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Ming Kei Holdings Limited

明基控股有限公司*

(incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 8239)

**(I) MEMORANDUM OF UNDERSTANDING
IN RESPECT OF POSSIBLE ACQUISITION OF
THE ENTIRE EQUITY INTEREST IN
SINO-SINGAPORE (OFFSHORE) CHEMICAL RESOURCES
TRADING COMPANY LIMITED; AND
(II) CONNECTED TRANSACTION**

Financial adviser to the Company



INCUB Corporate Finance Limited

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

**MEMORANDUM OF UNDERSTANDING IN RESPECT OF THE POSSIBLE
ACQUISITION**

The Board announces that on 8 July 2011 (after trading hours), Star Enterprise, an indirect wholly-owned subsidiary of the Company, entered into the non-legally binding MOU with the Vendor in relation to the Possible Acquisition. A refundable deposit of HK\$3,000,000 has been paid by the Group to the Vendor.

The Target Group will be principally engaged in M.T.B.E. trading between the PRC, and Singapore or other East Asia countries by the time of completion of the Possible Acquisition.

* For identification purposes only

The Vendor is directors of numbers of Company's subsidiaries in relation to the coal trading segment and he is also a shareholder holding 10% equity interest in a subsidiary of the Company, as such, the Vendor is a connected person pursuant to Chapter 20 of the GEM Listing Rules. The payment of Deposit to the Vendor constitutes a connected transaction on the part of the Company under Chapter 20 of the GEM Listing Rules. As the applicable percentage ratios is less than 5%, the payment of Deposit is only subject to reporting and announcement requirements but is exempt from the independent Shareholders' approval requirement under Chapter 20 of the GEM Listing Rules.

The Board wishes to emphasis 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 transaction and/or connected transaction on the part of the Company. Shareholders and potential 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 pursuant to Rule 17.10 of the GEM Listing Rules.

MEMORANDUM OF UNDERSTANDING IN RESPECT OF THE POSSIBLE ACQUISITION

The Board announces that Star Enterprise, an indirect wholly-owned subsidiary of the Company, entered into the non-legally binding MOU with the Vendor in relation to the Possible Acquisition.

Date: 8 July 2011 (after trading hours)

Parties:

The Purchaser: Star Enterprise, an indirectly wholly-owned subsidiary of the Company;

The Vendor: Mr. Woo Man Wai, David

The Vendor is directors of numbers of Company's subsidiaries in relation to the coal trading segment and he is also a shareholder holding 10% equity interest in a subsidiary of the Company, as such, the Vendor is a connected person as defined under Chapter 20 of the GEM Listing Rules.

Major terms of the MOU

Under the MOU, it is proposed that Star Enterprise will acquire the entire issued share capital of the Target from the Vendor, both Star Enterprise and the Vendor will proceed to the negotiation for a legally-binding Formal Agreement on or before 7 October 2011 (or such later date to be agreed by the parties thereto).

Exclusivity Period

Under the MOU, it is also agreed that neither the Target nor the Vendor will during the Exclusivity Period negotiate with any party other than Star Enterprise or its affiliates for the Possible Acquisition. Under the MOU, it is also intended that Star Enterprise and the Vendor will negotiate in good faith towards each other and enter into the Formal Agreement within the Exclusivity Period.

Non legally-binding effect

Save for the clauses on the payment and refund of the Deposit, the Exclusivity Period to Star Enterprise, major terms of the MOU do not constitute legally-binding commitment in respect of the Possible Acquisition. The Possible Acquisition will be subject to the execution and completion of the Formal Agreement.

Deposit

The Deposit of HK\$3,000,000 was paid by the Group to the Vendor, being the ultimate beneficial owner of the Target, forthwith upon the signing of the MOU. As security for the performance of the Vendor to repay the Deposit if necessary, a share charge and an assignment of shareholder's loan by way of security have been executed by the Vendor in favour of Star Enterprise. The Deposit was financed by the Group's internal resources.

In the event that legal binding Formal Agreement is entered into by the parties or, as the case may be, their respective nominees, both the Vendor and Star Enterprise confirm that the Deposit together with interest accrued thereon shall be applied towards satisfying the consideration for the sale and purchase of the Sale Shares as specified in the legal binding Formal Agreement.

In the event that the legal binding Formal Agreement is not entered into by the parties or as the case may be, their respective nominees, on or before 7 October 2011 or such later date as the parties may mutually agree, the Deposit, together with interest accrued thereon, shall be refunded to Star Enterprise within three Business Days from the said date 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, which is to be satisfied by Star Enterprise upon completion by way of (i) cash; or (ii) procuring the Company to issue consideration Shares; or (iii) procuring the Company to issue securities convertible into Shares; or (iv) procuring the Company to issue promissory notes; or (v) a combination of any of the items (i) to (iv) above.

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 legal binding Formal Agreement.

If the Formal Agreement is entered into, it is expected that the Possible Acquisition will constitute a notifiable transaction 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.

Information of the Target Group

The Target is a company incorporated in the British Virgin Islands and is principally engaged in investment holding.

The Subsidiary is a company incorporated in Hong Kong with limited liability, the issued share capital of which is owned as to 90% by the Target and 10% by the Vendor. The Subsidiary is currently an investment holding company, which will soon commence the business of M.T.B.E. trading between the PRC and Singapore or other East Asia countries.

As at the date of the MOU, the Subsidiary has entered into master framework purchase agreements with supplier and customer for the M.T.B.E trading business. M.T.B.E. is a kind of chemical compound widely used as fuel additive in motor gasoline.

Reasons for the Possible Acquisition

Star Enterprise is an investment holding company and an indirect wholly subsidiary of the Company.

The Group is principally engaged in investment holding and property investment in Hong Kong and the PRC, business of general trading in PRC and business of coal trading between PRC and Indonesia respectively.

The Target Group will be engaged in the trading of M.T.B.E.. With the continuous economic growth in China, the number of automobiles will continue to increase which will drive the demand of gasoline and related fuel additive M.T.B.E.. The Directors are optimistic on the future prospect of the business of the Target Group and consider that the Possible Acquisition represents a good investment.

The Directors consider that the Possible Acquisition, if materialize, represents an attractive investment opportunity of the Group as it will provide the Group with an additional income source and an opportunity to diversify the business of the Group. The Directors believe that the Possible Acquisition would further enhance the future growth of the Group and maximise returns to Shareholders. The increase in the product variety the Group offers through the Possible Acquisition will also help to strengthen the trading business and reduce the overall business risk.

Subject to the due diligence to be conducted by the Group on the Target, it is expected that the Possible Acquisition will be a good opportunity for the Group.

Listing Rules implications

The payment of Deposit to the Vendor (a connected person) constitutes a connected transaction on the part of the Company under Chapter 20 of the GEM Listing Rules. As the applicable percentage ratios is less than 5%, the payment of Deposit is only subject to reporting and announcement requirements but is exempt from the independent Shareholders' approval requirement under Chapter 20 of the GEM Listing Rules.

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 materialized, it will or will not constitute a notifiable transaction 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.

DEFINITIONS

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

“Board”	the board of Directors from time to time
“Business Day”	a day other than a Saturday, a Sunday or public holiday on which licensed banks in Hong Kong are generally open for business throughout their normal business hours
“Company”	Ming Kei Holdings Limited, a company incorporated in the Cayman Islands and continued in Bermuda 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\$3,000,000 being the refundable deposit paid by the Group under the MOU to Mr. Woo, being the ultimate beneficial owner of the Target
“Director(s)”	the director(s) of the Company (including the independent non-executive directors) from time to time
“Exclusivity Period”	the period from the date of the MOU to the date falling 90 days from the date of the MOU, in which the Vendor will not negotiate with any party other than Star Enterprise for the Possible Acquisition
“Formal Agreement”	the legal binding 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 8 July 2011 entered into between Star Enterprise and the Vendor setting out the preliminary understanding in relation to the Possible Acquisition
“M.T.B.E.”	methyl tertiary butyl ether, an octane booster and oxygenate used for gasoline blending
“Possible Acquisition”	the possible acquisition by the Group from the Vendor 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
“Shareholder(s)”	holders of the issued Shares from time to time
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Star Enterprise”	Star Enterprise 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
“Subsidiary”	China Petro-chemical Resources Trading Co., Ltd., a company incorporated Hong Kong, with limited liability, the issued share capital of which is owned as to 10% by the Vendor and as to 90% by the Target
“Target”	Sino-Singapore (Offshore) Chemical Resources Trading Company Limited, a company incorporated in the British Virgin Islands with limited liability, the entire issued shares of which is legal and beneficially owned by the Vendor
“Target Group”	together, the Target and Subsidiary

“Vendor”

Mr. Woo Man Wai, David, a Hong Kong citizen, beneficially interested in the entire equity interests in the Target

“HK\$”

Hong Kong dollars, the lawful currency of Hong Kong

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

Hong Kong, 8 July 2011

As at the date of this announcement, the executive Directors are Ms. Yick Mi Ching, Dawnibilly and Mr. Tsang Ho Ka, Eugene, the non-executive Director is Mr. Wong Wai Sing and the independent non-executive Directors are Mr. Sung Wai Tak, Herman, Mr. Kwok Kam Tim and Mr. Kinley Lincoln James Lloyd.

This announcement, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited 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 the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

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.mingkeiholdings.com.