



ESTABLISHMENT OF 6 WHOLLY-OWNED SUBSIDIARIES OF KS ENERGY

The Board of Directors of KS Energy Services Limited (“KS Energy”) wishes to announce that KS Energy had established 6 wholly-owned subsidiaries as follows:

Atlantic Marine Service Egypt (“AMS Egypt”)

AMS Egypt being incorporated in Egypt with an issued share capital of US\$500,000 and paid up capital of US\$125,000. The principal activity is to provide services for oil and gas industry.

KS Capital Equipment (HK) Limited (“KS Capital Equipment”)

KS Capital Equipment being incorporated in Hong Kong with an authorised share capital of HK\$10,000 and paid up capital of HK\$1. The principal activities are to own and charter rigs and provide services to the oil and gas industry.

KS Discoverer 3 (HK) Limited (“KS Discoverer 3”)

KS Discoverer 3 being incorporated in Hong Kong with an authorised share capital of HK\$10,000 and paid up capital of HK\$1. The principal activities are to own and charter land rig and provision of services for oil and gas industry.

KS Discoverer 4 (HK) Limited (“KS Discoverer 4”)

KS Discoverer 4 being incorporated in Hong Kong with an authorised share capital of HK\$10,000 and paid up capital of HK\$1. The principal activity activities are to own and charter land rig and provision of services for oil and gas industry.

KS Technical Resources (HK) Limited (“KS Technical Resources”)

KS Technical Resources being incorporated in Hong Kong with an authorised share capital of HK\$10,000 and paid up capital of HK\$1. The principal activities are to provide technical services to the oil and gas industry and as an investment holding company.

QIM Ventures Limited (“QIM”)

QIM being incorporated in Cyprus with a paid up capital of EURO 2,000. The principal activity is to own and charter offshore rig.

The abovementioned incorporations were funded by internal resources.

The abovementioned incorporations are not expected to have any material effect on the earnings per share and net tangible assets per share of the Company for the financial year ending 31 December 2008.



KS ENERGY SERVICES LIMITED

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None of the directors or substantial shareholders of the Company has any interest, direct or indirect on the abovementioned transactions.

By Order of the Board
Lawrence Kwan
Company Secretary
Date: 17 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

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.