

28/10/02 Listed company's ex-managing director charged for alleged misappropriation of \$20m funds

A former managing director of a listed company was today (Monday) charged by the ICAC and brought to Eastern Court for allegedly misappropriating \$20 million in company funds.

Cui Gui-sheng, 56, former managing director of ONFEM Holdings Limited (ONFEM), faced one count of conspiracy to defraud ONFEM.

No plea was taken. Magistrate Mr Ian Candy adjourned the case until November 25, 2002 for mention.

The case arose from a corruption complaint. ICAC enquiries later uncovered the alleged conspiracy offence.

The charge alleged that between June 1, 1999 and July 31, 2001, Cui had conspired with Li Shi-ming, Liu Ting-ting, Ip Shu-wah and other persons to defraud ONFEM and its directors and shareholders by dishonestly:

- causing ONFEM to participate in a purported loan agreement between Jointstock Investments Ltd. (Jointstock) as the lender and ICEA Financial Services Ltd. (ICEA) as the borrower, by arranging ONFEM to enter into a sub-participation agreement with Jointstock for the funding of the loan;
- falsely representing that Cui had been duly authorised to sign the agreement on behalf of ONFEM;
- causing ONFEM to release a \$20 million loan to ICEA pursuant to the agreement;
- causing ICEA to grant and release the loan to Gold Light Development Limited (Gold Light); and
- concealing from ONFEM the loan by ICEA to Gold Light and the subsequent disposal of that loan by Gold Light.

The defendant was granted cash bail of \$300,000. He was ordered to surrender all travel documents, not to leave Hong Kong, and not to interfere with prosecution witnesses.

The prosecution was today represented by Senior Government Counsel Martin Hui, assisted by ICAC officer Alice Wong.