

CAPITOL BUILDING

ANNUAL REPORT 2010

TOP  GLOBAL
LIMITED



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TOP GLOBAL LIMITED (TGL) IS AN UP-AND-COMING ASIAN LIFESTYLE, REAL ESTATE GROUP.

Corporate Profile

In March 2010, prominent Indonesian businesswoman Mdm Sukmawati Widjaja, who also leads the family-owned Sinar Mas conglomerate, took the helm at TGL after purchasing a majority stake. Under her leadership, the Group has sold off non-core businesses, and sewn up new joint ventures and partnerships that will launch TGL in a compelling new direction.

As part of this new thrust forward, TGL plans to tap the burgeoning real estate markets in Asia. In Singapore, our joint venture has been awarded one of the Republic's most prestigious projects – transforming the historic Capitol site into a prime mixed development and arts centre. We have also formed a group of subsidiary companies to provide real estate support services that will complement our core business.

In China, we have stepped up the pace in our search for key partners who will help us make our mark in its leading growth sectors. Real estate development and services shall remain our key focus, with an emphasis on lifestyle mixed developments.

With our core divisions – real estate development, investment and support services – TGL is well-positioned to capture rising demand for lifestyle assets and services across Asia, and transform the Group into a significant player in all the areas we have pinpointed.

Chairman's Statement

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正如老子所說

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千里之行

Asia's time has come – a point stressed by the International Monetary Fund recently when it underlined the key role that the region would play in leading the way forward for the world economy as it tackles the aftermath of the global downturn. Indeed, Asia's emergence as a major economic and political force has only been accelerated by the downturn. Its economies were the first to rally and will be pivotal in steering the world towards a sustainable recovery.

Growth in Asia has been robust, led by Singapore with a GDP growth of 14.7% in 2010. Even though growth is forecast to moderate worldwide in 2011, Asian economies are still expected to see significantly stronger figures than their Western counterparts.

In Singapore, property is clearly one sector that will hold its own, even in the face of the recent cooling measures here. The Government is committed to transforming Singapore

into a leading global metropolis – remaking it continually to create the best possible environment to live, work and play. That in itself is set to underpin growth in the sector. In addition, the country's economic fundamentals remain firm and rising affluence is driving consumer demand for novel lifestyle offerings, not just among Singaporeans but also among the burgeoning immigrant population.

Backed by this tightly knit confluence of positive factors, the property sector here can be expected to enjoy sturdy growth over the medium term. As a company rooted in Singapore, Top Global fully intends to tap this growth and consolidate its operations here, making the Republic our primary base as we push out into Asia and beyond. In markets such as China, surging incomes and sharpening lifestyle aspirations will open up rich opportunities for players who can anticipate fast-maturing consumer demands.

Our Vision for Top Global

Our intention is to build the company into a premier lifestyle property group that can offer clients groundbreaking products and integrated support services tailored to their needs, making a name for ourselves not just in Asia but eventually across the globe. We feel that goal lies within grasp as Top Global is now positioned in the right spaces with the right products and the right partners to capture the swiftly evolving trends that will mark this coming decade.

Where Dreams Are Realised

Top Global will be the choice for discerning clients who want to see their dreams come alive, to see them realised with grace and flair. Helmed by a strong new management team – one with ample experience across a wide range of property segments and invaluable connections worldwide, as well as a proven track record for successfully managing and growing businesses – Top Global will offer distinctive lifestyle products that leave an enduring mark on the communities they serve. By creating bold new avenues that recast the way people live, work and play, Top Global projects aim to inspire both consumers and businesses to see what new dreams await them.

Beginning the Journey

In the words of Lao-Tzu, a journey of a thousand miles begins with a single step. Top Global has already begun

that journey, taking strides that have left us primed to move forward with confidence as management has already set in place the building blocks for growth.

After identifying the most promising property segments and formulating a clear-cut roadmap, Top Global moved decisively to gather all the requisite elements. To help meet capital needs, we raised S\$80.5 million in net proceeds from a three-for-one rights issue in September 2010, and to meet manpower needs, we have steadily increased staffing and bolstered our human resources. Another crucial step was pinpointing and securing partners who could help us successfully execute the projects and ventures earmarked.

Acting through a carefully aligned consortium, Top Global was able to snare the much-coveted Capitol site project in Singapore for our very first venture. This momentous heritage project affirms our drive to invest in developments that truly make a difference in people's lives, fire the imagination and leave a lasting mark. By forging a vibrant retail, hotel, residential and arts precinct that will dramatically transform how people live, play and connect in the Civic District while preserving the cultural heritage of this historic landmark, Top Global will demonstrate our commitment to becoming the epitome of *where dreams are realised*.

Looking Ahead

Reinvigorated with an all-new management team and an all-new business focus that will propel the company in an all-new direction, Top Global is braced to scale all-new heights as we move to deliver on our vision. We invite stakeholders to share this journey and this vision as our upcoming ventures generate fresh synergies that will help build sustainable returns for investors and an indelible legacy for the company.

As we execute our growth plans, living up to the Top Global name as we advance from a regional player into a global one, we believe the company will be able to take yet another conclusive step by elevating its listing status on the Singapore Exchange, moving from the Catalist platform to the mainboard. When that comes to pass, Top Global's time will have come, just as Asia's has now.

Operations Review

For Top Global, 2010 was a year of major transition and transformation – one in which significant milestones were set and lasting foundations laid for its future growth.

In March 2010, Madam Sukmawati Widjaja became the Group's controlling shareholder and its Executive Chairman. She is also the Vice-Chairman of Indonesia's Sinar Mas Group. With her came a vigorous new management team whose track record across a diverse range of sectors, most notably property development, will be invaluable as the Group embarks on a new era of evolution and expansion.

As part of its plans to streamline operations and shed non-core businesses before embarking on fresh new initiatives, the Group disposed of its construction subsidiary in March 2010 and discontinued its childcare services business in July 2010.

To facilitate its agenda for the future, the Group held a rights-cum-warrants issue in September 2010 that raised net proceeds of S\$80.5 million. The funds will be used to set in place new pillars of growth for its core property development business while allowing it to seek out new opportunities in other real-estate-related ventures.

Property Development

In a landmark step that will significantly advance its plans to become a premier lifestyle property group, Top Global won the tender for the Capitol site project in Singapore in October 2010. The bid for this much-coveted heritage project was made through a consortium in which the Group has a 30% stake with an equity contribution between S\$60 million to S\$70 million.

When it is completed in 2013/2014, the S\$750 million mixed development will be the centrepiece of the Civic District, honouring the area's cultural heritage while providing exciting new venues for those working and living there. Offering a distinctive fusion of retail, hotel and residential elements, the prismatic new Capitol precinct will help raise the arts and culture to fresh heights in Singapore, enunciating Top Global's determination to become the place to go for those who want to see their dreams realised.

The tender did not have a significant financial impact on the financial results for FY2010, but the Group expects the project to make a strong positive contribution once its revenue streams start to flow in.

Facility Management

The Group continues to maximise returns from its existing facility management business, which is operated through its wholly owned subsidiary, Raintree Cove Pte Ltd.

Raintree Cove runs a state-of-the-art entertainment facility that provides a one-stop centre for sports, recreation and food for those visiting the beach at the East Coast area. The company has successfully boosted rental revenues, raising the overall figure to S\$4.3 million for the year ended 31 December 2010 (FY2010) from S\$3.8 million for FY2009. In addition to securing a new tenancy with Lorna Whiston Pre-School, it has increased the rates for its other tenants.

The company expects to continue delivering profits and positive cash flows to the Group until August 2012, when the current lease for the site expires. Planning ahead in the event that the government does not renew the lease, the Group has started to explore alternative rental income streams by acquiring and managing other commercial properties.

Real Estate Support Services

In December 2010, the Group invested S\$3.5 million to set up Global Alliance Investment Holdings Pte Ltd (GAIH) and its subsidiaries, whose main focus is on providing real estate agency services and other support services for this segment.

The Group expects GAIH and its subsidiaries to start contributing positively to both the top and bottom line at Top Global within the next year or so.

Cessation of Childcare and Construction Businesses

Following a comprehensive review of Top Global's various segments and subsidiaries, the Group made a strategic decision to focus on its core business of property development and investment. It then moved quickly to shed non-core areas, which resulted in the cessation of the childcare and construction businesses within the year.

Discontinuing the childcare business did not have a material effect on the earnings or net assets of the Group for FY2010. Exiting the construction business, by disposing of Top Global Enterprises Pte Ltd, resulted in a one-time loss of S\$0.8 million for the year.

Financial Review

AS AT 31 DECEMBER 2010, THE GROUP HAD A HEALTHY BALANCE SHEET WITH TOTAL SHAREHOLDERS' EQUITY OF S\$101.1 MILLION AND NO BORROWINGS, COMPARED WITH S\$7.5 MILLION AS AT 31 DECEMBER 2009

Turnover

The Group recorded S\$4.5 million in revenue for FY2010 (S\$2.2 million for the half-year ended 30 June 2010, or 1H2010), as compared with S\$19.6 million for FY2009. Since the Group completed The Top Residence in December 2009, it has not engaged in any new development projects, hence the absence of revenue from this segment. The Group has been actively focusing its efforts on streamlining its various businesses and raising new capital, so facility management, through Raintree Cove, accounted for more than 90% of the Group's revenue for FY2010.

Gross Profit/Loss

The Group recorded a gross loss of S\$1.0 million for the full year in FY2010, having worked to narrow the figures after posting a loss of S\$1.6 million for 1H2010. It made a gross profit of S\$9.3 million for FY2009.

There were two main factors behind the year's performance. First, as mentioned earlier, the Group did not engage in any profit-generating development projects during FY2010. Second, the Group made one-time provisions for the year of about S\$3.0 million – mostly to cover doubtful debts, warranties and costs related to the legacy businesses – which more than offset the gross profit of S\$1.7 million contributed by Raintree Cove.

Net Profit/Loss

The net loss attributable to the Group's equity holders came to S\$7.5 million for the full year in FY2010 (a S\$7.4 million loss was recorded for 1H2010). In FY2009, the Group posted a net profit attributable to equity holders of S\$1.3 million.

Apart from the absence of development projects, two chief factors contributed to the results for FY2010. First, the Group made one-time provisions of S\$3.0 million for doubtful debts, warranties and costs relating to legacy businesses, although it is in the process of negotiating for more favourable settlements. Second, the Group's administrative expenses increased to S\$2.9 million, partly because of expenses incurred on the rights issue and corporate restructuring as well as start-up expenses associated with new subsidiaries and joint ventures. In addition, restructuring resulted in higher compensation and benefits paid to staff, while some fixed assets saw accelerated depreciation because of changes in their expected useful lives.

Balance Sheet

As at 31 December 2010, the Group had a healthy balance sheet with total shareholders' equity of S\$101.1 million and no borrowings, compared with S\$7.5 million as at 31 December 2009. The levels were boosted largely by a cash injection of S\$16.8 million from the controlling shareholder in January 2010 and net cash proceeds of S\$80.5 million raised through the rights issue.

The Group held S\$72.6 million in cash and cash equivalents as well as S\$5.1 million in commercial bonds at the end of the financial year.

Board of Directors

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Mr Daniel Yeo Chin Tuan

Ms Mimi Yuliana Maeloa

Ms Jennifer Chang Shyre Gwo

Mdm Oei Siu Hoa @ Sukmawati Widjaja

Executive Chairman

Appointment of Directorship: 12 March 2010

Mdm Sukmawati Widjaja was appointed Executive Chairman of Top Global on 12 March 2010.

In her four decades as one of Asia's most influential business pioneers, Mdm Sukmawati has built up a striking track record in sectors as diverse as property, banking and agriculture.

She is the Vice-Chairman of the family-controlled Sinar Mas Group (which was founded by her father, Mr Eka Tjipta Widjaja). After taking over the reins in 1988, she was instrumental in maintaining the group's lead as one of Indonesia's top conglomerates, with interests ranging from palm oil and paper, to food and property development.

Her investment experience is also extensive. She was an international figure in numerous high-profile mega projects. Over the years, she has developed pivotal business as well as personal connections worldwide. Apart from having been granted audiences with top potential leaders of the US, China, Indonesia, Singapore and other countries, she has access to business tycoons in almost every industry internationally.

Moreover, Mdm Sukmawati has extensive expertise and experience in taking qualified companies through IPOs and RTOs at the world's major exchanges and has been part of senior management in several listed companies.

With her long-time passion for real estate, Mdm Sukmawati sees great potential for Top Global to work together on suitable projects with the region's largest property players.

Her vast connections should prove invaluable as Top Global expands in Singapore, China, Indonesia, Malaysia and other countries.

Mr Hano Maeloa

Chief Executive Officer & Executive Director

Appointment of Directorship: 27 July 2007

Mr Maeloa was appointed an executive director of Top Global on 27 July 2007 and its Managing Director on 12 March 2010, a position redesignated as Chief Executive Officer on 8 November 2010. His business management experience spans a multitude of industries that range from banking and securities & fund management to real estate and golf & country clubs, as well as shipping and food & beverages. He has excellent business contacts throughout the Asia-Pacific region.

Mr Maeloa has been Chief Executive Officer of Pancon Marine & Shipping Services since 2003 as well as a director at Bintan Golden Shipping since 2002. On the investment front, he gained valuable experience at companies such as Harumdana Sekuritas, where he served as a vice-president director for five years. In the food industry, he earned his spurs at the likes of Wendy Foods in Hong Kong, where he was Managing Director for six years. Currently, Mr Maeloa is a director of Asia-Pacific Strategic Investments, a company listed on the Singapore Exchange. He graduated with a BSc in business administration from the University of Southern California.

Ms Jennifer Chang Shyre Gwo

Chief Operating Officer & Executive Director

Appointment of Directorship: 8 November 2010

Ms Chang was appointed Chief Operating Officer and an executive director on 8 November 2010. Her task is to oversee the Group's business and operations, which includes but is not limited to business development, finance, administration, corporate secretarial, corporate governance and communications. She has more than 18 years of exposure to and experience in operational accounting and various corporate functions across the Asia-Pacific region.



*Mdm Oei Siu Hoa @
Sukmawati Widjaja*

Mr Hano Maeloa

Dr Lee G. Lam

Ms Chang joined Top Global after leaving Auric Pacific, where she had been Chief Executive Officer of its food division since 2008. Previously, she was regional director of controlling & treasury at Kraft Foods Asia Pacific Services and finance director at GE Hydro Asia, a General Electric joint venture in Hangzhou, China.

She is a member of both the Institute of Certified Public Accountants of Singapore and CPA Australia. Her master's in business administration was earned at Victoria University in Australia.

Ms Mimi Yuliana Maeloa

Non-Executive Director

Appointment of Directorship: 26 April 2010

Ms Mimi was appointed a non-executive director on 26 April 2010. Ms Mimi has served in various positions at her family's businesses and currently works at Golden Agri International.

She has notable experience in banking, investment and asset management, having worked at the Union Bank of Switzerland in Singapore, Credit Suisse First Boston Hong Kong Chase Manhattan Bank in New York, JP Morgan in Singapore and Goldman Sachs in Singapore. She graduated with a BSc in finance from the University of Southern California and holds an MBA from Woodbury University in California.

Mr Daniel Yeo Chin Tuan

Independent Director

Appointment of Directorship: 26 April 2010

Mr Yeo was appointed an independent director of Top Global, as well as the chairman of its audit and remuneration committees and a member of its nominating committee, on 26 April 2010. His experience in the financial industry spans more than 25 years.

He began his career with Refco Singapore as a vice-president in the 1980s and later became a pioneer in the Singapore

futures and options market. After witnessing the birth of the Singapore International Monetary Exchange (SIMEX), he built up a distinguished track record servicing high net worth clients in foreign exchange and bullion trading. While he was a director at ING Futures & Options (S) Pte Ltd, he assisted with the acquisition of Barings (S) Pte Ltd. He also served as an executive director at UOB International Treasury, establishing business linkages with international brokerages. In 2003, he joined Man Financial (S) Pte Ltd (now known as MF Global Singapore) and subsequently became its Chief Executive Officer. Currently a consultant with Quantedge Capital, Mr Yeo is also a part-time lecturer with the Wealth Management Institute.

Dr Lee G. Lam

Independent Director

Appointment of Directorship: 26 April 2010

Dr Lam was appointed an independent director on 26 April 2010. Currently, he is also Chairman for Hong Kong and Senior Advisor for Asia at Macquarie Capital Advisors. He started his career in Canada at Bell-Northern Research (the R&D arm of Nortel) and in Hong Kong at Hong Kong Telecom. He later joined Singapore Technologies Telemedia (then part of Temasek Holdings) and BOC International Holdings (the international investment banking arm of the Bank of China group), where he served as Vice-Chairman and Chief Operating Officer of its investment banking division. Until late 2006, Dr Lam was President and Chief Executive Officer of Chia Tai Enterprises International.

He holds a BSc in sciences and mathematics, an MSc in systems science, an MBA from the University of Ottawa in Canada, a postgraduate diploma in public administration from Carleton University in Canada and a PhD in economic development from the University of Hong Kong. In the legal arena, Dr Lam has an LLB (honours) from Manchester Metropolitan University in the UK, an LLM from the University of Wolverhampton in the UK and a PCLL from the City University of Hong Kong.

Management Team



From left to right: Ms Jennifer Chang Shyre Gwo, Mdm Oei Siu Hoa @ Sukmawati Widjaja, Mr Hano Maeloa, Mr. Robin Ng, Mr. Yeimaung

Mr Robin Ng

Chief Financial Officer

Mr Ng was appointed Chief Financial Officer on 8 November 2010. He is responsible for the Group's financial and accounting matters, internal controls, corporate governance, treasury, corporate finance and taxation. Mr Ng has over 12 years of experience in operational finance and public accounting, gained from his time at both US publicly listed companies and a Big 4 accounting group.

Before joining Top Global, he was with Methode Electronics since 2009, where he was Asia finance director, and Lear Corporation, where he was regional financial controller in charge of Asia-Pacific operations and Japan from 2006 to 2009. Previously, he was regional internal controls manager at Kraft Foods Asia Pacific Services. Mr Ng also worked in Ernst & Young for more than seven years, serving as audit manager before leaving.

He holds a bachelor of accountancy (honours) from Nanyang Technological University. He is a member of the Institute of Certified Public Accountants of Singapore as well as the Institute of Chartered Accountants in Australia.

Mr Yeimaung

Project Manager – Property Development and Facility Management

Mr Yeimaung joined Top Global in September 2002. He has more than 17 years of working experience in Singapore's building and construction sector, having participated in a wide range of projects that include flatted factories, schools, condominiums, community clubs, residential flats and cluster housing.

He has a degree in applied science (construction management) from the Royal Melbourne Institute of Technology in Australia.

Milestones

NEW CONTROLLING SHAREHOLDER

- 27 JAN 2010
Placement of 1.4 billion new TGL shares at S\$0.012 each to Madam Sukmawati Widjaja.
- 11 MAR 2010
Close of mandatory unconditional cash offer by Madam Sukmawati Widjaja for all remaining shares and warrants. Mdm Sukmawati Widjaja owns 59.8% of TGL on close of mandatory unconditional cash offer.

RESTRUCTURING

- 12 MAR 2010
Disposal of Top Global Enterprises Pte Ltd, a subsidiary that was engaged in general building construction activities.
- 23 JUL 2010
Discontinuation of non-core business, Cherie Hearts @ East Coast Parkway that was involved in infant and child care services. Business operations ceased on 22 August 2010.

FUND RAISING

- 25 JUN 2010
Announcement of 3-for-1 rights issue at S\$0.01 per Rights Share, with 1 free detachable warrant for every Rights Share.
- 04 AUG 2010
Notice of in-principal approval from SGX for listing of up to 8.399 billion Rights Shares and 8.399 billion free warrants.
- 27 SEP 2010
Rights-cum-warrant issue subscribed by 105.97% for 8.078 billion Rights Shares with 8.078 billion detachable warrants to raise S\$80.78 million.

ESTABLISHING NEW GROWTH PILLARS

- 18 AUG 2010
Real Estate Development, Singapore
Submitted tender bids for Capitol site via consortium formed by Top Property Pte Ltd, Chesham Properties Pte Ltd and Perennial (Capitol) Pte Ltd.
- 28 SEP 2010
Real Estate Support Services, Singapore
Incorporated subsidiaries that will principally engage in real estate development, real estate agency, building materials and furnishing and other related integrated services.
- 27 OCT 2010
Real Estate Development, Singapore
Won Capitol site tender for S\$250 million, a 1.43 hectare prime land parcel located at the junction of Stamford Road and North Bridge Road.



Our Business

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REAL ESTATE DEVELOPMENT & INVESTMENT

The 'Capitol' Transformation Project

Under the stewardship of Mdm Sukmawati, the Group has moved decisively to expand its real estate business. In August this year, its 30%-owned joint venture won the tender for the much-coveted Capitol site project in Singapore. This cultural landmark located in a prime civic district comprises Capitol Centre and three heritage buildings under conservation – Capitol Theatre, Capitol Building and Stamford House – all sitting on a 99-year leasehold, 1.43-hectare site.



Capitol Site Building Agreement Signing Ceremony on 1 February 2011

The Group's joint venture with Perennial (Capitol) Pte Ltd and Chesham Properties Pte Ltd has been tasked with turning this historic site with its eclectic neo-classical buildings into a vibrant retail, hotel, residential and arts precinct that will transform the way people live, play and connect in downtown Singapore. When completed in 2013/2014, this dynamic new cultural hub will offer novel lifestyle and entertainment options that will revitalise the entire district.

In this pivotal project:

- Capitol Theatre will be completely revitalised and transformed into Singapore's largest cinema-cum-performance theatre, able to seat an audience of 800-1,000. This prime entertainment and performance centre will be the venue of choice for red-carpet movie premieres and film festivals in Asia.
- Capitol Building and Stamford House, which were built in 1933 and 1904 respectively, will be meticulously restored and transfigured into a luxurious five-star hotel designed to serve a niche segment keen to enjoy what this widely cherished icon in Singapore's history will be able to provide.
- Taking the place of Capitol Building will be an all-new, avant-garde 15-storey complex that will boast four floors of retail and F&B outlets, topped by luxury residential apartments. It will redefine shopping, dining and living at the very heart of the city.
- The entire development will be linked by an underground pedestrian walkway to the City Hall MRT Interchange station, allowing dwellers, shoppers and concert goers to move around easily as they savour all that the new Capitol lifestyle hub has to offer.



Raintree Cove

FACILITY MANAGEMENT

The Group's wholly owned subsidiary, Raintree Cove Pte Ltd, manages the area formerly known as the Singapore Tennis Centre, located along the scenic East Coast beach. We have secured a good mix of tenants such as Long Beach Seafood Restaurant, Waraku Japanese Restaurant, Polliwogs – an indoor and outdoor play arena for children and Fightworks Asia – which offers kick-boxing and other work out facilities. Recently, Lorna Whiston Pre-School also joined us. Other tenants include Burger King, Breeze Bar, East Coast Prawn Fishing, JuShing Jung Korean BBQ Restaurant, Metro Parking, Spa Cabana, Sports Planet East Coast, etc.

Raintree Cove aims to be a 'one-stop entertainment centre' that provide sports, recreational activities and good food for families and hobbyists.

REAL ESTATE SUPPORT SERVICES

Global Alliance Investment Holdings Pte. Ltd., a subsidiary of Top Global, is headquartered in Singapore. Focused on real estate development and support services, it has several subsidiaries that generate crucial synergies for the entire Group.

MANAGEMENT TEAM OF GLOBAL ALLIANCE INVESTMENT HOLDINGS PTE LTD



Mr Dennis Yong

Chief Executive Officer, Global Alliance Investment Holdings Pte Ltd

Mr Dennis Yong was appointed as CEO at Top Global's subsidiary, Global Alliance Investment Holdings Pte Ltd, in October 2010. Responsible for the unit's overall planning and strategic direction, he has also been tasked with growing its market share across the region, and is working closely with associates in China, Malaysia, Indonesia and Australia to achieve this goal. Mr Yong is a prominent real estate professional who counted many high-profile individuals among his personal clients earlier in his career. He progressed quickly into management, where he successfully helmed a 7,000-man real estate company. In addition, he is the co-founder of an interior design company

with more than 200 staff. Mr Yong holds a diploma in building and a bachelor of science in real estate management from Heriot-Watt University in the UK.



Mr Jeffrey Hong Eng Leong

Chief Operating Officer, Global Alliance Investment Holdings Pte Ltd

Mr Jeffrey Hong was appointed as Chief Operating Officer of Top Global's subsidiary, Global Alliance Investment Holdings Pte Ltd, in October 2010. He is responsible for selecting, grooming and training real estate professionals. Mr Hong began his career in real estate and quickly made a name for himself as an expert in all types of real estate transactions, particularly for landed properties. He undertook the mammoth task of personally mentoring and grooming the largest team in his organisation – consisting of 1,000 real estate advisers, it emerged as the company's top revenue-producing team for multiple years. Known for his tenacity, business acumen and

experience, Mr Hong later spearheaded the growth and development of a 7,000-strong real estate company, helping to expand its many business units such as corporate leasing and auctions as well as specialised HDB and condominium resale services. Mr Hong graduated from The City University of New York with a Master's in Science in 2009.

GLOBAL PROPERTY STRATEGIC ALLIANCE PTE LTD



A full-pledged real estate agency, this subsidiary provides brokerage services through both associates and full-time employees. It offers professional consultancy services in the following areas:

- Market feasibility studies: It works with developers and architects to enhance the market value of residential, industrial and commercial properties.
- Auctions: It helps both individual and corporate owners gain fair market exposure and achieve the highest possible prices.
- Corporate leasing: It serves corporate tenants ranging from CEOs to executives, providing year-round services tailored to meet their rental home needs.
- Marketing of local residential and commercial projects: It helps developers maximise operational efficiency so as to strengthen marketing efforts and improve sales.
- Marketing of overseas residential projects: It works with developers from Malaysia, Australia and Indonesia to market new residential projects to investors from China, Singapore, Malaysia and Indonesia, using five-star facilities.
- Local resale transactions: It aims to be one of the largest resale agencies in Singapore.

GA DEVELOPMENTS PTE LTD

This subsidiary mainly engages in small to mid-sized development projects that require relatively lower capital outlay. Such projects allow the Group to maneuver rapidly in the light of opportunities. It enjoys many synergies with the Group's real estate agency arm, GPS Alliance, which provides it with all the latest industry updates and keeps it abreast of market trends. Armed with this knowledge, GA Developments is able to minimise risks, allowing it to make purchases from a position of strength. Its projects also benefit from the extensive marketing resources offered by GPS Alliance in terms of sales and rentals.

Group Structure



Corporate Governance Report

Top Global Limited (the "Company") is committed to adopting high standards of corporate governance and transparency in conducting the businesses of the Company and its subsidiaries (the "Group"). The Group's standards of corporate governance are generally consistent with the principles and spirit of the Code of Corporate Governance 2005 (the "Code").

BOARD OF DIRECTORS

Board's Conduct of its Affairs

Principle 1 – Every company should be headed by an effective Board to lead and control the company. The Board is collectively responsible for the success of the company. The Board works with Management to achieve this and the Management remains accountable to the Board.

The principal role of the Company's Board of Directors (the "Board") is to review and decide strategic plans, key operational and financial issues, evaluate performance of the Group and supervise executive management to achieve optimal shareholders' value.

Matters Requiring Board Approval

- corporate policies, strategies and objectives of the Company;
- annual budgets;
- half yearly and full year announcements;
- annual report and accounts;
- major acquisitions, investments and disposal of assets;
- strategic planning; and
- transactions or investments involving a conflict of interest for a substantial shareholder or a Director, financial restructuring and share issuance, dividends and other returns to shareholders

There has been no change to the Group's internal guidelines which had been approved by the Board for material transactions and investments by the Company and Group, with limits for different levels of approving authorities, categories of expenditures and investments.

Board Composition and Guidance

Principle 2 – There should be a strong and independent element on the Board, which is able to exercise objective judgement on corporate affairs independently, in particular, from Management. No individual or small group of individuals should be allowed to dominate the Board's decision making.

The Board of Directors currently comprises six members, three of whom are Executive Directors, two are Independent Directors and one is a Non-Executive Director.

The Company's Executive Directors are Mdm Oei Siu Hoa @ Sukmawati Widjaja who is the Executive Chairman, Mr Hano Maeloa who is the Chief Executive Officer and Ms Jennifer Chang Shyre Gwo who is the Chief Operating Officer. The Independent Directors are Mr Yeo Chin Tuan Daniel and Dr Lam Lee G, and the Non-Executive Director is Ms Mimi Yuliana Maeloa.

Corporate Governance Report

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There is no limit to the number of Directors that may be appointed under the Company's Articles of Association. Given the scope and size of the operations of the Company and the Group, the Board is of the view that the present composition and size is adequate and it facilitates effective decision making. The recommendations of the Code have been complied, as one third of the Board members are Independent Directors. The criteria of independence are based on the definition given in the Code. The Board consists of members who possess a mix of skills, qualifications, experience and background. Key information on the Directors can be found on page 6 to 7 under the section on Board of Directors of the Annual Report.

Chairman and Chief Executive Officer

Principle 3 – There should be a clear division of responsibilities at the top of the company – the working of the Board and the executive responsibility of the company's business – which will ensure a balance of power and authority, such that no one individual represents a considerable concentration of power.

Mdm Oei Siu Hoa @ Sukmawati Widjaja is the Executive Chairman of the Board. She was relinquished the position of Chief Executive Officer with effect from 8 November 2010. The Board has re-designated Mr Hano Maeloa, son of Mdm Oei Siu Hoa @ Sukmawati Widjaja, from the position of Managing Director ("MD") to Chief Executive Officer ("CEO") with effect from 8 November 2010.

There is a clear division of responsibilities between the Executive Chairman and the CEO to ensure that there is an appropriate balance of power, increased accountability and sufficient capacity of the Board for independent decision making.

Currently, the Executive Chairman is responsible for the workings of the Board, ensuring the integrity and effectiveness of its governance process. The Executive Chairman ensures that Board meetings are held as and when necessary and set the meeting agendas in consultation with Mr Hano Maeloa, the CEO, and Ms Jennifer Chang Shyre Gwo, the Chief Operating Officer ("COO") and Executive Director. The Executive Chairman, with the assistance of the CEO, the COO and company secretary, ensures Board members are provided with adequate and timely information. The Executive Chairman assists to ensure procedures are introduced to comply with the Company's guidelines on corporate governance. The CEO is responsible for the business and operational decisions of the Group.

The Board is of the view that there is sufficient strong independent element on the Board which enables the exercise of judgement with regards to the corporate affairs of the Group.

The Board had also considered whether there was a need to appoint a lead Independent Director as recommended by the Code. The Board was of the view that a lead Independent Director need not be appointed as shareholders could approach any Independent Director with their concerns. The Independent Directors will be available to shareholders where they have concerns which contact through the normal channels of the Chairman, the CEO or COO has failed to resolve or for which such contact is inappropriate.

Board Membership

Nominating Committee ("NC")

Principle 4 – There should be a formal and transparent process for the appointment of new directors to the Board.

The NC consists of two independent directors and one non-executive director. The members of the NC are as follows:

Dr Lam Lee G (Chairman) ^(a)

Yeo Chin Tuan Daniel ^(b)

Mimi Yuliana Maeloa ^(c)

^(a) Dr Lam Lee G was appointed the Chairman of the NC on 26 April 2010

^(b) Yeo Chin Tuan Daniel was appointed a member of the NC on 26 April 2010

^(c) Mimi Yuliana Maeloa was appointed a member of the NC on 26 April 2010

The functions of the NC are reflected in the existing Terms of Reference approved by the Board and they include:

- making recommendations to the Board on appointment or re-nomination of Directors of the Board, having regard to the respective Director's contributions and performance;
- determining annually whether or not a Director is independent, and
- in situations where a Director has multiple board representations, to review whether the Director is able to carry out his/her duties as Director adequately.

The NC continued to use the existing internal guidelines adopted in the previous year to evaluate the performance of the Board, which includes an annual board assessment checklist that was being completed by all members of the Board individually and also a group checklist being done jointly by members of the NC.

In its search and selection process for new directors, the NC taps on the resources of Directors' personal contacts and recommendations of potential candidates and appraises the nominees to ensure that the candidates possess relevant experience and have the calibre to contribute to the Group and its businesses, having regard to the attributes of the existing Board and the requirements of the Group. New Directors are appointed by way of a Board resolution, upon their nomination from NC. In accordance with the Company's Articles of Association, these new Directors who are appointed by the Board are subject to re-election by shareholders at the first opportunity after their appointment. The Articles also provide that at least one third of the remaining Directors be subject to re-election by rotation at each Annual General Meeting ("AGM"). This will enable all shareholders to exercise their rights in selecting all Board members.

The Code states that as a principle of good corporate governance, all Directors should be required to submit themselves for re-nomination and re-election at regular intervals. The Company's Articles of Association provide that at each AGM, one third of the Directors (other than the MD) retires from office by rotation at least once every three years.

Corporate Governance Report

The NC has recommended the following directors to retire pursuant to Article 90 of the Company's Articles of Association, being eligible and having consented, be nominated for re-appointment at the forthcoming AGM:

Name of Director	Appointment	Date appointed
Mdm Oei Siu Hoa @ Sukmawati Widjaja	Executive Director	12 March 2010
Ms Mimi Yuliana Maeloa	Non-executive Director	26 April 2010
Mr Yeo Chin Tuan Daniel	Independent Director	26 April 2010
Dr Lam Lee G	Independent Director	26 April 2010
Ms Jennifer Chang Shyre Gwo	Executive Director	8 November 2010

Board Performance

Principle 5 – There should be a formal assessment of the effectiveness of the Board as a whole and the contribution by each director to the effectiveness of the Board.

The Code states that there should be a formal assessment of the effectiveness of the Board as a whole and the contributions by each Director to the effectiveness of the Board. The Code further recommends that the NC proposes effective criteria to evaluate how the Board should be evaluated. The NC continued with the existing internal guidelines adopted the previous year as described above to evaluate the performance of the Board.

Access to Information

Principle 6 – In order to fulfil their responsibilities, Board members should be provided with complete, adequate and timely information prior to board meetings and on an on-going basis.

The Board has established various Board committees to assist in fulfilling its duties and responsibilities. These committees are the Audit Committee ("AC"), the NC and the Remuneration Committee ("RC") which each has its own approved written terms of reference.

In FY2010, the Board had 2 scheduled physical meetings. The Company's Articles of Association also allows a Board meeting to be conducted by way of tele-conference. The attendance of the Directors at meetings and Board committees, as well as frequency of such meetings held in FY2010 is as follows:

Name of Director	Board Meeting		Audit Committee Meeting		Nominating Committee Meeting		Remuneration Committee Meeting	
	No of Meetings Held	No of Meetings Attended	No of Meetings Held	No of Meetings Attended	No of Meetings Held	No of Meetings Attended	No of Meetings Held	No of Meetings Attended
Yap Sian Sin ¹	2	1	2	1	1	1	–	–
Yap Sean Lee ²	2	1	–	–	–	–	1	1
Dr Chung Siang Joon ³	2	1	2	1	1	1	1	1
Dr Tan Kok Soon ⁴	2	1	2	1	1	1	1	1
Hano Maeloa	2	2	–	–	–	–	–	–
Mdm Oei Siu Hoa @ Sukmawati Widjaja ⁵	2	1	–	–	–	–	–	–
Mimi Yuliana Maeloa ⁶	2	1	2	1	1	–	1	–
Yeo Chin Tuan Daniel ⁷	2	1	2	1	1	–	1	–
Dr Lam Lee G ⁸	2	1	2	1	1	–	1	–
Jennifer Chang Shyre Gwo ⁹	2	–	–	–	–	–	–	–

¹ Mr Yap Sian Sin resigned as Director of the Company on 6 May 2010.

² Mr Yap Sean Lee retired as Director of the Company on 30 April 2010.

³ Dr Chung Siang Joon retired as Director of the Company on 30 April 2010.

⁴ Dr Tan Kok Soon retired as Director of the Company on 30 April 2010.

⁵ Mdm Oei Siu Hoa @ Sukmawati Widjaja appointed as Director of the Company on 12 March 2010.

⁶ Ms Mimi Yuliana Maeloa appointed as Director of the Company on 26 April 2010.

⁷ Mr Yeo Chin Tuan Daniel appointed as Director of the Company on 26 April 2010.

⁸ Dr Lam Lee G appointed as Director of the Company on 26 April 2010.

⁹ Ms Jennifer Chang Shyre Gwo appointed as Director of the Company on 8 November 2010.

Newly appointed Directors would be briefed by the CEO of the Company on the Group's business and corporate governance policies and practices. Familiarization sessions include visits to project sites may be arranged. Directors were kept informed of changes to regulatory requirements from time to time by the Company Secretary. Board members were encouraged to keep themselves updated especially on their relevant professional, statutory, and regulatory requirements and guidelines to enhance their discharge of their duties and responsibilities as Directors.

Corporate Governance Report

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The Board has separate and independent access to senior management and the company secretary at all times. Requests for information from the Board are dealt with promptly by management. The Board is informed of all material events and transactions as and when they occur. The management provides the Board with quarterly reports of the Company's performance. The management also consults with Board members regularly whenever necessary and appropriate. The Board is issued with board papers timely and prior to Board meetings.

The company secretary attends all board meetings. The company secretary administers, attends and prepares minutes of Board meetings, and assists the Chairman in ensuring that Board procedures are followed and reviewed so that the Board functions effectively and the Company's Articles of Association and the relevant rules and regulations applicable to the Company are complied with.

The Board in fulfilling its responsibilities, can as a group or individually, when deemed fit, direct the Company to appoint professional adviser to render professional advice.

Remuneration Committee ("RC")

Principle 7 – There should be a formal and transparent procedure for developing policy on executive remuneration and for fixing the remuneration packages of individual directors. No director should be involved in deciding his own remuneration.

Principle 8 – The level of remuneration should be appropriate to attract, retain and motivate the directors needed to run the company successfully but companies should avoid paying more than is necessary for this purpose. A significant proportion of executive directors' remuneration should be structured so as to link rewards to corporate and individual performance.

Principle 9 – Each company should provide clear disclosure of its remuneration policy, level and mix of remuneration, and the procedure for setting remuneration, in the company's annual report. It should provide disclosure in relation to its remuneration policies to enable investors to understand the link between remuneration paid to directors and key executives, and performance.

The RC comprises three members, majority of whom are independent and non-executive directors. The members of the RC are as follows:

Yeo Chin Tuan Daniel (Chairman) ^(a)

Dr Lam Lee G ^(b)

Mimi Yuliana Maeloa ^(c)

^(a) Yeo Chin Tuan Daniel was appointed the Chairman of the RC on 26 April 2010

^(b) Dr Lam Lee G was appointed a member of the RC on 26 April 2010

^(c) Mimi Yuliana Maeloa was appointed a member of the RC on 26 April 2010

Remuneration Matters

The duties and responsibilities of the RC are as follows:

- review and recommend an appropriate remuneration framework/package, and service contract terms to the directors to ensure that it can attract, retain and motivate individuals of the right caliber to manage the business of the Group and Company;
- make recommendations to the Board on specific remuneration packages for each Executive Director and the CEO of the Company and its subsidiaries;
- review periodically the appropriateness and relevance of certain aspects of remuneration policies and practices including incentive payments where applicable, variable bonuses and other benefits-in-kind.

Level and Mix of Remuneration

The Company has a staff remuneration policy which comprises a fixed component and a variable component. The fixed and variable components are in the form of a base salary and variable bonus that is linked to the performance of the Company and individual.

Each Executive Director has a service agreement with the Company.

The Independent Directors have not entered into service agreements with the Company.

Directors' Remuneration

Name of Director	Salary	Bonus	Fees	Fringe Benefits	Allowances	Total
\$250,000 to \$500,000						
Yap Siew Sin (resigned on 6 May 2010)	60%	0%	0%	38%	2%	100%
Hano Maeloa	79%	7%	10%	3%	2%	100%
Mdm Oei Siu Hoa @ Sukmawati Widjaja (appointed on 12 March 2010)	82%	7%	7%	4%	0%	100%
Below \$250,000						
Yap Sean Lee (retired on 30 April 2010)	0%	0%	0%	0%	0%	0%
Dr Tan Kok Soon (retired on 30 April 2010)	0%	0%	0%	0%	0%	0%
Dr Chung Siang Joon (retired on 30 April 2010)	0%	0%	0%	0%	0%	0%
Mimi Yuliana Maeloa (appointed on 26 April 2010)	0%	0%	100%	0%	0%	100%
Yeo Chin Tuan Daniel (appointed on 26 April 2010)	0%	0%	100%	0%	0%	100%
Dr Lam Lee G (appointed on 26 April 2010)	0%	0%	100%	0%	0%	100%
Jennifer Chang Shyre Gwo (appointed on 8 November 2010)	83%	7%	3%	0%	7%	100%

Corporate Governance Report

The fees are subject to approval by shareholders at the AGM for FY2010.

None of the directors were granted any options pursuant to the Scheme or hold any other share options of the Company.

Remuneration of Top 2 Key Executives

Name of Employee	Salary	Bonus	Allowance	Total
Below \$250,000				
Robin Ng	92%	0%	8%	100%
Yei Maung	85%	11%	4%	100%

The Company has no employees who are immediate family members of a Director or CEO and whose remuneration exceeded \$250,000 during the financial year ended 31 December 2010.

Share Option Committee

The Company had a Share Option Scheme in place and a Scheme Committee was responsible for the administration of the "Top Global Share Option Scheme 2001" ("Scheme"), in accordance with the rules of the Scheme. The Committee is made up of the members of the Remuneration Committee, Mr Yeo Chin Tuan Daniel, Dr Lam Lee G and Ms Mimi Yuliana Maeloa.

Please refer to the Directors' Report in this Annual Report for further details of the Scheme.

Accountability and Audit

Principle 10 – The Board should present a balanced and understandable assessment of the company's performance, position and prospects.

Principle 11 – The Board should establish an Audit Committee with written terms of reference which clearly set out its authority and duties.

Principle 12 – The Board should ensure that the Management maintains a sound system of internal controls to safeguard the shareholders' investments and the company's assets.

The Company believes in conducting itself professionally and in ways to continuously build and maintain shareholders confidence and trust. Prompt statutory reporting and announcements is the most fundamental of accountabilities of Management and the Board to the shareholders.

The AC of the Company is made up of three Board members, the majority of whom are independent and non-executive directors. The members of the AC are as follows:

Yeo Chin Tuan Daniel (Chairman) ^(a)

Dr Lam Lee G ^(b)

Mimi Yuliana Maeloa ^(c)

^(a) Yeo Chin Tuan Daniel was appointed the Chairman of the AC on 26 April 2010

^(b) Dr Lam Lee G was appointed a member of the AC on 26 April 2010

^(c) Mimi Yuliana Maeloa was appointed a member of the AC on 26 April 2010

The NC is of the opinion that the members of the AC have sufficient financial management expertise and experience to discharge their duties.

The AC will meet regularly to perform the following functions:

- review with the external auditors and the Management the financial accounts and statements of the Company and the Group before they are forwarded to the Board for approval and release of the announcements of the results;
- review the scope of the audit plan of the external auditors;
- review the audit report of the external auditors and discuss any significant findings and recommendations together with the Management;
- review adequacy of Company's and Group's system of accounting records, financial and management reporting as well as adequacy of internal controls;
- review related party and interested person transactions to ensure compliance with the regulations as set out in the Listing Manual of the Singapore Exchange Securities Trading Limited, Section B: Rules of Catalist ("Catalist Rules");
- review cost effectiveness, independence and objectivity and suitability of the external auditors;
- review the independence and objectivity of the external auditors; and
- recommend to the Board the appointment/re-appointment of external auditors, including those of the subsidiary companies;
- reviews the nature and extent of non-audit services performed by the external auditors.

The AC has full access to the internal and external auditors and meets them at least once a year without the presence of the management. It has full authority and discretion to invite any director or senior officer to attend its meetings.

Corporate Governance Report

The AC has reviewed the Company's system of internal controls, including operational and compliance records, risk management policies and systems established by management during the year and is satisfied that the overall system of controls is adequate.

The AC has recommended to the Board of Directors that the external auditors, Nexia TS Public Accounting Corporation be nominated for re-appointment as auditors at the next AGM of the Company. The AC has conducted an annual review of non-audit services to satisfy itself that the nature and extent of such services will not prejudice the independence and objectivity of the external auditors before confirming their re-nomination. During the year under review, no non-audit fee was paid to the external auditors in respect of non-audit services.

Internal Audit

Principle 13 – The company should establish an internal audit function that is independent of the activities it audits.

In view of the Company's scale of operations and in order to be more cost effective, the Board believes that the existing system of internal controls is adequate and the Group currently has no separate internal audit function. The Company's finance department and the external auditors review the Group's internal controls risk management and compliance systems and report findings and makes recommendations to the management and AC.

To ensure adequacy of the internal audit function, the AC meets regularly to review this function. The AC is satisfied with the adequacy of the current audit function and will continue to assess its effectiveness regularly.

Communication with Shareholders

Principle 14 – Companies should engage in regular, effective and fair communication with shareholders.

In line with the Company's obligations for continuing disclosures, the Board's policy is for shareholders to be informed of all major developments and transactions that impact the Group.

Information is disseminated to shareholders on a transparent and timely basis. All price sensitive information and financial results announcements are publicly released via SGXNET.

The Group's annual report together with the notice of AGM is dispatched to all shareholders at least 14 days before the meeting. The notice of AGM is also published in the newspapers and announced via SGXNET.

Principle 15 – Companies should encourage greater shareholder participation at AGMs, and allow shareholders the opportunity to communicate their views on various matters affecting the company.

Shareholders are encouraged to attend the AGM as this is the principal forum for any dialogue they may have with the directors and management of the Company.

Any member of the Company who is unable to attend the AGM can appoint up to two proxies to attend and vote on his/her behalf.

At the Company's annual general meetings, shareholders are given the opportunity to voice their views and ask directors or management questions regarding the Company. The Chairman of the AC, RC, NC and external auditors of the Group will normally be present at annual general meetings and other general meetings of shareholders to assist the Board in addressing shareholders' questions.

Interested Person Transactions

In compliance with Rule 907 of the Catalyst Rules, there were no transactions with interested persons for the financial year ended 31 December 2010.

Material Contracts

There were no material contracts entered into by the Group or any of its subsidiaries involving the interest of the CEO, any Director or controlling shareholders entered into since the end of the previous financial year.

Dealing in Securities

The Company has adopted internal code of best practices on dealings in the Company's securities. Under the said code, directors and officers of the Group are not allowed to deal in the Company's shares while in possession of price sensitive information and during the period commencing one month before the announcement of the Company and Group's results, as the case may be, and ending on the date of the announcement of the relevant results. In addition, the officers of the Company are advised not to deal in the Company's securities for a short term considerations and are expected to observe the insider trading laws at all times even dealing in securities within the permitted trading periods.

Whistle-Blowing Policy

The Company has in place whistle-blowing policies by which staff may raise concerns about fraudulent activities, malpractices or improprieties within the Group, without fear of reprisal. To ensure independent investigation of such matters and for appropriate follow up action, all whistle-blowing reports can be sent to either the HR & Corporate Affairs or the Chairman of the AC.

Code of Business Conduct

The Company has a Code of Business Conduct which all employees are required to observe and comply for the purpose of maintaining high standards of integrity, professionalism, and business conduct.

Risk Management and Processes

The Company regularly reviews and improves its business and operational activities to identify areas of significant business risks as well as respond appropriately to control and mitigate these risks. The Company reviews all significant control policies and procedures and highlights all significant matters to the AC and the Board.

Corporate Governance Report

Use of Proceeds

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Rights Issue

On 29 September 2010, the Company completed a rights issue of 8,078,460,456 new shares cum 8,078,460,456 Warrants Issue ("Rights Shares cum Warrants") with an issue price of S\$0.01. The net proceeds raised from the Rights Shares Cum Warrants Issue amounted to approximately S\$80.5 million (the "Net Proceeds") (after deducting costs of S\$0.3 million).

As at 31 January 2011, the Company has partially utilised the Net Proceeds as follows:

Use	Percentage (%)
Strategic investment in property development business	28

There was no material deviation from the stated use of the proceeds from the Rights Shares cum Warrants.

Catalist Sponsor

Stamford Corporate Services Pte. Ltd. was the continuing sponsor of the Company for the period under review up to 14 December 2010. The Company appointed Shooklin Advisory Services Pte. Ltd. as its continuing sponsor with effect from 15 December 2010.

In compliance with Rule 1204(20) of the Catalist Rules, there was no non-sponsor fee paid to Stamford Corporate Services Pte. Ltd. or Shooklin Advisory Services Pte Ltd.

Treasury Shares

There are no treasury shares held by the Company at the end of the financial year ended 31 December 2010.

Directors' Report

For the financial year ended 31 December 2010

The directors present their report to the members together with the audited financial statements of Top Global Limited (the Company) and its subsidiaries (collectively, the Group) for the financial year ended 31 December 2010 and the balance sheet of the Company as at 31 December 2010.

DIRECTORS

The directors of the Company in office at the date of this report are as follows:

Mr Hano Maeloa	
Madam Oei Siu Hoa @ Sukmawati Widjaja	(appointed on 12 March 2010)
Ms Mimi Yuliana Maeloa	(appointed on 26 April 2010)
Dr Lam Lee G	(appointed on 26 April 2010)
Mr Yeo Chin Tuan Daniel	(appointed on 26 April 2010)
Ms Jennifer Chang Shyre Gwo	(appointed on 8 November 2010)

ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' INTERESTS IN SHARES OR DEBENTURES

According to the register of directors' shareholdings, none of the directors holding office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations, except as follows:

Company	Holdings registered in name of director or nominee		Holdings in which director is deemed to have an interest	
	At 31.12.2010	At 1.1.2010 or date of appointment if later	At 31.12.2010	At 1.1.2010 or date of appointment if later
<u>(No. of ordinary shares)</u>				
Mr Hano Maeloa	360,000,000	–	–	–
Madam Oei Siu Hoa @ Sukmawati Widjaja	5,415,981,000	1,400,000,000	–	–
Ms Jennifer Chang Shyre Gwo	6,800,000	6,800,000	–	–
<u>(No. of warrants)</u>				
Mr Hano Maeloa	270,000,000	–	–	–
Madam Oei Siu Hoa @ Sukmawati Widjaja	4,061,985,936	–	–	–
Ms Jennifer Chang Shyre Gwo	6,800,000	6,800,000	–	–

The directors' interests in the ordinary shares of the Company as at 21 January 2011 were the same as those as at 31 December 2010.

By virtue of Section 7 of the Singapore Companies Act, Cap. 50, Madam Oei Siu Hoa @ Sukmawati Widjaja is deemed to have an interest in the share of all the Company's subsidiaries at the end of the financial year.

Directors' Report

For the financial year ended 31 December 2010

DIRECTORS' CONTRACTUAL BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with the director or with a firm of which he is a member or with a company in which he has a substantial financial interest, except as disclosed in the accompanying financial statements and in this report.

SHARE OPTIONS AND WARRANTS

Share Options to Take up Unissued Shares

(a) Employee Share Option Scheme

The Company has an employee share option scheme known as the "Top Global Share Option Scheme 2001" (the "Scheme"). The Scheme, which forms an integral component of its compensation plan, is designed to reward and retain eligible participants whose services are vital to its well being and success. It provides eligible participants who have contributed to the success and development of the Company with an opportunity to participate in its equity and also increase the dedication and loyalty of these participants and motivate them to perform better.

Under the rules of the Scheme, all directors and employees of the Company are eligible to participate in the Scheme. Controlling shareholders or their associates are also eligible to participate in the Scheme subject to the approval of independent shareholders in the form of separate resolutions for each participant. Further, independent shareholders' approval is also required in the form of separate resolutions for each grant of options and the terms thereof, to each participant who is a controlling shareholder of his associate.

The total number of shares over which options may be granted shall not exceed 20% of the issued share capital of the Company at any time.

The Share Options Scheme Committee ("Scheme Committee") is charged with the administration of the Scheme in accordance with the rules of the Scheme. The Scheme Committee consists of 3 directors appointed by the Board of Directors of the Company. The number of options to be offered to a participant shall be determined at the discretion of the Scheme Committee who shall take into account criteria such as the rank, performance, seniority, potential for future development and length of service of the participant provided that:

- (a) the total number of shares which may be offered to any participant during the entire operation of the Scheme (including adjustments under the rules) shall not exceed 25% of the shares in respect of which the Company may grant options;
- (b) the aggregate number of shares which may be offered to participants who are controlling shareholders and their associates during the entire operation of the Scheme (including adjustments under the rules) shall not exceed 25% of the shares in respect of which the Company may grant options; and
- (c) the number of shares which may be offered to each participant who is a controlling shareholder or his associate during the entire operation of the Scheme shall not exceed 10% of the shares in respect of which the Company may grant options.

SHARE OPTIONS AND WARRANTS (Cont'd)

Share Options to Take up Unissued Shares (Cont'd)

(a) Employee Share Option Scheme (Cont'd)

The exercise price for each share in respect of which an option is exercisable shall be determined by the Scheme Committee at its absolute discretion and fixed by the Committee at:

- (i) a price (the "Market Price") equal to the average of the last dealt prices for a share on the SGX-ST for the period of five (5) consecutive Market Days immediately prior to the relevant offer date but not less than its par value; or
- (ii) a price which is set at a discount to the Market Price, provided that the maximum discount shall not exceed 20% of the Market Price.

Options must be exercised before the expiry of 6 years from the date of the offer or such earlier date as may be determined by the Scheme Committee. There are special provisions dealing with the lapsing or permitting the earlier exercise of options under certain circumstances including termination, bankruptcy, and death of the participant.

No participant has received 5% or more of the total number of the options available under the Scheme.

During the financial year, no option to take up unissued shares of the Company or any corporation in the Group was granted.

Previously, options under the Scheme had been granted to directors and employees of the Company who had since resigned and therefore according to the Scheme, the options have since lapsed and there are no aggregate options outstanding at the end of the financial year under review.

(b) Rights Share Cum Warrants Issue

On 29 September 2010, the Company issued 8,078,460,456 new ordinary shares pursuant to the Rights Shares cum Warrants Issue (the "Rights Issue") for a total cash consideration (net of expenses) of \$80,457,468.

During the financial year, 358,264,906 (2009: 6,355,664) ordinary shares of the Company were issued for cash at \$0.005 each by virtue of exercise of the option by the holders of the warrants to take up unissued shares.

Warrants outstanding as at 31 December 2010 totaled 8,179,796,050 which comprise 106,675,594 (2009: 459,600,500) expiring on 12 June 2013 and 8,073,120,456 (2009: Nil) expiring on 29 September 2015. These may be converted into shares at the conversion rate of \$0.005 for each ordinary share of no par value.

Directors' Report

For the financial year ended 31 December 2010

SHARE OPTIONS AND WARRANTS (Cont'd)

Share Options to Take up Unissued Shares (Cont'd)

(c) Options exercised

During the financial year, there were no shares of the Company or any corporation in the Group issued by virtue of the exercise of options to take up unissued shares.

(d) Unissued shares under options

During the financial year, the Company has granted 250,000,000 share options to business associates pursuant to joint venture agreements entered into on 27 October 2010. The completion of the grant of these share options are subject to the terms and conditions of the joint venture agreements and the necessary approvals from the Singapore regulatory authorities. Details of the options to subscribe for ordinary shares of the Company as at 31 December 2010 are as follows:

Expiry Date	Exercise Price (S\$)	Number of Options
30 April 2012	0.02	50,000,000
26 October 2013	0.03	200,000,000

AUDIT COMMITTEE

The members of the Audit Committee at the end of the financial year were as follows:

Mr Yeo Chin Tuan Daniel	(Chairman and independent director)
Dr Lam Lee G	(Independent director)
Ms Mimi Yuliana Maeloa	(Non-executive director)

All members of the Audit Committee were independent or non-executive directors.

The Audit Committee carried out its functions in accordance with Section 201B(5) of the Singapore Companies Act. In performing those functions, the Committee reviewed:

- the audit plan of the Company's independent auditor and any recommendations on internal accounting controls arising from the statutory audit;
- the assistance given by the Company's management to the independent auditor; and
- the balance sheet of the Company and the consolidated financial statements of the Group for the financial year ended 31 December 2010 before their submission to the Board of Directors, as well as the independent auditor's report on the balance sheet of the Company and the consolidated financial statements of the Group.

The Audit Committee has recommended to the Board that the independent auditor, Nexia TS Public Accounting Corporation, be nominated for re-appointment at the forthcoming Annual General Meeting of the Company.

INDEPENDENT AUDITOR

The independent auditor, Nexia TS Public Accounting Corporation, has expressed its willingness to accept re-appointment.

On behalf of the directors

Hano Maeloa
Director

Oei Siu Hoa @ Sukmawati Widjaja
Director

Singapore
25 February 2011

Statement by Directors

For the financial year ended 31 December 2010

In the opinion of the directors,

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- (a) the balance sheet of the Company and the consolidated financial statements of the Group as set out on pages 33 to 83 are drawn up so as to give a true and fair view of the state of affairs of the Company and of the Group as at 31 December 2010 and of the results of the business, changes in equity and cash flows of the Group for the financial year then ended; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

On behalf of the directors

Hano Maeloa
Director

Oei Siu Hoa @ Sukmawati Widjaja
Director

Singapore
25 February 2011

Independent Auditor's Report

To the members of Top Global Limited

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of Top Global Limited (the "Company") and its subsidiaries (the "Group") set out on pages 33 to 83 which comprise the consolidated balance sheet of the Group and the balance sheet of the Company as at 31 December 2010, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement of the Group for the financial year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act (the "Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition, that transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss accounts and balance sheets and to maintain accountability of assets.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independent Auditor's Report

To the members of Top Global Limited

Opinion

In our opinion, the consolidated financial statements of the Group and the balance sheet of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 December 2010, and the results, changes in equity and cash flows of the Group for the financial year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiaries incorporated in Singapore of which we are the auditors, have been properly kept in accordance with the provisions of the Act.

Nexia TS Public Accounting Corporation
Public Accountants and Certified Public Accountants

Director-in-charge: Chin Chee Choon
Appointed since financial year ended 31 December 2009

Singapore
25 February 2011

Balance Sheets

As at 31 December 2010

	Note	Group		Company	
		2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
ASSETS					
Current assets					
Cash and cash equivalents	4	72,564	8,938	66,787	2,472
Financial assets, at fair value through profit or loss	5	5,036	72	–	72
Trade and other receivables	6	26,635	1,934	39,513	2,721
Inventories	8	22	–	–	–
Development properties for sale	9	–	9,502	–	–
		104,257	20,446	106,300	5,265
Disposal group classified as held-for-sale	25	–	1,311	–	–
		104,257	21,757	106,300	5,265
Non-current assets					
Investments in subsidiaries	10	–	–	50	3,051
Property, plant, and equipment	11	4,519	955	72	–
Intangible asset	12	–	56	–	–
		4,519	1,011	122	3,051
Total assets		108,776	22,768	106,422	8,316
LIABILITIES					
Current liabilities					
Trade and other payables	13	5,586	4,562	7,914	5,912
Borrowings	14	–	9,125	–	–
Provisions	16	2,048	–	2,048	–
		7,634	13,687	9,962	5,912
Liabilities directly associated with disposal group classified as held-for-sale	25	–	1,418	–	–
		7,634	15,105	9,962	5,912
Non-current liabilities					
Borrowings	14	–	212	–	–
Total liabilities		7,634	15,317	9,962	5,912
NET ASSETS		101,142	7,451	96,460	2,404
EQUITY					
Capital and reserve attributable to equity holders of the Company					
Share capital	18	120,603	21,554	120,603	21,554
Accumulated losses		(21,631)	(14,103)	(24,143)	(19,150)
		98,972	7,451	96,460	2,404
Non-controlling interests		2,170	–	–	–
Total equity		101,142	7,451	96,460	2,404

The accompanying notes form an integral part of these financial statements

Consolidated Statement of Comprehensive Income

For the financial year ended 31 December 2010

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	Note	Group	
		2010 \$'000	2009 \$'000
Continuing operations			
Revenue	19	4,476	19,595
Cost of sales		(5,488)	(10,315)
Gross (loss)/profit		(1,012)	9,280
Other income	20	1,127	891
Other losses – net	20	(2,909)	(1,956)
Expenses			
– Distribution and marketing		(136)	(75)
– Administrative		(4,697)	(1,721)
– Finance	23	(75)	(13)
(Loss)/Profit before income tax		(7,702)	6,406
Income tax expense	24	–	–
(Loss)/Profit from continuing operations		(7,702)	6,406
Discontinued operation			
Profit/(Loss) from discontinued operation	25	44	(5,095)
Total comprehensive (loss)/income, representing total (loss)/profit		(7,658)	1,311
Total comprehensive (loss)/income attributable to:			
Equity holders of the Company		(7,528)	1,311
Non-controlling interests		(130)	–
		(7,658)	1,311
(Loss)/Earnings per share for (loss)/profit from continuing operations attributable to equity holders of the Company (cents per share)	27		
– Basic		(0.17)	0.68
– Diluted		(0.17)	0.68
Earnings/(Loss) per share for profit/(loss) from discontinued operation attributable to equity holders of the Company (cents per share)	27		
– Basic		*	(0.54)
– Diluted		*	(0.54)

* Less than (0.001) cents per share

The accompanying notes form an integral part of these financial statements

Consolidated Statement of Changes in Equity

For the financial year ended 31 December 2010

Group	Note	Attributable to equity holders of the Company			Non- controlling interests	Total equity
		Share capital \$'000	Accumulated losses \$'000	Total \$'000		
2010						
Beginning of financial year		21,554	(14,103)	7,451	–	7,451
Issue of shares	18	97,585	–	97,585	2,300	99,885
Exercise of warrants		1,791	–	1,791	–	1,791
Share issue expenses		(327)	–	(327)	–	(327)
Total comprehensive loss for the year		–	(7,528)	(7,528)	(130)	(7,658)
End of financial year		120,603	(21,631)	98,972	2,170	101,142
2009						
Beginning of financial year		21,522	(15,414)	6,108	–	6,108
Exercise of warrants	18	32	–	32	–	32
Total comprehensive income for the year		–	1,311	1,311	–	1,311
End of financial year		21,554	(14,103)	7,451	–	7,451

The accompanying notes form an integral part of these financial statements

Consolidated Statement of Cash Flows

For the financial year ended 31 December 2010

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	Note	Group	
		2010 \$'000	2009 \$'000
Cash flows from operating activities			
Total (loss)/profit		(7,658)	1,311
Adjustments for:			
– Amortisation and depreciation		482	203
– Property, plant and equipment written-off	20	63	–
– (Gain)/Loss on disposal of property, plant and equipment	20	(51)	50
– Intangible asset written-off	20	49	–
– Fair value loss on financial assets, at fair value through profit or loss	20	54	–
– Gain on disposal of financial assets, at fair value through profit or loss	20	(19)	–
– Loss on disposal of a subsidiary	20	810	–
– Interest income	23	(144)	(9)
– Interest expenses		75	13
– Unrealised currency translation losses		31	–
		(6,308)	1,568
Change in working capital, net of effects from disposal of a subsidiary			
– Inventories		(22)	–
– Financial assets, at fair value through profit or loss		–	(17)
– Short-term bank deposits pledged		3,080	–
– Trade and other receivables		(26,638)	743
– Development properties for sale in progress		9,502	(3,233)
– Trade and other payables		492	(1,291)
– Provisions		2,048	(415)
		(17,846)	(2,645)
Cash used in operations		(17,846)	(2,645)
Interest received		76	9
Income tax paid		(3)	–
		(17,773)	(2,636)
Net cash used in operating activities			
Cash flows from investing activities			
Additions to property, plant and equipment	11	(4,502)	(234)
Additions of intangible asset		–	(60)
Proceeds from disposal of financial assets, at fair value through profit or loss		949	–
Proceeds from disposal of property, plant and equipment		451	15
Purchase of financial assets, at fair value through profit or loss		(5,979)	–
Disposal of a subsidiary, net of cash disposed of	4	1,623	–
		(7,458)	(279)
Net cash used in investing activities			
Cash flows from financing activities			
Proceeds from issuance of ordinary shares	18	97,258	32
Proceeds from issuance of ordinary shares to non-controlling interests		2,300	–
Proceeds from issuance of conversion of warrants	18	1,791	–
Proceeds from borrowings		–	3,801
Repayment of borrowings		(9,337)	(615)
Interest paid		(75)	(13)
		91,937	3,205
Net cash generated from financing activities			
Net increase in cash and cash equivalents		66,706	290
Cash and cash equivalents			
Beginning of financial year	4	4,522	4,232
End of financial year	4	71,228	4,522

The accompanying notes form an integral part of these financial statements

Notes to the Financial Statements

For the financial year ended 31 December 2010

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1 GENERAL INFORMATION

Top Global Limited (the "Company") is listed on the Catalist of the Singapore Exchange Securities Trading Limited and incorporated and domiciled in Singapore. The address of its registered office is 1 Scotts Road #20-03 Shaw Centre Singapore 228208.

The principal activities of the Company are in property development and investment in real estate related businesses. The principal activities of its subsidiaries are disclosed in Note 10 to the financial statements.

2 SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation

These financial statements have been prepared in accordance with Singapore Financial Reporting Standards ("FRS"). The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the Group's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 3.

Interpretations and amendments to published standards effective in 2010

On 1 January 2010, the Group adopted the new or amended FRS and Interpretations to FRS ("INT FRS") that are mandatory for application from that date. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The adoption of these new or amended FRS and INT FRS did not result in substantial changes to the Group's and Company's accounting policies and had no material effect on the amounts reported for the current or prior financial years except as disclosed below:

- (a) FRS 27 (revised) Consolidated and Separate Financial Statements (effective for annual periods beginning on or after 1 July 2009)

The revisions to FRS 27 principally change the accounting for transactions with non-controlling interests. Please refer to Notes 2.2(a)(ii) for the revised accounting policy on changes in ownership interest that results in a lost of control and 2.2(b) for that on changes in ownership interests that do not result in lost of control.

As the changes have been implemented prospectively, no adjustments were necessary to any of the amounts previously recognised in the financial statements. There were no transactions with non-controlling interests in the current financial year. Accordingly, these changes do not have any impact on the financial statements for the current financial year.

Notes to the Financial Statements

For the financial year ended 31 December 2010

2 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.1 Basis of Preparation (Cont'd)

Interpretations and amendments to published standards effective in 2010 (Cont'd)

- (b) Amendment to FRS 7 Statement of Cash Flows (effective for annual periods beginning on or after 1 January 2010)

Under the amendment, only expenditures that result in a recognised asset in the balance sheet can be classified as investing activities in the statement of cash flows. Previously, such expenditure could be classified as investing activities in the statement of cash flows.

- (c) FRS 103 (revised) Business Combinations (effective for annual periods beginning on or after 1 July 2009)

FRS 103 (revised) continues to apply the acquisition method to business combinations, with some significant changes. For example, all payments to purchase a business are to be recorded at fair value at the acquisition date, with contingent payments classified as debt subsequently re-measured through profit or loss. There is a choice on an acquisition-by-acquisition basis to measure the non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets. All acquisition-related costs should be expensed. The revised standard does not have an impact on the accounting policies and measurement bases adopted by the Group.

2.2 Group Accounting

(a) *Subsidiaries*

(i) *Consolidation*

Subsidiaries are entities (including special purpose entities) over which the Group has power to govern the financial and operating policies so as to obtain benefits from its activities, generally accompanied by a shareholding giving rise to a majority of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date on which control ceases.

In preparing the consolidated financial statements, transactions, balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses are also eliminated but are considered an impairment indicator of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

2 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.2 Group Accounting (Cont'd)

(a) *Subsidiaries (Cont'd)*

(i) *Consolidation (Cont'd)*

Non-controlling interests are that part of the net results of operations and of net assets of a subsidiary attributable to the interests which are not owned directly or indirectly by the equity holders of the Company. They are shown separately in the consolidated statement of comprehensive income, statement of changes in equity and balance sheet. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary, even if this results in the non-controlling interests having a deficit balance.

(ii) *Disposals of subsidiaries or businesses*

When a change in the Company's ownership interest in a subsidiary results in a loss of control over the subsidiary, the assets and liabilities of the subsidiary including any goodwill are derecognised. Amounts recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to retained earnings if required by a specific Standard.

Any retained interest in the entity is remeasured at fair value. The difference between the carrying amount of the retained investment at the date when control is lost and its fair value is recognised in profit or loss.

Please refer to the paragraph "Investments in subsidiaries" for the accounting policy on investments in subsidiaries in the separate financial statements of the Company.

(b) *Transactions with non-controlling interests*

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control over the subsidiary are accounted for as transactions with equity owners of the Group. Any difference between the change in the carrying amounts of the non-controlling interest and the fair value of the consideration paid or received is recognised in a separate reserve within equity attributable to the equity holders of the Company.

2.3 Investments in Subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses in the Company's balance sheet. On disposal of investments in subsidiaries, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

Notes to the Financial Statements

For the financial year ended 31 December 2010

2 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.4 Property, Plant and Equipment

(a) Measurement

(i) Property, plant and equipment

Property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

(ii) Components of costs

The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

(b) Depreciation

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

	Useful Lives
Plant and equipment	3-10 years
Motor vehicles	5 years

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each balance sheet date. The effects of any revision are recognised in profit or loss when the changes arise.

Assets under construction represent the costs of assets under development. When assets under construction are completed and become operational they are recognised as property, plant and equipment and depreciated over their useful lives.

(c) Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

(d) Disposal

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss within 'Other losses – net'.

2 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.5 Intangible Assets

Franchise

Franchise acquired is initially recognised at cost and are subsequently carried at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to profit or loss using the straight-line method over 6 years, which is the period of contractual rights.

The amortisation period and amortisation method of franchise are reviewed at least at each balance sheet date. The effects of any revision are recognised in profit or loss when the changes arise.

2.6 Impairment of Non-Financial Assets

Intangible asset

Property, plant and equipment

Investments in subsidiaries

Intangible asset, property, plant and equipment and investments in subsidiaries are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the CGU to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss.

An impairment loss for an asset is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

Notes to the Financial Statements

For the financial year ended 31 December 2010

2 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.7 Financial Assets

(a) *Classification*

The Group classifies its financial assets in the following categories: at fair value through profit or loss and loans and receivables. The classification depends on the nature of the asset and the purpose for which the assets were acquired. Management determines the classification of its financial assets at initial recognition.

(i) *Financial assets, at fair value through profit or loss*

Financial assets designated as at fair value through profit or loss at inception are those that are managed and their performances are evaluated on a fair value basis, in accordance with a documented Group investment strategy. Assets in this category are presented as current assets if they are expected to be realised within 12 months after the balance sheet date.

(ii) *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those expected to be realised later than 12 months after the balance sheet date which are presented as non-current assets. Loans and receivables are presented as "trade and other receivables" and "cash and cash equivalents" on the balance sheet.

(b) *Recognition and derecognition*

Regular way purchases and sales of financial assets are recognised on trade-date – the date on which the Group commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. On disposal of a financial asset, the difference between the carrying amount and the sale proceeds is recognised in profit or loss. Any amount in the fair value reserve relating to that asset is reclassified to profit or loss.

(c) *Initial measurement*

Financial assets are initially recognised at fair value plus transaction costs except for financial assets at fair value through profit or loss, which are recognised at fair value. Transaction costs for financial assets at fair value through profit or loss are recognised immediately as expenses.

2 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.7 Financial Assets (Cont'd)

(d) *Subsequent measurement*

Financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Changes in the fair values of financial assets at fair value through profit or loss including the effects of currency translation, interest and dividends, are recognised in profit or loss when the changes arise.

(e) *Impairment*

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired and recognises an allowance for impairment when such evidence exists.

Loans and receivables

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy, and default or significant delay in payments are objective evidence that these financial assets are impaired.

The carrying amount of these assets is reduced through the use of an impairment allowance account which is calculated as the difference between the carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. When the asset becomes uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are recognised against the same line item in profit or loss.

The allowance for impairment loss account is reduced through profit or loss in a subsequent period when the amount of impairment loss decreases and the related decrease can be objectively measured. The carrying amount of the asset previously impaired is increased to the extent that the new carrying amount does not exceed the amortised cost had no impairment been recognised in prior periods.

Notes to the Financial Statements

For the financial year ended 31 December 2010

2 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.8 Construction Contracts

When the outcome of a construction contract can be estimated reliably, contract revenue and contract costs are recognised as revenue and expenses respectively by reference to the stage of completion of the contract activity at the balance sheet date ("percentage-of-completion method"). When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that are likely to be recoverable. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Contract revenue comprises the initial amount of revenue agreed in the contract and variations in the contract work and claims that can be measured reliably. A variation or a claim is recognised as contract revenue when it is probable that the customer will approve the variation or negotiations have reached an advanced stage such that it is probable that the customer will accept the claim.

The stage of completion is measured by reference to the ratio of contract costs incurred to date to the estimated total costs for the contract. Costs incurred during the financial year in connection with future activity on a contract are excluded from the costs incurred to date when determining the stage of completion of a contract. Such costs are shown as construction contract work-in-progress on the balance sheet unless it is not probable that such contract costs are recoverable from the customers, in which case, such costs are recognised as an expense immediately.

At the balance sheet date, the cumulative costs incurred plus recognised profit (less recognised loss) on each contract is compared against the progress billings. Where the cumulative costs incurred plus the recognised profits (less recognised losses) exceed progress billings, the balance is presented as due from customers on construction contracts within "trade and other receivables". Where progress billings exceed the cumulative costs incurred plus recognised profits (less recognised losses), the balance is presented as due to customers on construction contracts within "trade and other payables"

Progress billings not yet paid by customers and retentions by customers are included within "trade and other receivables". Advances received are included within "trade and other payables".

2 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.9 Development Properties

Development properties are those properties which are held with the intention for development and sale in the ordinary course of business. They are stated at the lower of cost plus, where appropriate, a portion of attributable profit, and estimated net realisable value, net of progress billings. Net realisable value represents the estimated selling price less costs to be incurred in selling the property.

The cost of properties under development comprise specifically identified costs, including acquisition costs, development expenditure, borrowing costs and other related expenditure. Borrowing costs payable on loans funding a development property are also capitalised, on a specific identification as part of the cost of the development property until the completion of development. The cumulative impact of a revision in estimates is recorded in the period such revisions become likely and estimable. When it is probable that cost of development property will exceed sale proceed of the development property, the expected loss is recognised as an expense immediately. The development properties in progress have operating cycles longer than one year. The management includes in current assets amounts relating to the development properties in progress realisable over a period in excess of one year.

2.10 Trade and Other Payables

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

2.11 Financial Guarantees

The Company has issued corporate guarantees to banks for borrowings of its subsidiaries. These guarantees are financial guarantees as they require the Company to reimburse the banks if the subsidiaries fail to make principal or interest payments when due in accordance with the terms of their borrowings.

Financial guarantees are initially recognised at their fair values plus transaction costs in the Company's balance sheet.

Financial guarantees are subsequently amortised to profit or loss over the period of the subsidiaries' borrowings, unless it is probable that the Company will reimburse the bank for an amount higher than the unamortised amount. In this case, the financial guarantees shall be carried at the expected amount payable to the bank in the Company's balance sheet.

Intra-group transactions are eliminated on consolidation.

Notes to the Financial Statements

For the financial year ended 31 December 2010

2 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.12 Provisions

Provisions for warranty, restructuring costs and legal claims are recognised when the Group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

The Group recognises the estimated liability to repair or replace products still under warranty at the balance sheet date. This provision is calculated based on historical experience of the level of repairs and replacements.

2.13 Borrowings

Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the balance sheet date.

Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

2.14 Revenue Recognition

Sales comprise the fair value of the consideration received or receivable for the sale of goods and rendering of services in the ordinary course of the Group's activities. Sales are presented, net of value-added tax, rebates and discounts, and after eliminating sales within the Group.

The Group recognises revenue when the amount of revenue and related cost can be reliably measured, it is probable that the collectability of the related receivables is reasonably assured and when the specific criteria for each of the Group's activities are met as follows:

(a) *Revenue from construction contracts*

Revenue from construction contracts are recognised based on the percentage of completion method as disclosed in Note 2.8.

2 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.14 Revenue Recognition (Cont'd)

(b) *Revenue from development properties*

(i) *Development properties sold under normal payment scheme ("NPS")*

Revenue from development properties is recognised based on the stage of completion method. The amount brought into the financial statements is the expected profits attributable to the each sale contracts signed, but only to the extent that it related to the stage of physical completion determined based on the proportion of the construction costs incurred to date to the estimated total construction cost. When losses are expected, full provision is made in the financial statements after adequate consideration has been made for estimated costs to completion. Developments are considered complete upon the issue of temporary occupation permit ("TOP").

(ii) *Development properties sold under deferred payment scheme ("DPS")*

In view of the higher risk profile under DPS, the profit attributable is deemed to become more certain and probable only when the project is awarded TOP. Accordingly, properties sold under DPS, revenue is recognised based on the stage of completion method similar to paragraph (a) above but at zero profit margin.

(c) *Interest income*

Interest income, including income arising from finance leases and other financial instruments, is recognised using the effective interest method.

(d) *Rental income*

Rental income from operating leases (net of any incentives given to the lessees) is recognised on a straight-line basis over the lease term.

2.15 Employee Compensation

Employee benefits are recognised as an expense, unless the cost qualifies to be capitalised as an asset.

(a) *Defined contribution plans*

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid.

Notes to the Financial Statements

For the financial year ended 31 December 2010

2 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.15 Employee Compensation (Cont'd)

(b) *Share-based compensation*

The Group operates an equity-settled, share-based compensation plan. The value of the employee services received in exchange for the grant of options is recognised as an expense with a corresponding increase in the share option reserve over the vesting period. The total amount to be recognised over the vesting period is determined by reference to the fair value of the options granted on the date of the grant. Non-market vesting conditions are included in the estimation of the number of shares under options that are expected to become exercisable on the vesting date. At each balance sheet date, the Group revises its estimates of the number of shares under options that are expected to become exercisable on the vesting date and recognises the impact of the revision of the estimates in profit or loss, with a corresponding adjustment to the share option reserve over the remaining vesting period.

When the options are exercised, the proceeds received (net of transaction costs) and the related balance previously recognised in the share option reserve are credited to share capital account, when new ordinary shares are issued, or to the "treasury shares" account, when treasury shares are re-issued to the employees.

2.16 Borrowing Costs

Borrowing costs are recognised in profit or loss using the effective interest method except for those costs that are directly attributable to the construction or development of properties. This includes those costs on borrowings acquired specifically for the construction or development of properties, as well as those in relation to general borrowings used to finance the construction or development of properties.

The actual borrowing costs incurred during the period up to the issuance of the temporary occupation permit less any investment income on temporary investment of these borrowings, are capitalised in the cost of the property under development. Borrowing costs on general borrowings are capitalised by applying a capitalisation rate to construction or development expenditures that are financed by general borrowings.

2 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.17 Leases

(a) **When the Group is the lessee:**

The Group leases plant and equipment under finance leases and land under operating leases from non-related parties.

(i) *Lessee – Finance leases*

Leases where the Group assumes substantially all risks and rewards incidental to ownership of the leased assets are classified as finance leases.

The leased assets and the corresponding lease liabilities (net of finance charges) under finance leases are recognised on the balance sheet as plant and equipment and borrowings respectively, at the inception of the leases based on the lower of the fair value of the leased assets and the present value of the minimum lease payments.

Each lease payment is apportioned between the finance expense and the reduction of the outstanding lease liability. The finance expense is recognised in profit or loss on a basis that reflects a constant periodic rate of interest on the finance lease liability.

(ii) *Lessee – operating leases*

Leases where substantially all risks and rewards incidental to ownership are retained by the lessors are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessors) are recognised in profit or loss on a straight-line basis over the period of the lease.

(b) **When the Group is the lessor:**

The Group leases investment properties under operating leases to non-related parties.

Lessor – Operating leases

Leases of investment properties where the Group retains substantially all risks and rewards incidental to ownership are classified as operating leases. Rental income from operating leases (net of any incentives given to the lessees) is recognised in profit or loss on a straight-line basis over the lease term.

Notes to the Financial Statements

For the financial year ended 31 December 2010

2 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.18 Income Taxes

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

A deferred income tax liability is recognised on temporary differences arising on investments in subsidiaries, associated companies and joint ventures, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred income tax is measured:

- (i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date; and
- (ii) based on the tax consequence that will follow from the manner in which the Group expects, at the balance sheet date, to recover or settle the carrying amounts of its assets and liabilities.

Current and deferred income taxes are recognised as income or expense in profit or loss.

2.19 Currency Translation

(a) Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in Singapore Dollars, which is the functional currency of the Company.

2 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.19 Currency Translation (Cont'd)

(b) *Transactions and balances*

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency translation differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the balance sheet date are recognised in profit or loss, unless they arise from borrowings in foreign currencies and other currency instruments designated and qualifying as net investment hedges and net investment in foreign operations. Those currency translation differences are recognised in the currency translation reserve in the consolidated financial statements and transferred to profit or loss as part of the gain or loss on disposal of the foreign operation.

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

(c) *Translation of Group entities' financial statements*

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) Assets and liabilities are translated at the closing exchange rates at the reporting date;
- (ii) Income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and
- (iii) All resulting currency translation differences are recognised in the currency translation reserve.

2.20 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the executive committee whose members are responsible for allocating resources and assessing performance of the operating segments.

2.21 Cash and Cash Equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash on hand and deposits with financial institutions which are subject to an insignificant risk of change in value.

Notes to the Financial Statements

For the financial year ended 31 December 2010

2 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

2.22 Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

2.23 Discontinued Operations

A discontinued operation is a component of an entity that either has been disposed of, or that is classified as held for sale and:

- (a) represents a separate major line of business or geographical area of operations; or
- (b) is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or
- (c) is a subsidiary acquired exclusively with a view to resale.

2.24 Fair Value Estimation of Financial Assets and Liabilities

The fair values of financial instruments traded in active markets (such as exchange-traded and over-the-counter securities and derivatives) are based on quoted market prices at the balance sheet date. The quoted market prices used for financial assets are the current bid prices.

The fair values of current financial assets and liabilities carried at amortised cost approximate their carrying amounts.

2.25 Government Grants

Grants from the government are recognised as a receivable at their fair value when there is reasonable assurance that the grant will be received and the Group will comply with all the attached conditions.

Government grants receivable are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are shown separately as other income.

Government grants relating to assets are deducted against the carrying amount of the assets.

3 CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

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3.1 Critical Accounting Estimates and Assumptions

(a) *Estimated impairment of non-financial assets*

Intangible assets, property, plant and equipment and investments in subsidiaries are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

The Group and the Company follow the guidance of FRS 36 Impairment of Assets in determining when an investment is other-than-temporary impaired and this requires significant judgement. The Group and the Company evaluate, among other factors, the duration and extent to which the fair value of an investment is less than its cost.

(b) *Depreciation of property, plant and equipment*

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives. Management estimates the useful lives of these assets to be within 3 to 10 years. The carrying amounts of the Group's property, plant and equipment as at 31 December 2010 were \$4,519,000 (2009: \$955,000). Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

(c) *Construction contracts*

The Group uses the percentage-of-completion method to account for its contract revenue. The stage of completion is measured by reference to the contract costs incurred to date compared to the estimated total costs for the contract.

Significant assumptions are required to estimate the total contract costs and the recoverable variation works that will affect the stage of completion and the contract revenue respectively. In making these estimates, management has relied on past experience and the work of specialists.

(d) *Provisions*

Provisions for warranty claims are based on (i) % of the contract sum; and (ii) physical verification by surveyor of the defect liabilities. The warranty period ranges between 10-14 years.

Provisions, other than warranty provisions, mainly comprise amounts related to contractual obligations and penalties to customers and estimated losses on customer contracts as well as supplier or subcontractor claims and/or disputes. The estimates related to the amounts of provisions for penalties or claims from the management. As at 31 December 2010, provisions amounted to \$2,048,000 (2009: Nil).

Notes to the Financial Statements

For the financial year ended 31 December 2010

3 CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS (Cont'd)

3.1 Critical Accounting Estimates and Assumptions (Cont'd)

(e) *Impairment of loans and receivables*

Significant financial difficulties of the debtor, the probability that the debtor will enter bankruptcy, and default or significant delay in payments are considered objective evidence that a receivable is impaired. In determining this, management makes judgement as to whether there is observable data indicating that there has been a significant change in the payment ability of the debtor, or whether there have been significant changes with adverse effect in the technological, market, economic or legal environment in which the debtor operates in.

Where there is objective evidence of impairment, management makes judgement as to whether an impairment loss should be recorded as an expense. In determining this, management uses estimates based on historical loss experience for assets with similar credit risk characteristics. The methodology and assumptions used for estimating both the amount and timing of future cash flows are reviewed regularly to reduce any differences between the estimated loss and actual loss experience.

4 CASH AND CASH EQUIVALENTS

	Group		Company	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Cash at bank and on hand	56,886	8,766	51,110	2,300
Short-term bank deposits	15,678	172	15,677	172
	<u>72,564</u>	<u>8,938</u>	<u>66,787</u>	<u>2,472</u>

Short-term bank deposits amounting to \$1,336,289 (2009: \$4,416,000) have been pledged to banks as securities for the banking facilities of certain subsidiaries.

Short-term bank deposits are made for varying periods of between one week and three months depending on the immediate cash requirements of the Group, and earn interests at the respective short-term deposit rates.

For the purpose of presenting the consolidated cash flow statement, cash and cash equivalents comprise the following:

	Group	
	2010 \$'000	2009 \$'000
Cash and bank balances (as above)	72,564	8,938
Less: Bank deposits pledged	(1,336)	(4,416)
Cash and cash equivalents per consolidated statement of cash flows	<u>71,228</u>	<u>4,522</u>

4 CASH AND CASH EQUIVALENTS (Cont'd)

Disposal of a subsidiary

On 12 March 2010, the Company disposed of its entire interest in Top Global Enterprises Pte. Ltd. for a cash consideration of \$3,446,847.

The aggregate effects of the disposal of subsidiary on the cash flows of the Group were:

	Group 2010 \$'000
<i>Identifiable assets and liabilities</i>	
Cash and cash equivalents	562
Trade and other receivables	3,327
Total assets	<u>3,889</u>
Trade and other payables	876
Deferred income tax liabilities	9
Current income tax liabilities	9
Total liabilities	<u>894</u>
Identifiable net assets disposed	<u><u>2,995</u></u>

The aggregate cash inflows arising from the disposal of Top Global Enterprises Pte. Ltd. were:

Identifiable net assets disposed	2,995
Loss on disposal (Note 20)	(810)
Cash proceeds from disposal	2,185
Less: Cash and cash equivalents in subsidiary disposed	(562)
Net cash inflow on disposal	<u><u>1,623</u></u>

Notes to the Financial Statements

For the financial year ended 31 December 2010

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5 FINANCIAL ASSETS, AT FAIR VALUE THROUGH PROFIT OR LOSS

	Group		Company	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
<i>At fair value on initial recognition</i>				
Listed fixed income securities				
– Singapore	3,764	72	–	72
– United States	317	–	–	–
– Brazil	343	–	–	–
– Republic of Korea	396	–	–	–
– Russian Federation	216	–	–	–
	5,036	72	–	72

6 TRADE AND OTHER RECEIVABLES

	Group		Company	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Trade receivables				
– Non-related parties	3,914	2,693	2,563	2,645
Less: Allowance for impairment of receivables	(2,529)	(2,635)	(2,529)	(2,635)
Trade receivables – net	1,385	58	34	10
Construction contracts (Note 7)				
– Due from customers	1,665	1,713	1,665	1,713
Less: Allowance for impairment of receivables	(1,665)	–	(1,665)	–
	–	1,713	–	1,713
Other receivables				
– Subsidiaries	–	–	39,473	3,031
– Non-related parties	2,362	14	16	11
Less: Allowance for impairment of receivables	–	–	(145)	(2,103)
Other receivables – net	2,362	14	39,344	939
Deposit	154	49	44	7
Prepayments	22,734	100	91	52
	26,635	1,934	39,513	2,721

The non-trade amounts due from subsidiaries are unsecured, interest-free and are repayable on demand.

Included in prepayments were prepaid expenses of \$22.4 million for the purpose of Capitol Site tender deposits.

7 CONSTRUCTION CONTRACT WORK-IN-PROGRESS

	Group and Company	
	2010	2009
	\$'000	\$'000
Aggregate costs incurred and profits recognised (less losses recognised) to date on uncompleted construction contracts	–	6,625
Less: Progress billings	–	(4,912)
	<u>–</u>	<u>1,713</u>
Presented as		
Due from customers on construction contracts (Note 6)	<u>–</u>	<u>1,713</u>

8 INVENTORIES

	Group	
	2010	2009
	\$'000	\$'000
Consumables	22	–
	<u>22</u>	<u>–</u>

9 DEVELOPMENT PROPERTIES FOR SALE IN PROGRESS

	Group	
	2010	2009
	\$'000	\$'000
<u>Development properties for sale</u>		
Aggregate amount of cost incurred and recognised profits (less recognised losses) to date on uncompleted developments	–	17,729
Less: Progress billings	–	(8,227)
	<u>–</u>	<u>9,502</u>

During the financial year, there was the following interest costs capitalised as cost of development properties for sale. The rate of interest is between 3.04% to 3.14% (2009: 2.40% to 3.59%).

Interest costs	<u>52</u>	<u>315</u>
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Notes to the Financial Statements

For the financial year ended 31 December 2010

9 DEVELOPMENT PROPERTIES FOR SALE IN PROGRESS (Cont'd)

As at 31 December 2009, the details of the Group's development properties for sale in progress with a leasehold tenure are as follows:

Location	Description	Tenure	Stage of completion	Expected date of completion	Site area (sq. m)	Gross floor area	Group's effective interest In the property
45-47 Simon Place, Singapore	13-units of 3 storey with attic and basement strata dwelling house property	999-year leasehold	100%	Completed- December 2009	17,691.44	23,734.40	100%

Proceeds from properties for sale are assigned to bank to secure the credit facilities of the subsidiary (Note 14).

10 INVESTMENTS IN SUBSIDIARIES

	Company	
	2010 \$'000	2009 \$'000
<u>Equity investments at cost</u>		
Beginning of financial year	4,365	5,050
Additional investment in a subsidiary	–	290
Incorporation of new subsidiaries	–	25
Disposal	(3,315)	(1,000)
End of financial year	1,050	4,365
Less: Allowance for impairment	(1,000)	(1,314)
	<u>50</u>	<u>3,051</u>

10 INVESTMENTS IN SUBSIDIARIES (Cont'd)

Details of the subsidiaries are as follows:

Name of subsidiaries	Principal activities	Country of incorporation	Equity holding	
			2010 %	2009 %
<u>Held by the Company</u>				
[a] Raintree Cove Pte Ltd	Property and facility management	Singapore	100	100
[a] Top Global Properties Pte Ltd	Property development	Singapore	100	100
[d] Top Global Enterprises Pte Ltd	Provision of general upgrading and building construction activities	Singapore	–	100
[a] Top Global China Pte Ltd	Investment holding	Singapore	100	100
[c] Top Global (M) Sdn Bhd	Dormant	Malaysia	100	100
[a] Top Global Construction Management Pte. Ltd.	Dormant	Singapore	100	100
[a] Cherie Hearts @ East Coast Parkway Pte. Ltd.	Dormant **	Singapore	100	100
[f] Top Capital Investment Pte. Ltd.	Dormant	Singapore	100	–
[f] Top Property Investment Pte. Ltd.	Investment holding	Singapore	100	–
[f] Top Global Hospitality Pte Ltd	Dormant	Singapore	100	–
[f] Top Tomlinson One Pte. Ltd.	Property investment	Singapore	100	–
[f] Top Tomlinson Two Pte. Ltd.	Property investment	Singapore	100	–
[f] Global Real Estate Investment Pte Ltd	Investment holding	Singapore	100	–
[f] Top Global Property Investment Pte. Ltd.	Investment holding	Singapore	100	–
[f] Top Global Real Estate Investment Pte. Ltd.	Investment holding	Singapore	100	–
[f] Top Capitol Pte. Ltd.	Investment holding	Singapore	100	–
[f] Global Capitol Pte. Ltd.	Investment holding	Singapore	100	–

** This subsidiary which involved in infant and child care services has ceased its business operations on 22 August 2010.

Notes to the Financial Statements

For the financial year ended 31 December 2010

10 INVESTMENTS IN SUBSIDIARIES (Cont'd)

Details of the subsidiaries are as follows: (Cont'd)

Name of subsidiaries	Principal activities	Country of incorporation	Equity holding	
			2010	2009
<u>Held by subsidiary</u>				
[e] Top Global Corporation (Hui Zhou) Limited	Dormant	People's Republic of China	100	100
<u>Held by Top Global Hospitality Pte. Ltd.</u>				
[b] Winsland Resources Incorporated	Investment holding	British Virgin Islands	100	100
[b] Sunshine Capital (Asia), Ltd	Dormant	British Virgin Islands	60	–
[f] Global Sunshine Capital Pte. Ltd.	Dormant	Singapore	100	–
<u>Held by Global Real Estate Investment Pte Ltd</u>				
[f] Global Alliance Investment Holdings Pte. Ltd.	Investment holding	Singapore	70	–
<u>Held by Global Alliance Investment Holdings Pte. Ltd.</u>				
[f] GA Design Pte. Ltd.	Dormant	Singapore	100	–
[f] GA Media & Communications Pte. Ltd.	Dormant	Singapore	100	–
[f] GA Developments Pte. Ltd.	Dormant	Singapore	100	–
[f] Global Property Strategic Alliance Pte. Ltd.	Real Estate Agency services	Singapore	100	–
[f] GA Property Management Pte Ltd	Dormant	Singapore	100	–

[a] Audited by Nexia TS Public Accounting Corporation

[b] Not required to be audited under the laws of the country of incorporation

[c] Not audited, as it is immaterial

[d] Disposed of on 12 March 2010.

[e] The business permit has been obtained on 6 October 2008. To date, the Company has not contributed the registered capital of this subsidiary.

[f] Newly incorporated during the financial year

11 PROPERTY, PLANT AND EQUIPMENT

Group	Plant and equipment \$'000	Motor vehicles \$'000	Assets under construction \$'000	Total \$'000
2010				
<i>Cost</i>				
Beginning of financial year	711	662	–	1,373
Additions	721	–	3,781	4,502
Disposals	(792)	(331)	–	(1,123)
End of financial year	640	331	3,781	4,752
<i>Accumulated depreciation</i>				
Beginning of financial year	153	265	–	418
Depreciation charge (Note 21)	382	93	–	475
Disposals	(500)	(160)	–	(660)
End of financial year	35	198	–	233
Net book value at end of financial year	605	133	3,781	4,519
2009				
<i>Cost</i>				
Beginning of financial year	635	709	–	1,344
Additions	234	–	–	234
Reclassified to disposal group	(71)	(41)	–	(112)
Disposals	(87)	(6)	–	(93)
End of financial year	711	662	–	1,373
<i>Accumulated depreciation</i>				
Beginning of financial year	158	151	–	309
Depreciation charge				
– Continuing operations (Note 21)	54	133	–	187
– Discontinued operations	4	8	–	12
Reclassified to disposal group	(37)	(25)	–	(62)
Disposals	(26)	(2)	–	(28)
End of financial year	153	265	–	418
Net book value at end of financial year	558	397	–	955

- (i) The carrying amount of motor vehicles held under finance leases is Nil (2009: \$397,000) as at the balance sheet date.
- (ii) Finance leases are secured by the subsidiaries charges over the leased assets and covered by a corporate guarantee from the Company.

Notes to the Financial Statements

For the financial year ended 31 December 2010

11 PROPERTY, PLANT AND EQUIPMENT (Cont'd)

<u>Company</u>	Plant and equipment \$'000	Total \$'000
2010		
<i>Cost</i>		
Beginning of financial year	–	–
Additions	85	85
End of financial year	85	85
<i>Accumulated depreciation</i>		
Beginning of financial year	–	–
Depreciation charge	13	13
End of financial year	13	13
Net book value at end of financial year	72	72

12 INTANGIBLE ASSET

<u>Franchise license</u>	Group	
	2010 \$'000	2009 \$'000
<i>Cost</i>		
Beginning of financial year	60	–
Addition	–	60
Written-off	(60)	–
End of financial year	–	60
<i>Accumulated amortisation</i>		
Beginning of financial year	4	–
Amortisation charge	7	4
Written-off	(11)	–
End of financial year	–	4
Net book value	–	56

On 22 August 2010, the Group has ceased its operation under the franchise license obtained from Cherie Hearts Child Development Pte Ltd.

13 TRADE AND OTHER PAYABLES

	Group		Company	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Trade and other payables	2,962	3,446	2,724	3,297
Other payables				
– Subsidiaries	–	–	4,662	2,394
Other accruals for operating expenses	1,610	236	528	221
Rental deposit received	1,014	880	–	–
	<u>5,586</u>	<u>4,562</u>	<u>7,914</u>	<u>5,912</u>

The non-trade amounts due to subsidiaries are unsecured, interest- free and are repayable on demand.

14 BORROWINGS

	Group	
	2010 \$'000	2009 \$'000
<i>Current</i>		
Bank borrowings	–	9,019
Finance lease liabilities (Note 15)	–	106
	–	<u>9,125</u>
<i>Non-current</i>		
Finance lease liabilities (Note 15)	–	212
Total borrowings	–	<u>9,337</u>

The exposure of the borrowings of the Group to interest rate changes and the contractual repricing dates at the balance sheet dates are as follows:

	Group	
	2010 \$'000	2010 \$'000
6 months or less	–	9,019
1-5 years	–	318
	–	<u>9,337</u>

Notes to the Financial Statements

For the financial year ended 31 December 2010

14 BORROWINGS (Cont'd)

Security granted

Bank borrowings of the Group are secured by the assignment of the sales proceeds of certain development properties at Simon Place and corporate guarantee from the Company. Finance lease liabilities of the Group are effectively secured over the leased motor vehicles (Note 10 (ii)), as the legal title is retained by the lessor and will be transferred to the Group upon full settlement of the finance lease liabilities.

15 FINANCE LEASE LIABILITIES

	Group	
	2010	2009
	\$'000	\$'000
Minimum lease payments due:		
– Not later than one year	–	119
– Between one and five years	–	239
	–	358
Less: Future finance charges	–	(40)
Present value of finance lease liabilities	–	318

The present values of finance lease liabilities are analysed as follows:

	Group	
	2010	2009
	\$'000	\$'000
– Not later than one year (Note 14)	–	106
– Between one and five years (Note 14)	–	212
Total	–	318

16 PROVISIONS

	Group and Company	
	2010	2009
	\$'000	\$'000
Warranty	1,840	–
Legal claims	208	–
	2,048	–

16 PROVISIONS (Cont'd)

(a) Warranty

The Group and the Company grant up to 14 years warranty on its waterproofing and construction business and undertake to repair or replace items that fail to perform satisfactorily. A provision is recognised at the balance sheet date for expected warranty claims based on approximately (i) 5% of the contract sum; and (ii) physical verification by surveyor of the defect liabilities.

(b) Legal claims

Provision for legal claims is in respect of certain legal claims brought against the Group by its vendor, and is expected to be settled or utilised within the next year. In the opinion of the directors, after taking appropriate legal advice, the outcomes of these legal claims are not expected to give rise to any significant loss beyond the amounts provided at 31 December 2010. The directors consider that disclosure of further details of these claims will seriously prejudice the Group's negotiating position and accordingly, further information on the nature of the obligation has not been provided.

17 DEFERRED INCOME TAXES

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same fiscal authority.

Movement in deferred income tax account is as follows:

	Group	
	2010	2009
	\$'000	\$'000
Beginning of financial year	–	9
Tax credited to profit or loss (Note 24)	–	(9)
End of financial year	–	–
	Accelerated	
	tax	
	depreciation	Total
	\$'000	\$'000
2010		
Beginning and end of financial year	–	–
2009		
Beginning and end of financial year	9	9
Effects of change in Singapore tax rate in profit or loss (Note 24)	(1)	–
Tax credited to profit or loss	(8)	(9)
End of financial year	–	–

Notes to the Financial Statements

For the financial year ended 31 December 2010

18 SHARE CAPITAL

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<u>Group and Company</u>	No. of ordinary shares	Amount \$'000
2010		
Beginning of financial year	940,011,496	21,554
Issue of new shares	1,400,000,000	16,800
Rights issue	8,078,460,456	80,785
Exercise of warrants	358,264,906	1,791
Rights issue expenses	–	(327)
End of financial year	<u>10,776,736,858</u>	<u>120,603</u>
2009		
Beginning of financial year	933,655,832	21,522
Exercise of warrants	6,355,664	32
End of financial year	<u>940,011,496</u>	<u>21,554</u>

All issued ordinary shares are fully paid. There is no par value for these ordinary shares.

On 27 January 2010, the Company issued 1,400,000,000 new ordinary shares for a total cash consideration of \$16,800,000 pursuant to the subscription by the Company's controlling shareholder.

On 29 September 2010, the Company issued 8,078,460,456 new ordinary shares pursuant to the Rights Shares cum Warrants Issue (the "Rights Issue") for a total cash consideration (net of expenses) of \$80,457,468.

During the financial year, 358,264,906 (2009: 6,355,664) ordinary shares of the Company were issued for cash at \$0.005 each by virtue of exercise of the option by the holders of the warrants to take up unissued shares.

Warrants outstanding as at 31 December 2010 totaled 8,179,796,050 which comprise 106,675,594 (2009: 459,600,500) expiring on 12 June 2013 and 8,073,120,456 (2009: Nil) expiring on 29 September 2015. These may be converted into shares at the conversion rate of \$0.005 for each ordinary share of no par value.

Share option

The Company has an employee share option scheme known as the "Top Global Share Option Scheme 2011" (the "Scheme"). The Scheme, which forms an integral component of its compensation plan, is designed to reward and retain eligible participants whose services are vital to its well being and success. It provides eligible participants who have contributed to the success and development of the Company with an opportunity to participate in its equity and also increase the dedication and loyalty of these participants and motivate them to perform better.

Under the rules of the Scheme, all directors and employees of the Company are eligible to participate in the Scheme. Controlling shareholders or their associates are also eligible to participate in the Scheme subject to the approval of independent shareholders in the form of separate resolutions for each participant. Further, independent shareholders' approval is also required in the form of separate resolutions for each grant of options and the terms thereof, to each participant who is a controlling shareholder of his associate.

18 SHARE CAPITAL (Cont'd)

Share option (Cont'd)

The total number of shares over which options may be granted shall not exceed 20% of the issued share capital of the Company at any time.

The Share Options Scheme Committee ("Scheme Committee") is charged with the administration of the Scheme in accordance with the rules of the Scheme. The Scheme Committee consists of 3 directors appointed by the Board of Directors of the Company. The number of options to be offered to a participant shall be determined at the discretion of the Scheme Committee who shall take into account criteria such as the rank, performance, seniority, potential for future development and length of service of the participant provided that:

- (a) the total number of shares which may be offered to any participant during the entire operation of the Scheme (including adjustments under the rules) shall not exceed 25% of the shares in respect of which the Company may grant options;
- (b) the aggregate number of shares which may be offered to participants who are controlling shareholders and their associates during the entire operation of the Scheme (including adjustments under the rules) shall not exceed 25% of the shares in respect of which the Company may grant options; and
- (c) the number of shares which may be offered to each participant who is a controlling shareholder or his associate during the entire operation of the Scheme shall not exceed 10% of the shares in respect of which the Company may grant options.

The exercise price for each share in respect of which an option is exercisable shall be determined by the Scheme Committee at its absolute discretion and fixed by the Committee at:

- (i) a price (the "Market Price") equal to the average of the last dealt prices for a share on the SGX-ST for the period of five (5) consecutive Market Days immediately prior to the relevant offer date but not less than its par value; or
- (ii) a price which is set at a discount to the Market Price, provided that the maximum discount shall not exceed 20% of the Market Price.

Options must be exercised before the expiry of 6 years from the date of the offer or such earlier date as may be determined by the Scheme Committee. There are special provisions dealing with the lapsing or permitting the earlier exercise of options under certain circumstances including termination, bankruptcy, and death of the participant.

No participant has received 5% or more of the total number of the options available under the Scheme.

During the financial year, no option to take up unissued shares of the Company or any corporation in the group was granted.

Notes to the Financial Statements

For the financial year ended 31 December 2010

19 REVENUE

	Group	
	2010	2009
	\$'000	\$'000
Revenue from sale of development properties	–	15,573
Rental income	4,093	3,406
Car parking income	7	394
Construction revenue	60	180
Child care services	111	–
Rendering of services	205	42
	4,476	19,595

20 OTHER INCOME/(LOSSES)

	Group	
	2010	2009
	\$'000	\$'000
Allowance for impairment of receivables	(1,663)	(1,856)
Bad debts written-off	(23)	–
Business development expenses	–	(97)
Currency translation loss	(83)	–
Fair value loss on financial assets, at fair value through profit or loss	(54)	(7)
Gain on disposal of financial assets, at fair value through profit or loss	19	–
Gain/(loss) on disposal of property, plant and equipment	51	(6)
Intangible asset written-off	(49)	–
Interest income from bank deposits	144	9
Loss on disposal of a subsidiary (Notes 4)	(810)	–
Property, plant and equipment written-off	(63)	–
Reversal of accrual and provision for other liabilities and charges	–	824
Waiver of debts	934	–
Other	(185)	68
	(1,782)	(1,065)
Presented in statement of comprehensive income:		
Other income	1,127	891
Other losses-net	(2,909)	(1,956)
	(1,782)	(1,065)

21 EXPENSES BY NATURE

	Group	
	2010	2009
	\$'000	\$'000
Commission expenses	164	–
Depreciation of property, plant and equipment (Note 11)	475	187
Employees compensation (Note 22)	2,715	1,128
Legal and professional fees	631	432
Office expenses	160	–
Provisions	2,110	–
Purchase of materials	285	7,637
Rental charges	2,168	2,707
Repair and maintenance	366	–
Travelling expenses	133	–
Utilities	166	–
Other	948	20
	<hr/>	<hr/>
Total cost of sales, distribution and marketing and administrative expenses	10,321	12,111
	<hr/>	<hr/>

22 EMPLOYEE COMPENSATION

	Group	
	2010	2009
	\$'000	\$'000
Salaries and bonuses	2,731	1,069
Employer's contribution to defined contribution plans including Central Provident Fund	167	108
Government Grant – Jobs credit scheme	(7)	(48)
	<hr/>	<hr/>
	2,891	1,129
Less: Amounts attributable to discontinued operations	(176)	(1)
	<hr/>	<hr/>
Amounts attributable to continuing operations (Note 21)	2,715	1,128
	<hr/>	<hr/>

The Jobs credit scheme is a cash grant introduced in the Singapore Budget 2009 to help businesses preserve jobs in the economic downturn. The amount an employer can receive depends on the fulfillment of the conditions under the scheme.

23 FINANCE EXPENSES

	Group	
	2010	2009
	\$'000	\$'000
Interest expense		
– Bank borrowings	35	–
– Finance lease liabilities	40	13
	<hr/>	<hr/>
	75	13
	<hr/>	<hr/>

Notes to the Financial Statements

For the financial year ended 31 December 2010

24 INCOME TAXES

Income tax expense

	Group	
	2010	2009
	\$'000	\$'000
Tax expense attributable to profit is made up of:		
– (Loss)/Profit from current financial year:		
<i>From discontinued operations</i>		
Deferred income tax (Note 17)	–	(9)
– Under provision in prior years – discontinued operations	–	55
	–	46
	–	46
Tax expense attributable to		
– discontinued operations (Note 25)	–	46
	–	46

The tax expense on Group's (loss)/profit before tax differs from the theoretical amount that would arise using the Singapore standard rate of income tax is as follow:

	Group	
	2010	2009
	\$'000	\$'000
(Loss)/Profit before income tax from		
– continuing operations	(7,702)	6,406
– discontinued operations (Note 25)	44	(5,049)
(Loss)/Profit before income tax	(7,658)	1,357
Tax calculated at a tax rate of 17% (2009: 17%)	(1,302)	231
Effects of:		
– Change in Singapore tax rate	–	(1)
– Expenses not deductible for tax purposes	778	482
– Income not subject to tax	(99)	(63)
– Deferred tax assets not recognised	637	34
– Utilisation of previously unrecognised – tax losses	–	(286)
– Group relief	–	(406)
– Other	(14)	9
Tax charge/(credit)	–	–

25 DISCONTINUED OPERATIONS AND DISPOSAL GROUP CLASSIFIED AS HELD-FOR SALE

Following the group decision on 12 March 2010 to sell 100% in Top Global Enterprise Pte Ltd (comprising of construction services segment), the entire assets and liabilities related to Top Global Enterprise Pte Ltd are classified as a disposal group held-for-sale on the balance sheet, and the entire results from Top Global Enterprise Pte Ltd are presented separately on the statement of comprehensive income as "Discontinued operations". The transaction was completed on 20 March 2010.

The results of the discontinued operations and the re-measurement of the disposal group are as follows:

	Group	
	2010	2009
	\$'000	\$'000
Revenue	1,605	16,179
Expenses	(1,561)	(21,228)
Profit/(Loss) before income tax from discontinued operations	44	(5,049)
Income tax (Note 24)	–	(46)
Profit/(Loss) after income tax from discontinued operations	<u>44</u>	<u>(5,095)</u>

The impact of the discontinued operations on the cash flows of the Group is as follows:

	Group	
	2010	2009
	\$'000	\$'000
Operating cash inflows	(28)	(139)
Investing cash outflows	50	54
Financing cash outflows	(20)	283
Total cash inflows	<u>2</u>	<u>198</u>

	Group
	2009
	\$'000
Details of the assets in disposal group classified as held-for-sale are as follows:	
Property, plant and equipment	50
Trade and other receivables	1,261
	<u>1,311</u>

Details of the liabilities directly associated with disposal group classified as held-for sale are as follows:

Trade and other payables	1,382
Income tax payable	9
Deferred tax liability	9
Finance lease liabilities	18
	<u>1,418</u>

Notes to the Financial Statements

For the financial year ended 31 December 2010

26 EARNINGS PER SHARE

(a) Basic earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year.

	Continuing operations		Discontinued operation		Total	
	2010	2009	2010	2009	2010	2009
Net (loss)/profit attributable to equity holders of the Company (\$'000)	(7,572)	6,406	44	(5,095)	(7,528)	1,311
Weighted average number of ordinary shares outstanding for basic earnings per share ('000)	4,511,054	936,418	4,511,054	936,418	4,511,054	936,418
Basic (loss)/earnings per share (cents per share)	(0.17)	0.68	*	(0.54)	(0.17)	0.14

* Less than (0.001) cents per share

(b) Diluted earnings per share

For the purpose of calculating diluted earnings per share, profit attributable to equity holders of the Company and the weighted average number of ordinary shares outstanding are adjusted for the effects of all dilutive potential shares. The Company has warrants as potential dilutive ordinary shares.

As the Group is loss-making, any potential issue of new shares is deemed as anti-dilutive and it is not required to compute diluted EPS.

27 RELATED PARTY TRANSACTIONS

In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Group and related parties at terms agreed between the parties:

Key management personnel compensation

Key management personnel compensation is as follows:

	Group	
	2010	2009
	\$'000	\$'000
Salaries and bonuses	1,652	633
Employer's contribution to defined contribution plans including Central Provident Fund	46	18
	1,698	651

Included in the above is total compensation to directors of the Company amounting to \$1,587,000 (2009: \$496,000).

28 CONTINGENCIES

	Group		Company	
	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000
Litigation – [a]	–	13	–	13
Bank guarantees in favour of subsidiaries	815	–	–	108
Insurance bonds in favour of subsidiaries	–	–	–	111
Corporate guarantee on behalf of subsidiaries to third parties	–	–	–	11,056

Litigation –

- (a) There are claims against the Group by subcontractors for disputes on work done for various projects. No provision for the related costs has been made in the financial statements. Legal counsel for the company advised that the likelihood of the charges is not determinable and therefore the amount of penalties is not reasonably estimated. This contingency is no longer required as of 31 December 2010, as the claim is less than likely to materialise.

Notes to the Financial Statements

For the financial year ended 31 December 2010

29 COMMITMENTS

(a) Capital Commitments

Capital expenditures contracted for at the balance sheet date but not recognised in the financial statements are as follows:

	2010	2009
	\$'000	\$'000
Property, plant and equipment	13,188	–

(b) Operating Lease Commitments – Where the Group is a Lessee

The Group leases from Singapore Land Authority under non-cancellable operating lease agreements. The lease has escalation clause and renewal rights.

The future minimum lease payables under non-cancellable operating lease contracted for at balance sheet date but not recognised as liabilities, are as follows:

	Group	
	2010	2009
	\$'000	\$'000
Not later than one year	1,926	1,926
Between one and five years	1,285	3,211
	3,211	5,137

(c) Operating Lease Commitments – Where the Group is a Lessor

The Group sublet to non-related parties under non-cancellable operating leases. The lessees are required to pay either absolute fixed annual increase to the lease payments or contingent rents computed based on their sales achieved during the lease period.

The future minimum lease receivables under non-cancellable operating leases contracted for at the balance sheet date but not recognised as receivables, are as follows:

	Group	
	2010	2009
	\$'000	\$'000
Not later than one year	4,316	4,057
Between one and five years	3,178	6,834
	7,494	10,891

30 FINANCIAL RISK MANAGEMENT

Financial Risk Factors

The Group's activities expose it to market risk (including interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management strategy seeks to minimise any adverse effects from the unpredictability of financial markets on the Group's financial performance.

The Board of Directors is responsible for setting the objectives and underlying principles of financial risk management for the Group. The Board of Directors then establishes the detailed policies such as authority levels, oversight responsibilities, risk identification and measurement and exposure limits, in accordance with the objectives and underlying principles approved by the Board of Directors.

(i) **Market risk**

(a) *Currency risk*

The Group's exposure to foreign exchange rate risk is kept at minimal level as its costs and revenues are all denominated in Singapore Dollar except for financial assets, at fair value through profit or loss denominated in US Dollar which amounted to \$1,272,000 as at 31 December 2010.

(b) *Price risk*

The Group is exposed to equity securities price risk arising from the investments held by the Group which are classified on the consolidated balance sheet as at fair value through profit or loss. These securities are listed in Singapore, United States, Republic of Korea, Russian Federation and Brazil. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group.

Sensitivity analysis

If prices for equity securities change by 5% with all other variables including tax rate being held constant, the effects on equity will be increased/decreased by approximately \$251,000 (2009: Nil).

(c) *Interest rate risks*

Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates. The Group has no significant interest-bearing assets and liabilities and its income is substantially independent of changes in market interest rates.

Notes to the Financial Statements

For the financial year ended 31 December 2010

30 FINANCIAL RISK MANAGEMENT (Cont'd)

(ii) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The major classes of financial assets of the Group and of the Company are bank deposits and trade receivables. For trade receivables, the Group has performed an ongoing credit evaluation of the debtors' financial condition and requires no collateral from its customers. There is no significant concentration of credit risk, as the exposure is spread over a large number of counter-parties and customers unless otherwise disclosed in the notes to the financial statements. For other financial assets, the Group adopts the policy of dealing only with high credit quality counterparties.

The exposure to credit risk is controlled by setting limits on the exposure to individual customers and these are disseminated to the relevant persons concerned and compliance is monitored by management.

The trade receivables of the Group and of the Company comprise Nil debtors (2009: 2 debtors) and Nil debtor (2009: 1 debtor) respectively that individually represented 10% of trade receivables.

The credit risk for trade receivables based on the information provided to key management is as follows:

	Group		Company	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
<u>By types of customers</u>				
Non-related parties				
– Government bodies	–	8	–	8
– Non-government bodies	1,385	50	34	2
	1,385	58	34	10

(a) *Financial assets that are neither past due nor impaired*

Bank deposits that are neither past due nor impaired are mainly deposits with banks with high credit-ratings assigned by international credit-rating agencies. Trade receivables that are neither past due nor impaired are substantially companies with a good collection track record with the Group.

30 FINANCIAL RISK MANAGEMENT (Cont'd)

(ii) **Credit risk (Cont'd)**

(b) *Financial assets that are past due and/or impaired*

There is no other class of financial assets that is past due and/or impaired except for trade receivables. The age analysis of trade receivables past due but not impaired is as follows:

	Group		Company	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Past due 0 to 3 months	–	25	–	–
Past due 3 to 6 months	–	1	–	–

The carrying amount of receivables individually determined to be impaired and the movement in the related allowance for impairment is as follows:

	Group		Company	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Trade receivables				
Gross amount	2,529	2,635	2,529	2,635
Less: Allowance for impairment	(2,529)	(2,635)	(2,529)	(2,635)
	–	–	–	–
Beginning of financial year	2,635	2,641	2,635	2,379
Allowance (utilised)/made	(106)	(6)	(106)	256
End of financial year	2,529	2,635	2,529	2,635
Construction contracts – Due from customers				
Gross amount	1,663	–	1,663	–
Less: Allowance for impairment	(1,663)	–	(1,663)	–
	–	–	–	–
Beginning of financial year	–	733	–	733
Allowance made	1,665	–	1,665	–
Allowance utilised	(2)	(733)	(2)	(733)
End of financial year	1,663	–	1,663	–

The impaired trade receivables arise mainly from construction contracts customers which have suffered significant losses in its operations and ceased their operations.

Notes to the Financial Statements

For the financial year ended 31 December 2010

30 FINANCIAL RISK MANAGEMENT (Cont'd)

(iii) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuation in cash flows.

The table below analyses the Group's and Company's financial liabilities into relevant maturity groupings based on the remaining period from the balance sheet date to the contractual maturity date. The amounts disclosed in the table are contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	Less than 1 year \$'000	Between 1 and 2 years \$'000	Between 2 and 5 Years \$'000	Total \$'000
<u>Group</u>				
At 31 December 2010				
Trade and other payables	7,634	–	–	7,634
At 31 December 2009				
Trade and other payables	4,562	–	–	4,562
Borrowings	9,138	119	120	9,377
	13,700	119	120	13,939
<u>Company</u>				
At 31 December 2010				
Trade and other payables	9,962	–	–	9,962
At 31 December 2009				
Trade and other payables	5,912	–	–	5,912

(iv) Capital risk

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value. In order to maintain or achieve an optimal capital structure, the Group may adjust the amount of dividend payment, return capital to shareholders, issue new shares, buy back issued shares, obtain new borrowings or sell assets to reduce borrowings.

Management monitors capital based on a gearing ratio. The Group's and Company's strategies, which were unchanged from 2009, are to maintain gearing ratios within 40% to 60% and 25% to 60% respectively.

30 FINANCIAL RISK MANAGEMENT (Cont'd)

(iv) **Capital risk (Cont'd)**

The gearing ratio is calculated as net debt divided by total capital. Net debt is calculated as borrowings plus trade and other payables less cash and cash equivalents. Total capital is calculated as total equity plus net debt.

	Group		Company	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Net debt	(64,930)	4,961	(56,825)	3,440
Total equity	101,142	7,451	96,460	2,404
Total capital	101,142 [^]	12,412	96,460 [^]	5,844
Gearing ratio	*	40%	*	59%

[^] As the Group and Company does not have any net debt, total capital is equal to total equity.

* Net debt is in negative position indicating that cash and cash equivalents are greater than the total of borrowings and trade and other payables. Hence, it is not meaningful to compute the gearing ratio.

The Group and the Company are in compliance with all externally imposed capital requirements for the financial years ended 31 December 2009 and 2010.

31 SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by the Chief Executive Officer. The Group's operating segments are its strategic business units which offer different services and are managed separately. The reportable segment presentation is based on the Group's management and internal reporting structure used for its strategic decision-making purposes. Currently, the business segments operate only in Singapore.

Other service included in Singapore is investment holding, which is not included within the reportable operating segments, as this is not included in the reports provided to the Chief Executive Officer. The result of this operation, if any, is included in the "all other segments" column.

Notes to the Financial Statements

For the financial year ended 31 December 2010

31 SEGMENT INFORMATION (Cont'd)

The segment information provided to the Chief Executive Officer for the reportable segments for the year ended 31 December 2010 is as follows:

Group	Property	Construction	Facility	Child	All other	Total for
	development					
	investment	services				operations
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Sales						
Sales to external parties	60	–	4,100	114	202	4,476
Gross (loss)/profit	(2,640)	–	1,497	96	35	(1,012)
Other income						1,127
Other losses						(2,975)
Depreciation	(106)	–	(343)	(12)	(14)	(475)
Unallocated costs						(4,292)
Finance expense						(75)
Loss before income tax						(7,702)
Income tax expense						–
Loss from continuing operations						(7,702)
Total Assets	102,877	56	828	2	5,013	108,776
Total Liabilities	6,023	1	1,371	9	230	7,634

31 SEGMENT INFORMATION (Cont'd)

The segment information provided to the Chief Executive Officer for the reportable segments for the year ended 31 December 2009 is as follows:

Group	Property	Construction	Facility	Child	All other	Total for
	development and investment \$'000					
Sales						
Sales to external parties	15,753	–	3,842	–	–	19,595
Gross profit/(loss)	8,212	–	1,072	(4)	–	9,280
Other income						891
Other losses						(1,956)
Depreciation	(132)	–	(54)	–	–	(186)
Unallocated costs						(1,610)
Finance expense						(13)
Profit before income tax						6,406
Income tax expense						–
Profit from continuing operations						6,406
Total Assets	19,755	26	1,292	384	–	21,457
Total Liabilities	12,884	3	972	40	–	13,899

Sales between segments are carried out at arm's length. The revenue from external parties reported to the Chief Executive Officer is measured in a manner consistent with that in the statement of comprehensive income.

The Chief Executive Officer assesses the performance of the operating segments based on gross profit. Administrative and finance expenses, and other income are not allocated to segments.

Notes to the Financial Statements

For the financial year ended 31 December 2010

31 SEGMENT INFORMATION (Cont'd)

Reportable segments' assets are reconciled to total assets as follows:

The amounts provided to the Chief Executive Officer with respect to total assets are measured in a manner consistent with that of the financial statements. All assets are allocated to reportable segments other than assets associated with disposal group.

	2010	2009
	\$'000	\$'000
Segment assets for reportable segments	108,776	21,457
Unallocated:		
– Assets associated with disposal group	–	1,311
	<u>108,776</u>	<u>22,768</u>

Reportable segments' liabilities are reconciled to total liabilities as follows:

The amounts provided to the Chief Executive Officer with respect to total liabilities are measured in a manner consistent with that of the financial statements. These liabilities are allocated based on the operations of the segment. All liabilities are allocated to the reportable segments other than liabilities associated with disposal group.

	2010	2009
	\$'000	\$'000
Segment liabilities for reportable segments	7,634	13,899
Unallocated:		
– Liabilities associated with disposal group	–	1,418
	<u>7,634</u>	<u>15,317</u>

32 EVENTS OCCURRING AFTER BALANCE SHEET DATE

- (a) On 12 January 2011, the wholly-owned subsidiary of the Company, Top Property Investment Pte Ltd, together with its joint venture partners, Perennial (Capitol) Pte Ltd and Chesham Properties Pte Ltd (collectively known as the Parties), through the subsidiary companies formed jointly by the Parties, entered into a joint development deed, to develop a plot of land located at Stamford Road/North Bridge Road ("the Land") which the Parties had successfully tendered for a sum of S\$250 million on 28 October 2010. Subsequently on 24 January 2011, the subsidiary companies formed jointly by the Parties also entered into a building agreement with the President of the Republic of Singapore to lease the Land for a period of 99 years.
- (b) On 11 February 2011, the wholly-owned subsidiaries of the Company, Top Global Real Estate Investment Pte. Ltd. and Top Global Property Investment Pte. Ltd. incorporated a subsidiary in Indonesia, namely PT. Top Global Indonesia. Its principal activity is in property development.

32 EVENTS OCCURRING AFTER BALANCE SHEET DATE (Cont'd)

- (c) On 11 February 2011, the issued share capital of the Company has increased from 10,776,736,858 ordinary shares to 10,776,737,858 ordinary shares by way of the allotment and issue of 1,000 new ordinary shares pursuant to the exercise of 1,000 Warrants at the exercise price of S\$0.005 for each new ordinary share. These new ordinary shares rank pari passu in all respects with the existing issued ordinary shares in the capital of the Company.
- (d) Subsequent to the financial year, the Company wholly-owned subsidiary of the Company, Top Capital Investment Pte. Ltd. has disposed all its quoted and unquoted fixed income investments at fair market values. The net gain on disposal amounted to \$27,793.

33 NEW OR REVISED ACCOUNTING STANDARDS AND INTERPRETATIONS

Below are the mandatory standards, amendments and interpretations to existing standards that have been published, and are relevant for the Group's accounting periods beginning on or after 1 January 2011 or later periods and which the Group has not early adopted:

- Amendments to FRS 24 – Related party disclosures (effective for annual periods beginning on or after 1 January 2011)
- Amendments to FRS 32 Financial Instruments: Presentation – Classification of rights issues (effective for annual periods beginning on or after 1 February 2010)
- Amendments to INT FRS 114 – Prepayments of a minimum funding requirement (effective for annual periods commencing on or after 1 January 2011)
- INT FRS 119 Extinguishing financial liabilities with equity instruments (effective for annual periods commencing on or after 1 July 2010)

The management anticipates that the adoption of the above FRSs, INT FRSs and amendments to FRS in the future periods will not have a material impact on the financial statements of the Group and of the Company in the period of their initial adoption, except for the amendments to FRS 24 – related party disclosures

The amendment removes the requirement for government-related entities to disclose details of all transactions with the government and other government-related entities. It also clarifies and simplifies the definition of a related party. However, the revised definition of a related party will mean that some entities will have more related parties and will be required to make additional disclosures.

Management is currently considering the revised definition to determine whether any additional disclosures will be required and has yet to put systems in place to capture the necessary information. It is therefore not possible to disclose the financial impact, if any, of the amendment on the related party disclosures.

34 AUTHORISATION OF FINANCIAL STATEMENTS

These financial statements were authorised for issue in accordance with a resolution of the Board of Directors of Top Global Limited on 25 February 2011.

Shareholdings Statistics

As at 24 February 2011

Issued and fully paid-up shares	:	10,776,737,858
Number/Percentage of Treasury Shares	:	Nil
Class of shares	:	Ordinary
Voting rights	:	1 vote per share

Distribution of Shareholders by Size of Shareholdings as at 24 February 2011

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 – 999	25	0.61	4,154	0.00
1,000 – 10,000	219	5.30	1,433,808	0.01
10,001 – 1,000,000	3,197	77.39	928,417,772	8.62
1,000,001 and above	690	16.70	9,846,882,124	91.37
Total	4,131	100.00	10,776,737,858	100.00

Substantial Shareholders

	Direct Interest		Deemed Interest	
	No. of Shares	%	No. of Shares	%
Oei Siu Hoa @ Sukmawati Widjaja	5,415,981,000	50.26	–	–

Shareholding Held in Hands of Public

Based on information available to the Company as at 24 February 2011, 46.34% of the issued ordinary shares of the Company is held by the public and therefore Rule 723 of the Listing Manual is complied with.

Twenty Largest Shareholders as at 24 February 2011

	Shareholder's Name	No. of Shares	%
1	OEI SIU HOA @ SUKMAWATI WIDJAJA	5,415,981,000	50.26
2	HANO MAELOA	360,000,000	3.34
3	OCBC SECURITIES PRIVATE LTD	200,478,525	1.86
4	PHILLIP SECURITIES PTE LTD	141,912,477	1.32
5	LEE THENG KIAT	97,600,000	0.91
6	KIM ENG SECURITIES PTE. LTD.	97,485,000	0.90
7	SIM LEN-LENG	87,765,059	0.81
8	CITIBANK NOMINEES SINGAPORE PTE LTD	86,450,000	0.80
9	THONG KUM YUEN	76,963,000	0.71
10	DBS NOMINEES PTE LTD	75,564,467	0.70
11	POH BOON KHER MELVIN (FU WENKE MELVIN)	75,000,000	0.70
12	JANET CHAN KIM LIAN	68,000,000	0.63
13	UNITED OVERSEAS BANK NOMINEES PTE LTD	67,707,000	0.63
14	TAN HOOI HONG	62,580,000	0.58
15	CHEN WALTER ROLAND	61,200,000	0.57
16	HONG LEONG FINANCE NOMINEES PTE LTD	60,900,000	0.57
17	UOB KAY HIAN PTE LTD	53,264,000	0.49
18	LIM & TAN SECURITIES PTE LTD	51,590,000	0.48
19	TAN HOO LANG	40,000,000	0.37
20	TEO SWAY HEONG	38,000,000	0.35
	Total	7,218,440,528	66.98

Warrantholding Statistics (Warrant 2013)

As at 24 February 2011

Distribution of Warrantholders by Size of Warrantholdings as at 24 February 2011

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 – 999	339	42.43	171,671	0.16
1,000 – 10,000	16	2.00	63,079	0.06
10,001 – 1,000,000	426	53.32	59,826,147	56.08
1,000,001 and above	18	2.25	46,614,697	43.70
Total	799	100.00	106,675,594	100.00

Twenty Largest Warrantholders as at 24 February 2011

	WARRANTHOLDER'S NAME	NO. OF WARRANTS	%
1	OCBC SECURITIES PRIVATE LTD	6,273,416	5.88
2	NEO TIAM POON @ NEO THIAM POON	4,137,500	3.88
3	FOH CHUAN HENG	3,971,000	3.72
4	CHUA CHAI TIANG	3,826,000	3.59
5	YEAP LAM WAH	3,722,000	3.49
6	HSBC (SINGAPORE) NOMINEES PTE LTD	3,275,000	3.07
7	JANET CHAN KIM LIAN	3,125,000	2.93
8	PHILLIP SECURITIES PTE LTD	3,060,944	2.87
9	HARRY HALIM @ LIM ENG LIAN	1,901,166	1.78
10	SEAH SIEW SWAN	1,850,000	1.73
11	DBS NOMINEES PTE LTD	1,618,171	1.52
12	CHAN LAI FONG ANITA	1,607,500	1.51
13	NG NGEE HUNG	1,586,000	1.49
14	CITIBANK NOMINEES SINGAPORE PTE LTD	1,500,000	1.41
15	TAN JIEMIN	1,500,000	1.41
16	KOH CHEOH LIANG VINCENT	1,300,000	1.22
17	LEE PENG SHARMAYNE	1,250,000	1.17
18	TAN ENG CHUA EDWIN	1,111,000	1.04
19	CHOAH LEONG YEW	1,000,000	0.94
20	TAN CHYE BOON	1,000,000	0.94
	Total	48,614,697	45.59

Warrantholding Statistics (Warrant 2015)

As at 24 February 2011

Distribution of Warrantholders by Size of Warrantholdings as at 24 February 2011

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 – 999	49	4.18	28,794	0.00
1,000 – 10,000	21	1.79	129,905	0.00
10,001 – 1,000,000	740	63.08	293,725,531	3.64
1,000,001 and above	363	30.95	7,779,235,226	96.36
Total	1,173	100.00	8,073,119,456	100.00

Twenty Largest Warrantholders as at 24 February 2011

	WARRANTHOLDER'S NAME	NO. OF WARRANTS	%
1	OEI SIU HOA @ SUKMAWATI WIDJAJA	4,061,985,936	50.31
2	ANG SIEW JOO	469,552,000	5.82
3	OCBC SECURITIES PRIVATE LTD	420,913,782	5.21
4	KIM ENG SECURITIES PTE. LTD.	271,625,336	3.36
5	HANO MAELOA	270,000,000	3.34
6	PHILLIP SECURITIES PTE LTD	108,365,149	1.34
7	TEO TEO LEE	75,000,000	0.93
8	LEE THENG KIAT	73,200,000	0.91
9	SIM LEN-LENG	67,565,059	0.84
10	THONG KUM YUEN	66,963,000	0.83
11	CHOW YEW KOON	63,773,000	0.79
12	WEE HUI HIAN	52,184,000	0.65
13	JANET CHAN KIM LIAN	51,000,000	0.63
14	CHEN WALTER ROLAND	43,628,000	0.54
15	SNG SIEW KHIM	41,372,000	0.51
16	TAN HOOI HONG	40,435,000	0.50
17	HSBC (SINGAPORE) NOMINEES PTE LTD	31,650,000	0.39
18	LEE CHIN CHERN (LI JINZHENG)	30,150,000	0.37
19	KOK PENG LIN SHIRLEY	30,000,000	0.37
20	EDWARD LEE EWE MING	26,587,000	0.33
	Total	6,295,949,262	77.97

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Company will be held at 10 Tuas West Drive, Compass Ballrooms, Raffles Marina, Singapore 638404 on Monday, 28 March 2011 at 8.00 am to transact the following businesses:

AS ORDINARY BUSINESS

1. To receive and adopt the Audited Financial Statements of the Company for the financial year ended 31 December 2010 and the Directors' Report and the Auditors' Report thereon. **(Resolution 1)**

2. To re-elect the following Directors retiring pursuant to Article 90 of the Company's Articles of Association:
 - (i) Madam Oei Siu Hoa @ Sukmawati Widjaja **(Resolution 2a)**
 - (ii) Mr Yeo Chin Tuan Daniel **(Resolution 2b)**
 - (iii) Dr Lam Lee G **(Resolution 2c)**
 - (iv) Ms Mimi Yuliana Maeloa **(Resolution 2d)**
 - (v) Ms Chang Shyre Gwo **(Resolution 2e)**

Mr Yeo Chin Tuan Daniel shall, upon re-election as Director of the Company, remain as the Chairman of the Audit Committee and Remuneration Committee and a member of the Nominating Committee shall be considered independent for the purpose of Rule 704(7) of the Listing Manual of the Singapore Exchange Securities Trading Limited.

Dr Lam Lee G shall, upon re-election as Director of the Company, remain as the Chairman of the Nominating Committee and a member of the Audit Committee and Remuneration Committee and shall be considered independent for the purpose of Rule 704(7) of the Listing Manual of the Singapore Exchange Securities Trading Limited.

Ms Mimi Yuliana Maeloa, upon re-election as Director of the Company, remain as the member of the Audit Committee, Nominating Committee and Remuneration Committee and shall be considered non independent for the purpose of Rule 704(7) of the Listing Manual of the Singapore Exchange Securities Trading Limited.

3. To approve the Directors' fees of S\$159,706.09 for the financial year ended 31 December 2010 (2009: S\$95,000). **(Resolution 3)**

4. To re-appoint Nexia TS Public Accounting Corporation as auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 4)**

Notice of Annual General Meeting

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following ordinary resolutions with or without modifications:

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5. Authority to allot and issue

- (a) "That pursuant to Section 161 of the Companies Act, Cap. 50, and subject to Rule 806 of the SGX-ST Listing Manual (Section B: Rules of Catalist), approval be and is hereby given to the Directors of the Company to issue:
- (a) shares in the capital of the Company (whether by way of bonus, rights or otherwise) or;
 - (b) convertible securities; or
 - (c) additional convertible securities arising from adjustments made to the number of convertible securities previously issued in the event of rights, bonus or capitalism issues; or
 - (d) shares arising from the conversion of convertible securities in (b) and (c) above,

at any time and upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit provided that:

- (i) the aggregate number of shares and convertible securities that may be issued shall not be more than 100% of the total number of issued shares excluding treasury shares or such other limit as may be prescribed by the Singapore Exchange Securities Trading Limited as at the date the general mandate is passed;
- (ii) the aggregate number of shares and convertible securities to be issued other than a pro-rata basis to existing shareholders shall not be more than 50% of the total number of issued shares excluding treasury shares or such other limit as may be prescribed by the Singapore Exchange Securities Trading Limited as at the date the general meeting is passed;
- (iii) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraphs (i) and (ii) above, the percentage of the total number of issued shares excluding treasury shares is based on the total number of issued shares excluding treasury shares at the date of the general mandate is passed after adjusting for new shares arising from the conversion or exercise of any convertible securities or employee share options in issue as at the date the general mandate is passed and any subsequent bonus issue, consolidation or subdivision of the Company's shares; and
- (iv) unless earlier revoked or varied by the Company in general meeting, such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier."

(See Explanatory Note 1)

(Resolution 5)

Notice of Annual General Meeting

6. **Authority to offer and grant options and to allot and issue shares in accordance with the Top Global Share Option Scheme 2001**

“That authority be and is hereby given to the Directors of the Company to offer and grant options from time to time in accordance with the provisions of the Top Global Share Option Scheme 2001 (the “Scheme”), and, pursuant to Section 161 of the Companies Act, Cap. 50, to allot and issue from time to time such number of shares in the capital of the Company as may be required to be issued pursuant to the exercise of options granted under the Scheme, provided that the aggregate number of shares to be issued pursuant to the Scheme shall not exceed 20% of the total number of issued shares excluding treasury shares of the Company from time to time, as determined in accordance with the provisions of the Scheme.” **(Resolution 6)**

(See Explanatory Note 2)

7. **Authority to grant awards and to allot and issue shares under the Top Global Performance Share Plan**

“That authority be and is hereby given to the Directors of the Company to grant awards from time to time in accordance with the provisions of the Top Global Performance Share Plan (the “PSP”), and, pursuant to Section 161 of the Companies Act, Cap. 50, to allot and issue from time to time such number of shares as may be required to be issued pursuant to the release of awards granted under the PSP, provided that the aggregate number of shares to be issued pursuant to the PSP and the Scheme shall not exceed 20% of the total number of issued shares excluding treasury shares of the Company from time to time, as determined in accordance with the provisions of the PSP.”

(See Explanatory Note 3)

(Resolution 7)

8. To transact any other ordinary business which may be properly transacted at an Annual General Meeting.

BY ORDER OF THE BOARD

LEE BEE FONG (MS)

Company Secretary

11 March 2011

Singapore

Notice of Annual General Meeting

Explanatory Notes:

1. The ordinary resolution proposed in item 5 above, is to authorise the Directors of the Company from the date of the above Meeting until the next Annual General Meeting to issue shares up to an amount not exceeding in aggregate 100% of the total number of issued shares excluding treasury shares of which the total number of shares issued other than on a pro-rata basis to existing shareholders shall not exceed 50% of the total number of issued shares excluding treasury shares for such purposes as they consider would be in the interests of the Company. Rule 806(3) of the SGX-ST Listing Manual (Section B: Rules of Catalist) currently provides for the percentage of the total number of issued shares excluding treasury shares to be calculated on the basis of the total number of issued shares at the time that the resolution is passed (taking into account the conversion or exercise of any convertible securities and the exercise of employee share options on the issue at the time that the resolution is passed, which were issued pursuant to previous shareholder approval), adjusted for any subsequent bonus issue, consolidation or subdivision of shares. This authority will, unless revoked or varied at a general meeting, expire at the next Annual General Meeting of the Company.
2. The ordinary resolution proposed in item 6 above, if passed, will empower the Directors of the Company to offer and grant options under the Top Global Share Option Scheme 2001 (the "Scheme") and to allot and issue shares pursuant to the exercise of such options under the Scheme not exceeding 20% of the total number of issued shares excluding treasury shares of the Company from time to time.
3. The ordinary resolution proposed in item 7 above, if passed, will empower the Directors of the Company to grant awards under the Top Global Performance Share Plan (the "PSP") and to allot and issue shares pursuant to the release of such awards under the PSP, provided always that the aggregate number of shares to be issued pursuant to the PSP and the Scheme shall not exceed 20% of the total number of issued shares excluding treasury shares of the Company from time to time.

Notes:

1. A member of the Company entitled to attend and vote at the Meeting is entitled to appoint not more than two proxies to attend and vote in his stead.
2. A proxy need not be a member of the Company.
3. If the appointor is a corporation, the proxy must be executed under seal or the hand of its duly authorised officer or attorney.
4. The instrument appointing a proxy must be deposited at the registered office of the Company at 1 Scotts Road #20-03/04 Shaw Centre Singapore 228208 not less than 48 hours before the time appointed for the Meeting.

PROXY FORM

TOP GLOBAL LIMITED

(Incorporated in the Republic of Singapore)

(Company Registration No. 198003719Z)

IMPORTANT

1. For investors who have used their CPF monies to buy the Company's shares, the Annual Report is forwarded to them at the request of their CPF Approved Nominees and is sent FOR INFORMATION ONLY.
2. This Proxy Form is not valid for use by CPF Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

I/We _____

of _____

being *a member/members of TOP GLOBAL LIMITED (the "Company"), hereby appoint

Name	Address	NRIC/Passport No.	Proportion of shareholdings to be represented by proxy (%)

* and/or, failing him/her

Name	Address	NRIC/Passport No.	Proportion of shareholdings to be represented by proxy (%)

or failing *him/her/them, the Chairman of the Meeting as *my/our *proxy/proxies to attend and vote for *me/us on *my/our behalf and, if necessary, to demand a poll, at the Annual General Meeting of the Company to be held at 10 Tuas West Drive, Raffles Marina, Singapore 638404 on Monday, 28 March 2011 at 8.00 am and at any adjournment thereof.

* I/We direct *my/our proxy/proxies to vote for or against the Ordinary Resolutions to be proposed at the Annual General Meeting as indicated with an "X" in the spaces provided hereunder. If no specific directions as to voting are given, the *proxy/proxies will vote or abstain from voting at *his/their discretion, as he/they will on any other matter arising at the Annual General Meeting.

No.	Resolutions relating to:	For	Against
1.	Audited Accounts, Directors' Report and Auditors' Report for the financial year ended 31 December 2010		
2a.	Re-election of Madam Oei Siu Hoa @ Sukmawati Widjaja		
2b.	Re-election of Mr Yeo Chin Tuan Daniel		
2c.	Re-election of Dr Lam Lee G		
2d.	Re-election of Ms Mimi Yuliana Maeloa		
2e.	Re-election of Ms Chang Shyre Gwo		
3.	Directors' fees for the financial year ended 31 December 2010		
4.	Re-appointment of Nexia TS Public Accounting Corporation as Auditors of the Company		
5.	Authority to allot and issue shares pursuant to Section 161 of the Singapore Companies Act (Cap. 50)		
6.	Authority to grant options and to allot and issue shares pursuant to the Top Global Share Option Scheme 2001		
7.	Authority to grant awards and to allot and issue shares under the Top Global Performance Share Plan		

Dated this _____ day of _____ 2011

Total No. of Shares	No. of Shares
In CDP Register	
In Register of Members	

Signature(s) of Member(s)/
Common Seal of Corporate Shareholder

* Delete accordingly

IMPORTANT: Please read notes overleaf



Notes:

1. A member of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint not more than two proxies to attend and vote in his stead. Such proxy need not be a member of the Company.
2. Where a member of the Company appoints two proxies, he shall specify the proportion of his shareholding (expressed as a percentage of the whole) to be represented by each such proxy.
3. The instrument appointing a proxy or proxies must be under the hand of the appointor or his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed under its common seal or under the hand of its attorney or duly authorised officer.
4. A corporation which is a member of the Company may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Annual General Meeting, in accordance with its Articles of Association and Section 179 of the Companies Act, Chapter 50 of Singapore.
5. The instrument appointing proxy or proxies, together with the power of attorney or other authority (if any) under which it is signed, or notarially certified copy thereof, must be deposited at the registered office of the Company at 1 Scotts Road #20-03/04 Shaw Centre Singapore 228208 not less than 48 hours before the time set for the Annual General Meeting.
6. A member should insert the total number of shares held. If the member has shares entered against his name in the Depository Register (as defined in Section 130A of the Companies Act, Chapter 50 of Singapore), he should insert that number of shares. If the member has shares registered in his name in the Register of Members of the Company, he should insert the number of shares. If the member has shares entered against his name in the Depository Register and shares registered in his name in the Register of Members of the Company, he should insert the aggregate number of shares. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by the member of the Company.
7. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of members of the Company whose shares are entered against their names in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if such members are not shown to have shares entered against their names in the Depository Register 48 hours before the time appointed for holding the Annual General Meeting as certified by The Central Depository (Pte) Limited to the Company.
8. A Depositor shall not be regarded as a member of the Company entitled to attend the Annual General Meeting and to speak and vote thereat unless his name appears on the Depository Register 48 hours before the time set for the Annual General Meeting.

AFFIX
STAMP

The Company Secretary
TOP GLOBAL LIMITED
1 Scotts Road #20-03/04
Shaw Centre
Singapore 228208

Corporate Information

Board of Directors

Madam Oei Siu Hoa @ Sukmawati Widjaja
(Executive Chairman)

Mr Hano Maeloa
(Chief Executive Officer and Executive Director)

Ms Jennifer Chang Shyre Gwo
(Chief Operating Officer and Executive Director)

Dr Lam Lee G
(Independent Director)

Mr Yeo Chin Tuan Daniel
(Independent Director)

Ms Mimi Yuliana Maeloa
(Non-Executive Director)

Audit Committee

Mr Yeo Chin Tuan Daniel
(Chairman)

Dr Lam Lee G

Ms Mimi Yuliana Maeloa

Nominating Committee

Dr Lam Lee G
(Chairman)

Mr Yeo Chin Tuan Daniel

Ms Mimi Yuliana Maeloa

Remuneration Committee

Mr Yeo Chin Tuan Daniel
(Chairman)

Dr Lam Lee G

Ms Mimi Yuliana Maeloa

Company Secretary

Ms Lee Bee Fong

Auditors

Nexia TS Public Accounting Corporation
5 Shenton Way
#16-00 UIC Building
Singapore 068808
(Director-in-charge: Chin Chee Choon
appointment commenced from the audit of
the financial statements for the year ended
31 December 2009)

Registrar & Share Registration Office

Tricor Barbinder Share Registration Services
(A division of Tricor Singapore Pte Ltd)
8 Cross Street
#11-00 PWC Building
Singapore 048424

Registered Office

1 Scotts Road
#20-03 Shaw Centre
Singapore 228208

Website

<http://www.topglobal.com.sg>

Principal Bankers

Overseas-Chinese Banking Corporation Limited
65 Chulia Street
#11-00 OCBC Centre
Singapore 049513

Australia & New Zealand Banking Group Limited
One Raffles Place
OUB Centre Level 42
Singapore 048616

TOP GLOBAL LIMITED

1 Scotts Road

#20-03 Shaw Centre

Singapore 228208

Tel: (65) 6746 4333

Fax: (65) 6746 4948

Registration No. 198003719Z