

# MARA Incorporated Sdn Bhd ("MARA Inc.")

Factual Assessment on the  
acquisition of two (2) properties

Final Draft Report dated 14 June  
2019

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## List of Abbreviations

Abbreviation	Description
AMLT	Abdul Malik & Lawrence Tan
ASIC	Australian Securities and Investments Commission
AUD	Australian Dollar
BVI	British Virgin Islands
CEO	Chief Executive Officer
CSRE	Contract of Sale of Real Estate
DENCO	DENCO Corporation Pty Ltd
Dudley	Dudley International House
EC	Economic Council
EY Advisory	Ernst & Young Advisory Services Sdn Bhd
EOI	Expression of Interest
GCA	GCA Pte Ltd
HRSV	H.R.S.V Pty Ltd
ICM	Investment Committee of Majlis MARA
IT	Information Technology
Keystone	Keystone Land Pty Ltd
KKLW	Kementerian Kemajuan Luar Bandar dan Wilayah

## List of Abbreviations (Contd.)

Abbreviation	Description
KST	KST Partners
KV Properties	KV Properties Pty Ltd
Lincolns Lawyers	Lincolns Lawyers & Consultants
MARA	Majlis Amanah Rakyat
MARA Inc	MARA Incorporated Sdn Bhd
Midwest Equity	Midwest Equity Sdn Bhd
mil	Million
MIA	MARA Investments (Australia) Pty Ltd
MOF	Ministry of Finance
MOM	Minutes of Meeting
MYR	Malaysian Ringgit
Optimus Capital	Optimus Capital Group of Companies Sdn Bhd
PMCD	PMCD Investments Pty Ltd
Raine & Horne	Raine & Horne International Zaki + Partners Sdn Bhd
Sladen	Sladen Legal
SPV	Special Purpose Vehicle
Swanston	746 Swanston Street



## List of Abbreviations (Contd.)

Abbreviation	Description
Scarlett Nominees	Scarlett Nominees Limited
SPA	Sale and Purchase Agreement
TT	Telegraphic Transfer
Thrushcross	Thrushcross Land Holdings Limited or Thrushcross Ltd
UniLodge	UniLodge Australia Pty Ltd
Wanissa	Wanissa Properties Pty Ltd
Westpac	Westpac Banking Corporation
Yacob Atan	Yacob Atan & Associates

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## Dramatis Personae

Full Name	Abbreviated Name	Position(s)	Company
Ahmad Nazim Rahman	Nazim Rahman	Former CEO of Pelaburan MARA	MARA
		Legal Counsel	Optimus Capital Group of Companies Sdn Bhd ("Optimus Capital")
Azhar bin Abdul Manaf	Azhar	Director General	MARA
		Former Director of Bahagian Pelaburan & Pembangunan Subsidiari	MARA
		Former Director	MIA
		Former Director	Thrushcross
Bradley Brown	Bradley	Property Manager	UniLodge Australia Pty Ltd ("UniLodge") at Swanston
Chin Yeow Saw	Chin	Accountant	KST
Christopher Dimitriou	Chris Dimitriou	Director	PMCD Investments Pty Ltd ("PMCD")
		Director	RETHINK Pty Ltd
Dato' Abdul Gani bin Yusof	Abdul Gani	Former Director	Wanissa
Dato' Abdul Halim bin Abdul Rahim	Halim Rahim	Former Chief Executive Officer ("CEO")	MARA Inc.
		Former Director	Thrushcross
		Former Director	MIA
Dato' Azizi bin Yom Ahmad	Dato' Azizi	Former Director	Wanissa
Dato' Dr Ronnie Silva	Ronnie	Managing Partner	McMillan Woods Audit LLP

## Dramatis Personae (Contd.)

Full Name	Abbreviated Name	Position(s)	Company
Dato' Vincent Chin Yong Hui	Vincent Chin	Managing Partner	AMLT
Datuk Dr Haji Mohd Fathil bin Daud	Fathil	Director	MARA Inc.
		Former Director	Thrushcross
		Former Director	MIA
Datuk Haji Mohammad bin Lan Allani	Mohd Lan Allani	Former Chairman	MARA Inc.
		Former Director	Thrushcross Land Holdings Ltd ("Thrushcross")
		Former Director	MARA Investments (Australia) Pty Ltd ("MIA")
Dazma Shah bin Daud	Dazma Shah	Chief Operating Officer	Optimus Capital
		Former Director	Leuven Capital
		Former Director	Piagam Wira Sdn Bhd ("Piagam Wira")
Dennis Teen Boon Lye	Dennis Teen	Director	Wanissa Properties Pty Ltd ("Wanissa")
		Director	DENCO
Erwan bin Azizi	Erwan	Former Director	Thrushcross
		Executive	Optimus Capital
		Former Director	Maximus Segar Sdn Bhd
Izmir bin Abdul Hamid	Izmir	Former Director	Thrushcross

## Dramatis Personae (Contd.)

Full Name	Abbreviated Name	Position(s)	Company
Kee Guan Saw	Kee Saw	Accountant	KST Partners ("KST")
Kenny Yip Weng Kan	Kenny Yip	Solicitor and Principal	Lincolns Lawyers & Consultants ("Lincolns Lawyers")
Khairul Azizi bin Ismail	Khairul Azizi	CEO	MARA Inc.
		Director	Thrushcross
		Former Director	MIA
Mazrul Haizad bin Marof	Mazrul Haizad	Director	Optimus Capital
		Director	Midwest Equity
		Former Director	Maximus Segar Sdn Bhd
		Former Director	Leuven Capital
Mohd Raffee Salleh	Raffee Salleh	CEO	Optimus Capital
Nadia binti Ahmad Zainal	Nadia	Junior Executive, Accounts and Admin	MARA Inc.
Nor Azlin binti Sharifuddin	Nor Azlin	Senior Manager, Audit and Risk Management	MARA Inc.
		Former Head of Operations Division	MARA Inc.
Nor Fadzylah binti Yusof	Nor Fadzylah	Head of Valuation	Raine & Horne
Norhana Kamaruddin	Norhana	Former Director	KV Properties
		Former Shareholder	KV Land Pte Ltd
		Former Director	MIA



## Dramatis Personae (Contd.)

Full Name	Abbreviated Name	Position(s)	Company
Regina Tan	Regina Tan	Solicitor	Lincolns Lawyers
Rezuan Zainal Abidin	Rezuan	Manager, Finance Division	MARA Inc.
Richard Damian Ellis	Richard Ellis	Director	Scarlett Nominees Ltd ("Scarlett Nominees")
Ross Kennaugh Byrne	Ross Byrne	Director	Scarlett Nominees
Siti Maisarah binti Mohd Azhar	Maisarah	Property Investment Division	MARA Inc.
Siti Sarah binti Hamidon	Siti Sarah	Junior Executive, Finance	MARA Inc.
Sharifah Deena Zawawi	Sharifah	Former Assistant Manager, Property Investment	MARA Inc.
Sr. Rosli bin Atan	Rosli Atan	Valuer	Raine & Horne International Zaki + Partners Sdn Bhd ("Raine & Horne")
Syed Muhammad bin Syed Hamzah	Syed Muhammad	Property Investment Division	MARA Inc.
Tiong Pong Ting	Tiong Pong Ting	Accountant	KST
		Former Director	MIA
		Former Director	KV Properties Pty Ltd ("KV Properties")
Zach Zainal	Zach Zainal	Executives	Optimus Capital
		VP Risk Assessment and Financial Analyst	Leuven Capital Sdn Bhd ("Leuven Capital")

## Dramatis Personae (Contd.)

Full Name	Abbreviated Name	Position(s)	Company
Zainal Zol bin Kulop Alang	Zainal Zol	Senior Manager, Property Investment (Head of Property Investment)	MARA Inc.
		Former Manager, Corporate Finance and Investment	MARA Inc.

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## 1.0 Executive Summary





## 1.1 Our appointment and scope of work



## 1.1 Our appointment, scope of work and approach

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1.1.1 This Executive Summary is for MARA Incorporated Sdn Bhd's ("MARA Inc.") acquisition of two (2) properties in Australia only (i.e. Area 3 as mentioned below) and should be read in the context of the entire report, including the scope of work, limitations, detailed observations and corresponding exhibits and appendices. It does not stand alone, but rather provides a summary of the detailed report from Section 2 to Section 6.

### A. Background

1.1.2 Ernst & Young Advisory Services Sdn Bhd ("EY Advisory") was appointed by the Council Member of MARA to perform the following services:

- i. Area 1: Financial position assessment at the consolidated financial statements of MARA Group;
- ii. Area 2: Procurement process review; and
- iii. Area 3: Factual investigation on two (2) overseas properties acquired by MARA Inc.

### B. Objectives and Scope of Work

1.1.3 The objectives for Area 3 are as follows:

- i. To assess and obtain factual evidence, if any personnel of MARA has performed acts of misconduct that may have compromised the interest of MARA;
- ii. To assess and obtain factual evidence, if any and where possible, whether third parties have acted in concert with personnel from MARA in performing misconduct in respect of the loss incurred by MARA; and
- iii. To assess and obtain factual evidence, if any and where possible, whether personnel of MARA may have benefited financially or in kind from any acts from the identified transactions.

## 1.1 Our appointment, scope of work and approach (Contd.)

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1.1.4 Our fieldwork was conducted from 24 December 2018 to 03 April 2019. This report ("Report") is based on work performed and documents received up to 03 April 2019. The source of our work, findings and observations discussed throughout this Report are primarily based on but not limited to the following:

- i. Majlis MARA and MARA Inc. Board Minutes of Meeting ("MOM");
- ii. Majlis MARA and MARA Inc. Board Papers;
- iii. MARA Investment Committee MOM;
- iv. MARA Investment Committee Papers;
- v. MARA and MARA Inc. Investment policies and procedures;
- vi. Discretionary Authority Limit;
- vii. Sale and Purchase agreements;
- viii. Valuation reports,
- ix. Due diligence reports;
- x. Key correspondences;
- xi. Supporting documents for payments; and
- xii. Other supporting documents.

1.1.5 During the course of our fieldwork, we have provided three (3) status updates to representatives of Majlis MARA members on 11 January, 24 January and 28 February 2019.

## 1.1 Our appointment, scope of work and approach (Contd.)

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### 1.1.6 During the course of our fieldwork, we have performed the following:

- a. Assess the end-to-end process surrounding the acquisition of two (2) properties to identify if there are any irregularities and non-compliance to Majlis Amanah Rakyat ("MARA") and MARA Inc.'s internal policies and procedures;
- b. Assessed the documents from June 2012 to January 2014 for approval and payments in relation to the acquisition of the two (2) properties;
- c. Assessed the available hardcopy documents such as contracts, agreements, valuations and correspondences between MARA Inc. and other parties including the sellers on the acquisition of the two (2) properties;
- d. Conducted at least 50 companies and individuals searches through subscribed database, public domain and social media to identify whether there were any direct and/ or indirect connections between the sellers and MARA or MARA Inc.'s employees. Based on the information found, performed relationship mapping on key companies and individuals who were involved in the acquisition of the two (2) properties;
- e. Secured and collected backup email server files for forensic procedures. As MARA Inc. has a separate information technology ("IT") and email system, EY Advisory has only secured and performed computer forensic procedures on backup email server files provided by MARA Inc.'s outsourced IT service provider.
- f. Read more than 4,500 of electronic data (including user files, emails and etc.) that were forensically recovered from emails files based on specific keywords generated that are relevant to the (i) acquisition of the two (2) properties; (ii) our objectives and (iii) our scope of work.



## 1.2 Specific and General Limitations

## 1.2 Specific and General Limitations

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### A. Specific Limitations

- 1.2.1 Reliance on documentation provided by MARA and MARA Inc. We wish to highlight that certain documentations of MARA and MARA Inc. such as agreements, letters, MOM, due diligence reports, etc. were being perused during our assessment. These documentations are photocopied/ non original version.
- 1.2.2 No interviews were conducted with former management employees, who were involved in the acquisition of the properties, namely 746 Swanston Street ("Swanston") and Dudley International House ("Dudley"), and/or responsible for the irregularities, if any, noted during our assessment.
- 1.2.3 No physical site visit was conducted on the properties, (i.e. Swanston and Dudley). All background searches performed were desktop searches through subscribed database, social media.
- 1.2.4 Interviews conducted with existing MARA Inc.'s personnel were not under oath. Interviews conducted with the existing MARA Inc.'s personnel were not under oath and as such, certain judgments would need to be exercised as to the credibility of the views and recollections of those interviewed.
- 1.2.5 Reliance on the property acquisition files, payment, banking files and etc. provided by MARA Inc.'s liaison between 07 Jan 2019 and 03 April 2019 to EY Advisory for our assessment on the acquisition of the properties to identify gaps and irregularities in the acquisition process.
- 1.2.6 Reliance on original, scanned and photocopied versions of documentation provided by MARA and MARA Inc. We have placed reliance on MARA and MARA Inc. on the completeness and the accuracy of the information provided to us.
- 1.2.7 Reading of data recovered from forensic procedures were based on specific keywords generated in accordance to our objectives and scope of work. As such, not all data in the computers will be read.
- 1.2.8 Unable to secure and perform computer forensic procedures on laptops/computers and/or other devices used by the existing employees.

## 1.2 Specific and General Limitations (Contd.)

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- 1.2.9 Unable to confirm the existence of the Lincolns Lawyer's Advice Letter dated 24 October 2012 that were addressed to Nazim Rahman, which was found in the IA Report. Although MARA IA Report had made referenced to the said letter, EY Advisory were unable to confirm the existence of the said letter as IA could not provide the said letter during the course of our fieldwork.
- 1.2.10 Unable to confirm the existence of the Letter(s) of Appointment to Raine & Horne for the valuation for Swanston and Dudley. EY Advisory were unable to confirm the existence of the said letter(s) as those were not found or provided to EY Advisory during the course of our fieldwork.
- 1.2.11 Unable to conduct interviews with all personnel (e.g. third parties, former MARA Inc. employees/directors) who were involved in the acquisition of the properties and/or in the irregularities noted.
- 1.2.12 Unable to obtain documents that are specific and/or relevant to the two acquisitions projects to avoid alerting existing employees on the projects that EY Advisory was performing assessment on.

### B. General Limitations

- 1.2.10 This report is prepared solely for the Majlis MARA and should be treated in strict confidence.
- 1.2.11 No reliance should be placed on any preliminary draft and/ or draft report issued by us for discussion purposes and EY Advisory shall not be responsible to any parties who have placed reliance on such preliminary draft and/ or draft report.



## 1.2 Specific and General Limitations (Contd.)

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- 1.2.12 This report or any other documents issued by EY Advisory should be used by MARA for any other purpose than that stated in our statement of work without prior written consent. In the event that we provide written approval to MARA to use any of our report or any other documents for purposes other than that stated in our accepted proposal, we will need to approve the form and context of such a report to be released.
- 1.2.13 Neither the whole nor part of our report, nor any reference thereto, may be circulated nor published in any way whatsoever, nor used for any other purpose than that specified in the report without our prior written consent pertaining to the form and context in which it appears.
- 1.2.14 This report should not be used by third parties without expressed consent of EY Advisory. No reliance should be placed by third parties on the report for any purposes whatsoever and EY Advisory shall not be responsible to third parties who have acted on the information contained therein. In addition, we shall require an appropriate indemnity from MARA absolving EY Advisory from any liability or consequence arising from the release of such report to any third party.
- 1.2.15 The scope of work set out in this report was tailored to meet the specific requirements of the engagement and does not amount to an audit conducted in accordance with the auditing standards of any jurisdiction; the objective of which is to express an opinion regarding the financial statements taken as a whole.
- 1.2.16 The scope of work set out in this report does not amount to an internal audit and shall not be relied upon as the primary basis for assessing the adequacy of the system of internal controls.
- 1.2.17 Unless expressly stated, the information contained in this report has not been subject to detailed verification procedures. No representation is made by EY Advisory as to the accuracy or completeness of such information and nothing contained in this report is or shall be construed as a representation of the future.


## 1.2 Specific and General Limitations (Contd.)

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- 1.2.18 In the course of our work, we relied upon information and representations related to the scope of work made available to us by the respective MARA liaison and management. We also have no reason to believe that any material information that has bearing to the assessment will be withheld from us. In the event, there are further information and document subsequently presented or made known to us, our findings in this report may be subject to change.
- 1.2.19 All assumptions made for the purpose of this engagement are based on information and representation provided by the respective MARA liaison and management as well as persons in connection with our work. We do not give any representation, warranty, indemnity or undertaking expressly or impliedly as to the accuracy or completeness of such information provided to and used by us in our assignment.
- 1.2.20 We reserve the right (but we are not under any obligation) to review, alter and amend our report in the light of any matters not previously brought to our attention or as a result of new developments, which may or may not materially affect our report both prior to and subsequent to the date of this report.

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1.3 MARA Inc. acquired and/or paid for the two (2) properties in Australia at price higher than market value and without the required approval. Additionally, it appears that MARA Inc. personnel had acted in concert with third parties to cause MARA Inc. to purchase these properties

- 1.3 MARA Inc. acquired and/or paid for the two (2) properties in Australia at price higher than market value and without the required approval. Additionally, it appears that MARA Inc. personnel had acted in concert with third parties to cause MARA Inc. to purchase these properties
- 
- A. MARA Inc. acquired Swanston and Dudley at AUD18.3mil and AUD4.75mil respectively higher than the market value and were transacted without approval from Majlis MARA, KKLW and/or MOF
- 1.3.1 On 28 August 2012, MARA Inc. entered into a Sale and Purchase Agreement ("SPA") with Scarlett Nominees Limited ("Scarlett Nominees") to acquire 100% shares of Thrushcross Ltd ("Thrushcross") for the sum of Australian Dollar ("AUD") 41.8 million ("mil"). However, at the material time, Thrushcross had yet to be the beneficial owner of Swanston. (Exhibit A11) (Refer to Finding 3.1)
- 1.3.2 Based on the assessment performed, it is noted that the registered owner at the material time, H.R.S.V Pty Ltd ("HRSV"), had only entered into a Contract of Sale of Real Estate with Keystone Land Pty Ltd ("Keystone") for the acquisition of Swanston for AUD23.5mil on 27 August 2012, which is only one (1) day before the date of the SPA between MARA Inc. and Scarlett Nominees. This means that within one (1) day, MARA Inc. had acquired Swanston at AUD18.3mil higher. (Refer to Finding 3.1)
- 1.3.3 Similarly, six (6) months later, MARA Inc. via Thrushcross (which had become a subsidiary of MARA Inc. at the material time) entered into the Contract of Sale of Real Estate with Wanissa and PMCD Investments Pty Ltd ("PMCD") on 25 February 2013 for the acquisition of Dudley at AUD22.6mil. (Exhibit B08)
- 1.3.4 However, based on information in an Internal Audit report, a letter from Lincolns Lawyers dated 24 October 2012 indicated that the proposed acquisition price for Dudley was only AUD17.85mil, which means that the acquisition price by MARA Inc. was potentially inflated by AUD4.75mil. (Refer to Finding 4.1)

- 1.3 MARA Inc. acquired and/or paid for the two (2) properties in Australia at price higher than market value and without the required approval. Additionally, it appears that MARA Inc. personnel had acted in concert with third parties to cause MARA Inc. to purchase these properties (Contd.)
- 
- 1.3.5 Besides, the agreements for the acquisition of both properties were entered into by MARA Inc. without first obtaining approval from Majlis MARA, KKLW and/or MOF. Premised on the above, MARA Inc. has potentially acquired the properties at a sum of AUD23.05mil higher than the market value at the material time without first obtaining the necessary approval(s). (Refer to Finding 3.2 and 4.2)
- B. MARA Inc. personnel seems to have prior knowledge of the letters of offer for the acquisitions of Dudley and Swanston. Additionally, it is questionable for MARA Inc. to consider these letters of offer from parties not the owner of the properties
- 1.3.6 Erwan bin Azizi ("Erwan") had signed the letter of offer to Mara Inc. for the sale of Swanston as the Executive Director of Thrushcross on 04 June 2012 (Exhibit A02). However, Erwan was only appointed as a director of Thrushcross on 11 December 2012 (Exhibit A22). (Refer to Finding 5.3)
- 1.3.7 In addition, Raine & Horne submitted the valuation on 05 June 2012 in only one (1) day after the receipt of the letter of offer for the sale of Swanston. Furthermore, the title searches were performed on the same day, on 04 June 2012. (Exhibit A03) (Refer to Finding 5.1)
- 1.3.8 As for Dudley, KV Land Limited sent a letter of offer for the sale of Dudley to MARA Inc. on 03 September 2012. The letter was signed by Dennis Teen Boon Lye ("Dennis Teen"), who is also the shareholder and director of Wanissa, which is one of the owner of Dudley. (Exhibit B01)

- 1.3 MARA Inc. acquired and/or paid for the two (2) properties in Australia at price higher than market value and without the required approval. Additionally, it appears that MARA Inc. personnel had acted in concert with third parties to cause MARA Inc. to purchase these properties (Contd.)
- 
- 1.3.9 Mara Inc. appointed the same valuer as Swanston's property, i.e. Raine & Horne, which is the valuation report for Dudley was submitted on 23 November 2012. However, it is noted that the title search documents were produced on 01 August 2012 (Exhibit B05), which was prior to MARA Inc. receiving the letter of offer from KV Land Limited on 03 September 2012. It is also noted that the content of both the letter of offer for the sale of Swanston and Dudley are similar and may potentially be prepared by the same party. (Refer to Finding 5.1 and 5.3)
- 1.3.10 The date of the title search documents indicated that MARA Inc. personnel who were in charge of the acquisition, namely the former Chairman of MARA Inc. Mohd Lan bin Allani ("Mohd Lan Allani"), the former CEO of MARA Inc., Abdul Halim bin Rahim ("Halim Rahim") and MARA Inc.'s Head of Property Investment, Zainal Zol bin Kulop Alang ("Zainal Zol") potentially had prior knowledge of the acquisition and had instructed the valuer, Raine & Horne to perform the valuation earlier or on the day of the letter of offer. (Refer to Finding 5.1)
- 1.3.11 Besides, Mohd Lan Allani and Halim Rahim were already appointed as directors of Thrushcross on 25 October 2012, before MARA Inc. became the shareholder of Thrushcross in December 2012 (Exhibit A14).
- C. MARA Inc. personnel acted in concert with unauthorised third parties
- 1.3.12 Our computer forensic procedures and assessment of documents found that multiple third parties were involved in the acquisition despite not being a party to the transaction nor the authorised representative of MARA Inc. (Refer to Finding 5.4 and 5.5)



- 1.3 MARA Inc. acquired and/or paid for the two (2) properties in Australia at price higher than market value and without the required approval. Additionally, it appears that MARA Inc. personnel had acted in concert with third parties to cause MARA Inc. to purchase these properties (Contd.)
- 
- 1.3.13 The shares of Keystone, which is now known as MARA Investments (Australia) Pty Ltd ("MIA"), was transferred to Thrushcross by GCA Pte Ltd ("GCA") on 14 September 2012 (Exhibit A13) and then to MARA Inc. on 05 April 2013 (Exhibit A28), despite not being a party to the transaction tabled to the Majlis MARA. (Refer to Finding 3.6)
- 1.3.14 A draft letter dated 26 September 2017 from Sladen Legal ("Sladen") to the State Revenue Office ("SRO") of Victoria, Australia dated 26 September 2017 indicated that GCA is a member of the Optimus Capital Group of Companies Sdn Bhd ("Optimus Capital"). (Exhibit A47)
- 1.3.15 Our computer forensics procedures found that executives of Optimus Capital, namely Mazrul Haizad, Dazma Shah bin Daud ("Dazma Shah"), and Erwan attended the office of Lincolns Lawyers and gave instructions to Lincolns Lawyers to act for Optimus Capital in the purchase of Swanston. It is found that Lincolns Lawyers was told that the purchaser was to be Keystone and was later instructed that Thrushcross was the nominee in the acquisition of Swanston. (Exhibit A33) (Refer to Finding 5.4)
- 1.3.16 It is further noted that Nazim Rahman, which appear to be the former CEO for Pelaburan MARA Berhad ("PMB") and Zach Zainal, the VP Risk Assessment and Financial Analyst at Leuven Capital Sdn Bhd ("Leuven Capital") (Exhibit A50) were involved in matters relating to the transaction such as negotiation of fee for services provided by KST Partners ("KST"), transfer for shares by GCA to Thrushcross and sending the draft agreement for the acquisition of Swanston to MARA Inc. personnel. (Exhibit A25) (Refer to Finding 5.4)

1.3 MARA Inc. acquired and/or paid for the two (2) properties in Australia at price higher than market value and without the required approval. Additionally, it appears that MARA Inc. personnel had acted in concert with third parties to cause MARA Inc. to purchase these properties (Contd.)

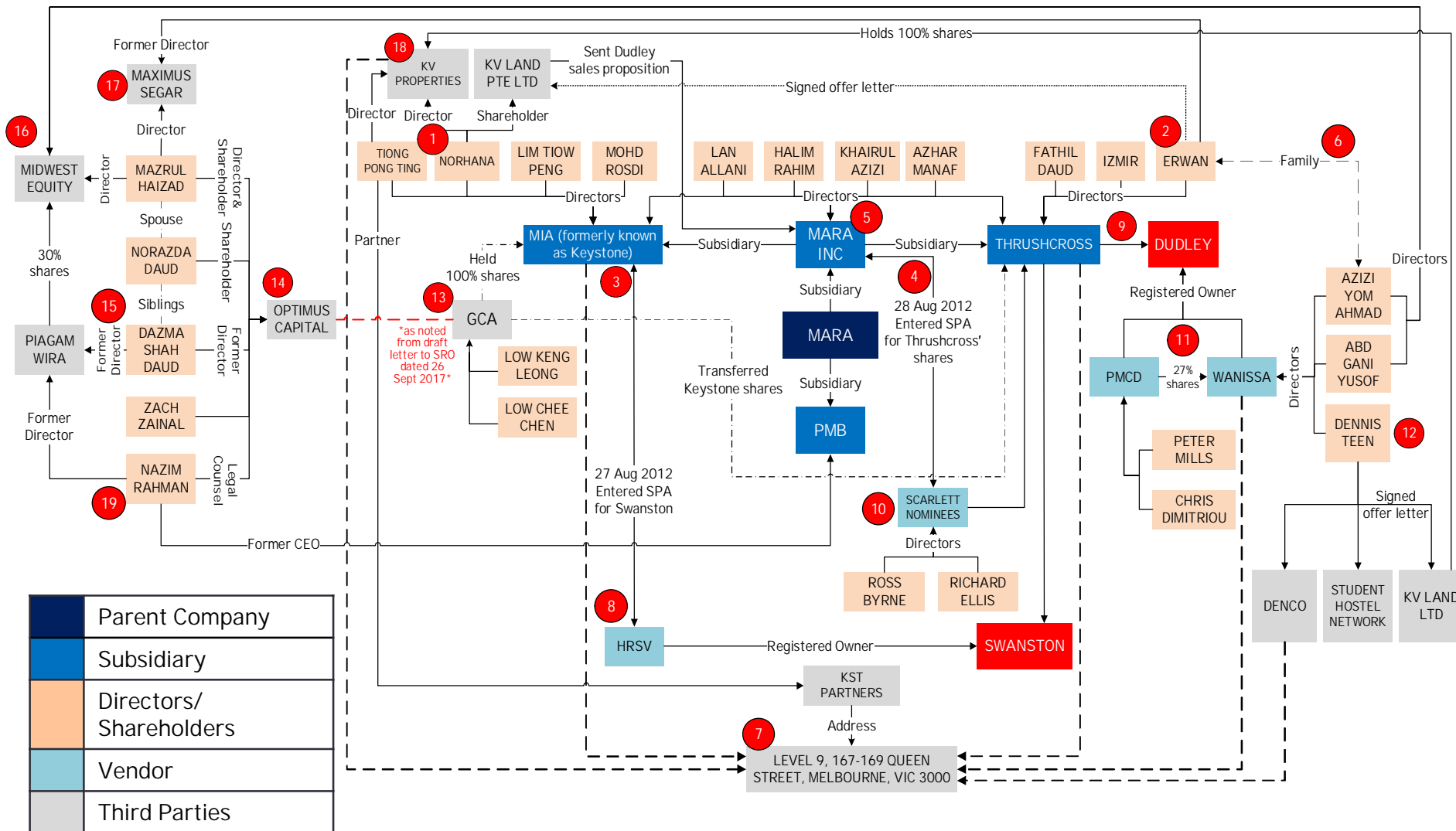
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1.3.17 Additionally, these third party individuals and companies were not an authorised representatives of MARA Inc. Further assessments and public searches also found connections among the parties involved. A relationship mapping has been developed based on public searches performed to illustrate the connections between the parties involved in MARA Inc.'s acquisition of the two (2) properties in Australia. Refer to next page for the relationship mapping.

1.3.18 Based on the findings and observations noted, it seems that (i) MARA Inc. personnel had prior knowledge of the acquisitions (ii) the parties involved for both the acquisitions are connected and (iii) the MARA Inc. personnel and the third parties are a group of connected individuals that has caused MARA Inc. to acquire the properties at AUD23.05mil higher than the market value at the material time of acquisition.

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## 1.4 Relationship Mapping



## 1.4 Relationship Mapping (Contd.)

### - Notes to the relationship mapping

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- 1 Unclear role of Norhana Kamaruddin and her link to MARA Inc.
- 2 Erwan Azizi offer to sell Swanston to MARA Inc on 04 June 2012 as director of Thrushcross. However, he was only appointed as a director in Thrushcross on 11 December 2012.
- 3 On 27 August 2012, Keystone entered into agreement to purchase 746 Swanston from HRSV for AUD23.5mil.
- 4 On 28 August 2012, MARA Inc purchased Thrushcross shares from Scarlett Nominees to acquire 746 Swanston for AUD41.8mil, inflating the price by AUD18.3mil. However, Thrushcross was only nominated as the buyer by Keystone on 11 December 2012.
- 5 Common directors for MARA Inc, Thrushcross, and MARA Investments (Australia).
- 6 Purchase of Dudley from Wanissa was between related parties, i.e. Erwan Azizi as director of Thrushcross and his father, Azizi Yom Ahmad, as director of Wanissa.
- 7 Five (5) companies that share the same address with KST Partners, indicating that they are potentially linked.
- 8 HRSV is the vendor of Swanston.
- 9 On 25 February 2013, SPA to purchase Dudley for AUD21.6mil was signed between Thrushcross, Wanissa and PMCD, indicating a potential inflation in price of AUD4.75mil.
- 10 Scarlett Nominees owned 100% shares in Thrushcross.
- 11 PMCD and Wanissa are the vendor of Dudley.
- 12 Dennis Teen who is one of the directors of Wanissa, he acts as a director in DENCO and Student Hostel Network. He signed the offer letter of Dudley on behalf of KV Land Ltd.



## 1.4 Relationship Mapping (Contd.)

### - Notes to the relationship mapping

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- 13 GCA is a member of the Optimus Capital Group of Companies.
- 14 Optimus Capital gave instructions to Lincolns Lawyer to act for them for the acquisition of Swanston.
- 15 Dazma Shah Daud, a former director of Optimus Capital, is also a former director of Piagam Wira. Piagam Wira holds 30% shares in Midwest Equity.
- 16 Azizi Yom Ahmad and Abd Gani Yusof are the directors of Midwest Equity. Mazrul Haizad, a director of Optimus Capital, acts as a director of Midwest Equity.
- 17 Mazrul Haizad and Erwan Azizi are the directors of Maximus Segar.
- 18 KV Land Ltd that sent an offer letter of Dudley, holds 100% shares in KV Properties.
- 19 Nazim Rahman, who appears to be the former CEO of PMB, received a letter from Lincolns Lawyer dated 24 October 2012, with the address of KV Properties Pty Ltd indicated that the proposed purchase price of Dudley was AUD17.85mil. He also acted as a director of Piagam Wira.

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## 1.5 Other key findings and observations

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- Finding 3.3 - It is questionable for an unknown third party to the acquisition of Swanston to request MARA Inc. to release the retention sum of AUD418k to a local law firm in Malaysia. Additionally, the payment of this retention sum was made prior to the approval from the then MARA Inc. CEO.
- Finding 3.4 - It is questionable that MARA Inc. acquired Swanston (Australian property) via the acquisition of Thrushcross (BVI company) but the payments were made to Malaysian based solicitors, which is a potential indication that the party behind Scarlett Nominees could be a Malaysian or have business transaction in Malaysia.
- Finding 3.5 - Similarities noted in the signatures of two (2) different signing parties, i.e. Norhana Kamaruddin and Mohd Lan Allani raise the doubt on the veracity of the signature in the Nomination Form and legitimacy of the Nomination Form.
- Finding 4.3 - The signatories of Dennis Teen, the director of Wanissa (one of the owner of Dudley) appears to be different and raises the doubt of the veracity as well as the validity of all the three (3) documents.
- Finding 5.2 - The then MARA Inc. CEO signed as acceptance of the EOI for the financing of the acquisition of Dudley and equity return of Swanston; and current Head of Property Investment as witness of the said EOI on behalf of KV Properties and Keystone Land, which have no business transactions or not a party to MARA Inc.'s acquisition of Swanston or Dudley.
- Finding 6.1 - The redomiciling of Thrushcross to Labuan Offshore was not carried out by the then CEO of MARA Inc. and Senior Manager of PID, despite there was an instruction from the EC.



## 2.0 Overview of the Transactions



## 2.0 Overview of the Transactions

Source:  
Google Maps



Name:	746 Swanston Street	Dudley International House
Property Type:	Commercial Building comprises 281 units of Student Accommodation	Student Accommodation Building and Retail Block
Acquisition:	28 August 2012	25 February 2013
Amount:	AUD41.8mil (equivalent to MYR131.67mil)	AUD22.6mil (equivalent to MYR72.32mil)
Registered Owner(s):	HRSV	i. Wanissa ii. PMCD
Address:	746 Swanston Street, Carlton, VIC 3053 Australia	9-11 Dudley Street, Caulfield East, Victoria 3145 Melbourne, Australia

## 2.0 Overview of the Transactions (Contd.)

### - Acquisition of Swanston

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#### A. SPA of Thrushcross dated 28 August 2012

Description	Details [Exhibit A11]
Purpose	To acquire 100% shares in Thrushcross Limited in order to acquire Swanston
Parties to the Contract	(i) Scarlett Nominees; and (ii) MARA Inc.
Company	Thrushcross Limited
Date	28 August 2012
Purchase Price	AUD41.8mil
Signing Parties	Purchaser: (i) Mohd Lan Allani, Chairman (ii) Sharizat binti Othamn, Company Secretary (Witness)  Vendor: (i) Ross Byrne, Authorised Signatory (ii) Richard Ellis, Director

## 2.0 Overview of the Transactions (Contd.)

### - Acquisition of Swanston

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#### B. Sale of Real Estate Nomination Form of Swanston dated 11 December 2012

Description	Details [Exhibit A21]
Purpose	The Purchaser to nominate the Nominee as substitute Purchaser to take a transfer or conveyance in lieu of the Purchaser for the Property
Parties to the Contract	(i) Keystone Land; and (ii) Thrushcross
Property	Contract of Sale of 746 Swanston Street, Carlton VIC 3053 Certificate of Title Volume 11033 Folio 440 Certificate of Title Volume 11033 Folio 441
Date	11 December 2012
Signing Parties	Purchaser: (i) Norhana Kamaruddin, Director (ii) Tiong Pong Ting, Director  Nominee: (i) Erwan Azizi, Director (ii) Izmir Hamid, Director

## 2.0 Overview of the Transactions (Contd.)

### - Acquisition of Swanston

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#### C. Contract of Sale of Real Estate ("CSRE") of Swanston dated 27 August 2012

Description	Details [Exhibit A09]
Purpose	To transfer the land (Volume 11033 Folio 440 Lot S5 and Volume 11033 Folio 441 Lot S6)
Parties to the Contract	(i) HRSV; and (ii) Keystone Land
Land Address	746 Swanston Street, Carlton
Date	27 August 2012
Purchase Price	AUD23.5mil
Signing Parties	Purchaser: Tiong Pong Ting, Director  Vendor: (i) Lionel Farber, Director (ii) Sydney Davidoff, Director

## 2.0 Overview of the Transactions (Contd.)

### - Acquisition of Dudley

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#### D. CSRE of Dudley dated 25 February 2013

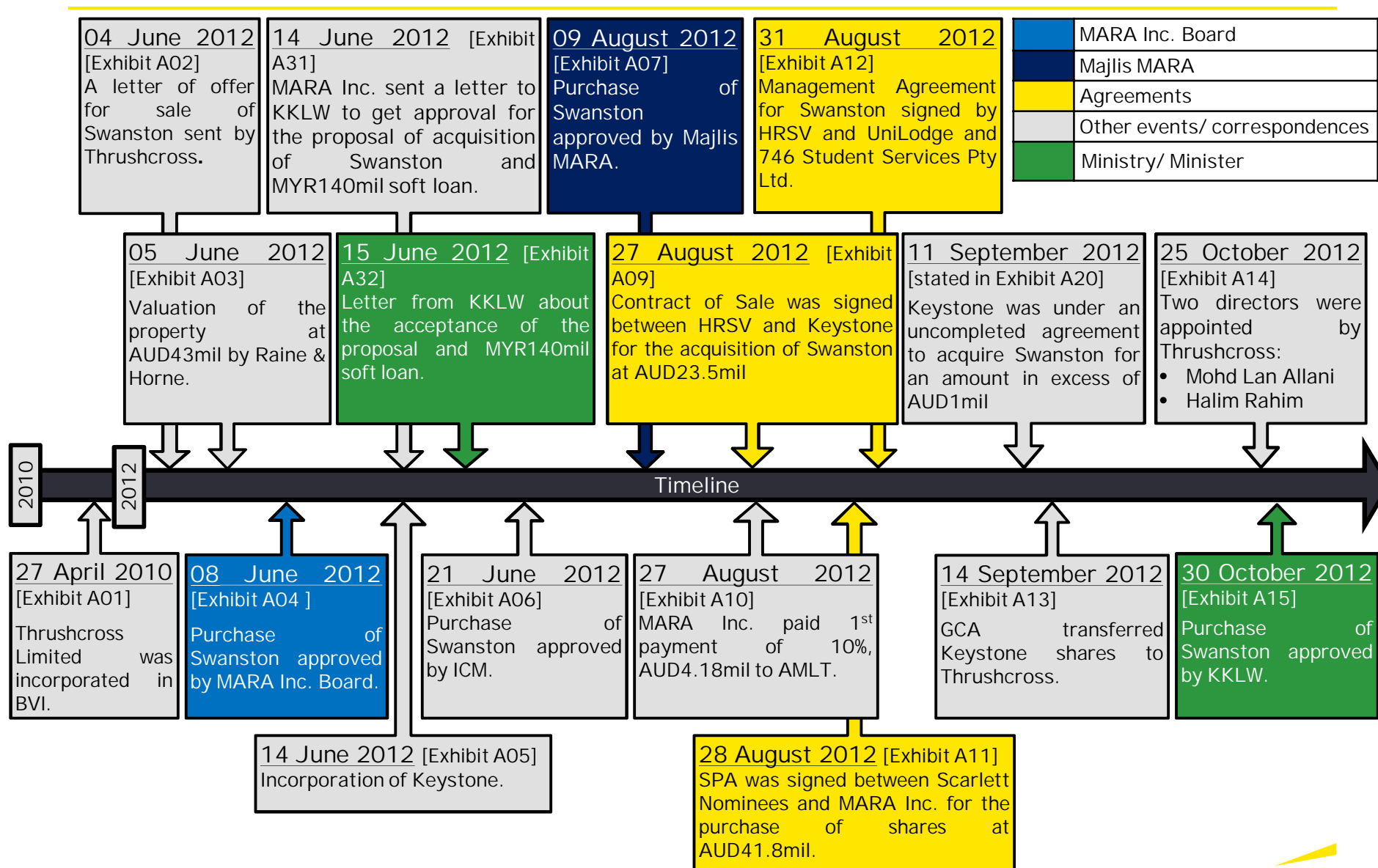
Description	Details [Exhibit B08]
Purpose	To transfer the property 9 Dudley Street, Caulfield East Vic 3145 and Ground Level, First Level, Second Level, Third Level and Fourth Level, 11 Dudley Street, Caulfield East Vic 3145 (Being Lots 72, 73, 74, 75, 76 and S3 on Plan of Subdivision 631360Y)
Parties to the Contract	(i) Wanissa; (ii) PMCD; and (iii) Thrushcross
Property Address	9-11 Dudley Street, Caulfield East, Vict 3145
Date	25 February 2013
Purchase Price	AUD22.6mil
Signing Parties	Purchaser: (i) Halim Rahim, Director  Vendor: (i) Dennis Teen, Director of Wanissa (ii) Chris Dimitriou, Director of PMCD



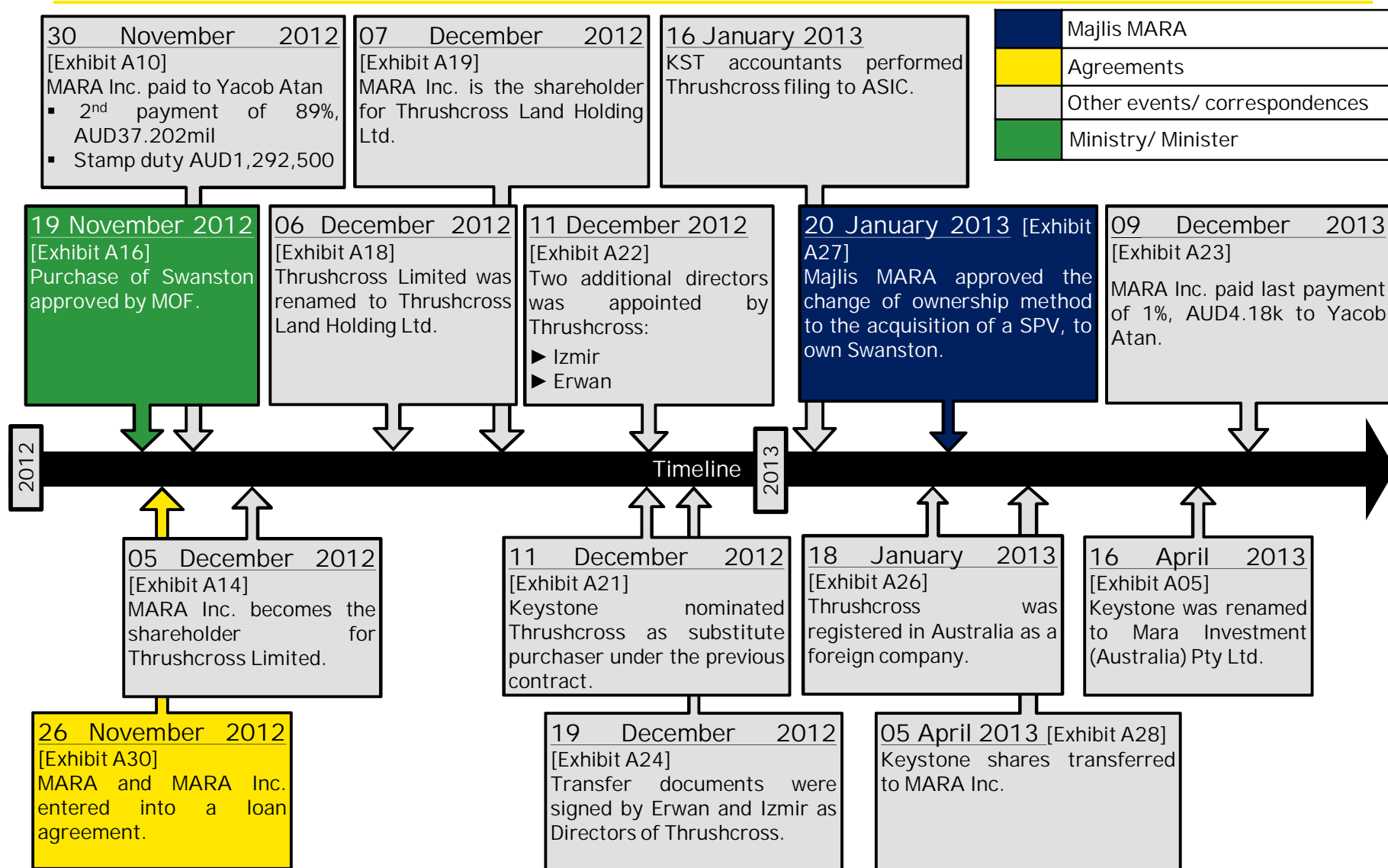


## 2.1 Chronology of Key Events – Swanston

## 2.1 Chronology of Key Events – Swanston



## 2.1 Chronology of Key Events – Swanston (Contd.)

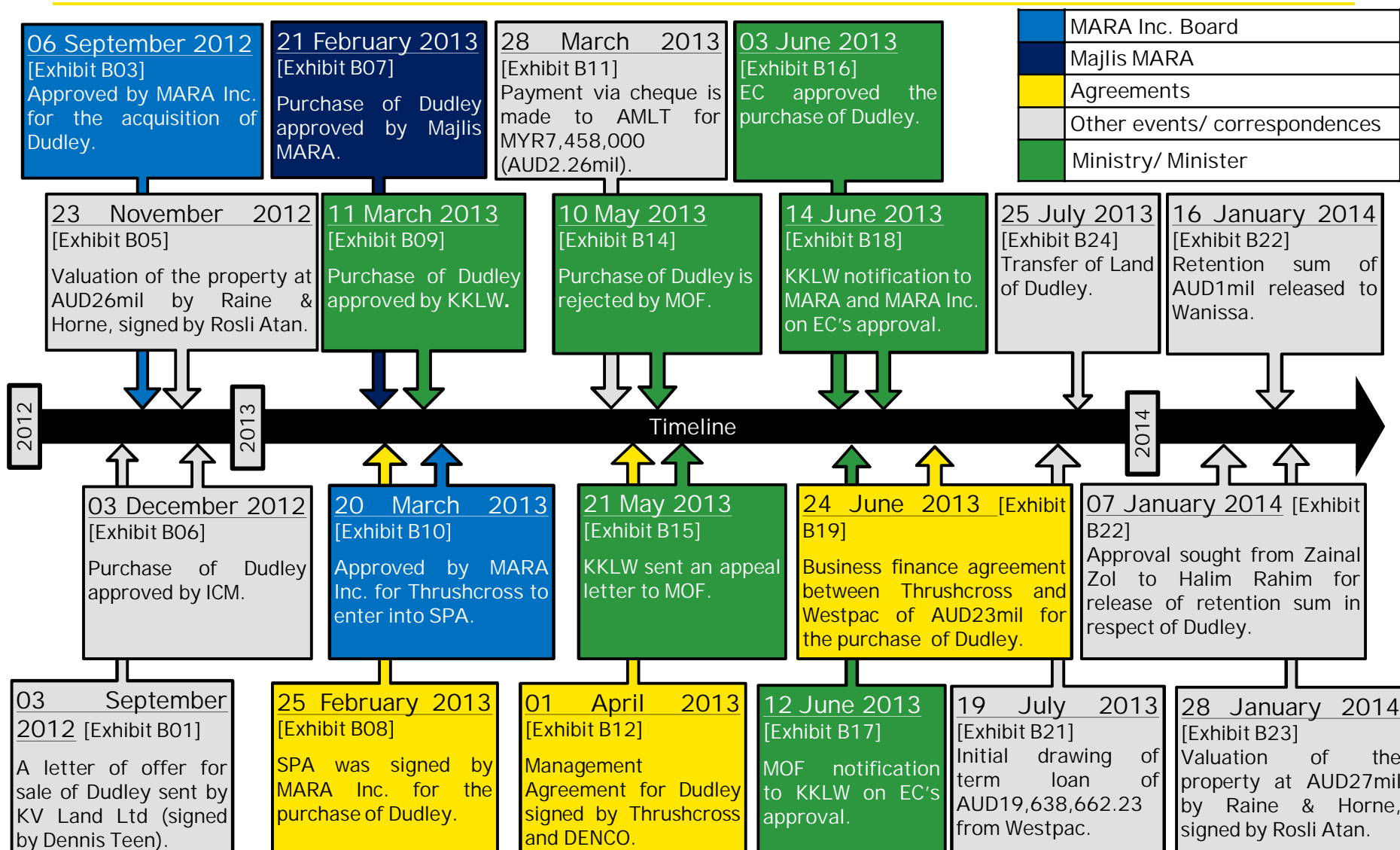




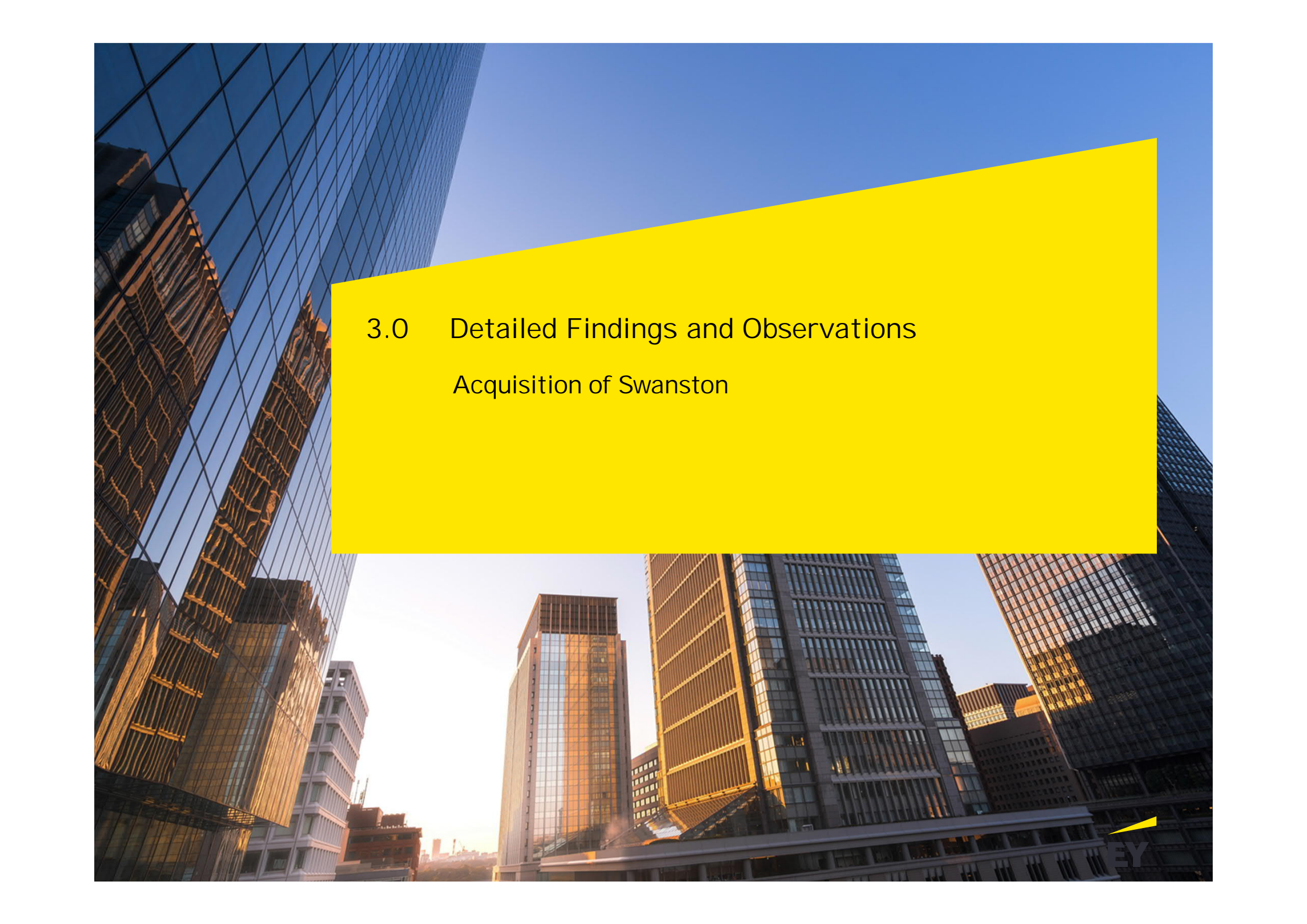


## 2.2 Chronology of Key Events – Dudley

## 2.2 Chronology of Key Events – Dudley








## 3.0 Detailed Findings and Observations

### Acquisition of Swanston





3.1 MARA Inc. acquired Thrushcross for the acquisition of Swanston at AUD18.3mil higher than the previous sale of Swanston from its registered owner to Keystone Land Pty Ltd on a day before MARA Inc.'s acquisition. Additionally, Thrushcross is not the owner of Swanston at the material time

3.1 MARA Inc. acquired Thrushcross for the acquisition of Swanston at AUD18.3mil higher than the previous sale of Swanston from its registered owner to Keystone Land Pty Ltd on a day before MARA Inc.'s acquisition. Additionally, Thrushcross is not the owner of Swanston at the material time

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A. MARA Inc. acquired Swanston on 28 August 2012 at AUD41.8mil via the acquisition of Thrushcross from Scarlett Nominees, which was AUD18.3mil higher than the purchase consideration of AUD23.5mil by a third party (Keystone) from the rightful owner on a day before MARA Inc. entered into the SPA with Scarlett Nominees

3.1.1 On 28 August 2012, MARA Inc. entered into a SPA with Scarlett Nominees, a BVI company, to acquire 100% shares of Thrushcross at AUD41.8mil to acquire Swanston. However, based on the transfer of land title document, the Swanston title was only transferred to Thrushcross approximately 3.5 months later on 19 December 2012.

Please refer to Exhibit A11 for the SPA between MARA Inc. and Scarlett Nominees dated 28 August 2012 and Exhibit A24 for the transfer of Swanston land title to Thrushcross dated 19 December 2012.

3.1.2 Our investigation uncovered that on 27 August 2012, Keystone Land Pty Ltd ("Keystone"), a company based in Australia, had entered into a Contract of Sale of Real Estate ("CSRE") with registered owner of Swanston, i.e. H.R.S.V Pty Ltd ("HRSV") for the acquisition of Swanston at only AUD23.5mil. Furthermore, based on public searches performed, Keystone and Thrushcross are separate entities owned by different owners.

Please refer to Exhibit A09 for the Contract of Sale of Real Estate of Swanston between Keystone and HRSV dated 27 August 2012.

3.1.3 Premised on the above, MARA Inc. had acquired Swanston at AUD18.3mil higher than the purchase price of AUD23.5mil within a day of the sale of the Swanston from HRSV to Keystone.

3.1 MARA Inc. acquired Thrushcross for the acquisition of Swanston at AUD18.3mil higher than the previous sale of Swanston from its registered owner to Keystone Land Pty Ltd on a day before MARA Inc.'s acquisition. Additionally, Thrushcross is not the owner of Swanston at the material time (Contd.)

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B. Thrushcross was not the beneficial owner of Swanston at the time the SPA dated 28 August 2012 was signed between MARA Inc. and Scarlett Nominees

3.1.4 As mentioned above, the transfer of land title document shows that the Swanston land title was only transferred to Thrushcross on 19 December 2012 from the owner, HRSV via the CSRE entered into between Keystone and HRSV. Our publicly available searches on Keystone and information provided by MARA Inc. on Thrushcross and Scarlett Nominees did not note any direct relationship between Keystone and the other two (2) BVI companies, i.e. Thrushcross and Scarlett Nominees. As such, it is questionable for Keystone to purchase Swanston from HRSV and to have Thrushcross as the beneficial owner of Swanston. Based on various documents found as explained in the ensuing paragraphs, it appears that the sale of Swanston property is a sub-sale from Keystone to Thrushcross and then finally to MARA Inc. This is because one day before MARA Inc. acquisition of Swanston, a third party, Keystone acquired Swanston from HRSV with the objective of selling the property to Thrushcross.

3.1.5 The directors and shareholders of the respective companies based on our searches on Keystone and documents provided on Thrushcross and Scarlett Nominees are as tabulated below:

Company	Shareholders	Directors
Thrushcross Limited (BVI)	Scarlett Nominees Limited (BVI)	<ul style="list-style-type: none"><li>▪ Ross Kennaugh Byrne (appointed 22 Jun 10)</li><li>▪ Richard Damian Ellis (appointed 24 Jun 10)</li></ul>
Scarlett Nominees Limited (BVI)	N/A - Unknown	<ul style="list-style-type: none"><li>• Ross Kennaugh Byrne</li><li>• Richard Damian Ellis</li></ul> (appointment date unknown for both directors)
Keystone Land Pty Ltd (Australia) [now known as MARA Investment (Australia) Pty Ltd]	GCA Pte. Ltd (Singapore)	<ul style="list-style-type: none"><li>• Norhana Kamaruddin (appointed 14 Jun 12)</li><li>• Tiong Pong Ting (appointed 14 Jun 12)</li></ul>

3.1 MARA Inc. acquired Thrushcross for the acquisition of Swanston at AUD18.3mil higher than the previous sale of Swanston from its registered owner to Keystone Land Pty Ltd on a day before MARA Inc.'s acquisition. Additionally, Thrushcross is not the owner of Swanston at the material time (Contd.)

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B. Thrushcross was not the beneficial owner of Swanston at the time the SPA dated 28 August 2012 was signed between MARA Inc. and Scarlett Nominees


3.1.6 Based on Clause (B) on page 3 of the SPA dated 28 August 2012 found in the document folder provided by MARA Inc., "As of the date of this Agreement Thrushcross Limited (Company Registration No. 1582710) is the beneficial owner of a property more particularly described in Schedule 3." Schedule 3 of the CSRE stipulates the address of the property, i.e. "The building and the freehold land comprised...situated at Section 39 at Carlton, Victoria, Australia known as 746 Swanston St Carlton Melbourne Victoria 3053 Australia. (The Valuation Report is annexed hereto)". Please refer to Exhibit A11 for the SPA between MARA Inc. and Scarlett Nominees dated 28 August 2012.

3.1.7 However, we found another document, i.e. Sale of Real Estate Nomination Form (SRE Nomination Form) entered into between Keystone and Thrushcross on 11 December 2012. The SRE Nomination Form stated that Thrushcross is nominated as the substitute purchaser to take a transfer or conveyance in lieu of the purchaser, Keystone.

Please refer to Exhibit A21 for the Sale of Real Estate Nomination Form dated 11 December 2012.

3.1.8 Premised on the findings above, it indicated that Thrushcross was neither the owner nor the beneficial owner of Swanston at the time MARA Inc. had entered into the agreement with Scarlett Nominee to acquire Thrushcross for the purpose of acquiring Swanston.

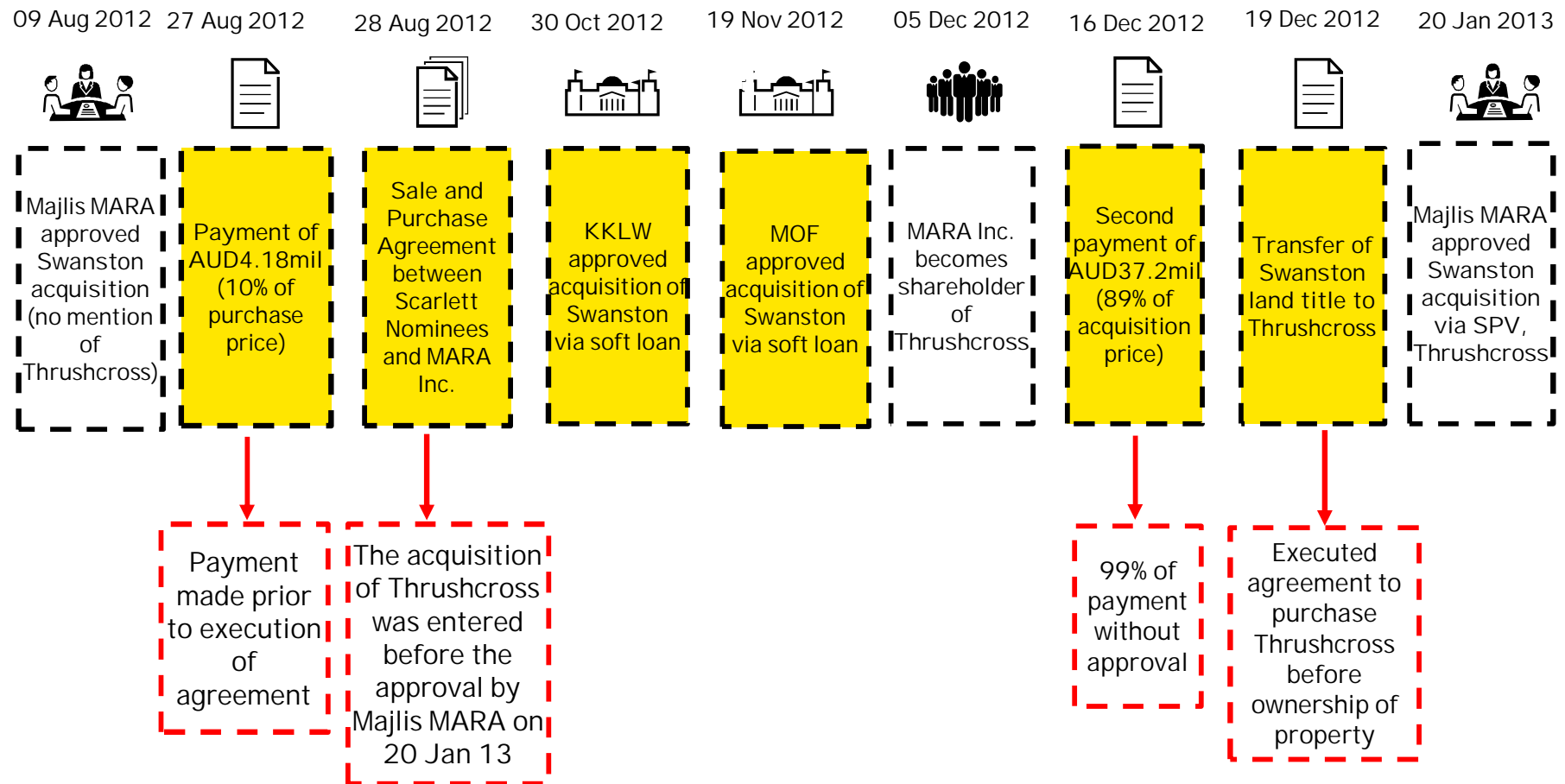




3.2 MARA Inc. entered into SPA to acquire Thrushcross and made payments for the acquisition before obtaining all the necessary approval from Majlis MARA, KKLW and MOF

### 3.2 MARA Inc. entered into SPA to acquire Thrushcross and made payments for the acquisition before obtaining all the necessary approval from Majlis MARA, KKLW and MOF

3.2.1 The illustration below shows the summary of the key events of the acquisition of Swanston. Highlighted boxes shows the unauthorised acquisition of Thrushcross including the execution of the SPA between Scarlett Nominees and MARA Inc., the payments made for the acquisition of Thrushcross and the transfer of Swanston land title to Thrushcross.





3.2 MARA Inc. entered into SPA to acquire Thrushcross and made payments for the acquisition before obtaining all the necessary approval from Majlis MARA, KKLW and MOF (Contd.)

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A. MARA Inc. entered into the SPA to acquire Swanston via acquisition of Thrushcross prior to the Majlis MARA's approval, which was only obtained on 20 January 2013

3.2.2 Based on our assessment of the MOM and Board Papers, it is noted that the acquisition of Thrushcross was only tabled to Majlis MARA on 13 December 2012 and finally approved on 20 January 2013. There was no mention of the acquisition of SPV or Thrushcross to the Board prior to 13 December 2012. A summary of the proposal to acquire Swanston/Thrushcross is shown below:-

Date	Tabled to	Proposed acquisition of
08 Jun 12	MARA Inc. Board	Swanston
21 Jun 12	Investment Committee of Majlis MARA("ICM")	Swanston
09 Aug 12	Majlis MARA	Swanston
13 Dec 12	Majlis MARA	Thrushcross
20 Jan 13	Majlis MARA	Thrushcross

3.2.3 In Majlis MARA meeting Bil. 7/2012 on 09 August 2012, it was stated that Majlis MARA had only approved the direct purchase of Swanston property without mentioning Thrushcross. Refer below for the extracts of approval from Majlis MARA:

- i. Acquisition of Swanston with MYR140mil;
- ii. Soft loan from MARA to MARA Inc. amounting to MYR140mil for the acquisition of Swanston;
- iii. MARA Inc. given the mandate to appoint consultants for technical, legal and financial due diligence on the proposed acquisition; and
- iv. MARA Inc. allowed to accept the offer including the payment of deposit and execution of the sale and purchase agreement for the building.

Please refer to Exhibit A07 for the MOM of Majlis MARA 384<sup>th</sup> (Bil. 7/2012) dated 09 August 2012.

3.2 MARA Inc. entered into SPA to acquire Thrushcross and made payments for the acquisition before obtaining all the necessary approval from Majlis MARA, KKLW and MOF (Contd.)

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3.2.4 Only in Majlis MARA meeting Bil. 10/2012 on 13 December 2012, the change of acquisition structure was first deliberated in this meeting where the change was to now acquire Swanston via the acquisition of Thrushcross, the special purpose vehicle ("SPV") that owns Swanston. However, in this meeting, the Majlis MARA had not resolved to acquired Thrushcross. In this meeting Majlis MARA resolved "Majlis mengarahkan MARA Inc. dan BPPS memaklumkan semula kepada Majlis akan tatacara perolehan pembelian bangunan tersebut dalam mesyuarat akan datang untuk mendapatkan pengesahan Majlis bagi pembelian bangunan melalui pengambil alihan keseluruhan (100%) saham syarikat pemilik bangunan iaitu Thrushcross Limited yang berjumlah RM140 juta ...".

Please refer to Exhibit A49 for MOM of Majlis MARA 387<sup>th</sup> (Bil. 10/2012) dated 13 December 2012.

3.2.5 The change of the ownership method from the acquisition of the property to the acquisition of SPV was only approved by Majlis MARA on 20 January 2013 in Majlis MARA meeting Bil. 1/2013. MARA Inc., which stated that they acquired Swanston via the acquisition of a SPV, which was similar to the other acquisitions made. MARA Inc. informed in this meeting that they have acquired 100% shares in Thrushcross that is the registered owner of Swanston. The reasons given for the change of the ownership method were:

- i. Swanston is the only asset owned by SPV;
- ii. The property ownership via a SPV can be a corporate shield in which it provides MARA Inc. with indemnity in the event if any legal actions arise; and
- iii. It will be an exit strategy for MARA Inc. if MARA Inc. wants to divest by disposing the property in the future.

Please refer to Exhibit A27 for Majlis MARA MOM Bil. 1/2013 dated 20 January 2013.

3.2 MARA Inc. entered into SPA to acquire Thrushcross and made payments for the acquisition before obtaining all the necessary approval from Majlis MARA, KKLW and MOF (Contd.)

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3.2.6 However, it is noted that on 28 August 2012, MARA Inc. entered into the SPA with Scarlett Nominees to acquire the shares in Thrushcross with the consideration of AUD41.8mil, which was approximately five (5) months prior to the approval of the acquisition of the SPV by Majlis MARA on 20 January 2013.

Please refer to Exhibit A11 for the SPA dated 28 August 2012.

B. Payment for the acquisition of Thrushcross was made before the approval of Majlis MARA was obtained on 20 January 2013

3.2.7 Assessment of documents noted that a payment voucher dated 27 August 2012 and a cheque dated 29 August 2012 were prepared for the payment of 10% deposit amounting to AUD4.18mil (equivalent MYR13,442,805) for the acquisition of Thrushcross.

Please refer to Exhibit A10 for the supporting documents for the payment of 10% deposit amounting to AUD4.18mil.

3.2.8 Besides that, another payment voucher dated 30 November 2012 and a remittance application form dated 30 November 2012 were prepared for 89% payment amounting to AUD37.2mil (equivalent to MYR119,046,400) and stamping fee of AUD1.19mil (equivalent to MYR3,816,000).

Please refer to Exhibit A17 for the supporting documents for the payment of 89% of the purchase price amounting to AUD37.2mil.

3.2 MARA Inc. entered into SPA to acquire Thrushcross and made payments for the acquisition before obtaining all the necessary approval from Majlis MARA, KKLW and MOF (Contd.)

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3.2.9 Premised on the above, MARA Inc. had paid a total of AUD41.38mil, which represents 99% of the total acquisition price of Swanston totalling AUD41.8mil prior to the approval from Majlis MARA on 20 January 2013.

C. Approvals obtained from KKLW and MOF were only for the acquisition of Swanston but not Thrushcross

3.2.10 In addition, although the approval from KKLW and MOF were obtained on 30 October 2012 and 19 November 2012 respectively, the approval were only for the acquisition of Swanston directly but not the SPV, i.e. Thrushcross. Please refer to Exhibit A15 for the approval by KKLW dated 30 October 2012 and Exhibit A16 for the approval by MOF dated 19 November 2012.

3.2.11 On 21 May 2013, KKLW sent a letter which is signed by Dato' Seri Haji Mohd Shafie bin Haji Apdal of KKLW to Dato' Sri Mohd Najib bin Tun Haji Abdul Razak ("MNAR"), the then Prime Minister/Finance Minister, with the title "RAYUAN KE ATAS PERMOHONAN PERUNTUKAN SUNTIKAN MODAL KEPADA MARA INCORPORATED SDN. BHD. (MARA INC.) BERJUMLAH RM100 JUTA SERTA KELULUSAN PELABURAN HARTANAH DI LONDON DAN MELBOURNE, AUSTRALIA". Although the purpose of the letter is not for the acquisition of Swanston, it is stated in the letter that the acquisition method of Swanston is via the acquisition of the entire shares of the company, Thrushcross Limited. KKLW further informed that this method is used as SPV will be acting as corporate shields by protecting MARA Inc. from any legal action arises. This is the only letter to state the facts that the acquisition of Swanston is via the acquisition of SPV, i.e. Thrushcross. Based on documents provided, there is no request for approval paper or letter to KKLW to approve the acquisition of Thrushcross before this letter dated 21 May 2013.

3.2 MARA Inc. entered into SPA to acquire Thrushcross and made payments for the acquisition before obtaining all the necessary approval from Majlis MARA, KKLW and MOF (Contd.)

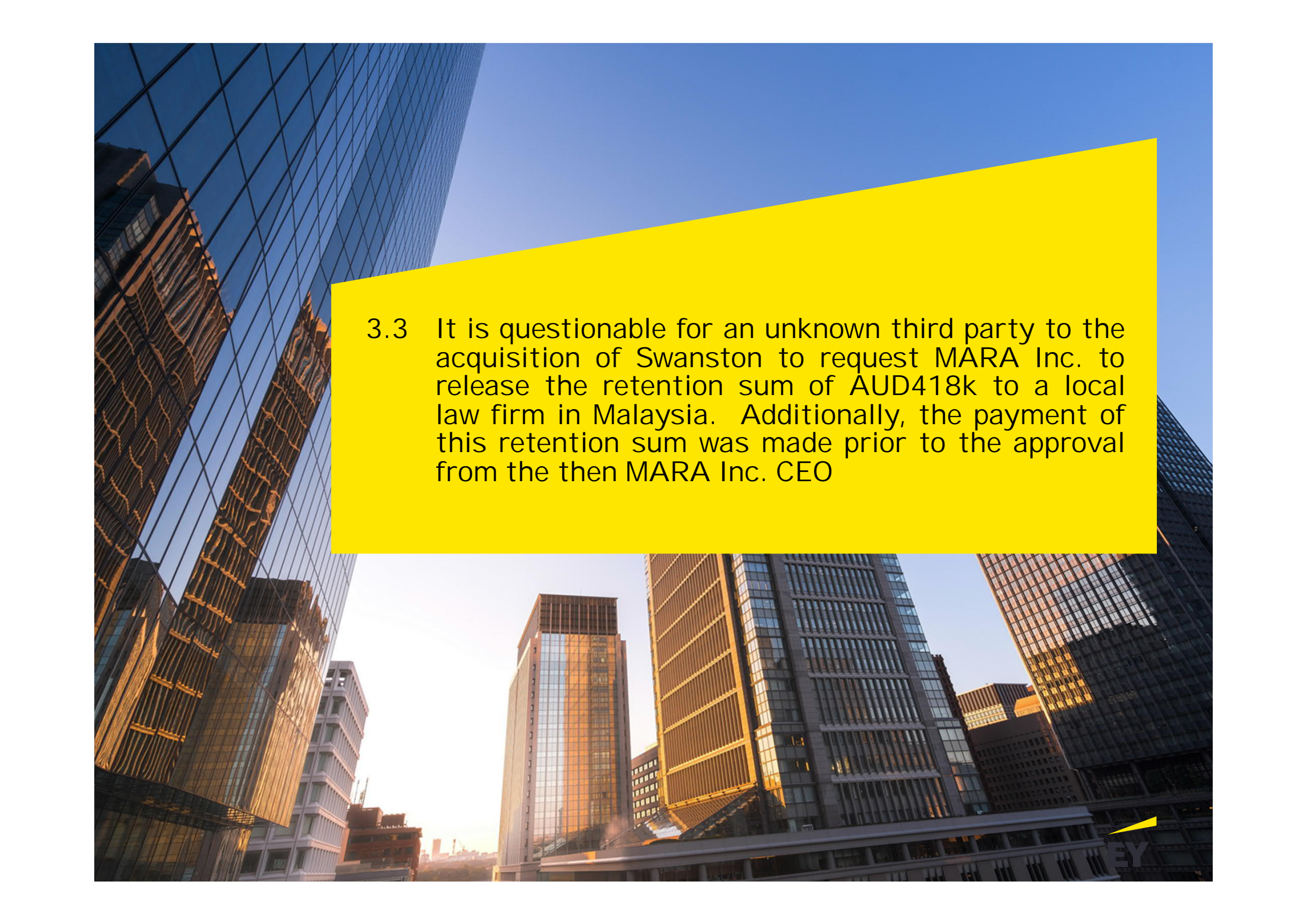
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3.2.12 The letter dated 21 May 2013 from KKLW is questionable as this letter was an appeal letter from KKLW on behalf of MARA Inc. to the MOF for the acquisition of Dudley, which appears that KKLW may have impaired its independence and objectivity as one of the approval party of MARA Inc. Please refer to Exhibit B15 for the letter from KKLW dated 21 May 2013.

3.2.13 In summary, MARA Inc. had entered into the SPA to acquire the shares in Thrushcross prior to obtaining the approval from Majlis MARA, KKLW and MOF. Management of MARA Inc. had also made unauthorised payment for the acquisition of Thrushcross as the initial approval was only given to MARA Inc. for the acquisition of Swanston directly rather than the acquisition of the SPV, Thrushcross.

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3.3 It is questionable for an unknown third party to the acquisition of Swanston to request MARA Inc. to release the retention sum of AUD418k to a local law firm in Malaysia. Additionally, the payment of this retention sum was made prior to the approval from the then MARA Inc. CEO



3.3 It is questionable for an unknown third party to the acquisition of Swanston to request MARA Inc. to release the retention sum of AUD418k to a local law firm in Malaysia. Additionally, the payment of this retention sum was made prior to the approval from the then MARA Inc. CEO

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3.3.1 On 09 December 2013, an email titled "Release of 746 Retention Sum" from Zach Zainal (an executive of Optimus Capital and VP of Risk Assessment and Financial Analyst of Leuven Capital) was sent to Vincent Chin, Managing Partner of Abdul Malik & Lawrence Tan ("AMLT"), who is MARA Inc.'s appointed solicitor and copied Zainal Zol, MARA Inc. Head of Property Investment. Zach Zainal notified them that the retention period of 746 Swanston Street has already expired and requested them to transfer the retention sum of AUD418k to Yacob Atan. Please refer below for the extract of the email.

**From:** Zach Zainal <zach.zainal@gmail.com>  
**Date:** 9 December, 2013 10:31:10 am GMT+8  
**To:** vchinyh@gmail.com  
**Cc:** Zainal Zol ZZ <zainalzol@gmail.com>  
**Subject:** Release Of 746 Retention Sum

Hi Dato,

Good morning. How are you? I hope you have a wonderful weekend last week.

I am writing to you regarding retention sum of 746 Swanston Street.

I would like to notify you and Mara Inc that the retention period of 746 Swanston St already expired.

The total amount of retention sum is AUD 418,000.00.

Can you please transfer the sum retention to our lawyer Yacob Atan & Associates account.

Herewith I attached details of our lawyer account :

3.3.2 A summary of the dates of the payment voucher and telegraphic transfer ("TT") form for the retention sum paid out is as set out below.

Payment Voucher Date	Date of Memorandum	Date of TT Form	Amount (AUD)	Amount (MYR)
16 December 2013	10 December 2013	09 December 2013	418,000	1,233,100

3.3 It is questionable for an unknown third party to the acquisition of Swanston to request MARA Inc. to release the retention sum of AUD418k to a local law firm in Malaysia. Additionally, the payment of this retention sum was made prior to the approval from the then MARA Inc. CEO (Contd.)

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3.3.3 Our further assessment noted that the 1% retention sum amounting to MYR1,233,100 (equivalent to AUD418k) for the acquisition of Thrushcross' shares was made on 09 December 2013, which was on the same day that the email was sent to Vincent Chin and Zainal Zol. The payment was made to Yacob Atan client's account via TT, which the TT form was dated 09 December 2013 and signed by Halim Rahim and Mohd Lan Allani.

3.3.4 However, it is noted that the release of the retention sum was approved by the then MARA Inc. CEO, Halim Rahim, only on 10 December 2013 via MARA Inc.'s Memorandum for the approval to release the payment, which was raised and approved one (1) day after the payment was made.

3.3.5 Furthermore, the payment voucher was only approved on 16 December 2013 by Halim Rahim, which was seven (7) days after the date of the TT form. The payment voucher was prepared by Siti Sarah and verified by Nor Azlin.

Please refer to Exhibit A23 for the supporting documents for the payment of 1% retention sum and Exhibit A45 for the bank statement dated 31 December 2013.

3.3.6 Premised on the above, MARA Inc. had released the retention sum prior to the approval of the Memorandum dated 10 December 2013 and payment voucher on 16 December 2013.

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3.3 It is questionable for an unknown third party to the acquisition of Swanston to request MARA Inc. to release the retention sum of AUD418k to a local law firm in Malaysia. Additionally, the payment of this retention sum was made prior to the approval from the then MARA Inc. CEO (Contd.)


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3.3.7 Addiditonally, based on this said email, it is questionable for:

- ▶ Zach Zainal (an executive of Optimus Capital, which provides general trading and VP of Risk Assessment and Financial Analyst of Leuven Capital, which provides office and building management services), who is not the contractual party with MARA Inc. send an email requesting for MARA Inc to release the retention sum.
- ▶ MARA Inc. to remit the retention sum to a law firm, i.e. Yacob Atan that is based in Malaysia for the acquisition of Swanston from Scarlett Nominees, which was a BVI that is not based in Malaysia. This could potentially mean that the shareholder of this BVI could be based in Malaysia or have business transactions in Malaysia.

3.3.8 Besides, this same email would have indicated that AMLT, MARA Inc. appointed lawyer and Zainal Zol, who is the current Head of Property Investment were aware of the involvements of these unauthorised third parties (i.e. Zach Zainal, Optimus Capital and Leuven Capital), which were not reported to the Majlis MARA.

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3.4 It is questionable that MARA Inc. acquired Swanston (Australian property) via the acquisition of Thrushcross (BVI company) but the payments were made to Malaysian based solicitors

3.4 It is questionable that MARA Inc. acquired Swanston (Australian property) via the acquisition of Thrushcross (BVI company) but the payments were made to Malaysian based solicitors

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3.4.1 Based on the SPA for the acquisition of Thrushcross dated 28 August 2012, Scarlett Nominees, a company incorporated in the BVI, appointed Jacob Atan & Associates ("Jacob Atan"), a solicitor based in Malaysia for the sale of Thrushcross to MARA Inc. Furthermore, according to the SPA, the balance payment of 89%, less 10% deposit (paid to AMLT) and 1% retention (subsequently paid to Jacob Atan), amounting to AUD37.2mil were to be paid to Jacob Atan.

Please refer to Exhibit A11 for the SPA between Scarlett Nominees and MARA Inc. dated 28 August 2012.

3.4.2 Based on the above information, MARA Inc. arranged a payment to Jacob Atan amounting to 89% payment amounting to AUD37.2mil (equivalent to MYR119,046,400) and stamping fee of AUD1.19mil (equivalent to MYR3,816,000) being the remaining payment of purchase price and stamping fee on 30 November 2012.

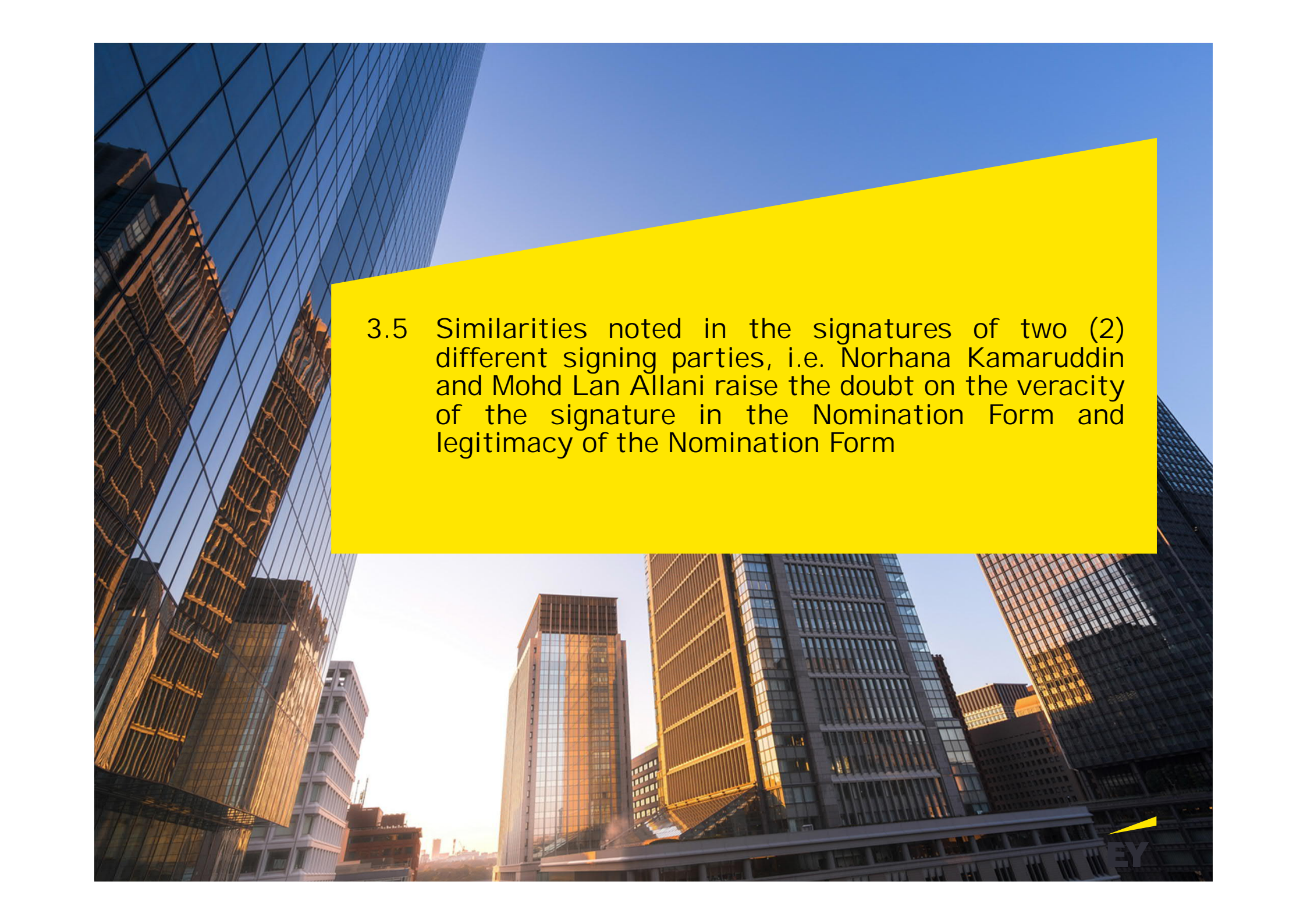
Please refer to Exhibit A17 for the supporting documents for the payment of 89% of the purchase price amounting to AUD37.2mil.

3.4.3 On 09 December 2013, MARA Inc. made another payment amounting to MYR1.23mil (equivalent to AUD418,000) to Jacob Atan for the release of the retention sum.

Please refer to Exhibit A23 for the supporting documents for the payment of 1% retention sum amounting to AUD418k.

3.4.4 It is unusual that Scarlett Nominees, a BVI company, would appoint a Malaysian based solicitor for the transaction made by MARA Inc. for the purpose of acquiring a property based in Australia. The payments were also made to Jacob Atan, the Malaysian based solicitor which is a potential indication that the party behind Scarlett Nominees could be a Malaysian or have business transaction in Malaysia.





3.5 Similarities noted in the signatures of two (2) different signing parties, i.e. Norhana Kamaruddin and Mohd Lan Allani raise the doubt on the veracity of the signature in the Nomination Form and legitimacy of the Nomination Form



### 3.5 Similarities noted in the signatures of two (2) different signing parties, i.e. Norhana Kamaruddin and Mohd Lan Allani raise the doubt on the veracity of the signature in the Nomination Form and legitimacy of the Nomination Form

3.5.1 In the Sale of Real Estate Nomination Form dated 27 August 2012, Norhana was named as the signatory party to the said form as the director of Keystone. However, our verification noted that Norhana's signatory in the Nomination Form is similar to Mohd Lan Allani's signature in the SPA dated 28 August 2012 and Loan Agreement dated 26 November 2012. Please refer to the extract for the signatories from the three (3) documents below.

#### Sale of Real Estate Nomination Form

**SALE OF REAL ESTATE NOMINATION FORM**

**VENDOR:** H.R.S.V. PTY LTD (A.C.N. 106 708 196)

**NAMED PURCHASER:** KEYSTONE LAND PTY LTD (A.C.N. 158 971 665)

**NOMINEE(S):** THRUSHCROSS LAND HOLDINGS LIMITED

**PROPERTY:** Contract of Sale for 746 Swanston Street, Carlton VIC 3053  
Certificate of Title Volume 11033 Folio 440  
Certificate of Title Volume 11033 Folio 441

**DATE OF SALE:** 27 AUGUST 2012

As the Property is expressed as sold to the Purchaser "and/or Nominee" (or words of like effect) then pursuant to the conditions of the Contract the Purchaser nominates the Nominee as substitute Purchaser to take a transfer or conveyance in lieu of the Purchaser.

The Purchaser and the Nominee acknowledge that they will henceforth be jointly and severally liable for the due performance of the obligations of the Purchaser under the Contract and payment of any expenses resulting from this Nomination (including any Stamp Duty).

DATED 11 / 12 / 2012

Executed by the named Purchaser KEYSTONE LAND PTY LTD in accordance with Section 127 of the Corporations Act 2001 by being signed by those persons who are authorised to sign for the company:

Director  
Print Name: NORHANA BT MAMARUDIN  
Address: LEVEL 9, 167-169 QUEEN ST. MELBOURNE VIC 3000

Director/Secretary  
Print Name: TIONG ROM TENG  
Address: LEVEL 9, 167-169 QUEEN ST. MELBOURNE VIC 3000

#### SPA for the acquisition of Thrushcross

The Common Seal of **SCARLETT NOMINEES )**  
**LIMITED** the abovenamed Vendor was  
hereunto affixed in the presence of :- )

ROSS KENNAUGH BYRNE  
(British/Isl of Man Passport No. 621238984)  
Designation: Authorised Signatory

RICHARD DAMIAN ELLIS  
(Irish No. PC8961399)  
Designation: Director

The Common Seal of **MARA INCORPORATED )**  
**SDN BHD** the abovenamed Purchaser was  
hereunto affixed in the presence of :- )

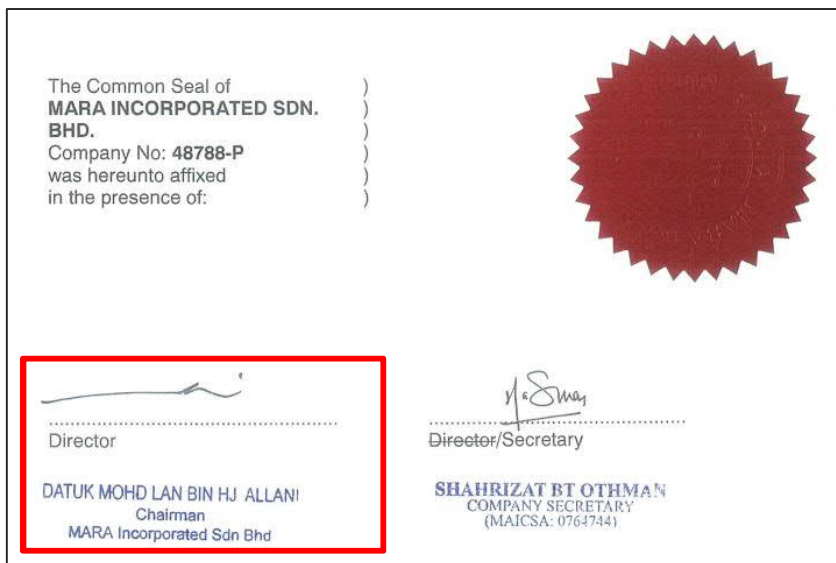
DATUK MOHAMMAD LAN BIN ALLANI  
Malaysian Identity Card No. 561212-12-5789  
Designation: Chairman

SHAHRIZAT BINTI OTHMAN  
Malaysian Identity Card No. 571014-10-5874  
Designation: Company Secretary

3.5 Similarities noted in the signatures of two (2) different signing parties, i.e. Norhana Kamaruddin and Mohd Lan Allani raise the doubt on the veracity of the signature in the Nomination Form and legitimacy of the Nomination Form (Contd.)

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Sale of Real Estate Nomination Form



Please refer to Exhibit A21 for the Sale of Real Estate Nomination Form dated 11 December 2012, Exhibit A11 for the SPA dated 28 August 2012 and Exhibit A30 for the Loan Agreement between MARA and MARA Inc. dated 26 November 2012.

3.5.2 Premised on the above, Norahana's signature in the Nomination Form raises the doubt on its veracity and the legitimacy of the Sale of Real Estate Nomination form dated 11 December 2012.



### 3.6    Unauthorized acquisition of Keystone (now known as MARA Investment (Australia) Pty Ltd

### 3.6 Unauthorised acquisition of Keystone (now known as MARA Investment (Australia) Pty Ltd

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3.6.1 On 14 September 2012, Keystone shares was transferred to Thrushcross by the previous owner, GCA Pte. Ltd. ("GCA"), which is a company based in Singapore. Thrushcross at that material time was not a subsidiary of MARA Inc. Publicly available searches found that GCA is Global Corporate Advisory Pte. Ltd. GCA is a company that provide professional services that assist foreigners and Singapore residents to start up business in Singapore and company formation. They have assisted numerous Multinational Corporations and Small & Medium Enterprises in Singapore an globally in setting up business in Singapore or BVI or Marshall Islands.

Please refer to Exhibit A13 for the transfer of Keystone shares from GCA to Thrushcross dated 14 September 2012 and Exhibit A52 for the extract of GCA official website.

3.6.2 Based on the database searches conducted, GCA was incorporated on 15 May 2005 and the directors and shareholder of GCA are as follows:

Name	Nationality	Directorship (Appointment Date)	Shareholding
Low Chee Chen	Malaysian	03 June 2008	50,000 shares
Low Keng Leong	Malaysian	15 May 2005	N/A

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### 3.6 Unauthorised acquisition of Keystone (now known as MARA Investment (Australia) Pty Ltd)

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- 3.6.3 On 04 April 2013, Keystone shares was transferred from Thrushcross to MARA Inc. Subsequent to the transfer, Keystone was renamed to MARA Investment (Australia) Pty Ltd ("MIA") on 16 April 2013. However, neither GCA or Keystone is a party to transaction for MARA Inc.'s acquisition of Swanston. Based on the assessment of Majlis MARA and MARA Inc. Board MOM and Board Papers, the acquisition of Keystone was not tabled for approval. As such, the reason for the transfer of Keystone at no consideration/value to MARA Inc. is unclear and questionable.

Please refer to Exhibit A28 for the transfer of Keystone shares from Thrushcross to MARA Inc. dated 04 April 2013 and Exhibit A05 for the change of name to MIA dated 16 April 2013.

- 3.6.4 Furthermore, our computer forensics procedures found an email dated 08 June 2017 titled "Fwd: FW: FW: Keystone" sent by Zainal Zol to MARA Inc.'s Property Investment Division's email and Mohd Daud, the then Manager from Property Investment Division of MARA Inc. In the email trail, Zainal Zol stated that "... this transaction was merely an administrative error as it is redundant as our transaction for acquisition of 746 Swanston which was completed on 16 Dec 2012 involving purchase of the entire shares in Thrushcross and has nothing to do with shares in Keystone."

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### 3.6 Unauthorised acquisition of Keystone (now known as MARA Investment (Australia) Pty Ltd (Contd.)

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- 3.6.5 Zainal Zol requested KST to reverse the transaction to rectify the error as the administrative error was done prior to the acquisition of Thrushcross and had unnecessary potential tax liability on Thrushcross. However, the statement made by Zainal Zol that “it was done prior to our acquisition of Thrushcross” is incorrect, as based on this email, MARA Inc. had already acquired Thrushcross. Please refer to the extract of the email below.

I refer to our telephone conversation last week pertaining to the transfer of Keystone shares to Thrushcross on 17 Sept 2012.

As we have both agreed pursuant to our investigation on the above matter, this transaction was merely an administrative error as it is redundant as our transaction for acquisition of 746 Swanston which was completed on 16 Dec 2012 involving purchase of the entire shares in Thrushcross and has nothing to do with shares in Keystone.

Kindly take note that the administrative error which was done prior to our acquisition of Thrushcross has an unnecessary potential tax liability on Thrushcross and we therefore request your kind assistance to urgently reverse the transaction to rectify the error.

Appreciate your help on this.

Thanks.

Zainal Zol

- 3.6.6 It is further noted in the Request to Withdraw a Lodged Document attached to the aforementioned email, it is stated that “this document was lodged in error. There was a communication breakdown between the client and our administrative team. This document should never have to be lodged.”

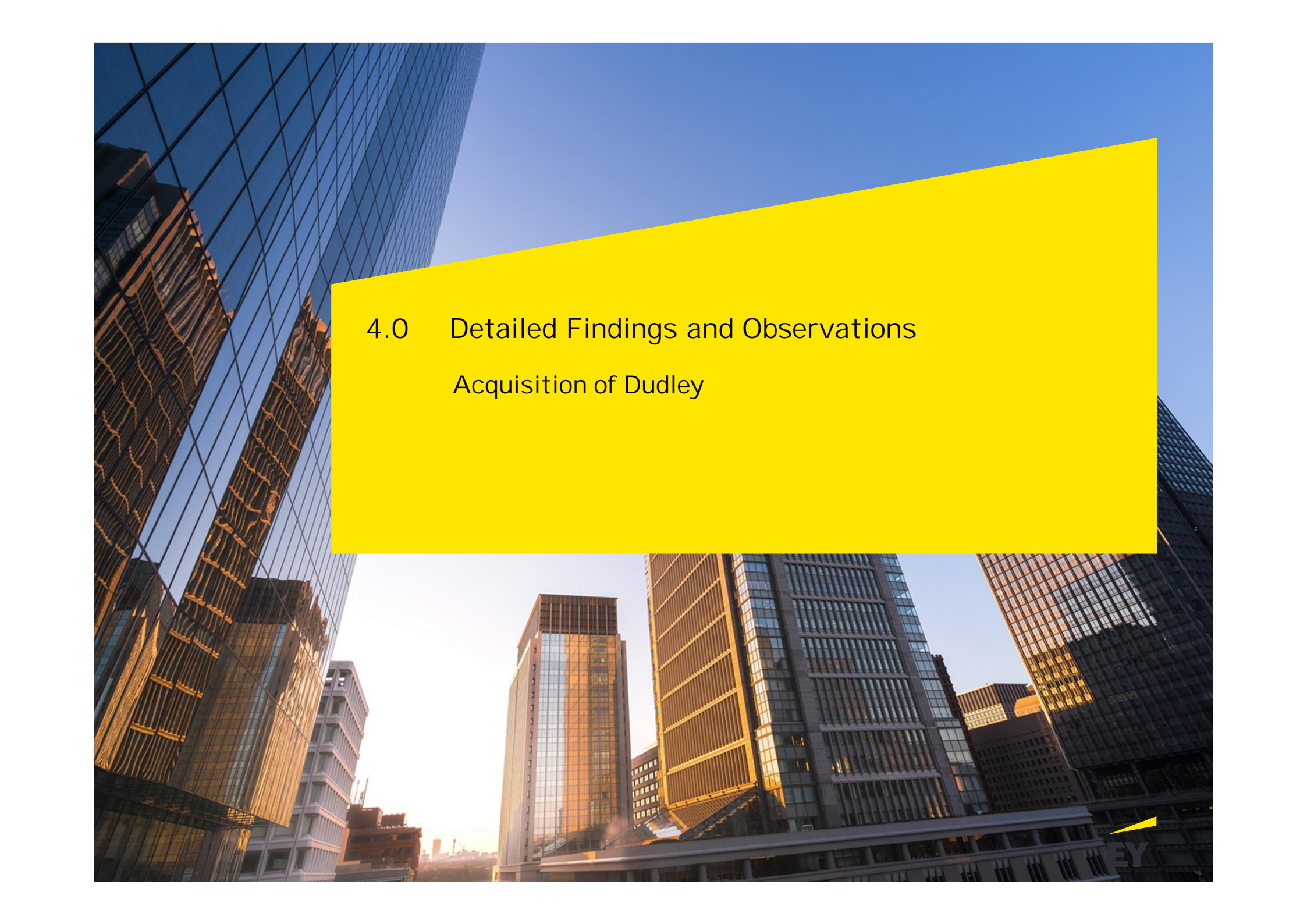
Please refer to Exhibit A38 for the abovementioned email dated 08 June 2017 and the Request to Withdraw a Lodged Document.

### 3.6 Unauthorised acquisition of Keystone (now known as MARA Investment (Australia) Pty Ltd (Contd.))

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- 3.6.7 Premised on the above, Zainal Zol, MARA Inc.'s Head of Property Investment had the knowledge of the transfer of Keystone to MARA Inc. Although it may seem to be a mistake in transfer, however, the acceptance of the shares of Keystone and the subsequent rename of the company to MIA shows that MARA Inc. had accepted the risk of the acquisition of such company without fully knowing the details and background of Keystone as there are no documented evidence that such assessment was performed. Additionally, it casts doubt that the owners of Keystone, i.e. GCA could make an error to sign the transfer of Keystone shares to MARA Inc. unnoticeably and without consideration/value.

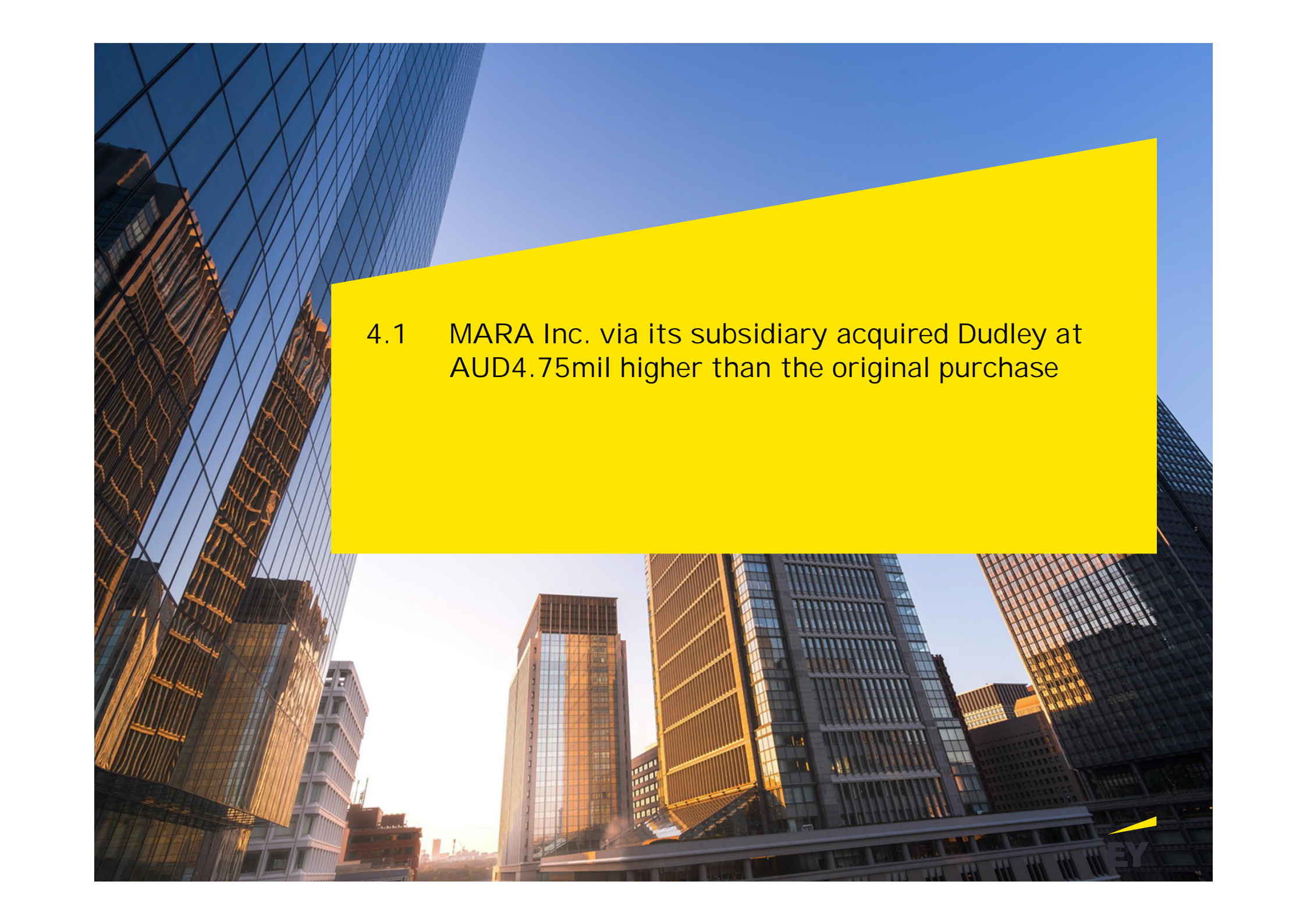
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## 4.0 Detailed Findings and Observations

### Acquisition of Dudley





4.1 MARA Inc. via its subsidiary acquired Dudley at AUD4.75mil higher than the original purchase

## 4.1 MARA Inc. via its subsidiary acquired Dudley at AUD4.75mil higher than the previous four (4) months ago purchase price

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- 4.1.1 On 25 February 2013, MARA Inc. via Thrushcross (which has become a subsidiary of MARA Inc. at the material time) entered into the Contract of Sale of Real Estate ("CSRE") with Wanissa and PMCD Investments Pty Ltd ("PMCD"), who were both the registered owner of Dudley, for the acquisition of Dudley at AUD22.6mil.

Please refer to Exhibit B08 for the Contract of Sale of Real Estate between Thrushcross and Wanissa and PMCD dated 25 February 2013.

- 4.1.2 However, based on our assessment of MARA's Internal Audit report, based on a lawyer's advise letter from Lincolns Lawyers & Consultants ("Lincolns Lawyers") dated 24 October 2012 that was addressed to Nazim Rahman, the then PMB CEO, it was stipulated that the purchase price was AUD17.85mil. An extract of the statement in the said letter is as follows:

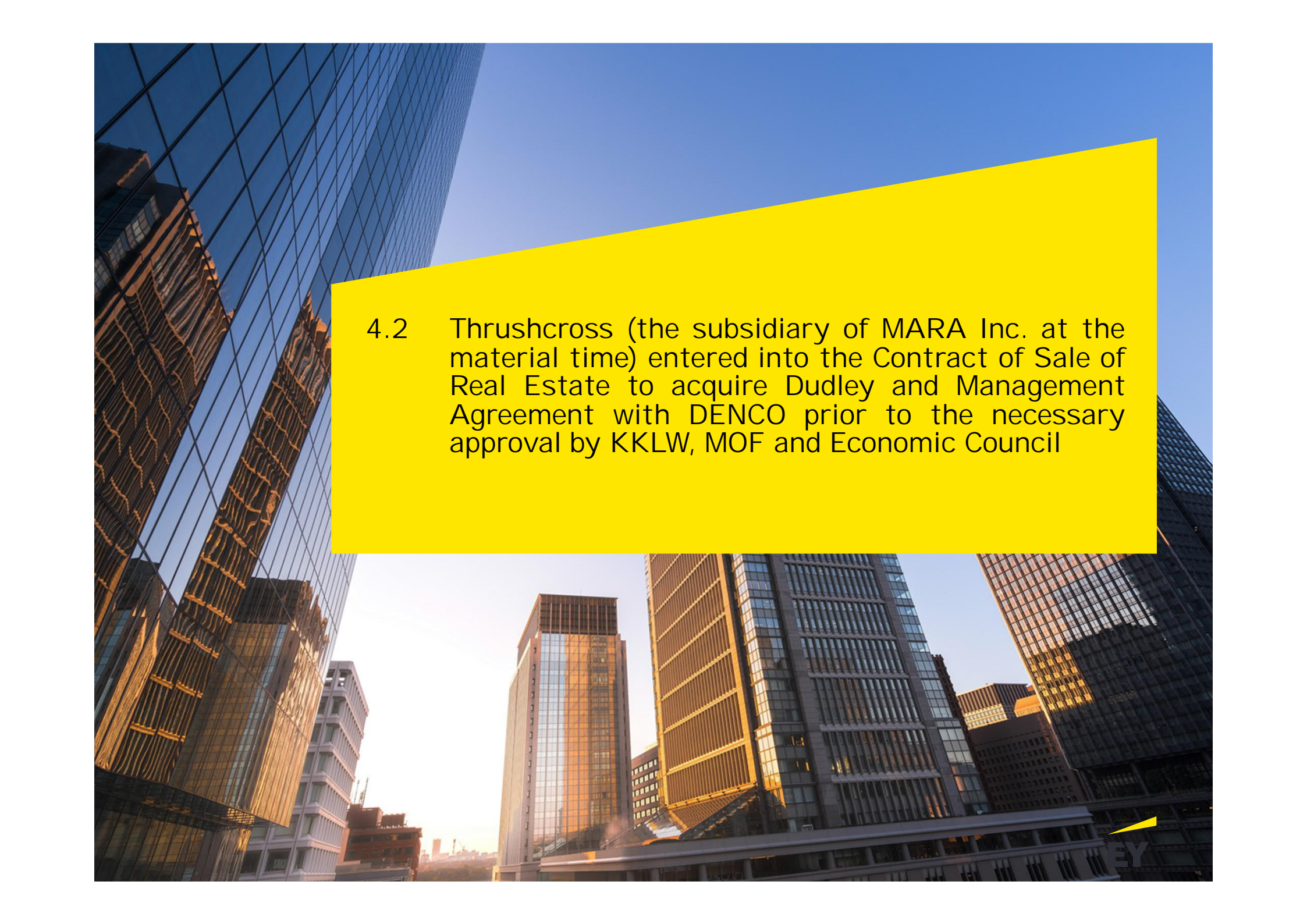
"Accordingly, the estimated stamped duty payable (subject to GST) for the purposed purchase price of \$17,850,000.00 is \$981,750.00."

EY Advisory was unable to obtain the said lawyer's advise letter as both MARA Inc. and MARA Internal Audit Department could not locate the said advice letter based on our request.

Please refer to Exhibit B26 for the Internal Audit report.

- 4.1.3 Based on the Lincolns Lawyers' advise letter, it appears that MARA Inc. had acquired Dudley at AUD4.75mil higher than the purchase price of AUD17.85mil. Our assessment also found that Lincolns Lawyers are acting for the Optimus Capital for the acquisition of Swanston. Refer to Finding 5.4 for further details.

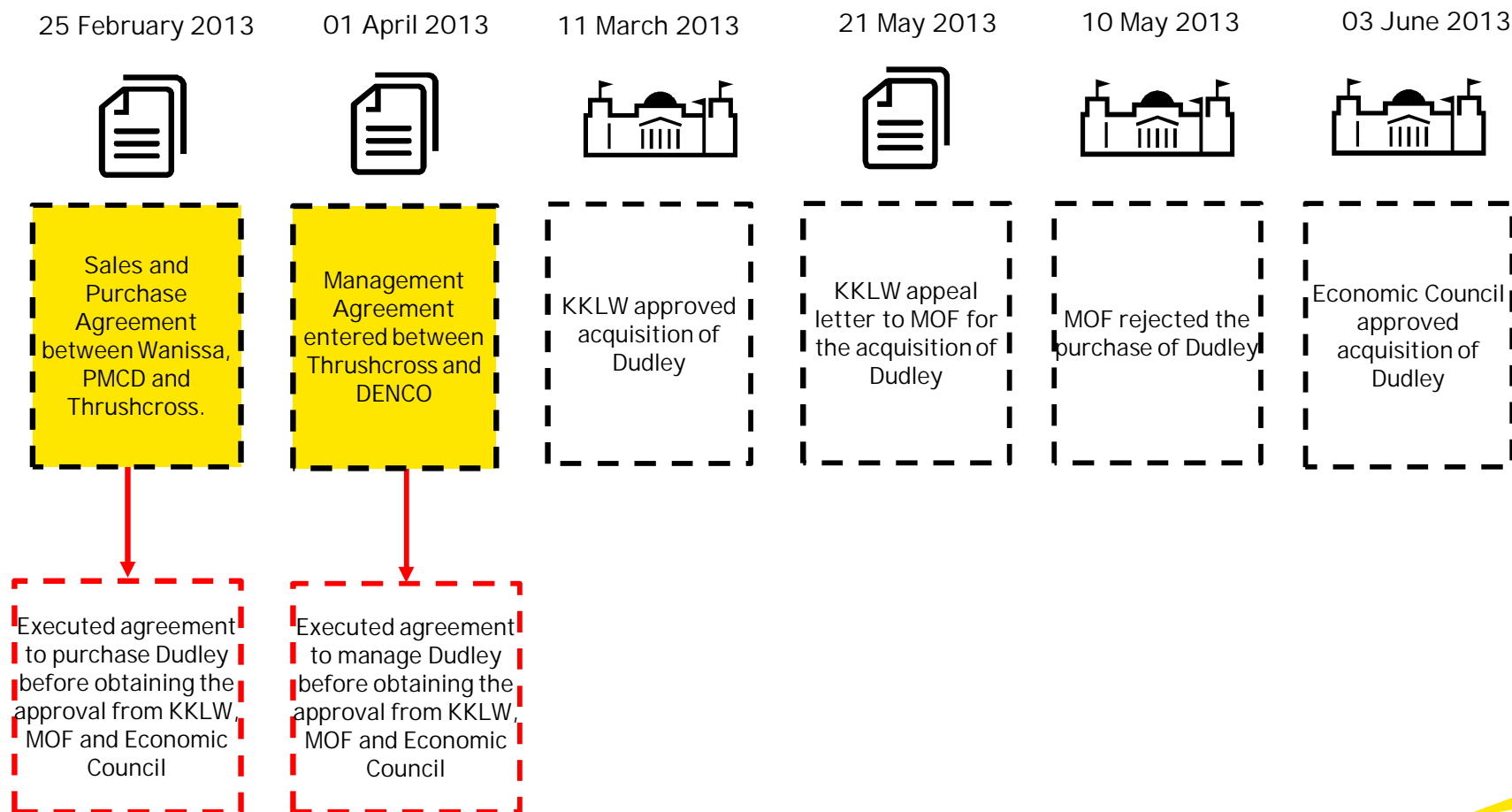




4.2 Thrushcross (the subsidiary of MARA Inc. at the material time) entered into the Contract of Sale of Real Estate to acquire Dudley and Management Agreement with DENCO prior to the necessary approval by KKLW, MOF and Economic Council

4.2 Thrushcross (the subsidiary of MARA Inc. at the material time) entered into the Contract of Sale of Real Estate to acquire Dudley and Management Agreement with DENCO prior to the necessary approval by KKLW, MOF and Economic Council

4.2.1 The illustration below shows the summary of the key events of the acquisition of Dudley. Highlighted boxes shows the unauthorised acquisition of Dudley including the execution of the Contract of Sale of Real Estate ("CSRE") between Wanissa, PMCD and Thrushcross and the Management Agreement to engage DENCO Corporation Pty Ltd ("DENCO") to manage Dudley and operate the student hostel and accommodation business.



4.2 Thrushcross (the subsidiary of MARA Inc. at the material time) entered into the Contract of Sale of Real Estate to acquire Dudley and Management Agreement with DENCO prior to the necessary approval by KKLW, MOF and Economic Council (Contd.)

---

4.2.2 A summary of the proposal tabled to various authority in MARA to acquire Dudley is shown below:-

Date	Tabled to	Proposed acquisition of
06 Sep 12	MARA Inc. Board	Dudley
03 Dec 12	ICM	Dudley
21 Feb 13	Majlis MARA	Dudley

Please refer to Exhibit B02 for the approval by the Board of MARA Inc. on 06 September 2012, Exhibit B06 for the approval by MARA Investment Committee on 03 December 2012 and Exhibit B07 for an extract of the MOM of Majlis MARA 389<sup>th</sup> (Bil. 2/2013) dated 21 February 2013.

4.2.3 Thrushcross had entered into contracts with the following parties (i.e. DENCO and Wanissa), which has a common shareholder, i.e. Dennis Teen:

- ▶ On 25 February 2013, Wanissa, PMCD and Thrushcross entered into the CSRE for the acquisition of Dudley at AUD22.6mil.
- ▶ On 01 April 2013, Thrushcross had entered into a Management Agreement with DENCO to engage DENCO to manage Dudley and operate the student hostel and accommodation business.

Please refer to Exhibit B08 for the Contract of Sale of Real Estate between Thrushcross, Wanissa and PMCD dated 25 February 2013 and Exhibit B12 for the Management Agreement between Thrushcross and DENCO dated 01 April 2013.

4.2 Thrushcross (the subsidiary of MARA Inc. at the material time) entered into the Contract of Sale of Real Estate to acquire Dudley and Management Agreement with DENCO prior to the necessary approval by KKLW, MOF and Economic Council (Contd.)

---

4.2.4 However, it is noted that the acquisition of Dudley was only approved by KKLW on 11 March 2013 and was subsequently rejected by MOF on 10 May 2013. The MOF letter was signed by Dato' Bukhari bin Hasan, Bahagian Kawalan dan Pemantauan on behalf of Ketua Setiausaha Perbendaharaan. In the letter from MOF, it is stated that "... adalah dimaklumkan bahawa YAB Perdana Menteri/Menteri Kewangan tidak bersetuju MARA membeli bangunan tersebut." Following the rejection by MOF, KKLW sent an appeal letter to MOF on 21 May 2013.

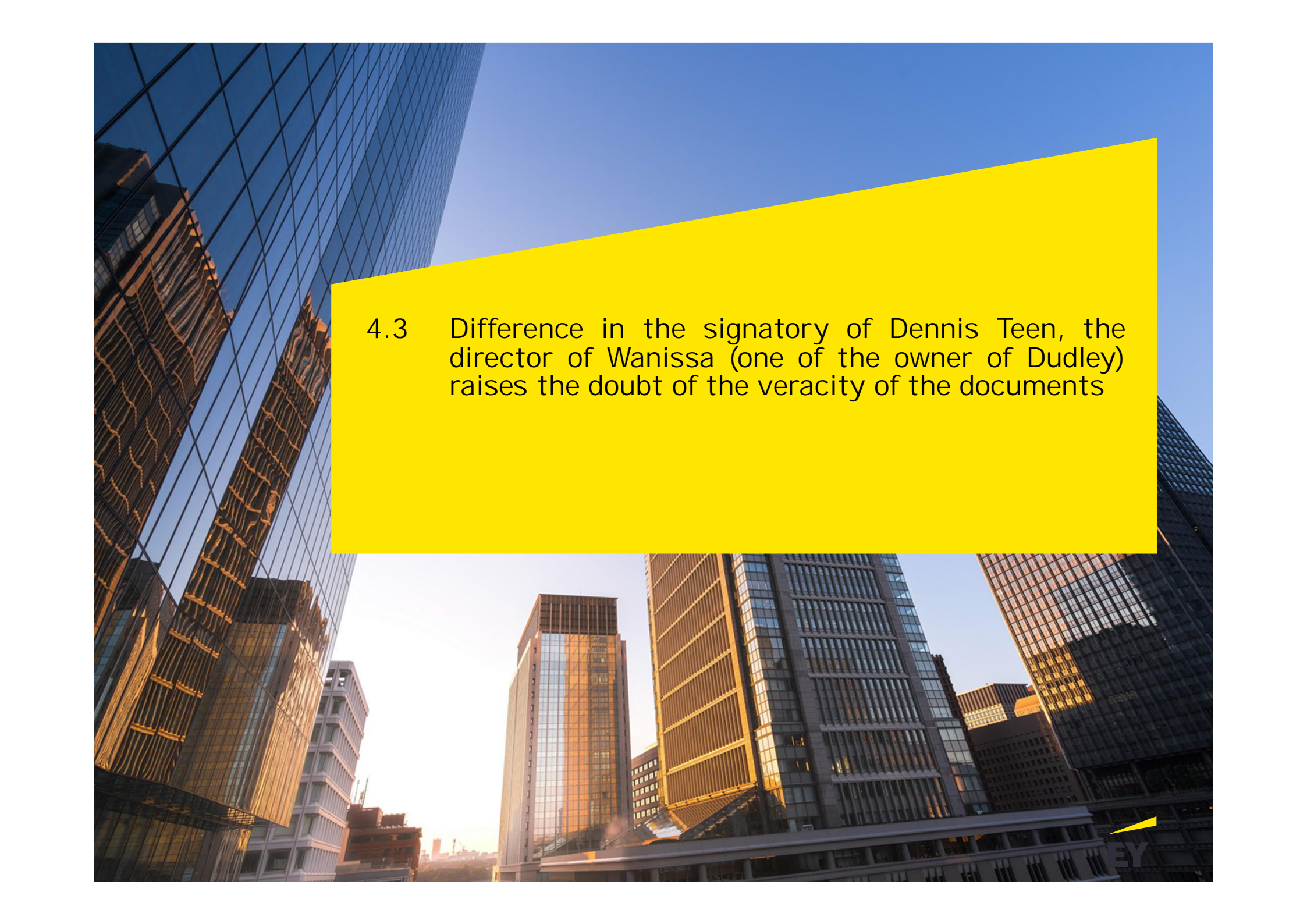
Please refer to Exhibit B09 for the approval from KKLW dated 11 March 2013, Exhibit B14 for the rejection letter by MOF dated 10 May 2013, Exhibit B15 for the appeal letter by KKLW dated 21 May 2013.

4.2.5 Ironically, based on EC's letter dated 07 June 2013 that was signed by Nik Azman Nik Abdul Majid, Secretary of EC, the proposed acquisition that was initially rejected by Dato' Sri Haji Mohammad Najib Bin Tun Haji Abdul Razak ("MNAR") on 10 May 2013, the former Prime Minister and Finance Minister at the material time had been approved by the EC on 03 June 2013. This approval on 03 June 2013 was granted less than a month from the initial rejection, in a meeting that is chaired by the same person, i.e. MNAR who rejected the acquisition.

Please refer to Exhibit B16 for the letter from EC dated 07 June 2013 regarding the approval of the acquisition of Dudley.

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4.3 Difference in the signatory of Dennis Teen, the director of Wanissa (one of the owner of Dudley) raises the doubt of the veracity of the documents



#### 4.3 Difference in the signatory of Dennis Teen, the director of Wanissa (one of the owner of Dudley) raises the doubt of the veracity of the documents

4.3.1 Based on the assessment of documents related to the acquisition of Dudley, it is noted that the offer letter for the sale of Dudley from KV Land Ltd dated 03 September 2012, was signed by Dennis Teen, who is the director of Wanissa, one of the registered owner of Dudley. Our comparison among the letter of offer of sale from KV Land Ltd dated 03 September 2012; the SPA for Dudley dated 25 February 2013; and Management Agreement of Dudley dated 01 April 2013 showed that there are differences in the signatory of Dennis Teen in comparison of the three (3) documents as set out below.

##### Letter of offer of sale from KV Land Ltd

4. Conclusion


Based on the above and after taking into consideration of the fact that MARA Inc is considering to broaden its investment portfolio and increasing its income-generating assets, we believe our offer is extremely attractive and competitive.

Due to the short time within which the Said Property is available exclusively, our offer is only valid for a period of 30 days from the date of this letter, i.e. until **3 October 2012**.

Please do not hesitate to contact us should you require further information.

Thank you.

Yours sincerely,

  
DENNIS TEEN

##### CSRE for acquisition of Dudley

**SIGNING OF THIS CONTRACT**  
WARNING: THIS IS A LEGALLY BINDING AGREEMENT. YOU SHOULD READ THIS CONTRACT BEFORE SIGNING IT.  
Purchasers should ensure that, prior to signing this contract, they have received a copy of the full terms of this contract.

The authority of a person signing:  
• under power of attorney; or  
• as director of a corporation; or  
• as agent authorized in writing by one of the parties -  
must be noted beneath the signature.

Any person whose signature is secured by an estate agent acknowledges being given by the agent at the time of signing a copy of the terms of this contract.

**SIGNED BY THE PURCHASER**  on 25 / 2 / 2013

Print name(s) of person(s) signing **ABD HALIM A. RAHIM**  
State nature of authority if applicable **DIRECTOR**

This offer will lapse unless accepted within ( ) Clear business days ( ) Clear business days if none specified.

**SIGNED BY THE VENDOR**  on 25 / 2 / 2013

Print name(s) of person(s) signing **DENNIS TEEN**  
State nature of authority if applicable **WANISSA PROPERTIES P/LC DIRECTOR**

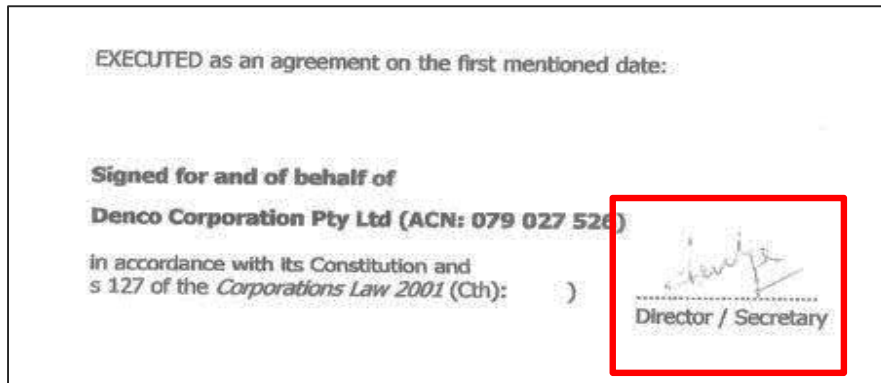
The DAY OF SALE is the date by which both parties have signed this contract.

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4.3 Difference in the signatory of Dennis Teen, the director of Wanissa (one of the owner of Dudley) raises the doubt of the veracity of the documents (Contd.)

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Management Agreement between DENCO and Thrushcross



Please refer to Exhibit B01 for the offer letter for sale of Dudley by KV Land Limited dated 03 September 2012, Exhibit B08 for the CSRE for the acquisition of Dudley dated 25 February 2013 and Exhibit B12 for the Management Agreement of Dudley dated 01 April 2013.

4.3.2 Premised on the above, the signatories of Dennis Teen appears to be different and raises the doubt on the veracity of Dennis Teen's signatures and consequentially the veracity as well as the validity of all the three (3) documents.

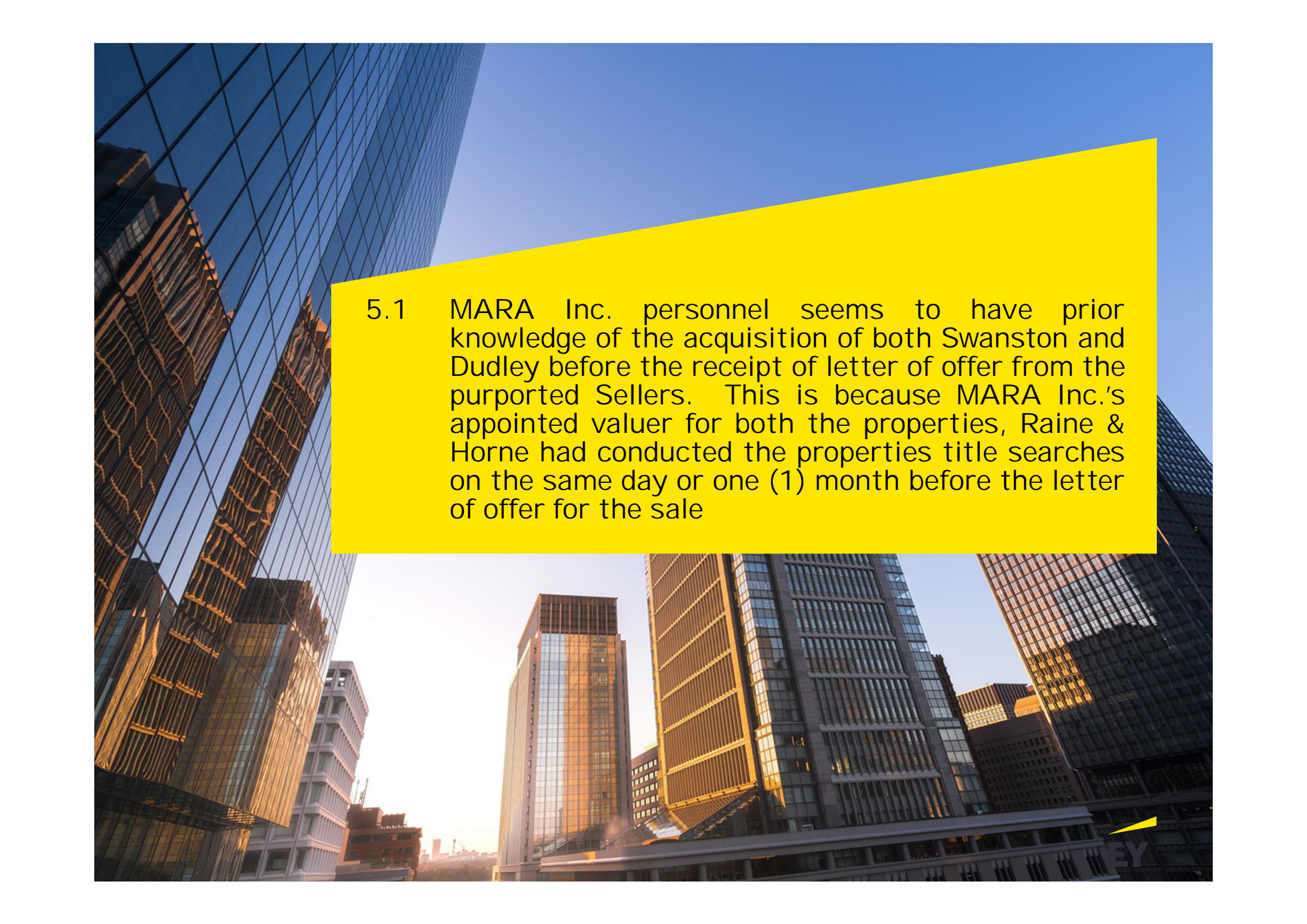
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## 5.0 Detailed Findings and Observations

Findings and Observations Relevant for Both the Properties





5.1 MARA Inc. personnel seems to have prior knowledge of the acquisition of both Swanston and Dudley before the receipt of letter of offer from the purported Sellers. This is because MARA Inc.'s appointed valuer for both the properties, Raine & Horne had conducted the properties title searches on the same day or one (1) month before the letter of offer for the sale



5.1 MARA Inc. personnel seems to have prior knowledge of the acquisition of both Swanston and Dudley before the receipt of letter of offer from the purported Sellers. This is because MARA Inc.'s appointed valuer for both the properties, Raine & Horne had conducted the properties title searches on the same day or one (1) month before the letter of offer for the sale

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5.1.1 During the course of our assessment of the documents such as valuation reports and letter of offer from the purported Sellers, it appears that from the outset, MARA Inc. had the interest to acquire the two (2) properties. This is on the basis that MARA Inc. appointed valuer for both the properties, i.e. Raine & Horne had conducted title search of Swanston and Dudley one day and one month before MARA Inc. received the letter of offer for the purchase of Swanston and Dudley. Please refer to the ensuing paragraphs for further details.

5.1.2 MARA Inc. appointed Raine & Horne International Zaki + Partners Sdn Bhd ("Raine & Horne") to conduct both the valuation for Swanston and Dudley to determine the market value of the property for purchase consideration. The inspection was conducted by Nor Fadzyilah binti Yusof ("Nor Fadzyilah"), Head of Valuation of Raine & Horne and the valuation report was signed by Sr. Rosli bin Atan ("Rosli Atan"), Valuer of Raine & Horne.

A. Valuer appointed by MARA Inc. had performed the title search for Swanston on the same day with the letter of offer of sale for Swanston to MARA Inc.

5.1.3 Assessment of the valuation report noted that the title search documents for Swanston were produced on 04 June 2012, which was on the same day that the letter of offer for the sale of Swanston signed by Erwan to MARA Inc. This indicates that Raine & Horne, who was the valuer appointed by MARA Inc. may potentially have prior knowledge of the transaction or have been instructed to perform the valuation in advance as the searches were performed on the same day MARA Inc. received the letter of offer.

Please refer to Exhibit A02 for the letter of offer of sale of Swanston to MARA Inc. from Thrushcross dated 04 June 2012 and Exhibit A03 for the Valuation Report from Raine & Horne dated 05 June 2012.

- 5.1 MARA Inc. personnel seems to have prior knowledge of the acquisition of both Swanston and Dudley before the receipt of letter of offer from the purported Sellers. This is because MARA Inc.'s appointed valuer for both the properties, Raine & Horne had conducted the properties title searches on the same day or one (1) month before the letter of offer for the sale (Contd.)

- 5.1.4 Furthermore, it is noted that the valuation report for Swanston, which ascribed a market value of AUD43mil for Swanston, was issued to MARA Inc, only one (1) day later on 05 June 2012.

- 5.1.5 Please refer below for the extracts of the title search documents for Swanston.

Department of Sustainability and Environment		Page 1 of 1
Victoria		Print Date: 4/8/2012
Number: 12962999		Time: 11:30
<b>Product Report</b>		
Search Type	Customer	Reference
Register	209500	Document
		Title 11033/440
<b>Search Statement and 3 bodies corporate reports supplied. Plan to be supplied.</b>		
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<b>FINAL SEARCH STATEMENT</b>		
Security No : 124042021241R	Land Victoria	Volume 11033 Folio 440
Produced 04/06/2012 11:30 AM		
ACTIVITY IN THE LAST 125 DAYS		
NIL		

Department of Sustainability and Environment		Page 1 of 1
Victoria		Print Date: 4/8/2012
Number: 12962999		Time: 11:30
<b>REGISTER SEARCH STATEMENT (Title Search) Transfer of Land Act 1958</b>		
VOLUME 11033 FOLIO 440		
Security no : 124042021241R		
Produced 04/06/2012 11:30 am		
<b>LAND DESCRIPTION</b>		
Lot S5 on Plan of Subdivision 508056R.		
<b>PARENT TITLES :</b>		
Volume 10883 Folio 448	Volume 10883 Folio 450	
Created by instrument PS508056R Stage 2 18/10/2007		

- B. Valuer appointed by MARA Inc. had performed the title search for Dudley one (1) month before the letter of offer of sale for Dudley to Thrushcross

- 5.1.6 For the valuation of Dudley, although the valuation by Raine & Horne, which ascribed a market value of AUD26mil for Dudley was issued on 23 November 2012 to MARA Inc., it is noted that the title search documents for Dudley were produced much earlier on 01 August 2012, which is approximately one (1) month prior to MARA Inc.'s receipt of the letter of offer for the sale of Dudley dated 03 September 2012. Please refer to Exhibit B05 for the valuation report of Dudley dated 23 November 2012 and Exhibit B01 for the letter of offer of sale of Dudley to MARA Inc. KV Land Ltd dated 03 September 2012.

5.1 MARA Inc. personnel seems to have prior knowledge of the acquisition of both Swanston and Dudley before the receipt of letter of offer from the purported Sellers. This is because MARA Inc.'s appointed valuer for both the properties, Raine & Horne had conducted the properties title searches on the same day or one (1) month before the letter of offer for the sale (Contd.)

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5.1.7 Please refer below for the extract of the title search document for Dudley.

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the provisions of the Copyright Act and for the purposes of Section  
32 of the Sale of Land Act 1962 or pursuant to a written agreement.  
The information is only valid at the time and in the form obtained  
from the LANDATA REGD TM System. The State of Victoria accepts no  
responsibility for any subsequent release, publication or reproduction  
of the information.

REGISTER SEARCH STATEMENT (Title Search) Transfer of Land Act 1958  
-----  
VOLUME 11362 FOLIO 620  
Security no : 124042665001B  
Produced 01/08/2012 11:45 am

LAND DESCRIPTION  
-----  
Lot 73 on Plan of Subdivision 631360Y.  
PARENT TITLES :  
Volume 03500 Folio 835      Volume 03669 Folio 672      Volume 06367 Folio 368  
Volume 11354 Folio 488  
Created by instrument PS631360Y 02/07/2012

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5.2 The then MARA Inc. CEO signed as acceptance of the EOI for the financing of the acquisition of Dudley and equity return of Swanston; and current Head of Property Investment as witness of the said EOI on behalf of KV Properties and Keystone Land, which have no business transactions or not a party to MARA Inc.'s acquisition of Swanston or Dudley



5.2 The then MARA Inc. CEO signed as acceptance of the EOI for the financing of the acquisition of Dudley and equity return of Swanston; and current Head of Property Investment as witness of the said EOI on behalf of KV Properties and Keystone Land, which have no business transactions or not a party to MARA Inc.'s acquisition of Swanston or Dudley

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5.2.1 A letter of EOI from Westpac dated 12 February 2013 with the general parameters regarding the assistance of re-financing a property is noted. The first page of the EOI had indicated that the EOI was for the "Student Accommodation Investment MARA INCORPORATED". It is stated in the letter that it was a letter to provide an Expression of Interest, which provides the general parameters as to how Westpac could assist with the finance of the acquisition. The purpose of the facility stipulated in this Westpac EOI documentation was "To assist with the acquisition of 11 Dudley Street Caulfield and Equity Return 746 Swanston Street Melbourne". The financing amount also seems to be in line with MARA Inc.'s acquisition price of AUD22.6mil for Dudley.

Please refer to Exhibit B25 for the Expression of Interest by Westpac dated 12 February 2013.

5.2.2 However, the letter was addressed to the directors of KV Properties and Keystone and the proposed facility stated KV Properties and Keystone Land as the borrowers of the loan amount of AUD23mil, indicating that the two companies are potentially connected.

5.2.3 Public searches performed found that the two companies have different shareholders but have common directors, i.e. Norhana Kamaruddin (former director of KV Properties and Keystone) and Tiong Pong Ting, who is the former director of KV Properties and Keystone, and accountant from KST Partners ("KST"), based in Australia. KST is the accountant appointed by MARA Inc. to manage the accounts in Australia.

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5.2 The then MARA Inc. CEO signed as acceptance of the EOI for the financing of the acquisition of Dudley and equity return of Swanston; and current Head of Property Investment as witness of the said EOI on behalf of KV Properties and Keystone Land, which have no business transactions or not a party to MARA Inc.'s acquisition of Swanston or Dudley (Contd.)

5.2.4 The acceptance of the EOI was signed on 26 February 2013, which was one (1) day after the Contract of Sale of Real Estate for Dudley was executed on 25 February 2013. We noted that the acceptance of EOI was signed and witnessed, however both the director and witness were not named. Comparison with other MARA Inc. documentations provided show similarities of the signatures. Please refer below for the extract of the EOI and MARA Inc.'s memorandum for the release of retention sum that showed the similarities of the signatures.

#### Acceptance of EOI signed on 26 February 2013

**Schedule A**

**Commitment to Proceed**


Acknowledging whilst this is not a formal offer of finance, we hereby agree to the general parameters contained in this letter dated Date.


We hereby request the Bank to proceed towards attaining a formal approval.

A Mandate Fee of ~~\$50,000~~ <sup>\$20,000</sup> is payable upon acceptance of our Expression of Interest and will be offset against the Establishment Fee should a formal approval be forthcoming. If the Bank is not able to obtain an approval on substantially similar terms and conditions as this letter provides, the Mandate Fee will be refunded in full. If the bank does obtain an approval on substantially similar terms and conditions and the offer is not accepted by you, the mandate fee will be retained.

This Expression of Interest and general parameters are valid for 14 days from the date of this letter.

Signed:

Director:   
Date: 26/2/2013

Secretary:   
Date: 26/2/2013

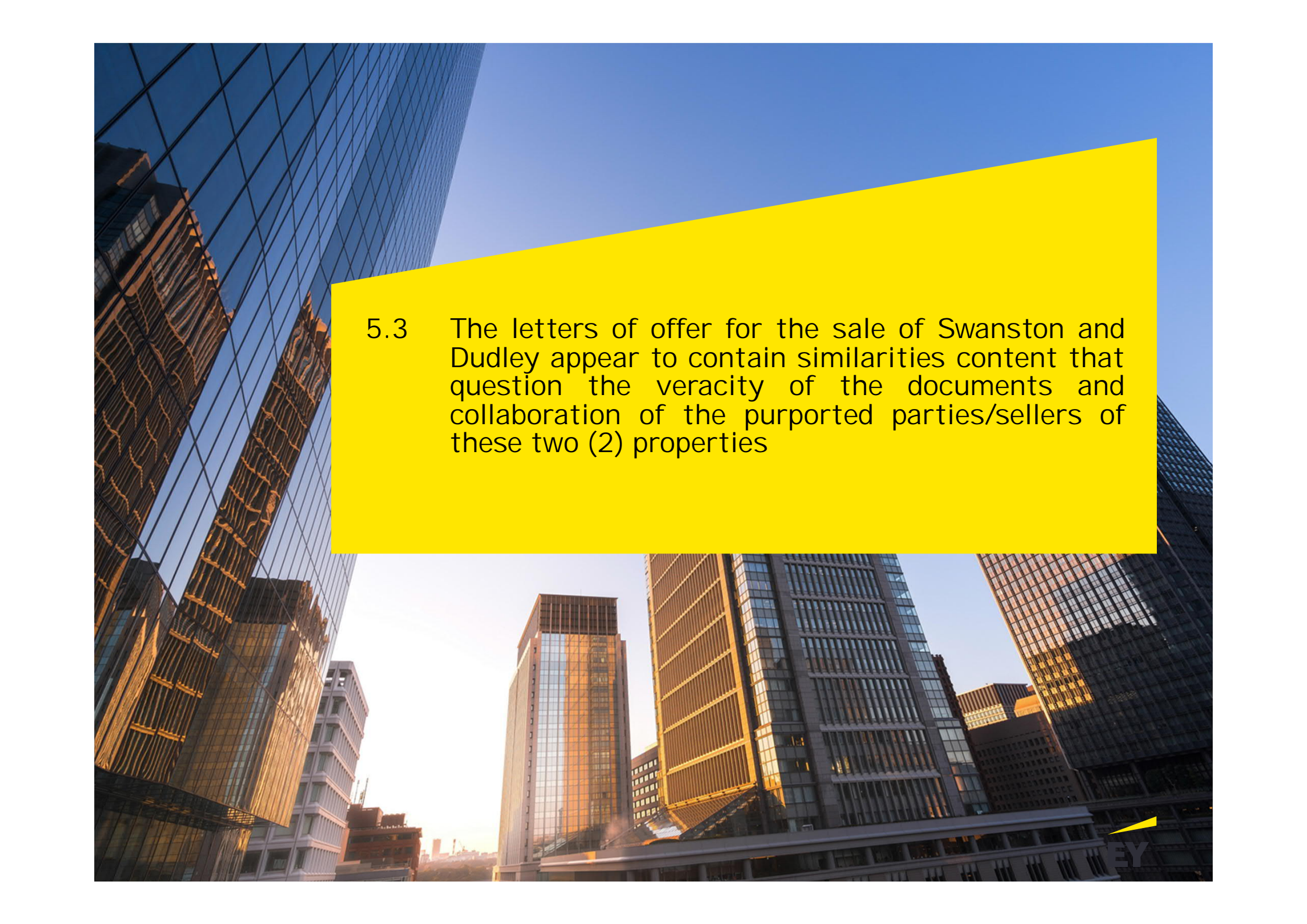
#### Extract from MARA Inc. memorandum

Recommended by,  Zainal Zol bin Kulop Alang Head of Property Investment Date: 2/1/14	Approved by,  YBHG DATO' ABD HALIM BIN A RAHIM Chief Executive Officer Date:
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Please refer to Exhibit B25 for the Expression of Interest by Westpac dated 12 February 2013 and Exhibit B22 for the Memorandum to request approval for release of retention sum for Dudley dated 07 January 2014

- 5.2 The then MARA Inc. CEO signed as acceptance of the EOI for the financing of the acquisition of Dudley and equity return of Swanston; and current Head of Property Investment as witness of the said EOI on behalf of KV Properties and Keystone Land, which have no business transactions or not a party to MARA Inc.'s acquisition of Swanston or Dudley (Contd.)
- 
- 5.2.5 Based on the comparison of signatures performed in the previous page, it seems that the then MARA Inc. CEO, Halim Rahim signed as the director on the acceptance of the EOI and the MARA Inc. Head of Property Investment, Zainal Zol signed as the witness. Both individuals signed on behalf of KV Properties and Keystone Land as the EOI from Westpac was addressed to the aforementioned two (2) companies.
- 5.2.6 However, the shares of Keystone has yet to be transferred to MARA Inc. at the material time. The shares of Keystone was only transferred to MARA Inc. on 05 April 2013. This indicates that the then MARA Inc. CEO and Head of Property Investment were already acting on behalf of Keystone prior to MARA Inc.'s ownership of Keystone to accept the Commitment to Proceed with the financing on behalf of Keystone. It also appears that both of them may have connection with KV Properties and Keystone Land.

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5.3 The letters of offer for the sale of Swanston and Dudley appear to contain similarities content that question the veracity of the documents and collaboration of the purported parties/sellers of these two (2) properties



5.3 The letters of offer for the sale of Swanston and Dudley appear to contain similarities content that question the veracity of the documents and collaboration of the purported parties/sellers of these two (2) properties

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5.3.1 On 04 June 2012, a letter from Thrushcross to MARA Inc. for the offer for sale of 746 Swanston Street was signed by Erwan Azizi ("Erwan") as the Executive Director of Thrushcross. However, we noted from the Certificate of Incumbency dated 14 December 2012 that Erwan was only appointed as the director of Thrushcross, more than six (6) months later on 11 December 2012. As such, the legitimacy and validity of the letter of offer for the sale of Swanston to MARA Inc. is questionable.

Please refer to Exhibit A22 for the Certificate of Incumbency dated 14 December 2012 and Exhibit A02 for the offer letter for sale of 746 Swanston Street by Thrushcross Ltd dated 04 June 2012.

5.3.2 Publicly available searches found that Erwan is the son of Dato' Azizi bin Yom Ahmad ("Dato' Azizi") and he is the former director of Thrushcross; former director of Maximus Segar Sdn Bhd; and an executive of Optimus Capital (which is the company of an individual known as Zach Zainal requesting MARA Inc. to release the retention sum to a Malaysian law firm as elaborated at Findings 3.3).

5.3.3 Further, it is noted that there was a letter dated 03 September 2012 from KV Land Limited delivered to MARA Inc. for the offer for sale of 7-13 Dudley Street. The letter was signed by Dennis Teen. But we noted that there was no designation of Dennis Teen in KV Land Limited stated in the letter. Based on the two (2) letters, we noted that there are similarities between them. Please refer to the extracts of the two (2) letters in the following page.

Please refer to Exhibit B01 for the offer letter for the sale of 7-13 Dudley Street by KV Land Limited dated 03 September 2012.

5.3 The letters of offer for the sale of Swanston and Dudley appear to contain similarities content that question the veracity of the documents and collaboration of the purported parties/sellers of these two (2) properties (Contd.)

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#### Swanston

Dear Sir,

RE : Offer for Sale of Commercial Building known as 746, Swanston Street, Carlton, VIC 3053 Australia to MARA Incorporated Sdn Bhd

With reference to the above and the recent discussion between your goodself and ourselves, this letter is to express our intention to offer for sale of 746, Swanston Street, Carlton, VIC 3053, Australia (the Said Property) to MARA Incorporated Sdn Bhd (MARA Inc).

##### 1. Introduction

The Said Property is located in central business district (CBD) Melbourne and has been commercialized as a student accommodation block since 1992. It is currently accommodating the students of University of Melbourne, RMIT and other surrounding universities and colleges in Melbourne. Based on an independent real estate report, there is lack of supply of residential properties in Melbourne with the demand outstrip supply by 19 to 1. As such, the Said Property has attracted strong demand from the student community and has registered growth in occupancy year-on-year.

Consisting of 281 units, the Said Property is able to accommodate 313 occupants. It currently has almost 100% occupancy and has recorded an average of 95% occupancy rate for the past three years.

In this regard, we strongly believe that the Said Property would present a strong proposition to MARA Inc as it seeks to broaden its income-generating asset portfolio base and to MARA to fulfill its educational mandate of providing its sponsored students with good accommodation.

#### Dudley

Dear Sir,

RE : Offer for Sale of Commercial Building known as Dudley International House, 7-13 Dudley Street, Caulfield East, VICTORIA 3145 Melbourne, Australia to MARA Incorporated Sdn Bhd

With reference to the above and the recent discussion between your good self, this letter is to express our intention to offer for sale of Dudley International House, 7-13 Dudley Street, Caulfield East, VICTORIA 3145 Melbourne, Australia (the Said Property) to MARA Incorporated Sdn Bhd (MARA Inc).

##### 1. Introduction

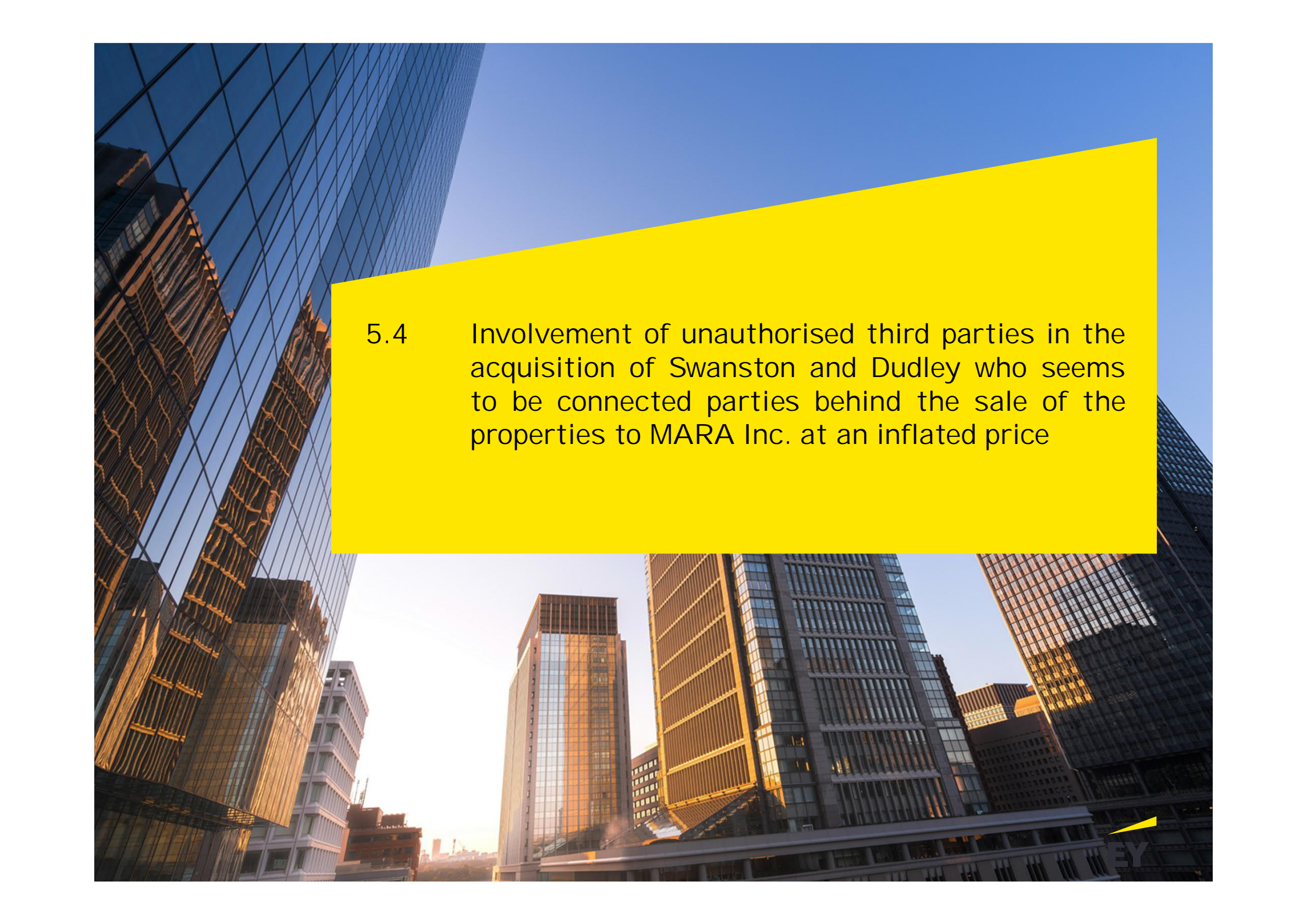
The Said Property is located in East Caulfield, Melbourne and is situated directly opposite Monash University Caulfield campus. This freehold property has been commercialized as a student accommodation block since 2012. It is currently accommodating the students of University of Monash and other surrounding universities and colleges in Caulfield, Melbourne. Based on an independent real estate report, there is lack of supply of residential properties in Melbourne with the demand outstrip supply by 19 to 1. As such, the Said Property has attracted strong demand from the student community and has registered growth in occupancy year-on-year.

Consisting of 112 units, the Said Property is able to accommodate 130 occupants. It can register average of 95% occupancy rate.

With this regard, we strongly believe that the Said Property would present a strong proposition to MARA Inc as it seeks to broaden its income-generating asset portfolio base and for MARA to fulfill its educational mandate of providing its sponsored students with good accommodation.

5.3.4 Based on the documentation sighted, this indicates that the two (2) letters could potentially be prepared by the same person/group of people that are behind the sale of both Swanston and Dudley to MARA Inc.

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5.4 Involvement of unauthorised third parties in the acquisition of Swanston and Dudley who seems to be connected parties behind the sale of the properties to MARA Inc. at an inflated price

#### 5.4 Involvement of unauthorised third parties in the acquisition of Swanston and Dudley who seems to be connected parties behind the sale of the properties to MARA Inc. at an inflated price

5.4.1 The table below is a summary of the parties involved in MARA Inc.'s acquisition of Swanston and Dudley:

No	Name of Company/ Individual	Involved in MARA Inc.'s acquisition of		Registered at KST address?	Key Role(s)
		Swanston	Dudley		
1	Thrushcross Limited	Y	Y	Y	Acquired by MARA Inc. from Scarlett Nominee to acquire Swanston and then subsidiary of MARA Inc. to acquire Dudley
2	Scarlett Nominees	Y	N	N	Former shareholder of Thrushcross
3	HRSV	Y	N	N	Registered owner of Swanston
4	MIA (formerly known as Keystone)	N	N	Y	Owned by GCA and transferred to MARA Inc. Reason for transfer is unclear
5	Wanissa	N	Y	Y	Registered owner of Dudley
6	PMCD	N	Y	N	Registered owner of Dudley
7	DENCO	N	Y	Y	Manages operations of Dudley
8	KV Properties	Y	Y	Y	One of the addressee in the EOI
9	KV Land Ltd	N	Y	N	Shareholder of KV Properties; sent letter of offer for sale of Dudley to MARA Inc.
10	KV Land Pte Ltd	Y	Y	N	Sent letter of offer for sale of Dudley to MARA Inc.
11	GCA	N	N	N	Former shareholder of Keystone; appears to be member of the Optimus Capital Group
12	Optimus Capital	N	N	N	Not a party to transaction but representatives are heavily involved in the acquisition



5.4 Involvement of unauthorised third parties in the acquisition of Swanston and Dudley who seems to be connected parties behind the sale of the properties to MARA Inc. at an inflated price (Contd.)

No	Name of Company/ Individual	Involved in MARA Inc.'s acquisition of		Registered at KST address?	Key Role(s)
		Swanston	Dudley		
13	Maximus Segar	N	N	N	Connected parties to Optimus Capital; Individuals behind the companies are involved in MARA Inc.'s acquisition of the properties
14	Midwest Equity	N	N	N	
15	Piagam Wira	N	N	N	
16	KST Partners	Y	Y	Y	Accountant/Company Secretary based in Australia providing services to multiple parties
17	Erwan Azizi	Y	Y	-	Signed letter of offer of sale for both properties; signed the land title transfer form from HRSV to Thrushcross; connected to Optimus Capital and also the son of Azizi Yom Ahmad
18	Izmir Abdul Hamid	Y	N	-	Signed the land title transfer form from HRSV to Thrushcross
19	Ross Byrne	Y	N	-	Former directors of Thrushcross
20	Richard Ellis	Y	N	-	
21	Peter Mills	N	Y	-	Directors of PMCD
22	Chris Dimitrou	N	Y	-	
23	Dennis Teen	N	Y	-	Director of Wanissa and DENCO; signed the letter of offer of sale for Dudley
24	Azizi Yom Ahmad	N	Y	-	Former director of Wanissa and director of Midwest Equity (linked to Optimus Capital); father of Erwan Azizi

5.4 Involvement of unauthorised third parties in the acquisition of Swanston and Dudley who seems to be connected parties behind the sale of the properties to MARA Inc. at an inflated price (Contd.)

No	Name of Company/ Individual	Involved in MARA Inc.'s acquisition of		Registered at KST address?	Key Role(s)
		Swanston	Dudley		
25	Abd Gani Yusof	N	Y	-	Former director of Wanissa and director of Midwest Equity (linked to Optimus Capital)
26	Norhana Kamaruddin	Y	Y	-	Director of KV Properties and Keystone; Shareholder of KV Land Pte Ltd
27	Tiong Pong Ting	Y	Y	-	Director of KV Properties and Keystone; Partner at KST Partners
28	Mazrul Haizad	Y	N	-	Former director of Maximus Segar and Leuven; Director of Optimus Capital and Midwest Equity; Copied in email attaching draft SPA of Swanston
29	Dazma Shah	Y	N	-	COO of Optimus Capital; former director of Leuven Capital and Piagam Wira; Last modified a softcopy of the Board Paper for Swanston
30	Zach Zainal	Y	N	-	Executive of Optimus Capital and Leuven Capital; sent the offer letter of Swanston by KV Land Pte Ltd to Zainal Zol
31	Nazim Rahman	Y	Y	-	PMB CEO, appeared to be former PMB CEO and legal counsel of Optimus Capital; negotiated fee for KST services; addressee of letter from Lincolns Lawyers with information on acquisition of Dudley; liaised with KST and directors of Scarlett Nominee regarding transfer of Keystone shares to Thrushcross

5.4 Involvement of unauthorised third parties in the acquisition of Swanston and Dudley who seems to be connected parties behind the sale of the properties to MARA Inc. at an inflated price (Contd.)

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B. Five (5) companies involved in the sale of Swanston and Dudley are potentially connected as they share common address at KST's address and were directly/indirectly involved in the sale of these two (2) properties

5.4.2 From the documentations that we have sighted, we noted that KST is located at Level 9, 167 – 169 Queen Street, Melbourne Victoria 3000. According to searches conducted via subscribed databases, we noted (5) companies that were directly/ indirectly involved in the sale of these two (2) properties share the same address with KST. Please refer to the details tabulated below:

No	Name of Company	Type of Address
1	Thrushcross	Registered Address at KST
2	MIA (formerly known as Keystone)	Registered Address and Business Address at KST
3	Wanissa	Registered Address, Business Address and Contact Address at KST
4	DENCO	Contact Address at KST
5	KV Properties	Registered Address, Business Address and Contact Address at KST

5.4.3 Prior to the name of the company being changed to MIA, the company was formerly known as Keystone. Keystone was incorporated on 14 June 2012. We noted from the database searches conducted, Keystone was registered to KST's address and its principal place of business was also KST's address since 14 June 2012.

5.4 Involvement of unauthorised third parties in the acquisition of Swanston and Dudley who seems to be connected parties behind the sale of the properties to MARA Inc. at an inflated price

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5.4.4 Based on SPA entered on 25 February 2013, we noted that Wanissa was one of vendors of Dudley and further to the database searches that we have conducted, Wanissa was incorporated on 22 September 2008 and it is also registered to KST's address since its incorporation.

Please refer to Exhibit B08 for the SPA dated 25 February 2013.

5.4.5 According to the public searches conducted and documentations provided, Dennis Teen, who is one of the directors of Wannisa Properties, is managing DENCO. DENCO manages Dudley and the business for and on behalf of Thrushcross, which is evidenced in the Management Agreement dated 01 April 2013.

Please refer to Exhibit B08 for the SPA dated 25 February 2013.

5.4.6 KV Properties was listed as one of the borrowers in the EOI from Westpac dated 12<sup>th</sup> February 2013. Our searches on KV Properties found that KV Properties was incorporated on 12 October 2012 and was registered at KST's address since its incorporation.

Please refer to Exhibit B25 for the Expression of Interest by Westpac dated 12 February 2013

5.4.7 Premised on the above, the five (5) companies' shareholders and/or directors may potentially be connected parties prior to MARA Inc.'s acquisition of both the Swanston and Dudley.

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5.4 Involvement of unauthorised third parties in the acquisition of Swanston and Dudley who seems to be connected parties behind the sale of the properties to MARA Inc. at an inflated price

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B. Erwan Azizi had signed two different letters with similar content on letterhead of both Thrushcross and KV Land Pte Ltd indicating that he may be one of the third party behind the sale of Swanston and Dudley to MARA Inc.

5.4.8 Our assessment of documents found a letter from Thrushcross dated 13 August 2012 for the extension of exclusivity period for sale of Swanston. In addition, from our computer forensic procedures, we found an email dated 04 September 2012 attaching another letter dated 13 August 2012 with similar content but with a different letterhead, which was KV Land Pte Ltd instead of Thrushcross. Both letters were signed by Erwan and addressed to Halim Rahim, the then MARA Inc. CEO.

Please refer to Exhibit A37 for the email (with the attachment of KV Land Pte Ltd letter) dated 05 September 2012 and Exhibit A08 for the offer letter dated 13 August 2012.

5.4.9 In addition to that, KV Land Pte Ltd, a company based in Singapore, sent a Sales Proposition to MARA Inc. for the sale of Dudley for a consideration of AUD26mil. It is noted that the letterhead is similar to the offer letter dated 13 August 2012 from KV Land Pte Ltd to MARA Inc. mentioned above.

Please refer to Exhibit B02 for the Sales Proposition sent by KV Land Pte Ltd.

5.4.10 However, at the material time, Erwan was neither the authorised representative of KV Land Pte Ltd or Thrushcross. Besides, KV Land Pte Ltd is also not the registered owner of Swanston and Dudley. The letter of offer of Swanston using KV Land Pte Ltd's letterhead instead of Thrushcross is questionable. This could potentially indicate that Erwan may be involved or one of the third party that is responsible for the sale of both Swanston and Dudley to MARA Inc.

5.4 Involvement of unauthorised third parties in the acquisition of Swanston and Dudley who seems to be connected parties behind the sale of the properties to MARA Inc. at an inflated price (Contd.)

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C. It appears that Norhana Kamaruddin and Tiong Pong Ting are potentially one of the third parties involved in the sale of the properties as they are directors in both Keystone (now known as MIA) and KV Properties. Norhana Kamaruddin is also a shareholder of KV Land Pte Ltd.

5.4.11 Please refer to the search results that show that Norhana and Tiong Pong Ting were the directors of both Keystone and KV Properties.

Database Search of MIA:

Name:	NORHANA BINTI KAMARUDDIN	027729167
Address:	Block 490b, Tampines Street 45, #02-191, Singapore 521490, Singapore	
Born:	04/11/1976, KUALA LUMPUR, MALAYSIA	
Appointment date:	14/06/2012	
Cease date:	30/10/2012	

Name:	TIONG PONG TING	027729167
Address:	8 Howitt Drive, TEMPLESTOWE LOWER VIC 3107	
Born:	17/05/1952, PERAK, MALAYSIA	
Appointment date:	14/06/2012	
Cease date:	27/03/2017	

Database Search from KV Properties

Name:	NORHANA BINTI KAMARUDDIN	027738713
Address:	Block 490b, Tampines Street 45 #02-191, Singapore	
Born:	04/11/1976, KUALA LUMPUR, MALAYSIA	
Appointment date:	12/10/2012	
Cease date:	31/03/2014	

Name:	TIONG PONG TING	027738713
Address:	8 Howitt Drive, TEMPLESTOWE LOWER VIC 3107	
Born:	17/05/1952, PERAK, MALAYSIA	
Appointment date:	12/10/2012	
Cease date:	31/03/2014	

Database Search from KV Land Pte Ltd

SHAREHOLDER(S)		
(Entity Numbers Prefixed With UF Or ACRA Are Numbers Allotted By ACRA For Purposes Of Identification.)		
Name ID	Nationality	Address Date Of Change Of Address
NORHANA BINTI KAMARUDDIN S7675077G	MALAYSIAN	490B TAMPINES STREET 45 #02-191 SINGAPORE 521490 -
Type	No Of Shares	Currency
ORDINARY	1,000	SINGAPORE, DOLLARS

5.4 Involvement of unauthorised third parties in the acquisition of Swanston and Dudley who seems to be connected parties behind the sale of the properties to MARA Inc. at an inflated price (Contd.)

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5.4.12 Furthermore, Norhana is also a shareholder of KV Land Pte Ltd and Tiong Pong Ting is a partner from KST, where five (5) companies were noted to have shared the common address at KST as described in Finding 5.5.

Please refer to Exhibit A53 for ASIC search on Keystone, Exhibit A54 for ASIC search on KV Properties and Exhibit A55 for ACRA search on KV Land Pte Ltd.

D. Keystone Land Limited, a BVI company is the party behind KV Properties, is potentially linked to Dennis Teen, the director of Wanissa, DENCO and KV Land Ltd

5.4.13 Assessment of documents found a letter of offer from KV Land Limited dated 03 September 2012 in relation to the sale of Dudley, which was signed by Dennis Teen. However, Dennis Teen is not an authorised representative of KV Land Limited and KV Land Limited was also not the registered owner of Dudley.

5.4.14 Based on the publicly available searches conducted for KV Properties, it is noted that KV Land Limited, a company incorporated in BVI, owned 100% shares in KV Properties. EY Advisory is unable to obtain further information on KV Land Limited.

Previous Members				
Name: KV LAND LIMITED				
Org No.: 160 755 582				
Address: Po Box 3136, Road Town, Tortola, Virgin Islands, British				
Class	Number held	Beneficially held	Paid	Document number
ORD	100	yes	FULLY	027738713

Database Search of  
KV Properties

5.4 Involvement of unauthorised third parties in the acquisition of Swanston and Dudley who seems to be connected parties behind the sale of the properties to MARA Inc. at an inflated price (Contd.)

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E. Personnel from Optimus Capital Group of Companies Sdn Bhd, namely Ahmad Nazim Abdul Rahman, Mazrul Haizad, Dazma Shah Daud, Zach Zainal, are involved in MARA Inc.'s acquisition of the properties even though they are not the authorised representatives of MARA Inc.

5.4.15 Our computer forensic procedures found that there are email communications with the email address "nazim9@gmail.com" in relation to the transfer of Keystone shares to Thrushcross. The person has been identified as Nazim Rahman, who is neither an employee nor director of MARA Inc. Public searches conducted indicates that Nazim Rahman is potentially the former CEO of Pelaburan MARA Berhad, Ahmad Nazim Abdul Rahman.

5.4.16 Although Nazim Rahman was not authorised to act on behalf of MARA Inc., it is noted that in the email titled "Re: Keystone Land Pte Ltd" sent by Zainal Zol to KST Reception on 30 October 2012, copied Vincent Chin and Nazim Rahman, Nazim Rahman had negotiated a fee of AUD500 with KST for the services provided on local directorship, secretarial services, and registered office.



On 23 October 2012 13:12, KST Reception <reception@kstpartners.com> wrote:

Dear Vincent,

It is compulsory to have a local director under Australian Corporation Law.

Mr Saw advised that A\$500.00 was agreed by Nazim?

Regards,

Amber Lin

Please refer to Exhibit A25 for the abovementioned email dated 30 October 2012.



5.4 Involvement of unauthorised third parties in the acquisition of Swanston and Dudley who seems to be connected parties behind the sale of the properties to MARA Inc. at an inflated price (Contd.)

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- 5.4.17 Furthermore, in the email trail of the aforementioned email dated 10 October 2012, Vincent Chin, from AMLT, stated that "Please find attached here the Questionnaire for the Company Secretary to answer. Please ignore the heading/reference to KV Land Pte Ltd (that's mr nazim's previous company)."
- 5.4.18 KV Land Pte Ltd appeared to send a Sales Proposition of Dudley to MARA Inc. and Erwan Azizi signed an offer letter of Swanston using KV Land Pte Ltd's letterhead, which is described in Finding 5.5 Part A. Hence, it is likely that KV Land Pte Ltd is related to Nazim Rahman and potentially a company connected to Optimus Capital as Nazim Rahman was indicated as the legal counsel of Optimus Capital.
- 5.4.19 In addition, computer forensic procedures performed found that there were email correspondences between KST and Nazim Rahman in relation to the transfer of shares in Keystone from GCA to Thrushcross. We noted that there is an email titled "Re: MIGREF: 10798 GCA PL Thrushcross Limited -" sent from Kee Guan Saw ("Kee Saw"), from KST Partners, to KST Reception on 17 September 2012. Based on the email trail, it appears that Nazim Rahman was involved in the transfer of shares in Keystone from GCA to Thrushcross. Nazim Rahman was also liaising with Richard Ellis and Ross Bryne, who were both the directors of Scarlett Nominees, in relation to the transfer of Keystone shares.

The remainder of this page has been intentionally left blank.

5.4 Involvement of unauthorised third parties in the acquisition of Swanston and Dudley who seems to be connected parties behind the sale of the properties to MARA Inc. at an inflated price (Contd.)

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Please refer to the extract of the emails below.

**From:** nazim9@gmail.com  
**Sent:** 11 September 2012 12:09 PM  
**To:** KST Reception  
**Subject:** Re: MIGREF:10798 Thrushcross Limited - Registers

Yes, to transfer 100% to thrushcross.  
Sent from my BlackBerry® wireless device via Vodafone-Celcom Mobile.

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**From:** "KST Reception" <reception@kstpartners.com>  
**Date:** Tue, 11 Sep 2012 11:53:27 +1000  
**To:** <nazim9@gmail.com>  
**Subject:** RE: MIGREF:10798 Thrushcross Limited - Registers

Dear Nazim,

Thank you for the information.

Just double confirm with you all we need to do is to transfer 100% shares from GCA Pte. Ltd. to Thrushcross Limited right?

Thank you

**From:** nazim9@gmail.com [mailto:nazim9@gmail.com]  
**Sent:** 14 September 2012 00:51  
**To:** scarlett  
**Cc:** Richard Ellis; Ross Byrne  
**Subject:** Re: MIGREF:10798 GCA PL Thrushcross Limited -

Hi Richard

Good morning. Further to my email yesterday, please let me know if you are able to sign the transfer form for the shares of the company in Australia, Keystone Land. The company was initially intended to be held by a Singapore company, GCA Pte Ltd. But we have had advice from our tax consultant that Keystone Land is best held by an offshore entity, hence the resolution to have the shares transferred to Thrushcross Limited.

Due to the urgency of the matter and the impending acquisition of the property by Keystone Land, it is crucial that we resolve the shareholding structure of the company within this week. I hope you could assist in affecting the share transfer within the week.

Thanks.

Kind regards  
Nazim

Sent from my BlackBerry wireless device via Vodafone-Celcom Mobile.

Please refer to Exhibit A34 for the email correspondences dated 10 September 2012 to 26 September 2012.

The remainder of this page has been intentionally left blank.

5.4 Involvement of unauthorised third parties in the acquisition of Swanston and Dudley who seems to be connected parties behind the sale of the properties to MARA Inc. at an inflated price (Contd.)

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5.4.20 Furthermore, it is noted that there was an email titled "Re: 746 Swanston - Draft Share Sale Agreement" sent from Zainal Zol to Nazim Rahman, copied Mazrul Haizad (director of Optimus Capital, Midwest Equity and former director of Maximus Segar and Leuven Capital), Rafee Salleh (CEO of Optimus Capital) and Erwan on 13 August 2012. In the email trail, Nazim Rahman attached a draft share sale agreement for their perusal and comments. From the documents provided, AMLT was noted to be the solicitors representing MARA Inc. in the share sale agreement and as such, it is unclear as to why Nazim Rahman was involved in the drafting of the share sale agreement. The attached draft share sale agreement in the email was unable to be located or found from the imaged data.

**Re: 746 Swanston - Draft Share Sale Agreement**

From: zainalzol@marainc.com.my  
To: Nazim Rahman <nazim9@gmail.com>  
Cc: Izad <mazrulhaizad@yahoo.com>, Rafee Salleh <rafeesalleh@yahoo.com>, Erwan Azizi <azizierwan@gmail.com>  
Sent: August 13, 2012 10:49:59 AM SGT

Thanks.  
Sent from my BlackBerry® wireless device via Vodafone-Celcom Mobile.

-----Original Message-----  
From: Nazim Rahman <nazim9@gmail.com>  
Date: Mon, 13 Aug 2012 10:41:45  
To: <zainalzol@marainc.com.my>  
Cc: Izad <mazrulhaizad@yahoo.com>; Rafee Salleh <rafeesalleh@yahoo.com>; Erwan Azizi <azizierwan@gmail.com>  
Subject: 746 Swanston - Draft Share Sale Agreement

Salam Zainal

As discussed last week, please find attached the draft share sale agreement for your perusal and comments. Thanks.

Kind regards  
Nazim

Please refer to Exhibit A35 for the abovementioned email dated 13 August 2012.

5.4 Involvement of unauthorised third parties in the acquisition of Swanston and Dudley who seems to be connected parties behind the sale of the properties to MARA Inc. at an inflated price (Contd.)

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5.4.21 Our computer forensics procedures also found that there was a letter from Lincolns Lawyers dated 25 August 2017, in which Lincolns Lawyers responded to the queries made by Sladen Legal, a solicitor based in Australia. In the letter, we noted that:

“On or about 05 June 2012, the Chief Operating Officer, Dazma Shah bin Daud, its executives Erwin Shah and Zach Zainal and their legal counsel, Nazim Rahman attended the office of Lincolns Lawyers and gave instructions to Lincolns Lawyers to act for Optimus Capital in the purchase of the said Property.”

Please refer to Exhibit A33 for the letter from Lincolns Lawyers dated 25 August 2017.

5.4.22 Based on searches conducted on the personnel mentioned in the letter, it is noted that Dazma Shah is a former director of Optimus Capital. It is also noted that Mazrul Haizad is a director of Optimus Capital and at the same time, he is a director of Midwest Equity Sdn Bhd (“Midwest Equity”) in which Azizi Yom Ahmad and Abdul Gani also hold directorship. Piagam Wira owns 30% shares in Midwest Equity and we noted that Nazim Rahman is a former director of Piagam Wira.

5.4.23 The computer forensics procedures also found that there was an email titled “RE: Overseas Properties info” sent by Maisarah, MARA Inc. Property Investment Division to Ezuin, MARA Inc. Corporate Communications Department copied Zainal Zol, Zahariah MARA Inc. Corporate Services and MARA Inc. Property Investment Division on 20 February 2017. In the email, Maisarah attached the Majlis MARA’s Board papers for the acquisition of the properties. One of the Board Papers that attached to the email was Swanston Majlis MARA Board Paper 384th (Bil. 7/2012).



5.4 Involvement of unauthorised third parties in the acquisition of Swanston and Dudley who seems to be connected parties behind the sale of the properties to MARA Inc. at an inflated price (Contd.)

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5.4.24 The softcopy of the aforementioned Board Paper was found to be modified by Dazma Shah on 24 September 2012 at 9:53PM. Please refer to the table below for the document properties information extracted.

Details	Description
Last Modified	9/24/2012 9:53PM
Created	9/24/2012 9:53PM
Last Printed	8/7/2012 3:14PM
Author	Bessar
Last Modified By	Dazma Shah

Please refer to Exhibit A36 for the abovementioned email dated 20 February 2017.


As such, it seems that there is a breach of confidential information to third party as Dazma Shah had been given access to the Board Paper of Majlis MARA.

5.4.25 Premised on the above, several parties including individuals and companies that were not affiliate or authorised parties of MARA Inc. or MARA were heavily involved in MARA Inc.'s acquisition of Swanston and Dudley. Please refer to the diagram in the following page for an illustration of the parties involved in the transaction.

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5.4.26 Please refer to the diagram below on the illustration of the potential connection of the third parties and their link to MARA Inc.'s acquisition of Swanston and Dudley.





5.5 Senior Manager of Property Investment Division of MARA Inc. is aware of unauthorised/unknown third parties involvements in MARA Inc.'s acquisition of Swanston and Dudley and did not report the same to the Majlis MARA

5.5 Senior Manager of Property Investment Division of MARA Inc. is aware of unauthorised/unknown third parties involvements in MARA Inc.'s acquisition of Swanston and Dudley and did not report the same to the Majlis MARA

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5.5.1 MARA Inc. received a letter dated 13 August 2012 from Thrushcross regarding the offer for sale of Swanston. The letter stated that the exclusivity period for the acquisition of Swanston has expired and they agreed to a final extension up to 30 September 2012. The letter was signed by Erwan as the Executive Director of Thrushcross.

Please refer to Exhibit A08 for the letter from Thrushcross dated 13 August 2012.

5.5.2 Our computer forensics procedures found an email dated 05 September 2012, titled "Fw: Scanned Letter" forwarded by Zainal Zol to Rezuan and Nadia of MARA Inc. In the forwarded email, it appears that Zach Zainal sent a scanned letter to Zainal Zol and Rafee Salleh, CEO of Optimus Capital. The attached scanned letter was from KV Land Pte Ltd dated 13 August 2012 regarding the offer for sale of Swanston, and signed by Erwan as the Executive Director.

Please refer to Exhibit A37 for the email dated 05 September 2012 and the attached letter from KV Land Pte Ltd dated 13 August 2012.

5.5.3 It is unclear why Zach Zainal sent the scanned letter to Zainal Zol and the reason why Zainal Zol forwarded the scanned letter to Rezuan, Manager, MARA Inc. Finance Division and Nadia, Junior Executive, MARA Inc. Accounts and Admin. Searches conducted found that Zach Zainal is a VP Risk Assessment and Financial Analyst at Leuven Capital Sdn Bhd, in which Mazrul Haizad and Dazma Shah were the former directors.

5.5.4 Upon comparison of the letters sent by Thrushcross and the letter by KV Land Pte Ltd, it is noted that the contents of both the letters are similar. Please refer to the following page for the letter from Thrushcross and KV Land.



5.5 Senior Manager of Property Investment Division of MARA Inc. is aware of unauthorised/unknown third parties involvements in MARA Inc.'s acquisition of Swanston and Dudley and did not report the same to the Majlis MARA (Contd.)

Letter received by MARA Inc.



Letter attached in email dated 05 September 2012



5.5 Senior Manager of Property Investment Division of MARA Inc. is aware of unauthorised/unknown third parties involvements in MARA Inc.'s acquisition of Swanston and Dudley and did not report the same to the Majlis MARA (Contd.)

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5.5.5 Based on the documents assessed, it is noted that the letter with KV Land Pte Ltd letterhead is similar to the company that sent the sales proposition to MARA Inc. for acquisition of Dudley.



Please refer to Exhibit B02 for the sales proposition of Dudley by KV Land Pte Ltd.

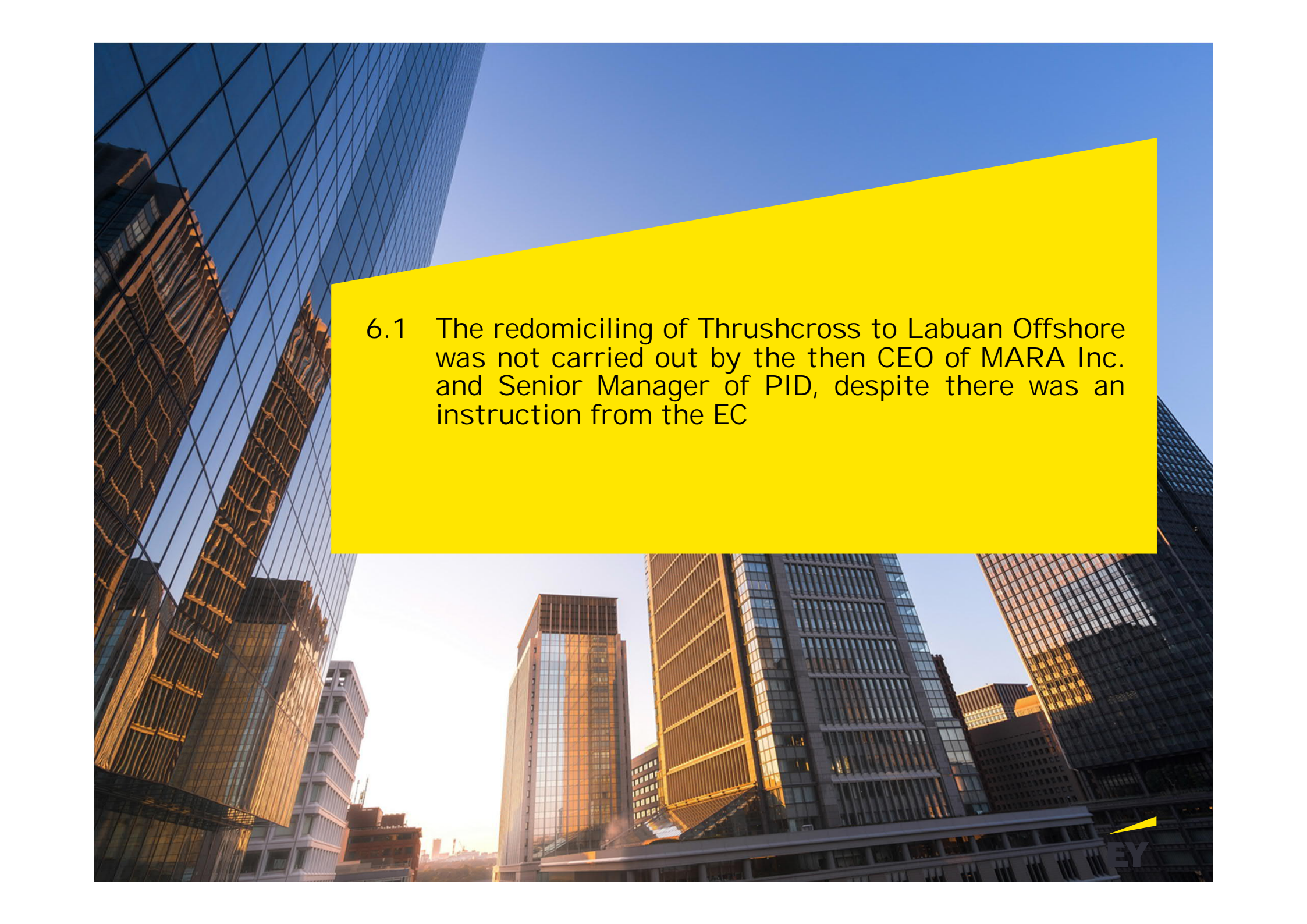
5.5.6 Premised on the above, it seems that Zainal Zol, the Senior Manager of Property Investment Division of MARA Inc. seems to have knowledge of the potential linkages between these unknown companies/parties and their involvements in the the sale of the properties to MARA Inc. without reporting to the Majlis MARA.



## 6.0 Detailed Findings and Observations

Other findings and observations





6.1 The redomiciling of Thrushcross to Labuan Offshore was not carried out by the then CEO of MARA Inc. and Senior Manager of PID, despite there was an instruction from the EC



6.1 The re-domiciling of Thrushcross to Labuan Offshore was not carried out by the then CEO of MARA Inc. and Senior Manager of PID, despite there was an instruction from the EC

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6.1.1 In the meeting with EC dated 03 June 2013, MARA Inc. presented the proposal to inject equity of MYR100mil from MARA into MARA Inc. for the purpose of property investments.

6.1.2 EC, via a letter dated 07 June 2013, stated that EC took note of a few matters, which included the following:

“SPV untuk menguruskan perolehan hartanah di Melbourne dan London dicadangkan masing-masing di Australia dan British Virgin Island. Walau bagaimanapun, MARA Inc. sepatutnya mendaftarkan SPV tersebut di Labuan bagi menyokong pembangunan International Offshore Financial Centre (IOFC) di Labuan.”.

6.1.3 In the same letter, it is stated that EC approved the proposal of the equity injection of MYR100mil for property investments and also “SPV yang menguruskan perolehan hartanah di London dan Melbourne ini didaftarkan di Labuan.”, which means that the SPV for the acquisition of the London and Melbourne properties should be registered in Labuan.

Please refer to Exhibit B16 for the extract of MOM of EC Meeting Bil.8/2013 dated 03 June 2013.

6.1.4 Furthermore, our computer forensics procedures found an email dated 04 September 2014 titled “MARA's BVI Companies” sent by Zainal Zol to Azlinda Ariffin-Boromand, Olswang and Ahmad Kamil, Law & Commerce Trust Limited. In the email, Zainal Zol mentioned that MARA Inc. has been instructed by the Ministry to work on re-domiciling of their BVI companies including Thrushcross to Labuan Offshore.

6.1 The re-domiciling of Thrushcross to Labuan Offshore was not carried out by the then CEO of MARA Inc. and Senior Manager of PID, despite there was an instruction from the EC (Contd.)

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Please refer below for the extract of the email.

From: Zainal Zol ZZ [mailto:zainalzol@gmail.com]  
Sent: 04 September 2014 7:52 AM  
To: Azlinda Ariffin-Boromand; Ahmad Kamil Mohd Yusop  
Cc: Zainal Zol Kulop Alang; syedmuhammad@marainc.com.my  
Subject: MARA's BVI Companies

Assalamualaikum Azlinda and Kamil

As mentioned to both of you earlier, we have been instructed by our Ministry to work on re-domiciling of our BVI companies as listed below to Labuan Offshore:

1. Bower Property Limited
2. Billion Ascent Enterprises Limited
3. Beaumont House Limited
4. Thrushcross Land Holdings Limited

Please refer to Exhibit A40 for the email from Zainal Zol to Azlinda Ariffin-Boromand and Ahmad Kamil dated 04 September 2014.

6.1.5 Another email dated 17 June 2016 titled "Re: Migration of BVI company to Labuan" was found to be sent by Zainal Zol to Ahmad Kamil. In the email, Ahmad Kamil requested for more information about Thrushcross before he could provide a quotation and procedures in regards to the transfer.

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