KLW HOLDINGS LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration Number: 199504141D)

IMPACT OF COMPLIANCE WITH THE EXTENSION OF THE MALAYSIA'S MOVEMENT CONTROL ORDER

The Board of Directors (the "**Board**") of KLW Holdings Limited (the "**Company**") refers to the Company's previous announcement dated 19 March 2020 on the impact of compliance with the Directive by the Malaysian federal government to temporarily restrict nationwide movement as part of efforts to contain the COVID-19 outbreak ("**Previous Announcement**"). Unless otherwise defined, capitalised terms used in this announcement shall have the same meaning ascribed to them in the Previous Announcement.

The Board wishes to update the shareholders that the Effective Period of the Directive has been extended to 14 April 2020 ("**Extended Effective Period**"). As such, the Company's production activities at its factory in Johor will remain closed until 14 April 2020. Nevertheless, the Group will continue to accept new sales orders during the extended effective period.

The closure of the Johor factory will affect order shipments to the Group's customers that were originally scheduled during this Extended Effective Period. The Johor factory is one of two production plants for the Company's Doors business. The other plant, located in China's Dongguan city in Guangdong province, remains in production.

As previously disclosed, the extension of the Directive could negatively impact the Company's cashflow and financial position as certain fixed costs such as wages and overheads will need to be paid despite the lack of revenue arising from ceasing operations in accordance with the Directive. While the COVID-19 outbreak remains uncertain, the Board is unable to ascertain the full financial impact of the Extended Effective Period on the financial performance of the Group, however, based on the unaudited third quarter financial statements announced on 14 February 2020, the Group has sufficient financial reserves to cover all of its current liabilities. The Company will continue to assess the impact of the Directive on its business, and will provide updates on this and any other material developments to shareholders as soon as practicable.

In the meantime, shareholders and potential investors 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
Ms Gloria Wong
Executive Director
2 April 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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