

Steinhoff International Holdings N.V.
(Incorporated in the Netherlands)
(Registration number: 63570173)
Share Code: SNH
ISIN: NL0011375019

Steinhoff Investment Holdings Limited
(Incorporated in the Republic of South Africa)
(Registration number: 1954/001893/06)
JSE Code: SHFF
ISIN: ZAE000068367

UPDATE ON PROGRESS OF FINANCIAL RESTRUCTURING

Steinhoff International Holdings N.V. (the "Company" and with its subsidiaries, the "Group")

Introduction

In accordance with the Company's reporting obligations under paragraph (e) of clause 20 of the lock-up agreement between, among others, the Company, Steinhoff Europe AG ("SEAG"), Steinhoff Finance Holding GmbH ("SFHG"), Stripes US Holding, Inc. ("SUSHI") and certain creditors, dated 11 July 2018 (the "LUA"), please see below the monthly update on progress in connection with the corporate and capital restructuring of the Group's European business (the "Restructuring").

Defined terms used but not otherwise defined in this report shall have the same meaning as in the company voluntary arrangement in relation to SEAG (the "SEAG CVA") and/or the company voluntary arrangement in relation to SFHG (the "SFHG CVA") (as applicable and as the context dictates).

This report should be read in conjunction with recent market announcements (available at www.steinhoffinternational.com/sens.php), including the most recent monthly update issued on 29 March 2019 (the "March Update").

SEAG CVA and SFHG CVA

As previously reported:

- The SEAG CVA and the SFHG CVA were both approved by significant majorities of their respective creditors and by their members at meetings held on 14 December 2018. The SEAG CVA documentation and SFHG CVA documentation can be downloaded at www.lucid-is.com/steinhoff.

- To address certain of the grounds of challenge asserted by LSW GmbH ("LSW", a company claiming to be a creditor of SEAG) in LSW's application to challenge the SEAG CVA (the "Application"), SEAG and SFHG launched CVA Consent Request No. 2 on 21 March 2019. CVA Consent Request No. 2 proposed certain amendments and modifications to the SEAG CVA, SFHG CVA and certain of the Restructuring Documents. The requisite majorities of creditors of SEAG and SFHG provided their consent to the proposed amendments set out in CVA Consent Request No. 2 and, accordingly, the SEAG CVA, the SFHG CVA and relevant Restructuring Documents have been amended and restated (and are available at www.lucid-is.com/steinhoff).
- On 28 March 2019, SEAG and LSW agreed that the Application be dismissed on consensual terms, following which the parties filed with the Court, and the Court sealed, a Consent Order giving effect to that agreement.
- In accordance with the consents provided pursuant to CVA Consent Request No. 1 (and following the dismissal of the Application on consensual terms) the CVA Long-Stop Date has been extended to 31 May 2019. The approval of CVA Consent Request No. 1 consequently extended the Long-Stop Date as defined in and applicable to the Lock-Up Agreement to 31 May 2019.

Further amendments to the SEAG CVA, SFHG CVA and certain Restructuring Documents

As referred to in CVA Consent Request No. 1, as a consequence of events that have occurred since the approval of the SEAG CVA and the SFHG CVA, SEAG and SFHG consider that certain further amendments and modifications to the SEAG CVA, the SFHG CVA and certain of the Restructuring Documents are necessary (the "Omnibus Proposed Amendments").

Whilst a number of the Omnibus Proposed Amendments are minor, technical or administrative in nature, certain of them will require the approval of the certain majorities of relevant creditors. SEAG and SFHG are in the process of finalising the Omnibus Proposed Amendments and it is anticipated that SEAG and SFHG will request the relevant consents by way of a separate CVA consent request in due course.

It remains the objective of the Group to complete the Restructuring as soon as possible.

Reconciliation of Lock-Up Fees, Lock-Up Early Bird Fees and Support Letter Consent Fees

The Company has issued a guide which explains to creditors how their eligibility to receive fees under the Lock-Up Agreement and Support Letters will be reconciled and verified. Creditors and brokers are requested to review the guidance provided and to take the steps set out in the "Instructions to Creditors and Brokers – Fee Entitlements" guide which is available for download at www.lucid-is.com/steinhoff.

KYC requirements

The agents under the New Lux Finco 1 Loans and New Lux Finco 2 Loans have asked the Company to remind relevant creditors of SEAG and SFHG to provide their KYC Documentation

(if applicable) to the relevant agent(s) as soon as possible to prevent any potential delay in receipt of Final Entitlements resulting from incomplete KYC processes. The relevant creditors of SEAG and SFHG should refer to the KYC notices issued by each of the agents under the New Lux Finco 1 Loans and the New Lux Finco 2 Loans which are available at www.lucid-is.com/steinhoff for further information.

Head office liquidity

The Company continues to actively monitor cash flows and manage other liabilities (including contingent claims, tax and bilateral facilities) as well as funding needs that may arise at the subsidiary level.

Conforama

On 15 April 2019, Conforama Investissement SNC and its subsidiaries (together, the "**Conforama Group**") completed its corporate and financial restructuring. The key terms of the restructuring, which included a total nominal value of €316m new money financing (including undrawn and conditional commitments) are set out in a presentation available on the Company's website (<http://www.steinhoffinternational.com/downloads/2019/Conforama-Lender-Presentation-april.pdf>). The EUR50 million short-term bridge funding facility provided by the Group to Conforama in December 2018 for short-term working capital support was repaid as part of the implementation of the financial restructuring.

Litigation

As announced on 2 April 2019, the Company and investment group VEB/European Investors have agreed to extend the suspension of the collective action between them in The Netherlands until 15 May 2019. Please refer to the full announcement for further information.

Separately, as announced on 21 February 2019, the Company has received a petition by a group of shareholders for inquiry proceedings before the Enterprise Chamber of the Amsterdam Court of Appeal (the "Enterprise Chamber"). The petition includes a request to appoint an Investigator as well as an additional member of the Supervisory Board of the Company whose role will include oversight that information is provided to shareholders adequately and in the context of any inquiry to be ordered by the Enterprise Chamber. A hearing is scheduled to take place on 23 May 2019.

Financial statements

As announced on 5 April 2019, whilst substantial progress has been made towards finalising the Company's financial statements for financial years 2017 and 2018, incorporating the outputs from the PwC forensic investigation have proved to be exceptionally complex and time consuming from both an accounting and audit perspective. In light of this, and despite significant efforts being exerted by all parties, the Company now estimates that it will publish its consolidated financial statements on the following dates:

- 2017 financial results – 7 May 2019
- 2018 financial results – 18 June 2019

This revised timetable is also expected to impact the timing of the release of the unaudited 2019 interim results, currently scheduled for 28 June 2019. The Company will update the market with a new date in due course.

Please refer to the full announcement for further information.

Update on Group governance

As announced on 5 April 2019, the Company is in the process of developing a remediation plan under the auspices of the Supervisory Board. As part of this, an initial project plan has been produced and a new position of Chief Compliance and Risk Officer has been created; Louis Strydom has been appointed to this role with effect from 1 July 2019. Please refer to the full announcement for further information.

On 11 April 2019, Alexandre Nodale, stepped down from his roles as the Company's Deputy CEO and member of the Management Board by mutual agreement with the Company's Supervisory Board. Following the financial restructuring of the Conforama Group, Alexandre has also stepped down from his role as CEO of the Conforama Group with the appointment of Helen Lee Bouygues as Chairman and Cédric Dugardin as CEO. Alexandre remains available to support an orderly transition of his responsibilities at the Company and Conforama Group level. The Company would like to thank Alexandre for his commitment to the Group and his contribution to the Management Board since his appointment on 19 December 2017, while retaining his operational responsibilities as CEO of the Conforama Group.

The post of Deputy CEO was created in the aftermath of the discovery of accounting irregularities at the Group in late 2017. With the financial restructuring of the Group entering its final stages, and with Louis du Preez in post as permanent CEO with effect from 1 January 2019, the Group does not expect to appoint a new Deputy CEO to its Management Board.

As previously reported, the onboarding process between the Group and the nominees identified for the Newco 3 board and the boards of the key intermediate holding companies (in addition to the two directors nominated by the Company, Louis du Preez and Theodore de Klerk) in the SEAG group is ongoing. The Group expects to announce the candidates publicly prior to the Restructuring Effective Date.

Current management priorities

The key priorities for the management team currently include:

- Obtaining consent to the amendments and modifications to the SEAG CVA and the SFHG CVA ahead of launch of the implementation process and otherwise planning for the implementation of the Restructuring;
- Working with the nominees of the new management boards to assist their familiarisation process with the SEAG group and its restructuring;

- Maintaining stability across the Group and managing the ongoing operations of the Group, including actively monitoring cash flows, supporting operating performance, managing other liabilities and funding needs that arise at the operating company level;
- Finalising the 2017 and 2018 Annual Financial Statements;
- Continuing to consider the contents of the PwC report and to progressing various actions as appropriate together with the roll out of the Remediation Plan;
- Monitoring and defending any litigation claims brought against the Group and identifying and pursuing recoveries where available; and
- Engaging with the wider stakeholder group and regulators.

Shareholders and other investors in the Company are advised to exercise caution when dealing in the securities of the Group.

JSE Sponsor: PSG Capital
Stellenbosch, 29 April 2019