

**NOTICE UNDER SECTION 208(1) OF THE  
SECURITIES AND FUTURES ORDINANCE (CHAPTER 571)  
("the Ordinance")**

**WHEREAS**

1. A restriction notice ("**the Restriction Notice**") was issued pursuant to sections 204 and 205 of the Ordinance on 23 December 2020 in respect of CNI Securities Group Limited ("**the Specified Corporation**") in relation to three specified client accounts.
2. The Securities and Futures Commission ("**the Commission**"), for the reasons set out in the Statement of Reasons of even date, considers it appropriate to exercise the powers conferred by section 208 of the Ordinance.

**THE COMMISSION HEREBY GIVES NOTICE THAT:-**

3. Pursuant to section 208 of the Ordinance, the Commission withdraws the prohibition and/or requirement imposed by the Restriction Notice on the Specified Corporation.

This Notice takes effect at the time of service upon the Specified Corporation.

Dated this 2<sup>nd</sup> day of May 2024.

For and on behalf of  
Securities and Futures Commission

Julia Leung  
Chief Executive Officer

**Statement of Reasons**  
**Pursuant to Section 209(2) of the Securities and Futures Ordinance (CAP. 571)**  
**(Ordinance)**

1. CNI Securities Group Limited (**Specified Corporation**) is a corporation licensed under the Ordinance to carry on Types 1, 2 and 4 regulated activities.
2. The Securities and Futures Commission (**Commission**) issued a restriction notice (**Restriction Notice**) to the Specified Corporation on 23 December 2020 in respect of three client accounts held with the Specified Corporation.
3. The Restriction Notice prohibits the Specified Corporation from disposing of or dealing with, or assisting, counselling or procuring another person to dispose of or deal with, any assets in any way in account A up to the value of HK\$8,095,410.95, in account B up to the value of HK\$50,964,040.10 and in account C up to the value of HK\$50,889,611.35 (**Accounts**), including:
  - (i) entering into transactions in respect of any securities;
  - (ii) processing any withdrawals or transfers of securities and/or cash or any transfers of money arising from the disposal of securities;
  - (iii) disposing of or dealing with any securities and/or cash on the instructions of any authorized person of the Accounts or by any person acting on their behalf; and/or
  - (iv) assisting another person to dispose of any relevant property or deal with any relevant property in a specified manner.
4. The Commission suspected that false trading, price rigging and/or market manipulation within the meaning of sections 274, 275 and 278 of the Ordinance might have taken place and/or persons might have committed offences contrary to sections 295, 296, 299 and/or 300 of the Ordinance (**Market Misconduct Offences**), in respect of the dealing in shares of a certain listed company, and the assets, i.e., shares and/or money, held in the Accounts with the Specified Corporation were proceeds derived from the contravention of the Market Misconduct Offences (**Proceeds**). The Commission believed that it was necessary to prevent the holders of the Accounts and/or persons connected with them from withdrawing the Proceeds. The Commission considered it was desirable in the interest of the investing public or in the public interest to impose on the Specified Corporation the prohibition and requirement set out in the Restriction Notice.
5. The Commission has conducted further investigation into the abovementioned suspected Market Misconduct Offences and has decided to take no further action in relation to the Proceeds in the Accounts held with the Specified Corporation, in light of the evidence obtained to date.
6. For the above reason, the Commission considers it appropriate to withdraw the Restriction Notice imposed on the Specified Corporation pursuant to section 208 of the Ordinance.

Dated this 2<sup>nd</sup> day of May 2024.

For and on behalf of  
Securities and Futures Commission

Julia LEUNG  
Chief Executive Officer