

31 August 2020

Attention: **All Affected Persons of Edcon Limited (in business rescue) (“Edcon”)**

RE: REPORT ON THE PROGRESS OF THE BUSINESS RESCUE PROCEEDINGS OF EDCON

Introduction

1. In terms of section 132(3) of the Companies Act 71 of 2008 (“Act”), if a company’s business rescue proceedings have not ended within three (3) months after the start of those proceedings, or such longer time as the court, on application by the practitioner, may allow, the practitioner must –
 - 1.1. prepare a report on the progress of the business rescue proceedings, and update it at the end of each subsequent month until the end of those proceedings; and
 - 1.2. deliver the report and each update in the prescribed manner to each affected person, and to the:
 - 1.2.1. Court, if the proceedings have been the subject of a court order; or
 - 1.2.2. Commission (“CIPC”), in any other case.
2. Therefore, as required, this **Second Update Report** is being delivered by the business rescue practitioners (“BRPs”) in terms of section 132(3) of the Act.
3. Reference is made in this Second Update Report to the adopted business rescue plan (“Plan”). It is therefore important that this Second Update Report be read in conjunction with the Plan and the previous update report.

Business Rescue Proceedings

4. Update on the Accelerated Sales Process
 - 4.1. On 14 August 2020, the BRPs concluded a sale and purchase agreement for the sale of parts of Edgars to Retailability (Pty) Limited.

4.2. On 21 August 2020, the BRPs concluded a sale and purchase agreement for the sale of parts of Jet to The Foschini Group Limited.

4.3. Both transactions are subject to various conditions precedent and regulatory approvals, including the Competition Authorities. Affected Persons will be advised of further updates in this regard.

5. Proof of Claims

5.1. Edcon, together with the BRPs, are reconciling the claims received to date and will communicate with creditors, individually, regarding the status of their claims.

5.2. To the extent that any claims are disputed, paragraph 39 of the Plan makes provision for a dispute resolution mechanism.

6. Updated list of creditors

The BRPs will publish an updated list of creditors on matusonassociates.co.za/edcon during September 2020.

Conclusion

7. The BRPs will continue implementing the Plan in accordance with their statutory obligations.

8. All relevant notices in respect of the business rescue proceedings of Edcon Limited can be found on www.matusonassociates.co.za/edcon.

9. Please direct any queries to creditors@edconbr.co.za.

Yours faithfully

The business rescue practitioners of Edcon Limited

EDGARS | JET

Chief Executive Officer: G M Pattison

Directors: G M Pattison | M E Mthunzi | G P H Penny | A R Bisogno | R Gasant | D Motsepe | N B Palmer

Group Secretary: C M Vikisi

Edcon Limited Registration No. 2007/003525/06 Credit Provider Number: NCRCP82

**Companies and Intellectual Property Commission
Republic of South Africa**

Form CoR 125.1

About this Form

- This form is issued in terms of section 132 and 141 of the companies Act, 2008, and Regulation 125 of the Companies Regulations, 2011.
- This Notice and the attached report must be published to every affected person, and to-
 - a) The Commission, if the business rescue proceedings were started by the company; or
 - b) The court, if the proceedings were ordered by the court.
- A report and Notice must be issued at the end of the first three months of the business rescue proceedings, and at regular monthly intervals after that

Contacting the Commission

The Companies and Intellectual Property Commission of South Africa

Postal Address

PO Box 429
Pretoria
0001
Republic of South Africa
Tel: 086 100 2472

www.cipc.co.za

Business Rescue Status Report

Date: 31 August 2020

Customer Code: _____

Concerning

(Name and Registration Number of Company)

Name: Edcon Limited

Registration No: 2007/003525/06

The above named company commenced business rescue proceedings on 29 April 2020.

Because the business rescue proceedings have not concluded within three months, the appointed business rescue practitioner provides the attached report in terms of section 132 (3).

Name and Title of person signing on behalf of the Practitioner:

Piers Marsden and Lance Schapiro - Business Rescue Practitioners

Authorised Signature:

