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## **SEEC MEDIA GROUP LIMITED**

*(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)*

**(Stock Code: 205)**

# **DISCLOSEABLE AND CONNECTED TRANSACTION DISPOSAL OF PROPERTIES SUPPLEMENTAL AGREEMENT**

Reference is made to the announcement of the Company dated 19 September 2016 (the “**Announcement**”) in relation to the disposal of the Properties by 深圳財訊廣告有限公司 (Shenzhen Caixun Advertising Co., Ltd.\*) as the Vendor to 北京聯辦文化傳媒有限責任公司 (Beijing Lianban Cultural Media Company Ltd\*) as the Purchaser for the Consideration of RMB52,000,000 (equivalent to approximately HK\$61,905,000) (inclusive of the relevant value added tax in the PRC). Unless the context otherwise requires, terms used in this announcement shall have the same meanings as those defined in the Announcement.

Prior to the publication of the Announcement, given the Board’s preliminary analysis of the Purchaser under the Listing Rules as set out in the paragraph headed “Information of the Group, the Vendor and the Purchaser” of the Announcement, the Board initially considered that the Disposal merely constituted a discloseable transaction for the Company under the Listing Rules. However, as (1) two of the existing Directors, namely Mr. Wang Boming and Mr. Zhang Zhifang, and Mr Dai Xiaojing, a past Director, who are all connected persons (collectively, the “**Three Directors**”), collectively may control the board of directors of Beijing Lianzheng I&T; and (2) Mr. Wang Boming and Mr. Zhang Zhifang, collectively may also control the board of directors of Beijing Liancheng I&C which in turn has a 58.44% shareholding interest (i.e. a controlling interest) in Beijing Lianzheng I&T which in turn has a 85% shareholding interest (i.e. a controlling interest) in the Purchaser, the Purchaser may, under the circumstances, constitute an associate of the Three Directors. Hence, as a matter of prudence, the Board now considers the Disposal should also be subject to the requirements

under Chapter 14A of the Listing Rules. As one of the applicable percentage ratios calculated in accordance with the Listing Rules is more than 5% but less than 25% and the Consideration is more than HK\$10 million, the entering into of the Agreement constituted a discloseable and non-exempted connected transaction for the Company under Chapter 14 and Chapter 14A of the Listing Rules and is subject to the notification, publication and shareholders' approval requirements under Chapter 14 and Chapter 14A of the Listing Rules. In the circumstances, the Vendor and the Purchaser also entered into an agreement dated 27 September 2016 supplementing and amending the Agreement and which takes effect as from 19 September 2016 (the "**Supplemental Agreement**"). The principal terms of the Supplemental Agreement are set out below.

## **THE SUPPLEMENTAL AGREEMENT**

1. The completion of the Agreement (as supplemented and amended by the Supplemental Agreement) is conditional upon the fulfillment of the following conditions precedent (the "**Conditions Precedent**"):
  - (a) the passing by the independent shareholders of the Company in its special general meeting (the "**SGM**") by way of poll of resolution(s) approving the Agreement (as supplemented and amended by the Supplemental Agreement) and authorizing the execution, delivery and performance of all the transactions contemplated under the Agreement (as supplemented and amended by the Supplemental Agreement); and
  - (b) all requirements imposed by the Stock Exchange under the Listing Rules in connection with the transactions contemplated under the Agreement (as supplemented and amended by the Supplemental Agreement) having been fully complied with.
2. Neither the Vendor nor the Purchaser may waive any of the conditions in 1 (a) and (b).
3. The Vendor shall use its best endeavours to procure the conditions set out above to be fulfilled on or before 31 December 2016 or such later date as may be agreed between the Vendor and the Purchaser (the "**Long Stop Date**").
4. The Vendor shall deliver the Properties to the Purchaser within 95 days of the receipt of the Consideration in full by the Vendor (the "**Deadline**"). If the Vendor fails to deliver the Properties to the Purchaser within 30 days after the Deadline, the Vendor shall pay to the Purchaser a daily liquidated damages calculated as 0.03% of the Consideration from the date following the Deadline to the date of actual delivery of the Properties. If the Vendor fails to deliver the Properties to the Purchaser beyond 30 days after the Deadline,

the Purchaser is entitled to terminate the Agreement and the Vendor is obliged to refund to the Purchaser all the Consideration received and further pay to the Purchaser a lump sum liquidated damages calculated as 20% of the Consideration.

5. In the event that any of the conditions set out above shall not have been fulfilled on or before the Long Stop Date, then save in respect of any antecedent breach of the Agreement (as supplemented and amended by the Supplemental Agreement), all rights and liabilities of the parties to the Agreement (as supplemented and amended by the Supplemental Agreement) shall cease and no party to the Agreement (as supplemented and amended by the Supplemental Agreement) shall have any claim against the other party except that all monies paid by the Purchaser to the Vendor shall forthwith be refunded by the Vendor to the Purchaser.

## **LISTING RULES IMPLICATIONS**

An independent committee of the Board (the “**IBC**”) comprising the three independent non-executive directors of the Company formed for the purpose of advising and giving recommendation to the independent shareholders of the Company in respect of the Disposal has been established to advise the independent shareholders of the Company, and Hercules Capital Limited, a corporation licensed under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “**SFO**”) to conduct Type 6 (advising on corporate finance) regulated activity under the SFO (“**Hercules Capital**”), has been appointed by the Company to advise the IBC and the independent shareholders of the Company in respect of the Disposal.

The SGM will be convened by the Company for the purpose of, among other things, seeking the approval from the independent shareholders of the Company in respect of the Disposal. As at the date of this announcement, Mr. Wang Boming, Mr. Zhang Zhifang, and Mr Dai Xiaojing are interested in 750,000 Shares, 750,000 Shares and 1,250,000 Shares representing approximately 0.01%, 0.01% and 0.02% of the issued Shares, respectively. Accordingly, the Three Directors and their respective associates are required to abstain from voting in favour of the shareholders’ resolutions of the Company in respect of the Disposal at the SGM.

## **GENERAL**

A circular containing, among other things, (1) further details of the Disposal; (2) a letter from the IBC to the independent shareholders of the Company; (3) a letter of advice from Hercules Capital to the IBC and the independent shareholders of the Company; (4) a property valuation report on the Properties; and (5) the notice of the SGM, will be despatched to the Shareholders on or before Wednesday, 19 October 2016.

For the purposes of this announcement, unless otherwise indicated, the exchange rate of HK\$1.00 = RMB0.84 has been used. This exchange rate is 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.

**Shareholders and potential investors of the Company should note that the Disposal is subject to the satisfaction of the Conditions Precedent. As such, the Disposal may or may not proceed. Shareholders and potential investors of the Company are therefore urged to exercise caution when dealing in the shares and other securities of the Company.**

By Order of the Board  
**SEEC Media Group Limited**  
**Zhang Zhifang**  
*Executive Director*

Hong Kong, 27 September 2016

*As at the date of this announcement, the executive Directors are Mr. Wang Boming (Chairman), Mr. Zhang Zhifang, Mr. Zhou Hongtao, Mr. Li Leong and Mr. Li Xi; and the independent non-executive Directors are Mr. Law Chi Hung, Ms. Wensy Ip and Mr. Wong Ching Cheung.*

\* *For identification purpose only*