

MEDI-FLEX LIMITED

SALE AND PURCHASE AGREEMENT BETWEEN OUR SUBSIDIARY FLEXITECH SDN. BHD. AND WOO WAI KEE ENTERPRISE SDN BHD

The Board of Directors of Medi-Flex Limited (the "Company") wishes to announce that the subsidiary of the Company, Flexitech Sdn. Bhd. has entered into a Sale and Purchase Agreement on 2 August 2005 with Woo Wai Kee Enterprise Sdn Bhd (the "Vendor") for a piece of leasehold land measuring in area approximately 11,735.87 square metres held under HS(M) 5719, No P.T. 4049, Mukim Tanjung Dua Belas, Tempat Olak Lempit, Daerah Kuala Langat, Negeri Selangor together with all buildings and offices erected thereon and bearing postal address Lot 128, Jalan Lapan, Kompleks Perabot Olak Lempit, 42700 Banting, Selangor (the "Leasehold").

Remaining term of the Leasehold : approximately 82 years.

Consideration for the Leasehold : RM 3,400,000.

Date of Completion : Three (3) months from the date of receipt by the Company's solicitors the consent to transfer from the State Authority made in favour of the Company.

The Sale and Purchase Agreement is subject to the following conditions precedent:-

- (a) The sale and purchase shall be conditional upon the consent to transfer the Leasehold from the Vendor to the Company being obtained from the State Land Authority and the parties shall jointly apply and use their best endeavors to obtain the said consent.
- (b) In the event that the application for consent is refused or is not obtained within six (6) months from the date of the Sale and Purchase Agreement and unless the Company agrees to grant a further extension of time to obtain the said consent, the Sale and Purchase Agreement shall be rescinded and all sums paid by the Company to the Vendor shall be refunded to the Company.

Submitted by Tu Ah Kim, Managing Director on 4 August 2005 to the SGX.