

SINWA LIMITED
(Company Registration No. 200206542H)
(Incorporated in Singapore)

SHIPBUILDING CONTRACT

The Board of Directors of Sinwa Limited (the “**Company**”) wishes to announce that its associate, Nordic International Limited (“**Nordic**”), has entered into a Shipbuilding Contract with NGV Tech Sdn Bhd to purchase a premium DP11 300 Men Accommodation Barge (the “**Vessel**”) for a consideration of US\$ 26 million (the “**Shipbuilding Contract**”). The Vessel is scheduled to be delivered by 2nd half of year 2009.

The Company and the joint venture partner in Nordic are in the process of negotiating a joint venture agreement in relation to the Vessel.

The Shipbuilding Contract will be funded by internal resources and bank borrowings.

The Shipbuilding Contract is not expected to have any material impact on the Company's consolidated earnings and net tangible assets per share in the current financial year. The Board of Directors believes that it will benefit the Company in the long term as it is in the ordinary course of Nordic's business.

None of the Directors or controlling shareholders or substantial shareholders of the Company has any interest, directly or indirectly, in the above transaction.

By Order of the Board
Tan Lay Ling
Executive Director