

MEDI-FLEX LIMITED
(the "Company")
(Company Registration Number 200312754H)
(Incorporated in the Republic of Singapore)

PROPOSED RENOUNCEABLE AND NON-UNDERWRITTEN RIGHTS ISSUE OF SHARES

APPROVAL-IN-PRINCIPAL FROM THE SGX-ST

Where capitalised terms are used in this announcement and not otherwise defined, such capitalised terms shall bear the same meanings as ascribed to them in the Company's announcement on 21 October 2008 relating to the Rights Issue.

The Company refers to the announcement dated 21 October 2008, where it had announced a renounceable non-underwritten rights issue of up to 500,000,000 new ordinary shares ("**Rights Shares**") at an issue price of S\$0.04 for each Rights Share, on the basis of one (1) Rights Share for every one (1) existing ordinary Share in the capital of the Company held as at the books closure date to be determined ("**Books Closure Date**"), fractional entitlements to be disregarded (the "**Rights Issue**").

The Board of Directors of the Company is pleased to announce that the Singapore Exchange Securities Trading Limited ("**SGX-ST**") has, on 4 December 2008, granted approval-in-principle for the listing and quotation of up to 500,000,000 Rights Shares, subject to the following conditions:

- (i) Specific Shareholders' approval being obtained for the Rights Issue at an Extraordinary General Meeting ("EGM") to be convened;
- (ii) Compliance with the Exchange's listing requirements; and
- (iii) Submission of the notification stipulated in Listing Rule 864(4), if applicable, upon any significant changes affecting any matter contained in the application, or which would be required to be included in the application if it had arisen before the application was submitted.

The approval-in-principle by the SGX-ST is not to be taken as an indication of the merits of the Company, the Rights Issue or the Rights Shares. A circular to shareholders to convene an Extraordinary General Meeting seeking Shareholders' approval for the Rights Issue will be despatched in due course.

Submitted by Lee Kim Meow, Managing Director, to the SGX-ST on 4 December 2008.