
December 2022

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, in any other case.
2. Therefore, as required, this **Update Report** is being delivered by the business rescue practitioners of Edcon (“**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**”). Any capitalised terms not defined herein shall have the meaning ascribed to same in the 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. Legal Proceedings
 - 4.1. Affected persons are referred to the previous update report.
 - 4.2. On 2 December 2022, Kingsgate Clothing (Pty) Ltd & 7 Others brought an application for leave to appeal to the Constitutional Court.
 - 4.3. The BRPs will file their grounds of opposition within the prescribed time period and affected persons will be notified of the outcome.

Conclusion

5. The BRPs will continue implementing the Plan in accordance with their statutory obligations.
6. All relevant notices in respect of the business rescue proceedings of Edcon can be found on www.matusonassociates.co.za/edcon.