KS ENERGY LIMITED
An Integrated Energy Services Hub

ENTRY INTO THE FIRST AND SECOND SUPPLEMENTAL AGREEMENTS TO AMEND AND SUPPLEMENT THE ORIGINAL BOND PURCHASE AGREEMENT

1. INTRODUCTION

1.1 The board of directors (the "**Directors**") of KS Energy Limited (the "**Company**") refers to the announcements dated 26 May 2017, 1 August 2017, 29 September 2017, 4 October 2017, and 8 December 2017 in relation to (i) the Proposed Bonds Issue and the Proposed Warrants Issue, and (ii) the Entry into Amendment Deeds in relation to Accrued Interest and Redemption Premium under the Existing Convertible Bonds (the "**Previous Announcements**"). Capitalised terms used herein shall, unless otherwise defined, have the meanings ascribed to them in the Previous Announcements.

1.2 The Company has entered into a bond purchase agreement dated 26 May 2017 with the Lenders, as amended and restated on 1 August 2017 by way of a deed of amendment and restatement, and further amended and restated on 4 October 2017 (the "**Original Bond Purchase Agreement**").

2. THE FIRST AND SECOND SUPPLEMENTAL AGREEMENTS

2.1 On 24 April 2018, the Company and the Lenders holding 100% of the value of the Bonds (collectively, the "**Parties to the First Supplemental Agreement**") entered into the First Supplemental Agreement to amend and supplement the Original Bond Purchase Agreement (collectively with the Original Bond Purchase Agreement, the "**Bond Purchase Agreement**"). The salient term of the First Supplemental Agreement provides that the Parties to the First Supplemental Agreement have agreed to disapply Clause 4.5 of the Original Bond Purchase Agreement for each of the measurement periods with calculation dates occurring on 31 March 2018, 30 June 2018, 30 September 2018, and 31 December 2018. Clause 4.5 of the Original Bond Purchase Agreement provides *inter alia* that the Company must ensure that its consolidated net borrowing does not exceed 10 times its consolidated net tangible assets.

2.2 On 7 June 2018, the Company and the Lenders holding 88.5% of the value of the Bonds (collectively, the "**Parties to the Second Supplemental Agreement dated 7 June 2018**") entered into the Second Supplemental Agreement to amend and supplement the Schedule 1 (Terms and Conditions of the Bonds) (the "**Conditions**") of the Bond Purchase Agreement. The salient term of the Second Supplement Agreement provides that with reference to Condition 5 of the Conditions on interest payable, the Parties to the Second Supplemental Agreement dated 7 June 2018 have agreed to extend the first interest payment date from 8 June 2018 to 8 December 2018 (the "**Extension**"). This interest shall be payable in arrears on 8 December 2018, together with the amount of interest payable on the second interest payment date of 8 December 2018. The Parties to the Second Supplemental Agreement dated 7 June 2018 have also agreed that default interest under Condition 6E of the Conditions is not payable in relation to the Extension. Condition 6E provides *inter alia* that if the Company fails to pay any sum in respect of the Bonds when the same becomes due and payable, interest shall accrue on the overdue sum. Further announcements on the Second Supplemental Agreement will be made in due course when appropriate.

3. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the Amendment Deeds, Bond Purchase Agreements, Terms and Conditions of the Bonds, and the First and Second Supplemental Agreements are available for inspection during normal business hours from 9.00 a.m. to 5.00 p.m. at the Company's registered office at 19 Jurong Port Road Singapore 619093 for a period of three (3) months from the date of this announcement.

4. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors have individually and collectively reviewed and approved the issue of this announcement, and have taken all reasonable care to ensure that the facts stated and all opinions expressed in this announcement are fair and accurate in all material aspects and that no material facts have been omitted from this announcement which would make any statement in this announcement misleading, and they jointly and severally accept responsibility accordingly. Where any information contained in this announcement has been extracted from published or otherwise publicly available sources, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from these sources.

5. TRADING CAUTION

Shareholders and potential investors of the Company are advised to read this announcement, the Previous Announcements, and any further announcements by the Company carefully. Shareholders of the Company are advised to refrain from taking any action in respect of their securities in the Company which may be prejudicial to their interests, and to exercise caution when dealing in the securities of the Company. In the event of any doubt, shareholders of the Company should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.

BY ORDER OF THE BOARD
KS ENERGY LIMITED

Lai Kuan Loong Victor
Company Secretary
7 June 2018

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