

**LEE'S PHARMACEUTICAL HOLDINGS LTD :  
THE RE-IMMERGENCE OF SIEGFRIED LEE SIU FUNG**

Just because a person has lost \$HK4 billion or so in one business venture, a business venture in which the investing public was the biggest loser, it does not follow that that same person should be barred from starting up another business venture.

In fact, it could be held that the system of society should not try to keep a good man down.

Everybody is entitled to at least one little mistake, even a multi-billion-dollar one.

And such a multi-billion dollar mistake should not prevent such a person from soliciting cash from the investing public, once again, in order to fund some of the new aspects of the new business venture.

Somebody has to put up the money!

And for what reason should it not be the investing public?

After all, who knows — that person might be successful, the second time around?

The situation, outlined in the first 7 paragraphs of this report, appears to be the case of Lee's Pharmaceutical Holdings Ltd, now known as Stock Code Number 8221, The Growth Enterprise Market of The Stock Exchange of Hongkong Ltd.

Lee's Pharmaceutical could, rightfully, be described as the phoenix, rising from the ashes of the failed cups-and-saucers empire of Siu-Fung Ceramics Holdings Ltd, formerly known as Stock Code Number 395, Main Board, The Stock Exchange of Hongkong Ltd.

Siu-Fung Ceramics is, now, in liquidation, having been delisted from the rolls of The Stock Exchange of Hongkong Ltd on December 10, 2001.

That company left a trail of known debts, amounting to not less than \$HK4 billion, but, if one added in the interest factor, the debts could well be in excess of \$HK8 billion because, at one time, interest was accumulating at the rate of about \$HK600,000 per day.

The Hongkong and Shanghai Banking Corporation Ltd, a subsidiary of HSBC Holdings plc (Code: 5, Main Board, The Stock Exchange of Hongkong Ltd) was an equity partner in Siu-Fung Ceramics; and, it is still smarting from the clobbering that it received at the hands of the former Chairman of Siu-Fung Ceramics, Mr Siegfried Lee Siu Fung.

Mr Siegfried Lee Siu Fung was the subject of a Request to Issue Bankruptcy Proceedings, that Notice, having been instituted by The Hongkong and Shanghai Banking Corporation Ltd on January 18, 2001, according to **TOLFIN** (**TARGET's** Computerised Online Information Service).

In May 2001, a Bankruptcy Order was made against Mr Siegfried Lee Siu Fung.

While Siu-Fung Ceramics was going through its death throes, and while the Corporate Recovery Department of The Hongkong and Shanghai Banking Corporation Ltd was trying to pull the fat out of the Siu-Fung Ceramics's

fire, Chairman Siegfried Lee Siu Fung was hatching his own little plans – to launch Lee’s Pharmaceutical Holdings Ltd.

It made admirable sense because, of the 32 ceramics factories that he had established in the People’s Republic of China (PRC), with the help of cash from, among others, The Hongkong and Shanghai Banking Corporation Ltd, not one was fully operational, with about half of that number, having been closed down, for one reason or another.

Getting back to the latest publicly listed (ad)venture of Mr Siegfried Lee Siu Fung, Lee’s Pharmaceutical was founded on December 28, 1993, according to its Prospectus, dated July 3, 2002, at Page 71.

Paragraph 3 of that Page states that Dr Li Xiao Yi – who is the brother of Mr Siegfried Lee Siu Fung, Ms Lee Siu Fong and Ms Leelalertsuphakun Wanee – owned 25 percent of the Issued and Fully Paid-Up Share Capital of Lee’s Pharmaceutical, while Mr Siegfried Lee Siu Fung owned 50 percent of the Share Capital.

The remaining 25-percent equity stake was owned by a Mr Lee Sheung Yam, who is described, only, as being a colleague of Dr Li Xiao Yi.

However, according to TOLFIN, Mr Lee Sheung Yam was, formerly, the Vice Chairman of Siu-Fung Ceramics Holdings Ltd.

TOLFIN’s records indicate that he held that position between 1993 and 1996 – when the proverbial balloon was going up and things were getting more and more sticky.

Page 72 of the Prospectus indicates that Mr Lee Sheung Yam exited from Lee’s Pharmaceutical within about one year of its formation, his equity stake, being taken up by Mr Siegfried Lee Siu Fung.

This was at the height of the Siu-Fung Ceramics’s foolishness, when Mr Siegfried Lee Siu Fung was off, buying a \$HK280-million house in Deep Water Bay, among the swankiest areas of the Hongkong Special Administrative Region (HKSAR) of the PRC.

Within a short space of time of the purchase of this luxury house, Siu-Fung Ceramics was in such trouble that it was almost a daily occurrence to have High Court Writs, being filed against Siu-Fung Ceramics and/or Mr Siegfried Lee Siu Fung.

Meanwhile, Mr Siegfried Lee Siu Fung’s wife and sisters were selling shares in Siu-Fung Ceramics.

Which was lucky for them, as history has proved ... [CLICK TO ORDER FULL ARTICLE](#)

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