

Dr M triggered 1MDB controversy, says Arul

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1MDB president Arul Kanda has said that the 1MDB controversy's main trigger was when former prime minister Dr Mahathir Mohamad started questioning the "missing" RM42 billion.

"The biggest issue was when Mahathir started his allegations of RM42 billion missing," Arul said in a press conference in Kuala Lumpur today.

Although there were many other cumulative factors that caused the 1MDB controversy, he said it only became "extremely controversial" after Mahathir and several unnamed others joined the fray of 1MDB critics.

"When Mahathir and those who were previously aligned to the government started their criticisms, that's when this matter became extremely controversial," he said.

1MDB has previously blamed what they claimed were "baseless" allegations from Mahathir and the media for its failed IPO for Edra.

The state fund has since decided to sell Edra instead, with offers coming from bidders like Tenaga Nasional Berhad (TNB).

Arul also pointed out that DAP's Tony Pua has been raising the 1MDB issue since 2010 and claimed the MP's complaints have failed to garner attention.

"Much to his (Pua) disappointment, nobody really paid attention to him on this, which is probably why he is so gung-ho about challenging me.

"It's because he has been ignored, whether rightly or wrongly, on these issues," Arul said.

'Loss drew attention'

The real turning point in the country's perception of 1MDB, he said, came after the announcement of the company's RM665 million loss in Nov 2014 and news of their repayment of the RM2 billion loan to the consortium of local banks.

"That got the attention of the business community," he said.

It was Mahathir's criticisms that then got the ball rolling on the 1MDB controversies, he lamented.

The situation was then compounded, he said, by whistleblower site Sarawak Report and business publication The Edge.

"And then of course there were the leaks from Sarawak Report, alleged documents that they posted in a very selective basis to create a certain story.

"The Edge then picked it up and we now know that the publisher of The Edge in fact, effectively stole that information from a third party," Arul said.

He quickly clarified that he was not alleging anything regarding The Edge and how they obtained their information on 1MDB, and that he was merely repeating what he had read in the media.

In July, the owner of The Edge Media Group admitted to posing as an interested party in procuring information that Swiss national Xavier Andre Justo had stolen from the latter's former, employer PetroSaudi International, a key business partner of 1MDB's.

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