

40 eyes but no red flags

No one realised 1MDB unit was paying fake entities

KUALA LUMPUR: A former chief financial officer (CFO) of 1Malaysia Development Bhd (1MDB) did not investigate the authenticity of two fake entities that received huge funds from a subsidiary, in 2014 as he was not instructed to do so by the board, the High Court heard.

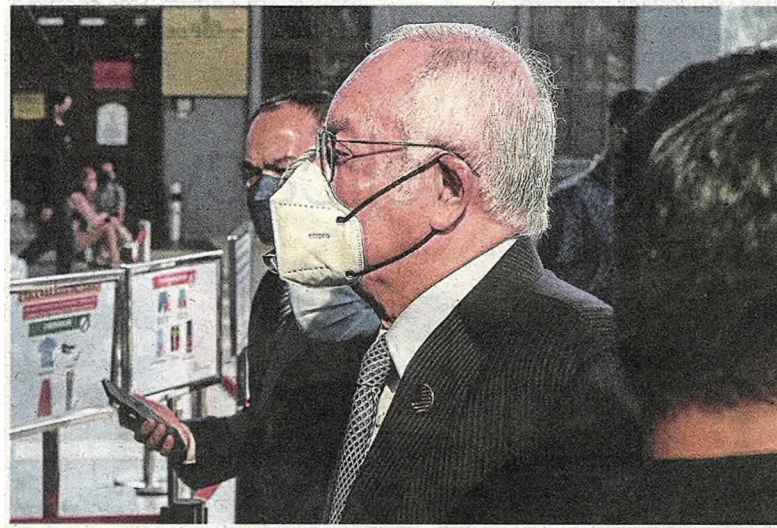
Azmi Tahir, 48, who was the CFO from 2012 to 2017, said he did not conduct any investigation although he was the authorised signatory of the subsidiary company, 1MDB Energy Holdings Limited (1MEHL).

The witness said this during cross-examination by Datuk Seri Najib Razak's counsel Wan Aizuddin Wan Mohammed in the former premier's trial over the misappropriation of RM2.3bil in funds from 1MDB, Bernama reported yesterday.

The 12th prosecution witness said he only knew about the fake companies in 2015 during the investigation by the Malaysian Anti-Corruption Commission (MACC).

The two fake entities are both named Aabar Investments PJS Limited, with one incorporated in the British Virgin Islands and the other incorporated in Seychelles.

Wan Aizuddin: Do you agree with me that there was a major



Ongoing case: Najib arriving at the court in Kuala Lumpur. - Bernama

difference in the address of Aabar Investment PJS Ltd and the real Aabar?

Azmi: Yes. It's different.

Wan Aizuddin: Did you not realise the difference when looking at the documents then?

Azmi: No. No one brought it up as well. We had lawyers, bankers, officers ... we had about 40 eyes looking at the documents but no

one highlighted it.

To this, Wan Aizuddin said, "It's not a good exercise. You have never done your due diligence."

To another question, the witness said he basically followed his deputy's instructions namely Terence Geh Choh Heng, as he believed the instructions were from fugitive businessman Low Taek Jho or Jho Low and Najib.

Wan Aizuddin: You followed Terence's instruction, but, between you and Terence, you are superior?

Azmi: Yes, on paper he was my deputy, we worked in silos in line with a directive by Jho Low.

The court previously heard that 1MDB took a US\$975mil loan from Deutsche Bank AG, but it was never utilised to pay back the "Aabar options".

About US\$175mil from the bridging loan was instead channelled to Aabar BVI, while US\$681mil went to Aabar Seychelles in September 2014.

On the first day of the trial, the prosecution had said it would prove some of the funds that were transferred to the two fake Aabar entities had in 2014 allegedly made their way to Najib's bank account in 2014, namely two separate sums in sterling pound that were equivalent to RM4,093,500 and RM45,837,485.70.

Najib, 68, is facing four charges of using his position to obtain bribes totalling RM2.3bil from 1MDB funds and 21 charges of money laundering involving the same amount.

The trial before Justice Collin Lawrence Sequerah continues tomorrow.