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## **JINHUI HOLDINGS COMPANY LIMITED**

**金輝集團有限公司**

*(Incorporated in Hong Kong with limited liability)*

Stock Code : 137

### **PROFIT WARNING ANNOUNCEMENT**

This announcement is made by Jinhui Holdings Company Limited (the “Company”) together with its subsidiaries (the “Group”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The Company is an investment holding company. Its subsidiaries are principally engaged in the businesses of ship chartering, ship owning and trading. The Group operates its worldwide shipping activities through Jinhui Shipping and Transportation Limited (“Jinhui Shipping”), an approximately 54.77% owned subsidiary of the Company, whose shares are listed on the Oslo Stock Exchange, Norway.

The Company has been informed by Jinhui Shipping that, based on a preliminary review of the unaudited consolidated management accounts, Jinhui Shipping is expected to record a consolidated net loss for the six months ended 30 June 2014 as compared to a consolidated net profit for the six months ended 30 June 2013.

The expected consolidated net loss of Jinhui Shipping for the period was primarily attributable to an unexpected weak freight market due to a reduction in dry seaborne trade volume in the first half of 2014. This weak dry bulk commodities demand is primarily driven by a slowdown of Chinese economic activities as well as other geopolitical events. In addition, the ample availability of shipping finance in the past months also encouraged an unanticipated increase in the supply side. A byproduct of global quantitative easing, this over extension of credit in the shipping industry only slowed down recently partly due to the crackdown of commodity-backed lending in China. The management of Jinhui Shipping will closely monitor all factors that may affect the long term global freight market fundamentals and will cautiously adjust the strategy according to management’s expectation of the long term outlook of the dry bulk shipping market.

As the results of the Group are largely attributable to the results of Jinhui Shipping, the board of directors of the Company (the “Board”) wishes to inform the shareholders of the Company (the “Shareholders”) and potential investors that, the Group’s results is expected to be adversely affected. Based on estimation made by the Company’s finance department, revenue of the Group for the interim period 2014 are expected to be less than that of the same period for the financial year 2013 and the Group may record a consolidated net loss for the period as compared to a consolidated net profit for the corresponding period in 2013.

The information contained in this profit warning announcement is only based on the preliminary review of the unaudited consolidated management accounts and estimation made by the Company’s finance department, which have not been reviewed or audited by the auditor of the Company. Further details of the financial information of Jinhui Shipping will be disclosed in its 2014 half yearly report and second quarter results announcement in late August 2014 and an overseas regulatory announcement of such will be released by the Company on the same date. The interim results announcement of the Company for the six months ended 30 June 2014 is expected to be published in late August 2014.

**Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.**

By Order of the Board  
**Jinhui Holdings Company Limited**  
**Ng Siu Fai**  
*Chairman*

Hong Kong, 31 July 2014

*As at date of this announcement, the Executive Directors of the Company are Ng Siu Fai, Ng Kam Wah Thomas, Ng Ki Hung Frankie and Ho Suk Lin; and the Independent Non-executive Directors of the Company are Cui Jianhua, Tsui Che Yin Frank and William Yau.*