



RENOUNCEABLE PARTIALLY UNDERWRITTEN RIGHTS ISSUE ON THE BASIS OF TWO (2) RIGHTS SHARES FOR EVERY FIVE (5) EXISTING ORDINARY SHARES - SUBSCRIPTION RESULTS OF THE RIGHTS ISSUE

Unless otherwise defined, terms used in this announcement bear the same meanings as defined in the Company's offer information statement dated 5 September 2008 (the "Offer Information Statement") relating to the Rights Issue.

The Board of Directors of the Company is pleased to announce that as at the close of the Rights Issue on 22 September 2008, valid acceptances and excess applications for a total of 96,195,010 Rights Shares, representing 100.00% of the total number of Rights Shares offered under the Rights Issue, were received.

Details of the valid acceptances and excess applications for the Rights Shares received are as follows:

- (a) valid acceptances were received for a total of 38,954,049 Rights Shares, representing approximately 40.49% of the total number of Rights Shares offered under the Rights Issue; and
- (b) excess applications were received for a total of 57,240,961 Rights Shares, representing approximately 59.51% of the total number of Rights Shares offered under the Rights Issue. This includes the excess applications of an aggregate of 52,187,291 Rights Shares, representing approximately 54.25% of the total number of Rights Shares offered under the Rights Issue, by Pacific One pursuant to its Excess Application Undertaking.

The balance of the provisional allotments of 57,240,961 Rights Shares not taken up by Entitled Shareholders and/or purchasers pursuant to the Rights Issue will be fully allotted to satisfy excess applications for the 57,240,961 Rights Shares.

Out of the 396,856 provisional allotments of Rights Shares which would have been provisionally allotted to Foreign Shareholders, 35,000 provisional allotments of Rights Shares were sold "nil-paid" on the SGX Main Board during the provisional allotment trading period. The net proceeds from such sales, after deduction of all expenses therefrom, will be pooled and thereafter distributed to Foreign Shareholders in proportion to their respective shareholdings or, as the case may be, the number of Shares entered against their names in the Depository Register as at the Books Closure Date and sent to them at their own risk by ordinary post, provided that where the amount of net proceeds to be distributed to any single Foreign Shareholder is less than S\$10.00, the Company shall be entitled to retain or deal with such net proceeds as the Directors may, in their absolute



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discretion, deem fit for the sole benefit of the Company and no Foreign Shareholder shall have any claim whatsoever against the Company, the Manager, the Underwriter, the Share Registrar or CDP in connection therewith.

Where any acceptance and/or excess application for the Rights Shares is unsuccessful or invalid and no Rights Shares or excess Rights Shares are allotted, or where the number of excess Rights Shares allotted is less than that applied for, the amount paid on acceptance and/or application or the surplus application monies (as the case may be) will be refunded to such applicants, without interest or any share of revenue or other benefit arising therefrom within 14 (fourteen) days after the close of the Rights Issue on 22 September 2008 by crediting their accounts with the relevant Participating Banks at their own risk (if they accepted/applied by way of Electronic Application through an ATM of a Participating Bank), the receipt by such bank being a good discharge to the Company, the Manager and CDP of their obligations, if any, thereunder, or by means of a crossed cheque drawn on a bank in Singapore and sent to them by ordinary post and at their own risk (if they accepted/applied through CDP or the Share Registrar).

The Company will be releasing an announcement to advise on the date for the listing of and quotation for the Rights Shares on the SGX Main Board in due course.

By Order of the Board
Lawrence Kwan
Company Secretary
Date: 26 September 2008

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.