(Company Registration No.: 198003719Z)

RESPONSE TO SGX QUERY ON ANNUAL REPORT
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

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 23 April 2021, and wish to provide the following information in response to the Company's Annual Report for the financial year ended 31 December 2020 (the "**Annual Report**"):-

SGX Query 1

Listing Rule 710 requires issuers to explicitly state, when deviating from the provisions prescribed in the Code of Corporate Governance 2018 (the "Code"), an explanation on how the practices it had adopted are consistent with the intent of the relevant principle. Practice Guidance 2 requires an issuer to state the Company's board diversity policy and progress made towards implementing the board diversity policy, including objectives. Please state if the Company has a formal board diversity policy and please confirm if the Company's practices are consistent with the intent of Principle 2 of the Code, which requires the Board to have an appropriate diversity of thought and background in its composition to enable it to make decisions in the best interests of the Company.

Response from Company

As disclosed in the Annual Report, the Nominating Committee ("NC") will make recommendations for appointment of director(s) so as to ensure that the Board has the requisite mix of expertise and experience.

Each Director has been appointed based on the strength of his calibre, experience and stature and is expected to bring a valuable range of experience and expertise to contribute to the development of the Group's strategies and the performance of its business. The current Board composition provides a diversity of skills, experience, gender and knowledge to the Company.

The current Board comprises individuals who possess diverse expertise and experience in the areas of accounting and finance, tax, business management, legal, regulatory and industry knowledge.

The Board is made up of 3 males and 3 females, thus providing a very balanced gender representation.

The Independent Directors comprise one-third of the board and the Non-Executive Directors comprise half the board. They are able to exercise objective judgment on matters of the Group independently from Management and no individual or group of individuals dominate the Board's decision-making process.

Furthermore, the Board has taken the following steps to maintain or enhance its balance and diversity:

- Annual review by the NC to assess if the existing attributes and core competencies of the Board are complementary and enhance the efficacy of the Board; and

- Annual evaluation by the Directors of the skill sets the other Directors possess, with a view to understand the range of expertise which is lacking by the Board.

In view of the aforementioned reasons, the Company believes that its practices are consistent with the intent of the relevant principle in the Code as required by Listing Rule 710 despite not having a formal diversity policy.

SGX Query 2

Listing Rule 710 requires issuers to explicitly state, when deviating from the provisions prescribed in the Code of Corporate Governance 2018 (the "Code"), an explanation on how the practices it had adopted are consistent with the intent of the relevant principle. Practice Guidance 8 of the Code states that appropriate remuneration disclosures for individual directors, CEO and KMP should be made to provide sufficient transparency and information to shareholders regarding remuneration matters. The remuneration disclosures for individual directors, CEO and KMP should be made to provide sufficient transparency and information to shareholders regarding remuneration matters. The remuneration disclosures for individual directors and the CEO should specify the names, amounts and breakdown of remuneration. We note that the Company declined to disclose each individual director and CEO's exact remuneration. Instead, the Company disclosed the remunerations in bands of S$250,000. Please clarify if this disclosure provides sufficient transparency and information to shareholders and it is consistent with the intent of Principle 8 of the Code.

Response from Company

The Company has decided to disclose the remuneration of each of the directors personnel in bands of S$250,000 (instead of on a quantum basis) as stated in the Code.

The Company has disclosed the level and mix of remuneration of each director personnel as disclosed on page 27 of the Annual Report in bands of S$250,000 together with a detailed breakdown in percentage terms of the same.

As disclosed on page 27 of the Annual Report: *"The Company has deviated from Provision 8.1 of the 2018 Code and decided not to fully disclose the remuneration paid to each Director and the aggregate remuneration paid to the top 3 key management personnel having regard to the highly competitive human resource environment and the confidential nature of staff remuneration matters, so as to ensure the Company's competitive advantage in the retention of its key management team. In addition, such disclosure of specific remuneration information may encourage inappropriate peer comparisons and discontent, and may, in certain cases, give rise to recruitment and talent retention issues."*

In view of the aforementioned reasons, the Company believes that its current disclosure is consistent with the intent of Principle 8 of the Code as shareholders are still given information on the level and mix of remuneration in percentage terms and that the interests of shareholders will not be prejudiced as a result of such non-disclosure.

SGX Query 3

Listing Rule 710 requires issuers to explicitly state, when deviating from the provisions prescribed in the Code of Corporate Governance 2018 (the "Code"), an explanation on how the practices it had adopted are consistent with the intent of the relevant principle. Practice Guidance 8 of the Code states that remuneration disclosures of at least the top five key management personnel (who are not directors or the CEO) in bands no wider than S$250,000 and in aggregate the total remuneration paid

to these key management personnel. We note the Company had declined to disclose the aggregate total remuneration of its top three (3) KMP. Please clarify if this disclosure provides sufficient transparency and information to shareholders and it is consistent with the intent of Principle 8 of the Code.

Response from Company

The Company has decided to disclose the remuneration of each of the key management personnel in bands of S$250,000 and did not disclose in aggregate the total remuneration paid to these key management personnel as stated in the Code.

The Company has disclosed the level and mix of remuneration of each key management personnel as disclosed on page 27 of the Annual Report in bands of S$250,000 together with a detailed breakdown in percentage terms of the same.

As disclosed on page 27 of the Annual Report: *"The Company has deviated from Provision 8.1 of the 2018 Code and decided not to fully disclose the remuneration paid to each Director and the aggregate remuneration paid to the top 3 key management personnel having regard to the highly competitive human resource environment and the confidential nature of staff remuneration matters, so as to ensure the Company's competitive advantage in the retention of its key management team. In addition, such disclosure of specific remuneration information may encourage inappropriate peer comparisons and discontent, and may, in certain cases, give rise to recruitment and talent retention issues."*

In view of the aforementioned reasons, the Company believes that its current disclosure is consistent with the intent of Principle 8 of the Code as shareholders are still given information on the level and mix of remuneration in percentage terms and that the interests of shareholders will not be prejudiced as a result of such non-disclosure.

BY ORDER OF THE BOARD

Hano Maeloa
Chief Executive Officer and Executive Director
26 April 2021