

# notice of meeting

Notice is hereby given that the 89th annual general meeting of the members of the company will be held in the Boardroom, Illovo Sugar Park, 1 Montgomery Drive, Mount Edgecombe on Wednesday, 14 July 2004 at 14:00 to transact the following business -

## 1. FINANCIAL STATEMENTS

To receive and adopt the annual financial statements for the year ended 31 March 2004.

## 2. ELECTION OF DIRECTORS

To re-elect Messrs G J Clark, R D Hamilton, R A Norton, B M Stuart and R A Williams who retire by rotation, in terms of the articles of association, and who, being eligible, offer themselves for re-election.

The credentials of these directors are provided in the appendix to this notice; page 90 of the Annual Report.

## 3. SPECIAL BUSINESS

### 3.1 Ordinary resolutions

To consider and, if deemed fit, to pass with or without modification the following ordinary resolutions -

#### 1. *Placing unissued shares under the control of the directors*

That the ordinary shares of the company not allotted nor issued at 14 July 2004 (but excluding the shares reserved for the purpose of the Illovo Sugar 1992 Share Option Scheme over which the directors have specific authority) be placed under the control of the directors who be and they are hereby authorised, subject to the provisions of Section 221 of the Companies Act, 1973, as amended, and the rules and requirements of the JSE Securities Exchange South Africa, to allot and issue those shares at their discretion on such terms and conditions as they deem fit.

#### 2. *Allotment and issue of option shares to directors*

That, the directors referred to below having been granted options on 21 May 2003, in terms of the Illovo Sugar 1992 Share Option Scheme, the company hereby approves, in terms of Section 222(1)(a) of the Companies Act, 1973, as amended, the allotment and issue to such directors of up to the number of ordinary shares set out against their respective names as and when they exercise their options in respect of those shares from time to time -

G J Clark	140 000
N M Hawley	60 000
M I Hlatshwayo	160 000
D G MacLeod	350 000
J T Russell	140 000
B M Stuart	140 000

### 3. *Determination of directors' fees*

That unless otherwise determined by the company in general meeting, the base fee payable to non-executive directors of the company be increased from R90 000 to R100 000 per annum, payable quarterly in arrears, with effect from 1 April 2004.

### 3.2. Special resolutions

To consider and, if deemed fit, to pass the following special resolution -

#### *Special Resolution No. 1*

"RESOLVED THAT the directors of the company be and they are hereby authorised by way of a general authority, up to and including the date of the following annual general meeting of the company, to approve the purchase by the company of its own shares;

subject to the provisions of the Companies Act, No. 61 of 1973, as amended, and the rules and requirements of the JSE Securities Exchange South Africa ("the JSE") and/or any other recognised stock exchange on which the shares of the company may be listed from time to time, and subject to such other conditions as may be imposed by any other relevant authority, and provided that -

- (i) the general authority shall only be valid until the next annual general meeting, but in any event shall not extend beyond 15 months from the date of this resolution;
- (ii) the general authority may be varied or revoked by special resolution at any general meeting of the company at any time prior to the next annual general meeting;
- (iii) the general authority to repurchase be limited to a maximum of 20 percent of the company's issued share capital of that class at the date the transaction is agreed;
- (iv) repurchases shall not be made at a price more than five percent above the weighted average of the market value for the securities for the five business days immediately preceding the date on which the transaction is agreed;
- (v) an announcement will be published as soon as the company has acquired ordinary shares constituting, on a cumulative basis, three percent of the number of ordinary shares in issue prior to such acquisition, which announcement shall contain full details of such acquisition;
- (vi) the repurchase shall be implemented on the JSE ("open market"), but subject to the company's sponsor having furnished the JSE with prior, written confirmation of the company's working capital adequacy; and

(vii) after completion of the repurchase, the company will remain in compliance with the JSE's requirements in respect of shareholder spread."

### **Reason for and effect of Special Resolution No. 1**

The reason for and effect of Special Resolution No.1 will be that the directors will, up to and including the date of the following annual general meeting, be entitled to approve the purchase by the company of its own shares, provided that the general authority shall only be valid until the next annual general meeting but in any event shall not extend beyond 15 months from the date of this resolution; the general authority to repurchase shall be limited to a maximum of 20 percent of the company's issued share capital of that class at the date the transaction is agreed; the repurchases will not be made at a price more than five percent above the weighted average of the market value for the securities for the five business days immediately preceding the date on which the transaction is agreed; and shall be subject to the provisions of the Companies Act, No. 61 of 1973, as amended, and the rules and requirements of any recognised stock exchange on which the shares of the company may be listed.

It is the intention of the directors that they may use such authority should the prevailing circumstances (including the tax dispensation and market conditions) in their opinion warrant it. As a prerequisite to the use of such authority, the directors will be of the opinion, after considering the effect of such acquisition of shares, that for a period of 12 months following a decision to use this authority -

- (i) the company and the group will be able, in the ordinary course of business, to pay their debts;
- (ii) the consolidated assets of the company, fairly valued in accordance with Generally Accepted Accounting Practice, will be in excess of the consolidated liabilities of the company;
- (iii) the company and the group will have adequate capital and reserves for purposes of their business for the foreseeable future; and
- (iv) the working capital of the company and the group will be adequate.

Pursuant to the JSE's Listings Requirements relative to Special Resolution No. 1, it is noted that -

- (i) the following general information is included in the Annual Report -
  - Directors and management (pages 6 to 9);
  - Major shareholders (inside back cover);
  - Directors' interests in securities (page 51);
  - Share capital of the company (page 73);

- (ii) there have been no material changes since 31 March 2004, save that the company has entered into an agreement with a Black economic empowerment company for the sale of the Gledhow sugar mill and refinery and associated cane growing estates on the north coast of KwaZulu-Natal. This matter is more fully covered in the Annual Report;
- (iii) the company is not aware of any legal or arbitration proceedings, including any proceedings that are pending or threatened, that may have or have had in the recent past, being at least the previous 12 months, a material effect on the financial position of the group;
- (iv) as pertaining to Special Resolution No. 1, the directors whose names appear on pages 6 and 7 of the Annual Report collectively and individually accept full responsibility for the accuracy of the information given and certify that to the best of their knowledge and belief there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that Special Resolution No. 1 contains all information required by law and the JSE's Listings Requirements.

### **Special Resolution No. 2**

"RESOLVED THAT the articles of association of the company be and they are hereby amended in the following respects -

- (1) Sub-paragraph (e) of Article 1 is hereby substituted by the following -
 

"In writing" or "written" means and includes words printed, autographed, represented or produced in any mode in a visible form and further includes a data message being information generated, sent, received or stored by electronic, optical or similar means including, but not limited to, electronic mail;'
- (2) The following new sub-paragraph is inserted in Article 1 after sub-paragraph (k) -
 

'(l) "Registered address" in relation to a member means an address notified by a member to the company in terms of Article 104;'
- (3) The following new sub-paragraph is inserted in Article 1 after the new sub-paragraph (l) -
 

'(m) "Notice" includes circulars, listing particulars, annual reports, abridged and full annual financial statements, interim reports, profit and dividend announcements and proxy forms;'
- (4) The following new sub-paragraph is inserted after the new sub-paragraph (m) -
 

'(n) "JSE" means the JSE Securities Exchange South Africa.'

- (5) The following new Article is inserted after Article 54 –
- ‘54A The directors of the company may, in their discretion, permit the acceptance of proxies transmitted by members to the company by electronic mail, according to such directions as may be issued by the directors.’

- (6) Article 103 is hereby deleted and substituted with the following –

‘A notice shall be given or served by the company upon any member :

- (a) by personal delivery of the notice to the member;
- (b) by sending the notice through the postal service in a pre-paid letter, envelope or wrapper addressed to the member at his registered address;
- (c) subject to compliance with the requirements of the JSE, by electronic mail; provided that such member has consented thereto in writing and has specified an alternative electronic mail registered address;
- (d) subject to compliance with the requirements of the JSE, by posting the notice on the company’s website; provided the member has consented thereto in writing and that, simultaneously with or as soon as possible after such posting of the notice, the company notifies the member by electronic mail that it has posted the notice on its website.’

- (7) Article 104 is hereby substituted by the following –

‘Each holder of registered shares shall notify the company in writing of an address which shall be deemed to be his registered address within the meaning of these Articles. The address so notified by a member to the company may include an alternative electronic mail address. If he has not named an address, he shall be deemed to have waived his right to be served with notice.’

- (8) Article 106 is hereby substituted by the following –

‘Any notice sent by post shall be deemed to have been served on the day on which the letter, envelope or wrapper containing the same is posted, and in proving such service, it shall be sufficient to prove that the letter, envelope or wrapper containing the notice was properly addressed and put in the post. Any notice sent by electronic mail shall be deemed to have been served on the day on which the electronic mail was dispatched to the registered electronic mail address, and any notice posted on the company’s website shall be deemed to have been received on the day the member is notified by the company by electronic mail that it has posted the notice on its website.’

- (9) Article 110 is hereby substituted by the following –

‘The signature to any notice given by the company may be written, printed, partly written and partly printed or may be an electronic signature.’

- (10) ‘JSE’ is hereby substituted for the ‘Johannesburg Stock Exchange’ wherever that name appears in Articles 4, 20A, 29(g), 37(4) and 90A.

#### **Reason for and effect of Special Resolution No. 2**

The reason for Special Resolution No.2 is that the Articles of Association constrain the company to deliver notices and receive proxies by personal or postal delivery. The effect of Special Resolution No. 2 will be to allow the company to give such notices and to receive proxies electronically, as permitted by the Electronic Communications and Transactions Act, No. 25 of 2002 and the Listings Requirements of the JSE Securities Exchange South Africa (‘JSE’). Special Resolution No. 2 also introduces a definition of the JSE.

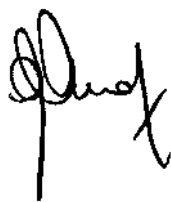
#### **4. OTHER BUSINESS**

To transact such other business as may be transacted at an annual general meeting of members.

Members holding certificated shares and members that have dematerialised their shares and have elected own name registration in the sub-register maintained by a Central Securities Depository Participant (CSDP), may attend, speak and vote at the annual general meeting or may appoint one or more proxies (who need not be members of the company) to attend, speak and vote at the annual general meeting on behalf of such member. A proxy form is attached to this notice of meeting. Duly completed proxy forms must be returned to the transfer secretaries, Computershare Investor Services 2004 (Pty) Ltd (P O Box 61051, Marshalltown, 2107 or Ground Floor, 70 Marshall Street, Johannesburg) by no later than 14:00 on Monday, 12 July 2004.

Shareowners who have dematerialised their shares through a CSDP or a broker and who have not elected own name registration in the sub-register maintained by the CSDP and who wish to attend the annual general meeting, should instruct their CSDP/broker to issue them with the necessary authority to attend. Shareowners who are unable or do not intend to attend the meeting, but wish to be represented at the meeting, may provide their CSDP/broker with their voting instructions in terms of the custody agreement entered into between such shareowners and their CSDP/broker.

By order of the board.



**G D Knox**  
Secretary

Mount Edgecombe  
18 June 2004

# appendix to notice of meeting

## ELECTION OF DIRECTORS

### *Curricula vitae*

**1. G J (Graham) Clark** (48), *B.Acct. (Hons.), A.C.A.*

Joined Lonrho Sugar Corporation Limited (LSC) in Malawi in 1980 and has since obtained extensive sugar industry experience throughout Africa and internationally. He was appointed group financial controller of LSC in 1992, becoming financial director in 1995. With the acquisition of LSC in 1997, he joined the Illovo group and was appointed Operations Director responsible for Africa operations outside South Africa. He is a member of the Institute of Chartered Accountants in Australia.

**2. R D (Robin) Hamilton** (66), *B.Sc., B.Com.*

Appointed to the Board in 1989. Managing director of Suncrush Limited from 1972 to 1998 and Chairman of the same company from 1974 to 1998. He is a past director of Standard Bank and Standard Merchant Bank, and presently a director of Atlas Properties and Governor of the Rhodes University Foundation.

**3. R A (Tony) Norton** (65), *M.A. (Oxon)*

Appointed to the board in 1997 and as chairman of the Remuneration / Nomination Committee in 2001. After qualifying at Oxford University, he was admitted as an advocate in 1964. He has held numerous executive positions during his business career including that of managing director of Standard Merchant Bank, managing director of C G Smith Sugar, chief executive of Tiger Oats, executive director of Barlow Rand and chairman of its food division, President of the Johannesburg Stock

Exchange, director general of the Council of S A Bankers, deputy chairman of Fergusson Bros. and chief executive officer of NBS Holdings. He is presently a consultant to Norton Derivatives and a non-executive director of other listed companies, Grindrod Limited and S A Retail Properties Limited.

**4. B M (Barry) Stuart** (56), *B.Com., Dip. Sugar Tech., S.E.P. (Stanford)*

Joined the Illovo group in 1973 and spent 13 years in various production management positions before being appointed as General Manager of the Umzimkulu mill and later General Manager of the Sezela mill. He was appointed to the board as Cane Procurement Director in 1994 and became Operations Director responsible for operations in South Africa in 1995. He is currently also chairman of the South African Sugar Millers' Association.

**5. R A (Robbie) Williams** (63), *B.A., LL.B.*

Appointed to the board in 1985 and as chairman in 1997. Qualified at the University of Cape Town and joined Barlows Manufacturing Company where he became the managing director in 1979. He assumed the chairmanship of C G Smith Foods and Tiger Oats in 1985 and was appointed to the board of Barlow Rand. Following the unbundling of C G Smith he has remained chairman of Illovo Sugar and Tiger Brands. He is also a non-executive director of other listed companies, FirstRand Limited, Mutual & Federal Insurance Company Limited, Nampak Limited and Oceana Group Limited.

### SHAREHOLDERS' DIARY

Financial year end		March
Annual general meeting		July
<b>Reports and profit statements</b>		
Interim report		November
Profit statement for the year		May
Annual report and financial statements		June
<b>Dividends</b>		
Interim	Declaration	November
	Payment	January
Final	Declaration	May
	Payment	July

Shareholders are reminded to notify the transfer secretaries of any change in address.

# form of proxy

## for the 89th Annual General Meeting



Company Registration No. 1906/000622/06  
Share code ILV ISIN ZAE000003547

**For completion only by members holding certificated shares, and members that have dematerialised their shares and have elected "own name" registration.**

I/We \_\_\_\_\_  
(Name/s in block letters)

of \_\_\_\_\_  
(address)

being the shareholder/member of the abovenamed company and entitled to

Number of votes

--

(1 share = 1 vote)

do hereby appoint

1 \_\_\_\_\_ of \_\_\_\_\_ or failing him/her

2 \_\_\_\_\_ of \_\_\_\_\_ or failing him/her

3 the chairman of the meeting

as my/our proxy to attend, speak and vote for me/us and on my/our behalf at the annual general meeting of the company to be held in the Boardroom, Illovo Sugar Park, 1 Montgomery Drive, Mount Edgecombe, KwaZulu-Natal on Wednesday 14 July 2004 at 14:00 and at any adjournment thereof as follows -

Resolution No.	Agenda Item	Mark with X where applicable		
		For	Against	Abstain

1	Adoption of 2004 annual financial statements			
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**Re-election of directors**

2.1	G J Clark			
2.2	R D Hamilton			
2.3	R A Norton			
2.4	B M Stuart			
2.5	R A Williams			

**Ordinary Resolutions**

1	Placing unissued shares under the control of the directors			
2	Allotment and issue of option shares to directors			
3	Determination of directors' fees			

**Special Resolutions**

1	General authority for the repurchase of shares			
2	Amendment of Articles of Association			

Signed at \_\_\_\_\_ on this \_\_\_\_\_ day of \_\_\_\_\_ 2004

Signature \_\_\_\_\_

Assisted by me (where applicable) (see note 4) \_\_\_\_\_

Full name/s of signatory/ies if signing in a representative capacity (see note 5)

NB Please refer to the notes on the reverse of this Form of Proxy

## NOTES TO THE FORM OF PROXY

- 1 A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend, speak and vote in his/her stead. A proxy need not be a member of the company.
- 2 This proxy form is not for completion by those shareholders who have dematerialised their shares (other than those whose shareholding is recorded in their own name in the sub-register maintained by their Central Securities Depository Participant [CSDP] ). Such shareowners should provide their CSDP / broker with their voting instructions.
- 3 If this proxy form is returned without any indication as to how the proxy should vote, the proxy will be entitled to vote or abstain from voting as he/she thinks fit.
- 4 A minor must be assisted by his/her guardian.
- 5 The authority of a person signing a proxy in a representative capacity must be attached to the proxy unless that authority has already been recorded by the company.
- 6 In order to be effective, proxy forms must reach the transfer secretaries, Computershare Investor Services 2004 (Pty) Ltd (P O Box 61051, Marshalltown, 2107 or Ground Floor, 70 Marshall Street, Johannesburg) no later than 14:00 on Monday, 12 July 2004.
- 7 The delivery of the duly completed proxy form shall not preclude any member or his/her duly authorised representative from attending the meeting, speaking and voting instead of such duly appointed proxy.
- 8 If two or more proxies attend the meeting, then that person attending the meeting whose name appears first on the proxy form, and whose name is not deleted, shall be regarded as the validly appointed proxy.

# analysis of shareholders

An analysis of the register of members as at 31 March 2004 revealed the following categories of membership -

## Individuals

	Number of ordinary shares held	% of shares issued	Number of shareholders
1 – 1 000	1 231 298	0.4	3 071
1 001 – 10 000	8 313 154	2.5	2 199
10 001 – 100 000	18 246 813	5.4	562
100 001 – 1 000 000	84 100 662	25.2	253
Over 1 000 000	221 938 773	66.5	68
	333 830 700	100.0	6 153

Of the total number of shareholders, 4 927 hold their shares in dematerialised form whilst 1 226 remain as certificated holders. Of the total number of shares in issue, 99.5% have been dematerialised.

A further analysis of the register reveals the following categories of members -

Pension funds	127 001 904	38.0
Unit trusts	75 438 160	22.6
Insurance companies	48 065 586	14.4
Banks	27 990 965	8.4
Individuals	23 956 733	7.2
Other corporate bodies	31 377 352	9.4
	333 830 700	100.0

## Disclosures by nominee shareholders

Pursuant to the provisions of Section 140A of the Companies Act, 1973, the following beneficial shareholdings equal to or exceeding 5% of the total issued shares in the company have been determined from an analysis of the statutory disclosures submitted by nominee companies -

● Allan Gray Limited	104 658 631	31.4
● Old Mutual Asset Management	52 345 450	15.7
● RMB Asset Management	43 028 756	12.9
● Investec Asset Management	25 813 510	7.7

A further analysis of the holdings of these asset management companies revealed that Old Mutual Life Assurance Company Limited held 32 805 834 shares (9.8%), the Public Investment Commissioner held 28 774 763 shares (8.6%), and Momentum Life Assurance held 16 875 611 shares (5.1%).

## Shareholder spread

Non-public shareholders -

● Directors	836 780	
● Employees and former employees holding shares in terms of the Illovo Sugar 1992 Share Option Scheme	1 346 700	
● Trustees of the Illovo Sugar Employees Share Purchase Trust	184 863	
	2 368 343	0.7
Public shareholders	331 462 357	99.3
	333 830 700	100.0