



Telephone: 237914/16  
Fax: 237828  
Your Ref.:

P.O. Box 50486  
LUSAKA  
Our Ref.: ACC/5/8/2

---

26<sup>th</sup> August 2024  
Number of Pages: 2  
To: The News Editor

### **MEDIA RELEASE**

#### **PROPERTIES WORTH OVER K100MILLION FORFEITURED TO STATE AS HIGH COURT RESTATES INTERNATIONAL STANDARD ON ASSET RECOVERY**

The Lusaka High Court has delivered a decisive judgement in which properties valued at over ZMW 100 million which were proceeds of crime have been forfeited to the State.

The judgement follows an application made by the Anti-Corruption Commission for a Non-Conviction Based Forfeiture made pursuant to Section 29 and 31 of the Forfeiture of Proceeds of Crime Act No 19 of 2012, in a matter in which a Zambian owned company namely Pittscon Zambia Limited and its directors amassed properties between 2018 and 2022 through contracts awarded to the company for periodic road maintenance under the Ministry of Local Government and Housing.

The contracts were awarded through false pretenses in which some engineers were named to be part of the key staff of the company when in fact not. A total of four contracts were awarded by the Ministry of Local Government and Housing amounting to over K240 million in which Pittscon Zambia Limited used the names of non-employed engineers without their knowledge or consent.

Following the award of the contracts, Pittscon Zambia Limited was paid over K100 million from which the directors of the company namely Emmanuel Sibanda Mugala, Peter Malao, Edson Mugala and Lucky Simbeye benefitted and acquired several properties. The properties included: 109 residential housing units, 32 Shops, six (6) motor vehicles, two (2) Howo Trucks and two (2) Graders.

In passing judgement, Judge P.K. Yangailo, sitting with judge A. Malata-Ononuju and Judge S.V. Siloka stated that they were of the firm view that the Applicant (Anti-Corruption Commission) had established on a balance of probabilities that the properties in issue were tainted properties and ordered that the properties be forfeited to the State.

It was established that in Pittscon Zambia Limited's application profile, there were names of key personnel who were not in their employ, and the named officials were unaware of this contract therefore obtaining the contracts through false pretenses, and rendering the contractual payments therefore obtained as proceeds of crime.

The forfeited assets and estimated value include:

- **Pittscon Zambia Limited:** 10 motor vehicles and construction equipment valued at over ZMW 7,000,000.00.
- **Emmanuel Sipande Mugala:** 32 shops in two mini shopping complexes in Libala South valued at ZMW 13,500,000.00 and 37 residential units in Kamwala South and Libala South valued at ZMW 28,300,000.00, totaling ZMW 41,800,000.00.
- **Peter Malao:** 19 residential units in Makeni valued at ZMW 26,300,000.00.
- **Edson Mugala:** 16 residential units in Libala South valued at ZMW 25,800,000.00.
- **Lucky Simbeye:** 13 residential units in Kamwala South valued at ZMW 6,100,000.00.

The High Court's decision which was based on the balance of probabilities as provided by law, concluded that the properties were acquired through illicit means. As a result, the properties were forfeited to the State.

The directors of Pittscon Zambia Limited and a son to one of the directors were also arrested and charged with 19 counts of Possession of Properties suspected to be Proceeds of Crime contrary to Section 71 of the Forfeiture of Proceeds of Crime Act no 19 of 2010.

The accused have since been placed on their defence.



Timothy Moono

**HEAD – CORPORATE COMMUNICATIONS**