

**SUMMARY**  
**Dated 20 April 2023**

This Summary is issued in accordance with the provisions of Chapter 4 of the Capital Markets Rules issued by the Malta Financial Services Authority and of the Prospectus Regulation.

In respect of an issue of  
**€8,500,000 6.25% Secured Bonds 2033**  
of a nominal value of €100 per Bond issued at par by



**AST Group p.l.c.**  
a public limited liability company registered in Malta with company registration number C 66811.

**ISIN: MT0001701219**

**Legal Counsel**



**Sponsor, Manager & Registrar**



**THIS SUMMARY HAS BEEN APPROVED BY THE MFSA AS THE COMPETENT AUTHORITY IN MALTA UNDER THE PROSPECTUS REGULATION. THE MFSA ONLY APPROVES THIS SUMMARY AS MEETING THE STANDARDS OF COMPLETENESS, COMPREHENSIBILITY AND CONSISTENCY IMPOSED BY THE PROSPECTUS REGULATION. SUCH APPROVAL SHOULD NOT BE CONSIDERED AS AN ENDORSEMENT OF THE ISSUER AND/OR THE SECURITIES THAT ARE THE SUBJECT OF THIS SUMMARY.**

**THIS SUMMARY IS VALID FOR A PERIOD OF 12 MONTHS FROM THE DATE HEREOF. FOLLOWING THE LAPSE OF THIS VALIDITY PERIOD, THE ISSUER IS NOT OBLIGED TO SUPPLEMENT THIS SUMMARY IN THE EVENT OF SIGNIFICANT NEW FACTORS, MATERIAL MISTAKES OR MATERIAL INACCURACIES.**

**APPROVED BY THE DIRECTORS**

A handwritten signature in blue ink, appearing to read 'W. Wait', positioned above a horizontal line.

William Wait

in his capacity as Director of AST Group p.l.c. and for and on behalf of Austin Demajo, Giuseppe Muscat and Kristian Balzan.

This Summary is prepared in accordance with the requirements of the Prospectus Regulation and the delegated acts issued thereunder. This Summary contains key information which will enable investors to understand the nature and the risks associated with the Issuer and the Bonds.

Except where the context otherwise requires or where otherwise defined herein, the capitalised words and expressions used in this Summary shall bear the meanings assigned thereto in the Registration Document and the Securities Note, respectively, as the case may be.

# 1 INTRODUCTION AND WARNINGS

This Summary contains key information on the Issuer and the Bonds, summarised details of which are set out below:

Issuer	AST Group p.l.c., a public limited liability company registered and existing under the laws of Malta with company registration number C 66811 and having legal entity identifier number (LEI) 485100EV94B5FY2A0332
Address	31-33 Third Floor, Kingsway Palace, Republic Street, Valletta VLT 1115, Malta
Telephone number	+356 22230000
Website	<a href="http://www.astrgoupplc.com">www.astrgoupplc.com</a>
Nature of the securities	Secured Bonds up to a maximum amount of €8,500,000, bearing an interest rate of 6.25% <i>per annum</i> , payable annually in arrears on 16 June of each year until 16 June 2033
ISIN of the Bonds	MT0001701219
Competent authority approving the Prospectus	The Malta Financial Services Authority, established in terms of the Malta Financial Services Authority Act (Chapter 330 of the laws of Malta). The MFSA only approves the Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval shall not be considered as an endorsement of the Issuer
Address, telephone number and official website of the competent authority approving the Prospectus	Malta Financial Services Authority, Triq l-Imdina, Zone 1, Central Business District, Birkirkara CBD 1010, Malta. The telephone number of the competent authority is +356 21441155. The official website of the competent authority is <a href="https://www.mfsa.mt/">https://www.mfsa.mt/</a>
Prospectus approval date	20 April 2023

Prospective investors are hereby warned that:

- i. this Summary should be read as an introduction to the Prospectus. It is being provided to convey the key characteristics and risks associated with the Issuer and the Bonds being offered pursuant to the Prospectus. It is not, and does not purport to be, exhaustive and investors are warned that they should not rely on the information contained in this Summary alone in making a decision as to whether to invest in the securities described in this document;
- ii. any decision of the investor to invest in the securities should be based on consideration of the Prospectus as a whole by the investor;
- iii. an investor may lose all or part of the capital invested by subscribing for Bonds;
- iv. where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under the national legislation of Malta, have to bear the costs of translating the Prospectus before the legal proceedings are initiated; and
- v. civil liability attaches only to those persons who have tabled this Summary, but only if this Summary, when read together with the other parts of the Prospectus, is misleading, inaccurate or inconsistent or does not provide key information in order to aid investors when considering whether to invest in such securities.

## 2 KEY INFORMATION ON THE ISSUER

### 2.1 Who is the Issuer of the Bonds?

#### 2.1.1 Domicile and legal form, LEI and county of incorporation of the Issuer

The Issuer is AST Group plc, a public limited liability company registered and existing under the laws of Malta with company registration number C 66811 and having its registered office at 31-33 Third Floor, Kingsway Palace, Republic Street, Valletta VLT 1115, Malta. The Issuer is incorporated and is domiciled in Malta. Its LEI number is 485100EV94B5FY2A0332.

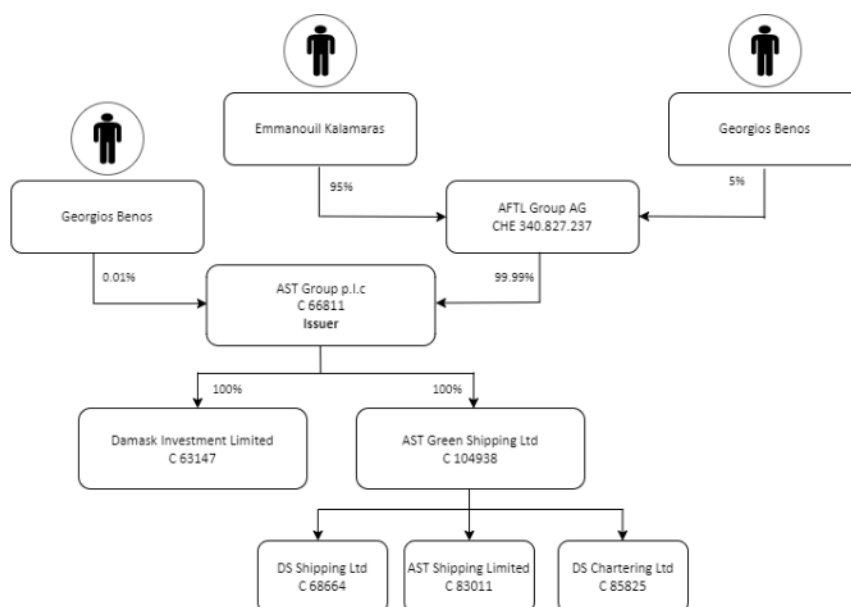
#### 2.1.2 Principal activities of the Issuer

The Issuer was registered as AST Group Limited on 22 September 2014 in terms of the Companies Act, with company registration number C 66811. Subsequently, on 13 October 2017, the Issuer was converted into a public limited liability

company. The principal objects of the Issuer relate to carrying on the business of a finance company and holding company for the AST Group, which consists of AST Group p.l.c and its wholly-owned subsidiary companies. Its purpose is to carry on the business of a finance and holding company in connection with the ownership, development, operation and financing of the business activities of the Group, whether in Malta or overseas. The issue of bonds falls within the objects of the Issuer. The Issuer operates exclusively in and from Malta.

### 2.1.3 Major Shareholders

The authorised and issued share capital of the Issuer is €250,000 divided into 250,000 ordinary shares of a nominal value of €1 each, all being fully paid-up and subscribed for, allotted and taken up by AFTL Group AG (registration number CHE-340.827.237) as to 249,999 Ordinary shares of €1.00 each and by Georgios Benos as to 1 Ordinary share of €1.00.



### 2.1.4 Directors of the Issuer

As at the date of the Prospectus, the Board of Directors of the Issuer is composed of the following 4 individuals: Mr Giuseppe Muscat (Executive Director and Chairman), Mr Austin Demajo (Independent, non-Executive Director), Mr William Wait (Independent, non-Executive Director), and Dr Kristian Balzan (Independent, non-Executive Director).

### 2.1.5 Statutory auditors

The annual statutory financial statements of the Issuer for the financial years ended 31 December 2019, 31 December 2020 and 31 December 2021 have been audited by Horwath Malta. Horwath Malta (accountancy board registration number AB/26/84/27) is a firm registered as a partnership of certified public accountants holding a practicing certificate to act as auditors in terms of the Accountancy Profession Act, 1979 (Chapter 281 of the laws of Malta).

## 2.2 What is the key financial information regarding the Issuer?

Key figures extracted from the Issuer's consolidated financial statements are being represented below:

€'000s	31-Dec-21	31-Dec-20	31-Dec-19	30-Jun-22	30-Jun-21
<b>Statement of Comprehensive Income</b>					
Revenue	29,660	18,845	15,660	25,180	14,590
Profit / (loss) before taxation	446	(1,149)	(301)	207	130
<b>Statement of Financial Position</b>					
Total assets	7,417	5,205	6,968	8,037	
<b>Statement of Cash Flows</b>					
Net cash generated from/(used in) operating activities	667	(301)	309	129	(1,045)
Net cash generated from/(used in) investing activities	(252)	(2)	(1)	(2)	(1)
Net cash generated from/(used in) financing activities	(129)	(102)	(47)	(34)	57

### 2.3 What are the key risks specific to the Issuer?

The most material risk factors specific to the Issuer which may negatively impact the operations and financial position of the Issuer should the circumstances mentioned therein materialise are set out below:

### 2.3.1 Risks relating to Issuer's exposure to and dependence on the Group and its business

The Issuer itself does not have any substantial assets and is essentially a special purpose vehicle set up to act as a financing company solely for the purpose of part-financing the needs of the Group and, as such, its assets consist primarily of loans issued to Group companies. The Issuer is dependent on the business prospects of the Group and, consequently, the operating results of the Group have a direct effect on the Issuer's financial position. Therefore, the risks intrinsic in the business and operations of Group companies have a direct effect on the ability of the Issuer to meet its Bond Obligations. Accordingly, the risks of the Issuer are indirectly those of the Group and, in turn, all risks relating to the Group are the risks relevant to the Issuer.

### 2.3.2 Dependence on the Mediterranean Region

The Group's business model is primarily reliant on the trading of animal feed products and the chartering and management of bulk carriers, operating principally in the Mediterranean region. Accordingly, the Group is highly susceptible to the macro-economic climate in Europe. Negative economic factors and trends in Europe, particularly those having an effect on consumer demand, may have a negative impact on the business of the Group. In recent years, the Cypriot, Greek and Turkish economies have declined. Although there are signs that the economic recession has abated, particularly in Cyprus and Greece, there is still considerable instability that could initiate a new economic downturn. This would lead to a decline in clients' operations or ability to pay for the Group's services, which could result in a decreased demand for the Group's operations and consequently, adversely affect the Group's operating results and financial performance.

### 2.3.3 Risks relating to the business of the Group, including animal feed and dependency on key customers and suppliers

The Group has established strong relationships with various parties, which has in turn resulted in a dependency on such parties. The Group is dependent upon five key suppliers, that account for *circa* 70% of the Group's requirements for animal feed materials. The Group's ability to source and purchase animal feed may be seriously affected if either of these suppliers is unable to supply the Group. Furthermore, the Group is dependent on five key customers that account for *circa* 90% of the Group's revenue. The Group therefore relies on the retention of these key business relationships and the loss of one or more of these key customers and/or suppliers, may have a material adverse effect on the Group's revenues, operations and financial condition.

### 2.3.4 Risks relative to chartering operations

The Group's charter operations depend on its ability to establish and maintain relationships with charterers, at attractive rates, in respect of which the Group will face substantial competition from its competitors and may be subject to factors beyond the control of the Group. Such current and potential competitors may have longer operating histories, greater name recognition, have larger revenues, volume and capacity, larger customer bases and greater financial and other resources and could thus offer more attractive services and rates than the Group. A decrease in charter rates could have a material adverse effect on the Group's business, results of operations and financial condition.

### 2.3.5 Fluctuations in the value of the Group's vessels

The fair market value of vessels increases or decreases depending on a number of factors, including general economic and market conditions affecting the shipping industry, competition from other shipping companies, the supply of similar vessels, supply and demand for container ships, alternative modes of transportation, cost of newly-built vessels, governmental or other regulations, prevailing level of charter rates and technological advancements. If the fair market value of the Vessels declines below their respective carrying value and such decline is other than temporary, the Group could be required to recognise an impairment charge or could incur a loss should any one or more of said vessels be sold.

## 3 KEY INFORMATION ON THE BONDS

### 3.1 What are the main features of the securities?

The key features of the Bonds are set out below:

Each Bond forms part of a duly authorised issue of 6.25% secured bonds 2033 of a nominal value of €100 per Bond issued by the Issuer at par up to the principal amount of €8.5 million. The Issue Date of the Bonds is expected to be 16 June 2023. The Bonds are secured.

The currency of the Bonds is Euro (€).

Subject to admission to listing of the Bonds to the Official List, the Bonds are expected to be assigned ISIN: MT0001701219.

The Bonds are redeemable on 16 June 2033. The Bonds shall bear interest from and including 16 June 2023 at the rate of 6.25% *per annum* on the nominal value thereof, payable annually in arrears on each Interest Payment Date. The first interest payment will be affected on 16 June 2024, covering the period 16 June 2023 up to and including 15 June 2024.

The Bonds, as and when issued and allotted, shall constitute the general, direct and unconditional obligations of the Issuer and as secured by means of the Collateral granted in terms of the Security Trust Deed II. The Bonds shall, at all times, rank *pari passu*, without any priority or preference among themselves but, in view of the fact that the Bonds shall be secured by the Collateral, shall rank with priority and preference over other present and future unsecured obligations of AST Green Shipping Ltd., AST Shipping Limited, AST Shipping 2 Limited and the Additional new Shipping Company/ies, if any, save for such exceptions as may be provided by applicable law, and with ranking and priority over the Collateral.

The minimum subscription amount of Bonds that can be subscribed for by Applicants upon subscription is €1,000, and in multiples of €100 thereafter. There are no special rights attached to the Bonds other than the right of the Bondholders to payment of interest and capital, the benefit of the Collateral through the Security Trustee, and in accordance with the ranking specified in the Prospectus.

The Bonds are freely transferable and, once admitted to the Official List of the MSE, shall be transferable only in whole (in multiples of €100) in accordance with the rules and regulations of the MSE applicable from time to time. The minimum subscription amount of €1,000 shall only apply during the Issue Period and the Intermediaries' Offer, if it takes place. No minimum holding requirement shall be applicable once the Bonds are admitted to listing on the Official List and commence trading thereafter, subject to trading in multiples of €100.

The Issuer shall be obtaining the approval of Existing AST Bondholders<sup>1</sup> for the early redemption of the 2018 AST Prospects MTF Bonds<sup>2</sup> pursuant to a meeting called for the purpose in terms of the Company Admission Document dated 4 December 2017. The proposal for the early redemption of the 2018 AST Prospects MTF Bonds placed before the Existing AST Bondholders' meeting shall only be considered approved if at least 60% in nominal value of the Existing AST Bondholders present at the meeting at the time when the vote is being taken, in person or by proxy, shall have voted in favour of the proposal.

Upon redemption of the 2018 AST Prospects MTF Bonds, all Existing AST Bondholders will be afforded a premium in the form of payment of a redemption price of one Euro (€1) per 2018 AST Prospects MTF Bond held as at the Cut-Off Date (the "Redemption Premium"). Existing AST Bondholders will have the Redemption Premium settled in cash upon redemption of the 2018 AST Prospects MTF Bonds (by direct credit into the Existing AST Bondholder's bank account).

### 3.2 Where will the securities be traded?

Application has been made to the Malta Stock Exchange for the Bonds being issued pursuant to the Prospectus to be listed and traded on its Official List. The Bonds are expected to be admitted to the Official List with effect from 16 June 2023 and trading is expected to commence on 19 June 2023. Dealing may commence prior to notification of the amount allotted being issued to Applicants.

### 3.3 Is there a guarantee attached to the securities?

The Bonds are not guaranteed.

### 3.4 What are the key risks that are specific to the Bonds?

The most material risk factors specific to the Bonds are set out below:

- There can be no assurance that an active secondary market for the Bonds will develop, or, if it develops, that it will continue. There can be no assurance that an investor will be able to sell or otherwise trade in the Bonds at or above the Bond Issue Price, or at all.

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<sup>1</sup> 'Existing AST Bondholders' refers to holders of the 2018 Prospects MTF Bonds appearing on the applicable register held at the Central Securities Depository as at close of business on 25 April 2023, trading session of 21 April 2023.

<sup>2</sup> '2018 AST Prospects MTF Bonds' refers to the €2,000,000 5.5% unsecured bonds 2025-2028 (ISIN: MT0001701201) issued by the Issuer pursuant to a company admission document dated 4 December 2017, which are listed and trading on the Prospects MTF List of the Malta Stock Exchange.

- Investment in the Bonds involves the risk that subsequent changes in market interest rates may adversely affect the value of the Bonds.
- The MFSA has the authority to suspend trading or listing of the Bonds or discontinue the listing of the Bonds on the Official List if, inter alia, it comes to believe that such a suspension is required for the protection of investors or the integrity or reputation of the market. Any such trading suspensions or listing revocations / discontinuations could have a material adverse effect on the liquidity and value of the Bonds.
- Whilst the Collateral that is to be granted in favour of the Security Trustee for the benefit and in the interest of Bondholders grants the Security Trustee a right of preference and priority for repayment over the Collateral, there can be no guarantee that the value of the Collateral over the term of the Bonds will be sufficient to cover the full amount of interest and principal outstanding under the Bonds. This may be caused by a number of factors, not least of which general economic factors that could have an adverse impact on the value of the relevant Collateral, specifically the value of the Vessels. If such circumstances were to arise or subsist at the time that the Collateral is to be enforced by the Security Trustee, it could have a material adverse effect on the recoverability of all the amounts that may be outstanding under the Bonds.

## 4 KEY INFORMATION ON THE OFFER OF THE BONDS AND ADMISSION TO TRADING

### 4.1 UNDER WHICH CONDITIONS AND TIMETABLE CAN I INVEST IN THESE BONDS?

The issue and allotment of the Bonds is conditional upon: (i) the Minimum Amount of €7,500,000 being subscribed for; (ii) the Pledge of Bank Account Agreement and the Security Trust Deed II being duly executed; (iii) the Collateral being duly granted and registered with the appropriate authority/ies, as applicable; (iv) the Issuer obtaining the approval of the Existing AST Bondholders for the early redemption of the 2018 AST Prospects MTF Bonds pursuant to a meeting called for the purpose in terms of the 2017 AST Company Admission Document, as well as the written approval of the MSE; and (v) the Bonds being admitted to trading on the Official List. In the event that any one or more of the aforesaid conditions is not satisfied, any application monies received by the Issuer from all Applicants will be returned, without interest, by direct credit into the Applicant's bank account indicated by the Applicant / Authorised Intermediary on the relative Application / subscription agreement.

#### 4.1.1 Expected Timetable of Principal Events

1	Meeting of Existing AST Bondholders	10 May 2023
2	Subscription by Existing AST Bondholders and Intermediaries' Offer*	15 May 2023 – 2 June 2023 at 12:00 CET
3	Announcement of basis of acceptance through a company announcement	9 June 2023
4	Refunds of unallocated monies, if any	9 June 2023
5	Dispatch of allotment letters	9 June 2023
6	Expected date of early redemption of the 2018 AST Prospects MTF Bonds	16 June 2023
7	Expected date of admission of the Bonds to listing	16 June 2023
8	Issue date of the Bonds	16 June 2023
9	Expected date of commencement of trading in the Bonds	19 June 2023
10	Commencement of interest	16 June 2023

*\*The Issuer reserves the right to close the period of subscription by Existing AST Bondholders and the Intermediaries' Offer before 2 June 2023 at 12:00 CET in the event that the Bonds are fully subscribed prior to said date and time. In the eventuality that the period of subscription by Existing AST Bondholders and the Intermediaries' Offer is closed early as aforesaid, some of the events set out above may be brought forward and the Issuer will issue a company announcement accordingly.*

#### 4.1.2 Allocation Policy

The Issuer shall allocate the Bonds on the basis of the following policy and order of priority:

- first to Existing AST Bondholders applying for Bonds by way of 2018 Bond Transfer, and subject to any Cash Top-Up as and if applicable, and subject to a minimum application of €1,000;
- the balance of the Bonds not subscribed for by Existing AST Bondholders limitedly by means of a 2018 Bond Transfer, and subject to any Cash Top-Up as and if applicable, shall be made available for subscription to Existing AST Bondholders in respect of any additional Bonds applied for other than by 2018 Bond Transfer exceeding in value the aggregate nominal value of 2018 AST Prospects MTF Bonds held by them as at the Cut-Off Date, without

priority or preference between them and together with subscriptions received from Authorised Intermediaries participating in the Intermediaries' Offer and in accordance with the allocation policy as determined by the Issuer. Accordingly, in the event that an Existing AST Bondholder applies for additional Bonds other than by way of 2018 Bond Transfer as specified in (i) above, no preference or guarantee shall be given with respect to the amount of Bonds to be allocated to the excess Bonds applied for by such Existing AST Bondholder; and

- iii. the Issuer shall offer remaining Bonds not subscribed for by Existing AST Bondholders limitedly by means of a 2018 Bond Transfer (and subject to any Cash Top-Up, as and if applicable) to Authorised Intermediaries through an Intermediaries' Offer, to be allocated *pari passu* together with additional Bonds applied for by Existing AST Bondholders other than by 2018 Bond Transfer exceeding in value the aggregate nominal value of 2018 AST Prospects MTF Bonds held by them as at the Cut-Off Date, including Cash Top-Up, where applicable. Subscription agreements received from Authorised Intermediaries through an Intermediaries' Offer, if any, shall be allocated without priority or preference and in accordance with the allocation policy as determined by the Issuer, acting through the Registrar, which will be communicated by latest 9 June 2023. Any amounts unallocated in terms of the subscription agreements shall be returned to the respective Authorised Intermediary by direct credit to the account indicated in the respective subscription agreement by latest close of business on 9 June 2023.

The Issuer shall announce the result of the Bond Issue and the basis of acceptance and the allocation policy to be adopted through a company announcement.

## 4.2 WHY IS THIS PROSPECTUS BEING PRODUCED?

### 4.2.1 Use of Proceeds

The proceeds from the Bond Issue, which net of Bond Issue expenses are expected to amount to approximately €8,200,000, will be on-lent by the Issuer to AST Green Shipping Ltd. pursuant to a loan agreement to be entered into between the Issuer and AST Green Shipping Ltd. for the purpose, and will be utilised for the following purposes, in the following amounts and order of priority:

1. an amount of *circa* €1,600,000 of the Bond Issue net proceeds will be used by the Issuer to part finance the redemption of the outstanding amount of 2018 AST Prospects MTF Bonds remaining in issue as at or about 16 June 2023 (including payment of interest thereon and of the Redemption Premium) being the expected date of redemption of the 2018 AST Prospects MTF Bonds as determined by the Issuer and duly notified to Existing AST Bondholders. The balance of the outstanding amount of 2018 AST Prospects MTF Bonds (including payment of interest thereon and of the Redemption Premium), in an amount of €300,000, will be paid out of the sinking fund constituted in terms of the 2017 AST Company Admission Document;
2. an amount of *circa* €6,500,000 of the Bond Issue net proceeds will be used for the purpose of financing the purchase of the New Vessel/s and any costs related to any upgrades related to the Vessels as may be necessary; and
3. the remaining balance of the Bond Issue net proceeds in an amount of *circa* €100,000 will be used for the general corporate funding purposes of the Group.

### 4.2.2 Underwriting

The Bond Issue is not underwritten. Should subscriptions for a total of at least €7,500,000 (the "Minimum Amount") not be received, no allotment of the Bonds shall be made, the Applications for Bonds shall be deemed not to have been accepted by the Issuer and all money received from Authorised Intermediaries shall be returned by the Issuer. In the event that the Minimum Amount is reached but the Bond Issue is not fully subscribed, the Issuer will proceed with the allotment and listing of the amount of Bonds subscribed for.

### 4.2.3 Conflicts of Interest

Save for the possible subscription for Bonds by Authorised Intermediaries, which include the Sponsor, Manager & Registrar, and any fees payable to Calamatta Cuschieri Investment Services Limited as Sponsor, Manager & Registrar in connection with the Bond Issue, so far as the Issuer is aware no person involved in the Issue has an interest material to the Bond Issue.