

20 January 2025

For Immediate Release

**Competition Commission welcomes Tribunal’s orders in cleansing service cartel case  
Case concluded with HK\$22 million penalty and three director disqualification orders imposed**

The Competition Commission (“Commission”) welcomes the orders granted by the Competition Tribunal (“Tribunal”) today in legal proceedings<sup>1</sup> concerning cartel conduct in the supply of cleansing services (CTEA 2/2021).

The orders were granted against *Man Shun Hong Kong & Kln Cleaning Company Limited* (“MS”) and its director *Mr. Cheng Hok Kuen* (“Mr. Cheng”), which include a pecuniary penalty of HK\$11.31 million<sup>2</sup> against MS and Mr. Cheng, and a director disqualification order of 24 months against Mr. Cheng. Both of them will also be required to pay the Commission’s legal and/or investigation costs.

The granting of the orders today marks the end of the Commission’s legal proceedings against all respondents in this case. Together with the orders granted against other respondents earlier, the resolution of the whole case has resulted in HK\$22.29 million of penalty and director disqualification orders against three persons for a period of 24 months.

On 14 December 2021, the Commission commenced proceedings in the Tribunal against *Hong Kong Commercial Cleaning Services Limited* (“HKC”), *MS*, and their three directors: *Ms. Chan Ming Chu*, *Mr. Cheng Yip Chiu* and *Mr. Cheng Hok Kuen*, alleging that between at least May 2016 and August 2018, HKC and MS exchanged commercially sensitive information, which constitutes price fixing, while bidding for 17 tenders submitted to the Housing Authority (“HA”). These tenders, which were submitted to provide cleansing services in public housing estates and other HA-managed buildings, involved contracts worth around HK\$180 million.

The case was discovered as a result of a complaint received from a group of complainants, including several cleaning workers of a public housing estate.

MS and its director Mr. Cheng admitted liability on 30 January 2024. The Tribunal subsequently issued an order declaring that MS and Mr. Cheng had contravened or been involved in the contravention of the First Conduct Rule of the Competition Ordinance.

Regarding HKC and its two directors, the Tribunal had earlier granted orders to resolve the proceedings. HKC and its two directors admitted liability and were required to pay a pecuniary penalty totalling HK\$10.98 million<sup>3</sup>, as well as the Commission’s legal and/or investigation costs. Additionally, the Tribunal granted director disqualification orders against Ms. Chan Ming Chu and Mr. Cheng Yip Chiu for a period of 24 months.<sup>4</sup>

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<sup>1</sup> See the Commission’s [press release](#) dated 14 December 2021.

<sup>2</sup> MS and Mr. Cheng Hok Kuen shall pay a pecuniary penalty of HK\$11.3 million and HK\$10,000 respectively.

<sup>3</sup> HKC, Ms. Chan Ming Chu and Mr. Cheng Yip Chiu shall pay a pecuniary penalty of HK\$10.96 million, HK\$10,000 and HK\$10,000 respectively.

<sup>4</sup> See the Commission’s [press release](#) dated 9 December 2024.

The Commission is thankful to the HA which has rendered full assistance in the investigation and prosecution of the case.

Cleansing service is of vital importance for households in both public and private housing, especially since the COVID-19 pandemic. The conclusion of a case concerning cartel conduct in cleaning services today represents a significant step towards safeguarding a fair and healthy competition environment for the sector, to the benefits of both businesses operating in the market as well as consumers. The Commission would like to reiterate that cartels affecting people's livelihood remain its key enforcement priority and it will continue to attach high importance to tackling such issues.

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