

**SINWA LIMITED**

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Company Registration No: 200206542H



SGX/MEDIA RELEASE – FOR IMMEDIATE RELEASE

## **Proposed sale of Sinwa stake to SINOHIT cancelled**

**SINGAPORE – 16 June 2010** – Mainboard-listed and Asia Pacific’s leading marine supply and logistics player **Sinwa Limited** (“Sinwa” or the “Group”), today announced that Mr Sim Yong Teng, its Executive Chairman and Chief Executive Officer and Evenstar Investments Pte Ltd (an investment holding company controlled by Mr Sim Yong Teng) have terminated the Sales and Purchase agreement (“The Agreement”) entered with Sinohit Offshore Engineering (Liao Ning) Co., Ltd (“SINOHIT”).

Evenstar and Sim Yong Teng terminated the Agreement as payment of the Initial Consideration (as defined in the Agreement) has not been received from Sinohit Offshore Engineering (Liao Ning) Co., Ltd by 15 June 2010, which is the extended Completion Date mutually agreed between the parties, notwithstanding that Evenstar and Sim Yong Teng have completely fulfilled all the conditions precedent on their part pursuant to the Agreement.

The Agreement was previously announced on 17 November 2009, which involved the proposed sale of 58,650,190 ordinary shares (26.38% of the share capital of Sinwa) by Mr Sim Yong Teng and his investment company, Evenstar. Coupled with the 2.62% of Sinwa shares to be purchased from Kim Seng Holdings, SINOHIT was expected to invest a total stake of 29.0% in Sinwa.

SINOHIT is a subsidiary of the Sinohit Group, which is one of China’s largest marine-related groups with interests in offshore marine engineering, steel mills, and industrial park and port development.

Looking ahead, the Group remains cautiously optimistic for the global marine supply and logistics sector to recover in line with the growth in global trade. In Australia, the enhanced facilities in Karratha, to tap on the vast opportunities in the major oil and gas fields of the Australian coast, are expected to be operational in the second half of FY2010.

**ABOUT SINWA LIMITED (Bloomberg Ticker: SKS SP)**

Sinwa Limited was listed on the SGX SESDAQ in February 2003 and was upgraded to the Main Board of the Singapore Exchange in April 2005.

Sinwa is Asia-Pacific's leading marine supply and logistics company servicing the offshore and general marine industry. Sinwa'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 and acquired a lift boat and a seismic vessel. The Group also owns an anchor handling tug, which is currently on a five year charter to an Australian offshore group.

For more information, please visit [www.sinwaglobal.com](http://www.sinwaglobal.com).

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Issued for and on behalf of Sinwa Limited

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