



COMPANY ANNOUNCEMENT

MEDSERV P.L.C.
(THE “COMPANY”)

COVID19 Update & Extension of Publication Deadline

Date of Announcement	7 April 2020
Reference	203/2020
Listing Rule	LR 5.16

QUOTE

The purpose of this announcement is to provide the market with an overview of the impact of COVID 19 on the Company and its operations:

Operational Update

Whilst COVID19 has presented many operational challenges, all the Group’s facilities continue to remain operational and to service clients. The global pandemic coupled with the downward pressure on the price of oil has had an impact on the Oil and Gas industry generally, particularly in exploratory offshore drilling projects. The result of this is that the majority of offshore drilling exploratory projects have been postponed rather than cancelled, including those projects involving services offered by the Company. On the other hand, demand for the Company’s services to the development and production facilities both offshore and onshore remain ongoing and consistent, particularly in the Middle East. Needless to say, the COVID19 effects on the industry will impact the Group and is expected to negatively impact the EBITDA (Earnings before interest, tax, depreciation and amortisation) for 2020.

The Company’s objective is to preserve its liquidity and ensure that it continues to register positive EBITDA. Immediate measures are being adopted across the Group to reduce costs. The Company has immediately taken action to adapt its cost base through lower operating costs and delaying capital expenditure.

In all countries in which the Group operates, including Malta, Cyprus, Egypt, UAE, Oman and Iraq, the respective subsidiary will benefit from varying schemes adopted by the respective Governments.



Based on the Company's mitigation plans put into immediate effect Medserv can confirm that it has sufficient resources and funds to maintain all its payment obligations as they arise and fall due through the course of the year.

The board of directors and senior management shall continue to adopt a proactive approach to the current environment to maintain the continued viability of the Company and shall keep the market updated on any significant developments as they occur.

Publication of Audited Financial Statements

The Company is currently undergoing its audit of its financial statements for the year ended 31 December 2019. Due to current unprecedented environment, the Company's auditors have requested an extension of one month to finalise the audit engagement arising out of resultant difficulties in collating audit evidence. The Company's board of directors have agreed to accept this extension and expect that the said audited financial statements will be published by the 31 May 2020. This announcement is being made in conformity with the circular published by the Malta Financial Services Authority on the 27 March 2020.

UNQUOTE

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

Laragh Cassar
Company Secretary