

NAJIB'S HASTE ON DEAL DREW, 'SUSPICION'

Ex-CEO said 1MDB management took orders from Jho Low, Najib, former chairman testifies

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A FORMER chairman of 1Malaysia Development Bhd (1MDB) yesterday revealed he suspected that Datuk Seri Najib Razak was always in the loop and very much in the scheme of things involving the sham US\$1 billion joint venture (JV) deal with PetroSaudi International Ltd (PSI) in 2009.

Tan Sri Mohd Bakke Salleh said the suspicion was eventually confirmed when he spoke to former 1MDB chief executive Datuk Shahrol Azral Ibrahim Halmi after resigning from the board.

Shahrol, he said, told him that the 1MDB management was actually taking instructions from Jho Low and Najib all the time.

The 68-year-old corporate figure said his suspicion was aroused when the 1MDB management failed to follow the board's instruction concerning the proposed JV and release of the US\$1 billion.

The board, according to Bakke, had made it very clear to the management that the deal should go through only after four conditions were met.

This included an instruction for the management to conduct

due diligence on the background of PSI, an independent professional evaluation of its assets, a pre-condition for three 1MDB board members to be placed in the JV company and, most importantly, for the US\$1 billion to be credited in the JV company with signatories from both sides.

However, Bakke said none of these conditions were met but the management still bulldozed its way through and released the money.

Worse, the US\$1 billion was siphoned to Jho Low-linked com-

pany Good Star Ltd, which was incorporated in the Seychelles in May 2009.

The board, he noted, knew nothing of it until it was too late.

All this, he said, disgusted him and also made the entire 1MDB board very uncomfortable, leading him to eventually quit the company in October 2009.

"Looking back now, I should never even have accepted being on the board of 1MDB in the first place," he said

earlier when cross-examined by Najib's lead counsel, Tan Sri Muhammad Shafee Abdullah.

The trial involves a case where the former prime minister is accused of tampering with the 1MDB audit report before it was tabled to the Public Accounts Committee in 2018.

Former 1MDB chief executive officer Arul Kanda Kandasamy is accused of abetting Najib to commit the offence.

Asked by Shafee if he had ever spoken to Najib about the goings-on in 1MDB to allay his suspicion, Bakke said he did not do so.

"At that time I got a feeling and suspicion that the PM (prime minister) was in the loop. He was very much involved in the scheme of things.

"This feeling was also shared by the board. The thing that confirmed our suspicion was how the US\$1 billion was remitted."

Shafee: What was it exactly that you were suspicious about the PM?

Bakke: The need to expedite the whole deal and why we needed to do it in a hurried fashion.

Shafee: Weren't you barking up the wrong tree? Why blame the PM? He can't micromanage everything.

Bakke: You have to look at the entire process. Why the need to push... the normal protocols were not followed.

Shafee: Did you also form an opinion that Shahrol and the management could not be trusted?

Bakke: Yes, the conclusion drawn was that they were taking instructions from outside and above the board. They were bulldozing their way through.

Shafee: You said the management was taking instructions

from above the board. Who?

Bakke: The PM. That is also what Shahrol told me later. He said he was taking instructions from Jho Low and PM.

Shafee: That is what Shahrol claimed.

Bakke: Yes.

Shafee: You sent a text message to PM when you resigned. What did you say?

Bakke: I expressed to him the management was disregarding instructions from the board... how the money was remitted out and that we were uncomfortable with it.

The court earlier heard that the JV deal came about after a company linked to the Saudi royal family first approached 1MDB through a letter dated Aug 28, 2009, from Prince Turki Abdullah Bin Abdul Aziz Al Saud to Najib.

However, the prosecution has all the while argued that the so-called JV was a mere creation under a scheme called Project Aria to siphon 1MDB's money for Najib's benefit.

The trial before High Court judge Mohamed Zaini Mazlan continues.

