

## Press Release

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### Former listed company executives jailed for \$100m L/C fraud

The chairman of a former publicly listed company and four other persons, charged by the ICAC, were today (Thursday) sentenced to jail terms up to four years and three months at District Court for their roles in a fraudulent scam to deceive over \$100 million in Letters of Credit (L/C) facilities.

Wan Sitt-kam, chairman of Firstone International Holdings Limited (Firstone), received a jail term of four years and three months from Deputy Judge Colin Mackintosh.

Wan's wife Lee Sau-tong, director of Firstone, and another Firstone director, Chan Chuen-wing, were respectively jailed for three years and five months, and four years.

Leo Yee-sang, a senior staff of Firstone, was sentenced to three years and four months' imprisonment, while Muk To-wai, proprietor of a trading company, received a jail term of one year and three months.

Co-defendants Ng Pik-yuk, Law Fung-chee and Lee Jen-chiek, other staff of Firstone, and Ho Li-fang, former director of another trading company, had their sentencing adjourned until November 25, 2004, pending their community service order reports. They have been granted cash bail by the court.

Wan was earlier found guilty on 11 counts of conspiracy to defraud, while the remaining defendants were also convicted of their respective roles in the scam.

The case arose from a corruption complaint in connection with Firstone.

Subsequent ICAC enquiries revealed a fraudulent scheme whereby the defendants had deceived L/C facilities, totalling over \$100 million, from a number of banks.

The court heard that the applications for the L/C facilities were based on bogus business transactions between February 1994 and December 1997.

The prosecution was today represented by Senior Government Counsel Alex Lee, assisted by ICAC officer Ken Wong.