

## **The Mess Isa Samad left behind**

Everyone knows about the Sturgeon Case in FELDA. How Lembaga Felda lost RM 47.6 Million in a company called FELDA Caviartive Sdn Bhd, purportedly to farm Sturgeon in our local rivers and how 5 senior officers were nabbed who were responsible for the losses.

<http://www.thestar.com.my/news/nation/2017/01/24/macc-felda-corruption/>

This happened during Isa Samad's tenure as Chairman of FELDA.

But how about the rest of the mess he left behind....

Lets start with FWC - Felda Wellness Corp Sdn Bhd, a loss-making bio pharmaceuticals company wholly owned by the statutory body, had been wound up last year.

In less than three years of operation, Felda Wellness has accumulated losses of RM154.76 million, and current liabilities of RM154.03 million as at end FY15. The company's total assets amounted to RM4.34 million.

The company was eventually wound up by Australia-based Gordagen Pharmaceuticals Pty Ltd for debts owed to it by Felda Wellness amounting to RM2.1 million.

<http://www.theedgemarkets.com/article/felda-wellness-wound-after-defaulting-australian-debts>

Then how about Global Settlers Sdn Bhd (GSSB), which opened a chain of 5 restaurants and incurred losses of more than RM 8.4 Million, then closed down after 3 years of operations. That's not all, it paid RM 2.29 million to Pastry Project called Schneeballen without having any supporting documents. In October 2015 that Pastry project was terminated after having spent another RM 6.39 million for equipment.

<http://www.thestar.com.my/news/nation/2016/11/21/ag-report-feldas-fishy-venture-spawned-rm45mil-loss/>

But that's small change compared to the 65 contracts signed for the procurement of LiDAR services worth RM148.41 million by the Director of Land Management of FELDA, Shahrizal Mohd Salleh. Who happens to be related to Isa Samad's wife's relative.

The AG report stated that the full payment of RM40.57 million for 53 out of 64 contracts with Bumitouch Sdn Bhd were made, although the deliverables of LiDAR were not fully received.

Sadly according to the report, the use of LiDAR technology for the purpose of replanting could not commence, as the deliverables for the period October 2013 to May 2015 for the related areas, was not fully received. Poor Peneroka, short changed again.

Sources familiar to the industry of LiDAR technology know that such projects to map FELDA's land bank would only cost RM20 million. Why did we over pay?

<https://www.nst.com.my/news/2016/11/190618/felda-lost-millions-due-poor-planning-execution>

Shall we move on to the Hotels? I lost count how many useless hotels Felda bought. But one comes to mind. The Hotel in Port Dickson.



The former CEO of Felda Investment Corp was questioned and detained by Macc for several days regarding it.

The two men, aged 44, were detained to assist in investigations as they were suspected of having misappropriated the Felda subsidiary's funds concerning the purchase of a hotel in Port Dickson valued at about RM40 million.

<http://themalaysianreserve.com/new/story/macc-detains-ceo-felda-subsiary>

Then there was the hotels in London... and although they found nothing, Isa Samad's son was implicated...

<http://www.theedgemarkets.com/article/felda%E2%80%99s-london-hotel-buy-cleared>

KUALA LUMPUR: The Malaysian Anti-Corruption Commission (MACC) has found no wrongdoing in the Federal Land Development Authority's (Felda) purchase of a luxury hotel in London. Datuk Paul Low, the minister in charge of transparency and integrity, in a written reply to Anthony Loke (DAP-Seremban) said initial investigations did not find any element of wrongdoing in the deal by Felda subsidiary, Felda Investment Corp (FIC).

This came after a news report in March mentioned that Felda group chairman Tan Sri Mohd Isa Abdul Samad's son, who is said to be a senior officer of FIC, was questioned by the MACC over the purchase.

In December last year, FIC announced that it had acquired the Grand Plaza Kensington Hotel in London to “diversify its investment assets”. The acquisition made it the first London property for FIC and the second for Felda.

Clearly Isa Samad’s cronies have benefited in all this...His son, with the hotel deals.... Who else...

Namely, Isa Samad’s good friend Dato Rais Zainuddin... who was awarded a Project for the Housing of the Second Generation Felda Setters. Why was he awarded? Who knows... but what has happened to the contract since then.

<http://www.sinarharian.com.my/politik/gesa-siasat-projek-perumahan-generasi-kedua-felda-1.666609>

"RM1.4 bilion untuk bina rumah generasi kedua Felda, tapi rumah yang dibangunkan beberapa unit saja dan duit itu sudah habis," katanya.

Menurutnya, SPRM perlu menyiasat perkara itu bagi mengenalpasti ke mana duit itu hilang.

My sources now tell me that he was the key promoter in getting FGV to invest more than RM 110 million into a failed project in UK. Which the management of FGV has decided to dispose off.

<http://www.therakyatpost.com/business/2014/05/14/fgv-building-graphene-plant/>

Lembaga Felda invested in three public companies, paying a hefty premium which they will never realize in this lifetime.

Felda owns 72.7% of Encorp, purchased some time in 2014, How will they ever get their capital back I wonder, see the graph below. Assuming they bought it for 1.30 a share, Felda would have spent RM260 million back then. Now its only worth Rm 162 million.

**ENCORP BERHAD**



Iris Corporation

Felda owns 21.33% in Iris. Assuming they bought the stake at RM 0.40 a share, Lembaga would have paid RM 192 million then in 2014, for something that is now worth RM 72 million today.

#### IRIS CORPORATION BERHAD



#### Barakah Petroleum

This is the same story.

“Of these transactions, 73.5 million shares or a 9.73% block was bought by Felda Investment Corp Sdn Bhd (FIC). According to a Nov 24 filing, the same number of shares changed hands at RM99.96 million or RM1.36 apiece. The filing confirms The Edge Financial Daily’s report that FIC bought a near 10% stake in Barakah to gain exposure to the oil and gas industry.”

<http://www.theedgemarkets.com/article/market-trades-barakah-offshore-petroleum-bauto-ysp-southeast-asia-holding-megb-and-teo-seng>

Today its at RM 0.60 per share. Paid RM 100 million, now worth RM 48 million.

BARAKAH OFFSHORE PETROLEUM BERHAD

