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)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2011

CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET ("GEM") OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE "STOCK EXCHANGE")

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

This announcement, for which the directors (the "Directors") of Ming Kei Holdings Limited (the "Company") collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the "GEM Listing Rules") for the purpose of giving information with regard to the Company. The Directors of the Company, having made all reasonable enquiries, confirm that to the best of their knowledge and belief 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.

* *For identification purposes only*

INTERIM RESULTS (UNAUDITED)

The board of directors (the "Board") of Ming Kei Holdings Limited (the "Company") is pleased to announce the unaudited condensed consolidated interim results of the Company and its subsidiaries (together the "Group") for the three months and six months ended 30 September 2011 together with the comparative figures as follows:

CONDENSED CONSOLIDATED INCOME STATEMENT

For the three months and six months ended 30 September 2011

		Six months ended 30 September		Three months ended 30 September	
		2011	2010	**2011**	2010
		(Unaudited)	(Unaudited) (Restated)	**(Unaudited)**	(Unaudited) (Restated)
	Notes	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Continuing operations					
Turnover	*4*	**75,631**	14,424	**32,854**	8,332
Cost of sales		**(71,326)**	(13,356)	**(30,817)**	(7,647)
Direct operating expenses		**(146)**	(129)	**(79)**	(65)
Gross profit		**4,159**	939	**1,958**	620
Other income and other gains and losses, net	*4*	**427**	(1,132)	**12**	(472)
Selling and distribution costs		**(371)**	—	**(186)**	—
Administrative and other expenses		**(18,407)**	(24,398)	**(8,805)**	(15,057)
Finance costs	*5*	**(171)**	(15)	**(87)**	—
Loss before income tax from continuing operations	*6*	**(14,363)**	(24,606)	**(7,108)**	(14,909)
Income tax	*7*	**(444)**	—	**(436)**	—
Loss for the period from continuing operations		**(14,807)**	(24,606)	**(7,544)**	(14,909)
Discontinued operation					
Loss for the period from discontinued operation	*8*	**—**	(21,072)	**—**	(18,962)
Loss for the period		**(14,807)**	(45,678)	**(7,544)**	(33,871)
Attributable to:					
Owners of the Company		**(15,024)**	(45,678)	**(7,632)**	(33,871)
Non-controlling interest		**217**	—	**88**	—
		(14,807)	(45,678)	**(7,544)**	(33,871)

CONDENSED CONSOLIDATED INCOME STATEMENT

For the three months and six months ended 30 September 2011

		Six months ended 30 September		Three months ended 30 September	
		2011	2010	**2011**	2010
		(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
			(Restated)		(Restated)
	Notes	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Loss per share attributable to owners of the Company	*10*				
			(Restated)		(Restated)
From continuing and discontinued operations					
Basic (Hong Kong dollar)		**(0.09)**	(0.28)	**(0.05)**	(0.21)
Diluted (Hong Kong dollar)		**(0.09)**	(0.28)	**(0.05)**	(0.21)
From continuing operations					
Basic (Hong Kong dollar)		**(0.09)**	(0.15)	**(0.05)**	(0.09)
Diluted (Hong Kong dollar)		**(0.09)**	(0.15)	**(0.05)**	(0.09)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the three months and six months ended 30 September 2011

	Six months ended 30 September		**Three months ended 30 September**	
	2011	2010	**2011**	2010
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Loss for the period	**(14,807)**	(45,678)	**(7,544)**	(33,871)
Other comprehensive income for the period, net of tax:				
— Change in fair value of available-for-sale financial assets	**—**	979	**—**	5,339
— Exchange differences on translation of financial statements of overseas subsidiaries	**873**	799	**402**	404
— Exchange differences on translation of financial statements of overseas associates	**—**	471	**—**	(323)
— Reclassification adjustment of release of exchange reserves on disposal of interests in overseas associates	**—**	(7,218)	**—**	(7,218)
Total comprehensive income for the period	**(13,934)**	(50,647)	**(7,142)**	(35,669)
Attributable to:				
Owners of the Company	**(14,151)**	(50,647)	**(7,230)**	(35,669)
Non-controlling interest	**217**	—	**88**	—
	(13,934)	(50,647)	**(7,142)**	(35,669)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30 September 2011

	Notes	As at 30 September 2011 (Unaudited) HK$'000	As at 31 March 2011 (Audited) HK$'000
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment	*11*	**17,771**	17,282
Investment properties	*12*	**11,564**	22,004
Goodwill	*13*	**—**	—
Intangible assets	*14*	**51,085**	51,085
Deposit and direct cost paid for possible acquisition of subsidiaries	*15*	**3,007**	4,009
		83,427	94,380
Current assets			
Trade receivables	*16*	**79,616**	33,724
Refundable deposit	*17*	**19,482**	19,448
Prepayments, deposits and other receivables		**8,050**	6,269
Cash and cash equivalents		**12,537**	18,032
		119,685	77,473
Current liabilities			
Trade payables	*18*	**71,461**	30,106
Accrued expenses and other payables		**3,566**	2,251
Promissory note	*19*	**3,821**	3,650
Amount due to a non-controlling equity owner of a subsidiary	*21(d)*	**1,950**	—
Tax payables		**834**	432
		81,632	36,439
Net current assets		**38,053**	41,034
Total assets less current liabilities		**121,480**	135,414
Non-current liabilities			
Deferred tax liabilities		**8,429**	8,429
		8,429	8,429
Net assets		**113,051**	126,985
Capital and reserves			
Issued capital	*20*	**1,688**	1,688
Reserves		**106,588**	120,739
Equity attributable to owners of the Company		**108,276**	122,427
Non-controlling interest		**4,775**	4,558
Total equity		**113,051**	126,985

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2011

	Issued capital (Unaudited) *HK$'000* *(Note 20)*	Share premium (Unaudited) *HK$'000*	Contributed surplus (Unaudited) *HK$'000*	Capital reserve (Unaudited) *HK$'000*	Warranty reserve (Unaudited) *HK$'000*	Share option reserve (Unaudited) *HK$'000*	Exchange reserve (Unaudited) *HK$'000*	Accumulated losses (Unaudited) *HK$'000*	Attributable to owners of the Company (Unaudited) *HK$'000*	Non–controlling Interest (Unaudited) *HK$'000*	Total (Unaudited) *HK$'000*
At 1 April 2011	**1,688**	**49,362**	**131,109**	**120,794**	**2,164**	**8,969**	**1,869**	**(193,528)**	**122,427**	**4,558**	**126,985**
Loss for the period	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(15,024)**	**(15,024)**	**217**	**(14,807)**
Other comprehensive income for the period	**–**	**–**	**–**	**–**	**–**	**–**	**873**	**–**	**873**	**–**	**873**
Total comprehensive income for the period	**–**	**–**	**–**	**–**	**–**	**–**	**873**	**(15,024)**	**(14,151)**	**217**	**(13,934)**
As at 30 September 2011	**1,688**	**49,362**	**131,109**	**120,794**	**2,164**	**8,969**	**2,742**	**(208,552)**	**108,276**	**4,775**	**113,051**

	Issued capital (Unaudited) *HK$'000*	Share premium (Unaudited) *HK$'000*	Contributed surplus (Unaudited) *HK$'000*	Capital reserve (Unaudited) *HK$'000*	Statutory reserve fund (Unaudited) *HK$'000*	Warranty reserve (Unaudited) *HK$'000*	Share option reserve (Unaudited) *HK$'000*	Convertible bonds reserve (Unaudited) *HK$'000*	Asset revaluation reserve (Unaudited) *HK$'000*	Exchange reserve (Unaudited) *HK$'000*	Accumulated losses (Unaudited) *HK$'000*	Total and attributable to owners of the Company (Unaudited) *HK$'000*
At 1 April 2010	664	25,434	131,109	120,794	6,356	1,734	–	1,172	332	6,805	(93,846)	200,554
Loss for the period	–	–	–	–	–	–	–	–	–	–	(45,678)	(45,678)
Other comprehensive income for the period	–	–	–	–	–	–	–	–	979	(5,948)	–	(4,969)
Total comprehensive income for the period	–	–	–	–	–	–	–	–	979	(5,948)	(45,678)	(50,647)
Issue of new shares on conversion of convertible bonds	24	3,997	–	–	–	–	–	(1,172)	–	–	–	2,849
Issue of new shares on exercise of warrants	106	15,462	–	–	–	(1,734)	–	–	–	–	–	13,834
Issue of warrants	–	–	–	–	–	3,350	–	–	–	–	–	3,350
Transfer upon disposal of associates	–	–	–	–	(6,356)	–	–	–	–	–	6,356	–
As at 30 September 2010	794	44,893	131,109	120,794	–	3,350	–	–	1,311	857	(133,168)	169,940

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For the six months ended 30 September 2011

	Six months ended 30 September	
	2011	2010
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Continuing and discontinued operations		
Net cash (used in)/generated from operating activities	**(15,100)**	10,177
Net cash generated from investing activities	**9,538**	5,852
Net cash generated from financing activities	**—**	17,199
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	**(5,562)**	33,228
Cash and cash equivalents at beginning of period	**18,032**	33,277
Effect of foreign exchange rate, net	**67**	193
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**12,537**	66,698
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS		
Cash and cash equivalents	**12,537**	66,698

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Ming Kei Holdings Limited (the "Company") was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands and continues as an exempted company with limited liability in accordance with the Bermuda Companies Act 1981 upon the change of domicile of the Company from the Cayman Islands to Bermuda becoming effective on 30 November 2009, and its shares are listed on The Growth Enterprise Market (the "GEM") of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The address of its registered office is at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda and its principal place of business in Hong Kong is at Units 01–03, 3/F., Wheelock House, 20 Pedder Street, Central, Hong Kong.

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

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

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

2. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES

2.1 Basis of preparation

The unaudited condensed consolidated interim financial statements of the Group for the three and six months ended 30 September 2011 (the"Interim Financial Statements") have been prepared in accordance with the Hong Kong Accounting Standard ("HKAS") 34"Interim Financial Reporting"issued by the Hong Kong Institute of Certified Public Accountants (the"HKICPA") and the applicable disclosure requirements of the Rules Governing the Listing of Securities on the GEM of the Stock Exchange (the"GEM Listing Rules").

2.2 Principal accounting policies

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

The accounting policies and methods of computation adopted for preparation of the Interim Financial Statements are consistent with those applied in the preparation of the annual financial statements of the Group for the year ended 31 March 2011.

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

HKAS 1 (Amendments)	Presentation of Items of the Other Comprehensive Income[3]
HKAS 12 (Amendment)	Deferred Tax: Recovery of Underlying Assets[2]
HKAS 19 (as revised in 2011)	Employee Benefits[4]
HKAS 27 (as revised in 2011)	Separate Financial Statement[4]
HKAS 28 (as revised in 2011)	Investments in Associates and Joint Ventures[4]
HKFRS 7 (Amendment)	Disclosures — Transfers of Financial Assets[1]
HKFRS 9	Financial Instruments[4]
HKFRS 10	Consolidated Financial Statement[4]
HKFRS 11	Joint Arrangements[4]
HKFRS 12	Disclosure of Interests in Other Entities[4]
HKFRS 13	Fair Value Measurement[4]

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

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

3. SEGMENT INFORMATION

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

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

(b) The general trading segment comprised the business of trading of other merchandise goods;

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

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

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

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

(a) Reportable segments

The following tables present revenue, results and certain assets, liabilities and expenditure information for the Group's reportable segments for the six months ended 30 September 2011 and 2010.

	For the six months ended 30 September 2011 Continuing operations			
	Coal trading (Unaudited) *HK$'000*	**General trading (Unaudited)** *HK$'000*	**Property investment (Unaudited)** *HK$'000*	**Total (Unaudited)** *HK$'000*
SEGMENT REVENUE				
External sales and services	**58,171**	**16,778**	**682**	**75,631**
Inter-segment revenue	**—**	**—**	**—**	**—**
Reportable segment revenue	**58,171**	**16,778**	**682**	**75,631**
Reportable segment profit/(loss)	**2,592**	**209**	**(591)**	**2,210**
Interest income	**—**	**6**	**3**	**9**
Depreciation and amortisation charges	**—**	**(1)**	**(100)**	**(101)**
Gain on disposal of investment property	**—**	**—**	**14**	**14**
Fair value gain on investment properties	**—**	**—**	**180**	**180**

	For the six months ended 30 September 2010				
	Continuing operations			Discontinued operation *(Note 8)*	
	General trading (Unaudited) *HK$'000*	Property investment (Unaudited) *HK$'000*	Subtotal (Unaudited) *HK$'000*	Mining (Unaudited) *HK$'000*	Total (Unaudited) *HK$'000*
SEGMENT REVENUE					
External sales and services	13,808	150	13,958	—	13,958
Inter-segment revenue	—	474	474	—	474
Reportable segment revenue	13,808	624	14,432	—	14,432
Reportable segment loss	(1,485)	(1,415)	(2,900)	(21,072)	(23,972)
Interest income	4	2	6	—	6
Depreciation and amortisation charges	(1)	(142)	(143)	—	(143)
Share of results of associates	—	—	—	(861)	(861)
Loss on disposal of associates	—	—	—	(20,211)	(20,211)
Fair value loss on investment properties	—	(1,466)	(1,466)	—	(1,466)

Reconciliation of reportable segment revenue, profit or loss, assets and liabilities

	Six months ended 30 September **2011** **(Unaudited)** ***HK$'000***	2010 (Unaudited) *HK$'000*
Continuing operations:		
Revenue		
Reportable segment revenue	**75,631**	14,432
Elimination of inter-segment revenue	**—**	(8)
	75,631	14,424

	Note	Six months ended 30 September **2011** **(Unaudited)** ***HK$'000***	2010 (Unaudited) *HK$'000*
Continuing operations:			
Loss before income tax			
Reportable segment profit/(loss)		**2,210**	(2,900)
Unallocated interest income		**1**	266
Unallocated expenses		**(16,403)**	(21,957)
Unallocated finance costs		**(171)**	(15)
		(14,363)	(24,606)
Discontinued operation:			
Loss before income tax			
Reportable segment loss	*8*	**—**	(21,072)
Consolidated loss before income tax		**(14,363)**	(45,678)

	30 September 2011 **(Unaudited)** ***HK$'000***	31 March 2011 (Audited) *HK$'000*
Total assets		
Reportable segment assets	**173,608**	138,386
Unallocated corporate assets	**29,504**	33,467
Consolidated total assets	**203,112**	171,853

	30 September 2011 (Unaudited) *HK$'000*	31 March 2011 (Audited) *HK$'000*
Total liabilities		
Reportable segment liabilities	**(83,624)**	(43,341)
Unallocated corporate liabilities	**(6,437)**	(1,527)
Consolidated total liabilities	**(90,061)**	(44,868)

(b) Geographical areas

The following table provides an analysis of the Group's revenue from external customers and non-current assets other then financial instruments (the "Specific non-current assets"):

	Revenue from external customers		Specified non-current assets	
	Six months ended 30 September 2011 (Unaudited) *HK$'000*	Six months ended 30 September 2010 (Unaudited) *HK$'000*	As at 30 September 2011 (Unaudited) *HK$'000*	As at 31 March 2011 (Audited) *HK$'000*
Hong Kong	**58,296**	150	**57,861**	67,569
PRC	**17,335**	14,274	**25,566**	26,811
	75,631	14,424	**83,427**	94,380

(c) Information about major customers

Revenue from two (six months ended 30 September 2010: one) customers each contributed to more than 10% of the Group's revenue with amounts of HK$58,171,000 and HK$8,984,000, respectively, (six months ended 30 September 2010: HK$13,808,000) for the six months ended 30 September 2011, as included in the above disclosures for coal trading and general trading (six months ended 30 September 2010: general trading) segment revenue, respectively.

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

	Six months ended 30 September		Three months ended 30 September	
	2011	2010	**2011**	2010
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Continuing operations				
Turnover:				
Sales of goods	**74,949**	13,808	**32,487**	8,021
Rental income	**682**	616	**367**	311
	75,631	14,424	**32,854**	8,332
Other income and other gains and (losses), net:				
Interest income	**10**	272	**3**	268
Gain on disposal of investment property	**14**	—	**14**	—
Exchange gains, net	**95**	—	**50**	—
Loss on disposal of property, plant and equipment	**—**	(59)	**—**	(59)
Sundry income	**128**	121	**65**	71
Fair value gain/(loss) on investment properties	**180**	(1,466)	**(120)**	(752)
	427	(1,132)	**12**	(472)

5. FINANCE COSTS

Interest expense on the following borrowings, which are all wholly repayable within five years:

	Six months ended 30 September		Three months ended 30 September	
	2011	2010	**2011**	2010
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Continuing operations				
Promissory note	**171**	—	**87**	—
Convertible bonds	**—**	15	**—**	—
	171	15	**87**	—

6. LOSS BEFORE INCOME TAX

This is arrived at after charging the following:

	Six months ended 30 September		**Three months ended 30 September**	
	2011	2010	**2011**	2010
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Continuing operations				
Cost of inventories sold	**71,326**	13,356	**30,817**	7,647
Direct operating expenses arising on rental-earning investment properties	**146**	129	**79**	65
Depreciation	**2,166**	1,970	**1,153**	1,006

7. INCOME TAX

	Six months ended 30 September		**Three months ended 30 September**	
	2011	2010	**2011**	2010
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Continuing operations				
Current tax – HK				
Charge for the period	**(431)**	—	**(431)**	—
Current tax – PRC				
Charge for the period	**(13)**	—	**(5)**	—
	(444)	—	**(436)**	—

Provision for Hong Kong profits tax is calculated at 16.5% on the estimated assessable profits for the current period. In the prior period, no provision for Hong Kong profits tax was made as the Group has no assessable profits for Hong Kong profits tax purposes in the prior period. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries or places in which the Group operates, based on existing legislation, interpretation and practices in respect thereof.

As at 30 September 2011, the Group have unused tax losses of HK$4,972,000 (31 March 2011 (audited): HK$5,497,000) available for offset against future profits. No deferred tax asset has been recognised in respect of the above tax losses amount due to the uncertainty over the availability of future profit streams of the Group. Such losses may be carried forward indefinitely.

The Group has no other material unprovided deferred tax as at 30 September 2011 (31 March 2011 (audited): HK$Nil).

8. DISCONTINUED OPERATION

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

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

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

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

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

	Six months ended 30 September		**Three months ended 30 September**	
	2011	2010	**2011**	2010
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Turnover	**—**	—	**—**	—
Loss on disposal of associates	**—**	(20,211)	**—**	(20,211)
Share of results of associates	**—**	(861)	**—**	1,249
Loss before income tax	**—**	(21,072)	**—**	(18,962)
Income tax	**—**	—	**—**	—
Loss for the period from discontinued operation	**—**	(21,072)	**—**	(18,962)

The cash flows of the discontinued operation were as follows:

	Six months ended 30 September	
	2011	2010
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Net cash used in operating activities	**—**	—
Net cash generated from investing activities	**—**	43,618
Effect of foreign exchange rate changes, net	**—**	—
Total net cash inflows	**—**	43,618

Basic loss per share for the discontinued operation for the current period is HK$Nil (six months ended 30 September 2010: HK$0.13 (restated)) based on the loss for the current period from the discontinued operation of HK$Nil (six months ended 30 September 2010: HK$21,072,000).

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

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

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

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

9. DIVIDEND

No dividend has been paid or declared by the Company during the six months ended 30 September 2011 (six months ended 30 September 2010: HK$Nil).

10. LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

The calculation of basic loss per share is based on the loss for the period attributable to the owners of the Company, and the weighted average number of ordinary shares in issue during the period. Basic and diluted loss per share amounts for the three months and six months ended 30 September 2010 are restated to take into effect the bonus issue, which took place during the year ended 31 March 2011.

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

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

(i) From continuing and discontinued operations

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

	Six months ended 30 September		**Three months ended 30 September**	
	2011	2010	**2011**	2010
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Loss				
Loss attributable to the owners of the Company, used in the basic and diluted loss per share calculations	**(15,024)**	(45,678)	**(7,632)**	(33,871)

	Six months ended 30 September		Three months ended 30 September	
	2011	2010	**2011**	2010
	(Unaudited)	(Unaudited) (Restated)	**(Unaudited)**	(Unaudited) (Restated)
	'000	*'000*	***'000***	*'000*
Shares				
Weighted average number of ordinary shares for basic and diluted loss per share calculations	**168,802**	161,667	**168,802**	163,802

(ii) From continuing operations

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

	Six months ended 30 September		Three months ended 30 September	
	2011	2010	**2011**	2010
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Loss				
Loss attributable to the owners of the Company, used in the basic and diluted loss per share calculations	**(15,024)**	(24,606)	**(7,632)**	(14,909)

	Six months ended 30 September		Three months ended 30 September	
	2011	2010	**2011**	2010
	(Unaudited)	(Unaudited) (Restated)	**(Unaudited)**	(Unaudited) (Restated)
	'000	*'000*	***'000***	*'000*
Shares				
Weighted average number of ordinary shares for basic and diluted loss per share calculations	**168,802**	161,667	**168,802**	163,802

11. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 September 2011, the Group acquired items of property, plant and equipment with total cost of HK$2,408,000 (six months ended 30 September 2010: HK$1,960,000). During the six months ended 30 September 2011 and 2010, the Group did not have any significant disposal of property, plant and equipment.

12. INVESTMENT PROPERTIES

	30 September 2011 (Unaudited) *HK$'000*	31 March 2011 (Audited) *HK$'000*
Fair value:		
At beginning of the period/year	**22,004**	23,136
Increase/(decrease) in fair value recognised for the period/year	**180**	(1,703)
Disposal of an investment property	**(10,900)**	—
Exchange realignments	**280**	571
At the end of the period/year	**11,564**	22,004

The Group's entire properties interest held under operating leases to earn rentals or capital appreciation purposes are measured using fair value model and are classified and accounted for as investment properties.

An analysis of the carrying amount of investment properties which includes land and buildings situated in Hong Kong and the PRC as follows:

	30 September 2011 (Unaudited) *HK$'000*	31 March 2011 (Audited) *HK$'000*
Located in Hong Kong, held under medium term lease	**—**	10,600
Located in the PRC, held under medium term lease	**11,564**	11,404
	11,564	22,004

The investment property of the Group was revalued at 30 September 2011 at its open market value by reference to a valuation carried out on that date by Greater China Appraisal Limited ("Greater China Appraisal"), an independent firm of professionally qualified valuers. A revaluation (deficit)/surplus was resulted and a fair value (loss)/gain on investment properties of HK$(120,000) and HK$180,000 (year ended 31 March 2011 (audited): deficit of HK$1,703,000) was recognised in the profit or loss for the three and six months ended 30 September 2011 respectively.

13. GOODWILL

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

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

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

14. INTANGIBLE ASSETS

	The LOIs (as defined below) *HK$'000*
The Group	
Cost:	
At 1 April 2010	—
Acquisition of subsidiaries	60,000
At 31 March 2011, 1 April 2011 (audited) and 30 September 2011 (unaudited)	60,000
Accumulated amortisation and impairment losses:	
At 1 April 2010	—
Impairment loss	8,915
At 31 March 2011 and 1 April 2011 (audited)	8,915
Impairment loss	—
At 30 September 2011 (unaudited)	8,915
Net carrying amount:	
At 30 September 2011 (unaudited)	51,085
At 31 March 2011 (audited)	51,085

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

The recoverable amount of the Coal Trading CGU as at 30 September 2011 was assessed by the directors by reference to a professional valuation performed by Greater China Appraisal.

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

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

— Growth in revenue year-on-year	No growth
— Post-tax discount rate	13.06% per annum
— Budgeted gross margin	4.7%

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

During the three and six months ended 30 September 2011, the Group is of the opinion, based on fair value less cost to sell calculation, that the net carrying amount of LOIs of the Coal Trading CGU was not impaired as compared with their recoverable amounts as at 30 September 2011.

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

15. DEPOSIT AND DIRECT COST PAID FOR POSSIBLE ACQUISITION OF SUBSIDIARIES

Possible acquisition of M.T.B.E. (as defined below) trading business

As at 30 September 2011, the amount comprised a refundable deposit of HK$3,000,000 paid to a vendor (the "Vendor"), who is a director of certain subsidiaries, a non-controlling equity owner of a subsidiary and connected person of the Group as defined under Chapter 20 of the GEM Listing Rules, pursuant to a non-legally binding memorandum of understanding dated 8 July 2011 in relation to a possible acquisition of entire equity interest in a target company and 90% equity interest in its subsidiary which will engage in the business of methyl tertiary butyl ether ("M.T.B.E.") trading between the PRC and Singapore or other countries in the East Asia region (collectively known as the "M.T.B.E. MOU"). The deposit is secured by a share charge and assignment of shareholder's loan which were executed by the Vendor in favour of the Group, and refundable in the event that no formal sale and purchase agreement would be entered into between the Group and the Vendor on or before 7 October 2011 (the "M.T.B.E. Exclusivity Period") or such later date as mutually agreed between the Group and the Vendor in relation to the above possible acquisition. On 7 October 2011, the M.T.B.E. Exclusivity Period was extended to 31 December 2011. On 27 October 2011, the M.T.B.E. MOU is terminated by the Group and the Vendor, as no agreement could be reached on the major terms and conditions of the above possible acquisition and the deposits were fully refunded to the Group. Further details are set out in the Company's announcements dated 8 July 2011, 7 October 2011 and 27 October 2011 respectively.

As at 30 September 2011, the Group paid direct cost of HK$7,000 for the above possible acquisition of subsidiaries.

Possible acquisition of talc mine

As at 31 March 2011, the amount comprised a refundable deposit of HK$4,000,000 paid to the nominee and the ultimate beneficial owner of one of vendors, which are independent third parties, under a non-legally binding memorandum of understanding dated 25 February 2011 in relation to a possible acquisition of entire equity interest in a target company which would indirectly hold 100% interest in a talc mine located in Hubei Province, the PRC, after reorganisation (collectively known as the "Talc Mine MOU"). The deposit is unsecured and refundable in the event that no formal sale and purchase agreement would be entered into between the Group and the vendors on or before 1 May 2011 (the "Talc Mine Exclusivity Period") or such later date as mutually agreed between the Group and the vendors in relation to the above possible acquisition. On 29 April 2011, the Talc Mine Exclusivity Period was extended to 30 June 2011. Further details are set out in the Company's announcements dated 25 February and 29 April 2011 respectively.

On 30 June 2011, the Talc Mine Exclusivity Period of the Talc Mine MOU expired and no formal agreement has been entered into between the Group and the vendors, the Talc Mine MOU is therefore declared lapsed on 30 June 2011 and the deposit was fully refunded to the Group, details of which are set out in the Company's announcement dated 30 June 2011.

As at 31 March 2011, the Group paid direct cost of HK$9,000 for the above possible acquisition of subsidiaries, as a result of the expiry of Talc Mine MOU, the cost has been expensed and is included in the administrative and other expenses in the profit or loss during the current period.

16. TRADE RECEIVABLES

(i) The ageing analysis of the Group's trade receivables as at the end of reporting period, based on invoice date, is as follows:

	30 September 2011 (Unaudited) ***HK$'000***	31 March 2011 (Audited) *HK$'000*
Within 90 days	**32,469**	32,324
91 to 180 days	**30,159**	1,400
181 to 365 days	**16,988**	—
	79,616	33,724

(ii) The Group normally allows an average credit term of 60 to 90 days (31 March 2011: 60-90 days) to its trade customers. For certain well-established customers with good repayment history and creditworthiness, the Group allows an average credit period beyond 90 days.

(iii) The aging analysis of trade receivables that are neither individually nor collectively considered to be impaired are as follows:

	30 September 2011 (Unaudited) ***HK$'000***	31 March 2011 (Audited) *HK$'000*
Not yet past	**32,469**	32,324
Past due	**47,147**	1,400
	79,616	33,724

Receivables that were neither past due nor impaired relate to customers for which there is no recent history of default.

Receivables that were past due but not impaired related to an independent customer that has a good track record with the Group. Based on past experience, management believes that no impairment allowance is necessary in respect of the balance as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral over the balance.

The carrying amounts of the trade receivables approximate their fair values.

17. REFUNDABLE DEPOSIT

The Group

As at 30 September 2011, the amount represented a refundable security deposit in the amount of United States Dollar ("USD") 2,500,000 (31 March 2011 (audited): USD2,500,000) (equivalent to HK$19,482,000 (31 March 2011 (audited): HK$19,448,000)) paid to a supplier of coal, an independent third party, in accordance to a legally binding master framework purchase agreement acquired by the Group through the acquisition of the CIFC Group in the year ended 31 March 2011. The deposit is unsecured and is refundable to the Group within three working days upon China Energy Trading Company Limited's ("China Energy") request in writing to the supplier. China Energy is a 90%-owned subsidiary of CIFC.

A customer has also given the customer guarantee in favour of the Group that (i) in the event that the above supplier deposit was not refunded by the supplier, the customer shall be responsible to pay the Group an amount equivalent to the supplier deposit within three working days upon written request by China Energy; and (ii) the net profit of China Energy for each contract year shall not be less than 10% of the amount of the above supplier deposit.

Further details are set out in the Company's circular dated 14 October 2010.

18. TRADE PAYABLES

An ageing analysis of the trade payables of the Group as at the end of reporting period, based on the invoice date, is as follows:

	30 September 2011 (Unaudited) ***HK$'000***	31 March 2011 (Audited) *HK$'000*
Within 90 days	**26,652**	28,706
91 to 180 days	**28,756**	1,400
181 to 365 days	**16,053**	—
	71,461	30,106

The trade payables were non-interest-bearing and were normally settled on an average credit term of 60 to 90 days.

19. PROMISSORY NOTE

	Notes	**30 September 2011 (Unaudited)** ***HK$'000***	31 March 2011 (Audited) *HK$'000*
Carrying value at beginning of the period/year		**3,650**	—
Issued during the period/year	*(i)*	**—**	3,515
Accrued effective interest expense	*5*	**171**	135
Carrying value at end of the period/year		**3,821**	3,650

Note:

(i) During the year ended 31 March 2011, a promissory note (the "CIFC Promissory Note") in the aggregate principal amount of HK$4,000,000 was issued by the Company to the vendor of the CIFC Group as contingent consideration upon the completion of the Group's acquisition of the CIFC Group with a fair value of HK$3,515,000 as at the issue date, based on the professional valuation performed by Greater China Appraisal, which is part of the acquisition consideration. The CIFC Promissory Note was non-interest-bearing and repayable in one lump sum on maturity on 31 March 2012. The effective interest rate of the CIFC Promissory Note was determined to be 9.55% per annum. The CIFC Promissory Note was classified under current liabilities and measured at fair value. The principal amount of the CIFC Promissory Note was subject to adjustment in accordance with certain profit guarantee, details of which are set out in the Company's announcement and circular dated 26 August 2010 and 14 October 2010 respectively.

20. SHARE CAPITAL

		As at 30 September 2011		As at 31 March 2011	
	Notes	**Number of shares (Unaudited)** ***'000***	**Amount (Unaudited)** *HK$'000*	Number of shares (Audited) *'000*	Amount (Audited) *HK$'000*
Authorised:					
Ordinary shares of HK$0.01 each					
At beginning and end of period/year		**10,000,000**	**100,000**	10,000,000	100,000
Issued and fully paid:					
Ordinary shares of HK$0.01 each					
At beginning of period/year		**168,802**	**1,688**	66,446	664
Issue of new shares on conversion of convertible bonds	*(i)*	**—**	**—**	2,395	24
Exercise of warrants	*(ii)*	**—**	**—**	15,560	156
Bonus issue	*(iii)*	**—**	**—**	84,401	844
At end of period/year		**168,802**	**1,688**	168,802	1,688

Notes:

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

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

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

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

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

21. RELATED PARTY TRANSACTIONS

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

(a) During the six months ended 30 September 2010, the Group received interest income from an associate in respect of the loan to an associate amounted to HK$264,000.

(b) During the six months ended 30 September 2010, the Group has leased out one of its investment properties to a subsidiary of the SFII Group, which became an associate of the Group immediately after the Former Disposal, for an annual rental of HK$980,000 for a 12-month period (subject to renewal) from 3 July 2010 to 2 July 2011. During the six months ended 30 September 2010, the Group received rental income of HK$466,000 from the entity as an associate of the Group, which has been included in the Group's turnover for the prior period.

(c) During the current period, the Group had incurred management fee of HK$280,000 payable to a related company which is partially owned by a director of a subsidiary.

(d) As at 30 September 2011, the amount due to a non-controlling equity owner of a subsidiary is unsecured, interest-free and has no fixed terms of repayment.

MANAGEMENT DISCUSSION AND ANALYSIS

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

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

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

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

For the six months ended 30 September 2011, the Group achieved revenue of approximately HK$75.6 million (2010: approximately HK$14.4 million) for the coal trading business, business of general trading and property investments respectively, representing a significant increased by approximately HK$61.2 million or 425% over the corresponding prior period ended. The increment was mostly contributed by the revenue stream which derived from the coal trading business which commenced in November 2010 and the increase in income from the general trading business and property investments respectively.

For the six months ended 30 September 2011, the Group recorded total revenue of approximately HK$75.6 million (2010: approximately HK$14.4 million) which was derived from the coal trading business, business of general trading and property investments respectively which accounted for approximately of 77%, 22.1% and 0.9% respectively (2010: Nil%, approximately of 95.7% and 4.3% respectively). Details of the Group's revenue are disclosed in the financial statements under Note 3 "Segment Information".

An increased in turnover by approximately HK$61.2 million or 425%, as compared to the corresponding prior period ended was mostly contributed by the revenue stream which derived from the coal trading business which commenced in November 2010 as well as the increase in income from the general trading business and property investments respectively.

The Group generated an operating profit for the continuing operations of approximately HK$2.2 million for the six months ended 30 September 2011 (2010: operating loss of approximately HK$2.9 million). The Group generated an operating profit of approximately HK$0.2 million and HK$2.6 million respectively for the six months ended 30 September 2011 (2010: operating loss of approximately HK$1.5 million and HK$Nil respectively) for the general trading and coal trading segments' respectively. The Group generated an operating loss of approximately HK$0.6 million for the property investments segment (2010: approximately HK$1.4 million).

The Group's gross profit was approximately HK$4.2 million for the six months ended 30 September 2011 (2010: approximately HK$0.9 million). The gross profit increased dramatically as compared to the corresponding prior period ended was mostly contributed by the revenue stream derived from the coal trading business which commenced in November 2010 and increase in income from the general trading business and property investments respectively. The gross profit margin was approximately of 5.6% for the six months ended 30 September 2011 (2010: approximately of 6.3%), the slightly decrement was mostly contributed by the coal trading business which commenced on November 2010 due to the positive price gap between the purchase price and the selling price of at least US$2 per metric tonne of coal sold, the Group will keep continue to bargain for the possibility of exceeding US$2 per metric tonne for the coal trade.

For the six months ended 30 September 2011, the Group's selling and distribution costs amounted to approximately HK$0.4 million (2010: HK$Nil), the selling and distribution costs are in relation to the selling expenses for the coal trading business which commenced in November 2010.

For the six months ended 30 September 2011, the Group's administrative and other expenses amounted to approximately HK$18.4 million (2010: approximately HK$24.4 million), which represented the decreased by approximately HK$6.0 million or 24.6%, as compared to the corresponding prior period ended. The decrement was contributed by the recorded of nil legal and professional fees for the current period in relation to the acquired of the coal trading business in October 2010 and decreased of the overseas and local travelling expenses incurred for the business trips.

For the six months ended 30 September 2011, the Group's finance costs amounted to approximately HK$0.2 million (2010: approximately HK$0.02 million), the increased by approximately HK$0.18 million or by 900% was contributed by the imputed interest on the promissory notes in the current period ended.

For the six months ended 30 September 2011, the Group recorded a fair value gain on investment properties of approximately HK$0.2 million (2010: fair value loss on investment properties of approximately HK$1.5 million), which represented increased in fair value of the Group's investment properties which are hold for investment purposes during the current period under reviewed.

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

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

For the six months ended 30 September 2011, the Group recorded a loss attributable to owners of the Company from the continuing operations of approximately HK$15 million (2010: approximately HK$24.6 million) represented a decrease in loss by approximately HK$9.6 million or 39%. The overall decrease in loss attributable to the owners of the Company as compared to the corresponding prior period ended was mainly attributable by (i) the increased of the revenue stream derived from the coal trading business which has been acquired in October 2010 and business commenced in November 2010 and the increased of revenue stream from the general trading business and property investments respectively, (ii) the decrease of the administrative and other expenses and (iii) the recorded of nil loss from the discontinued operation for the disposal of the 49% equity interests in the SFII Group.

LIQUIDITY AND FINANCIAL RESOURCES AND GEARING RATIO

As at 30 September 2011, the Group had net current assets of approximately HK$38.1 million (31 March 2011 (audited): approximately HK$41.03 million) including cash and cash equivalents of approximately HK$12.5 million (31 March 2011 (audited): approximately HK$18.03 million).

The Group had no bank overdraft facilities and bank borrowings as at 30 September 2011 and 31 March 2011 respectively. The debt ratio (defined as total liabilities over total assets) of the Group as at 30 September 2011 was approximately 0.44 (31 March 2011: approximately 0.26) which has increased slightly, during the current period under reviewed. The increment was mainly attributable by the coal trading business which has been acquired in October 2010 and business commenced in November 2010 and hence the current assets and current liabilities of the coal trading business was consolidated into the Group.

The Group principally finances its operations and investing activities with its operating revenue and internal resources. The directors (the "Directors") of the Company believe that the Group has a healthy financial position and has sufficient resources to satisfy its capital expenditures and working capital requirements.

FOREIGN EXCHANGE EXPOSURE

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

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

As at 30 September 2011, the Group had a minimal exposure to foreign currency risk as most of its business transactions, assets and liabilities were principally denominated in the functional currencies, i.e. RMB and USD, used by the Group entities or in the USD for HKD functional currency Group entities.

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

As at 30 September 2011, the Group does not have a foreign currency hedging policy in respect of its foreign currency assets and liabilities. The Group will monitor its foreign currency exposure closely and will consider using hedging instruments in respect of significant foreign currency exposure as and when appropriate.

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

As at 30 September 2011, the Group did not have any financial derivatives, foreign exchange contracts, interest or currency swaps, hedgings or other financial arrangements for hedging purposes to reduce any currency risk nor made any over-the counter contingent forward transactions.

The Board would like to emphasize the Group's financial positions remain stable and has sufficient cash resources to meet its present and future cash flow requirements.

CAPITAL STRUCTURE

The shares (the "Shares") of the Company were listed on The Growth Enterprise Market (the "GEM") of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") since 15 November 2002. As at 30 September 2011, the total issued shares is 168,802,094 Shares.

MATERIAL ACQUISITIONS OR DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES

During the six months ended 30 September 2011 under reviewed, there was no material acquisitions or disposals of subsidiaries and affiliated companies.

(31 March 2011: On 20 May 2010, Star Fortune International Development Company Limited (the "SFID"), an indirect wholly-owned subsidiary of the Company, entered into a conditional disposal agreement (the "Disposal Agreement") with the purchaser (the "Purchaser"), a wholly-owned subsidiary of the Nan Nan Resources Enterprise Limited (formerly known as International Resources Enterprise Limited and China Sonangol Resources Enterprise Limited respectively) (a company incorporated in Bermuda with limited liability and the issued shares of which are listed on the main board of the Stock Exchange, for the disposal of the sale shares (the "Disposal Shares"), representing 49% equity interests in SFII, held by SFID for a total cash consideration of HK$50 million.

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

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

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

Save as disclosed above, there was no other material acquisitions or disposals of subsidiaries and affiliated companies held by the Group as at 31 March 2011.)

OPERATING LEASE COMMITMENTS

The Group leases its office premises and a director’s quarter under operating lease arrangements with leases negotiated for terms ranging from two to three years. None of the leases includes contingent rentals.

As at 30 September 2011, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

	As at 30 September 2011 (Unaudited)	As at 31 March 2011 (Audited)
	HK$’000	*HK$’000*
Within one year	**4,273**	4,342
In the second to fifth years, inclusive	**5,279**	7,494
	9,552	11,836

The operating leases relate to office premises for terms of three years to year 2014.

CHARGES ON GROUP ASSETS AND CONTINGENT LIABILITIES

The Group had no material charge on assets and any contingent liabilities as at 30 September 2011 (31 March 2011: HK$Nil).

PROPOSED ACQUISITION

On 8 July 2011, Star Enterprise Investment Company Limited, an indirect wholly-owned subsidiary of the Company entered into the non-legally binding memorandum of understanding (the "MOU 1") with the Vendor David in relation to the possible acquisition (the "Possible Acquisition"). The target group (the "Target Group") will be commenced and principally engaged in methyl tertiary butyl ether (the "M.T.B.E") trading between the PRC, and Singapore or other East Asia countries by the time of completion of the Possible Acquisition.

Details of the MOU 1 have been set out in the announcements of the Company dated 8 July 2011 and 7 October 2011 and 27 October 2011 respectively. MOU 1 was terminated on 27 October 2011.

Save as disclosed above, there was no other proposed acquisition during the period ended 30 September 2011 held by the Group.

(31 March 2011: On 25 February 2011, Starry Gold Resources Investment Limited, an indirect wholly-owned subsidiary of the Company, entered into the non-legally binding memorandum of understanding (the "MOU 2") with the vendors in relation to a possible acquisition of a target group which will be principally engaged in mining, exploitation and sale of talc in the Hubei Province, the PRC upon the completion of the reorganisation and successful renewal of the mining permit.

Details of the MOU 2 have been set out in the announcements of the Company dated 25 February 2011, 29 April 2011 and 30 June 2011 respectively. The MOU 2 was lapsed on 30 June 2011.

There was no other proposed acquisition held by the Group as at 31 March 2011.)

CONNECTED TRANSACTIONS

The Group has paid a refundable deposit of HK$3,000,000 (the "Deposit") to the Vendor David, being the ultimate beneficial owner of the target company, forthwith upon the signing of the MOU 1. The payment of Deposit to the Vendor David which constituted a connected transaction on the part of the Company under Chapter 20 of the GEM Listing Rules. As the applicable percentage ratios are less than 5%, the payment of Deposit is only subject to reporting and announcement requirements but is exempt from the independent shareholders' approval of the Company requirement under Chapter 20 of the GEM Listing Rules.

SHARE OPTION SCHEME

On 26 October 2002, the Company conditionally adopted the Share Option Scheme (the "Scheme") under which share options to subscribe for the shares of the Company may be granted under the terms and conditions stipulated therein. On 3 September 2010, the Board conditionally resolved to grant an aggregate of 7,940,104 (subsequently adjusted to 15,880,208 immediately after of the bonus issue) shares at HK$1.51 (subsequently adjusted to HK$0.755 immediately after the bonus issue) per share under the Scheme, which had been approved by shareholders of the Company at the special general meeting held on 5 November 2010. As at 30 September 2011, 15,880,208 granted share options under the Scheme were outstanding. Details number of share options granted, exercised and their respective exercise price and exercisable period are as follows:

Categories of grantees	Date of grant	Exercisable period	Exercise price per share *HK$*	Closing price at the date of grant *HK$*	Outstanding as at 01/04/2011	Granted during the period	Exercised during the period	Outstanding as at 30/09/2011
Directors								
Ms. Yick Mi Ching, Dawnibilly	3 September 2010	3 September 2010 – 2 September 2020	0.755	0.755 *(Note)*	7,940,104	—	—	7,940,104
Mr. Tsang Ho Ka, Eugene	3 September 2010	3 September 2010 – 2 September 2020	0.755	0.755 *(Note)*	7,940,104	—	—	7,940,104
					15,880,208	—	—	15,880,208

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

TREASURY POLICIES

The Group adopts a conservative approach towards its treasury policies. The Group strives to reduce exposure to credit risk by performing ongoing credit evaluations of the financial conditions of its customers. To manage liquidity risk, the Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and commitments can meet its funding requirements.

SEGMENT INFORMATION

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

Summary details of the operating segments are as follows:

— The coal trading segment comprised the business of coal trading;

— The general trading segment comprised the business of trading of other merchandise goods;

— The property investment segment comprised investment in various properties for rental income purposes; and

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

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

Details of the segment information are presented in note 3 to the section headed "SEGMENT INFORMATION" of this announcement.

NEW SERVICES

During the six months ended 30 September 2010 and 2011 respectively, the Group has no new services introduced.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

As at 30 September 2011, the Group have a future plan for potential possible investments. Further details, please refer to the heading of titled "PROPOSED ACQUISITION".

EMPLOYEES AND REMUNERATION POLICIES

As at 30 September 2011, the Group had 25 (31 March 2011: 25) employees.

The salaries and benefits of the Group's employees are maintained at a competitive level and employees are rewarded on a discretionary performance-related basis within the general framework of the Group's salary and bonus system, which is reviewed annually. Year-end bonus based on individual performance will be paid to employees as recognition of and reward for their contributions. Other benefits include contributions to statutory mandatory provident fund scheme and medical scheme to its employees in Hong Kong. Social insurance contributions were made by the Group for its employees in the PRC in accordance with the relevant PRC regulations.

The Group did not experience any major difficulties in recruitment, nor did it experience any material loss in manpower or any material labour dispute. The Group also operates a Scheme where share options to subscribe for shares of the Company may be granted to the eligible participants of the Group. No share options have been granted to any eligible participants during the current period under reviewed.

Staff costs, excluding Directors' remuneration, decreased by approximately 16.1% to approximately HK$2.6 million (30 September 2010: approximately HK$3.1 million).

BUSINESS REVIEW AND PROSPECTS

For the six months ended 30 September 2011, the Group achieved revenue of approximately HK$75.6 million (2010: approximately HK$14.4 million) for the coal trading business, business of general trading and property investments respectively, representing a significant increased by approximately HK$61.2 million or 425% over the corresponding prior period ended. The increment was mostly contributed by the revenue stream which derived from the coal trading business which commenced in November 2010 and increase in income from the general trading business and property investments respectively.

For the six months ended 30 September 2011, the Group recorded revenue of approximately HK$58.2 million from the coal trading business which acquired in October 2010 (2010: HK$Nil) and accounted for approximately of 77.0% of the Group's turnover (2010: Nil%). For the six months ended 30 September 2011, the coals' traded was approximately 0.18 million tones (2010: Nil).

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

During the period under review, the Group was more focused and the Board remains good prospects on the businesses of the coal trading segments respectively. Firstly, with the awaiting of the coal mine in Victoria, Australia back to its normal mining status after the flooding and the breakout of the Fukushima Daiichi nuclear power plant's scandals in Japan, the supply of coals from the Australia to the PRC will be reduced and the current development for the nuclear plants in PRC might be hold up and leading to the change of the energy consumption pattern to the other sources of non-renewable and renewable energy respectively.

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

Thirdly, out of the HK$4 million's profit guarantee given by the Vendor David in the Conditional S&P, HK$2.2 million was already achieved. The acquired of the coal trading business in October 2010 (the "Coal Trading Business") not only diversified the Group's business but also contributed further source to the Group's turnover. Furthermore, the acquired of Coal Trading Business has provided cost and operation efficiency and other synergy effects to the Group from the prior management experiences and expertises from the disposed SFII Group. Directors expected a potential growth from the Coal Trading Business and hence the Group will by leverage extra resources and diverts its current resources and focusing from the general trading to the area of coal trading segment to pursuit its growth and the Group will commit itself in controlling costs and improving the quality of the products and hence the Group will achieve substantial business growth and generate good revenue in the future.

For the six months ended 30 September 2011, the Group achieved revenue of approximately HK$16.7 million for the general trading business in the PRC (2010: approximately HK$13.8 million). The general trading business of the Group commenced in October 2009 and the Group has entered into an acquisition contracts (the "Acquisition Contracts") with the trading customers (the "Trading Customers") from the period of 1 July 2010 to 30 June 2011 for different electronic appliances with the contract's amount of RMB28 million. The entire Acquisition Contracts was completed and no renewal of the acquisition contract is signed upon the expired of the Acquisition Contracts. The general trading business accounted for approximately of 22.1% of the Group's turnover for the six months ended 30 September 2011 (2010: approximately of 95.7%) and will remain as the second main source of the Group's turnover on the financial year of 2011/2012. In view of the low profit margins and facing the keen competitions from the local competitors, the Group will focus more on the Coal Trading Business.

For the six months ended 30 September 2011, the Group achieved revenue of approximately HK$0.7 million for the rental income from the Group's investment properties in HK and the PRC respectively (2010: approximately of HK$0.6 million). Given the current rising property market in Hong Kong surpassed its previous peak in 1997, the government has implemented several policies aimed at cooling down the overheating residential property market and curbing speculation in the luxury residential property may have effect on property market; and the uncertainties in the macro economy, such as the future change in interest rate, tightening monetary policy in the PRC and the recent announcement of raising the U.S. borrowing limit and avert an unprecedented debt default, the Directors is cautious on the increasing risk in the residential property market. Hence, on 3 August 2011, the Group entered into a provisional sale and purchase agreement with the purchasers in relation to the disposal (the "Property Disposal") of a Group's property located in Hong Kong for a cash consideration of HK$11,300,000. The Directors consider that the Property Disposal represents a good opportunity for the Group to yield a reasonable return to its investment in this property and the Property Disposal was completed in September 2011.

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

Despite of the net loss of the Group for the six months ended 30 September 2011, the Board considers that the Group's overall financial positions are healthy and the Board remains positive on the prospects of the Group. Notwithstanding the foregoing, as at 30 September 2011, the Board confirms that the Group makes no investment in any financial derivatives, foreign exchange contracts, interest or currency swaps, hedgings or other financial arrangements for hedging purposes to reduce any currency risk nor made any over-the counter contingent forward transactions. The Board would like to emphasise that the Group's financial positions remain stable and has sufficient cash resources to meet its present and future cash flow requirements.

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

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

As at 30 September 2011, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) ("SFO") which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO) or as recorded in the register required to be kept by the Company under Section 352 of the SFO or otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by directors set out in Rules 5.46 to 5.67 of the GEM Listing Rules were as follows:

(i) Interests in shares

Name	Capacity of interests	Number of ordinary shares held	Approximate percentage of shareholding in the Company
Ming Kei International Holding Co. Limited (the "Ming Kei") *(Note 1)*	Beneficial owner	21,275,676 (L) *(Note 2 and 6)*	12.60
Dr., Sir Wong Wai Sing (the "Dr., Sir Wong")	Beneficial owner	504,400 (L) *(Note 6)*	0.30
	Interest of controlled corporation	21,275,676 (L) *(Note 2 and 6)*	12.60
Lonestar Group Limited (the "Lonestar") *(Note 3)*	Beneficial owner	400,000 (L) *(Note 6)*	0.24
Mr. Tsang Ho Ka, Eugene (the "Mr. Tsang") *(Note 4)*	Interest of controlled corporation	400,000 (L) *(Note 6)*	0.24
Ms. Lau Kimberly Siu Yan Kaiulani (the "Ms. Lau") *(Note 5)*	Interest of spouse	400,000 (L) *(Note 6)*	0.24

(ii) Interests in share options

Name of Directors	Date of grant	Exercisable period	Exercise price per Share *HK$*	Number of share options granted	Approximate percentage of shareholding in the Company
Ms. Yick Mi Ching, Dawnibilly	3 September 2010	3 September 2010 to 2 September 2020	0.755	7,940,104 (L) *(Note 6)*	4.70
Mr. Tsang Ho Ka, Eugene	3 September 2010	3 September 2010 to 2 September 2020	0.755	7,940,104 (L) *(Note 6)*	4.70

Notes:

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

2. Ming Kei is wholly and beneficially owned by Dr., Sir Wong, therefore, Dr., Sir Wong is deemed to be interested in the 21,275,676 Shares in which Ming Kei is interested.

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

4. Lonestar is wholly and beneficially owned by Mr. Tsang, therefore, Mr. Tsang is deemed to be interested in the 400,000 Shares in which Lonestar is interested.

5. Lonestar is wholly and beneficially owned by Mr. Tsang and who is the spouse of Ms. Lau. Accordingly, Mr. Tsang and Ms. Lau is deemed to be interested in the 400,000 Shares in which Lonestar is interested and Ms. Lau is deemed to be interested in the Shares beneficially owned by Mr. Tsang in his own capacity.

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

Save as disclosed above, as at 30 September 2011, none of the Directors nor the chief executives of the Company had any other interests and short positions in any shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were required to be recorded in the register kept by the Company under Section 352 of the SFO or otherwise required to be notified to the Company and the Stock Exchange pursuant to the required standard of dealings by directors set out in Rules 5.46 to 5.67 of the GEM Listing Rules.

DIRECTOR'S RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Apart from as disclosed under the paragraph headed "DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITION IN SHARES, UNDERLYING SHARES AND DEBENTURES" above and the share option scheme disclosures to this announcement, at no time during the period were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company or of any other body corporate granted to any Directors or their respective spouse or children under 18 years of age, or were any such rights exercised by them; or was the Company, its holding company, or any of its subsidiaries or fellow subsidiaries a party to any arrangements to enable the Directors, their respective spouse or children under 18 years of age to acquire such rights in any other body corporate.

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

As at 30 September 2011, the interests and short positions of persons, other than the Directors or chief executives of the Company, in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or, who are, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other members of the Group, or substantial shareholders as recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

(i) Interests in shares:

Name of shareholders	Capacity of interests	Number of ordinary shares held	Approximate percentage of shareholding in the Company
Ming Kei *(Note 1)*	Beneficial owner	21,275,676 (L) *(Note 2 and 9)*	12.60
Dr., Sir Wong	Beneficial owner	504,400 (L) *(Note 2 and 9)*	0.30
	Interest of controlled corporation	21,275,676 (L) *(Note 2 and 9)*	12.60
Mr. Ho Chung Wo ("Mr. Ho") *(Note 3)*	Beneficial Owner	19,124,000 (L) *(Note 9)*	11.33
Ms. Ho In Chan ("Ms. Ho") *(Note 4)*	Beneficial Owner	19,124,000 (L) *(Note 9)*	11.33
Union Crown Development Limited (the "Union Crown") *(Note 5)*	Beneficial owner	1,196,000 (L) *(Note 9)*	0.71

Name of shareholders	Capacity of interests	Number of ordinary shares held	Approximate percentage of shareholding in the Company
Best Investments (Far East) Limited (the "Best Investments") *(Note 6)*	Beneficial owner	5,208,000 (L) *(Note 9)*	3.08
Mr. Luk Wing Kwong, Quintin (the "Mr. Luk")	Interest of controlled corporation	1,196,000 (L) *(Note 9)*	0.71
	Interest of controlled corporation	5,208,000 (L) *(Note 9)*	3.08
	Beneficial owner	5,468,000 (L) *(Note 9)*	3.24

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

Name of shareholders	Capacity of interests	Number of underlying shares held	Approximate percentage of shareholding in the Company
Triumph Star Enterprises Limited (the "Triumph") *(Note 7)*	Beneficial owner	10,000,000 (L) *(Note 9)*	5.92
Mr. Chan Francis Ping Kuen (the "Mr. Chan") *(Note 7)*	Interest of controlled corporation	10,000,000 (L) *(Note 9)*	5.92
Glorious Smart International Investment Limited (the "Glorious") *(Note 8)*	Beneficial owner	10,000,000 (L) *(Note 9)*	5.92
Ms. Wang Hong *(Note 8)*	Interest of controlled corporation	10,000,000 (L) *(Note 9)*	5.92

Notes:

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

2. Ming Kei is wholly and beneficially owned by Dr., Sir Wong, therefore, Dr., Sir Wong, is deemed to be interested in the 21,275,676 Shares in which Ming Kei is interested.

3. Mr. Ho is the brother of Ms. Ho, the 19,124,000 Shares is wholly and beneficially owned under the joint account of Mr. Ho and Ms. Ho respectively, therefore Mr. Ho is deemed to be interested the 19,124,000 Shares.

4. Ms. Ho is the sister of Mr. Ho, the 19,124,000 Shares is wholly and beneficially owned under the joint account of Ms. Ho and Mr. Ho respectively, therefore Ms. Ho is deemed to be interested the 19,124,000 Shares.

5. Union Crown is wholly and beneficially owned by Mr. Luk, therefore Mr. Luk is deemed to be interested in the 1,196,000 Shares.

6. Best Investments is wholly and beneficially owned by Mr. Luk, therefore Mr. Luk is deemed to be interested in the 5,208,000 Shares.

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

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

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

Save as disclosed above, as at 30 September 2011, the Directors and the chief executives of the Company were not aware of any other person (other than the Directors and the chief executives of the Company) who had, or was deemed to have, interests or short positions in the shares or underlying shares of the Company (including any interests in options in respect of such capital), which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who was directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company, nor any of its subsidiaries had purchased, redeemed or sold any of the Company's listed securities during the six months ended 30 September 2011.

DIRECTORS' INTERESTS IN CONTRACTS

As at 30 September 2011, no director of the Company had a significant beneficial interest, either directly or indirectly, in any contract of significance to the business of the Group to which the Company, its holding company or any of its subsidiaries was a party.

DIRECTORS' INTEREST IN COMPETING INTERESTS

As at 30 September 2011, none of the Directors, the management shareholders or substantial shareholders of the Company or any of their respective associates (as defined in the GEM Listing Rules) has engaged in any business that competes or may compete with the business of the Group, or have any other conflict of interests with the Group.

MANAGEMENT CONTRACTS

As at 30 September 2011, no contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed.

COMPETITION AND CONFLICT OF INTERESTS

As at 30 September 2011, none of the Directors, the management shareholders or substantial shareholders of the Company or any of their respective associates (as referred to in Note 3 to Rule 6.35 of the GEM Listing Rules) have engaged in any business that competes or may compete with the business of the Group, or have any other conflict of interests with the Group.

CODE ON CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the code of conduct for securities transactions by directors on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules (the "Securities Code"). Having made specific enquiry of all Directors, the Company was not aware of any non-compliance with the required standard set out in the Securities Code.

AUDIT COMMITTEE

The Company established an audit committee on 26 October 2002 with written terms of reference in compliance with Rules 5.28 and 5.29 of the GEM Listing Rules. The primary duties of the audit committee are to review and supervise the financial reporting process and internal control system of the Group. The audit committee comprises three members, namely, Mr. Sung Wai Tak, Herman, Mr. Kwok Kam Tim and Mr. Kinley Lincoln James Lloyd, all are independent non-executive Directors of the Company. The unaudited condensed consolidated financial statements of the Group for the six months ended 30 September 2011 have been reviewed by the audit committee, which was of the opinion that the preparation of such results complied with the applicable accounting standards, the Stock Exchange and legal requirements and that adequate disclosures have been made.

CORPORATE GOVERNANCE PRACTICES

The Company has adopted the code provisions set out in the Code on Corporate Governance Practices (the "Code") as set out in Appendix 15 of the GEM Listing Rules. The Company has applied the principles in the Code and complied with the code provisions set out in the Code for the period ended 30 September 2011 except that (i) no nomination committee of the Board is established and (ii) all independent non-executive Director of the Company are not appointed for a specific term.

In order to maintain high standard of disclosure, an announcement of "PROFIT WARNING" dated 28 October 2011 was announced by the Company that the Group is expected the net loss of the Group for the six months ended 30 September 2011 is expected to decrease significantly and the current assets and the current liabilities as at 30 September 2011 is expect to increase significantly as compared with that for the corresponding period in year 2010.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and to the best knowledge of the Directors as at the date of this announcement, there is sufficient public float of the Company's issued shares as required under the Listing Rules through out the period ended 30 September 2011.

PRE-EMPTIVE RIGHTS

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

PUBLICATION OF INFORMATION ON WEBSITES

This interim result's announcement is available for viewing on the website of Stock Exchange at www.hkex.com.hk and on the website of the Company at www.mingkeiholdings.com.

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

8 November 2011
Hong Kong

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

This announcement will remain on the GEM website at http://www.hkgem.com on the "Latest Company Announcements" page for seven days from the date of its publication and on the website of the Company at http://www.mingkeiholdings.com.