

TOP GLOBAL LIMITED
Company No. 198003719Z
(Incorporated in the Republic of Singapore)

PROPOSED SUBSCRIPTION OF 1,400,000,000 NEW ORDINARY SHARES IN THE SHARE CAPITAL OF TOP GLOBAL LIMITED AT THE ISSUE PRICE OF S\$0.012 FOR EACH NEW SHARE

1. INTRODUCTION

The Board of Directors (the “**Board**” or the “**Directors**”) of Top Global Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) is pleased to announce that the Company has on 28 October 2009 entered into a subscription agreement (the “**Subscription Agreement**”) with Oei Siu Hoa @ Sukmawati Widjaja and The Ascend Opportunity Fund, a sub-fund of The Ascend Funds PCC (together, the “**Subscribers**” and each a “**Subscriber**”), pursuant to which the Company has agreed to allot and issue 1,400,000,000 new ordinary shares in the share capital of the Company (the “**New Shares**” and each a “**New Share**”) at S\$0.012 (the “**Issue Price**”) for each New Share (the “**Subscription**”).

Stamford Law Corporation has been appointed as the legal adviser to the Company in relation to the Subscription.

2. ISSUE OF THE NEW SHARES

The New Shares represent approximately 149% of the existing total number of issued and paid-up ordinary shares in the share capital of the Company (“**Shares**”) as at the date of this Announcement and prior to the issue of the New Shares and 59.8% of the enlarged share capital of the Company immediately after completion of the Subscription.

Pursuant to the Subscription, each Subscriber shall subscribe for 700,000,000 New Shares, representing approximately 74.5% of the existing total number of Shares as at the date of this Announcement and prior to the issue of the New Shares and 29.9% of the enlarged share capital of the Company immediately after completion of the Subscription.

The Issue Price of S\$0.012 for each New Share represents a discount of approximately 20.0% to the volume weighted average price of S\$0.015 of the Shares traded on Catalist of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) on 28 October 2009, being the full market day immediately prior to the day on which the Subscription Agreement was signed.

Completion of the Subscription is conditional upon, *inter alia*:

- (a) listing and quotation notice being issued by the SGX-ST for the listing of and quotation of the New Shares on Catalist (the “**AIP**”) not being revoked or amended;
- (b) specific shareholder approval being obtained from the Shareholders for the Subscription during an extraordinary meeting to be convened (the “**EGM**”); and
- (c) the waiver of the obligation on the part of the Subscribers and parties acting in concert with them, if any, to make a mandatory general offer for the shares in the Company not already owned by them pursuant to the Singapore Code on Take-overs and Mergers being granted by the Securities Industry Council upon the issuance and allotment of the Subscription Shares.

The New Shares, when allotted and issued, shall rank *pari passu* in all respects with the existing Shares in the issued and paid-up share capital of the Company, except that they shall not rank for any entitlements, dividends, rights, allotments or other distributions (if any), the record date in respect of which falls on or prior to the date of issue of the New Shares.

3. SUBSCRIBERS

The Ascend Opportunity Fund

The Ascend Opportunity Fund is a sub-fund of The Ascend Funds PCC and is engaged in the business of investing in fixed income, equities, money market, foreign exchange and structured product globally, with a focus in the Asia Pacific region. The Ascend Funds PCC is an open-ended umbrella investment fund. It is incorporated as a public company in Mauritius on 2 March 2005 and holds a Category 1 Global Business License issued by the Financial Services Commission under the Mauritius Financial Services Development Act 2001 (now repealed and replaced by the Financial Services Act 2007).

Mdm Widjaja

Oei Siu Hoa @ Sukmawati Widjaja ("**Mdm Widjaja**") is the daughter of Mr Eka Tjipta Widjaja, the Sinar Mas Group's founder and chairman. Mdm Widjaja first joined her father in the business in 1968. She was appointed the Vice-Chairman and CEO of the Sinar Mas Group in 1988 and has been instrumental in leading the Sinar Mas Group to its present position. Mdm Widjaja is a prominent and highly successful businesswoman. She has extensive knowledge and experience in finance, investment, banking, commercial industries and in particular to real estate development. Pursuant to her subscription of the Shares, she will be a major shareholder of the Company and will eventually be taking on an active role in the management of the Company in due course.

Mdm Widjaja does not invest with The Ascend Funds PCC or its related funds. Mdm Widjaja is also not related to the directors or managers of The Ascend Funds PCC or its related funds.

The Subscribers were referred to the Company by business associates of the Company as investors who are willing to support the Company by participating in the Subscription.

4. SPECIFIC SHAREHOLDERS' APPROVAL

Mdm Widjaja is also the mother of Hano Maeloa, an executive director of the Company. Rule 812 of the Listing Manual provides that an issue of securities must not be placed to, *inter alia*, the immediate family members of the directors and substantial shareholders of the Company.

Further, the Subscription will result in the transfer of a controlling interest to each of the Subscribers. Rule 803 of the Listing Manual provides that an issuer must not issue securities to transfer a controlling interest without prior approval of shareholders in a general meeting.

Accordingly, the Company intends to convene an extraordinary meeting seeking specific Shareholders' approval for the Subscription.

5. RATIONALE AND USE OF PROCEEDS

The purpose of the Subscription is to allow the Company to raise gross proceeds of approximately S\$16,800,000 based on the Issue Price. The net proceeds (after deducting expenses from the gross proceeds relating to the Subscription amounting to approximately S\$250,000) of S\$16,550,000 will be used for capital expenditure and future acquisitions and/or investments in the following proportions:

Use of Net Proceeds	Estimated Percentage Allocation (%)
For the Company's capital expenditure	10
Future acquisitions and/or investments	90

The Directors are of the opinion that, after taking into consideration the Group's present bank facilities, the working capital available to the Group is sufficient to meet its present requirements.

Further, the Directors are of the opinion that, after taking into consideration the Group's present bank facilities and net proceeds of the issue, the working capital available to the group is sufficient to meet its present requirements.

6. FINANCIAL EFFECTS OF THE SUBSCRIPTION

When completed, the Subscription will increase the issued and paid-up number of Shares from 939,799,830 Shares to 2,339,799,830 Shares. The aggregate of the Subscription Shares represent approximately 149% of the issued Shares of the Company as at the date of this Announcement and approximately 59.8% of the enlarged number of Shares of the Company after completion of the Subscription.

For illustrative purposes only, based on the half year results (unaudited accounts) of the Company and its subsidiaries (the "**Group**") as at 1 July 2009, the proforma financial effects of the Subscription are calculated based on the following assumption :-

Assuming new shares issued on 1 January 2009 and net Subscription proceeds are placed on a Singapore Dollars ("**S\$**") interest bearing account yielding an interest rate of 6% per annum.

	Before Subscription (S\$ cents)	After Subscription (S\$ cents)
Earnings Per Share ("EPS")	0.0048	0.0019
Net Tangible Assets ("NTA") Per Share	0.6499	0.9684

7. INTEREST OF DIRECTORS AND SHAREHOLDERS

The Company shall seek SGX-ST and/or the Sponsor's approval as well as Shareholder approval during the EGM for the allotment and issuance of New Shares to Mdm Widjaja, mother of Mr Hano Maeloa. Mr Hano Maeloa is an executive director of the Company.

Save as disclosed above, none of the Directors or substantial shareholders of the Company has any interest, direct or indirect, in the Subscription.

8. APPLICATION TO SPONSOR AND SHAREHOLDERS' CIRCULAR

The Company will be submitting an application to the continuing Sponsor and/or the SGX-ST (as the case may be) for the listing and quotation of the Subscription Shares. The Company will make the necessary announcements once the listing and quotation notice for the listing and quotation of the New Shares has been obtained from the SGX-ST.

Further details of the Subscription (including the proposed subscription of New Shares by Mdm Oei Siu Hoa @ Sukmawati Widjaja) will be disclosed in a shareholders' circular to be dispatched to Shareholders in due course.

9. TRADING CAUTION

Shareholders are advised to exercise caution in trading their Shares. The Subscription is subject to numerous conditions. There is no certainty or assurance as at the date of this announcement that the Subscription will be completed or that no changes will be made to the terms thereof. The Company will make the necessary announcements when there are further developments. Shareholders are advised to read this announcement and any further announcements by the Company carefully. Shareholders should consult their stock brokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.

By order of the Board
Yap Siean Sin
Chief Executive Officer and Managing Director
28 October 2009

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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