Ming Kei Holdings Limited
明基控股有限公司*

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)
(於開曼群島註冊成立及於百慕達存續)
(Stock Code 股份代號：8239)

Expand for Future Growth
擴展迎未來

Third Quarterly Report
第三季度報告 2011/12

* For identification purpose only 僅供識別

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

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. 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 and no assurance is given that there will be a liquid market in the securities traded on GEM.

This report, 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 (the "Director(s)"), having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement in this report misleading.

QUARTERLY RESULTS (UNAUDITED)

The board of directors (the "Board") of Ming Kei Holdings Limited (the "Company") is pleased to report the unaudited condensed consolidated quarterly results of the Company and its subsidiaries (together the "Group") for the three months and nine months ended 31 December 2011 together with the comparative figures as follows:

CONDENSED CONSOLIDATED INCOME STATEMENT

For the three months and nine months ended 31 December 2011

		Nine months ended 31 December		Three months ended 31 December	
		2011	2010	**2011**	2010
		(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
	Notes	**HK$'000**	HK$'000	**HK$'000**	HK$'000
Continuing operations					
Turnover	4	**103,043**	42,820	**27,412**	28,396
Cost of sales		**(96,665)**	(39,756)	**(25,339)**	(26,400)
Direct operating expenses		**(218)**	(195)	**(72)**	(66)
Gross profit		**6,160**	2,869	**2,001**	1,930
Other income and other gains and losses, net	4	**1,204**	(32,585)	**777**	(31,453)
Selling and distribution costs		**(557)**	(139)	**(186)**	(139)
Administrative and other expenses		**(29,218)**	(48,212)	**(10,811)**	(23,814)
Finance costs	5	**(260)**	(70)	**(89)**	(55)
Loss before income tax from continuing operations	6	**(22,671)**	(78,137)	**(8,308)**	(53,531)
Income tax	7	**(647)**	1,251	**(203)**	1,251
Loss for the period from continuing operations		**(23,318)**	(76,886)	**(8,511)**	(52,280)
Discontinued operation					
Loss for the period from discontinued operation	8	**—**	(21,072)	**—**	—
Loss for the period		**(23,318)**	(97,958)	**(8,511)**	(52,280)

CONDENSED CONSOLIDATED INCOME STATEMENT *(Continued)*

For the three months and nine months ended 31 December 2011

	Notes	Nine months ended 31 December **2011** **(Unaudited)** **HK$'000**	Nine months ended 31 December 2010 (Unaudited) HK$'000	Three months ended 31 December **2011** **(Unaudited)** **HK$'000**	Three months ended 31 December 2010 (Unaudited) HK$'000
Attributable to:					
Owners of the Company		**(23,635)**	(97,427)	**(8,611)**	(51,749)
Non-controlling interest		**317**	(531)	**100**	(531)
		(23,318)	(97,958)	**(8,511)**	(52,280)
Dividend	9	**—**	—	**—**	—
Loss per share attributable to owners of the Company	10				
From continuing and discontinued operations					
— Basic (Hong Kong dollar)		**(0.14)**	(0.62)	**(0.05)**	(0.33)
— Diluted (Hong Kong dollar)		**(0.14)**	(0.62)	**(0.05)**	(0.33)
From continuing operations					
— Basic (Hong Kong dollar)		**(0.14)**	(0.49)	**(0.05)**	(0.33)
— Diluted (Hong Kong dollar)		**(0.14)**	(0.49)	**(0.05)**	(0.33)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the three months and nine months ended 31 December 2011

	Nine months ended 31 December		Three months ended 31 December	
	2011	2010	**2011**	2010
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
	HK$'000	HK$'000	**HK$'000**	HK$'000
Loss for the period	**(23,318)**	(97,958)	**(8,511)**	(52,280)
Other comprehensive income for the period, net of tax:				
— Change in fair value of available-for-sale financial assets	**—**	448	**—**	(531)
— Reclassification adjustment of fair value gain included in profit or loss on disposal of available-for-sale financial assets	**—**	(780)	**—**	(780)
— Exchange differences on translation of financial statements of overseas subsidiaries	**964**	1,509	**91**	710
— Exchange differences on translation of financial statements of overseas associates	**—**	471	**—**	—
— Reclassification adjustment of release of exchange reserves on disposal of interests in overseas associates	**—**	(7,218)	**—**	—
Total comprehensive income for the period	**(22,354)**	(103,528)	**(8,420)**	(52,881)
Attributable to:				
Owners of the Company	**(22,671)**	(102,997)	**(8,520)**	(52,350)
Non-controlling interest	**317**	(531)	**100**	(531)
	(22,354)	(103,528)	**(8,420)**	(52,881)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the nine months ended 31 December 2011 and 2010

	Issued capital (Unaudited) HK$'000 (Note 13)	Share premium (Unaudited) HK$'000	Contributed surplus (Unaudited) HK$'000	Capital reserve (Unaudited) HK$'000	Warrant reserve (Unaudited) HK$'000	Share option reserve (Unaudited) HK$'000	Exchange reserve (Unaudited) HK$'000	Accumulated losses (Unaudited) HK$'000	Attributable to owners of the Company (Unaudited) HK$'000	Non-controlling interest (Unaudited) HK$'000	Total (Unaudited) HK$'000
At 1 April 2011	**1,688**	**49,362**	**131,109**	**120,794**	**2,164**	**8,969**	**1,869**	**(193,528)**	**122,427**	**4,558**	**126,985**
Loss for the period	—	—	—	—	—	—	—	(23,635)	(23,635)	317	(23,318)
Other comprehensive income for the period	—	—	—	—	—	—	964	—	964	—	964
Total comprehensive income for the period	—	—	—	—	—	—	964	(23,635)	(22,671)	317	(22,354)
At 31 December 2011	**1,688**	**49,362**	**131,109**	**120,794**	**2,164**	**8,969**	**2,833**	**(217,163)**	**99,756**	**4,875**	**104,631**

	Issued capital (Unaudited) HK$'000	Share premium (Unaudited) HK$'000	Contributed surplus (Unaudited) HK$'000	Capital reserve (Unaudited) HK$'000	Statutory reserve fund (Unaudited) HK$'000	Warrant reserve (Unaudited) HK$'000	Share option reserve (Unaudited) HK$'000	Convertible bonds reserve (Unaudited) HK$'000	Asset revaluation reserve (Unaudited) HK$'000	Exchange reserve (Unaudited) HK$'000	Accumulated losses (Unaudited) HK$'000	Attributable to owners of the Company (Unaudited) HK$'000	Non-controlling interest (Unaudited) HK$'000	Total (Unaudited) HK$'000
At 1 April 2010	664	25,434	131,109	120,794	6,356	1,734	—	1,172	332	6,805	(93,846)	200,554	—	200,554
Loss for the period	—	—	—	—	—	—	—	—	—	—	(97,427)	(97,427)	(531)	(97,958)
Other comprehensive income for the period	—	—	—	—	—	—	—	—	(332)	(5,238)	—	(5,570)	—	(5,570)
Total comprehensive income for the period	—	—	—	—	—	—	—	—	(332)	(5,238)	(97,427)	(102,997)	(531)	(103,528)
Issue of new shares on conversion of convertible bonds	24	3,997	—	—	—	—	—	(1,172)	—	—	—	2,849	—	2,849
Issue of new shares on exercise of warrants	106	15,462	—	—	—	(1,734)	—	—	—	—	—	13,834	—	13,834
Issue of warrants	—	—	—	—	—	3,246	—	—	—	—	—	3,246	—	3,246
Issue of share options	—	—	—	—	—	—	9,002	—	—	—	—	9,002	—	9,002
Non-controlling interest arising on acquisition of subsidiaries	—	—	—	—	—	—	—	—	—	—	—	—	5,110	5,110
Transfer upon disposal of associates	—	—	—	—	(6,356)	—	—	—	—	—	6,356	—	—	—
At 31 December 2010	794	44,893	131,109	120,794	—	3,246	9,002	—	—	1,567	(184,917)	126,488	4,579	131,067

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Ming Kei Holdings Limited (the "Company") was 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 continues as an exempted company with limited liability in accordance with the Bermuda Companies Act 1981 upon the change of domicile of the Company from the Cayman Islands to Bermuda becoming effective on 30 November 2009, and its shares are listed on the Growth Enterprise Market (the "GEM") of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The address of its registered office is at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda and its principal place of business in Hong Kong is at Unit 01, 3/F., Wheelock House, 20 Pedder Street, Central, Hong Kong.

The Company principally engaged in investment holding and its subsidiaries (together the "Group") are principally engaged in investment holding and property investment in the People's Republic of China (the "PRC"), business of general trading in the PRC and business of coal trading between the PRC and Indonesia.

During the year ended 31 March 2011, the Group disposed of its 49% equity interests in Star Fortune International Investment Company Limited (the "SFII") and its subsidiaries (together the "SFII Group"), the then indirect 49%-owned associates of the Company, further details of which are set out in Note 8.

During the year ended 31 March 2011, the Group acquired the 100% equity interests in China Indonesia Friendship Coal Trading Company Limited (the "CIFC", together with its 90%-owned subsidiary are collectively referred to as the "CIFC Group") (hereinafter referred to as the "Acquisition").

2. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES

2.1 Basis of preparation

The unaudited condensed consolidated financial statements of the Group for the three months and nine months ended 31 December 2011 (the "Quarterly Results") have been prepared in accordance with the Hong Kong Financial Reporting Standards (the "HKFRSs") (which in collective term includes all applicable HKFRSs, Hong Kong Accounting Standards (the "HKASs") and interpretations) issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and the applicable disclosure requirements of the Rules Governing the Listing of Securities on the GEM of the Stock Exchange (the "GEM Listing Rules").

2.2 Principal accounting policies

The Quarterly Results have been prepared under the historical cost convention, except for investment properties and available-for-sale financial assets which were stated at fair value.

The accounting policies and methods of computation adopted for preparation of the Quarterly Results are consistent with those applied in the preparation of the annual financial statements of the Group for the year ended 31 March 2011 (the "Annual Financial Statements"). The Quarterly Results should be read in conjunction with the Annual Financial Statements.

The Quarterly Results are unaudited, but have been reviewed by the audit committee of the Company.

2. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES *(Continued)*

2.2 Principal accounting policies *(Continued)*

The following new/revised HKFRSs, potentially relevant to the Group's operations, have been issued, but are not yet effective and have not been early adopted by the Group:

Amendments to HKFRS 7	Disclosures — Transfers of Financial Assets[1]
Amendments to HKAS 12	Deferred Tax — Recovery of Underlying Assets[2]
Amendments to HKAS 1 (Revised)	Presentation of Items of Other Comprehensive Income[3]
HKFRS 9	Financial Instruments[4]
HKFRS 10	Consolidated Financial Statements[4]
HKFRS 11	Joint Arrangements[4]
HKFRS 12	Disclosure of Interests in Other Entities[4]
HKFRS 13	Fair Value Measurement[4]
HKAS 27 (2011)	Separate Financial Statements[4]
HKAS 28 (2011)	Investments in Associates and Joint Ventures[4]
HKAS 19 (2011)	Employee Benefits[4]
HK(IFRIC) — Interpretation 20	Stripping Costs of the Production Phase of a Surface Mine[4]

1 Effective for annual periods beginning on or after 1 July 2011
2 Effective for annual periods beginning on or after 1 January 2012
3 Effective for annual periods beginning on or after 1 July 2012
4 Effective for annual periods beginning on or after 1 January 2013

The Group is in the process of making an assessment of the potential impact of these new/revised HKFRSs and the directors so far concluded that the application of these new/revised HKFRSs will have no material impact on the Group's Quarterly Results.

3. SEGMENT INFORMATION

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

(a) The coal trading segment comprised the business of coal trading;

(b) The general trading segment comprised the business of trading of other merchandise goods. In view of the low profit margins and keen competitions in the general trading industry, the Group had decided to cease the operation of the general trading operation commencing from the first quarter of 2012, the cessation of the general trading business will not have any material effects to the Group's current Quarterly Results;

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

(d) The mining segment comprised the mining, exploration and sale of coal in the PRC engaged solely through the Group's equity interests in the SFII Group which was disposed of by the Group during the year ended 31 March 2011. Accordingly, the mining segment was re-classified as a discontinued operation by the Group in the prior year, details of which are set out in Note 8.

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

In determining the Group's geographical areas, revenues and results are based on the location in which the customer is located.

3. SEGMENT INFORMATION *(Continued)*

(a) Reportable segments

The following tables present revenue, results and certain expenditure information for the Group's reportable segments for the nine months ended 31 December 2011 and 2010:

	For the nine months ended 31 December 2011 Continuing operations			
	Coal trading (Unaudited) HK$'000	General trading (Unaudited) HK$'000	Property investment (Unaudited) HK$'000	Total (Unaudited) HK$'000
SEGMENT REVENUE				
External sales and services	79,190	22,851	1,002	103,043
Inter-segment revenue	—	—	—	—
Reportable segment revenue	79,190	22,851	1,002	103,043
Reportable segment profit/(loss)	3,793	(52)	(1,301)	2,440
Interest income	—	8	4	12
Depreciation and amortisation charges	—	(2)	(149)	(151)
Gain on disposal of investment property	—	—	14	14
Fair value gain on investment properties	—	—	179	179

3. SEGMENT INFORMATION *(Continued)*

(a) Reportable segments *(Continued)*

	For the nine months ended 31 December 2010					
	Continuing operations				Discontinued operation (Note 8)	
	Coal trading (Unaudited) HK$'000	General trading (Unaudited) HK$'000	Property investment (Unaudited) HK$'000	Subtotal (Unaudited) HK$'000	Mining (Unaudited) HK$'000	Total (Unaudited) HK$'000
SEGMENT REVENUE						
External sales and services	23,423	18,464	225	42,112	—	42,112
Inter-segment revenue	—	—	716	716	—	716
Reportable segment revenue	23,423	18,464	941	42,828	—	42,828
Reportable segment loss	(30,989)	(189)	(3,383)	(34,561)	(21,072)	(55,633)
Interest income	—	5	3	8	—	8
Depreciation and amortisation charges	—	(2)	(195)	(197)	—	(197)
Share of results of associates	—	—	—	—	(861)	(861)
Loss on disposal of associates	—	—	—	—	(20,211)	(20,211)
Fair value loss on investment properties	—	—	(1,857)	(1,857)	—	(1,857)

3. SEGMENT INFORMATION *(Continued)*

(a) Reportable segments *(Continued)*

Reconciliation of reportable segment revenue and profit or loss

	Nine months ended 31 December	
	2011	2010
	(Unaudited)	(Unaudited)
	HK$'000	HK$'000
Continuing operations:		
Revenue		
Reportable segment revenue	**103,043**	42,828
Elimination of inter-segment revenue	**—**	(8)
	103,043	42,820

		Nine months ended 31 December	
		2011	2010
		(Unaudited)	(Unaudited)
	Note	**HK$'000**	HK$'000
Continuing operations:			
Loss before income tax			
Reportable segment profit/(loss)		**2,440**	(34,561)
Unallocated interest income		**1**	268
Gain on redemption/disposal of available-for-sale financial assets		**147**	780
Unallocated expenses		**(24,999)**	(44,554)
Unallocated finance costs		**(260)**	(70)
Consolidated loss before income tax		**(22,671)**	(78,137)
Discontinued operation:			
Loss before income tax			
Reportable segment loss	8	**—**	(21,072)
		(22,671)	(99,209)

3. SEGMENT INFORMATION *(Continued)*

(b) Geographical areas

The following table provides an analysis of the Group's revenue from external customers:

	Nine months ended 31 December	
	2011	2010
	(Unaudited)	(Unaudited)
	HK$'000	HK$'000
Hong Kong	**79,314**	23,648
PRC	**23,729**	19,172
	103,043	42,820

(c) Information about major customers

Revenue from two (nine months ended 31 December 2010: two) customers each contributed to more than 10% of the Group's revenue with amounts of HK$79,190,000 and HK$11,227,000, respectively, (nine months ended 31 December 2010: HK$23,423,000 and HK$17,570,000, respectively) for the nine months ended 31 December 2011, as included in the above disclosures for coal trading and general trading (nine months ended 31 December 2010: coal trading and general trading) segment revenue, respectively.

4. TURNOVER, OTHER INCOME AND OTHER GAINS AND LOSSES, NET

	Nine months ended 31 December		Three months ended 31 December	
	2011	2010	**2011**	2010
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
	HK$'000	HK$'000	**HK$'000**	HK$'000
Continuing operations				
Turnover:				
Sales of goods	**102,041**	41,887	**27,092**	28,079
Rental income	**1,002**	933	**320**	317
	103,043	42,820	**27,412**	28,396
Other income and other gains and losses, net:				
Interest income	**13**	276	**3**	4
Gain on disposal of investment property	**14**	—	**—**	—
Gain on redemption/disposal of available-for-sale financial assets	**147**	780	**147**	780
Exchange gains, net	**32**	—	**(63)**	—
Impairment loss on goodwill	**—**	(24,425)	**—**	(24,425)
Impairment loss on intangible assets	**—**	(7,585)	**—**	(7,585)
Sundry income	**819**	226	**691**	164
Fair value gain/(loss) on investment properties	**179**	(1,857)	**(1)**	(391)
	1,204	(32,585)	**777**	(31,453)

5. FINANCE COSTS

Interest expenses on the following borrowings, which are all wholly repayable within five years.

	Nine months ended 31 December		Three months ended 31 December	
	2011	2010	**2011**	2010
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
	HK$'000	HK$'000	**HK$'000**	HK$'000
Continuing operations				
Promissory note	**260**	55	**89**	55
Convertible bonds	**—**	15	**—**	—
	260	70	**89**	55

6. LOSS BEFORE INCOME TAX

	Nine months ended 31 December		Three months ended 31 December	
	2011	2010	**2011**	2010
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
	HK$'000	HK$'000	**HK$'000**	HK$'000
Continuing operations				
Cost of inventories sold	**96,665**	39,756	**25,339**	26,400
Direct operating expenses arising on rental-earning investment properties	**218**	195	**72**	66
Share-based payments	**—**	9,161	**—**	9,161
Depreciation	**3,371**	2,973	**1,205**	1,003

7. INCOME TAX

	Nine months ended 31 December		Three months ended 31 December	
	2011	2010	**2011**	2010
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
	HK$'000	HK$'000	**HK$'000**	HK$'000
Continuing operations				
Current tax — Hong Kong				
Charge for the period	**629**	—	**198**	—
Deferred tax credit	**—**	(1,251)	**—**	(1,251)
	629	(1,251)	**198**	(1,251)
Current tax — PRC				
Charge for the period	**18**	—	**5**	—
	647	(1,251)	**203**	(1,251)

Provision for Hong Kong profits tax is calculated at 16.5% on the estimated assessable profits for both the current and prior periods. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries or places in which the Group operates, based on existing legislation, interpretation and practices in respect thereof.

8. DISCONTINUED OPERATION

During the prior years, the Group was engaged in the operation of mining, sale and distribution of coals in the PRC through the SFII Group.

During the year ended 31 March 2010, the Group disposed of its 51% equity interests in the SFII Group, the then indirect wholly-owned subsidiaries of the Group (the "Former Disposal"), for a total consideration of HK$100,000,000. Upon the completion of the Former Disposal on 3 July 2009, the Group's equity interests in the SFII Group was reduced from 100% to 49%. As a result, the SFII Group ceased to be the subsidiaries of the Group and became the associates of the Group.

8. DISCONTINUED OPERATION *(Continued)*

During the year ended 31 March 2011, the Group further disposed of its remaining 49% equity interests in the SFII Group for a total cash consideration of HK$50,000,000 (the "Aggregate Disposal"), details of which are set out in the Company's announcement and circular dated 16 August 2010 and 23 July 2010 respectively.

Upon the completion of the Aggregate Disposal on 16 August 2010, the Group's interests in the SFII Group have been derecognised from the financial statements of the Group and the operation of mining, sale and distribution of coals in the PRC was classified as discontinued operation immediately.

The results of the discontinued operation for the current and prior periods, which had been included in the profit or loss, were as follows:

	Nine months ended 31 December		Three months ended 31 December	
	2011	2010	**2011**	2010
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
	HK$'000	HK$'000	**HK$'000**	HK$'000
Turnover	**—**	—	**—**	—
Loss on disposal of associates	**—**	(20,211)	**—**	—
Share of results of associates	**—**	(861)	**—**	—
Loss before income tax	**—**	(21,072)	**—**	—
Income tax	**—**	—	**—**	—
Loss for the period from discontinued operation	**—**	(21,072)	**—**	—

The cash flows of the discontinued operation were as follows:

	Nine months ended 31 December	
	2011	2010
	(Unaudited)	(Unaudited)
	HK$'000	HK$'000
Net cash used in operating activities	**—**	—
Net cash generated from investing activities	**—**	43,618
Effect of foreign exchange rate changes, net	**—**	—
Total net cash inflows	**—**	43,618

Basic loss per share for the discontinued operation for the current period is HK$Nil (nine months ended 31 December 2010: HK$0.13) based on the loss for the current period from the discontinued operation of HK$Nil (nine months ended 31 December 2010: HK$21,072,000).

8. DISCONTINUED OPERATION *(Continued)*

The denominators used are the same as those detailed in Note 10 for the basic loss per share attributable to owners of the Company.

Basic and diluted loss per share amounts for the current and prior periods were equal as the convertible instruments of the Group outstanding during the current and prior periods had an anti-dilutive effect on the basic loss per share from the discontinued operation for the respective periods.

Upon the completion of the Aggregate Disposal in the prior period, the Group recognised a loss on disposal of associates amounting to approximately HK$20,211,000 included in the "Loss for the period from discontinued operation" on the condensed consolidated income statement for the prior period, which is calculated at the date of the Aggregate Disposal as follows:

	HK$'000
Interests in associates before Aggregate Disposal	**71,047**
Reclassification adjustment of exchange reserve upon the Aggregate Disposal	**(7,218)**
Costs incurred directly attributable to the Aggregate Disposal	**6,382**
Loss on disposal of associates	**(20,211)**
Total consideration	**50,000**

9. DIVIDEND

No dividend has been paid or declared by the Company during the nine months ended 31 December 2011 (nine months ended 31 December 2010: HK$Nil).

10. LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

The calculation of basic loss per share is based on the loss for the period attributable to the owners of the Company, and the weighted average number of ordinary shares in issue during the period.

The calculation of diluted loss per share for the period is based on the loss for the period attributable to the owners 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 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.

As the Company's outstanding convertible bonds, share options and warrants, where applicable, had an anti-dilutive effect to the basic loss per share calculation for the current and prior periods, the conversion of the above potential dilutive shares is not assumed in the computation of diluted loss per share. Therefore the basic and diluted losses per share (i) from continuing and discontinued operations; and (ii) from continuing operations for the respective periods are equal.

10. LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY *(Continued)*

(i) From continuing and discontinued operations

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

	Nine months ended 31 December		Three months ended 31 December	
	2011	2010	**2011**	2010
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
	HK$'000	HK$'000	**HK$'000**	HK$'000
Loss				
Loss attributable to the owners of the Company, used in the basic and diluted loss per share calculations	**(23,635)**	(97,427)	**(8,611)**	(51,749)

	Nine months ended 31 December		Three months ended 31 December	
	2011	2010	**2011**	2010
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
	'000	'000	**'000**	'000
Shares				
Weighted average number of ordinary shares for basic and diluted loss per share calculations	**168,802**	157,381	**168,802**	158,802

(ii) From continuing operations

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

	Nine months ended 31 December		Three months ended 31 December	
	2011	2010	**2011**	2010
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
	HK$'000	HK$'000	**HK$'000**	HK$'000
Loss				
Loss attributable to the owners of the Company, used in the basic and diluted loss per share calculations	**(23,635)**	(76,355)	**(8,611)**	(51,749)

	Nine months ended 31 December		Three months ended 31 December	
	2011	2010	**2011**	2010
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
	'000	'000	**'000**	'000
Shares				
Weighted average number of ordinary shares for basic and diluted loss per share calculations	**168,802**	157,381	**168,802**	158,802

11. GOODWILL

	31 December 2011 (Unaudited) HK$'000	31 March 2011 (Audited) HK$'000
At beginning of the period/year:		
Cost	**24,425**	—
Acquisition of subsidiaries	**—**	24,425
Impairment loss	**(24,425)**	(24,425)
At the end of the period/year	**—**	—
At the end of the period/year:		
Cost	**24,425**	24,425
Accumulated impairment	**(24,425)**	(24,425)
Net carrying amount	**—**	—

Goodwill arising during the year ended 31 March 2011 related to the acquisition of equity interest in the CIFC Group and has been allocated to the coal trading cash generating unit (the "Coal Trading CGU").

Goodwill attributable to Coal Trading CGU was fully impaired in the year ended 31 March 2011.

12. INTANGIBLE ASSETS

	The LOIs (as defined below) HK$'000
The Group	
Cost:	
At 1 April 2010	—
Acquisition of subsidiaries	60,000
At 31 March 2011, 1 April 2011 (audited) and 31 December 2011 (unaudited)	**60,000**
Accumulated amortisation and impairment losses:	
At 1 April 2010	—
Impairment loss	8,915
At 31 March 2011 and 1 April 2011 (audited)	8,915
Impairment loss	—
At 31 December 2011 (unaudited)	**8,915**
Net carrying amount:	
At 31 December 2011 (unaudited)	**51,085**
At 31 March 2011 (audited)	51,085

The master framework purchase agreements (the "LOIs") relates to the Coal Trading CGU and represented separate legally binding master framework purchase agreements entered into between the CIFC Group and a customer and a supplier, which were acquired as part of the Group's acquisition of the CIFC Group during the year ended 31 March 2011. The useful lives of the LOIs were estimated by the Group to be indefinite as the LOIs are renewed automatically and unconditionally at no additional cost.

The recoverable amount of the Coal Trading CGU as at 31 December 2011 was assessed by the directors by reference to a professional valuation performed by Greater China Appraisal Limited (the "Greater China Appraisal"), an independent firm of professionally qualified valuers.

12. INTANGIBLE ASSETS *(Continued)*

The recoverable amount of the Coal Trading CGU is determined based on a fair value less cost to sell calculation using a cash flow projection according to the financial budgets approved by management for the next 5 years and extrapolates cash flows beyond the 5 years with the key assumptions stated below:

Key assumptions used in the fair value less cost to sell calculation:

—	Growth in revenue year-on-year	No growth
—	Post-tax discount rate	13.43% per annum
—	Budgeted gross margin	4.7%

The basis used to determine the value assigned to the growth in revenue and the budgeted gross margins is the management's expectation of market development and future performance of the Coal Trading CGU. The discount rate used reflects specific risks relating to the coal trading industry.

During the three months and nine months ended 31 December 2011, the Group is of the opinion, based on the fair value less cost to sell calculation, that the net carrying amount of LOIs of the Coal Trading CGU was not impaired as compared with their recoverable amounts as at 31 December 2011.

During the year ended 31 March 2011, the Group is of the opinion, based on the value-in-use calculation, that the intangible assets representing the net carrying amount of LOIs of the Coal Trading CGU are partially impaired by HK$8,915,000 as compared with their recoverable amounts as at 31 March 2011. The above impairment losses are mainly attributable to the decrease in the estimated future profitability of the Coal Trading CGU and hence the recoverable amount of the Coal Trading CGU arising from the value-in-use calculation.

13. SHARE CAPITAL

		As at 31 December 2011		As at 31 March 2011	
	Notes	**Number of shares (Unaudited) '000**	**Amount (Unaudited) HK$'000**	Number of shares (Audited) '000	Amount (Audited) HK$'000
Authorised:					
Ordinary shares of HK$0.01 each					
At beginning and end of period/year		**10,000,000**	**100,000**	10,000,000	100,000
Issued and fully paid:					
Ordinary shares of HK$0.01 each					
At beginning of period/year		**168,802**	**1,688**	66,446	664
Issue of new shares on conversion of convertible bonds	(i)	—	—	2,395	24
Exercise of warrants	(ii)	—	—	15,560	156
Bonus Issue	(iii)	—	—	84,401	844
At end of period/year		**168,802**	**1,688**	168,802	1,688

13. SHARE CAPITAL *(Continued)*

Notes:

(i) During the year ended 31 March 2011, the convertible bonds with the principal amount of HK$4,000,000 and carrying value of HK$2,849,000 have been converted into 2,395,000 ordinary shares of HK$0.01 each of the Company at the conversion price, of which HK$24,000 was credited to share capital and the remaining balance of HK$2,825,000 was credited to the share premium account. In addition, an amount of HK$1,172,000 has been transferred from convertible bonds reserve to the share premium account.

(ii) During the year ended 31 March 2011 and before the bonus issue (Note (iii) below), 15,560,000 new ordinary shares of par value HK$0.01 each were issued on exercise of 15,560,000 warrants at an aggregate consideration of HK$18,435,000 of which HK$156,000 was credited to share capital and the remaining balance of HK$18,279,000 was credited to the share premium account. In addition, the related net premium of HK$2,816,000 received on issue of warrants was transferred from warrant reserve to the share premium account.

(iii) During the year ended 31 March 2011, the directors of the Company proposed a bonus issue to qualifying shareholders of the Company on the basis of one bonus share for every one existing share held by qualifying shareholders whose names appear on the register of members of the Company on 24 January 2011 (the above collectively referred to as the"Bonus Issue").

Pursuant to a ordinary resolution duly passed by shareholders at the special general meeting of the Company held on 24 January 2011, the Bonus Issue was approved.

Upon the completion of the Bonus Issues, an aggregate of 84,401,047 bonus shares of par value HK$0.01 each were issued of which HK$844,000 was credited to share capital and the same amount was debited to the share premium account. In addition, the issuing expenses attributable to the Bonus Issue in the amount of HK$320,000 were debit to the share premium account.

14. RELATED PARTY TRANSACTIONS

Transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. Save for those disclosed elsewhere in these financial statements, details of transactions between the Group and other related parties are disclosed below.

(a) During the nine months ended 31 December 2010, the Group received interest income from an associate in respect of the loan to an associate amounted to HK$264,000.

(b) During the nine months ended 31 December 2010, the Group has leased out one of its investment properties to a subsidiary of the SFII Group, which became an associate of the Group immediately after the Former Disposal, for an annual rental of HK$980,000 for a 12-month period from 3 July 2010 to 2 July 2011. During the nine months ended 31 December 2010, the Group received rental income of HK$466,000 from the entity as an associate of the Group, which has been included in the Group's turnover for the prior period.

(c) During the current period, the Group incurred management fee of HK$420,000 payable to a related company which is partially owned by a director of a subsidiary.

15. SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

(a) On 10 January 2012, an aggregate of 5,000,000 new ordinary shares of par value HK$0.01 each were issued at a subscription price of HK$0.46 each on exercise of 5,000,000 unlisted warrants at an aggregate consideration of HK$2,300,000 (before issue expense) of which HK$50,000 was credited to share capital and the remaining balance of HK$2,250,000 was credited to the share premium account. In addition, the related net premium of HK$541,000 received on issue of unlisted warrants was transferred from unlisted warrant reserve to the share premium account. At the date of approval of these Quarterly Results, the Company has 15,000,000 unlisted warrants outstanding.

(b) During the year ended 31 March 2011, a promissory note (the "CIFC Promissory Note") in the aggregate principal amount of HK$4,000,000 was issued by the Company to the Vendor (as defined below) of the CIFC Group as contingent consideration upon the completion of the Group's acquisition of the CIFC Group with a fair value of HK$3,515,000 as at the issue date, based on the professional valuation performed by Greater China Appraisal, which is part of the acquisition consideration. The CIFC Promissory Note was non-interest-bearing and repayable in one lump sum on maturity on 31 March 2012. The effective interest rate of the CIFC Promissory Note was determined to be 9.55% per annum. The CIFC Promissory Note was classified under current liabilities and measured at fair value. The principal amount of the CIFC Promissory Note was subject to adjustment in accordance with certain conditions of the profit guarantee (the "Profit Guarantee") according to the conditional sale and purchase agreement of the Acquisition dated 26 August 2010.

On 19 January 2012, all the conditions of the Profit Guarantee were fulfilled and accordingly, the CIFC Promissory Note was released to Mr. Woo Man Wai, David (the "Vendor") and the fair value of the CIFC Promissory Note was adjusted to HK$4,000,000 on the same date. The difference between the carrying amount of the CIFC Promissory Note immediately before the fulfillment of the Profit Guarantee and the fair value of the CIFC Promissory Note immediately after the fulfillment of the Profit Guarantee was charged to the profit or loss subsequent to the end of the current reporting period. On 3 February 2012, part of the CIFC Promissory Note in the principal amount of HK$400,000 was repaid to the Vendor.

Further details are set out in the Company's announcements and circular dated 26 August 2010, 29 October 2010 and 19 January 2012, and 14 October 2010 respectively.

MANAGEMENT DISCUSSION AND ANALYSIS

Ming Kei Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") are principally engaged in investment holding and property investment in the People's Republic of China (the"PRC"), business of general trading in the PRC and business of coal trading between PRC and Indonesia respectively.

In addition, the Group also holds a property in Xinjiang, the PRC for property investment purpose.

The business of general trading in the PRC consists of general trading in the following products: construction and decoration materials, electronic appliances and components as well as motor vehicles components respectively.

The business of coal trading between PRC and Indonesia mostly consists of trading of steam coals.

FINANCIAL REVIEW

For the nine months ended 31 December 2011, the Group achieved revenue of approximately HK$103 million (2010: approximately HK$42.8 million) for the coal trading business, business of general trading and property investments respectively, representing a significant increased by approximately HK$60.2 million or 140.7% over the corresponding prior period ended. The increment was mostly contributed by the revenue stream which derived from the coal trading business which commenced in November 2010 and the increase in income from the general trading business and property investments respectively.

For the nine months ended 31 December 2011, the Group recorded total revenue of approximately HK$103 million (2010: approximately HK$42.8 million) which was derived from the coal trading business, business of general trading and property investments respectively which accounted for approximately of 76.9%, 22.1% and 1.0% respectively (2010: approximately of 54.7%, 43.2% and 2.1% respectively). Details of the Group's revenue are disclosed in the financial statements under Note 3 "Segment Information".

An increased in turnover by approximately HK$60.2 million or 140.7%, as compared to the corresponding prior period ended was mostly contributed by the revenue stream which derived from the coal trading business which commenced in November 2010 as well as the increase in income from the general trading business and property investments respectively.

The Group generated an operating profit for the continuing operations of approximately HK$2.44 million for the nine months ended 31 December 2011 (2010: operating loss of approximately HK$34.6 million). The Group generated an operating profit of approximately HK$3.79 million for the nine months ended 31 December 2011 (2010: operating loss of approximately HK$31.0 million) for the coal trading segments. The Group generated an operating loss of approximately HK$0.05 million and HK$1.3 million respectively for the nine months ended 31 December 2011 (2010: approximately HK$0.2 million and HK$3.4 million respectively) for the general trading and property investments segments' respectively.

The Group's gross profit was approximately HK$6.2 million for the nine months ended 31 December 2011 (2010: approximately HK$2.9 million). The gross profit increased dramatically as compared to the corresponding prior period ended was mostly contributed by the revenue stream derived from the coal trading business which commenced in November 2010 and increase in income from the general trading business and property investments respectively. The gross profit margin was approximately of 6% for the nine months ended 31 December 2011 (2010: approximately of 6.7%), the slightly decrement was mostly contributed by the coal trading business which commenced on November 2010 due to the positive price gap between the purchase price and the selling price of at least US$2 per metric tonne of coal sold, the Group will keep continue to bargain for the possibility of exceeding US$2 per metric tonne for the coal trade.

For the nine months ended 31 December 2011, the Group's selling and distribution costs amounted to approximately HK$0.6 million (2010: approximately HK$0.1 million), the selling and distribution costs are in relation to the selling expenses for the coal trading business which commenced in November 2010.

For the nine months ended 31 December 2011, the Group's administrative and other expenses amounted to approximately HK$29.2 million (2010: approximately HK$48.2 million), which represented the decreased by approximately HK$19 million or 39.4%, as compared to the corresponding prior period ended. The decrement was contributed by the decreased of the overseas and local travelling expenses incurred for the business trips and recorded of nil legal and professional fees in relation to the acquire of the coal trading business in October 2010 and share-based payments respectively in the current period respectively.

For the nine months ended 31 December 2011, the Group's finance costs amounted to approximately HK$0.26 million (2010: approximately HK$0.07 million), the increased by approximately HK$0.19 million or by 271.4% was contributed by the imputed interest on the promissory notes in the current period ended.

For the nine months ended 31 December 2011, the Group recorded a fair value gain on investment properties of approximately HK$0.2 million (2010: fair value loss on investment properties of approximately HK$1.9 million), which represented increased in fair value of the Group's investment properties which are hold for investment purposes during the current period under reviewed.

The Group recorded the share of loss of associates, net of tax, of approximately HK$0.9 million for the corresponding prior period ended, which represented the share of 49% results attributed by the Star Fortune International Investment Company Limited (the "SFII") and its subsidiaries (collectively referred to as the "SFII Group") to the Group. The SFII Group is principally engaged in mining, sale and distribution of coals in the PRC. The 49% equity interests in the SFII were disposed of on 16 August 2010 and the SFII Group ceased to be the associates of the Group simultaneously.

The Group recorded a loss for the corresponding prior period ended from discontinued operation of approximately HK$21.1 million which mainly represented the loss on disposal of associates for the prior period.

For the nine months ended 31 December 2011, the Group recorded a loss attributable to owners of the Company from the continuing operations of approximately HK$23.6 million (2010: approximately HK$76.4 million) represented a significant decreased in loss by approximately HK$52.8 million or 69.1%. The overall decrease in loss attributable to the owners of the Company as compared to the corresponding prior period ended was mainly attributable by (i) the increased of the revenue stream derived from the coal trading business which has been acquired in October 2010 and business commenced in November 2010 and the increased of revenue stream from the general trading business and property investments respectively; (ii) the recorded of nil loss from the discontinued operation for the disposal of the 49% equity interests in the SFII Group; (iii) decreased in administrative and other expenses and (iv) no impairment losses on goodwill and intangible assets were incurred in the current period.

MATERIAL ACQUISITION OR DISPOSAL OF SUBSIDIARIES AND AFFILIATED COMPANIES

During the nine months ended 31 December 2011 under reviewed, there was no material acquisitions or disposals of subsidiaries and affiliated companies.

(31 December 2010: On 20 May 2010, Star Fortune International Development Company Limited (the "SFID"), an indirect wholly-owned subsidiary of the Company, entered into a conditional disposal agreement (the "Disposal") with the purchaser (the "Purchaser"), a wholly-owned subsidiary of Nan Nan Resources Enterprise Limited (formerly known as International Resources Enterprise Limited and China Sonangol Resources Enterprise Limited respectively) (a company incorporated in Bermuda with limited liability and the issued shares of which are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") (stock code: 1229)), for the disposal of the sale shares, representing 49% equity interests in SFII, held by SFID for a total cash consideration of HK$50 million.

The Disposal was completed on 16 August 2010 and the SFII ceased to be the associate of the Group.

On 26 August 2010, Star Coal International Investment Company Limited (the "Star Coal"), an indirect wholly-owned subsidiary of the Company, as a purchaser, entered into the conditional sale and purchase agreement (the "Conditional S&P") with Mr. Woo Man Wai, David (the "Vendor David"), pursuant to which Star Coal agreed to acquire and the Vendor David agreed to sell its entire share capital of CIFC and the sale loan for a total consideration of HK$70 million (subject to adjustment).

The Conditional S&P was completed on 29 October 2010 (the "Conditional S&P Completion") and upon the Conditional S&P Completion, the Company is interested in the 100% equity interests in the CIFC, the accounts of the CIFC Group will be consolidated into the consolidated financial statements of the Group.

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 2010.)

BUSINESS REVIEW AND PROSPECTS

For the nine months ended 31 December 2011, the Group achieved revenue of approximately HK$103 million (2010: approximately HK$42.8 million) for the coal trading business, business of general trading and property investments respectively, representing a significant increased by approximately HK$60.2 million or 140.7% over the corresponding prior period ended. The increment was mostly contributed by the revenue stream which derived from the coal trading business which commenced in November 2010 and increase in income from the general trading business and property investments respectively.

For the nine months ended 31 December 2011, the Group recorded revenue of approximately HK$79.2 million from the coal trading business which acquired in October 2010 (2010: HK$23.4 million) and accounted for approximately of 76.9% of the Group's turnover (2010: 54.7%). For the nine months ended 31 December 2011, the coals' traded was approximately 0.27 million tonnes (2010: 0.07 million tonnes).

Directors expected that the coal trading business will remain as the first main source of the Group's turnover due to the already entered into of the supplier letter of intents (the "Suppliers LOI") and the customer letter of intents (the "Customers LOI") for a term of three years since July 2010 which represented a foreseeable and stable profitable business opportunity. In addition, the PRC became a net coal importer in year 2009 and a continuous increase in demand of coals from the PRC and was noticed that Australia, Indonesia and Russia were the largest exporters of coal to the PRC since year 2009. It is a valuable opportunity for the Group to be able to link up companies from one of the world's largest exporters' country (the Indonesia) and one of the world's fast growing importers' country (the PRC) for the coal trading business. However, according to the National Development and Reform Commission, the PRC which announced in December 2010, the major contract price of steam coal to be signed in year 2011 must be kept the same as the major contracts in year 2010. Hence, the Group will keep continue to bargain for the possibility of exceeding US$2 per metric tonne for the coal trade for the already signed Suppliers LOI and Customers LOI respectively.

Secondly, as per the China Bureau of Statistics 2009, coal fired plants accounted and supplied for over 70% of the national electricity, it can be expected that coal will be maintained as a main source of the power supply for its rapid expansions to the electricity generation and steel making capacity nationally. The Group will keep constantly negotiate with the suppliers and customers to buy and sell the extra 10% per month on top of the 30,000 metric tonnes as stated on the Suppliers LOI and Customers LOI respectively.

Thirdly, the HK$4 million's profit guarantee given by the Vendor David in the Conditional S&P was being achieved and an audit certificate (the "Audit Certificate") was issued by the auditors of the Company on 19 January 2012. 90% of it, HK$3.6 million's cash dividend was also received by the Group upon of the issued of the Audit Certificate simultaneously. The acquired of the coal trading business in October 2010 (the "Coal Trading Business") not only diversified the Group's business but also contributed further source to the Group's turnover. Furthermore, the acquired of Coal Trading Business has provided cost and operation efficiency and other synergy effects to the Group from the prior management experiences and expertises from the disposed SFII Group. Directors expected a potential growth from the Coal Trading Business and hence the Group is leveraging extra resources and diverts its current resources and focusing from the General Trading Business (as defined below) to the area of Coal Trading Business to pursuit its growth and the Group will commit itself in controlling costs and improving the quality of the products and hence the Group will achieve substantial business growth and generate good revenue in the future.

For the nine months ended 31 December 2011, the Group achieved revenue of approximately HK$22.8 million for the general trading business in the PRC (2010: approximately HK$18.5 million). The general trading business (the "General Trading Business") of the Group commenced in October 2009 and the Group has entered into an acquisition contracts (the "Acquisition Contracts") with the trading customers (the "Trading Customers") from the period of 1 July 2010 to 30 June 2011 for different electronic appliances with the contract's amount of RMB28 million. The entire Acquisition Contracts was completed and no renewal of the acquisition contract is signed upon the expired of the Acquisition Contracts. The General Trading Business accounted for approximately of 22.1% of the Group's turnover for the nine months ended 31 December 2011 (2010: approximately of 43.2%) and will still remain as the second main source of the Group's turnover on the financial year of 2011/2012. In view of the low profit margins, facing the keen competitions from the local competitors and the infrequent orders from the Trading Customers since the ceased of the Acquisition Contracts. The Group decided to cease to engage the General Trading Business start from the first quarter of 2012, the cessation of it will not have a material effects to the Group on the current period under reviewed, however, it will not furthered contributed any turnover to the Group on the financial year of 2011/2012's fourth quarter and forthcoming financial year of 2012/2013 respectively. During the period under review, the Group was more focused on the Coal Trading Business.

For the nine months ended 31 December 2011, the Group achieved revenue of approximately HK$1 million for the rental income from the Group's investment properties in HK and the PRC respectively (2010: approximately of HK$0.9 million). Given the rising property market in Hong Kong surpassed its previous peak in 1997 during the second quarter in the financial year 2011/2012, the government has implemented several policies aimed at cooling down the overheating residential property market and curbing speculation in the luxury residential property may have effect on property market; and the uncertainties in the macro economy, such as the future change in interest rate, tightening monetary policy in the PRC and the announced of raising the U.S. borrowing limit and avert an unprecedented debt default in Europe zones, the Directors is cautious on the increasing risk in the residential property market. Hence, on 3 August 2011, the Group entered into a provisional sale and purchase agreement with the purchasers in relation to the disposal (the "Property Disposal") of a Group's property located in Hong Kong for a cash consideration of HK$11,300,000. The Directors consider that the Property Disposal represents a good opportunity for the Group to yield a reasonable return to its investment in this property and the Property Disposal was completed in September 2011.

Addition, due to the regulations and policies adopted by PRC government towards the speculation on the property market, the Directors might consider to dispose its properties of the Group in PRC which held for investment properties and/or property held for own use respectively when the properties can be disposed for profits. Even, there will be no rental income to be received after the completion of the Property Disposal, but the Directors view the rental income will still remain as the third main source of the Group's turnover on the financial year of 2011/2012 and will become the second main sources of the Group's turnover on the forthcoming financial year of 2012/2013 after cessation of the General Trading Business.

Despite of the net loss of the Group for the nine months ended 31 December 2011, 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 2011, 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 emphasise that the Group's financial positions remain stable and has sufficient cash resources to meet its present and future cash flow requirements.

The Board will constantly keep reviewing the Group's strategies and operations with a view to improve its business performance and Company's shareholders' (the "Shareholders") return. As usual and with available funds on hand, the Group is capable to actively looking for possible future investments with or within the property investments, general trading sectors and coal trading sectors or other sector(s) with growth potential to improve its Shareholders' value.

CAPITAL STRUCTURE

The shares (the "Shares") of the Company were listed on The Growth Enterprise Market (the "GEM") of the Stock Exchange since 15 November 2002. As at 31 December 2011, the total issued shares is 168,802,094 Shares.

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

As at 31 December 2011, the interests and short positions of the Directors and chief executives 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 set out in Rules 5.46 to 5.67 of the GEM Listing Rules were as follows:

(i) Interests in shares

Name	Capacity of interests	Number of ordinary shares held	Approximate percentage of shareholding in the Company
Ming Kei International Holding Co. Limited (the "Ming Kei") (Note 1)	Beneficial owner	20,075,676 (L) (Note 2 and 3)	11.89
Dr., Sir Wong Wai Sing (the "Dr., Sir Wong")	Beneficial owner	36,400 (L) (Note 3)	0.02
	Interest of controlled corporation	20,075,676 (L) (Note 2 and 3)	11.89

(ii) Interests in share options

Name of Directors	Date of grant	Exercisable period	Exercise price per Share HK$	Number of share options granted	Approximate percentage of shareholding in the Company
Ms. Yick Mi Ching, Dawnibilly	3 September 2010	3 September 2010 to 2 September 2020	0.755	7,940,104 (L) (Note 3)	4.70
Mr. Tsang Ho Ka, Eugene	3 September 2010	3 September 2010 to 2 September 2020	0.755	7,940,104 (L) (Note 3)	4.70

Notes:

1. Ming Kei is wholly and beneficially owned by Dr., Sir Wong, an executive Director and a sole executive director of Ming Kei.

2. Ming Kei is wholly and beneficially owned by Dr., Sir Wong, therefore, Dr., Sir Wong, is deemed to be interested in the 20,075,676 Shares in which Ming Kei is interested.

3. The letter "L" denoted a long position in shares.

Save as disclosed above, as at 31 December 2011, none of the Directors nor the chief executives of the Company had any other interests and short positions in any shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the 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 which were required to be recorded in the register kept by the Company under Section 352 of the SFO or otherwise required to be notified to the Company and the Stock Exchange pursuant to the required standard of dealings by directors set out in Rules 5.46 to 5.67 of the GEM Listing Rules.

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

As at 31 December 2011, the interests and short positions of persons, other than the Directors or chief executives 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:

(i) Interests in shares:

Name of shareholders	Capacity of interests	Number of ordinary shares held	Approximate percentage of shareholding in the Company
Ming Kei (Note 1)	Beneficial owner	20,075,676 (L) (Note 2 and 8)	11.89
Dr., Sir Wong	Beneficial owner	36,400 (L) (Note 2 and 8)	0.02
	Interest of controlled corporation	20,075,676 (L) (Note 2 and 8)	11.89
Mr. Ho Chung Wo ("Mr. Ho") (Note 3)	Beneficial owner	24,404,000 (L) (Note 8)	14.46
Ms. Ho In Chan ("Ms. Ho") (Note 4)	Beneficial owner	24,404,000 (L) (Note 8)	14.46
China Financial Leasing Group Limited (the "China Financial") (Note 5)	Interest of controlled corporation	10,000,000 (L) (Note 8)	5.92

(ii) Interests in underlying shares — non-listed warrants

Name of shareholders	Capacity of interests	Number of underlying shares held	Approximate percentage of shareholding in the Company
Triumph Star Enterprises Limited (the "Triumph") (Note 6)	Beneficial owner	10,000,000 (L) (Note 8)	5.92
Mr. Chan Francis Ping Kuen ("Mr. Chan") (Note 6)	Interest of controlled corporation	10,000,000 (L) (Note 8)	5.92
Glorious Smart International Investment Limited (the "Glorious") (Note 7)	Beneficial owner	10,000,000 (L) (Note 8)	5.92
Ms. Wang Hong (Note 7)	Interest of controlled corporation	10,000,000 (L) (Note 8)	5.92

Notes:

1. Ming Kei is wholly and beneficially owned by Dr., Sir Wong, an executive Director and a sole executive director of Ming Kei.

2. Ming Kei is wholly and beneficially owned by Dr., Sir Wong, therefore, Dr., Sir Wong, is deemed to be interested in the 20,075,676 shares in which Ming Kei is interested.

3. Mr. Ho is the brother of Ms. Ho, the 24,404,000 Shares is wholly and beneficially owned under the joint account of Mr. Ho and Ms. Ho respectively, therefore Mr. Ho is deemed to be interested the 24,404,000 Shares.

4. Ms. Ho is the sister of Mr. Ho, the 24,404,000 Shares is wholly and beneficially owned under the joint account of Ms. Ho and Mr. Ho respectively, therefore Ms. Ho is deemed to be interested the 24,404,000 Shares.

5. China Financial is a company incorporated in Cayman Islands with limited liability and the shares of which are listed on the Main Board of The Stock Exchange of Hong Kong Limited (stock code: 2312).

6. Triumph is a subscriber of 10,000,000 unlisted warrants under the private placing of unlisted warrants which confer rights to Triumph to subscribe for 10,000,000 Shares. Triumph is wholly and beneficially owned by Mr. Chan, therefore, Mr. Chan is deemed to be interested in the 10,000,000 Shares in which Triumph is interested.

7. Glorious is a subscriber of 10,000,000 unlisted warrants under the private placing of unlisted warrants which confer rights to Glorious to subscribe for 10,000,000 Shares. Glorious is wholly and beneficially owned by Ms. Wang, therefore, Ms. Wang is deemed to be interested in the 10,000,000 Shares in which Glorious is interested.

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

Save as disclosed above, as at 31 December 2011, the Directors and the chief executives of the Company were not aware of any other person (other than the Directors and the chief executives 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 3 September 2010, the Board conditionally resolved to grant an aggregate of 7,940,104 (subsequently adjusted to 15,880,208 immediately after of the bonus issue) shares at HK$1.51 (subsequently adjusted to HK$0.755 immediately after the bonus issue) per share under the Scheme, which had been approved by shareholders of the Company at the special general meeting held on 5 November 2010. As at 31 December 2011, 15,880,208 granted share options under the Scheme were outstanding. Details number of share options granted, exercised and their respective exercise price and exercisable period are 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 01/04/2011	Granted during the period	Exercised during the period	Outstanding as at 31/12/2011
Directors								
Ms. Yick Mi Ching, Dawnibilly	3 September 2010	3 September 2010 — 2 September 2020	0.755	0.755 (Note)	7,940,104	—	—	7,940,104
Mr. Tsang Ho Ka, Eugene	3 September 2010	3 September 2010 — 2 September 2020	0.755	0.755 (Note)	7,940,104	—	—	7,940,104
					15,880,208	—	—	15,880,208

Note: The closing price at grant date of the share option was HK$1.51 per share, which is identical to the exercise price per share of HK$1.51. Upon the completion of bonus issues, the exercise price is adjusted to HK$0.755 per share, closing price at the grant date is adjusted to HK$0.755 per share accordingly for illustration purpose only.

FOREIGN EXCHANGE EXPOSURE

The reporting currencies of the Group is Hong Kong Dollars (the "HKD").

The Group has transactional currency exposures. Such exposures arise from the business of general trading's operations and the business of property investment respectively in the PRC denominated in the Renminbi (the "RMB") and the coal trading's operation between PRC and Indonesia denominated in the United States dollars (the "USD").

As at 31 December 2011, the Group had a minimal exposure to foreign currency risk as most of its business transactions, assets and liabilities were principally denominated in the functional currencies, i.e. RMB and USD, used by the Group entities or in the USD for HKD functional currency Group entities.

As HKD is pegged to USD, the Group considers the risk of movements in exchange rates between HKD and USD to be insignificant for transactions denominated in USD. The RMB is not freely convertible into other foreign currencies and conversion of the RMB into foreign currencies is subject to rules and regulations of foreign exchange control promulgated by the PRC government.

As at 31 December 2011, the Group does not have a foreign currency hedging policy in respect of its foreign currency assets and liabilities. The Group will monitor its foreign currency exposure closely and will consider using hedging instruments in respect of significant foreign currency exposure as and when appropriate.

The Group adopts a conservative treasury policy with most of the bank deposits being kept in HKD or RMB or USD, or in the local currencies of the operating subsidiaries (as the case may be) to minimize exposure to foreign exchange risks.

As at 31 December 2011, the Group did not have 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 the Group's financial positions remain stable and has sufficient cash resources to meet its present and future cash flow requirements.

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.

NEW SERVICES

During the nine months ended 31 December 2011, the Group has no new services introduced (31 December 2010: The Group engaged in the new business of coal trading between PRC and Indonesia.).

DIRECTORS' RIGHTS TO ACQUIRE SHARES

Apart from as disclosed under the sections headed "DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITION IN SHARES, UNDERLYING SHARES AND DEBENTURES", "SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS 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.

DIRECTORS' INTERESTS IN CONTRACTS

As at 31 December 2011, no director of the Company had a significant beneficial interest, either directly or indirectly, in any contract of significance to the business of the Group to which the Company, its holding company or any of its subsidiaries was a party.

DIRECTORS' INTERESTS IN COMPETING INTERESTS

As at 31 December 2011, none of the Directors, the management shareholders or substantial shareholders of the Company or any of their respective associates (as defined in the GEM Listing Rules) has 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.

MANAGEMENT CONTRACTS

As at 31 December 2011, no contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed.

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 2011.

COMPETITION AND CONFLICT OF INTERESTS

As at 31 December 2011, 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 being independent non-executive Directors. The unaudited condensed consolidated results of the Group for the nine months ended 31 December 2011 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. The audit committee is chaired by Mr. Kwok Kam Tim.

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 all are being independent non-executive Directors. 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. The remuneration committee is chaired by Mr. Kwok Kam Tim.

NOMINATION COMMITTEE

An nomination committee was set up on 1 February 2012 with written terms of references to review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy. The nomination 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 nomination committee, save and except for Mr. Tsang Ho Ka, Eugene all are being independent non-executive Directors. The role and function of the nomination committee include to identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships and to make recommendations to the Board on the appointment or re-appointment of directors and succession planning for directors, in particular the chairman of the Board and the chief executive. The nomination committee is chaired by Mr. Kwok Kam Tim.

CODE ON CORPORATE GOVERNANCE PRACTICES

The Company has adopted the code provisions set out in the Code on Corporate Governance Practices (the "Governance Code") as set out in Appendix 15 of the GEM Listing Rules. The Company has applied the principles in the Governance Code and complied with the code provisions set out in the Governance Code for the nine months ended 31 December 2011, save and except that 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 30 January 2012 was announced by the Company that the Group expected that the net loss of the Group for the nine months ended 31 December 2011 is expected to decrease significantly as compared with that for the corresponding period in 2010.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and to the best knowledge of the Directors as at the date of this third quarterly report, there is sufficient public float of the Company's issued shares as required under the Listing Rules through out the period ended 31 December 2011.

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.

PUBLICATION OF INFORMATION ON WEBSITES

This third quarterly report is available for viewing on the website of Stock Exchange at www.hkex.com.hk and on the website of the Company at www.mingkeiholdings.com.

By order of the Board of
Ming Kei Holdings Limited
Dr., Sir Wong Wai Sing
Chairman

Hong Kong, 9 February 2012

As at the date of this report, the executive Directors are Ms. Yick Mi Ching, Dawnibilly, Mr. Tsang Ho Ka, Eugene and Dr., Sir Wong Wai Sing and the independent non-executive Directors are Mr. Sung Wai Tak, Herman, Mr. Kwok Kam Tim and Mr. Kinley Lincoln James Lloyd.

Ming Kei Holdings Limited
明基控股有限公司 *

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)
(於開曼群島註冊成立及於百慕達存續)
(Stock Code 股份代號：8239)

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