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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)

FACILITY AGREEMENT GENERAL DISCLOSURE UNDER RULE 13.18 OF THE LISTING RULES

This announcement is made in accordance with Rule 13.18 of the Listing Rules.

On 13 May 2013, the Company entered into a Facility Agreement pursuant to which a specific performance obligation is imposed on the Lee Family to legally and beneficially own, directly or indirectly and free from any security whatsoever, in aggregate at least 51% of the entire issued share capital of and equity interest in the Company and to otherwise exercise control over the management and affairs of the Group and/or the composition of the Board.

The board of directors (“**Board**”) of Lee & Man Paper Manufacturing Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) makes the following disclosures in accordance with Rule 13.18 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

FACILITY AGREEMENT

Pursuant to a facility agreement (the “**Facility Agreement**”) dated 13 May 2013 and entered into between, among others, the Company as a guarantor, Vantage Dragon Limited as the borrower (the “**Borrower**” and a wholly-owned subsidiary of the Company), certain subsidiaries of the Company as the other guarantors, Standard Chartered Bank (Hong Kong) Limited, as the agent and a lender together with Australia and New Zealand Banking Group Limited (or its affiliate), DBS Bank Ltd. and Mizuho Corporate Bank, Ltd. as the other lenders, for a term loan facility (the “**Loan**”) in the aggregate amount of up to HK\$2,000,000,000 to be made available to the Borrower for the purposes of refinancing the Group’s existing facilities and other general corporate funding requirements of the Group.

The final repayment date of all outstanding amounts under the Facility Agreement will be 13 May 2017.

* For identification purposes only

Under the Facility Agreement, it will be an event of default if at any time, on or after the date of the Facility Agreement, any one or all of Mr Lee Wan Keung Patrick, Mr Lee Man Chun Raymond and Mr Lee Man Bun (the “**Lee Family**”) do not, or cease to legally and beneficially own, directly or indirectly and free from any security whatsoever, in aggregate at least 51% of the entire issued share capital of and equity interest in the Company and to otherwise exercise control over the management and affairs of the Group and/or the composition of the Board.

Upon the occurrence of such an event of default which is continuing, the agent under the Facility Agreement may, and shall if so directed by the majority of the lending banks:

- (i) cancel the commitments (and reduce them to zero), whereupon they shall immediately be cancelled (and reduced to zero); or
- (ii) cancel any part of any commitment (and reduce such commitment accordingly), whereupon the relevant part shall immediately be cancelled (and the relevant commitment shall be immediately reduced accordingly); and/or
- (iii) declare that all or part of the Loans, together with accrued interest, and all other amounts accrued or outstanding under the Facility Agreement and any other finance documents be immediately due and payable, whereupon they shall become immediately due and payable; and/or
- (iv) declare that all or part of the Loans be payable on demand, whereupon they shall immediately become payable on demand by the agent on the instructions of the Majority Lenders.

GENERAL

As at the date of this announcement, the Lee Family, together, directly or indirectly, hold approximately 55.2% of the issued share capital of the Company.

This announcement is made pursuant to Rule 13.18 of the Listing Rules. In accordance with the requirements pursuant to Rule 13.21 of the Listing Rules, disclosure will be included in the interim and annual reports of the Company for so long as the said specific performance obligation imposed on the Lee Family under the Facility Agreement continues to exist.

By order of the Board
Lee & Man Paper Manufacturing Limited
Lee Wan Keung Patrick
Chairman

13 May 2013

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 Kunihiro Kashima, two non-executive directors, namely Professor Poon Chung Kwong and Mr Yoshio Haga, and three independent non-executive directors, namely Mr Wong Kai Tung Tony, Mr Peter A Davies and Mr Chau Shing Yim David.