



Headline: Cops nab 99 over investment scam  
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# Scammed of million\$

Police have busted a major syndicate, arresting 99 people including a Datuk Seri who acted as liaison between China and Malaysia. They were using 'Macau scam' methods to cheat people into investing in non-existent Chinese stocks and were reaping millions of ringgit in ill-gotten gains every month.

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Busted: Bukit Aman CCID director Comm Datuk Seri Amar Singh showing the items seized from the syndicate during a press conference in Kuala Lumpur.

# Cops nab 99 over investment scam

Syndicate offered fake shares from public listed companies in China to lure victims

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**KUALA LUMPUR:** A Datuk Seri in his 40s and a 14-year-old boy were among 99 people caught in a raid at a luxury office near KL Sentral on Wednesday in a police crackdown on a syndicate allegedly running an investment scam targeting victims in China.

It is learnt that the Datuk Seri was the syndicate's business contact and he might have acted on its behalf in its dealings in Malaysia.

However, police are digging further to uncover whether the Datuk Seri has any political affiliations or connections.

This was also the biggest bust of its kind in Malaysia, and the suspects – 93 Chinese nationals and six Malaysians – offered "shares" from public listed companies in China to lure victims into investing with the promise of handsome returns.

While the majority of the syndicate members worked as "call-centre" operators, some of them had jobs as security guards, translators and even mediators. Also, 21 of the suspects were women.

Bukit Aman Commercial Crime Investigation Department (CCID) director Comm Datuk Seri Amar

Singh said the syndicate followed the same *modus operandi* as a Macau scam.

"They acted as a so-called stock-broking company, offering dubious shares to the victims.

"They even ask the victims to analyse the stocks using the 'Tong Da Xin' app (which tracks share prices in stock markets around the world) before convincing them they could get huge returns on their investments within a short time," he told reporters yesterday.

It is learnt that the syndicate offered dubious shares to the victims.

"The first few transactions might seem legitimate in order to hook the victims but it will then go bust as the shares offered were fake.

"Basically the syndicate was posing as a third party entity in buying stocks for the victims but actually all the investments went straight into their account," a source said.

The source indicated that the syndicate has been operating in Malaysia for close to six months, earning an "outrageous income" by cheating people.

"They chose a high-end office in an attempt to evade authorities.

"Their mindset was that if the office is at a luxury area, then the

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business would be seen as legitimate," the source said.

Among the items seized during the police raid on Wednesday were 169 mobile phones and 114 laptops, Comm Amar said.

"The suspects used Voice Over Internet Protocol (VOIP) calls to pose as company workers based in China before tricking victims into parting with their hard-earned money.

"We are working with our counterparts from China to investigate the case further, including how much losses the victims have suffered," Comm Amar said.

It is believed that the syndicate earned up to millions of ringgit each month.

"We don't have the exact figure but based on the salary of more than RM2,500 for each worker as well as the office rental cost, lodging for the workers and flying them in from China, their earnings could easily be quite a substantive amount," Comm Amar said.

He added that in Malaysia, the

Macau scam has caused more than RM100mil in losses each year while cybercrime as a whole has incurred more than RM500mil in losses for victims each year.

"We feel that such scammers were able to contact the victims as there is a leak on personal data.

"I had a meeting with my counterparts in Hong Kong and Singapore and they are also facing similar problems of rising scams," he said.

In Hong Kong, so-called African scam cases are 10 times more than in Malaysia.

Recently, they recorded some RM95mil in losses within two months from such a scam there, Comm Amar added.

"The syndicate was operating from Malaysia," he said.

Comm Amar also called on Malaysian telecommunication companies to upgrade their systems so that they would be able to assist the police in tracking down the Internet Protocol (IP) addresses used by scammers.

"We are more interested in the IP address so I hope the government can play its part in getting the telcos to upgrade their systems.

"We want to pinpoint where the calls come from. Once we have the

location, we will get the cooperation of the authorities of the respective countries," he said.

Comm Amar reminded the public not to easily fall for scams, especially the Macau scam.

"No matter what the scammers say, always remember that the police are never involved in asking anyone to transfer any sum of cash, let alone their life savings.

"Always double check if you receive calls from so-called authorities, asking you to transfer your savings to another account. Stay vigilant always," he advised.

The term "Macau scam" was coined because it is believed that it originated from Macau or that the first victims came from there. This has never been confirmed.

The scam often starts with a phone call from someone pretending to be an officer from a bank, government agency or debt collector.

The scammer will then claim that the potential victim owes money or has an unpaid fine, often with a very short window of less than an hour, to settle the payment or face "dire consequences".

These unsuspecting victims will then be asked to make payments to get them off the hook.