
January 2021

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 **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 Update Report to the adopted business rescue plan (“Plan”). It is therefore important that this Update Report be read in conjunction with the Plan and the previous update reports.

Business Rescue Proceedings

4. Edcon Group and Related Transactions

4.1. Edcon's Subsidiaries in Africa

4.1.1. The sale agreement in respect of the Jet business of Edgars Stores Namibia Limited ("**Edgars Stores Namibia**") became unconditional on 19 January 2021.

4.1.2. It is anticipated that the sale agreement in respect of the Edgars business of Edgars Stores Namibia ("**sale of business agreement**") will become unconditional by 31 March 2021.

4.1.3. The BRPs will update affected persons with any further developments in subsequent update reports.

4.2. Second Look Book ("**SLB**")

4.2.1. The sale agreement in respect of Edgars Stores Namibia's SLB is subject to the sale of business agreement becoming unconditional. As per paragraph 4.1.2 above, the BRPs anticipate this date to be by 31 March 2021.

4.2.2. The BRPs will update affected persons with any further developments in subsequent update reports.

5. Proof of Claims

5.1. There remains a large number of pre-commencement creditors who have yet to submit their claims, and who are encouraged to do so.

5.2. A claim form, online or manual, is available on www.matusonassociates.co.a/edcon.

5.3. **Please ensure that your vendor number (where available) is clearly highlighted, as this will assist the team with the reconciliation process.**

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

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

Conclusion

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

EDGARS | JET

Chief Executive Officer: G M Pattison
Directors: G M Pattison | A R Bisogno
Group Secretary: C M Vikisi

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

7. All relevant notices in respect of the business rescue proceedings of Edcon Limited can be found on www.matusonassociates.co.za/edcon.
8. Please direct any queries to creditors@edconbr.co.za.

Yours faithfully

The BRPs of Edcon

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