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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 registered dealer in securities, bank manager, solicitor, 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 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 transferee.

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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)

**DISCLOSEABLE TRANSACTION:
ACQUISITION OF REAL PROPERTY**

A letter from the board of directors of the Company is set out on pages 3 to 6 of this circular.

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 publication and the Company's website at 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. GEM-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 in order to obtain up-to-date information on GEM-listed issuers.

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DEFINITIONS

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

“Acquisition”	the acquisition of the Property subject to and upon the terms and conditions of the Sale and Purchase Agreement
“Announcement”	the announcement of the Company dated 15 May 2008 in relation to acquisition of the Property
“associates”	has the meaning ascribed to this term under the GEM Listing Rules
“Board”	the board of Directors from time to time
“Company”	Ming Kei Energy Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on GEM
“Completion”	completion of the Acquisition in accordance with the terms and conditions of the Sale and Purchase Agreement and the Supplemental Agreement
“connected person(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Directors”	directors (including the independent non-executive directors) of the Company from time to time
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries from time to time
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	any person(s) or company(ies) and their respective ultimate beneficial owner(s), to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are third parties independent of the Company and its connected persons in accordance with the GEM Listing Rules

DEFINITIONS

“Latest Practicable Date”	22 May 2008, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“PRC”	the People’s Republic of China, which for the purpose of this circular, shall exclude Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“Property”	中華人民共和國新疆維吾爾自治區烏魯木齊市昆明路158號野馬科技大廈A座第6層2號房 (Unit 2, 6th Floor, Block A, Yema Building, No. 158, Kunming Road, Urumqi, Xinjiang, Uygur Autonomous Region, PRC)#
“Purchaser”	木壘縣凱源煤炭有限責任公司 (Mulei County Kai Yuan Coal Company Limited)#, an indirect wholly-owned subsidiary of the Company
“Sale and Purchase Agreement”	the formal agreement for sale and purchase of the Property dated 15 May 2008 and entered into between the Purchaser and the Vendor
“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 share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s) from time to time
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supplemental Agreement”	the supplemental agreement to the Sale and Purchase Agreement dated 15 May 2008 and entered into between the Purchaser and the Vendor
“Vendor”	新疆野馬經貿有限公司 (Xinjiang Yema Economy & Trade Company Limited)#, the beneficial owner of the Property
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC
“sq. m”	square metre
“%”	per cent.

The English translation of the Chinese names in this circular, where indicate, is included for information purpose only and should not be regarded as the official English names of such Chinese names.

Translation of RMB into Hong Kong dollars are based on the exchange rates of RMB1 to HK\$1.1149 for information purpose only. Such translation should not be translated as a representation that the relevant amounts have been, could have been, or could be converted at that or any rate or at all.

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

26 May 2008

To the Shareholders

Dear Sir or Madam,

DISCLOSEABLE TRANSACTION: ACQUISITION OF REAL PROPERTY

INTRODUCTION

Reference is made to the Announcement in which the Board announced that on 15 May 2008, the Purchaser, an indirect wholly-owned subsidiary of the Company, entered into the Sale and Purchase Agreement with the Vendor in relation to the acquisition of the Property for a cash consideration of RMB14,493,200 (equivalent to approximately HK\$16,158,469).

The purpose of this circular is to provide you with further details regarding the Sale and Purchase Agreement, the Supplemental Agreement and the Group.

* For identification purposes only

LETTER FROM THE BOARD

SALE AND PURCHASE AGREEMENT

Date: 15 May 2008

- Parties: (1) 木壘縣凱源煤炭有限責任公司 (Mulei County Kai Yuan Coal Company Limited)#, as the Purchaser;
- (2) 新疆野馬經貿有限公司 (Xinjiang Yema Economy & Trade Company Limited)#, as the Vendor;

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, each of the Vendor and its ultimate beneficial owners, 陳強 (Mr. Chen Qiang)#, 陳剛 (Mr. Chen Gang)# and 陳志峰 (Mr. Chen Zhi Feng)#, is independent third party independent of the Company and its connected persons within the meaning of the GEM Listing Rules. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Vendor is an investment holding company.

Asset to be acquired:

Pursuant to the Sale and Purchase Agreement, the Vendor agreed to sell and the Purchaser agreed to acquire the Property subject to and upon the terms and conditions of the Sale and Purchase Agreement. To the best of the Directors' knowledge, information and belief, having made all reasonable enquires, the Property has a gross area of approximately 1,811.65 sq. m. and is at present vacant. As confirmed by the Vendor, the construction of the Yema Building (where the Property is located) was completed on 19 December 2006, and the Property has been vacant since then and there is no net profit attributable to the Property.

Consideration:

The consideration for the Property is RMB14,493,200 (equivalent to approximately HK\$16,158,469) which was settled by the Purchaser in cash upon entering into the Sale and Purchase Agreement. As at the Latest Practicable Date, the consideration had been financed by the internal resources of the Purchaser.

The consideration for the Property, representing RMB8,000 (equivalent to approximately HK\$8,919) per sq. m. , was arrived at after arm's length negotiations between the parties to the Sale and Purchase Agreement in normal commercial terms after having taken into account the valuation on the Property conducted by an independent valuer, Greater China Appraisal Limited, the Property is valued at RMB14,500,000 (equivalent to approximately HK\$16,166,050) by using the comparison method where comparison based on prices realized or market prices of comparable properties is made. Comparable properties of similar size, character and location are analyzed and carefully weighted against all the respective advantages and disadvantages of each other comparable properties in order to arrive at an arm's length value.

LETTER FROM THE BOARD

The Directors (including the independent non-executive Directors) consider that the terms of the Sale and Purchase Agreement are fair and reasonable and in normal commercial terms and in the interests of the Company and the Shareholders as a whole.

Condition precedent

Completion of the Acquisition is subject to the obtaining of a PRC legal opinion (in form and substance satisfactory to the Purchaser) from a PRC legal adviser appointed by the Purchaser in relation to the Sale and Purchase Agreement, the Supplemental Agreement, the Property and the transaction contemplated thereby. As at the Latest Practicable Date, the PRC legal adviser did not make any remarks regarding the Sale and Purchase Agreement, the Supplemental Agreement and the Property which is not satisfactory and should be brought to the Shareholders' attention.

Completion

Completion of the Sale and Purchase Agreement has been taken place on 15 May 2008. Pursuant to the Supplement Agreement signed immediately after entering into the Sale and Purchase Agreement, the Vendor agree to the Purchaser that it shall procure the transfer registration of legal title of the Property to be completed within 90 days from entering into the Supplemental Agreement or the Vendor have to pay the Purchaser RMB72,466 (equivalent to approximately HK\$80,792), being 0.5% of the consideration for the Property as damages for breach of the Sale and Purchase Agreement.

REASON FOR THE ACQUISITION

The Group is principally engaged in (a) mining, sale and distribution of coals in the PRC and (b) the provision of various logistics services.

At present, the Purchaser and 奇台縣澤旭商貿有限責任公司 (Qitai County Zexu Trading Enterprise Limited)#, both are indirect wholly-owned subsidiaries of the Company, are leasing office in Urumqi, Xinjiang Uygur Autonomous Region of the PRC. The Directors intend to use the Property as the office of the Purchaser and 奇台縣澤旭商貿有限責任公司 (Qitai County Zexu Trading Enterprise Limited)# in Urumqi, Xinjiang Uygur Autonomous Region of the PRC. The Acquisition will enable the Group to have its own place of business in Urumqi, Xinjiang Uygur Autonomous Region of the PRC, thereby avoiding any increase in rental expenses from leasing of property in the long run.

FINANCIAL EFFECT

The costs of the Property will be capitalised as fixed assets of the Group. As the consideration for the Acquisition has been financed by the internal resources of the Group, the Acquisition will not materially affect the total assets and earnings of the Group, nor will it increase the gearing position of the Group.

LETTER FROM THE BOARD

GEM LISTING RULES IMPLICATIONS

The Acquisition constitutes a discloseable transaction for the Company under the GEM Listing Rules.

ADDITIONAL INFORMATION

Your attention is also drawn to the additional information set out in the appendix to this circular.

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

1. 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 Company. 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;
- (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.

2. DISCLOSURE OF INTERESTS

(a) Directors' and chief executives' interests and short positions in the securities of the Company and its associated corporations

As at the Latest Practicable Date, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which were required (i) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) pursuant to Rule 5.46 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange, were as follows:

Long positions in the Shares

Name of Director	Number of Shares	Type of Interests	Approximate percentage of issued share capital
Mr. Guo Xu (Notes 1)	902,000,000	Corporate	34.17

Notes:

1. Tolmen Star Limited ("Tolmen Star") is wholly owned by Mr. Guo Xu ("Mr. Guo") who is the spouse of Ms. Zhou Ya Ping ("Ms. Zhou") Accordingly, each of Mr. Guo and Ms. Zhou is deemed to be interested in the 902,000,000 Shares in which Tolmen Star is interest in.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors nor the chief executive of the Company had or was deemed to have any interests and short positions in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were required (i) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) are required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) are required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange.

(b) Persons who have an interest or short position which is discloseable under Divisions 2 and 3 of Part XV of the SFO

So far as is known to the Directors and the chief executive of the Company, as at the Latest Practicable Date, the following person (not being Directors or chief executive of the Company) or corporation had, or was deemed to have, interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or who were directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group:

Long positions in the Shares

Name of Shareholder	Notes	Type of interests	Number of Shares	Approximate percentage of interests
Tolmen Star Limited (the "Tolmen Star")	1	Beneficial	902,000,000	34.17
Mr. Guo Xu	1	Deemed	902,000,000	34.17
Ms. Zhou Ya Ping	2	Deemed	902,000,000	34.17
Ming Kei International Holding Company Limited (the "Ming Kei")	3	Beneficial	339,000,000	12.84
Mr. Wong Wai Sing		Beneficial	80,000,000	3.03
	3	Deemed	339,000,000	12.84
Mr. Wong Wai Ngok		Beneficial	80,000,000	3.03
	3	Deemed	339,000,000	12.84
Ms. Tsang Tsz Kwan	4	Deemed	419,000,000	15.87

Notes:

1. Tolmen Star is wholly and beneficially owned by Mr. Guo Xu, an executive Director and director of Tolmen Star.
2. Ms. Zhou Ya Ping is the wife of Mr. Guo Xu, therefore she is deemed to be interested in the Shares of Mr. Guo Xu.
3. 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.
4. Ms. Tsang Tsz Kwan is the wife of Mr. Wong Wai Ngok, therefore she is deemed to be interested in the Shares of Wong Wai Ngok.

Save as disclosed above, as at the Latest Practicable Date, the Directors and the chief executive of the Company were not aware of any other person (other than the Directors and the chief executive of the Company) who had, or was deemed to have, interests or short positions in the shares or underlying shares of the Company (including any interests in options in respect of such capital), which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who was directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group.

3. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors has entered into any service contract or management agreement, proposed or otherwise with any member of the Group (excluding contracts expiring or terminable by the employer within one year without payment of compensation other than statutory compensation).

4. COMPETING INTERESTS

As at the Latest Practicable Date, none of the Directors or the management Shareholders (as defined in the GEM Listing Rules) or their respective associates has any interest in business which competes with or may compete with the business of the Group.

5. LITIGATION

On 13 April 2006, a customer filed a writ of summons against Marine Power Company Limited (the "Marine Power"), an indirect wholly owned subsidiary of the Company as the second defendant, to recover the cargo of goods. According to the documentation filed to the court, the potential claim of failing to recover the cargo of goods will be approximately HK\$580,000.

Further, on 13 April 2006, a customer issued a writ of summons in the High Court of Hong Kong against Marine Power as the defendant to recover certain cargoes from Marine Power, who acted as agent for another carrier in Taiwan in signing a number of bills of lading for transportation of such cargoes from Hong Kong to Brazil. No specified amount was claimed by that customer on the writ of summons.

In addition, on 15 May 2006, a customer issued a writ of summons in the High Court of Hong Kong against Marine Power as the defendant to recover certain cargoes from Marine Power, who acted as agent for another carrier in Taiwan in signing a number of bills of lading for transportation of such cargoes from Hong Kong to Brazil.

No specified amount was claimed by that customer on the writ of summons. Based on the advice of Marine Power's legal adviser, the directors are of the view that Marine Power has sufficient funds to defend. Accordingly, no provision has been made in the Marine Power's account.

Save as disclosed above, as at the Latest Practicable Date, no member of the Group is engaged in any litigation or arbitration of material importance and no litigation of claim of material importance is known to the Directors to be pending or threatened by or against any member of the Group.

6. MISCELLANEOUS

- (a) The registered office of the Company is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands and the head office and principal place of business of the Company is located at Room 3308-3309, The Center, 99 Queen's Road Central, Hong Kong.
- (b) The principal share registrar and transfer office of the Company is Bank of Bermuda (Cayman) Limited located at P.O. Box 513 GT, Strathvale House, North Church Street, George Town, Grand Cayman, KY1-1111, Cayman Islands. The branch share registrar and transfer office of the Company in Hong Kong is Tricor Tengis Limited, located at 26th Floor, Tesbury Centre, 28 Queen's Road East Wanchai, Hong Kong.

- (c) The company secretary of the Company is Mr. Tsang Ho Ka, Eugene who is a Certified Practising Accountant of the CPA Australia, a Certified Public Accountant of the Hong Kong Institute of Certified Public Accountants, a member of the Hong Kong Institute of Directors, an associate management accountant of the Institute of Certified Management Accountants, Australia and also an associate of the Taxation Institute of Hong Kong.
- (d) The qualified accountant of the Company is Mr. Luk Yue Kan, who is a Certified Public Accountant of the Hong Kong Institute of Certified Public Accountants.
- (e) The compliance officer of the Company is Mr. Guo Xu who is also an executive Director of the Company and chairman of the Group.
- (f) The Company has established an audit committee with written terms of reference in compliance with Rules 5.28 to 5.29 of the GEM Listing Rules.

The audit committee reviews the effectiveness of both the external and internal audit and of internal controls and risk evaluation.

Mr. Wong Ming, Kerry (“**Mr. Wong**”), aged 53, is a member of the American Institute of Certified Public Accountants and is a fellow member of the Hong Kong Institute of Certified Public Accountants. Mr. Wong graduated in United States of America with a bachelor and a master degree in accounting. Mr. Wong has over 20 years of experience in auditing, accounting, financial and general management. He is currently a vice president of an EMS (Electronic Manufacturing Services) company taking care of the human resources area in the Greater China Region.

Mr. Sung Wai Tak, Herman (“**Mr. Sung**”), aged 49, is a solicitor of the High Court of the Hong Kong Special Administrative Region and the Supreme Court of the New South Wales in Australia. Mr. Sung holds a bachelor’s degree of art from The Chinese University of Hong Kong, a bachelor’s degree of laws from The University of London and holds a master of laws from The University of Sydney. Mr. Sung has extensive experiences in the legal area both in Hong Kong and Australia respectively and he is currently a solicitor practising in Hong Kong and his practice has been focused on commercial related matters. Mr. Sung is currently an independent non-executive director of the Argos Enterprise (Holdings) Limited (Stock Code: 8022), a company listed on the Growth Enterprise Market (“GEM”) of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

Mr. Tam Chak Chi, (“**Mr. Tam**”), aged 31, is a Certified Public Accountant of the Hong Kong Institute of Certified Public Accountants and an associate member of American Institute of Certified Public Accountants. Mr. Tam has over 5 years experience in accounting, auditing and financial management and previously worked in a big four international accounting firm. Mr. Tam is currently a financial controller, qualified accountant and a company secretary of Wing Lee Holdings Limited, which is a company listed on the main board of the Stock Exchange.

- (g) The English text of this circular shall prevail over the Chinese text in case of any inconsistency.