

Ex-Chief Executive Officer of listed company charged for alleged fraud and theft**26.01.11**

A former Chief Executive Officer of a publicly listed company, Climax International Company Limited (Climax), has been charged by the ICAC for his alleged roles in deceiving company funds totalling \$9 million and misappropriating over \$3.8 million.

Chan Hoi-lam, 48, also a former shareholder of Climax, faces a total of four charges - one count of fraud, two of using a false instrument and one of theft.

The defendant will appear at Eastern Magistracy at 9:30 am on Friday (January 28) for mention, pending transfer to the District Court.

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

One of the charges alleges the defendant of having falsely represented that \$9 million he obtained from Climax had been spent on the renovation works of its factory on the Mainland, and used as a deposit for the purchase of gloss art paper from a bogus supplier.

It is alleged that the defendant, with intent to defraud, induced the then assistant financial controller of Climax, an audit firm and the audit committee of Climax to accept the above representations as genuine, resulting in benefit to the defendant.

Two other charges allege that the defendant used a purported false contract between Climax and the same bogus supplier as well as a false deposit acknowledgement slip purportedly issued by the supplier, with the intention of inducing the assistant financial controller of Climax to accept them as genuine.

The remaining charge alleges the defendant of having stolen a cheque in the sum of over \$3.8 million, being proceeds of a loan obtained from a finance company in the name of Climax.

The above alleged offences took place between March 2006 and December 2007.

The defendant has been granted ICAC bail, pending his court appearance on Friday