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

PROPOSED PLACEMENT OF 100,000,000 ORDINARY SHARES

---

1. INTRODUCTION

The board of directors (the "**Board**") of Blumont Group Ltd. (博诺有限公司) (the "**Company**") wishes to announce that the Company has entered into a placement agreement dated 20 January 2015 (the "**Agreement**") with Vigneswaran T Subramaniam (the "**Subscriber**"), pursuant to which the Subscriber has agreed to subscribe for, and the Company has agreed to allot and issue to the Subscriber, one hundred million new ordinary shares in the capital of the Company (the "**Placement Shares**") at S$0.01705 for each Placement Share (the "**Placement Price**"), on the terms of and subject to the conditions of the Agreement (the "**Placement**").

2. THE PLACEMENT SHARES

The Placement Shares will be issued free from all liens and encumbrances and shall, when issued, rank in all respects *pari passu* with the then existing issued ordinary shares in the capital of the Company (the "**Shares**") (except that they will not rank for any dividend, right, allotment or other distributions, the record date for which falls on or before the date of the issue of the Placement Shares).

Upon completion of the Placement, the Company's issued and paid-up share capital will increase from 2,609,387,832 Shares to 2,709,387,832 Shares and the Placement Shares will represent approximately 3.7% of the enlarged issued and paid-up share capital of the Company.

The Company will be making an additional listing application to the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") for the listing and quotation of the Placement Shares on the Mainboard of the SGX-ST, and will make the necessary announcement upon its receipt of the approval in-principle for the same from the SGX-ST.

The Placement Shares will be issued pursuant to the Company's share issue mandate under Section 161 of the Companies Act (Cap. 50) and the Listing Rules of the SGX-ST approved by the Company's shareholders (the "**Shareholders**" and each, a "**Shareholder**") at the Company's annual general meeting held on 30 April 2014.

3. BACKGROUND ON THE SUBSCRIBER

The Subscriber is a private individual investor. As at the date of this announcement, other than the Placement, he has not had any business dealings with the Company and he does not hold any shares in the Company. He does not fall within any of the prohibited categories as set out in Rule 812(1) of the Listing Manual of the SGX-ST (the "**Listing Manual**") to whom the Company is prohibited from issuing the Placement Shares. He will not hold directly or indirectly 15% or more of the enlarged issued share capital of the Company upon completion of the Placement and the Placement will not cause a transfer of a controlling interest in the Company in contravention of Rule 803 of the Listing Manual.

4. PRINCIPAL TERMS OF THE PLACEMENT

4.1. Placement Price

The Placement Price of S$0.01705 represents a discount of approximately 9.8% to the volume weighted average price of S$0.0189 for each Share for trades done on the SGX-ST on 20 January 2015, being the last market day preceding the date on which the Agreement was signed.

4.2. Conditions

Completion of the Placement is conditional upon (amongst others) the following:

(a) approval-in-principle being granted by the SGX-ST for the listing and quotation of the Placement Shares on the Official List of the SGX-ST by not later than 3 months from the date of the Agreement (or such later date as the Parties may agree in writing) and, if the approval is granted subject to conditions, such conditions being acceptable or satisfactory to the Company and the Subscriber;

(b) any condition imposed by the SGX-ST in giving its approval referred to in paragraph (a) above which is required to be fulfilled on or before the completion date of the Placement being fulfilled to the satisfaction of the SGX-ST or waived by the SGX-ST; and

(c) the warranties and undertakings given by the Company in clause 3 of the Agreement remaining true and correct in all material respects as at the completion date of the Placement.

Completion will take place 3 business days after the satisfaction or waiver (as the case may be) of all conditions in clause 5.1 of the Agreement (or, if that is not a business day, on the next business day) or such later date as the Company and the Subscriber may agree. If any of the conditions has not been satisfied on or before 3 months from the date of the Agreement, the Agreement will terminate.

5. RATIONALE AND USE OF PROCEEDS

The Company decided to undertake the Placement as the Placement will strengthen its balance sheet, and will provide the Company with funds for general working capital.

The Placement will allow the Company to raise estimated net proceeds (after deducting expenses of approximately S$0.04 million) of approximately S$1.67 million.

Pending deployment of the Net Proceeds for the uses identified above, the Net Proceeds may be deposited with banks or financial institutions, used for investment in short-term money market instruments or marketable securities, and/or used for the Group's requirements as the directors of the Company (the "**Directors**" and each, a "**Director**") may deem fit.

The Company will make periodic announcements on the use of the Net Proceeds from the Placement as and when the proceeds are materially disbursed, and provide a status report on the use of such proceeds in the Company's annual report. Where there is any material deviation from the stated use of proceeds, the Company will announce the reasons for such deviation.

6. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

Save for Mr. Farhash Wafa Salvador, who introduced the Subscriber to the Company, none of the Directors (other than in his capacity as a Director or Shareholder) or controlling shareholders of the Company (other than in its capacity as a Shareholder) has any interest, direct or indirect, in the Placement.

7. INTRODUCER

The Subscriber was introduced to the Company by a Director, Mr. Farhash Wafa Salvador. No remuneration or commission was paid or will be payable by the Company to him in connection with the Placement.

8. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the Agreement is available for inspection during normal business hours at the registered office of the Company at 298 Tiong Bahru Road, #20-02/03 Central Plaza, Singapore 168730 for a period of three months from the date of this announcement.

9. UPDATES

The Company will disclose any updates or further information on the Placement when it is appropriate to do so.

BY ORDER OF THE BOARD
Blumont Group Ltd.

Ng Kim Huatt
Executive Director
20 January 2015