

# SFC commences criminal prosecution on market manipulation of shares of Ching Lee Holdings Limited

13 Aug 2020

The SFC has started criminal proceedings against five individuals for conspiring to carry out false trading in the shares of Ching Lee Holdings Limited (Ching Lee).

This case, on track for a committal to the Court of First Instance for a trial by jury, will become the first of its kind at the Court of First Instance of a criminal prosecution for an offence under the Securities and Futures Ordinance (SFO) (Note 1).

The SFC alleges that between 29 March 2016 and 7 September 2016, the five defendants – Ms Sit Yi Ki, Ms Lam Wing Ki, Mr Tam Cheuk Hang, Mr Simon Suen Man and Mr Ho Ming Hin – conspired to create a false or misleading appearance of active market in respect of the Ching Lee shares, contrary to sections 295 and 303 of the SFO and section 159A of the Crimes Ordinance.

Three defendants – Sit, Lam and Tam – appeared today at the Eastern Magistracy. No plea was taken and the case was adjourned to 24 September 2020.

The Court granted each of the three defendants court bail of \$10,000. They are not allowed to leave Hong Kong.

The SFC has also commenced proceedings under section 213 of the SFO against the defendants and various local and overseas individuals of the alleged market manipulation (Note 2).

The SFC's Executive Director of Enforcement, Mr Thomas Atkinson, said: "The SFC is committed to combating market misconduct and has zero tolerance of market manipulation in any shape or form. We will continue to use all available recourse to hold the perpetrators accountable in order to protect the investing public and Hong Kong's reputation as an international financial centre" (Note 3).

End

Notes:

1. The SFC is only empowered to prosecute offences under the SFO in the Magistrates Court where lower penalties can be imposed. The SFC has referred the case to the Department of Justice which has the authority to prosecute offences under the SFO in the District Court and the Court of First Instance. The maximum penalty for market manipulation is imprisonment of 10 years and a fine of \$10 million.
2. Please see SFC press release dated [27 August 2019](#) for details.
3. To cope with the increasingly complicated and well-organized crime, the SFC has formed a cross-divisional task force involving Intermediaries Division, Corporate Finance Division and Enforcement Division (I-C-E) to tackle the serious and high impact market manipulation networks as part of our front-loaded regulatory approach.

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# 證監會就正利控股有限公司股份的市場操縱活動展開刑事檢控

2020年8月14日

證券及期貨事務監察委員會（證監會）已對五名人士展開刑事法律程序，指他們串謀就正利控股有限公司（正利）的股份進行虛假交易。

案件將在原訟法庭由陪審團作審訊，成為首宗這類就《證券及期貨條例》（該條例）所訂明罪行而在原訟法庭審理的刑事檢控案件（註1）。

證監會指稱於2016年3月29日至2016年9月7日期間，五名被告薛伊琪（女）、林穎琪（女）、譚焯衡（男）、孫文（男）及何銘軒（男）串謀造成正利股份交投活躍的虛假或具誤導性的表象，違反該條例第295及第303條和《刑事罪行條例》第159A條。

薛、林及譚三名被告今天到東區裁判法院應訊。各人暫時無須答辯，案件押後至2020年9月24日。

法院批准上述三名被告各人以10,000元保釋。他們不得離開香港。

證監會亦已根據該條例第213條對該等被告人及牽涉該項涉嫌市場操縱活動的多名本地及海外人士展開法律程序（註2）。

證監會法規執行部執行董事魏建新先生（Mr Thomas Atkinson）表示：“證監會致力打擊市場失當行為，並對任何形式的市場操縱活動採取零容忍的態度。我們將繼續運用一切可用的方法向違規者追究責任，藉以保障廣大投資者和維護香港作為國際金融中心的聲譽”（註3）。

完

備註：

1. 證監會只可就該條例所訂罪行在裁判法院提出檢控，而裁判法院可施加的罰則較輕。證監會已將案件轉介予律政司，該部門有權於區域法院及原訟法庭就該條例所訂罪行提出檢控，而涉及市場操縱活動的最高刑罰為監禁十年及罰款1,000萬元。
2. 詳情請參閱證監會於[2019年8月27日](#)發出的新聞稿。
3. 為應付愈來愈複雜和組織周密的罪案，及為了配合本會的前置式監管方針，證監會已成立一個由中介機構部、企業融資部及法規執行部組成的跨部門工作小組（英文簡稱為I-C-E，分別代表這三個部門的首個英文字母），以打擊具嚴重及較大影響力的市場操縱網絡。

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