

TOP GLOBAL LIMITED

(Company Registration No.: 198003719Z)

**RESPONSE TO SGX QUERY ON ANNUAL REPORT
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017**

The Board of Directors (the “**Board**”) of Top Global Limited (“**Company**” and together with its subsidiaries, the “**Group**”) refer to the query raised by the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) on 11 May 2018, and wish to provide the following information in response to the Company’s Annual Report for the financial year ended 31 December 2017 (the “**Annual Report 2017**”):-

Question from SGX-ST

1. With reference to the audited statements of financial position on pages 44 to 45 of the Company’s annual report 2017, please provide an explanation for the material differences in the amounts of the following items, as compared to the unaudited financial results announcement of the Company for the year ended 31 December 2017:-

Line Item	The Group (\$’000)		Company (\$’000)	
	31 December 2017	31 December 2017	31 December 2017	31 December 2017
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
Current assets	68,890	123,720	-	-
Development properties				
Non-current assets	228,261	173,406	-	-
Development properties				

2. With reference to the audited consolidated statement of cash flows on pages 49 to 50 of the Company’s Annual Report 2017, please provide an explanation for the material differences in the amounts of the following items, as compared to the unaudited financial results announcement of the Company for the year ended 31 December 2017:-
 - i. The net cash provided by operating activities of approximately \$77,220,000 as compared to the amount of \$50,486,000;
 - ii. The net cash used in investing activities of approximately \$25,710,000 as compared to the amount of \$371,000; and
 - iii. The net cash used in financing activities of approximately \$59,103,000 as compared to the amount of \$58,104,000.

Response from Company

The reasons for material discrepancies between the amounts in Annual Report 2017 and announced financial results of the Company of 1 March 2018 are as follow:

1. The increase in development properties (current) and decrease in development properties (non-current) is mainly due to reclassification of non-current development properties to current development properties.
2. Changes in:
 - i. Net cash provided by operating activities
The increase in net cash provided by operating activities is mainly due to:
 - (a) Reclassification of \$24.3 million paid for purchase of office property from cash flows in operating activities to cash flows in investing activities; and
 - (b) Reclassification of \$4.5 million paid for additions to investment properties from cash flows in operating activities to cash flows in investing activities; offset by
 - (c) Reclassification of \$2.3 million proceeds from available-for-sale financial assets from cash flows in operating activities to cash flows in investing activities;
 - ii. Net cash used in investing activities
The increase in net cash used in investing activities is mainly due to:
 - (a) Reclassification of \$24.3 million paid for purchase of office property from cash flows in operating activities to cash flows in investing activities; and
 - (b) Reclassification of \$4.5 million paid for additions to investment properties from cash flows in operating activities to cash flows in investing activities; offset by
 - (c) Reclassification of \$1.3 million paid on acquisition of non-controlling interests from cash flows in investing activities to cash flows in financing activities; and
 - (d) Reclassification of \$2.3 million proceeds from available-for-sale financial assets from cash flows in operating activities to cash flows in investing activities.
 - iii. Net cash used in/generated from financing activities
The increase in net cash used in financing activities is mainly due to:
 - (a) Reclassification of \$1.3 million paid on acquisition of non-controlling interests from cash flows in investing activities to cash flows in financing activities.

Please note that the above are mainly reclassification entries made and do not have any material impact on cash and cash equivalents reported as at the year ended 31 December 2017.

BY ORDER OF THE BOARD

Hano Maeloa
Chief Executive Officer and Executive Director
15 May 2018