



## COMPANY ANNOUNCEMENT

MEDSERV P.L.C.  
(THE “COMPANY”)

### Completion of Acquisition of METS Companies

<b>Date of Announcement</b>	23 February 2016
<b>Reference</b>	132/2016
<b>Listing Rule</b>	LR5.16

The Board of Directors of the Company refers to the company announcement of the 8 October 2015 (ref:120/2015) wherein it was announced that the Company and its subsidiary company, Medserv M.E. Limited had entered into a conditional share purchase agreement dated 8 October 2015, subject to the terms and conditions contained therein (the **SPA**) for the purchase of the following companies:

- a) Middle East Tubular Services Limited, a limited liability company incorporated under the laws of the British Virgin Islands and having a branch registered in Sharjah, United Arab Emirates (**METS UAE**);
- b) Middle East Tubular Services (Iraq) Limited, a limited liability company incorporated under the laws of the British Virgin Islands and having a branch registered in Iraq (**METS Iraq**); and
- c) Middle East Tubular Services LLC, FZC, a limited liability free zone company registered in the Sohar Free Zone, The Sultanate of Oman, United Arab Emirates, (**METS Oman**).

through the acquisition of the issued share capital of the newly incorporated company in the British Virgin Islands and named Middle East Tubular Services Holdings Limited (**METS Holdco**).

Reference is also made to the dual issue prospectus dated 21 December 2015 (the “**Prospectus**”), in particular to Clause 11.1 thereof setting out the use of proceeds of the dual issue.

The Board of Directors is pleased to announce that it has today completed the acquisition of entire issued share capital of METS Holdco, that in turn holds the entire issued share capital of METS UAE and METS Oman. In the case of METS Iraq, the Company announces that it has amended the terms of the SPA such that METS Holdco holds 90% of METS Iraq (rather than 100%), with the remaining 10% continuing to be held Jarrett Asset Holdings Corporation (**Jarrett**), a company incorporated and registered in the British Virgin Islands with registered company number 1057115. It was originally anticipated that the Sellers (that is, Milestone Overseas Holdings Limited and Pentagon Freight Services plc) would procure the transfer of Jarrett’s shares in METS Iraq to METS Holdco. After discussions held, the parties agreed that Jarrett



would continue to hold its 10% shareholding in METS Iraq, in consideration of which the purchase consideration of the METS Companies would be reduced from USD46,000,000 down to USD45,000,000. The Company amended the terms of the SPA in order to cater for this and did so after having considered the best interests of the Medserv group of companies. The Company however does not consider this variation to the transaction as whole to be significant or material, within the meaning of the Listing Rules.

Paul Hayward, founder of the METS Group will remain as Chairman of the METS Companies, whilst Gareth McMurray will retain his position as Regional Manager of the Companies in order to ensure the continued growth and success of the METS Group in the Middle East.

*“We are excited about the prospects that this acquisition brings to the table. Besides the strong presence in the Middle East which is in line with our strategy for geographic diversification, the synergies between the two groups of companies provides both METS and Medserv with an opportunity to grow and cross sell to their respective markets.”* said Anthony Diacono, Chairman of Medserv plc. *“The news has already been incredibly well received by our respective clients and we are already seeing the potential of the synergies come into play.”*

A handwritten signature in blue ink, appearing to read "Laragh Cassar".

**Laragh Cassar**  
Company Secretary