



KLW HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)

(Company Registration No. 199504141D)

PROFIT WARNING ANNOUNCEMENT

The Board of Directors (the “**Board**”) of KLW Holdings Limited (the “**Company**”, together with its subsidiaries, collectively, the “**Group**”) wishes to inform shareholders of the Company that the Group is expected to report a net loss for the full financial year ended 31 March 2020.

Based on the preliminary review of its draft and unaudited financial results for FY2020, the losses are mainly due to weak sales revenue from the Door business brought about by weakened macro-economic demand due to (i) the exit of the United Kingdom from the European Union; (ii) the continued escalation of the trade war between the United States of America and the People's Republic of China; and (iii) the global impact caused by the COVID-19 pandemic which have had an adverse effect on the Group's main export markets in the United Kingdom and its supply chain cost of importing raw materials from the United States for use by our China factory. There were also order shipments disruptions in Malaysia, whereby our factory in Johor had to be closed in order to comply with the various directives issued by the Malaysian federal government to restrict nationwide movement as part of their measures to contain the spread of the pandemic. As a result, the Group is expected to report lower full year revenue, lower Gross Profit and higher administrative expenses.

The Company is still in the process of finalizing its results for FY2020 and will provide further details of the Group's performance when it releases the financial results on or before 30 July 2020.

In the meantime, shareholders of the Company are advised to exercise caution when dealing in the shares of the Company. Persons who are in doubt as to the action they should take should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.

By order of the Board

KLW Holdings Limited

Gloria Wong
Executive Director
8 June 2020

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, R & T Corporate Services Pte. Ltd. (“**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 including the accuracy or completeness of any of the figures used, statements, opinions or other information made or disclosed.*

This announcement has not been examined or approved by the SGX-ST. The SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

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