

Datatec Limited
(Incorporated in the Republic of South Africa)
(Registration number: 1994/005004/06)
ISIN: ZAE00017745
Share Code: DTC
("Datatec" or "the Company")

CASH PAYMENT APPLICABLE TO THE SCRIP DISTRIBUTION

Shareholders of Datatec ("Shareholders") are referred to the announcement regarding the Company's audited financial results for the year ended 28 February 2021 and declaration of the cash dividend with a scrip distribution alternative released on the Stock Exchange News Service ("SENS") of the JSE Limited ("JSE") on Tuesday, 25 May 2021, in terms of which the board of directors of the Company notified Shareholders that it had resolved to declare a final cash dividend of 100 ZAR cents ("Cash Dividend") per Datatec ordinary share held on the Record Date, being Friday, 16 July 2021 ("Record Date").

Shareholders will, however, be entitled to elect to receive a scrip distribution of new, fully-paid Datatec ordinary shares in proportion to their ordinary shareholding in Datatec on the Record Date ("Scrip Distribution" or "Scrip Distribution Alternative"), instead of the Cash Dividend.

The ratio applicable to the Scrip Distribution entitlement was announced on SENS on Tuesday, 6 July 2021, being 3.42096 Scrip Distribution shares for every 100 Datatec ordinary shares held on the Record Date. If the application of this ratio gives rise to a fraction of a new ordinary share, such fraction of a new ordinary share will be rounded down to the nearest whole number, resulting in allocations of whole ordinary shares and a cash payment for the fraction ("Rounding Provision").

In accordance with the requirements of the JSE Limited, the cash payment has been determined with reference to the volume weighted average price ("VWAP") of a Datatec ordinary share traded on the JSE on Wednesday, 14 July 2021 (being the day on which a Datatec ordinary share began trading 'ex' the entitlement to receive the Cash Dividend or the Scrip Distribution Alternative), discounted by 10%.

Shareholders are accordingly advised that the basis applicable in determining the cash payment for the fractional entitlement is 2244.6 ZAR cents (the VWAP of a Datatec ordinary share trades on the JSE on Wednesday 14 July 2021 of 2494 ZAR cents, discounted by 10%).

Example of fractional entitlement:

This example assumes that a Shareholder holds 100 Datatec ordinary shares at the close of business on the Record Date and elects to receive the Scrip Distribution shares in respect of all their shareholding.

New ordinary share entitlement =

$100 \times 100 \text{ ZAR cents} / 2923.15933 \text{ ZAR cents}$

= 3.42096 new ordinary Scrip Distribution Shares

The Rounding Provision described above is then applied and the Shareholder will receive:

3 Scrip Distribution Shares in respect of the 100 Shares held and a cash payment of 944.88682 ZAR cents for the fractional entitlement (calculated as follows $0.42096 \times 2244.6 = 944.88682 \text{ ZAR cents}$).

This fractional entitlement payment will not be subject to Dividend Withholding Tax in terms of the Income Tax Act 58 of 1962.

Thursday, 15 July 2021

Sponsor

RAND MERCHANT BANK (A division of FirstRand Bank Limited)