

1MDB Clarifies On Recycled Wrong Statements By Tony Pua

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KUALA LUMPUR, Oct 18 (Bernama) -- Government investment arm, 1Malaysia Development Bhd (1MDB) today reiterated that the key objective of its US\$1 billion equity investment in PetroSaudi International (PSI) was to obtain a 40 per cent equity stake, which was achieved.

All funds paid by 1MDB were in accordance with duly executed agreements and as per the legal terms, payments were made to bank accounts on the instruction of PSI.

1MDB said this in a statement Sunday to clarify yet again certain matters as Petaling Jaya Utara Member of Parliament Tony Pua's recycled old allegation and selective presentation of information was misleading the public.

PSI confirmed that all funds transferred on its instructions were received and that no debt remained outstanding in the joint venture company, upon which 1MDB gained ownership.

All information related to the transaction, including the relevant agreements executed and funds flow, were presented to the 1MDB board of directors.

Subsequently, it is important to note that the value of the total equity and Murabahah investments of US\$1.83 billion by 1MDB into PSI eventually increased via a series of transactions to US\$2.33 billion of fund units as at March 31, 2014.

"We have highlighted, most recently on Oct 10, 2015, how US\$1.39 billion of this amount has been redeemed in cash, leaving a balance of US\$940 million of fund units that will form part of the 'debt for asset swap' with Abu Dhabi's International Petroleum Investment Company (IPIC)," stressed 1MDB.

1MDB also wants to make it clear that Pua's claim of the company needing a bailout is wrong.

The company cited that the sale of Edra Global Energy Bhd, combined with the previously announced RM16 billion 'debt for equity swap' with IPIC and a sale of equity in Bandar Malaysia, would result in up to RM42 billion reduction of 1MDB's debt.

"This figure does not include the cash we expect to generate from the sale of the remaining land in Tun Razak Exchange, Pulau Indah and Penang," said 1MDB.

"If Pua is really interested in the truth, then he should allow the lawful authorities to continue with their investigations and per due process, debate the findings in the appropriate forum, that is, the Public Accounts Committee (PAC) and Parliament," it added.

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