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JINHUI HOLDINGS COMPANY LIMITED

(Incorporated in Hong Kong with limited liability)

RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2003 OF JINHUI SHIPPING AND TRANSPORTATION LIMITED

The following is a reproduction of an announcement released in Oslo by Jinhui Shipping and Transportation Limited (“Jinhui Shipping” or defined as the “Company” below) on 26 November 2003, an approximately 50.9% owned subsidiary of Jinhui Holdings Company Limited, in accordance with the requirements of the Oslo Stock Exchange. This announcement is issued by Jinhui Holdings Company Limited pursuant to paragraph 2 of the Listing Agreement for information purpose only.

“UNAUDITED RESULTS

The consolidated net profit of the Company and its subsidiaries (the “Group”) for the three months ended 30 September 2003 amounted to US\$1,944,000 whereas a net loss of US\$1,015,000 was reported for last corresponding period. In view of the immense rises in shipping markets, the Board has reviewed the carrying values of its owned vessels as at 30 September 2003. Included in the net profit for the quarter, the Group has written back of a provision of US\$6,652,000 for impairment loss of the Group’s owned vessels made in prior years. However, it was partly offset by the realized and unrealized exchange loss as a result of the drastic and unexpected rebound of Japanese Yen and the weakening of United States Dollars during the quarter.

The dry bulk market continued to be strong during the third quarter of 2003 due to massive growth in imports into Asian countries especially for China. The Baltic Dry Index increased by 868 points during the quarter to close at 2,993. The Group’s shipping turnover was US\$23,812,000 for the quarter, representing an increase of 50% as compared to that of last corresponding period. The Group’s shipping operation recorded a profit of US\$5,353,000 for the quarter; whereas a profit of US\$293,000 was reported for last corresponding period. The profit for the quarter was mainly attributed by the write back of provision for impairment loss of its owned vessels made in prior years.

The Group has committed certain contracts of affreightment and time charter parties in year 2002 to charter out some of its vessels at later time but at prevailing market rates when the freight rates were at a very low level as compared to the current spot market. The Group has, to a majority extent, completed and fulfilled these contracts during the nine months ended 30 September 2003. Though the freight rates rose substantially over the past nine months, the overall shipping revenue of the Group for both the quarter and current year were greatly lagged behind the spot market. The Board expects that this situation would be unwound gradually at around early next year.

As at 30 September 2003, the Group has operated a fleet of 20 vessels including ten owned vessels. These vessels were chartered out at a mixture of spot or period employment.

The Group maintains its strategy of expanding fleet of well-equipped and modernized owned vessels. The Group has committed to acquire two dry bulk carriers respectively in June and August 2003 at total purchase prices of US\$41,220,000. These two newbuildings are expected to be delivered to the Group on or before 20 December 2005 and 31 July 2007 respectively.

The Group's other operations recorded an operating loss of US\$3,046,000 during the quarter mainly due to the realized and unrealized exchange loss as a result of the drastic and unexpected rebound of Japanese Yen and the weakening of United States Dollars. The Group has from time to time closely monitored the foreign currency exposures in Japanese Yen borrowings so as to balance the exchange rate risk associated with the fluctuation in Japanese Yen and possible interest saving from Japanese Yen borrowings. Should market conditions require, the Group would consider appropriate foreign exchange and interest rate hedging products to mitigate the Group's exposure.

Subsequent to 30 September 2003, the astounding rises in freight rates continue and record after record smashed. Baltic Dry Index has further increased significantly to around 4,560 during late October 2003 and then slipped back to around 4,100 by mid November 2003. Given that the Group has to fulfill certain outstanding contracts which have been committed by the Group last year, the Group's shipping revenue will still lagged behind the spot market for the rest of the year. However, the Board believes that this situation would be unwound gradually at around early next year. In line with the increase in freight rates, there is also substantial increase in market value of dry bulk carriers recently. Should the rise in market value of dry bulk carriers continues by end of the year, the Group would consider further write back the balance, in whole or in part, of the provision for impairment loss of its owned vessels made in prior years.

CONSOLIDATED INCOME STATEMENT DATA

	3 months ended 30/9/2003 US\$'000	3 months ended 30/9/2002 US\$'000	9 months ended 30/9/2003 US\$'000	9 months ended 30/9/2002 US\$'000	Year ended 31/12/2002 US\$'000
Turnover	23,812	15,957	70,314	50,485	70,139
Profit (Loss) from operations	2,395	(580)	4,221	(6,436)	(9,849)
Interest income	102	204	426	578	767
Interest expenses	(553)	(645)	(1,759)	(1,822)	(2,511)
Net profit (loss) for the period/year	1,944	(1,015)	2,891	(7,663)	(11,577)
Basic earnings (loss) per share (US\$)	0.0198	(0.0103)	0.0294	(0.0779)	(0.1176)

CONSOLIDATED BALANCE SHEET DATA

	30/9/2003 US\$'000	30/9/2002 US\$'000	31/12/2002 US\$'000
Fixed assets	166,519	176,700	167,822
Other investments	4,001	5,527	4,219
Other non-current assets	411	1,618	537
Current assets	27,362	21,747	21,629
Total assets	198,293	205,592	194,207
Capital and reserves	89,865	90,888	86,974
Minority interests	–	(91)	(90)
Non-current liabilities	83,044	88,526	87,419
Current liabilities	25,384	26,269	19,904
Total equity and liabilities	198,293	205,592	194,207

SEGMENTAL INFORMATION

	3 months ended 30/9/2003 US\$'000	3 months ended 30/9/2002 US\$'000	9 months ended 30/9/2003 US\$'000	9 months ended 30/9/2002 US\$'000	Year ended 31/12/2002 US\$'000
Segment turnover					
Chartering freight and hire	23,812	15,843	70,314	50,116	69,698
Investments in China	–	114	–	369	441
	23,812	15,957	70,314	50,485	70,139
Segment profit (loss) from operations					
Chartering freight and hire	5,353	293	5,685	2,256	373
Investments in China	88	(143)	184	10	756
Other operations	(3,046)	(730)	(1,648)	(8,702)	(10,978)
	2,395	(580)	4,221	(6,436)	(9,849)
			30/9/2003 US\$'000	30/9/2002 US\$'000	31/12/2002 US\$'000
Segment assets					
Chartering freight and hire			170,816	180,350	168,343
Investments in China			4,005	5,668	4,378
Other operations			7,090	7,804	7,450
			181,911	193,822	180,171
Segment liabilities					
Chartering freight and hire			101,241	107,016	102,212
Investments in China			279	445	294
Other operations			2,725	3,860	2,348
			104,245	111,321	104,854

The principal accounting policies and methods of computation used in the preparation of the above unaudited consolidated results of Jinhui Shipping and its subsidiaries are in accordance with the Statements of Standard Accounting Practice issued by the Hong Kong Society of Accountants.

By Order of the Board
Ng Siu Fai
Chairman and Managing Director

Hong Kong, 26 November 2003

Please also refer to the published version of this announcement in The Standard.