



**Second Quarter Financial Statements And Dividend Announcement
For the Financial Period Ended 30 June 2009**

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a)(i) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

The Board of Directors of Sinwa Limited is pleased to announce the unaudited results of the Group for the period ended 30 June 2009.

INCOME STATEMENT FOR THE PERIOD ENDED 30 JUNE 2009

	GROUP			GROUP		
	3 months ended 30 June		+ / (-) %	6 months ended 30 June		+ / (-) %
2009 S\$'000	2008 S\$'000	2009 S\$'000		2008 S\$'000		
Revenue	32,825	34,761	(5.6)	64,311	66,135	(2.8)
Cost of sales	(21,433)	(24,382)	(12.1)	(44,379)	(47,698)	(7.0)
Gross profit	11,392	10,379	9.8	19,932	18,437	8.1
Financial income	1	606	(99.8)	927	236	n.m.
Financial expenses	(526)	(115)	n.m.	(1,712)	(396)	n.m.
Marketing and distribution costs	(810)	(1,092)	(25.8)	(1,601)	(2,208)	(27.5)
Administrative expenses	(4,543)	(4,418)	2.8	(8,141)	(7,881)	3.3
Other operating income/(expenses)	127	(1,139)	n.m.	108	(1,177)	n.m.
Profit before income tax	5,641	4,221	33.6	9,513	7,011	35.7
Income tax expense	(615)	(668)	(7.9)	(1,200)	(965)	24.4
Profit for the period	<u>5,026</u>	<u>3,553</u>	41.5	<u>8,313</u>	<u>6,046</u>	37.5
Profit attributable to:						
Equity holders of the Company	<u>5,026</u>	<u>3,553</u>	41.5	<u>8,313</u>	<u>6,046</u>	37.5



STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 JUNE 2009

The Statement of Comprehensive Income included as part of the results announcement is in compliance with the revised Financial Reporting Standard (FRS) 1 (effective from 1 January 2009).

	GROUP			GROUP		
	3 months ended		+ / (-)	6 months ended		+ / (-)
	2009	2008		2009	2008	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Profit for the period	5,026	3,553	41.5	8,313	6,046	37.5
Other comprehensive income:						
Foreign currency translation	179	(445)	n.m.	1,072	(825)	n.m.
Other comprehensive income						
/(expense), net of tax	179	(445)	n.m.	1,072	(825)	n.m.
Total comprehensive income						
for the period	<u>5,205</u>	<u>3,108</u>	67.5	<u>9,385</u>	<u>5,221</u>	79.8
Total comprehensive income						
attributable to:						
Equity holders of the Company	<u>5,205</u>	<u>3,108</u>	67.5	<u>9,385</u>	<u>5,221</u>	79.8

Note:

- n.m.: not meaningful



1(a)(ii) The following items (with appropriate breakdowns and explanations), if significant, must either be included in the income statement or in the notes to the income statement for the current financial period reported on and the corresponding period of the immediately preceding financial year.

NOTES TO INCOME STATEMENT

	GROUP			GROUP		
	3 months ended 30 June			6 months ended 30 June		
	2009	2008	+ / (-)	2009	2008	+ / (-)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Financial income:						
Interest income	1	12	(91.7)	3	27	(88.9)
Foreign exchange gain	-	594	n.m.	924	209	n.m.
	<u>1</u>	<u>606</u>		<u>927</u>	<u>236</u>	
Financial expenses:						
Allowance for doubtful trade receivables	(11)	-	n.m.	(1,256)	(38)	n.m.
Bad debts written off	-	-	n.m.	(5)	(1)	n.m.
Foreign exchange loss	(279)	-	n.m.	-	-	n.m.
Interest expense	(236)	(115)	105.2	(451)	(357)	26.3
	<u>(526)</u>	<u>(115)</u>		<u>(1,712)</u>	<u>(396)</u>	
Other operating income/(expenses):						
Allowance for impairment in value of goodwill	-	(250)	n.m.	(28)	(250)	(88.8)
Gain on disposal of property, plant and equipment	-	22	n.m.	7	11	(36.4)
Government grant income	64	-	n.m.	128	-	n.m.
Impairment loss on property, plant and equipment	-	(924)	n.m.	-	(924)	n.m.
Other receivables written off	-	-	n.m.	(108)	-	n.m.
Property, plant and equipment written off	(2)	-	n.m.	(2)	(1)	100.0
Others	65	13	n.m.	111	(13)	n.m.
	<u>127</u>	<u>(1,139)</u>		<u>108</u>	<u>(1,177)</u>	
Profit before income tax is stated after charging:-						
Amortisation of intangible assets	(8)	(5)	60.0	(16)	(5)	n.m.
Depreciation of property, plant and equipment	(901)	(420)	114.5	(1,284)	(819)	56.8

- n.m.: not meaningful

(1) The impairment loss on property, plant and equipment in 2008 is related to the seismic vessel in one of our joint ventures.

(2) Interest expense is lower in Q2 2008 because the interest expense related to the jackup liftboat was capitalised as part of the vessel's costs then.



NOTES TO INCOME STATEMENT (Continued)

- (3) The increase in depreciation is mainly attributed to the depreciation of the jackup liftboat. Revenue from the charter of the jackup liftboat commenced in Q2 2009.
- (4) Certain reclassifications have been made to prior period's items to enhance comparability with current period's items.

1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

STATEMENT OF FINANCIAL POSITION

	GROUP		COMPANY	
	30.06.09	31.12.08	30.06.09	31.12.08
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
Current assets				
Cash and cash equivalents	11,630	12,196	2,058	2,054
Trade and other receivables	32,329	30,111	11,171	15,729
Inventories	5,307	5,881	-	-
Other assets	2,186	1,308	-	-
Total current assets	51,452	49,496	13,229	17,783
Non-current assets				
Other receivables	1,833	1,895	-	-
Other assets	1,154	1,624	-	-
Investments in subsidiaries	-	-	11,467	11,467
Investments in joint ventures	-	-	23,717	20,294
Investment in associate	-	-	-	-
Property, plant and equipment	64,316	62,776	-	-
Construction in progress	3,075	3,053	-	-
Intangible assets	128	144	-	-
Goodwill	547	575	-	-
Total non-current assets	71,053	70,067	35,184	31,761
Total assets	122,505	119,563	48,413	49,544
LIABILITIES AND EQUITY				
Current liabilities				
Trade and other payables	21,356	23,787	12,981	12,134
Income tax payable	2,179	1,937	8	17
Current portion of deferred income	1,186	-	-	-
Current portion of finance leases	59	67	-	-
Current portion of borrowings	19,644	19,416	9,492	9,373
Total current liabilities	44,424	45,207	22,481	21,524

STATEMENT OF FINANCIAL POSITION (Continued)



	GROUP		COMPANY	
	30.06.09	31.12.08	30.06.09	31.12.08
	S\$'000	S\$'000	S\$'000	S\$'000
Non-current liabilities				
Finance leases	62	77	-	-
Borrowings	14,201	18,772	-	-
Deferred tax	164	164	-	-
Deferred income	593	-	-	-
Total non-current liabilities	<u>15,020</u>	<u>19,013</u>	<u>-</u>	<u>-</u>
Equity				
Share capital	24,601	24,601	24,601	24,601
Retained earnings	39,645	32,999	1,331	3,419
Foreign currency translation reserve	(1,185)	(2,257)	-	-
Equity attributable to equity holders of the Company	<u>63,061</u>	<u>55,343</u>	<u>25,932</u>	<u>28,020</u>
Total equity	<u>63,061</u>	<u>55,343</u>	<u>25,932</u>	<u>28,020</u>
Total liabilities and equity	<u>122,505</u>	<u>119,563</u>	<u>48,413</u>	<u>49,544</u>

	GROUP	
	30.06.09	31.12.08
<u>Financial ratios</u>		
Inventory turnover (days)	22	23
Trade receivables turnover (days)	85	79
Gearing (net debt to total capital)	0.41	0.47



1(b)(ii) In relation to the aggregate amount of the group's borrowings and debt securities, specify the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year.

Amount repayable in one year or less, or on demand

30.06.2009		31.12.2008	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
19,703	-	19,483	-

Amount repayable after one year

30.06.2009		31.12.2008	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
14,195	68	18,791	58

Details of any collaterals:

The following liabilities are secured by corporate guarantees from the Company and relate to:

- 1) Term loan obtained for the financing of the construction of the liftboat in the joint venture Yakki International Pte Ltd; and
- 2) Term loan obtained to finance the conversion cost of seismic vessel in the joint venture Nordic International Limited.

In addition, there are short term loan and overdraft facilities jointly and severally guaranteed by the Company and a subsidiary.



1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 JUNE 2009

	GROUP		GROUP	
	3 months ended		6 months ended	
	30 June		30 June	
	2009	2008	2009	2008
	S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from operating activities:				
Profit before income tax	5,641	4,221	9,513	7,011
Adjustments for:				
Allowance for doubtful trade receivables	11	-	1,256	38
Allowance for impairment in value of goodwill	-	250	28	250
Amortisation of intangible assets	8	5	16	5
Bad debts written off	-	-	5	1
Depreciation of property, plant and equipment	901	420	1,284	819
Gain on disposal of property, plant and equipment	-	(22)	(7)	(11)
Impairment loss on property, plant and equipment	-	924	-	924
Interest income	(1)	(12)	(3)	(27)
Interest expense	236	115	451	357
Issue of shares out of treasury shares	-	-	-	242
Amortisation of mobilisation costs	749	-	749	-
Deferred mobilisation income recognised	(407)	-	(407)	-
Other receivables written off	-	-	108	-
Property, plant and equipment written off	2	-	2	1
Operating profit before working capital changes	7,140	5,901	12,995	9,610
Trade and other receivables	(2,863)	(1,890)	(3,590)	(3,722)
Inventories	171	351	574	933
Trade and other payables	(469)	992	(2,450)	(806)
Cash generated from operations	3,979	5,354	7,529	6,015
Interest paid	(236)	(115)	(451)	(357)
Interest received	1	12	3	27
Income tax paid	(958)	(730)	(958)	(749)
Net cash from operating activities	2,786	4,521	6,123	4,936
Cash flows from investing activities:				
Repayment from/(Advances to) PRC licensees	5	(137)	84	(350)
Proceeds from disposal of property, plant and equipment	-	93	23	238
Purchase of property, plant and equipment	(235)	(296)	(612)	(591)
Construction in progress	-	(4,138)	-	(19,134)
Addition of intangible assets	-	(257)	-	(257)
Mobilisation costs for the liftboat in a joint venture	(422)	-	(1,140)	-
Mobilisation income for the liftboat in a joint venture	-	-	2,234	-
Effect of foreign currency alignment on investing activities	2,294	-	(886)	-
Net cash from/(used in) investing activities	1,642	(4,735)	(297)	(20,094)

STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 JUNE 2009 (Continued)



	GROUP		GROUP	
	3 months ended		6 months ended	
	30 June		30 June	
	2009	2008	2009	2008
	S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from financing activities:				
Repayment of finance leases	(18)	(18)	(43)	(47)
Proceeds from term loans	12	6,775	12	18,812
Repayment of term loans	(2,668)	(911)	(5,514)	(1,524)
Return of capital to minority interest	-	(235)	-	(235)
Purchase of own shares and held as treasury shares	-	-	-	(173)
Proceeds from pledged bank deposit	299	-	1,488	-
Cash at bank pledged	(1,309)	-	(1,309)	-
Dividend paid	(1,667)	(2,223)	(1,667)	(2,223)
Effect of foreign currency alignment on financing activities	<u>(1,380)</u>	<u>(243)</u>	<u>382</u>	<u>(1,128)</u>
Net cash from/(used in) financing activities	<u>(6,731)</u>	<u>3,145</u>	<u>(6,651)</u>	<u>13,482</u>
Net increase/(decrease) in cash and cash equivalents	(2,303)	2,931	(825)	(1,676)
Cash and cash equivalents at beginning of the period	9,992	8,485	7,890	12,118
Net effect of exchange rate changes in consolidating foreign subsidiaries	<u>(519)</u>	<u>(434)</u>	<u>105</u>	<u>540</u>
Cash and cash equivalents at end of the period	<u><u>7,170</u></u>	<u><u>10,982</u></u>	<u><u>7,170</u></u>	<u><u>10,982</u></u>
<u>Analysis of the cash and cash equivalents</u>				
Cash and cash equivalents	11,630	10,982	11,630	10,982
Bank overdraft	(970)	-	(970)	-
Cash at bank pledged	(1,560)	-	(1,560)	-
Fixed deposit pledged	(1,930)	-	(1,930)	-
Cash and cash equivalents for the purpose of cash flow statement	<u>7,170</u>	<u>10,982</u>	<u>7,170</u>	<u>10,982</u>

Note: There were no acquisitions of property, plant and equipment by means of finance leases during the 3 months ended 30 June 2009 and 30 June 2008.



1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

STATEMENT OF CHANGES IN EQUITY

GROUP	Share capital	Treasury shares	Capital reserve	Foreign currency translation reserve	Retained earnings	Total	Minority interests	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 January 2009	25,454	(961)	108	(2,257)	32,999	55,343	-	55,343
Changes in equity for the period								
Total comprehensive income for the period	-	-	-	893	3,287	4,180	-	4,180
Balance at 31 March 2009	25,454	(961)	108	(1,364)	36,286	59,523	-	59,523
Balance at 1 April 2009	25,454	(961)	108	(1,364)	36,286	59,523	-	59,523
Changes in equity for the period								
Total comprehensive income for the period	-	-	-	179	5,026	5,205	-	5,205
Dividends	-	-	-	-	(1,667)	(1,667)	-	(1,667)
Balance at 30 June 2009	25,454	(961)	108	(1,185)	39,645	63,061	-	63,061
Balance at 1 January 2008	25,454	(922)	-	(867)	25,803	49,468	235	49,703
Changes in equity for the period								
Total comprehensive income for the period	-	-	-	(380)	2,493	2,113	-	2,113
Purchase of own shares and held as treasury shares	-	(173)	-	-	-	(173)	-	(173)
Issue of shares out of treasury shares	-	134	108	-	-	242	-	242
Balance at 31 March 2008	25,454	(961)	108	(1,247)	28,296	51,650	235	51,885
Balance at 1 April 2008	25,454	(961)	108	(1,247)	28,296	51,650	235	51,885
Changes in equity for the period								
Total comprehensive income for the period	-	-	-	(445)	3,553	3,108	-	3,108
Dividends	-	-	-	-	(2,223)	(2,223)	-	(2,223)
Return of capital to minority interest	-	-	-	-	-	-	(235)	(235)
Balance at 30 June 2008	25,454	(961)	108	(1,692)	29,626	52,535	-	52,535
COMPANY								
	Share capital	Treasury shares	Capital reserve	Retained earnings	Total			
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000			
Balance at 1 January 2009	25,454	(961)	108	3,419	28,020			
Changes in equity for the period								
Total comprehensive income for the period	-	-	-	555	555			
Balance at 31 March 2009	25,454	(961)	108	3,974	28,575			
Balance at 1 April 2009	25,454	(961)	108	3,974	28,575			
Changes in equity for the period								
Total comprehensive income for the period	-	-	-	(976)	(976)			
Dividends	-	-	-	(1,667)	(1,667)			
Balance at 30 June 2009	25,454	(961)	108	1,331	25,932			



STATEMENT OF CHANGES IN EQUITY (Continued)

COMPANY	Share capital S\$'000	Treasury shares S\$'000	Capital reserve S\$'000	Retained earnings S\$'000	Total S\$'000
Balance at 1 January 2008	25,454	(922)	-	2,697	27,229
Changes in equity for the period					
Total comprehensive expenses for the period	-	-	-	(580)	(580)
Purchase of own shares and held as treasury shares	-	(173)	-	-	(173)
Issue of shares out of treasury shares	-	134	108	-	242
Balance at 31 March 2008	25,454	(961)	108	2,117	26,718
Balance at 1 April 2008	25,454	(961)	108	2,117	26,718
Changes in equity for the period					
Total comprehensive income for the period	-	-	-	(243)	(243)
Dividends	-	-	-	(2,223)	(2,223)
Balance at 30 June 2008	25,454	(961)	108	(349)	24,252

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

Not applicable.

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

30.06.2009 31.12.2008

Number of issued ordinary shares
(excluding treasury shares) 222,311,865 222,311,865

- 1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable.

2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

The figures in this announcement have not been audited or reviewed.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.



4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The same accounting policies and methods of computation as those applied for the FY2008 audited financial statements have been applied for these figures except for the adoption of the FRSs and INT FRSs that are mandatory for annual periods beginning on or after 1 January 2009. The adoption of these FRSs and INT FRSs has no significant impact on the financial statements.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

Not applicable.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	GROUP			
	3 months ended		6 months ended	
	30.06.2009	30.06.2008	30.06.2009	30.06.2008
(a) Basic (cents)	2.26	1.60	3.74	2.72
(b) Diluted (cents)	2.26	1.60	3.74	2.72

The basic and diluted earnings per share for the 3 months period and same period last year are computed based on 222,311,865 ordinary shares.

The basic and diluted earnings per share for the 6 months period and same period last year are computed based on the weighted average number of 222,311,865 and 222,154,963 ordinary shares respectively.

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-

- (a) current financial period reported on; and**
(b) immediately preceding financial year.

	GROUP	COMPANY
The total number of issued shares excluding treasury shares at the end of the:		
(a) current financial period reported on	222,311,865	222,311,865
(b) immediately preceding financial year	222,311,865	222,311,865
Net asset value per issued ordinary shares as at (cents)		
(a) 30 June 2009	28.37	11.66
(b) 31 December 2008	24.89	12.60

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and

The Group's revenue in Q2 FY2009 saw a decrease of 5.6% against the corresponding quarter in 2008. The decrease is mainly attributed to the marine supply business in Singapore. However, the marine supply business in Australia continues to show revenue growth in the second quarter. The Group also booked in its first revenue from the charter of its jackup liftboat in this quarter.

Overall gross profit margin for Q2 FY2009 is 34.7% compared to 29.9% of Q2 FY2008. The improvement in the gross profit margin is mainly due to higher margin contribution by the charter of the jackup liftboat.

Financial income in Q2 FY2009 is wholly interest income while Q2 FY2008 financial income comprises mainly foreign exchange gains that arose from the appreciating Australian dollar then.

Financial expenses increased by \$0.4 mil in Q2 FY2009. The increase is accounted by foreign exchange losses and higher interest costs. Interest costs were lower in Q2 FY2008 because the interest on the jackup liftboat was capitalised as part of the vessel's costs. There is an ongoing legal claim relating to the charter of our seismic vessel in one of our joint ventures, the amount unpaid and due to us amounts to \$5.0 mil. We are of the view that we are entitled to recover the said amount. As a matter of prudence we have made a provision of \$1.2 mil in Q1 FY2009.

Marketing and distribution expenses decreased in Q2 FY2009 in line with lower revenue.

Administrative expenses are at 13.8% and 12.7% of revenue in Q2 FY2009 and Q2 FY2008 respectively. The increase is mainly due to increase in staff related expenses.

There are no impairment losses under other operating income/(expenses) in Q2 2009 as compared to Q2 2008.

The income tax expense in Q2 FY2009 is lower despite of a higher profit before income tax than Q2 FY2008 is mainly because the profit from the charter of the jackup liftboat is tax exempted. However, the Australian operations are charged with higher tax expense in Q2 FY2009 due to its improved results. The effective tax charge is lower than the amount obtained by applying the Singapore statutory tax rate of 17% on the profit before taxation mainly because of some non chargeable non trade related credits in the income statement, tax exemption and the varying tax rates of the different countries in which the Group operates.

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

The Group's balance sheet remains strong with positive cash flows from operations and a low gearing of 0.41 times. Net cash from operating activities decreased mainly because of slower receipts of charter income. Net cash used in investing activities also decreased mainly because of no addition to vessels' costs in Q2 FY2009. Net cash used in financing activities increased mainly because of the loan principal repayments in relation to the financing of the jackup liftboat and the earmarking of bank deposits for the issuance of guarantee for the operations in Australia in Q2 FY2009.



Current assets

Current assets increased by about \$2.0 mil and is mainly due to lower cash and cash equivalents and inventories offset by the increases in trade and other receivables and other assets. Trade receivables turnover increased from 79 to 85 days in 1H FY2009. Other assets pertain mainly to the mobilisation costs for the jackup liftboat of \$2.2 mil (current portion). This amount will be amortised to match against the future income from the charter of the jackup liftboat that commenced in Q2 FY2009.

Non-current assets

Non-current assets increased by \$1.0 mil. This increase is mainly due to the increase in the currency alignment on property, plant and equipment; and construction-in-progress costs for the accommodation barge arising from the translation and consolidation of the individual financial statements of the foreign subsidiaries and joint ventures into the Group's financial statements.

Current liabilities

Current liabilities decreased by \$0.8 mil.

The decrease in trade and other payables of \$2.4 mil is mainly attributed to lesser business activities and lower inventories in the Singapore operations.

The deferred income is related to the compensation for part of the mobilisation costs incurred on the jackup liftboat received from the charterer in Q1 FY2009. This deferred income will be credited to the income statement against the amortisation of the mobilisation costs mentioned above.

Non-current liabilities

Non-current liabilities decreased by \$4.0 mil mainly due to repayment of term loans for the financing of the seismic vessel and the jackup liftboat.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

Our second quarter profit after income tax increased by 41.5% compared to the same quarter last year while the half-year profit after income tax increased 37.5%.

The strategy to diversify our business segments continue to demonstrate its benefits while we remain vigilant in minimising our risks involved.

Australia

Our Australian operations have registered growth in both the top and bottom lines in this quarter as our strategy of focusing on Western Australia unfolds.

The Group expects its Australian operations to continue growing, supported by new and larger facilities in Darwin. The new facilities in Perth are expected to be operational by Q4 FY2009, whilst Karratha's construction should be completed by Q2 FY2010.



China

Sinwa continues to operate via its appointed PRC licensees in the various ports of China. In spite of reduced global demand, the Group expects moderate growth in its PRC licensees' businesses.

Singapore

Our marine supply revenue in Singapore in this quarter has been affected by the slowdown in the shipping industry but the business continues to be profitable with consistent margins.

Moving forward, the Group is cautiously optimistic that the revenue will improve as both global consumer and business confidence improve as reported in some media.

Others

We are currently marketing the 300-men accommodation barge under construction with completion scheduled in Q1 FY2010.

Barring unforeseen circumstances, the Group expects 2009 to be profitable.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

No

Name of Dividend	Not applicable
Dividend Type	Not applicable
Dividend Amount per Share (in cents)	Not applicable

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

No

Name of Dividend	Not applicable
Dividend Type	Not applicable
Dividend Amount per Share (in cents)	Not applicable

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.



12. If no dividend has been declared/recommended, a statement to that effect.

Not applicable.

BY ORDER OF THE BOARD

Tan Lay Ling
Executive Director
6 August 2009



SINWA LIMITED
(Co. Reg. No.: 200206542H)
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**NEGATIVE ASSURANCE CONFIRMATION BY THE BOARD
PURSUANT TO RULE 705(4) OF THE LISTING MANUAL**

We, Sim Yong Teng and Tan Lay Ling, being two directors of Sinwa Limited (the "Company"), do hereby confirm on behalf of the directors of the Company that, to the best of their knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the financial statements of the Group and the Company for the 3 months period ended 30 June 2009 to be false or misleading in any material aspect.

Dated 6 August 2009

On behalf of the Board of Directors

A handwritten signature in black ink, appearing to read 'Sim Yong Teng', written over a horizontal line.

Name: Sim Yong Teng
Executive Chairman and CEO

A handwritten signature in black ink, appearing to read 'Tan Lay Ling', written over a horizontal line.

Name: Tan Lay Ling
Executive Director