BLUMONT
博诺有限公司

BLUMONT GROUP LTD.
(Company Registration No.: 199302554G)
(Incorporated in the Republic of Singapore)

DISPOSAL OF PROPERTY OF SUBSIDIARY

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1. Introduction

The board of directors (the "**Board**") of Blumont Group Ltd. (the "**Company**" and together with its subsidiaries, the "**Group**") wishes to announce that Raintree Rock Sdn Bhd ("**RRSB**"), a wholly-owned subsidiary of the Company, has entered into the following agreements for the sale of RRSB's property at No. 5 – 11, Clearwater Residence, Changkat Semantan, Off Jalan Semantan, Damansara Heights, 50490 Kuala Lumpur (the "**Property**") at the price of RM 850,000 (the "**Proposed Disposal**") to an individual, Siew Mun Chuang (the "**Purchaser**"): (a) a sale and purchase agreement dated 12 July 2017 with the Purchaser; and (b) a Deed of Assignment dated 12 July 2017 with the Purchaser.

The Property is a residential unit of approximately 1,581 square feet in Kuala Lumpur, Malaysia.

2. Terms and Conditions of the Proposed Disposal

The sale price of the Property is RM 850,000, a price of which was arrived at after arms' length negotiations between RRSB and the Purchaser on a "willing-buyer, willing-seller" basis, taking into account the market value of the Property.

The sale price shall be paid by the Purchaser in the following manner:

(a) A 3% deposit of RM 25,500 to be paid upon entry into an Agreement to Purchase between parties;

(b) RM 300,000 to be paid upon signing of a formal Sale and Purchase Agreement; and

(c) RM 524,500 to be paid within 90 days of signing the formal Sale and Purchase Agreement.

3. Rationale for the Proposed Disposal

The Property is part of the Group's or RRSB's core business and the Proposed Disposal will minimise the Group's exposure to the Malaysian property market. Previously, the Group and RRSB have been marketing the Property but has faced a slow response. The sale price offered by the Purchaser is the highest received to date.

The Board is of the reasonable opinion that this Proposal Disposal is in the best interests of the Company's Shareholders, as it would reduce the Group's exposure to the Malaysian property market. The proceeds of the Proposal Disposal would also generate working capital for the Group and RRSB and/or to repay outstanding debt and bank borrowings and thus, helps to reduce the Group's and RRSB's interest payable.

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4. Interests of Directors and Controlling Shareholders

None of the directors or controlling shareholders of the Company has any interest, direct or indirect, in the Proposed Disposal.

5. Relative Figures Computed on the Bases Set Out in Rule 1006 of the Listing Manual in relation to the Proposal Disposal

The relative figures computed on the bases of Rule 1006 of the Listing Manual in respect of the Proposed Disposal are as follows:

Rule	Bases of computation	Size of relative figure
1006(a)	Net asset value of the assets to be disposed of, compared with the group's net asset value	3.58%
1006(b)	Net profits attributable to the assets acquired of disposed of, compared with the group's net profits	Not applicable
1006(c)	Aggregate value of the consideration given or received, compared with the issuer's market capitalisation based on the total number of issued shares excluding treasury shares	0.81%
1006(d)	The number of equity securities issued by the issuer as consideration for an acquisition, compared with the number of equity securities previously in issue	Not applicable
1007(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the group's proved and probable reserves. The basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company, but not to an acquisition of such assets	Not applicable

As the relative figures computed on the bases set out in Rules 1006(a) and (c) of the Listing Manual do not exceed 20%, the Proposed Disposal does not constitute major transaction within the meaning of Rule 1014 of the Listing Manual and accordingly, is not subject to the approval of shareholders of the Company.

6. Document Available for Inspection

A copy of the Sale and Purchase Agreement and the Deed of Assignment is available for inspection during normal business hours at the Company's registered business address at 298 Tiong Bahru Road #11-03 Central Plaza Singapore 168730 for a period of three months from the date of this Announcement.

BY ORDER OF THE BOARD
Blumont Group Ltd.

Ng Kim Huatt
Executive Director
12 July 2017