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SEEC MEDIA GROUP LIMITED
財訊傳媒集團有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock code: 205)

PROPOSED ISSUE OF
US\$10,000,000 2% CONVERTIBLE BONDS DUE 2011
AND
NIL-PAID WARRANT EXERCISABLE TO SUBSCRIBE FOR SHARES

The Board hereby announces that on 20 April 2006 the Company entered into the Purchase Agreement with Templeton, whereby Templeton agreed to subscribe for the Bonds and the Warrant. The consideration for the Bonds shall be US\$10,000,000 being 100% of the principal amount of the Bonds. No additional consideration shall be payable by Templeton for the Warrant. The Bonds are convertible into the Bond Shares, at the option of the Bondholder(s) between 19 November 2008 and 4 May 2011, subject to the terms of the Bonds. The Warrant carries the right to subscribe for the Warrant Shares, which may be exercised by the Warrantholder(s) between 19 May 2006 and the Warrant Expiration Date, subject to the terms of the Warrant. The initial Conversion Price of the Bonds will be the higher of (i) HK\$0.422 (which is also the initial Exercise Price of the Warrant – see below) and (ii) the amount equaling 90% of VWAP for the 30 Trading Days preceding 19 November 2008, which will be subject to adjustment in accordance with the terms of the Bonds. The initial Exercise Price of the Warrant is HK\$0.422 (which is 110% of the VWAP for the 30 Trading Days preceding (and including) 20 April 2006) and will be subject to adjustment in accordance with the terms of the Warrant. The initial Exercise Price of HK\$0.422 is at 14.1% premium and 9.6% premium respectively as compared with HK\$0.370, the Closing Price of the Shares as at 20 April 2006 (ie immediately prior to the suspension of the trading of the Shares), and HK\$0.385, the average Closing Price of the Shares for the five trading days immediately before and included 20 April 2006 (ie. immediately prior to the suspension of the trading of the Shares).

Unless the Company seeks further authorisation from its Shareholders to issue Shares beyond the number of Shares it is authorised to issued and allot by the General Mandate, the New Shares (ie. both the Bond Shares up to the Maximum Issue Amount and the Warrant Shares) will be issued and allotted by the Company pursuant to the General Mandate. As of the date of this announcement, no Share has been issued under the General Mandate. The Company may (but not be obliged to), in the future, seek authorisation from the Shareholders to extend its authorisation to issue Shares upon conversion of the Bonds. If such subsequent authorisation is granted, some of the Bond Shares may be issued and allotted by the Company pursuant to such subsequent authorisation.

Under the terms of the Bonds, the Company shall only be obliged to issue Shares upon conversion of the Bonds up to the Maximum Issue Amount. If at any time the number of Shares required to be issued by the Company upon the conversion of the Bonds exceeds the Maximum Issue Amount, the Company is obliged only to deliver Shares upon conversion of the Bonds up to the Maximum Issue Amount and shall redeem the balance of relevant Bonds and pay to the relevant Bondholder an amount equal to the product of (a) the difference between the number of Shares required to be issued on conversion of the Bonds and the number of Shares which the Company can deliver up to the Maximum Issue Amount, and (b) VWAP of the Shares for the 5 Trading Days immediately preceding the date on which notice is given by the relevant Bondholder to the Company for the conversion of the Bonds.

Assuming a Conversion Price of HK\$0.422 and assuming an exchange rate of US\$1 to HK\$7.8, upon conversion of the Bonds at the Yield to Redemption Amount on the Maturity Date:

- (i) the total number of Shares which the Company shall issue upon full conversion of the Bonds is 256,013,744 Shares; and
- (ii) taking account of (i) above, the Maximum Issue Amount which the Company can offer under the General Mandate upon conversion of the Bonds is 229,937,913 Shares, representing approximately 14.82% of the issued share capital of the Company as at the date of this announcement and approximately 12.35% of the Enlarged Issued Share Capital.

Under the terms of the Warrant, the maximum number of Shares which the Company shall be obliged to issue upon exercise in full of the Warrant is 79,947,009 Shares, representing approximately 5.15% of the issued share capital of the Company as at the date of this announcement, approximately 4.30% of the Enlarged Issued Share Capital.

The aggregate number of Shares to be issued upon exercise in full of the Warrant, together with the Shares to be issued upon conversion of the Bonds (assuming a Conversion Price of HK\$0.422 and assuming an exchange rate of US\$1 to HK\$7.8) up to the Maximum Issue Amount, will not exceed 20% of the issued share capital of the Company as at the date of this announcement. As at the date of this announcement, the Company has not issued any equity securities which are outstanding and are convertible into Shares, except for options which have been issued pursuant to the Company's employee option scheme adopted on 26 August 2002.

The estimated net proceeds of the Bonds and Warrant Issue, after deduction of administrative expenses (amounting to approximately US\$0.33 million (or approximately HK\$2.58 million) in aggregate), are approximately US\$9.67 million (or approximately HK\$75.42 million). The net proceeds are currently intended to be used primarily for the Group's general working capital purposes.

The terms of the Bonds and Warrant were negotiated at arm's length between the Company and Templeton. The Directors consider that the terms of the Bonds and Warrant are fair and reasonable and in the interest of the Company and the Shareholders as a whole. The Directors believe that the transactions subject to the Purchase Agreement are in the interest of the Company.

Completion of the Purchase Agreement, which is expected to take place on 19 May 2006, is subject to the satisfaction and/or waiver of the conditions precedent therein. In addition, the Purchase Agreement may be terminated under certain circumstances. Please refer to the paragraph headed "PURCHASE AGREEMENT" below for further information.

As the Purchase Agreement may or may not complete, and therefore the Bonds and the Warrant may or may not be issued and/or the New Shares may or may not be issued and/or listed on the Main Board of the Stock Exchange, Shareholders and potential investors are advised to exercise caution when dealing in the Shares of the Company.

The Company will apply to the Stock Exchange for the listing of, and permission to deal in the Bond Shares up to the Maximum Issue Amount and the Warrant Shares.

On application of the Company, trading in the Shares was suspended from 9:30am on 21 April 2006 pending release of this announcement. An application to resume trading of the Shares from 9:30am on 26 April 2006 has been made to the Stock Exchange by the Company.

1. THE PURCHASE AGREEMENT

Date: 20 April 2006

Parties: The Company

Templeton

Subject to the fulfilment of the conditions set out below under the section headed "Conditions Precedent of the Purchase Agreement", Templeton has agreed to subscribe and pay for the Bonds at the purchase price of US\$10,000,000 (being the principal amount of the Bonds) and to subscribe for the Warrant with no additional consideration payable.

None of the Bonds or the Warrant will be offered to the public in Hong Kong, nor will they be placed to any connected persons (as defined in the Listing Rules) of the Company.

To the best of the Directors' knowledge, information and belief, Templeton and its ultimate beneficial owners are independent parties and are not connected persons (as defined in the Listing Rules) of the Company. Templeton will become a substantial shareholder of the Company if the conversion rights attaching to the Bonds and the subscription right of the Warrant were to be exercised in full as of the date of this announcement.

Conditions Precedent of the Purchase Agreement

Completion of the Purchase Agreement is conditional upon, among other things:

- (i) the Stock Exchange shall have agreed to list the New Shares to be issued upon conversion of the Bonds and the exercise of the Warrant (or Templeton being reasonably satisfied that such listing will be granted);
- (ii) on or prior to the Closing Date, the delivery to Templeton a certified copy of a Board Minute of the Company authorising the entry into the Purchase Agreement, the execution of the Bond Instrument, delivery of the Warrant and the performance by the Company of its obligations relating thereto;
- (iii) on or prior to the Closing Date, the delivery to Templeton of a legal opinion (in a form satisfactory to Templeton) from the Company's legal adviser as to the law of the Cayman Islands;
- (iv) on or prior to the Closing Date, the delivery to Templeton, certified copies of non-competition undertakings (in forms satisfactory to Templeton) to be executed by each of Wang Boming, Dai Xiaojing, Zhang Zhifang and Li Shijie in favour of the Company;
- (v) on or prior to the Closing Date, the execution of the Bond Instrument by the Company;
- (vi) as at the Closing Date, the representations and warranties of the Company being true, accurate and correct in all respects at, and as if made on such date;
- (vii) as at the Closing Date, the Company having performed all of its obligations expressed to be performed on or before such date; and
- (vi) as at the Closing Date, the delivery to Templeton of a certificate dated as of such date, of a duly authorised officer of the Company.

Templeton may at its discretion waive compliance with the whole or any part of the above conditions, except for the condition set out in (i) above.

Each of Wang Boming, Dai Xiaojing, Zhang Zhifang and Li Shijie – referred to in (iv) above – is an executive director of the Company as at the date of this announcement. Templeton – as a result of arm's length negotiation with the Company – requested that the undertakings referred to in (iv) above be executed by those Directors. Such undertakings will not affect on the scope of the Directors' obligations and responsibilities under the Listing Rules.

Termination

Templeton may, by notice to the Company, at any time prior to payment of the purchase price of the Bonds, terminate the Purchase Agreement in any of the following circumstances:

- (i) if there shall have come to the notice of Templeton any material breach of, or any event rendering untrue or incorrect in any material respect, any of the warranties and representations contained in the Purchase Agreement or any failure by the Company to perform any of its undertakings or agreements in the Purchase Agreement and such breach or event, having been notified to the Company by Templeton in writing remains unrectified 5 days after notification;
- (ii) if there shall have occurred a general moratorium on commercial banking activities in the People's Republic of China or the United Kingdom or United States or Hong Kong by any PRC, United Kingdom, New York State, United States Federal or Hong Kong authorities; or
- (iii) if on or after the date hereof there shall have occurred either of the following:
 - (a) a suspension or material limitation of trading in securities generally on the New York Stock Exchange, the Nasdaq Stock Market, Inc., the London Stock Exchange plc or the Hong Kong Stock Exchange; or

- (b) a suspension in trading in the Company's securities on the Main Board (save in respect of any suspension in trading of the Shares (A) for the purposes of clearing an announcement in respect of the issue of the Bonds or the Warrant or otherwise in relation to the transactions contemplated in or relating to the Purchase Agreement, and (B) which is of a routine nature.

Subject to the foregoing, the Purchase Agreement is expected to be completed on the Closing Date. The Bonds and the Warrant are expected to be issued on the Closing Date.

2. PRINCIPAL TERMS OF THE BONDS

The principal terms of the Bonds are summarised as follows:

Principal Amount

The aggregate principal amount of the Bonds will be US\$10,000,000.

Issue Price

100% of the aggregate principal amount of the Bonds.

Consideration

Templeton shall pay to the Company in cash on the Closing Date the sum of US\$10,000,000.

Interest

The Bonds bear interest from 19 May 2006 at the rate of 2% per annum of the principal amount of the Bonds. Interest is payable annually in arrears on 19 May in each year with the first payment commencing on 19 May 2007. Further, default interest at the rate of 1% per annum above the Hong Kong Interbank Offer Rate is payable if the Company fails to pay any sum in respect of the Bonds when the same becomes due and payable.

Conversion Period

Bondholder(s) will have the right to convert all or some of their Bonds into Shares at any time during the period beginning on and after 19 November 2008 up to the close of business on 4 May 2011.

Conversion Price

The initial Conversion Price of the Bonds will be the higher of (i) HK\$0.422 (which is the initial Exercise Price of the Warrant and shall be adjusted from time to time in accordance with the terms of the Warrant) and (ii) an amount equaling 90% of VWAP for the 30 Trading Days preceding 19 November 2008. The initial Exercise Price of HK\$0.422 was at 14.1% premium and 9.6% premium respectively as compared with the Closing Price of the Shares as at 20 April 2006 (prior to the suspension of the trading of the Shares) of HK\$0.370 and the average Closing Price in the five trading days immediately before and included 20 April 2006 (prior to the suspension of the trading of the Shares) of HK\$0.385. The Conversion Price is subject to adjustment for any, consolidation or, subdivision of the Shares, capitalisation of profits or reserves, or, capital distributions, by the Company and other dilutive events of similar nature.

Maximum Issue Amount

Bond Shares up to Maximum Issue Account will be issued and allotted by the Company pursuant to the General Mandate. The Company may (but not obliged to), in the future, seek authorisation from the Shareholders to extend its authorisation to issue Shares.

Under the terms of the Bonds, the Company shall only be obliged to issue Shares upon conversion of the Bonds up to the Maximum Issue Amount. If at any time the number of Shares required to be issued by the Company on the conversion of any Bonds exceeds the Maximum Issue Amount, the Company is obliged only to deliver Shares on conversion of the Bonds up to the Maximum Issue Amount and shall redeem the balance of relevant Bonds and pay to the relevant Bondholder an amount equaling the product of (a) the difference between the number of Shares required to be issued on conversion of the Bonds and the number of Shares which the Company can deliver up to the Maximum Issue Amount, and (b) VWAP of the Shares for the 5 Trading Days immediately preceding the date of on which notice is given by the relevant Bondholder to the Company for the conversion of the Bonds.

The number of Shares to be issued on conversion of Bonds will be determined by dividing the applicable Yield to Redemption Amount (which is the sum of (i) the principal amount of the Bond; and (ii) a certain redemption premium (which is determined in accordance with the terms of the Bonds)) for the principal amount of the Bond to be converted, by the Conversion Price in effect at the relevant Conversion Date. The redemption premium to be added to the principal amount of the Bonds on a Conversion Date is the portion of the Yield to Redemption Amount of the relevant Bonds at the Maturity Date (that is 138.51% of the principal amount of the Bonds) pro-rated for the period of issue of the relevant Bonds up to (but excluding) the Conversion Date.

Assuming a Conversion Price of HK\$0.422 and assuming an exchange rate of US\$1 to HK\$7.8, upon conversion of the Bonds at the Yield to Redemption Amount on the Maturity Date:

- (a) the total number of Shares which the Company shall issue upon full conversion of the Bonds is (ie. regardless of the Maximum issue Amount) 256,013,744 Shares; and
- (b) taking account of (a) above, the Maximum Issue Amount of Shares to be issued is 229,937,913 Shares, representing approximately 14.82% of the issued share capital of the Company as at the date of this announcement and approximately 12.35% of the Enlarged Issued Share Capital;

Ranking of Bond Shares

The Bond Shares will rank pari passu with fully paid Shares in issue on the relevant date of registration of holders of the Shares upon conversion.

Transfer

The Bonds are transferable without restrictions, subject to the terms of the Bonds.

Maturity

Unless previously redeemed, purchased and cancelled or converted, the Company will redeem each Bond at 138.51% of its principal amount plus accrued interest on the Maturity Date.

Redemption at the Option of the Company

The Company may, at any time after 19 November 2008, having given not less than 30 days' notice and not more than 60 days' notice to the Bondholders, redeem all or some of the Bonds at a redemption price equal to the relevant Yield to Redemption Amount. At any time when the Company seeks to redeem any Bonds, the relevant Bondholder has an Early Conversion Right to convert all or some of the Bonds subject of the redemption at the Conversion Price into Shares up to the Maximum Issue Amount, subject to the terms of the Bonds.

Redemption for Taxation Reasons

At any time the Company may, having given not less than 30 nor more than 60 days' notice to the Bondholders redeem all, and not some only, of the Bonds at a redemption price equal to the Yield to Redemption Amount if (i) the Company will become obliged to pay additional amounts as a result of any change in the laws or regulations of the Cayman Islands and/or Hong Kong having power to tax, or any change in the general application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after 19 May 2006, and (ii) such obligation cannot be avoided by the Company taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Company would be obliged to pay such additional amounts were a payment in respect of the Bonds then due.

Redemption for Delisting or Change of Control or Merger

Each Bondholder will have the right, to require the Company to redeem all or only some of that Bondholder's Bonds on the 14th day after the expiry of such period of 60 days at their Yield to Redemption Amount together with accrued interest to but excluding the redemption date upon (i) the Shares ceasing to be listed or admitted to trading on the Main Board or any Alternative Stock Exchange; or (ii) the occurrence of a Change of Control; or (iii) the occurrence of a Merger.

Right of First Offer and Redemption

Under the terms of the Bonds, Bondholders have a First Offer Right. Should the Company propose any Share Offering during the period between 20 April 2006 and ending on the 10th business day before the fifth anniversary of that date, subject to the approval of the Shareholders in respect of any such proposed Share Offering if so required under the Listing Rules, Bondholders will be notified by the Company by way of a Share Offering Notice setting out the details of the proposed Share Offering and the Bondholders' First Offer Right. Such First Right Offer gives the Bondholder(s) the option (but no obligation), either, (i) require the Company to redeem the relevant Bonds and to apply such redemption monies to purchase some or all of the securities subject of the Share Offering, or (ii) to pay cash to purchase such securities.

If the number of securities which the Bondholder wishes to purchase under the relevant Share Offering shall amount to 75% or more of the total number of securities available under that Share Offering, the Bondholder must then purchase all (and not only some) of the securities available under that Share Offering.

If the Bondholder does not elect to take up the Share Offering in full, the Company may within 45 Business Days of the earlier of the date of the Bondholder's notification, or the expiry of the 10-day period after the date of the Share Offering Notice, sell the securities in the Share Offering that the Bondholder did not agree to purchase to any third parties, on terms and conditions which are no more favourable than those specified in the Share Offering Notice.

The Directors shall take appropriate steps (including but not limited to seeking the approval of the Shareholders if so required under the Listing Rules) to ensure that the provisions of the Listing Rules shall be observed by the Company if and when the Company proposes any Share Offering, and/or any securities were to be issued and/or allotted to Bondholder(s) exercising their First Right Offer, or to third parties as a result of the Bondholder(s) not electing to take up the Share Offering in full.

In cases where the Company has already exercised its right to redeem any Bonds and the relevant Bondholder (the "Redeemed Bondholder") has not opted to exercise its Early Conversion Right in respect of such Bonds, the relevant Bondholder shall, following such redemption, continue to enjoy the First Offer Right in respect of such Bonds which have been so redeemed (ie. the amount of the Bonds which has been redeemed) as if such Bonds have not been redeemed – in respect of Share Offerings where the issue price per Share in respect of the relevant Share Offering is lower than the Conversion Price then in effect – and purchase some or all of the securities subject of the relevant Share Offering in cash, in accordance with the term of the Bonds.

In the event that there is more than one Bondholder and/or Redeemed Bondholder who wish to exercise their First Offer Right to participate in a Share Offering and the Share Offering is not sufficient to satisfy the participation of all Bondholders and/or Redeemed Bondholders in full, the Company shall give priority to effect to the participation of Bondholders (and among Bondholders pro-rata to their respective holdings of outstanding Bonds) and thereafter pro-rata to Redeemed Bondholders, in accordance with the terms of the Bonds.

Form of the Bonds and Denomination

The Bonds will be in registered form and in denominations of US\$500,000 each.

Ranking of the Bonds

The Bonds constitute direct, unsubordinated, unconditional and (subject to the terms and conditions of the Bonds) unsecured obligations of the Company and shall at all times rank pari passu and without any preference or priority among themselves. The payment obligations of the Company under the Bonds shall, save for such exceptions as may be provided by applicable legislation and subject to the terms and conditions of the Bonds, at all times rank at least equally with all of its other present and future unsecured and unsubordinated obligations.

No Listing of the Bonds

No application will be made for the listing of the Bonds on the Main Board or any other stock exchange. The Company will apply to the Stock Exchange for the listing of, and permission to deal in, Bond Shares up to Maximum Issue Amount.

3. PRINCIPAL TERMS OF THE WARRANT

The principal terms of the Warrant are summarised as follows:

Warrant

The Warrant will be issued in registered form.

Issue Price and Consideration

The Warrant will be issued as nil-paid Warrant and no consideration shall be payable by Templeton or otherwise for the Warrant.

Right to Subscribe for Warrant Shares

The Warrant carries the right for the Warrantholder to subscribe for up to 79,947,009 Shares.

Warrantholder(s) not deemed a Shareholder

Warrantholder(s) do not have any right to – by virtue of it being the holder(s) of the Warrant – attend or vote at any meeting of Shareholders, or to participate in any distributions and/or offer of future securities made by the Company.

Exercise

The Warrant may be exercised by the Warrantholder, in whole or in part (provided that it is exercised in respect of a number of Warrant Shares in multiples of 5,000,000), at any time and from time to time during the Exercise Period, subject to the terms of the Warrant. Any Warrant or part of such Warrant which has not been exercised by the Warrant Expiration Date of the Exercise Period shall become null and void and the rights of the Warrantholder to exercise such Warrant shall lapse. Under the terms of the Warrant, the maximum number of Shares which the Company shall be obliged to issue upon exercise in full of the Warrant is 79,947,009 Shares.

Exercise Price

The initial Exercise Price is HK\$0.422. The initial Exercise Price of HK\$0.422 is at 14.1% premium and 9.6% premium respectively as compared with HK\$0.370, the Closing Price of the Shares as at 20 April 2006 (ie. immediately prior to the suspension of the trading of the Shares), and HK\$0.385, the average Closing Price of the Shares for in the five trading days immediately before and included 20 April 2006 (ie immediately prior to the suspension of the trading of the Shares) of HK\$0.385. The Exercise Price is subject to adjustment for any capital distributions, corporate changes (including any reorganisation, merger, reconstruction, amalgamation or sale of all or substantially all assets of the Group), issue of shares at a discount, issue of options, issue of convertible securities, change in price of options or rate of conversion, subdivision or combination of shares, by the Company and other dilutive events of similar nature.

Ranking of Warrant Shares

The Warrant Shares will rank pari passu with fully paid Shares in issue on the relevant Exercise Date.

Transfer

The Warrant is transferable subject to the terms of the Warrant.

No Listing of the Warrant

No application will be made for the listing of the Warrant on the Main Board or any other stock exchange. The Company will apply to the Stock Exchange for the listing of, and permission to deal in, the Warrant Shares.

EFFECT ON THE SHARE CAPITAL OF THE COMPANY AS A RESULT OF CONVERSION OF THE BONDS AND EXERCISE OF THE WARRANT IN FULL AT THE MAXIMUM YIELD TO REDEMPTION AMOUNT

Based on a Conversion Price of HK\$0.422 and assuming an exchange rate of US\$1 to HK\$7.8, upon conversion of the Bonds at the Yield to Redemption Amount on the Maturity Date and pursuant to the General Mandate, the Company (as is required under the terms of the Bonds) may issue Shares up to only the Maximum Issue Amount, which is 229,937,913 Shares, representing approximately 14.82% of the issued share capital of the Company as at the date of this announcement and approximately 12.35% of the Enlarged Issued Share Capital.

Assuming full exercise of the Warrant, the Company will issue 79,947,009 Shares at HK\$0.422 (subject to adjustment), representing approximately 5.15% of the existing issued share capital of the Company as at the date of this announcement, approximately 4.30% of the Enlarged Issued Share Capital.

Assuming a Conversion Price of HK\$0.422 and assuming an exchange rate of US\$1 to HK\$7.8, and the Company issuing Shares up to the Maximum Issue Amount upon conversion of the Bonds at the Yield to Redemption Amount on the Maturity Date and full exercise of the Warrant pursuant to the General Mandate, as at the date of this announcement, the Company will issue 309,884,922 Shares, representing approximately 19.97% of the issued share capital of the Company and approximately 16.65% of the Enlarged Issued Share Capital.

The following table summarises the effects on the shareholding structure of the Company as a result of conversion of the Bonds into Shares of up to the Maximum Issue Amount, based on a Conversion Price of HK\$0.422 and assuming an exchange rate of US\$1 to HK\$7.8 and upon such conversion at the Yield to Redemption Amount on the Maturity Date pursuant to the General Mandate:

Name of Shareholder	Existing shareholding		Assuming conversion of the Bonds up to the Maximum Issue Amount at a Conversion Price of HK\$0.422 and upon conversion at the Yield to Redemption Amount on the Maturity Date into Shares	
	<i>No. of Shares</i>	<i>Percentage (%)</i>	<i>No. of Shares</i>	<i>Percentage (%)</i>
Substantial Shareholders				
United Home Limited ¹	677,843,824	43.69	677,843,824	38.05
Arisaig Greater China Fund Limited ²	141,698,000	9.13	141,698,000	7.95
Public	732,082,790	47.18	732,082,790	41.10
Sub-total	<u>1,551,624,614</u>	<u>100.00</u>	<u>1,551,624,614</u>	<u>87.10</u>
Warrantheolders				
Bondholders			229,937,913	12.90
Total			<u>1,781,562,527</u>	<u>100.00</u>

The following table summarises the effects on the shareholding structure of the Company as a result of the exercise in full of the Warrant, as at the date of this announcement:

Name of Shareholder	Existing shareholding		Assuming full exercise of the Warrant	
	<i>No. of Shares</i>	<i>Percentage (%)</i>	<i>No. of Shares</i>	<i>Percentage (%)</i>
Substantial Shareholders				
United Home Limited ¹	677,843,824	43.69	677,843,824	41.54
Arisaig Greater China Fund Limited ²	141,698,000	9.13	141,698,000	8.69
Public	732,082,790	47.18	732,082,790	44.87
Sub-total	<u>1,551,624,614</u>	<u>100.00</u>	<u>1,551,624,614</u>	<u>95.10</u>
Warrantheolders				
Bondholders			79,947,009	4.90
Total			<u>1,631,571,623</u>	<u>100.00</u>

The following table summarises the combined effects on the shareholding structure of the Company as a result of conversion of the Bonds into Shares of up to the Maximum Issue Amount, based on a Conversion Price of HK\$0.422 and assuming an exchange rate of US\$1 to HK\$7.8 and upon such conversion at the Yield to Redemption Amount on the Maturity Date pursuant to the General Mandate and the exercise in full of the Warrant:

Name of Shareholder	Existing shareholding		Assuming conversion of the Bonds up to the Maximum Issue Amount at a Conversion Price of HK\$0.422 and upon conversion at the Yield to Redemption Amount on the Maturity Date into Shares	
	No. of Shares	Percentage (%)	No. of Shares	Percentage (%)
Substantial Shareholders				
United Home Limited ¹	677,843,824	43.69	677,843,824	36.41
Arisaig Greater China Fund Limited ²	141,698,000	9.13	141,698,000	7.61
Public	732,082,790	47.18	732,032,790	39.33
Sub-total	<u>1,551,624,614</u>	<u>100.00</u>	<u>1,551,624,614</u>	<u>83.35</u>
Warrant holders				
Bondholders			79,947,009	4.30
Sub-total			<u>229,937,913</u>	<u>12.35</u>
Total			<u>1,861,509,536</u>	<u>100.00</u>

Notes:

- (1) 172,644,210 Shares were directly owned by Carlet Investments Ltd., which Shares were indirectly owned by United Home Limited (by virtue of its 100 per cent interest in Carlet Investments Ltd). 505,199,614 Shares were directly owned by United Home Limited.
- (2) The 141,698,000 Shares held by Arisaig Greater China Fund Limited were indirectly owned by Arisaig Partners (Holdings) Ltd. by virtue of its 100% ownership of Arisaig Partners (BVI) Limited. Arisaig Partners (Mauritius) Ltd. is a direct wholly owned subsidiary of Arisaig Partners (BVI) Limited and the immediate holding company of Arisaig Greater China Fund Limited. The capacity of Arisaig Partners (Mauritius) Ltd. in holding the Shares mentioned was the fund manager of Arisaig Greater China fund Limited. The Shares as mentioned was also interests by attribution through 33% interests in Arisaig Partners (Holdings) Ltd. held by Madeleine Ltd. being beneficially owned by Cooper Lindsay William Ernst.

USE OF PROCEEDS

The estimated net proceeds of the Bonds and Warrant Issue, after deduction of administrative expenses (amounting to approximately US\$0.33 million (or approximately HK\$2.58 million)), are approximately US\$9.67 million (or approximately HK\$75.42 million). The Company intends to use the proceeds primarily as the Group's general working capital purposes.

REASONS FOR AND BENEFITS OF THE BONDS ISSUE AND WARRANT ISSUE

The Bonds and Warrant Issue will raise immediate funds for the Company. The Company seeks to capitalize on the current interest rate environment and the current market environment for convertible bonds issues and warrants issues to raise capital to facilitate further development and expansion of the Group. The Directors are of the view that the terms of the Bonds and the Warrant are fair and reasonable and are in the interest of the Company, and consider that the issue of the Bonds and the Warrant will provide the capital to facilitate the development and expansion of the Group and its investment in new projects.

GENERAL

Closing of the Purchase Agreement which is expected to take place on 19 May 2006, is subject to the satisfaction and/or waiver of the conditions precedent therein. In addition, the Purchase Agreement may be terminated under certain circumstances. Please refer to the paragraph headed "PURCHASE AGREEMENT" above for further information.

As the Purchase Agreement may or may not complete and, therefore the Bonds and the Warrant may or may not be issued and/or the New Shares may or may not be issued and/or listed on the Main Board of the Stock Exchange, Shareholders and potential investors are advised to exercise caution when dealing in the Shares of the Company.

The Company is SEEC Media Group Limited. Its subsidiaries are principally engaged in the provision of advertising agency services in the PRC.

To the best of the Directors' knowledge, information and belief, Templeton and its beneficial owners are third parties independent of the Company and are not connected persons (as defined in the Listing Rules) of the Company.

The Company will promptly notify the Stock Exchange – and where appropriate publish an announcement – if it becomes aware of any dealings in the Bonds and/or the Warrant by any connected person (as defined in the Listing Rules) of the Company.

Bond Shares and the Warrant Shares will be issued and allotted by the Company pursuant to the General Mandate. If the Company wishes to issue more Shares (ie. over and above the number of Shares authorised under the General Mandate) upon conversion of the Bonds, the Company may seek authorisation from its Shareholders to extend its authorisation to issue the additional Shares. As stated in the section headed "Maximum Issue Amount", assuming a Conversion Price of HK\$0.422 and assuming an exchange rate of US\$1 to HK\$7.8, and upon conversion of the Bonds at the Yield to Redemption Amount on the Maturity Date, the total number of Shares which the Company shall issue upon full conversion of the Bonds is 256,013,744 Shares, and the Maximum Issue Amount of Shares to be issued is 229,937,913 Shares. On this basis, the Company may therefore seek authorisation to issue and allot additional Shares of up to 26,075,831 Shares.

As of the date of this announcement, no Share has been issued under the General Mandate. The Company will not issue the Shares upon conversion of the Bonds or exercise of the Warrant if such issue will result in insufficient public float as required under the Listing Rules.

The Company has not raised any funds from any issue of equity securities in the last 12 months, save for the issue of securities under the Company's employee share option scheme adopted on 26 August 2002.

RESUMPTION OF TRADING

On the application of the Company, trading in the Shares was suspended from 9:30am on 21 April 2006 pending the release of this announcement. An application to resume the trading of the Shares from 9:30am on 26 April 2006 has been made to the Stock Exchange by the Company.

TERMS USED IN THIS ANNOUNCEMENT

"Alternative Stock Exchange"	at any time, in the case of the Shares, if they are not at that time listed and traded on the Stock Exchange, the principal stock exchange or securities market on which the Shares are then listed or quoted or dealt in.
"Board"	the board of directors of the Company
"Bondholder(s)"	holder(s) of the Bonds from time to time
"Bonds"	the US\$10,000,000 in aggregate principal amount of 2% convertible bonds yielding 8.5% due on the Maturity Date convertible into Shares, subject of the Purchase Agreement
"Bonds and Warrant Issue"	the subscription and issue of the Bonds and the Warrant, pursuant to the terms of the Purchase Agreement
"Bond Instrument"	the document setting out the terms of the Bonds, to be executed as a deed by the Company prior to the Closing Date
"Bonds Shares"	Shares to be allotted and issued by the Company upon conversion of the Bonds, subject to the terms of the Bonds

“Business Day”	with respect to the Bonds Issue, a day other than a Saturday or Sunday on which commercial banks are open for business in Hong Kong and, in the case of the surrender of a Bond Certificate, in the place where the Bond Certificate is surrendered; and with respect to the Warrant Issue, any day (other than a Saturday, Sunday or public holiday) on which banks in Hong Kong are open for business
“Change of Control”	occurs when, (i) any Person or Persons acting together acquires Control of the Company if such Person or Persons does not or do not have, and would not be deemed to have, Control of the Company on 19 May 2006; (ii) the Company consolidates with or merges into or sells or transfers all or substantially all of the Company’s assets to any other Person, unless the consolidation, merger, sale or transfer will not result in the other Person or Persons acquiring Control over the Company or the successor entity; or (iii) one or more Persons (other than any Person referred to in sub-paragraph (i) above) acquires the legal or beneficial ownership of all or substantially all of the Company’s issued share capital. For the purposes of this definition, “Control” shall mean the right to appoint and/or remove all or the majority of the members of the Company’s board of directors or other governing body, whether obtained directly or indirectly, and whether obtained by ownership of share capital, the possession of voting rights, contract or otherwise
“Closing Date”	the date (expected to be 19 May 2006, or such other date as shall be agreed between the Company and Templeton) on which the Bonds and the Warrant shall be issued
“Closing Price”	on any Trading Day, for the Shares, the last price of such Shares reported on Bloomberg at which Shares are reported to have been sold on that Trading Day
“Company”	SEEC Media Group Limited, a company incorporated with limited liability in the Cayman Islands, the shares of which are listed on the Main Board
“Conversion Date”	any date between 19 November 2008 and 4 May 2011, on which a Bondholder may convert any Bond into Shares
“Conversion Price”	the price per Share at which the Bonds may be converted into Shares which will be set on 19 November 2008
“Conversion Right”	the right of a Bondholder to convert any Bond into Shares, subject to the terms of the Bonds
“Directors”	directors of the Company
“Early Conversion Right”	the right of the relevant Bondholder to opt to convert all or some of the Bonds which the Company may seek to redeem at its option, subject to the terms of the Bonds
“Enlarged Issued Share Capital”	the sum of (i) the Issued Share Capital of the Company as at the date of this announcement, and (ii) the number of Shares to be issued and allotted upon conversion of the Bonds into Shares up to the Maximum Issue Amount at a Conversion Price of HK\$0.422, and exercise in full of the Warrant
“Exercise Date”	the date on which a Warrantholder delivers a notice to the Company for the exercise of the subscription right of the Warrant
“Exercise Period”	any time and from time to time on any Trading Day on or after the opening of business on 19 May 2006, and prior to 5:00 p.m., Hong Kong time, on the Warrant Expiration Date
“Exercise Price”	HK\$0.422, which is subject to adjustments in accordance with the terms of the Warrant

“First Offer Right”	the right of the Bondholder(s) to (a) require the Company to redeem up to its principal amount of Bonds then outstanding at the Yield to Redemption Amount and to apply the sum payable on redemption to purchase the securities to be issued in such Share Offering on the terms of the Share Offering, or (b) pay for the Share Offerings in cash, subject to the terms of the Bonds, as described under the heading “Right of First Offer and Redemption” of this announcement
“General Mandate”	the general mandate granted to the Directors at the annual general meeting held on 23 May 2005 to issue and allot a total number of 309,884,922 Shares
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, 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 of Hong Kong Limited
“Main Board”	the Main Board of the Stock Exchange
“Maturity Date”	18 May 2011
“Maximum Issue Amount”	the maximum amount of Shares which the Company is obliged to issue upon conversion of the Bonds, which is 229,937,913 Shares (assuming a Conversion Price of HK\$0.422 and an exchange rate of US\$1 to HK\$7.8 and upon conversion of the Bonds at the Yield to Redemption Amount on the Maturity Date), having taken into account (i) the number of Warrant Shares and; (ii) the number of Shares which the Company shall be authorised to issue and allot under the General Mandate
“Merger”	the consummation of a merger, consolidation, amalgamation or transfer of the assets of the Company substantially as an entirety to any corporation or the conveyance or transfer of the Company’s properties and assets substantially as an entirety to any person
“New Shares”	the Bond Shares and the Warrant Shares
“Person”	includes any individual, company, corporation, firm, partnership, joint venture, undertaking, association, organisation, trust, state or agency of a state (in each case whether or not being a separate legal entity) but does not include the Company’s directors or any other governing board and does not include the Company’s wholly-owned direct or indirect subsidiaries
“PRC”	People’s Republic of China
“Purchase Agreement”	a purchase agreement entered into between the Company and Templeton on 20 April 2006 in connection with the issue by the Company of the Bonds and the Warrant
“Securities”	any shares, stocks, debentures, debenture stock, loan stocks, funds, bonds or notes of, or issued by, any body whether incorporated or unincorporated, or of any government or government agency or authority, any interest in any partnership agreement, any unit or interest in a unit trust and includes any rights, options or interests in, or in respect of, any of the foregoing and any certificates of interest or participation in, or temporary or interim certificates for, receipts for, or warrants to subscribe for, or purchase, any of the foregoing or any other instruments which are commonly known or regarded as securities

“Share(s)”	ordinary shares of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Shares
“Share Offering”	any contract to be entered into by the Company with any party, as permitted by and subject to the provisions of the Listing Rules, for or offer to issue and allot any equity securities of the Company (for the avoidance of doubt, excluding any bonus issues or capitalisation issues) or securities convertible into or exchangeable or exercisable for equity securities of the Company (including debt securities with an equity component) in any form but excluding (i) any issue of Shares to be made after 19 November 2008 at an issue price equal to or greater than the Conversion Price then in effect; (ii) any transaction involving the Company’s issuance of securities (A) as consideration in a merger or consolidation, (B) in connection with any strategic partnership or joint venture, (iii) the issuance of securities upon exercise or conversion of the Bonds or exercise of the Warrant, and (iv) the grant of additional options or the issuance of additional securities under the Company’s employee option scheme adopted on 26 August 2002. Accordingly, in the event that the Company proposes to effect any share offering, it is required to either seek Shareholders’ approval in respect of the share offering or to seek the Bondholders’ waiver of their First Offer Right.
“Share Offering Notice”	written notice to be given by the Company to the Bondholder setting out details of a proposed Share Offering and terms and conditions thereof and description of the securities to be issued which will be given by the Company to the Bondholder(s), subject to the terms of the Bonds
“Subsidiary”	any company or other business entity of which that person owns or controls (either directly or through one or more other Subsidiaries) more than 50% of the voting power or controls the composition of more than 50% of the board of directors of such company or other business entity or any company or other business entity which at any time has its accounts consolidated with those of that person or which, under the laws of Hong Kong or the Cayman Islands, regulations or generally accepted accounting principles from time to time, should have its accounts consolidated with those of that person
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Templeton”	Templeton Strategic Emerging Markets Fund II, LDC, represented by its investment manager Templeton Asset Management Ltd
“Trading Day”	with respect to the Warrant, a day on which the Main Board is open for general trading of Securities (and whether or not the Shares are suspended from trading for all or part of such day) for a minimum of three (3) hours; and with respect to the Bonds, a day on which the Stock Exchange is open for dealing business, provided that if no closing price is reported in respect of the relevant Shares on the Stock Exchange (or as the case may be the Alternative Stock Exchange) for one or more consecutive dealing days such day(s) will be disregarded in any relevant calculation and shall be deemed not have existed when ascertaining any period of dealing days
“United States” or “US”	the United States of America, its territories and possessions, any State of the United States, and the District of Columbia
“US\$”	US dollars, the lawful currency of the United States
“US Persons”	any persons or entities deemed to be a US person for purposes of Regulation S

“VWAP”	the volume weighted average price of the Shares on or derived from Bloomberg screen “TSM” or if such source is not available such other comparable source as shall be determined appropriate by the Company
“Warrant”	nil-paid warrant which carries the right for its holder to subscribe for up to 79,947,009 Shares, subject of the Purchase Agreement
“Warrantholder(s)”	the registered holder(s) of the relevant Warrant
“Warrant Expiration Date”	the date falling 10 (ten) Business Days prior to the fifth anniversary of 19 May 2006
“Warrant Issue”	the subscription and issue of the Warrant pursuant to the Purchase Agreement
“Warrant Register”	the register maintained by the Company setting out the details of each Warrantholder
“Warrant Shares”	Shares to be allotted and issued by the Company upon the exercise of the Warrant, subject to the terms of the Warrant, the maximum number of which shall be 79,947,009 Shares
“Yield to Redemption Amount”	the sum of (i) the principal amount of the Bond and (ii) a redemption premium of the Bond, subject to the terms of the Bonds, details of which are set out in the section headed “Conversion Period” in this announcement.

On behalf of the Board
SEEC Media Group Limited
Wang Boming
Chairman

Hong Kong SAR, 25 April 2006

As at the date of this announcement, the executive directors of the Company are Mr. Wang Boming, Mr. Zhang Zhifang, Mr. Dai Xiaojing, Mr. Li Shijie and Mr. Lau See Him Louis; the independent non-executive directors of the Company are Mr. Fu Fengxiang, Mr. Wang Xiangfei, Mr. GE Ming and Mr. Ding Yu Cheng.