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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)

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.

Reference is made to the Announcement in respect of, among others, the VD Facility Agreement entered into by Vantage Dragon as borrower with, among others, a consortium of lenders as lenders and Hang Seng Bank Limited as agent in relation to a HK\$2,000,000,000 term loan facility, and the LK Facility Agreement entered into by Lee Kwok as borrower with, among others, a consortium of lenders as lenders and MUFG Bank, Ltd. as agent in relation to a HK\$2,000,000,000 term loan facility.

On 18 January 2023, the Group entered into the Second VD Facility Agreement with, among others, a consortium of lenders as lenders and Hang Seng Bank Limited as agent in relation to the Second VD Facility to be made available to the Group.

Pursuant to the Second VD Facility Agreement, it will be an event of default if at any time, on or after the date of the Second VD Facility Agreement, the Lee Family do not, or cease to own at least 51% of the entire issued share capital of the Company or do not, or cease to, exercise management control over the Company.

The board of directors (the “**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**”).

* For identification purposes only

SECOND VD FACILITY AGREEMENT

Reference is made to the Announcement in respect of, among others, a facility agreement (the “**VD Facility Agreement**”) entered into by Vantage Dragon Limited (“**Vantage Dragon**”), a wholly-owned subsidiary of the Company, as borrower, with, among others, a consortium of lenders as lenders and Hang Seng Bank Limited as agent in relation to a HK\$2,000,000,000 term loan facility, and a facility agreement (the “**LK Facility Agreement**”, together with the VD Facility Agreement, the “**Existing Facility Agreements**”) entered into by Lee Kwok Trading Limited (“**Lee Kwok**”) as borrower with, among others, a consortium of lenders as lenders and MUFG Bank, Ltd. as agent in relation to a HK\$2,000,000,000 term loan facility.

On 18 January 2023, Vantage Dragon as borrower has entered into a facility agreement (the “**Second VD Facility Agreement**”) with, among others, a consortium of lenders as lenders, the Company as one of the guarantors, and Hang Seng Bank Limited as agent in relation to a HK\$4,750,000,000 term loan facility (the “**Second VD Facility**”) to be made available to Vantage Dragon.

The Second VD Facility (the “**Facility**”) is for the purposes of general corporate funding requirements of the Group including but not limited to refinancing (in part or otherwise) the existing facilities under the Existing Facility Agreements and any existing bilateral bank loan facilities entered into by any member of the Group as at the date of the Second VD Facility Agreement (provided that, no amounts borrowed under the Second VD Facility Agreement shall be applied towards investment in real property or real estate in Hong Kong).

The final repayment date of all outstanding amounts under the Facility will be 18 January 2028.

Pursuant to the Second VD Facility Agreement, it will be an event of default if at any time, on or after the date of the Second VD Facility Agreement, Dr. Lee Wan Keung Patrick, Dr. Lee Man Chun Raymond and Mr. Lee Man Bun (collectively, 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 interests in the Company or do not, or cease to, exercise management control over the Company. As at the date of this announcement, the Lee Family together, directly or indirectly, hold approximately 72.92% of the issued share capital of the Company.

The occurrence of the above event of default would, among other things, render any commitments under the Facility to be cancelled and/or all loans made under the Facility and all outstanding liabilities under the Second VD Facility Agreement to become immediately due and payable.

GENERAL

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 obligation imposed on the Lee Family under the Second VD Facility Agreement continues to exist.

By order of the Board
Lee & Man Paper Manufacturing Limited
Lee Man Chun Raymond
Chairman

Hong Kong, 18 January 2023

As at the date of this announcement, 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, one non-executive director, namely Professor Poon Chung Kwong, and three independent non-executive directors, namely Mr. Wong Kai Tung Tony, Mr. Peter A. Davies and Mr. Chau Shing Yim David.