

Arul Kanda: Swiss probe shows 1MDB could be victim of fraud
MalaysiaKini.com
Apr 13th, 2016

1MDB may have been duped into transferring US\$3.5 billion to a company unrelated to the Genting Tanjong power plant deal, its management says.

1MDB chief executive officer Arul Kanda Kandasamy said the announcement by the Swiss Attorney-General's Office yesterday indicated that 1MDB might be a "victim of fraud".

"Given the recent denial by IPIC and the announcement by the Office of the Attorney-General of Switzerland, indicating that 1MDB could be a victim of fraud, 1MDB is exploring all avenues open to us.

"Further announcements will be made in due course," Arul Kanda said in a statement.

The Swiss Office of the Attorney-General said it was investigating the transaction for fraud, forgery, bribery and money laundering, as it believed the funds had benefited two individuals, a "former 1MDB body" and a motion picture company.

1MDB maintained it [made those transfers](#) to a British Virgin Island registered firm Aabar PJS Limited after being told the firm is a subsidiary of the Abu Dhabi state firm International Petroleum Investment Corporation (IPIC).

It said it was assured this by then IPIC managing director Khadem al Qubaisi and IPIC subsidiary Aabar CEO Mohamed al Hussein.

IPIC on Monday told the London Stock Exchange it [does not own](#) the British Virgin Island registered Aabar (Aabar BVI).

Mohamed al Hussein is reported as a principal investor in Red Granite, a Hollywood firm owned by Prime Minister Najib Abdul Razak's stepson Riza Aziz.

The Wall Street Journal reported it received **US\$155 million of 1MDB funds**, US\$105 million of which came through a loan from Aabar BVI.

Red Granite **denies any wrongdoing** and is cooperating with investigation.

Red Granite had earlier said none of its funding came from Malaysia.

Copyright © 1999-2012 Mkini Dotcom Sdn. Bhd

Source: <https://www.malaysiakini.com/news/337682>