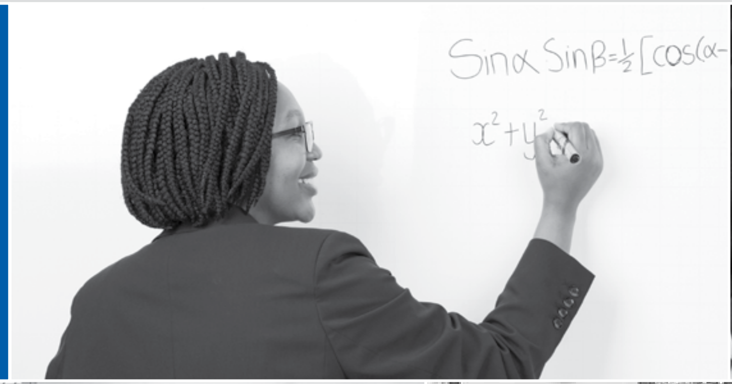
REUNERT

REUNERT LIMITED



NOTICE OF ANNUAL GENERAL MEETING 2015

www.reunert.co.za

Contents

NOTICE OF ANNUAL GENERAL MEETING

To the shareholders

This document contains the detailed notice of Reunert Limited's annual general meeting, which will be held on Monday, 15 February 2016.

Reunert's 2015 integrated report and annual financial statements are available for viewing and download on the company's website at www.reunert.co.za. Kindly note that a printed integrated report will only be mailed to shareholders on request.

To receive a printed copy of the integrated report, please contact:

Carina de Klerk
+27 11 517 9033

Karen Louw
+27 11 517 9044

Email: invest@reunert.co.za

Notice of annual general meeting

Reunert Limited

Incorporated in the Republic of South Africa
(Registration number 1913/004355/06)
Share code: RLO
ISIN code: ZAE000057428
("Reunert" or "the company")

Notice of annual general meeting

Notice is hereby given of the hundred and second annual general meeting of the holders of ordinary shares of Reunert Limited. The annual general meeting will be held at:

Reunert Boardroom
Nashua Building
Woodmead North Office Park
54 Maxwell Drive
Woodmead
Johannesburg

on Monday, 15 February 2016, at 10h00

Directions to the venue for the annual general meeting are available at:
http://www.reunert.co.za/downloads/2015-Reunert-HO-map.pdf

In terms of section 59(1) of the Companies Act, 71 of 2008 (the Companies Act), the record date for the purpose of determining which shareholders of the company are entitled to receive notice of the annual general meeting is Friday, 11 December 2015, and the record date for purposes of determining which shareholders of the company are entitled to participate in and vote at the annual general meeting is Friday, 5 February 2016. Accordingly, the last date to trade in order to be registered in the register of members of the company and therefore be eligible to participate in and vote at the annual general meeting is Friday, 29 January 2016.

Relevant information

Who may attend?

If you hold dematerialised shares which are registered in your name, or if you are the registered holder of certificated shares, you may:

- attend the annual general meeting in person; alternatively
- appoint a proxy or proxies to represent you at the annual general meeting and to attend, participate in, speak and vote in your stead by completing the enclosed proxy form (blue) in accordance with the instructions it contains.

If you hold dematerialised shares that are not registered in your name:

- and you wish to attend the annual general meeting in person, or to appoint a proxy to attend in your stead, you must obtain the requisite letter of representation from your participant (previously "CSDP"), broker or nominee, as the case may be;
- and you do not wish to attend the annual general meeting, but would like your vote to be recorded, you should contact your participant, broker or nominee and furnish them with your voting instructions; and
- you must not complete the proxy form *(blue)*.

Shareholders must verify the cut-off date for the submission of voting instructions with their participants, brokers or nominees.

Who may vote?

Shareholders of ordinary shares are entitled to vote. Resolutions will be put to vote on a poll, unless the chairman of the meeting decides otherwise. Each shareholder will have one vote for each share held. Every shareholder present in person or represented by proxy and, if the person is a body corporate, its representative, shall have that proportion of the total votes being cast, which the number of shares held by that shareholder bears to the aggregate number of the nominal value of all the shares, present in person or represented by proxy, entitled to vote at the annual general meeting.

On a show of hands, every shareholder present in person or represented by proxy, and if a member is a body corporate, its representative/s, shall have one vote, irrespective of the number of shares held.

Voting and proxies

Each shareholder entitled to attend and vote at the annual general meeting is entitled to appoint a proxy or proxies to attend, speak and vote in his/her stead. A proxy need not be a shareholder of the company. For the convenience of shareholders of the company, a form of proxy is enclosed herewith (blue). Proxy forms must be forwarded to reach the share transfer secretaries, Computershare Investor Services Proprietary Limited, no later than 10h00 on Thursday, 11 February 2016.

Contact information for the share transfer secretaries:

Computershare Investor Services Proprietary Limited
Physical address: Ground Floor, 70 Marshall Street, Johannesburg
Postal address: PO Box 61051, Marshalltown, 2107
Telephone: +27 11 370 5000
Fax: +27 11 688 5222
E-mail: proxy@computershare.co.za
Website: www.computershare.co.za

Electronic participation

As required in terms of section 61(10) of the Companies Act, the company will make provision for shareholders or their proxies to participate in the annual general meeting by way of electronic communication. Such shareholder (or proxy) will need to contact the company at +27 11 517 9044 by no later than 16h00 on Thursday, 11 February 2016, so that the company can provide for a teleconference dial-in facility. Shareholders must ensure that, when such shareholder intends to participate in the annual general meeting via teleconference, the voting proxies are sent to the share transfer secretaries, Computershare Investor Services Proprietary Limited (see contact information provided under "*Voting and Proxies*") to be received by them no later than 10h00 on Thursday, 11 February 2016.

The company will not levy any fee or recover its costs from any shareholder making use of this service. Shareholders may, however, be billed separately by their own telephone service providers for their telephone call to participate in the annual general meeting.

Change of address and banking details

Shareholders are requested to communicate any change of address or banking details to the share transfer secretaries, Computershare Investor Services Proprietary Limited

Notice of annual general meeting continued

(see contact information provided under "*Voting and Proxies*") no later than 10h00 on Thursday, 11 February 2016.

Proof of identification required

Section 63(1) of the Companies Act requires that any person who wishes to attend, participate in, and vote at the annual general meeting, must present reasonably satisfactory identification at the meeting. A smart ID card or green bar-coded identification document issued by the South African Department of Home Affairs, a driver's licence or a valid passport will be accepted as satisfactory identification by the chairman of the annual general meeting.

Shares held by a share trust or scheme will not have their votes at the annual general meeting taken into account for the purposes of the resolutions proposed in terms of the Listings Requirements of the JSE Limited (JSE Listings Requirements). Unlisted securities and treasury shares also do not carry any voting rights.

Guidance to obtain a copy of the complete audited financial statements

A copy of the company's complete audited annual financial statements may be accessed on the company's website: www.reunert.co.za or by requesting a printed version from the company secretariat.

General purpose of the annual general meeting

The general purpose of this annual general meeting is to:

- present information on the company to shareholders;
- deal with matters required to be dealt with at an annual general meeting in terms of the Companies Act and the JSE Listings Requirements; and
- deal with matters raised by shareholders, with or without advance notice.

Recommendation

The board of directors of the company (the board) believes that the resolutions to be considered at the annual general meeting are in the best interest of the company and its shareholders. The board unanimously recommends that the shareholders vote in favour of the proposed resolutions, as the directors who are also shareholders intend to do.

Voting percentage required to pass resolutions

Resolution no 1 to 15 and 22 require the support of more than 50% (fifty per cent) of the voting rights exercised on each of them by the shareholders, whether present in person, or represented by proxy.

Resolution no 16 to 21 require the support of at least 75% (seventy-five per cent) of the voting rights exercised on each of them by the shareholders, whether present in person, or represented by proxy.

Proposed agenda

1. Presentation of information

The following documents will be available or presented at the annual general meeting:

- the directors' report (also see page 5 of the audited annual financial statements for the year ended 30 September 2015);
- the audited annual financial statements for the financial year ended 30 September 2015;
- the audit committee report (also see page 3 of the audited annual financial statements for the year ended 30 September 2015); and
- report of the social, ethics and transformation committee* (also see page 94 of the integrated report).

*(*Note: The social, ethics and transformation committee has been mandated to perform the statutory functions of the social and ethics committee as contemplated by the Companies Act and its regulations and its chairman will be available at the meeting to provide feedback to shareholders on matters within its mandate.)*

The directors have summarised important aspects of the financial statements in the integrated report with which this notice is sent. The complete audited financial statements for the financial year ended 30 September 2015 is available at www.reunert.co.za or http://ir.reunert.co.za/2015/

2. Ordinary resolutions

The following ordinary resolutions will be proposed and, if deemed fit, passed, with or without amendments.

Confirmation of office of newly appointed directors:

Resolution no 1

Election of P Mahanyele as an independent non-executive director of the company

"Resolved that P Mahanyele be and is hereby elected as an independent non-executive director of the company."

Resolution no 2

Election of M Moodley as an executive director of the company

"Resolved that M Moodley be and is hereby elected as an executive director of the company."

Resolution no 3

Election of NA Thomson as an executive director of the company

"Resolved that NA Thomson be and is hereby elected as an executive director of the company."

Information pertinent to resolution no 1 to 3

In terms of the Companies Act, as well as the company's Memorandum of Incorporation, all new appointments to the board must be confirmed by the shareholders at the first annual general meeting, following such appointment. The following new appointments were made to the board of the company since its last annual general meeting, which was held on 16 February 2015:

- Ms Mahanyele was appointed to the board on 1 October 2015;
- Ms Moodley was appointed to the board on 31 March 2015, in the executive role of transformation and human resources director;
- Mr Thomson was appointed to the board on 15 June 2015, in the executive role of chief financial officer.

A brief *curriculum vitae* for each of these directors appears on page 8.

Re-election of retiring directors

Resolution no 4

Re-election of SD Jagoe as an independent non-executive director of the company

"Resolved that SD Jagoe be and is hereby re-elected as an independent non-executive director of the company."

Resolution no 5

Re-election of S Martin as an independent non-executive director of the company

"Resolved that S Martin be and is hereby re-elected as an independent non-executive director of the company."

Resolution no 6

Re-election of NDB Orleyn as a non-executive director of the company

"Resolved that NDB Orleyn be and is hereby re-elected as a non-executive director of the company."

Resolution no 7

Re-election of SG Pretorius as an independent non-executive director of the company

"Resolved that SG Pretorius be and is hereby re-elected as an independent non-executive director of the company."

Resolution no 8

Re-election of MAR Taylor as an executive director of the company

"Resolved that MAR Taylor be and is hereby re-elected as an executive director of the company."

Information pertinent to resolution no 4 to 8

In terms of the company's Memorandum of Incorporation, one third of the board is required to retire at each annual general meeting. All retiring directors have made themselves available for re-election. The board has evaluated the performance of these directors and are of the view that they contribute to the skills, experience and effectiveness of the board.

Given that Mr Jagoe has been a member of the Reunert board since April 2000, the board, with the assistance of the nomination and governance committee, has scrutinised his independence carefully. Amongst other things, the following considerations were taken into account:

- Mr Jagoe is primarily and extensively engaged in commercial endeavours independent of Reunert;
- Mr Jagoe's familiarity is balanced by a team of more recently appointed executive and non-executive directors; and
- it is important to have a balance between new and experienced board members, the experienced board members being able to guide and mentor the newer board members.

On the recommendation of the nomination and governance committee, the board concluded that there are no relationships or circumstances likely to affect, or appearing to affect, Mr Jagoe's independence of judgement. The board further concluded that Mr Jagoe's independence of character and judgement is not in any way affected or impaired by the length of his service to Reunert.

A brief *curriculum vitae* of each of the directors standing for re-election, as outlined in resolutions no 4 to 8 above, appears on pages 8 and 9.

Election of audit committee members

Resolution no 9

Re-election of R van Rooyen to the audit committee of the company

"Resolved that R van Rooyen, a director of the company who fulfils the requirements contemplated in section 94(4) of the Companies Act, be and is hereby re-elected as a member of the audit committee of the company, to hold office until the conclusion of the next annual general meeting of the company."

Resolution no 10

Re-election of T Abdool-Samad to the audit committee of the company

"Resolved that T Abdool-Samad, a director of the company who fulfils the requirements contemplated in section 94(4) of the Companies Act, be and is hereby re-elected as a member of the audit committee of the company, to hold office until the conclusion of the next annual general meeting of the company."

Resolution no 11

Election of P Mahanyele to the audit committee of the company

"Resolved that, subject to the passing of resolution no 1, P Mahanyele, a director of the company who fulfils the requirements contemplated in section 94(4) of the Companies Act, be and is hereby elected as a member of the audit committee of the company, to hold office until the conclusion of the next annual general meeting of the company."

Resolution no 12

Re-election of S Martin to the audit committee of the company

"Resolved that, subject to the passing of resolution no 5, S Martin, a director of the company who fulfils the requirements contemplated in section 94(4) of the Companies Act, be and is hereby re-elected as a member of the audit committee of the company, to hold office until the conclusion of the next annual general meeting of the company."

Information pertinent to resolution no 9 to 12 and disclosure in terms of paragraph 3.84(d) of the JSE Listings Requirements

The board has evaluated the effectiveness of the audit committee and is of the view that the collective skills and experience of the members proposed for election and re-election to the audit committee are appropriate in light of the audit committee's mandate. All of the proposed members of the audit committee are independent non-executive directors of the company.

A brief *curriculum vitae* of each of the directors standing for election or re-election to the audit committee, as outlined in resolution no 9 to 12 above, appears on pages 8 and 9.

Notice of annual general meeting continued

General

Resolution no 13

Re-appointment of external auditors

"Resolved that Deloitte & Touche (Deloitte) is hereby re-elected as the independent external auditor of the company and that JAR Welch is hereby appointed as the individual designated auditor (that is the audit partner representing Deloitte) to hold office for the audit relating to the financial year ending 30 September 2016, subject to Deloitte and the audit committee agreeing on the fees and terms of engagement on behalf of Reunert."

Information pertinent to resolution no 13

The audit committee recommends the re-election of Deloitte as the independent external auditor and the election of JAR Welch as the individual designated external auditor of the company, to hold office for the financial year ending 30 September 2016.

The audit committee has evaluated the independence, experience and performance of both Deloitte and Mr Welch and has concluded that both comply with the requirements of section 94 of the Companies Act and with the principles of the King Report on Governance for South Africa (King III). PJ Smit, the individual designated auditor responsible for the audit of the annual financial statements for the financial year ended 30 September 2015, was first appointed as designated auditor to the company at the annual general meeting held on 27 January 2012 and is therefore subject to compulsory rotation, as required in terms of section 92 of the Companies Act.

Resolution no 14

Endorsement of the Reunert remuneration policy

"Resolved that the company's remuneration policy, as set out on page 10, (excluding the proposed share matching plan, which is the subject of a separate resolution (see resolution no 21)), is hereby approved."

Information pertinent to resolution no 14

King III recommends that the company's remuneration policy be tabled to shareholders for a non-binding advisory vote. However, in the interest of corporate governance and transparency, the board presents the remuneration policy to shareholders for a binding vote and undertakes not to implement any new remuneration principles unless and until the approval of the remuneration policy by shareholders has been obtained.

The remuneration committee, in consultation with management and external professionals, has carefully considered the company's remuneration policy and recommended same to the board. The company's remuneration policy is set out on page 10 to 17.

In the event that resolution no 14 is not approved, the company will continue to apply its previously approved remuneration policy until such time as a new remuneration policy has been approved.

As Reunert's proposed share matching plan is the subject of a separate resolution, this resolution no 14 does not encompass the proposed principles of that scheme.

Resolution no 15

Ratification relating to personal financial interest arising from multiple offices in the Reunert group

"Resolved that any resolutions or agreements of executive directors and prescribed officers of the company in contravention of section 75 of the Companies Act are hereby ratified, but only to the extent that the relevant resolutions or agreements fell within the ambit of section 75 of the Companies Act as a result of the deeming of the relevant executive director and/or prescribed officer as a "related person" to another company in the Reunert group, of which the relevant executive director and/or prescribed officer is also a director or prescribed officer."

Information pertinent to resolution no 15

Section 75 of the Companies Act prohibits a director or prescribed officer from participating in or voting on any board resolutions or entering into any agreements if such director or prescribed officer has a "personal financial interest" in the matter. This prohibition also applies if that director is related to another person that has a "personal financial interest" in that matter. Section 75 of the Companies Act extends the definition of "related person" to other companies for which the director/prescribed officer is a director/prescribed officer.

As the executive directors and prescribed officers of the company may serve more than one company in the Reunert group, the above resolution is intended to ensure that any resolutions or agreements by the board are valid, despite the fact that it may have involved multiple group companies, served by the same individuals as directors or prescribed officers. The above resolution does not ratify any other actions of directors or prescribed officers that contravened section 75 of the Companies Act for any other reason. Resolution no 15 does not limit any other statutory or common law duties that may apply to directors or prescribed officers.

3. Special resolutions

The following special resolutions will be proposed and, if deemed fit, passed, with or without amendments:

Resolution no 16

Approval of issue of shares in terms of the Reunert 1985 Share Option Scheme, Reunert 1988 Share Purchase Scheme and the Reunert 2006 Share Option Scheme

"Resolved that, as required by section 41(1) of the Companies Act, the issue of up to 2 000 000 authorised but unissued shares to any:

- director, future director, prescribed officer, or future prescribed officer of the company;
- person related or inter-related to the company, or to a director or prescribed officer of the company; or
- nominee of a person contemplated above,

pursuant to Reunert's anticipated obligations in terms of the Reunert 1985 Share Option Scheme, Reunert 1988 Share Purchase Scheme and the Reunert 2006 Share Option Scheme, be and is hereby approved.

This resolution shall endure until the earlier of a superseding resolution being passed by shareholders, or two years from the date of passing of this resolution."

Information pertinent to resolution no 16

Resolution no 16 is proposed to enable the company to settle its potential obligations in respect of the exercise of options previously issued in terms of historic long-term incentive schemes. The company has not made any new allocations under the long-term incentive schemes mentioned in this resolution from the financial year ended 30 September 2012, and the board has undertaken not to make any further allocations in terms of these schemes.

Any issue of shares to directors, future directors, prescribed officers, future prescribed officers and persons related or inter-related to the company must first be approved by way of a special resolution in terms of section 41 of the Companies Act, as requested above.

To the extent that the issue of shares in respect of the schemes mentioned in resolution no 16 is not required, the board will not otherwise utilise its authority in terms of this resolution to issue shares to related parties.

Resolution no 17

General authority to repurchase shares

"Resolved that the company hereby approves, as a general authority, the repurchase by the company, and/or any subsidiary of the company (subject to such subsidiary's Memorandum of Incorporation and passing of the necessary special resolution by that subsidiary), a repurchase of the issued shares of the company, upon such terms and conditions and in such amounts as the directors of the company may from time to time determine, subject to any other approvals required in terms of the law and the JSE Listings Requirements and provided that such repurchase shall not exceed 5% of the issued shares as at the date of this annual general meeting (approximately 9,2 million shares as at the date of this notice); such authority to endure until the earlier of a superseding resolution being passed by shareholders, the company's next annual general meeting or 15 months from the date of passing of this resolution."

Required disclosures

The information required in terms of the JSE Listings Requirements is contained in Annexure A on page 18 hereto.

Further information pertinent to resolution no 17

The directors are of the opinion that it would be in the best interests of the company to ensure that the company is in a position to repurchase issued shares through the order book of the JSE, should the market conditions and price justify such action, subject to the provisions of sections 46 and 48 of the Companies Act having been met. This general authority sought is limited to 5% of the issued shares as at the date of the annual general meeting (being Monday, 15 February 2016).

Resolution no 18

Directors' remuneration

"Resolved that the remuneration proposed hereunder in respect of the non-executive directors of the company, for their services as directors (as contemplated in section 66(8) read with section 66(9) of the Companies Act), be and is hereby approved, effective from 1 March 2016:

Proposal by the Reunert executive for non-executive director fees – 2016

	Current fee per annum (in Rand)	Note	Proposed increase	Proposed fee per annum (in Rand)	Number of meetings	Current fee per additional meeting (in Rand)	Proposed fee per additional meeting (in Rand)
Chairman	1 180 000	1	5,0%	1 239 000	4	39 860	41 853
Non-executive directors	184 470		5,0%	193 694	4	20 540	21 567
Audit committee chairman	199 230		5,0%	209 192	3	19 370	20 339
Audit committee member	113 850		5,0%	119 543	3	19 370	20 339
Remuneration committee chairman	127 540		5,0%	133 917	2	19 370	20 339
Remuneration committee member	72 870		5,0%	76 514	2	19 370	20 339
Nomination and governance committee chairman	–	2	5,0%	–	2	19 370	20 339
Nomination and governance committee member	72 870		5,0%	76 514	2	19 370	20 339
Risk committee chairman	109 300		22,5%	133 917	2	19 370	20 339
Risk committee member	72 870		5,0%	76 514	2	19 370	20 339
Social, ethics and transformation committee chairman	127 540		5,0%	133 917	2	19 370	20 339
Social, ethics and transformation committee member	72 870		5,0%	76 514	2	19 370	20 339
Investment committee chairman	–		–	–	Ad hoc	26 000	26 250
Investment committee member	–		–	–	Ad hoc	19 370	15 000

[1] *The chairman's fee is on an all-inclusive basis, including attendance at all scheduled board and committee meetings and is rounded to the nearest R'000. This chairman's fee, however, excludes attendance at investment committee meetings, which are paid on a per meeting basis.*

[2] *The chairman of the board is also the chairman of the nomination and governance committee and therefore no additional fees are payable to the chairman of the nomination and governance committee.*

Notice of annual general meeting continued

This authority shall endure until the earlier of a superseding resolution being passed by shareholders, or two years from the date of passing of this resolution."

Information pertinent to resolution no 18
Section 66 of the Companies Act provides that in order for directors to be remunerated for their services as directors, the remuneration must be in accordance with a special resolution approved by shareholders within the previous 2 (two) years.

Executive management has considered the non-executive remuneration currently being paid by the company's peers, the skills and experience and the time commitment that will be required of the relevant non-executive directors. Executive management considers the remuneration proposed in this resolution no 14 to be reasonable.

The proposed non-executive directors' fees increase by 5% compared to the previous approval, which is equal to the average annual increase in employees' remuneration in the group. The proposed increase in the fee of the chairman of the risk committee is higher, to align the ratio of this chairman's fee (relative to the members of the committee) to those of the chairmen of the other board committees.

It is proposed that the fee per meeting of the investment committee is reduced. In light of Reunert's stated intent to pursue acquisitive growth, the board would like to encourage executive management to interact with the investment committee on a regular basis, in a manner that balances the costs to the company with reasonable remuneration for members of the investment committee for their time and expertise.

Resolution no 19
Directors' remuneration for ad hoc assignments

"Resolved that the chairmen of the board and the remuneration committee are hereby authorised to jointly exercise a discretion to pay additional fees to non-executive directors, of no more than R50 000 per director per annum, in the event that any non-executive director is involved in an ad hoc committee or other assignment on behalf of Reunert that significantly exceeds the time commitments typically required from non-executive directors in the exercise of their duties to the board and the standing committees on which they serve.

Resolved further that, should either or both these chairmen have an interest in the matter, the above discretion will be exercised by the remuneration committee, excluding the interested individual or individuals.

The authority granted herewith shall commence on 1 March 2016 and shall endure until the earlier of a superseding resolution being passed by shareholders, or two years from the date of passing of this resolution."

Information pertinent to resolution no 19
As indicated under resolution no 18 above, directors may not receive fees for their services as directors without prior approval from shareholders. This constrains the ability of the board to fairly remunerate directors for unforeseen matters that arise during the course of the year and that necessitates significant additional effort from particular directors. The purpose of this resolution no 19 is to provide the chairmen of the board and the remuneration committee with limited discretion (which discretion is to be exercised jointly) to pay additional remuneration to non-executive directors, where warranted by the circumstances. In the event that either or both the chairman of the board or the chairman of the remuneration committee is or are being considered for this additional remuneration, the remuneration committee, excluding the individuals concerned, will exercise this limited discretion.

Any remuneration paid to non-executive directors in terms of this resolution no 19 will be disclosed to shareholders as required by section 30 of the Companies Act.

Resolution no 20
Financial assistance to entities related or inter-related to the company

"Resolved that, as a general approval, the company may provide direct or indirect financial assistance ("financial assistance" will herein have the meaning attributed to it in sections 44(1) and 45(1) of the Companies Act respectively) to any:

(i) director or prescribed officer of the company, but only in respect of the long-term or share incentive schemes of the company in place from time to time; or

(ii) related or inter-related persons or company/ies (other than directors or prescribed officers to whom financial assistance may be provided only in accordance with (i) above);

and further subject to compliance with the remainder of Sections 44 and 45 of the Companies Act, as the board of the company may deem fit and on the terms and conditions, to the recipient/s, in the form, nature and extent and for the amounts that the board of the company may determine from time to time.

This authority shall endure until the earlier of a superseding resolution being passed by shareholders or 2 (two) years from the date of passing of this resolution."

Information pertinent to resolution no 20
Sections 44 and 45 of the Companies Act provide, *inter alia*, that financial assistance to the board, prescribed officers and subsidiaries of the company must be approved by a special resolution of the shareholders, adopted within the previous 2 (two) years. Following the passing of such special resolution, the directors may authorise financial assistance, but only if they are satisfied that:

- immediately after providing the financial assistance, the company would satisfy the solvency and liquidity test; and
- the terms under which the financial assistance is proposed to be given are fair and reasonable to the company.

In the ordinary course of business, the company is required to grant financial assistance to subsidiaries and other juristic persons in the group, such as various forms of performance and pre-payment guarantees, subordination of existing debt of subsidiaries, as well as the financial assistance which results from the cash management system of the company and its subsidiaries. This resolution will enable the company (provided that the additional requirements relating to solvency and liquidity and the terms of the financial assistance are also met) to provide financial assistance to persons and/or subsidiaries in the group as is required from time to time.

This resolution no 20 also allows the company to provide financial assistance to its directors and prescribed officers pursuant to the company's approved long-term or share incentive schemes in place from time to time. This resolution does not allow the company to provide any other form of financial assistance, such as loans or sureties, to directors and prescribed officers.

Resolution no 21
Approval of proposed Reunert Share Matching Plan 2015

"Resolved that the proposed Reunert Limited Share Matching Plan 2015, the salient features of which are attached hereto as Annexure B, is hereby approved, as required by Schedule 14 of the JSE Listings Requirements."

Information pertinent to resolution no 21
The remuneration committee, in consultation with management and external professionals, has carefully considered the company's senior executive incentive mechanisms. The remuneration committee has also considered practices in this regard as implemented by its peers. The committee proposes to strengthen the performance culture in the Reunert group, as well as the alignment of the interests of senior executives in the company with those of shareholders, by way of the Reunert Limited Share Matching Plan 2015, in accordance with the salient features contained in Annexure B on page 20.

The terms of the proposed Reunert Limited Share Matching Plan 2015 will be available for inspection at the registered offices of the company during normal business hours on any business day (excluding public holidays) from 4 January 2016, up to and including the date of the annual general meeting.

4. Authority to implement (ordinary)

Resolution no 22
Signature of documents and authority for implementation of resolutions

"Resolved that any one director or the company secretary of the company, be and is hereby authorised to do all such things and sign all such documents and agreements and procure the doing of all such things and signature of all documents and take all such action as he or she considers necessary for or incidental to the implementation of the resolutions set out in this notice and passed at the annual general meeting of the company."

Information pertinent to resolution no 22
In order to implement the resolutions passed at the annual general meeting of the company, resolution no 22 grants any director or the company secretary of the company the authority to implement the resolutions passed at the annual general meeting.

5. Matters raised by shareholders

Matters raised by shareholders shall be dealt with in the manner determined by the chairman of the meeting.

By order of the board

Karen Louw
on behalf of Reunert Management Services Limited
Company secretary
Sandton

20 November 2015

Curriculum vitae

Phuti Mahanyele
Independent non-executive director

Committees
- audit committee; and
- social, ethics and transformation committee.

Other directorships[1]
- Comair

Expertise
BA Econ; MBA, EDP

Phuti Mahanyele has a BA Economics from Rutgers University, USA and an MBA from De Montfort University, Leicester, UK. She completed the Kennedy School of Government Executive Education programme 'Global Leadership and Public Policy for the 21st Century' at Harvard University in 2008.

Phuti has extensive commercial experience, which includes head of project finance South Africa at the Development Bank of Southern Africa. Prior to that, Phuti was vice-president at Fieldstone, where she joined the firm in New York in 1997 and later transferred to the South African office.

In 2004, Phuti joined Shanduka heading up the energy business. Phuti served as Shanduka Group CEO from September 2010 to November 2015.

[1] *As outgoing CEO of Shanduka, Phuti holds several directorships, which she is in the process of resigning from. These directorships are not disclosed in this report.*

Mohini Moodley
Group human resources and transformation executive director

Committees
- group executive committee; and
- group transformation committee.

Expertise
BA, LLB

Mohini is an admitted attorney of the High Court of South Africa and started her career within the legal profession, where she acquired experience in family, commercial and labour law. Mohini has spent the last 13 years of her career within the human resources (HR) domain and has held executive roles in both generalist and specialist positions.

Prior to joining Reunert, Mohini spent 11 years in the retail industry at Edcon, where she held various positions at management and executive level across all disciplines of HR with specific reference to employee relations and remuneration and benefits. While at Edcon, Mohini also occupied the position of principal officer for the internal medical aid scheme and the provident fund.

Nick Thomson
Chief financial officer

Committees
- risk committee;
- group executive committee; and
- group transformation committee.

Expertise
CA(SA)

Nick served as partner with Ernst and Young for 18 years before joining Transnet Freight Rail as chief financial officer in 2005. In addition to the normal aspects of the finance portfolio he chaired the investment committee and acquisition committees and was responsible for the negotiations of major commercial contracts.

In April 2012, Nick was appointed as group chief financial officer at Afrox Ltd. His responsibilities included the financial portfolio, treasury function, procurement and strategy. He joined Reunert as chief financial officer on 15 June 2015.

Sean Jagoe
Independent non-executive director

Committees
- investment committee; and
- remuneration committee.

Other directorships
- Ceramic Industries Ltd;
- Reinet Advisors (UK) Ltd;
- Meridian Audio Ltd (UK);
- MQA Ltd (UK);
- Arendale Holdings Corporation (USA);
- Silver Sun Partners LLC (USA); and
- Kaenon, Inc. (USA).

Expertise
BSc (Eng), MBA

Sean has over 30 years' experience in banking and finance and is an executive with Reinet Ltd in London.

During his investment banking career he worked at JP Morgan, Fidelis Partners, Morgan Stanley and Rand Merchant Bank. Prior to entering investment banking, Sean worked at the Industrial Development Corporation.

Sarita Martin
Independent non-executive director

Committees
- audit committee;
- nomination and governance committee; and
- remuneration committee (chairman).

Expertise
BProc, LLB, MBA

An admitted attorney of the High Court of South Africa, Sarita started her career as a candidate attorney at the Office of the Public Defender. She left public office to join the corporate world in 1999.

Sarita held various senior positions in the fields of compliance, corporate governance and company secretariat at several listed companies including Standard Bank Ltd, African Bank Ltd, Absa Group Ltd and Anglo American Platinum Ltd.

Sarita is currently a corporate governance and board secretariat consultant, company secretary and executive coach and an IoDSA facilitator for board appraisals. She also serves as a member of the Litigation Committee of the Financial Services Board (FSB).

Thandi Orleyn
Non-executive director

Committees
- nomination and governance committee;
- remuneration committee; and
- social, ethics and transformation committee (chairman).

Other directorships
- BP Southern Africa Pty Ltd (chairman);
- Ceramics Industries Ltd;
- Toyota SA Pty Ltd;
- Toyota Financial Services (South Africa) Ltd; and
- Industrial Development Corporation of South Africa Ltd.

Expertise
BJuris, BProc, LLB

Thandi is a director and shareholder of Peotona, an investment company owned and managed by four women – Thandi, Cheryl Carolus, Wendy Lucas-Bull, and Dolly Mokgatle. Thandi is an adjunct professor of law at the University of Cape Town and a member of the University Council of the University of Fort Hare. She also serves on a number of trusts and foundations.

Thandi was previously an attorney and regional director of the Legal Resources Centre, national director of the Commission for Conciliation, Mediation and Arbitration and, later, national director of a commercial law firm.

Thandi is an accredited mediator with the Centre for Effective Dispute Resolution. She is also a mediator and arbitrator for Tokiso Dispute Settlement.

Brand Pretorius
Independent non-executive director

Committees
- investment committee;
- nomination and governance committee;
- risk committee (chairman); and
- social, ethics and transformation committee.

Other directorships
- Agrinet Ltd;
- Italtile Ltd;
- Metair Investments Ltd;
- Tata Africa Holdings; and
- Tongaat Hulett Ltd.

Expertise
MCom (Business Economics)

Brand started his career at Toyota South Africa in March 1973. Following a number of management positions in research, planning, sales and marketing, he was appointed managing director of Toyota SA Marketing in 1988. In March 1995, he joined McCarthy Motor Holdings and was promoted to chief executive officer of the holding company, McCarthy Ltd, in October 1999. He retired as an executive director of McCarthy and its controlling shareholder, Bidvest, on 1 March 2011.

Brand received numerous national marketing and leadership awards. He holds honorary professorships at the University of Johannesburg, the University of Pretoria, University of the Free State and an honorary doctorate in marketing from the Durban University of Technology.

Brand is a Fellow in Leadership at the Gordon Institute of Business Science and at the Centre for Responsible Leadership at the University of Pretoria. He serves on the Board of Trustees of the READ Educational Trust and is an ambassador for both the Valued Citizens Initiative and the national Rally to Read programme.

Mark Taylor
Executive director

Committees
- group executive committee; and
- group transformation committee.

Expertise
Mark is an ICT industry veteran with more than two decades of experience.

Mark began his career at Nedbank becoming an IT specialist. He worked extensively in the mainframe arena in the banking industry and in the consolidation of IT systems. He was the project manager responsible for the merger of Plessey and Nedtel in 1999, and played the same role when Nedtel and Nashua merged to form Nashua Mobile in 2001. Mark served as managing director of Nashua Mobile from July 2003 to September 2008.

Prior to rejoining Nashua Mobile on 1 October 2012, Mark held various senior management positions at Vodacom including supply chain and logistics, online digital platforms and managing director of the payment services company.

Mark serves as an executive director of Reunert and heads up the Nashua segment.

Rynhardt van Rooyen
Independent non-executive director

Committees
- audit committee (chairman);
- investment committee;
- nomination and governance committee; and
- risk committee.

Expertise
CA(SA)

Rynhardt held various financial and commercial positions during his 31-year career with Sasol. At retirement in 2008, he was group general manager, a member of Sasol's group executive committee, and director and member for most of Sasol's major subsidiaries and audit committees.

He is a trustee of the Sasol Pension Fund and a member of the Sasol Pension Fund investment committee.

Tasneem Abdool-Samad
Independent non-executive director

Committees
- audit committee;
- investment committee (chairman);
- nomination and governance committee; and
- risk committee.

Expertise
CA(SA)

Tasneem completed her BCom and Honours in Accountancy at the University of Natal. She has extensive experience as a chartered accountant and served as a partner at Deloitte from 2006 to 2014. Tasneem transitioned out of audit to head up Deloitte's advisory business in KwaZulu-Natal.

CORPORATE GOVERNANCE AND REMUNERATION:

Remuneration committee report

This remuneration report was compiled in accordance with recommendations on remuneration contained in King III.

Reunert's remuneration philosophy aims to promote a culture that supports the execution of the group strategy, superior operational performance and that is intended to align the actions of employees, by creating sustainable long-term growth of the business.

The remuneration committee has taken cognisance of the performance of the group and the value creation for shareholders during the past year by reviewing and updating the remuneration policy to reflect alignment with group strategy. Reunert focuses on responsible remuneration that is driven by sound governance principles.

The information contained in this report was approved by the board on the recommendation of the remuneration committee.

This report provides information on the 2015 financial year and presents information related to the proposed remuneration policy for the 2016 financial year. Should approval not be obtained, the prevailing remuneration policy, as approved by shareholders at the annual general meeting on 16 February 2015 will apply.

The governance section (see page 76) sets out the mandate of the committee and summarises the activities of the committee pursuant thereto.

This report is divided into the following sections:

- Section A: Reunert's remuneration philosophy and structure
- Section B: Overview of 2015 and the associated rewards
- Section C: Overview of 2016
- Section D: Service contract and earnings
- Section E: Shareholder approval

Section A:
Reunert's remuneration philosophy and structure

Reunert's remuneration policy aims to ensure that executives and senior management are remunerated in a manner that supports the achievement of the strategic objectives of the group, while attracting and retaining scarce skills and rewarding high levels of performance. This is accomplished by establishing remuneration practices that are fair, reasonable and market-related, while maintaining an appropriate balance between employee and shareholder interest.

The remuneration approach that guides the salary levels of executives and senior management is aimed at achieving the median point of salaries in the sector as determined through market surveys. The incentives are based on:

- achieving the strategic objectives of the group;
- ensuring a direct correlation between growth objectives, financial performance targets and actual achievements of the group;
- recognising exceptional and value-adding performance; and
- ensuring fair and consistent remuneration practice.

Remuneration structure

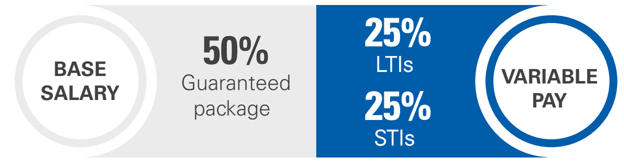
Remuneration is structured in a fair and reasonable manner, recognising individual contributions and collective results.
To ensure that market-related salaries are offered to employees, the group participates in salary surveys for benchmarking purposes. There is a clear differentiation between executives and employees based on line-of-sight responsibility, accountability, competencies, work performance and scarcity of skills. To drive a pay-for-performance approach, there is an increasing element of variable pay at senior management levels.

The remuneration philosophy translates into a remuneration structure that comprises three core elements:

- Guaranteed package (GP)
- Short-term incentives (STIs) (annual)
- Long-term incentives (LTIs)

The combination of these three elements, and the clear link to performance, is intended to ensure remuneration is directly linked to performance. Executive management has the largest proportion of total annual package that is subject to performance hurdles, with the targeted pay mix as per the following diagram. This is intended to create a significant degree of alignment with shareholder interests, with the aim of driving sustainable value creation over a longer term.

Executive remuneration



Guaranteed package

Guaranteed remuneration generally consists of a base salary, fixed allowances plus company contributions towards retirement funding and health benefits.

Variable pay

Variable remuneration is earned based on the achievement of predetermined performance targets as approved by the remuneration committee. This component is therefore an important part of executives' total remuneration as the performance targets are selected to support the group's strategic objectives and to align executive's remuneration with shareholders' interest.

Remuneration committee report continued

The table below summarises Reunert's remuneration structure:

Elements	Purpose	Performance period and measures	Participants	Composition and payment
Guaranteed package (GP)	The group aims to attract and retain individuals with talent, critical skills and an innovative and entrepreneurial bias. Benchmarking against peer companies is performed to ensure that GP is competitive and market-related.	GP is reviewed annually for every employee based on individual performance, company performance, prevailing economic conditions and benchmarks.	All employees	GP is a fixed cost for the company and is set at around the median of relevant market data.
Short-term incentive (STI)	STIs are structured to reward the delivery of annual financial performance balanced with the achievement of strategic objectives. This ensures that the achievement of short-term financial performance is not at the expense of future growth opportunities.	Performance is evaluated annually against set objectives, which include: • financial targets constituting 70% of the STI; • strategic KPIs constituting 30% of the STI; and • EE targets and external EE appointments are used as modifiers. Total STI pay-out is multiplied by the modifier, whereby pay-outs can be impacted negatively if stipulated targets are not met. The financial KPI for executive directors will be an earnings-per-share measure and for all other executives it will be based on achieving business unit-specific operating profit targets.	Executives and nominated senior level managers. At the executive level, the maximum bonus that can potentially be earned is 140% for executive directors, 130% for business unit managing directors and 100% and below for the rest of the business unit executive teams. Senior level management and below are paid incentives at lower percentages of GP. These incentives are discretionary, dependent on performance.	Payment is made annually. Performance is measured against predetermined targets. Incentives are not guaranteed – the full bonus payment is dependent on the achievement of predetermined financial and strategic targets. Incentives are self-funded from central and business unit pools (for group employees and business unit employees respectively), based on financial targets agreed by the remuneration committee. Employees may elect to purchase shares with up to 100% of the STI pay-out (i.e. gross amount). If shares are purchased and retained for at least three years, the employee will qualify for a share match of up to 100%. The share match plan (SMP) requires shareholder approval at the annual general meeting to be held on 15 February 2016.
Long-term incentive performance scheme (LTI)	LTIs are an integral part of the group's approach to competitive performance-based pay, and are aligned with shareholder return.	Performance is evaluated annually but vesting takes place over a four-year measurement period. Measures are provided below. There are two performance conditions: • normalised headline earnings per share for continuing operations (NHEPS CO); and • total shareholder return (TSR). Each performance criterion carries a 50% weighting and is evaluated against set measures that are determined annually by the remuneration committee.	Participants are senior management that are able to directly impact the financial performance of businesses in the group through the development and implementation of operational strategy.	Allocations are made annually, based on defined criteria (seniority of position, size of business unit and contribution of employee). The size of the allocation aims to maintain an appropriate level of employee incentives. Allocations may not exceed two times annual GP. Vesting occurs after four years if performance criteria are met.
Long-term incentive retention scheme (LTI)	Retention of key employees is critical for business continuity.	For the retention scheme there is a four to five-year period, with remaining in the employ of the group being the only criteria.	Participants in the retention scheme are those employees who are key to the success of the group, such as technical specialists, high-potential EE candidates and key succession candidates.	Allocations are made annually and may not exceed 20% of annual GP. Vesting occurs after four years (50%) and five years (50%).

Participants in the LTI can only benefit from either the performance scheme or the retention scheme and not both schemes.

Remuneration committee report continued

Participation in all schemes is at the discretion of the remuneration committee and is generally limited to employees whose role or contribution directly influences the performance of the group.

The performance conditions of the LTI are as follows:

Performance condition 1: Growth in NHEPS	
1. NHEPS CO < = CPI	0% vesting
2. CPI < NHEPS CO < = (CPI +6,5%)	up to 100% vesting on a linear basis

Performance condition 2: Total return to shareholders
(Will be determined by position in chosen index* as stated below)

Position	% vesting
1	100
2	75
3	55
4	40
5	30
6	20
7	12,5
8	7,5
9	2,5

* *JSE Electrical and Electronics Index (J273).*

Life of scheme

The scheme will terminate after eight years from date of inception, at which time the shareholders will be requested to approve a revised LTI scheme.

Maximum participants and allocations for CSP:

Participants	• performance vesting	80
	• retention vesting	60
Number of shares to be issued	• maximum annual allocations	1 250 000 shares
	• scheme maximum allocations (over 8 years)	10 000 000 shares
Percentage of total shares in issue	• annual maximum	0,75%
	• life of scheme	6,00%

The remuneration committee has the discretion to ensure alignment between management and shareholders. In the event of a corporate action that may be in the interest of shareholders but prejudicial to management under the conditional share plan (CSP) (for example, the payment of a special dividend), the remuneration committee will exercise this discretion to ensure continued alignment. Any such change will be motivated by the remuneration committee and reported to shareholders in the next remuneration report.

Section B:
Overview of 2015 and the associated rewards

2015 Short-term incentive awards

Individual business units within each segment qualified for incentive payments by meeting targets set for the 2015 financial year.

Included in the objectives for the STI scheme was the achievement of predetermined employment equity targets, which serve as a modifier of the final pay-out.

Incentives awarded

Rm	2015	2014
STIs earned in the electrical engineering segment	12,3	–
STIs earned in the ICT segment	10,9	16,9
STIs earned in the applied electronics segment	8,0	7,8
STIs earned at head office	7,5	–
Total STIs earned in operations	38,7	24,7

The remuneration committee has allocated the following awards on 20 November 2015.

Actual participants and annual costs for CSP

Scheme	Performance vesting (CSP)	Retention vesting(CSP)
Participants	50	52
Number of shares to be issued	1 023 206	82 021
Percentage of total shares	0,56%	0,04%

Note: The CSP shares allocated at the remuneration committee meetings in November 2012 and 2013 are, at this stage, not expected to vest.

Section C:
Overview of 2016

Linking remuneration to key objectives

The group's strategic pillars developed in 2015 will align operational imperatives. Accordingly, the performance measures for executive remuneration are linked to these strategic pillars. For the 2016 financial year, strategic KPIs are linked to the group's financial, strategic and transformation targets derived from the group's strategy.

Group strategy focuses on six strategic pillars, which are supported by KPIs as indicated in the table below.

Strategic pillars	Key objectives for 2016
People	To build an organisation that recognises and adds value to employees as success is based on results driven people who create value through continuous improvement. Reunert aims to develop a high-performance culture.
Customers	Drive market leadership through customer centricity by providing value-adding, integrated customer solutions.
Diversification	Diversify current revenue streams by: • the addition of new, early life-cycle products and services; • improving geographic diversification; and • increasing solutions-based customer offerings.
Transformation	Improve credibility and legitimacy with stakeholders by driving group transformation.
Efficiency	Improve efficiencies by continuing to refine the business model.
Innovation	Design new and advanced products and services.

2016 STI

Participants

Number of participants	Maximum incentive
92	Up to 140%

Targets for 2016

Operating profit targets after bonus award	4%	9%	15%	20%

The operating profit targets reflected above are the targets for the group. There are different operating profit targets for each business unit participating in the STI. Should Reunert, in aggregate, not meet the above target growth rates, those business units that achieve their specific targets may still earn bonuses.

In addition, a KPI bonus pool, is created for executives, which is up to a maximum of 40% of GP.

Remuneration committee report continued

Section D:
Service contracts and earnings

Executive directors

Remuneration policies affecting executive directors

All executive directors are compensated as per the remuneration policy of the company. Employment contracts of executive directors are in accordance with the group's standard terms and conditions of employment and executive directors do not have extended employment contracts or special termination benefits.

Remuneration

The remuneration of executive directors and prescribed officers for the past two financial years are reflected in the tables below:

Directors' remunerations and interests

Payable to the directors and prescribed officers of the company by the company and its subsidiaries for services as directors:

R'000	Salary	Bonus and performance related payments	Travel allowances	Retirement contributions	Medical contributions	Subtotal	Deferred shares and other[4]	Fair value of share options received at issue date	Total
Executive directors									
2015									
AE Dickson[1]	**4 178**	**–**	**250**	**438**	**52**	**4 918**	**4 620**	**5 018**	**14 556**
MC Krog[2]	**1 662**	**500**	**49**	**162**	**–**	**2 373**	**–**	**–**	**2 373**
M Moodley[3]	**1 032**	**1 550**	**–**	**91**	**27**	**2 700**	**664**	**921**	**4 285**
MAR Taylor	**2 890**	**–**	**–**	**285**	**125**	**3 300**	**1 980**	**2 116**	**7 396**
NA Thomson	**1 022**	**–**	**–**	**1 115**	**32**	**2 169**	**653**	**–**	**2 822**
	10 784	**2 050**	**299**	**2 091**	**236**	**15 460**	**7 917**	**8 055**	**31 432**
2014									
DJ Rawlinson[5]	4 997	–	60	498	60	5 615	768	5 488	11 871
MC Krog	3 100	–	98	302	–	3 500	–	2 737	6 237
AE Dickson	2 518	–	132	268	48	2 966	1	2 189	5 156
MAR Taylor	2 571	4 200	–	248	114	7 133	–	2 033	9 166
	13 186	4 200	290	1 316	222	19 214	769	12 447	32 430

Executive directors do not receive additional remuneration for their attendance at board or committee meetings.

1 *AE Dickson was appointed chief executive on 1 October 2014.*

2 *MC Krog resigned from the board on 31 March 2015.*

3 *M Moodley was appointed to the board on 31 March 2015.*

4 *These incentives are payable in either cash or deferred shares, or a combination thereof, at the option of the participating employee. In 2015 the company introduced a deferred share scheme. The terms of the scheme are such that Reunert Limited shares are acquired by the employer company from the market for the participating employees, as part of the settlement of their short-term incentive entitlement. These shares are restricted in nature and cannot be sold, pledged or alienated in any way for a period of three years from date of their acquisition. The introduction of a share matching plan has been proposed and will be voted on by the company shareholders at the next annual general meeting.*

5 *DJ Rawlinson resigned from the board on 30 September 2014 on his retirement.*

R'000	Salary	Bonus and performance related payments	Travel allowances	Retirement contributions	Medical contributions	Other	Subtotal	Fair value of share options received at issue date	Total
Prescribed officers									
2015									
CP Esterhuizen	**1 744**	**165**	**60**	**184**	**160**	**–**	**2 313**	**1 377**	**3 690**
CJ Radley	**1 532**	**100**	**120**	**159**	**34**	**–**	**1 945**	**710**	**2 655**
BA Shaw	**1 576**	**95**	**30**	**163**	**84**	**6**	**1 945**	**715**	**2 669**
Total	**4 852**	**360**	**210**	**506**	**278**	**6**	**6 212**	**2 802**	**9 014**
2014									
CP Esterhuizen	1 504	–	60	160	145	–	1 869	974	2 843
CJ Radley	1 416	2 426	120	150	47	–	4 159	–	4 159
BA Shaw	1 473	–	30	152	77	6	1 738	566	2 304
R Botha	1 125	–	111	190	38	3	1 467	–	1 467
Total	5 518	2 426	321	652	307	9	9 233	1 540	10 773

Remuneration policies affecting non-executive directors

The appointment of non-executive directors requires approval by the full board, based on proposals received from the Reunert nomination and governance committee.

Non-executive directors do not have service contracts with the company and are not eligible for any incentives from the company such as participation in long-term share-based incentive plans.

The term of office for non-executive directors is governed by the company's Memorandum of Incorporation, which requires that directors must resign every three years, but may make themselves available for re-election by shareholders.

Non-executive directors receive a standard fee for their services on the board and board committees. The remuneration committee reviews the level of fees annually and makes recommendations to the board for consideration. Fees are submitted for approval annually at the company's annual general meeting and changes are effective from 1 March each year.

Expenses

Travel and accommodation expenses of R220 000 were reimbursed to non-executive directors during the 2015 financial year and are not included in the table below.

Payments to non-executive directors made in 2015

Amounts paid to non-executive directors (from 1 October 2014 to 30 September 2015) as fees are reflected in the following table:

	COMPANY	
R'000	**2015**	2014
Non-executive directors		
Total paid for the year (all directors' and committee fees)		
TS Munday	**1 405**	1 184
T Abdool-Samad (appointed 1 July 2014)	**633**	106
SD Jagoe	**521**	589
S Martin (appointed 1 December 2013)	**487**	323
TJ Motsohi	**342**	357
NDB Orleyn	**543**	521
SG Pretorius	**640**	479
LM Mojela (appointed 1 April 2013; resigned 17 February 2014)	**–**	101
R van Rooyen	**709**	568
JC van der Horst (retired 17 February 2014)	**–**	111
	5 280	4 339

Section E:
Shareholder approval

At the annual general meeting shareholders are being requested to:

- consider and approve Reunert's remuneration policy; and
- consider and approve the share matching plan (SMP) as part of the STI plan.

The group looks forward to welcoming stakeholders at the annual general meeting.

Sarita Martin

Chairman: Remuneration committee

Notice of annual general meeting – Annexure A

Resolution no 17: disclosure of information relevant to general repurchase of shares

In respect of the general authority to re-purchase ordinary shares in issue (**shares**) requested by the board of directors from shareholder of the company (**shareholders**) and in terms of Article 6 of the company's Memorandum of Incorporation, the following additional information is disclosed:

1. It is recorded that the company or any subsidiary of the company, may and will only make a general repurchase of shares if:

1.1. The repurchase of shares is effected through the order book operated by the JSE trading system and is done without any prior understanding or arrangement between the company, or the relevant subsidiary, and any counterparty (reported trades are prohibited);

1.2. The relevant subsidiary, if applicable, is authorised thereto by its Memorandum of Incorporation;

1.3. The relevant subsidiary, if applicable, is authorised thereto by its shareholders in terms of a special resolution of that relevant subsidiary;

1.4. An announcement containing full details of the repurchase of shares is published as soon as the company and/or any of its subsidiaries shall have acquired shares which constitute, on a cumulative basis, 3% of the company's issued shares on the date on which this approval is granted ("the initial number") and for each subsequent 3% (on a cumulative basis) of the initial number acquired thereafter, in accordance with paragraph 11.27 of the JSE Listings Requirements;

1.5. This general authority is valid only until the next annual general meeting of the company, or 15 months from the date of passing of this special resolution, whichever is the earlier;

1.6. Repurchases will be made at a price no greater than 10% above the volume weighted average of the market value for the shares for the five business days immediately preceding the date on which the repurchase(s) is/are effected;

1.7. At any point in time, the company, or the relevant subsidiary, will appoint only one agent to effect any repurchase on the company's or subsidiary's behalf;

1.8 The number of shares purchased and held by a subsidiary or subsidiaries of the company shall not exceed 10% in aggregate of the number of issued shares in the company at the relevant time;

1.9. The company, or the relevant subsidiary, will not repurchase securities during a prohibited period as defined in the JSE Listings Requirements, unless the company has a repurchase programme where the dates and quantities of securities to be traded during the relevant period are fixed (not subject to any variation) and has been submitted to the JSE in writing. The company shall instruct an independent third party, which makes its investment decisions in relation to the company's securities independently of, and uninfluenced by, the company, prior to the commencement of the prohibited period to execute the repurchase programme submitted to the JSE;

1.10. A resolution will be passed by the board of the company and/or the board of the relevant subsidiary authorising the repurchase, acknowledging that the company and/or the relevant subsidiary passed the solvency and liquidity test as required by section 48 of the Companies Act and that since the test was done there have been no material changes to the financial position of the group; and

1.11. The general repurchase of any shares in aggregate in any one financial year is (notwithstanding the 20% limit in the JSE Listings Requirements) limited to a maximum of 5% of the company's shares in issue as at the beginning of the financial year.

2. Any acquisition of ordinary shares shall be subject to:

2.1. The Companies Act;

2.2. The JSE Listings Requirements;

2.3. Exchange control regulations and approvals at that point in time, as may be applicable; and

2.4. The sanction of any other relevant authority where approval is required in law.

3. After having considered the effect of any repurchases of ordinary shares pursuant to this general authority, the board confirms that it will not undertake a repurchases of shares unless:

3.1. The company and the consolidated position of the company and its subsidiaries (**the group**) would be able to repay its/their debts in the ordinary course of business for the period of 12 (twelve) months after the date of the repurchase;

3.2. The assets of the company and the group, fairly valued in accordance with International Financial Reporting Standards and the group's accounting policies used in the latest audited group financial statements, will be in excess of the liabilities of the company and the group for the period of 12 (twelve) months after the date of the repurchase;

3.3. The company and the group will have adequate capital and reserves for ordinary business purposes for the period of 12 (twelve) months after the date of the repurchase; and

3.4. The working capital of the company and the group will be adequate for ordinary business purposes for the period of 12 (twelve) months after the date of the repurchase.

4. For the purposes of considering the special resolution and in compliance with paragraph 11.26 of the JSE Listings Requirements, certain information is either listed below or has been included in the audited annual financial statements or integrated report for the financial year ended 30 September 2015:

4.1. Major shareholders – refer to page 87 of the annual financial statements.

4.2. Share capital of the company – refer to note 22 on page 55 of the annual financial statements.

4.3. Directors' responsibility – the directors, whose names are set out on page 66 of the integrated report, collectively and individually accept full responsibility for the accuracy of the information contained in the notice of the annual general meeting to which this annexure is attached and the integrated report and certify that, to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement false or misleading and that they have made all reasonable enquiries in this regard, and further that the notice of annual general meeting to which this annexure is attached and this annexure contain all information required by law and the JSE Listings Requirements.

4.4. No material changes – other than the facts and developments reported on in the annual financial statements and the integrated report, there have been no material changes in the financial position of the company since the date of the audit report.

Notice of annual general meeting – Annexure B

Salient features of proposed Reunert Limited Share Matching Plan – Resolution 21

Introduction and purpose

In line with global and local best practice, Reunert Limited ("the company") proposes to adopt the Reunert Limited Share Matching Plan 2015 ("the Plan").

The object and purpose of the Plan is to:

- incentivise the group's top executive team ("Participants") to meet strategic long-term objectives that will help deliver value to shareholders;
- achieve alignment between the Participants' remuneration and the interests of the shareholders of the company; and
- act as a retention mechanism in a market where highly skilled people are in high demand.

The salient features of the proposed Plan are detailed below.

Participants 14.1(a)

The Plan will target senior employees, but the remuneration committee of the group (the "Remco") may, in its discretion, invite any person holding permanent salaried employment or office with any company in the group ("Employer Company") to participate in the Plan. Non-executive directors of the company are not eligible to participate in the Plan.

Basis of Awards and Nature of Instruments 14.1(e); 14.1(f)

Each year, the Remco shall determine which employees within the group will receive a short-term incentive award ("STI") as compensation for their performance in the immediately preceding financial year. In addition, the Remco will also decide whether to offer these employees the opportunity to participate in the Plan. These employees will receive an "STI Notice" inviting the employee to participate in the Plan and notifying the employee that he has three options in this regard:

- the employee may elect not to participate in the Plan, in which case his full STI will be settled in cash (net of employees' tax);
- the employee may elect to receive a portion (the "STI Percentage") of his STI in the form of shares in the company ("STI Shares"). The balance of his STI will be paid to him in cash (net of employees' tax); or
- the employee may elect to receive his full STI in the form of STI Shares (i.e. his STI Percentage will be 100%).

In the event that an employee qualifies for participation in the Plan, the employee's entitlement to any portion of the STI is conditional upon him making the election described above.

The employee must communicate his election to his Employer Company in an "Election Notice" on or before the prescribed "Election Date". If the employee elects to participate in the Plan (i.e. by electing to receive all or a portion of his STI in the form of STI Shares) he must consent to be bound by the terms of the Plan in his Election Notice.

The Participant will not be permitted to dispose of any STI Shares acquired in terms of the Plan until the "Matching Date" (being the third or fourth anniversary of the STI Date, as determined by Remco in its discretion and communicated to the Participant in the STI Notice). The STI Date is the first day of the financial year following the financial year to which the STI relates (i.e. 1 October).

On the Matching Date, the Participant will be entitled to receive "Matching Shares", which will be calculated with reference to (i) the number of STI Shares held by the Participant on the Matching Date in respect of a particular STI award and (ii) the "Matching Percentage" applied by Remco. The Matching Percentage is communicated to Participants in the STI Notice and may not exceed 100%.

After the Matching Date, the Participant will have full ownership rights in the STI Shares and the Matching Shares.

Any distributions made by the company after the acquisition of the STI Shares shall be due and payable to the Participant, subject to the deduction of any applicable tax.

Employment Condition 14.1(h)

Prior to the Matching Date, the right of a Participant to receive Matching Shares in terms of the Plan shall be forfeited by the Participant immediately upon the Participant ceasing to be employed by an Employer Company. However, if, in the opinion of Remco, the circumstances of the Participant ceasing to be employed by an Employer Company are such as to warrant him being entitled to receive his Matching Shares in terms of the Plan, Remco may in its sole discretion inform such Participant that he may still receive all or a portion of his Matching Shares, notwithstanding that he has ceased to be employed by an Employer Company.

In the event that:

- a Participant dies;
- a Participant ceases to be employed by an Employer Company or is unable to attend work for a period of six calendar months or more prior to the Matching Date due to ill-health;
- a Participant ceases to be employed by an Employer Company prior to the Matching Date due to retirement;
- a Participant ceases to be employed by an Employer Company prior to the Matching Date due to retrenchment;
- a Participant ceases to be employed by an Employer Company prior to the Matching Date due to the transfer of the business in which the Participant is employed to a third party as a going concern; or
- the Employer Company through which the Participant is eligible to participate in the Plan ceases to be a member of the group,

the Participant (or his estate, as appropriate) shall be entitled to receive a proportionate number of Matching Shares, determined in accordance with the amount of time that has elapsed since the STI Date.

A Participant who is transferred from one Employer Company to another within the group shall not be treated as having terminated his employment or ceasing to be employed by an Employer Company for purposes of the Plan.

A Participant who ceases to be employed by an Employer Company for any reason may retain his STI Shares and all restrictions upon such STI Shares shall fall away with effect from the date on which that Participant ceases to be employed by an Employer Company.

However, in the event that the financial results for the financial year to which the STI related, subsequently appear to have been materially inaccurate, or an act has been committed by a Participant which, in Remco's opinion, contributed to financial loss or reputational damage to the group, that Participant's STI Shares (and entitlement to Matching Shares), may be forfeited.

Consideration 14.1(d)

A Participant's STI will be multiplied by his STI Percentage to calculate the amount of his STI that is to be settled in STI Shares.

The Participant will not pay for the award of the Matching Shares.

Settlement of Shares

The Plan is flexible enough to allow for settlement through: (i) the purchase of shares on the open market; (ii) the use of treasury shares; or (iii) the issue of shares.

Dilution limits and adjustments

The maximum aggregate number of Shares which may at any one time be allocated under the Plan shall not exceed 11 000 000 (eleven million) Shares ("Plan Limit"). **14.1(b)**

New Shares that are issued and Shares held in treasury that are used to settle commitments in terms of the Plan will be included in the Plan Limit. Shares purchased in the open market, which are used to settle commitments in terms of the Plan, and Shares which are allocated to Participants but are subsequently forfeited, will be excluded from the Plan Limit.

The maximum number of Shares, which may be allocated to a single Participant in respect of all awards to that Participant (regardless of whether or not such Shares have vested, but excluding Shares which have been forfeited) may not exceed 500 000 (five hundred thousand) Shares ("Participant Limit"). **14.1(c)**

The Plan Limit and the Participant Limit will be adjusted proportionately in the event of a rights issue, consolidation, subdivision, reduction or other variation of the Shares. **14.3(a); 14.3(b)**

The company's auditors, or another independent advisor acceptable to the JSE, shall confirm to the JSE in writing at the time that such adjustment to the Plan Limit or the Participant Limit is finalised, that such adjustment has been properly calculated on a reasonable basis in accordance with the provisions of the Plan and that such adjustment causes a Participant's entitlement to the same proportion of the share capital as that to which it was previously entitled. Any adjustment must be reported on in the company's annual financial statements in the year during which the adjustment is made. The issue of Shares as consideration for an acquisition, the issue of Shares for cash and the issue of Shares for a vendor consideration placing will not be regarded as a circumstance requiring adjustment. **14.3(c); 14.3(d); 14.3(e)**

Takeovers/Reconstruction 14.1(g)

Where any person obtains control of the company, Remco may decide:

- to bring forward the Matching Date as part of such agreement, which will entitle the Participant to receive his Matching Shares on the accelerated Matching Date; or
- to replace the Matching Shares in the Plan with benefits in terms of a similar scheme, provided that such replacement benefits must put the Participant in a similar position to the position he was in immediately before the replacement benefits accrued to him.

Amendments 14.2

The Plan may only be amended by shareholder resolution requiring a 75% majority, provided that no amendment shall be made that would adversely affect a Participant's existing rights under the Plan and his likely position relative to other shareholders.

Specifically, the following provisions may only be amended by resolution requiring a 75% majority of the shareholders of the company in general meeting:

- the category of employees that are eligible to participate in the Plan; **14.1(a)**
- the Plan Limit; **14.1(b)**
- the Participant Limit; **14.1(c)**
- the amount payable by a Participant for the STI Shares and Matching Shares (if any); **14.1(d)**
- the voting, dividend, transfer and other rights (including those arising on liquidation of the company) attaching to Shares; and **14.1(e)**
- the basis on which Shares are awarded. **14.1(f)**

SUMMARISED FINANCIAL STATEMENTS

Supplementary financial data

Currency conversion table

To assist investors, the table below gives the approximate value of R1,00 against selected currencies at 30 September:

	2015	2014
US dollar	**0,0721**	0,0884
Pound sterling	**0,0475**	0,0545
Euro	**0,0644**	0,0701
Australian dollar	**0,1026**	0,1013
Japanese yen	**8,6573**	9,6993
Swedish krone	**0,6062**	0,6411
Swiss franc	**0,0703**	0,0846

Independent auditor's report on summary financial statements

To the shareholders of Reunert Limited

The accompanying summary consolidated financial statements, which comprise the summary consolidated statement of financial position as at 30 September 2015, the summary consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and related notes, are derived from the audited annual consolidated financial statements of Reunert Limited for the year ended 30 September 2015. We expressed an unmodified audit opinion on those annual consolidated financial statements in our report dated 20 November 2015. Our auditor's report on the audited annual consolidated financial statements contained an Other Matter paragraph "Other reports required by the Companies Act" (included below).

The summary consolidated financial statements do not contain all the disclosures required by the International Financial Reporting Standards and the requirements of the Companies Act of South Africa as applicable to annual financial statements. Reading the summary consolidated financial statements, therefore, is not a substitute for reading the audited annual consolidated financial statements of Reunert Limited.

Directors' responsibility for the summary consolidated financial statements

The directors are responsible for the preparation of the summary consolidated financial statements in accordance with the information required by IAS 34 Interim Financial Reporting and the requirements of the Companies Act of South Africa as applicable to summarised financial statements and for such internal control as the directors determine is necessary to enable the preparation of the summary consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the summary consolidated financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing 810, *Engagements to Report on Summary Financial Statements.*

Opinion

In our opinion, the summary consolidated financial statements derived from the audited annual consolidated financial statements of Reunert Limited for the year ended 30 September 2015 are consistent, in all material respects, with those annual consolidated financial statements, in accordance with the information required by IAS 34 Interim Financial Reporting and the requirements of the Companies Act of South Africa as applicable to summarised financial statements.

Other reports required by the Companies Act

The "other reports required by the Companies Act" paragraph in our audit report dated 20 November 2015 states that as part of our audit of the annual consolidated financial statements for the year ended 30 September 2015, we have read the Directors' Report, the Audit Committee's Report and the Company Secretary's Certificate for the purpose of identifying whether there are material inconsistencies between these reports and the audited annual consolidated financial statements. These reports are the responsibility of the respective preparers. The paragraph also states that, based on reading these reports, we have not identified material inconsistencies between these reports and the audited annual consolidated financial statements. The paragraph furthermore states that we have not audited these reports and accordingly do not express an opinion on these reports. The paragraph does not have an effect on the summary consolidated financial statements or our opinion thereon.

Deloitte & Touche

Deloitte & Touche
Registered Auditor

Per: Patrick Smit
Partner

20 November 2015

Building 1 and 2, Deloitte Place
The Woodlands, Woodlands Drive
Woodmead, Sandton, 2196

Summarised consolidated income statement

for the year ended 30 September 2015

Rm	Notes	2015	2014	% change
Revenue		**8 300**	7 774	7
EBITDA		**1 284**	1 125	14
Depreciation and amortisation		**117**	108	
Operating profit	2	**1 167**	1 017	15
Net interest income/(expense)	3	**135**	(10)	
Profit before abnormal items		**1 302**	1 007	29
Abnormal items		**–**	(327)	
Profit before taxation		**1 302**	680	91
Taxation		**360**	278	
Profit after taxation		**942**	402	134
Share of joint ventures' profit/(loss)		**17**	(12)	
Profit for the year from continuing operations		**959**	390	146
Profit for the year from discontinued operation	4	**42**	1 584	(97)
Profit for the year		**1 001**	1 974	(49)
Profit attributable to:				
Non-controlling interests		**7**	3	75
Equity holders of Reunert – from continuing operations		**952**	387	146
Equity holders of Reunert – from discontinued operation		**42**	1 584	(97)
Basic earnings per share from continuing operations (cents)	5 and 6	**579**	235	146
Diluted earnings per share from continuing operations (cents)	5 and 6	**570**	233	145
Basic earnings per share from discontinued operation (cents)	5 and 6	**26**	966	(97)
Diluted earnings per share from discontinued operation (cents)	5 and 6	**25**	955	(97)
Basic earnings per share (cents)	5 and 6	**604**	1 202	(50)
Diluted earnings per share (cents)	5 and 6	**595**	1 187	(50)

Cents	Notes	2015	2014	% change
Other measures of earnings per share from continuing operations				
Headline earnings per share	5 and 6	**576**	391	47
Diluted headline earnings per share	5 and 6	**568**	387	47
Normalised headline earnings per share	5 and 6	**568**	439	29
Diluted normalised headline earnings per share	5 and 6	**560**	434	29
Other measures of earnings per share				
Headline earnings per share	5 and 6	**588**	506	16
Diluted headline earnings per share	5 and 6	**579**	500	16
Normalised headline earnings per share	5 and 6	**580**	553	5
Diluted normalised headline earnings per share	5 and 6	**572**	547	5
Cash dividend per ordinary share declared		**407**	370	10

Summarised statement of comprehensive income

for the year ended 30 September 2015

Rm	2015	2014
Profit for the year	**1 001**	1 974
Other comprehensive income, net of taxation:		
Items that may be reclassified subsequently to profit or loss:		
Gains arising from translating the financial results of foreign subsidiaries	**3**	–
Total comprehensive income for the year	**1 004**	1 974
Total comprehensive income attributable to:		
Non-controlling interests	**7**	3
Equity holders of Reunert – continuing operations	**955**	387
Equity holders of Reunert – discontinued operation	**42**	1 584

Summarised consolidated balance sheet

at 30 September 2015

Rm	Notes	2015	2014
Non-current assets			
Property, plant and equipment, investment properties and intangible assets		**745**	722
Goodwill	8	**653**	649
Investments and loans	9	**95**	92
Investment in joint ventures		**158**	149
Rental and finance lease receivables		**1 463**	1 465
Deferred taxation		**92**	51
		3 206	3 128
Current assets			
Inventory and contracts in progress		**990**	984
Rental and finance lease receivables		**728**	722
Accounts receivable and taxation		**1 689**	1 436
Derivative assets	10	**22**	8
Cash and cash equivalents		**2 713**	697
Assets of discontinued operation	4	**51**	2 607
		6 193	6 454
Total assets		**9 399**	9 582
Equity attributable to equity holders of Reunert		**6 679**	6 269
Non-controlling interests		**46**	63
Total equity		**6 725**	6 332
Non-current liabilities			
Deferred taxation		**98**	121
Long-term borrowings	11	**239**	425
Non-current liabilities of discontinued operation	4	**–**	251
		337	797
Current liabilities			
Accounts payable, provisions and taxation		**2 003**	1 455
Derivative liabilities	10	**7**	4
Bank overdrafts and short-term loans		**77**	334
Current portion of long-term borrowings		**201**	9
Current liabilities of discontinued operation	4	**49**	651
		2 337	2 453
Total equity and liabilities		**9 399**	9 582

Summarised consolidated cash flow statement

for the year ended 30 September 2015

Rm	2015	2014
EBITDA	**1 329**	1 315
EBITDA from continuing operations	**1 284**	1 125
EBITDA from discontinued operation	**45**	190
Decrease/(increase) in net working capital	**62**	(44)
Other (net)	**79**	(93)
Cash generated from operations	**1 470**	1 178
Net interest	**133**	(6)
Taxation paid	**(415)**	(332)
Dividends paid (including to non-controlling interests)	**(629)**	(612)
Net cash flows from operating activities	**559**	228
Net cash flows from investing activities	**1 641**	(494)
Capital expenditure	**(146)**	(122)
Net cash flows arising from disposal of businesses	**1 789**	–
Net cash flows arising from acquisition of businesses	**(19)**	(219)
Movement in total rental and finance lease receivables	**(2)**	(192)
Non-current loans repaid	**(5)**	(2)
Dividends received	**10**	38
Other	**14**	3
Net cash flows from financing activities	**21**	439
Shares issued	**32**	27
Long-term borrowings (repaid)/raised	**(3)**	404
Equity transactions with non-controlling interest[1]	**(21)**	(16)
Government grant received relating to plant and equipment[1]	**13**	21
Other	**–**	3
Increase in net cash resources	**2 221**	173
Net cash resources at the beginning of the year	**415**	242
Net cash resources at the end of the year	**2 636**	415
Cash and cash equivalents	**2 713**	697
Cash and cash equivalents of discontinued operation	**–**	52
Bank overdrafts	**–**	(34)
Quince short-term borrowings	**(77)**	(300)
Net cash resources at the end of the year	**2 636**	415

[1] *These balances were reported as investing activities in the 2014 annual financial statements.*

The cash flow statement includes the cash flows of all operations, including the discontinued operation, which has been recorded in terms of IFRS 5 – Non-current Assets Held for Sale.

Summarised consolidated statement of changes in equity

for the year ended 30 September 2015

Rm	2015	2014
Share capital		
Balance at the beginning of the year	294	288
Issue of shares	32	27
Cancellation of issued shares	(8)	(21)
Balance at the end of the year	318	294
Share-based payment reserve		
Balance at the beginning of the year	–	–
Share-based payment expense	16	6
Transfer to retained earnings	–	(6)
Balance at the end of the year	16	–
Equity transactions with empowerment partner and non-controlling shareholders		
Balance at the beginning of the year	–	–
Net changes in non-controlling interests	(10)	(7)
Transferred to retained earnings	10	7
Balance at the end of the year	–	–
Empowerment shares*	(276)	(276)
Treasury shares		
Balance at the beginning of the year	(313)	(1 254)
Cancellation of issued shares	313	941
Balance at the end of the year	–	(313)
Foreign currency translation reserves		
Balance at the beginning of the year	3	2
Other comprehensive income	3	1
Balance at the end of the year	6	3
Retained earnings		
Balance at the beginning of the year	6 561	6 118
Profit after taxation attributable to equity holders of Reunert	994	1 970
Cash dividends declared and paid	(625)	(606)
Cancellation of issued shares	(305)	(920)
Transfer to reserves	(10)	(1)
Balance at the end of the year	6 615	6 561
Equity attributable to equity holders of Reunert	6 679	6 269
Non-controlling interests		
Balance at the beginning of the year	63	59
Share of total comprehensive income	7	3
Dividends declared and paid	(4)	(6)
Net changes in non-controlling interests	(20)	9
Settlement of non-controlling interest loan	–	(2)
Balance at the end of the year	46	63
Total equity at end of the year	**6 725**	**6 332**

* *These are shares held by Bargenel Investments (Pty) Ltd (Bargenel), a company sold by Reunert to an accredited empowerment partner in 2007. Until the amount owing by the empowerment partner is repaid to Reunert, Bargenel is consolidated by the group as the significant risks and rewards of ownership of the equity have not passed to the empowerment partner.*

Summarised segmental analysis

for the year ended 30 September 2015

Rm	2015	% of total	2014	% of total	% change
Revenue[1]					
Electrical engineering (CBI-electric)	4 112	45	3 611	32	14
ICT (Nashua)	3 961	43	6 787	59	(42)
Applied electronics (Reutech)	1 081	12	1 000	9	8
Other	23	–	17	–	35
Total operations	9 177	100	11 415	100	(20)
Revenue from equity accounted joint ventures (CBI-electric)	(347)		(293)		
Revenue from discontinued operation (Nashua)	(530)		(3 348)		
Revenue as reported	8 300		7 774		7
Operating profit					
Electrical engineering (CBI-electric)	520	42	428	36	21
ICT (Nashua)[2]	577	47	637	53	(9)
Applied electronics (Reutech)	181	15	170	14	6
Other[2]	(42)	(4)	(36)	(3)	(17)
Total operations	1 236	100	1 199	100	3
Operating (profit)/loss from equity accounted joint ventures (CBI-electric)	(25)		2		
Operating profit from discontinued operation (Nashua)	(44)		(184)		(76)
Operating profit as reported	1 167		1 017		15

[1] *Inter-segment revenue is immaterial and has not been separately disclosed.*

[2] *Net interest charged to Quince through the group treasury function has been eliminated in line with the consolidation principles of IFRS. This amounted to R77 million (2014: R82 million).*

Rm	2015	% of total	2014	% of total
Total assets				
Electrical engineering (CBI-electric)	1 900	20	1 923	20
ICT (Nashua)	3 976	43	6 399	67
Applied electronics (Reutech)	979	10	651	7
Other[3]	2 544	27	609	6
Total assets as reported	9 399	100	9 582	100

[3] *Other consists mainly of group treasury cash balances.*

Notes

1. Basis of preparation

These summarised consolidated financial statements were prepared in accordance with the framework concepts and the recognition and measurement criteria of IFRS and its interpretations adopted by the International Accounting Standards Boards (IASB) in issue and effective for the group at 30 September 2015 and the SAICA Financial Reporting Guides, as issued by the Accounting Practices Committees and Financial Reporting pronouncements as issued by the Financial Reporting Standards Council. This summarised consolidated information was prepared using the information as required by IAS 34 – Interim Financial Reporting, and complies with the International Financial Reporting Standards for summarised reports and the requirements of the Act. This report was compiled under the supervision of NA Thomson CA(SA) (chief financial officer).

The group's accounting policies, as per the audited financial statements for the year ended 30 September 2015, were consistently applied with those used in the prior year financial statements. These accounting policies comply with IFRS.

Rm	2015	2014
2. Operating profit		
Operating profit includes:		
– Cost of sales	5 416	5 144
– Other expenses excluding depreciation and amortisation	1 652	1 591
– Other income	31	68
– Realised loss on foreign exchange and derivative instruments	(13)	(27)
– Unrealised gain on foreign exchange and derivative instruments	34	45
3. Net Interest		
Interest income	150	14
Interest expense	(16)	(25)
Other	1	1
Total	135	(10)

4. Discontinued operation

As announced in the prior year, Nashua Mobile, entered into sale agreements with the mobile network operators, in terms of which it disposed of its subscriber bases. Following the major conditions precedent in the sale agreement being met, including an unconditional approval from the Competition Tribunal on 29 September 2014, the sale was recognised in the prior financial year. The customers were transferred to the purchasers with effect from December 2014.

Arising out of this, the group income statement and related notes, which are for continuing operations only, exclude the results of the Nashua Mobile discontinued operation.

Nashua Mobile is presented in the Nashua segment of the segmental analysis.

The income statement, abridged cash flows and related notes of Nashua Mobile are presented below:

Summarised income statement

Rm	2015	2014	% change
Revenue	530	3 348	(84)
EBITDA	45	190	(76)
Profit for the year	42	1 584	(97)

Summarised statement of cash flow

Rm	2015	2014
Net cash flows from:		
Operating activities	(92)	183
Investing activities	1 789	4
Financing activities	–	–
Net cash inflow	1 697	187

4. Discontinued operation continued

Summarised balance sheet

The major classes of assets and liabilities of Nashua Mobile at the end of the year were as follows:

Rm	2015	2014
Assets of discontinued operation	51	2 607
Non-current liabilities of discontinued operation	–	251
Current liabilities of discontinued operation	49	651
5. Number of shares used to calculate earnings per share		
Weighted average number of shares in issue used to determine basic earnings, headline earnings and normalised headline earnings per share (millions of shares)	165	164
Adjusted by the dilutive effect of unexercised share options granted (millions of shares)	2	2
Weighted average number of shares used to determine diluted basic, headline and normalised headline earnings per share (millions of shares)	167	166
6. Headline earnings		
6.1 Profit attributable to equity holders of Reunert from continuing operations	952	387
Headline earnings are determined by eliminating the effect of the following items from attributable earnings:		
Net gain on disposal of property, plant and equipment and intangible assets (after tax charge of R1 million)	(4)	–
Impairment of goodwill in subsidiaries (2014: after tax charge of Rnil)	–	246
Impairment of goodwill in equity accounted joint venture (2014: after tax charge of Rnil)	–	11
Impairment reversal recognised for property, plant and equipment (2014: charge of R1 million)	–	(2)
Headline earnings from continuing operations	948	642
Profit attributable to equity holders of Reunert from discontinued operation	42	1 584
Net gain on disposal of business (after tax charge of R18 million) (2014: charge of R264 million)	(22)	(1 397)
Headline earnings from discontinued operation	20	187
Headline earnings	968	829
6.2 Normalised headline earnings		
Headline earnings from continuing operations (refer to note 6.1)	948	642
Normalised headline earnings are determined by eliminating the effect of the following items from attributable headline earnings:		
Settlement provided in respect of ATC (after a tax credit of Rnil)	–	81
Economic interest in the settlement provided in respect of ATC attributable to non-controlling interests with outstanding equity-related loan accounts	–	(8)
Net economic interest in profit attributable to non-controlling interests with outstanding equity-related loan accounts (refer to note 7)	(13)	5
Normalised headline earnings from continuing operations	935	720
Headline earnings attributable to equity holders of Reunert from discontinued operation	20	187
Normalised headline earnings	955	907
7. Non-controlling interests with outstanding equity-related loan accounts		
Where the significant risks and rewards of ownership in respect of equity interests have not passed to the non-controlling shareholders, these are not recognised as non-controlling interests Had the non-controlling interests been recognised, the effect would be the following:		
– Net economic interest in current year profit/(loss) that is attributable to all affected non-controlling shareholders	13	(5)

Notes continued

Rm	2015	2014
8. Goodwill		
Carrying value at the beginning of the year	**649**	792
Acquisition of businesses	**13**	263
Disposals of businesses and subsidiaries	**(6)**	–
Goodwill impaired during the year	**–**	(246)
Exchange differences on consolidation of foreign subsidiaries	**(3)**	(2)
Goodwill derecognised with discontinued operation	**–**	(158)
Carrying value at the end of the year	**653**	649
9. Investments and loans		
Loans – at cost	**81**	76
Investment in insurance cells – at fair value	**14**	14
Other unlisted investments – at cost	**–**	2
Carrying value at the end of the year	**95**	92
10. Fair Value classification and measurement		
During the year under review, the only financial instruments that the group held at fair value were:		
Derivative assets	**22**	8
Derivative liabilities	**7**	4
These were classified as Level 2 instruments in the fair value hierarchy and comprise forward exchange contracts and interest rate swaps. The fair value of these derivative financial instruments is calculated using a discounted cash flow model with the major variables being the discount rate and the spot exchange rate. The calculations were performed by major financial institutions.		
11. Long-term borrowings		
Total long-term borrowings (including finance leases)[1]	**440**	434
Less: short-term portion (including finance leases)	**(201)**	(9)
	239	425

[1] *Long-term borrowings in respect of the Quince rental book amount to R200 million (2014: R404 million).*

12. Unconsolidated subsidiary

The financial results of Cafca Ltd (Cafca), a subsidiary incorporated in Zimbabwe, have not been consolidated in the group results as the group does not have management control:

- Reunert does not have a majority vote on the board of directors of Cafca and therefore does not control the board; and
- The difficult economic circumstances in Zimbabwe have resulted in a major liquidity crisis which renders Reunert's access to economic benefits from Cafca (e.g. dividends) such that it does not have the ability to affect its variable returns through its powers over Cafca.

The amounts involved are not material to the group's results. At 30 September 2015, Cafca's retained earnings amounted to US$14 million (2014: US$12 million).

13. Related-party transactions

The group entered into various transactions with related parties, which occurred in the ordinary course of business and under terms that are no more favourable than those arranged with independent third parties.

14. Events after the reporting date

No events occurred after the reporting date that require additional disclosure or adjustment to the results presented.

15. Audit opinion

These summarised consolidated financial statements were derived from the group's consolidated financial statements and are consistent in all material respects with the group's consolidated financial statements. The directors take full responsibility for the preparation of the summarised consolidated financial statements. The auditors, Deloitte & Touche, issued unmodified audit opinions on the group's consolidated financial statements and on these summarised consolidated financial statements for the year ended 30 September 2015 and the audit opinions are available for inspection at Reunert's registered office. The audit was conducted in accordance with the International Standards on Auditing. The auditors' report does not necessarily report on all information contained in this announcement. Shareholders are therefore advised that in order to obtain a full understanding of the nature of the auditor's engagement they should obtain a copy of that report together with the accompanying financial information from the issuers registered office. Any reference to future performance included in this announcement has not been reviewed or reported on by the auditors.

Supplementary information

for the year ended 30 September 2015

Rm (unless otherwise stated)	2015	2014
Net worth per share (cents)	**4 047**	3 816
Current ratio (:1)	**2,6**	2,6
Net number of ordinary shares in issue (million)	**165**	164
Number of ordinary shares in issue (million)	**184**	188
Less: Empowerment shares (million)	**(19)**	(19)
Less: Treasury shares (million)	**–**	(5)
Capital expenditure	**146**	122
– expansion	**104**	92
– replacement	**42**	30
Capital commitments in respect of property, plant and equipment	**68**	38
– contracted	**41**	22
– authorised not yet contracted	**27**	16
Commitments in respect of operating leases	**75**	75
Contingent liabilities	**–**	–

A full list of abbreviations and acronyms is available in the audited financial statements.

Shareholders' diary

Cash Dividends

Final Dividends for 2015

Declared	20 November 2015
Last date to trade (cum dividend)	Friday, 8 January 2016
First date of trading (ex-dividend)	Monday, 11 January 2016
Record date	Friday, 15 January 2016
Payment date	Monday, 18 January 2016

Shareholders may not dematerialise or rematerialise their shares between Monday, 11 January 2016 and Friday, 15 January 2016, both days inclusive.

Reporting

Cut-off date for voting and proxies	16h00, Thursday, 11 February 2016
Annual general meeting	10h00, Monday, 15 February 2016
Announcement of interim results for 2016[1]	24 May 2016
Financial year-end	30 September 2016
Announcement of final results for 2016[1]	22 November 2016
Annual report for 2016 posted on or about[1]	15 December 2016

[1] *Please note that dates are subject to change.*

Cash dividend

Notice is hereby given that a gross final cash dividend No 179 of 302 cents per ordinary share (2014: 275 cents per share) has been declared by the directors for the year ended 30 September 2015.

The dividend has been declared from income reserves.

A dividend withholding tax of 15% will be applicable to all shareholders who are not exempt from, or who do not qualify for, a reduced rate of withholding tax. The net dividend payable to shareholders subject to withholding tax at a rate of 15% thus amounts to 256,70 cents per share.

The issued hare capital at the declaration date is 183 531 596 ordinary shares. Reunert's income taxation reference number is 9100/101/71/7P.

In compliance with the requirements of Strate, the following dates are applicable:

Last date to trade (cum dividend)	Friday, 8 January 2016
First date of trading (ex dividend)	Monday, 11 January 2016
Record date	Friday, 15 January 2016
Payment date	Monday, 18 January 2016

Shareholders may not dematerialise or rematerialise their share certificates between Monday, 11 January 2016 and Friday, 15 January 2016, both days inclusive.

Corporate information and administration

Reunert Ltd

(Incorporated in the Republic of South Africa)
ISIN: ZAE000057428
Short name: REUNERT
JSE code: RLO
Currency: ZAR
Registration number: 1913/004355/06
Founded: 1888
Listed: 1948
Sector: Electronic and electrical equipment

Business address and registered office

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South Africa

Postal address

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Sandton
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South Africa

Group secretary and administration

Reunert Management Services (Pty) Ltd
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Sponsor

Rand Merchant Bank (A division of FirstRand Bank)

Principal bankers

Nedbank
Standard Bank

Acknowledgement
Nashua photograph on cover: Photographer Francois J Potgieter