



FACT SHEET
€13 million 5.00% MedservRegis plc
Secured Bonds 2029

KEY DETAILS

Issuer:	MedservRegis plc	Listing:	Official List, Malta Stock Exchange
Amount Offered:	€13 million	Coupon:	5.00%
Maturity Date:	20 December 2029	Status:	Secured
Offer Price:	100.00% (par value of €100)	Complex:	No
Interest Payment Date:	Annually on 20 December (first interest payment date is 20 December 2023)	Minimum Subscription Amount:	€2,000 (nominal)
Closure of Offer Period:	2 December 2022 at 12:00 (noon)* ¹	Expected Listing Date:	20 December 2022

*¹ An Intermediaries' Offer will take place on 7 December 2022 in case of any unallocated amounts.

Rizzo, Farrugia & Co. (Stockbrokers) Ltd is acting as Sponsor to MedservRegis plc.

ABOUT MEDSERVREGIS

MedservRegis plc ("MedservRegis" or the "Group") is a global player in the provision of highly specialised logistics and engineering services to companies operating in the energy sector (namely oil and gas). The Group is present in twelve countries across four continents and has almost 50 years of experience in the field supporting large multinationals such as Eni, Sumitomo Corporation, and BP which are also key clients of MedservRegis.

Over the years, the Group grew extensively despite the various business cycles associated with the overall energy market. In 2016, Medserv plc acquired the METS Group which is active in the storage, inspection, and threading of steel pipes used for oilfield drilling (more commonly known as 'Oil Country Tubular Goods' – "OCTG"). More recently in 2021, Medserv plc and Regis Holdings Limited joined forces to create a stronger and more diversified organisation targeting new business opportunities and deeper penetration into the market.

MedservRegis has onshore bases that support its operations in the Mediterranean region, Middle East, and Sub-Saharan Africa. The logistic hub at the Malta Freeport Terminal serves as the base for the Group's activities offshore **Libya** where MedservRegis has contracts in place with Eni as well as with Mellitah Oil & Gas B.V. ("MOG").¹ Moreover, the facility operates as an international freight forwarding centre for OMV² and also houses a compressed gases filling plant that provides industrial gases to Air Liquide³. Elsewhere in the east Mediterranean region, MedservRegis has contracts in place with ExxonMobil, Eni, and TotalEnergies in **Cyprus**, as well as agreements with BP in **Egypt**.

In the Middle East, MedservRegis is principally active in **Oman** where the Group has a long-term contract with Sumitomo apart from an agreement with Marubeni Corporation.⁴ Separately, MedservRegis provides OCTG and machining services to Tenaris⁵ and Dubai Petroleum in the **United Arab Emirates** ("UAE") whilst in **Iraq**, the Group's main client is BP.

The most recent geographical expansion of the Group took place in Sub-Saharan Africa following the reverse merger with Regis Holdings Limited. In **Angola** (which is biggest oil producer in Sub-Saharan Africa), the main client of MedservRegis is Sonangol Integrated Logistics Services ("SONILS") which supports two-thirds of the country's oil production.⁶ In **Uganda**, the Group will be active in supporting the construction of a 1,440 km pipeline from Uganda to Tanzania (also known as the 'East African Crude Oil Pipeline' [EACOP] project) which is a multi-billion project for the delivery of crude oil extracted out of the 'Tilenga' oilfields around Lake Albert. Meanwhile in **Mozambique**, the Group has a fully-fledged facility in the northern part of the country where major discoveries of natural gas and graphite have been made over the years.

¹ MOG is a joint venture between the Libyan National Oil Corporation and Eni.

² OMV is a multinational integrated oil and gas company headquartered in Vienna.

³ Air Liquide is a French multinational and one of the largest companies in Europe.

⁴ Sumitomo and Marubeni are two large Japanese conglomerates with global operations.

⁵ Tenaris is a global manufacturer and supplier of steel pipes and related services, primarily for the energy industry.

⁶ Further information about SONILS is available at: <http://www.sonils.co.ao/en/index/>.



USE OF PROCEEDS

The net proceeds from the bond issue, estimated at €12.5 million after issuance costs, will be used for the redemption of the 6% secured and guaranteed notes 2020/23. The issuance of the bonds is conditional upon a minimum of €10 million being raised.

STATUS OF THE BONDS

The bonds will constitute the general, direct, and unconditional obligations of MedservRegis plc to be secured by the security granted by Medserv Operations Limited ("MedOps"). The bonds will at all times rank *pari passu*, without any priority or preference among themselves and with other outstanding and unsecured debt of MedservRegis plc, save for such exceptions as may be provided by law.

MedservRegis' obligations will be secured by a general hypothec and a special hypothec granted by MedOps in favour of the Security Trustee over the emphyteutical rights (which expire in May 2045) that MedOps holds in respect of the Medserv site located at Kalafrana within the confines of the Malta Freeport area which has been valued at just under €61 million.

PLAN OF DISTRIBUTION

- *Exchange Offer:* Holders of the existing 6% secured and guaranteed notes 2020/23 may exchange their current bonds with the new bonds, subject to a minimum of €2,000 (nominal). Moreover, bondholders may subscribe for additional bonds.
- *Intermediaries' Offer:* Any unallocated amounts not taken up by holders of the existing 6% secured and guaranteed notes 2020/23 will be available for subscriptions by Authorised Financial Intermediaries through an Intermediaries' Offer.

RISK FACTORS

The Issuer is subject to a number of risks pertaining to the nature of its business. Prospective investors are urged to read the 'Risk Factors' found in the Prospectus dated 9 November 2022. These are listed in Section 3 of the Registration Document and Section 3 of the Securities Note.

Prospective investors must also note that since the financial forecasts and the assumptions on which they are based relate to the future, they may be affected by unforeseen events. As such, the variation between forecasts, projections and actual results may be material.

APPLICATION PROCEDURE

Holders of the 6% secured and guaranteed notes 2020/23 wishing to exchange their current bonds with the new bonds are kindly asked to complete the 'Application Form' provided by MedservRegis plc which must be returned to us by 2 December 2022 at 12:00 hours (noon) together with a duly completed and signed 'Assessment & Confirmation Form'.

Since applications must be for a minimum of €2,000 (nominal), any additional top-ups (including amounts subscribed for over and above the amount of the exchangeable bonds) must be settled either by cheque in EUR payable to 'Rizzo, Farrugia & Co (Stockbrokers) Ltd – Clients a/c' or credited into either one of our EUR denominated Clients' Accounts as detailed below:

	HSBC Bank Malta plc	Bank of Valletta plc
EUR A/C No	006 050041 004	400 135 62906
IBAN	MT46 MMEB 4406 0000 0000 0605 0041 004	MT18 VALL 2201 3000 0000 400 135 62906
SWIFT CODE	MMEB MTMT	VALL MTMT



KEY FINANCIAL HIGHLIGHTS & METRICS

	2019 Actual ^{*1}	2020 Actual ^{*1}	2021 Actual ^{*2}	2022 Updated Forecasts ^{*3}	2023 Projection ^{*3}
Revenue - Integrated Logistics Support Services (€000)	52,198	16,560	19,022	31,723	36,714
Revenue - Oil Country Tubular Goods (€000)	16,047	15,352	7,177	22,425	21,910
Revenue - Photovoltaic Farm & Trading Activity ^{*4} (€000)	485	500	2,725	547	592
Total Revenue (€000)	68,730	32,412	29,925	54,694	59,216
Operating Costs (€000)	(56,011)	(26,847)	(24,620)	(43,064)	(45,065)
Adjusted EBITDA ^{*5} (€000)	12,719	5,565	5,305	11,630	14,151
Depreciation & Amortisation (€000)	(9,631)	(9,765)	(5,473)	(8,437)	(8,604)
EBIT (€000)	3,088	(4,200)	(168)	3,193	5,547
Net Finance Costs (€000)	(5,559)	(4,253)	(2,085)	(4,045)	(3,612)
Net Impairment Charges (€000)	-	(1,351)	(6,920)	-	-
Net Exchange Differences ^{*6} (€000)	(82)	253	1,812	-	-
Profit before Tax (€000)	(2,553)	(9,552)	(7,361)	(852)	1,935
Net Profit/(Loss) (€000)	(3,333)	(8,795)	(7,203)	294	1,678
Net Cash from Operating Activities (€000)	8,675	10,124	6,580	9,834	12,530
Net Cash (used in)/from Investing Activities (€000)	(1,171)	(1,680)	(1,893)	(2,443)	(4,054)
Free Cash Flow (€000)	7,504	8,444	4,687	7,391	8,476
Net Cash (used in)/from Financing Activities (€000)	(9,036)	(3,976)	(5,290)	(7,392)	(7,058)
Net Change in Cash & Cash Equivalents (€000)	(1,532)	4,467	(604)	(1)	1,418
Current Assets (€000)	26,942	18,516	35,458	34,599	36,647
Total Assets (€000)	150,447	121,769	150,786	141,147	142,004
Current Liabilities (€000)	18,519	10,723	15,028	12,912	12,751
Total Liabilities (€000)	136,358	117,477	87,968	78,053	77,578
Bonds (€000)	50,340	49,799	49,491	41,499	41,869
Bank Borrowings (€000)	9,715	9,935	8,327	8,514	6,705
Lease Liabilities (€000)	30,545	18,370	14,442	13,650	14,876
Total Debt (€000)	90,600	78,104	72,259	63,663	63,450
Cash & Cash Equivalents (€000)	5,743	7,267	11,984	9,576	10,525
Net Debt (€000)	84,857	70,837	60,275	54,087	52,925
Total Equity (€000)	14,088	4,292	62,818	63,095	64,426
Shareholders' Funds (€000)	14,768	5,344	60,030	59,629	60,792
Cash Ratio [times] (Cash & Cash Equivalents / Current Liabilities)	0.31	0.68	0.80	0.74	0.83
Current Ratio [times] (Current Assets / Current Liabilities)	1.45	1.73	2.36	2.68	2.87
Acid Test Ratio [times] ((Current Assets - Inventories) / Current Liabilities)	1.38	1.63	2.29	2.62	2.81
Asset Turnover Ratio [times] (Revenue / Total Assets)	0.46	0.27	0.20	0.39	0.42
EBITDA Margin [%] (EBITDA / Revenue)	18.5	17.2	17.7	21.3	23.9
Operating Profit Margin [%] (Operating Profit / Revenue)	4.49	(13.0)	(0.56)	5.84	9.37
Net Profit Margin [%] (Net Profit / Revenue)	(4.85)	(27.1)	(24.1)	0.54	2.83
Interest Cover [times] (EBITDA / Net Finance Costs)	2.29	1.31	2.54	2.88	3.92
Net Debt-to-EBITDA [times] (Net Debt / EBITDA)	6.67	12.7	11.4	4.65	3.74
Net Debt-to-Equity [times] (Net Debt / Equity)	6.02	16.5	0.96	0.86	0.82
Net Debt-to-Invested Capital [times] (Net Debt / (Net Debt + Equity))	0.86	0.94	0.49	0.46	0.45
Gearing Ratio [%] (Total Debt / (Total Debt + Equity))	86.5	94.8	53.5	50.2	49.6
Debt-to-Asset Ratio [times] (Total Debt / Total Assets)	0.60	0.64	0.48	0.45	0.45
Leverage Ratio [times] (Total Assets / Total Equity)	10.7	28.4	2.40	2.24	2.20

^{*1} Reflecting the performance and financial position of the former Medserv plc.

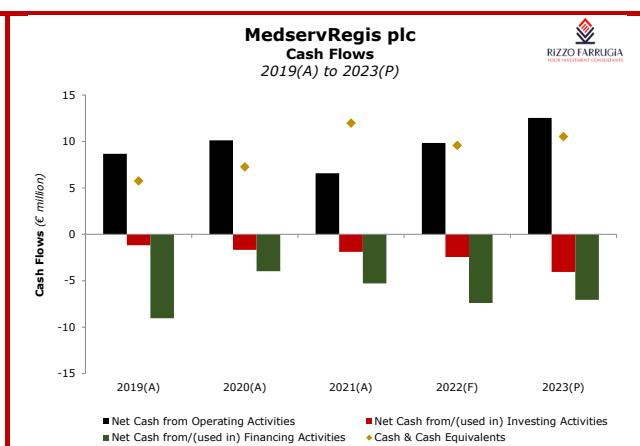
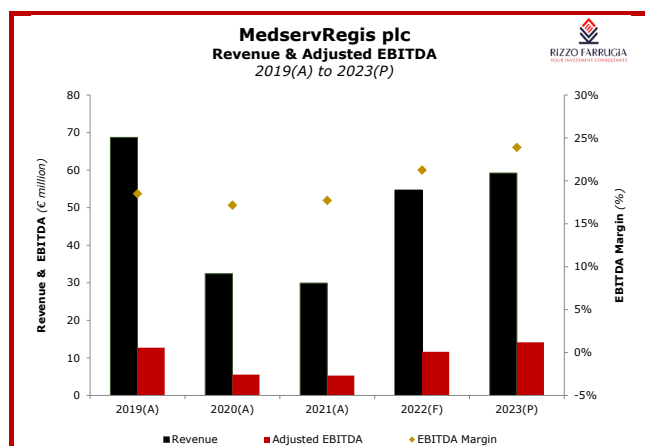
^{*2} Reflecting the six-month contribution of the former Medserv plc and the full-year performance of the former Regis Holdings Limited. The extracts from the Statement of Financial Position reflect the combination of the former Medserv plc and Regis Holdings Limited.

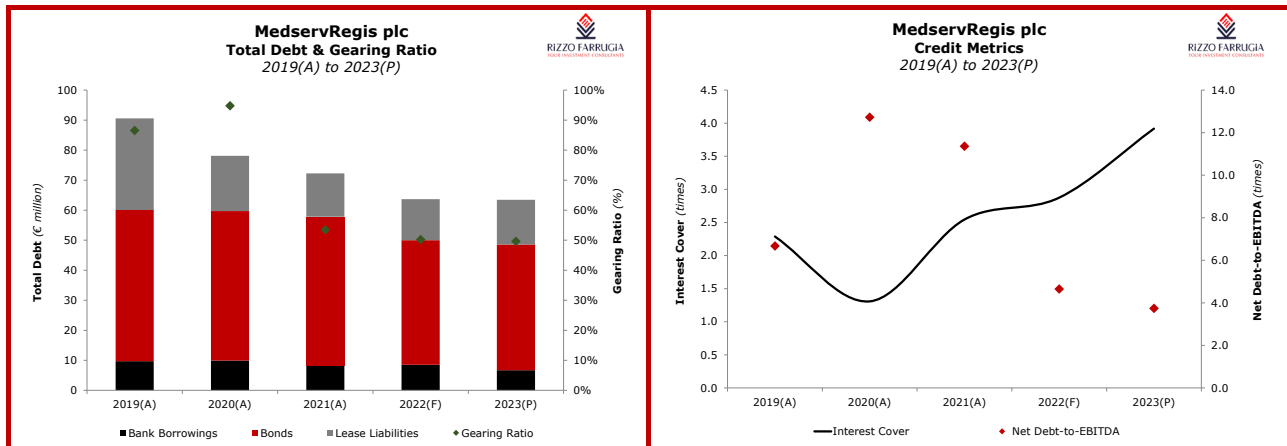
^{*3} Reflecting the twelve-month performance of the former Medserv plc and Regis Holdings Limited.

^{*4} Trading activity involves the trading and exportation of goods produced in South Africa.

^{*5} EBITDA is adjusted for impairment losses and include income from investments; gains on investments, disposal of PPE, and lease modifications; government grants; as well as exchange differences arising out of operating activities.

^{*6} Arising out of financing activities.





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Additional information can be made available upon request from Rizzo, Farrugia & Co. (Stockbrokers) Ltd., Airways House, Fourth Floor, High Street, Sliema SLM 1551, Malta. Telephone: +356 2258 3000; Email: info@rizzofarrugia.com; Website: www.rizzofarrugia.com