

Najib told me to focus on 1MDB-Petrosaudi deal: Ex-chairperson

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Former 1Malaysia Development Berhad (1MDB) chairperson Mohd Bakke Salleh today testified that he had misgivings about a proposed joint venture (JV) between the Malaysian sovereign wealth fund and Abu Dhabi's Petrosaudi International (PSI).

However, the 13th prosecution witness told the Kuala Lumpur High Court that then prime minister Najib Abdul Razak (above) told him via phone to not spend too much time looking at old transactions and to just focus on the proposed JV.

During today's 1MDB audit report trial against former finance minister Najib and the fund's former CEO Arul Kanda Kandasamy, Bakke said that Najib told him this after the premier was done speaking to businessperson Low Taek Jho, also known as Jho Low.

The witness was referring to a 1MDB board meeting he and Low attended on

Sept 26, 2009, whereby the businessperson was alleged to have received a telephone call from Najib.

Bakke: I met Jho Low at then DPM Najib's office

Meanwhile, in reply to Shafee's question on how Bakke ever got the impression that Low was close to Najib, the witness testified that it was more than an impression.

Bakke said he met Low on a few occasions at the office of the then deputy prime minister Najib around the time of the formation of 1MDB's predecessor, Terengganu Investment Authority (TIA).

Previously formed by the Terengganu state administration via Menteri Besar Incorporated in 2008, TIA was later transferred to the federal government via the Minister of Finance Incorporated (MoF Inc) in July 2009. TIA was then renamed to 1MDB.

During the pre-1MDB period, Najib was then deputy prime minister and home minister.

Bakke said during his dealing with Najib before the latter became prime minister,

the witness said he had asked the accused about what was Low's role in TIA.

The witness said that Najib reinforced the point (on Low's relation to Najib) for him (Bakke) to work with Low in the setting up of the TIA management.

"Under the circumstances underpinning the 1MDB transactions (as of 2009) were different (compared to TIA period) as the chairperson of the fund's board of advisors (which was Najib) was interacting closely with Low," Bakke said.

The court previously heard that Low's attendance was not recorded for the meeting.

In previous proceedings before trial judge Mohamed Zaini Mazlan, Bakke testified that Najib did not reply to his text message expressing concern over the alleged wrongful diversion of US\$700 million of 1MDB funds.

During today's cross-examination by Najib's lead defence counsel Muhammad Shafee Abdullah, Bakke said that despite his concerns over several issues linked to 1MDB such as the US\$700 million alleged embezzlement matter, the then premier had told him to not spend too much time on past transactions.

"The PM (then prime minister Najib) spoke to me saying 'Do not need to spend

too much time looking at past transactions' and 'Just look at the proposed JV' as the matter has been under discussion for some time, and that we needed to make a decision as soon as possible," the witness claimed.

Bakke added that due to the words of the then premier Najib, he testified that he then felt comforted enough then to relay this to the other members of the board to proceed with the 1MDB-PSI JV.

At the end of proceedings today, lawyers and deputy public prosecutors in court were put in stitches when Zaini remarked that he felt like he was "sitting in Collin's court".

Zaini was referring to Kuala Lumpur High Court judge Collin Lawrence Sequerah, who is presiding over the separate, ongoing RM2.28 billion 1MDB corruption trial against Najib.

Zaini made the remark due to the nature of Shafee's cross-examination of Bakke which touched on issues more linked to the 1MDB graft case rather than the 1MDB audit report case.

The 1MDB audit trial is to resume on April 12.

In relation to the trial before Zaini, Najib was charged with using his position to order amendments to 1MDB's final audit report before it was presented to the PAC to prevent any action against him.

Co-accused Arul Kanda was charged with abetting Najib in making the amendments.

The charges are framed under Section 23 (1) of the MACC Act 2009, which specifies a jail term of up to 20 years and a fine of no less than five times the amount of gratification or RM10,000, whichever is higher.

The prosecution is contending that the decision to make the amendments was made during a meeting on Feb 24, 2016, at the office of then chief secretary to the government Ali Hamsa.

It was alleged this was done to remove or alter certain portions of the 1MDB audit report, including dropping the issue of fugitive Low's attendance at the fund's board meetings.

Another issue that was allegedly dropped from the 1MDB audit report was the two conflicting 2014 financial statements of the sovereign wealth fund.

Besides Arul Kanda, others who were allegedly at the 2016 meeting were former auditor-general Ambrin Buang, Ali, former National Audit Department (NAD) officer Saadatul Nafisah Ahmad Bashir, Najib's former chief private secretary Shukry Salleh, and then Attorney-General's Chambers representative Dzulkifli Ahmad.

The former premier's defence team contends there was no wrongdoing in the amendment to the 1MDB audit report as the said amendments were on allegedly unfinalised copies of the report prior to it being tabled with the PAC in March 2016.

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