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JINHUI HOLDINGS COMPANY LIMITED

(Incorporated in Hong Kong with limited liability)

Stock Code: 137

ANNOUNCEMENT

Announcement regarding the recent increases in both the price and the trading volume of the shares of the Company.

This announcement is made at the request of The Stock Exchange of Hong Kong Limited.

The board of directors (the “Board”) of Jinhui Holdings Company Limited (the “Company”) has noted the recent increase in both the price and trading volume of the shares of the Company and wishes to state that save as disclosed below, the Board is not aware of any reasons for such increases.

Fairline Consultants Limited (“Fairline”), a substantial shareholder of the Company, has informed the Company that it had purchased shares of the Company on the market on 7 and 8 October 2004 and a summary of the details of the purchases is as follows:

Date	Number of shares of the Company	Average price
7 October 2004	438,000	HK\$13.9570
8 October 2004	735,400	HK\$16.5789

Accordingly, as at the close of business on 8 October 2004, Fairline has increased its shareholding from 57.74% to 59.97% of the issued share capital of the Company.

Save as disclosed above, the Board also confirms that there are no negotiations or agreements relating to intended acquisitions or realizations which are discloseable under rule 13.23 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”), neither is the Board aware of any matter discloseable under the general obligation imposed by rule 13.09 of the Listing Rules, which is or may be of a price-sensitive nature.

Made by the order of the Board, the directors of which individually and jointly accept responsibility for the accuracy of this statement.

As at the date of this announcement,

- (a) the executive directors of the Company are Ng Siu Fai, Ng Kam Wah Thomas, Ng Ki Hung Frankie and Ho Suk Lin;
- (b) the non-executive director of the Company is Ho Kin Lung; and
- (c) the independent non-executive directors of the Company are Cui Jian Hua and Tsui Che Yin Frank.

By Order of the Board
Ng Siu Fai
Chairman

Hong Kong, 8 October 2004

Please also refer to the published version of this announcement in China Daily.