

**Auctioning process for 1MDB power unit unclear, says report**  
**The Malaysian Insider**  
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Controversial state investment firm 1Malaysia Development Berhad's (1MDB) auctioning process for its power unit Edra Global Energy Bhd is "unclear in some important aspects", the Financial Times reported today.

FT, which said that 1MDB was pushing for a quick sale in efforts to restore its image and quell concerns over its RM42 billion debts, warned that the process lacked clarity in areas such as the status of potential bidders and the amount of energy assets up for sale.

1MDB, which is mired in financial scandals, had originally shortlisted four companies as prospective suitors, including national utility Tenaga Nasional Bhd. People familiar with the matter said then that other possible suitors included Middle Eastern power firm Acwa Power, Qatar Investment Authority and Malaysia's YTL Power International Bhd.

However, FT said that Acwa was reportedly unaware that it had made the shortlist for the auction while Tenaga Nasional had declined to comment.

Additionally, people familiar with the process said foreign companies may now be offered majority stakes, contrary to earlier suggestions that overseas buyers be restricted to maximum holdings of 49%, FT reported.

This could deepen the political turmoil in the country, the daily said, as foreign buyers had already gained from the ringgit's ongoing fall against the US dollar.

A cut-price sale to a foreign buyer could also clash with the "nationalistic rhetoric" of Umno, which has risen along with pressure on Prime Minister Datuk Seri Najib Razak over 1MDB's financial scandals.

Najib, who is also finance minister and chairman of 1MDB's advisory board, has been under intense scrutiny over the firm's RM42 billion debts incurred in just six years of operations.

He also faces a US probe into allegations of money laundering amid reports of RM2.6 billion channelled into his personal bank accounts. Najib, who said the money was a political donation, has denied any wrongdoing.

1MDB is the largest independent power producer in Bangladesh and Egypt and the second biggest in Malaysia after Malakoff Corp Bhd. It also holds assets in the United Arab Emirates and Pakistan through joint ventures.

The state investment firm said last month it was confident of closing a deal on Edra by the fourth quarter of this year. – September 29, 2015.

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