

MEDIA RELEASE

EDCON BUSINESS RESCUE PRACTITIONERS ANNOUNCE AN ACCEPTANCE OF A CONDITIONAL OFFER WITH THE FOSCHINI GROUP (TFG) FOR THE SALE OF PARTS OF THE JET BUSINESS

13 July 2020: The Edcon Business Rescue Practitioners are pleased to announce that it has accepted a conditional offer in terms of which the practitioners have agreed to enter into discussions with the Foschini Group Ltd for the sale of parts of the Jet business.

TFG is home to a comprehensive portfolio of 29 retail brands that trade in clothing, footwear, jewellery, sportswear, homeware, cellphones, and technology products from value to upper market segments throughout more than 4085 outlets in 32 countries.

The Business Rescue Practitioners commented that “this conditional offer, which is still subject to the signing of definitive agreements, is a remarkable step in the business rescue process. It will not only result in the saving of a significant number of jobs, but together with the intended sale of Edgars to Retailabilty, it gives credibility to the Edcon business rescue plan and our ambition of delivering on the rescuing of the Edcon business. The South African economy needs the continuity of business in these unusual times of headwinds and change. We are pleased that these deals, if successfully concluded, will allow for that continuity and contribution to the economy, positively impacting the entire retail value chain, including suppliers and landlords”.

The Business Rescue Practitioners added, “ TFG is uniquely placed in terms of this niche market, infrastructure, and current leadership expertise to positively position the Jet business within its target markets and drive the business forward. Jet’s scalable business model with scope for further market share and growth ensures its sustainability as an established South African brand. There is alignment between TFG’s product and value offerings with the current brand and value offering of Jet”.

The transaction will be finalized on the signing of definitive agreements that are targeted for this quarter, subject to various conditions precedent and regulatory approvals, including the Competition Authorities.

Ends.

About Edcon

Edcon is one of southern Africa's largest non-food retailers. We have been in operation for 90 years, and operate our business under four principal divisions throughout southern Africa:

- Edgars is South Africa's leading fashion retailer offering a wide variety of Fashion, Beauty, and Homeware. Showcasing a portfolio of desired and recognizable international and local brands Edgars enables South Africans to express themselves for all occasions
- Jet addresses the lifestyle needs of the value-conscious customer in clothing, home, and beauty without compromising aspirations.
- Our Thank U division is a newly formed Operating Division focused on enhancing the customer journey through convenient, personalized, access to products and services through both physical and digital channels. It includes credit, insurance, cellular, e-commerce, and our loyalty programme, thank U, which is one of the largest rewards programmes in sub-Saharan Africa.

For more information, please visit the Edcon website: www.edcon.co.za