

## Altron notice of annual general meeting

### Allied Electronics Corporation Limited

Incorporated in the Republic of South Africa  
(Registration number 1947/024583/06)  
(Share code: ATN) (ISIN: ZAE000029658)  
(Share code: ATNP) (ISIN: ZAE000029666)  
("Altron" or "the company")

Notice is hereby given that the sixty-third annual general meeting of the shareholders of Altron will be held in the Main Boardroom, 5 Winchester Road, Parktown, Johannesburg on Tuesday, 14 July 2009 at 09:30 to conduct the following business:

1. To receive, consider and adopt the annual financial statements of the company and of the Altron group for the year ended 28 February 2009.
2. To elect or re-elect directors in accordance with the provisions of the company's articles of association. Messrs AMR Smith, NJ Adami and DNM Mokhobo, having been appointed as directors pursuant to the previous annual general meeting, are required to retire. Messrs N Claussen, PMO Curle and RE Venter are required to retire by rotation. All retiring directors are eligible and have offered themselves for election or re-election respectively.  
  
An abbreviated *curriculum vitae* in respect of each director offering himself/herself for election/re-election is contained on pages 206 to 212 of this annual report.
3. To re-appoint Messrs KPMG Inc as independent registered auditors of the company, and to note that the individual registered auditor who will undertake the audit during the financial year ending 28 February 2010 is Mr MCA Hoffman.

As special business, to consider and, if deemed fit, pass with or without modification the following resolutions that numbered 4 as a special resolution and those, numbered 5, 6, 7 and 8 as ordinary resolutions.

### 4. SPECIAL RESOLUTION NUMBER 1: GENERAL AUTHORITY TO REPURCHASE SHARES

That the company or any of its subsidiaries be and they are hereby authorised, by way of a general approval, to acquire ordinary and/or participating preference shares issued by the company, in terms of sections 85 and 89 of the Companies Act, No 61 of 1973, as amended (the Companies Act), and in terms of the JSE Limited (the JSE) Listings Requirements, being that:

- » any such acquisition of ordinary and/or participating preference shares shall be effected through the order book operated by the JSE trading system and done without any prior understanding or arrangement with the counterparty;
- » this general authority shall be valid until the company's next annual general meeting, provided that it shall not extend beyond 15 (fifteen) months from the date of passing of this special resolution number 1;
- » an announcement will be published as soon as the company or any of its subsidiaries have acquired ordinary and/or participating preference shares constituting, on a cumulative basis, 3% of the number of ordinary and/or participating preference shares in issue and for each 3% in aggregate of the initial number acquired thereafter, in compliance with paragraph 11.27 of the JSE Listings Requirements;
- » acquisitions of shares in aggregate in any one financial year may not exceed 20% of the company's ordinary and/or participating preference issued share capital, as the case may be, as at the date of passing of this special resolution number 1;
- » ordinary and/or participating preference shares may not be acquired at a price greater than 10% above the weighted average of the market value at which such ordinary and/or participating preference shares are traded on the JSE as determined over the five business days immediately preceding the date of repurchase of such ordinary and/or participating preference shares;
- » the company has been given authority by its articles of association;
- » at any point in time, the company and/or its subsidiaries may only appoint one agent to effect any repurchase;

- » the company and/or its subsidiaries undertaking that they will not enter the market to repurchase the company's securities until the company's sponsor has provided written confirmation to the JSE regarding the adequacy of the company's working capital in accordance with Schedule 25 of the JSE Listings Requirements;
- » the company remaining in compliance with the shareholder spread requirements of the JSE Listings Requirements; and
- » the company and/or its subsidiaries not repurchasing any shares during a prohibited period, as defined in the JSE Listings Requirements unless a repurchase programme is in place, where dates and quantities of shares to be traded during the prohibited period are fixed and full details of the programme have been disclosed in an announcement over the Securities Exchange News Service (SENS) prior to the commencement of the prohibited period.

Before entering the market to effect the general repurchase, the directors, having considered the effects of the repurchase of the maximum number of ordinary and/or participating preference shares in terms of the foregoing general authority, will ensure that for a period of 12 (twelve) months after the date of the notice of annual general meeting:

- » the company and the Altron group will be able, in the ordinary course of business, to pay its debts;
- » the consolidated assets of the company and the Altron group, fairly valued in accordance with International Financial Reporting Standards, will exceed the liabilities of the company and the Altron group;
- » the company and the Altron group's ordinary and/or participating preference share capital, reserves and working capital will be adequate for ordinary business purposes; and
- » the working capital of the company and the Altron group will be adequate for the purposes of the business of the company and the Altron group.

The following additional information, some of which may appear elsewhere in the annual report of which this notice forms part, is provided in terms of the JSE Listings Requirements for purposes of the general authority:

- » directors and management – pages 206 to 212
- » major beneficial shareholders – page 88
- » directors' interests in shares – page 128
- » share capital of the company – page 154

#### **Litigation statement**

In terms of paragraph 11.26 of the JSE Listings Requirements, the directors, whose names appear on pages 206 to 212 of this annual report of which this notice forms part, are not aware of any legal or arbitration proceedings that are pending or threatened, that may have or had in the recent past, being at least the previous 12 (twelve) months, a material effect on the Altron group's financial position.

#### **Directors' responsibility statement**

The directors, whose names appear on pages 206 to 212 of this annual report, collectively and individually accept full responsibility for the accuracy of the information pertaining to this special resolution and certify that, to the best of their knowledge and belief, there are no facts that have been omitted which would make any statements false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this special resolution contains all information required by law and the JSE Listings Requirements.

#### **Material changes**

Other than the facts and developments reported on in this annual report, there have been no material changes in the affairs or financial position of the company and its subsidiaries since the date of signature of the audit report and up to the date of this notice.

The reason for and effect of this special resolution is to grant the directors of the company a general authority in terms of the Companies Act and the JSE Listings Requirements for the repurchase by the company or a subsidiary of the company, of the company's shares.

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The directors have no specific intention, at present, for the company or its subsidiaries to repurchase any of the company's shares but consider that such a general authority should be put in place should an opportunity present itself to do so during the year which is in the best interests of the company and its shareholders.

#### **5. ORDINARY RESOLUTION NUMBER 1: CONTROL OF AUTHORISED BUT UNISSUED SHARES**

That the general authority granted to directors to allot and issue the unissued ordinary and participating preference shares of the company be renewed subject to the following limitations:

The authority shall be valid until the date of the next annual general meeting of the company, provided it shall not extend beyond 15 (fifteen) months from the date of this annual general meeting.

- » Issues in terms of this authority will not, in any financial year, in aggregate exceed 5% of the number of ordinary shares in the company's issued share capital as at 28 February 2009;
- » Issues in terms of this authority will not, in any financial year, in aggregate exceed 5% of participating preference shares in the company's issued participating preference share capital as at 28 February 2009, provided that this limitation will not apply to the issue of participating preference shares in terms of any share incentive scheme and, accordingly:
  - in calculating the number of participating preference shares issued in any financial year for the purpose of determining whether the aforementioned 5% threshold has been reached, any participating preference shares issued in terms of the rules of any share incentive scheme shall not be included in that calculation; and
  - the number of participating preference shares which directors are authorised to allot and issue in terms of the rules of any share incentive scheme shall not be subject to limitation other than in terms of the rules applicable to that scheme;
- » Issues in terms of this authority shall be subject to the provisions of the Companies Act, and the JSE Listings Requirements.

#### **6. ORDINARY RESOLUTION NUMBER 2: GENERAL AUTHORITY TO ISSUE SHARES FOR CASH**

That subject to renewal of the general authority proposed in terms of ordinary resolution number 1 above and in terms of the JSE Listings Requirements, shareholders grant the directors a general authority for the allotment and issue of ordinary and/or participating preference shares in the capital of the company for cash as and when suitable situations arise, subject to the following limitations:

- » Any issue of securities shall be to public shareholders as defined by the JSE Listings Requirements.
- » This authority shall only be valid until the next annual general meeting of the company but shall not endure beyond the period of 15 (fifteen) months from the date set down for the sixty-third annual general meeting.
- » A paid press announcement giving details, including the impact on net asset value and earnings per share, will be published at the time of any such allotment and issue of shares representing, on a cumulative basis within one year, 5% or more of the number of shares of that class in issue prior to any such issues.
- » That issues in the aggregate in any one financial year shall not exceed 5% of the number of shares of any class of the company's issued share capital less any shares that may be issued during the financial year arising from the exercise of share options in the normal course.
- » That, in determining the price at which an allotment and issue of shares will be made in terms of this authority, the maximum discount permitted will be 10% of the weighted average traded price of the class of shares to be issued over the 30 days prior to the date that the price of issue is determined or agreed by the directors of the company.

In terms of the JSE Listings Requirements, the approval of 75% majority of the votes cast by shareholders present or represented by proxy at this annual general meeting will be required for this authority to become effective.

## 7. ORDINARY RESOLUTION NUMBER 3: FEES OF NON-EXECUTIVE DIRECTORS

That with effect from 1 September 2009 and in terms of article 15.6 of the company's articles of association, the fees payable to the non-executive directors for the ensuing 12-month period be set as follows:

	Proposed annual fee	Proposed annual retainer	Proposed attendance fee/meeting
Altron chairman	R3 500 000 <sup>1</sup>		
Altron board member		R70 000	R15 000 <sup>2</sup>
Altron audit committee chairman		R55 000	R15 000
Altron audit committee member		R32 000	R 5 000
Altron remuneration committee chairman		R35 000	R15 000
Altron remuneration committee member		R30 000	R 5 000
Altron risk management committee chairman		R35 000	R15 000
Altron risk management committee member		R22 500	R 5 000
Altron nomination committee chairman		R45 000 <sup>3</sup>	R15 000
Altron nomination committee member		R12 000	R 2 500

<sup>1</sup> The chairman's fee is on an all-inclusive basis.

<sup>2</sup> The same fee is payable to those board members who attend special board meetings.

<sup>3</sup> The nomination committee has historically only met once per annum.

## 8. ORDINARY RESOLUTION NUMBER 4: SIGNATURE OF DOCUMENTS

That any one director or the secretaries of the company be and they are hereby authorised to do all such things and sign all documents and take all such action as they consider necessary to implement the resolutions set out in the notice convening this annual general meeting at which this ordinary resolution will be considered.

## VOTING AND PROXIES

Ordinary and participating preference shareholders are entitled to attend and speak at the annual general meeting and, with the exception of special resolution number 1 where both ordinary and participating preference shareholders are entitled to vote, only ordinary shareholders are entitled to vote in respect of the remaining resolutions.

Ordinary and participating preference shareholders may appoint a proxy to attend, speak and, in respect of the applicable resolution/s, vote in their stead. Shareholders holding dematerialised shares but not in their own name must furnish their Central Securities Depository Participant (CSDP) or broker with their instructions for voting at the annual general meeting should they wish to vote. If your CSDP or broker, as the case may be, does not obtain instructions from you, it will be obliged to act in terms of your mandate furnished to it, or if the mandate is silent in this regard, to complete the relevant form of proxy attached. Unless you advise your CSDP or broker, in terms of the agreement between you and your CSDP or broker by the cut-off time stipulated therein, that you wish to attend the annual general meeting or send a proxy to represent you at the annual general meeting, your CSDP or broker will assume you do not wish to attend the annual general meeting or send a proxy. If you wish to attend the annual general meeting or send a proxy, you must request your CSDP or broker to issue the necessary letter of representation to you.

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Shareholders holding dematerialised shares in their own name, or who hold shares that are not dematerialised, and who are unable to attend the annual general meeting and wish to be represented thereat, must complete the relevant form of proxy attached in accordance with the instructions therein and lodge it with, or mail it to, the transfer secretaries.

Forms of proxy should be forwarded to reach the company's transfer secretaries at the address given below by not later than 09:30 on Monday, 13 July 2009. The completion of a form of proxy will not preclude a shareholder from attending the annual general meeting.

By order of the board

**Altron Management Services (Pty) Limited** – Secretaries



*per:* **AG Johnston** – Group Company Secretary

29 May 2009

**TRANSFER SECRETARIES**

Computershare Investor Services (Pty) Limited

70 Marshall Street

Johannesburg, 2001

(PO Box 61051, Marshalltown, 2107)