Ming Kei Holdings Limited
明基控股有限公司 *

(formerly known as Ming Kei Energy Holdings Limited
明基能源控股有限公司)*
(incorporated in the Cayman Islands and continued in Bermuda with limited liability)
(Stock Code: 8239)

THIRD QUARTERLY RESULTS ANNOUNCEMENT FOR THE NINE MONTHS ENDED 31 DECEMBER 2009

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 of Ming Kei Holdings Limited (the "Company") collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the "GEM Listing Rules") for the purpose of giving information with regard to the Company. The directors of the Company, 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 purpose only*

THIRD QUARTERLY RESULTS (UNAUDITED)

The board (the "Board") of directors (the "Directors") of Ming Kei 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 2009 together with the comparative unaudited figures for the corresponding periods in 2008 as follows:

UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT

For the three months and nine months ended 31 December 2009

		Nine months ended 31 December		Three months ended 31 December	
		2009	2008	**2009**	2008
		(Unaudited)	(Unaudited) (Restated)	**(Unaudited)**	(Unaudited) (Restated)
	Notes	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Continuing operations:					
Revenue	*3*	**68,734**	85,218	**4,997**	58,832
Cost of sales		**(56,777)**	(43,557)	**(4,563)**	(29,450)
Gross profit		**11,957**	41,661	**434**	29,382
Other income and gains		**149**	1,100	**5**	194
Selling and distribution costs		**(510)**	(903)	**–**	(299)
Administrative expenses		**(29,192)**	(22,253)	**(10,122)**	(12,927)
Finance costs	*4*	**(3,945)**	(11,777)	**(772)**	(3,760)
Share of profit of associates		**14,390**	–	**8,337**	–
Loss on disposal of subsidiaries	*5(i)*	**(6,883)**	–	**–**	–
Share-based payments	*5(ii)*	**(2,294)**	–	**(2,294)**	–
Impairment loss of property, plant and equipment	*5(iii)*	**(1,127)**	–	**–**	–
Fair value loss on investment properties	*5(iv)*	**(2,791)**	–	**(2,073)**	–
Profit/(loss) before tax	*5*	**(20,246)**	7,828	**(6,485)**	12,590
Income tax	*6*	**(1,852)**	2,375	**–**	1,566
Profit/(loss) for the period from continuing operations		**(22,098)**	10,203	**(6,485)**	14,156
Discontinued operation:					
Loss for the period from discontinued operation	*7*	**–**	(554)	**–**	–
Profit/(loss) for the period attributable to equityholders of the Company		**(22,098)**	9,649	**(6,485)**	14,156
Dividend	*8*	**–**	–	**–**	–
Earnings/(loss) per share attributable to equityholders of the Company	*9*				
From continuing and discontinued operations:					
Basic and diluted		**(41.85) HK cents**	18.27 HK cents	**(12.28) HK cents**	26.81 HK cents
From continuing operations:					
Basic and diluted		**(41.85) HK cents**	19.32 HK cents	**(12.28) HK cents**	26.81 HK cents

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the three months and nine months ended 31 December 2009

	Nine months ended 31 December		**Three months ended 31 December**	
	2009	2008	**2009**	2008
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Profit/(loss) for the period	**(22,098)**	9,649	**(6,485)**	14,156
Other comprehensive income for the period:				
Change in fair value of available-for-sale financial assets	**2,160**	(576)	**1,063**	272
Exchange differences on translation of financial statements of overseas subsidiaries	**323**	25,749	**39**	2,618
Exchange differences on translation of financial statements of overseas associates	**169**	–	**68**	–
Total comprehensive income for the period attributable to equityholders of the Company	**(19,446)**	34,822	**(5,315)**	17,046

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the nine months ended 31 December 2009

	Issued capital (Unaudited) *HK$'000* *(Note 10)*	Share premium (Unaudited) *HK$'000*	Contributed surplus (Unaudited) *HK$'000* *(Note 10)*	Capital reserve (Unaudited) *HK$'000*	Statutory reserve fund (Unaudited) *HK$'000*	Share option reserve (Unaudited) *HK$'000* *(Note 10)*	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 2009	**26,400**	**841,530**	**-**	**53,659**	**4,856**	**15,360**	**(1,072)**	**16,439**	**(772,920)**	**184,252**
Capital Reorganisation *(note 10)*	**(25,872)**	**(841,530)**	**131,109**	**-**	**-**	**(15,360)**	**-**	**-**	**751,653**	**-**
Recognition of share-based payments *(note 5(ii))*	**-**	**-**	**-**	**-**	**-**	**2,294**	**-**	**-**	**-**	**2,294**
Total comprehensive income for the period	**-**	**-**	**-**	**-**	**-**	**-**	**2,160**	**492**	**(22,098)**	**(19,446)**
Contribution from an equity participant	**-**	**-**	**-**	**69,945**	**-**	**-**	**-**	**-**	**-**	**69,945**
Appropriations	**-**	**-**	**-**	**-**	**6,170**	**-**	**-**	**-**	**(6,170)**	**-**
Transfer on disposal of financial assets	**-**	**-**	**-**	**-**	**-**	**-**	**(25)**	**-**	**-**	**(25)**
Transfer on disposal of subsidiaries	**-**	**-**	**-**	**-**	**(4,670)**	**-**	**-**	**(8,524)**	**4,670**	**(8,524)**
As at 31 December 2009	**528**	**-**	**131,109**	**123,604**	**6,356**	**2,294**	**1,063**	**8,407**	**(44,865)**	**228,496**

	Issued capital (Unaudited) *HK$'000* *(Note 10)*	Share premium (Unaudited) *HK$'000*	Contributed surplus (Unaudited) *HK$'000* *(Note 10)*	Capital reserve (Unaudited) *HK$'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
Total comprehensive income for the period	–	–	–	–	–	–	(576)	25,749	9,649	34,822
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

Notes:

1. General Information

Ming Kei Holdings Limited (the "Company") (formerly known as Ming Kei Energy Holdings Limited) 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 and continued in Bermuda as an exempted company with limited liability in accordance with the section 132C(4)(d) of the Companies Act 1981 of the Bermuda. The address of its registered office is at Clarendon House, 2 Church Street, Hamilton HM11, Bermuda and its principal place of business in Hong Kong is Room 3308, 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.

Pursuant to a special resolution in relation to the proposed change of Company name at the extraordinary general meeting held on 29 October 2009 and was approved by the Registrar of Companies in the Cayman Islands and Hong Kong on 2 November 2009 and on 18 November 2009 respectively, the Company's name was changed from the Ming Kei Energy Holdings Limited (Chinese translation being 明基能源控股有限公司, for identification purpose only) to Ming Kei Holdings Limited (Chinese translation being 明基控股有限公司, for identification purpose only).

The principal activity of the Company is investment holding. During the current period under reviewed, the Company and its subsidiaries (collectively referred to as the "Group") are principally engaged in investment holding and property investment in Hong Kong (the "HK") and the People's Republic of China (the "PRC") and business of general trading in the PRC respectively. During the prior period under reviewed, the Group also engaged in a continuing operation (which subsequently carrying on as associates of the Group after 3 July 2009) and a discontinued operation, details of which are set out in notes 3 and 7 as below.

2. Basis of Preparation

The unaudited condensed consolidated results of the Group for the nine months ended 31 December 2009 (the "Results") have been prepared in accordance with the Hong Kong Financial Reporting Standards (the "HKFRSs") which in 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 (the "HKICPA"). The Results also includes the applicable disclosure requirements of the Rules Governing the Listing of Securities on the GEM of the Stock Exchange (the "GEM Listing Rules"). The Results have been prepared under the historical cost convention, except for investment properties and available-for-sale financial assets, which are measured at fair values.

The Results shall be read in conjunction with the Group's audited financial statements for the year ended 31 March 2009 (the "Annual Financial Statements"). The accounting policies adopted for the preparation of the Results are consistent with those applied in the preparation of the Group's Annual Financial Statements, except for the accounting policies adopted for the Group's interests in associates, investment properties, and revenue recognition for trading of goods, and the accounting policy changes that are expected to be reflected in the 2009/10 annual financial statements. Summary of these changes in accounting policies are set out below.

All significant transactions and balances within the Group have been eliminated on consolidation.

Associates

An associate is an entity in which the Group has significant influence, but not control or joint control, over its management, including participation in the financial and operating policy decisions.

An investment in an associate is accounted for in the consolidated financial statements under the equity method, unless it is classified as held for sale (or included in a disposal group that is classified as held for sale). Under the equity method, the investment is initially recorded at cost and adjusted thereafter for the post acquisition change in the Group's share of the investee's net assets and any impairment loss relating to the investment. The Group's share of the post-acquisition, post-tax results of the investees and any impairment losses for the period are recognised in the consolidated income statement, whereas the Group's share of the post-acquisition post-tax items of the investees' other comprehensive income is recognised in the consolidated statement of comprehensive income. Adjustments are made to bring into line any dissimilar accounting policies that may exist.

Unrealised profits and losses resulting from transactions between the Group and its associates are eliminated to the extent of the Group's interest in the investee, except where unrealised losses provide evidence of an impairment of the asset transferred, in which case they are recognised immediately in profit or loss.

Investment properties

Investment properties are land and/or buildings which are owned or held under a leasehold interest to earn rental income and/or for capital appreciation.

Investment properties are stated in the balance sheet at fair value. Any gain or loss arising from a change in fair value or from the retirement or disposal of an investment property is recognised in profit or loss. Rental income from operating leases from the investment properties is recognised in profit or loss in equal instalments over the periods covered by the lease term.

Revenue recognition for trading of goods

Revenue from the sale of goods is recognised when it is probable that the economic benefits will flow to the Group and when the revenue can be measured reliably, and when the significant risks and rewards of ownership have been transferred to the buyer, provided that the Group maintains neither managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold.

Changes in accounting policies

The HKICPA has issued one new Hong Kong Financial Reporting Standard (the "HKFRS"), a number of amendments to HKFRSs and new Interpretations that are first effective for the current accounting period of the Group. Of these, the following developments are relevant to the Group's financial statements:

- HKFRS 8 "*Operating segments*"
- HKAS 1 (revised 2007) "*Presentation of financial statements*"
- Improvements to HKFRSs (2008)
- Amendments to HKAS 27 "*Consolidated and separate financial statements – cost of an investment in a subsidiary, jointly controlled entity or associate*"
- Amendments to HKFRS 7 "*Financial instruments: Disclosures – improving disclosures about financial instruments*"
- HKAS 23 (revised 2007) "*Borrowing costs*"
- Amendments to HKFRS 2 "*Share-based payment – vesting conditions and cancellations*"
- HK(IFRIC) 16 "*Hedges of a net investment in a foreign operation*"

The amendments to HKAS 23 and HKFRS 2 and Interpretation HK(IFRIC) 16 have had no material impact on the Group's financial statements as the amendments and interpretations were consistent with policies already adopted by the Group. In addition, the amendments to HKFRS 7 do not contain any additional disclosure requirements specially applicable to the Results. The impact of the remainder of these developments on the Results is as follows:

- HKFRS 8 required segment disclosure to be based on the way that the Group's decision makers regard and manage the Group, with the amounts reported for each reportable segment being the measures reported to the Group's decision makers for the purposes of assessing segment performance and making decisions about operating matters. This contrasts with the presentation of segment information in prior years which was based on a disaggregation of the Group's financial statements into segments based on related products and services and on geographical areas. The adoption of HKFRS 8 has resulted in the presentation of segment information in a manner that is more consistent with internal reporting provided to the Group's senior managements. As this is the first financial year in which the Group has presented segment information in accordance with HKFRS 8, additional explanation has been included in note 3 to the Results which explains the basis of preparation of the information. Comparative amounts have also been presented on a basis consistent with the revised segment information.

- As a result of the adoption of HKAS 1 (revised 2007), details of changes in equity during the period arising from transactions with equityholders in their capacity as such have been presented separately from all other income and expenses in a revised consolidated statement of changes in equity. All other items of income and expense are presented in the consolidated income statement, if they are recognised as part of profit or loss for the period, or otherwise in a new primary statement, the consolidated statement of comprehensive income. The new format for the consolidated statement of comprehensive income and the consolidated statement of changes in equity has been adopted in the Results and corresponding amounts have been restated to conform to the new presentation. This change in presentation has no effect on reported profit or loss, total income and expense or net assets for any period presented.

- The "Improvements to HKFRSs (2008)" comprise a number of amendments to a range of HKFRSs which the HKICPA has issued as an omnibus batch of amendments. These amendments have not resulted in changes to the Group's accounting policies.

- The amendments to HKAS 27 have removed the requirement that dividends out of pre-acquisition profits should be recognised as a reduction in the carrying amount of the investment in the investee, rather than as income. As a result, as from 1 January 2009 all dividends receivable from subsidiaries, associates and jointly controlled entities, whether out of pre- or post-acquisition profits, will be recognised in the Company's profit or loss and the carrying amount of the investment in the investee will not be reduced unless that carrying amount is assessed to be impaired as a result of the investee declaring the dividend. In such cases, in addition to recognising dividend income in profit or loss, the Company would recognise an impairment loss. In accordance with the transitional provisions in the amendment, this new policy will be applied prospectively to any dividends receivable in the current or future periods and previous periods have not been restated.

3. Revenue and Segment Reporting

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

	Nine months ended 31 December		**Three months ended 31 December**	
	2009	2008	**2009**	2008
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
From continuing operations:				
Revenue				
Sale of coals	**63,461**	85,218	**–**	58,832
Sale of goods	**4,689**	–	**4,689**	–
Rental income	**584**	–	**308**	–
	68,734	85,218	**4,997**	58,832
From discontinued operation *(note 7)***:**				
Revenue				
Sea freight forwarding	**–**	398	**–**	–
Road freight forwarding	**–**	5,581	**–**	–
Air freight forwarding	**–**	56	**–**	–
Other related logistics services	**–**	19	**–**	–
	–	6,054	**–**	–

The Group manages its businesses by divisions, which are organised by business lines. On first-time adoption of HKFRS 8 "*Operating segments*" and in a manner consistent with the way in which information is reported internally to the Group's senior managements for the purposes of resource allocation and performance assessment, the Group has identified the following three reportable segments. No operating segment has been aggregated to form the following reportable segments.

Summary details of the reportable segments are as follows:

(a) the trading segment comprised the business of general trading;

(b) the mining segment comprised the mining, exploration and sale of coals. During the current period under reviewed, 51% of the equity interests in Star Fortune International Investment Company Limited (the "SFII") were disposed on 3 July 2009 (the "Disposal") and the SFII and its subsidiaries (collectively referred to as the "SFII Group") become associates of the Group;

(c) the property investment segment comprised the investment in various properties for rental income purposes; and

(d) the logistics segment comprised the provision of logistic services which was disposed of during the year ended 31 March 2009. Accordingly, the logistics segment was classified as a discontinued operation for the prior period under reviewed.

Inter-segment revenue are conducted at prices and terms mutually agreed amongst those business segments.

Information regarding the Group's reportable segments for the period is set out below:

	Nine months ended 31 December 2009				
	Continuing operation	Continuing operation	Continuing operation	Discontinued operation	
	Trading	Mining*	Property investment	Logistics	Consolidated
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
SEGMENT REVENUE					
External sales and services	**4,689**	**63,461**	**118**	**–**	**68,268**
Inter segment revenue *(note 11(ii))*	**–**	**–**	**466**	**–**	**466**
Total revenue	**4,689**	**63,461**	**584**	**–**	**68,734**
SEGMENT RESULTS	**(1,170)**	**(832)**	**(3,174)**	**–**	**(5,176)**
Interest income					**70**
Gain on disposal of available-for-sale financial assets					**25**
Unallocated costs and corporate expenses					**(25,610)**
Finance costs					**(3,945)**
Share of profit of associates	**–**	**14,390**	**–**	**–**	**14,390**
Loss before tax					**(20,246)**
Income tax					**(1,852)**
Loss for the period					**(22,098)**

* 51% of the equity interests in the SFII were disposed on 3 July 2009 and the SFII Group become associates of the Group immediately after the Disposal.

	Nine months ended 31 December 2008				
	Continuing operation	Continuing operation	Continuing operation	Discontinued operation	
	Trading	Mining*	Property investment	Logistics	Consolidated
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
SEGMENT REVENUE					
External sales and services	–	85,218	–	6,054	91,272
Inter segment revenue	–	–	–	–	–
Total revenue	–	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

* 51% of the equity interests in the SFII were disposed on 3 July 2009 and the SFII Group become associates of the Group immediately after the Disposal.

4. Finance Costs

	Nine months ended 31 December		**Three months ended 31 December**	
	2009	2008	**2009**	2008
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
From continuing operations:				
Interest expenses on promissory notes wholly repayable within five years	**3,894**	11,094	**772**	3,753
Interest expenses on trade financing wholly repayable within five years	**51**	683	**–**	7
	3,945	11,777	**772**	3,760
From discontinued operation:				
Interest expenses on finance lease wholly repayable within five years *(note 7)*	**–**	5	**–**	–

5. Profit/(loss) Before Tax

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

	Nine months ended 31 December		Three months ended 31 December	
	2009	2008	**2009**	2008
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
From continuing operations:				
Interest income	**(70)**	(367)	**(6)**	(88)
Gain on disposal of available-for-sale financial assets	**(25)**	–	**–**	–
Depreciation	**2,339**	2,144	**1,030**	843
Cost of inventories sold	**56,652**	43,557	**4,499**	29,450
Amortisation of intangible assets*	**2,243**	11,536	**–**	7,425
Loss/(gain) on disposal of property, plant and equipment	**–**	766	**–**	(78)
From discontinued operation:				
Depreciation	**–**	198	**–**	–
Cost of services provided	**–**	4,250	**–**	–

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

(i) On 3 July 2009 (the "Disposal Date"), the Group completed the Disposal and resulted in a loss on disposal of subsidiaries of approximately HK$6,883,000 during the nine months ended 31 December 2009 (nine months ended 31 December 2008: HK$nil). Refer to the Company's announcement and circular dated 7 May 2009 and 12 June 2009 respectively, the total cash consideration is subject to adjustment. Part of the remaining cash consideration amounted to HK$18,000,000 was received on 3 February 2010.

(ii) The fair value of the Company's share options granted during the current period was approximately HK$2,294,000 which was recognised in the Group's unaudited condensed consolidated income statement for the nine months ended 31 December 2009 as share-based payments (nine months ended 31 December 2008: HK$nil).

(iii) One of the Group's property has been leased out during the current period (as further detailed in note 11(ii)), which was revalued on a market value basis at the date of change in use by Greater China Appraisal Limited, an independent firm of professionally qualified valuers, at the estimated open market value of approximately HK$17,373,000, resulting in the recognition of an impairment loss of property, plant and equipment of approximately HK$1,127,000 recorded in the Group's unaudited condensed consolidated income statement for the nine months ended 31 December 2009 (nine months ended 31 December 2008: HK$nil).

(iv) The Group's investment properties were revalued on a market value basis as at 31 December 2009 by Greater China Appraisal Limited, an independent firm of professionally qualified valuers, at an aggregate amount of approximately HK$23,698,000, resulting in the recognition of a fair value loss on investment properties of approximately HK$2,791,000 in the Group's unaudited condensed consolidated income statement for the nine months ended 31 December 2009 (nine months ended 31 December 2008: HK$nil).

6. 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	
	2009	2008	**2009**	2008
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
From continuing operations:				
Current tax charge – PRC	**2,263**	–	**–**	–
Deferred tax charge – HK	**103**	–	**–**	–
Deferred tax credit – PRC	**(514)**	(2,375)	**–**	(1,566)
	1,852	(2,375)	**–**	(1,566)

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 2009 (nine months ended 31 December 2008: 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.

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 (immediately before the completion of the Disposal and carrying on as associate immediately after the Disposal) 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, the CIT was provided at the applicable rate of 12.5% on the assessable profit of Kai Yuan Coal for the nine months ended 31 December 2009 (nine months ended 31 December 2008: HK$nil).

The share of taxes attributable to associates amounting to HK$1,074,000 (nine months ended 31 December 2008: HK$nil) is included in "Share of profit of associates" on the face of the unaudited condensed consolidated income statement.

7. Discontinued Operation

During the prior financial year ended 31 March 2009, on 8 July 2008, the Company entered into a disposal agreement for the disposal of the entire equity interests in the Precious Logistics Limited (the "Precious Logistics") and its subsidiaries 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 was completed on 3 September 2008.

After the completion of the disposal, Precious Logistics and its subsidiaries ceased to be subsidiaries of the Company.

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 a discontinued operation in the prior period. 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 operation).

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

		Nine months ended 31 December		**Three months ended 31 December**	
		2009	2008	**2009**	2008
		(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
	Notes	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Turnover	*3*	**–**	6,054	**–**	–
Cost of services provided	*5*	**–**	(4,250)	**–**	–
Gross profit		**–**	1,804	**–**	–
Other income and gains		**–**	80	**–**	–
Gain on disposal of subsidiaries		**–**	444	**–**	–
Selling and distribution costs		**–**	(20)	**–**	–
Administrative expenses		**–**	(2,857)	**–**	–
Finance costs	*4*	**–**	(5)	**–**	–
Loss before tax	*5*	**–**	(554)	**–**	–
Income tax		**–**	–	**–**	–
Loss for the period from discontinued operation		**–**	(554)	**–**	–

The cash flows of the discontinued operation were as follows:

	Nine months ended 31 December	
	2009	2008
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Net cash used in operating activities	**–**	(779)
Net cash generated from investing activities	**–**	815
Net cash used in financing activities	**–**	(145)
	–	(109)

Basic and diluted loss per share from the discontinued operation for the prior period under reviewed are HK1.05 cent (restated) and HK1.05 cent (restated) respectively, based on the loss from the discontinued operation for the prior period under reviewed of HK$554,000.

The denominators used (as restated) are the same as those detailed in note 9 for the calculation of basic and diluted earnings/(loss) per share from continuing operation of the Group, and the Company's outstanding share options had an anti-dilutive effect on the basic loss per share calculation for that period.

8. Dividend

The Board does not recommend the payment of a dividend for the nine months ended 31 December 2009 (nine months ended 31 December 2008: HK$nil).

9. Earnings/(loss) Per Share

The calculation of basic earnings/(loss) per share is based on the net profit/(loss) for the period attributable to the equityholders of the Company, and the weighted average number of ordinary shares in issue during the period.

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

The weighted average numbers of ordinary shares in issue during the current and prior periods ended have been adjusted for the effect of the share consolidation of every fifty (50) shares of HK$0.01 each in the issued and unissued shares of the Company into one consolidated share of the Company of HK$0.50 each, as part of the Company's Capital Reorganisation (as defined below at note 10) effected during the current period ended. As a result, the basic and diluted earnings/(loss) per share figures for the three months and nine months ended 31 December 2008 have been restated and adjusted accordingly.

The Company outstanding share options had an anti-dilutive effect on the basic earnings/(loss) per share calculation for the current and prior periods ended.

(i) From continuing and discontinued operations

The calculation of basic and diluted earnings/(loss) per share are based on:

	Nine months ended 31 December		**Three months ended 31 December**	
	2009	2008	**2009**	2008
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Profit/(loss) attributable to the equityholders of the Company, used in the basic and diluted earnings/(loss) per share calculation	**(22,098)**	9,649	**(6,485)**	14,156

	Number of shares Nine months ended 31 December		**Number of shares Three months ended 31 December**	
	2009	2008	**2009**	2008
	(Unaudited)	(Unaudited) (Restated)	**(Unaudited)**	(Unaudited) (Restated)
	'000	*'000*	***'000***	*'000*
Weighted average number of ordinary shares for basic and diluted earnings/(loss) per share calculation	**52,800**	52,800	**52,800**	52,800

(ii) From continuing operations

The calculation of basic and diluted earnings/(loss) per share are based on:

	Nine months ended 31 December		Three months ended 31 December	
	2009	2008	**2009**	2008
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Profit/(loss) attributable to the equityholders of the Company from continuing operations, used in the basic and diluted earnings/(loss) per share calculation	**(22,098)**	10,203	**(6,485)**	14,156

	Number of shares Nine months ended 31 December		Number of shares Three months ended 31 December	
	2009	2008	**2009**	2008
	(Unaudited)	(Unaudited) (Restated)	**(Unaudited)**	(Unaudited) (Restated)
	'000	*'000*	***'000***	*'000*
Weighted average number of ordinary shares for basic and diluted earnings/(loss) per share calculation	**52,800**	52,800	**52,800**	52,800

10. Share Capital

Shares

		31 December 2009	31 March 2009
		(Unaudited)	(Audited)
		HK$'000	HK$'000
Authorised:			
10,000,000,000 (31 March 2009: 10,000,000,000) ordinary shares of HK$0.01 (31 March 2009: HK$0.01) each		**100,000**	100,000
Issued and fully paid:			
52,800,000 (31 March 2009: 2,640,000,000) ordinary shares of HK$0.01 (31 March 2009: HK$0.01) each	*(Note)*	**528**	26,400

Note:

Capital reorganisation, contributed surplus account and share option reserve

On 21 September 2009, the directors of the Company proposed to reorganise (the "Capital Reorganisation") the shares of the Company (the "Shares") in the following manner; (a) the Share consolidation of every fifty (50) Shares of HK$0.01 each in the issued and unissued Shares of the Company into one consolidated Share (the "Consolidated Share") of HK$0.50 each in the issued and unissued Share of the Company; (b) the reduction of the issued Shares of the Company through a cancellation of the paid-up Shares of the Company to the extent of HK$0.49 each on each of the issued Consolidated Share so that the nominal value of each issued Consolidated Share will be reduced from HK$0.50 to HK$0.01; (c) the subdivision of each authorised but unissued consolidated Share of HK$0.50 each into 50 new Shares of HK$0.01 each; (d) the entire amount standing to the credit of the share premium account of the Company as at the date of extraordinary general meeting (the "EGM") will be reduced and cancelled and (e) cancellation of all outstanding share options of the Company which granted on 11 October 2007 and 10 March 2008 respectively.

Following the passing of a special resolution of the Company's EGM on 29 October 2009, the Capital Reorganisation was completed on 21 December 2009.

Upon completion of the Capital Reorganisation, the amount of approximately HK$25,872,000 arising from the reduction of the issued Shares of the Company, the amount standing to the credit of the Company's share premium account of approximately HK$841,530,000 and the amount of standing to the credit of the Company's share option reserve of approximately HK$15,360,000 have been used to set off the accumulated losses of the Company of approximately HK$751,653,000. The remaining credit balance of approximately HK$131,109,000 has then been transferred to the contributed surplus account of the Company.

11. Related Parties Transactions

Except as disclosed elsewhere in the Results, the Group had the following material transactions with related parties during the current period under reviewed:

(i) Immediately upon completion (the "Completion") of the Disposal of 51% equity interests in the SFII Group, Star Fortune International Development Company Limited, an indirectly wholly-owned subsidiary of the Company (the "Vendor S"), the SFII and the Company entered into a loan facilities agreement (the "Loan Facilities Agreement"), pursuant to which the Vendor S agreed to provide an unsecured loan facilities to the SFII in the maximum amount of HK$28,500,000 (equivalent to approximately RMB25,000,000) (the "Facilities") for the daily operation of the SFII Group.

Immediately before the Completion, the Vendor S has advanced and paid the entire amount of the Facilities (the "Loan") to the SFII Group. The Facilities bear an interest rate of 1.5% per annum. The maturity date of such Facilities shall fall on the date falling six (6) months after the date of the Loan Facilities Agreement (the "Maturity Date") and shall be subject to the negotiation and agreement by the Vendor S, the SFII and the Company and the internal cash flow of the SFII Group to renew the Facilities or any part thereof (as the case may be) for further consecutive six (6) months period, and the Maturity Date shall therefore be extended for such further six (6) months period.

Pursuant to the Loan Facilities Agreement, the SFII shall repay the Loan in full on the Maturity Date, with a condition that the Vendor S and the SFII may agree the whole or any part of the Loan and all interest accrued thereon under this Agreement to be repaid before the Maturity Date. Unless and until the Loan has been repaid in full, there shall be no distribution of profits or assets of any kind (including but not limited to dividend payment) by the SFII.

Further, the SFII may prepay to the Vendor S in full or in part of the Loan before the Maturity Date provided that 5 days notice before the repayment has been given to the Vendor S and the SFII shall at the same time pay to the Vendor S all accrued interest up to the date of prepayment. The amount prepaid shall be available for re-borrowing and drawing of the prepaid amount shall be subject to all clauses under the Loan Facilities Agreement.

As at 31 December 2009, the Loan receivable from the SFII Group by the Group amounted to HK$28,500,000, and was included as the Group's interests in associates (31 March 2009: HK$nil).

(ii) Immediately upon Completion, the Group has leased out one of its investment properties to a subsidiary of the SFII Group, which become an associate of the Group immediately after the Disposal, for an annual rental of HK$980,000 for a 12-month period (subject to renewal) from 3 July 2009 to 2 July 2010. The rental income of HK$466,000 has been included in the Group's turnover during the current period under reviewed (nine months ended 31 December 2008: HK$nil).

Please refer to the Company's announcement dated 3 July 2009 for further details of the above related parties transactions.

12. Comparative Figures

Certain comparative figures, as further detailed in note 9, have been restated to conform with the current period's presentation.

MANAGEMENT DISCUSSION AND ANALYSIS

Ming Kei Holdings Limited (the "Company") and its subsidiaries (collectively refer to as the "Group") is principally engaged in investment holding and property investment in Hong Kong (the "HK") and the People's Republic of China (the "PRC") and business of general trading in the PRC respectively.

FINANCIAL REVIEW

The Group achieved revenue of approximately HK$68.7 million (nine months ended 31 December 2008: approximately HK$85.2 million) for the continuing operations of coal mining (51% of the equity interests in Star Fortune International Investment Company Limited (the "SFII") were disposed on 3 July 2009 (the "Disposal") and the SFII and its subsidiaries (collectively referred to as the "SFII Group") become associates of the Group simultaneously) and new business of property investment and general trading respectively for the nine months ended 31 December 2009, representing a decreased by approximately HK$16.5 million or 19.3% over the corresponding prior period ended. The decrement was contributed by the record of no revenue from the mining segment as a result of the disposal of the SFII Group.

During the nine months ended 31 December 2009, the Group recorded total revenue of approximately HK$68.7 million (nine months ended 31 December 2008: approximately HK$85.2 million) which was derived from the continuing operations of coal mining business (carrying on as associates after 3 July 2009), property investment business and business of general trading which accounted for approximately of 92.4%, 0.8% and 6.8% (nine months ended 31 December 2008: approximately of 100%, NIL and NIL) of the total revenue respectively.

A decreased in turnover by approximately HK$16.5 million or 19.3%, as compared to the corresponding prior period ended was due to no revenue was contributed by the mining segment as a result of the disposal of the SFII Group. The Group generated an operating loss from continuing operations of approximately HK$22.1 million (nine months ended 31 December 2008: net profit of approximately HK$10.2 million). The raw coal production was approximately 0.7 million tons (up to 3 July 2009) during the nine months ended 31 December 2009 (nine months ended 31 December 2008: approximately 0.9 million tons). Details of the Group's revenue are disclosed in note 3 "REVENUE AND SEGMENT REPORTING" of this third quarterly report.

The Group's gross profit from continuing operations was approximately HK$12.0 million or 17.4% for the nine months ended 31 December 2009 (nine months ended 31 December 2008: approximately HK$41.7 million or 48.9%). The gross profit amount decreased as compared to the corresponding prior period ended, which was mainly due to the record of no revenue from the mining segment as a result of the disposal of the SFII Group.

During the nine months ended 31 December 2009, the Group's selling and distribution costs decreased by approximately HK$0.4 million or 43.5%, while the Group's administrative expenses increased by approximately HK$6.9 million or 31.2%, as compared to the corresponding prior period ended. The increase in the administrative expenses was mainly due to the overall increase in staff costs and project related expenses.

During the nine months ended 31 December 2009, the Group recorded the share of profit of associates of approximately HK$14.4 million (nine months ended 31 December 2008: HK$nil), which represented the share of 49% results attributed by the SFII Group to the Group. The SFII Group are principally engaged in mining, sale and distribution of coals in the PRC.

During the nine months ended 31 December 2009, the Group recorded an impairment loss of property, plant and equipment of approximately of HK$1.1 million (nine months ended 31 December 2008: HK$nil), which represented the decrease in value of one of the Group's property which has been leased out during the current period under review.

For the nine months ended 31 December 2009, the Group recorded a loss attributable to the equityholders of the Company from the continuing operations of approximately HK$22.1 million (nine months ended 31 December 2008: net profit of approximately HK$10.2 million) represented an increase in loss by approximately HK$32.3 million or 316.6%. The overall increase in loss attributable to the equityholders of the Company from the continuing operations as compared to the corresponding prior period ended was caused by (i) the record of no revenue from the mining segment after 3 July 2009 as a result of the completion of the Disposal; (ii) the record of loss on the Disposal amounted to approximately HK$6.9 million and; (iii) the increase of the Group's administrative expenses due to the overall increase in staff costs and project related costs; (iv) the recognition of fair value of the share-based payments arising from newly granted share options charged to income statement of approximately HK$2.3 million, and (v) the record of decrease in fair value of the Group's properties (including investment properties and property held for own use in Hong Kong and the People's Republic of China respectively) amounted to approximately HK$3.9 million.

For the nine months ended 31 December 2009, the Group recorded a loss attributable to the equityholders of the Company from the discontinued operation of HK$nil (nine months ended 31 December 2008: approximately HK$0.6 million). The logistics business (the discontinued operation) was entirely disposed on 3 September 2008.

MATERIAL ACQUISITION OR DISPOSAL OF SUBSIDIARIES AND AFFILIATED COMPANIES

On 30 April 2009, Star Fortune International Development Company Limited (the "SFID"), an indirectly wholly-owned subsidiary of the Company, entered into a conditional disposal agreement (the "Disposal Agreement") with the purchaser, a wholly owned subsidiary of China Sonangol Resources Enterprise Limited (the "China Sonangol") (formerly known as "Artfield Group Limited") (a company incorporated in Bermuda with limited liability and the issued shares of which are listed on the main board of the Stock Exchange (stock code: 1229)), the Company and the China Sonangol for the disposal of the sale shares, representing 51% equity interests in SFII, (an indirectly wholly-owned subsidiary of the Company, immediately before the completion of the Disposal and carry on as associate immediately after the Disposal), held by SFID for a total cash consideration of HK$100 million (subject to adjustment).

The Disposal Agreement was completed on 3 July 2009 (the "Completion"). Upon Completion, the Company is interested in only 49% equity interests in SFII , and therefore the SFII Group ceased to be subsidiaries of the Company and are accounted for as the associates of the Company.

On 7 July 2009, Star Energy International Investment Company Limited, an indirectly wholly owned subsidiary of the Company, entered into a provisional sale and purchase agreement with Ming Kei Properties Investment Limited (the "Ming Kei Properties"), a connected person, of which 51% of the shareholding of Ming Kei Properties is beneficially owned by Mr. Wong Wai Sing, a substantial shareholder and a non-executive Director of the Company and the remaining 49% of the shareholding of Ming Kei Properties is beneficially owned by Mr. Wong Wai Ngok, the elder brother of Mr. Wong Wai Sing in relation to the acquisition (the "Acquisition") of a property, a flat in Block 5 Sorrento, 1 Austin Road West, Kowloon for a total cash consideration of HK$8,300,000.

The Acquisition was completed on 7 August 2009.

On 16 July 2009, Star Trading International Investment Company Limited (the "Star Trading"), an indirectly wholly-owned subsidiary of the Company, entered into the sale and purchase agreement with Best Rise Asia Limited (the "Best Rise"), a connected person, of which Best Rise is wholly and beneficially owned by Mr. Wong Wai Sing, and Mr. Poon Chi Ho (the "Mr. Poon") (collectively referred to as the "Vendors") have agreed to sell, and Star Trading, as purchaser, has agreed to purchase: (i) the entire issued share capital of HongKong Talent Holdings Limited (the "Target"), which is a company incorporated in Hong Kong with limited liability, the shares of which is owned as to 90% by Mr. Poon and 10% by Best Rise respectively and (ii) the sale loan of which an outstanding shareholder's advance in an aggregate amount of approximately HK$14.5 million owed by the Target and its subsidiaries to one of the Vendors, Mr. Poon, which is unsecured, interest free and has no fixed terms of repayment for a total consideration of HK$18,000,000 which shall be settled by Star Trading in cash.

The principal asset of the Target is its interest in its subsidiary in the PRC and 100% indirect attributable interests in a commercial property located at Room A, Floor 13, Noble Center, Fuzhong San Road, Futian District, Shenzhen, the PRC, with a total gross floor area of approximately 321.35 sq. m. (the "PRC Property").

The acquisition of the Target was completed on 31 August 2009.

Save as disclosed above, there was no other material acquisitions or disposals of subsidiaries and affiliated companies held by the Group as at 31 December 2009.

(31 December 2008: On 8 July 2008, the Company entered into a disposal agreement (the "Logistics 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 Logistics 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 Logistics 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 "Wing Hing Subscription") for a total subscription price of HK$2,288,000, i.e. HK$1.43 per new Wing Hing share.

The Wing Hing 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 held by the Group as at 31 December 2008.)

BUSINESS REVIEW AND PROSPECTS

The Group achieved revenue of approximately HK$68.7 million (nine months ended 31 December 2008: approximately HK$85.2 million) for the continuing operations of coal mining (51% of the equity interests in the SFII were disposed on 3 July 2009 and the SFII Group become associates of the Group simultaneously) and new business of property investment and general trading respectively for the nine months ended 31 December 2009, representing a decreased by approximately HK$16.5 million or 19.3% over the corresponding prior period ended. The decrement was contributed by the record of no revenue from the mining segment as a result of the disposal of the SFII Group.

On 30 April 2009, the SFID entered into the Disposal Agreement with, China Sonangol, the Company and the China Sonangol for the disposal of the sale shares, representing 51% equity interests in the SFII for a total cash consideration (the "Cash Consideration") of HK$100 million (subject to adjustment).

The Disposal Agreement was completed on 3 July 2009 and the remaining of the partial Cash Consideration amounted to HK$18 million was received on 3 February 2010.

Subsequent to the Completion, the Company is also engaged in investment holding and property investment in HK and the PRC respectively. On 3 July 2009, Shenzhen Star Investment Consultancy Limited, an indirectly wholly-owned subsidiary of the Company, has entered into a tenancy agreement for leasing its property to one of the Company's associate for an annual rental of HK$980,000.

On 7 July 2009, Star Energy International Investment Company Limited, an indirectly wholly owned subsidiary of the Company, entered into a provisional sale and purchase agreement with Ming Kei Properties in relation to the Acquisition.

In view of the recent economic performance in HK, in particular, the quick rebound of the property market, the Group believes that future prospect of the property market in HK is promising.

The Acquisition will provide a good opportunity for the Group to expand its investment in the property market in HK.

Completion of the Acquisition was completed on 7 August 2009 and the Acquisition's property was leased out shortly after the completion of the Acquisition, which will provide a stable source of rental income to the Group.

On 16 July 2009, Star Trading entered into the sale and purchase agreement with Best Rise, a connected person, of which Best Rise is wholly and beneficially owned by the Vendors, have agreed to sell, and Star Trading, as purchaser has agreed to purchase: (i) the entire issued share capital of the Target, and (ii) the sale loan of which an outstanding shareholder's advance in an aggregate amount of approximately HK$14.5 million owed by the Target and its subsidiaries to one of the Vendors, Mr. Poon, which is unsecured, interest free and has no fixed terms of repayment for a total consideration of HK$18,000,000 which shall be settled by Star Trading in cash.

The principal asset of the Target is the PRC Property. The acquisition of the PRC Property will enable the Group: (a) to have its own place of business in Shenzhen thereby avoiding any increase in rental expenses from leasing of property in a long run; and (b) to enjoy the possible capital appreciation of the PRC Property.

The acquisition of the Target was completed on 31 August 2009.

Despite the significantly increase of the net loss of the Group for the nine months ended 31 December 2009, the board of the Company (the "Board") considers that the Group's overall financial positions are healthy and the Board remains positive on the prospects of the Group. Notwithstanding the foregoing, as at 31 December 2009, the Board confirms that the Group makes no investment in any financial derivatives, foreign exchange contracts, interest or currency swaps, hedgings or other financial arrangements for hedging purposes to reduce any currency risk nor made any over-the counter contingent forward transactions. The Board would like to emphasize that the Group's financial positions remain stable and has sufficient cash resources to meet its present and future cash flow requirements.

On October 2009, the Group engaged into a new business of general trading in the PRC. In view of the recent announced by the PRC government of the strategies in boosting up internal customers' demand and encouraging of domestic consuming spending, hence the directors (the "Directors") of the Company believe that the future prospect of the general trading in the PRC is promising due to the PRC's government policy. The new business of general trading will provide a steady income to the Group.

As the consideration for the Disposal is all cash in nature, the Disposal provides a good opportunity for the Company to realize part of the investment and enhance the cash resources of the Group for possible future investments within the coal mining sector or other sector(s) with growth potential including those sectors which the Directors believe are less affected by the global downturn to improve its standard performance and to improve shareholders' returns.

Hence, on 2 November 2009, Star Enterprise, entered into the subscription documents (the "Subscription") pursuant to which Proteus Growth Fund Ltd., as issuer, agreed to allot and issue, and Star Enterprise, as subscriber, agreed to subscribe for 12,830 Class A shares for a subscription price of USD1,283,000 (equivalent to approximately HK$10,007,000) which was settled in cash and funded by the internal resources of the Group.

In view of the recent economic performance globally, in particular, the quick rebound of the security market in Hong Kong and the PRC, the Directors believe that future prospect of the security market in Hong Kong and the PRC is promising. The Subscription will provide a good opportunity for the Group to expand its investment in the security market in Hong Kong and the PRC.

The Group considers that the Subscription provides (i) an opportunity to enjoy any potential capital gain in the value of the Subscription; and (ii) a good investment channel for the Group, which is in the interests of the Shareholders and the Company as a whole.

On 29 December 2009, the Company as an issuer entered into three conditional warrant placing agreements (the "Placing") with the subscribers and the guarantors in relation to a private placing of an aggregate of 10,560,000 warrants to the subscribers, at the warrant issue price of HK$0.19.

The warrants entitle the subscribers to subscribe for the new shares at the subscription price of HK$1.31 per new share for a period of 18 months commencing from the date of issue of the warrants. Each warrant carries the right to subscribe for one new share.

The Directors are of the view that additional funding will strengthen the financial position of the Group for any future investment and development, which will be beneficial and in the interest of the Group and the shareholders as a whole. The Board considered that the present warrant placing is appropriate as (i) it does not have any immediate dilution effect on the shareholding of the existing shareholders while capital will be raised upon completion; (ii) non-interest bearing nature of Warrants; and (iii) favorable market sentiment for equity fund raising. In addition, further capital will be raised upon the exercise of the subscription rights attaching to the warrants by the holder of the warrants during the subscription period.

The Placing completed on 15 January 2010.

The Board will constantly keep reviewing the Group's strategies and operations with a view to improve its business performance and Company's shareholders' return.

CAPITAL STRUCTURE

The shares (the "Share(s)") of the Company were listed on the Growth Enterprise Market of the Stock Exchange of Hong Kong Limited ("GEM") since 15 November 2002. As at 31 December 2009, the total issued shares is 52,800,000 shares.

On 21 September 2009, the Directors, propose to reorganise (the "Reorganization") the Shares of the Company in the following manner: (a) the Shares consolidation of every fifty (50) Shares of HK$0.01 each in the issued and unissued Shares of the Company into one consolidated Share (the "Consolidated Share") of HK$0.50 in the issued and unissued Shares of the Company; (b) the reduction of the issued Shares of the Company through a cancellation of the paid-up Shares of the Company to the extent of HK$0.49 each on each of the issued Consolidated Share so that the nominal value of each issued Consolidated Share will be reduced from HK$0.50 to HK$0.01; (c) the subdivision of each authorised but unissued Consolidated Share of HK$0.50 each into 50 new Shares of HK$0.01 each; and (d) the entire amount standing to the credit of the share premium account of the Company as at the date of extraordinary general meeting (the "EGM") will be reduced and cancelled.

Following the passing of a special resolution of the Company's EGM on 29 October 2009, the Reorganization was completed on 21 December 2009.

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

As at 31 December 2009, 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:

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)*	6,780,000 (L) *(Note 6)*	12.841
Mr. Wong Wai Sing	Interest of controlled corporation *(Note 2)*	6,780,000 (L) *(Note 6)*	12.841
	Beneficial owner	3,252,200 (L) *(Note 6)*	6.159
Lonestar Group Limited (the "Lonestar")	Beneficial owner *(Note 3)*	200,000 (L) *(Note 6)*	0.378
Mr. Tsang Ho Ka, Eugene	Interest of controlled corporation *(Note 4)*	200,000 (L) *(Note 6)*	0.378
Ms. Lau Kimberly Siu Yan Kaiulani	Interest of spouse *(Note 5)*	200,000 (L) *(Note 6)*	0.378
Mr. Luk Yue Kan	Beneficial owner	1,200 (L) *(Note 6)*	0.002

Notes:

1. Ming Kei is wholly and beneficially owned by Mr. Wong Wai Sing, a non-executive Director and a sole 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 6,780,000 shares in which Ming Kei in interested.

3. Lonestar is wholly and beneficially owned by Mr. Tsang Ho Ka, Eugene, an executive Director 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 200,000 shares in which Lonestar in interested.

5. Lonestar is wholly and beneficially owned by Mr. Tsang Ho Ka, Eugene and who is the spouse of Ms. Lau Kimberly Siu Yan Kaiulani. Accordingly, Mr. Tsang Ho Ka, Eugene and Ms. Lau Kimberly Siu Yan Kaiulani is deemed to be interested in the 200,000 Shares in which Lonestar in interested.

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

Save as disclosed herein, as at 31 December 2009, 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 2009, 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 of shareholders	**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)*	6,780,000(L) *(Note 5)*	12.841
Mr. Wong Wai Sing	Interested of controlled corporation *(Note 2)*	6,780,000(L) *(Note 5)*	12.841
	Beneficial owner	3,252,000(L) *(Note 5)*	6.159
Cypress Bright Limited (the "Cypress")	Beneficial owner *(Note 3)*	4,752,000(L) *(Note 5)*	9.000
Mr. Lam Wing Hong, Jimmy	Interested of controlled corporation *(Note 3)*	4,752,000(L) *(Note 5)*	9.000
Pulsar Securities Limited (the "Pulsar")	Beneficial owner *(Note 4)*	4,224,000(L) *(Note 5)*	8.000
Mr. Tam Chak Chi	Interested of controlled corporation *(Note 4)*	4,224,000(L) *(Note 5)*	8.000

Notes:

1. Ming Kei is wholly and beneficially owned by Mr. Wong Wai Sing, a non-executive Director and a sole 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 6,780,000 shares in which Ming Kei in interested.

3. Cypress which is a subscriber of 4,752,000 non-listed warrants under the private placing of non-listed warrants as disclosed in the announcements of the Company dated 29 December 2009 and subsequently completed on 15 January 2010 respectively conferring rights to Cypress to subscribe for 4,752,000 Shares. Cypress is wholly and beneficially owned by Mr. Lam, therefore, Mr. Lam is deemed to be interested in the 4,752,000 Shares in which Cypress in interested.

4. Pulsar which is a subscriber of 4,224,000 non-listed warrants under the private placing of non-listed warrants as disclosed in the announcements of the Company dated 29 December 2009 and subsequently completed on 15 January 2010 respectively conferring rights to Pulsar to subscribe for 4,224,000 Shares. Pulsar is wholly and beneficially owned by Mr. Tam, therefore, Mr. Tam is deemed to be interested in the 4,224,000 Shares in which Pulsar in interested.

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

Save as disclosed above, as at 31 December 2009, 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 (the "Granted 1") and on 10 March 2008, options to subscribe for an aggregate of 20,000,000 Shares at HK$0.718 per share (the "Granted 2") had been granted by the Company under the Scheme and the Granted 1 and Granted 2 were subsequently cancelled on 21 September 2009. On 30 December 2009, options to subscribe for an aggregate of 4,065,000 Shares at HK$1.79 had been granted by the Company under the Scheme. As at 31 December 2009, 4,065,000 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 01/04/2009	Granted during the period	Cancelled during the period	Exercise during the period	Outstanding as at 31/12/2009
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	10/3/2008	10/03/2008–11/03/2018	0.718	0.670	20,000,000	–	20,000,000	–	–
Employee(s)	30/12/2009	30/12/2009–31/12/2019	1.790	1.740	–	3,030,000	–	–	3,030,000
Consultant(s)	30/12/2009	30/12/2009–31/12/2019	1.790	1.740	–	1,035,000	–	–	1,035,000
Total					125,000,000	4,065,000	125,000,000	–	4,065,000

The fair value of the share options granted during the current period ended is estimated at approximately HK$2,294,000 at the date of granted by using the Binomial option pricing model by Greater China Appraisal Limited, an independent firm of professionally qualified valuers. The fair value is estimated based on the share price of HK$1.74 per share at the grant date, the average historical volatility of share prices of certain companies with similar business operation as the Company (due to recent changes in business of the Company) of 52.95% at the granted date, time to maturity of 10 years, expected nil dividend yield, and the risk free rate of 2.566% with reference to the rate on the 10-year Exchange Fund Notes.

The Binomial option pricing model was developed for use in estimating the fair value of option. Such option pricing model requires input of highly subjective assumptions, including the expected share price volatility. As the characteristics of the options granted during the current period ended are significantly different from those of publicly traded options and changes in the subjective inputs may materially affect the fair value estimate, the Binomial option pricing model does not necessarily provide a reliable measure of the fair value of the share options.

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 2009, the Group had no foreign exchange contracts, interest or currency swaps, financial derivatives or hedging or other arrangements for hedging purposes to reduce the currency risk that have been implemented.

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.

CHANGE OF COMPANY NAME

Pursuant to a special resolution in relation to the proposed change of Company name at the extraordinary general meeting held on 29 October 2009 and was approved by the Registrar of Companies in the Cayman Islands and Hong Kong on 2 November 2009 and on 18 November 2009 respectively, the Company's name was changed from Ming Kei Energy Holdings Limited (Chinese translation being 明基能源控股有限公司, for identification purpose only) to Ming Kei Holdings Limited (Chinese translation being 明基控股有限公司, for identification purpose only).

CHANGE OF DOMICILE

The domicile of the Company changed from the Cayman Islands to Bermuda by way of de-registration in the Cayman Islands and continuation as an exempted company with limited liability under the laws of Bermuda, and to adopt a new memorandum of continuance and the bye-laws in compliance with Bermuda law to replace the existing memorandum and articles of association of the Company following the passing of a special resolution at the Company's extraordinary general meeting held on 29 October 2009.

The change of domicile came into effective on 30 November 2009.

CHANGE IN BOARD LOT SIZE

The board lot size of the Company's Shares for trading on the Stock Exchange changed from 5,000 existing Shares to 1,000 new Shares and came into effective on 6 January 2010.

NEW SERVICES

During the nine months ended 31 December 2009, the Group also engaged in the new business of property investment in HK and PRC and general trading in the PRC respectively (31 December 2009: Nil).

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 2009.

CONTINUING DISCLOSURE UNDER RULES 17.22 AND 17.24 OF THE GEM LISTING RULES

The following is an unaudited condensed consolidated statement of financial position as at 31 December 2009 of SFII Group, associates of the Group, of which the Group has an equity interest of 49%, as required therein under rules 17.22 and 17.24 of GEM Listing Rules:

	As at 31 December 2009 (Unaudited) *HK$'000*
Non-current assets	**208,303**
Current assets	**129,420**
Due from the Group	**82**
Current liabilities	**(36,630)**
Non-current liabilities	**(46,548)**
Loan from the Group	**(28,500)**
Net assets	**226,127**

Immediately upon Completion of the disposal of the SFII Group, SFID (the "Vendor S"), the SFII and the Company entered into a loan facilities agreement (the "Loan Facilities Agreement"), pursuant to which the Vendor S agreed to provide an unsecured loan facilities to the SFII in the maximum amount of HK$28,500,000 (equivalent to approximately RMB25,000,000) (the "Facilities") for the daily operation of the SFII Group.

As the amount of the Facilities exceeds 8% of the total assets of the Company, the Company is required to disclose certain details and information on the Facilities pursuant to the GEM Listing Rules 17.15 and 17.18.

Immediately before Completion, the Vendor S has advanced and paid the entire amount of the Facilities (the "Loan") to the designated account of the SFII Group. The Facilities bear an interest rate of 1.5% per annum. The maturity date of such Facilities shall fall on the date falling six (6) months after the date of the Loan Facilities Agreement (the "Maturity Date") and shall be subject to the negotiation and agreement by the Vendor S, the SFII and the Company and the internal cash flow of the SFII Group to renew the Facilities or any part thereof (as the case may be) for further consecutive six (6) months period, and the maturity date of the Facilities shall therefore be extended for such further six (6) months period.

Pursuant to the Loan Facilities Agreement, the SFII shall repay the Loan in full on the Maturity Date, with a condition that the Vendor S and the SFII may agree the whole or any part of the Loan and all interest accrued thereon under this Agreement to be repaid before the Maturity Date. Unless and until the Loan has been repaid in full, there shall be no distribution of profits or assets of any kind (including but not limited to dividend payment) by the SFII.

Further, the SFII may prepay to the Vendor S in full or in part of the Loan before the Maturity Date provided that 5 days notice before the repayment has been given to the Vendor S and the SFII shall at the same time pay to the Vendor S all accrued interest up to the date of prepayment. The amount prepaid shall be available for re-borrowing and drawing of the prepaid amount shall be subject to all clauses under the Loan Facilities Agreement.

The Facilities are funded by internal resources of the Group.

As at 31 December 2009 and the date of this report, the SFII Group has no banking facilities which are guaranteed by the Company.

COMPETITION AND CONFLICT OF INTERESTS

As at 31 December 2009, 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. Kwok Kam Tim and Mr. Kinley Lincoln James Lloyd, all are independent non-executive Directors of the Company. The unaudited condensed consolidated results of the Group for the nine months ended 31 December 2009 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 four members, namely, Mr. Tsang Ho Ka, Eugene, Mr. Sung Wai Tak, Herman, Mr. Kwok Kam Tim and Mr. Kinley Lincoln James Lloyd of which the majority members of the remuneration committee, save and except for Mr. Tsang Ho Ka, Eugene 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 2009 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 "PROFIT WARNING" dated 4 February 2010 was announced by the Company that the Group expected to record a net loss for the nine months ended 31 December 2009 as compared to a net profit for the corresponding period in 2008.

PRE-EMPTIVE RIGHTS

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

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

Hong Kong, 9 February 2010

As at the date of this announcement, the Company's executive Directors are Ms. Yick Mi Ching Dawnibilly, Mr. Tsang Ho Ka, Eugene and Mr. Luk Yue Kan, the Company's non-executive Director is Mr. Wong Wai Sing and the Company's independent non-executive Directors are Mr. Sung Wai Tak, Herman, Mr. Kwok Kam Tim and Mr. Kinley Lincoln James Lloyd.

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