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

Steinhoff – Disposal of Conforama France

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

In its 2019 Annual Report, released on 30 June 2020, Steinhoff confirmed that, following the COVID-19 outbreak in early 2020, the position of Conforama France was uncertain and that the Group had been unable to secure the state-guaranteed loan ("PGE"), for which it was eligible, to support the business through this difficult period. At that point the Group also confirmed that Conforama France was exploring near term options, including a potential sale of the business.

As part of this process, wherein the Group also explored a number of new financing options, it entered into discussions with Mobilux Sàrl ("Mobilux"), the parent company of BUT, a leading French retailer of furniture, appliances and consumer electronics.

Following a thorough process, Steinhoff, through Conforama Holding, has agreed to dispose of its shares in Conforama France, and certain related trademarks and domain names, to Mobilux for a nominal sum. In addition, it will sell a number of properties currently occupied by Conforama France. The disposal is structured in a series of related transactions ("the Disposal"), as follows:

- 100% of the share capital and voting rights of Conforama France SA ("Conforama France") for a nominal sum;
- certain trademarks and domain names, owned by Conforama Holding, related to Conforama France and its franchisees for a nominal sum;
- 18 real estate properties currently occupied by Conforama France for approximately €70 million; and
- subject to competition clearance and other consents, an option over 100% of the share capital and voting rights of Conforama Casino Achats Sàrl, a joint venture company which is 50% owned by EMC Distribution.

As part of the transaction, Conforama France will receive new funding In two tranches as follows:

i. After the date of signature, €150 million of new funds, comprising a PGE of €100 million and a financing of €50 million by Mobilux. This new funding will enable Conforama France to finalise its restructuring project and support an ambitious post COVID-19 recovery plan, while honouring its commitments to suppliers and partners.
ii. At the closing date, Conforama France will benefit from a second PGE of €200 million and a €200 million capital increase subscribed by Mobilux (including the €50 million received at signature).

The Disposal will secure the future of Conforama France, release the Group from its liabilities in respect of that business and generate cash to reduce of the current debt held by Conforama France.

The Disposal has received the required consent from the Group's creditors but remains subject to other regulatory approvals. It is anticipated that the transaction will close by the end of September 2020.

JSE Sponsor: PSG Capital

Stellenbosch, 8 July 2020