

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**

DISCLOSURE OF INSIDE INFORMATION PURSUANT TO ART. 17 OF THE EU MARKET ABUSE REGULATION (EU 596/2014, MAR)

STEINHOFF: UPDATE ON PROPOSALS TO EXTEND UPCOMING MATURITIES OF THE GROUP SERVICES DEBT

Steinhoff International Holdings N.V. is referred to as “SIHNV” or the “Company” and with its subsidiaries, “Steinhoff” or the “Group”; “Group Services Debt” means the indebtedness under (i) the Contingent Payment Undertakings (“CPUs”) entered into by SIHNV; and (ii) the debt facilities entered into by Steenbok Lux Finco 1 S.à.r.l. (“LuxFinco 1”), Steenbok Lux Finco 2 S.à.r.l. (“LuxFinco 2”) and Hemisphere International Properties B.V. (“Hemisphere”) (the instruments together, the “Group Services Debt Facilities”), each as amended from time to time.

Steinhoff has entered into a framework support agreement (“**Support Agreement**”) with its largest financial creditors in relation to financial creditors' support 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, together with equity re-organisation steps and transactions (the “**Maturity Extension Transaction**”).

The Maturity Extension Transaction 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 twelve-month extension options available with majority lender consent under each of the Group Services Debt Facilities ;
- The refinancing or amendment and extension of SEAG Facility A1 and SEAG Facility B1, with SEAG Facility A2 lenders receiving the full benefit of the SEAG CPU thereafter. SEAG 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 SEAG Facility A2), with the excess (13%) to be reclassified to SEAG Facility B2 or a new tranche fungible with SEAG Facility B2 (which does not benefit from a CPU). This represents an increase in CPU coverage for the SEAG Facility A2 lenders from 80.3% to 87%.

- Lenders with commitments in excess of EUR100m across the SFHG facilities, the SEAG 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 ROFO and ROFR, on a pro rata basis, in respect of the refinancing of SEAG Facility A1 and B1.
- A resetting of the SEAG Facility A2 coupon at 10.0% (compounding semi-annually) from 30 June 2023 from the current 10.75%. To ensure full CPU coverage for SEAG Facility A2 going forwards, the notional rate under the SEAG CPU will be aligned to grow at the same rate.
- Amendments to the relevant debt documents of the Group resulting in CPU holders being paid ahead of any holders of equity instruments issued by SIHNV.
- 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 SIHNV (including any new ultimate parent of the Group) and its subsidiaries.

The Maturity Extension Transaction contemplates the equity re-organisation of the Group:

- In light of the assessment that the value of the Group’s assets continue to be less than its liabilities and will remain so as at 30 June 2023, it is proposed that the financial creditors will be entitled, individually and independently, to receive 100% of the voting rights and at least 80% of the economic interest in the post-closing equity of the Group (Steinhoff or any successor entity or other entity replacing SIHNV as ultimate parent of the Group). The remaining 20% of economic interests in the equity will be issued to existing shareholders of the Company in the form of a new instrument ranking economically pari passu with the equity instruments issued to the financial creditors, provided that the equity re-organisation is approved by shareholders at a general meeting to be held in Q1 2023.
- If the equity restructuring referred to in the preceding paragraph is not approved by the shareholders at the general meeting, it is intended that 100% of the economic interests and voting rights in the post-closing equity of the Group will be issued to the individual financial creditors either through a Dutch restructuring process or, if that is not pursued or is not achieved by 30 June 2023, as a result of the financial creditors becoming entitled to implement the equity reorganisation by way of a share pledge enforcement alongside the implementation of other terms of the Maturity Extension Transaction. In these circumstances, SIHNV would lose its interests in the underlying Group businesses and assets and shareholders would retain no economic interest in the restructured Group.

- The expectation is that following implementation of the Maturity Extension Transaction the existing SIHNV shares including their current listings will fall away with no financial compensation payable to existing shareholders (except for the shareholders retaining the 20% economic interest in the equity if the equity re-organisation is approved by shareholders at a general meeting as explained above). The ultimate holding company of the post-closing Group is anticipated to be an unlisted company.

The Support Agreement seeks to secure the support of at least 80% of the financial creditors under each Group Services Debt Facility and to implement the Maturity Extension Transaction by the “Long Stop Date” of 30 June 2023, subject to limited termination events and extension options.

The Maturity Extension Transaction once implemented will provide the Group with further time to realise investments and assets to de-lever the Group. However, the Maturity Extension Transaction, including the equity reorganisation, is subject to financial creditor consents, as well as support from shareholders, and is subject to further structuring, due diligence and implementation. There is no certainty that such consents or support will be obtained. If there is not sufficient support, the Maturity Extension Transaction may be implemented by way of legal processes in the relevant jurisdictions or may result in an enforcement by financial creditors.

Whilst the Group believes that the Support Agreement constitutes an important and positive step towards the proposed extension of the Group Services Debt, there is no certainty that the necessary commercial and legal agreements and arrangements will be concluded to successfully implement the proposed transaction. Accordingly, shareholders and other investors in the Company are advised to exercise caution when dealing in the securities of the Group.

For further details of the proposed Maturity Extension Transaction see SIHNV's detailed announcement.

The Company has a primary listing on the Frankfurt Stock Exchange and a secondary listing on the JSE Limited.

Disclaimer

The information in this announcement is not intended to be complete. This announcement is for information purposes only and does not constitute an offer, or any solicitation of any offer, to buy or subscribe for any securities. The distribution of this announcement may, in some countries, be restricted by law or regulation. Accordingly, persons who come into possession of this document should inform themselves of and observe these restrictions. To the fullest extent permitted by applicable law, Steinhoff disclaims any responsibility or liability for the violation of any such restrictions by any person. Any failure to comply with these restrictions may constitute a violation of the securities laws of that jurisdiction. Steinhoff does not assume any responsibility for any violation of any of these restrictions. Any SIHNV shareholder who is in any doubt as to his or her position should consult an appropriate professional advisor without delay.

Certain statements in this announcement may be considered forward-looking statements. These forward-looking statements speak only as of the date of this announcement. By their

nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future, and Steinhoff cannot guarantee the accuracy and completeness of forward-looking statements. A number of important factors, not all of which are known to Steinhoff or are within its control, could cause actual results or outcomes to differ materially from those expressed in any forward-looking statement. Steinhoff expressly disclaims any obligation or undertaking to publicly update or revise any forward-looking statements, whether as a result of new information, a change in expectations or for any other reason.

Stellenbosch, 15 December 2022

Contact:

Steinhoff International Holdings N.V.

Investor Relations

Phone: +27 21 808 0700

E-mail: investors@steinhoffinternational.com

JSE Sponsor: PSG Capital