraft mechanics maintain our aircraft to the highest standards, KF engineers assist with STC approvals and regulatory matters, and our finance and sales teams provide excellent customer support. Together, we offer seamless service for lessee customers worldwide.

What’s your outlook for 2025?
We’ll acquire two more ATR72-500s for the renewed BC Feeder Network contract with Purolator, aiming to have one in service quickly as a bulk-converted freighter. Despite recent market softness for leasing and cargo conversions, economic patterns suggest a rebound and growth in 2025, making it an exciting year ahead.

TRAINING, INNOVATION, & PARTNERSHIPS: SHAPING FUTURE AVIATION



At KF Aerospace, we are proud to be a premier destination for building a career in aviation. With diverse airframe types and business areas, we provide exceptional opportunities for training and advancement.

Our in-house training in Kelowna and Hamilton includes aircraft certifications, leadership courses, and Dale Carnegie programs, with a focus on promoting from within. We also collaborate with colleges and universities, integrating trade training programs to support the next generation of aviation professionals.

IN-HOUSE TRAINING: BUILDING EXPERTISE FROM WITHIN

For over 35 years, KF Aerospace has operated its own **Approved Training Organization (ATO)**, delivering Transport Canada-approved endorsement courses to Aircraft Maintenance Engineers (AMEs) and ensuring our teams remain at the forefront of aviation excellence.

We believe in promoting from within and developing our own leaders. Many of our senior leaders began their careers in entry-level roles, and we are proud to foster an environment that encourages growth, career advancement, and long-term service.



LEFT: KF's instructor Karl-Heinz Zahn leading a lab on confined spaces training.
RIGHT: KF ran two Dale Carnegie leadership courses in-house for KF employees in 2024.

2024 TRAINING HIGHLIGHTS

- Over **150** employees trained through **12** endorsement and **16** engine run courses.
- **65,000 training hours** for maintenance staff in 2024.
- **28 weeks of training** conducted, with most courses delivered in-house.
- Introduction of new technologies, including a **3D printer** for instructional models and **simulator software** for flight deck training.
- Successful use of the **fixed-based simulator**, training staff on engine run procedures (see story on next page).
- Partnering with the Canadian Council for Aviation & Aerospace (CCAA)—with Transport Canada's approval—to help launch a much-needed **Online Aircraft Structures Technicians training program**. This program will help our employees gain their educational requirements while not having to pause their careers, and benefit those in remote and northern communities.

ELEVATING TRAINING EXCELLENCE: KF'S NEW BOEING 737 SIMULATOR

KF is proud to be an industry leader in training. As a Transport Canada Approved Training Organization (ATO) to provide maintenance training and assessments, we always aim to leverage technology to provide the best possible training for employees. To support this objective, KF's training department recently acquired a brand-new **Flightdeck Solutions Boeing 737 Simulator**.

Having a training simulator available onsite allows us to make our training process much more efficient and cost-effective. Previously, we had to send AMEs to Calgary for post-maintenance engine run training—but now we can do it in-house in YLW!

This simulator offers our employees access to state-of-the-art training technology, allowing them to make errors and practice navigating emergencies without the risk of damaging a customer's aircraft. Employees will be able to get simulator requirements for type course and engine run qualifications on individual aircraft, while learning more effectively by building muscle memory.

The on-the-job training and accreditations offered at KF are a big perk of working here, and we're proud to continuously innovate and find high-quality training solutions. (And of course, it doesn't hurt that the simulator is pretty fun to fly!)



- Launch of the **CCAA Online Mechanics Program**, further expanding accessible training options.
- New initiatives or advancements in training programs.
- Continued development of partnerships with educational institutions and research programs.

BUILDING PATHWAYS FOR THE NEXT GENERATION OF AVIATION

KF Aerospace proudly supports trades and post-secondary education by collaborating with leading institutions to provide facilities, access to an industry leader, and direct employment opportunities for graduates. These partnerships foster hands-on learning, innovative research, and the development of highly skilled professionals who will shape the future of Canadian aviation.

OKANAGAN COLLEGE Kelowna, British Columbia

Okanagan College's Aircraft Maintenance Engineering (AME) program has long been a cornerstone for developing aviation trades talent in Kelowna. Located near KF Aerospace's headquarters, the program benefits from close collaboration with our team, ensuring students gain the practical skills needed to thrive in the industry. Graduates often transition directly into full-time positions at KF, contributing to our operations and supporting Canada's aviation industry.



Okanagan College students learning about aviation hands-on.



Community Support for Aviation Trades

The Annual Jill of All Trades event at Okanagan College in Kelowna aims to inspire more girls and young women to take up careers in the trades—including aerospace.

KF's skilled AMEs volunteer their time showing young students what they can expect from a career in aviation.

UNIVERSITY OF BRITISH COLUMBIA Okanagan Campus (UBCO) Kelowna, British Columbia

UBCO's new Aerospace Engineering Program, developed in collaboration with KF Aerospace, is a groundbreaking initiative in Canadian education. This program equips students with specialized skills in aerospace design, manufacturing, and maintenance, meeting the growing demand for engineering expertise. KF is also proud to partner on cutting-edge research projects, such as a radar systems project using Cessna aircraft, furthering innovation and development in the industry.

MOHAWK COLLEGE Hamilton, Ontario

Mohawk College's Centre for Aviation Technology, developed with support from KF Aerospace, is a state-of-the-art facility adjacent to our Hamilton operations. This centre provides hands-on training for aviation students, directly linking education to industry needs. KF's partnership with Mohawk ensures a steady pipeline of skilled graduates ready to excel in the aviation trades, supporting our ongoing work in maintenance, repair, and overhaul.



The Centre for Aviation Technology

Built in partnership with KF Aerospace, the Centre for Aviation Technology is a Mohawk College learning facility that graduates approximately 175 students annually, helping to meet industry demand for skilled workers.

Mohawk College and KF Aerospace facilities side-by-side at the John C. Munro International Airport in Hamilton, ON.



Innovating with UBCO and Terrasense: Cessna Radar Modification Project

KF Aerospace is proud to collaborate with UBC Okanagan and Terrasense on an exciting research initiative that combines academia, industry, and innovation. Together, we are modifying a Cessna 172 aircraft with advanced radar technology and an Electro-Optical/Infrared (EO/IR) sensor.

This state-of-the-art equipment will enable the collection of critical data, which Terrasense will use to refine and advance their target acquisition software. By supporting this project, KF Aerospace is not only contributing to research but also helping to drive innovation in aviation technology for the future.

CAREERS: BE PART OF OUR CRAFT!

KF Aerospace is home to 1,200 highly skilled employees at six bases across Canada. For over 55 years, we've helped employees reach their full potential in careers including aviation trades, specialized trades and facilities, logistics and supply chain, and professional and administrative roles. KF offers exceptional benefits and perks in an environment for you to grow and succeed. With paid on-the-job training, regular performance and wage reviews, and exciting career progression and growth through internal promotions, we believe in supporting our employees.

CAREER OPPORTUNITIES



Aircraft Maintenance Engineers *(Licensed & Apprentice)*

Did you know that KF sponsors Apprentice AMEs to get their Transport Canada Certification? We also offer paid on-the-job technical training, including Aircraft Certification Authority courses, to help you grow your skills and career with us. As an AME at KF, you'll get exciting opportunities to work on a diverse range of aircraft and projects for Canada's major airlines, global OEMs and the Royal Canadian Air Force. With AME-M, AME-S, and AME-E positions available, there are plenty of ways to grow your career with us.



Hangar Support

If you provide great customer service and enjoy working collaboratively, Hangar Support might be a great fit for you! No experience working with aircraft is needed—if you've worked in a team-based field such as retail or the food and beverage industry, we can help you build the skills you need to start your career in aviation. This is an entry-level position with opportunities for career advancement, including Material Support and Production Support positions.



Aircraft Services Technicians

This entry-level position is perfect for anyone with a strong mechanical aptitude who enjoys working with their hands. If you spend your spare time fixing cars and bikes or working on home renovations, becoming an Aircraft Services Technician (AST) might be the right path for you! ASTs are responsible for the removal, inspection and repair of aircraft interior components including seats, trims, carpet, soundproofing, lighting, cabinetry, galleys and bins. After starting as an AST, you may choose to progress your aviation career by becoming a Certified Interior Technician through the Canadian Council for Aviation & Aerospace (CCAA).

Find Your Career Path with KF Aerospace!

To learn more: 🇨🇦 kfaero.ca/careers or ✉ careers@kfaero.ca



A Lynden Air Cargo L-382 Hercules moves into a KF YLW hangar for maintenance.



Sunsets over the lake in Portage la Prairie, MB. Photo courtesy of Andrew Matthews.



Three made-in-Canada DeHavilland Dash 8-400s were acquired by KF for the FAcT Program in 2024.



Livery design for KF's new fleet of ATR72-500Fs. These aircraft will support KF's renewed BC Feeder Network contract with Purolator.



The cockpit of a new King Air 260, acquired by KF for multi-engine pilot training for the FAcT Program.



KF's diverse mix of commercial customers on the ramp at YLW.

KF AEROSPACE 2025 WHAT'S AHEAD FOR US?

Following a successful 2024, KF Aerospace is set for another strong year. With major contracts in execution, fleet transitions underway, and new opportunities on the horizon, we are focused on expanding capabilities, strengthening customer relationships, and adapting to an evolving aviation landscape. Here's what's next for us in 2025:

- Continuing the transition into the **Future Aircrew Training (FAcT) Program** as part of our growing role with SkyAlyne. All five fleet acquisition contracts have now been finalized, with deliveries starting next year.
- Growing **Airbus maintenance work** with Air Canada, including X-ray and engine work on A320s.
- Supporting **WestJet's Sunwing fleet transition**, standardizing interiors and configurations.
- Continuing **heavy maintenance projects** for Omni Air, Air Canada, and Air Transat.
- Advancing **Purolator's ATR cargo transition**, with pilot training in progress and revenue flights launching in Q2.
- Major **modification programs**, including Air Inuit's B737-800 Combi conversions and Air North's in-seat power STC prototyping.
- Expanding Hamilton's role in **C-checks and quick-turn maintenance**.
- Advancing our **Grob dealership**, targeting the North American market.
- Exploring Aeroflyer's workforce transportation **growth in Eastern Canada**.
- Rolling out a **new tooling management system** to improve forecasting and reservations.
- Finalizing the contract **lifecycle management system** to streamline leasing and contract processes.
- Monitoring **trade and tariff changes** to mitigate potential impacts on supply chains.

With a strong foundation and a dedicated team, KF Aerospace is well-positioned for another year of success in 2025.

SENIOR LEADERSHIP TEAM



**Founder & Chairman
of the Board**
Barry Lapointe



President & CEO
Tracy Medve



**Chief Operations
Officer (COO)**
Gregg Evjen



**Chief Corporate
Services Officer (CCSO)**
Grant Stevens



**Vice President of
Business Development**
Bryan Akerstream



**Vice President of
Defence Programs**
Peter Fedak



**Vice President of
Aircraft Acquisition,
Leasing, and Legal**
Jesse Bernhardt

Chief Financial Officer
Shane Grant

Chief Information Officer
Malcolm McAllister

Director of Flight Operations
Richard Mrazek

Director, Heavy Maintenance
Gobi Krishnan

Director, Human Resources
Anne Downie

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LONG SERVICE RECOGNITION

In 2024, quite a few of our employees hit some impressive long service milestones! Thank you to each and every one of you for your dedication and service.
Check out some of our employees who have been here for 25 years or more as of 2024!



LEFT: In April 2024, a Service Recognition lunch was held in YHM to honour 11 employees with over 260 combined years of KF employment! MIDDLE: The YLW Supply Chain team came together to congratulate Renee Snow on 30 years at KF. RIGHT: Leo Vallido, Steve Nagy, Derrick Labrecque and Corwyn Klak celebrated their KF milestones with a team lunch.



Tyler McBurney
Mark Tayler
Mark Dirks
Gregg Evjen
Ken Holmes (retired)



Steven Nagy
Pat Cook
Jim Stewart
Derrick Labrecque
Corwyn Klak
D'Arcy Barker
Renee Snow
Al Furneaux
Lowell Trenholm
Bruce Studer
Hugh MacGregor
Harvey Dick



Steve Martin
Nathan Rozon
Ben Lusted
Stacey Schmitke
Shaun Fitzgerald
Teresa Cieszewski
Paul Zibotics
Warren Niggli
Joel Kuyvenhoven



DAYCARE STATS

Number of Children Enrolled: **84**

Child Age Ranges: **Infant to Age 5**

Number of Staff: **15**



*Because of the child care centre, I've been able to work day shift, which has **allowed me to be with my children in the evening**. It allows me to build my career goals within the company.*

– Bryana Gardiner, KF Receiver/Inspector

KELOWNA AIRPORT YMCA CHILD CARE CENTRE: AVIATION CAREERS START HERE!

November 2024 marked the one-year anniversary of the Kelowna Airport YMCA Child Care Centre opening at our YLW base. We're pleased to report that this initiative has been a huge success, providing a safe and convenient child care option for working parents in our community. (And of course, it just happens to be aviation-themed!)



*I have two children in the daycare. If it hadn't been here, my husband and I would have had to decide who was working and who was not. Having access to ongoing childcare is really important. **It definitely makes an impact on where I choose to work** because here I've been able to secure daycare.*

– Jordan Pilon, KF Project Coordinator



Jordan's daughter is excited to start another day at the YMCA Child Care Centre.



In 2025, the child care centre will expand to include 24 additional spaces for children under 26 months!



A FINAL WORD WITH BARRY LAPOINTE

“

Looking back on 2024, I'm incredibly proud of what KF Aerospace has achieved. Our teams continue to demonstrate the dedication, skill, and commitment to excellence that sets KF apart. With a solid foundation and exciting opportunities ahead, I have no doubt that **2025 will be another milestone year in KF's journey**. To our team across Canada—thank you for your hard work and dedication. Onward and upward!

— Barry Lapointe, Founder & Chairman of the Board



To all of our customers, partners, and collaborators in 2024,

Thank You FOR VISITING
OUR HANGARS!





We're all about
THE CRAFT

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YOW

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