



KS ENERGY SERVICES LIMITED

(Company Registration No. 198300104G)

DISPOSAL OF QUOTED SECURITIES

The Board of Directors of KS Energy Services Limited (the "Company") wishes to announce that it has on 3 May 2007, disposed off 2.771 million shares (the "Disposal") in EZRA Holdings Limited ("Ezra") at S\$5.60 per share in the open market.

The disposal will enable the Company to unlock value from its equity investments. Funds from the disposal will enable the Company to pursue its future acquisition and business strategies. The Board of Directors is of the view that the disposal will increase shareholders' value.

IMPACT

Assuming the Disposal had been effected at the end of FY2006, the Company's net tangible assets per share will be 48.78 cents instead of 43.61 cents. Assuming the Disposal had been effected at the beginning of FY2006, the earnings per share will be 26.45 cents instead of 21.30 cents.

The relevant information under rule 704 (16) of the listing manual are as follows:-

The Disposal will exceed 5% of the Company's latest audited consolidated Net Tangible Assets of S\$155.7 million.

	Before Disposal	After Disposal
Aggregate cost of the Company's quoted investments	S\$89 million	S\$78 million
Aggregate cost as a % of latest audited consolidated net tangible assets	57%	50%
Total market value of the Company's quoted investments	S\$157 million	S\$141 million

There is no provision for diminution in value of investments

INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the directors or the controlling shareholders of the Company has any interest, direct or indirect in the abovementioned Disposal.

By Order of the Board

Mr Lawrence Kwan

Ms Lin Moi Heyang

Joint Company Secretaries

4 May 2007

About KS Energy Services Limited (“KSES”)

A leading one-stop energy services provider to the global oil & gas and petrochemical industries.

Listed on SGX-SESDAQ on 6 August 1999 and upgraded to the Mainboard on 11 March 2002, KS Energy is an energy services group catering to the oil & gas and petrochemical industries around the world.

In addition to distributing more than 60,000 oil & gas, marine and tubular related products items that encompass more than three hundred global brands, the Group through a series of acquisitions in the last few years enhanced its expertise in the related services of procurement, distribution, engineering and offshore chartering to support its customers.

Over the last two decades, the Group has established very close working relationships with major oil & gas companies in the region. In leveraging its enhanced expertise as a leading one-stop supply and services provider with these long term relationships, KS Energy was able to provide higher value-added services by procuring and supplying upgraded capital assets to CNOOC Group, Maersk, Gulf Drilling International Limited and others under the service contracts it has secured since November 2003.

Headquartered in Singapore, the Group has subsidiaries and representative offices in China, Vietnam, Thailand, Qatar, UAE, USA, Indonesia and Malaysia to support its wide base of global oil & gas customers.