

Press Release

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Former chairman of listed company admits stealing and defrauding \$63m corporate funds

The former chairman of a publicly listed company, charged by the ICAC, today (Monday) admitted at District Court his role in stealing and defrauding corporate funds totalling over \$63 million.

Chan Tat-chee, 59, former executive director of China Sciences Conservational Power Limited (China Sciences) and also former chairman and executive director of China Conservational Power Holdings Limited (China Conservational), pleaded guilty to six offences.

The offences included three counts of conspiracy to defraud, one of theft, one of conspiracy to steal, and one of dealing with property known or believed to represent proceeds of an indictable offence.

Deputy Judge Anthony Yuen Wai-ming adjourned the case until March 5, 2007 for mention, pending the trial of other three co-defendants.

The case arose from a corruption investigation. Subsequent ICAC enquiries revealed the above offences.

Two of the charges stated that between December 1, 2004 and April 30, 2005, Chan had conspired with other persons to defraud Central China Enterprises Limited, later renamed as China Sciences, and its shareholders.

Chan had made false representations in relation to the use of company funds of China Sciences, and created and used false accounting documents, causing China Sciences to part with two funds of \$25 million and \$8 million on false pretences.

According to a similar charge, Chan had conspired with other persons to defraud China Conservational of \$5 million on December 28, 2004.

Chan also pleaded guilty to one count of stealing \$10 million from China Sciences on August 28, 2004, and one of conspiring to steal \$4 million belonging to China Sciences between January 1 and 7, 2005.

The remaining charge stated that Chan had dealt with \$11,183,600 between April 6 and 13, 2004, which represented the proceeds of an indictable offence.

Chan was granted cash bail of \$400,000, while other bail terms remained unchanged. He was earlier ordered to surrender his travel documents, not to leave Hong Kong, and not to interfere with prosecution witnesses.

The prosecution was today represented by Senior Assistant Director of Public Prosecutions Alex Lee, assisted by ICAC officer Wendy Yip.