

Datatec Limited
(Incorporated in the Republic of South Africa)
(Registration number: 1994/005004/06)
ISIN: ZAE000017745
Share Code: DTC
("Datatec" or "the Company")

RATIO APPLICABLE TO THE SCRIP DISTRIBUTION

Datatec shareholders ("**Shareholders**") are referred to the announcement regarding the Company's interim financial results for the 6-month period ended 31 August 2021 and declaration of a special cash dividend with a scrip distribution alternative released on SENS on Thursday, 28 October 2021, in terms of which the board of directors of the Company notified Shareholders that it had resolved to return an amount of approximately US\$70 million to Shareholders by declaring a special cash dividend of 512 ZAR cents ("**Special Cash Dividend**") per Datatec ordinary share ("**Datatec Share**") held on the record date, being Friday, 26 November 2021 ("**Record Date**"). Shareholders were advised that they would be entitled to elect to receive a scrip distribution of new, fully paid Datatec Shares in proportion to their ordinary shareholding in Datatec on the Record Date instead of the Special Cash Dividend ("**Scrip Distribution**" or "**Scrip Distribution Alternative**").

Shareholders will be entitled to receive the Special Cash Dividend of 512 ZAR cents per ordinary Datatec Share in respect of their shareholding as at the close of trading on the JSE on the Record Date, being Friday, 26 November 2021, in proportion to their ordinary shareholding in Datatec and to the extent that such Shareholders have not elected to receive the Scrip Distribution Alternative in respect of all or a part of their shareholding.

Shareholders will, however, be entitled to elect to receive a Scrip Distribution of new, fully paid Datatec Shares in respect of their shareholding in Datatec as at the Record Date, in respect of all or part of their ordinary shareholding, instead of the Special Cash Dividend.

A circular setting out the terms of the Special Cash Dividend and the Scrip Distribution Alternative, including a Form of Election to elect to receive the Scrip Distribution Alternative, was distributed to shareholders on Wednesday, 3 November 2021 ("**Circular**").

The number of Scrip Distribution shares to which each Shareholder will become entitled pursuant to the Scrip Distribution (subject to their election thereto) will be determined by reference to such Shareholder's ordinary shareholding in Datatec (at the close of trade on the JSE on the Record Date) in relation to the ratio that 512 ZAR cents bears to the volume weighted average price ("**VWAP**") of a Datatec ordinary share traded on the JSE during the 30-day trading period ending on Monday, 15 November 2021, provided that, where the application of this ratio gives rise to a fraction of an ordinary share, rounding principles will be applied. The 30-day VWAP at close of business on Monday, 15 November 2021 was 3967.66756 ZAR cents per share. The ratio of Scrip Distribution shares to which each Shareholder will become entitled pursuant to the Scrip Distribution Alternative (to the extent that such Shareholders elect to receive the Scrip Distribution shares) is therefore 12.90431 Scrip Distribution shares for every 100 Datatec Shares held on the Record Date.

Where a Shareholder's entitlement to new Datatec ordinary shares, calculated in accordance with the above formula, 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**"). The applicable cash payment will be determined with reference to the VWAP of an ordinary Datatec share traded on the JSE on Wednesday, 24 November 2021, (being the day on which Datatec Shares begin

trading "ex" the entitlement to receive the Special Cash Dividend or the Scrip Distribution Alternative), discounted by 10%. Details of the ratio will be announced on SENS on Thursday, 25 November 2021. Shareholders are referred to paragraph 3.4.2 of the Circular in which it is stated that the Scrip Distribution Alternative and cash paid for a fraction of a share will not be subject to Dividend Withholding Tax in terms of the Income Tax Act 58 of 1962.

Example of Scrip Distribution entitlement:

This example assumes that a Shareholder holds 100 Datatec 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 =

$100 \times 512 \text{ ZAR cents} / 3967.66756 \text{ ZAR cents}$

= 12.90431 Scrip Distribution Shares (then apply the Rounding Provision described above)

= 12 Scrip Distribution shares in respect of the 100 Datatec Shares held plus the applicable cash payment to be determined as described above.

Johannesburg
16 November 2021

Sponsor

Rand Merchant Bank (A division of FirstRand Bank Limited)

Legal Advisors

Bowmans