

Listed Company Information

SEA HOLDINGS<0251> - Announcement

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S E A HOLDINGS LIMITED
(Incorporated in Bermuda with limited liability)
CONNECTED TRANSACTION AND OFF-MARKET SHARE REPURCHASE

Despatch of circular and publication of the unaudited consolidated profit attributable to shareholders for the period from 1st January to 31st March, 1999 and a statement of the pro forma adjusted unaudited net assets of the S E A Group

Introduction

The directors of S E A Holdings Limited ('S E A') announced on 19th December, 1998, which appeared in the press on 21st December, 1998, details of a connected transaction, a possible discloseable transaction and a proposed off-market share repurchase (the 'Transactions').

Despatch of the Circular

The circular, which sets out (i) further information regarding the Transactions; (ii) the letter from the independent board committee; (iii) the letter from the independent financial adviser, Worldsec Corporate Finance Limited, in connection with the Transactions; (iv) a notice to convene the special general meeting on 21st June, 1999 to approve the Transactions; and (v) a form of proxy, will be despatched on 26th May, 1999 to S E A's shareholders and, for information only, warrant holders and the holders of share options granted under S E A's employee share option scheme. Shareholders should read and consider the information set out in the circular before making any decision whether to vote for or against any of the resolutions to be tabled at the special general meeting.

Pro Forma Statement of Adjusted Unaudited Net Assets of the S E A Group

The circular also contains a statement of the pro forma adjusted unaudited net assets of S E A and its subsidiaries (the 'S E A Group') and the unaudited consolidated profit attributable to shareholders for the period from 1st January to 31st March, 1999 which have not been previously announced by S E A. In order to keep the public informed of material developments, such information is hereby reproduced at the same time as the despatch of the circular.

This statement is calculated based on the audited consolidated financial statements of the S E A Group as at 31st December, 1998 and adjusted for the following post reporting events:-

HK\$mil

Audited net assets of the S E A Group as at 31st December, 1998 3,252
Unaudited consolidated profit

attributable to shareholders	
Profit for the period from 1st January to 31st March, 1999	51
Expenses arising from the implementation of the Agreement (as defined in the circular)	(4)
Net surplus arising from revaluation of investment properties in Hong Kong and properties in PRC as at 31st March, 1999 (Note 1)	21
Realisation of investment property revaluation reserve on sale of properties in New Zealand during the period	4
Pro forma adjusted unaudited net assets of the S E A Group	3,324
Pro forma adjusted unaudited net asset value per Share - basic (Note 2)	HK\$6.09
Pro forma adjusted unaudited net asset value per Share - diluted (Note 3)	HK\$5.03

Notes:

1

The revaluation surplus/deficit of the Hong Kong investment properties has been based on the valuation as at 31st March, 1999 made by Chesterton Petty.

For the purposes of this pro forma statement of adjusted unaudited net asset value of the S E A Group, the surplus/deficit of the valuation of the PRC properties has been based on the valuation as at 31st March, 1999 and assuming that the split of the PRC assets between the S E A Group and BIL (as defined in the circular) pursuant to the Agreement has been completed. Any surplus/deficit on the value between the valuation as at 31st March, 1999 and 31st December, 1998 attributable to the assets to be retained by the S E A Group under the Agreement is therefore wholly recognised by the S E A Group in this pro forma statement. Any surplus/deficit on the value between the valuation as at 31st December, 1998 and 31st March, 1999 in respect of the assets attributed to BIL is excluded.

The S E A Group's annual financial statements are prepared according to its current accounting policies which provides that investment properties are stated at their open market value based on independent professional valuations at the balance sheet date and properties under development for investment purposes are stated at cost less provision for diminution in value. Accordingly, based on S E A's current accounting policies, a different revaluation surplus/deficit may arise and this revised surplus/deficit will be reflected in the S E A Group's financial statements for the year ending 31st December, 1999.

2

Based on 545,910,703 Shares in issue as at 21st May, 1999.

3

Based on 713,472,098 Shares in issue and to be issued on the assumption that all 128,861,395 warrants of S E A and 38,700,000 options of S E A are exercised to subscribe for Shares at their respective exercise prices and assuming that the net proceeds from the exercise of such warrants and options amount to HK\$267.19

million.

By Order of the Board of
S E A Holdings Limited
Wong Leung Wai
Company Secretary

Hong Kong, 25th May, 1999

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.