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Contact Information:

August Consulting

Tel: 6733 8873 Fax: 6733 9913

Nora Sng, nora@august.com.sg

Ho See Kim, seekim@august.com.sg

Sinwa's nine-month net profit rises to S\$4.6m on sales growth of 51% to S\$74.5m

- *With its latest presence in Xiamen and Qingdao, the Group now operates from 5 major ports in China, helping to boost revenue significantly*

Financial Highlights (in S\$'m)	3 months ended 30 Sep			9 months ended 30 Sep		
	Jul - Sep 2005	Jul - Sep 2004	% Change	Jan - Sep 2005	Jan - Sep 2004	% Change
Revenue	26.6	16.3	+ 63.2	74.5	49.3	+ 51.1
Profit Before Tax	1.7	1.3	+ 29.3	5.6	4.9	+ 13.5
Net Attributable Profit	1.4	1.1	+24.0	4.6	4.0	+15.3

SINGAPORE – 11 November 2005 – Mainboard-listed **Sinwa Limited** (“Sinwa” or “the Group”), a regional marine supply and logistics provider, today reported a 15.3% increase in net profit to S\$4.6 million for the first nine months ended 30 September 2005.

The earnings was achieved on the back of a 51.1% surge in revenue to S\$74.5 million. Sinwa's Supply business continued to lead the growth, benefiting from the Group's recent acquisition of Singapore-based marine logistics company Windsor Marine, and three other companies in Australia.

In the latest third quarter ended 30 September, Sinwa achieved a 63.2% surge in revenue to \$26.6 million., while net profit rose by 24.0% to \$1.4 million

Sinwa's robust growth can be attributed to the buoyant global marine as well as oil and gas industries, which enabled the Group's five operations in China to generate significant contributions. More notably, the joint ventures in Xiamen and Qingdao, which commenced operations in 3Q05, contributed positively to the Group's businesses in China.

In addition, the Group, which is also one of the largest stockists of anchor chains, and the exclusive distributor of Wolf Safety Lamps in Singapore, also benefited from its increased supplies to vessels serviced in Singapore, higher sales for deck fittings and mooring equipment supplied by its Offshore unit, as well as contributions from its four recently-acquired marine supply companies in Singapore and Australia.

In line with Sinwa's continued pursuit of market penetration in China and Australia, the Group incurred higher operating cost because of higher marketing and distributing costs allocated to its brand-building efforts in Australia and China. Administrative expenses also increased due mainly to the one-off consolidation of expenses of the Group's three new Australian subsidiaries and Windsor Marine in Singapore.

Based on the Group's latest results, earnings per share on a fully diluted basis increased from 3.18 cents previously to 3.60 cents while net asset value per ordinary share rose from 15.72 cents to 18.64 cents.

Commenting on its 3Q05 results, Mr Mike Sim, Sinwa's Executive Chairman and CEO said, "The general shipping industry, boosted by growth in trade and oil and gas activities in East Asia, has led to strong sales in the last 9 months, and is expected to remain buoyant through the rest of the year."

Mr Sim added, "Having added two more port cities of Xiamen and Qingdao in China, Sinwa now operates from 5 major ports in China, and is set to benefit from the brisk cargo operations and general repairs market there."

“Barring unforeseen circumstances, the Directors expect the profitability of FY2005 to exceed that of FY2004,” Mr Sim added.

About Sinwa Limited

With a history that dates back to the 1960s, Sinwa, a winner of EDB/Business Time’s Enterprise 50 Awards in 1998, is today an established ISO 9001:2000-certified marine supply and logistics company servicing the oil and gas industry and sea-going vessels in Singapore, the PRC, Australia and UAE..

Sinwa's core business is in the supply of a wide range of ships' stores, provisions and equipment to ships and oil rigs, as well as providing their operators and owners with shipping agency and related services, such as supply, fabrication and installation of thermal insulations to LNG and chemical tankers, heating, ventilation and air-conditioning (HVAC)..

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