THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker, or other licensed securities dealer, bank manager, solicitors, professional accountants or other professional adviser.

If you have sold or transferred all your shares in Ming Kei Holdings Limited (the "**Company**"), you should at once hand this circular and accompanying form of proxy to the purchaser or transferee, or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Ming Kei Holdings Limited
明基控股有限公司 *

(incorporated in the Cayman Islands and continued in Bermuda with limited liability)
(Stock Code: 8239)

VERY SUBSTANTIAL DISPOSAL INVOLVING DISPOSAL OF 49% EQUITY INTERESTS IN STAR FORTUNE INTERNATIONAL INVESTMENT COMPANY LIMITED

Financial adviser to the Company

INCU Corporate Finance Limited

A notice convening a special general meeting (the "**SGM**") of the Company to be held on Room 3308, The Center, 99 Queen's Road Central, Central, Hong Kong on Thursday, 12 August 2010 at 11:30 a.m. is set out on pages 55 to 56 of this circular. A form of proxy for the SGM is enclosed with this circular. Whether or not you are able to attend the SGM, you are encouraged to complete and return the enclosed form of proxy in accordance with the instructions printed thereon and return the same to the branch share registrar of the Company in Hong Kong, Tricor Tengis Limited at 26/F, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event no later than 48 hours before the time appointed for the holding of the SGM. Completion and return of the enclosed form of proxy will not preclude you from attending and voting in person at such meeting or any adjournment meeting should you so wish.

* *for identification purpose only*

23 July 2010

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

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

"Actual Sales Volume"	the volume of coal sold by the PRC Subsidiary A as stated on the value-added tax invoices
"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)
"China Sonangol"	China Sonangol Resources Enterprise 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)
"Company"	Ming Kei Holdings Limited, a company incorporated in the Cayman Islands and continued in Bermuda with limited liability and the issued Shares of which are listed on GEM (stock code: 8239)
"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)
"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 Star Fortune (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$30,000,000 being balance of the Disposal Consideration

"Deposit"	the sum of HK$20,000,000 paid by the Purchaser to an escrow account of the Purchaser's solicitors upon signing of the Disposal Agreement, being refundable deposit and part payment of the Disposal Consideration which will be released to Star Fortune on Completion
"Directors"	the directors of the Company (including the independent non-executive Directors) from time to time
"Disposal Agreement"	the conditional disposal agreement dated 20 May 2010 and entered into among Star Fortune, the Company, China Sonangol and the Purchaser in relation to the sale and purchase of the Sale Shares
"Disposal Consideration"	the aggregate consideration of HK$50,000,000 for the sale and purchase of 49% equity interests in the Target pursuant to the Disposal Agreement
"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 dated 20 May 2010, entered into between the Purchaser, the Purchaser's solicitors and Star Fortune in respect of the escrow of the Deposit in the escrow account of the Purchaser's solicitors
"First Annual Period"	for the first twelve (12) months ending immediately after 3 July 2009, the completion date of the Former Disposal
"Former Acquisition"	the acquisition of the entire issued share capital of Ming Kei Kai Yuan Investment Company Limited by the Target, which was completed on 19 November 2007
"Former Disposal"	the disposal of 51% equity interests in the Target by Star Fortune, which was completed on 3 July 2009

"Former Disposal Agreement"	the sale and purchase agreement dated 30 April 2009 entered into among Star Fortune, the Company, the Purchaser and China Sonangol in relation to the sale and purchase of the 51% equity interests in the Target
"Former Performance Guarantee"	the guarantee given by Star Fortune that the Actual Sales Volume of coal sold by the PRC Subsidiary A for each of the First Annual Period and the Second Annual Period shall not be less than 900,000 tonnes (based on the coal sold as stated in the value-added tax invoices)
"Former Profit Guarantee"	the profit guarantee provided by Star Fortune and the Company under the Former Disposal Agreement in respect of the audited net profit after tax of PRC Subsidiary A for the year from 1 January 2009 to 31 December 2009 in accordance with 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, not less than HK$40,000,000
"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
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Independent Third Parties"	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)
"Latest Practicable Date"	20 July 2010, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
"Main Board Listing Rules"	the Rules Governing the Listing of Securities on the main board in the Stock Exchange

"Output Accounts"	two separate statements issued by auditors certifying the Actual Sales Volume of coal sold by PRC Subsidiary A for the First Annual Period and the Second Annual Period
"PRC"	the People's Republic of China, which for the purpose of this circular, shall exclude Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
"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 indirectly and 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 the PRC Subsidiary A
"Proposed Disposal"	the proposed disposal of the 49% equity interests in the Target under the Disposal Agreement
"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 wholly-owned subsidiary of China Sonangol
"Remaining Group"	the Group immediately after Completion
"RMB"	Renminbi, the lawful currency of the PRC
"Sale Shares"	representing 49 shares of US$1.00 each in the capital of the Target, representing 49% of the entire issued share capital of the Target
"Second Annual Period"	for the first twelve (12) months ending immediately after the First Annual Period
"SGM"	the special general meeting of the Company to be convened and held by the Company to consider and if thought fit, to approve the Disposal Agreement and the transactions contemplated thereunder
"Shareholders"	holders of the issued Shares from time to time

"Share(s)"	share(s) of HK$0.01 each in the capital of the Company
"Star Fortune"	Star Fortune International Development Company Limited, a company incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Target"	Star Fortune International Investment Company Limited, a company incorporated in the British Virgin Islands with limited liability and an associate of the Group
"Target Group"	The Target, together with the Target Subsidiaries
"Target Subsidiaries"	together, Ming Kei Kai Yuan Investment Company Limited, the PRC Subsidiary A and the PRC Subsidiary B
"Zexu Open Pit Coal Mine"	Zexu Open Pit Coal Mine (澤旭露天煤礦, located at Bei Ta Mountain, Qi Tai County, Xinjiang Uygur Autonomous Region, the PRC (中國新疆維吾爾自治區奇台縣北塔山)
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"US$"	United States dollars, the lawful currency of the United States
"%"	per cent.

Ming Kei Holdings Limited
明基控股有限公司 *

(incorporated in the Cayman Islands and continued in Bermuda with limited liability)
(Stock Code: 8239)

Executive Directors:
Mr. Tsang Ho Ka, Eugene *(Chief Executive Officer)*
Ms. Yick Mi Ching Dawnibilly

Non-executive Director:
Mr. Wong Wai Sing *(Chairman)*

Independent non-executive Directors:
Mr. Kwok Kam Tim
Mr. Sung Wai Tak, Herman
Mr. Kinley Lincoln James Lloyd

Registered office:
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Head office and principal place of business in Hong Kong:
Room 3308
The Center
99 Queen's Road Central
Central
Hong Kong

23 July 2010

To the Shareholders

Dear Sir or Madam

VERY SUBSTANTIAL DISPOSAL INVOLVING DISPOSAL OF 49% EQUITY INTERESTS IN STAR FORTUNE INTERNATIONAL INVESTMENT COMPANY LIMITED

INTRODUCTION

Reference is to be made to the announcement of the Company dated 5 July 2010 in which the Board announced that on 20 May 2010 (after trading hours), Star Fortune, an indirect wholly-owned subsidiary of the Company, entered into the Disposal Agreement, with the Purchaser, a wholly-owned subsidiary of China Sonangol, the Company and China Sonangol for the disposal of the Sale Shares, representing 49% equity interests in the Target held by Star Fortune for a total consideration of HK$50,000,000.

* *for identification purpose only*

Reference is also made to the announcement and circular of the Company dated 7 May 2009 and 12 June 2009 respectively regarding the disposal of 51% equity interests in the Target, and the three announcements of the Company dated 3 July 2009, 3 February 2010 and 12 July 2010 relating to the completion of the Former Disposal Agreement and the fulfillment of the profit guarantee as referred to in the Former Disposal Agreement and the fulfillment of the performance guarantee for the First Annual Period respectively.

Pursuant to Rule 19.22 of the GEM Listing Rules, as the Former Disposal for the 51% equity interests in the Target was completed on 3 July 2009, which is within 12 months before the Proposed Disposal, the Former Disposal and the Proposed Disposal would be aggregated.

The Proposed Disposal, when aggregated with the Former Disposal, constitutes a very substantial disposal on the part of the Company under the GEM Listing Rules. The Disposal Agreement and the transactions contemplated thereunder will be subject to Shareholders' approval by way of poll at the SGM to be convened and held by the Company.

The purpose of this circular is to provide you with, among other matters, further detail regarding the Disposal Agreement and the transactions contemplated thereunder and a notice convening the SGM.

THE DISPOSAL AGREEMENT

Date: 20 May 2010 (after trading hours)

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

The Purchaser is a wholly-owned subsidiary of China Sonangol, a company the issued shares of which are 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, China Sonangol and their ultimate beneficial owners are Independent Third Parties.

Assets to be disposed of

The Sale Shares, representing 49% of the issued share capital of the Target.

Consideration

The Disposal Consideration is HK$50,000,000 and shall be paid by the Purchaser in cash in the following manner:

(a) a sum of HK$20,000,000, being the Deposit and partial payment of the Disposal Consideration has been paid by the Purchaser and deposited by the Purchaser to the escrow account with Purchaser's solicitors as the escrow agent on the date of the Disposal Agreement and shall be released to Star Fortune upon Completion subject to the terms and conditions as stated in the Escrow Agreement; and

(b) the balance of the Disposal Consideration of HK$30,000,000 shall be paid by the Purchaser to Star Fortune on Completion.

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 reasons for the Disposal as discussed under the section headed "Reasons for and benefits of the disposal" below; (ii) no profit guarantee nor performance guarantee obligation similar to those as provided under the Former Disposal is given in this Proposed Disposal, thus there is no potential risk of future reduction in Disposal Consideration; (iii) the waiver of the obligation under the Former Performance Guarantee (for the Second Annual Period) in this Proposed Disposal will relieve the Company from the fulfillment of guarantee as discussed under the section headed "Former Performance Guarantee" below; (iv) the equity interest being disposed of under the Proposed Disposal is a non-controlling stake; and (v) the entire Disposal Consideration will be in cash and payable upon Completion.

The Disposal Consideration was comparatively less than the consideration in the Former Disposal. Having considered that (i) the Disposal Consideration is fixed at the time the Disposal Agreement is entered into and there will be no future adjustment mechanism as there is no profit guarantee or performance guarantee under the Proposed Disposal; (ii) the Company has not guaranteed nor is obligated to fulfill any performance guarantee and profit guarantee subsequent to Completion; (iii) the waiver of the Performance Guarantee of 900,000 tonnes coal sold for the Second Annual Period as part of the Proposed Disposal; and (iv) investors are generally interested in controlling interest and thus non-controlling interest is generally harder to dispose and is generally of less value than the controlling one in most of the acquisitions nowadays, the Directors consider that such discount as compared to the consideration in the Former Disposal is justified. Please also refer to the section headed "Basis of the consideration for the three transactions and the reasons" below for further elaboration.

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 on normal commercial terms following arm's length negotiations among the parties to the Disposal Agreement and the terms are fair and reasonable and the Proposed Disposal is in the interests of the Company and the Shareholders as a whole.

Conditions

The Disposal is conditional upon the following conditions being satisfied or waived on or before 31 August 2010 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 obtained on the part of Star Fortune, and the Company as required under the GEM Listing Rules having been obtained;

3. all necessary consents and approvals required to be obtained on the part of the Purchaser and China Sonangol as required under the Main Board Listing Rules having been obtained;

4. all approvals, consents, authorizations 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;

5. the representations and warranties given by Star Fortune and the Company remaining true and correct in all material respect;

6. the representations and warranties given by the Purchaser and China Sonangol remaining true and correct in all material respect;

7. the passing by the Shareholders at the SGM to be convened and held of any ordinary resolutions approving the Disposal Agreement and the transactions contemplated thereunder;

8. the passing by the shareholders of China Sonangol at its special general meeting to be convened and held of an ordinary resolution approving the Disposal Agreement and the transactions contemplated thereunder;

9. Star Fortune having performed in all material respects all of the covenants and agreements required to be performed by it under the Disposal Agreement;

10. the Purchaser having performed in all material respects all of the covenants and agreements required to be performed by it under the Disposal Agreement; and

11. 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 member of the Target Group after Completion having been proposed, enacted or taken by any governmental or official authority.

The Purchaser may waive conditions 5 and 9 at any time by notice in writing to Star Fortune whereas conditions 1, 2 and 7 cannot be waived by the Purchaser. Star Fortune may waive conditions 6 and 10 at any time by notice in writing to the Purchaser, whereas conditions 3 and 8 cannot be waived by Star Fortune. Conditions 4 and 11 above shall only be waived by the Purchaser and Star Fortune mutually.

If the above conditions have not been satisfied or waived (as the case may be) on or before 31 August 2010 or such later date as the parties to the Disposal Agreement may agree in writing (the "**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 take necessary action to return the Deposit paid by the Purchaser with interest to the Purchaser within three 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 Group will not have any interest in the Target, and therefore the Target Group will cease to be the associates of the Group.

Former Performance Guarantee

Pursuant to the Former Disposal Agreement, Star Fortune and the Company have guaranteed to the Purchaser that the Actual Sales Volume of coal sold by the 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).

Reference is made to the announcement of the Company date 12 July 2010. The Board is pleased to announce that with the receipt of the performance guarantee certificate certifying that the Former Performance Guarantee has been achieved for the First Annual Period and the receipt of irrevocable instruction letter jointly signed by Star Fortune and the Purchaser confirming fulfillment of the Former Performance Guarantee for the First Annual Period, the Purchaser's solicitors had arranged to release HK$10,000,000, being part payment of the Consideration Balance previously deposited in the escrow account to the Star Fortune on 12 July 2010 as mutually agreed between Star Fortune and the Purchaser.

Pursuant to the Disposal Agreement, the parties thereto have agreed that the Former Performance Guarantee for the Second Annual Period shall be waived.

Non-competition and non-solicitation

For a period of two (2) years following Completion, except for 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 or indirectly 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, the 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) directly or indirectly solicits or entice away any person who is or has been a customer of the Target or the Target Group within two (2) years before the Completion; and (iii) directly or indirectly solicits or endeavours to entice away from or discourage from being employed by the Target or the Target Group any person who is at the date of the Disposal Agreement an officer or employee of the Target or the Target Group whether or not such person would commit a breach of contract by reason of leaving service (save and except for those director(s) and/or supervisor(s) and/or company secretary(ies) and/or legal representative(s) appointed or designated by Star Fortune in each of the Target or the Target Group who will resign from their respective positions immediately upon Completion); and (iv) directly or indirectly employ or engage or attempt to employ or engage or negotiate or arrange the employment or engagement by any other person, firm or company of any person who is at the date of the Disposal Agreement an officer or employee of the Company or the Target Group (save and except for those director(s) and/or supervisor(s) and/or company secretary(ies) and/or legal representative(s) appointed or designated by Star Fortune in each of the Target or the Target Group who will resign from their respective positions immediately upon Completion).

INFORMATION ON THE TARGET GROUP, THE PURCHASER AND CHINA SONANGOL

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 Latest Practicable Date, 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).

China Sonangol is an investment holding company and its subsidiaries are principally engaged in (i) the provision of management services related to oil trading marketing; and (ii) mining, sale and distribution of coal. The Purchaser is an investment holding company and is a wholly-owned subsidiary of China Sonangol.

The audited financial information of the Target Group for the period from 12 April 2007 (date of incorporation) to 31 March 2008 and the financial years ended 31 March 2009 and 2010 (as adjusted to bring into line any dissimilar accounting policies that may exist) are as follows:

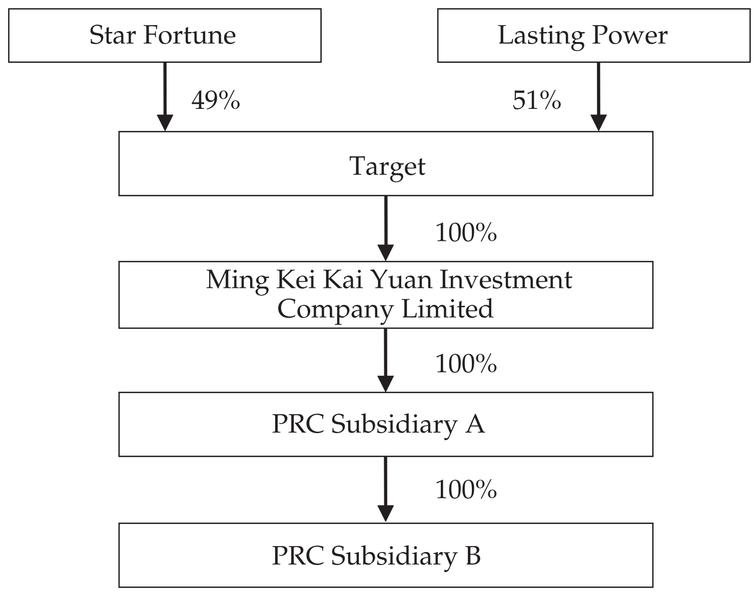
	For the period from 12 April 2007 (date of incorporation) to 31 March 2008	**For the year ended 31 March 2009**	**For the year ended 31 March 2010**
	HK$'000	*HK$'000*	*HK$'000*
Results			
Turnover	35,071	127,705	150,040
Profit before tax and impairment of intangible assets *(Note)*	51,259	31,736	1,197
Profit/(loss) before tax *(Note)*	51,259	(1,128,483)	(53,364)
Profit/(loss) after tax	53,233	(836,342)	(43,476)

	As at 31 March 2008	**As at 31 March 2009**	**As at 31 March 2010**
	HK$'000	*HK$'000*	*HK$'000*
Total assets	1,562,929	343,994	238,140
Net assets/(liabilities)	116,465	(766,670)	145,790

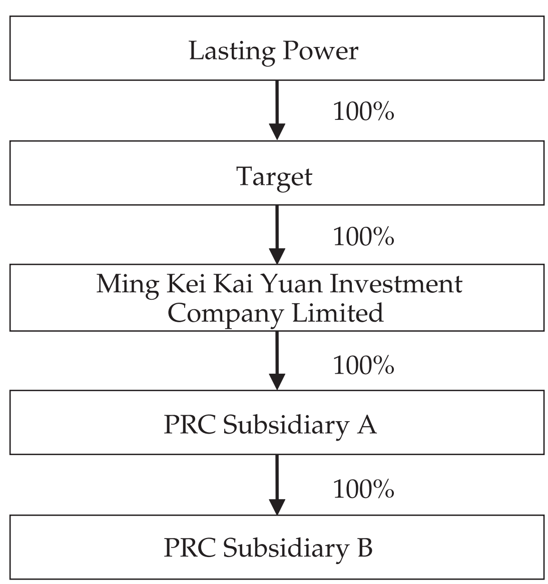
Note: The profit for the period ended 31 March 2008 has included the "excess of the Group's share of net fair value of the interests in subsidiaries acquired over the cost of the acquisition" of HK$50.8 million attributed to the Former Acquisition. Reference is also made to the Company's annual report 2007/2008 dated 30 June 2008 and the Company's 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

The Group is principally engaged in investment holding and property investment in Hong Kong and the PRC and business of general trading in the PRC respectively. Star Fortune is an indirect wholly-owned subsidiary of the Company and is currently directly holding 49% equity interests in the Target. The Target and its subsidiaries are principally engaging in mining, sale and distribution of coals in the PRC and are beneficially interested in two Coal Mines located in Xinjiang Uygur Autonomous Region, the PRC, namely Kaiyuan Open Pit Coal Mine (凱源露天煤礦) and Zexu Open Pit Coal Mine (澤旭露天煤礦).

The Company acquired 100% of the Target Group in July 2007 with a view that coal mining business is in a fast growing trend with immense potential. However, due to the global financial crisis in 2008, the coal mining industry has not been growing as fast as expected and the Company disposed of 51% equity interests in the Target in July 2009.

After completion of the Former Disposal, the remaining 49% equity interests in the Target has been accounted for as interests in associates by the Group, and since then its financial performance has not been consolidated with that of the Group under the acquisition method of accounting. Such non-consolidation of financial results would mean that there would be no direct financial contributions of the Target Group, such as turnover, to that of the Group.

Former Acquisition, Former Disposal and the Proposed Disposal

The consideration for the Former Acquisition which completed in 2007 was HK$1 billion which is based on among other factors, profit guarantee for the Target Group of approximately 16.67 times (with reference to the price to earnings ratio of comparable companies) provided by the vendor at that time.

Out of the HK$1 billion consideration, HK$282 million were satisfied by the issue of promissory notes with maturity dates on 19 November 2010, of which (i) an amount of HK$160 million has been directly waived or redeemed at deep discount by the holders (details of which are disclosed in the announcement of the Company dated 13 February 2009); and (ii) an amount of HK$80 million has been reduced by the revision of profit guarantee under the Former Acquisition (details of which are disclosed in the announcement and circular of the Company dated 7 May 2009 and 12 June 2009 respectively). As a whole, the principal amounts of the promissory notes were reduced by a total of HK$240 million and correspondingly, the total consideration for the Former Acquisition was reduced from HK$1 billion to HK$760 million.

The consideration for the Former Disposal which was completed in July 2009 was HK$100 million and the consideration of the Proposed Disposal is HK$50 million.

Impairment after the Former Acquisition

Reference is made to the annual report 2008/2009 of the Company for the year ended 31 March 2009 in which the Group recorded an impairment loss of approximately HK$1,160.22 million attributable to the mining right and the exploration right of the Target Group. Such impairment loss reflected the reduction in values of the Coal Mines as compared to those as at 31 March 2008 as reflected in the carrying values of the mining right and the exploration right of the Target Group recorded in the audited consolidated financial statements of the Group as at 31 March 2008, in which the values of the Coal Mines are assessed by independent valuer. The impairment loss was due to (i) the global financial crisis which affected the economy of China and the mining business; (ii) the slower economic growth, uncertainty of the economic recovery and the difficulty in securing financing from financial institutions on favorable terms, the Directors adopted a prudent approach to delay the production plan of the PRC Subsidiary B; and (iii) various changes in the valuation assumptions used by the independent valuer, including but not limited to the increase in discount rate to reflect the increased risk premium and change in expected return at the time of valuation by the independent valuer, the expectation of change in future expected coal selling price and change in expected production, selling and administration cost and expected capital expenditure. As a result, the values of the Coal Mines as at 31 March 2009 were reduced as compared to those as at 31 March 2008, which resulted in an impairment loss of approximately HK$1,160.22 million for the financial year ended 31 March 2009.

Former Disposal

The consideration for the Former Disposal was arrived at after arm's length negotiations between the parties to the Former Disposal Agreement with reference to, amongst other factors, the price to earning ratio of approximately 4.90 times of the Former Profit Guarantee attributable to the 51% equity interests in the Target, which was agreed with reference to the price to earning ratios of a number of Hong Kong listed companies engaging in similar business in the coal mining industry.

Basis of the consideration for the three transactions and the reasons

The basis why the consideration for the Former Acquisition, Former Disposal and the Proposed Disposal was decreased significantly and the reasons for the Former Disposal and the Proposed Disposal are summarised as follows:

(1) the drastic change in the international financial environment between 2007 and 2009. Approximately one year after the completion of the Former Acquisition in 2007, the world economy (including that of the PRC) was badly hit by the global financial tsunami, which led to a global recession, slowing down of world coal mining industry and reduction in price of coal by approximately 40% from its peak to after financial tsunami (according to the data provided by Bloomberg);

(2) the Group recorded an impairment loss of approximately HK$1,160.22 million attributable to the mining right and the exploration right of the Target Group. Such impairment loss reflected the reduction in value of the Coal Mines as assessed by the independent valuer at the time of valuation;

(3) the frequent natural disasters such as earthquakes, flooding, snowstorms and political instability in the region where the Target Group operates affect the smooth operation of the production process, the expectation of change in future expected coal selling price and change in expected production, selling and administration cost and expected capital expenditure make the investment in the region less attractive to the Company;

(4) in view that the financial tsunami in 2008 had resulted in slower economic growth, uncertainty of the economic recovery, the difficulty in securing financing from financial institutions on favorable terms, and the political instability in the region where the Target Group operates, the Directors adopted a prudent approach to delay its plan to commence exploration of the Zexu Open Pit Coal Mine (澤旭露天煤礦) owned by the PRC Subsidiary B;

(5) the intense competition and price pressure of the coal products of the Target Group resulted from the entrance of various private local competitors nearby; and

(6) the increase in production cost and selling cost of the coal (i.e. delivery cost and labour cost) and the decrease in coal price have reduced the profit margin of the coal mining business, which makes the investment in the region less attractive to the Company.

The three transactions were entered into in different points of time between 2007 to 2010, when the global environment changes drastically from a prosperity economy, to badly hit by the financial tsunami and the wide spreading of the credit crunch initialed from Europe and subsequently sign of recession. The change in market environment and the market atmosphere affected the rational statistics of the Target Group and the Coal Mines, the valuation assumptions by the independent valuer at the time of valuation as well as the commercial decision of the Directors. In view of the above, the Board is of the opinion that it is justifiable for the Group to dispose of the Target Group at the aforesaid consideration.

In view of the limited financial contribution from the investment in the Target Group and other factors the Directors have considered as mentioned above, the Directors consider that the Proposed Disposal provides an opportunity for the Company to realise the investment and devote more time and resources to strengthen its existing core business (namely property investment and business of general trading) or to re-allocate its resources to other investment opportunities which may have better returns and make direct contributions to the results of the Group for the benefits of the Shareholders as a whole.

FUTURE PROSPECT AND OPERATION OF THE GROUP

Pursuant to Rule 17.26 of the GEM Listing Rules, an issuer shall carry out, directly or indirectly, a sufficient level of operations or have tangible assets of sufficient value and/or intangible assets for with a sufficient potential value to warrant the continued listing of the issuer's securities.

Level of operation

After completion of the Former Disposal, the Group will continue to engage in (i) the new business of property investment in Hong Kong and the PRC; and (ii) general trading in the PRC respectively. The Group has been involved in new business of property investment in Hong Kong since August 2009 and in the PRC since July 2009, and general trading in the PRC since September 2009 respectively and these businesses will continue after Completion.

Since the commencement of these new businesses, their turnover and results were fully consolidated into the consolidated financial statements of the Group. Reference is made to the annual report 2009/2010 of the Company for the year ended 31 March 2010, though the contribution from these business activities did not reflect the scale of such businesses on a 12-month basis since the new businesses commenced during the year. The Group recorded an audited turnover from the property investment and the business of general trading of approximately HK$0.89 million and HK$14.21 million respectively for the year ended 31 March 2010. Set out below are the information about the new business:

1. General trading business

In general, all the major operation activities of the trading business took place in Beijing with tight supervision from senior officers of an indirect wholly-owned subsidiary of the Group established in Shenzhen, the PRC (the "SZ Subsidiary"). It was established for performing administrative function of the general trading business. The operation activities of the SZ Subsidiary include: (i) performing market research on sourcing from new suppliers and identifying new customers, elaborating pricing set by customers and supplier; (ii) negotiating the purchase cost and selling price with suppliers and customers respectively; (iii) preparing the sales contracts to customers; (iv) issuing purchase orders to supplier and sales invoices to customers; (v) scheduling delivery plan from supplier to customers' warehouses; (vi) ensuring the delivery is made to customers on a timely basis; and (vii) performing inspection on the physical appearance and quantity of the products.

Before the commencement of the trading business with customers, the SZ Subsidiary will conduct a basic due diligence review on the background of the potential customers, including but not limited to conducting litigation searches and obtaining information from the potential customers directly to ascertain whether to trade with such potential customers.

The trading business is solely carried out on an indent basis. Usually, the trading sales are initiated by the sales orders placed by customers. The Group would then negotiate and obtain price quotation from the supplier. Once all terms and conditions are mutually agreed between the SZ Subsidiary and the customers and between the SZ Subsidiary and supplier respectively, the SZ Subsidiary would sign the contracts with them separately.

The prices of the products are determined based on cost plus method, in accordance with the requirements as stated in the sales order. Normally within one month after the purchase order is signed, the goods will be delivered to the Group by the supplier and the Group will arrange the same to be delivered to the customers immediately.

Currently, the products for the general trading business of the Company in the PRC consists of construction and decoration materials, electronics appliances and components as well as motor vehicles components.

Reasons for conducting the general trading business:

Products available by the Group are construction and decoration materials, electronics appliances and components as well as motor vehicles components respectively.

Products traded by the trading company are mainly telecommunication equipments which are normally used/assembled in large scale point-to-point telecommunication data transmission/linkage and storage system, such as communication and monitoring system between the headquarter and local offices for certain kinds of business-to-business (B2B) or acting as channel of daily transportation network. The Group believes that the demand of those large scale telecommunication equipments would be increased sharply in the near future and such business will enjoy ample potential opportunities as:

i. Beijing's economy continue to grow rapidly after the Olympics Games in year 2008;

ii. many new multi-national corporations and local corporations' headquarter have been established and are expanding in Beijing;

iii. the frequent communication between the government departments/businesses/households in Beijing and other cities;

iv. rapid modernization and urbanization of rural area around Beijing which increase the demand of the telecommunication equipments;

v. continuous infrastructure and construction projects in Beijing, the PRC; and

vi. the recent announcement of the 3 net combined (三網融合) policy by the PRC Government will stimulate the demand of large scale telecommunication equipments.

In addition to the above reasons, the Group's current supplier is a state-owned enterprise which (i) provides products which are of high and reliable qualities; and (ii) offers all components involved in those telecommunication systems which reduces the cost of purchase. We have established a close relationship with our supplier, which facilitates our business operation and enable us to provide our customers with reliable source of products.

In addition, in order to reduce the impact of global financial crisis on the PRC economy, the PRC government had announced important measures for boosting internal demand, increasing investment and stimulating domestic consumption, together with its practice of proactive fiscal policies and loose monetary policies. In view of such measures made by the PRC government, the Directors are optimistic about the prospect of its trading business within the PRC, and are confident that it will contribute positively to the business of the Group.

Further, after the completion of the Former Disposal, the Target Group has been accounted for as interests in associates in the consolidated financial statements of the Group, and since then its financial performance would not be consolidated with that of the Group under the acquisition method of accounting. Such non-consolidation of financial results would mean there would be no direct financial contributions of the Target Group, such as turnover, to that of the Group. In contrast, the turnover generated from the general trading business will be consolidated with the Group's consolidated income statement, and contribute directly to the financial performance of the Group, and the trading business would therefore generate a better return than that of the Target Group after the completion of the Former Disposal due to its direct financial contribution to the consolidated financial statements of the Group.

In view of the reasons above and the reasons set out in the paragraph headed "Basis of the consideration for the three transactions and the reasons" under the section headed "Reasons for and Benefits of the Disposal" above, the Directors consider that it was in the interests of the Company and its Shareholders to conduct the Proposed Disposal and start the trading business after the completion of the Former Disposal.

Development plan:

The trading business of the Group commenced in October 2009 and is still in its development stage. As at the Latest Practicable Date, the Group has entered into three letters of intent with one new and two different existing customers respectively (collectively referred to as the "Trading Customers") for long term acquisition contracts with the aggregate amounts of RMB28 million starting from the period of 1 July 2010 to 30 June 2011 for different electronic appliances. As some of the customers of the Trading Customers are state-owned enterprises, the secure of the long terms acquisition contracts will strengthen the stability of the trading business of the Company.

In the future, the Company will further negotiate with different potential suppliers and/or customers for sourcing of products and expanding its clientele. With the increase in sales demand, the Group expects that better discount will be granted by the supplier when negotiate for sourcing of the products. As such, the Company expects a higher gross profit margin will be obtained.

The Group does not foresee any need for extra fund for funding the trading business in the forthcoming 12 months period.

2. *Property investment*

Though the rising trend of the property market in Hong Kong and the PRC has been slowed down and price of the properties in Hong Kong and the PRC has been adjusted downward recently due to the regulations and policies imposed by Hong Kong and the PRC government towards the property market, the Directors will continue to explore opportunities to invest in good quality properties in both Hong Kong and the PRC to strengthen its property investment business.

Assets of potential value

Based on the audited consolidated financial statements of the Group as at 31 March 2010, after Completion of the Proposed Disposal, the estimated total assets of the Group will be approximately HK$193.55 million and estimated net assets of the Group will be approximately HK$186.95 million. Based on the audited consolidated financial statements of the Group as at 31 March 2010, apart from the estimated working capital and cash position of the Group, the estimated total assets after Proposed Disposal will comprise mainly investment properties amounting to approximately of HK$23.14 million, investments in available-for-sale financial assets of approximately HK$10.56 million, and office premise and property, plant and equipment of approximately HK$19.18 million.

FINANCIAL EFFECT OF THE PROPOSED DISPOSAL

As a result of the Proposed Disposal, subject to review and confirmation of the Company's auditors, the Group expects to record an estimated unaudited loss on the Proposed Disposal of approximately HK$20.69 million, which is calculated based on the Disposal Consideration, and the Group's interests in associates (i.e. the 49% of audited consolidated net assets value of the Target Group, as adjusted to bring into line any dissimilar accounting policies that may exist) as at 31 March 2010 of approximately HK$71.44 million and taking into account the reclassification of exchange reserve contributed by the Target Group of approximately HK$6.75 million as at 31 March 2010 and the direct costs of the Proposed Disposal of approximately HK$6.00 million.

Having considered (i) the reasons for the Proposed Disposal as discussed above; (ii) the waiver of the Former Performance Guarantee for the Second Annual Period; (iii) the non-controlling interests of the Group in the Target Group; (iv) the opportunity for the Company to realise the investment; and (v) the Disposal Consideration enhances 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. Furthermore, the Proposed Disposal will enable the management of the Company to concentrate and allocate more of the Company's resources on the trading business, property investment business or any other opportunities which may arise for the interest of the Company and Shareholders as a whole.

The aforementioned estimations for the loss on Proposed Disposal are for illustrative purpose only and do not purport to represent how the actual financial position of the Group will be upon Completion.

INTENDED USE OF PROCEEDS

The gross proceeds from the Proposed Disposal will amount to approximately HK$50.00 million. The net proceeds receivable by the Company, after deducting all direct costs, fees and expenses to be borne by the Company are estimated to be approximately of HK$44.00 million. As at the Latest Practicable Date, there is not any specific development and investment plan for the Company, hence the entire net proceeds will be used for the working capital of the Group which could strengthen the existing trading and property investment business of the Company.

As at the Latest Practicable Date, the Directors have no intention to conduct nor have been engaged in any discussions, arrangements, negotiations or proposals, whether concluded or not, for any further acquisition or disposal of the Group's business or assets.

Having stated the above, the Group has been actively looking for any other investment projects though no specific targets or investment opportunities have been identified as at the Latest Practicable Date. Further announcement will be made should any potential investment is identified pursuant to the GEM Listing Rules.

GEM LISTING RULES IMPLICATIONS

Pursuant to Rule 19.22 of the GEM Listing Rules, as the Former Disposal for the 51% equity interests in the Target completed on 3 July 2009, which is within 12 months before the Proposed Disposal, the Former Disposal and the Proposed Disposal would be aggregated.

The Proposed Disposal, when aggregated with the Former Disposal, constitutes a very substantial disposal on the part of the Company under the GEM Listing Rules. The Disposal Agreement and the transactions contemplated thereunder will be subject to Shareholders' approval at the SGM by way of poll.

MANAGEMENT DISCUSSION AND ANALYSIS ON THE REMAINING GROUP

Based on the unaudited pro forma financial information of the Remaining Group as set out in Appendix II to this circular.

(i) Financial and business performance

For the year ended 31 March 2010, the Remaining Group recorded unaudited pro forma consolidated turnover of approximately HK$15.10 million and unaudited pro forma consolidated net loss for the year of approximately HK$93.22 million. The net loss for the Remaining Group for the year ended 31 March 2010 was mainly due to the recognition of losses on disposal of subsidiaries amounting to approximately HK$48.69 million, and the administrative and other expenses of HK$36.95 million.

(ii) Capital structure

The Remaining Group's capital structure as at 31 March 2010 consisted of issued capital of approximately HK$0.66 million and reserves of approximately HK$172.46 million.

(iii) Liquidity and financial resources

The Remaining Group had unaudited pro forma consolidated cash and cash equivalents of approximately HK$87.28 million. As at 31 March 2010, save for the outstanding convertible bonds of approximately HK$2.83 million, carried at its amortised costs, the Remaining Group had no other long-term liabilities and bank borrowing. At 31 March 2010, the current ratio of the Remaining Group was approximately 33.73 times based on unaudited pro forma consolidated current assets of approximately HK$126.84 million and unaudited pro forma consolidated current liabilities of approximately HK$3.76 million.

(iv) Significant investments

On 2 November 2009, Star Enterprise Investment Company Limited ("Star Enterprise"), entered into the subscription documents (the "Class A Subscription") pursuant to which Proteus Growth Fund Ltd., as issuer, agreed to allot and issue, and Star Enterprise, as subscriber, agreed to subscribe for 12,830 (subsequently adjusted to 12,913) Class A shares for a subscription price of USD1,283,000 (the "Class A Subscription Shares") (equivalent to approximately HK$10,007,000) which was settled in cash and funded by the internal resources of the Group. The Class A Subscription Shares represents 100% of the issued Class A Share capital of Proteus Growth Fund Ltd. as enlarged by the allotment and issue of the Class A Subscription Shares as at the date of the Class A Subscription.

Save as disclosed above, the Remaining Group did not have any significant investment.

(v) Material acquisitions or disposals of subsidiaries and affiliated companies

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

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

The principal asset of the Hong Kong Talent is its interest in its subsidiary in the PRC and 100% indirect attributable interests in a commercial property located at Room A, Floor 13, Noble Center, Fuzhong San Road, Futian District, Shenzhen, the PRC, with a total gross floor area of approximately 321.35 square metres. The acquisition of the Hong Kong Talent was completed on 31 August 2009.

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

(vi) Segment information

The Remaining 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 of the Remaining Group for the year ended 31 March 2010 are as follows:

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

(b) The property investment segment comprised investment in various properties for rental income purposes.

For the year ended 31 March 2010, the trading segment and the property investment segment of the Remaining Group recorded reportable segment revenue amounted to approximately HK$0.90 million (including intra-group inter-segment revenue of approximately HK$0.01 million) and approximately HK$14.21 million respectively, and reportable segment assets amounted to approximately HK$8.95 million and approximately HK$25.61 million respectively.

(vii) Number of employees and remuneration policies

As at 31 March 2010, the Remaining Group had around 27 employees in Hong Kong and the PRC. Employee benefits expenses (excluding directors' remuneration) amounted to approximately HK$7.05 million for the year 31 March 2010. Individual's emolument which are reviewed periodically, are based on his/her performance, qualifications and experience, and with reference to the prevailing salary trends in the respective regions.

In addition, the Remaining Group maintains a share option scheme for the purpose of providing incentives and rewards to eligible participants based on their contributions to the Group. Other benefits include contributions to retirement scheme.

(viii) Charges on the Remaining Group's assets

There was no charge on the Remaining Group's assets as at 31 March 2010.

(ix) Future plans for material investments

As at the Latest Practicable Date, there are no proposed material investments of the Remaining Group.

The Remaining Group will continue to seek for any other possible investment projects with market potential to broaden the revenue stream to the Company in the near future for the benefit of the Shareholders and the Company.

(x) Exposure to exchange rates

The reporting currencies of the Remaining Group is HK$.

The Remaining Group has transactional currency exposures. Such exposures arise from the business operations in the PRC denominated in the RMB and the equity investments denominated in the US$. As at the Latest Practicable Date, the Remaining Group had a minimal exposure to foreign currency risk as most of its business transactions, assets and liabilities were principally denominated in the functional currencies, i.e. RMB, used by the Remaining Group entities or in the US$ for HK$ functional currencies Remaining Group Entities.

As HK$ is pegged to US$, the Remaining Group considers the risk of movements in exchange rates between HK$ and US$ to be insignificant for transactions denominated in US$. 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 the Latest Practicable Date, the Remaining Group does not have a foreign currency hedging policy in respect of its foreign currency assets and liabilities. The Remaining 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 Remaining Group adopts a conservative treasury policy with most of the bank deposits being kept in HK$ or RMB, or in the local currencies of the operating subsidiaries to minimize exposure to foreign exchange risks.

As at the Latest Practicable Date, the Remaining Group had no investment in any financial derivatives, foreign exchange contracts, interest or currency swaps, hedgings or other financial arrangements for hedging purposes to reduce any currency risk nor made any over-the counter contingent forward transactions.

(xi) Contingent liabilities

There were no material contingent liabilities of the Remaining Group as at 31 March 2010.

(xii) Gearing

As at 31 March 2010, save for the outstanding convertible bonds of approximately HK$2.83 million, carried at its amortised costs, the Remaining Group had no other long-term liabilities and bank borrowing. As at 31 March 2010, the Remaining Group's gearing ratio (being the unaudited pro forma consolidated total liabilities of approximately HK$6.60 million over the total shareholders' equity of approximately HK$173.12 million) was approximately 3.81%.

SPECIAL GENERAL MEETING

A notice convening the SGM to be held at Room 3308, The Center, 99 Queen's Road Central, Central, Hong Kong on Thursday, 12 August 2010 at 11:30 a.m. is set out on pages 55 to 56 of this circular.

A form of proxy for use at the SGM is enclosed with this circular. Whether or not you intend to attend and vote at such meeting, you are requested to complete and return the enclosed form of proxy to the Company's branch share registrar in Hong Kong, Tricor Tengis Limited at 26/F, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for holding the SGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjournment thereof should you so wish.

RECOMMENDATION

The Directors believe that the Proposed Disposal is fair and reasonable and is in the interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of the resolution to be proposed at the SGM.

ADDITIONAL INFORMATION

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

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

REVIEWED FINANCIAL INFORMATION

Set out below are the consolidated statements of comprehensive income, consolidated statements of financial position, consolidated statements of changes in equity, and consolidated statements of cash flows of the Target Group for the period from 12 April 2007 (date of incorporation) to 31 March 2008 and for the years ended 31 March 2009 and 31 March 2010 (the "Relevant Periods") (as adjusted to bring into line any dissimilar accounting policies that may exist), which were extracted from the financial information of the Target Group for the Relevant Periods and were reviewed by the Company's auditors, BDO Limited, in accordance with Hong Kong Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Period from 12 April 2007 (date of incorporation) to 31 March 2008	Year ended 31 March 2009	Year ended 31 March 2010
	HK$'000	*HK$'000*	*HK$'000*
Turnover	35,071	127,705	150,040
Cost of sales	(31,669)	(83,774)	(137,762)
Gross profit	3,402	43,931	12,278
Impairment loss on intangible assets, net	–	(1,160,219)	(54,561)
Excess of the Target Group's share of net fair value of the interests in subsidiaries acquired over the cost of the acquisition	50,777	–	–
Other income and gains	152	336	1,327
Selling and distribution costs	(421)	(1,192)	(1,642)
Administrative expenses	(1,822)	(10,646)	(10,498)
Finance costs	(829)	(693)	(268)
Profit/(loss) before income tax	51,259	(1,128,483)	(53,364)
Income tax	1,974	292,141	9,888
Profit/(loss) for the period/year	53,233	(836,342)	(43,476)
Other comprehensive income for the period/year:			
Exchange differences on translation of financial statements of overseas subsidiaries	63,232	(46,794)	(2,670)
Total comprehensive income for the period/year attributable to owners of the Target	116,465	(883,136)	(46,146)

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	As at 31 March 2008 *HK$'000*	As at 31 March 2009 *HK$'000*	As at 31 March 2010 *HK$'000*
ASSETS AND LIABILITIES			
NON-CURRENT ASSETS			
Property, plant and equipment	16,921	37,974	23,626
Intangible assets	1,430,193	187,385	122,345
Security deposit	–	–	1,844
	1,447,114	225,359	147,815
CURRENT ASSETS			
Inventories	2,877	49,494	63,407
Accounts and bills receivable	75,802	11,909	11,377
Prepayments, deposits and other receivables	32,870	13,870	1,828
Amount due from a fellow subsidiary of a minority beneficial owner	–	–	81
Cash and cash equivalents	4,266	43,362	13,632
	115,815	118,635	90,325
CURRENT LIABILITIES			
Accounts and bills payable	44,842	18,415	20,192
Accrued expenses and other payables	24,360	28,127	12,776
Loan from a minority beneficial owner	–	–	28,500
Amount due to ultimate holding company	8	–	–
Amount due to immediate holding company	1,010,714	987,727	–
Amount due to a fellow subsidiary	–	23,000	–
Amount due to a director and a shareholder of ultimate holding company	11,430	–	–
Current tax payable	–	1,712	–
	1,091,354	1,058,981	61,468
NET CURRENT (LIABILITIES)/ASSETS	(975,539)	(940,346)	28,857
TOTAL ASSETS LESS CURRENT LIABILITIES	471,575	(714,987)	176,672
NON-CURRENT LIABILITIES			
Deferred tax liabilities	355,110	45,083	29,092
Provision for close down, restoration and environmental costs	–	6,600	1,790
	355,110	51,683	30,882
NET ASSETS/(LIABILITIES)	116,465	(766,670)	145,790
CAPITAL AND RESERVES			
Issued capital	–	1	1
Reserves	116,465	(766,671)	145,789
TOTAL EQUITY	116,465	(766,670)	145,790

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Issued capital	Capital reserve	Statutory reserve fund	Exchange reserve	Retained profits/ (accumulated losses)	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Issue of shares at date of incorporation	–	–	–	–	–	–
Total comprehensive income for the period	–	–	–	63,232	53,233	116,465
Appropriation	–	–	862	–	(862)	–
Balance at 31 March and 1 April 2008	–	–	862	63,232	52,371	116,465
Total comprehensive income for the year	–	–	–	(46,794)	(836,342)	(883,136)
Issue of new shares	1	–	–	–	–	1
Appropriation	–	–	3,994	–	(3,994)	–
Balance at 31 March and 1 April 2009	1	–	4,856	16,438	(787,965)	(766,670)
Total comprehensive income for the year	–	–	–	(2,670)	(43,476)	(46,146)
Waiver of amount due to the former immediate holding company of the Target	–	958,606	–	–	–	958,606
Appropriation	–	–	8,116	–	(8,116)	–
Balance at 31 March 2010	1	958,606	12,972	13,768	(839,557)	145,790

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Period from 12 April 2007 (date of incorporation) to 31 March 2008 *HK$'000*	Year ended 31 March 2009 *HK$'000*	Year ended 31 March 2010 *HK$'000*
Cash flow from operating activities			
Profit/(loss) before income tax	51,259	(1,128,483)	(53,364)
Adjustments for:			
Impairment loss on intangible assets, net	–	1,160,219	54,561
Impairment loss on inventories	–	–	16,800
Excess of the Target Group's share of net fair value of the interests in subsidiaries acquired over the cost of the acquisition	(50,777)	–	–
Depreciation	406	2,640	2,315
Amortisation of intangible assets	9,599	17,939	6,414
Loss/(gain) on disposal of property, plant and equipment	–	765	(1,036)
Provision for close down, restoration and environmental costs	–	6,600	–
Interest income	(33)	(117)	(112)
Finance costs	829	693	268
	11,283	60,256	25,846
Increase in security deposit	–	–	(1,844)
Increase in inventories	(2,582)	(46,617)	(30,713)
(Increase)/decrease in accounts and bills receivable	(44,499)	63,893	532
(Increase)/decrease in prepayments, deposits and other receivables	(4,729)	19,000	12,042
Increase in amount due from a fellow subsidiary of a minority beneficial owner	–	–	(81)
Increase/(decrease) in accounts and bills payable	35,425	(26,427)	1,777
(Decrease)/increase in accrued expenses and other payables	(4,461)	3,767	(15,351)
Decrease in amount due to immediate holding company	(25)	(22,987)	(621)
Increase/(decrease) in amount due to a director and a shareholder of ultimate holding company	11,430	(11,430)	–
Increase/(decrease) in amount due to a fellow subsidiary	–	23,000	(598)
Increase/(decrease) in amount due to ultimate holding company	8	(8)	–
Decrease in provision for close down, restoration and environmental costs	–	–	(4,820)
Cash generated from/(used in) operations	1,850	62,447	(13,831)
Interest received	33	117	112
Interest paid	(829)	(693)	(268)
Tax paid	–	–	(6,739)
Net cash inflow/(outflow) from operating activities	1,054	61,871	(20,726)

	Period from 12 April 2007 (date of incorporation) to 31 March 2008 *HK$'000*	Year ended 31 March 2009 *HK$'000*	Year ended 31 March 2010 *HK$'000*
Cash flow from investing activities			
Acquisition of subsidiaries	2,407	–	–
Purchase of items of property, plant and equipment	(1,235)	(26,723)	(8,838)
Direct costs on disposal of property, plant and equipment	–	–	(385)
Proceeds from disposal of property, plant and equipment	–	2,558	–
Additions to intangible assets	(38)	–	–
Net cash inflow/(outflow) from investing activities	1,134	(24,165)	(9,223)
Cash flow from financing activity			
Proceeds from issue of new shares	–	1	–
Net cash inflow from financing activity	–	1	–
Net increase/(decrease) in cash and cash equivalents	2,188	37,707	(29,949)
Cash and cash equivalents at beginning of period/year	–	4,266	43,362
Effect of foreign exchange rate changes, net	2,078	1,389	219
Cash and cash equivalents at end of period/year	4,266	43,362	13,632
Analysis of the balances of cash and cash equivalents			
Cash and cash equivalents	4,266	43,362	13,632

(1) UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE REMAINING GROUP

The accompanying illustrative and unaudited pro forma financial information (the "Unaudited Pro Forma Financial Information"), including the unaudited pro forma consolidated statement of financial position, the unaudited pro forma consolidated income statement, the unaudited pro forma consolidated statement of comprehensive income and the unaudited pro forma consolidated statement of cash flows, has been prepared on the basis of the notes set out below for the purpose of illustrating the effect of the proposed disposal (the "Proposed Disposal") of the 49% equity interests in Star Fortune International Investment Company Limited and its subsidiaries, which are currently indirect 49%-owned associates of the Group (collectively referred to as the "Disposal Group"), by the Group (defined below) as if the Proposed Disposal had been completed on 31 March 2010 for the unaudited pro forma consolidated statement of financial position, and on 1 April 2009 for the unaudited pro forma consolidated income statement, the unaudited pro forma consolidated statement of comprehensive income and the unaudited pro forma consolidated statement of cash flows. Ming Kei Holdings Limited (the "Company") and its subsidiaries are collectively referred to as the Group. The Group without the Disposal Group is referred to as the Remaining Group. Terms used herein shall have the same meanings as defined in the Circular unless stated otherwise.

The Unaudited Pro Forma Financial Information is based on a number of assumptions, estimates, uncertainties and currently available information, and is provided for illustrative purposes. Accordingly, as a result of the uncertain nature of the accompanying Unaudited Pro Forma Financial Information of the Remaining Group, it may not give a true picture of the actual financial position or results of the Remaining Group's operations that would have been attained had the Proposed Disposal actually occurred on the dates indicated herein. Further, the accompanying Unaudited Pro Forma Financial Information does not purport to predict the Remaining Group's future financial position or results of operations.

(I) Unaudited Pro Forma Consolidated Statement of Financial Position of the Remaining Group

As at 31 March 2010

The unaudited pro forma consolidated statement of financial position is prepared based on the audited consolidated statement of financial position of the Group as at 31 March 2010 which has been extracted from the audited consolidated financial statements of the Group as set out in the annual report of the Company for the year ended 31 March 2010, and adjusted to reflect the effect of the Proposed Disposal.

As the unaudited pro forma consolidated statement of financial position of the Remaining Group was prepared for illustrative purpose only and because of its nature, it may not give a true picture of the financial position of the Remaining Group as at the date to which it is made up to or at any future date.

	The Group	Pro forma adjustments		The Remaining Group
	HK$'000	*HK$'000*	*Notes*	*HK$'000*
ASSETS AND LIABILITIES				
Non-current assets				
Property, plant and equipment	19,178			19,178
Investment properties	23,136			23,136
Interests in associates	71,437	(71,437)	*1*	–
Available-for-sale financial assets	10,560			10,560
	124,311			52,874
Current assets				
Accounts and bills receivable	4,880			4,880
Prepayments, deposits and other receivables	6,184	28,500	*3*	34,684
Escrow money receivable	10,000	(10,000)	*4*	–
Loan to an associate	28,500	(28,500)	*3*	–
Cash and cash equivalents	33,277	44,000	*2*	87,277
		10,000	*4*	
	82,841			126,841
Current liabilities				
Accrued expenses and other payables	3,683	81	*3*	3,764
Amount due to an associate	81	(81)	*3*	–
	3,764			3,764
Net current assets	79,077			123,077
Total assets less current liabilities	203,388			175,951
Non-current liabilities				
Convertible bonds	2,834			2,834
	2,834			2,834
Net assets	200,554			173,117
CAPITAL AND RESERVES				
Issued capital	664			664
Reserves	199,890	(27,437)	2	172,453
Total equity	200,554			173,117

(II) Unaudited Pro Forma Consolidated Income Statement and Unaudited Pro Forma Consolidated Statement of Comprehensive Income of the Remaining Group

For the year ended 31 March 2010

The unaudited pro forma consolidated income statement and the unaudited pro forma consolidated statement of comprehensive income are prepared based on the audited consolidated income statement and the audited consolidated statement of comprehensive income of the Group for the year ended 31 March 2010 which have been extracted from the audited consolidated financial statements of the Group as set out in the annual report of the Company for the year ended 31 March 2010, and adjusted to reflect the effect of the Proposed Disposal.

As the unaudited pro forma consolidated income statement and the unaudited pro forma consolidated statement of comprehensive income of the Remaining Group were prepared for illustrative purpose only and because of its nature, it may not give a true picture of the results of operations of the Remaining Group for the year ended to which it is made up to or for any future period.

	The Group	**Pro forma adjustments**		**The Remaining Group**
	HK$'000	*HK$'000*	*Notes*	*HK$'000*
Turnover	78,557	(63,461)	*5*	15,096
Cost of sales	(65,880)	52,153	*5*	(13,727)
Direct operating expenses	(189)			(189)
Gross profit	12,488			1,180
Other income and gains	369	(80)	*5*	289
Selling and distribution costs	(510)	510	*5*	–
Administrative and other expenses	(42,328)	5,378	*5*	(36,950)
Finance costs	(4,516)	50	*5*	(4,466)
Share of results of associates	(23,364)	23,364	*6*	–
Loss on disposal of subsidiaries	(6,883)	6,883	*5*	(48,689)
		(5,737)	*7*	
		(42,952)	*8*	
Impairment loss on property, plant and equipment	(1,127)			(1,127)
Fair value loss on investment properties	(3,356)			(3,356)
Loss before income tax	(69,227)			(93,119)
Income tax	(1,852)	1,749	*5*	(103)
Loss for the year	(71,079)			(93,222)

	The Group *HK$'000*	Pro forma adjustments *HK$'000*	*Notes*	The Remaining Group *HK$'000*
Loss for the year	(71,079)			(93,222)
Other comprehensive income for the year, net of tax:				
– Change in fair value of available-for-sale financial assets	1,429			1,429
– Reclassification adjustment of fair value gain included in profit or loss on disposal of available-for-sale financial assets	(25)			(25)
– Exchange differences on translation of financial statements of overseas subsidiaries	333	(276)	*5*	57
– Reclassification adjustment of release of exchange reserve on disposal of interests in overseas subsidiaries	(8,524)	8,524	*5*	(16,438)
		(8,383)	*7*	
		(8,055)	*8*	
– Exchange differences on translation of financial statements of overseas associates	(1,443)	1,443	*6*	–
Total comprehensive income for the year	(79,309)			(108,199)

(III) Unaudited Pro Forma Consolidated Statement of Cash Flows of the Remaining Group

For the year ended 31 March 2010

The unaudited pro forma consolidated statement of cash flows is prepared based on the audited consolidated statement of cash flows of the Group for the year ended 31 March 2010 which has been extracted from the audited consolidated financial statements of the Group as set out in the annual report of the Company for the year ended 31 March 2010, and adjusted to reflect the effect of the Proposed Disposal.

As the unaudited pro forma consolidated statement of cash flows of the Remaining Group was prepared for illustrative purpose only and because of its nature, it may not give a true picture of the cash flows of the Remaining Group for the year ended to which it is made up to or for any future period.

	The Group	Pro forma adjustments		The Remaining Group
	HK$'000	*HK$'000*	*Notes*	*HK$'000*
Cash flows from operating activities				
Loss before tax	(69,227)	1,433	5	(93,119)
		23,364	6	
		(5,737)	7	
		(42,952)	8	
Adjustments for:				
Loss on disposal of subsidiaries	6,883	(6,883)	5	48,689
		5,737	7	
		42,952	8	
Impairment loss on property, plant and equipment	1,127			1,127
Fair value loss on investment properties	3,356			3,356
Share of results of associates	23,364	(23,364)	6	–
Depreciation	3,363	(666)	5	2,697
Amortisation of intangible assets	2,243	(2,243)	5	–
Share-based payments	2,294			2,294
Gain on disposal of available-for-sale financial assets	(25)			(25)
Interest income	(289)	27	5	(262)
Finance costs	4,516	(50)	5	4,466
	(22,395)			(30,777)

	The Group	Pro forma adjustments	Notes	The Remaining Group
	HK$'000	*HK$'000*		*HK$'000*
Increase in inventories	(20,803)	20,803	*5*	–
Increase in accounts and bills receivable	(16,555)	11,675	*5*	(4,880)
Decrease in prepayments, deposits and other receivables	12,626	(7,446)	*5*	5,180
Increase in amount due to an associate	81	(81)	*3*	–
Increase in accounts and bills payable	13,945	(13,945)	*5*	–
(Decrease)/increase in accrued expenses and other payables	(871)	4,143	*5*	3,353
		81	*3*	
Cash used in operations	(33,972)			(27,124)
Interest received	289	(27)	*5*	262
Tax paid	(1,712)	1,712	*5*	–
Interest paid	(51)	50	*5*	(1)
Net cash used in operating activities	(35,446)			(26,863)
Cash flows from investing activities				
Acquisition of subsidiaries	(18,583)			(18,583)
Disposal of subsidiaries	42,304	(42,304)	*5*	31,963
		31,963	*9*	
Purchase of an investment property	(9,104)			(9,104)
Purchases of property, plant and equipment	(2,483)	2,397	*5*	(86)
Proceeds from disposal of available-for-sale financial assets	2,557			2,557
Proceeds from disposal of associates	–	44,000	*2*	44,000
Investment in available-for-sale financial assets	(10,228)			(10,228)
Deposits refunded from possible acquisition of subsidiaries	21,500			21,500
Receipt of escrow money receivable	–	10,000	*4*	10,000
Net cash generated from investing activities	25,963			72,019

	The Group	Pro forma adjustments		The Remaining Group
	HK$'000	*HK$'000*	*Notes*	*HK$'000*
Cash flows from financing activities				
Proceeds from issue of shares on exercise of share options	7,276			7,276
Direct cost on early redemption of promissory note	(517)			(517)
Proceeds from issue of warrants	1,734			1,734
Repayment of principal of promissory notes	(20,000)			(20,000)
Net cash used in financing activities	(11,507)			(11,507)
Net (decrease)/increase in cash and cash equivalents	(20,990)			33,649
Cash and cash equivalents at beginning of year	54,176			54,176
Effect of foreign exchange rate, net	91	(79)	*5*	12
Cash and cash equivalents at end of year	33,277			87,837
Analysis of the balances of cash and cash equivalents				
Cash and cash equivalents	33,277			87,837

(IV) Notes to the Unaudited Pro Forma Financial Information of the Remaining Group:

(1) The adjustment reflects the effect of the Proposed Disposal on the consolidated statement of financial position of the Group as if the Proposed Disposal had been completed on 31 March 2010.

(2) The adjustment reflects the net cash consideration of HK$44,000,000, which is derived from the gross cash proceeds of HK$50,000,000 based on the terms stated in the Disposal Agreement, less estimated legal and professional fees and other direct costs of HK$6,000,000, which resulted in an estimated loss on the Proposed Disposal of HK$20,690,000 as compared to the net carrying value of the Disposal Group of HK$71,437,000 as at 31 March 2010, net of the reclassification of exchange reserve contributed by the Disposal Group of approximately HK$6,747,000 as at 31 March 2010, to the profit or loss upon the Proposed Disposal.

(3) The adjustment reflects the re-classification of the loan to an associate amounting to HK$28,500,000 to prepayments, deposits and other receivables, and amount due to an associate amounting to HK$81,000 to accrued expenses and other payables assuming the Proposed Disposal had been completed and after which the Disposal Group ceased to be the associates of the Group.

(4) The total consideration for the Former Disposal net of the estimated legal and professional fees and other direct costs amounted to HK$84,765,000, out of which, the remaining consideration of HK$10,000,000 would be released by the escrow agent to the Group upon the fulfilment of the Former Performance Guarantee.

The adjustment reflects the receipt of the remaining consideration of the Former Disposal by the Remaining Group in the amount of HK$10,000,000 from the escrow agent, assuming that the Former Performance Guarantee for the First Annual Period and the Second Annual Period had been met and waived respectively.

(5) The adjustment reflects the exclusion of results and cash flows attributable to the Disposal Group as subsidiaries of the Company prior to the completion of the Former Disposal, i.e. for the period from 1 April 2009 to 3 July 2009, as if the Former Disposal had been completed on 1 April 2009. The actual net cash inflow from the Former Disposal is also reversed, which is replaced by the unaudited pro forma net cash inflow from the Former Disposal as mentioned in Note 9 below.

(6) The adjustment reflects the exclusion of results and cash flows attributable to the Disposal Group as associates of the Company after the completion of the Former Disposal, i.e. for the period from 4 July 2009 to 31 March 2010, as if the Proposed Disposal had been completed on 1 April 2009.

(7) The adjustment reflects the estimated loss on the Former Disposal of approximately HK$5,737,000, assuming that the Former Disposal had taken place on 1 April 2009, which is calculated by taking into account (i) the carrying value of 51% equity interest of the Disposal Group of HK$98,885,000 with reference to its net assets value (after adjustment for the effect of a group reorganisation before completion of the Former Disposal) of approximately HK$193,892,000 as at 1 April 2009 disposed of assuming that the Former Disposal had been completed at 1 April 2009; (ii) the realisation of exchange reserve in the amount of HK$8,383,000 being 51% of the exchange reserve of approximately HK$16,438,000 attributable to the Disposal Group as at 1 April 2009; and (iii) the estimated net consideration of HK$84,765,000 in the Former Disposal.

(8) The adjustment reflects the estimated loss of approximately HK$42,952,000 on the Proposed Disposal, assuming that the Proposed Disposal had taken place on 1 April 2009, which is calculated by taking into account (i) the carrying value of 49% equity interest of the Disposal Group of HK$95,007,000 with reference to its net assets value (after adjustment for the effect of a group reorganisation before completion of the Former Disposal) of approximately HK$193,892,000 as at 1 April 2009 disposed of assuming that the Proposed Disposal had been completed at 1 April 2009; (ii) the realisation of exchange reserve in the amount of HK$8,055,000 being 49% of the exchange reserve of approximately HK$16,438,000 attributable to the Disposal Group as at 1 April 2009; and (iii) the estimated net cash consideration of HK$44,000,000 as mentioned in Note 2 above.

(9) The adjustment reflects the net cash inflow amounting to approximately HK$31,963,000 resulting from the Former Disposal, assuming that the Former Disposal had taken place on 1 April 2009, which is calculated by taking into account (i) the estimated net cash consideration received for the Former Disposal of HK$74,765,000, being the aggregate amount of net consideration in the amount of HK$84,765,000 less HK$10,000,000 to be received from escrow agent (Note 4); and (ii) the cash and bank balance of the Disposal Group (after adjustment for the effect of a group reorganisation before completion of the Former Disposal) of approximately HK$42,802,000 as at 1 April 2009 (being the cash and bank balance of the Disposal Group of HK$43,362,000 less cash settlement of current accounts of HK$560,000 by the Disposal Group to the Remaining Group as part of the group reorganisation) disposed of assuming that the Former Disposal had been completed at 1 April 2009.

(2) REPORT ON UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE REMAINING GROUP

The following is the text of an accountants' report from BDO Limited, the reporting accountants of the Company, in respect of the unaudited pro forma financial information of the Remaining Group as set out in this Appendix and prepared for the sole purpose of inclusion in this circular.

BDO

Tel: +852 2541 5041
Fax: +852 2815 2239
www.bdo.com.hk

電話：+852 2541 5041
傳真：+852 2815 2239
www.bdo.com.hk

25th Floor Wing On Centre
111 Connaught Road Central
Hong Kong

香港干諾道中111號
永安中心25樓

23 July 2010

The Board of Directors
Ming Kei Holdings Limited
Room 3308, The Center,
99 Queen's Road Central,
Hong Kong

Dear Sirs,

We report on the unaudited pro forma financial information (the "Unaudited Pro Forma Financial Information") of Ming Kei Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") in connection with the proposed disposal of the 49% equity interests in Star Fortune International Investment Company Limited and its subsidiaries (the "Proposed Disposal"), which are currently indirect 49%-owned associates of the Group (collectively referred to as the "Disposal Group"), which have been prepared by the directors of the Company, solely for illustrative purposes only, to provide information about how the Group's Proposed Disposal, might have affected the financial information of the Group, for inclusion in Appendix II of the circular of the Company dated 23 July 2010 (the "Circular"). The Group without the Disposal Group is referred to as the Remaining Group. The basis of preparation of the Unaudited Pro Forma Financial Information is set out in Appendix II to the Circular.

Respective Responsibilities of Directors of the Company and Reporting Accountants

It is the responsibility solely of the directors of the Company to prepare the Unaudited Pro Forma Financial Information in accordance with Chapter 7 of the Rules Governing the Listing of Securities on Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the "GEM Listing Rules") and with reference to Accounting Guideline 7 "Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

It is our responsibility to form an opinion, as required by Chapter 7 of the GEM Listing Rules, on the Unaudited Pro Forma Financial Information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Unaudited Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

Basis of Opinion

We conducted our engagement in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 300 "Accountants' Reports on Pro Forma Financial Information in Investment Circulars" issued by the HKICPA. Our work, which involved no independent examination of any of the underlying financial information, consisted primarily of comparing the unadjusted financial information with the source documents, considering the evidence supporting the adjustments and discussing the Unaudited Pro Forma Financial Information with the directors of the Company.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Unaudited Pro Forma Financial Information has been properly compiled by the directors of the Company on the basis stated, that such basis is consistent with the accounting policies of the Group and that the adjustments are appropriate for the purposes of the Unaudited Pro Forma Financial Information as disclosed pursuant to Chapter 7 of the GEM Listing Rules.

The Unaudited Pro Forma Financial Information is for illustrative purpose only, based on the judgements and assumptions of the directors of the Company, and, because of its hypothetical nature, does not provide any assurance or indication that any event will take place in the future and may not be indicative of:

- the financial position of the Remaining Group as at 31 March 2010 or any future date; or
- the financial results and cash flows of the Remaining Group for the year ended 31 March 2010 or for any future period.

Opinion

In our opinion:

(a) the Unaudited Pro Forma Financial Information has been properly compiled by the directors of the Company on the basis stated;

(b) such basis is consistent with the accounting policies of the Group; and

(c) the adjustments are appropriate for the purposes of the Unaudited Pro Forma Financial Information as disclosed pursuant to Chapter 7 of the GEM Listing Rules.

Yours faithfully,
For and on behalf of
BDO Limited
Certified Public Accountants
Hong Kong

Lam Siu Fung
Practising Certificate number: P05308

1. INDEBTEDNESS

Borrowings

As at the close of business on 31 May 2010, being the latest practicable date for the purposes of preparing this indebtedness statement prior to the printing of this circular, the Group has no outstanding borrowings at 31 May 2010.

Commitments

As at 31 May 2010, the Group had total future minimum lease payments under non-cancellable operating leases for its office premises and falling due as follows:

	HK$'000
Within one year	2,145
In the second to fifth years, inclusive	3,510
	5,655

Disclaimer

Save as aforesaid or as otherwise mentioned herein, and apart from intragroup liabilities, the Group did not have any outstanding mortgages, charges, debentures, loan capital and overdraft, debt securities or other similar indebtedness, finance leases or hire purchase commitment, liabilities under acceptances or acceptance credits or any guarantees or other material contingent liabilities as at the close of business on 31 May 2010 being the latest practicable date for the purpose of this statement of indebtedness prior to printing of the circular.

Save as aforesaid, the Directors are not aware of any material changes in the indebtedness and contingent liabilities of the Group since 31 May 2010, the date to which the indebtedness statement is made and up to the Latest Practicable Date.

2. WORKING CAPITAL

The Directors, after due and careful consideration, are of the opinion that, in the absence of unforeseen circumstances, and taking into consideration the financial resources available to the Remaining Group including the Remaining Group's internal financial resources and the net proceeds to be received by the Remaining Group as a result of the Proposed Disposal, the Remaining Group will have sufficient working capital for its present requirements for the next twelve months from the date of this circular.

3. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors are not aware of any material adverse change in the financial or trading position of the Group since 31 March 2010, the date to which the latest published audited financial statements of the Group were made up.

4. FINANCIAL AND TRADING PROSPECTS

The Group is principally engaged in investment holding and property investment in Hong Kong and the PRC and business of general trading in the PRC respectively.

Upon completion of the Proposed Disposal, the Remaining Group engages in (i) the business of property investment in Hong Kong and the PRC; and (ii) general trading in the PRC respectively.

(i) Business in general trading

Products available by the Group are construction and decoration materials, electronics appliances and components as well as motor vehicles components respectively. Products traded by the trading company are mainly telecommunication equipments which are normally used/assembled in large scale point-to-point telecommunication data transmission/linkage and storage system, such as communication and monitoring system between the headquarter and local offices for certain kinds of business-to-business (B2B) or acting as channel of daily transportation network. The trading business of the Group commenced in October 2009 and is still in its development stage. As at the Latest Practicable Date, the Group has entered into three letters of intent with one new and two different existing customers respectively (collectively referred to as the "Trading Customers") for long term acquisition contracts with the aggregate amounts of RMB28 million starting from the period of 1 July 2010 to 30 June 2011 for different electronic appliances. As some of the customers of the Trading Customers are state-owned enterprises, the secure of the long terms acquisition contracts will strengthen the stability of the trading business of the Company.

The Group believes that the demand of those large scale telecommunication equipments would be increased sharply in the near future and such business will enjoy ample potential opportunities as (i) Beijing's economy continue to grow rapidly after the Olympics Games in year 2008; (ii) many new multi-national corporations and local corporations' headquarter have been established and are expanding in Beijing; (iii) the frequent communication between the government departments/businesses/households in Beijing and other cities; (iv) rapid modernization and urbanization of rural area around Beijing which increase the demand of the telecommunication equipments; (v) continuous infrastructure and construction projects in Beijing, the PRC; and vi) the recent announcement of the 3 net combined (三網融合) policy by the PRC Government will stimulate the demand of large scale telecommunication equipments.

In addition, the Group's current supplier is a state-owned enterprise which (i) provides products which are of high and reliable qualities; and (ii) offers all components involved in those telecommunication systems which reduces the cost of purchase. We have established a close relationship with our supplier, which facilitates our business operation and enable us to provide our customers with reliable source of products.

In order to reduce the impact of global financial crisis on the PRC economy, the PRC government had announced important measures for boosting internal demand, increasing investment and stimulating domestic consumption, together with its practice of proactive fiscal policies and loose monetary policies. In view of such measures made by the PRC government, the Directors are optimistic about the prospect of its trading business within the PRC, and are confident that it will contribute positively to the business of the Group. In the future, the Company will further negotiate with different potential suppliers and/or customers for sourcing of products and expanding its clientele. With the increase in sales demand, the Group expects that better discount will be granted by the supplier when negotiate for sourcing of the products. As such, the Company expects a higher gross profit margin will be obtained.

(ii) Business in property investment

Though the rising trend of the property market in Hong Kong and the PRC has been slowed down and price of the properties in Hong Kong and the PRC has been adjusted downward recently due to the regulations and policies imposed by Hong Kong and the PRC government towards the property market, the Directors will continue to explore opportunities to invest in good quality properties in both Hong Kong and the PRC to strengthen its property investment business.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particular given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and is not misleading or deceptive and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DISCLOSURE OF INTERESTS

(a) Directors' and chief executives' interests and short positions in shares, underlying shares and debentures

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

(i) Interest in Shares:

Name	Number or attributable number of Shares held or short positions	Nature of interests	Approximate percentage or attributable percentage of shareholding
Ming Kei International Holding Co. Limited ("**Ming Kei International**") *(Note 1)*	10,360,838 (L)	Beneficial owner	13.05
Mr. Wong Wai Sing *(Note 2)*	10,360,838 (L)	Interest of controlled corporation	13.05
	252,200 (L)	Beneficial owner	0.32
Lonestar Group Limited ("**Lonestar**") *(Note 3)*	200,000 (L)	Beneficial owner	0.25

Name	Number or attributable number of Shares held or short positions	Nature of interests	Approximate percentage or attributable percentage of shareholding
Mr. Tsang Ho Ka, Eugene *(Note 4)*	200,000 (L)	Interest of controlled corporation	0.25
Ms. Lau Kimberly Siu Yan Kaiulani *(Note 5)*	200,000 (L)	Interest of spouse	0.25

(L): Long Position

Notes:

1. Ming Kei International is wholly and beneficially owned by Mr. Wong Wai Sing, a non-executive Director and a sole executive director of Ming Kei International. Therefore Mr. Wong Wai Sing is deemed to be interested in the shares of Ming Kei International.

2. Ming Kei International is wholly and beneficially owned by Mr. Wong Wai Sing, therefore, Mr. Wong Wai Sing, is deemed to be interested in 10,360,838 Shares in which Ming Kei International is interested.

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

4. Lonestar is wholly and beneficially owned by Mr. Tsang Ho Ka, Eugene, therefore, Mr. Tsang Ho Ka, Eugene is deemed to be interested in the 200,000 Shares in which Lonestar is interested.

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

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

(b) Substantial Shareholders' and other persons' interests in Shares and underlying shares

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

Name of Shareholder	Number or attributable number of Shares held or short positions	Nature of interests	Approximate percentage or attributable percentage of shareholding
Ming Kei International Holding Co. Limited ("**Ming Kei International**") *(Note 1)*	10,360,838 (L)	Beneficial owner	13.05
Mr. Wong Wai Sing *(Note 2)*	10,360,838 (L)	Interest of controlled corporation	13.05
	252,200 (L)	Beneficial owner	0.32
Wong Ka Man	9,000,000 (L)	Beneficial owner	11.33

(L): Long Position

Notes:

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

2. Ming Kei is wholly and beneficially owned by Mr. Wong Wai Sing, therefore, Mr. Wong Wai Sing, is deemed to be interested in 10,360,838 Shares in which Ming Kei is interested.

Save as disclosed above, as at the Latest Practicable Date, the Directors and the chief executive of the Company were not aware of any other person (other than the Directors and the chief executive of the Company) who had, or was deemed to have, interests or short positions in the shares or underlying shares of the Company (including any interests in options in respect of such capital), which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who was directly or indirectly interested in 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.

3. MATERIAL CONTRACTS

The following contracts (not being contracts in the ordinary course of business) have been entered into by the Company or any of its subsidiaries within the two years immediately preceding the date of this circular and are or may be material:

(a) the sale and purchase agreement dated 3 July 2007 entered into between Star Fortune International Investment Company Limited (星力富鑫國際投資有限公司), an indirect wholly-owned subsidiary of the Company as purchaser and Ming Kei International (明基國際集團有限公司), Mr. Wong Wai Ngok and Mr. Wong Wai Sing collectively as vendors regarding the sale and purchase of the entire equity interests in Ming Kei Kai Yuan Investment Company Limited and a supplemental agreement dated 30 April 2009;

(b) the placing letter dated 4 August 2008 entered into between the Company and Partners Capital Securities Limited pursuant to which, Partners Capital Securities Limited, as placing agent to Wing Hing International (Holdings) Limited, had agreed to procure Wing Hing International (Holdings) Limited, as the issuer to allot and issue and the Company had agreed to subscribed in cash for 1,600,000 subscription shares for a total subscription price of HK$2,288,000;

(c) the supplement deed dated 13 February 2009 entered into between the Company and Ming Kei International, pursuant to which, Ming Kei International had agreed to waive part of the promissory note issued from the Company to Ming Kei International with an aggregate principal amount of HK$49,200,000 and replaced and substituted with a new promissory note with an aggregate principal amount of HK$120,000,000;

(d) the deed of waiver dated 13 February 2009 entered into between the Company and Ming Kei International, pursuant to which, Ming Kei International had agreed to waive part of the promissory note issued from the Company to Ming Kei International with an aggregate principal amount of HK$49,200,000 and replaced and substituted with a new promissory note with an aggregate principal amount of HK$120,000,000 (the "Revised Promissory Note"). At the same time, the Company amended the interest rate of the Revised Promissory Note from 1% per annum to zero coupon;

(e) the deed of settlement dated 13 February 2009 entered into between the Company and Mr. Wong Wai Ngok, pursuant to which, the Company agreed that by payment of HK$2,000,000 to Mr. Wong Wai Ngok for early redemption of the aggregate principal sum of promissory note issued by the Company to Mr. Wong Wai Ngok;

(f) the Former Disposal Agreement;

(g) the provisional agreement dated 7 July 2009 in relation to the sale and purchase of a property in Block 5 Sorrento, 1 Austin Road West, Kowloon, Hong Kong 9, entered into between Star Energy International Investment Company Limited and Ming Kei Properties Investment Limited;

(h) the conditional sale and purchase agreement dated 16 July 2009 entered into between Star Trading International Investment Company Limited as purchaser and Mr. Poon Chi Ho and Best Rise Asia Limited, as vendors for the sale and purchase of the entire issued share capital of Hong Kong Talent Holdings Limited 香港迪康集團有限公司 and the outstanding shareholder's advance in an aggregate amount of approximately HK$14.5 million;

(i) the subscription documents entered into by Star Enterprise Investment Company Limited, an indirect wholly-owned subsidiary of the Company on 2 November 2009, as subscriber in relation to the subscription of 12,830 class A shares of Proteus Growth Fund Ltd., at a subscription price of USD1,283,000 (equivalent to approximately HK$10,007,000) in cash.

(j) the conditional warrant placing agreement dated 29 December 2009 and entered into among the Company, Pulsar Securities Limited and Mr. Tam Chak Chi in relation to the subscription of 4,224,000 non-listed warrants (the "Warrants") by Pulsar Securities Limited;

(k) the conditional warrant placing agreement dated 29 December 2009 and entered into among the Company, Cypress Bright Limited and Mr. Lam Wing Hong, Jimmy in relation to the subscription of 4,752,000 Warrants by Cypress Bright Limited;

(l) the conditional warrant placing agreement dated 29 December 2009 and entered into among the Company, Key Talent Limited, and Mr. Wong Ming Kerry in relation to the subscription of 1,584,000 Warrants by Key Talent Limited;

(m) the subscription agreement dated 17 February 2010 entered into between the Company and Ming Kei International Holding Co. Limited in respect of the subscription of the zero coupon convertible bonds with a three-year term in the principal amount of HK$20,000,000; and

(n) the Disposal Agreement.

4. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with any member of the Group, excluding contracts expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation).

5. LITIGATION

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

6. COMPETING INTERESTS

As at the Latest Practicable Date, none of the Directors or substantial Shareholder or any of their respective associates has any interest in business which competes with or may compete with the business of the Group or has any other conflict of interests which any person has or may have with the Group.

7. EXPERT

The following is the qualifications of the expert who has given an opinion or advice contained in this circular:

Name	Qualification
BDO Limited ("**BDO**")	Certified Public Accountants

As at the Latest Practicable Date, BDO did not have any interests, either direct or indirect, in any assets which have been acquired or disposed of by or leased to or are proposed to be acquired or disposed of by or leased to any member of the Group since 31 March 2010, the date to which the latest published audited consolidated financial statements of the Group were made up.

As at the Latest Practicable Date, BDO was not interested beneficially or non-beneficially in any Shares in the Company or any of its subsidiaries or any right or option (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

BDO has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter and/or report and/or reference to its name in the form and context in which it respectively appears.

8. MISCELLANEOUS

(a) There is no contract or arrangement entered into by any member of the Group subsisting at the date of this circular in which any Director is materially interested and which is significant to the business of the Remaining Group.

(b) As at the Latest Practicable Date, neither BDO nor any Directors had any direct or indirect interest in any assets which had been acquired, disposed of by or leased to, or which were proposed to be acquired, disposed of by or leased to, any member of the Group since 31 March 2010, the date to which the latest published audited consolidated financial statements of the Group were made up.

(c) The registered office of the Company is located at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda and the head office and principal place of business in Hong Kong is at Room 3308, The Center, 99 Queen's Road Central, Central, Hong Kong.

(d) The branch share registrar and transfer office of the Company in Hong Kong is Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road Central East, Wanchai, Hong Kong.

(e) The company secretary of the Company is Mr. Tsang Ho Ka, Eugene who is a Certified Practising Accountant of the CPA Australia, a Certified Public Accountant of the Hong Kong Institute of Certified Public Accountants, a member of the Hong Kong Institute of Directors, an associate management accountant of the Institute of Certified Management Accountants, Australia, an associate of the Taxation Institute of Hong Kong and a full member of the Institute of Accountants Exchange.

(f) The compliance officer of the Company is Mr. Wong Wai Sing, a non-executive Director and chairman of the Group.

(g) 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 financing reporting process and internal control system of the Group. The audit committee comprises three members namely, Mr. Sung Wai Tak, Herman, Mr. Kwok Kam Tim and Mr. Kinley Lincoln James Lloyd, all are independent non-executive Directors. Set out below are their background and directorships (present and past) of other companies listed on GEM, the main board of the Stock Exchange or other stock exchanges.

Mr. Sung Wai Tak, Herman, aged 52, is a solicitor of the High Court of the Hong Kong Special Administrative Region and the Supreme Court of the New South Wales in Australia. Mr. Sung holds a bachelor's degree of art from The Chinese University of Hong Kong, a bachelor's degree of laws from The University of London and holds a master of laws from The University of Sydney. Mr. Sung has extensive experiences in the legal area both in Hong Kong and Australia respectively and he is currently a solicitor practising in Hong Kong and his practice has been focused on commercial related matters. Mr. Sung is currently an independent non-executive director of the TLT Lottotainment Group Limited (stock code: 8022), a company listed on the GEM of the Stock Exchange. Mr. Sung is also the member of the audit committee and the remuneration committee of the Company respectively.

Mr. Kwok Kam Tim, aged 33, is a certified public accountant of the Hong Kong Institute of Certified Public Accountants and a member of the Association of Chartered Certified Accountants. Mr. Kwok holds a bachelor's degree of engineering in electronics engineering from the Hong Kong

University of Science and Technology and bachelor's degree of arts in accountancy from the Hong Kong Polytechnic University. Mr. Kwok has over 8 years of experiences in accounting and financial managements and previously worked in an international CPA firm. Mr. Kwok is currently a qualified accountant, company secretary and authorised representative of the Loudong General Nice Resources (China) Holdings Limited (stock code: 988), a company listed on the main board of the Stock Exchange.

Mr. Kinley Lincoln James Lloyd, aged 32, is a solicitor of the Hong Kong Special Administrative Region, a solicitor of the Supreme Court of New South Wales, Australia and a barrister and solicitor of the Supreme Court of Western Australia and also a registered foreign lawyer with the Law Society of Hong Kong. Mr. Kinley holds a graduate certificate in legal practice and bachelor's degree in law from the University of Technology, Sydney, Australia. Mr. Kinley has over 6 years legal experience in both Australia and Hong Kong respectively and his practice has been focused on the areas of employment law and general commercial litigation.

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

10. DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection at the principal place of business of the Company in Hong Kong at Room 3308, The Center, 99 Queen's Road Central, Central, Hong Kong during normal business hours on any Business Day from the date of this circular up to and including the date of the SGM:

(a) the memorandum of association and bye-laws of the Company;

(b) the material contracts referred to in the paragraph headed "Material contracts" in this Appendix;

(c) the written consents of experts referred to in the paragraph headed "Experts" in this Appendix;

(d) the accountants' report from BDO Limited in respect of the unaudited pro forma financial information of the Remaining Group, the text of which is set out in Appendix II to this circular;

(e) the annual reports of the Company for each of the two financial years ended 31 March 2009 and 31 March 2010; and

(f) this circular.

Ming Kei Holdings Limited
明基控股有限公司 *

(incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 8239)

NOTICE IS HEREBY GIVEN that a special general meeting (the "**Meeting**") of Ming Kei Holdings Limited (the "**Company**") will be held at Room 3308, The Center, 99 Queen's Road Central, Central, Hong Kong on Thursday, 12 August 2010 at 11:30 a.m. for the purpose of considering and, if thought fit, passing the following resolutions with or without amendments as an ordinary resolution:

ORDINARY RESOLUTION

1. "**THAT** the conditional agreement (the "**Disposal Agreement**") dated 20 May 2010 entered into between Star Fortune International Development Company Limited ("**Star Fortune**"), an indirect wholly-owned subsidiary of the Company, as vendor, the Company as vendor's guarantor, China Sonangol Resources Enterprise Limited as purchaser's guarantor, and Lasting Power Investments Limited, a wholly-owned subsidiary of China Sonangol Resources Enterprise Limited (the "**Purchaser**"), as purchaser in relation to the sale and purchase of the 49 shares (the "**Sale Shares**") of US$1.00 each in the issued share capital of Star Fortune International Investment Company Limited (the "**Target**") (a copy of which is marked "A" and produced to the Meeting and signed by the chairman of the Meeting for identification purpose) be and is hereby ratified, confirmed and approved and any one or more director(s) (the "**Directors**") of the Company be and is/are hereby authorised to do all such acts and things and execute all such documents which he/she/they consider necessary, desirable or expedient for the implementation of and giving effect to the Disposal Agreement and the transactions contemplated thereunder."

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

Hong Kong, 23 July 2010

* *for identification purpose only*

Registered office:
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Head office and principal place of business in Hong Kong:
Room 3308
The Center
99 Queen's Road Central
Central
Hong Kong

Notes:

1. Any member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more proxies to attend and, in the event of a poll, vote in his/her stead. A proxy needs not be a member of the Company.

2. In order to be valid, the form of proxy must be duly lodged at the Company's branch registrar in Hong Kong, Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong together with a power of attorney or other authority, if any, under which it is duly signed or a notarially certified copy of that power of attorney or authority, not less than 48 hours before the time for holding the meeting or any adjourned meeting.

3. Completion and return of a form of proxy will not preclude a member from attending in person and voting at the above meeting or any adjournment thereof, should he so wish, and in such event, the form of proxy shall be deemed to be revoked.