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# SEEC MEDIA GROUP LIMITED

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 205)**

## CONTINUING CONNECTED TRANSACTION Lease Agreements

The Board announces that on 16 April 2007, Beijing Caixun, Beijing SEEC and Shenzhen Caixun entered into the Lease Agreement I, Lease Agreement II and Lease Agreement III, respectively with Shanghai SEEC whereby Beijing Caixun, Beijing SEEC and Shenzhen Caixun agreed to lease the Premises I, Premises II and Premises III, respectively from Shanghai SEEC for a term of 1 year commencing from 1 April 2007 for office purposes. The monthly rental payable by Beijing Caixun, Beijing SEEC and Shenzhen Caixun will be approximately RMB15,137 (approximately HK\$15,137), RMB7,593 (approximately HK\$7,593) and RMB161,165 (approximately HK\$161,165), respectively.

The terms of the Lease Agreements were arrived at after arm's length negotiations between the Group and Shanghai SEEC with reference to the market rents of similar properties in the Chaoyang District, the PRC Beijing.

The entering into of the Lease Agreements constituted the Continuing Connected Transaction for the Company under the Listing Rules.

The applicable percentage ratios for the Continuing Connected Transaction are less than 2.5 per cent. Therefore the Continuing Connected Transaction satisfies the exemption under Rule 14A.34(1) of the Listing Rules and is only subject to the annual review requirement and reporting and the announcement requirements set out in Rules 14A.37 to 14A.41 and Rules 14A.45 to 14A.47 of the Listing Rules respectively, and exempt from independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

### 1. THE LEASE AGREEMENTS

The Board announces that on 16 April 2007, Beijing Caixun, Beijing SEEC and Shenzhen Caixun entered into the Lease Agreement I, Lease Agreement II and Lease Agreement III, respectively with Shanghai SEEC, the particulars of which are set out below:

#### Particulars of Lease Agreement I

Date:	16 April 2007
Parties:	Landlord: Shanghai SEEC Tenant: Beijing Caixun
Premises I:	Unit G, 10th Floor, Prime Tower, 22 Chaoyangmenwai Daijie, Chaoyang District, Beijing, Postal No. 100020, the PRC
Gross Floor Area:	approximately 164 square metres
Term:	1 year commencing from 1 April 2007 and expiring on 31 March 2008 (both dates inclusive), provided that either party may terminate the Lease Agreement I with a month prior notice in writing
Rental:	approximately RMB15,137 (approximately HK\$15,137) per month payable monthly in advance on the fifteenth day of each month

## **Particulars of Lease Agreement II**

Date: 16 April 2007

Parties: Landlord: Shanghai SEEC  
Tenant: Beijing SEEC

Premises II: Unit T, 10th Floor and Unit B, 11th Floor, Prime Tower, 22 Chaoyangmenwai Daijie, Chaoyang District, Beijing, Postal No. 100020, the PRC

Gross Floor Area: approximately 82 square metres

Term: 1 year commencing from 1 April 2007 and expiring on 31 March 2008 (both dates inclusive), provided that either party may terminate the Lease Agreement II with a month prior notice in writing

Rental: approximately RMB7,593 (approximately HK\$7,593) per month payable monthly in advance on the fifteenth day of each month

## **Particulars of Lease Agreement III**

Date: 16 April 2007

Parties: Landlord: Shanghai SEEC  
Tenant: Shenzhen Caixun

Premises III: Unit C, D, E, H and P, 10th Floor and Unit E, 11th Floor, Prime Tower, 22 Chaoyangmenwai Daijie, Chaoyang District, Beijing, Postal No. 100020, the PRC

Gross Floor Area: approximately 1,743 square metres

Term: 1 year commencing from 1 April 2007 and expiring on 31 March 2008 (both dates inclusive), provided that either party may terminate the Lease Agreement III with a month prior notice in writing

Rental: approximately RMB161,165 (approximately HK\$161,165) per month payable monthly in advance on the fifteenth day of each month

The Group has been the tenant of certain of the Premises since November 2002. The annual rental paid by the Group to Shanghai SEEC for the financial years ended 31 December 2004, 31 December 2005 and 31 December 2006 was RMB1,044,000 (approximately HK\$987,000), RMB1,032,000 (approximately HK\$992,000) and RMB1,031,472 (approximately HK\$991,800), respectively.

## **Annual Cap**

Based on the monthly rental of approximately RMB15,137 (approximately HK\$15,137), RMB7,593 (approximately HK\$7,593) and RMB161,165 (approximately HK\$161,165) payable under the Lease Agreement I, Lease agreement II and Lease Agreement III, respectively, which makes the aggregate monthly rental of approximately RMB183,895 (approximately HK\$183,895) payable under the Lease Agreements, the maximum aggregate amounts payable under the Continuing Connected Transaction for the nine months ending 31 December 2007 and the financial year ending 31 December 2008 will not exceed RMB1,655,055 (approximately HK\$1,655,055) and RMB551,685 (approximately HK\$551,685) respectively.

## **2. REASONS FOR THE TRANSACTION**

Shanghai SEEC is principally engaged in the business of investment consulting. The principal activity of the Company is investment holding while its subsidiaries are mainly engaged in the provision of advertising agency services in the PRC. The Premises are being used by the Group for office purposes. The Group is expanding its business in the PRC and requires more office space for that purpose. As the Group has leased some of the Premises from Shanghai SEEC since November 2002, the Directors consider that there will be considerable time and cost saving (in terms of relocation and renovation) for the Group to continue to lease the office space, and to lease additional office space, from Shanghai SEEC. Further, the Directors consider that having their offices in the central business district of Beijing will enhance the corporate image of the Group.

The terms of the Lease Agreements are arrived at after arm's length negotiations between the Group and Shanghai SEEC with reference to the market rents of similar properties in the Chaoyang District, Beijing, the PRC.

The Directors (except Mr. Wang Boming who abstained from participating in the approval of the Lease Agreements due to his material interests therein), including the independent non-executive Directors, consider that the Continuing Connected Transaction is in the ordinary and usual course of business of the Company; and the terms of the Lease Agreements are based on normal commercial terms and are fair and reasonable and in the interest of the Company and its shareholders as a whole.

## **3. COMPLIANCE WITH THE LISTING RULES**

Shanghai SEEC is owned, as to 59% by Shenyang Lianya and 41% by two other PRC corporations. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the PRC corporations and their ultimate beneficial owners are third parties independent of the Company and connected persons of the Company. Shenyang Lianya is owned equally by 50 of its staff, including four of the Directors, namely Messrs. Wang Boming, Zhang Zhifang, Dai Xiaojing and Li Shijie. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, these 50 staff (except Messrs. Wang Boming, Zhang Zhifang, Dai Xiaojing and Li Shijie) are third parties independent of the Company and connected persons of the Company. Since Mr. Wang Boming controls the management of Shenyang Lianya which in turn controls Shanghai SEEC, Shanghai SEEC becomes an associate of Mr. Wang Boming under Rule 1.01 of the Listing Rules and hence a connected person of the Company under the Listing Rules. By virtue of the interest of Mr. Wang Boming in Shanghai SEEC, the entering into of the Lease Agreements constitutes a continuing connected transaction for the Company under Rule 14A.14 of the Listing Rules.

The applicable percentage ratios for the Continuing Connected Transaction are less than 2.5 per cent. Therefore the Continuing Connected Transaction satisfies the exemption under Rule 14A.34(1) of the Listing Rules and is only subject to the annual review requirement and reporting and the announcement requirements set out in Rules 14A.37 to 14A.41 and Rules 14A.45 to 14A.47 of the Listing Rules respectively; and exempt from independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

The purpose of this announcement is to supply the shareholders of the Company with information relating to the Continuing Connected Transaction. Details of the Continuing Connected Transaction will also be included in the next published annual report of the Company.

As at the date of this announcement, the executive Directors are Mr. Wang Boming (Chairman), Mr. Zhang Zhifang, Mr. Dai Xiaojing, Mr. Li Shijie and Mr. Lau See Him, Louis. The independent non-executive Directors are Mr. Fu Fengxiang, Mr. Wang Xiangfei, Mr. Ding Yu Cheng and Mr. Zhang Ke.

#### 4. DEFINITIONS

“associates”	has the meaning ascribed to it under the Listing Rules
“Beijing Caixun”	北京財訊廣告有限公司 (Beijing Caixun Advertising Co., Ltd.*), a limited liability company established under the laws of the PRC and an indirect wholly-owned subsidiary of the Company
“Beijing SEEC”	北京聯辦書刊發行有限公司 (Beijing SEEC Book and Press Distribution Co., Ltd*), a limited liability company established under the laws of the PRC and an indirect wholly-owned subsidiary of the Company
“Board”	the board of Directors
“Company”	SEEC Media Group Limited, a company incorporated under the laws of the Cayman Islands with limited liability
“connected persons”	has the meaning ascribed to it under the Listing Rules
“Continuing Connected Transaction”	the continuing connected transaction contemplated under the Lease Agreements
“Director(s)”	the director(s) of the Company
“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
“Lease Agreements”	the Lease Agreement I, Lease Agreement II and Lease Agreement III
“Lease Agreement I”	the lease agreement dated 16 April 2007 entered into between Shanghai SEEC as landlord and Beijing Caixun as tenant
“Lease Agreement II”	the lease agreement dated 16 April 2007 entered into between Shanghai SEEC as landlord and Beijing SEEC as tenant
“Lease Agreement III”	the lease agreement dated 16 April 2007 entered into between Shanghai SEEC as landlord and Shenzhen Caixun as tenant
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“percentage ratios”	has the meaning ascribed to it under the Listing Rules
“PRC”	The People’s Republic of China which excludes Hong Kong for the purposes of this announcement
“Premises”	Premises I, Premises II and Premises III
“Premises I”	Unit G, 10th Floor, Prime Tower, 22 Chaoyangmenwai Daijie, Chaoyang District, Beijing, Postal No. 100020, the PRC

“Premises II”	Unit T, 10th Floor and Unit B, 11th Floor, Prime Tower, 22 Chaoyangmenwai Daijie, Chaoyang District, Beijing, Postal No. 100020, the PRC
“Premises III”	Unit C, D, E, H and P, 10th Floor and Unit E, 11th Floor, Prime Tower, 22 Chaoyangmenwai Daijie, Chaoyang District, Beijing, Postal No. 100020, the PRC
“RMB”	Renminbi yuan, the lawful currency of the PRC
“Shanghai SEEC”	上海聯辦投資發展有限公司 (Shanghai SEEC Investment and Development Corporation*), a domestic limited liability company established under the laws of the PRC
“Shenyang Lianya”	瀋陽聯亞實業發展公司 (Shenyang Lianya Industrial Development Corporation*), a collectively-owned enterprise established in the PRC
“Shenzhen Caixun”	深圳財訊廣告有限公司 (Shenzhen Caixun Advertising Co., Ltd.*), a limited liability company established under the laws of the PRC and an indirect wholly-owned subsidiary of the Company

*For the purposes of this announcement, unless otherwise indicated, the exchange rate of HK\$1.00 = RMB1.00 has been used for the rental payable under the Lease Agreements, the exchange rate of HK\$1.00 = HK\$1.06 has been used for the rental paid by the Group for the leasing of certain of the Premises for the financial year ended 31 December 2004 and the exchange rate of HK\$1.00 = RMB1.04 has been used for the rental paid by the Group for the leasing of certain of the Premises for the two financial years ended 31 December 2006. These exchange rates are used for the purpose of illustration only and do not constitute a representation that any amount have been, could have been or may be exchanged.*

By Order of the Board  
**SEEC Media Group Limited**  
**Wang Boming**  
*Chairman and Executive Director*

Hong Kong, 16 April 2007

\* *for identification purposes only*