TOP GLOBAL LIMITED
(Company Registration No.: 198003719Z)

RESPONSE TO SGX QUERY ON ANNUAL REPORT
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

The Board of Directors (the "**Board**") of Top Global Limited ("**Company**" and together with its subsidiaries, the "**Group**") refers to the query raised by the Singapore Exchange Securities Trading Limited ("**SGX-ST**") on 27 April 2016, and wishes to provide the following information in response to the Company's Annual Report for the financial year ended 31 December 2015 (the "**Annual Report 2015**"):-

Question from SGX-ST

With reference to the audited Consolidated Statement of Cash Flows on pages 44 to 45 of the Company's Annual Report 2015, please disclose the reasons for the material difference in amounts for the following, as compared to the announced financial results of the Company of 29 February 2016:-

i. The 2015 net cash used in operating activities of approximately $3,802,000 as compared to the net cash generated from operating activities of approximately $19,000;
ii. The 2015 net cash used in investing activities of approximately $1,345,000 as compared to the amount of approximately $3,258,000; and
iii. The 2015 net cash provided by financing activities of approximately $564,000 as compared to the net cash used in financing activities of approximately $1,346,000.

Response from Company

The reasons for material discrepancies between the amounts in Annual Report 2015 and announced financial results of the Company of 29 February 2016 are as follow:

i. Net cash used in/generated from operating activities
The increase in net cash used in operating activities is mainly due to:
(a) Reclassification of interest paid for development properties of $3,200,000 from cash flows in financing activities to cash flows in operating activities.
(b) Adjustment of $608,000 to reverse the overstatement of depreciation of property, plant and equipment in the Consolidated Statement of Cash Flows.

ii. Net cash used in investing activities
The decrease in net cash used in investing activities is mainly due to:
(a) Decrease in additions to property, plant and equipment of $1,117,000 due to adjustment to reverse the overstatement of depreciation of property, plant and equipment in the Consolidated Statement of Cash Flows as well as the impact of the

removal of non-cash amounts as a result of the reclassification from development properties to property, plant and equipment.

(b) Decrease in additions to investment properties of $433,000 was due to the removal of non-cash amounts as a result of the reclassification from development properties to investment properties.

iii. Net cash used in/generated from financing activities

The increase in net cash generated from financing activities is mainly due to:

(a) Decrease in repayment of borrowings of $8,820,000 due to the impact of the removal of non-cash amounts derived from the conversion of bonds to ordinary shares of subsidiary corporation by non-controlling interests.

(b) Reclassification of interest paid for development properties of $3,200,000 from cash flows in financing activities to cash flows in operating activities.

Offset by the decrease in:

(c) Decrease in proceeds from issuance of ordinary shares to non-controlling interests of $10,298,000 due to the impact of the removal of non-cash amounts derived from the conversion of bonds with embedded derivative to ordinary shares of subsidiary corporation by non-controlling interests.

Please note that the above are merely reclassification entries made and do not have any impact on cash and cash equivalents reported as at the year ended 31 December 2015.

BY ORDER OF THE BOARD

Hano Maeloa
Chief Executive Officer and Executive Director
27 April 2016