

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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)

**DISCLOSEABLE AND CONNECTED TRANSACTION
IN RESPECT OF THE DISPOSAL OF
THE ENTIRE ISSUED SHARE CAPITAL OF
STAR INTERNATIONAL BUSINESS COMPANY LIMITED**

Financial adviser to the Company



INCUBUS Corporate Finance Limited

THE AGREEMENT

On 29 February 2012 (after trading hours), Star Fortune, a direct wholly-owned subsidiary of the Company entered into the Agreement pursuant to which Star Fortune has agreed to sell and Dr., Sir Wong has agreed to purchase the Sale Share and the Sale Loan for the Consideration of HK\$15,740,000.

GEM LISTING RULES IMPLICATIONS

Since the applicable percentage ratios are more than 5% but less than 25%, the Disposal and the transactions contemplated under the Agreement constitute a discloseable transaction on the part of the Company under the GEM Listing Rules.

* *for identification purpose only*

Dr., Sir Wong, being an executive Director, he and his associates are, in aggregate, interested in 2,612,076 Shares, representing approximately 1.38% of the issued share capital of the Company, and are connected persons of the Company under the GEM Listing Rules. As the consideration of the Disposal is more than HK\$10,000,000, the Disposal constitutes a non-exempted connected transaction on the part of the Company under the GEM Listing Rules and is subject to the reporting, announcement and Independent Shareholders' approval requirements.

A circular will be despatched to the Shareholders, containing among other things, (i) details of the Disposal; (ii) a letter from the Independent Board Committee containing its advice in respect of the Disposal; (iii) a letter from an independent financial adviser to the Independent Board Committee and Independent Shareholders containing its advice in respect of the Disposal; (iv) a valuation from an independent valuer; and (v) a notice convening the SGM, in compliance with the GEM Listing Rules, on or before 21 March 2012.

THE AGREEMENT

Date: 29 February 2012 (after trading hours)

Parties: (1) Star Fortune (as vendor); and
(2) Dr., Sir Wong (as purchaser).

Star Fortune is a direct wholly-owned subsidiary of the Company incorporated in the British Virgin Islands and is principally engaged in investment holding. It is interested in the entire issued share capital of Star International.

Dr., Sir Wong, being an executive Director, he and his associates are, in aggregate, interested in 2,612,076 Shares, representing approximately 1.38% of the issued share capital of the Company, and are connected persons of the Company under the GEM Listing Rules. Dr., Sir Wong is a Hong Kong citizen.

Assets to be disposed

Pursuant to the terms of the Agreement, Star Fortune has agreed to sell and Dr., Sir Wong has agreed to purchase the Sale Share and the Sale Loan. The Sale Share represents the entire issued share capital of Star International.

Consideration

The Consideration for the Sale Share and the Sale Loan is HK\$15,740,000 which shall be settled in cash by Dr., Sir Wong to Star Fortune at Completion.

The Consideration was arrived at after arm's length negotiations between the parties to the Agreement with reference to the preliminary valuation of the Property at RMB9,900,000 (equivalent to approximately HK\$12,177,000) prepared by an independent valuer, Greater China Appraisal Limited.

Conditions

Completion of the Agreement shall be conditional upon:

- (a) the passing of an ordinary resolution(s) by the Independent Shareholders at the SGM approving the Agreement and the transactions contemplated thereunder;
- (b) all necessary consents, authorizations, licences and approvals required to be obtained on the part of Star Fortune in respect of the Agreement and the transactions contemplated thereunder having been obtained;
- (c) the warranties provided by Star Fortune under the Agreement remaining true and accurate in all respects; and
- (d) the warranties provided by Dr., Sir Wong under the Agreement remaining true and accurate in all respects.

Dr., Sir Wong may at any time by notice in writing to Star Fortune waive condition (c). Star Fortune may at any time by notice in writing to Dr., Sir Wong waive condition (d). Conditions (a) and (b) are incapable of being waived by both parties. If the conditions set out above have not been satisfied (or as the case may be, waived by the parties) on or before 4:00 p.m. on 31 May 2012, or such later date as the parties may agree, the Agreement shall cease and determine and thereafter neither party shall have any obligations and liabilities towards each other thereunder save for any antecedent breaches of the terms thereof.

Completion

Completion of the Agreement shall take place at 4:00 p.m. on any day falling within 3 business days after all the conditions set out above have been fulfilled or waived at the principal place of business of Star Fortune in Hong Kong or such other time and place as the parties may mutually agree.

Upon completion of the Agreement, the Company will not have any interest in the Star International, and therefore the Star International will cease to be a subsidiary of the Company.

INFORMATION ON STAR INTERNATIONAL

Star International, an indirect wholly-owned subsidiary of the Company, is a company incorporated in Hong Kong with limited liability and is principally engaged in provision of administrative services for its group companies and investment holding. Star International is the legal and beneficial owner of part of the Assets and it is directly interested in the entire equity interests in Shenzhen Star, a company established in the PRC. Shenzhen Star is the legal and beneficial owner of the Property and part of the Assets. The Property is subject to the Tenancy Agreement which will fall due on 2 July 2012.

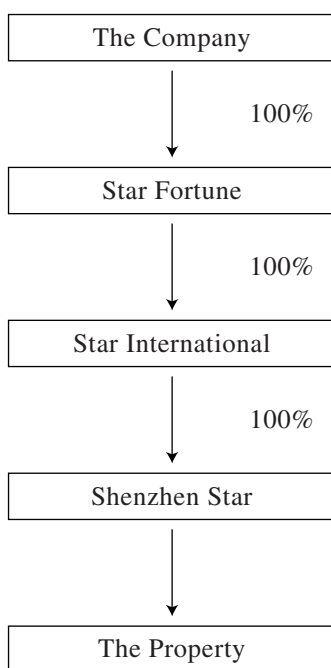
According to the unaudited consolidated financial statements of Star International Group for the year ended 31 March 2010, which is prepared in accordance with generally accepted accounting principles in Hong Kong, Star International Group had a turnover of approximately HK\$698,000 and the net loss before and after tax and extraordinary items

were approximately HK\$5,640,000 and approximately HK\$5,640,000 respectively. The unaudited consolidated net liabilities of the Star International Group was approximately HK\$6,019,000 as at 31 March 2010.

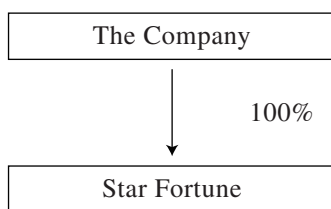
According to the unaudited consolidated financial statements of the Star International Group for the year ended 31 March 2011, which is prepared in accordance with generally accepted accounting principles in Hong Kong, Star International Group had a turnover of approximately HK\$949,000 and the net loss before and after tax and extraordinary items were approximately HK\$6,471,000 and approximately HK\$6,471,000 respectively. The unaudited consolidated net liabilities of the Star International Group was approximately HK\$12,315,000 as at 31 March 2011 and approximately HK\$11,710,000 as at 31 December 2011.

The following charts show the group structure of the Group immediately before and immediately after the Completion:

Structure of the Group immediately before the Completion:



Structure of the Group immediately after the Completion:



REASONS FOR THE DISPOSAL

The Group is principally engaged in investment holding and property investment in the PRC and business of coal trading between the PRC and Indonesia.

In light of the downturn of the property market in the PRC as a result of the control and regulatory measures against the property market by the PRC government, the Directors consider that the Disposal represents a good opportunity for the Group to realize its investment in the property market in the PRC. In addition, the Group will no longer be required to provide maintenance and management to the Assets and the Property, so that the Group may reallocate its resources to other investments which may generate higher returns for the Group.

As the result of the Disposal, the Directors expect that the Group would record an unaudited gain on the Disposal of approximately HK\$1,850,000 (based on the unaudited consolidated financial statements of the Star International Group as at 31 December 2011), being the difference between (i) the estimated net proceeds from the Disposal of approximately HK\$15,140,000 (after deducting all relevant estimated fees and expenses of approximately HK\$600,000); (ii) the unaudited consolidated net liabilities of the Star International Group of approximately HK\$11,710,000 as at 31 December 2011; (iii) the Sale Loan of approximately HK\$26,097,000; and (iv) adding back the realisation of exchange reserve of approximately HK\$1,097,000 attributable to the Star International Group as at 31 December 2011. The actual amount of the gain on disposal will be determined upon Completion depending on the consolidated net asset/liabilities of the Star International Group and the amount of Sale Loan at Completion.

The net proceeds from the Disposal will be used as general working capital of the Group and future investments as if and appropriate.

Based on the above, the Directors (excluding the independent non-executive Directors who would give their views on the terms of the Disposal after having been advised by the independent financial adviser, and Dr., Sir Wong who, given his interest in the transaction, has abstained from voting in approving the Agreement and the transactions contemplated thereunder) consider that the terms and conditions of the Disposal are fair and reasonable and on normal commercial terms and are in the interests of the Company and Shareholders as a whole.

GEM LISTING RULES IMPLICATIONS

Since the applicable percentage ratios are more than 5% but less than 25%, the Disposal and the transactions contemplated under the Agreement constitute a discloseable transaction on the part of the Company under the GEM Listing Rules.

Dr., Sir Wong, being an executive Director, he and his associates are, in aggregate, interested in approximately 1.38% of the issued share capital of the Company, and are connected persons of the Company. As the consideration of the Disposal is more than HK\$10,000,000, the Disposal constitutes a non-exempted connected transaction on the part of the Company under the GEM Listing Rules and is subject to the reporting, announcement and Independent Shareholders' approval requirements.

Approval of the Independent Shareholders by way of poll is proposed to be sought at the SGM in respect of the Agreement and the transactions contemplated thereunder.

Dr., Sir Wong shall abstain from voting for the relevant resolution approving the Agreement and the transactions contemplated thereunder at the SGM. As at the date of this announcement, Dr., Sir Wong and his associates are, in aggregate, interested in 2,612,076 Shares, representing approximately 1.38% of the total issued Shares of 188,802,094 Shares, and are required to abstain from voting for the resolution approving the Agreement and the transactions contemplated thereunder at the forthcoming SGM. Save as disclosed, no other Shareholders have material interest in the Disposal and the transactions contemplated under the Agreement and are required to abstain from voting in respect of the approval of the Agreement and the transactions contemplated thereunder at the SGM.

The Independent Board Committee (comprising all the independent non-executive Directors) will be established to advise the Independent Shareholders as to whether the terms of the Disposal and the transactions contemplated under the Agreement are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole. An independent financial adviser to advise the Independent Board Committee and the Independent Shareholders will be appointed accordingly. None of the independent non-executive Directors have any material interest in the Disposal.

A circular will be despatched to the Shareholders, containing among other things, (i) details of the Disposal; (ii) a letter from the Independent Board Committee containing its advice in respect of the Disposal; (iii) a letter from an independent financial adviser to the Independent Board Committee and Independent Shareholders containing its advice in respect of the Disposal; (iv) a valuation from an independent valuer; and (v) a notice convening the SGM, in compliance with the GEM Listing Rules, on or before 21 March 2012.

DEFINITIONS

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

“Agreement”	the agreement dated 29 February 2012 and entered into between Star Fortune and Dr., Sir Wong in relation to the sale and purchase of the Sale Share and the Sale Loan
“Assets”	a few motor vehicles held by Star International Group
“Board”	the board of Directors
“Company”	Ming Kei Holdings Limited, a company incorporated in the Cayman Islands and continued in Bermuda with limited liability, the issued shares of which are listed on the GEM
“Completion”	completion of the transactions contemplated under the Agreement
“connected person”	has the meaning ascribed to this term under the GEM Listing Rules

“Conditions”	the conditions precedent to the completion of the Agreement
“Consideration”	the consideration of HK\$15,740,000 to be satisfied by Dr., Sir Wong for the Disposal
“Directors”	directors of the Company from time to time
“Disposal”	the disposal by Star Fortune of the Sale Share and the Sale Loan subject to and upon the terms and conditions of the Agreement
“Dr., Sir Wong”	Dr., Sir Wong Wai Sing, an executive Director, a Shareholder and a connected person of the Company
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM
“Group”	the Company and its subsidiaries from time to time
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	an independent committee of the Board comprising all the independent non-executive Directors, to be established to advise the Independent Shareholders in respect of the resolution(s) approving the Agreement and the transactions contemplated thereunder
“Independent Shareholders”	the Shareholders other than Dr., Sir Wong and his associates
“Independent Third Party(ies)”	any person(s) or company(ies) and their respective ultimate beneficial owner(s), to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are third parties independent of the Company and its connected persons in accordance with the GEM Listing Rules
“PRC”	the People’s Republic of China, for the purposes of this announcement, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Property”	an office unit located at Unit 2, 6th Floor, Block A, Yema Building, No. 158, Kunming Road, Urumqi, Xinjiang, Uygur Autonomous Region, PRC which has been leased out pursuant to the Tenancy Agreement

“Sale Loan”	all obligations, liabilities and debts owing or incurred by Star International Group to the Group (other than the Star International Group) on or at any time prior to the Completion whether actual, contingent or deferred and irrespective of whether or not the same is due and payable on completion of the Agreement, which as at 31 December 2011, the net amount is to HK\$26,097,452.41
“Sale Share”	the entire issued share capital of Star International in the sum of HK\$1.00
“SGM”	the special general meeting of the Company to be convened and held to consider and, if thought fit, approve the Agreement and the transactions contemplated thereunder
“Shareholders”	holders of the issued Shares from time to time
“Shares”	ordinary shares of HK\$0.01 each in the issued share capital of the Company
“Shenzhen Star”	深圳星力投資顧問有限公司 (Shenzhen Star Investment Consultancy Limited [#]), a company established in the PRC which is wholly owned by Star International
“Star Fortune”	Star Fortune International Group Company Limited, a company incorporated in the British Virgin Islands with limited liability and a directly wholly owned subsidiary of the Company, the vendor to the Agreement
“Star International”	Star International Business Company Limited, a company incorporated in the Hong Kong with limited liability which is wholly-owned by Star Fortune
“Star International Group”	Star International and its subsidiary, namely Shenzhen Star
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tenancy Agreement”	the tenancy agreement entered into between Shenzhen Star, as landlord and an Independent Third Party, as tenant, which will expire on 2 July 2012
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC

[#] *The English transliteration of the Chinese names in the announcement, where indicated, is included for information only, and should not be regarded as the official English names of such Chinese names.*

Translation of RMB into HK\$ are based on the exchange rate of approximately RMB1 to HK\$1.23 for information purpose only. Such translation should not be translated as a representation that the relevant amounts have been, could have been, or could be converted at that or any other rate or at all.

By order of the Board
Ming Kei Holdings Limited
Dr., Sir Wong Wai Sing
Chairman and Executive Director

Hong Kong, 29 February 2012

As at the date of this announcement, the executive Directors are Ms. Yick Mi Ching, Dawnibilly, Mr. Tsang Ho Ka, Eugene, Dr., Sir Wong Wai Sing, Mr. Chow Pak Wah, Oliver and Mr. Ho Pui Tin, Terence and the independent non-executive Directors are Mr. Kwok Kam Tim, Mr. Kinley Lincoln James Lloyd and Ir. Edmund Kwok King Yan.

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 GEM website at <http://www.hkgem.com> on the “Latest Company Announcements” page for seven days from the date of its publication and on the website of the Company at <http://www.mingkeiholdings.com>.