KS ENERGY LIMITED
An Integrated Energy Services Hub

NOTIFICATION OF INCLUSION ON THE WATCH-LIST DUE TO THE FINANCIAL ENTRY CRITERIA WITH EFFECT FROM 5 JUNE 2018

The Board of Directors (the "**Board**") of KS Energy Limited (the "**Company**", together with its subsidiaries, the "**Group**") wishes to announce that the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") has notified the Company on 4 June 2018 that pursuant to Rule 1311(1) of the Listing Manual, the Company will be placed on the Watch-list with effect from 5 June 2018.

The Company will have to take active steps to restore its financial health and meet the requirements of Listing Rule 1314(1) within 36 months from 5 June 2018, failing which the SGX-ST would delist the Company or suspend trading in the Company's shares with a view to delisting the Company. Listing Rule 1314(1) states that an issuer may apply for its removal from the Watch-list if its records consolidated pre-tax profit for the most recently completed financial year (based on the latest full year consolidated audited accounts) and has an average daily market capitalisation of S$40 million or more over the last six (6) months.

As required by Rule 1313(2), the Company will have to provide quarterly update on its efforts and the progress made in meeting the exit criteria of the watch-list, including where applicable its financial situation, its future direction, or other material development that may have a significant impact on its financial position. The Company shall also announce immediately any material development that occurs between the quarterly updates.

The Company wishes to notify all its shareholders and business partners that the Group's business shall continue as usual and that trading in its securities will also continue unless a trading halt or suspension is affected.

BY ORDER OF THE BOARD
KS ENERGY LIMITED

Victor Lai Kuan Loong
Company Secretary

4 June 2018

For more information on KS Energy Limited, please visit our website at www.ksenergy.com.sg

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