

MEDI-FLEX LIMITED

(Incorporated in Singapore)
(Company Registration Number: 200312754H)

ANNOUNCEMENT PURSUANT TO RULES 703 AND 704(3) OF THE LISTING MANUAL

Clarification to Announcement No. 00019 (dated 8 January 2007) in relation to Loan of RM3 million

The Board of Directors of Medi-Flex Limited (the "Company") wishes to clarify that with respect to Announcement No. 00019, the loan mentioned is a personal loan of RM3 million from Mr Goh Soo Kheng to Mr Tu Ah Kim. As security for the said loan, Mr Tu Ah Kim pledged 10 million of his shares held in the Company to Mr Goh Soo Kheng.

Mr Tu Ah Kim, a controlling shareholder of the Company, in turn loaned the RM3 million to Flexitech Sdn. Bhd., a wholly-owned subsidiary of the Company for working capital. The loan is interest-free and is payable by 30 June 2007 or such later date as the parties may agree.

BY ORDER OF THE BOARD

Hew Yew Fook
Director

8 January 2007