

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

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## DECLARATION OF A SPECIAL DIVIDEND OF R12.50 AND SCRIP DISTRIBUTION ALTERNATIVE

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### Introduction

Datatec shareholders ("**Shareholders**") are referred to the announcement released on the Stock Exchange News Service of the JSE ("**SENS**") on 30 June 2022, detailing the terms of the disposal of the Company's Analysys Mason Limited ("**AM**") business ("**AM Transaction**") and to the announcement released on SENS on 27 September 2022 regarding Completion of the AM Transaction.

Datatec sold its entire 71.2% shareholding in AM which had been held by its 100% subsidiary Datatec PLC and received its portion of the initial consideration on Completion, comprising approximately £128 million in cash and £7.1 million in principal amount of Deferred Loan Notes, payable three years after Completion.

Notice is hereby given that the board of Datatec has assessed the financial position of the Company and intends to distribute the entire initial gross proceeds totalling £135.1 million to shareholders by way of a special cash dividend of 1250 ZAR cents per Datatec ordinary share ("**Special Cash Dividend**"), payable to the Shareholders in proportion to their ordinary shareholding in Datatec at the close of business on Friday, 2 December 2022 (the "**Record Date**"). All transaction related costs will be absorbed by the Company in order to maximise the distribution to Shareholders.

Furthermore, Shareholders will be entitled, in respect of all or part of their shareholding, to elect to receive new, fully paid ordinary Datatec shares in proportion to their ordinary shareholding on the Record Date as an alternative to the Special Cash Dividend (the "**Scrip Distribution**"). The Special Cash Dividend has been declared and will be paid out of Datatec's distributable retained profits. A dividend withholding tax of 20% will be applicable in respect of the Special Cash Dividend to all shareholders not exempt therefrom after deduction of which, the net Special Cash Dividend is 1000 ZAR cents per share.

The new Datatec ordinary shares will, pursuant to the Scrip Distribution, not be subject to a dividend withholding tax, and the issue price of the Scrip Distribution (which will equal the volume weighted average price ("**VWAP**") of Datatec's ordinary shares traded on the JSE for the 30-day trading day period ending on Monday, 21 November 2022) will be settled by way of a capitalisation of Datatec's distributable retained profits.

The Company's total number of issued ordinary shares as at 11 October 2022 is 221,745,341. Datatec's income tax reference number is 9999/493/71/2.

### Terms of the Cash Dividend and Scrip Distribution

The Shareholders will be entitled to receive the Special Cash Dividend of 1250 ZAR cents per Datatec share in respect of their shareholding as at the close of trading on the JSE on the Record Date, being Friday, 2 December 2022, 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 ordinary 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.

The number of Scrip Distribution shares to which each of the Shareholders 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 business on the Record Date, being Friday, 2 December 2022) in relation to the ratio that 1250 ZAR cents bears to the VWAP of a Datatec ordinary share traded on the JSE during the 30-day trading period ending on Monday, 21 November 2022, provided that, where the application of this ratio gives rise to a fraction of an ordinary share, the rounding principles will be applied. 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. The fractional entitlement payment will not be subject to a dividend withholding tax. The applicable cash payment will be determined with reference to the VWAP of an ordinary Datatec share traded on the JSE on Wednesday, 30 November 2022, (being the day on which Datatec ordinary 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 in accordance with the timetable below.

The Special Cash Dividend is subject to exchange control approval.

### **Circular and salient dates**

A circular ("the **Circular**") providing shareholders with full information on the Special Cash Dividend or Scrip Distribution alternative, including a Form of Election to elect to receive the Scrip Distribution alternative will be distributed to Shareholders on or about Wednesday, 19 October 2022. The salient dates of events thereafter are as follows:

<b>EVENT</b>	<b>2022</b>
Record date to determine eligible Shareholders to receive the Circular is on	<b>Friday, 14 October</b>
Distribution of Circular announced on SENS on	<b>Wednesday, 19 October</b>
Circular and Form of Election distributed on	<b>Wednesday, 19 October</b>
Distribution of Circular announcement published in the South African press on	<b>Thursday, 20 October</b>
Finalisation announcement released on SENS in respect of the ratio applicable to the Scrip Distribution Alternative, based on the 30-day VWAP ending on Monday, 21 November 2022 and confirmation of receipt of exchange control approval, by 11h00 on	<b>Tuesday, 22 November</b>
Finalisation announcement published in the South African press in respect of the ratio applicable to the Scrip Distribution Alternative, based on the 20-day VWAP ending on Monday, 21 November 2022 and confirmation of receipt of exchange control approval on	<b>Wednesday, 23 November</b>
Last day to trade in order to be eligible for the Special Cash Dividend and the Scrip Distribution alternative	<b>Tuesday, 29 November</b>

Shares trade "ex" the Special Cash Dividend and the Scrip Distribution alternative on	<b>Wednesday, 30 November</b>
Listing and trading of maximum possible number of Datatec ordinary shares on the JSE in terms of the Scrip Distribution alternative from the commencement of business on	<b>Wednesday, 30 November</b>
Announcement released on SENS in respect of the cash payment applicable to fractional entitlements, based on the VWAP of a Datatec ordinary share traded on the JSE on Wednesday, 24 November 2021, discounted by 10%, by 11h00 on	<b>Thursday, 01 December</b>
Last day to elect to receive the Scrip Distribution alternative instead of the Special Cash Dividend, Forms of Election to reach the transfer secretaries, Computershare Investor Services Proprietary Limited, by 12h00 on	<b>Friday, 2 December</b>
<b>Record Date</b> in respect of the Special Cash Dividend and the Scrip Distribution alternative	<b>Friday, 2 December</b>
Special Cash Dividend payments made, and CSDP/broker accounts credited/updated with Scrip Distribution shares on	<b>Monday, 5 December</b>
Announcement relating to the results of the Special Cash Dividend and the Scrip Distribution alternative released on SENS on	<b>Monday, 5 December</b>
Announcement relating to the results of the Special Cash Dividend and the Scrip Distribution alternative published in the South African press on	<b>Tuesday, 6 December</b>
JSE listing of Datatec ordinary shares in respect of the Scrip Distribution alternative adjusted to reflect the actual number of Datatec ordinary shares issued in terms of the Scrip Distribution alternative at the commencement of business on or about	<b>Tuesday, 6 December</b>

All times provided are South African local times. The above dates and times are subject to change. Any material change will be announced on SENS.

Share certificates may not be dematerialised or rematerialised between Wednesday, 30 November 2022 and Friday, 2 December 2022, both days inclusive. If Datatec maintains a certificated register, then the register will be closed from Wednesday, 30 November 2022 to Friday, 2 November 2022, both days inclusive.

Johannesburg  
11 October 2022

**Sponsor**

Rand Merchant Bank (A division of FirstRand Bank Limited)

**Legal Advisors**

Bowmans