

## Christo Wiese attends launch of unauthorised biography about his life

A book launch became a spectacular display of Wiese's ability to charm all but the most implacable of sceptics

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23 MAY 2019 - 05:00 by ANN CROTTY



Christo Wiese. Picture: BLOOMBERG

If the book lovers who had pitched up at the launch of TJ Strydom's entertaining and informative unauthorised biography of Christo Wiese (*Christo Wiese: Risk and Riches*), were to form the jury on Steinhoff, the former chair of the retailer would have nothing to answer for.

There was no doubt that the now much poorer Wiese was a victim of not just a con man but a con artist. Indeed, it wasn't just Markus Jooste and his band of seven that led Wiese and other Steinhoff shareholders astray; there were the hundreds of auditors, bankers and analysts, all failing to detect the fraud at the heart of the group.

Rumour has it Wiese was advised not to attend last week's launch in Cape Town. Fortunately for those who packed the Book Lounge he opted to ignore that advice.

It's not that Strydom and co-presenter James Brent-Styan would not have put on a great show; it was that Wiese filled in some of the gaps that are inevitable in an unauthorised story. And he did so with great flair.

Wiese regaled the audience with one wonderfully entertaining anecdote after another.

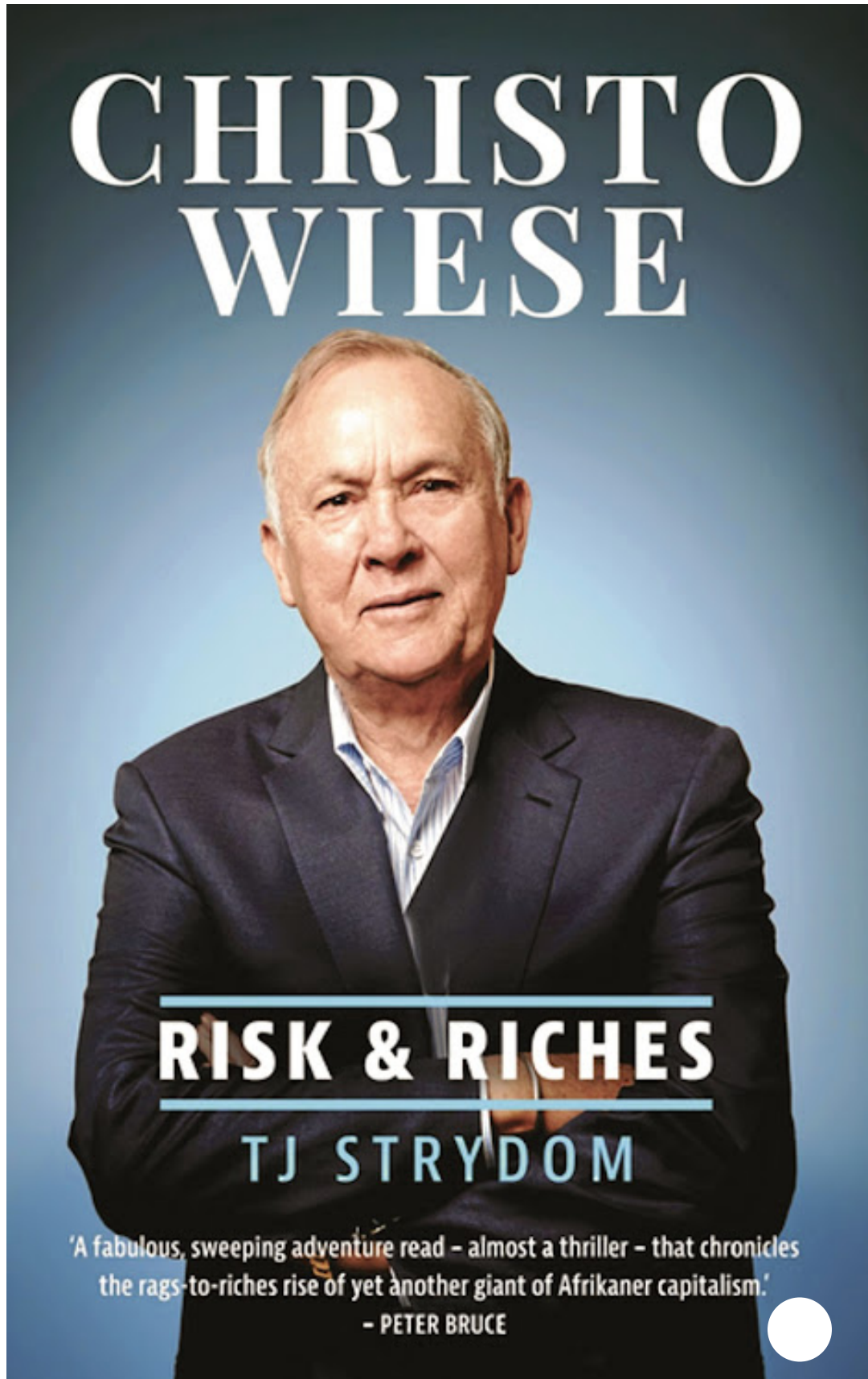
His commentary was interspersed with references to compelling reasons why he could not have known about the dark, fraudulent heart of Steinhoff. Why would he have exchanged high-quality assets such as his hefty stake in Pepkor and his PSG shares for Steinhoff shares if he had known about it, he asked.

The 2014 Pepkor deal was done at four times the value put on the retail chain in the Brait transaction three years earlier. Wiese ended up with a 20% stake in Steinhoff after that deal. Perhaps because it is now the subject of Wiese's R59bn claim against Steinhoff or because it was extensively covered in the media at the time, Wiese did not dwell on that particular deal.

But he did give a fascinating account of the circumstances around his decision, in 2012, to swap his 15.5-million PSG shares for Steinhoff

shares.

"Jooste came to me and said: 'I want to make Steinhoff the largest shareholder in PSG.' He had a number of reasons — one was tax driven, I don't want to go into too much detail on that — but it was a very sensible thing to do."



Jooste told Wiese he was going to put his 20-million PSG shares into Steinhoff (in exchange for Steinhoff shares) and asked if Wiese would consider doing the same. At that time Jooste was the second-largest shareholder in PSG, after Jannie Mouton, and Wiese was the third-largest.

Wiese considered the proposal and agreed. "As it now turns out, at that stage the fraud had already been going on for a number of years, and yet he decided to put what's worth R7bn today into what he should have known was a pot of ... nothing."

Of course that does sound rather like the defence Jooste might give the courts: "Would I have swapped PSG shares for Steinhoff if I'd known about the fraud?"

But getting back to Wiese. As he tells it, one of the big attractions in PSG was its controlling stake in Capitec, which by 2011 had grown beyond almost everyone's expectations. (According to PSG sources the 12 key executives behind this growth had come together in Wiese's group, first at Pep Stores Finance and then at Boland Bank.)

By the mid-1990s Wiese had secured control of Boland Bank and had managed to persuade Michiel le Roux to run it with a view to developing a microlending business. This plan appears to have been abandoned when Wiese went on a bank acquisition trail buying up NBS and BoE.

"Michiel said: 'You've turned this thing into a huge bank. That's not what I joined for,' and so he left."

A year or so later, with R500m from PSG to fund state-of-the-art IT systems, Le Roux and his 11 partners set up Capitec.

Insiders say that for several years Mouton, Jooste and Wiese appear to have happily co-existed, with Mouton on the Steinhoff board and, for a short while, Jooste on the Capitec board. However things became strained when Mouton became aware of Jooste's ambitions to control and when a number of high-profile players, including GT Ferreira and Thys du Toit, also decided to swap their PSG shares for Steinhoff shares.

In early 2017 Mouton sold his Steinhoff shares.

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