GENERAL MEETINGS

The general meeting exercises its power in accordance with the law and is the highest authority of the Company.

In order to safeguard the interests and rights of Shareholders, the Company has put forward an independent resolution for each of the important events and presented to the general meetings for consideration in accordance with the relevant requirements under laws and regulations, as well as the Listing Rules. The details of Shareholders' rights and the respective voting procedures are set out in the relevant circulars to Shareholders in accordance with the Articles of Association and the Listing Rules. The circulars are dispatched to Shareholders prior to relevant deadline and are published on the website of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") and the Company's self-established website.

BOARD

The Board of the Company acts on behalf of the interests of the Shareholders as a whole and is accountable to general meetings. The main duties of the Board are to: implement the resolutions passed at general meetings; make decision on the Company's business plans and investment plans; formulate the Company's annual financial budget and final financial report; formulate the Company's profit distribution plan and loss recovery plan; decide on the establishment of the Company's internal management structure; and formulate the Company's basic management system, etc.

BOARD COMMITTEES

The Board has set up 5 committees, namely Strategy and Investment Planning Committee, Editorial and Publication Committee, Audit Committee, Remuneration and Review Committee and Nomination Committee. Details of each of the committees are as follows:

Strategy and Investment Planning Committee

The main responsibilities of the Strategy and Investment Planning Committee are to carry out research on the Company's long term development strategies and significant investment decisions and to make recommendations to the Board, etc.

Editorial and Publication Committee

The main responsibilities of the Editorial and Publication Committee include: (1) to examine the Company's medium to long-term development plans of the publishing industry and make recommendations; (2) to examine and evaluate the Company's material publication projects and make recommendations for review and approval, etc.

Audit Committee

The main responsibilities of the Audit Committee include: (1) to recommend the engagement or removal of external audit institutions; (2) to supervise the Company's internal audit system and its implementation; (3) to be responsible for the communications between internal audit and external audit; (4) to review the Company's financial information and its disclosure; (5) to review the Company's internal control system, etc.

Remuneration and Review Committee

The main responsibilities of the Remuneration and Review Committee include: (1) to examine the assessment criteria of the Company's Directors and senior management, conduct assessment and provide recommendations; (2) to evaluate and examine the remuneration policies and proposals applicable to the Company's Directors and senior management, etc.

Nomination Committee

The main responsibilities of the Nomination Committee include: (1) to examine the standards and procedures for selecting the Company's Directors and senior management, and make its recommendations to the Board; (2) to seek comprehensively qualified candidates for Directors and senior management; (3) to examine and make recommendations regarding the candidates for Directors and senior management who are to be engaged by the Board, etc.

SUPERVISORY COMMITTEE

The Supervisory Committee of the Company ("**Supervisory Committee**") is the Company's supervisory organization and is accountable to general meetings. The Supervisory Committee exercises its independent authority to supervise the Company in accordance with the laws to safeguard the legal interests of the Shareholders and Company.

INTERNAL CONTROL

The Board is responsible for establishing a comprehensive internal control system and implementing its performance evaluation, and reviewing the internal control functions of the Company on an on-going basis through the Audit Committee. The management is delegated with the authority to organize and lead the daily operation of the corporate internal control. The Company has established an audit department, which is responsible for evaluating, inspecting and following-up on the effectiveness of internal control. A discipline inspection office has also been established, which is mainly responsible for handling the matters on complaints reporting and dealing with matters on daily discipline inspection and supervision. All employees are well aware of the complain and reporting system.