



## SAMSON PAPER HOLDINGS LIMITED

### 森信紙業集團有限公司\*

(Incorporated in Bermuda with limited liability)

(Stock Code: 731)

*Executive Directors:*

Sham Kit Ying (alias Sham Kit) (*Chairman*)  
Lee Seng Jin (*Deputy Chairman*)  
Chow Wing Yuen  
Sham Yee Lan, Peggy  
Lee Yue Kong, Albert

*Registered Office:*

Canon's Court  
22 Victoria Street  
Hamilton HM 12  
Bermuda

*Non-executive Director:*

Lau Wang Yip, Eric

*Principal place of business  
in Hong Kong:*

3rd Floor  
Seapower Industrial Centre  
177 Hoi Bun Road  
Kwun Tong  
Kowloon  
Hong Kong

*Independent Non-executive Directors:*

Pang Wing Kin, Patrick  
Tong Yat Chong  
Ng Hung Sui, Kenneth

1st September, 2006

*To the shareholders of Samson Paper Holdings Limited (the "Company")*

Dear Sir or Madam,

### ANNUAL GENERAL MEETING

#### 1. ANNUAL GENERAL MEETING AND ANNUAL REPORT

The annual general meeting of the Company (the "Annual General Meeting") will be held at Conference Room A, Strategic Financial Relations Limited, Room 3203, 32/F., Admiralty Centre I, 18 Harcourt Road, Hong Kong at 11:00 a.m. on Monday, 25th September, 2006. A notice of the Annual General Meeting is enclosed with this letter.

A form of proxy for use at the Annual General Meeting is also enclosed. Whether or not you intend to attend the Annual General Meeting, you are requested to complete and return the form of proxy to the principal place of business of the Company in Hong Kong at 3rd Floor, Seapower Industrial Centre, 177 Hoi Bun Road, Kwun Tong, Kowloon, Hong Kong in accordance with the instructions printed on the form of proxy as soon as possible and in any event so as to be received not less than 48 hours before the time appointed for the Annual General Meeting or any adjournment thereof. The completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjourned meeting should you wish to do so.

A copy of the annual report of the Company for the financial year ended 31st March, 2006 has been sent to you for your review separately.

\* For identification purpose only

## **2. RE-ELECTION OF RETIRING DIRECTORS**

At the Annual General Meeting, among other things, ordinary resolutions to approve the re-election of retiring directors of the Company (“Directors”) will be proposed.

Pursuant to Bye-Law 99 of the Bye-Laws of the Company, Mr. Sham Kit Ying, Ms. Sham Yee Lan, Peggy and Mr. Lau Wang Yip, Eric will be retiring from their respective offices at the Annual General Meeting and, being eligible, offer themselves for re-election at the Annual General Meeting. Details of the Directors who are proposed to be re-elected at the Annual General Meeting are set out in the Appendix to this letter.

## **3. PROCEDURE FOR DEMANDING A POLL**

Pursuant to the Bye-Laws of the Company, at any general meeting, a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is taken as may from time to time be required under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited or any other applicable laws, rules or regulations or unless a poll is (before or on the declaration of the result of the show of hands) demanded by:

- (a) the chairman of the meeting; or
- (b) at least three shareholders of the Company present in person or by proxy or authorised representative for the time being entitled to vote at the meeting; or
- (c) any shareholder or shareholders of the Company present in person or by proxy or authorised representative and holding between them not less than one-tenth of the total voting rights of all shareholders of the Company having the right to attend and vote at the meeting; or
- (d) any shareholder or shareholders of the Company present in person or by proxy or authorised representative and holding shares of the Company (“Shares”) conferring a right to attend and 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.

## **4. RECOMMENDATION**

The Directors are pleased to recommend the retiring Directors, details of whom are set out in the Appendix to this letter, for re-election at the Annual General Meeting.

The Directors consider that the re-election of the retiring Directors are in the interests of the Company and its shareholders as a whole. Accordingly, the Directors recommend that all shareholders of the Company should vote in favour of the resolutions to be proposed at the forthcoming Annual General Meeting.

By Order of the Board  
**SHAM Kit Ying**  
*Chairman*

The following are the particulars of the Directors who will be retiring from their respective offices and be proposed to be re-elected at the Annual General Meeting in accordance with the Bye-Laws of the Company:

**Mr. SHAM Kit Ying** (alias SHAM Kit), aged 80, is the founder and Chairman of the Group and an executive Director. Mr. Sham is responsible for the Group's corporate vision and corporate development. He has over 47 years of experience in the paper distribution industry in Hong Kong.

Mr. Sham is the father of Ms. Sham Yee Lan, Peggy (an executive Director) and the father-in-law of Mr. Lee Seng Jin (the Deputy Chairman of the Company and an executive Director). As at the Latest Practicable Date, Mr. Sham did not have any interest in the Shares within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong) ("SFO").

The service contract of Mr. Sham does not contain any provision on the term of his appointment. However, he is subject to retirement by rotation pursuant to the Bye-Laws of the Company. Pursuant to his service contract, Mr. Sham received emoluments of a total value of approximately HK\$6,039,000 in 2005. His emoluments are determined by the board of Directors with reference to the Group's performance and profitability as well as remuneration benchmark in the industry and the prevailing market conditions.

The Directors are not aware of any other matter in respect of the proposed re-election of Mr. Sham as an executive Director, which the Directors consider necessary to be brought to the attention of the shareholders of the Company.

**Ms. SHAM Yee Lan, Peggy**, aged 40, an executive Director. Ms. Sham joined the Group in 1989 and is responsible for the Group's overall credit and administrative management.

Ms. Sham is the wife of Mr. Lee Seng Jin (an executive Director, and the Deputy Chairman and Chief Executive Officer of the Group) and a daughter of Mr. Sham Kit Ying (the Chairman of the Group and an executive Director). As at the Latest Practicable Date, Ms. Sham has a personal interest in 572,566 Shares, corporate interest in 16,140,000 Shares, family interest in 11,624,000 Shares and other interest in 268,340,000 Shares (please refer to note below for details) within the meaning of Part XV of the SFO.

The service contract of Ms. Sham does not contain any provision on the term of her appointment. However, she is subject to retirement by rotation pursuant to the Bye-Laws of the Company. Pursuant to her service contract, Ms. Sham received emoluments of a total value of approximately HK\$676,000 in 2005. Her emoluments are determined by the board of Directors with reference to the Group's performance and profitability as well as remuneration benchmark in the industry and the prevailing market conditions.

The Directors are not aware of any other matter in respect of the proposed re-election of Ms. Sham as an executive Director, which the Directors consider necessary to be brought to the attention of the shareholders of the Company.

*Note:* The 268,340,000 shares were held by Quinselle Holdings Limited, acting in its capacity as trustee of a private unit trust. HSBC International Trustee Limited, acting in its capacity as trustee of a family trust holds the majority units in the private unit trust. The objects of the family trust include Ms. Sham Yee Lan, Peggy.

**Mr. LAU Wang Yip, Eric**, aged 39, a non-executive Director, is a solicitor practicing in Hong Kong. He is currently a partner of a local law firm in Hong Kong. Mr. Lau holds a Bachelor's degree in Laws and has been admitted as a solicitor in Hong Kong. He was also admitted as a solicitor in England and Wales and as a legal practitioner in Tasmania, Australia. He was appointed as non-executive Director of the Company in 1997. Mr. Lau did not hold any directorship in other listed public company in the last three years.

He does not have any relationship with other Directors, senior management, substantial shareholders or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. Lau did not have any interest in the Shares within the meaning of Part XV of the SFO.

The service contract of Mr. Lau does not contain any provision on the term of his appointment. However, he is subject to retirement by rotation pursuant to the Bye-Laws of the Company. Pursuant to his service contract, the director's fee of Mr. Lau as non-executive Director is HK\$80,000 per year. The director's fee of Mr. Lau was negotiated between Mr. Lau and the Company and was determined by the board of Directors with reference to the prevailing market conditions.

The Directors are not aware of any other matter in respect of the proposed re-election of Mr. Lau as non-executive Director, which the Directors consider necessary to be brought to the attention of the shareholders of the Company.

# NOTICE OF ANNUAL GENERAL MEETING



## SAMSON PAPER HOLDINGS LIMITED

### 森信紙業集團有限公司\*

(Incorporated in Bermuda with limited liability)

(Stock Code: 731)

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting of Samson Paper Holdings Limited (the “Company”) will be held at Conference Room A, Strategic Financial Relations Limited, Room 3203, 32/F., Admiralty Centre I, 18 Harcourt Road, Hong Kong at 11:00 a.m. on Monday, 25th September, 2006 for the following purposes:–

#### **As Ordinary Business**

1. To receive and adopt the audited statement of accounts and the reports of the directors and auditors for the year ended 31st March, 2006.
2. To declare a final dividend for the year ended 31st March, 2006.
3. To re-elect the retiring directors of the Company (the “Directors”) and authorize the board of Directors (the “Board”) to fix the remuneration of the Directors.
4. To re-appoint auditors and authorize the Board to fix their remuneration.

By Order of the Board  
**LEE Yue Kong, Albert**  
*Company Secretary*

Hong Kong, 1st September, 2006

#### *Head Office:*

3/F Seapower Industrial Centre  
177 Hoi Bun Road  
Kwun Tong, Kowloon  
Hong Kong

#### *Notes:*

- (1) A member of the Company entitled to attend and vote at the above meeting is entitled to appoint not more than two proxies to attend and vote instead of him. A proxy need not be a member of the Company. In order to be valid, a form of proxy together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, must be deposited at the principal place of business of the Company in Hong Kong at 3/F., Seapower Industrial Centre, 177 Hoi Bun Road, Kwun Tong, Kowloon, Hong Kong (so as to be received) not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof (as the case may be).
- (2) The register of members of the Company will be closed from 19th September, 2006 to 25th September, 2006 (both days inclusive) during which period no transfer of shares of the Company will be registered. To qualify for the proposed final dividend, all completed transfer forms, accompanied by the relevant share certificates, must be lodged with the Company’s Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited at suite 1712-16, 17 Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for registration no later than 4:00 p.m. on 18th September, 2006.

*As at the date of this notice, the board of Directors comprises five executive directors, namely Mr. SHAM Kit Ying, Mr. LEE Seng Jin, Mr. CHOW Wing Yuen, Ms. SHAM Yee Lan, Peggy and Mr. LEE Yue Kong, Albert, one non-executive director, namely Mr. LAU Wang Yip, Eric and three independent non-executive directors, namely Mr. PANG Wing Kin, Patrick, Mr. TONG Yat Chong and Mr. NG Hung Sui, Kenneth.*

\* For identification purpose only