

PRESS RELEASE

Kenya Airways Charts Path to Recovery as Fleet Restoration Underway

- *Despite a temporary dip in performance, the return of grounded aircraft, strong travel demand, and ongoing capital raising sets the airline on a steady recovery course*

Nairobi, August 26, 2025 — Kenya Airways PLC today announced its financial results for the six months ended June 30, 2025. The first half of the year was marked by operational and financial challenges, including the temporary grounding of three Boeing 787-8 Dreamliner aircraft representing 33% of the airline's wide-body fleet due to global supply chain disruptions and engine availability constraints.

Despite these challenges, Kenya Airways demonstrated resilience through disciplined cost management, operational efficiencies, and ongoing measures to strengthen its long-term position.

Financial Highlights

- Revenue declined by 19% (KShs 17 billion), reflecting a 14% drop in passenger numbers and a 16% reduction in available seat capacity.
- Operating costs decreased by 10% due to scaled-down operations.
- Fleet ownership costs increased by 29% following asset remeasurement of leased assets and the addition of one new Boeing 737 aircraft.
- The airline posted an operating loss of KShs 6.2 billion compared to an operating profit of KShs 1.3 billion in the prior period and a loss of KShs 12 billion compared to a profit of KSh 513 million reported in the prior period
- The airline offered to the market a capacity of 6,715 million Available Seat Kilometres (ASKs) down from 7,991 offered in the prior period.
- Total revenue closed at KShs 75 billion, compared to KShs 91 billion in the same period last year.

On a positive note, one of the grounded Boeing 787-8 Dreamliner aircraft resumed service in July 2025, with the remaining two expected to return to service later in the year.

Group MD & CEO Commentary

Commenting during the release of the HY 2025, Kenya Airways Group Managing Director and Chief Executive Officer, Allan Kilavuka said: "The first half of 2025 was defined by industry-wide challenges that directly impacted our performance, particularly the grounding of three of our aircraft. While the financial results reflect these headwinds, we

have taken decisive actions to stabilize operations and protect the long-term resilience of Kenya Airways.”

Expressing optimism on the back of these challenges, Kilavuka observed: “Even in the face of these challenges, passenger demand for international routes remains robust, underscoring the strength of our brand and the critical role Kenya Airways plays in connecting Africa to the world. We are encouraged by the resumption of one of our grounded aircraft, and we look forward to bringing the remaining two back into service, later in the year.”

Kilavuka added: “Our focus remains clear: restoring full fleet capacity, advancing cost optimization, and completing our capital raising program to strengthen our balance sheet. These measures will ensure we emerge stronger, leaner, and better positioned to deliver long-term value for our shareholders, customers, and partners.”

Industry and Outlook

The aviation industry continues to recover from the effects of the pandemic and structural pressures in global supply chains. International Air Transport Association (IATA) projections indicate global passenger traffic will grow by 5.8% in 2025, while cargo demand growth is expected to slow to 0.7%.

Kenya Airways remains committed to executing its recovery plan, including:

- Restoring grounded aircraft and expanding available capacity.
- Enhancing operational efficiency to mitigate cost pressures from inflation and fuel volatility.
- Completing a strategic capital raise to reduce leverage, increase liquidity, and drive sustainable growth.

In conclusion, Kilavuka stated that Kenya Airways was focused on serving as a key enabler of connectivity and trade in Africa with an unwavering commitment to passengers and partners. In a nutshell, the CEO said: “Our recovery plan gives us confidence in our ability to navigate near-term challenges while building a more competitive and sustainable airline.”

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About Kenya Airways

Kenya Airways (KQ), The Pride of Africa, is a leading African carrier on a mission to propel Africa's prosperity by connecting its people, cultures, and markets. We fly to 45 destinations worldwide, 37 of which are in Africa, connecting over 5 million passengers and over 70,000 Tons of cargo annually through our Hub at Nairobi's Jomo Kenyatta International Airport.

As the sole African carrier in the SkyTeam Alliance, we open up a world of possibilities for our customers, connecting them to over 1,060 destinations in 173 countries. We take pride in offering a delightful flying experience with a caring African touch. Our exceptional African hospitality has consistently earned us global recognition including the prestigious Skytrax World Airline Awards where we were honoured with the Best Airline Staff and Best Airline Cabin Crew in Africa in 2024.

Contact Details:

Kenya Airways

Corporate Communications Department

Tel: +254 20 327 4747

Email: Corporate.communications@kenya-airways.com