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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

DISCLOSEABLE TRANSACTION ACQUISITION OF PROPERTY

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 29 July 2020 in respect of the acquisition of the Property at a consideration of HK\$19,500,000.

Under the Listing Rules, the Acquisition of the Property 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 29 July 2020 in respect of the acquisition of the Property at a consideration of HK\$19,500,000.

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, Pak Sau Hwa and Shaw Ngan Yu Juliette, are the legal and beneficial owners of the Property. To the best of the Board's knowledge, information and belief having made all reasonable enquiry, the Vendor and their respective associates are third parties independent of the Company and its connected persons.

Property

The Property is Office B on 11th Floor, Yardley Commercial Building, No. 3 Connaught Road West, Hong Kong.

Consideration

Under the Agreement, the Vendor agrees to dispose of the Property at a consideration of HK\$19,500,000 payable by the Purchaser as follows:

- (1) an initial deposit of HK\$800,000 paid by the Purchaser upon signing of the Agreement;
- (2) a further deposit of HK\$1,150,000 will be payable by the Purchaser on or before 11 August 2020; and
- (3) the balance of HK\$17,550,000 will be payable by the Purchaser on the completion of the acquisition of the Property which will take place on or before 29 October 2020.

Formal agreement for sale and purchase in respect of the acquisition of the Property shall be signed on or before 11 August 2020. The consideration of the Property 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 Property is in the interests of the Company and its shareholders as a whole.

REASONS FOR THE ACQUISITION

The Acquisition of the Property 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. The Property located in a prime commercial area in Hong Kong closed to the Central district and is 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 the consideration of the Property 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 Property exceed 5% but are less than 25%, the Acquisition of the Property 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 Property” the acquisition of the Property under the Agreement;

“Agreement”	the provisional agreement for sale and purchase entered into between the Vendor and the Purchaser on 29 July 2020 in respect of the acquisition of the Property;
“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;
“Property”	Office B on 11th Floor, Yardley Commercial Building, No. 3 Connaught Road West, Hong Kong;
“Purchaser”	Nice Beam Limited, a wholly-owned subsidiary of Jinhui Shipping;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Vendor”	Pak Sau Hwa and Shaw Ngan Yu Juliette; 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, 29 July 2020

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.