

On 1MDB-TH deal, Umno Youth wants answers
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Concerned over Tabung Haji's purchase of land in the Tun Razak Exchange (TRX) site for RM188.5 million from 1Malaysia Development Bhd (1MDB), Umno Youth demands answers.

Noting that the pilgrimage fund described the purchase as an investment and clarified that it was subjected to a proper evaluation process, Umno Youth said it was not denying Tabung Haji's need to make investments.

"Investments in the equity market (buying shares) and real estate must be made for Tabung Haji to generate returns that can be distributed to depositors in the form of dividends.

"But what has become the subject of dispute in the purchase of the TRX land is the manner in which the transaction was done," the wing said in a statement.

Umno Youth listed several issues that it called on the Ministry of Finance to clarify as soon as possible.

"It is common knowledge that the 1MDB is becoming more complex and Umno Youth is concerned that an institution such as Tabung Haji is being used to rescue 1MDB.

"Any attempt to save 1MDB at the expense of the people cannot be accepted," it said.

Tabung Haji bought 1.56 acres of the 70-acre land in TRX for about RM2,779 per square foot (psf).

1MDB had a few years ago bought the entire 70 acres of the land from the government for a mere RM194.1 million, or about RM74.20psf.

Questions for TH and PM

Umno Youth said the Finance Ministry, headed by Prime Minister Najib Abdul Razak, must explain how much 1MDB paid for the TRX land and what will it do with the proceeds from the sale.

As for Tabung Haji, Umno Youth said the fund must answer the following questions:

-Is there a conflict of interest in the deal, in view of the fact that Tabung Haji CEO Ismee Ismail is also on the 1MDB board?

-Were the discounts on the purchase price given on the condition that the deal was transacted in cash? Has Tabung Haji ever bought property in cash?

-What was the basis used by the Tabung Haji investment panel to approve this acquisition?

-Is it true that the (panel's) risk report concluded that this investment was risky?
and

-Was it true that other plots of land within the vicinity are cheaper than what Tabung Haji paid for?

"Umno Youth hopes that these questions are answered immediately.

"These questions are aimed at enlightening the public, in view of the fact that Tabung Haji's investment had created speculation that is causing public outcry," Umno Youth said.

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