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## TRADING STATEMENT

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In terms of the JSE Listings Requirements, companies are required to publish a trading statement as soon as they are satisfied that a reasonable degree of certainty exists that the financial results for the period to be reported on next will differ by at least 20% from the financial results for the previous corresponding period.

Shareholders are advised that enX is expecting a loss per share ("**LPS**") for the year ended 31 August 2016 (the "**current financial year**") of between 13.1 cents per share and 12.0 cents per share, as compared to the earnings per share of 5.3 cents for the year ended 31 August 2015 (the "**corresponding period**"). Headline earnings per share ("**HEPS**") for the current financial year is expected to be between 0.9 and 2.4 cents per share, being between 68% and 88% lower than HEPS of 7.6 cents per share for the corresponding period. The adjustments in the current year include a once-off goodwill impairment charge within the Power Segment.

Shareholders are further advised that adjusted headline earnings per share ("**adjusted HEPS**") for the current financial year is expected to be between 3.2 cents per share and 5.0 cents per share, being between 43% and 63% lower than the most recently reported adjusted HEPS of 8.7 cents per share for the corresponding period. Adjusted HEPS is disclosed as the board is of the view that this more accurately reflects the company's underlying trading performance. The decline in performance is entirely attributable to poor second half trading by the Power Segment. The remaining businesses continue to perform in line with expectations and have shown year-on-year growth. The adjustments in the current year include retrenchment costs incurred as a result of the slow down within the Power Segment, IFRS 2 charges for share-related incentives and IFRS 3 transaction costs for the West Africa International (Pty) Ltd and Eqstra Holdings Limited ("**Eqstra**") transactions.

The LPS, HEPS and adjusted HEPS calculations are based on the following weighted average number of shares in issue:

- for the year ended 31 August 2015 - 415 089 994;
- for the year ended 31 August 2016 - 566 256 129.

The information on which this trading statement has been based has not been reviewed or reported on by the company's auditors.

The company's financial results for the year ended 31 August 2016 are expected to be released on SENS on or about 23 November 2016.

As part of the proposed acquisition by enX of the Eqstra's Industrial Equipment division and Eqstra's Fleet Management and Logistics division and the recapitalisation of Eqstra, enX will embark on a capital raise. A presentation has been prepared to assist shareholders as part of this process. The presentation is available on the company's website ([www.enxgroup.co.za](http://www.enxgroup.co.za)).

21 October 2016

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Sponsor

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