

ALLIED ELECTRONICS CORPORATION LIMITED

(Incorporated in the Republic of South Africa)

(Registration number: 1947/024583/06)

Share code: AEL

ISIN: ZAE000191342

("Altron" or "the Company")

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DECLARATION ANNOUNCEMENT IN RELATION TO THE DISTRIBUTION OF BYTES TECHNOLOGY GROUP PLC CONVERTIBLE NOTES

1 INTRODUCTION

Altron shareholders ("Altron Shareholders") are referred to the firm intention announcement released by the Company on SENS on 2 November 2020 ("Firm Intention Announcement") containing the details of the demerger of Bytes Technology Group Limited (now named Bytes Technology Limited) ("Bytes UK") from Altron and the separate listing of Bytes Technology Group plc (together, the "Demerger").

In order to implement the Demerger:

- (i) Bytes Technology Group plc will apply for admission of its entire issued and to be issued share capital to the premium listing segment of the Official List of the United Kingdom ("UK") Financial Conduct Authority, to trading on the Main Market of the London Stock Exchange ("LSE") and to the Main Board of the Johannesburg Stock Exchange ("JSE") by way of a secondary inward listing (together, "Admission");
- (ii) Bytes Technology Group plc will pursue an offer for subscription for new ordinary shares in Bytes Technology Group plc; and
- (iii) Altron will distribute the greater portion of its remaining interest in Bytes UK (through the Convertible Notes, as defined below) to ordinary Altron Shareholders ("Altron Ordinary Shareholders").

On 2 November 2020 Altron entered into a share purchase agreement with, amongst others, Bytes Technology Group plc and its newly established subsidiary, Bytes Technology Holdco Limited ("Bytes Technology Holdco"), in respect of the sale of all its shares in Bytes UK to Bytes Technology Holdco ("SPA"). On 3 November 2020, Bytes Technology Group plc executed a convertible loan note instrument

in respect of the unlisted, interest-free, unsecured, redeemable, convertible loan notes ("Convertible Notes") which were issued to Altron's subsidiary, Bytes Technology Group Proprietary Limited ("Bytes SA"), as consideration for its shares in Bytes UK (the SPA and the Convertible Notes together the "Transaction Agreements").

In terms of the Transaction Agreements, Altron, through Bytes SA, will dispose of all its interest in Bytes UK to Bytes Technology Holdco, a wholly owned subsidiary of Bytes Technology Group plc (the "Disposal"). Bytes Technology Group plc has issued 220,506,494 Convertible Notes to Bytes SA in settlement of the purchase consideration due to Bytes SA for the Disposal.

Bytes SA and certain intermediate subsidiaries of the Company have distributed all the Convertible Notes to Altron as distributions *in specie* in terms of section 46 of the Companies Act 71 of 2008, as amended ("Companies Act"). Altron will in turn distribute the beneficial interest in approximately 91% of the Convertible Notes (representing 200,877,173 Convertible Notes) to Altron Ordinary Shareholders by way of a distribution *in specie* in terms of section 46 of the Companies Act ("Distribution"). Altron will retain approximately 9% of the Convertible Notes (representing 19,629,321 Convertible Notes) in order to settle dividends tax arising from the Distribution. Altron has estimated that the proceeds of the redemption of approximately 9% of the Convertible Notes will be sufficient to settle dividends tax, however, the actual liability for dividends tax will be determined after Altron Ordinary Shareholders submit declarations to Altron in terms of section 64FA of the Income Tax Act 58 of 1962 (see paragraph 4 below).

Altron Ordinary Shareholders, who are on the Altron register at the Record Date for the Distribution (see paragraph 3 below), will be entitled to 0.5 Convertible Notes for every 1 Altron ordinary share held ("Entitlement Ratio").

This announcement does not contain a complete description of the Demerger and does not contain all the information that Altron Shareholders should consider in relation to the Demerger. For the detailed terms, conditions, and rationale of the Demerger Altron Shareholders are referred to the Firm Intention Announcement and the Circular. Capitalised terms not defined in this announcement shall have the meanings given to them in the Circular.

2 DECLARATION

On 19 November 2020, the Altron Board formally approved the distribution of the beneficial interest in 200,877,173 Convertible Notes ("Distributed Convertible Notes") as a distribution *in specie* to Altron Ordinary Shareholders in terms of section 46 of the Companies Act. Altron will remain the registered owner of the Distributed Convertible Notes.

Settlement of the Distribution is conditional upon (i) approval by special resolution of the Altron Shareholders in accordance with section 112 and 115(2)(a) of the Companies Act for the Distribution at the General Meeting to be held on 1 December 2020; and (ii) the issue by the TRP of a Compliance Certificate in relation to the Distribution in terms of section 115(1)(a) and (b) (read with section 119(4)(b) of the Companies Act) by 2 December 2020. Upon fulfilment of these conditions Altron will issue a finalisation announcement.

The number of Convertible Notes in respect of which the beneficial interest will be distributed to Altron Ordinary Shareholders was initially calculated based on the Entitlement Ratio and the issued share capital of Altron as at the Last Practicable Date of the Circular. The number of Convertible Notes to be distributed to Altron Ordinary Shareholders has increased relative to what was previously communicated to Altron Ordinary Shareholders in the Firm Intention Announcement and the Circular due to a subsequent increase in Altron's issued share capital from 401,321,820 to 401,754,346 as a result of Altron Ordinary Shares vesting in various Altron employee share schemes. The increased issued share capital required Altron to distribute a greater number of Convertible Notes to Altron Ordinary Shareholders in order to maintain the Entitlement Ratio.

The Entitlement Ratio has not been affected as a result of the increase in Altron's issued share capital. Instead, Altron will retain fewer Convertible Notes as principal to meet its dividends tax liability arising from the Distribution.

3 IMPORTANT DATES AND TIMES

	2020
Record Date to determine which Altron Shareholders are entitled to vote at the General Meeting	Monday, 23 November
Last day to lodge an electronic participation registration form with TMS, by 10:00 on	Thursday, 26 November
Last day to lodge forms of proxy, with TMS for administrative purposes, by 10:00 on	Friday, 27 November
General Meeting to be held via electronic participation at 10:00 on	Tuesday, 1 December
Last date and time for Altron Shareholders to give notice to Altron objecting to the Disposal and Distribution in terms of section 164(3) of the Companies Act, by 10:00 on	Tuesday, 1 December
Results of General Meeting released on SENS on	Tuesday, 1 December

Finalisation announcement in respect of the Distribution released on SENS on	Wednesday, 2 December
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Announcement released on SENS in respect of cash payment for fractional entitlements	Wednesday, 2 December
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If the Disposal and Distribution are approved by Altron Shareholders at the General Meeting and the Suspensive Conditions are fulfilled or waived (where capable of waiver):

The following dates assume that no court approval or review of the Disposal or the Distribution is required:

Last day to trade in Altron Ordinary Shares in order to be eligible to receive the Distribution	Friday, 4 December
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Altron Ordinary Shares trade ex the entitlement to receive the Distribution on	Monday, 7 December
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Record Date for the Distribution	Wednesday, 9 December
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Distribution Election Date	Wednesday, 9 December
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Settlement date for the Distribution (Altron to hold Convertible Notes as nominee for Altron Ordinary Shareholders)	Thursday, 10 December
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Admission of the Bytes Technology Group plc Shares to the LSE and commencement of unconditional dealings in Bytes Technology Group plc Shares on the LSE at 8:00 (London time) on	Thursday, 17 December
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Admission of the Bytes Technology Group plc Shares to the JSE and commencement of unconditional dealings in Bytes Technology Group plc Shares on the JSE at 10:00 on	Thursday, 17 December
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Settlement for conversion of Convertible Notes	Thursday, 17 December
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Payment date for redemption of Convertible Notes	Wednesday, 23 December
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Fractional entitlement payment date	Wednesday, 23 December
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The following dates assume that court approval or review of the Disposal and Distribution is required:

Last day for Altron Shareholders who voted against the Disposal and/or the Distribution to require Altron to seek court approval for the Disposal and/or the Distribution in terms of section 115(3)(a) of the Companies Act, if at least 15% of the total votes of Altron Shareholders at the General Meeting were exercised against the Disposal and the Distribution on	5 Business Days after the General Meeting, currently anticipated to be Tuesday, 8 December
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Last day for Altron Shareholders who voted against the Disposal and/or the Distribution to apply to the court for a review of the Disposal and/or the Distribution in terms of section 115(3)(b) of the Companies Act on	10 Business Days after the General Meeting, currently anticipated to be Tuesday, 15 December
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Notes:

1. All times shown in this announcement are South African Standard Time unless otherwise stated.
2. All dates and times are subject to change by Altron (subject to the approval of the JSE and/or TRP, if required). Any material change will be released on SENS and published in the South African press.
3. Forms of proxy must be lodged with TMS at email proxy@tmsmeetings.co.za, as soon as possible, but by no later than 10:00 on Friday, 27 November 2020. The forms of proxy may also be handed to the Chairman at any time before the commencement of the General Meeting by email to the Altron Company Secretary at wkgroenewald@altron.com.
4. Altron Ordinary Share certificates may not be rematerialised or dematerialised between Monday, 7 December 2020 and Wednesday, 9 December 2020, both days inclusive.
5. The dates have been determined based on certain assumptions regarding the dates by which certain Altron Shareholder and regulatory approvals will be obtained and that no court approval or review of the Disposal and/or Distribution will be required. If the relevant dates change and the dates set out above are therefore impacted, details of the relevant change will be released on SENS and published in the South African press.
6. If the General Meeting is adjourned or postponed, forms of proxy submitted in respect of the General Meeting will remain valid in respect of any adjournment or postponement thereof.
7. Admission of the Bytes Technology Group plc Shares to the JSE and commencement of unconditional dealings in Bytes Technology Group plc Shares on the JSE will commence at 10:00am instead of 9:00am in order to align with the admission time on the LSE and facilitate a simultaneous listing on both exchanges.

4 ALTRON SHAREHOLDERS DIVIDENDS TAX DECLARATIONS AND UNDERTAKINGS

Altron Shareholders are strongly encouraged to duly complete and sign the relevant required Form of Declaration and Undertaking (as applicable), which forms were attached to the Circular and are available at www.altron.com/investors/notices-circulars/, and submit same to Altron before 23:59 on Tuesday, 8 December. Failure to submit the required Form of Declaration and Undertaking to the Company will increase the dividends tax liability of Altron as a result of the Distribution, which may have an adverse impact of the value of the Altron Ordinary Shares after Admission.

If you are the registered holder of the Altron Ordinary Shares but not the beneficial owner or the duly authorised agent of the beneficial owner, kindly procure that the beneficial owner duly completes and signs the required form of Declaration and Undertaking (as applicable), which forms were attached to the Circular and are available at www.altron.com/investors/notices-circulars/, and submit such completed and signed

Form of Declaration and Undertaking by the beneficial owner to Altron before 23:59 on Tuesday, 8 December.

If you are exempt from dividends tax

You should complete Form I of the Forms of Declarations and Undertakings and return such form to Altron in the manner set out in that form to be received by no later than 23:59 on Tuesday, 8 December.

If you are subject to dividends tax at a reduced rate

You should complete Form II of the Forms of Declarations and Undertakings and return such form to Altron in the manner set out in that form to be received by no later than 23:59 on Tuesday, 8 December.

Johannesburg

20 November 2020

Financial Advisor and Transaction Sponsor

Rand Merchant Bank, a division of FirstRand Bank Limited

Legal Advisor

DLA Piper

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This announcement may include statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements may be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "plans", "projects", "anticipates", "expects", "intends", "may", "will" or "should" or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. Forward-looking statements may and often do differ materially from actual results. Any forward-looking statements reflect Altron's current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to Altron and/or Bytes Technology Group plc's business, results of operations, financial position, liquidity, prospects, growth and strategies. Forward-looking statements speak only as of the date they are made. No representation or warranty is made that any forward-looking statement will come to pass