



24 August 2011



Amecor buys Secequip

JSE-listed Amecor has made a further acquisition into the electronics industry through its purchase today of a 79% interest in Secequip, an importer and distributor of electronic products and equipment, for R27m.

Amecor, through its diversified interests in the security sector, including manufacturer of electronic security solutions FSK Electronics and Sabre Radio Networks, already is a leading supplier of branded electronic equipment throughout South Africa.

The acquisition of Secequip will enhance Amecor's suite of product offerings to the commercial security industry by introducing Secequip's extensive range of electronic turnkey solutions predominantly in the security market as well as the broader electronics market, including the well known Texecom range, to its existing and new clients.

Amecor primarily designs, manufactures and distributes its proprietary branded security equipment in South Africa and operates a countrywide communication network.

Secequip is a leading importer of electronic security solutions, including CCTV equipment, video surveillance equipment, motion detectors, perimeter detection and heat and smoke detectors etc, which it distributes through its national network of 13 branches across South Africa.

The two entities are thus complementary and having access to Secequip's national branch network will greatly assist Amecor in getting its proprietary products to a wider market.

Says Amecor CEO Dereck Alexander:

"The acquisition of Secequip is a natural fit as its products and electronic solutions are complementary to Amecor's. The Amecor team has co-operated with Secequip for a number of years informally. We believe this strategic acquisition is valuable to us in that it will broaden our business and offer complete turnkey security solutions to our customers.

"We have had Secequip on our radar screen for some time. The completion of this important transaction will open the door for accelerated organic growth

of our existing businesses and will provide a platform for us to expand our product range and service offering steadily in the medium term.”

For example, FSK’s remote monitoring electronically controlled security application and Sabre’s data transmission and signalled response network interface directly with Secequip’s range of control panels, motion detectors, heat and smoke detectors, and perimeter protection devices.

Stephen Courtney, Chairman of Amecor commented: “the addition of a national distribution platform is a fundamental building block in taking Amecor to the next level as a larger, more broad-based electronic manufacturing and distribution group.”

The transaction is subject to the normal conditions precedent, including the approval of the JSE, Amecor directors and shareholders and the regulatory authorities.

Ends

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