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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 CO-INVESTMENT IN PROPERTY

The Board announces that on 20 April 2018 (after trading hours), the Co-Investor (an approximately 55.69% indirectly owned subsidiary of the Company) entered into the Transfer Document, pursuant to which the Co-Investor shall acquire from Total Surplus 34.5901% of the issued non-voting participating class A shares of Dual Bliss at an amount equal to the Co-Investor's respective proportion of the capital contributions made by Total Surplus to Dual Bliss with interest and become liable to its attributable portion of the obligations relating to Total Surplus's participation in Dual Bliss of US\$10,000,000 (approximately HK\$78,000,000).

As the relevant percentages for the transaction exceed 5% but all below 25%, the Co-Investment 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.

THE CO-INVESTMENT

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The salient terms of the Co-Investment are as follows:

Date

20 April 2018

Parties

The Co-Investor, 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.

Key Reward is a company incorporated in the British Virgin Islands with limited liability and is principally engaged in investment holding. To the best of the Board's knowledge, information and belief, having made all reasonable enquiry, Key Reward and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons.

Dual Bliss is a company incorporated in the British Virgin Islands with limited liability and is principally engaged in investment holding. To the best of the Board's knowledge, information and belief, having made all reasonable enquiry, Dual Bliss and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons.

Total Surplus is a company incorporated in the British Virgin Islands with limited liability and is principally engaged in investment holding. To the best of the Board's knowledge, information and belief, having made all reasonable enquiry, Total Surplus and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons.

Phoenix Property Investors Limited (the "Investment Manager") is an exempted company incorporated in the Cayman Islands with limited liability and is principally engaged in investment management. The Company understands that the Investment Manager is a disciplined, value-oriented real estate investor and operator with investment advisory offices in Hong Kong, Shanghai, Tokyo, Sydney, Taipei, Seoul and Singapore and an asset management office in Shanghai. To the best of the Board's knowledge, information and belief, having made all reasonable enquiry, the Investment Manager and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons.

Subject Matter

Subject to the terms and conditions of the Transfer Document, the Co-Investor shall acquire from Total Surplus 34.5901% of the issued non-voting participating class A shares of Dual Bliss at an amount equal to the Co-Investor's respective proportion of the capital contributions made by Total Surplus to Dual Bliss with interest and become liable to its attributable portion of the obligations relating to Total Surplus's participation in Dual Bliss of US\$10,000,000 (approximately HK\$78,000,000).

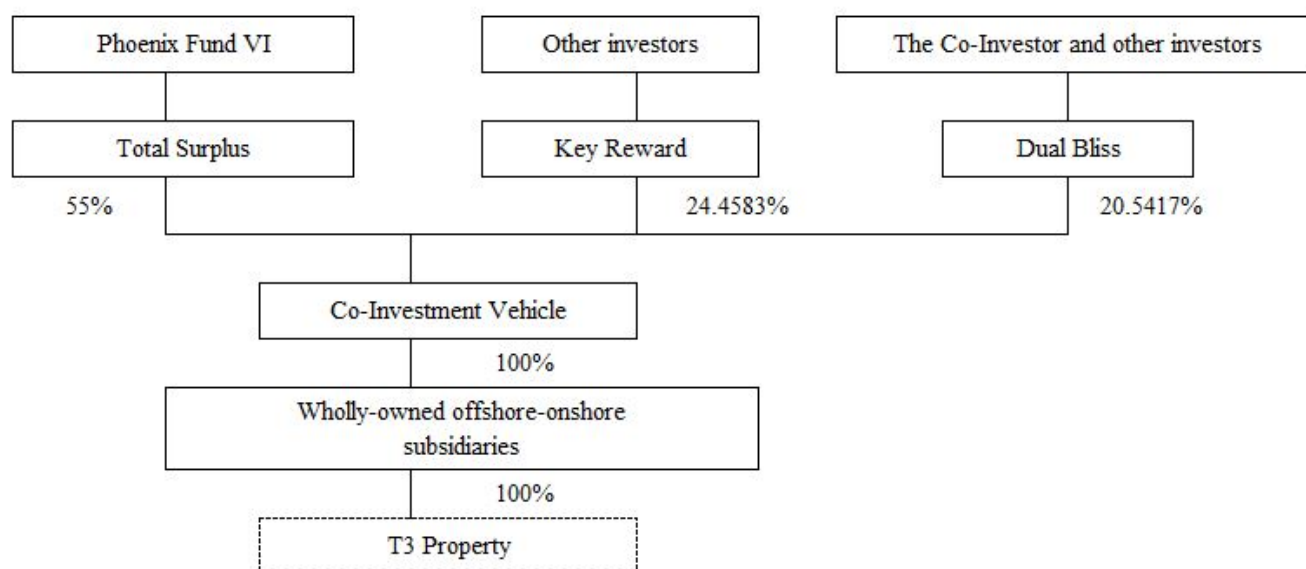
The objective of Dual Bliss is to give third party investors the opportunity to co-invest with Phoenix Fund VI in Tower 3 of Shanghai Financial Street Center, Jing'an Central Business District, Shanghai, the PRC (the "T3 Property"). Phoenix Fund VI focuses on fundamental value discovery and value creation by making real estate investment throughout Asia-Pacific with an emphasis on Greater China, Japan, Australia, Southeast Asia and Korea. To the best of the Board's knowledge, information and belief, having made all reasonable enquiry, Phoenix Fund VI and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons.

The total equity investment for the T3 Property investment is approximately US\$128.6 million (approximately HK\$1,003.1 million) and the sharing between Phoenix Fund VI, Key Reward and Dual Bliss are approximately US\$70.7 million (approximately HK\$551.5 million) (55%), US\$31.5 million (approximately HK\$245.7 million) (24.4583%) and US\$26.4 million (approximately HK\$205.9 million) (20.5417%) respectively. Phoenix Fund VI, Key Reward and Dual Bliss will form a co-investment vehicle, Triple Smart Limited which is a company incorporated in the British Virgin Islands with limited liability, (the “**Co-Investment Vehicle**”) to acquire and hold the investment in the T3 Property through an offshore-onshore holding structure. The Co-Investment Vehicle will be beneficially owned by Phoenix Fund VI, Key Reward and Dual Bliss as to 55%, 24.4583% and 20.5417% respectively.

Subject to the prevailing market conditions, it is expected that the holding period of the investment in the T3 Property shall be approximately 4.5 years (and not more than 6 years) from its acquisition date (the “**Term**”). Key Reward and Dual Bliss will not make any investment other than investment in the T3 Property via subscription of shares of the Co-Investment Vehicle.

Key Reward and Dual Bliss will be terminated and its affairs would be wound up following final distribution of amounts in connection with the sale or other disposal of the investment in T3 Property upon the expiration of its Term.

Set out below is the proposed structure for the investment in the T3 Property:



Consideration

The amount of US\$10,000,000 (approximately HK\$78,000,000) shall be payable by the Co-Investor in US\$ to Dual Bliss and Total Surplus in accordance with the terms and conditions of the Transfer Document. Dual Bliss will have an investment period from the commencement date (i.e. the date on which Dual Bliss has obtained initial deposit on or about 19 January 2018) until the date that is 16 months after the commencement date (or such longer period as may be extended by the Investment Manager). The capital commitment is determined after arm’s length negotiations with referencing to the anticipated acquisition costs of the T3 Property and the possible investment return and financial resources of each party.

Having considered the above and the factors described under the section headed “Reasons for and benefits of the Co-Investment” below, the Directors consider that the capital commitment under the Co-Investment Agreement is fair and reasonable and in the interests of the Company and its shareholders as a whole.

The Investment Manager will be entitled, among others, to receive a management fee commencing from the commencement date and throughout the Term in the sum equivalent to 1% per annum of the participations of the shareholders of Key Reward and Dual Bliss.

The Group intends to finance the US\$10,000,000 (approximately HK\$78,000,000) by its internal resources.

REASONS FOR AND BENEFITS OF THE CO-INVESTMENT

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

To partially diversify the Group’s maritime related core business which is highly cyclical in nature, the Board decides to invest a small proportion of the Group’s capital into non-maritime related investment. The target market of the co-investment opportunity is focused on Shanghai, China. In light of the long term growth potential of such market, the Board is of the view that such diversification will be beneficial in the long term capital return and development of the Group.

Taking into account the abovementioned factors, the Directors consider that the terms and conditions of the Co-Investment are fair and reasonable and on normal commercial terms and are in the interests of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

As the relevant percentages for the transaction exceed 5% but all below 25%, the Co-Investment 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:

“Board”	the board of Directors;
“Co-Investment”	the co-investment in the T3 Property as contemplated under the Co-Investment Agreement;
“Co-Investment Agreement”	the co-investment agreement dated 20 April 2018 and entered among Key Reward, Total Surplus and Dual Bliss;
“Co-Investor”	Peninsular Wonder Limited, a company incorporated in the British Virgin Islands with limited liability 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;

“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;
“Dual Bliss”	Dual Bliss Limited, a company incorporated in the British Virgin Islands with limited liability;
“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);
“Key Reward”	Key Reward Holdings Limited, a company incorporated in the British Virgin Islands with limited liability;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Phoenix Fund VI”	together Phoenix Asia Real Estate Investments VI(A), L.P. and Phoenix Asia Real Estate Investments VI(B), L.P., both are Cayman Islands exempted limited partnership;
“PRC”	The People’s Republic of China;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Total Surplus”	Total Surplus Holdings Limited, a company incorporated in the British Virgin Islands with limited liability;
“Transfer Document”	The instrument of transfer of Dual Bliss among the Co-Investor, the Investment Manager, Triple Smart Limited and Total Surplus;
“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, 20 April 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.