

COMPANY ANNOUNCEMENT

The following is a Company Announcement issued by AX Group p.l.c. (the “**Company**” or the “**Issuer**”) pursuant to the Capital Market Rules, as issued by the Malta Financial Services Authority:

Quote

Issue of €40,000,000 AX Group p.l.c. 5.85% bonds 2033 - Basis of acceptance

With reference to Company Announcement AXG57/2023 issued on 18 October 2023 in relation to the oversubscription of the €40,000,000 5.85% unsecured bonds 2033 issued by the Company (the “**Bonds**” or the “**Bond Issue**”), the Board of Directors of the Company is pleased to announce the basis of acceptance for the Bonds.

In terms of the prospectus dated 26 September 2023 (the “**Prospectus**”), the Bonds were made available for subscription by: (i) holders of the €40,000,000 6% AX Investments p.l.c. unsecured bonds 2024 (ISIN: MT0000081233) (the “**Exchangeable Bonds**”) appearing on the bond register as at 22 September 2023 (the “**Existing Bondholders**”) up to the extent of their holding in the Exchangeable Bonds; and (ii) employees and directors of any company forming part of the AX Group as at 22 September 2023, and holders of the following AX Group securities as at 22 September 2023:

- the €15 million 3.25% AX Group p.l.c. Bonds 2026 (ISIN: : MT0002361203 (Series I));
- the €10 million 3.75% AX Group p.l.c. Bonds 2029 (ISIN: MT0002361211 (Series II));
- the €40 million 3.5% AX Real Estate p.l.c. Bonds 2023 (ISIN: MT0002571215); and
- the ordinary ‘A’ shares of AX Real Estate p.l.c (ISIN: MT0002570100).

(jointly hereinafter referred to as the “**Preferred Applicants**”).

The Company is pleased to announce that it has received a total of 3,411 applications (including applications under nominee) for a total value of €43,716,100.

Existing Bondholders were given preference to subscribe to the Bonds by surrendering their respective Exchangeable Bonds, subject to a minimum application of €1,000 (the “**Exchangeable Bond Transfer**”). Total Exchangeable Bonds transferred to the Company in exchange for Bonds amounted to €28,386,300, representing 70.97% of the Exchangeable Bonds in issue, and this amount was allocated in full by the Company to such Existing Bondholders. Within 30 calendar days from admission of the Bonds to listing, the Company will settle: interest on the Exchangeable Bonds surrendered for the Bonds, at the interest rate of 6%, for the period between and including 6 March 2023 and 6 November 2023; and the difference between the interest rate applicable to the Exchangeable Bonds (6%) and the interest rate of 5.85% applicable to the Bonds, from and including 7 November 2023 up to and including 5 March 2024, being the day prior to the Exchangeable Bonds’ redemption date.

The remaining balance of Bonds not subscribed for by Existing Bondholders by way of Exchangeable Bond Transfer as aforesaid, has been made available for subscription by Existing Bondholders applying for Bonds in excess of their holding in Exchangeable Bonds, and by Preferred Applicants, *pari passu* without priority or preference amongst themselves. Such Existing Bondholders and

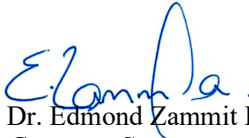
Preferred Applicants were allocated 75.59% of the amount applied for as at the date of closing of the offer period, rounded to the nearest €100.

In accordance with the terms and conditions of the Bonds set out in the Prospectus, interest on the Bonds will commence accruing as from 7 November 2023, and refunds of unallocated monies will be made to Existing Bondholders and Preferred Applicants by latest 2 November 2023. The Bonds are expected to be admitted to listing on the Official List of the Malta Stock Exchange on 7 November 2023, and trading is expected to commence on 8 November 2023.

The Company also announces that trading on the remaining Exchangeable Bonds will resume as from 7 November 2023.

The Board of Directors of the Company would like to thank the Existing Bondholders, Preferred Applicants and Authorised Financial Intermediaries for the support shown in this Bond Issue.

Unquote



Dr. Edmond Zammit Laferla
Company Secretary

26 October 2023

Company Announcement
AXG58/2023