
PURCHASE OF 273 & 275 SOUTH BRIDGE ROAD

1. INTRODUCTION

The Board of Directors of the Top Global Limited (the "Company") wishes to announce that its wholly owned subsidiary company, Holland V Investment Pte. Ltd. (the "Purchaser") (the Company, the Purchaser and the Company's subsidiaries are collectively known as the "Group") has on 03 November 2017 received acceptance for the Letter of Offer (the "Letter of Offer") given to Eu Realty (Singapore) Private Limited (the "Vendor") for the purchase (the "Purchase") of 273 & 275 South Bridge Road Singapore 058822, 058824 (the "Property") at a consideration of S\$26,500,000 (excluding 7% goods and services tax ("GST")) (the "Consideration").

INFORMATION RELATING TO THE PURCHASE

1.1 Description of the Property

The Property is a 3-storey conservation commercial shophouse with attic that has a combined gross floor area of approximately 10,027 square feet with a tenure of 999 years from 01/10/1823 and 01/10/1827 respectively.

1.2 Principal Term of the Purchase

In accordance with the terms of the Offer, a refundable deposit of S\$265,000 (1% of the Consideration) which constitute the 1% Option Deposit ("Option Deposit") has been provided upon acceptance of the Letter of Offer.

The Option Deposit shall be fully refundable if the Property does not satisfy any of the Conditions Precedent ("Conditions Precedent") during or upon expiry of the Due Diligence Period ("Due Diligence Period").

The Conditions Precedent include:

- a. Satisfactory finalization and mutual agreement of the conditions contained within the Sales and Purchase Agreement and/or any definitive documentation
- b. Good title, free from any encumbrances and/or dispute
- c. Satisfactory legal requisitions
- d. Verification and survey of Gross Floor Area of 10,027 square feet, which shall exclude 5 footway and balcony
- e. Change of use of the 2nd to 4th floor as "Hotel or Hostel"
- f. Vendor to leaseback the ground floor unit of the Property upon the expiry of current lease

The Purchase is also subject to a Due Diligence Period of 45 business days which may be extended subject to the approval from the Vendor.

2. CONSIDERATION

The Consideration was arrived at after arm's length negotiations and on a willing-buyer, willing-seller basis, taking into consideration, inter alia, relevant enquiries and references by the Group in relation to the current market prices of properties in the surrounding area of similar size and lease tenure. No formal valuation of the Property has been conducted. The Consideration will be funded by internal resources and bank loans.

3. RATIONALE

This Purchase is carried out in the ordinary course of the Group's property investment and development business and represents an opportunity for the Group to own strategically positioned commercial properties in the heart of Singapore's Central Business District and "Chinatown-Telok Ayer Conservation Area" which is one of the most visited location in Singapore by locals and tourists. The Property has excellent accessibility as it is surrounded by 3 different MRT lines and within minutes' walk to Chinatown (NE4/DT19), Telok Ayer (DT18) and upcoming Maxwell (TE18) MRT stations.

The Group intends to maximize the investment through asset enhancement by leasing the Property to hostel operators under its 5Footway Founders Pte Ltd ("5Footway") group of subsidiaries. This will enable 5Footway to cement its leadership position in the hostel segment and elevate it to the next level.

4. FINANCIAL EFFECTS OF THE PURCHASE OF PROPERTY

The Purchase is not expected to have any material impact on the net tangible assets or earnings per share of the Group for the financial year ending 31 December 2017.

5. INTEREST OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the Company's directors or controlling shareholders has any interests, direct or indirect, in the Purchase (other than by reason only of being a director of the Company or through their shareholding interests in the Company).

6. DOCUMENTS FOR INSPECTION

A copy of the Agreement is available for inspection by the Company's shareholders during normal business hours from 9.00 am to 5.30 pm at the Company's registered office at 1 Scotts Road #20-03 Shaw Centre, Singapore 228208 for a period of three (3) months from the date of this announcement.

BY ORDER OF THE BOARD

Hano Maeloa
Chief Executive Officer and Executive Director
6 November 2017