

NEWS

MAS puts Profitable Group on its 'Investor Alert List'

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SINGAPORE — The Singapore-based investment firm made international headlines when it said it wanted to buy the £100-million (\$203-million) Newcastle United football club.

But barely a year on, the Profitable Group is facing angry investors here who say they are owed money.

Three days ago, a dozen of them were reported to have gone to the Stanley Street headquarters of this five-year-old company, demanding for payouts from land and lubricants investments totalling about \$700,000.

A TODAY reader who had invested in a fuel product called Boron told MediaCorp that payments were due a year ago, with the deadline being extended more than once.

She said the six-month investment was touted to reap a guaranteed profit of 12.5 per cent, with principle guaranteed.

On online forums, too, disgruntled investors have spoken of woes over late payments and warned others about the company.

The Profitable Group has also attracted the attention of the Monetary Authority of Singapore (MAS). After feedback from the public, MAS placed the firm on its Investor Alert List during the later part of last year.

The list contains more than 100 persons “who are possibly conducting activities regulated by MAS without authorisation”.



The investment firm is facing angry investors here who say they are owed money. WEE TECK HIAN

In reply to queries, a MAS spokesperson said: “These persons may target Singapore consumers or overseas consumers by giving them the false impression that they’re operating in Singapore.

“Some of these unregulated persons may sometimes use names similar to that of entities regulated by MAS.”

Checks with the Accounting and Corporate Regulatory Authority (ACRA) revealed that the Profitable Group is helmed by four directors, one of whom is based in the United Kingdom.

On its website, it positions itself as a global investment firm holding various portfolios ranging from land to lubricants, and with

offices across Asia. Besides its high-profile shout to take over Newcastle United, the Profitable Group is best known here for its commercials on the ESPN channel about Profitable Plots — a division of the group — featuring the likes of ex-Liverpool player Steve McMahon.

In a *Daily Telegraph* story in the UK two months ago, the company was said to have promised a 250-per-cent return in three years if a site near Heathrow airport was developed for housing and leisure.

It was one of four sites the Profitable Group bought in Britain and then divided into thousands of tiny plots for investors. The newspaper reported that the location is on “a green belt” land where housing development has been banned.

Investors should be cautious when it comes to such land investments, said financial advisor Kevin Foo.

“Apart from currency risks, land investments are not regulated here, and it’ll be hard to get back your money if anything goes wrong,” said Mr Foo, who knows of clients who have invested in such schemes but have not been given what was promised.

MAS also had this message: “If investors choose to deal with persons that are not regulated by MAS, they forgo the protection afforded under laws administered by MAS.”

The public can check the Financial Institutions Directory at www.mas.gov.sg for a list of regulated financial institutions and their authorised activities; and the Investor Alert List at www.moneysense.gov.sg.