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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)

**DISCLOSEABLE TRANSACTION
RELATING TO THE DISPOSAL OF
LEASEHOLD LAND HOLDINGS
IN THE TWO CITY BLOCKS BOUNDED BY
FANSHAWE, BEAUMONT, GAUNT AND
HALSEY STREETS, AUCKLAND, NEW ZEALAND
BY TRANS TASMAN PROPERTIES LIMITED**

A letter from the board of directors of S E A Holdings Limited is set out on pages 3 to 5 of this circular.

* *For identification purpose only*

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DEFINITIONS

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

“Agreements”	two sale and purchase agreements for the sale and purchase of the Properties dated 3rd February, 2006 entered into between (i) the Vendor and (ii) the Purchaser;
“associates”	has the same meaning as defined in the Listing Rules;
“Board”	the board of Directors;
“Company”	S E A Holdings Limited, an exempted company incorporated in Bermuda with limited liability, whose shares and warrants are listed on HKSE;
“connected persons”	has the same meaning as defined in the Listing Rules;
“Directors”	directors of the Company (including independent non-executive directors);
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“HKSE”	The Stock Exchange of Hong Kong Limited;
“Latest Practicable Date”	25th February, 2006 being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular;
“Listing Rules”	the Rules Governing the Listing of Securities on the HKSE;
“NZ\$”	New Zealand dollars, the lawful currency of New Zealand;
“NZX”	New Zealand Exchange Limited;
“Properties”	two city blocks bounded by Fanshawe, Beaumont, Gaunt and Halsey Streets, Auckland, New Zealand;
“Purchaser”	Manson Development Limited, an independent third party whose principal business is property investment and development;

DEFINITIONS

“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Share” or “Shares”	ordinary share(s) of HK\$0.10 each in the issued share capital of the Company;
“Shareholders”	shareholders of the Company;
“TTP”	Trans Tasman Properties Limited, a 51.9% subsidiary of the Company and a company incorporated in New Zealand with limited liability, whose shares are listed on the NZX;
“TTP Board”	board of directors of TTP;
“TTP Group”	TTP and its subsidiaries; and
“Vendor”	Princewood Investments Limited, a wholly-owned subsidiary of TTP.

Note: For the purposes of the Company’s announcement dated 8th February, 2006, and in this circular, unless stated otherwise, an exchange rate of NZ\$1.00 = HK\$5.3 has been used. The exchange rate as at the close of business on the Latest Practicable Date was NZ\$1.00 = HK\$5.1, calculated by taking the average of the buy and sell rates quoted on the South China Morning Post, an English newspaper published in Hong Kong.

LETTER FROM THE BOARD



SEA HOLDINGS LIMITED

爪哇控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 251)

Executive Directors:

Lu Wing Chi (*Chairman and Managing Director*)

Lincoln Lu

Lambert Lu

Lu Wing Yuk, Andrew

Tse Man Bun

Registered Office:

Clarendon House

Church Street

Hamilton HM11

Bermuda

Independent Non-Executive Directors:

Walujo Santoso, Wally

Leung Hok Lim

Chung Pui Lam

Principal Office:

26th Floor

Dah Sing Financial Centre

108 Gloucester Road

Wanchai

Hong Kong

To the Shareholders, Warrantholders and the holders of share options granted under the Company's employees share option scheme adopted on 23rd June, 2000

2nd March, 2006

Dear Sir or Madam,

**DISCLOSEABLE TRANSACTION
RELATING TO THE DISPOSAL OF
LEASEHOLD LAND HOLDINGS
IN THE TWO CITY BLOCKS BOUNDED BY
FANSHAWE, BEAUMONT, GAUNT AND
HALSEY STREETS, AUCKLAND, NEW ZEALAND
BY TRANS TASMAN PROPERTIES LIMITED**

1. INTRODUCTION

By an announcement dated 8th February, 2006, the Company announced that it had been advised by TTP on 7th February, 2006 that on 3rd February, 2006 a wholly-owned subsidiary of TTP had entered into two conditional sale and purchase agreements for the disposal of the Properties to the Purchaser. Settlement is expected to take place on or before 26th May, 2006.

* For identification purpose only

LETTER FROM THE BOARD

As the aggregate consideration for the disposal of the Properties represents more than 5% but less than 25% of the market capitalisation of the Group for the last five trading days prior to the date of the Agreements, the disposal of the Properties constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

The purpose of this circular is to give you further details of the disposal and other information prescribed by the Listing Rules.

2. DETAILS OF THE DISPOSAL

Date of the Agreements:	3rd February, 2006
Purchaser:	Manson Development Limited whose principal business is property investment and development.
Vendor:	Princewood Investments Limited, a wholly-owned subsidiary of TTP.
Particulars of the assets being disposed:	Two city blocks bounded by Fanshawe, Beaumont, Gaunt and Halsey Streets, Auckland, New Zealand.
Aggregate consideration:	NZ\$28.5 million (HK\$151.1 million), of which NZ\$2.9 million (HK\$15.4 million) in cash has already been paid as a deposit and the remaining amount will be paid in cash in one sum on the settlement date.
Settlement date:	On or before 26th May, 2006
Other material terms:	The Properties will be sold with tenancies and subject only to the consent to the lease transfers of the head lessor, and in the case of part of the site, the issue of a new ground lease.

The aggregate consideration for the disposal of the Properties was arrived at after arm's length negotiations between TTP and the Purchaser. The unaudited aggregate book value of the Properties as at 31st December, 2005 was NZ\$25.8 million (HK\$136.7 million). The aggregate valuation of the Properties performed by an independent valuer as at 31st December, 2004 was NZ\$23.8 million (HK\$126.1 million) and their aggregate book value as at 31st December, 2004 was NZ\$23.4 million (HK\$124.0 million). The TTP Board considers that the consideration is fair and reasonable and the disposal is in the interests of the shareholders of TTP. The Board concurs with the views of the TTP Board and considers that the disposal is in the interests of the Group and the Shareholders as a whole.

LETTER FROM THE BOARD

3. FINANCIAL EFFECTS OF THE DISPOSAL ON THE GROUP

After deducting related costs and expenses, the Group expects to realise a net profit from the disposal of the Properties of NZ\$2.1 million (HK\$11.1 million).

The unaudited net operating loss after deducting operating expenses and finance costs derived from the Properties was NZ\$42,000 (HK\$223,000), NZ\$109,000 (HK\$578,000) and NZ\$702,000 (HK\$3,721,000) for the financial years ended 31st December, 2003, 31st December, 2004 and 31st December, 2005 respectively.

However, there will be no material effect of the disposal of the Properties on the consolidated assets of the Company.

4. REASONS FOR THE DISPOSAL

The TTP Board considers that the disposal is consistent with the TTP Group's business strategy of, where appropriate, disposing of assets which were perceived to have little growth. The Board concurs with the views of the TTP Board.

5. USE OF DISPOSAL PROCEEDS

The proceeds of the disposal will be used by the TTP Board to repay bank loans and for internal working capital.

6. INFORMATION ABOUT THE COMPANY

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 property investment and development in Australia, China, Hong Kong and New Zealand.

7. GENERAL

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Purchaser and its ultimate beneficial owners are independent third parties and not connected with or related to the Company or any of its subsidiaries or connected persons or any of their respective associates.

Your attention is drawn to the Appendix to this circular which contains certain additional information in relation to the Company.

Yours faithfully
For and on behalf of
S E A HOLDINGS LIMITED
Lu Wing Chi
Chairman and Managing Director

1. RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement in this circular misleading.

2. DIRECTORS' DISCLOSURE OF INTERESTS

As at the Latest Practicable Date, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as required to be notified to the Company and HKSE pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions, if any, which they were taken or deemed to have under such provisions of the SFO), as required to be entered in the register kept by the Company under Section 352 of the SFO, or as otherwise required to be notified to the Company and HKSE pursuant to the Model Code for Securities Transactions by Directors of Listed Companies contained in the Listing Rules, were as follows:

2.1 Long positions in shares and underlying shares of the Company

Name of Director	Number of shares		Number of underlying shares			Total	% of shares in issue
	Beneficial interests	by controlled corporation	(warrants)		(share options)		
			Beneficial interests	by controlled corporation	Beneficial interests		
Lu Wing Chi	—	—	—	—	12,500,000	12,500,000	2.28
Lincoln Lu	618,000	283,281,811	572,717	53,897,812	—	338,370,340*	61.70
Lambert Lu	610,000	283,281,811	572,717	53,897,812	—	338,362,340*	61.70
Lu Wing Yuk, Andrew	—	—	—	—	3,000,000	3,000,000	0.55
Tse Man Bun	100,000	—	—	—	—	100,000	0.02

Note: * Of these shares and warrants of the Company, 283,281,811 shares and warrants carrying 53,897,812 underlying shares deemed to be interested by Messrs. Lincoln Lu and Lambert Lu represented the same interests and were, therefore, duplicated between these two directors for the purpose of the SFO. 283,281,811 shares and warrants carrying 51,786,743 underlying shares out of such shares were held by Nan Luen International Limited, which was 63.58% owned by JCS Limited ("JCS"), and warrants carrying 2,111,069 underlying shares were held directly by JCS. JCS was 26.09% owned by a discretionary trust, of

which both directors are beneficiaries. In addition, Messrs. Lincoln Lu and Lambert Lu were each interested in 11.95% of the issued shares in JCS directly. JCS is deemed to be a controlled corporation of each of Messrs. Lincoln Lu and Lambert Lu by virtue of the SFO.

2.2 Long positions in shares and underlying shares of associated corporations

(a) JCS Limited

Name of Directors	Number of shares			% of shares in issue
	Beneficial interests	Interests as discretionary trust beneficiary	Total	
Lu Wing Chi	3,000	12,000 ¹	15,000	32.61
Lincoln Lu	5,500	12,000 ¹	17,500	38.04
Lambert Lu	5,500	12,000 ¹	17,500	38.04

(b) Nan Luen International Limited

Name of Directors	Interests held by controlled corporation	% of shares in issue
Lincoln Lu	99,480 ²	63.58
Lambert Lu	99,480 ²	63.58

Notes:

- 12,000 shares in JCS Limited deemed to be interested by Messrs. Lu Wing Chi, Lincoln Lu and Lambert Lu represented the same interests and were, therefore, duplicated amongst these three directors for the purpose of the SFO. Such shares were held by a discretionary trust, of which all three directors are beneficiaries.
- 99,480 shares in Nan Luen International Limited deemed to be interested by Messrs. Lincoln Lu and Lambert Lu represented the same interests and were, therefore, duplicated between these two directors for the purpose of the SFO. These shares were held by JCS Limited, which is deemed to be a controlled corporation of each of Messrs. Lincoln Lu and Lambert Lu by virtue of the SFO.

Saved as disclosed herein, as at the Latest Practicable Date, none of the Directors or chief executive of the Company or their respective associates had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as required to be notified to the Company and HKSE pursuant to Divisions 7 and 8 of Part XV of the

SFO, as required to be entered in the register kept by the Company under Section 352 of the SFO, or as otherwise required to be notified to the Company and HKSE pursuant to the Model Code for Securities Transactions by Directors of Listed Companies contained in the Listing Rules.

3. DISCLOSURE OF INTERESTS BY PERSONS REQUIRED TO GIVE DISCLOSURE PURSUANT TO DIVISIONS 2 AND 3 OF PART XV OF THE SFO

Save as disclosed below, so far as is known to any Director or chief executive of the Company, as at the Latest Practicable Date, there were no persons (other than a Director or chief executive of the Company) who had interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO.

Long positions in shares and underlying shares of the Company

Name of shareholders	Capacity	Number of shares	Number of underlying shares (warrants)	Total	% of shares in issue
JCS Limited ²	Beneficial interests	—	2,111,069	2,111,069	
	Held by controlled corporation	283,281,811	51,786,743	335,068,554	
				<u>337,179,623</u>	<u>61.48</u>
Eaver Company Limited ³	Beneficial interests	608,000	—	608,000	
	Held by controlled corporation	283,281,811	51,786,743	335,068,554 ¹	
				<u>335,676,554</u>	<u>61.21</u>
Nan Luen International Limited ⁴	Beneficial interests	283,281,811	51,786,743	335,068,554	61.09
Pacific Rose Enterprises Limited	Beneficial interests	31,955,873	3,581,257	35,537,130	6.48
Cypress Gold Limited	Beneficial interests	20,013,043	7,711,957	27,725,000	5.06

Notes:

1. 283,281,811 shares and warrants carrying 51,786,743 underlying shares interested by Nan Luen International Limited and deemed to be interested by JCS Limited and Eaver Company Limited represented the same interests and were, therefore, duplicated amongst these three shareholders for the purpose of the SFO. JCS Limited and Eaver Company Limited were respectively interested in 63.58% and 36.42% of the shares in Nan Luen International Limited.
2. Messrs. Lu Wing Chi, Lincoln Lu and Lambert Lu, all of whom are directors of the Company, are also directors of JCS Limited.
3. Messrs. Lu Wing Chi, Lincoln Lu, Lambert Lu and Lu Wing Yuk, Andrew, all of whom are directors of the Company, are also directors of Nan Luen International Limited.

4. COMPETING INTERESTS

As at the Latest Practicable Date, each of the following Directors and his associates are considered by the Company to have interests in businesses which compete or might compete, either directly or indirectly, with the businesses of the Group, other than those businesses where such Directors have been appointed to represent the interests of the Company and/or other members of the Group:-

Mr. Lu Wing Chi also holds shareholdings (on behalf of himself and his associates) and directorships in a number of private companies controlled by, or owned in conjunction with, his close relatives and associates. From time to time, such companies are involved in real estate development and investment, and textile manufacturing and trading. In this regard, Mr. Lu is considered to have interests in businesses which compete or might compete, either directly or indirectly, with the businesses of the Group.

Messrs. Lincoln Lu and Lambert Lu are the sons of Mr. Lu Wing Chi. In this regard, Messrs. Lincoln Lu and Lambert Lu are considered to have interests in the competing businesses which Mr. Lu Wing Chi is deemed interested. Messrs. Lincoln Lu and Lambert Lu also hold shareholdings (on behalf of themselves and their associates) and directorships in a number of private companies controlled by, or owned in conjunction with, their close relatives and associates. From time to time, such companies are involved in real estate development and investment, and textile manufacturing and trading. In this regard, Messrs. Lincoln Lu and Lambert Lu are considered to have interests in businesses which compete or might compete, either directly or indirectly, with the businesses of the Group.

Mr. Lu Wing Yuk, Andrew is also the managing director of Kian Nan Trading Company Limited whose businesses include textile manufacturing and trading and he holds shareholdings (on behalf of himself and his associates) and directorships in a number of private companies controlled by, or owned in conjunction with, his close relatives and associates. From time to time, such companies are involved in real estate development and investment. In this regard, Mr. Lu is considered to have interests in businesses which compete or might compete, either directly or indirectly, with the businesses of the Group.

Mr. Tse Man Bun is also an independent non-executive director of HSBC Insurance (Asia) Limited, China Fishery Group Limited, Tysan Holdings Limited and Crystal International Limited. The principal businesses of Tysan Holdings Limited include building construction, and property development, investment and management. In this regard, he is considered to have interests in businesses which compete or might compete, either directly or indirectly, with the businesses of the Group. The principal businesses of Crystal International Limited include garment trading and manufacturing. However, having considered the scale of garment business the Group is involved, Mr. Tse is not considered by the Group to have interests in businesses which compete or might compete, either directly or indirectly, with the businesses of the Group. In addition, Mr. Tse and his associates also invest from time to time in real estate investments. Again, the scale and nature of such investments do not fit the investment profile of the Group. Hence, Mr. Tse is not considered by the Group to have interests which compete or might compete with the businesses of the Group as a result of such investments.

Mr. Walujo Santoso, Wally and his associates invest from time to time in real estate investment and development. In this regard, Mr. Santoso is considered to have interests in businesses which compete or might compete, either directly or indirectly, with the businesses of the Group.

Mr. Leung Hok Lim is also a director of a number of private and listed companies. Some of these companies and their associates are involved in property development and investment. In addition, Mr. Leung and his associates invest from time to time in real estate investments and developments. In this regard, Mr. Leung is considered to have interests in businesses which compete or might compete, either directly or indirectly, with the businesses of the Group.

Mr. Chung Pui Lam is also a director of the listed Chow Sang Sang Holdings International Limited and Datronix Holdings Limited. Mr. Chung and his associates invest from time to time in real estate investments and developments. In this regard, Mr. Chung is considered to have interests in businesses which compete or might compete, either directly or indirectly, with the businesses of the Group.

However, as the Board as a whole is independent of the boards of directors of the above companies or individuals, the Group is capable of carrying on its businesses independently of, and at arm's length from, the said competing businesses.

5. SERVICE CONTRACTS

No Director has entered into a service contract with any member of the Group, which does not expire or is not terminable by such member of the Group within one year without payment of compensation, other than statutory compensation.

6. LITIGATION

None of the Company nor any of its subsidiaries is engaged in any litigation or arbitration or claim of material importance and, so far as the Directors are aware, no litigation or arbitration or claim of material importance is pending or threatened by or against the Company or any of its subsidiaries.

7. MISCELLANEOUS

- (a) The Qualified Accountant and Secretary of the Company is Mr. Chan Ka Wing, *B.Comm., CPA*.
- (b) The ultimate controlling shareholder of the Company is JCS Limited.
- (c) The Hong Kong branch share registrar and transfer office of the Company is Standard Registrars Limited of 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong.
- (d) This circular has been prepared in both English and Chinese. In the case of any discrepancy, the English text shall prevail.