

CRIMINAL PROSECUTIONS AND APPEALS

As at 30 June 2021, there were 15 ongoing criminal trials at the Sessions Court for various breaches of the securities laws. The securities laws breaches include furnishing misleading or false reports to the SC and the stock exchange, market manipulation, insider trading and securities fraud. As for criminal appeals, there are 11 ongoing appeals at the High Court, Court of Appeal and Federal Court.

The details and relevant updates of the criminal cases for Q2 2021 are summarised in the table below:

| No. | Nature of offence | Offender(s) | Outcome |
|-----|--|---|--|
| 1. | Insider trading | Ramesh Rajaratnam (Ramesh) | <p>Ramesh was charged with three counts of insider trading on 29 April 2015.</p> <p>On 11 September 2019, Ramesh was convicted and sentenced to 5 years imprisonment and a fine of RM3 million (in default 3 years imprisonment) for each charge.</p> <p>On 20 May 2021, the High Court allowed Ramesh's appeal and set aside the Sessions Court's conviction and sentence.</p> <p>The SC filed an appeal to the Court of Appeal against the High Court's decision.</p> |
| 2. | Abetting a company in making a misleading statement to Bursa Malaysia. | Yue Chi Kin (Yue CK) | <p>Yue CK was charged on 28 April 2009.</p> <p>On 21 October 2015, Yue CK was convicted and sentenced to a 1-year imprisonment and a fine of RM400,000 (in default 6 months imprisonment).</p> <p>On 10 March 2019, the High Court allowed Yue CK's appeal and set aside the Sessions Court's conviction and sentence.</p> <p>The SC filed an appeal to the Court of Appeal on 25 March 2019 against the High Court's decision. On 19 April 2021, the SC withdrew its appeal at the Court of Appeal.</p> |
| 3. | Money laundering | <ul style="list-style-type: none"> Havana Bayview Sdn Bhd Wong Shee Kai (Wong SK) | <p>On 3 May 2021, the SC commenced a criminal application to forfeit the property in the possession of Havana Bayview Sdn Bhd and a sum of RM445,039.28 in the account of Wong SK.</p> <p>The SC also sought an order that Wong SK is an absconded person.</p> |

CIVIL ACTIONS

As at 30 June 2021, there were 9 ongoing civil cases at the High Court and Court of Appeal. In Q2 2021, 1 civil suit was filed in the High Court in relation to insider trading activity. In addition to this, the SC also entered into 2 regulatory settlements and managed to disgorge a total amount of RM208,260.

The details and updates of the civil cases for Q2 2021 are summarised in the table below:

| No. | Breach | Defendant(s) | Outcome |
|-----|--|---|--|
| 1. | <ul style="list-style-type: none"> Insider trading in the shares of M3nergy Bhd Communicating inside information in relation to voluntary take-over offer of M3nergy Bhd to Tay Hup Choon and Theng Boon Cheng | <ul style="list-style-type: none"> Lim Kim Chuan (Lim KC) Tay Hup Choon (Tay HC) Theng Boon Cheng (Theng BC) | <p>On 26 March 2021, the SC filed a civil suit against the defendants.</p> <p>On 28 April 2021, the High Court recorded a consent judgment between the SC and the defendants and ordered among others:</p> <ul style="list-style-type: none"> The defendants pay to the SC disgorged profit amounting to RM383,173.59; Lim KC pays to the SC a civil penalty of RM1 million; Tay HC and Theng BC pay to the SC a civil penalty of RM300,000 respectively; The defendants are barred from holding a directorship or being involved in the management of any PLC and/or its subsidiary for 8 years from the date of the consent judgment; The defendants or their agents are restrained from trading on the stock exchange for 8 years from the date of the consent judgment. |
| 2. | Insider trading in the shares of HPI Resources Bhd | Chang Kee Soon (Chang KS) | <p>On 10 June 2020, the SC filed a civil suit against Chang KS.</p> <p>On 5 May 2021, the High Court recorded a consent judgment between the SC and Chang KS and ordered among others:</p> <ul style="list-style-type: none"> Chang KS pays to the SC, a disgorged profit amounting to RM1,198,702.83; Chang KS pays to the SC, a civil penalty of RM150,000; Chang KS is restrained from trading on the stock exchange for 3 years from the date of the consent judgment. |
| 3. | Insider trading in the shares of PacificMas Bhd | Ewe Lay Peng (Ewe LP) | <p>On 9 April 2021, the SC filed a civil suit against Ewe LP.</p> <p>On 24 May 2021, the High Court recorded a consent judgment between the SC and Ewe LP and ordered among others:</p> <ul style="list-style-type: none"> Ewe LP pays to the SC, a disgorged profit amounting to RM33,147; Ewe LP pays to the SC, a civil penalty of RM350,000; |

REGULATORY SETTLEMENTS

| No. | Breach | Defendant(s) | Outcome |
|-----|--|-----------------------------|---|
| 1. | Insider trading in the shares of Globetronics Technology Bhd | Ng Kok Choon (Ng KC) | On 15 April 2021, Ng KC entered into a settlement with the SC in the sum of RM164,460. |
| 2. | Insider trading in the shares of Globetronics Technology Bhd | Choong Lai Kwan (Choong LK) | On 15 April 2021, Choong LK entered into a settlement with the SC in the sum of RM43,800. |