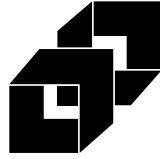


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S E A H O L D I N G S L I M I T E D

爪哇控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 251)

CONNECTED TRANSACTION RELATING TO THE ESTABLISHMENT OF A JOINT VENTURE AND CLARIFICATION OF FIGURES IN 2004 INTERIM REPORT

The Board announces that, on 2nd November 2004, NLIL, FLCO, SEACO and RHL entered into the JV Agreement for the establishment of JVCO. Upon its establishment, JVCO will be owned by NLIL, FLCO, SEACO and RHL in the proportions of 31.1%, 29.9%, 24.0% and 15.0%. The scope of business of JVCO will be to engage in the investment of unconverted land (including rights to acquire unconverted land) in New Zealand for the purposes of re-zoning and development.

SEACO is an indirect wholly owned subsidiary of the Company. NLIL, FLCO and RHL are investment holding companies associated with Mr. Darby, Mr. Fletcher and Mr. Coburn respectively. Mr. Fletcher is the Executive Chairman and Managing Director of the Group's property investment companies in New Zealand and Australia. Both Mr. Darby and Mr. Coburn are directors of a subsidiary of the Company.

As a result, the establishment of JVCO constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

The total commitment of the JV Parties to JVCO is NZ\$18,000,000 (HK\$97,556,000). The total commitment of SEACO to JVCO is NZ\$4,492,000 (HK\$24,347,000) which represents more than 0.1% but less than 2.5% of the consideration ratio calculated pursuant to Rule 14.07(4) of the Listing Rules.

Details of the JV Agreement will be included in the 2004 annual report and accounts of the Company.

THE JV AGREEMENT

Date of JV Agreement: 2nd November 2004

JV Parties: NLIL (31.1%), FLCO (29.9%), SEACO (24.0%) and RHL (15.0%)

- Scope of business:** The scope of business of JVCO will be to engage in the investment of unconverted land (including rights to acquire unconverted land) in New Zealand for the purposes of re-zoning and development.
- Total commitment:** The JV Parties shall contribute an immediate amount of NZ\$1,500,000 (HK\$8,130,000) by way of shareholders' loan to JVCO upon signing of the JV Agreement. Thereafter, contributions from the JV Parties shall be as determined by the JVCO board but the JV Parties shall not be required to continue further funding to JVCO until the JVCO board believes that it is commercially viable to do so.
- Contribution from the JV Parties shall be pro-rata and shall be made in such forms (including equity injection, shareholders' loans and the provisions of guarantees and/or collateral) as the JV Parties shall agree from time to time.
- If contributions are made by the JV Parties in the form of loans, interest will be charged on the loans at the prevailing rate(s) as the parties shall agree but in any event not exceeding the New Zealand 90-day Bank Bill Mid Rate plus a margin of 2% per annum. Such loans will not be revolving loans and will not be secured and will be repaid by JVCO depending on its cash flow position and subject to agreement with banks or financial institutions which have extended loans or facilities to JVCO.
- If contributions are made by the JV Parties to JVCO in the form of collateral/security, such collateral/security will be in any one or more of the following forms:—
1. pledge over the JV Parties' respective interests in JVCO;
 2. assignment of the JV Parties' shareholders loans to JVCO; and/or
 3. several guarantee(s) by the JV Parties or their respective associates.
- On the basis of a maximum commitment of NZ\$18,000,000 (HK\$97,556,000) and the proportions of interests in JVCO, the maximum commitment by each of NLIL, FLCO, SEACO and RHL in respect of JVCO shall be NZ\$5,598,000 (HK\$30,340,000), NZ\$5,382,000 (HK\$29,169,000), NZ\$4,320,000 (HK\$23,414,000) and NZ\$2,700,000 (HK\$14,633,000) respectively.
- Conditions Precedent:** The establishment of JVCO is not subject to any conditions precedent.
- Board composition:** The board of directors of JVCO will consist of five directors. Each of NLIL, SEACO and RHL has the right to appoint and remove one director. FLCO has the right to appoint and remove two directors.
- Other material terms:**
1. All surplus cash within JVCO, after the provision for reasonable working capital, capital expenditure and repayment of loans shall be distributed to the shareholders of JVCO pro-rata to their shareholdings.

2. The JV Agreement contains restrictions on transfer of JVCO shares by the JV Parties.
3. The JV Agreement contains minority protections commonly found in joint venture agreements.

ARRANGEMENTS RELATING TO FLCO

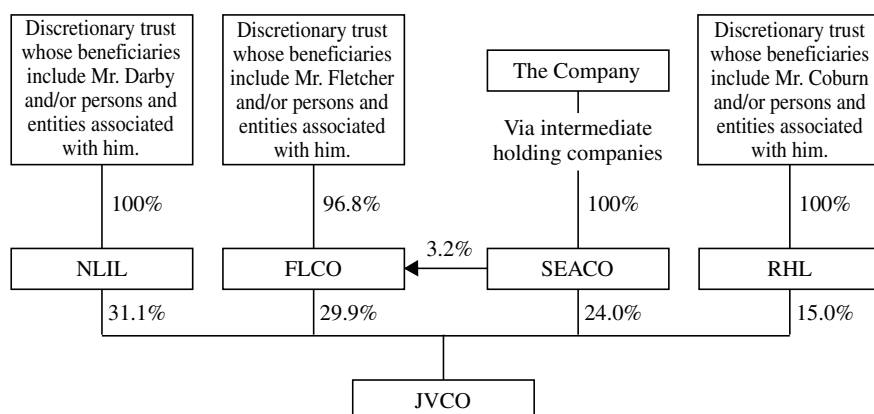
As agreed between Mr. Fletcher and SEACO:—

1. FLCO will be incorporated as a single purpose vehicle for holding investments in JVCO.
2. FLCO will be owned by SEACO and Mr. Fletcher (or a discretionary trust associated with him) in the proportions of 3.2% and 96.8% respectively. All funding requirements, whether equity or loans, of FLCO will be contributed by the shareholders pro-rata to their shareholdings.
3. SEACO shall have the right to appoint one director to FLCO.
4. SEACO cannot sell its shares in FLCO without first offering them to Mr. Fletcher and vice-versa.

On the basis of FLCO's maximum commitment to JVCO of NZ\$5,382,000 (HK\$29,169,000) and the proportions of interests in FLCO, the maximum commitment by each of Mr. Fletcher and SEACO in respect of JVCO shall be NZ\$5,210,000 (HK\$28,236,000) and NZ\$172,000 (HK\$933,000) respectively.

CORPORATE STRUCTURE AND OWNERSHIP CHART

The chart below sets out the proposed ownership structure of NLIL, FLCO, SEACO and RHL immediately after the establishment of the joint venture:—



INFORMATION ABOUT THE COMPANY, NLIL, FLCO, SEACO AND RHL

The Company is an investment holding company listed on HKSE. The activities of its principal subsidiaries are investment holding, property and asset management, garment manufacturing and trading and property investment and development in Hong Kong, China, Australia and New Zealand.

NLIL is an investment holding company owned by a discretionary trust whose beneficiaries include Mr. Darby and/or persons and entities associated with him.

FLCO is an investment holding company owned by a discretionary trust whose beneficiaries include Mr. Fletcher and/or persons and entities associated with him.

SEACO is an investment holding company indirectly wholly-owned by the Company.

RHL is an investment holding company owned by a discretionary trust whose beneficiaries include Mr. Coburn and/or persons and entities associated with him.

REASONS FOR AND BENEFITS OF THE JOINT VENTURE AND THE ARRANGEMENTS RELATING TO FLCO

The Company first entered into joint venture with entities associated with Mr. Darby and Mr. Fletcher in May 2001 when Jacks Point Limited was set up to investigate and then acquire certain land in Queenstown, New Zealand for re-zoning and development purposes. Details of this joint venture are set out in the Company's announcement dated 15th January 2004. Jacks Point Limited was subsequently reorganised with the result of the Company disposing of part of its interests in Jacks Point Limited and realising a gain. Details of this reorganisation are set out in the Company's announcement dated 6th May 2004. Following that reorganisation, Jacks Point Limited became wholly-owned by a company owned by the Company and discretionary trusts associated with Mr. Fletcher, Mr. Darby and Mr. Coburn in the proportions of 25.1%, 29.9%, 30.0% and 15.0%.

This joint venture mirrors the Jacks Point Limited joint venture which has proved to be very successful. The Company's investment in JVCO is limited to 24.0% because, under the New Zealand laws, subject to limited exceptions, a company which is 25% or more owned by foreigners cannot acquire interests in New Zealand real estate without the prior approval of the Overseas Investment Commission of New Zealand. The need to obtain Overseas Investment Commission's approval (which may not be forthcoming) would prevent JVCO from enjoying first-mover's advantage in acquiring prime real estate.

The Directors (including the independent non-executive Directors) consider that the terms of the JV Agreement are on normal commercial terms and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The subscription of a nominal shareholding in FLCO allows SEACO to monitor the operations of FLCO (both at the board and at shareholders' levels) to ensure that FLCO remains a single purpose vehicle for holding investments in JVCO and that the shareholder of FLCO does not dispose of its shares in FLCO without first offering the same to SEACO.

FUNDING

It is currently expected that the Company's funding for JVCO will be sourced from the Group's internal cash reserves but the Group may, if deemed appropriate, seek external bank borrowings to finance or refinance all or part of its investment in JVCO.

The establishment of JVCO is not expected to have any immediate material effect on the earnings, assets and liabilities of the Group. As JVCO will become associate company of the Company, its interests will be accounted for by the Company using the equity method.

LISTING RULES EFFECTS OF THE JOINT VENTURE

SEACO is an indirect wholly owned subsidiary of the Company. NLIL, FLCO and RHL are investment holding companies associated with Mr. Darby, Mr. Fletcher and Mr. Coburn respectively. Mr. Fletcher is the Executive Chairman and Managing Director of the Group's property investment companies in New Zealand and Australia. Both Mr. Darby and Mr. Coburn are directors of a subsidiary of the Company.

The total commitment of SEACO to JVCO is NZ\$4,492,000 (HK\$24,347,000) which is more than 0.1% but less than 2.5% of the consideration ratio calculated pursuant to Rule 14.07(4) of the Listing Rules. As a result, the establishment of JVCO constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules and is subject to the reporting requirements of the Listing Rules.

CLARIFICATION OF FIGURES IN 2004 INTERIM REPORT

The Board of Directors of the Company referred to the figure of "NZ\$395.5 million (HK\$1,264.6 million)" (the "Figure") in the Chairman's Statement on page 5 (English version) and page 27 (Chinese version) of the interim report of the Company for the year ended 30th June 2004 respectively. The Board wishes to clarify that the Figure was mistakenly stated and the correct figure should be "NZ\$257.5 million (HK\$1,264.6 million)".

GENERAL

Details of the JV Agreement will be included in the 2004 annual report and accounts of the Company.

DEFINITIONS

In this announcement, the following expressions shall have the following meanings unless the context requires otherwise:—

"Board"	The Board of Directors of the Company;
"Company"	S E A Holdings Limited, a company incorporated in Bermuda with limited liability;
"Directors"	Directors of the Company;
"FLCO"	A company to be incorporated by Mr. Fletcher and SEACO (or their respective nominees) and which will be owned by them in the proportions of 96.8% and 3.2%;
"Group"	The Company and its subsidiaries;
"HKSE"	The Stock Exchange of Hong Kong Limited;
"JV Agreement"	The joint venture agreement dated 2nd November 2004 among the JV Parties for the establishment of JVCO;
"JV Parties"	NLIL, FLCO, SEACO and RHL;

“JVCO”	A company to be incorporated and will be owned by NLIL, FLCO, SEACO and RHL in the proportions of 31.1%, 29.9%, 24.0% and 15.0%;
“NLIL”	Northern Land Investments Limited, a company incorporated in New Zealand with limited liability and which, as at the date of this announcement, is ultimately owned by a discretionary trust whose discretionary beneficiaries include Mr. Darby and/or persons and entities associated with Mr. Darby;
“Listing Rules”	The Rules Governing the Listing of Securities on HKSE;
“Mr. Coburn”	Mike Coburn, a New Zealander and a director of a subsidiary of the Company;
“Mr. Darby”	John Darby, a New Zealander and a director of a subsidiary of the Company;
“Mr. Fletcher”	Don Fletcher, a New Zealander and the Executive Chairman and Managing Director of the Group’s property investment companies in New Zealand and Australia;
“RHL”	Ruboc Holdings Limited, a company incorporated in New Zealand with limited liability and which, as at the date of this announcement, is ultimately owned by a trust whose discretionary beneficiaries include Mr. Coburn and/or persons and entities associated with Mr. Coburn;
“SEACO”	A company to be incorporated by the Company in New Zealand with limited liability and which will be indirectly wholly-owned by the Company;
“Shareholders”	Shareholders of the Company.

As at the date of this announcement, the Directors are as follows:

Executive Directors:

Lu Wing Chi, Lincoln Lu, Lambert Lu, Lu Wing Yuk, Andrew and Lu Wing Lin

Non-executive Director:

Lu Yong Lee

Independent Non-executive Directors:

Walujo Santoso, Wally, Leung Hok Lim and Chung Pui Lam

Note: Exchange rate used in this announcement NZ\$1 = HK\$5.4198.

By Order of the Board
JENIFER SIN
Company Secretary

Hong Kong, 2nd November 2004

* *For identification purpose only*

Please also refer to the published version of this announcement in The Standard.