

fastjet Plc

("fastjet", the "Company" or the "Group")

Trading Update, Capital Requirements and Restructuring Proposal

12 March 2020

fastjet, the low-cost African airline, today provides an update on trading, the proposed restructuring of the Group and the Group's capital requirements following its previous announcement on 27 January 2020.

Trading update

Overall trading for the first two months of 2020 has been slightly below management's expectations driven primarily by an oversupply of capacity in the Harare-Johannesburg and Bulawayo-Johannesburg markets and the continued inherent economic challenges in Zimbabwe. fastjet Zimbabwe is therefore consolidating its current schedule with reduced flights where there is an over-supply of capacity and weaker than expected yields for the next 100 days. The Zimbabwean domestic market is performing to management's expectations.

Coronavirus / COVID-19 impacts

To date, South Africa has announced thirteen confirmed cases of the Covid-19 virus and Zimbabwe has no announced confirmed cases. The Group is monitoring closely the change in demand and booking patterns arising from the outbreak of the Covid-19 virus. Contingency plans to mitigate the effect on the business and the Group's operations are already in place. The Group is prepared to enact further schedule reductions, if required, due to any escalation in confirmed cases of the Covid-19 virus which could result in vastly reduced passenger bookings as is currently being experienced in Europe and other parts of the world.

Cash position

As at 11 March 2020, the Group had cash reserves of US\$ 2.2m with no restricted cash. Of the Group's US\$ 2.2m cash reserves, US\$ 0.4m is in Zimbabwe and currently unrestricted.

Capital Requirements and Restructuring Proposal

As previously announced the Directors expected that the Group would have sufficient resources to meet its operational needs until the end of March 2020.

To address this funding requirement, the Group announced it was in discussions with an investor consortium led and underwritten by Solenta Aviation Holdings Limited and other local investors in Zimbabwe (the "Investor Consortium"), in relation to the disposal of the Group's holding in fastjet Zimbabwe (the "Disposal"). Discussions remain ongoing with the Disposal subject to certain pre-conditions. The Directors expect to meet all pre-conditions by 31 March 2020. As such, the Directors believe that the transaction should be completed, subject to shareholder approval, in April 2020.

The Investor Consortium remains committed to the divestment proposal on terms agreed and announced on 27 November 2019, subject to fastjet Zimbabwe meeting the remaining pre-conditions to implement the divestment.

With the delays to the Disposal experienced to date, the Group has engaged with its main creditors who, following detailed discussions with management, have agreed to defer due dates for repayments and/or have agreed to settlement discounts to current carrying values. Subsequently the Directors believe, based on current financial projections, funds available and expected to be made available, together with the revised creditor terms agreed, that the Group will have sufficient resources to meet its operational needs until the end of June 2020 subject to forecast revenues not being impacted by any unforeseen circumstances or significant reductions triggered by the Covid-19 virus.

The headroom of available cash resources remains minimal and the projections remain very sensitive to any assumptions not being met or any significant downturn in business which could be triggered by any widespread impact in the region from the Covid-19 virus or any other unforeseen circumstances.

If the Group is unable to complete the Disposal or raise additional capital by 30 June 2020, the Directors believe the Group would be unable to continue trading as a going concern.

Annual Report and Annual General Meeting:

The Group is currently well advanced in the audit of its full year 31 December 2019 Annual Report and Accounts. The Board expects that the full audit and annual financial statements will be completed by 30 April 2020. As such, the Board plans to announce the publication of its Annual Report and Accounts for the year ended 31 December 2019 together with the Notice of the 2020 Annual General Meeting during the second half of May 2020.

A further update will be made in due course.

This announcement is released by fastjet plc and contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014 (MAR), and is disclosed in accordance with the Company's obligations under Article 17 of MAR.

For the purposes of MAR and Article 2 of Commission Implementing Regulation (EU) 2016/1055, this announcement is being made on behalf of the Company by Kris Jaganah, Group Chief Financial Officer.

fastjet plc

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NOTES TO EDITORS**About Fastjet Plc**

fastjet is a multi-award winning (including Skytrax World Airline Awards Best Low-Cost Airline in Africa 2017) low-cost African airline for everyone, who began its flight operations in Tanzania in November 2012 flying passengers from Dar es Salaam to just two domestic destinations - Kilimanjaro and Mwanza.

Today, fastjet's route network includes operations predominately in Zimbabwe and South Africa together with interline arrangements with carriers such as Emirates and Qatar. The airline has flown over 3.0 million passengers with an impressive aggregate on-time performance above 90%, establishing itself as a punctual, reliable, and affordable carrier.

IMPORTANT INFORMATION

This Announcement contains (or may contain) certain forward-looking statements with respect to certain of the Company's plans and its current goals and expectations relating to its future financial condition and performance and which involve a number of risks and uncertainties. The Company cautions readers that no forward-looking statement is a guarantee of future performance and that actual results could differ materially from those contained in the forward-looking statements. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements sometimes use words such as "aim", "anticipate", "target", "expect", "estimate", "intend", "plan", "goal", "believe", or other words of similar meaning. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances, including, but not limited to, economic and business conditions, the effects of continued volatility in credit markets, market-related risks such as changes in the price of commodities or changes in interest rates and foreign exchange rates, the policies and actions of governmental and regulatory authorities, changes in legislation, the further development of standards and interpretations under International Financial Reporting Standards (**IFRS**) applicable to past, current and future periods, evolving practices with regard to the interpretation and application of standards under IFRS, the outcome of pending and future litigation or regulatory investigations, the success of future explorations, acquisitions and other strategic transactions and the impact of competition. A number of these factors are beyond the Company's control. As a result, the Company's actual future results may differ materially from the plans, goals, and expectations set forth in the Company's forward-looking statements. Any forward-looking statements made in this Announcement by or on behalf of the Company speak only as of the date they are made. Except as required by the Financial Conduct Authority (the **FCA**), the London Stock Exchange or applicable law, the Company expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained in this Announcement to reflect any changes in the Company's expectations with regard thereto or any changes in events, conditions or circumstances on which any such statement is based.