

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker, or other licensed securities dealer, bank manager, solicitors, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Ming Kei Energy Holdings Limited (the "Company"), you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any losses howsoever arising from or in reliance upon the whole or any part of the contents of this circular.



**Ming Kei Energy Holdings Limited**

**明基能源控股有限公司\***

*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 8239)**

**(1) PROPOSED REFRESHMENT OF GENERAL MANDATE  
TO ALLOT AND ISSUE NEW SHARES  
AND REPURCHASE BY THE COMPANY OF ITS OWN SHARES;  
(2) PROPOSED REFRESHMENT OF SCHEME MANDATE LIMIT;  
(3) PROPOSED CHANGE OF AUDITORS;  
AND  
(4) NOTICE OF EGM**

**Independent financial adviser to the Independent Board Committee  
and Independent Shareholders  
of Ming Kei Energy Holdings Limited**

**Nuada Limited**

*Corporate Finance Advisory*

A letter of advice from Nuada Limited to the independent board committee and independent shareholders of the Company is set out on page 15 to 21 of this circular. The recommendation of the independent board committee to the independent shareholders of the Company is set out on page 14 of this circular.

A notice convening a EGM of the Company to be held at Room 3308-3309, The Center, 99 Queen's Road Central, Hong Kong on Wednesday, 30 April 2008 at 11:00 a.m. is set out on pages 28 of this circular.

A form of proxy for use at the EGM is enclosed. Whether or not you intend to attend and vote at the EGM, you are requested to complete and return the enclosed form of proxy to the Company's branch share registrar in Hong Kong, Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

This circular 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 posting and the website of the Company at <http://www.mingkeienergy.com>.

## CHARACTERISTICS OF GEM

GEM has been established as a market designed to accommodate companies to which a high investment risk may be attached. In particular, companies may list on GEM with neither a track record of profitability nor any obligation to forecast future profitability. Furthermore, there may be risks arising out of the emerging nature of companies listed on GEM and the business sectors or countries in which the companies operate. 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 of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

The principal means of information dissemination on GEM is publication on the Internet website operated by the Stock Exchange. Listed companies are not generally required to issue paid announcements in gazetted newspapers. Accordingly, prospective investors should note that they need to have access to the GEM website at [www.hkgem.com](http://www.hkgem.com) in order to obtain up-to-date information on GEM-listed issuers.

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## DEFINITIONS

*In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:*

“Acquisition”	the acquisition of the entire issued share capital of Ming Kei Kai Yuan Investment Company Limited by Star Fortune International Investment Company Limited, an indirect wholly-owned subsidiary of the Company
“AGM”	the annual general meeting of the Company held on 23 August 2007
“Articles of Association”	the articles of association of the Company, and “Article” shall mean an article of the articles of association of the Company
“associate(s)”	has the meaning ascribed thereto in the GEM Listing Rules
“Auditors”	the auditors of the Group from time to time
“Board”	the board of Directors from time to time
“Change of Auditors”	the resignation of Grant Thornton as auditors of the Group and the proposed appointment of Horwath Hong Kong as auditors of the Group following the resignation of Grant Thornton upon the approval of the Shareholders by an ordinary resolution at the EGM and to hold office until the conclusion of the next annual general meeting of the Company
“Company”	Ming Kei Energy Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the securities of which are listed on the GEM of the Stock Exchange
“Completion Date of the Acquisition”	19 November 2007, being the completion date of the Acquisition
“Consideration Shares”	400,000,000 Shares allotted and issued by the Company at HK\$0.90 as partial consideration for the Acquisition
“Directors”	the director(s) of the Company from time to time

## DEFINITIONS

“EGM”	the extraordinary general meeting of the Company to be held at Room 3308–3309, The Center, 99 Queen’s Road Central, Hong Kong on Wednesday, 30 April 2008 at 11:00 a.m. (or any adjournment thereof), notice of which is set out on pages 28 to 31 of this circular
“Existing General Mandate”	the general mandate granted at the AGM to the Directors to allot, issue and deal with 384,000,000 new Shares, being 20% of the issued share capital of the Company as at 23 August 2007
“Existing Repurchase Mandate”	the general mandate granted to the Directors to repurchase 192,000,000 Shares, being 10% of the issued share capital of the Company as at 23 August 2007
“Existing Scheme Mandate Limit”	the total number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme to subscribe up to 192,000,000 Shares, representing 10% of the issued share capital as at the date of the extraordinary general meeting of the Company held on 23 August 2007
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Grant Thornton”	Messrs. Grant Thornton, being the existing auditors of the Company
“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
“Horwath Hong Kong”	Shu Lun Pan Horwath Hong Kong CPA Limited, being the proposed new auditors of the Company
“Independent Board Committee”	a committee of the Board comprising three independent non-executive Directors taking into account the recommendations from Nuada, constituted to advise the Independent Shareholders as to whether the terms of the proposed grant of the New General Mandate are fair and reasonable so far as the Independent Shareholders are concerned
“Independent Shareholders”	Shareholders other than Tolmen Star and its associates

## DEFINITIONS

“Latest Practicable Date”	3 April 2008, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“New General Mandate”	the general mandate proposed to be granted to the Directors at the EGM to allot, issue and deal with new Shares of not exceeding 20% of the issued share capital of the Company as at the date of the passing of the relevant ordinary resolution by the Independent Shareholders
“New Repurchase Mandate”	the general mandate proposed to be granted to the Directors at the EGM to exercise the powers of the Company to repurchase Shares up to a maximum of 10% of the aggregate nominal amount of the issued share capital of the Company on the date of the passing of the relevant ordinary resolution by the Independent Shareholders
“Nuada”	Nuada Limited, a licensed corporation permitted to carry on business in type 6 (advising on corporate finance) regulated activities as defined under the SFO, being the independent financial adviser to the Independent Board Committee and the Independent Shareholders in relation to the proposed grant of New General Mandate
“Options”	options granted by the Company to Participants to subscribe for Shares pursuant to the Share Option Scheme
“Participant(s)”	(i) employees of the Company (any full-time or part-time) or any of its subsidiaries; (ii) directors (any executive directors or non-executive directors or independent non-executive directors) of the Company or any of its subsidiaries; (iii) any adviser, consultant, supplier, distributor, contractor, agent, business partner, promoter, service provider or customer of the Company or any of its subsidiaries
“S&P Agreement”	the conditional legally binding sale and purchase agreement dated 3 July 2007 entered into between Star Fortune International Investment Company Limited, Ming Kei International Holding Co. Limited, Mr. Wong Wai Sing and Mr. Wong Wai Ngok

## DEFINITIONS

“Scheme Mandate Limit”	the 10% limit on grant of Options by the Company under the Share Option Scheme and any other share option scheme(s) of the Company
“SFO”	the Hong Kong Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the capital of the Company
“Shareholders”	holder(s) of the Shares from time to time
“Share Option Scheme”	the share option scheme conditionally adopted by the Company pursuant to the written resolution of the Company on 26 October 2002
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“Tolmen Star”	Tolmen Star Limited, an investment holding company incorporated in the British Virgin Islands with limited liability and is wholly and beneficially owned by Mr. Guo Xu
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong
“%”	per cent.

LETTER FROM THE BOARD



**Ming Kei Energy Holdings Limited**

**明基能源控股有限公司\***

*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 8239)**

*Executive Director:*

Mr. Guo Xu (*Chairman*)  
Mr. Yeung Leung Kong  
Mr. Cheung King Shan  
Mr. Cheung Chi Hwa, Justin  
Mr. Li Hai

*Registered office:*

Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman, KY1-1111  
Cayman Islands

*Independent non-executive Directors:*

Mr. Wong Ming, Kerry  
Mr. Tam Chak Chi  
Mr. Sung Wai Tak, Herman

*Head office and principal place  
of business in Hong Kong:*

Room 3308–3309  
The Center  
99 Queen's Road Central  
Central  
Hong Kong

7 April 2008

*To the Shareholders*

Dear Sir or Madam,

**(1) PROPOSED REFRESHMENT OF GENERAL MANDATE  
TO ALLOT AND ISSUE NEW SHARES  
AND REPURCHASE BY THE COMPANY OF ITS OWN SHARES;  
(2) PROPOSED REFRESHMENT OF SCHEME MANDATE LIMIT;  
(3) PROPOSED CHANGE OF AUDITORS;  
AND  
(4) NOTICE OF EGM**

**A. INTRODUCTION**

The purpose of this circular is to provide you with information regarding certain ordinary resolutions to be proposed at the EGM to be held on Room 3308–3309, The Center, 99 Queen's Road Central, Hong Kong on Wednesday, 30 April 2008 at 11:00 a.m., to approve, among other matters, (i) ordinary resolution to grant the New General Mandate; (ii) ordinary resolution to grant the New Repurchase Mandate; (iii) ordinary resolution to

\* For identification purposes only



## LETTER FROM THE BOARD

grant the Scheme Mandate Limit; and (iv) ordinary resolution to approve the proposed Change of Auditors, and to set out the recommendation of the Independent Board Committee to the Independent Shareholders and the advice of Nuada in relation to the proposed grant of New General Mandate.

### **B. PROPOSED REFRESHMENT OF GENERAL MANDATE TO ALLOT AND ISSUE NEW SHARES AND REPURCHASE SHARES**

Reference is made to the announcement dated 9 July 2007 of the Company and the circular dated 15 October 2007 of the Company in relation to, among other things, the Acquisition. Pursuant to the terms of the Acquisition, the Company shall (i) allot and issue 400,000,000 new Shares, at an issue price of HK\$0.90 per Share as partial consideration for the Acquisition, representing (a) approximately 22.22% of the then existing issued share capital of the Company on the date of the S&P Agreement; and (b) approximately 17.24% of the issued share capital of the Company as enlarged by the allotment and issue of the said Shares on the Completion Date of the Acquisition; and (c) issue convertible bonds in the principal amount of HK\$288,000,000, upon the full conversion of which the Company shall allot and issue 320,000,000 Shares. The Acquisition was duly completed on 19 November 2007 and the total issued share capital of the Company as enlarged by the allotment and issue of the 400,000,000 Consideration Shares has been increased to 2,320,000,000 Shares. As at the Latest Practicable Date, the total issued share capital of the Company had been enlarged to 2,640,000,000 Shares due to the full conversion of the convertible bonds.

#### **Proposed New General Mandate**

At the AGM, Shareholders approved, among other matters, an ordinary resolution to grant to the Directors the Existing General Mandate to issue not more than 384,000,000 Shares, being 20% of the aggregate nominal amount of the issued share capital of the Company of 1,920,000,000 Shares as at the date of passing of the relevant resolution.

Since the AGM, the Existing General Mandate has not been utilized as at the Latest Practicable Date. In view of the substantial increase in the number of issued Shares after the Acquisition, the Directors believe that the refreshment of the Existing General Mandate will enhance the flexibility for the Group to raise funds by equity financing for further business development and to strengthen the capital base and financial position of the Company. Accordingly, the Directors consider that the approval of the grant of the New General Mandate is in the best interests of the Company and the Shareholders as a whole. The Board proposes to grant the New General Mandate to the Directors not exceeding 20% of the issued share capital of the Company at the EGM.

## LETTER FROM THE BOARD

Subject to the passing of the proposed ordinary resolution for the approval of the refreshment of the Existing General Mandate and on the basis that no Shares will be issued and/or repurchased by the Company from the Latest Practicable Date up to the date of the EGM, the New General Mandate will allow the Directors to be given unconditional general mandate to allot and issue up to a maximum of 528,000,000 Shares, representing 20% of the issued share capital of the Company at the EGM.

### **Proposed New Repurchase Mandate**

Since the AGM, the Existing Repurchase Mandate has not been refreshed and utilized as at the Latest Practicable Date.

In view of the substantial increase in the number of issued Shares after the Acquisition, the Board proposes to grant the New Repurchase Mandate to the Directors not exceeding 10% of the issued share capital of the Company at the EGM.

Subject to the passing of the proposed ordinary resolution for the approval of the refreshment of the Existing Repurchase Mandate and on the basis that no Shares will be issued and/or repurchased by the Company from the Latest Practicable Date up to the date of the EGM, the New Repurchase Mandate will allow the Directors to be given unconditional general mandate to repurchase up to a maximum of 264,000,000 Shares, representing 10% of the issued share capital of the Company at the EGM.

An explanatory statement as required under Rule 13.08 of the GEM Listing Rules, giving certain information relating to the New Repurchase Mandate, is set out in the appendix to this circular. The information in the explanatory statement is to provide you with the information reasonably necessary to enable you to make an informed decision on whether to vote for or against the resolutions relating to the New Repurchase Mandate.

The New General Mandate and the New Repurchase Mandate will, if granted, remain effective until whichever is the earliest of:

- (a) the conclusion of the next annual general meeting of the Company; or
- (b) the expiration of the period within which the next annual general meeting of the Company is required by any applicable laws of the Cayman Islands or the Articles of Association to be held; or
- (c) the date on which the relevant mandate is revoked or varied by an ordinary resolution of the Shareholders at a general meeting.

## LETTER FROM THE BOARD

Should the grant of the New General Mandate and New Repurchase Mandate be approved at the EGM, the New General Mandate and the New Repurchase Mandate shall replace the Existing General Mandate and the Existing Repurchase Mandate, and the Existing General Mandate and the Existing Scheme Mandate shall be lapsed accordingly.

### *Independent Board Committee*

The Independent Board Committee comprising Mr. Wong Ming, Kerry, Mr. Tam Chak Chi and Mr. Sung Wai Tak, Herman, all being independent non-executive Directors has been established to advise the Independent Shareholders as to the fairness and reasonableness of granting of the New General Mandate and whether the same is in the interests of the Company and its Shareholders as a whole.

Nuada has been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the granting of the New General Mandate.

Recommendations of the Independent Board Committee and the advice of Nuada are stated in the sections “Letter from the Independent Board Committee” and “Letter from Nuada” respectively.

Pursuant to Rule 17.42A(1) of the GEM Listing Rules, the New General Mandate requires the approval of the Independent Shareholders at the EGM at which any of the controlling Shareholders and their associates or, where there are no controlling Shareholders, Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates shall abstain from voting in favour of the relevant resolutions. As at the Latest Practicable Date, Tolmen Star and its sole beneficial owner, Mr. Guo Xu, whom also an executive Director, and their respective associates, together are holding 902,000,000 Shares, representing approximately 34.17% of the total issued Shares, and will abstain from voting in favour of the resolutions regarding the refreshment of the Existing General Mandate. The Board was advised by Tolmen Star, Mr. Guo Xu, and their respective associates, that they have no intention to vote against the grant of the New General Mandate. Further pursuant to Rule 17.47(4)(b) of the GEM Listing Rules, any vote of the Independent Shareholders at the EGM will be taken by way of poll and an announcement on the results of the EGM will be made after the EGM.

### **C. PROPOSED REFRESHMENT OF SCHEME MANDATE LIMIT**

The Company conditionally adopted the Share Option Scheme by way of written resolution of the then Shareholders of the Company on 26 October 2002 whereby the Directors were authorized to grant Options to Participants.

The purpose of the Share Option Scheme is to enable the Company to grant Options to Participants as incentives or rewards for their contribution to the Group, and to encourage Participants to perform their best in achieving goals of the Group.

## LETTER FROM THE BOARD

### **The Existing Scheme Mandate Limit**

Pursuant to the ordinary resolution passed by the Shareholders on 23 August 2007, the Existing Scheme Mandate Limit was approved by a resolution of the Shareholders at the extraordinary general meeting of the Company, so that the total number of Shares which may fall to be issued upon exercise of all Options to be granted under the Share Option Scheme or other schemes shall not exceed 192,000,000 Shares, being 10% of the issued share capital of the Company as at 23 August 2007.

### **The Proposed Refreshment**

Pursuant to the Listing Rules, the Shares which may be issued upon exercise of all outstanding Options granted and yet to be exercised under the Share Option Scheme or other schemes at any time will not exceed 30% of the Shares in issue from time to time. The Board undertakes that no Options shall be granted under the Share Option Scheme or any scheme(s) of the Company if this will result in the 30% limit being exceeded.

Also, accordingly to GEM Listing Rules, the total number of Shares which may be issued upon exercise of all Options to be granted under the Share Option Scheme must not exceed the Existing Scheme Mandate Limit. At present, the Company has no other share option scheme apart from the Share Option Scheme. As at the Latest Practicable Date, the total number of Shares which may fall to be issued upon the exercise of all outstanding Options granted and yet to be exercised under the Share Option Scheme is 125,000,000 Shares.

Under the rules of the Share Option Scheme and subject to the GEM Listing Rules:

- (i) the number of Shares subject to Options that may be granted shall not exceed 10% of the Shares in issue as at the date of approval of the Share Option Scheme;
- (ii) the Company may seek Shareholders' approval to renew the Scheme Mandate Limit on the grant of Options under the Share Option Scheme as and when required. However, the Scheme Mandate Limit as renewed shall not exceed 10% of the Shares in issue as at the date of the aforesaid Shareholders' approval. Options previously granted under the Share Option Scheme and other share option schemes (including those outstanding, cancelled, lapsed in accordance with the Share Option Scheme or exercised Options) will not be counted for the purpose of calculating the Scheme Mandate Limit as renewed. A circular must be sent to Shareholders in connection with the meeting at which their approval will be sought;

## LETTER FROM THE BOARD

- (iii) the Company will seek separate approval of the Shareholders in general meeting to grant Options beyond the Scheme Mandate Limit to Participants specifically identified by the Company before the aforesaid Shareholders' meeting where such approval is sought; and
- (iv) the overall limit on the number of Shares which may be issued upon the exercise of all outstanding Options granted and yet to be exercised under the Share Option Scheme (after renewal of the Scheme Mandate Limit) and any other option schemes of the Company must not in aggregate exceed 30% of the total number of Shares in issue from time to time.

As at the Latest Practicable Date, 125,000,000 Options had been granted under the Share Option Scheme, 67,000,000 Options are available for granted under the Share Option Scheme, equivalent to approximately of 34.90% of the maximum limit of Options to be granted under the Existing Scheme Mandate Limit. The Directors consider that the Company should refresh the Scheme Mandate Limit so that the Company could have more flexibility to provide incentives to Participants by way of granting Options to them. If the Scheme Mandate Limit is refreshed on the basis of 2,640,000,000 issued share capital of the Company at the EGM and assuming that no Shares are issued or repurchased by the Company prior to the EGM, the Scheme Mandate limit will be refreshed to 264,000,000 Shares (being 10% of the issued share capital of the Company as at the date of the EGM in which the refreshed limit is approved) and the Company will be allowed to grant further Options under the Share Option Scheme of the Company carrying the rights to subscribe for an aggregate of a maximum of 264,000,000 Shares.

Upon refreshment of the Existing Scheme Mandate Limit, the remaining Shares subject to Options that may be granted under the Existing Scheme Mandate Limit will be lapsed.

The proposed renewal of the Scheme Mandate Limit will be conditional upon the GEM Listing Committee granting the listing of, and the permission to deal in, such number of Shares, representing 10% of the Shares in issue as at the date of the EGM, which may fall to be allotted and issued pursuant to the exercise of Options granted under the renewed Scheme Mandate Limit.

In this regard, the Company will seek approval from the Shareholders in the EGM for refreshment of the Scheme Mandate Limit. Application will be made to the Stock Exchange for the listing of and permission to deal in the Shares to be issued pursuant to the exercise of the Options granted under the Share Option Scheme up to the renewed Scheme Mandate Limit.

The Directors consider that the renewal of the Scheme Mandate Limit is in the best interests of the Company and the Shareholders as a whole because it enables the Company to reward and motivate its employees and other selected Participants under the Share Option Scheme. The renewal of the Scheme Mandate Limit is in line with the purpose of the Share Option Scheme.

## LETTER FROM THE BOARD

An ordinary resolution will be proposed at the EGM to approve the refreshment of the Existing Scheme Mandate Limit in the terms as set out in the notice of the EGM. In order that the Company could continue to grant Options to selected Participants as incentives or rewards for their contribution to the Company, the Directors recommend that Shareholders vote in favour of this ordinary resolution.

### **D. PROPOSED CHANGE OF AUDITORS**

Reference is made to an announcement of the Company dated 19 March 2008, the Board announced that Grant Thornton have resigned as the Auditors with effect from 19 March 2008. The Board proposed to appoint Horwath Hong Kong as the new Auditors to fill the casual vacancy following the resignation of Grant Thornton. Pursuant to the Articles of Association, such appointment has to be approved by the Shareholders at the EGM.

The reason for the change of the Auditors is due to the fact that the Group, after carrying out annual consideration with Grant Thornton, could not reach a consensus with Grant Thornton on the audit fee, which the Board considers it to be in the interests of the Shareholders as a whole.

Grant Thornton has issued a clearance letter to Horwath Hong Kong confirming that they are not aware of any professional or any other reasons which would preclude their acceptance of appointment as the new Auditors. Moreover, the Board was not aware of any matters, including any disagreements or any unresolved issues between the Company and Grant Thornton that should be brought to the attention of the Shareholders and creditors of the Company in relation to the resignation of Grant Thornton since the date of the announcement of the Company dated 19 March 2008.

### **E. EXTRAORDINARY GENERAL MEETING**

A notice convening the EGM of the Company to be held at Room 3308–3309, The Center, 99 Queen's Road Central, Hong Kong on Wednesday, 30 April 2008 at 11:00 a.m. is set out on pages 28 to 31 of this circular.

A form of proxy for the EGM is enclosed with this circular. Whether or not you are able to attend and vote at the EGM, you are requested to complete the form of proxy and return the same to the Company's Hong Kong branch share registrar, Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for the holding of EGM. Completion and return of the form of proxy will not preclude you from attending and voting at EGM or any adjournment thereof if you so wish.

## LETTER FROM THE BOARD

### F. PROCEDURES FOR DEMANDING A POLL

Pursuant to Article 66 of the Articles of Association at any general meeting, a resolution put to the vote of a meeting shall be decided on a show of hands, unless (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is demanded:

- (a) by the chairman of such meeting; or
- (b) by at least three Shareholders present in person (or in the case of a Shareholder being a corporation by its duly authorised representative) or by proxy for the time being entitled to vote at the meeting; or
- (c) by a Shareholder or Shareholders present in person (or in the case of a Shareholder being a corporation by its duly authorised representative) or by proxy and representing not less than one-tenth of the total voting rights of all Shareholders having the right to vote at the meeting; or
- (d) by a Shareholder or Shareholders present in person (or in the case of a Shareholder being a corporation by its duly authorised representative) or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all shares conferring that right; and
- (e) if required by the rules of the designated stock exchange, by the chairman of the meeting or any Director or Directors who, individually or collectively, hold proxies in respect of Shares representing five per cent. (5%) or more of the total voting rights at such meeting.

Unless a poll is so demanded and not withdrawn, a declaration by the chairman of the general meeting that a resolution has on a show of hands been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect made in the book containing the minutes of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded for or against such resolution.

### G. RESPONSIBILITY STATEMENT

This circular, 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 Group. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief:

- (1) the information contained in this circular is accurate and complete in all material respects and not misleading;

## LETTER FROM THE BOARD

- (2) there are no other matters the omission of which would make any statement in this circular misleading; and
- (3) all opinions expressed in this circular have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

### H. RECOMMENDATIONS

The Independent Board Committee, after taking into account the advice from Nuada, considers that the proposed refreshment of New General Mandate is fair and reasonable and in the interests of the Company and the Shareholders (including the Independent Shareholders) as a whole. Accordingly, the Independent Board Committee recommends the Independent Shareholders to vote in favour of the resolution to be proposed at the EGM to approve proposed refreshment of Existing General Mandate.

The Directors consider that the proposed refreshment of the Existing General Mandate, the proposed refreshment of the Existing Repurchase Mandate, the proposed refreshment of Scheme Mandate Limit and the proposed Change of Auditors are all fair and reasonable and in the interests of the Company and the Shareholders and so recommend the Shareholders to vote in favour of the ordinary resolutions to be proposed at the EGM.

The text of the letter from the Independent Board Committee is set out on page 14 of this circular. The text of the letter from Nuada is set out on pages 15 to 21 of this circular.

### I. FURTHER INFORMATION

Your attention is drawn to the text of the letters from the Independent Board Committee and Nuada respectively containing their opinions regarding the proposed refreshment of New General Mandate.

Yours faithfully,  
For and on behalf of the Board of  
**Ming Kei Energy Holdings Limited**  
**Mr. Guo Xu**  
*Chairman*





**Ming Kei Energy Holdings Limited**

**明基能源控股有限公司\***

*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 8239)**

7 April 2008

*To the Independent Shareholders*

Dear Sirs or Madams,

**PROPOSED REFRESHMENT OF GENERAL MANDATE  
TO ALLOT AND ISSUE NEW SHARES  
AND REPURCHASE BY THE COMPANY OF ITS OWN SHARES**

We refer to the circular of the Company dated 7 April 2008 (the “**Circular**”) of which this letter forms part. Unless the context requires otherwise, capitalised terms used herein shall have the same meanings as defined in the Circular.

We have been appointed by the Board to advise the Independent Shareholders in connection with the proposed grant of New General Mandate. Nuada Limited has been appointed as the independent financial adviser to advise us in this respect.

Having considered the principal reasons and factors considered by, and the advice of, the Independent Financial Adviser as set out in its letter of advice to us on pages 15 to 27 of the Circular, we are of the opinion that the terms of the proposed grant of New General Mandate are fair and reasonable and are in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Shareholders to vote in favour of the relevant ordinary resolutions to be proposed at the EGM to approve the proposed grant of New General Mandate by way of poll.

Independent Board Committee

**Mr. Wong Ming, Kerry    Mr. Tam Chak Chi    Mr. Sung Wai Tak, Herman**

*Independent non-executive Directors*

\* For identification purposes only

## LETTER FROM NUADA

*The following is the text of the letter of advice to the Independent Board Committee and the Independent Shareholders from Nuada dated 7 April 2008 in relation to the grant of the New General Mandate for the purpose of this circular.*

**Nuada Limited**  
*Corporate Finance Advisory*

7th Floor, New York House  
60 Connaught Road Central  
Hong Kong

7 April 2008

*To the Independent Board Committee  
and the Independent Shareholders of  
Ming Kei Energy Holdings Limited*

Dear Sirs,

### **PROPOSED REFRESHMENT OF GENERAL MANDATE TO ALLOT AND ISSUE SHARES**

#### **INTRODUCTION**

We refer to the circular to the Shareholders dated 7 April 2008 (the “**Circular**”) issued by the Company in which this letter forms part and our appointment as independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the grant of New General Mandate, details of which are set out in the letter from the Board (the “**Board’s Letter**”) contained in the Circular. Capitalised terms used in this letter shall have the same meanings ascribed to them in the Circular unless the context otherwise requires.

Pursuant to Rules 17.42A of the GEM Listing Rules, the grant of the New General Mandate of the Company is subject to the approval of the Independent Shareholders by way of poll at the EGM with the controlling shareholders of the Company and their associates or, where there are no controlling shareholders of the Company, Directors (excluding the independent non-executive Directors) and the chief executive and their respective associates abstain from voting in favour. In this regard, Tolmen Star Limited (the “**Tolmen Star**”) is a company wholly owned by Mr. Guo Xu, the Director and chairman of the Company, and held approximately 34.17% of the existing issued share capital of the Company as at the Latest Practicable Date. As such, Tolmen Star, Mr. Guo Xu and their respective associates shall abstain from voting in favour of the relevant resolutions at the EGM. Save as disclosed, to the best of the Directors’ knowledge, information and belief and having made all reasonable inquiries, no other Directors beneficially hold any Shares as at the Latest Practicable Date. The Board was advised by Tolmen Star, Mr. Guo Xu and their respective associates that they have no intention to vote against the relevant resolutions.

## LETTER FROM NUADA

The Independent Board Committee has been formed to advise the Independent Shareholders on whether the proposed grant of the New General Mandate is fair and reasonable so far as the Independent Shareholders are concerned and whether it is in the interests of the Company and the Shareholders as a whole.

### **BASIS OF OUR OPINION**

In formulating our opinion, we have relied on the information, statements, opinions and representations supplied to us by the Company and the Directors and we have assumed that all such information, statements, opinions and representations contained or referred to in the Circular were true, accurate and complete at the time they were made and continue to be true at the date of the Circular, and we have relied on the same. We have also assumed that all statements of belief, opinion and intention of the Directors as set out in the Board's Letter were reasonably made after due and careful inquiry. We have also sought and obtained confirmation from the Company that no material facts have been omitted from the information provided and referred to in the Circular. We consider that we have been provided sufficient information to enable us to reach an informed view regarding the proposed grant of the New General Mandate, and to justify reliance on the accuracy of the information contained in the Circular so as to provide a reasonable basis of our opinions. We have no reason to suspect that any material facts or information (which is known to the Company) have been omitted or withheld from the information supplied or opinions expressed in the Circular nor to doubt the truth and accuracy of the information and facts, or the reasonableness of the opinions expressed by the Company and the Directors which have been provided to us. We have not, however, carried out any independent verification on the information provided to us by the Directors, nor have we conducted an independent in-depth investigation into the business and affairs of the Group.

### **PRINCIPAL FACTORS AND REASONS CONSIDERED**

In arriving at our opinion in respect of the proposed grant of the New General Mandate, we have taken the following principal factors and reasons into consideration:

#### **Background**

At the annual general meeting of the Company held on 23 August 2007 (the "AGM"), the Directors were granted the existing general mandate, in which (i) to allot and issue up to 384,000,000 Shares, representing 20% of the aggregate nominal amount of the issued share capital of the Company then in issue; and (ii) to repurchase up to 192,000,000 Shares on the Stock Exchange, representing 10% of the aggregate nominal amount of the issued share capital of the Company then in issue. Pursuant to the Acquisition under the S&P Agreement, the Company agreed (i) to allot and issue the Consideration Shares; and (ii) to issue 320,000,000 Shares upon exercise in full of the conversion rights attached to the convertible bonds. The Acquisition was duly completed on 19 November 2007 and the total issued share capital of the Company was then increased to 2,640,000,000 as enlarged by the Consideration Shares and 320,000,000 Shares after the full conversion of the

## LETTER FROM NUADA

convertible bonds. In view of the substantial increase in the number of issued Shares since the AGM, the Directors propose to seek the approval of the Independent Shareholders at the EGM for the grant of the New General Mandate to maintain the financial flexibility necessary for the future investment and business development of the Group given the Existing General Mandate has not been fully utilized as at the Latest Practicable Date.

The Company had an aggregate of 2,640,000,000 Shares in issue as at the Latest Practicable Date. Subject to the passing of the ordinary resolutions for the approval of the New General Mandate and assuming that no Shares are issued and/or repurchased by the Company between the Latest Practicable Date and the date of the EGM, the Company would be allowed to allot and issue up to 528,000,000 Shares under the New General Mandate.

### **Reasons for the grant of the New General Mandate**

As advised by the Company, the Directors consider that equity financing to be an important avenue of resources to the Group since it does not create any interest paying obligations on the Group. Notwithstanding that there is no immediate funding need for the Group's current operations and that there is currently no concrete proposal presented by potential investors for investment in Shares, given the substantial increase in the number of issued Shares, the Board consider that the refreshment of the Existing General Mandate is necessary so that should future funding needs arise or attractive terms for investment in Shares become available from potential investors, the Board will be able to respond to the market and such investment opportunities promptly. Accordingly, the Directors consider that the approval of the grant of the New General Mandate is in the best interests of the Company and the Shareholders as a whole. As such, the Board proposes to grant the New General Mandate to the Directors not exceeding 20% of the issued share capital of the Company at the EGM.

### **Business development of the Group and flexibility in financing alternatives**

The Group is principally engaged in coordinating various logistics services for its customers. In late 2007, the Company had completed the acquisition of the Ming Kei Kai Yuan Investment Company Limited and its subsidiaries, which is principally engaged in mining, sale and distribution of coals in the People's Republic of China. Since then, the Group is engaged in mining, sale and distribution of coals in the People's Republic of China. As stated in the interim report 2007/2008 of the Company, the Group is looking for any other business opportunities elsewhere to improve its performance and improve Shareholders' return.

## LETTER FROM NUADA

Given that, should any investment opportunities arise that would require the issuance of new Shares and a specific mandate has to be sought, the Directors are uncertain as to whether the requisite approval from Shareholders or Independent Shareholders, as the case may be, could be obtained in a timely manner. In addition, the New General Mandate offers an opportunity for the Directors to capture a favourable equity market condition to raise funds by issuing new Shares. Notwithstanding the fact that the Group had no immediate funding need for its current operations and there is currently no concrete proposal presented by potential investors for investment in Shares, the Directors believe that the New General Mandate would offer the Group higher flexibility to capture investment opportunities which may arise at any time and require prompt investment decision by the Group. The Directors also consider that the New General Mandate would provide the Company with the maximum flexibility to raise additional capital for any future investment or as working capital of the Group if necessary.

In light of the substantial increase in the issued share capital of the Company, we are of the opinion that the New General Mandate would provide the Company with the necessary flexibility essential for fulfilling any possible funding needs for future investment and business development decisions in a timely manner. As such, we are of the view that the grant of the New General Mandate will be in the interest of the Company and the Shareholders as a whole.

### **Other financing alternative**

The Board considers equity financing to be an important avenue of resources for the Group since it does not create any interest paying obligations on the Group. In appropriate circumstances, the Group will also consider other financing methods such as debt financing or internal cash resources to fund its future investment and/or business development. While sufficient for its present requirements, there is no certainty that such cash resources will be adequate or other financing alternatives will be available for appropriate investment that may be identified by the Company in the future. In addition, debt financing may incur interest burden on the Group and it may subject to lengthy due diligence and negotiations with the banks with reference to the Group's financial position, capital structure and the financial market condition at that time. The Directors consider that equity financing such as issuance of new Shares may be an appropriate mean to fund such investments and/or acquisitions and provide additional working capital for future development and expansion of the Group.

We consider that the grant of the New General Mandate will provide the Company with an additional alternative and it is reasonable for the Company to have the flexibility in deciding the financing methods for its future development, including equity financing. As such, we are of the view that the grant of the New General Mandate will be in the interest of the Company and the Shareholders as a whole.

## LETTER FROM NUADA

### EQUITY FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

Set out below are the fund raising activities conducted by the Company in the past twelve months prior to the Latest Practicable Date.

Date of initial announcement	Description	Net proceeds (approximately)	Intended use of proceeds	Actual use of proceeds as at the Latest Practicable Date
23 May 2007	Placing of 300,000,000 Shares at a price of HK\$0.311 per Share (the "Placing")	HK\$89 million	Approximately HK\$1.5 million to be used for general working capital; Approximately HK\$87.5 million to be used for future investments	<p>HK\$1.5 million has been fully utilized as the general working capital of the Group.</p> <p>(i) HK\$70 million has been utilized for the partial consideration for the Acquisition; (ii) approximately HK\$1.76 million has been utilized as interest expenses for the payment of interests expenses to vendors for the Acquisition; (iii) approximately of HK\$6.9 million has been utilized for the costs for the Acquisition and the remaining of HK\$8.84 million has not been utilized.</p>

Save for disclosed herein, the Company has not conducted any other equity fund raising activities in the past twelve months immediately preceding the Latest Practicable Date.

As stated in the above table, we note that the net proceeds from the Placing have not been fully utilized as the Latest Practicable Date. We consider it is prudent and reasonable for the Group to maintain a strong capital base while additional funding may be needed for the newly acquired coal mine business from time to time. We are of the view that the New General Mandate could provide the Company with flexible financing option to raise additional capital for any future needs or as working capital of the Group and therefore is fair and reasonable.

## LETTER FROM NUADA

### POTENTIAL DILUTION TO SHAREHOLDINGS OF THE PUBLIC SHAREHOLDERS

Set out below is a table showing the shareholding structure of the Company as at the Latest Practicable Date, and, for illustrative purpose, the potential dilution effect upon full utilization of the New General Mandate, assuming no other Shares are issued and/or repurchased by the Company prior to the date of the EGM.

Shareholders:	As at the Practicable Date		Upon full utilization of the New General Mandate (assuming no other Shares are issued and/or repurchased by the Company from the Latest Practicable Date and up to the date of the EGM)	
	No. of Shares held	(approximately) Shareholding %	No. of Shares held	(approximately) Shareholding %
Tolmen Star (Note 1)	902,000,000	34.17	902,000,000	28.47
Ming Kei International Holding Company Limited (the "Ming Kei") (Note 2)	339,000,000	12.84	339,000,000	10.70
Mr. Wong Wai Sing (Note 2 and note 3)	80,000,000	3.03	80,000,000	2.53
Mr. Wong Wai Ngok (Note 2 and note 4)	80,000,000	3.03	80,000,000	2.53
Public Shareholders	1,239,000,000	46.93	1,239,000,000	39.10
Shares to be issued under the New General Mandate	–	–	528,000,000	16.67
<b>Total</b>	<b><u>2,640,000,000</u></b>	<b><u>100.00</u></b>	<b><u>3,168,000,000</u></b>	<b><u>100.00</u></b>

*Notes:*

1. Tolmen Star is a company wholly owned by Mr. Guo Xu, the Director and chairman of the Company.
2. Ming Kei is a company jointly owned as to 50% by Mr. Wong Wai Ngok and Mr. Wong Wai Sing as to 50% by . Therefore, Mr. Wong Wai Sing and Mr. Wong Wai Ngok are deemed to be interested in the Shares of Ming Kei.
3. Mr. Wong Wai Sing is the younger brother of Mr. Wong Wai Ngok.
4. Mr. Wong Wai Ngok is the elder brother of Mr. Wong Wai Sing.

As illustrated in the table above, the aggregate shareholding of the existing public Shareholders will decrease from approximately 46.93% as at the Latest Practicable Date to approximately 39.10% upon full utilization of the New General Mandate, assuming no other Shares are issued and/or repurchased by the Company prior to the date of the EGM.

## LETTER FROM NUADA

Taking into account the benefits of the New General Mandate as discussed above and the fact that the shareholdings of all Shareholders will be diluted proportionately, we consider such dilution or potential dilution effect of shareholdings of the Shareholders to be acceptable.

### TERMS OF THE NEW GENERAL MANDATE

Shareholders should note that in view of the provisions and requirements under Rule 17.42 of the GEM Listing Rules, the Existing General Mandate will be revoked upon approval at the EGM of the New General Mandate which will be and continue to be in force until the earliest of (i) the conclusion of the Company's next annual general meeting; (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable law to be held; and (iii) the revocation or variation of the authority given under the relevant resolution to be proposed at the EGM by ordinary resolution of the Shareholders in general meeting. We are of the view that the terms of the New General Mandate are fair and reasonable so far as the Independent Shareholders are concerned.

### RECOMMENDATIONS

Having considered the above principal factors and reasons, we are of the view that the grant of the New General Mandate is fair and reasonable and in the interest of the Company and the Shareholders as a whole. Accordingly, we would recommend the Independent Shareholders and advise the Independent Board Committee to recommend to the Independent Shareholders to vote in favour of the relevant resolutions to be proposed in respect of the grant of the New General Mandate at the EGM.

For and on behalf of  
**Nuada Limited**  
**Po Chan**  
*Executive Director*



This Appendix serves as an explanatory statement, as required by the GEM Listing Rules, to provide the requisite information to you for your consideration of the New Repurchase Mandate.

## **1. GEM LISTING RULES**

The GEM Listing Rules prohibit a company from knowingly purchasing securities on the Stock Exchange from a “connected person”, that is, a director, chief executive or substantial shareholder or management shareholder of the Company or any of its subsidiaries or their respective associates and a connected person is prohibited from knowingly selling his/her/its securities to the Company.

No connected person of the Company has notified the Company that he/she/it has a present intention to sell any Shares to the Company nor has any such connected person undertaken not to sell any of the Shares held by him/her/it to the Company in the event that the New Repurchase Mandate is passed.

## **2. SHAREHOLDERS' APPROVAL**

All proposed repurchases of securities by a company with a primary listing on the GEM must be approved in advance by an ordinary resolution, either by way of general mandate or by specific approval of a particular transaction.

## **3. SHARE CAPITAL**

As at the Latest Practicable Date, the issued share capital of the Company comprised of 2,640,000,000 Shares.

Subject to the passing of the proposed resolution for the approval of the New Repurchase Mandate and on the basis that no further Shares are issued or repurchased after the Latest Practicable Date and prior to the EGM, the Company will be allowed to repurchase a maximum of 264,000,000 Shares, representing 10% of the issued share capital of the Company as at the EGM.

## **4. THE REPURCHASE PROPOSAL**

The ordinary resolution set out as resolution 2 of the EGM notice relates to the granting of an unconditional New Repurchase Mandate to the Directors to repurchase, on GEM or any other stock exchange on which the Shares may be listed and recognized by The Securities and Futures Commission of Hong Kong, Shares up to a maximum of 10% of the issued share capital of the Company at the date of the passing of the ordinary resolution.

Subject to the passing of the ordinary resolution granting the New Repurchase Mandate and on the basis that no further Shares are issued or repurchased before the EGM, the Company will be allowed to repurchase a maximum of 264,000,000 Shares during the period ending on the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by any applicable laws of the Cayman Islands or the Articles of Association to be held; or (iii) the date on which such authority is revoked or varied by an ordinary resolution of the Shareholders in general meeting.

## **5. REASONS FOR REPURCHASES**

Although the Directors have no present intention of repurchasing the Shares, they believe that it is in the best interests of the Company and the Shareholders for the Directors to have a general authority from the Shareholders to enable the Company to repurchase Shares in the market. Such repurchase may, depending on the market conditions and funding arrangement at the time, lead to an enhancement of the net assets value of the Company and/or its earnings per Share and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders.

## **6. FUNDING OF REPURCHASES**

Repurchases made pursuant to the New Repurchase Mandate would be funded out of funds legally available for the purpose in accordance with the Company's memorandum and Articles of Association and the applicable laws and regulations of the Cayman Islands. Any repurchases must be made out of funds of the Company legally permitted to be utilized in this connection, including out of the profits of the Company or out of the proceeds of a fresh issue of Shares made for the purpose of the repurchase or, if so authorized by its Articles of Association subject to the Companies Law of the Cayman Islands, out of capital. Any premium payable on a repurchase over the par value of the Shares to be purchased must be provided for out of the profits of the Company or out of the Company's share premium account or if so authorized by its Articles of Association and subject to the provisions of the Companies Law of the Cayman Islands, out of capital.

There might be material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the latest audited accounts contained in the annual report of the Company for the year ended 31 March 2007) in the event that the New Repurchase Mandate were to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the New Repurchase Mandate to such extent as would, in the circumstances, have a material adverse impact on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

## 7. SHARE PRICES

The monthly highest and lowest prices at which the Shares have been traded on GEM during the 12 months immediately preceding the Latest Practicable Date were as follows:

Month	Highest HK\$	Lowest HK\$
<b>2007</b>		
April	0.4750	0.2950
May	0.6000	0.3100
June	1.3500	0.4400
July	1.9000	1.2500
August	1.5100	0.6800
September	1.1800	0.8600
October	1.3200	0.7600
November	1.5400	0.8300
December	1.0400	0.6900
<b>2008</b>		
January	0.7900	0.4250
February	0.9000	0.5100
March	0.7500	0.4550
April (up to and including the Latest Practicable Date)	0.5500	0.5000

## 8. GENERAL INFORMATION

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will only exercise the New Repurchase Mandate in accordance with the GEM Listing Rules and the applicable laws and regulations of the Cayman Islands and the Articles of Association.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates, has any present intention to sell any Shares to the Company, if the New Repurchase Mandate is approved at the EGM and exercised.

The Company has not been notified by any connected person (as defined in the GEM Listing Rules) that such a person has a present intention to sell any Shares to the Company, or has undertaken not to do so, if the New Repurchase Mandate is approved by the Shareholders.

## 9. HONG KONG CODE ON TAKEOVERS AND MERGERS

If, as a result of repurchase of Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. Accordingly, a Shareholder, or a group of Shareholders acting in concert, depending on the level of increase of the Shareholders' interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, the following Shareholders are interested in more than 10% of the Shares then in issue:

Name	Number of Shares	Approximate Percentage of shareholding (%)
Tolmen Star Limited (the " <b>Tolmen Star</b> ") (Note 1)	902,000,000 (L)	34.17
Mr. Guo Xu (Note 1)	902,000,000 (L)	34.17
Ms. Zhou Ya Ping (Note 1)	902,000,000 (L)	34.17
Mr. Wong Wai Sing (Note 2 and 4)	80,000,000 (L) 339,000,000 (L)	3.03 12.84
Mr. Wong Wai Ngok (Note 3 and 4)	80,000,000 (L) 339,000,000 (L)	3.03 12.84
Ming Kei International Holding Co. Limited ( <b>"Ming Kei"</b> )	339,000,000 (L)	12.84
Ms. Tsang Tsz Kwan (Note 5)	419,000,000 (L)	15.87

(L) denotes long position

In the event that the Directors exercise in full the power to repurchase Shares in accordance with the New Repurchase Mandate, the total interests of the above Shareholders in the Shares would be increased to:

Name	Number of Shares	Approximate Percentage of shareholding (%)
Tolmen Star ( <i>Note 1</i> )	902,000,000 ( <i>L</i> )	37.96
Mr. Guo Xu ( <i>Note 1</i> )	902,000,000 ( <i>L</i> )	37.96
Ms. Zhou Ya Ping ( <i>Note 1</i> )	902,000,000 ( <i>L</i> )	37.96
Mr. Wong Wai Sing ( <i>Note 2 and 4</i> )	80,000,000 ( <i>L</i> ) 339,000,000 ( <i>L</i> )	3.37 14.27
Mr. Wong Wai Ngok ( <i>Note 3 and 4</i> )	80,000,000 ( <i>L</i> ) 339,000,000 ( <i>L</i> )	3.37 14.27
Ming Kei	339,000,000 ( <i>L</i> )	14.27
Ms. Tsang Tsz Kwan ( <i>Note 5</i> )	419,000,000 ( <i>L</i> )	17.64

(*L*) denotes long position

*Notes:*

1. Tolmen Star is wholly owned by Mr. Guo Xu who is the spouse of Ms. Zhou Ya Ping. Accordingly, each of Mr. Guo Xu and Ms. Zhou Ya Ping is deemed to be interested in the 902,000,000 Shares in which Tolmen Star is interested.
2. Mr. Wong Wai Sing is the younger brother of Mr. Wong Wai Ngok.
3. Mr. Wong Wai Ngok is the elder brother of Mr. Wong Wai Sing.
4. Ming Kei is jointly owned by Mr. Wong Wai Ngok and Mr. Wong Wai Sing. Accordingly, Mr. Wong Wai Ngok and Mr. Wong Wai Sing are deemed to be interested in the 339,000,000 Shares in which Ming Kei is interested in.
5. Ms. Tsang Tsz Kwan is the wife of Mr. Wong Wai Ngok, therefore she is deemed to be interested in the Shares of Mr. Wong Wai Ngok.

The Directors have no intention to exercise any of the New Repurchase Mandate to such an extent that will result in a requirement of Tolmen Star and parties acting in concert with it to make a mandatory offer under the Takeovers Code.

Save as disclosed above, the Directors are currently not aware of any consequences which will arise under the Takeovers Code as a result of any repurchase made pursuant to the New Repurchase Mandate. In addition, the Company may not repurchase Shares which would result in the amount of Shares held by the public being reduced to less than 25%.

**10. SHARE REPURCHASED BY THE COMPANY**

No Shares have been repurchased by the Company, whether on GEM or otherwise, in the last six months preceding the Latest Practicable Date.

## NOTICE OF EGM



# Ming Kei Energy Holdings Limited

明基能源控股有限公司\*

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8239)

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “EGM”) of the shareholders of Ming Kei Energy Holdings Limited (the “Company”) will be held at Room 3308–3309, The Center, 99 Queen’s Road Central, Hong Kong on Wednesday, 30 April 2008 at 11:00 a.m. for the following purpose by way of special business, to consider and, if thought fit, passing with or without amendments, the following ordinary resolutions numbered 1 to 3 of the Company by demanding a poll and the following ordinary resolutions numbered 4 and 5 of the Company by show of hands:

### ORDINARY RESOLUTION

1. “THAT: to the extent not already exercised, the mandate to allot and issue shares of the Company given to the directors of the Company (the “Directors”) at the annual general meeting of the Company held on 23 August 2007 be and is hereby revoked and replaced by the mandate.

#### THAT:

- (a) subject to paragraph (c) of this ordinary resolution, and pursuant to the Rules Governing (the “GEM Listing Rules”) the Listing of Securities on the Growth Enterprise Market (“GEM”) of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with unissued shares (“Shares”) in the share capital of the Company and to make or grant offers, agreements and options which might require the exercise of such powers be and the same is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this ordinary resolution shall authorize the Directors during the Relevant Period (as defined below) to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period;

\* For identification purposes only

## NOTICE OF EGM

- (c) the aggregate nominal amount of the share capital of the Company allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to options or otherwise) issued or dealt with by the Directors pursuant to the approval in paragraph (a) of this ordinary resolution, otherwise than pursuant to (i) a Rights Issue (as defined below); (ii) the exercise of any options under the Share Option Scheme (as defined below) or any other option scheme or similar arrangement for the time being adopted for the grant or issue to directors and/or employees of the Company and/or any of its subsidiaries of Shares or rights to acquire Shares; or (iii) any scrip dividend or similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company in force from time to time; or (iv) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any existing warrants of the Company or any existing securities of the Company which carry rights to subscribe for are convertible into Shares, shall not exceed the aggregate of:
- (i) 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue on the date of passing of this ordinary resolution;
  - (ii) (if the Directors are so authorized by a separate ordinary resolution of the Shareholders) the nominal amount of any share capital of the Company repurchased by the Company subsequent to the passing of this ordinary resolution (up to a maximum equivalent to 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue on the date of passing of this resolution), and the authority pursuant to paragraph (a) of this ordinary resolution shall be limited accordingly; and
- (d) for the purpose of this ordinary resolution, “**Relevant Period**” means the period from the date of the passing of this ordinary resolution until whichever is the earliest of
- (i) the conclusion of the next annual general meeting of the Company;
  - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company, or any other applicable laws of the Cayman Islands to be held; and
  - (iii) the passing of an ordinary resolution by the Shareholders in general meeting revoking or varying the authority given to the Directors by this ordinary resolution.



## NOTICE OF EGM

“**Rights Issue**” means an offer of Shares, or offer or issue of warrants, options or other securities giving rights to subscribe for Shares open for a period fixed by the Directors to holders of Shares on the register on a fixed record date in proportion to their then holdings of Shares (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements, or having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction outside Hong Kong or any recognized regulatory body or any stock exchange outside Hong Kong)”

2. “**THAT**

- (a) subject to paragraph (b) of this resolution, the exercise by the Directors of the Company during the Relevant Period of all powers of the Company to repurchase the Shares on the Stock Exchange or any other stock exchange on which the Shares may be listed and recognised by the Securities and Futures Commission of Hong Kong (the “**Securities and Futures Commission**”) and the Stock Exchange for such purpose, and otherwise in accordance with the rules and regulations of the Securities and Futures Commission, the Stock Exchange or of any such other stock exchange as amended from time to time and all other applicable laws in this regard, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of Shares authorised to be repurchased by the Company pursuant to the approval in paragraph (a) during the Relevant Period shall not exceed 10 per cent. of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and
- (c) for the purposes of this resolution, “**Relevant Period**” shall have the same meaning as in resolution no. 1(d).”

3. “**THAT** subject to the ordinary resolutions nos. 1 and 2 above being duly passed, the unconditional general mandate granted to the Directors to exercise the powers of the Company to allot, issue and deal with unissued Shares and to make or grant offers, agreements and options which might require to exercise of such powers pursuant to resolution no. 1 above be and is hereby extended by the addition thereon of an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the authority granted pursuant to resolution no. 2, provided that such amount shall not exceed 10 per cent. of the aggregate nominal amount of the issued Shares on the date of the passing of resolution no. 2.”

## NOTICE OF EGM

4. “**THAT** subject to and conditional upon the Listing Committee of the Stock Exchange granting the listing of and permission to deal in Shares which may be issued pursuant to the exercise of the options which may be granted under the share option schemes conditionally adopted by the Company on 26 October 2002 (the “**Share Option Scheme**”) granting the listing of and permission to deal in the Shares which may be issued pursuant to the refreshment of the Scheme Mandate Limit on the grant of options under the Share Option Scheme and any other share option scheme(s) of the Company of up to 10 per cent. of the issued share capital of the Company as at the date of passing this ordinary resolution (the “**Refreshed Mandate Limit**”) be and is hereby approved and the Directors be and are hereby authorized to do such act and execute such document as they deem necessary and fit to give effect to the Refreshed Mandate Limit.”
  
5. “**THAT** the resignation of Messrs. Grant Thornton be and is hereby approved and Shu Lun Pan Horwath Hong Kong CPA Limited is hereby appointed as the auditors of the Company and its subsidiaries in place of the resigned auditors, Messrs. Grant Thornton to hold office until the conclusion of the next annual general meeting of the Company, and the Directors be and are hereby authorized to fix the remuneration for the appointed auditors.”

Yours faithfully,  
For and on behalf of the Board of  
**Ming Kei Energy Holdings Limited**  
**Mr. Guo Xu**  
*Chairman*

Hong Kong, 7 April 2008

*Registered Office:*  
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KY1-1111  
Cayman Islands

*Head Office and Principal  
Place of Business:*  
Room 3308–3309  
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99 Queen’s Road Central  
Central  
Hong Kong

## NOTICE OF EGM

*Notes:*

1. A member entitled to attend and vote at the EGM is entitled to appoint one or more proxies to attend and, subject to the provisions of the articles of association of the Company, to vote on his behalf. A proxy need not be a member of the Company but must be present in person at the EGM to represent the member. If more than one proxy is so appointed, the appointment shall specify the number and class of Shares in respect of which each such proxy is so appointed.
2. A form of proxy for use at the EGM is enclosed. Whether or not you intend to attend the EGM in person, you are encouraged to complete and return the enclosed form of proxy in accordance with the instructions printed thereon. Completion and return of a form of proxy will not preclude a member from attending in person and voting at the EGM or any adjournment thereof, should he so wish.
3. In order to be valid, the form of proxy, together with a power of attorney or other authority, if any, under which it is signed, or a certified copy of such power or authority must be deposited at the Company's Hong Kong branch share registrar, Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof.
4. In the case of joint holders of Shares, any one of such holders may vote at the EGM, either personally or by proxy, in respect of such Shares as if he was solely entitled thereto, but if more than one such joint holders are present at the EGM personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such Shares shall alone be entitled to vote in respect thereof.