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

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**Introduction**

The Board of Directors (the "**Directors**") of Top Global Limited (the "**Company**") wishes to announce that the Company is proposing to undertake a renounceable non-underwritten rights issue of up to 8,398,835,988 new ordinary Shares (the "**Rights Shares**"), at an issue price of S\$0.01 for each Rights Share (the "**Issue Price**"), with up to 8,398,835,988 free detachable warrants (the "**Warrants**"), every one (1) Warrant carrying the right to subscribe for one (1) new ordinary share in the capital of the Company (the "**New Share(s)**") at an exercise price of S\$0.005 for each New Share (the "**Exercise Price**"), on the basis of three (3) Rights Shares for every one (1) existing share (the "**Share(s)**") in the capital of the Company held as a books closure date to be determined (the "**BCD**"), and one (1) Warrant for every one (1) Rights Share subscribed, fractional entitlements to be disregarded (the "**Rights Shares cum Warrants Issue**").

**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 (the "**Shareholders**") on the basis of three (3) Rights Shares for every one (1) existing Share at the Issue Price for each Rights Share, and one (1) Warrant for every one (1) Rights Share subscribed, every one (1) Warrant entitling the Warrantheholder to subscribe for one (1) New Share in the Company at the Exercise Price for each New Share, fractional entitlements to be disregarded. The Rights Shares cum Warrants Issue shall be non-underwritten.

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 (the "**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 (the "**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 (the "**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.

In the allotment of excess Rights Shares with Warrants, first 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, preference will be given to Shareholders for rounding of odd lots, and Directors and Substantial Shareholders will rank last in priority.

After the Shareholders' applications for excess Rights Shares with Warrants 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 Listing Manual 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.

Every one (1) Warrants, will, subject to the terms and conditions to be set out in a deed poll constituting the Warrants (the "**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 60% to the last transacted price of S\$0.025 per Share on Catalist on 25 June 2010, 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 (the "**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 (the "**Excess Applications**").

Based on the Company's issued share capital as at the date of this announcement of 2,478,545,371 Shares.

Assuming that all 321,066,625 outstanding warrants remain unexercised prior to and on BCD, up to 7,435,636,113 Rights Shares with 7,435,636,113 Warrants may be issued pursuant to the Rights Shares cum Warrants Issue and up to 7,435,636,113 New Shares in the Company may be issued upon the exercise of the Warrants (the "**Minimum Subscription Scenario**").

Assuming that all 321,066,625 outstanding warrants are exercised and converted into Shares prior to BCD, the issued and paid-up capital of the Company will increase to 2,799,611,996 Shares (the "**Enlarged Share Capital**"). Based on the Enlarged Share Capital, up to 8,398,835,988 Rights Shares with 8,398,835,988 Warrants may be issued pursuant to the Rights Shares cum Warrants Issue and up to 8,398,835,988 New Shares in the Company may be issued upon the exercise of the Warrants (the "**Maximum Subscription Scenario**").

Assuming that the Rights Shares cum Warrants Issue is fully subscribed to and all subscribed Warrants are subsequently converted, the estimated net proceeds of the Rights Shares cum Warrants Issue, after deducting estimated expenses (of less than 1.0% of the proceeds of the Rights Shares cum Warrants Issue), will amount to approximately S\$110.40 million in the case of the Minimum Subscription Scenario or S\$124.71 million in the case of the Maximum Subscription Scenario.

#### **Rationale of the Rights Shares cum Warrants Issue**

The purpose of the Rights Shares cum Warrants Issue is to provide the Company with greater financial strength in order to better position itself in the exploration and capitalisation of business and strategic growth opportunities in property development, property fund, hospitality or such other related businesses as and when they arise and additional general working capital. In addition, the Company is currently exploring an opportunity to acquire a majority stake in a company engaged in the hospitality business.

The breakdown on the use of proceeds are as follows:

| Use  | Percentage(%) |
|--|---------------|
| Exploration and capitalisation of business and strategic growth opportunities in property development, property fund, hospitality or such other related businesses | 90            |
| General Working Capital  | 10            |

#### **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.

### **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.

### **Interests of Directors and Controlling Shareholder**

None of the directors and controlling shareholder of the Company has any interest, direct or indirect, in the Rights cum Warrants Issue.

### **Confirmation by Directors**

The Directors confirm that, in their reasonable opinion, after taking into consideration the present bank facilities of the Group, the working capital available to the Group is sufficient to meet their present requirements.

The Directors confirm that, in their reasonable opinion, after taking into consideration the present bank facilities of the Group and the net proceeds from the Rights Shares cum Warrants Issue, the working capital available to the Group is sufficient to meet its present requirements..

### **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

Hano Maeloa  
Managing Director  
25 June 2010

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*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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