



SINWA LIMITED

(Company Registration No. : 200206542H)

PRESS RELEASE

For immediate release

Sinwa and KS Energy Services Limited Incorporate Joint Venture Company

Singapore, December 27, 2006 – Mainboard-listed and Asia-Pacific’s leading marine supply and logistics company, Sinwa Limited (“Sinwa” or “the Group”) today announced that it has incorporated a joint venture company with KS Energy Services Limited (“KS Energy”). This joint venture company is a result of the announcement made on 21 September 2006 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.

This joint venture was approved unanimously by the Shareholders in the Extraordinary General Meeting that convened on 20 Dec 2006.

The joint venture company, “Yakki International Pte Ltd”, had been incorporated in Singapore. Sinwa and KS Energy have each subscribed for 250,000 shares in the capital of Yakki International Pte Ltd at a subscription price of US\$1.00 per share in cash. Yakki International Pte Ltd is now an associated company of Sinwa.

The subscription of the shares in Yakki International Pte Ltd was funded by internal resources.

This joint venture company and project are not expected to have a material impact on Sinwa Group’s earnings per share or net tangible assets per share for the financial year ending 31 December 2006. None of the directors or substantial shareholders of Sinwa has any interest, directly or indirectly, in the above transaction.

###

About Sinwa Limited (“Sinwa”)

Sinwa Limited (“Sinwa”) was listed on the SGX-ST Dealing and Automated Quotation System (the “SGX SESDAQ”) in February 2003. In April 2005, Sinwa was upgraded to the Main Board of the Singapore Exchange.

Sinwa is Asia Pacific’s leading marine supply and logistics company servicing the offshore and general marine industry. The Group’s main operations and head office are in Singapore, with subsidiaries and offices in Australia and China

Founded in the 1960s, Sinwa’s core business includes the supply of a wide range of ships’ heavy deck and engine equipment, ships’ spares, general hardware and provisions to the offshore and general maritime industry, and providing a full and comprehensive range of shipping agency, logistics, warehousing and related support services.

For more information, please visit www.sinwa.com.sg

Press Contacts

Sinwa Ltd

Tan Lay Ling

Tel: 6349-5993

Fax: 6862-8300

Email: layling@sinwa.com.sg

Mileage Communications Pte Ltd

Patsy Phay / Steven Ng

Tel: 6222-1678

Fax: 6222-5378

Email: patsy@mileage.com.sg/steven@mileage.com.sg