



## COMPANY ANNOUNCEMENT

MEDSERV P.L.C.  
(THE “COMPANY”)

### Interim Report

<b>Date of Announcement</b>	27 May 2021
<b>Reference</b>	238/2021
<b>Listing Rule</b>	LR 5.16

### QUOTE

#### Financial Summary

	<b>Qtr 1 2021</b>	<b>Qtr 1 2020</b>	<b>Qtr 1 2019</b>	<b>H1 2021F</b>
	€ Million	€ Million	€ Million	€ Million
<b>Revenue</b>	<b>5.9</b>	<b>8.8</b>	<b>12.5</b>	<b>18.6</b>
- Integrated Logistics Support Services (ILSS)	2.7	4.6	9.0	10.7
- Oil Country Tubular Goods (OCTG)	3.1	4.1	3.4	7.7
- Photovoltaic Farm	0.1	0.1	0.1	0.2
<b>Earnings before interest, tax, depreciation and amortisation (EBITDA)</b>	<b>1.0</b>	<b>1.5</b>	<b>3.6</b>	<b>4.8</b>
<b>EBITDA margin in %</b>	<b>16.9%</b>	<b>17.0%</b>	<b>28.8%</b>	<b>25.8%</b>

Revenue for the first quarter of year 2021 was lower than that registered last year. This is expected to be recovered in the second half of the year as offshore drilling projects postponed in year 2020 due to the COVID19 pandemic are scheduled to resume in the Mediterranean basin later this year. The OCTG segment is expected to register improved revenue and earnings before interest, tax, depreciation and amortisation (EBITDA) beginning second quarter 2021.

Reporting in the second half of the year will include the revenues and EBITDA of Regis Holdings Limited. This will mainly be categorised as ILSS and derived from the Sub-Saharan region.

#### Trading Update

The results for the first half of year 2021 continue being impacted by the COVID-19 pandemic particularly in the offshore drilling projects. Offshore drilling activity in Libya is still suspended. Cyprus postponed drilling to second half this year, likewise offshore drilling in Egypt is expected to resume in third quarter this year. This was mainly due to the inability to provide a safe working environment, consequent to travel bans and closure of ports imposed by Governments.



The results for the rest of the year are expected to improve with EBITDA per quarter to be better than the previous quarter. Major projects for which the Company is already contracted are expected to resume in the majority of its operating regions before year end with increased activity and volume in year 2022. These energy projects are of a long-term nature and require integrated logistics support services throughout the project life cycle.

The Company maintains its growth trajectory. Apart from establishing a footprint in Sub-Saharan region through the proposed transaction with Regis Holdings Limited, the Company continues to participate in tendering opportunities both in Suriname and neighbouring countries.

As announced the Company is in a transaction process with Regis Holdings Ltd that, subject to shareholder approval and other completion conditions, is expected to be concluded by 30 June-2021.

This consolidation of two similar groups operating in two different geographical markets will strengthen the new Company's market position and broaden its geographical footprint in strategic locations around the Mediterranean region, in the Middle East, Sub-Sahara Africa and Suriname. The global reach of Medserv – Regis will be in four continents, present in twelve countries and operating twelve bases.

The transaction will also allow the Company to restructure its debt as the Company's equity base will significantly improve as new cash is injected. The gearing level will reduce, offering the Company various options to finance its growth.

### **Industry Outlook**

Despite the turmoil experienced in these last twelve months the Company strengthened its business pipeline both organically and through acquisition. The Company's objective is to continue to deliver value to its customers. This current environment demands a new operating model of better collaboration and integration across all the players within the supply chain.

The introduction of new equity and increase of energy demands in parallel with the recoverability of the global economy should enable the Company to improve its financial performance and return to profits, as highlighted in the recently published prospective financial information for the years ending 31 December 2021 and 2022.

### **UNQUOTE**

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

**Laragh Cassar**  
Company Secretary