



NEWS RELEASE

KS ENERGY LAUNCHES 4TH BUSINESS PILLAR TO PROVIDE SPECIALISED HUMAN RESOURCES AND TECHNICAL SERVICES TO THE OIL & GAS INDUSTRY

- **KS Technical Resources to train and supply specialised and qualified human resource and technical services to the oil & gas industry**
- **KS Energy to acquire European specialist in upstream oil & gas human resource services provider, SMS, for Euro 3.0 million**

SINGAPORE, 18 September 2008 – Main board listed integrated oilfield equipment and drilling services provider, KS Energy Services Limited (“KS Energy” or the “Group”) announces the launch of its 4th business pillar, to provide specialised and qualified human resource and technical services to the oil and gas industry. This new business will be held under a newly established wholly-owned subsidiary - KS Technical Resources (“KS TR”). KSTR will spearhead KS Energy’s foray into this rapidly growing sector to meet demands from clients comprising drilling and accommodation contractors and drilling operators. The three other pillars of the KS Energy Group comprise i) drilling and accommodation rig management and capital equipment charter, ii) sales and distribution of industrial equipment and iii) marine and logistics services.

KS TR will commence with the acquisition of a 100% equity interest in the Amsterdam-based specialist manpower and human resources services provider, S.M.S. B.V. group of companies (“SMS”), for a consideration of Euro 3.0 million (approximately S\$6.0 million).



KS ENERGY SERVICES LIMITED

RCB No.: 198300104G
19Jurong Port Road, Singapore 619093
E-mail: mail@ksenergy.com.sg

Tel: (65) 6577 4600 Fax: (65) 6577 4618
Website: www.ksenergy.com.sg

SMS was established in 2001 in Amsterdam to provide specialised human resource services to the oil and gas industry for upstream drilling operations. The operations of SMS, located in Amsterdam, Pau (France) and Riga (Latvia), are ISO 9000/VCU and NEN 4400 certified. Currently, SMS has a team of about 300 consultants with extensive knowledge in its industry and a strong operational structure. In order to ensure that field operations are conducted with high safety standards, SMS provides personnel training services with training centres located in West Africa and Indonesia. In addition, it also provides payroll services in 7 EU countries and medical support services to offshore installations. Training programmes provided by SMS include Management System Immersion, Drilling Systems Familiarization Program, Safety Culture and Value Workshops and Technical Training.

The customers of SMS are primarily major oil and gas drilling operators and drilling contractors. SMS also serves the human resources needs of Atlantic Oilfield Services Ltd (“AOS”), a wholly-owned subsidiary of KS Energy, for its drilling and rig management operations.

“The surge in oil and gas exploration has resulted in a huge shortage of skilled and semi-skilled specialist human resources for this sector” said Mr. Kris Wiluan, Chairman and CEO of KS Energy. “The establishment of KS Technical Resources and the acquisition of SMS are strategic moves for KS Energy. Through this new business pillar, we now have the ability to develop specialised human resources for the oil and gas industry by recruiting and training people for field operations.”

On his vision for KS TR, Mr. Wiluan added: “We aim to grow our new business into a human resources and technical service provider of choice, with the ability to deliver safe, environmentally responsible, highly skilled human resource and drilling services. We are committed to training and developing personnel who are well-trained, dedicated to safety and are competent to work efficiently with technologically advanced systems.”

ABOUT KS ENERGY SERVICES LIMITED

A Globally Accredited and Integrated Oil & Gas Services Provider

KS Energy Services Limited (“KS Energy”) is one of the leading integrated oilfield supply and services providers to the global oil & gas (“O&G”), marine and petrochemical industries. The shares of KS Energy are traded on the main board of the Singapore Exchange.

The core activities of KS Energy are in the distribution of parts and components, capital equipment charter and provision of drilling and rig management services. KS Energy, together with Aqua-Terra Supply Co., Limited (“Aqua-Terra” or “ATS”) and SSH Corporation Ltd (“SSH”) distribute more than 60,000 line items and represent more than 300 globally accredited brands



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Through its wholly-owned subsidiary Atlantic Oilfield Services Ltd (“AOS”), an internationally accredited drilling and rig-management company, KS Energy now has the capability to supply, as well as operate capital equipment, including on-shore and off-shore rigs. By combining the complementary capabilities of AOS and KS Energy, the group now has the ability to provide a full suite of services directly to the oil and gas companies and tender for high value and high margin projects. Headquartered in Singapore, KS Energy’s geographic reach spans South East Asia, China, Middle East, North Sea, Europe and USA.

About Atlantic Oilfield Services Ltd (“AOS”)

Operating from Dubai, AOS is a wholly-owned subsidiary of Singapore mainboard listed KS Energy. AOS provides drilling and rig management services to major oil companies for their operations in the North Sea, Mediterranean, Africa and Middle East. AOS is led by an experienced management team. The top management each have more than 20 years in the oil and gas industry. Ranked amongst the internationally accredited drilling contractors and rig managers, AOS is recognised by international oil majors and accredited to undertake contracts in harsh environments like the North Sea.

For enquiry please contact:

Tan Peck Hwa
Telephone: + 65 9635 4996 (mobile) + 65 6749 8871 (office)
email: tphcomms@singnet.com.sg