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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

MAJOR TRANSACTION
DISPOSAL OF TWO VESSELS

20 April 2009

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DEFINITIONS

In this circular, the following expressions have the following meanings unless the context indicates otherwise:

“associates”	has the same meaning ascribed to it under the Listing Rules;
“Board”	the board of Directors;
“Capesize”	a dry bulk vessel of deadweight approximately 150,000 metric tons or above;
“Companies Ordinance”	Companies Ordinance (Chapter 32 of the Laws of Hong Kong);
“Company”	Jinhui Holdings Company Limited;
“Directors”	the directors of the Company;
“Disposal”	the disposal of the First Vessel and the Second Vessel under the First Agreement and the Second Agreement respectively;
“Fairline”	Fairline Consultants Limited, a company incorporated in the British Virgin Islands with limited liability, which is the controlling shareholder of the Company holding 342,209,280 Shares which represent approximately 65.64% of the issued share capital of the Company and voting rights in general meetings of the Company as at the Latest Practicable Date;
“First Agreement”	the memorandum of agreement dated 30 March 2009 entered into between the First Vendor and the Purchasers in respect of the disposal of the First Vessel;
“First Vendor”	Jinman Marine Inc., a wholly-owned subsidiary of Jinhui Shipping;
“First Vessel”	a deadweight 55,496 metric tons bulk carrier “Jin Man” registered in Hong Kong;
“Group”	the Company and its subsidiaries;
“Handymax”	a dry cargo vessel of deadweight approximately 45,000 metric tons;
“Handysize”	a dry cargo vessel of deadweight below 40,000 metric tons;

DEFINITIONS

“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Jinhui Shipping”	Jinhui Shipping and Transportation Limited, a company incorporated in Bermuda and an approximately 54.77% owned subsidiary of the Company as at the Latest Practicable Date, whose shares are listed on the Oslo Stock Exchange, Norway;
“Jinhui Shipping Shares”	ordinary shares of US\$0.05 each in the share capital of Jinhui Shipping;
“Latest Practicable Date”	15 April 2009, being the latest practicable date prior to the printing of this circular for ascertaining certain information referred to in this circular;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“NSCL”	Nisshin Shipping Co., Ltd., a private company incorporated in Japan;
“Panamax(es)”	vessel(s) of deadweight approximately 70,000 metric tons, designed to be just small enough to transit the Panama Canal;
“Post-Panamax(es)”	vessel(s) of deadweight approximately between 90,000 metric tons to 100,000 metric tons;
“Purchasers”	NSCL and RSC;
“RSC”	Ratu Shipping Co., S.A., a private company incorporated in Panama;
“Second Agreement”	the memorandum of agreement dated 30 March 2009 entered into between the Second Vendor and the Purchasers in respect of the disposal of the Second Vessel;
“Second Vendor”	Jinpu Marine Inc., a wholly-owned subsidiary of Jinhui Shipping;
“Second Vessel”	a deadweight 55,496 metric tons bulk carrier “Jin Pu” registered in Hong Kong;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);

DEFINITIONS

“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company;
“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;
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong;
“JPY”	Japanese Yen, the lawful currency of Japan; 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.

LETTER FROM THE BOARD



JINHUI HOLDINGS COMPANY LIMITED

金輝集團有限公司

(Incorporated in Hong Kong with limited liability)

Stock Code: 137

Directors:

Ng Siu Fai (*Chairman*)
Ng Kam Wah Thomas (*Managing Director*)
Ng Ki Hung Frankie
Ho Suk Lin
Cui Jianhua *
Tsui Che Yin Frank *
William Yau *

Registered office:

26th Floor
Yardley Commercial Building
1-6 Connaught Road West
Hong Kong

* *Independent Non-executive Director*

20 April 2009

*To the Shareholders and,
for information only, the holders of options,*

Dear Sir or Madam,

**MAJOR TRANSACTION
DISPOSAL OF TWO VESSELS**

INTRODUCTION

The Directors refer to the announcement of the Company dated 30 March 2009 in relation to the disposal of two vessels pursuant to the First Agreement and the Second Agreement both dated 30 March 2009 entered into between the Purchasers and each of the First Vendor and the Second Vendor.

The purpose of this circular is to give you further information in relation to the Disposal.

LETTER FROM THE BOARD

THE DISPOSAL

Each of the First Vendor and the Second Vendor entered into the First Agreement and the Second Agreement respectively with the Purchasers on 30 March 2009 for the disposal of the First Vessel and the Second Vessel respectively. The Purchasers are NSCL and RSC, who have agreed to acquire jointly each of the First Vessel and the Second Vessel in the ratio of 60% and 40% respectively. Each of the aforementioned agreements is separate and not inter-conditional of each other.

Vendors

The First Vendor and the Second Vendor, both are ship owning companies and wholly-owned subsidiaries of Jinhui Shipping, which are in turn approximately 54.77% owned subsidiaries of the Company as at the Latest Practicable Date.

Purchasers

RSC is a wholly-owned subsidiary of NSCL. The principal activities of both NSCL and RSC are ship owning, ship management, ship operation, ship charter, ship broking, ship agency, and purchase and sale of real estate. To the best of the Board's knowledge, information and belief having made all reasonable enquiry, the Purchasers and their ultimate beneficial owners and their respective associates do not hold shares of the Company, and are third parties independent of the Company and connected persons (as defined in the Listing Rules) of the Company. The Group has not entered into any agreement to acquire or dispose of any other vessel with the Purchasers during the last twelve months from date of the First Agreement and the Second Agreement.

Consideration of the vessels

Under the First Agreement, the First Vendor agrees to dispose of the First Vessel for a consideration of US\$30,000,000 (approximately HK\$234,000,000) payable by the Purchasers as follows:

- (1) an initial deposit of US\$3,000,000 (approximately HK\$23,400,000) was paid by the Purchasers on 6 April 2009 to a bank account in the joint names of the First Vendor and the Purchasers and will be released on the delivery of the First Vessel; and
- (2) the balance of US\$27,000,000 (approximately HK\$210,600,000) will be payable on the delivery of the First Vessel which will take place during the period between 25 May 2009 to 30 June 2009 at the First Vendor's option.

Under the Second Agreement, the Second Vendor agrees to dispose of the Second Vessel for a consideration of US\$30,000,000 (approximately HK\$234,000,000) payable by the Purchasers as follows:

- (1) an initial deposit of US\$3,000,000 (approximately HK\$23,400,000) was paid by the Purchasers on 6 April 2009 to a bank account in the joint names of the Second Vendor and the Purchasers and will be released on the delivery of the Second Vessel; and

LETTER FROM THE BOARD

- (2) the balance of US\$27,000,000 (approximately HK\$210,600,000) will be payable on the delivery of the Second Vessel which will take place during the period between 25 May 2009 to 30 June 2009 at the Second Vendor's option.

The total consideration for the Disposal is US\$60,000,000 (approximately HK\$468,000,000). Each of the consideration of the First Vessel and the Second 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, and on the basis of arm's length negotiations between the Purchasers. However, as a common case in the dry bulk carrier market, there have not been any recently published sales by third party vendors of vessels of the exact size and year of built of the First Vessel and the Second Vessel from which to make a direct comparison.

Vessels

The First Vessel is a Supramax of deadweight 55,496 metric tons, built in February 2008 and registered in Hong Kong. The Second Vessel is a Supramax of deadweight 55,496 metric tons, built in March 2008 and registered in Hong Kong. Each of the First Vendor and the Second Vendor is a special purpose company for holding the First Vessel and the Second Vessel respectively.

The First Vessel has been owned by the Group since February 2008 and its net book value as at 31 December 2008 was approximately HK\$245,867,000. The net profit both before and after taxation and extraordinary items attributable to the First Vendor for the financial year ended 31 December 2008 was approximately HK\$90,355,000.

The Second Vessel has been owned by the Group since March 2008 and its net book value as at 31 December 2008 was approximately HK\$260,130,000. The net profit both before and after taxation and extraordinary items attributable to the Second Vendor for the financial year ended 31 December 2008 was approximately HK\$72,547,000.

Use of payment received

The Group intends to use the net sale proceeds of approximately HK\$144.9 million received pursuant to the First Agreement and the Second 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 will enable the Group to enhance its working capital position and to further improve its liquidity. As at the Latest Practicable Date, the Group owns one modern Capesize, one modern Panamax, twenty one modern grabs fitted Supramaxes (including the First Vessel and the Second Vessel) and one Handymax. Taking into account all existing commitments to acquire and dispose of other vessels as

LETTER FROM THE BOARD

announced by the Company previously, the Group will have additional seventeen newly built grabs fitted Supramaxes, two newly built Post-Panamaxes, two newly built Panamaxs and one newly built Handysize for delivery going forward, where five of which will be delivered in 2009, seven in 2010, six in 2011, three 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 First Agreement and the Second 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.

Based on the net book values of the First Vessel and the Second Vessel as at 31 December 2008 as described above, the Group would realize a total book loss, after estimated expenses and minority interests, of approximately HK\$33.6 million on disposal of the First Vessel and the Second Vessel. However, the actual book loss which the Group would realize upon completion of the Disposal will depend on the actual net book values of the First Vessel and the Second Vessel as at their respective dates of delivery in accordance with the Group's depreciation policy for its vessels as shown in the Company's annual report.

After the Disposal, the Group's property, plant and equipment will decrease by the net book values of the First Vessel and the Second Vessel, the current assets will increase by the balance of net sale proceeds received from the Disposal after repayment of bank loans of the First Vessel and the Second Vessel, and the current and non-current liabilities will decrease by the amount of vessel mortgage loans of the First Vessel and the Second Vessel repayable in full.

GENERAL

Under the Listing Rules, the disposal of the First Vessel and the Second Vessel, in aggregate, constitute a major transaction for the Company and is subject to shareholders' approval in general meeting. Fairline, the controlling shareholder of the Company holding 342,209,280 Shares which represent approximately 65.64% of the issued share capital of the Company and voting rights in general meetings of the Company, and 500,000 Jinhui Shipping Shares which represent approximately 0.59% of the issued share capital of Jinhui Shipping, is not interested in the Disposal other than through its shareholding interest in the Company and Jinhui Shipping. No Shareholder is required to abstain from voting on the Disposal if the Company were to convene a general meeting for the approval of the Disposal, and the Disposal has been approved by a written shareholder's approval from Fairline.

Your attention is also drawn to the appendices to this circular.

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

(1) INDEBTEDNESS

As at the close of business on 28 February 2009, being the latest practicable date for the purpose of this indebtedness statement, the Group had outstanding bank borrowings amounting to approximately HK\$3,446 million. The bank borrowings comprised secured term loans of approximately HK\$3,444 million and secured trust receipt and import loans of approximately HK\$2 million.

As at 28 February 2009, the Group's credit facilities were secured by certain of the Group's property, plant and equipment and investment property with an aggregate net book value of approximately HK\$4,861 million, financial assets at fair value through profit or loss of approximately HK\$46 million and deposits in banks and other financial institution amounting to approximately HK\$76 million. Shares of twenty one ship owning subsidiaries, being members of the Group, were pledged together with the assignment of chartering income of twenty one ship owning subsidiaries to secure credit facilities utilized by the Group. The above outstanding bank borrowings and credit facilities were guaranteed by the Company or Jinhui Shipping.

As at 28 February 2009, the Group had contingent liabilities in respect of (a) a financial guarantee contract which has been issued by Jinhui Shipping since 2006 to a third party for the performance of the obligations of Bocimar Hong Kong Limited, a subsidiary of Bocimar International N.V., regarding the acquisition of a vessel by Bocimar Hong Kong Limited for a consideration of approximately HK\$260 million, and in return, a counter-guarantee was provided by Bocimar International N.V. to Jinhui Shipping; and (b) a counter-indemnity which has been issued by the Group since 2008 to a bank for issuing a guarantee on behalf of a subsidiary of Jinhui Shipping in favour of a charterer of a vessel amounted to approximately HK\$27 million as security for the arbitration proceedings underway in London regarding a claim against the subsidiary for the loss and damage as a result of a stowage dispute.

As at 28 February 2009, save as aforesaid and apart from intra-group liabilities, none of the companies in the Group had any outstanding mortgages, charges, debentures, loan capital, bank overdrafts, loan or indebtedness in the nature of borrowings, debt securities or other similar indebtedness, finance leases or hire purchase commitments, liabilities under acceptances or acceptance credits, or any guarantees or other material contingent liabilities.

(2) FINANCIAL AND TRADING PROSPECTS

The Group has continued to carry on the businesses of investment holding, ship chartering, ship owning, ship operating and trading during the current financial year, and the Directors expect that with cash and marketable equity and debt securities in hand as well as available credit facilities, the Group's financial position remains strong and the Group's steady growth will be maintained.

(3) WORKING CAPITAL

The Directors are of the opinion that after taking into account its internal resources, the existing available credit facilities, the indebtedness statement of the Group as set out in the section headed "(1) INDEBTEDNESS" above and the Disposal, the Group has sufficient working capital for its present requirements for the next twelve-month period from date of this circular.

RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

DISCLOSURE OF INTERESTS

- (a) As at the Latest Practicable Date, the interests and short positions of each Director and chief executive of the Company in the Shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which are required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he or she is taken or deemed to have under such provisions of the SFO) or which are required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein or are required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers were as follows:

Long position*(i) Directors' interests in Shares*

Name	Number of shares in the Company held and capacity			Total	Percentage of total issued Shares
	Beneficial owner	Interest of spouse	Beneficiary of trust		
Ng Siu Fai	19,917,000	16,717,000	342,209,280 <i>(Note 1)</i>	378,843,280	72.66%
Ng Kam Wah Thomas	5,909,000	–	342,209,280 <i>(Note 1)</i>	348,118,280	66.77%
Ng Ki Hung Frankie	–	–	342,209,280 <i>(Note 1)</i>	342,209,280	65.64%
Ho Suk Lin	1,774,000	–	–	1,774,000	0.34%
Cui Jianhua	680,000	–	–	680,000	0.13%
William Yau	241,000	–	–	241,000	0.04%

Note 1: Lorimer Limited, in its capacity as trustee of the Ng Hing Po 1991 Trust, is the legal owner of the entire issued share capital of Fairline which is the legal and beneficial owner of 342,209,280 Shares (representing approximately 65.64% of the total issued Shares) as at the Latest Practicable Date. The Ng Hing Po 1991 Trust is a discretionary trust, the eligible beneficiaries of which include members of the Ng family. Both Messrs. Ng Siu Fai and Ng Kam Wah Thomas are directors of Fairline.

(ii) *Directors' interests in underlying shares of the Company (rights to acquire Shares under the share option scheme of the Company adopted on 18 November 2004)*

Name	No. of options outstanding – Beneficial owner	Exercise price per Share	Date of grant	Exercise period	Percentage of total issued Shares
Ng Siu Fai	31,570,000 (Note 2)	HK\$1.60	23 December 2004	31 March 2006 to 22 December 2014	6.06%
	3,184,000	HK\$1.57	29 June 2006	29 June 2006 to 28 June 2016	0.61%
Ng Kam Wah Thomas	21,050,000 (Note 2)	HK\$1.60	23 December 2004	31 March 2006 to 22 December 2014	4.04%
	3,184,000	HK\$1.57	29 June 2006	29 June 2006 to 28 June 2016	0.61%
Ng Ki Hung Frankie	3,000,000	HK\$1.60	23 December 2004	23 December 2004 to 22 December 2009	0.58%
	3,184,000	HK\$1.57	29 June 2006	29 June 2006 to 28 June 2016	0.61%
Ho Suk Lin	3,000,000	HK\$1.60	23 December 2004	23 December 2004 to 22 December 2009	0.58%
Cui Jianhua	300,000	HK\$1.60	23 December 2004	23 December 2004 to 22 December 2009	0.06%
Tsui Che Yin Frank	1,000,000	HK\$1.60	23 December 2004	23 December 2004 to 22 December 2009	0.19%
William Yau	200,000	HK\$1.60	23 December 2004	23 December 2004 to 22 December 2009	0.04%

Note 2: The grant of share options to each of Messrs. Ng Siu Fai and Ng Kam Wah Thomas had been approved by the Shareholders at the extraordinary general meeting of the Company on 27 January 2005 and are subject to certain conditions including a performance target, whereby the share options became exercisable upon the Group having recorded an audited consolidated net profit of not less than HK\$400 million for the financial year 2005, which had been achieved.

(iii) Directors' interests in associated corporation

Name	Number of Jinhui Shipping Shares held and capacity			Total	Percentage of total issued Jinhui Shipping Shares
	Beneficial owner	Interest of spouse	Beneficiary of trust		
Ng Siu Fai	1,214,700	359,000	46,534,800 <i>(Note 3)</i>	48,108,500	57.24%
Ng Kam Wah Thomas	50,000	–	46,534,800 <i>(Note 3)</i>	46,584,800	55.43%
Ng Ki Hung Frankie	–	–	46,534,800 <i>(Note 3)</i>	46,534,800	55.37%

Note 3: Lorimer Limited, in its capacity as trustee of the Ng Hing Po 1991 Trust, is the legal owner of the entire issued share capital of Fairline which is the controlling shareholder of the Company as disclosed hereinabove. As at the Latest Practical Date, each of Messrs. Ng Siu Fai, Ng Kam Wah Thomas and Ng Ki Hung Frankie, the eligible beneficiaries of the Ng Hing Po 1991 Trust, is deemed to be interested in 46,034,800 Jinhui Shipping Shares (representing approximately 54.77% of the total issued Jinhui Shipping Shares) held by the Company and 500,000 Jinhui Shipping Shares (representing approximately 0.59% of the total issued Jinhui Shipping Shares) held by Fairline through their beneficial interests in the Company and Fairline respectively.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors and chief executive of the Company had any interests and short positions in the Shares, underlying shares and debentures of the Company or any of its associated corporations as defined in the SFO.

- (b) As at the Latest Practicable Date, none of the Directors has any existing or proposed service contracts with any member of the Group not determinable by the Company within one year without payment of compensation (other than statutory compensation).
- (c) As at the Latest Practicable Date, none of the Directors or their respective associates has any interests in any company or business which competes or may compete with the businesses of the Group.
- (d) As at the Latest Practicable Date, none of the Directors has or has had direct or indirect interest in any assets acquired or disposed of by or leased to or by or proposed to be acquired or disposed of by or leased to or by any member of the Group since the date to which the latest published audited annual financial statements of the Group were made up.
- (e) There is no contract or arrangement subsisting at the date of this circular in which any of the Directors is materially interested and which is significant in relation to the business of the Group.

SUBSTANTIAL SHAREHOLDERS

As at the Latest Practicable Date, so far as was known to any Director or chief executive of the Company, the following persons (other than a Director or chief executive of the Company) have, or were deemed or taken to have interests or short positions in the Shares and underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept by the Company under Section 336 of the SFO:

Long position

Name of Shareholders	Capacity	No. of Shares	No. of Shares (Option)	Percentage of total issued Shares
Fairline	Beneficial owner	342,209,280	–	65.64%
Wong Yee Man Gloria	Beneficial owner and interest of spouse	378,843,280 *	–	72.66%
	Interest of spouse	–	34,754,000 **	6.67%

* *The interest in Shares includes 16,717,000 Shares in which Ms. Wong Yee Man Gloria is interested as a beneficial owner and 362,126,280 Shares in which she is deemed to be interested through the interest of her spouse, Mr. Ng Siu Fai (as disclosed hereinabove).*

** *Ms. Wong Yee Man Gloria is deemed to be interested in the options to subscribe for 34,754,000 Shares held by her spouse, Mr. Ng Siu Fai (as disclosed hereinabove).*

LITIGATIONS

As at the Latest Practicable Date, the legal proceedings against members of the Group which are or may be of material importance are as follows:

- (a) A charterer is claiming around US\$3.5 million against Wokefield Enterprises Limited, a wholly-owned subsidiary of Jinhui Shipping, for the loss and damages as a result of a stowage dispute between the owner and sub-charterer of the vessel. The dispute is now arbitrating in London.
- (b) A charterer is claiming around US\$1.7 million inclusive interests and costs against Atwell Enterprises Limited, a wholly-owned subsidiary of Jinhui Shipping, for the loss and damages as a result of a breakdown of the main engine after consuming the bunkers supplied by the charterer. Atwell Enterprises Limited is counter-claiming around US\$60,000 plus interests and costs as damages against the charterer for the loss and damages caused by the inferior bunkers supplied by the charterer. The dispute has been referred to arbitration in London. Arbitrators were appointed.

Save as disclosed herein, neither the Company nor any of its subsidiaries was engaged in any litigation or arbitration of material importance and there was no litigation or claim of material importance known to the Directors to be pending or threatened by or against the Company or any of its subsidiaries as at the Latest Practicable Date.

MATERIAL CONTRACTS

The following contracts have been entered into by members of the Group (marked with an “*” below) within two years preceding the date of this circular and each of which is or may be material:

- (1) an agreement dated 7 May 2007 entered into between Jinze Marine Inc.* and Mitsubishi Corporation regarding the acquisition of a vessel at a consideration of JPY1,910,500,000 and US\$17,500,000;
- (2) an agreement dated 7 May 2007 entered into between Jinjiang Marine Inc.* and Mitsubishi Corporation regarding the acquisition of a vessel at a consideration of JPY1,910,500,000 and US\$17,500,000;
- (3) an agreement dated 8 May 2007 entered into between Jinkang Marine Inc.* and Royal Maritime Limited regarding the disposal of a vessel at a consideration of US\$53,725,000;
- (4) an agreement dated 22 May 2007 entered into between Jinxiao Marine Inc.* and Bocimar Hong Kong Limited regarding the disposal of a vessel at a consideration of JPY1,773,233,000 and US\$16,569,500;
- (5) an agreement dated 22 May 2007 entered into between Jinjiang Marine Inc.* and Bocimar Hong Kong Limited regarding the disposal of a vessel at a consideration of JPY1,929,798,000 and US\$17,685,600;
- (6) an agreement dated 30 May 2007 entered into between Jinsui Marine Inc.*, Dragonmark International Inc., China Shipbuilding Trading Company, Limited and Shanghai Shipyard Co., Ltd. regarding the acquisition of a vessel at a consideration of US\$41,000,000;
- (7) an agreement dated 30 May 2007 entered into between Jintong Marine Inc.*, Dragonmark International Inc., China Shipbuilding Trading Company, Limited and Shanghai Shipyard Co., Ltd. regarding the acquisition of a vessel at a consideration of US\$41,000,000;
- (8) an agreement dated 30 May 2007 entered into between Jinwan Marine Inc.*, Dragonmark International Inc., China Shipbuilding Trading Company, Limited and Shanghai Shipyard Co., Ltd. regarding the acquisition of a vessel at a consideration of US\$41,000,000;
- (9) an agreement dated 30 May 2007 entered into between Jingang Marine Inc.*, Dragonmark International Inc., China Shipbuilding Trading Company, Limited and Shanghai Shipyard Co., Ltd. regarding the acquisition of a vessel at a consideration of US\$41,000,000;

- (10) an agreement dated 30 May 2007 entered into between Jinji Marine Inc.*, Dragonmark International Inc., China Shipbuilding Trading Company, Limited and Shanghai Shipyard Co., Ltd. regarding the acquisition of a vessel at a consideration of US\$41,000,000;
- (11) an agreement dated 30 May 2007 entered into between Jinjun Marine Inc.*, Dragonmark International Inc., China Shipbuilding Trading Company, Limited and Shanghai Shipyard Co., Ltd. regarding the acquisition of a vessel at a consideration of US\$41,000,000;
- (12) an agreement dated 30 May 2007 entered into between Jinao Marine Inc.*, Dragonmark International Inc., China Shipbuilding Trading Company, Limited and Shanghai Shipyard Co., Ltd. regarding the acquisition of a vessel at a consideration of US\$41,000,000;
- (13) an agreement dated 30 May 2007 entered into between Jinyue Marine Inc.*, Dragonmark International Inc., China Shipbuilding Trading Company, Limited and Shanghai Shipyard Co., Ltd. regarding the acquisition of a vessel at a consideration of US\$41,000,000;
- (14) an agreement dated 23 August 2007 entered into between Jinying Marine Inc.* and Xing Long Maritime S.A. regarding the acquisition of a vessel at a consideration of US\$59,000,000;
- (15) an agreement dated 29 October 2007 entered into between Jinrui Marine Inc.* and Xing Long Maritime S.A. regarding the acquisition of a vessel at a consideration of US\$67,250,000;
- (16) an agreement dated 5 November 2007 entered into between Jinxiang Marine Inc.* and Sumitomo Corporation regarding the acquisition of a vessel at a consideration of JPY4,100,000,000;
- (17) an agreement dated 23 November 2007 entered into between Jinchao Marine Inc.*, China Shipbuilding & Offshore International (H.K.) Co., Ltd. and Dalian Shipbuilding Industry Co., Ltd. regarding the acquisition of a vessel at a consideration of US\$122,620,000, which was terminated by the Group on 31 January 2008;
- (18) an agreement dated 23 November 2007 entered into between Jinning Marine Inc.*, China Shipbuilding & Offshore International (H.K.) Co., Ltd. and Dalian Shipbuilding Industry Co., Ltd. regarding the acquisition of a vessel at a consideration of US\$122,620,000, which was terminated by the Group on 31 January 2008;
- (19) an amendment agreement dated 27 November 2007 entered into between Jinming Marine Inc.* and Sumitomo Corporation regarding the amendment to certain terms of an agreement dated 30 November 2006, inter alia, the consideration is changed from JPY3,430,000,000 to JPY3,755,000,000;
- (20) an amendment agreement dated 27 November 2007 entered into between Jinhan Marine Inc.* and Sumitomo Corporation regarding the amendment to certain terms of an agreement dated 9 January 2007, inter alia, the consideration is changed from JPY3,440,000,000 to JPY3,765,000,000;

- (21) an amendment agreement dated 27 November 2007 entered into between Jinhong Marine Inc.* and Sumitomo Corporation regarding the amendment to certain terms of an agreement dated 9 January 2007, inter alia, the consideration is changed from JPY3,440,000,000 to JPY3,765,000,000;
- (22) an agreement dated 14 December 2007 entered into between Jinqing Marine Inc.* and Mitsubishi Corporation regarding the acquisition of a vessel at a consideration of JPY4,500,000,000;
- (23) an agreement dated 19 December 2007 entered into between Huafeng Shipping Inc.* and Xing Long Maritime S.A. regarding the acquisition of a vessel at a consideration of US\$80,000,000;
- (24) an agreement dated 10 March 2008 entered into between Jinchao Marine Inc.* and Xing Long Maritime S.A. regarding the acquisition of a vessel at a consideration of JPY5,550,000,000;
- (25) an agreement dated 11 April 2008 entered into between Jinhai Marine Inc.* and Tolani Shipping Co. Ltd. regarding the disposal of a vessel at a consideration of US\$74,250,000;
- (26) an agreement dated 16 April 2008 entered into between Huafeng Shipping Inc.* and Panoria Maritime Inc. regarding the disposal of a vessel at a consideration of US\$81,000,000;
- (27) an agreement dated 16 April 2008 entered into between Jinying Marine Inc.* and Panoceanis Maritime Inc. regarding the disposal of a vessel at a consideration of US\$79,000,000;
- (28) an agreement dated 19 May 2008 entered into between Jinning Marine Inc.*, Sumitomo Corporation and Oshima Shipbuilding Co., Ltd. regarding the acquisition of a vessel at a consideration of JPY5,100,000,000;
- (29) an agreement dated 28 June 2008 entered into between Jinmei Marine Inc.*, Dragonmark International Inc., Jiangsu Tianyuan Marine Import & Export Company Limited and Jiangsu New Yangzi Shipbuilding Company Limited regarding the acquisition of a vessel at a consideration of US\$63,300,000;
- (30) an agreement dated 28 June 2008 entered into between Jinlang Marine Inc.*, Dragonmark International Inc., Jiangsu Tianyuan Marine Import & Export Company Limited and Jiangsu New Yangzi Shipbuilding Company Limited regarding the acquisition of a vessel at a consideration of US\$63,300,000;
- (31) an agreement dated 30 June 2008 entered into between Jinyu Marine Inc.*, Sumitomo Corporation and Naikai Zosen Corporation regarding the acquisition of a vessel at a consideration of JPY4,500,000,000;

- (32) an agreement dated 11 July 2008 entered into between Huafeng Shipping Inc.* and STX (Dalian) Shipbuilding Co., Ltd. regarding the acquisition of a vessel at a consideration of US\$46,500,000;
- (33) an agreement dated 25 July 2008 entered into between Jinying Marine Inc.* and Xing Long Maritime S.A. regarding the acquisition of a vessel at a consideration of JPY5,350,000,000;
- (34) an agreement dated 30 March 2009 entered into between Jinman Marine Inc.*, Nisshin Shipping Co., Ltd. and Ratu Shipping Co., S.A. regarding the disposal of a vessel at a consideration of US\$30,000,000; and
- (35) an agreement dated 30 March 2009 entered into between Jinpu Marine Inc.*, Nisshin Shipping Co., Ltd. and Ratu Shipping Co., S.A. regarding the disposal of a vessel at a consideration of US\$30,000,000.

DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection during normal business hours at the registered office of the Company in Hong Kong at 26th Floor, Yardley Commercial Building, 1-6 Connaught Road West, Hong Kong up to and including 4 May 2009:

- (a) Memorandum and Articles of Association of the Company;
- (b) the annual reports of the Company for the two financial years ended 31 December 2007 and 2008 respectively;
- (c) the material contracts as disclosed in this circular;
- (d) this circular; and
- (e) the written approval dated 30 March 2009 given by Fairline in relation to the Disposal.

GENERAL

- (a) The secretary of the Company is Ms. Ho Suk Lin, a fellow member of both the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants and also an associate member of the Institute of Chartered Accountants in England and Wales.
- (b) The registered office, also the head office, of the Company is situated at 26th Floor, Yardley Commercial Building, 1-6 Connaught Road West, Hong Kong.
- (c) The principal share registrar and transfer office of the Company in Hong Kong is Tricor Standard Limited of 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong.
- (d) The English text of this circular shall prevail over the Chinese text.