

Notice of Annual General Meeting

DATATEC LIMITED

(Incorporated in the Republic of South Africa)

Registration number: 1994/005004/06

Share code: DTC

ISIN: ZAE000017745

("Datatec" or "the Company" or "the Group")

Notice is hereby given that the Annual General Meeting ("Meeting") of shareholders of Datatec will be held at 16:00 on Thursday, 29 July 2021. This Meeting will be conducted entirely by electronic communication with shareholder participation and voting expected to be online through the use of a virtual meeting platform (the "Virtual Meeting Platform") provided by The Meeting Specialists Proprietary Limited ("TMS" or the "Scrutineers").

The Board of directors ("the Board"), in accordance with section 63(2)(a) of the Companies Act, No 71 of 2008, as amended ("Companies Act") and the Company's Memorandum of Incorporation ("Mol"), has resolved to convene the Meeting entirely by electronic communication, which is the same process that was adopted the prior year and which worked well. Furthermore, the virtual meeting will also assist in reducing the impact of the Covid-19 pandemic and support the measures put in place by the South African Government to slow its spread. Please see below for further details regarding the electronic participation instructions and guidelines and should you have any further questions, please send an email to ir@datatec.com.

The Meeting will be held for the purpose of: (i) considering the following business to be transacted and voting on the resolutions, with or without modification, in the manner required by the Companies Act, as read with the Listings Requirements of the JSE Limited ("JSE") ("Listings Requirements"), and (ii) deal with such other business as may lawfully be dealt with at the Meeting:

1. PRESENTATION OF ANNUAL FINANCIAL STATEMENTS

"To present Datatec's audited annual financial statements for the year ended 28 February 2021, including the directors' report, the Audit, Risk and Compliance Committee report and Group audited annual financial statements for the year ended 28 February 2021; all of which are contained from pages 49 to 173 of the Annual Report."

2. THE SOCIAL AND ETHICS COMMITTEE REPORT

"Please refer to page 6 of the Annual Report for the Social and Ethics Committee report. The Chair of the Social and Ethics Committee is available to report to the shareholders at the Meeting".

3. RE-ELECTION OF DIRECTOR

Ordinary resolution number 1

"Resolved that Mr JP Montanana, who retires in terms of the Mol and who offers himself for re-election, be and is hereby re-elected as a director of the Company."

Please refer to page 2 for Mr Montanana's brief *curriculum vitae*. On behalf of the Board, the Chair confirms that, on the basis of the annual evaluation of the Board and of the performance of individual directors, the performance and commitment of Mr Montanana throughout his period of office was highly satisfactory.

In order for this resolution to be adopted, the support of more than 50% (fifty percent) of votes cast by shareholders present or represented by proxy at the Meeting is required.

4. RE-ELECTION OF DIRECTOR**Ordinary resolution number 2**

"Resolved that Ms M Makanjee, who retires in terms of the Mol and who offers herself for re-election, be and is hereby re-elected as a director of the Company."

Please refer to page 3 for Ms Makanjee's brief *curriculum vitae*. On behalf of the Board, the Chair confirms that, on the basis of the annual evaluation of the Board and of the performance of individual directors, the performance and commitment of Ms Makanjee throughout her period of office was highly satisfactory.

In order for this resolution to be adopted, the support of more than 50% (fifty percent) of votes cast by shareholders present or represented by proxy at the Meeting is required.

5. RE-ELECTION OF DIRECTOR**Ordinary resolution number 3**

"Resolved that Ms E Singh-Bushell, who retires in terms of the Mol and who offers herself for re-election, be and is hereby re-elected as a director of the Company."

Please refer to page 2 for Ms Singh-Bushell's brief *curriculum vitae*. On behalf of the Board, the Chair confirms that, on the basis of the annual evaluation of the Board and of the performance of individual directors, the performance and commitment of Ms Singh-Bushell throughout her period of office was highly satisfactory.

In order for this resolution to be adopted, the support of more than 50% (fifty percent) of votes cast by shareholders present or represented by proxy at the Meeting is required.

6. REAPPOINTMENT OF INDEPENDENT AUDITORS**Ordinary resolution number 4**

"Resolved that PricewaterhouseCoopers Incorporated and Mr Berno Niebuhr as the designated auditor, as recommended by the current Audit, Risk and Compliance Committee of the Company, be reappointed, as auditors and designated audit partner respectively, of the Company from the conclusion of this Meeting until the conclusion of the next Meeting."

In order for this resolution to be adopted, the support of more than 50% (fifty percent) of votes cast by shareholders present or represented by proxy at the Meeting is required.

7. ELECTION OF AUDIT, RISK AND COMPLIANCE COMMITTEE MEMBERS**Ordinary resolution number 5**

"Resolved that the members of the Audit, Risk and Compliance Committee be elected to serve with effect from the conclusion of this Meeting to the commencement of the next Meeting to be held in 2022 by separate election to the committee of the following independent non-executive directors:

5.1 Mr MJN Njeke;

5.2 Ms E Singh-Bushell (subject to the passing of ordinary resolution number 3 above); and

5.3 Mr CRK Medlock."

Please refer to pages 2 to 3 for Mr Njeke, Ms Singh-Bushell and Mr Medlock's brief *curricula vitae*. On behalf of the Board, the Chair confirms that each candidate for election to the Audit, Risk and Compliance Committee has the relevant knowledge and experience to discharge their role effectively and that the performance of each candidate in the service of the Audit, Risk and Compliance Committee to the date of this notice has been highly satisfactory.

In order for each of the above resolutions to be adopted, the support of more than 50% (fifty percent) of votes cast by shareholders present or represented by proxy at the Meeting is required.

Notice of Annual General Meeting continued

8. NON-BINDING ADVISORY VOTES ON REMUNERATION POLICY AND REMUNERATION IMPLEMENTATION

Ordinary resolution number 6

"Resolved that the remuneration policy of the Company as reflected on pages 21 to 29 of the Annual Report, be and is hereby endorsed through a non-binding advisory vote as recommended by King IV."

Ordinary resolution number 7

"Resolved that the remuneration implementation report of the Company as reflected on pages 30 to 38 of the Annual Report, be and is hereby endorsed through a non-binding advisory vote as recommended by King IV."

Explanatory note on ordinary resolutions number 6 and 7

In terms of principle 14 of King IV, the Company's remuneration policy and remuneration implementation report should be tabled to shareholders for separate non-binding advisory votes at the Meeting. These votes enable shareholders to express their views on the remuneration policies adopted by the Company and on the implementation thereof. Shareholders are requested to endorse the Company's remuneration policy set out in the Annual Report.

9. APPROVAL OF NON-EXECUTIVE DIRECTORS' FEES

Special resolution number 1

"Resolved that the Board and committee fees for non-executive directors for the financial year ending 28 February 2022, which fees will be increased by for the first time in three years by approximately 5% (five percent) from the previous year, as recommended by the Remuneration Committee and set out in the note below, be and are hereby authorised, in accordance with the provisions of the Companies Act, and that the Company may continue to pay directors' fees at the annual rates specified in the note below for the period from 28 February 2021 until the Company's 2022 Meeting.

Directors' fees:

- Chair of the Board: US\$211 640 (total fee inclusive of all committee and subsidiary Board work);
- Senior non-executive director's fee: US\$78 000;
- Non-executive director's fee: US\$66 860;
- Chair of the Audit, Risk and Compliance Committee: US\$33 420;
- Member of the Audit, Risk and Compliance Committee: US\$16 710;
- Chair of the Social and Ethics Committee: US\$11 140;
- Member of the Social and Ethics Committee: US\$5 570;
- Chair of the Remuneration Committee: US\$16 710;
- Member of the Remuneration Committee: US\$8 360;
- Member of the Nominations Committee: US\$5 570; and
- Chair of Trustees of the Datatec Educational and Technology Foundation: US\$12 600."

Reason for special resolution number 1

The Companies Act requires shareholder approval of non-executive directors' fees prior to payment of such fees. The fees will be increased by an average of 5% (five percent), which is the first increase in three years.

In terms of the Companies Act, 75% (seventy-five percent) of the votes cast by shareholders present or represented by proxy at this Meeting must be cast in favour of this resolution for it to be adopted.

10. AUTHORITY TO PROVIDE FINANCIAL ASSISTANCE TO ANY GROUP COMPANY

Special resolution number 2

“Resolved that, to the extent required by sections 44 and/or 45 of the Companies Act, the Board may, subject to the provisions of the Companies Act, the Company’s MoI and the Listings Requirements, authorise the Company to provide direct or indirect financial assistance to any related or inter-related (as defined in the Companies Act) company or corporation of the Company, on terms and conditions which the directors may determine, commencing on the date of passing of this resolution and ending at the next Meeting.”

Reason for special resolution number 2

In terms of the Companies Act, the Board may authorise the Company to provide any financial assistance in terms of sections 44 and/or 45 of the Companies Act to any related or inter-related company or corporation of the Company, subject to certain requirements set out in the Companies Act, including the Company meeting the solvency and liquidity test. This general authority would greatly assist the Company *inter alia* with making inter-company loans to Group companies as well as granting letters of support and guarantees in appropriate circumstances. The existence of a general shareholder authority would avoid the need to refer each instance to members for approval which might impede the negotiations and add time and expense. If approved, this general authority will expire at the next Meeting.

Notification

Written notice in terms of section 45(5) of the Companies Act of any such resolution by the Board shall be given to all shareholders of the Company and any trade union representing its employees:

- within 10 business days after the Board adopts the resolution, if the total value of the financial assistance contemplated in that resolution, together with any previous such resolution during the financial year, exceeds one-tenth of 1% (one percent) of the Company’s net worth at the time of the resolution; or
- within 30 business days after the end of the financial year, in any other case.

In terms of the Companies Act, 75% (seventy-five percent) of the votes cast by shareholders present or represented by proxy at the Meeting must be cast in favour of this resolution for it to be adopted. The Board will pass a similar financial assistance resolution on or after the date of this Meeting.

11. GENERAL AUTHORITY TO REPURCHASE SHARES

Special resolution number 3

“Resolved that the Board be authorised by way of a general authority given as a renewable mandate, to facilitate the acquisition by the Company and/or a subsidiary of the Company of the issued ordinary shares of the Company, upon such terms and conditions and in such amounts as the directors of the Company may from time to time determine, but subject to the MoI, the provisions of the Companies Act and the Listings Requirements, when applicable and provided that:

- a) an announcement giving such details as may be required in terms of the Listings Requirements be released on the Stock Exchange News Service when the Company or its subsidiaries have cumulatively repurchased 3% (three percent) of the initial number of the shares of the Company in issue as at the time the general authority was granted and for each 3% (three percent) in aggregate of the initial number of shares acquired thereafter;
- b) the authorisation granted above shall remain in force from the date of passing of this special resolution for a period of 15 (fifteen) months or until the next Meeting, whichever period is shorter;
- c) at any point in time, the Company will only appoint one agent to effect any repurchase(s) on its behalf;
- d) the Company or its subsidiary shall not repurchase securities during a prohibited period as defined in paragraph 3.67 of the Listings Requirements unless the repurchase is done in accordance with the provisions of the Listings Requirements, including, but not limited to, a repurchase programme being in place, where dates and quantities of shares to be traded during the prohibited period are fixed (not subject to any variation) and full details of the programme being disclosed to the JSE in writing prior to the commencement of the prohibited period, as required, and the Company having instructed an independent third party, which makes its investment decisions in relation to the Company’s securities independently of, and uninfluenced by, the Company, prior to the commencement of the prohibited period to execute the repurchase programme submitted to the JSE;
- e) the repurchase of securities will be effected through the order book operated by the JSE trading system and done without any prior understanding or arrangement between the Company and the counterparty (reported trades are prohibited);
- f) the repurchase by the Company of its own securities above may not exceed 20% (twenty percent) of the Company’s issued ordinary share capital in the aggregate in any one financial year, as at the beginning of the financial year, or in the case of acquisition by any of the Company’s subsidiaries, 10% (ten percent) of such issued ordinary share capital in the aggregate if such shares are to be held as treasury shares;

Notice of Annual General Meeting continued

- g) any such general repurchase will be subject to the applicable provisions of the Companies Act (including sections 114 and 115 to the extent that section 48(8) is applicable in relation to that particular repurchase);
- h) any such repurchases are subject to exchange control approval at that point in time;
- i) in determining the price at which the Company's ordinary shares are acquired by the Company in terms of this general authority, the maximum premium at which such ordinary shares may be acquired will be 10% (ten percent) of the weighted average of the market price at which such ordinary shares are traded on the JSE, as determined over the 5 (five) trading days immediately preceding the date of the repurchase of such ordinary shares by the Company or a subsidiary of the Company; and
- j) a resolution has been passed by the Board confirming that the Board has authorised the general repurchase, that the Company has passed the solvency and liquidity test as required by the Companies Act and since the test was done there have been no material changes to the financial position of the Group."

At least 75% (seventy-five percent) of the votes cast by shareholders present or represented by proxy at the Meeting must be cast in favour of this resolution in terms of the Listings Requirements in order for it to be adopted.

Additional disclosure

For purposes of considering special resolution number 3 and in terms of the Listings Requirements, the information below has been included in this Annual Report:

- Major shareholders (refer to page 183); and
- Share capital of the Company (refer to page 59 of the Annual Report).

The Company will not commence a general repurchase of shares as contemplated above unless the following can be met:

- the Company and the Group will be able to repay its debts in the ordinary course of business for a period of 12 (twelve) months following the date of the general repurchase;
- the Company and the Group's assets will be in excess of the liabilities of the Company and the Group for a period of 12 (twelve) months after the date of the general repurchase. For this purpose, the assets and liabilities will be recognised and measured in accordance with the accounting policies used in the latest audited consolidated annual financial statements which comply with the Companies Act;
- the share capital and reserves of the Company and the Group will be adequate for ordinary business purposes for a period of 12 (twelve) months after the date of the general repurchase; and
- the working capital of the Company and the Group will be adequate for ordinary business purposes for a period of 12 (twelve) months following the date of the repurchase.

Any decision by the Board involving a repurchase by the Company of more than 5% (five percent) of the issued shares of any class will be subject to the requirements of sections 48, 114 and 115 of the Companies Act, including the distribution of a circular to the shareholders of the Company in compliance with the Companies Act and the Listings Requirements, seeking the approval of the shareholders for such repurchase.

Reason and effect

The reason and effect for special resolution number 3 is to authorise the Company and/or its subsidiary company by way of a general authority to acquire its own issued shares on such terms, conditions and in such amounts as determined from time to time by the directors of the Company subject to the limitations set out above.

Statement of Board's intention

The Board intends to use the shareholder authority which this resolution would provide to undertake the repurchase having regard to prevailing circumstances and market conditions, as well as the Company's liquidity requirements.

Directors' responsibility statement

The directors, whose names are given on pages 2 to 3, collectively and individually accept full responsibility for the accuracy of the information pertaining to special resolution number 3 and certify that to the best of their knowledge and belief there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this special resolution contains all information required by law and the Listings Requirements.

Material changes

There have been no material changes in the affairs or financial position of the Company and/or the Group since the date of signature of the audit report up to the date of this notice.

12. AUTHORITY TO SIGN ALL DOCUMENTS REQUIRED

Ordinary resolution number 8

"Any director of the Company or the Company Secretary shall be and is hereby authorised to sign all documents and perform all acts which may be required to give effect to such ordinary resolutions Number 1 to 7 and special resolutions number 1 to 3 passed at the Meeting."

In order for this resolution to be adopted, the support of more than 50% (fifty percent) of votes cast by shareholders present or represented by proxy at the Meeting is required.

13. TO TRANSACT SUCH OTHER BUSINESS AS MAY BE TRANSACTED AT AN ANNUAL GENERAL MEETING

The record date on which shareholders must be recorded as such in the register maintained by the transfer secretaries of the Company for the purposes of being entitled to receive notice of the Meeting is Friday, 18 June 2021.

VOTING AND PROXIES

Record date and proxies

The record date on which shareholders must be recorded as such in the register maintained by the transfer secretaries of the Company for the purposes of being entitled to attend and vote at the Meeting is Friday, 16 July 2021. Accordingly, the last day to trade for the purposes of being entitled to attend and vote at the Meeting is Tuesday, 13 July 2021.

Shareholders who have not dematerialised their shares or who have dematerialised their shares with "own name" registration are entitled to attend and vote at the Meeting (in each case via the Virtual Meeting Platform) and are entitled to appoint a proxy or proxies to attend, speak and vote in their stead. The person so appointed need not be a shareholder of the Company. Proxy forms must be forwarded to reach the registered office of the Company or The Meeting Specialists Proprietary Limited, JSE Building, One Exchange Square, Gwen Lane, Sandown, 2196 or posted to The Meeting Specialists Proprietary Limited at PO Box 62043, Marshalltown, 2107, South Africa or emailed to proxy@tmsmeetings.co.za, so as to be received by them, for administrative purposes, by no later than 16:00, on Tuesday, 27 July 2021. Any forms of proxy not lodged by this time may be emailed to proxy@tmsmeetings.co.za prior to the commencement of the Meeting.

Proxy forms must only be completed by shareholders who have dematerialised their shares with "own name" registration or who have not dematerialised their shares.

Every member attending the Meeting personally or by proxy and entitled to vote at the Meeting of the Company shall have one vote only irrespective of the number of shares such member holds. In the event of a poll, every member shall be entitled to that proportion of the total votes in the Company which the aggregate amount of the nominal value of the shares held by such member bears to the aggregate amount of the nominal value of all the shares issued by the Company.

Shareholders who have dematerialised their shares, other than those shareholders who have dematerialised their shares with "own name" registration, who are unable to attend the Meeting but wish to be represented thereat, should contact their Central Securities Depository Participant ("CSDP") or broker (as the case may be) in the manner and time stipulated in their agreement entered into by such shareholder and the CSDP or broker (as the case may be) to furnish the CSDP or broker (as the case may be) with their voting instructions and in the event that such shareholders wish to attend the Meeting, to obtain the necessary authority to do so. Such shareholders who wish to attend the meeting in person (via the Virtual Meeting Platform) must obtain the necessary letter of representation from their CSDP or broker.

Shares held by a share trust or scheme will not have their votes at meetings taken into account for the purposes of resolutions proposed in terms of the Listings Requirements.

Notice of Annual General Meeting continued

ELECTRONIC PARTICIPATION IN THE 2021 MEETING

All shareholders who wish to attend the Meeting are required to participate in the Meeting by way of electronic participation and are required to send a notice in writing (including details on how the shareholder or representative (including proxy) can be contacted) to the Scrutineers, at The Meeting Specialists Proprietary Limited, JSE Building, One Exchange Square, Gwen Lane, Sandown, 2196 or post to The Meeting Specialists Proprietary Limited at PO Box 62043, Marshalltown, 2107, South Africa email or email proxy@tmsmeetings.co.za. The written notification must be received by the Scrutineers at least 48 hours prior to the Meeting (thus Tuesday, 27 July 2021) for the Scrutineers to arrange for the shareholder (or representative or proxy) to provide reasonably satisfactory identification to the transfer secretaries for the purposes of section 63(1) of the Companies Act and for the Scrutineers to provide the shareholder (or representative or proxy) with details on how to access the Meeting by means of electronic participation. The written notification should contain the following:

- a certified copy of the shareholder's identification document or passport if the shareholder is an individual;
- a certified copy of a resolution of letter of representation given by the holder if you are a company or juristic person, and certified copies of identity document or passports of the persons who passed the resolution; and
- a valid email address and/or telephone number.

Participants who have complied with the notice requirement above, will be contacted between Wednesday, 28 July 2021 and Thursday, 29 July 2021, and provided the relevant connection details as well as the passcodes through which they or their proxy/ies can participate via electronic communication and of the process for participation via a unique link to the email/cellphone number provided in the notification.

It is recommended that shareholders log into the online platform at least 15 minutes prior to the scheduled start time for the Meeting. Should shareholders require assistance with accessing the online platform, they can call the following helpline: +2781 711 4255.

Shareholders will be able to view a live webcast of the Meeting, ask directors questions online in written format or orally and submit your votes in real time if the shareholder has not already voted through their CSDP or broker.

The cost of accessing any means of electronic participation provided by the Company will be borne by the Company.

By order of the Board



SP Morris

For and on behalf of
Datatec Management Services (Pty) Ltd
Company Secretary

Sandton
25 June 2021