



Ayers Alliance Third Online Update

January 31 2024

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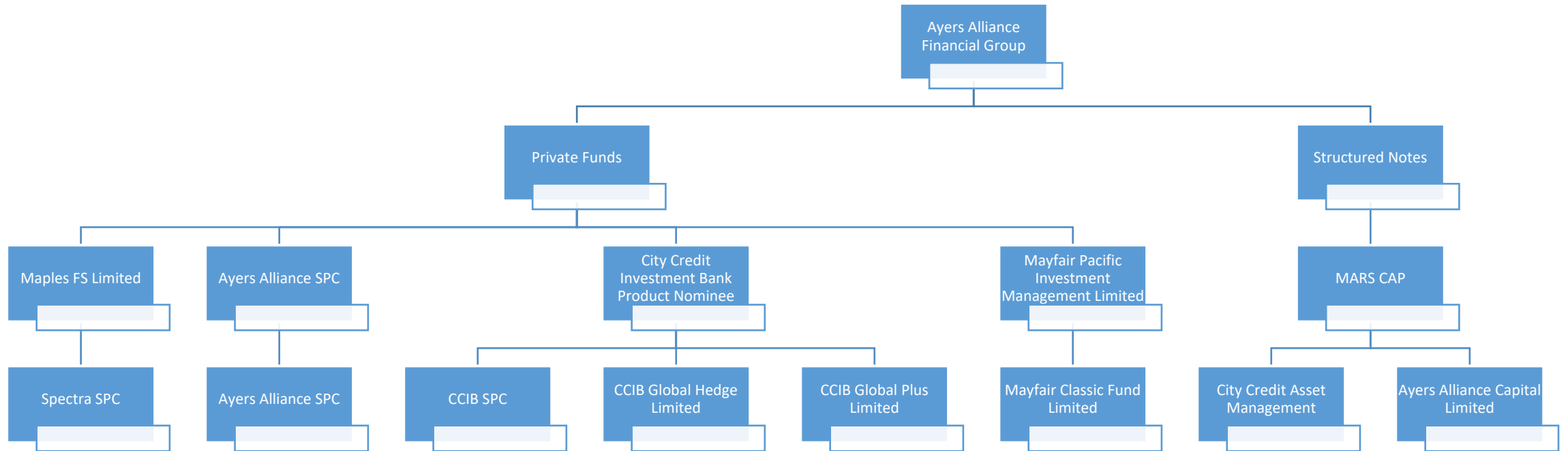
Update

- Mars Cap Limited (“MarsCap”)

Further Enquiries

- Q&A

Product Subscription Flow



Fund

Spectra SPC



Type	Cash and cash equivalents	Trading receivable	Fund Investment
Entity(s) Involved	XXXX Bank - Bank deposit	Glorious XXXX Limited	JS XXXX Fund
	Cash held in CCCUK and CCCL	Golden XXXX Limited	
		IZ XXXX Ltd	
		Lucky XXXX Limited	

- Liquidator of Spectra SPC will disclose more details to related client separately.

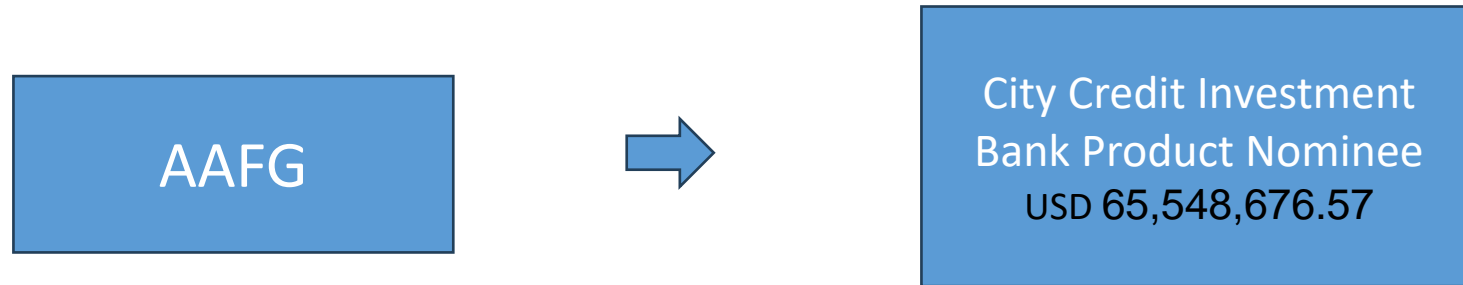
Ayers Alliance SPC



Type	Cash and cash equivalents	Loans	Trading receivable
Entity(s) Involved	XXXX Bank - Bank deposit		Golden XXXX Limited
	Cash held in CCCUK and CCCL		

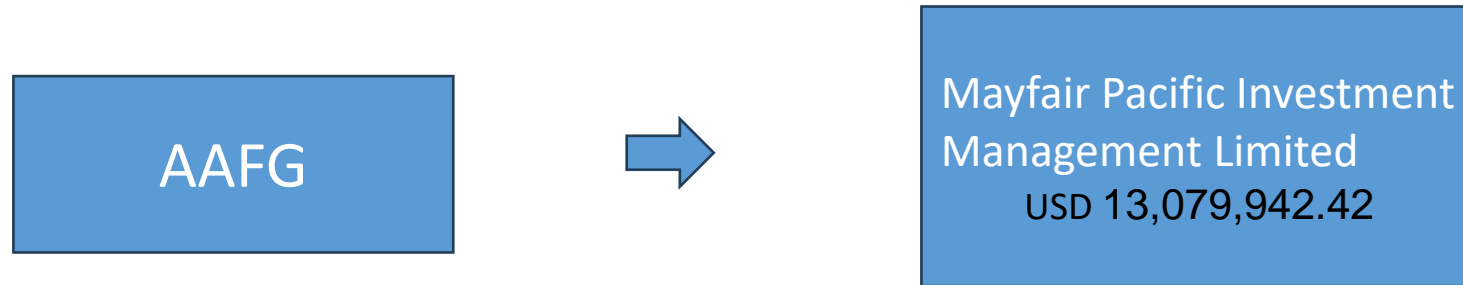
- Liquidator of Ayers Alliance SPC will disclose more details to related client separately.

City Credit Investment Bank Product Nominee (“CCIB”)



- AAFG sent out written notice (12 December 2023) to terminate nominee services agreement and requested CCIB to liquidate all investments or securities and transfer the proceeds and any dividends payable to AAFG within 14 days.
- No any response after 14 days
- Conyers Dill & Pearman is acting as AAFG’s BVI legal counsel on this issue and are in the process of preparing a court application to the BVI Court to recover the proceeds and dividends payable by CCIB to AAFG.
- The court application is expected to be filed in the next 2-3 weeks

Mayfair Pacific Investment Management Limited (“Mayfair”)

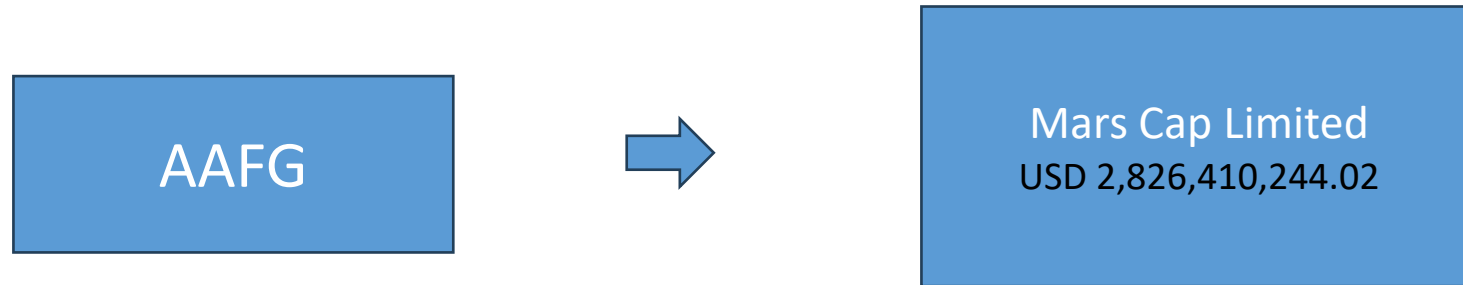


- AAFG sent out written notice (12 December 2023) to terminate nominee services agreement and requested Mayfair to liquidate all investments or securities and transfer the proceeds and any dividends payable to AAFG within 30 days
- No any response after 30 days
- Conyers Dill & Pearman is acting as AAFG’s Cayman legal counsel on this issue and are in the process of preparing a court application to the Cayman Court to recover the proceeds and dividends payable by Mayfair to AAFG.
- The court application is expected to be filed in the next 2-3 weeks.



Structured Note

Mars Cap Limited



- MarsCap fail to repay base on the payment plan
- MarsCap now is under liquidation
- On 2023.12.15, John Fisk and Craig Sanson of PwC New Zealand were appointed as liquidators
- Starting from 2023.11.14, Buddle Findlay represented AAFG in New Zealand to take further legal actions against Mars Cap Limited (“MarsCap”) and file claim form to liquidators

News articles about Mars Cap Limited

US\$100m 'has just gone walkabout', reported on NBR, 29th Sep 2023

"Australian administrators pursuing \$188 million missing from a New Zealand company were at the High Court this morning seeking appointment as permanent liquidators to pursue their investigation"

Cayman Islands fund backs pause in US\$100m NZ liquidation, reported on NBR, 04th Oct 2023

"A Cayman Islands hedge fund has told the High Court it supports a pause in liquidation proceedings against a New Zealand company owing US\$112 million because it might allow a recovery deal to be reached."

High Court gives Mars Cap more time to pay creditors, reported on NBR, 09th Oct 2023

"An interim liquidators' report shows that unsecured Mars Cap creditors are owed approximately US\$112 million. Longchamp, which did not oppose a delay, and Probis are reportedly owed a collective US\$41.5m, while NZ\$33,000 is owed to trade creditors and NZ\$73,982 "to Mr Kong personally". About US\$70m is owed to three funds in the Cayman Islands linked to Kong. Longchamp is owed US\$3.5m directly by Mars Cap and is the majority creditor of Probis for US\$85m."

A multinational Mars Cap mystery meets parochial NZ, reported on NBR, 13th Oct 2023

"The office is now vacant, its glass door plastered with legal documents, and the law firm has been representing Kong at the High Court over Mars Cap's debts of \$188 million owed to entities in the Cayman Islands and Australia."

NZ company Mars Cap the conduit for \$4.7b from Taiwan, reported on NBR, 19th Oct 2023

"Documents presented to investors in Taiwan indicate a New Zealand company was involved in transactions totalling more than US\$2.8 billion (\$4.7b), about 25 times the amount its liquidators are chasing from creditors."

Australian court freezes Mars Cap director's assets, reported on NBR, 20th Oct 2023

"Federal Court Justice David Yates ordered the freezing of US\$38.4m in Kong's assets in Australia, although he was able to transfer assets out of the country as long as the value of the assets in Australia did not fall below US\$38.4m million."

Mars Cap 'dishonest and fraudulent,' says Australian judge, reported on NBR, 16th Nov 2023

"Justice Goodman said that Mars Cap had "engaged in a dishonest and fraudulent design"

News articles about Mars Cap Limited

US\$100m 'has just gone walkabout'

Court hears application to liquidate New Zealand company Mars Cap as administrators probe missing tax haven millions.



Administrators were told the money was sent to 'liquidity providers' in the Malaysian tax haven of Labuan.

Australian administrators pursuing \$188 million missing from a New Zealand company were at the High Court this morning seeking appointment as permanent liquidators to pursue their investigation.

The case follows the collapse of Australian online forex company Probis Financial Services in July and the suspension of its licence in August.

According to a High Court judgment in August, Probis had transferred US\$125m to New Zealand company Mars Cap Ltd, supposedly for "liquidity services", but in June 2021 their trading relationship ended with US\$100m still owing to Probis.

After administrators from Hall Chadwick were appointed to Probis they sought recovery of money due from Mars Cap and were told by its sole director William Kong all its funds had been transferred to two other "liquidity providers" in the Malaysian tax haven of Labuan.

Cayman Islands fund backs pause in US\$100m NZ liquidation

Hong Kong-based director wants a month to 'allow a resolution of matters' in cross-border money-go-round.



The Mars Cap office in Auckland is closed.

A Cayman Islands hedge fund has told the High Court it supports a pause in liquidation proceedings against a New Zealand company owing US\$112 million because it might allow a recovery deal to be reached.

The hearing, which continued proceedings begun last Friday, followed the appointment of interim liquidators to Mars Cap Ltd in August.

The company's sole director and shareholder is William Waileung Kong, currently resident in Hong Kong.

In a judgment appointing interim liquidators, Justice Graham Lang noted Mars Cap had agreed to be a "liquidity provider" to an Australian company called Probis Financial Services and had received US\$100m from Probis through that arrangement.

News articles about Mars Cap Limited

High Court gives Mars Cap more time to pay creditors

The failed company has until November 1 to pay some of the missing US\$100m.



The entrance to the closed Mars Cap office in Auckland.

William Kong, the Hong Kong-based businessman at the centre of legal action to recover more than US\$100 million in missing funds, has succeeded in his High Court application to pause liquidation proceedings and for the appointment of new interim liquidators to his failed company.

Associate Judge Rachel Sussock has agreed to give Kong and his New Zealand-registered company Mars Cap until November 1 to find a financial resolution for the repayment of funds owed to Australian company Probis Financial Services and its main creditor, the Cayman Islands-registered hedge fund Longchamp Absolute Return Unit Trust.

The judge has also agreed that two Australian-based members of the Probis liquidation team, also appointed as interim liquidators of Mars Cap in August, should be replaced with liquidators from an independent firm due to potential conflicts of interest. PwC has been appointed.

A multinational Mars Cap mystery meets parochial NZ

ANALYSIS: It's time our courts and lawyers paid more attention to understanding events beyond our shores.



Financial flows in the case encompass Taiwan, Malaysia, Cyprus, the Caribbean, Australia and New Zealand.

In March 2019 law firm Chapman Tripp arranged to incorporate a New Zealand company called Mars Cap Ltd for a man named William Waileung Kong, apparently a Queensland resident.

Its initial address was a small residential unit in Birkenhead, changed a few months later to a tiny office on the 12th floor of a building on Kitchener St in Auckland's CBD.

The office is now vacant, its glass door plastered with legal documents, and the law firm has been representing Kong at the High Court over Mars Cap's debts of \$188 million owed to entities in the Cayman Islands and Australia.

When money of that magnitude is owed there is usually a tale to tell – and the story so far has a bigger picture worth examining by local law firms tempted to get involved in overseas stuff they do not properly understand.

News articles about Mars Cap Limited

NZ company Mars Cap the conduit for \$4.7b from Taiwan

Links to huge investment scandal detailed in presentations to investors.



The Auckland office of Mars Cap is closed and plastered with court documents.

Documents presented to investors in Taiwan indicate a New Zealand company was involved in transactions totalling more than US\$2.8 billion (\$4.7b), about 25 times the amount its liquidators are chasing from creditors.

Mars Cap Ltd, which operated from a tiny office in Auckland's Kitchener St, was placed in interim liquidation in August as administrators of a related company in Australia sought recovery of US\$38.4m.

The High Court heard at the time that Mars Cap owed unsecured creditors US\$112m, but its connection to the biggest investment scandal in 30 years in Taiwan was not traversed.

According to presentations by Taiwanese lawyers assisting administrators of failed investment firm Ayers Alliance Financial Group, more than 17,000 investors had US\$3.3b tied up in Ayers, most of which appeared to have been channelled through Mars Cap into a range of other entities.

Australian court freezes Mars Cap director's assets

The lifting of a suppression order on October 31 could detail the full extent of William Kong's global assets



The shuttered Mars Cap office in Auckland.

William Waileung Kong, the Hong Kong businessman whose New Zealand company Mars Cap is at the centre of an international money chase in pursuit of close to US\$3b (\$5b), has had his Australian assets frozen and been asked to disclose his global assets to the Australian Federal Court.

Liquidators of Australian company Probis Financial, which is owed just under US\$38.4m (\$70m) by Mars Cap, have taken legal action in the Federal Court against Kong over funds sent to Mars Cap under an agreement to provide liquidity services which were not remitted back as agreed.

The liquidators from Hall Chadwick, appointed when Probis went into voluntary liquidation in Australia in July, also have ongoing legal action against Kong – a director of Mars Cap – before the Federal Court.

Mars Cap 'dishonest and fraudulent,' says Australian judge

The Mars Cap saga continues as administrators continue to unravel what happened to billions in investor funds.



The abandoned Mars Cap office in Kitchener Street, Auckland.

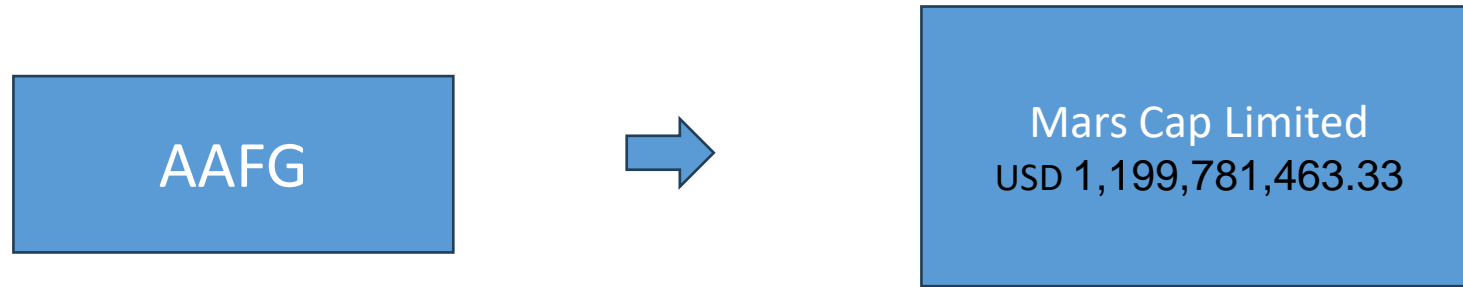
An Australian judge has continued an order freezing the assets of the businessman who controlled failed Auckland company Mars Cap and has lifted a suppression order so that an affidavit detailing his global assets can now be shared with administrators.

The move is the latest development in the case of Mars Cap, the company set up by Hong Kong businessman William Kong which is at the centre of an international money chase in pursuit of close to US\$3b (\$5b) which spans New Zealand, Australia, Taiwan, Cyprus, the Cayman Islands and the Malaysian tax haven of Labuan.

NBR has been contacted by sources in Cyprus claiming to have knowledge of the financial labyrinth which they said "all went through Cyprus".

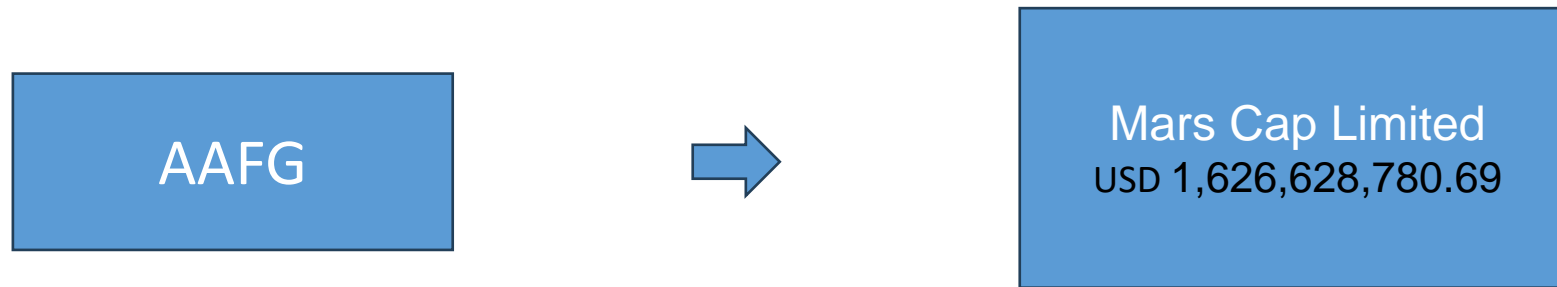
In Australia, administrators for failed company Probis Financial Services have taken legal action in the Federal Court against Kong over funds sent to Mars Cap under an agreement to provide liquidity services which were not remitted back as agreed, and

City Credit Asset Management Co. Ltd (“CCAM”)



- AAFG discovered that CCAM has been struck off without notify us.
- Conyers Dill & Pearman acted as AAFG’s Cayman legal counsel and filed a petition with the Cayman Court to restore and wind up CCAM
- The petition was intervened by City Credit Investment Bank Limited (in interim liquidation). Its interim liquidator, Luke Anthony Furler, filed an affidavit supporting the winding up but nominated Mr Mitchell Mansfield of Kroll (Cayman) Ltd and Mr Jason Kardachi of Kroll Pte Limited as liquidators.
- The Cayman Court made an order to restore CCAM and appointed Mr Mitchell Mansfield and Mr Jason Kardachi as liquidators of CCAM.

Ayers Alliance Capital Limited



- The forensic accounting audit is still ongoing, but Ayers Alliance Capital Limited (“AACL”) has reported to AAFG that more than USD 500,000,000 has be transferred to below categories:

Type	Cash and cash equivalents	Loans	Trading receivable
Entity(s) Involved		PT United XXXX Futures	Cash held in MarsCap
		EastXXXX Financial Group	PT EterXXXX Futures
			PT TopXXXX
			CXXM
			CXXL
			CXXK
			CXXB
			ChesXXXX Limited

Others

- **Difficulties we face**
- 1. the investment structure is complicated and involved multi-national companies in different jurisdictions with different governing laws. Enforcement takes time as AAFG needs to engage different lawyers in each jurisdiction.
- 2. the main contact person(s) of different Product Issuers are disappeared/ e.g. CCIBPNL and MPIM.
- 3. the names of companies are similar which is confusing when trying to identify the responsible entity/ e.g. CCAM.
- 4. Fake news or untrue reports are misleading.

Further Enquires

For Taiwan investors, please email tw@aafgadmin.com

For Cyprus investors, please email cy@aafgadmin.com

For non-Taiwan and non-Cyprus investors, please email os@aafgadmin.com