

GS Engineering & Construction Corp.'s conversion offer successfully completed

Seoul, June 28, 2018: As announced earlier, GS Engineering & Construction Corp. (the "Company") had invited 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 20 June 2018 and 27 June 2018 upon the terms set out in an Invitation Memorandum dated 19 June 2018 that has been sent to holders of the Bonds ("Bondholders").

The offer has met with good success with Bondholders representing US\$72,800,000 in principal amount of the Bonds submitting applications to convert the Bonds into Shares. The Company accepted all of the Bonds submitted for conversion pursuant to the Invitation. Thus, all Bondholders who submitted their Bonds for conversion pursuant to 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 Company will issue a total of 2,522,379 new Shares to deliver to the converting Bondholders. The delivery of the Shares and the payment of the cash incentive are expected to be made on or prior to 13 July 2018.

Bondholders who did not participate in the Invitation will continue with all the original terms of the Bonds. The amount of Bonds outstanding will be US\$75,200,000 post completion of the conversion offer.

The Invitation, managed by J.P. Morgan Securities plc, helped optimise the capital structure of the Company by strengthening the Company's capital and reserves and deleveraging its balance sheet.

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.

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