



IDC ANNUAL PERFORMANCE PLAN

2024/25 – 2026/27

PRESENTATION TO PORTFOLIO COMMITTEE
ON TRADE, INDUSTRY AND COMPETITION

3 SEPTEMBER 2024



What will be discussed today

i

Overview of the IDC

ii

Our Strategy, Portfolio & Performance

iii

IDC's 2024/25 - 2026/27 APP

iv

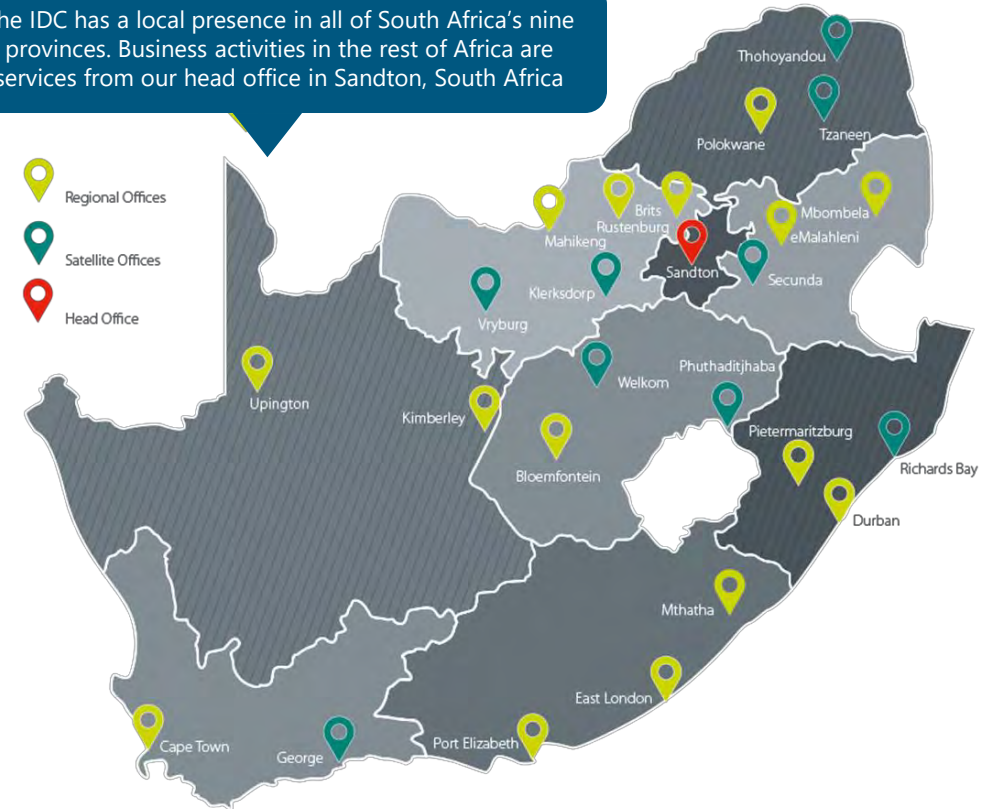
Closing Remarks



IDC Overview

- **Established:** 1940 through an Act of Parliament
- **Type of organisation:** Development Finance Institution (DFI)
- **Ownership:** State owned company, 100% owned by the SA government
- **Total assets:** R154.9 billion (31 March 2024)
- **Total liabilities:** R46.3 billion (31 March 2024)
- **Funding status:** Fund operations and growth from investments, pay dividends & income tax
- **Credit rating:** Ba3 (Moody's) with SA's rating at Ba2
- **Main business area:** Providing funding for entrepreneurs & projects contributing to industrialisation
- **Geographic activities:** South Africa and the rest of Africa
- **Products:** Custom financial products above R1 million to suit project's needs including debt, equity, guarantees or a combination of these
- **Small and Micro enterprise coverage:** Enhanced offerings within Small Business Division
- **Stage of investment:** Project identification and development, feasibility, commercialisation, expansion, modernisation
- **Number of employees:** 866 (as at end March 2024)

The IDC has a local presence in all of South Africa's nine provinces. Business activities in the rest of Africa are services from our head office in Sandton, South Africa



Operational Footprint:

- Head Office - Johannesburg
- 19 Regional and Satellite offices



The primary mandate of the IDC is the development of industrial capacity - anchored in the IDC founding Act of 1940

IDC's founding Act is as valid today as it was back in 1940:

"...to facilitate, promote, guide and assist in the financing of new industries and industrial undertakings and schemes for the expansion, better organisation and modernisation of, and the more efficient carrying out of, operations in existing industries and industrial undertakings, to the end that the economic requirement of the Union (South Africa) may be met, and industrial development within the Union may be planned, expedited and conducted on sound principles."

Achieved through identifying **sector development opportunities** aligned with policy objectives from the relevant government policies primarily the **NDP, NGP and IPAP**

While developing industrial capacity, IDC seek to achieve specific outcomes:



Facilitating sustainable direct and indirect **employment**



Promoting **entrepreneurial development** and growing the **SME** sector



Supporting the **transformational impact** of communities and development of black industrialists, women and youth



Growing **sector diversity** and increased localised production



Improving **regional equity**, including the development of South African rural areas, underdeveloped provinces and economic development in the rest of Africa



Promoting environmentally **sustainable** growth



Board Members



Chairperson of the Board
Busisiwe Mabuza
Appointed
25 November 2011



**Interim Chief
Executive Officer**
David Jarvis
Appointed
01 October 2023



Brian Dames
Appointed
25 November 2011 as a
Non-Executive Director



Bobby Godsell
Appointed
25 November 2011 as a
Non-Executive Director



André Kriel
Appointed
01 April 2016 as a
Non-Executive Director



Dr. Sizeka
Magwentshu-Rensburg
Appointed
25 November 2011 as a
Non-Executive Director



Susan Mangole
Appointed
01 June 2024 as a
Non-Executive Director



Nomavuso Mnxasana
Appointed
29 January 2015 as a
Non-Executive Director



Philisiwe Mthethwa
Appointed
25 November 2011 as a
Non-Executive Director



Adv. Thandi Orleyn
Appointed
29 January 2015 as a
Non-Executive Director



Chairs of Committees

AUDIT COMMITTEE

Nomavuso Mnexasana



INVESTMENT COMMITTEE

Dr. Sizeka
Magwentshu-Rensburg



SOCIAL AND ETHICS COMMITTEE

Adv. Thandi Orleyn



BOARD OF DIRECTORS



HUMAN CAPITAL & NOMINATIONS COMMITTEE

Brian Dames



RISK AND SUSTAINABILITY COMMITTEE

Lael Bethlehem



EXECUTIVE MANAGEMENT COMMITTEE

David Jarvis



Executive Team Members



Interim Chief Executive
Officer
Strategy and Corporate
Affairs
David Jarvis
Joined 01 July 2013



Chief Financial
Officer
Isaac Malevu
Joined 01 October 2020



Chief Operations
Officer
Joanne Bate
Joined 01 February 2020



Chief Risk
Officer
Josephine Tsele
Joined 01 July 2020



Manufacturing
Imran Sayed
Joined 01 October 2021



Agro-Industries
and Services
Sectors
Bongani Miya
Joined 05 September 2022



Partnerships
Programme and Small
Business Finance
(acting)
Manoj Seonath
Joined 01 May 2003



Client Support and
Growth
Lucretia Khumalo
Joined 01 September 2018



Mining, Metals,
Infrastructure and Energy
(acting)
Rian Coetzee
Joined 01 November 1995



Legal &
Compliance
Tshepo Legodi
Joined 01 December 2017



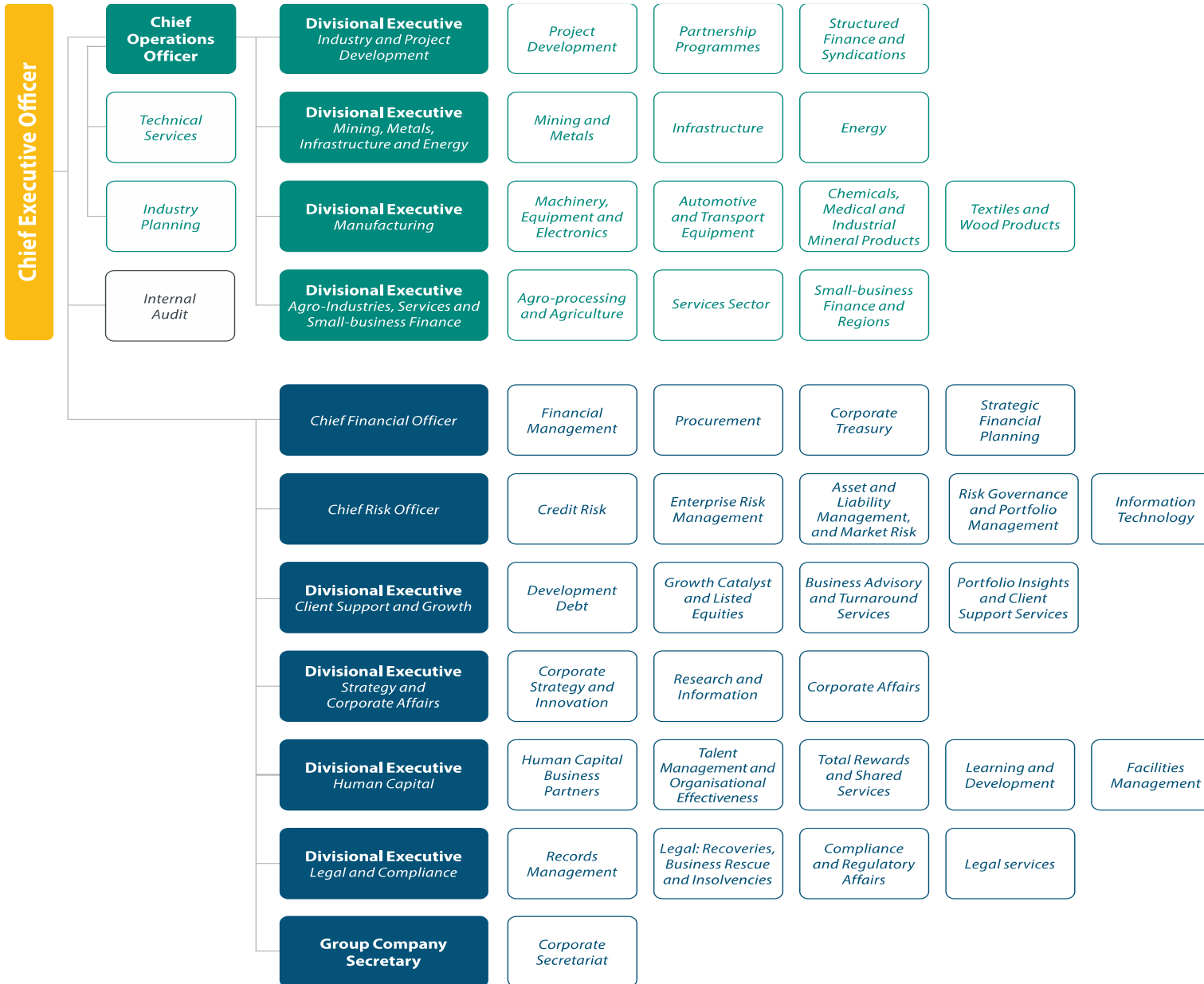
Group Company
Secretary
Maseapo
Kganedi
Joined 01 May 2022



Human Capital
Patience Mushungwa
Joined 01 September 2019



Organisational structure



Staff complement

- As of 31 March 2024, IDC employed **866 staff members**
- The equity profile is in line with the economically active population. 88% of staff are Black (African, Coloured & Indian) and 92% from all designated groups (incl. white female)
- The representation of females remained consistent with that of the previous year, at 54%, with female executives at 50%.



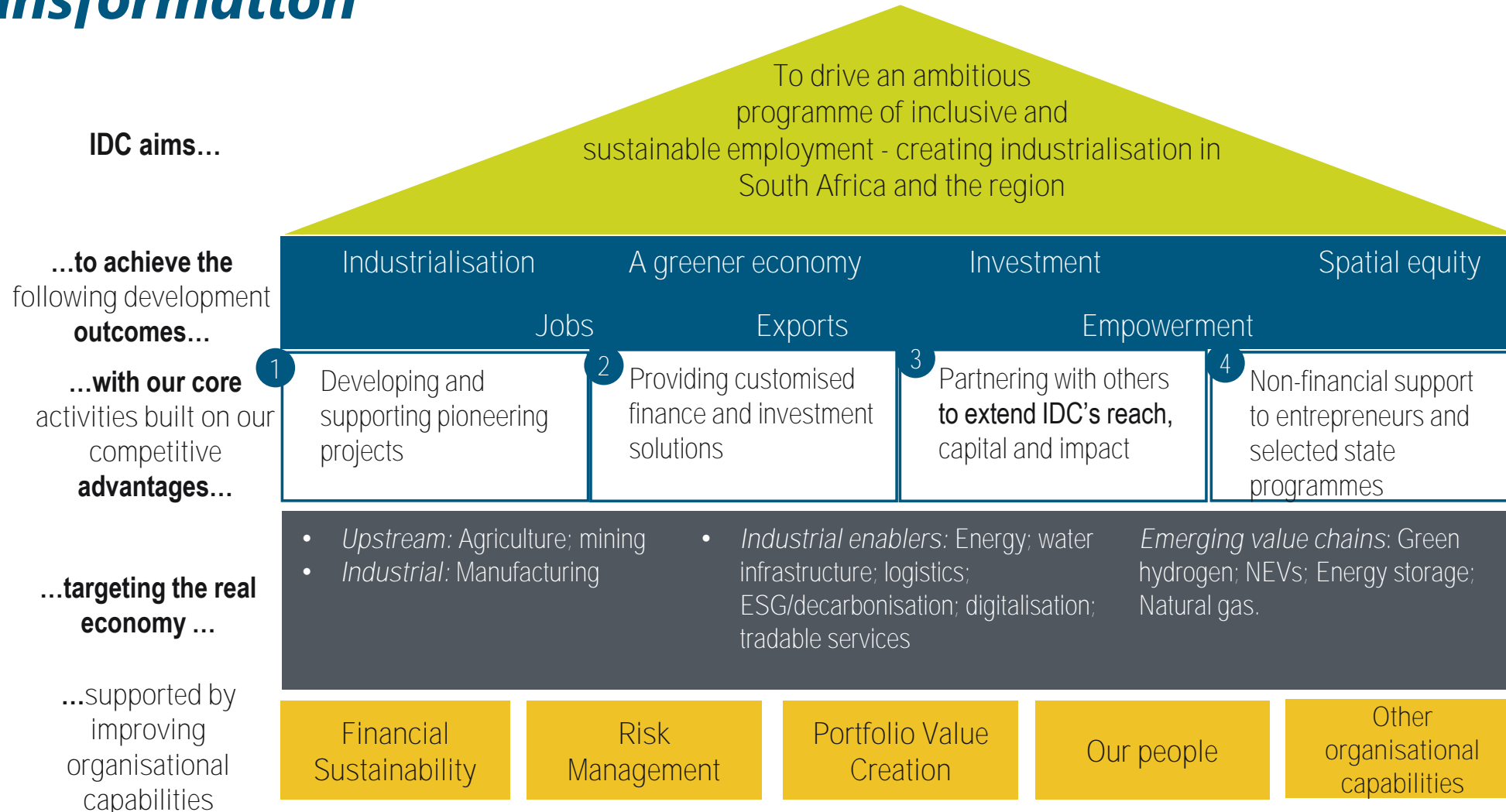


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Our strategy continues to focus on leading industrial capacity development, whilst creating sustainable jobs and advancing transformation



... we achieve this through the prioritisation of several sectors and value chains

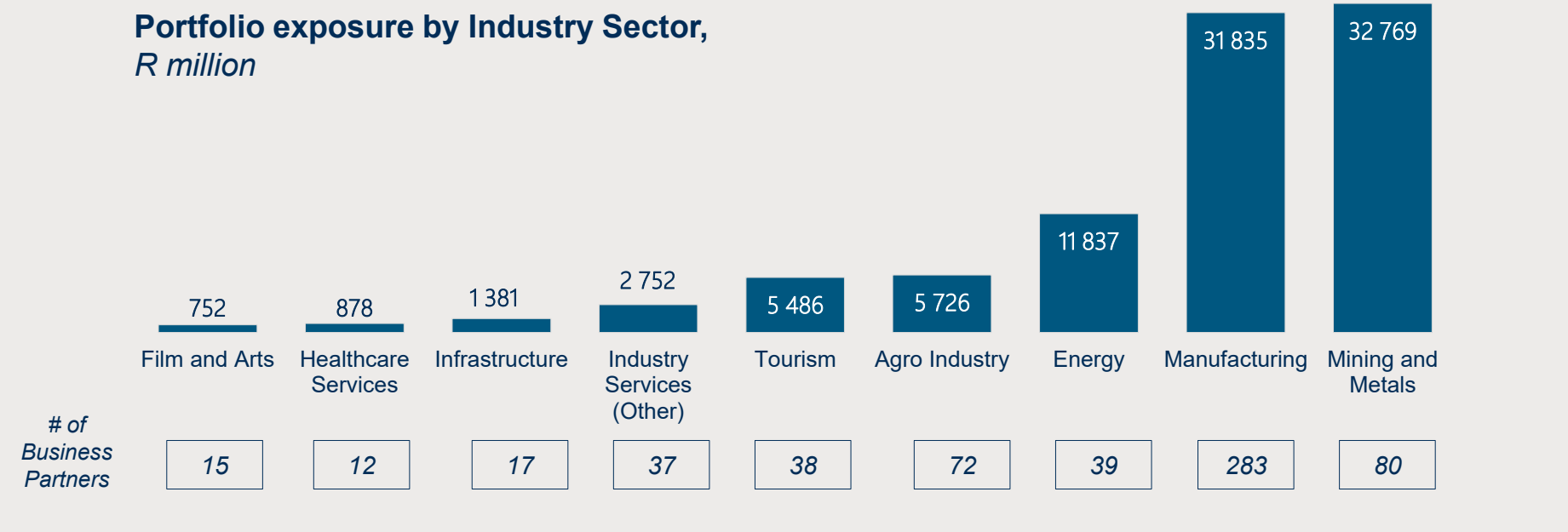


Our portfolio reflects diverse sectors

All numbers as of June 2024

IDC Portfolio by exposure is currently **~R94 billion** and is spread across **593** Operating Business Partners (at Group Level)

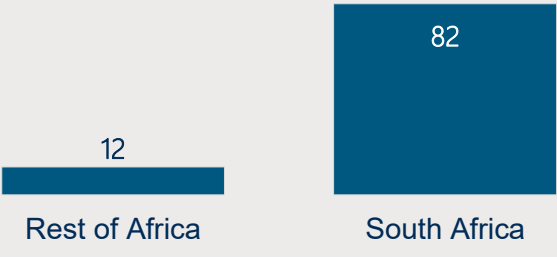
Portfolio exposure by Industry Sector, R million



Portfolio Exposure by Investment Instrument, R billion



Portfolio Exposure by Geography, R billion



Business Partner = Clients

Note: All numbers rounded up or down therefore totals may differ slightly, and Business Partner are at Group Level

...and is increasingly growing across SA

87% (~R82 billion) of the IDC portfolio is in South Africa and is spread across 560 operating business partners

All numbers as of June 2024



Business Partner = Clients

Spread of the IDC portfolio across South Africa Provinces

| | Exposure, R million | # of Business Partners |
|---------------|---------------------|------------------------|
| Gauteng | 19 640 | 205 |
| Limpopo | 18 850 | 46 |
| Northern Cape | 18 107 | 39 |
| Western cape | 6 694 | 62 |
| KwaZulu Natal | 5 355 | 88 |
| North West | 5 281 | 25 |
| Eastern Cape | 3 797 | 48 |
| Mpumalanga | 3443 | 36 |
| Free State | 447 | 11 |

Note: All numbers rounded up or down therefore totals may differ slightly, and Business Partner are at Group Level

Our overall performance for the FY ended 31 March 2024

...transformation funding is a notable indicator

R17.3 billion

(R20.7 billion in 2022/23)



-16%

IDC funding approved

R15.9 billion

(R17.8 billion in 2022/23)



-11%

IDC funding disbursed

R7.4 billion

(R5.9 billion in 2022/23)



25%

Net profit (Company)

R22.3 billion

(R11.4 billion in 2022/23)



96%

Committed to transformation funding

17 826

(34 035 in 2022/23)



-48%

Number of jobs expected to be created and saved through committed funds

R156.7 billion

(R161.9 billion in 2022/23)



-3 %

Total assets (Company)



IDC remains an important funder for Transformation funding

 The IDC promotes and supports black entrepreneurs as manufacturers and owners in crucial sectors to drive economic growth and inclusive development.

 For the five-year financial period from 2019 – 2023 **R29.9bn** was facilitated and committed for companies with more than **50%** black shareholding. Of this, **R26.5bn** was for black industrialists.

For FY 2023/24, **R22.3bn** was facilitated and committed to targeted groups:

-  • Black-owned and Black empowered – **R13bn**
• Black Industrialists – **R10bn**
• Women entrepreneurs – **R11.4bn**
• Youth entrepreneurs – **R456m**
-





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Economic prospects – a gradual recovery anticipated

- South Africa's employment has recovered from the significant job losses experienced during Covid and its aftermath. However, the number of unemployed people has increased post-Covid as the economy is unable to absorb the new entrants into the market.
- The overall economic outlook is still subdued with growth of 0.8% projected for 2024, increasing steadily to 2.5% by 2029, with an average growth rate of only 1.8% per annum. This pace is insufficient to meaningfully increase employment opportunities showing the dire need for improved outcomes.

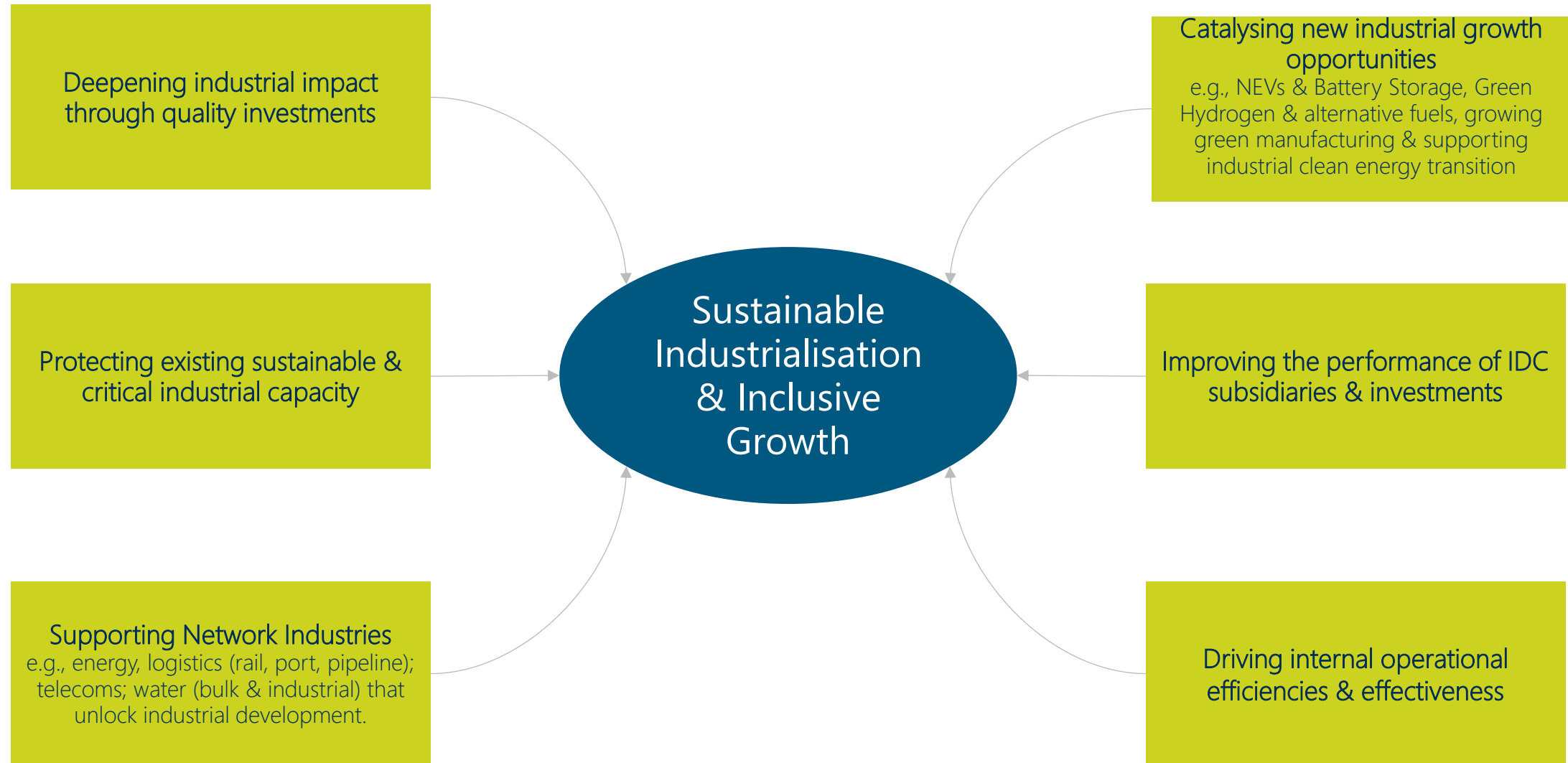
Key performance indicators for the South African economy

| Variable (% change or % of GDP) | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024f | 2025f | 2026f | 2027f | 2028f | 2029f |
|--|------------|------------|-------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Real GDP growth and its components: | | | | | | | | | | | | |
| Household consumption expenditure | 3.2 | 1.3 | -6.1 | 6.2 | 2.5 | 0.7 | 0.8 | 1.7 | 2.0 | 2.4 | 2.7 | 2.9 |
| Government consumption expenditure | 1.1 | 1.8 | 0.9 | 0.6 | 0.6 | 1.9 | 1.0 | 0.6 | 1.0 | 0.4 | 1.2 | 1.0 |
| Gross fixed capital formation (GFCF) | -1.2 | -1.7 | -14.8 | -0.4 | 4.8 | 3.9 | 0.8 | 3.1 | 3.5 | 4.6 | 5.0 | 5.3 |
| Exports | 2.7 | -3.3 | -12.0 | 9.7 | 6.8 | 3.7 | 3.4 | 3.0 | 2.6 | 3.6 | 3.3 | 4.1 |
| Imports | 3.5 | 0.6 | -17.6 | 9.6 | 15.0 | 3.9 | 1.6 | 4.2 | 4.1 | 4.4 | 4.5 | 5.3 |
| GDP | 1.6 | 0.3 | -6.2 | 5.0 | 1.9 | 0.7 | 0.8 | 1.4 | 1.7 | 2.2 | 2.3 | 2.5 |
| Consumer price inflation | 4.6 | 4.1 | 3.3 | 4.6 | 6.9 | 5.9 | 5.1 | 4.5 | 4.6 | 4.3 | 4.4 | 4.3 |
| Current account balance (% of GDP) | -2.9 | -2.6 | 2.0 | 3.7 | -0.5 | -1.6 | -2.3 | -2.3 | -2.6 | -2.9 | -3.2 | -3.3 |
| GFCF as % of GDP | 15.9 | 15.5 | 13.8 | 13.1 | 14.1 | 14.9 | 15.3 | 15.7 | 16.1 | 16.6 | 17.0 | 17.5 |
| Repo rate (%) end of period | 6.75 | 6.50 | 3.50 | 3.75 | 7.00 | 8.25 | 7.75 | 6.75 | 6.50 | 6.50 | 6.50 | 6.50 |
| Rand per USD (average per year) | 13.23 | 14.45 | 16.46 | 14.78 | 16.36 | 18.45 | 18.46 | 18.14 | 18.33 | 18.52 | 18.66 | 18.76 |

Source: IDC, compiled using SARB data, IDC forecasts

IDC must play its role to stimulate the South African economy

We have therefore developed the following Key Focus Areas for 2024/25 to 2026/27



...and intend to achieve this through four interconnected pillars

1

Economic Diversification & Jobs Rich Industrialisation

- Target financing activities that contribute to diversifying the country's industrial structure. i.e., supporting the development of sustainable and inclusive value chains and enabling ecosystems.
- Targeting medium and high technology manufacturing as well as labour-absorbing and labour-intensive manufacturing.

2

Catalysing Low Carbon Transitions and Green Growth

- Driving a low-carbon transition and promoting green growth, through spearheading initiatives and investing in projects aimed at achieving the country's net-zero ambition.
- Various industry plans have been developed to support the development of the green economy.

3

Regional Value Chains

- Focus is on Agro-Processing and Agriculture, Mining & Metals, Chemicals, Automotive, Machinery & Equipment, Textiles, Energy and Industrial Infrastructure.
- Development of Continental-wide critical minerals value chains that underpin clean energy systems.
- Supporting regional value chains within the Continent. (incl AfCFTA)

4

Supporting Climate Resilience

- Supporting firms and industries to:
- Build capabilities to withstand climate-related shocks e.g. the development of regional food value chains to leverage different weather patterns for food security; financing activities including technology adoption & supporting investments in efficient transportation/logistics systems and adequate infrastructure
 - Recover quickly from weather, seasonal and climate-related shocks.

The pillars are not mutually exclusive and reinforce each other.



...with 3-year targets to expand impact.

IDC Balance Sheet Funding



R66.5bn
(FY24/25: R21.4bn)

Jobs



105 120
(FY24/25: 34 023)

Transformation Funding



R54.1bn
(FY24/25: R17.5bn)

Funding for Women



R11.9bn
(FY24/25: R3.5bn)

Youth Funding



R5.1bn
(FY24/25: R1.5bn)

Localisation



IDC's localisation output should be above industry manufacturing output

Impairment Ratio



FY24/25: 28.7%

Non-performing loans



FY24/25: 24.1%

Unlisted Investments



Inflation + 3.25 percentage points p.a.

Growth in Reserves



Real GDP growth + inflation + 3.25 percentage points p.a.

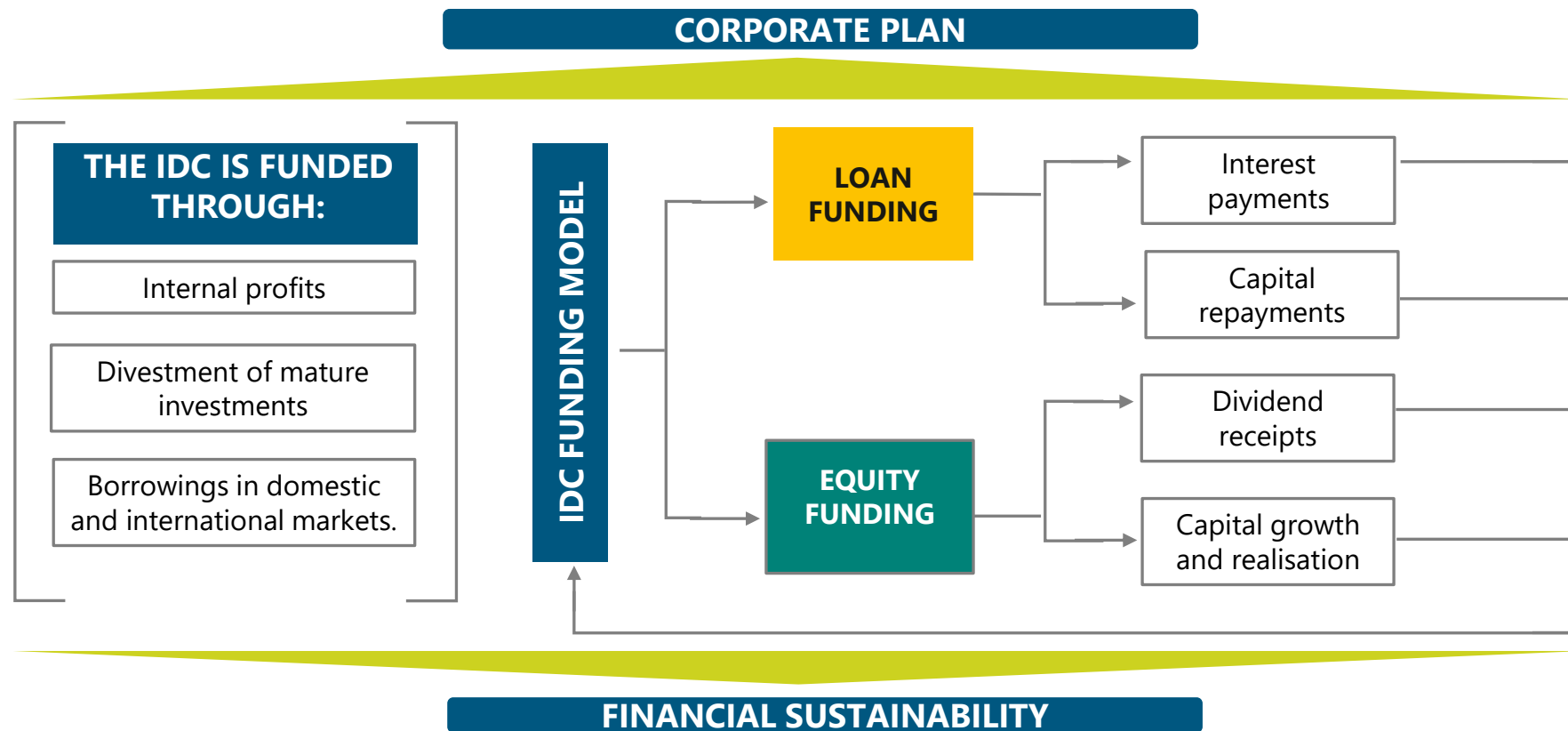


IDC's sustainable self-funding funding model

How our funding model works:

Funded through:

- Divestment of mature investment
- Internal profits
- Borrowing in domestic and international markets









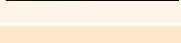


Proceeds from these funds are used to repay borrowings, cover costs and grow the balance sheet to re-invest in future businesses.

Supplemented by off-balance sheet funds



Capital Allocation - R71bn to be invested into SA economy over 3 years in key economic sectors

| Strategic Business Unit | 5 –year Sector Outlook | Capital Allocation (R'm) | | | |
|---|---|-----------------------------|---------------|---------------|----------------------|
| | | 2024/25 | 2025/26 | 2026/27 | % of total (3 years) |
| Agro - Processing & Agriculture |  | 2 728 | 2 874 | 3 001 | 12% |
| Tourism & Services |  | 1 795 | 1 827 | 1 914 | 8% |
| Automotive & Transport |  | 1 774 | 1 838 | 1 897 | 8% |
| Chemicals, Medical Products & Industrial Mineral Products |  | 2 143 | 2 221 | 2 424 | 10% |
| Machinery, Equipment & Electronics |  | 1 397 | 1 445 | 1 506 | 6% |
| Textiles & Wood Products |  | 1 171 | 1 237 | 1 348 | 5% |
| Energy |  | 3 544 | 3 708 | 3 819 | 16% |
| Infrastructure |  | 3 503 | 3 526 | 3 624 | 15% |
| Mining & Metals |  | 4 161 | 4 187 | 4 356 | 18% |
| Project Development | | 670 | 705 | 738 | 3% |
| Total | | 22 886 | 23 568 | 24 627 | 100% |

**R20.4bn
allocated
towards
manufacturing
sector**



Actuals and 3 Year Financial Projections - Balance Sheet

purposed to support development mandate

| R Million | Actual | | Forecast | | | |
|--|---------|---------|----------|---------|---------|---------------|
| Cash Flows | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 | Total 3 Years |
| On-balance sheet advances (R'm) | 17 817 | 15 856 | 21 416 | 22 049 | 23 033 | 66 498 |
| External funds raised (R'm) | 2 203 | 3 204 | 11 000 | 11 414 | 11 347 | 33 761 |
| - of which foreign borrowings | 560 | 0 | 4 520 | 2 164 | 673 | 7 357 |
| Proceeds from sale of shares | 353 | 592 | 450 | 438 | 481 | 1 369 |
| Balance Sheet | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 | End – 2026/27 |
| Financing at market values (R'm) | 156 775 | 150 351 | 154 866 | 169 212 | 183 001 | 183 001 |
| Borrowings (R'm) | 47 055 | 45 689 | 34 472 | 40 791 | 44 644 | 44 644 |
| Debt/equity (%) | 45% | 46% | 28% | 31% | 33% | 33% |
| Impairments as % of portfolio at cost | 37,5% | 36,4% | 28,7% | 27,2% | 25,8% | 25,8% |
| Total Assets | 161 927 | 156 693 | 163 906 | 179 204 | 192 527 | 190 490 |
| Income Statement | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 | Total 3 Years |
| Dividend Income | 7 647 | 5 335 | 6 142 | 7 406 | 6 532 | 20 080 |
| Interest and Fee Income | 6 715 | 7 907 | 7 380 | 8 752 | 9 357 | 25 489 |
| Borrowing Costs | 1 067 | 3 054 | 2 950 | 3 131 | 3 919 | 9 999 |
| Impairments and bad debt write offs | 4 518 | (674) | 744 | (1 300) | (676) | (1 232) |
| Profit Before Tax | 6 226 | 7 489 | 7 916 | 8 623 | 8 051 | (24 590) |
| Net Operating Income before capital restrictions | 5 928 | 7 381 | 7 334 | 7 325 | 7 108 | 21 767 |



Financial Plan: Key Considerations



TAILWINDS

- Improved earnings and resilient balance sheet.
- Robust liquidity and funding position.
- Sustained governance, in terms of JSE, PFMA, etc



HEADWINDS

- Materially lower commodity prices, which have a profound effect on the IDC's balance sheet and earnings.
- Subsidiaries compliance with the PFMA, to reduce irregular expenditure.
- Rising interest rates and inflation risk, impacting cost of debt.





FOCUS AREAS

- Diversification strategy of portfolio investments.
- Continue managing down impairments.



Whilst the Plan is robust, the Corporation will also need to be mindful of both inherent and emerging risks

|  RISKS |  MITIGANTS |
|--|---|
| Adverse macro-economic conditions and/ or sovereign credit downgrades | IDC's financial position has improved significantly compared to previous years. Ongoing engagement with broad group of lenders to access alternative sources of funding. |
| Social and environmental induced risks | Proactive focus on deal development, assisting IDC clients to develop credible Value Creation Plans & contributing to the implementation of policies and programmes aimed at addressing unemployment and poverty. |
| Inefficient and insufficient collections | Adoption of comprehensive pre- and post-investment strategy that gives better control of the quality of deals as well as the collection of payments due. |
| Concentration of portfolio | Implementation of Portfolio Diversification strategies essential to reduce concentration and volatility risk to the IDC. |
| Deteriorating Impairment levels | Implementation of robust monitoring processes aligned to IDC counter-cyclical mandate creates agility in assisting business partners through difficulties. |
| Insufficient and unreliable electricity supply | Focus on providing industries with alternative power solutions and alleviating some of the key supply risks through localisation strategies that will maximise development impact from those investments and increase development outcomes. Leveraging of other renewable energy funding for related infrastructure investments to increase multiplier effect in sectors. |
| Supply chain disruptions | Continuous portfolio management to identify and assist clients who are facing difficulties. Review of Business Continuity Management capabilities for critical service providers to the IDC. |





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Closing Remarks

OUR ENVIRONMENT



Our Strategy

Our strategy continues to focus on industrial development effectiveness, whilst remaining financially sustainable.



Inclusive
Transformation

Advancing inclusive transformation remains at the heart of our funding activities.





Thank you



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Annexures : Transformation Case Studies



BI Case Study 1 - Roadgrass Investments



Roadgrass Investments, a 100% Black-owned and managed agri-business, was established 15 years ago by the Mabogoane family. Their operations encompass broiler production and livestock activities, including cattle, sheep, ducks, and goats. The primary focus is on broiler chickens.

The business runs a fully commercial chickens broiler business in Delmas, Mpumalanga and livestock operations in Balfour, Mpumalanga. The chickens are sold typically at approximately 33 days old, the ideal age for slaughter-ready broilers in South Africa.

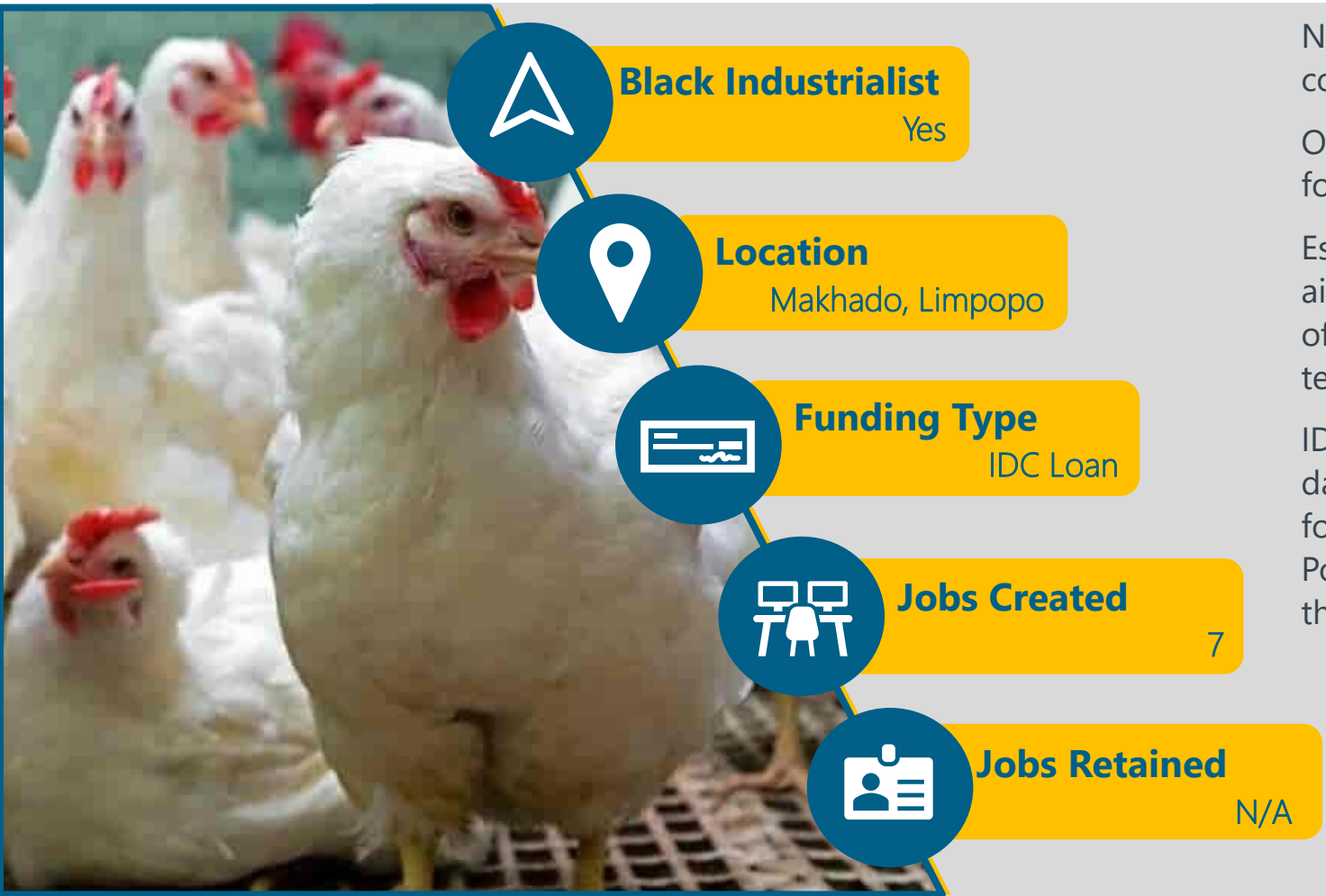
The funding provided aligns with IDC's strategy, supporting Black-owned agricultural enterprises and fostering inclusive development as advocated by the Poultry Master Plan: The project contributes to increasing the number of slaughter birds from Black poultry producers.

PRODUCTS
Food Security





BI Case Study 2 - Northroost



Northroost (Pty) Ltd is a start-up agri-business operating a commercial hatchery in Makhado, Limpopo.

Owned and operated by 28-year-old Clive Tigere, its supplies formal and independent markets in and around Limpopo.

Established in 2017, initially hatching 1000 eggs weekly, it now aims to become Limpopo's second-largest hatchery on the back of strategic partnership with established poultry businesses for technical support.

IDC funding will enable Northroost to produce nearly 200,000 day old chicks weekly. The funding is aligned to IDC's strategy for the Adam-processing sectors and supports South Africa's Poultry Master Plan and increasing black farmer participation in the poultry value chain.

PRODUCTS
Agro-Processing & Agriculture





BI Case Study 3 - KMF Holdings



KMF Holdings is a mixed agriculture business comprising a poultry operation, three cattle studs, and cash-crop farming of maize and sunflowers. It owns most of the 3,500 ha of land on which it operates in Lichtenburg and the Magaliesberg, having acquired properties in 2014, 2016, and 2019, and leasing more land in 2020.

KMF is now poised for the next major step in its evolution, with the support received. The company applied for funding to build a red-meat abattoir, a feedlot, and a rendering plant, facilities necessary for KMF to successfully grow into its next phase.

The IDC funding will allow KFM to supply customers directly and once its facilities are operational, KMF will be able to directly supply retailers, wholesalers, and butchers, and build an export market for itself. KMF's growth trajectory means a leap in job creation, too, and an expected 104 positions will be added to the current 40. While the new jobs will primarily be for farmworkers and managers, KMF will be growing its administrative capacity as well. Employees are given in-service training on the farms.

PRODUCTS
Agro-Processing & Agriculture





■ *BI Case Study 4 - AV Light Steel*



Based in Potchefstroom, in the North-West province of South Africa, AV Light is a black, female-owned company that specializes in designing and manufacturing various types of light steel structures using cold-formed galvanized or ZincAlm structural steel. They are the leading manufacturer and supplier of light-weight steel roof trusses, floor joists, frame structures, and other innovative and energy-efficient building products in the region.

Currently, the company's main products are light steel roof trusses, wall frame structures, and the distribution of the Ecosan Toilet Unit. AV Light aims to become a prominent player in the manufacturing and construction of Alternative Building Systems (ABS).

To support this vision, the company received funding from the IDC to expand its product line to include the Fortis Building System. This project aligns with the IDC's strategy of supporting women-owned businesses and black industrialists, aiming to enhance competitiveness and stimulate downstream steel industries.

PRODUCTS
Light Steel Manufacturing





■ *BI Case Study 5 - VM Automotive*



VM Automotive, established in 2012 to manufacture vehicle components, is now one of the largest coil-processing companies in the local motor industry.

It supplies aluminum and steel blanks to BMW X3 and will cater for the new model Mercedes Benz C-Class to be launched on 1 July 2021. In 2018, IDC funding helped the company acquire a blanking facility in Rosslyn.

In 2019/20, the IDC provided funded the supply and purchase of new blanking work with other original equipment manufacturers, and the acquisition of a new manufacturing facility in Berlin, East London.

PRODUCTS
Automotive Components



BI Case Study 6 - Batyi Automotive Component Supply (BACS)



Established in 2017 by Sipho Batyi is a Tier 3 components supplier to Ford. BACS is involved in manufacturing and assembly of automotive components, including plastic injection-moulded subcomponents, pressed steel sub-components, and nuts and bolts.

BACS has operated under the Automotive Industry Development Centre incubation programme for over five years. It graduated from the programme and now contracts directly with local automotive manufacturers.

IDC funding will support BACS in expanding its production plant and building seven spray booth ovens critical for growth objectives. The funding aligns with the automotive masterplan, emphasising localisation and black-owned companies' participation in the automotive value chain.

Over the next five years, BACS aims to become a major components supplier to global automotive manufacturers, creating 78 new jobs.

PRODUCTS

Automotive Components



BI Case Study 7 - H1 Kenhardt



H1 Kenhardt secured funding from IDC for the construction of a project; which will be a combination of three 50MW Solar PV with Battery Energy Storage System (BESS) plants, totaling 150MW contracted capacity, in Kenhardt, Northern Cape.

This project is a joint venture between H1 and Scatec. H1 is a black-owned investment company founded in 2000 that has experience

in constructing and operating both smaller-scale IPPs with private sector (Commercial & Industrial) off-takers and utility-scale projects and has been involved in the development, construction, and operations for most of the projects.

Scatec is an experienced Norwegian renewable energy project developer with a 3.5 GW installed capacity across four continents and varying technologies. Scatec entered the South African market in 2013 and has participated in the government's Renewable Energy Independent Power Producer Procurement Program ("REIPPP) Bid Window 3 and 4.

PRODUCTS

Renewable Energy



BI Case Study 8 - Reatile Group



Sasol South Africa sought proposals for green or renewable energy supply, leading to the construction of the Msenge Emoyeni wind farm. This 69MW project, located between Cookhouse and Bedford in the Eastern Cape, is a significant milestone in South Africa's renewable energy landscape.

A consortium, including the black-owned investment outfit Reatile Group, secured the bid for Msenge Emoyeni. The consortium finalized a 20-year power purchase agreement in November 2022.

Founded by black industrialist Simphiwe Mehlomakhulu in 2003, Reatile has invested significantly in renewable energy, holding equity stakes in 485MW of operational projects. The wind farm falls within the Cookhouse renewable energy development zone, designated by the government for renewable energy projects.

The Industrial Development Corporation (IDC) funded Reatile, recognising its local manufacturing and site services potential. The project is expected to generate 62 full-time jobs upon commencement.

PRODUCTS

Renewable Energy

