

On behalf of **Theo, Sjoerd** and all of us at **Hesto**

A Warm Welcome to
All Metair Guests

to see our
People, Factory and
Processes.

Our Executive Management Team

Recent Appointments

 Expat

 South African



John Chandler
Managing Director

Senior Executive



Toyokazu Machida
SGM
Engineering & Quality



Siva Govender
Manufacturing Director



Shakoor Khan
Finance Director



Sinqobile Khuluse
Human Resources Director



Takahito Sakamoto
Commercial Director

Junior Executive



Chris Pennell
SM
Engineering



Faith Mkhwanazi
SM
Quality



Charmaine Manikum
SM
Assembly North



Lethukuthula Mbiko
SM
Assembly South



Kgomotso Makakase
SM
Combimeter & Moulding

- Finance
- Company Secretary
- IT Development
- ERP Maintenance
- Logistics & Stores

- Pre-Assembly
- Production Control
- Outbound Logistics
- Internal Logistics

- HR
- IR
- Health & safety
- Training & Dev
- BBBEE Strategy & Adherence

- Cost Planning
- Commercial
- Liaison with Yazaki & Customer
- VAVE / Localisation

Some History

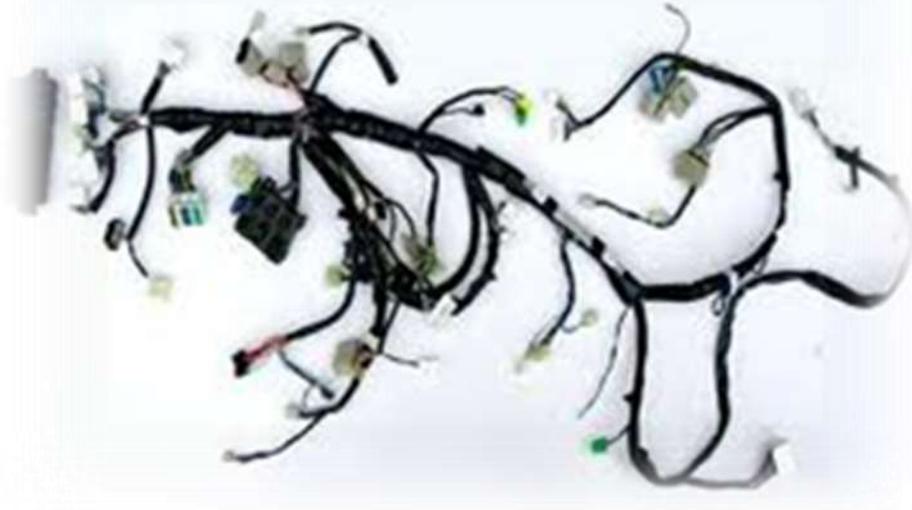
Long Service Awards



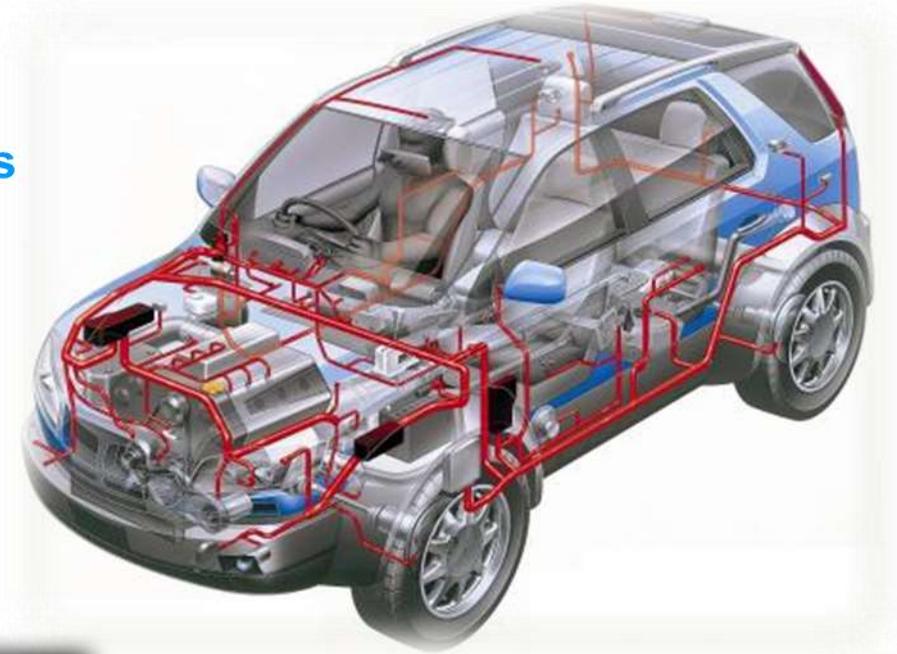
183 Employees celebrated 10 years or greater service in July 2019

- Hesto began as a Metair Company in 1989 in Isethebe
- ✨ The name derived from **H**ella **S**miths **T**oyota = **HESTO**
- Kwa Dukuza factory built in 1996 & Extended in 2006
- ✨ JV signed with Yazaki in 2006
- Quantum factory Extension in 2016
- Instrument Cluster Factory Extension in 2016

What We Make



Wiring Harnesses



Instrument Clusters

What We Make – Wiring Harnesses Connecting Everything

Sometimes
likened to
the veins of
the car



Every year, the number of connections & circuits is increasing

What We Make – Instrument Cluster Assembly – 84 Part Numbers



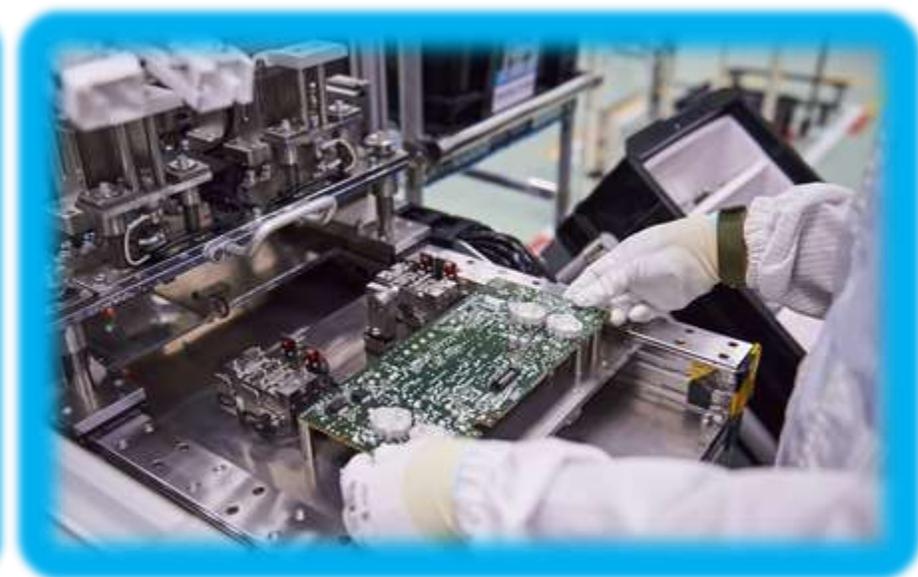
Fortuner Instrument Cluster



The Instrument Cluster



Hilux Instrument Cluster



The Assembly Process

What We Make – Injection Mouldings as Vertical Integrated Localization



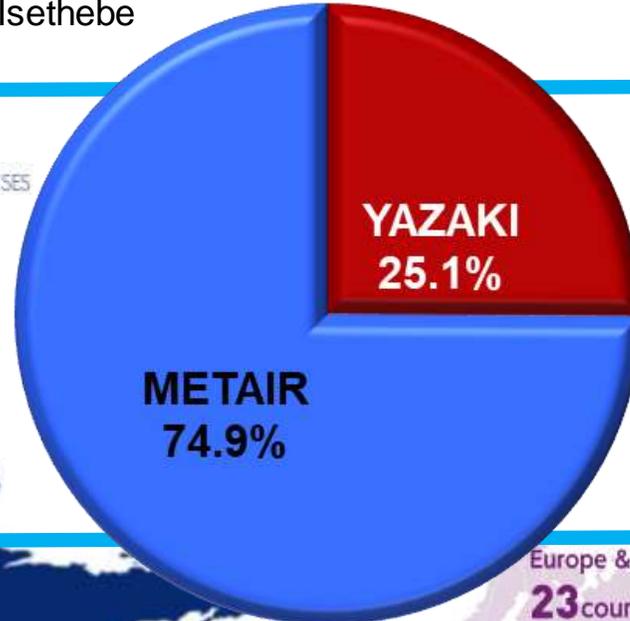
Our Shareholders



Set up Hesto 1986 in Isethebe



JV signed 2006



Employees	306 118
Companies	167
Countries	46
Sites	596

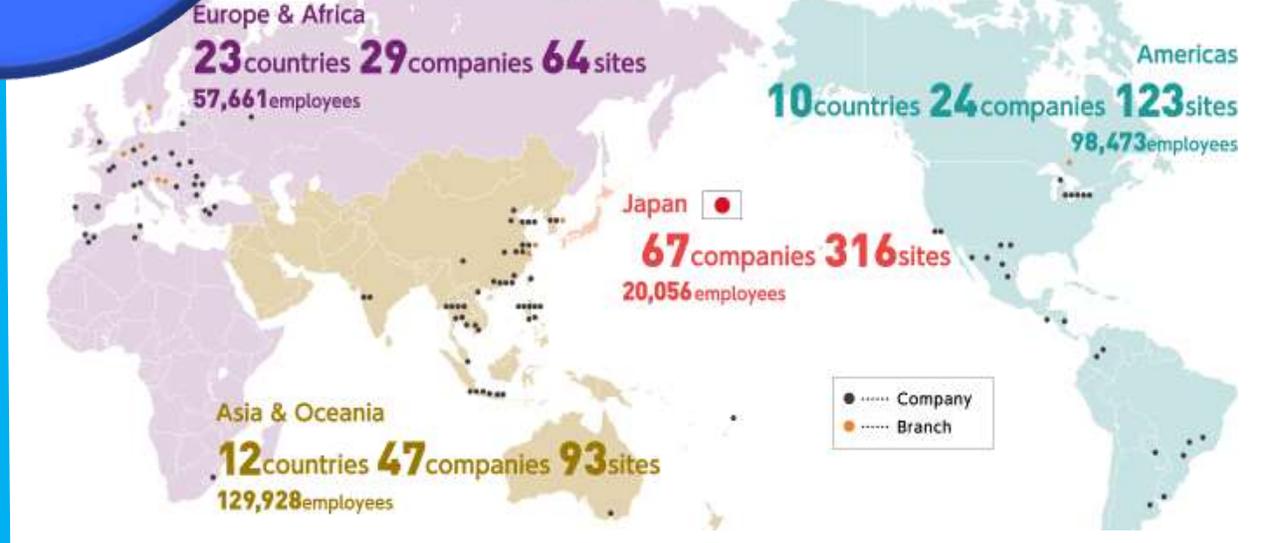
Automotive



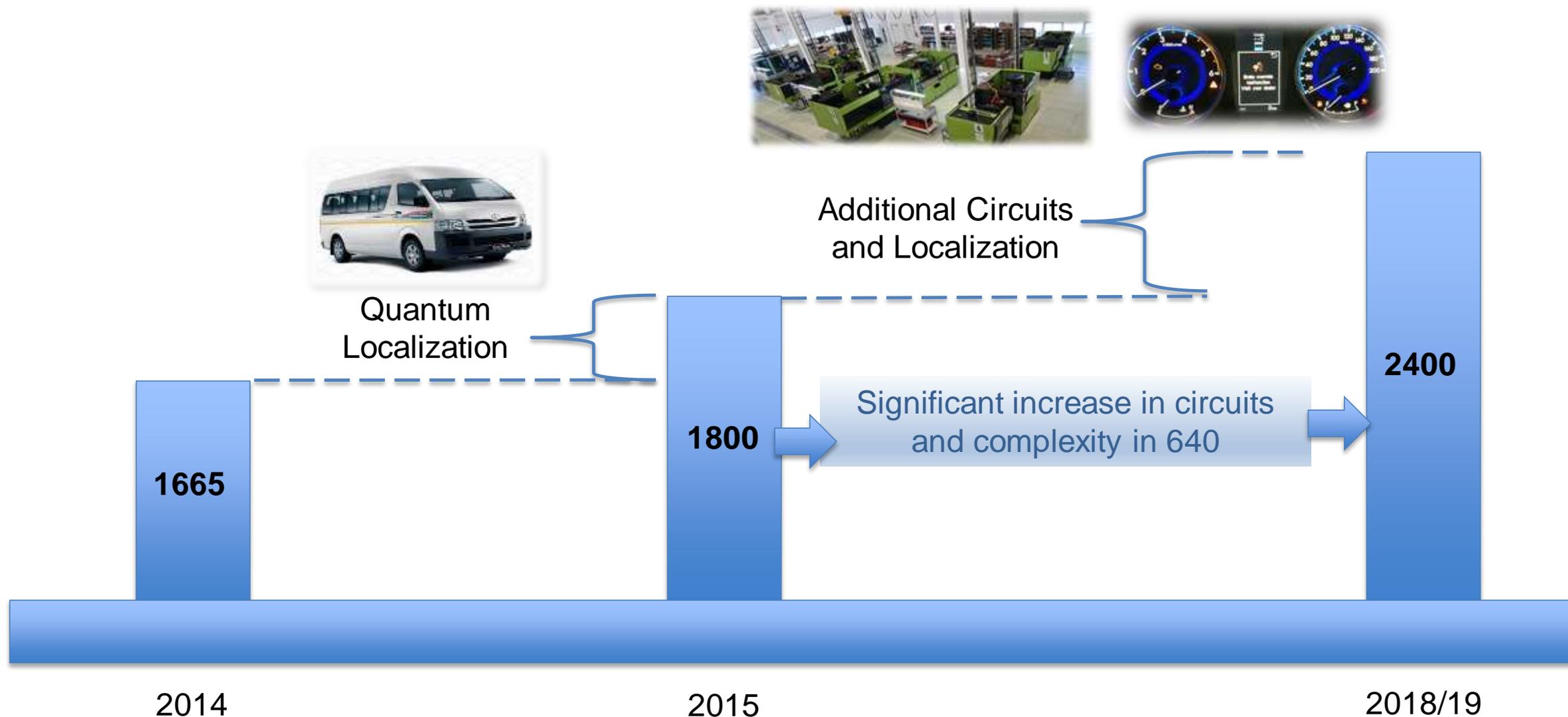
Energy



Manufacture
Distribution



Our Employees – Growth



Our Customers

TOYOTA



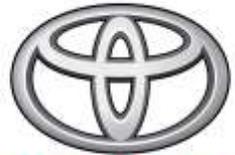
Quest



Corolla



Quantum



TOYOTA



Fortuner



Hilux

ISUZU



Isuzu D Max

ISUZU

Sustainability - Our Accreditations and Compliance

BBBEE Level 2

Category	Max Score	Bonus Points	Total Possible	Hesto Score
Ownership	25		25	23
Management Control	19		19	15,38
Skills Development	20	5	25	22,07
Ent & Supplier Dev	40	4	44	32,3
Socio Economic Dev	5		5	5
Total	109	9	118	97,75

BBBEE level 2 (125% Proc Recognition Level)

IATF 16949 --- Quality

ISO 9001 ----- Quality

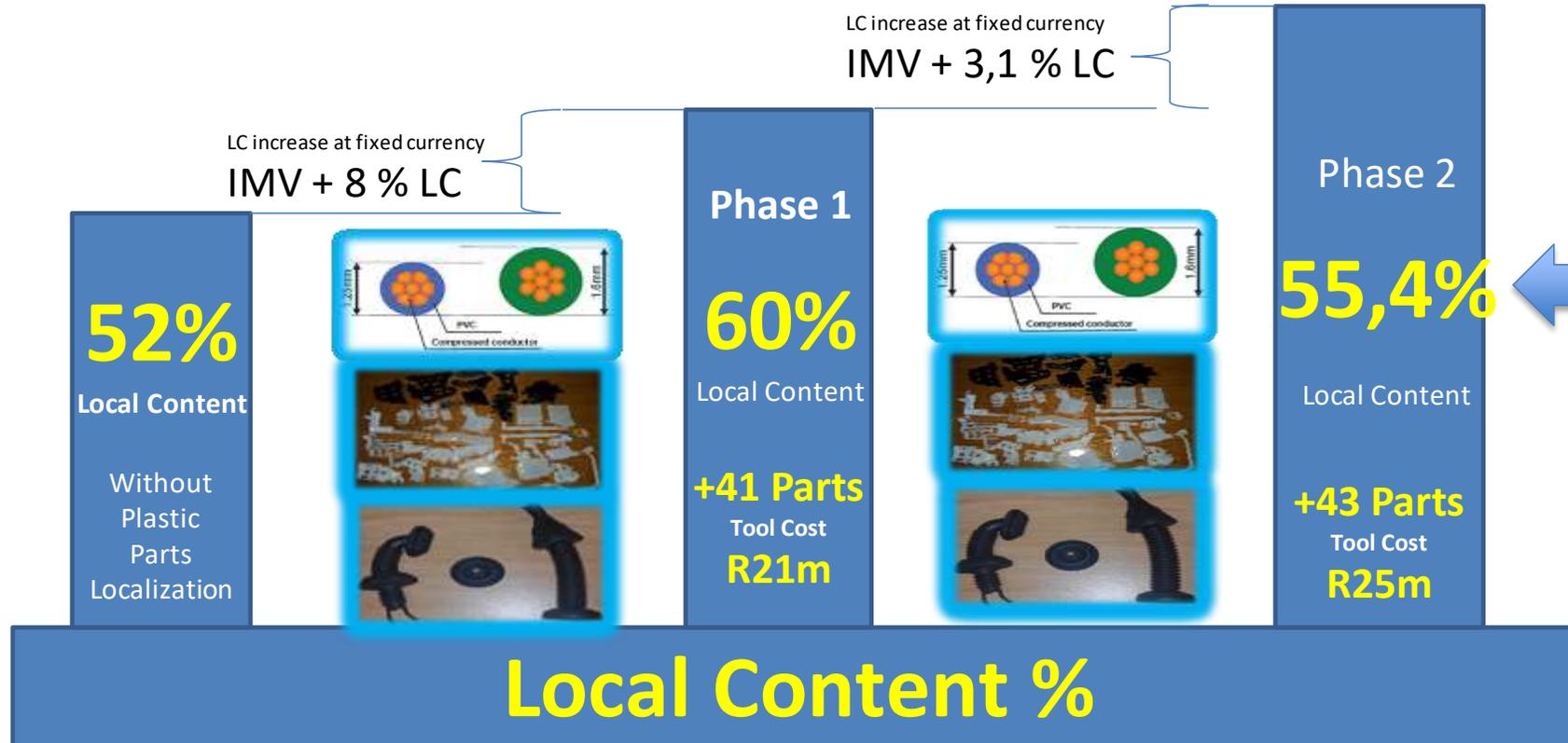
OHSAS 18001 --- Safety

ISO 14000 --- Environment

ISO 50001 ---- Energy

Sustainability – Increasing Local Content

Illustrative Values
at ZAR Weakest
point in 2018



Illustrative Values
at ZAR Weakest
point in 2018

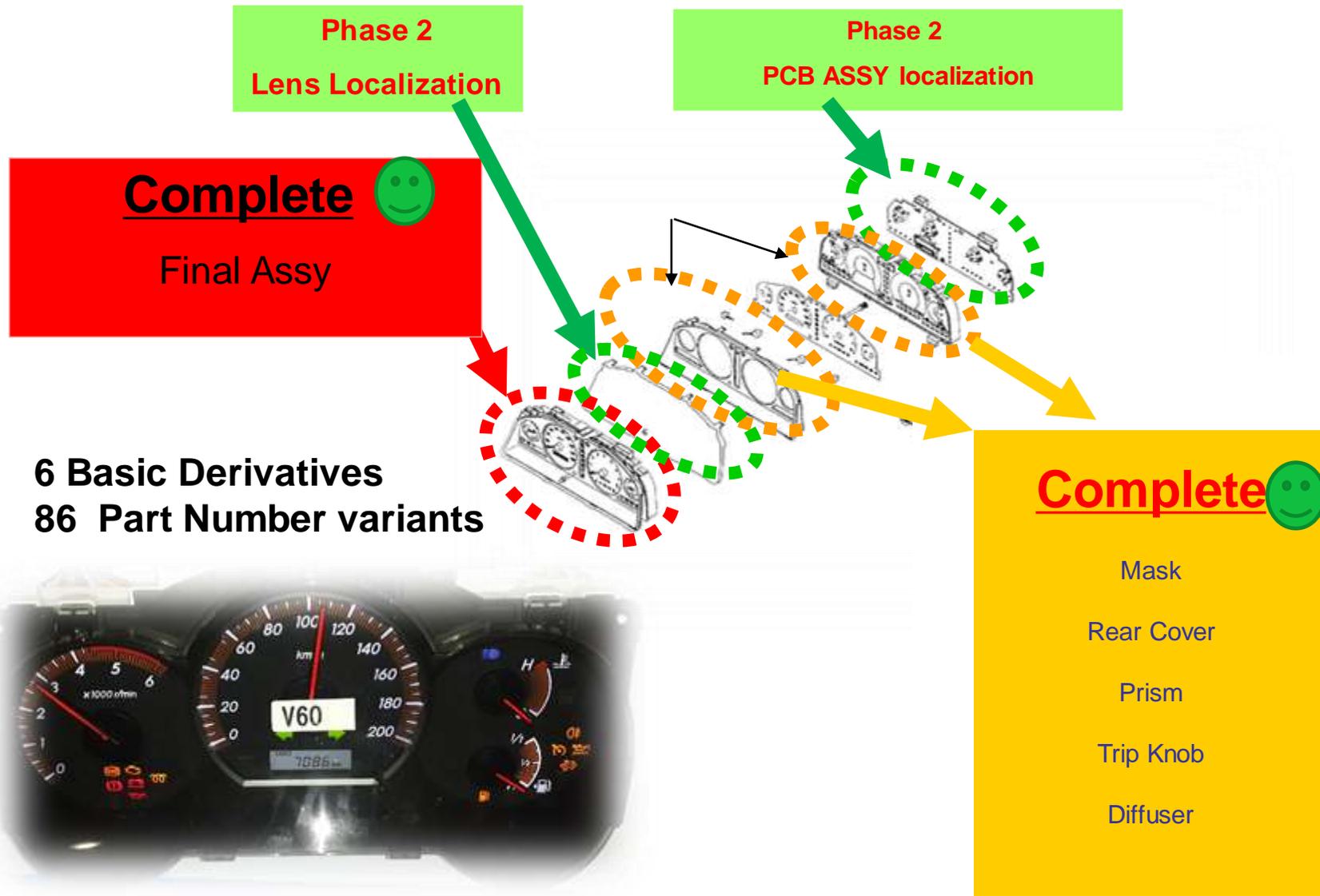
Harness Before
Plastic Parts &
Grommets
Localization

Completed
2016

Current
Project WIP

As ZAR weakens, LC reduces, but competitiveness improves

Adding Value – Deepening Localization as Phased Approach

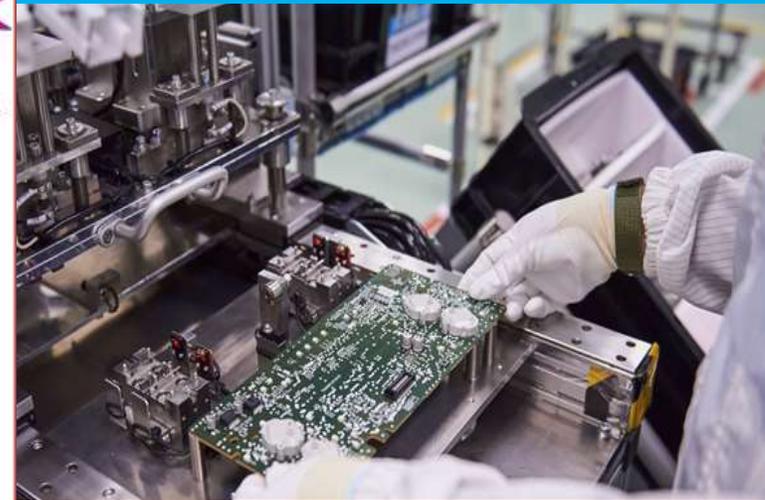


Current Hesto Study – Printed Circuit Board Assembly

Vehicle Printed Circuit Boards (PCB's)



PCB ASSEMBLY LINE



ASSEMBLY TO INSTRUMENT CLUSTER

 JV Partner Produced  Metair group Produced

Current Hesto Study – Printed Circuit Board Assembly



**Hesto studying PC Board
Manufacture.**

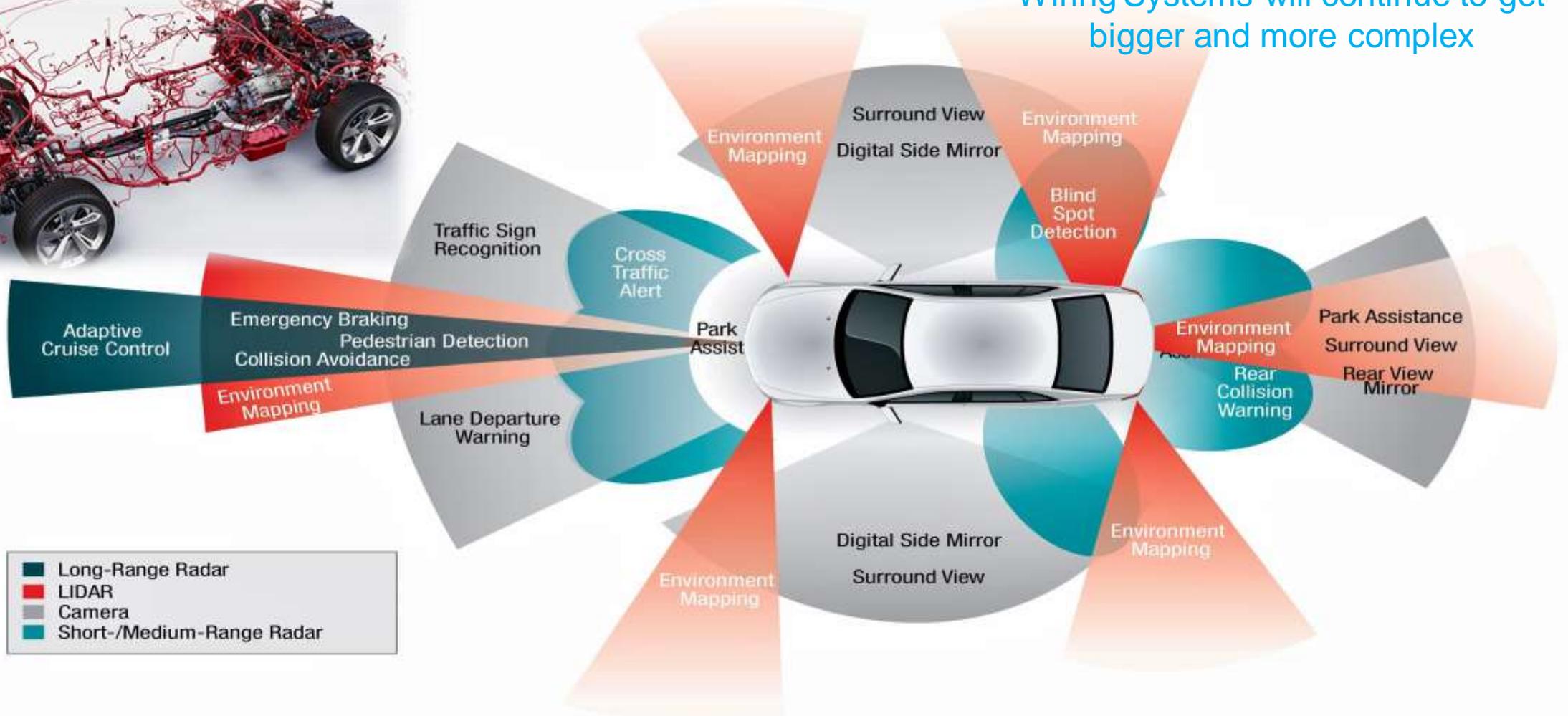
Reason

**Immediate Requirement is
for Instrument Clusters,
but following will follow:**

- 1. Eng Man Systems**
- 2. LED Lights**

Our Future – There Will Be Many More Circuits

Wiring Systems will continue to get bigger and more complex



- Long-Range Radar
- LIDAR
- Camera
- Short-/Medium-Range Radar

Instrument Clusters – Current & Future Technology

The Future Is Unclear – But the Technology is already available, and Yazaki continues to research



Current Lexus Cluster



Current Yazaki Technology



Future Clusters WILL get more expensive and Complex

Currently Available New Technology used By Yazaki Corporation (On Display)



Example of Lexus changeable TFT electronic display with warnings

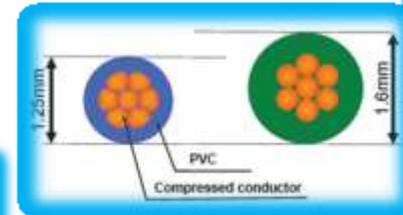
Example of Electric Vehicle Aluminium Hi Voltage Power Cable



Future Sustainability – As we See it Now – More Opportunity

Wiring Harnesses

1. Wiring Harnesses - Basically the same on conventional vehicles launching 2022, but with significantly more circuits.
2. Hybrids and Electric Vehicles – will have power circuits and separate function circuits.
3. Wire for function will continue to get smaller.
4. More Electronic Control – more PCB



Instrument Clusters

1. More TFT technology with less mechanical
2. More Inputs, including safety features
3. Heads up display available via Yazaki, but to date no real demand



Sustainability - By Cost Reduction To Suit SA Market

Selling Price Is Largely Fixed – Competitiveness is essential
Hesto is competitive against Import CIM



Dedicated VA Room and Team
+ Multidiscipline Team Regular Meetings

Purpose

1. Look for ideas to improve SA competitiveness.
 - Substitute Materials/Components
 - Eliminate unused circuits
 - Align compliance with market (eg materials)
2. Profit Improvement Ideas (no Dwg change req)
 - Logistics
 - Overtaping etc to standard



12 Awards Received To Date for
VA & Cost Management since 2009

Yazaki Presidents Policy – Adopted by Hesto

GEN – Source

- 1. Return to the Basics** of being a Monozukuri Company, **while keeping up** in a changing World
- 2. Maintain the Spirit** of Yazaki “All for one and one for all” (or Ubuntu)
- 3. Understand your Role And Responsibility** in the Organization

Monozukuri

the art of making beautiful things, without necessarily using Artists.

Our Stakeholders – Hesto Community and Our Social Responsibility



Doctor Albertina Lethuli – Launch of 4th Hesto Computer School at Nkosi Albert Lethuli Highschool



Mandela Day – Local Pre Schools



Aug 2019 Computer Lab installation in progress

ED and SD Projects



Produced by Welder previously welding on the side of the road



Agenta Clothing Manufacturers

Clothing Manufacturer Developed to Supply Uniforms to Hesto



ED and SD Projects

Laduma Caterers



Took Over Canteen From Fedex

PCS Cleaning – 100% Woman Owned



**Took Over Canteen From Tsebo
Now 26 Hesto employees
38 Employees Total**

Mabs Events



**Responsible for all Hesto
Functions**

Other Events

**Aftermarket
Team
(32 Members)
Visit To Toyota
Aftermarket In
Johannesburg**



Wellness Day



Bright Idea Presentations



MD's Communication

Visit Route – Wiring Harness Assembly and Testing



1. SUB ASSEMBLY
(Look for Electronic Navigation on IMV)

2. Laying/Building

3. Part Fitment & Taping

4. Electrical Test and other Finishing



Visit Route - Instrument Cluster Assembly Launched 2016

The Factory

Injection Moulding

NEW COMBIMETER ASSEMBLY PLANT

Upstairs Component Stores

Combimeter Assembly

Finished Goods Stores & Despatch



The Process



The Opening



Visit Route - Moulding Factory Launched 2016

The Factory

Injection Moulding

NEW COMBIMETER ASSEMBLY PLANT

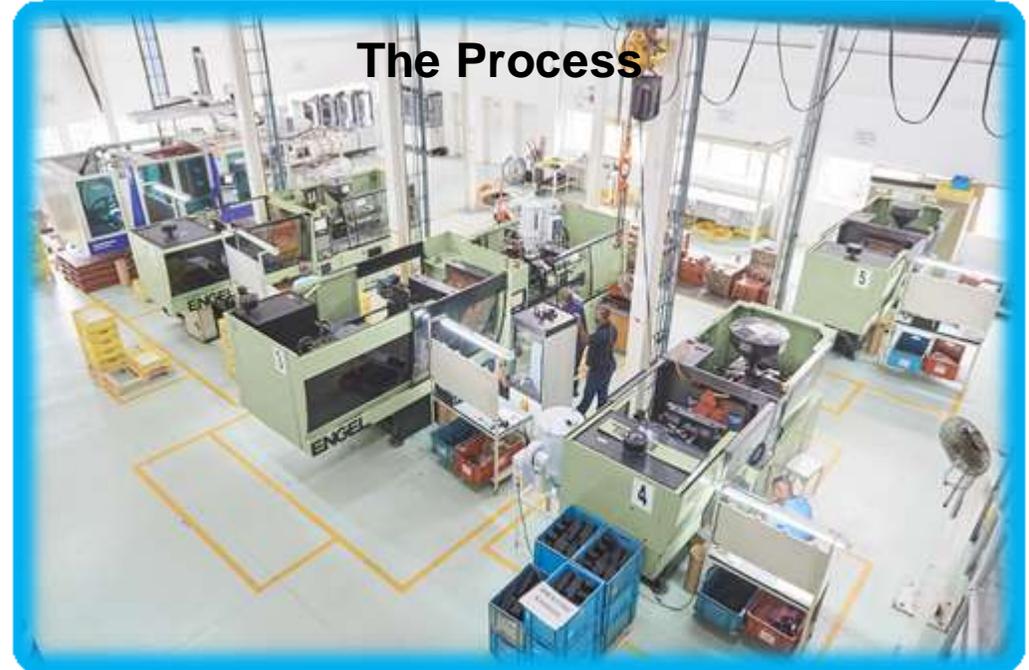
Upstairs Component Stores

Combimeter Assembly

Finished Goods Stores & Despatch



The Process



The Product



Basic Timing

- | | |
|--|---------------|
| 1. Introduction To Hesto at Hall | 9h30 – 09h50 |
| 2. Transport to Hesto in same bus you arrived in | 09h50 – 10h00 |
| 3. Factory Tour | 10h00 - 10h50 |
| 4. Arrive back at Hall | 11h00 - 11h30 |
| 5. Depart to Airport | 11h30 |

The Schedule

Each group will visit 5 areas

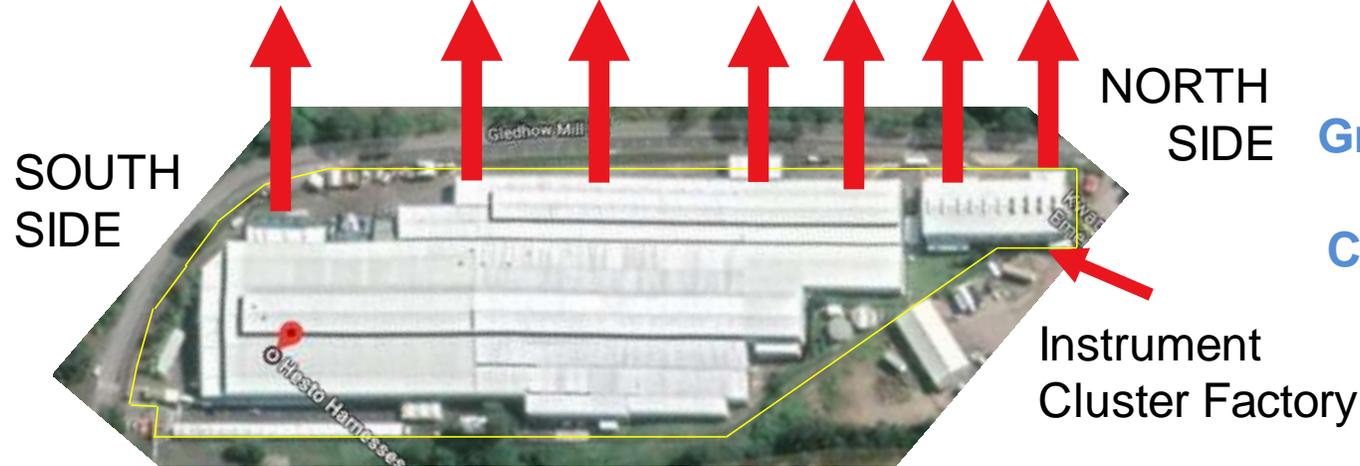
The guides

- will show you the route
- Attend to requests
- Answer any questions, or obtain answers
- Ensure timing (the train must leave the station on time)



Safety Rules and Tour Route (Tour Guides will brief you at the start point)

Safety Exits on West Side Only From Top Floor



Groups A, B and C will start this side (Wiring Harnesses), and end at Instrument Cluster Side (North Side)

Groups D and F will start this side (Instrument Cluster Side) and end at South Side



GREEN EXIT SIGNS WILL LEAD YOU TO YOUR NEAREST EXIT DOOR



Please stay in main aisles unless guide is with you

Thank You Everyone