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

PROPOSED ACQUISITION OF 6,823 ORDINARY SHARES REPRESENTING 22.29% OF THE ENTIRE ISSUED AND PAID UP SHARE CAPITAL OF PT REL-ION STERILIZATION SERVICES ("PT REL-ION") BY ASPHERE HOLDINGS PTE. LTD. ("PROPOSED ACQUISITION")

1. INTRODUCTION

The Board of Directors of the Company wishes to announce that a wholly-owned subsidiary of the Company, Asphere Holdings Pte. Ltd. ("**Asphere**") had on 08 May 2018 entered into a sale and purchase agreement ("**SPA**") with Net Data Investments Limited ("**Vendor**"), a shareholder of PT Rel-ion, for the acquisition of 6,823 ordinary shares in the issued and paid up share capital of PT Rel-ion, representing 22.29% of the entire issued and paid-up capital of PT Rel-ion ("**Sale Shares**").

As the relative figure under Rule 1006 of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual (the "**Listing Manual**") exceeds 5% but does not exceed 20%, the Proposed Acquisition constitutes a discloseable transaction under Chapter 10 of the Listing Manual.

2. DETAILS OF PT REL-ION

PT Rel-ion is a company incorporated in Indonesia carrying on the business of providing sterilisation and polymerisation services. As at the date of this announcement, PT Rel-ion has a total issued share capital of Rp30,616,000,000 divided into 30,616 shares. Adroit Innovations Investment Pte Ltd ("**Adroit**"), the Company's wholly-owned subsidiary, currently owns 23,793 shares in PT Rel-ion, representing approximately 77.71% of the total issued share capital of PT Rel-ion.

The Vendor owns the remaining shares in PT Rel-ion, representing approximately 22.29% of the total issued share capital of PT Rel-ion.

The book value and net tangible asset ("**NTA**") value of PT Rel-ion are as follows:

	PT Rel-ion shares (Rp)
Book value[(1)]	68,138,887,825
NTA value[(1)]	68,138,887,825

Note:

(1) Based on PT Rel-ion's financial statements for the three months ended 31 March 2018

3. RATIONALE FOR THE PROPOSED ACQUISITION

PT Rel-ion has been profitable for the last three (3) completed financial years ended 31 December and its net profits for the three months ended 31 March 2018 is Rp5,609,969,101 (approximately S$535,456 based on an exchange rate of Rp10,477 to S$1.00). The Proposed Acquisition represents an opportunity for the Company to wholly own and manage a profitable subsidiary, which will in turn contribute positively to the Group's profit.

4. DETAILS OF THE PROPOSED ACQUISITION

Asphere intends to purchase and the Vendor intends to sell 6,823 shares in PT Rel-ion, representing approximately 22.29% of the total issued share capital of PT Rel-ion for an aggregate cash consideration of S$1,200,000 ("**Consideration**"). With the Acquisition, the Group will increase its

percentage shareholding in PT Rel-ion from approximately 77.71% to 100% of the total issued share capital of PT Rel-ion held via the Company's two wholly-owned subsidiaries, Asphere and Adroit. The Consideration for the Proposed Acquisition was arrived at on a willing-buyer willing-seller basis, taking into consideration, inter alia, the net profits of PT Rel-ion for the last three (3) completed financial years ended 31 December 2015, 31 December 2016 and 31 December 2017, as well as for the three months ended 31 March 2018. The Consideration will be funded by Asphere's internal resources and/or funding.

Completion of the Proposed Acquisition is conditional upon the receipt of approval from Badan Koordinasi Penanaman Modal (the Capital Investment Coordinating Board of the Republic of Indonesia) in relation to the sale of the Sale Shares to Asphere being issued to Asphere, to the satisfaction of Asphere. Save for the above, there are no material conditions attaching to the transaction.

5. RELATIVE FIGURES COMPUTED ON THE BASES SET OUT IN RULE 1006

The relative figures for the Proposed Acquisition computed on the bases set out in Rule 1006 of the Listing Manual are set out in the table below.

Rule 1006	Bases	Size of Relative Figures (%)
(a)	The net asset value of the assets to be disposed of, compared with the Group's net asset value. This basis is not applicable to an acquisition of assets.	Not applicable as this is an acquisition
(b)	The net profits attributable to the assets acquired or disposed of, compared with the Group's net profits.	12.36[(1)]
(c)	The aggregate value of the consideration given or received, compared with the Company's market capitalisation based on the total number of issued shares excluding treasury shares.	1.45[(2)]
(d)	The number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue.	Not applicable as no equity securities will be issued by the Company as consideration.
(e)	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. This 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.

Notes:

(1) Net profit/loss is defined as profit or loss before income tax, minority interests and extraordinary items. Based on the unaudited financial statements of PT Rel-ion for the three months ended 31 March 2018, the net profits attributable to the Sale Shares being acquired pursuant to the Proposed Acquisition amounts to approximately Rp1,250,462,113 (approximately S$119,353 based on an exchange rate of Rp10,477 to S$1.00). The unaudited profit before income tax for the Group for the three months ended 31 March 2018 was S$966,000.

(2) The aggregate value of the Consideration is S$1,200,000. The market capitalisation of the Company as at 07 May 2018 was S$82,712,287 determined by multiplying the number of issued shares of the Company ("Shares") as at 07 May 2018, being 27,570,762,183 Shares, by the volume weighted average price of S$0.003 per Share on 07 May 2018.

As the relative figures under Rule 1006 exceed 5% but do not exceed 20%, the Proposed Acquisition only constitutes a "Discloseable Transaction" as defined in Chapter 10 of the Listing Manual. Accordingly, Shareholders' approval for the Proposed Acquisition is not required.

6. FINANCIAL EFFECTS OF THE PROPOSED ACQUISITION

The pro forma financial effects of the Proposed Acquisition as set out below are for illustrative purposes only and do not reflect the future financial results or position of the enlarged group after the completion of the Proposed Acquisition. The objective of presenting the pro forma financial effects of the Proposed Acquisition as shown below is to illustrate what the historical financial information might have been had the Proposed Acquisition been completed at an earlier date. However, such financial information is not necessarily indicative of the results of Proposed Acquisition been completed at such earlier date.

The financial effects in this section are based on the audited accounts of the Group for the 12 months ended 31 December 2017. The pro forma financial effects of the Proposed Acquisition have been prepared based on the following assumptions:

(a) the Proposed Acquisition was completed on 01 January 2017 for the purpose of computing the pro forma financial effects on the earnings per Share ("**EPS**") of the Group; and

(b) the Proposed Acquisition was completed on 31 December 2017 for the purpose of computing the pro forma financial effects on the net tangible assets ("**NTA**") per Share of the Group.

6.1. Effect on EPS

For illustrative purposes only, and assuming the Proposed Acquisition was completed at the beginning of the financial year ended 31 December 2017, the pro forma financial effects of the Proposed Acquisition on the EPS of the Group are as follows:

	Before the Proposed Acquisition[(1)]	After the Proposed Acquisition[(1)]
Loss for the year attributable to the owner of the Company (S$)	(2,801,408)	(2,510,023)
Weighted average number of Shares	27,549,926,567	27,549,926,567
EPS (cents)	(0.01)	(0.01)

Note:

(1) Based on the audited financial statements of the Group for the financial year ended 31 December 2017.

6.2. Effect on NTA

For illustrative purposes only, and assuming the Proposed Acquisition was completed at the end of the financial year ended 31 December 2017, the pro forma financial effects of the Proposed Acquisition on the NTA per Share are as follows:

	Before the Proposed Acquisition	After the Proposed Acquisition
NTA value (S$)	5,719,402	5,719,402
Weighted average number of Shares	27,549,926,567	27,549,926,567
NTA per Share (cents)	0.02	0.02

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7. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

The directors of Asphere are Siaw Lu Howe and Lee Boon Teck, the Company's Executive Chairman and Chief Executive Officer as well as the Company's Executive Director and Chief Operating Officer respectively. Save as disclosed, none of the directors of the Company ("**Directors**" and each, a "**Director**") (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 Proposed Acquisition.

8. SERVICE AGREEMENT(S)

No person is proposed to be appointed to the board of directors of the Company in connection with the Proposed Acquisition and accordingly, no service contract in relation thereto will be entered into between the Company and any such person.

9. DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the SPA will be made available for inspection during normal business hours at the Company's registered office at 201 Henderson Road, #03-26/27 Apex @ Henderson, Singapore 159545 for a period of three (3) months commencing from the date of this announcement.

10. UPDATES AND CAUTION IN TRADING

Shareholders and potential investors are advised to exercise caution when trading in the Shares. There is no certainty or assurance as at the date of this announcement that the Proposed Acquisition will be completed, or that no changes will be made to the terms thereof.

The Company will disclose any updates or further information on the Proposed Acquisition as and when appropriate. Shareholders are advised to read this announcement and any further announcements by the Company carefully. Persons who are in doubt as to the action they should take should consult their legal, financial, tax or other professional advisers.

BY ORDER OF THE BOARD
Blumont Group Ltd.

Siaw Lu Howe
Executive Chairman and Chief Executive Officer
08 May 2018