BLUMONT
博诺有限公司

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

FOURTH QUARTER AND FULL YEAR ENDED 31 DECEMBER 2018 FINANCIAL STATEMENTS & DIVIDEND ANNOUNCEMENT

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Unaudited Results for The Fourth Quarter And Full Year Ended 31 December 2018

The Board of Directors of Blumont Group Ltd wishes to announce the following unaudited results of the Group for the fourth quarter and full year ended 31 December 2018.

1. Consolidated Income Statement

	GROUP S$'000		%	GROUP S$'000		%
	4Q2018	4Q2017	Increase/ (Decrease)	FY2018	FY2017	Increase/ (Decrease)
Revenue	982	999	(2)	3,919	3,697	6
Other (losses)/gains− net	(122)	^1,018	NM	1,126	^(711)	NM
Expenses						
Raw materials and consumables used	(23)	(48)	(52)	(91)	(99)	(8)
Employee benefits	(456)	^(850)	(46)	(1,829)	(2,383)	(23)
Others	(436)	(865)	(50)	(2,245)	(2,572)	(13)
Impairment loss on financial assets, available-for-sale	-	-	NM	* (-)	(4)	NM
Finance costs	(60)	(38)	58	(319)	(67)	376
Total expenses	**(975)**	**(1,801)**		**(4,484)**	**(5,125)**	
(Loss)/Profit before income tax	**(115)**	**216**		**561**	**(2,139)**	
Income tax	(512)	^(476)	8	(486)	^(450)	8
(LOSS)/PROFIT FOR THE PERIOD/YEAR	**(627)**	**(260)**		**75**	**(2,589)**	

NM: Not Meaningful

^: Adjusted and audited as at 31 December 2017
**: < S$1,000*

2. Consolidated Statement of Comprehensive Income

	GROUP S$'000		%	GROUP S$'000		%
	4Q2018	4Q2017	Increase/ (Decrease)	FY2018	FY2017	Increase/ (Decrease)
(Loss)/Profit for the period/year	**(627)**	**(260)**		**75**	**(2,589)**	
Items that will not be reclassified subsequently to profit or loss:						
Actuarial gain/(loss) on defined benefit plans	34	^(128)	NM	34	^(128)	NM
Items that may be reclassified subsequently to profit or loss:						
Foreign currency translation gain/(loss)						
- on translating foreign operations	215	^25	760	(2,070)	^(352)	(488)
- reclassified to profit or loss on dissolution of a dormant subsidiary	-	-	NM	882	907	(3)
Net change in fair value of financial assets, available-for-sale	-	* -	NM	-	* -	NM
Cumulative gain in fair value of financial assets, available-for-sale reclassified to profit or loss	-	-	NM	* -	-	NM
Other comprehensive income/(loss) for the period/year, net of tax	**249**	**(103)**		**(1,154)**	**427**	
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD/YEAR	**(378)**	**(363)**		**(1,079)**	**(2,162)**	
(Loss)/Profit for the period/year attributable to:						
Owners of the Company	(627)	(183)	243	(142)	(2,801)	(95)
Non-controlling interests	-	(77)	NM	217	212	2
	(627)	**(260)**		**75**	**(2,589)**	
Total comprehensive (loss)/income for the period/year attributable to:						
Owners of the Company	(378)	(268)	41	(1,276)	(2,272)	(44)
Non-controlling interests	-	(95)	NM	197	110	79
	(378)	**(363)**		**(1,079)**	**(2,162)**	

2. Consolidated Statement of Comprehensive Income (Cont'd)

	GROUP S$'000		%	GROUP S$'000		%
	4Q2018	4Q2017	Increase/ (Decrease)	FY2018	FY2017	Increase/ (Decrease)
Loss per share attributable to owners of the Company (expressed in cents)						
- Basic	**(0.0023)**	**(0.0007)**	**229**	**(0.0005)**	**(0.0102)**	**(95)**
- Diluted	**(0.0023)**	**(0.0007)**	**229**	**(0.0005)**	**(0.0102)**	**(95)**

NM: Not Meaningful
^: Adjusted and audited as at 31 December 2017
**: < S$1,000*

3. Notes to Consolidated Income Statement and Other Comprehensive Income

3a. (Loss)/Profit before income tax is after (charging)/crediting:

	GROUP S$'000		%	GROUP S$'000		%
	4Q2018	4Q2017	Increase/ (Decrease)	FY2018	FY2017	Increase/ (Decrease)
Other (losses)/gains – net comprise of:						
Fair value (loss)/gain on financial assets, at fair value through profit or loss	-	(53)	NM	40	(53)	NM
Loss on striking-off of a dormant subsidiary	-	962	NM	-	(907)	NM
Gain on dissolution of a dormant subsidiary	-	-	NM	882	-	NM
Currency exchange (loss)/gain - net	(93)	84	NM	170	178	(5)
Miscellaneous income	(31)	12	NM	32	54	(41)
Other expenses comprise of:						
Depreciation of property and equipment	(154)	(127)	21	(591)	(541)	9
Professional and consultancy fees	(52)	(328)	(84)	(589)	(709)	(17)
(Provision for)/Write-back of provision withholding tax expense	(15)	(32)	(53)	(53)	138	NM
Finance costs comprise of:						
Interest expense	(60)	(38)	58	(319)	(67)	376
- Bank loans	(35)	(38)	(8)	(144)	(64)	125
- Shareholder's loans	(25)	-	NM	(175)	* -	NM
- Others	-	-	NM	* -	(3)	NM

NM: Not Meaningful
**: < S$1,000*

3b. Income tax attributable to results is made up of:

	GROUP S$'000		%	GROUP S$'000		%
	4Q2018	4Q2017	Increase/ (Decrease)	FY2018	FY2017	Increase/ (Decrease)
Income tax comprises:						
Current income tax	(523)	(484)	8	(523)	(485)	8
Deferred tax	13	^17	(24)	39	^46	(15)
	(510)	(467)		(484)	(439)	
Under-provison in prior period/year	(2)	^(9)	(78)	(2)	^(11)	(82)
	(512)	(476)		(486)	(450)	

^: Adjusted and audited as at 31 December 2017

4. Statement of Financial Position

	GROUP S$'000			COMPANY S$'000		
	As at 31/12/2018	As at 31/12/2017	% Increase/ (Decrease)	As at 31/12/2018	As at 31/12/2017	% Increase/ (Decrease)
ASSETS						
Current assets						
Cash and bank balances	674	930	(28)	86	522	(84)
Financial assets, at fair value through profit or loss	120	80	50	120	80	50
Trade and other receivables	579	603	(4)	-	25	NM
Other current assets	143	^ 992	(86)	28	84	(67)
Development properties	4,585	4,582	**	-	-	NM
Assets held for sale	1,187	1,187	NM	-	-	NM
	7,288	**8,374**		**234**	**711**	
Non-current assets						
Investments in subsidiaries	-	-	NM	105	105	NM
Loans to subsidiaries	-	-	NM	11,132	8,016	39
Financial assets, available-for-sale	-	1	NM	-	1	NM
Goodwill	55	-	NM	-	-	NM
Property and equipment	4,722	4,273	11	40	18	122
Deferred tax assets	308	296	4	-	-	NM
	5,085	**4,570**		**11,277**	**8,140**	
Total assets	**12,373**	**12,944**		**11,511**	**8,851**	
LIABILITIES						
Current liabilities						
Trade and other payables	2,133	^ 3,298	(35)	2,154	^ 1,895	14
Borrowings	605	^ 2,135	(72)	-	^ 1,500	NM
Loan from a subsidiary	-	-	NM	3,390	2,563	32
Current income tax liabilities	149	43	247	-	-	NM
	2,887	**5,476**		**5,544**	**5,958**	
Net Current Assets/(Liabilities)	**4,401**	**2,898**		**(5,310)**	**(5,247)**	
Non-current liabilities						
Defined benefit plan	1,012	1,003	1	-	-	NM
Borrowings	5,068	745	580	4,532	-	NM
	6,080	**1,748**		**4,532**	**-**	
Total liabilities	**8,967**	**7,224**		**10,076**	**5,958**	
Net assets	**3,406**	**5,720**		**1,435**	**2,893**	
EQUITY						
Equity attributable to owners of the Company						
Share capital	127,339	127,339	NM	127,339	127,339	NM
Reserves	(3,963)	^ (4,607)	(14)	-	* -	NM
Accumulated losses	(119,970)	^ (119,862)	**	(125,904)	(124,446)	1
	3,406	**2,870**		**1,435**	**2,893**	
Non-controlling interests	-	^ 2,850	NM	-	-	NM
Total equity	**3,406**	**5,720**		**1,435**	**2,893**	

NM: Not Meaningful
^: Adjusted and audited as at 31 December 2017
***: <1%*
**: < S$1,000*

4a. Aggregate amount of Group's borrowings and debt securities.

Amount repayable not later than one year				Amount repayable after one year			
As at 31/12/2018		As at 31/12/2017		As at 31/12/2018		As at 31/12/2017	
Secured S$'000	Unsecured S$'000	Secured S$'000	Unsecured S$'000	Secured S$'000	Unsecured S$'000	Secured S$'000	Unsecured S$'000
605	-	1,135	1,000	536	4,532	745	-

Details of any collateral

Pertaining to the secured borrowings as at 31 December 2018, the Group has loans from banks secured by the land and building of PT Rel-ion Sterilization Services granted in favour of the lender.

5. Consolidated Statement of Cash Flows

	GROUP S$'000		GROUP S$'000	
	4Q2018	4Q2017	FY2018	FY2017
Cash Flows from Operating Activities				
(Loss)/Profit before income tax	(115)	216^	561	(2,139)^
Adjustments for:				
Unrealised foreign exchange loss/(gain)	93	16^	(47)	(69)^
Depreciation of property and equipment	154	127	591	541
Interest expense	60	38	319	67
Interest income	(1)	(1)	(3)	(2)
Loss on disposal of debt, instrument to equity, available-for-sale		10	-	5
Fair value loss/(gain) on financial assets, at fair value through profit or loss	-	53	(40)	53
Allowance for impairment loss on financial assets, available-for-sale	-	-	-	4
Gain on disposal of property and equipment	-	(5)	-	(13)
Write-off of property and equipment	-	1	4	1
Gain on dissolution of a dormant subsidiary	-	-	-	-
Written-off of payables	-	-	(3)	-
Fair value gain on assets held for sale	-	(8)	-	(8)
Write-off of financial assets, at fair value throught profit or loss	-	-	-	* -
(Gain)/Loss on striking-off of a dormant subsidiary	-	(962)^	(882)	907^
Share-based compensation expenses	-	-	-	45
Operating cash flows before working capital changes	**191**	**(515)**	**500**	**(608)**
Changes in working capital:				
Receivables	375	(441)^	80	(669)^
Payables	(73)	(49)^	212	143^
Inventories and development properties	-	200	-	200
Cash generated from/(used in) operations	**493**	**(805)**	**792**	**(934)**
Income tax and withholding tax paid	(372)	(715)	(910)	(1,168)
Net cash generated from/(used in) operating activities	**121**	**(1,520)**	**(118)**	**(2,102)**
Cash Flows from Investing Activities				
Purchase of property and equipment	(22)	(85)	(504)	(620)
Interest received	1	1	3	2
Proceeds from disposal of property and equipment	-	26	-	150
Proceeds from disposal of asset held-for-sale	-	239	-	272
Proceeds from disposal of financial assets, available-for-sale	-	(73)	-	23
Net cash (used in)/generated from investing activities	**(21)**	**108**	**(501)**	**(173)**
Cash Flows from Financing Activities				
Repayment of finance lease liabilities	-	-	-	(84)
Payment of share issue expenses	-	-	-	* (-)
Repayment of borrowings	(517)	(5)	(739)	(78)
Interest paid	(52)	(38)	(146)	(67)
Proceeds from borrowings	532	1,914	1,277	2,958^
Net cash (used in)/generated from financing activities	**(37)**	**1,871**	**392**	**2,729**
Net increase/(decrease) in cash and cash equivalents	63	459	(227)	454
Cash and cash equivalents at the beginning of the period/year	624	486	930	498
Effect of changes in foreign exchange rates on cash and cash equivalents	(13)	(15)	(29)	(22)
Cash and cash equivalents at the end of the period/year	**674**	**930**	**674**	**930**

**: < S$1,000*

^: Adjusted and audited as at 31 December 2017

The reconciliation of movements of the Group's liabilities to the Group's cash flows arising from financing activities is presented below:

	At 1 January 2018	Cash flows		Non-cash changes	At 31 December 2018
		Proceeds	Repayments		
	S$'000	S$'000	S$'000	S$'000	S$'000
Loans from banks	1,880	-	(739)	-	1,141
Loans from a shareholder	1,000	1,277	-	2,255	4,532
	2,880	1,277	(739)	2,255	5,673
Classified as:					
Current borrowings	2,135				605
Non-current borrowings	745				5,068
	2,880				5,673

6. Statement of Changes in Equity

6a. Statement of Changes in Equity of the Group

	Attributable to owners of the Company							
	Share capital	Fair value reserve	Currency translation reserve	Other reserve	Accumulated losses	Total	Non-controlling interests	Total equity
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
9M2018								
Balance at 1 January 2018	127,339	* -	(4,585)	(22)	(119,862)	2,870	2,850	5,720
Profit for the period	-	-	-	-	485	485	217	702
Other comprehensive (loss)/income, net of tax:								
Cumulative gain in fair value of financial assets, available-for-sale reclassified to profit or loss	-	* (-)	-	-	-	* (-)	-	* (-)
Foreign currency translation loss:								
- Loss on translating foreign operations	-	-	(2,265)	-	-	(2,265)	(20)	(2,285)
- Reclassified to profit or loss on dissolution of a dormant subsidiary	-	-	882	-	-	882	-	882
Total comprehensive (loss)/income for the period	**-**	**-**	**(1,383)**	**-**	**485**	**(898)**	**197**	**(701)**
Acquisition of additional interest in subsidiaries	-	-	-	1,812	-	1,812	(3,047)	(1,235)
Balance at 30 September 2018	**127,339**	**-**	**(5,968)**	**1,790**	**(119,377)**	**3,784**	**-**	**3,784**
4Q2018								
Loss for the period	-	-	-	-	(627)	(627)	-	(627)
Other comprehensive income, net of tax:								
Foreign currency translation gain	-	-	215	-	-	215	-	215
Acturial gain on defined benefit plan	-	-	-	-	34	34	-	34
Total comprehensive income/(loss) for the period	**-**	**-**	**215**	**-**	**(593)**	**(378)**	**-**	**(378)**
Balance at 31 December 2018	**127,339**	**-**	**(5,753)**	**1,790**	**(119,970)**	**3,406**	**-**	**3,406**
9M2017								
Balance at 1 January 2017	127,294	-	(5,214)	(984)	(115,999)	5,097	2,740	7,837
(Loss)/Profit for the period	-	-	-	-	(2,618)	(2,618)	289	(2,329)
Other comprehensive income/(loss), net of tax:								
Foreign currency translation gain/(loss)	-	-	614	-	-	614	(84)	530
Total comprehensive income/(loss) for the period	**-**	**-**	**614**	**-**	**(2,618)**	**(2,004)**	**205**	**(1,799)**
Issue of shares	^45	-	-	-	-	^45	-	^45
Share issue expenses	* (-)	-	-	-	-	* (-)	-	* (-)
Striking off a dormant subsidiary	-	-	-	962	-	962	-	962
Balance at 30 September 2017	**127,339**	**-**	**(4,600)**	**(22)**	**(118,617)**	**4,100**	**2,945**	**7,045**
4Q2017								
Loss for the period	-	-	-	-	(183)	(183)	(77)	(260)
Other comprehensive income/(loss), net of tax:								
Foreign currency translation gain	-	-	15	-	-	15	10	25
Net change in fair value of financial assets, available-for-sale	-	* -	-	-	-	* -	-	* -
Acturial loss on defined benefit plan	-	-	-	-	(100)	(100)	(28)	(128)
Total comprehensive income/(loss) for the period	**-**	*** -**	**15**	**-**	**(283)**	**(268)**	**(95)**	**(363)**
Striking off a dormant subsidiary	-	-	-	-	^(962)	^(962)	-	^(962)
Balance at 31 December 2017	**127,339**	*** -**	**(4,585)**	**(22)**	**(119,862)**	**2,870**	**2,850**	**5,720**

6b. Statement of Changes in Equity of the Company

	Share capital S$'000	Fair value reserve S$'000	Accumulated losses S$'000	Total S$'000
9M2018				
Balance at 1 January 2018	127,339	* -	(124,446)	2,893
Loss for the period	-	-	(960)	(960)
Other comprehensive loss, net of tax:				
Cumulative gain in fair value of financial assets, available-for-sale reclassified to profit or loss	-	* (-)	-	* (-)
Total comprehensive loss for the period	**-**	**-**	**(960)**	**(960)**
Balance at 30 September 2018	**127,339**	**-**	**(125,406)**	**1,933**
4Q2018				
Loss for the period	-	-	(498)	(498)
Total comprehensive loss for the period	**-**	**-**	**(498)**	**(498)**
Balance at 31 December 2018	**127,339**	**-**	**(125,904)**	**1,435**
9M2017				
Balance at 1 January 2017	127,294	-	(121,657)	5,637
Loss for the period	-	-	^(1,668)	^(1,668)
Total comprehensive loss for the period	**-**	**-**	**(1,668)**	**(1,668)**
Issue of shares	^45	-	-	45
Share issue expenses	* (-)	-	* (-)	* (-)
Balance at 30 September 2017	**127,339**	**-**	**(123,325)**	**4,014**
4Q2017				
Loss for the period	-	-	(1,121)	(1,121)
Total comprehensive loss for the period	**-**	**-**	**(1,121)**	**(1,121)**
Balance at 31 December 2017	**127,339**	**-**	**(124,446)**	**2,893**

**: < S$1,000*
^: Adjusted and audited as at 31 December 2017

6c. Changes in the Company's share capital

Issued and paid up share capital

	No. of shares	Amount S$
As at 1 October 2018 and 31 December 2018	27,570,762,183	127,338,850

As at 31 December 2018, the Company did not hold any treasury shares (31 December 2017: Nil).

Blumont Employee Share Option 2013 ("Blumont ESOS 2013")

No share options under the Blumont ESOS 2013 have been granted for the fourth quarter and full year ended 31 December 2018 (31 December 2017: Nil).

Performance Share Plan ("Blumont PSP")

No incentive share awards under the Blumont PSP have been granted for the fourth quarter and full year ended 31 December 2018 (31 December 2017: 45,000,000).

7. Audit Statement

7a. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed.

7b. Where the figures have been audited or reviewed, the independent auditor's report (including any qualifications or emphasis of a matter).

Not applicable.

8. Changes in Accounting Policies

8a. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The accounting policies and methods of computation applied by the Group are consistent with those used in its most recently audited financial statements, except for those as disclosed under paragraph 8b.

8b. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of the change.

Singapore-incorporated companies listed on the Singapore Exchange are required to apply Singapore Financial Reporting Standards (International) ("SFRS(I)") for annual periods beginning on or after 1 January 2018. The Group has adopted SFRS(I) and has prepared its first set of financial information under SFRS(I) for the financial year ending 31 December 2018.

The adoption of SFRS(I) requires the Group to apply all of the specific transition requirements in SFRS(I) 1 *First-time Adoption of International Financial Reporting Standards*.

The following are amendments of SFRS(I) that are relevant to the Group and the Company's operations and are effective for the annual periods beginning on or after 1 January 2018:

SFRS(I) 15 *Revenue from Contracts with Customers*
SFRS(I) 9 *Financial Instruments*

The adoption of these SFRS(I) standards did not have any significant impact on the financial performance or financial position of the Group except for the following:

(a) Application of SFRS(I) 1 *First time Adoption of International Financial Reporting Standards*

The Group has elected not to set the accumulated translation differences for all foreign operations to zero at the date of transition to SFRS(I) on 1 January 2017. However, on 26 March 2018, a wholly-owned subsidiary, Powerlite Ventures Limited has been dissolved. Translation gain amounting to S$0.88 million has been recognised in profit or loss as part of gain on dissolution of a dormant subsidiary for the first quarter ended 31 March 2018.

The Group has elected not to apply SFRS(I) 3 *Business Combination*, restrospectively to business combinations occurring before the date of transition to SFRS(I). Accordingly, there is no impact to the financial statements.

(b) SFRS(I) 15 *Revenue from Contracts with Customers*

The Group has assessed the impact of SFRS(I) 15 and concluded that there is no impact to the financial statements.

(c) Adoption of SFRS(I) 9 *Financial Instruments*

SFRS(I) 9 is effective for the financial years beginning on or after 1 January 2018. The Group has elected to apply the short term exemption under SFRS(I) 1, which exempts the Group from applying SFRS(I) 9 to comparative information. Accordingly, requirements of FRS 39 *Financial Instruments: Recognition and Measurement* will continue to apply to financial instruments up to the financial year ended 31 December 2017.

Classification and measurement

The Group has assessed the business models for managing its financial assets and the contractual cash flow characteristics of such financial assets to determine the appropriate classification for each financial asset under SFRS(I) 9.

As a result, certain balance sheet items were classified as follows:

Accounts	**Per Singapore FRS 39 (Up to 31 December 2017)**	**Per SFRS(I) 9 (Effective from 1 January 2018)**
Current assets		
Cash and bank balances	Loans and receivables	Amortised cost
Trade receivables	Loans and receivables	Amortised cost
Financial assets, at fair value through profit or loss	Financial assets, at fair value through profit or loss	Financial assets, at fair value through profit or loss

8b. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of the change. (Con't)

Accounts	Per Singapore FRS 39 (up to 31 December 2017)	Per SFRS(I) 9 (Effective from 1 January 2018)
Non-current assets		
Financial assets, available-for-sale	Financial assets, available-for-sale	Financial assets at fair value through profit or loss

Impairment of financial assets

Financial assets are subject to an expected credit loss impairment model under SFRS(I) 9. The Group has assessed and concluded that the expected credit loss impairment model to have no significant impact to the financial statements.

9. Loss Per Ordinary Share

	GROUP		GROUP	
Loss per share for loss attributable to the owners of the Company	**4Q2018**	**4Q2017**	**FY2018**	**FY2017**
(i) On the weighted average number of ordinary shares in-issue (in cents)	(0.0023)	(0.0007)	(0.0005)	(0.0102)
- Weighted average number of shares	27,570,762,183	27,570,762,183	27,570,762,183	27,549,926,567
(ii) On a fully diluted basis (in cents)	(0.0023)	(0.0007)	(0.0005)	(0.0102)
- Adjusted weighted average number of shares	27,570,762,183	27,570,762,183	27,570,762,183	27,549,926,567

10. Net Asset Value Per Ordinary Share

	GROUP		COMPANY	
	As at 31/12/2018	**As at 31/12/2017**	**As at 31/12/2018**	**As at 31/12/2017**
Net asset value per ordinary share based on issued share capital at the end of the financial year (owners of the Company) (in cents)	0.012	0.010	0.005	0.010

11. Review of Group's Performance

Commentary on the Consolidated Income Statement and Statement of Comprehensive Income

Other (losses)/gains – net

Other losses was S$0.12 million for 4Q2018, mainly due to currency exchange loss of S$0.09 million in 4Q2018. Other gains was S$1.13 million for FY2018, mainly due to gain on dissolution of a dormant subsidiary of S$0.88 million, currency exchange gain of S$0.17 million, fair value gain on financial assets, at fair value through profit or loss of S$0.04 million and miscellaneous income of S$0.03 million. This was contrasted with net losses of S$0.71 million in FY2017, mainly due to loss on strike-off of a dormant subsidiary.

Expenses

Raw materials and consumables used decreased by approximately S$0.03 million to S$0.02 million in 4Q2018 (4Q2017: S$0.05 million). This is mainly due to lower costs of development property upon sale of a building in 4Q2017.

Employee benefits decreased by S$0.39 million to S$0.46 million for 4Q2018 (4Q2017: S$0.85 million) and by S$0.55 million to S$1.83 million for FY2018 (FY2017: S$2.38 million), mainly due to cost cutting measures undertaken by the Company as well as foreign currency fluctuation.

Other expenses decreased by S$0.43 million to S$0.44 million for 4Q2018 (4Q2017: S$0.87 million) and by S$0.33 million to S$2.25 million for FY2018 (FY2017: S$2.57 million), mainly due to lower rental, marketing, travelling and upkeep expenses due to cost cutting measures facing by the company.

Finance costs increased by S$0.02 million to S$0.06 million in 4Q2018 (4Q2017: S$0.04 million) and by S$0.25 million to S$0.32 million in FY2018 (FY2017: S$0.07 million), mainly due to additional shareholder's loans taken up in 4Q2018 and FY2018 respectively.

11. Review of performance (Group) (Cont'd)

Other Comprehensive Loss

Actuarial gain on defined benefit plans of S$0.03 million for 4Q2018 and FY2018 (4Q2017 & FY2017: actuarial loss on defined benefit plan of S$0.13 million) relates to the adjustments on remeasurement of net defined benefit liability of the Group based on actuarial report obtained at end of the reporting period.

Foreign currency translation gain on translating foreign operations of S$0.22 million for 4Q2018 (4Q2017: S$0.03 million) and foreign currency translation loss on translating foreign operations of S$2.07 million for FY2018 (FY2017: S$0.35 million) relates to the translation of the results and the net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency in accordance with FRS 21 *The Effects of Changes in Foreign Exchange Rate.*

In FY2018, the Group reclassified foreign translation of S$0.88 million (FY2017: S$0.91 million) resulting from dissolution of a dormant subsidiary to profit or loss in accordance with FRS 21 *The Effects of Changes in Foreign Exchange Rate.*

Commentary on the Statement of Financial Position

Cash and bank balances decreased by S$0.26 million or 28% from S$0.93 million as at 31 December 2017 to S$0.67 million as at 31 December 2018. The decrease was mainly due to payment of IRAS withholding taxes and purchase of property and equipment during the year.

Financial assets, at fair value through profit or loss increased by S$0.04 million or 50% from S$0.08 million as at 31 December 2017 to S$0.12 million as at 31 December 2018. The increase of S$0.04 million in financial assets, at fair value through profit or loss was mainly due to mark-to-market adjustment of quoted equity shares held. Financial assets, at fair value through profit or loss are stated at fair value at the end of each reporting period.

Other current assets decreased by S$0.85 million or 86% from S$0.99 million as at 31 December 2017 to S$0.14 million as at 31 December 2018, mainly due to reclassification of prepayments for cobalt by S$0.73 million for the operations of PT Rel-ion Sterilization Services to property and equipment as the cobalt was delivered in FY2018 as well as rental deposit refund of S$0.05 million upon shifting of office.

Property and equipment increased by S$0.45 million or 11% from S$4.27 million as at 31 December 2017 to S$4.72 million as at 31 December 2018, mainly due to acquisition of additional cobalt for the operations of PT Rel-ion Sterilization Services.

Goodwill of S$0.05 million as at 31 December 2018 arise mainly due to acquisition of subsidiary Solid Base Limited during the year.

Trade and other payables decreased by S$1.17 million or 35% from S$3.30 million as at 31 December 2017 to S$2.13 million as at 31 December 2018, mainly due to repayment of withholding taxes of S$0.50 million to IRAS and reclassification of debt owing to third party to equity due to a novation of said debt to a subsidiary of the Group, amounting to S$0.97 million. This decrease is partly offset by increase in interest of S$0.17 million due to additional shareholder's loans taken by the Company and increase in professional fees by S$0.11 million as compared to FY2017, mainly due to acquisitions undertaken by the Company in FY2018.

Current and non-current borrowings increased by S$2.79 million from S$2.88 million as at 31 December 2017 to S$5.67 million as at 31 December 2018, mainly due to increase in shareholder's loan of S$3.53 million for working capital and to fund acquisitions undertaken by the Company in 2018, partly offset by repayment of bank borrowings of S$0.74 million during the year.

Current income tax liabilities increased by S$0.11 million from S$0.04 million as at 31 December 2017 to S$0.15 million as at 31 December 2018, mainly due to higher income earned by overseas subsidiary.

12. Variance from Previous Forecast / Prospect Statement

Not applicable as there is no forecast or prospect statement previously disclosed to shareholders.

13. Outlook and Prospects

The performance of the sterilisation segment of the Group has been consistent. Barring any unforeseen circumstances, we do not expect any substantial variation in its performance.

13. Outlook and Prospects (Cont'd)

The Group's investment holding segment including quoted equity investment classified as the portfolio of quoted financial assets, available-for-sale, including the portfolio under the mineral and energy resources ties to the changes in the financial market and global economy with uncertainty and volatility in the investment outlook. The mineral and energy resources segment is a highly risky business and requires time, effort, investment and development.

Below are updates on the Group's operations:

(a) Proposed acquisition of Samadhi Retreats Pte Ltd

On 16 July 2018, the Company entered into a conditional sale and purchase agreement with Asaro Federico and Baffyn International Corp in respect of the proposed acquisition of all the 100 ordinary shares representing the entire issued and paid-up capital of Samadhi Retreats Pte Ltd (the "Sale Shares") for an aggregate consideration of S$43.8 million (the "Proposed Acquisition").

On 16 October 2018, it was announced that the supplemental sale and purchase agreement was to amend, modify and supplement, *inter alia*, the principal terms of the sales and purchase agreement (SPA). The proposed acquisition shall be revised to the sum of S$35 million. Samadhi Retreats (Private) Limited and Cheeva Na Tara Company Limited will not be included in the Samadhi Group acquisitions as they have yet to commence any businesses or operations.

The Proposed Acquisition constitutes a major transaction under Chapter 10 of the listing manual of the Singapore Exchange Securities Trading Limited, and may change profile of the Company as it represents a diversification of the scope of the existing business of the Group (the "Proposed Diversification"). Accordingly, the Proposed Acquisition is subject to the approval of the shareholders of the Company ("Shareholders").

The Company will convene an extraordinary general meeting ("EGM") to seek the approval of Shareholders for the Proposed Acquisition. The circular containing inter alia, further information on the Proposed Acquisition and the Proposed Diversification and enclosing the notice of EGM therewith, will be despatched by the Company to Shareholders in due course.

The Company will make such further announcements at the appropriate juncture, as and when there are material developments in relation to the Proposed Acquisition.

(b) Updates on Legal Proceeding in relation to Raintree Rock Sdn Bhd ("Raintree")

On 26 April 2016, the Company announced via SGXNET that Raintree, a wholly owned subsidiary of Blumont Group Ltd., had been notified that it had on 22 April 2016, been served with a writ of summons and state of claim filed in the high court of Malaya in Kuala Lumpur to take steps to effect rectification of the strata title to the property, an order for specific performance by Raintree, subject to the Court varying certain terms of the Agreement dated 15 September 2015 for the sale of a property in Kuala Lumpur, including the purchase price, or, in lieu of specific performance, a refund of deposits paid by the Plaintiffs, together with liquidated damages of RM600,000 and damages for misrepresentation.

The Group is currently seeking legal advice and will, in consultation with its solicitors, take such necessary steps to defend the Legal Proceedings. The Group reserves all its rights on the matter. The Company will disclose any updates or further information on the legal proceedings when it is appropriate to do so.

14. Dividend

(a) Current Financial Period Reported On.
Any dividend declared for the current financial period reported on?
No.

(b) Corresponding Period of the Immediately Preceding Financial Year.
Any dividend declared for the corresponding period of the immediately preceding financial year?
No.

(c) Date payable
Not applicable.

(d) Books closure date
Not applicable.

(e) If no dividend has been declared/recommended, a statement to that effect.

The Board of Directors does not recommend any payment of dividends for the fourth quarter and full year ended 31 December 2018.

15. General Mandate from Shareholders for Interested Party Transactions

No general mandate for Interested Party Transactions has been obtained from the shareholders.

16. Confirmation Pursuant to Rule 705(5) of the Listing Manual

To the best of our knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited consolidated financial results for the full year ended 31 December 2018 to be false or misleading.

On behalf of the Board of Directors

Siaw Lu Howe Executive Chairman and Chief Executive Officer	Calvin Lim Huan Kim Lead Independent Director

17. Confirmation Pursuant to Rule 720(1) of the Listing Manual

The Company hereby confirms that it has procured undertakings from all its directors and executive officer under Rule 720(1) of the listing manual.

PART II– VOLUNTARILY DISCLOSURE OF ADDITIONAL INFORMATION

18. Segmented revenue and results for business or geographic segments (Group)

The Group is organised into three main business segments:

- Investment holding – investment in transferable securities including but not limited to marketable shares, warrants and debentures etc.
- Sterilisation – providing contract sterilisation and polymerisation services to food packaging, medical devices, cosmetic raw materials and consumers products.
- Property – development of properties for sale, long-term holding of properties for rental and related income.

Information about reportable segments

2018	Investment holding	Sterilisation	Property	Total
	S$'000	S$'000	S$'000	S$'000
External revenues	**-**	**3,892**	**27**	**3,919**
Segment results	(1,186)	2,748	(94)	1,468
Interest income	-	3	-	3
Finance costs	(190)	(129)	* -	(319)
Depreciation	(43)	(548)	-	(591)
Reportable segment (loss)/profit before income tax	**(1,419)**	**2,074**	**(94)**	**561**
Other material non-cash items				
- fair value gain on financial assets, at fair value through profit or loss	40	-	-	40
Other material item				
Capital expenditure				
- property and equipment	67	1,180	-	1,247
Segment assets	**580**	**5,917**	**5,568**	**12,065**
Unallocated assets – deferred tax assets				308
Consolidated total assets				**12,373**
Segment liabilities	6,265	2,169	384	8,818
Unallocated liabilities:				
- current income tax liabilities				149
Consolidated total liabilities				**8,967**

18. Segmented revenue and results for business or geographic segments (Group) (Cont'd).

Information about reportable segments (Cont'd)

2017^	Investment holding	Sterilisation	Property	Total
	S$'000	S$'000	S$'000	S$'000
External revenues	**-**	**3,586**	**111**	**3,697**
Segment results	(3,568)	2,296	(260)	(1,532)
Interest income	* -	1	-	1
Finance costs	(5)	(62)	* -	(67)
Depreciation	(56)	(481)	(4)	(541)
Reportable segment (loss)/profit before income tax	**(3,629)**	**1,754**	**(264)**	**(2,139)**
Other material non-cash items				
- fair value losses on financial assets, at fair value through profit or loss	(53)	-	-	(53)
Other material item				
Capital expenditure				
- property and equipment	8	612	-	620
Segment assets	**1,047**	**5,996**	**5,605**	**12,648**
Unallocated assets – deferred tax assets				296
Consolidated total assets				**12,944**
Segment liabilities	**4,372**	**2,396**	**413**	**7,181**
Unallocated liabilities:				
- current income tax liabilities				43
Consolidated total liabilities				**7,224**

^: Adjusted and audited for the financial year ended 31 December 2017

*: <$1,000

@ : The finance lease liabilities included in borrowings have not been disclosed by segment as this item is managed on a Group basis and are not provided to the Company's Executive Director at the operating segment level.

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers. Segment assets are based on the geographical location of the assets.

Geographical information

2018	External Revenues S$'000	Non-current assets^^ S$'000
Singapore	-	40
Malaysia	27	-
Indonesia	3,892	4,682
	3,919	**4,722**

2017^	External Revenues S$'000	Non-current assets^^ S$'000
Singapore	-	20
Malaysia	111	-
Indonesia	3,586	4,254
	3,697	**4,274**

^^ : Non-current assets exclude deferred tax assets and goodwill
^: *Adjusted and audited for the financial year ended 31 December 2017*

19. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Please refer to point 11 above.

20. A breakdown of sales

		GROUP S$'000 Year ended 31/12/2018	31/12/2017	% Increase/(decrease)
19(a)	Sales reported for first half year	1,797	1,730	4
19(b)	Operating profit/(loss) after tax before deducting non-controlling interests reported for first half year	593	(2,052)	NM
19(c)	Sales reported for second half year	2,122	1,967	8
19(d)	Operating loss after tax before deducting non-controlling interests reported for second half year	(518)	(537)	(4)

BY ORDER OF THE BOARD
Blumont Group Ltd.

Siaw Lu Howe
Executive Chairman and Chief Executive Officer
28 February 2019