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)

THIRD QUARTERLY RESULTS ANNOUNCEMENT FOR THE NINE MONTHS ENDED 31 DECEMBER 2008

Characteristics of the Growth Enterprise Market ("GEM") of The Stock Exchange of Hong Kong Limited (the "Stock Exchange")

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 in order to obtain up-to-date information on GEM-listed issuers.

This announcement, for which the directors (the "Directors") of Ming Kei Energy Holdings Limited (the "Company") collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the "GEM Listing Rules") for the purpose of giving information with regard to the Company. The Directors of the Company, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this announcement 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 announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

* *For identification purposes only*

THIRD QUARTERLY RESULTS (UNAUDITED)

The board (the "Board") of directors (the "Directors") of Ming Kei Energy Holdings Limited (the "Company") herein presents the unaudited condensed consolidated results of the Company and its subsidiaries (collectively referred to as the "Group") for the three months and nine months ended 31 December 2008 together with the comparative unaudited figures for the corresponding periods in 2007 as follows:

UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT

For the three months and nine months ended 31 December 2008

		Nine months ended 31 December		Three months ended 31 December	
		2008	2007	**2008**	2007
		(Unaudited)	(Unaudited) (Restated)	**(Unaudited)**	(Unaudited) (Restated)
	Notes	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Continuing operations:					
Revenue	*4*	**85,218**	14,941	**58,832**	14,941
Cost of sales		**(43,557)**	(11,885)	**(29,450)**	(11,885)
Gross profit		**41,661**	3,056	**29,382**	3,056
Excess of the group's share of net fair value of the interests in subsidiaries acquired over the cost of the acquisition	*3*	**–**	50,777	**–**	50,777
Other income and gains		**1,100**	1,761	**194**	790
Selling and distribution costs		**(903)**	(61)	**(299)**	(61)
Administrative expenses		**(22,253)**	(6,579)	**(12,927)**	(2,999)
Finance costs	*5*	**(11,777)**	(3,376)	**(3,760)**	(3,376)
Profit before tax	*6*	**7,828**	45,578	**12,590**	48,187
Income tax	*7*	**2,375**	766	**1,566**	766
Profit for the period from continuing operations		**10,203**	46,344	**14,156**	48,953
Discontinued operations:					
Loss for the period from discontinued operations	*8*	**(554)**	(2,513)	**–**	(935)
Profit for the period attributable to equityholders of the Company		**9,649**	43,831	**14,156**	48,018
Dividend	*9*	**–**	–	**–**	–
Earnings per share attributable to equityholders of the Company	*10*				
Continuing and discontinued operations:					
Basic (cent)		**HK0.37**	HK2.33	**HK0.54**	HK2.27
Diluted (cent)		**N/A**	HK2.31	**N/A**	HK2.26
Continuing operations:					
Basic (cent)		**HK0.39**	HK2.46	**HK0.54**	HK2.32
Diluted (cent)		**N/A**	HK2.44	**N/A**	HK2.31

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the nine months ended 31 December 2008

	Issued capital (Unaudited) *HK$'000*	Share premium (Unaudited) *HK$'000*	Capital reserve (Unaudited) *HK$'000*	Statutory reserve fund (Unaudited) *HK$'000*	Share option reserve (Unaudited) *HK$'000*	Asset revaluation reserve (Unaudited) *HK$'000*	Exchange reserve (Unaudited) *HK$'000*	Retained earnings/ (Accumulated losses) (Unaudited) *HK$'000*	Total (Unaudited) *HK$'000*
Balance at 1 April 2008	26,400	841,530	3,867	862	15,360	-	63,233	(6,862)	944,390
Net profit for the period	-	-	-	-	-	-	-	9,649	9,649
Exchange realignments	-	-	-	-	-	-	25,749	-	25,749
Change in fair value of available-for-sale financial assets	-	-	-	-	-	(576)	-	-	(576)
Transfer on disposal of subsidiaries	-	-	2,642	-	-	-	-	(2,642)	-
As at 31 December 2008	26,400	841,530	6,509	862	15,360	(576)	88,982	145	979,212

	Issued capital (Unaudited) HK$'000	Share premium (Unaudited) (Restated) HK$'000	Capital reserve (Unaudited) HK$'000	Convertible bond equity reserve (Unaudited) (Restated) HK$'000	Exchange reserve (Unaudited) (Restated) HK$'000	Retained earnings/ (Accumulated losses) (Unaudited) (Restated) HK$'000	Total (Unaudited) (Restated) HK$'000
Balance as at 1 April 2007	15,000	14,946	3,867	–	–	(21,388)	12,425
Issue of new shares for placing	3,000	90,300	–	–	–	–	93,300
Issuing cost for placing	–	(2,959)	–	–	–	–	(2,959)
Issue of new shares for exercise of share options	1,200	52,800	–	–	–	–	54,000
Issue of new shares for very substantial acquisition (the "VSA"), restated	4,000	404,000	–	–	–	–	408,000
Issuing cost for VSA	–	(6,924)	–	–	–	–	(6,924)
Issue of convertible bonds for VSA, restated	–	–	–	38,054	–	–	38,054
Partial conversion of convertible bonds, restated	230	20,527	–	(2,735)	–	–	18,022
Exchange realignment, restated	–	–	–	–	23,935	–	23,935
Net profit for the period	–	–	–	–	–	43,831	43,831
As at 31 December 2007	23,430	572,690	3,867	35,319	23,935	22,443	681,684

Notes:

1. **GENERAL INFORMATION**

Ming Kei Energy Holdings Limited (the "Company") is incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of its registered office is at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KYI-1111, Cayman Islands and its principal place of business in Hong Kong is Room 3308–3309, The Center, 99 Queen's Road Central, Hong Kong.

The Company's shares were listed on the Growth Enterprise Market (the "GEM") of the Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 15 November 2002.

The principal activity of the Company is investment holding. During the current period under review, the Company and its subsidiaries (collectively referred to as the "Group") are principally engaged in mining, sale and distribution of coals in the People's Republic of China (the "PRC"). During the prior period under review, the Group also engaged in other discontinued operations, details of which are set out in notes 4 and 8 below.

2. **BASIS OF PREPARATION**

The unaudited condensed consolidated results of the Group for the nine months ended 31 December 2008 (the "Results") have been prepared in accordance with the Hong Kong Financial Reporting Standards ("HKFRSs") which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). The Results also includes the applicable disclosure requirements of the Rules Governing the Listing of Securities on the GEM of the Stock Exchange ("GEM Listing Rules").

The Results have been prepared under the historical cost convention, except for available-for-sale financial assets, which are measured at fair values, as appropriate. The accounting policies and basis of preparation adopted in the preparation of the Results are the same as those used in the financial statements for the year ended 31 March 2008, except for the accounting policies adopted for the available-for-sale financial assets and the adoption of the new and revised HKFRSs as disclosed below. The Results are unaudited but have been reviewed by the Company's audit committee.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets in listed and unlisted equity and debt securities that are designated as available for sale. After initial recognition, available-for-sale financial assets are measured at fair value, with gains or losses recognised as a separate component of equity until the investment is derecognised or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is included in the income statement. Interest and dividends earned are reported as interest income and dividend income, respectively and are recognised in the income statement. Losses arising from the impairment of such investments are recognised in the income statement and are transferred from the asset revaluation reserve.

When the fair value of unlisted equity and debt securities cannot be reliably measured because (a) the variability in the range of reasonable fair value estimates is significant for that investment or (b) the probabilities of the various estimates within the range cannot be reasonably assessed and used in estimating fair value, such securities are stated at cost less any impairment losses.

2. **BASIS OF PREPARATION** *(Continued)*

Changes in accounting policies

The HKICPA has issued a number of new and revised HKFRSs which are generally effective for accounting periods beginning on or after 1 April 2008. The adoption of these new and revised HKFRSs has had no material impact on the Results.

The Group has not early applied any of the new standards or interpretations that have been issued but are not yet effective. The Group is in the process of making an assessment of what the impact of these new or revised standards or interpretations is expected to be in the period of their initial application.

3. **RESTATEMENT OF COMPARATIVE FINANCIAL INFORMATION FOR THE THREE MONTHS AND THE NINE MONTHS ENDED 31 DECEMBER 2007**

On 19 November 2007 (the "Completion Date"), the Group acquired the entire 100% equity interest of Ming Kei Kai Yuan Investment Company Limited (the "Ming Kei Kai Yuan") for a total consideration of HK$1,000 million (the "Acquisition"). On the Completion Date, the Group acquired and accounted for the assets, liabilities and contingent liabilities of the Ming Kei Kai Yuan and its subsidiaries on a provisional basis in accordance with the requirements of the Hong Kong Financial Reporting Standard 3 "Business Combinations" (the "HKFRS 3"), and prepared and presented the Group's quarterly report for the three months and the nine months ended 31 December 2007 (the "Prior Periods Ended"). As a result, among other things, the Group recognized an unaudited and provisional goodwill (the "Goodwill") of approximately HK$957.9 million on the Completion Date for the Acquisition.

Subsequently, the provisional fair values of the assets, liabilities, and contingent liabilities acquired in the Acquisition were finalized in preparing the annual financial statements of the Group for the year ended 31 March 2008 (the "Annual Financial Statements"), and the Group was able to ascertain, among other things, the estimated fair values of certain intangible assets (the "Intangible Assets") of the Ming Kei Kai Yuan and its subsidiaries acquired by the Group, and consequential adjustments were made to reduce the previously provisionally recognized unaudited Goodwill on the Prior Periods Ended of approximately HK$957.9 million to HK$nil and recognized the abovementioned Intangible Assets and the excess of the Group's share of net fair value of the interests in subsidiaries acquired over the cost of the Acquisition (the "Excess") of approximately HK$50.8 million. The Excess and the Intangible Assets has also been recognized and credited to the Group's consolidated income statement and has also been recognized and debited to the Group's consolidated balance sheet in the Annual Financial Statements respectively.

To comply with the HKFRS 3, in the preparation and presentation of comparative financial information for the Prior Periods Ended in this quarterly report, the Group was required to recognize and record the abovementioned consequential adjustments and the Excess on the Completion Date for the Acquisition. As a result, the Prior Periods Ended financial information had been adjusted and restated to account for the consequential financial effects which are summarised as follows:

3. **RESTATEMENT OF COMPARATIVE FINANCIAL INFORMATION FOR THE THREE MONTHS AND THE NINE MONTHS ENDED 31 DECEMBER 2007** *(Continued)*

	Nine months ended 31 December 2007 (Unaudited) *HK$'000*	Three months ended 31 December 2007 (Unaudited) *HK$'000*
Net profit/(loss) attributable to equityholders of the Company, as previously reported	(1,932)	2,255
Add: Excess of the group's share of net fair value of the interests in subsidiaries acquired over the cost of the Acquisition	50,777	50,777
Less: Amortisation of Intangible Assets, net of deferred tax effect	(2,299)	(2,299)
Effective interest expenses arising from the Company's convertible bonds and promissory notes issued as a partial consideration for the Acquisition	(2,715)	(2,715)
Net profit attributable to equityholders of the Company, as restated	43,831	48,018

Reference is also made to the circular of the Company dated 15 October 2007 in relation to the Acquisition and the Annual Financial Statements dated 30 June 2008 respectively.

4. **REVENUE AND SEGMENT INFORMATION**

The following table present the Group's revenue derived from invoiced value of goods sold and logistics services provided:

	Nine months ended 31 December		**Three months ended 31 December**	
	2008 (Unaudited) *HK$'000*	2007 (Unaudited) *HK$'000*	**2008 (Unaudited) *HK$'000***	2007 (Unaudited) *HK$'000*
Revenue				
Continuing operations:				
Sale of coals	**85,218**	14,941	**58,832**	14,941
Discontinued operations:				
Sea freight forwarding	**398**	2,159	**–**	143
Road freight forwarding	**5,581**	10,172	**–**	2,765
Air freight forwarding	**56**	26	**–**	8
Other related logistics services	**19**	577	**–**	275
	91,272	27,875	**58,832**	18,132

4. **REVENUE AND SEGMENT INFORMATION** *(Continued)*

Segment information is presented by way of two segment formats: (i) on a primary segment reporting basis, by business segment; and (ii) on a secondary segment reporting basis, by geographical segment.

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

(a) the mining segment comprised the mining, exploration and sale of coal (the continuing operations); and

(b) the logistics segment comprised the provision of logistic services (the discontinued operations).

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

(i) Business segments

	Nine months ended 31 December 2008		
	Continuing operations Mining (Unaudited) ***HK$'000***	**Discontinued operations Logistics (Unaudited)** ***HK$'000***	**Consolidated (Unaudited)** ***HK$'000***
SEGMENT REVENUE			
External sales and services	**85,218**	**6,054**	**91,272**
SEGMENT RESULTS	**32,099**	**(549)**	**31,550**
Interest income			**367**
Unallocated costs and corporate expenses			**(12,861)**
Finance costs			**(11,782)**
Profit before tax			**7,274**
Income tax			**2,375**
Profit for the period			**9,649**

4. **REVENUE AND SEGMENT INFORMATION** *(Continued)*

(i) **Business segments** *(Continued)*

	Nine months ended 31 December 2007		
	Continuing operations Mining (Unaudited) (Restated) *HK$'000*	Discontinued operations Logistics (Unaudited) *HK$'000*	Consolidated (Unaudited) (Restated) *HK$'000*
SEGMENT REVENUE			
External sales and services	14,941	12,934	27,875
SEGMENT RESULTS	53,555	(2,437)	51,118
Interest income			1,645
Unallocated costs and corporate expenses			(6,246)
Finance costs			(3,452)
Profit before tax			43,065
Income tax			766
Profit for the period			43,831

(ii) **Geographical segments**

The following table presents revenue information for the Group's geographical segments:

	Nine months ended 31 December					
	Hong Kong		**People's Republic of China (not including Hong Kong)**		**Consolidated**	
	2008	2007	**2008**	2007	**2008**	2007
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)	**(Unaudited)**	(Unaudited)
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Segment revenue	**6,054**	12,934	**85,218**	14,941	**91,272**	27,875

5. FINANCE COSTS

	Nine months ended 31 December		Three months ended 31 December	
	2008	2007	**2008**	2007
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
		(Restated)		(Restated)
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
For continuing operations:				
Interest expenses on trade financing wholly repayable within five years	**(683)**	–	**(7)**	–
Interest expenses on convertible bonds wholly repayable within five years	**–**	(1,695)	**–**	(1,695)
Interest expenses on promissory notes wholly repayable within five years	**(11,094)**	(1,681)	**(3,753)**	(1,681)
	(11,777)	(3,376)	**(3,760)**	(3,376)
For discontinued operations:				
Interest expenses on finance lease wholly repayable within five years	**(5)**	(76)	**–**	(4)
	(11,782)	(3,452)	**(3,760)**	(3,380)

6. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after (crediting)/charging:

	Nine months ended 31 December		Three months ended 31 December	
	2008	2007	**2008**	2007
	(Unaudited)	(Unaudited) (Restated)	**(Unaudited)**	(Unaudited) (Restated)
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
For continuing operations:				
Interest income	**(367)**	(1,645)	**(88)**	(674)
Depreciation	**2,144**	207	**843**	207
Cost of inventories sold	**43,557**	11,885	**29,450**	11,885
Amortisation of intangible assets*	**11,536**	3,597	**7,425**	3,597
Loss/(gain) on disposal of property, plant and equipment	**766**	–	**(78)**	–
For discontinued operations:				
Depreciation	**198**	520	**–**	157
Cost of services provided	**4,250**	9,368	**–**	2,183

* Amount is also included in the "cost of inventories sold" above

7. INCOME TAX

The amount of income tax in the unaudited condensed consolidated income statement of the Group represents:

	Nine months ended 31 December		Three months ended 31 December	
	2008	2007	**2008**	2007
	(Unaudited)	(Unaudited) (Restated)	**(Unaudited)**	(Unaudited) (Restated)
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Deferred tax credit and tax for the period	**2,375**	766	**1,566**	766

No provision for Hong Kong profits tax has been made as the Group has no estimated assessable profits for Hong Kong profits tax purpose for the nine months ended 31 December 2008 (nine months ended 31 December 2007: HK$nil). Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretation and practices in respect thereof.

7. INCOME TAX *(Continued)*

In accordance with the approval from the relevant tax authorities, Mulei County Kai Yuan Coal Company Limited (the "Kai Yuan Coal"), an indirectly wholly owned subsidiary of the Group operating in the PRC, is entitled to two years' exemption from the PRC corporate income tax (the "CIT") followed by three years' 50% relief from the CIT. The year ended 31 December 2007 is the first profit-making year of the Kai Yuan Coal for the purpose of CIT exemption. Accordingly, no CIT was provided for the nine months ended 31 December 2008.

8. DISCONTINUED OPERATIONS

On 8 July 2008, the Company entered into a disposal agreement (the "Disposal") for the disposal of the entire equity interests in the Precious Logistics Limited (the "Precious Logistics") for an aggregate cash consideration of HK$1,500,000. Precious Logistics and its subsidiaries was principally engaged in coordinating various logistics services for its customers.

The Disposal constitutes a major transaction on the part of the Company under the GEM Listing Rules and is subject to the shareholders' approval at an extraordinary general meeting of the Company. The respective resolutions were passed by the shareholders on 29 August 2008 and the Disposal was completed on 3 September 2008.

After the completion of the Disposal, Precious Logistics and its subsidiaries ceased to be subsidiaries of the Company and the Company will no longer have any interests in the Precious Logistics and its subsidiaries engaged in the logistics business.

In accordance with Hong Kong Financial Reporting Standard 5 "Non-Current Assets Held For Sale and Discontinued Operations" issued by the HKICPA, the business segment of logistics services was required to be presented as discontinued operations in the three months and nine months ended 31 December 2007 and 31 December 2008 respectively. For the nine months ended 31 December 2008, the Group recorded a gain on disposal of subsidiaries of approximately HK$0.4 million, which represented the net gain on disposal of the Group's logistics business (or the Group's discontinued operations).

8. DISCONTINUED OPERATIONS *(Continued)*

The results of the discontinued operations for the current and prior periods, which have been included in the unaudited condensed consolidated income statement, were as follows:

	Nine months ended 31 December		**Three months ended 31 December**	
	2008	2007	**2008**	2007
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Revenue	**6,054**	12,934	**–**	3,191
Cost of sales	**(4,250)**	(9,367)	**–**	(2,182)
Gross profit	**1,804**	3,567	**–**	1,009
Other income and gains	**80**	109	**–**	3
Gain on disposal of subsidiaries	**444**	–	**–**	–
Selling and distribution costs	**(20)**	(587)	**–**	(159)
Administrative expenses	**(2,857)**	(5,526)	**–**	(1,784)
Finance costs	**(5)**	(76)	**–**	(4)
Loss before tax	**(554)**	(2,513)	**–**	(935)
Income tax	**–**	–	**–**	–
Loss for the period from discontinued operations	**(554)**	(2,513)	**–**	(935)

The cash flows of the discontinued operations were as follows:

	For the nine months ended 31 December	
	2008	2007
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Net cash generated from/(used in) operating activities	(779)	2,083
Net cash generated from investing activities	815	100
Net cash used in financing activities	(145)	(873)
	(109)	1,310

9. DIVIDEND

The Board does not recommend the payment of a dividend for the nine months ended 31 December 2008 (nine months ended 31 December 2007: HK$nil).

10. EARNINGS PER SHARE

The calculations of basic earnings per share are based on the net profit attributable to the equityholders of the Company for the respective periods, and the weighted average number of ordinary shares in issue during period under review.

Diluted earnings per share for the three months and the nine months ended 31 December 2008 have not been disclosed as the share options outstanding during the period under review have an anti-dilutive effect.

The calculation of diluted earnings per share for the three months and the nine months ended 31 December 2007 is based on the net profit attributable to the equityholders of the Company for the three months and the nine months ended 31 December 2007. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue during the corresponding prior periods, as used in the basic earnings per share calculation for the three months and the nine months ended 31 December 2007, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of all dilutive potential ordinary shares into ordinary shares.

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

	Nine months ended 31 December		**Three months ended 31 December**	
	2008	2007	**2008**	2007
	(Unaudited)	(Unaudited) (Restated)	**(Unaudited)**	(Unaudited) (Restated)
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
For continuing and discontinued operations:				
Profit attributable to equityholders of the Company	**9,649**	43,831	**14,156**	48,018
For continuing operations:				
Profit attributable to equityholders of the Company	**10,203**	46,344	**14,156**	48,953

10. EARNINGS PER SHARE *(Continued)*

	Nine months ended 31 December		Three months ended 31 December	
	2008	2007	**2008**	2007
	(Unaudited)	(Unaudited) (Restated)	**(Unaudited)**	(Unaudited)
Weighted average number of ordinary shares in issue during the period used in the basic earnings per share calculation	**2,640,000,000**	1,883,200,730	**2,640,000,000**	2,111,706,522
Effect of dilution – weighted average number of ordinary shares assumed to have been issued at no consideration on deemed fully exercise of outstanding share options	**N/A**	13,829,590	**N/A**	8,787,956
Weighted average number of ordinary shares in issue during the period used in the diluted earnings per share calculation	**N/A**	1,897,030,320	**N/A**	2,120,494,478

11. COMPARATIVE FIGURES

As mentioned in notes 3 and 8, certain comparative figures have been restated or re-classified to conform with current period's presentation.

MANAGEMENT DISCUSSION AND ANALYSIS

The Group is principally engaged in mining, sale and distribution of coals in the People's Republic of China (the "PRC").

The two coal mines which are currently operated and managed by the Group are namely as 凱源露天煤礦 (Kaiyuan Open Pit Coal Mine)# and 澤旭露天煤礦 (Zexu Open Pit Coal Mine)# and are located in 北塔山 (Bei Ta Mountain)#, 奇台縣 (Qi Tai County)#, 新疆維吾爾自治區 (Xinjiang Uygur Autonomous Region)# of the PRC.

FINANCIAL REVIEW

The Group achieved an excellent revenue growth for the continuing operations of coal mining business for the nine months ended 31 December 2008, representing an increase by approximately HK$70.3 million or 470.4% over the corresponding prior period.

During the nine months ended 31 December 2008, the Group recorded a revenue of approximately HK$85.2 million (nine months ended 31 December 2007: approximately HK$14.9 million) which was derived from the continuing operations of coal mining business. An increase in turnover by approximately HK$70.3 million or 470.4%, as compared to the corresponding period in previous year were due to the increasing energy demand in the PRC and increase in the average coal selling price and market share of the Group's continuing operations. The Group generated an operating profit from continuing operations of approximately HK$10.2 million (nine months ended 31 December 2007 (Restated): approximately HK$46.3 million). The raw coal production was approximately 0.91 million tones during the nine months ended 31 December 2008 under review (nine months ended 31 December 2007: approximately 0.31 million tons). Details of the breakdown of revenue are disclosed in note 4 to the section headed "REVENUE AND SEGMENT INFORMATION" of this quarterly report.

The Group's gross profit from continuing operations was approximately HK$41.7 million or 48.9% for the nine months ended 31 December 2008 (nine months ended 31 December 2007 (Restated): approximately HK$3.1 million or 20.5%), the gross profit increased by approximately HK$38.6 million or 1,263.3% as compared to the corresponding period in prior year was mainly due to the overall increase in coal selling price achieved during the current period under review.

For the nine months ended 31 December 2008, the Group recorded a gain on disposal of subsidiaries of approximately HK$0.4 million, which represented the net gain on disposal of the Group's logistics business (or the Group's discontinued operations).

For the nine months ended 31 December 2008, the Group recorded a net profit attributable to the equityholders of the Company from the continuing operations of approximately HK$10.2 million (nine months ended 31 December 2007 (Restated): approximately HK$46.3 million) represented a tremendous decrease by approximately HK$36.1 million or 78.0%. The tremendous decrease were mostly caused by the absence of a non-recurring excess of the Group's share of net fair value of the interests in subsidiaries acquired over the cost of the acquisition credited to the income statement for the nine months ended 31 December 2007 amounting to approximately HK$50.8 million (Restated).

Net loss attributable to the equityholders of the Company from the discontinued operations for the nine months ended 31 December 2008 was approximately HK$0.6 million (nine months ended 31 December 2007: approximately HK$2.5 million). The decrement by approximately HK$1.9 million or 78.0% was solely due to less months of contribution from the logistics business (and the logistics segment) which was entirely disposed on 3 September 2008 and the recognition of a gain on the disposal of the logistics segment of approximately HK$0.4 million.

BUSINESS REVIEW AND PROSPECTS

The Group achieved an excellent revenue growth for the continuing operations of coal mining business for the nine months ended 31 December 2008, representing an increase by approximately HK$70.3 million or 470.4% over the corresponding period in previous year.

On 8 July 2008, the Company entered into a disposal agreement (the "Disposal") for the disposal of the entire equity interests in the Precious Logistics Limited for an aggregate cash consideration of HK$1,500,000. Following the completion of the Disposal on 3 September 2008, the Group will focus on its existing principal business of mining, sale and distribution of coals in the PRC.

The Group expects the coal mining industry and its environment to be continuously improving due to the increasing energy demand in the PRC and unsustainable nature of the mineral resources.

In addition, according to the national coal industry policy published by the PRC's National Development and Reform Commission (中華人民共和國國家發展和改革委員會) recently, the PRC's mining industry is set to experience increased consolidation. The PRC's government has started a nationwide campaign to close small coal mines, the targeted small coal mines to be closed down accounted for approximately one-third of the entire PRC's coal's production. The PRC's government will further develop coal projects in central region while accelerating the exploration and development of coal resources in the western region.

The Group will seize this opportunity to merger and acquisition of the above mentioned small coal mines by fully realising the synergies effects between different coal markets and spreading operational risks into different regions among the PRC in order to enlarge its market share and enlarge the Group's coal reserves.

On 18 July 2008, the Company's indirectly wholly owned subsidiary, Star Energy International Investment Company Limited, entered into a non-legal binding memorandum of understanding (the "MOU") in relation to the possible acquisition of the entire equity interest of a company incorporated in the British Virgin Islands (the "BVI Company"). Upon completion of the reorganization of the BVI Company and its subsidiaries, the BVI Company will own 99% of a company incorporated in the PRC (the "PRC Company"). The PRC Company is principally engaged in coal mining and sale of coal. For further details of the MOU, please refer to the heading "PROPOSED ACQUISITION".

On 4 August 2008, the Company entered into a placing letter with the placing agent of Wing Hing International (Holdings) Limited – a company incorporated in Bermuda with limited liability, the shares of which is listed on the main board of the Stock Exchange (stock code: 621) (the "Wing Hing"). The Company has agreed, as one of the subscribers, to subscribe in cash for the 1,600,000 subscription shares (the "Subscription") for a total subscription price of HK$2,288,000, i.e. HK$1.43 per new Wing Hing share. The Subscription was completed on 14 August 2008. The Group considers that the Subscription provides (i) an opportunity to enjoy any potential capital gain in the value of the Wing Hing Shares (ii) the Subscription represents an opportunity for the Company to create a synergy effect with Wing Hing as both of them have participated or are going to participate in the coal mining industry; and (iii) a good investment channel for the Company, which is in the interests of the shareholders and the Company as a whole.

On 16 December 2008, Mr. Wong Wai Ngok (Mr. Benny Wong), a substantial shareholder of the Company (the "Shareholder") immediately before the completion (the "Completion") of the sale and purchase of the 80,000,000 shares of the Company (the "Share Transfer") by Mr. Benny Wong to Mr. Wong Wai Sing (Mr. Nelson Wong) and the sale and purchase of one share of Ming Kei International Holding Co. Limited by Mr. Benny Wong to Mr. Nelson Wong (the "MK Transfer"), and the elder brother of Mr. Nelson Wong, has agreed to sell and Mr. Nelson Wong, an executive Director, a substantial Shareholder and the younger brother of Mr. Benny Wong has agreed to purchase the Share Transfer and the MK Transfer. The Completion of the Share Transfer and the MK Transfer were completed on 16 December 2008.

The considerations of both the Share Transfer and the MK Transfer will be settled by Mr. Nelson Wong agree to transfer the promissory note (the "PN Transfer") in the principal sum of HK$56,400,000 executed by the Company in favour of Mr. Nelson Wong for the purpose of settling partially the consideration for the acquisition of Ming Kei Kai Yuan Investment Company Limited under the sales and purchase agreement dated 3 July 2007 to Mr. Benny Wong after the approval of the independent shareholders (the "Independent Shareholders") at the extraordinary general meeting (the "EGM") held on 29 January 2009.

The respective resolution was passed by the Independent Shareholders on the EGM. The Company, as instructed by Mr. Benny Wong and Mr. Nelson Wong, confirms that the Share Transfer, the MK Transfer and the PN Transfer were agreed between them after arm's length negotiation and represented a shareholding restructuring among family members.

Although the current adverse macro-economic conditions and the global financial crisis are having a negative impact on the overall business globally but there is no significant effect to the businesses of the Group. Notwithstanding the foregoing, the Board confirms that the Group makes no investment in any financial derivatives, foreign exchange contracts, interest or currency swaps, hedgings or other financial arrangements for hedging purposes to reduce any currency risk nor made any over-the counter contingent forward transactions. The Board will constantly keep reviewing the Group's strategies and operations with a view to improve its business performance in the current global financial tsunami.

The Group will continue to seek out coal investment opportunities and aims to become one of the leading mining company in the Xinjiang Uygur Autonomous Region of the PRC through its internal organic growth and by mergers and acquisitions and deliver increasing return to the shareholders.

While looking at ways to improve its existing business further, the Group is looking for any other business opportunities elsewhere to improve its standard performance and improve shareholders' return.

CAPITAL STRUCTURE

The shares of the Company were listed on the Growth Enterprise Market of the Stock Exchange of Hong Kong Limited ("GEM") since 15 November 2002. There is no material change in the capital structure of the Company during the nine months ended 31 December 2008 under review. As at 31 December 2008, the total issued share capital is 2,640,000,000 shares.

MATERIAL ACQUISITION OR DISPOSAL OF SUBSIDIARIES AND AFFILIATED COMPANIES

On 8 July 2008, the Company entered into a disposal agreement (the "Disposal") for the disposal of the entire equity interests in the Precious Logistics Limited (the "Precious Logistics") for an aggregate cash consideration of HK$1,500,000.

The Disposal constitutes a major transaction on the part of the Company under the GEM Listing Rules and is subject to the shareholders' approval at an extraordinary general meeting of the Company. The respective resolutions were passed by the shareholders on 29 August 2008 and the Disposal was completed on 3 September 2008.

After the completion of the Disposal, Precious Logistics and its subsidiaries ceased to be subsidiaries of the Company and the Company will no longer have any interests in the Precious Logistics and its subsidiaries engaged in the logistics business.

On 4 August 2008, the Company entered into a placing letter with the placing agent of Wing Hing International (Holdings) Limited – a company incorporated in Bermuda with limited liability, the shares of which is listed on the main board of the Stock Exchange of Hong Kong Limited (stock code: 621) (the "Wing Hing"). The Company has agreed, as one of the subscribers, to subscribe in cash for the 1,600,000 subscription shares (the "Subscription") for a total subscription price of HK$2,288,000, i.e. HK$1.43 per new Wing Hing share.

The Subscription constituted a discloseable transaction on the part of the Company under the GEM Listing Rules.

The Subscription is conditional upon the Listing Committee of the Stock Exchange of Hong Kong Limited granting approval for the listing of, and permission to deal in the new Wing Hing shares.

The Subscription was completed on 14 August 2008.

Save as disclosed above, there were no other material acquisitions or disposals of subsidiaries and affiliated companies during the nine months ended 31 December 2008 held by the Group (31 December 2007: On 3 July 2007, the Company's indirectly wholly owned subsidiary – Star Fortune International Investment Company Limited entered into the sales and purchases agreement to acquire the entire issued share capital of Ming Kei Kai Yuan Investment Company Limited with a consideration of HK$1 billion as HK$70,000,000 by cash, HK$360,000,000 by shares, HK$288,000,000 by convertible bonds and balance of HK$282,000,000 by promissory note.

This acquisition constitutes a very substantial acquisition on the part of the Company under the GEM Listing Rules and is subject to the approval of the shareholders at the extraordinary general meeting of the Company. The respective resolutions were passed by the shareholders on 12 November 2007 and the acquisition has been completed on 19 November 2007.

Following the above mentioned completion, Ming Kei Kai Yuan Investment Company Limited has become an indirect wholly-owned subsidiary of the Company and their accounts will be consolidated into the financial accounts of the Group).

PROPOSED ACQUISITION

On 18 July 2008, the Company's indirectly wholly owned subsidiary – Star Energy International Investment Company Limited (the "Star Energy") entered into a non-legal binding memorandum of understanding (the "MOU") with independent third parties (the "Vendors") in relation to the possible acquisition of the entire equity interest of a company incorporated in the British Virgin Islands (the "BVI Company").

Upon completion of the reorganization of the BVI Company and its subsidiaries, the BVI Company will own 99% of a company incorporated in the PRC (the "PRC Company").

The PRC Company is a company engaged in coal mining and sales of coal, which has been granted a mining exploitation permit issued by the Department of Land and Resources of Guizhou Province, and such mining exploitation permit is valid until June 2018.

A refundable deposit (the "Deposit") of HK$21,500,000 was paid by the Star Energy to the Vendors upon the signing of the MOU. In return for the payment of the Deposit by Star Energy, the Vendors pledged all their interests in the entire issued shares of the BVI Company to the Star Energy as security. If no legal binding formal agreement has been entered into on or before 13 July 2009, the Vendors shall return the Deposit without any accrued interest to Star Energy within three business days.

Details of the MOU have been set out in the announcements of the Company dated 18 July 2008 and 14 January 2009 respectively.

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

As at 31 December 2008, the interests and short positions of the Directors of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) ("SFO")) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO) or as recorded in the register required to be kept by the Company under Section 352 of the SFO, or otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by Directors as referred to in Rules 5.46 to 5.67 of the GEM Listing Rules, were as follows:

(i) Interest in shares:

Name	**Capacity of interests**	**Number of shares held**	**Approximate percentage of shareholding in the Company**
Ming Kei International Holding Company Limited (the "Ming Kei")	Beneficial owner *(Note 1)*	339,000,000 (L) *(Note 5)*	12.841
Mr. Wong Wai Sing	Interest of controlled corporation *(Note 2)*	339,000,000 (L) *(Note 5)*	12.841
	Beneficial owner	160,000,000 (L) *(Note 5)*	6.061
Lonestar Group Limited (the "Lonestar")	Beneficial owner *(Note 3)*	260,000,000 (L) *(Note 5)*	9.848
Mr. Tsang Ho Ka, Eugene	Interest of controlled corporation *(Note 4)*	260,000,000 (L) *(Note 5)*	9.848
	Beneficial owner	13,000,000 (L) *(Note 5)*	0.492
Mr. Luk Yue Kan	Beneficial owner	60,000 (L) *(Note 5)*	0.002

(ii) Interest in share options:

Name of Director	Date of grant	Exercisable period	Exercise price per share *HK$*	Number of share options granted
Mr. Luk Yue Kan	10/03/2008	10/03/2008 – 11/03/2018	0.718	20,000,000 (L) *(Note 5)*

Notes:

1. Ming Kei is wholly and beneficially owned by Mr. Wong Wai Sing, an executive Director of the Company and an executive director of Ming Kei. Therefore Mr. Wong Wai Sing is deemed to be interested in the shares of Ming Kei.

2. Ming Kei is wholly and beneficially owned by Mr. Wong Wai Sing, therefore, Mr. Wong Wai Sing, is deemed to be interested in the 339,000,000 shares in which Ming Kei in interested.

3. Lonestar is wholly and beneficially owned by Mr. Tsang Ho Ka, Eugene, an executive Director of the Company and a sole executive director of Lonestar.

4. Lonestar is wholly and beneficially owned by Mr. Tsang Ho Ka, Eugene, therefore, Mr. Tsang Ho Ka, Eugene is deemed to be interested in the 260,000,000 shares in which Lonestar in interested.

5. The letter "L" denotes a long position in shares.

Save as disclosed herein, as at 31 December 2008, none of the Directors had any interests or short positions in the share of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO), or which were required pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange.

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

As at 31 December 2008, the interests and short positions of persons, other than the Directors or chief executive of the Company, in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or, who are, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other members of the Group, or substantial shareholders as recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

Interest in shares

Name	**Capacity of interests**	**Number of shares held**	**Approximate percentage of shareholding in the Company**
Ming Kei International Holding Company Limited (the "Ming Kei")	Beneficial owner *(Note 1)*	339,000,000(L) *(Note 6)*	12.841
Mr. Wong Wai Sing	Interested of controlled corporation *(Note 2)*	339,000,000(L) *(Note 6)*	12.841
	Beneficial owner	160,000,000(L) *(Note 6)*	6.061
Lonestar Group Limited (the "Lonestar")	Beneficial owner *(Note 3)*	260,000,000(L) *(Note 6)*	9.848
Mr. Tsang Ho Ka, Eugene	Interest of controlled corporation *(Note 4)*	260,000,000(L) *(Note 6)*	9.848
	Beneficial owner	13,000,000(L) *(Note 6)*	0.492
Well Star Enterprises Limited (the "Well Star")	Beneficial owner *(Note 5)*	250,000,000(L) *(Note 6)*	9.469
Mr. Li Hai	Interest of controlled corporation *(Note 5)*	250,000,000(L) *(Note 6)*	9.469
Ms. Zhao Yang	Interest of spouse *(Note 5)*	250,000,000(L) *(Note 6)*	9.469

Notes:

1. Ming Kei is wholly and beneficially owned by Mr. Wong Wai Sing, an executive Director of the Company and an executive director of Ming Kei. Therefore Mr. Wong Wai Sing is deemed to be interested in the shares of Ming Kei.

2. Ming Kei is wholly and beneficially owned by Mr. Wong Wai Sing, therefore, Mr. Wong Wai Sing, is deemed to be interested in the 339,000,000 shares in which Ming Kei in interested.

3. Lonestar is wholly and beneficially owned by Mr. Tsang Ho Ka, Eugene, an executive Director of the Company and a sole executive director of Lonestar.

4. Lonestar is wholly and beneficially owned by Mr. Tsang Ho Ka, Eugene, therefore, Mr. Tsang Ho Ka, Eugene is deemed to be interested in the 260,000,000 shares in which Lonestar in interested.

5. Well Star is wholly and beneficially owned by Mr. Li Hai and who is the spouse of Ms. Zhao Yang. Accordingly, Mr. Li Hai and Ms. Zhao Yang is deemed to be interested in the 250,000,000 shares in which Well Star in interested.

6. The letter "L" denotes a long position in Shares.

Save as disclosed above, as at 31 December 2008, 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 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group.

SHARE OPTION SCHEME

On 26 October 2002, the Company conditionally adopted the Share Option Scheme (the "Scheme") under which share options to subscribe for the shares of the Company may be granted under the terms and conditions stipulated therein. On 11 October 2007, options to subscribe for an aggregate of 105,000,000 shares at HK$0.888 per share and on 10 March 2008, options to subscribe for an aggregate of 20,000,000 Shares at HK$0.718 had been granted by the Company under the Scheme. As at 31 December 2008, 125,000,000 share options granted under the Scheme were still outstanding. The detail number of share options outstanding, their respective exercise price and exercise period was as follows:

Categories of grantees	Date of grant	Exercisable period	Exercise price per share HK$	Closing price at the date of grant HK$	Outstanding as at 01/04/2008	Granted during the period	Exercise during the period	Outstanding as at 31/12/2008
Employee(s)	11/10/2007	11/10/2007– 12/10/2017	0.888	0.870	35,000,000	–	–	35,000,000
Consultant(s)	11/10/2007	11/10/2007– 12/10/2017	0.888	0.870	70,000,000	–	–	70,000,000
Director								
Mr. Luk Yue Kan (appointed on 31 December 2008)	10/3/2008	10/03/2008– 11/03/2018	0.718	0.670	20,000,000	–	–	20,000,000
Total					125,000,000	–	–	125,000,000

FOREIGN EXCHANGE RISK

Since almost all transactions of the Group are denominated either in Hong Kong dollars or Renminbi, hence the Board considers that the exchange rate risk of the Group is minimal. The Group adopts a conservative treasury policy with most of the bank deposits being kept in Hong Kong dollars, or in the local currencies of the operating subsidiaries to minimize exposure to foreign exchange risks. As at 31 December 2008, the Group had no investment in any financial derivatives, foreign exchange contracts, interest or currency swaps, hedgings or other financial arrangements for hedging purposes to reduce any currency risk nor made any over-the counter contingent forward transactions.

TREASURY POLICIES

The Group adopts a conservative approach towards its treasury policies. The Group strives to reduce exposure to credit risk by performing ongoing credit evaluations of the financial conditions of its customers. To manage liquidity risk, the Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and commitments can meet its funding requirements.

DIRECTORS' RIGHTS TO ACQUIRE SHARES

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

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

Neither the Company, nor any of its subsidiaries had purchased, redeemed or sold any of the Company's listed securities during the nine months ended 31 December 2008.

COMPETITION AND CONFLICT OF INTERESTS

As at 31 December 2008, none of the Directors, the management shareholders or substantial shareholders of the Company or any of their respective associates (as referred to in Note 3 to Rule 6.35 of the GEM Listing Rules) have engaged in any business that competes or may compete with the business of the Group, or have any other conflict of interests with the Group.

CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the code of conduct for securities transactions by directors on terms no less exacting than the required standard of dealings set out in Rules 5.46 to 5.67 of the GEM Listing Rules (the "Code"). Having made specific enquiry of all Directors, the Company was not aware of any non-compliance with the required standard as set out in the Code.

AUDIT COMMITTEE

The Company established an audit committee on 26 October 2002 with written terms of reference in compliance with Rules 5.28 and 5.29 of the GEM Listing Rules. The primary duties of the audit committee are to review and supervise the financial reporting process and internal control system of the Group. The audit committee comprises three members, namely, Mr. Sung Wai Tak, Herman, Mr. Fung Ho Yin and Mr. Chung Ho Tung, all are independent non-executive Directors of the Company. The unaudited condensed consolidated results of the Group for the nine months ended 31 December 2008 have been reviewed by the audit committee, which was of the opinion that the preparation of such results complied with the applicable accounting standards, the Stock Exchange and legal requirements and that adequate disclosures have been made.

REMUNERATION COMMITTEE

A remuneration committee was set up on 20 March 2006 with written terms of reference to oversee the remuneration policy and structure for all Directors and senior management. The remuneration committee comprised three members, namely, Mr. Sung Wai Tak, Herman, Mr. Fung Ho Yin and Mr. Chung Ho Tung all are independent non-executive Directors of the Company. The role and function of the remuneration committee include the determination of the specific remuneration packages of all executive Directors, including benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment, and make recommendations to the Board of the remuneration of independent non-executive Directors.

CODE ON CORPORATE GOVERNANCE PRACTICES

The Company has adopted the code provisions set out in the Code on Corporate Governance Practices (the "Code") as set out in Appendix 15 of the GEM Listing Rules. The Company has applied the principles in the Code and complied with the code provisions set out in the Code for the nine months ended 31 December 2008 except that (i) no nomination committee of the Board is established and (ii) all independent non-executive Directors of the Company are not appointed for a specific term.

In order to maintain high standard of disclosure, an announcement of "RESTATEMENT OF THE THREE MONTHS AND THE NINE MONTHS ENDED 31 DECEMBER 2007 FINANCIAL INFORMATION AND PROFIT WARNING FOR THE THREE MONTHS AND THE NINE MONTHS ENDED 31 DECEMBER 2008" dated 4 February 2009 was announced by the Company that the Group expected a lower profit for the three months and the nine months ended 31 December 2008 as compared to the corresponding prior periods ended.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's Articles of Association, or the laws of the Cayman Islands, which would oblige the Company to offer new shares on a pro rata basis to existing shareholders.

By order of the Board of
Ming Kei Energy Holdings Limited
Mr. Wong Wai Sing
Chairman

Hong Kong, 10 February 2009

\# *The English transliteration of the Chinese names in this report, where indicated, is included for information purpose only and should not be regarded as the official English names of such Chinese names.*

As at the date of this announcement, the executive Directors are Ms. Yick Mi Ching, Dawnibilly, Mr. Tsang Ho Ka, Eugene, Mr. Wong Wai Sing and Mr. Luk Yue Kan and the independent non-executive Directors are Mr. Sung Wai Tak, Herman, Mr. Fung Ho Yin and Mr. Chung Ho Tung.

This announcement will remain on the GEM website on the "Latest Company Announcements" page for at least 7 days from the date of its posting and the Company's website at www.mingkeienergy.com.