

## Gumede goes for Absa empowerment stake

Published: Dec 02, 2007

Businessman seeks to snap up shares in Sexwale's consortium.  
Simpiwe Piliso reports

Businessman Robert Gumede has issued letters offering to buy out shareholders of Batho Bonke, the empowerment consortium headed by Mvelaphanda group chairman Tokyo Sexwale.

Batho Bonke owns a 10% stake — worth an estimated R5-billion — in Absa bank. Business Times has established that Gumede, the executive chairman of the JSE-listed technology company GijimaAst, has engaged a number of shareholders who are willing to dispose of the shares they hold in the empowerment consortium.



Absa is majority owned by Britain's third-largest bank, Barclays, which has a 56.4% stake.

Gumede declined to talk about his bid for the shares.

"I'm not known for ducking and diving ... but, on this one, it would be premature for me to comment on the matter at this moment. When the time is right, then I'll be able to talk to you," he said.

Gumede suggested that Business Times should address its questions to the Batho Bonke consortium instead.

On Friday, Mvelaphanda's chief financial officer Mark Willcox said he was unaware that Gumede was courting Sexwale's beneficiaries.

"I'm unaware of this and therefore cannot comment on speculation," he said.

Gumede is targeting some of the more than 50 shareholders who were given shares free of charge by Sexwale.

It emerged last year that the bundles of shares distributed by Sexwale varied in value between R2-million and R7-million.

The Batho Bonke share beneficiaries included the National Intelligence Agency (NIA) director-general Manala Manzini and the former Mpumalanga premier Matthews Phosa.

Others who reportedly benefitted from Sexwale's generosity include the former Northern Cape premier Manne Dipico, the SABC's former acting political editor Sophie Mokoena, political analyst Xolela Mangcu, publisher Thami Mazwai, and former NIA head Billy Masetlha.

Although rumoured to have returned his shares, another beneficiary was KwaZulu-Natal Judge President Vuka Tshabalala. Business Times was unable to reach some of the shareholders for comment on whether they would sell their shares.

But Mangcu — who holds around R5.5-million in Batho Bonke shares — said he had not been approached to sell.

It has been reported that Tshabalala's shares in the consortium are worth around R6.9-million and Masetlha's in the region of R3-million.

Should Gumede succeed in snapping up a big enough stake in Absa via Batho Bonke, it would pave the way for easier international expansion of his business empire.

Put together by Sexwale in 2004, Batho Bonke was seen as the vehicle through which Absa would achieve its empowerment credentials. Gumede's company was also awarded a R960-million, five-year contract by banking group Absa to provide ICT outsourcing services last year.

A former court clerk in Nelspruit, Gumede started the technology company Gijima Technologies, which merged with AST Group in 2005.

### **Who is Robert Gumede?**

Born in Nelspruit, Robert Gumede spent his childhood on a golf course working as a caddie to bring in extra income to help his mother to pay for his siblings' schooling.

He went on to complete a BJuris degree at the University of Zululand and started his career at the magistrate's court in Kabokweni, Nelspruit, as a court interpreter; eventually becoming a state prosecutor.

Realising there was huge room for growth in the IT industry, he formed Gijima Afrika Investments and started working as a business consultant. This enterprise later became Gijima Technologies.









The company grew from 10 people into one of the country's largest black-owned IT operations.

In 2001, Gijima was rated one of the top empowerment information technology companies, a status that secured it contracts worth some R2-billion.

Four years later, the company's success enabled it to acquire a 32% stake in AST, a struggling technology firm, which boosted its profile.

The deal has paid off, with the company earlier this month being awarded a R2-billion contract by the Department of Home Affairs to implement a new technology system to register and administer to the population.

He served as deputy chairman at Gijima Technologies until his appointment as the company's executive chairman in January this year. — Simpiwe Piliso

Article Tools	Save & Share
 Print	 E-Mail
 Digg	 Muti
 Del.icio.us	 Google
	 Reddit
	 Facebook

--oO Article End Oo--