

CORPORATE GOVERNANCE REPORT

Good corporate governance practices are crucial to the smooth and effective operation of a company and its ability to attract investment and protect shareholders' interest. The Company is firmly committed to statutory and regulatory corporate governance standards and adheres to the principles of corporate governance emphasising transparency, independence, accountability, responsibility and fairness.

The Company has adopted the code provisions set out in the Corporate Governance Code (the "CG Code") contained in Appendix 14 to the Listing Rules as its own code on corporate governance practices. The Company has complied throughout the year with the code provisions as set out in the CG Code, except for the deviation from code provision E.1.2 of the CG Code.

Code provision E.1.2 stipulates that the chairman of the board should attend the annual general meeting. Due to other commitment, Tan Sri Datuk Sir TIONG Hiew King, the Chairman of the Board of Directors, was unable to attend the annual general meeting of the Company held on 11th August 2016. In his absence, Mr. TIONG Kiew Chiong, the executive Director and Deputy Chairman of the Company attended and took the chair of the said annual general meeting and ensured that proceedings of the meeting were conducted in order. The Company considers that sufficient measures have been taken to ensure that Company's corporate governance practices are no less exacting than those in the CG Code.

CONDUCT ON SHARE DEALINGS

The Company has adopted the Model Code set out in Appendix 10 to the Listing Rules as the code for securities transactions by the Directors. The Company has also established written guidelines regarding securities transactions on no less exacting terms of the Model Code for senior management and specific individual who may have access to inside information in relation to the securities of the Company.

The Directors have confirmed, following specific enquiry by the Company, their compliance with the required standard as set out in the Model Code during the year ended 31st March 2017.

THE BOARD OF DIRECTORS

Composition and function

The Board of Directors currently comprises six Directors as follows:

Name of Director	Title
Non-executive Director	
Tan Sri Datuk Sir TIONG Hiew King	Non-executive Director and Chairman
Executive Directors	
Mr. TIONG Kiew Chiong	Executive Director and Deputy Chairman
Mr. LAM Pak Cheong	Executive Director and Chief Executive Officer
Independent non-executive Directors	
Mr. YU Hon To, David	Independent non-executive Director
Mr. YANG, Victor	Independent non-executive Director
Mr. LAU Chi Wah, Alex	Independent non-executive Director

For qualifications, experience, expertise and relationships (if any) of the Board members, please refer to the biographies of each of the Directors as set out on pages 12 to 14.

The Directors have given sufficient time and attention to the Group's affairs, and have disclosed to the Company annually the number and the nature of offices held in public companies or organisations and other significant commitments. The Board believes that the balance of executive Directors, non-executive Director and independent non-executive Directors is reasonable and adequate to provide sufficient balances to protect the interests of the Shareholders and the Group.

Pursuant to the written guidelines adopted by the Company, specific matters are reserved to the Board of Directors for its decision and certain matters are delegated to the senior management.

CORPORATE GOVERNANCE REPORT

THE BOARD OF DIRECTORS *(Continued)*

Composition and function *(Continued)*

The Board of Directors, led by its Chairman, is responsible for, inter alia:

- (a) reviewing and approving the strategic direction of the Group established by Executive Directors in conjunction with the management;
- (b) reviewing and approving objectives, strategies and business development plans set by the Executive Committee;
- (c) monitoring the performance of the Chief Executive Officer and the senior management;
- (d) assuming the responsibility for corporate governance;
- (e) approving the nominations of the Directors; and
- (f) reviewing the effectiveness of the internal control system of the Group.

The senior management and the Executive Committee are responsible for:

- (a) formulating strategies and business development plans, submitting the same to the Board of Directors for approval and implementing such strategies and business development plans thereafter;
- (b) submitting report on the Group's operations to the Board of Directors on a regular basis to ensure effective discharge of the Board's responsibilities;
- (c) reviewing annual budgets and submitting the same to the Board of Directors for approval;
- (d) reviewing salary increment proposal and remuneration policy and submitting the same to the Board of Directors for approval; and
- (e) assisting the Board of Directors in conducting the review of the effectiveness of the internal control system of the Group.

The Board of Directors has also formulated written guidelines determining which matters require a decision of the full board and which of the Executive Committee.

Independence of independent non-executive Directors

Pursuant to the requirements of the Listing Rules, the Company has received annual written confirmation from each independent non-executive Director of his independence to the Group. The Group has reviewed and considered all independent non-executive Directors to be independent.

Proceedings and retirement of Directors

In accordance with the Articles, subject to the manner of retirement by rotation of Directors from time to time prescribed under the Listing Rules and notwithstanding any contractual or other terms on which any Director may be appointed or engaged, at each annual general meeting, one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third, shall retire from office by rotation provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years.

CORPORATE GOVERNANCE REPORT

THE BOARD OF DIRECTORS *(Continued)*

Proceedings and retirement of Directors *(Continued)*

Every non-executive Director and independent non-executive Director has entered into a letter of appointment with the Company for a specific term, details of which are set out in "Directors' Service Contracts" paragraph in the Report of Directors on page 12. All Directors are subject to retirement and re-election by rotation at the annual general meeting under the Articles.

All Directors have access to board papers and related materials and are provided with adequate information on a timely manner. The Directors may, if necessary, seek legal or other independent professional advice at the expense of the Company pursuant to a written guideline adopted by the Board of Directors. In respect of regular board meetings or committee meetings, the agenda is sent out to the Directors at least 14 days before the meeting and the accompanying papers are sent at least three days before the intended date of meeting for information. The Company also provides the Directors with monthly updates on the performance of the Group.

Directors' responsibilities

In relation to the financial reporting, all Directors acknowledge their responsibilities for preparing the financial statements of the Group. Directors are indemnified against all costs and liabilities that may be incurred by them in the execution of their duties. Appropriate directors' and officers' liability insurance cover has also been arranged to indemnify the Directors for liabilities arising out of corporate activities.

GOVERNANCE STRUCTURE

As an integral part of good corporate governance, the Board of Directors has established the following committees whose authority, functions, composition and duties of each of the committees are set out below:

1. Executive Committee

The Executive Committee is the decision-making body for day-to-day operation of the Group which currently comprises Mr. TIONG Kiew Chiong, Mr. LAM Pak Cheong and Mr. CHAN Yiu On. Mr. TIONG Kiew Chiong is the Chairman of the Executive Committee.

Its main duties include performing duties delegated by the Board of Directors and exercising the authorities and rights authorised by the same pursuant to the written guidelines.

2. Remuneration Committee

The Remuneration Committee currently has four members, namely, Mr. LAU Chi Wah, Alex, Mr. YU Hon To, David, Mr. YANG, Victor and Mr. TIONG Kiew Chiong. Except for Mr. TIONG Kiew Chiong who is an executive Director, the rest are all independent non-executive Directors. Mr. LAU Chi Wah, Alex is the Chairman of the Remuneration Committee.

Written terms of reference have been adopted by the Board of Directors in compliance with the Listing Rules and are available on both the Company's and the Stock Exchange's websites. The functions of the Remuneration Committee include, among other things:

- (a) making recommendations to the Board of Directors on the Company's policy and structure for remuneration of the Directors and senior management;
- (b) making recommendations to the Board of Directors on establishing a formal and transparent procedure for developing policy on remuneration; and
- (c) making recommendations to the Board of Directors on the remuneration packages of individual executive Directors and senior management; and the remuneration of non-executive Directors.

CORPORATE GOVERNANCE REPORT

GOVERNANCE STRUCTURE *(Continued)*

2. Remuneration Committee *(Continued)*

The remuneration of all Directors are set out in Note 23 to the consolidated financial statements.

During the year, the Remuneration Committee has reviewed the remuneration policy and structure of the executive Directors and senior management of the Company. It has also reviewed the specific remuneration packages including the terms of employment and performance-based bonus of the Directors and senior management of the Company and offered recommendations on the same to the Board of Directors.

3. Nomination Committee

The Nomination Committee currently has four members, namely, Mr. YANG, Victor, Mr. YU Hon To, David, Mr. LAU Chi Wah, Alex and Mr. TIONG Kiew Chiong. Except for Mr. TIONG Kiew Chiong who is an executive Director, the rest are all independent non-executive Directors. Mr. YANG, Victor is the Chairman of the Nomination Committee.

Written terms of reference have been adopted by the Board of Directors in compliance with the Listing Rules and are available on both the Company's and the Stock Exchange's websites. The functions of the Nomination Committee include, among other things:

- (a) reviewing the structure, size and composition of the Board at least annually and making recommendations on any proposed changes to the Board of Directors to complement the Company's corporate strategy;
- (b) identifying individual suitably qualified to become Board members and selecting or making recommendations to the Board on the selection of individuals nominated for directorship; and
- (c) assessing the independence of independent non-executive Directors.

During the year, the Nomination Committee has reviewed and is of the opinion that the size, structure, board diversity and composition of the Board of Directors is adequate for the Company. In addition, it has assessed the independence of independent non-executive Directors and concluded that all independent non-executive Directors have complied with the independence criteria under the Listing Rules.

CORPORATE GOVERNANCE REPORT

GOVERNANCE STRUCTURE *(Continued)*

4. Audit Committee

The Audit Committee comprises all three independent non-executive Directors, namely Mr. YU Hon To, David, Mr. YANG, Victor and Mr. LAU Chi Wah, Alex. Mr. YU Hon To, David is the Chairman of the Audit Committee.

Written terms of reference have been adopted by the Board of Directors in compliance with the Listing Rules and are available on both the Company's and the Stock Exchange's websites. The roles and functions of the Audit Committee include, among other things:

- (a) acting as the key representative body for overseeing the relationship with the Company's external auditor;
- (b) making recommendations to the Board of Directors on the appointment, re-appointment and removal of the external auditor;
- (c) reviewing the financial information of the Group including monitoring the integrity of the Group's financial statements, annual report and accounts, half-year report, quarterly reports and reviewing significant financial reporting judgments contained therein; and
- (d) reviewing and discussing the Group's financial controls, risk management and internal control systems with management to ensure that management has performed its duty to have effective systems. This discussion should include the adequacy of resources, staff qualifications and experience, training programmes and budget of the Group's accounting and financial reporting function.

During the year, the Audit Committee has regularly met with the management and the external auditor and reviewed and made recommendations to the following matters:

- (a) reviewed the audited financial statements for the year ended 31st March 2017, the interim report for the six months ended 30th September 2016 and the quarterly financial reports for the quarters ended 30th June 2016, 30th September 2016, 31st December 2016 and 31st March 2017;
- (b) reviewed and considered the report from the external auditor on the audit of the Group's financial statements;
- (c) made recommendations to the Board of Directors for the appointment of the external auditor and reviewed the proposed audit fees for the year ended 31st March 2017;
- (d) reviewed the external auditor's audit plan, audit strategy and scope of work for the year under review;
- (e) reviewed the internal audit resource requirements, internal audit plan, internal audit reports, recommendations and management response;
- (f) reviewed the risk assessment report of the Group. Significant risk issues were summarised and communicated to the Board of Directors;
- (g) reviewed the continuing connected transactions entered into by the Group;
- (h) reviewed the arrangement (including investigation and follow-up action) that employees of the Group to raise concerns about possible improprieties in financial reporting, internal control or other matters through the whistleblowing policy adopted by the Company; and
- (i) reviewed the training programmes of the staff of the Group's accounting and financial reporting function.

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE FUNCTION

The Board of Directors is responsible for performing the corporate governance duties as set out below:

- (a) to develop and review the Company's policies and practices on corporate governance;
- (b) to review and monitor the training and continuous professional development of Directors and senior management;
- (c) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- (d) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors; and
- (e) to review the Company's compliance with the CG Code and disclosure in the Corporate Governance Report under Appendix 14 to the Listing Rules.

During the year, the Board of Directors has reviewed the Company's compliance with the CG Code and disclosure in the Corporate Governance Report, the training and continuous professional development of Directors and senior management as well as the practices on compliance with legal and regulatory requirements.

TRAINING FOR DIRECTORS

The Company continuously updates Directors the latest developments and changes to the Listing Rules and other applicable regulatory requirements and provides training to improve and update the Directors' knowledge and skills.

The Directors are encouraged to participate in continuous professional development to develop and refresh their knowledge and skills. The Company has prepared a training record in order to assist the Directors to record the training that have undertaken.

During the year, internal training programmes of "Environmental, Social and Governance (ESG) Reporting" and "Enterprise Risk Management Training" were arranged in June 2016 and August 2016 respectively.

Below is a summary of the training the Directors had received during the year under review:

Name of Director	Type of training
Tan Sri Datuk Sir TIONG Hiew King	A, B
Mr. TIONG Kiew Chiong	A, B
Mr. LAM Pak Cheong	A, B
Mr. YU Hon To, David	A, B
Mr. YANG, Victor	A, B
Mr. LAU Chi Wah, Alex	A, B

A: attending seminars/conferences/workshops/forums

B: reading journals and updates relating to the economy, media business or director's duties and responsibilities, etc.

CORPORATE GOVERNANCE REPORT

REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

The remuneration of the members of the senior management, who are not Directors but act as members of Executive Committee of the Company, for the year ended 31st March 2017 by bands is set out below:

Remuneration bands	Number of persons
HK\$1,000,001 to HK\$2,000,000	1

Details regarding the Directors' remuneration and the five highest paid employees as required to be disclosed pursuant to Appendix 16 to the Listing Rules are set out in Notes 21 and 23 to the consolidated financial statements.

NUMBER OF MEETINGS AND THE ATTENDANCE RATE

The following table shows the number of general meetings, board meetings and committee meetings held during the year under review as well as the attendance rate of each Director. During the year, seven board meetings were held, in which five were regular board meetings.

Name of Director	General Meeting	Board Meeting	Audit Committee Meeting	Remuneration Committee Meeting	Nomination Committee Meeting
Tan Sri Datuk Sir TIONG Hiew King	0/1	5/7	N/A	N/A	N/A
Mr. TIONG Kiew Chiong	1/1	7/7	N/A	1/1	1/1
Mr. LAM Pak Cheong	1/1	7/7	N/A	N/A	N/A
Mr. YU Hon To, David	1/1	7/7	5/5	1/1	1/1
Mr. YANG, Victor	1/1	7/7	5/5	1/1	1/1
Mr. LAU Chi Wah, Alex	1/1	6/7	4/5	1/1	1/1

THE DIVISION OF RESPONSIBILITIES BETWEEN THE CHAIRMAN AND THE CHIEF EXECUTIVE OFFICER

With a view to maintaining an effective segregation of duties, the positions of the Chairman and the Chief Executive Officer are split and each plays a distinctive role. The Chairman is mainly responsible for the leadership and effective operation of the Board of Directors and ensuring that all key and appropriate issues are discussed by the Board of Directors in a timely and constructive manner, and the Chief Executive Officer is delegated with the authority and is mainly responsible for the operation of the Group's business and the implementation of the approved strategies with a view to achieving the corporate objectives.

BOARD DIVERSITY POLICY

The Company adopted a board diversity policy ("Board Diversity Policy") with effect from 1st September 2013. It sets out the approach to achieve and maintain diversity on the Board of Directors in order to enhance its effectiveness. The Company endeavours to ensure that the Board of Directors has the appropriate balance of skills, experience, expertise and diversity of perspectives. The appointments of board members will continue to be made on merit basis, and candidates will be considered against objective criteria, having due regard for the benefits of diversity of the Board of Directors. Pursuant to the Board Diversity Policy, the Company seeks to achieve board diversity through the consideration of a number of factors, including but not limited to gender, age, cultural and education background, ethnicity, professional experience, skills, knowledge and length of service. The Board of Directors will set up and review the measurable objectives from time to time to ensure their appropriateness and ascertain the progress made towards achieving those objectives. The Board of Directors will also review and monitor from time to time the implementation of the Board Diversity Policy, as appropriate, to ensure its continued effectiveness.

CORPORATE GOVERNANCE REPORT

INSIDE INFORMATION

The Company is committed to promoting consistent disclosure practices aiming at timely, accurate, complete and broadly disseminated disclosure of inside information about the Group to the market in accordance with applicable laws and regulatory requirements. With respect to procedures and internal controls for the handling and dissemination of inside information, the Company:

- (a) is required to disclose inside information as soon as reasonably practicable in accordance with the SFO and the Listing Rules;
- (b) conducts its affairs with close regard to the "Guidelines on Disclosure of Inside Information" issued by the Securities and Futures Commission; and
- (c) ensures, through its own internal reporting processes and the consideration of their outcome by Board of Directors and senior management, the appropriate handling and dissemination of inside information.

COMPANY SECRETARY

The Company Secretary is a full time employee of the Company and reports to the Chairman of the Board of Directors and the Chief Executive Officer. He is responsible for advising the Board of Directors on governance matters. During the year under review, the Company Secretary has complied with the professional training requirements under the CG Code.

CONSTITUTIONAL DOCUMENTS

During the year under review, there was no change on the Company's Memorandum and Articles of Association ("M&A"). A copy of the latest consolidated version of the M&A is available on the websites of the Company and the Stock Exchange.

EXTERNAL AUDITOR

PricewaterhouseCoopers ("PWC") was appointed as the Group's external auditor for the year ended 31st March 2017. During the year, PWC and its other member firms provided the following audit services to the Group:

	HK\$'000
Audit services (including interim review)	1,205
Non-audit services	100

Total audit services fee provided by other external auditors/audit firms to the subsidiaries of the Group was approximately HK\$23,000.

PWC will retire and offer itself for re-appointment at the annual general meeting of the Company to be held in August 2017.

A statement by PWC about its reporting responsibilities on the consolidated financial statements of the Group is set out in the "Independent Auditor's Report" section on pages 37 to 40.

PUBLIC FLOAT

Based on the information that is publicly available and within the knowledge of the Directors, the Company has maintained a sufficient public float of its share capital in Hong Kong stock market throughout the financial year ended 31st March 2017.

CORPORATE GOVERNANCE REPORT

RISK MANAGEMENT AND INTERNAL CONTROL

It is the responsibility of the Board of Directors to ensure that the Group establishes and maintains sound and effective risk management and internal control systems and review the effectiveness of such systems to safeguard Shareholders' investment and the Group's assets.

The Board of Directors is of the view that the risk management and internal control systems are designed to manage and mitigate the Group's risks within the acceptable risk appetite, rather than to eliminate the risk of failure to achieve business objectives and strategies. In view of the inherent limitations in any system, such system can only provide reasonable but not absolute assurance against material misstatements, losses, frauds, breaches of laws and regulations, and unforeseen emerging risks.

1. Risk management

(a) Risk management framework

The Group has established appropriate control structure and systematic process for identifying, evaluating, monitoring and managing significant risks pertinent to the achievement of its overall corporate objectives and strategies throughout the year. This process is regularly reviewed by the Board of Directors.

The Audit Committee assists the Board of Directors in (i) reviewing the adequacy and effectiveness of the Group's risk management and internal control systems; (ii) reviewing management's identification of the significant risks in accordance with the Group's risk management policy; and (iii) reporting to the Board of Directors of any significant failures or potential breaches of the Group's risk management policy.

The Executive Committee, acting as the Risk Management Committee ("RMC"), ensures on behalf of the Board that business risks are identified, assessed, managed and monitored across the businesses of the Group. The RMC reports to the Board on changes in the risk landscape and developments in the management of principal risks. The RMC is responsible for overseeing the implementation of the risk management framework, reviewing the risk management processes periodically and ensuring that ongoing measures taken are adequate to manage, address or mitigate the identified significant risks. The same principle applies to the Risk Management Unit ("RMU") where risk monitoring accountability rests with the RMU of the operating companies within the Group. The RMU comprises key management staff from each division within the operating company.

(b) Risk management process

The risk management process is cascaded through the Group. All key management and heads of departments have to identify, evaluate and manage risks associated with the business operations on an ongoing basis with defined parameters, and record these in the risk register. It is mandatory for this process to take place at least once a year, and follow-up review every half a year.

For each risk identified, the management will assess the root causes, consequences and mitigating controls. An assessment is then made taking into account the probability of the risk occurring and the impact before and after mitigating controls. The content of the risk register is determined through discussions with senior management and review by the RMU. At the RMU meetings, the RMU assessed the overall risk profile of the operating company, identified the significant risks, updated the risk register and prepared the action plans for mitigation. Risk assessment reports comprising the action plans on significant risk are tabled to the RMC. The deliberation of risks and related mitigating responses are carried out at regular management meetings. In essence, risks are dealt with, and contained at, the respective subsidiaries, and are communicated upwards to the Audit Committee and Board of Directors.

CORPORATE GOVERNANCE REPORT

RISK MANAGEMENT AND INTERNAL CONTROL *(Continued)*

2. Internal control and internal audit function

The Group's internal control framework covers (i) the setting of a defined management structure with limits of authority and clear lines of accountability; and (ii) the establishment of regular reporting of financial information. The relevant executive Directors and senior management have been delegated with respective level of authorities. Yearly budgets of the Group are reviewed and approved by the Board of Directors. The relevant executive Directors and senior management have specific responsibility for monitoring the performance of business operating units. Monthly financial reports and quarterly financial review have been provided to the members of the Executive Committee and all Directors. This helps the Board of Directors and the Group's management to monitor the Group's business operations and to plan on a prudent and timely basis.

The Internal Audit Function of Media Chinese, the holding company of the Company, evaluates the adequacy and effectiveness of risk management and internal control systems. It coordinates with an independent international accounting firm to undertake reviews of the Group's operations and internal controls system. During the year, a review of the Group's internal control system and procedures in respect of the operation of Hong Kong segment was conducted. The scope of review was proposed by the management and approved by the Audit Committee. In addition, the Board of Directors has considered the adequacy of resources, qualifications and experience of the staff of the Group's accounting and financial reporting function, and their training programmes.

3. Review of adequacy and effectiveness

The Board has reviewed the adequacy and effectiveness of the Group's risk management framework and internal control activities to ensure that necessary actions have been or are being taken to rectify weaknesses identified during the year.

The Board has also received assurance from the Chief Executive Officer and Financial Controller that the Group's system of risk management and internal control, in all material aspects, is operating adequately and effectively. For the financial year under review, there were no material control failures or adverse compliance events that have directly resulted in any material loss to the Group.

In this connection, the Board concludes that an effective system of risk management and internal control is in place to safeguard the shareholders' investment and the Group's assets.

SHAREHOLDERS' RIGHTS

1. Shareholders' communications and procedures for raising enquiries

The Board of Directors has established a Shareholders' communication policy setting out the principles of the Company in relation to the Shareholders' communication, with the objective of providing our Shareholders with detailed information about the Company so that they can exercise their rights as Shareholders in an informed manner. The Company uses a range of communication tools to ensure its Shareholders are kept well informed of key business imperatives. These include general meetings, quarterly, interim and annual reports, announcements and circulars. Procedure for voting by poll has been read out by the chairman at the annual general meeting held in 2016. In addition, separate resolution was proposed by the chairman in respect of each separate issue, including re-election of Directors, and voted by way of poll. The Company announced the results of the poll in the manner prescribed under the Listing Rules.

Shareholders may direct their questions about their shareholdings to the Company's Hong Kong branch share registrar: Tricor Investor Services Limited, Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong. Other enquiries or comments raised by any Shareholder can be mailed to the Board of Directors at the Company's head office in Hong Kong at 16th Floor, Block A, Ming Pao Industrial Centre, 18 Ka Yip Street, Chai Wan, Hong Kong or sent through email to corpcom@omghk.com.

CORPORATE GOVERNANCE REPORT

SHAREHOLDERS' RIGHTS *(Continued)*

2. **Convening of extraordinary general meeting on requisition by Shareholders and putting forward proposal at general meeting**

There are no provisions allowing Shareholders to propose new resolutions at the general meetings under the Cayman Islands Companies Law. However, Shareholders are requested to follow the Articles where a Shareholder or Shareholders holding at the date of the deposit of the requisition not less than one-tenth of the paid-up capital of the Company having the right of voting at general meetings of the Company may requisition the Directors to convene an extraordinary general meeting ("EGM") by depositing a written requisition to the Company.

The written requisition must state the purposes of the meeting (including the resolutions to be considered at the meeting), signed by the requisitionists, addressed to the Board of Directors or the Company Secretary of the Company and deposited at the registered office of the Company at Clifton House, 75 Fort Street, P.O. Box 1350 GT, George Town, Grand Cayman, Cayman Islands with a copy to the head office of the Company at 16th Floor, Block A, Ming Pao Industrial Centre, 18 Ka Yip Street, Chai Wan, Hong Kong. If the Directors do not within twenty-one days from the date of the deposit of the requisition proceed duly to convene an EGM, the requisitionists, or any of them representing more than one half of the total voting rights of all of them, may themselves convene an EGM.

If a Shareholder wishes to propose a person for election as a Director in a general meeting, unless the person proposed to be elected as a Director is a Director retiring at the general meeting or is recommended by the Board of Directors for election, a Shareholder shall submit: (i) a notice in writing (the "Nomination Notice") signed by a Shareholder duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose that person for election as a Director; and (ii) a notice in writing signed by that person of his consent to be elected as a Director to the registered office of the Company at Clifton House, 75 Fort Street, P.O. Box 1350 GT, George Town, Grand Cayman, Cayman Islands with a copy to the head office of the Company at 16th Floor, Block A, Ming Pao Industrial Centre, 18 Ka Yip Street, Chai Wan, Hong Kong for the attention of the Company Secretary no earlier than the day after the despatch of the notice of the general meeting for such election of Director(s) and ending no later than seven days prior to the date of such general meeting and the minimum length of the period during which such notices to the Company may be given will be at least seven days.

The Nomination Notice must state the full name of the person proposed for election as a Director and include such person's biographical details as required by the Listing Rules.

Alternatively, if no general meeting has already been convened, a Shareholder may propose a person for election as a Director by requisitioning the Company to convene an EGM, provided that he is holding at the date of the deposit of the requisition not less than one-tenth of the paid-up capital of the Company having the right of voting at general meetings of the Company.