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**If you have sold** all your shares in Lee Kee Holdings Limited, you should at once hand this document to the Purchaser or the bank, stockbroker or other agent through whom the sale was effected for transmission to the Purchaser.

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**RE-ELECTION OF RETIRING DIRECTORS,  
PROPOSED GENERAL MANDATES  
TO ISSUE AND REPURCHASE SHARES**

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A notice convening the Annual General Meeting (the “Annual General Meeting”) of Lee Kee Holdings Limited (the “Company”) to be held at Jordan Room, 2/F., Eaton, Hong Kong, 380 Nathan Road, Kowloon, Hong Kong on Friday, 15th August 2014 at 2:30 p.m. is set out in the Annual Report for the 15 months ended 31st March 2014 of the Company (the “Annual Report”).

Whether or not you are able to attend the Annual General Meeting, please complete the form of proxy accompanying the Annual Report in accordance with the instructions printed thereon and return the same to the Company’s Hong Kong Branch Share Registrar and Transfer Office, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the Annual General Meeting.

8th July 2014

LETTER FROM THE BOARD



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

**(Stock Code: 637)**

*Executive Directors:*

Mr. CHAN Pak Chung (*Chairman*)  
Ms. CHAN Yuen Shan, Clara  
*(Vice-Chairman & Chief Executive Officer)*  
Ms. MA Siu Tao

*Independent Non-Executive Directors:*

Mr. CHUNG Wai Kwok, Jimmy  
Mr. LEUNG Kwok Keung  
Mr. HU Wai Kwok  
Mr. HO Kwai Ching, Mark

*Registered Office:*

P.O. Box 309 GT  
Ugland House  
South Church Street  
George Town  
Grand Cayman  
Cayman Islands

*Head Office and Principal Place  
of Business in Hong Kong:*

16 Dai Fat Street  
Tai Po Industrial Estate  
New Territories  
Hong Kong

8th July 2014

*To the Shareholders of the Company*

Dear Sir or Madam

**RE-ELECTION OF RETIRING DIRECTORS,  
PROPOSED GENERAL MANDATES  
TO ISSUE AND REPURCHASE SHARES**

**INTRODUCTION**

At the annual general meeting (the “Annual General Meeting”) of Lee Kee Holdings Limited (the “Company”) to be held on 15th August 2014, the notice of which (the “AGM Notice”) is set out in the annual report of the Company for the 15 months ended 31st March 2014 (the “Annual Report”), three Directors of the Company (“Directors”) mentioned below will retire and being eligible, offer themselves for re-election. Further, ordinary resolutions, as set out in the AGM Notice, will be proposed at the Annual General Meeting to grant the general mandates to the Board of Directors of the Company (the “Board”) to allot and issue and repurchase shares of HK\$0.1 each of the Company (the “Shares”).

## LETTER FROM THE BOARD

### RE-ELECTION OF DIRECTORS

In accordance with Articles 130 and 114 of the Company's Articles of Association (the "Articles"), three Directors will retire and being eligible, offer themselves for re-election at the Annual General Meeting. The details of the three Directors are set out below:

**Ms. CHAN Yuen Shan, Clara** ("Ms. Chan"), aged 42, is the Vice-Chairman, Chief Executive Officer and an Executive Director of the Company, a director of principal subsidiaries of the Company and the joint venture of the Group. Ms. Chan joined the Group in November 1995 and is now responsible for strategic direction and ensuring the implementation of the strategies and policies. She also leads the Group in the business development and operations. Ms. Chan has over 20 years of experience in the non-ferrous metals industry. She obtained a Bachelor Degree in Administrative Studies from the Open University in collaboration with the British Columbia Institution of Technology. Ms. Chan is a Member of the 11th Chinese People's Political Consultative Conference Guangxi Autonymous Region and the Awardee of the Young Industrialist Awards of Hong Kong 2008. She is the Chairman of Youth Council, a member of the Trade and Industry Advisory Board of HKSAR, a member of CreateHK design-Business Collaboration Scheme Assessment Panel of HKSAR, a Vice Chairman of Hong Kong Die-casting and Foundry Association Limited, a Vice President of Hong Kong Yong Industrialist Council. Ms. Chan is the daughter of Mr. CHAN Pak Chung and Ms. MA Siu Tao and sister of Mr. CHAN Ka Chun, Patrick. Ms. Chan entered into a service contract with the Company for an initial term of three years which can be terminated by either party with not less than three months' notice and she is entitled for a monthly salary (including housing allowance and statutory mandatory provident fund) for HK\$226,000 and a discretionary management bonus to be determined by the Remuneration Committee of the Board. Her remuneration is determined by the Board and reviewed by the Remuneration Committee with reference to his responsibilities and then prevailing market conditions.

**Ms. MA Siu Tao** ("Ms. Ma"), aged 64, is an Executive Director of the Company and director of principal subsidiaries of the Company. Ms. Ma joined the Group in 1985 and is now responsible for advising on corporate and sales marketing strategies. Ms. Ma has been working in the non-ferrous metals industry for more than 28 years. She obtained a Master Degree in Material Engineering from the Yanshan University. Ms. Ma is the Executive Committee member of Hong Kong Diecasting and Foundry Association Limited and an associate of the Professional Validation Council of Hong Kong Industries. Ms. Ma is the spouse of Mr. CHAN Pak Chung and the mother of Ms. CHAN Yuen Shan, Clara and Mr. CHAN Ka Chun, Patrick. Ms. Ma entered into a service contract with the Company for an initial term of three years which can be terminated by either party with not less than three months' notice and she is entitled for a monthly salary (including statutory mandatory provident fund for HK\$188,500 and a discretionary management bonus to be determined by the Remuneration Committee of the Board. Her remuneration is determined by the Board and reviewed by the Remuneration Committee with reference to his responsibilities and then prevailing market conditions.

## LETTER FROM THE BOARD

**Mr. Ho Kwai Ching, Mark**, aged 52, is an Independent Non-executive Director of the Company. He is currently the Chief Operating Officer of Oriental Patron Securities Limited (“OPSL”). Prior to joining OPSL, he was the Chief Compliance Officer of Hong Kong Mercantile Exchange Limited, the Director of Business Development of Sun Hung Kai Securities Limited and a Director of Phillip Securities (HK) Limited. He was also previously Vice President of Corporate Strategy of Hong Kong Exchanges and Clearing Limited and Head of Compliance of Hong Kong Futures Exchange Limited. He has more than 20 years of experience in the securities and futures industry. He is also an independent non-executive director of Hengan International Group Company Limited (a company listed on The Stock Exchange of Hong Kong Limited). Mr. Ho entered into a letter of appointment with the Company for a term of two years which can be terminated by either party with not less than one month’s notice and he is entitled to a monthly Director’s fee for HK\$20,000. His appointment is nominated by the Nomination Committee and remuneration is determined by the Board and reviewed by the Remuneration Committee of the Company with reference to the prevailing market conditions and the remuneration of existing Independent Non-executive Directors.

As recorded in the register required to be kept by the Company under Section 352 of Part XV of the Securities and Futures Ordinance (the “SFO”) as at 3rd July 2014 (the “Latest Practicable Date”), Ms. Chan and Ms. Ma are interested in 600,000,000 Shares<sup>(Note 1)</sup>, representing approximately 72.40% of the issued share capital, of the Company. Mr. Ho is interested in 50,000 Shares<sup>(Note 2)</sup>, representing approximately 0.006% of the issued share capital of the Company.

*Notes:*

1. The 600,000,000 Shares are held by Gold Alliance Global Services Limited (“GAGSL”) whose entire share capital is held by Gold Alliance International Management Limited (“GAIML”) which is in turn held by HSBC International Trustee Limited (“HSBC Trustee”) acting as the trustee of the P.C. CHAN Family Trust. The P.C. CHAN Family Trust is an irrevocable discretionary trust set up by Mr. Chan as settlor and HSBC Trustee as trustee. The discretionary objects of which include Ms. Chan and other family members of Mr. Chan. Ms. Chan and Ms. Ma are deemed to be interested in the 600,000,000 Shares under the SFO.
2. The 50,000 Shares are held by Mr. Ho’s spouse which is deemed to be his interest under the SFO.

Save as disclosed herein, none of the above Directors had any interests or short positions in the Shares or underlying Shares (in respect of positions held pursuant to equity derivatives) within the meaning of Part XV of the SFO as at the Latest Practicable Date. None of them had any relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company as at the Latest Practicable Date. Furthermore, they did not have any matter that was required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) or that needed to be brought to the attention of the shareholders of the Company as at the Latest Practicable Date.

## **LETTER FROM THE BOARD**

### **GENERAL MANDATE TO ISSUE SHARES**

At the Annual General Meeting, an ordinary resolution will be proposed, which, if passed, will give the Directors a general and unconditional mandate to allot, issue and otherwise deal with new Shares representing up to 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date the resolution is passed (the “Issue Mandate”), since the general mandate previously granted to the Directors at the annual general meeting of the Company held on 24th May 2013 will expire at the conclusion of the forthcoming Annual General Meeting. On the basis of 828,750,000 Shares in issue as at the Latest Practicable Date and no further shares issued after the Latest Practicable Date and before the date of the Annual General Meeting, the Directors could allot, issue and deal with a maximum of 165,750,000 Shares under the Issue Mandate. In addition, conditional upon the proposed resolution to authorise the repurchase of Shares as is more particularly described under the paragraph below headed “GENERAL MANDATE TO REPURCHASE SHARES” being passed, an ordinary resolution will be proposed to authorise the Directors to allot, issue and otherwise deal with new Shares up to an amount equal to the aggregate nominal amount of the Shares purchased under the authority to repurchase. In accordance with the Listing Rules, the Company may not make a new issue of securities or announce a proposed new issue of securities for a period of 30 days after any repurchase of securities by it, other than an issue of securities pursuant to the exercise of warrants, share options or similar instruments requiring the Company to issue securities which are outstanding prior to such repurchase, without the prior approval of the Stock Exchange.

### **GENERAL MANDATE TO REPURCHASE SHARES**

At the Annual General Meeting, an ordinary resolution will also be proposed granting the Directors a general mandate to repurchase Shares which shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date the resolution is passed (the “Repurchase Mandate”) since the general mandate previously granted to the Directors at the annual general meeting of the Company held on 24th May 2013 will expire at the conclusion of the forthcoming Annual General Meeting. In accordance with the Listing Rules, all proposed repurchases of Shares by the Company must be approved by the shareholders by way of ordinary resolution, either by way of general mandate or by specific approval in relation to specific transactions. Furthermore, the Company is required under the Listing Rules to send to its shareholders an explanatory statement containing all the information reasonably necessary to enable the shareholders to make an informed decision on whether to vote for or against the resolution to approve the granting of the Repurchase Mandate. This document sets out such information in relation to the Repurchase Mandate.

### **EXPLANATORY STATEMENT**

#### **General mandate to repurchase Shares**

This section includes the information concerning the Repurchase Mandate required by the Listing Rules and the Stock Exchange.

## LETTER FROM THE BOARD

(a) *Exercise of the Repurchase Mandate*

Exercise in full of the Repurchase Mandate, on the basis of 828,750,000 Shares in issue as at the Latest Practicable Date and no further shares issued after the Last Practicable Date and before the date of the Annual General Meeting, could accordingly result in up to 82,875,000 Shares being repurchased by the Company during the period from the passing of Resolution No. 6 as set out in the AGM Notice up to (i) the conclusion of the next annual general meeting of the Company; or (ii) the expiration of the period within which the next annual general meeting of the Company is required by any applicable laws or the Articles to be held; or (iii) the passing of an ordinary resolution by the shareholders in general meeting revoking, varying or renewing the Repurchase Mandate, whichever occurs first.

(b) *Reasons for repurchases*

Repurchases of Shares will only be made when the Directors believe that such repurchases will benefit the Company and its shareholders. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and/or its earnings per Share.

(c) *Funding of repurchases*

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with the Articles and the applicable laws and regulations of the Cayman Islands. The Company may not purchase its own securities on 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.

(d) *General*

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 Company's Annual Report) in the event that the Repurchase Mandate is exercised in full. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or on its gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

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, the Memorandum and Articles and the applicable laws of the Cayman Islands.

As at the Latest Practicable Date and to the best of the knowledge of the Directors, having made all reasonable enquiries, none of the Directors nor their associates (as defined under the Listing Rules) had a present intention to sell Shares to the Company.

## LETTER FROM THE BOARD

No connected person (as defined in the Listing Rules) of the Company has notified the Company that he has a present intention to sell Shares to the Company or has undertaken to the Company not to do so.

### **Hong Kong Code on Takeovers and Mergers**

If, as a result of a share repurchase, a shareholder's proportionate interest in the voting capital of the Company increases, such increase will be treated as an acquisition for the purposes of the Hong Kong Code on Takeovers and Mergers (the "Takeover Code") and, if such increase results in a change of control, may in certain circumstances give rise to an obligation to make a general offer for Shares under Rule 26 of the Takeover Code.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Company, GAGSL was interested in 600,000,000 Shares, representing approximately 72.40% of the issued share capital of the Company and by virtue of the SFO, Mr. Chan and Ms. Ma, Directors of the Company, are deemed to be interested in the said 600,000,000 Shares. In the event that the Directors exercised in full the power to repurchase Shares in accordance with the terms of the ordinary resolution to be proposed at the Annual General Meeting, the total interests of GAGSL in the Company would be increased to approximately 80.42% of the issued share capital of the Company and such increase would not give rise to an obligation to make a general offer for Shares under Rule 26 of the Takeover Code.

The Directors are not aware of any consequence which would arise under the Takeover Code as a consequence of any repurchases by the Company of its Shares under the Repurchase Mandate.

However, as the minimum amount of Shares to be held by the public cannot be less than 25% of the issued Shares of the Company, in the event the Directors exercise the power to repurchase Shares under the Repurchase Mandate, such mandate will not be exercised in full.

### **Miscellaneous**

During the six months preceding the Latest Practicable Date, no Shares were repurchased by the Company.

## LETTER FROM THE BOARD

During each of the twelve months preceding the Latest Practicable Date, the highest and lowest prices at which the Shares were traded on the Stock Exchange were as follows:

<b>Period/Month</b>	<b>Highest HK\$</b>	<b>Lowest HK\$</b>
<b>2013</b>		
July	0.455	0.380
August	0.430	0.400
September	0.500	0.400
October	0.510	0.435
November	0.680	0.445
December	0.680	0.540
<b>2014</b>		
January	1.340	0.630
February	1.180	0.780
March	0.890	0.630
April	0.740	0.600
May	0.800	0.570
June	0.780	0.660
July (up to the Latest Practicable Date)	0.730	0.720

### RECOMMENDATION

The Directors are of the opinion that the re-election of retiring Directors, Issue Mandate and the Repurchase Mandate are in the best interests of the Company and recommend that you vote in favour of the ordinary resolutions to be proposed at the Annual General Meeting.

### AGM NOTICE

The AGM Notice is set out in the Annual Report.

A form of proxy is enclosed with the Annual Report for use at the Annual General Meeting. Whether or not you intend to be present at the Annual General Meeting, you are requested to complete and return the form of proxy to the Company's Hong Kong Branch Share Registrar and Transfer Office, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time appointed for the holding of the Annual General Meeting. Completion of a form of proxy will not preclude you from attending and voting in person at the Annual General Meeting if you so wish.



## LETTER FROM THE BOARD

### PROCEDURE FOR DEMANDING A POLL AT THE ANNUAL GENERAL MEETING

Pursuant to Article 90 of the Articles, a poll may be demanded at the Annual General Meeting by:

1. the Chairman of the meeting; or
2. at least five members of the Company present in person (or in the case of a corporation, by its duly authorised representative) or by proxy and entitled to vote; or
3. any member or members of the Company present in person (or in the case of a corporation, by its duly authorised representative) or by proxy and representing in the aggregate not less than one-tenth of the total voting rights of all members of the Company having the right to attend and vote at the meetings; or
4. any member or members of the Company present in person (or in the case of a corporation, by its duly authorised representative) or by proxy and holding shares conferring a right to attend and vote at the meeting on which there have been paid up sums in the aggregate equal to not less than one-tenth of the total sum paid up on all shares conferring that right.

Yours faithfully  
By order of the Board  
**CHAN Pak Chung**  
*Chairman*