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

ANNOUNCEMENT PURSUANT TO RULE 704(5) OF THE LISTING MANUAL – EMPHASIS OF MATTER BY THE AUDITORS ON THE AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

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1. DISCLAIMER OPINION BY THE AUDITORS

Pursuant to Rule 704(5) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the board of directors (the "**Board**") of Blumont Group Ltd. (博诺有限公司) (the "**Company**" and together with its subsidiaries, the "**Group**") wishes to announce that the Company's independent auditors, Moore Stephens LLP, have without modifying their opinion, included in the Independent Auditor's Report an emphasis of matter in respect of the Group's ability to continue as a going concern on the audited financial statements of the Group for financial year ended 31 December 2017 (the "**Audited Financial Statements**").

A copy of the extracted Independent Auditor's Report and an extract of Note 3(b) *Going Concern Assumption* of the Audited Financial Statements are attached to this announcement.

Shareholders of the Company are advised to read the Audited Financial Statements in its annual report 2017, which will be despatched by 11 April 2018.

2. OPINION OF THE BOARD

The Board has assessed the relevant disclosure as set out in Note 3(b) *Going Concern Assumption* and is satisfied that the above steps proposed by the management of the Company have been carefully considered, and while a material uncertainty exists, are achievable as discussed in Point 3 below. The Board therefore supports the steps proposed by the management of the Company.

The Board is confident that the Group will be able to raise sufficient funds necessary to fund the Group's operational requirements for the next 12 months, and the Board supports the decision to adopt the going concern assumption in preparing the accompanying financial statements for the Group's FY2017 Annual Report.

3. BASIS OF THE BOARD'S OPINION

The Board has reviewed the Group's cash flow requirements for the next 12 months by the management and believe that although uncertainties exist, there are reasonable grounds to believe that the Group will be able to raise sufficient funds to fund its operations for the next 12 months. The basis for making this statement is as follows:

(a) The ultimate holding company, Ultimate Horizon Pte. Ltd., has undertaken to provide continuing financial support to the Group and will not demand repayment of the loans due to the ultimate holding company within 12 months from the reporting year end date; and

(b) The Group will successfully settle the legal suit relating to the sale of the condominium unit at Suasana Sentral located in Malaysia and will be able to collect the balance payment of the sales proceeds of approximately S$1.0 million (equivalent to RM3.0 million).

In addition, the Group continues to evaluate various strategies to improve profitability and generate positive cash flows from the Group's current business activities. These strategies include, *inter alia*, obtaining alternative sources of funds and the sale of the Group's other assets.

Accordingly, the Board is of the view that the above initiatives, along with the other measures described in the Note 3(b) *Going Concern Assumption* in the Audited Financial Statements, will ensure that the assets of the Group are utilised properly and the Group will be able to raise sufficient funds for the next 12 months.

4. ORDERLY TRADING

The Board confirms that, to the best of its knowledge, based on the disclosures made by the Company on the SGX-ST (including this announcement), sufficient information is available for the market to continue trading in an orderly manner. The Board has reached this conclusion based on the fact that as at the date of this announcement, all information required to be disclosed under Rule 703 of the Listing Manual of the SGX-ST has been disclosed to the public.

Cautionary Statement

Shareholders and potential investors are advised to read this announcement and any further announcements by the Company carefully and to exercise caution when trading or dealing in their shares of the Company. Shareholders and potential investors should seek advice from their stockbrokers, bank managers, solicitors, accountants or other professional advisers if they have any doubts about the actions they should take.

BY ORDER OF THE BOARD
Blumont Group Ltd.

Siaw Lu Howe
Executive Chairman and Chief Executive Officer
3 April 2018