

Distribution and Warehousing Network Limited
(Incorporated in the Republic of South Africa)
(Registration number 1984/008265/06)
Share code: DAW & ISIN code: ZAE000018834
("DAWN" or "the company" or "the group")

TRADING STATEMENT

In compliance with section 3.4(b) of the Listings Requirements of the JSE Limited, a listed company is required to publish a trading statement as soon as it becomes reasonably certain that the financial results for the period to be reported on next will show a 20% or more difference from the previous corresponding period.

DAWN shareholders are thus advised that, with a reasonable degree of certainty, the group expects results for the 12 months to 31 March 2018 to be as follows:

Headline loss per share ("HLPS") will reflect an improvement of between 74% and 78% compared to the HLPS reported for the year ended 31 March 2017. This translates to a headline loss of between 52,6 and 61,7 cents loss per share compared to the HLPS of 240,49 cents for the year ended 31 March 2017. The loss for 2018 is largely due to asset write-downs necessitated by the current economic environment as well as the continued poor performance of certain DAWN business units. Not all of the asset write-downs qualify for headline earnings add-back and accordingly had a negative impact on the headline loss per share calculation.

Loss per share ("LPS") will reflect an improvement between 71% and 74% compared to the LPS reported for the year ended 31 March 2017, largely due to a reduction in asset write-downs and impairments compared to the prior year. There were, however, still large asset write-downs and impairments in the current period which were necessitated by the current economic environment and poor performance of certain DAWN business units. This translates to a LPS of between 69,0 and 79,3 cents per share loss compared to the LPS of 269,2 cents for the year ended 31 March 2017.

The financial results on which this trading statement has been based have not been reviewed or reported on by DAWN's auditors. Further information will be provided in the results announcement for the year ended 31 March 2018 which will be published on the JSE SENS on or about 12 July 2018.

The weighted average number of shares used in the above is 579 709 437 for F2018 compared to 236 743 967 in F2017. The increase is attributable to the rights issue in April 2017.

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Sponsor: Deloitte & Touche Sponsor Services (Pty) Ltd

9 July 2018