

NOTICE UNDER SECTIONS 204 AND 205 OF THE SECURITIES AND  
FUTURES ORDINANCE (CAP. 571)

It appears to the Securities and Futures Commission (**Commission**), for the reasons set out in the Statement of Reasons of this date, that the Commission should exercise the powers conferred by sections 204 and 205 of the Securities and Futures Ordinance (**SFO**).

**THE COMMISSION GIVES NOTICE THAT:**

Except with the Commission's prior written consent, such consent to be granted by any two Executive Directors of the Commission:

1. Under sections 204(1)(a) and 205(1) of the SFO, Kingston Securities Limited (**Specified Corporation**) is, in respect of Account A (**Account**):
  - (a) prohibited from disposing of or dealing with, assisting, counselling or procuring another person to dispose of or deal with, any assets in any way in the Account up to the amount of **HK\$9,332,911**, including:
    - (i) entering into any transactions in respect of any securities and any cash;
    - (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 and/or dealing with any securities and/or cash on the instructions of any authorized person of the Account and/or by any person acting on their behalf; and/or
    - (iv) assisting another person to dispose of any relevant property and/or to deal with any relevant property; and
  - (b) required to notify the Commission immediately upon receipt of any instruction from any authorized person of the Account and/or any person acting on his/her behalf, regarding:
    - (i) any requests to withdraw or transfer any securities and/or cash from the Account, including money arising from the disposal of any securities in the Account; and/or
    - (ii) any requests to dispose of or deal with any securities and/or cash which concern those assets subject to the prohibition in (a) above.
2. Under section 217 of the SFO, an application may be made to the Securities and Futures Appeals Tribunal for a review of the Commission's decision to impose the prohibition and/or requirement imposed by this Notice. Such application must be made within twenty-one days after the day on which this Notice is served on the Specified Corporation.
3. Under section 208 of the SFO, the Specified Corporation or a person affected by the prohibition or requirement imposed by this Notice may apply to the Commission for the prohibition and/or requirement imposed by this Notice to be withdrawn, substituted or varied.

This Notice takes effect at the time it is served on the Specified Corporation.

Dated this 5<sup>th</sup> day of September 2024.

For and on behalf of  
Securities and Futures Commission

Julia Leung  
Chief Executive Officer

**Statement of Reasons**  
**Under section 209(2) of the Securities and Futures Ordinance (Cap. 571)**

1. Kingston Securities Limited (**Specified Corporation**) is a corporation licensed under the Securities and Futures Ordinance (**SFO**) to carry on Type 1 regulated activities.
2. It appears to the Securities and Futures Commission (**Commission**) that the imposition of the prohibition and requirement set out in the Notice of this date which the Commission issued under sections 204 and 205 of the SFO is desirable in the interest of the investing public or in the public interest.
3. The Commission has reached this view based on the following:
  - (a) The Commission's investigation revealed that a current member of the board of directors of a corporation listed on the Main Board of The Stock Exchange of Hong Kong Limited (**Listed Corporation**) might have misappropriated the funds of the Listed Corporation in the amount of HK\$9,332,911 during the period from February 2019 to March 2022.
  - (b) To ensure that there will be funds available to meet any potential Court order for compensation to the Listed Corporation in legal proceedings that may be brought by the Commission, the Commission believes that it is necessary to prevent the above mentioned board member and/or person(s) connected with him from operating and dealing with, which include withdrawing and transferring, his securities and/or cash, including money arising from the disposal of those securities, held in his account maintained with the Specified Corporation, so as to preserve the assets in those accounts up to the amount of the suspected misappropriation.
  - (c) As there is a risk of dissipation, the Commission considers that it is desirable in the interest of the investing public or in the public interest to impose on the Specified Corporation the prohibition and requirement as set out in the Notice issued by the Commission on this date.

Dated this 5<sup>th</sup> day of September 2024.

For and on behalf of  
Securities and Futures Commission

Julia Leung  
Chief Executive Officer