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For Immediate Release

Competition Commission conducts search in bid-rigging case involving 25 building maintenance projects across multiple districts in Hong Kong

The Competition Commission (Commission) executed search warrants at 19 premises for two consecutive days on 9 and 10 September, including the offices of nine project contractors and residences of the individuals involved. The operation, codenamed "Janus", was conducted in relation to a bid-rigging case which involves a total of 25 building maintenance projects spanning multiple districts in Hong Kong. The total value of the relevant contracts is estimated to be over HK\$600 million.

Bid-rigging in the building maintenance market has long been a prime concern of the Commission as manifested in its pro-active approach towards pursuing such cases. Among them was a search conducted in August this year concerning a bid-rigging case related to a building maintenance project of a housing estate in the Kowloon City District. Over the past year, the Commission also conducted two joint operations with the ICAC which successfully neutralised a newly-rising illegal syndicate. The information collected from these operations has not only helped the Commission in advancing the ongoing investigation, new cases embedded in ongoing ones are also uncovered. Upon in-depth analysis of the information, the Commission found that more syndicates might have engaged in bid-rigging and other anti-competitive conduct when bidding for building maintenance projects in a number of districts.

After a detailed study, the Commission initiated a new case targeting two bid-rigging syndicates. The Commission's investigation revealed that the two syndicates, having been operating for some time, are not only sizeable but also have cohesive organisational structures, comprising a number of project contractors and other relevant parties. During the tendering of the renovation projects, they had allegedly manipulated the tender results by exchanging and coordinating bidding prices, either directly or through intermediaries, while some contractors had submitted cover bids with higher prices (commonly referred to as "pig quotes"). Such conduct amounts to bid-rigging, price-fixing and the exchange of competitively sensitive information, contravening the First Conduct Rule of the Competition Ordinance.

The 25 building maintenance projects in the case include 23 residential estates / buildings and two industrial buildings, spanning 10 districts across Hong Kong, Kowloon and the New Territories. Some of the renovation contracts concerned have yet to be awarded, while works of other projects have commenced or were completed prior to the commencement of the Commission's investigation. The Commission has been reaching out to relevant stakeholders of the buildings involved in the case.

¹ See the Commission's <u>press release</u> dated 5 August 2025.

² See the Commission's <u>press release</u> dated 26 August 2024.

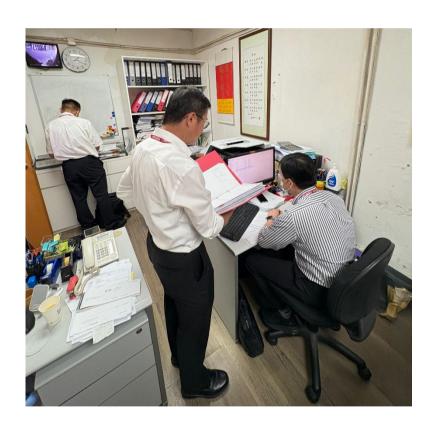


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During this operation, in addition to executing the search warrants, the Commission also exercised its compulsory powers to request relevant parties to produce documents and information, and to attend before the Commission to provide relevant information.

The Commission calls on anyone who can provide information on the case or the relevant practices to contact the Commission as soon as possible by telephone at 3462 2118, e-mail (complaints@compcomm.hk), post, or in person at the Commission's office (by appointment only). Those who may have engaged or been involved in cartel conduct should approach the Commission as soon as possible for leniency or cooperation (Leniency Hotline: 3996 8010; e-mail: leniency@compcomm.hk).

No further comment will be made at this stage as the investigation is ongoing.



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