

TOP GLOBAL LIMITED (Company Registration no. 198003719Z)
Half year Financial Statement and Dividend Announcement for the period ended 30 June 2008

UNAUDITED RESULTS FOR THE HALF YEAR ENDED 30 JUNE 2008

PART 1 – INFORMATION REQUIRED FOR HALF-YEAR ANNOUNCEMENTS

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

	<u>Note</u>	30 Jun 08 S\$'000	30 Jun 07 S\$'000	Changes %
Revenue		4,225	6,261	(33%)
Cost of Sales	1	(4,935)	(5,124)	(4%)
Gross Loss/ (Profit)		(710)	1,137	(162%)
Other Operating Income		8	-	n.m.
Financial Income		1	1	0%
Marketing and Distribution Costs		(37)	(39)	(5%)
Administrative Expenses		(878)	(744)	18%
Finance Costs		(2)	-	n.m.
Other Charges	2	(922)	(12)	n.m.
Disposal of Subsidiary		52	-	n.m.
(Loss)/ Profit Before Income Tax		(2,488)	343	(825%)
Income Tax (Expense)		-	(246)	n.m.
Net (Loss)/ Profit Before Minority Interest		(2,488)	97	n.m.
Minority Interest		(8)	34	n.m.
Net (Loss)/ Profit For The Year		(2,496)	131	n.m.

Note:

1. The cost of goods sold was substantially higher as a result of continued escalation in materials and labour costs and inflationary factors for projects tendered more than 3 years ago.
2. Other charges include an amount of S\$914,500 being forfeiture of 5% deposit paid by the company for the proposed purchase of 16 properties located at a development named Kovan Court, of which the Board of Directors is now of the opinion that the purchase and development of the said properties has become economically infeasible and therefore allow the agreements to lapse.

(A) Other Operating income

Interest Income	1	1	0%
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(B) Depreciation and Amortisation

Depreciation	123	44	180%
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(C) Other charges

Fixed assets written off	-	-	n.m.
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(D) Income Tax

Income tax credit	-	-	n.m.
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Taxation underprovided in previous year	-	90	n.m.
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Deferred tax assets written off with with the change of income tax rate	-	156	n.m.
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Income tax expense/ (credit)	-	246	n.m.
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(E) Gain on Disposal of Subsidiary

Gain on Sale of Subsidiary	52	-	n.m.
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n.m. = not meaningful

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

	<u>Group</u>		<u>Company</u>	
	30-Jun-08 S\$'000	31-Dec-07 S\$'000	30-Jun-08 S\$'000	31-Dec-07 S\$'000
ASSETS				
<u>Non-Current Assets:</u>				
Fixed Assets	1,369	826	-	-
Investment in Subsidiaries	-	-	5,319	5,319
Deferred Expenses	33	-	-	-
Total Non-Current Assets	1,402	826	5,319	5,319
<u>Current Assets:</u>				
Development Properties for Sale	7,416	9,308	-	-
Inventories	-	1,001	-	-
Trade and Other Receivables	11,270	9,291	7,904	8,162
Other Financial Assets	55	55	55	55
Other Assets	2	109	-	80
Cash and Cash Equivalents	6,899	2,512	5,624	1,555
Total Current Assets	25,642	22,276	13,583	9,852
Total Assets	27,044	23,102	18,902	15,171
<u>EQUITY AND LIABILITIES</u>				
<u>Equity</u>				
Share Capital	21,521	16,520	21,521	16,520
Accumulated Losses	(10,862)	(8,366)	(9,346)	(7,989)
Other Reserves	-	4	-	-
Equity, Attributable to Equity Holders of the Parent, Total	10,659	8,158	12,175	8,531
Minority Interest	64	179	-	-
Total Equity	10,723	8,337	12,175	8,531
<u>Non-Current Liabilities</u>				
Deferred tax Liability	9	9	-	-
Finance Leases	371	24	-	-
Other Financial Liabilities	5,397	5,065	-	-
Total Non-Current Liabilities	5,777	5,098	-	-
<u>Current Liabilities:</u>				
Current Tax Payable	103	218	-	108
Trade and Other Payables	10,027	8,978	6,727	6,532
Finance Leases	106	6	-	-
Other Finance Liabilities	-	239	-	-
Other Liabilities	308	226	-	-
Total Current Liabilities	10,544	9,667	6,727	6,640
Total Liabilities	16,321	14,765	6,727	6,640
Total Liabilities and Equity	27,044	23,102	18,902	15,171

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

Amount repayable in one year or less, or on demand

As at 30.06.08		As at 31.12.07	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
106	-	6	239

Amount repayable after one year

As at 30.06.08		As at 31.12.07	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
5,768	-	5,089	-

Details of any collaterals

The secured borrowings refer to a Hire Purchase agreement signed on 7 December 2006 for the purchase of 2 motor vehicles with equal monthly repayments over 6 years. The outstanding balance as at 30 June 2008 is repayable over 53 monthly installments.

The other secured borrowings of \$5,397,000 refer to a project financing line of credit from United Overseas Bank for land, Development Charge and Construction loan with reference to 'The Top Residence' redevelopment. The loan is secured by a first legal mortgage executed over 47/49/51/53/55/57 Simon Place, Singapore 545997 and the propose development into 13 units of 3-storey with attic and basement strata landed dwelling houses with common communal facilities.

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

	30 Jun 08	30 Jun 07
	S\$'000	S\$'000
Cash flows from operating activities		
Profit / (loss) for the year	(2,496)	131
Adjustments for:		
Income tax expenses / (credit)	(115)	246
Depreciation expense	123	44
Interest income	(1)	(1)
Operating profit / (loss) before working capital changes	<u>(2,489)</u>	<u>420</u>
Trade and other receivables	(1,872)	(273)
Inventories	1,001	(111)
Deferred revenue	(33)	-
Trade and other payables	1,131	(1,177)
Cash used in operations	<u>(2,262)</u>	<u>(1,141)</u>
Income tax paid	-	(90)
Net cash used in operating activities	<u>(2,262)</u>	<u>(1,231)</u>
Cash flows from investing activities		
Interest received	1	1
Land and Property investment	1,892	(506)
Purchase of plant and equipment	(747)	-
Proceed of Disposal of property, Plant and Equipment	81	(128)
Net cash used in investing activities	<u>1,227</u>	<u>(633)</u>
Cash flows from financing activities		
Proceeds from issuing of shares	5,001	9,935
Changes in other reserves	(4)	(336)
Changes in minority interest	(115)	-
Decrease in other finance Liability	(239)	85
Increase in Long term borrowing	332	(32)
Increase in finance leases	447	(3)
Net cash from financing activities	<u>5,422</u>	<u>9,649</u>
Net effect of foreign currency adjustment on consolidation	-	23
Net increase/(decrease) in cash	4,387	7,806
Cash at beginning of year	<u>2,275</u>	<u>1,567</u>
Cash at end of period	<u><u>6,662</u></u>	<u><u>9,373</u></u>

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

STATEMENT OF EQUITY

BALANCE AS AT 30 JUNE 2008

<u>Group</u>	Issued	Share	Foreign	Other	Accumulated	Total	Minority	Total
	Capital	Premium	Currency	Reserve	Profits/ (Losses)		Interest	Equity
	S\$'000	S\$'000	Translation	Reserve	S\$'000	S\$'000	S\$'000	S\$'000
			Reserve	S\$'000				
<u>Half Year Ended 30 June 2007</u>								
Balance as at 1 January 2007	6,949	-	(9)	10	(3,438)	3,512	180	3,692
Changes in equity								
Transfers to other reserves	-	-	-	(319)	-	(319)	-	(319)
Foreign currency translation difference	-	-	4	-	-	4	2	6
Net income recognised directly in equity	-	-	4	(319)	-	(315)	2	(313)
Net profit for the period	-	-	-	-	131	131	(34)	97
Total recognised income and (expense) for the year	-	-	4	(319)	131	(184)	(32)	(216)
Issue of New Share	9,935	-	-	-	-	9,935	-	9,935
Share Issue Expenses	-	-	-	-	-	-	-	-
Balance as at 30 June 2007	16,884	-	(5)	(309)	(3,307)	13,263	148	13,411
<u>Half Year Ended 30 June 2008</u>								
Balance as at 1 January 2008	16,520	-	(6)	10	(8,366)	8,158	179	8,337
Changes in equity								
Transfers to other reserves	-	-	-	(10)	-	(10)	-	(10)
Foreign currency translation difference	-	-	6	-	-	6	0	6
Changes in Minority Interest	-	-	-	-	-	-	(123)	(123)
Net (expenses) recognised directly in equity	-	-	6	(10)	-	(4)	(123)	(127)
Net (loss) for the period	-	-	-	-	(2,496)	(2,496)	8	(2,488)
Total recognised (expense) for the year	-	-	6	(10)	(2,496)	(2,500)	(115)	(2,615)
Issue of New Share	5,601	-	-	-	-	5,601	-	5,601
Share Issue Expenses	(600)	-	-	-	-	(600)	-	(600)
Balance as at 30 June 2008	21,521	-	-	-	(10,862)	10,659	64	10,723
			(a)	(a)(b)				

(a) Unrealised and not available for distribution as cash dividends

(b) A statutory reserve

<u>Company</u>	Issued Capital S\$'000	Share Premium S\$'000	Revaluation Reserve S\$'000	Accumulated Profits/ (Losses) S\$'000	Total S\$'000
<u>Half Year Ended 30 June 2007</u>					
Balance as at 1 January 2007	6,949	-	-	(3,419)	3,530
Changes in equity					
Transfers to other reserves	-	-	(336)	-	(336)
Net income/ (loss) recognised directly into equity	-	-	(336)	-	(336)
Net loss for the period	-	-	-	(248)	(248)
Total recognised (expenses) for the year	-	-	(336)	(248)	(584)
Issue of New Shares	9,935	-	-	-	9,935
Balance as at 30 June 2007	16,884	-	(336)	(3,667)	12,881
<u>Half Year Ended 30 June 2008</u>					
Balance as at 1 January 2008	16,520	-	-	(7,989)	8,531
Changes in equity					
Transfers to other reserves	-	-	-	-	-
Net income/ (loss) recognised directly into equity	-	-	-	-	-
Net loss for the period	-	-	-	(1,357)	(1,357)
Total recognised (expenses) for the year	-	-	-	(1,357)	(1,357)
Issue of New Shares	5,601	-	-	-	5,601
Share Issue Expenses	(600)	-	-	-	(600)
Balance as at 30 June 2008	21,521	-	-	(9,346)	12,175

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

On 12 June 2008, the Company had completed a renounceable non-underwritten rights issue of up to 559,845,000 ordinary shares at an issue price of \$0.01 for each rights share, with up to 466,537,500 free detachable warrants, each warrant carrying the right to subscribe for one new ordinary share in the capital of the Company at an exercise price of \$0.005 for each new share on the basis of 3 rights shares for every 2 existing shares in the capital of the Company and 5 warrants for every 6 rights shares subscribed.

The rights were subsequently listed and quoted on SGX-catalist on 13 June 2008. \$2.4 million of the net proceeds of the Rights Shares cum Warrants issue will be utilized for the expansion of the company's current business of investment, development and trading of property and other related assets and businesses within Singapore and in the Asia-Pacific region. The balance of the \$2.6 million will be utilized for general working capital purposes.

As of 30 June 2008, 526,666 warrants were exercised to subscribe for 526,666 new ordinary shares of the Company at an exercise price of \$0.005.

Subsequent to the balance sheet date, of the 466,010,330 warrants outstanding as at 30 June 2008 (31/12/07: NIL), an additional 54,166 warrants were exercised for 54,166 new ordinary shares of the Company.

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

	30 June 2008		31 December 2007	
	Number of Shares	Share Capital (\$'000)	Number of Shares	Share Capital (\$'000)
As at 1 January	373,230,000	16,520	66,495,000	6,949
Issue of New Shares:				
-Rights	559,845,000	4,998	306,735,000	9,571
-Exercise of Warrants	526,666	3	-	-
As at 30 June	933,601,666	21,521	373,230,000	16,520

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

As at 30 June 2008, the group is not holding any treasury shares (30 June 2007: Nil).

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

The above financial statements have not been audited or reviewed.

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

Not applicable.

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

The Company has applied the same accounting policies and methods of computation in the financial statements for the current financial period as those of the audited financial statements for the year ended 31 December 2007.

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

There are no changes in accounting policies.

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

	30.06.08	30.06.07
(i) Based on weighted average number of ordinary share in issue (cents)	(0.32 cts)	0.14 cts
(ii) On a fully diluted basis (cents)	(0.32 cts)	0.14 cts

The weighted average number of ordinary share in issue of the Company as at 30 June 2008 was 785,658,287 (30 June 2007: 96,811,000)

As at 30 June 2008, there were no ordinary shares in the company or any corporation in the group issued by virtue of the exercise of an option to take up unissued shares (31/12/07: NIL).

7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the (a) current period reported on; and (b) immediately preceding financial year

	30.06.08	31-Dec-07
Net asset value per ordinary share based on number of shares in issue at end of period (cents)		
- Group	1.14	2.19
- Company	1.30	2.29

The net assets value per ordinary share is based on the number of shares in issue of 933,601,666 as at 30 June 2008 (31 Dec 2007: 373,230,000)

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

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current period reported on.

Income Statement

Group revenue for first half 2008 (1H 2008) was S\$4.2 million, a decline of S\$2.1 million or 33.3% from S\$6.3 million for the corresponding period last year. The lower revenue for 1H2008 was largely due to the completion of existing projects as the company focus more significantly on the investment in, and the development and sale of property and other related assets and businesses (approved via Extraordinary General Meeting held on 15 Feb 2008) rendering no new business from the construction division. However, new revenue streams from its first property development project ('The Top Residence') and existing facility management at Raintree Cove partly offset the decrease in revenue.

The group suffered a gross loss of S\$0.7m as a result of continued costs escalation arising from shortage of materials and inflationary factors.

Marketing and distribution expenses dipped by 5% to S\$37,000 while administrative expenses saw an increase of 18% to S\$878,000 (2007: S\$744,000) mainly due to increased depreciation from 2 new vehicles.

Included in other charges, was an amount of S\$0.9m, being the 5% deposit paid in Nov 2007 as a consideration for the purchase of the Kovan Property Development, now being forfeited as the BOD full deemed that the project has become economically infeasible in view of the drastic downturn in the property development sector causing neighbouring sites to be valued at much lower than what was contracted.

Overall, the group incurred a net loss before minority interest of S\$2.5m for the period. This was a reversal from a net profit position of S\$97,000 in 1H2007.

The Group completed the sale of its subsidiary, TG Hilyte Environmental Technology (Beijing) Co., Ltd, in June 2008 for an amount of RMB1.2 million (S\$240,000) on a willing buyer, willing seller basis as part of the Group's direction to focus on the new reaffirmed core business of Property Development and Investment. This resulted in a gain of S\$52,000.

Balance Sheet

Fixed Assets increased as a result of the purchase of 2 vehicles and leasehold improvement costs to increase net lettable areas at Raintree Cove.

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

No forecast or a prospect statement had been previously disclosed.

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

The Singapore economy is facing a challenging external environment as the world economies grapple with slower growth and high inflation sparked by rising fuel and food prices.

To cope with the situation, the Group will emphasize on managing costs for ongoing projects so as to minimize disruption to projects whilst maximizing efficiencies.

The Group will continue to selectively bid for new construction projects in the second half of the year and in view of the escalating costs, may cautiously capitalize on the short term weakness and market consolidation to bid for property development sites in China and Malaysia. The Group will continue to monitor the market before taking a confirmed position in any new property development projects. The Group has as of to date, sold half of its project at Top Residence and construction has commenced in July 2008.

Over at Raintree Cove, the Group will continue to maximize gross lettable areas to increase rental revenue.

11. If a decision regarding dividend has been made:-

None

(a) Whether an interim (final) ordinary dividend has been declared (recommended); and

None

(b) (i) Amount per share cents (Optional) Rate: %

Not applicable

(ii) Previous corresponding period cents (Optional) Rate: %

Not applicable

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of the shareholders, this must be stated).

Not applicable

(d) The date the dividend is payable.

Not applicable

(e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividends are determined.

Not applicable

12. If no dividend has been declared/recommended, a statement to that effect

No dividend has been declared or recommended for the period under review.

13 Confirmation by the Board

We, Yap Siean Sin and Chung Siang Joon being two directors of Top Global Limited (the "Company") do hereby confirm on behalf of the directors of the Company that, to the best of their knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited financial results for the period ended 30 June 2008 to be false or misleading in any material aspect.

On behalf of the board of directors

Yap Siean Sin
Chief Executive Officer

Chung Siang Joon
Independent director

BY ORDER OF THE BOARD

Yap Siean Sin
Chief Executive Officer

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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