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## Altron acquisition of iS Partners set to build capacity

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Mteto Nyati. Picture: SOWETAN

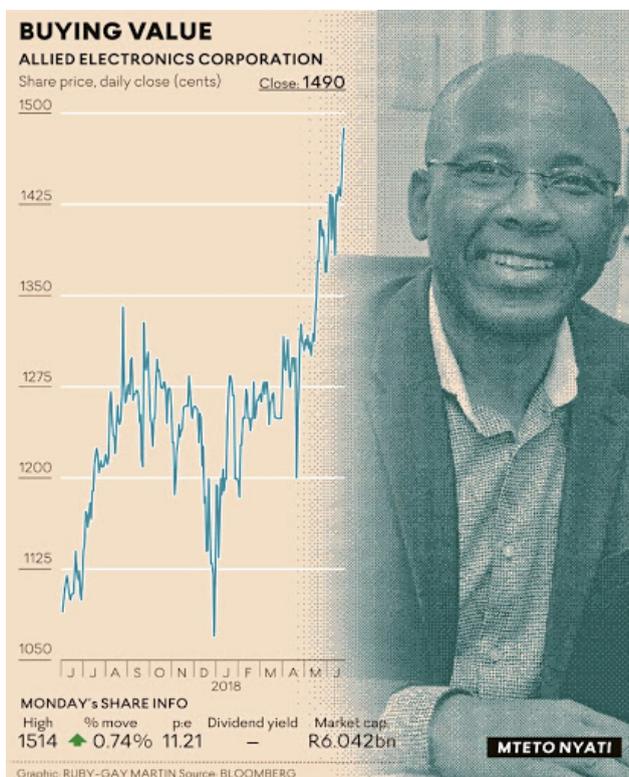
Altron has bought out the iS Partners Group, including its primary subsidiaries Karabina Solutions and Zetta Business Solutions, to advance growth in four key areas.

These are cloud computing, data analytics, the internet of things and cybersecurity. Core to this is enhancing cloud offerings and capabilities for enterprises within the Microsoft operating environment.

"We want to make sure we build capabilities in all these areas," Altron CEO Mteto Nyati said. Partnering with Microsoft around the cloud and data analytics was the "first thing that appealed" in buying iS Partners, he said.

These capabilities would become part of a larger business unit within Altron.

The group's manufacturing businesses have been battered by competition from China and for not being attuned to broader markets for information and communications technology.



This meant it had focused too much on single customers, including Eskom and Telkom, which could buy products elsewhere, and had made "poor decisions", including in its Kenya investments, Nyati said.

The company's new "independent" board and "deep expertise" has been turned to information and communications technology and to enabling telecommunications in "smart" cities and towns.

Altron said that as a major player in this field it had the "requisite knowledge, experience and vast customer base" to continue growing iS Partners.

The share sale agreement — worth R225m — is through wholly owned Altron subsidiary Altron TMT.

Karabina, previously known as iS Partners, is a Microsoft Gold Certified partner that provides business technology services, including customer relationship management, knowledge management and performance management solutions. It is also the exclusive reseller of third-party applications.

Zetta offers advisory, consultative and technology services, including for data management and content management.

Altron said that iS Partners would provide a strong platform "from which a stand-alone Microsoft-focused business can be created within Altron".

The acquisition amount is below the listings requirements of the JSE and is made on a voluntary basis by the group.

"This is a key announcement for the South African industry, which needs a partner that brings business scale in data analytics and cloud computing; with this deal we aim to be that partner," iS Partners CEO Grant van der Wal said on Monday.

Microsoft SA MD Zoab Hoosen said Microsoft already had an existing partnership with Altron through its subsidiary, Bytes Systems Integration.

"Bringing iS Partners into the Altron fold strengthens our partnership and will accelerate our customers' digital transformation journey in SA and the continent," he said.

Altron planned to grow its rest-of-Africa business and would look for acquisitions, Hoosen said.

Nyati said in May that Altron wanted its Netstar unit to take top spot in SA's fleet management and telematics industry.

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