

SINWA LIMITED
(Company Registration No. 200206542H)
(Incorporated in the Republic of Singapore)
(the “**Company**”)

ANNOUNCEMENT OF TERMINATION ORDER

Where capitalised terms are used in this announcement and not otherwise defined herein, such capitalised terms shall bear the same meanings as used in the Company's announcements dated 4 September 2009, 22 April 2010, 29 September 2010, 10 February 2012, 5 January 2017, 16 January 2017 and 23 February 2017 in relation to the SIAC Arbitration No. 004 of 2012 (ARB 004/12/MJL).

The board of directors (the “**Board**”) of the Company wishes to announce that Sinwa SS (HK) Co. Limited, a wholly-owned subsidiary of the Company, has received the termination order submitted to the Tribunal, in relation to the valuation of NIL's shares, by the claimant.

The following are the salient points of the ruling by the Tribunal:-

1. The arbitration proceedings are hereby terminated as the Tribunal finds that the continuation of the proceedings has become unnecessary or impossible;
2. Pursuant to Rules 30.7 and 32 of the SIAC Rules 2010, the amount of the costs of arbitration shall be finally determined by the Registrar of the Singapore International Arbitration Centre, and upon payment of such sums as the Registrar may fix, the file in SIAC Arbitration No. 004 of 2012 shall be closed.

The Board does not expect this lawsuit to have any material impact on the Group's performance for the financial year ended 31 December 2016. As announced on 16 January 2017, the Group, after taking into consideration the current depressed market sentiment in the oil and gas industry and the possibility of further substantial legal costs, has made a full impairment on the assets held for sale (i.e. NIL).

The Group will continue to seek further legal advice on this matter and will make the relevant announcement when there is any material development.

By Order of the Board
SINWA LIMITED

BRUCE WILLIAM RANN
Chief Executive Officer and Executive Director
1 March 2017