

**UNAUDITED RESULTS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2009**

These figures have not been audited.

**1(a)(i) An income statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	<b>Group 2H2009 1/03/2009 to 31/08/2009 RM'000</b>	<b>Group 2H2008 1/03/2008 to 31/08/2008 (Restated) RM'000</b>	<b>Variance increase/ (decrease) %</b>	<b>Group FY2009 1/09/2008 to 31/08/09 RM'000</b>	<b>Group FY2008 1/09/2007 to 31/08/08 (Restated) RM'000</b>	<b>Variance increase/ (decrease) %</b>
Revenue	32,037	31,004	3%	55,883	60,161	(7%)
Cost of sales	<u>(31,659)</u>	<u>(34,303)</u>	(8%)	<u>(55,306)</u>	<u>(62,269)</u>	(11%)
Gross profit / (loss)	378	(3,299)	111%	577	(2,108)	127%
Other operating income / (expenses)	(83)	402	(121%)	323	(203)	259%
Selling and distribution expenses	(161)	(545)	(70%)	(701)	(828)	(15%)
General and administrative expenses	<u>(5,791)</u>	<u>(1,234)</u>	369%	<u>(7,452)</u>	<u>(2,762)</u>	170%
Loss from operations	(5,657)	(4,676)	21%	(7,253)	(5,901)	23%
Finance costs	<u>(38)</u>	<u>(45)</u>	(16%)	<u>(274)</u>	<u>(823)</u>	(67%)
	(5,695)	(4,721)	21%	(7,527)	(6,724)	12%
Share of (loss)/ profits of associate	<u>(335)</u>	454	(174%)	<u>(984)</u>	909	208%
Loss before taxation	(6,030)	(4,267)	41%	(8,511)	(5,815)	46%
Taxation	-	(32)	(100%)	-	(32)	(100%)
Loss after taxation	<u>(6,030)</u>	<u>(4,299)</u>	40%	<u>(8,511)</u>	<u>(5,847)</u>	46%

**(ii) The net (loss) / profit attributable to shareholders includes the following (charges) / credits.**

	<b>Group 2H2009 1/03/2009 to 31/08/2009 RM'000</b>	<b>Group 2H2008 1/03/2008 to 31/08/2008 RM'000</b>	<b>Variance increase/ (decrease) %</b>	<b>Group FY2009 1/09/2008 to 31/08/09 RM'000</b>	<b>Group FY2008 1/09/2007 to 31/08/08 RM'000</b>	<b>Variance increase/ (decrease) %</b>
Depreciation	(3,081)	(4,106)	(25%)	(7,919)	(8,289)	(4%)
Foreign exchange loss	(14)	178	(108%)	81	(511)	116%
Interest income	36	3	1100%	61	4	1425%
Interest expenses	(39)	(45)	(13%)	(274)	(823)	67%
Write off stock obsolescence	-	-	-	(375)	(58)	(547%)
Gain/(Loss) on disposal of Property, Plant and Equipments	145	(43)	437%	345	(83)	516%

1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group As At 31/08/09 RM'000	Group As At 31/08/08 (Restated) RM'000	Company As At 31/08/09 RM'000	Company As At 31/08/08 RM'000
<b>Non-current assets</b>				
<b>Property, plant and equipment</b>	55,749	54,230	-	-
<b>Prepaid Land Lease</b>	6,475	3,774	-	-
<b>Investment</b>				
- subsidiary companies	-	-	58,264	56,554
- associate	9,366	10,037	9,366	13,089
<b>Current assets</b>				
Inventories	6,882	10,302	-	-
Trade and other receivables	8,906	8,302	-	-
Prepayments	327	353	28	8
Tax recoverable	20	2	-	-
Cash and bank balances	3,134	4,352	70	12
	19,269	23,311	98	20
<b>Current liabilities</b>				
Trade creditors and other payables	14,393	15,740	437	434
Hire purchase creditors	-	1,122	-	-
Bank borrowings	-	66	-	-
Amount owing to ultimate holding company	2,795	37,592	-	-
Amount owing to immediate holding company	6,380	2,062	-	-
	23,568	56,582	437	434
<b>Net current liabilities</b>	(4,299)	(33,271)	(339)	(414)
<b>Net assets</b>	67,291	34,770	67,291	69,229
<b>Equity attributable to equity holders of the company</b>				
Share capital	115,360	74,642	115,360	74,642
Merger deficits	(471)	(471)	-	-
Accumulated losses	(48,416)	(39,905)	(48,069)	(5,413)
Foreign currency translation reserve	818	504	-	-
<b>Total equity</b>	67,291	34,770	67,291	69,229

**1(b)(ii) Aggregate amount of group's borrowings and debt securities**

**Amount repayable in one year or less, or on demand**

	<b>As at 31/8/09</b>	<b>As at 31/08/08</b>
	<b>Secured</b>	<b>Secured</b>
	<b>RM'000</b>	<b>RM'000</b>
Hire purchase creditors	-	1,122
Borrowings	-	66
	<u>-</u>	<u>1,188</u>

The borrowings are secured by corporate guarantee provided by the Company and ultimate holding company.

- 1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group As At 31/08/09 RM'000	Group As At 31/08/08 (Restated) RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before taxation	(8,511)	(5,815)
Adjustments for:-		
Depreciation	7,919	8,289
Interest expense	274	823
Interest income	(61)	(4)
Share of loss/ (profit) of associate	984	(909)
Write-back of impairment of trade debts	(17)	(497)
Write down of inventories	375	58
(Gain)/Loss on disposal of Property, Plant and Equipment	(345)	83
Write down of Property, Plant and Equipment	3,592	-
Amortisation of prepaid land lease payments	72	48
Unrealised foreign exchange loss	(9)	188
Operating cash flows before working capital changes	4,273	2,264
Decrease in inventories	3,047	394
Increase in debtors	(768)	(3,526)
Decrease in creditors	(1,367)	(5,699)
Cash flows generated from / (used in) operations	5,185	(6,567)
Tax (paid)/ refund	(18)	584
Interest paid	(274)	(823)
Interest received	61	4
<i>Net cash flows from / (used in) operating activities</i>	<u>4,954</u>	<u>(6,802)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from disposal of property, plant and equipment	1,960	372
Purchase of property, plant and equipment	(17,419)	(2,209)
<i>Net cash flows used in investing activities</i>	<u>(15,459)</u>	<u>(1,837)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Advanced from holding/related companies	9,652	12,705
Proceeds from right issue	823	-
Repayment of term loans and bank borrowings	(66)	(4,151)
Repayment of hire purchase creditors	(1,122)	(1,460)
<i>Net cash flows from financing activities</i>	<u>9,287</u>	<u>7,094</u>
<b>NET DECREASE IN CASH AND BANK BALANCES</b>	(1,218)	(1,545)
<b>CASH AND BANK BALANCES AT BEGINNING OF THE FINANCIAL PERIOD</b>	4,352	5,897
<b>CASH AND BANK BALANCES AT END OF THE FINANCIAL PERIOD</b>	<u>3,134</u>	<u>4,352</u>
Cash at banks and in hand	3,134	4,352
Bank overdrafts	-	-
Cash and cash equivalents at end of financial year / period	<u>3,134</u>	<u>4,352</u>

1 (d) (i) A statement (for the issuer and group), showing either (i) all changes in equity or (ii) changes in equity than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Group	Share capital RM'000	Merger deficit RM'000	(Accumulated loss)/revenue reserve RM'000	Foreign currency translation reserve RM'000	Total equity RM'000
Balance at 1 September 2008, as previously reported	74,642	(471)	(33,299)	504	41,376
Prior Year adjustment	-	-	(6,606)	-	(6,606)
Balance at 1 September 2008, as restated	74,642	(471)	(39,905)	504	34,770
Net effect of exchange differences	-	-	-	314	314
Loss for the financial period	-	-	(8,511)	-	(8,511)
Issuance of ordinary shares	40,718	-	-	-	40,718
Balance at 31 August 2009	<u>115,360</u>	<u>(471)</u>	<u>(48,416)</u>	<u>818</u>	<u>67,291</u>
Balance at 1 September 2007, as previously reported	74,642	(471)	(26,620)	114	47,665
Prior Year adjustment	-	-	(7,438)	-	(7,438)
Balance at 1 September 2007, as restated	74,642	(471)	(34,058)	114	40,227
Net effect of exchange differences	-	-	-	390	390
Loss for the financial period	-	-	(5,847)	-	(5,847)
Balance at 31 August 2008	<u>74,642</u>	<u>(471)</u>	<u>(39,905)</u>	<u>504</u>	<u>34,770</u>
<b>Company</b>			<b>Share capital RM'000</b>	<b>Accumulated losses RM'000</b>	<b>Total Equity RM'000</b>
Balance at 1 September 2008			74,642	(5,413)	69,229
Loss for the financial period			-	(42,656)	(42,656)
Issuance of ordinary shares			40,718	-	40,718
Balance at 31 August 2009			<u>115,360</u>	<u>(48,069)</u>	<u>67,291</u>
Balance at 1 September 2007			74,642	(4,775)	69,867
Loss for the financial period			-	(638)	(638)
Balance at 31 August 2008			<u>74,642</u>	<u>(5,413)</u>	<u>69,229</u>

- 1 (d) (ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash, or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as the end of the corresponding period of the immediately preceding financial year.

Not applicable.

- 1 (d) (iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediate preceding year.

	As at 31/08/2009	As at 31/08/2008
Total number of ordinary shares issued and fully paid	928,676,208	500,000,000

- 1 (d) (iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial year reported on.

Not applicable

- 2 Whether the figures had been audited or reviewed, and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed.

- 3 Where the figures had been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter)

The figures have not been audited or reviewed.

- 4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statement had been applied.

The Group has applied the same accounting policies and method of computation in the financial statements for the current financial period compare with those of audited financial statements as at 31 August 2008

- 5 If there are any changes in the accounting policies and method of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

Not applicable.

- 6 Earning per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	Group As At 31/08/09	Group As At 31/08/08 (Restated)
Loss per share (EPS) in sen		
I) Basic	1.19	1.17
II) On a fully diluted basis	1.19	1.17

- 7 Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-

- (a) current financial period reported on; and  
(b) immediately preceding financial year

	Group As At 31/08/09 RM	Group As At 31/08/08 (Restated) RM	Company As At 31/08/09 RM	Company As At 31/08/08 (Restated) RM
Net asset per share in sen	7.25	6.95	7.25	13.85

8 **A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. It must include a discussion of the following:-**

**(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**

**(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

**Review of operations**

Financial year 2009 ("FY09") has been a challenging year for the Group due to the impact of global economy slowdown which has affected the demand of clean room gloves from the electronics and semi-conductor industries. The Group recorded a turnover of RM55.88 million compared with RM60.16 million for financial year 2008 ("FY08"). However, despite the declined in sales of 7%, the Group achieved a gross profit of RM0.58 million, compared with gross loss of RM2.11 million in FY08.

The increase in other operating income is mainly due to the reduction in foreign exchange loss and gain from the disposal of property, plant and equipment.

The increase in general and administrative expenses by RM4.69 million, is mainly due to the write off of certain property, plant and equipment from the rented factory in Klang when the production lines were relocated to Banting factories of RM3.59 million, and RM0.37 million from the stock written off.

Finance cost reduced by 67% to RM0.27 million due to the capitalization of the advance from ultimate holding company into shares capital from the rights issue exercise completed during the year.

Share of loss of associate of RM0.98 million arose from the Company's joint venture-cum-investment in a 35% equity stake in clean room services provider Sonic Clean Pte Ltd, which performance has been affected by the global economy slowdown.

Excluding the exceptional write off of the property, plant and equipment as mentioned above, the Group has shown an improvement in the results for the 2nd half of the FY09.

Accordingly, loss after taxation increased to RM8.51 million compared with RM5.85 million in FY08.

**Balance sheet review**

During the year, the Group acquired the biomass system, land and building at the Banting factory for a consideration of RM14.765 million, which transaction was completed on 15 January 2009. The Group also write off RM3.6 million of property, plant and equipment from the rented factory in Klang where the production lines were relocated to Banting factory.

Inventories declined by RM3.42 million due to higher demand of glove from A(H1N1) impact and also lower raw material cost compared with last year.

There is no bank borrowings as the Group is able to generate cash from its operations.

The reduction in amount owing to ultimate holding company was mainly due to the capitalisation of the outstanding amount to share capital from the rights issue exercise.

The Group shows a cash inflow from operations of RM4.95 million compared with cash outflows from operations of RM6.80 million last year. Net cash flows used in investing activities amounted to RM15.46 million and net cash inflows from financing activities was RM9.29 million. The Group has cash in hand of RM3.13 million at the end of the financial year.

9 **Where a forecast, or a prospect statement, had been previously disclosed to shareholders, any variance between it and the actual results.**

The Group has shown improvement in its operating performance as a result of higher utilisation and diverting to medical related gloves. The Group will continue to focus in improving glove quality and efficiency to ensure better results.

- 10 **A commentary at the date of the announcement of the significant trends and the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

The Group has a positive outlook towards continuous growth and in securing better results in the forthcoming quarters if the current trend of raw material price maintain, coupled with the continued efforts of aggressive marketing strategies, improve glove quality and also higher utilization rate.

- 11 **No interim or final dividend is recommended during the financial period.**

- 12 **If no dividend has been declared (recommended), a statement to that effect.**

Not applicable.

- 13 **Interested Person Transaction.**

Name of interested person:	Aggregate value of all interested person transactions (excluding transactions less than \$100,000 and transactions conducted under a shareholders' mandate pursuant to Rule 920)		Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)	
	12 months period ended 31/08/09	12 months period ended 31/08/08	12 months period ended 31/08/09	12 months period ended 31/08/08
	RM'000	RM'000	RM'000	RM'000
Top Glove Group				
<b>Nature of Transaction</b>				
a. Receipt of financial assistance	-	-	4,834	14,151
b. Purchase of Products	-	-	-	1,097
c. Sale of Products	-	-	6,725	2,871
d. Purchase of Raw Materials and Consumables	-	-	8,000	1,108
e. Sale of Raw Materials and Consumables	-	-	-	524
f. Obtaining of Management and Support Services	-	-	466	850
g. Sales of property, plant and equipment	348	-	-	-

- 14 **Segmented revenue and results for business or geographical segments (of the group) in the form presented in Medi-Flex Limited's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

	North America		Asia		Europe		Total	
	2009	2008	2009	2008	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Segment revenue	9,815	17,294	28,672	31,848	17,396	11,019	55,883	60,161
Segment assets	-	-	90,859	97,958	-	-	90,859	97,958
Capital expenditure	-	-	14,645	2,209	-	-	14,645	2,209

Other than assets in the investment in associate of RM23.00 million (2008: RM27.04 million), which are located in Singapore and China, the segment assets and capital expenditure are located in Malaysia.

- 15 **In view of the performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.**

Not applicable.

16 A breakdown of sales as follows:

	<b>Group 12 months period ended 31/08/09  RM'000</b>	<b>Group 12 months period ended 31/08/08 (Restated)  RM'000</b>	<b>Variance increase/ (decrease)  %</b>
a) Sales reported for first half year	23,846	29,157	(18)
b) Operating loss after tax before deducting minority interests reported for first half year	(2,481)	(1,548)	60
c) Sales reported for second half year	32,037	31,004	3
d) Operating loss after tax before deducting minority interests reported for second half year	(6,030)	(4,299)	(40)

**BY ORDER OF THE BOARD**

Lee Kim Meow  
Managing Director  
7 October 2009

Statement by Directors  
Pursuant to SGX Listing Rule 705(5)

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial statement for the financial year ended 31 August 2009 to be false or misleading.

On behalf of the Board of Directors

Lee Kim Meow  
Managing Director

Lim Cheong Guan  
Executive Director