

## Additional preliminary findings & observations

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3. PKF appears to be aware of the relationship between MITSB and Caely. However, this relationship was not disclosed in Caely's audited financial statement/ annual report

- Our preliminary investigations in Caely's server identified a presentation slide that was prepared by Caely's financial auditors – i.e. PKF. The slides was in relation to a “Financial Due Diligence Review” of Caely Holdings Bhd and its subsidiaries, which was presented to one Borneo Golf Resort Berhad in May 2017.



### Caely Holdings Bhd and its Subsidiary Companies

#### Financial Due Diligence Review

Presentation to Borneo Golf Resort Berhad – May 2017

- In the slides, we noted a section “Receivables” where it was indicated that MITSB was a “Nominee company” and as at 31 March 2015 and 2016, the total debt owing to CMSB was approximately RM8.7 (2015) and RM7.8 (2016) respectively.
- It was further noted in the slide that PKF was aware that MITSB “is a nominee company controlled by Caely Holdings Bhd” and that the directors and shareholders of MITSB were “drivers of the Company/ Directors” (i.e. Datin Fong and Dato’ Alan).
- PKF further reported that MITSB holds unsold shoplots in hands purportedly worth RM5.26 million. However, according to the settlement agreement dated 24 July 2015, the property was stated to worth only RM3.028 million (i.e. a purported RM2 million value appreciation). There was no valuation report annexed together with the slides to support this upward valuation.

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3. PKF appears to be aware of the relationship between MITSB and Caely. However, this relationship was not disclosed in Caely's audited financial statement/ annual report

- Additionally, we noted that despite PKF being aware of the relationship between MITSB and Caely Holdings Bhd as a "Nominee company", PKF reported in the due diligence review that the relationship was "not been disclosed as a related party receivables". Based on the audited financial statement/ annual report of Caely Holdings Bhd – MITSB was not disclosed as a related party receivables.
- Besides, PKF also reported that approximately RM3.9 million was purportedly advanced to various parties as follows.

N2 Advances to subcontractors is as follows:

In RM'000	As 31.03.2016	Subsequent Receipt
Beaucon Engineering (M) Sdn Bhd	2,366	1,200
Guarantee deposit - Koperasi Peserta- Peserta Felcra Malaysia Berhad	600	-
Marwan (advances for project Felcra Bidor)	626	-
Others	338	Not analysed
	<u>3,930</u>	

- Based on public search, we noted that Beaucon Engineering (M) Sdn Bhd was strike-out on 23 October 2015 by the registrar of the Companies Commission of Malaysia in accordance with section 308(2) of the Companies Act 1965. As such, it is highly unusual that subsequent receipt of RM1.2 million was received from Beaucon Engineering (M) Sdn Bhd and the likelihood of collecting the advances of RM2.3 million is highly unlikely.
- Besides, we noted that the directors and shareholders of Beaucon Engineering (M) Sdn Bhd (i.e. Ng Meng Liang and Ng Kok Meng) are also the common directors and shareholders of Beaucon Construction Sdn Bhd, of which, we have highlighted in the earlier findings above shares a common business address as Compact Ecology Sdn Bhd which is held and controlled by Datin Fong and Dato' Alan.



**Questionable payments of at least RM 500,000.00 to  
Lee Yit Leong**

## Additional preliminary findings & observations

### 4. Questionable payments of at least RM 500,000.00 to Lee Yit Leong.

- From our analysis of CMSB's payments, we noted several large cheques written to one Lee Yit Leong. The payment vouchers for these payments were supported by a letter dated 11 March 2013, which purportedly indicated that Lee Yit Leong was appointed by CMSB as a "liaison" between CMSB and one Huebi Dijian Construction Co. Ltd., (i.e. the main contractor for the Casamas project).
- According to the letter, Lee Yit Leong would be given a remuneration sum of **RM 500,000.00** which would be paid in five (5) equal monthly tranches beginning April 2013.
- We also noted that the letter made reference to an appointment letter dated 01 October 2012. However, we have yet to locate this letter.
- The letter was printed on CMSB's company letterhead and signed off by Dato' Alan; and was acknowledged accepted by Lee Yit Leong.

# Additional preliminary findings & observations


## 4. Questionable payments of at least RM 500,000.00 to Lee Yit Leong.

March 11, 2013

Lee Yit Leong  
(UC No. 570111-08-5997)  
Jalan Maharaja Lela,  
36000 Teluk Anson,  
Perak

Dear Sirs,

**Caely (M) Sdn Bhd**  
Registered in Malaysia - Company No. 1010101010



**REMUNERATION FOR LIAISING AND INTERMEDIARY WORKS ON CASAMAS COURT PROJECTS**

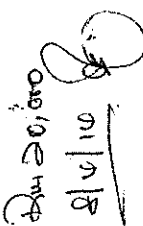
Your appointment letter dated 01 October 2012 refers.

In pursuance of carrying out and the completion of the above duties and responsibilities between Caely (M) Sdn. Bhd. and Huber Dijian Construction Co. Ltd. (Main Contractor) we hereby offer you a consideration sum of **RINGGIT MALAYSIYA FIVE HUNDRED THOUSAND (RM 500,000.00)** payable in the manner as below:-

a) on April 27, 2013	RM 100,000.00	=	<b>RM 500,000.00</b>
b) on May 27, 2013	RM 100,000.00		
c) on June 27, 2013	RM 100,000.00		
d) on July 27, 2013	RM 100,000.00		
e) on August 27, 2013	RM 100,000.00		
	<u>RM 500,000.00</u>		

If you are agreeable to the above said terms and conditions, please confirm by signing on the duplicate copy herof and return the same to us.

Thank you.

Yours Sincerely,  
  
**Caely (M) Sdn Bhd (157984-V)**

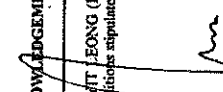
**Dato' Chuhai Chin Lai, P.M.M.P.A.M.P.**  
Managing Director

Caely Care  
157984-V

Wisma Caely, Lot 265, 2nd Mile, Jalan Maharaja Lela, 36000 Teluk Anson, Perak Darul Ridzuan, Malaysia  
Tel: +605 621 8888 Fax: +605 621 5151  
Email: cde@caely.com.my  
Web: www.caely.com.my

**ACKNOWLEDGEMENT AND ACCEPTANCE OF OFFER**

I, **LEE YIT LEONG** (UC NO. 570111-08-5997) do hereby accept to the offer on the terms and conditions stipulated as per letter March 11, 2013 above.

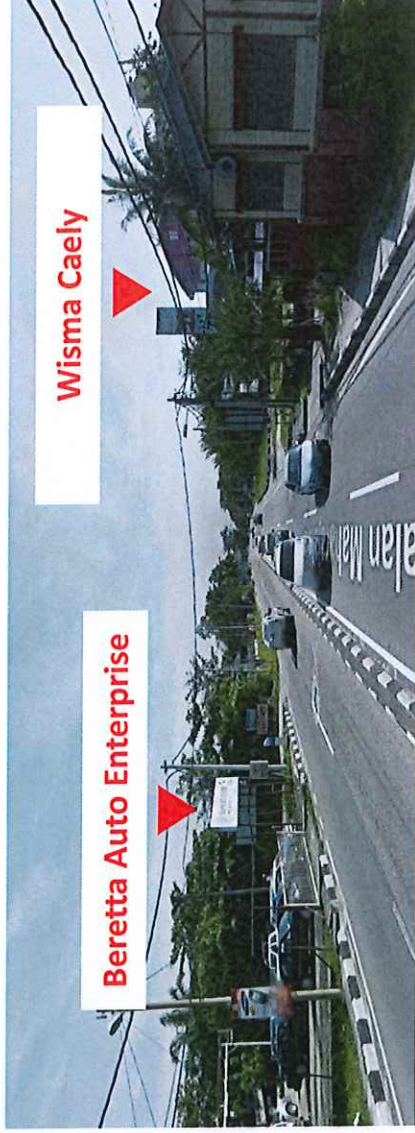
  
**LEE YIT LEONG**



## Additional preliminary findings & observations

### 4. Questionable payments of at least RM 500,000.00 to Lee Yit Leong.

- Upon further investigation, we noted that Lee Yit Leong is the sole proprietor of a car shop by the name of **Beretta Auto Enterprise** ("Beretta Auto") which is in the business of trading new and used cars, supplying spare parts, repairing and washing cars. We noted that one of the five (5) payments was paid to Beretta Auto Enterprise.
- We also noted that Beretta Auto which has a branch located at **Lot 2850 B-8 Jalan Maharaja Lela Teluk Intan, 36000, Teluk Intan** from 23 October 2013 to 12 April 2022, which is opposite from CMSB's premises.



- Besides Beretta Auto, Lee Yit Leong is also a director and 10% shareholder two (2) other companies, Alam Bumi Resources Sdn Bhd ("Alam Bumi") and HBWH Geographical Survey & Piling Construction (M) Sdn Bhd ("HBWH").
- Alam Bumi is in the business of iron ore mining, erecting refineries and laboratories and investment in property; while HBWH is in the business of drilling, boring and core sampling for construction, geophysical, geological or similar purposes. We have not identified any payments to these entities.
- Premised on the above findings, it is highly questionable for CMSB to be paying such a large sum to an individual and/ or an entity that operates a car supply simply to liaise with another subcontractor.



***Payment of MYR10,000 purportedly paid to Lee Yit  
Leong was instead paid to Dato' Alan***

## Additional preliminary findings & observations

### 5. Payment of MYR10,000 purportedly paid to Lee Yit Leong was instead paid to Dato' Alan

- Besides the payments to Beretta Auto Enterprise and Lee Yit Leong identified above, we found one (1) payment of MYR10,000 that was purportedly for "advances payment to Lee Yit Leong for Casamas Court Project".
- In the payment voucher identified, we noted a separate notation indicating " - Payable to Chuah Chin Lai" (i.e. Dato' Alan).
- Based on the accounting entries, the payment was purportedly paid to Lee Yit Leong. However, based on the cheque details from Dejavid system - the cheque OCBC 031570 was instead paid to Dato' Alan.



可人兒 (馬) 有限公司  
CAELY (M) SDN. BHD.

(Company No: 157982-V)  
Lot 2061, 3rd Mile, Jalan Maharaja Lela,  
50600 Teluk Jempur, Perak.  
Tel : 05-6218889 (20 Lines) Fax : 05-6215286, 6215115

PAYMENT/PETTY CASH VOUCHER

ACCOUNT NO. 10/113  
FOLIO No. 31. 10.14  
DATE: 28

ACCOUNT DR	AMOUNT
ADVANCE PARTICULARS	
Being a payment to Lee Yit Leong for Casamas Court project.	10,000.00
- Payable to Chuah Chin Lai	
OCBC 031570	
Paid by Dato' Alan	
CASH/CHEQUE No. 445997185 21/10/2018	
Prepared By	
Authored By	
Entered Account By	
Checked By	
Date Entered	10.000.00
Account	
Signature of Receiver	



**Questionable payments of at least RM 2mil to Ong Bee  
Ling – Dato’ Alan’s sister-in-law**

## Additional preliminary findings & observations

### 6. Questionable payments of at least RM 2mil to Ong Bee Ling – Dato' Alan's sister-in-law

- From our analysis of CMSB's general ledgers, we noticed numerous payments made to one **Ong Bee Ling** for payments on behalf of several companies (e.g. Beaucon, S City, Tacyl etc.)
- Upon seeking clarification from Nancy, these direct payments to Ong Bee Ling were instructed by Dato' Alan.
- Our investigation revealed that **Ong Bee Ling is very likely the sister-in-law of Dato' Alan**. Our findings are premised on the following facts:
  - i. Our company search on Tacyl Construction and Renovation Works ("**Tacyl Construction**") reveals that Tacyl Construction is co-owned by Chuah Chin Keng and Ong Bee Ling.
  - ii. A disclosure in Caely Holdings' 2004 Annual Report states that Chuah Chin Keng, who is the owner of "Perusahaan Tacyl" is the brother of Dato' Chuah.
  - iii. From the company search of Tacyl Consturction, Chuah Chin Keng and Ong Bee Ling both share the same residential address, likely due to them being husband and wife.
  - iv. Based on Ong Bee Ling Facebook, which indicates that she is married to one Kenny Chuah and works at Tacyl Construction & Renovation works; and a family photo with Dato' Alan and Datin Fong.
  - v. In an obituary of Dato' Alan and Kenny Chuah's late mother, Ong Bee Ling was mentioned as one of the next of kin.



## Additional preliminary findings & observations

### 6. Questionable payments of at least RM 2mil to Ong Bee Ling – Dato' Alan's sister-in-law

- A screenshot of the disclosure of related party from Caely Holdings' 2004 Annual Report is as follow:

Company in the Group Involved	Related Party	Interested Related Party	Nature of Transaction	Transaction Value for the Financial Year Ended 31 December 2004 RM
Caelygirl (M) Sdn Bhd ("CMSB")	Central Aluminium Manufactory Sdn Bhd ("CALuminium")	Khor Mooi Soong <sup>(a)</sup>	Purchase of stainless steel aluminium household products for its direct selling business	10,794
CMSB	Central Melamineware Sdn Bhd ("Cmelamineware")	Khor Mooi Soong <sup>(a)</sup>	Purchase of melamine household products for its direct selling business	876
CMSB	Perusahaan Taeli ("Taeli")	Chuah Chin Lai <sup>(b)</sup>	Purchase of garments for its direct selling business	65,190
CMSB	Kimberlux Sdn Bhd ("KSB")	Fong Nyok Yoon <sup>(c)</sup> Chuah Chin Lai Khor Mooi Soong Lim Pow Choo	Office rental receivable	3,600
CMSB	Kimberlux Construction Sdn Bhd ("KCSB")	Fong Nyok Yoon <sup>(d)</sup> Chuah Chin Lai Khor Mooi Soong Lim Pow Choo	Office rental receivable	6,000
CMSB	Brick By Brick Sdn Bhd ("BBBSB")	Fong Nyok Yoon <sup>(e)</sup> Chuah Chin Lai Khor Mooi Soong Lim Pow Choo	Office rental receivable	4,800
CMSB	Prestige Gain Sdn Bhd ("PGSB")	Fong Nyok Yoon <sup>(f)</sup> Chuah Chin Lai Khor Mooi Soong Lim Pow Choo	Office rental receivable	3,600

Company in the Caely Group Involved	Related Party	Interested Related Party	Nature of Transaction	Year Ended 31 December 2004 RM
Classita (M) Sdn. Bhd. ("CCSB")	Taeli	Chuah Chin Lai <sup>(b)</sup>	Sub-contractor who provides sewing services for products such as briefs and panties	400,905
CCSB	Honey Enterprise ("Honey")	Chuah Chin Lai <sup>(b)</sup>	Sub-contractor who provides sewing services for products such as briefs and panties	428,608
CCSB	Inner Beauty Enterprise ("InBeauty")	Chuah Chin Lai <sup>(b)</sup>	Sub-contractor who provides sewing services for products such as briefs and panties	209,589
CCSB	Finatrec Enterprise ("Finatrec")	Chuah Chin Lai <sup>(b)</sup>	Sub-contractor who provides sewing services for products such as briefs and panties	168,342
Marywah Industries (M) Sdn. Bhd.	Finatrec	Chuah Chin Lai <sup>(b)</sup>	Sub-contractor who provides sewing services for products such as briefs and panties	1,380

**Notes:-**

(a) Tan Hong Cheng (brother-in-law of Khor Mooi Soong who is an Executive Director and a substantial shareholder of Caely Holdings) is the Managing Director and a substantial shareholder in both Aluminium and Melamineware. Khor Mooi Soong's deemed interests by virtue of his relationship with Tan Hong Cheng and his direct and indirect shareholdings of 9,000,000 (11.25%) and 27,000,000 (33.75%) ordinary shares respectively in CHB.

(b) Taeli, Honey, InBeauty and Finatrec are owned by the by the siblings and brother-in-law of Chuah Chin Lai, the Managing Director and substantial shareholder of CHB. Chuah Chin Lai is deemed interested by virtue of his direct and indirect shareholdings of 4,000,000 (11.25%) and 27,000,000 (33.75%) ordinary shares respectively in CHB.

The entities in which the siblings and brother-in-law of Chuah Chin Lai which have substantial interests are as follows:

Name of Entities	Name of Relatives	Relationship with Chuah Chin Lai
Taeli	Chuah Chin Keng	Brother
Honey	Chuah Sew Kah	Sister
InBeauty	Chuah Mooi Kiew	Sister
Finatrec	Sam Chee	Brother-in-law

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### 6. Questionable payments of at least RM 2mil to Ong Bee Ling – Dato' Alan's sister-in-law

- o A screenshot of the Chuah Chin Kheng and Ong Bee Ling's residential address from the SSM search of Tacy Construction is as follow:

**\*\* INFORMATION OF CURRENT OWNER \*\***

NAME : CHUAH CHIN KHENG  
RESIDENTIAL ADDRESS : NO. 220-B, LORONG CENGGIH H2 / 8 JALAN SULTAN ABDULLAH  
36000, TELUK INTAN  
PERAK

**\*\* INFORMATION OF CURRENT OWNER \*\***

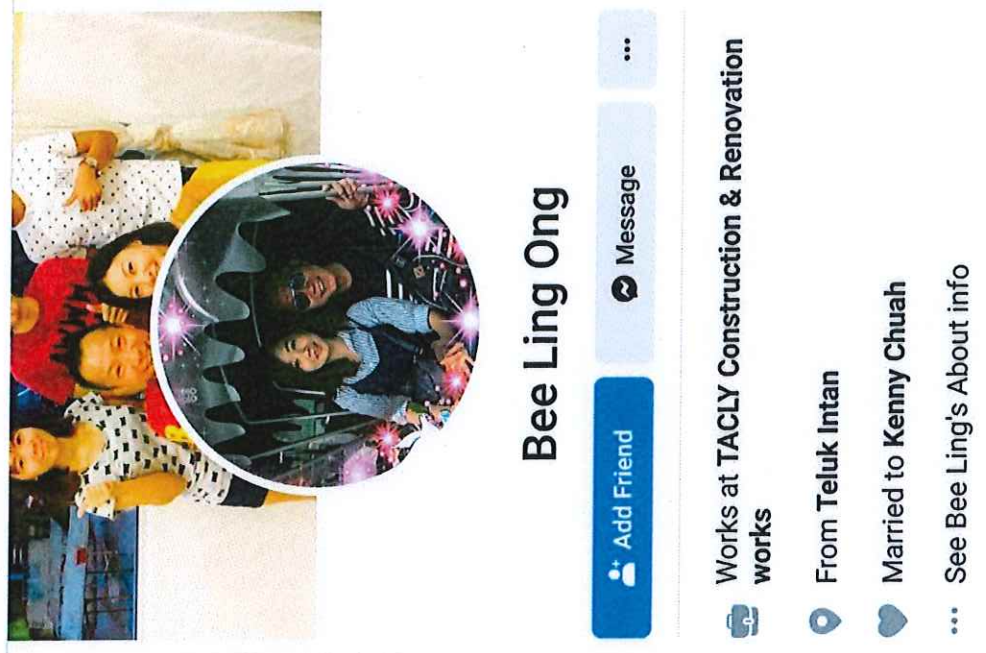
NAME : ONG BEE LING  
RESIDENTIAL ADDRESS : NO. 220-B, LORONG CENGGIH H2/8  
JALAN SULTAN ABDULLAH  
36000, TELUK INTAN  
PERAK



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### 6. Questionable payments of at least RM 2mil to Ong Bee Ling – Dato' Alan's sister-in-law

- o A screenshot of the Ong Bee Ling's Facebook profile





## Additional preliminary findings & observations

### 6. Questionable payments of at least RM 2mil to Ong Bee Ling – Dato' Alan's sister-in-law

- o A screenshot of a family dinner

 **Bee Ling Ong** is with 蔡佩琴 and 4 others. ...  
14 Feb 2019 · 🌐



👍 187

💬 11 comments · 3 shares





## Additional preliminary findings & observations

### 6. Questionable payments of at least RM 2mil to Ong Bee Ling – Dato' Alan's sister-in-law

- Upon reviewing the payment vouchers and supporting documents of the payments made to Ong Bee Ling, we noted several payments were supported with highly questionable documents and some payments without supporting documents at all.
- In one instance, we noted cheque payments to Ong Bee Ling amounting to RM 20,000 and RM 12,000 dated 05 February 2016 and 27 June 2016 respectively. The payment description stated on the payment vouchers were "**Being payment to Ong Bee Ling on behalf of Mr Raja Gopal - Broker Commission**", where the only supporting document attached is a printed manual ledger detailing the amount owing to Raja Gopal and payments that have already been made.
- In the supporting document attached to the first payment dated 05 February 2016, we noted that the commission is for the sale of three (3) units in Tapah, the amount of commission being RM 40,000.00 for each unit, totaling RM 120,000.00. After deducting previous payments, the balance to be paid is RM 20,000.00, which matches the payment voucher.
- However, in the second payment dated 27 June 2016, the supporting document shows that the commission payment is for the same three (3) units sold, instead the amount of commission for each unit had been amended from RM40,000.00 to RM 44,000.00 (i.e. +RM4,000), causing the total to be RM 132,000.00 with a new balance now of RM 12,000.00 to be paid.
- Based on the supporting document, for the commission of RM20,000 it appears that the payee name was redacted/ covered. However, based on the supporting document for the commission of RM12,000, it was noted that all commissions to Mr Raja Gopal as paid to Ong Bee Ling instead of Mr Raja Gopal directly. We further noted that the cheque numbers were identical to the supporting document for the commission of RM20,000 that was paid on 05 February 2016.
- We noted that there were no letter and/ or agreement between Mr Raja Gopal and CMSB to allow its commission to be paid to Ong Bee Ling. As such, it is highly questionable why the payment was paid to Ong Bee Ling and not to Mr Raja Gopal directly.



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- o Additionally, the amendments to the supporting document appears to allow an additional RM12,000 to be paid to Ong Bee Ling.
- o Besides, we also noted no disclosure of related party transactions for these payments in CMSB and/ or Caely Holdings Bhd audited financial statement/ annual report
- o The supporting documents of the purported sales commission to Raja Gopal of RM20,000 and RM12,000 is as follow:

### Supporting document for payment made on 05 February 2016

		s/px
<b>BROKER FEE to MR RAJA GOPAL - TAPAH</b>		
1	LOT 4	40,000.00
2	LOT 5	40,000.00
3	LOT 12	40,000.00
4		
		<b>120,000.00</b>
less : PAYMENT TO :		
1	02.01.15	CAELY MBB 412725
2	19.06.15	CAELY OCBC 032492
3	21/08/2015	CAELY OCBC032720
4	09/10/2015	CAELY OCBC032718
		<b>100,000.00</b>
		<b>20,000.00</b>
		<b>BALANCE DUE</b>

**Cheque number for prior payments match**

→ 0322 033467  
(5/2/16)

**Name of payee appears to have been redacted/ covered**

### Supporting document for payment made on 27 June 2016

		s/px
<b>BROKER FEE to MR RAJA GOPAL - TAPAH</b>		
1	LOT 4	44,000.00
2	LOT 5	44,000.00
3	LOT 12	44,000.00
4		
		<b>132,000.00</b>
less : PAYMENT TO : ON RAJA GOPAL BEHALF		
1	02.01.15	ONG BEE LING
2	19.06.15	ONG BEE LING
3	21/08/2015	ONG BEE LING
4	09/10/2015	ONG BEE LING
5	05.02.2016	ONG BEE LING
		<b>20,000.00</b>
		<b>120,000.00</b>
		<b>BALANCE DUE TO</b>
		<b>12,000.00</b>

**Name of payee for prior payments were to Ong Bee Ling**