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SEA HOLDINGS LIMITED

爪哇控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code : 251)

**DISCLOSEABLE TRANSACTION
ACQUISITION OF AN OFFICE BUILDING IN THE CITY OF LONDON**

THE ACQUISITION

The Board announces that on 7 November 2016, the Buyers (both of which are indirect wholly-owned subsidiaries of AGP) purchased from the Sellers the entire issued Units in the Trust that owns the Property known as 20 Moorgate, London, EC2R 6DA, pursuant to the terms of the S&P Agreement for a total consideration of approximately £154 million (approximately HK\$1,491 million) (before the Buyers' transaction costs and expenses).

LISTING RULES IMPLICATIONS

As all the applicable percentage ratios set out in Rule 14.07 of the Listing Rules in respect of the Acquisition exceed 5% but are less than 25%, the Acquisition constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

THE ACQUISITION

The Company is pleased to announce that on 7 November 2016, the Buyers (both of which are indirect wholly-owned subsidiaries of AGP) purchased from the Sellers the entire issued Units in the Trust that owns the Property known as 20 Moorgate, London, EC2R 6DA, pursuant to the terms of the S&P Agreement for a total consideration of approximately £154 million (approximately HK\$1,491 million) (before the Buyers' transaction costs and expenses).

On Completion, the total consideration has been settled in the following manner:

1. the Buyers paid the Sellers approximately £75 million (approximately HK\$726 million) in cash as consideration for the entire issued Units in the Trust (subject to post-completion adjustments); and
2. the Buyers also paid in cash, on behalf of the Sellers, approximately £79 million (approximately HK\$765 million) to the bank's solicitors' account as repayment of the total Redemption Amount due by the Sellers to their bank.

* For identification purpose only

The Group funded the Acquisition from its existing cash resources and a new five year term loan facility of approximately £100 million (approximately HK\$968.3 million) from HSBC. The bank loan is secured by a mortgage over the Property.

The Property is fully let to two tenants under long term lease agreements. The office accommodation is occupied by the Prudential Regulatory Authority (a regulatory body of the Bank of England) until 30 June 2027 and the sole retail unit is let to Fuller, Smith & Turner Plc until 24 December 2039. The valuation of the Property as at 14 October 2016 by an independent valuer was approximately £157 million (approximately HK\$1,520.2 million). The net profit before taxation and after taxation of the Trust (including the change in fair value of investment property) for the year ended 31 December 2015 were both £6.0 million (approximately HK\$58.1 million) (Year ended 31 December 2014: £13.6 million (approximately HK\$131.7 million)). The Acquisition represents a net initial yield of 4.4%.

BACKGROUND AND REASONS FOR THE ACQUISITION

The Company has been focused on developing its property portfolio in Hong Kong and mainland China, however there is no geographical restriction to its sphere of activities. It is the Group's strategy to review and optimise its property portfolio from time to time with a view to achieving the greatest value for its Shareholders. Following the disposal of several projects earlier this year, the Company has been identifying potential acquisition targets in both local and major international markets. The Acquisition is an excellent opportunity for the Company to acquire a high quality commercial property at a prime location in the City of London with a stable rental income.

The Trustees (in their capacity as trustees of the Trust) are the sole legal owners of the Property. Immediately prior to Completion on 7 November 2016, the Sellers were the sole beneficial owners of the Property and the legal and beneficial owners of all the issued Units. Upon Completion, the Trustees (in their capacity as trustees of the Trust) continue to be the sole legal owners of the Property and the Buyers became the sole beneficial owners of the Property as well as the legal and beneficial owners of the entire issued Units.

The Property is a seven-storey office building developed in 2002 and located in the City of London, being less than 100 metres north of the Bank of England, with approximately 34 metres of prime frontage onto Moorgate. The Property provides approximately 154,854 square feet (approximately 14,386.3 square metres) of Grade A office, retail and ancillary accommodation arranged over lower ground, ground and seven upper floors. The valuation of the Property by an independent valuer as at 14 October 2016 was approximately £157 million (approximately HK\$1,520.2 million).

The Property has a leasehold term of approximately 138 years unexpired with a current head rent of approximately £750,000 (approximately HK\$7.3 million) per annum geared to 10% of rents received, subject to a minimum head rent of £500,000 (approximately HK\$4.8 million) per annum. Under the terms of the Property's head lease, the Trustees are required to provide a bank guarantee in favour of the head landlord as security for the Trustees' obligations as tenant under the Property's head lease, including the Trustees' obligation to pay the head rent on behalf of the Trust. The Company, being the majority shareholder of AGP, arranged such a bank guarantee of £3 million (approximately HK\$29 million) from HSBC in favour of the head landlord.

The Property is fully let to two tenants under long term lease agreements. The office accommodation is occupied by the Prudential Regulatory Authority (a regulatory body of the Bank of England) until 30 June 2027. The sole retail unit is let to Fuller, Smith & Turner Plc until 24 December 2039. As a Guernsey trust, the Trust is not required to prepare audited financial statements. Based on the management accounts of the Trust, the rental income of the Property for the year ended 31 December 2015 was £6.8 million (approximately HK\$65.8 million) (Year ended 31 December 2014: £7.4 million (approximately HK\$71.7 million)), which included the effect of a rent free period. Based on current information, the Group expects the Property to generate a rental income of £7.5 million (approximately HK\$72.6 million) per annum.

The Board considers that the Acquisition would enable the Group to achieve a reasonable return from rental income and provides an excellent opportunity for the Group to expand its property portfolio by the addition of overseas properties with a view to maximizing its value for the Shareholders.

The consideration for the Acquisition was determined after arm's length negotiations between the Group, the Sellers and the Trustees and on normal commercial terms with reference to, among others, the location, expected rental income and potential for rental growth, market values of similar properties in the adjacent location and the carrying value of the Property.

Taking into account the prospects of the property market in London and the carrying value of the Property, the Directors consider that the terms of the S&P Agreement and the Acquisition are fair and reasonable and in the interest of the Company and the Shareholders taken as a whole.

As at the date of this announcement, to the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, the existing tenants of the Property, the Sellers, the Trustees and their ultimate beneficial owners are third parties independent of the Company and its connected persons.

SUMMARY OF THE S&P AGREEMENT

Date: 7 November 2016

Parties

Buyers: (i) Tycoon Honour Limited (being the First Buyer)
(ii) Worthy Merit Limited (being the Second Buyer)

Sellers: (i) PFM EuroSelect Elf GmbH & Co KG (being the First Seller)
(ii) Lapis Grundstücksverwaltungs-GmbH (being the Second Seller)

Trustees: (i) Moorgate I Limited (being the First Trustee acting in its capacity as trustee of the Trust)
(ii) Moorgate II Limited (being the Second Trustee acting in its capacity as trustee of the Trust)

Under the S&P Agreement, the Sellers agreed to sell, free from all encumbrances, their respective Units to the Buyers for a consideration of approximately £154 million (approximately HK\$1,491 million) which has been settled in the following manner:

1. the Buyers paid the Sellers approximately £75 million (approximately HK\$726 million) in cash as consideration for the entire issued Units in the Trust (subject to post-completion adjustments); and

2. the Buyers also paid in cash, on behalf of the Sellers, approximately £79 million (approximately HK\$765 million) to the bank's solicitors' account as repayment of the total Redemption Amount due by the Sellers to their bank.

Completion of the sale of the entire issued Units to the Buyers took place on 7 November 2016 immediately after the execution of the S&P Agreement, when the Buyers paid (i) the consideration for the Units to the Sellers and (ii) an amount equal to the Redemption Amount to the bank's solicitors' account.

Under the S&P Agreement, the consideration paid for the Units is subject to adjustments based on the NAV of the Trust. Within 20 Business Days after the Completion Date, the Sellers shall provide to the Buyers a pro-forma balance sheet containing, among others, the Actual NAV as at the Completion Date in relation to the Trust for their review. If the Actual NAV (as stated in the final completion accounts and agreed by the relevant parties) is:

- (i) greater than the Estimated NAV, the Buyers shall pay to the Sellers an amount equal to the difference between the Actual NAV and the Estimated NAV; or
- (ii) less than the Estimated NAV, the Sellers shall pay to the Buyers an amount equal to the difference between the Actual NAV and the Estimated NAV,

and the relevant party shall, within 10 Business Days after the date on which the final completion accounts and the Actual NAV are agreed, pay the difference between Estimated NAV and Actual NAV.

If the Actual NAV is equal to the Estimated NAV, no further payment is required by either party. Based on the information made available to the Buyers, the Group does not expect the difference between the Estimated NAV and the Actual NAV to be material.

INFORMATION RELATING TO THE GROUP

The Company is an investment holding company. The business activities of its principal subsidiaries are investment holding, hotel operation, property and asset management as well as property investment and development in Hong Kong, the mainland China, Australia and the United Kingdom.

AGP is a 97.17%-owned subsidiary of the Company, whose shares are admitted for trading on the AIM Market of The London Stock Exchange plc. AGP is an investment holding company and the activities of its principal subsidiaries are property development and investment in Hong Kong and mainland China as well as hotel operation in Hong Kong.

As at the date of this announcement, to the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, the existing tenants of the Property, the Sellers, the Trustees and their ultimate beneficial owners are third parties independent of the Company and its connected persons.

INFORMATION ON THE BUYERS, THE SELLERS AND THE TRUST

Tycoon Honour Limited, the First Buyer, and Worthy Merit Limited, the Second Buyer, are investment holding companies and indirect wholly-owned subsidiaries of AGP.

PFM EuroSelect Elf GmbH & Co KG, the First Seller, is a limited partnership incorporated in Germany and before Completion held 109,950 Units (99.95% of the issued Units) while Lapis Grundstücksverwaltungs-GmbH, the Second Seller, is a private company with limited liability

incorporated in Germany and before Completion held 50 Units (0.05% of the issued Units). The Sellers are managed by PFM Private Funds Management GmbH.

Moorgate I Limited, the First Trustee, and Moorgate II Limited, the Second Trustee, established the Trust in 2005 under the Trust Instrument. The Trustees, acting in their capacities as trustees of the Trust, are the sole legal owners of the approximately 138 years leasehold interest in the Property known as 20 Moorgate, London EC2R 6DA. Prior to Completion, the Sellers were the sole beneficial owners of the Property. The Buyers became the sole beneficial owners of the Property on Completion.

The carrying value of the assets of the Trust as at 14 October 2016 was approximately £157 million (approximately HK\$1,520.2 million). As a Guernsey trust, the Trust is not required to prepare audited financial statements. Based on the management accounts of the Trust, the net profit before taxation and after taxation of the Trust (including the change in fair value of investment property) for the year ended 31 December 2015 were both £6.0 million (approximately HK\$58.1 million) (Year ended 31 December 2014: £13.6 million (approximately HK\$131.7 million). Upon Completion, the assets and liabilities of the Trust will be consolidated into the accounts of the Group.

LISTING RULES IMPLICATIONS

As all the applicable percentage ratios set out in Rule 14.07 of the Listing Rules in respect of the Acquisition exceed 5% but are less than 25%, the Acquisition constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

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

“Acquisition”	the acquisition of all the issued Units by the Buyers pursuant to the S&P Agreement and the payment of the Redemption Amount;
“Actual NAV”	the NAV of the Trust as at 12:00 p.m. (midday) London time on the Completion Date as determined after Completion in accordance with the S&P Agreement;
“AGP”	Asian Growth Properties Limited, a company incorporated in the British Virgin Islands with limited liability whose shares are traded on AIM market of The London Stock Exchange plc (Stock code: AGP), and is a 97.17%-owned subsidiary of the Company;
“Board”	the board of Directors;
“Business Day”	a day, other than Saturday, Sunday or a day on which banks are authorised to close in London, Frankfurt, the British Virgin Islands, Hong Kong or Guernsey for general banking business;
“Buyers”	the First Buyer and the Second Buyer

“Company”	S E A Holdings Limited, an exempted company incorporated in Bermuda with limited liability, the shares of which are listed and traded on the Main Board of the Stock Exchange (Stock code: 251);
“Completion”	completion of the sale and purchase of the Units pursuant to the S&P Agreement on 7 November 2016;
“Completion Date”	7 November 2016;
“connected person(s)”	having the meaning ascribed to it under the Listing Rules;
“Director(s)”	the director(s) of the Company;
“Estimated NAV”	approximately £154 million (approximately HK\$1,491 million), as set out in the pro-forma balance sheet as at the Completion Date in relation to the Trust prepared in a form in accordance with the S&P Agreement;
“First Buyer”	Tycoon Honour Limited, a company incorporated in the British Virgin Islands with limited liability and is an indirect wholly-owned subsidiary of AGP;
“First Seller”	PFM EuroSelect Elf GmbH & Co KG, a limited partnership incorporated in Germany;
“First Trustee”	Moorgate I Limited, a company incorporated in Guernsey and acts in its capacity as trustee of the Trust;
“Group”	the Company and its subsidiaries;
“HK\$”	the lawful currency of Hong Kong for the time being;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“HSBC”	The Hongkong and Shanghai Banking Corporation Limited;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“NAV”	the aggregate amount of the fixed and current assets of the Trust less the aggregate amount of the liabilities of the Trust as at the Completion Date, as set out in the completion accounts prepared in accordance with the S&P Agreement;
“Property”	the approximately 138 years leasehold interest in the property known as 20 Moorgate, London EC2R 6DA, the title to which is registered at the land registry with title number NGL 779978;

“Redemption Amount”	approximately £79 million (approximately HK\$765 million) being the aggregate amount of the bank loan and interest rate swap redemption amount owed by the Sellers to their bank;
“Second Buyer”	Worthy Merit Limited, a company incorporated in the British Virgin Islands with limited liability and is an indirect wholly-owned subsidiary of AGP;
“Second Seller”	Lapis Grundstücksverwaltungs-GmbH, a private company with limited liability incorporated in Germany;
“Second Trustee”	Moorgate II Limited, a company incorporated in Guernsey and acts in its capacity as trustee of the Trust;
“Sellers”	the First Seller and the Second Seller;
“Shareholders”	holder(s) of the ordinary share(s) of HK\$0.10 each in the share capital of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“S&P Agreement”	the agreement relating to the Acquisition entered into between the Buyers, the Sellers and the Trustees on 7 November 2016;
“Trust”	the Moorgate Unit Trust, a unit trust established in Guernsey and constituted pursuant to the Trust Instrument;
“Trustees”	the First Trustee and the Second Trustee;
“Trust Instrument”	the trust instrument dated 15 September 2005 (as amended on 24 August 2016) relating to the Trust;
“Units”	the units of the Trust;
“£”	Pounds sterling, the lawful currency of the United Kingdom; and
“%”	per cent.

For the purpose of this announcement, an exchange rate of £1 = HK\$9.683 is used.

On Behalf of the Board
S E A Holdings Limited
Lu Wing Chi
Chairman and Managing Director

Hong Kong, 7 November 2016

The Directors as at the date of this announcement are:

Executive Directors:

Mr. Lu Wing Chi (*Chairman and Managing Director*)

Mr. Lincoln Lu

Mr. Lambert Lu

Non-executive Director:

Mr. Lam Sing Tai

Independent Non-executive Directors:

Mr. Walujo Santoso, Wally

Mr. Leung Hok Lim

Mr. Chung Pui Lam