

Masalai i tokaut

Number Forty Six: 7 May, 2006

KINA SECURITIES admits Rimbunan Hijau ownership!



This is the woman that Kina Securities claims is its owner. She profits from millions of kina in PNG Superannuation funds but is a key member of the Rimbunan Hijau family and an integral part of its corporate network

Last month Masalai revealed that leading finance company, Kina Securities Limited, is secretly owned and operated by Rimbunan Hijau – the notorious Malaysian company responsible for illegal and unsustainable logging and human rights abuses across PNG.

In an effort to remove itself from our spotlight, Kina has been telling the business community that the company is owned not by Rimbunan Hijau but by a Madam Ho Lay Puay of Hong Kong. What Kina have not revealed is that Madam Ho is a key part of the Tiong family that own Rimbunan Hijau!

In this issue we also disclose how Kina Securities is unlawfully operating its huge superannuation business without a licence and in doing so, has defrauded the Nation of millions of kina in operating and licensing fees.



This woman, Madam Ho Lau Puay, is the critical link between Rimbunan Hijau and Kina Securities

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Illegal Superannuation operations

Not only has Kina Securities published false information in its Annual Reports, lied to the Registrar of Companies and hidden its true identity behind a deceitful web of concocted foreign companies, it has been illegally operating its lucrative superannuation business.

All financial businesses in PNG must be registered with the Bank of Papua New Guinea and hold a licence for each type of work that they do. These are statutory requirements and should be vigorously policed. Yet Kina has been able to operate its superannuation business in PNG for more than THREE YEARS without the appropriate approval and licence.

By operating its superannuation business illegally and without a licence, Kina Securities has avoided paying millions of kina in licence and operating fees, defrauding both the Government of PNG and its people of much needed revenue and giving Kina Securities an unfair advantage over competing financial businesses.



Kina Securities has built its reputation as a respectable member of the business community on a web of lies and deception.

The truth is inadvertently revealed

Just days after Masalai released its original investigation, Kina Chief Executive Syd Yates flew from Port Moresby to Singapore to meet with Kina Director, Ik King Tiong, brother of Rimbunan Hijau's founder Hiew King Tiong.

A strategy was devised in which Kina Securities would not speak publicly on the embarrassing revelations; issue a series of defamation threats to try and stop any proper investigation; and seek to privately reassure clients through a series of further misleading statements and falsehoods.

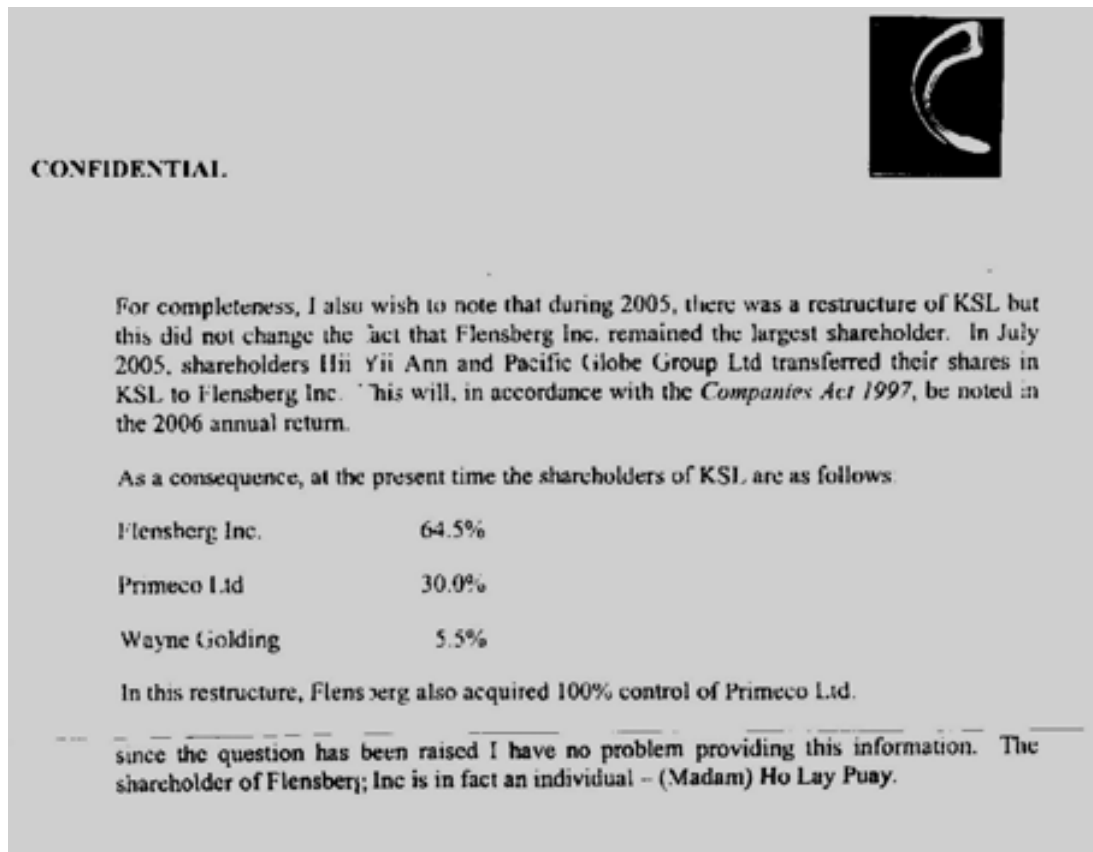
On returning to Moresby, Kina Securities instructed its lawyers, who also act for Rimbunan Hijau, to serve a series of defamation threats on individuals who were legitimately asking awkward questions.

Kina then sent out a series of explanatory letters to concerned organisations including the Public Officers Superannuation Fund, The Institute of Directors and Transparency International.

In these letters it was denied that Kina had anything to do with Rimbunan Hijau and it was claimed that, as a result of a recent 'restructuring', it was 94.5% owned by the Liberian registered Flensberg Incorporated (with Wayne Golding still retaining a minority 5.5% stake).

In the last Masalai we revealed that there is no company called Flensberg registered in Liberia and that it is entirely fictitious.

Extracts from the Kina letters signed by Syd Yates



Kina also claimed in the letters that:

“The shareholder of Flensburg Inc is in fact an individual – (Madam) Ho Lay Puay”

What Kina securities failed to reveal though is that Madam Puay is part of the Tiong family which owns Rimbunan Hijau. She is a shareholder and Director in a number of Rimbunan Hijau companies and is married to one of the brothers of Rimbunan Hijau’s founder.

The truth that Kina failed to disclose is that Madam Puay’s full name is:

Tiong Ho Lay Puay

Madam Tiong Ho Lay Puay is married to Kiu King Tiong, brother of Rimbunan Hijau founder Hiew King Tiong. Tiong is Madam Puay’s married name, Ho is her maiden name.

She also has an ‘English’ name which she often uses for business **Lynette Tiong**. You can email her if you want to confirm all this – her email address is lynho@netvigator.com



Kina CEO Syd Yates has failed to disclose that Madam Ho Lay Puay is married to the brother of the founder of Rimbunan Hijau, Hiew King Tiong

Madam Tiong shares a home with her husband Kiu King Tiong – at 20A Villa Veneto, 3 Kotewall Road, Hong Kong. Here are photos taken last week of Madam Tiong's Apartment Block and heavily fortified front door.



This is of course not the first time Kina has tried to hide the Tiong name in its records. Both Ik King Tiong and Soon King Tiong have appeared as Kina Director's in the records of the Registrar of Companies but have never been disclosed in Kina's glossy annual reports.

Madam Tiong Ho Lay Puay, the claimed owner of Kina, is a Director of Shiang Yang International of Hong Kong. This is a Tiong / Rimbunan Hijau company whose 1 million shares are divided solely between nine members of the Tiong family with Rimbunan Hijau founder Hiew King Tiong holding the largest share (17.5%).

Madam Tiong Ho Lay Puay is also a Shareholder in Deeland Corporation, registered in Australia, which is at the heart of Rimbunan Hijau's many Australian property and investment interests. Other shareholders in Deeland include, of course, Hiew King Tiong and four of his brothers.

Madam Tiong Ho Lay Puay is also joint owner (with her husband Kiu King Tiong) of a company called Kaisen Resources Limited (registered in Hong Kong). Below are details from the Hong Kong Register of Companies about Kaisen Resources.

Extracts from the Hong Kong Register of Companies:

CR No.:	0417384
Company Name:	KAISEN RESOURCES LIMITED 滙山資源有限公司
Director Surname (English):	HO
Other Names (English):	LAY PUAY
Chinese Name:	何麗梅
Previous Name:	-
Alias:	-
Residential Address:	20A VILLA VENETO 3 KOTEWALL ROAD, HONG KONG
HKID No.:	D503464 (8)

CR No.:	0417384
Company Name:	KAISEN RESOURCES LIMITED 滙山資源有限公司
Director Surname (English):	TIONG
Other Names (English):	KIU KING
Chinese Name:	張鉅卿
Previous Name:	-
Alias:	-
Residential Address:	20A VILLA VENETO 3 KOTEWALL ROAD, HONG KONG
HKID No.:	A795957 (8)

Kiu King Tiong, Madam Ho's Husband, is listed as a Director in over forty Rimbunan Hijau companies in Hong Kong – including the Ming Pao Group which is the second largest media company in all of China. The Ming Pao Group is now headed by Francis Tiong. Remember him? He cut his teeth here in PNG in the 1990's as boss of Rimbunan Hijau's logging operations.



To conclude; Kina Securities has stated that they are 94.5% owned by Kiu King Tiong's wife AND that they have NOTHING to do with Rimbunan Hijau and the Tiong family....

This is clearly nonsense and frankly, Kina Securities no longer has any credibility.

The other unanswered questions

While painting yet another false picture to try and hide the truth about its ownership, Kina Securities has not only raised many new questions, it has still failed to answer many of the central questions revealed in Masalai's original investigation.

- Why there is no company called Flensburg in Hong Kong?
- Why there is no such company in Liberia called Flensburg, which Kina now says is owned by Madam Tiong Ho Lay Puay?
- Why have Kina's annual reports consistently failed to reveal its full share ownership?

- Why have the Kina’s company details as filed with the Registrar of Companies consistently been at odds with the information disclosed in its Annual Reports?
- Why is the fictitious Flensburg Liberia, which Kina says is not connected to Rimbunan Hijau, also listed as the ultimate owner of RH subsidiary Straits Marine?
- How did Rimbunan Hijau’s company Primeco, a major shareholder in Kina, transfer its shares to the non-existent Flensburg Liberia?
- Why was another Kina shareholder, Pacific Globe, also listed with a fictitious address?
- How is it that Pacific Globe was never registered in its claimed domicile of Hong Kong?
- How does Kina explain the clear links between Rimbunan Hijau and the now deregistered Flensburg PNG?
- What happened when Rimbunan Hijau’s bankers, ANZ, flew a senior executive team into Port Moresby to try and deal with the emerging scandal of their involvement in PNG’s illegal logging industry and ANZ Bank profiteering from Rimbunan Hijau’s activities?
- Who did Kina’s “Representative Director” James Lau, Managing Director of Rimbunan Hijau in PNG, represent when he sat on the Kina Board?
- Who does Kina’s “Representative Director” Tek Kong Lee (Rimbunan Hijau’s company secretary) represent on the Board of Kina Securities?
- How can Sid Yates claim not to have known until 2005 who owned Kina when he signed the Annual Returns as Company Secretary and was legally responsible for reporting to the owners?

Masalai has now conclusively proved that Kina Securities is responsible for creating a web of lies and deception about its true ownership

We have also shown that CEO Syd Yates has personally responded to the crisis by issuing new information that was intentionally designed to mislead and was inherently false.

We hope that the relevant Authorities will now take appropriate action and that the honest and upstanding members of PNG’s business community will now ensure that they cut all their ties with this disreputable organisation.