

GS Engineering & Construction Corp. announces proposed conversion offer

Seoul, June 19, 2018: GS Engineering & Construction Corp. (the “Company”) is inviting holders of its outstanding US\$150,000,000 4.50% Convertible Bonds due 2021 (the “Bonds”) convertible into shares of the Company’s common stock, par value KRW 5,000 per share (the “Shares”) to submit applications to convert the Bonds into Shares (the “Invitation”) between 1:00 a.m. (London time) on 20 June 2018 and 4.00 p.m. (London time) on 27 June 2018 (the “Conversion Offer Period”) upon the terms set out in an Invitation Memorandum dated 19 June 2018 (the “Invitation Memorandum”) that has been sent to holders of the Bonds (“Bondholders”).

Bondholders whose Bonds are accepted for conversion pursuant to the terms of the Invitation shall receive: (i) the number of Shares that they are entitled to receive under the terms of the Bonds at the applicable conversion price, which currently is KRW 33,409 per Share, calculated based on the fixed exchange rate of KRW 1,157.56 = U.S.\$1.00; and (ii) a cash incentive of U.S.\$6,500 for each U.S.\$200,000 principal amount of Bonds converted, which includes accrued and unpaid interest. The delivery of the Shares and the payment of the cash incentive are expected to be made on or prior to 13 July 2018.

The Company will determine in its sole discretion the aggregate principal amount of the Bonds to be accepted for conversion pursuant to the terms of the Invitation. If the Bonds validly submitted for conversion in the Invitation exceeds the aggregate amount accepted by the Company, the Bonds will be accepted for conversion on a pro rata basis. The Company will announce the result of the Invitation and the amount of Bonds accepted for conversion in the Invitation on or around 28 June 2018. Bonds that are not accepted for conversion by the Company will not be converted into Shares. Bondholders who choose not to participate in the Invitation will continue with all the original terms of the Bonds. Under the terms of the Bonds, the Company has the call option to redeem the outstanding bonds if less than 10% in aggregate principal amount of the Bonds originally issued is outstanding.

Bondholders who wish to offer to convert their Bonds pursuant to the terms of the Invitation should complete and submit an application for conversion (in the form attached to the Invitation Memorandum) to the dealer manager (being J.P. Morgan Securities plc) and electronic instructions through the relevant clearing systems. **Bondholders should obtain a unique reference number from the dealer manager upon submission of the application for conversion and should include the unique reference number in the electronic instructions that they submit.**

The Invitation is aimed at further optimising the capital structure of the Company. Conversion by the Bondholders will strengthen the Company’s capital and reserves and will help deleverage its balance sheet.

Any enquiries relating to the terms of the Invitation should be directed to the dealer manager at:

J.P. Morgan Securities plc
(c/o J.P. Morgan Securities (Asia Pacific) Limited)
Wilfred Chia (wilfred.yy.chia@jpmorgan.com)

Or
Mahesh Ahlawat (mahesh.ahlawat@jpmorgan.com)

Copies of the announcements made by the Company in connection with the Invitation are available on the website of the SGX-ST at www.sgx.com.

This is not an offering of securities for sale in the United States or in any other jurisdiction. Securities may not be offered or sold in the United States absent registration or an exemption from registration.

NOT FOR DISTRIBUTION TO ANY U.S. PERSON (AS DEFINED IN REGULATION S UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED) OR IN OR INTO THE UNITED STATES OF AMERICA OR TO ANY PERSON RESIDENT OR LOCATED IN THE REPUBLIC OF ITALY.