

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

PROPOSED DISPOSAL OF TOP GLOBAL ENTERPRISES PTE LTD (“PROPOSED DISPOSAL”)

The Board of Directors of Top Global Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that the Company has entered into a sale and purchase of shares agreement on 12 March 2010 (“**SPA**”) with Cementmix Pte. Ltd., a company incorporated in Singapore and having its registered address at 701 Geylang Road, #02-01 off Lorong 37 Teambuild Centre, Singapore 389687 (“**Purchaser**”) to dispose of the entire issued share capital of its wholly-owned subsidiary Top Global Enterprises Pte Ltd (“**Sale Shares**”) for an aggregate consideration of \$3,446,847.17 (the “**Consideration**”). Upon the completion of the Proposed Disposal, Top Global Enterprises Pte Ltd (“**TG Enterprises**”) will cease to be subsidiary of the Company.

1. PRINCIPAL BUSINESS OF TOP GLOBAL ENTERPRISES PTE LTD

TG Enterprises was incorporated in Singapore on 6 October 2001 and has an issued and paid-up share capital of \$3,314,887. TG Enterprises is principally engaged in general building construction activities.

2. RATIONALE FOR AND BENEFITS OF THE PROPOSED DISPOSAL

The proposed disposal is to streamline the business operation and to focus on property development.

3. THE CONSIDERATION AND VALUE OF ASSETS

The Consideration is payable as follows:

- (i) a sum of \$344,684.72 (the “**Initial Sum**”) shall be paid by Purchaser to the Company on the signing of the SPA;
- (ii) a further sum of \$2,655,828.91 (the “**Further Sum**”) shall be paid by Purchaser to the Company on the date of completion of the sale and purchase of Sale Shares (“**Completion Date**”); and
- (iii) the balance sum of \$446,333.54 shall be paid in six (6) monthly instalments.

In the event that Completion Date fails to take place due to the requirement of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”), the advice of the Company’s Catalyst sponsor or the rules in Section B of the SGX-ST Listing Manual, the Company shall refund the Initial Sum to the Purchaser without interest and neither party shall have any claim against the other.

No valuation of the Sale Shares was undertaken for purposes of the Proposed Disposal. The Consideration was arrived at after arm’s length negotiations between the Company and the Purchaser, on a “willing buyer and willing seller” basis, based on the net tangible assets (“**NTA**”) of TG Enterprises and its potential future earnings, and will be satisfied in cash.

4. COMPLETION

The sale and purchase of the Sale Shares will be completed on 20 March 2010 or such other date as the parties may agree in writing ("**Completion**"). On Completion, the Company shall deliver or cause to be delivered to the Purchaser the following:

- (i) duly executed share transfer in favour of the Purchaser or its nominee and the relevant share certificate(s) in respect of the Sale Shares;
- (ii) a certified extract of the resolutions of the directors of TG Enterprises authorising the registration of the transfer of the Sale Shares;
- (iii) letters of resignation of the existing directors of TG Enterprises stating that such resignation shall take effect from the Completion Date and confirming that the directors have no claims against TG Enterprises whatsoever;
- (iv) a cashier's order for the sum of \$1,720,972.01 drawn on a licensed bank in Singapore and made out in favour of TG Enterprises, being payment of the sum of \$1,720,972.01 owing by the Company to TG Enterprises; and
- (v) a cashier's order for the sum of \$110,210.59 drawn on a licensed bank in Singapore and made out in favour of TG Enterprises, being payment of the sum of \$110,210.59 owing by Cherie Hearts @ East Coast Parkway Pte. Ltd. to TG Enterprises.

against the Purchaser's payment of the Further Sum to the Company which shall be made by way of a cashier's order drawn on a licensed bank in Singapore and made out in favour of the Company.

5. NET PROFIT ATTRIBUTABLE TO THE PROPOSED DISPOSAL AND USE OF PROCEEDS

Based on the unaudited consolidated financial statements of the Group for the year ended 31 December 2009 (FY2009):

- (a) the net asset of TG Enterprises is approximately \$2.95 million;
- (b) the net tangible asset value of TG Enterprises is approximately \$2.95 million;
- (c) the net loss attributable to TGE for FY2009 is approximately \$50,000; and
- (d) the excess of the proceeds over the net asset value and the gain on the Proposed Disposal is approximately \$496,000.

The proceeds from the Proposed Disposal will be wholly used to finance the Company's working capital.

6. RELATIVE FIGURES OF THE PROPOSED DISPOSAL UNDER RULE 1006 OF SECTION B : RULES OF CATALIST OF THE LISTING MANUAL OF THE SGX-ST (“LISTING MANUAL”)

Based on the unaudited consolidated financial statements of the Group for the full year ended 31 December 2009, the relative figures computed on the bases set out in Rule 1006 of the Listing Manual are as follows:

(a) Rule 1006(a) – Net asset comparison

Net Asset Value of TG Enterprises	= \$2,950,774
Group's Net Asset Value	= \$7,450,957
Relative figure	= 39.60%

(b) Rule 1006(b) – Net profit comparison

Net loss attributable to TG Enterprises	= \$50,476
Net profit attributable to the Group	= \$1,311,976
Relative figure	= 3.85%

(c) Rule 1006(c) – Consideration comparison

Consideration	= \$3,446,847
Market Capitalisation (as at 11 March 2010, the market day preceding the date of the SPA)	= \$59,625,030
Relative figure	= 4.85%

(d) Rule 1006(d) – Equities in issue comparison

Not applicable to the Proposed Disposal.

7. FINANCIAL EFFECTS

The financial effects of the Proposed Disposal, based on the unaudited financial statements of the Group and Company for the financial year ended 31 December 2009:

NTA

The effects of the Proposed Disposal on the NTA of the Group and Company, assuming that the transaction had been effected at the end of the financial year, are as follows:

	FY2009 (Unaudited) (S\$'000)	
	Group	Company
NTA	7,503	2,404
Number of Shares in issue	2,340,011,496	2,340,011,496
NTA per Share (cents)	0.32	0.10

Earnings

The effects of the Proposed Disposal on the earnings of the Group and Company, assuming that the transaction had been effected at the beginning of the financial year, are as follows:

	FY2009 (Unaudited) (S\$'000)	
	Group	Company
Profit after tax	6,407	(5,621)
Number of Shares	2,340,011,496	2,340,011,496
Earnings/(Loss) per Share (cents)	0.27	(0.24)

8. INTEREST OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the Directors and Controlling Shareholders of the Company has any interest, direct or indirect, in the Proposed Disposal.

9. DETAILS OF ANY SERVICE CONTRACTS

No person will be appointed to the Board in connection with the Proposed Disposal and no service contract in relation thereto will be entered into by the Company.

10. DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the SPA is available for inspection at the Company's registered office at 1020 East Coast Parkway, #02-01, Singapore 449878 during normal business hours for a period of three months from the date of this Announcement.

By order of the Board
Yap Siean Sin
Director
12 March 2010

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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