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139 HOLDINGS LIMITED

(139 控 股 有 限 公 司) *

(Incorporated in Bermuda with limited liability)

(Stock Code: 139)

TERMINATION OF A MAJOR TRANSACTION

CESSATION OF THE SALE AND PURCHASE AGREEMENT DATED 1 NOVEMBER 2006

Reference is made to the Company's announcements dated 19 October 2006 and 2 November 2006 respectively and the Company's circular (the "Circular") dated 29 January 2007 in relation to the Acquisition. The capitalised terms used herein shall have the same meanings as those defined in the Circular unless otherwise stated.

The Company announces that one of the conditions precedent set out in the SP Agreement, namely, Make Sense as purchaser, at its sole discretion, being satisfied with the results of the due diligence review conducted by Make Sense and/or its agents, has not been fulfilled. In particular, there is a delay in obtaining the adequate banking facilities by Century Time Group, the target group of companies. Make Sense's proposed investment in the methanol refinery project is made based on the representation that Century Time Group is able to meet its capital and working capital requirements for the project. However, as at the date of this announcement, the formal banking facilities letters are yet to be signed and Century Time Group has yet to secure adequate financing to fund the capital requirement. Furthermore, it is not expected that any financing could be obtained on or before 15 April 2007.

Pursuant to the provisions of the SP Agreement, if the conditions set out in the SP Agreement have not been satisfied (or as the case may be, waived by Make Sense) on or before 12:00 noon on 15 April 2007 (or such later date as the parties may agree in writing), the SP Agreement shall cease and determine and neither party to the SP Agreement shall have any obligations and liabilities under the SP Agreement save for any antecedent breaches of the term thereof. Taking into consideration the results of the due diligence review conducted by Make Sense and the importance of Century Time Group's ability to meet its capital and working capital requirements for the project, Make Sense is of the view that the successful outcome of the project has become highly uncertain. As a result, Make Sense has not agreed to waive the above condition.

On 12 April 2007, Make Sense issued a notice to the Vendor informing the Vendor that it has failed to satisfy the above condition and the SP Agreement shall cease and determine with immediate effect.

No deposit or any sort of payment has been made to the Vendor by the Company or Make Sense under the SP Agreement. The Board considers that the cessation of the SP Agreement will not have any material adverse impact to the Group's business operations. Despite the cessation of the SP Agreement, the Board still has much confidence in the PRC's energy business and would keep exploring if there are any favorable investment opportunities in the PRC energy sector.

By Order of the Board
139 Holdings Limited
Wong Howard
Executive Director

Hong Kong, 12 April 2007

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*