KLW HOLDINGS LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration Number: 199504141D)
(the "**Company**", and together with its subsidiaries, the "**Group**")

UPDATES ON THE OUTSTANDING PAYMENTS IN RELATION TO THE TERM SHEETS

The board of directors of the Company (the "**Board**") refers to the Company's announcements released on 27 May 2015 ("**Term Sheets Announcement**") and 26 June 2015, and the Company's annual report for the financial year ended 31 March 2015 ("**Annual Report 2015**").

Unless otherwise expressly specified, capitalised terms used in this announcement shall bear the same meanings as defined in the Term Sheets Announcement.

Under the Term Sheets Announcement, it was stated that an amount of S$400,000 remained outstanding from the counterparty, PT Atlas Sutera Jaya, to the Company in relation to the commitment fees paid under the Bali Term Sheet. It was also stated that in relation to the outstanding commitment fee paid under the Zhangye Property Term Sheet, being the sum of S$7M ("**Zhangye Commitment Fee**"), the counterparty Straitsworld and a director and shareholder of Straitsworld, Mr Michael Chan Ewe Teik, had agreed in writing with the Company that the amount would be paid within 90 days from 25 May 2015 on trust for the Company, and that Mr Chan had further undertaken to fulfil the payment obligations of Straitsworld.

The Board wishes to announce that the Company had received part-repayment in the sum of S$200,000 in relation to the commitment fees paid under the Bali Term Sheet, as reported in the Annual Report 2015 and that as at the date hereof, the balance amount of S$200,000 ("**Bali Outstanding Commitment Fee**") has not been paid to the Company and remains outstanding and overdue. The Board wishes to further announce that the Zhangye Commitment Fee fell due on 23 August 2015, and that as at the date hereof, the entire Zhangye Commitment Fee has not been paid to the Company and remains outstanding and overdue.

The Company had issued a letter of demand dated 19 August 2015 to recover the Bali Outstanding Commitment Fee and is presently in the midst of commencing legal action against Straitsworld and Mr Chan for the recovery of the Zhangye Commitment Fee.

The Company will make further announcements on any material developments at the appropriate time.

Shareholders are advised to exercise caution when dealing in the securities of the Company and to refrain from taking any action in relation to their shares which may be prejudicial to their interests.

By Order of the Board
KLW Holdings Limited

28 August 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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