

**PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE OF SHARES WITH  
FREE DETACHABLE WARRANTS**

**1. Introduction**

The Board of Directors ("**Directors**") of Top Global Limited ("**Company**") wishes to announce that the Company is proposing to undertake a renounceable non-underwritten rights issue of up to 559,845,000 new ordinary Shares ("**Rights Shares**"), at an issue price of S\$0.01 for each Rights Share ("**Issue Price**"), with up to 466,537,500 free detachable warrants (the "**Warrants**"), each warrant carrying the right to subscribe for one (1) new ordinary share in the capital of the Company ("**New Share**") at an exercise price of S\$0.005 for each New Share ("**Exercise Price**"), on the basis of three (3) Rights Shares for every two (2) existing Shares in the capital of the Company held as a books closure date ("**BCD**") to be determined, and five (5) Warrants for every six (6) Rights Shares subscribed, fractional entitlements to be disregarded ("**Rights Shares cum Warrants Issue**").

**2. Proposed Principal Terms of the Rights Shares cum Warrants Issue**

The Rights Shares cum Warrants Issue is proposed to be made on a renounceable non-underwritten basis to shareholders of the Company ("**Shareholders**") on the basis of three (3) Rights Shares for two (2) existing Shares at the Issue Price for each Rights Share, and five (5) Warrants for every six (6) Rights Shares subscribed, each Warrant entitling the Warrantholder to subscribe for one (1) New Share in the Company at the Exercise Price for each New Share, fractional entitlements to be disregarded.

Shareholders will be entitled to participate in the Rights Shares cum Warrants Issue and receive the offer information statement to be issued by the Company in connection with the Rights Shares cum Warrants Issue ("**OIS**") together with the appropriate application forms and accompanying documents at their respective Singapore addresses, whose registered addresses with the Company or The Central Depository (Pte) Limited ("**CDP**"), as the case may be, are in Singapore as at the BCD, or who have, at least five (5) market days prior to the BCD, provided to the Company or CDP, as the case may be, addresses in Singapore for the service of notices and documents ("**Entitled Shareholders**"). Fractional entitlements to the Rights Shares with Warrants will be disregarded and will, together with the provisional allotments of Rights Shares with Warrants which are not taken up or allotted for any reason, be aggregated and allotted to satisfy excess applications for the Rights Shares with Warrants (if any), or disposed of or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit for the benefit of the Company.

Fractional entitlements to the Rights Shares with Warrants will be disregarded in arriving at Shareholders' entitlements and will, together with the provisional allotments which are not taken up or allotted for any reason, be aggregated and used to satisfy applications by Entitled Shareholders of Rights Shares with Warrants in excess of their provisional allotments of Rights Shares with Warrants ("**Excess Applications**") (if any), or disposed of or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit for the benefit of the Company.

In the allotment of excess Rights Shares with Warrants, preference will be given to Shareholders in satisfaction of their application for excess Rights Shares with Warrants, if any, provided that where there are insufficient excess Rights Shares with Warrants to allot to each application, the Company shall allot the excess Rights Shares with Warrants to Shareholders on a *pro rata* basis, and provided that as between such Shareholders, Directors and Substantial Shareholders will rank last in priority.

To show his support for the Rights Shares cum Warrants Issue, Mr Hano Maeloa (the “**Undertaking Director**”) has irrevocably undertaken to the Company to subscribe and pay for (or procure subscription and payment for) in accordance with the terms of the Rights cum Warrants Issue, at the Issue Price, any remaining excess Rights Shares with Warrants after the Excess Applications are satisfied, subject to a maximum of 29.9% of the total enlarged issued share capital of the Company pursuant to the Rights Shares cum Warrants Issue (the “**Undertaking Director’s Subscription**”).

After the Excess Applications and the Undertaking Shareholder’s Subscription are satisfied, the Directors may allot any remaining excess Rights Shares with Warrants to any investors (not being Shareholders) who wish to invest in the Company, if any, in such manner and on such terms and conditions as the Directors may in their absolute discretion deem fit in the best interests of the Company, provided that as between such investors, investors who are Directors of the Company will rank last in priority.

The Directors will take steps to ensure that preference will be given to Shareholders for the rounding of odd lots, and that Rule 803 of the Rules of Catalist on the restriction of transfer of controlling interest without prior approval of shareholders in a general meeting, is complied with in their exercise of discretion to allot and issue any such excess Rights Shares with Warrants.

The Warrants are immediately detachable from the Rights Shares upon issue and will be issued in registered form and will be traded on a book-entry (scripless) settlement basis on the SGX-ST upon the listing and quotation of the Warrants on Catalist, subject to, *inter alia*, there being an adequate spread of holdings of the Warrants to provide for an orderly market for the Warrants.

Each Warrant, will, subject to the terms and conditions to be set out in a deed poll constituting the Warrants (“**Deed Poll**”), carry the right to subscribe for one (1) New Share at the Exercise Price, at any time during the period commencing on and including the date of issue of the Warrants and expiring on a date immediately preceding the fifth (5<sup>th</sup>) anniversary of the date of issue of the Warrants. The Exercise Price and the number of Warrants to be held by each holder of Warrants will be subject to adjustments under certain circumstances to be provided for in the Deed Poll. The New Shares arising from the exercise of the Warrants will upon allotment and issue, rank *pari passu* in all respects with the then existing Shares save that they shall not rank for any dividends, rights, allotments or other distributions that may be declared or paid, the record date for which is before the relevant date of exercise of the Warrants.

The Issue Price of S\$0.01 represents a discount of approximately 71.4% to the last transacted price of S\$0.035 per Share on Catalist on 2 April 2008, being the day of the release of this announcement.

The Rights Shares with Warrants will be payable in full upon acceptance and/or application. The Rights Shares, when allotted and issued and fully paid-up, will rank *pari passu* in all respects with the then existing Shares, save for any dividends, rights, allotments or other distributions, the record date for which falls before the date of issue of the Rights Shares. For this purpose, “**record date**” means, in relation to any dividends, rights, allotments or other distributions, the date as at the close of business (or such other time as may have been notified by the Company) on which Shareholders must be registered in order to participate in such dividends, rights, allotments or other distributions.

For practical reasons and in order to avoid any violation of securities legislation applicable in countries other than Singapore, the Rights Shares with Warrants will **NOT** be offered to Shareholders whose registered addresses with the Company or CDP, as the case may be, are outside Singapore as at the BCD and who have not, at least five (5) market days prior thereto, provided to the Company or CDP, as the case may be, with addresses in Singapore for the service of notices and documents (“**Foreign Shareholders**”). If it is practicable to do so, arrangements may, at the discretion of the Company, be made for the provisional allotments of

Rights Shares with Warrants which would otherwise have been provisionally allotted to Foreign Shareholders to be sold "nil paid" on Catalist as soon as practicable after dealings in the provisional allotments of Rights Shares commence and the net proceeds arising therefrom will be dealt with in accordance with the terms set out in the OIS.

Entitled Shareholders will be at liberty to accept, decline, renounce or trade (during the provisional allotment trading period prescribed by the SGX-ST) their provisional allotments of Rights Shares with Warrants and will be eligible to apply for additional Rights Shares with Warrants in excess of their provisional allotments under the Rights Shares cum Warrants Issue.

Based on the Company's issued share capital as at the date of this announcement of 373,230,000 Shares, up to 559,845,000 Rights Shares may be issued pursuant to the Rights Shares cum Warrants Issue and up to 466,537,500 new ordinary Shares in the Company to be issued upon the exercise of the Warrants.

In view of the cost savings by the Company in respect of underwriting fees for a non-underwritten Rights Shares cum Warrants Issue and the Undertaking Director's Subscription, the Company has decided to proceed with the Rights Shares cum Warrants Issue on a non-underwritten basis, and no placement or selling agents have been appointed in relation to the Rights Shares cum Warrants Issue.

The terms and conditions of the Rights Shares cum Warrants Issue are subject to such changes as the Directors may deem fit. The final terms and conditions of the Rights Shares cum Warrants Issue will be contained in the OIS.

### **3. Purpose of the Rights Shares cum Warrants Issue and the Use of Proceeds**

Assuming that the Rights Shares cum Warrants Issue is fully subscribed to, the estimated net proceeds of the Rights Shares cum Warrants Issue, after deducting estimated expenses of approximately S\$0.6 million, will amount to approximately S\$5.0 million ("**Initial Net Proceeds**").

The Company intends to utilize: (a) approximately S\$2.4 million of the Initial Net Proceeds for the expansion of the Company's current businesses of investment, development, and trade of property and other related assets and businesses within Singapore and in the Asia-Pacific region including China and Malaysia ("**Property Investment and Development**"); and (b) the balance of approximately S\$2.6 million for additional general working capital.

As at 31<sup>st</sup> December 2007, the Company has a working capital of approximately S\$3.3 million<sup>1</sup>, which will be used for current operations as well as the expansion of the Property Investment and Development business. Notably, the the Company is currently undertaking the development of 13 units of strata-titled houses on Lot 3167P, Mukim 22 at Simon Place, Singapore ("**Simon Place Properties**") which is likely to take more than 12 months to complete. While the working capital available to the Company is sufficient to meet its present requirements including the development of Simon Place Properties, the Initial Net Proceeds will be important for the Company to take advantage of any Property Investment and Development opportunities that are identified. Further, as the sale proceeds from the development of Simon Place Properties are unlikely to be realised immediately, the Initial Net Proceeds will serve to provide additional general working capital to the Company.

In the event that all 466,537,500 Warrants are exercised, the estimated gross proceeds arising from the exercise of the Warrants will amount to approximately S\$2.3 million ("**Warrants Proceeds**"). The Company intends to utilise the Warrants Proceeds for expansion of the Company's Property Investment and Development business, repayment of bank borrowings and/or general working capital purposes.

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<sup>1</sup> Based on unaudited balance sheet, excluding development property

Pending the deployment of the Initial Net Proceeds and the Warrants Proceeds, such proceeds may be deposited with banks and/or financial institutions, invested in short-term money markets and/or marketable securities, as the Directors may deem appropriate in the interests of the Company and its subsidiaries.

#### **4. Approvals**

The Rights Shares cum Warrants Issue is subject to, *inter alia*, the following:

- (a) the approval in-principle of the Sponsor for the listing and quotation of the Rights Shares, the Warrants and the New Shares on Catalist;
- (b) the Rights Shares cum Warrants Issue having been approved by Shareholders at an extraordinary general meeting (“**EGM**”) to be convened; and
- (c) the lodgement by the Company of the OIS with SGX-ST on Catalodge.

An application will be made to the Sponsor for permission to deal in and for the listing and quotation of the Rights Shares, the Warrants and the New Shares on Catalist. An appropriate announcement on the outcome of the application will be made in due course.

#### **5. Directors’ Opinion**

The Directors are of the opinion that, after taking into consideration: (a) the present bank facilities, the working capital available to the Group is sufficient to meet its present requirements. Nevertheless, the Directors are of the view that the Initial Net Proceeds will enable the Company advance viable Property Investment and Development opportunities and provide additional general working capital to the Company and; (b) the present bank facilities and net proceeds of the issue, the working capital available to the Group is sufficient to meet its present requirements.

#### **6. Circular to Shareholders**

The circular to Shareholders containing, *inter alia*, the notice of the EGM and the terms and conditions of the Rights Shares cum Warrants Issue, will be despatched to the Shareholders in due course. Thereafter, the OIS will be lodged with Catalodge and despatched by the Company to the Entitled Shareholders following the EGM in due course if the Rights Shares cum Warrants Issue is approved at the EGM.

#### **7. Responsibility Statement**

The Directors of the Company (including those who may have been delegated detailed supervision for the preparation of this announcement) have taken all reasonable care to ensure that the facts stated in this announcement are fair and accurate and that no material facts have been omitted from this announcement, and they jointly and severally accept responsibility accordingly.

BY ORDER OF THE BOARD

Yap Siew Sin  
Chief Executive Officer and Managing Director  
Singapore  
2 April 2008

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, Stamford Corporate Services Pte Ltd, for compliance with the relevant rules of the Exchange. The Company's Sponsor has not independently verified the contents of this announcement.*

*This announcement has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this announcement including the correctness of any of the statements or opinions made or reports contained in this announcement.*

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