

The Tubular Bell

August 2021

The latest news, views, and announcements

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INNOVATION

By Gary Laing - Operations Manager

In our first edition of the "The Tubular Bell" Mark discussed the opportunity of launching Polycop fittings and Polycop pipe into the market with the main target being Cashbuild.

It all started when our original plastic fitting "Unitwist" which is an established plastic fitting brand in the plumbing market, Unitwist is listed with Cashbuild's DIY stores. Unitwist was not selling as well we thought it should, the main reason being that suppliers were not able to advertise their products within the DIY stores and Unitwist was poorly displayed within the DIY stores.

The Unitwist fitting was paired with Monogold plastic pipe as a system, unfortunately the price of the Monogold pipe could not compete with the top selling Polycop pipe. When people talk about plastic pipe for plumbing the first pipe that is mentioned is Polycop.

We have been trying to get Polycop pipe listed with Cashbuild for some time, we came up with the idea of selling Polycop pipe with the Unitwist fittings as a system. We spoke to the manufacturers of the Unitwist fittings and asked them if they could match the colour of the Unitwist fitting with the colour of the Polycop pipe, samples were made and tested with the Polycop pipe, we had a perfect match.



Why Are Sustainability and Innovation Linked?

Sustainability leaders are over 400% more likely to be considered innovation leaders. This is because they think deeply about problems, invite participation from engaged participants, and gain exposure to numerous new adjacent opportunities and technologies. Investing in sustainability means investing in innovation.

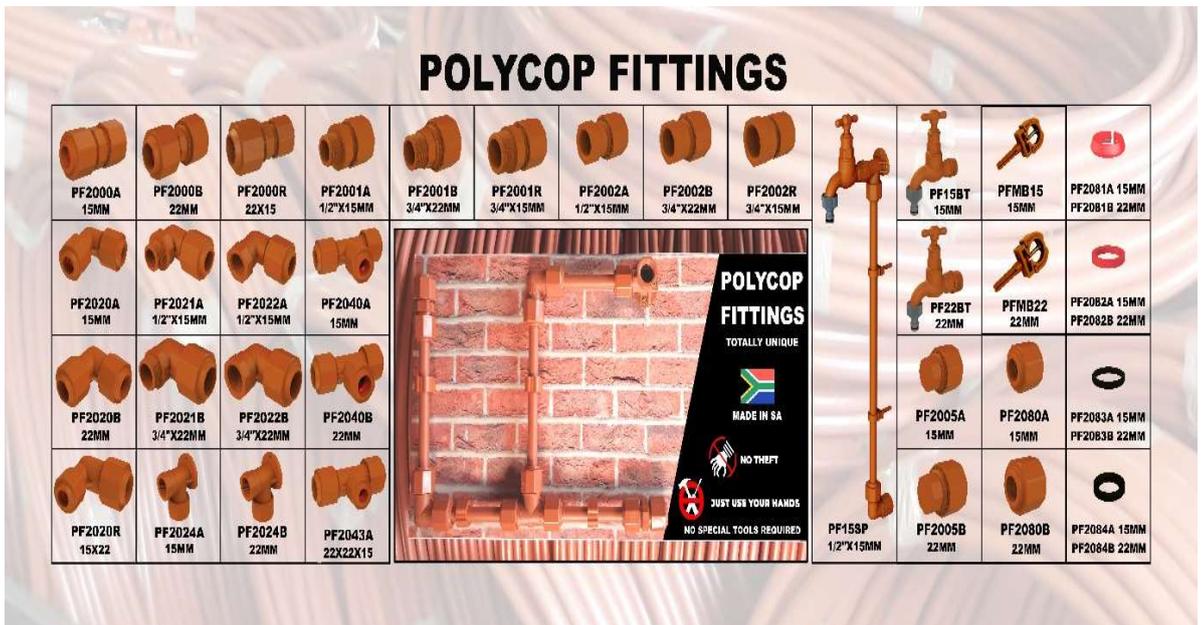


We then put together a proposal for Cashbuild to Launch this new range into their stores. Knowing how poorly the Unitwist was marketed and displayed, we had display boards made that would fit in with our existing plumbing range, the packaging also matched our solder and compression fittings range within Cashbuild.

After numerous meetings with Cashbuild, we have had a breakthrough and the new **Polycop fitting range** has been listed with 10 Cashbuild stores in Limpopo.

James Johnson our merchandiser has put together a training pack in a digital and hard copy format, which will be rolled out to the 10 Limpopo stores, James will conduct one on one training session and ensure that the Polycop fittings are correctly merchandised. * The training and merchandising might be affected by the current COVID situation *.

More to follow on the progress, will keep everyone posted....



MERCHANDIZING

In the broadest sense, merchandising is any practice which contributes to the sale of products to a retail consumer. At a retail in-store level, merchandising refers to displaying products that are for sale in a creative way that entices customers to purchase more items or products. People buy with their eyes, if goods are well displayed and packaged well, they will sell more easily than goods that are hidden from sight and are not visually pleasing.

Goods can be displayed to highlight their features and benefits. The purpose of such visual merchandising is to attract, engage, and motivate the customer towards making a purchase. Visual merchandising commonly occurs in retail spaces such as chain stores.

The above principles are applied to our customer Cashbuild's stores, with an aim to influence their customers to buy our products. In line with their vision, we are participating in store refurbishment by upgrading our display stands. This ongoing programme will see the conversation from old to new embracing the innovation mechanism to maximize attraction to our products.

The changes are pictured on the next few pages.

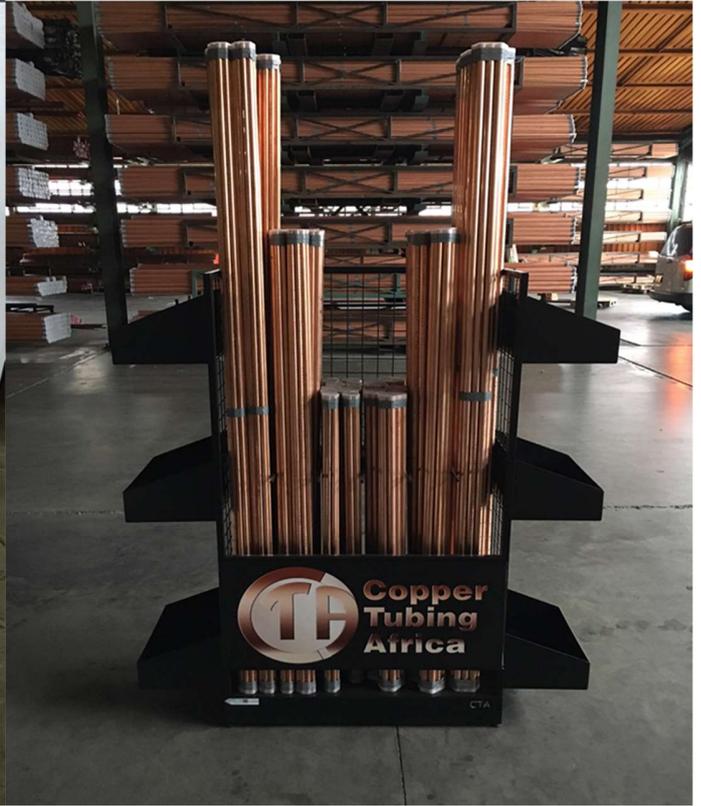
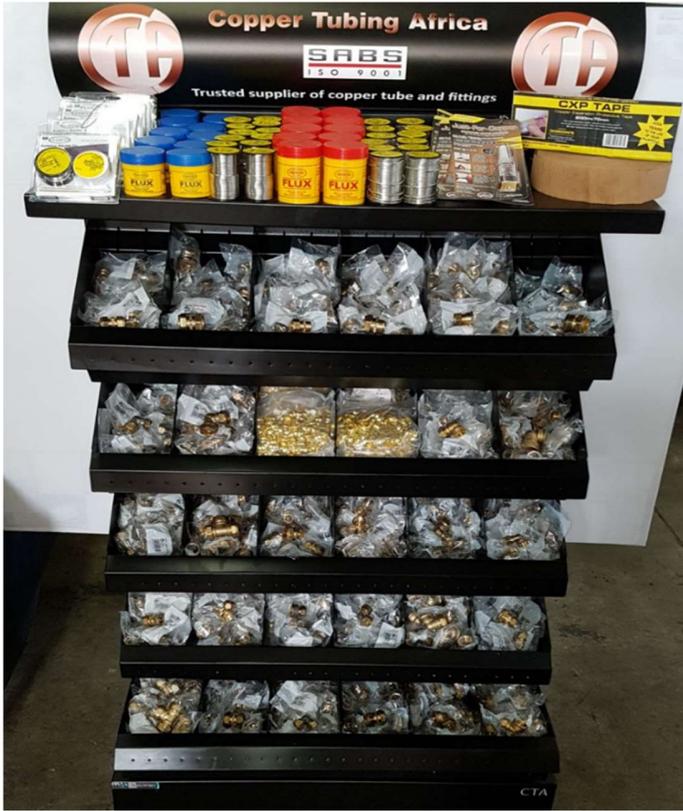
A brand is what a business does, a reputation is what people remember - Ted Rubin



OLD STORE SET UP – BIG DISPLAY BOARDS



NEW STORE SET UP - FRAMED DISPLAY BOARDS



Fittings Display Stand. Neat and tidy with products visible. Cut Length Display Stand – customer convenience



The real test is not whether you avoid this failure, because you won't. It's whether you let it harden or shame you into inaction, or whether you learn from it; whether you choose to persevere. - Barack Obama

The greatest glory in living lies not in never falling, but in rising every time we fall. - Nelson Mandela



Reitz van Zyl, CFO
Change – the only constant

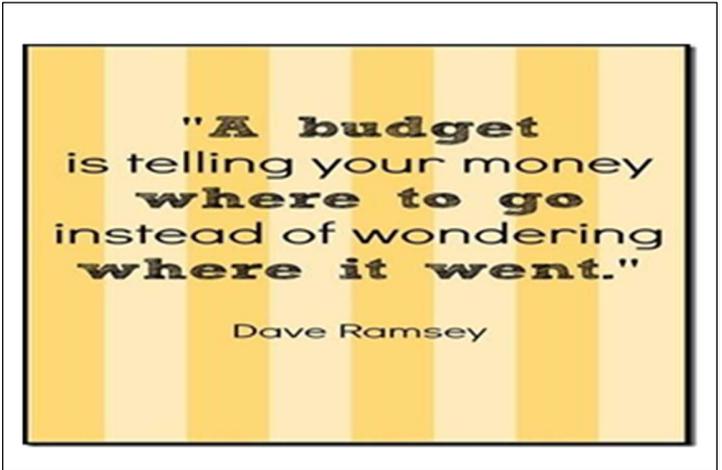
In March I wrote about change and the impact of it on our lives and our business. Since then, it seems the only constant was more change.

Throughout this year, different announcements continue on lockdown measures to combat the pandemic spread of Covid, once again impacting significantly on our personal lives and our business. Forcing us to think and act differently.

On a personal level I experienced again how quickly things can change. In April my brother relocated to the Western Cape. Soon after his arrival he was in a motor accident where he was seriously injured. For a few days we were not sure if he was going to make it. Being far away and not able to visit him, was heart breaking. Luckily, he recovered sufficiently to be released from hospital a month later. It made me realize that what we take for granted can be taken away in an instant, but also to appreciate what we have, when we have it.

From a business perspective our company has done very well during the first 6 months of the new financial year. Our sales team have exceeded their targets, production was cost effective and support functions played their part to ensure we beat our budget for the year to date. This is something we can all be proud of. We should celebrate our success and build on this for the future to ensure a sustainable and growing business.

In our previous article I mentioned a new ERP system is in the pipeline. This project has now been approved by the Board and we are already planning implementation for early next year. This will ensure that our computer software systems will be an enabler to do better business to achieve our strategic goal:



“To improve the profitability and quality of the CTA business by balancing volumes versus margin, reduce costs and increase fitting and accessories sales, *delivering on time in full* while at the same time ensuring a safe and sustainable based working environment.”

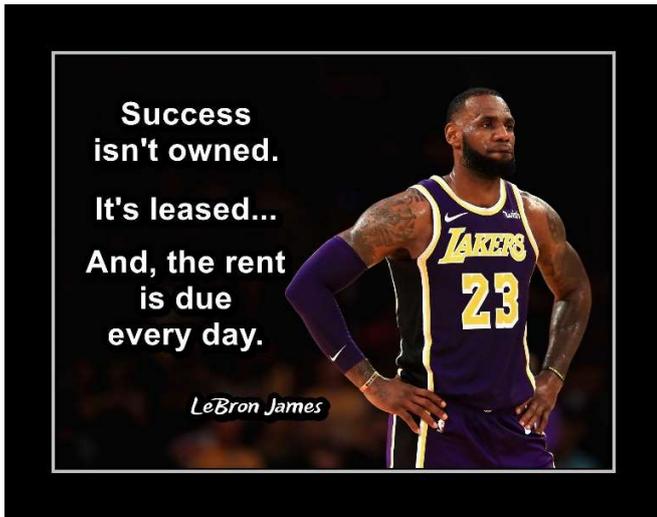
Looking back at the financial year that ended 28 February 2021, we managed to exceed our budget for the year. Our annual external audit was completed recently without issues and significant findings. Well done to the finance team that put in many hours to meet deadlines and accomplish a clean audit report.

The turnaround results of our business from the disastrous results for the 2 preceding financial years, have given our bankers the confidence to increase our working capital facilities. These increased facilities were required to ensure we can buy the volume of copper we need to sustain and grow our business. The 50% increase in the price of copper from 12 months ago put our cashflow under severe pressure, and we needed the support of our bankers to cope with this impact.

It is very satisfying to see the positive impact of our hard work and team effort in achieving this turnaround. It would not have been possible without the contribution of every employee, support from our shareholders, support from our bankers and the collective effort of the management team.

Long may it last.

Chairman's Message



We are beyond the middle of 2021 - a good point to take a breath and see how we are doing so far this year. The past 500 days has been extraordinary with an unprecedented pandemic affecting everything in our lives. The worst is not over and recently the SA government announced more stringent measure to curb the rampaging third wave of Covid-19. This period in our lives will be remembered for a whole generation to come. There will be a new normal and life will not be the same as before COVID. In the process of all that has happened the company has continued to perform well. This is a wonderful accomplishment and to a large extent has only been possible through the absolute efforts of all CTA staff. Well done. Let us take stock, celebrate our wins and learn from our mistakes. Let's also see what exciting projects are underway.

South Africa's economy has recovered quite a bit in the last 3 quarters but is still well below the level prior to the start of the Covid pandemic. Unemployment amongst the age group 16-25y stands at 55% which is a time bomb. State-owned entities continue to be affected by unsustainably high debt and poor services and performance. Load-shedding has become a consistent pain for households and business. Progress in service delivery, schooling, medical care, housing, roads, port development still has a long way to go.

But it's not all doom and gloom. Vaccines for Covid are being rolled out, a Steel Master Plan has been issued, electricity self-generation limits have been increased to 100MW, the domestic housing construction sector is booming, the financial systems do work, the

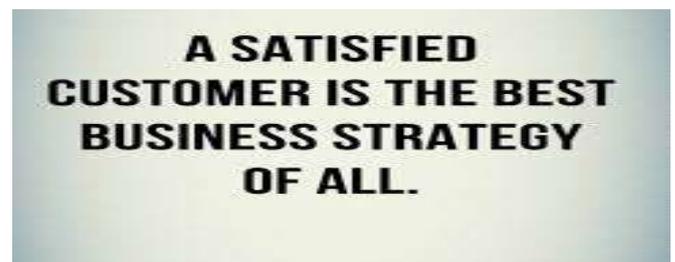
Gauteng highways are the best in Africa, water is (mostly) clean and drinkable, cell-phones work and there are green shoots in certain sectors like energy generation, automotive and mining.

CTA over the recent year or so has achieved a lot. As said before this has been achieved through effort, time, and valued contributions from staff. The business has been restructured, incentive schemes and performance management implemented and HCM, Health, Safety, Quality, and Security revitalized. We have developed a complete planning model and scheduling system productivity is up 20% on previous year not only in manufacturing but also in distribution. Visual Overall Equipment Effectiveness (OEE) shop floor measurement and On Time in Full (OTIF) measurement is seeing significant benefits from the short-term feedback to management and the workforce. Price management through the volatility of the copper US Dollar price and the rate of exchange has been proactive. Electronic customer interface systems have been implemented. Housekeeping is steadily improving and the full DMS implementation is underway. Finally capital improvements have been implemented with new canteen, laboratory, vehicles, generating capacity and CTA is progressing well with the new Upcasting furnace, a R&D plastic pipe extrusion project and the Syspro computer system implementation.

Our continued focus will be to strengthen our accessory sales drive, building the new training and canteen facilities and developing the capability to deliver demand when the customer requires at short notice. Asset management, reporting dashboards and material planning will be an ongoing project. Finalization of the branch structures and performance will also be a dominant theme.

I believe that we can do anything with the help of you, our staff, our suppliers, our shareholders and partners. Be conscious Covid is not over so be aware, vigilant and keep safe.

Robert Spoon



CANTEEN



Operations began middle June; it took some time to build employee interest but as word spread that good quality meals were available at affordable prices customer uptake increased.

“Friendship is the hardest thing in the world to explain. It’s not something you learn in school. But if you haven’t learned the meaning of friendship, you really haven’t learned anything.” — Muhammad Ali

Housekeeping

Combined tabulated results in percentages for the year to date

AREA	YTD Ave	Feb	March	April	May	June
Admin	66,4	54	69	69	71	69
Casting	59,6	51	80	53	65	49
Tech Support Services	74,4	79	77	80	65	71
Tube Mill	64,4	54	70	69	68	61
Warehouse / Stores	69,0	74	68	63	72	68

Occupational Health and Safety

OHS is a discipline that involves many different specialised fields. OHS promotes and maintains the highest degree of physical, mental and social well-being of workers in all occupations. It aims to protect workers from health risks, to prevent adverse effects on the health of workers caused by their working conditions and to place and maintain workers in an occupational environment adapted to physical and mental needs. In other words, OHS encompasses the social, mental and physical well-being of workers.

Why is OHS in the workplace important?

Most workers spend at least eight hours a day in the workplace, thus it plays a central role in people's lives. Therefore, workplaces should be both safe and healthy so that the many health hazards on a daily basis, such as dust, gases, noise, extreme temperatures etc and be managed to ensure that the company is compliant with government regulations and that the company can provide the necessary personal protective equipment (PPE).

CTA has conducted risk assessments to identify where and how employees may be exposed to unhealthy or

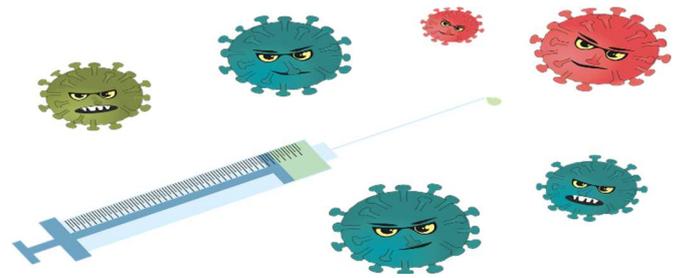
unsafe conditions and accordingly provided the PPE necessary to protect our employees. Since the third quarter in 2021 the company has embarked on an extensive campaign in the workplace to ensure the wellbeing of our employees. For many a year we have had the benefit of an occupational health nurse at Cleveland who helps those in need and refers to other specialists where her capacity or expertise is insufficient to treat a particular health issue.

Employee illnesses and injuries are greatly reduced when health and safety procedures are implemented in the workplace. These procedures that are put into place can help employees and employers to understand what hazards are present in the workplace. OHS training is essential as it will educate employees on the proper workplace procedures that are necessary to prevent possible injuries and illnesses. The Safety Committee and its members assist greatly in this aspect.

Health and safety hazards are reduced

Any workplace can pose potential hazards for employees and employers. There are certain things in the workplace that can lead to injuries, for example,

certain equipment and chemicals. Health hazards can include contamination of food as well as an outbreak of an infectious disease. If you work with chemicals or gases, there is always the risk of dangerous exposure for employees and employers. Therefore, it is very important to have specific emergency and evacuation plans in place in the event of such exposure.



Corona Virus

We are all aware of the dangers and ravaging effects of this pandemic, the purpose of this article is to highlight to us all the importance of being vaccinated, to do our bit in society to help drive the herd immunity status of the country so that this virus can be defeated.

Vaccination is the best solution the medical world and science can offer us. Masking up, social distancing, sanitizing are dependent on human behaviours but we need a little more help than that if we are going to defeat the Corona Virus Disease (Covid-19) still sweeping the world. The company is encouraging our employees to get vaccinated; it will help in the fight and make the world a safer place to be in.

Our condolences go to any and all employees who have lost family and friends due to Covid-19. Our thoughts and prayers are with you.

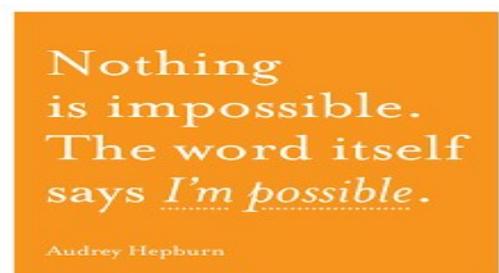
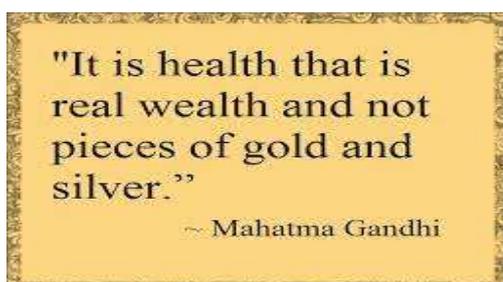
Vaccination

Despite the record speed at which they have been developed, COVID-19 vaccines have still been subject to the same checks, balances, and scientific and regulatory rigour as any other vaccine, and shown to be safe.

An unprecedented combination of political will, global collaboration and funding have enabled the rapid development of COVID-19 vaccines, without compromising vaccine safety.

The currently available coronavirus vaccines have been demonstrated to be safe for adults of various ages, as well as those with chronic health conditions. Employees would though be well advised to check with their doctor or clinic personnel if they have any doubts or concerns about being vaccinated.

Coronavirus can happen to anyone, so, it's really important to maintain good health overall. That way, when it hits you, you have an immune system that is strong enough to fight the virus.



Women's Day 08 August 2021

Inspirational South African women

Major Mandisa Nomcebo Mfeka



She is the first black woman to be a South African Combat Fighter Pilot Major

Mandisa Nomcebo Mfeka is blazing a new path for women and girls. She is the first black woman to be a South African Combat Fighter Pilot. In partnership with the UN, she protects the South African borders. If a potential threat arises, she is one of the first to investigate and, if need be, engage the enemy. Her advice is: "When you set a goal, and you follow it with a plan, eventually, you start attracting the scenarios that enable you to get closer to that goal. Before you know it, you achieve what you set out."

Dr Pregaluxmi (Pregs) Govender



Dr Pregaluxmi (Pregs) Govender is a feminist human rights activist who was the second South African Human Rights Commissioner. As a Member of Parliament and Chair of Parliament's Women's Committee, she was particularly instrumental in advancing South African women's rights and initiated the Women's Budget which has had an impact on budgets globally. She advocates that "Our rights are indivisible, inter-dependent and equal. It is time to use all the power we have, wherever we are, to assert women's rights as human rights."

Nicky Newton-King

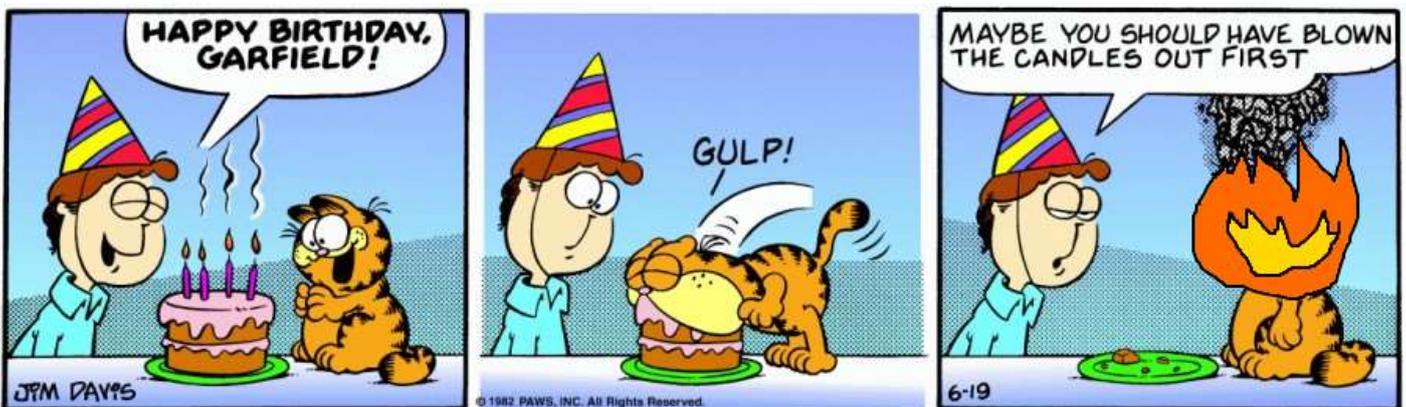


The first woman to have run Africa's biggest stock exchange, the Johannesburg Stock Exchange (JSE), in its 125-year history. She has been instrumental in writing regulatory legislation, like the Insider Trading Act. She is an outspoken advocate for the promotion of women's roles in business and within society. Her reflective advice is that: "For most of my life I knew about women who worked hard. From negotiating prices to dinner table conversations – there was no barrier for women. Women could do anything: They had a place at the table. You have to earn that place – Study hard, work hard and put up your hand."

Happy Birthday!

APRIL	MAY	JUNE
<p>Zamani Mtanti 04 April Amos Sibiya 04 April Nsikelelo Mlotshwa 07 April Philip Khoza 10 April Clement Ndlovu 11 April Brian Ncube 11 April Muzail Abubakir 11 April Mlungisi Myeza 11 April Mpilo Dhladhla 11 April Mandla Sibeko 12 April Werner Gerbach 13 April April Ross 14 April Kwandile Nkomo 15 April Marco Cleaves 19 April Lucky Mamba 20 April Lindani Kunene 22 April Nicolaas Van de berg 23 April Justice Khumalo 28 Apr Nolubabalo Fose 29 April</p>	<p>Papi Mokoena 01 May Pinkie Zikalala 03 May Bongile Gwiliza 06 May Sibusiso Buthelezi 06 May Spha Mavimbela 11 May Sanele Buthelezi 13 May Tereso Mokwana 15 May Adriaan Fransch 17 May Mndeni Mazibuko 18 May Louis Van Zijl 20 May Renardo Jacobs 20 May Quelyn Du Plessis 21 May Qalokwakhe Mgaga 21 May Tumelo Maimela 22 May Albert Makhura 22 May Francois Van Zyl 22 May Mukhethwa Ganyane 24 May Johannes Ndlovu 25 May Sanele Sithole 25 May Simphiwe Sithole 25 May Karabo Ndlovu 27 May Jostina Lamola 29 May Vusi Tshabalala 30 May</p>	<p>Kwenzokwakhe Mchunu 03 Sandile Fiki 06 June James Lekgobane 06 June Savalle Carelse 08 June Abesai Magano 08 June Sandile Moeng 09 June Zamokuhle Mlangeni 10 June Msawenkosi Bhengu 12 June Sandile Ntuli 12 June Thabiso Mokone 12 June Susanna Johnson 12 June Hasseen Hoosen 12 June Susanna Johnson 12 June Hasseen Goolam 12 June Lawrence Raseala 14 June Emmanuel Zungu 16 June Belinda Viljoen 16 June Lebogang Matabane 18 June Mkhawuleni Sibeko 22 June Siyabonga Mtshali 22 June Zayboonisha Hoosen 23 June Phuthi Mashachidi 24 June Golden Mdlalose 26 June</p>

Even a close friend cannot rescue one from old age – African Proverb



MEET THE TEAMS



PE (QGEBERHA)



Thandi (driver), Loyiso (driver), Urban(packer), Pandora (administrator), Deniro (packer), Wilbert (storeman), Paul (manager).

We wish Loyiso from PE speedy recovery form the accident he had earlier this month. All the best Loyiso!

Cape Town



George (store), Alfonso (general worker), Marco (driver), Werner – Manager

Durban



Muzail (driver), Nazeer (driver), Azhar (store) Zayboon (admin) Hassen (manager)

World / International Celebration days (source, United Nations)

Month	Day	Event		Unusual celebratory days
January	04	World Braille Day		19 Popcorn Day
February	04	World Cancer Day		06 No Phone Day
March	24	World Tuberculosis Day		21 World Wood Day
April	07	World Health Day		17 Bat Appreciation Day
May	15	International Family Day		18 International Museum Day
June	05	World Environment Day		21 World Giraffe Day
July	18	International Nelson Mandela Day		06 International Kissing Day
August	19	World Humanitarian Day		06 International Beer Day
September	16	International Peace Day		28 Aske A Supid Question Day
October	10	World Mental Health Day		10 World Vegetairian Day
November	14	World Diabetes Day		19 World Toilet Day
December	01	World Aids Day		15 International Tea Day

What is copper used for?

For thousands of years, copper has been so widespread that most people encounter it without even noticing. Ancient Egyptians used copper to disinfect wounds and surgical tools, and the earliest copper alloy weaponry dates back to the mid-5th millennium B.C. From building tools to biology, copper is an essential part of human life. We even need 1.2 milligrams of copper daily to help enzymes transfer energy inside our cells.

Here are some facts about common uses for copper today:

Copper alloys used in jewellery

Copper is an easily moulded base metal that is often added to precious metals to improve their elasticity, flexibility, hardness, colour, and resistance to corrosion.

Alloys

Gold is one of the most common alloyed metals with copper. In most jewellery stores, you'll spot: 18K yellow gold, palladium, white, goldrose, goldpink, goldlight, green gold

Sterling silver is also a copper alloy used to make utensils, tableware, and jewellery. It's a harder alloy than gold, making it an obvious choice for Body jewellery, Belt buckles, Cufflinks, Bracelets, Rings & Necklaces

Medical uses for copper

As the Egyptians documented, copper is known to kill many germs on contact. Dr Bill Keevil at the University of Southampton found that MRSA (an antibiotic-resistant strain of bacterial staph) cannot survive on copper surfaces the way it can on the platinum metals often used in hospital building railings, doorknobs, and beds. With the help of his research, hospitals are installing copper touch surfaces around the world to halt the spread of bacterial infections in hospital settings.

Every day uses

Motor parts: Copper conducts both heat and electricity more efficiently than many other metals

Wiring: Copper is ductile, meaning it can be hammered into sheets and stretched into wires without breaking

Copper piping: This piping works well for residential builds because it's thin and affordable

Industrial machinery: to help facilitate heat exchange

Copper roofing: long-lasting with minimal upkeep

Plumbing: its antimicrobial properties and malleability make it an ideal choice for industrial use

Performance Management

Performance management is an ongoing process of communication between a supervisor and an employee that occurs throughout the year, in support of accomplishing the strategic objectives of the organization. The communication process includes clarifying expectations, setting objectives, identifying goals, providing feedback, and reviewing results.

Starting this year, the company has introduced departmental and individual incentive schemes. The purpose of this system is as described in the opening paragraph but also to enhance productivity and to enable employees to be rewarded for their work input and effort.

Performance monitoring is not a “big brother is watching you” concept; it is a dual responsibility and feedback function. In a work setting people want to know how they are doing and it is a supervisory and managerial duty to let employees know how their individual and collective effort is assisting the company to achieve its goals. By the same token, management are entitled to track employee performance so that they can be assured the company is getting what it pays for – skills, expertise, experience and effort from the employee.

A structured performance management system has a reward and corrective element. Reward is given for performing to expectation and beyond, but also provides for corrective action (disciplinary measures) to be initiated against employees who consistently fail to deliver acceptable performance; of course, an employee can also forfeit part or whole of the monetary reward if they do not achieve agreed objectives.

All hourly paid employees in the company have been admitted to an incentive arrangement in their respective departments; weekly or monthly objectives or targets have been set and communicated to participants with results linked to reward either weekly or monthly.

Monthly paid staff are also either on departmental or individual reward schemes. Staff on the individual KPI (key performance indicator) scheme will be assessed at 6 monthly intervals to rate their progress against their objectives and be rewarded for their efforts bi-annually while some staff will receive monthly rewards.

Commission earners (sales representatives) are exempt from these schemes as their commission is structured to include performance and reward.



LIFE

10 Ways to Good Health

- Less alcohol, more tea
- Less processed, more fresh
- Less salt, more vinegar
- Less sugar, more fruit
- Less eating, more chewing
- Less words, more action
- Less greed, more giving
- Less worry, more sleep
- Less driving, more walking
- Less anger, more laughter

