



## **KLW HOLDINGS LIMITED**

(Incorporated in the Republic of Singapore)

(Company Registration Number: 199504141D)

(the "**Company**")

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### **APPOINTMENT OF SPECIAL AUDITORS AND PROFIT GUIDANCE**

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The board of directors (the "**Board**") of the Company refers to the announcement released on 27 May 2015 by the Company (the "**Announcement**").

*All capitalised terms used and not defined in this announcement shall have the same meanings ascribed to them in the Announcement.*

#### **1. APPOINTMENT OF SPECIAL AUDITORS**

The Board wishes to announce the appointment of PricewaterhouseCoopers LLP as special auditors to carry out a special review into the financial affairs of the Company and some of its key subsidiaries, and in particular:

- (a) to determine the facts and circumstances surrounding the entering of the Bali Term Sheet, the Zhangye Hotel Term Sheet and the Zhangye Property Term Sheet;
- (b) to review significant payments made for a specific period of time to establish whether there are any other similar unusual payments made during this period; and
- (c) to make recommendations on enhancement of internal controls lapses and corporate governance on the contracting and payment process.

The Company will make further announcements as and when there are any material developments arising from the special audit.

#### **2. PROFIT GUIDANCE**

As stated in the Announcement, the commitment fee paid by the Company under the Zhangye Property Term Sheet and part of the commitment fee paid by the Company under the Bali Term Sheet have yet to be recovered by the Company.





In the Company's announcement of its unaudited full year financial statements and dividend announcement released on 30 May 2015, it was highlighted that the management was in the midst of assessing whether a provision was required in the audited financial statements for the financial year ended 31 March 2015 ("**Audited Full-Year Financials**") for the sum of S\$7.4 million (being the total of the outstanding commitment fees due to the Company). Following the review by the Board in consultation with the auditors, and for prudence and reason of conservativeness, the Board has decided to make a provision of S\$7.4 million in the Audited Full-Year Financials. Accordingly, the Company's statement of comprehensive income in the Audited Full-Year Financials to be set out in the Company's annual report 2015 to be released to shareholders in due course, will reflect a net loss for the financial year ended 31 March 2015. The Board will announce any further progress and developments accordingly.

Shareholders and investors are advised to act cautiously when dealing in the securities of the Company.

#### **FOR AND ON BEHALF OF THE BOARD**

Lee Boon Teck  
Managing Director  
KLW Holdings Limited

26 June 2015

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*This announcement has been reviewed by the Company's sponsor, SAC Capital Private Limited ("**Sponsor**"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"). The Sponsor has not independently verified the contents of this announcement.*

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

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