



# **KS ENERGY SERVICES LIMITED**

(Company Registration No. 198300104G)

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## **INCORPORATION OF JOINT VENTURE COMPANY**

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The Board of Directors of KS Energy Services Limited (“KS Energy”) wishes to refer to its announcement on 21 September 2006 on the joint venture with Sinwa Limited (“Sinwa”) on the acquisition and subsequent chartering of a new self-propelled offshore jack-up rig to a Central American based national oil company for use in the Gulf of Mexico.

Further to the said announcement, KS Energy is pleased to announce that the joint venture company, “Yakki International Pte. Ltd.” had been incorporated in Singapore.

KS Energy and Sinwa each have subscribed for 250,000 shares in the capital of Yakki International Pte. Ltd. at a subscription price of US1.00 per share in cash. Yakki International Pte. Ltd. is now an associated company of KS Energy.

The abovementioned subscription was funded by internal resources.

The abovementioned transaction is not expected to have any material effect on the net earnings per share and net tangible assets per share of the Company for the financial year ending 31 December 2006.

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

By Order of the Board  
Lim Ka Bee  
Company Secretary  
Date: 27 December 2006

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## **About KS Energy**

Listed on SGX-SESDAQ on 6 August 1999 and upgraded to the Mainboard on 11 March 2002, KS Energy (formerly known as KS Tech Ltd) 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 related products that encompass over 140 international 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 and Malaysia to support its wide base of global oil & gas customers.