

FOR IMMEDIATE RELEASE

Weg Transformers Africa Boosts Zest Weg Group's Local Manufacturing Base

The Zest WEG Group's 2013 acquisition of a transformer manufacturing operation has increased its local manufacturing base and substantially increased its staff complement in South Africa to over 700 people.

Wadeville-based WEG Transformers Africa, formerly Hawker Siddeley Electric Africa, is one of the largest manufacturers of mini substations, unit substations and distribution transformers in the country, with the capability to design and manufacture the complete range presently in use in the country's industrial sector.

"The acquisition last year of this leading transformer operation is in line with the WEG Group's 2020 vision to grow the business on this continent both organically and through acquisitions," Gary Daines, Zest WEG Group's group sales and marketing director, says. "WEG has a strategic plan to increase its sales by at least 17% year on year until 2020, when it aims to arrive at a turnover of US\$10-billion. However, WEG is very aware that in order to participate in the African market, it needs to contribute to the local economy. As a growing local employer, the Zest WEG Group is on board to support our government's localisation drive and we're achieving this by continuing to expand our production facilities and developing a robust technical skills base.

"From a group perspective, adding the transformer product range to the Zest WEG Group's offering is very strategic as it complements all our activities and slots in perfectly with our aggressive Africa growth initiative. We have a phenomenally strong national sales team, as well as a network of branches, which are already starting to sell and support the range.

"An important success factor is that the transformer products are 'Africanised' and suitable for local conditions. In their manufacture we ensure suitability for operation and for logistical movement in Africa. This has resulted in a very conservative design that will also place us in a strong position when we export these products into first world markets."

Since last year's takeover, WEG Transformers Africa has embarked on a significant upgrade initiative to enhance its equipment, processes and design packages. The initiative includes major improvements to its office buildings and staff amenities.

Danford Mugadza, managing director of WEG Transformers Africa, says the upgrades will bring the company in line with WEG's technology platform and enable it to compete on the world market. At the same time, the cutting edge technologies being introduced will create significant employment opportunities and increase the rate of skills transfer from WEG's technical teams in Brazil to the local workforce.

"We're finding it very rewarding to supplement our operation with all levels of skills and to develop our people through a combination of training them to operate the new equipment and with general skills through the regular Zest WEG Group training programmes," says Mugadza. "We have a current target to increase our workforce by about 40 people over the next 18 months – nearly a 50% increase in capacity — that will position us for future growth and expansion.

"We've set our sights on expanding supply not only within South Africa and to other African countries, but also into the Australasian, Middle Eastern and European markets where WEG has established customer bases. This requires a strong focus on achieving and maintaining world class quality levels and we've currently working on standardising our quality in line with other companies in the WEG Group. WEG Transformers Africa is ISO 9001 accredited, but as we grow and develop the business we need to ensure that our quality systems stay abreast of these advances. We're also improving our environmental standards and investing heavily in making our facility ISO 14000 compliant."

WEG Transformers Africa mini substations and unit substations have a range from 100 kVA to 1000 kVA in voltages up to 22 kV. The company specialises in Type 'B' mini substations, fabricated in mild steel or 3CR12 corrosion resistant steel as recommended in SABS 1029, 1030 and NRS004, with the transformer section complying with SABS 780 and NRS005.

The standard size mini substations consist of 100 kVA, 160 kVA, 200 kVA, 315 kVA, 500 kVA, 630 kVA, 800 kVA and 1000 kVA units. HT and LT switchgear can be provided to suit individual

requirements with advice and recommendations on the most appropriate switchgear provided by the company's experienced engineers.

WEG Transformers Africa's standard distribution, power and special application transformers range from 50 kVA to 10 000 kVA in voltages up to 66 kV with off-load tap-switch or on- load tap-changers. In addition, the company manufactures special application units for mining, industrial, rectifier/traction, converter and thyristor drive applications. Dimensions are always within SABS recommendations.

Each unit is fully tested in accordance with SABS and other standard specifications and test certificates are available on request. In addition, distribution transformers carry the SABS mark of approval corroborating that the company's manufacturing facilities are subject to regular routine visits by SABS inspectors.

WEG TRANSFORMERS AFRICA PIC 01 : Wadeville-based WEG Transformers Africa, formerly Hawker Siddeley Electric Africa, is one of the largest manufacturers of mini substations, unit substations and distribution transformers in the country.

WEG TRANSFORMERS AFRICA PIC 02 : The Zest WEG Group's 2013 acquisition of a transformer manufacturing operation has increased its local manufacturing base and substantially increased its staff complement in South Africa.

WEG TRANSFORMERS AFRICA PIC 03 : Some of the first WEG transformers to leave Wadeville-based WEG Transformers Africa.

WEG TRANSFORMERS AFRICA PIC 04 : WEG transformers are manufactured under stringent quality control processes in WEG Transformers Africa's ISO accredited facility.

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