

MEDI-FLEX LIMITED

(Incorporated in Singapore)
(Company Registration No. 200312754H)

**PROPOSED PLACEMENT OF 328,305,829 NEW ORDINARY SHARES (“THE PLACEMENT SHARES”) IN THE CAPITAL OF MEDI-FLEX LIMITED TO TOP GLOVE SDN BHD, REGAL HONOUR INVESTMENTS LIMITED AND PACAL CONSULTING PTE LTD (“THE PROPOSED PLACEMENT”)
-RECEIPT OF IN-PRINCIPLE APPROVAL FROM THE SGX-ST**

Further to the announcement dated 12 October 2006 and the subsequent announcements relating to the Proposed Placement, the Board of Directors of Medi-Flex Limited (“the Company”) is pleased to announce that Company has today received the in-principle approval of Singapore Exchange Securities Trading Limited (“SGX-ST”) dated 13 February 2007 for the listing of, and quotation for 328,305,829 Placement Shares on the SGX-SESDAQ, subject to the following conditions:

- (a) compliance with SGX-ST’s listing requirements;
- (b) Shareholders’ approval for the Proposed Placement at an Extraordinary General Meeting to be convened; and
- (c) submission of an undertaking from the Company to make periodic announcements as and when the proceeds from the Proposed Placement are materially deployed, and to provide a status report on the use of such proceeds in the annual report.

Such in-principle approval is not an indication of the merits of the Placement Shares or the Proposed Placement.

An extraordinary general meeting will be convened in due course to seek shareholders’ approval in relation to the above. The Company will despatch a circular to its shareholders containing, *inter alia*, details of the Proposed Placement.

BY ORDER OF THE BOARD

Submitted by Tu Ah Kim, Managing Director on 14 February 2007 to the SGX-ST.