

Fairfax Africa Holdings Corporation

TSX Stock Symbol: FAH.U

News Release

TORONTO, May 2, 2019

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FIRST QUARTER FINANCIAL RESULTS

(Note: All dollar amounts in this news release are expressed in U.S. dollars except as otherwise noted. The financial results are prepared using the recognition and measurement requirements of International Financial Reporting Standards except as otherwise noted, and are unaudited.)

Fairfax Africa Holdings Corporation (TSX: FAH.U) announces a net loss of \$21.5 million in the first quarter of 2019 (\$0.35 net loss per diluted share), compared to net earnings of \$40.9 million in the first quarter of 2018 (\$0.80 net earnings per diluted share), reflecting net unrealized losses on investments in the quarter.

Highlights in the first quarter of 2019 included the following:

- Net loss of \$21.5 million in the first quarter of 2019 included a net change in unrealized losses on investments of \$18.3 million, principally from a decrease in the market prices of the company's investments in public companies Consolidated Infrastructure Group (\$17.8 million) and Atlas Mara (\$8.6 million), partially offset by an increase in the fair value of the company's private investment Nova Pioneer (\$1.7 million).
- During the first quarter of 2019 the company purchased for cancellation 1,711,412 subordinate voting shares, under the terms of the normal course issuer bid, for a net cost of \$15.0 million (\$8.74 per subordinate voting share).
- At March 31, 2019 common shareholders' equity was \$566.9 million, or book value per share of \$9.28, compared to \$603.1 million, or book value per share of \$9.60, at December 31, 2018, a decrease of 3.3% primarily related to a net loss in the first quarter of 2019.

Subsequent to March 31, 2019:

- On April 23, 2019 Fairfax Africa invested an additional \$2.3 million (32.8 million South African rand) in GroCapital Holdings which was invested by GroCapital Holdings into Grobank to support the bank's capital adequacy requirements under South African regulations. Upon completion of this transaction, the company had invested aggregate cash consideration of \$14.4 million (204.4 million South African rand) for a 35.0% equity interest in GroCapital Holdings.
- On April 1, 2019 the company completed \$2.0 million of its previously disclosed additional \$10.0 million investment in Nova Pioneer, comprised of secured debentures and 200,000 Nova Pioneer Warrants. The company has a remaining investment commitment to Nova Pioneer of \$3,727.

There were 62.0 million and 50.6 million weighted average shares outstanding during the first quarters of 2019 and 2018 respectively. At March 31, 2019 there were 31,100,553 subordinate voting shares and 30,000,000 multiple voting shares outstanding.

Fairfax Africa's detailed first quarter report can be accessed at its website www.fairfaxafrica.ca.

In presenting the company's results in this news release, management has included book value per basic share. Book value per basic share is calculated by the company as common shareholders' equity divided by the number of common shares outstanding.

Fairfax Africa is an investment holding company whose investment objective is to achieve long term capital appreciation, while preserving capital, by investing in public and private equity securities and debt instruments in Africa and African businesses or other businesses with customers, suppliers or business primarily conducted in, or dependent on, Africa.

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This press release may contain forward-looking statements within the meaning of applicable securities legislation. Forward-looking statements may relate to the company's or an African Investment's future outlook and anticipated events or results and may include statements regarding the financial position, business strategy, growth strategy, budgets, operations, financial results, taxes, dividends, plans and objectives of the company. Particularly, statements regarding future results, performance, achievements, prospects or opportunities of the company, an African Investment, or the African market are forward-looking statements. In some cases, forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate" or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might", "will" or "will be taken", "occur" or "be achieved".

Forward-looking statements are based on our opinions and estimates as of the date of this press release and they are subject to known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking statements, including but not limited to the following factors: geographic concentration of investments; financial market fluctuations; pace of completing investments; minority investments; reliance on key personnel and risks associated with the Investment Advisory Agreement; operating and financial risks of African investments; valuation methodologies involve subjective judgments; lawsuits; use of leverage; foreign currency fluctuation; investments may be made in foreign private businesses where information is unreliable or unavailable; significant ownership by Fairfax may adversely affect the market price of the subordinate voting shares; emerging markets; South African black economic empowerment; economic risk; weather risk; taxation risks; and trading price of common shares relative to book value per share. Additional risks and uncertainties are described in the company's annual information form dated March 8, 2019 which is available on SEDAR at www.sedar.com and on the company's website at www.fairfaxafrica.ca. These factors and assumptions are not intended to represent a complete list of the factors and assumptions that could affect the company. These factors and assumptions, however, should be considered carefully.

Although the company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The company does not undertake to update any forward-looking statements contained herein, except as required by applicable securities laws.