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SEA HOLDINGS LIMITED

爪哇控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code : 251)

MAJOR TRANSACTION

SUCCESSFUL TENDER OF LAND

The Tender

The Board is pleased to announce that on 15 February 2022, the Tenderer, an indirect wholly-owned subsidiary of the Company, received the Letter from the Lands Department of the Government of Hong Kong confirming that its Tender for the Land situated at South Bay Road, Repulse Bay, Hong Kong at the Land Premium of HK\$1,188,181,800 has been accepted.

Listing Rules Implications

As one or more of the applicable percentage ratios as defined under Rule 14.07 of the Listing Rules in respect of the Acquisition exceed 25% but all of the applicable ratios are below 100%, the Acquisition constitutes a major transaction of the Company under Chapter 14 of the Listing Rules. Given that the Acquisition is a Qualified Property Acquisition, the Acquisition is subject to announcement and circular requirements but is exempt from (i) the shareholders' approval requirement pursuant to Rule 14.33A of the Listing Rules and (ii) the requirement to include a valuation report on the Land in the circular pursuant to Rule 14.33B of the Listing Rules.

A circular containing, among other things, further information of the Acquisition and financial information of the Group is expected to be despatched to the Shareholders for information purpose in accordance with Rule 14.33B of the Listing Rules on or before 9 March 2022.

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** For identification purpose only*

DETAILS OF THE MEMORANDUM OF AGREEMENT AND THE ACQUISITION

The parties

- (1) Vendor : the Government of Hong Kong
- (2) Purchaser : the Tenderer (an indirect wholly-owned subsidiary of the Company)

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, the Government of Hong Kong is a third party independent of the Company and its connected persons.

Information on the Land

- Location : South Bay Road, Repulse Bay, Hong Kong registered in the Land Registry as Rural Building Lot No. 1203
- Site area : Approximately 1,967 square metres
- Total Gross Floor Area : Shall not be less than 1,063 square metres and shall not exceed 1,770.3 square metres
- Term : 50 years commencing from the date of the Memorandum of Agreement
- Permitted use : Private residential purposes

Under the terms of the Conditions of Sale, the Tenderer shall enter into the Memorandum of Agreement with the Government of Hong Kong in respect of the Acquisition within 14 days of the date of the Letter.

Land Premium and the payment terms

The Land Premium is HK\$1,188,181,800 to be settled by the Tenderer as follows:-

- (a) an initial deposit of HK\$50,000,000 paid at the time when the Tender was submitted has been applied in part payment of the Land Premium;
- (b) a further deposit of HK\$68,900,000 shall be paid on or before 24 February 2022, which shall be applied in part payment of the Land Premium; and
- (c) the remaining balance of HK\$1,069,281,800 shall be paid within 28 days of the date of the Letter.

The Land Premium, being the bidding price submitted by the Tenderer under the Tender, was determined by the Company taking into account various factors including the current and future business prospect and development potential in the region which the Land is situated and the overall prospect of the property market in Hong Kong.

The Land Premium will be funded by the Group's internal resources and bank financing.

REASONS FOR AND BENEFITS OF THE ACQUISITION

Property development and property investment are among the principal activities of the Group. The Acquisition will provide a valuable investment opportunity which is in line with the Group's business development strategy. The Group intends to develop the Land into a luxury residential development as a long term investment for rental purpose. In view of the prime location of the Land and the good public transportation networks in the surrounding area, the Board considers that the Acquisition enhances the Group's investment property portfolio and will generate reasonable rental income for the Group.

The Board considers that the Acquisition is in the Group's ordinary and usual course of business. The Board believes that the terms of the Memorandum of Agreement and the Acquisition are on normal commercial terms and are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

GENERAL INFORMATION

The Tenderer is a company incorporated in Hong Kong with limited liability. The principal activity of the Tenderer is property investment.

The Company acts as an investment holding company and the activities of its principal subsidiaries are property investment, property development, hotel operation and financial investment. The Group currently operates in Hong Kong and the United Kingdom.

IMPLICATIONS UNDER THE LISTING RULES

As one or more of the applicable percentage ratios as defined under Rule 14.07 of the Listing Rules in respect of the Acquisition exceed 25% but all of the applicable ratios are below 100%, the Acquisition constitutes a major transaction of the Company under Chapter 14 of the Listing Rules. Given that the Acquisition is a Qualified Property Acquisition, the Acquisition is subject to announcement and circular requirements but is exempt from (i) the shareholders' approval requirement pursuant to Rule 14.33A of the Listing Rules and (ii) the requirement to include a valuation report on the Land in the circular pursuant to Rule 14.33B of the Listing Rules.

A circular containing, among other things, further information of the Acquisition and financial information of the Group is expected to be despatched to the Shareholders for information purpose in accordance with Rule 14.33B of the Listing Rules on or before 9 March 2022.

DEFINITIONS

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

“Acquisition”	the acquisition of the Land by the Tenderer under the terms of the Conditions of Sale;
“Board”	the board of Directors;

“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);
“Conditions of Sale”	the agreement and conditions of sale of the Land as set out in the tender documents issued by the Government of Hong Kong;
“Director(s)”	The director(s) of the Company;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Land”	Rural Building Lot No. 1203 situated at South Bay Road, Repulse Bay, Hong Kong;
“Land Premium”	the land premium of HK\$1,188,181,800, being the consideration for the Acquisition;
“Letter”	a letter dated 15 February 2022 notifying the acceptance of the Tender from the Lands Department of the Government of Hong Kong;
“Memorandum of Agreement”	the memorandum of agreement to be entered into between the Government of Hong Kong and the Tenderer in respect of the Acquisition;
“Qualified Property Acquisition”	has the meaning ascribed to it under Chapter 14 of the Listing Rules;
“Shareholder(s)”	holder(s) of the shares of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Tender”	the tender submitted by the Tenderer for the acquisition of the Land by the Government of Hong Kong by way of public tender;

“Tenderer”

Success Energy Limited, a company incorporated in Hong Kong and an indirect wholly-owned subsidiary of the Company; and

“Vendor”

the Government of Hong Kong.

By Order of the Board
S E A Holdings Limited
Lu Wing Chi, Jesse
Chairman

Hong Kong, 16 February 2022

The directors of the Company at the date of this announcement are:

Executive Directors:

Mr. Lu Wing Chi, Jesse (*Chairman*)
Mr. Lambert Lu (*Chief Executive*)
Mr. Yap Shee Liam (*Chief Financial Officer*)

Independent Non-executive Directors:

Mr. Walujo Santoso, Wally
Mr. Chung Pui Lam
Mr. Chan Kwok Wai
Mr. Lo Wai Tung Welman