



PRESS RELEASE

For immediate release

SINOHIT ACQUIRES STRATEGIC STAKE IN SINWA

Singapore, 17 November 2009 – Mainboard-listed and Asia-Pacific's leading marine supply company, Sinwa Limited ("Sinwa" or "The Group"), today announced that Mr Sim Yong Teng, its Executive Chairman and Chief Executive Officer, has entered into a Sale and Purchase Agreement ("The Agreement") to sell part of his shareholdings in Sinwa to Sinohit Offshore Engineering (Liao Ning) Co., Ltd ("SINOHIT").

The sale of 58,650,190 ordinary shares which represents approximately 26.38% of the share capital of Sinwa, is made through Mr Sim Yong Teng and his investment company, Evenstar Investments Pte Ltd ('Evenstar'). Evenstar is an investment holding company which is 91.4% owned by Mr Sim Yong Teng and 4.3% each by Dr Sim Li-Chen and Mr Sim Li-Meng.

Together with the 2.62% of Sinwa shares purchased from Kim Seng Holdings, SINOHIT's total stake in Sinwa, on completion of the Agreement, stands at 29.0%

Completion of the Agreement is subject to a number of conditions, the principal one being that SINOHIT does not need to make a mandatory general offer for all the shares under the Singapore Code on Takeovers and Mergers.

Evenstar also grants to SINOHIT the right of first refusal to buy its remaining 37,273,862 shares in Sinwa for a period of 12 months from the completion date of the Agreement.

Sinohit Offshore Engineering (Liao Ning) Co., Ltd, is a subsidiary of the Sinohit Group which is one of China's largest marine-related private groups with interests in offshore marine engineering, steel mills, and industrial park and port development.

Mr Mike Sim, Executive Chairman and Chief Executive Officer of Sinwa, said: "I am pleased to welcome SINOHIT as our strategic partner in Sinwa. From Sinwa's point of view, SINOHIT will be able to value-add and grow our

existing businesses, particularly in offshore vessel acquisitions and charters. We expect SINOHIT to play a key role in the acceleration, expansion and further diversification of our China operations. We are confident that SINOHIT is both a synergistic and strategic fit to Sinwa, and will definitely enhance shareholder value in the long run”.

None of the Directors of the Company has any personal interest, direct or indirect, in the Sale & Purchase Agreement with SINOHIT except Mr Sim Yong Teng and Evenstar.

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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 largest marine supply 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. In 2006, Sinwa diversified into the oil and gas industry and has since formed joint ventures to acquire a lift boat, a seismic vessel and an accommodation barge. The Group also owns an anchor handling tug, which was acquired in October 2009. For more information, please visit www.sinwaglobal.com

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