

DS/018/U.4

30th August 2018

Mr. Paul Bwiso
Chief Executive Officer
Uganda Securities Exchange
Plot 3-5, New Port Bell Road,
UAP Nakawa Business Park,
Block A, 4th Floor' North Wing.
Kampala
UGANDA

Dear Mr. Bwiso,

KENYA AIRWAYS PLC (COMPANY) : ISSUE, ALLOTMENT AND LISTING OF SHARES

We refer to the recent issue, allotment and listing of 30,525 new ordinary shares by the Company on the Nairobi Securities Exchange (NSE) pursuant to a certain conversion notice dated 4 July 2018 issued by KQ Lenders Company 2017 Limited (the KQ Lenders).

Terms used in this email, unless otherwise defined, shall have the same meaning as those defined in our email dated 25 May 2018.

The Company is hereby notifying the Uganda Securities Exchange Limited (USE) that pursuant to the Convertible Loan Agreement, it has received a further conversion notice dated 23 August 2018 requiring the Company to convert a portion of the Facility Amount (being, USD 1,484.17) into 19,695 shares of par value KES 1.00 each (the Conversion Shares). We attach the conversion notice for your ease of reference.

The Conversion Shares will be issued and allotted to KQ Lenders and subsequently listed on the Main Investment Market Segment of the NSE. We anticipate the Conversion Shares will be listed on 31 August 2018. Please note that the New Ordinary Shares will at no time be cross-listed on the USE.

Accordingly, the Company's issued and listed share capital will increase from 5,681,597,236 ordinary shares of par value KES1.00 per share each to 5,681,616,931 ordinary shares of par value KES 1.00 per share.

We do not require any further approvals from the Capital Markets Authority of Kenya or the NSE to effect the conversion other than those already provided (attached for your ease of reference).

Should you have any queries in respect of the above, please do not hesitate to contact the undersigned of these offices.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'G. Langat', with a long horizontal line extending to the right.

Geoffrey Langat
For: Company Secretary

Encs.