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Sinwa 9MFY2014 net profit surpasses FY2013 by 18% to S\$7.3 million

- Revenue up 9.2% year-on-year to \$113.8m
- Australian subsidiary posted higher sales and earnings

Singapore, 6 November 2014 – Listed on the SGX Mainboard and Asia Pacific's leading marine, offshore supply and logistics player, **Sinwa Limited** ("Sinwa" or "the Group"), announced its financial results for the nine months ended 30 September 2014 ("9MFY2014"). Financial highlights of the results are mentioned below:

Financial Highlights	3Q2014	3Q2013	Chg	9MFY2014	9MFY2013	Chg
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	39,746	33,533	18.5	113,761	104,153	9.2
Gross Profit	9,481	8,169	16.1	27,592	26,232	5.2
Gross Profit Margin	23.9%	24.4%	-	24.3%	25.2%	-
Marketing & Distribution Costs	(1,522)	(1,163)	30.9	(3,841)	(3,378)	13.7
Administrative Expenses	(5,447)	(4,718)	15.5	(16,087)	(13,936)	15.4
Financial Expenses	(760)	(145)	>100	(255)	(1,031)	(75.3)
Net Other Income/ (Expense)	42	(148)	-	1,233	222	>100
Net Profit	1,353	1,563	(13.4)	7,286	6,175	18.0
Basic Earnings Per Share (cents) *	0.40	0.48	(16.7)	2.17	1.93	12.4

* Based on 336,599,335 and 336,507,906 weighted average number of ordinary shares in issue for 3Q2014 (3Q2013: 334,679,335) and 9MFY2014 (9MFY2013: 334,679,335) respectively

Review of 9MFY2014

The revenue for the Group increased 9.2% year-on-year (“y-o-y”) to S\$113.8 million for 9MFY2014 mainly due to higher revenue from Group’s marine offshore supply business in Singapore and Australia. Accordingly, the Group’s gross profit grew 5.2% y-o-y to S\$27.6 million for 9MFY2014.

Other income swelled from S\$0.2 million in 9MFY2013 to S\$1.2 million in 9MFY2014 mainly due to the gains arising from the disposal of the AHT vessel. Also, due to lower foreign exchange loss incurred, the Group’s financial expenses recorded a drop of S\$0.7 million to S\$0.3 million in 9MFY2014.

Consequently, net profit of the Group increased 18.0% to S\$7.3 million for 9MFY2014. This translated to basic earnings per share of 2.17 cents for 9MFY2014 (9MFY2013: 1.93 cents).

Commenting on the Group’s performance for 9MFY2014, Mr. Bruce Rann, Group CEO of Sinwa, said,

***“I am pleased to inform our shareholders that Sinwa has delivered a good set of results for its 9MFY2014 and has already surpassed our FY2013 performance. Since our refocus on our core marine offshore supply business, we have witnessed growth in our customer base and achieved seven consecutive quarters of growth in our sales!*”**

Following a well-rounded marketing programme, our subsidiary in Australia saw its customer base widen. The demand for offshore and logistical services in the areas we operated in has resulted in substantially higher contribution from our Australian subsidiary.”

Expanding on the industry’s outlook, Mr Bruce Rann continued:

“The shipping industry has started to show indications of bottoming out, while the shipbuilding sector is seeing renewed investing activity as shipbuilding activities start to pick up in shipyards around the world. We are optimistic that these signs will lead to higher demand for our marine offshore supplies business.”

Going forward, we will continue to direct our focus and resources to further grow and expand our existing offshore and marine supply business in Singapore and Australia to capitalise on new opportunities elsewhere in the region.”

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, offshore supply and logistics company servicing the general marine and offshore industry. Sinwa's main operations and head office are in Singapore, with subsidiaries and offices in Australia, Thailand 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 marine and offshore industry, and providing a full and comprehensive range of shipping agency, logistics, warehousing and related support services.

For more information, please visit www.sinwaglobal.com

Issued for and on behalf of Sinwa Limited

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