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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)

PLACING OF NEW SHARES UNDER GENERAL MANDATE

Financial Adviser to the Company



INCUBUS Corporate Finance Limited

Placing Agent



英皇證券(香港)有限公司
Emperor Securities Limited

PLACING OF NEW SHARES

On 8 May 2014 (after trading hours), the Company and the Placing Agent entered into the Placing Agreement pursuant to which the Placing Agent conditionally agreed to place, on a best effort basis, to not less than six Placées for up to 44,500,000 new Shares at a price of HK\$0.450 per Placing Share.

* For identification purposes only

The Placing Price of HK\$0.450 per Placing Share represents:

- (a) a discount of approximately 11.76% to the closing price of HK\$0.510 per Share as quoted on the Stock Exchange on 8 May 2014, being the date of the Placing Agreement; and
- (b) a premium of approximately 5.63% over the average of the closing prices of approximately HK\$0.426 per Share as quoted on the Stock Exchange for the last five full trading days of the Shares immediately prior to the date of the Placing Agreement.

The maximum 44,500,000 Placing Shares represent approximately 6.78% of the existing issued share capital of the Company of 655,880,284 Shares as at the date of this announcement and approximately 6.35% of the Company's entire issued share capital as enlarged after the Placing. The net proceeds from the Placing of approximately HK\$19.7 million (assuming the Placing Shares are fully placed and after deducting the placing commission and all relevant expenses) will be used for (i) funding the Acquisition; and (ii) as the general working capital of the Group.

The issue of the Placing Shares will be made under the general mandate granted to the Directors pursuant to the resolutions of the Shareholders passed at the annual general meeting of the Company held on 2 August 2013.

The Placing is conditional upon, among other things, the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Placing Shares. If such condition is not fulfilled, the Placing will not proceed.

Shareholders and potential investors should note that the completion of the Placing is subject to the fulfillment of conditions precedent under the Placing Agreement. As the Placing may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

THE PLACING AGREEMENT

Date

8 May 2014 (after trading hours)

Parties

- (a) the Company; and
- (b) the Placing Agent

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, the Placing Agent and its ultimate beneficial owners are Independent Third Parties.

Placees

The Placing Shares will be placed to not less than six Placees and who and whose ultimate beneficial owners will be Independent Third Parties. It is expected that none of the Placees will become a Substantial Shareholder immediately after completion of the Placing.

Number of Placing Shares

Up to 44,500,000 new Shares will be placed by the Placing Agent on a best effort basis. Assuming the Placing Shares are fully placed, the Placing Shares represent approximately 6.78% of the existing issued share capital of the Company of 655,880,284 Shares as at the date of this announcement and approximately 6.35% of the Company's entire issued share capital as enlarged by the Placing. The maximum aggregate nominal value of the Placing Shares will be HK\$445,000.

Placing Price

The Placing Price of HK\$0.450 per Placing Share represents:

- (a) a discount of approximately 11.76% to the closing price of HK\$0.510 per Share as quoted on the Stock Exchange on 8 May 2014, being the date of the Placing Agreement; and
- (b) a premium of approximately 5.63% over the average of the closing prices of approximately HK\$0.426 per Share as quoted on the Stock Exchange for the last five full trading days of the Shares immediately prior to the date of the Placing Agreement.

The Placing Price was arrived at, after arm's length negotiation between the Company and the Placing Agent on the date (after trading hours) of the Placing Agreement with reference to the recent trading price of the Shares on the Stock Exchange. The Directors (including the independent non-executive Directors) consider that the Placing Price are fair and reasonable, and in the interests of the Company and the Shareholders as a whole.

Placing Commission

The Placing Agent will receive a placing commission of 1.00% on the gross proceeds of the actual number of Placing Shares being placed.

General Mandate

The allotment and issue of the Placing Shares will be made under the general mandate granted to the Directors pursuant to the resolutions of the Shareholders passed at the annual general meeting of the Company held on 2 August 2013 to allot, issue and deal with up to 20% of the issued share capital of the Company as at the date of the annual general meeting, which is 131,176,056 Shares. The 44,500,000 Placing Shares to be allotted and issued will utilise approximately 33.92% of the said general mandate and no Share has ever been issued under the said general mandate. As such, no Shareholders' approval is required for the allotment and issue of the Placing Shares.

Ranking of Placing Shares

The Placing Shares, when issued and fully paid, shall rank pari passu in all respects among themselves and with the Shares in issue at the time of allotment and issue of the Placing Shares.

Conditions Precedent

The Placing is conditional upon the following conditions being fulfilled on or before the Long Stop Date:

- (a) the Listing Committee of the Stock Exchange having granted or agreeing to grant the listing of, and permission to deal in, the Placing Shares; and
- (b) the Placing Agreement not having been terminated in accordance with its terms.

Application will be made to the Stock Exchange for approval for the granting of the listing of and permission to deal in the Placing Shares. The Placing is not subject to Shareholders' approval.

Completion

Completion shall take place at 4:00 p.m. (Hong Kong time) on the Completion Date (or such other date and time as may be agreed by the parties) at the principal place of business of the Placing Agent (or such other place to be agreed between the Placing Agent and the Company).

If the conditions precedent of the Placing are not fulfilled by 5:00 p.m. on the Long Stop Date, the Placing Agreement shall terminate and neither the Placing Agent nor the Company will have any claim against the other in respect of the Placing save for any antecedent breach of the Placing Agreement.

Termination of the Placing Agreement

The Placing Agent shall have the right to terminate the Placing Agreement by notice in writing given to the Company at any time prior to 4:00 p.m. (Hong Kong time) on the Completion Date if any of the following develops, occurs or comes into force:

- (a) there shall have come to the notice of the Placing Agent any material breach of, or any event rendering untrue or incorrect in any material respect, any of the representations and warranties of the Company contained in the Placing Agreement or any failure to perform any of the Company's undertakings in the Placing Agreement;
- (b) any new law, rule or regulation or any change in existing laws (including common law), rules or regulations (or the juridical interpretation thereof) or other occurrence of any nature whatsoever which, in the reasonable opinion of the Placing Agent, are or may be materially adverse to the business or financial position of the Company or any other member of the Group taken as a whole or otherwise makes it inexpedient or inadvisable to proceed with the Placing;
- (c) any event or circumstance (whether or not forming part of a series of events or circumstances occurring or continuing before, on and/or after the date of the Placing Agreement) or material change or deterioration in local, national, international, political, military, financial, economic, market or trading conditions or any other conditions (whether or not ejusdem generis with any of the foregoing) in any part of the world in which the Company or any other member of the Group carries on business which, in the reasonable opinion of the Placing Agent, is or may be materially adverse to the business or financial position of the Company or any other member of the Group taken as a whole or otherwise makes it inexpedient or inadvisable to proceed with the Placing; or
- (d) any moratorium, suspension or material restriction on trading in shares or securities generally on the Stock Exchange.

In the event that the Placing Agent terminates the Placing Agreement, all obligations of each of the parties under the Placing Agreement shall cease and determine and no party shall have any claim against any other party in respect of any matter arising out of or in connection with the Placing Agreement except for any antecedent breach of any obligation under the Placing Agreement.

REASONS FOR ENTERING INTO THE PLACING AGREEMENT AND USE OF PROCEEDS

The Company is an investment holding company. The Group is principally engaged in property investment and business of coal trading between the PRC and Indonesia respectively.

The Directors have considered various fund raising methods and believe that under the prevailing market conditions, the Placing represents an opportunity for the Group to raise equity capital to satisfy part of the consideration of the Acquisition and for its future developments. In addition, the Placing will broaden the Company's shareholder base and strengthen its capital base and working capital position.

Assuming all the Placing Shares are successfully placed by the Placing Agent, the gross proceeds from the Placing will be approximately HK\$20.0 million. The net proceeds (assuming the Placing Shares are fully placed and after deducting the placing commission and all relevant expenses), will be approximately HK\$19.7 million, representing a net issue price of approximately HK\$0.442 per Placing Share. The Company intends to apply the net proceeds for (i) funding the Acquisition; and (ii) as the general working capital of the Group.

Accordingly, the Directors (including the independent non-executive Directors) consider that the terms of the Placing Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

FUND RAISING ACTIVITIES DURING THE PAST TWELVE MONTHS

The following are fund raising activities of the Company during the past 12 months immediately preceding the date of this announcement.

Date of announcements	Event	Estimated net proceeds (Approximate HK\$)	Intended use of proceeds	Actual use of proceeds
16 January 2013, 23 April 2013, 13 May 2013, 9 July 2013 and 26 September 2013	Rights issue of 151,356,987 rights Shares, on a fully underwritten basis, at a price of HK\$0.20 per rights Share, which was become unconditional on 5 July 2013	HK\$27.9 million	Due to the lapse of the agreement in relation to the acquisition of the entire issued share capital of Wider Trading Limited on 26 September 2013, the intended use of proceeds has been changed to (i) funding other potential acquisition activities as identified by the Group from time to time, including but not limited to the Acquisition; and (ii) general working capital of the Group as disclosed in the announcement of the Company dated 26 September 2013.	(i) approximately HK\$16.5 million was used for funding other potential acquisition activities as identified by the Group from time to time, including but not limited to the Acquisition, and (ii) the remaining balance of approximately HK\$11.4 million was applied as general working capital of the Group which mainly consists of payments for office rent, salaries and professional fees.
Total		<u>HK\$27.9 million</u>		

Save as disclosed above, the Company did not raise any other funds by issue of equity securities during the 12 months immediately preceding the date of this announcement.

EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY

For illustration purpose only, the shareholding structure of the Company as at the date of this announcement and immediately upon completion of the Placing which assumes the Placing is fully placed are and will be as follows:–

	As at the date of this announcement		Immediately upon completion of the Placing	
	<i>Number of Shares</i>	<i>Approx %</i>	<i>Number of Shares</i>	<i>Approx %</i>
Substantial Shareholder(s)				
Mr. Lau Kim Hung, Jack (“ Mr. Lau ”) and his associates (<i>Note 1</i>)	120,000,000	18.29	120,000,000	17.13
Director(s)				
Mr. Wong Wai Sing (“ Mr. Wong ”) and his associate (<i>Note 2</i>)	112,076	0.02	112,076	0.02
Public Shareholders				
Places	–	–	44,500,000	6.35
Other public shareholders	<u>535,768,208</u>	<u>81.69</u>	<u>535,768,208</u>	<u>76.50</u>
Total	<u>655,880,284</u>	<u>100.00</u>	<u>700,380,284</u>	<u>100.00</u>

Notes:

- Mr. Lau, a Substantial Shareholder, is the beneficial owner of 23,900,000 Shares and is interested in 96,100,000 Shares, through Vitasmart Limited, a company wholly and beneficially owned by him. Ms. Chan Yiu Kan, Katie (“**Ms. Chan**”) is the spouse of Mr. Lau. Mr. Lau and Ms. Chan are the father-in-law and mother-in-law respectively of Mr. Tsang Ho Ka, Eugene, a non-executive Director and the vice-chairman of the Company.
- Mr. Wong, an executive Director and the chairman of the Company, is the beneficial owner of 36,400 Shares and is interested in 75,676 Shares, through Ming Kei International Holding Company Limited, a company wholly and beneficially owned by him.

GENERAL

Shareholders and potential investors should note that the completion of the Placing is subject to the fulfillment of conditions precedent under the Placing Agreement. As the Placing may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

DEFINITIONS

Terms or expressions used in this announcement shall, unless the context otherwise requires, have the meanings ascribed to them below:

“Acquisition”	the very substantial acquisition in relation to the acquisition of the entire equity interest in and shareholder’s loans to Prima Finance Holdings Limited, disclosed on the announcements of the Company dated 23 December 2013 and 30 April 2014
“Board”	the board of Directors from time to time
“Business Day(s)”	a day (excluding Saturday, Sunday, public holiday and any day on which a tropical cyclone warning signal no. 8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which a “black” rainstorm warning signal is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon) on which licensed banks in Hong Kong are open for business throughout their normal business hours
“Company”	Ming Kei Holdings Limited, a company incorporated in the Cayman Islands and continued in Bermuda with limited liability, the issued shares of which are listed on the GEM
“Completion Date”	a date on which the Placing is completed in accordance with the terms and conditions of the Placing Agreement, which shall be within four Business Days after the day on which all the conditions precedent under the Placing Agreement are fulfilled
“Director(s)”	the director(s) of the Company from time to time
“GEM”	the Growth Enterprise Market operated by the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM

“Group”	the Company and its subsidiaries from time to time
“Hong Kong”	the Hong Kong Special Administrative Region of PRC
“Independent Third Party(ies)”	parties which are not connected persons of the Company (as defined in the GEM Listing Rules) and are independent of and not connected with the Company and its connected persons
“Long Stop Date”	29 May 2014 or such later date as the Company and the Placing Agent may agree in writing
“Placee(s)”	any professional, institutional or other investor independent of and not connected with the Company, the connected persons of the Company and their respective associates procured by or on behalf of the Placing Agent to subscribe for any of the Placing Shares pursuant to the Placing Agreement
“Placing”	the placing of the Placing Shares by the Company, through the Placing Agent, pursuant to the Placing Agreement
“Placing Agent”	Emperor Securities Limited, a corporation licensed to carry on type 1 (dealing in securities) and type 4 (advising on securities) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Placing Agreement”	the Placing Agreement dated 8 May 2014 entered into between the Placing Agent and the Company in relation to Placing
“Placing Price”	HK\$0.450 per Placing Share
“Placing Share(s)”	a maximum of 44,500,000 new Shares to be placed pursuant to the Placing Agreement
“PRC”	the People’s Republic of China, which for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of PRC and Taiwan

“Share(s)”	ordinary share(s) of HK\$0.01 each in the issued share capital of the Company
“Shareholders”	holders of the issued Shares from time to time
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Substantial Shareholder(s)”	has the meanings ascribed to it under the GEM Listing Rules
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent

On behalf of the board of
Ming Kei Holdings Limited
Wong Wai Sing
Chairman and Executive Director

Hong Kong, 8 May 2014

As at the date of this announcement, the executive Directors are Mr. Wong Wai Sing, Mr. Ho Pui Tin, Terence and Mr. Han Jianli, the non-executive Director is Mr. Tsang Ho Ka, Eugene, and the independent non-executive Directors are Mr. Kwok Kam Tim, Mr. Du Hui and Mr. Chen Yihua.

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

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