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## **SEEC MEDIA GROUP LIMITED**

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

(Stock Code: 205)

### **PAST CONNECTED TRANSACTION**

The Board announces that in early December 2009, Shenzhen Caixun purchased from Beijing Ronglian Information certain data analysis reports in respect of a number of finance, sports and home fashion magazines for sale in major cities of the PRC for an aggregate consideration of RMB3,000,000. No written agreement was signed between Shenzhen Caixun and Beijing Ronglian Information. The terms of the Transaction (including the consideration) were arrived at after arm's length negotiations between Shenzhen Caixun and Beijing Ronglian Information and on normal commercial terms, and the Transaction was conducted in the ordinary and usual course of business of Shenzhen Caixun.

The entering into of the Transaction constituted a connected transaction for the Company under the Listing Rules. Due to the oversight of the management, no disclosure of the entering into of the Transaction was made at the time in accordance with the Listing Rules. This constituted a breach of the Listing Rules and the Stock Exchange has indicated that it reserves the right to take appropriate action against the Company in respect of such breach.

The applicable percentage ratios for the Past Connected Transaction were less than 2.5%. Therefore the Past Connected Transaction would have satisfied the exemption under Rule 14A.32(1) of the Listing Rules and was only subject to the reporting and the announcement requirements set out in Rules 14A.45 to 14A.47 of the Listing Rules, and exempted from independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

#### **1. THE TRANSACTION**

The Board announces that in early December 2009, Shenzhen Caixun purchased from Beijing Ronglian Information certain data analysis reports in respect of a number of finance, sports and home fashion magazines for sale in major cities of the PRC for an aggregate consideration of RMB3,000,000. Pursuant to the Transaction, Beijing Ronglian Information has already provided the said data analysis reports to Shenzhen Caixun. The data analysis reports contain information including, among other things, market coverage; average sales volume; market shares; advertising contents; distribution policy; locations of display; and selling prices of, and categories of

advertisements in those finance, sports and home fashion magazines. No written agreement was signed between Shenzhen Caixun and Beijing Ronglian Information and the Transaction was conducted in the ordinary and usual course of business of Shenzhen Caixun.

The consideration under the Transaction has been fully paid by Shenzhen Caixun to Beijing Ronglian Information in cash at the end of December 2009 and all the relevant services under the Transaction have been provided by Beijing Ronglian Information to Shenzhen Caixun. The Transaction is regarded as completed and no further payment is required to be made thereunder.

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

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. Beijing Ronglian Information is principally engaged in the business of magazines distribution and the provision of online publication services. Beijing Ronglian Information has operated over 10 years and possesses a comprehensive data base in relation to various types of magazines distributed in the PRC. Hence, it could provide comprehensive data analysis reports to Shenzhen Caixun for it to assess the competitiveness of the Group among its competitors and for the Group to formulate effective business strategies accordingly.

The terms of the Transaction (including the consideration) were arrived at after arm's length negotiations between Shenzhen Caixun and Beijing Ronglian Information and on normal commercial terms, and the Transactions were conducted in the ordinary and usual course of business of Shenzhen Caixun.

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

## **3. THE LISTING RULES**

Beijing Ronglian Information is owned as to 40% by Beijing Lianzheng and as to 60% by Shanghai SEEC. Beijing Lianzheng is owned as to 52.14% by Beijing Liancheng I&C, 10.23% by Mr. Wang Boming; 9.44% by Mr. Zhang Zhifang; 8.66% by Ms. Wang Li; 7.08% by Mr. Dai Xiaojing; 3.15% by Ms. Sun Jianyi; 3.15% by Mr. Li Yi; 3.15% by Mr. Chu Xubo; 3% by Mr. Wangwei. Beijing Liancheng I&C is owned as to 25% each by Messrs. Wang Boming, Zhang Zhifang and Dai Xiaojing and Ms. Wang Li.

Shanghai SEEC is owned, as to 59% by Shenyang Lianya, 20% by Hainan Lianou and 21% by Kunshan Zhonglian. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, one of the joint venture parties of Hainan Lianou is Beijing Liancheng I&C which owns 5% of the registered capital of Hainan Lianou. Save as aforesaid, Hainan Lianou and Kunshan Zhonglian 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 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 and in turn Beijing Ronglian Information. Beijing Ronglian Information 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 Beijing Ronglian Information, the entering into of the Transaction constituted a connected transaction for the Company under Rule 14A.13 of the Listing Rules.

The applicable percentage ratios for the Past Connected Transaction were less than 2.5%. Therefore the Past Connected Transaction would have satisfied the exemption under Rule 14A.32(1) of the Listing Rules and was only subject to the reporting and the announcement requirements set out in Rule 14A.45 to 14A.47 of the Listing Rules; and exempted from independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

Due to the oversight of the management, no disclosure of the entering into of the Transaction was made at the time in accordance with the Listing Rules. This constituted a breach of the Listing Rules and the Stock Exchange has indicated that it reserves the right to take appropriate action against the Company in respect of such breach.

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

#### 4. DEFINITIONS

“associates”	has the meaning ascribed to it under the Listing Rules
“Beijing Liancheng I&C”	北京聯誠投資諮詢有限公司 (Beijing Liancheng Investment Consultant Co., Ltd.*), a limited liability company established under the laws of the PRC
“Beijing Lianzheng”	北京聯証信息科技有限公司 (Beijing Lianzheng Information & Technology Co., Ltd.*), a limited liability company established under the laws of the PRC

“Beijing Ronglian Information”	北京融聯信息傳播有限公司 (Beijing Ronglian Information Communication Co., Ltd.*), a limited liability company established under the laws of the PRC
“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
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Hainan Lianou”	海南聯歐投資管理有限公司 (Hainan Lianou Investment Management Co. Ltd.*), a Sino-foreign equity joint venture enterprise established under the laws of the PRC
“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
“Kunshan Zhonglian”	昆山中聯綜合開發公司 (Kunshan Zhonglian Comprehensive Development Co.*), a limited liability company established under the laws of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Past Connected Transaction”	the connected transaction contemplated under the Transaction
“percentage ratio”	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
“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 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
“Transaction”	the purchase from Beijing Ronglian Information by Shenzhen Caixun in early December 2009 of certain data analysis reports in respect of a number of finance, sports and home fashion magazines for sale in major cities of the PRC for an aggregate consideration of RMB3,000,000
“%”	per cent

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

Hong Kong, 1 April 2010

\* *for identification purposes only*