Ming Kei Energy Holdings Limited
明基能源控股有限公司 *

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8239)

(1) VERY SUBSTANTIAL DISPOSAL INVOLVING DISPOSAL OF 51% EQUITY INTERESTS IN STAR FORTUNE INTERNATIONAL INVESTMENT COMPANY LIMITED; (2) CONNECTED TRANSACTION REGARDING THE SUPPLEMENTAL AGREEMENT IN RESPECT OF THE ACQUISITION OF THE ENTIRE ISSUED SHARE CAPITAL IN MING KEI KAI YUAN INVESTMENT COMPANY LIMITED; (3) AMENDMENT OF THE PROMISSORY NOTE; (4) PROFIT WARNING AND (5) RESUMPTION OF TRADING

Financial adviser to the Company

INCU CORPORATE FINANCE LIMITED

DISPOSAL AGREEMENT

Reference is made to the announcement of the Company dated 13 March 2009. On 30 April 2009 (after trading hours), Star Fortune, an indirectly wholly-owned subsidiary of the Company, entered into the Disposal Agreement with, among others, the Purchaser, a wholly-owned subsidiary of Artfield, the Company and Artfield for the disposal of the Sale Shares, representing 51% equity interests in the Target held by Star Fortune for a total consideration of HK$100 million (subject to adjustment).

The Disposal constitutes a very substantial disposal on the part of the Company under the GEM Listing Rules. The Disposal Agreement will be subject to the Shareholders' approval by way of poll at the EGM to be convened and held by the Company.

* *For identification purposes only*

According to Rule 17.26 of the GEM Listing Rules, a listed company in the Stock Exchange shall carry out, directly or indirectly, a sufficient level of operations or have tangible assets of sufficient value and/or intangible assets for which a sufficient potential value can be demonstrated to the Stock Exchange to warrant the continued listing of the listing company's shares. The Company may or may not satisfy the requirements under Rule 17.26 of the GEM Listing Rules immediately upon completion of the Disposal Agreement. In such event, the Company shall take steps to ensure compliance with the relevant provisions under the GEM Listing Rules.

SUPPLEMENTAL AGREEMENT AND AMENDMENT OF THE PROMISSORY NOTE

On 30 April 2009 (after trading hours), the Former Vendors entered into the Supplemental Agreement with the Target, pursuant to which amendments have been made to the Former Agreement to reflect the changes in the related Former Profit Guarantee under the Former Agreement and the Amendment of the Promissory Note.

As Mr. Nelson Wong is an executive Director, a substantial Shareholder and director of the Target and each of the Target Subsidiaries respectively and Ming Kei International, is a substantial Shareholder, the Supplemental Agreement constitutes a connected transaction on the part of the Company under the GEM Listing Rules. Mr. Nelson Wong, Ming Kei International and their respective associates will abstain from voting in favour of the ordinary resolution approving the Supplemental Agreement. The Supplemental Agreement will be subject to Independent Shareholders' approval by way of poll at the EGM to be convened and held by the Company.

PROFIT WARNING

The Board wishes to inform the Shareholders and potential investors that due to the possible impairment loss relating to the Group's coal mining business, it is expected that the annual results of the Group for the year ended 31 March 2009 would experience a loss compare with the net profit of the Group for the year ended 31 March 2008.

The information contained in this announcement is only the preliminary assessment by the Company based on the management accounts of the Group for the year ended 31 March 2009 which has not been confirmed nor audited by the Company's auditors.

Shareholders and potential investors should exercise caution when dealing in the Shares.

GENERAL

A circular containing, among other things, further details of the Disposal Agreement, the Supplemental Agreement and the Amendment of the Promissory Note and the transactions contemplated thereunder, the letter of advice from the IFA to the IBC and the Independent Shareholders, the recommendation of the IBC to the Independent Shareholders together with the notice of the EGM will be despatched to the Shareholders as soon as practicable and in accordance with the GEM Listing Rules.

RESUMPTION

At the request of the Company, trading in the Shares has been suspended with effect from 9:30 a.m. on 4 May 2009 pending the issue of this announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares with effect from 9:30 a.m. on 8 May 2009.

Reference is made to the announcement of the Company dated 13 March 2009, regarding a memorandum of understanding entered into between Star Fortune and the Purchaser in respect of the possible disposal of 51% equity interests in the Target. Reference is also made to the announcement of the Company dated 9 July 2007 and the circular of the Company dated 15 October 2007 regarding the Former Acquisition respectively.

THE DISPOSAL AGREEMENT

Date: 30 April 2009 (after trading hours)

Parties:	(1)	Vendor:	Star Fortune
	(2)	Vendor's guarantor:	The Company
	(3)	Purchaser:	Lasting Power
	(4)	Purchaser's guarantor:	Artfield

The Purchaser is a wholly-owned subsidiary of Artfield, a company the shares of which is listed on the main board of the Stock Exchange. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Purchaser, Artfield and their ultimate beneficial owners are Independent Third Parties.

Assets to be disposed of

51 Sale Shares, representing 51% of the issued share capital of the Target.

Consideration

The Disposal Consideration is HK$100 million (subject to adjustment as mentioned below) and shall be paid by the Purchaser in cash in the following manner:

(a) a sum of HK$12 million, being the Deposit and partial payment of the Disposal Consideration which has been paid by the Purchaser to Star Fortune upon signing of the Disposal Agreement (of which HK$2 million being applied and paid from the Earnest Money);

(b) a sum of HK$60 million being partial payment of the Disposal Consideration which shall be paid by the Purchaser to Star Fortune on Completion; and

(c) the balance of the Disposal Consideration of HK$28 million (subject to adjustment as stated hereunder in the subsection headed "Profit Guarantee") which shall be deposited by the Purchaser to the escrow account with Purchaser's solicitors as the escrow agent on Completion and shall release subject to the terms and conditions as stated in the Escrow Agreement. According to the Escrow Agreement, the Consideration Balance will be released in the following manner:

   (i) HK$18 million to be released by the Purchaser's solicitors within five (5) Business Days upon the Purchaser in receipt of the profit guarantee certificate certifying that the Profit Guarantee has been achieved and receipt of irrevocable instruction letter jointly signed by Star Fortune and the Purchaser confirming fulfillment of the Profit Guarantee; and

   (ii) HK$10 million to be released by the Purchaser's solicitors within five (5) Business Days upon the Purchaser in receipt of the Output Accounts and receipt of irrevocable instruction letter jointly signed by Star Fortune and the Purchaser confirming fulfillment of the Performance Guarantee for the First Annual Period.

In respect of the above (c)(i), in the event that the Profit Guarantee has not been achieved, the Purchaser's solicitors shall release pursuant to the terms of the Escrow Agreement a sum equivalent to HK$28 million minus the Profit Shortfall to Star Fortune and shall return the amount of Profit Shortfall to the Purchaser. For details please refer to subsection headed "Profit Guarantee" below.

Conditions

The Disposal is conditional upon the following conditions being satisfied or waived on or before 31 July 2009 or such later date as Star Fortune and the Purchaser may agree in writing:

1. Star Fortune has a good title to the Sale Shares free from Encumbrances and that Star Fortune is the sole registered and beneficial owner of the Sale Shares;

2. all necessary consents and approvals required to be contained on the part of Star Fortune, the Purchaser, the Company and Artfield as required under the Listing Rules and GEM Listing Rules (where applicable) having been obtained;

3. all approvals, consents, authorisations and licenses including but not limited to the exploration and exploitation permits necessary for the business and operation of the Target Group not having been revoked or withdrawn and are still valid and effective;

4. the Purchaser being satisfied with the results of the due diligence investigations including but not limited to the financial, accounting, legal, contractual, taxation and trading position of the Target Group and the title of the Target Group to all its assets;

5. the Purchaser receiving a PRC legal opinion (in form and substance reasonably satisfactory to the Purchaser) from a PRC legal adviser appointed by the Purchaser in relation to the PRC legal aspects of the Disposal Agreement and the transaction contemplated thereunder;

6. the Purchaser receiving a BVI legal opinion (in form and substance reasonably satisfactory to the Purchaser) from a BVI legal adviser appointed by the Purchaser in relation to the BVI legal aspects of the Disposal Agreement and the transaction contemplated thereunder;

7. the Purchaser receiving a Hong Kong legal opinion (in form and substance reasonably satisfactory to the Purchaser) from a Hong Kong legal adviser appointed by the Purchaser in relation to the Hong Kong legal aspects of the Disposal Agreement and the transaction contemplated thereunder;

8. the Purchaser having satisfied with the independent technical report prepared by John T. Boyd Company (in form and substance reasonably satisfactory to the Purchaser) and that the recoverable reserves of coal in the Coal Mines are not substantially deviate from the quantity as provided by Star Fortune;

9. the representations and warranties given by Star Fortune, the Company, the Purchaser and Artfield, remaining true and correct in all material respect;

10. the passing by the Shareholders at the EGM to be convened and held of any ordinary resolutions approving the Disposal Agreement and the transaction contemplated thereunder, the Supplemental Agreement and the Amendment of the Promissory Note;

11. the passing by the shareholders of Artfield at its special general meeting to be convened and held of any ordinary resolutions approving the Disposal Agreement and the transaction contemplated thereunder;

12. the completion of the Group Reorganisation;

13. Star Fortune having complied fully with the obligations specified in the pre-completion obligations as stated in the Disposal Agreement and having performed in all material respects all of the covenants and agreements required to be performed by it under the Disposal Agreement; and

14. all necessary consents being granted by third parties (including governmental or official authorities) for the sale and purchase of the Sale Shares and other transaction contemplated thereunder, and no statute, regulation or decision which would prohibit, restrict or materially delay the sale and purchase of the Sale Shares or the operation of any Target Group member after Completion having been proposed, enacted or taken by any governmental or official authority.

The Purchaser may waive condition 2 (in respect of the consents and approvals required to be obtained on the part of Star Fortune and the Company as required under the GEM Listing Rules only), conditions 3 to 8, condition 9 (in respect of the representations and warranties given by Star Fortune and the Company only), conditions 13 and 14 at any time by notice in writing to Star Fortune.

Star Fortune may at any time by notice in writing to the Purchaser waive condition 2 (in respect of the consents and approvals required to be obtained on the part of the Purchaser and Artfield as required under the Main Board Listing Rules only) and condition 9 (in respect of the representations and warranties given by the Purchaser and Artfield only).

If the above conditions have not been satisfied or waived (as the case may be) on or before 31 July 2009 or such later date as the parties to the Disposal Agreement may agree in writing ("**Long Stop Date**"), neither parties shall be bound to proceed with the sale and purchase of the Sale Shares and the outstanding obligation under the Disposal Agreement shall cease to be of any effect. Star Fortune shall return the Deposit paid by the Purchaser with interest to the Purchaser within three (3) Business Days after the Long Stop Date.

Completion

Completion of the Disposal Agreement will take place on the Completion Date.

After completion of the Disposal Agreement, the Company will be interested in only 49% equity interests in the Target, and therefore the Target Group will become associates of the Company and will cease to be subsidiaries of the Company.

According to Rule 17.26 of the GEM Listing Rules, a listed company in the Stock Exchange shall carry out, directly or indirectly, a sufficient level of operations or have tangible assets of sufficient value and/or intangible assets for which a sufficient potential value can be demonstrated to the Stock Exchange to warrant the continued listing of the listing company's shares. The Company may or may not satisfy the requirements under Rule 17.26 of the GEM Listing Rules immediately upon completion of the Disposal. In such event, the Company shall take steps to ensure compliance with the relevant provisions under the GEM Listing Rules. After preliminary computation, the Board confirms that after completion of the Group Reorganisation and completion of the Disposal Agreement, the Group will receive a turnover from an expected rental income of approximately HK$980,000 per annum of a property wholly-owned by the Group and the Board also considers that the Group has sufficient assets to satisfy the requirements under Rule 17.26 of the GEM Listing Rules.

Reference is made to the announcement of the Company dated 18 July 2008 and 14 January 2009 regarding the entering into a memorandum of understanding ("**MOU**") for the possible acquisition of 99% of a PRC company engaged in coal mining and sales of coal, which has been granted a mining exploitation permit (採礦許可証) issued by the Department of Land and Resources of Guizhou Province (貴州省國土資源廳), such mining exploitation permit is valid until June 2018. The Company confirms that potential target had completed its reorganisation as stated in the MOU while pending the independent technical report from the independent technical adviser. The Company will speed up its process of negotiation with the relevant parties and at the same time identified other potential investments before completion of the Disposal Agreement in order to ensure its compliance with Rule 17.26 of the GEM Listing Rules.

Shareholders' Agreement

At Completion, the Company, Star Fortune, the Target, the Purchaser and Artfield shall enter into a shareholders' agreement to regulate their respective responsibilities towards the financial contributions to, management of, the business of the Target Group, of which (i) for management aspect, the board of director of each of the companies under the Target Group, will comprise three directors, two of which are to be nominated by the Purchaser and one director will be nominated by Star Fortune; (ii) for financial contribution aspect, a loan facility agreement will be entered into, of which Star Fortune and the Company will provide an unsecured loan facilities to the Target in the maximum principal amount of RMB25,000,000 to the Target Group for the daily operation of the Target Group in the event that cash level of the Group ("**Internal Cash Flow**") is below the level required for the daily operation of the Business of the Group, such facility is unsecured, interest bearing at RMB benchmark 6 months lending rate as prescribed by the PRC from time to time minus 4.45% and for a period of six (6) months and renewable every six (6) months subject to further negotiation of parties to the loan facility agreement and the Internal Cash Flow; and (iii) for business aspect, the Target Group will continue to engage in coal mining business.

The terms and conditions in the loan facility agreement has been negotiated by the parties thereto in good faith and those are the commercial terms to be agreed between the parties which are part and parcel to the Disposal, the Board considers the terms are fair and reasonable. In the event that the entering into of such loan facility agreement might constitute a transaction to the Company under Chapter 19 of the GEM Listing Rules, separate announcement will be made accordingly.

Basis of the Disposal Consideration

The Disposal Consideration was arrived at after arm's length negotiations between the parties to the Disposal Agreement with reference to:

(i) the Profit Guarantee and the Performance Guarantee;

(ii) the entire Disposal Consideration are all in cash;

(iii) the price earning ratio of approximately 4.90 times, being the Disposal Consideration of HK$100 million divided by the Final Net Profit attributable to 51% interests (the Purchaser will be interested in 51% x HK$40 million = HK$20.4 million upon Completion) which is agreed with reference to the profit earning ratios of a number of Hong Kong listed companies engaging in similar business in the coal mining industry ranging from about 2.30 to 22.5 times; and

(iv) the economic benefits to be accrued to the Company for the disposal of the mining business as elaborated in the section headed "Reasons for and benefits of the Disposal and intended use of proceeds" below.

Though the price earning ratio of approximately 4.90 times is at the low end of the range, given that (i) the price earning ratio is not the sole factor to be considered, other factors as mentioned above are also relevant for pricing decision; and (ii) potential buyer is generally more conservative in making investment decision in such market condition where the timing of economic recovery from the global financial tsunami is uncertain, the Directors (including the independent non-executive Directors), consider that the terms and conditions of the Disposal Agreement and the transactions contemplated thereunder are entered into upon normal commercial terms following arm's length negotiations among the parties and the terms are fair and reasonable and the Disposal is in the interests of the Company and the Shareholders as a whole.

Profit Guarantee

Star Fortune has guaranteed to the Purchaser that the Final Net Profit shall not be less than HK$40 million.

The basis for determination of the Profit Guarantee is as follows:

(1) the well established business and personal networks of the Target Group in Xinjiang Uygur Autonomous Region of the PRC, which would assist the future business development of the Target Group;

(2) the experience and caliber of the management of the Target Group which would ensure that the Target Group will be properly managed; and

(3) the estimated total reserve and estimated recoverable reserve of the Coal Mines estimated by the Purchaser (after consulting its own independent technical advisers).

In the event that the Profit Guarantee is not achieved, the Profit Shortfall calculated as follows shall be set off against the Consideration Balance:

Profit Shortfall = (Profit Guarantee – Final Net Profit) x 4.90 x 51% (being 51% Purchaser's equity interests in the Target)

For the avoidance of doubt, the maximum amount of the Profit Shortfall shall be HK$28 million and should PRC Subsidiary A record a loss, the Final Net Profit shall be deemed as zero. The Purchaser is entitled to reduce the Consideration Balance by the amount of the Profit Shortfall.

Performance Guarantee

Star Fortune and the Company have guaranteed to the Purchaser that the Actual Sales Volume of coal by PRC Subsidiary A for each of the First Annual Period and the Second Annual Period respectively shall not be less than 900,000 tonnes (based on the coal sold as stated in the value-added tax invoices).

In the event that the Performance Guarantee is not achieved, no adjustment to the Disposal Consideration will be made. Star Fortune and the Company shall, within one month from the date of notice from the Purchaser to Star Fortune, deliver to the Purchaser a quantity of middle size coal (80-150mm) (中塊煤), with quality not substantially different from that of the existing production of the Coal Mines, equivalent to the difference between 900,000 tonnes of coal and the Actual Sales Volume by PRC Subsidiary A for each of the First Annual Period and the Second Annual Period respectively at the same location of the Coal Mines.

Further announcement will be made by the Company regarding the fulfilment of Profit Guarantee and Performance Guarantee respectively.

Event of Force Majeure

If there occurs, in the reasonable opinion of Star Fortune, an Event of Force Majeure, which may materially and adversely affect the achievement of the Profit Guarantee and the Performance Guarantee, Star Fortune may by written notice to the Purchaser extend the Profit Guarantee period and Performance Guarantee period.

Non-Competition and Non Solicitation

For a period of two (2) years following the date of the Disposal Agreement, except for Star Fortune's interest in the Target Group and as otherwise authorised by the Disposal Agreement or agreed to in writing by the Purchaser, none of Star Fortune or the Company will on behalf of itself or any other person, either as principal, agent, partner, member, shareholder, employee, consultant, representative, director or officer or in any other capacity (i) directly own, manage, operate or control, or be employed by, engaged in or assist anyone to engage in, or have a financial interest in, any business in Bei Ta Mountain, Qi Tai County, Xinjiang Uygur Autonomous Region, PRC (中國新疆維吾爾自治區奇台縣北塔山) (the "**Region**") which competes with the business of the Target or the Target Group in the Region; or (ii) solicit or entice away any person who is or has been a customer of the Target or the Target Group within one year before the Completion Date.

INFORMATION ON THE TARGET GROUP, THE PURCHASER AND ARTFIELD

The Target Group is principally engaged in mining, sale and distribution of coals in the PRC. The Target is an investment holding company and the Target Subsidiaries are responsible for the main operation of the Target Group. As at the date of this announcement, the Target, through the Target Subsidiaries, owns the entire interest in the mining rights (採礦許可證) granted by the relevant PRC authorities to conduct mining activities in the Kaiyuan Open Pit Coal Mine (凱源露天煤礦) and the exploration permit (礦產資源勘查許可證) granted by the relevant PRC authorities to conduct exploration activities in the Zexu Open Pit Coal Mine (澤旭露天煤礦).

Artfield is an investment holding company and its subsidiaries are principally engaged in marketing and trading of clocks and other office related products, lighting products and trading of metals. The Purchaser is an investment holding company and is a wholly-owned subsidiary of Artfield.

The financial information of the Target Group for the financial year ended 31 March 2008 are as follows:

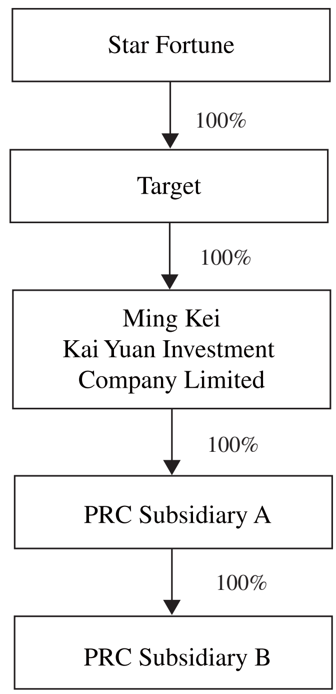
	For the period from 12 April 2007 (date of incorporation) up to 31 March 2008 (audited) *HK$'000*
Results	
Revenue	35,071
Profit before tax *(Note)*	51,259
Profit after tax	53,233

	As at 31 March 2008 (audited) *HK$'000*
Total assets	1,562,932
Net assets value	116,465

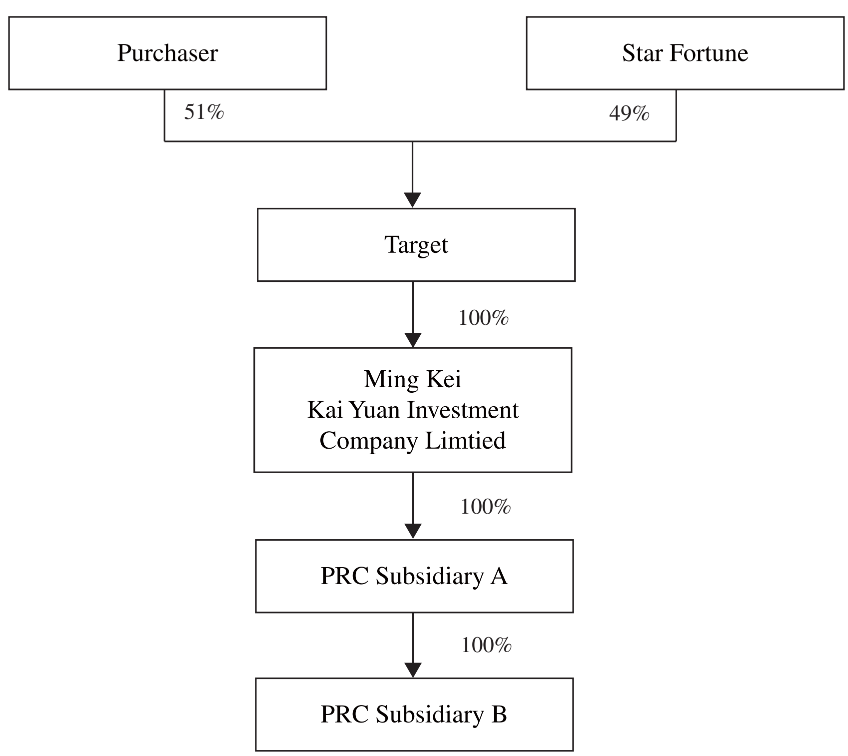
Note: The profit was arisen from the excess of the Group's Share of net fair value of the interests in subsidiaries acquired over the cost of the acquisition of HK$50.8 million attributed to the Former Acquisition. Reference is also made to the annual report 2007/2008 dated 30 June 2008 and announcement dated 4 February 2009 respectively.

Set out below is the shareholding structure of the Target Group immediately before and after Completion:

Immediately before Completion:



Immediately after Completion:



REASONS FOR AND BENEFITS OF THE DISPOSAL AND INTENDED USE OF PROCEEDS

The Group is principally engaged in mining, sale and distribution of coals in the PRC.

The Company acquired the Target Group in July 2007 with a view that coal mining business is in a fast growing trend with immense potential and such acquisition would diversify the Group into a new business with significant growth potential. However, there are a number of unforeseeable and uncontrollable factors happened subsequent to such investment decision in the global economy in 2008 and has been continuing which resulted in the prospect of the coal mining industry has not been growing as fast as expected.

After the completion of the acquisition of the Target Group in November 2007, PRC's economy was badly hit by the global financial tsunami. In the latest published economic data published by National Bureau of Statistics, the PRC, Chinese has recorded the lowest economic growth of 6.1% in the first quarter of 2009 in the past decade. The prospect of coal mining business grows in line with the economy. The global recession and slower economic growth of the PRC are negatively hindering the manufacturing activities in the PRC which in turn affects the demand of, and put pressure on the market price of coal, the core natural resources used for generating electricity to support those manufacturing activities. According to the data provided by Bloomberg, after the financial tsunami, the price of coal has dropped by approximately 40% from its peak.

In view of the slower economic growth of the PRC and uncertainty in the economic recovery during this period of global recession, the prospect of the coal market will continue to be affected and the business in coal mining will continue to be difficult and challenging. The Board believes that the profitability potential of the Target Subsidiaries will be reduced in the short and medium terms. On the other hand, since the Disposal Consideration is entirely in cash, 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 sectors(s) with growth potential including those sectors which the Directors believe are less affected by the global recession.

FINANCIAL EFFECT OF THE DISPOSAL AND THE GROUP REORGANISATION

It is expected that the Company will, subject to the review and confirmation by independent accountants, recognise an estimated unaudited loss on Disposal of approximately HK$3 million which is to be calculated based on the Disposal Consideration and the unaudited management accounts as at 31 March 2009, and taking into account the Group Reorganisation and the possible impairment loss. The final amount of the actual loss as a result of the Disposal will be determined as at the Completion and will be reviewed and confirmed by independent accountants.

In view of the fact that (i) the uncertainty in maintaining the strong economic growth of the PRC in the near future and the uncertainty in the time for the recovery of the global economy due to the financial tsunami; (ii) the opportunity for the Company to realize part of the investment in such time of uncertainty; and (iii) the Disposal Consideration will enhance the cash resources of the Group for possible future investment with better profitability when opportunities arise, the Board is of the opinion that it is justifiable for the Group to dispose of the Target Group at the aforesaid Disposal Consideration.

The gross proceeds from the Disposal will amount to approximately HK$100 million (assuming receiving the Consideration Balance in full due to fulfilment of the Profit Guarantee and Performance Guarantee respectively). The net proceeds receivable by the Company, after deducting all costs, fees and expenses to be borne by the Company, are estimated to be approximately of HK$88 million. It is presently expected that the Board intends to apply approximately HK$60 million for future development and investment of the Group and the remaining balance of approximately HK$28 million as the working capital of the Group.

As at the date of this announcement, save and except that the Company has entered into the MOU for a potential acquisition of 99% equity interest of a company which is beneficially interested in a coal mine in Guizhou, the PRC, there is no any specific development and investment plans for the Company.

SUPPLEMENTAL AGREEMENT AND AMENDMENT OF THE PROMISSORY NOTE

Having considered the uncertain future prospects of the coal mining business as discussed in the above section "Reasons for and benefits of the disposal and intended use of proceeds", the Directors (including the independent non-executive Directors) are conservative over the future profitability of the coal mining business in the PRC and the fulfillment of the Former Profit Guarantee. In view of the Former Profit Guarantee cover the two years ending 31 December 2009 may not be fulfilled, the Target entered into the Supplemental Agreement with the Former Vendors to amend the Former Profit Guarantee under the Former Agreement and the Promissory Note (as part of the consideration for the Former Acquisition) in order to provide a better reflection of the financial position of the Group.

Date: 30 April 2009 (after trading hours)

Parties:	(1)	Vendor:	Ming Kei International
			Mr. Benny Wong
			Mr. Nelson Wong
	(2)	Purchaser:	Target
	(3)	Guarantor:	Mr. Nelson Wong

On 30 April 2009 (after trading hours), the Former Vendors entered into the Supplemental Agreement with the Target, pursuant to which amendments are to be made to the Former Agreement to reflect the changes in the related Former Profit Guarantee under the Former Agreement, the details of which are as follow:

1. the Former Profit Guarantee under the Former Agreement shall be revised from not less than HK$60,000,000 (i.e.HK$120,000,000 in aggregate) for the two years ending 31 December 2008 and 31 December 2009 to not less than HK$20,000,000 (i.e. HK$40,000,000 in aggregate) for the two years ending 31 December 2008 and 31 December 2009 and all remaining references to "HK$60,000,000" and "HK$120,000,000" in the Former Agreement shall also be deleted and substituted by "HK$20,000,000" and "HK$40,000,000" respectively (the "**Revised Former Profit Guarantee**").

2. the Promissory Note in the principal amount of HK$120,000,000 with zero coupon issued by the Company in favour of Ming Kei International shall be revised and substituted by a new promissory note in the principal amount of HK$40,000,000 with zero coupon.

The Revised Former Profit Guarantee covers the same period as provided under the Former Agreement and is not amended under the Supplemental Agreement.

Since the Group is responsible for the operation of the Coal Mines after the completion of the Former Acquisition, the Former Vendors and the Directors (including the independent non-executive Directors), having taken into account the uncertain macro economic environment and the coal mining prospect as elaborated under "Reasons for and benefits of the disposal and intended use of proceeds" and the unforeseeable circumstances, adopt a more conservative estimation of the future performance of the Coal Mines and therefore the Profit Guarantee is revised to a more conservative figure.

Having considered (i) the Promissory Note of HK$120,000,000 has been recognized as liability of the Company since the completion the Former Agreement and the reduction in the Former Profit Guarantee will immediately relieve such liability, instead of bearing it (or part of it) over the remaining period until 31 December 2009, the Amendment of the Promissory Note will improve the overall liability outlook of the Group; and (ii) the reduction of the Former Profit Guarantee by HK$80,000,000 in aggregate for the period of two years is compensated by the Amendment of the Promissory Note on a dollar to dollar basis, which is also the same basis as provided in the Former Agreement when such Former Profit Guarantee is not fulfilled.

The Directors (excluding the independent non-executive Directors) consider that the revision of the Former Profit Guarantee and the Amendment of the Promissory Note is fair and reasonable and that such amendment to the Former Profit Guarantee and the Amendment to the Promissory Note will better reflect the business status of the coal mining business and financial position of the Group.

The Disposal Agreement is conditional upon passing of ordinary resolution regarding the Supplemental Agreement, but the Supplemental Agreement is not conditional upon the Disposal Agreement being passed.

Differences of the Profit Guarantee and the Revised Former Profit Guarantee

There is a difference of HK$20 million between the Profit Guarantee and the Revised Former Profit Guarantee, the Directors (including the independent non-executive Directors) consider that the comparative lower figure for the Revised Former Profit Guarantee is justified as:

(i) the definitions of profit under the two profit guarantees are different. The Former Profit Guarantee is the profit after tax and extraordinary items or exceptional items of the Target Subsidiaries while the Profit Guarantee to the Vendor only covers the net profit after tax of PRC Subsidiary A only. The Former Vendors face more uncertainties in the future arising from certain unforeseeable circumstances such as the Event of Force Majeure;

(ii) the period to be covered under the Revised Former Profit Guarantee is not extendable, which is different to the Profit Guarantee under the Disposal Agreement where in case of Event of Force Majeure, the Profit Guarantee is extendable to further period. The Former Vendors are less flexible in terms of uncertain situation, therefore, it is reasonable to adopt a more conservative approach; and

(iii) the reduction in the Former Profit Guarantee is compensated on a dollar to dollar basis which is also the same basis as provided in the Former Agreement.

GEM LISTING RULES IMPLICATION

The Disposal constitutes a very substantial disposal on the part of the Company under the GEM Listing Rules. The Disposal Agreement will be subject to Shareholders' approval at the EGM by way of poll.

The Supplemental Agreement was entered into between the Former Vendors and the Target. As Mr. Nelson Wong is an executive Director, a substantial Shareholder and a director of the Target and each of the Target Subsidiaries respectively and Ming Kei International is a substantial Shareholder, the Supplemental Agreement constitutes a connected transaction on the part of the Company under the GEM Listing Rules. Mr. Nelson Wong, Ming Kei International and their respective associates will abstain from voting in favour of the ordinary resolution approving the Supplemental Agreement. The Supplemental Agreement will be subject to Independent Shareholders' approval by way of poll at the EGM to be convened and held by the Company.

The IBC comprising all three independent non-executive Directors will be formed to advise the Independent Shareholders as to whether the terms of the Supplemental Agreement and the Amendment of the Promissory Note and the transactions contemplated thereunder are fair and reasonable and are in the interests of the Company and the Independent Shareholders as a whole and to advise on the Independent Shareholders on how to vote after taking into account the recommendations of the IFA. The IFA will be appointed by the IBC to advise the IBC and the Independent Shareholders in this regard.

GENERAL

A circular containing, among other things, further details of the Disposal Agreement and the transactions contemplated thereunder, the Supplemental Agreement and the Amendment of the Promissory Note, the letter of advice from the IFA to the IBC and the Independent Shareholders, the recommendation of the IBC to the Independent Shareholders together with the notice of the EGM will be despatched to the Shareholders as soon as practicable and in accordance with the GEM Listing Rules.

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares has been suspended with effect from 9:30 a.m. on 4 May 2009 pending the issue of this announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares with effect from 9:30 a.m. on 8 May 2009.

PROFIT WARNING

The Board wishes to inform the Shareholders and potential investors that due to the possible impairment loss relating to the Group's coal mining business, it is expected that the annual results of the Group for the year ended 31 March 2009 would experience a loss compare with the net profit of the Group for the year ended 31 March 2008.

The information contained in this announcement is only the preliminary assessment by the Company based on the management accounts of the Group for the year ended 31 March 2009 which has not been confirmed nor audited by the Company's auditors.

Shareholders and potential investors should exercise caution when dealing in the Shares.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meaning:

"Actual Sales Volume"	the volume of coal sold as stated on the value-added tax invoices
"Amendment of the Promissory Note"	the proposed amendment to the Promissory Note issued by the Company in favour of Ming Kei International with a revised principal amount of HK$40,000,000
"Artfield"	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)
"associates"	has the meaning associated thereto in the GEM Listing Rules
"Board"	the board of Directors from time to time
"Business Day(s)"	a day on which licensed banks in Hong Kong are open for normal banking business throughout their normal business hours (excluding Saturdays and Sundays)
"BVI"	the British Virgin Islands
"Coal Mines"	Kaiyuan Open Pit Coal Mine (凱源露天煤礦) and Zexu Open Pit Coal Mine (澤旭露天煤礦) respectively
"Company"	Ming Kei Energy Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on GEM (stock code: 8239)

"Completion"	completion of the sale and purchase of the Sale Shares in accordance with the terms and conditions of the Disposal Agreement
"Completion Date"	within five (5) Business Days after all the conditions precedent have been fulfilled or waived by the Purchaser or the Vendor (or such later date as the parties to the Disposal Agreement may agree in writing)
"connected persons"	has the meaning ascribed thereto in the GEM Listing Rules
"Consideration Balance"	HK$28,000,000 being balance of the Disposal Consideration to be deposited to the escrow account with the Purchaser's solicitor
"Deposit"	the sum of HK$12,000,000 (of which the Earnest Money in the sum of HK$2,000,000 has been deposited in an escrow account with the Purchaser's solicitors upon the signing of the memorandum of understanding dated 13 March 2009) paid by the Purchaser to the Vendor upon signing of the Disposal Agreement, being refundable deposit and partial payment of the Disposal Consideration
"Directors"	the directors of the Company (including the independent non-executive Directors) from time to time
"Disposal"	the proposed disposal of 51% equity interests in the Target under the Disposal Agreement
"Disposal Agreement"	the conditional agreement dated 30 April 2009 and entered into among Star Fortune, the Company, Artfield and the Purchaser in relation to the sale and purchase of the Sale Shares
"Disposal Consideration"	the aggregate consideration of HK$100,000,000 for the sale and purchase of 51% equity interests in the Target pursuant to the Disposal Agreement
"Earnest Money"	a sum of HK$2,000,000, being earnest money deposited by the Purchaser to its solicitors upon signing of the memorandum of understanding date 13 March 2009
"EGM"	the extraordinary general meeting of the Company to be convened by the Company to consider and if thought fit, to approve the Disposal Agreement and the transaction contemplated thereunder, the Supplemental Agreement and the Amendment of the Promissory Note

"Encumbrances"	shall mean any mortgage, charge, pledge, lien, equities, hypothecation or other encumbrance, priority of security interest, deferred purchase, title retention, leasing, sale-and-repurchase or sale-and-lease back arrangement whatsoever over or in any property, assets or rights of whatsoever nature and includes any agreement for any of the same
"Escrow Agreement"	the escrow agreement to be entered into on Completion, between the Purchaser, the Purchaser's solicitors and Star Fortune in respect of the escrow of the Consideration Balance in the escrow account of the Purchaser's solicitors
"Event of Force Majeure"	there shall have developed, occurred, existed or come into effect any event or series of events, matters or circumstances on and/or after Completion including an event or change in relation to or a development of an existing state of affairs concerning or relating to (i) new law or regulation or any change in existing laws or regulations or any change in the interpretation or application thereof by any court or other competent authority, which have material adverse effect on the operation of the Coal Mines; or (ii) any event of force majeure including, without limiting the generality thereof, act of God, war, riot, social or public disorder, civil commotion, fire, flood, explosion, epidemic, outbreak of an infectious disease, calamity, crisis, terrorism, strike or lock-out (whether or not covered by insurance) in Xinjiang Uygur Autonomous Region, the PRC, which may materially affect the operation of the Group
"Final Net Profit"	the audited net profit after tax of PRC Subsidiary A for the year from 1 January 2009 to 31 December 2009 in accordinance with HKGAAP
"First Annual Period"	for the first twelve (12) months ending immediately after the Completion Date
"Former Acquisition"	the acquisition of the entire issued share capital of Ming Kei Kai Yuan Investment Company Limited by Star Fortune, which was completed on 19 November 2007
"Former Agreement"	the sale and purchase agreement dated 3 July 2007 entered into among the Former Vendors and the Target in relation to the sale and purchase of the entire issued share capital of Ming Kei Kai Yuan Investment Company Limited

"Former Profit Guarantee"	the profit guarantee provided by the Former Vendors under the Former Agreement in respect of the audited net profit after tax and any extraordinary items or exceptional items of the Target Subsidiaries for the financial years ending 31 December 2008 and 31 December 2009 to be not less than an average of HK$60,000,000 for each of the two financial years ending 31 December 2008 and 31 December 2009 (i.e. HK$120,000,000 in aggregate)
"Former Vendors"	together, Ming Kei International, Mr. Benny Wong and Mr. Nelson Wong respectively
"GEM"	the Growth Enterprise Market of the Stock Exchange
"GEM Listing Rules"	the Rules Governing the Listing of Securities on GEM
"Group"	the Company and its subsidiaries (which shall exclude, where the context requires, the Target Group immediately after Completion) from time to time
"Group Reorganisation"	the reorganisation to be conducted by the Target Group prior to Completion
"HKGAAP"	accounting principles, standards, and practices generally accepted in Hong Kong, including but not limited to Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards, and Interpretations issued by the Hong Kong Institute of Certified Public Accountants
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"IBC"	an independent board committee of the Board comprising all independent non-executive Directors to advise the Independent Shareholders as to the terms of the Supplemental Agreement and the Amendment of the Promissory Note and the transaction contemplated thereunder and how to vote, taking into account the recommendations of the IFA
"IFA"	an independent financial adviser to be appointed to advise the IBC and the Independent Shareholders whether the terms of the Supplemental Agreement and the Amendment of the Promissory Note and the transaction contemplated thereunder are fair and reasonable and are in the interests of the Company and the Independent Shareholders as a whole
"Independent Shareholders"	the Shareholders other than Mr. Nelson Wong, Ming Kei International and their respective associates or others who are interested in the Supplemental Agreement

"Independent Third Party"	third parties independent of the Company and its connected persons
"Kaiyuan Open Pit Coal Mine"	Kaiyuan Open Pit Coal Mine (凱源露天煤礦) located at Bei Ta Mountain, Qi Tai County, Xinjiang Uygur Autonomous Region, the PRC (中國新疆維吾爾自治區奇台縣北塔山)
"Main Board Listing Rules"	the Rules Governing the Listing of Securities on the main board in the Stock Exchange
"Ming Kei International"	Ming Kei International Holding Co. Limited (明基國際集團有限公司), a company incorporated in Hong Kong, a substantial Shareholder, which is wholly and beneficially owned by Mr. Nelson Wong
"Mr. Benny Wong"	Mr. Wong Wai Ngok, the elder brother of Mr. Nelson Wong
"Mr. Nelson Wong"	Mr. Wong Wai Sing, an executive Director, a substantial Shareholder and director of the Target and each of the Target Subsidiaries respectively, the younger brother of Mr. Benny Wong
"Output Accounts"	two separate statements issued by auditor certifying the Actual Sales Volume of coal by PRC Subsidiary A for the First Annual Period and the Second Annual Period
"Performance Guarantee"	the guarantee given by Star Fortune that the Actual Sales Volume of coal by PRC Subsidiary A for each of the First Annual Period and the Second Annual Period which shall not be less than 900,000 tonnes (based on the coal sold as stated in the value-added tax invoices)
"PRC"	the People's Republic of China, which for the purpose of this announcement, shall exclude Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
"PRC Subsidiary A"	木壘縣凱源煤炭有限責任公司 (transliterated as Mulei County Kai Yuan Company Limited), a wholly-owned foreign enterprise established in the PRC and is beneficially owned as to 100% by the Target
"PRC Subsidiary B"	奇台縣澤旭商貿有限責任公司(transliterated as Qitai County Zexu Trading Company Limited), a company established in the PRC and is beneficially owned as to 100% by PRC Subsidiary A
"Profit Guarantee"	the profit guarantee provided by Star Fortune and the Company under the Disposal Agreement in respect of the Final Net Profit not less than HK$40,000,000

"Profit Shortfall"	the amount equivalent to the difference between the Profit Guarantee and the Final Net Profit times a price to earnings ratio of 4.90 and 51% (being 51% equity interests in the Target held by the Purchaser)
"Promissory Note"	the promissory note issued by the Company in favour of Ming Kei International in the principal sum of HK$120,000,000 with zero coupon
"Purchaser" or "Lasting Power"	Lasting Power Investments Limited (力恒投資有限公司), a company incorporated in the British Virgin Islands with limited liability and a direct wholly-owned subsidiary of Artfield
"Sale Shares"	representing 51 shares of US$1.00 each in the capital of the Target, representing 51% of the entire issued share capital of the Company
"Second Annual Period"	for the first twelve (12) months ending immediately after the First Annual Period
"Share(s)"	share(s) of HK$0.01 each in the capital of the Company
"Shareholders"	holders of the issued Shares from time to time
"Star Fortune"	Star Fortune International Development Company Limited, a company incorporated in the British Virgin Islands with limited liability and a indirectly wholly-owned subsidiary of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Supplemental Agreement"	the supplemental agreement to the Former Agreement, entered into between Ming Kei International, Mr. Benny Wong, Mr. Nelson Wong and the Target on 30 April 2009, regarding the amendment of terms and conditions of the Former Agreement
"Target"	Star Fortune International Investment Company Limited, a company incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of the Company
"Target Group"	The Target, together with the Target Subsidiaries
"Target Subsidiaries"	together, Ming Kei Kai Yuan Investment Company Limited, PRC Subsidiary A and PRC Subsidiary B
"Zexu Open Pit Coal Mine"	Zexu Open Pit Coal Mine (澤旭露天煤礦), located at Bei Ta Mountain, Qi Tai County, Xinjiang Uygur Autonomous Region, the PRC (中國新疆維吾爾自治區奇台縣北塔山)

"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"RMB"	Renminbi, the lawful currency of the PRC
"US$"	United States dollars, the lawful currency of the United States
"%"	per cent.

By order of the Board of
Ming Kei Energy Holdings Limited
Mr. Tsang Ho Ka, Eugene
Chief Executive Officer and Executive Director

Hong Kong, 7 May 2009

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

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (i) the information contained in this announcement is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this announcement misleading; and (iii) 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.

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.