



## COMPANY ANNOUNCEMENT

MEDSERV P.L.C.  
(THE “COMPANY”)

### Interim Directors’ Statement

<b>Date of Announcement</b>	18 November 2015
<b>Reference</b>	123/2015
<b>Listing Rule</b>	LR5.86

#### QUOTE

The second half of the year has seen a continued expansion of Medserv’s business across the whole spectrum of operations. In the directors’ report attached to the financial statements for the six months to 30th June 2015, it was envisaged that the results for the second half of the year would not match those of the first half. However the results for the third quarter of the year have exceeded budget.

The Malta base continues to be busy, receiving large amounts of material in preparation of increased drilling activity offshore Libya. Medserv’s Libyan branch in Tripoli continues to provide essential administration and support services to our offshore Libyan activities.

The closure of the Misurata base has now been completed. Plant and equipment has been relocated to Malta for use in our drilling fluids manufacture and storage business.

The Cyprus base continues to generate revenue from its services to ENI. The recent discovery by ENI of the Zohr mega gas field offshore Egypt and close to Cypriot waters has increased interest in the area generally and which may lead to an expansion of activities at the Cyprus base.

Development of Medserv’s engineering services continues to gain momentum. On 8 October 2015, Medserv announced that a conditional agreement has been reached for the acquisition by Medserv M.E. Limited, a wholly owned subsidiary of Medserv p.l.c., of the entire share capital of three companies named Middle East Tubular Services Limited, Middle East Tubular Services (Iraq) Limited and Middle East Tubular Services LLC, FZC (together the “**METS Companies**”) for a consideration of US\$46 million. An extraordinary general meeting has been called to consider the details of the acquisition and to request shareholder approval. This acquisition will provide Medserv with an expanded blue chip client base, entry into a new geographical region, and a business with a focus on delivering essential but non-critical logistics and engineering services in the oil & gas sector in the Middle East.



The industry environment remains challenging as we reset to a lower level of oil and gas pricing. Medserv has moved quickly in response to this challenge and as mentioned above the Company surpassed forecasts for the third quarter of the year. The process to acquire the METS Companies is progressing well as are the Company's efforts to obtain a presence in Egypt and Trinidad though these are at an early stage.

#### **UNQUOTE**

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

**Laragh Cassar**  
Company Secretary