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SEEC MEDIA GROUP LIMITED

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

(Stock Code: 205)

SUPPLEMENTAL ANNOUNCEMENT IN RELATION TO THE ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2019 AND CHANGE IN USE OF PROCEEDS

Reference is made to the annual report (the “**2019 Annual Report**”) of SEEC Media Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) for the year ended 31 December 2019. Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the 2019 Annual Report.

In relation to the use of proceeds of approximately HK\$519.0 million from the Open Offer, the board (the “**Board**”) of directors of the Company would like to provide supplemental information under the section headed “Management Discussion and Analysis – Use of Proceeds” in the 2019 Annual Report.

CHANGE IN USE OF PROCEEDS

As at the date of the 2019 Annual Report, the unutilised balance of the proceeds was approximately HK\$30.8 million. The Board would also like to announce that the Board has resolved to change the use of unutilised proceeds of HK\$20.0 million. Details of the utilisation of the proceeds for the year ended 31 December 2019, the expected timeline for fully utilising the remaining proceeds after the change in use of proceeds are as follows:

	Intended use of proceeds as stated in the Prospectus and the Announcements <i>HK\$'000</i>	Actual use of net proceeds as at 31 December 2018 <i>HK\$'000</i>	Actual use of net proceeds during the year ended 31 December 2019 <i>HK\$'000</i>	Actual use of net proceeds as at 31 December 2019 <i>HK\$'000</i>	Reallocation in use of proceed as at the date of this announcement <i>HK\$'000</i>	New allocation of unutilised balance of the net proceeds as at the date of this announcement <i>HK\$'000</i>	Expected timeline for fully utilising the remaining proceeds
Set-up and operation of the Type 1 Company	265,000	265,000	–	265,000	10,000	10,000	On or before 31 March 2021
Set-up and operation of companies licensed under the SFO to conduct Type 4, Type 6 and Type 9 regulated activities under the SFO	30,000	–	–	–	(20,000)	10,000	On or before 31 March 2021
Acquisition of companies engaged in the development and operation of e-commerce platform	124,000	119,600	3,580	123,180	–	–	<i>Note</i>
Operation and development of money lending business	100,000	100,000	–	100,000	10,000	10,000	On or before 31 March 2021
	<u>519,000</u>	<u>484,600</u>	<u>3,580</u>	<u>488,180</u>	<u>–</u>	<u>30,000</u>	

Note: the unutilised balance of the net proceeds of approximately HK\$820,000 for the acquisition of companies engaged in the development and operation of e-commerce platform as at 31 December 2019 has been fully utilised as intended as at the date of this announcement.

The expected timeline for using the unutilised net proceeds is based on the best estimation of the present and future business market situations made by the Board, and it may be subject to changes based on the future development of market conditions.

REASON FOR THE CHANGE IN USE OF PROCEEDS

The planned use of the proceeds as disclosed in the Prospectus and the Announcements were based on the best estimation made by the Group in relation to the then future market conditions as at the latest practicable date of the Prospectus and the dates of the Announcements, while the net proceeds were applied in accordance with the actual development of the market from time to time.

Since 2018, investors' negative sentiment and concerns over the economic outlook caused by the China-US trade war had made the global stock market extremely volatile. The conflicts between these two countries has caused substantial uncertainty in the global economy. On the other hand, the impact of the social events and the COVID-19 pandemic has created unprecedented challenges for all businesses in 2020. The Board considers that there is no sign that the COVID-19 might end soon and that the Group needs to adopt a more effective policy to develop and strengthen its existing business operations in responding to the economic uncertainties and changing market conditions, rather than deploying resources in developing new business.

In light of the abovementioned, the Board has resolved that it would be in the best interest of the Company and its shareholders to reallocate part of the unutilised proceeds amounting to HK\$20.0 million which was originally assigned for the set-up and operation of companies licensed under the SFO to conduct Type 6 and Type 9 regulated activities under the SFO to each of (i) the set-up and operation of the Type 1 Company and (ii) the operation and development of money lending business of HK\$10.0 million respectively.

The Board confirms that the above supplemental information does not affect other information in the 2019 Annual Report and the remaining contents in the 2019 Annual Report remain unchanged.

By Order of the Board
SEEC Media Group Limited
Li Leong
Executive Director

Hong Kong, 11 September 2020

As at the date of this announcement, the Board comprises Mr. Li Leong, Mr. Li Xi, Mr. Li Zhen, Mr. Zhang Zhifang and Mr. Zhou Hongtao as the executive directors and Mr. Law Chi Hung, Mr. Leung Tat Yin and Mr. Wong Ching Cheung as the independent non-executive directors.