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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

**If you are in any doubt** as to any aspect of this circular or as to the action to be taken, you should consult a licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

**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.

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理文造紙有限公司\*

*Lee & Man Paper Manufacturing Limited*

*(Incorporated in the Cayman Islands with limited liability)*

**Stock Code: 2314**

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

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This circular includes particulars given in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries that, to the best of their knowledge and belief, there are no other facts the omission of which would make any statement herein misleading.

Notice convening the AGM (as defined herein) of Lee & Man Paper Manufacturing Limited to be held on 12 August 2005 at 11:30 a.m. in Salon I, Level 3, JW Marriott Hotel Hong Kong, Pacific Place, 88 Queensway, Hong Kong and is set out on pages 10 to 14 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 the Company's share registrar, Tricor Investor Services Ltd., at G/F Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong, as soon as possible and in any event not less than 48 hours before the time appointed for holding the AGM (or any adjournment thereof). Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the AGM (or any adjournment thereof) should they so desire.

\* for identification purposes only

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## DEFINITIONS

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*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 Salon 1, Level 3, JW Marriott Hotel Hong Kong, Pacific Place, 88 Queensway, Hong Kong, held on 12 August 2005 at 11:30 a.m.
“Articles”	means the articles of association of the Company adopted pursuant to written resolutions passed on 11 September 2003
“Associates”	bears the same meaning ascribed thereto in the Listing Rules
“Company”	means Lee & Man Paper Manufacturing Limited, a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Stock Exchange
“Director(s)”	means directors of the Company or the board of directors of the Company, 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 PRC
“Latest Practicable Date”	means 13 July 2005, being the latest practicable date prior to the printing of this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Notice”	means the notice convening the AGM
“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\$0.10 each in the capital of the Company
“Share Option Scheme”	means the Share Option Scheme adopted by the Company on 11 September 2003
“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 32 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.

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LETTER FROM THE BOARD OF DIRECTORS

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理文造紙有限公司\*

*Lee & Man Paper Manufacturing Limited*

*(Incorporated in the Cayman Islands with limited liability)*

**Stock Code: 2314**

*Executive Directors:*

Lee Wan Keung Patrick (*Chairman*)  
Lee Man Chun Raymond  
Lee Man Bun  
Tan Siak Him Alexander

*Non-Executive Director:*

Professor Poon Chung Kwong

*Independent Non-Executive Directors:*

Wong Kai Tung Tony  
Heng Kwo Seng  
Law Kar Shui Elizabeth

*Registered Office:*

Century Yard  
Cricket Square  
Hutchins Drive  
P.O. Box 2681 GT  
George Town  
Grand Cayman  
British West Indies

*Principal Place of Business  
in Hong Kong:*

8th Floor, Liven House  
61–63 King Yip Street  
Kwun Tong  
Kowloon  
Hong Kong

18 July 2005

*To Shareholders of the Company*

Dear Sir or Madam,

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

**INTRODUCTION**

The purpose of this circular is to provide you with information regarding resolutions to be proposed at the AGM to be held at Salon 1, Level 3, JW Marriott Hotel Hong Kong, Pacific Place, 88 Queensway, Hong Kong on 12 August 2005 at 11:30 a.m. which, upon approval, would enable the Company to, among other things:

- (a) repurchase Shares not exceeding 10% of the aggregate nominal value of the Shares in issue as at the date of passing such resolution;
- (b) issue new shares equivalent to 20% of the Shares in issue on the date of the passing the relevant resolution and those Shares repurchased by the Company pursuant to the Repurchase Mandate set out in (a) above; and
- (c) re-elect certain Directors and elect a new director.

\* *for identification purposes only*

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## LETTER FROM THE BOARD OF DIRECTORS

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### PROPOSED GENERAL MANDATE AND REPURCHASE MANDATE

At the AGM, it will be proposed, by way of ordinary resolution, that the Directors be given a general mandate to (i) repurchase Shares, the aggregate nominal amount of which does not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the ordinary resolution; and (ii) allot, issue and otherwise deal with Shares not exceeding 20% of the aggregate nominal value of the issued share capital of the Company on the date of the passing of the ordinary resolution and the nominal amount of any Shares repurchased by the Company (up to a maximum of 10% of the aggregate nominal amount of the Company's issued share capital as at the date of passing the ordinary resolution). Any issue of new Shares is subject to approval from the Stock Exchange for the listing of and permission to deal in such new Shares.

An explanatory statement containing information relating to the Repurchase Mandate and as required pursuant to the Listing Rules, in particular Rule 10.06(1)(b), is set out on pages 5 to 7 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.

### PROPOSED RE-ELECTION OF CERTAIN DIRECTORS AND ELECTION OF A NEW DIRECTOR

In accordance with Article 86(3) and Article 87(1) of the Articles, each of Mr Lee Man Bun, Professor Poon Chung Kwong and Ms Law Kar Shui Elizabeth will retire at the AGM and, being eligible, will offer himself/herself for re-election. The Company also proposes to elect Mr Li King Wai Ross as a new director to the Company. Information on such directors as required to be disclosed under the Listing Rules is set out in Appendix II to this circular.

### THE AGM

The following are the details of the AGM:

Date: 12 August 2005

Time: 11.30 a.m.

Venue: Salon 1, Level 3, JW Marriott Hotel Hong Kong, Pacific Place,  
88 Queensway, Hong Kong

The Notice is set out on pages 10 and 14 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 share registrars, Tricor Investor Services Ltd., Ground Floor, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, 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 or any adjournment thereof. The return of a form of proxy will not preclude you from attending and voting in person at the AGM (or any adjournment thereof) should you so desire.

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## LETTER FROM THE BOARD OF DIRECTORS

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### **POLL PROCEDURE**

Where a resolution is put to the vote at the AGM, the resolution shall be decided on a show of hands unless (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is demanded:

- (a) by the chairman of the AGM; or
- (b) by at least three Shareholders present in person (or in the case of a Shareholder being a corporation by its duly authorized representative) or by proxy for the time being entitled to vote at the AGM; or
- (c) by a Shareholder or Shareholders present in person (or in the case of a Shareholder being a corporation by its duly authorized representative) or by proxy and representing not less than one-tenth of the total voting rights of all Shareholders having the right to vote at the AGM; or
- (d) by a Shareholder or Shareholders present in person (or in the case of a Shareholder being a corporation by its duly authorized representative) or by proxy and holding Shares conferring a right to vote at the AGM being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all shares conferring that right.

On a 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. Accordingly, the Directors recommend all Shareholders to vote in favour of all the resolutions to be proposed at the AGM.

Yours faithfully  
For and on behalf of  
**Lee & Man Paper Manufacturing Limited**  
**Mr. Lee Wan Keung, Patrick**  
*Chairman*

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

This explanatory statement contains all reasonable information required pursuant to Rule 10.06(1)(b) and other relevant provisions of the Listing Rules which are set out as follows:

**1. Exercise of the Repurchase Mandate**

As at the Latest Practicable Date, the issued ordinary share capital of the Company comprised 963,384,000 Shares.

Subject to the passing of Ordinary Resolution No. 3(ii) at the AGM and on the basis that no further Shares are issued or repurchased prior to the AGM nor outstanding options, if any, granted under the Share Option Scheme being exercised, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 96,338,400 Shares.

**2. Reasons for Repurchases**

The Directors believe that it is in the best interests of the Company and its Shareholders for the Directors to have a general authority from Shareholders to enable the Company to repurchase Shares in the market. Repurchases of Shares will only be made when the Directors believe that such a repurchase will benefit the Company and Shareholders as a whole. Such repurchases 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 paid up on the repurchased Shares, 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. 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 law of the Cayman Islands, a company's repurchased shares shall be treated as cancelled and its issued share capital (but not the authorized 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 financial year ended 31 March 2005) 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 exercised, 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 exercised and neither have any of the connected persons undertaken not to sell his Shares to the Company in the event the Repurchase Mandate is exercised.

**7. Directors' Undertaking**

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

**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 Rule 26 and 32 of the Takeovers Code. The Directors are not aware of any consequences which could arise under the Takeovers Code as a consequence of any repurchases pursuant to the Repurchase Mandate.

As at the Latest Practicable Date, Gold Best Holdings Ltd, which is a controlling shareholder of the Company, held approximately 74.43% of the Shares issued by the Company. As at the Latest Practicable Date, the Directors are not aware of any consequences for Gold Best Holdings Ltd under the Takeover Code as a result, solely, of the Directors exercising the Repurchase Mandate in full.

**9. Share Purchase made by the Company**

No repurchases of securities have been made by the Company in the previous six months, whether on the Stock Exchange or otherwise.

**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 the Latest Practicable Date were as follows:

	<b>Shares</b>	
	<b>Highest</b>	<b>Lowest</b>
	<i>HK\$</i>	<i>HK\$</i>
<b>2004</b>		
July	7.25	6.40
August	6.40	5.95
September	6.65	5.90
October	6.10	5.20
November	6.35	5.55
December	6.45	6.10
<b>2005</b>		
January	6.40	5.50
February	6.25	5.65
March	6.45	6.05
April	6.95	6.10
May	6.80	6.15
June	6.75	6.15

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## APPENDIX II      DETAILS OF DIRECTORS PROPOSED TO BE RE-ELECTED OR ELECTED AT THE ANNUAL GENERAL MEETING

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

**(1) Mr Lee Man Bun — Executive Director**

Mr Lee Man Bun, aged 25, is responsible for construction of Hongmei Industrial Park, repair and maintenance of production machines and factory staff management. Mr Lee holds a bachelor's degree of Applied Science in Chemical Engineering from the University of British Columbia in Canada. He is also the director of Yan Chai Hospital Board of Directors. He joined the Group in July 2003. Mr Lee is the youngest son of Mr Lee Wan Keung, Patrick (Chairman of the Company) and brother of Mr Lee Man Chun, Raymond (a director).

Mr Lee entered into a service contract with the Company on 16 August 2004 for 3 years unless and until terminated by either the Company or Mr Lee giving to the other not less than 3 months' notice in writing to terminate the service contract. Pursuant to the service agreement with Mr Lee, he is entitled to receive an annual remuneration of HK\$331,500 and a discretionary bonus to 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 Group for the relevant year. The Company's policy on remuneration for executive directors is based on that director's experience, responsibility, workload and the time devoted to the Group.

As at the Latest Practicable Date, Gold Best Holdings Ltd., the controlling shareholder of the company was wholly-owned by Trustcorp Limited as trustee for The Fortune Star 1992 Trust, a discretionary trust the discretionary objects of which includes Mr Lee. As at the Latest Practicable Date, Gold Best Holdings Ltd. held 717,070,000 Shares, representing approximately 74.43% of the Shares then in issue. In accordance with the meaning of Part XV of the SFO, as at the Latest Practicable Date, and save as disclosed herein, Mr Lee was not interested or deemed to be interested in the Shares or underlying Shares.

**(2) Professor Poon Chung Kwong — Non-Executive Director**

Professor Poon Chung Kwong, GBS JP, aged 65, is currently the President of the Hong Kong Polytechnic University and has over 30 years working experience in educational sector. He was honoured as one of the "Ten Outstanding Young Persons in Hong Kong" in 1979; was appointed Non-official Justice of the Peace (JP) in 1989; received the OBE in 1991 and the Gold Bauhinia Star (GBS) in 2002.

Pursuant to Professor Poon's appointment letter dated 1 February 2005 with the Company, Professor Poon's appointment shall continue for an initial term of 1 year and shall continue unless and until terminated by either the Company or Professor Poon giving to the other not less than 3 months' notice in writing to terminate the appointment. Under the appointment letter, Professor Poon is not entitled to receive any remuneration.

Professor Poon is the husband of a cousin to the Chairman of the Company, Mr Lee Wan Keung, Patrick ("Mr Lee") on Mr Lee's father's side. As Mr Lee Man Chun, Raymond and Mr Lee Man Bun (both of whom are executive directors) are the sons of Mr Lee, they are also relatives of Professor Poon but, in their case, more distant relations.

In accordance with the meaning of Part XV of the SFO, as at the Latest Practicable Date, Professor Poon was not interested or deemed to be interested in any Shares or underlying Shares.

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**APPENDIX II                      DETAILS OF DIRECTORS PROPOSED TO BE RE-ELECTED  
OR ELECTED AT THE ANNUAL GENERAL MEETING**

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**(3) Ms Law Kar Shui Elizabeth — *Independent Non-Executive Director***

Ms Law Kar Shui, Elizabeth, aged 56, is the director of Park Hotel International Limited, and previously the director of Laws International Group Limited. She has over 30 years' experience in textile and garment industries and was responsible for the management of the sweater and knitwear business. She has also over 10 years' experience in property investment and development. She is the General Manager of Park Hotel and the Director of a number of business enterprises, responsible for the overall management and strategic planning of the businesses.

Pursuant to Ms Law's appointment letter dated 1 January 2005 with the Company, Ms Law's appointment shall continue for an initial term of 1 year and shall continue unless and until terminated by either the Company or Ms Law giving to the other not less than 3 months' notice in writing to terminate the appointment. Under the appointment letter, Ms Law is not entitled to receive any remuneration.

Ms Law does not have any relationship with the directors, senior management or management shareholders or substantial or controlling shareholders of the Company.

In accordance with the meaning of Part XV of the SFO, as at the Latest Practicable Date, Ms Law was not interested or deemed to be interested in any Shares or underlying Shares.

Further the Board proposes that the following director be elected at the AGM as an additional director of the Company:

**Mr Li King Wai Ross — as an executive director**

Mr Li King Wai, Ross, aged 30, is the executive manager of Huangyong factory responsible for the daily production operation and factory management as well as maintaining relationship of various government departments in Dongguan. Mr Li holds a Masters Degree in Science (Electrical Engineering) from Stanford University in U.S.A. and a bachelor's degree of Applied Science (Computer Engineering) from University of British Columbia in Canada. Mr Li has over 7 years of experience in production management and in technological research & development. Prior to joining the group, Mr Li was involved in the management of computer graphics design at Sun Microsystems, Silicon Valley, U.S.A. He joined the Group in December 2002.

If elected, Mr Li intends to sign a service contract with the Company which shall continue for 3 years unless and until terminated by either the Company or Mr Li giving to the other not less than 3 months' notice in writing to terminate the service contract. It is intended that pursuant to the service agreement with Mr Li, he will be entitled to receive an annual remuneration of HK\$600,000 and a discretionary bonus to 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 Group for the relevant year. The Company's policy on remuneration for executive Directors is based on that Director's experience, responsibility, workload and the time devoted to the Group.

Mr Li is the husband of a daughter to the Chairman of the Company, Mr Lee Wan Keung, Patrick ("Mr Patrick Lee"). As Mr Lee Man Chun, Raymond and Mr Lee Man Bun (both of whom are executive directors) are the sons of Mr Patrick Lee, they are also relatives of Mr Li.

In accordance with the meaning of Part XV of the SFO, as at the Latest Practicable Date, Mr Li was not interested or deemed to be interested in the Shares or underlying Shares.

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## NOTICE OF ANNUAL GENERAL MEETING

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理文造紙有限公司\*

*Lee & Man Paper Manufacturing Limited*

*(Incorporated in the Cayman Islands with limited liability)*

**Stock Code: 2314**

### NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** an Annual General Meeting (“AGM”) of Lee & Man Paper Manufacturing Limited (the “Company”) will be held at Salon 1, Level 3, JW Marriott Hotel Hong Kong, Pacific Place, 88 Queensway, Hong Kong on 12 August 2005 at 11:30 a.m. for the following purposes:

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

#### ORDINARY RESOLUTIONS

1. to receive, consider and adopt the audited financial statements and the reports of the directors and of the auditors of the Company for the year ended 31 March 2005.
2.
  - (i) to declare a final dividend for the year ended 31 March 2005;
  - (ii) to re-elect Mr Lee Man Bun as an executive director of the Company;
  - (iii) to re-elect Professor Poon Chung Kwong as a non-executive director of the Company;
  - (iv) to re-elect Ms Law Kar Shui Elizabeth as an independent non-executive director of the Company;
  - (v) to elect Mr Li King Wai Ross as an additional executive director of the Company;
  - (vi) to authorized the board of directors of the Company to fix the remuneration of all directors of the Company who are newly elected or re-elected at the AGM provided that the total amount (excluding bonuses in favour of executive directors) shall not exceed the amount of HK\$5,000,000 for the year ending 31 March 2006. The bonuses in favour of the executive directors shall be decided by the majority of the board of directors of the Company 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 Group for the relevant year; and
  - (vii) to re-appoint auditors for the ensuing year and authorize the board of directors to fix their remuneration.

\* for identification purposes only

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## NOTICE OF ANNUAL GENERAL MEETING

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

### ORDINARY RESOLUTIONS

3. (i) **“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 deal with additional shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such power be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) shall authorize the board of directors of the Company during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such power after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital 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), otherwise than pursuant to a Rights Issue or the exercise of the subscription rights under the share option scheme of the Company adopted on 11 September 2003, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date 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 of association of the Company 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.

“Rights Issue” means an offer of shares 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 recognized regulatory body or any stock exchange in any territory outside Hong Kong).”

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## NOTICE OF ANNUAL GENERAL MEETING

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(ii) **“THAT:**

- (a) the exercise by the board of directors of the Company during the Relevant Period of all powers of the Company to purchase its own shares, subject to and in accordance with all applicable laws and the requirements of the Rules governing the Listing of Securities on the Stock Exchange, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of shares of the Company to be purchased by the Company pursuant to the approval in paragraph (a) during the Relevant Period shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue 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 to be held by any other applicable law of the Cayman Islands or the articles of association of the Company; and
- (III) the revocation or variation of this resolution of the Shareholders in a general meeting.”

- (iii) **“THAT** conditional upon resolution number 3(ii) above being passed, the aggregate nominal amount of the number of shares in the capital of the Company which are repurchased by the Company under the authority granted to the board of directors of the Company as mentioned in resolution number 3(ii) above shall be added to the aggregate nominal amount of share capital that may be allotted or agreed conditionally or unconditionally to be allotted by the board of directors of the Company pursuant to resolution number 3(i) above.”

By Order of the Board  
**Mr Cheung Kwok Keung**  
*Company Secretary*

Hong Kong, 18 July 2005

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## NOTICE OF ANNUAL GENERAL MEETING

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*Principal place of business:*

8th Floor Liven House  
61–63 King Yip Street  
Kwun Tong  
Kowloon  
Hong Kong

*Registered Office:*

Century Yard  
Cricket Square  
Hutchins Drive  
P.O. Box 2681 GT  
George Town  
Grand Cayman  
British West Indies

*As at the date of this notice, the board of directors of the Company comprises four executive directors, namely Mr Lee Wan Keung Patrick, Mr Lee Man Chun Raymond, Mr Lee Man Bun and Mr Tan Siak Him Alexander, one non-executive director, namely Professor Poon Chung Kwong and three independent non-executive directors, namely Mr Wong Kai Tung Tony, Mr Heng Kwo Seng and Ms Law Kar Shui Elizabeth.*

**Notes:**

1. Any member entitled to attend and vote at the AGM is entitled to appoint one or more proxies to attend and vote in his stead in accordance with the articles of association of the Company. A proxy need not be a member of the Company.
2. Where there are joint registered holders of any share, any one of such persons may vote at the meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders shall be present at the meeting personally or by proxy, that one of the holders so present whose name stands first on the register of members of the Company in respect of such share shall alone be entitled to vote in respect thereof.
3. 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 Ltd, G/F, BEA Harbour View Centre, 56 Gloucester Road, Wanchai, 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. The completion and return of the form of proxy shall not preclude members from attending and voting in person at the AGM (or any adjourned meeting thereof) should they so wish.

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## NOTICE OF ANNUAL GENERAL MEETING

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4. In accordance with the Company's articles of association, the following categories of members may demand that the vote in respect of any resolution to be put to the general meeting should be taken on a poll:
- (a) at least three members present in person (or in the case of a member being a corporation by its duly authorized representative) or by proxy for the time being entitled to vote at the meeting; or
  - (b) any member or members present in person (or in the case of a member being a corporation by its duly authorized representative) or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or
  - (c) any member or members present in person (or in the case of a Member being a corporation by its duly authorized representative) or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right; or
  - (d) the chairman of such meeting.

A poll may be so demanded before or on the declaration of the result of the show of hands.



理文造紙有限公司\*

Lee & Man Paper Manufacturing Limited

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 2314

**Form of proxy for use at the annual general meeting (and at any adjournment thereof) to be held on 12 August 2005 (“Annual General Meeting”)**

I/We (Note 1) \_\_\_\_\_ of \_\_\_\_\_ being the registered holder(s) of \_\_\_\_\_ shares (Note 2) of HK\$0.10 each in the share capital of Lee & Man Paper Manufacturing Limited (the “Company”) HEREBY APPOINT THE CHAIRMAN OF THE MEETING (Note 3), or \_\_\_\_\_ of \_\_\_\_\_ as my/our proxy to vote and act for me/us and on my/our behalf at the Annual General Meeting (and any adjournment thereof) of the Company to be held at Salon 1, Level 3, JW Marriott Hotel Hong Kong, Pacific Place, 88 Queensway, Hong Kong on 12 August 2005 at 11.30 a.m. for the purposes of considering and, if thought fit, passing the resolutions as set out in the Notice convening the said meeting and as hereunder indicated, and, if no such indication is given, as my/our proxy thinks fit (Note 4).

ORDINARY RESOLUTIONS		FOR	AGAINST
1.	To receive, consider and adopt the audited financial statements and the reports of the directors and of the auditors of the Company for the year ended 31 March 2005.		
2.	(i) To declare a final dividend for the year ended 31 March 2005.		
	(ii) To re-elect Mr Lee Man Bun as an executive director of the Company.		
	(iii) To re-elect Professor Poon Chung Kwong as a non-executive director of the Company.		
	(iv) To re-elect Ms Law Kar Shui Elizabeth as an independent non-executive director of the Company.		
	(v) To elect Mr Li King Wai Ross as an additional executive director of the Company.		
	(vi) To authorize the board of directors of the Company to fix the remuneration of all directors of the Company in term as set out in ordinary resolution number 2(vi) in the Company’s notice dated 18 July 2005 (the “Notice”) convening the Annual General Meeting.		
	(vii) To re-appoint Messrs Deloitte Touche Tohmatsu as Auditors for the ensuing year and to authorize the board of directors of the Company to fix their remuneration.		
3.	(i) To grant a general mandate to the Directors to allot, issue and deal with the Company’s shares, in terms as set out as ordinary resolution number 3(i) in the Notice.		
	(ii) To grant a general mandate to the Directors to repurchase the Company’s shares, in terms as set out as ordinary resolution number 3(ii) in the Notice.		
	(iii) To approve the extension of the general mandate to be granted to the Directors to allot, issue and deal with the Company’s shares, in terms as set out as ordinary resolution number 3(iii) in the Notice.		

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2005 Signed \_\_\_\_\_

Notes:

- Full name(s) and address(es) to be inserted in BLOCK CAPITALS.
- Please insert the number of shares registered in your name(s). If no number is inserted, this form of proxy will be deemed to relate to all the shares in the capital of the Company registered in your name(s).
- If any proxy other than the Chairman is preferred, strike out “THE CHAIRMAN OF THE MEETING or” here inserted and insert the name and address of the proxy desired in the space provided. ANY ALTERATION MADE TO THIS FORM OF PROXY MUST BE INITIALED BY THE PERSON WHO SIGNS IT.
- IMPORTANT: IF YOU WISH TO VOTE FOR ANY RESOLUTION, TICK IN THE APPROPRIATE BOXES MARKED “FOR”. IF YOU WISH TO VOTE AGAINST ANY RESOLUTION, TICK IN THE APPROPRIATE BOXES MARKED “AGAINST”. Failure to tick any or all the boxes will entitle your proxy to cast your votes at his discretion. Your proxy will also be entitled to vote at his discretion on any resolution properly put to the meeting other than those referred to in the Notice convening the meeting.
- This form of proxy must be signed by you or your attorney duly authorized in writing or, in the case of a corporation must be either executed under its common seal or under the hand of an officer or attorney or other person duly authorized to sign the same.
- Every member of the Company entitled to attend and vote at the above meeting is entitled to appoint more than one proxy to attend and vote instead of him. A proxy need not be a member of the Company but must attend the meeting in person to represent you.
- In the case of joint holders of a share if more than one of such joint holder be present at any 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 holder(s) and for this purpose seniority shall be determined by the order in which the names stand in the Register of Members.
- To be valid, this form of proxy together with the power of attorney (if any) or other authority under which it is signed or a notarially certified copy thereof, must be deposited at the Company’s Hong Kong branch share registrar, Tricor Investor Services Limited, at G/F., BEA Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong, not less than 48 hours before the time for holding the meeting.
- Completion and delivery of the form of proxy will not preclude you from attending and voting at the Annual General Meeting if you so wish. In such event, the instrument appointing a proxy shall be deemed to be revoked.

\* for identification purposes only