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Ming Kei Energy Holdings Limited

明基能源控股有限公司*

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8239)

DISCLOSEABLE TRANSACTION: ACQUISITION OF REAL PROPERTY

On 15 May 2008, the Purchaser entered into the Sale and Purchase Agreement with the Vendor in relation to the acquisition of the Property for a cash consideration of RMB14,493,200 (equivalent to approximately HK\$16,158,469).

The Acquisition constitutes a discloseable transaction on the part of the Company under the GEM Listing Rules.

A circular, containing further information regarding, among other matters, the Acquisition, will be despatched to the Shareholders as soon as possible.

SALE AND PURCHASE AGREEMENT

On 15 May 2008, the Purchaser, an indirect wholly-owned subsidiary of the Company, entered into the Sale and Purchase Agreement with the Vendor in relation to the acquisition of the Property for a cash consideration of RMB14,493,200 (equivalent to approximately HK\$16,158,469).

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, each of the Vendor and its ultimate beneficial owners, 陳強 (Mr. Chen Qiang)[#], 陳剛 (Mr. Chen Gang)[#] and 陳志峰 (Mr. Chen Zhi Feng)[#], is independent third party, independent of the Company and its connected persons within the meaning of the GEM Listing Rules. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Vendor is an investment holding company.

* For identification purposes only

Asset to be acquired:

Pursuant to the Sale and Purchase Agreement, the Vendor agreed to sell and the Purchaser agreed to acquire the Property subject to and upon the terms and conditions of the Sale and Purchase Agreement. To the best of the Directors' knowledge, information and belief, having made all reasonable enquires, the Property has a gross area of approximately 1,811.65 sq.m. and is at present vacant. As confirmed by the Vendor, the construction of the Yema Building (where the Property is located) was completed on 19 December 2006, and the Property has been vacant since then and there is no net profit attributable to the Property.

Consideration:

The consideration for the Property is RMB14,493,200 (equivalent to approximately HK\$16,158,469) which will be settled by the Purchaser in cash upon entering into the Sale and Purchase Agreement. As at the date of this announcement, the consideration had been financed by the internal resources of the Purchaser.

The consideration for the Property, representing RMB8,000 (equivalent to approximately HK\$8,919) per sq.m., was arrived at after arm's length negotiations between the parties to the Sale and Purchase Agreement in normal commercial terms after having taken into account the valuation on the Property conducted by an independent valuer, Greater China Appraisal Limited, the Property is valued at RMB14,500,000 (equivalent to approximately HK\$16,166,050) by using the comparison method where comparison based on prices realized or market prices of comparable properties is made. Comparable properties of similar size, character and location are analyzed and carefully weighted against all the respective advantages and disadvantages of each other comparable properties in order to arrive at an arm's length value.

The Directors (including the independent non-executive Directors) consider that the terms of the Sale and Purchase Agreement are fair and reasonable and in normal commercial terms and in the interests of the Company and the Shareholders as a whole.

Condition precedent

Completion of the Acquisition is subject to the obtaining of a PRC legal opinion (in form and substance satisfactory to the Purchaser) from a PRC legal adviser appointed by the Purchaser in relation to the Sale and Purchase Agreement and the Supplemental Agreement and the Property and the transaction contemplated thereby.

Completion

Completion has been taken place on 15 May 2008. Pursuant to the Supplement Agreement signed immediately after entering into the Sale and Purchase Agreement, the Vendor agree to the Purchaser that it shall procure the transfer registration of legal title of the Property to be completed within 90 days from the entering into the Supplemental Agreement or the Vendor have to pay the Purchaser RMB72,466 (equivalent to approximately HK\$80,792), being 0.5% of the consideration for the Property as damages for breach of the Sale and Purchase Agreement.

REASON FOR THE ACQUISITION

The Group is principally engaged in (a) mining, sale and distribution of coals in the PRC and (b) the provision of various logistics services.

At present, the Purchaser and 奇台縣澤旭商貿有限責任公司 (Qitai County Zexu Trading Enterprise Limited)[#], both are indirect wholly-owned subsidiaries of the Company, are leasing office in Urumqi, Xinjiang Uygur Autonomous Region of the PRC. The Directors intend to use the Property as the office of the Purchaser and 奇台縣澤旭商貿有限責任公司 (Qitai County Zexu Trading Enterprise Limited)[#] in Urumqi, Xinjiang Uygur Autonomous Region of the PRC. The Acquisition will enable the Group to have its own place of business in Urumqi, Xinjiang Uygur Autonomous Region of the PRC, thereby avoiding any increase in rental expenses from leasing of property in the long run.

GENERAL

The Acquisition constitutes a discloseable transaction on the part of the Company under the GEM Listing Rules.

A circular, containing further information regarding, among other matters, the Acquisition, will be despatched to the Shareholders as soon as possible.

DEFINITIONS

The following expressions have the following meanings in this announcement.

“Acquisition”	the acquisition of the Property subject to and upon the terms and conditions of the Sale and Purchase Agreement and the Supplemental Agreement
“Board”	the board of Directors from time to time
“Company”	Ming Kei Energy Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued shares of which are listed on GEM
“Completion”	completion of the Acquisition in accordance with the terms and conditions of the Sale and Purchase Agreement
“Director(s)”	the director(s), including the independent non-executive directors of the Company from time to time
“Group”	the Company and its subsidiaries from time to time
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

“PRC”	the People’s Republic of China and for the purposes of this announcement excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Property”	中華人民共和國新疆維吾爾自治區烏魯木齊市昆明路158號野馬科技大廈A座第6層2號房 (Unit 2, 6th Floor, Block A, Yema Building, No. 158, Kunming Road, Urumqi, Xinjiang, Uygur Autonomous Region, PRC)#
“Purchaser”	木壘縣凱源煤炭有限責任公司 (Mulei County Kai Yuan Coal Company Limited)#, an indirect wholly-owned subsidiary of the Company
“Sale and Purchase Agreement”	the formal agreement for sale and purchase of the Property dated 15 May 2008 and entered into between the Purchaser and the Vendor
“Shareholder(s)”	the holder(s) of the Share(s) from time to time
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supplemental Agreement”	the supplemental agreement to the Sale and Purchase Agreement dated 15 May 2008 and entered into between the Purchaser and the Vendor
“Vendor”	新疆野馬經貿有限公司 (Xinjiang Yema Economy & Trade Company Limited)#, the beneficial owner of the Property
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC
“sq. m”	square metre

The English translation of the Chinese names in this announcement, where indicate, is included for information purpose only and should not be regarded as the official English names of such Chinese names.

Translation of RMB into Hong Kong dollars are based on the exchange rates of RMB1 to HK\$1.1149 for information purpose only. Such translation should not be translated as a representation that the relevant amounts have been, could have been, or could be converted at that or any rate or at all.

By Order of the Board
Ming Kei Energy Holdings Limited
Mr. Guo Xu
Chairman

Hong Kong, 15 May 2008

As at the date of this announcement, the Company's executive directors are Mr. Yeung Leung Kong, Mr. Cheung King Shan, Mr. Guo Xu, Mr. Cheung Chi Hwa, Justin and Mr. Li Hai and the Company's independent non-executive directors are Mr. Wong Ming, Kerry, Mr. Tam Chak Chi and Mr. Sung Wai Tak, Herman.

This announcement, for which the directors of the Company (the "Directors") collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (i) the information contained in this announcement is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this announcement misleading; and (iii) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This announcement will remain on the GEM website on the "Latest Company Announcements" page for at least 7 days from the date of its posting and the Company's website at www.mingkeienergy.com.