STEINHOFF
INTERNATIONAL HOLDINGS N.V.

UNAUDITED RESULTS

FOR THE SIX MONTHS ENDED 31 MARCH 2023

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MESSAGE FROM THE MANAGEMENT BOARD

Dear Stakeholders,

The past 5.5 years, since the events of December 2017, have been tough for the Group in many aspects. Aside from the work required to return some value to injured shareholders through the litigation settlement payments, the Group faced a number of challenges, including regulatory investigations, significant litigation, challenging operational hurdles and constrained cash flow. In addition, a global pandemic and deteriorating economics were added into the mix.

Despite these headwinds there have been a number of significant achievements over this period including significant governance enhancements, asset and property sales, debt repayments of c. €2.7 billion, OpCos improvements and decentralised funding structures were implemented for these companies.

- Through the CVA, implemented in August 2019, the Group Services' Debt was restructured and stabilised, giving the Group breathing space to focus on the many other challenges;
- We have co-operated with many regulators and enforcement agencies;
- The Global Litigation Settlement, concluded in February 2022, resolved the ongoing threat of litigation against the Group; and
- During the 2021 financial year the remaining operating companies performed well as the world emerged from the COVID-19 pandemic and the businesses benefited from their product and target market focus.

The global macroeconomic environment changed significantly during the 2022 financial year, and the Steinhoff Group was impacted along with most other businesses, and more specifically retailers. The economic impact on capital markets meant that company valuations reduced, the availability of capital evaporated, and the cost of capital increased significantly.

As a result, during the Reporting Period the remaining challenges were accelerated and elevated. The Company entered into the framework Support Agreement with some of its major lenders. Steinhoff released details of the proposed Transaction on 15 and 16 December 2022. This was done following the assessment by the Supervisory Board and the Management Board, after taking financial and legal advice, that the value of the Group's assets was less than the value of its liabilities and that no other alternatives were available prior to the Group Services' Debt maturity date of 30 June 2023, and this position was expected to remain so up to 30 June 2023. This outcome was deemed, by both boards unanimously, to be in the best interests of the Company. Detailed explanations were released to explain the position to all affected parties. With effect from 1 October 2022 the Group's financial reporting status changed to that of an investment entity as explained in the basis of preparation.

Information in relation to the Transaction was provided throughout the 2022 Annual Report, including a statement that implementation would result in:

- the creation of a stable platform across the Group to optimise the orderly, expeditious and value-enhancing monetisation of assets;
- achieving the consents necessary to extend the maturity of the Group Services' Debt from the current maturity date of 30 June 2023 to at least 30 June 2026;
- significant changes to equity voting and economic rights, the provision for a solvent burial regime; and
- is expected to result in the delisting of the Company.

In preparation for the Annual General Meeting, held as a hybrid meeting on 22 March 2023, a detailed circular to shareholders was issued on 8 February 2023 and more than 70 questions from various shareholders were answered via the website. The meeting recorded the highest shareholder participation (42%) in recent years with 39% of shareholders represented or present at the meeting supporting the proposals and 61% voting against them.

With the maturity date of the Group Services' Debt approaching, Steinhoff's Management Board and Supervisory Board resolved, on 28 March 2023, to initiate a Dutch law restructuring plan (*akkoord*) to implement its proposed Transaction. A Restructuring Plan was issued and affected stakeholders voted during May 2023. On 30 May 2023, the Company announced that three of the four stakeholder groups unanimously supported the proposal while the shareholder class was split with almost 90% of the votes rejecting it.

On 31 May 2023, Steinhoff filed a request with the District Court of Amsterdam to confirm the Restructuring Plan and the hearing took place on 15 June 2023. On 21 June 2023 the District Court of Amsterdam, the Netherlands, confirmed (*gehomologeerd*) the WHOA Restructuring Plan. Steinhoff and its subsidiaries will now proceed to implement the WHOA Restructuring Plan which is expected to close on or before 30 June 2023.

OUTLOOK

The aim remains to implement the Transaction to ensure that the objectives set out in the Dutch Restructuring Plan can be achieved for the benefit of all stakeholders.

APPRECIATION

We continue to owe our thanks to many organisations, teams and individuals for their continued hard work and commitment to the Steinhoff Group.

L.J. (Louis) du Preez
Chief executive officer

T.L. (Theodore) de Klerk
Chief financial officer

23 June 2023

MANAGEMENT BOARD RESPONSIBILITY STATEMENT

INTRODUCTION

The Management Board comments on the results for the six months ended 31 March 2023 of Steinhoff International Holdings N.V., a public limited liability company (*naamloze vennootschap*) incorporated under the laws of the Netherlands, having its corporate seat in Amsterdam, the Netherlands, with its principal place of business at Building B2, Vineyard Office Park, Cnr Adam Tas and Devon Valley Road, Stellenbosch 7600, South Africa, registered with the Trade Register in the Netherlands under number 63570173, LEI code 724500PSNX8EVPOZ1M58 and has tax residency in South Africa (the "Company"). The Company has a primary listing on the Frankfurt Stock Exchange in Germany and a secondary listing on the JSE Limited in South Africa.

The 2023 Half-year Report consists of this Responsibility Statement, the Financial and Business Review, the Investment Review and the 2023 Condensed Financial Statements.

CHANGE IN INVESTMENT ENTITY STATUS

With effect from 1 October 2022, the Group's status changed to that of an Investment Entity as defined in IFRS 10: Consolidated Financial Statements and detailed in the Basis of Preparation of the 2023 Condensed Financial Statements. Such change required the Group to cease consolidating its subsidiaries (other than Service Entities) and to instead carry its investments at fair value, with subsequent changes in fair value being recognised in profit or loss. IFRS does not allow for such changes to be applied retrospectively and accordingly the Group's 2023 Condensed Financial Statements have been prepared on a materially different basis compared to those of previous years.

MANAGEMENT BOARD STATEMENT

The Management Board draws specific attention to the going concern assessment set out in the Basis of Preparation of the 2023 Condensed Financial Statements in which a number of facts have been detailed, including:

- The confirmation of the Restructuring Plan by the Dutch court on 21 June 2023;
- Maturity Extension;
- Equity Reorganisation; and
- Group Services cash resources.

Based on these facts, and with the District Court of Amsterdam, the Netherlands, confirming (*gehomologeerd*) the WHOA Restructuring Plan, the Management Board has not adopted the going concern basis for the preparation of the financial reporting of the 2023 Condensed Financial Statements. IFRS does not provide definitive guidance when the going concern basis is not appropriate. There is also no general dispensation from the measurement, recognition and disclosure requirements of IFRS if an entity is not expected to continue as a going concern. As a result, the Management Board has deemed it appropriate to continue to recognise and measure all assets and liabilities in terms of the applicable IFRS standards as at the Reporting Date.

The Management Board has discussed the above opinions and conclusions with the Audit and Risk Committee, and the Supervisory Board.

RESPONSIBILITY STATEMENT

As required pursuant to section 5:25d paragraph 2(c) of the Dutch Financial Supervision Act, each of the Managing Directors hereby confirms that as far as each of them is aware:

(i) subject to the judgements and estimates set out in the Basis of Preparation, the 2023 Condensed Financial Statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the enterprises jointly included in the consolidation; and

(ii) the 2023 Half-year Management Report gives a true and fair view of the position as at the Reporting Date, the state of affairs during the Reporting Period of the Company and of the enterprises connected with it whose data is included in the 2023 Condensed Financial Statements and the Management Report describes the substantial risks with which the Company is being confronted.

Steinhoff International Holdings N.V.
The Management Board

L.J. (Louis) du Preez
Chief executive officer

T.L. (Theodore) de Klerk
Chief financial officer

23 June 2023

FINANCIAL AND BUSINESS REVIEW

INTRODUCTION

Steinhoff International Holdings N.V. is a public limited liability company (*naamloze vennootschap*) incorporated under the laws of the Netherlands, with its corporate seat in Amsterdam, the Netherlands, and its principal place of business at Building B2, Vineyard Office Park, Cnr Adam Tas & Devon Valley Road, Stellenbosch 7600, South Africa. The Company is registered with the Trade Register in the Netherlands under number 63570173, LEI code 724500PSNX8EVPOZ1M58 and has tax residency in South Africa. The Company has a primary listing on the FSE in Germany and a secondary listing on the JSE in South Africa.

Steinhoff is an investment entity with underlying investments operating in retail businesses that are based in Africa, Australasia, Europe and the United States of America.

As announced on 15 and 16 December 2022, Steinhoff entered into a Support Agreement with its largest Financial Creditors and released details of the proposed Transaction, including the terms of the Maturity Extension which is expected to result in the delisting of the Company. The Transaction was ultimately subject to a Dutch WHOA as explained in the WHOA Restructuring Plan.

This Financial and Business Review covers the six-month period ended 31 March 2023 and also addresses the material events subsequent to the Reporting Date and up to the authorisation date of this 2023 Half-year Report. The 2023 Half-year Report has not been audited or reviewed by the Company's auditors.

The Group's status changed to that of an Investment Entity, as defined in IFRS 10: Consolidated Financial Statements, during the Reporting Period as detailed in the Basis of Preparation in the 2023 Condensed Financial Statements. While Steinhoff's focus on value preservation for its stakeholders has not changed, entering into the Support Agreement in order to implement the Transaction, as explained throughout this report, necessitated the Group reassessing its Investment Entity status in terms of IFRS, whereby it was determined that it became an Investment Entity with effect from 1 October 2022. As a result of the change in Investment Entity status, the Group's 2023 Condensed Financial Statements prepared under IFRS cannot be compared to those of previous periods.

Stakeholders have been kept informed by regular announcements released through the formal stock exchange channels. All announcements can be found on the Steinhoff website: **www.steinhoffinternational.com/sens.php**.

INVESTMENT ENTITY CLASSIFICATION

Under IFRS, entities are required to review their status as Investment Entities when there are changes to any of the elements that form the definition of an Investment Entity or the typical features of such an entity. The assessment of whether the Group meets the definition of an Investment Entity involves significant judgement, as it requires an evaluation of the Group's purpose, investment strategy, and ownership structure. The purpose of Investment Entity accounting is to provide relevant information to users whose returns are based on future capital appreciation and investment income.

The Group has concluded that it meets these characteristics of an Investment Entity as required by IFRS 10: Consolidated Financial Statements. The judgement applied in assessing the Group's Investment Entity classification has been disclosed in the basis of preparation to the 2023 Condensed Financial Statements. The Group has also disclosed the impact of the deemed disposal of its subsidiaries, as well as the fair value of its investments in subsidiaries and associates as at the date of transition to Investment Entity status. It is management's view that Investment Entity accounting will provide the most relevant and reliable information as required by IAS 1: Presentation of Financial Statements.

The below entities in the Group have been identified to meet the classification as investment entities. These entities are:

(1) Steinhoff (or the New Topco to be introduced with the Equity Reorganisation);

(2) Ainsley Holdings – containing Pepkor Holdings;

(3) Newco 6 – primarily Mattress Firm;

(4) Ibex (Europe) – including Pepco Group;

(5) APAC Holdco – predominantly Greenlit Brands; and

(6) Mons Bella – invested in Bud (formerly IEP);

collectively referred to as the "**Target Entities**".

Under IFRS if an investment entity's subsidiary is not itself an investment entity and its main purpose is to provide investment related services to the parent (referred to as "**Service Entities**"), the investment entity parent will be required to consolidate that subsidiary.

The determination of whether a subsidiary is a Service Entity requires significant judgement. In making this determination, the Group considers the nature of the services provided, the degree of control exercised over the service entities, and the significance of the services to the service entities' operations.

For further details please refer to the Basis of Preparation in the 2023 Condensed Financial Statements.

KEY ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of consolidated financial statements requires management to make judgements and estimates that affect the application of accounting policies and the reported values of assets, liabilities, income and expenses. Actual results may differ from these estimates. Judgements have been made after taking into account all currently available information, but these judgements could change if additional relevant information comes to light. Key accounting estimates are those that involve complex or subjective judgements or assessments. The details of such judgements and estimates are included in the Basis of Preparation in the 2023 Condensed Financial Statements.

NET GROUP SERVICES' DEBT AND CASH FLOW

The net Group Services' Debt at the Reporting Date was €9 810 million (FY2022: €9 603 million), calculated as total Group Services' Debt less cash and cash equivalents.

Total Group Services' Debt increased from €10 066 million to €10 302 million as the PIK interest accrued at an average rate of c. 10%, exceeded the debt repayments made during the Reporting Period. For further details please refer to note 7 to the 2023 Condensed Financial Statements. For further details on cash flows refer to the Consolidated Statement of Cash Flows.

The investments with exit strategies (OpCos) have all raised their own external debt and do not rely on the Group for funding.

GEOGRAPHIC CONTEXT AND IMPACT OF FOREIGN CURRENCIES

At the Reporting Date, c. 100% (1 October 2022: c. 100%) of the SOTP's value of the Investment with exit strategies are located outside of the eurozone area. The Group's assets are spread around the globe and the non-euro denominated assets are subject to various currency fluctuations including changes in the value of the Polish zloty, the South African rand, the United States of America dollar and the Australian dollar.

NON-OPERATIONAL EXPENSES

The Group has identified a number of non-operational expenses which are material due to the significance of their nature and/or amount. These expenses are listed separately in note 11 to the 2023 Condensed Financial Statements. The more material item is:

Advisory fees

The Steinhoff Group engaged and continues to engage a wide range of professional advisors to assist with the restructuring activities. In addition, the Group is required to pay the advisor costs of each of the respective lender groupings. Advisory fees for the Reporting Period increased to €29 million (2022: €6 million), as disclosed in note 11.5 to the 2023 Condensed Financial Statements.

FINANCE COSTS

The total finance costs, relating to capitalised PIK interest on Group Services' Debt, increased from €476 million to €518 million. For further details please refer to notes 7 and 12 to the 2023 Condensed Financial Statements.

TAX

Tax remains an area of focus for management. There are a number of ongoing tax audits relating to historical transactions and constructive progress has been made with the tax authorities in various jurisdictions. Appropriate tax specialists and advisors have been appointed by the Group to advise on positions in such jurisdictions.

RELATED PARTY TRANSACTIONS

During the Reporting Period, the Group entered into related-party transactions in the ordinary course of business, the substance of which are similar to those disclosed in the Group's 2022 Consolidated Financial Statements. There were no material movements in the balances for the six months ended 31 March 2023.

INTERGROUP BALANCES

As the Group has a complex structure, funds will be up streamed from the Target Entities to the Services Entities or the Company through either dividends or intergroup loans. Intergroup loans between the Target Entities and the Service Entities or the Company will not eliminate at Group level and will be disclosed either as part of the fair value of the Target Entity or consolidated as part of the Service Entities. Refer to note 2 for intergroup loan balances and transactions.

GOVERNANCE AND LEADERSHIP

There were no changes to the composition of the Management Board during the Reporting Period. At the AGM held on 22 March 2023, the Supervisory Board was reduced by two – Mr Peter Wakkie did not make himself available for re-election and Mr David Pauker was not re-elected.

On 5 April 2023, Steinhoff announced that:

- the Supervisory Board had elected Mr Paul Copley as Deputy-Chairperson of the Supervisory Board;
- Ms Sarah Radema stepped down from her position as the Company Secretary of Steinhoff International Holdings N.V. with effect from 30 April 2023; and
- Mr Nicholas Lewis had been appointed as the Company Secretary of Steinhoff with effect from 1 May 2023.

The Supervisory Board and Management Board thank Mr Wakkie, Mr Pauker and Ms Radema for their valued contribution to Steinhoff during their tenure.

SUSTAINABILITY (ESG) AND CORPORATE SOCIAL INVESTMENTS (CSI)

As an investment entity with investments in a range of retail businesses, good corporate citizenship, including a focus on diversity and equality, sustainability and social and community engagement, is important to the Group. Responsibility for operational implementation is devolved to each independent operation where action can be carried out directly, ensuring it has the most impact.

CORPORATE ACTIVITY DURING THE REPORTING PERIOD

Pepkor Holdings – dividend declaration

On 22 November 2022, the board of directors of Pepkor Holdings declared a dividend of 55 South African cents per ordinary share, payable to shareholders on 23 January 2023, in respect of the twelve months ended 30 September 2022. The Group received a total dividend of ZAR1 035 million (€55 million).

Bud dividend declaration and share buy-back

The board of directors of Bud declared a dividend to its ordinary shareholders of ZAR1.33 per share. A total dividend of ZAR33.75 million (€1.8 million) was paid to Mons Bella, a wholly owned indirect subsidiary of Steinhoff.

Newco 6 – dividend declaration

During the 2023 Reporting Period, a dividend of €51 million was received from Lidstone Investments SA via Newco 6, funded by the contractual release of previously trapped cash. The dividend was utilised as a repayment of the Group Services' Debt.

Other Africa – dividend declaration

During the Reporting Period, a dividend of ZAR38 million (€2 million) was received from Newshelf, funded by a loan repayment from Ibex (Europe).

Support Agreement

The Group entered into a Support Agreement on 15 December 2022 with its Original Participating Lenders. The Support Agreement provides a stable platform for the Group to achieve the consents necessary to extend the maturity of the Group Services' Debt from the current maturity date of 30 June 2023 to at least 30 June 2026 (the "**Maturity Extension**") together with the proposed equity reorganisation (the "**Equity Reorganisation**"). The Maturity Extension and Equity Reorganisation are jointly referred to as the Transaction.

Placement of Pepco Group shares

On 18 January 2023, the Company announced that the Steinhoff Group had sold an aggregate of 38 million ordinary shares in the capital of Pepco Group at a price of PLN38.95 per share through an accelerated placement, raising aggregate gross sale proceeds of approximately PLN1 480.1 million (€315.2 million). Following closing of the placement, the Company indirectly holds 415 594 616 ordinary shares, representing approximately 72.3% of Pepco Group's issued share capital. The Steinhoff Group used the proceeds from the placement to reduce its outstanding debt.

Placement of Pepkor Holdings shares

On 9 February 2023, Steinhoff announced the placement of 265 million Pepkor Holdings shares, raising total gross proceeds of ZAR4.9 billion (c. €264 million). Following the sale, Steinhoff's interest in Pepkor Holdings reduced from 51.1% to approximately 43.9%. It is intended that the proceeds from the placement will be used to reduce Group Services' Debt.

Settlement with LSW

On 20 February 2023, Steinhoff and certain LSW Entities reached a full and final settlement of all outstanding litigation between the parties to be concluded before the Commercial Court of Vienna for total payment of €202.12 million ("**the Settlement**"). On 13 March 2023, the Austrian court sanctioned the Settlement and the Settlement has become unconditional and final.

Shareholder meeting

A hybrid annual meeting of shareholders was held on 22 March 2022 in Amsterdam.

Launch of the WHOA

Steinhoff's Management Board and Supervisory Board resolved on 28 March 2023 to initiate a Dutch law restructuring plan (*akkoord*) to implement its proposed Transaction in respect of its Group Services' Debt, first announced by the Company on 15 December 2022.

The launch of the WHOA Restructuring Plan followed the rejection of the proposal to approve the Transaction by the Company's shareholders at the Company's AGM held on Wednesday, 22 March 2023. Further details are set out in the WHOA Restructuring Plan (**www.steinhoffinternational.com/WHOA-restructuring-plan.php**).

The Transaction includes the following:

a) An amendment to the Credit Facilities and the CPUs of Steinhoff Group, including a postponement of the due date of Steinhoff's Group Services Debt from 30 June 2023 to at least 30 June 2026, with the possibility of further postponement to 30 June 2028 (in other words, a new external debt maturity of three to five years);

b) A reorganisation of the Steinhoff Group involving:

    i. the Company transferring its assets to a newly incorporated (unlisted) company Steinhoff Topco B.V. ("**New Topco**"), which will hold the Group through two intermediate holding companies and of which all shares will be transferred to five independent foundations (the "**Foundations**"). As a result, the shareholders will lose their (indirect) interest in respect of the assets to be transferred by the Company to New Topco;

    ii. New Topco issuing new contractual instruments (contingent value rights, or "**CVRs**") that give entitlement to a distribution of any (future) residual value in the Steinhoff Group after repayment of all external debts. 20% of the CVRs are issued to the current Steinhoff shareholders class and 80% of the CVRs are issued to the Affected CPU creditors class. As a result, the economic interest in New Topco, to the extent there will be one, and thus indirectly the economic interest in the Steinhoff Group, will be divided between the Shareholders and the Affected CPU Creditors;

c) After completion of the Transaction:

    i. the Group will be continued under New Topco, whereby the assets can be realised during the extended term of the external debts and the proceeds used to repay the external creditors. The credit documentation to be amended provides a regime to facilitate these repayments and ultimately the dissolution of New Topco; and

    ii. the Company will call a general meeting to propose to the shareholders to dissolve the Company.

CORPORATE ACTIVITY AFTER THE REPORTING DATE

Greenlit Brands

On 29 May 2023, Greenlit Brands concluded the sale of the Bedding Group for AUD60 million.

Mattress Firm

The Company, through Newco 3 and via Steenbok Newco 9 Limited, holds an equity interest of 50.1% (economic interest of approximately 45% on a fully diluted basis) in Mattress Firm.

On 9 May 2023, Mattress Firm and Tempur Sealy announced that they had signed a definitive agreement for Tempur Sealy to acquire the entire issued shares in Mattress Firm in a cash and share transaction valued at approximately USD4.0 billion.

The consideration will consist of approximately USD2.7 billion of cash consideration (subject to adjustments including the repayment of Mattress Firm's debt and other customary items) and 34.2 million shares in Tempur Sealy (with a valuation of USD1.3 billion based on the closing share price of Tempur Sealy on 8 May 2023 of USD37.46/share) issued to Mattress Firm shareholders. Following the transaction, Steinhoff will indirectly own approximately 7.5% of the combined company (based on the number of shares of Tempur Sealy common stock outstanding at the time of signing, plus the number of shares that will be issued in connection with this transaction). Tempur Sealy expects to expand its existing board of directors by appointing two mutually agreed existing Mattress Firm directors to the Tempur Sealy board upon the closing of the transaction.

The transaction has been approved by the boards of directors of Tempur Sealy and Mattress Firm. Mattress Firm shareholders holding more than 80% of Mattress Firm's outstanding shares have signed voting agreements in support of the transaction. The transaction does not require Tempur Sealy shareholder approval.

The transaction is expected to close in the second half of 2024, subject to the satisfaction of customary closing conditions and applicable regulatory approvals, including receipt of clearance under the U.S. Hart-Scott-Rodino Antitrust Improvements Act of 1976. Tempur Sealy has noted that it has received a request for additional information and documentary material from the Federal Trade Commission ("**FTC**") in connection with the FTC's review of the transaction. Tempur Sealy has also noted that it expects to work co-operatively with the FTC to complete the acquisition.

On receipt of the cash consideration on closing, the cash will be used to prepay the Group Services' Debt on the terms of the existing and amended finance documents.

The share consideration received will be subject to a three-month lock up. Any disposal of the shares received will be at the discretion of Newco 3 and subject to the relevant finance documents. Proceeds from the sale of those shares will also be used to prepay the Group Services' Debt.

WHOA RESTRUCTURING PLAN (*AKKOORD*)

On the Reporting Date the Group Services' Debt amounted to €10.3 billion (FY2022: €10.1 billion) with a maturity date of 30 June 2023.

The WHOA Restructuring Plan affects the Company's Financial Creditors, certain intragroup creditors and the Company's shareholders.

After the publication of the draft WHOA Restructuring Plan on 29 March 2023, a consultation period commenced during which affected stakeholders were able to submit their views on the draft WHOA Restructuring Plan to the Company. This consultation period closed on 17 April 2023 at 18:00 CET.

The Company engaged with stakeholders during the consultation period and considered views that were submitted to the Company in respect of the WHOA Restructuring Plan. After due and careful consideration of the circumstances and the interests of the Company, the Group and its stakeholders (including the Shareholders and the Financial Creditors), the Company decided to amend the WHOA Restructuring Plan by introducing an allocation of CVRs to Shareholders ("**Shareholder CVRs**").

The CVRs to be allocated under the WHOA Restructuring Plan to the CPU Creditors ("**Creditor CVRs**") and the Shareholders CVRs constitute the same instrument ("**CVR Instrument**") and are subject to the same terms and conditions, save that the Creditor CVRs will entitle their holders to 80% of the aggregate economic interest in the post-closing equity of the new parent company of the restructured Group, New Topco and, indirectly, its interest in the restructured Group, while the Shareholder CVRs will in aggregate entitle their holders to 20% of such interest.

At the conclusion of the consultation period, after due and careful consideration, and after having been advised by financial, tax and legal advisers, the Company published, for review by its stakeholders, the WHOA Restructuring Plan.

As set out more extensively in the WHOA Restructuring Plan, the Company believes that the WHOA Restructuring Plan offers material compelling benefits, including:

- the creation of a stable platform across the Group to optimise the orderly, expeditious and value-enhancing monetisation of assets;
- achieving the consents necessary to extend the maturity of the Group Services' Debt from the current maturity date of 30 June 2023 to at least 30 June 2026; and
- significant changes to equity voting and economic rights, and is expected to result in the delisting of the Company.

For these and other reasons, the Boards recommended the WHOA Restructuring Plan to affected stakeholders eligible to vote.

The Support Agreement entered into by the Company, Newco 3 and the majority of the Financial Creditors as announced on 15 December 2022 remains in place and the intention remains to implement the Transaction by 30 June 2023.

The Voting Record Date was set as Wednesday, 10 May 2023 and the voting period was open from 00:01 CET on Thursday, 11 May 2023 and up to 23:59 CET on Wednesday, 24 May 2023. The voting results were published on 29 May 2023 and the Voting Report was made available on the Company website on 30 May 2023. On 31 May 2023, the Dutch Court was requested to schedule a hearing on the confirmation of the WHOA Restructuring Plan. This hearing was heard on 15 June 2023. On 21 June 2023 the District Court of Amsterdam, the Netherlands, confirmed (*gehomologeerd*) the WHOA Restructuring Plan. Steinhoff and its subsidiaries will now proceed to implement the WHOA Restructuring Plan which is expected to close on or before 30 June 2023.

FORENSIC REPORT RULING

The Western Cape Division of the High Court of South Africa ruled on 10 May 2022 that Steinhoff must supply Tiso Blackstar and amaBhungane with a copy of the PwC forensic report within ten days. The Court found that Steinhoff had failed to establish that the report was protected by legal privilege and that Steinhoff had already contemplated that there would be litigation when the report was commissioned. Steinhoff was granted leave to appeal to the Supreme Court of appeal and those proceedings are ongoing. Damages are not sought in this matter and accordingly there can be no economic outflow arising from these proceedings.

REGULATORY ENGAGEMENT

The Company remains in contact with the Company's principal stock market regulators: the AFM in the Netherlands, the FSE and the Federal Financial Supervisory Authority of Germany (*Bundesanstalt für Finanzdienstleistungsaufsicht*) (BaFin) in Germany, and the JSE and the Financial Sector Conduct Authority (FSCA) in South Africa. Steinhoff is also committed to co-operating and maintaining open communication lines with prosecution authorities and regulators in South Africa and in other jurisdictions as they investigate various individuals and entities implicated in relation to the events uncovered during and subsequent to December 2017.

The Group Services cash balance includes €39 million (R747 million) which relates to loan repayments from Ibex (Europe) that have not been cleared by the South African Reserve Bank ("**SARB**") as at the Reporting Date. Newshelf's portion of the uncleared funds amounts to €24 million (R457 million) which is included in the fair value of the Other Africa investment. In addition, accounts holding €285.6 million (R5.52 billion) of the Group's funds are subject to SARB approval prior to making any withdrawals. Any conditions required by SARB relating to their approval for withdrawals and the time frame relating thereto is currently unknown to the Group.

BASIS OF PREPARATION – CONDENSED FINANCIAL STATEMENTS

The Group's status changed to that of an Investment Entity, as defined in IFRS 10: Consolidated Financial Statements, during the Reporting Period, effective 1 October 2022. As a result of the change in Investment Entity status, the Group's 2023 Condensed Financial Statements prepared under IFRS cannot be compared to those of previous periods.

In preparing these 2023 Condensed Financial Statements, the going concern basis has not been adopted. However, the Management Board has deemed it appropriate to continue to recognise and measure all assets and liabilities in terms of the applicable IFRS standards as at the Reporting Date. The Management Board draws attention to the following facts:

- The objective of the proposed Transaction is to create a stable platform across the Group to optimise the orderly, expeditious and value enhancing monetisation of assets up to the extended maturity date;
- At 31 March 2023, the Group's total liabilities exceed its total assets, however the proposed Transaction includes a limited recourse and solvent burial regime for the benefit of the Company (including any new ultimate parent of the Group) and its subsidiaries. The regime will also facilitate an efficient distribution of any remaining Group's assets at fair value directly to the CVR holders at the extended maturity date (or following any earlier acceleration);
- Due to the Intercreditor Agreement ("**ICA**") entered into on SED the Group has sufficient cash resources to settle its day-to-day financial obligations as it becomes due and all interest on Group Services' Debt is PIK, which further limits the risk to cash flow;
- The Maturity Extension included in the Transaction will extend the maturity of the Group Services' Debt from the current maturity date of 30 June 2023 to at least 30 June 2026;
- The Equity Reorganisation included in the Transaction is considered to have no significant economic impact on the Group as a whole, it is considered to be a common control transaction and will be accounted for as a capital reorganisation; and
- Furthermore, it is management's view that due to the Group's assets continuing to be materially less than its liabilities, and will remain so as at 30 June 2023, the commercial terms indicate that the Financial Creditors are the primary stakeholders of the Company.

THE COMPANY'S DIVIDENDS ON ORDINARY SHARES

Given the Group's ongoing liquidity constraints and the negative reserves, the Management Board, with the approval of the Supervisory Board, has resolved not to propose any dividend on the Ordinary Shares.

RISK MANAGEMENT

Principal risks

The 2022 Annual Report outlines the Group's principal risks and mitigation activities as at the time of its authorisation for issue. For a detailed description of the Group's risks and risk control systems, please refer to pages 31 to 36 of the 2022 Annual Report.

The principal risks with a high residual rating faced by the Company are presented in the following table:

Principal risks	
Material uncertainty	**Risk classification**
Liquidity Risk	Internal: Financial Risk
Debt Restructuring	Internal: Financial Risk

Risk summary

Managing both solvency and liquidity risks remains a primary concern and focus area to ensure the ongoing financial stability of the Group. The Group's total liabilities exceed its total assets. In addition to this, accounts holding €285.6 million (ZAR5.52 billion) of the Group's funds are subject to SARB approval prior to making any withdrawals. Any conditions required by SARB relating to their approval for withdrawals and the time frame relating thereto is currently unknown to the Group.

It has not been possible to de-lever the Group through investment and asset disposals and/or refinancing and this has ultimately resulted in a focus on debt extension and associated equity restructuring. In order to maintain financial stability and therefore avoid the consequences of the Group Services' Debt maturing on 30 June 2023, the proposed Maturity Extension and related terms, as announced on 15 and 16 December 2022, address the total Group Services' Debt and allow further time to fully realise the Group's investments and assets in an orderly manner.

The Support Agreement provided a stable platform for the Group to achieve the consents necessary to extend the maturity of the Group Services' Debt from the current maturity date of 30 June 2023 to at least 30 June 2026.

The WHOA process (including the debt and equity reorganisations) serves to create a stable platform for the orderly disposal of the Company's assets.

This is discussed throughout the Financial and Business review.

Principal risks: OpCos (investments with exit strategies)

The principal risks identified at operating companies include the following (not classified according to significance):

- Long term expansion strategy;
- Retail market conditions;
- Competition;
- Foreign currency volatility risk;
- Macro-economic instability risk; and
- Supply chain disruptions/logistic capacity constraints.

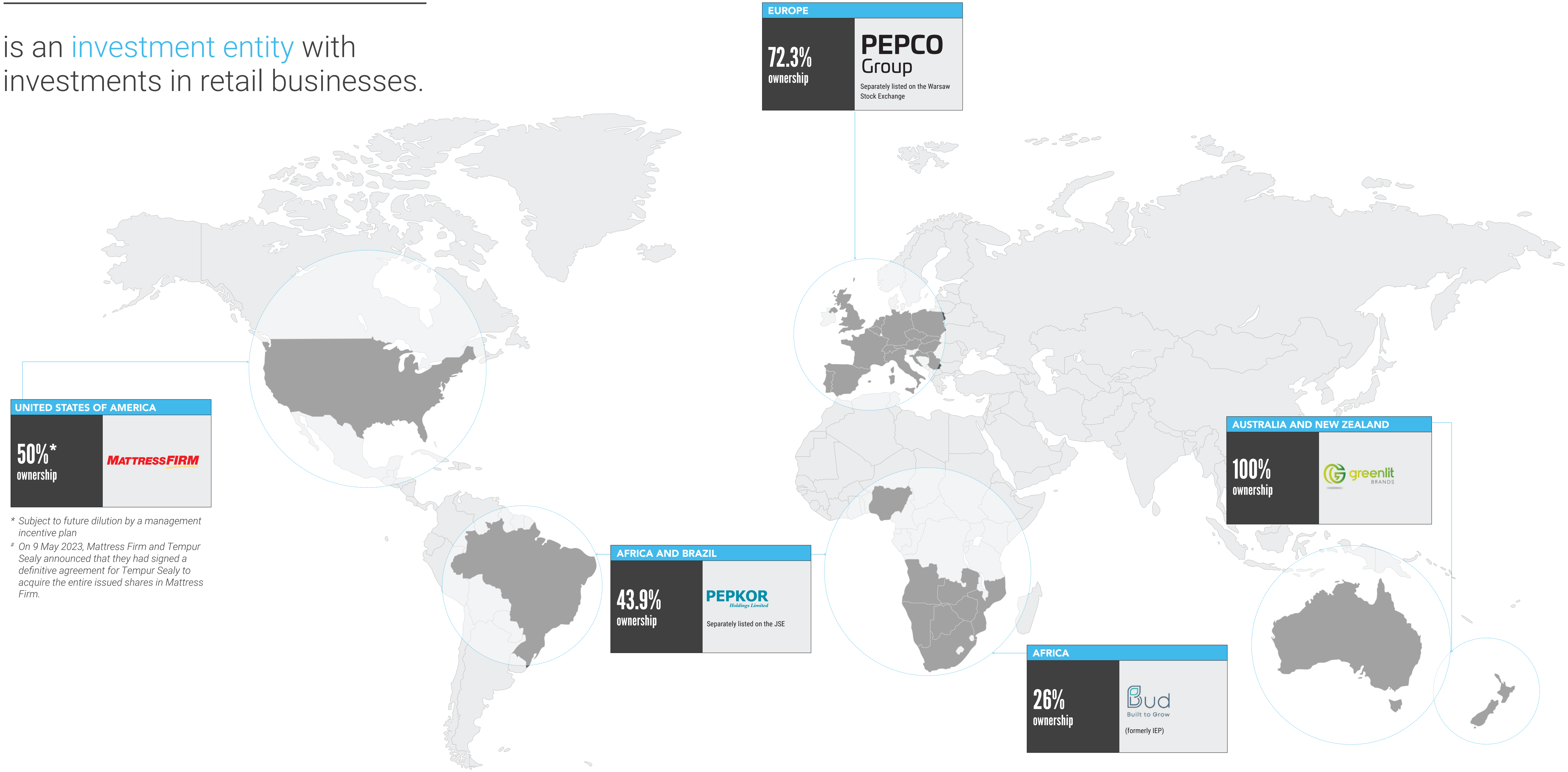
There may also be risks that the Company is not aware of or currently deems immaterial, but which could, at a later stage, have a material impact on the Group's business. As new risks emerge and existing immaterial risks evolve, they will be assessed and managed in a timely manner.

EVENTS AFTER THE REPORTING DATE

Apart from the events set out above, no other material events have occurred after the Reporting Date.

STEINHOFF INTERNATIONAL HOLDINGS N.V.

is an investment entity with investments in retail businesses.



* Subject to future dilution by a management incentive plan

On 9 May 2023, Mattress Firm and Tempur Sealy announced that they had signed a definitive agreement for Tempur Sealy to acquire the entire issued shares in Mattress Firm.

INVESTMENT REVIEW

FOR THE SIX MONTHS ENDED 31 MARCH 2023

This report covers the Reporting Period (1 October 2022 to 31 March 2023) and has not been audited or reviewed by the Company's auditors.

INTRODUCTION

Steinhoff is an investment entity with underlying investments operating in retail businesses that are based in Africa, Australasia, Europe and the United States of America.

The Company has elected to apply the accounting principles under Investment Entity accounting for its investments with effect from 1 October 2022 as detailed in the Basis of Preparation in the 2023 Condensed Financial Statements. As a result of the change in Investment Entity status the Operational Review has been replaced with this Investment Review.

Major corporate action during the Reporting Period

- On 18 January 2023, the Group sold 38 million Pepco Group shares, raising aggregated gross sale proceeds of c. PLN1.48 billion (€315 million), reducing the holding to 72.3%.
- On 9 February 2023, the Group sold 265 million Pepkor Holdings shares, generating total gross proceeds of c. ZAR4.9 billion (€264 million), reducing the holding to 43.9%.

Major corporate action subsequent to Reporting Date

- On 9 May 2023, the Group announced that the entire shareholding in Mattress Firm is being bought by Tempur Sealy, including Steinhoff's indirect holding, as detailed in the Financial and Business Review, in a cash and share transaction valued at approximately USD4.0 billion.
- On 29 May 2023, Greenlit Brands concluded the sale of the Bedding Group for AUD60 million.

CHANGE IN INVESTMENT ENTITY STATUS AND EARNINGS

IFRS require that an entity reassess whether it is an Investment Entity if facts or circumstances indicate changes to one or more of the elements making up the definition of an Investment Entity or the typical characteristics of an Investment Entity.

While Steinhoff's focus on value preservation for its stakeholders has not changed, entering into the Support Agreement in order to implement the Transaction, as explained throughout this report, necessitated the Group reassessing its Investment Entity status in terms of IFRS, whereby it was determined that it became an Investment Entity with effect from 1 October 2022. The performance of the investment portfolio is accordingly measured with reference to the fair value of each investment (i.e. SOTP value) rather than the consolidated profitability.

Where an entity's status changes to that of an Investment Entity, it does not consolidate its subsidiaries, but rather measures its investments at fair value through profit or loss. Such change in accounting is applied prospectively, with no adjustment to prior year comparatives. However, an Investment Entity continues to consolidate subsidiaries that provide services related to the Investment Entity's activities (i.e. those wholly owned subsidiaries comprising Steinhoff's Group Services). In addition to the investments being measured at fair value instead of on a consolidated basis, the current profits also include a fair value adjustment on the deemed disposal of all investments on the date from which they were considered to be investment entities.

As a result of the change in Investment Entity status, the Group's 2023 Condensed Financial Statements prepared under IFRS cannot be compared to those of previous periods.

SUM-OF-THE-PARTS ("SOTP")

The calculation of Steinhoff's SOTP value requires limited subjectivity as approximately 73% of the total value of the investments with exit strategies is calculated using exchange-listed share prices, while other investments are included at internal valuations as described in note 3.3 to the 2023 Condensed Financial Statements.

During the Reporting Period the increase in the Pepco Group share price has been countered by the decrease in the values of Pepkor Holdings and Mattress Firm, all translated into euro using the relevant closing foreign exchange rate. The valuations are indicative of the depressed equity markets generally and retail equities specifically, as well as the challenging global economic conditions. The values as at 1 October 2022 will not necessarily correspond with the values per the 2022 Consolidated Financial Statements since the latter were measured using the relevant accounting standards which included historical cost and the equity method of accounting.

SOTP OF THE GROUP	31 March 2023 €m	1 October 2022 €m
Investments with exit strategies	**7 002**	7 054
Pepco Group (72%; 79%)	**3 693**	2 797
Pepkor Holdings (44%; 51%)	**1 438**	2 223
Mattress Firm (50%; 50%)*	**1 370**	1 553
Greenlit Brands (100%; 100%)	**398**	358
Bud (26%; 26%)	**103**	123
Cash	**492**	
Other net liabilities	**(47)**	
	7 447	
Perpetual preference shares	**(72)**	
Group Services' Debt	**(10 302)**	
Total SOTP value	**(2 927)**	
Shares in issue (million)	**4 270**	
SOTP value per share (€)	**(0.69)**	
Share price (€) (*Listed on the FSE*)	**0.01**	

** The valuation takes into account future dilution by a management incentive plan.*

INVESTMENTS – 31 MARCH 2023

Under Investment Entity accounting principles, the Group does not consolidate its subsidiaries, but rather measures subsidiaries at fair value through profit or loss. For disclosure purposes only, the table below provides information on the revenue for material investments, generated by their own operating activities and included at 100% irrespective of ownership.

REVENUE (€m)	1H2023	1H2022	% change	Constant currency %
Pepco Group	**2 839**	2 371	19.7	22.8
Pepkor Holdings	**2 364**	2 420	(2.3)	4.3
Mattress Firm	**1 876**	1 917	(2.1)	(9.6)
Greenlit Brands	**380**	361	5.3	5.3

Pepco Group (72%; 79%)

Pepco Group is a fast-growing, pan-European discount variety retailer, trading through c. 4 000 stores. Pepco Group owns the Pepco and Dealz brands in Europe and the Poundland brand in the United Kingdom and has a clear vision to become Europe's pre-eminent discount variety retailer.

Further information regarding Pepco Group and their operational performance can be found online at **www.pepcogroup.eu**.

The Pepco Group share price increased from PLN29.90 on 1 October 2022 to PLN41.50 at the end of March 2023. No dividend was paid during the six months.

Pepco Group recorded revenue of €2 839 million in the first half of the year, a 22.8% growth year-on-year on a constant currency basis, driven by Pepco with growth of 36.9%. Pepco Group like-for-like revenues were up 11.1% for the six months, with 8.5% growth achieved in the second quarter. New store openings continue across all brands with 166 net new stores added in the first six months. The business remains on track to deliver full year EBITDA growth in line with guidance communicated at the Pepco Group Q1 update.

Trading across the Pepco Group in the first half continued to be positive, with double-digit like-for-like revenue growth during the period. This result was achieved against a backdrop of what remains a challenging environment, where Pepco Group has seen signs of changing consumer behaviour, particularly in response to high inflation in Central Europe. This highlights the importance, more than ever, of offering the best possible value for money to customers, leading to continued market outperformance.

The macro environment the Pepco Group faces is more balanced now than in the past 18 months, with product input costs starting to ease, though headwinds remain on other costs, including energy. The Pepco Group remains on track to meet new store opening targets, drive returns through their refit programme and keep a disciplined focus on costs, with an improving margin outlook in the second half.

Pepkor Holdings (44%; 51%)

Pepkor Holdings has the largest retail store footprint in southern Africa, with more than 5 900 stores operating across 11 countries. The majority of its retail brands operate in the discount and value segment of the market.

Further information regarding Pepkor Holdings and their operational performance can be found online at **www.pepkor.co.za**.

The Pepkor Holdings share price reduced from ZAR20.77 on 1 October 2022 to ZAR17.24 at the end of March 2023. On 22 November 2022, the board of Pepkor Holdings declared a dividend of 55 South African cents per ordinary share, payable to shareholders on Monday, 23 January 2023.

Pepkor Holdings' performance was negatively impacted as its core customer continues to face a constrained consumer environment as unemployment remains persistently high. Feedback from their customers indicate that they have no choice but to prioritise spending on necessities to contend with high levels of inflation, in particular the increased cost of food and transport.

Customers' ability to earn an income is also impacted by unprecedented levels of electricity load shedding and disruption in social grant payments. Many of the Pepkor Group's customers have adapted their shopping behaviour as they are forced to travel further to access shopping complexes that are able to remain fully operational during load shedding.

Pepkor Group revenue increased by 4.3% to ZAR43.8 billion. From a traditional retail perspective, the Clothing and general merchandise; Furniture, appliances and electronics; and Building materials segments ("**Retail segments**"), in aggregate, increased revenue by 5.6%. Revenue in the FinTech segment decreased by 7.8% due to lower revenue recognition in the Flash business.

Overall, the Pepkor Group's gross profit margin was maintained at 35.3%. Retail gross profit margins decreased due to higher markdowns implemented to clear underperforming merchandise in Ackermans and to manage stock freshness across retail brands. Higher interest rates and increased credit granting resulted in higher margins achieved in the financial services businesses.

Headline earnings per share ("**HEPS**") decreased by 11.7% to 80.8 South African cents. On a normalised basis, which excludes non-recurring items, HEPS decreased by 8.6% to 73.0 South African cents.

Pepkor Holdings remains steadfast in its purpose of making a positive difference in the lives of their customers and creating value for all stakeholders, including generating attractive returns for investors.

Mattress Firm (50%; 50% – both subject to dilution by a management incentive plan)

Mattress Firm is the leading speciality bed retailer in the United States, with more than 2 300 retail stores nationwide. For more information refer to **www.mattressfirm.com**.

The valuation of Mattress Firm reduced from €1 553 million on 1 October 2022 to €1 370 million at the Reporting Date. For further details on the Mattress Firm valuation please refer to note 3.3 to the 2023 Condensed Financial Statements.

Revenue decreased by 9.6% on the comparative half-year to USD1 966.1 million (2022: USD2 174.3 million). This performance was primarily driven by an 8.7% decrease in comparable sales, which was driven by a 14.1% decrease in the number of customer transactions, partially offset by a 5.4% increase in average order value for comparable sales. The decrease in number of customer transactions includes a 10.1% decrease in brick and mortar sales as well as an 11.9% decrease in digital sales due to a general deterioration in the macroeconomic environment as consumers delay discretionary spending.

The increase in average order value was driven by an increase in attachment rates for adjustable bases and accessories. Revenue was favourably impacted by an increase in net revenue from Mattress Firm's "Other Business" operating segment, which is largely reliant on large gatherings of potential customers (rodeos, state fairs, fundraisers, etc.), which continue to increase as COVID-19 restrictions ease.

There are a number of macroeconomic factors and uncertainties that have affected, and will continue to impact, the overall economic environment, such as the conflict in Ukraine, inflation, both in labour and supply costs, housing market headwinds, rising interest rates and general market volatility. These factors may have a number of adverse effects on overall economic conditions and the markets in which Mattress Firm operates. In addition, a continuing slowdown in the housing market or elevated volatility in stock markets, rising interest rates or inflation could have a negative impact on Mattress Firm's customers and therefore demand for their products.

Greenlit Brands (100%; 100%)

Greenlit Brands is an integrated retailer and manufacturer of household goods, with retail stores throughout Australia and New Zealand. For more information refer to **www.greenlitbrands.com.au**.

The valuation of Greenlit Brands increased from €359 million on 1 October 2022 to €398 million at the Reporting Date. For further details on the Greenlit Brands valuation please refer to note 3.3 to the 2023 Condensed Financial Statements.

Greenlit Brands produced a good result in the circumstances during the six months ended 31 March 2023 with sales increasing by 5.3% to AUD594 million (2022: AUD564 million).

STEINHOFF
INTERNATIONAL HOLDINGS N.V.

CONDENSED CONSOLIDATED HALF-YEAR FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 31 MARCH 2023

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2023

	Notes	31 March 2023[1] Unaudited €m	30 September 2022[1] Audited €m
ASSETS			
Investments			
Investments at fair value through profit or loss	1.2	**5 063**	–
Intergroup loans receivable	2.2	**2 249**	–
Goodwill	4	**–**	3 891
Intangible assets	4	**–**	1 428
Property, plant and equipment		**–**	1 024
Right-of-use assets		**–**	1 834
Investments in equity accounted companies	5	**–**	4
Other financial assets	6	**64**	76
Deferred tax assets		**–**	288
Inventories		**–**	2 087
Trade and other receivables		**21**	1 017
Taxation receivable		**83**	156
Cash and cash equivalents		**492**	1 137
Assets classified as held-for-sale and disposal groups	19	**–**	347
Total assets		**7 972**	13 289
EQUITY			
Capital and reserves			
Ordinary share capital (net of treasury shares)		**41**	41
Share premium (net of treasury shares)		**10 607**	10 607
Other reserves		**(193)**	(452)
Accumulated losses		**(13 382)**	(16 170)
Total equity attributable to owners of Steinhoff		**(2 927)**	(5 974)
Non-controlling interests		**72**	2 334
Total equity		**(2 855)**	(3 640)
LIABILITIES			
Deferred tax liabilities		**44**	318
Lease liabilities		**–**	2 192
Put option liability	20	**–**	39
Employee benefits		**4**	149
Provisions		**8**	63
Provision – Litigation	8	**31**	246
Trade and other payables		**44**	2 016
Borrowings	7	**10 302**	11 368
Intergroup loans payables	2.3	**322**	–
Taxation payable		**72**	315
Liabilities directly associated with assets classified as held-for-sale and disposal groups	19	**–**	223
Total liabilities		**10 827**	16 929
Total equity and liabilities		**7 972**	13 289

The accompanying notes form an integral part of the 2023 Condensed Financial Statements.

[1] *As a result of the change in Investment Entity status with effect from 1 October 2022, the Group's 2023 Condensed Financial Statements prepared under IFRS cannot be compared to the 2022 Consolidated Financial Statements where subsidiaries were fully consolidated. Refer to the Basis of Preparation for more detail on the Group's transition to an Investment Entity.*

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE SIX MONTHS ENDED 31 MARCH 2023

	Notes	Six months ended 31 March 2023[1] Unaudited €m	Six months ended 31 March 2022[1] Unaudited €m
CONTINUING OPERATIONS			
Fair value gains on investments at FVTPL	1.2	**450**	–
Investment income from investments at FVTPL			
Dividend income	1.2	**108**	–
Interest income	12	**49**	–
Revenue	10	**–**	5 152
Cost of sales		**–**	(3 089)
Gross profit		**607**	2 063
Other income			
Gain on deemed disposal and reacquisition of subsidiaries at fair value	1.1	**1 952**	–
Other investment income	12	**11**	41
Other operating income		**8**	63
Expenses			
Administration expenses		**(61)**	(1 254)
Distribution expenses		**–**	(451)
Other income/(expenses)	11	**46**	(124)
Net income from associates			
Share of profit of equity accounted companies		**–**	4
Profit before finance cost and taxation		**2 563**	342
Finance costs	12	**(527)**	(579)
Profit/(loss) before taxation		**2 036**	(237)
Taxation		**(16)**	(140)
Profit/(loss) from continuing operations		**2 020**	(377)
DISCONTINUED OPERATIONS			
Loss from discontinued operations	9.1	**–**	(36)
Profit/(loss) for the period		**2 020**	(413)
Profit/(loss) attributable to:			
Owners of Steinhoff		**2 017**	(474)
Non-controlling interests		**3**	61
Profit/(loss) for the period		**2 020**	(413)
Basic and diluted profit/(loss) per share (cents)			
From continuing operations	14	**47.7**	(11.1)
From discontinued operations	14	**–**	(0.1)
		47.7	(11.2)

The accompanying notes form an integral part of the 2023 Condensed Financial Statements.

[1] *As a result of the change in Investment Entity status with effect from 1 October 2022, the Group's 2023 Condensed Financial Statements prepared under IFRS cannot be compared to the 2022 Condensed Financial Statements where subsidiaries were fully consolidated. Refer to the Basis of Preparation for more detail on the Group's transition to an Investment Entity.*

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 31 MARCH 2023

	Notes	Six months ended 31 March 2023[1] Unaudited €m	Six months ended 31 March 2022[1] Unaudited €m
Profit/(loss) for the period		**2 020**	(413)
Other comprehensive income/(loss)			
Items that may be reclassified subsequently to profit or loss (net of tax):			
Net exchange gains on translation of foreign operations and translation of net investment in foreign operations		**1**	392
Foreign currency translation reserve reclassified to profit or loss on deemed disposal of subsidiaries	1.1	**1 026**	–
Net fair value gain on cash flow hedges and other assets and liabilities measured at fair value through other comprehensive income		**–**	17
Cash flow hedging reserve reclassified to profit of loss on deemed disposal of subsidiaries	1.1	**(59)**	–
		968	409
Total other comprehensive income for the period		**968**	409
Total comprehensive income/(loss) for the period		**2 988**	(4)
Total comprehensive income/(loss) attributable to:			
Owners of Steinhoff		**2 992**	(217)
Non-controlling interests		**(4)**	213
Total comprehensive income/(loss) for the period		**2 988**	(4)

The accompanying notes form an integral part of the 2023 Condensed Financial Statements.

[1] *As a result of the change in Investment Entity status with effect from 1 October 2022, the Group's 2023 Condensed Financial Statements prepared under IFRS cannot be compared to the 2022 Condensed Financial Statements where subsidiaries were fully consolidated. Refer to the Basis of Preparation for more detail on the Group's transition to an Investment Entity.*

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 31 MARCH 2023

	Ordinary share capital and Treasury share capital €m	Share premium and Treasury share premium €m	Accumulated losses €m	Foreign currency translation reserve €m	Sundry reserves €m	Total ordinary equity attributable to owners of Steinhoff €m	Non-controlling interests €m	Total €m
Balance at 30 September 2022 – Audited	41	10 607	(16 170)	(1 282)	830	(5 974)	2 334	(3 640)
Profit for the period	–	–	2 017	–	–	2 017	3	2 020
Other comprehensive income for the period	–	–	–	1 034	(59)	975	(7)	968
Total comprehensive income for the period	–	–	2 017	1 034	(59)	2 992	(4)	2 988
Transactions with the owners in their capacity as owners								
Preference dividends	–	–	–	–	–	–	(3)	(3)
Deconsolidation of subsidiaries upon change in status to that of an investment entity	–	–	–	–	–	–	(2 255)	(2 255)
Transfers to/(from) other reserves[1]	–	–	771	55	(771)	55	–	55
Total equity at 31 March 2023[2] – Unaudited	41	10 607	(13 382)	(193)	–	(2 927)	72	(2 855)

[1] Transfer from reserves to retained earnings on deemed disposal of subsidiaries upon change in status to an investment entity.
[2] As a result of the change in Investment Entity status with effect from 1 October 2022, the Group's 2023 Condensed Financial Statements prepared under IFRS cannot be compared to the 2022 Condensed Financial Statements where subsidiaries were fully consolidated. Refer to the Basis of Preparation for more detail on the Group's transition to an Investment Entity.

	Ordinary share capital and Treasury share capital €m	Share premium and Treasury share premium €m	Accumulated losses €m	Foreign currency translation reserve €m	Sundry reserves €m	Total ordinary equity attributable to owners of Steinhoff €m	Non-controlling interests €m	Total €m
Balance at 30 September 2021 – Audited	41	10 605	(15 125)	(1 244)	540	(5 183)	2 022	(3 161)
Effect of change in accounting policies	–	–	(41)	–	6	(35)	(10)	(45)
Restated balance as at 30 September 2021	41	10 605	(15 166)	(1 244)	546	(5 218)	2 012	(3 206)
(Loss)/profit for the period	–	–	(474)	–	–	(474)	61	(413)
Other comprehensive income for the period	–	–	–	244	13	257	152	409
Total comprehensive (loss)/income for the period	–	–	(474)	244	13	(217)	213	(4)
Net fair value gain on cash flow hedges transferred to inventory	–	–	–	–	(22)	(22)	–	(22)
Transactions with the owners in their capacity as owners								
Ordinary dividends[5]	–	–	–	–	–	–	(39)	(39)
Preference dividends	–	–	–	–	–	–	(2)	(2)
Recognition of put option liability	–	–	–	–	(33)	(33)	–	(33)
Share-based payments	–	–	1	–	9	10	6	16
Share-based payments – Pepkor Holdings ESRS exercised[2]	–	–	1	–	(6)	(5)	6	1
Share-based payments – Pepkor Holdings ESRS expense	–	–	–	–	8	8	–	8
Share-based payments – Pepco Group Value Creation Plan	–	–	–	–	7	7	–	7
Transactions with non-controlling interests without change in control	–	–	–	–	111	111	282	393
Global Litigation Settlement – settled with Pepkor Holdings shares[1]	–	–	–	–	112	112	283	395
Pepkor Holdings share buy-back[3]	–	–	–	–	(1)	(1)	(1)	(2)
Non-controlling interest recognised on acquisition of subsidiaries	–	–	–	–	–	–	10	10
Treasury shares sold[4]	2	–	–	–	–	2	–	2
Restated balance at 31 March 2022 – Unaudited	43	10 605	(15 639)	(1 000)	624	(5 367)	2 482	(2 885)

[1] As part of the Global Litigation Settlement 273 785 820 Pepkor Holdings shares were transferred to SIHPL Contractual Claimants on SED, 15 February 2022, and 29 500 000 Pepkor Holdings shares to former Tekkie Town owners as part of their settlement on 16 March 2022. This reduced the Group's shareholding in Pepkor Holdings from 58.93% to 50.73%.
[2] Pepkor Holdings issued 11 799 414 Pepkor Holdings shares to executives under the Pepkor Holdings ESRS, this reduced the Group's shareholding in Pepkor Holdings to 50.56%.
[3] Pepkor Holdings bought 1 810 760 Pepkor Holdings shares from the open market and cancelled these shares. This increased the Group's shareholding of Pepkor Holdings to 50.59%, this was also the shareholding as at 31 March 2022.
[4] During the 2022 Half-year Reporting Period, subsidiary companies of the Steinhoff Group sold 11 386 807 shares held in the Company.
[5] Ordinary dividends to non-controlling interest during the Reporting Period relates to a dividend declared by Pepkor Holdings.

The accompanying notes form an integral part of the 2023 Condensed Financial Statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED 31 MARCH 2023

	Notes	Six months ended 31 March 2023[1] Unaudited €m	Six months ended 31 March 2022[1] Unaudited €m
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash (utilised in)/generated from operations for the current year	16	**(47)**	118
Dividends received		**108**	–
Ordinary and preference dividends paid		**(3)**	(41)
Interest received		**7**	30
Finance lease interest paid		**–**	(77)
Interest paid	7.3	**(92)**	(179)
Taxation paid		**(58)**	(111)
Global Litigation Settlement – cash settled	8.1	**(12)**	(1 106)
Seifert Litigation settlement	8.2	**(73)**	–
Net cash outflow from operating activities		**(170)**	(1 366)
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to property, plant and equipment and investment property		**–**	(153)
Proceeds on disposal of property, plant and equipment and intangible assets		**–**	13
Additions to intangible assets		**–**	(24)
Acquisition of businesses, net of cash on hand at acquisition		**–**	(105)
Disposal of businesses net of cash		**–**	54
Cash and cash equivalents deconsolidated on transition to investment entity		**(918)**	–
Redeemed capital in investments and loans		**–**	4
Return of capital on investments at FVTPL:			
Pepkor Holdings placement	1.2.1	**262**	–
Pepco Group placement	1.2.1	**291**	–
Partial Bud disposal	1.2.1	**22**	–
Repayments of intergroup loans receivable		**62**	–
Intergroup loans receivable advanced		**(3)**	–
Net cash outflow from investing activities		**(284)**	(211)
CASH FLOWS FROM FINANCING ACTIVITIES			
Sale of treasury shares, net of transaction costs		**–**	1
Principal lease liability repayments		**–**	(238)
Repayments of borrowings	7.3	**(190)**	(778)
Proceeds from borrowings	7.3	**–**	400
Repayment of intergroup loans payable		**(6)**	–
Proceeds from intergroup loans payable		**4**	–
Net cash outflow from financing activities		**(192)**	(615)
NET DECREASE IN CASH AND CASH EQUIVALENTS		**(646)**	(2 192)
Effects of exchange rate translations on cash and cash equivalents		**(20)**	126
Cash and cash equivalents at beginning of the period		**1 158**	3 245
CASH AND CASH EQUIVALENTS AT END OF PERIOD		**492**	1 179
Reconciliation of Cash and Cash Equivalents at end of period			
Cash and cash equivalents – continued operations		**492**	1 125
Cash and cash equivalents – held-for-sale		**–**	54
CASH AND CASH EQUIVALENTS AT END OF PERIOD		**492**	1 179

The above Group Services cash balance includes a balance of €39 million (R747 million) which relates to loan repayments from Ibex (Europe) that have not been cleared by the South African Reserve Bank ("**SARB**") as at the Reporting Date. Newshelf's portion of the uncleared funds amounts to €24 million (R457 million) which is included in the fair value of the Other Africa investment. In addition, accounts holding €285.6 million (R5.52 billion) of the Group's funds are subject to SARB approval prior to making any withdrawals. Any conditions required by SARB relating to their approval for withdrawals and the time frame relating thereto is currently unknown to the Group.

The accompanying notes form an integral part of the 2023 Condensed Financial Statements.

[1] *As a result of the change in Investment Entity status with effect from 1 October 2022, the Group's 2023 Condensed Financial Statements prepared under IFRS cannot be compared to the 2022 Condensed Financial Statements where subsidiaries were fully consolidated. Refer to the Basis of Preparation for more detail on the Group's transition to an Investment Entity.*

BASIS OF PREPARATION

FOR THE SIX MONTHS ENDED 31 MARCH 2023

REPORTING ENTITY

Steinhoff International Holdings N.V. is a public limited liability company (*naamloze vennootschap*) incorporated under the laws of the Netherlands, with its corporate seat in Amsterdam, the Netherlands, and its principal place of business at Building B2, Vineyard Office Park, Cnr Adam Tas & Devon Valley Road, Stellenbosch 7600, South Africa. The Company is registered with the Trade Register in the Netherlands under number 63570173 and has LEI code 724500PSNX8EVPOZ1M58, with tax residency in South Africa. The Company has a primary listing on the FSE in Germany and a secondary listing on the JSE in South Africa.

The Condensed Financial Statements of Steinhoff for the period ended 31 March 2023 is based on Steinhoff being an Investment Entity with its underlying investments operating in retail businesses that are based in Africa, Australasia, Europe and the United States of America.

Unless defined otherwise, capitalised terms have the meaning given to them in Annexure 1: Glossary of Terms applicable to this report.

BASIS OF PREPARATION

Presentation and functional currency

Unless otherwise indicated, the 2023 Condensed Financial Statements are in millions of euro (€m). The euro is the Group's presentation currency and the Company's functional currency.

Statement of compliance

The 2023 Condensed Financial Statements have been prepared in accordance with and contains information as required by IAS 34: Interim Financial Reporting. All standards and interpretations issued by the IASB and the IFRIC, effective for periods starting on 1 October 2022, have been endorsed by the EU.

Accounting policies in the 2023 Condensed Financial Statements are materially different from those previously applied as detailed below under Change in Investment Entity status. The Company has elected to apply the accounting principles under Investment Entity accounting for its investments with effect from 1 October 2022. As a result of the change in Investment Entity status, the Group's 2023 Condensed Financial Statements prepared under IFRS cannot be compared to those of previous periods.

In preparing these 2023 Condensed Financial Statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty related mainly to those detailed below.

Change in Investment Entity status

Key corporate actions

On 15 December 2022, Steinhoff released an announcement that the Group has entered into an 'in-principle' agreement (the "**Support Agreement**") with, amongst others, a substantial majority of the lenders under the Group Services' Debt facilities ("**Financial Creditors**"). The Support Agreement outlined the proposed maturity date of certain debt facilities (the "**Maturity Extension**"), as well as the proposed equity reorganisation (the "**Equity Reorganisation**"). The Maturity Extension and Equity Reorganisation is jointly referred to as the "**Transaction**".

Once implemented, the Transaction will result in certain Group Services' Debt facility maturity dates being extended to at least 30 June 2026 from the current maturity date of 30 June 2023 (a two year extension option is available at election of a simple majority of the Financial Creditors). Certain other features including interest rates and CPUs will also be amended. The intention of the Transaction is to enable the Group to provide a stable platform and adequate time (considering the size of the Group's investments) in order to fully realise its core equity investments in an orderly manner that provides the opportunity to maximize value, in order to settle its debt (solvent burial and limited recourse provisions are included).

Steinhoff's Management Board and Supervisory Board resolved on 28 March 2023 to initiate a Dutch law restructuring plan (*akkoord*) ("**WHOA Restructuring Plan**") to implement its proposed Transaction in respect of its Group Services' Debt. On 31 May 2023, the Dutch Court was requested to schedule a hearing on the confirmation of the WHOA Restructuring Plan. This hearing was heard on 15 June 2023.
On 21 June 2023 the District Court of Amsterdam, the Netherlands, confirmed (*gehomologeerd*) the WHOA Restructuring Plan. Steinhoff and its subsidiaries will now proceed to implement the WHOA Restructuring Plan which is expected to close on or before 30 June 2023.

BASIS OF PREPARATION (CONTINUED)

Change in Investment Entity Status (continued)

Investment Entity Classification

Under IFRS, entities are required to review their status as Investment Entities when there are changes to any of the elements that form the definition of an Investment Entity or the typical features of such an entity. The assessment of whether the Group meets the definition of an Investment Entity involves significant judgement, as it requires an evaluation of the Group's purpose, investment strategy, and ownership structure. The purpose of Investment Entity accounting is to provide relevant information to users whose returns are based on future capital appreciation and investment income.

An Investment Entity is typically an entity that i) obtains funds from one or more investors for the purpose of providing such investor(s) with investment management services, ii) commits to its investor(s) that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both, and iii) measures and evaluates the performance of substantially all of its investments on a fair value basis

The current strategy, as announced on 15 December 2022 and discussed above, is to manage its core investments and to dispose of these investments in order to settle its Group Services' Debt. The value in the Group is a function of the value of its investments less the Group Services' Debt. Accordingly, the performance of the Group's investment portfolio is measured based on the fair value of each investment, rather than the consolidated profitability.

Furthermore, with the Group's assets continuing to be materially less than its liabilities, and expected to remain so as at 30 June 2023, the Financial Creditors are exposed to variable returns from changes in the fair value of the core investments held directly and indirectly by the Group. Following the Equity Reorganisation, the Affected CPU Creditors, which are also the majority of the Financial Creditors, will also hold 80% of any residual value, if any, of New Topco (new ultimate parent company) through the CVRs. Management considers the Financial Creditors to be the primary stakeholders of the Company for these reasons. The Group provides investment management services to these primary stakeholders with respect to the core investments held by the Group for the optimal return on these investments held. These returns will be solely returns from capital appreciation and investment income.

The Group has concluded that it meets these characteristics of an Investment Entity as required by IFRS 10: Consolidated Financial Statements. The judgement applied in assessing the Group's Investment Entity classification has been disclosed in Areas of Critical Judgments and Estimates below. The Group has also disclosed the impact of the deemed disposal of its subsidiaries, as well as the fair value of its investments as at the date of transition to Investment Entity status. It is management's view that Investment Entity accounting will provide the most relevant and reliable information as required by IAS 1.

Transition Date into an Investment Entity

While Steinhoff's focus on value preservation for its stakeholders has not changed, the major corporate action, as explained throughout this report, necessitated the Group reassessing its Investment Entity status in terms of IFRS, whereby it was determined that it became an Investment Entity with effect from 1 October 2022.

Accordingly, on 1 October 2022, the group's existing subsidiaries (other than Service Entities) and equity-accounted investments were deemed to be disposed of and re-acquired at fair value, with the resultant gain or loss being recognised as an adjustment when calculating headline earnings. Such investments were subsequently measured at FVTPL for the entire period under review.

Equity Reorganisation

For the Consolidated Financial Statements, the reporting entity is considered to be the Steinhoff Group as a whole, rather than the legal form of the Company which is currently the ultimate holding company.

This is in line with the guidance of the Conceptual Framework which states a reporting entity can be a single entity or a portion of an entity or can comprise more than one entity. A reporting entity is not necessarily a legal entity. The focus in Consolidated Financial Statements is the economic Group rather than the legal Company.

The Equity Reorganisation, as discussed above, proposed the contribution and transfer of all assets and liabilities of the Company to New Topco. The Financial Creditors will hold 80% of any residual value of New Topco (new ultimate parent company) through the CVRs. It is management's view that the introduction of New Topco does not have a significant economic impact on the Group as a whole and therefore there is no substance to the introduction. The New Topco is merely an extension of the current Group and due to the Group's assets continuing to be materially less than its liabilities, and will remain so as at 30 June 2023, the commercial terms indicate that the Financial Creditors are the primary stakeholders of the Company. As there is no substantive economic change in the above Equity Reorganisation, it will be accounted for as a capital reorganisation for accounting purposes.

Under capital reorganisation principles, the Consolidated Financial Statements will not be impacted by the introduction of the new ultimate parent. Once the assets and liabilities are transferred, the Consolidated Financial Statements of New Topco will include the existing Group's full results (including comparatives), even if the reorganisation occurred part of the way through the 2023 Reporting Period. The assets and liabilities of the Company will be incorporated at their pre-combination carrying amounts without fair value uplift in the New Topco. This is on the basis that there is no substantive economic change.

The Equity Reorganisation is considered to be a common control transaction and will be accounted for as a capital reorganisation.

BASIS OF PREPARATION (CONTINUED)

Assessment of the going concern assumption

The confirmation of the Restructuring Plan by the Dutch court on 21 June 2023

On 21 June 2023 the District Court of Amsterdam, the Netherlands, confirmed (*gehomologeerd*) the WHOA Restructuring Plan. Steinhoff and its subsidiaries will now proceed to implement the WHOA Restructuring Plan and therefore in preparing these 2023 Condensed Financial Statements, the going concern basis has not been adopted.

IFRS does not provide definitive guidance when the going concern basis is not appropriate. There is also no general dispensation from the measurement, recognition and disclosure requirements of IFRS if an entity is not expected to continue as a going concern. As a result, the Management Board has deemed it appropriate to continue to recognise and measure all assets and liabilities in terms of the applicable IFRS standards as at the Reporting Date.

The Transaction through the WHOA Restructuring Plan provides, inter alia:

(i) Stable Platform: The implementation of the Transaction will enable the Group to continue to operate under the new ownership structure without facing the imminent pressure of a default, bankruptcy or enforcement. The financial stability created by the WHOA Restructuring Plan allows the Group to pursue a controlled and gradual realisation of its assets over an extended period, which will ultimately preserve value for its stakeholders.

(ii) Limited recourse and solvent burial regime: The Transaction includes limited recourse terms and "solvent liquidation" provisions for the benefit of the Company (including any new ultimate parent of the Group) and its subsidiaries.

This regime will be more beneficial than the existing debt arrangements given that it provides the basis for avoiding potential insolvency and/or lengthy and complex insolvency processes arising following the new proposed maturity date or at an earlier acceleration.

It is the view of the Management Board that, even though the regime is more beneficial to the Group and creates a stable platform for the orderly realisation of assets (namely the Company's direct and indirect shareholding in the underlying OpCos), it creates a specific scenario where the going concern basis is no longer deemed to be appropriate.

The Company's Management Board and Supervisory Board resolved on 28 March 2023 to initiate a Dutch law restructuring plan (*akkoord*) to implement its proposed Transaction in respect of its Group Services' Debt, first announced by the Company on 15 December 2022. The launch of the WHOA Restructuring Plan followed the rejection of the proposal to approve the Maturity Extension and related Equity Reorganisation by Steinhoff's shareholders at the AGM. On 21 June 2023 the District Court of Amsterdam, the Netherlands, confirmed (*gehomologeerd*) the WHOA Restructuring Plan. Steinhoff and its subsidiaries will now proceed to implement the WHOA Restructuring Plan which is expected to close on or before 30 June 2023.

There is no intention to file for insolvency of any of the OpCos (investments with exit strategies).

In determining an appropriate basis of preparation of the 2023 Condensed Financial Statements, the Management Board has considered the impact of the proposed Maturity Extension, the proposed Equity Reorganisation and available cash resources for the foreseeable future.

Maturity Extension

As detailed above the Support Agreement provides a stable platform for the Group to achieve the consents necessary to extend the maturity of the Group Services' Debt from the current maturity date 30 June 2023 to at least 30 June 2026.

Equity Reorganisation

For the Consolidated Financial Statements, the reporting entity is considered to be the Steinhoff Group as a whole, rather than the legal form of the Company, which is currently the ultimate holding company, as explained above under Equity Reorganisation.

The equity reorganisation is considered to be a common control transaction and will be accounted for as a capital reorganisation.

Group Services cash resources

While the Group continues to engage with the various lender groups on extending the duration of the debt, it entered into the Intercreditor Agreement ("**ICA**") on SED which governs various aspects of the rights and obligations of SIHPL and its creditors. In terms of the ICA the creditors have agreed that the Group can hold back a cumulative total of €55 million on any quarterly cash sweeps from the cash received from disposals of any investments or assets, existing cash reserves or dividends received by Group Services. This is sufficient cash resources for Group Services' day to day operations on a 24 month rolling period.

Furthermore, under the proposed Transaction, the Solvent Burial Regime discussed above, New Topco will be entitled to hold back a reserve required to pay liquidation cost and other run-off expenses in full.

BASIS OF PREPARATION (CONTINUED)

Conclusion

In preparing these 2023 Condensed Financial Statements, the going concern basis has not been adopted. However, the Management Board has deemed it appropriate to continue to recognise and measure all assets and liabilities in terms of the applicable IFRS standards as at the Reporting Date. The Management Board draws attention to the following facts:

- The objective of the proposed Transaction is to create a stable platform across the Group to optimise the orderly, expeditious and value enhancing monetisation of assets up to extended maturity;
- At 31 March 2023, the Group's total liabilities exceed its total assets, however the proposed Transaction includes a "limited recourse and solvent burial regime" for the benefit of the Company (including any new ultimate parent of the Group) and its subsidiaries to facilitate an efficient distribution of any remaining Group's assets at fair value directly to the CVR holders at extended maturity (or following any earlier acceleration);
- Due to the ICA agreement entered into on SED the Group has sufficient cash resources to settle its day to day financial obligations as it becomes due. Furthermore, all interest on Group Services' Debt is PIK and will continue to be PIK under the Maturity Extension, which further limits the risk to cash flow;
- The proposed Maturity Extension included in the Transaction to extend the maturity of the Group Services' Debt from the current maturity date of 30 June 2023 to at least 30 June 2026;
- The Equity Reorganisation included in the Maturity Extension is considered to have no significant economic impact on the Group as a whole, it is considered to be a common control transaction and will be accounted for as a capital reorganisation; and
- Furthermore, it is management's view that due to the Group's assets continuing to be materially less than its liabilities, and will remain so as at 30 June 2023, the commercial terms indicate that the Financial Creditors are the primary stakeholders of the Company.

AREAS OF CRITICAL JUDGEMENTS AND ESTIMATES

The preparation of the 2023 Condensed Financial Statements requires management to make judgements and estimates that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ materially from estimates, and judgements have been made after taking into account all currently available information but could change if additional relevant information comes to light.

Critical accounting estimates are those which involve complex or subjective judgements or assessments.

Key judgements during the 2023 Reporting period	Note reference
Consolidation decisions	Basis of preparation

Investment Entity classification

Change in Investment Entity Status

An Investment Entity is typically an entity that i) obtains funds from one or more investors for the purpose of providing such investor(s) with investment management services, ii) commits to its investor(s) that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both, and iii) measures and evaluates the performance of substantially all of its investments on a fair value basis.

IFRS 10: Consolidated Financial Statements lists typical characteristics of an Investment Entity as i) it has more than one investment, ii) it has more than one investor, iii) it has investors that are not related parties of the entity, and iv) it has ownership interests in the form of equity or similar interests. The Group strongly exhibits all of these characteristics.

As disclosed in the Basis of Preparation, the Group has assessed whether it meets the definition of an Investment Entity as it holds a portfolio of investments with the objective of generating returns on its investments through capital appreciation and investment income. The assessment involves significant judgement, as it requires an evaluation of the Group's purpose, investment strategy, and ownership structure.

This judgement is significant because it determines the company's accounting treatment for its investment portfolio, which is now measured at fair value through profit or loss. Any subsequent changes in fair value of the investments as measured in euro are recognised in the Statement of Profit or Loss.

The Group will continue to monitor its status as an Investment Entity and re-assess this judgement if there are any changes to its business model or investment objectives.

Investment Entity accounting for the Group's complex structure

IFRS 10: Consolidated Financial Statements contains special accounting requirements for an Investment Entity. Where an entity meets the definition of an Investment Entity, it does not consolidate its subsidiaries, but rather measures its investments at fair value through profit or loss. However, an Investment Entity is still required to consolidate subsidiaries that provide services related to the Investment Entity's investment activities (i.e. those wholly-owned subsidiaries comprising the Group's head office operations, holders of the Group's debt, etc.).

As the Group has a complex structure, consideration was given to the guidance in IFRS on how Investment Entity requirements should be applied to several entities in the same group structure with the concept of a master-feeder structure. Multiple entities can be set up with the objective of providing investment opportunities for investors in separate markets. Per the guidance, even though certain entities higher in the structure might not have exit strategies for intermediate entities, such entities could be considered to indirectly hold investments that have exit strategies in place. A key principle contained in IFRS 10: Consolidated Financial Statements, Illustrative Example 4 is that Investment Entity requirements should be considered holistically in complicated structures – i.e. when considered together, the Target Entities may display characteristics of an Investment Entity. If management concludes as such, each of the entities will be separately classified as an Investment Entity.

The below entities in the Group have been identified to meet the classification as investment entities. These entities are:

(1) Steinhoff (or the New Topco to be introduced with the Equity Reorganisation);

(2) Ainsley Holdings – containing Pepkor Holdings;

(3) Newco 6 – primarily Mattress Firm;

(4) Ibex (Europe) – including Pepco Group;

(5) APAC Holdco – predominantly Greenlit Brands; and

(6) Mons Bella – invested in Bud (formerly IEP)

collectively referred to as the "**Target Entities**".

This is an area that requires management to exercise significant judgement. Management have asserted that the Target Entities have been set up in connection with each other – with each fulfilling a specific role and each will be classified separately as an Investment Entity.

AREAS OF CRITICAL JUDGEMENTS AND ESTIMATES (CONTINUED)

Key judgements during the 2023 Reporting period	Note reference
Consolidation decisions (continued)	**Basis of preparation**

Investment Entity – Classification of Service Entities

Under IFRS if an investment entity's subsidiary is not itself an investment entity and its main purpose is to provide investment related services to the parent (referred to as "Service Entities"), the investment entity parent will be required to consolidate that subsidiary.

It might not always be apparent whether a subsidiary of an investment entity is providing investment-related services (and should be consolidated) or is not providing such services (and should be measured at fair value through profit or loss).

The determination of whether a subsidiary is a service entity requires significant judgement. In making this determination, the Group considers the nature of the services provided, the degree of control exercised over the service entities, and the significance of the services to the service entities' operations.

The below entities in the Group have been identified to meet the classification as services entities. These entities are:

(1) Steenbok Newco 1 Limited;

(2) Newco 2A;

(3) Steenbok Newco 2B Limited;

(4) Newco 3;

(5) Steenbok Newco 4 Limited;

(6) Steenbok Newco 5 Limited;

(7) Steenbok Lux Finco 1 S.à.r.l.;

(8) Steenbok Lux Finco 2 S.à.r.l.;

(9) Ibex (UK);

(10) Holdco 1;

(11) Holdco 2;

(12) SIHL;

(13) Steinhoff Africa; and

(14) SIHPL.

collectively referred to as the "**Service Entities**".

Investment Entity – Transition Date

While Steinhoff's focus on value preservation for its stakeholders has not changed, the major corporate action, as explained throughout this report, necessitated the Group reassessing its Investment Entity status in terms of IFRS, whereby it was determined that it became an Investment Entity with effect from 1 October 2022.

Accordingly, on 1 October 2022, the group's existing subsidiaries (other than service entities) and equity-accounted investments were deemed to be disposed of and re-acquired at fair value, with the resultant gain or loss being recognised as an adjustment when calculating headline earnings. Such investments were subsequently measured at FVTPL for the entire period under review.

Investment Entity – Fair values

The determination of fair value for investments at fair value through profit and loss held by the Group involves significant judgement and is based on various inputs including market data including quoted market prices where available, information about specific investments, estimates of future cash flows and discount rates. These inputs are evaluated and analysed using valuation techniques appropriate for each investment, which may include discounted cash flow analysis, market multiple analysis, and net asset value methodologies.

The fair value of the investments is subject to change based on a variety of factors including changes in market conditions, operational and financial performance of the underlying investments, changes in discount rates, and changes in market multiples. The Investment Entity's management reviews and evaluates the fair value of the investments on a regular basis and makes adjustments as necessary. These adjustments could have a significant impact on the reported financial position, results of operations, and cash flows of the Investment Entity. In accordance with guidance of IFRS 13 paragraph 77, the quoted share price was used for all listed investments. The fair value of the investments is translated into the presentation currency using the spot rate at the Reporting Date. The fair value movement therefore reflect both the change in underlying fair value of the investment and the currency movement up to Reporting Date. Refer to note 3.3 and note 3.4 for details on the valuation techniques.

The results for the six months ended 31 March 2023 are not necessarily indicative of the results to be expected for the entire financial period.

NOTES TO THE CONDENSED CONSOLIDATED HALF-YEAR FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 31 MARCH 2023

1. INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

The Company has elected to apply the accounting principles under Investment Entity accounting for its investments in subsidiaries with effect from 1 October 2022. A transition to Investment Entity accounting is accounted for as a deemed disposal under IFRS guidance, the Company has accordingly de-recognised the Target Entities and accounted for these entities as an investment at fair value through profit or loss. A gain or loss upon deemed disposal has been recognised for the difference between the carrying value of the Target Entities and the fair value of these entities on the transition date. Fair value is determined in accordance with IFRS 13.

Service Entities, which are not themselves investment entities and their main purpose is to provide investment-related services to Steinhoff, have been consolidated as required under the guidance of IFRS.

As the Group has a complex structure, funds will be up streamed from the Target Entities to the Services Entities or the Company through either dividends or Intergroup loans. Intergroup loans between the Target Entities and the Service Entities or the Company will not eliminate at Group level and will be disclosed either as part of the fair value of the Target Entity or consolidated as part of the Service Entities.

1. INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

1.1 Transition to Investment Entity

The below table discloses the gains/(losses) on the deemed disposal and reacquisition of the Target Entities, as well as the Intergroup loans between the Target Entities and the Services Entities at transition date.

				Proceeds on disposal	Proceeds on disposal broken down between		
	Target Entity	Carrying Value 30 September 2022 €m	Gain/(loss) upon deemed disposal and reacquisition of subsidiaries at fair value on 1 October 2022 €m	Fair value[1] 1 October 2022 €m	Fair value of Investments acquired Target Entities 1 October 2022 €m	Intergroup loans receivable acquired Service Entity 1 October 2022 €m	Intergroup loans payable acquired Service Entity 1 October 2022 €m
Investments with exit strategies/OpCos		3 880	3 174	7 054	7 054	–	–
Pepco Group	Ibex (Europe)	1 632	1 165	2 797	2 797	–	–
Greenlit Brands	APAC Holdco	298	60	358	358	–	–
Mattress Firm	Newco 6 Group	–	1 553	1 553	1 553	–	–
Pepkor Holdings Group	Ainsley Holdings	1 827	396	2 223	2 223	–	–
Bud	Mons Bella	123	–	123	123	–	–
Intergroup loans between Target Entities at fair value and Service Entities		–	(380)	(380)	(2 478)	2 478	(380)
Ibex (Europe)							
Intergroup loans payable – Target Entities (at fair value)		–	(2 207)	(2 207)	(2 207)	–	–
Net intergroup loans receivable – Services Entities (Consolidated)		–	2 021	2 021	–	2 207	(186)
APAC Holdco							
Intergroup loan payable – Target Entities (at fair value)		–	(186)	(186)	(186)	–	–
Net intergroup loan receivable – Services Entities (Consolidated)		–	186	186	–	186	–
Newco 6 Group							
Intergroup loan payable – Target Entities (at fair value)		–	–	–	–	–	–
Net intergroup loans payable – Services Entities (Consolidated)		–	(188)	(188)	–	–	(188)
Mons Bella							
Intergroup loan payable – Target Entities (at fair value)		–	(79)	(79)	(79)	–	–
Net intergroup loan receivable –Services Entities (Consolidated)		–	79	79	–	79	–
Other Africa							
Intergroup loans payable – Target Entities (at fair value)		–	(6)	(6)	(6)	–	–
Net intergroup loans receivable – Services Entities (Consolidated)		–	–	–	–	6	(6)
Other Assets		174	125	299	299	–	–
Ibex (Europe)		(194)	121	(73)	(73)	–	–
APAC Holdco		2	(1)	1	1	–	–
Newco 6 Group		245	(2)	243	243	–	–
Other Africa		121	7	128	128	–	–
Total		4 054	2 919	6 973	4 875	2 478	(380)
Gain upon deemed disposal and reacquisition of subsidiaries at fair value			2 919				
Foreign currency translation reserve reclassified to profit or loss on deemed disposal of subsidiaries			(1 026)				
Cash flow hedging reserve reclassified to profit of loss on deemed disposal of subsidiaries			59				
Total gain on deemed disposal of Target Entities			1 952				

[1] *Refer to note 3.4 for valuation methods on the investments with exit strategies as at 1 October 2022.*

1. INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

1.2 Current year movements on investments

The investments' performance can be analysed as set out below and also in the SOTP in note 3.3

	Target entity	Fair Value 1 October 2022[1] €m	Fair value gains/(losses)[1] €m	Disposals/ Return of capital €m	Fair Value 31 March 2023[1] €m	Dividend income €m
Investments with exit strategies		7 054	523	(575)	7 002	55
Pepco Group	Ibex (Europe)	2 797	1 187	(291)	3 693	–
Greenlit Brands	APAC Holdco	358	40	–	398	–
Mattress Firm	Newco 6 Group	1 553	(183)	–	1 370	–
Pepkor Holdings Group	Ainsley Holdings	2 223	(523)	(262)	1 438	55
Bud	Mons Bella	123	2	(22)	103	–
Intergroup loans payable of Target Entities to Service Entities[3]		(2 478)	(84)	313	(2 249)	–
Ibex (Europe) Group		(2 207)	(102)	291	(2 018)	–
APAC Holdco		(186)	6	–	(180)	–
Mons Bella		(79)	8	22	(49)	–
Other Africa		(6)	4	–	(2)	–
Other Assets		299	11	–	310	53
Ibex (Europe) Group		(73)	65	–	(8)	–
APAC Holdco		1	(1)	–	–	–
Newco 6 Group		243	(49)	–	194	51
Other Africa		128	(4)	–	124	2
Total		4 875	450	(262)	5 063	108

[1] *Refer to note 3.3 and note 3.4 for detailed information on the fair value measurements of the investments with exit strategies in accordance with the requirements of IFRS 13 – Fair Value Measurement.*

[2] *The disposals of investments relates to the Investments with exit strategies within the Target Entities. The proceeds are received by the Company or Service Entities through dividends or intergroup loans, this is viewed as a return of capital.*

[3] *Refer to note 2 for the counter party to the Intergroup loans. In accordance with IFRS, intergroup loan payables of the Target Entities are disclosed at their fair value with the change in fair value recognised in profit or loss.*

1.2.1 Disposals/Return of capital

Pepco Group

On 18 January 2023, the Company announced that the Steinhoff Group had sold an aggregate of 38 million ordinary shares in the capital of Pepco Group at a price of PLN38.95 per share through an accelerated placement, raising aggregate gross sale proceeds of approximately PLN1 480.1 million (€315.2 million). Following closing of the placement, the Company indirectly holds 415 594 616 ordinary shares, representing approximately 72.3% of Pepco Group's issued share capital. Of the total proceeds from the disposal, €291 million flowed directly to the Service Entities through loan repayments of which the majority was utilised to repay the Group's outstanding debt. A further €2 million dividend and €5 million loan repayment flowed to the Service Entities through Newshelf.

Pepkor Holdings Group

On 9 February 2023, the Company announced the placement of 265 million Pepkor Holdings shares, raising a total gross proceeds of ZAR4.9 billion (€264 million). Following the sale, Steinhoff's interest in Pepkor reduced from 51.1% to approximately 43.9%. It is intended that the proceeds from the placement will be used to reduce Group Services' Debt.

Bud

On 31 March 2023, underlying assets in Bud were disposed of and Mons Bella received total proceeds of ZAR411 million (€22 million) which was utilised to repay the intergroup loan between Mons Bella and Steinhoff Africa.

1. INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

1.2 Current year movements on investments (continued)

1.2.2 Dividend Income

Pepkor Holdings Group

On 22 November 2022 the board of directors of Pepkor Holdings declared a dividend of 55.2 South African cents per ordinary share in respect of the twelve months ended 30 September 2022. The Group received a total dividend of ZAR1 035 million (€55 million).

Bud

The board of directors of Bud declared a dividend to its ordinary shareholders of 133 South African cents per ordinary share. A total dividend of ZAR33.75 million (€1.8 million) was paid to Mons Bella. A portion of this dividend was used by Mons Bella to repay its intergroup loan to Steinhoff Africa.

Newco 6 Group

During the 2023 Half-year Reporting Period, a dividend of €51 million was received from Lidstone Investments SA via Newco 6, funded by the contractual release of previously trapped cash. The dividend was utilised as a repayment of the Group Services' Debt.

Other Africa

During the Reporting Period, a dividend of ZAR38 million (€2 million) was received from Newshelf, funded by a loan repayment from Ibex (Europe). Refer to point 1.2.1.

1.3 Segment portfolio returns

	Six months ended 31 March 2023 Unaudited			
	Fair value gain/(loss) on investments at FVTPL[1] €m	Dividends received[2] €m	Net interest income/ (expense)[3] €m	Total earnings €m
Ibex (Europe)	1 150	–	43	1 193
APAC Holdco	45	–	–	45
Newco 6 Group	(232)	51	(2)	(183)
Ainsley Holdings	(523)	55	–	(468)
Mons Bella	10	–	–	10
Other Africa	–	2	–	2
	450	108	41	599

[1] *Refer to note 3.3 for information on the fair value techniques and main inputs used to determine the fair value.*
[2] *Refer to note 1.2.2 for details on dividends received.*
[3] *Refer to note 2.4 for details on the finance cost and interest received on intergroup loans.*

2. INTERGROUP LOAN BALANCES AND TRANSACTIONS

In previous reporting periods, all loans between Group entities were eliminated in the consolidated financial statements of the Group. As a result of the transition to an Investment Entity, the loans between the Target Entities (deemed to be disposed on transition) and Service Entities are no longer eliminated.

ACCOUNTING POLICY

Recognition of intergroup loans of Service Entities

Intergroup loans receivable of Service Entities are recognised and measured at amortised cost using the effective-interest method, less any impairments.

Intergroup loans payable of Service Entities are recognised and measured at amortised cost using the effective-interest method.

Impairment of intergroup loan receivables

For loans receivable an expected credit loss ("**ECL**") is recognized and measured in accordance with IFRS 9 Financial Instruments.

ECL is determined using a forward-looking approach based on relevant information at the reporting date.

Estimation of ECL involves both quantitative and qualitative approaches, considering factors like historical data and forward-looking information.

2.1 Net loans acquired on transition to investment entity

		1 October 2022		
	Notes	Intergroup loan receivable €m	Intergroup loan payable €m	Net loans acquired €m
Target entity				
Ibex (Europe)	1.1	2 207	(186)	2 021
APAC Holdco	1.1	186	–	186
Newco 6 Group	1.1	–	(188)	(188)
Mons Bella	1.1	79	–	79
Other Africa	1.1	6	(6)	–
		2 478	(380)	2 098

2. INTERGROUP LOAN BALANCES AND TRANSACTIONS (CONTINUED)

2.2 Intergroup loans receivable

			31 March 2023 Unaudited		
	Counterparty	Notes	Gross loan amount €m	Impairment provision €m	Net loan outstanding €m
Ibex (Europe)					
Ibex (Europe)	Ibex (UK)	a.	1 882	–	1 882
AIH Investment Holding AG	Ibex (UK)	b.	670	(613)	57
AIH Investment Holding AG	Ibex (UK)	c.	64	(59)	5
AIH Investment Holding AG	Ibex (UK)	d.	101	(93)	8
AIH Investment Holding AG	Newco 2A	e.	6	–	6
Conforama	SEAG	f.	4	(4)	–
Ibex (Europe)	Steinhoff Africa	g.	60	–	60
APAC Holdco					
APAC Holdco	Ibex (UK)	h.	180	–	180
Mons Bella					
Mons Bella	Steinhoff Africa	i.	49	–	49
Other Africa					
Newshelf	Steinhoff Africa	j.	2	–	2
Lurand Investments Proprietary Limited	Steinhoff Africa	k.	16	(16)	–
			3 034	(785)	2 249
Current					–
Non-current[1]					2 249
					2 249

[1] *The above loans are repayable within 12 months after the Reporting Date; however, it is not management's intention to call on these loans within the next 12 months and therefore it has been classified as non-current.*

a. The loan is EUR denominated, carries interest at Euribor + 1.33% per annum accruing monthly and is repayable on 30 June 2023.*

b. The loan is EUR denominated, carries PIK interest at 6 month Euribor + 1.33% per annum accruing 6 monthly and is repayable on 30 June 2023.*

c. The loan is EUR denominated, carries interest at Euribor + 1.33% per annum accruing monthly and is repayable on 15 April 2023. As at the Reporting Date the loan has not been repaid, however, Ibex (UK) signed a subordination agreement in which they declared that they will not demand repayments if it would result in AIH being in a negative equity position.

* *As part of the Maturity Extension, it is proposed that the maturity dates of the above intragroup loans be extended to at least 30 June 2026.*

2. INTERGROUP LOAN BALANCES AND TRANSACTIONS (CONTINUED)

2.2 Intergroup loans receivable (continued)

d. The loan is EUR denominated, carries PIK interest at 2.4% per annum accruing monthly and is repayable on 30 June 2023.*

e. The loan is unsecured, interest free, has no fixed date of repayment and is repayable on demand.

f. The loan is unsecured, interest free, has no fixed date of repayment and is repayable on demand.

g. The loan is EUR denominated, carries interest at 8% per annum and is repayable on 30 June 2023.*

h. The loan is AUD denominated, carries interest at 3.276% per annum accruing quarterly and is repayable on 31 December 2023.

i. The loan is ZAR denominated, unsecured, interest free and is repayable on demand.

j. The loan is ZAR denominated, unsecured, interest free and is repayable on demand.

k. The loan is ZAR denominated, unsecured, interest free and is repayable on demand.

* *As part of the Maturity Extension, it is proposed that the maturity dates of the above intragroup loans be extended to at least 30 June 2026.*

2.3 Intergroup loans payable

	Counterparty	Notes	31 March 2023 Unaudited €m
Ibex (Europe)			
AIH Investment Holding AG	Lux Finco 2 S.à.r.l.	a.	**113**
AIH Investment Holding AG	Lux Finco 2 S.à.r.l.	b.	**9**
Steinhoff UK Holdings	Steinhoff N.V.	c.	**4**
Newco 6 Group			
LiVest Management GmbH & Co. KG	SEAG	d.	**55**
Lidstone Investment SA	SEAG	e.	**23**
Westersteder ST GmbH	SEAG	f.	**89**
Pat Cornick International B.V.	Ibex (UK)	g.	**24**
Other Africa			
Steinhoff at Work (Pty) Ltd	SIHPL	h.	**1**
Steinhoff at Work (Pty) Ltd	Steinhoff Africa	i.	**4**
			322
Current			**322**
Non-current			**–**
			322

a. The loan is EUR denominated, carries PIK interest of 10.75% per annum accruing every 6 months and is repayable on 30 June 2023.*

b. The loan is EUR denominated, carries PIK interest of 7.875% per annum accruing monthly and is repayable on 30 June 2023.*

c. The loan is EUR denominated, carries PIK interest of 7.875% per annum accruing monthly and is repayable on 31 May 2023. Subsequent to the Reporting Period, the repayment date was changed to 31 July 2023.

d. The loan is EUR denominated, carries PIK interest of Euribor +0.5% per annum accruing monthly and is repayable on 30 June 2023.*

e. The loan is EUR denominated, carries PIK interest of Euribor +0.5% per annum accruing monthly and is repayable on 30 June 2023.*

f. The loan is EUR denominated, carries PIK interest of Euribor +0.5% per annum accruing monthly and is repayable on 30 June 2023.*

g. The loan is EUR denominated, carries PIK interest of 0.5% per annum accruing monthly and is repayable on 30 June 2023.*

h. In terms of the SIHPL intercreditor agreement entered into on 15 February 2022, this loan has a third ranking over SIHPL's assets and has become a limited recourse loan. Based on SIHPL's available assets, only a portion of this loan will be payable and was therefore only recognised to that extent.

i. The loan is ZAR denominated, unsecured, interest free and is repayable on demand.

* *As part of the Maturity Extension, it is proposed that the maturity dates of the above intragroup loans be extended to at least 30 June 2026.*

2. INTERGROUP LOAN BALANCES AND TRANSACTIONS (CONTINUED)

2.4 Intergroup transactions

	Target entity	31 March 2023 Unaudited €m
Finance cost on intergroup loans		
LiVest Management GmbH & Co. KG	Newco 6 Group	(1)
Westersteder ST GmbH	Newco 6 Group	(1)
AIH Investment Holding AG	Ibex (Europe)	(6)
		(8)
Interest income on intergroup loans		
AIH Investment Holding AG	Ibex (Europe)	10
Ibex (Europe)	Ibex (Europe)	32
APAC Holdco	APAC Holdco	7
		49

3. FINANCIAL INSTRUMENTS

3.1 FINANCIAL RISK FACTORS

The Group's activities as an Investment Entity expose it mainly to price risk in respect of its investments at FVTPL

3.2 PRICE RISK

The information below analyses financial assets and liabilities, which are carried at fair value, by level of hierarchy as required by IFRS 13. The different levels in the hierarchy are defined below:

Level 1: quoted prices (unadjusted) in active markets

Level 2: input other than quoted prices included within level 1 that is observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

Level 3: input for the asset or liability that is not based on observable market data (that is, unobservable input).

The carrying value of financial assets and liabilities carried at amortised cost approximates their fair value, while those measured at fair value can be summarised as follows:

	31 March 2023 Unaudited Total €m	Level 1 €m	Level 2 €m	Level 3 €m
Investments at fair value through profit or loss	**5 063**	**5 131**	**–**	**(68)**
Investments with exit strategies	7 002	5 131	–	1 871
Intergroup loan payables of Target Entities	(2 249)	–	–	(2 249)
Other investments	310	–	–	310

3. FINANCIAL INSTRUMENTS

3.3 Valuation as at 31 March 2023 with sum-of-the-parts ("SOTP") analysis

SOTP serves as a key metric for evaluating the Group's performance. In determining SOTP value, listed investments are valued using quoted market prices, whereas unlisted assets and liabilities are valued internally using appropriate valuation methods.

The table below details the valuation techniques and main inputs used to determine fair value as well as the SOTP of the Group.

Investment	Shareholding	Nr of shares held	Listed/ unlisted	Notes	31 March 2023 Unaudited Value €m	IFRS 13 FAIR VALUE Valuation method	Closing price per share	Exchange rate	Level
Investments with exit strategies					7 002				
Pepco	72.28%	415 594 616	WSE-listed	1.2	3 693	Closing WSE-listed share price	PLN 41.50	EUR/PLN 4.6700	Level 1
Greenlit Brands	100.00%		Unlisted	1.2	398	BFI valuation[1]			Level 3
Mattress Firm	50.10%		Unlisted	1.2	1 370	Valuation – Tempur Sealy deal[2]			Level 3
Pepkor Holdings	43.89%	1 611 708 550	JSE-listed	1.2	1 438	Closing JSE-listed share price	ZAR 17.24	EUR/ZAR 19.3275	Level 1
Bud	25.91%		Unlisted	1.2	103	Expected realisation value[3]			Level 3
Cash[4]					492				
Other net liabilities					(47)				
Intergroup loans payable of Target Entities				1.2	(2 249)				Level 3
Intergroup loans receivable – Service Entities				2.2	2 249				
Intergroup loans payable – Service Entities				2.3	(322)				
Other					(35)				
Other investments at FVTPL				1.2	310	Net asset value, underpinned by cash as well as intergroup loans receivable with Services Entities			Level 3
					7 447				
Preference shareholders					(72)				
Borrowings				7.3	(10 302)				
Total SOTP value					(2 927)				

[1] The BFI Report, as contained in the WHOA Restructuring Plan, estimates the fair value that could be realised for these investments under the reorganisation plan. The fair value in the report is determined by means of both the income approach and the market approach. The income approach also encompasses sensitivity analysis on key value drivers and scenarios for various alternative scenarios. The valuation outcome is expressed by means of a range in the BFI Report where the mid-point was used for the fair value in this report.

[2] The fair value of Mattress Firm is based on the agreement with Tempur Sealy as announced by the Company on 9 May 2023, where Tempur Sealy will acquire the entire issued shares in Mattress Firm in a cash and share transaction valued at approximately \$4.0 billion. The valuation takes into account future dilution by a management incentive plan and is based on €2.5 billion (USD2.7 billion) of cash consideration (subject to adjustments including the repayment of Mattress Firm's debt and other customary items) and 34.2 million shares in Tempur Sealy (with a valuation of €1.2 billion (USD1.3 billion) based on the share price of Tempur Sealy of USD37.46/share)

[3] During the 2022 Reporting Period, a restructure was approved to facilitate an exit by certain Bud shareholders (including Mons Bella), by way of a share buyback. The restructure entails the transfer of certain assets to a Newco to facilitate the orderly disposal of those assets. The value of Bud therefore represents the expected realisation value of the disposal assets.

[4] The Group Services cash balance includes a balance of €39 million (R747 million) which relates to loan repayments from Ibex (Europe) which has not been cleared by the South African Reserve Bank ("SARB") as at the Reporting Date. Newshelf's portion of the uncleared funds amounts to €24 million (R457 million) which is included in the fair value of the Other Africa investment. In addition, accounts holding €285.6 million (R5.52 billion) of the Group's funds are subject to SARB approval prior to making any withdrawals. Any conditions required by SARB relating to their approval for withdrawals and the time frame relating thereto is currently unknown to the Group.

3. FINANCIAL INSTRUMENTS

3.4 Valuation as at 1 October 2022

These values as at 1 October 2022 will not necessarily correspond with the values per the 2022 Consolidated Financial Statements since the latter were measured using the relevant accounting standards which included historical cost and the equity method of accounting. The fair values below is based on the same information that was used for the CPUs calculation in the 2022 Separate Financial Statements and applied for the impairment testing in the 2022 Consolidated Financial Statements.

					IFRS 13 FAIR VALUE				
Investment	Shareholding	Nr of shares held	Listed/ unlisted	Notes	1 October 2022 Unaudited Value €m	Valuation method	Closing price per share	Exchange rate	Level
Investments with exit strategies					7 054				
Pepco	78.89%	453 594 616	WSE-listed	1.2	**2 797**	Closing WSE-listed share price	PLN 29.90	EUR/PLN 4.8483	Level 1
Greenlit Brands	100.00%		Unlisted	1.2	**358**	Discounted Cash Flows[1]			Level 3
Mattress Firm	50.10%		Unlisted	1.2	**1 553**	Market approach[2]			Level 3
Pepkor Holdings	51.03%	1 876 708 550	JSE-listed	1.2	**2 223**	Closing JSE-listed share price	ZAR 20.77	EUR/ZAR 17.5353	Level 1
Bud	25.99%		Unlisted	1.2	**123**	Expected realisation value[3]			Level 3
Other investments at FVTPL				1.2	299	Net asset value, underpinned by cash as well as intergroup loans receivable with Services Entities			Level 3
Intergroup loans payable of Target Entities				1.2	(2 478)				Level 3

[1] *The fair value was determined using discounted cash flow ("**DCF**") models, except for certain cash generating units within Greenlit where there were non-binding offers available, the offer prices were considered as the fair value in these circumstances.*

[2] *The fair value of Mattress Firm was based on a market approach of between a 8.1x -7.0x multiple for the enterprise value.*

[3] *During the 2022 Reporting Period, a restructure was approved to facilitate an exit by certain Bud shareholders (including Mons Bella), by way of a share buyback. The restructure entails the transfer of certain assets to a Newco to facilitate the orderly disposal of those assets. The value of Bud therefore represents the expected realisation value of the disposal assets.*

4. INTANGIBLE ASSETS

Reconciliation of closing balance

	Note	31 March 2023 Unaudited €m	30 September 2022 Audited €m
Goodwill			
Carrying amount at beginning of the period		**3 891**	3 826
Acquired on acquisition of businesses	20	**–**	101
Deconsolidation of subsidiaries upon change in status to that of an investment entity		**(3 891)**	–
Exchange differences on translation of foreign operations		**–**	(36)
Carrying amount at end of the period		**–**	3 891
Intangible assets (excluding goodwill)			
Carrying amount at beginning of the period		**1 428**	1 375
Additions		**–**	29
Amortisation from continuing and discontinued operations		**–**	(20)
Disposals		**–**	(2)
Acquired on acquisition of businesses		**–**	44
Deconsolidation of subsidiaries upon change in status to that of an investment entity		**(1 428)**	–
Transfer from property, plant and equipment		**–**	1
Exchange differences on translation of foreign operations		**–**	1
Carrying amount at end of the period		**–**	1 428

Intangible assets comprise the Group's trade and brand names, software and ERP systems.

Carrying amount per category of intangible assets:	31 March 2023 Unaudited €m	30 September 2022 Audited €m
Goodwill	**–**	3 891
Trade and brand names	**–**	1 377
Software and ERP systems	**–**	40
Other intangibles assets	**–**	11
	–	5 319

The carrying amount per segment is presented below:

	Goodwill		Trade and brand names	
	31 March 2023 Unaudited €m	30 September 2022 Audited €m	31 March 2023 Unaudited €m	30 September 2022 Audited €m
Goodwill and trade and brand names are considered a significant class of intangible assets to the Group.				
Greenlit Brands	**–**	**149**	–	75
Pepco Group	**–**	**1 506**	–	259
Poundland	**–**	**685**	–	125
Pepco Poland	**–**	**821**	–	134
Pepkor Holdings	**–**	**2 236**	–	1 043
	–	**3 891**	–	1 377

5. INVESTMENTS IN EQUITY ACCOUNTED COMPANIES

Set out below are the associates and joint ventures of the Group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held, except where indicated otherwise.

5.1 Detail of the equity accounted investments of the Group

Name of business	Place of business/ country of incorporation	Nature of business	Nature of relationship	% holding Unaudited 31 March 2023	% holding Audited 30 September 2022	Carrying value €m Unaudited 31 March 2023	Carrying value €m Audited 30 September 2022
Unlisted							
Mattress Firm	USA	Specialty bed retailer	Associate	*	50.1	–	–
Various other immaterial equity accounted companies	Various	Consulting and other services	Associates	*	24.5 – 50.0	–	4
						–	4

* *The associates and joint venture entities are deemed to be disposed of on the transition date to an Investment Entity. Refer to note 3.3 for current shareholding of investments.*

5.2 Reconciliation of the aggregate carrying values of equity accounted companies

	31 March 2023 Unaudited €m	30 September 2022 Audited €m
Balance at the beginning of the period	4	151
Impairments	–	(32)
Transferred to assets held-for-sale	–	(126)
Deconsolidation of subsidiaries upon change in status to that of an investment entity	(4)	–
Share in result of equity accounted companies	–	9
Dividends received	–	(3)
Exchange differences on translation of investments in equity accounted investments	–	5
Carrying values of equity accounted companies at the end of the period	–	4

6. OTHER FINANCIAL ASSETS

	Notes	31 March 2023 Unaudited €m	30 September 2022 Audited €m
Non-current other financial assets			
At amortised cost	6.1	**64**	69
At fair value through other comprehensive income		**–**	1
		64	70
Current other financial assets			
At amortised cost	6.1	**–**	6
		–	6
Total other financial assets		**64**	76

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.

6.1 At amortised cost

Titan receivable

The terms of the Titan Receivable are as follows:

- ZAR3.4 billion (€175 million based on 31 March 2023 closing translation rate) principal outstanding;
- zero coupon;
- repayment date of 16 February 2032 and voluntarily repayable without penalty at any time; and
- security in favour of SIHPL over up to 14 813 923 ordinary shares in Shoprite Holding Limited.

Interest recognised on the effective interest method:
The Titan Receivable's gross carrying amount was calculated using the effective interest method as required by IFRS. The gross carrying amount is calculated by discounting the estimated future cash flows of the financial asset through the expected life of it using the effective interest rate.

The effective interest rate (12.07%) was calculated considering the contractual terms of the instrument and is inclusive of counterparty credit risk. The difference between the effective interest rate and the coupon rate (0%) is the amortisation during the period recognised as interest income in the Statement of Profit or Loss.

ECL
The Titan Receivable is a purchased credit-impaired financial assets, as a result the ECL is calculated on lifetime losses.

As noted, Titan has provided security in the form of 14 813 923 Shoprite Holdings Limited ordinary shares. The collateral forms part of the payment agreement entered into between the parties. These shares are held in a custody account by RMB (the custodian). In the event of a default, the security is expected to significantly reduce the loss. Management concluded that, based on the current and estimated future value of the shares, using a long-term inflation rate, the security provided will be sufficient to cover the receivable should a default occur. The current and estimated future value of the shares is greater than the fair value at the reporting date. As a result, any ECL is immaterial.

Refer to note 21 for the subsequent request for consent to release 2 082 282 pledged shares by SIHPL.

7. BORROWINGS

7.1 Analysis of closing balance

	31 March 2023 Unaudited			30 September 2022 Audited		
	Current €m	Non-current €m	Total €m	Current €m	Non-current €m	Total €m
Operating companies						
Pepco Group	–	–	–	68	546	614
Pepkor Holdings	–	–	–	97	591	688
	–	–	–	165	1 137	1 302
Group Services						
Hemisphere						
Term loan facility[1]	**133**	–	**133**	126	–	126
Steenbok Lux Finco 1 S.à r.l.						
21/22 Term loan facility[1]	**2 511**	–	**2 511**	2 390	–	2 390
23 Term loan facility[1]	**1 716**	–	**1 716**	1 634	–	1 634
Steenbok Lux Finco 2 S.à r.l.						
First lien term loan facility[1]	**422**	–	**422**	681	–	681
Second lien term loan facility[1]	**5 520**	–	**5 520**	5 235	–	5 235
	10 302	–	**10 302**	10 066	–	10 066
Total borrowings	**10 302**	–	**10 302**	10 231	1 137	11 368

[1] *Certain tranches are guaranteed by Steinhoff through the issuance of CPUs.*

7.2 Group Services' Debt

Classification of Group Services' Debt

The current maturity date of the Group Services' Debt is 30 June 2023.

Proposal to extend upcoming maturities of Steinhoff Group Services' Debt

The Group entered into a Support Agreement on 15 December 2022 with a substantial majority of its Financial Creditors. In the Support Agreement, the Company agreed to take steps to implement the extension of the maturity of the Group Services' Debt from the current maturity date of 30 June 2023 (the "**Maturity Date**") to at least 30 June 2026 (the "**Maturity Extension**") subject to the terms as agreed. As set out in the announcement of 15 December 2022, the Maturity Extension is subject to the implementation of the Equity Reorganisation and together with the Maturity Extension, the Transaction.

The Transaction was put before the Shareholders at the AGM held on 22 March 2023 where the Transaction was not approved.

The Company's Management Board and Supervisory Board resolved on 28 March 2023 to initiate a Dutch law restructuring plan (*akkoord*) to implement the Transaction, first announced by the Company on 15 December 2022.

On 31 May 2023 the Dutch Court was requested to schedule a hearing on the confirmation of the WHOA Restructuring Plan. This hearing was heard on 15 June 2023. On 21 June 2023 the District Court of Amsterdam, the Netherlands, confirmed (*gehomologeerd*) the WHOA Restructuring Plan. Steinhoff and its subsidiaries will now proceed to implement the WHOA Restructuring Plan which is expected to close on or before 30 June 2023. The WHOA Restructuring Plan is not an adjusting subsequent event and therefore there will be no change to the borrowings disclosed as at 31 March 2023.

7. BORROWINGS (CONTINUED)

7.2 Group Services' Debt (continued)

Proposal to extend upcoming maturities of Steinhoff Group Services' Debt (continued)

Overview of key terms of the proposed Maturity Extension

The Maturity Extension will result in:

- An extension of the maturity date under the Group Services' Debt Facilities, associated CPUs of the Company and intercompany loans to at least 30 June 2026, with two 12-month extension options available with majority lender consent under each of the Group Services' Debt Facilities (inter-conditional consents).
- The refinancing and extension of First lien term loan facility A1 and B1, with Second lien term loan facility A2 lenders receiving the full benefit of the SEAG CPU thereafter. Second lien term loan facility A2 lenders will also benefit from a reclassification of existing facility A2 into an instrument which is fully covered by the SEAG CPU (sized at 87% of the existing Second lien term loan facility A2), with the excess (13%) to be reclassified to Second lien term loan facility B2 or a new tranche fungible with Second lien term loan facility B2 (which does not benefit from a CPU). This represents an increase in CPU coverage for the Second lien term loan facility A2 lenders from 80.3% to 87%.
- Lenders with commitments in excess of €100 million across the 21/22 Term loan and 23 Term loan facilities, the First lien term loan and Second lien term loan facilities and the Hemisphere facilities who become party to the Support Agreement on or before 31 December 2022 (and who do not subsequently breach the terms of the Support Agreement) benefiting from a right of first offer and right of first refusal, on a pro rata basis, in respect of the refinancing of the First lien term loan facility A1 and B1.
- A resetting of the Second lien term loan facility A2 coupon at 10.0% (compounding semi-annually) from 30 June 2023 from the current 10.75%. To ensure full CPU coverage for Second lien term loan facility A2 going forwards, the notional rate under the SEAG CPU will be aligned to grow at the same rate.
- A resetting of the Hemisphere term loan facility coupon at 15.0% (compounding semi-annually) from 30 June 2023 from the current 10.0%. The Steinhoff Group is entitled to repay or refinance the existing outstanding facilities under the Hemisphere term loan facility at par plus accrued interest (and without any prepayment premium) on or before the earlier of (a) 30 June 2023 or (b) the amendment date.
- A consent fee of 1% of the total outstanding principal amount under the Hemisphere term loan facility A to be paid on a cashless basis by being added to the outstanding principal amount under the Hemisphere term loan facility.
- New Topco will be restricted from making or procuring distributions on the CVRs as long as the Group Services' Debt remains outstanding.
- A "solvent distribution regime" to facilitate an efficient distribution of the Group's assets at fair value directly to Financial Creditors, subject to any legal and regulatory restrictions, if debt has not been discharged in full at extended maturity (or following any earlier acceleration). The regime includes limited recourse terms and "solvent liquidation" provisions for the benefit of Steinhoff (including any new ultimate parent of the Group) and its subsidiaries.

Financial Creditor Accession and Early Bird Fee

Financial Creditors who signed or acceded to the Support Agreement by 5.00 p.m. London time on 31 December 2022 (the "Early Bird Fee Deadline"), and who do not subsequently breach the terms of the Support Agreement, will be eligible for an early bird fee (the "Early Bird Fee") equal to their pro-rata share of:

- in respect of 21/22 Term loan facility A1 and 23 Term loan facility A2 financial creditors, a fee payable by Steenbok Lux Finco 1 S.à r.l. in an amount equal to 0.50% of the total 21/22 Term loan facility A1 and 23 Term loan facility A2 debt; and
- in respect of the Second lien term loan facility A2 and B2 financial creditors, a fee payable by Steenbok Lux Finco 2 S.à r.l. in an amount equal to 0.50% of the total Second lien term loan facility A2 and B2 debt.

Work Fee

Each of the Original Participating Lenders who remains signed up to the Support Agreement and is not in breach of any of its terms, shall be paid a work fee (the "Work Fee") equal to their pro-rata share of:

- in respect of their 21/22 Term loan facility A1 and 23 Term loan facility A2 debt, a fee payable by Steenbok Lux Finco 1 S.à r.l. in an amount equal to 0.50% of the total 21/22 Term loan facility A1 and 23 Term loan facility A2 debt; and
- in respect of their Second lien term loan facility A2 and B2 debt, a fee payable by Steenbok Lux Finco 2 S.à r.l. in an amount equal to 0.50% of the total Second lien term loan facility A2 and B2 debt.

The Early Bird Fee and Work Fee are to be paid on a cashless basis, through the issuance of commitments under new debt tranches in each of the Steenbok Lux Finco 1 S.à r.l. and Steenbok Lux Finco 2 S.à r.l. debt (as applicable), on a super-senior basis, accruing interest at 10% payment-in-kind on a semi-annual basis after 31 December 2022, with no CPU, maturing on 30 June 2026.

7. BORROWINGS (CONTINUED)

7.3 Reconciliation of borrowings balances

	Notes	Group Services €m	Pepkor Holdings €m	Pepco Group €m	Total €m
Opening balance – 1 October 2022		**10 066**	**688**	**614**	**11 368**
Repayable within one year		**10 066**	**97**	**68**	**10 231**
Repayable after one year		**–**	**591**	**546**	**1 137**
Repayment of debt		**(190)**	**–**	**–**	**(190)**
Repayment of interest		**(92)**	**–**	**–**	**(92)**
Deconsolidation of subsidiaries upon change in status to that of an investment entity		**–**	**(688)**	**(614)**	**(1 302)**
Interest accrued		**518**	**–**	**–**	**518**
From continuing operations	12	**518**	**–**	**–**	**518**
Closing balance – 31 March 2023		**10 302**	**–**	**–**	**10 302**
Repayable within one year		**10 302**	**–**	**–**	**10 302**
Repayable after one year		**–**	**–**	**–**	**–**
Opening balance – 1 October 2021		10 013	636	619	11 268
Repayable within one year		301	25	73	399
Repayable after one year		9 712	611	546	10 869
Repayment of debt		(467)	(290)	(21)	(778)
Repayment of interest		(147)	(27)	(5)	(179)
Additional financing		–	378	22	400
Acquired at acquisition of subsidiary		–	56	–	56
Interest accrued		484	27	6	517
From continuing operations	12	476	27	6	509
From discontinued operations		8	–	–	8
Foreign exchange gains or losses		22	54	–	76
Closing balance – 31 March 2022		9 905	834	621	11 360
Repayable within one year		336	205	73	614
Repayable after one year		9 569	629	548	10 746

8. PROVISION – LITIGATION

	Notes	31 March 2023 Unaudited €m	30 September 2022 Audited €m
Contractual Claimants – SIHPL	8.1	**31**	43
Seifert litigation claim	8.2	**–**	203
Total remaining Global Litigation Settlement provision		**31**	246
Current		**–**	203
Non-current		**31**	43
		31	246

8.1 Conservatorium and Margin Lenders

On 14 February 2021, the Steinhoff Group entered into a settlement agreement ("**Margin Lender Settlement Agreement**") with Conservatorium Holdings LLC ("**Conservatorium**") and certain entities linked to Christo Wiese ("**Margin Lenders**"). In terms of the agreement, Steinhoff Africa would pay €61 million to Conservatorium and the Margin Lenders in two tranches of €30.5 million on behalf of SIHPL.

On 6 October 2021, in light of the failure of one of its conditions (the requirement that SED occur by 30 September 2021), an amendment to the Margin Lender Settlement Agreement was agreed. In terms of the amendment agreement and announcement published by Steinhoff on 14 October 2021, the amount of the second tranche increased to €43.4 million and is only payable on the receipt of proceeds from the repayment of the Ibex (Europe) loan, which is depending on proceeds from the disposal of or dividends received from the Pepco Group. The €12.9 million increase will be carried by Steinhoff Africa and not SIHPL.

The first tranche of €30.5 million was paid within the prescribed 30 days since SED. The second tranche is payable on the receipt of proceeds from the disposal of or the receipt of dividends from the Pepco Group.

On 18 January 2023, the Company announced that the Steinhoff Group had sold an aggregate of 38 million ordinary shares in the capital of Pepco Group at a price of PLN38.95 per share through an accelerated placement, raising aggregate gross sale proceeds of approximately PLN1 480.1 million (€315.2 million). As a result of the disposal, an amount of €12.3 million became payable to Conservatorium and Margin Lenders and was paid in February 2023.

8.2 Seifert Litigation

HLSW GmbH ("**HLSW**") an entity owned and/or controlled by Seifert, filed a complaint in March 2015 in terms of which HLSW requested the transfer of a 50% shareholding in AIH Investment Holding GmbH ("**AIH**") to it. On 1 April 2021, HLSW withdrew this claim with prejudice. Steinhoff was awarded procedural costs of €33 065, which HLSW paid to it in July 2021.

LSW GmbH ("**LSW**"), owned and/or controlled by Seifert, filed a further complaint against AIH and SEAG in October 2015 with LSW requesting the repayment of an alleged loan granted to SEAG and AIH in the amount of €299.9 million and interest in the amount of approximately €29.4 million ("**the Loan Proceedings**"). SEAG and AIH have filed an answer to the complaint and contested the relief requested by LSW in its entirety. In addition, LSW requested solely from SEAG financing costs and default interest in the amount of €58.93 million as of October 2015 as well as default interest on the amount of €388.3 million at a rate of 5.14% per annum above the 6-months-EURIBOR since 12 October 2015. Thus LSW initially demanded approximately €388.3 million plus default interest since October 2015 and the costs of the proceedings from SEAG and approximately €329.33 million plus costs of the proceedings from SEAG and AIH.

On 21 December 2016, SEAG paid LSW an amount of €146.7 million. LSW reduced its claim on 17 February 2017 to approximately €265.4 million (plus interest at a rate of 5.14% per annum above the 6-months-EURIBOR from 22 December 2016) vis-à-vis SEAG and approximately €249.2 million vis-à-vis AIH, plus costs of the proceedings from both parties. On 20 July 2018 (rejected on formal grounds) and again on 20 September 2018, LSW filed for a preliminary injunction against SEAG and AIH in order to secure its claim arising from the Loan Proceedings. The competent judge of the Loan Proceedings rejected LSW's 20 September 2018 application for a preliminary injunction on all alleged grounds with his decision dated 1 October 2018. LSW did not file an appeal against the court order of 1 October 2018.

On 20 February 2023, Steinhoff reached a full and final settlement of all outstanding litigation between the parties to be concluded before the Commercial Court of Vienna for total payment of €202.12 million, subject to the fulfilment of certain conditions, including Steinhoff Group lender consent. Following receipt of lender consent on 28 February 2023 and fulfilment of the remaining conditions, the court settlement was concluded, and payment was made on 13 March 2023.

8. PROVISION – LITIGATION (CONTINUED)

	31 March 2023 Unaudited €m
Total provision as at 30 September 2022	**203**
Settlement:	
Cash outflow	**(73)**
Release of LSW reserve[1]	**(129)**
Amounts unused reversed	**(1)**
	–

[1] *The LSW reserve was recognised as part of trade and other receivables as at 30 September 2022. This reserve was built up by allocating a portion of the proceeds from the disposal of assets for the settlement.*

9. DISCONTINUED OPERATIONS

With effect from 1 October 2022 the Group transitioned into an Investment Entity, any remaining interest in the discontinued operations were recognised as part of the investments at fair value through profit or loss and will continue to measure it at FVTPL throughout the 2023 Reporting Period.

The majority of the businesses included under discontinued operations in the 2022 Reporting Period were disposed of.

The businesses included as discontinued operations for the 2022 Reporting Period were:

2022 Half-year Reporting Period

Segment	Businesses
Greenlit Brands	Greenlit Brands – Plush
Conforama	Conforama
European Properties	Hemisphere properties
All Other segment	LIPO
	European Manufacturing, Sourcing and Logistics
	Properties – Africa

Included in the 2022 Half-year Reporting Period

All Other segments

LIPO

On 25 May 2022, the Group sold 100% of its share interest in LIPO, to XLCH Holding GmbH, a subsidiary of the XXXLutz group for a purchase price of €27 million (CHF28 million).

Properties – Africa

As at the Reporting Date, all properties within the portfolio have been disposed of and a process is underway to deregister the majority of these companies.

European Manufacturing, Sourcing and Logistics

The European Manufacturing, Sourcing and Logistics Group was fully disposed or liquidated during the 2022 Reporting Period.

European Properties

Hemisphere properties

At the Reporting Date, all properties within the European portfolio have been disposed of and a process is underway to wind up and close down the companies within this segment.

Greenlit Brands – Plush

During November 2021 Greenlit Brands closed the sale of the Plush business to Nick Scali for an enterprise value of €64 million (AUD110 million).

Conforama Group

Conforama Italy

On 19 May 2022, Conforama Italy was sold for a purchase consideration of €0.2 million.

9. DISCONTINUED OPERATIONS (CONTINUED)

9.1 Statement of profit or loss for discontinued operations

	Note	Six months ended 31 March 2023 Unaudited €m	Six months ended 31 March 2022 Unaudited €m
Revenue		–	426
Cost of sales		–	(284)
Gross profit		–	142
Other income		–	3
Distribution expenses		–	(20)
Administration expenses		–	(127)
Other gains/(expenses)		–	(15)
Impairments[1]		–	(56)
Gain on disposal of discontinued operations/disposal group	9.2	–	41
Operating loss		–	(17)
Finance costs		–	(16)
Loss before taxation		–	(33)
Taxation		–	(3)
Loss for the period		–	(36)
Loss attributable to:			
Owners of Steinhoff		–	(3)
Non-controlling interests		–	(33)
Loss for the period		–	(36)

[1] *The impairment in the 2022 Half-year Reporting Period relates to Conforama Iberia. The Iberian Peninsula's performance during the 2022 Reporting Period was disappointing and significantly decreased compared to the previous year. The economic situation in Spain and Portugal has not improved, which weighs heavily on all businesses dependent on the sale of durable consumer goods such as Conforama. The fair value less cost to sell of Conforama Iberia was adjusted accordingly.*

9.2 Details of the disposal of subsidiaries classified as discontinued operations

31 March 2022	Greenlit Brands – Plush €m	European Manufacturing, Sourcing and Logistics €m	Total Unaudited €m
Carrying amount of net assets sold	9	25	34
Profit on disposal of discontinued operations/disposal group	55	(14)	41
Total consideration	64	11	75
Net cash inflow arising on disposals			
Total consideration	64	11	75
Less cash on hand at date of disposal	(5)	(16)	(21)
Net cash inflow	59	(5)	54

9. DISCONTINUED OPERATIONS (CONTINUED)

9.3 Segmental information relating to discontinued operations

Segmental revenue relating to discontinued operations

	Six months ended 31 March 2022 Unaudited €m
Segmental revenue from discontinued operations	
Greenlit Brands – Plush	7
Conforama	317
All Other	
LIPO	101
European Manufacturing, Sourcing and Logistics	1
Net external revenue from discontinued operations*	426

* *Revenue between discontinued operations have been eliminated.*

Operating loss before depreciation and amortisation adjusted for material items ("EBITDA")

	Six months ended 31 March 2022 Unaudited €m
EBITDA reconciles to the operating loss per statement of profit or loss from discontinued operations as follows:	
Operating loss from discontinued operations	(17)
Depreciation and amortisation	–
Other (income)/expenses considered material items	15
Intercompany elimination with continuing operations	–
EBITDA per segment reporting from discontinued operations	(2)
European Properties	(1)
Greenlit Brands – Plush	1
Conforama	3
All Other	(5)
EBITDA from discontinued operations as presented	(2)

9. DISCONTINUED OPERATIONS (CONTINUED)

9.3 Segmental information relating to discontinued operations (continued)

Operating loss adjusted for material items ("EBIT")

	Six months ended 31 March 2022 Unaudited €m
EBIT reconciles to the operating loss per statement of profit or loss from discontinued operations as follows:	
Operating loss from discontinued operations	(17)
Other (income)/expenses considered material items	15
Intercompany eliminations with continuing operations	–
EBIT per segment reporting from discontinued operations	(2)
European Properties	(1)
Greenlit Brands – Plush	1
Conforama	3
All Other	(5)
EBIT from discontinued operations as presented	(2)

10. SEGMENT INFORMATION

The Group determined the Management Board to be the Chief operating decision maker ("**CODM**") for all periods under review.

Change in Investment Entity status

The former reportable segments were made up of the subsidiaries that are deemed to be disposed of on the transition date to an Investment Entity. The Service Entities that continue to be consolidated all formed part of the Group Services segment.

Management deemed it appropriate to change the measures that are reported on to align with the Group's current strategy to manage its core investments for returns from capital appreciation and investment income and therefore measures and evaluates the performance of these investments on a fair value basis rather than the consolidated profitability. Refer to note 1.3.

Former reportable segments

The Group disclosed the following reportable segments in respect of the 2022 Half-year Reporting Period.

- **Pepco Group**
  Pepco Group is listed on the Warsaw Stock Exchange. This segment comprises the general merchandise retail business of Pepco (operating in Poland and central, western and eastern Europe) and Poundland (operating mostly in the United Kingdom and Republic of Ireland). The CODM monitors the performance of this listed group on a consolidated basis.
- **Greenlit Brands**
  The Greenlit Brands segment comprises the household goods retailers based in Australasia (majority of the retail stores are in Australia). Major brands include Fantastic and Freedom. The CODM monitors the performance of Greenlit Brands on a consolidated basis. Greenlit – Plush was disposed during November 2021 (refer to note 9).
- **Pepkor Holdings**
  Pepkor Holdings is listed on the JSE. Revenue in Pepkor Holdings is derived from a portfolio of retail chains focused on selling predominantly clothing, footwear, textiles, cell phones, airtime and fast moving consumer goods. Pepkor Holdings also operates in the building supplies and furniture divisions where revenue is derived from sales of do-it-yourself building supplies and materials and furniture and appliances respectively. The Pepkor Holdings Group operates within Africa and South America (Brazil) with the majority of its revenue being derived from South Africa. The CODM monitors the performance of this listed group on a consolidated basis.
- **Group Services**
  Steinhoff's various global corporate offices provide strategic direction and services to the decentralised operations globally. Activities include management of regulator and stakeholder engagement processes as well as identifying and implementing corporate activities. This segment was previously named Corporate and treasury Services.

Measures reported to the CODM

Revenue

Segment revenue excludes Value Added Taxation. Intersegment revenue is eliminated in the segment from which it was sold.

No single customer contributes 10% or more of the Group's revenue.

Segment revenue from continuing operations

	Six months ended 31 March 2022 Unaudited		
	Total segment revenue €m	Intersegment revenue €m	Revenue from external customers €m
Pepco Group	2 371	–	2 371
Greenlit Brands	361	–	361
Pepkor Holdings	2 422	(2)	2 420
Group Services	–	–	–
	5 154	(2)	5 152
Intercompany revenue from discontinued operations*	–	–	–
	5 154	(2)	5 152

* *The intercompany revenue from discontinued operations has already been eliminated from 'Revenue from external customers'.*

10. SEGMENT INFORMATION (CONTINUED)

Revenues from external customers – by geography from continuing operations

	Six months ended 31 March 2022 Unaudited €m
The Company is domiciled in the Netherlands. Negligible revenues are generated by the Group's Netherlands operations and therefore none are disclosed. The Group is primarily a global holding company with investments in retail businesses. The amount of its revenue from external customers is presented below based on the geographies that contribute materially to the Group's revenue.	
Australasia	362
Poland	575
Rest of Africa	336
Rest of Europe	922
South Africa	2 083
United Kingdom	874
	5 152

Operating performance measures – from continuing operations

The Group's share of equity accounted earnings, finance costs, investment income and income tax expenses are not monitored on a segmental level by the CODM and are therefore not allocated to the segments.

Operating profit or loss before depreciation and amortisation adjusted for material items ("EBITDA")

Segment performance is measured on continuing operations' EBITDA and represents segment revenue less segment expenses excluding depreciation, amortisation and other expenses considered material items as included in note 11.

Segment expenses include distribution expenses and administration expenses.

EBITDA reconciles to the operating profit per statement of profit or loss as follows:

	Note	Six months ended 31 March 2022 Unaudited €m
Operating profit per statement of profit or loss		297
Depreciation and amortisation		339
Other expenses considered material items	11	124
EBITDA per segment reporting		760
EBITDA per segment:		
Pepco Group		327
Greenlit Brands		45
Pepkor Holdings		427
Corporate and treasury services		(39)
		760

10. SEGMENT INFORMATION (CONTINUED)

Operating profit or loss adjusted for material items ("EBIT")

Segment performance is measured on continuing operations' EBIT and represents segment revenue less segment expenses excluding material items included in note 11.

Depreciation and amortisation have been allocated to the segments to which they relate.

EBIT reconciles to the operating profit per statement of profit or loss as follows:

	Note	Six months ended 31 March 2022 Unaudited €m
Operating profit per statement of profit or loss		297
Other expenses considered material items	11	124
Intercompany eliminations (discontinued operations)		–
EBIT per segment reporting		421
EBIT per segment:		
Pepco Group		140
Greenlit Brands		12
Pepkor Holdings		308
Group Services		(39)
		421

Segmental assets

Segmental assets are measured in the same way as in the 2022 Consolidated Financial Statements. Assets that are not considered to be segmental assets such as cash and cash equivalents, investments in equity accounted companies, current and non-current other financial assets are excluded from the allocation of assets to segments.

Investment in equity accounted companies and current and non-current other financial assets are monitored by the CODM on a Group level as these assets are not related to the underlying operations or impact their performance. Such assets are not allocated to segments.

The segmental assets (both current and non-current) below are presented on a consolidated basis and all intercompany balances and investments in subsidiary companies have been disregarded for purposes of presenting segmental assets.

Reconciliation between total assets per statement of financial position and segmental assets

	30 September 2022 Audited €m
Total assets per statement of financial position	13 289
Less: Cash and cash equivalents	(1 137)
Less: Investments in equity accounted companies	(4)
Less: Other financial assets	(76)
Less: Assets classified as held-for-sale	(347)
Segmental assets	11 725
Segmental assets:	
Pepco Group	4 607
Greenlit Brands	634
Pepkor Holdings	6 180
Group Services	304
	11 725

10. SEGMENT INFORMATION (CONTINUED)

Segmental net debt

The purpose of the debt or the company in which the debt is raised determines the debt cluster to which the debt, cash and cash equivalents and related finance costs and investment income are allocated. These debt clusters are then reviewed by the CODM.

30 September 2022 – Audited	Cash and cash equivalents €m	Current and non-current borrowings €m	Net Debt €m
Pepco Group	344	(614)	(270)
Greenlit Brands	48	–	48
Pepkor Holdings	282	(688)	(406)
Group Services	463	(10 066)	(9 603)
	1 137	(11 368)	(10 231)
		Note 7	

11. MATERIAL ITEMS INCLUDED IN PROFIT OR LOSS AND BREAKDOWN OF EXPENSES BY NATURE

	Note	Six months ended 31 March 2023 Unaudited €m	Six months ended 31 March 2022 Unaudited €m
OTHER EXPENSES			
The Group has identified a number of items which are material due to the significance of their nature and/or amount. These are listed separately here to provide a better understanding of the financial performance of the Group.			
11.1 Impairment/(reversal of impairment)			
Property, plant and equipment		**–**	1
Right-of-use asset		**–**	3
Intergroup loans		**(14)**	–
		(14)	4
11.2 Limited recourse adjustment on Steinhoff at Work loan payable		**(1)**	–
In terms of the SIHPL intercreditor agreement entered into on 15 February 2022, this loan has a third ranking over the SIHPL's assets and has become a limited recourse loan. Based on the SIHPL's available assets, only a portion of this loan will be payable and was therefore only recognised to that extent.			
11.3 Gain on waiver of loan payable		**(64)**	–
SEAG's loan payable to AIH Investment Holding AG was waived during the Reporting Period.			
11.4 Profit on disposal of property, plant and equipment and intangible assets		**–**	(1)
11.5 Fees relating to forensic investigation, advisory and restructure of the businesses		**29**	6
The principal advisor relationships included legal advisors and corporate advisory functions that support the Group on discussions and engagement with its litigants, creditors, forensic investigation services, and regulatory and taxation advisory services. Fees in the current Reporting Period increase largely due to the WHOA Restructuring plan.			
11.6 Movement in Global Litigation Settlement Provision	8	**4**	10
As announced by the Steinhoff Group, SED for the purpose of the Global Litigation Settlement occurred on 15 February 2022. Formal withdrawal of the various legal proceedings against Steinhoff and SIHPL has occurred immediately following SED.			
Current year movements relate to the revaluation of the remaining provision.			

11. MATERIAL ITEMS INCLUDED IN PROFIT OR LOSS AND BREAKDOWN OF EXPENSES BY NATURE (CONTINUED)

	Six months ended 31 March 2023 Unaudited €m	Six months ended 31 March 2022 Unaudited €m
11.7 Costs associated with the Global Litigation Settlement provision		
Fair value adjustment – Synthetic Forward		
Steinhoff Africa agreed to fund a portion of a Global Litigation Settlement on behalf of Steinhoff. In connection therewith, Steinhoff Africa entered into a forward exchange agreement with multiple banks in order to hedge against the foreign currency risk. All hedges have been exercised during the 2022 Reporting Period and foreign exchange losses realised.	**–**	16
Provision – ACG Lawyer fees	**1**	(1)
In order to improve recoveries to market purchase claimants the Group has made available an amount of €30 million, to pay in respect of certain fees, costs and work undertaken by the ACGs. The movement during the Reporting Period relates to foreign exchange movements.		
	1	15
11.8 Recognition of Steinhoff Africa's rights to Tekkie Town proceeds from SRF	**–**	(13)
As part of the settlement with the former Tekkie Town owners (of which the terms were agreed on 15 December 2021), it was agreed that the former Tekkie Town owners would transfer control of all their Steinhoff related claims to Steinhoff Africa on SED in exchange for the settlement as set out in the 2021 Consolidated Annual Financial Statements.		
On 15 February 2022 (SED), Steinhoff Africa's claim against the SRF became virtually certain and was therefore recognised through the Statement of Profit or Loss. The value of the claim is dependent on the final payout ratio based on the total number of claims received by the SRF. The final amount as distributed by the SRF during May 2023, was R205 million. SARB approval is still required to clear the funds.		
11.9 Titan Receivable – loss on substantial modification	**–**	6
On SED, SIHPL acquired the Titan Receivable from Newco 2A for €220 million. Payment of the consideration will be deferred resulting in an amount owed by SIHPL to Newco 2A ("**Newco 2A Loan Note**").		
In addition, new terms came into effect on SED for the Titan Receivable (refer to note 6), the new terms are viewed as a substantial modification of the financial asset and was therefore derecognised on SED and re-recognised at fair value during the 2022 Reporting Period. This resulted in a loss on derecognition.		

11. MATERIAL ITEMS INCLUDED IN PROFIT OR LOSS AND BREAKDOWN OF EXPENSES BY NATURE (CONTINUED)

	Note	Six months ended 31 March 2023 Unaudited €m	Six months ended 31 March 2022 Unaudited €m
11.10 Fair value of Trevo call option		–	(3)
On 15 December 2021, Steinhoff announced that Trevo and others had agreed to a settlement in which they confirmed their support for the S155 Scheme. The key commercial terms of the settlement which were implemented on SED, are that the Group has granted to Trevo call options to purchase 120 million Pepkor Holdings shares exercisable in three years' time at an exercise price of ZAR24.9215 per Pepkor Holdings share. The Group has also granted to the other non-qualifying claimants that were supporting Trevo's opposition call options to purchase 5 million Pepkor Holdings shares. At the Reporting Date, the call options are recognised at a fair value of €27.6 million (ZAR445.7 million). The liability is valued by an independent valuator using the Black-Scholes model. The Trevo call option is recognised by Ainsley Holdings and was therefore 'disposed' on transition to an Investment Entity. The fair value of Ainsley Holdings includes the value of the call option.			
11.11 Seifert legal provision	8	(1)	100
TOTAL OTHER EXPENSES FROM CONTINUING OPERATIONS		(46)	124

12. FINANCE COSTS AND INVESTMENT INCOME

	Notes	Six months ended 31 March 2023 Unaudited €m	Six months ended 31 March 2022 Unaudited €m
Finance costs			
Borrowings	7.3	518	509
Lease liabilities		–	65
Intergroup loans	2.4	8	–
Other		1	5
		527	579
Investment income from investments at FVTPL			
Dividend income	1.2	108	–
Interest income			
Intergroup loans	2.4	49	–
Other investment income			
Dividend income		–	9
Cash and cash equivalents		5	26
Other		6	6
		11	41

13. TAXATION

Steinhoff is a South African tax resident.

The corporate tax rate in South Africa is 27% (2022 Reporting Period: 28%). Capital gains are taxed at 21.60% (2022 Reporting Period: 22.4%).

On 23 February 2022, the Minister of Finance in South Africa announced that the corporate income tax rate would be reduced to 27%, effective from years of assessment ending on or after 31 March 2023.

Significant accounting estimate and judgments

Uncertain tax positions

Tax remains an area of focus for management. There are a number of ongoing tax audits relating to historic transactions and constructive progress has been made with the tax authorities in various jurisdictions. Appropriate tax specialists and advisors are appointed by the Group to advise on positions in such jurisdictions. Although the tax audits are being managed on a continuous basis, the outcome thereof remains uncertain and could lead to material cash outflows. The audit of a few sets of annual financial statements for Group companies, relating to historical years, still needs to be finalised and this will delay the outcome of the investigations by revenue authorities. The impact of potential tax adjustments, fines, penalties and/or refunds is therefore unknown.

Management considered the potential tax risks and cash outflow that may result therefrom in its going concern assessment. It is management's view that the tax risk would not lead to the ultimate liquidation of the Group. Once the full tax exposure is known a solution will be found together with the Group's stakeholders.

Management has estimated the tax consequences associated with the alleged accounting irregularities. Where specific items were identified that probably would result in an increase in taxable profit, they were recognised.

The tax position of the single entities impacted by the restatement of the Group's financial statements may give rise to both short and long-term tax related consequences. Due to backlogs experienced by local tax authorities, the restated financial results would not have been considered by the local tax authorities as yet and as a result the impact of potential tax adjustments, fines, penalties and/or refunds is unknown at present. Due to the uncertainty associated with such tax items, there is a possibility that the final outcome may differ from the current estimates.

Furthermore, as a multi-national group, there are a number of cross-border related party transactions in place in all spheres of the Group's business. In light of the revenue authorities' increased focus on transfer pricing matters the Group faces potential risks as its related party transactions may be challenged by the relevant tax authorities.

The steps required to complete the CVA were complex and multi-jurisdictional, which gave rise to an element of risk regarding the tax consequences thereof. The Group engaged with professional tax advisors in the different jurisdictions to mitigate the associated risks.

Investigations are still in progress by the German Tax authorities in respect of certain German legal entities which investigations include the review of Corporate tax, Trade tax, Withholding tax and Value Added Tax.

Primarily, the tax risk relates to withholding tax ("**WHT**") on deemed hidden profit distributions, on which German Tax authorities aim to raise assessments. The deemed hidden profit distributions arose due to flows of funds amongst Group companies as a result of transactions which have been identified as sham transactions and restated as part of the Group's restatement process in the 2017 and 2018 Reporting Periods. The potential WHT cash outflow for all German entities could amount to €597 million which excludes the likely amounts that would be available to be reclaimed by another Group subsidiary. Management has applied judgement based on advice received from its tax advisors and concluded that it is of the view that the most likely outcome is that if any WHT should be payable, that the amount would not be material.

It is management's stated intention to reach agreement with the German Tax authorities to collectively settle all uncertain tax positions. These uncertain tax positions are included in the amount provided in terms of IFRIC 23. In order to avoid lengthy and costly legal proceedings, it is preferable for a pragmatic solution to be reached with the relevant tax authorities. Management is in active discussions with the German Tax authorities to conclude on the taxes payable. Discussions remain ongoing, but management and their advisors are of the view that progress is being made. Objections and applications for suspension of enforcement have been lodged for all assessments received.

The Group is addressing the risks identified above. Central Group monitoring and reporting of tax matters have been implemented and continues, which includes close involvement of the Chief Financial Officer together with the appointment of appropriate tax specialists in the relevant affected jurisdictions to help advise on the current position in each jurisdiction.

Recoverability of deferred taxation assets

Deferred tax assets have been recognised for the carry forward amount of unused tax losses relating to the Group's operations where there is compelling evidence that it is probable that sufficient taxable profits will be available in the future to utilise the tax losses carried forward, either by the specific company to which it relates or the wider Group. Management has carefully assessed the entities' ability to generate future taxable profits against which the recognised tax losses can be utilised. Such assessments are based on the approved budgets and the forecasts of the entities including their ability to raise funding to maintain and support their operations.

14. EARNINGS/(LOSS) PER SHARE

	Six months ended 31 March 2023 Unaudited Cents	Six months ended 31 March 2022 Unaudited Cents
For the calculation of the loss per share, the exact unrounded numbers are used. This may result in differences when compared to calculating the numbers using the rounded number of shares and earnings/(loss) as disclosed below.		
Basic and diluted earnings/(loss) per share		
From continuing operations	**47.7**	(11.1)
From discontinued operations	**–**	(0.1)
Basic and diluted earnings/(loss) per share	**47.7**	(11.2)
Headline earnings/(loss) per share		
Headline earnings/(loss) is an additional loss number that is permitted by IAS 33: Earnings per Share ("**IAS 33**"). The starting point is earnings/(loss) as determined in IAS 33, excluding separately identifiable remeasurements, net of related taxation (both current and deferred) and related non-controlling interests other than remeasurements specifically included in headline earnings/(loss). This number is required to be reported to the JSE, where the Group has a secondary listing, and is defined by Circular 1/2021 Headline Earnings.		
Separately identifiable remeasurements are those where the applicable IFRS explicitly requires separate disclosure of the operating and/or the platform remeasurement in the Consolidated Financial Statements. No adjustments would be permitted on the basis of voluntary disclosure of gains or losses (or components of these).		
From continuing operations	**1.5**	(11.2)
From discontinued operations	**–**	(0.4)
Headline earnings/(loss) per share	**1.5**	(11.6)

All potential ordinary shares were anti-dilutive and therefore diluted per share numbers are the same as basic or headline per share numbers.

Reconciliations of denominator and numerator

14.1 Weighted average number of ordinary shares

	Notes	Six months ended 31 March 2023 Unaudited Million	Six months ended 31 March 2022 Unaudited Million
Issued ordinary shares at beginning of the period	17.2	**4 270**	4 270
Effect of treasury shares held (average weighted during the period)		**(38)**	(44)
Weighted average number of ordinary shares at end of the period for the purpose of basic loss per share and headline loss per share		**4 232**	4 226

14. EARNINGS/(LOSS) PER SHARE (CONTINUED)

Reconciliations of denominator and numerator (continued)

14.2 Basic earnings/(loss) and headline earnings/(loss) attributable to owners of Steinhoff

	Notes	Continuing operations €m	Discontinued operations €m	Total €m
Six months ended 31 March 2023 Unaudited				
Basic profit for the period attributable to owners of Steinhoff		**2 017**	**–**	**2 017**
Adjusted for remeasurement items	14.3	**(1 952)**	**–**	**(1 952)**
Headline earnings attributable to owners of Steinhoff		**65**	**–**	**65**
Six months ended 31 March 2022 Unaudited				
Basic loss for the period attributable to owners of Steinhoff		(471)	(3)	(474)
Adjusted for remeasurement items	14.3	2	(17)	(15)
Headline loss attributable to owners of Steinhoff		(469)	(20)	(489)

14.3 Remeasurement items as defined by the JSE

	Six months ended 31 March 2023 Unaudited		Six months ended 31 March 2022 Unaudited	
	Gross of taxation and non-controlling interests €m	Net of taxation and non-controlling interests €m	Gross of taxation and non-controlling interests €m	Net of taxation and non-controlling interests €m
Remeasurement items reflect and affect the resources committed in producing operating/trading performance and are not the performance itself. These items deal with the platform/capital base of the entity.				
Continuing operations				
Gain upon deemed disposal and reacquisition of subsidiaries at fair value	(1 952)	(1 952)	–	–
Impairment	–	–	4	3
Property, plant and equipment	–	–	1	1
Right-of-use asset	–	–	3	2
Profit on disposal of property, plant and equipment and intangible assets	–	–	(1)	(1)
	(1 952)	(1 952)	3	2
Discontinued operations				
Impairment	–	–	56	24
Assets held-for-sale	–	–	56	24
Gain on sale of disposal of discontinued operations/ disposal group	–	–	(41)	(41)
	–	–	15	(17)

15. COMMITMENTS AND CONTINGENCIES

15.1 SIHPL Non-Qualifying Claims – Contingent Liabilities

- **Competition Commission vs SIHPL**

  This matter involves two referrals issued by the South African Competition Commission ("**the Commission**") during the 2019 Reporting Period:

  (i) Under the first referral, the Commission charged KAP Diversified Industrial Proprietary Limited ("**KAP**") (a previous subsidiary of SIHPL), with price fixing during the period 2009 to 2014.

  (ii) In the second (related) referral, the Commission charged SIHPL with having committed the same offence during that period.

  The Commission contended that the transgressions were perpetrated by representatives of KAP. It is not alleged that any SIHPL employee participated in the alleged price fixing or that SIHPL knew or ought to have known that the transgressions were being perpetrated. The Commission seeks a conviction against SIHPL on the sole contention that by virtue of its shareholding in KAP it controlled the business and affairs of KAP and its subsidiaries during the relevant period.

  The matter was initially heard on 10 August 2021 and judgement was delivered on 25 January 2022 wherein the Commission's decision to refer the complaint against SIHPL was set aside.

  The Commission appealed to the Supreme Court of Appeal and was recently granted leave to appeal to the full bench of the Gauteng Division of the High Court of South Africa. A court date of 29 May 2024 has been set.

  This matter is listed as a non-qualifying claim in SIHPL's court-sanctioned S155 Compromise with its creditors. SIHPL has not reserved for the claim, on the basis of the Commission's limited prospects of success.

15.2 Other Group litigation – Contingent Liabilities

- **Geros Financial Services Proprietary Limited vs Steinhoff at Work**

  On 2 November 2021, Geros Financial Services Proprietary Limited ("**Geros**") served a simple summons against Steinhoff at Work claiming an aggregate of ZAR64 million (€3.96 million) (plus interest). Geros alleges that it loaned the money to Steinhoff at Work and that the amount is now overdue for repayment. Steinhoff at Work has issued a notice of intention to defend the matter. No further procedural steps have been taken.

- **Access to a copy of the overview of the forensic investigation published in March 2019 ("PwC Report")**

  Application brought by Tiso Blackstar and others (owners of prominent South African media outlets) vs Steinhoff on 23 October 2019 on a public interest basis (as well as separate applications by Markus Jooste) for access to a copy of the PwC Report. On 10 May 2022, the High Court ruled that Steinhoff is directed to supply Tiso Blackstar and amaBhungane with a copy of the PwC Report. Steinhoff was granted leave to appeal to the Supreme Court of appeal and those proceedings are ongoing. Damages are not sought in this matter and accordingly there should be no economic outflow arising from these proceedings.

16. CASH FLOW INFORMATION

16.1 Cash generated from operations

	Notes	Six months ended 31 March 2023 €m	Six months ended 31 March 2022 €m
Profit/(loss) before taxation from:			
Continuing operations		**2 036**	(237)
Discontinued operations		**–**	(33)
Dividend income		**(108)**	–
Interest income from investments		**(49)**	–
Other interest income		**(11)**	(41)
Finance cost		**527**	595
Share of profit of equity accounted companies		**–**	(4)
Operating profit		**2 395**	280
Adjusted for non-cash adjustments included in continuing and discontinued operations:			
Gain on deemed disposal of subsidiaries		**(1 952)**	–
Fair value adjustment on investments at FVTPL		**(450)**	–
Profit or loss movement in provision for doubtful debt		**–**	(6)
Depreciation and amortisation			
Property, plant and equipment, Intangible assets		**–**	110
Right-of-use asset		**–**	229
Unrealised foreign exchange losses/(gains)		**37**	(8)
Impairments			
Property, plant and equipment	11.1	**–**	1
Right-of-use asset	11.1	**–**	3
Assets held-for-sale	9	**–**	56
Intergroup loans	11.1	**(14)**	–
Limited recourse adjustment on Steinhoff at Work loan payable	11.2	**(1)**	–
Gain on waiver of intergroup loan payable	11.3	**(64)**	–
Titan Receivable – loss on substantial modification	11.9	**–**	6
Inventories written down to net realisable value and movement in provision for inventories		**–**	35
Remeasurement of lease liability and right-of-use assets		**–**	(12)
Net profit on disposal and scrapping of property, plant and equipment, vehicle rental fleet and intangible assets		**–**	(1)
Profit on disposal and part disposal of investments	9	**–**	(41)
Global Litigation Settlement provision movement	11.6	**4**	10
Seifert litigation	11.11	**(1)**	100
ACG lawyer fees	11.7	**1**	(1)
Share-based payments expense		**–**	15
Other non-cash adjustments		**(5)**	(19)
Cash (utilised)/generated before working capital changes		**(50)**	757
Working capital changes			
Increase in inventories		**–**	(330)
Increase in trade and other receivables		**(22)**	(97)
Movement in net derivative financial liabilities/assets		**–**	18
Increase/(decrease) in trade and other payables		**25**	(230)
Net changes in working capital		**3**	(639)
Cash (utilised in)/generated from operations		**(47)**	118

17. ORDINARY SHARE CAPITAL

		31 March 2023 Number of shares	30 September 2022 Number of shares
17.1	**Authorised**		
	Total authorised ordinary shares of €0.01 each	**16 000 000 000**	16 000 000 000
17.2	**Issued**		
	Balance at the beginning and end of the period	**4 269 609 051**	4 269 609 051
17.3	**Treasury shares**		
	Balance at beginning of the period	**(40 186 472)**	(51 573 279)
	Disposal of Steinhoff shares by a subsidiary company	**3 652 584**	11 386 807
	Balance at the end of the period[1]	**(36 533 888)**	(40 186 472)
	Total issued ordinary share capital	**4 233 075 163**	4 229 422 579

[1] Subsequent to the Reporting Period, Steinhoff Africa disposed of 36 533 888 Steinhoff shares in the open market for a total consideration of R9 million.

18. RELATED-PARTY TRANSACTIONS

During the Reporting Period, the Group entered into related-party transactions in the ordinary course of business, the substance of which are similar to those disclosed in the Group's annual financial statements for the year ended 30 September 2022. There were no material movements in the balances for the six months ended 31 March 2023. Refer to note 2 for Intergroup loan balances and transactions.

19. ASSETS AND LIABILITIES CLASSIFIED AS HELD-FOR-SALE

The following table presents details of the assets and liabilities that have been classified as held-for-sale as at 30 September 2022. The balances disclosed below include impairments recognised on the date of classification as held-for-sale. With effect from 1 October 2022 the Group transitioned into an Investment Entity, any remaining interest in the below businesses were recognised as part of the investments at fair value through profit or loss and will continue to measure it at FVTPL throughout the 2023 Reporting Period.

Balance at 30 September 2022 – Audited	European Properties €m	Africa Properties €m	Conforama €m	Bud €m	Total €m
Assets					
Intangible assets	–	–	1	–	1
Property, plant and equipment	–	–	36	–	36
Right-of-use assets	–	–	22	–	22
Investment in equity accounted companies	–	–	–	123	123
Other financial assets	–	–	22	–	22
Deferred tax assets	–	–	1	–	1
Inventories	–	1	85	–	86
Trade receivables	1	–	29	–	30
Other receivables	–	–	4	–	4
Cash and cash equivalents	–	–	22	–	22
Total assets	1	1	222	123	347
Liabilities					
Lease liabilities	–	–	(91)	–	(91)
Provisions	–	–	(14)	–	(14)
Deferred tax liabilities	–	–	(3)	–	(3)
Trade payables	(1)	–	(109)	–	(110)
Other payables	–	–	(5)	–	(5)
Total liabilities	(1)	–	(222)	–	(223)
Net assets after impairments	–	1	–	123	124
Non-controlling interest	–	–	–	–	–
Impairments recognised through profit or loss	–	–	207	32	239

20. BUSINESS COMBINATIONS

2023 Reporting Period

There were no acquisitions in the 2023 Reporting Period.

2022 Reporting Period

Certain fair values are provisional and subject to further review for a period of up to one year from the acquisition date. Provisional at-acquisition values are presented below:

	Avenida €m	Poundshop €m	30 September 2022 Unaudited €m
The fair value of assets and liabilities assumed at date of acquisition:			
Assets			
Intangible assets	44	*	44
Property, plant and equipment	23	*	23
Right-of-use assets	21	–	21
Deferred tax assets	15	–	15
Trade and other receivables	43	*	43
Inventories	13	*	13
Taxation receivable	1	–	1
Other financial assets	13	–	13
Cash and cash equivalents	60	*	60
Liabilities			
Borrowings	(56)	(1)	(57)
Employee benefits	(2)	–	(2)
Deferred tax liabilities	(12)	–	(12)
Provisions	(11)	–	(11)
Lease liabilities	(23)	*	(23)
Trade and other payables	(45)	(1)	(46)
Taxation payable	(5)	–	(5)
Non-controlling interest	(10)	–	(10)
Group's share of total assets and liabilities acquired	69	(2)	67
Goodwill attributable to acquisition	99	2	101
Total consideration	168	–	168
Cash on hand at date of acquisition	(60)	*	(60)
Net cashflow on acquisition of subsidiaries	108	–	108

The goodwill arising on the acquisition of the company is attributable to the strategic business advantages acquired, principal retail locations, as well as knowledgeable employees and management strategies that did not meet the criteria for recognition as other intangible assets on the date of acquisition.

Contingent liabilities currently recognised on the business combination amount to €10 million.

20. BUSINESS COMBINATIONS (CONTINUED)

Acquisition of Avenida

The Pepkor Holdings Group acquired the following business during the previous financial period. The board is of the opinion that this acquisition presents an attractive investment opportunity that is aligned with the group's strategy to grow through value accretive acquisitions.

Effective 3 February 2022, 81.7% of the issued share capital of Grupo Avenida SA ("**Avenida**") was acquired for a purchase price of ZAR1.899 billion. The Pepkor Holdings Group further injected €55 million (ZAR969 million) into the business which increased its shareholding to 87.1%. Avenida is a leading and recognised brand with a successful value and discount business model. It has a highly regarded management team with a proven track record and a culture that resonates with the group's own values and beliefs. Between the two organisations there is opportunity for synergies and for Avenida to leverage off the core assets and competencies of Pepkor Holdings. This platform allows Pepkor Holdings the ideal opportunity to enter the Brazilian market and enable Avenida to fulfil its potential over time.

The remaining 12.9% non-controlling interests measured in the net assets (excluding goodwill) of Avenida are identified separately from the group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling interests' share of changes in equity since the date of the combination (the proportionate share method). The Pepkor Holdings Group entered into put/call arrangements as part of the purchase agreement to acquire and the minority holders of Avenida has the right to sell the minority shareholding in three tranches of which the arrangements differ with each tranche. As these put/call arrangements are a consequence of the business combination, they are accounted for as a financial liability in the statement of financial position.

Trade and other receivables acquired consist of the following:	€m
Trade receivables	38
Less: Provision for expected credit losses	(9)
Prepayments	2
Value Added Tax receivable	10
Other amounts due	1
	42

Trade and other receivables acquired consist of the following:	€m
Revenue since acquisition date	113
Revenue as if from the beginning of the financial year	191

Acquisition of Poundshop

On 25 February 2022, Poundland Limited executed a Share Purchase Agreement for the purchase of the entire issued share capital of Online Poundshop Limited ("**Poundshop**") for total consideration of £1. Poundshop is an online discount retailer using the brand name Poundshop.com. The principal reason for the acquisition was to provide Poundland Limited with improved e-commerce.

21. EVENTS OCCURRING AFTER THE REPORTING PERIOD

- **Request to release pledged shares**
  On 26 May 2023, SIHPL released 2 082 282 ordinary shares in Shoprite Holdings Limited ("**Shoprite**") to Thibault from the pledge over such shares pursuant to the pledge and cession as described in note 6.1. The release of pledged shares was made in accordance with the terms of the Titan Receivable in execution of a contractually agreed right exercisable by the debtor only once, provided that minimum requirements regarding the Shoprite share price and the debtor's net asset value were met.

- **Mattress Firm/Tempur Sealy**
  On 9 May 2023, Mattress Firm and Tempur Sealy announced that they have signed a definitive agreement for Tempur Sealy to acquire the entire issued shares in Mattress Firm in a cash and share transaction valued at approximately $4.0 billion.

  Under the terms of the agreement, Tempur Sealy will acquire Mattress Firm for an enterprise value of approximately $4.0 billion. The consideration will consist of approximately $2.7 billion of cash consideration (subject to adjustments including the repayment of Mattress Firm's debt and other customary items) and 34.2 million shares in Tempur Sealy (with a valuation of $1.3 billion based on the closing share price of Tempur Sealy on 8 May 2023 of $37.46/share) issued to Mattress Firm shareholders. Following the transaction, Steinhoff will indirectly own approximately 7.5% of the combined company (based on the number of shares of Tempur Sealy common stock outstanding at the time of signing, plus the number of shares that will be issued in connection with this transaction). Tempur Sealy expects to expand its existing Board of Directors by appointing two mutually-agreed existing Mattress Firm directors to the Tempur Sealy Board upon the closing of the transaction.

  The transaction has been approved by the boards of directors of Tempur Sealy and Mattress Firm. Mattress Firm shareholders holding more than 80% of Mattress Firm's outstanding shares have signed voting agreements in support of the transaction. The transaction does not require Tempur Sealy shareholder approval.

  The transaction is expected to close in the second half of 2024, subject to the satisfaction of customary closing conditions and applicable regulatory approvals, including receipt of clearance under the U.S. Hart-Scott-Rodino Antitrust Improvements Act of 1976. Tempur Sealy has noted that it has received a request for additional information and documentary material from the Federal Trade Commission ("**FTC**") in connection with the FTC's review of the transaction. Tempur Sealy has also noted that it expects to work cooperatively with the FTC to complete the acquisition.

- **Greenlit Brands – Divestment of Bedding business**
  Greenlit Brands disposed of the Bedding business, effective 29 May 2023 to the Hypnos group for total proceeds of AUD60 million.

- **Confirmation of the WHOA Restructuring Plan**
  On 21 June 2023 the District Court of Amsterdam, the Netherlands, confirmed (*gehomologeerd*) the WHOA Restructuring Plan. Steinhoff and its subsidiaries will now proceed to implement the WHOA Restructuring Plan which is expected to close on or before 30 June 2023.

STEINHOFF
INTERNATIONAL HOLDINGS N.V.

ANNEXURES

SHARE STATISTICS

STOCK EXCHANGE	FSE	JSE
Stock symbol	SNH	SNH
Listing type	Primary	Secondary
ISIN	NL0011375019	NL0011375019
Initial listing	Dec 2015	Sep 1998
Opening share price	€0.10	R1.76
Closing share price	€0.01	R0.22
Highest share price during period	€0.11	R1.96
Lowest share price during period	€0.01	R0.20
Volume traded during period (million)	3 967	1 042
Value traded during period (million)	€116	R498
Market capitalisation (million)	€43	R854
Number of shares in issue at Reporting Date (million)	4 270	4 270

EXCHANGE RATES

	AVERAGE TRANSLATION RATE			CLOSING TRANSLATION RATE		
	1H2023	1H2022	% change	31 Mar 2023	31 Mar 2022	% change
EUR:ZAR	18.5321	17.3551	6.8	19.3275	16.1727	19.5
EUR:AUD	1.5621	1.5591	0.2	1.6268	1.4829	9.7
EUR:USD	1.0473	1.1328	(7.5)	1.0875	1.1101	(2.0)

FINANCIAL CALENDAR

Q3 Trading update – quarter ended 30 June 2023	**Friday, 25 August 2023**

CAUTIONARY NOTICE

In preparing these 2023 Condensed Financial Statements, the going concern assumption was not adopted (refer to the Basis of Preparation of the 2023 Condensed Financial Statements).

With effect from 1 October 2022, the Group's status changed to that of an investment entity as defined in IFRS 10 Consolidated Financial Statements IFRS does not allow for such changes to be applied retrospectively and accordingly the Group 2023 Condensed Financial Statements have been prepared on a materially different basis compared to those of previous years.

This Half-year Report contains forward-looking statements, which do not refer to historical facts but refer to expectations based on management's current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance, or events to differ materially from those included in such statements.

Many of these risks and uncertainties relate to factors that are beyond Steinhoff's ability to control or estimate precisely, including but not limited to, Steinhoff's ability to successfully implement and complete its plans and strategies and to meet its targets, the benefits from Steinhoff's plans and strategies being less than anticipated, the effect of general economic or political conditions, Steinhoff's ability to retain and attract employees who are integral to the success of the business, business and IT continuity, collective bargaining, distinctiveness, competitive advantage and economic conditions, information security, legislative and regulatory environment and litigation risks, product safety, pension plan funding, strategic initiatives, responsible retailing, insurance, other financial risks, unforeseen tax liabilities and other factors discussed in this Half-year Report, in particular the paragraphs on how we manage risk and in Steinhoff's other public filings and disclosures.

Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this Half-year Report. Steinhoff does not assume any obligation to update any public information or forward-looking statement in this Half-year Report to reflect events or circumstances after the date of this Half-year Report, except as may be required by applicable laws.

CORPORATE AND CONTACT INFORMATION

Commercial register number

63570173

Registered office

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Website

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Auditors

Mazars Accountants N.V.
(License number 13000408)
Watermanweg 80
3067 GG Rotterdam
The Netherlands
(PO Box 23123, 3001 KC Rotterdam, The Netherlands)

Company secretary

Nicholas Lewis

South African sponsor

PSG Capital Proprietary Limited
(Registration number 2006/015817/07)
1st Floor, Ou Kollege Building
35 Kerk Street
Stellenbosch 7600
(PO Box 7403, Stellenbosch 7599)

South African transfer secretaries

Computershare Investor Services Proprietary Limited
(Registration number 2004/003647/07)
Rosebank Towers, 15 Biermann Avenue
Rosebank 2196
(Private Bag X9000, Saxonwold 2132)

Commercial banks

Standard Corporate and Merchant Bank
(A division of The Standard Bank of South Africa Limited)
(Registration number 1962/000738/06)
Ground Floor, 3 Simmonds Street
Johannesburg 2001, South Africa
(PO Box 61150, Marshalltown 2107)

RMB
(A division of FirstRand Bank Limited)
(Registration number 1929/001225/06)
Think Precinct, 1 Merchant Place
Cnr Fredman Drive & Rivonia Road
Sandton 2196, South Africa
(PO Box 786273, Sandton 2146)

In addition, the Group has commercial facilities with various other banking and financial institutions worldwide.

GLOSSARY OF TERMS

The capitalised words and expressions used herein shall have the respective meanings attributed thereto below:

2023 Condensed Financial Statements	The unaudited condensed consolidated financial statements for the six months ended 31 March 2023.
2023 Half-year Reporting Period or Reporting Period	Period starting 1 October 2022 up to and including 31 March 2023.
2022 Condensed Financial Statements	The unaudited condensed consolidated financial statements for the six months ended 31 March 2022.
2022 Consolidated Financial Statements	The audited consolidated financial statements for the Group for the financial year ended 30 September 2022.
2022 Half-year Reporting Period	Period starting on 1 October 2021 up to and including 31 March 2022.
2022 Reporting Period	Period starting on 1 October 2021 up to and including 30 September 2022.
2021 Reporting Period	Period starting on 1 October 2020 up to and including 30 September 2021.
Ainsley Holdings	Ainsley Holdings Proprietary Limited, a company incorporated under the laws of the Republic of South Africa, registered under number 1964/010191/07.
Affected CPU Creditors	These are the CPU Creditors, with exception of the one group of CPU creditors, namely the outgoing First Lien Term Loan Facility lenders, whose underlying facility contractually has the highest rank in case of enforcement of security rights. This group of creditors will be refinanced.
AGM	Annual General Meeting.
APAC Holdco	APAC Holdco Limited, the holding company of Greenlit Brands, a company incorporated under the laws of Great Britain and registered under number 12899054.
BFI Report	Business Finance Intelligence B.V. report as part of the WHOA Restructuring plan. Refer to the Company's website https://www.steinhoffinternational.com/WHOA-restructuring-plan.php for the report.
Bud (formerly IEP)	Bud Group Holdings Proprietary Limited (formerly IEP Group Proprietary Limited), a South African investment holding company with controlling and scalable strategic interests in a number of select investment platforms, including the Bud Group
Christo Wiese	Christo Wiese, former member and Chairman of Supervisory Board.
Company or Steinhoff	Steinhoff International Holdings N.V., a public limited liability company (*naamloze vennootschap*) incorporated under the laws of the Netherlands, having its corporate seat in Amsterdam, the Netherlands, and its principal place of business at Building B2, Vineyard Office Park, Cnr Adam Tas & Devon Valley Road, Stellenbosch 7600, South Africa, registered with the Dutch Trade Register under number 63570173 and with LEI code 724500PSNX8EVPOZ1M58, and, where appropriate, the Subsidiaries and possible other Group companies, whose financial information is incorporated in the consolidated financial statements of the Company.
Composition Plan	The composition plan proposed pursuant to the Dutch SoP.

Conforama and/or Conforama Group	Conforama Investissement SNC, the holding company of Conforama Holding SA, a company incorporated under the laws of France and registered under number RCS 582 014445, together with its subsidiaries.
Contractual Claims	Claims by those claimants who, in accordance with the terms of their respective contractual arrangements involving the Company, sold businesses, shares or otherwise.
CPU	Contingent Payment Undertaking.
CPU Creditors	The creditors under the CPUs comprise a sub-group of the Financial Creditors: (i) creditors under the SEAG CPU, which are lenders in respect of facility A1 and facility A2 under the First lien term loan facility; (ii) creditors under the SFHG 21/22 CPU, which are lenders in respect of facility A1 under the 21/22 Term loan facility ; (iii) creditors under the SFHG 23 CPU, which are lenders in respect of facility A2 under the 23 Term loan facility; and (iv) creditors under the Hemisphere CPU, which are lenders in respect of facility A under the Hemisphere Term loan facility.
CVA	Company Voluntary Arrangements, in respect of SEAG CVA and/or the SFHG CVA (as applicable).
CVR	Contingent value rights.
Dutch SoP	Dutch Suspension of Payments procedure (*surseance van betaling*).
EBIT	Operating profit or loss adjusted for capital and reclassification items.
EBITDA	Operating profit or loss before depreciation and amortisation adjusted for capital and reclassification items.
ECL	Expected credit losses.
Equity Reorganisation	The proposed equity reorganisation as announced by the Company on 15 December 2022 and 16 December 2022.
European Properties	European properties and property companies held by Hemisphere.
Fantastic	Fantastic Holdings Limited, a company incorporated under the laws of Australia and registered under number 004 000 075 (ACN).
Financial Creditors	The lenders under the Group Services' Debt facilities.
FinSurv	The Financial Surveillance Department of the South African Reserve Bank responsible for the administration of exchange control on behalf of the South African Minister of Finance.
FVTPL	Fair value through profit or loss.
Global Litigation Settlement	The settlement of the outstanding litigation in terms of the S155 Scheme and Composition Plan.
Greenlit Brands	Greenlit Brands Pty Limited, a company incorporated under the laws of Australia and registered under number 612890874, together with its subsidiaries, including Fantastic.
Group or Steinhoff Group	The group of companies consisting of Steinhoff International Holdings N.V. together with its subsidiaries.
Group Services	Group functions outside of OpCos and Subsidiaries, including the following functions: Finance, Treasury, Tax, Human Resources, Legal, Company Secretarial, Compliance, Risk, Internal Audit and Information Technology.

Group Services' Debt	The indebtedness under (i) the CPUs entered into by Steinhoff; and (ii) the debt facilities entered into by Steenbok Lux Finco 1 S.à r.l., Steenbok Lux Finco 2 S.à r.l. and Hemisphere, all of which are subsidiaries of Steinhoff, in August 2019 (as amended from time to time) (the instruments together, the "Group Services' Debt Facilities").
Hemisphere	Hemisphere International Properties B.V., a private company with limited liability incorporated under the laws of the Netherlands and registered with the Dutch Trade Register under number 17228592, which is an indirect wholly owned subsidiary of Steinhoff.
Hemisphere CPU	The contingent payment undertaking agreement dated 5 September 2018 between and Lucid Agency Services Limited as agent of the Hemisphere Lenders.
IAS	International Accounting Standards.
Ibex (Europe) and/or Ibex (Europe) Group	Ibex Retail Investments (Europe) Limited, a company incorporated and registered under the laws of Great Britain with registered number 12899084, together with its subsidiaries.
Ibex (UK)	Ibex Retail Investments Limited, a company incorporated and registered under the laws of Jersey with registered number 127930.
IFRS	International Financial Reporting Standards.
Investment Entity	An Investment Entity is typically an entity that i) obtains funds from one or more investors for the purpose of providing such investor(s) with investment management services, ii) commits to its investor(s) that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both, and iii) measures and evaluates the performance of substantially all of its investments on a fair value basis.
IPO	Initial public offering.
JSE	The stock exchange operated by JSE Limited in the Republic of South Africa.
LIPO	LIPO Beteiligungen AG, a company incorporated under the laws of Switzerland together with its subsidiaries and registered under number CH- 040.3.001.910-6.
Management Board	Management board of the Company.
Mattress Firm	Mattress Firm Holding Corp, a company incorporated under the laws of the United States of America and registered under number EIN – 20-8185960, together with its subsidiaries, including Mattress Firm Inc.
Maturity Extension	The proposed Transaction to extend the maturity of the Group Services' Debt from the current maturity date of 30 June 2023 to at least 30 June 2026 as announced by the Company on 15 December 2022 and 16 December 2022.
Mons Bella	Mons Bella Private Partner Investments Proprietary Limited, a company incorporated under the laws of the Republic of South Africa, registered under number 2015/3636987/07.
Newco 2A	Steenbok Newco 2A Limited, a company incorporated and registered under the laws of Jersey with registered number 127926 and with its registered address at 3rd Floor, 44 Esplanade, St Hellier, Jersey.
Newco 3	Steenbok Newco 3 Limited, a private limited company incorporated under the laws of England and Wales, having its registered office at Pall Mall Works, 17-19 Cockspur Street, London, SW1Y 5BL and company number 11728460.
Newco 6 and/or Newco 6 Group	Steenbok Newco 6 Limited, a company incorporated and registered under the laws of Great Britain with registered number 11728916, together with its subsidiaries.
Newshelf	Newshelf 1093 Proprietary Limited, a company incorporated under the laws of the Republic of South Africa, registered under number 2010/018630/07.
OpCos	The Steinhoff Group's operating companies, amongst others Pepkor Holdings, Greenlit Brands, Mattress Firm and Pepco Group. These are investments with exit strategies.
Ordinary Share or Steinhoff Share	Ordinary share in the capital of the Company.

Original Participating Lenders	The Group Services lenders that entered into the Support Agreement on 15 December 2022, representing more than 64% of the total Group Services' Debt.
Pepkor Holdings	Pepkor Holdings Limited, a public company incorporated under the laws of the Republic of South Africa and registered under number 2017/221869/06.
Pepkor Holdings ESRS	The Executive Share Right Scheme of Pepkor Holdings.
Pepkor Holdings Group	Pepkor Holdings, together with its subsidiaries.
Pepco	Pepco Group N.V., a public limited liability company (*naamloze vennootschap*) incorporated under the laws of the Netherlands and registered with the Dutch Trade Register under number 81928491.
Pepco Group	The pan-European discount variety retailer that includes the brands PEPCO, Poundland and Dealz.
Poundland	Poundland Group Limited, a private limited company incorporated under the laws of the United Kingdom, registered under number 08861243.
Preference Share	Non-cumulative financing preference share in the capital of the Company.
PwC	PricewaterhouseCoopers.
Reporting Date	31 March 2023.
S155 Scheme	A statutory compromise with creditors proposed in terms of section 155 of the South African Companies Act, 71 of 2008.
SEAG	Steinhoff Europe AG, a company incorporated under the laws of Austria and registered under number FN 38031d, which is a wholly owned subsidiary of the Company.
SEAG CPU	The contingent payment undertaking agreement dated 12 August 2019 between Steinhoff and Lucid Trustee Services Limited as security agent on behalf of the SEAG Lenders in connection with the SEAG Credit Agreements.
SEAG CVA	English law company voluntary arrangement proposed by SEAG, approved on 15 December 2018 and implemented on 13 August 2019.
Segmental EBITDA	EBITDA adjusted to exclude exceptional expenses incurred.
Seifert	Dr Andreas Seifert and entities affiliated to Seifert.
Service Entity	A subsidiary of the Group which is not in itself an investment entity and its main purpose is to provide investment related services to the parent. The Group continues to consolidate such subsidiaries
Settlement Effective Date or SED	The date on which all suspensive conditions and conditions precedent (as defined in the Steinhoff Composition Plan and the S155 Scheme) were fulfilled, which occurred on 15 February 2022.
SFHG	Steinhoff Finance Holdings GmbH, a company incorporated under the laws of Austria, registered under number FN345159m.
SFHG CPUs	(a) The SFHG 21/22 CPU; and (b) the SFHG 23 CPU.
SFHG 21/22 CPU	The contingent payment undertaking agreement dated 12 August 2019 between Steinhoff N.V. and Global Loan Agency Services Limited as agent on behalf of the Facility A1 Lenders as defined in the SFHG 21/22 Facilities Agreement.
SFHG 23 CPU	The contingent payment undertaking agreement dated 12 August 2019 between Steinhoff N.V. and Global Loan Agency Services Limited as agent on behalf of the Facility A2 Lenders as defined in the SFHG 23 Facilities Agreement.

SFHG CVA	English law company voluntary arrangement proposed by SFHG, approved on 15 December 2018 and implemented on 13 August 2019.
Share	A share in the capital of the Company. Unless the contrary is apparent, this shall include each Ordinary Share and each Preference Share.
Shareholder	Holder of one or more Shares.
SIHL	Steinhoff Investment Holdings Limited, a public company incorporated under the laws of the Republic of South Africa, registered under number 1954/001893/06.
SIHPL	Steinhoff International Holdings Proprietary Limited, a company incorporated under the laws of the Republic of South Africa, registered under number 1998/003951/06, previously listed on the JSE and formerly known as Steinhoff International Holdings Limited.
Steinhoff Africa	Steinhoff Africa Holdings Proprietary Limited, a company incorporated under the laws of the Republic of South Africa, registered under number 1969/015042/07.
Steinhoff at Work	Steinhoff at Work Proprietary Limited, a company incorporated under the laws of the Republic of South Africa, registered under number 1950/037849/07.
Steinhoff CPUs	Hemisphere CPU; (b) the SEAG CPU; and (c) the SFHG CPU.
Subsidiary	Subsidiary of the Company as referred to in section 2:24a of the Dutch Civil Code.
Supervisory Board	Supervisory board of the Company.
Support Agreement	The agreement entered into by the Group on 15 December 2022 with its Original Participating Lenders, representing more than 64% of the total Group Services' Debt.
Target Entities	Subsidiaries of the Group where there are no exit strategies but which indirectly holds investments that have exit strategies in place. These entities have been set up in connection with each other with each fulfilling a specific role and is therefore classified as investment entities.
Tempur Sealy	Tempur Sealy International Inc.
Thibault	Thibault Square Financial Services Proprietary Limited, a company incorporated under the laws of the Republic of South Africa, registration number 1992/004170/07
Titan	Titan Premier Investments Proprietary Limited, a company incorporated under the laws of the Republic of South Africa, registration number 1979/000776/07.
WHOA Restructuring Plan	The Dutch law restructuring plan (*akkoord*) to implement its proposed Transaction, first announced by the Company on 15 December 2022.
WSE	Warsaw Stock Exchange, the main stock exchange in Poland

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