

Najib says 1MDB woes might end after China's purchase of power assets

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BY YISWAREE PALANSAMY

Prime Minister Datuk Seri Najib Razak took a swipe at the Opposition's "war of perception" on matter relating to 1MDB. — Reuters pic

KUALA LUMPUR, Dec 7 — Prime Minister Datuk Seri Najib Razak said last night that the problems plaguing troubled state investment firm 1Malaysia Development Berhad (1MDB) might see an end after China's purchase of the firm's power plant assets recently.

In his closing address at the National Undergraduates Leadership Conference (Pemanas 3.0) here, Najib also took a swipe at the Opposition's "war of perception" on matter relating to the beleaguered firm.

"We still have our assets and there is a company from China that bought (one of the asset) from us with an overall value of RM17 billion...it is getting clear now that the problem can be settled," he told the packed hall, advising the crowd to not be carried away by emotions and the campaigns launched against him by the Opposition.

"So if we understand all these, let us not be carried away by emotions because they want to attack us via the war of perception but if we table the facts, they lose... if we table logic, they lose, if we table rational points, they lose... they don't fight with facts but lies and this is what you call the war of perception," he added.

Last month, 1MDB sold its Edra Global Energy Berhad for RM9.83 billion to China's General Nuclear Power Corporation (CGN) as it seeks to cut its debt and restore investor confidence.

Putrajaya also granted CGN an exemption of the local law that caps foreign ownership of firms in strategic industries to no more than 49 per cent.

In a statement, 1MDB said that the sale of the Edra's operating assets also guarantees a debt reduction of up to RM17 billion.

Reuters reported the China government-owned CGN saying it will assume all the debt of power unit of Edra — the largest independent power producer in Bangladesh and Egypt and the second-biggest in Malaysia — and the deal is expected to be completed in February.

1MDB's move earned harsh criticism from the Opposition, with PKR lawmaker Rafizi Ramli criticising the sale, saying that it went against government rules.

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