

Headline	UJSB: Higher losses if TH asset value depreciates further		
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## TABUNG HAJI

# UJSB: Higher losses if TH asset value depreciates further

**KUALA LUMPUR:** The Malaysian government will incur losses higher than RM10.3 billion if the assets transferred from Tabung Haji (TH) were to depreciate further, said Urusharta Jamaah Sdn Bhd (UJSB), a unit of the Minister of Finance Inc.

Among the non-performing assets transferred to UJSB under "TH rescue plan" is a 0.634ha plot at the Tun Razak Exchange (TRX).

In a statement, UJSB said the TH rescue plan, which was completed on Dec 28 last year, involved a transfer of non-performing assets worth RM9.63 billion from TH to UJSB, in exchange for RM19.90 billion.

It consisted of two tranches of sukuk totalling RM19.6 billion and RM300 million, respectively, in cash payable to TH.

UJSB cautioned that if the value of the assets depreciates further, the government will incur losses higher than RM10.3 billion.

The assets transferred to UJSB are made up of listed equity holdings, properties and one unlisted plantation asset.

"The land was purchased by TH at RM188.5 million, or RM2,760 per sq ft. This was higher than that paid for by 1Malaysia Development Bhd (1MDB) of only RM75 per sq ft (or RM5.1 million for 1.568 acres)," it said.

The land was then purchased by UJSB from TH at RM400 million (RM5,856 per sq ft), which does not reflect the real market value of the TRX land.

The purchase was at a 112.2 per cent premium to what TH paid to 1MDB in April 2015.