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PRESS RELEASE

KLW Holdings acquires second Melbourne property in Lincoln Square South

- ***KLW will acquire five-storey freestanding office building located on the city fringe of Melbourne for approximately A$12.5 million***
- ***This is its second acquisition in Melbourne, after its recent acquisition of a property at 301 Flinders Lane for A$23.6 million***
- ***Acquisition will be funded through a combination of internal resources and debt***

SINGAPORE - (6 March 2015) - KLW Holdings Limited ("**KLW**" and together with its subsidiaries, the "**Group**"), an investment holding company with an established business in the manufacturing and distribution of engineered doors, announced today that it has entered into a purchase agreement with an unrelated and independent third party to acquire a five-storey property located at 23-31 Lincoln Square South, Carlton, Melbourne, Victoria, Australia ("**Acquired Property**" or "**Property**"). This marks a continuation of its foray into the real estate business, following an earlier acquisition of a property, also in Melbourne, in September 2014.

At the same time, the Group announced the incorporation of two subsidiaries for the purpose of the Group's development of its property business – Ambertree Lincoln and Ambertree Development. Ambertree Lincoln, which will hold the Acquired Property, is a wholly-owned subsidiary incorporated in Australia. Ambertree Development is a wholly-owned subsidiary incorporated in Singapore, with a paid-up capital of S$1 million, which will manage the development of the Group's property projects.

The total consideration to be paid for the Property is approximately A$12.5 million (approximately S$13.3 million) and it will be funded through a combination of internal resources and debt. The Acquired Property is a freestanding five-storey office building situated on the southern side of Lincoln Square just west from

Swanston Street. With a building area of approximately 3,745 square metres sitting on a land area of approximately 906 square metres, the Acquired Property is located on the city fringe, less than 500 metres north of the Melbourne CBD grid with two famous Australian universities RMIT and Melbourne University flanking the Property.

The Acquired Property is currently classified in a mixed use zone under Melbourne's Planning Scheme but is subject to potential rezoning under Planning Amendment C196 for inclusion within a Capital City Zone. While currently vacant, the Acquired Property has a range of potential development options including refurbishing the existing office building and leasing out with an expected 5% rental yield, multi-level residential apartments, student accommodation and a boutique hotel.

Managing Director of the Group, Mr Lee Boon Teck said, "This property development will be a good addition to our portfolio in terms of value and capital appreciation potential. Being in a mixed use zone, we are presented with a range of potentially lucrative development options from office to residential uses. It has an excellent location close to the CBD, with three street frontages enabling ample natural light and offering stunning views of Lincoln Square Gardens and the CBD. It also has major attractions within its immediate precinct including the Carlton Gardens, Royal Exhibition Buildings, Melbourne Museum, Melbourne University, Melbourne Central and The Royal Melbourne Hospital."

The Acquired Property will be the Group's second acquisition in Melbourne. The first, acquired in September 2014 for A$23.6 million (approximately S$26.1 million), is a seven-storey freehold property located at 301 Flinders Lane, right in Melbourne's prime central business district. It is currently fully-leased to blue chip tenant and leading Australian university, Victoria University, with its lease expiring on 30 October 2020.

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About KLW Holdings Limited

First incorporated in Singapore on 15 June 1995, KLW Holdings Limited is an investment holding company mainly engaged in door manufacturing, residential projects management and property leasing.

With manufacturing bases in Malaysia and China, its high value and quality door sets are supplied to well-known quality home improvement and DIY chain-stores and distributors throughout Europe, USA, Middle East and Asia. In Singapore, it supplies quality doors to several residential developments, including The Wharf Residence, Waterfront Key, Sophia Residence and The Minton.

This press release has been reviewed by the Company's Sponsor, SAC Capital Private Limited ("Sponsor") for compliance with the relevant rules of the SGX-ST. The Sponsor has not independently verified the contents of this press release.

This press release has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this press release, including the correctness of any of the statements or opinions made or reports contained in this press release. The details of the contact person for the Sponsor are:

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