

Contradictory replies on Exim's loan to 1MDB

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Two deputy finance ministers have offered two accounts of why Finance Ministry-owned Export-Import Bank of Malaysia (Exim) loaned RM540 million to 1MDB.

Yesterday, Chua Tee Yong (BN-Labis) told the Dewan Rakyat that the money was used by 1MDB to purchase land in Pulau Indah, Selangor at RM20.80 per square foot (psf) from Tadmax Resources Bhd.

The deal was inked on Feb 20, 2014, said Chua.

But today, Ahmad Maslan said that the money was used for the maintenance of power plants and operations involving energy export.

Tony Pua (DAP-Petaling Jaya Utara): Why did Exim Bank loaned RM560 million, far higher than the price of the land - RM262 million?

Ahmad: Purchase a plot of land? From the information that I have, this is not true.

Pua: This has been explained by deputy finance minister Chua.

Ahmad: Chua didn't say the loan was meant for purchase land.

Pua: This is clearly untrue based on (the information) we received in the Public Accounts Committee (PAC).

Pua said he was unable to reveal details because the PAC hearing on 1MDB was still ongoing.

Exim Bank, a financial agency incorporated in 1995, is tasked to provide credit facilities to finance and support businesses in the import-export industry.

On the other hand is another Finance Ministry-owned entity 1MDB.

Prime Minister Najib Abdul Razak is both the finance minister and ultimate decision maker in 1MDB.

A large part of 1MDB's RM41.8 million debt is guaranteed by the federal government.

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