
Prospectus

Dated 29 September 2006

In respect of an Offer through Intermediaries made by

MOH Limited

and

**Malampaya Investments
Limited**

Of a total of 2,500,000 Shares of a nominal value of Lm0.10 each in



Medserv p.l.c.

(formerly A.D. Holdings Limited)

At an Offer Price of Lm1.30 per Share

Sponsoring Stockbrokers



Charts Investment Management Service Ltd.



HSBC Stockbrokers (Malta) Ltd.

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Summary Note

This document is a Summary Note issued in accordance with the provisions of Chapter 6 of the Listing Rules issued by the Listing Authority and in accordance with the provisions of Commission Regulation (EC) No 809/2004 of 29 April, 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council as regards information contained in a prospectus.

This Summary Note is issued pursuant to the requirements of Rule 6.4.1 of the Listing Rules and contains information about Medserv p.l.c. (the "Company") for which application has been made for admission to trading on the Malta Stock Exchange. This Summary Note should be read in conjunction with the most updated Registration Document and Securities Note issued by the Company from time to time that will provide the details of the Company and Shares to which these documents relate.

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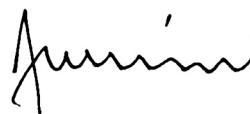
Medserv p.l.c.

(formerly A.D. Holdings Limited)

At an Offer Price of Lm1.30 per Share



Anthony S. Diacono
Director



Anthony J. Duncan
Director

Legal Counsel to the Company

Camilleri Preziosi

**Financial Advisors,
Auditors &
Reporting Accountants**

KPMG

Sponsoring Stockbrokers

Charts Investment Management Service Ltd.
HSBC Stockbrokers (Malta) Ltd.

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Important Information

THIS DOCUMENT CONSTITUTES PART OF A PROSPECTUS AND CONTAINS INFORMATION ON MEDSERV P.L.C. AND ITS SUBSIDIARY MEDSERV OPERATIONS LIMITED (TOGETHER REFERRED TO IN THIS DOCUMENT AS THE GROUP) AND THEIR BUSINESS. THE INFORMATION IS BEING MADE AVAILABLE IN CONNECTION WITH AN OFFER BY MOH LIMITED AND MALAMPAYA INVESTMENTS LIMITED OF TWO MILLION FIVE HUNDRED THOUSAND (2,500,000) ORDINARY SHARES IN MEDSERV P.L.C. (THE "COMPANY") THROUGH INTERMEDIARIES WHETHER FOR THEIR OWN ACCOUNT OR FOR THE ACCOUNT OF UNDERLYING CUSTOMERS OR FOR FUTURE DISTRIBUTION. THE SHARES HAVE A NOMINAL VALUE OF LM0.10 EACH AND ARE BEING OFFERED AT A PRICE OF LM1.30 PER SHARE.

THIS DOCUMENT INCLUDES INFORMATION GIVEN IN COMPLIANCE WITH THE LISTING RULES OF THE LISTING AUTHORITY FOR THE PURPOSE OF GIVING INFORMATION WITH REGARD TO THE COMPANY. ALL OF THE DIRECTORS OF THE COMPANY, WHOSE NAMES APPEAR UNDER THE HEADING DIRECTORS (THE "DIRECTORS"), ARE THE PERSONS RESPONSIBLE FOR THE INFORMATION CONTAINED IN THIS PROSPECTUS. TO THE BEST OF THE KNOWLEDGE AND BELIEF OF THE DIRECTORS OF THE COMPANY (WHO HAVE ALL TAKEN REASONABLE CARE TO ENSURE SUCH IS THE CASE), THE INFORMATION CONTAINED IN THIS PROSPECTUS IS IN ACCORDANCE WITH THE FACTS AND DOES NOT OMIT ANYTHING LIKELY TO AFFECT THE IMPORT OF SUCH INFORMATION. THE DIRECTORS ACCEPT RESPONSIBILITY ACCORDINGLY.

NO BROKER, DEALER, SALESMAN OR OTHER PERSON HAS BEEN AUTHORISED BY THE COMPANY OR ITS DIRECTORS, TO ISSUE ANY ADVERTISEMENT OR TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS IN CONNECTION WITH THE SALE OF THE SHARES (AS DEFINED HEREIN) OTHER THAN THOSE CONTAINED IN THIS PROSPECTUS AND IN THE DOCUMENTS REFERRED TO HEREIN IN CONNECTION WITH THE OFFER HEREBY MADE, AND IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORISED BY THE COMPANY, ITS DIRECTORS OR ADVISORS.

THE ADVISORS ENGAGED BY THE COMPANY FOR THE PURPOSE OF THIS OFFER ARE ACTING EXCLUSIVELY FOR THE COMPANY.

THE LISTING AUTHORITY ACCEPTS NO RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS, MAKES NO REPRESENTATIONS AS TO ITS ACCURACY OR COMPLETENESS AND EXPRESSLY DISCLAIMS ANY LIABILITY WHATSOEVER FOR ANY LOSS HOWEVER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS PROSPECTUS.

A COPY OF THIS DOCUMENT HAS BEEN REGISTERED WITH THE LISTING AUTHORITY IN SATISFACTION OF THE LISTING RULES, THE MALTA STOCK EXCHANGE IN SATISFACTION OF THE MALTA STOCK EXCHANGE BYE-LAWS AND HAS BEEN DULY FILED WITH THE REGISTRAR OF COMPANIES, IN ACCORDANCE WITH THE ACT.

STATEMENTS MADE IN THIS DOCUMENT ARE, EXCEPT WHERE OTHERWISE STATED, BASED ON THE LAW AND PRACTICE CURRENTLY IN FORCE IN MALTA AND ARE SUBJECT TO CHANGES THEREIN.

APPLICATION HAS BEEN MADE TO THE LISTING AUTHORITY FOR THE SHARES TO BE CONSIDERED AS ADMISSIBLE TO LISTING ON A RECOGNISED INVESTMENT EXCHANGE. IN ADDITION, APPLICATION HAS ALSO BEEN MADE TO THE COUNCIL OF THE MALTA STOCK EXCHANGE, AS A RECOGNISED INVESTMENT EXCHANGE, FOR THE SHARES TO BE ADMITTED TO THE OFFICIAL LIST UPON ALLOCATION TO INTERMEDIARIES. DEALINGS ARE EXPECTED TO COMMENCE ON THE SAID EXCHANGE ON 24 OCTOBER 2006.

THE VALUE OF INVESTMENTS CAN RISE OR FALL AND PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE PERFORMANCE. IF YOU NEED ADVICE YOU SHOULD CONSULT A LICENSED STOCKBROKER OR AN INVESTMENT ADVISOR LICENSED UNDER THE INVESTMENT SERVICES ACT, CAP. 370 OF THE LAWS OF MALTA.

THIS DOCUMENT AND ALL AGREEMENTS, ACCEPTANCES AND CONTRACTS RESULTING THEREFROM SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF MALTA AND ANY PERSON ACQUIRING ANY SHARES PURSUANT TO THE PROSPECTUS SHALL SUBMIT TO THE JURISDICTION OF THE MALTESE COURTS, WITHOUT LIMITING IN ANY MANNER THE RIGHT OF THE COMPANY OR THE OFFERORS TO BRING ANY ACTION, SUIT OR PROCEEDING ARISING OUT OF OR IN CONNECTION WITH ANY PURCHASE OF SHARES OR AGREEMENT RESULTING HEREFROM OR THE PROSPECTUS AS A WHOLE IN ANY OTHER COMPETENT JURISDICTION.

THIS DOCUMENT SHOULD BE READ IN CONJUNCTION WITH THE REGISTRATION DOCUMENT AND SECURITIES NOTE CONTAINING INFORMATION ABOUT THE BUSINESS OF THE GROUP AND THE OFFERING.

Definitions

In this document the following words and expressions shall bear the following meanings except where the context otherwise requires:

Act	the Companies Act, Cap. 386 of the Laws of Malta;
Company or Medserv	Medserv p.l.c.;
Directors or Board	the directors of the Company whose names are set out under the heading “Identity of Directors, Senior Management, Advisors and Auditors”;
Group	the Company and the Operating Company;
Intermediaries	HSBC Stockbrokers (Malta) Ltd and Charts Investment Management Service Limited;
Malta Stock Exchange or MSE	the Malta Stock Exchange as defined by the Financial Markets Act (Cap.345 of the Laws of Malta);
Maltese Liri	the lawful currency from time to time of the Republic of Malta;
Offer or Offering	the offer of the Shares by the Offerors at the Share Offer Price;
Offerors	MOH Limited and Malampaya Investments Limited;
Operating Company	Medserv Operations Limited;
Prospectus	this document together with the Registration Document dated 29 September 2006 and the Securities Note dated 29 September 2006 in connection with the offer of Shares by the Offerors;
Registration Document	the document as set out on pages 17 to 47 of this Prospectus;
Securities Note	the document as set out on pages 48 to 63 of this Prospectus;
Share Offer Price	the price of Lm1.30 for each Share;
Shares	the two million five hundred thousand (2,500,000) ordinary shares in the Company of a nominal value of Lm0.10 each being offered by the Offerors at the Share Offer Price;
Summary Note	this document as set out on pages 3 to 16 of this Prospectus.

Warning to Potential Investors

This Summary Note forms part of the Prospectus containing information concerning the Company and the Shares. This Summary Note is intended to briefly convey the essential characteristics of, and risks associated with, the Company and the Shares.

You should carefully take into consideration the following criteria for evaluation of this Summary Note:

- the Summary Note should be read as merely an introduction to the Prospectus;
- any decision to invest in the Shares should be based on consideration of the Prospectus as a whole;
- civil liability is attached to the Company which has tabled this Summary Note and applied for its notification only if the Summary Note is shown to be misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus.

1. Identity of Directors, Senior Management, Advisors and Auditors

ALL OF THE DIRECTORS OF THE COMPANY, WHOSE NAMES APPEAR BELOW AS DIRECTORS (THE "DIRECTORS"), ARE THE PERSONS RESPONSIBLE FOR THE INFORMATION CONTAINED IN THIS DOCUMENT. TO THE BEST OF THE KNOWLEDGE AND BELIEF OF THE DIRECTORS OF THE COMPANY (WHO HAVE ALL TAKEN REASONABLE CARE TO ENSURE SUCH IS THE CASE), THE INFORMATION CONTAINED IN THIS DOCUMENT IS IN ACCORDANCE WITH THE FACTS AND DOES NOT OMIT ANYTHING LIKELY TO AFFECT THE IMPORT OF SUCH INFORMATION. THE DIRECTORS ACCEPT RESPONSIBILITY ACCORDINGLY. THEY HAVE BEEN ADVISED AND ASSISTED IN THE DRAFTING AND COMPILATION OF THE DOCUMENT BY THE PERSONS MENTIONED UNDER THE HEADING "ADVISORS".

Directors

Name	Function
Anthony J. Duncan	Executive Director
Anthony S. Diacono	Executive Director
Johannes Jacobus van Leeuwen	Non-Executive Director
Joseph F.X. Zahra	Non-Executive Director
Louis de Gabriele	Company Secretary

Advisors and Auditors

Legal Counsel to the Company	Camilleri Preziosi Level 3, Valletta Buildings, South Street, Valletta VLT11, Malta
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Sponsoring Stockbrokers	Charts Investment Management Service Limited 18A 3rd Floor, Europa Centre, Floriana VLT15, Malta
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	HSBC Stockbrokers (Malta) Ltd 233, Republic Street, Valletta VLT05, Malta
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Financial Advisors, Auditors & Reporting Accountants	KPMG Portico Building, Marina Street, Pieta MSD08, Malta
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Management of Operating Company	General Manager - Godwin Borg Administration and Procurement Manager - Mario Sciberras Health, Safety and Environment Manager - Stephen Forster Yard Manager - Charles Vella Chief Accountant - Colin Galea Contracts Manager - Godwin Catania
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2. Presentation of Certain Information

Medserv is a holding company that does not undertake any trading and business activities in its own name. Its object is that of a holding company and as such holds, directly or indirectly one hundred per cent ownership of the issued share capital of the Operating Company. The Company's operating and financial performance is therefore directly related to the financial and operating performance of the Operating Company. Accordingly, all financial and business information reproduced in this Summary Note relates to the Group and/or the Operating Company, where applicable. This document also contains references to the Company, the Group and the Operating Company where it is deemed appropriate that such references could assist an investor to better understand the information contained in this document. Investors are urged to consult the definition section of this document for the exact meanings of those terms.

3. Offer Statistics and Expected Timetable

The Shares are being placed initially with Intermediaries who have entered into conditional share purchase agreements with the Company for the acquisition of the Shares. Thereafter, it is expected that the Shares are admitted to the Official List of the MSE on 23 October 2006, and secondary trading to commence on 24 October 2006.

4. Key Information

4.1 Selected Financial Data, and Information on the Company's Capitalisation & Indebtedness

Extracts from the historical financial statements of the Group for the three years ended 31 December 2003 to 2005 are set out below:

For the Years Ended 31 December	2005 Lm'000	2004 Lm'000	2003 Lm'000
Revenue	4,207	3,875	2,838
Gross profit	1,497	1,114	1,140
Profit before tax	789	649	850
Profit for the year	1,943	680	961
Total assets less current liabilities	2,785	1,332	1,017
Interest-bearing borrowings	350	761	229
Total equity	2,768	1,174	843
For the Years Ended 31 December	2005 Lm	2004 Lm	2003 Lm
Earnings per share ¹	0.19	0.07	0.10

¹ Calculated on the basis of 10,000,000 nominal shares of Lm0.10 each in issue as at the date of the Prospectus.

4.2 Reasons for the Offer and Use of Proceeds

The current shareholders of the Company believe that with the listing of the Company's Shares on the Malta Stock Exchange the Company would enjoy a faster and more efficient access to funds to finance its future operations if and when this is required. Furthermore the shareholders also consider that public status for the Company would raise its profile not only with possible future providers of funds but also with its clients, both present and future. It is also a signal that the Company abides by the same corporate governance rules and standards which increasingly apply throughout the industry. The proceeds of the Offer of the Shares shall be applied to the benefit of the Offerors, less the expenses incurred in the process of the Offer.

4.3 Risk Factors

You should carefully consider the following matters, as well as the other information contained in the Prospectus, before making any investment decision with respect to the Company. If any of the risks described were to materialise, they could have a serious effect on the Company's financial results, trading prospects and the ability of the Company to fulfil its obligations under the Shares being offered.

The risks and uncertainties discussed below are those that the Directors believe to be material, but these risks and uncertainties may not be the only ones that the Group faces. Additional risks and uncertainties, including those which the Group's Directors are not currently aware of or deem immaterial, may well result in a material impact on the financial condition and operational performance of the Group that could lead to a decline in value of the Shares.

Forward Looking Statements

This Summary Note contains forward-looking statements that include, among others, statements concerning the Company's strategies and plans relating to the attainment of those objectives, its capital requirements and other statements of expectations, beliefs, future plans and strategies, anticipated developments and other matters that are not historical facts and which may involve predictions of future circumstances. Investors can generally identify forward-looking statements by the use of terminology such as "may", "will", "expect", "intend", "plan", "estimate", "anticipate", "believe" or similar phrases. These forward-looking statements are inherently subject to a number of risks, uncertainties, and assumptions. Important factors that could cause actual results to differ materially from the expectations of the Company's Directors include those risks identified hereunder and elsewhere in this Prospectus.

The Company cautions the reader that these forward-looking statements are subject to risks and uncertainties that could cause actual events or results to differ from those expressed or implied by the statements and no assurance is given that the future results or expectations will be achieved.

Risks Relating to the Industry Sector

Medserv's business activities consist in supporting and servicing the oil and gas industry. Inevitably, therefore, the Company is exposed to a certain extent to the risks associated with the trends and future outlook of that industry as a whole.

Market

The level of demand for the Group's services may be dependant to a certain extent on the level of economic activity within the oil and gas industry. The Directors are of the view that this level of demand for the Group's services may well be dependant on the level of construction of new drilling and products facilities in various regions around the world. The level of production activity by oil and gas producers is, in turn, largely based on the demand for oil and gas and accordingly, to a certain extent, on the price of oil and gas. There can be no guarantee that the current pricing level of oil can be sustained or that it will continue to rise.

Risks Relating to the Geographical Concentration of the Group's Business

Medserv's activities are concentrated in servicing and supporting international companies undertaking oil exploration or development offshore the North African coast, with prevalence for companies having concessions granted by the Libyan National Oil Corporation. Whilst the Group's assets are all in Malta, its revenue streams depend on the intensity of the activities being undertaken by its customers in the North African Region. Accordingly, the Group is exposed to the geopolitical risks associated with the region.

The policies on oil exploration and extraction adopted by the jurisdictions where the Group's customers undertake their business are key to the development of the industry within the region. These policies will determine the level of demand and reliance that these international companies will place on the Group's services to them. Accordingly, a shift in policy by any of these jurisdictions will have an adverse impact on the Medserv's operational performance and financial condition. In addition the Group's customers and potential customers are heavily involved in developing concessions in this region, particularly within Libya, that is, and is expected to remain, the prime market for the Group's services. The present lack of diversification of the interests of the Group accordingly renders Medserv more exposed to any political and economic shifts in the region over which it has no control.

In addition, the said political, social and economic instability risks are emphasised by the fact that the region in which the Group's present customers operate, is exposed to a higher level of risk than is normally associated with in regimes like Western Europe and North America. These risks may also include government embargoes, changes in government policies, exchange controls and economic or political sanctions by other states and international organisations that could have a significant impact on any business conducted by the Group's customers in those markets.

Suitability

Potential investors should be aware that the value of investments can rise and fall and that an investment in shares in a company like the Company, which has a significant exposure to a limited market which is itself an emerging market, may carry a higher risk than investment in a company with a higher diversification.

Other Considerations

In common with many businesses, the Company will be relying heavily on the contacts and expertise of the Executive Directors and other key personnel within the Group to identify opportunities for new contracts with companies gaining access to the North African oil exploration and drilling market and to successfully conclude contracts with such operators. The loss of one or more of such Executive Directors and other key personnel within the Group could have an adverse effect on the Company.

Risks Relating to the Shares

Minority Shareholding

Due to the size of their shareholdings, and the possible pooling of their votes, the Offerors are in a position to decisively influence matters that require approval of shareholders, including resolutions regarding dividends and other important measures.

No Prior Market for Shares and Limited Liquidity of the Malta Stock Exchange

Prior to the Offering, there has been no public market for the Company's Shares within or outside Malta. Due to the absence of any prior market for the Shares, there can be no assurance that the Share Offer Price will correspond to the price at which the Shares will trade in the market subsequent to the Offering. The market price of the Shares could be subject to significant fluctuations in response to many factors, including, the Company's operating results, and developments in the economies of other countries to which the Group is exposed or other factors. Application has been made for the Shares to be admitted to the Official List of the Malta Stock Exchange, which is smaller and less liquid than the more developed stock markets in Europe and the United States. Currently equity securities of only thirteen Maltese companies are traded on the Malta Stock Exchange out of which twelve equity securities are on the Official List of the MSE and on the Alternative Companies List. The limited liquidity of the market for the Shares could increase the price volatility of the Shares and may impair the ability of a holder of Shares to sell such Shares in the market in the amount and at the price and time such holder wishes to do so. To control price volatility, the Malta Stock Exchange may not allow matching of deals in shares of a listed company when the price falls outside a seven per cent range from the previous day's traded weighted average price.

Following the completion of this Offering, the price at which the Shares will be traded, as well as the sales volume of the Shares traded, will be subject to fluctuations. These fluctuations may not necessarily be caused by the Group's business activity or its results of operations. It is also possible that the Group's results of operations or its business outlook may fall short of expectations, in which case the price of the Shares could be negatively affected.

5. Information about the Company

5.1 Historical Development

(a) Introduction

Full Legal Name of Company	Medserv p.l.c. – formerly A.D. Holdings Limited
Registered Address	Port of Marsaxlokk, Birzebbugia BBG07, Malta
Place of Registration	Malta
Registration Number	C 28847
Date of Registration	On 26 October 2001 the Company was registered as a private company under the Act. By resolution of the Shareholders dated 27 September 2006, the Company was converted into a public limited company in accordance with the provisions of section 213 of the Act.
Other	The Company is lawfully existing and registered as a public limited company in terms of the Act.
	Telephone Number +356 2220 2000
	Fax Number +356 2220 2328
	Email Address info@medservmalta.com
	Website www.medservmalta.com

(b) Important Events in the Development of the Company

The Company is a holding company that has as its sole investment the ownership of the Operating Company. The Company was first established on 26 October 2001, as a private company under the Act, as the corporate vehicle intended to acquire the shares in the Operating Company. By virtue of an agreement dated 22 November 2001 the shareholders of the Operating Company granted an option to the Company to purchase their entire shareholding therein. Accordingly, the Company acquired 100% of the total issued share capital of the Operating Company in two tranches, the first comprising 49% of the issued share capital on 3 December 2001 with the remaining 51% being purchased on 19 November 2003. The Company has since then retained the shares acquired by virtue of those transactions.

In preparation of this Offering of Shares, the Company was converted into a public limited company in accordance with section 213 of the Act and is currently duly registered and existing as a public company pursuant to the Act. By virtue of another resolution dated 27 September 2006 the shareholders increased the issued share capital to Lm1 million through the capitalisation of retained earnings of the Company and subsequently made a share split whereby each share having a nominal value of Lm1 was subdivided into 10 shares of a nominal value of Lm0.10 each.

The Company does not itself carry on any business except that of a holding company owning, directly or indirectly, one hundred per cent of the Operating Company that carries on all the business activities of the Group (See “**Business Overview**” below).

Medserv Operations Limited, the Group’s Operating Company (previously called Medserv Limited), was set up on 11 December 1974 with limited liability and with company registration number C2971. Originally the Operating Company was established as a joint venture between the Government of Malta and companies in the Albert Abela Group, which at the time was a multinational group of service companies, with the objective of providing a comprehensive range of support services to the oil and hydrocarbon industry in Malta and abroad. For 28 years, Medserv operated a supply and services base from Manoel Island. In May 1997, Albert Abela (Gulf) Inc. acquired the shareholding then held by the Government of Malta (sixty five per cent of the issued share capital). When in 2001 the Operating Company was taken over by the Company, it concentrated primarily on the re-organisation of its management structures and the transfer of its activities from Manoel Island to its new base in Kalafra, within the precincts of the Malta Freeport, a move that was successfully completed in 2003.

In September 1983 the Operating Company formed a subsidiary company by the name of Ansaldo-Medserv International Services Limited. The company ceased active trading in 2002 but changed its name to Medoffshore Trading Limited in March 2004. The shareholders of the company resolved to merge the said company into the Operating Company with effect from 1 January 2005. Draft terms of merger were duly approved by the shareholders of Medoffshore Trading Limited and subsequently filed with the Registry of Companies on 22 September 2006. In terms of the Act, the merger shall only become effective after the lapse of three months from the publication according to law of the notice of merger, provided that creditors may within the said three month period, by writ of summons, object to the merger. If any such creditor shows good cause as to why the merger should not take effect, the Court may uphold the objection or allow the merger against sufficient security being posted. The Directors of the Group shall, in the event of any objection by a creditor, post the necessary security and endeavour to take such measures as may be necessary to seek to give effect to the merger.

5.2 Investments

During the three years 2003 to 2005, the Group invested a total of Lm1,083,667 in property, plant and equipment mainly comprising the extension of warehouses, the completion of the office block, and the installation of mud processing and storage plants.

The Group holds 189 ordinary shares of USD0.01 each in Global Santa Fe Corporation, incorporated in the Cayman Islands and having its executive office at 15375 Memorial Drive, Houston, Texas 77079-4101. As at balance sheet date, these shares were valued at Lm17.39 each.

The Group's management has not made any firm commitments on any material future investments.

5.3 Business Overview

5.3.1 Principal Activities

The principal activities of the Group, operated through the Operating Company, consist of providing services and support to the offshore oil and gas industry operating mainly in the Mediterranean basin with a focus on the industry's activities in North Africa. The Group's niche market is mainly offshore activity and support to rigs and production platforms operating offshore in the Mediterranean region.

These activities entail the supply to exploration and production platforms of all their requirements. Amongst others they include berthing and the loading and unloading of vessels, bulk storage whether in warehouse or in open areas, production and mixing of chemicals and muds for use in drilling operations, provision of plant and equipment including craneage, heavy duty low loaders, other forms of transport with lifting capabilities, bunkering, supply of brine and potable water, specialised engineering services and welding, x-ray examinations and pipe testing, shipping, freight clearance and agency services, supply of consumables for crews, visa and transport services, and waste disposal services. The Company also has a number of fully serviced office suites for rental to international clients.

The Group has traditionally been and remains in a unique position to provide its services to the industry in the Mediterranean basin, principally for the following reasons:

- The Group has an exclusive right of use for a term up to 29 May 2045 of quays at the Malta Freeport, one of which is a deep water quay with a length of two hundred metres. This is designed specifically to service supply vessels sailing to and from exploration rigs and platforms, including the larger vessels currently in use in the industry.
- The quay is supplemented by having an area of 5,000 sq.m. of quay space which enables operations to take place on the area directly by the quay in addition to the normal process of loading and unloading. In addition the quay is able to offer the facility of heavy lifts of a weight and size not readily available in the region through the availability of a 500 ton Manitowc crane which can handle the heavy lifts such as umbilical reels which are standard in the industry.

- Well developed laydown facilities extending to 50,000 sq.m. in a modern private port located within the confines of the Malta Freeport and a customs free zone enable the Group to offer a fast and efficient turnaround operation to its customers. A 24-hour 7-day week service is offered by the Group, a facility not offered by others in the region.
- The geographical location of Malta as a hub in the Mediterranean basin allows shorter sailing times to a number of destinations in the region, and the proximity of an international airport adds to this advantage.
- The experience of the Group gained over thirty two years of trading and servicing the oil and gas industry enables it to better understand its demands. Long standing relationships with a number of customers and suppliers have created the appropriate platform to leverage these relationships in an increasingly deep and active market.
- Trained manpower with knowledge of standards and work practices with particular emphasis on safety.

5.3.2 Principal Markets

The principal market of the Group has traditionally been North Africa with a particular emphasis on offshore Libya operations. During the years 2003-2005, the two major companies directing business to the Group from Libya have been ENI Oil (formerly known as AGIP Oil) and ENI Gas. The Group's relationship with ENI Oil goes back to 1976 and with ENI Gas from its inception in 2002. These two companies have been responsible for almost all the exploration and production activity offshore Libya in recent years. As a consequence these relationships have been extremely important but the income stream from these sources has been 14% of turnover in 2003, 24% in 2004 and 20% in 2005. By far, the major part of the Group's income stream has been derived from international contractors all of whom are based outside Libya and which carry out contracting and sub contracting work for ENI Oil and for ENI Gas within the overall frame of whole particular projects. In the future, it is expected that this business model will be replicated with a number of major oil companies that have been or that will be awarded oil exploration concessions in the region.

Medserv's track record in the industry over the last 32 years has shown the resilience of the Group's business to react to different market, economic and global political situations. The removal of international sanctions a few years ago coupled with the subsequent liberalisation of the Libyan market for oil and gas exploration has driven a renewed interest in the Libyan market by major companies in the industry. This is expected to widen the Group's customer base to include U.S. oil companies and oil companies from other parts of the world which have been granted concessions in the region. This increased activity is expected to present new opportunities in other markets such as Egypt and Tunisia which would enable the Group to further leverage its experience and expertise in the industry. Although the Group does not to date operate within a competitive market, the liberalisation of the Libyan market for oil and gas exploration could result in the creation of a competitive environment. It is expected however, that the increase in concessions granted in the region will be extensive enough to ensure that Medserv's performance is not affected by the development of a competitive market.

6. Trend Information

The information produced hereunder in points 6.2 to 6.8 relate to the business and operations of the Group, with a particular emphasis on the Operating Company. This is the result of the direct link between the performance of the Group and the Company, and the underlying performance of the Operating Company. (See Section 2 "Presentation of Certain Information")

- 6.1** There has been no material adverse change in the prospects of the Company since the date of its last published financial statements. The principal market for the Group has traditionally been North Africa with a particular emphasis on offshore Libya operations.

- 6.2** The lifting of political sanctions on Libya is an important factor in opening up the North African region for renewed exploration activity for both oil and gas. Increased demand, premium trading prices and diminishing world stocks, has made concessions both in onshore and offshore Libya the target of renewed interest by most majors in the industry. This is creating significant activity and investment not only in Libya but in the whole North African region. The Directors expect this trend to continue for the next seven to ten years. Libya has already announced its intentions to increase production from 1.6 million barrels per day to 2 million barrels per day by 2007 and move to 3 million barrels per day by 2010. To reach these targets significant investment must be made and new concessions awarded. During the next 5 to 7 years total investment by the industry could be as much as thirty billion US dollars. Estimates of Libya's proven oil reserves range between thirty five billion barrels and forty billion barrels. It is expected that by end 2006, an additional forty one new concessions for oil exploration will be awarded. Of these twelve will be offshore. These concessions are spread over a total area of 99,000 sq.km. and each of them could lead to the drilling of several wells especially if oil is found. These are in addition to the thirty eight onshore and offshore concessions already awarded in two previous auctions.
- 6.3** In the event of an economically viable discovery offshore, there would necessarily be the construction of production platforms which could lead to increased services being required on a longer term basis including maintenance. The Operating Company is already providing logistic support for services of this nature to the recently completed Sabratha platform which forms an integral part of the Western Libya Gas Development Pipeline project designed to export gas from Libya to Europe, and looks for more opportunities of this nature.
- 6.4** The Group expects to leverage all the experience and key contacts it has made over the last 32 years servicing the oil and gas sector in the region. The Group continued operations during a difficult period of international embargoes and its reputation earned during this period leads the company to expect to be a major beneficiary of the increasing activity in the offshore market which is expected to accelerate in 2007.
- 6.5** The demand for oil and the resultant increased activity in the industry has led to a shortage of available exploration rigs. Some rigs, subsequent to oil discovery have been converted into production platforms so as to benefit as quickly as possible from increased market prices. In addition increased demand for steel from China and India has also led to shortages of this raw material used not only in the construction of new rigs and to refurbish old ones but also to provide the tubulars necessary for the drilling process. This too has led to delays in commencing certain exploration operations offshore Libya but the company expects these to be overcome so as to allow planned operations to commence in line with the company's business plan.
- 6.6** As a corollary, while equipment and investment is moved into the region, the knock-on effect in countries neighbouring Libya and within Malta's operational area is also expected to increase exploration activity. The Operating Company expects to leverage its unique geographical position to increase the services it already provides from its base in Malta to operators in Egypt and Tunisia.
- 6.7** The Operating Company will keep under review the opportunities that may arise with a view of consolidating its position as a major operator in this sector. This may include expanding existing operations with a physical presence outside Malta, commencing in Libya. This will allow the Operating Company to service onshore activities, and thus generate a new income stream.
- 6.8** The Operating Company's main asset is its base in Malta. This has been independently valued at Lm18 million and the directors are constantly reviewing its utilisation to obtain the best return. Should the right conditions materialise to reallocate some of the business outside Malta, this might present the Operating Company with an opportunity of diversifying its business so as to maximise total returns. There are currently no definite plans for any such diversification but the Group will, as part of its business development, consider opportunities which would enable it to follow this strategy.

7. Management and Employees

7.1 The Company's Organisational Structure

The Company's governance principally lies in its Board of Directors, responsible for the general management of the Company. On the other hand, the Operating Company's governance structures are composed of two principal organs. The Board of Directors, which is the organ responsible for the determination of policy and strategic guidelines and management, is headed by two executive directors accountable directly to the Board of Directors and the general manager who is responsible for the overall day to day running of operations within the Group.

The Group has adopted a policy whereby the Board of Directors of the Company and the Board of Directors of the Operating Company consist of the same persons. This should ensure a cohesive decision making process at both the parent level and the operational level of the Group.

7.2 Directors and Management

The Board of Directors of the Company is responsible for the overall direction and management of the Company and for the establishment of policy guidelines for the management of the Company, including responsibility for the appointment of all executive officers and other key members of management. The Memorandum of Association of the Company provides that the board of Directors shall be composed of not more than four (4) and not less than two (2) directors, of which at least two (2) shall be non-executive directors. The business address of all Directors of the Group is The Port of Marsaxlokk, Birzebbugia BBG07, Malta.

The Directors of the Company are included under the heading “**Identity of Directors, Senior Management, Advisors and Auditors**” in this Summary Note. The senior management of the Operating Company is as follows:

Name	Position
Godwin Borg B.Sc(Eng), BA (arch), Eur Eng, A&CE	General Manager
Louis de Gabriele LL.M. (Lond.) LL.D.	Company Secretary
Godwin Catania	Contracts Manager
Mario Scibberas	Administration and Procurement Manager
Colin Galea BA(Educ)	Chief Accountant
Stephen Forster	Health, Safety and Environment Manager
Charles Vella	Yard Manager

7.3 Employees

In 2005, the Group employed twenty seven people involved in the operations of the Group and eleven people in the management and administration of the Group. The Company has a collective agreement in place with the General Workers Union that regulates the conditions of employment of its employees. The collective agreement is due to expire in December 2007.

7.4 Major Shareholders

The two shareholders of the Company are the Offerors which following the Offering will retain thirty seven point five per cent (37.5%) each of the issued share capital of the Company and will accordingly retain a controlling interest in the Company capable of determining its financial and management decisions. The Offerors have, as part of the terms and conditions of the Offer of Shares, undertaken not to sell or otherwise dispose of any of their shares in the market for at least twelve months following the admission of the Shares of the Company to the Official List of the Malta Stock Exchange.

8. Historical Financial Information

- 8.1** This document makes reference to the consolidated financial statements of the Company for the financial years ended 31 December 2003, 31 December 2004 and 31 December 2005. The financial statements referred to are audited financial statements and copies thereof are available from the Company’s website and from the Company’s registered office.
- 8.2** There is no significant change in the financial or trading position of the Company which has occurred since the end of the financial period to which the audited financial statements for the year ended 31 December 2005 relate.

9. Details of the Share Offer

9.1 Plan for Distribution

The Shares are being placed initially with Intermediaries that have entered into conditional share purchase agreements with the Offerors for the acquisition of the Shares. In terms of each agreement each Offeror conditionally bound itself to sell, transfer and convey and each Intermediary bound itself to purchase and acquire a number of Shares at the Share Offer Price. The undertaking of the Offerors to sell the Shares and the undertaking of each Intermediary to purchase and acquire the number of Shares set out in the respective agreements is conditional on the Shares being admitted to trading on the Official List of the Malta Stock Exchange. Accordingly, it is expected that upon due admission of the Shares to the Official List of the Malta Stock Exchange, the agreements will become binding on each of the Offerors and the Intermediaries, whereupon the Offerors shall complete the sale and each Intermediary shall settle the transaction by paying the Share Offer Price in Maltese Liri for the Shares purchased. The terms and conditions under which the Shares shall be issued are contained in Annex 1 to the Securities Note issued as part of the Prospectus.

9.2 Admission to Trading

The Shares have been declared admissible to listing by the Listing Authority in terms of the Financial Markets Act by letter dated 29 September 2006. Application has been made to the Malta Stock Exchange for the Share to be admitted to the Official List of the MSE as and when the Shares following the Offer have been allocated. The Shares are expected to be admitted to the Official List of the Malta Stock Exchange with effect from 23 October 2006 and trading is expected to commence on 24 October 2006.

10. Additional Information

10.1 Share Capital

The authorised share capital of the Company is two million Maltese Liri divided into twenty million ordinary shares of a nominal value of Lm0.10 each share. The issued share capital is one million Maltese Liri divided into ten million ordinary shares of a nominal value of Lm0.10 each share. There are currently no different classes of shares in the Company and accordingly all shares have the same rights and entitlements in connection with any distribution whether of dividends or capital (on a winding up or otherwise).

10.2 Memorandum and Articles of Association

The Memorandum and Articles of Association of the Company is registered with the Malta Financial Services Authority. The main object of the Company is to carry on the business of a holding company whether of movable or immovable assets and other related activities including any business activities of the Subsidiary and such other activities as may from time to time be ancillary or complimentary to the foregoing whether in Malta or overseas. Clause 3 of the Memorandum of Association contains the full list of objects of the Company. The Memorandum and Articles of Association of the Company regulate matters customarily dealt with therein, including matters such as voting rights and restrictions thereof, and the appointment and powers of directors. A copy of the Memorandum and Articles of Association of the Company may be inspected during the lifetime of this Summary Note at the registered office of the Company and at the Registrar of Companies of the Malta Financial Services Authority.

11. Documents Available for Inspection

For the duration period of this Summary Note the following documents shall be available for inspection at the registered address of the Company:

- (a) Memorandum and Articles of Association;
- (b) the Historical Financial Information for each of the financial years ended 31 December 2003, 31 December 2004 and 31 December 2005; and
- (c) the Registration Document and Securities Note forming part of the Prospectus.

These documents are also available for inspection in electronic form on the Company's website at www.medservmalta.com

Registration Document

This document is a Registration Document issued in accordance with the provisions of Chapter 6 of the Listing Rules issued by the Listing Authority and in accordance with the provisions of Commission Regulation (EC) No 809/2004 of 29 April 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council as regards information contained in a prospectus.

This Registration Document is issued pursuant to the requirements of Listing Rule 6.4.2 of the Listing Rules and contains information about Medserv p.l.c. (the "Company") for which application has been made for admission to trading of its securities on the Malta Stock Exchange. This Registration Document should be read in conjunction with the most updated Securities Note issued by the Company from time to time that will provide the details of the Shares.

This document is dated 29 September 2006

Registration Document

In respect of an Offer through Intermediaries made by

MOH Limited

and

**Malampaya Investments
Limited**

Of a total of 2,500,000 Shares of a nominal value of Lm0.10 each in

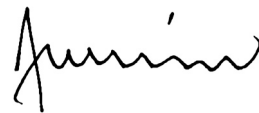
Medserv p.l.c.

(formerly A.D. Holdings Limited)

At an Offer Price of Lm1.30 per Share



Anthony S. Diacono
Director



Anthony J. Duncan
Director

Legal Counsel to the Company

Camilleri Preziosi

**Financial Advisors,
Auditors &
Reporting Accountants**

KPMG

Sponsoring Stockbrokers

Charts Investment Management Service Ltd.
HSBC Stockbrokers (Malta) Ltd.

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Important Information

THIS DOCUMENT CONSTITUTES PART OF A PROSPECTUS AND CONTAINS INFORMATION ON MEDSERV P.L.C. AND ITS SUBSIDIARY MEDSERV OPERATIONS LIMITED (TOGETHER REFERRED TO IN THIS DOCUMENT AS THE GROUP) AND THEIR BUSINESS. THE INFORMATION IS BEING MADE AVAILABLE IN CONNECTION WITH AN OFFER BY MOH LIMITED AND MALAMPAYA INVESTMENTS LIMITED OF TWO MILLION FIVE HUNDRED THOUSAND (2,500,000) ORDINARY SHARES IN MEDSERV P.L.C. (THE "COMPANY") THROUGH INTERMEDIARIES WHETHER FOR THEIR OWN ACCOUNT OR FOR THE ACCOUNT OF UNDERLYING CUSTOMERS OR FOR FUTURE DISTRIBUTION. THE SHARES HAVE A NOMINAL VALUE OF LM0.10 EACH AND ARE BEING OFFERED AT A PRICE OF LM1.30 PER SHARE.

THIS DOCUMENT INCLUDES INFORMATION GIVEN IN COMPLIANCE WITH THE LISTING RULES OF THE LISTING AUTHORITY FOR THE PURPOSE OF GIVING INFORMATION WITH REGARD TO THE COMPANY. ALL OF THE DIRECTORS OF THE COMPANY, WHOSE NAMES APPEAR UNDER THE HEADING DIRECTORS (THE "DIRECTORS"), ARE THE PERSONS RESPONSIBLE FOR THE INFORMATION CONTAINED IN THIS PROSPECTUS. TO THE BEST OF THE KNOWLEDGE AND BELIEF OF THE DIRECTORS OF THE COMPANY (WHO HAVE ALL TAKEN REASONABLE CARE TO ENSURE SUCH IS THE CASE), THE INFORMATION CONTAINED IN THIS PROSPECTUS IS IN ACCORDANCE WITH THE FACTS AND DOES NOT OMIT ANYTHING LIKELY TO AFFECT THE IMPORT OF SUCH INFORMATION. THE DIRECTORS ACCEPT RESPONSIBILITY ACCORDINGLY.

NO BROKER, DEALER, SALESMAN OR OTHER PERSON HAS BEEN AUTHORISED BY THE COMPANY OR ITS DIRECTORS, TO ISSUE ANY ADVERTISEMENT OR TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS IN CONNECTION WITH THE SALE OF THE SHARES (AS DEFINED HEREIN) OTHER THAN THOSE CONTAINED IN THIS PROSPECTUS AND IN THE DOCUMENTS REFERRED TO HEREIN IN CONNECTION WITH THE OFFER HEREBY MADE, AND IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORISED BY THE COMPANY, ITS DIRECTORS OR ADVISORS.

THE ADVISORS ENGAGED BY THE COMPANY FOR THE PURPOSE OF THIS OFFER ARE ACTING EXCLUSIVELY FOR THE COMPANY.

THE LISTING AUTHORITY ACCEPTS NO RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS, MAKES NO REPRESENTATIONS AS TO ITS ACCURACY OR COMPLETENESS AND EXPRESSLY DISCLAIMS ANY LIABILITY WHATSOEVER FOR ANY LOSS HOWEVER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS PROSPECTUS.

A COPY OF THIS DOCUMENT HAS BEEN REGISTERED WITH THE LISTING AUTHORITY IN SATISFACTION OF THE LISTING RULES, THE MALTA STOCK EXCHANGE IN SATISFACTION OF THE MALTA STOCK EXCHANGE BYE-LAWS AND HAS BEEN DULY FILED WITH THE REGISTRAR OF COMPANIES, IN ACCORDANCE WITH THE ACT.

STATEMENTS MADE IN THIS DOCUMENT ARE, EXCEPT WHERE OTHERWISE STATED, BASED ON THE LAW AND PRACTICE CURRENTLY IN FORCE IN MALTA AND ARE SUBJECT TO CHANGES THEREIN.

APPLICATION HAS BEEN MADE TO THE LISTING AUTHORITY FOR THE SHARES TO BE CONSIDERED AS ADMISSIBLE TO LISTING ON A RECOGNISED INVESTMENT EXCHANGE. IN ADDITION, APPLICATION HAS ALSO BEEN MADE TO THE COUNCIL OF THE MALTA STOCK EXCHANGE, AS A RECOGNISED INVESTMENT EXCHANGE, FOR THE SHARES TO BE ADMITTED TO THE OFFICIAL LIST UPON ALLOCATION TO INTERMEDIARIES. DEALINGS ARE EXPECTED TO COMMENCE ON THE SAID EXCHANGE ON 24 OCTOBER 2006.

THE VALUE OF INVESTMENTS CAN RISE OR FALL AND PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE PERFORMANCE. IF YOU NEED ADVICE YOU SHOULD CONSULT A LICENSED STOCKBROKER OR AN INVESTMENT ADVISOR LICENSED UNDER THE INVESTMENT SERVICES ACT, CAP. 370 OF THE LAWS OF MALTA.

THIS DOCUMENT AND ALL AGREEMENTS, ACCEPTANCES AND CONTRACTS RESULTING THEREFROM SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF MALTA AND ANY PERSON ACQUIRING ANY SHARES PURSUANT TO THE PROSPECTUS SHALL SUBMIT TO THE JURISDICTION OF THE MALTESE COURTS, WITHOUT LIMITING IN ANY MANNER THE RIGHT OF THE COMPANY OR THE OFFERORS TO BRING ANY ACTION, SUIT OR PROCEEDING ARISING OUT OF OR IN CONNECTION WITH ANY PURCHASE OF SHARES OR AGREEMENT RESULTING HEREFROM OR THE PROSPECTUS AS A WHOLE IN ANY OTHER COMPETENT JURISDICTION.

THIS DOCUMENT SHOULD BE READ IN CONJUNCTION WITH THE SECURITIES NOTE CONTAINING INFORMATION ABOUT THE OFFERING.

Definitions

In this document the following words and expressions shall bear the following meanings except where the context otherwise requires:

Act	the Companies Act, Cap. 386 of the Laws of Malta;
Company or Medserv	Medserv p.l.c.;
Deeds	the First Deed, the Second Deed and the Third Deed;
Directors or Board	the directors of the Company whose names are set out under the heading "Identity of Directors, Senior Management, Advisors and Auditors";
First Deed	the deed of temporary emphyteusis in the records of Notary Tonio Spiteri dated 29 May 1997;
Group	the Company and the Operating Company;
Intermediaries	HSBC Stockbrokers (Malta) Ltd and Charts Investment Management Service Limited;
Malta Stock Exchange or MSE	the Malta Stock Exchange as defined by the Financial Markets Act (Cap.345 of the Laws of Malta);
Maltese Liri	the lawful currency from time to time of the Republic of Malta;
Medserv Site	a plot of land measuring circa 50,850 sq.m. situated at Kalafrana, limits of Birzebbugia, Malta and within the confines of the Malta Ffreport area;
Offer or Offering	the offer of Shares by the Offerors at the Share Offer Price;
Offerors	MOH Limited and Malampaya Investments Limited;
Operating Company	Medserv Operations Limited;
Prospectus	this document in its entirety, comprising the Summary Note dated 29 September 2006 and the Securities Note dated 29 September 2006 in connection with the Offer of Shares by the Offerors;
Registration Document	the document as set out on pages 17 to 47 of this Prospectus;
Second Deed	the deed of temporary emphyteusis in the records of Notary Tonio Spiteri dated 23 December 1999;
Securities Note	the document as set out on pages 48 to 63 of this Prospectus;
Share Offer Price	the price of Lm1.30 for each Share;
Shares	the two million five hundred thousand (2,500,000) ordinary shares in the Company of a nominal value of Lm0.10 each being offered by the Offerors at the Share Offer Price;
Summary Note	the document as set out on pages 3 to 16 of this Prospectus;
Third Deed	the deed of Title of Use and termination of part of a temporary emphyteusis in the records of Notary Pierre Attard of 22 June 2004.

1. Identity of Directors, Senior Management, Advisors and Auditors

The Directors of the Company, whose names are set out hereunder under the heading “**Directors**”, are the persons responsible for the information contained in this Registration Document. They have been advised and assisted in the drafting and compilation of the document by the persons mentioned hereunder.

Directors

Name	Function
Anthony J. Duncan	Executive Director
Anthony S. Diacono	Executive Director
Johannes Jacobus van Leeuwen	Non-Executive Director
Joseph F.X. Zahra	Non-Executive Director
Louis de Gabriele	Company Secretary

Advisors and Auditors

Legal Counsel to the Company	Camilleri Preziosi Level 3, Valletta Buildings, South Street, Valletta VLT11, Malta
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Sponsoring Stockbrokers	Charts Investment Management Service Limited 18A 3rd Floor, Europa Centre, Floriana VLT15, Malta
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Sponsoring Stockbrokers	HSBC Stockbrokers (Malta) Ltd 233, Republic Street, Valletta VLT05, Malta
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Financial Advisors, Auditors & Reporting Accountants	KPMG Portico Building, Marina Street, Pieta MSD08, Malta
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Management of Operating Company	General Manager - Godwin Borg Administration and Procurement Manager - Mario Sciberras Health, Safety and Environment Manager - Stephen Forster Yard Manager - Charles Vella Chief Accountant - Colin Galea Contracts Manager - Godwin Catania
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2. Presentation of Certain Information

Medserv is a holding company that does not undertake any trading and business activities in its own name. Its object is that of a holding company and as such holds, directly or indirectly one hundred per cent ownership of the issued share capital of the Operating Company. The Company’s operating and financial performance is therefore directly related to the financial and operating performance of the Operating Company. Accordingly, all financial and business information reproduced in this Registration Document relates to the Group and/or the Operating Company, where applicable. This document also contains references to the Company, the Group and the Operating Company where it is deemed appropriate that such references could assist an investor to better understand the information contained in this document. Investors are urged to consult the definition section of this document for the exact meanings of those terms.

3. Key Information about the Group

Extracts from the historical financial statements of the Group for the three years ended 31 December 2003 to 2005 are set out below:

For the Years Ended 31 December	2005 Lm'000	2004 Lm'000	2003 Lm'000
Revenue	4,207	3,875	2,838
Gross profit	1,497	1,114	1,140
Profit before tax	789	649	850
Profit for the year	1,943	680	961
Total assets less current liabilities	2,785	1,332	1,017
Interest-bearing borrowings	350	761	229
Total equity	2,768	1,174	843
For the Years Ended 31 December	2005 Lm	2004 Lm	2003 Lm
Earnings per share ¹	0.19	0.07	0.10

¹ Calculated on the basis of 10,000,000 nominal shares of Lm0.10 each in issue as at the date of the Prospectus.

4. Risk Factors

You should carefully consider the following matters, as well as the other information contained in this Registration Document, before making any investment decision with respect to the Company. Information contained in this Registration Document contains “forward-looking statements”, which are subject to the qualifications discussed below. If any of the risks described were to materialise, they could have a serious effect on the Company’s financial results, trading prospects and the ability of the Company to fulfil its obligations under the securities being offered.

The risks and uncertainties discussed below are those that the Directors believe to be material, but these risks and uncertainties may not be the only ones that the Group faces. Additional risks and uncertainties, including those which the Group’s Directors are not currently aware of or deem immaterial, may well result in a material impact on the financial condition and operational performance of the Group that could lead to a decline in value of the Shares.

An investment in the Company may not be suitable for all recipients of this Prospectus and investors are urged to consult their advisors as to the suitability of the investments described herein before investing.

Risks Relating to the Industry Sector

Medserv’s business activities consist in supporting and servicing the oil and gas industry. Inevitably, therefore, the Company is exposed to a certain extent to the risks associated with the trends and future outlook of that industry as a whole.

Market

The level of demand for the Group’s services may be dependant to a certain extent on the level of economic activity within the oil and gas industry. The Directors are of the view that this level of demand for the Group’s services may well be dependant on the level of construction of new drilling and products facilities in various regions around the world. The level of production activity by oil and gas producers is, in turn, largely based on the demand for oil and gas and accordingly, to a certain extent, on the price of oil and gas. There can be no guarantee that the current pricing level of oil can be sustained or that it will continue to rise.

Risks Relating to the Geographical Concentration of the Group's Business

The Group's activities are concentrated in servicing and supporting international companies undertaking oil exploration or development offshore the North African coast, with prevalence for companies having concessions granted by the Libyan National Oil Corporation. Whilst the Group's assets are all in Malta, its revenue streams depend on the intensity of the activities being undertaken by its customers in the North African Region. Accordingly, the Group is exposed to the geopolitical risks associated with the region.

The policies on oil exploration and extraction adopted by the jurisdictions where the Group's customers undertake their business are key to the development of the industry within the region. These policies will determine the level of demand and reliance that these international companies will place on the Group's services to them. Accordingly, a shift in policy by any of these jurisdictions will have an adverse impact on Medserv's operational performance and financial condition. In addition, the Group's customers and potential customers are heavily involved in developing concessions in this region, particularly within Libya, that is, and is expected to remain, the prime market for the Group's services. The present lack of diversification of the interests of the Group accordingly renders Medserv more exposed to any political and economic shifts in the region over which the it has no control.

In addition, the said political, social and economic instability risks are emphasised by the fact that the region in which the Group's present customers operate, is exposed to a higher level of risk than is normally associated within regimes like Western Europe and North America. These risks may also include government embargoes, changes in government policies, exchange controls and economic or political sanctions by other states and international organisations that could have a significant impact on any business conducted by the Group's customers in those markets.

Suitability

Potential investors should be aware that the value of investments can rise and fall and that an investment in shares in a company like Medserv, which has a significant exposure to a limited market which is itself an emerging market, may carry a higher risk than investment in a company with a higher diversification.

Other Considerations

In common with many businesses, the Company will be relying heavily on the contacts and expertise of the Executive Directors and other key personnel within the Group to identify opportunities for new contracts with companies gaining access to the North African oil exploration and drilling market and to successfully conclude contracts with such operators. The loss of one or more of such Executive Directors and other key personnel within the Group could have an adverse effect on the Company.

Risks Relating to the Shares

Minority Shareholding

Due to the size of their shareholdings, and the possible pooling of their votes, the Offerors are in a position to decisively influence matters that require approval of shareholders, including resolutions regarding dividends and other important measures.

No Prior Market for Shares and Limited Liquidity of the Malta Stock Exchange

Prior to the Offering, there has been no public market for the Company's Shares within or outside Malta. Due to the absence of any prior market for the Shares, there can be no assurance that the Share Offer Price will correspond to the price at which the Shares will trade in the market subsequent to the Offering. The market price of the Shares could be subject to significant fluctuations in response to many factors, including the Company's operating results, and developments in the economies of other countries to which the Group is exposed or other factors. An application has been made to seek a listing on the Malta Stock Exchange, which is smaller and less liquid than the more developed stock markets in Europe and the United States. Currently, equity securities of only thirteen Maltese companies are traded on the Malta Stock Exchange out of which twelve equity securities are on the Official List of the MSE and one on the Alternative Companies List. The limited liquidity of the market for the Shares could increase the price volatility of the Shares and may impair the ability of a holder of Shares to sell such Shares in the market in the amount and at the price and time such holder wishes to do so. To control price volatility, the Malta Stock Exchange may not allow matching of deals in shares of a listed company when the price falls outside a seven per cent range from the previous day's traded weighted average price.

Following the completion of this Offering, the price at which the Shares will be traded, as well as the sales volume of the Shares traded, will be subject to fluctuations. These fluctuations may not necessarily be caused by the Group's business activity or its results of operations. It is also possible that the Group's results of operations or its business outlook may fall short of expectations, in which case the price of the Shares could be negatively affected.

5. Information about the Company

5.1 Historical development

(a) Introduction

Full Legal Name of Company	Medserv p.l.c. (formerly A.D. Holdings Limited)
Registered Address	Port of Marsaxlokk, Birzebbugia BBG07, Malta
Place of Registration	Malta
Registration Number	C28847
Date of Registration	On 26 October 2001 the Company was registered as a private company under the Act. By resolution of the Shareholders dated 27 September 2006, the Company was converted into a public limited company in accordance with the provisions of section 213 of the Act.
Other	The Company is lawfully existing and registered as a public limited company in terms of the Act.
	Telephone Number: +356 2220 2000
	Fax Number: +356 2220 2328
	Email Address: info@medservmalta.com
	Website: www.medservmalta.com

(b) Important Events in the Development of the Company

The Company is a holding company that has as its sole investment the ownership of the Operating Company. The Company was first established on 26 October 2001, as a private company under the Act, as the corporate vehicle intended to acquire the shares in the Operating Company. By virtue of an agreement dated 22 November 2001 the shareholders of the Operating Company granted an option to the Company to purchase their entire shareholding therein. Accordingly, the Company acquired 100% of the total issued share capital of the Operating Company in two tranches, the first comprising 49% of the issued share capital on 3 December 2001 with the remaining 51% being purchased on 19 November 2003. The Company has since then retained the shares acquired by virtue of those transactions.

In preparation of this Offering of Shares, the Company was converted into a public limited company in accordance with section 213 of the Act and is currently duly registered and existing as a public company pursuant to the Act. By virtue of another resolution dated 27 September 2006 the shareholders increased the issued share capital to Lm1 million through the capitalisation of retained earnings of the Company and subsequently made a share split whereby each share having a nominal value of Lm1 was subdivided into 10 shares of a nominal value of Lm0.10 each.

The Company does not itself carry on any business except that of a holding company owning, directly or indirectly, one hundred per cent of the Operating Company that carries on all the business activities of the Group (See "**Business Overview**" below).

Medserv Operations Limited, the Group's Operating Company (formerly Medserv Limited), was set up on 11 December 1974 with limited liability and with company registration number C2971. Originally the Operating Company was established as a joint venture between the Government of Malta and companies in the Albert Abela Group, which at the time was a multinational group of service companies, with the objective of providing a comprehensive range of support services to the oil and hydrocarbon industry in Malta and abroad. For 28 years, Medserv operated a supply and services base from Manoel Island. In May 1997, Albert Abela (Gulf) Inc. acquired the shareholding then held by the Government of Malta (sixty five per cent of the issued share capital). When in 2001 the Operating Company was taken over by the Company, it concentrated primarily on the re-organisation of its management structures and the transfer of its activities from Manoel Island to its new base in Kalafrana, within the precincts of the Malta Freeport, a move that was successfully completed in 2003.

In September 1983 the Operating Company formed a subsidiary company by the name of Ansaldo-Medserv International Services Limited. The company ceased active trading in 2002 but changed its name to Medoffshore Trading Limited in March 2004. The shareholders of the company resolved to merge the said company into the Operating Company with effect from 1 January 2005. Draft terms of merger were duly approved by the shareholders of Medoffshore Trading Limited and subsequently filed with the Registry of Companies on 22 September 2006. In terms of the Act, the merger shall only become effective after the lapse of three months from the publication according to law of the notice of merger, provided that creditors may within the said three month period, by writ of summons, object to the merger. If any such creditor shows good cause as to why the merger should not take effect, the Court may uphold the objection or allow the merger against sufficient security being posted. The Directors of the Group shall, in the event of any objection by a creditor, post the necessary security and endeavour to take such measures as may be necessary to seek to give effect to the merger.

5.2 Investments

During the three years 2003 to 2005, the Group invested a total of Lm1,083,667 in property, plant and equipment mainly comprising the extension of warehouses, the completion of the office block, and the installation of mud processing and storage plants.

The Group holds 189 ordinary shares of USD0.01 each in Global Santa Fe Corporation, incorporated in the Cayman Islands and having its executive office at 15375 Memorial Drive, Houston, Texas 77079-4101. As at balance sheet date, these shares were valued at Lm17.39 each.

The Group's management has not made any firm commitments on any material future investments.

5.3 Business Overview

5.3.1 Principal Activities

The principal activities of the Group, operated through the Operating Company, consist of providing services and support to the offshore oil and gas industry operating mainly in the Mediterranean basin with a focus on the industry's activities in North Africa. The Group's niche market is mainly offshore activity and support to rigs and production platforms operating offshore in the Mediterranean region.

These activities entail the supply to exploration and production platforms of all their requirements. Amongst others they include berthing and the loading and unloading of vessels, bulk storage whether in warehouse or in open areas, production and mixing of chemicals and muds for use in drilling operations, provision of plant and equipment including craneage, heavy duty low loaders, other forms of transport with lifting capabilities, bunkering, supply of brine and potable water, specialised engineering services and welding, x-ray examinations and pipe testing, shipping, freight clearance and agency services, supply of consumables for crews, visa and transport services, and waste disposal services. The Company also has a number of fully serviced office suites for rental to international clients.

The Group has traditionally been and remains in a unique position to provide its services to the industry in the Mediterranean basin, principally for the following reasons:

- The Group has an exclusive right of use for a term up to 29 May 2045 of quays at the Malta Freeport, one of which is a deep water quay with a length of two hundred metres. This is designed specifically to service supply vessels sailing to and from exploration rigs and platforms, including the larger vessels currently in use in the industry.
- The quay is supplemented by having an area of 5,000 sq.m. of quay space which enables operations to take place on the area directly by the quay in addition to the normal process of loading and unloading. In addition the quay is able to offer the facility of heavy lifts of a weight and size not readily available in the region through the availability of a 500 ton Manitowoc crane which can handle the heavy lifts such as umbilical reels which are standard in the industry.
- Well developed laydown facilities extending to 50,000 sq.m. in a modern private port located within the confines of the Malta Freeport and a customs free zone enable the Group to offer a fast and efficient turnaround operation to its customers. A 24-hour 7-day week service is offered by the Group, a facility not offered by others in the region.
- The geographical location of Malta as a hub in the Mediterranean basin allows shorter sailing times to a number of destinations in the region, and the proximity of an international airport adds to this advantage.
- The experience of the Group gained over thirty two years of trading and servicing the oil and gas industry enables it to better understand its demands. Long standing relationships with a number of customers and suppliers have created the appropriate platform to leverage these relationships in an increasingly deep and active market.
- Trained manpower with knowledge of standards and work practices with particular emphasis on safety.

5.3.2 Principal Markets

The principal market of the Group has traditionally been North Africa with a particular emphasis on offshore Libya operations. During the years 2003-2005, the two major companies directing business to the Group from Libya have been ENI Oil (formerly known as AGIP Oil) and ENI Gas. The Group's relationship with ENI Oil goes back to 1976 and with ENI Gas from its inception in 2002. These two companies have been responsible for almost all the exploration and production activity offshore Libya in recent years. As a consequence these relationships have been extremely important but the income stream from these sources has been 14% of turnover in 2003, 24% in 2004 and 20% in 2005. By far, the major part of the Group's income stream has been derived from international contractors all of whom are based outside Libya and which carry out contracting and sub contracting work for ENI Oil and for ENI Gas within the overall frame of whole particular projects. In the future, it is expected that this business model will be replicated with a number of major oil companies that have been or that will be awarded oil exploration concessions in the region.

Medserv's track record in the industry over the last 32 years has shown the resilience of the Group's business to react to different market, economic and global political situations. The removal of international sanctions a few years ago coupled with the subsequent liberalisation of the Libyan market for oil and gas exploration has driven a renewed interest in the Libyan market by major companies in the industry. This is expected to widen the Group's customer base to include U.S. oil companies and oil companies from other parts of the world which have been granted concessions in the region. This increased activity is expected to present new opportunities in other markets such as Egypt and Tunisia which would enable the Group to further leverage its experience and expertise in the industry. Although the Group does not to date operate within a competitive market, the liberalisation of the Libyan market for oil and gas exploration could result in the creation of a competitive environment. It is expected however, that the increase in concessions granted in the region will be extensive enough to ensure that Medserv's performance is not affected by the development of a competitive market.

6. Property, Plant and Equipment

The Group's tangible fixed assets as at 31 December 2003, 2004 and 2005 are summarised below:

Lm'000	Total	Buildings	Plant and Machinery	Other tangible fixed assets
Cost as at:				
31 December 2005	1,508	1,339	133	36
31 December 2004	1,325	1,155	139	31
31 December 2003	1,032	937	70	25
Net book value as at:				
31 December 2005	1,320	1,234	67	19
31 December 2004	1,195	1,082	91	22
31 December 2003	987	914	53	20

A further Lm109,451 of expenditure on property, plant and equipment was undertaken during the six months ended 30 June 2006. The Operating Company forecasts that capital expenditure between July to September 2006 will not exceed Lm100,000.

The property of the Operating Company consists of a tract of land measuring circa 50,850 sq.m. in total together with quay facilities (consisting of 239m of quays including circa 5,000 sq.m. of wharf space and a right of passage of a further 1,600 sq.m of wharf space) at the Malta Freeport within Marsaxlokk Bay. The rights and conditions over this property primarily emanate from the Deeds between the Operating Company (then Medserv Ltd) and Malta Freeport. The property is held by the said company by title of temporary emphyteusis that expires on 29 May 2045. The Group engaged TBA Periti to provide their independent professional opinion on the fair market value of the above mentioned property. The valuation report of TBA Periti dated 10 August 2006 is included under Annex 2 of this document. According to this report the fair market value for such property, on an existing use value basis amounts to Lm18 million. This valuation has not been reflected in the figures included in the table above and this property is stated in the financial statements for the year ended 31 December 2005 at a net book value of Lm1,233,921.

The property included in the Medserv Site which the Operating Company holds under title of temporary emphyteusis is encumbered by a first special hypothec granted by the Operating Company in favour of HSBC Bank Malta p.l.c. for a maximum amount of Lm1 million. In addition, the Operating Company granted a first general hypothec in favour of HSBC Bank Malta p.l.c. over all its assets present and future for a maximum amount of Lm1 million.

Both the general and the special hypothec were granted as security for the punctual performance of the Operating Company's obligations under a five year loan facility granted by HSBC Bank Malta p.l.c. in the amount of Lm1 million.

All of the Operating Company's plant and equipment are insured under an Industrial All Risks Policy (Policy Number IAR 292005), which policy has been pledged in favour of HSBC Bank Malta p.l.c. in consideration of the said bank granting and/or continuing to grant credit and banking facilities to the Operating Company.

7. Operating and Financial Review

The information relating to the Group set out below for the three financial years ended 31 December 2003 to 2005, has been extracted from Medserv p.l.c.'s audited financial statements.

Income Statement Extracts

For the Years Ended 31 December	2005	2004	2003
	Lm'000	Lm'000	Lm'000
Revenue	4,207	3,875	2,838
Cost of sales	(2,710)	(2,761)	(1,698)
Gross profit	<u>1,497</u>	<u>1,114</u>	<u>1,140</u>
Other operating income	26	111	197
Administrative expenses	(492)	(500)	(508)
Other operating expenses	(193)	(25)	(33)
Operating profit before financing costs	<u>838</u>	<u>700</u>	<u>796</u>
Net financing (costs)/income	(49)	(51)	54
Profit before tax	789	649	850
Tax income	1,154	31	111
Profit for the year	<u><u>1,943</u></u>	<u><u>680</u></u>	<u><u>961</u></u>

In 2004 revenues increased by 36.5% when compared to 2003, though gross profit remained unchanged. During 2003, Medserv Operations Limited undertook a larger proportion of higher margin work compared to 2004. In addition, the increase in revenue in 2004 came at lower margins. This is the result of a strategic move by the Operating Company in the then prevailing market conditions to defend its market position and retain selected key customers in the longer term and procure new contracts from such customers. Profit before tax for 2004 decreased by 23.6% over 2003. This decrease in 2004 is mostly attributable to the inclusion in other income in 2003 of a write back of an unclaimed liability of Lm188,775.

During 2005 revenue increased by a further 8.6% over 2004 as did the gross profit margin, resulting in an increase of 34.4% in gross profit. This was in part offset by an increase in other operating expenses mostly due to the recognition during the year of an impairment loss on a trade receivable amounting to Lm138,524.

Tax income represents the movement in the deferred tax asset for the period, mainly arising from the investment tax credit and the investment credit available to Medserv Operations Limited under the Business Promotion Act. The tax status of Medserv Operations Limited is summarised elsewhere in this document.

Balance Sheet Extracts

At 31 December	2005	2004	2003
	Lm'000	Lm'000	Lm'000
Property, plant and equipment	1,320	1,195	987
Deferred tax assets	1,295	142	111
Other	3	2	-
Total non-current assets	2,618	1,339	1,098
Trade and other receivables	1,508	1,999	1,038
Other	63	330	18
Total current assets	1,571	2,329	1,056
Total assets	4,189	3,668	2,154
Interest-bearing borrowings	-	134	116
Other non-current liabilities	17	24	58
Total non-current liabilities	17	158	174
Trade and other payables	1,054	1,709	1,024
Interest-bearing borrowings	350	627	113
Total current liabilities	1,404	2,336	1,137
Total liabilities	1,421	2,494	1,311
Total equity	2,768	1,174	843
Total equity and liabilities	4,189	3,668	2,154

In the three years 2003 to 2005, the Group invested a total of Lm1,083,667 in property, plant and equipment mainly comprising the extension of warehouses, the completion of the office block, and the installation of mud processing and storage plants.

Medserv Operations Limited has obtained an independent valuation opinion from TBA Periti of its immovable property comprising land, buildings and quay. In their opinion dated 10 August 2006, TBA Periti valued this property at Lm18 million. This property is stated at cost less depreciation in the books of the said company (at 31 December 2005 the net book value of this property amounted to Lm1,233,921).

The deferred tax assets as at 31 December 2005 of Lm1,295,444 mostly represent the investment tax credit and the investment credit provided under the Business Promotion Act.

As at 31 December 2005, interest-bearing borrowings represent shareholders' loans bearing interest at 6.75%. This amount was fully repaid during September 2006.

The increase in total equity between the years 2003 and 2005 was attributable to the retention of part of the Group's earnings.

The key accounting ratios for the three years ended 31 December 2005 are set out below:

	2005	2004	2003
Gross profit margin (Gross profit to revenue)	35.6%	28.7%	40.2%
Operating profit margin (Operating profit before financing costs to revenue)	19.9%	18.1%	28.0%
Operating profit to total assets (Operating profit before financing costs to total assets)	20.0%	19.1%	37.0%
Operating profit to capital employed (Operating profit before financing costs to total assets, net of deferred tax asset and non-interest bearing current liabilities)	45.5%	38.5%	78.1%
Profit before tax income to equity	28.5%	55.3%	100.8%
Profit after tax income to equity	70.2%	57.9%	114.0%
Net assets per Lm0.10 nominal share (Lm) ¹	0.277	0.117	0.084
Earnings before tax income per Lm0.10 nominal share (Lm) ¹	0.079	0.065	0.085
Earnings after tax income per Lm0.10 nominal share (Lm) ¹	0.194	0.068	0.096

¹ Medserv p.l.c.'s share capital as at 31 December 2005 consisted of 1,020 ordinary shares of Lm1 each. On 27 September 2006 the Company capitalised Lm998,980 of its retained earnings, and subsequently effected a share split resulting in 10 ordinary shares of Lm0.10 nominal value each for every Lm1 ordinary share previously held. As a result the number of shares currently in issue stands at 10,000,000 and the net assets per share and earnings per share calculations set out above have been based on this number.

8. Capital Resources

The Group is primarily financed through internally generated profits that have been retained over the years. As at 31 December 2005 the Group also made use of Lm350,000 in the form of shareholders' loans, repayable on demand, and bearing interest at 6.75% per annum. This amount was fully repaid during September 2006. The Operating Company currently enjoys a general overdraft facility of Lm320,000 which was unutilised as at the end of 2005. Furthermore by the end of 2005 and as at the end of June 2006, the Group had repaid all bank borrowings. Subsequently in 2006 the Operating Company obtained a five year bank loan of Lm1 million which it utilised in part to pay dividends and to repay the shareholders' loans. This bank loan bears interest at 1.5% above the bank's base rate which currently stands at 3.5%.

The information set out below, extracted from the Company's audited financial statements for the three financial years ended 31 December 2003 to 2005, highlights the main sources and application of funds for the Group.

Cash Flow Extracts

For the Years Ended 31 December	2005	2004	2003
	Lm'000	Lm'000	Lm'000
Net cash from operating activities	754	308	269
Net cash used in investing activities	(228)	(162)	(443)
Net cash used in financing activities	(463)	(79)	(70)
Net increase/(decrease) in cash and cash equivalents	<u>63</u>	<u>67</u>	<u>(244)</u>
Cash and cash equivalents at end of year	<u>52</u>	<u>(1)</u>	<u>(68)</u>

Net cash flows used in investing activities relate principally to acquisition of property, plant and equipment. Net cash flows applied in financing activities reflect primarily the payment of dividends (Lm350,000 for each of 2005 and 2004, and Lm170,000 for 2003) as well as the repayment of bank loans.

Key liquidity ratios for the three financial years ended 31 December 2003 to 2005 are set out hereunder:

Key ratios			
For the Years Ended 31 December	2005	2004	2003
Debt to equity ratio <i>(Interest bearing liabilities to equity)</i>	0.13 : 1	0.65 : 1	0.27 : 1
Current ratio <i>(Current assets to current liabilities)</i>	1.12 : 1	1.00 : 1	0.93 : 1

9. Profit Forecasts or Estimates

Extracts from the profit forecasts of the Group for the two years ending 31 December 2006 and 2007 are set out below:

	2006	2007
	Lm'000	Lm'000
Revenue	3,054	4,850
Gross profit	1,102	1,461
Profit before tax	474	810
Profit for the year	694	893

Detailed profit forecasts and the assumptions on which these forecasts are based are included under Annex 1 set out in this document.

Forecasted key accounting ratios for the two years ending 31 December 2007 are set out below:

	2006	2007
Gross profit margin <i>(Gross profit to revenue)</i>	36.1%	30.1%
Operating profit margin <i>(Operating profit before financing costs to revenue)</i>	16.8%	17.6%
Earnings before tax income per Lm0.10 nominal share (Lm) ¹	0.047	0.081
Earnings after tax income per Lm0.10 nominal share (Lm) ¹	0.069	0.089

¹ Medserv p.l.c.'s share capital as at 31 December 2005 consisted of 1,020 ordinary shares of Lm1 each. On 27 September 2006 the Company capitalised Lm998,980 of its retained earnings, and subsequently effected a share split resulting in 10 ordinary shares of Lm0.10 nominal value each for every Lm1 ordinary share previously held. As a result the number of shares currently in issue stands at 10,000,000 and earnings per share calculations set out above have been based on this number.

10. Trend Information

The information produced hereunder in points 10.2 to 10.8 relate to the business and operations of the Group, with a particular emphasis on the Operating Company. This is the result of the direct link between the performance of the Group and the Company, and the underlying performance of the Operating Company. (See Section 2 “Presentation of Certain Information”)

- 10.1** There has been no material adverse change in the prospects of the Company since the date of its last published financial statements. The principal market for the Group has traditionally been North Africa with a particular emphasis on offshore Libya operations.
- 10.2** The lifting of political sanctions on Libya is an important factor in opening up the North African region for renewed exploration activity for both oil and gas. Increased demand, premium trading prices and diminishing world stocks, has made concessions both in onshore and offshore Libya the target of renewed interest by most majors in the industry. This is creating significant activity and investment not only in Libya but in the whole North African region. The Directors expect this trend to continue for the next seven to ten years. Libya has already announced its intentions to increase production from 1.6 million barrels per day to 2 million barrels per day by 2007 and move to 3 million barrels per day by 2010. To reach these targets significant investment must be made and new concessions awarded. During the next 5 to 7 years total investment by the industry could be as much as thirty billion US dollars. Estimates of Libya’s proven oil reserves range between thirty five billion barrels and forty billion barrels. It is expected that by end 2006, an additional forty one new concessions for oil exploration will be awarded. Of these twelve will be offshore. These concessions are spread over a total area of 99,000 sq.km. and each of them could lead to the drilling of several wells especially if oil is found. These are in addition to the thirty eight onshore and offshore concessions already awarded in two previous auctions.
- 10.3** In the event of an economically viable discovery offshore, there would necessarily be the construction of production platforms which could lead to increased services being required on a longer term basis including maintenance. The Operating Company is already providing logistic support for services of this nature to the recently completed Sabratha platform which forms an integral part of the Western Libya Gas Development Pipeline project designed to export gas from Libya to Europe, and looks for more opportunities of this nature.
- 10.4** The Group expects to leverage all the experience and key contacts it has made over the last 32 years servicing the oil and gas sector in the region. The Group continued operations during a difficult period of international embargoes and its reputation earned during this period leads the company to expect to be a major beneficiary of the increasing activity in the offshore market which is expected to accelerate in 2007.
- 10.5** The demand for oil and the resultant increased activity in the industry has led to a shortage of available exploration rigs. Some rigs, subsequent to oil discovery have been converted into production platforms so as to benefit as quickly as possible from increased market prices. In addition increased demand for steel from China and India has also led to shortages of this raw material used not only in the construction of new rigs and to refurbish old ones but also to provide the tubulars necessary for the drilling process. This too has led to delays in commencing certain exploration operations offshore Libya but the company expects these to be overcome so as to allow planned operations to commence in line with the company’s business plan.
- 10.6** As a corollary, while equipment and investment is moved into the region, the knock-on effect in countries neighbouring Libya and within Malta’s operational area is also expected to increase exploration activity. The Operating Company expects to leverage its unique geographical position to increase the services it already provides from its base in Malta to operators in Egypt and Tunisia.
- 10.7** The Operating Company will keep under review the opportunities that may arise with a view of consolidating its position as a major operator in this sector. This may include expanding existing operations with a physical presence outside Malta, commencing in Libya. This will allow the Operating Company to service onshore activities, and thus generate a new income stream.
- 10.8** The Operating Company’s main asset is its base in Malta. This has been independently valued at Lm18 million and the directors are constantly reviewing its utilisation to obtain the best return. Should the right conditions materialise to reallocate some of the business outside Malta, this might present the Operating Company with an opportunity of diversifying its business so as to maximise total returns. There are currently no definite plans for any such diversification but the Group will, as part of its business development, consider opportunities which would enable it to follow this strategy.

11. Directors and Management Organs

11.1 General

The Company's governance principally lies in its Board of Directors, responsible for the general management of the Company. On the other hand, the Operating Company's governance structures are composed of two principal organs. The Board of Directors, which is the organ responsible for the determination of policy and strategic guidelines and management, is headed by two executive directors accountable directly to the Board of Directors and the general manager who is responsible for the overall day to day running of operations within the Group.

The Group has adopted a policy whereby the Board of Directors of the Company and the Board of Directors of the Operating Company consist of the same persons. This should ensure a cohesive decision making process at both the parent level and the operational level of the Group.

11.2 The Board of Directors

The Board of Directors of the Company is responsible for the overall direction and management of the Company and for the establishment of policy guidelines for the management of the Company, including responsibility for the appointment of all executive officers and other key members of management. The Memorandum of Association of the Company provides that the Board of Directors shall be composed of not more than four (4) and not less than two (2) directors of which at least two (2) shall be non-executive directors. The business address of all Directors of the Group is The Port of Marsaxlokk, Birzebugia BBG07, Malta.

A full list of the Directors is set out in Section 1 of this document and a curriculum vitae for each of the current directors is set out below:

Anthony J. Duncan (age 69)

Formerly a banker, Anthony J. Duncan has been a director of the Operating Company since 1987 and a director of the Company since its inception in 2001. He has held senior posts with European and U.S. companies including bankers Kleinwort Benson Limited and American Express International Banking Corporation, and became Group Treasurer of Hertz Europe Limited. From 1982 until 2001 he held the post of Group Treasurer of Albert Abela Group, previous owners of the Company.

Other directorships presently held:

Medserv Operations Limited	Malta
Floraring Limited	UK
Medoffshore Trading Limited	Malta

Other directorships held within the last five years:

Aberdeen Airport Hotels Limited	UK	2002
Albert Abela & Company Limited	UK	2004
Athens Air Caterers Limited	UK	2003
Bishopsbourne Management Company Limited	UK	2003
Gulf Catering and Contracting Limited	UK	2002

Anthony S. Diacono (age 53)

Anthony S. Diacono has been a director of the Company since inception in 2001 and a director of the Operating Company since 1997. He has held several posts as chairman, C.E.O. or director in both the public and private sector. He brings to the Group his experience obtained in Malta and overseas in both the manufacturing and service sector. Mr. Diacono is also active with the Constituted Business Organisation in Malta and was President of the Malta Federation of Industry between 1992 and 1993.

Other directorships presently held:

Medserv Operations Limited	Malta
AromaQ International Company Limited	Malta
Geot Trading Limited	Malta
Stress Limited	Malta
MOH Limited	Malta
Mediterranean Coffee Enterprise Holdings Limited	Malta
Mediterranean Contacts Limited	Malta
Dustech Limited (currently in dissolution)	Malta
Medoffshore Trading Limited	Malta

Other positions held:

Malta External Trade Corporations	Chairman	1999-2004
Malta Development Corporation	Chairman & CEO	1994-1997
MIMCOL Limited	Chairman	1993-1996
Kite Italia S.p.A.	Chairman & CEO	1999-2002
Expo 2000	Commissioner General	1999
Malta University Services Limited	Director	1996-2003
Elf Aquitaine	Consultant	1999-2000
University of Malta	Council Member	1994-1996
Malta Chamber of Commerce	Council Member	2001

Johannes Jacobus van Leeuwen (age 73)

A certified public accountant and a director of the Operating Company since 1997 at which time the said company was part of the Abela Group. In 1982 he joined Albert Abela Corporation as Vice President Finance having previously held senior management positions with U.S. and other international companies. He played a key part in the management of Albert Abela Corporation and its subsidiaries whose operations extended worldwide, serving on the board of directors of many of them. Whilst he has retired as Senior Vice President Finance, he remains a director of Business Development Corporation BDC 5 Limited, a member of the Albert Abela Group.

Joseph F.X. Zahra B.A. (Hons) Econ., M.A. (Econ.), FCIM, MMRS (age 51)

Joseph F.X. Zahra graduated with a first class honours degree in economics in 1976 from the University of Malta and a master's degree in economics in 1979. Over the past ten years, he has held the position of visiting lecturer in economics at the University of Malta and the Università degli studi di Messina in managerial economics. He is a regular speaker on economic, financial and management topics in conferences and seminars in Europe, North America and North Africa. Joseph F.X. Zahra is a chartered marketer (U.K.), a Fellow of the Chartered Institute of Marketing and a Member of the Market Research Society (U.K.) and the Gruppo di Studio per il Bilancio Sociale (Milan, Italy). He has been actively involved in both private and public institutions and organisations, namely the Malta Chamber of Commerce, the UNIDO National Committee (Malta), the Malta Enterprise, the Commonwealth Business Council, the Central Bank of Malta, the Malta Development Corporation and the Malta Bankers Association. Joseph F.X. Zahra is currently the Chairman of the National Euro Changeover Committee.

Present directorships:

Associated Surveys Limited	Malta
Combined Maritime Services Ltd	Malta
C.H.I. Limited	Malta
Market Intelligence Services Co. Ltd	Malta
MISCO International Ltd	Malta
Impetus Europe Consulting Group Ltd	Malta
Middlesea Insurance Co p.l.c.	Malta
Progress Assicurazioni SpA	Italy
Multi Risk Indemnity Ltd	Malta
Multi Risk Ltd	Malta
Multi Risk Benefits Ltd	Malta
Multi Risk Trading Ltd	Malta
Notabile Limited	Malta
Surge Consulting Limited	Malta

Other positions held within the last five years:

Bank of Valletta p.l.c.	Chairman	1998-2004
Middlesea Valletta Life Assurance Co Ltd	Deputy Chairman	1999-2004
BOV Stockbrokers Ltd	Chairman	2000-2004
Middlea Sea Insurance p.l.c.	Deputy Chairman	1999-2004
Maltacom p.l.c.	Chairman	2003
Euroglobe Holdings Ltd	Director	1998-2004
Euroglobe Services Ltd	Director	1998-2004
Prime SICAV p.l.c.	Chairman	2004
Mediterranean Bank Network	President	1998-1999
Valletta Investment Bank Ltd	Chairman	1998-2000
Bank of Valletta International Ltd	Chairman	1998-2001
Datatrak Holdings p.l.c.	Director	2003
Datarak Systems Ltd	Director	2003
Datarak Mena Ltd	Director	2003
Telepage Ltd	Chairman	2003
Terranet Ltd	Chairman	2003
Allcom Ltd	Chairman	2003
Maltacom College International Ltd	Chairman	2003
Datastream Ltd	Chairman	2003
Wirenet Ltd	Chairman	2003
Coreswitch Ltd	Chairman	2003
Technical & Management Services Ltd	Chairman	2003
Mobilse Communications Ltd	Chairman	2003
Innovate Software Ltd	Chairman	2003
Monitoring Services Ltd	Chairman	2003
Worldwide Communications Ltd	Chairman	2002

11.2.1 Executive Directors

There are currently two Executive Directors of the Group, namely Anthony J. Duncan and Anthony S. Diacono. Each of these two Directors is also the ultimate beneficial owner of each of the Offerors that will between them retain seventy five per cent of the issued share capital of the Company, and thus ultimate control of its management.

Both Executive Directors are involved in all aspects of the operations of the Group.

It is expected that both of them will retain their executive capacity within the Company, accountable to their fellow Directors on the Board. The Executive Directors head the executive arm of the Company with the responsibility of ensuring that the strategies and policies set by the Board of Directors are implemented.

11.2.2 Non-Executive Directors

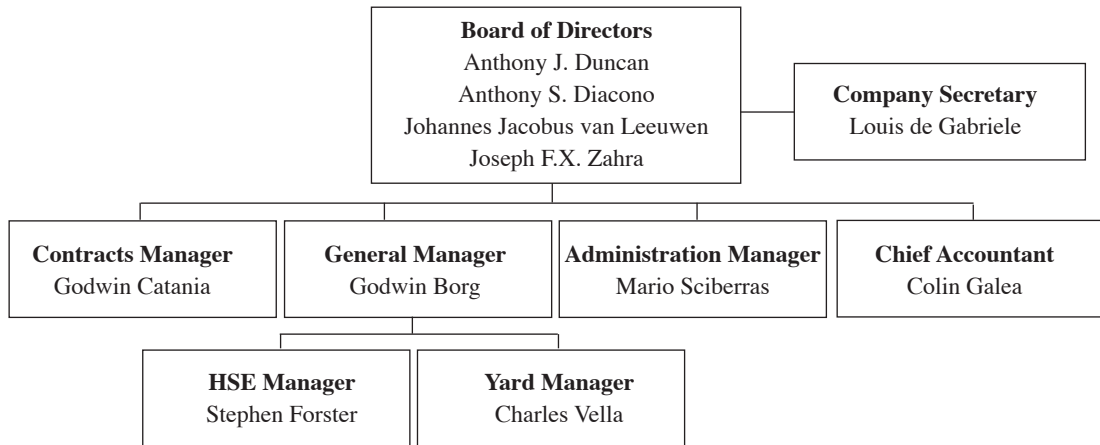
As from 27 September 2006 the Company has had two Non-Executive Directors appointed to the Board of Directors, whose function is to assist and participate in the adoption of policies and strategies for the Company and to bring to the Board the added value of independent judgement. Both Non-Executive Directors have the necessary experience in the corporate field that should enable them to significantly influence the decision making process within the Group.

11.3 Directors' Service Contracts

The Executive Directors have director service contracts to provide their services to the Group for a period of three years expiring on 27 September 2009.

11.4 Management Structure of the Operating Company

In view of the Company's business being solely the holding of the issued share capital of the Operating Company, the Company does not require a management structure. However the Operating Company's management body is as follows:



The following are short curriculum vitae of senior management personnel:

Godwin Borg B.Sc(Eng), BA (arch), Eur Eng, A&CE. – General Manager (age 55)

Godwin Borg is an engineer and architect who graduated from the University of Malta in 1973. He joined the Company in 1995 after having spent over twenty years as a project manager in the oil industry in Libya. In 2002, he was appointed General Manager in charge of the operations of the Operating Company, a post he still occupies today.

Louis de Gabriele LL.M (Lond.) LL.D. – Company Secretary (age 42)

Louis de Gabriele graduated from the University of Malta in 1988 and from the University of London in 1989. He is a partner of the law firm Camilleri Preziosi and practices law predominantly in the commercial and corporate law field. He is responsible for company secretarial matters. He is also company secretary of Malta International Airport p.l.c. and Datatrak Holdings p.l.c., amongst other companies, of which he is also legal advisor. He was appointed company secretary of the Company and the Operating Company in September 2006.

Godwin Catania – Contracts Manager (age 59)

Godwin Catania joined the Operating Company in 1976. He is responsible for contracts and corporate affairs and has held a number of positions in the Operating Company, namely Manager of Finance and Manager of Operations and company secretary.

Mario Sciberras – Administration and Procurement Manager (age 49)

Mario Sciberras joined the Operating Company in 1977 and in 2006 he was appointed Administration and Procurement Manager. He has held a number of positions in the Operating Company, including Assistant Financial Controller.

Colin Galea BA(Educ) – Chief Accountant (age 47)

Colin Galea graduated from the University of Malta in 1989. He joined the Company in 2005 and in 2006 he was appointed Chief Accountant. From 1996-2005 Colin Galea held the position of Financial Controller of Aquatess Limited.

Stephen Forster – Health, Safety and Environment Manager (age 40)

Stephen Forster joined the Company in 2006 as Health and Safety Manager. In 2005 he was appointed HSEQ Manager Chevron contract Angola, and had previously spent twelve years with the Corinthia Group, Malta.

Charles Vella – Yard Manager (age 55)

Charles Vella joined the Operating Company in 1995 having spent over fifteen years in the oil industry principally in Libya. He is a qualified pipe inspector and holds certificates of competency in magnetic particle and ultrasonic testing. He was appointed Yard Manager in 1998.

None of the above-mentioned senior management personnel and Directors have been:

- (a) convicted in relation to any fraud or fraudulent conduct in the last five years;
- (b) made bankrupt or associated with any liquidation or insolvency caused by action of creditors;
- (c) the subject of any official public incrimination or sanction by any statutory or regulatory authority; or
- (d) disqualified by a court from acting as director or manager in the last five years.

11.5 Aggregate Emoluments of Directors and Senior Management

With respect to the Operating Company, the total amount of remuneration paid and benefits in kind granted to the Board of Directors and senior management personnel in the last financial year amounted to approximately Lm124,230. The aggregate amount of remuneration to be paid to all Executive and Non-Executive Directors of the Company, as authorised by the shareholders of the Company is Lm100,000 per annum.

11.6 Loans to Directors and Senior Management

There are no loans made to the Directors or members of senior management which are currently outstanding.

11.7 Removal of Directors

A Director may, unless he resigns, be removed by the shareholder appointing him or by an ordinary resolution of the shareholders as provided in section 140 of the Act.

11.8 Powers of Directors

By virtue of the Articles of Association of the Company the Directors are empowered to transact all business which is not by the Articles expressly reserved for the shareholders in general meeting.

11.9 Conflicts of Interest

There are no potential conflicts of interest between any duties to the Group, of Directors or senior management and their private interests and other duties. The Audit Committee appointed from amongst the Non-Executive Directors of the Company, has the task to ensure that any potential conflicts of interests are resolved in the best interests of the Company.

There are no arrangements in place with either of the major shareholders, customers, suppliers or others for the appointment of any particular person to any organ of the Company.

11.10 Audit Committee

The Company has in place an audit committee composed of the two Non-Executive Directors with the aim of ensuring that the Company has the right measures of identifying risks and minimising those risks in an effective and efficient manner. The role of the Audit Committee is to monitor risk and the adequacy of systems within the Company intended to ensure appropriate internal controls and risk management.

12. Employees

In 2005, the Group employed twenty seven people involved in the operations of the Group and eleven people in the management and administration of the Group. Please refer to the heading “**Management Structure of the Operating Company**” above for further detail on the senior management of the Group. The Company has a collective agreement in place with the General Workers Union that regulates the conditions of employment of its employees. The collective agreement is due to expire in December 2007.

13. Major Shareholders

The two shareholders of the Company are the Offerors which following the Offering will retain thirty seven point five per cent (37.5%) each of the issued share capital of the Company and will accordingly retain a controlling interest in the Company capable of determining its financial and management decisions. The Offerors have as part of the terms and conditions of the Offer of Shares undertaken not to sell or otherwise dispose of any of their shares in the market for at least twelve months following the admission of the Shares of the Company to the Official List of the Malta Stock Exchange.

14. Related Party Transactions

Currently, there are no transactions which would be defined as Related Party Transactions in terms of the Listing Rules. The Audit Committee of the Group, inter alia, is responsible to identify any such transactions and to bring to the attention of the Board of Directors of the Group any such transactions. In addition, the Audit Committee has the responsibility to ensure compliance with the Related Party Transaction Rules under the Listing Rules promulgated by the Listing Authority.

15. Historical Financial Information

- 15.1** This document makes reference to the consolidated financial statements of the Company for the financial years ended 31 December 2003, 31 December 2004 and 31 December 2005. The financial statements referred to are audited financial statements and copies thereof are available from the Company’s website and from the Company’s registered office.
- 15.2** There is no significant change in the financial or trading position of the Company which has occurred since the end of the financial period to which the audited financial statements for the year ended 31 December 2005 relate.

16. Additional Information

16.1 Share Capital

The authorised share capital of the Company is Lm2,000,000 (two million Maltese Liri) divided into 20,000,000 (twenty million) ordinary shares of a nominal value of Lm0.10 each share. The issued share capital is Lm1,000,000 (one million Maltese Liri) divided into 10,000,000 (ten million) ordinary shares of a nominal value of Lm0.10 each share. There are currently no different classes of shares in the Company and accordingly all shares have the same rights and entitlements in connection with any distribution whether of dividends or capital (on a winding up or otherwise).

16.2 Memorandum and Articles of Association

(a) Objects

The Memorandum and Articles of Association of the Company is registered with the Malta Financial Services Authority. The main object of the Company is to carry on the business of a holding company whether of movable or immovable assets and other related activities including any business activities of the Subsidiary and such other activities as may from time to time be ancillary or complimentary to the foregoing whether in Malta or overseas. Clause 3 of the Memorandum of Association contains the full list of objects of the Company. The Memorandum and Articles of Association of the Company regulate matters customarily dealt with therein, including matters such as voting rights and restrictions thereof, and the appointment and powers of directors. A copy of the Memorandum and Articles of Association of the Company may be inspected during the lifetime of this Summary Note at the registered office of the Company and at the Registrar of Companies of the Malta Financial Services Authority.

(b) Voting Rights & Restrictions

All shares currently in issue and of which the Shares form part are entitled to vote in any meeting of shareholders. There are currently no restrictions on voting.

(c) Appointment of Directors

Directors are appointed by the shareholders in the annual general meeting by voting for the persons nominated to fill the posts of directors in accordance with the Memorandum and Articles of Association. There is no shareholding qualification to participate in the election of directors. There is a shareholding qualification of 50,000 shares for the nomination of candidates to be appointed as directors.

(d) Powers of Directors

The Directors are vested with the management of the Company, and their powers of management and administration emanate directly from the Memorandum and Articles of Association and the law. The Directors are empowered to act on behalf of the Company and in this respect have the authority to enter into contracts, sue and be sued in representation of the Company. In terms of the Memorandum and Articles of Association they may do all such things that are not by the Memorandum and Articles of Association reserved for the Company in general meeting.

Directors may not vote on any proposal, issue, arrangement or contract in which they have a personal material interest.

The maximum limit of aggregate emoluments of the Directors is, in terms of the Memorandum and Articles of Association, to be established by the shareholders in general meeting. Within that limit the Directors shall have the power to vote remuneration to themselves or any number of their body. Any increases in the maximum limit of Directors' aggregate emoluments have to be approved by the general meeting.

In terms of the Memorandum and Articles of Association, the Board of Directors may exercise all the powers of the Company to borrow money and give security therefore, subject to the limit established in the Memorandum and Articles of Association. That limit is currently four times the Company's capital and reserves. The shareholders in general meeting have the over-riding authority to change, amend, restrict and or otherwise modify such limit and the Directors' borrowing powers.

There are no provisions in the Company's Memorandum and Articles of Association regulating the retirement or non-retirement of Directors over an age limit.

(e) Dividend Policy

The Directors of the Company currently adopt a policy pursuant to which, subject to available cash flows, the requirements of the Act and sufficient working capital, forty per cent of the distributable profits are distributed to its shareholders by way of dividend. It is expected that subject to unforeseen circumstances and economic conditions that might have an impact on the Company's financial performance, and provided that the Company will sustain adequate cash flows and subject to the requirements of the Act, the Directors maintain this policy in the foreseeable future.

(f) Annual General Meetings

Information on the proceedings of general meetings of the Company is found in the Memorandum and Articles of Association under the heading "General Meetings".

16.3 Legal and Arbitration Proceedings

There are currently no governmental, legal or arbitration proceedings (including pending or threatened of which the Group is aware) during the previous twelve months which may have, or have had in the recent past significant or material effects on the Group or its financial position or profitability.

17. Material Contracts

Emphyteutical Concession

By virtue of the Deeds, the Operating Company (then Medserv Limited) collectively acquired, under title of temporary emphyteusis the Medserv Site, from the Malta Freeport Corporation Limited for a period up to 29 May 2045. The Deeds prohibit the Operating Company from letting, granting on sub-emphyteusis, transferring, assigning the temporary utile dominium to third parties or otherwise transferring the Medserv Site without the prior consent, by resolution of the House of Representatives in Malta. This however does not prohibit the Operating Company from allowing its clients the use for payment of any part of the Medserv Site or buildings thereon in the normal course of its business. In the event that the House of Representatives do not provide their consent to the transfer of the Medserv Site, Malta Freeport Corporation Limited is obliged to acquire the Medserv Site, constructions and facilities thereon from the Operating Company within three months from the said refusal at a consideration calculated in terms of the First Deed.

By virtue of the First Deed, the Operating Company was granted by Malta Freeport Corporation Limited, the exclusive use of a quay in the Malta Freeport at Kalafrana being two hundred metres in length and twenty five metres in width and having an area of approximately five thousand metres, together with free access of persons, goods, vehicles and equipment. Malta Freeport Corporation Limited also granted, pursuant to the Third Deed, the exclusive right of use of a further quay measuring approximately thirty nine metres long, together with free access of persons, goods, vehicles and equipment. The exclusive use of the quays granted in terms of the First and the Third Deed (together the "Quays") is granted for a period up to 29 May 2045 and is restricted solely for the use of the Operating Company's main business, as described in the First Deed. The maintenance and ordinary repairs of the Quays are at the charge of the Operating Company, whilst extraordinary repairs are at the charge of the Malta Freeport Corporation Limited.

In consideration of the right of use granted over the Quays, the Operating Company is obliged to pay Malta Freeport Corporation Limited, berthing fees as calculated in terms of the First Deed.

In the event that the emphyteutical grant described above terminates for any reason whatsoever, the right of use granted by virtue of the Third Deed automatically terminates therewith.

Freeport Licence

The Operating Company is in possession of a licence granted in terms of article 11 of the Malta Freeports Act, Cap 334 of the Laws of Malta. The possession of this licence authorises the Operating Company to carry out in the Freeport (constituted under section 3(1) of the said Act), a trade or business consisting in the licensed activities as authorised by the Malta Freeport Authority. The licensed activities consist of the following:

- (a) the general trade, operation, management and marketing of a storage, service and spare parts centre for the oil industry at the Freeport in Kalafrana, Port of Marsaxlokk, Malta and the establishment, supply, maintenance and operation of all services related or ancillary thereto;
- (b) the carrying on of all or any of the trades of businesses of carriers and handlers by land, water and air of products;
- (c) acting as advisers, consultants, brokers and agents;
- (d) acting as marine engineers, storage contractors, wharfingers and warehousemen; and
- (e) the production, manufacture, processing, importing, exporting, storing and dealing of all kinds of machines, articles, products, apparatus and things necessary or useful for the above activities.

The licensed activities are subject to certain conditions, inter alia, the payment of all licensing fees and notification to the Malta Freeport Authority in the event of a change in shareholding of the Operating Company or any of its shareholding companies. The said licence is valid for a period up to 29 May 2045 but remains revocable in accordance with the Malta Freeports Act.

18. Third Party Information and Statements by Experts

On 10 August 2006, Dr. Mark Bonello A.&C.E. provided a valuation of the Medserv Site currently granted to the Operating Company, a copy of which is set out in “**Annex 2**”. The said valuation was issued prior to the change in name of the Operating Company and is therefore addressed to Medserv Limited, as opposed to Medserv Operations Limited. Dr Bonello has given his consent for the publication of his report in the form and content in which it appears in “**Annex 2**”.

ISO Certification

On 4 August 2006, Moody International Certification Limited assessed the quality and management system of the Operating Company. Moody International Certification Limited found the Operating Company to be in compliance with the requirements of ISO 9001:2000 and a certificate of registration was issued to that effect. The certificate, bearing certificate number 37046 is valid for a period up until 3 August 2009 and covers logistic and support services to international oil companies.

19. Documents Available for Inspection

During the lifetime of this Registration Document the following documents shall be available for inspection at the registered address of the Company:

- (a) Memorandum and Articles of Association;
- (b) the Summary Note and the Securities Note, forming part of the Prospectus; and
- (b) the Historical Financial Information for each of the financial years ended 31 December 2003, 31 December 2004 and 31 December 2005.

These documents are also available for inspection in electronic form on the Company’s website at www.medservmalta.com

Annex 1

MEDSERV p.l.c.

PROFIT FORECASTS

For the two years ending 31 December 2006 and 2007



Portico Building
Marina Street
Pietà MSD 08
Malta

Telephone (+356) 2563 1000
Fax (+356) 2566 1000
E-mail kpmg@kpmg.com.mt
Web page <http://www.kpmg.com.mt>

The Directors
Medserv p.l.c.
Malta Freeport, Port of Marsaxlokk
Birzebbugia BBG 07, Malta

27 September 2006

Dear Sirs,

Accountants' Report on the Profit Forecasts of Medserv p.l.c.

We report on the profit forecasts of Medserv p.l.c. and its subsidiary, Medserv Operations Limited, ('the Group') for the two years ending 31 December 2006 and 2007. The profit forecasts are set out on page 46 of Medserv p.l.c.'s prospectus to be dated 29 September 2006.

Directors' Responsibility

It is the Directors' responsibility to prepare the profit forecasts, together with the material assumptions on which they are based, in accordance with the requirements of the Listing Rules issued by the Listing Authority of the Malta Financial Services Authority and EU Regulation EC809/2004.

Accountants' Responsibility

It is our responsibility to provide the opinion required by Listing Rule 9.18 and by Annex I item 13.2 of EU Regulation EC809/2004.

Since the profit forecasts and the assumptions on which they are based relate to the future they may be affected by unforeseen events. The variation between forecast and actual results may be material. We are not required to express, nor do we express, any opinion on the possibility of achievement of the results set out in the profit forecasts or on the underlying assumptions.

Work Performed

Our work included an evaluation of the procedures undertaken by the Directors in compiling the profit forecasts and the consistency of the profit forecasts with the accounting policies adopted by Medserv p.l.c.

We planned and performed our work so as to obtain all the information and explanations we considered necessary in order to provide us with reasonable assurance that the profit forecasts have been properly compiled on the basis of the underlying stated assumptions.

Opinion

In our opinion:

- a) the profit forecasts have been properly compiled on the basis of the underlying stated assumptions; and
- b) the basis of accounting is consistent with the accounting policies of Medserv p.l.c.

This opinion is solely intended to be relied upon by you for the purposes of the prospectus dated 29 September 2006. Readers are cautioned that these profit forecasts may not be appropriate for purposes other than that described above.

Yours Sincerely

This Report has been signed by
David Caruana (Partner) for and on behalf of

KPMG
Certified Public Accountants

Partners	Eric Muscat
Joseph C Schembri	Anthony Pace
Raymond Azzopardi	Pierre Portelli
Mark Bamber	André Zarb
Juanita Bencini	Anthony Zarb
David Caruana	
Alfred V Cremona	Associate Director
Hilary Galea-Lauri	Wim Van Vuuren
Noel Mizzi	

KPMG is a member firm of KPMG International, a Swiss cooperative

Profit Forecasts

For the two years ending 31 December 2006 to 2007

Summary of significant assumptions and accounting policies

Introduction

The profit forecasts of Medserv p.l.c. and its subsidiary, Medserv Operations Limited, (the "Group") for the two years ending 31 December 2006 and 2007 are set out on page 46. These profit forecasts and the assumptions set out below are the sole responsibility of the Directors of Medserv p.l.c.

The profit forecast for the year ending 31 December 2006 has been based on the following unaudited financial information:

- a) the management accounts for the Group for the six month period 1 January to 30 June 2006; and
- b) forecast financial information for the Group covering the period 1 July to 31 December 2006.

The profit forecasts are based on stated assumptions which the Directors believe to be reasonable. These assumptions, which include hypothetical assumptions with respect to the forecasts for 2007, have been based on the nature and size of the intended level of operations and reflect current economic conditions and price levels adjusted where applicable to take into account the projected level of inflation. The Directors have exercised due care and diligence in adopting these assumptions.

The date of completion of these profit forecasts is 27 September 2006 and the stated assumptions are judgements made at that date. The assumptions disclosed herein are those that the Directors believe are significant to the profit forecasts.

Actual results are likely to be different from those indicated in the profit forecasts because events and circumstances frequently do not occur as expected and those differences may be material.

Bases of preparation

The bases of preparation relating to the environment in which the Medserv Group operates and which underlie the profit forecasts are the following:

- The Medserv Group will continue to enjoy the confidence of its customers, suppliers and its bankers throughout the period under consideration.
- There will be no material adverse change in the level of economic activity in the countries in which the Group will operate and that additionally the political environment in these countries will remain largely unchanged.
- The bases on which the Group's bankers determine the rate of interest charged on facilities currently made available, or which will be charged on facilities expected to be made available in the future, will not change materially throughout the period covered by the forecasts.
- The bases and rates of taxation, both direct and indirect, will not change materially during 2007.
- The Medserv Group will enjoy good relations with its employees and their representatives throughout the period under consideration.
- The rate of inflation throughout the period under consideration will not exceed that experienced in the last few years.

The Group

The profit forecasts cover the current activities of the Medserv Group. The subsidiary company included in the consolidated profit forecasts is Medserv Operations Limited, which is 99.99% owned by Medserv p.l.c.

Medserv p.l.c. holds shares in Medserv Operations Limited and has no other business.

Medserv Operations Limited is engaged in the provision of a comprehensive logistical support and service base for the onshore and offshore petro-chemical industry.

Significant Accounting Policies

The significant accounting policies for the Group are set out in the audited financial statements for the year ended 31 December 2005. Where applicable, these accounting policies, in so far as they relate to recognition and measurement criteria, have been consistently applied in the preparation of these profit forecasts.

Summary of Significant Assumptions

a) Revenue

Revenue represents the income projected from the operations of Medserv Operations Limited and is stated after the deduction of sales rebates and indirect taxes. Revenue has been projected on a client by client basis and taking into account the services expected to be provided to each client.

b) Cost of sales

Cost of sales has been estimated as follows:

	2006	2007
	Lm'000	Lm'000
Cost of services	1,731	3,153
Operating expenses	221	236
	1,952	3,389

Cost of services has been projected at 56% and 65% of revenue for 2006 and 2007 respectively. These cost levels have been projected after taking into account the gross profit margins for the various services expected to be provided to clients.

Operating expenses are based on the nature and size of future expected operations and, where applicable, on the cost levels experienced in the past, adjusted for inflation as appropriate.

c) Administrative expenses

Administrative expenses are based on the nature and size of future expected operations and, where applicable, on the cost levels experienced in the past, adjusted for inflation as appropriate.

d) Financial expenses

Bank interest on all borrowings has been computed at the rate of 1.5% per annum over the bank's base rate (currently 3.5% per annum), i.e. at the present effective rate of 5% per annum, on the expected average outstanding balance for each year.

Interest on the shareholder's loan has been calculated at the rate of 3.5% per annum over the bank's base rate on the expected average outstanding balance for each year.

e) Exchange fluctuations

The profit forecasts do not provide for any gains or losses arising out of any possible exchange fluctuations throughout the period under consideration.

f) Tax income

Tax income represents the projected movement in the deferred tax asset for the period mainly arising from the investment tax credit and the investment credit available to Medserv Operations Limited under the Business Promotion Act. The tax status of Medserv Operations Limited is summarised elsewhere in this document.

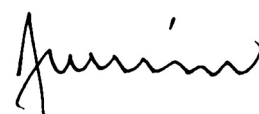
Conclusions

The Directors believe that the assumptions on which the profit forecasts are based are reasonable. The Directors further believe that, in the absence of unforeseen circumstances outside their control, the working capital available to the Group will be sufficient for the carrying out of its business.

Approved by the Board of Directors on 27 September 2006 and signed on its behalf by:



Anthony S. Diacono
Director



Anthony J. Duncan
Director

Profit Forecasts

For the two years ending 31 December 2006 to 2007

	2006	2007
	Lm'000	Lm'000
Revenue	3,054	4,850
Cost of sales	<u>(1,952)</u>	<u>(3,389)</u>
Gross profit	1,102	1,461
Administrative expenses	<u>(589)</u>	<u>(606)</u>
Operating profit before financing costs	513	855
Financial expenses	<u>(39)</u>	<u>(45)</u>
Profit before tax	474	810
Tax income	<u>220</u>	<u>83</u>
Profit for the year	<u><u>694</u></u>	<u><u>893</u></u>

Annex 2

TBA periti

Architects, Civil, and Structural Engineering Consultants

No.43 Main Street, Balzan BZN 06, Malta

Tel: (+356) 21498532 Fax: (+356) 21498534 E-mail: tbaperiti@tbaperiti.com

10 August 2006

The Directors
Medserv Limited
Malta Freeport
Port of Marsaxlokk
Birzebbuga BBG 07
Malta

Dear Sirs,

VALUATION REPORT

Re-Medserv Limited, Malta Freeport, Birzebbuga BBG07, Malta

In accordance with your request, we hereby submit our professional opinion of the Fair Market Value for the above-captioned property. We have inspected the site and facilities and analysed the market conditions for similar properties in Malta. The valuation has been carried out by the undersigned, as an external valuer in terms of, and with due regard given to, the Valuation Standards of the Kamra Tal-Periti (Chamber of Architects & Civil Engineers of Malta) and with The Royal Institution of Chartered Surveyors 'RICS Appraisal and Valuation Manual'.

For the purposes of this valuation, the undersigned has had access to the plans of the land and overlying buildings and facilities. The undersigned has also carried out a detailed inspection of the premises towards the end of 2005. The valuation calculations were based upon information made available by the Directors, including projections of expected future revenues and costs.

Based upon the available data, together with our analysis and experience in the local real estate market, it is our professional opinion that the Fair Market Value, on an existing use value basis, of the emphytheutical title of the land and the overlying buildings and facilities, as at 1st January 2006 amounts to:

LM18,000,000

EIGHTEEN MILLION MALTESE LIRI

We hereby certify that we have no undisclosed interest in the property, and our employment and compensation are not contingent upon our findings and valuation. We understand that this letter, and our professional opinion with regards to the Fair Market Value of the property, may be used by independent valuers in arriving at a separate opinion of value for the company that owns the above-captioned property. We also understand that the valuation may be used in connection with the proposed Initial Public Offering (IPO) of shares by the company later on this year.

This Letter of Value is subject to the comments made throughout and to all assumptions and limiting conditions set forth herein.

Yours sincerely
TBA PERITI



Perit Dr Marc Bonello
Senior Partner

Securities Note

This document is a Securities Note issued in accordance with the provisions of Chapter 6 of the Listing Rules issued by the Listing Authority and in accordance with the provisions of Commission Regulation (EC) No 809/2004 of 29 April 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council as regards information contained in a prospectus.

This Securities Note is issued pursuant to the requirements of Listing Rule 6.4.3 of the Listing Rules and contains information about the Shares offered for sale through an intermediaries offer by the Offerors in Medserv p.l.c. Application has been made for admission to trading on the Malta Stock Exchange of the Shares. This Securities Note should be read in conjunction with the most updated Registration Document issued by the Company from time to time that provides details of the Company.

This document is dated 29 September 2006

Securities Note

In respect of an Offer through Intermediaries made by

MOH Limited

and

**Malampaya Investments
Limited**

Of a total of 2,500,000 Shares of a nominal value of Lm0.10 each in

Medserv p.l.c.

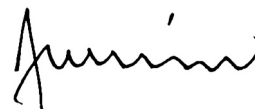
(formerly A.D. Holdings Limited)

At an Offer Price of Lm1.30 per share

MOH Limited and Malampaya Investments Limited (the "Offerors") are hereby offering for sale two million five hundred thousand ordinary shares of a nominal value of Lm0.10 each (the "Shares") through Intermediaries at an offer price of Lm1.30 per share. The Shares are ordinary shares of the Company and form part of one class of ordinary shares. There are no shares of the Company in issue that have any preferred or deferred rights. After the Share Offer, each of the Offerors will own thirty seven point five per cent (37.5%) of the total issued share capital of the Company. The Shares shall entitle their holders to attend and vote at general meetings of shareholders and to dividends, if any, declared and paid by the Company. All holders of ordinary shares shall rank "pari passu" upon any distribution of assets in a winding up or otherwise.



Anthony S. Diacono
Director



Anthony J. Duncan
Director

Legal Counsel to the Company

Camilleri Preziosi

**Financial Advisors,
Auditors &
Reporting Accountants**

KPMG

Sponsoring Stockbrokers

Charts Investment Management Service Ltd.
HSBC Stockbrokers (Malta) Ltd.

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Important Information

THIS DOCUMENT CONSTITUTES PART OF A PROSPECTUS AND CONTAINS INFORMATION ON AN OFFER BY MOH LIMITED AND MALAMPAYA INVESTMENTS LIMITED OF TWO MILLION FIVE HUNDRED THOUSAND (2,500,000) ORDINARY SHARES IN MEDSERV P.L.C. (THE "COMPANY") TO INTERMEDIARIES WHETHER FOR THEIR OWN ACCOUNT OR FOR THE ACCOUNT OF UNDERLYING CUSTOMERS OR FOR FUTURE DISTRIBUTION. THE SHARES HAVE A NOMINAL VALUE OF LM0.10 EACH SHARE AND ARE BEING OFFERED AT A PRICE OF LM1.30.

THIS DOCUMENT INCLUDES INFORMATION GIVEN IN COMPLIANCE WITH THE LISTING RULES OF THE LISTING AUTHORITY FOR THE PURPOSE OF GIVING INFORMATION WITH REGARD TO THE SHARES. ALL OF THE DIRECTORS OF THE COMPANY, WHOSE NAMES APPEAR UNDER THE HEADING DIRECTORS (THE "DIRECTORS"), ARE THE PERSONS RESPONSIBLE FOR THE INFORMATION CONTAINED IN THIS PROSPECTUS. TO THE BEST OF THE KNOWLEDGE AND BELIEF OF THE DIRECTORS OF THE COMPANY (WHO HAVE ALL TAKEN REASONABLE CARE TO ENSURE SUCH IS THE CASE), THE INFORMATION CONTAINED IN THIS PROSPECTUS IS IN ACCORDANCE WITH THE FACTS AND DOES NOT OMIT ANYTHING LIKELY TO AFFECT THE IMPORT OF SUCH INFORMATION. THE DIRECTORS ACCEPT RESPONSIBILITY ACCORDINGLY.

NO BROKER, DEALER, SALESMAN OR OTHER PERSON HAS BEEN AUTHORISED BY THE COMPANY OR ITS DIRECTORS, TO ISSUE ANY ADVERTISEMENT OR TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS IN CONNECTION WITH THE SALE OF THE SHARES (AS DEFINED HEREIN) OTHER THAN THOSE CONTAINED IN THIS PROSPECTUS AND IN THE DOCUMENTS REFERRED TO HEREIN IN CONNECTION WITH THE OFFER HEREBY MADE, AND IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORISED BY THE COMPANY, ITS DIRECTORS OR ADVISORS.

THE ADVISORS ENGAGED BY THE COMPANY FOR THE PURPOSE OF THIS OFFER ARE ACTING EXCLUSIVELY FOR THE COMPANY.

THE LISTING AUTHORITY ACCEPTS NO RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS, MAKES NO REPRESENTATIONS AS TO ITS ACCURACY OR COMPLETENESS AND EXPRESSLY DISCLAIMS ANY LIABILITY WHATSOEVER FOR ANY LOSS HOWEVER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS PROSPECTUS.

THIS SECURITIES NOTE DOES NOT CONSTITUTE, AND MAY NOT BE USED FOR PURPOSES OF, AN OFFER OR INVITATION TO SUBSCRIBE FOR SHARES BY ANY PERSON IN ANY JURISDICTION (I) IN WHICH SUCH OFFER OR INVITATION IS NOT AUTHORISED OR (II) IN WHICH THE PERSON MAKING SUCH OFFER OR INVITATION IS NOT QUALIFIED TO DO SO OR (III) TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH OFFER OR INVITATION.

IT IS THE RESPONSIBILITY OF ANY PERSONS IN POSSESSION OF THIS DOCUMENT AND ANY PERSONS WISHING TO PURCHASE SHARES TO INFORM THEMSELVES OF, AND TO OBSERVE AND COMPLY WITH, ALL APPLICABLE LAWS AND REGULATIONS OF ANY RELEVANT JURISDICTION. PROSPECTIVE APPLICANTS FOR SHARES SHOULD INFORM THEMSELVES AS TO THE LEGAL REQUIREMENTS OF SO APPLYING AND ANY APPLICABLE EXCHANGE CONTROL REQUIREMENTS AND TAXES IN THE COUNTRIES OF THEIR NATIONALITY, RESIDENCE OR DOMICILE.

THE SHARES HAVE NOT BEEN NOR WILL THEY BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "1933 ACT") OR UNDER ANY STATE SECURITIES LAW AND, EXCEPT WITH THE SPECIFIC CONSENT OF THE DIRECTORS, MAY NOT BE OFFERED OR SOLD DIRECTLY OR INDIRECTLY, IN THE UNITED STATES OF AMERICA, ITS TERRITORIES OR POSSESSIONS OR ANY AREA SUBJECT TO ITS JURISDICTION (THE "UNITED STATES") OR TO ANY UNITED STATES PERSON (AS DEFINED IN REGULATIONS OF SUCH ACT, AS AMENDED FROM TIME TO TIME). IN ADDITION, THE COMPANY WILL NOT BE REGISTERED UNDER THE UNITED STATES INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "1940 ACT") AND THE INVESTORS WILL NOT BE ENTITLED TO THE BENEFITS OF THE 1940 ACT. BASED ON INTERPRETATIONS OF THE 1940 ACT BY THE STAFF OF THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION RELATING TO FOREIGN INVESTMENT COMPANIES, IF THE COMPANY HAS MORE THAN 100 BENEFICIAL OWNERS OF ITS SECURITIES WHO ARE UNITED STATES PERSONS, IT MAY BECOME SUBJECT TO THE 1940 ACT. THE DIRECTORS WILL NOT KNOWINGLY PERMIT THE NUMBER OF HOLDERS WHO ARE UNITED STATES PERSONS TO EXCEED 70.

A COPY OF THIS DOCUMENT HAS BEEN REGISTERED WITH THE LISTING AUTHORITY IN SATISFACTION OF THE LISTING RULES, THE MALTA STOCK EXCHANGE IN SATISFACTION OF THE MALTA STOCK EXCHANGE BYE-LAWS AND HAS BEEN DULY FILED WITH THE REGISTRAR OF COMPANIES, IN ACCORDANCE WITH THE ACT.

STATEMENTS MADE IN THIS DOCUMENT ARE, EXCEPT WHERE OTHERWISE STATED, BASED ON THE LAW AND PRACTICE CURRENTLY IN FORCE IN MALTA AND ARE SUBJECT TO CHANGES THEREIN.

APPLICATION HAS BEEN MADE TO THE LISTING AUTHORITY FOR THE SHARES TO BE CONSIDERED AS ADMISSABLE TO LISTING ON A RECOGNISED INVESTMENT EXCHANGE. IN ADDITION, APPLICATION HAS ALSO BEEN MADE TO THE COUNCIL OF THE MALTA STOCK EXCHANGE, AS A RECOGNISED INVESTMENT EXCHANGE, FOR THE SHARES TO BE ADMITTED TO THE OFFICIAL LIST UPON ALLOCATION TO INTERMEDIARIES. DEALINGS ARE EXPECTED TO COMMENCE ON THE SAID EXCHANGE ON 24 OCTOBER 2006.

THE VALUE OF INVESTMENTS CAN RISE OR FALL AND PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE PERFORMANCE. IF YOU NEED ADVICE YOU SHOULD CONSULT A LICENSED STOCKBROKER OR AN INVESTMENT ADVISOR LICENSED UNDER THE INVESTMENT SERVICES ACT, CAP. 370 OF THE LAWS OF MALTA.

Definitions

In this document the following words and expressions shall bear the following meanings except where the context otherwise requires:

Act	the Companies Act, Cap. 386 of the Laws of Malta;
Company or Medserv	Medserv p.l.c.;
Directors or Board	the directors of the Company whose names are set out under the heading “Identity of Directors, Senior Management, Advisors and Auditors”;
Group	the Company and the Operating Company;
Intermediaries	HSBC Stockbrokers (Malta) Ltd and Charts Investment Management Service Limited;
Malta Stock Exchange or MSE	the Malta Stock Exchange as defined by the Financial Markets Act (Cap.345 of the Laws of Malta);
Maltese Liri	the lawful currency from time to time of the Republic of Malta;
Offer or Offering	the offer of Shares by the Offerors at the Share Offer Price;
Offerors	MOH Limited and Malampaya Investments Limited;
Operating Company	Medserv Operations Limited;
Prospectus	this document together with the Registration Document dated 29 September 2006 and the Summary Note dated 29 September 2006 in connection with the Offer of Shares by the Offerors;
Registration Document	the document as set out on pages 17 to 47 of this Prospectus;
Securities Note	the document as set out on pages 48 to 63 of this Prospectus;
Share Offer Price	the price of Lm1.30 for each Share;
Shares or Security	the two million five hundred thousand (2,500,000) ordinary shares of a nominal value of Lm0.10 each being offered by the Offerors at the Share Offer Price;
Summary Note	the document as set out on pages 3 to 16 of this Prospectus.

1. Identity of Directors, Senior Management, Advisors and Auditors

ALL OF THE DIRECTORS OF THE COMPANY, WHOSE NAMES APPEAR BELOW AS DIRECTORS (THE “DIRECTORS”), ARE THE PERSONS RESPONSIBLE FOR THE INFORMATION CONTAINED IN THIS DOCUMENT. TO THE BEST OF THE KNOWLEDGE AND BELIEF OF THE DIRECTORS OF THE COMPANY (WHO HAVE ALL TAKEN REASONABLE CARE TO ENSURE SUCH IS THE CASE), THE INFORMATION CONTAINED IN THIS DOCUMENT IS IN ACCORDANCE WITH THE FACTS AND DOES NOT OMIT ANYTHING LIKELY TO AFFECT THE IMPORT OF SUCH INFORMATION. THE DIRECTORS ACCEPT RESPONSIBILITY ACCORDINGLY. THEY HAVE BEEN ADVISED AND ASSISTED IN THE DRAFTING AND COMPILATION OF THE DOCUMENT BY THE PERSONS MENTIONED UNDER THE HEADING “ADVISORS”.

Directors

Name	Function
Anthony J. Duncan	Executive Director
Anthony S. Diacono	Executive Director
Johannes Jacobus van Leeuwen	Non-Executive Director
Joseph F.X. Zahra	Non-Executive Director
Louis de Gabriele	Company Secretary

Advisors and Auditors

Legal Counsel to the Company	Camilleri Preziosi Level 3, Valletta Buildings, South Street, Valletta VLT11, Malta
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Sponsoring Stockbrokers	Charts Investment Management Service Limited 18A 3rd Floor, Europa Centre, Floriana VLT15, Malta
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	HSBC Stockbrokers (Malta) Ltd 233, Republic Street, Valletta VLT05, Malta
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Financial Advisors, Auditors & Reporting Accountants	KPMG Portico Building, Marina Street, Pieta MSD08, Malta
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Management of Operating Company	General Manager - Godwin Borg Administration and Procurement Manager - Mario Sciberras Health, Safety and Environment Manager - Stephen Forster Yard Manager - Charles Vella Chief Accountant - Colin Galea Contracts Manager - Godwin Catania
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2. Presentation of Certain Information

Medserv is a holding company that does not undertake any trading and business activities in its own name. Its object is that of a holding company and as such holds, directly or indirectly one hundred per cent ownership of the issued share capital of the Operating Company. The Company's operating and financial performance is therefore directly related to the financial and operating performance of the Operating Company. Accordingly, all financial and business information reproduced in this Securities Note relates to the Group and/or the Operating Company, where applicable. This document also contains references to the Company, the Group and the Operating Company where it is deemed appropriate that such references could assist an investor to better understand the information contained in this document. Investors are urged to consult the definition section of this document for the exact meanings of those terms.

3. Risk Factors

You should carefully consider the following matters, as well as the other information contained in the Prospectus, before making any investment decision with respect to the Company. If any of the risks described were to materialise, they could have a serious effect on the Company's financial results, trading prospects and the ability of the Company to fulfil its obligations under the securities being offered.

The risks and uncertainties discussed below are those that the Directors believe to be material, but these risks and uncertainties may not be the only ones that the Group faces. Additional risks and uncertainties, including those which the Group's Directors are not currently aware of or deem immaterial, may well result in a material impact on the financial condition and operational performance of the Group that could lead to a decline in value of the Shares.

Forward Looking Statements

This Securities Note contains forward-looking statements that include, among others, statements concerning the Company's strategies and plans relating to the attainment of those objectives, its capital requirements and other statements of expectations, beliefs, future plans and strategies, anticipated developments and other matters that are not historical facts and which may involve predictions of future circumstances. Investors can generally identify forward-looking statements by the use of terminology such as "may", "will", "expect", "intend", "plan", "estimate", "anticipate", "believe" or similar phrases. These forward-looking statements are inherently subject to a number of risks, uncertainties, and assumptions. Important factors that could cause actual results to differ materially from the expectations of the Company's Directors include those risks identified hereunder and elsewhere in this Prospectus.

The Company cautions the reader that these forward-looking statements are subject to risks and uncertainties that could cause actual events or results to differ from those expressed or implied by the statements and no assurance is given that the future results or expectations will be achieved.

Risks Relating to the Industry Sector

Medserv's business activities consist in supporting and servicing the oil and gas industry. Inevitably therefore the Company is exposed, to a certain extent, to the risks associated with the trends and future outlook of that industry as a whole.

Market

The level of demand for the Group's services may be dependant to a certain extent on the level of economic activity within the oil and gas industry. The Directors are of the view that this level of demand for the Group's services may well be dependant on the level of construction of new drilling and production facilities in various regions around the world. The level of production activity by oil and gas producers is, in turn, largely based on the demand for oil and gas and accordingly, to a certain extent, on the price of oil and gas. There can be no guarantee that the current pricing level of oil can be sustained or that it will continue to rise.

Risks Relating to the Geographical Concentration of the Group's Business

The Group's activities are concentrated in servicing and supporting international companies undertaking oil exploration or development offshore the North African coast, with prevalence for companies having concessions granted by the Libyan National Oil Corporation. Whilst the Group's assets are all in Malta, its revenue streams depend on the intensity of the activities being undertaken by its customers in the North African Region. Accordingly, the Group is exposed to the geopolitical risks associated with the region.

The policies on oil exploration and extraction adopted by the jurisdictions where the Group's customers undertake their business are key to the development of the industry within the region. These policies will determine the level of demand and reliance that these international companies will place on the Group's services to them. Accordingly, a shift in policy by any of these jurisdictions will have an adverse impact on Medserv's operational performance and financial condition. In addition, the Group's customers and potential customers are heavily involved in developing concessions in this region, particularly within Libya, that is, and is expected to remain, the prime market for the Group's services. The present lack of diversification of the interests of the Group accordingly renders Medserv more exposed to any political and economic shifts in the region over which it has no control.

In addition, the said political, social and economic instability risks are emphasised by the fact that the region in which the Group's present customers operate, is exposed to a higher level of risk than is normally associated with in regimes like Western Europe and North America. These risks may also include government embargoes, changes in government policies, exchange controls and economic or political sanctions by other states and international organisations that could have a significant impact on any business conducted by the Group's customers in those markets.

Suitability

Potential investors should be aware that the value of investments can rise and fall and that an investment in shares in a company like the Company, which has a significant exposure to a limited market which is itself an emerging market, may carry a higher risk than investment in a company with a higher diversification.

Other Considerations

In common with many businesses, the Company will be relying heavily on the contacts and expertise of the Executive Directors and other key personnel within the Group to identify opportunities for new contracts with companies gaining access to the North African oil exploration and drilling market and to successfully conclude contracts with such operators. The loss of one or more of such Executive Directors and other key personnel within the Group could have an adverse effect on the Company.

Risks Relating to the Shares

Minority Shareholding

Due to the size of their shareholdings, and the possible pooling of their votes, the Offerors are in a position to decisively influence matters that require approval of shareholders, including resolutions regarding dividends and other important measures.

No Prior Market for Shares and Limited Liquidity of the Malta Stock Exchange

Prior to the Offering, there has been no public market for the Company's Shares within or outside Malta. Due to the absence of any prior market for the Shares, there can be no assurance that the Share Offer Price will correspond to the price at which the Shares will trade in the market subsequent to the Offering. The market price of the Shares could be subject to significant fluctuations in response to many factors, including, the Company's operating results, and developments in the economies of other countries to which the Group is exposed or other factors. An application has been made to seek a listing on the Malta Stock Exchange, which is smaller and less liquid than the more developed stock markets in Europe and the United States. Currently equity securities of only thirteen Maltese companies are traded on the Malta Stock Exchange out of which twelve equity securities are on the Official List of the MSE and one on the Alternative Companies List. The limited liquidity of the market for the Shares could increase the price volatility of the Shares and may impair the ability of a holder of Shares to sell such Shares in the market in the amount and at the price and time such holder wishes to do so. To control price volatility, the Malta Stock Exchange may not allow matching of deals in shares of a listed company when the price falls outside a seven per cent range from the previous day's traded weighted average price.

Following the completion of this Offering, the price at which the Shares will be traded, as well as the sales volume of the Shares traded, will be subject to fluctuations. These fluctuations may not necessarily be caused by the Group's business activity or its results of operations. It is also possible that the Group's results of operations or its business outlook may fall short of expectations, in which case the price of the Shares could be negatively affected.

4. Key Information

4.1 Working Capital Statement

The Directors of the Company are of the opinion that the working capital available to the Group is sufficient for the Group's business requirements over the coming twelve months of operations.

4.2 Capitalisation and Indebtedness

Information with respect to the Group's capitalisation and indebtedness as at 31 December 2005 is set out in the audited financial statements of the Company for the financial year ended 31 December 2005. This is summarised below:

	31 December 2005
	Lm'000
Shareholders' equity	
Issued capital	1
Reserves	1,284
Retained earnings	1,483
	<u>2,768</u>
Interest bearing borrowings	
Loan due to shareholder	<u>350</u>

By virtue of a resolution dated 27 September 2006 the shareholders increased the issued share capital to Lm1 million through the capitalisation of Lm998,980 retained earnings of the Company.

During the period 1 January 2006 to the date of this document, the Company declared and paid interim dividends amounting to Lm700,000.

Reserves as at 31 December 2005 comprised a fair value reserve amounting to Lm3,119 and other reserve amounting to Lm1,281,409. These reserves are non-distributable. The fair value reserve includes the cumulative net change in the fair value of an available-for-sale investment held by a subsidiary, net of related tax effects. The other reserve reflects transfers of amounts equivalent to unrealised gains in accordance with the requirements of the Act and comprised the tax value of investment tax credits.

As at 31 December 2005, the Group had a Lm350,000 unsecured loan, bearing interest at 6.75% per annum, due to a shareholder. This loan was fully repaid during September 2006.

During September 2006, the Group obtained a five year bank loan of Lm1 million which it utilised in part to repay the above mentioned loan due to shareholder and to pay dividends. This bank loan bears interest at 1.5% per annum above the bank's base rate which currently stands at 3.5%, and is secured by means of a first special hypothec granted by the Operating Company in favour of HSBC Bank Malta p.l.c. for a maximum amount of Lm1 million, a first general hypothec granted by the Operating Company in favour of HSBC Bank Malta p.l.c. over all its assets present and future for a maximum amount of Lm1 million and a pledge over an industrial all risks insurance policy covering the Operating Company's plant and equipment in favour of HSBC Bank Malta p.l.c.

4.3 Interest of Natural and Legal Persons Involved in the Offer

The Offer is being made as to 1,250,000 shares by MOH Limited and another 1,250,000 shares by Malampaya Investments Limited.

(a) MOH Limited is a company duly registered and existing in Malta bearing company registration number C31874 with its registered office at Casa Dielja, Triq Ta' Campra, St. Paul's Bay, Malta. MOH Limited owns and controls fifty per cent of the issued share capital in the Company. The beneficial owner of MOH Limited is Anthony S. Diacono, a director of Medserv p.l.c.

(b) Malampaya Investments Limited is a company duly registered and existing in the British Virgin Islands with its registered address at Belmont Chambers, PO Box 3443, Road Town, British Virgin Islands. Malampaya Investments Limited owns and controls fifty per cent of the issued share capital in the Company. The beneficial owner of Malampaya Investments Limited is Anthony J. Duncan, a director of Medserv p.l.c.

4.4 Reasons for the Offer and Use of Proceeds

The current shareholders of the Company believe that with the listing of the Company's Shares on the Malta Stock Exchange the Company would enjoy a faster and more efficient access to funds to finance its future operations if and when this is required. Furthermore the shareholders also consider that public status for the Company would raise its profile not only with possible future providers of funds but also with its clients both present and future. It is also a signal that the Company abides by the same corporate governance rules and standards which increasingly apply throughout the industry. The proceeds of the Offer of Shares shall be applied to the benefit of the Offerors, less the expenses incurred in the process of the Offer.

5. Information Concerning the Securities

5.1 Description and Type of Securities

The Shares are part of the ordinary share capital of the Company and have a nominal value of Lm0.10 each share and constitute twenty five per cent (25%) of the total issued share capital of the Company. The remaining seventy five per cent (75%) of the ordinary share capital of the Company is held as to thirty seven point five per cent (37.5%) by MOH Limited and another thirty seven point five per cent (37.5%) by Malampaya Investments Limited. Subject to admission to listing of the Shares to the Official List of the Malta Stock Exchange, the Shares are expected to be assigned the following ISIN: MT0000310103.

5.2 Creation and Status

The Shares have been created pursuant to the Act on original subscription in the Company. By a resolution of the Shareholders dated 27 September 2006 the issued share capital of the Company was increased to Lm1,000,000 by the capitalisation of retained earnings and an equivalent of 499,490 shares were issued to each of the Offerors. By another resolution of the same date the original shares together with the shares issued pursuant to the capitalisation of retained earnings were re-denominated by virtue of a share split whereby each ordinary share of a nominal value of Lm1 was converted into 10 ordinary shares of a nominal value of Lm0.10.

The Shares are ordinary shares of the Company and form part of one class of ordinary shares. There are no shares of the Company in issue that have any preferred or deferred rights. The Shares shall entitle their holders to attend and vote at general meetings of shareholders and to dividends, if any, declared and paid by the Company. All holders of ordinary shares shall rank "pari passu" upon any distribution of assets in a winding up or otherwise. (See "**Rights Attached to the Shares**" below)

The Shares of the Company are in registered form and until they are admitted to the Official List of the Malta Stock Exchange they will be in fully certificated form. The Share certificates are evidence issued by the Company to the shareholder of the relevant entry in the register of members of the Company and of the Shares held by such member. Following admission of the ordinary share capital of the Company to the Official List of the MSE the company's share capital, whilst retaining its registered form will no longer be in certificated form and will thereafter be held in book-entry form at the Central Securities Depository of the MSE in accordance with the requirements of the MSE or in such other form as may be determined from time to time by applicable law, the requirements of the MSE or by the Company.

5.3 Terms and Conditions of the Offer

The full terms and conditions of the Offer of Shares are contained in “**Annex 1**” attached to this Securities Note.

5.4 Rights Attached to the Shares

The Shares form part of one class of ordinary shares in the Company and shall accordingly have the same rights and entitlements as all other ordinary shares currently in issue in the Company. The following are highlights of the rights attaching to the Shares:

Dividends	the Shares shall carry the right to participate in any distribution of dividend declared by the Company ‘pari passu’ with all other shares in the same class;
Voting Rights	each Share shall be entitled to one vote at meetings of shareholders;
Pre-emption Rights	subject to the limitations contained in the Memorandum and Articles of Association, shareholders in the Company shall be entitled, in accordance with the provisions of the Company’s Memorandum and Articles of Association, to be offered any new shares to be issued by the Company a right to subscribe for such shares in proportion to their then current shareholding, before such shares are offered to the public or to any person not being a shareholder;
Capital Distributions	the Shares shall carry the right for the holders thereof to participate in any distribution of capital made whether on a winding up or otherwise, pari passu with all other shares of the same class;
Transferability	the Shares are freely transferable and once admitted to the Official List of the MSE, shall be transferable in accordance with the rules and regulations of the MSE, applicable from time to time;
Other	the Shares are not redeemable and not convertible into any other form of security;
Mandatory Takeover Bids, Squeeze-Out and Sell-Out Rules	Chapter 18 of the Listing Rules, implementing the relevant provisions of Directive 2004/25/EC of the European Parliament and of the Council of 21 April 2004 regulates the acquisition by a person or persons acting in concert of the control of a company and provides specific rules on takeover bids, squeeze-out rules and sell-out rules. The shareholders of the Company may be protected by the said Listing Rules in the event that the Company is subject to a Takeover Bid (as defined therein). The Listing Rules may be viewed on the official website of the Listing Authority – www.mfsa.com.mt

5.5 Intermediaries Offer

The Shares shall be issued and subscribed for by Intermediaries either for their own account or on behalf of investors represented by such Intermediaries. The Company shall not, unless due notice in writing is given to it, verify the relations existing between an intermediary and its client and shall only and at all times recognise as a shareholder the person registered as such in the register of shareholders held for this purpose.

5.6 Authorisations

The sale of the Shares was authorised by the Company’s Board of Directors by a resolution dated 27 September 2006. The MFSA admitted the Shares as eligible to listing on a Recognised Investment Exchange pursuant to the Listing Rules by virtue of a letter dated 29 September 2006.

6. Details of the Offer

- 6.1 Each Offeror is making an offer for sale of 1,250,000 ordinary Shares in the Company at the Offer Price. The Offer will be open for a period of five (5) working days, from 16 October 2006 to 20 October 2006.
- 6.2 The Shares are being placed initially with Intermediaries that have entered into conditional share purchase agreements with the Offerors for the acquisition of the Shares. In terms of each agreement each Offeror conditionally bound itself to sell, transfer and convey and each Intermediary bound itself to purchase and acquire a number of Shares at the Offer Price. The undertaking of the Offerors to sell the Shares and the undertaking of each Intermediary to purchase and acquire the number of Shares set out in the respective agreements is conditional on the Shares being admitted to trading on the Official List of the Malta Stock Exchange. Accordingly, it is expected that upon due admission of the Shares to the Official List of the Malta Stock Exchange, the agreements will become binding on each of the Offerors and the Intermediaries, whereupon the Offerors shall complete the sale and each Intermediary shall settle the transaction by paying the Offer Price per Share in Maltese Liri for the Shares purchased. The terms and conditions under which the Shares shall be issued are contained as an annex to this document (See “Annex 1”).
- 6.3 The Intermediaries Offer is the only distribution channel that the Offerors have selected for the purpose of making the Offer and accordingly there will be no direct retail distribution except through Intermediaries. The Offerors will also make the Offer to institutional investors, such as banks, financial institutions and insurance companies that may be purchasing either for their own investment portfolios or for re-sale to their clients.
- 6.4 The Offer does not contemplate any preferential treatment for members of management or employees of the Group to purchase any of the Shares nor has any tranche of the Offer been reserved for such persons. Neither the Company nor any Offeror has any indication that a single investor has the intention of participating in the Offer by purchasing more than five per cent of the Shares.
- 6.5 In terms of the Share Purchase Agreements, Intermediaries will settle the Shares against delivery with effect from the date on which they are admitted to trading on the Malta Stock Exchange.
- 6.6 Intermediaries purchasing Shares may do so for their own account or for the account of underlying customers, including retail customers and shall in addition be entitled to distribute any portion of the Shares purchased upon commencement of trading. The underlying customers of the Intermediaries may subscribe for a minimum of two thousand (2,000) Shares.
- 6.7 The pricing of the Offer has been fixed by the Offerors at the Offer Price.
- 6.8 There is no over-allotment option which is being reserved.
- 6.9 The allotment of the Shares is expected to take place on a first come first served basis, as between Intermediaries and institutional investors, however the Offerors will endeavour through the allocation policy to be adopted that there will be a sufficiently dispersed shareholder base to facilitate, as far as practicable, an active secondary market in the Shares. There can be no guarantee that an active secondary market will in effect exist following the Offer of the Shares as this is a function of a number of factors which are well beyond the powers of the Company or the Offerors.
- 6.10 It is expected that the results of the Offer will be published by the Company within two days following the admission of the Shares to the Official List of the MSE.

7. Admission to Trading

The Shares have been declared admissible to listing by the Listing Authority in terms of the Financial Markets Act by letter dated 29 September 2006. Application has been made to the Malta Stock Exchange for the Shares to be admitted to the Official List of the MSE as and when the Shares following the Offer have been allocated. The Shares are expected to be admitted to the Official List of the Malta Stock Exchange with effect from 23 October 2006 and trading is expected to commence on 24 October 2006.

8. The Offerors and Lock-Up

- (a) MOH Limited is a company duly registered and existing in Malta bearing company registration number C31874 with its registered office at Casa Dielja, Triq Ta' Campra, St. Paul's Bay, Malta. MOH Limited owns and controls fifty per cent of the issued share capital in the Company. The beneficial owner of MOH Limited is Anthony S. Diacono, a director of the Company.
- (b) Malampaya Investments Limited is a company duly registered and existing in the British Virgin Islands with its registered address at Belmont Chambers, PO Box 3443, Road Town, British Virgin Islands. Malampaya Investments Limited owns and controls fifty per cent of the issued share capital in the Company. The beneficial owner of Malampaya Investments Limited is Anthony J. Duncan, a director of the Company.

The Offer contained in this document is being made by each of the Offerors above described as to one million two hundred and fifty thousand shares each. Each of the Directors of the Company has a material interest in this Offer through their direct or indirect ownership of each of the Offerors. Each of the Offerors have entered into an agreement with the Intermediaries that they shall not dispose of any of their remaining shares in the Company for a period of at least twelve months from the date of this document.

Following the Offer each of MOH Limited and Malampaya Investments Limited will own thirty seven point five per cent (37.5%) of the total issued share capital of the Company. Accordingly the Offerors will jointly still retain seventy five per cent of the issued share capital of the Company after the Offer.

9. Offer Expenses

The Offer expenses including advisors' fees, Intermediaries' commissions and other costs and expenses are estimated to be in the region of one hundred and thirty thousand Maltese Liri (Lm130,000). This amount shall be deducted from the proceeds of the Offer, which accordingly will bring the net proceeds from the Offer to three million one hundred and twenty thousand Maltese Liri (Lm3,120,000).

10. Dividend Policy

The Directors of the Company currently adopt a policy pursuant to which, subject to available cash flows, the requirements of the Act and sufficient working capital, forty per cent of the distributable profits are distributed to its shareholders by way of dividend. It is expected that subject to unforeseen circumstances and economic conditions that might have an impact on the Company's financial performance, and provided that the Company will sustain adequate cash flows and subject to the requirements of the Act, the Directors maintain this policy in the foreseeable future.

11. Taxation

11.1 Taxation Status of the Company and its Subsidiary, the Operating Company

The Company is subject to tax in Malta at the standard corporate tax rate which currently stands at 35%.

Medserv Operations Limited, that is the Operating Company, which is the 99.99% subsidiary of the Company, is in terms of Certificate Reg. No. 31-04/03 issued by the Malta Enterprise Corporation, eligible to the incentives provided by regulation 31 of the Business Promotion Regulations, 2001 ("BPRs"). Up to the financial year ending 31 December 2008 the Operating Company is entitled to a reduced rate of income tax of 5% (regulation 4 of the BPRs) up to so much of its profits equivalent to Lm25,000 (at 2002 prices) per full time equivalent employee. As from 1 January 2009 the Operating Company will be subject to tax at the standard corporate tax rate which currently stands at 35%. The Operating Company is also entitled to investment tax credits (regulation 5 of the BPRs) and investment credits (regulation 32 of the BPRs – hereinafter referred to as special tax credits) which are set off against the Operating Company's tax charge calculated at 5% or 35% as aforesaid. Investment tax credits are calculated as a percentage (currently 65%) of the amount invested in qualifying expenditure. Special tax credits are calculated at 75% of the qualifying expenditure expended from 1 January 1995 up to 31 December 2006. Special tax credits may only be utilised up to the financial year ending 31 December 2021.

The Operating Company must first utilise the investment tax credits and in the event that it would remain liable to pay tax, it would be entitled to utilise the special tax credits (net of the investment tax credits which would have been utilised). Any investment tax credits or special tax credits which are not utilised to relieve the tax of any particular year are increased by a percentage (currently 7%) and carried forward to be deducted from the tax payable of the following years.

11.2 Tax on Dividends

Dividends payable out of profits allocated to the Maltese Taxed Account of the Company, that is Medserv p.l.c., will be distributed to the shareholders net of any income tax paid thereon.

In terms of regulation 37(2) of the BPRs and article 9 of the Business Promotion Act, Cap 325 of the Laws of Malta (“BPA”), the chargeable income of the Operating Company which would have been relieved from tax consequent to the investment tax credits or special tax credits will be allocated to the Maltese Taxed Account and upon distribution will be exempt from income tax in the hands of the Company and are in turn allocated to its Maltese Taxed Account. Furthermore, on a subsequent payment of dividends by the Company to its shareholders, these dividends will remain exempt in the hands of the shareholders of the Company and where a dividend is distributed to a shareholder of the Company which is also a company (“the second company”), the said dividend will likewise be distributable by the second company to its own members exempt from tax. This principle will continue to be applied for as long as the gains or profits or part thereof which have been relieved from the payment of income tax as aforesaid are distributed by way of dividends.

Under the full imputation system, the underlying tax deducted from a dividend is considered as tax at source on the dividend in question. A shareholder resident in Malta would be liable to tax on the gross amount of the dividend, and the tax at source deducted thereon would be taken into account in determining his net tax liability (or any tax refund due).

The extent to which this principle will also apply to non-resident shareholders will depend on the tax law of their country of residence, domicile or nationality and on the provisions of any double taxation agreements which may exist between Malta and the country in question. Non-resident shareholders will need to take specific advice on the particular rules applicable thereto.

Untaxed dividends payable to a person, other than a company, resident in Malta or a non-resident person (including a non-resident company) who is owned and controlled by, directly or indirectly, or who acts on behalf of, a person who is ordinarily resident and domiciled in Malta, are subject to a 15% withholding tax. This withholding tax may be considered to be a final tax and such shareholder need not declare the dividend so received in his/her income tax return. On the other hand the recipient may be entitled to claim a full/partial refund of the 15% tax which would have been withheld by the Company; this depends on the marginal rate of tax at which the recipient would be liable to tax.

Untaxed dividends payable to a company resident in Malta or to a non-resident person (including a non-resident company) other than a non-resident person who is owned and controlled by, directly or indirectly, or who acts on behalf of, a person who is ordinarily resident and domiciled in Malta, would be exempt from tax in Malta.

11.3 Tax on Capital Gains

In accordance with current legislation, if and for as long as the Shares are listed on the Malta Stock Exchange, no tax on capital gains is payable on any transfer of these shares.

11.4 Duty on Documents and Transfers

In accordance with current legislation, if and for as long as the Shares are listed on the Malta Stock Exchange, no duty on documents and transfers (stamp duty) is payable on any transfer of these Shares.

THE INFORMATION ABOVE IS BASED ON TAX LAW AND PRACTICE APPLICABLE AT THE DATE OF THIS PROSPECTUS. SHAREHOLDERS ARE REMINDED THAT TAX LAW AND PRACTICE AND THE LEVELS OF TAX RELATING TO THE COMPANY AND ITS SHAREHOLDERS MAY CHANGE FROM TIME TO TIME.

SHAREHOLDERS ARE URGED TO SEEK PROFESSIONAL ADVICE AS REGARDS BOTH MALTESE AND ANY FOREIGN TAX LEGISLATION APPLICABLE TO THE ACQUISITION, HOLDING AND DISPOSAL OF THE SHARES, AS WELL AS DIVIDEND PAYMENTS MADE BY THE COMPANY. THIS INFORMATION, WHICH DOES NOT CONSTITUTE LEGAL OR TAX ADVICE, REFERS ONLY TO SHAREHOLDERS WHO DO NOT DEAL IN SECURITIES IN THE COURSE OF THEIR NORMAL TRADING ACTIVITY.

Annex 1

Terms and Conditions of the Offer of Shares

The following includes a description of the particular terms of the Shares (the “Terms and Conditions”). Each Share shall be issued on the Terms and Conditions set out therein and by subscribing to or otherwise acquiring the Shares, the Shareholders are deemed to have knowledge of all the Terms and Conditions of the Offer of Shares hereafter described and to accept and be bound by the said Terms and Conditions.

1. The contract created by the execution of a Share Purchase Agreement between the Offerors and Intermediaries shall be subject to the Terms and Conditions set out herein and each intermediary shall, in so far as it is purchasing any Shares on behalf of customers, bind its customers with the Terms and Conditions herein set out and each warranty made by the intermediary shall be deemed repeated by each customer in whose name an intermediary is purchasing Shares pursuant to this Offer.
2. Subject to all other terms and conditions set out in the Prospectus, the Offerors reserve the right to request from Intermediaries a list of underlying clients for whom or in whose name they shall purchase Shares in this Offer.
3. By completing and delivering a Share Purchase Agreement, an investor or an intermediary shall, and any customer of an intermediary purchasing Shares or to whom Shares will be allocated shall (as the applicant (s)):
 - a. irrevocably offer to purchase the number of Shares specified in the Share Purchase Agreement at the Share Offer Price subject to the Prospectus, these Terms and Conditions and the Memorandum and Articles of Association of the Company;
 - b. authorise the Registrar and the Directors to include your name or in the case of Intermediaries purchasing Shares for clients, the name of the client or clients on whose behalf they shall purchase Shares, in the register of members of the Company in respect of the Shares allocated pursuant to the Share Purchase Agreement;
 - c. agree that the registration advice and other documents and any monies returnable to you may be retained pending clearance of your remittance and any verification of identity as required by all applicable laws and regulations in Malta and that such monies will not bear interest;
 - d. agree that all agreements, acceptances of applications and contracts resulting therefrom will be governed by, and construed in accordance with Maltese law and that you submit to the jurisdiction of the Maltese Courts and agree that nothing shall limit the right of the Company/Offerors to bring any action, suit or proceeding arising out of or in connection with any such applications, acceptances of applications and contracts in any other manner permitted by law in any court of competent jurisdiction;
 - e. warrant that, if you enter into an agreement to purchase Shares on behalf of another party or on behalf of a corporation or corporate entity or association of persons, you have due authority to do so and such person, corporation, corporate entity, or association of persons will also be bound accordingly and will be deemed also to have given the confirmations, warranties and undertakings contained in these Terms and Conditions and undertake to submit your power of attorney or a copy thereof duly certified by a lawyer or notary public if so required by the Registrar;
 - f. agree that, having had the opportunity to read the Prospectus you shall be deemed to have had notice of all information and representations concerning the Company and the Offer of Shares contained therein;
 - g. confirm that in purchasing Shares whether directly or through an intermediary you are not relying on any information or representation in relation to the Company or the Offer of the Shares other than those contained in the Prospectus and you accordingly agree that no person responsible solely or jointly for the Prospectus or any part thereof will have any liability for any such other information or representation;
 - h. confirm that you have reviewed and you will comply with the restriction contained in paragraph 4 and the warning in paragraph 5 below;
 - i. warrant that you are not under the age of 18 years or if you are lodging an application in the name and for the benefit of a minor, warrant that you are the parents or legal guardian/s of the minor;

- j. agree to provide the Registrar, Offerors and /or Company as the case may be, with any information which it may request in connection with your purchase of Shares;
 - k. agree that Charts Investment Management Service Limited and HSBC Stockbrokers (Malta) Ltd will not, in their capacity of Sponsors, treat you as their customer by virtue of your making an application for Shares or by virtue of your seeking to subscribe for Shares through either of them and that neither Charts Investment Management Service Limited nor HSBC Stockbrokers (Malta) Ltd will not owe you any duties or responsibilities concerning the price of the Shares or their suitability for you;
 - l. warrant that, in connection with your purchase of Shares, you have observed and shall continue to observe all applicable laws, obtained any requisite governmental or other consents, complied with all requisite formalities and paid any issue, transfer or other taxes due in any territory and that you have not taken any action which will or may result in the Offerors acting in breach of the regulatory or legal requirements of any territory in connection with the offer or your purchase of Shares; and
 - m. represent that you are not a U.S. person (as such term is defined in Regulation S under the U.S. Securities Act of 1933, as amended (the "Securities Act") and that you are not accepting the invitation comprised in the offer from within the United States of America, its territories or its possessions, any State of the United States of America or the District of Columbia (the "United States") or on behalf or for the account of anyone within the United States or anyone who is a U.S. person, unless you indicate otherwise.
4. The Shares have not been and will not be registered under the Securities Act and accordingly may not be offered or sold within the United States or to or for the account or benefit of a U.S. person.
 5. No person receiving a copy of the Prospectus in any territory other than Malta may treat the same as constituting an invitation or offer to him nor should he in any event use such Prospectus or seek to purchase Shares, unless, in the relevant territory, such an invitation or offer could lawfully be made to him or an application to purchase Shares could lawfully be made without contravention of any registration or other legal requirements. It is the responsibility of any person outside Malta wishing to purchase Shares to satisfy himself as to full observance of the laws of any relevant territory in connection therewith, including obtaining any requisite governmental or other consents, observing any other formalities required to be observed in such territory and paying any issues, transfer or other taxes required to be paid in such territory.
 6. Upon closing of the Offer, the Offerors either directly or through the Company, shall announce the results within two days following the admission of the Shares to the Official List of the MSE.
 7. Save where the context requires otherwise, terms defined in the Prospectus bear the same meaning when used in these Terms and Conditions, and in any other document issued pursuant to this Prospectus.
 8. The Offer will be open for a period of five (5) days, from 16 October 2006 to 20 October 2006.



Company
Registered Address
Place of Registration
Registration Number

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Port of Marsaxlokk, Birzebbugia BBG07, Malta
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