

16 September 2019

MS INTERNATIONAL plc  
(the “Company”)  
Trading statement and acquisition of Armada Janse

It is most disappointing to report, though not surprising, that the Company is not immune to the negative impact of the widespread global economic uncertainty. As reported in the last Chairman’s results statement, these are proving to be 'interesting times'.

Across the four divisions we are seeing a progressive reduction in demand for both our products and services. Of particular significance is the significant slowdown and delays in the awarding of UK defence related contracts, following requests for tender submissions. Delays in anticipated contract awards, by their very nature, engender costly uncertainty and concern particularly when being the only genuinely qualified potential supplier. Unfortunately, responding to customer invitations to submit a comprehensive tender and then failing to award a contract is becoming an increasingly frustrating feature of our domestic defence business.

Notwithstanding these challenges, as a highly reputable and innovative SME, we are firmly committed to defending our company position for the long term in this important strategic market. Accordingly, we took great pride in launching at the recent London International Defence Equipment Exhibition a number of new and exciting products, emanating from our ambitious privately funded product development programmes and enhanced international marketing. Pleasingly, the interest and response of both existing and of potentially new customers from around the world, should prove to be very rewarding over time.

In summary, given this reduction in demand, in the short term we expect a substantial weakening in the Company’s results, although for the future we firmly believe that we are well placed with additional strong business positions and a very healthy maintained cash position.

### **Acquisition of Armada Janse**

Although much uncertainty presently prevails, nevertheless new business opportunities open up and we are pleased to announce that we have acquired, through our wholly owned subsidiary company Petrol Sign bv, the entire issued share capital of Armada Janse bv (“AJ”) from Armada Group BV. AJ is based in The Netherlands, with expertise in the design; manufacture; installation and service of corporate branding. The consideration for the acquisition is Euro 339,000. This represents the net assets of AJ at 30<sup>th</sup> June 2019. Additionally, Euro 281,000 owing by AJ to Armada Group BV was repaid on completion. The consideration has been satisfied from the Group’s existing cash resources.

AJ, established in 1935, provides illuminated advertising; media facades; signage; public illumination and creative lighting solutions. For the financial year ended 31<sup>st</sup> December, 2018 AJ had unaudited revenues of Euro 4,818,000 and an unaudited profit before taxation of Euro 33,000.

We believe that this acquisition, whilst further strengthening our already strong position in the petrol station branding market, will also introduce a highly reputable position for us in the

international, general retail and automotive markets. Accordingly we will change the name of our present 'Petrol Station Branding Division' to 'Corporate Brandings Division'.

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