

Only half of 1MDB's debts backed by assets, says Rafizi
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Only half of 1Malaysia Development Berhad (1MDB)'s assets can be offset with solid assets, PKR secretary-general Rafizi Ramli said, following 1MDB's breakdown of its RM42 billion debt yesterday.

In a statement today, Rafizi said that only RM19.7 billion out of the RM42 billion debt was used to purchase solid assets, such as power plants and land, while the rest was used for unspecified investments which remained unclear.

"If there is a need to sell assets to pay off the debts of RM42 billion, the maximum amount obtained will not be enough to even pay half of the debts," he said.

1MDB listed down around RM15.4 billion as having been invested as funds via three different companies – Aabar Investments PJS, and two of its wholly owned units – 1MDB Global Investment Limited (GIL) and Brazen Sky Limited.

But there were no details as to where the money is now and also into which form the assets have been converted.

"If these companies owned buildings, factories, land, or shares, surely 1MDB would have revealed these assets to kill off any speculation."

He said that 1MDB's statement yesterday was proof that not all of its debts could be matched with solid assets.

He also urged Bank Negara to table a report in Parliament detailing how the RM42 billion was spent by 1MDB and act against the company if it was found to have acted beyond its initial approvals.

Rafizi said the 1MDB's statement also further fuelled suspicion that at least half of 1MDB's borrowed money was used for "suspicious" reasons. – June 4, 2015.

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