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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)

VOLUNTARY ANNOUNCEMENT

The Board announces that on 27 March 2013 (after trading hours), Grand Just, a wholly owned subsidiary of the Company, entered into of the Agreement with the Vendor in relation to the acquisition of the entire equity interests in the Target Company at a consideration of HK\$13,000,000.

This announcement is made by Ming Kei Holdings Limited (the “**Company**”) pursuant to the Inside Information Provisions (as defined under the Rules Governing the Listing of Securities on Growth Enterprise Market of the Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) under Part XIVA of the Securities and Futures Ordinance (Cap. 571) and Rule 17.10 of the GEM Listing Rules.

Reference is made to the announcements issued by the Company dated 14 December 2012 and 13 March 2013 (the “**Announcements**”) in relation to, among other things, the Proposed Acquisition. Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meanings as defined in the Announcements.

The Board announces that on 27 March 2013 (after trading hours), Grand Just, a wholly owned subsidiary of the Company, entered into of the Agreement with the Vendor in relation to the acquisition of the entire equity interests in the Target Company at a consideration of HK\$13,000,000.

THE AGREEMENT

Date:

27 March 2013 (after trading hours)

Parties:

(1) the Vendor

(2) Grand Just

The Vendor is a Hong Kong citizen. To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, the Vendor is an Independent Third Party.

Assets to be acquired

Pursuant to the Agreement, Grand Just has agreed to acquire and the Vendor has agreed to dispose of the Sale Share, representing the entire issued share capital of the Target Company.

Upon Completion, the Target Group will become wholly owned subsidiaries of the Group and the earnings, assets and liabilities of the Target Group will be consolidated in the consolidated financial statements of the Company.

The Target Company is a company incorporated in Hong Kong. The Target Company is solely and beneficially interested in the PRC Company which is a wholly foreign owned enterprise established in the PRC, both of which are principally engaged in investment holding.

The PRC Licensor is a company established in the PRC. The PRC Licensor is a licensed entity principally engaged in trading of coal in the PRC. Immediately after the Reorganisation, the PRC Company will be solely and beneficially interested in the PRC Licensor, such that the Target Company, the PRC Company and the PRC Licensor will be within the Target Group. Upon Completion, Grand Just will hold the entire interests of the Target Company, which in turn, will effectively hold the License. The License is valid from 30 September 2010 to 30 September 2013. Pursuant to the Agreement, the Vendor undertakes that it shall use its best endeavours to procure the renewal of the License upon its expiry to ensure the License will be in full force and effect throughout the term of the Agreement.

Consideration

The Consideration for the Sale Share is HK\$13,000,000 and shall be settled by Grand Just in cash in the following manner:

- (i) HK\$12,000,000 will be paid by Grand Just to the Vendor within seven (7) Business Days after the Completion; and
- (ii) subject to the adjustment below, HK\$1,000,000 (the “**Balance**”) shall be paid by Grand Just to the Vendor within seven (7) Business Days after the Guaranteed Period.

The Vendor irrevocably warrants and guarantees to Grand Just that the Actual Volume for the Guaranteed Period will not be less than the Guarantee. If the Actual Volume for the Guaranteed Period is less than the Guarantee, then the Balance shall be adjusted as follows:

$$A = (\text{Guarantee} - \text{Actual Volume}) \times \text{US\$1}$$

where A is the adjusted Balance to be paid by Grand Just to the Vendor.

If the Actual Volume is equal to or more than the Guarantee, Grand Just shall pay to the Vendor the Balance within 7 Business Days after the Guaranteed Period. For the avoidance of doubt, no upward adjustment to the Consideration will be made in the event that the Actual Profit is more than the Guarantee.

The Consideration was determined after arm’s length negotiations between the Vendor and Grand Just after considering (i) the net asset value of the Target Group; (ii) the positive prospect of the coal trading industry due to the increasing demand of coal in the PRC; and (iii) the reasons for the Acquisition as disclosed herein below.

The Consideration will be satisfied by fund raising exercises conducted or to be conducted by the Group in the following manner:

- (i) part of the Consideration, being HK\$8,000,000, shall be settled by the proceeds from the placement of new Shares completed on 27 December 2012; and
- (ii) the outstanding balance of the Consideration, being HK\$5,000,000, shall be settled by the proceeds from the Fund Raising Exercise.

Conditions precedent

Completion is subject to the following conditions having been fulfilled or waived (as the case may be):

- (1) Grand Just being satisfied with the results of the due diligence review on the Target Group;
- (2) the obtaining of all the necessary consents, licenses and approvals required on the part of the Vendor and the Target Group in respect of the Agreement and the transactions contemplated therein and remaining in full force and effect;
- (3) the License possessed by the PRC Licensor remaining in full force and effect;
- (4) the passing by the Shareholders at a special general meeting of the Company to be convened and held of the necessary resolution(s) to approve the Agreement and the transactions contemplated therein, if required;
- (5) the obtaining of a PRC legal opinion (in forms and substances satisfactory to Grand Just) from a PRC legal advisers appointed by Grand Just in relation to, inter alia, the PRC Company, the PRC Licensor, the License and the Agreement;
- (6) the warranties given by the Vendor under the Agreement remaining true and accurate in all respects;
- (7) the completion of the Reorganisation;
- (8) the completion of the Fund Raising Exercise by the Company; and
- (9) the provision of the Business Plan in such forms and substances satisfactory to Grand Just.

Conditions (1), (2), (3), (5), (6), (7) and (9) above are waivable by Grand Just under the Agreement. Grand Just has no current intention to waive any of such conditions.

If the conditions are not fulfilled (or as the case may be, waived by Grand Just) on or before 26 June 2013 (or such later date as the parties to the Agreement may agree), the Agreement shall cease and terminate and thereafter neither party to the Agreement shall have any obligations and liabilities towards each other thereunder save for any antecedent breaches thereof.

Completion

Completion shall take place on the date falling the three (3) Business Day after all the conditions of the Agreement have been fulfilled or waived or such later date as may be agreed between the parties thereto at the then principal place of business of Grand Just in Hong Kong.

INFORMATION ON THE TARGET GROUP

The Target Company is a company incorporated in Hong Kong and as at the date of the Agreement, has an authorised capital of HK\$10,000 divided into 10,000 ordinary shares of HK\$1 each, of which 1 share has been issued and are fully paid up or credited as fully paid.

The Sale Share, representing the entire issued share capital of the Target Company, is legally and beneficially owned by the Vendor. The Target Company is solely and beneficially interested in the PRC Company which is a wholly owned foreign enterprise established in the PRC, both of which are principally engaged in investment holding.

The PRC Licensor is a company established in the PRC. The PRC Licensor is a licensed entity principally engaged in trading of coal in the PRC. Immediately after the Reorganisation, the PRC Company will be solely and beneficially interested in the PRC Licensor, such that the Target Company, the PRC Company and the PRC Licensor will be within the Target Group. Upon Completion, Grand Just will hold the entire interests in the Target Company, which in turn, will effectively hold the License.

REASONS FOR THE ACQUISITION

The Group is principally engaged in coal trading and property investment.

The Directors consider that the Acquisition represents an excellent investment opportunity. In view of the growing demand for coal in the PRC as a result of the development of the economy in the PRC, the Directors believe that there will be sustainable demand for coal.

In light of (i) the growing potential of the PRC Licensor; (ii) the opportunities to diversity its existing coal trading business by expanding the regions in order to reduce business risk; and (iii) the synergy effect to the existing coal trading business by introducing new customer base and supplier networks, the Directors (including the independent non-executive Directors) consider that the terms and conditions of the Agreement are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

GENERAL

As the relevant percentage ratios are all below 5%, the Acquisition is not classified as a notifiable transaction under Chapter 19 of the GEM Listing Rules and this announcement is made on a voluntary basis.

DEFINITIONS

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

“Acquisition”	the acquisition by Grand Just of the Sale Share subject to and upon the terms and conditions of the Agreement
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“Actual Volume”	the annual actual volume in terms of metric tonnes of coal trading in the PRC achieved by the PRC Licensor during the Guaranteed Period
“Agreement”	the conditional sale and purchase agreement dated 27 March 2013 and entered into among the Vendor and Grand Just for the sale and purchase of the Sale Share
“associates”	has the meaning ascribed to this term under the GEM Listing Rules
“Business Day”	any day (not being Saturdays, Sunday or public holidays) on which licensed banks are generally open for business in Hong Kong throughout their normal business hours
“Business Plan”	a future plans in relation to, inter alias, the procurement of a sufficient source of customers and suppliers for trading of not less than a forecasted 360,000 metric tonnes of coal each year in the PRC, to be prepared by the Vendor in the form supported with objective evidence agreed and satisfied by Grand Just
“Completion”	completion of the Acquisition pursuant to the terms and conditions of the Agreement
“Consideration”	the consideration of HK\$13,000,000 to be satisfied by Grand Just for the Acquisition
“Fund Raising Exercise”	equity fund raising exercise to be conducted by the Company by way of, including but not limited to, rights issue, open offer, and placement of new Shares
“Grand Just”	Grand Just Limited, a company incorporated in the British Virgin Islands with limited liability and a wholly owned subsidiary of the Company
“Guarantee”	360,000 metric tonnes of coal per annum to be traded in the PRC by the PRC Licensor
“Guaranteed Period”	one year commencing from the date of the Completion
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“License”	煤炭經營資格證 (coal trading qualification license [#]) issued by 省級發展和改革委員會 (Provincial Development and Reform Commission [#]) or 省級經濟委員會 (Provincial Economic Committee [#]) for coal operation in China, including the wholesaling and retailing of raw coal and processed coal products and the processing and distribution of coal for civilian use
“PRC Company”	鄭州天翰貿易有限公司 (Zhengzhou Tian Han Trading Company Limited [#]), a company established and existing under the laws of the PRC and wholly owned by the Target Company

“PRC Licensor”	焦作伊天煤炭有限責任公司 (Jiao Zuo Yi Tian Coal Trading Company Limited [#]), a company established and existing under the laws of the PRC and wholly owned by an Independent Third Party, which possesses the License
“Reorganisation”	the reorganisation of the Target Group to be conducted prior to the completion of the Agreement, after that the PRC Company will be solely and beneficially interested in the PRC Licensor
“Sale Share”	the 1 issued share of HK\$1.00 each in the issued share capital of the Target Company, representing the entire issued share capital of the Target Company
“Shareholder(s)”	holder(s) of the Share(s)
“Target Company”	Wider Trading Limited, a company incorporated in Hong Kong with limited liability which is wholly owned by the Vendor
“Target Group”	together the Target Company, the PRC Company and the PRC Licensor, after the Reorganisation
“US\$”	United States dollar(s), the lawful currency of the United States of America
“Vendor”	Lau Hoi Hei, a Hong Kong citizen, an Independent Third Party
“%”	per cent.

By Order of the Board
Ming Kei Holdings Limited
Ho Pui Tin, Terence
Chief Executive Officer and Executive Director

Hong Kong, 27 March 2013

As at the date of this announcement, the executive Directors are Mr. Ho Pui Tin, Terence and Mr. Chow Pak Wah, Oliver, the non-executive Directors are Mr. Wong Wai Sing and Mr. Tsang Ho Ka, Eugene, and the independent non-executive Directors are Mr. Kwok Kam Tim, Mr. Ho Chi Wai and Ms. Cui Ying.

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 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 “Latest Company Announcements” page of the GEM website (www.hkgem.com) for at least 7 days from the date of its posting and the Company’s website at www.mkhld.com.

[#] *The English translations of Chinese names or words in this announcement, where indicated, are included for information purpose only, and should not be regarded as the official English translation of such Chinese names or words.*

^{*} *For identification purposes only*