

**MEDI-FLEX**



**Medi-Flex Limited**

Press release

## **SGX Sesdaq-listed Cleanroom & Medical Glove Specialist Medi-Flex Seeks Dual Listing on London Stock Exchange's AIM in 2006**

- **Listing on two recognised stock exchanges will increase visibility of Medi-Flex and its products in key European markets**
- **Proceeds to strengthen Medi-Flex's capital base and help towards funding the continuation of Phase II of its accelerated expansion programme to capitalise on the increasing global demand for cleanroom and medical disposable gloves**

**SINGAPORE – 01 December 2005 – Medi-Flex Limited (“Medi-Flex” or the “Company”), the first manufacturer of disposable gloves to be listed on the Singapore Exchange Securities Trading Limited (the “SGX-ST”), announced today that it plans to seek a dual listing (the “Proposed Dual Listing”) on the Aim Market of the London Stock Exchange (“AIM”) in 2006.**

Medi-Flex, a specialist in the manufacture of premium cleanroom and medical disposable latex and nitrile gloves which was listed on the SGX-ST Dealing and Automated Quotation System (“SGX Sesdaq”) in November 2004, said the rationale for the Proposed Dual Listing on AIM is primarily to strengthen its capital base and help towards funding the continuation of Phase II of its accelerated expansion programme, whilst concurrently increasing its corporate profile in its key European markets and enlarging its investor base.

Medi-Flex had, on 23 November 2005, provided an update report on Phase I of the accelerated expansion programme at its new second plant that is nearing completion. The Company is expecting its total annual installed production capacity at both plants to increase to approximately 1.6 billion gloves by 1Q 2006.

Managing Director Mr A.K Tu, said, "Medi-Flex is a comparatively young company that is in a rapid growth stage. To capitalise on the global surge in demand for our niche segment, the Company must continue investing in building infrastructure to achieve a strong base that will enable us to move up the value chain. Feedback from existing and prospective customers to our recent announcement on completion of Phase I of our expansion programme has been positive and hence we need to embark on Phase II as early as possible.

Medi-Flex has appointed Strand Partners Limited, an authorised nominated adviser in the United Kingdom ("UK"), and Hichens, Harrison & Co. plc, an authorised broker in the UK, to advise the Company on its Proposed Dual Listing on AIM. This would involve, *inter alia*, the issue of new ordinary shares of S\$0.10 each in the capital of the Company (the "New Shares") by way of a placing with institutional and other investors (the "Placing"), predominantly in the UK. In this regard, the Company has also appointed SAC Capital Private Limited as the financial adviser in relation to seeking its shareholders' approval on the issue of the New Shares for the purpose of the Proposed Dual Listing.

Commenting on the decision to seek a dual listing on AIM, Mr Tu said, "We have evaluated the various alternatives for raising the required funds and believe that AIM is the optimal option from a long-term perspective. The strong trend of US and European companies outsourcing supply-side functions to cost-effective producers in Asia will continue and UK/Europe-based investors are ready to pick up opportunities with convincing investment merits.

"Medi-Flex is focused on the high-growth cleanroom and medical segments for disposable gloves and being based in Malaysia, which accounts for more than 50% of the world's disposable gloves output, gives us a comparative advantage for this business. Another important aspect is that Europe is a key market for our products and being listed on AIM as well as SGX Sesdaq would heighten the visibility of Medi-Flex amongst our potential customers," he added.

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More details on the Proposed Dual Listing will be set out in a circular to be sent to all shareholders in due course. The Proposed Dual Listing is subject to, *inter alia*, the approval of shareholders at an extraordinary general meeting for the issue of the New Shares, the approval of the SGX-ST for the listing and quotation of the New Shares on SGX Sesdaq and all other relevant legal and/or regulatory approvals in Singapore and the UK.

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***Issued on behalf of Medi-Flex Limited by WeR1 Consultants Pte Ltd***

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**About Medi-Flex Limited**

*Medi-Flex Limited is the first cleanroom and medical disposable glove manufacturer to be listed on the SGX in November 2004. Beginning with the production of disposable medical examination gloves in 1999, when the company began its business, Medi-Flex has switched its focus to manufacture specialty gloves, particularly for cleanroom usage, engaging in a partnership with US-based Techniglove International. This resulted in expanding Medi-Flex's capability to supply high-quality disposable gloves to diverse sectors and, in turn, helped to generate recurring income for the company.*

*In response to the strong demand for the cleanroom disposable gloves, Medi-Flex embarked on an accelerated expansion programme in March to rapidly increase its production capacity to 1.3 billion gloves by the end of 2005. The rapid expansion and strong demand had propelled the company's earnings to rise 14.7% to RM2.1million as sales grew 37.2% to RM30.7 million in first half of FY2005.*