

## Hong Kong Customs detects money laundering case involving \$4.3 million following narcotics investigation

16 September 2022

Hong Kong Customs on September 13 and 14 arrested two persons suspected of dealing with drug trafficking proceeds, following a dangerous drugs case detected in May this year. Altogether three men were arrested for "dealing with property known or reasonably believed to represent proceeds of an indictable offence" (commonly known as money laundering), involving approximately \$4.3 million.

In May this year, Customs officers detected a dangerous drugs case involving over \$86 million (in drugs and cash). Five men were arrested and a batch of banknotes worth about HK\$640,000 was seized. Among the five, a 63-year-old man was further arrested on the same day for involvement in money laundering under the Organized and Serious Crimes Ordinance (OSCO). Subsequent to an in-depth investigation and fund-flow analysis, two more local men, who were suspected of using betting accounts, personal bank accounts, stored value facility accounts and a money changer in dealing with crime proceeds and participating in money laundering activities, were targeted.

Upon follow-up investigation, Customs arrested the targeted pair, aged 44 and 61, on September 13 and 14. A residential premises in Lam Tin was also raided, with two mobile phones and some bank account statements seized.

Financial investigation revealed that the trio arrested were suspected of using betting accounts, personal bank accounts, stored value facility accounts and a money changer in dealing with crime proceeds and participating in money laundering activities involving about \$4.3 million in total between January 2016 and May 2022.

Investigation is ongoing. The likelihood of further arrests is not ruled out.

Under the 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 2545 6182 or its dedicated crime-reporting email account ([crimereport@customs.gov.hk](mailto:crimereport@customs.gov.hk)).

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