

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 audited financial results for the year ended 28 February 2023 and declaration of a cash dividend with a scrip distribution alternative released on the Stock Exchange News Service ("**SENS**") on Tuesday, 23 May 2023, in terms of which the board of directors of the Company notified shareholders that it had resolved to declare a gross final cash dividend of 195 ZAR cents ("**Cash Dividend**") per Datatec ordinary share ("**Datatec Share**") held on the record date, being Friday, 14 July 2023 ("**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 Cash Dividend ("**Scrip Distribution**" or "**Scrip Distribution Alternative**").

A circular setting out the terms of the 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 Thursday, 1 June 2023 ("**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 195 ZAR cents bears to the volume weighted average price ("**VWAP**") of a Datatec Share traded on the JSE during the 30-day trading period ending on Monday, 3 July 2023 "ex" the Cash Dividend, provided that, where the application of this ratio gives rise to a fraction of a Datatec Share, rounding principles will be applied. The 30-day VWAP "ex" the Cash Dividend at close of business on Monday, 3 July 2023 was 3641.77149 ZAR cents per share (being 3836.77149 ZAR cents minus 195 ZAR cents). The ratio of Scrip Distribution shares to which each Shareholder will become entitled pursuant to the Scrip Distribution Alternative (to the extent that such Shareholder elects to receive the Scrip Distribution shares) is therefore 5.35454 Scrip Distribution shares for every 100 Datatec Shares held on the Record Date.

Where a Shareholder's entitlement to new Datatec Shares, calculated in accordance with the above formula, gives rise to a fraction of a new Datatec Share, such fraction of a new a Datatec 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 a Datatec Share traded on the JSE on Wednesday, 12 July 2023, (being the day on which Datatec Shares begin trading "ex" the entitlement to receive the Cash Dividend or the Scrip Distribution Alternative), discounted by 10%. Details of the cash payment will be announced on SENS on Thursday, 13 July 2023. 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 Datatec 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 =

$100 \times 195 \text{ ZAR cents} / (3836.77149 - 195) \text{ ZAR cents}$

= 5.35454 Scrip Distribution shares (then apply the Rounding Provision described above)

= 5 Scrip Distribution shares in respect of the 100 Datatec Shares held plus the applicable cash payment to be determined as described above.

Johannesburg

4 July 2023

Sponsor

Pallidus Exchange Services Proprietary limited

Legal Advisors

Bowmans

