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**")

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 28 February 2026 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, 26 May 2026, in terms of which the board of directors of the Company notified Shareholders that it had resolved to declare a cash dividend of 225 ZAR cents ("**Cash Dividend**") per Datatec ordinary share ("**Datatec Ordinary Shares**") held on the Record Date, being Friday, 17 July 2026 ("**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**").

Terms of the Cash Dividend and the Scrip Distribution Alternative

Shareholders will be entitled to receive the Cash Dividend of 225 cents (ZAR) 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 225 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 Monday, 6 July 2026, 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.

Fractions

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, 15 July 2026, (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 total number of Datatec Ordinary Shares in issue is 238 655 530. As at Friday, 29 May 2026, the Company held 2 312 261 Datatec Ordinary Shares as treasury shares. Datatec's South African income tax reference number is 9999/493/71/2.

Tax Implications

The 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 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 Cash Dividend and this amount will be withheld from the Cash Dividend with the result that they will receive a net amount of 180 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.

Distribution of Circular

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, 3 June 2026, 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 Circular is also 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 15th Floor, The Leonardo, 75 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	**2026**
Record date for Shareholders to be registered in the Company's securities register in order to be entitled to receive this Circular	**Friday, 29 May**
Distribution of Circular announced on SENS on	**Wednesday, 3 June**
Circular and Form of Election (*grey*) distributed on	**Wednesday, 3 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 Monday, 6 July 2026 and confirmation of receipt of exchange control approval, by 11h00 on	**Tuesday, 7 July**
Last day to trade in order to be eligible for the Cash Dividend and the Scrip Distribution Alternative	**Tuesday, 14 July**
Shares trade "ex" the Cash Dividend and the Scrip Distribution Alternative on	**Wednesday, 15 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, 15 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, 15 July 2026, discounted by 10%, by 11h00 on	**Thursday, 16 July**
Last day to elect to receive the Scrip Distribution Alternative instead of the Cash Dividend, Forms of Election (*grey*) to reach the Transfer Secretaries by 12h00 noon on	**Friday, 17 July**
Record Date in respect of the Cash Dividend and the Scrip Distribution Alternative	**Friday, 17 July**
Cash Dividend payments made, CSDP/broker accounts credited/updated with Scrip Distribution Shares on	**Monday, 20 July**
Announcement relating to the results of the Cash Dividend and the Scrip Distribution Alternative released on SENS on	**Monday, 20 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, 21 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, 15 July 2026 and Friday, 17 July 2026, both days inclusive. If Datatec maintains a certificated register, then the register will be closed from Wednesday, 15 July 2026 to Friday, 17 July 2026, both days inclusive.

Johannesburg
3 June 2026

Sponsor
Pallidus Exchange Services Proprietary Limited

Legal Advisors
Bowmans