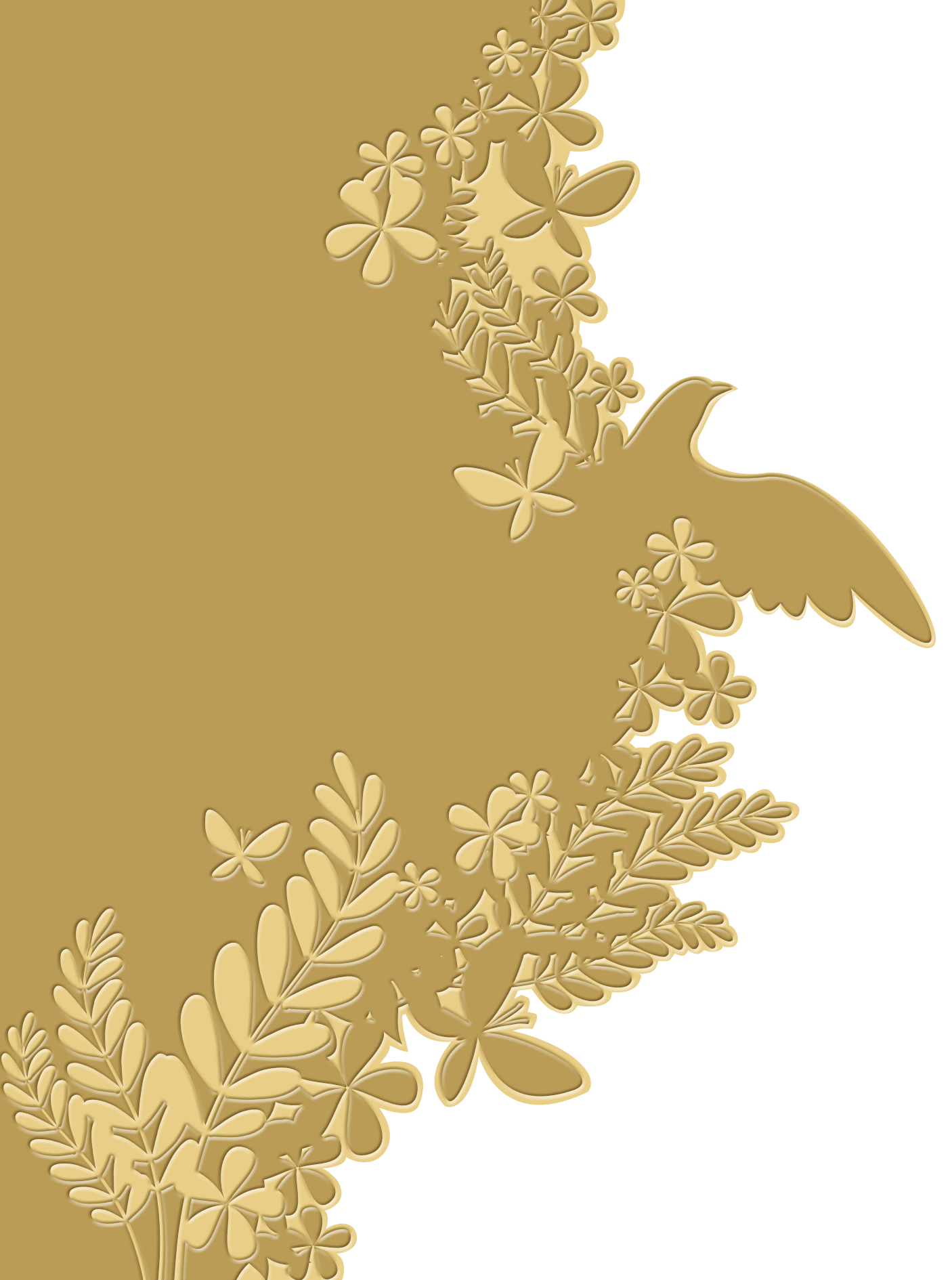


CONTENTS

This document has been prepared by the Company and reviewed by the Company's Sponsor, CNP compliance Pte. Ltd. ("Sponsor"), for compliance with the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this document including the accuracy or completeness of any of the information disclosed or the correctness of any of the statements or opinions made or reports contained in this document. This document has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this document including the correctness of any of the statements or opinions made in this document.

The contact person for the Sponsor is Mr Lance Tan at 36 Carpenter Street, Singapore 059915, telephone: (65) 6323 8383; email: ltan@cnplaw.com.

TOP GLOBAL LIMITED

Annual Report 2011

Unveiling NEW DIMENSIONS of growth

CORPORATE **PROFILE**

"Positioned for Growth"

Top Global Limited has been listed on the Singapore Exchange since 2001. In March 2010, prominent Indonesian businesswoman Mdm Sukmawati Widjaja, the daughter of Mr Eka Tjipta Widjaja, founder of the renowned Indonesia-based Sinar Mas Group, took the helm of Top Global after purchasing a majority stake.

In her role as the Executive Chairman, Mdm Sukmawati Widjaja brings along more than 40 years of in-depth experience in numerous fields including but not limited to real estate development, banking, finance, telecommunications and manufacturing in Indonesia, China, Hong Kong, Singapore, other parts of South East Asia and the United States.

Together with her son, Mr Hano Maeloa, they are determined to grow Top Global into a successful global player in the real estate industry while exploring avenues to transform the company into a strong conglomerate.

CHAIRMAN'S **MESSAGE**

The award of one of the republic's most prestigious projects – the transformation of the historic Capitol Building site into a prime mixed development and arts centre, marks Top Global's inaugural milestone foray into larger-scale projects, showcasing our capabilities and creating a strong presence for the Group in this core area. The entire project valued at S$750 million is expected to be completed in 2014, of which the residential component is targeted to be launched in the first half of 2012. The Group's next development at the Braddell site promises to be another outstanding showpiece targeted to be launched in 2012.

DEAR SHAREHOLDERS,

Over the past one year, we witnessed tremendous changes and turmoil around us while the world economy is still tackling the aftermath of global downturn.

Although economic indicators in the US suggested moderate growth over the past year, and larger economies in the region such as Indonesia and China have shown resilience, the Eurozone crisis continues to hover and cast a shadow over the current year.

Against the backdrop of a global economic outlook plagued by uncertainties, Singapore's economic growth in 2012 is expected to be slow with a GDP growth forecast of between 1% to 3%. Coupled with these weak prospects are immediate challenges in the property market sector such as the recent imposition of the Additional Buyer Stamp Duty ("ABSD") on the purchase of residential properties which came into effect on 8 December 2011. As a result of the implementation of these 'cooling measures' to dampen demand, many developers like us may face challenging times ahead. Riding out the increasingly grim economic conditions amidst heightened volatility warrants deeper excogitation on our growth strategies and directions. To this end, Management is actively aligning our strengths and core competencies to achieve greater levels of efficiency and effectiveness in the deployment and utilisation of our resources.

LOOKING BACK

During the past two years, apart from efforts to streamline operations and divest non-core businesses, Top Global Limited ("Top Global" or the "Group") attempted several strategic positioning initiatives both in Singapore and in the region.

CHAIRMAN'S **MESSAGE**

Our endeavours in the development of real estate have begun to bear fruit. The award of one of the republic's most prestigious projects – the transformation of the historic Capitol Building site into a prime mixed development and arts centre, marks Top Global's inaugural milestone foray into larger-scale projects, showcasing our capabilities and creating a strong presence for the Group in this core area. The entire project valued at S$750 million is expected to be completed in 2014, of which the residential component is targeted to be launched in the first half of 2012. The Group's next development at the Braddell site promises to be another outstanding showpiece targeted to be launched in 2012.

In the area of facility management, the Group continues to optimise returns for our shareholders. Our wholly-owned subsidiary, Raintree Cove Pte Ltd, ("Raintree Cove"), manages the area formerly known as the Singapore Tennis Centre, located along the scenic East Coast beach. It is a 'one-stop entertainment centre' that offers sports, recreational activities and good food for families and hobbyists. In the year under review, we have included in our stream of rental revenue, income generated by a newly-acquired commercial property at Ang Mo Kio Central under our wholly-owned subsidiary, Top Global Properties Pte Ltd.

Meanwhile, the Master lease of Raintree Cove with SLA is expiring in August 2012 and application for renewal has been made for the period starting September 2012 to August 2015.

MOVING FORWARD

Our focused vision of building and nurturing Top Global into a premier lifestyle property group that offers customers distinctive products remains our steadfast mission. However, in the face of the increasingly challenging Singapore market where a significant number of property buyers are local and foreign investors, the ABSD will bring about some material impact on the Group's performance. Top Global will have to source for opportunities in the real estate sector and beyond the industry in international markets as part of our longer-term growth strategy. In terms of geographical interest, China, Indonesia and SouthEast Asia remain our core areas of focus. Given the huge market potential, opportunities will not be lacking. As a young company, versatility gives us an acute competitive edge. So long as growth opportunities are certain, we are prepared to explore beyond the region and industry sector. Our objective is to create sustainable returns for our shareholders and establish an indelible legacy for the Group. Additional fund-raising initiatives shall be engaged when suitable opportunities arise.

ACKNOWLEDGEMENTS

On behalf of the Board of Directors, I wish to take this opportunity to record our appreciation to all our shareholders, Management, customers, business partners and our employees for their invaluable support and contributions to the Group. I am also thankful to all my fellow Directors for their dedication and commitment over the past year. With all your support, we are confident that we can overcome challenges and achieve greater success in the current year and beyond.

Sukmawati Widjaja
Executive Chairman

FINANCIAL **REVIEW**

"Reaching for the Skies"

TURNOVER

The Group recorded S$4.8 million in revenue for FY2011 as compared with S$4.5 million for FY2010. The revenue is by and large contributed by our facility management business, which is operated through its wholly-owned subsidiary, Raintree Cove Pte Ltd. Additional income was generated from rental of a commercial property at Ang Mo Kio Central which was acquired in the ordinary course of business by a wholly-owned subsidiary, Top Global Properties Pte Ltd in July 2011. Both companies expect to continue delivering profits and positive cash flows to the Group in 2012. However, the current lease for Raintree Cove Pte Ltd shall expire in August 2012. Application for renewal has been made for period September 2012 to August 2015.

GROSS PROFIT/LOSS

The Group recorded a gross profit of S$3.2 million for the full year in FY2011 against a gross loss of S$1.0 million for FY2010. This is contributed by our facility management and rental businesses while no additional provisions are required to cover doubtful debts and warranties related to the legacy businesses which ceased operations. In FY2010, the Group recorded provision of doubtful debts and warranties of S$1.7 million and S$1.8 million respectively.

NET PROFIT/LOSS

The net profit attributable to the Group's equity holders came to S$16.4 million for the full year in FY2011. In FY2010, the Group posted a net loss attributable to equity holders of S$7.5 million. Attributions to the profit include S$20 million profit from fair valuation of land on Capitol site development in accordance with FRS 40, *Investment Property*. This is mainly offset by S$1.8 million of valuation of staff share option and S$1.5 million of staff costs included in the administrative expense against prior year.

STATEMENT OF FINANCIAL POSITION

As at 31 December 2011, the Group had a healthy statement of financial position with total shareholders' equity of S$117.1 million with no borrowings. Cash and cash equivalents had reduced to S$43.6 million from S$72.6 million in FY2010. The difference is due to acquisitions of income generating assets, investments made in Capitol site development and other enbloc activities, partly funded by divestment of commercial bonds.

BOARD **OF DIRECTORS**






Left to right:
Mdm Oei Siu Hoa @ Sukmawati Widjaja, Mr Hano Maeloa, Ms Jennifer Chang Shyre Gwo, Ms Mimi Yuliana Maeloa, Mr Daniel Yeo Chin Tuan, Dr Lee G. Lam.

MDM OEI SIU HOA @ SUKMAWATI WIDJAJA
Executive Chairman
Mdm Sukmawati Widjaja was appointed Executive Chairman of Top Global on 12 March 2010.

In her four decades as one of Asia's most influential business pioneers, Mdm Sukmawati has built up a striking track record in sectors as diverse as property, banking and agriculture.

She is the Vice-Chairman of the family-controlled Sinar Mas Group (which was founded by her father, Mr Eka Tjipta Widjaja). After taking over the reins in 1988, she was instrumental in maintaining the group's lead as one of Indonesia's top conglomerates, with interests ranging from palm oil and paper, to food and property development.

Her investment experience is also extensive. She was an international figure in numerous high-profile mega projects. Over the years, she has developed pivotal business as well as personal connections worldwide. Apart from having been granted audiences with top potential leaders of the US, China, Indonesia, Singapore and other countries, she has access to business tycoons in almost every industry internationally.

Moreover, Mdm Sukmawati has extensive expertise and experience in taking qualified companies through IPOs and RTOs at the world's major exchanges and has been part of senior management in several listed companies.

With her long-time passion for real estate, Mdm Sukmawati sees great potential for Top Global to work together on suitable projects with the region's largest property players.

Her vast connections should prove invaluable as Top Global expands in Singapore, China, Indonesia, Malaysia and other countries.

MR HANO MAELOA

Chief Executive Officer & Executive Director

Mr Maeloa was appointed an executive director of Top Global on 27 July 2007 and its Managing Director on 12 March 2010, a position redesignated as Chief Executive Officer on 8 November 2010. His business management experience spans a multitude of industries that range from banking and securities & fund management to real estate and golf & country clubs, as well as shipping and food & beverages. He has excellent business contacts throughout the Asia-Pacific region.

Mr Maeloa has been Chief Executive Officer of Pancon Marine & Shipping Services since 2003 as well as a director at Bintan Golden Shipping since 2002. On the investment front, he gained valuable experience at companies such as Harumdana Sekuritas, where he served as a vice-president director for five years. In the food industry, he earned his spurs at the likes of Wendy Foods in Hong Kong, where he was Managing Director for six years. Currently, Mr Maeloa is a director of Asia-Pacific Strategic Investments, a company listed on the Singapore Exchange. He graduated with a BSc in business administration from the University of Southern California.

MS JENNIFER CHANG SHYRE GWO

Chief Operating Officer & Executive Director

Ms Chang was appointed Chief Operating Officer and an executive director on 8 November 2010. Her task is to oversee the Group's business and operations, which includes but is not limited to business development, finance, administration, corporate secretarial, corporate governance and communications. She has more than 18 years of exposure to and experience in operational accounting and various corporate functions across the Asia-Pacific region.

Ms Chang joined Top Global after leaving Auric Pacific, where she had been Chief Executive Officer of its food division since 2008. Previously, she was regional director of controlling & treasury at Kraft Foods Asia Pacific Services and finance director at GE Hydro Asia, a General Electric joint venture in Hangzhou, China.

She is a member of both the Institute of Certified Public Accountants of Singapore and CPA Australia. Her master's in business administration was earned at Victoria University in Australia.

MS MIMI YULIANA MAELOA

Non-Executive Director

Ms Mimi was appointed a non-executive director on 26 April 2010. Ms Mimi has served in various positions at her family's businesses and currently works at Golden Agri International.

She has notable experience in banking, investment and asset management, having worked at the Union Bank of Switzerland in Singapore, Credit Suisse First Boston Hong Kong Chase Manhattan Bank in New York, JP Morgan in Singapore and Goldman Sachs in Singapore. She graduated with a BSc in finance from the University of Southern California and holds an MBA from Woodbury University in California.

MR DANIEL YEO CHIN TUAN

Independent Director

Mr Yeo was appointed an independent director of Top Global, as well as the chairman of its audit and remuneration committees and a member of its nominating committee, on 26 April 2010. His experience in the financial industry spans more than 25 years.

He began his career with Refco Singapore as a vice-president in the 1980s and later became a pioneer in the Singapore futures and options market. After witnessing the birth of the Singapore International Monetary Exchange (SIMEX), he built up a distinguished track record servicing high net worth clients in foreign exchange and bullion trading. While he was a director at ING Futures & Options (S) Pte Ltd, he assisted with the acquisition of Barings (S) Pte Ltd. He also served as an executive director at UOB International Treasury, establishing business linkages with international brokerages. In 2003, he joined Man Financial (S) Pte Ltd (now known as MF Global Singapore) and subsequently became its Chief Executive Officer. Currently a consultant with Quantedge Capital, Mr Yeo is also a part-time lecturer with the Wealth Management Institute.

DR LEE G. LAM

Independent Director

Dr Lam was appointed an independent director on 26 April 2010. Currently, he is also Chairman for Hong Kong and Senior Advisor for Asia at Macquarie Capital Advisors. He started his career in Canada at Bell-Northern Research (the R&D arm of Nortel) and in Hong Kong at Hong Kong Telecom. He later joined Singapore Technologies Telemedia (then part of Temasek Holdings) and BOC International Holdings (the international investment banking arm of the Bank of China group), where he served as Vice-Chairman and Chief Operating Officer of its investment banking division. Until late 2006, Dr Lam was President and Chief Executive Officer of Chia Tai Enterprises International.

He holds a BSc in sciences and mathematics, an MSc in systems science, an MBA from the University of Ottawa in Canada, a postgraduate diploma in public administration from Carleton University in Canada and a PhD in economic development from the University of Hong Kong. In the legal arena, Dr Lam has an LLB (honours) from Manchester Metropolitan University in the UK, an LLM from the University of Wolverhampton in the UK and a PCLL from the City University of Hong Kong.

MANAGEMENT **TEAM**

"Our People, Our Strength"




Left to right:
Mr Simon Xie, Mr Yeimaung, Ms Rose Ling, Ms Angela Chew

MR SIMON XIE
Project Development Head
Mr Xie joined Top Global in June 2011. He has 20 years of experience in property development and construction industry in Singapore and regional countries. He brings along expertise in design, project management and business development. Prior to joining Top Global, he was General Manager of Surbana-Henderson (Xi'an) Property Development Co., Ltd, which is a joint venture developer in China by Surbana Corp Singapore and Henderson Land Hong Kong.

He has a Bachelor of Architecture from Tsinghua University, China and a MBA from National University of Singapore / University of Texas at Austin.

MR YEIMAUNG
Project Manager – Property Development and Facility Management
Mr Yeimaung joined Top Global in September 2002. He has more than 17 years of working experience in Singapore's building and construction sector, having participated in a wide range of projects that include flatted factories, schools, condominiums, community clubs, residential flats and cluster housing.

He has a degree in applied science (construction management) from the Royal Melbourne Institute of Technology in Australia.

MS ROSE LING
General Administration Manager
Ms Ling joined Top Global Limited in May 2010 as General Administration Manager. She is responsible for the Group's Human Resource and Administrative matters. For the past 10 years, Ms Ling has accumulated vast working experiences in various industry sectors. The core function she has performed includes key accounts relations, office administration and human resource management.

She holds a Diploma in Economics from London School of Economics and graduated from University of London with a Bachelor of Science (Management) with honours.

MS ANGELA CHEW
Group Accountant
Ms Chew joined Top Global Limited in March 2008 as accountant and later assumed the position of Group Accountant. She is responsible for the Group's financial and accounting matters, internal controls, corporate governance, corporate finance and taxation, group structure planning matters and preparation of consolidated financial statement of the Top Global Group. Prior to joining Top Global in 2008, Ms Chew worked in Paul Wan & Co as auditor where she has engaged in all facets of work appropriate to a modern professional accountancy practice. She has over 8 years of experience in operational finance and accounting.

She holds a Bachelor of Business Administration with honours (Major Finance) from University Utara of Malaysia.

GROUP **STRUCTURE**

- RAINTREE COVE PTE LTD (RTC) 100%
- TOP GLOBAL PROPERTIES PTE. LTD. (TGP) 100%
- TOP GLOBAL (M) SDN BHD (TGM) 100%
- TOP GLOBAL CHINA PTE. LTD. (TGC) 100%
- TOP GLOBAL CONSTRUCTION MANAGEMENT PTE. LTD. (TGCM) 100%
  - GOLDEN RAY DEVELOPMENT PTE. LTD. (GRD) 30%
- TOP CAPITAL INVESTMENT PTE. LTD. (TCI) 100%
- TOP GLOBAL HOSPITALITY PTE. LTD. (TGH) 100%
  - WINSLAND RESOURCES INCORPORATED (BVI) (WINSLAND) 100%
    - SUNSHINE CAPITAL (ASIA), LTD (BVI) (SCA) 100%
      - GLOBAL SUNSHINE CAPITAL PTE. LTD. (GSC) 100%
- TOP TOMLINSON ONE PTE. LTD (TTO) 100%
- TOP TOMLINSON TWO PTE. LTD. (TTT) 100%
- GLOBAL REAL ESTATE INVESTMENT PTE. LTD. (GREI) 100%
- TOP GLOBAL PROPERTY INVESTMENT PTE. LTD (TGPI) 100%
- TOP GLOBAL REAL ESTATE INVESTMENT PTE. LTD. (TGREI) 100%
  - PT. TOP GLOBAL INDONESIA
    TGREI - 99%
    TGPI - 1%
- TOP CAPITOL PTE LTD (TC) 100%
- GLOBAL CAPITOL PTE LTD (GC) 100%
  - TOP PROPERTY INVESTMENT PTE LTD (TPI)
    TC - 20%
    GC - 80%
    - CAPITOL INVESTMENT HOLDINGS PTE LTD (CIH) 30%
    - CAPITOL HOTEL MANAGEMENT PTE LTD (CHM) 30%
    - CAPITOL RETAIL MANAGEMENT PTE LTD (CRM) 30%
- GLOBAL STAR DEVELOPMENT PTE. LTD. (GSD) 95%
- MARGARITAVILLE INVESTMENTS HOLDING PTE. LTD. (MIH) 100%

HIGHLIGHTS

"Where dreams are realised"

2010

JANUARY
Placement of 1.4 billion new Top Global shares at S$0.012 each to Madam Sukmawati Widjaja.

MARCH
Close of mandatory unconditional cash offer by Madam Sukmawati Widjaja for all remaining shares and warrants. Mdm Sukmawati Widjaja owns 59.8% of Top Global on close of mandatory unconditional cash offer.

Disposal of Top Global Enterprises Pte Ltd, a subsidiary that was engaged in general building construction activities.

JUNE
Announcement of 3-for-1 rights issue at S$0.01 per Rights Share, with 1 free detachable warrant for every Rights Share.

Capitol Development – View from North Bridge Road

JULY
Discontinuation of non-core business, Cherie Hearts @ East Coast Parkway that was involved in infant and child care services. Business operations ceased on 22 August 2010.

AUGUST
Notice of in-principal approval from SGX for listing of up to 8.399 billion Rights Shares and 8.399 billion free warrants.

Submitted tender bids for Capitol site via consortium formed by Top Property Pte Ltd, Chesham Properties Pte Ltd and Perennial (Capitol) Pte Ltd.

SEPTEMBER
Rights-cum-warrant issue subscribed by 105.97% for 8.078 billion Rights Shares with 8.078 billion detachable warrants to raise S$80.78 million.

OCTOBER
Won Capitol site tender for S$250 million, a 1.43 hectare prime land parcel located at the junction of Stamford Road and North Bridge Road.

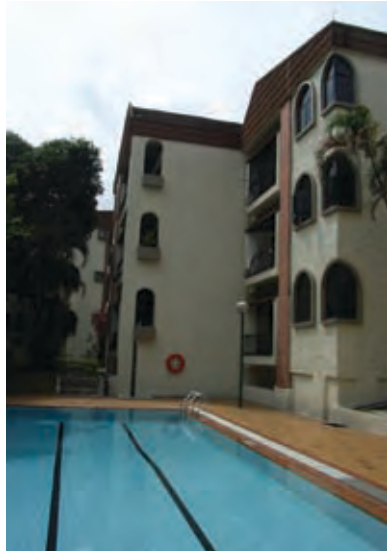
2011

JUNE
Acquisition of Braddell Park Site for S$85 million, a 45-unit apartment development situated on a freehold residential site in District 13, located at 58-82 (even nos.) Jalan Lateh.

JULY
Acquisition of 51@Amk for S$12 million, a commercial leasehold property located at 51 Ang Mo Kio Ave 3 #03-01.

NOVEMBER
Acquisition of Braddell Regalia Site for S$12.6 million, a 11-unit apartment development situated on a freehold residential site in District 13, located at 30 Braddell Road.

DECEMBER
Commencement of construction activities for Capitol Project.



Braddell Park Site

Braddell Park Site

Capitol Development - Ground Breaking Ceremony

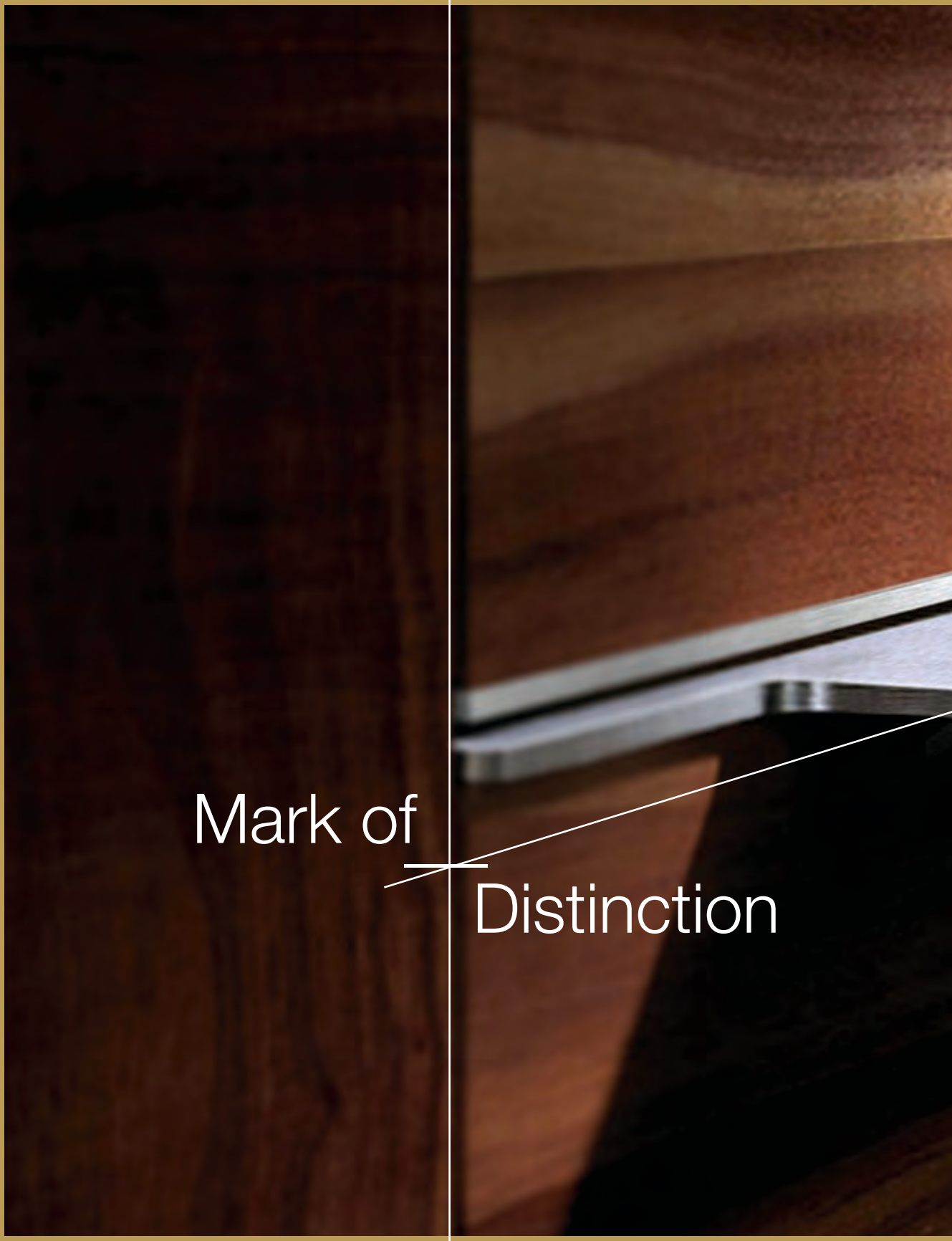
OUR **BUSINESS**

FACILITY MANAGEMENT

The Group's wholly owned subsidiary, Raintree Cove Pte Ltd, manages the area formerly known as the Singapore Tennis Centre, located along the scenic East Coast beach. We have secured a good mix of tenants such as Long Beach Seafood Restaurant, Waraku Japanese Restaurant, Polliwogs – an indoor and outdoor play arena for children and Fightworks Asia – which offers kick-boxing and other work out facilities. Recently, Wee Care @ The Polliwogs joined us. Other tenants include Burger King, Breeze Bar, East Coast Prawn Fishing, JuShing Jung Korean BBQ Restaurant, New Zealand Natural, Kit Runners, Sports Planet East Coast, Lorna Whiston Pre-School etc.

Raintree Cove aims to be a 'one-stop entertainment centre' that provides sports, recreational activities and good food for families.

Our Master lease with SLA is expiring in August 2012 and application for renewal has been made for the period September 2012 to August 2015.



Mark of Distinction

Enter into the fruition of your aspirations

Cross the threshold into a new Mark of Distinction as Top Global, redefining the lifestyle real estate, introduces a brand new opportunity to embrace holistic living.

Ensconced in the midst of shopping pleasures at Nex Mall, culinary delights at Serangoon Gardens and other amenities suited to a busy lifestyle, this development will satisfy the cosmopolitan needs of today's urban dweller.

The acquisition of the former Braddell Park property has opened the doors for Top Global to provide an oasis of style and splendour to the discerning buyer. Freehold and situated in the heart of District 13, this development will offer about 200 residential units.

Renowned schools like Maris Stella High and Cedar Primary are mere minutes away. Also close by are international schools like The Australia International School, Stamford American International School and French School of Singapore.

The property will be served by the Pan Island Expressway and the Central Expressway, as well as all key public transport options.

The redevelopment of this site is awaited with great anticipation. Look out for further updates and notices in the near future.

Welcome home.

TOP GLOBAL LIMITED

CORPORATE **INFORMATION**

BOARD OF DIRECTORS

Madam Oei Siu Hoa @ Sukmawati Widjaja
(Executive Chairman)

Mr Hano Maeloa
(Chief Executive Officer and Executive Director)

Ms Jennifer Chang Shyre Gwo
(Chief Operating Officer and Executive Director)

Dr Lam Lee G
(Independent Director)

Mr Yeo Chin Tuan Daniel
(Independent Director)

Ms Mimi Yuliana Maeloa
(Non-Executive Director)

AUDIT COMMITTEE

Mr Yeo Chin Tuan Daniel
(Chairman)

Dr Lam Lee G

Ms Mimi Yuliana Maeloa

NOMINATING COMMITTEE

Dr Lam Lee G
(Chairman)

Mr Yeo Chin Tuan Daniel

Ms Mimi Yuliana Maeloa

REMUNERATION COMMITTEE

Mr Yeo Chin Tuan Daniel
(Chairman)

Dr Lam Lee G

Ms Mimi Yuliana Maeloa

COMPANY SECRETARY

Ms Lee Bee Fong

AUDITORS

Nexia TS Public Accounting Corporation
100 Beach Road
Shaw Tower #30-00
Singapore 189702
(Director-in-charge: Chin Chee Choon
appointment commenced from the audit of the financial statements for the year ended 31 December 2009)

REGISTRAR & SHARE REGISTRATION OFFICE

Tricor Barbinder Share Registration Services
(A division of Tricor Singapore Pte Ltd)
80 Robinson Road
#02-00
Singapore 068898

REGISTERED OFFICE

1 Scotts Road
#20-03 Shaw Centre
Singapore 228208

WEBSITE

http://www.topglobal.com.sg

PRINCIPAL BANKERS

Overseas-Chinese Banking Corporation Limited
65 Chulia Street
#11-00 OCBC Centre
Singapore 049513

Australia & New Zealand Banking Group Limited
10 Collyer Quay
#30-00, Ocean Financial Centre
Singapore 049315

CORPORATE **GOVERNANCE REPORT**

Top Global Limited (the "Company") is committed to adopting high standards of corporate governance and transparency in conducting the businesses of the Company and its subsidiaries (the "Group"). The Group's standards of corporate governance are generally consistent with the principles and spirit of the Code of Corporate Governance 2005 (the "Code") and the amendments to the Catalist Rules which came into effect on 29 September 2011 as announced by the Singapore Exchange Limited Securities Trading ("SGX-ST") to strengthen corporate governance practices and foster greater corporate governance disclosure, where it is applicable and practical to the Group.

BOARD OF DIRECTORS

Board's Conduct of its Affairs

Principle 1 – Every company should be headed by an effective Board to lead and control the company. The Board is collectively responsible for the success of the company. The Board works with Management to achieve this and the Management remains accountable to the Board.

The principal role of the Company's Board of Directors (the "Board") is to review and decide strategic plans, key operational and financial issues, evaluate performance of the Group and supervise executive Management to achieve optimal shareholders' value.

Matters Requiring Board Approval

- corporate policies, strategies and objectives of the Company;
- annual budgets;
- quarterly, half yearly and full year announcements;
- annual report and accounts;
- major acquisitions, investments and disposal of assets;
- strategic planning; and
- transactions or investments involving a conflict of interest for a substantial shareholder or a Director, financial restructuring and share issuance, dividends and other returns to shareholders.

There has been no change to the Group's internal guidelines which had been approved by the Board for material transactions and investments by the Company and Group, with limits for different levels of approving authorities, categories of expenditures and investments.

Board Composition and Guidance

Principle 2 – There should be a strong and independent element on the Board, which is able to exercise objective judgement on corporate affairs independently, in particular, from Management. No individual or small group of individuals should be allowed to dominate the Board's decision making.

The Board of Directors currently comprises six members, three of whom are Executive Directors, two are Independent Directors and one is a Non-Executive Director.

The Company's Executive Directors are Mdm Oei Siu Hoa @ Sukmawati Widjaja who is the Executive Chairman, Mr Hano Maeloa who is the Chief Executive Officer and Ms Jennifer Chang Shyre Gwo who is the Chief Operating Officer. The Independent Directors are Mr Yeo Chin Tuan Daniel and Dr Lam Lee G, and the Non-Executive Director is Ms Mimi Yuliana Maeloa.

There is no limit to the number of Directors that may be appointed under the Company's Articles of Association. Given the scope and size of the operations of the Company and the Group, the Board is of the view that the present composition and size is adequate and it facilitates effective decision making. The recommendations of the Code have been complied with, as one-third of the Board members are Independent Directors. The criteria of independence are based on the definition given in the Code. The Board consists of members who possess a mix of skills, qualifications, experience and background.

To-date, none of the Independent Directors of the Company have been appointed as Director of the Company's principal subsidiaries. The Board and the Management are of the view that the current Board structures in the principal subsidiaries are already well organized and constituted. The Board and the Management will, from time to time, renew the Board structures of the principal subsidiaries and will make an appropriate corporate decision to consider the appointment of the Independent Director into the principal subsidiaries.

Key information on the Directors can be found on page 4 to 5 under the section on Board of Directors of this Annual Report.

Chairman and Chief Executive Officer
Principle 3 – There should be a clear division of responsibilities at the top of the company – the working of the Board and the executive responsibility of the company's business – which will ensure a balance of power and authority, such that no one individual represents a considerable concentration of power.

Mdm Oei Siu Hoa @ Sukmawati Widjaja serves as Executive Chairman of the Board and Mr Hano Maeloa, son of Mdm Oei Siu Hoa @ Sukmawati Widjaja, assumes the role of Chief Executive Officer ("CEO"). There is a clear division of responsibilities between the Executive Chairman and the CEO to ensure that there is an appropriate balance of power, increased accountability and sufficient capacity of the Board for independent decision-making.

Currently, the Executive Chairman is responsible for the workings of the Board, ensuring the integrity and effectiveness of its governance process. The Executive Chairman ensures that Board meetings are held as and when necessary and set the meeting agenda in consultation with Mr Hano Maeloa, the CEO, and Ms Jennifer Chang Shyre Gwo, the Chief Operating Officer ("COO") and Executive Director. The Executive Chairman, with the assistance of the CEO, the COO and Company Secretary, ensures Board members are provided with adequate and timely information. The Executive Chairman assists to ensure procedures are introduced to comply with the Company's guidelines on corporate governance. The CEO is responsible for the business and operational decisions of the Group.

The Board is of the view that there is a sufficiently strong independent element on the Board which enables the exercise of judgement with regards to the corporate affairs of the Group.

The Board had also considered whether there was a need to appoint a lead Independent Director as recommended by the Code. The Board was of the view that a lead Independent Director need not be appointed as shareholders could approach any Independent Director with their concerns. The Independent Directors will be available to shareholders where they have concerns which contact through the normal channels of the Chairman, the CEO or COO has failed to resolve or for which such contact is inappropriate.

Board Membership
Nominating Committee ("NC")
Principle 4 – There should be a formal and transparent process for the appointment of new directors to the Board.

The NC consists of two Independent Directors and one Non-Executive Director. The members of the NC are as follows:

Dr Lam Lee G (Chairman)
Yeo Chin Tuan Daniel
Mimi Yuliana Maeloa

The functions of the NC are reflected in the existing Terms of Reference approved by the Board and they include:

- making recommendations to the Board on the appointment or re-nomination of Directors of the Board, having regard to the respective Director's contributions and performance;
- determining annually whether or not a Director is independent, and
- in situations where a Director has multiple board representations, to review whether the Director is able to carry out his/her duties as Director adequately.

The NC continued to use the existing internal guidelines adopted in the previous year to evaluate the performance of the Board, which includes an annual board assessment checklist that was being completed by all members of the Board individually and also a group checklist prepared jointly by members of the NC.

During the financial year under the review, the NC together with the Management had arranged for the Board members to attend various training programmes and seminars to ensure that the Board members were constantly updated and equipped with the necessary and relevant skills, knowledge and competencies to cope with the increasingly complex operation of the companies in order to discharge their duties effectively.

In its search and selection process for new Directors, the NC taps on the resources of Directors' personal contacts and recommendations of potential candidates and appraises the nominees to ensure that the candidates possess relevant experience and calibre to contribute to the Group and its businesses, having regard to the attributes of the existing Board and the requirements of the Group. New Directors are appointed by way of a Board resolution, upon their nomination from the NC. In accordance with the Company's Articles of Association, these new Directors who are appointed by the Board are subject to re-election by shareholders at the first opportunity after their appointment. The Articles also provides that at least one-third of the remaining Directors be subject to re-election by rotation at each Annual General Meeting ("AGM"). This will enable all shareholders to exercise their rights in selecting all Board members.

The Code states that as a principle of good corporate governance, all Directors should be required to submit themselves for re-nomination and re-election at regular intervals. The Company's Articles of Association provides that at each AGM, one-third of the Directors (other than the MD) retires from office by rotation at least once every three years.

The NC has recommended the following Directors to retire pursuant to Article 106 of the Company's Articles of Association, being eligible and having consented, be nominated for re-appointment at the forthcoming AGM:

Name of Director	Appointment	Date appointed
Mdm Oei Siu Hoa @ Sukmawati Widjaja	Executive Director	12 March 2010
Mr Hano Maeloa	Executive Director	27 July 2007

Board Performance

Principle 5 – There should be a formal assessment of the effectiveness of the Board as a whole and the contribution by each director to the effectiveness of the Board.

The Code states that there should be a formal assessment of the effectiveness of the Board as a whole and the contributions by each Director to the effectiveness of the Board. The Code further recommends that the NC proposes effective criteria to evaluate how the Board should be evaluated. The NC continued with the existing internal guidelines adopted the previous year as described above to evaluate the performance of the Board.

Access to Information

Principle 6 – In order to fulfil their responsibilities, Board members should be provided with complete, adequate and timely information prior to board meetings and on an on-going basis.

The Board has established various Board committees to assist in fulfilling its duties and responsibilities. These committees are the Audit Committee ("AC"), the NC and the Remuneration Committee ("RC"), and each committee has its own approved written terms of reference.

In FY2011, the Board had three scheduled meetings. The Company's Articles of Association also allows a Board meeting to be conducted by way of tele-conference. The attendance of the Directors at Board and Board committees' meetings, as well as the frequency of such meetings held in FY2011 is as follows:

	Board Meeting		Audit Committee Meeting		Nominating Committee Meeting		Remuneration Committee Meeting	
Name of Director	No of Meetings Held	No of Meetings Attended	No of Meetings Held	No of Meetings Attended	No of Meetings Held	No of Meetings Attended	No of Meetings Held	No of Meetings Attended
Hano Maeloa	3	3	-	-	-	-	-	-
Mdm Oei Siu Hoa @ Sukmawati Widjaja	3	1	-	-	-	-	-	-
Mimi Yuliana Maeloa	3	3	3	3	1	1	1	1
Yeo Chin Tuan Daniel	3	3	3	3	1	1	1	1
Dr Lam Lee G	3	3	3	3	1	1	1	1
Jennifer Chang Shyre Gwo	3	3	-	-	-	-	-	-

Newly appointed Directors would be briefed by the CEO of the Company on the Group's business and corporate governance policies and practices. Familiarization sessions include visits to project sites. Directors are kept informed of changes to regulatory requirements from time to time by the Company Secretary. Board members are encouraged to keep themselves updated especially on their relevant professional, statutory, and regulatory requirements and guidelines to enhance their discharge of their duties and responsibilities as Directors.

The Board has separate and independent access to senior Management and the Company Secretary at all times. Requests for information from the Board are dealt with promptly by Management. The Board is informed of all material events and transactions as and when they occur. The Management provides the Board with quarterly reports of the Company's performance. The Management also consults with Board members regularly whenever necessary and appropriate. The Board is issued with board papers timely and prior to Board meetings.

The Company Secretary attends Board and Board Committees meetings. The Company Secretary administers, attends and prepares minutes of Board and Board Committees meetings, and assists the Chairman in ensuring that Board procedures are followed and reviewed so that the Board functions effectively and the Company's Articles of Association and the relevant rules and regulations applicable to the Company are complied with.

The Board, in fulfilling its responsibilities, can as a group or individually, when deemed fit, direct the Company to appoint professional advisers to render professional advice.

Remuneration Committee ("RC")

Principle 7 – There should be a formal and transparent procedure for developing policy on executive remuneration and for fixing the remuneration packages of individual directors. No director should be involved in deciding his own remuneration.

Principle 8 – The level of remuneration should be appropriate to attract, retain and motivate the directors needed to run the company successfully but companies should avoid paying more than is necessary for this purpose. A significant proportion of executive directors' remuneration should be structured so as to link rewards to corporate and individual performance.

Principle 9 – Each company should provide clear disclosure of its remuneration policy, level and mix of remuneration, and the procedure for setting remuneration, in the company's annual report. It should provide disclosure in relation to its remuneration policies to enable investors to understand the link between remuneration paid to directors and key executives, and performance.

The RC comprises three members, the majority of whom are Independent and Non-Executive Directors. The members of the RC are as follows:

Yeo Chin Tuan Daniel (Chairman)
Dr Lam Lee G
Mimi Yuliana Maeloa

Remuneration Matters
The duties and responsibilities of the RC are as follows:

- review and recommend an appropriate remuneration framework/package, and service contract terms to the Directors to ensure that it can attract, retain and motivate individuals of the right caliber to manage the business of the Group and Company;
- make recommendations to the Board on specific remuneration packages for each Executive Director and the CEO of the Company and its subsidiaries;
- review periodically the appropriateness and relevance of certain aspects of remuneration policies and practices including incentive payments where applicable, variable bonuses and other benefits-in-kind.

Level and Mix of Remuneration
The Company has a staff remuneration policy which comprises a fixed component and a variable component. The fixed and variable components are in the form of a base salary and variable bonus that is linked to the performance of the Company and individual.

Each Executive Director has a service agreement with the Company.

The Independent Directors have not entered into service agreements with the Company.

Directors' Remuneration

Name of Director	Salary %	Bonus %	Director's Fees %	Fringe Benefit %	Allowance %	Total %
$750,000 to $1,000,000						
Hano Maeloa	79	7	4	10	0	100
Oei Siu Hoa@Sukmawati Widjaja	87	7	4	2	0	100
$500,000 to $750,000						
-	0	0	0	0	0	0
$250,000 to $500,000						
Jennifer Chang Shyre Gwo	85	7	2	0	6	100
Below $250,000						
Mimi Yuliana Maeloa	0	0	100	0	0	100
Yeo Chin Tuan Daniel	0	0	100	0	0	100
Dr Lam Lee G	0	0	100	0	0	100

The fees are subject to approval by shareholders at the AGM for FY2011.

During the financial year ended 31 December 2011, the Company had granted options to the eligible participants to the "Top Global Share Option Scheme 2011" (mainly the Executive Directors and the Board Members) to align their interest with that of the shareholders and as a motivation to steer the Company towards an improved performance for 2011 and beyond. Details of the options granted are provided in the Directors' Report section at pages 24 and 27.

Remuneration of Top 4 Key Executives

Name of Employee	Salary %	Bonus %	Director's Fees %	Fringe Benefit %	Allowance %	Total %
Below $250,000						
Simon Xie	83	7	0	1	9	100
Yeimaung	82	12	0	0	6	100
Rose Ling	85	10	0	0	5	100
Angela Chew	83	12	0	0	5	100

Notwithstanding Guideline 9.1 of the Code, the Company is disclosing the remuneration of only 4 top key executives because the Company had only such a number of key executives during the financial year ended 31 December 2011.

The Company has no employees who are immediate family members of a Director or CEO and whose remuneration exceeded $150,000 during the financial year ended 31 December 2011.

Share Option Scheme Committee and Performance Share Plan Committee
The Company had two Share Option Schemes and a Performance Share Plan in place. The Scheme Committees are responsible for the administration of the "Top Global Share Option Scheme 2001" and "Top Global Share Option Scheme 2011" (collectively, "the Schemes"), in accordance with the rules of the Schemes. The PSP Committee is responsible for the administration of the "Top Global Performance Share Plan" (the "PSP") in accordance with the rules of the PSP. Both the Scheme Committees and the PSP Committee are made up of the members of the RC, Mr Yeo Chin Tuan Daniel, Dr Lam Lee G and Ms Mimi Yuliana Maeloa. The Top Global Share Option Scheme 2001 expired on 7 June 2011.

Please refer to the Directors' Report in this Annual Report for further details of the Schemes and the PSP.

Accountability and Audit
Principle 10 – The Board should present a balanced and understandable assessment of the company's performance, position and prospects.

Principle 11 – The Board should establish an Audit Committee with written terms of reference which clearly set out its authority and duties.

The Company believes in conducting itself professionally and in ways to continuously build and maintain shareholders' confidence and trust. Prompt statutory reporting and announcements are the most fundamental of accountability of Management and the Board to the shareholders.

The AC of the Company is made up of three Board members, the majority of whom are independent and non-executive Directors. The members of the AC are as follows:

Yeo Chin Tuan Daniel (Chairman)
Dr Lam Lee G
Mimi Yuliana Maeloa

The NC is of the opinion that the members of the AC have sufficient financial management expertise and experience to discharge their duties.

The AC meets regularly to perform the following functions:

- review with the independent auditor and the Management the financial accounts and statements of the Company and the Group before they are forwarded to the Board for approval and release of the announcements of the results;

- review the scope of the audit plan of the independent auditor;
- review the audit report of the independent auditor and discuss any significant findings and recommendations together with the Management;
- review adequacy of Company's and Group's system of accounting records, financial and management reporting as well as adequacy of internal controls;
- review related party and interested person transactions to ensure compliance with the regulations as set out in the Listing Manual of the Singapore Exchange Securities Trading Limited, Section B: Rules of Catalist ("Catalist Rules");
- review cost effectiveness, independence and objectivity and suitability of the independent auditor;
- review the independence and objectivity of the independent auditor; and
- recommend to the Board the appointment/re-appointment of independent auditor, including those of the subsidiary companies;
- review the nature and extent of non-audit services performed by the independent auditor.

The AC has full access to the internal and independent auditor and meets them at least once a year without the presence of the Management. It has full authority and discretion to invite any Director or senior officer to attend its meetings.

The AC has reviewed the Company's system of internal controls, including operational and compliance records, risk management policies and systems established by Management during the year and is satisfied that the overall system of controls is adequate. The Board, with the concurrence of the AC, is satisfied that there are adequate internal controls, addressing financial, operational and compliance risks in the Company.

The Audit Committee reviews the independence and objectivity of independent auditor annually. During the financial year under review, the AC has reviewed the independence of Nexia TS Public Accounting Corporation including the volume of all non-audit services provided to the Group, and is satisfied that the nature and extend of such services will not prejudice the independence and objectivity of the independent auditor.

The Audit Committee constantly bears in mind the need to maintain a balance between the independence and objectivity of the independent auditor and the work carried out by the independent auditor based on value-for-money consideration. During the year under review, the aggregate amount of fees paid to the independent auditor for the audit and non-audit services amounted to S$51,500 and S$3,000 respectively.

The AC has recommended and the Board has approved the nomination for re-appointment of Nexia TS Public Accounting Corporation as independent auditor of the Company at the forthcoming AGM.

The Group has appointed different auditors for its overseas subsidiaries and/or significant associated companies. The Board and the AC have reviewed the appointment of different auditors for its subsidiaries and/or significant associated companies and were satisfied that the appointment of different auditors would not compromise the standard and effectiveness of the audit of the Group.

The Company is in compliance with Rules 712 and 716 of the Catalist Rules in relation to its independent auditors.

Internal Controls and Audit
Principle 12 – The Board should ensure that the Management maintains a sound system of internal controls to safeguard the shareholders' investments and the company's assets.

Principle 13 – The company should establish an internal audit function that is independent of the activities it audits.

In view of the Company's scale of operations and in order to be more cost effective, the Board believes that the existing system of internal controls is adequate and the Group currently has no separate internal audit function. The Company's finance department and the independent auditor review the Group's internal controls risk management and compliance systems and report findings and makes recommendations to the Management and AC.

To ensure adequacy of the internal audit function, the Management together with the Board, the AC and the Company's Sponsor, CNP Compliance Pte. Ltd. (the "Sponsor") will review the Memorandum to the Audit Committee for the financial year ended 31 December prepared by the independent auditor. The AC is satisfied with the adequacy of the current audit function and will continue to assess its effectiveness regularly. With the assistance from the independent auditor, the Directors are satisfied that the Company has a robust and effective internal control system in place in addressing the financial, operating and compliance risk. As and when, as required, the Sponsor will highlight to the Management, the AC and the Directors on the necessary compliance matters required under the Catalist Rules. The Company is consistently improving and adopts recommendations which are highlighted by the independent auditor and the Sponsor to safeguard the Company's internal controls.

Communication with Shareholders
Principle 14 – Companies should engage in regular, effective and fair communication with shareholders.

In line with the Company's obligations for continuing disclosure, the Board's policy is for shareholders to be informed of all major developments and transactions that impact the Group.

Information is disseminated to shareholders on a transparent and timely basis. All price-sensitive information and financial results announcements are publicly released via SGXNET.

The Group's Annual Report, together with the notice of AGM, is dispatched to all shareholders at least 14 days before the meeting. The Notice of AGM is also published in the newspapers and announced via SGXNET.

Principle 15 – Companies should encourage greater shareholder participation at AGMs, and allow shareholders the opportunity to communicate their views on various matters affecting the company.

Shareholders are encouraged to attend the AGM as this is the principal forum for any dialogue they may have with the Directors and Management of the Company.

Any member of the Company who is unable to attend the AGM can appoint up to two proxies to attend and vote on his/her behalf.

At the Company's AGMs, shareholders are given the opportunity to voice their views and ask Directors or Management questions regarding the Company. The Chairman of the AC, RC, NC and independent auditor of the Group will normally be present at AGMs and other general meetings of shareholders to assist the Board in addressing shareholders' questions.

Interested Person Transactions
Pursuant to Rule 907 of the Catalist Rules, the Company wishes to disclose there were no transactions with interested persons for the financial year ended 31 December 2011

Material Contracts
There were no material contracts entered into by the Group or any of its subsidiaries involving the interest of the CEO, any Director or controlling shareholders since the end of the previous financial year.

Dealing in Securities
The Company has complied with Rule 1204(19) of the Catalist Rules in relation to dealings in the Company's securities by Directors and officers of the Company.

The Company has adopted the internal code of best practices on dealings in the Company's securities. Under the said code, Directors and all officers of the Group are not allowed to deal in the Company's shares while in possession of price-sensitive information and during the period commencing two weeks before the announcement of the Company and Group's quarterly results and one month before the announcement of the Company and Group's yearly results and ending on the date of the announcement of the relevant results. In addition, the Directors and officers of the Company are advised not to deal in the Company's securities for short term considerations and are expected to observe the insider trading laws at all times even when dealing in securities within the permitted trading periods.

Whistle-Blowing Policy
The Company has in place whistle-blowing policies by which staff may raise concerns about fraudulent activities, malpractices or improprieties within the Group, without fear of reprisal. To ensure independent investigation of such matters and for appropriate follow up action, all whistle-blowing reports can be sent to either the HR & Corporate Affairs or the Chairman of the AC.

Code of Business Conduct
The Company has a Code of Business Conduct which all employees are required to observe and comply with for the purpose of maintaining high standards of integrity, professionalism, and business conduct.

Risk Management and Processes
The Company regularly reviews and improves its business and operational activities to identify areas of significant business risks as well as respond appropriately to controls and mitigate these risks. The Company reviews all significant control policies and procedures and highlights all significant matters to the AC and the Board.

Use of Proceeds
Rights Issue
On 29 September 2010, the Company completed a rights issue of 8,078,460,456 new shares cum 8,078,460,456 Warrants Issue ("Rights Shares cum Warrants") at an issue price of S$0.01 for each new share. The net proceeds raised from the Rights Shares Cum Warrants Issue amounted to approximately S$80.5 million (the "Net Proceeds") (after deducting costs of S$0.3 million).

As at 31 January 2012, the Company has partially utilised the Net Proceeds as follows:

Use	Percentage(%)
Strategic investment in property development business	91

There was no material deviation from the stated use of the proceeds from the Rights Shares cum Warrants.

Catalist Sponsor
Shooklin Advisory Services Pte. Ltd. was the continuing sponsor of the Company for the period under review up to 30 November 2011. The Company appointed CNP Compliance Pte. Ltd. as its continuing sponsor with effect from 1 December 2011.

Pursuant to Rule 1204(21) of the Catalist Rules, the Company wishes to disclose there was no non-sponsor fee paid to Shooklin Advisory Services Pte Ltd or CNP Compliance Pte. Ltd.

Treasury Shares
There are no treasury shares held by the Company at the end of the financial year ended 31 December 2011.

FINANCIAL **CONTENTS**

DIRECTORS' **REPORT**
for the financial year ended 31 December 2011

The directors present their report to the members together with the audited consolidated financial statements of the Group and statement of financial position and statement of changes in equity of the Company for the financial year ended 31 December 2011.

DIRECTORS
The directors of the Company in office at the date of this report are as follows:

Mr Hano Maeloa
Madam Oei Siu Hoa @ Sukmawati Widjaja
Ms Mimi Yuliana Maeloa
Dr Lam Lee G
Mr Yeo Chin Tuan Daniel
Ms Jennifer Chang Shyre Gwo

ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES
Neither at the end of the financial year nor at any time during the financial year was the Company a party to any arrangement whose object was to enable the directors of the Company to acquire benefits by means of the acquisition of shares or debentures in the Company or any other body corporate, except for options to take up unissued shares under Top Global Limited Share Option Scheme 2001 and Top Global Limited Share Option Scheme 2011 as disclosed in paragraph under "Share option and warrants" of the Directors' Report.

DIRECTORS' INTERESTS IN SHARES OR DEBENTURES
The directors of the Company holding office at the end of the financial year had no interests in the share capital and debentures of the Company and related corporations as recorded in the register of directors' shareholdings kept by the Company under section 164 of the Singapore Companies Act, except as follows:

	Shareholdings registered in name of director or nominee	
	At beginning of financial year	At end of financial year
Company		
(No. of ordinary shares)		
Mr Hano Maeloa	360,000,000	360,000,000
Madam Oei Siu Hoa @ Sukmawati Widjaja	5,415,981,000	5,415,981,000
Ms Jennifer Chang Shyre Gwo	6,800,000	6,800,000
(No. of warrants)		
Mr Hano Maeloa	270,000,000	270,000,000
Madam Oei Siu Hoa @ Sukmawati Widjaja	4,061,985,936	4,061,985,936
Ms Jennifer Chang Shyre Gwo	6,800,000	6,800,000

The directors' interests in the ordinary shares of the Company as at 21 January 2012 were the same as those as at 31 December 2011.

By virtue of Section 7 of the Singapore Companies Act, Cap. 50, Madam Oei Siu Hoa @ Sukmawati Widjaja is deemed to have an interest in the shares and debentures of all the Company's subsidiaries as at 31 December 2011.

DIRECTORS' CONTRACTUAL BENEFITS

Since the beginning of the financial year, no director has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with the director or with a firm of which he is a member, or with a company in which he has a substantial financial interest, except for salaries, bonuses and other benefits as disclosed in the financial statements and in this report.

SHARE OPTIONS AND WARRANTS

(a) Options to take up unissued shares

During the financial year, there were no shares of the Company or any corporation in the Group issued by virtue of the exercise of options to take up unissued shares.

(b) Unissued shares under option

(i) Top Global Share Option Scheme 2001 (the "ESOS 2001")

The ESOS 2001, which forms an integral component of its compensation plan, is designed to reward and retain eligible participants whose services are vital to its well being and success. It provides eligible participants who have contributed to the success and development of the Company with an opportunity to participate in its equity and also increase the dedication and loyalty of these participants and motivate them to perform better.

Under the rules of the ESOS 2001, all directors and employees of the Company are eligible to participate in the ESOS 2001. Controlling shareholders or their associates are also eligible to participate in the ESOS 2001 subject to the approval of independent shareholders in the form of separate resolutions for each participant. Further, independent shareholders' approval is also required in the form of separate resolutions for each grant of options and the terms thereof, to each participant who is a controlling shareholder of his associate.

The total number of shares over which options may be granted shall not exceed 20% of the issued share capital of the Company at any time.

The Share Options Scheme Committee ("Scheme Committee") is charged with the administration of the ESOS 2001 in accordance with the rules of the ESOS 2001. The Scheme Committee consists of three directors appointed by the Board of Directors of the Company. The number of options to be offered to a participant shall be determined at the discretion of the Scheme Committee who shall take into account criteria such as the rank, performance, seniority, potential for future development and length of service of the participant provided that:

(a) the total number of shares which may be offered to any participant during the entire operation of the ESOS 2001 (including adjustments under the rules) shall not exceed 25% of the shares in respect of which the Company may grant options;

(b) the aggregate number of shares which may be offered to participants who are controlling shareholders and their associates during the entire operation of the ESOS 2001 (including adjustments under the rules) shall not exceed 25% of the shares in respect of which the Company may grant options; and

(c) the number of shares which may be offered to each participant who is a controlling shareholder or his associate during the entire operation of the ESOS 2001 shall not exceed 10% of the shares in respect of which the Company may grant options.

SHARE OPTIONS AND WARRANTS (CONT'D)

(b) Unissued shares under option (cont'd)

(i) Top Global Share Option Scheme 2001 (the "ESOS 2001") (cont'd)

The exercise price for each share in respect of which an option is exercisable shall be determined by the Scheme Committee at its absolute discretion and fixed by the Scheme Committee at:

(i) a price (the "Market Price") equal to the average of the last dealt prices for a share on the SGX-ST for the period of 5 consecutive market days immediately prior to the relevant offer date but not less than its par value; or

(ii) a price which is set at a discount to the Market Price, provided that the maximum discount shall not exceed 20% of the Market Price.

Options must be exercised before the expiry of 6 years from the date of the offer or such earlier date as may be determined by the Scheme Committee. There are special provisions dealing with the lapsing or permitting the earlier exercise of options under certain circumstances including termination, bankruptcy, and death of the participant.

No participant has received 5% or more of the total number of the options available under the ESOS 2001.

The ESOS 2001 was for a maximum of ten years and expired on 7 June 2011. Since the commencement of the ESOS 2001, the Company had not granted any options under the ESOS 2001 to any participant. Accordingly, no shares had been allotted or reserved for the purposes of the ESOS 2001.

(ii) Top Global Share Option Scheme 2011 (the "ESOS 2011")

The ESOS 2011 was approved by the shareholders of the Company at an Extraordinary General Meeting held on 28 March 2011 to replace the ESOS 2001 and remains in force at the discretion of the ESOS 2011 Committee, subject to a maximum period of ten years.

Under the rules of the ESOS 2011, all directors and employees of the Company are eligible to participate in the ESOS 2011. Controlling shareholders or their associates are also eligible to participate in the ESOS 2011 subject to the approval of independent shareholders in the form of separate resolutions for each participant. Further, independent shareholders' approval is also required in the form of separate resolutions for each grant of options and the terms thereof, to each participant who is a controlling shareholder of his associate.

The Share Scheme Committee is charged with the administration of the ESOS 2011 in accordance with the rules of the ESOS 2011. The Scheme Committee administering the ESOS 2011 comprises the directors, Yeo Chin Tuan Daniel (Chairman), Dr Lam Lee G and Mimi Yuliana Maeloa.

None of the directors in the committee participated in any deliberation or decision in respect of options granted to himself.

SHARE OPTIONS AND WARRANTS (CONT'D)

(b) Unissued shares under option (cont'd)

(ii) Top Global Share Option Scheme 2011 (the "ESOS 2011") (cont'd)

The number of options to be offered to a participant shall be determined at the discretion of the Scheme Committee provided that:

(a) the total number of shares which may be offered to any participant during the entire operation of the ESOS 2011 (including adjustments under the rules) shall not exceed 25% of the shares in respect of which the Company may grant options;

(b) the aggregate number of shares which may be offered to participants who are controlling shareholders and their associates during the entire operation of the ESOS 2011 (including adjustments under the rules) shall not exceed 30% of the shares in respect of which the Company may grant options; and

(c) the number of shares which may be offered to each participant who is a controlling shareholder or his associate during the entire operation of the ESOS 2011 shall not exceed 15% of the shares in respect of which the Company may grant options.

The exercise price for each share in respect of which an option is exercisable shall be determined by the Scheme Committee at its absolute discretion and fixed by the Committee at:

(i) a price (the "Market Price") equal to the average of the last dealt prices for a share on the SGX-ST for the period of 5 consecutive market days immediately prior to the relevant offer date and rounded up to the nearest whole cent in the event of fractional prices;

(ii) a price which is set at a discount to the Market Price, provided that the maximum discount shall not exceed 20% of the Market Price.

Options granted to a participant not holding a salaried office or employment in the Group shall be exercised before the fifth anniversary of the relevant offer date, failing which all the unexercised options shall immediately lapse and become null and void.

Details of the unissued shares under options granted pursuant to the ESOS 2011 and options outstanding as at 31 December 2011 are as follows:

		Number of options to subscribe for ordinary shares of the company				
Type of share options	Date of grant	Balance as at 1.1.2011	Granted	Balance as at 31.12.2011	Exercise price per share	Exercise period
Executive - (Directors and employees)	5 April 2011	-	800,000,000	800,000,000	$0.012	5.4.2011 to 4.4.2021
	20 April 2011	-	80,000,000	80,000,000	$0.012	20.4.2011 to 19.4.2021
		-	880,000,000	880,000,000		

SHARE OPTIONS AND WARRANTS (CONT'D)

(b) Unissued shares under option (cont'd)

(ii) Top Global Share Option Scheme 2011 (the "ESOS 2011") (cont'd)

The information on directors of the Company participating in the ESOS 2011 is as follows:

	No. of unissued ordinary shares of the Company under option		
Name of director	Granted in financial year ended 31.12.2011	Aggregate granted since commencement of the ESOS 2011 to 31.12.2011	Aggregate outstanding as at 31.12.2011
Oei Siu Hoa @ Sukmawati Widjaja	400,000,000	400,000,000	400,000,000
Hano Maeloa	400,000,000	400,000,000	400,000,000
Jennifer Chang Shyre Gwo	80,000,000	80,000,000	80,000,000

With the exception of Oei Siu Hoa @ Sukmawati Widjaja and Hano Maeloa who each received approximately 14.8% of the total share options available under the ESOS 2011, none of the eligible employees and directors received 5% or more of the total share options available under the ESOS 2011.

(iii) Share options to business associates

On 27 October 2010, the Company granted 250,000,000 share options to business associates pursuant to joint venture agreements entered into on 27 October 2010. The completion of the grant of these share options were subject to the terms and conditions of the joint venture agreements and the necessary approvals from the Singapore regulatory authorities. Details of the options to subscribe for ordinary shares of the Company as at 31 December 2010 were as follows:

Expiry Date	Exercise Price ($)	Number of Options
30 April 2012	0.02	50,000,000
26 October 2013	0.03	200,000,000

On 28 June 2011 and 16 December 2011 respectively, the Company entered into deeds of settlement and mutual release with the business associates to terminate the joint venture agreements. The share options have lapsed pursuant to the termination of the joint venture agreements.

(c) Top Global Performance Share Plan (the "PSP")

The PSP was approved by the shareholders of the Company at an Extraordinary General Meeting held on 8 December 2009 and remains in force at the discretion of the Performance Share Plan Committee ("PSP Committee"), subject to a maximum period of ten years. The PSP shall complement the ESOS 2001 and serve as an additional and flexible incentive tool.

Under the rules of the PSP, all directors and employees of the Group as well as the controlling shareholders are eligible to participate in the PSP.

The total number of shares over which shares to be issued under the PSP, together with the number of shares issued under the ESOS 2001 and the ESOS 2011 shall not exceed 20% of the issued share capital of the Company at any time.

SHARE OPTIONS AND WARRANTS (CONT'D)

(c) Top Global Performance Share Plan (the "PSP") (cont'd)

The PSP Committee is charged with the administration of the PSP in accordance with the rules of the PSP. The PSP Committee administering the PSP comprises the directors, Yeo Chin Tuan Daniel (Chairman), Dr Lam Lee G and Mimi Yuliana Maeloa.

None of the directors in the committee participated in any deliberation or decision in respect of shares granted to himself.

The number of shares to be offered to a participant shall be determined at the discretion of the PSP Committee provided that:

(i) the aggregate number of shares available under the PSP shall not exceed 15% of the total number of issued shares excluding treasury shares from time to time;

(ii) the aggregate number of shares which may be offered to participants who are controlling shareholders and their associates shall not exceed 20% of the new shares available under the PSP;

(iii) the number of shares which may be offered to each participant who is a controlling shareholder or their associates shall not exceed 10% of the new shares available under the PSP; and

(iv) the aggregate number of shares available for directors and employees of the Group shall not exceed 20% of the new shares available under the PSP.

No shares had been granted to any participant since the commencement of the PSP.

(d) Rights share cum warrants issue

On 29 September 2010, the Company issued 8,078,460,456 new ordinary shares pursuant to the rights shares cum warrants issue (the "Rights Issue") for a total cash consideration (net of expenses) of $80,457,468.

In 2010, 358,264,906 (2009: 6,355,664) ordinary shares of the Company were issued for cash at $0.005 each by virtue of exercise of the option by the holders of the warrants to take up unissued shares.

On 28 July 2011, 106,675,594 warrants were allotted and issued. The number of warrants outstanding as at 31 December 2011 totalled 8,284,470,644 which comprise 213,351,188 (2010: 106,675,594) expiring on 12 June 2013 and 8,071,119,456 (2010: 8,073,120,456) expiring on 29 September 2015. These warrants may be converted into ordinary shares of the Company at the conversion rate of $0.005 for each warrant.

AUDIT COMMITTEE

The members of the Audit Committee at the end of the financial year were as follows:

Mr Yeo Chin Tuan Daniel	(Chairman and independent director)
Dr Lam Lee G	(Independent director)
Ms Mimi Yuliana Maeloa	(Non-executive director)

All members of the Audit Committee were non-executive directors.

AUDIT COMMITTEE (CONT'D)

The Audit Committee carried out its functions in accordance with Section 201B(5) of the Singapore Companies Act. In performing those functions, the Committee reviewed the following, where relevant, with the executive directors and the independent auditor of the Company:

(i) the audit plan of the Company's independent auditor and any recommendations on internal accounting controls arising from the statutory audit;

(ii) the statement of financial position and the statement of changes in equity of the Company and the consolidated financial statements of the Group for the financial year ended 31 December 2011 before their submission to the Board of Directors, as well as the independent auditor's report on the statement of financial position and the statement of changes in equity of the Company and the consolidated financial statements of the Group;

(iii) the co-operation and assistance given by the Company's management to the independent auditor;

(iv) the reappointment of the independent auditor of the Company; and

(v) interested person transactions.

The Audit Committee has full access to and has the co-operation of the management and has been given the resources required for it to discharge its function properly. It also has full discretion to invite any director and executive officer to attend its meetings. The independent auditor has unrestricted access to the Audit Committee.

The Audit Committee has recommended to the Board that the independent auditor, Nexia TS Public Accounting Corporation be nominated for re-appointment as independent auditor of the Company at the forthcoming Annual General Meeting of the Company.

INDEPENDENT AUDITOR

The independent auditor, Nexia TS Public Accounting Corporation, has expressed its willingness to accept re-appointment.

On behalf of the directors

Hano Maeloa
Director

Oei Siu Hoa @ Sukmawati Widjaja
Director
28 February 2012

STATEMENT **BY DIRECTORS**

for the financial year ended 31 December 2011

In the opinion of the directors,

(a) the statement of financial position and the statement of changes in equity of the Company and the consolidated financial statements of the Group as set out on pages 32 to 81 are drawn up so as to give a true and fair view of the state of affairs of the Company and of the Group as at 31 December 2011 and of the results of the business, changes in equity and cash flows of the Group, and changes in equity of the Company for the financial year then ended; and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

On behalf of the directors

Hano Maeloa
Director

Oei Siu Hoa @ Sukmawati Widjaja
Director
28 February 2012

INDEPENDENT **AUDITOR'S REPORT**

to the Members of Top Global Limited

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of Top Global Limited (the "Company") and its subsidiaries (the "Group") set out on pages 32 to 81, which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 December 2011, the consolidated statement of comprehensive income, statement of changes in equity and statement of cash flows of the Group, and statement of changes in equity of the Company for the financial year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act (the "Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss accounts and balance sheets and to maintain accountability of assets.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 December 2011, and the results, changes in equity and cash flows of the Group and changes in equity of the Company for the financial year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiaries incorporated in Singapore of which we are the auditors, have been properly kept in accordance with the provisions of the Act.

Nexia TS Public Accounting Corporation
Public Accountants and Certified Public Accountants

Director-in-charge: Chin Chee Choon
Appointed since financial year ended 31 December 2009

Singapore
28 February 2012

STATEMENTS **OF FINANCIAL POSITION**

as at 31 December 2011

	Note	Group		Company	
		2011 $'000	2010 $'000	2011 $'000	2010 $'000
ASSETS					
Current assets					
Cash and cash equivalents	4	43,566	72,564	38,705	66,787
Financial assets, at fair value through profit or loss	5	2,052	5,036	-	-
Trade and other receivables	6	29,901	26,635	61,913	39,513
Inventories	7	-	22	-	-
Development properties	8	13,249	-	-	-
		88,768	104,257	100,618	106,300
Non-current assets					
Investments in subsidiaries	9	-	-	1,000	50
Investments in associated companies	10	20,103	*	-	-
Investment property	11	12,363	-	-	-
Property, plant and equipment	12	3,905	4,519	53	72
Intangible asset	13	-	-	-	-
		36,371	4,519	1,053	122
Total assets		125,139	108,776	101,671	106,422
LIABILITIES					
Current liabilities					
Trade and other payables	14	5,857	5,586	5,505	7,914
Provision for other liabilities and charges	15	2,133	2,048	1,836	2,048
		7,990	7,634	7,341	9,962
Total liabilities		7,990	7,634	7,341	9,962
NET ASSETS		117,149	101,142	94,330	96,460
EQUITY					
Capital and reserve attributable to equity holders of the Company					
Share capital	16	120,613	120,603	120,613	120,603
Other reserves	17	1,767	-	1,818	-
Accumulated losses		(5,278)	(21,631)	(28,101)	(24,143)
		117,102	98,972	94,330	96,460
Non-controlling interests		47	2,170	-	-
Total equity		117,149	101,142	94,330	96,460

* Less than $1,000

The accompanying notes form an integral part of these financial statements

CONSOLIDATED **STATEMENT OF COMPREHENSIVE INCOME**

for the financial year ended 31 December 2011

	Note	Group 2011 $'000	Group 2010 $'000
Continuing operations			
Revenue	18	4,841	4,476
Cost of sales		(1,596)	(5,488)
Gross profit/(loss)		3,245	(1,012)
Other income	19	1,483	1,127
Other losses – net	19	(653)	(2,909)
Expenses			
- Distribution and marketing		(226)	(136)
- Administrative		(7,931)	(4,697)
- Finance	22	-	(75)
Share of results of associated companies	10	20,103	*
Profit/(loss) before income tax		16,021	(7,702)
Income tax expense	23	-	-
Profit/(loss) from continuing operations		16,021	(7,702)
Discontinued operations			
Profit from discontinued operations	24	318	44
Total comprehensive income/(loss), representing total profit/(loss)		**16,339**	**(7,658)**
Total comprehensive income/(loss) attributable to:			
Equity holders of the Company		16,353	(7,528)
Non-controlling interests		(14)	(130)
		16,339	(7,658)
Earnings/(loss) per share for profit/(loss) from continuing and discontinued operations attributable to equity holders of the Company (cents per share)			
Basic earnings/(loss) per share			
- From continuing operations	25	0.15	(0.17)
- From discontinued operations	25	0.003	#
Diluted earnings per share			
- From continuing operations	25	0.08	-
- From discontinued operations	25	0.002	-

* Less than $1,000
# Less than (0.001) cents per share

The accompanying notes form an integral part of these financial statements

CONSOLIDATED **STATEMENT OF CHANGES IN EQUITY**

for the financial year ended 31 December 2011

	Note	Attributable to equity holders of the Company						
		Share capital $'000	Share option reserve $'000	General reserve $'000	Accumulated losses $'000	Total $'000	Non-controlling interests $'000	Total equity $'000
Group								
2011								
Beginning of financial year		120,603	-	-	(21,631)	98,972	2,170	101,142
Exercise of warrants	16	10	-	-	-	10	-	10
Employee share option scheme	17	-	1,818	-	-	1,818	-	1,818
Issue of shares		-	-	-	-	-	50	50
Disposal of subsidiaries		-	-	-	-	-	90	90
Effects of acquiring part of non-controlling interests in subsidiaries	17	-	-	(51)	-	(51)	(2,249)	(2,300)
Total comprehensive income/ (loss) for the year		-	-	-	16,353	16,353	(14)	16,339
End of financial year		120,613	1,818	(51)	(5,278)	117,102	47	117,149
2010								
Beginning of financial year		21,554	-	-	(14,103)	7,451	-	7,451
Issue of shares		97,585	-	-	-	97,585	2,300	99,885
Exercise of warrants	16	1,791	-	-	-	1,791	-	1,791
Share issue expenses	16	(327)	-	-	-	(327)	-	(327)
Total comprehensive loss for the year		-	-	-	(7,528)	(7,528)	(130)	(7,658)
End of financial year		120,603	-	-	(21,631)	98,972	2,170	101,142

The accompanying notes form an integral part of these financial statements

STATEMENT **OF CHANGES IN EQUITY**

for the financial year ended 31 December 2011

	Note	Share capital $'000	Share option reserve $'000	Accumulated losses $'000	Total $'000
Company					
2011					
Beginning of financial year		120,603	-	(24,143)	96,460
Exercise of warrants	16	10	-	-	10
Employee share option scheme	17	-	1,818	-	1,818
Total comprehensive loss for the year		-	-	(3,958)	(3,958)
End of financial year		120,613	1,818	(28,101)	94,330
2010					
Beginning of financial year		21,554	-	(19,150)	2,404
Issue of shares		97,585	-	-	97,585
Exercise of warrants	16	1,791	-	-	1,791
Share issue expenses	16	(327)	-	-	(327)
Total comprehensive loss for the year		-	-	(4,993)	(4,993)
End of financial year		120,603	-	(24,143)	96,460

The accompanying notes form an integral part of these financial statements

CONSOLIDATED **STATEMENT OF CASH FLOWS**

for the financial year ended 31 December 2011

	Note	Group 2011 $'000	2010 $'000
Cash flows from operating activities			
Total profit/(loss)		16,339	(7,658)
Adjustments for:			
- (Reversal of)/Allowance for impairment on receivables	19	(332)	1,663
- Amortisation and depreciation		106	482
- Employee share option expense	21	1,818	-
- Intangible asset written-off	19	-	49
- Property, plant and equipment written-off	19	-	63
- Gain on disposal of property, plant and equipment	19	(4)	(51)
- (Gain)/loss on disposal of subsidiaries	4	(977)	810
- Loss on acquisition of part of non-controlling interests in subsidiaries	19	88	-
- Loss/(gain) on disposal of financial assets, at fair value through profit or loss	19	27	(19)
- Fair value (gain)/loss on financial assets, at fair value through profit or loss	19	(114)	54
- Share of results of associated companies	10	(20,103)	-
- Unrealised currency translation (gain)/loss		(32)	31
- Interest income	19	(335)	(144)
- Interest expense		-	75
		(3,519)	(4,645)
Change in working capital, net of effects from disposal of subsidiaries			
- Inventories		-	(22)
- Trade and other receivables		(7,177)	(28,301)
- Development properties		(13,249)	9,502
- Trade and other payables		2,313	492
- Provision for other liabilities and charges		85	2,048
Cash used in operations		(21,547)	(20,926)
- Interest received		335	76
- Income tax paid		-	(3)
Net cash used in operating activities		(21,212)	(20,853)
Cash flows from investing activities			
Disposal of subsidiaries, net of cash disposed of	4	1,441	1,623
Additions to property, plant and equipment		(38)	(4,502)
Additions of investment property	11	(12,363)	-
Proceeds from disposal of property, plant and equipment		10	451
Proceeds from disposal of financial assets, at fair value through profit or loss		5,042	949
Purchase of financial assets, at fair value through profit or loss		(1,938)	(5,979)
Net cash used in investing activities		(7,846)	(7,458)

CONSOLIDATED **STATEMENT OF CASH FLOWS**

for the financial year ended 31 December 2011

	Note	Group 2011 $'000	2010 $'000
Cash flows from financing activities			
Proceeds from issuance of ordinary shares		-	97,258
Proceeds from issuance of conversion of warrants	16	10	1,791
Proceeds from issuance of ordinary shares to non-controlling interests		50	2,300
Repayment of borrowings		-	(9,337)
Deposits under pledged to bank		821	3,080
Interest paid		-	(75)
Net cash provided by financing activities		881	95,017
Net (decrease)/ increase in cash and cash equivalents		(28,177)	66,706
Cash and cash equivalents			
Beginning of financial year		71,228	4,522
End of financial year	4	43,051	71,228

The accompanying notes form an integral part of these financial statements

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1 GENERAL INFORMATION

The Company (Registration No.: 198003719Z) is incorporated in Singapore with its registered office and its principal place of business at 1 Scotts Road #20-03 Shaw Centre Singapore 228208. The Company is listed on the Catalist of the Singapore Exchange Securities Trading Limited.

The principal activities of the Company are in property development and investment in real estate related businesses. The principal activities of its subsidiaries and associated companies are disclosed in Notes 9 and 10 to the financial statements.

2 SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

These financial statements have been prepared in accordance with Singapore Financial Reporting Standards ("FRS"). The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the Group's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 3.

Interpretations and amendments to published standards effective in 2011

On 1 January 2011, the Group adopted the new or amended FRS and Interpretations to FRS ("INT FRS") that are mandatory for application from that date. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The adoption of these new or amended FRS and INT FRS did not result in substantial changes to the Group's and Company's accounting policies and had no material effect on the amounts reported for the current or prior financial years.

2.2 Group accounting

(a) Subsidiaries

(i) Consolidation

Subsidiaries are entities (including special purpose entities) over which the Group has power to govern the financial and operating policies so as to obtain benefits from its activities, generally accompanied by a shareholding giving rise to a majority of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date on which control ceases.

In preparing the consolidated financial statements, transactions, balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses are also eliminated but are considered an impairment indicator of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Group accounting (cont'd)

(a) Subsidiaries (cont'd)

(i) Consolidation (cont'd)

Non-controlling interests are that part of the net results of operations and of net assets of a subsidiary attributable to the interests which are not owned directly or indirectly by the equity holders of the Company. They are shown separately in the consolidated statement of comprehensive income, statement of changes in equity and statement of financial position. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary, even if this results in the non-controlling interests having a deficit balance.

(ii) Acquisitions

The acquisition method of accounting is used to account for business combinations by the Group.

The consideration transferred for the acquisition of a subsidiary or business comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes the fair value of any contingent consideration arrangement and the fair value of any pre-existing equity interest in the subsidiary.

Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest's proportionate share of the acquiree's net identifiable assets.

The excess of (i) the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the (ii) fair value of the net identifiable assets acquired is recorded as goodwill.

(iii) Disposals

When a change in the Group ownership interest in a subsidiary results in a loss of control over the subsidiary, the assets and liabilities of the subsidiary including any goodwill are derecognised. Amounts previously recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to retained earnings if required by a specific Standard.

Any retained equity interest in the entity is remeasured at fair value. The difference between the carrying amount of the retained interest at the date when control is lost and its fair value is recognised in profit or loss.

Please refer to the paragraph "Investments in subsidiaries and associated companies" for the accounting policy on investments in subsidiaries in the separate financial statements of the Company.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Group accounting (cont'd)

(b) Transactions with non-controlling interests

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control over the subsidiary are accounted for as transactions with equity owners of the Company. Any difference between the change in the carrying amounts of the non-controlling interest and the fair value of the consideration paid or received is recognised within equity attributable to the equity holders of the Company.

(c) Associated companies

Associated companies are entities over which the Group has significant influence, but not control, generally accompanied by a shareholding giving rise to voting rights of 20% and above but not exceeding 50%. Investments in associated companies are accounted for in the consolidated financial statements using the equity method of accounting less impairment losses, if any.

(i) Acquisitions

Investments in associated companies are initially recognised at cost. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Goodwill on associated companies represents the excess of the cost of acquisition of the associate over the Group's share of the fair value of the identifiable net assets of the associate and is included in the carrying amount of the investments.

(ii) Equity method of accounting

In applying the equity method of accounting, the Group's share of its associated companies' post-acquisition profits or losses are recognised in profit or loss and its share of post-acquisition other comprehensive income is recognised in other comprehensive income. These post-acquisition movements and distributions received from the associated companies are adjusted against the carrying amount of the investments. When the Group's share of losses in an associated company equals or exceeds its interest in the associated company, including any other unsecured non-current receivables, the Group does not recognise further losses, unless it has obligations to make or has made payments on behalf of the associated company.

Unrealised gains on transactions between the Group and its associated companies are eliminated to the extent of the Group's interest in the associated companies. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. The accounting policies of associated companies have been changed where necessary to ensure consistency with the accounting policies adopted by the Group.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Group accounting (cont'd)

(c) Associated companies (cont'd)

(iii) Disposals

Investments in associated companies are derecognised when the Group loses significant influence. Any retained equity interest in the entity is remeasured at its fair value. The difference between the carrying amount of the retained interest at the date when significant influence is lost and its fair value is recognised in profit or loss.

Gains and losses arising from partial disposals or dilutions in investments in associated companies in which significant influence is retained are recognised in profit or loss.

Please refer to the paragraph "Investments in subsidiaries and associated companies" for the accounting policy on investments in associated companies in the separate financial statements of the Company.

2.3 Investments in subsidiaries and associated companies

Investments in subsidiaries and associated companies are carried at cost less accumulated impairment losses in the Company's statement of financial position. On disposal of investments in subsidiaries and associated companies, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

2.4 Property, plant and equipment

(a) Measurement

(i) Property, plant and equipment

Property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

(ii) Components of costs

The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

(b) Depreciation

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

	Useful lives
Plant and equipment	3 years
Motor vehicles	5 years

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each year end. The effects of any revision are recognised in profit or loss when the changes arise.

Assets under construction represent the costs of assets under development. When assets under construction are completed and become operational they are recognised as property, plant and equipment and depreciated over their useful lives.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Property, plant and equipment (cont'd)

(c) Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

(d) Disposal

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss within 'Other losses – net'.

2.5 Inventories

Inventories are carried at the lower of cost and net realisable value. Cost is determined using the first-in, first-out method. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

2.6 Intangible assets

Franchise

Franchise acquired is initially recognised at cost and are subsequently carried at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to profit or loss using the straight-line method over 6 years, which is the period of contractual rights.

The amortisation period and amortisation method of franchise are reviewed at least at end of each reporting period. The effects of any revision are recognised in profit or loss when the changes arise.

2.7 Investment property

Investment property represent commercial building that is held for long-term rental yields.

Investment property is initially recognised at cost and subsequently carried at fair value, determined annually by independent professional valuers on the highest-and-best-use basis. Changes in fair values are recognised in profit or loss.

Investment property is subject to renovations or improvements at regular intervals. The cost of major renovations and improvements is capitalised and the carrying amounts of the replaced components are recognised in profit or loss. The cost of maintenance, repairs and minor improvements is recognised in profit or loss when incurred.

On disposal of an investment property, the difference between the disposal proceeds and the carrying amount is recognised in profit or loss.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.8 Impairment of non-financial assets

Intangible asset
Property, plant and equipment
Investments in subsidiaries and associated companies

Intangible asset, property, plant and equipment and investments in subsidiaries and associated companies are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the cash-generating-units ("CGU") to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss.

An impairment loss for an asset is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset is recognised in profit or loss.

2.9 Financial assets

(a) Classification

The Group classifies its financial assets in the following categories: at fair value through profit or loss and loans and receivables. The classification depends on the nature of the asset and the purpose for which the assets were acquired. Management determines the classification of its financial assets at initial recognition.

(i) Financial assets, at fair value through profit or loss

Financial assets designated as at fair value through profit or loss at inception are those that are managed and their performances are evaluated on a fair value basis, in accordance with a documented Group investment strategy. Assets in this category are presented as current assets if they are expected to be realised within 12 months after the end of the reporting period.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those expected to be realised later than 12 months after the end of the reporting period which are presented as non-current assets. Loans and receivables are presented as "trade and other receivables" (Note 6) and "cash and cash equivalents" (Note 4) on the statements of financial position.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.9 Financial assets (cont'd)

(b) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Group commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. On disposal of a financial asset, the difference between the carrying amount and the sale proceeds is recognised in profit or loss. Any amount in other comprehensive income relating to that asset is reclassified to profit or loss.

(c) Initial measurement

Financial assets are initially recognised at fair value plus transaction costs except for financial assets, at fair value through profit or loss, which are recognised at fair value. Transaction costs for financial assets, at fair value through profit or loss are recognised immediately as expenses.

(d) Subsequent measurement

Financial assets, at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Changes in the fair values of financial assets at fair value through profit or loss including the effects of currency translation, interest and dividends, are recognised in profit or loss when the changes arise.

(e) Impairment

The Group assesses at end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired and recognises an allowance for impairment when such evidence exists.

Loans and receivables

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy, and default or significant delay in payments are objective evidence that these financial assets are impaired.

The carrying amount of these assets is reduced through the use of an impairment allowance account which is calculated as the difference between the carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. When the asset becomes uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are recognised against the same line item in profit or loss.

The impairment allowance is reduced through profit or loss in a subsequent period when the amount of impairment loss decreases and the related decrease can be objectively measured. The carrying amount of the asset previously impaired is increased to the extent that the new carrying amount does not exceed the amortised cost had no impairment been recognised in prior periods.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.10 Construction contracts

When the outcome of a construction contract can be estimated reliably, contract revenue and contract costs are recognised as revenue and expenses respectively by reference to the stage of completion of the contract activity at the end of the reporting period ("percentage-of-completion method"). When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that are likely to be recoverable. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Contract revenue comprises the initial amount of revenue agreed in the contract and variations in the contract work and claims that can be measured reliably. A variation or a claim is recognised as contract revenue when it is probable that the customer will approve the variation or negotiations have reached an advanced stage such that it is probable that the customer will accept the claim.

The stage of completion is measured by reference to the proportion of contract costs incurred to date to the estimated total costs for the contract. Costs incurred during the financial year in connection with future activity on a contract are excluded from the costs incurred to date when determining the stage of completion of a contract. Such costs are shown as construction contract work-in-progress on the statement of financial position unless it is not probable that such contract costs are recoverable from the customers, in which case, such costs are recognised as an expense immediately.

At the end of the reporting period, the cumulative costs incurred plus recognised profit (less recognised loss) on each contract is compared against the progress billings. Where the cumulative costs incurred plus the recognised profits (less recognised losses) exceed progress billings, the balance is presented as due from customers on construction contracts within "trade and other receivables". Where progress billings exceed the cumulative costs incurred plus recognised profits (less recognised losses), the balance is presented as due to customers on construction contracts within "trade and other payables".

Progress billings not yet paid by customers and retentions by customers are included within "trade and other receivables". Advances received are included within "trade and other payables".

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.11 Development properties

Development properties are those properties which are held with the intention for development and sale in the ordinary course of business. They are stated at the lower of cost plus, where appropriate, a portion of attributable profit, and estimated net realisable value, net of progress billings. Net realisable value represents the estimated selling price less costs to be incurred in selling the property.

The cost of properties under development comprise specifically identified costs, including acquisition costs, development expenditure, borrowing costs and other related expenditure. Borrowing costs payable on loans funding a development property are also capitalised, on a specific identification as part of the cost of the development property until the completion of development. The cumulative impact of a revision in estimates is recorded in the period such revisions become likely and estimable. When it is probable that cost of development property will exceed sale proceed of the development property, the expected loss is recognised as an expense immediately. The development properties in progress have operating cycles longer than one year. The management includes in current assets amounts relating to the development properties in progress realisable over a period in excess of one year.

2.12 Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

2.13 Provisions

Provisions for warranty, restructuring costs and legal claims are recognised when the Group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

The Group recognises the estimated liability to repair or replace products still under warranty at the end of the reporting period. This provision is calculated based on historical experience of the level of repairs and replacements.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.14 Revenue recognition

Sales comprise the fair value of the consideration received or receivable for the sale of goods and rendering of services in the ordinary course of the Group's activities. Sales are presented, net of value-added tax, rebates and discounts, and after eliminating sales within the Group.

The Group recognises revenue when the amount of revenue and related cost can be reliably measured, it is probable that the collectability of the related receivables is reasonably assured and when the specific criteria for each of the Group's activities are met as follows:

(a) Rental income

Rental income from operating leases (net of any incentives given to the lessees) is recognised on a straight-line basis over the lease term.

(b) Revenue from construction contracts

Revenue from construction contracts are recognised based on the percentage-of-completion method as disclosed in Note 2.10.

(c) Revenue from development properties

(i) Development properties sold under normal payment scheme ("NPS")

Revenue from development properties is recognised based on the stage of completion method. The amount brought into the financial statements is the expected profits attributable to the each sale contracts signed, but only to the extent that it related to the stage of physical completion determined based on the proportion of the construction costs incurred to date to the estimated total construction cost. When losses are expected, full provision is made in the financial statements after adequate consideration has been made for estimated costs to completion. Developments are considered complete upon the issue of temporary occupation permit ("TOP").

(ii) Development properties sold under deferred payment scheme ("DPS")

In view of the higher risk profile under DPS, the profit attributable is deemed to become more certain and probable only when the project is awarded TOP. Accordingly, properties sold under DPS, revenue is recognised based on the stage of completion method similar to paragraph (a) above but at zero profit margin.

(d) Interest income

Interest income, including income arising from other financial instruments, is recognised using the effective interest method.

(e) Management fee income

Management fee income is recognised when the services are rendered.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.15 Employee compensation

Employee benefits are recognised as an expense, unless the cost qualifies to be capitalised as an asset.

(a) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid.

(b) Share-based compensation

The Group operates an equity-settled, share-based compensation plan. The value of the employee services received in exchange for the grant of options is recognised as an expense with a corresponding increase in the share option reserve over the vesting period in accordance with FRS 102 *Share-based Payment*. The total amount to be recognised over the vesting period is determined by reference to the fair value of the options granted on the date of the grant. Non-market vesting conditions are included in the estimation of the number of shares under options that are expected to become exercisable on the vesting date. At the end of each reporting period, the Group revises its estimates of the number of shares under options that are expected to become exercisable on the vesting date and recognises the impact of the revision of the estimates in profit or loss, with a corresponding adjustment to the share option reserve over the remaining vesting period.

When the options are exercised, the proceeds received (net of transaction costs) and the related balance previously recognised in the share option reserve are credited to share capital account, when new ordinary shares are issued, or to the "treasury shares" account, when treasury shares are re-issued to the employees.

2.16 Borrowing costs

Borrowing costs are recognised in profit or loss using the effective interest method except for those costs that are directly attributable to the development of properties. This includes those costs on borrowings acquired specifically for the development of properties, as well as those in relation to general borrowings used to finance the development of properties.

The actual borrowing costs incurred during the period up to the issuance of the temporary occupation permit less any investment income on temporary investment of these borrowings, are capitalised in the cost of the property under development. Borrowing costs on general borrowings are capitalised by applying a capitalisation rate to development expenditures that are financed by general borrowings.

2.17 Fair value estimation of financial assets and liabilities

The fair values of financial instruments traded in active markets (such as exchange-traded and over-the-counter securities and derivatives) are based on quoted market prices at the end of the reporting period. The quoted market prices used for financial assets are the current bid prices.

The fair values of current financial assets and liabilities carried at amortised cost approximate their carrying amounts.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.18 Leases

(a) When the Group is the lessee:

The Group leases land, premises and office equipment under operating leases from non-related parties.

Lessee - Operating leases

Leases where substantially all risks and rewards incidental to ownership are retained by the lessors are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessors) are recognised in profit or loss on a straight-line basis over the period of the lease.

(b) When the Group is the lessor:

The Group leases investment properties under operating leases to non-related parties.

Lessor - Operating leases

Leases of investment properties where the Group retains substantially all risks and rewards incidental to ownership are classified as operating leases. Rental income from operating leases (net of any incentives given to the lessees) is recognised in profit or loss on a straight-line basis over the lease term.

2.19 Income taxes

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

A deferred income tax liability is recognised on temporary differences arising on investments in subsidiaries and associated companies, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred income tax is measured:

(i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period; and

(ii) based on the tax consequence that will follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amounts of its assets and liabilities.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.20 Currency translation

(a) Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in Singapore Dollar, which is the functional currency of the Company.

(b) Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency translation differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the end of the reporting period are recognised in profit or loss. However, in the consolidated financial statements, currency translation differences arising from borrowings in foreign currencies and other currency instruments designated and qualifying as net investment hedges and net investment in foreign operations, are recognised in other comprehensive income and accumulated in the currency translation reserve.

When a foreign operation is disposed of or any borrowings forming part of the net investment of the foreign operation are repaid, a proportionate share of the accumulated translation differences is reclassified to profit or loss, as part of the gain or loss on disposal.

Foreign exchange gain and losses that relate to borrowings are presented in profit or loss within "finance cost". All other foreign exchange gains and losses impacting profit or loss are presented in profit or loss within "other losses-net".

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

(c) Translation of Group entities' financial statements

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) Assets and liabilities are translated at the closing exchange rates at the end of the reporting period;

(ii) Income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and

(iii) All resulting currency translation differences are recognised in other comprehensive income and accumulated in the currency translation reserve.

2 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.21 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the executive committee whose members are responsible for allocating resources and assessing performance of the operating segments.

2.22 Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash on hand and deposits with financial institutions which are subject to an insignificant risk of changes in value.

2.23 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

2.24 Discontinued operations

A discontinued operation is a component of an entity that either has been disposed of, or that is classified as held for sale and:

(a) represents a separate major line of business or geographical area of operations; or
(b) is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or
(c) is a subsidiary acquired exclusively with a view to resale.

2.25 Government grants

Grants from the government are recognised as a receivable at their fair value when there is reasonable assurance that the grant will be received and the Group will comply with all the attached conditions.

Government grants receivable are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are shown separately as other income.

Government grants relating to assets are deducted against the carrying amount of the assets.

3 CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

(a) Provision for other liabilities and charges

Provisions for warranty claims are based on (i) % of the contract sum; and (ii) physical verification by surveyor of the defect liabilities. The warranty period ranges between 10 – 14 years.

Provisions, other than warranty provisions, mainly comprise amounts related to contractual obligations and penalties to customers and estimated losses on customer contracts, as well as supplier or subcontractor claims and/or disputes. The estimates related to the amounts of provisions for penalties or claims from the management. As at 31 December 2011, provision for other liabilities and charges amounted to $2,133,000 (2010: $2,048,000).

If claims cost differ by 10% from management's estimates, the provision for warranty claims will be an estimated $191,000 (2010: $184,000) higher or lower.

(b) Impairment of loans and receivables

Significant financial difficulties of the debtor, the probability that the debtor will enter bankruptcy, and default or significant delay in payments are considered objective evidence that a receivable is impaired. In determining this, management makes judgement as to whether there is observable data indicating that there has been a significant change in the payment ability of the debtor, or whether there have been significant changes with adverse effect in the technological, market, economic or legal environment in which the debtor operates in.

Where there is objective evidence of impairment, management makes judgement as to whether an impairment loss should be recorded as an expense. In determining this, management uses estimates based on historical loss experience for assets with similar credit risk characteristics. The methodology and assumptions used for estimating both the amount and timing of future cash flows are reviewed regularly to reduce any differences between the estimated loss and actual loss experience. The carrying amount of the receivables is disclosed in Note 6 to the financial statements.

4 CASH AND CASH EQUIVALENTS

	Group		Company	
	2011 $'000	2010 $'000	2011 $'000	2010 $'000
Cash at bank and on hand	42,723	56,886	38,017	51,110
Short-term bank deposits	843	15,678	688	15,677
	43,566	72,564	38,705	66,787

Short-term bank deposits amounting to $515,334 (2010: $1,336,289) have been pledged to banks as securities for the banking facilities of certain subsidiaries.

Short-term bank deposits are made for varying periods of between one month and twelve months depending on the immediate cash requirements of the Group, and earn interests at the respective short-term deposit rates.

For the purpose of presenting the consolidated statement of cash flows, cash and cash equivalents comprise the following:

	Group	
	2011 $'000	2010 $'000
Cash and bank balances (as above)	43,566	72,564
Less: Bank deposits pledged	(515)	(1,336)
Cash and cash equivalents per consolidated statement of cash flows	43,051	71,228

Disposal of subsidiaries

On 12 March 2010, the Company disposed of its entire interest in Top Global Enterprises Pte. Ltd. for a cash consideration of $3,446,847.

On 29 June 2011, the Group disposed of its entire interest in GA Design Pte. Ltd., GA Property Management Pte. Ltd., GPS Alliance IT Pte Ltd, GA Developments Pte. Ltd. and Global Property Strategic Alliance Pte. Ltd. (the "GA Group of Companies") for a cash consideration of $2,000,004.

4 CASH AND CASH EQUIVALENTS (CONT'D)

Disposal of subsidiaries (cont'd)

The effects of the disposal on the cash flows of the Group were:

	Group	
	2011 $'000	2010 $'000
Carrying amounts of assets and liabilities disposed of		
Cash and cash equivalents	559	562
Inventories	21	-
Trade and other receivables	2,009	3,327
Property, plant and equipment	541	-
Total assets	3,130	3,889
Trade and other payables	2,107	876
Deferred income tax liabilities	-	9
Current income tax liabilities	-	9
Total liabilities	2,107	894
Net assets disposed of	1,023	2,995

The aggregate cash inflows arising from the disposal of subsidiaries were:

Net assets disposed of (as above)	1,023	2,995
Gain/(loss) on disposal	977*	(810)
Cash proceeds from disposal	2,000	2,185
Less: Cash and cash equivalents in subsidiaries disposed of	(559)	(562)
Net cash inflow on disposal	1,441	1,623

* Gain on disposal included in Discontinued operations

5 FINANCIAL ASSETS, AT FAIR VALUE THROUGH PROFIT OR LOSS

	Group	
	2011 $'000	2010 $'000
At fair value on initial recognition		
Listed fixed income securities		
- Singapore	452	3,764
- United States	1,600	317
- Brazil	-	343
- Republic of Korea	-	396
- Russian Federation	-	216
	2,052	5,036

6 TRADE AND OTHER RECEIVABLES

	Group		Company	
	2011 $'000	2010 $'000	2011 $'000	2010 $'000
Trade receivables				
- Non-related parties	2,114	3,914	2,056	2,563
Less: Allowance for impairment of trade receivables	(2,056)	(2,529)	(2,056)	(2,529)
Trade receivables – net	58	1,385	-	34
Construction contracts				
- Due from customers	-	1,663	-	1,663
Less: Allowance for impairment of receivables	-	(1,663)	-	(1,663)
	-	-	-	-
Other receivables				
- Subsidiaries	-	-	62,185	39,473
- Related parties	212	-	212	-
- Non-related parties	-	2,362	-	16
Less: Allowance for impairment of other receivables	-	-	(599)	(145)
Other receivables – net	212	2,362	61,798	39,344
Deposits	73	154	40	44
Prepayments	29,558	22,734	75	91
	29,901	26,635	61,913	39,513

The non-trade amounts due from subsidiaries are unsecured, interest-free and are repayable on demand.

The non-trade amounts due from related parties are unsecured, interest-free and with a fixed term of repayment.

Included in prepayments were prepaid expenses of $29.3 million (2010: $22.4 million) for the purpose of Capitol Site tender deposits.

	Company	
	2011 $'000	2010 $'000
Movement in allowance for impairment of other receivables:		
Beginning of financial year	145	2,103
Allowance made	599	145
Reversal of allowance made	-	(2,103)
Written-off	(145)	-
End of financial year	599	145

7 INVENTORIES

	Group	
	2011 $'000	2010 $'000
Consumables	-	22

8 DEVELOPMENT PROPERTIES

	Group 2011 $'000	Group 2010 $'000
Development properties	13,249	-

During the financial year, no interest costs capitalised as cost of development properties. The rate of interest is between Nil% to Nil% (2010: 3.04% to 3.14%).

Interest costs	-	52

As at 31 December 2011, the details of the Group's development properties for sale in progress with a leasehold tenure are as follows:

Location	Description	Tenure	Stage of completion %	Expected date of completion	Site area (sq. m)	Gross floor area	Group's effective interest in the property %
58-82 (even nos.) Jalan Lateh, Singapore	5 storey condominium with facilities	Freehold	-	June 2014	8,488	127,905	100
30 Braddell Road, Singapore	5 storey condominium with facilities	Freehold	-	June 2014	1,100	16,584	100

9 INVESTMENTS IN SUBSIDIARIES

	Company 2011 $'000	Company 2010 $'000
Equity investments at cost		
Beginning of financial year	1,050	4,365
Incorporation of a subsidiary	950	*
Disposals	-	(3,315)
	2,000	1,050
Less: Allowance for impairment	(1,000)	(1,000)
End of financial year	1,000	50
Movement in allowance for impairment of investments in subsidiaries:		
Beginning of financial year	1,000	1,314
Disposals	-	(314)
End of financial year	1,000	1,000

* Less than $1,000

9 INVESTMENTS IN SUBSIDIARIES (CONT'D)

Details of the subsidiaries are as follows:

	Name of subsidiaries	Principal activities	Country of incorporation	Equity holding 2011 %	Equity holding 2010 %
	Held by the Company				
(a)	Raintree Cove Pte. Ltd.	Property and facility management	Singapore	100	100
(a)	Top Global Properties Pte. Ltd.	Property development	Singapore	100	100
(a)	Top Global China Pte. Ltd.	Investment holding	Singapore	100	100
(c)	Top Global (M) Sdn Bhd	Dormant	Malaysia	100	100
(a)	Top Global Construction Management Pte. Ltd.	Dormant	Singapore	100	100
(f)	Cherie Hearts @ East Coast Parkway Pte. Ltd.	Dormant	Singapore	100	100
(a)	Top Capital Investment Pte. Ltd.	Dormant	Singapore	100	100
(a)(h)	Top Property Investment Pte. Ltd.	Investment holding	Singapore	-	100
(a)	Top Global Hospitality Pte. Ltd.	Dormant	Singapore	100	100
(a)	Top Tomlinson One Pte. Ltd.	Property investment	Singapore	100	100
(a)	Top Tomlinson Two Pte. Ltd.	Property investment	Singapore	100	100
(a)	Global Real Estate Investment Pte. Ltd.	Investment holding	Singapore	100	100
(a)	Top Global Property Investment Pte. Ltd.	Investment holding	Singapore	100	100
(a)	Top Global Real Estate Investment Pte. Ltd.	Investment holding	Singapore	100	100
(a)	Top Capitol Pte. Ltd.	Investment holding	Singapore	100	100
(a)	Global Capitol Pte. Ltd.	Investment holding	Singapore	100	100
(a)(e)	Global Star Development Pte. Ltd.	Investment holding	Singapore	95	-
	Held by Top Capitol Pte. Ltd.				
(a)(h)	Top Property Investment Pte. Ltd.	Investment holding	Singapore	20	-
	Held by Global Capitol Pte. Ltd.				
(a)(h)	Top Property Investment Pte. Ltd.	Investment holding	Singapore	80	-
	Held by Top Global Real Estate Investment Pte. Ltd.				
(e)	PT. Top Global Indonesia	Dormant	Indonesia	99	-
	Held by Top Global Property Investment Pte. Ltd.				
(e)	PT. Top Global Indonesia	Dormant	Indonesia	1	-
	Held by Top Global China Pte. Ltd.				
(d)	Top Global Corporation (Hui Zhou) Limited	Dormant	People's Republic of China	100	100
	Held by Top Global Hospitality Pte. Ltd.				
(b)	Windsland Resources Incorporated	Investment holding	British Virgin Islands	100	100
(b)	Sunshine Capital (Asia), Ltd	Dormant	British Virgin Islands	100	60
(a)	Global Sunshine Capital Pte. Ltd.	Dormant	Singapore	100	100

9 INVESTMENTS IN SUBSIDIARIES (CONT'D)

Details of the subsidiaries are as follows (cont'd):

	Name of subsidiaries	Principal activities	Country of incorporation	Equity holding 2011 %	Equity holding 2010 %
Held by Global Real Estate Investment Pte. Ltd.					
(f)	Global Alliance Investment Holdings Pte. Ltd.	Investment holding	Singapore	100	70
Held by Global Alliance Investment Holdings Pte. Ltd.					
(g)	GA Design Pte. Ltd.	Dormant	Singapore	-	100
(g)	GA Media & Communications Pte. Ltd.	Dormant	Singapore	-	100
(g)	GA Developments Pte. Ltd.	Dormant	Singapore	-	100
(g)	Global Property Strategic Alliance Pte. Ltd.	Real Estate Agency services	Singapore	-	100
(g)	GA Property Management Pte. Ltd.	Dormant	Singapore	-	100

(a) Audited by Nexia TS Public Accounting Corporation
(b) Not required to be audited under the laws of the country of incorporation
(c) Audited by S. K. Tee & Co.
(d) The business permit has been obtained on 6 October 2008. To date, the Company has not contributed the registered capital of this subsidiary.
(e) Newly incorporated during the financial year
(f) In the process of obtaining approval from Accounting and Corporate Regulatory Authority Singapore for striking-off
(g) Disposed on 29 June 2011 (Note 4)
(h) Shareholding transferred from the Company to subsidiaries within the Group

In accordance with the requirements of Rule 716 of the Catalist Rules, the Audit Committee and the Board of Directors of the Company confirmed that they are satisfied that the appointment of different auditors for its subsidiaries would not compromise the standard and effectiveness of the audit of the Company.

10 INVESTMENTS IN ASSOCIATED COMPANIES

	Group 2011 $'000	Group 2010 $'000
Equity investment at cost		
Beginning of financial year	*	*
Share of results	20,103	*
End of financial year	20,103	*

* Less than $1,000

Details of the associated companies are as follow:

	Name of associated companies	Principal activities	Country of incorporation	Equity holding 2011 %	Equity holding 2010 %
Held by Top Property Investment Pte. Ltd.					
(a)	Capitol Investment Holdings Pte. Ltd.	Investment holding	Singapore	30	30
(a)	Capitol Hotel Management Pte. Ltd.	Property fund management	Singapore	30	30
(a)	Capitol Retail Management Pte. Ltd.	Property fund management	Singapore	30	30

(a) Audited by Ernst and Young LLP, Singapore

10 INVESTMENTS IN ASSOCIATED COMPANIES (CONT'D)

In accordance with the requirements of Rule 716 of the Catalist Rules, the Audit Committee and Board of Directors of the Company confirmed that they are satisfied that the appointment of different auditors for its significant associated companies would not compromise the standard and effectiveness of the audit of the Company.

The summarised financial information of associated companies, not adjusted for the proportion of ownership interest held by the Group, is as follows:

	2011 $'000	2010 $'000
- Assets	356,173	-
- Liabilities	289,163	-
- Revenue	113	-
- Net profit	67,010	-

11 INVESTMENT PROPERTY

	Group	
	2011 $'000	2010 $'000
Beginning of financial year	-	-
Additions	12,363	-
End of financial year	12,363	-

Investment property is carried at fair values at the end of the reporting period as determined by independent professional valuers. Valuation is made annually based on the properties' highest-and-best-use using the Direct Market Comparison Method.

Investment property is leased to a non-related party under operating leases (Note 28(c)).

The following amounts are recognised in profit or loss:

	Group	
	2011 $'000	2010 $'000
Rental income	431	-
Direct operating expenses	(56)	-

12 PROPERTY, PLANT AND EQUIPMENT

	Plant and equipment $'000	Motor vehicles $'000	Assets under construction $'000	Total $'000
Group				
2011				
Cost				
Beginning of financial year	640	331	3,781	4,752
Additions	14	-	-	14
Disposals	(541)	-	-	(541)
End of financial year	113	331	3,781	4,225
Accumulated depreciation				
Beginning of financial year	35	198	-	233
Depreciation charge (Note 20)	40	66	-	106
Disposals	(19)	-	-	(19)
End of financial year	56	264	-	320
Net book value				
End of financial year	57	67	3,781	3,905
2010				
Cost				
Beginning of financial year	711	662	-	1,373
Additions	721	-	3,781	4,502
Disposals	(792)	(331)	-	(1,123)
End of financial year	640	331	3,781	4,752
Accumulated depreciation				
Beginning of financial year	153	265	-	418
Depreciation charge (Note 20)	382	93	-	475
Disposals	(500)	(160)	-	(660)
End of financial year	35	198	-	233
Net book value				
End of financial year	605	133	3,781	4,519

12 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	Plant and equipment $'000
Company	
2011	
Cost	
Beginning of financial year	85
Additions	14
Disposals	(3)
End of financial year	96
Accumulated depreciation	
Beginning of financial year	13
Depreciation charge	30
End of financial year	43
Net book value	
End of financial year	53
2010	
Cost	
Beginning of financial year	-
Additions	85
End of financial year	85
Accumulated depreciation	
Beginning of financial year	-
Depreciation charge	13
End of financial year	13
Net book value	
End of financial year	72

13 INTANGIBLE ASSET

	Group	
	2011 $'000	2010 $'000
Franchise license		
Cost		
Beginning of financial year	-	60
Written-off	-	(60)
End of financial year	-	-
Accumulated amortisation		
Beginning of financial year	-	4
Amortisation charge	-	7
Written-off	-	(11)
End of financial year	-	-
Net book value		
End of financial year	-	-

13 INTANGIBLE ASSET (CONT'D)

On 22 August 2010, the Group has ceased its operation under the franchise license obtained from Cherie Hearts Child Development Pte. Ltd.

14 TRADE AND OTHER PAYABLES

	Group		Company	
	2011 $'000	2010 $'000	2011 $'000	2010 $'000
Trade payables to non-related parties	1,267	2,962	482	2,724
Other payables				
- Subsidiaries	-	-	1,960	4,662
Accrued operating expenses	3,317	1,610	3,063	528
Rental deposit received	1,273	1,014	-	-
	5,857	5,586	5,505	7,914

The non-trade amounts due to subsidiaries are unsecured, interest-free and are repayable on demand.

15 PROVISION FOR OTHER LIABILITIES AND CHARGES

	Group		Company	
	2011 $'000	2010 $'000	2011 $'000	2010 $'000
Warranty	1,914	1,840	1,817	1,840
Legal claims	-	208	-	208
Reinstatement cost	219	-	19	-
	2,133	2,048	1,836	2,048

(a) Warranty

The Group grant up to 14 years of warranty on its waterproofing and construction business and undertake to repair or replace items that fail to perform satisfactorily. A provision is recognised at the end of the reporting period for expected warranty claims based on approximately (i) 5% of the contract sum; and (ii) physical verification by surveyor of the defect liabilities.

Movement in provision for warranty is as follows:

	Group		Company	
	2011 $'000	2010 $'000	2011 $'000	2010 $'000
Beginning of financial year	1,840	-	1,840	-
Provision made	203	1,840	106	1,840
Provision utilised	(129)	-	(129)	-
End of financial year	1,914	1,840	1,817	1,840

15 PROVISION FOR OTHER LIABILITIES AND CHARGES (CONT'D)

(b) Legal claims

Provision for legal claims is in respect of certain legal claims brought against the Group by its vendor, and was settled or utilised during the financial year.

Movement in provision for legal claims is as follows:

	Group and Company	
	2011 $'000	2010 $'000
Beginning of financial year	208	-
Provision made	-	208
Provision utilised	(208)	-
End of financial year	-	208

(c) Reinstatement cost

The provision is based on the present value of costs to be incurred to remove leasehold improvements from leased properties. The estimate is based on management's judgement and experiences. The leased properties shall expire in August 2012 and application for renewal has been made for the period September 2012 to August 2015.

Movement in provision for reinstatement cost is as follows:

	Group		Company	
	2011 $'000	2010 $'000	2011 $'000	2010 $'000
Beginning of financial year	-	-	-	-
Provision made	219	-	19	-
End of financial year	219	-	19	-

16 SHARE CAPITAL

	No. of ordinary shares	Amount $'000
Group and Company		
2011		
Beginning of financial year	10,776,736,858	120,603
Exercise of warrants	2,001,000	10
End of financial year	10,778,737,858	120,613
2010		
Beginning of financial year	940,011,496	21,554
Issue of new shares	1,400,000,000	16,800
Rights issue	8,078,460,456	80,785
Exercise of warrants	358,264,906	1,791
Rights issue expenses	-	(327)
End of financial year	10,776,736,858	120,603

Fully paid ordinary shares, which have no par value, carry one vote per share and do not carry a right to fixed dividends.

16 SHARE CAPITAL (CONT'D)

On 27 January 2010, the Company issued 1,400,000,000 new ordinary shares for a total cash consideration of $16,800,000 pursuant to the subscription by the Company's controlling shareholder.

On 29 September 2010, the Company issued 8,078,460,456 new ordinary shares pursuant to the rights shares cum warrants issue (the "Rights Issue") for a total cash consideration (net of expenses) of $80,457,468.

On 11 February 2011 and 6 June 2011, 1,000 and 2,000,000 (2010: 358,264,906) ordinary shares of the Company were issued for cash at $0.005 each by virtue of exercise of the option by the holders of the warrants to take up unissued shares respectively.

On 28 July 2011, 106,675,594 warrants were allotted and issued. The number of warrants outstanding as at 31 December 2011 totalled 8,284,470,644 which comprise 213,351,188 (2010: 106,675,594) expiring on 12 June 2013 and 8,071,119,456 (2010: 8,073,120,456) expiring on 29 September 2015. These warrants may be converted into ordinary shares of the Company at the conversion rate of $0.005 for each ordinary share.

Top Global Performance Share Plan (the "PSP")

The PSP was approved by the shareholders of the Company at an Extraordinary General Meeting held on 8 December 2009 and remains in force at the discretion of the Performance Share Plan Committee ("PSP Committee"), subject to a maximum period of ten years. The PSP shall complement the ESOS 2001 and serve as an additional and flexible incentive tool.

Under the rules of the PSP, all directors and employees of the Group as well as the controlling shareholders are eligible to participate in the PSP.

The total number of shares over which shares to be issued under the PSP, together with the number of shares issued under the ESOS 2001 and the ESOS 2011 shall not exceed 20% of the issued share capital of the Company at any time.

The PSP Committee is charged with the administration of the PSP in accordance with the rules of the PSP. The PSP Committee administering the PSP comprises the directors, Yeo Chin Tuan Daniel (Chairman), Dr Lam Lee G and Mimi Yuliana Maeloa.

None of the directors in the committee participated in any deliberation or decision in respect of shares granted to himself.

The number of shares to be offered to a participant shall be determined at the discretion of the PSP Committee provided that:

(i) the aggregate number of shares available under the PSP shall not exceed 15% of the total number of issued shares excluding treasury shares from time to time;

(ii) the aggregate number of shares which may be offered to participants who are controlling shareholders and their associates shall not exceed 20% of the new shares available under the PSP;

(iii) the number of shares which may be offered to each participant who is a controlling shareholder or their associates shall not exceed 10% of the new shares available under the PSP; and

(iv) the aggregate number of shares available for directors and employees of the Group shall not exceed 20% of the new shares available under the PSP.

No shares had been granted to any participant since the commencement of the PSP.

16 SHARE CAPITAL (CONT'D)

Share options

Top Global Share Option Scheme 2001 ("ESOS 2001")

The ESOS 2001, which forms an integral component of its compensation plan, is designed to reward and retain eligible participants whose services are vital to its well being and success. It provides eligible participants who have contributed to the success and development of the Company with an opportunity to participate in its equity and also increase the dedication and loyalty of these participants and motivate them to perform better.

Under the rules of the ESOS 2001, all directors and employees of the Company are eligible to participate in the ESOS 2001. Controlling shareholders or their associates are also eligible to participate in the ESOS 2001 subject to the approval of independent shareholders in the form of separate resolutions for each participant. Further, independent shareholders' approval is also required in the form of separate resolutions for each grant of options and the terms thereof, to each participant who is a controlling shareholder of his associate.

The total number of shares over which options may be granted shall not exceed 20% of the issued share capital of the Company at any time.

The Share Options Scheme Committee ("Scheme Committee") is charged with the administration of the ESOS 2001 in accordance with the rules of the ESOS 2001. The Scheme Committee consists of 3 directors appointed by the Board of Directors of the Company. The number of options to be offered to a participant shall be determined at the discretion of the Scheme Committee who shall take into account criteria such as the rank, performance, seniority, potential for future development and length of service of the participant provided that:

(a) the total number of shares which may be offered to any participant during the entire operation of the ESOS 2001 (including adjustments under the rules) shall not exceed 25% of the shares in respect of which the Company may grant options;

(b) the aggregate number of shares which may be offered to participants who are controlling shareholders and their associates during the entire operation of the ESOS 2001 (including adjustments under the rules) shall not exceed 25% of the shares in respect of which the Company may grant options; and

(c) the number of shares which may be offered to each participant who is a controlling shareholder or his associate during the entire operation of the ESOS 2001 shall not exceed 10% of the shares in respect of which the Company may grant options.

The exercise price for each share in respect of which an option is exercisable shall be determined by the Scheme Committee at its absolute discretion and fixed by the Committee at:

(i) a price (the "Market Price") equal to the average of the last dealt prices for a share on the SGX-ST for the period of 5 consecutive market days immediately prior to the relevant offer date but not less than its par value; or

(ii) a price which is set at a discount to the Market Price, provided that the maximum discount shall not exceed 20% of the Market Price.

16 SHARE CAPITAL (CONT'D)

Share options (cont'd)

Top Global Share Option Scheme 2001 ("ESOS 2001") (cont'd)

Options must be exercised before the expiry of 6 years from the date of the offer or such earlier date as may be determined by the Scheme Committee. There are special provisions dealing with the lapsing or permitting the earlier exercise of options under certain circumstances including termination, bankruptcy, and death of the participant.

No participant has received 5% or more of the total number of the options available under the ESOS 2001.

The ESOS 2001 was for a maximum of ten years and expired on 7 June 2011. Since the commencement of the ESOS 2001, the Company had not granted any options under the ESOS 2001 to any participant. Accordingly, no shares had been allotted or reserved for the purposes of the ESOS 2001.

Top Global Share Option Scheme 2011 (the "ESOS 2011")

The ESOS 2011 was approved by the shareholders of the Company at an Extraordinary General Meeting held on 28 March 2011 to replace the ESOS 2001 and remains in force at the discretion of the ESOS 2011 Committee, subject to a maximum period of ten years.

Under the rules of the ESOS 2011, all directors and employees of the Company are eligible to participate in the ESOS 2011. Controlling shareholders or their associates are also eligible to participate in the ESOS 2011 subject to the approval of independent shareholders in the form of separate resolutions for each participant. Further, independent shareholders' approval is also required in the form of separate resolutions for each grant of options and the terms thereof, to each participant who is a controlling shareholder of his associate.

The Scheme Committee is charged with the administration of the ESOS 2011 in accordance with the rules of the ESOS 2011. The Scheme Committee administering the ESOS 2011 comprises the directors, Yeo Chin Tuan Daniel (Chairman), Dr Lam Lee G and Mimi Yuliana Maeloa.

None of the directors in the committee participated in any deliberation or decision in respect of options granted to himself.

The number of options to be offered to a participant shall be determined at the discretion of the Scheme Committee provided that:

(a) the total number of shares which may be offered to any participant during the entire operation of the ESOS 2011 (including adjustments under the rules) shall not exceed 25% of the shares in respect of which the Company may grant options;

(b) the aggregate number of shares which may be offered to participants who are controlling shareholders and their associates during the entire operation of the ESOS 2011 (including adjustments under the rules) shall not exceed 30% of the shares in respect of which the Company may grant options; and

(c) the number of shares which may be offered to each participant who is a controlling shareholder or his associate during the entire operation of the ESOS 2011 shall not exceed 15% of the shares in respect of which the Company may grant options.

16 SHARE CAPITAL (CONT'D)

Share options (cont'd)

Top Global Share Option Scheme 2011 ("ESOS 2011") (cont'd)

The exercise price for each share in respect of which an option is exercisable shall be determined by the Scheme Committee at its absolute discretion and fixed by the Committee at:

(i) a price (the "Market Price") equal to the average of the last dealt prices for a share on the SGX-ST for the period of 5 consecutive market days immediately prior to the relevant offer date and rounded up to the nearest whole cent in the event of fractional prices;

(ii) a price which is set at a discount to the Market Price, provided that the maximum discount shall not exceed 20% of the Market Price.

Options granted to a participant not holding a salaried office or employment in the Group shall be exercised before the fifth anniversary of the relevant offer date, failing which all the unexercised options shall immediately lapse and become null and void.

Details of the share options outstanding as at 31 December 2011 are as follows:

		Number of options to subscribe for ordinary shares of the company				
Type of share options	Date of grant	Balance as at 1.1.2011	Granted	Balance as at 31.12.2011	Exercise price per share	Exercise period
Executive - (Directors and employees)	5 April 2011	-	800,000,000	800,000,000	$0.012	5.4.2011 to 4.4.2021
	20 April 2011	-	80,000,000	80,000,000	$0.012	20.4.2011 to 19.4.2021
		-	880,000,000	880,000,000		

The estimated fair values of the share options granted on 5 April 2011 and 20 April 2011 were $0.0038 and $0.0006 respectively.

The estimated fair values for the share options granted during the financial year were calculated using The Black-Scholes pricing model. The inputs into the model were as follows:

Grant date	5 April 2011	20 April 2011
Weighted average share price	$0.015	$0.015
Weighted average exercise price	$0.012	$0.012
Expected volatility	56.82%	56.98%
Expected life	2	2
Risk free rate	0.47%	0.47%
Expected dividend yield	Nil	Nil

Expected volatility was determined by calculating the historical volatility of the Company's share price. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non transferability, exercise restrictions and behavioural considerations.

The Group and the Company recognised total employee share option expense of $1,818,000 during the financial year.

17 OTHER RESERVES

	Group		Company	
	2011 $'000	2010 $'000	2011 $'000	2010 $'000
(a) Composition:				
Share option reserve	1,818	-	1,818	-
General reserve	(51)	-	-	-
	1,767	-	1,818	-
(b) Movements:				
(i) Share option reserve				
Beginning of financial year	-	-	-	-
Employee share option scheme				
- Value of employee services (Note 21)	1,818	-	1,818	-
End of financial year	1,818	-	1,818	-
(ii) General reserve				
Beginning of financial year	-	-	-	-
Acquisition of non-controlling interests	(51)	-	-	-
End of financial year	(51)	-	-	-

Other reserves are non-distributable.

18 REVENUE

	Group	
	2011 $'000	2010 $'000
Rental income	4,815	4,093
Car parking income	24	7
Construction revenue	2	60
Child care services	-	111
Rendering of services	-	205
	4,841	4,476

19 OTHER INCOME / (LOSSES)

	Group	
	2011 $'000	2010 $'000
Reversal of/(Allowance for) impairment of receivables	332	(1,663)
Bad debts written-off	(2)	(23)
Currency translation gain/(loss)	8	(83)
Deposit written-off	(1,747)	-
Fair value gain/(loss) on financial assets, at fair value through profit or loss	114	(54)
Gain on disposal of property, plant and equipment	4	51
Intangible asset written-off	-	(49)
Interest income	335	144
(Loss)/Gain on disposal of financial assets, at fair value through profit or loss	(27)	19
Loss on disposal of a subsidiary	-	(810)
Loss on acquisition of part of non-controlling interests in subsidiaries	(88)	-
Management fee income	1,121	-
Property, plant and equipment written-off	-	(63)
Reversal of provision for other liabilities and charges	702	-
Waiver of debts	-	934
Other	78	(185)
	830	(1,782)
Presented in consolidated statement of comprehensive income:		
Other income	1,483	1,127
Other losses – net	(653)	(2,909)
	830	(1,782)

20 EXPENSES BY NATURE

	Group	
	2011 $'000	2010 $'000
Auditor's remuneration	53	52
Commission expenses	5	164
Depreciation of property, plant and equipment (Note 12)	106	475
Directors' fees	240	155
Employees compensation (Note 21)	6,139	2,560
Legal and professional fees	440	631
Office expenses	(22)	160
(Reversal of)/Provisions for warranty and legal contingencies	(574)	2,110
Purchase of materials	-	285
Rental expenses on operating leases	2,214	2,168
Repair and maintenance	19	366
Travelling expenses	168	133
Utilities	48	166
Other	917	896
Total cost of sales, distribution and marketing and administrative expenses	9,753	10,321

21 EMPLOYEE COMPENSATION

	Group	
	2011 $'000	2010 $'000
Salaries, bonuses and short-term benefits	3,995	2,576
Employer's contribution to defined contribution plans including Central Provident Fund	183	167
Employee share option expense (Note 17)	1,818	-
Government Grant – Jobs Credit Scheme	-	(7)
	5,996	2,736
Less: Amounts attributable to discontinued operations	143	(176)
Amounts attributable to continuing operations (Note 20)	6,139	2,560

The Jobs Credit Scheme is a cash grant introduced in the Singapore Budget 2009 to help businesses preserve jobs in the economic downturn. The amount an employer can receive depends on the fulfillment of the conditions under the scheme.

22 FINANCE EXPENSES

	Group	
	2011 $'000	2010 $'000
Interest expense		
- Bank borrowings	-	35
- Finance lease liabilities	-	40
	-	75

23 INCOME TAXES EXPENSE

The tax on the Group's profit/(loss) before income tax differs from the theoretical amount that would arise using the Singapore standard rate of income tax is as follow:

	Group	
	2011 $'000	2010 $'000
Profit/(loss) before income tax from		
- continuing operations	16,021	(7,702)
- discontinued operations (Note 24)	318	44
	16,339	(7,658)
Share of results of associated companies, net of tax	(20,103)	-
Loss before income tax and share of results of associated companies	(3,764)	(7,658)
Tax calculated at tax rate of 17% (2010: 17%)	(640)	(1,302)
Effects of:		
- Expenses not deductible for tax purposes	481	778
- Income not subject to tax	(231)	(99)
- Deferred income tax assets not recognised	506	637
- Utilisation of previously unrecognised tax losses	(45)	-
- Statutory stepped income exemption	(68)	-
- Tax incentives	(3)	-
- Other	-	(14)
Tax charge	-	-

23 INCOME TAXES EXPENSE (CONT'D)

Deferred income tax assets are recognised for tax losses carried forward to the extent that realisation of the related tax benefits through future taxable profits is probable. The Group has unrecognised tax losses of approximately $2,976,000 (2010: $3,747,000) at the end of the financial period which can be carried forward and used to offset against future taxable income subject to the agreement of the tax authority and compliance with certain statutory requirements. The tax losses have no expiry date.

24 DISCONTINUED OPERATIONS

Following the Group decision on 12 March 2010 to sell its 100% interest in Top Global Enterprise Pte. Ltd. ("TGE") (comprising of construction services segment), the entire assets and liabilities related to TGE are classified as a disposal group held-for-sale on the statement of financial position in the financial year ended 31 December 2009, and the entire results from TGE were presented separately on the consolidated statement of comprehensive income as "Discontinued operations". The transaction was completed on 20 March 2010.

On 28 December 2011, the Group applied to Accounting and Corporate Regulatory Authority Singapore to deregister two of its wholly-owned subsidiaries, Cherie Hearts @ East Coast Parkway Pte. Ltd. and Global Alliance Investment Holdings Pte. Ltd.. The entire results from these subsidiaries are presented separately on the statement of comprehensive income as "Discontinued operations".

(a) The results of the discontinued operations and the re-measurement of the disposal group are as follows:

	Group	
	2011	2010
	$'000	$'000
Revenue	1	1,605
Cost of sales	-	(1,538)
Other income	319	158
Expenses	(2)	(181)
Profit before income tax from discontinued operations (Note 23)	318	44
Income tax expense (Note 23)	-	-
Profit after income tax from discontinued operations	318	44

(b) The impact of the discontinued operations on the cash flows of the Group is as follows:

	Group	
	2011	2010
	$'000	$'000
Operating cash inflows/(outflows)	2,528	(28)
Investing cash inflows	-	50
Financing cash outflows	-	(20)
Total cash inflows	2,528	2

25 EARNINGS/(LOSS) PER SHARE

(a) Basic earnings/(loss) per share

Basic earnings/(loss) per share is calculated by dividing the total profit/(loss) attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year.

	Continuing operations		Discontinued operations		Total	
	2011	2010	2011	2010	2011	2010
Total profit/(loss) attributable to equity holders of the Company ($'000)	16,035	(7,572)	318	44	16,353	(7,528)
Weighted average number of ordinary shares outstanding for basic earnings/(loss) per share ('000)	10,777,806	4,511,054	10,777,806	4,511,054	10,777,806	4,511,054
Basic earnings/(loss) per share (cents per share)	0.15	(0.17)	0.003	#	0.153	(0.17)

Less than (0.001) cents per share

(b) Diluted earnings per share

For the purpose of calculating diluted earnings per share, profit/(loss) attributable to equity holders of the Company and the weighted average number of ordinary shares outstanding are adjusted for the effects of all dilutive potential shares. The Company has two categories of dilutive potential ordinary shares: warrants and share options.

	Continuing operations		Discontinued operations		Total	
	2011	2010	2011	2010	2011	2010
Total profit attributable to equity holders of the Company ($'000)	16,035	-	318	-	16,353	-
Weighted average number of ordinary shares outstanding for diluted earnings per share ('000)	19,652,500	-	9,652,500	-	19,652,500	-
Diluted earnings per share (cents per share)	0.08	-	0.002	-	0.082	-

As the Group is loss-making in the financial year ended 31 December 2010, any potential issue of shares is deemed as anti-dilutive and it is not required to compute diluted earnings per share.

26 RELATED PARTY TRANSACTIONS

In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Group and related parties at terms agreed between the parties:

(a) Sales and purchases of services

	Group	
	2011 $'000	2010 $'000
Services rendered to		
- associated companies	1,002	-
- former subsidiaries	89	-
- other related parties	30	-
	1,121	-
Services received from other related parties	86	80

Related parties comprise mainly companies which are controlled or significantly influenced by the Group's key management personnel, directors and their close family members.

Outstanding balances at 31 December 2011, arising from services rendered, are unsecured and receivable within 12 months from end of the reporting period and are disclosed in Note 6.

(b) Key management personnel compensation

The remuneration of directors and other members of key management during the financial year is as follows:

	Group	
	2011 $'000	2010 $'000
Salaries, bonuses and short-term benefits	3,429	1,652
Employer's contribution to defined contribution plans including Central Provident Fund	82	46
Employee share option expense	1,818	-
	5,329	1,698

Included in the above is total compensation to directors of the Company amounting to $3,017,000 (2010: $1,587,000).

27 CONTINGENCIES

	Group and Company	
	2011 $'000	2010 $'000
Bank guarantees in favour of subsidiaries	10,310	815

28 COMMITMENTS

(a) Capital commitments

Capital expenditures contracted for at the end of the reporting period but not recognised in the financial statements are as follows:

	Group	
	2011 $'000	2010 $'000
Property, plant and equipment	101,343	13,188

(b) Operating lease commitments – where the Group is a lessee

The Group leases land, premises and office equipment from non-related parties under non-cancellable operating lease agreements. The leases have varying terms, escalation clauses and renewal rights.

The future minimum lease payables under non-cancellable operating lease contracted for at the end of the reporting period but not recognised as liabilities, are as follows:

	Group	
	2011 $'000	2010 $'000
Not later than one year	1,459	1,926
Between one and five years	17	1,285
	1,476	3,211

(c) Operating lease commitments – where the Group is a lessor

The Group sublets premises to non-related parties under non-cancellable operating leases. The lessees are required to pay either absolute fixed annual increase to the lease payments or contingent rents computed based on their sales achieved during the lease period.

The future minimum lease receivables under non-cancellable operating leases contracted for at the end of the reporting period but not recognised as receivables, are as follows:

	Group	
	2011 $'000	2010 $'000
Not later than one year	3,937	4,316
Between one and five years	1,377	3,178
	5,314	7,494

29 FINANCIAL RISK MANAGEMENT

Financial risk factors

The Group's activities expose it to market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management strategy seeks to minimise any adverse effects from the unpredictability of financial markets on the Group's financial performance.

The Board of Directors is responsible for setting the objectives and underlying principles of financial risk management for the Group. The Board of Directors then establishes the detailed policies such as authority levels, oversight responsibilities, risk identification and measurement and exposure limits, in accordance with the objectives and underlying principles approved by the Board of Directors.

(a) Market risk

(i) Currency risk

The Group's exposure to foreign exchange rate risk is kept at minimal level as its costs and revenues are all denominated in Singapore Dollar except for financial assets, at fair value through profit or loss denominated in the United States Dollar which amounted to $1,600,200 (2010: $1,272,000) as at the end of the reporting period.

Sensitivity analysis

The sensitivity rate used when reporting foreign currency risk to key management personnel is 5%, which is the change in foreign exchange rate that management deems reasonably possible which will affect outstanding foreign currency denominated monetary items at period end.

If the value of the United States Dollar was to change by 5% against the Singapore Dollar with all other variables including tax rate being held constant, profit or loss will increase/decrease by $80,010 (2010: $63,600).

(ii) Price risk

The Group is exposed to equity securities price risk arising from the investments held by the Group which are classified on the consolidated statement of financial position as at fair value through profit or loss. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.

Sensitivity analysis

If prices for equity securities change by 5% with all other variables including tax rate being held constant, the effects on profit or loss will be increased/decreased by approximately $102,000 (2010: $251,000).

(iii) Interest rate risks

Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates. The Group has no significant interest-bearing assets and liabilities and its income is substantially independent of changes in market interest rates.

Sensitivity analysis

No sensitivity analysis is prepared as the Group does not expect any material effect on the Group's profit or loss and equity arising from the effects of reasonably possible changes to interest rates on interest bearing financial instruments at the end of the reporting period.

29 FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. The major classes of financial assets of the Group and of the Company are bank deposits and trade receivables. For trade receivables, the Group has performed an ongoing credit evaluation of the debtors' financial condition and requires no collateral from its customers. There is no significant concentration of credit risk, as the exposure is spread over a large number of counterparties and customers unless otherwise disclosed in the notes to the financial statements. For other financial assets, the Group adopts the policy of dealing only with high credit quality counterparties.

The exposure to credit risk is controlled by setting limits on the exposure to individual customers and these are disseminated to the relevant persons concerned and compliance is monitored by management.

None of the trade receivables of the Group is individually more than 10% of trade receivables.

Credit exposure to an individual counterparty is restricted by credit limits that are approved by the Head of Credit Control based on ongoing credit evaluation. The counterparty's payment profile and credit exposure are continuously monitored at the entity level by the respective management and at the Group level by the Chief Operating Officer.

As the Group does not hold any collateral, the maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the statements of financial position.

The credit risk for trade receivables based on the information provided to key management is as follows:

	Group		Company	
	2011	2010	2011	2010
	$'000	$'000	$'000	$'000
By types of customers				
Non-related parties				
- Non-government bodies	-	1,385	-	34

(i) *Financial assets that are neither past due nor impaired*

Bank deposits that are neither past due nor impaired are mainly deposits with banks with high credit-ratings assigned by international credit-rating agencies. Trade receivables that are neither past due nor impaired are substantially companies with a good collection track record with the Group.

29 FINANCIAL RISK MANAGEMENT (CONT'D)

(b) Credit risk (cont'd)

(ii) Financial assets that are past due and/or impaired

There is no other class of financial assets that is past due and/or impaired.

The carrying amount of trade receivables individually determined to be impaired and the movement in the related allowance for impairment are as follows:

	Group		Company	
	2011 $'000	2010 $'000	2011 $'000	2010 $'000
Trade receivables				
Past due over 6 months	2,056	2,529	2,056	2,529
Less: Allowance for impairment	(2,056)	(2,529)	(2,056)	(2,529)
	-	-	-	-
Beginning of financial year	2,529	2,635	2,529	2,635
Allowance utilised	(332)	(106)	(332)	(106)
Written-off	(141)	-	(141)	-
End of financial year	2,056	2,529	2,056	2,529
Construction contracts – Due from customers				
Past due over 6 months	-	1,663	-	1,663
Less: Allowance for impairment	-	(1,663)	-	(1,663)
	-	-	-	-
Beginning of financial year	1,663	-	1,663	-
Allowance made	-	1,665	-	1,665
Allowance utilised	-	(2)	-	(2)
Written-off	(1,663)	-	(1,663)	
End of financial year	-	1,663	-	1,663

The impaired trade receivables arise mainly from construction contracts customers which have suffered significant losses in its operations and ceased their operations.

(c) Liquidity risk

Liquidity risk is the risk that the Group will not able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuation in cash flows.

All financial liabilities of the Group and the Company are current.

29 FINANCIAL RISK MANAGEMENT (CONT'D)

(d) Capital risk

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value. In order to maintain or achieve an optimal capital structure, the Group may adjust the amount of dividend payment, return capital to shareholders, issue new shares, buy back issued shares, obtain new borrowings or sell assets to reduce borrowings.

Management monitors capital based on a gearing ratio. The Group's and Company's strategies, which were unchanged from 2010, are to maintain gearing ratios within 40% to 60% and 25% to 60% respectively.

The gearing ratio is calculated as net debt divided by total capital. Net debt is calculated as trade and other payables less cash and cash equivalents. Total capital is calculated as total equity plus net debt.

	Group		Company	
	2011 $'000	2010 $'000	2011 $'000	2010 $'000
Net debt	(35,576)	(64,930)	(31,364)	(56,825)
Total equity	117,149	101,142	94,330	96,460
Total capital [1]	117,149	101,142	94,330	96,460
Gearing ratio	*	*	*	*

[1] As the Group and the Company do not have any net debt, total capital is equal to total equity.

* Net debt is in negative position indicating that cash and cash equivalents are greater than the total of trade and other payables. Hence, it is not meaningful to compute the gearing ratio.

The Group and the Company are not subject to any externally imposed capital requirements for the financial years ended 31 December 2010 and 31 December 2011.

(e) Fair value measurement

The fair value of financial instruments traded in active markets (at fair value through profit or loss equity securities) is based on quoted market prices at the end of the reporting periods. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in Level 1 of the fair value hierarchy – quoted prices (unadjusted) in active markets for identical assets or liabilities.

The following table presents the assets measured at fair value at 31 December:

	Level 1 $'000
Financial assets, at fair value through profit or loss	
2011	2,052
2010	5,036

The fair values of financial assets and liabilities approximate their carrying amounts.

30 SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by the Chief Executive Officer. The Group's operating segments are its strategic business units which offer different services and are managed separately. The reportable segment presentation is based on the Group's management and internal reporting structure used for its strategic decision-making purposes. Currently, the business segments operate only in Singapore.

Other service included in Singapore is investment holding, which is not included within the reportable operating segments, as this is not included in the reports provided to the Chief Executive Officer. The results of this operation, if any, are included in the "all other segments" column.

The segment information provided to the Chief Executive Officer for the reportable segments for the financial year ended 31 December 2011 is as follows:

	← Continuing operations →			Discontinued operations		
	Property development and investment $'000	Construction services $'000	Facility management $'000	Child care $'000	All other segments $'000	Total $'000
Group						
Sales						
Sales to external parties	2	-	4,839	1	-	4,842
Gross profit	531	-	2,714	1	-	3,246
Other income						1,802
Other losses						(653)
Depreciation	(31)	-	(75)	-	-	(106)
Unallocated costs						(8,053)
Share of results of associated companies	20,103	-	-	-	-	20,103
Profit before income tax						16,339
Income tax expense						-
Total profit						16,339
Total Assets	108,541	-	16,598	-	-	125,139
Total Liabilities	6,241	-	1,749	-	-	7,990

30 SEGMENT INFORMATION (CONT'D)

The segment information provided to the Chief Executive Officer for the reportable segments for the year ended 31 December 2010 is as follows:

	Continuing operations					Discontinued operations	
	Property development and investment	Construction services	Facility management	Child care	All other segments	Construction services	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Group							
Sales							
Sales to external parties	60	-	4,100	114	202	1,605	6,081
Gross profit/(loss)	(2,640)	-	1,497	96	35	67	(945)
Other income							1,285
Other losses							(2,975)
Depreciation	(106)	-	(343)	(12)	(14)	-	(475)
Unallocated costs							(4,473)
Finance expense							(75)
Loss before income tax							(7,658)
Income tax expense							-
Total loss							(7,658)
Total Assets	102,877	56	828	2	5,013	-	108,776
Total Liabilities	6,023	1	1,371	9	230	-	7,634

Sales between segments are carried out at arm's length. The revenue from external parties reported to the Chief Executive Officer is measured in a manner consistent with that in the consolidated statement of comprehensive income.

The Chief Executive Officer assesses the performance of the operating segments based on gross profit. Administrative and finance expenses, and other income are not allocated to segments.

31 EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

(a) On 26 January 2012, the Company incorporated a subsidiary, Margaritaville Investments Holding Pte Ltd ("MIH"). Its principal activity is investment holding.

(b) On 1 February 2012, Top Global Construction Management Pte. Ltd. ("TGCM"), a wholly-owned subsidiary of the Company set up a company in Singapore, known as Golden Ray Development Pte. Ltd. ("GRD") together with Sinarmas Land Limited ("SML"). The principal activity of GRD is real estate development. TGCM holds 30% of the interest of GRD and SML holds the remaining 70% of the interest of GRD.

(c) On 9 February 2012, Margaritaville Investments Holding Pte. Ltd., a wholly-owned subsidiary of the Company entered into a purchase agreement to acquire 14% Senior Notes which will be issued together with Common Shares from Bossier Casino Venture (Holdco), LLC for the purchase consideration of $7,474,200. The estimated yield of the 14% Senior Notes for the tenure of one year is $1,042,860.

(d) On 13 February 2012, the number of ordinary shares issued by the Company increased from 10,776,737,858 to 10,778,237,858 by way of the allotment and issue of 1,500,000 new ordinary shares pursuant to the exercise of 1,500,000 warrants at the exercise price of $0.005 for each new ordinary share. These new ordinary shares rank pari passu in all respects with the then existing issued ordinary shares in the capital of the Company.

32 NEW OR REVISED ACCOUNTING STANDARDS AND INTERPRETATIONS

Below are the mandatory standards, amendments and interpretations to existing standards that have been published, and are relevant for the Group's accounting periods beginning on or after 1 January 2012 or later periods and which the Group has not early adopted:

- Amendments to FRS 12 Deferred Tax - Recovery of Underlying Assets (effective for annual periods beginning on or after 1 January 2012)
- Amendments to FRS 101 - Secure Hyperinflation and Removal of Fixed Prices of First-time Adopters (effective for annual periods beginning on or after 1 July 2011)
- Amendments to FRS 107 Disclosures - Transfers of Financial Assets (effective for annual periods beginning on or after 1 July 2011)

The management anticipates that the adoption of the above amendments to FRS in the future periods will not have a material impact on the financial statements of the Group and of the Company in the period of their initial adoption.

33 AUTHORISATION OF FINANCIAL STATEMENTS

These financial statements were authorised for issue in accordance with a resolution of the Board of Directors of Top Global Limited on 28 February 2012.

SHAREHOLDINGS **STATISTICS**

As at 13 February 2012

Issued and fully paid-up shares	:	10,780,237,858
Number/Percentage of Treasury Shares	:	Nil
Class of shares	:	Ordinary
Voting rights	:	1 vote per share

DISTRIBUTION OF SHAREHOLDERS BY SIZE OF SHAREHOLDINGS AS AT 13 FEBRUARY 2012

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 - 999	26	0.61	4,916	0.00
1,000 - 10,000	221	5.18	1,422,808	0.01
10,001 - 1,000,000	3,298	77.36	994,935,052	9.23
1,000,001 AND ABOVE	718	16.85	9,783,875,082	90.76
TOTAL	4,263	100.00	10,780,237,858	100.00

SUBSTANTIAL SHAREHOLDER

	DIRECT INTEREST		DEEMED INTEREST	
	NO. OF SHARES	%	NO. OF SHARES	%
OEI SIU HOA @ SUKMAWATI WIDJAJA	5,415,981,000	50.24	-	-

SHAREHOLDING HELD IN HANDS OF PUBLIC

Based on information available to the Company as at 13 February 2012, 46.36% of the issued ordinary shares of the Company is held by the public and therefore Rule 723 of the Catalist Rules is complied with.

TWENTY LARGEST SHAREHOLDERS AS AT 13 FEBRUARY 2012

	SHAREHOLDER'S NAME	NO OF SHARES	%
1	OEI SIU HOA @ SUKMAWATI WIDJAJA	5,415,981,000	50.24
2	HANO MAELOA	360,000,000	3.34
3	OCBC SECURITIES PRIVATE LTD	141,775,525	1.32
4	PHILLIP SECURITIES PTE LTD	137,022,877	1.27
5	THONG KUM YUEN	88,963,000	0.83
6	SIM LEN-LENG	87,765,059	0.81
7	DBS NOMINEES PTE LTD	80,739,467	0.75
8	POH BOON KHER MELVIN (FU WENKE MELVIN)	75,000,000	0.70
9	CITIBANK NOMINEES SINGAPORE PTE LTD	68,525,000	0.64
10	UNITED OVERSEAS BANK NOMINEES PTE LTD	67,231,000	0.62
11	JANET CHAN KIM LIAN	64,000,000	0.59
12	CHEN WALTER ROLAND	61,200,000	0.57
13	TAN HOOI HONG	60,000,000	0.56
14	HL BANK NOMINEES (SINGAPORE) PTE LTD	54,630,000	0.51
15	UOB KAY HIAN PTE LTD	53,063,000	0.49
16	MAYBANK KIM ENG SECURITIES PTE LTD	51,344,000	0.48
17	HSBC (SINGAPORE) NOMINEES PTE LTD	48,700,000	0.45
18	TAN HOO LANG	40,000,000	0.37
19	TEO SWAY HEONG	38,000,000	0.35
20	OCBC NOMINEES SINGAPORE PTE LTD	36,758,000	0.34
	TOTAL	7,030,697,928	65.23

WARRANTHOLDINGS **STATISTICS (WARRANT 2013)**

As at 13 February 2012

DISTRIBUTION OF WARRANTHOLDERS BY SIZE OF WARRANTHOLDINGS AS AT 13 FEBRUARY 2012

SIZE OF WARRANTHOLDINGS	NO. OF WARRANTHOLDERS	%	NO. OF WARRANTS	%
1 - 999	817	99.15	208,291,876	98.32
1,000 - 10,000	4	0.49	807,330	0.38
10,001 - 1,000,000	1	0.12	2,000,000	0.94
1,000,001 AND ABOVE	2	0.24	751,982	0.36
TOTAL	824	100.00	211,851,188	100.00

TWENTY LARGEST WARRANTHOLDERS AS AT 13 FEBRUARY 2012

	WARRANTHOLDER'S NAME	NO OF WARRANTS	%
1	OCBC SECURITIES PRIVATE LTD	11,655,166	5.50
2	FOH CHUAN HENG	11,050,000	5.22
3	NEO TIAM POON @ NEO THIAM POON	8,275,000	3.91
4	CHUA CHAI TIANG	7,221,000	3.41
5	HSBC (SINGAPORE) NOMINEES PTE LTD	6,550,000	3.09
6	PHILLIP SECURITIES PTE LTD	6,296,222	2.97
7	JANET CHAN KIM LIAN	6,250,000	2.95
8	YEAP LAM WAH	3,922,000	1.85
9	YEO SIEW LAN	3,563,000	1.68
10	DBS NOMINEES PTE LTD	3,236,342	1.53
11	CHAN LAI FONG ANITA	3,215,000	1.52
12	TAN JIEMIN	3,000,000	1.42
13	LEE PENG SHARMAYNE	2,500,000	1.18
14	LIM CHER KHIANG	2,146,000	1.01
15	CHOAH LEONG YEW	2,000,000	0.94
16	TAN CHYE BOON	2,000,000	0.94
17	YAP SU-LIN FIONA	2,000,000	0.94
18	HARRY HALIM @ LIM ENG LIAN	1,903,166	0.90
19	CITIBANK NOMINEES SINGAPORE PTE LTD	1,875,000	0.89
20	SEAH SIEW SWAN	1,850,000	0.87
	TOTAL	90,507,896	42.72

WARRANTHOLDINGS **STATISTICS (WARRANT 2015)**

As at 13 February 2012

DISTRIBUTION OF WARRANTHOLDERS BY SIZE OF WARRANTHOLDINGS AS AT 13 FEBRUARY 2012

SIZE OF WARRANTHOLDINGS	NO. OF WARRANTHOLDERS	%	NO. OF WARRANTS	%
1 - 999	55	4.93	32,992	0.00
1,000 - 10,000	19	1.70	109,905	0.00
10,001 - 1,000,000	688	61.71	272,921,402	3.38
1,000,001 AND ABOVE	353	31.66	7,798,055,157	96.62
TOTAL	1,115	100.00	8,071,119,456	100.00

TWENTY LARGEST WARRANTHOLDERS AS AT 13 FEBRUARY 2012

	WARRANTHOLDER'S NAME	NO OF WARRANTS	%
1	OEI SIU HOA @ SUKMAWATI WIDJAJA	4,061,985,936	50.33
2	ANG SIEW JOO	635,286,000	7.87
3	UNITED OVERSEAS BANK NOMINEES PTE LTD	296,495,000	3.67
4	HANO MAELOA	270,000,000	3.35
5	OCBC SECURITIES PRIVATE LTD	163,498,782	2.03
6	SAMUEL NG CHEE YONG (SAMUEL WU ZHIYONG)	101,266,246	1.25
7	CHOW YEW KOON	100,000,000	1.24
8	MAYBANK KIM ENG SECURITIES PTE LTD	90,871,336	1.13
9	SNG SIEW KHIM	89,212,000	1.11
10	TEO TEO LEE	69,324,000	0.86
11	SIM LEN-LENG	67,565,059	0.84
12	PHILLIP SECURITIES PTE LTD	64,628,049	0.80
13	JANET CHAN KIM LIAN	48,000,000	0.59
14	THONG KUM YUEN	46,963,000	0.58
15	WEE HUI HIAN	43,897,000	0.54
16	TANG CHONG SIM	38,692,000	0.48
17	POON TEO KIM	35,275,000	0.44
18	TAN HOOI HONG	33,000,000	0.41
19	ANG SIEW POH	32,000,000	0.40
20	HSBC (SINGAPORE) NOMINEES PTE LTD	31,650,000	0.39
	TOTAL	6,319,609,408	78.31

NOTICE **OF ANNUAL GENERAL MEETING**

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Company will be held at 10 Tuas West Drive, Raffles Marina, Singapore 638404 on Thursday, 22 March 2012 at 10.00 am to transact the following businesses:

AS ORDINARY BUSINESS

1. To receive and adopt the Audited Financial Statements of the Company for the financial year ended 31 December 2011 and the Directors' Report and the Independent Auditor's Report thereon. **(Resolution 1)**

2. To re-elect the following Directors retiring pursuant to Article 106 of the Company's Articles of Association:

   (i) Madam Oei Siu Hoa @ Sukmawati Widjaja **(Resolution 2a)**
   (ii) Mr Hano Maeloa **(Resolution 2b)**

3. To approve the Directors' fees of S$240,000.00 for the financial year ended 31 December 2011 (2010: S$159,706.09). **(Resolution 3)**

4. To re-appoint Nexia TS Public Accounting Corporation as independent auditor of the Company and to authorise the Directors to fix their remuneration. **(Resolution 4)**

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following ordinary resolutions with or without modifications:

5. **Authority to allot and issue**

   (a) "That pursuant to Section 161 of the Companies Act, Cap. 50, and subject to Rule 806 of the SGX-ST Listing Manual (Section B: Rules of Catalist), approval be and is hereby given to the Directors of the Company to issue:

      (a) shares in the capital of the Company (whether by way of bonus, rights or otherwise) or;

      (b) convertible securities; or

      (c) additional convertible securities arising from adjustments made to the number of convertible securities previously issued in the event of rights, bonus or capitalism issues; or

      (d) shares arising from the conversion of convertible securities in (b) and (c) above,

      at any time and upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit provided that :-

      (i) the aggregate number of shares and convertible securities that may be issued shall not be more than 100% of the total number of issued shares excluding treasury shares or such other limit as may be prescribed by the Singapore Exchange Securities Trading Limited as at the date the general mandate is passed;

      (ii) the aggregate number of shares and convertible securities to be issued other than a pro-rata basis to existing shareholders shall not be more than 50% of the total number of issued shares excluding treasury shares or such other limit as may be prescribed by the Singapore Exchange Securities Trading Limited as at the date the general meeting is passed;

(iii) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraphs (i) and (ii) above, the percentage of the total number of issued shares excluding treasury shares is based on the total number of issued shares excluding treasury shares at the date of the general mandate is passed after adjusting for new shares arising from the conversion or exercise of any convertible securities or employee share options in issue as at the date the general mandate is passed and any subsequent bonus issue, consolidation or subdivision of the Company's shares; and

(iv) unless earlier revoked or varied by the Company in general meeting, such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier."

(See Explanatory Note 1) **(Resolution 5)**

6. **Authority to offer and grant options and to allot and issue shares in accordance with the Top Global Share Option Scheme 2011**

"That authority be and is hereby given to the Directors of the Company to offer and grant options from time to time in accordance with the provisions of the Top Global Share Option Scheme 2011 (the "Scheme"), and, pursuant to Section 161 of the Companies Act, Cap. 50, to allot and issue from time to time such number of shares in the capital of the Company as may be required to be issued pursuant to the exercise of options granted under the Scheme, provided that the aggregate number of shares to be issued pursuant to the Scheme shall not exceed 20% of the total number of issued shares excluding treasury shares of the Company from time to time, as determined in accordance with the provisions of the Scheme."

(See Explanatory Note 2) **(Resolution 6)**

7. **Authority to grant awards and to allot and issue shares under the Top Global Performance Share Plan**

"That authority be and is hereby given to the Directors of the Company to grant awards from time to time in accordance with the provisions of the Top Global Performance Share Plan (the "PSP"), and, pursuant to Section 161 of the Companies Act, Cap. 50, to allot and issue from time to time such number of shares as may be required to be issued pursuant to the release of awards granted under the PSP, provided that the aggregate number of shares to be issued pursuant to the PSP and the Scheme shall not exceed 20% of the total number of issued shares excluding treasury shares of the Company from time to time, as determined in accordance with the provisions of the PSP."

(See Explanatory Note 3) **(Resolution 7)**

8. The Proposed Renewal of the Share Purchase Mandate

"That the Directors of the Company be and are hereby authorised to make purchases of issued and fully-paid ordinary shares in the capital of the Company ("Shares") from time to time (whether by way of market purchases or off-market purchases on an equal access scheme) of up to ten per cent. (10%) of the issued ordinary shares in the capital of the Company (ascertained as at date of the last annual general meeting of the Company or at the date of the AGM, whichever is the higher, but excluding any Shares held as treasury shares) at the price of up to but not exceeding the Maximum Price, in accordance with the "Guidelines on Share Purchases" set out in Appendix A of the Explanatory Statement to Ordinary Resolution 8 and this mandate shall, unless revoked or varied by the Company in general meeting, continue in force until the date that the next annual general meeting of the Company is held or is required by law to be held, whichever is the earlier.

In this Ordinary Resolution 8, "Maximum Price", means the maximum price at which the Shares can be purchased pursuant to the Shares Purchase Mandate, which shall not exceed the sum constituting five per cent. (5%) above the average closing price of the Shares over the period of five (5) trading days in which transactions in the Shares on the Singapore Exchange Securities Trading Limited (the "SGX-ST") were recorded, in the case of a market purchase, before the day on which such purchase is made, and, in the case of an off-market purchase on an equal access scheme, immediately preceding the date of offer by the Company, as the case may be, and adjusted for any corporate action that occurs after the relevant five (5) day period".
(See Explanatory Note 4) **(Resolution 8)**

9. To transact any other ordinary business which may be properly transacted at an Annual General Meeting.

BY ORDER OF THE BOARD

LEE BEE FONG (MS)
Company Secretary
7 March 2012
Singapore

EXPLANATORY NOTES:

1. The ordinary resolution proposed in item 5 above, is to authorise the Directors of the Company from the date of the above Meeting until the next Annual General Meeting to issue shares up to an amount not exceeding in aggregate 100% of the total number of issued shares excluding treasury shares of which the total number of shares issued other than on a pro-rata basis to existing shareholders shall not exceed 50% of the total number of issued shares excluding treasury shares for such purposes as they consider would be in the interests of the Company. Rule 806(3) of the SGX-ST Listing Manual (Section B: Rules of Catalist) currently provides for the percentage of the total number of issued shares excluding treasury shares to be calculated on the basis of the total number of issued shares at the time that the resolution is passed (taking into account the conversion or exercise of any convertible securities and the exercise of employee share options on the issue at the time that the resolution is passed, which were issued pursuant to pervious shareholder approval), adjusted for any subsequent bonus issue, consolidation or subdivision of shares. This authority will, unless revoked or varied at a general meeting, expire at the next Annual General Meeting of the Company.

2. The ordinary resolution proposed in item 6 above, if passed, will empower the Directors of the Company to offer and grant options under the Top Global Share Option Scheme 2011 (the "Scheme") and to allot and issue shares pursuant to the exercise of such options under the Scheme not exceeding 20% of the total number of issued shares excluding treasury shares of the Company from time to time.

3. The ordinary resolution proposed in item 7 above, if passed, will empower the Directors of the Company to grant awards under the Top Global Performance Share Plan (the "PSP") and to allot and issue shares pursuant to the release of such awards under the PSP, provided always that the aggregate number of shares to be issued pursuant to the PSP and the Scheme shall not exceed 20% of the total number of issued shares excluding treasury shares of the Company from time to time.

4. The ordinary resolution proposed in item 8 above, if passed, will be effective until the next Annual General Meeting of the Company, the Share Purchase Mandate for the Company to make purchases or acquisitions of its issue shares. The Company intends to use internal sources of funds, external borrowings, or a combination of internal resources and external borrowings, to finance purchases or acquisitions of its shares. Please refer to the Appendix A of the Explanatory Statement to Ordinary Resolution 8 on Proposed Renewal of Share Purchase Mandate dated 7 March 2012.

NOTICE **OF ANNUAL GENERAL MEETING**

NOTES:

1. A member of the Company entitled to attend and vote at the Meeting is entitled to appoint not more than two proxies to attend and vote in his stead.

2. A proxy need not be a member of the Company.

3. If the appointor is a corporation, the proxy must be executed under seal or the hand of its duly authorised officer or attorney.

4. The instrument appointing a proxy must be deposited at the registered office of the Company at 1 Scotts Road #20-03/04 Shaw Centre Singapore 228208 not less than 48 hours before the time appointed for the Meeting.

This page has been intentionally left blank.

PROXY **FORM**

TOP GLOBAL LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 198003719Z)

IMPORTANT

1. For investors who have used their CPF monies to buy the Company's shares, the Annual Report is forwarded to them at the request of their CPF Approved Nominees and is sent FOR INFORMATION ONLY.
2. This Proxy Form is not valid for use by CPF Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

I/We* _____ (Name) NRIC/ Passport No.* _____

of _____

being *a member/members of TOP GLOBAL LIMITED (the "Company"), hereby appoint

Name	Address	NRIC/ Passport No.	Proportion of shareholdings to be represented by proxy (%)

*and/or, failing him/her

Name	Address	NRIC/ Passport No.	Proportion of shareholdings to be represented by proxy (%)

or failing *him/her/them, the Chairman of the Meeting as *my/our *proxy/proxies to attend and vote for *me/us on *my/our behalf and, if necessary, to demand a poll, at the Annual General Meeting of the Company to be held at 10 Tuas West Drive, Raffles Marina, Singapore 638404 on Thursday, 22 March 2012 at 10.00 am and at any adjournment thereof.

*I/We direct *my/our proxy/proxies to vote for or against the Ordinary Resolutions to be proposed at the Annual General Meeting as indicated with an "X" in the spaces provided hereunder. If no specific directions as to voting are given, the *proxy /proxies will vote or abstain from voting at *his/their discretion, as he/they will on any other matter arising at the Annual General Meeting.

No.	Resolutions relating to:	For	Against
1.	Audited Accounts, Directors' Report and Independent Auditor's Report for the financial year ended 31 December 2011		
2a.	Re-election of Madam Oei Siu Hoa @ Sukmawati Widjaja		
2b.	Re-election of Mr Hano Maeloa		
3.	Directors' fees for the financial year ended 31 December 2011		
4.	Re-appointment of Nexia TS Public Accounting Corporation as Independent Auditor of the Company		
5.	Authority to allot and issue shares pursuant to Section 161 of the Singapore Companies Act (Cap. 50)		
6.	Authority to offer and grant options and to allot and issue shares pursuant to the Top Global Share Option Scheme 2011		
7.	Authority to grant awards and to allot and issue shares under the Top Global Performance Share Plan		
8.	Authority to renew the Share Purchase Mandate		

Dated this _____ day of _____ 2012

Total No. of Shares	No. of Shares
In CDP Register	
In Register of Members	

_____

Signature(s) of Member(s)/
Common Seal of Corporate Shareholder

** Delete accordingly*

IMPORTANT: Please read notes overleaf

NOTES:

1. A member of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint not more than two proxies to attend and vote in his stead. Such proxy need not be a member of the Company.

2. Where a member of the Company appoints two proxies, he shall specify the proportion of his shareholding (expressed as a percentage of the whole) to be represented by each such proxy.

3. The instrument appointing a proxy or proxies must be under the hand of the appointor or his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed under its common seal or under the hand of its attorney or duly authorised officer.

4. A corporation which is a member of the Company may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Annual General Meeting, in accordance with its Articles of Association and Section 179 of the Companies Act, Chapter 50 of Singapore.

5. The instrument appointing proxy or proxies, together with the power of attorney or other authority (if any) under which it is signed, or notarially certified copy thereof, must be deposited at the registered office of the Company at 1 Scotts Road #20-03/04 Shaw Centre Singapore 228208 not less than 48 hours before the time set for the Annual General Meeting.

6. A member should insert the total number of shares held. If the member has shares entered against his name in the Depository Register (as defined in Section 130A of the Companies Act, Chapter 50 of Singapore), he should insert that number of shares. If the member has shares registered in his name in the Register of Members of the Company, he should insert the number of shares. If the member has shares entered against his name in the Depository Register and shares registered in his name in the Register of Members of the Company, he should insert the aggregate number of shares. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by the member of the Company.

7. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of members of the Company whose shares are entered against their names in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if such members are not shown to have shares entered against their names in the Depository Register 48 hours before the time appointed for holding the Annual General Meeting as certified by The Central Depository (Pte) Limited to the Company.

8. A Depositor shall not be regarded as a member of the Company entitled to attend the Annual General Meeting and to speak and vote thereat unless his name appears on the Depository Register 48 hours before the time set for the Annual General Meeting.

AFFIX
STAMP

The Company Secretary
TOP GLOBAL LIMITED
1 Scotts Road #20-03/04
Shaw Centre
Singapore 228208

TOP GLOBAL LIMITED
(Registration No. 198003719Z)

1 Scotts Road
#20-03 Shaw Centre
Singapore 228208
Tel: (65) 6746 4333
Fax: (65) 6746 4948

ENGAGE
MEDIA
+65 6773 0887