



KS ENERGY SERVICES LIMITED

(Company Registration No. 198300104G)

PROPOSED SUBSCRIPTION OF SHARES IN THE CAPITAL OF KS ENERGY SERVICES LIMITED BY SOVEREIGN ASSETS S.A.

The Board of Directors of KS Energy Services Limited (the "**Company**") refers to the announcement dated 7 June 2007 in relation to the proposed subscription (the "**Proposed Subscription**") by Sovereign Assets S.A. of up to 13,500,000 new shares in the Company (the "**New Shares**").

The Board wishes to announce that the SGX-ST has on 30 July 2007 given its approval in-principle for the listing and quotation of the New Shares of the Company, subject to, *inter alia*, compliance with the SGX-ST's listing requirements and guidelines.

It should be noted that the approval in-principle granted by the SGX-ST for the listing and quotation of the New Shares is not to be taken as an indication of the merits of the Proposed Subscription, the New Shares, the Company or its subsidiaries.

BY ORDER OF THE BOARD

Lawrence Kwan

Company Secretary

Date: 31 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.