

**Mahathir likens 1MDB to APs sellers**  
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1MDB is akin to rent seekers who sell approved permits (APs), contracts and licences, former prime minister Dr Mahathir Mohamad says.

In a new posting on his blog today, Mahathir argued that when 1MDB bought government land at 1/50th of the market price, the government lost a huge sum of money.

"When 1MDB sells the land, it is merely taking what should be government earnings from the sale. That process is no different from people who sell APs, contracts and licences. Is this how 1MDB expects to make money?"

"Is 1MDB a strategic development company? What has it developed - nothing. Even TRX (Tun Razak Exchange) is all fence and nothing else."

Mahathir (photo) said this in response to 1MDB's insistence that even though it bought land cheaply from the government, Putrajaya still stood to benefit.

1MDB said this was because it is a government-owned company and whatever benefits it received go back to the government.

"It is important to note that 1MDB is ultimately 100 percent owned by the government of Malaysia.

"Accordingly, any transfer of land to 1MDB and any subsequent benefit in land value increase is ultimately 100 percent for the government of Malaysia," 1MDB said.

**1MDB did not address the core issue**

Mahathir also poured cold water on 1MDB's defence of its purchase of power assets, the licences for which are supposedly expiring and would be significantly cheaper after that period.

1MDB had said the near expiration only applied to two of the 13 power plants it had purchased.

However, Mahathir said the two were among the largest, adding that the company did not address the core issue of overpaying for the assets.

He added if the assets were indeed not overpriced, why was 1MDB facing trouble in selling them off.

"13 power plants bought. But the big ones in Malaysia can be bought for a song.

"But by paying RM18 billion, 1MDB overpaid at least by RM3 billion. Why?

"If they are good assets, why cannot they be listed?

"Why is it that when Tenaga and Malakoff were rumoured to buy 1MDB power plants, their shares all plunged?" Mahathir asked.

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