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

Jinhai, an approximately 54.77 per cent. indirectly owned subsidiary of the Company, entered into the Agreement with the Purchaser on 11 April 2008 for the disposal of the Vessel. The consideration for the Vessel is US$74,250,000 (approximately HK$579,150,000). The Vessel will be delivered to the Purchaser or its guaranteed nominee during the period from 1 May 2008 to 31 July 2008.

Under the Listing Rules, the Disposal constitutes a discloseable transaction for the Company. A circular containing, amongst other things, further information relating to the Disposal will be despatched to the Shareholders as soon as reasonably practicable.

THE DISPOSAL

The Board announces that on 11 April 2008, Jinhai entered into the Agreement with the Purchaser for the disposal of the Vessel.

Vendor

Jinhai is a ship owning company and a wholly-owned subsidiary of Jinhui Shipping, which is in turn an approximately 54.77 per cent. owned subsidiary of the Company as at date of this announcement.

Purchaser

The Purchaser is a private ship owning company incorporated in India. To the best of the Board's knowledge, information and belief having made all reasonable enquiry, the Purchaser and its ultimate beneficial owners are third parties independent of the Company and connected persons (as defined in the Listing Rules) of the Company. The Group has not acquired or disposed of any other vessel with the Purchaser during the last twelve months from date of the Agreement.

Consideration

Under the Agreement, Jinhai agrees to dispose of the Vessel for a consideration of US$74,250,000 (approximately HK$579,150,000) payable by the Purchaser or its guaranteed nominee as follows:

(1) an initial deposit of US$7,425,000 (approximately HK$57,915,000) will be payable to a bank account in the joint names of Jinhai and the Purchaser within three banking days from the date of signing of the Agreement and will be released on the delivery of the Vessel; and

(2) the balance of US$66,825,000 (approximately HK$521,235,000) will be payable on the delivery of the Vessel which will take place during the period from 1 May 2008 to 31 July 2008 at Jinhai's option.

The consideration of the Vessel was determined with reference to the prevailing market values, driven by supply and demand and based on arm's length negotiations with the Purchaser.

The Vessel

The Vessel is a Supramax of deadweight 55,557 metric tons, built in 2005 and registered in Hong Kong. Jinhai is a special purpose company for holding the Vessel.

The Vessel has been owned by the Group since February 2005 and its net book value as at 31 December 2007 was approximately HK$253,650,000. The net profit both before and after taxation and extraordinary items attributable to Jinhai for the two financial years ended 31 December 2007 were approximately HK$31,920,000 and HK$31,091,000 respectively.

Use of Payment Received

The Group intends to use the net sale proceeds received pursuant to the Agreement for the general working capital of the Group.

REASONS FOR THE DISPOSAL

The Group's principal activities include international ship chartering, ship owning and trading. The Directors continuously review the prevailing market conditions of the shipping industry and monitor and adjust the Group's fleet size as appropriate. The Directors believe that the Disposal is a good opportunity to realize the book gain arising from the disposal of the Vessel, and will enable the Group to enhance its working capital position. The Group currently owns nineteen modern grabs fitted Supramaxes including the Vessel, one modern Capesize and one modern Panamax. Taking into account all existing commitments to acquire and dispose of other vessels as announced by the Company previously, the Group will have additional eighteen newly built grabs fitted Supramaxes, two newly built Panamaxes and one second hand Handymax for delivery going forward, where three of which will be delivered in 2008, seven in 2009, five in 2010, three in 2011, two in 2012 and one in 2013. The Board believes that the Disposal will not have any material adverse effect on the operations of the Group.

The terms and conditions of the Agreement have been agreed on normal commercial terms following arm's length negotiations with reference to the prevailing market values. The Board considers such terms and conditions are fair and reasonable and in the best interests of the Company and its shareholders as a whole.

The Vessel has been owned by the Group since February 2005. Given the immense rises in the market value of dry bulk carriers in recent years, the net book value of the Vessel is substantially stated below its prevailing market value. Therefore, based on the net book value of the Vessel as at 31 December 2007 as described above, the Group would realize a book gain, after estimated expenses and minority interests, of approximately HK$173 million on disposal of the Vessel. However, the actual book gain which the Group would realize upon completion of the Disposal will depend on the actual net book value of the Vessel as at the date of the delivery in accordance with the Group's depreciation policy for its vessels as shown in the Company's annual report.

GENERAL

Under the Listing Rules, the Disposal constitutes a discloseable transaction for the Company. A circular containing, amongst other things, further information relating to the Disposal will be despatched to the Shareholders as soon as reasonably practicable.

DEFINITIONS

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

"Agreement"	the memorandum of agreement dated 11 April 2008 entered into between Jinhai and the Purchaser in respect of the disposal of the Vessel;
"Board"	the board of Directors;
"Capesize"	a dry bulk vessel of deadweight approximately 150,000 metric tons or above;
"Company"	Jinhui Holdings Company Limited;
"Directors"	the directors of the Company;
"Disposal"	the disposal of the Vessel under the Agreement;
"Group"	the Company and its subsidiaries;
"Handymax"	a dry cargo vessel of deadweight approximately 45,000 metric tons;
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China;
"Jinhai"	Jinhai Marine Inc., a wholly-owned subsidiary of Jinhui Shipping;
"Jinhui Shipping"	Jinhui Shipping and Transportation Limited, a company incorporated in Bermuda and an approximately 54.77 per cent. owned subsidiary of the Company as at date of this announcement, whose shares are listed on the Oslo Stock Exchange, Norway;
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange;
"Panamax(es)"	vessel(s) of deadweight approximately 70,000 metric tons, designed to be just small enough to transit the Panama Canal;

"Purchaser"	Tolani Shipping Co. Ltd., a company incorporated in India;
"Shareholder(s)"	shareholder(s) of the Company;
"Stock Exchange"	The Stock Exchange of Hong Kong Limited;
"Supramax(es)"	dry cargo vessel(s) of deadweight approximately 50,000 metric tons;
"Vessel"	a deadweight 55,557 metric tons bulk carrier "Jin Hai" 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, 11 April 2008

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.