



# 139 HOLDINGS LIMITED

( 139 控股有限公司 ) \*

*(Incorporated in Bermuda with limited liability)*

(Stock Code: 139)

## PROPOSED INVESTMENT IN METHANOL REFINERY PROJECT IN INNER MONGOLIA

This announcement is made pursuant to Rule 13.09 of the Listing Rules.

The Board wishes to announce that on 4 September 2006, Make Sense Investments Limited, a wholly owned subsidiary of the Company entered into a MOU with the Independent Third Parties pursuant to which the parties have agreed to negotiate in relation to the Proposed Investment by the Group in a joint venture established by the Independent Third Parties in the People's Republic of China which is principally engaged in the coal mining, manufacture and sales of methanol in Inner Mongolia. The Board believes that the Proposed Investment, if proceeded with, will provide a strategic opportunity for the Group to diversify its business and enhance its profitability.

Shareholders should note that the Proposed Investment may or may not proceed, and if proceeded with, the Proposed Investment may or may not constitute a notifiable transaction for the Company under the Listing Rules. **As the Proposed Investment may or may not proceed, shareholders and public investors are advised to exercise caution when dealing in the shares of the Company.**

This announcement is made pursuant to Rule 13.09 of the Listing Rules.

The board of directors (the “**Board**”) of 139 Holdings Limited (the “**Company**”) wishes to announce that on 4 September 2006, Make Sense Investments Limited, a wholly-owned subsidiary of the Company, entered into a legally non-binding memorandum of understanding (the “**MOU**”) with various independent third parties (the “**Independent Third Parties**”) who are independent of and not connected with the Company or its connected persons (as defined in the Rules Governing the Listing of the Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). Under the MOU, the parties have agreed to negotiate in relation to the proposed investment (the “**Proposed Investment**”) by the Company and its subsidiaries (the “**Group**”) in a joint venture established by the Independent Third Parties in the People's Republic of China which is principally engaged in the coal mining, manufacture and sales of methanol in Inner Mongolia. As at the date of this Announcement, no specific terms in relation to the structure nor consideration of the Proposed Investment have been determined. While the Group has been pursuing its strategy to diversify its existing business

and revenue streams, the Board believes that the Proposed Investment, if proceeded with, will provide a strategic opportunity for the Group to diversify its business and enhance its profitability.

The Group will proceed with conducting further due diligence on the Proposed Investment and negotiate the terms of the Proposed Investment and the Board envisages to reach a decision as to whether to proceed with the Proposed Investment in approximately three months. The Company will issue announcement(s) in relation to the Proposed Investment in accordance with the Listing Rules as and when necessary and appropriate.

Shareholders should note that the Proposed Investment may or may not proceed, and if proceeded with, the Proposed Investment may or may not constitute a notifiable transaction for the Company under the Listing Rules. **As the Proposed Investment may or may not proceed, shareholders and public investors are advised to exercise caution when dealing in the shares of the Company.**

By order of the Board  
**139 Holdings Limited**  
**Wong Howard**  
*Executive Director*

Hong Kong, 4 September 2006

*As at the date hereof, the executive Directors are Mr Wong Howard, Mr Wong Yat Fai and Mr Wu Qing and the independent non-executive Directors are Mr Li Chi Ming, Mr Tung Tat Chiu, Michael and Mr Wan Ngar Yin David.*

*\* For identification purposes only*