

Registration Document

Dated 9 November 2022

This Registration Document is issued in accordance with the provisions of Chapter 4 of the Capital Markets Rules issued by the Malta Financial Services Authority and of the Prospectus Regulation.



MedservRegis p.l.c., a public limited liability company registered under the laws of Malta with company registration number C 28847

Sponsor



Registrar & Manager



Legal Counsel



Security Trustee



THIS REGISTRATION DOCUMENT HAS BEEN APPROVED BY THE MFSA AS THE COMPETENT AUTHORITY UNDER THE PROSPECTUS REGULATION. THE MFSA ONLY APPROVES THE PROSPECTUS AS MEETING THE STANDARDS OF COMPLETENESS, COMPREHENSIBILITY AND CONSISTENCY IMPOSED BY THE PROSPECTUS REGULATION. SUCH APPROVAL SHALL NOT BE CONSIDERED AS AN ENDORSEMENT OF THE ISSUER THAT IS THE SUBJECT OF THIS REGISTRATION DOCUMENT. IN PROVIDING THIS AUTHORISATION, THE MFSA DOES NOT GIVE ANY CERTIFICATION REGARDING THE POTENTIAL RISKS IN INVESTING IN ANY INSTRUMENT ISSUED BY THE COMPANY. FURTHERMORE, SUCH AUTHORISATION SHOULD NOT BE DEEMED OR BE CONSTRUED AS A REPRESENTATION OR WARRANTY AS TO THE SAFETY OF INVESTING IN SUCH INSTRUMENTS.

THE MFSA ACCEPTS NO RESPONSIBILITY FOR THE CONTENTS OF THE PROSPECTUS, MAKES NO REPRESENTATIONS AS TO ITS ACCURACY OR COMPLETENESS AND EXPRESSLY DISCLAIMS ANY LIABILITY WHATSOEVER FOR ANY LOSS HOWSOEVER ARISING FROM, OR IN RELIANCE UPON, THE WHOLE OR ANY PART OF THE CONTENTS OF THE PROSPECTUS, INCLUDING ANY LOSSES INCURRED BY INVESTING IN THE SECURITIES ISSUED BY THE COMPANY.

A PROSPECTIVE INVESTOR SHOULD ALWAYS SEEK INDEPENDENT FINANCIAL ADVICE BEFORE DECIDING TO INVEST IN ANY LISTED FINANCIAL INSTRUMENTS. A PROSPECTIVE INVESTOR SHOULD BE AWARE OF THE POTENTIAL RISKS IN INVESTING IN THE SECURITIES OF AN ISSUER AND SHOULD MAKE THE DECISION TO INVEST ONLY AFTER CAREFUL CONSIDERATION AND CONSULTATION WITH HIS OR HER OWN INDEPENDENT FINANCIAL ADVISER.

Approved by the Directors

A handwritten signature in black ink, appearing to read "Anthony S. Diacono".

Mr Anthony S. Diacono

in his capacity as Director, and on behalf of David O'Connor, Olivier Bernard, Carmelo sive Karl Bartolo, Laragh Cassar, Keith Grunow, Monica Vilabril and Jean Pierre Lhote.

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1.0 Important Information

THIS REGISTRATION DOCUMENT CONTAINS INFORMATION ON MEDSERVREGIS P.L.C., AS ISSUER, IN ACCORDANCE WITH THE REQUIREMENTS OF THE CAPITAL MARKETS RULES ISSUED BY THE MFSA, THE COMPANIES ACT AND THE PROSPECTUS REGULATION.

NO BROKER, DEALER, SALESMAN OR OTHER PERSON HAS BEEN AUTHORISED BY THE ISSUER, OR ITS RESPECTIVE DIRECTORS TO ISSUE ANY ADVERTISEMENT OR TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS IN CONNECTION WITH THE SALE OF SECURITIES OF THE ISSUER, OTHER THAN THOSE CONTAINED IN THIS REGISTRATION DOCUMENT AND IN THE DOCUMENTS REFERRED TO HEREIN, AND IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORISED BY THE ISSUER, OR ITS DIRECTORS OR ADVISERS.

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

THE PROSPECTUS DOES NOT CONSTITUTE, AND MAY NOT BE USED FOR PURPOSES OF, AN OFFER OR INVITATION TO SUBSCRIBE FOR SECURITIES: 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. THE DISTRIBUTION OF THE PROSPECTUS IN CERTAIN JURISDICTIONS MAY BE RESTRICTED AND, ACCORDINGLY, PERSONS INTO WHOSE POSSESSION IT IS RECEIVED ARE REQUIRED TO INFORM THEMSELVES ABOUT, AND TO OBSERVE, SUCH RESTRICTIONS.

THE PROSPECTUS AND THE OFFERING, SALE OR DELIVERY OF ANY SECURITIES ISSUED BY THE ISSUER MAY NOT BE TAKEN AS AN IMPLICATION: (I) THAT THE INFORMATION CONTAINED IN THE PROSPECTUS IS ACCURATE AND COMPLETE SUBSEQUENT TO ITS DATE OF ISSUE; OR (II) THAT THERE HAS BEEN NO MATERIAL ADVERSE CHANGE IN THE FINANCIAL POSITION OF THE ISSUER SINCE SUCH DATE; OR (III) THAT ANY OTHER INFORMATION SUPPLIED IN CONNECTION WITH THE PROSPECTUS IS ACCURATE AT ANY TIME SUBSEQUENT TO THE DATE ON WHICH IT IS SUPPLIED OR, IF DIFFERENT, THE DATE INDICATED IN THE DOCUMENT CONTAINING THE SAME.

A PROSPECTIVE INVESTOR SHOULD ALWAYS SEEK INDEPENDENT FINANCIAL ADVICE BEFORE DECIDING TO INVEST IN ANY FINANCIAL INSTRUMENTS. A PROSPECTIVE INVESTOR SHOULD BE AWARE OF THE POTENTIAL RISKS OF INVESTING IN THE SECURITIES OF AN ISSUER AND SHOULD MAKE THE DECISION TO INVEST ONLY AFTER CAREFUL CONSIDERATION AND CONSULTATION WITH HIS OR HER OWN INDEPENDENT PROFESSIONAL ADVISERS.

IT IS THE RESPONSIBILITY OF ANY PERSON IN POSSESSION OF THE PROSPECTUS AND ANY PERSONS WISHING TO APPLY FOR ANY SECURITIES ISSUED BY THE ISSUER TO INFORM THEMSELVES OF, AND TO OBSERVE AND COMPLY WITH, ALL APPLICABLE LAWS AND REGULATIONS OF ANY RELEVANT JURISDICTION. PROSPECTIVE INVESTORS FOR ANY SECURITIES THAT MAY BE ISSUED BY THE ISSUER SHOULD INFORM THEMSELVES AS TO THE LEGAL REQUIREMENTS OF APPLYING FOR ANY SUCH SECURITIES AND ANY APPLICABLE EXCHANGE CONTROL REQUIREMENTS AND TAXES IN THE COUNTRIES OF THEIR NATIONALITY, RESIDENCE OR DOMICILE.

A COPY OF THE PROSPECTUS HAS BEEN SUBMITTED TO THE MFSA IN SATISFACTION OF THE CAPITAL MARKETS RULES, TO 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 COMPANIES ACT.

IN TERMS OF ARTICLE 12(1) OF THE PROSPECTUS REGULATION, THE PROSPECTUS SHALL REMAIN VALID FOR A PERIOD OF 12 MONTHS FROM THE DATE OF THE APPROVAL OF THE PROSPECTUS BY THE MFSA. THE ISSUER IS OBLIGED TO PUBLISH A SUPPLEMENT ONLY IN THE EVENT OF SIGNIFICANT NEW FACTORS, MATERIAL MISTAKE OR MATERIAL INACCURACY RELATING TO THE INFORMATION SET OUT IN THE PROSPECTUS WHICH MAY AFFECT THE ASSESSMENT OF THE SECURITIES AND WHICH ARISES OR IS NOTED BETWEEN THE TIME WHEN THE PROSPECTUS IS APPROVED AND THE CLOSING OF THE OFFER PERIOD OR THE TIME WHEN TRADING ON A REGULATED MARKET COMMENCES, WHICHEVER OCCURS LATER. THE OBLIGATION TO SUPPLEMENT THE PROSPECTUS IN THE EVENT OF SIGNIFICANT NEW FACTORS, MATERIAL MISTAKES OR MATERIAL INACCURACIES DOES NOT APPLY WHEN THE PROSPECTUS IS NO LONGER VALID.

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

ALL THE ADVISERS TO THE ISSUER NAMED IN SUB-SECTION 6.3 OF THIS REGISTRATION DOCUMENT HAVE ACTED AND ARE ACTING EXCLUSIVELY FOR THE ISSUER IN RELATION TO THIS PUBLIC OFFER AND HAVE NO CONTRACTUAL, FIDUCIARY OR OTHER OBLIGATION TOWARDS ANY OTHER PERSON AND WILL, ACCORDINGLY, NOT BE RESPONSIBLE TO ANY INVESTOR OR ANY OTHER PERSON WHOMSOEVER IN RELATION TO THE TRANSACTIONS PROPOSED IN THE PROSPECTUS.

UNLESS OTHERWISE STATED, THE CONTENTS OF THE ISSUER'S WEBSITE OR ANY WEBSITE DIRECTLY OR INDIRECTLY LINKED TO THE ISSUER'S WEBSITE DO NOT FORM PART OF THE PROSPECTUS. ACCORDINGLY, NO RELIANCE OUGHT TO BE MADE BY ANY INVESTOR ON ANY INFORMATION OR OTHER DATA CONTAINED IN SUCH WEBSITE AS THE BASIS FOR A DECISION TO INVEST IN ANY SECURITIES OF THE ISSUER.

THE VALUE OF INVESTMENTS CAN GO UP OR DOWN AND PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE PERFORMANCE. PROSPECTIVE INVESTORS SHOULD CAREFULLY CONSIDER ALL THE INFORMATION CONTAINED IN THE PROSPECTUS AS A WHOLE AND SHOULD CONSULT THEIR OWN PROFESSIONAL ADVISERS.

2.0 Definitions

In this Registration Document the following words and expressions shall bear the following meanings whenever such words and expressions are used in their capitalised form, except where the context otherwise requires:

Authorised Intermediaries	the licensed financial intermediaries whose details are listed in Annex 3 of the Securities Note;
Board or Board of Directors or Directors	the directors of the Issuer, whose names are set out in section 6.1 of this Registration Document;
Bonds	the 5% 2029 secured bonds being issued by the Issuer pursuant to the Prospectus;
Bond Issue or Issue	the issue of the Bonds by the Issuer in accordance with the terms of the Prospectus;
Bondholder	the holder of Bonds;
Companies Act	the Companies Act, Cap 386 of the laws of Malta;
Callable Bonds	the €13,000,600 6% secured bonds issued pursuant to the base prospectus dated 12 August 2013 to be redeemed early pursuant to an early redemption option to be announced by the Issuer between the date of issuance of this Prospectus and the issuance of the Bonds;
Capital Markets Rules	the capital markets rules issued by the Malta Financial Services Authority, as may be amended and/or supplemented from time to time;
Code	the recommended Code of Good Corporate Governance, as set out in the Capital Market Rules;
DOCOB Limited	a limited liability company registered under the laws of Mauritius with registration number 178883 and having its registered address at c/o Oak Management (Mauritius) Limited, 1 st Floor, Block B, Ruisseau Creole Complex La Mivioe, Black River, 90625, Mauritius;
Emphyteutical Deeds	collectively: <ul style="list-style-type: none">(a) the deed of temporary emphyteusis in the records of Notary Tonio Spiteri dated 29 May 1997;(b) the deed of temporary emphyteusis in the records of Notary Tonio Spiteri dated 23 December 1999;(c) the deed of temporary emphyteusis in the records of Notary Tonio Spiteri dated 17 February 2002; and(d) 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;(e) a description of which can be found in section 15 of this Registration Document, '<i>Material Contracts</i>';
Euro or €	the lawful currency of the Republic of Malta;
Financial Analysis Summary	the financial analysis summary dated 9 November 2022 compiled by the Sponsor in line with the applicable requirements of the MFSA Listing Policies, a copy of which is set out in Annex 2 of the Securities Note;

Freeport Act	Malta Freeports Act, Cap 334 of the laws of Malta;
Freeport Authority	the Freeport Authority originally constituted as the Malta Freeport Corporation Limited (a limited liability company with company registration number C 9353) under the then Commercial Partnerships Ordinance) subsequently deemed to have been constituted under the Freeport Act;
Group	the group of companies, of which the Issuer is the parent company;
Issuer or Company	MedservRegis p.l.c., a public limited liability company registered under the laws of Malta with company registration number C 28847 and with registered office at Port of Marsaxlokk, Birzebbugia, BBG 3011, Malta;
MedOps	Medserv Operations Limited, a private limited liability company registered under the laws of Malta with company registration number C 2971;
Medserv Site	the immovable property situated at Kalafrana, limits of Birzebbugia, Malta and within the confines of the Malta Freeport area, a description of which is contained in the Emphyteutical Deeds;
Memorandum and Articles of Association	the memorandum and articles of association of the Company in force as at the date hereof. The term " Memorandum of Association " shall be construed accordingly;
METS	the following subsidiary companies of the Issuer: <ul style="list-style-type: none"> (i) Middle East Tubular Services Holdings Limited (BVI; 1900628) (METS Holding) (ii) Middle East Tubular Services Limited (BVI; 6801153) (METS UAE), (iii) Middle East Tubular Services LLC (FZC) (Oman; 1133558) (METS Oman); (iv) Middle East Comprehensive Tubular Services (Duqm) L.L.C. (Oman; 1297421) (METS Duqm) (v) Middle East Tubular Services (Iraq) Limited (BVI; 1607940) (METS Iraq), (vi) Middle East Tubular Services (Gulf) Limited (BVI; 1924998) (METS Gulf); and (vii) Middle East Tubular Services Uganda SMC Limited (Uganda; 80020002749664) (METS Uganda);
MFSA or Malta Financial Services Authority	the Malta Financial Services Authority, established in terms of the Malta Financial Services Authority Act (Cap 330 of the laws of Malta) in its capacity as the competent authority in terms of the Financial Markets Act (Cap 345 of the laws of Malta) authorised to approve prospectuses and admissibility to listing and to monitor and supervise local regulated markets and participants thereof falling within the regulatory and supervisory remit of the MFSA;
MSE or Malta Stock Exchange	Malta Stock Exchange p.l.c., as originally constituted in terms of the Financial Markets Act (Cap 345 of the laws of Malta) with company registration number C 42525 and having its registered office at Garrison Chapel, Castille Place, Valletta VLT 1063, Malta;

MSE Bye-Laws	the MSE bye-laws issued by the authority of the board of directors of the Malta Stock Exchange, as may be amended from time to time;
Official List	the list prepared and published by the MSE as its official list in accordance with the MSE Bye-Laws;
Prospectus	collectively, the Summary, this Registration Document and the Securities Note published by the Issuer all dated 9 November 2022 as such documents may be amended, updated, replaced and/or supplemented from time to time;
Prospectus Regulation	Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Commission Regulation (EC) No 809/2004;
Regis Holdings Limited	a limited liability company registered under the laws of Mauritius with company registration number 120300 and having its registered address at c/o Oak Management (Mauritius) Limited, 1 st Floor, Block B, Ruisseau Creole Complex La Mivioe, Black River, 90625, Mauritius;
Regis Group	the following subsidiary companies of the Issuer: <ul style="list-style-type: none"> (a) Regis Holdings Limited (Mauritius; 120300); (b) Regis Export Trading International Pty Ltd (South Africa; 2011/126614/07); (c) Thomson & Van Eck Limited (Mauritius; 116172 C1/GBL); (d) Thomson & Van Eck Pty Ltd (South Africa; 1971/002967/07); (e) Regis Management Services Ltd (Mauritius; 074530 C1/GBL); (f) Regis Shipping Ltd (Seychelles; 203096); (g) Regis Mozambique Lda (Mozambique; 100316730); (h) Regis Uganda Ltd (Uganda; 80020000384734); (i) Avhold Ltd (Mauritius; 172291);; (j) Specialist Mechanic Services Ltd (Mauritius; 124049 C1/GBL); and (k) Enermech Mauritius Ltd (Mauritius; 124050 C1/GBL);
Registrar & Manager	Bank of Valletta p.l.c., a public limited liability company registered under the laws of Malta with company registration number C 2833 and having its registered address at 58, Zachary Street, Valletta VLT 1130, Malta. Bank of Valletta p.l.c. is regulated by the MFSA and is licensed to carry out the business of banking and investment services in terms of the Banking Act (Cap 371 of the laws of Malta) and the Investment Services Act (Cap 370 of the laws of Malta), respectively;
Registration Document	this document in its entirety;
Securities Note	the securities note issued by the Issuer on the 9 November 2022 in connection with the issuance of the Bonds;
Sponsor	Rizzo, Farrugia & Co (Stockbrokers) Ltd, a private limited liability company registered under the laws of Malta with company registration number C 13102 and having its registered address at Airways House, Fourth Floor High Street, Sliema Malta SLM 1551, Malta, and which is licensed by the MFSA to carry out investment services in terms of the Investment Services Act (Cap 370 of the laws of Malta);

Summary

the summary note issued by the Issuer on the 9 November 2022; and

Valuation Report

the valuation report dated 12 September 2022 prepared by TBA periti on the Medserv Site, in terms of Chapter 7 of the Capital Markets Rules.

2.1 Unless it appears otherwise from the context:

- (a) words importing the singular shall include the plural and *vice-versa*;
- (b) words importing the masculine gender shall include the feminine gender and *vice-versa*;
- (c) the word “may” shall be construed as permissive and the word “shall” shall be construed as imperative;
- (d) any reference to a person includes natural persons, firms, partnerships, companies, corporations, associations, organisations, governments, states, foundations or trusts;
- (e) any reference to a person includes that person’s legal personal representatives, successors and assigns;
- (f) any phrase introduced by the terms “including”, “include”, “in particular” or any similar expression is illustrative only and does not limit the sense of the words preceding those terms; and
- (g) any reference to a law, legislative act and/or other legislation shall mean that particular law, legislative act and/or legislation as in force at the time of publication of this Registration Document.

3.0 Risk Factors

PROSPECTIVE INVESTORS SHOULD CAREFULLY CONSIDER WITH THEIR OWN INDEPENDENT PROFESSIONAL ADVISERS THE FOLLOWING RISK FACTORS AND OTHER INVESTMENT CONSIDERATIONS, AS WELL AS ALL THE OTHER INFORMATION CONTAINED IN THE PROSPECTUS, BEFORE MAKING ANY INVESTMENT DECISION WITH RESPECT TO THE ISSUER.

SOME OF THESE RISKS ARE SUBJECT TO CONTINGENCIES WHICH MAY OR MAY NOT OCCUR AND THE ISSUER IS NOT IN A POSITION TO EXPRESS ANY VIEWS ON THE LIKELIHOOD OF ANY SUCH CONTINGENCIES OCCURRING.

WHILE THE SEQUENCE IN WHICH THE RISKS BELOW ARE LISTED IS INTENDED TO BE INDICATIVE OF THE ORDER OF PRIORITY AND OF THE EXTENT OF THEIR CONSEQUENCES, PROSPECTIVE INVESTORS ARE HEREBY CAUTIONED THAT THE OCCURRENCE OF ANY ONE OR MORE OF THE RISKS SET OUT BELOW COULD HAVE A MATERIAL ADVERSE EFFECT ON THE ISSUER'S, AND THE GROUP'S BUSINESS, TRADING PROSPECTS, RESULTS OF OPERATIONS AND FINANCIAL CONDITION, AND, CONSEQUENTLY, ON THE ABILITY OF THE ISSUER TO FULFIL ITS OBLIGATIONS UNDER THE SECURITIES TO BE ISSUED IN TERMS OF THE PROSPECTUS.

THE RISKS AND UNCERTAINTIES DISCUSSED BELOW ARE THOSE IDENTIFIED AS SUCH BY THE DIRECTORS OF THE ISSUER AS AT THE DATE OF THE PROSPECTUS, BUT THESE RISKS AND UNCERTAINTIES MAY NOT BE THE ONLY ONES THAT THE ISSUER MAY FACE.

ADDITIONAL RISKS AND UNCERTAINTIES, INCLUDING THOSE WHICH THE ISSUER'S DIRECTORS ARE NOT CURRENTLY AWARE OF, MAY WELL RESULT IN A MATERIAL IMPACT ON THE FINANCIAL CONDITION AND OPERATIONAL PERFORMANCE OF THE ISSUER.

NEITHER THE PROSPECTUS NOR ANY OTHER INFORMATION SUPPLIED HEREIN IN CONNECTION WITH SECURITIES ISSUED BY THE ISSUER:

- (I) IS INTENDED TO PROVIDE THE BASIS OF ANY CREDIT OR OTHER EVALUATION; NOR
- (II) SHOULD BE CONSIDERED AS A RECOMMENDATION BY THE ISSUER, THE SPONSOR OR AUTHORISED INTERMEDIARIES THAT ANY RECIPIENT OF THE PROSPECTUS, OR ANY OTHER INFORMATION SUPPLIED IN CONNECTION THEREWITH, SHOULD PURCHASE ANY SECURITIES ISSUED BY THE ISSUER.

PROSPECTIVE INVESTORS SHOULD MAKE THEIR OWN INDEPENDENT EVALUATION OF ALL RISK FACTORS AND SHOULD CONSIDER ALL OTHER SECTIONS OF THIS DOCUMENT.

3.1 Forward-looking statements

The Prospectus and the documents incorporated therein by reference or annexed thereto contain forward-looking statements that include, among others, statements concerning the Issuer's strategies and plans relating to the attainment of their respective objectives, 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, accordingly, involve predictions of future circumstances.

Prospective investors can generally identify forward-looking statements by the use of terminology such as "may", "will", "should", "expect", "intend", "plan", "estimate", "anticipate", "believe", "forecast", "project" or similar phrases. Such forward-looking statements are inherently subject to a number of risks, uncertainties and assumptions, a few of which are beyond the Issuer's control. Important factors that could cause actual results to differ materially from the expectations of the Issuer's directors include those risks identified hereunder as "*Risk Factors*" and elsewhere in the Prospectus.

The Issuer cautions prospective investors that these forward-looking statements are subject to risks and uncertainties that could cause actual events or results to differ materially from those expressed or implied by such statements, that such statements do not bind the Issuer with respect to future results and no assurance is given that the projected future results or expectations covered by such forward-looking statements will be achieved.

Prospective investors are advised to read the Prospectus in its entirety and, in particular, all the risk factors set out in the Prospectus for a further discussion of the factors that could affect the Issuer's future performance. In the light of these risks, uncertainties and assumptions, the events described in the forward-looking statements in the Prospectus may not occur. All forward-looking statements contained in the Prospectus are made only as at the date hereof. Subject to applicable legal and regulatory obligations, the Issuer and its directors expressly disclaim any obligations to update or revise any forward-looking statements contained herein to reflect any change in expectations with regard thereto or any change in events, conditions or circumstances on which any statement is based.

3.2 Risks relating to the Group and its business

Risks Relating to the Industry

3.2.1 Dependence on Oil and Gas Industry

The Group is exposed to the risks associated with the trends and future outlook of the oil and gas industry as a whole, including the demand and/or supply for oil and gas in the future. The demand for the Group's services is dependent on the level of exploration to identify new reservoirs, as well to the level of activity to develop new discoveries once these have been determined commercially viable, and indirectly on the demand for oil and gas and their price. In a market downturn, the Group may suffer pressure on its pricing and profit margins and may suffer reduced revenues.

3.2.2 The geopolitical instability of the energy market

the price of oil and gas is, to a large extent, affected by geopolitical tensions, such as the conflict between Russia and Ukraine. The volatility of these markets can affect the appetite of International Energy Companies (IECs) to undertake new project to explore and develop new reservoirs. This in turn will have a negative indirect impact on the current and new markets of the Group, and thus on its business pipeline and related revenues.

3.2.3 The global trend towards a decarbonization of the energy supply

the concerns derived from the climate change are causing a global push to shift from fossil energies to alternative sources such as wind and solar. In the long run this could lead to a decrease of the consumption of oil and gas and reduce the need for the services offered by the Group to this industry. There is a possibility that the tension on supply caused by the conflict in Ukraine may accelerate this trend, particularly in Western Europe. The Group could be negatively impacted should it not manage to otherwise adjust its strategy to cater for this shift in the energy industry.

3.2.4 The shortage of financing for the fossil energy industry

following the pressure of regulatory bodies and of the public in general, some financing institutions are less inclined to fund projects linked with non-renewable sources of energy. This could affect the Group's capacity to fund new projects.

3.2.5 Dependence on Group entities

Being the parent company of the Group, the Issuer is dependent on the business prospects of its subsidiary companies, ranging from the entities in the Middle East, the Mediterranean basin and Sub-Saharan Africa. The Issuer's financial performance will be impacted should the financial performance of the Medserv Group decline.

3.2.6 Risks Relating to Emerging Markets

The Group's operations are dependent on emerging markets. These markets present economic and political conditions which may result in less social, political and economic stability. Therefore, the Group's business may be negatively impacted by political and economic instability, exchange controls, risk of nationalisation and changes in Government policies.

3.2.7 Limited IECs in Industry

The oil and gas industry, particularly in the Mediterranean region, is dominated by a very limited number of International Energy Companies (IECs). The group's performance depends on it being able to maintain and increase its relationship with these IECs.

3.2.8 Dependence on Key Personnel

The growth of the Group has been, in part, attributed to the capabilities of the members of the executive management team. Their continued contribution to the Group is essential to the continued growth of the Group. Finding replacement staff with the experience in the industry can be a challenge and in the event that adequate replacements are not sourced, the Group's performance may be adversely impacted should this affect its ability to continue managing the business without interruption.

3.2.9 Regulatory and environmental risk

The Group operates in highly regulated jurisdictions, and all have their own unique compliance frameworks. Environmental risks arise from exposures to activities that may cause or be affected by environmental degradation, such as pollution. An infringement in any of these laws and regulations may have significant liabilities and tarnish the Group's brands, being Medserv, Regis and METS.

3.2.10 Dependence on Premises

the Group operates out of its premises, situated both in Malta and overseas, which are generally subject to lease agreements or, in the case of the Medserv Site, subject to an emphyteutical deed. The Group is dependent on its facilities to perform its services in most countries where it is operating and could be negatively impacted should any of its lease agreements / emphyteutical deeds be terminated prior to its expected date of termination.

4.0 Persons Responsible

This Registration Document includes information prepared in compliance with the Capital Markets Rules for the purpose of providing Bondholders with information with regard to the Issuer and contains information in compliance with the Prospectus Regulation. The Directors of the Issuer whose names appear in sub-section of this Registration Document accept responsibility for all the information contained in the Prospectus.

To the best of the knowledge and belief of the Directors, who have taken all reasonable care to ensure that such is the case, the information contained in this Registration Document is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors of the Issuer hereby accept responsibility accordingly.

5.0 Authorisation Statement & Statements of Experts

5.1 Authorisation Statement

This Registration Document has been drawn up as part of a simplified prospectus in accordance with Article 14 of the Prospectus Regulation. It has been approved by the MFSA, as the competent authority under the Prospectus Regulation.

The MFSA only approves this Registration Document as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer that is the subject of this Registration Document.

5.2 Statement of Experts

Save for the Financial Analysis Summary set out in Annex 2 of the Securities Note and the Valuation Report set out in Annex 1 of this Registration Document, the Prospectus does not contain any statement or report attributed to any person as an expert.

The Valuation Report dated 12 September 2022 has been included in the form and context in which they appear with the authorisation of TBA periti of No. 43, Main Street, Balzan BZN 1259, which have given and have not withdrawn their consent to the inclusion of such report herein. TBA periti does not have any material interest in the Company. The

Company confirms that the valuation report has been accurately reproduced in the Prospectus and that there are no facts of which the Company is aware that have been omitted and which would render the reproduced information inaccurate or misleading.

6.0 Identity of Directors, Senior Management, Advisers & Auditors

6.1 Directors

As at the date of this Registration Document, the Board of Directors is constituted by the following eight persons:

Anthony S. Diacono

Chairman & Executive Director

David O'Connor

Executive Director

Olivier Bernard

Executive Director

Carmelo sive Karl Bartolo

Executive Director

Laragh Cassar

Non-Executive Director & Company Secretary

Keith Grunow

Non-Executive Independent Director

Monica Vilabril

Non-Executive Independent Director

Jean Pierre Lhote

Non-Executive Independent Director

The business address of each of the above referred directors is Port of Marsaxlokk, Birzebbugia, BBG 3011, Malta.

The following are the respective *curriculum vitae* of the Directors:

Mr Anthony S. Diacono

Mr Anthony S. Diacono has been a director of MedservRegis p.l.c. since inception in 2001 and of Medserv Operations Ltd. since 1997. He has held several posts as Chairman, CEO 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 sectors. 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.

In April 2010 Mr Diacono joined the board of directors of CommBank Europe Limited and was appointed as Chairman as from 1 July 2012. He ended his tenure with CommBank Europe in December 2021 and was appointed Chairman of Taus Holdings Ltd as of 14 April February 2022. As Chairman of the executive board, Mr Diacono provides overall strategic direction and insights to the executive board, and together with the board, draws up the organisation's long-term strategy, goals and objectives.

Mr David O'Connor

Mr David O'Connor is the founder of Regis Holdings Limited and the Chief Executive Officer of the MedservRegis Group. Mr O'Connor gained experience in the civil engineering trade, specialising in explosives and air compressors. Later he moved to the steel trade and became involved with export sales to all southern African countries. He capitalised on that experience to launch Regis Trading International in 1992. From this trading platform, supplying the Non-Governmental Organisations and the oil industry, he went on to create Regis Holdings Limited.

A professional leader with an acute eye for business opportunities. As CEO, Mr O'Connor has overall responsibility for leading the development and execution of the group's long-term strategy, as well as providing direction and leadership towards the achievement of the company's mission, strategy and its annual goals and objectives.

Mr Olivier Bernard

Mr Olivier Bernard studied Business and Finance in Neoma (previously known as Reims Management School) in France, and a few years later studied Management at INSEAD. He gained experience with blue chip companies in the oilfield service industry in various countries in Europe and Africa.

From 2000 until 2016, Mr Bernard was a key member of the team developing the biggest onshore support base in sub-Saharan Africa, based in Luanda (Angola), with a total investment of USD 1 billion. During this time, he assumed various positions, negotiating financing with international banks, implementing SAP (a German-based multinational software corporation that makes enterprise software to manage business operations and customer relations), and ultimately in the general management of the company. He then moved to Regis where he was COO up to June 2021.

As deputy CEO of the Issuer, Mr Bernard is the person heading the areas of Finance, HR, IT and Administration of the Group.

Mr Carmelo sive Karl Bartolo

Mr Bartolo is a Certified Public Accountant and Auditor by profession. He graduated from the University of Malta in 2001 with a Bachelor of Accountancy (Hons.) and commenced his career with KPMG as an audit assistant. In 2003 he was promoted to audit senior and in 2005, he was offered the position of financial controller with Mellieha Bay Hotel & Comino Hotels and Bungalows.

In 2008, Mr Bartolo joined the Medserv Group as Group Financial Controller. He also serves as a director on the board of several Medserv Group companies. Mr Bartolo presently holds the position of Deputy CEO of the Group having an overall responsibility for business and company operations.

Dr Laragh Cassar

Dr Laragh Cassar holds a degree in Law from the University of Malta (Doctor of Laws, 2002) and a postgraduate Master degree in Banking and Finance from the University of London (2003). She started her career with Camilleri Preziosi in 2003 and was admitted to partnership in 2010 and was responsible for the investment services department. Over the years, Dr Cassar has been actively involved in a large number of note and equity listings on the regulated market of the Malta Stock Exchange as well as assisting with the ongoing obligations of listed companies. In June 2015, Dr Cassar set up the civil and commercial law firm 'Camilleri Cassar Advocates'. She is responsible for the capital markets and investment services areas of practice of the firm.

Mr Keith Grunow

Mr Keith Grunow is a Chartered Accountant having a B.Comm degree, Honours in Accounting Science as well as a Master's degree in Business Leadership. He is a former Managing Director of Super Group Ltd, African Ops, after serving as Financial Director and previous to this was Finance Director/Joint Managing Director of Kelly Personnel Group. Mr Grunow has also invested in companies engaged in property development and leisure activities and serves as a director on a number of private equity companies and property development companies. He has been involved in the placement of bonds as well as in several M&As across Sub-Saharan Africa.

Ms Monica Vilabril

An experienced Business Operations Optimisation Specialist with a demonstrated history of working in the Financial Services industry, Monica Vilabril started her career in financial services in South Africa and worked her way from project management to Chief Operating Officer in a matter of years. After over 10 years with Fairheads Benefit Services, Ms Vilabril took on a consultancy role, currently with an international assurance company where her remit is to develop and facilitate the implementation of business and operational strategies in order to improve and grow the business capabilities of the organisation. Ms Vilabril also previously sat on the board of Regis Holdings Limited as a non-executive director between 2020 and 2021.

[Mr Jean Pierre Lhote](#)

Mr Jean Pierre Lhote is the AFKAR Ventures Sales Director with a focus on the Middle East and North Africa (MENA) regions. With a track record of delivering business growth, he brings twenty-four years of oil and gas experience on four continents with expertise in Operations, Business strategy, Profit & Loss, Sales & Marketing, Digital Transformation, and Asset Evaluation.

Prior to AFKAR Ventures, Mr Lhote worked for four years at SEPCO Industries (Waste Management, Logistics, Chemicals) and twenty years at Schlumberger.

As SEPCO's Business Advisor, Mr Lhote was responsible for recommending strategies, assessing partnership, developing new business, designing and implementing business process improvement. At Schlumberger he held different positions: Marketing & Sales and Line management in Europe, Africa, Asia and Latin America where his last position was Vice President Operations - Mexico and Central America Area and BDM Schlumberger Production Management.

6.2 Senior Management

The following persons comprise the senior management of the Issuer:

David O'Connor

Chief Executive Officer

Olivier Bernard

Deputy CEO (Finance, Administration, Investment & Trade)

Carmelo sive Karl Bartolo

Deputy CEO (Business and Operations)

Alessandro Roca

Group Finance Director

Silvio Camilleri

Chief Financial Officer

Edward Farrugia

Chief Information Officer

Linda De Beer

Chief Human Resources Officer

George Douglas

Chief Health, Safety, Security, Environmental and Quality Corporate Office

The *curriculum vitae* of Mr David O'Connor, Mr Olivier Bernard and Mr Carmelo sive Karl Bartolo are set under section above. Below is a *curriculum vitae* of the remaining members of senior management:

[Mr Alessandro Roca, Group Finance Director](#)

Mr Roca graduated in 1995 from the University of Salerno with a Bachelor's degree in Accountancy and Management (Hons.) and holds an ASFOR accredited (Associazione Italiana per la Formazione Manageriale) full time MBA. Alessandro brings almost thirty years of financial experience, over four continents, largely in position of CFO/Group Finance Director. Mr Roca worked primarily in the energy sector (with a London FTSE listed company, having a focus on oil and gas), automotive, food industry, automotive and high precision machinery.

[Mr Silvio Camilleri, Chief Financial Officer](#)

Mr Camilleri is a Public Accountant by profession and graduated from the University of Malta in 2012 with a Bachelor of Accountancy and Management (Hons.). He started his financial career as an auditor at KPMG in Malta. Mr Camilleri joined the Group in 2017. Proven areas of expertise include financial operations and control, budget preparation and budgetary control, monthly forecasting, performance assessment, treasury management & debt servicing, internal control assessment and process reviews. In the past Mr Camilleri held the position of auditor at KPMG (Malta).

[Mr Edward Farrugia, Chief Information Officer](#)

Mr Farrugia leads the Group's IT department structure, positions and process system in compliance to its strategic mandate. Mr Farrugia also formulates IT Plans, Policies & Procedures. Mr Farrugia holds extensive experience in Project Management, full cycle IT implementation, Business and IT Systems Analysis and Database design and programming.

Ms Linda De Beer

Ms de Beer has over 20 years' experience in Human Resources (HR), previously in legal and software development companies, and has been with the Group for 5 years. Her experience includes Payroll, Tax and HR matters in various African countries, HR and administration policies, local legislation and compliance matters, implementation of system software, training, and recruitment. Her responsibility includes all people-based activity within MedservRegis from both an operational and strategic perspective, developing and implementing HR strategy and HR plans to support the needs of the business.

Mr George Douglas

Mr Douglas is a Health, Safety, Security, Environmental and Quality Corporate Officer (HSSEQ) Professional with 20 plus years' experience managing the Health, Safety, Security, Environmental and Quality functions within various European, Caspian and Middle East companies which includes ISO 9001 QMS, 14001 EMS and 45001 H&SMS, ISPS, IMDG, Fpal & OPITO accreditation requirements. He is responsible for overseeing the Group's HSSEQ standards both internally and with its clients.

6.3 Advisers

Legal Counsel

Camilleri Cassar Advocates
206, Wisely House, Old Bakery Street,
Valletta VLT 1451, Malta

Sponsor

Rizzo, Farrugia & Co (Stockbrokers) Ltd
Airways House, Fourth Floor, High Street,
Sliema Malta SLM 1551, Malta

Registrar & Manager

Bank of Valletta p.l.c.
58, Zachary Street,
Valletta VLT 1130, Malta

As at the date of the Prospectus none of the advisers named above have any material beneficial interest in the share capital of the Issuer. Additionally, save for the terms of engagement relative to their respective services provided in connection with the preparation of the Prospectus and save for the deeds and ancillary documentation entered into between the Issuer and the Registrar & Manager in connection with the bank borrowings referred to in sub-section 9.6 of the Securities Note, no material transactions have been entered into by the Issuer with any of the advisers referred to above. Dr Laragh Cassar (director and company secretary of the Issuer) is a partner of Camilleri Cassar Advocates and regularly provides legal advice and support to the Issuer and the Group.

The organisations listed above have advised and assisted the Directors in the drafting and compilation of the Prospectus.

6.4 Auditors

On the 28 July 2022, the shareholders of the Issuer appointed PricewaterhouseCoopers, Malta of 78, Mill Street, Qormi QRM 3101, Malta as the auditors of the Issuer. The financial statements of the Issuer for the financial years ended 31 December 2021 have been audited by KPMG of 92, Marina Street, Pieta, Malta. PricewaterhouseCoopers were appointed as auditor of the Issuer on 28 July 2022 pursuant to a tender process carried out by the Issuer.

KPMG, Malta (accountancy board registration number AB/26/84/12) and PricewaterhouseCoopers (accountancy board registration number AB/26/84/38) are both firms registered as partnerships of certified public accountants holding practicing certificates to act as auditors in terms of the Accountancy Profession Act, 1979 (Cap 281 of the laws of Malta).

7.0 Information about the Issuer

7.1 Introduction

Full Legal and Commercial Name	MedservRegis p.l.c.
Registered Address	Port of Marsaxlokk, Birzebbugia, BBG3011, Malta
Place of Registration and Domicile	Malta
Registration Number	C 28847
Date of Registration	26 October 2001
Legal Form	Public Limited Liability Company
Legal Entity Identifier	2138003WBERIMWQVKZ64
Telephone Number	(00356) 2220 2000
Email Address	investors@medservregis.com
Website*	https://www.medservregis.com

*The information on the Issuer's website does not form part of the Prospectus, unless that information is incorporated by reference into the Prospectus.

7.2 History and Development of the Group

- 1974**
 - Medserv Limited (later renamed Medserv Operations Limited) was established as a joint venture between the Government of Malta and the Albert Abela Group.
- 1997**
 - Albert Abela Group took full ownership of Medserv Limited through the purchase of the Government of Malta's 65% shareholding; Medserv Operations Limited entered into an emphyteutical grant for the period between 27 May 1997 to 27 May 2045 with the Freeport Authority for its own base and facilities within the confines of the Malta Freeport
- 2001**
 - AD Holdings Limited (later renamed Medserv p.l.c.) was incorporated as a limited liability company in Malta.
 - Albert Abela Group granted an option to AD Holdings Limited to purchase their entire shareholding in Medserv Limited.
 - AD Holdings Limited acquired first tranche of shares in Medserv Limited, comprising 49% of its issued share capital.
- 2003**
 - Conclusion of reorganization of the management structure of Medserv Limited and transfer of activities from Manoel Island to the Malta Freeport.
 - AD Holdings Limited acquired second tranche of shares in Medserv Limited, comprising 51% of its issued share capital.
- 2006**
 - AD Holdings Limited changed name to Medserv p.l.c. and was converted to a public limited company.
 - Successful IPO by the shareholders of Medserv p.l.c.
- 2007**
 - Medserv Misurata F.Z.C., the first registered Free Zone Company in Misurata, Libya, set up as a joint stock company by Medserv p.l.c. (60%) and Misurata Free Zone Authority (40%).
- 2008**
 - Medserv International p.l.c., incorporated in Malta to acquire Medserv p.l.c.'s shareholding in Medserv Misurata FZC.
- 2012**
 - Medserv (Cyprus) Limited was awarded a licence to operate an oil and gas logistics base in Limassol.
 - Medserv Operations Limited signed a lease deed by virtue of which it was granted a lease for an additional 15 years up to 2060 subject to certain terms and conditions.
- 2013**
 - Medserv (Cyprus) Limited was awarded a licence to operate an oil and gas logistics base in Larnaca, Cyprus.
 - The Issuer issued and listed €13.0 million (Tranche 1) Secured Bonds
- 2014**
 - Medserv Operations Limited was awarded two competitive contracts to provide fully integrated logistical support services to two separate international oil companies operating offshore North Africa from its base in Malta.
 - Launch of largest solar farm in Malta constructed over Medserv Malta shore base.
 - The Issuer issued and listed €7million (Tranche 2) Secured Bonds.
 - Increase of the open area at the Malta base to 93,600sqm.
- 2015**
 - Establishment of port facility at Astakos, Greece.
- 2016**
 - Acquisition of METS Holding, METS Oman, METS UAE and METS Iraq
 - The Issuer launched a dual issue comprising:
 - A 2 for 9 Rights Issue of 10 million New Ordinary Shares at €1.50 per New Ordinary Share
 - €30.0m Unsecured Bonds redeemable in 2026 in a combination of 5.75% USD Unsecured Bonds 4.5% Euro Unsecured Bonds

- 2016**
- Award of contract for provision of logistic services in support of exploration drilling offshore Portugal.
 - MedOps renewed of one of its major contracts with an international oil company operating offshore North Africa for a further two years. The project relates to the continuation of the Bahr Essalm offshore has field development.
 - MedOps was re-awarded a contract by Eni North Africa activities taking place offshore and onshore Libya. The contract duration was for a period of one year, extended for a further 2 years in 2019
- 2017**
- METS (Oman) was awarded a five-year multimillion-dollar contract by Sumitomo Corporation Tubular Supply in Oman, for supply chain management of Oil Country Tubular Goods (OCTG). This contract was further extended by five years in 2022.
- 2018**
- Secured business in Egypt, a market considered by the industry to be the big new energy source on Europe's doorstep.
 - Awarded a fully integrated shore base contract in Suriname having a contract value of \$30.6 million.
- 2019**
- Medserv (Cyprus) Limited secured a logistics contract by TotalEnergies E&P Cyprus BV a joint venture with Eni, whereby the contract is expected to run until 18 June 2023.
- 2020**
- MedOps signed an agreement with Air Liquide Oil & Gas Services Ltd (ALOS), to install and operate a compressed gases filling plant to provide diving and welding gases to the offshore industry in the Mediterranean region.
 - MedOps awarded a three-year contract by EniNA to provide logistics marine base and associated services in Malta for its oil and gas activities taking place offshore Libya.
 - METS UAE was awarded a key, three-year contract by Tenaris Global Services S.A., for the supply of OCTG in Abu Dhabi.
 - OMV (headquartered in Vienna) awarded the MedOps a contract to provide international freight forwarding services.
- 2021**
- Share for Share Exchange with Regis Group and Medserv p.l.c. renamed to MedservRegis p.l.c.
 - The Issuer's subsidiary in Egypt awarded a contract by BP for the provision of materials and warehouse management services for BP's drilling and gas production projects in Egypt.
 - MedOps awarded a new contract with one of its existing major clients (an international energy company operating offshore North Africa) for a period of one year (extendable for a further 3) years.
 - The Issuer's subsidiary in Egypt awarded another 3 year contract by BP for the Integrated Facility Management of the West Nile Delta Site in Idku, Egypt.
- 2022**
- Marubeni awarded a three-year tubing supply contract with Oman Oil, which is a key client of METS UAE.
 - Uganda: acquired a site, measuring 24,000 sqm, to set up a new base for the upcoming projects.
 - Contract extension with ENI, Exxon and TotalEnergies (Cyprus local operations).

There are no recent events particular to the Issuer which are, to a material extent, relevant to the evaluation of the Issuer's solvency.

7.3 Other Public Issues

7.3.1 Callable Bonds

Pursuant to a base prospectus dated 12 August 2013, the Issuer issued €20,000,000 worth of Bonds carrying an annual interest rate of 6% and a maturity date of 30 September 2023, with an early redemption date of any business day between the 30 September 2020 and 30 August 2023. On 30 September 2022, the Issuer redeemed €6,999,400 worth of bonds. It is the Issuer's intention to repay the outstanding principal amount of €13,000,600 (which is subject to Callable Bondholders electing to subscribe for Bonds through the transfer to the Issuer of all or part of their Callable Bonds held by them as at the Cut-off Date as further specified in the Securities Note) from the proceeds raised from the Bond Issue as set out in the Securities Note and accordingly, conditional upon a minimum subscription of €10,000,000 of the Bonds being issued pursuant to this Prospectus, the Issuer shall redeem the outstanding Callable Bonds remaining in issue, promptly after the issuance of the Bonds.

7.3.2 Bonds Maturing 2026

Pursuant to a prospectus dated 21 December 2015, the Issuer issued €21,982,400 worth of bonds carrying an interest rate of 4.5% and \$9,148,100 worth of bonds carrying an interest rate of 5.75%, each maturing on the 5 February 2026.

7.4 Overview of the Group's Business

The Group's core business is the provision of integrated logistics services to the Energy industry. The Group presently has facilities in Malta, Cyprus, Egypt, UAE, Iraq, Oman, Mozambique and Uganda.

The Group operates to internationally recognised and certified standards and management practices for ethical compliance, quality, health, safety and environment. These standards are applied to all its operating locations which ensure the consistent delivery of excellence in operations. The Issuer is ISO9001:2008 registered. The Group's HSSE Management System has been developed to both OSHAS18001 and ISO14001 standards. Its port operations are International Ship and Port Facility Security Code (ISPS) compliant and in line with ISO28000 Supply Chain Security Management. The Issuer is a member of the International Association of Drilling Contractors.

The oil and gas industry is divided into three major sectors: upstream, midstream and downstream. The upstream sector is also commonly known as the exploration and production (E&P) sector, which is the area in which the Group is involved. The upstream sector includes the searching for potential underground or underwater fossil fuel, drilling of exploratory wells, and subsequently drilling and operating the wells that recover and bring the crude oil and/or raw natural gas to the surface.

The Group has developed five principal product service lines in order to better meet client requirements, comprising:

- (i) Integrated Offshore Logistics;
- (ii) OCTG Pipe Services
- (iii) Engineering Support Services;
- (iv) Mixing and Storage of Drilling Fluids; and
- (v) Environmental Services including power generation from solar energy.

8.0 Incorporation by Reference

The following documents shall be deemed to be incorporated in, and to form part of, this Registration Document:

- (a) the 2021 Annual Audited Consolidated Financial Statements the Issuer and its subsidiary companies for the year ended 31 December 2021 (the "**2021 Annual Report**");
- (b) the 2020 Annual Audited Consolidated Financial Statements the Issuer and its subsidiary companies for the year ended 31 December 2020 (the "**2020 Annual Report**");
- (c) the 2022 Interim Unaudited Consolidation Financial statements of the Issuer and its subsidiary companies for the six-month period ended 30 June 2022 (the "**2022 Half Yearly Report**"); and
- (d) the 2021 Interim Unaudited Consolidation Financial statements of the Issuer and its subsidiary companies for the six-month period ended 30 June 2021 (the "**2021 Half Yearly Report**").

The documents above are available for inspection in terms of section 17 of this Registration Document, and are available for viewing at <https://www.medservregis.com>.

Cross Reference Table

The following Table of Cross References sets out the principal disclosure requirements which are satisfied by the information. Each page reference refers to the corresponding page in the report.

	2021 Annual Report *	2020 Annual Report	2022 Half Yearly Report **	2021 Half Yearly Report **
Income Statement	3	3	8	8
Statement of Financial Position	1 - 2	1 - 2	6 - 7	6 - 7
Statement of Cash Flows	7 - 8	8 - 9	11 - 12	11 - 12
Notes to the Financial Statements	9 - 133	10 - 103	13 - 25	13 - 25
Independent Auditor's Report ***	n/a	n/a	Not audited	Not audited

* Page numbers as per ESEF financial statements found in the [2021 Annual Report](#).

** Page numbers as per PDF, including comparatives for the six-month period ended 30 June 2021, found at: <https://cdn.borzamalta.com.mt/download/announcements/MDS270.pdf>

*** The independent auditor's reports for the years ended 31 December 2020 and 2021 are found on the unnumbered pages following the last page of the notes to the financial statements.

9.0 Organisational Structure

The Issuer is the parent company of the Group and, accordingly, is ultimately dependent upon the operations and performance of its subsidiary companies. A list of all subsidiary companies of the Issuer is contained in Note 24.3 of the Annual Consolidated Financial Statements of the Issuer for the financial year ended 31 December 2021. Since the publication of the said financial statements, one of the subsidiary companies, namely, Regis Shipping Limited (incorporated in the Seychelles), has been dissolved.

10.0 Trend Information

As the world emerged from the COVID-19 pandemic in 2022, most experts were planning on a gradual decrease of the demand for fossil energies, but the start of the conflict between Russia and Ukraine on 24 February 2022 created a new disruption and paved the way for prolonged tension in the international oil and gas market. The embargos decided by some countries will have long term repercussions on the energy markets.

In particular, the Issuer believes that the demand for gas in Western Europe will make the finding of alternate sources of gas a national priority in many jurisdictions.

As far as the supply side of the oil market is concerned, there are significant problems to meet with the growing demand. At present, only minimal unutilised capacity is accessible from a global perspective. For instance, many

OPEC countries are unable to meet their existing drilling quotas and oil reserves are low (above ground) because the sector has become underinvested over the recent years. The Issuer believes that the supply side requires new drilling capacity to meet increased demand. Low crude oil prices between 2015 and 2021 have sunk investment in developing countries to very low levels resulting in a low level of supply to the industry.

These geopolitical tensions are expected to favour an increased level of exploration and development of new fields in the markets where the Group is currently implanted, in particular the Mediterranean and the Middle East region.

Information relative to the profit forecasts or estimates of the Issuer is set out in the Financial Analysis Summary.

11.0 Key Financial Review

The historical financial information about the Issuer is included in the audited consolidated financial statements of the Issuer for the financial year ended 31 December 2021, 2020 and 2019 and in the unaudited consolidated half yearly report published on 26 August 2022 covering the six months up to 30 June 2022 (and its comparative financial information for the six month period up to 30 June 2021). There were no significant changes to the financial or trading position of the Issuer since 31 December 2021.

The said financial statements are available on the Issuer's website (www.medservregis.com) and are also available for inspection at the Issuer's registered office as set out under the heading "*Documents Available for Inspection*" in section 17 of this Registration Document.

12.0 Management & Administration

12.1 The Board of Directors

In terms of its Memorandum and Articles of Association, the Issuer is managed by a Board of eight Directors entrusted with the overall direction and management thereof. The Board is composed of a mix of executive directors (four) and non-executive directors (four, of which three are independent within the meaning of the Code). The presence of the executive Directors on the Board is designed to ensure that the Board has direct access to the individuals having the prime responsibility for the executive management of the Group and the implementation of approved policies.

The principal purpose of the Issuer's Board is to provide the required leadership, to set the present and future strategy and to ensure proper oversight and accountability.

All of the Directors were elected by the shareholders at the annual general meeting. Unless they resign or are removed, the Directors hold office up until the end of the next annual general meeting following their appointment.

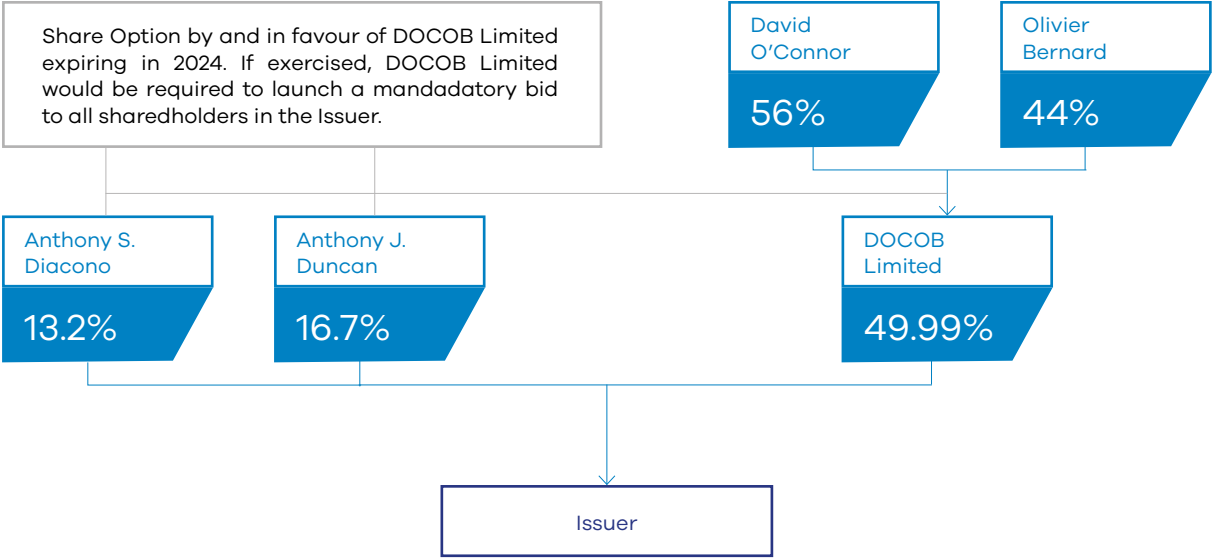
None of the Directors or members of management referred to in this Registration Document have, in the last five years:

- (i) been the subject of any convictions in relation to fraudulent offences or fraudulent conduct;
- (ii) been associated with bankruptcies, receiverships or liquidations (other than voluntary) in respect of entities of which they were members of administrative, management or supervisory bodies, partners with unlimited liability (in the case of a limited partnership with a share capital), founders or members of senior management;
- (iii) been the subject of any official public incrimination and/or sanctions by statutory or regulatory authorities (including designated professional bodies); or
- (iv) been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of a company or from acting in the management or conduct of the affairs of any company.

12.2 Major Shareholders

To the knowledge of the Issuer, control of the Issuer is not vested in any one single entity. The shareholders of the Issuer holding more than 10% of the Issuer are Mr Anthony S. Diacono (holding 13.2%), Mr Anthony J. Duncan (holding 16.7%) and DOCOB Limited (beneficially owned by Mr David O'Connor (CEO) and Mr Olivier Bernard (Deputy CEO)) holding

49.9% of the issued share capital of the Issuer. The following structure chart sets out the major shareholders of the Issuer:



Additionally, Mr Anthony S. Diacono, Mr Anthony J. Duncan and DOCOB Limited (beneficially owned by Mr David O'Connor and Mr Olivier Bernard), in their capacity as shareholders have informed the Issuer that they have entered into a call option agreement pursuant to which DOCOB Limited has been given the right (expiring on the 25 June 2024) to acquire additional shares in the Company at a discounted price. In the event of an exercise of the call option, DOCOB Limited will become bound to launch a mandatory bid to all shareholders in the Company in line with the provisions of Chapter 11 of the Capital Market Rules on Takeover Bids.

12.3 Conflicts of Interest

Save as disclosed, and to the Issuer’s knowledge, there are no potential conflicts of interest between any duties to the Group, of directors or members of the executive management team and their private interests and other duties. The Audit Committee has the task to, *inter alia*, ensure that any potential conflicts of interests are resolved in the best interests of the Group.

The number of shares in the Issuer held directly in the name of the current Directors as at the date of this Registration Document is as follows:

Mr Anthony S. Diacono	13,443,654 Shares
Mr David O'Connor indirectly through DOCOB Limited	28,455,738 Shares
Mr Olivier Bernard indirectly through DOCOB Limited	22,358,079 Shares
Mr Carmelo sive Karl Bartolo	10,000 Shares

In view of the above roles and positions, the above-mentioned Directors may be subject to conflicts of potentially diverging interests of the shareholders they are associated with and their position as Directors of the Issuer. No shareholder is entitled to any automatic right to nominate or appoint a director on the Board – the right to nominate a director is dependent upon the shareholder holding 0.5% of the issued share capital of the Company and the appointment of directors takes place by way of ordinary resolution at general meeting.

12.4 Historical Financial Information

Historical financial information for the financial year 31 December 2021 is set out in the consolidated financial statements of the Issuer as audited by KPMG, and the six month period ended 30 June 2022 is set out in the unaudited consolidated half yearly report of the Issuer, and are both available on the website of the Issuer (www.medservregis.com) or in printed form, free of charge, from the registered office of the Issuer.

The latest audited consolidated financial information available in respect of the Issuer relates to the financial year ended on 31 December 2021.

12.5 Legal & Arbitration Proceedings

There have been no governmental, legal or arbitration proceedings, (including any such proceedings which are pending or threatened of which the Issuer is aware) during the previous twelve months which may have, or have had in the recent past, significant effects on the Issuer and/or the Group's financial position or profitability.

12.6 Significant Change

There has been no significant change in the financial position of the Group which has occurred since the end of the last financial period (that is, 31 December 2021) for which either audited financial information or interim financial information have been published.

13.0 Share Capital

The Company's authorised share capital is €12,000,000 divided into 120,000,000 ordinary shares of €0.10 per share. The Company's issued share capital is €10,163,763.40 divided into 101,637,634 ordinary shares of €0.10 per share. All of the issued shares of the Company form part of one class of ordinary shares in the Company, which shares are listed on the Official List of the Malta Stock Exchange. All shares in the Company have the same rights and entitlements and rank *pari passu* between themselves.

14.0 Memorandum and Articles of Association & Objects of the Company

The Memorandum and Articles of Association of the Issuer is registered with the Registrar of Companies in Malta.

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 its Subsidiaries and such other activities as may from time to time be ancillary or complementary to the foregoing whether in Malta or overseas. Clause 3 of the Memorandum of Association contains the full list of objects of the Company.

15.0 Material Contracts

15.1 Emphyteutical Concession

Through a series of emphyteutical deeds, Medserv Operations Limited (MedOps) (a fully owned subsidiary of the Issuer) acquired, under title of temporary emphyteusis, the Medserv Site from the Freeport Authority for a period up to 29 May 2045. MedOps is prohibited 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 it from allowing its clients the use, against payment, of any part of the Medserv Site or the buildings thereon in the normal course of its business. In the event that the House of Representatives does not provide their consent to the transfer of the Medserv Site, the Freeport Authority is obliged to acquire the Medserv Site, constructions and facilities thereon within three months from the said refusal at a pre-determined consideration.

MedOps was initially granted the exclusive use of a quay (measuring approximately 200m long and 5,000sqm in area) and wharf space (measuring 37,929sqm area) in the Malta Freeport Site, together with free access of persons, goods, vehicles and equipment. The Freeport Authority thereafter also granted it the exclusive right of use of a further quay (measuring approximately 39m long and 785sqm area) and wharf space (measuring 10,000sqm area), together with free access of persons, goods, vehicles and equipment. The exclusive use of the quays is granted for a period up to 29 May 2045 and is restricted solely for the use of MedOps' main business. The maintenance and ordinary repairs of the quays are at the charge of MedOps, whilst extraordinary repairs are at the charge of the Freeport Authority.

In consideration of the right of use granted over the quays, MedOps is obliged to pay the Freeport Authority, berthing fees. In the event that the emphyteutical grant described above terminates for any reason whatsoever, the right of use of the quays automatically terminates.

15.2 Lease Deed

On 5 December 2012, MedOps and the Freeport Authority entered into a public deed pursuant to which the Freeport Authority granted to MedOps a lease over the Medserv Site for an additional period of 15 years from the date of expiry of the emphyteutical grants above described (that is, 29 May 2045) and a right of use of the quays for such additional period. The rent payable in terms of the lease deed is set at €430,000 per annum (revisable every 5 years by 10%). This extension of MedOps' title of lease to the year 2060 was conditional upon it making additional investments totalling €9,000,000 by 2021 and meeting certain employment obligations. By letter dated 20 December 2021, the Malta Freeport Corporation confirmed that the said €9,000,000 investment condition had been met.

During the period of the lease, MedOps is permitted to use the Medserv Site for the purpose of carrying out the activities, functions, purposes and duties or any of them set out in, or otherwise contemplated by, the Freeport Licence (described hereunder), as the same may be amended from time to time. Any improvements made on the Medserv Site generally accede to the property without the right of compensation. MedOps may sub-let, grant under a management or operation agreement or by way of concession, the Medserv Site during the period of the lease to any third party licensed under the Freeport Act provided that the sub-lease, management or operation agreement provides that it will terminate when the third party's licence under the Freeport Act expires or terminates. MedOps is prohibited from transferring or assigning the lease without the prior consent of the Freeport Authority. This however does not prohibit it from allowing its clients the use for payment of any part of the Medserv Site or buildings thereon in the normal course of the permitted use. In the event that the consent is not granted, the Freeport Authority is obliged to pay MedOps compensation based on the value of the improvements carried out on the Medserv Site.

Additionally, the lease deed includes an obligation on the part of MedOps to employ at least ninety (90) full time equivalent persons for the purposes of MedOps' business. If there is a shortfall in the said number of persons employed during a given year which is not otherwise rectified by an excess of full time equivalent employees above ninety (90) persons for the year immediately preceding and the year immediately following the year when the shortfall exists, then MedOps shall be required, for every year in which such shortfall exists, to pay a penalty of €25,000 for each full time employee below ninety (90). Payment shall be due within three months after the end of the year immediately following the year in which there was a shortfall.

The lease deed also provides certain events of default, the occurrence of which would entitle the Freeport Authority to dissolve the lease. The termination of the lease automatically dissolves the right of use over the quays. In consideration of the right of use granted over the quays, MedOps is obliged to pay the Freeport Authority, berthing fees.

15.3 Freeport Licence

MedOps is in possession of a licence granted in terms of article 11 of the Freeport Act. The possession of this licence authorises MedOps to carry out in the Freeport, (constituted under section 3(1) of the Freeport Act), a trade or business consisting in the licensed activities as authorised by the 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 or 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;
- (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; and
- (f) the rendering of services that are analogous or complementary to the foregoing, including initiatives that may benefit the environment.

The licensed activities are subject to certain conditions, *inter alia*, the payment of all licensing fees and notification to the Freeport Authority in the event of a change in control of MedOps. The said licence is valid for a period up to 29 May 2045 and is automatically extended up to 28 May 2060 if and when the Lease Deed (as described in section 15.2 above) becomes effective, subject in all cases to the right of revocation in accordance with the Freeport Act.

15.4 Security Trust Deed

On 9 November 2022, the Issuer, MedOps and the Security Trustee entered into a security trust deed pursuant to which it was agreed that the Security Trustee shall hold the Security on trust for the benefit of the Bondholders. Upon the occurrence of an Event of Default (as defined in the Securities Note) the Security Trustee shall be entitled to enforce the Security in terms of Maltese law. The Security Trustee is not bound to take any such steps or proceedings to enforce the Security unless requested to do so in writing by not less than 75% in value of the Bondholders.

By acquiring the Bonds, the Bondholders *inter alia* agree:

- (i) to hold the Security Trustee harmless and fully indemnified for and against any loss, damage, cost or other liability it may incur by virtue of its failure to enforce or take any steps or proceedings to enforce the covenants and provisions of the Security Trust Deed in the event that it would have not received proper instructions in writing from at least 75% in value of the Bondholders; and
- (ii) not to exercise any right of set-off in respect of any amount payable by the Bondholders to the Issuer or MedOps against any amount payable by the Issuer or MedOps to the Bondholders.

All monies held by the Security Trustee shall (subject to any prior ranking claims thereon) be held on trust and shall be applied for the following purposes and in the following order of priority in payment of:

- (i) all costs, charges, expenses and liabilities incurred and payments made in or about the exercise of the trust by the Security Trustee including all remuneration payable to the Security Trustee with interest thereon;
- (ii) the interest owing upon the Bonds *pari passu* and without any preference or priority; and
- (iii) the principal monies owing upon the Bonds *pari passu* and without any preference or priority.

The Security Trustee is bound to give to the Bondholders at least ten days' notice of every distribution made to them and is entitled to withhold payment of any monies due to be distributed to the Bondholders. Should the Security Trustee decide to withhold payment it shall place the same in a savings account with a bank. The amount which equals the amount of the principal monies withheld shall not carry interest while such monies are withheld (save for any interest allowed on the savings account in which the monies withheld are placed).

In terms of the Security Trust Deed, the Security Trustee may at any time prior to exercising any power of discretion:

- (i) call a meeting of the Bondholders in compliance with rules governing Bondholder meetings (as set out in the Securities Note); or
- (ii) write to the Bondholders requesting their instructions or directions.

The Bondholders are in terms of the Security Trust Deed entitled to require the Security Trustee to convene a meeting of the Bondholders provided that such request is made by at least 10% in value of the Bondholders at that time.

The Security Trustee may, in its absolute and uncontrolled discretion and shall, upon the request in writing of not less than 75% in value of the Bondholders, by notice in writing to the Issuer, declare that, in terms of the Prospectus the Bonds to have become immediately payable.

The Security Trustee will not be liable for any default or breach of duty or trust committed by it or for any loss of profits unless such default or breach is caused by the fraud, wilful misconduct or gross negligence on the part of the Security Trustee or by some act or omission in respect of which the Security Trustee cannot be indemnified under proper law.

The Security Trustee also has the power (without the prior written consent of the Bondholders) to vary, amend, add to or delete any or all provisions of the Security Trust Deed (whether of a beneficial or administrative nature), provided that such power shall not be exercised if, *inter alia*, it infringes the proper law of the Security Trust Deed. Moreover, the Security Trustee is entitled to receive from the Issuer remuneration for acting as Security Trustee.

Furthermore, the Security Trustee may resign by giving not less than 3 months' notice in writing to the Issuer, MedOps and the Bondholders without assigning any reason whatsoever and without being responsible for any costs occasioned by such retirement. The Bondholders also have the power exercisable by a resolution passed at a meeting of Bondholders passed by 75% in value of the Bondholders to remove the Security Trustee. The Issuer has undertaken to use all reasonable endeavours to procure a new trustee to be appointed. If a successor trustee is not appointed within 30 days from the delivery of the notice of resignation or the date of removal, the Security Trustee may itself appoint a successor trustee. The retirement or removal shall not become effective until such time as a successor trustee is appointed and the trust property is transferred to the successor trustee.

16.0 Regulatory Disclosures

Over the last twelve months, the following disclosures have been made by the Issuer in terms of Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (Market Abuse Regulation):

16.1 Share for Share Exchange

On 12 April 2021, the Issuer announced that it had concluded a share for share exchange conditional agreement with the shareholders of Regis Holdings Limited pursuant to which the Issuer agreed to purchase the shares in Regis Holdings Limited in consideration of which it would issue 47,893,229 ordinary shares of a nominal value of €0.10 per share and a share premium of €0.58 in favour of the shareholders of DOCOB Limited (being then the shareholder of Regis Holdings Limited). This transaction was successfully completed on the 25 June 2021 and an announcement to this effect was issued on the same day.

The 47,893,229 ordinary shares of a nominal value of €0.10 per share and a share premium of €0.58 in favour of the shareholders of DOCOB Limited (beneficially owned by Mr David O'Connor (CEO) and Mr Olivier Bernard (Deputy CEO)) were subsequently admitted to the Official List of the Malta Stock Exchange, following approval by the Malta Financial Services Authority of their admissibility to listing.

16.2 PDMR Disclosures

The transfers undertaken by Mr Anthony S. Diacono (Executive Chairman), Mr Anthony J. Duncan (then the Finance Director), Mr David O'Connor (CEO) and Mr Olivier Bernard (Deputy CEO) were also announced to the market:

Date	Transferor	Shares	Price	Transferee
24 June 2021	Malampaya Investments Limited*	18,450,000	€0.01 per share	Mr Anthony J. Duncan
2 July 2021	Mr Anthony S. Diacono	1,470,588	€0.68 per share	DOCOB Limited**
2 July 2021	Mr Anthony J. Duncan	1,450,000	€0.68 per share	DOCOB Limited**
19 October 2022	Mr Anthony S. Diacono	1,000,000	€0.70 per share	n/a

* beneficially owned by Mr Anthony J. Duncan

** beneficially owned by Mr David O'Connor and Mr Olivier Bernard

17.0 Documents Available for Inspection

The following documents or certified copies thereof, where applicable, are available for inspection at the registered office of the Issuer at Port of Marsaxlokk, Birzebugia, BBG 3011, Malta during the term of the Bond Issue during office hours:

- (i) the Memorandum and Articles of Association of the Issuer;
- (ii) the audited consolidated financial statements of the Issuer for the years ended 31 December 2019, 2020 and 2021;
- (iii) the condensed consolidated interim financial statements of the Issuer for the six months ended 30 June 2022, including the comparative period ending 30 June 2021;
- (iv) the Financial Analysis Summary annexed to the Securities Note;
- (v) the contracts described under the section '*Material Contracts*';
- (vi) the Valuation dated 12 September 2022 and issued by TBA Periti and site plans referred to therein and consent by TBA Periti for reference to such valuation;
- (vii) the public deeds creating the Security in favour of the Security Trustee; and
- (viii) the Land Registry searches dated 24 October 2022 and Official Public Registry Searches on privileges and hypothecs carried out for the period between 28 September 2006 and 20 October 2022, in respect of MedOps.

The documents listed in (i) to (iv) and (vi) above, both included, are also available for inspection in electronic form on the Issuer's website – <https://www.medservregis.com>

Annex 1 - Valuation Report



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The Board of Directors
MedservRegis Plc
Malta Freeport Terminals
Port of Marsaxlokk
Birżebbuġa BBG 3011
MALTA

12th September 2022

Dear Sirs,

PROFESSIONAL VALUATION REPORT

I. Preparation of an Independent Valuation Report

1. Parties Requesting Valuation

This property valuation report has been prepared for MedservRegis Plc (hereinafter referred to as 'MEDSERVREGIS'), a public company incorporated in Malta and listed on the Malta Stock Exchange which fully-owns its subsidiary, Medserv Operations Limited, a limited liability company (Company Registration No.: C2971). Our professional work has been carried out in accordance with our terms of engagement dated 31st July 2022.

2. Purpose of Valuation

The principal activity of Medserv Operations Limited is concerned with the provision of industrial services for the offshore oil and gas industry from its base within the industrial property forming part of the Malta Freeport Terminals at the Port of Marsaxlokk in Malta (hereinafter referred to as 'the Property'), which it holds under a title of temporary emphyteusis up to 2045, and subsequently on lease up to 2060.

MEDSERVREGIS intends to make an offer of debt securities to the public and to list them on the Official List of the Malta Stock Exchange. Medserv Operations Limited

has a property interest and reference to such property is to be made in the prospectus covering the issue of such debt securities. In view of this fact, MEDSERVREGIS has requested a valuation of such property, in accordance with Chapter 7 of the Capital Market Rules (CMR) issued by the Malta Financial Services Authority (hereinafter referred to as ‘the Capital Market Rules’). This property valuation report is required to be prepared by an independent expert and it is to be included in the said prospectus. This property valuation report has been prepared solely for the above-mentioned purpose and is not suitable for other uses or purposes.

3. Date of Valuation

The valuation of the Property is effective as of the 12th September 2022.

4. Subject of Valuation

Medserv Operations Limited currently operates from premises located at the **Malta Freeport Terminals, Port of Marsaxlokk, Birżebbuġa BBG 3011, Malta**. The company is presently involved in supply maintenance, storage contracting, warehousing and servicing for the offshore oil and gas industry. By virtue of an operational licence issued by the Malta Freeport Corporation Limited on the 5th December 2012, the company is also permitted to carry out initiatives, which are of an environmental nature.

The valuation of the Property, comprising the industrial land, the overlying buildings and structures, and the ancillary quayside facilities currently occupied by Medserv Operations Limited at the Malta Freeport Terminals was carried out with due regard to the emphyteutical notarial deeds dated 29th May 1997, 23rd December 1999 and 22nd June 2004, the Parliamentary Resolution dated 27th October 2003, the recent lease agreement dated 5th December 2012, and the operating licence issued by the Malta Freeport Corporation Limited to Medserv Operations Limited on the 5th December 2012. These documents are discussed in further detail in Appendix A of this property valuation report. Medserv Operations Limited also holds a title of lease on two plots of land and a title of encroachment on a third plot of land at Hal Far Industrial Estate at Hal Far, whose value has, however, been excluded from this property valuation report.

5. Site Location, Building Description and Use

Medserv Operations Limited used to operate from premises located at Manoel Island in Gzira in Malta but, by virtue of several notarial deeds, a Parliamentary Resolution, and a lease agreement, the company acquired a tract of industrial land together with ancillary quayside facilities at the Malta Freeport Terminals, from where it was able to expand its services within the offshore oil and gas industry.

A schematic layout of the property currently occupied by Medserv Operations Limited is presented in Appendix B of this property valuation report. The Property consists of land measuring approximately 50,000 sq.m., together with the overlying buildings and structures, and ancillary quayside facilities. The quayside facilities comprise circa 239m of quays and circa 5,785 sq.m. of wharf space together with overlying quayside offices, stores and silos, and a right of passage over a further 1,600 sq.m. of wharf space at the Malta Freeport Terminals.

These new premises at the Malta Freeport Terminals were occupied in April 2002 when construction works on the Ground Floor of the two-storey office block and the main warehouse were commenced. The initial construction works were completed by the following year, when the company commenced operations from the Malta Freeport Terminals. Several others buildings and structures were constructed over the years as the company extended its operations further. A description of the Property at the Malta Freeport Terminals is provided in the table below:

<i>Description of Fixed Assets</i>	<i>Year of Construction or Year of Use</i>	<i>Area or Length (sq.m or m)</i>	<i>Total Area or Total Length (sq.m or m)</i>
Industrial Land at Malta Freeport Terminals	Used since 2002	50,325	50,325
Security Gate House	Constructed in 2003	16	16

Electrical Sub-Station & Switch Room	Constructed in 2003	60	60
<i>Main Office - Ground Floor</i>	Constructed in 2003	480	
<i>Main Office - First Floor</i>	Constructed in 2003	480	
<i>Adjacent Office – Ground Floor</i>	Constructed in 2005	133	
<i>Adjacent Office – First Floor</i>	Constructed in 2005	133	
Sub-Total Office Floor Area			1,226
Yard Staff Amenities	Constructed in 2005	147	147
Maintenance Workshops	Constructed in 2004	420	420
<i>Main Warehouse</i>	Constructed in 2003	2,672	
<i>FMC Warehouse & Cameron Warehouse</i>	Constructed in 2005	1,760	
Sub-Total Warehouse Area			4,432
Training Classrooms & Overlying Offices	Constructed in 2006	314	314
Small Covered Storage Shed	Constructed in 2009	586	586
Large Covered Storage Shed	Constructed in 2009	3,055	3,055
Stores and Archives	Constructed in 2010	158	158
Covered Warehouse	Constructed in 2013	219	219
Covered Warehouse	Constructed in 2013	294	294
Additional Warehouses	Constructed in 2016	6,800	6,800
Transformer Room	Constructed in 2014	39	39
Inverter Room	Constructed in 2014	87	87

Additional Office Floor Area (Main Office – Second Floor)	Constructed in 2015	480	480
External Concrete Paving	Constructed in 2015	4,113	4,113
Photo Voltaic (PV) Solar Farm	Constructed in 2014	23,438	23,438
Quayside Berthing Facilities with 10m Draught (Including Right of Passage)	†200m used since 2002 and a further 39m used since 2004	239	239
Wharf Space along Quays with Office & Store and Silos (Including Right of Passage)	†5,000sq.m used since 2002 and a further 785sq.m used since 2004 (office & store constructed in 2002)	5,785	5,785
Paved Area for Use by Air Liquide Oil & Gas Services Limited	Constructed in 2020	1,500	1,500

† The Quays and wharves currently used by Medserv Operations Limited were originally constructed by the Government of Malta in circa 1985.

Table 1: Description of the Fixed Assets of the Property

With reference to the superficial area of the tract of land forming the emphyteutical property of Medserv Operations Limited, it should be pointed out that, during the vetting of the documents submitted by the management of Medserv Operations limited, it was observed that there presently exists a conflict between the property area indicated within the text in the lease agreement of the 5th December 2012 (47,929 sq.m.) and the property area shown in the drawing attached to the notarial deed of the 22nd June 2004 (50,850 sq.m.). Subsequent investigations confirmed that the latter area corresponds to a topographical survey of the actual emphyteutical site that was carried out by an accredited land surveyor commissioned by Medserv Operations Limited. Consequently, it is evident that the area indicated within the text of the lease

agreement of the 5th December 2012 was notional and, therefore, was not based upon an accurate land survey.

In such cases, relevant jurisprudence within the Maltese Courts has adopted a margin of error of +/- 5% upon the superficial area indicated within the text of a notarial deed provided that the word 'circa' or 'approximately' precedes the measurement value of the area. In fact, the text within the lease agreement of the 5th December 2012 states that the area of the property is 'approximately' 47,929 sq.m. and, consequently, the +/- 5% leeway is also applicable in this particular case.

In this respect, for the purposes of the valuation of the Property, the area of 47,929 sq.m. that was mentioned within the text of the notarial deed of the 22nd June 2004 was increased by 5% to give 50,325 sq.m.. It is worth noting that this area is just 525 sq.m. below the superficial area of 50,850 sq.m. that is shown within the drawing annexed to the notarial deed of the 22nd June 2004.

6. Permitted Development and Uses

The development and uses permitted by the operating licence issued by the Malta Freeport Corporation Limited and the Planning Authority Marsaxlokk Bay Local Plan (1995) are briefly discussed below.

6.1 Existing Valid Development Permits

The existing valid Development Permits issued by the Planning Authority (PA) for the construction works carried out within the Property are listed in chronological order below:

- (i) *PA/06779/97 dated 10th August 1998*: Full Development Permit for the construction of offices, warehouses and workshop.
- (ii) *PA05728/98 dated 9th February 1999*: Amended Full Development Permit for the construction of offices, warehouses and workshop.
- (iii) *PA/05139/99 dated 15th December 1999*: Full Development Permit for the construction of temporary offices for Medserv.

- (iv) *PA02426/03 dated 16th March 2004*: Full Development Permit for the office building construction of 1st floor and ground floor sanctioning as built.
- (v) *DN00628/13 dated 15th May 2013*: Development Notification Permit for the construction of a solar farm.
- (vi) *DN/00915/14 dated 2nd July 2014*: Development Notification Permit for the proposed construction of transformer and inverter room.
- (vii) *PA/02125/14 dated 22nd April 2016*: Full Development Permit for proposed additional office floor area and additional warehouses.
- (viii) *PA/02307/14 dated 24th June 2016*: Full Development Permit for sanctioning of Medserv warehouses, training area and quay rooms.
- (ix) *PA/04164/17 dated 9th June 2017*: Maintenance dredging at North Quays of Terminals 1-2 to sustain the operability of the Facility.
- (x) *PA/09805/19 dated 6th July 2020*: Full Development Permit for compressed gases filling plant for naturally occurring gases including oxygen, nitrogen, carbon dioxide and helium. Development includes the construction of a compressor and filling room, a laboratory and a small office together with erection of storage tanks, a sub-station and a switch-room (Class 5B).

6.2 Development and Uses Permitted by the Notarial Deeds, the Lease Agreement and the Operating Licence

The primary development and activities permitted by the notarial deeds, the lease agreement and the operating licence issued by the Malta Freeport Corporation Limited are briefly summarised below:

- (i) Within the period 29th May 1997 to 28th May 2045, Clause 11(i) of the notarial deed dated 29th May 1997 prohibits leasing or granting the site on sub-emphyteusis to third parties without the consent of the House of Representatives.
- (ii) Within the period 29th May 2045 to 28th May 2060, Clause 21.2 of the lease agreement dated 5th December 2012 prohibits leasing or granting the site on sub-emphyteusis to third parties without the consent of the Malta Freeport Corporation Limited.

- (iii) However, by virtue of Clause 21.1 of the lease agreement dated 5th December 2012, within the period 29th May 2045 to 28th May 2060, Medserv Operations Limited may sublet and/or assign to third parties, licensed by the Malta Freeport Corporation Limited, part or all of the property under a management or operating agreement or by way of concession.
- (iv) Clause 11(iv) of the notarial deed of the 29th May 1997 prohibits share transfer in Medserv Operations Limited, formerly Medserv Limited, which would result in Albert Abela Group of Companies having less than 51% shareholding and/or losing effective control of Medserv Operations Limited.
- (v) However, the Parliamentary Resolution of the 27th October 2003 allowed the transfer of shares in Medserv Operations Limited such that Albert Abela Group of Companies was permitted to own less than 51% shareholding and/or lose effective control of Medserv Operations Limited. Consequently, Clause 11(iv) of the notarial deed dated 29th May 1997 is no longer effective.
- (vi) Within the period 29th May 1997 to 28th May 2045, Clause 11(i) of the notarial deed dated 29th May 1997 permits clients of Medserv Operations Limited to use for payment any part of the site and overlying buildings in the normal course of its business without, however, transferring any title.
- (vii) The operating licence issued by the Malta Freeport Corporation Limited on the 5th December 2012 allows a wide range of industrial activities, which are, however, ancillary to the existing operations of Medserv Operations Limited at the Malta Freeport and also include initiatives involving environmental projects.

6.3 Development and Uses Permitted by the Planning Authority Marsaxlokk Bay Local Plan (1995)

From a development planning point of view, the permitted development within the Malta Freeport is regulated by the Planning Authority Structure Plan (1992) and, in particular, by the Planning Authority Marsaxlokk Bay Local Plan (1995).

The governing policies, which are pertinent to note with respect to the Property occupied by Medserv Operations Limited, are the following:

- (i) MT 06: New Arterial Road to Birżebbuġa and the Malta Freeport.
- (ii) MP 01: Industrial Expansion at the Malta Freeport Area.
- (iii) MP 03: Oil and Gas Discharge at the Malta Freeport.
- (iv) MP 04: Overall Use Guidelines for Industrial Activity.
- (v) MB 12: Further Development at the Malta Freeport.

The Planning Authority Marsaxlokk Bay Local Plan (1995) considers Hal Far Industrial Estate as a satellite industrial zone to the Malta Freeport. It actively promotes the use of the Malta Freeport areas for:

- (a) The handling of cargo and, in particular, transshipment.
- (b) The storage and supply of oil and gas products for industry.
- (c) The relocation of the existing Enemalta Corporation facilities from residential areas (e.g. 31st March 1979 facility in Birżebbuġa).
- (d) Industrial activities, particularly of a maritime nature.

In the light of the above, possible permitted uses on the premises at Malta Freeport currently occupied by Medserv Operations Limited could include:

- (1) Activities similar to those already being carried out by Medserv Operations Limited, such as, supply maintenance, storage contracting, warehousing and servicing for the offshore oil and gas industry.
- (2) Industrial units for both maritime and non-maritime activities.
- (3) Research and training centre for the oil industry in the Central Mediterranean Region.
- (4) Bunkering of oil, gas & ancillary products.
- (5) Handling of unitised cargo activity (Ro-Ro & Lo-Lo cargo handling) from the quay with transshipment storage on site (such as car transshipment).
- (6) Warehousing for the local industry.

7. Declaration of Independence

TBA Periti hereby declares that it has no undisclosed interest in the Property and that its employment and compensation is not contingent upon its findings and valuation. In addition, earlier this year, TBA Periti had been commissioned by Medserv Operations Limited to undertake an independent valuation of the Property and had reported on its value as at 31st December 2021, which valuation was referred to in the published annual financial statements of the company for the financial year ending on the 31st December 2021. Furthermore, the proportion of the total fees, including fees for this engagement, from MEDSERVREGIS to the total fees earned by TBA Periti in the preceding twelve months is minimal.

8. Statement of Compliance

TBA Periti confirms that the valuation of the Property has been prepared as an external valuer in terms of and with due regard given to the appropriate sections of the Valuation Standards contained in the The Royal Institution of Chartered Surveyors ‘RICS Valuation – Professional Standards’ dated November 2021. There has been no departure from the above-mentioned standards. The Property has been valued by valuers, for and on behalf, of TBA Periti, who are qualified for the purpose of the valuation in accordance with the RICS valuation standards.

9. Basis of Value and Valuation Approach

TBA Periti has been engaged to provide the valuation of the Property based on Market Value. In relation to the Market Value, RICS Valuation – Professional Standards (November 2021) defines Market Value as:

‘The estimated amount for which an asset or liability should exchange on the *valuation date* between a willing buyer and a willing seller in an arm’s length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.

Market value is a *basis of value* that is internationally recognised and has a long-established definition. It describes an exchange between parties that are unconnected and are operating freely in the marketplace and represents the figure that would appear in a hypothetical contract of sale,

or equivalent legal document, at the *valuation date*, reflecting all those factors that would be taken into account in framing their bids by market participants at large and reflecting the highest and best use of the asset. The highest and best use of an asset is the use of an asset that maximises its productivity and that is possible, legally permissible and financially feasible.

It ignores any price distortions caused by *special value* (an amount that reflects particular attributes of an asset that are only of value to a *special purchaser*) or *marriage value*. It represents the price that would most likely be achievable for an asset across a wide range of circumstances. *Market Rent* applies similar criteria for estimating a recurring payment rather than a capital sum.’

Furthermore, the International Valuation Standards dated January 2022 defines Market Value in IVS 104 Paragraph 30.1 as:

‘...the estimated amount for which an asset or liability should exchange on the *valuation date* between a willing buyer and a willing seller in an arm’s length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.’

The open market value for the Property is necessarily related to the corresponding permitted developments and uses as discussed earlier within Section 6. Consequently, the Market Value of the Property as set out in this property valuation report is equivalent to the open market value for existing use. In addition, the present capital value of the Property in its existing state is reflected in the Market Value of the Property, estimated as described herein. It should also be noted that valuation of the Property excludes the following:

- (a) Movable assets such as computers and telecommunications equipment, office furniture and equipment, furnishings, etc.
- (b) Specialist tools.
- (c) Motor vehicles.
- (d) Plant and mechanical equipment.
- (e) Stock material.

As described earlier in Section 4 and in Appendix A, the title of Medserv Operations Limited over the Property emanates from the emphyteutical grant and the subsequent lease, which together form a continuing right over the same property. The latter title of lease is subject to satisfaction of certain contractual conditions on investment and labour provision by Medserv Operations Limited.

It is worth noting that, in addition to the five permitted uses in the previous operating licence dated 1st April 2002, the Malta Freeport Corporation Limited introduced a sixth permitted use within the operating licence issued to Medserv Operations Limited on the 5th December 2012, namely:

“6. The rendering of services that are analogous or complimentary to the foregoing, including initiatives that may benefit the environment.”

This sixth permitted use in the operational licence is a particularly important addition since it allows the company to invest in environmental projects in order to qualify for investment tax credits and also to derive a return from such capital investment. Indeed, on the basis of feasibility studies carried out by the company with regards to the construction of new buildings and structures, and the installation of the existing solar farm consisting of 8,211 solar Photo Voltaic (PV) panels taking up an area of circa 21,078 sq.m. at roof level, it is estimated that the renewable energy that will be generated over a 20-year period will amount to circa 3,392 MWH.

Such capital investment, amounting to circa €5,080,387, was carried out by Medserv Operations Limited by virtue of Planning Authority Permit DN00628/13 (*vide* Section 6.1(iii)) in order to meet its obligation for the First Investment in accordance with the notarial deed of the 5th December 2012. The company also entered into a contractual agreement with Enemalta Corporation on the terms of sale of electricity in accordance with the provisions of L.N.71 of 2013, Feed-In Tariffs (Electricity Generated From Solar Photovoltaic Installations) (Amendment) Regulations, which presently provides for a Feed-In Tariff of €0.17c per KWH of electricity over a 20-year period (8th July 2014 to 7th July 2034).

Although the regulations provide for a Feed-In Tariff of €0.17c per kWh of electricity for roof-mounted PV panels, the company is actually being paid at the rate of €0.16c per kWh as the PV panels were considered to be ground-mounted, in view of the fact that the PV support steel structures in place do not fall within the strict definition of roof-mounted PV panels in terms of the regulations. In addition, in accordance with the Fourth Schedule of the regulations, the amount of electricity generated by the PV solar farm in excess of an annual yield of 1,600kWh (that is, over 3,219,200 units per annum) is paid at the rate of €0.11c per kWh.

It is worth noting that the PV solar farm at the Malta Freeport Terminals was completed and became operational on the 8th July 2014. In addition, the average annual income from the 8th July 2014 to the valuation date of the 12th September 2022 amounts to circa €499,411 per annum.

In this respect, the valuation of the Property is based upon the following approach:

- (i) The valuation of the Property was carried out on the basis of a *Market Approach* on the assumption that the property rights could be sold subject to any existing third party obligations. The basis of value for the valuation of the Property of Medserv Operations Limited is, therefore, *Market Value*. The property valuation was also based upon publically-available data and comparable recent market transactions on an arm's length basis, together with TBA Periti's analysis and experience in the local real estate market and information provided by the management of MEDSERVREGIS, including projections of expected future investments and costs.
- (ii) The valuation of the Property has been carried out for the time period 13th September 2022 to the 28th May 2060, bearing in mind, however, the contractual conditions of investment and labour provision incumbent upon Medserv Operations Limited for the commencement of the lease for the period 29th May 2045 to 28th May 2060, beyond the expiration of the present emphyteutical grant on the 28th May 2045.
- (iii) The components which contribute towards enhancing the Market Value of the Property comprise the land, the existing overlying buildings and structures as

detailed in Table 1, the balance of the capitalised rental value of the potential commercial use of the ancillary quayside facilities, the expected capitalised income derived from the generation of electricity by the PV solar farm for the remainder of the 20-year contractual period commencing on the 8th July 2014 as well as the expected capitalised income derived from the service agreement with Air Liquide Oil & Gas Services Limited for a period of 10 years commencing on the 1st November 2020 and ending on the 31st October 2030.

- (iv) On the other hand, the cost components which must be considered in arriving at the Market Value of the Property include the balance of rent which is to be paid out by the company to the Malta Freeport Corporation Limited for the land and for the use of the ancillary quayside facilities, throughout the remaining emphyteutical grant period (13th September 2022 to 28th May 2045) and the subsequent lease period (29th May 2045 to 28th May 2060), and the balance of payments to be made by the company for the 24 x 7 security guard service. Furthermore, in the property valuation report as at the 31st May 2013, a prudent provision (10% shortfall) was made in order to take account of the penalties that would be incurred by the company within the period 29th May 2045 to 28th May 2060, if there were to be a shortfall in the labour provision below the 3-year rolling average contractual threshold of 90 Full Time Employees (FTEs) that are to be employed by the company within this period (as per notarial deed of the 5th December 2012). Since then, the 3-year rolling average number of FTEs was always more than 90 FTEs and, therefore, subsequent property valuation reports excluded a provision for a 10% shortfall in the contractual threshold of 90 FTEs. However, for the period 1st January 2022 to 12th September 2022, the 3-year rolling average FTEs amounted to 89 FTEs, which falls just 1 FTE below the contractual threshold of 90 FTEs stipulated in the notarial deed of the 5th December 2012. It should be noted that the company would have been subject to a marginal penalty envisaged due to a shortfall in the level of FTEs amounting to €25,000 per FTE shortfall X 1 FTE, that is, €25,000, had such shortfall in the contractual threshold of 90 FTEs occurred within the lease period 29th May 2045 to 28th May 2060.
- (v) With respect to the First Investment mentioned in the lease agreement of the 5th December 2012, as described earlier, the capital investment in new

buildings and structures as well as the overlying solar PV panels was carried out, and it is expected to provide a return on the capital investment which should pay for itself. For the purposes of this property valuation, therefore, it was considered that this investment should neither feature as an asset nor as a cost component within the property valuation calculations.

- (vi) The Second Investment mentioned in the lease agreement of the 5th December 2012 was also carried out by the company. Since this investment was intended to be devoted solely for the purpose of purchasing additional plant and equipment that was required by the company in order increase its production and turnover, it was considered that this investment should likewise pay for itself and, therefore, it should also neither feature as an asset nor as a cost component within the property valuation calculations.
- (vii) Finally, the Market Value of the Property of Medserv Operations Limited was computed by subtracting the sum of the net present values of the cost components calculated in Paragraph (iv) above from the sum of the net present values of the contributory components calculated in Paragraph (iii) above.

10. Property Inspection

As part of its professional work, an inspection of the buildings, structures and ancillary facilities was carried out by TBA Periti in order to obtain a better understanding of the Property and to identify any visible defects that could have an impact upon the valuation of the Property. This inspection did not represent a building survey and should not be construed as such. TBA Periti has neither carried out any detailed structural surveys, nor tested building services nor exposed parts of the structure which were covered, unexposed or inaccessible. Whilst the valuation has taken due regard with regards to the present apparent general condition of the Property based upon visual inspections, TBA Periti cannot, therefore, provide any assurance that the Property is free from structural defects.

For the purposes of the property valuation, TBA Periti has also relied upon the floor plans and surveys of the land and overlying buildings, structures and facilities provided by the management of MEDSERVREGIS, and has not undertaken any detailed measurement of the property. All measurements and areas quoted in this

valuation report are, therefore, to be considered as approximate for the purposes of this property valuation report. Details of tenure of the property considered within the valuation emanate from the notarial deeds, lease agreement, operational licence and other relevant documents provided by the management of MEDSERVREGIS. Furthermore, the property valuation calculations were based upon information made available by the management of MEDSERVREGIS, including projections of expected future investments and costs.

An assumption can be defined as a supposition taken to be true. Assumptions are facts, conditions or situations affecting the subject of, or approach to, a valuation that by agreement, need not be verified by a valuer as part of the valuation process. In undertaking the valuation of the Property, TBA Periti has made certain assumptions and has relied upon certain sources of information. TBA Periti believes that the assumptions made within this property valuation report are reasonable, taking into account its knowledge of the Property and the contents of reports and other information made available by the management of MEDSERVREGIS. However, in the event that any of the information or assumptions on which the valuation of the Property is based is subsequently found to be incorrect, then the conclusions in this valuation report may also be incorrect or invalid.

In addition, the management of MEDSERVREGIS have confirmed that they have provided TBA Periti with all the information that could be material for the purposes of the valuation of the Property.

11. Sources of Information

For the purposes of this property valuation report, TBA Periti has relied upon the following information provided by the management of MEDSERVREGIS or their advisors or which was otherwise in the public domain:

- (i) The notarial deed between Malta Freeport Corporation Limited and Medserv Limited (now Medserv Operations Limited) dated 29th May 1997;
- (ii) The notarial deed between Malta Freeport Corporation Limited and Medserv Limited (now Medserv Operations Limited) dated 23rd December 1999;
- (iii) The Parliamentary Resolution dated 27th October 2003;

- (iv) The notarial deed between Malta Freeport Corporation Limited and Medserv Limited (now Medserv Operations Limited) dated 22nd June 2004;
- (v) The lease agreement between Malta Freeport Corporation Limited and Medserv Operations Limited dated 5th December 2012;
- (vi) The operating licence issued by Malta Freeport Corporation Limited to Medserv Operations Limited dated 5th December 2012;
- (vii) Drawings of plans and sections of the Property;
- (viii) Health and Safety information relating to the Property;
- (ix) Audited Financial Statements for the financial years ended 31st December 2019, 31st December 2020 and 31st December 2021;
- (x) Management accounts for the period 1st January 2022 to 31st August 2022;
- (xi) Other relevant details in relation to the Property.

The Market Value of the Property was also determined on the basis of real estate market statistical data on industrial property of a similar type and location gathered by TBA Periti, including real estate market statistical data on industrial property of a similar type and location gathered from various information sources, including:

- (a) Extensive sale price statistics on more than 100 industrial properties advertised online by local real estate agents. Conservatively, the sale price data obtained from this source were reduced by a factor of 15% in order to make allowance for the fact that, in practice, the final contract sale prices are usually lower than the advertised sale prices, following buyer/seller negotiations on the property transactions.
- (b) Trends of property price variations obtained from statistical data published by the Central Bank of Malta.
- (c) Trends of property price variations obtained from statistical data published by the National Statistics Office.
- (d) Real estate property market statistics on industrial properties gathered and reported in the online database at <https://dashboard.djar.com>, and published regularly by Ernst & Young (EY) Malta.

12. Assumptions

In the preparation of this property valuation report, TBA Periti has made the following assumptions:

- (i) The buildings on the property are in a good state of repair;
- (ii) The building services and ancillary facilities are in good working order;
- (iii) The Property is not contaminated and no contaminative or potentially-contaminative uses have ever been carried out on it;
- (iv) There are no known abnormal ground conditions, nor archaeological remains present, which might adversely affect the present or future occupation, development or value of the Property;
- (v) With reference to Capital Market Rule 7.4.1.6, all the buildings and structures on site are covered by the relevant valid Planning Authority development planning permits, and they have been erected in accordance with these building permits.
- (vi) The Property complies with all applicable laws and regulations, including those relating to health and safety;
- (vii) Only minor costs will be incurred if any modification or alteration is necessary in order for the Property to comply with the provisions of relevant disability and access laws.
- (viii) The Property is insured against all usual risks at normal, commercially-acceptable premiums and will remain so throughout the term of the emphyteusis and subsequent lease;
- (ix) The Property has in place, and will continue to have in place over the period of the emphyteusis and subsequent lease, all the necessary licences and other enablers required to continue to be applied to its permitted uses;
- (x) The current permitted use of the Property will continue throughout the period of the emphyteusis and subsequent lease.
- (xi) The valuation of the Property was carried out on the basis of the Market Value on the assumption that the property rights could be sold on the open market subject to any existing third party obligations.
- (xii) Since the 15-year lease from 2045-2060 commences directly after the 48-year emphyteutical grant from 1997-2045 (precisely on the 29th May 2045), the

cumulative 63-year title of Medserv Operations Limited is considered to be a continuing right on the same Property, which is equivalent to a long leasehold (over 50 years) as defined in Capital Market Rule 7.4.6 in the Capital Market Rules.

- (xiii) While the open market for the Property is necessarily related to the corresponding permitted development and uses as discussed earlier within Section 6, the valuation of the Property is not confined only to the nature of the business carried out by Medserv Operations Limited, since there are several other possible industrial operations that could also be permitted upon the Property. Consequently, in this case, the present capital value of the Property in its existing state (as per Capital Market Rule 7.4.1.10) and the valuation of the Property for business use (as per Capital Rule 7.8) are both equivalent to the Market Value on the open market. Furthermore, the Market Value on the open market for the alternative uses of the Property does not vary significantly from the Existing Use Value of the Property.
- (xiv) The valuation is based on the assumption that the Property will only be encumbered by privileges and hypothecs necessary for its financing and operation.
- (xv) The valuation does not reflect any liability to tax, stamp duty and any other transaction costs arising on the disposal or acquisition of the Property.
- (xvi) All measurements, areas and ages quoted in the property valuation report are approximate. As explained earlier within Section 5 of this property valuation report, for the purposes of the valuation of the Property, the area of 47,929 sq.m. mentioned within the text of the notarial deed of the 22nd June 2004 was increased by 5% to give 50,325 sq.m., which is marginally below the surveyed area of 50,850 sq.m..
- (xvii) Capital Market Rules 7.4.1.11, 7.4.7 and 7.4.8 are not applicable to this property valuation report.
- (xviii) No special assumptions have been relied upon in the preparation of this property valuation report.

II. Other Important Information

1. Consent to Publication and Use

This property valuation report should not be distributed, quoted or referred to, in whole or in part, without our prior written consent. TBA Periti understands that MEDSERVREGIS will require the express consent in writing of TBA Periti for this property valuation report to be included in its entirety in the prospectus covering the issue of debt securities as part of the public offer of MEDSERVREGIS. Before granting such consent, TBA Periti will require sight of a final draft of such Prospectus. The consent of TBA Periti for the whole or part of this property valuation report to be copied or disclosed to any third party or otherwise quoted or referred to, in whole or in part, is on the basis that TBA Periti does not owe such third parties any duty of care as a result of giving such consent.

2. Limitation of Liability

This property valuation report is subject to the comments made throughout and to all the assumptions and limiting conditions set forth herein. TBA Periti has performed its professional work in accordance with applicable professional standards and accepted practice for this type of engagement. The duties of TBA Periti in relation to its professional work are owed solely to MEDSERVREGIS, and accordingly TBA Periti does not accept any responsibility for loss occasioned to any third party acting or refraining from action as a result of this property valuation report.

3. Other

TBA Periti wishes to point out that there exists a significant degree of judgement involved in selecting methods, the basis for valuation and a significant number of items, which may be subjectively considered when arriving at such valuation, including projections of expected future investments and costs. It follows that valuations are not a prediction of price or a guarantee of value and, whilst TBA Periti considers its valuation of the Property to be both reasonable and defensible, others may arrive at a different conclusion. Furthermore, the variation between projected

and actual results may be material and such variation may materially affect the valuation of the Property.

Unless otherwise specifically stated, the analysis set out in this document takes into account all information known and made available to TBA Periti up to 12th September 2022 and is, therefore, current as at that date.

4. Valuation Opinion

On the basis of the information set out in this document including the stated assumptions, publically-available data and comparable recent market transactions on an arm's length basis, together with TBA Periti's analysis and experience in the local real estate market and information provided by the management of MEDSERVREGIS, it is the professional opinion of TBA Periti that the Market Value of the Property as at the 12th September 2022 amounts to **€60,972,500 (Sixty Million Nine Hundred and Seventy-Two Thousand and Five Hundred Euro)**.¹

Yours Faithfully,



Perit Prof. Marc Bonello

B.E.&A.(Hons)(Melit.), M.Sc.(Lond.), Ph.D.(Lond.), D.I.C., M.A.S.C.E., M.S.E.I., Eur.Ing.(FEANI)

Partner

For and on behalf of

TBA Periti

¹ Earlier this year, TBA Periti had been commissioned by Medserv Operations Limited to undertake an independent valuation of the Property and had reported that its value as at 31st December 2021 amounted to **€57,020,000 (Fifty-Seven Million and Twenty Thousand Euro)**. This valuation was referred to in the published annual financial statements of the company for the financial year ending on the 31st December 2021. On the other hand, the value reported as at the 12th September 2022 is 6.93% higher than the corresponding value reported as at the 31st December 2021, thereby reflecting a higher confidence in the local real estate market for industrial property in the period post the COVID-19 pandemic.

APPENDIX A: Description of the Property Rights

The Property is presently granted on temporary emphyteusis until the 28th May 2045 with all its rights and appurtenances as described within the various notarial deeds listed below. By virtue of the lease agreement dated 5th December 2012, Medserv Operation Limited extended its title upon the Property by way of lease for the period commencing on the 29th May 2045 and ending on the 28th May 2060, subject to certain contractual obligations. The salient points of the notarial deeds, the lease agreement, the Parliamentary Resolution and the operating licence are discussed below:

A.1 Notarial Deed of the 29th May 1997

The principal rights and conditions emanating from this notarial deed are described below:

- (i) Medserv Operations Limited acquired on temporary emphyteusis a plot of land at Malta Freeport Terminals in Marsaxlokk measuring circa 40,000 sq.m. at an annual consideration of Lm1.50 (€3.49)/sq.m. revisable for inflation up to a maximum of 15% every 4 years.
- (ii) Malta Freeport Corporation Limited pledged to hand over the site within two years of the date of the notarial deed, that is, by the 29th May 1999.
- (iii) Medserv Operations Limited pledged to relocate its premises from Manoel Island in Gzira to the premises in Malta Freeport Terminals within one year from taking over the site, that is, by the 29th May 2000. In actual fact, Medserv Operations Limited took over the site on the 1st April 2002, since the Malta Freeport Corporation Limited had delayed handing over the site to the company.
- (iv) In view of the construction works, the ground rent was to be reduced to Lm0.25 (€0.58)/sq.m. per annum within the period 1st April 2002 to 29th May 2003.
- (v) Medserv Operations Limited was granted exclusive use of a quay of length 200m together with a wharf space measuring 200m x 25m, that is, having an area of circa 5,000 sq.m. at the following day rates:

Years 1 & 2 (2003 & 2004):	Lm10.00 (€23.29)/vessel/day
Years 3 & 4 (2005 & 2006):	Lm12.50 (€29.12)/vessel/day
Years 5 & 6 (2007 & 2008):	Lm15.00 (€34.94)/vessel/day
Year 7 onwards (2009 – 2045):	Lm15.00 (€34.94)/vessel/day + inflation increases (up to a maximum of 15% every 4 years).

- (vi) Medserv Operations Limited was granted an option to acquire a further circa 10,000 sq.m. of land with the same terms and conditions as for the land measuring circa 40,000 sq.m..
- (vii) The duration of the temporary emphyteusis is 48 years from the 29th May 1997, that is, up to the 28th May 2045. Therefore, this implies that there remains circa 24 years of title of temporary emphyteusis as from the valuation date.

A.2 Notarial Deed of the 23rd December 1999

By virtue of this notarial deed, Medserv Operations Limited acquired the optional circa 10,000 sq.m. land area under a title of temporary emphyteusis up to the 28th May 2045 under the same terms and conditions as for the circa 40,000 sq.m. land area acquired earlier by virtue of the notarial deed of the 29th May 1997.

A.3 Parliamentary Resolution of the 27th October 2003

As required by the notarial deed of the 29th May 1997, by virtue of this Parliamentary Resolution, the House of Representatives gave its consent for the transfer of shares in Medserv Operations Limited such that Albert Abela Group of Companies was permitted to own less than 51% of the shares in Medserv Operations Limited and/or lose effective control of the company.

A.4 Notarial Deed of the 22nd June 2004

The principal rights and conditions emanating from this notarial deed are described below:

- (i) The Malta Freeport Corporation Limited took back circa 2,071 sq.m. of land from the property previously acquired by the Medserv Operations

Limited. According to a drawing annexed to this deed, the land under the control of Medserv Operations Limited measures circa 50,850 sq.m..

- (ii) Medserv Operations Limited was granted the right of exclusive use of a further 39m of quays (in addition to the 200m quay length already under the control of the company), the use of a further circa 785 sq.m. of wharf space (in addition to the circa 5,000 sq.m. of wharf space and overlying quay rooms already under the control of the company), together with a right of passage over a further circa 1,600 sq.m. of wharf space at no further consideration.

A.5 Lease Agreement of the 5th December 2012

The principal rights and conditions emanating from this lease agreement are described below:

- (i) Medserv Operations Limited was granted a lease for a further 15 years (29th May 2045 to 28th May 2060) over the same property, which shall commence on the expiry of the present emphyteutical grant on the 28th May 2045 and conditional upon certain investment and labour provision targets, which are to be implemented within stipulated timeframes.
- (ii) The text of this notarial deed states that the land forming part of the lease agreement measures circa 47,929 sq.m.. As explained earlier in Section 5, for the purposes of the valuation of the property rights of Medserv Operations Limited as at the 12th September 2022, the area of 47,929 sq.m. was increased by 5% to give an area of 50,325 sq.m., as permitted by local case law.
- (iii) The rent was established at a lump sum of €430,000 per annum, exclusive of VAT, with an increase of 10% of the *pro tempore* rent every five years.
- (iv) With respect to the first contractual condition of investment, the notarial deed obliged Medserv Operations Limited to carry out two separate tranches of investment. The First Investment, which involved the sum of €5,000,000 and which was invested by the company by the 31st December 2016, was to cover the cost of paving of the outside areas of the property, to purchase plant and equipment, to construct an additional warehouse

with specialized internal stacking systems and to upgrade the fendering system along the quays. Furthermore, the Second Investment, which involved the sum of €4,000,000 and which was invested by the company by the 31st December 2021, was to cover the purchase additional plant and equipment.

- (v) The permitted use on the leased property shall be solely and exclusively for the purpose of carrying out the activities, which are set out within the operating licence.
- (vi) The second contractual condition concerns the obligation of Medserv Operations Limited of maintaining the three-year rolling average number of Full Time Employees (FTEs) within the period 29th May 2045 to 28th May 2060 to not less than 90 (ninety) FTEs, in default of which the company would be liable to pay a penalty of €25,000 (which, however, is not indexed with the rate of inflation) per FTE shortfall for the duration that such FTE shortfall shall persist. As stated earlier in Section 9(iv), the company has generally maintained a 3-year rolling average number of FTEs of more than the contractual threshold of 90 FTEs.
- (vii) Within the period 2045-2060, Medserv Operations Limited may sublet and/or assign to third parties, licensed by the Malta Freeport Corporation Limited, part or all of the emphyteutical property under a management or operating agreement or by way of concession. It is worth noting that this right of the company to sublet and assign the emphyteutical property was expressly forbidden in the notarial deed of the 29th May 1997.
- (viii) Within the period 2045-2060, Medserv Operations Limited may not assign or otherwise transfer the lease in part or in whole without the written consent of the Malta Freeport Corporation Limited. This contractual condition was also present in the notarial deed of the 29th May 1997.

A.6 Operating Licence Issued by the Malta Freeport Corporation Limited to Medserv Operations Limited on the 5th December 2012

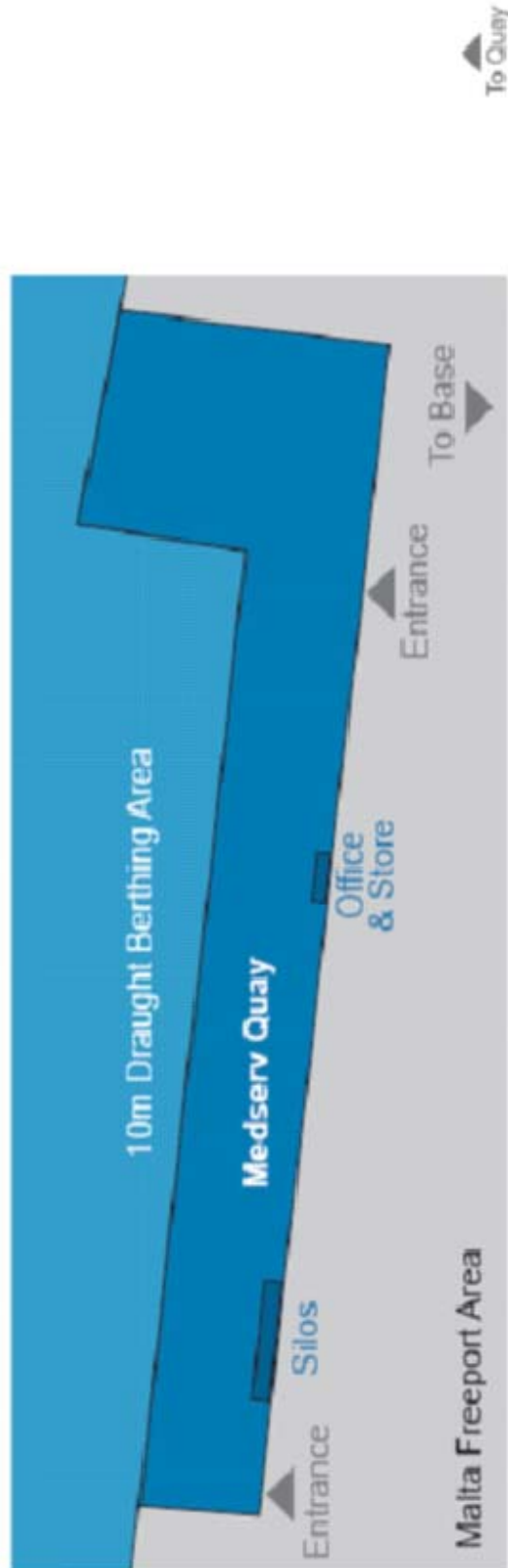
The principal rights and conditions emanating from this operating licence are described below:

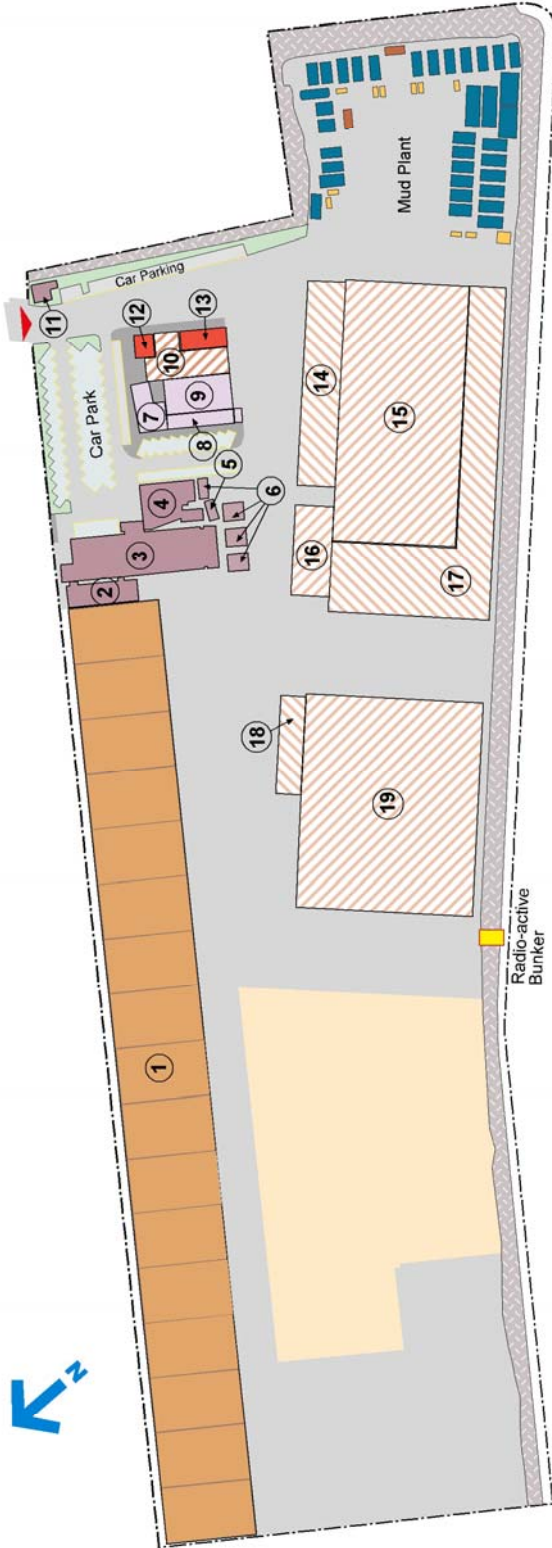
- (i) The operating licence of the 5th December 2012 is the second such licence issued by the Malta Freeport Corporation Limited to Medserv Operations Limited and supersedes the first operating licence.
- (ii) The date of coming into force of the first operating licence was the date of hand over of the site by the Malta Freeport Corporation Limited, that is, the 1st April 2002.
- (iii) The second operating licence, which has immediate effect, shall be extended automatically between the period 2045–2060, provided that Medserv Operations Limited satisfies certain contractual conditions with regards to investment and labour provision targets, which are to be implemented within stipulated timeframes.
- (iv) The licensed activities as per Schedule A of the first operating licence were :
 - (a) General trade, operations, management and marketing of a storage, service and spare parts centre for the oil industry at the Malta Freeport in Kalafrana at the Port of Marsaxlokk in 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 or businesses of carriers and handlers by land, water and air products.
 - (c) Acting as advisers, consultants, brokers and agents.
 - (d) Acting as marine engineering and storage contractors, wharfingers and warehousemen.
 - (e) The production, manufacture, processing, importing, exporting, storing and dealing in all kinds of machines, articles, products, apparatus and things necessary or useful for the above activities.
- (v) In addition to the afore-mentioned five permitted uses in the first operating licence, the Malta Freeport Corporation Limited introduced a sixth permitted use within the second operating licence, namely the rendering of services that are analogous or complimentary to the foregoing permitted uses, including initiatives that may benefit the environment.

- (vi) Schedule B in the second operating licence contains specific conditions in order to ensure adherence to the Malta Freeports Act (Cap.334 of the Laws of Malta) by Medserv Operations Limited.

APPENDIX B: Site Plan of Base of Medserv Operations Limited at Malta Freeport

MALTA BASE LAYOUT





Legend:

- 1 Warehouses - 17 No. each 400sqm = 6800 sq M
- 2 Offices - 2 floors each 133 sq M = 266 sq M
- 3 Offices - 3 floors each 480 sq M = 1440 sq M
- 4 Canteen, 2 classrooms & server room at Ground = 179 sqM,
Offices at First floor - 135 sqM. Total Area = 314 sqM
- 5 Trailer used as Mosque - 14.5 sqM
- 6 Office Trailers each 14.5 sqM. 7 at Ground = 101.5 sqM, 4 at higher level = 68 sqM. Total = 159.5 sqM
- 7 Yard Staff amenities = 63 sqM at Ground floor, 83.5 sqM at First Floor. Total = 146.5 sq M
Sub-station and switch room at Ground Floor = 60 sqM
- 8 Stores at Ground - 68 sqM, Canteen & Archives at First Floor - 90 sqM. Total area = 158 sqM
- 9 Workshop at Ground - 220 sqM.

Legend:

- 10 Covered Warehouse = 219 sqM
- 11 Security Gate house - 15.5 sqM
- 12 Transformer Room - 38.5 sqM
- 13 Inverter Room - 87 sqM
- 14 Covered Storage - 566 sqM
- 15 Warehouse - 2672 sqM
- 16 Warehouse - 284 sqM
- 17 Warehouse - 1760 sqM
- 18 Workshop - 200 sqM
- 19 Covered Storage - 3055 sqM

APPENDIX C: Summary of Hypothecs, Privileges and Other Securities

Date	Notary	Hypothec No.	Type of Security	Amount €	Creditor	Comments/ Description	Reductions
29/05/1997	Tonio Spiteri	8700/1997	Privilege	-	Malta Freeport Corporation Limited	Constitution of Privilege in favour of the Malta Freeport Corporation Limited in respect of the payment of ground rent over a plot of land measuring 40,000sq.m. forming part of the Medserv Site	-
23/12/1999	Tonio Spiteri	57/2000	Privilege	-	Malta Freeport Corporation Limited	Constitution of Privilege in favour of the Malta Freeport Corporation Limited in respect of the payment of ground rent over a plot of land measuring 10,000sq.m. forming part of the Medserv Site	-
18/10/2013	Pierre Attard	H14911/2013	General Hypothec and Special Hypothec	€20,000,00 and Interest and Costs	HSBC Bank Malta Plc	Constitution of General Hypothec and Special Hypothec over a plot of land measuring 50,000sq.m. forming part of the Medserv Site	-
14/10/2015	Pierre Attard	H18324/2015	Overdraft & Security (General Hypothec and Special Hypothec)	€2,500,000	HSBC Bank Malta Plc	Constitution of General Hypothec and Special Hypothec over a plot of land measuring 50,000sq.m. forming part of the Medserv Site	-

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14/10/2015	Pierre Attard	H18325/2015	Overdraft & Security (General Hypothec and Special Hypothec)	€5,000,000	HSBC Bank Malta Plc	Constitution of General Hypothec and Special Hypothec over a plot of land measuring 50,000sq.m. forming part of the Medserv Site	-
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