

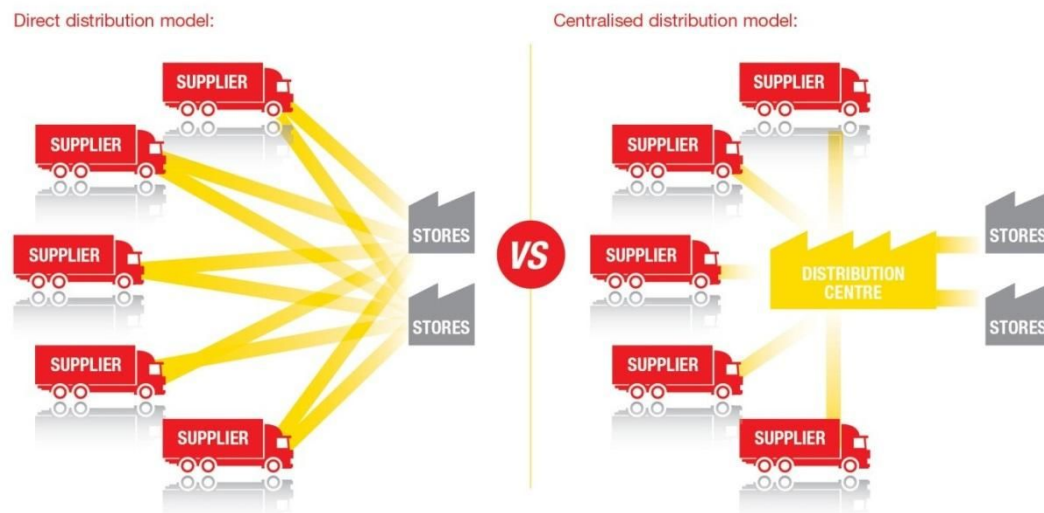
THE SHOPRITE GROUP'S SUPPLY CHAIN

FACT SHEET - AUGUST 2017

The Shoprite Group's ability to source product from any part of the world and distribute it to even the most remote corner has changed the face of modern retail in Africa.

Substantial and ongoing investment in its supply chain is the reason why the Group enjoys unmatched levels of competitiveness and consistently delivers on its business promise of everyday low prices.

Based on a central distribution model, suppliers are provided with a more efficient route to market as opposed to the traditional "direct-to-store" model where suppliers incur additional costs due to extra mileage and time spent on individual store deliveries.



Operating more than 750 000m² of distribution space across 33 distribution centres, the Group has three main distribution nodes:

- Centurion (Gauteng) – The 114 500m² main building is the largest DC under one roof on the African continent and this facility serves as the distribution point for about 90% of the ambient products delivered to stores in the northern parts of South Africa and beyond.
- Canelands (KwaZulu-Natal) – The Group's first perishable goods DC designed to operate with 13.5m-high reach trucks under a clear operating height of 15m.
- Brackenfell (Western Cape) – The new 123 000m² Cilmor DC is one of the most technologically advanced distribution centres on the African continent

and consolidates the activities of five different DC's spread throughout Cape Town.

Construction of the new generation Cilmor DC began in February 2016 and its name is derived from farmer Cecil Morgan (Cilmor) who formerly owned the land.

The DC consists of three different sections, namely Ambient (operational August 2017), Frozen and Chilled (both operational 2018). The Ambient section includes a Chocolate Box where temperature-sensitive items such as chocolates are stored.

Other Interesting Statistics

- The Group's covered storage space in South Africa is equivalent to roughly 97 rugby fields.
- More than 1 500 suppliers and 500 local farmers supply to the Group's distribution centres, where over 35 000 different line items are stocked.
- The Group's fleet of delivery vehicles travelled more than 70 million kilometres in the past financial year, the equivalent of at least 91 round trips to the moon.
- Over this same period, the distribution centres issued 61 million tins of baked beans: stacked end-to-end it would cover the distance from Cape Town to Cairo, and then some.

ENDS