

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

DISTRIBUTION OF CIRCULAR TO SHAREHOLDERS

Shareholders of Datatec ("**Shareholders**") are referred to the announcement regarding the Company's audited financial results for the year ended 29 February 2024 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, 28 May 2024, in terms of which the board of directors of the Company notified Shareholders that it had resolved to declare a cash dividend of 130 ZAR cents ("**Cash Dividend**") per Datatec ordinary share ("**Datatec Ordinary Shares**") held on the Record Date, being Friday, 19 July 2024 ("**Record Date**"). Shareholders were advised that they would 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**").

Shareholders will be entitled to receive the Cash Dividend of 130 ZAR cents per Datatec Ordinary Share in respect of their shareholding as at the close of trading on the JSE on the Record Date, 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 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 trade on the JSE on the Record Date) in relation to the ratio that 130 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 Friday, 5 July 2024, less the amount of the Cash Dividend provided that, where the application of this ratio gives rise to a fraction of an ordinary share, 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 applicable cash payment will be determined with reference to the VWAP of a Datatec Ordinary Share traded on the JSE on Wednesday, 17 July 2024, (being the day on which Datatec Ordinary Shares begin trading "ex" the entitlement to receive the 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 Company's total number of issued Datatec Ordinary Shares is 229 522 677. As at Friday, 31 May 2024, the Company had 574 145 Datatec Ordinary Shares held as treasury shares. Datatec's South African income tax reference number is 9999/493/71/2.

The distribution of the circular referred to below, and the rights to receive the Scrip Distribution shares in jurisdictions other than the Republic of South Africa, may be restricted by law and any failure to comply with these restrictions may constitute a violation of the securities laws of such jurisdictions. Accordingly, Shareholders will not be entitled to receive the Scrip Distribution shares, directly or indirectly, in those jurisdictions and shall be deemed not to have elected the Scrip Distribution Alternative. Such non-resident Shareholders should inform themselves about and observe any applicable legal requirements in such jurisdictions. It is the responsibility of non-resident shareholders to satisfy themselves as to the full observance of the laws and regulatory requirements of the relevant jurisdictions in respect of the Scrip Distribution

Alternative, including the obtaining of any governmental, exchange control or other consents or the making of any filing which may be required, compliance with other necessary formalities and payment of any issue, transfer or other taxes or other requisite payments due in such jurisdictions. Shareholders who have any doubts as to their position, including, without limitation, their tax status, should consult an appropriate adviser in the relevant jurisdictions without delay.

The Company has today, Wednesday, 5 June 2024, distributed a circular (including a Form of Election (*grey*) for certificated Shareholders) to Shareholders, detailing the terms of the Cash Dividend and the Scrip Distribution Alternative ("**Circular**").

The Company is pleased to announce that the Financial Surveillance Department of the South African Reserve Bank has approved the Circular.

The Circular is available, in English only on, the Company's website <https://www.datatec.com/circulars.php> and during normal business hours at the Company's registered office Third Floor, Sandown Chambers, Sandown Village, 81 Maude Street, Sandown 2196, Johannesburg, South Africa.

The salient dates pertaining to the Cash Dividend and the Scrip Distribution Alternative, also contained in the Circular, are set out below:

EVENT	2024
Record date for Shareholders to be registered in the Company's securities register in order to be entitled to receive this Circular	Friday, 31 May
Distribution of Circular announced on SENS on	Wednesday, 5 June
Circular and Form of Election (<i>grey</i>) distributed on	Wednesday, 5 June
Distribution of Circular announcement published in the South African press on	Thursday, 6 June
Finalisation announcement released on SENS in respect of the ratio applicable to the Scrip Distribution Alternative, based on the 30-day volume weighted average price (" VWAP ") "ex" the Cash Dividend ending on Friday, 5 July 2024, by 11h00 on	Monday, 8 July
Announcement published in the South African press of the ratio applicable to the Scrip Distribution Alternative, based on the 30-day VWAP "ex" the Cash Dividend ending on Friday, 5 July 2024 on	Tuesday, 9 July
Last day to trade in order to be eligible for the Cash Dividend and the Scrip Distribution Alternative	Tuesday, 16 July
Shares trade "ex" the Cash Dividend and the Scrip Distribution Alternative on	Wednesday, 17 July
Listing and trading of maximum possible number of Shares on the JSE in terms of the Scrip Distribution Alternative from the commencement of trading on	Wednesday, 17 July
Announcement released on SENS in respect of the cash payment applicable to fractional entitlements, based on the VWAP of a Share traded on the JSE on Wednesday, 17 July 2024, discounted by 10%, by 11h00 on	Thursday, 18 July
Last day to elect to receive the Scrip Distribution Alternative instead of the Cash Dividend, Forms of Election (<i>grey</i>) to reach the Transfer Secretaries by 12h00 on	Friday, 19 July
Record Date in respect of the Cash Dividend and the Scrip Distribution Alternative	Friday, 19 July

Cash Dividend payments made, CSDP/broker accounts credited/updated with Scrip Distribution Shares on	Monday, 22 July
Announcement relating to the results of the Cash Dividend and the Scrip Distribution Alternative released on SENS on	Monday, 22 July
Announcement relating to the results of the Cash Dividend and the Scrip Distribution Alternative published in the South African press on	Tuesday, 23 July
JSE listing of Shares in respect of the Scrip Distribution Alternative adjusted to reflect the actual number of ordinary Shares issued in terms of the Scrip Distribution Alternative at the commencement of business on or about	Tuesday, 23 July

All times provided in the Circular and as disclosed above 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, 17 July 2024 and Friday, 19 July 2024, both days inclusive. If Datatec maintains a certificated register, then the register will be closed from Wednesday, 17 July 2024 to Friday, 19 July 2024, both days inclusive.

Johannesburg
5 June 2024

Sponsor

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BOWMANS