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

DECLARATION OF A SPECIAL DIVIDEND OF 2 900 ZAR CENTS AND SCRIP DISTRIBUTION ALTERNATIVE

Introduction

Shareholders of Datatec ("**Shareholders**") are referred to the announcement released on SENS on 19 June 2026, in terms of which Shareholders were advised that Datatec had, through its subsidiary Westcon International Limited, entered into binding agreements with Atlantic Park Strategic Capital II Designated Activity Company and Atlantic Park Strategic Master Fund III, L.P. for the refinancing of Westcon International Group Holdings Limited ("**WIGHL**"), the intermediate holding company of the Westcon group of companies, as well as a minority investment in WIGHL (the "**Transaction**").

Shareholders were further advised in an announcement released on SENS on 14 July 2026 that Datatec and General Atlantic had agreed that the closing date for the Transaction would be on or about 4 August 2026. The Transaction completed on that date.

Notice is hereby given that the board of Datatec has assessed the financial position of the Company and wishes to return an amount of ZAR 7 053 380 522 (equivalent to approximately $435 million) to Shareholders by declaring a special cash dividend of 2 900 ZAR cents per ordinary share held in the Company ("**Special Cash Dividend**"), payable to Shareholders in proportion to their ordinary shareholding in Datatec at the close of business on Friday, 16 October 2026 (the "**Record Date**"). All transaction related costs will be absorbed by the Company in order to maximise the distribution to Shareholders. 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 2 320 ZAR cents per share.

The Special Cash Dividend is subject to exchange control approval. Furthermore, Shareholders will be entitled, in respect of all or part of their shareholding, to elect to receive new, fully paid ordinary shares in the Company in proportion to their ordinary shareholdings on the Record Date as an alternative to the Special Cash Dividend (the "**Scrip Distribution**" or "**Scrip Distribution Alternative**").

The issue price of the new Datatec ordinary shares to be issued in terms of the Scrip Distribution Alternative 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, 5 October 2026, less the amount of the Special Cash Dividend. The Scrip Distribution will be settled by way of a capitalisation of Datatec's distributable retained profits and the new Datatec ordinary shares issued pursuant to the Scrip Distribution Alternative will not be subject to a dividend withholding tax.

The Company's total number of issued ordinary shares as at Friday 21 August 2026 is 243 251 695 of which the Company holds 31 677 shares as treasury shares. Datatec's income tax reference number is 9999/493/71/2.

Terms of the Cash Dividend and Scrip Distribution Alternative

Shareholders will be entitled to receive the Special Cash Dividend of 2900 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, 16 October 2026, 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, 16 October 2026) in relation to the ratio that 2 900 ZAR cents bears to the VWAP of a Datatec ordinary share traded on the JSE during the 30-day trading period ending on Monday, 5 October 2026, less the amount of the Special Cash Dividend.

Details of the ratio will be announced on SENS in accordance with the timetable below.

Where the application of this ratio gives rise to a fraction of an ordinary share, the rounding principles will be applied.

<u>Fractions</u>

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, 14 October 2026, (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%.

<u>Tax Implications</u>

The Special Cash Dividend is likely to have tax implications for both resident and non-resident Shareholders. Shareholders are therefore encouraged to consult their professional tax advisers, should they be in any doubt as to the appropriate action to take. In terms of the Income Tax Act 58 of 1962 ("the Income Tax Act"), the Special Cash Dividend will, unless exempt, be subject to Dividend Withholding Tax ("DWT").

South African resident Shareholders that are liable for DWT will be subject to DWT at a rate of 20% of the Special Cash Dividend and this amount will be withheld from the Special Cash Dividend with the result that they will receive a net amount of 2320 ZAR cents per share. Non-resident Shareholders may be subject to DWT at a rate of less than 20%, depending on the applicability of any Double Tax Agreement between South Africa and their country of tax residence.

The Scrip Distribution Alternative and cash paid for a fraction of a Share will not be subject to DWT in terms of the Income Tax Act. Recipients of the fractional amount may be subject to income tax or capital gains tax, depending on their particular circumstances.

<u>Circular and salient dates</u>

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, 26 August 2026. The salient dates of events thereafter are as follows:

EVENT	**2026**
Record date for Shareholders to be registered in the Company's securities register in order to be entitled to receive this Circular	**Friday, 21 August**

Distribution of Circular announced on SENS on	**Wednesday, 26 August**
Circular and Form of Election (*grey*) distributed on	**Wednesday, 26 August**
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 Special Cash Dividend ending on Monday, 5 October 2026 and confirmation of receipt of exchange control approval, by 11h00 on	**Tuesday, 6 October**
Last day to trade in order to be eligible for the Special Cash Dividend and the Scrip Distribution Alternative	**Tuesday, 13 October**
Shares trade "ex" the Special Cash Dividend and the Scrip Distribution Alternative on	**Wednesday, 14 October**
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, 14 October**
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 Thursday, 15 October 2026, discounted by 10%, by 11h00 on	**Thursday, 15 October**
Last day to elect to receive the Scrip Distribution Alternative instead of the Special Cash Dividend, Form of Election (*grey*) to reach the Transfer Secretaries by 12h00 noon on	**Friday, 16 October**
Record Date in respect of the Special Cash Dividend and the Scrip Distribution Alternative	**Friday, 16 October**
Special Cash Dividend payments made, CSDP/broker accounts credited/updated with Scrip Distribution Shares on	**Monday, 19 October**
Announcement relating to the results of the Special Cash Dividend and the Scrip Distribution Alternative released on SENS on	**Monday, 19 October**
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, 20 October**

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, 14 October 2026 and Friday, 16 October 2026, both days inclusive. If Datatec maintains a certificated register, then the register will be closed from Wednesday, 14 October 2026 to Friday, 16 October 2026, both days inclusive.

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

Johannesburg
24 August 2026

Sponsor
Pallidus Exchange Services Proprietary Limited

Legal Advisors
Bowmans