

Fastjet PLC

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fastjet says it needs fresh funding to keep flying as shares plummet

fastjet PLC (LON:FJET) said it needs to secure additional funding by the end of October to enable the African budget airline to continue operating, sending its shares down more than 40%.

The low-cost African carrier, which is majority-owned by easyJet PLC (LON:EZJ) founder Sir Stelios Haji-loannou, on Wednesday said its cash resources were low and that it was in talks with its largest investors over a potential fundraising.

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"Additional funding will be required by the end of October to enable fastjet to continue operating ... the company is currently in active discussions with its major shareholders regarding a potential equity fundraising, in the absence of which the group is not able to continue trading as a going concern," fastjet said in its first-half results statement.

The airline added that while initial talks with certain shareholders had been positive, discussions were ongoing and there can be no guarantee of a successful outcome.

The African carrier on Wednesday said its operating loss in the six months to the end of June 2018 had widened to US\$14.6mln from US\$13.2mln a year ago. However, its revenue jumped almost 50% to US\$30.1mln.

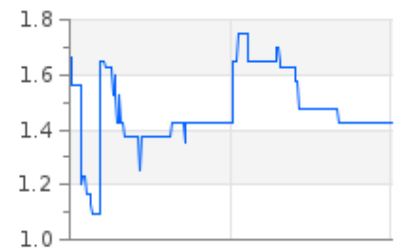
Fastjet said that it was encouraged by trading in the Zimbabwean and Mozambique markets but that it could leave the Tanzanian market due to the impact of continued losses and a highly competitive landscape in the country.

Shares in fastjet were 44.36% down at 3.70p in mid-afternoon trade.

Price: 1.4

Market Cap: £53.21 m

1 Year Share Price Graph



October 2018 April 2019 October 2019

Share Information

Code: FJET

Listing: AIM

52 week	High	Low
	1.8	0.997286

Sector: Transport

Website: www.fastjet.com

Company Synopsis:

fastjet PLC is a Pan-African airline holding company which is focused on becoming Africa's most successful and recognisable low-cost carrier. It's main bases of operation at present is in Tanzania and Zimbabwe with a smaller market presence in South Africa and Zambia.

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