

MEDIA RELEASE

EDCON ANNOUNCES SIGNING OF THE SALE AND PURCHASE AGREEMENT FOR SALE OF PARTS OF EDGARS TO RETAILABILITY

24 August 2020: Edcon is pleased to announce that further to its media release dated 6th July 2020, the company has signed the Sale and Purchase Agreement for the sale of parts of Edgars to Retailability Pty (Ltd). Retailability is a retail fashion holding company of retail brands including Legit, Beaver Canoe, and Style, operating in over 460 stores across South Africa, Namibia, Botswana, Lesotho, and eSwatini.

The Business Rescue Practitioners commented, "We are pleased that we have taken a step closer to closing this sales transaction, which not only indicates confidence in the Edgars business but augments Retailability's already blue-chip level of retail expertise. The signing of the Sale and Purchase Agreement is a positive step forward in meeting the objectives of the Edcon business rescue plan, which when successfully concluded, will result in the saving of a significant number of jobs and the continuation of a great iconic Edgars brand."

The closing of the transaction is targeted for September 2020 and is still subject to various conditions precedent and regulatory approvals, including the Competition Authorities. The parties will now move to work on preparing the signing of the Sale and Purchase Agreements for the Edgars business conducted in the rest of Africa.

End

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