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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)

MEMORANDUM OF UNDERSTANDING IN RESPECT OF POSSIBLE ACQUISITION OF THE ENTIRE INTEREST IN HONGKONG TALENT HOLDINGS LIMITED

Financial adviser to the Company



INCUBUS CORPORATE FINANCE LIMITED

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

MEMORANDUM OF UNDERSTANDING IN RESPECT OF THE POSSIBLE ACQUISITION

The Board announces that on 17 June 2009 (after trading hours), Star Trading, an indirect wholly-owned subsidiary of the Company, entered into the non-legally binding MOU with the Vendors in relation to the Possible Acquisition. A refundable deposit of HK\$18,000,000 has been paid by the Group pursuant to the MOU.

The Target is incorporated in Hong Kong and is principally engaged in investment holding. The principal asset of the Target is its interest in the PRC Subsidiary and 100% indirect attributable interests in the Property.

* For identification purposes only

The Board wishes to emphasize that no binding agreement in relation to the Possible Acquisition has been entered into as at the date of this announcement. As such, the Possible Acquisition may or may not proceed. If the Possible Acquisition is materialised, it will or will not constitute a notifiable and/or connected transaction on the part of the Company. Shareholders and investors are urged to exercise caution when dealing in the securities of the Company. Further announcement in respect of the Possible Acquisition will be made by the Company in the event any Formal Agreement has been signed.

This announcement is made by the Company and the Group pursuant to Rule 17.10 of the GEM Listing Rules.

MEMORANDUM OF UNDERSTANDING IN RESPECT OF THE POSSIBLE ACQUISITION

The Board announces that Star Trading, an indirect wholly-owned subsidiary of the Company entered into the non-legally binding memorandum of understanding with the Vendors in relation to the Possible Acquisition.

Date: 17 June 2009 (after trading hours)

Parties:

The Purchaser: Star Trading, an indirect wholly-owned subsidiary of the Company;

The Vendors:

- (a) Mr. Poon, which is the legal and beneficial owner of the 90% issued share capital of the Target; and
- (b) Best Rise, which is the legal and beneficial owner of the 10% issued share capital of the Target.

Mr. Poon is not a connected person of the Company and is an independent third party not connected with the Company and its connected persons.

Best Rise, is an investment holding company is a connected person of the Company, as its ultimate beneficial owner, Mr. Wong Wai Sing is a Director and a substantial Shareholder.

Major terms of the MOU

Under the MOU, it is proposed that Star Trading, will acquire the entire issued share capital of the Target from the Vendors.

The principal asset of the Target is its interest in the PRC Subsidiary and 100% indirect attributable interests in Property. Based on the best information, knowledge and belief of the Directors, the Property is a commercial property located in Shenzhen, the PRC with the total gross floor area of approximately 321.35 sq.m..

Under the MOU, both Star Trading and the Vendors will proceed to the negotiation for a legally-binding Formal Agreement on or before 31 July 2009 (or such later date to be agreed by the parties thereto).

It is also agreed that the Vendors will not, prior to 31 July 2009, negotiate with any party for the Possible Acquisition.

Deposit

The Deposit was paid by the Group to the Vendors forthwith upon the signing of the MOU. As security for the performance of the Vendors to repay the Deposit if necessary, a guarantee, a share charge and an assignment of shareholder's loan have been executed by each of the Vendors and/or its beneficial shareholder in favour of Star Trading.

The Deposit was financed from the Group's internal resources. The Directors (including the independent non-executive Directors) consider that the Deposit, as one of the terms of the MOU, in exchange for an exclusivity period agreed by the Vendors from the date of the MOU up to 31 July 2009, is determined and negotiated by the parties to the MOU on an arm's length basis and is fair and reasonable, under normal commercial terms and in the interests of the Company and the Shareholders as a whole.

If no legally-binding Formal Agreement has been entered into on or before the aforesaid date, the Deposit will be refunded to Group in full (without interest) within two business days and the security as stated above will be released accordingly.

The consideration for the Possible Acquisition (including the method of payment) shall be subject to further negotiation between the parties, the property valuation of the Property and the due diligence to be conducted by the Group on the Property.

The MOU does not constitute legally-binding commitment in respect of the Possible Acquisition. The Possible Acquisition is subject to the execution and completion of the Formal Agreement.

If the Formal Agreement is entered into, it is expected that the Possible Acquisition will or will not constitute a notifiable and/or connected transaction on the part of the Company pursuant to the GEM Listing Rules. In this regard, the Company will comply with the reporting, disclosure and/or Shareholders' approval requirements under the GEM Listing Rules.

Reasons for the Possible Acquisition

The Group is principally engaged in mining, sale and distribution of coals in the PRC.

At present, the Group is leasing its office in Shenzhen, the PRC the Directors (including the independent non-executive Directors) intend to use the Property as the principal office of the Group in Shenzhen. The acquisition will enable the Group to have its own place of business in Shenzhen thereby avoiding any increase in rental expenses from leasing of property in the long run.

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DEFINITIONS

In this announcement, unless the context otherwise requires, the following words and expressions shall have the following meanings when used herein:

“Best Rise”	Best Rise Asia Limited, a company incorporated in Hong Kong, with limited liability, one of the vendors of the Possible Acquisition, the shares of which is beneficially and wholly-owned by Mr. Wong Wai Sing, an executive Director and substantial Shareholder
“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 (stock code: 8239)
“connected persons”	has the meaning ascribed thereto in the GEM Listing Rules
“Deposit”	HK\$18,000,000 being the refundable deposit paid by the Group under the MOU for the Possible Acquisition
“Director(s)”	the director(s) of the Company (including the independent non-executive directors) from time to time
“Formal Agreement”	the formal sale and purchase agreement which may or may not be entered into in relation to the Possible Acquisition
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries from time to time
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“MOU”	the non-legally binding memorandum of understanding dated 17 June 2009 (after trading hours) entered into between Star Trading and the Vendors setting out the preliminary understanding in relation to the Possible Acquisition

“Mr. Poon”	Mr. Poon Chi Ho, a Hong Kong citizen, beneficially interested in 90% equity interests in the Target
“Possible Acquisition”	the possible acquisition by the Group from the Vendors of the entire issued share capital of the Target as contemplated in the MOU
“PRC”	the People’s Republic of China, which for the purposes of this announcement, excludes Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“PRC Subsidiary”	明基富城科技(深圳)有限公司 (transliterated as Ming Kei Fu Shing Technology (Shenzhen) Limited Company), a wholly-owned foreign enterprise established in the PRC and is beneficially owned as to 100% by the Target, the legal and beneficial owner of the Property
“Property”	a commercial property located at Room A, Floor 13, Noble Center, Fuzhong San Road, Futian District, Shenzhen, the PRC, with the total gross floor area of approximately 321.35 sq.m., it is legal and beneficially owned by the PRC Subsidiary
“Share(s)”	share(s) of HK\$0.01 each in the capital of the Company
“Shareholder(s)”	holders of the issued Shares from time to time
“Star Trading”	Star Trading International Investment Company Limited, a company incorporated in the British Virgin Islands with limited liability, an indirect wholly-owned subsidiary of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target”	HongKong Talent Holdings Limited 香港迪康集團有限公司 which is a company incorporated in Hong Kong with limited liability, the shares of which is owned as to 90% by Mr. Poon and 10% by Best Rise
“Vendors”	together, Mr. Poon and Best Rise
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“sq.m.”	square metres

By order of the Board of
Ming Kei Energy Holdings Limited
Mr. Tsang Ho Ka, Eugene
Chief Executive Officer and Executive Director

Hong Kong, 18 June 2009

As at the date of this announcement, the executive Directors are Ms. Yick Mi Ching Dawnibilly, Mr. Tsang Ho Ka, Eugene, Mr. Wong Wai Sing and Mr. Luk Yue Kan, and the independent non-executive Directors are Mr. Fung Ho Yin, Mr. Sung Wai Tak, Herman, 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.