



REUNERT

REUNERT LIMITED

GROUP OVERVIEW AND
BUSINESS UNITS

2019

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REUNERT'S SEGMENTS AND BUSINESS UNITS

This fact sheet sets out Reunert Limited's three business segments, their business units and their products and services, distribution channels, market sectors and intellectual property. It excludes the 'Other' segment. This is a supplementary report to Reunert's 2019 Integrated Report, available at www.reunert.co.za/downloads/reports.

The business segments are Electrical Engineering, Information Communication Technologies (ICT), Applied Electronics and Other. The segments are based on products, technology, services, markets and customer segmentation. Reunert primarily operates in South Africa, and has a permanent presence in Australia, Lesotho, South Asia, the USA and Zambia. Through distributor partners we also export to Europe and Asia.

Electrical Engineering designs, manufactures, installs and maintains a complete range of power cables; manufactures and supplies copper and optical fibre telecommunication cables; and manufactures and supplies low-voltage distribution, protection and control equipment. Its market includes municipalities, parastatals, utilities, and the mining and building industries.

ICT provides data and voice communication and network services and solutions; distributes business systems with products focusing mainly on office automation and telecommunications; and provides asset-backed finance solutions. The market comprises corporate and retail customers, small to medium-sized enterprises (SMEs), and government and state-owned entities (SOEs).

Applied Electronics specialises in tactical high-frequency/very high-frequency/ultra-high frequency (HF/VHF/UHF) secure communication systems; designs and manufactures fuzes and related defence products for artillery, mortar, naval and aircraft weapon systems; develops and manufactures ground and naval search and tracking radar systems; develops and manufactures mining radar sensor systems used in underground and open-cast mining; manufactures electronic components and printed circuit boards (PCBs); provides renewable energy engineering solutions; develops and designs robotics; and develops cryptographic products and solutions to meet cybersecurity requirements.

It also manufactures and supplies remote-controlled weapon platforms; and supplies system engineering and logistic support services in telecommunications, radar, satellite, mining, fare management and transportation fields. Markets include local and international defence forces, municipalities, SOEs, government, mining houses and corporates.

The **Other segment** is made up of the Group's administration, finance and property portfolio.

REUNERT'S SEGMENTS AND BUSINESS UNITS

continued

REUNERT BUSINESS SEGMENTS¹

	↓	↓	↓
	Electrical Engineering²	ICT	Applied Electronics
	<ul style="list-style-type: none"> > Circuit breakers > Power cables > Telecommunications cables 	<ul style="list-style-type: none"> > Office automation > Business communication > Asset-backed finance 	<ul style="list-style-type: none"> > Secure communication > Fuzes > Radars > Solutions > Renewable energy
Revenue contribution	50% (2018: 48%)	29% (2018: 32%)	21% (2018: 20%)
Operating profit contribution	24% (2018: 29%)	55% (2018: 51%)	26% (2018: 25%)
Core operating profit margin³	6% (2018: 9%)	23% (2018: 21%)	15% (2018: 16%)
Employees	2 763⁴ (2018: 2 863)	1 602 (2018: 1 704)	1 796 (2018: 2 027)
	36% non-ZAR revenue (2018: 29%)	10% non-ZAR revenue (2018: 15%)	42% non-ZAR revenue (2018: 56%)

¹ Excludes the Other segment.

² Includes contribution from Telecom Cables joint venture.

³ Core operating profit is operating profit adjusted for once-off items.

⁴ Includes 50% of the joint venture's employees.

ELECTRICAL ENGINEERING

The Electrical Engineering segment comprises business units with a significant footprint across the electrical and telecommunications infrastructure industries.



www.cbi-lowvoltage.co.za

CBI-electric: Low Voltage

Low Voltage supplies low-voltage electrical distribution, protection and control equipment and customer-specific solutions. On average, 65% of its manufactured products are exported, mainly to the USA, Europe, Australia and Asia.

Products and services

The business unit produces circuit breakers, earth leakage devices, surge protection devices, switchgear, electricity meters, automation and control devices, motor control devices, wiring accessories and monitoring devices.

Distribution channels

Low Voltage has channel partners (i.e. electrical distributors), system integrators and original equipment manufacturers (OEMs) in South Africa, Europe and Asia, and wholly owned subsidiaries in Australia and North America.

Market sectors

Sectors include residential, commercial, mining, utilities, industrial, equipment manufacturers and retail outlets.

Intellectual property

> Owns the intellectual property rights to all products it manufactures



www.africancables.com

CBI-electric: African Cables

African Cables designs and manufactures a comprehensive range of electrical conductors, cables and accessories up to 275 kilovolts (kV). The power installations division specialises in turnkey installation, and testing and maintaining medium and high-voltage cable systems up to 400 kV.

Products and services

The business unit produces low-voltage PVC/XLPE insulated cables, medium-voltage XLPE and paper-insulated lead cables (PILCs), low-cost reticulation cables, including aerial bundled conductor (ABC) and overhead split concentric cables (OHSCs), aluminium conductor steel-reinforced (ACSR), high-voltage XLPE insulated cables and associated installation, testing and maintenance services. It also produces cable accessories for high, medium and low-voltage and telecommunications.

Distribution channels

African Cables has a direct channel for the utilities, mining and industrial sectors, as well as an indirect channel through solution integrators, engineering and procurement contractors (EPC), distributors and wholesalers.

Market sectors

Sectors include the mining, industrial, utilities, commercial and general markets.

Intellectual property

> Zerotox (cable insulation compound that does not emit noxious gases in case of an underground fire)
> CBIID (cable theft prevention system)



www.zamefa.com

CBI-electric: Zamefa

Zamefa designs and manufactures a comprehensive range of low-voltage electrical energy cables, and insulated wires and cables up to 800 mm². It also designs and manufactures overhead aluminium conductors (ACSR) and solid sector aluminium low-voltage energy cables, and oxygen-free copper rod according to ASTM49.

Products and services

The business unit produces low-voltage PVC/XLPE copper and aluminium insulated cables up to 3,3 kV, low-voltage PVC insulated general wires and aluminium conductor, steel reinforced conductor and oxygen-free copper casted rods ASTM B49 up to 16 mm².

Distribution channels

Zamefa has a direct channel for utilities, mining and industrial sectors and cable manufacturers, and an indirect channel through solution integrators, EPCs, integrators, distributors and wholesalers.

Market sectors

Zamefa services central and east African market sectors, which comprise mining, utilities, agriculture, cable manufacturers, electrical contractors and industrial customers.

Intellectual property

> Copper upcasted, oxygen-free rod according to ASTM B49



www.cbitele.com

CBI-electric: Telecom Cables

Telecom Cables designs, manufactures and supplies copper and optical fibre telecommunications cables and cable ducts for the telecommunications, industrial and structured data cabling markets.

Products and services

The business unit produces copper and optical fibre cables and cable ducts.

Distribution channels

Telecom Cables has a direct channel to major telecommunications operators, including SOEs and the industrial market, and an indirect channel through distributors, system integrators and EPC companies.

Market sectors

Sectors include fixed and mobile network operators, petrochemical, transport, power, structured cabling and mining industries.

Intellectual property

> Infraduct (cable ducts)

INFORMATION COMMUNICATION TECHNOLOGIES

The segment is adapting to the changing information and communication technology landscape. The Group is leveraging its strong brands, wide-reaching distribution and service network to build a modern information and communication technology service provider.

OFFICE AUTOMATION

NASHUA

www.nashua.co.za

Nashua

Nashua is a total workspace provider that offers a range of solutions and services that facilitate and enable better business outcomes.

Solutions and services

- > From voice to data and document management to enable business growth
- > Multi-functional printer (MFP) devices, managed print software and solutions, production printing devices, and document management solutions to drive workspace efficiency
- > Telephony and connectivity solutions (in conjunction with ECN) to provide the correct answers in record time
- > Smart solutions, such as interactive white boards and projectors, enabling collaboration, clarification and innovation
- > Surveillance and access control for peace of mind
- > A suite of products and services sourced from local and international partners and suppliers, including Ricoh and Hewlett-Packard

Distribution channels

Nashua has distribution channels through Nashua Holdings, Nashua Kopano and independent franchises, selected dealers and independent brokers.

Market sectors

Sectors include corporate, SMEs, SOEs and government.

Intellectual property

- > Trademark and naming rights for Nashua in southern Africa and selected African countries

PanSolutions

www.pansolutions.co.za

PanSolutions

PanSolutions imports, markets and distributes a portfolio of business-related and specialised products and solutions under the brands of Kyocera, Panasonic and Casio.

Products and services

The business unit is a distributor of Kyocera MFP devices and software solutions, as well as Panasonic's range of Broadcast, Toughbook, projectors and display products.

Distribution channels

Kyocera's products are distributed through a channel of PanSolutions' authorised dealers, and Panasonic's products are distributed through selected specialist independent dealers and integrators.

Market sectors

Sectors include SMEs, broadcast and tertiary sectors and corporate customers.

Intellectual property

- > Trademark for PanSolutions

INFORMATION COMMUNICATION TECHNOLOGIES

continued

BUSINESS COMMUNICATION

ECN

electronic
communications
network

www.ecn.co.za

ECN

Electronic Communications Network (ECN) is a market leader in next-generation networks. It offers a range of voice, data and cloud services.

Products and services

The business unit is responsible for a broad set of cost-effective and innovative voice products and services delivered over fixed-line and wireless access circuits. These include cloud-based virtual private branch exchange (PBX) offerings, hosted call recordings, geographic number portability and business internet access products.

Distribution channels

ECN has an indirect channel to market, consisting of Nashua franchises and other independent dealers, service providers and wholesalers.

Market sectors

Sectors include corporates and SMEs, mainly in South Africa.

Intellectual property

> Not applicable



www.skywire.co.za

SkyWire

SkyWire is an established carrier grade, next-generation network telecommunications service provider offering leading-edge, customer-focused telecommunication and last mile broadband connectivity to small, medium and large corporate business.

Products and services

SkyWire provides wireless, fibre satellite and LTE connectivity solutions across a single, next-generation country-wide network. With more than 50 000 high sites in South Africa, a full suite of telecommunication solutions and peering points throughout the country, SkyWire provides fast, effective and affordable wireless last-mile access. Voice, video, PABX, SD-WAN, MPLS and data traffic can be routed across the infrastructure. As a tier-one connectivity provider, SkyWire also provides tailor-made premium internet access to provide full redundancy and turnkey solutions to customers.

Distribution channels

SkyWire distributes its products directly to and via its partners.

Market sectors

Sectors include corporate and SMEs.

Intellectual property

> Not applicable



www.nashua-communications.com

Nashua Communications

Nashua Communications is a leading provider of converged enterprise network and communications solutions.

Products and services

The business unit designs, implements and supports converged networking, communications, digital signage, boardroom and security solutions that use open, standards-based architectures to unify communications and business applications for a seamless collaboration experience. Its core focus is Microsoft Office 365 and Unify (previously Siemens) communications solutions, with a record of accomplishments in the enterprise, government, mid-market and upper-end SME markets. By using a solutions engineering approach, customers improve their productivity and reduce costs through easy-to-deploy solutions.

Distribution

Nashua has a national footprint and extensive direct channel partner network throughout South Africa and the Southern African Development Community (SADC) region.

Market sectors

> Market sectors include corporates, government and multi-site large enterprises

INFORMATION COMMUNICATION TECHNOLOGIES

continued

ASSET-BACKED FINANCE



www.quincecapital.co.za

Quince Capital

Trading as Quince Capital and Nashua Finance, it provides asset-backed finance solutions to the Reunert ICT business units.

Products and services

The business unit provides asset-backed financial solutions.

Distribution channels

Quince Capital has a distribution channel through Reunert's ICT segment companies.

Market sectors

Sectors include corporate, SMEs, SOEs and government.

Intellectual property

- > FinSight credit vetting system
- > Quince Capital®

APPLIED ELECTRONICS

Applied Electronics develops, manufactures and distributes high-technology electronics to a wide range of industries globally.

SECURE COMMUNICATIONS



www.reutechcomms.com

Reutech Communications

Reutech Communications specialises in secure communication systems for tactical airborne, land and naval-based platforms; and secure network-centric solutions for command and control, blue force tracking, forward observation link and messaging services.

Products and services

The business unit provides tactical, mobile and static secure radio communication systems, data tracking and information management solutions.

Distribution channels

Reutech Communications has strategic partnerships with local and international ministries of defence and parastatals for technology and product development, products and customised system solutions. These include partnerships with local and international OEMs and system houses for product and system solutions, and international in-country resellers and support centres with a proven track record and product support capability.

Market sectors

Sectors include ministries of defence (South Africa and other countries) and local and international OEMs.

Intellectual property

> Reutech Communications owns intellectual property developed through internal funding, shared and customer funding, and various local and international brands



www.omnigo.co.za

Omnigo

Omnigo is a contract manufacturer focused on the electronic industry. It has a specialised production facility for the population and assembly of highly complex PCBs. Omnigo makes customer designs a reality by delivering superior quality products, which allows customers to focus on their core business.

Products and services

The business unit specialises in surface mount device population of PCBs, conventional manufacturing (through hole manufacturing), harness manufacturing, sub and final assembly, testing, screening and industrialisation.

Distribution channels

Omnigo distributes its products through its sales team, long-term relationships with local and international defence companies, and partnerships with development companies.

Market sectors

Omnigo can service any industry that has electronic manufacturing needs, with a specific focus on the defence market. Its major customers include local and international defence companies.

APPLIED ELECTRONICS continued

SECURE COMMUNICATIONS continued



www.nanoteq.com

Nanoteq

Nanoteq specialises in designing, developing and industrialising cryptographic products and solutions to meet cybersecurity and cyberdefence requirements. Secure communications and encryptions hold promising prospects, specifically fintech.

Products and services

The business unit produces high-grade hardware-based cryptographic products and cybersecurity solutions for the modern information and communication technology and tactical communication networks. Solutions are well positioned as enablers for the Internet of Things.

Distribution channels

Nanoteq distributes its products through direct selling and via selected agents, facilitators and resellers.

Market sectors

Sectors include government, defence and finance markets.

Intellectual property

- > Cryptographic Autonomy Development Stations
- > Crypto Module suite (QCM™)

FUZES



www.fuchs.co.za

Fuchs Electronics

Fuchs Electronics provides advanced electronic fuze technology. Capabilities include electronic and precision mechanical design and high-volume production of electro-mechanical assemblies.

Products and services

The business unit produces electronic fuzes and associated equipment for munitions.

Distribution channels

Fuchs Electronics distributes its products through partnerships with international OEMs, defence ministries and production partners.

Market sectors

Products are exported to international defence OEMs and defence ministries in various countries.

Intellectual property

- > Owns the intellectual property on all Fuchs Electronics' products



www.dopptech.co.za

DoppTech

DoppTech is a specialist developer and manufacturer of small-calibre fuzes, containing sophisticated miniaturised mechanical and electronic systems.

Products and services

The business unit's main product range is fuzes for 40 mm low-velocity and high-velocity ammunition.

Distribution channels

DoppTech distributes its products through partnerships with international fuze companies and OEMs.

Market sectors

All its products are exported to international partners.

Intellectual property

- > The business unit owns intellectual property on 95% of DoppTech's fuze range

RADARS



www.reutechradar.com

Reutech Radar Systems

Reutech Radar Systems develops and manufactures search and tracking radar systems and subsystems, and safety and productivity radars. These systems are developed for local and export markets in the defence and mining markets.

Products and services

Reutech Radar Systems is an OEM, and its technology, products and services include 2D and 3D surveillance radar systems, tracking radar systems, mining radar systems for open-cast mining operations and a ground penetrating Sub-Surface Profiler (SSP) for underground safety applications.

Distribution channels

Reutech Radar Systems distributes through its sales team in the defence and mining environments as well as a distribution network in the mining environment.

Market sectors

Sectors include defence, mining, energy and security.

Intellectual property

- > Floodlight radar system for detecting and locating moving targets in 3D
- > StealthRad™
- > A global provisional patent on the SSP
- > Patent in the non-level deployment functionality of the movement and surveying radar

RENEWABLE ENERGY



www.terrafirma-solutions.com

Terra Firma Solutions

Terra Firma is a turnkey energy engineering solutions and specialist training provider that delivers start-to-end solutions, encompassing strategy development, project implementation, support and maintenance. The business unit's focus includes commercial scale rooftop, parking and ground mount solar PV systems between 200 kW and 10 MW, i.e. small scale embedded generation. Terra Firma's strategy includes on building renewable projects for customers, building its own assets to sell energy generated and building assets for customers based in the rest of Africa.

Products and services

The business unit provides turnkey energy-efficiency engineering solutions, PV engineering and procurement contractors (EPCs) solutions, SMART energy and water monitoring and management software, carbon management, environmental policy and strategy development, and specialised environmental career training (through Terra Firma Academy).

Distribution channels

The business unit has a direct marketing channel.

Market sectors

Terra Firma operates in the commercial property sector, as well as industrial and manufacturing sectors with a focus on addressing energy, carbon and environmental sustainability needs.

Intellectual property

- > COPPER and AQUA: energy and water monitoring and management software solutions
- > The content and training material offered by the Terra Firma Academy

APPLIED ELECTRONICS continued

RENEWABLE ENERGY continued



www.blunova.co.za

BlueNova

BlueNova specialises in developing and manufacturing energy storage solutions, with a specific focus on Lithium Iron Phosphate chemistries.

Products and services

Lithium Iron Phosphate (LiFePO₄) batteries for a wide range of applications from 12 V, 24 V, 36 V, 48 V and up to 800 V. Product storage capacities range from 2 kWh for outdoor and leisure markets to 935 kWh for commercial and industrial applications.

Distribution channels

Products are supplied on order to electrical installers and distributors that have registered with the business unit via its online application form and subsequently approved in-house.

The Mobile Power Series is an exception to the above, as some of these products are available for purchase through www.takealot.com. This Lithium-based product range was developed for seamless 'drop-in' replacement of lead acid batteries. Successful installation of these batteries does not depend on extensive industry-specific knowledge and experience, and is therefore available to the general public.

BlueNova's installer and distributor network includes South Africa, its four neighbouring countries, Madagascar and Mauritius.

Market sectors

- > Renewable energy
- > Electrical and electronic engineering