JINHUI

JINHUI HOLDINGS COMPANY LIMITED

金輝集團有限公司

(Incorporated in Hong Kong with limited liability)

Stock Code : 137

DISCLOSEABLE TRANSACTION
DISPOSAL OF A VESSEL

The Board announces that, the Vendor, an approximately 55.69% indirect subsidiary of the Company, entered into the Agreement with the Purchaser on 4 July 2025 to dispose of the Vessel. The consideration of the Vessel is US$10,800,000 (approximately HK$84,240,000). The Vessel will be delivered by the Vendor to the Purchaser between 7 July 2025 and 15 August 2025.

As one or more applicable percentage ratios calculated in accordance with Rule 14.07 of the Listing Rules for the disposal of the Vessel exceed 5% but are less than 25%, the Disposal constitutes a discloseable transaction of the Company and is therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

THE DISPOSAL

The Vendor entered into the Agreement with the Purchaser on 4 July 2025 for the disposal of the Vessel at a consideration of US$10,800,000 (approximately HK$84,240,000). The Vessel will be delivered by the Vendor to the Purchaser between 7 July 2025 and 15 August 2025.

Information on the Group and the Vendor

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

The Vendor is a ship owning company and a wholly-owned subsidiary of Jinhui Shipping, which is in turn an approximately 55.69% indirect subsidiary of the Company as at date of this announcement.

Purchaser

The Purchaser is a company incorporated in Singapore. Its principal activities are vessel owning and chartering. The Purchaser is wholly owned by Mr. Ye Wayne, the ultimate beneficial owner of the Purchaser.

To the best of the Board's knowledge, information and belief having made all reasonable enquiry, the Purchaser and its ultimate beneficial owner are Independent Third Parties.

Consideration

Under the Agreement, the Vendor agrees to dispose of the Vessel for a consideration of US$10,800,000 (approximately HK$84,240,000) payable by the Purchaser on the delivery of the Vessel which will take place between 7 July 2025 and 15 August 2025.

The consideration of the Vessel will be payable by the Purchaser by cash in United States Dollars. The consideration of the Vessel was determined by reference to market intelligence the Company has gathered from shipbrokers and its own analysis of recently concluded sale and purchase transactions of vessels of comparable size and year of built in the market, valuation from independent valuer and on the basis of arm's length negotiations with the Purchaser.

In the course of negotiating the consideration of the Vessel, the Group has obtained indicative valuation of the Vessel from Arrow Valuations, an independent valuer and an affiliate of Arrow Asia Shipbrokers Ltd., an independent shipbroking group. The appraised value of the Vessel from Arrow Valuations was US$10,800,000 (approximately HK$84,240,000) as at 2 July 2025. The market approach has been adopted in the valuation of the Vessel. In the process of gathering the market intelligence from shipbrokers, we receive market information on the sale and purchase market of second hand vessels on a daily basis from international shipbrokers. We also discuss with international shipbrokers frequently to gather market intelligence on what vessels are being put on the market for sale and purchase, which parties are looking to buy or sell their vessels on a worldwide basis. However, as each vessel is never identical, management has based on the experiences, market knowledge to consider and come up with the acceptance of the offer.

As the Vessel is currently engaged under a time charter until September 2025, the Vendor and the Purchaser entered into a bareboat charter agreement simultaneously on 4 July 2025. Pursuant to this bareboat charter agreement, the Purchaser agreed to lease the Vessel to the Vendor for a period of four to six months, commencing upon the completion of the Vessel's delivery under the Disposal until the Vessel is redelivered under free charter to the Purchaser.

Vessel

The Vessel is a Supramax of deadweight 56,927 metric tonnes, built in year 2009 and registered in Hong Kong. The Vendor is a special purpose company for holding solely the Vessel.

The Vessel has been owned by the Group since year 2009, and its unaudited net book value as at 31 May 2025 was approximately HK$91,617,000. The net profit both before and after taxation and extraordinary items attributable to the Vendor for the financial year ended 31 December 2024 was approximately HK$9,544,000 whereas the net loss both before and after taxation and extraordinary items attributable to the Vendor for the financial year ended 31 December 2023 was approximately HK$21,221,000.

Possible financial effects of the Disposal

The unaudited net book value of the Vessel as at 31 May 2025 as described above represents the estimated recoverable amount which was based on the value in use under the requirement of Hong Kong Accounting Standard 36 Impairment of Assets. The Group would realize a book loss of approximately HK$7 million on disposal of the Vessel. The actual book loss which the Group would realize upon completion of the Disposal will depend on the actual net book value of the Vessel as at date of delivery in accordance with the Group's impairment and depreciation policy for its vessels as shown in the Company's annual report and the actual costs of disposal being incurred of the Vessel as at date of delivery.

Use of proceeds

The Group intends to keep all net sale proceeds received as general working capital of the Group.

REASONS FOR THE DISPOSAL

The Group's principal activities are international ship chartering and ship owning. The Directors continuously review the prevailing market conditions of the shipping industry and monitor and adjust the Group's fleet profile as appropriate. The Directors consider that the Disposal represents an opportunity for the Group to readjust its fleet profile and reduce our operational risk exposures in current high-risk volatile markets and the Disposal will enable the Group to enhance its working capital position and further strengthen its liquidity and overall financial position.

The Group operates a balanced and diversified fleet of dry bulk carriers, comprising Capesize, Panamax, Ultramax and Supramax bulk carriers. To stay competitive in the market, the Group focused on enhancing the quality of our fleet and adjusting our fleet profile, in particularly in terms of seeking to lower the overall age profile of our fleet. We try to strike as good as possible, the balance of additional maintenance costs that is associated with the aging of a vessel, the expected revenue generating ability and cargo flexibility when compared to younger vessels, the potential asset value appreciation of an asset, as well as the importance of ensuring we are financially nimble by monetizing suitable assets. We believe in being prepared at all times for future possible opportunities of redeployment of capital into other more suitable assets that may arise going forward while keeping leverage at comfortable levels. We will continuously monitor the market as well as our operations going forward and look out for opportunities to maintain a reasonably modern and competitive fleet, not ruling out any future disposal of smaller and older vessels and replace with newer vessels with larger carrying capacity and longer asset lives or charter-in of vessels. We will make such decisions on an ad hoc basis to maintain high financial flexibility and operational competitiveness.

The Group currently operates a fleet of thirty one vessels, of which twenty four are owned vessels (including the Vessel) and seven are chartered-in vessels, with total deadweight carrying capacity of approximately 2.3 million metric tonnes.

The Directors believe that the Disposal will not have any material adverse effect on the operations of the Group.

The Directors consider the terms and conditions of the Agreement were concluded and agreed between parties on normal commercial terms following arm's length negotiations with reference to the prevailing market values. The Directors are of the view that the projected operational results of the Vessel are not necessarily an indicator of its future potential performance, which in turn is not directly pertinent to the negotiation of the consideration. During negotiation regarding the consideration of the Vessel, a market-based approach was adopted, as it provides a fair and reliable current situation of valuation, for both the Vendor and the Purchaser. The Directors consider such terms and conditions are fair and reasonable and believe that the Disposal is in the interests of the Company and its shareholders as a whole.

LISTING RULES IMPLICATION

As one or more applicable percentage ratios calculated in accordance with Rule 14.07 of the Listing Rules for the disposal of the Vessel exceed 5% but are less than 25%, the Disposal constitutes a discloseable transaction of the Company and is therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

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

"Agreement"	the memorandum of agreement dated 4 July 2025 entered into between the Vendor and the Purchaser in respect of the disposal of the Vessel;
"Board"	the board of Directors;
"Company"	Jinhui Holdings Company Limited, a company incorporated in Hong Kong, whose shares are listed on the Main Board of the Stock Exchange;
"Directors"	the directors of the Company;
"Disposal"	the disposal of the Vessel under the Agreement;
"Group"	the Company and its subsidiaries;
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China;
"Independent Third Parties"	person(s) (and in case of company(ies) and corporation(s), their ultimate beneficial owner(s)) who is/are not connected person(s) of the Company and is/are independent of and not connected with the Company and directors, chief executive, controlling shareholders and substantial shareholders of the Company or any of its subsidiaries or their respective associates within the meaning of the Listing Rules;
"Jinhui Shipping"	Jinhui Shipping and Transportation Limited, a limited liability company incorporated in Bermuda and an approximately 55.69% direct 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;
"Purchaser"	Huwell Shipping Pte. Ltd., a company incorporated in Singapore;
"Stock Exchange"	The Stock Exchange of Hong Kong Limited;
"Vendor"	Jingang Marine Inc., a company incorporated in the Republic of Panama and an indirect subsidiary of the Company;
"Vessel"	a deadweight 56,927 metric tonnes bulk carrier "JIN GANG" registered in Hong Kong;
"HK$"	Hong Kong Dollars, the lawful currency of Hong Kong; and
"US$"	United States Dollars, the lawful currency of the United States of America, and for the purpose of illustration only, translated into HK$ at the rate of US$1.00 = HK$7.80.

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

Hong Kong, 4 July 2025

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.