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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)

**(1) CHANGE OF DOMICILE;
(2) REORGANISATION OF SHARE CAPITAL;
(3) CHANGE IN BOARD LOT SIZE;
(4) PROPOSED CHANGE OF COMPANY NAME;
(5) CANCELLATION OF ALL OUTSTANDING SHARE OPTIONS
GRANTED BUT NOT EXERCISED;
AND
(6) REDESIGNATION OF DIRECTOR
AND
APPOINTMENT AND RESIGNATION OF CHAIRMAN AND
APPOINTMENT OF MEMBER OF REMUNERATION COMMITTEE**

Financial Adviser to the Company



INCUB Corporate Finance Limited

CHANGE OF DOMICILE AND CAPITAL REORGANISATION

The Directors propose to change the domicile of the Company from the Cayman Islands to Bermuda by way of de-registration in the Cayman Islands and continuation as an exempted company under the laws of Bermuda and proposed to effect a Capital Reorganisation by way of (a) the Share Consolidation of every fifty Shares of HK\$0.01 each in the issued and unissued share capital of the Company into one Consolidated Share of HK\$0.50 each in the issued and unissued share capital of the Company; (b) the Capital Reduction involving the reduction of the issued share capital of the Company through a cancellation of the paid-up capital of the Company to the extent of HK\$0.49 on each of the issued Consolidated Shares so that the nominal value of each issued Consolidated Share will be reduced from HK\$0.50 to HK\$0.01; (c) the subdivision of each authorised but unissued Consolidated

* For identification purposes only

Share of HK\$0.50 each into 50 New Shares of HK\$0.01 each; and (d) the Share Premium Reduction whereby the entire amount standing to the credit of the share premium account of the Company as at the date of EGM will be reduced and cancelled. The credit of HK\$25,872,000 arising from the Reduction of Issued Share Capital will be used to offset the Accumulated Losses. The credit of approximately HK\$841,530,000 arising from the Share Premium Reduction will be used to offset the Accumulated Losses and the remaining balance of such credit will be transferred to the contributed surplus account of the Company.

The Change of Domicile and Capital Reorganisation are each conditional upon fulfillment of certain conditions as more particularly described in the paragraphs headed “Conditions of the Change of Domicile” and “Conditions of the Capital Reorganisation” below.

The Change of Domicile is not conditional upon the Capital Reorganisation becoming effective. However, the Capital Reorganisation is conditional upon the Change of Domicile becoming effective. Subject to the fulfilment of the conditions, the Directors expect the Change of Domicile will be completed by 30 November 2009 and the Capital Reorganisation will be completed until further notice upon fulfilling all the conditions of Capital Reorganisation. Subject to the completion of the Change of Domicile, the Company proposes to adopt a new memorandum of continuance and bye-laws in compliance with Bermuda laws to replace the existing memorandum and articles of association of the Company.

The Capital Reorganisation is proposed in order to provide the Company with more flexibility in possible future fund raisings. This, together with the application of the credit standing from the Reduction of Issued Share Capital, the transfer of outstanding amount standing to the credit of the Company’s share option reserve upon cancellation of all outstanding Share Options of the Company, and the Share Premium Reduction will eliminate the Accumulated Losses in full and the contributed surplus account arising from the Share Premium Reduction will facilitate the payment of dividends as and when the Directors consider it as and when appropriate in the future.

CHANGE IN BOARD LOT SIZE FOR TRADING

The Existing Shares are currently traded in board lots of 5,000 Existing Shares each. Upon the Capital Reorganisation becoming effective, the board lot size for trading on the Stock Exchange will be changed from 5,000 Existing Shares to 1,000 New Shares.

The expected timetable for the Change of Domicile, the Capital Reorganisation and change of board lot size are set out in this announcement below.

WARNING

Shareholders and potential investors should also be aware of and take note that the Change of Domicile, the Capital Reorganisation involving the Capital Consolidation, the Share Premium Reduction and the Capital Reduction are conditional upon satisfaction of the conditions precedent set out in the paragraphs headed “Conditions of the Change of Domicile” and “Conditions of the Capital Reorganisation” in the section headed “Change of Domicile and Capital Reorganisation”. Therefore, the Change of Domicile and the Capital Reorganisation may or may not proceed.

Shareholders and potential investors are advised to exercise caution when dealing in the Shares, and if they are in any doubt about their position, they should consult their professional advisers.

PROPOSED CHANGE OF COMPANY NAME

The Board also announces that a special resolution will be proposed at a forthcoming EGM to approve the change of the Company name from “Ming Kei Energy Holdings Limited” to “Ming Kei Holdings Limited” and upon the change of name becoming effective, the new Chinese name “明基控股有限公司” will be adopted to replace “明基能源控股有限公司” for identification purpose only.

GENERAL

A circular containing, amongst other things, further information on the Change of Domicile, the Capital Reorganisation, the adoption of the new memorandum of continuance and bye-laws, the change of board lot size, the change of Company name and a notice to convene the EGM will be despatched to the Shareholders as soon as practicable.

CANCELLATION OF ALL OUTSTANDING SHARE OPTIONS GRANTED BUT NOT EXERCISED

The Company announces that the Directors and the Option Holders have agreed to cancel all outstanding Share Options granted but not exercised in accordance with the provisions of the Share Option Scheme with immediate effect. The relevant Option Holders whose Share Options have been cancelled shall not be entitled to any compensation or any consequential loss as a result of such cancellation of the outstanding Share Options. Therefore, there will not be any adverse financial effect to the Company as a result of the cancellation of the outstanding Share Options granted but not exercised. As confirmed with the auditors of the Company, upon cancellation of all outstanding Share Options of the Company, the outstanding amount standing to the credit of the Company’s share option reserve (of approximately HK\$15,360,000 as at 31 March 2009) would be transferred to offset the Accumulated Losses of the Company as a reserve movement. As such, the outstanding amount of the Accumulated Losses would be reduced by the outstanding amount standing to the credit of the Company’s share option reserve (of approximately HK\$15,360,000 as at 31 March 2009).

REDESIGNATION OF DIRECTOR AND APPOINTMENT AND RESIGNATION OF CHAIRMAN AND APPOINTMENT OF MEMBER OF REMUNERATION COMMITTEE

The Board wishes to announce that with immediate effect, (i) Mr. Wong Wai Sing, an existing executive Director, the chairman and compliance officer of the Company and substantial Shareholder has been redesignated from the position as an executive Director to a non-executive Director; (ii) Mr. Sung Wai Tak, Herman, an existing independent non-executive Director, the chairman and member of the remuneration committee and member of the audit committee has resigned from his position as the chairman of the remuneration committee and he shall remain as the independent non-executive Director, members of the remuneration committee and audit committee respectively; and (iii) Mr. Tsang Ho Ka Eugene, an existing executive Director, the chief executive officer, company secretary, authorised representative of the Company and substantial Shareholder has been appointed as member and chairman of the remuneration committee respectively.

CHANGE OF DOMICILE AND CAPITAL REORGANISATION

The Directors propose to change the domicile of the Company from the Cayman Islands to Bermuda by way of de-registration in the Cayman Islands and continuation as an exempted company under the laws of Bermuda, and to adopt a new memorandum of continuance and bye-laws in compliance with Bermuda law to replace the existing memorandum and articles of association of the Company.

The Directors also propose to reorganise the capital of the Company in the following manner:

- (a) the Share Consolidation of every fifty (50) Shares of HK\$0.01 each in the issued and unissued share capital of the Company into one Consolidated Share of HK\$0.50 in the issued and unissued share capital of the Company;
- (b) the reduction of the issued share capital of the Company through a cancellation of the paid-up capital of the Company to the extent of HK\$0.49 each on each of the issued Consolidated Shares so that the nominal value of each issued Consolidated Share will be reduced from HK\$0.50 to HK\$0.01;
- (c) the subdivision of each authorised but unissued Consolidated Share of HK\$0.50 each into 50 New Shares of HK\$0.01 each; and
- (d) the entire amount standing to the credit of the share premium account of the Company as at the date of EGM will be reduced and cancelled.

The credit of HK\$25,872,000 arising from the Reduction of Issued Share Capital will be used to offset the Accumulated Losses. The credit of approximately HK\$841,530,000 arising from the Share Premium Reduction will be used to offset the Accumulated Losses and the remaining balance of such credit will be transferred to the contributed surplus account of the Company.

As at the date of this announcement, the Company has an authorised share capital of HK\$100,000,000 divided into 10,000,000,000 Shares, of which 2,640,000,000 Shares have been issued and are fully paid or credited as fully paid.

Assuming there will be no change in the issued share capital of the Company from the date of this announcement up to the date on which the Capital Reorganisation becomes effective, the share capital structure of the Company will be as follows:

	Immediately before Capital Consolidation and Capital Reduction	Immediately after Capital Consolidation and before Capital Reduction	Immediately after Capital Reorganisation
Authorised share capital	HK\$100,000,000	HK\$100,000,000	HK\$100,000,000
Par value	HK\$0.01 per Share	HK\$0.50 per Consolidated Share	HK\$0.01 per New Share
Number of authorised shares	10,000,000,000 Shares	200,000,000 Consolidated Shares	10,000,000,000 New Shares
Amount of issued share capital	HK\$26,400,000	HK\$26,400,000	HK\$528,000
Number of issued shares	2,640,000,000 Shares	52,800,000 Consolidated Shares	52,800,000 New Shares
Amount of unissued share capital	HK\$73,600,000	HK\$73,600,000	HK\$99,472,000
Number of unissued shares	7,360,000,000 Shares	147,200,000 Consolidated Shares	9,947,200,000 New Shares

Based on the audited financial statements of the Company as at 31 March 2009, the amount standing to the credit of the share premium account of the Company was approximately HK\$841,530,000 and the amount of Accumulated Losses was approximately HK\$751,653,000. After the offset of the credit of approximately HK\$25,872,000 arising from the Reduction of Issued Share Capital and the transfer of outstanding amount standing to the credit of the Company's share option reserve (of approximately HK\$15,360,000 as at 31 March 2009) to the Accumulated Losses of the Company upon cancellation of all outstanding Share Options of the Company, the remaining balance of the Accumulated Losses will be approximately HK\$710,421,000.

Pursuant to the Share Premium Reduction, it is proposed that the amount of approximately HK\$841,530,000 standing to the share premium account of the Company as at 31 March 2009 be cancelled, with the credit arising therefrom as to (i) approximately HK\$710,421,000 to be applied to offset the remaining balance of the Accumulated Losses after the Reduction of Issued Share Capital and upon cancellation of all outstanding Share Options; and (ii)

the remaining balance of the credit of approximately HK\$131,109,000 to be credited to the contributed surplus account of the Company. Upon the Share Premium Reduction becoming effective, all the Accumulated Losses will be eliminated.

Under Bermuda law, the amount standing to the credit of the contributed surplus account is a distributable reserve and the Company may apply the contributed surplus in any manner not prohibited by the Companies Act of Bermuda and the bye-laws.

The Board also proposes to put forward to the Shareholders to approve the Authorisation, i.e. to authorize the Directors to apply the entire amount standing to the credit of the contributed surplus account of the Company in such manner as they consider appropriate, including but not limited to setting off against the accumulated losses of the Company from time to time.

Conditions of the Change of Domicile

The Change of Domicile is conditional upon:

- (a) the passing of the necessary special resolution by the Shareholders at the EGM to approve an amendment to the memorandum and articles of association of the Company to facilitate the Change of Domicile and to approve the Change of Domicile, the adoption of the new memorandum of continuance and bye-laws of the Company; and
- (b) compliance with the relevant procedures and requirements under Cayman Islands laws and Bermuda laws.

Conditions of the Capital Reorganisation

The Capital Reorganisation is conditional upon:

- (a) the passing of the necessary special resolution by the Shareholders at the EGM of the Company to approve the Capital Reorganisation involving the Capital Consolidation, the Capital Reduction and Share Premium Reduction;
- (b) the Change of Domicile becoming effective;
- (c) compliance with the relevant procedures and requirements under Bermuda laws and the GEM Listing Rules to effect the Capital Reorganisation; and
- (d) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the New Shares arising from the Capital Reorganisation.

The Change of Domicile is not conditional upon completion of the Capital Reorganisation. However, the Capital Reorganisation is conditional upon the Change of Domicile becoming effective.

The Capital Reorganisation will be completed upon fulfilling all the conditions of Capital Reorganisation.

Reasons for the Change of Domicile and the Capital Reorganisation and impact on the Company and the Shareholders

The Capital Reorganisation is proposed in order to provide the Company with more flexibility in possible future fund raisings. This, together with the application of the credit standing from the Reduction of Issued Share Capital, the transfer of outstanding amount standing to the credit of the Company's share option reserve upon cancellation of all outstanding Share Options of the Company, and the Share Premium Reduction will eliminate the Accumulated Losses in full and the contributed surplus account arising from the Share Premium Reduction will facilitate the payment of dividends as and when the Directors consider it appropriate in the future.

The Directors (including the independent non-executive Directors) are of the view that the Capital Reorganisation will not have a material financial effect on the financial position of the Group. Other than the expenses to be incurred in relation to the Capital Reorganisation, the implementation thereof will not alter the underlying assets, business operations, management or financial position of the Company or the interests or rights of the Shareholders.

The Change of Domicile is proposed to shorten the time required to effect the Capital Reorganisation. As advised by the Legal Advisers, if the Company is to proceed with the Capital Reorganisation in the Cayman Islands, the sanction of the Grand Court shall be required for the Capital Reduction. Subject to availability of the Grand Court, it may take four to six months to complete the Capital Reduction. The Board does not believe that such sanction can be obtained in a commercially expedient time frame. The Company has been advised by the Legal Advisers that the Capital Reorganisation may be effected in Bermuda without the sanction of the Grand Court or approval of the Supreme Court by way of the Change of Domicile from the Cayman Islands to Bermuda through de-registration in the Cayman Islands and continuation in Bermuda. The Legal Advisers also advised that no court order is required in the Cayman Islands or Bermuda for the Change of Domicile. The Change of Domicile will not alter the underlying assets, business operations, management or financial position of the Group nor the proportionate equity interests of the Shareholders. The continuation of the Company in Bermuda does not create a new legal entity or prejudice or affect the continuity of the Company. The head office of the Group will continue to be in Hong Kong. Also, the Change of Domicile will not involve the formation of a new holding company, the withdrawal of listing of existing securities, any issue of new securities, any transfer of assets of the Company or any change in the existing shareholding structure of the Company.

As court sanction is not required for the Change of Domicile in the Cayman Islands and Bermuda and for the Capital Reorganisation in Bermuda, the Board estimates the Capital Reorganisation and the Change of Domicile should be completed between eight to twelve weeks, estimated to be about two to three months earlier than it would otherwise be, if the Company were to proceed with the Capital Reduction in the Cayman Islands with sanction of the Grand Court. Implementation of the Change of Domicile will not affect the listing status of the Shares on GEM.

As advised by the Legal Advisers, Shareholders will be required to approve a special resolution to adopt the proposed memorandum of continuance and bye-laws upon the Change of Domicile becoming effective. After the passing of the special resolution at the EGM, the Company will make an application to continue as an exempted company in Bermuda. Upon obtaining such permission, applications will be made to the Cayman Registrar to have the Company de-registered in the Cayman Islands and to the Bermuda Registrar for registration of the Company in Bermuda. The Cayman Registrar will de-register the Company if the requirements of the Companies Law have been complied with, which include that the Cayman Registrar is not aware of any reason why it would be against the public interest to de-register the Company. The Company will file the memorandum of continuance in Bermuda with the Bermuda Registrar. The memorandum of continuance will be deemed to be the new memorandum of association of the Company. Upon registration by the Bermuda Registrar of the certificate of continuance, the Company will become a company to which the Companies Act and any other laws in Bermuda apply as if the Company had been incorporated in Bermuda on the date of the registration of the memorandum of continuance. The certificate of continuance will be deemed to be the certificate of incorporation of the Company. Upon approval by the Cayman Registrar of the application for de-registration, the Cayman Registrar will issue a certificate of de-registration.

Application for listing of New Shares

Application will be made to the Stock Exchange for granting the listing of, and permission to deal in, the New Shares arising from the Capital Reorganisation and all necessary arrangements will be made for the New Shares to be admitted into the Central Clearing and Settlement System established and operated by Hong Kong Securities Clearing Company Limited.

CHANGE IN BOARD LOT SIZE FOR TRADING

The board lot size for trading on the Stock Exchange will be changed from 5,000 Existing Shares to 1,000 New Shares upon the Capital Reorganisation becoming effective.

Fractional Consolidated Shares will not be allocated to individual Shareholders but will be aggregated and sold with the proceeds to be retained for the benefit of the Company.

For the avoidance of doubt, the authorised share capital of the Company shall remain HK\$100,000,000 prior to and immediately after completion of the Capital Reorganisation.

Upon the Capital Reorganisation becoming effective, after the share subdivision of each authorised but unissued Consolidated Share of HK\$0.50 each into 50 New Shares of HK\$0.01 each, the authorised share capital will be HK\$100,000,000 divided into 10,000,000,000 New Shares of HK\$0.01 each, of which 52,800,000 will be issued New Shares. The New Shares will rank pari passu in all respects among themselves.

EXPECTED TIMETABLE

2009

Despatch of the circular regarding, among other matters,
the Change of Domicile, the Capital Reorganisation,
the change of Company name and change of
board lot size. on or before 2 October

Publication of the notice of EGM on or before 2 October

Latest time for lodging the form of proxy for the EGM 11:00 a.m., 27 October

EGM 11:00 a.m., 29 October

Publication of EGM results announcement 29 October

The following events are conditional on the fulfilment of the conditions for the implementation of the Change of Domicile and the Capital Reorganisation, the dates are therefore tentative:

Effective date for the Change of Domicile. after 4:00 p.m. on 30 November

Effective date of the Capital Reorganisation 9:30 a.m. on 21 December

Commencement of dealings in New Shares 21 December

Original counter for trading in Shares in board lots of
5,000 Shares (in the form of Existing Share Certificates)
closes 9:30 a.m. on 21 December

Temporary counter for trading in New Shares in board lots of
100 New Shares (in the form of Existing Share Certificates)
opens 9:30 a.m. on 21 December

First day of free exchange of Existing Share Certificates for
New Share Certificates 21 December

2010

First day of operation of odd lot trading facility 6 January

Original counter for trading in New Shares in board lots of
1,000 Shares (in the form of New Share Certificates)
reopens 9:30 a.m. on 6 January

Parallel trading in New Shares commences 9:30 a.m. on 6 January

Temporary counter for trading in Consolidated Shares in board lots of 100 New Shares (in the form of Existing Share Certificates) closes	4:00 p.m. on 26 January
Parallel trading ends	4:00 p.m. on 26 January
Last day of operation of odd lot trading facility.	26 January
Last day for free exchange of Existing Share Certificates for New Share Certificates	4:00 p.m. 28 January

All times and dates in this announcement refer to Hong Kong local times and dates. Dates or deadlines specified in expected timetable above depends on the results of the EGM and are therefore for indicative purpose only. An announcement will be made regarding any changes to the expected timetable as and when appropriate.

Subject to the Capital Reorganisation becoming effective and the confirmation of the above time table, the Existing Share Certificates will only be valid for delivery, trading and settlement purposes for the period up to 4:00 p.m., 28 January 2010 and thereafter will not be accepted for delivery, trading and settlement purposes. However, the Existing Share Certificates will continue to be good evidence of legal title to the New Shares on the basis of fifty (50) Shares for one New Share and may be exchanged free of charge for the New Share Certificates for New Shares at any time between 21 December 2009 and 28 January 2010, and on payment of a prescribed fee any time after 4:00 p.m. on 28 January 2010. It is expected that the New Share Certificates will be available for collection within a period of ten business days after the submission of the Existing Share Certificates.

The New Share Certificates will be issued in red colour in order to distinguish them from the Existing Share Certificates which are in yellow colour.

Arrangement on odd lot trading

In order to facilitate the trading odd lots (if any) of the New Shares, the Company will appoint a securities firm to provide matching services on a best effort basis, to those Shareholders who wish to acquire odd lots of the New Shares to make up a full board lot, or to dispose of their holding of odd lots of the New Shares. Details of the odd lot matching arrangements will be set out in the circular in relation to, amongst other things the Capital Reorganisation to be despatched to the Shareholders.

WARNING

Shareholders and potential investors should also be aware of and take note that the Change of Domicile, the Capital Reorganisation involving the Capital Consolidation, the Share Premium Reduction and the Capital Reduction are conditional upon satisfaction of the conditions precedent set out in the paragraphs headed “Conditions of the Change of Domicile” and “Conditions of the Capital Reorganisation” in the section headed “Change

of Domicile and Capital Reorganisation”. Therefore, the Change of Domicile and the Capital Reorganisation may or may not proceed.

Shareholders and potential investors are advised to exercise caution when dealing in the Shares, and if they are in any doubt about their position, they should consult their professional advisers.

PROPOSED CHANGE OF COMPANY NAME

The Board also announces that a special resolution will be proposed at a forthcoming EGM to approve the change of the Company’s name from “Ming Kei Energy Holdings Limited” to “Ming Kei Holdings Limited” and upon the change of name becoming effective, the new Chinese name “明基控股有限公司” will be adopted to replace “明基能源控股有限公司” for identification purpose only. After the completion of the disposal of 51% equity interests in Star Fortune International Investment Company Limited by the Group on 3 July 2009, the Board believes that the change of the Company name will benefit its future business development.

The proposed change of the Company name will be subject to the following:

1. the passing of a special resolution by the Shareholders at the forthcoming EGM to approve the change of the Company name; and
2. the Registrar of Companies in the Cayman Islands approving the change of the Company name.

The new name of the Company will take effect from the date of entry of the new name on the register maintained by the Registrar of Companies in the Cayman Islands. The Company will then carry out all necessary filing procedures with the Companies Registry in Hong Kong.

Effects of change of Company name

The change of Company name will not affect any rights of the holders of securities of the Company. All existing certificates of securities in issue bearing the present name of the Company shall, after the proposed change of the Company name becoming effective, continue to be evidence of title to such securities and the Existing Share Certificates will continue to be valid for trading, settlement, registration and delivery purposes. There will not be any arrangement for exchange of the existing certificates of securities. Once the change of the Company name becomes effective, New Share Certificates will be issued only in the new name of the Company.

GENERAL

The Change of Domicile, the Capital Reorganisation, the adoption of the new memorandum of continuance and bye-laws and change of Company name will be conditional upon the passing by the Shareholders of special resolutions at the EGM.

The EGM will be held to consider and, if thought fit, approve the resolutions in respect of the Change of Domicile (including to approve an amendment to the memorandum and articles of association of the Company to facilitate the Change of Domicile and to approve the Change of Domicile), the Capital Reorganisation (involving the Capital Consolidation, the Capital Reduction and the Share Premium Reduction), adoption of the new memorandum of continuance and bye-laws and the change of Company name. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholders will be required to abstain from voting on the resolutions to be proposed at the EGM.

A circular containing, amongst other things, further information on the Change of Domicile, the Capital Reorganisation, the adoption of the new memorandum of continuance, the change of board lot size and bye-laws, the proposed change of Company name and a notice to convene the EGM will be despatched to the Shareholders as soon as practicable.

CANCELLATION OF ALL OUTSTANDING SHARE OPTIONS GRANTED BUT NOT EXERCISED

The Share Options

As at the date of this announcement, the Company has 125,000,000 outstanding Share Options which in aggregate entitling holders thereof to subscribe for 125,000,000 Shares. Save as disclosed above, the Company does not have any other outstanding options, convertible notes or securities in issue which are convertible or exchangeable into Shares.

The Company announces that the Directors and the Option Holders have agreed to cancel all outstanding Share Options granted but not exercised in accordance with the provisions of the Share Option Scheme with immediate effect. Details of the outstanding Share Options granted but not exercised are set out below:

Exercise period	Exercise price (HK\$)	Outstanding Share Options as at the date of this announcement
11 October 2007 – 12 October 2017	0.888	105,000,000
10 March 2008 – 11 March 2018	0.718	20,000,000
		<u>125,000,000</u>

The relevant Option Holders whose Share Options have been cancelled shall not be entitled to any compensation or any consequential loss as a result of such cancellation of the outstanding Share Options. Therefore, there will not be any adverse financial effect to the Company as a result of the cancellation of the outstanding Share Options granted but not exercised. As confirmed with the auditors of the Company, upon cancellation of all outstanding Share Options of the Company, the outstanding amount standing to the credit of the Company's share option reserve (of approximately HK\$15,360,000 as at 31 March 2009) would be transferred to offset the Accumulated Losses as a reserve movement. As such, the outstanding amount of the Accumulated Losses would be reduced by the outstanding amount standing to the credit of the Company's share option reserve (of approximately HK\$15,360,000 as at 31 March 2009).

Reasons for cancellation of the outstanding Share Options and effect on the Company

The purpose of the Share Option Scheme is to provide incentives or rewards to the Option Holders for their contributions to the Group and to enable the Group to recruit and retain high-calibre employees. As the exercised prices of the Share Options are comparatively high when compared with the recent market prices of the Shares, which deters the Option Holders from exercising the Share Options to subscribe for the Shares of the Company, the Directors consider that it is in the interest of the Company as well as the Option Holders to cancel all the outstanding Share Options granted but not exercised.

The relevant Option Holders whose Share Options have been cancelled shall not be entitled to any compensation or any consequential loss as a result of such cancellation of the outstanding Share Options. Therefore, there will not be any adverse financial effect to the Company as a result of the cancellation of the outstanding Share Options granted but not exercised.

REDESIGNATION OF DIRECTOR AND APPOINTMENT AND RESIGNATION OF CHAIRMAN AND APPOINTMENT OF MEMBER OF REMUNERATION COMMITTEE

The Board wishes to announce that with immediate effect, Mr. Wong Wai Sing (“**Mr. Wong**”), a Director, the chairman and compliance officer of the Company and a substantial Shareholder, has been redesignated from the position of an executive Director to a non-executive Director. The primary reason for the redesignation is due to other business engagements which require more of his attention and he would like to pursue his career goal in another business industry.

Mr. Wong, aged 24, is an associate member of the Hong Kong Institute of Directors. Mr. Wong holds a bachelor of science degree in international business from the Canterbury University, London, an international master of business administration from the Stratford University, Falls Church, Virginia, the United States of America and also completed a certificate of three-tiers’ integrate coal mine’s safety (三級煤礦安全技術綜合考試) from the Bureau of Xinjiang Coal Mine Safety Supervision, People’s Republic of China (中國新疆煤礦安全監察局). Mr. Wong has over 2 years of experiences in mining, natural resources industry and coal trading experiences. Mr. Wong has taken up the management role as the director of a number of subsidiaries and as the director and the legal representatives in a number of associates of the Company respectively. Prior to joining the Company, Mr. Wong was a consultant of a Hong Kong based medium size certified public accountants firm. Mr. Wong is also an executive director of several non-listed companies and also a chairman and a non-executive director of TLT Lottotainment Group Limited, a company incorporated in Hong Kong with limited liability and the shares of which are listed on GEM (stock code: 8022). Mr. Wong was appointed as an executive Director and the chairman of the Group with effect from 3 November 2008 and was appointed as the compliance officer of the Company with effect from 31 December 2008.

Except for the redesignation, the original terms and conditions of appointment of Mr. Wong with the Company remain unchanged. There is no specified length of service period of Mr. Wong and his appointment is continuous unless and until terminated by either party giving to the other not less than one month notice in writing. Mr. Wong is subject to the provisions of retirement and rotation of Directors under the articles of association of the Company. Mr. Wong is entitled to a Director’s fee of HK\$3,600,000 per annum, which is determined based on the market rate and his time, effort and expertise to be exercised on the Group’s affairs and the Company’s remuneration policy.

As at the date of this announcement, Mr. Wong and his associates are, in aggregate, interested in 501,610,000 Shares, representing approximately 19% of the total issued share capital of the Company and is a substantial Shareholder. Save as disclosed, Mr. Wong continues to be the chairman, compliance officer of the Company and substantial Shareholder. Save as disclosed, Mr. Wong is not connected with any director, senior management or substantial or controlling Shareholders. There are no other matters in relation to the redesignation of Mr. Wong that need to be brought to the attention of the Shareholders. There is no other information relating to Mr. Wong that is required to be disclosed pursuant to the requirements of Rule 17.50(2) of the GEM Listing Rules.

The Board also wishes to announce that with immediate effect, (i) Mr. Sung Wai Tak, Herman, an existing independent non-executive Director, the chairman and member of the remuneration committee and member of the audit committee has resigned from his position as the chairman of the remuneration committee to focus more on his other positions in the Company and he shall remain as an independent non-executive Director, member of the remuneration committee and audit committee respectively; and (ii) Mr. Tsang Ho Ka Eugene, an existing executive Director, the chief executive officer, company secretary, authorised representative of the Company and substantial shareholder has been appointed as member and chairman of the remuneration committee respectively.

DEFINITIONS

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

“Accumulated Losses”	the accumulated losses of the Company as at 31 March 2009
“Authorisation”	the proposed authorisation to the Directors to apply the entire amount standing to the credit of the contributed surplus account of the Company in such manner as they consider appropriate, including but not limited to setting off against the accumulated losses of the Company from time to time
“Bermuda Registrar”	the Registrar of Companies in Bermuda
“Board”	the board of directors of the Company from time to time
“Capital Consolidation”	the proposed consolidation of every fifty (50) existing Shares of HK\$0.01 each in the issued and unissued share capital of the Company into one Consolidated Share of HK\$0.50 each in the issued and unissued share capital of the Company
“Capital Reduction”	the Reduction of Issued Share Capital and the proposed subdivision of each of the authorised but unissued Consolidated Share of HK\$0.50 each into fifty (50) New Shares of HK\$0.01 each

“Capital Reorganisation”	the capital reorganisation of the Company involving the Capital Consolidation, the Share Premium Reduction and the Capital Reduction
“Cayman Registrar”	the Registrar of Companies in the Cayman Islands
“Change of Domicile”	the proposed change of the domicile of the Company from the Cayman Islands to Bermuda by way of de-registration in the Cayman Islands and continuation as an exempted company under the laws of Bermuda
“Companies Act”	the Companies Act 1981 of Bermuda
“Companies Law”	the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands
“Company”	Ming Kei Energy Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the Shares are listed on GEM
“Consolidated Shares”	shares of HK\$0.50 each in the share capital of the Company upon the Capital Consolidation taking effect
“Director(s)”	the director(s) of the Company (including the independent non-executive directors) from time to time
“EGM”	the extraordinary general meeting of the Company to be held to consider and, if thought fit, approve the Change of Domicile, the Capital Reorganisation, adoption of the new memorandum of continuance and bye-laws and the change of Company name
“Existing Share Certificates”	certificates for the Existing Shares in yellow colour
“Existing Shares”	issued shares of HK\$0.01 each of the Company
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange
“Grand Court”	the Grand Court of the Cayman Islands
“Group”	the Company and its subsidiaries from time to time
“Legal Advisers”	Conyers, Dill & Pearman, the Company’s legal advisers as to the laws of the Cayman Islands and Bermuda
“New Share Certificates”	certificates for the New Shares in red colour

“New Shares”	shares of HK\$0.01 each in the share capital of the Company upon the Capital Reorganisation taking effect
“Option Holders”	holders of the Share Options
“Reduction of Issued Share Capital”	the proposed reduction of issued share capital of the Company through a cancellation of the paid-up capital of the Company to the extent of HK\$0.49 each on each of the issued Consolidated Shares so that the nominal value of each issued Consolidated Share will be reduced from HK\$0.50 to HK\$0.01
“Shareholders”	holders of Shares
“Share Consolidation”	The consolidation of every fifty Shares of HK\$0.01 each in the issued and unissued share capital of the Company into one Consolidated Share of HK\$0.50 each in the issued and unissued share capital of the Company
“Share Options”	options granted under the Share Option Scheme
“Share Option Scheme”	the share option scheme of the Company conditionally adopted on 26 October 2002
“Share Premium Reduction”	the proposed cancellation of the entire amount standing to the credit of the share premium account of the Company and applying part of the credit arising therefrom towards elimination of all the Accumulated Losses of the Company and the remaining being credited to the contributed surplus account of the Company
“Shares”	existing shares of HK\$0.01 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supreme Court”	the Supreme Court of Bermuda
“HK\$”	Hong Kong dollars, the lawful currency of the Hong Kong Special Administrative Region of the People’s Republic of China

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

Hong Kong, 21 September 2009

As at the date of this announcement, the executive Directors are Ms. Yick Mi Ching Dawnibilly, Mr. Tsang Ho Ka, Eugene and Mr. Luk Yue Kan, the non-executive Director is Mr. Wong Wai Sing, 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.