

**Notice under Section 205 of the  
Securities and Futures Ordinance  
Cap. 571 (“the Ordinance”)**

It appears to the Securities and Futures Commission (“**the Commission**”), for the reasons set out in the Statement of Reasons of even date, that the Commission should exercise the powers conferred by section 205 of the Ordinance.

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

1. Except with the prior written consent of the Commission, such consent to be granted by any two Executive Directors of the Commission, pursuant to section 205(1) of the Ordinance, Sun Growth Securities Limited (“**the Specified Corporation**”) is prohibited from:
  - (a) disposing of or dealing with any relevant property (as defined in section 205(2) of the Ordinance); and
  - (b) assisting, counselling or procuring another person to dispose of or deal with any relevant property in any manner.
2. Pursuant to the provisions of section 217 of the Ordinance, an application may be made to the Securities and Futures Appeals Tribunal for a review of the decision to impose the prohibitions 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. Further, pursuant to section 208 of the Ordinance, the Specified Corporation may apply to the Commission for the prohibitions imposed by this Notice to be withdrawn, substituted or varied.

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

Dated this 18<sup>th</sup> day of May 2021

For and on behalf of  
Securities and Futures Commission

Ashley Alder  
Chief Executive Officer

## Statement of Reasons

### Pursuant to Section 209(2) of the Securities and Futures Ordinance (Cap. 571) ("the Ordinance")

1. Sun Growth Securities Limited ("**the Specified Corporation**") is a corporation licensed under the Ordinance to carry on Type 1, Type 4 and Type 9 regulated activities.
2. It appears to the Securities and Futures Commission ("**the Commission**") that:
  - (a) Property of the Specified Corporation's clients might be dissipated, transferred or otherwise dealt with in a manner prejudicial to the interest of any of its clients.
  - (b) The licence of the Specified Corporation may be revoked on the grounds set out in sections 195(1)(c) and (d) of the Ordinance.
  - (c) The imposition of the prohibitions set out in the Notice issued by the Commission of even date under section 205 of the Ordinance is desirable in the interest of the investing public or in the public interest.
3. The Commission has reached this view on the basis of the following matters:
  - (a) The Specified Corporation has ceased to operate its business in regulated activities since 27 June 2020.
  - (b) On 29 June 2020, the Specified Corporation requested the Commission to revoke its licence pursuant to section 195(1)(d) of the Ordinance. However, as the Specified Corporation is still holding a substantial amount of client assets (as defined in the Ordinance), its licence has not yet been revoked pending the appropriate handling of such client assets.
  - (c) The Specified Corporation has had no responsible officers (as defined in the Ordinance) and no directors to manage its affairs since 28 February 2021.
  - (d) The Commission has concerns regarding the safekeeping of the unclaimed client assets because:
    - (i) the Specified Corporation does not have any directors or responsible officers accountable for the safekeeping of the client assets;
    - (ii) the client assets are kept in various bank accounts and securities accounts, which are under the control of a former responsible

officer and other individuals who do not have any official role in the Specified Corporation; and

- (iii) the sole registered shareholder of the Specified Corporation is under receivership and it does not plan to appoint any directors to manage the Specified Corporation's affairs.
- (e) In the circumstances, the Commission considers it desirable in the interest of the clients of the Specified Corporation, and more particularly in the interest of preserving their assets, and in the wider interest of the investing public or in the public interest, that the Specified Corporation be subject to the prohibitions imposed by and contained in the Notice.

Dated this 18<sup>th</sup> day of May 2021

For and on behalf of  
Securities and Futures Commission

Ashley Alder  
Chief Executive Officer