

RESULTS OF THE RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE OF SHARES (THE "RIGHTS ISSUE") AND ALLOCATION OF RIGHTS SHARES

Unless otherwise defined, terms used in this announcement bear the same meanings as defined in the Company's offer information statement dated 29 January 2009 (the "Offer Information Statement") relating to the Rights Issue.

1. RESULTS OF RIGHTS ISSUE

Level of Subscription

The board of directors of Medi-Flex Limited (the "Company") wishes to announce that, as at the close of the Rights Issue on 16 February 2009, valid acceptances and excess applications for a total of 428,676,208 Rights Shares were received, representing approximately 85.74% of the total number of 500,000,000 Rights Shares that were available under the Rights Issue.

Details of the valid acceptances and excess applications for Rights Shares received are as follows:-

- (a) valid acceptances were received for a total of 308,189,722 Rights Shares, representing approximately 61.64% of the total number of Rights Shares available under the Rights Issue; and
- (b) excess applications were received for a total of 120,486,486 Rights Shares, representing approximately 24.10% of the total number of Rights Shares available under the Rights Issue ("**Excess Applications**").

Allocation of Rights Shares for Excess Applications

The Rights Shares which were not subscribed were allocated to satisfy the Excess Applications. In compliance with its obligations under the SGX-ST Listing Manual, the Company had, in the allotment of excess Rights Shares, given preference to the Shareholders for the rounding of odd lots, and Substantial Shareholders and Directors ranked last in priority.

Pursuant to the Undertakings given by the Undertaking Shareholder, the Undertaking Shareholder had accepted its entitlement, totalling 300,305,829 Rights Shares under the Rights Issue. The Undertaking Shareholder has likewise applied for, and was allocated, 119,788,342 Excess Rights Shares under the Rights Issue.

2. ALLOTMENT OF RIGHTS SHARES

In the case of Entitled Scripholders and their renounees with valid acceptances and successful applications of excess Rights Shares and who have, inter alia, failed to furnish or furnished incorrect or invalid Securities Account numbers in the relevant form comprised in the PAL, Share certificates representing such number of Rights Shares will be sent by registered post, at their own risk, to their mailing addresses in Singapore as maintained with the Share Registrar.

In the case of Entitled Depositors and Entitled Scripholders and their renounees (who have furnished valid Securities Account numbers in the relevant form comprised in the PAL) with valid acceptances and successful applications of excess Rights Shares, Share certificate(s) representing such number of Rights Shares will be sent to CDP and CDP will thereafter credit such number of Rights Shares to their relevant Securities Accounts. CDP will then send a notification letter to the relevant subscribers stating the number of Rights Shares credited to their Securities Accounts.

3. PROCEEDS FROM THE RIGHTS ISSUE

The Company has raised gross proceeds of S\$17.15 million from the Rights Issue. As part of the Cash Advances received by the Company from TGC was in relation to the expenses to be incurred in connection with the Rights Issue amounting to S\$0.25 million, the Company intends to utilise the gross proceeds of S\$17.15 million as follows:

- (a) approximately S\$16.80 million will be offset against and/or used to satisfy the repayment of the Loans and Cash Advances to TGC;
- (b) approximately S\$0.35 million will be used as working capital of the Company.

As stated in the Company's circular to Shareholders dated 5 January 2009 (the "**Circular**"), the Cash Advances were provided by TGC to the Company to meet the outstanding consideration payable under the S&P Agreement and the Sale of Assets Agreement amounting to RM13.29 million (S\$5.54 million), comprising approximately RM10.59 million (S\$4.41 million) due under the S&P Agreement and approximately RM2.70 million (S\$1.13 million) due under the Sale of Assets Agreement. Accordingly, the total Cash Advances provided by TGC to the Company was RM13.89 million (S\$5.79 million).

4. REFUND AND PAYMENT

When any acceptance for Rights Shares and/or excess application is invalid or unsuccessful, the amount paid on acceptance and/or application will be returned or refunded to such applicants without interest or any share of revenue or other benefit arising there from within 14 days after 16 February 2009 by:

- (a) ordinary post, and in the case of a refund, by means of a crossed cheque drawn on a bank in Singapore (where the acceptance and/or application is through CDP or the Share Registrar) at their own risk to their mailing addresses as maintained with CDP or the Share Registrar or in such other manner as they may have agreed with CDP for the payment of any cash distributions; or
- (b) crediting their bank accounts with the relevant Participating Banks (where acceptance and/or application is through Electronic Application) at their own risk, the receipt by such bank being a good discharge by the Company and CDP of their obligations.

5. ISSUING AND LISTING OF RIGHTS SHARES

The Company expects that 428,676,208 Rights Shares will be issued on or about 25 February 2009 pursuant to the Rights Issue.

The Company further expects that the Rights Shares will be listed and quoted on the Official List of the SGX Catalist with effect from 9.00 a.m. on or about 26 February 2009.

The Company will make further announcements on this in due course.

BY ORDER OF THE BOARD

Lee Kim Meow
Managing Director
Medi-Flex Limited
23 February 2009