

Hong Kong Customs detects money laundering case involving about \$3.46 million following unfair trade practice investigation

Hong Kong Customs yesterday (May 28) detected a suspected money laundering case involving about \$3.46 million subsequent to a follow-up investigation of two unfair trade practice cases identified in 2022. Two local men suspected to be connected with the case were arrested.

In mid-2022, Customs detected two unfair trade practice cases and arrested a local man. In July 2023, the man was convicted of engaging in commercial practices involving misleading omissions in the sale of training services on dating techniques, in contravention of the Trade Descriptions Ordinance, and was sentenced to 160 hours of community service order.

A subsequent financial investigation and fund-flow analysis revealed that there were numerous suspicious transactions, which were suspected to be crime proceeds, in the personal bank accounts of the man. Meanwhile, the investigation also revealed that another local man used his personal bank accounts to assist the man to receive the suspected crime proceeds, totaling about \$3.46 million, during the period between April 2020 and February 2025.

Upon further investigation, Customs arrested the two local men, aged 26 and 35, yesterday for "dealing with property known or reasonably believed to represent proceeds of indictable offenses" (commonly known as money laundering) under the Organized and Serious Crimes Ordinance (OSCO) and searched their residential premises in Tsuen Wan, Tsing Yi and Quarry Bay. Two mobile phones, a computer notebook and a batch of bank documents were seized in the operation.

The arrested persons have been released on bail pending investigation. The investigation of the case is still ongoing, and the likelihood of further arrests is not ruled out.

Under OSCO, a person commits an offence if he or she deals with any property knowing or having reasonable grounds to believe that such property in whole or in part directly or indirectly represents any person's proceeds of an indictable offence. The maximum penalty upon conviction is a fine of \$5 million and imprisonment for 14 years while the crime proceeds are also subject to confiscation.

Members of the public may report any suspected money laundering activities to Customs' 24-hour hotline 182 8080 or its dedicated crime-reporting email account (crimereport@customs.gov.hk) or online form (eform.cefs.gov.hk/form/ced002).