

Court of Appeal upholds insider dealing convictions

12 Oct 2010

The Court of Appeal today dismissed the application for leave to appeal of Sammy Ma Hon Kit and his wife Cordelia Tso Kin Wah against their convictions in March 2009 for insider dealing in shares of Egana Jewellery & Pearls Ltd (Egana) (Note 1).

However, the Court allowed the appeal by their son, Ronald Ma Chun Ho, whose conviction for insider dealing was quashed.

The three, relatives of former investment banker Ma Hon Yeung, were convicted of insider dealing in the District Court on 11 March 2009. (Note 2).

Ma Hon Yeung and his girlfriend Ivy Lo Yuk Wah were convicted on the same day of insider dealing related offences and insider dealing. Ma Hon Yeung was sentenced to 26 months imprisonment and ordered to pay a fine of \$230,000, while Lo was sentenced to 12 months imprisonment and ordered to pay a fine of \$210,000. Neither Ma Hon Yeung, nor Lo pursued any appeals.

The case stemmed from trading in Egana's shares before a proposed privatisation of the firm. Ma Hon Yeung, a former Vice President of BNP Paribas Peregrine Capital Ltd. (now known as BNP Paribas Capital (Asia Pacific) Ltd), was working on the proposed privatisation of Egana which he knew was confidential, price sensitive information. Within days of becoming privy to the proposed deal, he tipped off his girlfriend Ivy Lo and brother Sammy Ma, both of whom bought Egana shares ahead of the announcement of the deal in July 2006.

It was the first indictable prosecution since insider dealing was made a criminal offence under the Securities and Futures Ordinance in 2003.

End

Notes:

1. The Court of Appeal was constituted by The Honourable Mr Justice Stock V-P, The Honourable Mr. Justice Hartman JA and The Honourable Mr. Justice Lunn. A copy of the judgment will be posted on the Judiciary website (http://www.judiciary.gov.hk/en/legal_ref/judgments.htm).
2. Please see SFC press release dated [11 March 2009](#) and [1 April 2009](#) for details of the convictions.

Page last updated : 1 Aug 2012