BLUMONT GROUP LTD
(Company Registration No. 199302554G)
(Incorporated in the Republic of Singapore)
("**Company**" and together with its subsidiaries, the "**Group**")

RESPONSE TO QUERIES RAISED BY SINGAPORE EXCHANGE SECURITIES TRADING LIMITED

The board of directors (the "**Board**" or "**Directors**") of the Company refers to the queries raised by the Singapore Exchange Securities Trading Limited ("**SGX-ST**" or "**Exchange**") on 17 November 2020 in relation to the Company's announcement of 6 November 2020 on "Appointment of Executive Director" and wishes to provide the Company's responses to the queries raised as follows:

Query:

a. Principle 3 of the Code of Corporate Governance (the "Code") states that, "There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision making."

   Upon the resignation of the CEO, the Company has disclosed that the CFO will be assuming the duties of CEO.

   i. Please explain how this arrangement complies with Principle 3 of the Code.

   ii. Under Listing Rule 210(5), the directors and executive officers should have appropriate experience and expertise to manage the group's business. In this regard, please provide the Nominating Committee's opinion and the bases for such an opinion as to whether Mr John Lee Yow Meng is able to adequately carry out his duties in his capacity as the CFO, when he is assuming the duties of the CEO.

b. Please provide the Board's assessment on of the current arrangement for the Executive Director and CFO to undertake the oversight role over the Group's accounting and finance-related matters and also the Group's overall operations. Please provide the Board's opinion on whether this arrangement will affect adequacy and effectiveness of the Company's internal controls and risk management systems and the bases for such an opinion.

Company's response:

The Company would like to clarify that its intention was for CFO, Mr John Lee Yow Meng, to be acting CEO only for an interim period following the announcement of the resignation of the former CEO, Mr Lee Tak Meng, from 2 November 2020 until a new CEO or Executive Director was recruited to take the place of Mr Lee Tak Meng, as the Company would need time to search for his successor.

With the appointment of Mr Alan Chin Yu as Executive Director with effect from 6 November 2020 (only 4 days later), the Nominating Committee has decided that, taking into account the scale of the Group's present businesses and operations, the role of CEO and oversight of the Group's overall operations can presently be carried out by Executive Director, Mr Alan Chin Yu, without taking on the formal designation of CEO. Mr Alan Chin Yu was a former director on the Board from June 2016 to December 2017.

Separately, the CFO, Mr John Lee Yow Meng, continues to oversee the Group's accounting and finance related matters. As stated in the Company's announcement of 6 November 2020, the Non-Executive Chairman of the Board is Mr Siaw Lu Howe and the Lead Independent Director is Mr Ng Keok Chai.

The Board is of the opinion that the adequacy and effectiveness of the Company's internal controls and risk management systems will not be affected with the aforesaid segregation of responsibilities and the Board meets the requirements of Principle 3 of the Code and Listing Manual Rule 210(5).

BY ORDER OF THE BOARD

Alan Yu Chin
Executive Director
18 November 2020