



KS ENERGY SERVICES LIMITED

(Company Registration No. 198300104G)

ACQUISITION OF A 300 FEET JACK-UP DRILLING RIG

The Board of Directors of KS Energy Services Limited (“KS Energy” or the “Group”) is pleased to announce that it has on 19 July 2007 approved the acquisition of a 300 feet Jack-up drilling rig known as “SNEFERU” (the “Rig”) for USD108.1 million from the Egyptian Drilling Company (“EDC”).

EDC was formed as a joint venture between the Egyptian General Petroleum Corporation and the A.P. Moller – Maersk Group of Denmark. It is an international drilling company incorporated in the Arab Republic of Egypt.

The Rig is currently operating at the Baltim North Platform in the Mediterranean Sea, offshore Egypt.

This acquisition will further strengthen the existing fleet of offshore rigs and vessels. This rig also provides KS Energy with opportunities to offer integrated drilling services to oil companies through its recently acquired subsidiary, Atlantic Oilfield Services Ltd.

The Rig is expected to be delivered by 1st Quarter 2008.

The abovementioned transaction will be funded by a combination of internal resources and borrowings.

The abovementioned transaction is not expected to have any material impact on the net earnings per share and net tangible assets per share of the Company for the current financial year ending 31 December 2007.

None of the directors or substantial shareholders of KS Energy has any interest, directly or indirectly, in the above transaction.

BY ORDER OF THE BOARD

Lawrence Kwan
Company Secretary
Date: 20 July 2007

About KS Energy Services Limited

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.