



MEDIA RELEASE **PIC confidential settlement agreement with AYO: PSA demands transparency**

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EMBARGO None

ENQUIRIES communication@psa.co.za

The Public Servants Association (PSA) has noted with concern recent media reports indicating that the Public Investment Corporation (PIC) and the IT group, AYO, have clinched a confidential settlement deal regarding the case the PIC brought against AYO.

The PSA represents more than 237 000 public-sector employees and raised serious concerns with investment as far back as 2020 during the Mompoti Commission and the subsequent report that was released. The PSA has the second largest membership of all unions with members employed in the Public Service, representing a significant number of employees belonging to the Government Employees pension Fund (GEPF). In addition, many GEPF pensioners are former members of the PSA and still look to the PSA for support in various matters, including their dealings with the GEPF. The PSA thus has significant and direct interest in how GEPF assets are invested and the governance, management, and performance of the PIC.

The question that still remains is whether AYO misrepresented itself when it secured R4.3 billion in funding from the PIC. The current stock value of AYO has fallen from R43 to R4.70 per share, which has major financial implications for the GEPF and its members. The PSA, however, noted that the Mompoti Commission indicated that there are internal governance issues at the PIC that should be strengthened. This is another indication that the PIC's investment strategy is not in line with its own investment mandate. Reckless investments are compromising the GEPF and its members.

On this basis, the PSA calls for transparency and rejects this secretive deal between the PIC and AYO. The current state of affairs and the manner in which the PIC, as a plaintiff, settled this matter in secrecy leaves much to be desired. The PSA will leave no stone unturned to obtain the facts relevant to this matter. The PSA calls on the PIC to provide the details of this settlement with AYO, failing which, the PSA will have no other option than to consider litigation.

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