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If you have sold or transferred all your shares in Lee & Man Paper Manufacturing Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee, or to the bank, licenced securities dealer or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee.



理文造紙有限公司*

Lee & Man Paper Manufacturing Limited

(Incorporated in the Cayman Islands and its members' liability is limited)

(Stock Code: 2314)

**NOTICE OF ANNUAL GENERAL MEETING
PROPOSALS FOR RENEWAL OF GENERAL MANDATES
TO ISSUE AND REPURCHASE SHARES
AND
RE-ELECTION OF DIRECTORS**

A notice convening the annual general meeting (“AGM”) of Lee & Man Paper Manufacturing Limited to be held on 9 May 2024 at 12:00 noon at SPRG office, 24/F Admiralty Centre Tower I, 18 Harcourt Road, Hong Kong is set out on pages 19 to 23 of this circular. Whether or not shareholders are able to attend the AGM, they are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and deposit it with Tricor Investor Services Limited, the Hong Kong branch share registrar of Lee & Man Paper Manufacturing Limited, at 17th Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong, as soon as possible and in any event not less than 48 hours before the time appointed for holding the AGM. Completion and return of the form of proxy will not preclude shareholders of Lee & Man Paper Manufacturing Limited from attending and voting in person at the AGM and in such event, the instrument appointing a proxy shall be deemed to be revoked.

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

“AGM”	means the annual general meeting of the Company to be convened and held at SPRG office, 24/F Admiralty Centre Tower I, 18 Harcourt Road, Hong Kong on 9 May 2024 at 12:00 noon
“Articles”	means the articles of association of the Company adopted pursuant to written resolutions passed on 16 August 2004 (and as amended from time to time)
“Associates”	bears the same meaning ascribed thereto in the Listing Rules
“Board”	means the board of Directors of the Company
“Companies Law”	means the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands
“Company”	means Lee & Man Paper Manufacturing Limited, a company incorporated in the Cayman Islands and its members’ liability is limited and the shares of which are listed on the Stock Exchange
“Director(s)”	means directors of the Company or the Board, as the context may require
“Group”	means the Company and its subsidiaries
“HK\$”	means Hong Kong Dollars, the lawful currency of Hong Kong Special Administrative Region of the People’s Republic of China
“Issue Mandate”	means a general and unconditional mandate proposed to be granted to the Directors to exercise the power of the Company to allot, issue or otherwise deal in the Shares on the terms set out in the Notice
“Latest Practicable Date”	means 26 March 2024, being the latest practicable date prior to the printing of this circular for ascertaining certain information for inclusion in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Notice”	means the notice convening the AGM

DEFINITIONS

“Repurchase Mandate”	means a general mandate proposed to be granted to the Directors to exercise the power of the Company to repurchase Shares on the terms set out in the Notice
“SFO”	means the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	means share(s) of par value of HK\$0.025 each in the capital of the Company
“Shareholder(s)”	means holders of the Shares
“Stock Exchange”	means The Stock Exchange of Hong Kong Limited
“Subsidiary”	means a subsidiary within the meaning of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) for the time being of the Company whether incorporated in Hong Kong or elsewhere and “Subsidiaries” shall be construed accordingly
“Takeovers Code”	means the Hong Kong Code on Takeovers and Mergers
“%”	per cent.

LETTER FROM THE BOARD OF DIRECTORS



理文造紙有限公司*
Lee & Man Paper Manufacturing Limited

(Incorporated in the Cayman Islands and its members' liability is limited)

(Stock Code: 2314)

Executive Directors:

Dr. Lee Man Chun Raymond (*Chairman*)
Mr. Lee Man Bun
Mr. Li King Wai Ross
Mr. Lee Jude Ho Chung
Mr. Yip Heong Kan

Registered Office:

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman, KY1-1111
Cayman Islands

Independent Non-Executive Directors:

Mr. Chau Shing Yim David
Ms. Lo Wing Sze
Mr. Chan Wai Yan Ronald

Principal Office in Hong Kong:

39th Floor
Lee & Man
Commercial Center
169 Electric Road
North Point
Hong Kong

9 April 2024

To the shareholders of the Company

Dear Sir or Madam,

**NOTICE OF ANNUAL GENERAL MEETING
PROPOSALS FOR RENEWAL OF GENERAL MANDATES
TO ISSUE AND REPURCHASE SHARES
AND
RE-ELECTION OF DIRECTORS**

INTRODUCTION

The purpose of this circular is to provide you notice of the AGM, and provide you with information regarding, amongst other things, resolutions to be proposed at the AGM to be held on 9 May 2024 at 12:00 noon at SPRG office, 24/F Admiralty Centre Tower I, 18 Harcourt Road, Hong Kong which, upon approval, would enable the Company to, among other things:

- (a) repurchase Shares not exceeding 10% of the aggregate number of Shares in issue as at the date of passing such resolution;

* for identification purposes only

LETTER FROM THE BOARD OF DIRECTORS

- (b) issue new Shares not exceeding 20% of the aggregate number of Shares in issue as at the date of passing such resolution;
- (c) add to the Issue Mandate in (b) above those Shares repurchased by the Company pursuant to the Repurchase Mandate set out in (a) above; and
- (d) re-elect certain Directors, appoint independent non-executive Director serving more than nine years and renew and approve Directors' appointment letters.

PROPOSED RENEWAL OF REPURCHASE MANDATE AND ISSUE MANDATE

At the AGM, it will be proposed, by way of ordinary resolution, that the Directors be given general mandates to (i) repurchase Shares, the aggregate number of which does not exceed 10% of the aggregate number of the issued share capital of the Company as at the date of passing the ordinary resolution; (ii) allot, issue or otherwise deal in Shares of not exceeding 20% of the aggregate number of the issued share capital of the Company on the date of the passing of the ordinary resolution; (iii) add to the Issue Mandate in (ii) above those Shares repurchased by the Company pursuant to the Repurchase Mandate described in (i) above, during the Relevant Period as set out in the Notice.

As at the Latest Practicable Date, a total of 4,295,321,000 Shares were in issue.

On the basis that no further Shares are issued or repurchased prior to the AGM, the Company would be allowed subject to the passing of Ordinary Resolution No. 12 as set out in the Notice at the AGM and the relevant provisions of the Listing Rules, under the Repurchase Mandate in (i) above to repurchase a maximum of 429,532,100 Shares. An explanatory statement containing information relating to the Repurchase Mandate as required pursuant to the Listing Rules, in particular Rule 10.06(1)(b), is set out on pages 9 to 13 to this circular. This explanatory statement provides you with information reasonably necessary to enable you to make an informed decision on whether to vote for or against the resolution relating to the Repurchase Mandate.

On the basis that no further Shares are issued or repurchased prior to the AGM, the Company would be allowed subject to the passing of Ordinary Resolution No. 11 as set out in the Notice at the AGM and the relevant provisions of the Listing Rules, under the Issue Mandate in (ii) above to issue a maximum of 859,064,200 Shares. As at the Latest Practicable Date, the Listing Rules provide that, unless the Stock Exchange agrees otherwise, in the event the Issue Mandate is exercised and Shares are placed for cash consideration under the Issue Mandate, the issue price of the Shares may not be at a price which represents a discount of 20% or more to the benchmarked price of the Shares, such benchmarked price being the higher of:

- (a) the closing price of the Shares as quoted on the Stock Exchange on the date of the relevant placing agreement or other agreement involving the proposed issue of securities under the Issue Mandate; and
- (b) the average closing price of the Shares as quoted on the Stock Exchange in the 5 trading days immediately prior to the earlier of:
 - (i) the date of announcement of the placing or the proposed transaction or arrangement involving the proposed issue of Shares under the Issue Mandate;

LETTER FROM THE BOARD OF DIRECTORS

- (ii) the date of the placing agreement or other agreement involving the proposed issue of Shares under the Issue Mandate; and
- (iii) the date on which the placing or subscription price is fixed.

In terms of price at which Shares may be issued at time of exercise of the Issue Mandate, the Company will comply with the then prevailing requirements under the Listing Rules.

PROPOSED RE-ELECTION OF CERTAIN DIRECTORS, CONTINUOUS APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTOR SERVING MORE THAN NINE YEARS AND DETAILS OF APPOINTMENT LETTERS RELATING TO DIRECTORS

In accordance with Articles 87(1) and 87(2) of the Articles, Mr. Lee Man Bun will retire at the AGM and, being eligible, Mr. Lee Man Bun will offer himself for re-election. In accordance with Article 86(3) of the Articles, each of Ms. Lo Wing Sze and Mr. Chan Wai Yan Ronald, being Directors appointed by the Board shall hold office until the AGM and, being eligible, each of Ms. Lo Wing Sze and Mr. Chan Wai Yan Ronald will offer each of themselves for re-election.

Mr. Chau Shing Yim David (“Mr. Chau”) has been appointed as an independent non-executive Director since 1 October 2008 and has continued to serve the Company for more than nine years. Appendix C1 to the Listing Rules stipulates that serving more than nine years could be relevant to the determination of a non-executive director’s independence. If an independent non-executive director serves more than nine years, any further appointment of such independent non-executive director should be subject to a separate resolution to be approved by shareholders. A resolution for the proposed appointment of Mr. Chau forms part of the notice of AGM. If passed, this resolution would confirm his appointment notwithstanding he has served the Company for more than nine years.

The Nomination Committee will recommend to the Board for the appointment of a Director including an INED in accordance with the following procedures and process:

- i. The Nomination Committee will, giving due consideration to the current composition and size of the Board, develop a list of desirable skills, perspectives and experience (if required);
- ii. The Nomination Committee may consult any source it considers appropriate in identifying or selecting suitable candidates, such as referrals from existing Directors, recommendations from a third-party agency firm and proposals from the Shareholders with due consideration given to the criteria which include but are not limited to:
 - (a) Diversity in the aspects, amongst others, of gender, age, cultural and educational background, professional experience, skills, knowledge and length of service;
 - (b) Commitment for responsibilities of the Board in respect of available time and relevant interest;
 - (c) Qualifications, including accomplishment and experience in the relevant industries in which the Group’s business is involved;

LETTER FROM THE BOARD OF DIRECTORS

- (d) Independence;
 - (e) Reputation for integrity;
 - (f) Potential contributions that the individual can bring to the Board; and
 - (g) Plan(s) in place for the orderly succession of the Board.
- iii. The Nomination Committee may adopt any process it considers appropriate in evaluating the suitability of the candidate;
 - iv. The Nomination Committee will consider a broad range of candidates who are in and outside of the Board's circle of contacts;
 - v. Upon considering a candidate suitable for the directorship, the Nomination Committee will hold a meeting and/or by way of written resolutions to, if thought fit, approve the recommendation to the Board for appointment;
 - vi. The Nomination Committee will provide the relevant information of the selected candidate to the Remuneration Committee for consideration of the remuneration package of such selected candidate;
 - vii. The Nomination Committee will thereafter make the recommendation to the Board in relation to the proposed appointment, and where a non-executive Director is considered, the Remuneration Committee will make the recommendation to the Board on the policy and structure for the remuneration;
 - viii. The Board may arrange for the selected candidate to be interviewed by the members of the Board who are not members of the Nomination Committee and the Board will thereafter deliberate and decide the appointment as the case may be; and
 - ix. All appointment of Directors will be confirmed by the filing of the consent to act as Director of the relevant Director (or any other similar filings requiring the relevant Director to acknowledge or accept the appointment as Director, as the case may be) to be filed with the relevant regulatory authorities, if required.

The Nomination Committee had evaluated the performance of each of the aforesaid Directors for the year and found their performance satisfactory after having considered a range of diversity perspectives including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service, as set out in the board diversity policy of the Company. In respect of the proposed appointment of Mr. Chau, the Nomination Committee has considered the relevant independence assessment guidelines set out in Rule 3.13 of the Listing Rules and formed the view that, notwithstanding that Mr. Chau has served on the Board for over nine years, he remains independent and has consistently exercised his independent judgement and demonstrated his professionalism whenever appropriate during his tenure as an independent non-executive Director and the chairman / a member of relevant Board committees. Therefore, the Nomination Committee nominated the retiring Directors to the Board to propose to Shareholders for (i) re-election of Mr. Lee

LETTER FROM THE BOARD OF DIRECTORS

Man Bun as executive Director, and Ms. Lo Wing Sze and Mr. Chan Wai Yan Ronald as independent non-executive Directors; and (ii) continuous appointment of Mr. Chau as independent non-executive Director at the AGM.

Information on such Directors as required to be disclosed under the Listing Rules are set out in Appendix II to this circular.

Despite the fact that Mr. Chau, the independent non-executive Director, has served the Company for more than nine years, the Board believes that Mr. Chau remains independent and the Board is not aware of any evidence or circumstances suggesting that the length of his tenure of service has any adverse impact on his independence. The Board is also satisfied that Mr. Chau has the required character, integrity, experience and profound knowledge to continue fulfilling the role of an independent non-executive Director effectively and that the skill and experience that he acquired from different background will be beneficial and continue to contribute effectively to the Board with diversity of his comprehensive experience and knowledge.

THE AGM

The following are the details of the AGM:

Date: 9 May 2024

Time: 12:00 noon

Venue: SPRG office, 24/F Admiralty Centre Tower I, 18 Harcourt Road, Hong Kong

The Notice is set out on pages 19 to 23 of this circular. A form of proxy for use at the AGM is enclosed. Whether or not you intend to attend the AGM, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and deposit it with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, at 17th Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong, as soon as possible and in any event so as to arrive not less than 48 hours before the time appointed for holding the AGM. The return of a form of proxy will not preclude you from attending and voting in person at the AGM should you so desire, and in which event, the instrument appointing a proxy shall be deemed to be revoked.

CLOSURE OF REGISTER OF MEMBERS IN RELATION TO THE AGM

For ascertaining shareholders' right to attend and vote at the AGM, the register of members of the Company will be closed from Monday, 6 May 2024 to Thursday, 9 May 2024, both dates inclusive, during which period no transfer of shares will be registered. In order to qualify for attending and voting at the AGM, all completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, at 17th Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration not later than 4:30 p.m. on Friday, 3 May 2024.

LETTER FROM THE BOARD OF DIRECTORS

VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll. Therefore, all the resolutions set out in the notice of the AGM shall be voted by poll. Votes may be given either personally or by proxy.

RECOMMENDATION

The Directors consider that the proposals referred to in this circular are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend all Shareholders to vote in favour of all the resolutions to be proposed at the AGM to approve the renewal of the general mandates to issue and repurchase Shares, the addition to the Issue Mandate those shares repurchased pursuant to the Repurchase Mandate, the re-election of Directors, the continuous appointment of independent non-executive Director serving more than nine years and the renewal and approval of Directors' appointment letters.

Yours faithfully
For and on behalf of
Lee & Man Paper Manufacturing Limited
Lee Man Chun Raymond
Chairman

This is an explanatory statement given to all Shareholders relating to a resolution to be proposed at the AGM authorising the Repurchase Mandate.

This explanatory statement set out below contains all information reasonably necessary to enable Shareholders to make an informed decision on voting on the Repurchase Mandate as required pursuant to Rule 10.06(1)(b) and other relevant provisions of the Listing Rules.

1. EXERCISE OF THE REPURCHASE MANDATE

As at the Latest Practicable Date, the issued ordinary share capital of the Company comprised 4,295,321,000 Shares.

Subject to the passing of Ordinary Resolution No. 12 at the AGM and on the basis that no further Shares are issued or repurchased prior to the AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 429,532,100 Shares.

The expiry of the Repurchase Mandate will be the earlier of:

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by the Articles or any applicable law to be held; and
- (c) the revocation or variation of the resolution (if passed) proposed at the AGM in relation to the Repurchase Mandate by an ordinary resolution of the Shareholders in a general meeting.

2. REASONS FOR REPURCHASES

The Directors believe that it is in the best interests of the Company and its Shareholders as a whole for the Directors to have a general authority from Shareholders to enable the Company to repurchase Shares in the market. Repurchases of Shares may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net value of the Company and its assets and/or its earnings per share and will only be made when the Directors believe that such repurchases will benefit the Company and Shareholders as a whole.

3. FUNDING OF REPURCHASES

Any repurchases will only be funded out of funds of the Company legally available for the purposes in accordance with the Company's memorandum of association and Articles and the applicable laws of the Cayman Islands. A listed company may not repurchase its own shares on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time.

It is presently proposed that any repurchase of Shares would be made out of capital (subject to the Companies Law), profits of the Company or out of the proceeds of a fresh issue of Shares made for the purpose and, in the case of any premium payable on such repurchase, from profits of the Company or from the Company's share premium account or out of capital (subject to the Companies Law). The repurchase of Shares made out of capital will be conditional upon the fact that immediately following the date on which payment out of capital is proposed to be made, the Company shall be able to pay its debts as they fall due in the ordinary course of business.

4. STATUS OF REPURCHASED SHARES

The Listing Rules provide that the listing of all repurchased Shares is automatically cancelled and that the certificates for those shares must be cancelled and destroyed. Under the laws of the Cayman Islands, a company's repurchased shares shall be treated as cancelled and its issued share capital will be reduced accordingly.

5. EFFECT OF EXERCISE OF THE REPURCHASE MANDATE

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited financial statements contained in the annual report for the year ended 31 December 2023) in the event that the Repurchase Mandate is exercised in full. However, the Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which, in the opinion of the Directors, are from time to time appropriate for the Company.

6. DISCLOSURE OF INTERESTS

None of the Directors and, to the best of their knowledge, having made all reasonable enquiries, none of their respective associates, have any present intention, if the Repurchase Mandate is approved, to sell any Shares to the Company.

No connected person (as defined in the Listing Rules) has notified the Company that they have a present intention to sell Shares to the Company if the Repurchase Mandate is approved. No connected person has notified the Company that they have undertaken to sell or not to sell his/her/its Shares to the Company in the event the Repurchase Mandate is approved.

7. CONFIRMATIONS

The Directors will exercise the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

The Company confirms that the explanatory statement set out in this Appendix contains the information required under Rule 10.06(1)(b) of the Listing Rules and that neither the explanatory statement nor the Repurchase Mandate has unusual features.

8. TAKEOVERS CODE CONSEQUENCES

If as a result of a repurchase of Shares, a shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Takeover Code. As a result, a Shareholder, or a group of Shareholders acting in concert, depending on the level of increase in the Shareholder's interests, may obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

To the best knowledge of the Company, as at the Latest Practicable Date, Dr. Lee Wan Keung Patrick (directly held and deemed to be interested in Shares held by his spouse), Dr. Lee Man Chun Raymond, Mr. Lee Man Bun and Mr. Li King Wai Ross (deemed to be interested in Shares held by his spouse) held 475,346,920 Shares, 1,358,991,040 Shares, 1,303,391,040 Shares and 4,564,865 Shares respectively, representing approximately 11.07%, 31.64%, 30.34% and 0.11% of the issued capital of the Company. For the purpose of the Takeovers Code, Dr. Lee Wan Keung Patrick, Dr. Lee Man Chun Raymond, Mr. Lee Man Bun and Mr. Li King Wai Ross are parties presumed to be acting in concert with each other and are taken to have an interest in a total of 3,142,293,865 Shares, representing approximately 73.16% of the total number of Shares in issue. If the Repurchase Mandate is exercised in full and assuming that there are no further changes in the ownership structure of the Company, Dr. Lee Wan Keung Patrick, Dr. Lee Man Chun Raymond, Mr. Lee Man Bun and Mr. Li King Wai Ross will be interested in approximately 81.28% of the issued capital of the Company.

The Listing Rules prohibit a company from making repurchase of its shares on the Stock Exchange if the repurchase would result in a public shareholding of less than 25% (or such other prescribed minimum percentage as determined by the Stock Exchange).

The Directors have no intention to repurchase Shares to such an extent which will result in the number of Shares held by the public being reduced to less than the prescribed minimum percentage of Shares.

In addition, if the Repurchase Mandate is exercised in full, the respective interest of Dr. Lee Man Chun Raymond and Mr. Lee Man Bun in the issued share capital of the Company would be increased to approximately 35.15% and 33.71% and each of them, together with parties presumed to be acting in concert with them (“Concert Group”) under the Takeovers Code, would (unless a waiver is obtained) be obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code. The Directors have no intention to exercise the Repurchase Mandate to such extent that would give rise to an obligation on the part of the Concert Group to make a mandatory general offer under Rule 26 of the Takeovers Code.

Save as disclosed herein, the Directors are not aware of any other consequences which may give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code as a result of any repurchase pursuant to the Repurchase Mandate.

9. SHARE REPURCHASE MADE BY THE COMPANY

The Company repurchased an aggregate 14,244,000 Shares on the Stock Exchange in the six months preceding the Latest Practicable Date, with the details as follows:

Repurchase Date	No. of Shares	Purchase Price	
		Highest HK\$	Lowest HK\$
14 December 2023	757,000	2.04	2.02
10 January 2024	665,000	2.04	2.00
11 January 2024	1,095,000	2.09	2.07
12 January 2024	546,000	2.10	2.07
17 January 2024	945,000	2.10	2.06
18 January 2024	2,013,000	2.10	2.08
19 January 2024	2,534,000	2.09	2.07
22 January 2024	1,010,000	2.07	2.05
23 January 2024	1,100,000	2.05	2.03
24 January 2024	704,000	2.09	2.05
25 January 2024	886,000	2.09	2.09
26 January 2024	831,000	2.07	2.05
29 January 2024	200,000	2.07	2.07
31 January 2024	358,000	2.05	2.03
5 February 2024	600,000	2.09	2.07
	<u>14,244,000</u>		

10. SHARE PRICES

The highest and lowest prices of the Shares as quoted by the Stock Exchange in each of the previous twelve months before and on the Latest Practicable Date were as follows:

	Share Price	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2023		
March	3.71	3.13
April	3.43	3.06
May	3.33	2.62
June	2.88	2.52
July	2.77	2.50
August	2.73	2.30
September	2.41	2.26
October	2.34	2.08
November	2.38	2.09
December	2.43	2.00
2024		
January	2.29	1.97
February	2.32	2.05
1 March to the Latest Practicable Date (26 March 2024)	2.49	2.16

DETAILS OF DIRECTORS PROPOSED TO BE RE-ELECTED AT THE AGM

Details of the Directors who are required to retire at the AGM according to the Articles and who, being eligible, have offered themselves for re-election at the AGM are as follows:

(1) Mr. Lee Man Bun — Executive Director and Chief Executive Officer

Mr. Lee Man Bun (“Mr. Lee”), aged 43, MH JP, Chief Executive Officer of the Group, is responsible for production management, sales, daily operation, quality improvement, repair and maintenance of production machines and staff management etc.. Mr. Lee holds a Bachelor’s Degree of Applied Science in Chemical Engineering from the University of British Columbia in Canada. Mr. Lee was awarded the “Young Industrialist Award of Hong Kong 2015” and was the Founding Chairman of Hong Kong New Youth Energy Think Tank. He is the younger brother of Dr. Lee Man Chun Raymond, the Chairman and an Executive Director of the Company and is the brother-in-law of Mr. Li King Wai Ross, an Executive Director of the Company. The younger brother of the grandfather of Mr. Lee is the grandfather of Mr. Lee Jude Ho Chung, an Executive Director of the Company. He is also the son of Dr. Lee Wan Keung Patrick, the substantial shareholders of the Company. He is also the son of Dr. Lee Wan Keung Patrick, a substantial shareholder of the Company.

Mr. Lee has entered into a service agreement with the Company for an initial period of three years commencing from 1 April 2023, which will continue thereafter unless and until terminated by either the Company or Mr. Lee giving to the other not less than three months’ notice in writing to terminate the service agreement. Pursuant to the service agreement with Mr. Lee, he is entitled to receive an annual remuneration of HK\$18,000,000, which is determined with reference to the fees paid by comparable companies, time commitment, responsibilities of Mr. Lee, and the Company’s performance, and a discretionary bonus (if any, as determined by the Board at its sole discretion).

As at the Latest Practicable Date, Mr. Lee was interested in 1,303,391,040 Shares within the meaning of Part XV of the SFO. Mr. Lee did not hold any directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years preceding the Latest Practicable Date.

Save as disclosed above, Mr. Lee did not have any relationship with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company as at the Latest Practicable Date.

(2) Ms. Lo Wing Sze — Independent Non-Executive Director

Ms. Lo Wing Sze (“Ms. Lo”), aged 52, BBS JP, an Independent Non-executive Director of the Company, has over 25 years of experience in corporate finance and hotel management.

Ms. Lo holds a Bachelor of Economics Degree from the University of Sydney and a Master of Commerce in Finance Degree from the University of New South Wales in Australia. She is a member of the Hong Kong Institute of Certified Public Accountants and a fellow member of CPA Australia. She is the financial director of Million Tour Limited and the founder and financial director of M1 Hotel Group.

Ms. Lo is a member of the Election Committee 2021 (The Fourth Sector) of the Hong Kong Special Administrative Region (“HKSAR”) and All-China Women’s Federation HKSAR delegate and was a member of the Election Committee for the Fifth Government of the HKSAR (Tourism Subsector). Ms. Lo is a member of the Chief Executive’s Policy Unit Expert Group, the Social Workers Registration Board, the Advisory Committee on Post-office Employment for Former Chief Executives and Politically Appointed Officials, the Advisory Committee on Admission of Quality Migrants and Professionals, the Immigration Department Users’ Committee, the Correctional Services Children’s Education Trust Investment Advisory Board and the District Fire Safety Committee (Wan Chai District). She is also an Honorary Court Member of the Lingnan University. Ms. Lo is the Chairlady of Tai Hang Five Dragon Heritage Centre (Revitalising Historic Buildings Through Partnership Scheme Batch IV).

Ms. Lo is an independent non-executive director of China Resources Mixc Lifestyle Services Limited, New World Development Company Limited, Virtual Mind Holding Company Limited (formerly known as CEFC Hong Kong Financial Investment Company Limited) and Goldlion Holdings Limited. Ms. Lo was an independent non-executive director of Finsoft Financial Investment Holdings Limited from August 2020 to July 2023. All the aforesaid companies are listed on the Stock Exchange. Save as disclosed, Ms. Lo did not hold any other directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years preceding the Latest Practicable Date.

Pursuant to an appointment letter to be entered into with the Company, the appointment of Ms. Lo shall be for a term of approximately 1 year commencing from 9 May 2024 upon conclusion of the AGM and ending at the next annual general meeting but, in any event, no later than 31 May 2025. The appointment may be terminated by either party giving at least three months’ prior notice in writing. Pursuant to the appointment letter, Ms. Lo will be entitled to receive an annual remuneration of HK\$300,000. Her remuneration was determined by the board of Directors (with Ms. Lo abstaining from the relevant board resolutions) on the recommendation of the Remuneration Committee of the Company and the board of Directors considers the terms of appointment reasonable by reference to the prevailing market rates, the Company’s remuneration policy, her duties and responsibility within the Group and her expected contribution to the Group.

As at the Latest Practicable Date, Ms. Lo was not interested or deemed to be interested in the Shares or underlying Shares within the meaning of Part XV of the SFO.

Save for her directorship in the Company, Ms. Lo did not hold any other position in the Group and did not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company as at the Latest Practicable Date.

(3) Mr. Chan Wai Yan Ronald — Independent Non-Executive Director

Mr. Chan Wai Yan Ronald (“Mr. Chan”), aged 43, an Independent Non-executive Director of the Company, has over 20 years of experience in corporate finance and investment consultation.

Mr. Chan obtained a Bachelor of Science degree in finance and accounting from the Leonard N. Stern School of Business at New York University in the United States in May 2002. Mr. Chan founded Chartwell Capital Limited, an investment management company, in October 2007 and is currently the chief investment officer. He has been its responsible officer for Type 4 (advising on securities) and Type 9 (asset management) regulated activities under the SFO since November 2008 and February 2008, respectively.

From July 2016 to July 2022, he served as a member of the Listing Committee of the Main Board and GEM of the Stock Exchange. Mr. Chan has been appointed as a member to the board of directors of the Financial Services Development Council for a term of two years with effect from 17 January 2024. Mr. Chan is an independent non-executive director of Powerlong Commercial Management Holdings Limited and Hong Kong Ferry (Holdings) Company Limited. He was an independent non-executive director of Wine’s Link International Holdings Limited from December 2017 to December 2021. All the aforesaid companies are listed on the Stock Exchange. Save as disclosed, Mr. Chan did not hold any other directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years preceding the Latest Practicable Date.

Pursuant to an appointment letter to be entered into with the Company, the appointment of Mr. Chan shall be for a term of approximately 1 year commencing from 9 May 2024 upon conclusion of the AGM and ending at the next annual general meeting but, in any event, no later than 31 May 2025. The appointment may be terminated by either party giving at least three months’ prior notice in writing. Pursuant to the appointment letter, Mr. Chan will be entitled to receive an annual remuneration of HK\$300,000. His remuneration was determined by the board of Directors (with Mr. Chan abstaining from the relevant board resolutions) on the recommendation of the Remuneration Committee of the Company and the board of Directors considers the terms of appointment reasonable by reference to the prevailing market rates, the Company’s remuneration policy, his duties and responsibility within the Group and his expected contribution to the Group.

As at the Latest Practicable Date, Mr. Chan was not interested or deemed to be interested in the Shares or underlying Shares within the meaning of Part XV of the SFO.

Save for his directorship in the Company, Mr. Chan did not hold any other position in the Group and did not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company as at the Latest Practicable Date.

Save as disclosed above, each of Mr. Lee Man Bun, Ms. Lo Wing Sze and Mr. Chan Wai Yan Ronald, and the Company are not aware of any other information which needs to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules in respect of their respective re-elections nor any other matters which need to be brought to the attention of the Shareholders regarding their respective re-elections.

DETAILS OF DIRECTOR PROPOSED TO BE APPOINTED AT THE AGM

Details of Mr. Chau Shing Yim David, who has served the Company for more than nine years whose further appointment is subject to a separate resolution to be approved by the Shareholders at the AGM, are as follows:

Mr. Chau Shing Yim David — Independent Non-Executive Director

Mr. Chau Shing Yim David (“Mr. Chau”), aged 60, an Independent Non-executive Director of the Company, has over 31 years of experience in corporate finance and was formerly a partner of one of the big four accounting firms, Mr. Chau was a key member who found their corporate finance division and held the position as their Head of Merger and Acquisition and Corporate Advisory.

Mr. Chau is a member of the Institute of Chartered Accountants in England and Wales (“ICAEW”), and was granted the Corporate Finance Qualification of ICAEW. He is also a member of the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and was an ex-committee member of the Disciplinary Panel of HKICPA. Mr. Chau is a senior fellow and a director of the Hong Kong Securities and Investment Institute; and he is a member of Corporate Committee and was the chairman of China and Corporate Committee. Mr. Chau is the member of Pamela Youde Nethersole Eastern Hospital (“PYNEH”) Fund Raising Committee, PYNEH Charitable Trust and also ex-member of the Hospital Governing Committee.

Mr. Chau is currently an independent non-executive director and audit committee chairman of OSL Group Limited (formerly known as BC Technology Group Limited), China Ruyi Holdings Limited, Productive Technologies Company Limited, Man Wah Holdings Limited, China Evergrande New Energy Vehicle Group Limited and China Evergrande Group (under liquidation process). All the aforesaid companies are listed on the Stock Exchange. Save as disclosed, Mr. Chau did not hold any other directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years preceding the Latest Practicable Date.

The Company shall, subject to the Shareholders’ approval at the AGM, enter into an appointment letter with Mr. Chau, to renew his terms of appointment as an Independent Non-executive Director of the Company for a term of approximately 1 year commencing from 9 May 2024 upon conclusion of the AGM and ending at the next annual general meeting but, in any event, no later than 31 May 2025.

Pursuant to his appointment letter, Mr. Chau will be entitled to an annual remuneration of HK\$450,000. The appointment letter may be terminated by either party giving at least three months’ prior notice in writing.

The remuneration was determined by the Board (with Mr. Chau abstaining from the relevant board resolutions) on the recommendation of the Remuneration Committee of the Company and the board of Directors considers the terms of appointment reasonable by reference to the prevailing market rates, the Company’s remuneration policy, the relevant Director’s duties and responsibility within the Group and his expected contribution to the Group.

As at the Latest Practicable Date, Mr. Chau was not interested or deemed to be interested in the Shares or underlying Shares within the meaning of Part XV of the SFO.

Save for his directorship in the Company, Mr. Chau did not hold any other position in the Group and did not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company as at the Latest Practicable Date.

Save as disclosed above, Mr. Chau and the Company are not aware of any other information which needs to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules in respect of his proposed appointment nor any other matters which need to be brought to the attention of the Shareholders regarding his proposed appointment.

DETAILS OF THE APPOINTMENT LETTERS OF DIRECTORS

For further details of the appointment letters which are proposed to be renewed and approved at the AGM, please refer to the above disclosure in this Appendix.

DETAILS OF INTERESTS IN SHARES HELD BY DIRECTORS OFFERING THEMSELVES FOR RE-ELECTION AT THE AGM

As at the Latest Practicable Date, the interests and short positions of the Directors who have offered themselves for re-election at the AGM in the Shares, underlying Shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered into the register referred to therein or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules, to be notified to the Company and the Stock Exchange, were as follows:

Interests in Shares

Name of Director	Nature of interest	Number of Shares	Approximate percentage of the issued Shares
Mr. Lee Man Bun	Beneficial interest	1,303,391,040	30.34%

NOTICE OF ANNUAL GENERAL MEETING



理文造紙有限公司*

Lee & Man Paper Manufacturing Limited

(Incorporated in the Cayman Islands and its members' liability is limited)

(Stock Code: 2314)

NOTICE IS HEREBY GIVEN THAT an Annual General Meeting (“AGM”) of Lee & Man Paper Manufacturing Limited (the “Company”) will be held on Thursday, 9 May 2024 at 12:00 noon at SPRG office, 24/F Admiralty Centre Tower I, 18 Harcourt Road, Hong Kong for the following purposes:

As ordinary business, to consider and if thought fit, pass the following as ordinary resolutions:

1. To receive, consider and adopt the audited consolidated financial statements and the reports of the directors and of the auditors of the Company for the year ended 31 December 2023;
2. To declare a final dividend for the year ended 31 December 2023;
3. To re-elect Mr. Lee Man Bun as an executive director of the Company;
4. To re-elect Ms. Lo Wing Sze as an independent non-executive director of the Company;
5. To re-elect Mr. Chan Wai Yan Ronald as an independent non-executive director of the Company;
6. To appoint Mr. Chau Shing Yim David (who has served more than nine years) as an independent non-executive director of the Company;
7. To authorise the board of directors (“**Directors**”) of the Company to approve and confirm the terms of appointment (including remuneration) for Mr. Chau Shing Yim David, an independent non-executive director of the Company, further details of which are set out in the AGM circular;
8. To approve, confirm and ratify the remuneration paid to directors for the year ended 31 December 2023 as set out in the annual report of the Company for the year ended 31 December 2023;
9. To authorise the Directors to fix the remuneration of the Directors for the year ending 31 December 2024 in accordance with their service contracts or letters of appointment. The bonuses in favour of the Directors shall be decided by the majority of the Directors provided that the total amount of bonus payable to all the Directors in respect of any one financial year shall not exceed 10% of the consolidated profit after taxation of the Company and its subsidiaries for the relevant year;

* for identification purposes only

NOTICE OF ANNUAL GENERAL MEETING

10. To re-appoint Messrs. Deloitte Touche Tohmatsu as auditors for the ensuing year and to authorise the Directors to fix their remuneration;

11. **“THAT:**

- (a) subject to paragraph (c), the exercise by the board of directors of the Company during the Relevant Period of all the powers of the Company to allot, issue and dispose of additional shares in the capital of the Company (“Shares”) and to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into shares of the Company) which would or might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) shall authorise the board of directors of the Company during the Relevant Period to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into shares of the Company) which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate number of share allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the board of directors of the Company pursuant to the approval in paragraph (a) or (b) of this resolution, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined) or (ii) the exercise of the subscription rights under the options granted under the share option schemes of the Company or (iii) any issue of Shares in lieu of the whole or part of a dividend on Shares or any scrip dividend scheme or similar arrangement in accordance with the articles of association of the Company (“Articles”) and other relevant regulations; or (iv) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any warrants which might be issued by the Company or any securities which are convertible into shares of the Company, shall not exceed 20% of the aggregate number of the issued shares of the Company as at the date of the passing of this resolution and the said approval shall be limited accordingly; and
- (d) for the purpose of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earlier of:

- (I) the conclusion of the next annual general meeting of the Company;
- (II) the expiration of the period within which the next annual general meeting of the Company is required by the Articles or any applicable law to be held; and
- (III) the revocation or variation of this resolution by an ordinary resolution of the shareholders of the Company in a general meeting.

NOTICE OF ANNUAL GENERAL MEETING

“Rights Issue” means an offer of shares in the capital of the Company open for a period fixed by the board of directors of the Company to shareholders of the Company on the register on a fixed record date in proportion to their then holdings of such shares (subject to such exclusion or other arrangements as the board of directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in any territory outside Hong Kong);”

12. **“THAT:**

- (a) subject to paragraph (b), the exercise by the board of directors of the Company during the Relevant Period of all powers of the Company to repurchase or otherwise acquire its own shares on the Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on another stock exchange on which the shares of the Company may be listed and which is recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for such purpose, subject to and in accordance with all applicable laws, the requirements of the Hong Kong Code on Takeovers and Mergers and the Rules Governing the Listing of Securities on the Stock Exchange, be and is hereby generally and unconditionally approved;
- (b) the aggregate number of shares of the Company which may be repurchased or otherwise acquired by the Company pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10% of the aggregate number of the issued shares of the Company as at the date of the passing of this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and
- (c) for the purpose of this resolution,

“Relevant Period” means the period from the date of the passing of this resolution until whichever is the earliest of:

- (I) the conclusion of the next annual general meeting of the Company;
- (II) the expiration of the period within which the next annual general meeting of the Company is required by the Articles or any other applicable law to be held; and
- (III) the revocation or variation of this resolution by an ordinary resolution of the shareholders of the Company in a general meeting;”

NOTICE OF ANNUAL GENERAL MEETING

and as special business, to consider and, if thought fit, pass with or without amendments, the following as an ordinary resolution:

13. “**THAT** conditional upon resolutions numbered 11 and 12 set out in the notice convening the AGM being passed, the aggregate number of the shares in the capital of the Company which are purchased or otherwise acquired by the Company under the authority granted to the board of directors of the Company pursuant to and in accordance with the ordinary resolution number 12 above shall be added to the aggregate number of shares of the Company that may be allotted or agreed conditionally or unconditionally to be allotted by the board of directors of the Company pursuant to and in accordance with the ordinary resolution number 11 above.”

By Order of the Board
Law Kit Yu
Company Secretary

Hong Kong, 9 April 2024

Principal Office:

39th Floor
Lee & Man
Commercial Center
169 Electric Road
North Point
Hong Kong

Registered Office:

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman, KY1-1111
Cayman Islands

As at the date of this notice, the board of directors of the Company comprises five executive directors, namely Dr. Lee Man Chun Raymond, Mr. Lee Man Bun, Mr. Li King Wai Ross, Mr. Lee Jude Ho Chung and Mr. Yip Heong Kan and three independent non-executive directors, namely Mr. Chau Shing Yim David, Ms. Lo Wing Sze and Mr. Chan Wai Yan Ronald.

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. Any member entitled to attend and vote at the AGM is entitled to appoint another person as his proxy to attend and vote instead of him. A member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at the AGM. A proxy need not be a member of the Company. In addition, a proxy or proxies representing either a member who is an individual or a member which is a corporation shall be entitled to exercise the same powers on behalf of the member which he or they represent as such member could exercise.
2. Where there are joint registered holders of any share, any one of such joint holder may vote, either in person or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one of such joint holders be present at the meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding. Several executors or administrators of a deceased member in whose name any share stands shall be deemed joint holders thereof.
3. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or, if the appointer is a corporation, either under its seal or under the hand of an officer, attorney or other person authorised to sign the same. In the case of an instrument of proxy purporting to be signed on behalf of a corporation by an officer thereof, it shall be assumed, unless the contrary appears, that such officer was duly authorised to sign such instrument of proxy on behalf of the corporation without further evidence of the facts.
4. The form of proxy and the power of attorney or other authority, if any, under which it is signed or a certified copy of such power of attorney or authority must be deposited at the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, at 17th Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong not less than 48 hours before the time for holding the AGM, and in default the form of proxy shall not be treated as valid.
5. The completion and return of the form of proxy shall not preclude members from attending and voting in person at the AGM and in such event, the instrument appointing a proxy shall be deemed to be revoked.
6. A form of proxy for use at the AGM is enclosed.

CLOSURE OF REGISTER OF MEMBERS IN RELATION TO THE AGM

For ascertaining shareholders' right to attend and vote at the AGM, the register of members of the Company will be closed from Monday, 6 May 2024 to Thursday, 9 May 2024, both dates inclusive, during which period no transfer of shares will be registered. In order to qualify for attending and voting at the AGM, all completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, at 17th Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration not later than 4:30 p.m. on Friday, 3 May 2024.