

Jho Low denies links to 1MDB in bid for London hotels
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Normally taciturn businessman Low Taek Jho has issued a rare press statement, challenging a series of reports in websites linking him and Malaysia's 1MDB to a failed attempt to buy three London Hotels in 2011.

The Sarawak Report had posted an August 2012 UK High Court ruling involving a dispute in the purchase of a controlling stake in the Coroin hotel group which the whistleblower site said showed Low's links to the Malaysian sovereign fund.

A spokesman for Low responded to queries from The Malaysian Insider, saying the usually shy businessman usually partnered prominent co-investors in business deals due to "a strong track record of creating value".

"Mr. Low was a co-investor and led the coordination efforts for the proposed bid for Maybourne Hotel Group (Claridge's, the Connaught and the Berkeley in London) along with Aabar Investments PJS (an Abu Dhabi Government controlled sovereign wealth fund entity).

"1Malaysia Development Berhad (1MDB) was one of the several investors invited by Aabar Investments PJS to evaluate this early-stage investment opportunity in 2010/2011.

"To facilitate the bid, some initial interested investors provided preliminary letters of intent in support of the bid," the spokesman said in reply to The Malaysian Insider this morning.

However, the spokesman said that the consortium lost the bid for the hotels which the British judgment revealed rival bidders were attempting to buy up approximately 39% of shares in the Coroin group from businessman Derek Quinlan in 2011.

"Mr. Low will continue to seek out attractive acquisition targets in partnership with prominent co-investors located around the world," the spokesman said.

The Sarawak Report posting had said British judgment noted that Low's £1.028 billion (RM5.7billion) bid for the hotel group through the privately-owned Wynton Group, was backed by 1MDB against UK's Barclay brothers.

"The judge made it clear on a number of occasions that Low was representing himself and his company as an entity backed by a Malaysian government 'sovereign wealth fund'," said the report.

The report said when the British seller was unconvinced by Low's bid, the Penang-born businessman produced a number of written third party assurances including a letter from 1MDB confirming its support for the strengthened offer.

Dispelling insinuations of backroom deals, the spokesman said Low's businesses in Malaysia and abroad "adheres to all relevant regulatory and legal guidelines".

The spokesman said Low and his wholly-owned companies have never received "any compensation or patronage directly from any entity wholly owned" by the Malaysian government.

"Mr. Low has never held any position in 1MDB or in the Government of Malaysia. Mr. Low was appointed as one of the many advisors invited by the stakeholders of Terengganu Investment Authority (TIA) to provide advice from Jan 2009 to mid-May 2009 given his market-based knowledge.

"Mr. Low has not been involved in TIA since mid-May 2009," he said of the TIA, which was later renamed 1MDB.

The sovereign wealth fund is now involved in property development and power projects.

Low, who began his investment business while studying at the Wharton Business School, University of Pennsylvania, comes from a prominent family in Penang. – May 5, 2014.

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