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)

FIRST QUARTERLY RESULTS ANNOUNCEMENT FOR THE THREE MONTHS ENDED 30 JUNE 2012

CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM’’) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

This announcement, for which the directors of Ming Kei Holdings Limited (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. The directors of the Company (the “Director(s)”), 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 in this announcement misleading.

* *For identification purposes only*

QUARTERLY RESULTS (UNAUDITED)

The board of directors (the "Board") of Ming Kei Holdings Limited (the "Company") is pleased to report the unaudited condensed consolidated quarterly results of the Company and its subsidiaries (together the "Group") for the three months ended 30 June 2012 together with the comparative figures as follows:

CONDENSED CONSOLIDATED INCOME STATEMENT

For the three months ended 30 June 2012

		Three months ended 30 June	
		2012	2011
		(Unaudited)	(Unaudited – Restated)
	Notes	**HK$'000**	HK$'000
Continuing operations			
Turnover	4	**24,031**	30,429
Cost of sales		**(22,628)**	(28,732)
Direct operating expenses		**(33)**	(67)
Gross profit		**1,370**	1,630
Other income, and other gains and losses, net	4	**2,469**	410
Selling and distribution costs		**(171)**	(185)
Administrative and other expenses		**(10,764)**	(9,569)
Finance costs	5	**–**	(84)
Loss before income tax from continuing operations		**(7,096)**	(7,798)
Income tax	7	**(193)**	(8)
Loss for the period from continuing operations		**(7,289)**	(7,806)
Discontinued operation			
(Loss)/profit for the period from discontinued operation	8	**(64)**	543
Loss for the period	6	**(7,353)**	(7,263)

	Notes	Three months ended 30 June **2012** **(Unaudited)** **HK$'000**	 2011 (Unaudited – Restated) HK$'000
Attributable to:			
Owners of the Company		**(7,447)**	(7,392)
Non-controlling interest		**94**	129
		(7,353)	(7,263)
Dividend	9	**–**	–
Loss per share attributable to owners of the Company	10		
			(Restated)
From continuing and discontinued operations			
– Basic (Hong Kong dollar)		**(0.03)**	(0.05)
– Diluted (Hong Kong dollar)		**(0.03)**	(0.05)
From continuing operations			
– Basic (Hong Kong dollar)		**(0.03)**	(0.05)
– Diluted (Hong Kong dollar)		**(0.03)**	(0.05)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the three months ended 30 June 2012

	Three months ended 30 June	
	2012	2011
	(Unaudited)	(Unaudited)
	HK$'000	HK$'000
Loss for the period	**(7,353)**	(7,263)
Other comprehensive income for the period, net of tax:		
– Exchange differences on translation of financial statements of overseas subsidiaries	**8**	471
– Reclassification adjustment of exchange reserves on disposal of interests in overseas subsidiaries	**(1,198)**	–
Total comprehensive income for the period	**(8,543)**	(6,792)
Attributable to:		
Owners of the Company	**(8,637)**	(6,921)
Non-controlling interest	**94**	129
	(8,543)	(6,792)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the three months ended 30 June 2012 and 2011

	Issued capital (Unaudited) HK$'000 (Note 13)	Share premium (Unaudited) HK$'000	Contributed surplus (Unaudited) HK$'000	Capital reserve (Unaudited) HK$'000	Share option reserve (Unaudited) HK$'000	Exchange reserve (Unaudited) HK$'000	Accumulated losses (Unaudited) HK$'000	Attributable to owners of the Company (Unaudited) HK$'000	Non-controlling interest (Unaudited) HK$'000	Total (Unaudited) HK$'000
At 1 April 2012	**1,967**	**70,917**	**131,109**	**120,794**	**4,484**	**3,012**	**(229,884)**	**102,399**	**4,265**	**106,664**
Loss for the period	–	–	–	–	–	–	(7,447)	(7,447)	94	(7,353)
Other comprehensive income for the period	–	–	–	–	–	(1,190)	–	(1,190)	–	(1,190)
Total comprehensive income for the period	–	–	–	–	–	(1,190)	(7,447)	(8,637)	94	(8,543)
Placement of new shares	338	8,561	–	–	–	–	–	8,899	–	8,899
At 30 June 2012	**2,305**	**79,478**	**131,109**	**120,794**	**4,484**	**1,822**	**(237,331)**	**102,661**	**4,359**	**107,020**

	Issued capital (Unaudited) HK$'000	Share premium (Unaudited) HK$'000	Contributed surplus (Unaudited) HK$'000	Capital reserve (Unaudited) HK$'000	Warrant reserve (Unaudited) HK$'000	Share option reserve (Unaudited) HK$'000	Exchange reserve (Unaudited) HK$'000	Accumulated losses (Unaudited) HK$'000	Attributable to owners of the Company (Unaudited) HK$'000	Non-controlling interest (Unaudited) HK$'000	Total (Unaudited) HK$'000
At 1 April 2011	1,688	49,362	131,109	120,794	2,164	8,969	1,869	(193,528)	122,427	4,558	126,985
Loss for the period	–	–	–	–	–	–	–	(7,392)	(7,392)	129	(7,263)
Other comprehensive income for the period	–	–	–	–	–	–	471	–	471	–	471
Total comprehensive income for the period	–	–	–	–	–	–	471	(7,392)	(6,921)	129	(6,792)
At 30 June 2011	1,688	49,362	131,109	120,794	2,164	8,969	2,340	(200,920)	115,506	4,687	120,193

NOTES TO THE QUARTERLY RESULTS

For the three months ended 30 June 2012

1. GENERAL INFORMATION

Ming Kei Holdings Limited (the "Company") was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands and continues as an exempted company with limited liability in accordance with the Bermuda Companies Act 1981 upon the change of domicile of the Company from the Cayman Islands to Bermuda becoming effective on 30 November 2009, and its shares are listed on The Growth Enterprise Market (the "GEM") of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The address of its registered office is at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda and its principal place of business in Hong Kong is at Room 2103, 21/F., No. 9 Queen's Road Central, Central, Hong Kong.

The Company principally engaged in investment holding and its subsidiaries (collectively referred to as the "Group") are principally engaged in business of coal trading between the People's Republic of China (the "PRC") and Indonesia and property investment in PRC respectively.

During the year ended 31 March 2012, the Group decided to cease the operation of the general trading segment. Accordingly, the general trading segment was classified as a discontinued operation, details of which are set out in Note 8.

During the current period, the investment property in the PRC was disposed of as a result of the Group's disposal of its entire 100% equity interests in Star International Business Company Limited (the "SIB") and its subsidiary (together referred to as the "SIB Group") (the "Disposal").

2. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES

2.1 Basis of preparation

The unaudited condensed consolidated financial statements of the Group for the three months ended 30 June 2012 (the "Quarterly Results") have been prepared in accordance with the Hong Kong Financial Reporting Standards (the "HKFRSs") (which in collective term includes all applicable HKFRSs, Hong Kong Accounting Standards (the "HKAS") and interpretations) issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and the applicable disclosure requirements of the Rules Governing the Listing of Securities on the GEM of the Stock Exchange (the "GEM Listing Rules").

2.2 Principal accounting policies

The Quarterly Results have been prepared under the historical cost convention, except for investment properties which were stated at fair values.

The accounting policies and methods of computation adopted for preparation of the Quarterly Results are consistent with those applied in the preparation of the annual financial statements of the Group for the year ended 31 March 2012 (the "Annual Financial Statements"). The Quarterly Results should be read in conjunction with the Annual Financial Statements.

The Quarterly Results are unaudited, but have been reviewed by the audit committee of the Company.

The following new/revised HKFRSs, potentially relevant to the Group's operations, have been issued, but are not yet effective and have not been early adopted by the Group:

HKFRS 1 Amendments	Amendments to HKFRS 1 *First-time Adoption of Hong Kong Financial Reporting Standards – Government Loans*[2]
HKFRS 7 Amendments	Amendments to HKFRS 7 *Financial Instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities*[2]
HKFRS 9	*Financial Instruments*[4]
HKFRS 10	*Consolidated Financial Statements*[2]
HKFRS 11	*Joint Arrangements*[2]
HKFRS 12	*Disclosure of Interests in Other Entities*[2]
HKFRS 13	*Fair Value Measurement*[2]
HKAS 1 Amendments	Amendments to HKAS 1 *Presentation of Financial Statements – Presentation of Items of Other Comprehensive Income*[1]
HKAS 19 (2011)	*Employee Benefits*[2]
HKAS 27 (2011)	*Separate Financial Statements*[2]
HKAS 28 (2011)	*Investments in Associates and Joint Ventures*[2]
HKAS 32 Amendments	Amendments to HKAS 32 *Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities*[3]
Amendments to HKAS 1 (Revised)	*Clarification of the Requirements for Comparative Information*[2]
Amendments to HKAS 16	*Classification of Servicing Equipment*[2]
Amendments to HKAS 32	*Tax Effect of Distribution to Holders of Equity Instruments*[2]

1 Effective for annual periods beginning on or after 1 July 2012
2 Effective for annual periods beginning on or after 1 January 2013
3 Effective for annual periods beginning on or after 1 January 2014
4 Effective for annual periods beginning on or after 1 January 2015

The Group is in the process of making an assessment of the potential impact of these new/revised HKFRSs and the directors so far concluded that the application of these new/revised HKFRSs will have no material impact on the Quarterly Results of the Group.

3. SEGMENT INFORMATION

The Group's operating segments are structured and managed separately according to the nature of their operations and the products and services they provide. Each of the Group's operating segments represents a strategic business unit that offers products and services which are subject to risks and returns that are different from those of the other operating segments. Summary details of the operating segments are as follows:

(a) The coal trading segment comprised the business of coal trading;

(b) The property investment segment comprised investment in various properties for rental income purposes. During the current period, the Group had disposed of its investment property in the PRC as a result of the Disposal and had entered into a sale and purchase agreement to acquire an investment property in Hong Kong through the possible acquisition of the entire 100% equity interests in Foremost Star Investments Limited and its subsidiary (the "Proposed Acquisition"). The Proposed Acquisition has not been completed as of the date of this announcement. During the year ended 31 March 2012, the Group disposed of its investment property in Hong Kong; and

(c) The general trading segment comprised the business of trading of other merchandise goods and the operation was ceased during the year ended 31 March 2012. Accordingly, the general trading segment was classified as a discontinued operation, details of which are set out in Note 8.

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

In determining the Group's geographical areas, revenues and results are based on the location in which the customer is located.

(i) Business segments

	For the three months ended 30 June 2012				
	Continuing operations			Discontinued operation	
				(Note 8)	
	Coal trading (Unaudited) HK$'000	Property investment (Unaudited) HK$'000	Subtotal (Unaudited) HK$'000	General trading (Unaudited) HK$'000	Consolidated (Unaudited) HK$'000
Segment revenue					
External sales and services	**23,886**	**145**	**24,031**	**–**	**24,031**
Inter-segment revenue	**–**	**–**	**–**	**–**	**–**
Reportable segment revenue	**23,886**	**145**	**24,031**	**–**	**24,031**
Reportable segment profit/(loss)	**1,126**	**(326)**	**800**	**(64)**	**(736)**
Interest income	**–**	**–**	**–**	**–**	**–**
Depreciation charges	**–**	**(48)**	**(48)**	**–**	**(48)**

	For the three months ended 30 June 2011				
	Continuing operations			Discontinued operation	
				(Note 8)	
	Coal trading (Unaudited) HK$'000	Property investment (Unaudited) HK$'000	Subtotal (Unaudited) HK$'000	General trading (Unaudited) HK$'000	Consolidated (Unaudited) HK$'000
Segment revenue					
External sales and services	30,114	315	30,429	12,348	42,777
Inter-segment revenue	–	–	–	–	–
Reportable segment revenue	30,114	315	30,429	12,348	42,777
Reportable segment profit/(loss)	1,286	(503)	783	543	1,326
Interest income	–	2	2	5	7
Depreciation charges	–	(50)	(50)	(1)	(51)
Fair value gain on investment properties	–	300	300	–	300

Reconciliation of reportable segment revenue, profit or loss:

	Note	Three months ended 30 June	
		2012	2011
		(Unaudited)	(Unaudited)
	Note	**HK$'000**	HK$'000
Continuing operations:			
Revenue			
Reportable segment revenue		**24,031**	30,429
Elimination of inter-segment revenue		**–**	–
		24,031	30,429
Discontinued operation:			
Revenue			
Reportable segment revenue		**–**	12,348
Elimination of inter-segment revenue		**–**	–
	8	**–**	12,348
		24,031	42,777

	Three months ended 30 June	
	2012	2011
	(Unaudited)	(Unaudited)
	HK$'000	HK$'000
Continuing operations:		
Loss before income tax		
Reportable segment profit	**800**	783
Interest income	**–**	–
Unallocated expenses (net)	**(7,896)**	(8,497)
Finance costs	**–**	(84)
Consolidated loss before income tax	**(7,096)**	(7,798)

(ii) Geographical segments

The following table provides an analysis of the Group's revenue from continuing and discontinued operations from external customers:

	Three months ended 30 June	
	2012	2011
	(Unaudited)	(Unaudited)
	HK$'000	HK$'000
Hong Kong	**23,886**	30,189
PRC	**145**	12,588
	24,031	42,777

(iii) Information about major customers

Revenue from one (three months ended 30 June 2011: three) customer which contributed to more than 10% of the Group's revenue with an amount of HK$23,886,000 (three months ended 30 June 2011: HK$30,114,000, HK$5,192,000 and HK$4,597,000, respectively) for the three months ended 30 June 2012, as included in the above disclosures for coal trading (three months ended 30 June 2011: coal trading and general trading) segment revenue.

4. TURNOVER, OTHER INCOME, AND OTHER GAINS AND LOSSES, NET

Turnover is the Group's revenue, which represents the invoiced value of goods sold and services provided, net of rebates and discounts; and rental income. All significant transactions amongst the companies comprising the Group have been eliminated on consolidation. An analysis of the Group's turnover, other income, and other gains and losses is as follows:

		Three months ended 30 June	
		2012	2011
		(Unaudited)	(Unaudited)
	Note	**HK$'000**	HK$'000
Continuing operations:			
Turnover:			
Sale of goods		**23,886**	30,114
Rental income		**145**	315
		24,031	30,429
Other income, and other gains and (losses), net:			
Interest income		**–**	2
Sundry income		**326**	108
Gain on disposal of subsidiaries		**2,143**	–
Fair value gain on investment properties		**–**	300
		2,469	410
Discontinued operation:			
Turnover:			
Sale of goods	8	**–**	12,348
Other income, and other gains and (losses), net:			
Interest income		**–**	5
Write-off of property, plant and equipment		**(8)**	–
	8	**(8)**	5

5. FINANCE COSTS

Interest expense on the following borrowings, which are all wholly repayable within five years:

	Three months ended 30 June	
	2012	2011
	(Unaudited)	(Unaudited)
	HK$'000	HK$'000
Continuing operations:		
Promissory notes	**–**	84

6. LOSS FOR THE PERIOD

The Group's loss for the period (including continuing and discontinued operations) is arrived at after charging the following:

	Three months ended 30 June	
	2012	2011
	(Unaudited)	(Unaudited)
	HK$'000	HK$'000
Cost of inventories sold	**22,628**	40,509
Direct operating expenses arising on rental-earning investment properties	**–**	67
Depreciation	**483**	1,013

7. INCOME TAX

	Three months ended 30 June	
	2012	2011
	(Unaudited)	(Unaudited)
	HK$'000	HK$'000
Continuing operations:		
Hong Kong		
Current tax charge for the period	**186**	–
PRC		
Current tax charge for the period	**7**	8
	193	8

Provision for Hong Kong profits tax is calculated at 16.5% on the estimated assessable profits for the current period (three months ended 30 June 2011: 16.5%). In the prior period, no provision for Hong Kong profits tax was made as the Group had no assessable profits for Hong Kong profits tax purposes in the prior period. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries or places in which the Group operates, based on existing legislation, interpretation and practices in respect thereof.

8. DISCONTINUED OPERATION

During the year ended 31 March 2012, in view of the low profit margins and keen competitions in the general trading industry operated in the PRC, the Group decided to cease its general trading operation. Accordingly, the general trading operation was classified as a discontinued operation.

The results of the discontinued operation for the current and prior periods, which were included in the profit or loss, were as follows:

		Three months ended 30 June	
		2012	2011
		(Unaudited)	(Unaudited – Restated)
	Notes	**HK$'000**	HK$'000
Turnover	4	**–**	12,348
Cost of inventories sold	6	**–**	(11,777)
Gross profit		**–**	571
Other income, and other gains and losses, net	4	**(8)**	5
Administrative and other expenses		**(56)**	(33)
(Loss)/profit before income tax		**(64)**	543
Income tax		**–**	–
(Loss)/profit for the period from discontinued operation		**(64)**	543

The cash flows of the discontinued operation were as follows:

	As at 30 June	
	2012	2011
	(Unaudited)	(Unaudited – Restated)
	HK$'000	HK$'000
Net cash generated from/(used in) operating activities	**862**	(4,600)
Effect of foreign exchange rate changes, net	**–**	135
Total net cash inflows/(outflows)	**862**	(4,465)

Basic and diluted loss per share for the discontinued operation for the current period is HK$0.0003 (basic and diluted earnings per share for the three months ended 30 June 2011: HK$0.0033 (restated)) based on the loss for the current period from the discontinued operation of HK$64,000 (profit for the three months ended 30 June 2011: HK$543,000 (restated)).

The denominators used are the same as those detailed in Note 10 for the basic loss per share for continuing operations attributable to owners of the Company.

9. DIVIDEND

No dividend has been paid or declared by the Company during the three months ended 30 June 2012 (three months ended 30 June 2011: HK$Nil).

10. LOSS PER SHARE

The calculation of basic loss per share is based on the loss for the period attributable to the owners of the Company, and the weighted average number of ordinary shares in issue during the period.

The calculation of diluted loss per share for the period is based on the loss for the period attributable to the owners of the Company. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue during the period, as used in the basic loss per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of all dilutive potential ordinary shares into ordinary shares.

As the Company's outstanding convertible bonds, share options and warrants, where applicable had an anti-dilutive effect to the basic loss per share calculation for the current and prior periods, the conversion of the above potential dilutive shares is not assumed in the computation of diluted loss per share. Therefore the basic and diluted losses per share (i) from continuing and discontinued operations; and (ii) from continuing operations for the respective periods are equal.

(i) **From continuing and discontinued operations**

The calculations of basic and diluted loss per share are based on:

	Three months ended 30 June	
	2012	2011
	(Unaudited)	(Unaudited)
	HK$'000	HK$'000
Loss		
Loss attributable to the owners of the Company, used in the basic and diluted loss per share calculations	**(7,447)**	(7,392)

	Number of shares	
	Three months ended 30 June	
	2012	2011
	(Unaudited)	(Unaudited)
	'000	'000
Shares		
Weighted average number of ordinary shares for basic and diluted loss per share calculations	**224,195**	163,786

(ii) **From continuing operations**

The calculations of basic and diluted loss per share are based on:

	Three months ended 30 June	
	2012	2011
	(Unaudited)	(Unaudited – restated)
	HK$'000	HK$'000
Loss		
Loss attributable to the owners of the Company, used in the basic and diluted loss per share calculations	**(7,383)**	(7,935)

	Number of shares	
	Three months ended 30 June	
	2012	2011
	(Unaudited)	(Unaudited)
	'000	'000
Shares		
Weighted average number of ordinary shares for basic and diluted loss per share calculations	**224,195**	163,786

11. GOODWILL

Goodwill arising during the prior year related to the acquisition of equity interest in the China Indonesia Friendship Coal Trading Company Limited ("CIFC", together with its 90%-owned subsidiary are collectively referred to as the "CIFC Group") and has been allocated to the coal trading cash generating unit (the "Coal Trading CGU").

Goodwill attributable to Coal Trading CGU was fully impaired in the prior years.

12. INTANGIBLE ASSETS

	The LOIs (as defined below) HK$'000
The Group	
Cost:	
At 1 April 2011 (audited) and 31 March 2012 (audited), at 1 April 2012 (unaudited) and 30 June 2012 (unaudited)	**60,000**
Accumulated impairment losses:	
At 1 April 2011 (audited)	8,915
Impairment loss	3,660
At 31 March 2012 (audited) and 1 April 2012 (unaudited)	12,575
Impairment loss	–
At 30 June 2012 (unaudited)	**12,575**
Carrying amount:	
At 30 June 2012 (unaudited)	**47,425**
At 31 March 2012 (audited)	47,425

The master framework purchase agreements (the "LOIs") relates to the Coal Trading CGU and represented separate legally binding master framework purchase agreements entered into between the CIFC Group and a customer and a supplier, which were acquired as part of the Group's acquisition of the CIFC Group during the year ended 31 March 2011. The useful lives of the LOIs were estimated by the Group to be indefinite as the LOIs are renewed automatically and unconditionally at no additional cost.

Impairment testing of the Coal Trading CGU

The recoverable amount of the Coal Trading CGU as at 30 June 2012 was assessed by the directors by reference to a professional valuation performed by Greater China Appraisal Limited (the "Greater China Appraisal"), an independent firm of professionally qualified valuers.

The recoverable amount of the Coal Trading CGU is determined based on a fair value less costs to sell calculation using a cash flow projection according to the financial budgets approved by management for the next 5 years and extrapolates cash flows beyond the 5 years with the key assumptions stated below:

Key assumptions used in the fair value less costs to sell calculation:

		As at 30 June 2012
–	Growth in revenue year-on-year	No growth
–	Post-tax discount rate per annum	13.10%
–	Budgeted gross margins	5.6%

The basis used to determine the value assigned to the growth in revenue and the budgeted gross margins is the management's expectation of market development and future performance of the Coal Trading CGU. The discount rate used reflects specific risks relating to the coal trading industry.

During the year ended 31 March 2012, the Group was of the opinion, based on the fair value less costs to sell calculation, the intangible assets representing LOIs of the Coal Trading CGU were partially impaired by the amount of HK$3,660,000 as compared with their recoverable amounts as at 31 March 2012 and was charged to profit or loss during the year ended 31 March 2012. The above impairment losses were mainly attributable to the decrease in the estimated future profitability of the Coal Trading CGU as a result of a decrease in the expected sales volume of the coal traded from the Coal Trading CGU, and hence the recoverable amount of the Coal Trading CGU arising from the fair value less costs to sell calculation.

During the three months ended 30 June 2012, the Group is of the opinion, based on the fair value less costs to sell calculation, that the net carrying amount of LOIs of the Coal Trading CGU was not impaired as compared with their recoverable amounts as at 30 June 2012.

13. SHARE CAPITAL

	Notes	**As at 30 June 2012** **Number of shares (Unaudited) '000**	**Amount (Unaudited) HK$'000**	As at 31 March 2012 Number of shares (Audited) '000	Amount (Audited) HK$'000
Authorised:					
Ordinary shares of HK$0.01 each					
At beginning and end of period/year		**10,000,000**	**100,000**	10,000,000	100,000
Issued and fully paid:					
Ordinary shares of HK$0.01 each					
At beginning of period/year		**196,742**	**1,967**	168,802	1,688
Exercise of warrants	(i)	**–**	**–**	20,000	200
Exercise of share options	(ii)	**–**	**–**	7,940	79
Placement of new shares	(iii)	**33,760**	**338**	–	–
At end of period/year		**230,502**	**2,305**	196,742	1,967

(i) During the year ended 31 March 2012, 20,000,000 new ordinary shares of par value HK$0.01 each were issued on exercise of 20,000,000 warrants at an aggregate consideration of HK$9,200,000, of which HK$200,000 was credited to share capital and the remaining balance of HK$9,000,000 was credited to the share premium account. In addition, the related net premium of HK$2,164,000 received on issue of warrants was transferred from warrant reserve to the share premium account of the Company.

(ii) During the year ended 31 March 2012, 7,940,000 new ordinary shares of par value HK$0.01 each were issued on exercise of 7,940,000 share options at an aggregate consideration of HK$5,985,000 (net of issuing expenses), of which HK$79,000 was credited to share capital and the remaining balance of HK$5,906,000 was credited to the share premium account. In addition, an amount attributable to the related share options of HK$4,485,000 has been transferred from share option reserve to the share premium account of the Company.

(iii) During the three months ended 30 June 2012, an aggregate of 33,760,000 new ordinary shares of par value HK$0.01 each of the Company were placed at a subscription price of HK$0.28 each at an aggregate consideration of HK$8,899,000 (net of issuing expenses) of which HK$338,000 was credited to share capital and the remaining balance of HK$8,561,000 was credited to the share premium account of the Company.

14. RELATED PARTY TRANSACTIONS

Transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. Save for those disclosed elsewhere in these Quarterly Results, details of transactions between the Group and other related parties are disclosed below.

During the current period, the Group incurred management fee of approximately HK$126,000 (three months ended 30 June 2011: approximately HK$140,000) payable to a related company which is partially owned by a director of a subsidiary.

15. SIGNIFICANT EVENTS AFTER REPORTING PERIOD

On 5 July 2012, the Company proposed an open offer on the basis of one offer share for two existing issued shares of the Company which will involve an allotment and issue of 115,251,099 offer shares of the Company at HK$0.43 per offer share, subject to any issue of new shares by the Company on or before the record date (the "Open Offer"). The estimated net proceed from the Open Offer is expected to be approximately HK$47,000,000. Details of the Open Offer are set out in the Company's announcement dated 5 July 2012, 6 July 2012 and 24 July 2012 and prospectus and application form dated 24 July 2012 respectively.

16. COMPARATIVE FIGURES

As detailed in Note 8, the results of the discontinued operation have been restated to conform with the current period's presentation.

MANAGEMENT DISCUSSION AND ANALYSIS

The principal activity of Ming Kei Holdings Limited (the "Company") is an investment holding.

The Company and its subsidiaries (collectively referred to as the "Group") are principally engaged in investment holding in the People's Republic of China (the "PRC"), and business of coal trading between PRC and Indonesia and property investment in PRC respectively.

The business of coal trading between PRC and Indonesia mostly consists of trading of steam coals.

FINANCIAL REVIEW

For the three months ended 30 June 2012, the Group achieved revenue of approximately HK$24.0 million (three months ended 30 June 2011: approximately HK$30.4 million (restated)) for the Group's coal trading business (the "Coal Trading Business") and property investments business (the "Property Investments Business") respectively, representing a significant decreased by approximately HK$6.4 million or 21.1% over the corresponding prior period ended. The significant decrement of revenue were mostly contributed by the reduced of selling price per metric tonne of coal sold for the Coal Trading Business and reduced of rental income due to one of the Group's investment properties held by the Group in Hong Kong was disposed in September 2011 and another investment property in the PRC was disposed of as a result of the Group's disposed of Star International Group (as defined below) in May 2012. Hence lesser rental income contributed to the Group during the current period ended under reviewed.

The reduced of selling price per metric tonne of coal sold for the CIFC Group (as defined below) did not have significant impact to the CIFC Group's (as defined below) cash-flows and did not affect the operating model of the CIFC Group as referred to on pages 18 and 19 of the circular of the Company dated 14 October 2010, in particular maintaining a positive price gap between the purchase price and the selling price of at least US$2 per metric tonne of coal sold.

For the three months ended 30 June 2012, the Group recorded total revenue of approximately HK$24.0 million (three months ended 30 June 2011: approximately HK$30.4 million (restated)) which was derived from the Coal Trading Business and Property Investments Business respectively which accounted for approximately of 99.6% and 0.4% respectively (for the continuing operations) (three months ended 30 June 2011: approximately of 99.0% and 1.0% respectively (restated) (for the continuing operations)). Details of the Group's revenue are disclosed in the financial statements under Note 3 and Note 4 "Segment Information" and "Turnover, Other Income, and Other Gains and Losses, Net" respectively.

The Group generated an operating profit for the continuing operations of approximately HK$0.8 million for the three months ended 30 June 2012 (three months ended 30 June 2011: approximately HK$0.8 million (restated)). The Group generated an operating profit of approximately HK$1.1 million for the three months ended 30 June 2012 (three months ended 30 June 2011: approximately HK$1.3 million) for the Coal Trading Business segments. The Group generated an operating loss of approximately HK$0.3 million for the three months ended 30 June 2012 (three months ended 30 June 2011: approximately HK$0.5 million (restated)) for the Property Investments Business segments.

The Group's gross profit was approximately HK$1.4 million for the three months ended 30 June 2012 (three months ended 30 June 2011: approximately HK$1.6 million (restated)). The gross profit decreased slightly as compared to the corresponding prior period ended was mostly contributed by the reduce of selling price per metric tonne of coal sold for the Coal Trading Business and reduced of rental income due to the Group's investment properties held by the Group was disposed in September 2011 and May 2012 respectively and hence lesser rental income contributed to the Group during the current period ended under reviewed. The gross profit margin was approximately of 5.8% for the three months ended 30 June 2012 (three months ended 30 June 2011: approximately of 5.3% (restated)) which increased slightly by 0.5%.

For the three months ended 30 June 2012, the Group's recorded other gains of approximately HK$2.5 million (three months ended 30 June 2011: approximately HK$0.4 million (restated)), the tremendous increased by approximately HK$2.1 million or 525% was mostly due to recorded a gain on disposal of subsidiaries in related to the disposal of Star International Group (as defined below).

For the three months ended 30 June 2012, the Group's selling and distribution costs amounted to approximately HK$0.2 million (three months ended 30 June 2011: approximately HK$0.2 million), the selling and distribution costs are in relation to the selling expenses for the Coal Trading Business.

For the three months ended 30 June 2012, the Group's administrative and other expenses amounted to approximately HK$10.8 million (three months ended 30 June 2011: approximately HK$9.6 million (restated)), which represented the increased by approximately HK$1.2 million or 12.5%, as compared to the corresponding prior period ended. The increment was mostly contributed by the increased of the rental expenses, the financial printing cost and the monthly retainer legal and professional fee charged in the current period ended under reviewed.

No finance costs was recorded on the current period ended under reviewed due to all outstanding promissory notes were being repaid by the Company (three months ended 30 June 2011: approximately HK$0.08 million represented the imputed interest on the promissory notes).

For the three months ended 30 June 2012, the Group recorded a fair value gain on investment properties of HK$Nil (three months ended 30 June 2011: fair value gain on investment properties of approximately HK$0.3 million).

For the three months ended 30 June 2012, the Group recorded a gain on disposal of subsidiaries of approximately HK$2.1 million in related to the disposal of Star International Group (as defined below) (three months ended 30 June 2011: HK$Nil).

For the three months ended 30 June 2012, the Group recorded no impairment loss on intangible assets (the "Intangible Assets") (three months ended 30 June 2011: HK$Nil) arising from the China Indonesia Friendship Coal Trading Company Limited (the "CIFC") and its subsidiary (collectively referred to as the "CIFC Group") which the CIFC Group is principally engaged in the business of coal trading between PRC and Indonesia. An impairment testing has been carried out as at 30 June 2012 and no impairment loss was recognised in the income statement. Details of the Group's Intangible Assets and disclosed in the financial statements under Note 12 "Intangible Assets".

The CIFC Group had no other debts or borrowings and had a net cash position and a bank interest income of approximately HK$1.1 million (three months ended 30 June 2011: approximately HK$0.8 million) and approximately HK$16 (three months ended 30 June 2011: approximately HK$25) respectively for the three months ended 30 June 2012.

For the three months ended 30 June 2012, the Group recorded a loss for the period from the discontinued operation of approximately HK$0.06 million which represented the ceased of the general trading operations in the PRC in view of the low profit margins and keen competitions in the general trading industry (three months ended 30 June 2011: gain for the period from the discontinued operation of approximately HK$0.5 million (restated)).

For the three months ended 30 June 2012, the Group recorded a loss attributable to owners of the Company from the continuing operations of approximately HK$7.4 million (three months ended 30 June 2011: approximately HK$7.9 million (restated)) represented a decreased in loss by approximately HK$0.5 million or 6.3%. The overall decreased in loss attributable to the owners of the Company from the continuing operations as compared to the corresponding prior period ended was mainly attributable by the increased of the Group's other income, and other gains and losses, net for the current period ended under reviewed.

BUSINESS REVIEW AND PROSPECTS

For the three months ended 30 June 2012, the Group achieved revenue of approximately HK$24.0 million (three months ended 30 June 2011: approximately HK$30.4 million (restated)) for the Coal Trading Business and Property Investments Business respectively, representing a significant decreased by approximately HK$6.4 million or 21.1% over the corresponding prior period ended. The significant decrement of revenue were mostly contributed by the reduced of selling price per metric tonne of coal sold for the Coal Trading Business and reduced of rental income due to one of the Group's investment properties held by the Group in Hong Kong was disposed in September 2011 and another investment property in the PRC was disposed of as a result of the Group's disposed of Star International Group (as defined below) in May 2012. Hence lesser rental income contributed to the Group during the current period ended under reviewed.

The reduced of selling price per metric tonne of coal sold for the CIFC Group (as defined below) did not have significant impact to the CIFC Group's cash-flows and did not affect the operating model of the CIFC Group as referred to on pages 18 and 19 of the circular of the Company dated 14 October 2010, in particular maintaining a positive price gap between the purchase price and the selling price of at least US$2 per metric tonne of coal sold.

For the Coal Trading Business which accounted for approximately of 99.6% of the Group's turnover (from the continuing operations) and the Directors expected that given the signed Customers Letter of Intents and the Suppliers Letter of Intents with the Coal Trading Business's customers' and supplier(s) respectively, the Coal Trading Business will continue and provide a stable and remain as a main source of turnover to the Group. On the other hands, in view of the low profit margins, facing the keen competitions from the local competitors and the infrequent orders from the general trading customer in PRC, the Group ceased to engage the general trading business in PRC started from the first quarter of year 2012.

In April 2012, the Company entered into a placing agreement (the "Placing Agreement") pursuant to which the placing agent conditionally agreed to place, on a best effort basis, of not less than six placees (the "Placees") for up to 33,760,000 new shares (the "Share") of the Company at a price of HK$0.28 per placing Share. Out of the net proceeds from the placing of approximately HK$9 million, approximately HK$1.37 million was applied to the Group's general working capital and approximately HK$7.63 million was applied to deposit for the Acquisition (as defined below).

In May 2012, the Group entered into a conditional sales and purchase agreement in relation to the acquisition of a commercial property (the "Commercial Property") in Tuen Mun, Hong Kong. The Directors consider that there is a higher profit potential for quality commercial property in Hong Kong and taking into account of the fair value of the Commercial Property, the rental income that expected to generate, potential capital appreciation of the Commercial Property and there are no other policies or implementation for the commercial property by the government as which applied on the residential property.

On 5 July 2012, the Company entered into an underwriting agreement with the underwriter in relation to the underwriting and certain other arrangements in respect of the open offer (the "Open Offer") proposed by the Company. The Company proposed to carry out the Open Offer on the basis of one offer share of the Company (the "Offer Share(s)") for every two existing Shares held on the record date by the qualifying shareholders of the Company (the "Qualifying Shareholders"). The Open Offer will involve an allotment and issue of 115,251,099 Offer Shares at a price of HK$0.43 per Offer Share, subject to any issue of new Shares by the Company on or before the record date. The Open Offer is only available to the Qualifying Shareholders and such Qualifying Shareholders are not entitled to apply for any Offer Shares which are in excess of their assured entitlements. The Open Offer is fully underwritten by the underwriter and the terms and conditions of the Open Offer are determined after arm's length negotiation between the Company and the underwriter.

Immediately after the completion of the Open Offer (subject to conditions precedent) which expected to complete in August 2012, approximately of HK$50 million will be raised and partial of the proceeds will be used for paying up part of the outstanding balance of the consideration of the Commercial Property's acquisition (the "Acquisition"). Approximately HK$38 million raised from the Open Offer will use to pay off the partial considerations of the Acquisition (subject to conditions precedent and also HK$9 million for the Group's general working capital.

Despite of the net loss of the Group for the three months ended 30 June 2012, the Board considers that the Group's overall financial positions are healthy and the Board remains positive on the prospects of the Group. Notwithstanding the foregoing, as at 30 June 2012, the Board confirms that the Group makes no investment in any financial derivatives, foreign exchange contracts, interest or currency swaps, hedgings or other financial arrangements for hedging purposes to reduce any currency risk nor made any over-the counter contingent forward transactions. The Board would like to emphasise that the Group's financial positions remain stable and has sufficient cash resources to meet its present and future cash flow requirements.

The Board will constantly keep reviewing the Group's strategies and operations with a view to improve its business performance and Company's shareholders' (the "Shareholders") return. The Group is capable to actively looking for possible future investments with or within the property investments and coal trading sectors or other sector(s) with growth potential to improve its Shareholders' value.

MATERIAL ACQUISITIONS OR DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES

On 29 February 2012, Star Fortune International Group Company Limited (the "Star Fortune"), a direct wholly owned subsidiary of the Company, entered into the agreement pursuant (the "Star Agreement") to which Star Fortune has agreed to sell and Mr. Wong Wai Sing, a non-executive Director and the chairman of the Group has agreed to purchase the entire issued share capital of Star International Business Company Limited (the "Star International"), an indirect wholly owned subsidiary of the Company, and its subsidiary (collectively referred to as "Star International Group") which is wholly-owned by Star Fortune and the sale loan for the consideration of HK$15.74 million.

The Star Agreement constituted a discloseable and connected transaction on the part of the Company under Chapter 19 and 20 of the Rules Governing the Listing of Securities (the "GEM Listing Rules") on the Growth Enterprise Market (the "GEM") of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") respectively.

The Star Agreement was completed in May 2012 and the Star International Group ceased to be the subsidiaries of the Group since then.

Save as disclosed above, there was no other material acquisitions or disposals of subsidiaries and affiliated companies during the three months ended 30 June 2012 held by the Group.

(30 June 2011: There were no material acquisitions or disposals of subsidiaries and affiliated companies.)

CAPITAL STRUCTURE

The Shares were listed on the GEM of the Stock Exchange since 15 November 2002.

33,760,000 new Shares were issued and allotted on 18 April 2012 to the Placees under the Placing Agreement.

As a result of the Placing, additional 33,760,000 new Shares were issued and allotted by the Company during the current period ended under reviewed.

As at 30 June 2012, the total issued Shares is 230,502,198.

PROPOSED OPEN OFFER

On 5 July 2012, the Company entered into an underwriting agreement in relation to an Open Offer (the "Open Offer") proposed by the Company. The Company proposed to carry out the Open Offer on the basis of one Offer Share for every two existing Shares held on the record date by the Qualifying Shareholders. The Open Offer will involve an allotment and issue of 115,251,099 Offer Shares at a price of HK$0.43 per Offer Share, subject to any issue of new Shares by the Company on or before the record date. The Open Offer is only available to the Qualifying Shareholders and such Qualifying Shareholders are not entitled to apply for any Offer Shares which are in excess of their assured entitlements. The Open Offer is fully underwritten by the underwriter and the terms and conditions of the Open Offer are determined after arm's length negotiation between the Company and the underwriter.

Further details are set out in the Company's announcement dated 5 July 2012, 6 July 2012 and 24 July 2012, prospectus and application form of the Company dated 24 July 2012 respectively.

(30 June 2011: There was no proposed open offer during the three months ended 30 June 2011 held by the Group.)

PROPOSED ACQUISITION

On 24 May 2012, Star International Business Development Company Limited (the "Star International Business"), an indirectly wholly owned subsidiary of the Company, entered into an agreement (the "Property Agreement") with the vendor (the "Vendor 1") pursuant to which Star International Business has agreed to acquire the sale shares and the sale loan from the Vendor 1 of a target group (subject to a completion of the reorganization) (the "Target Group") for a consideration of HK$88,000,000 (the "Consideration"), which shall be payable by the Star International Business to the Vendor 1 as to (i) HK$20,000,000 was paid in cash upon the signing of the Property Agreement and (ii) the balance of the Consideration being HK$68,000,000 will pay in cash at completion.

The Target Group is legally and beneficially interested in a property which is a Commercial Property located in Tuen Mun, Hong Kong with the total gross floor area of approximately 18,294 sq. feet.

Details of the Property Agreement have been set out on the announcements of the Company dated 24 May 2012, 8 June 2012, 24 July 2012 and 31 July 2012 respectively.

Save as disclosed above, there was no other proposed acquisition during the three months ended 30 June 2012 held by the Group.

(30 June 2011: On 8 July 2011, Star Enterprise Investment Company Limited, an indirectly wholly-owned subsidiary of the Company entered into the non-legally binding memorandum of understanding (the "MOU") with the vendor (the "Vendor") in relation to the possible acquisition (the "Possible Acquisition").

The target group will be commenced and principally engaged in methyl tertiary butyl ether trading between the PRC, and Singapore or other East Asia countries by the time of completion of the Possible Acquisition.

Details of the Possible Acquisition have been set out in the announcement of the Company dated 8 July 2011.

Save as disclosed above, there was no other proposed acquisition during the three months ended 30 June 2011 held by the Group.)

PROPOSED DISPOSAL OF A REAL PROPERTY

There was no proposed disposal of a real property for the three months ended 30 June 2012 held by the Group.

(30 June 2011: On 3 August 2011, Star Energy International Investment Company Limited, an indirectly wholly owned subsidiary of the Company entered into a provisional sale and purchase agreement (the "Provisional Sale and Purchase Agreement") with the purchasers in related to the disposal (the "Disposal") of a Group's property located in Hong Kong for a cash consideration of HK$11,300,000.

Since the applicable percentage ratios are more than 5% but less than 25%, the Disposal contemplated thereunder the Provisional Sale and Purchase Agreement constituted a discloseable transaction for the Company under Chapter 19 of the GEM Listing Rules.

Details of the Disposal have been set out in the announcements of the Company dated 3 August 2011 and 21 September 2011 respectively.

Save as disclosed above, there was no other proposed disposal of a real property during the three months ended 30 June 2011 held by the Group.)

CONNECTED TRANSACTIONS

On 29 February 2012, Star Fortune entered into the Star Agreement to which Star Fortune has agreed to sell and Mr. Wong Wai Sing, a non-executive Director and the chairman of the Group has agreed to purchase the entire issued share capital of Star International and its subsidiary, which is wholly-owned by Star Fortune and the sale loan for the consideration (the "Star Agreement Consideration") of HK$15.74 million.

As the Star Agreement Consideration is more than HK$10,000,000, the Star Agreement Consideration constituted a non-exempted connected transaction on the part of the Company under the Chapter 20 of the GEM Listing Rules and is subject to the reporting, announcement and the Company's independent shareholders' approval requirements.

The Star Agreement constituted a discloseable and connected transaction on the part of the Company under Chapter 19 and 20 of the GEM Listing Rules respectively.

The Star Agreement was completed in May 2012 and the Star International Group ceased to be the subsidiaries of the Group since then.

There was no other connected transactions for the three months ended 30 June 2012 held by the Group.

(30 June 2011: The Group has paid a refundable deposit of HK$3,000,000 (the "Deposit") to the Vendor, being the ultimate beneficial owner of the target company, forthwith upon the signing of the MOU. The payment of Deposit to the Vendor which constituted a connected transaction on the part of the Company under Chapter 20 of the GEM Listing Rules.

As the applicable percentage ratios are less than 5%, the payment of Deposit is only subject to reporting and announcement requirements but is exempt from the independent shareholders' approval of the Company requirement under Chapter 20 of the GEM Listing Rules.

There was no other connected transactions for the three months ended 30 June 2011 held by the Group.)

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITION IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2012, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) ("SFO") which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO) or as recorded in the register required to be kept by the Company under Section 352 of the SFO or otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by directors set out in Rules 5.46 to 5.67 of the GEM Listing Rules were as follows:

(i) Interests in shares

Name	Capacity of interests	Number of ordinary shares held	Approximate percentage of shareholding in the Company
Ming Kei International Holding Co. Limited (the "Ming Kei") (Note 1)	Beneficial owner	75,676 (L) (Note 2 and 4)	0.033
Mr. Wong Wai Sing (the "Mr. Wong")	Beneficial owner	36,400 (L) (Note 4)	0.016
	Interest of controlled corporation	75,676 (L) (Note 2 and 4)	0.033
Mr. Tsang Ho Ka, Eugene (the "Mr. Tsang") (Note 3)	Interest of controlled corporation	7,940,104 (L) (Note 4)	3.445

(ii) Interests in share options

Name of Director	Date of grant	Exercisable period	Exercise price per Share HK$	Number of share options granted	Approximate percentage of shareholding in the Company
Ms. Yick Mi Ching, Dawnibilly	3 September 2010	3 September 2010 to 2 September 2020	0.755	7,940,104 (L) (Note 4)	3.445

Notes:

1. Ming Kei is wholly and beneficially owned by Mr. Wong, a non-executive Director and a sole executive director of Ming Kei.

2. Ming Kei is wholly and beneficially owned by Mr. Wong, therefore, Mr. Wong, is deemed to be interested in the 75,676 Shares in which Ming Kei is interested.

3. Mr. Tsang is an executive Director.

4. The letter "L" denoted a long position in shares.

Save as disclosed above, as at 30 June 2012, none of the Directors nor the chief executives of the Company had any other interests and short positions in any shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were required to be recorded in the register kept by the Company under Section 352 of the SFO or otherwise required to be notified to the Company and the Stock Exchange pursuant to the required standard of dealings by directors set out in Rules 5.46 to 5.67 of the GEM Listing Rules.

DIRECTOR'S RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Apart from as disclosed under the paragraph headed "DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITION IN SHARES, UNDERLYING SHARES AND DEBENTURES" above and "SHARE OPTION SCHEME" below in the first quarterly announcement, at no time during the period were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company or of any other body corporate granted to any Directors or their respective spouse or children under 18 years of age, or were any such rights exercised by them; or was the Company, its holding company, or any of its subsidiaries or fellow subsidiaries a party to any arrangements to enable the Directors, their respective spouse or children under 18 years of age to acquire such rights in any other body corporate.

SHARE OPTION SCHEME

On 26 October 2002, the Company conditionally adopted the Share Option Scheme (the "Scheme") under which share options to subscribe for the shares of the Company may be granted under the terms and conditions stipulated therein. On 3 September 2010, the Board conditionally resolved to grant an aggregate of 7,940,104 (subsequently adjusted to 15,880,208 immediately after of the bonus issue) shares at HK$1.51 (subsequently adjusted to HK$0.755 immediately after the bonus issue) per share under the Scheme, which had been approved by shareholders of the Company at the special general meeting held on 5 November 2010. As at 30 June 2012, 7,940,104 granted share options under the Scheme were outstanding. Details number of share options granted, exercised and their respective exercise price and exercisable period are as follows:

Categories of grantee	Date of grant	Exercisable period	Exercise price per share HK$	Closing price at the date of grant HK$	Outstanding as at 01/04/2012	Granted during the period	Exercised during the period	Outstanding as at 30/06/2012
Director								
Ms. Yick Mi Ching, Dawnibilly	3 September 2010	3 September 2010 – 2 September 2020	0.755	0.755	7,940,104	–	–	7,940,104

Note: The closing price at grant date of the share option was HK$1.51 per share, which is identical to the exercise price per share of HK$1.51. Upon the completion of bonus issues, the exercise price is adjusted to HK$0.755 per share, closing price at the grant date is adjusted to HK$0.755 per share accordingly for illustration purpose only.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS IN SHARES AND UNDERLYING SHARES

As at 30 June 2012, there are no interests and short positions of persons, other than the Directors or chief executives of the Company, in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or, who are, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other members of the Group, or substantial shareholders as recorded in the register required to be kept by the Company under Section 336 of the SFO.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company, nor any of its subsidiaries has purchased, redeemed or sold any of the Company's listed securities during the three months ended 30 June 2012.

DIRECTORS' INTERESTS IN CONTRACTS

As at 30 June 2012, no director of the Company had a significant beneficial interest, either directly or indirectly, in any contract of significance to the business of the Group to which the Company, its holding company or any of its subsidiaries was a party.

DIRECTORS' INTEREST IN COMPETING INTERESTS

As at 30 June 2012, none of the Directors, the management shareholders or substantial shareholders of the Company or any of their respective associates (as defined in the GEM Listing Rules) has engaged in any business that competes or may compete with the business of the Group, or have any other conflict of interests with the Group.

MANAGEMENT CONTRACTS

As at 30 June 2012, no contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed.

COMPETITION AND CONFLICT OF INTERESTS

As at 30 June 2012, none of the Directors, the management shareholders or substantial shareholders of the Company or any of their respective associates (as referred to in Note 3 to Rule 6.35 of the GEM Listing Rules) have engaged in any business that competes or may compete with the business of the Group, or have any other conflict of interests with the Group.

CODE ON CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the code of conduct for securities transactions by directors on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules (the "Code"). Having made specific enquiry of all Directors, the Company was not aware of any non-compliance with the required standard set out in the Code.

AUDIT COMMITTEE

An audit committee (the "AC") was set up on 26 October 2002 with written terms of reference in compliance with Rules 5.28 and 5.29 of the GEM Listing Rules. The primary duties of the audit committee are to review and supervise the financial reporting process and internal control system of the Group. As of the date of this first quarter announcement, the audit committee comprises three members, namely, Mr. Kwok Kam Tim, Mr. Ho Chi Wai and Ms. Cui Ying all are independent non-executive Directors of the Company. The unaudited condensed consolidated results of the Group for the three months ended 30 June 2012 have been reviewed by the AC, which was of the opinion that the preparation of such results complied with the applicable accounting standards, the Stock Exchange and legal requirements and that adequate disclosures have been made. The AC is chaired by Mr. Ho Chi Wai.

REMUNERATION COMMITTEE

A remuneration committee (the "RC") was set up on 20 March 2006 with written terms of reference to oversee the RC policy and structure for all Directors and senior management. As of the date of this first quarter announcement, the RC comprised four members, namely Mr. Ho Pui Tin, Terence, being an executive Director, Mr. Kwok Kam Tim, Mr. Ho Chi Wai and Ms. Cui Ying, all being independent non-executive Directors. The role and function of the RC include the determination of the specific remuneration packages of all executive Directors, including benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment, and make recommendations to the Board of the remuneration of independent non-executive Directors. The RC is chaired by Mr. Kwok Kam Tim.

NOMINATION COMMITTEE

The nomination committee (the "NC") was set up on 1 February 2012 with written terms of references to review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy. As at the date of this first quarter announcement, the NC comprised of four members, namely Mr. Ho Pui Tin, Terence, being an executive Director, Mr. Kwok Kam Tim, Mr. Ho Chi Wai and Ms. Cui Ying, all being independent non-executive Directors. The role and function of the NC include to identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships and to make recommendations to the Board on the appointment or re-appointment of directors and succession planning for directors, in particular the chairman of the Board and the chief executive. The NC is chaired by Ms. Cui Ying.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Bye-laws of the Company or the Bye-laws of Bermuda which would oblige the Company to offer new shares on a pro rate basis to existing shareholders.

CORPORATE GOVERNANCE PRACTICES

The Company has adopted the code provisions set out in the Code on Corporate Governance Practices (the "Corporate Governance Code") as set out in Appendix 15 of the GEM Listing Rules. The Company has applied the principles in the Corporate Governance Code and complied with the code provisions set out in the Corporate Governance Code for the three months ended 30 June 2012 save and except that all independent non-executive Directors are not appointed for a specific term.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and to the best knowledge of the Directors as at the date of this first quarterly announcement, there is sufficient public float of the Company's issued shares as required under the GEM Listing Rules throughout the three months ended 30 June 2012.

PUBLICATION OF INFORMATION ON WEBSITES

This first quarterly announcement is available for viewing on the website of Stock Exchange at www.hkex.com.hk and on the website of the Company at www.mingkeiholdings.com.

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

Hong Kong, 10 August 2012

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

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.