

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



JINHUI HOLDINGS COMPANY LIMITED

金輝集團有限公司

(Incorporated in Hong Kong with limited liability)

Stock Code : 137

DISCLOSEABLE TRANSACTION ACQUISITION OF PROPERTIES

The Board is pleased to announce that the Purchaser, an approximately 55.69% indirectly owned subsidiary of the Company, entered into the Agreement with the Vendor on 13 July 2018 in respect of the acquisition of the Properties at a consideration of HK\$63,000,000.

Under the Listing Rules, the Acquisition of the Properties constitutes a discloseable transaction for the Company.

THE ACQUISITION

The Purchaser, an approximately 55.69% indirectly owned subsidiary of the Company, entered into the Agreement with the Vendor on 13 July 2018 in respect of the acquisition of the Properties at a consideration of HK\$63,000,000.

Information on the Group and the Purchaser

The principal activity of the Company is investment holding and the principal activities of its subsidiaries are international ship chartering and ship owning.

The Purchaser is a company incorporated in Hong Kong and a wholly-owned subsidiary of Jinhui Shipping, which is in turn an approximately 55.69% owned subsidiary of the Company as at date of this announcement. The principal activities of the Purchaser are property holding and investment.

Vendor

The Vendor is a company incorporated in Hong Kong and its principal activities are manufacturing and distributing flint disposable lighters. To the best of the Board's knowledge, information and belief having made all reasonable enquiry, the Vendor, its shareholders, ultimate beneficial owners and its respective associates are third parties independent of the Company and its connected persons.

Properties

The Properties are Offices E & F and a portion of Office A on 15th Floor, Yardley Commercial Building, No. 3 Connaught Road West, Hong Kong.

Consideration

Under the Agreement, the Vendor agrees to dispose of the Properties at a consideration of HK\$63,000,000 payable by the Purchaser as follows:

- (1) an initial deposit of HK\$3,000,000 paid by the Purchaser upon signing of the Agreement;
- (2) a further deposit of HK\$3,300,000 will be payable by the Purchaser on or before 25 July 2018; and
- (3) the balance of HK\$56,700,000 will be payable by the Purchaser on the completion of the acquisition of the Properties which will take place on 30 November 2018.

Formal agreement for sale and purchase in respect of the acquisition of the Properties shall be signed on or before 25 July 2018. The consideration of the Properties was determined after arm's length negotiations between the Purchaser and the Vendor. The Directors consider that the consideration is fair and reasonable and the acquisition of the Properties is in the interests of the Company and its shareholders as a whole.

REASONS FOR THE ACQUISITION

The Acquisition of the Properties represents a small allocation of capital into revenue generating assets that are non-correlated to our core shipping business which is often cyclical in nature. The Directors and senior management have been reviewing the prevailing property market in Hong Kong and believe the acquisition price is highly attractive. Given the continued trend of office decentralization in Central district in Hong Kong, rent and leasing demand in alternative central business district going forward is expected to be robust. The Properties located in a prime commercial area in Hong Kong closed to the Central district and are expected to generate steady and recurring stream of income for the Group. Potential resale opportunity with capital appreciation over time in the prime commercial areas of Hong Kong is also expected. It is currently expected that approximately 50% of the consideration of the Properties will be funded by bank financing and remaining 50% will be funded by internal resources of the Group.

LISTING RULES IMPLICATION

As one or more applicable percentage ratios (as defined in the Listing Rules) for the Acquisition of the Properties exceed 5% but are less than 25%, the Acquisition of the Properties constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to the notification to Stock Exchange and publication of announcement requirements under the Listing Rules.

DEFINITIONS

In this announcement, unless the context requires otherwise, the following expressions of the following meanings were used:

“Acquisition of the Properties” the acquisition of the Properties under the Agreement;

“Agreement”	the provisional agreement for sale and purchase entered into between the Vendor and the Purchaser on 13 July 2018 in respect of the acquisition of the Properties;
“associates”	has the same meaning ascribed to it under the Listing Rules;
“Board”	the board of Directors;
“Company”	Jinhui Holdings Company Limited, a company incorporated in Hong Kong, whose shares are listed on the Hong Kong Stock Exchange;
“Directors”	the directors of the Company;
“Group”	the Company and its subsidiaries;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Jinhui Shipping”	Jinhui Shipping and Transportation Limited, a limited liability company incorporated in Bermuda and an approximately 55.69% owned subsidiary of the Company as at date of this announcement, whose shares are listed on the Oslo Stock Exchange (stock code: JIN);
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Properties”	Offices E & F and a portion of Office A on 15th Floor, Yardley Commercial Building, No. 3 Connaught Road West, Hong Kong;
“Purchaser”	Noble Talent Development Limited, a wholly-owned subsidiary of Jinhui Shipping;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Vendor”	Gladstrong Investments Limited, a company incorporated in Hong Kong; and
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong.

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

Hong Kong, 13 July 2018

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.