



MEDIA RELEASE

SALE OF CNA TO ASTORIA INVESTMENTS LTD

4 February 2020: The Edcon Group announces the sale of CNA to a consortium, majority owned by JSE listed Astoria Investments Ltd, and led by Jan van Niekerk. This transaction is aligned to Edcon's broader strategy which is to focus on its core business through the realignment of its retail brands and operations.

The sale, which is subject to customary conditions precedent such as regulatory approvals, entails the sale of 167 CNA stores. The transaction includes all brands and trademarks, with the business continuing to trade under the CNA brand name.

Edcon CEO Grant Pattison explains: "Edcon has a simple business model that is focused on delivering an enhanced customer experience, and an optimized store portfolio, ultimately creating a focus on our three divisions: Edgars, Jet, and Thank U. The ongoing process of consolidating, merging and rebranding of the businesses, will ensure an offering of a selected set of private and some international brands, while also being a fashion and beauty retailer that provides credit".

"As I have always said, CNA is an important but not a strategic part of the Edcon business, as it is not focused on clothing, beauty and home categories, and we would only sell if it's good for CNA. The new owners have the muscle and extensive management focus and leadership expertise to invest in the business. I am also pleased that this transaction will not result in any job losses", concluded Pattison.

The new owners intend to focus CNA on the original building blocks of its founders, with books, stationery, magazines and gifting at its core. The outlets will be community-focused: supporting and encouraging reading while catering for the entire stationery needs of consumers throughout South Africa.

"We believe that this transaction will be welcomed by staff, landlords and suppliers including publishers, both locally and internationally" said Astoria Investments.

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About Edcon

Edcon is southern Africa's largest non-food retailer. We have been in operation for 90 years. We 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 recognisable 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.
- CNA, your favourite stationery store offers a premium range of stationery, educational lines, arts and craft lines, gifting solutions and so much more.
- Our Thank U division is a newly formed Operating Division focused on enhancing the customer journey through convenient, personalised, 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.

Visit us at www.edcon.co.za

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