

Stelios targets Easyjet's finance chief in dispute

THE spat between Easyjet's board and its colourful founder intensified as he lined up the airline's finance boss as his next target in an attack on management.

Sir Stelios Haji-Ioannou wants Easyjet to cancel a £4.5bn order to buy 107 planes from Airbus as the firm struggles to stay afloat during the coronavirus pandemic.

He claims Easyjet will run out of money by around August otherwise, and has vowed not to put any more cash into the business unless it agrees to this demand.

This has weight, considering he and his family own more than a third of Easyjet's shares.

Stelios heaped more pressure on management by calling on the company to remove finance chief Andrew Findlay, saying it would be 'the best way to stop him writing billion-pound cheques plus to Airbus every year'. Stelios tried to requisition a meeting last week to unseat non-executive director Andreas Bierwirth.

Tensions have simmered since 2017 between Easyjet's management and Stelios, who is sceptical

MARKET REPORT



by
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about its rapid expansion plans. He has derided the planes on order as 'useless' after Covid-19 brought air travel to a virtual standstill, with Easyjet's 344-strong fleet already grounded.

Easyjet insists one-off meetings to vote on directors would be 'an unhelpful distraction'.

Yesterday it said it has become the first airline to secure a coronavirus loan from the Treasury and Bank of England's emergency fund, worth £600m. It has also agreed to get a further £400m from lenders, which will tot up its cash pot to £2.3bn later this week.

The latest escalation in the conflict didn't hold back Easyjet's shares, with the budget airline



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surging 16.3pc, or 77.4p, to 552.4p amid a wider stock market rally.

The **FTSE 100** rose 3.1pc, or 166.89 points, to 5582.39, as the rate of coronavirus infections appeared to be slowing in western Europe and as traders waited for Japan to wheel out a stimulus package expected to be worth more than £800bn. European indexes made steeper gains with France's Cac 40 up 4pc and Germany's Dax up 5pc, while the domestically focused **FTSE 250** climbed 5.1pc, or 713.15 points, to 14812.36.

Oil prices fell 3pc, or about \$1, to \$33 as a virtual meeting between squabbling Saudi Arabia and Russia was being tentatively rescheduled for later this week.

Oilfields services group **Petrofac** was up 4.2pc, or 8.25p, to 205p after it revealed plans to cut costs by £81m this year, in part by shedding 20pc of staff and furloughing other workers.

Gambling technology group **Playtech** (down 4.9pc, or 8.6p, to 168.7p) tipped into the red after downgrades from brokers at Deutsche Bank and JPMorgan, who

said it would take a hit in China and Italy and on sports betting.

888 Holdings soared 12.4pc, or 13.8p, to 124.8p, after the same two banks sang its praises as it does not rely on sports betting or retail stores, both of which are struggling during the crisis.

On the junior market, two science and pharmaceutical groups rose on their latest efforts to help fight Covid-19.

Ergomed, which provides services to pharmaceutical firms, rose 1.7pc, or 7.5p, to 450p as it said it will help in a second clinical trial in Italy that is looking at ways to help those seriously ill with the virus. And **Novacyt** rallied 12.1pc, or 23.5p, to 217p as its coronavirus test was approved for sale in France and Thailand.

Neil Woodford favourite **Eye Sleep** fell 7.1pc in early trading as the online mattress seller said chief executive James Sturrock had quit and will be replaced by marketing boss Cheryl Calverley. The shares recovered to close flat at 1.05p.