

Press Release

21/09/07

Four arrested for alleged bribery over company acquisition

The ICAC has arrested four persons, including two executive directors and a senior accountant of a listed company, for alleged bribery in relation to the acquisition of a bio-engineering company.

Also arrested in the operation code-named "Wise Man", which commenced on Wednesday (September 19), was a director of the bio-engineering company.

The listed company manufactures and sells pharmaceutical products, while the bio-engineering company is engaged in the research of oral insulin capsules.

The investigation arose from a corruption complaint, alleging that the two listed company's executive directors had allegedly offered advantages to the director of the bio-engineering company.

The alleged advantages were said to be rewards for facilitating the acquisition of the bio-engineering company by the listed company at an inflated price.

The acquisition was made through another firm allegedly controlled by one of the executive directors.

The listed company's executive directors were also alleged to have offered advantages to an independent non-executive director of the listed company as rewards for the latter to resign from the listed company, so as to facilitate the acquisition of the bio-engineering company.

It was also alleged that the listed company's executive directors and senior accountant had conspired to use false documents in relation to the acquisition, with intent to deceive the board of directors and minority shareholders of the listed company and the Stock Exchange of Hong Kong.

ICAC enquiries are continuing.