

DATATEC LIMITED  
Incorporated in the Republic of South Africa  
Registration number: 1994/005/004/06  
Share codes: JSE: DTC  
OTCQX: DTTLF  
ISIN: ZAE000017745  
Company tax reference number: 9999/493/71/2.  
("Datatec", the "Company" or the "Group")

AUDITED GROUP ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2025 - CASH DIVIDEND WITH  
SCRIP ALTERNATIVE

Datatec Limited, the international information and communications technology (ICT) group, today publishes its audited group annual financial statements for the year ended 28 February 2025 ("the year" or "FY25") on the Stock Exchange News Service ("SENS") which are available on Datatec's website <https://www.datatec.com/annual-results.php> and via the JSE cloudlink: <https://senspdf.jse.co.za/documents/2025/jse/isse/dtc/FY25.pdf>

Highlights

	Results for the year ended 28 February 2025 "FY25"	Restated^* Results for the year ended 29 February 2024 "FY24"	% movement
Revenue^ (US\$ million)	3,639.7	3,992.4	(8.8)
Gross profit (US\$ million)	910.3	862.2	5.6
EBITDA (US\$ million)	221.3	177.6	24.6
Underlying* earnings per share (US cents)	30.5	17.1	78.4
Earnings per share (US cents)	25.7	20.4	26.0
Headline earnings per share (US cents)	25.5	14.2	79.6
Net asset value (US\$ million)	520.9	501.2	3.9
Net debt (US\$ million)	(52.1)	(123.1)	(57.7)
Dividend per ordinary share (ZAR cents)	200.0	130.0	53.8

^ The Group's FY24 revenue and cost of sales were restated following a voluntary change in accounting policy in FY25. This change in accounting policy impacted previously reported revenue and cost of sales only with no impact on the gross profit numbers presented (refer to the audited group annual financial statements for the year ended 28 February 2025 for further details on this restatement).

The following non-IFRS financial measures presented in this announcement, underlying\* earnings per share and adjusted\*\* EBITDA, are the responsibility of the Directors, and are presented for illustrative purposes and due to their nature, may not fairly present the results, financial position and cash flows of Datatec. Shareholders are referred to the Supplementary Pro Forma section of the Results Booklet, available on the Company's website, for the reconciliation of the non-IFRS financial measures and the Auditor's unmodified report thereon.

\* Underlying earnings excludes impairments of goodwill and intangible assets, profit or loss on sale of investments and assets, amortisation of acquired intangible assets, acquisition-related adjustments, fair value movements on acquisition-related financial instruments, restructuring costs relating to fundamental reorganisations, one-off tax items impacting EBITDA, costs relating to acquisitions, integration and corporate actions, and the taxation effect of all of the aforementioned.

Following a review of peer reporting and to more closely align the definition of underlying\* earnings to the Group's Adjusted\*\* EBITDA metric, the Group decided not to exclude unrealised foreign exchange gains

or losses from underlying\* earnings from FY25 onward. The comparative figure for underlying\* earnings per share (which is a non-IFRS measure) for FY24 has been recalculated in accordance with the revised definition. The Board will continue to monitor and assess peer reporting and best practices in this regard.

\*\*Adjusted EBITDA refers to EBITDA excluding restructuring costs, share-based payments, one-off tax items impacting EBITDA and acquisition, integration and corporate actions costs.

- Continued strong margin and profit growth in Westcon International
- AI driving generational change in infrastructure
- Exceptional performance from Logicalis International with improved profitability in all regions
- Modernisation of IT infrastructure to support hybrid-cloud driving managed services
- Improving performance in Logicalis Latin America
- Vendors increasingly relying on channels and experienced partners

JENS MONTANANA, CHIEF EXECUTIVE OF DATATEC, COMMENTED:

"I am pleased to report a very strong operating and financial performance across all regions and metrics for the Group.

The improving profitability and cash generation of the Group's divisions enabled us to increase our dividend payout policy to 50% of underlying\* earnings per share.

Increasing IT complexity driven by AI and the significant rise in interconnected digital communities is driving infrastructure demand in areas like networking and cyber security where we have deep domain knowledge and many years of experience."

Strategic overview

Datatec's strategy is to improve shareholder returns over the medium term through a combination of corporate and business development actions aimed to enhance the competitiveness and profitability of its subsidiaries and operating divisions.

The Group continues to see good demand for its technology solutions and services worldwide with subsidiaries well-positioned to service customers in their respective markets.

The Group's Strategic Review continues to address the persistent gap between Datatec's valuation and the inherent value of its subsidiaries while also ensuring that the Group is positioned to take full advantage of the positive market dynamics for its technology solutions and services.

As part of its initiatives, Datatec broadened its investor relations programme during FY25 and was admitted to the OTCQX trading platform in the US to increase international investor access.

Datatec also announced a share repurchase programme that commenced on 28 November 2024 in accordance with the authority received at its last Annual General Meeting. The shares that have been repurchased shall be cancelled as issued shares in due course and will revert to authorised but unissued share capital status.

Group results

Revenue^ decreased by 8.8%. The decrease in revenue is mainly attributable to a mix change and more software and services being net revenue accounted. Gross profit increase by 5.6% to US\$910.3 million (FY24 US\$862.2 million).

The increase in gross margin^ % is largely due to changes in the revenue mix, contributing to a significant gross profit increase in Westcon International and Logicalis International. Adjusted\*\* EBITDA increased by 28.2% to US\$246.2 million (FY24: US\$192.1 million).

Divisional summary

Westcon International

Revenue^ decreased by 11.3% to US\$2.0 billion (FY24: US\$2.2 billion^) due to changes in revenue mix and a greater percentage of revenue being accounted for on a net revenue basis.

Gross profit increased by 9.4% to US\$441.2 million (FY24: US\$403.4 million), with growth in all regions and a significant increase in Asia-Pacific. Adjusted\*\* EBITDA increased by 24.7% to US\$149.9 million (FY24: US\$120.2 million), as improved operating efficiencies resulted in operating expenses increasing at a lower rate than gross profit growth.

#### Logicalis International

Revenue decreased by 5.9% to US\$1.2 billion (FY24: US\$1.3 billion) due to a mix change with more net revenue accounted software and services. Strong gross margin % improvement due to higher product margins achieved and a strong professional services margin. Adjusted\*\* EBITDA increased to US\$94.0 million (FY24: US\$74.1 million) as a result of restructuring activities undertaken in previous years, increased organic growth and more higher product margin transactions.

#### Logicalis Latin America

Revenue decreased by 11.3% to US\$455.1 million (FY24: US\$512.9 million). This is driven by reduced volume in Brazil and a lower opening backlog. The reduced gross profit of US\$103.6 million (FY24: US\$117.9 million) and gross margin % of 22.8% (FY24: 23.0%) are a result of the decrease in revenue mainly from Brazil. Adjusted\*\* EBITDA significantly improved to US\$20.1 million (FY24: US\$12.6 million). This increase of 59.5% is attributed to good operating cost management and effective mitigation of the foreign exchange impact.

#### Current trading and outlook

We expect that the trend toward higher software sales and annuity services will continue, improving the Group's margins and cash flow profile. There is continued strong demand for the Group's products and solutions, which positions the Group well in an increasingly complex environment.

The Board expects that all divisions will continue to improve their financial performance in the year ahead. The Group will remain focused on unlocking shareholder value in the context of its Strategic Review.

#### Dividend policy

The implementation of the new management incentive plans in some of the divisions has resulted in upstreaming of cash to the parent company in the form of returns on fixed return equity instruments (loan notes). Given that there is access to more cash at the parent company, the Group is changing its dividend policy to maintain a two-times cover relative to underlying\* earnings when declaring ordinary dividends (previously three-times cover).

#### Dividend

Notice is hereby given that the Board has declared a final distribution for the year ended 28 February 2025, by way of a cash dividend of 200 ZAR cents per Datatec ordinary share ("Cash Dividend") payable to the ordinary shareholders (the "Shareholders"), which will be in proportion to a Shareholder's ordinary shareholding in Datatec at the close of business on the Record Date, being Friday, 18 July 2025.

Shareholders will be entitled, in respect of all or part of their shareholding, to elect to receive new, fully paid ordinary Datatec shares ("Shares") in proportion to their ordinary shareholding on the Record Date as an alternative to the cash dividend (the "Scrip Distribution"). The Cash Dividend has been declared and paid out of Datatec's distributable retained profits. A dividend withholding tax of 20% will be applicable in respect of the Cash Dividend to all Shareholders not exempt therefrom after deduction of which, the net Cash Dividend is 160 ZAR cents per share.

The new Shares issued pursuant to the Scrip Distribution, will 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 Shares traded on the JSE for the 30-day trading day period ending on Monday, 7 July 2025 less the amount of the Cash Dividend), will be settled by way of a capitalisation of Datatec's distributable retained profits.

The Company's total number of Shares as at Tuesday, 27 May 2025 is 236 184 688. Datatec's income tax reference number is 9999/493/71/2.

A circular providing Shareholders with full information on the 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, 4 June 2025 ("the Circular"). The salient dates of events thereafter are as follows:

Event	2025
Record date for Shareholders to be registered in the Company's securities register in order to be entitled to receive the Circular	Friday, 30 May
Distribution of Circular announced on SENS on	Wednesday, 4 June
Circular and Form of Election (grey) distributed on	Wednesday, 4 June
Finalisation announcement released on SENS in respect of the ratio applicable to the Scrip Distribution alternative, based on the 30-day VWAP "ex" the Cash Dividend ending on Monday, 7 July 2025, by 11h00 on	Tuesday, 8 July
Last day to trade in order to be eligible for the Cash Dividend and the Scrip Distribution alternative	Tuesday, 15 July
Shares trade "ex" the Cash Dividend and the Scrip Distribution alternative on	Wednesday, 16 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, 16 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, 16 July 2025, discounted by 10%, by 11h00 on	Thursday, 17 July
Last day to elect to receive the Scrip Distribution alternative instead of the Cash Dividend, Forms of Election (grey) to reach Computershare Investor Services Proprietary Limited, the transfer secretaries of the Company by 12h00 on	Friday, 18 July
Record date in respect of the Cash Dividend and the Scrip Distribution alternative	Friday, 18 July
Cash Dividend payments made, and CSDP/broker accounts credited/updated with Scrip Distribution shares on	Monday, 21 July
Announcement relating to the results of the Cash Dividend and the Scrip Distribution alternative released on SENS on	Monday, 21 July
JSE listing of Shares in respect of the Scrip Distribution alternative adjusted to reflect the actual number of Shares issued in terms of the Scrip Distribution alternative at the commencement of trading on or about	Tuesday, 22 July

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, 16 July 2025 and

Friday, 18 July 2025, both days inclusive. If Datatec maintains a certificated register, then the register will be closed from Wednesday, 16 July 2025 and Friday, 18 July 2025, both days inclusive.

Application to the Financial Surveillance Department of the South African Reserve Bank for the payment of the Cash Dividend and the Scrip Distribution alternative has been made and an announcement regarding the approval made on SENS.

#### Foreign Shareholders

The rights to receive the Scrip Distribution 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, directly or indirectly, in those jurisdictions and shall be deemed to have elected the Cash Dividend 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, 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.

#### Board changes (All previously announced)

The following changes to the Board and Board Committees have taken place during FY25 as previously announced on SENS:

- Mr CR Jones joined the Board as an independent non-executive director and member of the Audit, Risk, and Compliance Committee ("ARCC") on 3 June 2024.
- Mr SJ Davidson retired from the Board on 31 July 2024.
- Mr CRK Medlock retired from the Board on 31 July 2024.
- Ms SJ Everaet stood down from the ARCC on 3 June 2024 and took over as Chair of the Social and Ethics Committee on 31 July 2024.

#### Other information

This announcement may contain statements regarding the future financial performance of the Group which may be considered to be forward looking statements. By their nature, forward looking statements involve risk and uncertainty, and although the Group has taken reasonable care to ensure the accuracy of the information presented, no assurance can be given that such expectations will prove to have been correct.

The Group has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward looking statements and there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. It is important to note, that:

- i. unless otherwise indicated, forward looking statements indicate the Group's expectations and have not been reviewed or reported on by the Group's external auditors;
- ii. actual results may differ materially from the Group's expectations if known and unknown risks or uncertainties affect its business, or if estimates or assumptions prove inaccurate;
- iii. the Group cannot guarantee that any forward looking statement will materialise and, accordingly, readers are cautioned not to place undue reliance on these forward looking statements; and
- iv. the Group disclaims any intention and assumes no obligation to update or revise any forward looking statement even if new information becomes available, as a result of future events or for any other reason, other than as required by the JSE Listing Requirements.

This short-form announcement is the responsibility of the Board of Directors of the Company. Shareholders are advised that this short-form announcement represents a summary of the information contained in the Group's audited financial statements, published on SENS and on Datatec's website on 27 May 2025 via the links provided in this announcement, and does not contain full or complete details. The announcement itself is not audited.

Any investment decisions by investors and/or shareholders should be based on consideration of the Group's audited annual financial statements for the year ended 28 February 2025, as a whole.

PricewaterhouseCoopers Inc., the Group's auditors, have audited the consolidated and separate annual financial statements from which this announcement has been derived and have expressed an unmodified audit opinion on these financial statements. The full audit opinion, with Key Audit Matters, issued on the consolidated and separate annual financial statements and the accompanying financial statements can be accessed on Datatec's website <https://www.datatec.com/annual-results.php>

Results presentation  
Shareholders are reminded that Datatec will be hosting a virtual presentation at 09:00 am SAST on Tuesday, 27 May 2025 to present the results to investors.

Presentation details:  
View and listen mode: <https://www.corpcam.com/Datatec27052025>. The presentation slides and results booklet will be available prior to the presentation on Datatec's website at <https://www.datatec.com/annual-results.php>.

On behalf of the Board

M Makanjee	JP Montanana	IP Dittrich
Chair	Chief Executive Officer	Chief Financial Officer

27 May 2025

Directors  
M Makanjee (Chair)+, # JP Montanana (CEO), \* IP Dittrich (CFO), # CR Jones+, = SJ Everaet+, MJN Njeke+,  
^ LC Rapparini+, DS Sita+  
# British  
\* American  
= Belgian  
^ Brazilian  
+ Non-executive

Registered office  
15th Floor, The Leonardo, 75 Maude Street, Sandown, Sandton 2146

Sponsor  
Pallidus Exchange Services Proprietary Limited

Transfer secretaries  
Computershare Investor Services Proprietary Limited

Independent auditors  
PricewaterhouseCoopers Inc.