Bitcoin brothers’ R54bn blunder

Ameer and Raees Cajee (and their company, Africrypt) started making headlines earlier this year when the pair sent out a notice to investors informing them of a security breach. According to the announcement below, the investing platform had allegedly been hacked – with all of the funds stolen. Since then, the story has taken many turns. Silent for weeks, Raees Cajee spoke up, saying that he and his family were “forced to flee the country with our immediate family – including my disabled father – after receiving numerous death threats”. It was also reported that the brothers had bought citizenship in Vanuatu, a small island nation which gives its citizens visa-free access to over 130 countries, including the UK. Joining BizNews is private investigator Sean Peirce, who was tasked by Africrypt clients to investigate the alleged hack. Peirce explains the process into investigating the cryptocurrency scandal that has rocked South Africa. Listen to the interview below. – Jarryd Neves

Read also:

- Crypto scam steals about R54bn from SA investors

At the age of 18 or 19, Raees’ lifelong fascination with blockchain technology apparently led him to develop revolutionary artificial intelligence trading technology that generated consistent monthly returns. Rather than simply using the technology to generate untold wealth for him and his family, Raees cofounded Africrypt Cryptocurrency Investments with his brother. Africrypt offered astonishing returns for its clients, and these returns were used to recruit more clients. An investment presentation from around September 2020 showed that Africrypt achieved returns as high as 13% per month for clients on its “Aggressive” plan and never ended a month in a loss. Africrypt earned the pair enough money to live large — reportedly driving around in a Lamborghini Huracan and taking up residence in the luxurious Houghton Hotel. However, it all came crashing down on 13 April 2021 when the brothers sent out a notice to investors informing them that Africrypt had been hacked and all its cryptocurrency holdings stolen. The story flew under the media radar until June when reports began to surface that the brothers had gone missing along with $3.6 billion (R54 billion) in crypto-assets. However, several investigations have rubbish these claims with the true amount pegged at R200 million to R1 billion. Gerhard Botha, the attorney representing a group of disgruntled investors, previously told MyBroadband that there were claims totalling R115 million against Africrypt. If the promised returns on the investments are factored in, the claims come to R140 million. Botha previously told MyBroadband that there were still some outstanding claims and that the total could reasonably climb to R350 million to R1 billion.

Read the full article here

Jan Vermeulen (MyBroadband)

Brothers Raees and Ameer Cajee have ruined people’s lives, and it is only a matter of time before the long arm of the law catches up with them. Those were the words of private investigator Sean Peirce, who spoke to Carte Blanche in a segment that aired on Sunday night.

Peirce was hired by 35 former Africrypt clients to investigate the disappearance of the brothers along with the millions that had allegedly been stolen in a hack on the cryptocurrency investment scheme.

Peirce said that in his view, the evidence points to the Cajees conducting an exit scam and that there was no hack. As the Cajee brothers tell it, they launched their cryptocurrency empire from their bedroom before they had even left high school. Africrypt’s founder and CEO, Raees Cajee, first learned of Bitcoin in 2009 while watching the news. He apparently began mining Ethereum while still in school.

He founded his first cryptocurrency business at the age of 13 in a tiny room in a small house in Robertsham, south of Johannesburg.

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Alec Hogg reads RW Johnson’s Bestseller: How Long Will South Africa Survive?

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SA’s economy is $37bn bigger after revision

Bitcoin’s 60% rally from July lows may be running out of steam

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Investment industry NOT a gentleman’s game

Hard-hitting Magnus Heystek joins BizNews founder Alec Hogg to talk about the hidden agendas that plague the investment industry. Magnus has been adamant about having offshore exposure for the better part of the last decade for two reasons: firstly, because diversification is the only free lunch you’re afforded in investing and secondly, because of the unsteady macroeconomic backdrop within South Africa. He’s called it perfectly. Unfortunately, some of the large institutions and investment houses in South Africa are plagued with conflicts of interest. As a result, clients suffer. Magnus emphasises the importance of doing due diligence before investing, even if it costs a few thousand rand. – Justin Rowe-Roberts

On how he decides which fund managers are likely to outperform

“It’s a much more complicated exercise than simply answering this method or that method. It’s a whole process where you start with a macro analysis – you look at the macro trends, you look at past performance of fund managers, you look at past phases of the economic cycle. And that still doesn’t answer the question or it still won’t guarantee that you’re going to select the best fund manager. But you at least have a far more scientific approach. You’re taking the guesswork and the bull dust out of it. And you build a diversified portfolio based on verifiable facts, not ‘it’s just call heads for the next five times’. You cannot invest on that basis. So there’s much more to it; it’s just immensely annoying. And the last point, earlier this year for a very brief period, the JSE – because of the commodity lift it had with the platinum shares running – for about two or three weeks, was the top-performing market in the world based on that criteria. And again, Old Mutual was guilty of saying ‘wow, this is the start of a new bull phase and now’s the time to get in’. I had a look once again, that rally has petered out. The JSE year-to-date is again flat. You’ve made no money.”

On the hidden agendas within the investment industry

“It’s part of the game. It’s a rough game – it’s not a gentleman’s game. That was very disappointing from that particular columnist – who I found out subsequently actually is a consultant to the JSE. He was never declared in his articles. He has an axe to grind on behalf of his client which I think he should publish. There you already have something that stirs and subsequently he has been 100% wrong. And as I’ll show you at the conference next week, your offshore returns versus local returns – I’m talking about the equity markets – have been night and day. The change in returns has been life-changing. All I’m asking for is a little bit of fairness from, particularly, certain media sections and just publish the facts; let people make up their own minds. But even that gets blocked because I wrote a rebuttal to that article to the editor of the Business Day and he didn’t want to publish it. I had no chance to defend myself.

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Massmart eyes e-commerce

D ays after announcing the sale of its non-core, loss-making operations (Cambridge Foods, Rhino Cash & Carry) to Shoprite, Massmart has set forth its intentions to enter the e-commerce industry with the purchase of online fast-moving consumer goods (FMCG) retailer OneCart. Massmart, which is controlled by American retail giant Walmart, is looking to re-engineer the business from a high turnover, low-margin retailer which has largely been unsuccessful for the better part of a decade. Despite top-line generating over R66bn in the 2020 financial year (2019: R93bn), Massmart has been losing money in both financial years. This despite Walmart bringing in highly-rated American retail executive Mitchell Slope to try turn the tide. Slope, CEO Pieter Engelbrecht, said that South Africa’s most valuable retailer would be able to run Massmart’s Cambridge, Rhino Cash & Carry and Massmart Nettoy profits profitably. Given Massmart issued a cautionary announcement regarding the OneCart acquisition (refer below for ease of reference), the transaction will be significant and material relative to Massmart’s market capitalisation. Despite OneCart being a private company with very little publicly available information, Chantal Marx (analyst at FNB Wealth and Investments) extrapolated the following valuation for OneCart. As noted above, given the lack of information on private companies, these are merely educated guesses. If the valuation above is deemed to be correct, Massmart are essentially using the proceeds from the sale of its non-core operations to buyback c.R1,35bn to purchase OneCart (c.R1.1bn). It’s a radical pivot in strategy. This is what is needed though — despite ringing all the changes possible, implementing cost-cutting initiatives and attempting to maximise all efficiencies possible — Walmart as the controlling shareholder has not been able to run the low-margin retailer profitably. If the largest brick-and-mortar retailer in the world can’t get it right, who can? The change in strategy is a last-ditch attempt to turn the business around. The sale of its non-core operations will streamline the business and the integration execution of the e-commerce arm will be integral to the success of the wholesale retailer. Walmart’s value-based e-commerce strategy has been a roaring success. Massmart shareholders will be hoping that the Americans can help replicate that success on local shores.

Mitchell Slope is the chief executive of Massmart

By Justin Rowe-Roberts

Massmart SENS statement: Cautionary announcement: e-commerce update

Shareholders are advised that the Company has entered into negotiations, which if successfully concluded, may result in the acquisition of a controlling stake in OneCart Pty Ltd (“OneCart”). OneCart is a fast-moving consumer goods market place and logistics platform that partners with leading retailers in South Africa to enable fast, flexible and efficient online sales and home delivery to consumers across the country. The platform provides access to products across the dry goods, frozen and fresh foods, liquor, baby, health and beauty, household and pet supplies categories, all made available to consumers via a single shopping interface.

In keeping with the Company’s strategy to invest in and accelerate its e-commerce presence, this potential acquisition will allow the Company to further expand its capabilities in the fast-growing on-demand delivery segment, while continuing to support the independent retailer marketplace model of OneCart. Massmart is currently in the process of negotiating and finalising transaction documentation. Negotiations are at an advanced stage and Massmart is hopeful to conclude discussions in the coming weeks pending finalisation of a few key matters.

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Naspers/Prosus share buybacks explained

By Justin Rowe-Roberts

The Naspers/Prosus ('Naspers stable') share buyback programme was initiated at the latter end of 2020 with the intention of returning value to shareholders. Unfortunately, as has been the case with a number of the Naspers stable's corporate actions in the last few years, it has failed miserably.

In theory, the buybacks make a lot of sense. Both Naspers and Prosus trade at large discounts to its stake in Chinese internet giant Tencent, without including the other technology businesses within its portfolio. The share buyback is the mechanism to close this discount. However, when the share price continues to fall (as it has), it means that shareholders would’ve been better off with management allocating that capital in a different manner (i.e. in the form of dividends).

Taking the Naspers and Prosus closing price on Friday the 20th of August, which was c.R2.400 and c.R1.227 respectively, the share buybacks — which have spanned over a period of more than six months, have shed c.R72m in shareholder value. In total, the original value of the Naspers buyback was c.R3.6bn and the Prosus buyback was c.R1.8bn. The calculations were done using the figures below.

The timing could not have been worse for both countries, with Naspers and Prosus down around 40% since its highs in February. The Chinese government have been ruthless in their approach, hammering down on many of the Chinese securities, is down almost 50% in the last six months alone. The Chinese Communist Party is out for blood and no one knows when or if this theme will stop. These capital allocation mishaps have left Bob van Dijk and his management team under severe pressure. Apart from the share buybacks, the Naspers/Prosus news — which was another form of corporate action used by management to unlock value for shareholders — has been a setback.

A number of South Africa’s top asset management firms formed a collaborative engagement in a stance of activism against the transaction as market participants reached boiling point over years of perceived mismanagement. The argument is that despite Naspers’ phenomenal share price performance over the past few years, it’s been driven by the outperformance in Tencent rather than management’s doing. Of even more concern to Naspers’ stable shareholders, the aggressive buybacks of the last six months would’ve artificially kept the share price higher than if the buybacks had not been implemented.

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SARS going after South African Bitcoin traders

The South African Revenue Service (SARS) has asked cryptocurrency exchanges for information on their customers as part of a crackdown on tax evasion by crypto traders. It followed audit requests from SARS to taxpayers in February, requesting them to disclose cryptocurrency trades and purchases.

Top health whistleblower’s death ‘was a hit’

The ‘execution-style’ killing of Gauteng Department of Health chief director of financial accounting, Babita Desokaran, was an organised hit on her, according to the director of the Ahmed Kathrada Foundation, Neeshan Bolton. He was quoted by News24, which reported that Desokaran had made a gallant effort to speak out against personal protective equipment (PPE) tender fraud in her department.

SA’s cannabis plan to create 25,000 jobs

South Africa’s government unveiled a master plan aimed at harnessing a R28bn ($1.9bn) cannabis industry that could potentially create as many as 25,000 jobs. The Department of Agriculture, Land Reform and Rural Development led a two-year process to craft a national strategy for the industrialisation and commercialisation of the plant.

Ex-Moz finance minister to be extradited home

South Africa will extradite former Mozambican finance minister Manuel Chang to his home country to stand trial, rather than the US where he also faces corruption charges. Chang was implicated in a $2bn sovereign debt scandal and has been held in a prison outside Johannesburg since his December 2018 arrest while South Africa considered competing extradition requests from Mozambique and the US.

DA mayoral candidates announced

The Democratic Alliance (DA) has announced its mayoral candidates for five of the country’s metro municipalities for the upcoming local government elections. The candidates were announced by leader John Steenhuisen at an online press conference. Geordin Hill-Lewis, a current member of parliament and the party’s shadow finance minister, was announced as the candidate for Cape Town.

Since the commencement of the programme on 23 November 2020:

- A total of 8,943,493 Naspers ordinary shares N were purchased representing c.30.09% of the issued Naspers ordinary shares N for a total consideration of US$5.06bn including transaction costs, which represents an average cost of EUR0.077 per Prosus ordinary share N.
- A total of 19,992,092 Prosus ordinary shares were purchased representing c.163% of the issued Prosus ordinary share N for a total consideration of US$5.19bn including transaction costs, which represents an average cost of EUR0.030 per Naspers ordinary share N.

Read the full article here

In short

Top health whistleblower’s death ‘was a hit’

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We must forget about herd immunity now

Last week, Bloomberg reported that – according to Emile Stipp, the Chief Actuary at Discovery – as many as four out of five South Africans had already had Covid-19. This finding naturally led to many questions surrounding the implications of this estimated infection rate, particularly in respect of achieving herd immunity in South Africa. BizNews founder Alec Hogg spoke to Emile Stipp who unpacked his findings and the notion of herd immunity, which Stipp stated is “something that we must all forget now.” Stipp further commented on the differences between the symptoms and infection susceptibility of those who have been vaccinated as opposed to those who have not. – Nadya Swart

On the amount of South Africans that have had Covid-19

“So what I said is we estimate between 70% and 80%, so it’s in a range and 80% is the upper end of that range. Unfortunately, we can’t be exact about it because, you know, not everybody gets tested. So there’s always an element of uncertainty where we talk about infection levels, but we think that that’s pretty accurate – that range.”

On herd immunity

“So herd immunity, actually, I think is something that we must all forget now. It’s not going to happen. And the reason for that is that Covid-19 is becoming endemic. So unless you have everybody vaccinated in a population and unless vaccination or previous infection gives you complete protection against reinfection or infection in the first place, you’re not going to get it to go away. So the way that one should think about this is that if you’ve had Covid-19 before, your risk of getting it again is about 20% to 25% if you come into contact with the virus. That’s what our data shows. Even if you are vaccinated, the data emerging across the world is that you have a risk, roughly about 20% of getting infected. But the key is that your risk of going to hospital and dying – it’s different worlds. It’s completely, completely different if you’re vaccinated versus if you’re not. And that’s really what we should look at. So what you’re seeing playing out in Europe and many other places in the world now is that when they get to a certain level of vaccination, the country starts opening up. It happened in Holland, it happened in the UK and [then] infections go up. But what we don’t see is the deaths go up. So, you know, what that basically means is that Covid-19 with vaccination is less harmful than influenza. That seems to be the numbers [that are] emerging from the UK. Without vaccination, it’s much more harmful – it’s about eight to 10 times more harmful. And that’s really what we should expect going forward is that Covid-19 will be around – it will probably not go away – but as long as you’re vaccinated, you’re basically safe from the bad consequences.”

BizNews Power Hour with Alec Hogg

The BizNews Power Hour, hosted by Alec Hogg, airs weeknights at 5:30pm on Cape Town’s Fine Music Radio (101.3FM) and in Johannesburg at 7pm on ChaiFM (101.9FM). You can also catch it on www.biznewsradio.com.
Jack Miller, the founder of the Cape Independence Party, told the BizNews Power Hour that “the Cape has been largely insulated to a lot of the destruction seen in other parts of South Africa. I think that it’s now becoming blindly obvious to everyone living in the Cape that there is no future for South Africa.”

BizNews interviewed Jacques Celliers, the CEO of FNB, to find out more about the brain drain challenge that South Africa faces and the ways in which young South Africans can equip themselves with critical skills. His message to young South Africans is uplifting and sorely needed in these testing times.

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Magnus Heystek shares the ugly truth about retirement annuities. Worse, the government have made amendments to the regulations that make it troublesome to access your pension in the event of emigration. Heystek says he rarely advises retirement annuity-like products to his clients, due to its illiquidity as a financial instrument.

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SATSA CEO on SA’s UK red list status
Hlophe likely to practice Stalingrad strategy

A first in South Africa’s post-1994 history occurred this week when a substantial majority of the Judicial Service Commission (JSC) voted to uphold a gross misconduct finding against Western Cape judge president John Hlophe. This decision by the JSC paves the way for an impeachment process by parliament. In order to unpack the process and the allegations against Hlophe, BizNews spoke to Paul Hoffman SC from Accountability Now. While many hope that this is a turning point for the country, Hoffman stated frankly that “I think the turning point should have come many years ago. If he is impeached, which I doubt will happen, but if he is impeached, that will be an indication that the ANC’s commitment to the rule of law is genuine and not lip service to the rule of law. If the ANC votes in his favour, it will be a turning point towards the cliff that is marked ‘failed state’.” – Nadya Swart

On the Judicial Service Commission’s position in respect of Judge Hlophe
“The position at the moment is that the JSC has by a vote of eight to four – so it’s a split decision – come to the conclusion that it has to recommend to parliament to impeach. It’s not the function of the Judicial Service Commission to do the impeaching. It’s their function to advise parliament on it. And with this split decision, it has so decided – its majority is of the view that Judge President Hlophe is guilty of gross misconduct in relation to the way that he meddled with the judges who were sitting on an important Jacob Zuma case just before Jacob Zuma became president for the first time in South Africa, which was, well, a very long time ago.” On what Hlophe’s next steps may be “The next thing that Hlophe will do if he runs true to form is that he will take on review the decision of the majority. That means he has to approach the high court. He will probably use the reasoning of the minority and maybe some other arguments of his own. We haven’t seen either yet because all we know is that the decision has been reached. We haven’t seen the reasoning in the decision. So it’s likely that he will wish to exercise his right to review and that he does in the high court. And if he is unsuccessful in the high court, it is likely that he will appeal to the Supreme Court of Appeal. If he fails in the Supreme Court of Appeal, then some will argue, ‘Well, that’s the end of the matter and parliament must now get on and consider whether it is prepared to impeach him.’ If the Constitutional Court takes the attitude that it’s not in the interests of justice for him to have another appeal to the very institution that has complained against him – because even though the judges are not the same judges anymore, it is the justices of that institution that have laid the complaint – then his litigating route ends with a refusal of his application to go there. Of course, if they do let him in the door, he gets a further delay and a further opportunity to filibuster and practice the Stalingrad strategy that Jacob Zuma has made famous.”

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Most people start working in their early to mid-20s with the mindset that one day they will retire (happily and content) at the age of 65+. Then that day arrives and the harsh reality that their retirement savings are not enough presents itself. By then it is too late to save more and many have no room in their budget to continue with retirement contributions. So, what now?

Tips to consider
1. Accept it and face it:
The sooner you except that your retirement savings are not enough as possible. If you don’t have a financial adviser, now is the time to speak to one to help you restructure and manage what you have. In short, review your budget for retirement spending.

2. Reconsider your retirement date:
In many instances companies offer extended contracts on a month-to-month or annual basis after the ‘forced’ retirement date. If retirement funds are falling short, this option requires serious consideration. Even if you don’t feel like working anymore – take what you can for as long as you can. Some companies even allow people to work for much longer than the traditional retirement age of 65. Working longer means you can save more, and you have a shorter period post retirement that you need to live off your retirement savings.

3. Know what income is available to you:
Make sure you know what your monthly income will be from retirement investments without depleting the capital too soon. Keep in mind that tax will be taken from your income before it is paid to you. Once you know, you will need to decide which items in your monthly budget are necessities and what are nice-to-haves. You might need to cancel expenses like a DSTV subscription or gym membership to ensure you can pay something that is more important.

4. Relook at your home:
Let us be honest, when you retire you don’t need a big home anymore. If you have a family, it is most likely that children do not live with you any longer. It is not worth hanging on to the big house with the maintenance challenges (and cost thereof) for when the kids come to visit – once a year! Sell the house and move into something smaller with less maintenance and upkeep. A security complex is a good option as you will probably save on your monthly security payment as well and it may also reduce your insurance premiums. Just keep in mind that in these complexes you will have to pay levies for the general upkeep of the complex.

5. Restructure monthly pre-retirement savings:
If you are forced to retire due to your employer’s rules, look at other options that you can start to earn an income in retirement. For example, a teacher can continue giving online classes or even tutoring. If you were a painter by trade, your knowledge and guidance can come in very handy in a hardware store’s paint department where you can guide customers. Accountants can consider providing bookkeeping and accounting services to small businesses. Furthermore, it is important to remember that income requirements will change during retirement as well.

6. Look at additional income options post-retirement:
If you are forced to retire due to your employer’s rules, look at other options that you can start to earn an income in retirement. For example, a teacher can continue giving online classes or even tutoring. If you were a painter by trade, your knowledge and guidance can come in very handy in a hardware store’s paint department where you can guide customers. Accountants can consider providing bookkeeping and accounting services to small businesses. Furthermore, it is important to remember that income requirements will change during retirement as well.

Suzan Haumann is a Certified Financial Planner® professional and head of Brenthurst Wealth TigerValley

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Rentia van Tonder and Berrie de Jager of Standard Bank join Alec Hogg to discuss PowerPulse, a new digital platform introduced by Standard Bank that provides alternative energy solutions by connecting clients with appropriate power suppliers. As Alec Hogg says, the shift from centralised to decentralised power generation could not come at a better time. In early August, state-owned power utility Eskom confirmed that an explosion at unit 4 of its Medupi power station caused “extensive damage” to a generator. With years of electricity supply challenges already behind us, business owners will surely be too happy to take matters into their own hands, but as our guests explain, we’re not out of the woods just yet.

Rentia van Tonder (head of power for wholesale clients) on the power supply situation in SA

“It’s a very interesting time for South Africa, and I think we’ve been experiencing electricity supply challenges for the last few years with a significant uptick in load shedding in 2020. I think, [it’s] the worst we’ve seen ever, which is understandable because the fleet is quite old. The fleet is not really recovering, and I think it’s only too happy to take matters into their own hands, but as our guests explain, we’re not out of the woods just yet.”

On progress being made with Independent Power Producers (IPPs)

“It’s very important for us to keep momentum as a country. I mean, the Integrated Resource Plan was gazetted in 2019 and it really outlines the roadmap for South Africa in terms of future supply. However, we’ve seen a slow rollout. We are busy with RMIPP, which is the Risk Mitigation Programme, 2,000 megawatts that need to reach financial close, at the moment, end of September. Then we’ve got the Renewable Energy IPP programme going into round five with bid submission actually next week, the 16th of August. All of these projects are extremely important to stay on track, and I think, [it’s] a big concern if we can’t manage to have bids going in financial close and reaching Commercial Operation Date (COD) on a regular basis to be able to ensure that we have new capacity coming on stream regularly.”

On whether this means the country is less vulnerable

“No, I don’t think so. Until we know that we have the additional capacity committed and then when they will reach COD, we cannot really relax. I think what we see is that the energy availability factor from the Eskom fleet is not really recovering, and I think it’s understandable because the fleet is quite old. So the sooner we have new capacity coming online, the better, and I think we definitely have to keep momentum in procuring more generation capacity.”

Berrie de Jager (head of natural resources and for business and commercial clients) on the shift from centralised power to decentralised power generation

“I’m very excited about the shift that we’ve seen away from the large centralised systems into the decentralised energy space. What we see nowadays is that businesses are really taking power matters into their own hands, and then in the process, they are also putting money back into their own pockets. From Standard Bank’s perspective, we are really trying to enable clients to grow but if a client doesn’t have electricity and access to reliable and affordable electricity, it’s really becoming challenging. So our focus in this regard is really to say, how do we enable clients? How do we help them to take this leap into the decentralised energy world and then start generating electricity on the way forward.”

On Standard Bank’s role through PowerPulse

“They say that power to a company is like oxygen to trees - if you don’t have it, you can’t live and you can’t operate. So for us, it’s really around sustainable business performance of companies and to help them. I think globally when you look at this decentralised environment, there’s certain thrusts that we are observing and those are mainly things like decentralisation, decarbonisation, and digitisation, and we believe that we can help clients to address those things. When you look at things like decentralisation, we know that nowadays it’s really possible - and I could add viable - for businesses to generate at least some of their power requirements on their side of the meter. We find that the most popular way of doing it is really through grid-tied systems where they effectively co-generate their own electricity. On the decarbonisation side, we know the challenges around climate change. South Africa is a signatory to the Paris accord. We hear new terminology like net zero carbon goals, etc., but I guess ultimately each and every corporate citizen really wants to play a role in minimising its carbon footprint, and you can do that through generation of your own electricity. Then, of course, the digitisation part that I mentioned, we are very fortunate to live in the digital age where it’s relatively simple and affordable to collect data and then use that data to make decisions. So whether that decision is around behaviour on power consumption and whether it’s about understanding your own power consumption pattern and generating energy in line with that, through proper digitisation, you can make a massive difference in that regard.”

Listen to the full interview

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There are amazing grants and programmes in South Africa which have put enterprising young people on a path to invent, grow and thrive. One of them is the Urban Agriculture Initiative (UAI) operated by an organisation called Wouldn’t it Be Cool (WIBC). Khaya Maloney secured a spot and completed a three-month scholarship to grow hops. This young entrepreneur was thinking big and started growing four season hops on a Johannesburg rooftop, a first for South Africa. The founder of Afrileap told BizNews about his passion for hop growing. – Linda van Tilburg

Khaya Maloney on where his journey began
"It all started in 2016 [on a] Sunday evening at 8pm. I'm sitting with everybody, watching TV, and I switch over to Carte Blanche. I see they're covering this documentary about Brooklyn Grange in New York. It was about these young, agri-entrepreneurs – guys that were planning a gardening site on the rooftop of old dilapidated buildings. I thought it was interesting; they were using hydroponics and moving soil all the way up on top of the building, just growing things for the inner city, supplying restaurants and supermarkets with fresh produce.

It's a genius idea. I did [some] research and found out that there's an initiative like this, an urban agriculture initiative. It hadn't started, but it was the first of its kind in South Africa. [They] were planning to put 100 rooftop gardens on top of buildings in inner city Johannesburg. I thought that was brilliant."

On why he chose to grow hops
"When the idea of agriculture came, I thought, okay, this is the next step in agriculture, rooftop farming in a city. So, I experimented. I had no experience. Nobody in my family had a farm or anything – I didn't know what I was going to grow. I just came up with the idea. I then joined an incubator. In this incubator, there was a bunch of young people who qualified to be part of the programme. We all went through this course [from WIBC]. They basically teach you the business model – one thing you don't know about farming is that it has a lot to do with the numbers. It's a numbers game more than anything else. They taught us about business models, we had to learn about the different spheres of farming and then, in the last two weeks, they taught you about hydroponic farming. From there, everybody was already presenting. They came with an idea in mind. I was the last one to choose. One of the classes I attended, they mentioned SAB, how they make their beer and all the things that go into it – barley, malt, hops – and I learnt that they own about 100% of the hop yards in South Africa. I came up with this idea of a four season greenhouse that grows hops to supply to craft brewers in South Africa."

On how hydroponic farms work
"[It's] a controlled environment [and agriculture]. That's basically what greenhouses are. Essentially, you manipulate the plant into thinking the conditions are the same as where it grows natively. Hops are very specific crops and they love specific conditions – they only grow in the southern Cape of South Africa, [around George].

They have about 16 hours of sunlight everyday, whereas we have around 12 to 14 here in Johannesburg."
A greatest hit: Ford Mustang 5.0 Mach 1 AT

By Miles Downard

The year was 1969. By this stage Ford knew they had something special, as Mustang sales continued to soar from the initial launch in 1964. A power war was raging across Detroit and the Mustang was Ford’s weapon of choice, as they shocorned even greater V8 blocks under the bonnet of the iconic pony car.

The culmination of Ford’s efforts was a set of thumping great V8s. A 5.8-litre unit started the lineup, with optional upgrades to 6.4 or 7.0-litres available too. Suspension upgrades matched the powertrain but Ford executives felt that the existing GT nameplate didn’t reflect the strengthened performance, so the Mach 1 was born.

That nameplate stuck, denoting a sexier, faster and better handling version of the Mustang. It’s been 17 years since Ford released a Mach 1 and I was fortunate enough to drive one of 90 examples that have come to South Africa – all of which have promptly been sold to eager customers. Pricing for the Mach 1 starts from R1,182,100 for the six-speed manual to R1,203,800 for the 10-speed automatic.

Fighter Jet Grey paint works rather nicely with the black and orange decals

Look closely, and you’ll see the latest Mach 1 is a carefully curated amalgamation of the current Mustang line-up parts bin – a greatest hits, if you like. Built around a Performance Pack 1 version of the Mustang GT, the Mach 1 has stiffer front and rear suspension sway bars, a limited-slip differential, six-piston Brembo brakes and a beefier radiator.

That’s not all, though. The Mach 1 also makes use of the Shelby GT350’s rear subframe, providing more precise handling. MagneRide active dampers, fluid coolers and a GT350 rear diffuser round things off nicely. Aesthetically, the Mach 1 remains supple – which translates into a communicative and progressive seat-of-the-pants feeling for the driver.

The press unit I spent a few days with was equipped with the 10-speed auto ‘box. In a sports car, I’d always prefer three pedals and a manual gear change. Just 15 of the 90 Mach 1 units allocated to South Africa are manual. It’s an absolute peach of a ‘box and allows the driver to unlock the glorious, howling V8 that sings all the way past 7 000 r/min.

When left to its own devices, the auto ‘box is bearable but if you decide to use the paddle shifters to override the gear change, you are often left with a clunky downshift that is terribly unsatisfying and unsettling when driving in an enthusiastic manner.

Interior is largely unchanged, with just a few Mach 1 specific trim elements differentiating the cabin from regular models

What the above all boils down to is quite a remarkable Mustang. With plush sport seats and tyres with a sensible sidewall profile, the Mach 1 is oh-so-comfortable, but when the roads get twisty, those MagneRide dampers firm up nicely to control the tyres’ contact patch. Stiffer sway bars mean body roll is kept in check, but the key is that the Mach 1 remains supple – which translates into a communicative and progressive seat-of-the-pants feeling for the driver.

Just 90 units of the highly desirable Mach 1 Mustang have been allocated to SA

Mustangs are often mocked by those who prefer European and Japanese sports cars.

The straightforward cabin is intuitive and features all the essentials – two airbags, air-conditioning and central locking are standard. (Trend Automatic shown)

The Figo is powered by a three-cylinder, 1.5-litre petrol engine with a healthy 91kW and 150Nm of torque. Sending its power to the front wheels via a five-speed manual ‘box (a six-speed auto is available with the Trend trim level), the little Ford is capable of hitting 100km/h in a surprisingly brisk 11.8 seconds. Not especially fast, but the Figo feels punchy with plenty of grunt on tap.

Compared to its rivals, the Figo feels sprightly. This is courtesy of the notable power advantage it has over its rivals. The Polo Vivo 1.4 Trendline offers 55kW and 130Nm while the cheaper Starlet 1.4 Xi produces 68kW and 136Nm.

Aesthetically, the Ambiente makes do without the alloy wheels of the Trend and Titanium, and a limited-slip differential, six-piston Brembo brakes and a beefier radiator.

Aesthetically, the Ambiente makes do without the higher-spec models. Ambiente models also lack colour-coded side mirrors and door handles, among other things.

Unlock the door with the key (no remote key fob here) and you’ll find a sensible, well thought-out interior. Typical of the segment, the interior plastics are hard – but do at least, feel solid. While it has the measure of the Starlet (in terms of fit and finish) the Polo Vivo is still the segment leader in terms of interior quality. Indeed, the Vivo features a padded, soft-touch dashboard which really gives an upmarket feeling to the cabin. It may occupy the lowest rung on the ladder, but the Ambiente trim still nets you a number of essential features. You have to do without a centre console, counter and remote central locking, but you do, at least, receive the essentials – manual air-conditioning, front electric windows, Bluetooth connectivity and a USB port all make the cut.

In the Figo, cloth-trimmed seats provide excellent support and are very comfortable. Unfortunately, the driver’s pew doesn’t offer height adjustment. As a consolation, the steering wheel is adjustable for both rake and reach. Space in the rear is acceptable, with the Starlet offering more room for passengers.

The Figo also loses out when it comes to carrying capacity. With the rear bench in place, it offers up a usable 256 litres of luggage space. Still, it’s piped by the Vivo’s 280 litres and the Starlet’s simply cavernous 345-litre boot. In terms of safety equipment, the Figo has the basics – ABS and dual front airbags – but is missing out on ISOFIX child seat anchorages and stability control (standard on the Starlet, optional on the Vivo).