

Allied Electronics Corporation Limited  
(Registration number 1947/024583/06)  
(Incorporated in the Republic of South Africa)  
Share code: AEL ISIN: ZAE000191342  
("Altron")

## **VOLUNTARY ANNOUNCEMENT**

Following enquiries from several stakeholders, the Altron Board wishes to provide clarification with regard to recent allegations in the media of collusion by some of Altron's subsidiaries relating to the Digital Terrestrial Television ("DTT") Set-Top Box tender issued by the South African Government in 2014 ("the DTT tender"). For the avoidance of doubt and to address any inaccurate reports, please note the following:

- Altech UEC, an Altron subsidiary, which is in the process of being sold, responded to the DTT tender in 2014, but was ultimately unsuccessful in its bid to secure the tender.
- At the time of the issuing of the tender, Altech UEC was one of only a few companies in South Africa with the capability and capacity to manufacture large quantities of set-top boxes. As a result, third parties approached Altech UEC with a view to partner with them on commercial manufacturing and supply agreements relating to the opportunity. These engagements were encouraged by Government to promote growth in the SME sector.
- Although there was correspondence between Altech UEC and these third parties, the company took a commercial decision not to enter into agreements with any of these entities.
- No monies or fees were paid to any individual or party related to these engagements.
- The DTT tender was awarded in March 2015 to companies not related to Altron.

In November 2017 three Altron subsidiaries, together with 12 other businesses, raided by the Competition Commission as part of its investigation into alleged collusion in connection with the DTT tender.

In August this year, in response to certain media reports, Altron initiated an internal investigation which found no wrong doing on the part of Altech UEC. Subsequent to the Competition Commission dawn raid, the company appointed an external legal firm, Bowmans, to conduct an independent investigation into the allegations. Altron is expecting Bowman's final report at the end of January 2018. In the meantime, Altron is providing its full cooperation to the Competition Commission.

Due to the Competition Commission investigation, there may be delays in the Altech UEC disposal process.

With the current information at hand, the Board wishes to confirm that Altron denies the allegations in the strongest terms. Altron does not condone, support or encourage any action that is in contravention of the group's values, corporate governance codes and regulations. Should at any time the investigation find that any Altron employee acted contrary to the law, the necessary steps will be taken in a decisive manner.

The Altron group obeys the laws and regulations of all countries in which it operates and remains committed to uncompromising ethical business practices through stringent corporate governance.

Altron will keep its shareholders informed of any further information on this issue when it becomes available.

Johannesburg  
15 December 2017

Sponsor  
Investec Bank Limited