

**1MDB insists RM2.4b sukuk accounted for, blasts Rafizi**  
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State-owned sovereign fund 1MDB has rebutted PKR vice-president Rafizi Ramli's claim that part of the company's RM2.4 billion sukuk (Islamic bonds) for Bandar Malaysia is unaccounted for, stating the funds had already been utilised.

"Rafizi appears to suggest that proceeds from the Bandar Malaysia Sdn Bhd (BMSB) sukuk may not have been properly utilised.

"1MDB strongly denies this allegation and confirms that the proceeds raised by BMSB have in fact been utilised in accordance with the terms of the sukuk programme agreement," it said in a statement today.

It said the funds were partly used for the financing cost of the relocation of the Royal Malaysian Air Force Sungai Besi base, pre-funding of fees and expenses for the sukuk programme, funding the requisite financing reserve accounts and also the working capital requirements from 1MDB Real Estate Sdn Bhd (now known as TRX City Sdn Bhd).

1MDB did not provide specifics of the breakdown on how the sukuk funds were spent.

The company blasted Rafizi, who is also Pandan MP, for suggesting that RM1.6 billion of the RM2.4 billion sukuk was unaccounted for.

It accused Rafizi of being "intent on competing with (Petaling Jaya Utara MP) Tony Pua to see who can mislead the Malaysian public more with sensationalist half-truths and unproven claims relating to the 1MDB business affairs".

1MDB also rubbished Rafizi's concerns that the purchase of a 60 percent stake in Bandar Malaysia by a consortium comprising Iskandar Waterfront Holdings Sdn Bhd and China Railway Engineering Corporation will expose the country's national security assets to foreigners.

Rafizi had made the assertion as the consortium will assume part of 1MDB's responsibility to relocate the Sungai Besi RMAF base and upgrade several other bases which were the conditions when it was granted the Bandar Malaysia landbank.

**Turnkey contractor fully-Malaysian Company**

However, 1MDB pointed out that the turnkey contractor in charge of this is a fully-Malaysian company.

"Perbadanan Perwira Hartanah Malaysia (PPHM), a 100 percent subsidiary of Lembaga Tabung Angkatan Tentera (LTAT), is and continues to be, the turnkey contractor to deliver the construction aspects of the relocation.

"PPHM has, in turn, appointed over 50 qualified bumiputera contractors as subcontractors to deliver various aspects of the construction," it said.

It added that the contractors have been approved by the relevant authorities and the construction is supervised by relevant officials of the Defence Ministry and Home Ministry.

"As the construction will continue to be carried out by the current approved contractors, there is, therefore, no question of any impact on national security through the sale by 1MDB of its 60 percent interest in the Bandar Malaysia project," 1MDB said.

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