KS ENERGY LIMITED
An Integrated Energy Services Hub

ENTRY INTO THE THIRD SUPPLEMENTAL AGREEMENT TO AMEND AND SUPPLEMENT THE BOND PURCHASE AGREEMENT

1. INTRODUCTION

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, 8 December 2017, 7 June 2018 and 9 July 2018 in relation to (i) the Proposed Bonds Issue and the Proposed Warrants Issue, (ii) the Entry into Amendment Deeds in relation to Accrued Interest and Redemption Premium under the Existing Convertible Bonds, and (iii) the Entry into the First and Second Supplemental Agreements to Amend and Supplement the Original Bond Purchase Agreement and Schedule 1 (Terms and Conditions of the Bonds) (the "**Conditions**") of the Original Bond Purchase Agreement (the Original Bond Purchase Agreement, together with the First Supplemental Agreement and the Second Supplemental Agreement, the "**Bond Purchase Agreement**")(the "**Previous Announcements**"). Capitalised terms used herein shall, unless otherwise defined, have the meanings ascribed to them in the Previous Announcements.

2. THE THIRD SUPPLEMENTAL AGREEMENT

2.1 On 7 December 2018, the Company and the Lenders holding 100% of the value of the Bonds entered into the Third Supplemental Agreement to amend and supplement the Bond Purchase Agreement.

2.2 The salient terms of the Third Supplemental Agreement provide that:

(a) the Parties to the Third 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 2019, 30 June 2019, 30 September 2019, 31 December 2019, 31 March 2020, 30 June 2020, and 30 September 2020. 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; and

(b) with reference to Condition 5 of the Conditions on interest payable, the Parties to the Third Supplemental Agreement have agreed to extend the first Interest Payment Date to 8 December 2020 (i.e. the Maturity Date) (the "**Second Extension**"). The interest payable on the Maturity Date shall comprise the interest payable in arrears on 8 December 2018, 8 June 2019, 8 December 2019, 8 June 2020 and the Maturity Date itself. The Parties to the Third Supplemental Agreement have also agreed that default interest under Condition 6E of the Conditions is not payable in relation to the Second 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.

3. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the Amendment Deeds, Bond Purchase Agreements, Terms and Conditions of the Bonds, the First Supplemental Agreement, the Second Supplemental Agreement and the Third Supplemental Agreement 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 December 2018

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