

**Report Dated – 23 June 2022
(Exhibit O1)**

Analysis

27.15 Neo Solutions was selected to address an apparently urgent IT security issue. However, there are several glaring and dubious inconsistencies, including:

**Report Dated – 18 August 2022
(Exhibit O2)**

Analysis

12.84 Neo Solutions was selected to address an apparently urgent IT security issue. However, there are several glaring inconsistencies, including:
12.84.1 The invoice provided to the NLC has no branding, logo or

17.15.1 The invoice provided to the NLC has no branding, logo or form of identifying the business.

17.15.2 A Windeed search conducted on Neo Solutions (Registration Number 2003/0187707/07 as it appears on the invoice) confirms that one of its current directors is Vivien Natasen.

27.15.3 There are a number of entities that appear to be linked to Neo Solutions. However, none of these companies perform the services required by the NLC.

27.15.4 One of such companies is Neo Africa which provides the following services:

27.15.5.1 Customised application systems for various client requirements.

27.15.5.2 Integrated platforms with hardware and software.

27.15.5.3 Surveillance systems with integrated CCTV, licences plate recognition and biometric technology.

27.15.5.4 Precise vehicle tracking and tracing systems.

27.15.5.5 Advanced radio frequency identification systems

27.15.5.6 Customised facilities and asset management systems.

27.15.5.7 Integrated communication networks using appropriate mix of fixed line and mobile communications.

27.15.5 Another company that forms part of th “Neo Group” is Neo Solutions Security, is a private security company allegedly registered with the Private Security Industry Regulatory Authority (PSIRA). The services rendered by Neo Solutions Security are as follows:

27.15.6.1 protection services;

27.15.6.2 surveillance and counter surveillance

27.15.6.3 security systems; and

27.15.6.4 VIP and executive protection using state of the art technology

27.15.6 Neo Solutions Security’s website claims that they are a leader in electronic security solutions and

form of identifying the business.

12.84.2 A Windeed search conducted on Neo Solutions (Registration number 2003/0187707/07 as it appears on the invoice) confirms that whilst there are a number of entities that appear to be linked to Neo Solutions. However, none of these companies perform the services required by the NLC.

12.85 It is clear from our search/assessment that Neo Technologies also do not, in the ordinary course, offer the services required by the NLC and for which R498 000,00 remitted.

12.86 Given the fact that no supporting documentation was provided to us explaining how the figure of R498 000,00 was made up, we maintain the strong believe that there may be fraudulent or criminal conduct involved in the appointment of Neo Solutions.

12.86.1 The submission supporting the deviation was recommended by the Commissioner on 06 May 2020 and approved by the CFO on 07 May 2020. It was noted that the incident which led to the emergency occurred on the 07th of May 2020 per the submission, the Chief Information Officer reported in a Board Committee meeting which was held on 07 May 2020 that there has been a hacking incident detected; and

12.86.2 Neo Solutions purchase order was only approved on 27 October 2020, however they already started rendering the services prior to receiving the purchase order as the invoice date (28 September 2020) preceded the purchase order date (27 October 2020)

12.87 Whilst there may be some justification for the appointment of the service provider, there appear to be far too many inconsistencies to ignore.

12.88 It would certainly be in the NLC’s interest to consider further investigation of this transaction.

offer biometrics, facial recognition and CCTV surveillance. No reference is made to cyber security threat assessments or investigations.

27.15.7 We can confirm that another company affiliated to Neo Solutions is "Neo Africa Technology" as director search confirms Mr Natasen and Suder Farhana as directors.

27.15.8 Duder Farhana is a former director of Neo Solutions but is an active director of Neo Africa Technologies.

27.15.9 Neo Africa Technologies is also a security company based in the North West. Its service offerings include the following:

27.15.9.1 Security Solutions

27.15.9.2 Consumables;

27.15.9.3 Hardware Services;

27.15.9.4 Software;

27.15.9.5 Enterprise;

27.15.9.6 Managed Print Services;

27.15.9.7 Cloud Solutions; and

27.15.9.8 Technical Services.

27.15.10 It is clear from the above list that Neo Technologies also do not offer the services required by the NLC and for which R498 000.00 remitted.

27.16 Given the fact that no supporting documentation was provided to us explaining how the figure of R498 000.00 was made up and the fact that no final report was generated during the AG's audit, we hold the strong belief that there may be criminal conduct involved in the appointment of Neo Solutions.

27.17 This is further exacerbated by the fact that the director of Neo Solutions Mr Natasen Vivien has appeared before the State Capture Commission on allegations of money laundering.

27.18 This is contrary to Management's reply on the AG's findings is so far it relates to the NLC guarding against reputational harm. The NLC have, under these circumstances and the context of the AG's findings, placed the already fragile reputation at risk by transacting in such manner with Neo Solutions who are alleged to have received millions of rands (approximately R10 million) through less

than transparent payments by South African Express Airways.

27.19 Whilst no criminal cases have been opened against Neo Solutions, a simple due diligence by the NLC would have revealed the risks of reputational damage associated with conducting business with Neo Solutions.

27.20 We also note that the total amount paid to Neo Solutions this total amount is strangely just below the limit of R500 000.00 which would otherwise require a public bidding tender (BSC based process) as per the NLC SCM policy.

27.21 The difference of R2 000,00 appears to be a deliberate attempt to circumvent the need to seek approval from National Treasury.

Recommendations

27.22 In light of the above, and given the context of this transaction, we believe that there may be an element of criminal conduct involved and that the NLC should strongly consider reporting the transaction and all employees involved in recommending and approving the transaction to the South African Policy Service for further investigation.

Recommendation

12.89 In light of the above, and given the context of this transaction, we believe that there may be an element of criminal conduct involved and that the NLC should consider the transaction for further investigation.