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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)**

### **ANNOUNCEMENT OF ESTIMATED IMPROVEMENT IN RESULTS FOR THE YEAR ENDED 31 MARCH 2008**

#### **ESTIMATED IMPROVEMENT IN RESULTS FOR THE YEAR ENDED 31 MARCH 2008**

This announcement is made pursuant to Rule 17.10 of the GEM Listing Rule.

For the year ended 31 March 2007, the Group recorded an audited net loss attributable to equity holders of the Company of approximately HK\$10.5 million. It is expected that based on the preliminary estimation by the Company, the results of the Group for the year ended 31 March 2008 will improve compared with that for the year ended 31 March 2007 and the Group will record a net profit.

The improvement in the results of the Group for the year ended 31 March 2008 was mainly due to the Acquisition of the new business engaging in mining, sale and distribution of coals in the PRC on 19 November 2007 and excess of the group's share of net fair value of the interests in subsidiaries acquired over the cost of the acquisition from the Acquisition. This newly acquired business diversified the Group's business into production and sale of coals in the PRC and it offered the Group a good business opportunity in view of the continuous robust growth of the economy and driven by an increasing growth of energy demand in the PRC due to unsustainable nature of the mining resources.

The Board wishes to inform the shareholders of the Company and potential investors that it is expected that the results of the Group for the year ended 31 March 2008 will improve compared with that for year ended 31 March 2007 and the Group will record a net profit.

The information as contained in this announcement is only the preliminary assessment by the Company based on the management accounts of the Group for the year ended 31 March 2008 which has not been confirmed by the Company's auditor.

**Shareholders of the Company and potential investors should exercise caution when dealing in the shares of the Company.**

\* For identification purpose only

This announcement is made by the Ming Kei Energy Holdings Limited (the “Company”) and its subsidiaries (collectively refer as the “Group”) pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on the Growth Enterprise Market (the “GEM Listing Rules”) of the Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

### **Estimated Improvement in Results for the Year Ended 31 March 2008**

For the year ended 31 March 2007, the Group recorded an audited net loss attributable to equity holders of the Company of approximately HK\$10.5 million. It is expected that based on the preliminary estimation by the Company, the results of the Group for the year ended 31 March 2008 will improve compared with that for the year ended 31 March 2007 and the Group will record a net profit.

The improvement in the results of the Group for the year ended 31 March 2008 was mainly due to the acquisition (the “Acquisition”) of the new business engaging in mining, sale and distribution of coals in the People’s Republic of China (the “PRC”) on 19 November 2007 and excess of the group’s share of net fair value of the interests in subsidiaries acquired over the cost of the acquisition from the Acquisition. This newly acquired business diversified the Group’s business into production and sale of coals in the PRC and it offered the Group a good business opportunity in view of the continuous robust growth of the economy and driven by an increasing growth of energy demand in the PRC due to unsustainable nature of the mining resources.

Reference is also made to the circular of the Company dated 15 October 2007 (the “Circular”) in relation to the Acquisition of the entire issued share capital of the Ming Kei Kai Yuan Investment Company Limited (the “Ming Kei Kai Yuan”) by the Company. Ming Kei Kai Yuan is an investment holding company and its subsidiaries principally engaged in mining, sale and distribution of coals in the PRC and the two coal mines namely 凱源露天煤礦 (Kaiyuan Open Pit Coal Mine)<sup>#</sup> and 澤旭露天煤礦 (Zexu Open Pit Coal Mine)<sup>#</sup> which operated and managed by the Group are located in 北塔山 (Bei Ta Mountain)<sup>#</sup>, 奇台縣 (Qi Tai County)<sup>#</sup>, Xinjiang Uygur Autonomous Region of the PRC. As set out in the Circular, Mr. Wong Wai Ngok, Mr. Wong Wai Sing and Ming Kei International Holding Company Limited, all together, are the beneficial owners of the entire issued share capital of Ming Kei Kai Yuan immediately before the completion of the Acquisition. Mr. Wong Wai Sing, one of the beneficial owner of the Ming Kei Kai Yuan immediately before the completion of the Acquisition, has guaranteed in favour of the Group that the Ming Kei Kai Yuan and its subsidiaries could achieve HK\$120,000,000 audited net profit (the “Audited Net Profit”) in aggregate will not be less than an average of HK\$60,000,000 for each of the two financial years ending 31 December 2008 and 31 December 2009, i.e. HK\$120,000,000 in aggregate (the “Profit Guarantee”).

However, in the event that the Profit Guarantee is not achieved, the amount of the total consideration for the promissory notes amounted to HK\$282,000,000 (the “Consideration”) which payable to Mr. Wong Wai Ngok, Mr. Wong Wai Sing and Ming Kei International Holding Company Limited by the Company will be adjusted downwards by setting off against the payment obligations of the Company under the promissory notes on a dollar to dollar basis in an amount equivalent to the difference between the Audited Net Profit and the Profit Guarantee for the purpose of the adjustment mechanism for the Consideration of the Acquisition.

On the basis that the Group has acquired a profit-making business during the financial year ended 31 March 2008 under review, it is expected that the results of the Group for the year ended 31 March 2008 will improve compared with that for the year ended 31 March 2007 and the Group will have a remarkable turnaround to record a net profit.

The Board wishes to inform the shareholders of the Company and potential investors that it is expected that the results of the Group for the year ended 31 March 2008 will improve compared with that for year ended 31 March 2007 and the Group will record a net profit.

The information as contained in this announcement is only the preliminary assessment by the Company based on the management accounts of the Group for the year ended 31 March 2008 which has not been confirmed by the Company's auditor. Shareholders of the Company and potential investors should read the Company's annual results announcement for the year ended 31 March 2008 carefully, which is expected to be published on 30 June 2008.

**Shareholders of the Company and potential investors should exercise caution when dealing in the shares of the Company.**

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

Hong Kong, 27 June 2008

# *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.*

*Made by the order of the Board, the Directors of which collectively and individually accept responsibility for the accuracy of this announcement.*

*As at the date of this announcement, the executive Directors are Mr. Yeung Leung Kong, Mr. Cheung King Shan, Mr. Guo Xu, Mr. Li Hai and Mr. Li Qing and the independent non-executive Directors are Mr. Sung Wai Tak, Herman, Mr. Fung Ho Yin and Mr. Chung Ho Tung.*

*This announcement, for which 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](http://www.mingkeienergy.com).*