

AST GROUP P.L.C.

Consolidated Interim Financial Statements

For the six months ended 30 June 2024

Company Registration Number: C66811

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AST GROUP PLC

Directors' Report

For The Six Months Ended 30 June 2024

Basis of Preparation

The published figures have been extracted from the unaudited financial statements of the six months from 1 January 2024 to 30 June 2024, prepared in accordance with International Financial Reporting Standards for use in the EU for interim financial statements (International Accounting Standard 34, 'Interim Financial Reporting'). The comparative statement of financial position has been extracted from the audited financial statements for the year ended 31 December 2023. This report is being published in terms of Capital Markets Rule 5.74 issued by the Malta Financial Services Authority and the prevention of Financial Markets Abuse Act, 2005. In terms of Capital Market Rule 5.75.5, the Directors are stating that this Half-Yearly Report has not been audited or reviewed by the auditors of AST Group PLC.

The Group comprises the AST Group PLC ("the Company") and its subsidiaries: Damask Investment Limited, Damask Investment Cyprus Limited, AST Shipping 1 Limited (formerly known as AST Shipping Limited), DS Shipping Ltd. (formerly known as Damask Shipping Management Company Limited), DS Chartering Ltd. (formerly known as Damask Chartering Limited), AST Green Shipping Ltd, AST Shipping 2 Limited, AST Shipping 3 Limited and DST (Damask Shipping & Trading) Holding Ltd.

Principal Activities

The principal objects of the Group relate to carrying on the business of a finance company and holding company in connection with the ownership, development, operating and financing of the business activities of the Group, whether in Malta or overseas.

The Group carries out end-to-end supply chain management, from sourcing raw materials for high nutrient animal feed to the delivery of animal feed to producers. For this reason, the Group is split into two core income streams: trading of animal feed products and chartering of vessels for own use or third parties. The Group has vertically integrated its animal feed operations and expanded into the logistics business, by through three vessels owned by the Group, namely M/V AST Malta, M/V AST Rising and M/V AST ECO.

AST GROUP PLC

Directors' Report

For The Six Months Ended 30 June 2024

Performance Review

During the period under review, the Group generated revenue of €8.6m, representing a decrease of €9.5m from the same period last year (2023: €18.1m). This decrease is principally due to lower sale of animal feed products driven by the Ukraine war and higher shipping costs. The resulting gross profit margin of the Company remained stable at 7.0% (2023: 7.0%). The Group generated a loss of €1m for the six months ending 30 June 2024 (FY 2023: profit of €203K).

Despite the loss generated by the Group, the motor vessels were valued at €10.25m by an independent valuer on 18 December 2023, and the Group continued investing and upgrading its vessels during the six month period ending 30 June 2024. Furthermore, as two of the vessels were acquired at the end of 2023, they are not yet operating at full capacity.

Position Review

The Group's asset based amounted to €14.5m as at 30 June 2024 (€15.3m at 31 December 2023), consisting principally of property, plant and equipment, inventories and trade and other receivables. The Group's total liabilities amounted to €12.5m at 30 June 2024 (€12.3m at 31 December 2023). The Group's main liabilities consist of €8,500,000 6.25% Secured Bonds 2033 issued on 20 April 2023 on the Regulated Market. These bonds financed the acquisitions of two further vessels.

State of Affairs and Outlook

The Directors, as required by Capital Markets Rule 5.62, have considered the Company's operating performance, the statement of financial position as at 30 June 2024, as well as the business plan for the rest of the year, and they have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. In addition, the Group has sufficient liquidity and financial resources to meet payment obligations including the Company's bond interest payments as they arise through the course of 2024. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Management and the board of directors remain confident that the Group will remain operating as a going concern and will continue to honour liabilities as and when they fall due.

AST GROUP PLC

Directors' Report

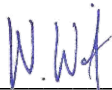
For The Six Months Ended 30 June 2024

State of Affairs and Outlook (cont.)

The activities of the Group are expected to remain consistent for the foreseeable future.

The Board of Directors does not recommend the distribution of an interim dividend.

Approved by the board of directors on 29 August 2024 and signed on its behalf by:



Mr. William Wait
Director



Dr. Kristian Balzan
Director

Registered Office:

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Central Business District
Birkirkara
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Malta

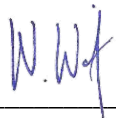
AST GROUP PLC

Directors' Statement pursuant to Capital Markets Rules 5.75.3 For The Six Months Ended 30 June 2024

Statement by Directors on the interim financial statements and other information included in the interim consolidated report

We hereby confirm that to the best of our knowledge:

- The unaudited consolidated management accounts give a true and fair view of the financial position of the Group as at 30 June 2024, and of its financial performance and cash flows for the six-month period then ended in accordance International Financial Reporting Standards as adopted by the EU applicable to interim financial reporting (IAS 34 'Interim Financial Reporting'), and
- The Interim Directors' Report includes a fair review of the information required in terms of the Capital Markets Rules 5.81 to 5.85.



Mr. William Wait
Director



Dr. Kristian Balzan
Director

29 August 2024

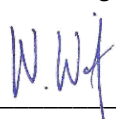
AST GROUP PLC

Interim Consolidated Statement of Financial Position

As at 30 June 2024

	Notes	30.06.2024 Euro	31.12.2023 Euro
ASSETS			
Non-current assets			
Property, plant and equipment	1	10,642,827	10,784,748
Right-of-use asset		8,586	8,586
Deferred tax assets	2	244,509	244,509
Other non-current assets		919	-
		10,896,841	11,037,843
Current assets			
Inventory	3	241,992	649,540
Trade and other receivables	4	3,069,748	3,374,642
Cash and cash equivalents	5	321,949	257,339
		3,633,688	4,281,521
Total assets		14,530,529	15,319,364
EQUITY AND LIABILITIES			
Equity			
Share capital		250,000	250,000
General reserve		312,044	312,044
Other reserve		160,204	160,204
Capital contribution		382,245	382,245
Revaluation reserve		3,913,866	3,913,866
Accumulated losses		(3,014,868)	(2,011,119)
		2,003,491	3,007,240
Liabilities			
Non-current liabilities			
Borrowings	6	8,229,750	8,192,095
Deferred tax liabilities		273,643	273,643
Other non-current liabilities		53,629	60,749
		8,557,022	8,526,487
Current liabilities			
Trade and other payables	7	3,920,810	3,755,091
Other current liabilities		49,206	30,546
		3,970,016	3,785,637
Total liabilities		12,527,038	12,312,124
Total equity and liabilities		14,530,529	15,319,364

The interim financial statements on pages 7 to 14 have been authorised for issue by the board of directors on 29 August 2024 and were signed on its behalf by:



Mr. William Wait
Director



Dr. Kristian Balzan
Director

AST GROUP PLC

Interim Consolidated Statement of Comprehensive Income For The Period Ended 30 June 2024

		01.01.2024 to 30.06.2024	01.01.2023 to 30.06.2023
	Note	Euro	Euro
Revenue	8	8,549,813	18,074,007
Cost of sales	9	(7,955,075)	(16,802,799)
Gross profit		594,739	1,271,208
Selling and distribution cost		-	(108,147)
Administrative expenses	10	(555,233)	(317,047)
Other income		387	24,671
Other gains		9,217	-
EBITDA		49,110	870,685
Depreciation and amortisation		(622,829)	(286,520)
Net finance costs		(430,030)	(363,425)
(Loss) / Profit before tax		(1,003,749)	220,740
Income tax expense		-	(18,224)
(Loss)/Profit for the year		(1,003,749)	202,516

AST GROUP PLC

Interim Consolidated Statement of Changes In Equity For The Period Ended 30 June 2024

	Share Capital	Retained Earnings / (Accumulated Losses)	Other Reserves	Revaluation Reserve	General Reserve	Capital Contribution	TOTAL
Balance at 1 January 2023	250,000	(18,068)	160,204	3,272,128	312,044	382,245	4,358,553
Total comprehensive income for the interim period	-	202,516	-	-	-	-	202,516
Balance at 30 June 2023	250,000	184,448	160,204	3,272,128	312,044	382,245	4,561,069
Balance at 31 December 2023	250,000	(2,011,119)	160,204	3,913,866	312,044	382,245	2,243,206
Balance at 1 January 2024	250,000	(2,011,119)	160,204	3,913,866	312,044	382,245	2,243,206
Total comprehensive loss for the interim period	-	(1,003,749)	-	-	-	-	(1,003,749)
Balance at 30 June 2024	250,000	(3,014,868)	160,204	3,913,866	312,044	382,245	2,003,491

AST GROUP PLC

Interim Consolidated Statement of Cash Flows For The Period Ended 30 June 2024

	01.01.2024 to 30.06.2024	01.01.2023 to 30.06.2023
Note	Euro	Euro
Cash flows from operating activities		
(Loss)/Profit for the period before interest and tax	(573,719)	584,165
<i>Adjusted for:</i>		
Depreciation and amortisation	622,829	287,070
Amortisation of bond-related costs	-	29,625
Right-of-use assets	-	1,172
Finance costs		104,333
<i>Working capital movements:</i>		
Movement in inventories	407,548	(356,724)
Movement in trade and other receivables	304,894	333,226
Movement in trade and other payables	452,985	(694,570)
Cash generated from operations	1,214,537	288,317
Interest paid	(680,560)	(82,198)
Income tax paid	-	(12,074)
Net cash generated from operating activities	533,977	194,045
Cash flows from investing activities		
Purchase of property, plant and equipment	(480,908)	(448,602)
Net cash used in investing activities	(480,908)	(448,602)
Cash flows from financing activities		
Movement from related party borrowings	11,541	124,487
Redemption of 5.25% bond 2018-2028	-	(1,835,000)
Issuance of 6.5% bond 2023-2033	-	8,500,000
Payment for lease obligations to third parties	-	(7,103)
Payment for redemption of sinking fund	-	(300,000)
Net cash generated from financing activities	11,541	6,482,384
Net increase in cash and cash equivalents	64,610	6,227,827
Cash and cash equivalents at start of period	257,339	1,119,809
Cash and cash equivalents at end of period	321,949	7,347,636

AST GROUP PLC

Notes to the Interim Consolidated Financial Statements For The Period Ended 30 June 2024

1. Property, Plant and Equipment

	Motor Vessels Euro	Improvements Euro	Office Equipment Euro	Computer Software Euro	Furniture & Fittings Euro	Total Euro
At 31 December 2023						
Cost / Revalued amount	13,258,525	6,038	8,620	16,338	73,092	13,362,613
Accumulated depreciation	(2,508,526)	(6,035)	(8,620)	(6,107)	(48,577)	(2,577,865)
Closing net book amount	10,749,999	3	-	10,231	24,515	10,784,748
At 30 June 2024						
Opening net book amount	10,749,999	3	-	10,231	24,515	10,784,748
Additions	478,511	-	-	2,397	-	480,908
Depreciation	(620,941)	-	(1,299)	-	(589)	(622,829)
Closing net book amount	10,607,569	3	(1,299)	12,628	23,926	10,642,827

The vessels were revalued by an independent valuer on 31 December 2023. The vessels are all held as collateral as security for the bondholders.

2. Deferred Tax Asset

	30.06.2024 Euro	31.12.2023 Euro
At the beginning of the period	244,509	69,263
Credited to profit or loss	-	175,246
At the end of the period	244,509	244,509

Deferred tax asset represents temporary differences arising from the following:

	30.06.2024 Euro	31.12.2023 Euro
Property, plant and equipment	(52,855)	(52,855)
Unabsorbed capital allowances	96,940	96,940
Unabsorbed tax losses	197,311	197,311
Leases	3,113	3,113
	244,509	244,509

AST GROUP PLC

Notes to the Interim Consolidated Financial Statements For The Period Ended 30 June 2024

3. Inventories

	30.06.2024	31.12.2023
	Euro	Euro
Animal feed	144,479	297,077
Spares	-	232,203
Fuel and oil	97,513	120,260
	241,992	649,540

4. Trade and Other Receivables

	30.06.2024	31.12.2023
	Euro	Euro
Trade receivables	1,036,889	1,490,277
Other receivables	590,023	44,467
Prepayments and accrued income	332,288	320,777
Advance payments	-	796,701
Amounts due from other related parties	852,187	476,951
VAT refundable	245,537	233,292
Tax refundable	12,823	12,177
	3,069,748	3,374,642

Amounts due from other related parties are unsecured, interest-free and repayable within the normal operating cycle of the Group.

AST GROUP PLC

Notes to the Interim Consolidated Financial Statements For The Period Ended 30 June 2024

5. Cash and Cash Equivalents

	30.06.2024	31.12.2023
	Euro	Euro
Cash at bank and in hand	321,949	257,339

6. Borrowings

	30.06.2024	31.12.2023
	Euro	Euro
8,500,000 6.25% secured bonds 2033	8,229,750	8,192,095

The face value of the bond is €8,500,000. Interest on the 6.25% secured bonds 2033 is payable annually in arrears, on 16 June of each year.

7. Trade and Other Payables

	30.06.2024	31.12.2023
	Euro	Euro
Trade payables	3,179,944	2,539,010
Other payables	13,055	123,083
Accrued expenses	652,613	1,034,143
Indirect taxation	75,198	58,855
	3,920,810	3,755,091

AST GROUP PLC

Notes to the Interim Consolidated Financial Statements For The Period Ended 30 June 2024

8. Revenue

	01.01.2024 to 30.06.2024 Euro	01.01.2023 to 30.06.2023 Euro
Sale of goods	4,846,891	16,493,135
Freight income	3,702,922	1,142,190
Management and recharge fee	-	438,682
	8,549,813	18,074,007

9. Cost of Sales

	01.01.2024 to 30.06.2024 Euro	01.01.2023 to 30.06.2023 Euro
Animal feed	6,425,234	15,725,316
Shipping	3,360,370	1,077,484
	7,955,075	16,802,799

10. Administrative Expenses

	01.01.2024 to 30.06.2024 Euro	01.01.2023 to 30.06.2023 Euro
Animal feed	353,963	214,244
Shipping	201,270	102,803
	555,233	317,047