

TOP GLOBAL LIMITED (Company Registration no. 198003719Z)
 Half year Financial Statement and Dividend Announcement for the period ended 30 June 2009

UNAUDITED RESULTS FOR THE HALF YEAR ENDED 30 JUNE 2009

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 09 S\$'000 | 30 Jun 08 S\$'000 | Changes % |
|--|-------------|----------------------|----------------------|--------------|
| Revenue | | 10,443 | 4,225 | 147% |
| Cost of Sales | | (9,691) | (4,935) | 96% |
| Gross Profit/(Loss) | | 752 | (710) | (206%) |
| Other Operating Income | | 1 | 8 | (88%) |
| Financial Income | | 1 | 1 | 0% |
| Marketing and Distribution Costs | | (30) | (37) | (19%) |
| Administrative Expenses | | (825) | (878) | (6%) |
| Finance Costs | | (7) | (2) | 250% |
| Other Charges | | 153 | (922) | n.m. |
| Disposal of Subsidiary | | - | 52 | n.m. |
| Profit/(Loss) Before Income Tax | | 45 | (2,488) | n.m. |
| Income Tax (Expense) | | - | - | n.m. |
| Net Profit/(Loss) Before Minority Interest | | 45 | (2,488) | n.m. |
| Minority Interest | | - | (8) | n.m. |
| Net Profit/(Loss) For The Year | | 45 | (2,496) | n.m. |

n.m. = not meaningful

Notes to Income Statement

| | 30 Jun 09 S\$'000 | 30 Jun 08 S\$'000 | Changes % |
|---|----------------------|----------------------|--------------|
| <u>(A) Other Operating income</u> | | | |
| Interest Income | <u>1</u> | <u>1</u> | 0% |
| <u>(B) Depreciation and Amortisation</u> | | | |
| Depreciation | <u>99</u> | <u>123</u> | -20% |
| The decrease in depreciation is the result of assets being written off in 2009. | | | |
| <u>(C) Other charges</u> | | | |
| Fixed assets written off | 52 | - | n.m. |
| Provision for Doubtful Debts | <u>82</u> | <u>2</u> | n.m. |
| <u>(D) Gain on Disposal of Subsidiary</u> | | | |
| Gain on Sale of Subsidiary | <u>-</u> | <u>52</u> | n.m. |

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-09 S\$'000 | 31-Dec-08 S\$'000 | 30-Jun-09 S\$'000 | 31-Dec-08 S\$'000 |
| <u>ASSETS</u> | | | | |
| <u>Non-Current Assets:</u> | | | | |
| Fixed Assets | 884 | 1,035 | - | - |
| Investment in Subsidiaries | - | - | 3,486 | 3,486 |
| Total Non-Current Assets | 884 | 1,035 | 3,486 | 3,486 |
| <u>Current Assets:</u> | | | | |
| Development Properties for Sale | 5,472 | 6,269 | - | - |
| Trade and Other Receivables | 4,470 | 6,324 | 6,535 | 6,976 |
| Other Financial Assets | 55 | 55 | 55 | 55 |
| Other Assets | 267 | 352 | (1) | 20 |
| Cash and Cash Equivalents | 8,415 | 5,910 | 2,802 | 2,839 |
| Total Current Assets | 18,679 | 18,910 | 9,391 | 9,890 |
| Total Assets | 19,563 | 19,945 | 12,877 | 13,376 |
| <u>EQUITY AND LIABILITIES</u> | | | | |
| <u>Equity</u> | | | | |
| Share Capital | 21,527 | 21,522 | 21,527 | 21,522 |
| Accumulated Losses | (15,369) | (15,414) | (13,523) | (13,530) |
| Equity, Attributable to Equity Holders of the Parent, Total | 6,158 | 6,108 | 8,004 | 7,992 |
| Total Equity | 6,158 | 6,108 | 8,004 | 7,992 |
| <u>Non-Current Liabilities</u> | | | | |
| Deferred tax Liability | 9 | 9 | - | - |
| Finance Leases | 283 | 336 | - | - |
| Total Non-Current Liabilities | 292 | 345 | - | - |
| <u>Current Liabilities:</u> | | | | |
| Provisions | - | 415 | - | - |
| Current Tax Payable | - | 9 | (9) | - |
| Trade and Other Payables | 6,060 | 7,206 | 4,882 | 5,384 |
| Finance Leases | 109 | 112 | - | - |
| Other Finance Liabilities | 6,944 | 5,721 | - | - |
| Other Liabilities | - | 29 | - | - |
| Total Current Liabilities | 13,113 | 13,492 | 4,873 | 5,384 |
| Total Liabilities | 13,405 | 13,837 | 4,873 | 5,384 |
| Total Liabilities and Equity | 19,563 | 19,945 | 12,877 | 13,376 |

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

Amount repayable in one year or less, or on demand

| As at 30.06.09 | | As at 31.12.08 | |
|----------------|-----------|----------------|-----------|
| Secured | Unsecured | Secured | Unsecured |
| S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| 7,053 | - | 5,833 | - |

Amount repayable after one year

| As at 30.06.09 | | As at 31.12.08 | |
|----------------|-----------|----------------|-----------|
| Secured | Unsecured | Secured | Unsecured |
| S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| 283 | - | 336 | - |

Details of any collaterals

The secured borrowings refer to:

- i. A hire purchase agreement signed on 7 December 2006 for the purchase of a vehicle with equal monthly instalments over 6 years. The outstanding balance as at 30 June 2009 is repayable over 41 monthly instalments.
- ii. A hire purchase agreement signed on 28 January 2008 for the purchase of 2 motor vehicles with equal monthly repayments over 5 years. The outstanding balance as at 30 June 2009 is repayable over 42 monthly instalments.
- iii. A project financing line of credit (S\$6,943,844) from, United Overseas Bank for Land, Development Charge and Construction loan with reference to 'The Top Residence' development. The loan is secured by:
 - a) 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;
 - b) a legal assignment of all rights/interest over the property mentioned; and
 - c) a corporate guarantee for \$10.5 million executed by Top Global Limited.

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 09 S\$'000 | 30 Jun 08 S\$'000 |
|---|----------------------|----------------------|
| Cash flows from operating activities | | |
| Profit / (loss) for the year | 45 | (2,496) |
| Adjustments for: | | |
| Income tax credit | (9) | (115) |
| Depreciation expense | 99 | 123 |
| Interest income | (1) | (1) |
| Finance Cost | 7 | - |
| Operating profit / (loss) before working capital changes | <u>141</u> | <u>(2,489)</u> |
| Trade and other receivables | 1,939 | (1,872) |
| Inventories | - | 1,001 |
| Deferred revenue | - | (33) |
| Cash restricted in use | (2,008) | - |
| Trade and other payables | (1,590) | 1,131 |
| Cash used in operations | <u>(1,518)</u> | <u>(2,262)</u> |
| Net cash used in operating activities | <u>(1,518)</u> | <u>(2,262)</u> |
| Cash flows from investing activities | | |
| Interest received | 1 | 1 |
| Land and Property investment | 797 | 1,892 |
| Purchase of plant and equipment | (12) | (747) |
| Proceed of Disposal of property, Plant and Equipment | 64 | 81 |
| Net cash used in investing activities | <u>850</u> | <u>1,227</u> |
| Cash flows from financing activities | | |
| Proceeds from conversion of warrants | 5 | 5,001 |
| Changes in other reserves | - | (4) |
| Changes in minority interest | - | (115) |
| Decrease in other finance Liability | - | (239) |
| Increase in Short term borrowing | 1,216 | - |
| Increase in Long term borrowing | - | 332 |
| (Decrease) / Increase in finance leases | (56) | 447 |
| Net cash from financing activities | <u>1,165</u> | <u>5,422</u> |
| Net effect of foreign currency adjustment on consolidation | - | - |
| Net increase in cash | 497 | 4,387 |
| Cash at beginning of year | 4,161 | 2,275 |
| Cash at end of period | <u>4,658</u> | <u>6,662</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 2009

| Group | Issued | Share | Foreign | Other | Accumulated | Total | Minority | Total |
|--|---------|---------|-------------|---------|-------------------|---------|----------|---------|
| | Capital | Premium | Currency | Reserve | Profits/ (Losses) | | Interest | Equity |
| | SS'000 | SS'000 | Translation | Reserve | SS'000 | SS'000 | SS'000 | SS'000 |
| | | | Reserve | SS'000 | | | | |
| Half Year Ended 30 June 2008 | | | | | | | | |
| 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 | (599) | - | - | - | - | (599) | - | (599) |
| Balance as at 30 June 2008 | 21,522 | - | - | - | (10,862) | 10,660 | 64 | 10,724 |
| Half Year Ended 30 June 2009 | | | | | | | | |
| Balance as at 1 January 2009 | 21,522 | - | - | - | (15,414) | 6,108 | - | 6,108 |
| Changes in equity | | | | | | | | |
| Transfers to other reserves | - | - | - | - | - | - | - | - |
| Foreign currency translation difference | - | - | - | - | - | - | - | - |
| Changes in Minority interest | - | - | - | - | - | - | - | - |
| Net profit for the period | - | - | - | - | 45 | 45 | - | 45 |
| Total recognised (expense) for the year | - | - | - | - | 45 | 45 | - | 45 |
| Conversion of warrants | 5 | - | - | - | - | 5 | - | 5 |
| Balance as at 30 June 2009 | 21,527 | - | - | - | (15,369) | 6,158 | - | 6,158 |
| | | | (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 2008</u> | | | | | |
| Balance as at 1 January 2008 | 16,520 | S\$'000 | - | (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 | (599) | - | - | - | (599) |
| Balance as at 30 June 2008 | 21,522 | - | - | (9,346) | 12,176 |
| <u>Half Year Ended 30 June 2009</u> | | | | | |
| Balance as at 1 January 2009 | 21,522 | - | - | (13,530) | 7,992 |
| Changes in equity | | | | | |
| Transfers to other reserves | - | - | - | - | - |
| Net income/ (loss) recognised directly into equity | - | - | - | - | - |
| Net profit for the period | - | - | - | 7 | 7 |
| Total recognised (expenses) for the year | - | - | - | 7 | 7 |
| Conversion of Warrants | 5 | - | - | - | 5 |
| Share Issue Expenses | - | - | - | - | - |
| Balance as at 30 June 2009 | 21,527 | - | - | (13,523) | 8,004 |

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.

The Company had completed a Rights cum Warrants issue on 12 June 2008.

During the year, 1,030,000 warrants were exercised to subscribe for 1,030,000 new ordinary shares of the Company at an exercise price of \$0.005.

As at 30 June 2009, 464,926,164 warrants were outstanding (31/12/08: 465,956,164). Subsequent to the balance sheet date, an additional 2,229,832 warrants were exercised for 2,229,832 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 2009 | | 31 December 2008 | |
|---------------------------|------------------|------------------------|------------------|------------------------|
| | Number of Shares | Share Capital (\$'000) | Number of Shares | Share Capital (\$'000) |
| As at beginning of period | 933,655,832 | 21,522 | 373,230,000 | 16,520 |
| Issue of New Shares: | | | | |
| -Rights | - | - | 559,845,000 | 5,598 |
| -Exercise of Warrants | 1,030,000 | 5 | 580,832 | 3 |
| -Rights Issue Expenses | - | - | - | (599) |
| As at end of period | 934,685,832 | 21,527 | 933,655,832 | 21,522 |

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 2009, the group is not holding any treasury shares (30 June 2008: 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 2008.

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.

| | 30.06.09 | 30.06.08 |
|---|-----------|------------|
| (i) Based on weighted average number of ordinary share in issue (cents) | 0.005 cts | (0.32 cts) |
| (ii) On a fully diluted basis (cents) | 0.005 cts | (0.32 cts) |

The weighted average number of ordinary share in issue of the Company as at 30 June 2009 was 933,774,721 (30 June 2008: 785,658,287)

As at 30 June 2009, 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 (31/12/08: 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

| | 30.06.09 | 31-Dec-08 |
|--|----------|-----------|
| Net asset value per ordinary share based on number of shares in issue at end of period (cents) | | |
| - Group | 0.66 | 0.65 |
| - Company | 0.86 | 0.86 |

The net assets value per ordinary share is based on the number of shares in issue of 934,685,832 as at 30 June 2009 (31 Dec 2008: 933,655,832)

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 2009 (1H 2009) was S\$10.4 million, an increase of S\$6.2 million or 147% from S\$4.3 million for the corresponding period last year. The higher revenue for 1H2009 was largely due to contributions from progressive revenue recognition of its development project ("The Top Residence") which is currently in full swing and its existing facility management at Raintree Cove.

Gross margin during the half year improved by 206% to S\$752,000 against a loss of S\$710,000 during 1H2008. The higher margin was the result of successful containment of costs amongst all segments of businesses.

Marketing and distribution expenses dipped by 19% to S\$30,000 while administrative expenses saw a decrease of 6% to S\$825,000 (2007: S\$878,000) mainly due to costs efficiencies.

Overall, the group registered a net profit of S\$45,000 for the period. This was a reversal from a net loss position of S\$2.5 million in 1H2008.

Balance Sheet

With the group in a profit position for 1H2009, net asset value per share improved to 0.66 cents from 0.65 cents as at 31 December 2008.

The group's total financial liabilities stood at S\$7.3 million as at 30 June 2009 as compared to S\$6.2 million as at 31 December 2008. These liabilities were predominantly borrowings for the project development at The Top Residence and are repayable upon the completion of the project.

Cash Flow

The increase in short term borrowing was due to loan drawdown for the development of its residential project as the project progresses (reflected as long term loan in 1H2008).

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 Group has as of 1H2009 sold all of its units at Top Residence and temporary occupation permit ("TOP") is expected to be in the first quarter of 2010.

Over at Raintree Cove, the Group is pleased that its efforts to maximize gross lettable areas are successful and most tenants are committed to renew their lease upon its expiry in 31 August 2009.

The global economic situation remained volatile and there appears to be signs of recovery. What is clear is that the path to a full and sustained recovery will be challenging.

The Group will continue to emphasize on costs reduction for ongoing projects so as to minimize disruption to projects whilst maximizing efficiencies. It will also selectively bid for new development projects in the second half of the year.

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 Slean 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 2009 to be false or misleading in any material aspect.

On behalf of the board of directors

Yap Slean Sin
Chief Executive Officer

Chung Siang Joon
Independent director

BY ORDER OF THE BOARD

Yap Slean Sin
Chief Executive Officer

13 August 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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