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## **SEEC MEDIA GROUP LIMITED**

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

(Stock Code: 205)

### **PAST AND FUTURE CONTINUING CONNECTED TRANSACTIONS**

#### **PRC Lease Agreements**

References are made to the 2007 Announcement and the 2008 Annual Report.

The Board announces that during the financial year ended 31 December 2008, the aggregate rental paid under the Lease Agreements was RMB551,685 which was the amount of the annual cap as stated in the 2007 Announcement.

Upon the expiration of the Lease Agreements, the Group continued to lease some of the Premises and also leased the relevant New Premises from Shanghai SEEC, a connected person of the Company between the period from 1 April 2008 to 31 March 2010. The aggregate rental paid to Shanghai SEEC for the leasing of the relevant New Premises for the nine months ended 31 December 2008, 12 months ended 31 December 2009 and the period from 1 January 2010 up to 31 March 2010 was approximately RMB1,834,643, RMB3,055,702 and RMB763,926 respectively. There was no written agreement in respect of the leasing of the relevant New Premises during the Relevant Period. The terms of the leasing of the relevant New Premises during the Relevant Period 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 of Beijing; and such leasing was conducted in the ordinary and usual course of business of the Group and on normal commercial terms. The payment of the aggregate rental of approximately RMB2,386,328 (approximately HK\$2,580,000) under the Lease Agreements and the leasing of the relevant New Premises from 1 January 2008 to 31 December 2008 was also disclosed in the 2008 Annual Report.

The leasing of the relevant New Premises during the Relevant Period constituted continuing connected transactions for the Company under the Listing Rules. Due to the oversight of the management, no disclosure of the leasing of the relevant New Premises during the Relevant Period 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 Continuing Connected Transaction were less than 2.5%. Therefore, the Past Continuing Connected Transaction would have satisfied the exemption under Rule 14A.34(1) of the Listing Rules and is 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.

The Board announces that on 1 April 2010, Beijing Caixun, Beijing SEEC, Shenzhen Caixun and Jinzheng Ronglian Advertising entered into the New Lease Agreement I, New Lease Agreement II, New Lease Agreement III and New Lease Agreement IV, respectively with Shanghai SEEC whereby Beijing Caixun, Beijing SEEC, Shenzhen Caixun and Jinzheng Ronglian Advertising agreed to lease the relevant New Premises from Shanghai SEEC for a term of 9 months commencing from 1 April 2010 for office purposes. The monthly rental payable by Beijing Caixun, Beijing SEEC, Shenzhen Caixun and Jinzheng Ronglian Advertising will be approximately RMB112,922, RMB2,502, RMB125,920 and RMB34,771 respectively.

The terms of the New 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 of Beijing, the PRC.

The entering into of the New Lease Agreements constituted continuing connected transaction for the Company under the Listing Rules.

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

## 1. PAST CONTINUING CONNECTED TRANSACTION

References are made to the 2007 Announcement and the 2008 Annual Report.

The Board announces that during the financial year ended 31 December 2008, the aggregate rental paid under the Lease Agreements was RMB551,685 which was the amount of the annual cap as stated in the 2007 Announcement.

Upon the expiration of the Lease Agreements, the Group continued to lease the relevant New Premises (which include some of the Premises) from Shanghai SEEC, a connected person of the Company during the Relevant Period, the particulars of which are set out below:

### **Particulars of the Leasing of the Premises I and Premises VI**

Period: 9 months from 1 April 2008 to 31 December 2008

Parties: Landlord: Shanghai SEEC  
Tenant: Beijing Caixun

Gross Floor Area: approximately 213 square metres

Total Rental Paid: approximately RMB174,759 representing approximately RMB19,418 per month

### **Particulars of the Leasing of the Premises I, Premises VI and Premises VII**

Period: 15 months from 1 January 2009 to 31 March 2010

Parties: Landlord: Shanghai SEEC  
Tenant: Beijing Caixun

Gross Floor Area: approximately 1,297 square metres

Total Rental Paid: approximately RMB1,775,367 representing approximately RMB118,358 per month

### **Particulars of the Leasing of the Premises II**

Period: 9 months from 1 April 2008 to 31 December 2008

Parties: Landlord: Shanghai SEEC  
Tenant: Beijing SEEC

Gross Floor Area: approximately 83 square metres

Total Rental Paid: approximately RMB68,337 representing approximately RMB7,593 per month

**Particulars of the Leasing of the Premises V**

Period: 15 months from 1 January 2009 to 31 March 2010

Parties: Landlord: Shanghai SEEC

Tenant: Beijing SEEC

Gross Floor Area: approximately 31 square metres

Total Rental Paid: approximately RMB41,944 representing approximately RMB2,796 per month

**Particulars of the Leasing of the Premises IX and Premises XVI**

Period: 9 months from 1 April 2008 to 31 December 2008

Parties: Landlord: Shanghai SEEC

Tenant: Shenzhen Caixun

Gross Floor Area: approximately 1,936 square metres

Total Rental Paid: approximately RMB1,591,547 representing approximately RMB176,839 per month

**Particulars of the Leasing of the Premises IV and Premises X**

Period: 15 months from 1 January 2009 to 31 March 2010

Parties: Landlord: Shanghai SEEC

Tenant: Shenzhen Caixun

Gross Floor Area: approximately 644 square metres

Total Rental Paid: approximately RMB881,575 representing approximately RMB58,772 per month

## **Particulars of the Leasing of the Premises XI**

Period:	15 months from 1 January 2009 to 31 March 2010
Parties:	Landlord: Shanghai SEEC
	Tenant: Jinzheng Ronglian Advertising
Gross Floor Area:	approximately 819 square metres
Total Rental Paid:	approximately RMB1,120,742 representing approximately RMB74,716 per month

The aggregate rental paid to Shanghai SEEC for the leasing of the relevant New Premises for the nine months ended 31 December 2008, 12 months ended 31 December 2009 and the period from 1 January 2010 up to 31 March 2010 was approximately RMB1,834,643, RMB3,055,702 and RMB763,926 respectively. There was no written agreement in respect of the leasing of the relevant New Premises during the Relevant Period and the terms of such leasing 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, Beijing, the PRC. The payment of the aggregate rental of approximately RMB2,386,328 (approximately HK\$2,580,000) under the Lease Agreements and the leasing of the relevant New Premises from 1 January 2008 to 31 December 2008 was also disclosed in the 2008 Annual Report.

The Group was expanding its business in the PRC and required more office space for that purpose. The leasing of the relevant New Premises during the Relevant Period, which was conducted in the ordinary and usual course of business of the Group, constituted continuing connected transactions for the Company under the Listing Rules. The applicable percentage ratios for the Past Continuing Connected Transaction were less than 2.5%. Therefore the Past Continuing Connected Transaction would have satisfied the exemption under Rule 14A.34(1) of the Listing Rules and is 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.

Due to the oversight of the management, no disclosure of the leasing of the relevant New Premises during the Relevant Period 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.

## **2. THE NEW LEASE AGREEMENTS AND FUTURE CONTINUING CONNECTED TRANSACTION**

The Board further announces that on 1 April 2010, Beijing Caixun, Beijing SEEC, Shenzhen Caixun and Jinzheng Ronglian Advertising entered into the New Lease Agreement I, New Lease Agreement II, New Agreement III and New Lease Agreement IV, respectively with Shanghai SEEC, the particulars of which are set out below:

## **Particulars of New Lease Agreement I**

Date: 1 April 2010

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

Premises VI: Unit I, 10th Floor, Prime Tower, 22 Chaoyangmenwai Daijie, Chaoyang District, Beijing, Postal No. 100020, the PRC

Premises VIII: Unit K, 10th Floor, Prime Tower, 22 Chaoyangmenwai Daijie, Chaoyang District, Beijing, Postal No. 100020, the PRC

Premises XII: Unit H, 10th Floor and Rooms 1616-1617 and 1619-1621, 16th Floor, Prime Tower, 22 Chaoyangmenwai Daijie, Chaoyang District, Beijing, Postal No. 100020, the PRC

Gross Floor Area: approximately 1,237 square metres

Term: 9 months commencing from 1 April 2010 and expiring on 31 December 2010 (both dates inclusive), provided that either party may terminate the New Lease Agreement I with a month prior notice in writing

Rental: approximately RMB112,922 per month payable monthly

## **Particulars of New Lease Agreement II**

Date: 1 April 2010

Parties: Landlord: Shanghai SEEC  
Tenant: Beijing SEEC

Premises XIII: Unit S, 10th Floor, Prime Tower, 22 Chaoyangmenwai Daijie, Chaoyang District, Beijing, Postal No. 100020, the PRC

Gross Floor Area: approximately 27 square metres

Term: 9 months commencing from 1 April 2010 and expiring on 31 December 2010 (both dates inclusive), provided that either party may terminate the New Lease Agreement II with a month prior notice in writing

Rental: approximately RMB2,502 per month payable monthly

### **Particulars of New Lease Agreement III**

Date: 1 April 2010

Parties: Landlord: Shanghai SEEC

Tenant: Shenzhen Caixun

Premises XIV: Nos. 11 and 12, 8th Floor and Unit C, D, E and P, 10th Floor, Prime Tower, 22 Chaoyangmenwai Daijie, Chaoyang District, Beijing, Postal No. 100020, the PRC

Gross Floor Area: approximately 1,380 square metres

Term: 9 months commencing from 1 April 2010 and expiring on 31 December 2010 (both dates inclusive), provided that either party may terminate the New Lease Agreement III with a month prior notice in writing

Rental: approximately RMB125,920 payable monthly

### **Particulars of New Lease Agreement IV**

Date: 1 April 2010

Parties: Landlord: Shanghai SEEC

Tenant: Jinzheng Ronglian Advertising

Premises XV: Room 809, 8th Floor, Units B and D, 11th Floor, Prime Tower, 22 Chaoyangmenwai Daijie, Chaoyang District, Beijing, Postal No. 100020, the PRC

Gross Floor Area: approximately 381 square metres

Term: 9 months commencing from 1 April 2010 and expiring on 31 December 2010 (both dates inclusive), provided that either party may terminate the New Lease Agreement IV with a month prior notice in writing

Rental: approximately RMB34,771 per month payable monthly

The annual rental paid by the Group to Shanghai SEEC in respect of the relevant New Premises for the financial years ended 31 December 2007, 31 December 2008 and 31 December 2009 was approximately RMB1,655,055, RMB2,386,328 and RMB3,055,702 respectively.

### **Annual Cap**

Based on the monthly rental of approximately RMB112,922, RMB2,502, RMB125,920 and RMB34,771 payable under the New Lease Agreement I, New Lease agreement II, New Lease Agreement III and New Lease Agreement IV respectively, which makes the aggregate monthly rental of approximately RMB276,200 payable under the New Lease Agreements, the maximum aggregate amount payable under the Future Continuing Connected Transaction for the nine months ending 31 December 2010 will not exceed RMB2,486,000.

### **3. 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 relevant New 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 New 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 New 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 New Lease Agreements due to his material interests therein), including the independent non-executive Directors, consider that the Future Continuing Connected Transaction is in the ordinary and usual course of business of the Company; and the terms of the New Lease Agreements are based on normal commercial terms and are fair and reasonable and in the interests of the Company and its shareholders as a whole.



#### 4. COMPLIANCE WITH THE LISTING RULES

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, 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 New Lease Agreements constitutes continuing connected transactions for the Company under Rule 14A.14 of the Listing Rules.

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

One of the purposes of this announcement is to supply the shareholders of the Company with information relating to the Future Continuing Connected Transaction. Details of the Future Continuing Connected Transaction will also be included in the published annual report of the Company for the year ending 31 December 2010.

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.

## 5. 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 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 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
“Director(s)”	the director(s) of the Company
“Future Continuing Connected Transaction”	the continuing connected transactions contemplated under the New Lease Agreements
“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

“Jinzheng Ronglian Advertising”	北京金証榮聯廣告有限公司 (Beijing Jinzheng Ronglian Advertising Co., Ltd.*), a limited liability company established under the laws of the PRC and an indirect wholly-owned subsidiary of the Company
“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
“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 in respect of the Premises I
“Lease Agreement II”	the lease agreement dated 16 April 2007 entered into between Shanghai SEEC as landlord and Beijing SEEC as tenant in respect of the Premises II
“Lease Agreement III”	the lease agreement dated 16 April 2007 entered into between Shanghai SEEC as landlord and Shenzhen Caixun as tenant in respect of the Premises III
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“New Lease Agreements”	the New Lease Agreement I, New Lease Agreement II, New Lease Agreement III and New Lease Agreement IV
“New Lease Agreement I”	the new lease agreement dated 1 April 2010 entered into between Shanghai SEEC as landlord and Beijing Caixun as tenant
“New Lease Agreement II”	the lease agreement dated 1 April 2010 entered into between Shanghai SEEC as landlord and Beijing SEEC as tenant
“New Lease Agreement III”	the lease agreement dated 1 April 2010 entered into between Shanghai SEEC as landlord and Shenzhen Caixun as tenant
“New Lease Agreement IV”	the lease agreement dated 1 April 2010 entered into between Shanghai SEEC as landlord and Jinzheng Ronglian Advertising as tenant

“New Premises”	Premises I to Premises XVI
“Past Continuing Connected Transaction”	the continuing connected transactions contemplated under the leasing of the relevant New Premises during the Relevant Period
“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
“Premises”	Premises I to 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
“Premises IV”	Unit No. 11, 8th Floor, Prime Tower, 22 Chaoyangmenwai Daijie, Chaoyang District, Beijing, Postal No. 100020, the PRC
“Premises V”	Unit T, 10th Floor, Prime Tower, 22 Chaoyangmenwai Daijie, Chaoyang District, Beijing, Postal No. 100020, the PRC
“Premises VI”	Unit I, 10th Floor, Prime Tower, 22 Chaoyangmenwai Daijie, Chaoyang District, Beijing, Postal No. 100020, the PRC
“Premises VII”	Unit H, 10th Floor, Room 616, 6th Floor and Rooms 1616-1617 and 1619-1621, 16th Floor, Prime Tower, 22 Chaoyangmenwai Daijie, Chaoyang District, Beijing, Postal No. 100020, the PRC
“Premises VIII”	Unit K, 10th Floor, Prime Tower, 22 Chaoyangmenwai Daijie, Chaoyang District, Beijing, Postal No. 100020, the PRC
“Premises IX”	Unit R, 10th Floor, Prime Tower, 22 Chaoyangmenwai Daijie, Chaoyang District, Beijing, Postal No. 100020, the PRC

“Premises X”	Unit C, D, E, 10th Floor, Prime Tower, 22 Chaoyangmenwai Daijie, Chaoyang District, Beijing, Postal No. 100020, the PRC
“Premises XI”	Room 617, 6th Floor, Unit P, 10th Floor, Unit B, 11th Floor and Rooms 1518-1519, 15th Floor, Prime Tower, 22 Chaoyangmenwai Daijie, Chaoyang District, Beijing, Postal No. 100020, the PRC
“Premises XII”	Unit H, 10th Floor and Rooms 1616-1617 and 1619-1621, 16th Floor, Prime Tower, 22 Chaoyangmenwai Daijie, Chaoyang District, Beijing, Postal No. 100020, the PRC
“Premises XIII”	Unit S, 10th Floor, Prime Tower, 22 Chaoyangmenwai Daijie, Chaoyang District, Beijing, Postal No. 100020, the PRC
“Premises XIV”	Nos. 11 and 12, 8th Floor and Unit C, D, E and P, 10th Floor, Prime Tower, 22 Chaoyangmenwai Daijie, Chaoyang District, Beijing, Postal No. 100020, the PRC
“Premises XV”	Room 809, 8th Floor, Units B and D, 11th Floor, Prime Tower, 22 Chaoyangmenwai Daijie, Chaoyang District, Beijing, Postal No. 100020, the PRC
“Premises XVI”	Unit C, D, E, H and P, 10th Floor, Prime Tower, 22 Chaoyangmenwai Daijie, Chaoyang District, Beijing, Postal No. 100020, the PRC
“Relevant Period”	the period from 1 April 2008 up to 31 March 2010, both dates inclusive
“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

“2007 Announcement”	the announcement of the Company dated 16 April 2007 in respect of the Lease Agreements
“2008 Annual Report”	the 2008 annual report of the Company dated 24 April 2009
“%”	per cent

*For the purposes of this announcement, unless otherwise indicated, the exchange rate of HK\$1.00 = RMB0.925 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.*

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

Hong Kong, 1 April 2010

\* *for identification purposes only*