

# 1MDB management conned board and Najib, court told

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**KUALA LUMPUR:** The management of 1Malaysia Development Bhd (1MDB) had deceived the company's board of directors (BOD) and former prime minister Datuk Seri Najib Razak into entering a joint venture with PetroSaudi International Ltd (PSI), the High Court heard.

Lead counsel Tan Sri Muhammad Shafee Abdullah suggested this to witness Tan Sri Ismee Ismail, who is a former 1MDB non-executive director, during cross-examination here yesterday.

Muhammad Shafee said a group of senior management in 1MDB - Jasmine Loo Ai Swan (former general counsel), Azmi Tahir (former chief financial officer), Casey Tang Keng Chee (former executive director) and Datuk Shahrol Azral Ibrahim Halmi (former CEO) - did the con job by preparing detailed paperwork to enter into the investment agreement.

Muhammad Shafee: This is a 100% con job. All the proposals were crafted by the 1MDB management. It was detailed crafting by the management.

Ismee: Yes.

The lawyer also suggested that in comparison between a prime



minister and a BOD, a prime minister was alone with no resources whether what was represented before him during briefings was true or otherwise.

Muhammad Shafee: He (the prime minister) needs his advisers

like the board to tell him.

Ismee: True.

Muhammad Shafee: Shahrol is a culprit working hand in hand with (fugitive financier) Low Taek Jho and misled the entire board. This is why 1MDB is suffering today.

Ismee: Yes.

Asked whether Najib would have been involved in the preparation of the documents to defraud 1MDB, Ismee said: "I don't think any prime minister has the time to do that."

According to Muhammad Shafee,

Shahrol previously testified that he was ordered by Low, better known as Jho Low, to prepare the document on the pretext that the instruction came from Najib.

Ismee also told the court that he did not know whether the briefing that Najib had on the joint venture was the same briefing given to the BOD, prior to the document being signed.

In a previous testimony, the court was told that the 1MDB-PSI joint venture had left 1MDB with a huge US\$700mil debt which was caused by funds transaction from 1MDB to a company linked to Low, Good Star Ltd.

Shahrol testified that the 1MDB BOD had not known about a loan agreement signed by 1MDB-PSI on Sept 29, 2009, whereby the BOD would not have approved the agreement if it had known.

Najib, 69, faces 25 charges in total - four for abuse of power that allegedly brought him financial benefit to file tune of RM2.28bil and 21 for money laundering involving the same amount of money.

He faces imprisonment of up to 20 years and a fine of up to five times the sum or value of the gratification or RM10,000, whichever is higher, if found guilty.

The hearing before Justice Collin Lawrence Sequerah continues today.

## **Court date:**

Najib arriving at the Kuala Lumpur High Court. - KAMARUL ARIFFIN/The Star