

Chairman's Statement

On behalf of the board of directors (the "Board") of SEEC Media Group Limited (the "Company"), I am pleased to present to you the 2004 annual results for the Company and its subsidiaries (collectively referred to as the "Group").

For the year ended 31st December 2004, the Group recorded total revenues of approximately HK\$77.0 million, compared to revenues of approximately HK\$112.4 million in the same period of 2003. The results of the twelve months of 2004 comprised only of the operating results from the advertising business and related conferences and events whereas the results of the same period of 2003 included revenues of approximately HK\$45.9 million from the electronic consumer products business, which was disposed of in June 2003.

The Group generated approximately HK\$77.0 million in revenues from advertising sales and related conferences and events, representing an increase of 15.8% from approximately HK\$66.5 million during the same period of 2003.

Profit attributable to shareholders amounted to approximately HK\$53.1 million, representing an increase of 87.9% from approximately HK\$28.3 million during the corresponding period in 2003.

To share the fruitful results with our supportive shareholders, the Board recommends a final dividend of HK\$0.01 per share for the year ended 31st December 2004 (2003: Nil).

Business Review

Our print media advertising business delivered strong growth in 2004 over the same period of 2003 despite the slowed down momentum in China print advertising market, especially in the second half of the year when the macro-economic control measures adopted by the People's Republic of China (the "PRC") government targeted at certain overheated sectors started to take effect. According to HC International, the overall advertising expenditures in print media recorded 18.8% growth in 2004, compared to 37% in 2003. Advertising expenditures by some key sectors such as real estate, automobile and telecommunications grew at a much slower pace. Advertising expenditures by the real estate sector, the largest advertising spender in the print media, increased by merely 10.6% in 2004 as opposed to 25.4% in 2003.

Throughout the year, the Group has been focused on solidifying its leadership positions across all the magazine segments it operates in. The solid performance also reflects our strengthened efforts in marketing and promotion as well as stringent cost control.

Thanks to their leading market positions, Caijing Magazine and New Real Estate managed to increase the advertising rates by 15% and 20% in the beginning of 2004, respectively.

To better leverage its well established brand name and expand its product portfolio, New Real Estate has been serialized and split up firstly into four and later into two monthly magazines, namely New Real Estate (新地產) and New House (別墅) (together, "New Real Estate Series") in 2004. In doing so, New Real Estate Series would be able to facilitate increasing demand for the advertising space, diversify advertiser mix and hence further solidify its leading position in real estate and interior design magazine publishing.

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In March 2004, to further broaden its print media advertising base, the Group acquired an exclusive, long-term advertising right to the magazine "Successful Marketing" (成功營銷). Successful Marketing is a growing and recognized publication in the domain of selling and marketing industry in China.

The Group's acquisition of 60% interest in the registered capital of Beijing Caixun Century InfoTech Co. Ltd., representing an additional 18% attributable interest in its existing advertising agency business, was completed in March 2004. The acquisition provided the Group with a larger share in the advertising revenue and contribution from the prominent business and financial media portfolio including Caijing Magazine, New Real Estate Series, Securities Market Weekly (The Integrated Edition and The Market Edition), and Successful Marketing.

To further reinforce the Group's focus on magazine advertising business, the Group disposed of a subsidiary which held a long-term exclusive advertising publication right in China Business Post on 7th November 2004. The transaction was completed on 31st December 2004 and the overall effect on the Group's income statement for the year ended 31st December 2004 was approximately HK\$30.7 million.

Business Outlook

According to the National Bureau of Statistics, China's economy is still on the fast track, and its growth is expected to reach 8-9% in 2005. While the macro-economic control measures would continue in 2005, the government is expected to step up efforts to promote consumption and thus benefit the overall media advertising market in China. The Group will continue to maintain its position as a leading China print media advertising company by capitalizing on the full potential of its existing brands so as to accelerate growth and increase return.

In addition to organic growth, we are expanding into non-financial / business magazine segments by sharing of the Group's established expertise and intelligence. While we are actively exploring acquisition opportunities for long-term exclusive advertising right to more quality magazine titles, various options of cooperation with internationally renowned media companies are being evaluated. On 19th January 2005, the Group entered into an exclusive, multi-year licensing agreement with Meredith Corporation, one of America's leading magazine publishers, to introduce a Chinese-language edition of its flagship magazine Better Homes and Gardens into China.

Apart from print advertising sales, we will also continue to devote our efforts in brand extension to organize more high-impact conferences and events.

Acknowledgement

On behalf of the Board, I would like to take this opportunity to thank our business partners, customers, and shareholders. I would also like to thank our staff for their loyalty and dedication. We remain committed to further growing and strengthening our business and maximizing the shareholders' value.

Wang Boming

Chairman

Hong Kong, 11th April, 2005