

The men who sold 1MDB on a fake Aabar
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1MDB is in quite a pickle after the International Petroleum Investment Co (IPIC) and Aabar Investment PJS denied links to an Aabar company that 1MDB had been making payments to.

The company, Aabar Investment PJS Ltd or Aabar BVI, based in the British Virgin Islands, had received US\$3.5 billion from 1MDB.

1MDB said it transferred the funds to Aabar BVI after being told by then IPIC managing director Khadem al Qubaisi and Aabar chairperson Mohamed Al Hussein that the BVI firm is an IPIC subsidiary.

So who exactly are these two men alleged to have fooled 1MDB?

Khadem al-Qubaisi

Khadem is a well-known Emirati businessman who, according to his now defunct personal website, started working in IPIC as an investment manager in 2000 before becoming its managing director (MD) seven years later.

A reported billionaire, Khadem is said to have a penchant for expensive US properties.

The New York Post said this includes Manhattan's most expensive penthouse worth US\$50.9 million, which he has unsuccessfully tried to sell.

Sarawak Report, meanwhile, has claimed that under him, IPIC's capital base had shrunk from over US\$70 billion to less than US\$15 billion.

Khadem's career in IPIC then came to an abrupt end when he suddenly left the company's board and was replaced as MD following a reshuffle decreed by the United Arab Emirates President Khalifa Zayed in April 2015.

Khadem then resigned as chairperson of Aabar properties and other IPIC subsidiaries such as Cepsa and Nova Chemicals.

Mohamed al-Husseiny

Said to be Khadem's left-hand man, Mohamed has a rather low-public profile, attracting less attention than his boss.

He was appointed as CEO of Aabar Investment PJS in 2010, and held the post until August last year when he quit to reportedly helm private equity firm Trustbridge.

Mohamed is also a director at Falcon Private Bank, and was a board member from 2009 to 2013, and was re-appointed in April last year.

According to *The Wall Street Journal*, Falcon, a subsidiary of IPIC, is being probed after investigators traced a 2013 transfer of nearly US\$700 million from an account at Falcon Private Bank in Singapore to accounts allegedly belonging to Prime Minister Najib Abdul Razak.

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

At least US\$3.5b from 1MDB

Both Khadem and Mohamed are alleged to have set up Aabar BVI in March 2012, two months before it received US\$576.94 million from 1MDB as a security deposit.

In total, the company is said to have received at least US\$3.5 billion from the Malaysian sovereign wealth fund.

The Wall Street Journal claims US\$155 million of these funds ended up financing Red Granite's Hollywood film 'The Wolf of Wall Street'.

Aabar BVI was then liquidated in June last year, as pressure on Najib and 1MDB began picking up steam.

Since then, the UAE has frozen both men's accounts, and issued travel bans amid an alleged probe into their business dealings.

According to *Sarawak Report*, Mohamed had also been arrested by Abu Dhabi authorities in late March, and would be extradited to the United States to facilitate in the US' probe on 1MDB.

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