

## STEINHOFF SETTLEMENT TERM SHEET (October 2020)

Item	Terms
Steinhoff Overview Settlement	<p>Steinhoff International Holdings N.V. (“<b>SIHNV</b>”) and the former holding company Steinhoff International Holdings Proprietary Limited (“<b>SIHPL</b>”) are the subject of various claims and legal proceedings in the Netherlands, Germany and South Africa.</p> <p>This term sheet sets out the terms of settlement being proposed by SIHNV (in Part 1) and SIHPL (in Part 2).</p> <p>The objective of the proposed global settlement is to settle all or substantially all of the claims so as to provide finality for the SIHNV and SIHPL, and each other member of the Steinhoff group of companies (together “<b>Steinhoff</b>” or the “<b>Group</b>”) in relation to the claims on terms acceptable to SIHNV, SIHPL and the large majority of the claimants.</p> <p><b><i>The terms proposed in this term sheet are made on the basis of there being no admission of liability or wrongdoing on the part of SIHNV, SIHPL or any other Group entity. This term sheet does not constitute an offer capable of acceptance. The settlement terms capable of acceptance will be subject to further settlement documentation to be provided by SIHNV and/or SIHPL. Therefore, these settlement terms are subject to contract and final approvals.</i></b></p> <p>In broad terms, the claims instituted in legal proceedings against SIHNV and SIHPL fall into three categories:</p> <ol style="list-style-type: none"> <li>1. market purchase claims (“<b>MPCs</b>”) in respect of shares and securities acquired on markets;</li> <li>2. contractual claims (“<b>Contractual Claims</b>”) by those claimants who, in accordance with the terms of contractual arrangements involving Steinhoff, sold businesses, shares or otherwise received consideration directly from Steinhoff by way of issuance, or transfer, of Steinhoff shares; and</li> <li>3. other claims that are neither MPCs nor Contractual Claims against SIHNV or SIHPL (“<b>Non-Qualifying Claims</b>”).</li> </ol> <p>It is proposed that all MPCs are settled by consideration provided by SIHNV irrespective of whether the MPC is against SIHNV or SIHPL. The substantive terms of the MPCs settlement are therefore set out in Part 1.</p> <p>Any settlement consideration paid or delivered by SIHNV or SIHPL will be in full and final settlement of any and all MPCs or Contractual Claims of the claimant or counterparty against any member of the Group (unless otherwise specified).</p>



**Part 1 – SIHNV: Summary of Proposed Settlement and Distribution Plan**  
**(“SIHNV Summary”)**

Item	Terms
SIHNV Settlement Overview	<p>The SIHNV settlement proposal includes the claimants set out below being those with MPCs and Contractual Claims, financial creditors of SIHNV and intra group creditors.</p> <p>SIHNV will settle both agreed and accepted MPC claims against itself and MPC claims against SIHPL. The terms of the MPC settlement are summarised below. As part of the settlement arrangements and in consideration of SIHNV settling the SIHPL MPC claims, SIHPL will issue a loan note in favour of SIHNV as described below.</p> <p>SIHNV will also settle agreed and accepted contractual or delictual damages claims against it at the same recovery rate as for the MPC claims and minimum nominal amounts specified below may be adjusted accordingly. Both eligible MPC claimants and eligible SIHNV Contractual Claimants will be offered settlement consideration in the form of 50 per cent cash and 50 per cent in the shares of the South African listed entity Pepkor Holdings Limited (“<b>PPH</b>”), subject in all cases to SIHNV’s option to settle the settlement consideration in a greater proportion, or in the full amount, in cash.</p> <p>As described further below, SIHNV’s financial creditors will be asked to consent to the proposed settlement, including the Hemisphere payment described below, as a permitted settlement under the SIHNV Umbrella Agreement, to provide certain releases and waivers, and to extend the maturity or final repayment dates of the current SIHNV CPU Claims (defined below) and under the Underlying Finance Documents (defined below).</p> <p>Note: estimated nominal settlement amounts referred to in this Settlement Term Sheet are rounded to the nearest million.</p>
SIHNV Settlement Participants	<ol style="list-style-type: none"> <li>(1) SIHNV, together with its subsidiaries (the “<b>Steinhoff Group</b>”);</li> <li>(2) claimants with a valid MPC against SIHNV or SIHPL (“<b>MPC Claimants</b>”);</li> <li>(3) Lancaster 101 (RF) (Proprietary) Limited (“<b>Lancaster 101</b>”), Lancaster 102 (Proprietary) Limited (“<b>Lancaster 102</b>”), Lancaster Group (Proprietary) Limited, the Lancaster Non-Profit Company, and the Public Investment Corporation (“<b>PIIC</b>”) on behalf of the Government Employees Pension Fund (“<b>GEPF</b>”) and any other parties that may be entitled to bring claims on their behalf or in their place (including by way of security rights) (together the “<b>Lancaster Related Parties</b>”);</li> <li>(4) Upington Investment Holdings B.V. (or any legal successor thereof) and any other parties that may be entitled to bring claims on its behalf or in its place (including by way of security rights) (“<b>Upington</b>”), Thibault Square Financial Services (Proprietary) Limited (“<b>Thibault</b>”) and Titan Premier Investment Proprietary Limited (“<b>Titan</b>”);</li> </ol>

Item	Terms
	<p>(5) AJVH Holdings (Proprietary) Limited, Full Team Sure Trade (Proprietary) Limited, Aquilam Holdings (Proprietary) Limited, Libel Decimus (Proprietary) Limited, Xanado Trade and Invest 327 (Proprietary) Limited (together the “<b>Tekkie Town Claimants</b>”);</p> <p>(6) the financial creditors of SIHNV pursuant to the 21/22 CPU, 23 CPU, SEAG CPU and Hemisphere CPU, each as defined below (the “<b>SIHNV CPU Creditors</b>”); and</p> <p>(7) Steinhoff Africa Holdings (Proprietary) Limited (“<b>SAHPL</b>”), Steenbok Newco 2A Limited (“<b>Newco 2A</b>”), Steenbok Lux Finco 1 S.à r.l. and Steinhoff International Share Trust and Steinhoff Acquisition Holdings, being the intra-group intercompany claimants which are creditors of SIHNV (together the “<b>IGCs</b>”),</p> <p>each a “<b>Participant</b>” and together the “<b>Participants</b>”.</p> <p>The Tekkie Town Claimants, Lancaster 101, the PIC, on behalf of the GEPF and Titan, standing in the place of Upington, are together the “<b>SIHNV Contractual Claimants</b>”.</p> <p>For the purposes of this SIHNV Summary, “<b>SIHNV CPU Claims</b>” means claims of a financial creditor against SIHNV arising under, pursuant to or in relation to the 21/22 CPU, 23 CPU, SEAG CPU and the Hemisphere CPU (together, the “<b>SIHNV CPUs</b>”) or any of the “Finance Documents” as that term is respectively defined in each of the 21/22 CPU, 23 CPU, SEAG CPU and the Hemisphere CPU.</p> <p>Reference to “<b>Settlement Effective Date</b>” is to the date on which the settlement becomes effective in accordance with its terms.</p>
MPC Settlement	<ul style="list-style-type: none"> <li>• The total settlement consideration to be paid by SIHNV in respect of all MPCs is capped at EUR 266m.</li> <li>• The total settlement consideration will be paid 50 per cent in cash and 50 per cent in shares currently held by the Steinhoff Group in PPH, subject to SIHNV’s right, at its option, to settle the settlement consideration in a greater proportion, or the full amount, in cash. The settlement consideration payable in PPH shares shall be settled at a deemed price per share of ZAR 15. MPC claimants will not be subject to any lock up agreement or terms in respect of those PPH shares leaving those claimants free to sell (or to hold) PPH shares following Settlement Effective Date.</li> <li>• A claimant is deemed to have a valid MPC if they have a claim against SIHNV or SIHPL in relation to the events that are alleged to have occurred in relation to alleged mismanagement, accounting irregularities, market manipulation, misstatements, misrepresentation of and otherwise misleading annual accounts and other financial reporting, including in prospectuses published by and/or other public statements made by Steinhoff Group companies together with allegations of improper fulfilment of duties and statutory obligations by any managing or supervisory director, officer and/or employee of</li> </ul>

Item	Terms
	<p>the Steinhoff Group arising as a result of purchasing or acquiring either SIHPL or SIHNV securities and shares (excluding Contractual Claims against the Steinhoff Group and claims of certain excluded shareholders, such as former directors and officers):</p> <ul style="list-style-type: none"> <li>– prior to 6 December 2015 (c.o.b) (in the case of SIHPL) or prior to the c.o.b. on 5 December 2017 (in the case of SIHNV); and</li> <li>– continued to hold SIHNV shares at the c.o.b. on 5 December 2017, including in the event such shares had not yet been delivered to the purchaser’s securities account by 5 December 2017 c.o.b..</li> </ul> <ul style="list-style-type: none"> <li>• The MPCs are valued according to a methodology based on the extent to which the relevant Steinhoff shares were inflated in the period from 1 March 2009, which is calculated by reference to the share price decline as a result of announcements in the first week of December 2017 (the “<b>Inflation Methodology</b>”). The calculation is in essence as follows: <ul style="list-style-type: none"> <li>– the total amount of each MPC claimant’s overpayments during the relevant period due to inflation in the price of the SIHPL or SIHNV shares on the date of each purchase thereof, less</li> <li>– the total amount of each MPC claimant’s overcompensation during the relevant period due to inflation in the price of the SIHPL or SIHNV shares on the date of any and each sale thereof.</li> </ul> </li> <li>• For the purposes of the settlement of MPCs, shareholders who purchased SIHPL shares prior to 1 March 2009 and continued to hold equivalent SIHNV shares at the c.o.b. on 5 December 2017 have been allocated a claim of EUR 0.01 per share.</li> <li>• The settlement of the MPCs and the Inflation Methodology and the treatment of any unclaimed portion of total MPC settlement consideration will be more fully described in the SIHNV settlement documentation and the SRF and claims administration settlement conditions.</li> <li>• In addition, in order to facilitate recoveries to MPC Claimants, the Group is considering making available an additional amount of up to EUR 30m to pay in respect of certain fees, costs and work undertaken by representatives of the “Active Claimant Groups” on the terms to be set out in settlement documentation. The specific terms of the proposal remain under consideration.</li> <li>• SIHNV will also provide up to EUR 15m to cover the costs of the SRF (as defined below). Any costs of the SRF that exceed that amount will be deducted from the settlement payment, and any surplus amount will revert to SIHNV.</li> <li>• SIHNV will establish a new Dutch <i>stichting</i> foundation called the Steinhoff Recovery Foundation (“<b>SRF NL</b>”) with additional appropriate arrangements within South Africa in respect of South African claimants (“<b>SRF SA</b>”), (SRF NL and SRF SA,</li> </ul>

Item	Terms
	<p>together “<b>SRF</b>”). The SRF will be the claim administration and distribution vehicle, set up as an independent entity governed by a board of newly appointed directors with majority independence from the Steinhoff Group. The SRF will appoint Computershare to assist with claims administration and to validate claims. Any claims submitted to the SRF which are disputed by the SRF will be subject to the dispute resolution mechanism on terms set out in the settlement arrangements.</p> <ul style="list-style-type: none"> <li>• On the Settlement Effective Date, the written undertakings provided by SIHPL to Adams &amp; Adams (on behalf of Hamilton) dated 8 August 2019 and to LHL Attorneys Inc. dated 23 September 2019 will terminate and SIHPL shall be unconditionally and irrevocably released from such undertakings.</li> </ul>
SIHNV rescissionary Contractual Claim valuation	<ul style="list-style-type: none"> <li>• The SIHNV rescissionary Contractual Claims will be valued using the following method: Nominal Amount less the Floor Amount.</li> <li>• The Contractual Claims of the Tekkie Town Claimants and Lancaster 101 will be valued using this valuation methodology.</li> <li>• For the purposes of this valuation: <ul style="list-style-type: none"> <li>– “<b>Floor Amount</b>” means the Floor Price multiplied by the number of Relevant Shares held at the Holding Time;</li> <li>– “<b>Floor Price</b>” means: <ul style="list-style-type: none"> <li>• for the shares held on the Johannesburg Stock Exchange, ZAR 2.43, being the SIHNV volume weighted average price (“<b>SIHNV VWAP</b>”) for the SIHNV shares listed on the Johannesburg Stock Exchange for the 30 days starting on the first trading day post the Publication Date; and</li> <li>• for the shares held on the Frankfurt Stock Exchange, EUR 0.157, being the SIHNV VWAP for the SIHNV shares listed on the Frankfurt Stock Exchange for the 30 days starting on the first trading day post the Publication Date;</li> </ul> </li> <li>– “<b>Holding Time</b>” means the moment of the end of trading on the Johannesburg Stock Exchange or Frankfurt Stock Exchange (as applicable) on 5 December 2017;</li> <li>– “<b>Nominal Amount</b>” means the aggregate amount of the Transaction Amount, less: <ul style="list-style-type: none"> <li>• the value of any cash dividends received prior to the Holding Time; and</li> </ul> </li> </ul> </li> </ul>

Item	Terms
	<ul style="list-style-type: none"> <li>• the value received from all sales of any Relevant Shares prior to the Holding Time;</li> <li>– “<b>Original Shares</b>” means the SIHNV shares originally subscribed for or received as part of an exchange with Steinhoff;</li> <li>– “<b>Publication Date</b>” means 29 June 2018, being the date on which SIHNV’s 2018 half-year results for the 2018 financial year were released;</li> <li>– “<b>Relevant Shares</b>” means the SIHNV shares originally subscribed for or received as part of an exchange with Steinhoff and any dividends which the claimant elected to receive as SIHNV shares <i>in lieu</i> of cash; and</li> <li>– “<b>Transaction Amount</b>” means the Original Shares multiplied by the transaction price attributed to those shares (as specified in this SIHNV Summary below).</li> </ul>
SIHNV delictual damages/ Contractual Claim valuation	<ul style="list-style-type: none"> <li>• Delictual damages claims in respect of Contractual Claims will be valued using the following methodology: Implied Claim less Benefits.</li> <li>• The claim of Upington will be valued using this valuation methodology.</li> <li>• For the purposes of this valuation: <ul style="list-style-type: none"> <li>– “<b>Benefits</b>” means: <ul style="list-style-type: none"> <li>• the value of any cash dividends received prior to the Holding Time; <i>plus</i></li> <li>• the number of shares the claimant elected to receive as either SIHPL or SIHNV shares in lieu of a cash dividend multiplied by the Floor Price minus; <i>plus</i></li> <li>• the proceeds from the sale of any shares prior to the Holding Time; <i>minus</i></li> <li>• the number of shares sold prior to the Holding Time multiplied by the Floor Price;</li> </ul> </li> <li>– “<b>Floor Price</b>” means:</li> </ul> </li> </ul>

Item	Terms
	<ul style="list-style-type: none"> <li>• for the shares held on the Johannesburg Stock Exchange, ZAR 2.43, being the SIHNV VWAP for the SIHNV shares listed on the Johannesburg Stock Exchange for the 30 days starting on the first trading day post the Publication Date; and</li> <li>• for the shares held on the Frankfurt Stock Exchange, EUR 0.157, being the SIHNV VWAP for the SIHNV shares listed on the Frankfurt Stock Exchange for the 30 days starting on the first trading day post the Publication Date;</li> </ul> <ul style="list-style-type: none"> <li>– “<b>Holding Time</b>” means the moment of the end of trading on the Johannesburg Stock Exchange or Frankfurt Stock Exchange (as applicable) on 5 December 2017;</li> <li>– “<b>Implied Claim</b>” means: the Transaction Amount <i>less</i> (the Floor Price multiplied by the Original Shares);</li> <li>– “<b>Original Shares</b>” means the SIHPL shares originally subscribed for or received as part of an exchange with Steinhoff (including to the extent those SIHPL shares were exchanged for SIHNV shares as part of the 2015 scheme of arrangement);</li> <li>– “<b>Publication Date</b>” means 29 June 2018, being the date on which SIHNV’s 2018 half-year results for the 2018 financial year were released; and</li> <li>– “<b>Transaction Amount</b>” means the Original Shares multiplied by the transaction price attributed to those shares (as specified in this SIHNV Summary below).</li> </ul>
<p>Contractual Claim settlement: Upington/Titan (Upington 1 Claim)</p>	<ul style="list-style-type: none"> <li>• A Contractual Claim will be recognised in respect of the 162,000,000 SIHNV shares issued to Upington pursuant to the subscription agreement dated 28 September 2016 and the 152,000,000 SIHNV shares acquired by Upington from Sunnyside Investment Partners Limited and Sutherland Investments Partners UK Limited pursuant to the share purchase agreement dated 28 September 2016, with an original transaction value of EUR 5.055 per share (“<b>Upington 1 Claim</b>”).</li> <li>• SIHNV will settle the Upington 1 Claim in full and final settlement for a minimum nominal amount equivalent to EUR 82m (applying the same recovery rate as applied to the MPCs).</li> </ul>



Item	Terms
	<ul style="list-style-type: none"> <li>• The settlement consideration in respect of the Upington 1 claim will be paid on a pro rata basis to the legal owners of the benefit of the Upington 1 claim following resolution of the dispute between Upington/Titan and Conservatorium Holdings LLC (“<b>Conservatorium</b>”) or a binding settlement agreement between the relevant parties and SIHNV.</li> <li>• The settlement consideration will be payable 50 per cent in cash and 50 per cent in PPH shares on or after the Settlement Effective Date at a deemed price per share of ZAR 15, subject to SIHNV’s right, at its option, to settle the settlement consideration in a greater proportion, or the full amount, in cash and in accordance with the settlement terms.</li> <li>• SIHNV will continue to dispute any claim made by Upington, or on behalf of Upington, or the lenders under the margin loans which financed or refinanced the purchase of the SIHNV shares (the “<b>Upington Margin Lenders</b>”), or Conservatorium or any of their legal successors, or any assignee of Upington, the Upington Margin Lenders or Conservatorium, against SIHNV or any other member of the Steinhoff Group in respect of the SIHNV shares that were transferred to it by Thibault, Wiesfam Trust (Proprietary) Limited or TotheTop (Proprietary) Limited (any such claim, an “<b>Upington 2 Claim</b>”).</li> <li>• SIHNV will continue to dispute any claim made by Upington, or on behalf of Upington, or the Upington Margin Lenders, Conservatorium or their legal successors or any assignee of Upington or the Upington Margin Lenders or Conservatorium, against SIHPL, SIHNV or any other member of the Steinhoff Group for any costs or damages associated with the financing of the acquisition of the 314,000,000 SIHNV shares (“<b>Upington Lender Claim</b>”).</li> <li>• SIHNV will reserve a recovery amount (applying the same recovery rate as applied to the MPCs) in respect of a portion of the Upington Lender Claim as determined by SIHNV, pending the consensual settlement, or the final unappealable determination, of the Upington Lender Claim.</li> <li>• Titan, on behalf of Upington, and/or Conservatorium and/or any other Upington Margin Lenders (if entitled), will be required to waive Upington’s claim against SIHNV for EUR 2,044,433.00 in underwriting commissions associated with the subscription for 314,000,000 SIHNV shares.</li> <li>• On the Settlement Effective Date, the written undertaking provided by SIHPL to Tinus Slabber &amp; Associates, Attorneys dated 15 August 2019 shall terminate and SIHPL shall be unconditionally and irrevocably released from such undertaking.</li> </ul>
Contractual Claim settlement: PIC/Lancaster 101	<ul style="list-style-type: none"> <li>• Lancaster 101 will be entitled to a Contractual Claim in respect of 51,526,717 SIHNV shares issued to Lancaster 101 for a transaction value of ZAR 75.98 per share (the “<b>Lancaster 101 Claim</b>”).</li> </ul>

Item	Terms
	<ul style="list-style-type: none"> <li>• The PIC, on behalf of the GEPF, will be entitled to submit a Contractual Claim in respect of 8,473,283 SIHNV shares issued to the GEPF for an original transaction value of ZAR 75.98 per share (the “<b>PIC/GEPF Claim</b>”).</li> <li>• SIHNV will settle the Lancaster 101 Claim in full and final settlement for a minimum nominal amount equivalent to EUR 13m (applying the same recovery rate as applied to the MPCs).</li> <li>• SIHNV will settle the PIC/GEPF Claim in full and final settlement for a minimum nominal amount equivalent to EUR 2m (applying the same recovery rate as applied to the MPCs).</li> <li>• SIHNV will settle the Lancaster 101 Claim and the PIC/GEPF Claim in full and final settlement of all claims by Lancaster 101 and the GEPF applying the same recovery rate as the MPCs.</li> <li>• The settlement consideration will be payable 50 per cent in cash and 50 per cent in PPH shares on or after the Settlement Effective Date at a deemed price per share of ZAR 15, subject to SIHNV’s right, at its option, to settle the settlement consideration in a greater proportion or the full amount in cash and in accordance with the settlement terms. Lancaster 101 and the PIC, on behalf of the GEPF, will not be subject to any lock up agreement or terms in respect of those PPH shares leaving those claimants free to sell (or to hold) PPH shares following the Settlement Effective Date.</li> </ul>
Lancaster 102	<ul style="list-style-type: none"> <li>• As part of the global settlement, SAHPL and the Lancaster Related Parties agree to unwind the legacy arrangements that were put in place as part of the proposed Shoprite transaction in H2 2017 and to settle for no additional consideration the SAHPL-Lancaster 102-Thibault transaction on or before the Settlement Effective Date as follows: <ul style="list-style-type: none"> <li>– Lancaster 102 will acknowledge that the SAHPL preference shares were wholly invalid <i>ab initio</i> and the Lancaster Related Parties will release and waive any and all claims against SAHPL; and</li> <li>– SAHPL will return the 1,000 Lancaster 102 preference shares to Lancaster 102 and will release and waive all claims against Lancaster 102 in respect of this matter.</li> </ul> </li> <li>• Thibault and Titan (as shareholder of Thibault), SAHPL and the Lancaster Related Parties will agree to release and waive any and all claims they may have against each other in respect of, and/or result from, the SAHPL-Lancaster 102-Thibault transaction and any and all security furnished pursuant to the transaction will be cancelled.</li> </ul>
Contractual claim settlement: The	<ul style="list-style-type: none"> <li>• To the extent the Tekkie Town Claimants are found not to have an “<i>in rem</i>” claim against SIHNV, or at the election of the Tekkie Town Claimants, the Tekkie Town Claimants will be entitled to a contractual claim in respect of the 25,060,021 SIHNV</li> </ul>

Item	Terms
Tekkie Town Claimants	<p>shares issued to the Tekkie Town Claimants, in exchange for shares in Tekkie Town (Proprietary) Limited, with an original transaction value of ZAR 75.75 per share (the “<b>Tekkie Town Claim</b>”).</p> <ul style="list-style-type: none"> <li>• SIHNV will settle the Tekkie Town Claim in full and final settlement of all claims by the Tekkie Town Claimants for a minimum nominal amount equivalent to EUR 6m (applying the same recovery rate as the MPCs).</li> <li>• The settlement consideration will be payable 50 per cent in cash and 50 per cent in PPH shares on or after the Settlement Effective Date at a deemed price per share of ZAR 15, subject to SIHNV’s right, at its option, to settle the settlement consideration in a greater proportion or the full amount in cash and in accordance with the settlement terms. The Tekkie Town Claimants will not be subject to any lock up agreement or terms in respect of those PPH shares leaving those claimants free to sell (or to hold) PPH shares following the Settlement Effective Date.</li> </ul>
Upington Margin Lender Tort/Delictual Claims	<ul style="list-style-type: none"> <li>• As referenced above, SIHNV will continue to dispute any and all claims made by Conservatorium or any of the Upington Margin Lenders or their respective legal successors (as applicable) against SIHNV or any other member of the Steinhoff Group arising out of the Upington Lender Claim and any other claim relating to the financing of Upington acquiring 314,000,000 SIHNV shares.</li> </ul>
Disputed claims	<ul style="list-style-type: none"> <li>• To the extent any claims are asserted which are disputed by SIHNV, those claims will be proposed by SIHNV to count for voting purposes in a provisional nominal value of EUR 1.00.</li> <li>• Following implementation of the settlement, any disputed claims will be subject to the ordinary course litigation process or the dispute resolution process set out by SIHNV in the settlement documentation, unless an alternative dispute resolution process is agreed by SIHNV and such disputed claimant.</li> <li>• In respect of any disputes as to the legal ownership, value or amount of a claim against SIHNV, the SRF will wait for the final unappealable determination of any such dispute, or its consensual resolution, before paying any compensation to the owner of the claim. The SRF will consider paying any compensation attributable to a claim in which ownership is disputed into escrow or other arrangements subject to terms acceptable to the SRF.</li> <li>• To the extent a claim, or part of a claim, is disputed by SIHNV, a recovery in respect of the disputed claim will be reserved to the extent considered appropriate by SIHNV. The amount of the reserve will be proposed by SIHNV.</li> </ul>

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SIHNV CPU Creditors (including Hemisphere CPU): Consents & Amendments	<ul style="list-style-type: none"> <li>• The SIHNV CPU Creditors (as applicable) will be requested to consent (and to waive all and any related restrictions or requirements) to the proposed Steinhoff settlement set out in this Term Sheet and the transactions, payments and the agreements, formal implementation processes contemplated by them as being a permitted global settlement pursuant to:               <ul style="list-style-type: none"> <li>– the Umbrella Agreement entered into between SIHNV, Lucid Agency Services Limited (as Umbrella Agent) dated 12 August 2019 and certain other agents (the “<b>Umbrella Agreement</b>”);</li> <li>– the (2021/2022 Convertible Bonds) Contingent Payment Undertaking created by SIHNV in favour of Global Loan Agency Services Limited dated 12 August 2019 (the “<b>21/22 CPU</b>”);</li> <li>– the (2023 Convertible Bonds) Contingent Payment Undertaking created by SIHNV in favour of Global Loan Agency Services Limited dated 12 August 2019 (the “<b>23 CPU</b>”);</li> <li>– the (SEAG) Contingent Payment Undertaking created by SIHNV in favour of Lucid Trustee Services Limited and Lucid Agency Services Limited dated 12 August 2019 (the “<b>SEAG CPU</b>”);</li> <li>– the Contingent Payment Undertaking created by SIHNV in favour of Lucid Agency Services Limited dated 5 September 2018 (the “<b>Hemisphere CPU</b>”);</li> <li>– the SEAG First Lien Facility Agreement between, among others, Steenbok Lux Finco 2 Sarl as borrower, Lucid Agency Services Limited as agent and Lucid Trustee Services Limited as security agent dated 12 August 2019 (the “<b>SEAG First Lien Facility</b>”);</li> <li>– the SEAG Second Lien Facility Agreement between, among others, Steenbok Lux Finco 2 Sarl as borrower, Lucid Agency Services Limited as agent and Lucid Trustee Services Limited as security agent dated 12 August 2019 (the “<b>SEAG Second Lien Facility</b>”);</li> <li>– the SEAG Intercreditor Agreement between, among others, Steenbok Lux Finco 2 Sarl, Lucid Agency Services Limited and Lucid Trustee Services Limited dated 12 August 2019 (the “<b>SEAG ICA</b>”);</li> <li>– the SFH 21/22 Facility Agreement between, among others, Steenbok Lux Finco 1 Sarl as borrower, Global Loan Agency Services Limited as agent and GLAS Trust Corporation Limited as security agent dated 12 August 2019 (the “<b>SFH 21/22 Facility</b>”);</li> </ul> </li> </ul>

Item	Terms
	<ul style="list-style-type: none"> <li data-bbox="562 277 2011 379">– the SFH 23 Facility Agreement between, among others, Steenbok Lux Finco 1 Sarl as borrower, Global Loan Agency Services Limited as agent and GLAS Trust Corporation Limited as security agent dated 12 August 2019 (the “<b>SFH 23 Facility</b>”);</li> <li data-bbox="562 408 2011 475">– the SFH Intercreditor Agreement between, among others, Steenbok Lux Finco 1 Sarl, Global Loan Agency Services Limited and GLAS Trust Corporation Limited dated 12 August 2019 (the “<b>SFH ICA</b>”); and</li> <li data-bbox="562 504 2011 603">– the Hemisphere Facility Agreement between, among others, Hemisphere International Properties B.V. (“<b>Hemisphere</b>”) as borrower, Lucid Agency Services Limited as agent and Lucid Trustee Services Limited as security agent dated 5 September 2018 (the “<b>Hemisphere Facility</b>”),</li> </ul> <p data-bbox="562 632 2011 699">the SEAG First Lien Facility, the SEAG Second Lien Facility, the SEAG ICA, the SFH 21/22 Facility, the SFH 23 Facility, the SFH ICA, and the Hemisphere Facility being together, the “<b>Underlying Finance Documents</b>”.</p> <ul style="list-style-type: none"> <li data-bbox="472 718 2011 785">• The SIHNV CPU Creditors will be requested to approve the proposed payment to the Hemisphere CPU as set out below without requiring an equivalent payment to be made to the other SIHNV (or SIHPL) CPU creditors.</li> <li data-bbox="472 804 2011 941">• CPU Amendments: SIHNV will request consent under the SIHNV CPUs to amend the 21/22 CPU, 23 CPU, SEAG CPU and the Hemisphere CPU and the Underlying Finance Documents to extend the “Maturity Date” under each SIHNV CPU and the final repayment date (however described) in the Underlying Finance Documents to 30 June 2023, with the ability of SIHNV to seek a further 6 months’ extension on the approval of 50 per cent by value of the total SIHNV CPU Creditors.</li> <li data-bbox="472 960 2011 1062">• Umbrella Agreement Amendments: Following occurrence of the Settlement Effective Date, the requirements for and provisions relating to the Litigation Working Group will cease to have effect with the ongoing management of litigation and disputes being left to the applicable Steinhoff Boards.</li> <li data-bbox="472 1082 2011 1316">• The SIHNV CPU Creditors will release and waive: <ul style="list-style-type: none"> <li data-bbox="613 1129 2011 1232">a. any and all actual or potential direct and indirect tort/delictual and other non-Contractual Claims they may have against SIHNV, SIHPL or any other member of the Steinhoff Group in respect of all matters relating (directly or indirectly) to the pre-December 2017 legacy accounting issues;</li> <li data-bbox="613 1251 2011 1316">b. any and all actual or potential claims against Steinhoff directors or officers, or auditors and/or any external valuation professional and/or any third parties that undertook a materially similar role on behalf of a Steinhoff Group company,</li> </ul> </li> </ul>

Item	Terms
	<p>in respect of all matters relating (directly or indirectly) to the pre-December 2017 legacy accounting issues and will not require that SIHNV or any members of the Group pursue such claims against those parties; and</p> <p>c. any and all actual or potential direct or indirect claims against directors, officers and advisers in relation to post-December 2017 announcements matters save for fraud and gross misconduct; provided that</p> <p>d. the releases and waivers of non-Contractual Claims or any indirect tort/delictual claims referred to in (a) above shall not extend to any SIHNV CPU Creditors who are Upington Margin Lenders in respect of any ongoing and disputed Upington Lender Claim or ownership dispute in respect of a Contractual Claim.</p> <ul style="list-style-type: none"> <li>• In exchange for the consents, extensions, releases and waivers, with effect from the Settlement Effective Date SIHNV will offer to the SIHNV CPU Creditors first ranking security over its shares in Steinhoff Investment Holdings Limited (“<b>SIHL</b>”) and any loan claim payable by SIHL to SIHNV, subject to arrangements to maintain the entitlements to settlement consideration in respect of any Non-Qualifying Claims which are determined by a relevant court or agreed by SIHNV to be payable by SIHNV.</li> <li>• In addition, SIHNV proposes the following additional governance provisions: <ul style="list-style-type: none"> <li>a. with effect from the Settlement Effective Date, one of either David Pauker or Paul Copley (both current Supervisory Board members and members of the Litigation Working Group) will be appointed by Steinhoff as a non-executive director of SIHL (which will comprise a total of 4 non-executive directors and 2 executive directors) and one of Paul Copley or David Pauker will be appointed by Steinhoff as a non-executive director to the Board of SAHPL (which following the appointment will comprise a total of 2 executive directors and one non-executive director);</li> <li>b. provided that the Settlement Effective Date has occurred, with effective from 1 January 2022, Steinhoff will appoint to the Board of SAHPL one additional non-executive director in place of an existing executive director either Paul Copley, David Pauker or, if nominated by the Relevant Creditors (see below), the “<b>Independent Nominee</b>”;</li> <li>c. if Paul Copley and David Pauker are for whatever reason not available or cease to be able to take any initial appointment described in (a) above, the procedure set out in (d) below will apply to identify their replacement (“<b>Replacement Nominee</b>”). The same process will apply to identify the Independent Nominee for the purpose of (b) above;</li> <li>d. a Replacement Nominee or an Independent Nominee will be appointed from a list of not less than 3 of eligible candidate nominees approved by “Relevant Creditors”. “<b>Relevant Creditors</b>” for this purpose means, until the date on which the intercompany loans between SIHPL (as lender) and SAHPL and SIHL (each as borrowers) are repaid</li> </ul> </li> </ul>

Item	Terms
	<p>in full, the 4 largest creditors by commitments in LuxFinco 1, and thereafter creditors representing more than 50 per cent in total commitments under all SIHNV CPUs. Eligibility criteria will be set by Steinhoff (in accordance with its nomination procedures) in consultation with the Relevant Creditors; and</p> <p>e. these governance arrangements will be supported by an undertaking not to increase the overall number of directors on the SIHL and SAHPL Boards and that non-compliance with these governance arrangements will be an event of default under the SIHNV CPUs.</p>
Hemisphere CPU Payments and Amendments	<ul style="list-style-type: none"> <li>• Under the Hemisphere CPU, based on the proposed global settlement by SIHNV set out in this Settlement Term Sheet, the Hemisphere lenders are entitled to a payment of EUR 40m.</li> <li>• Each of the 21/22 CPU, 23 CPU and SEAG CPU include an equivalent provision. SIHNV will request that these provisions will be waived to allow SIHNV to make the payment under the Hemisphere CPU without an equivalent payment being made under the other SIHNV CPUs.</li> <li>• The Hemisphere payment will be payable 50 per cent in cash and 50 per cent in PPH shares on or after the Settlement Effective Date at a deemed price per share of ZAR 15.</li> <li>• In consideration for the payment, the Hemisphere lenders will be required to accede to the Umbrella Agreement and to approve amendments to the Hemisphere CPU to conform the Hemisphere CPU to the other SIHNV CPUs, including the extension to the “Maturity Date” and the final repayment date (however described) in the Hemisphere Facility in exchange for the settlement payment.</li> </ul>
IGC Settlement: Intra-Group waiver and support	<ul style="list-style-type: none"> <li>• The IGCs will waive any and all tort/delictual claims and other non-Contractual Claims they may have against SIHNV, SIHPL or any other member of the Steinhoff Group.</li> <li>• The IGCs agree to consent to the proposed SIHNV settlement (and the SIHPL settlement) and the transactions and payments contemplated by them.</li> <li>• The IGCs will be requested to extend the maturities under the intercompanies to be consistent with the extension to the 21/22 CPU, 23 CPU, SEAG CPU and Hemisphere CPU and, if owned by an IGC as at the Settlement Effective Date, will share pari passu in the first ranking security also granted in favour of the SIHNV CPU Creditors with effect from the Settlement Effective Date.</li> </ul>

Item	Terms
Contingent Assets	<ul style="list-style-type: none"> <li>• The settlement consideration provided by the Steinhoff Group will be independent of any recoveries made by claimants from third parties. Any such recoveries will be incremental to the Steinhoff settlement consideration.</li> </ul>
Release of claims against Steinhoff & others: post-December 2017	<ul style="list-style-type: none"> <li>• From the Settlement Effective Date, the Participants (together the “<b>Releasing Parties</b>” and each a “<b>Releasing Party</b>”) will provide a full, final and irrevocable release of any and all claims they have or assert (or in the future may have or assert) against SIHNV, SIHPL and all other subsidiaries of the Steinhoff Group, and any advisers to, and directors and officers of, the Steinhoff Group arising after the December 2017 announcements including, but not limited to: <ul style="list-style-type: none"> <li>– in relation to the 2019 financial restructuring; and</li> <li>– in relation to the negotiation and implementation of a global settlement by SIHPL and SIHNV.</li> </ul> </li> <li>• For the avoidance of doubt, the waiver set out above is not intended in any way to waive the contractual debt claims the SIHNV CPU Creditors have against SIHNV or any member of the Steinhoff Group.</li> </ul>
Steinhoff protection from counterclaims etc.	<ul style="list-style-type: none"> <li>• Each Releasing Party undertakes: <ul style="list-style-type: none"> <li>– prior to bringing a claim of any nature against a third party in respect of the events leading to the announcements in December 2017, to inform SIHNV of its intention to pursue such a claim; and</li> <li>– that it will use best endeavours to minimise any loss to Steinhoff and co-operate in all respects to allow Steinhoff to minimise any losses or costs arising out of such claim.</li> </ul> </li> </ul>
Implementation & Timetable	<ul style="list-style-type: none"> <li>• The competing stakeholder interests, the financial position of Steinhoff and the complex multi-jurisdictional nature of the litigation make implementation of the proposed settlement uniquely challenging. SIHNV has therefore been considering a number of options to achieve the necessary certainty and finality required by SIHNV and stakeholders.</li> <li>• One of the options currently available to Steinhoff is to implement the global settlement by an inter-conditional composition plan which will be submitted in draft form (<i>ontwerp van akkoord</i>) immediately with the filing of the request for a Suspension of Payments (<i>surseance van betaling</i>) procedure in the Netherlands by SIHNV and a pre-prepared compromise plan pursuant to section 155 of the Companies Act 71 of 2008 in South Africa by SIHPL, in addition to any UK scheme of arrangement in respect of any of the CPUs and/or Underlying Finance Documents.</li> </ul>



Item	Terms
	<ul style="list-style-type: none"> <li>SIHNV and SIHPL continue to consider whether there may be appropriate settlement mechanisms to supplement and/or replace such implementation procedures. SIHNV is seeking to implement the proposed transaction with the objective of making first distributions of the settlement consideration in Q1 2021.</li> </ul>
Sources and Uses of Funding	<ul style="list-style-type: none"> <li>The MPC Claimants will be paid in accordance with the terms of the final settlement documentation and following the claim verification process with final payments after the bar date.</li> <li>The SIHNV Contractual Claimants with accepted and agreed claims will be paid and delivered the settlement consideration shortly following the Settlement Effective Date in accordance with the terms of the final settlement documentation.</li> <li>SIHNV will pay the cash portion of the settlement amount in ZAR to the extent this is consistent with the denomination of the Participant's underlying transaction and in euros to the extent this is consistent with the denomination of the Participant's underlying transaction.</li> <li>The funding arrangements contemplated in respect of the settlement consideration will be subject to regulatory approval, including the requisite approval of the South African Reserve Bank.</li> </ul>

**Part 2 - SIHPL: Summary of Proposed Settlement and Distribution Plan**  
**(“SIHPL Summary”)**

Item	Terms
SIHPL Settlement Overview	<p>This SIHPL Summary sets out the proposed settlement terms for SIHPL. The principal creditors of SIHPL are: SIHPL MPC Claimants, SIHPL Contractual Claimants and the SIHPL CPU Creditors (each as defined below).</p> <p>Note: estimated nominal settlement amounts referred to in this Settlement Term Sheet are rounded to the nearest million.</p>
Participants	<ol style="list-style-type: none"> <li>(1) SIHPL;</li> <li>(2) Steinhoff Africa Holdings (Proprietary) Limited (“<b>SAHPL</b>”);</li> <li>(3) Steinhoff Investment Holdings Limited (“<b>SIHL</b>”);</li> <li>(4) claimants with valid market purchase claims (“<b>MPCs</b>”) in respect of SIHPL (“<b>SIHPL MPC Claimants</b>”);</li> <li>(5) Thibault Square Financial Services (Proprietary) Limited (“<b>Thibault</b>”), Titan Premier Investment Proprietary Limited (“<b>Titan</b>”) and Wiesfam Trust (Proprietary) Limited (“<b>Wiesfam</b>”) (together the “<b>Titan Claimants</b>”);</li> <li>(6) Charl André Cronjé, Jacobus Hauptfleisch du Toit, Annamie Hansen, Leon Marius Lourens, Estelle Ann Morkel, Jacobus Francois Pienaar, Johan Samuel Van Rooyen and Johan Daniël Wasserfall (together “<b>Cronje and Others</b>”);</li> <li>(7) Business Venture Investments No 1499 (RF) (Proprietary) Limited (“<b>BVI</b>”);</li> <li>(8) Enrico De Villiers Greyling (“<b>Greyling</b>”);</li> <li>(9) Gerrit Thomas Ferreira and Gerrit Thomas Ferreira, N.O., Geralt Simon Fortuin, N.O. and Sharon Geraldine October N.O. as trustees of the Tokara BEE Trust and the Tokara Employees Trust (together the “<b>GT Ferreira Claimants</b>”);</li> <li>(10) Jacob de Vos du Toit N.O., Theo Werner Biesenbach N.O. and Magda de Wet N.O. as trustees of the Le Toit Trust (together “<b>Le Toit Trust</b>”);</li> <li>(11) Trevo Capital Limited (“<b>Trevo</b>”); and</li> </ol>

Item	Terms
	<p>(12) the financial creditors of SIHPL pursuant to the Contingent Payment Undertaking created by SIHPL in favour of Global Loan Agency Services Limited dated 12 August 2019 (the “<b>SIHPL CPU</b>”), (the “<b>SIHPL CPU Creditors</b>”), each a “<b>Participant</b>” and together the “<b>Participants</b>”.</p> <p>The Titan Claimants, Cronje and Others, BVI, Greyling, GT Ferreira and the Le Toit Trust are together the “<b>SIHPL Contractual Claimants</b>”.</p> <p>For the purposes of this SIHPL Summary:</p> <p>“<b>Settlement Effective Date</b>” means the date on which the settlement becomes effective in accordance with its terms.</p>
Settlement of SIHPL MPCs	<ul style="list-style-type: none"> <li>• The MPCs against SIHPL will be settled as part of the global settlement terms and the compensation available under the proposed implementation process(es) will be funded from sources other than SIHPL. As part of the settlement arrangements and in consideration of SIHNV settling the SIHPL MPC claims, SIHPL will issue a loan note in favour of SIHNV as described below.</li> <li>• SIHPL MPCs will be subject to substantially the same verification process as will be set out in the SRF and claims administration conditions.</li> </ul>
SIHPL: Rescissionary Contractual Claim valuation	<ul style="list-style-type: none"> <li>• Rescissionary Contractual Claims will be valued using the following methodology: Nominal Amount less the Floor Amount.</li> <li>• The claims of Thibault, Wiesfam, Greyling, GT Ferreira and the Le Toit Trust will be valued using this methodology.</li> <li>• For the purposes of this valuation: <ul style="list-style-type: none"> <li>– “<b>Floor Amount</b>” means the applicable Floor Price multiplied by the number of Relevant Shares held at the Holding Time;</li> <li>– “<b>Floor Price</b>” means: <ul style="list-style-type: none"> <li>• for the shares held on the Johannesburg Stock Exchange, ZAR 2.43, being the SIHNV VWAP for the SIHNV shares listed on the Johannesburg Stock Exchange for the 30 days starting on the first trading day post the Publication Date; and</li> </ul> </li> </ul> </li> </ul>

Item	Terms
	<ul style="list-style-type: none"> <li>• for the shares held on the Frankfurt Stock Exchange, EUR 0.157, being the SIHNV VWAP for the SIHNV shares listed on the Frankfurt Stock Exchange for the 30 days starting on the first trading day post the Publication Date;</li> <li>– <b>“Holding Time”</b> means the moment of the end of trading on the Johannesburg Stock Exchange or Frankfurt Stock Exchange (as applicable) on 5 December 2017;</li> <li>– <b>“Nominal Amount”</b> means the aggregate amount of the Transaction Amount, less: <ul style="list-style-type: none"> <li>• the value of any cash dividends received prior to the Holding Time; and</li> <li>• the value received from all sales of any Relevant Shares prior to the Holding Time.</li> </ul> </li> <li>– <b>“Original Shares”</b> means the SIHPL shares originally subscribed for or received as part of an exchange with Steinhoff (including to the extent those SIHPL shares were exchanged for SIHNV shares as part of the 2015 scheme of arrangement);</li> <li>– <b>“Publication Date”</b> means 29 June 2018, being the date on which SIHNV’s 2018 half-year results for the 2018 financial year were released; and</li> <li>– <b>“Relevant Shares”</b> means: the SIHPL shares originally subscribed for or received as part of an exchange with Steinhoff (including to the extent those SIHPL shares were exchanged for SIHNV shares as part of the 2015 scheme of arrangement) and any dividends which the claimant elected to receive as either SIHPL or SIHNV shares <i>in lieu</i> of cash; and</li> <li>– <b>“Transaction Amount”</b> means the Original Shares multiplied by the transaction price attributed to those shares (as specified in this SIHPL Summary below).</li> </ul>
SIHPL: Contractual damages/ Contractual Claim valuation	<ul style="list-style-type: none"> <li>• Delictual damages claims in respect of Contractual Claims will be valued using the following methodology: Implied Claim <i>less</i> Benefits.</li> <li>• The claims of BVI and Cronje and Others will be valued using this valuation methodology.</li> <li>• For the purposes of this valuation:</li> </ul>

Item	Terms
	<ul style="list-style-type: none"> <li data-bbox="611 276 2011 576"> <p>– <b>“Benefits”</b> means:</p> <ul style="list-style-type: none"> <li data-bbox="703 331 1637 363">• the value of any cash dividends received prior to the Holding Time; <i>plus</i></li> <li data-bbox="703 389 2011 456">• the number of shares the claimant elected to receive as either SIHPL or SIHNV shares in lieu of a cash dividend multiplied by the Floor Price; <i>plus</i></li> <li data-bbox="703 481 1659 513">• the proceeds from the sale of any shares prior to the Holding Time; <i>minus</i></li> <li data-bbox="703 539 1742 571">• the number of shares sold prior to the Holding Time multiplied by the Floor Price;</li> </ul> </li> <li data-bbox="611 601 2011 901"> <p>– <b>“Floor Price”</b> means:</p> <ul style="list-style-type: none"> <li data-bbox="703 657 2011 762">• for the shares held on the Johannesburg Stock Exchange, ZAR 2.43, being the SIHNV VWAP for the SIHNV shares listed on the Johannesburg Stock Exchange for the 30 days starting on the first trading day post the Publication Date; and</li> <li data-bbox="703 788 2011 893">• for the shares held on the Frankfurt Stock Exchange, EUR 0.157, being the SIHNV VWAP for the SIHNV shares listed on the Frankfurt Stock Exchange for the 30 days starting on the first trading day post the Publication Date;</li> </ul> </li> <li data-bbox="611 922 2011 989"> <p>– <b>“Holding Time”</b> means the moment of the end of trading on the Johannesburg Stock Exchange or Frankfurt Stock Exchange (as applicable) on 5 December 2017;</p> </li> <li data-bbox="611 1016 1928 1048"> <p>– <b>“Implied Claim”</b> means: the Transaction Amount <i>less</i> (the Floor Price multiplied by the Original Shares);</p> </li> <li data-bbox="611 1075 2011 1181"> <p>– <b>“Original Shares”</b> means the SIHPL shares originally subscribed for or received as part of an exchange with Steinhoff (including to the extent those SIHPL shares were exchanged for SIHNV shares as part of the 2015 scheme of arrangement);</p> </li> <li data-bbox="611 1208 2011 1276"> <p>– <b>“Publication Date”</b> means 29 June 2018, being the date on which SIHNV’s 2018 half-year results for the 2018 financial year were released; and</p> </li> </ul>

Item	Terms
	<ul style="list-style-type: none"> <li>– <b>“Transaction Amount”</b> means the Original Shares multiplied by the transaction price attributed to those shares (as specified in this SIHPL Summary below).</li> </ul>
Titan Claimants Settlement and Related Arrangements	<ul style="list-style-type: none"> <li>• Thibault will have the following claims recognised against SIHPL: <ul style="list-style-type: none"> <li>– a Contractual Claim in respect of the 609,145,624 SIHPL shares issued to Thibault at an original transaction price of ZAR 57.00 per share (<b>“Thibault Contractual Claim”</b>); and</li> <li>– a MPC in respect of the 2,019,800 SIHPL shares it purchased at an original transaction value of ZAR 80.07 per share.</li> </ul> </li> <li>• Wiesfam will have the following claims recognised against SIHPL: <ul style="list-style-type: none"> <li>– a Contractual Claim in respect of the 29,718,557 SIHPL shares issued to Wiesfam at an original transaction value of ZAR 22.74 per share; and</li> <li>– a MPC in respect of the 3,990,300 SIHPL shares it purchased at an original transaction value of ZAR 50.18 per share.</li> </ul> </li> <li>• Titan will have the following claims recognised: <ul style="list-style-type: none"> <li>– a MPC in respect of the 100,000 SIHNV shares it purchased at an original transaction value of ZAR 75.64 per share;</li> <li>– a MPC in respect of the 50,000 SIHNV shares it purchased at an original transaction value of ZAR 75.39 per share; and</li> <li>– a MPC in respect of the 2,000,000 SIHNV shares it purchased at an original transaction value of ZAR 62.34 per share,</li> </ul> <p>the Thibault, Wiesfam and Titan claims being together, the <b>“Titan Claims”</b>.</p> </li> <li>• The total pleaded Titan Claims (excluding MPCs) equals approximately ZAR 38,152mas at 5 December 2017.</li> <li>• In respect of the Titan Claims, SIHPL will agree as follows: <ul style="list-style-type: none"> <li>– On or after the Settlement Effective Date, SIHPL will pay, or procure the payment, of ZAR 7,904m to (the South African resident entity) Titan in full and final settlement of all of the Titan Claims and any other claims that any</li> </ul> </li> </ul>

Item	Terms
	<p>Titan Claimants or any of their affiliates have against any member of the Steinhoff Group (other than in respect of the Upington 1 Claim, as defined in the SIHNV Summary) except for the Titan Excluded Claims.</p> <ul style="list-style-type: none"> <li>- The settlement consideration will be payable 50 per cent in cash and 50 per cent in PPH shares on the Settlement Effective Date at a deemed price per share of ZAR 15 subject, at SIHNV and SIHPL's option, to settle the settlement consideration in a greater proportion, or the full amount, in cash. The PPH shares issued to Titan Claimants will be subject to a 180-day lock up condition.</li> <li>- The Titan Claims which are SIHNV MPCs or SIHPL MPCs will be settled for nil value.</li> </ul> <ul style="list-style-type: none"> <li>• <b>Acquisition by SIHPL of the Titan Loan:</b> <ul style="list-style-type: none"> <li>- Subsequent to the aborted Shoprite transaction following the events of December 2017, a settlement was concluded in early 2018, pursuant to which Titan owed Steinhoff Finance Holding GmbH ("<b>SFHG</b>") an amount of EUR 200m plus interest ("<b>Titan Loan</b>"). In accordance with the 2019 financial restructuring arrangements, the Titan Loan was transferred from SFHG to Newco 2A.</li> <li>- Immediately prior to, or immediately following, the purchase of the Titan Loan, the Titan Loan will be amended to include the following terms: <ul style="list-style-type: none"> <li>• ZAR 3.4 billion principal outstanding;</li> <li>• coupon payable of 5.04 per cent PIK per annum;</li> <li>• repayment date of 5 years plus one day from the Settlement Effective Date and voluntarily repayable without penalty at any time; and</li> <li>• secured in favour of SIHPL on terms satisfactory to SIHPL.</li> </ul> </li> <li>- Conditional upon and subject to the occurrence of the Settlement Effective Date, SIHPL will acquire the Titan Loan from Newco 2A for an amount to be determined subject to an agreed mechanism linked to the prevailing EUR-ZAR exchange rate upon Settlement Effective Date. Payment of the consideration will be deferred resulting in an amount owed by SIHPL to Newco 2A ("<b>Newco 2A Loan Note</b>"), including the following terms:</li> </ul> </li> </ul>

Item	Terms
	<ul style="list-style-type: none"> <li>• zero coupon;</li> <li>• repayment date: final maturity date of 6 months after the date of the Titan Loan final maturity;</li> <li>• quarterly cash sweep at SIHPL and across the South African sub-group;</li> <li>• first ranking security over SIHPL’s assets, subject to arrangements in respect of Non-Qualifying Claims finally determined or agreed by SIHPL; and</li> <li>• limited recourse to the available assets of SIHPL and a solvent winding up of SIHPL.</li> </ul> <p>• <b>“Titan Excluded Claims”</b> means the claims against the Steinhoff Group or third parties, as mutually agreed between Steinhoff and Titan in writing.</p>
Cronje and Others	<ul style="list-style-type: none"> <li>• Cronje and Others will be entitled to a Contractual Claim in respect of the 8,174,080 shares issued to Cronje and Others with an original transaction value of ZAR 57.00 per share (the <b>“Cronje and Others Claims”</b>). <b>“Retired PPH Managers”</b> shall mean Mr Jacobus H Du Toit and Mr Jacobus F Pienaar. <b>“Non-Retired PPH Managers”</b> shall mean the Cronje and Others claimants other than the Retired PPH Managers.</li> <li>• SIHPL will settle the Cronje and Others Claims in full and final settlement of all claims by Cronje and Others and their affiliates against the Steinhoff Group for a nominal amount equivalent to ZAR 159m.</li> <li>• In respect of the Non-Retired PPH Managers, the settlement consideration will be payable 100 per cent in PPH shares on or after the Settlement Effective Date at a deemed price per share of ZAR 13.5. The PPH shares so issued will be subject to a three-year lock up condition.</li> <li>• The Retired PPH Managers will have the option to elect the settlement consideration to be paid in accordance with the offer to the Non-Retired PPH Managers as specified above, or the settlement consideration to be paid 50 per cent in cash and 50 per cent in PPH shares on or after the Settlement Effective Date at a deemed price per share of ZAR 15. In the event that a Retired PPH Manager elects the latter option, the PPH shares issued to that Retired PPH Manager will be subject to a 180-day lock up condition.</li> <li>• In each case the offer of shares is subject to SIHPL’s right, at its option, to settle the settlement consideration in a greater proportion, or the full amount, in cash.</li> </ul>



Item	Terms
BVI	<ul style="list-style-type: none"> <li>• BVI will be entitled to a Contractual Claim in respect of the 51,703,157 shares issued to BVI with an original transaction value of ZAR 57.00 per share (the “<b>BVI Claim</b>”).</li> <li>• SIHPL will settle the BVI Claim in full and final settlement of all claims by BVI and its affiliates against the Steinhoff Group for a nominal amount equivalent to ZAR 643m.</li> <li>• The settlement consideration will be payable 100 per cent in PPH shares on or after the Settlement Effective Date at a deemed price per share of ZAR 13.5 subject to SIHPL’s right, at its option, to settle the settlement consideration in a greater proportion, or the full amount, in cash. The PPH shares issued to BVI will be subject to a three-year lock up condition.</li> </ul>
Greyling	<ul style="list-style-type: none"> <li>• Greyling will be entitled to a Contractual Claim in respect of the 1,325,000 shares issued to Greyling with an original transaction value of ZAR 74.03 per share (“<b>Greyling Claim</b>”).</li> <li>• SIHPL will settle the Greyling Claim in full and final settlement of all claims by Greyling and his affiliates against the Steinhoff Group for a nominal amount equivalent to ZAR 34m.</li> <li>• The settlement consideration will be payable 50 per cent in cash and 50 per cent in PPH shares on or after the Settlement Effective Date at a deemed price per share of ZAR 15 subject to SIHPL’s right, at its option, to settle the settlement consideration in a greater proportion, or the full amount, in cash. The PPH shares issued to Greyling will be subject to a 180-day lock up condition.</li> </ul>
GT Ferreira	<ul style="list-style-type: none"> <li>• The GT Ferreira Claimants will be entitled to Contractual Claims in respect of the 15,811,729 shares issued to the GT Ferreira Claimants with an original transaction value of ZAR 74.03 per share (“<b>GT Ferreira Claims</b>”).</li> <li>• SIHPL will settle the GT Ferreira Claims in full and final settlement of all claims by the GT Ferreira Claimants and their affiliates against the Steinhoff Group for a nominal amount equivalent to ZAR 421m.</li> <li>• The settlement consideration will be payable 50 per cent in cash and 50 per cent in PPH shares on or after the Settlement Effective Date at a deemed price per share of ZAR 15 subject to SIHPL’s right, at its option, to settle the settlement consideration in a greater proportion, or the full amount, in cash. The PPH shares issued to the GT Ferreira Claimants will be subject to a 180-day lock up condition.</li> </ul>

Item	Terms
Le Toit Trust	<ul style="list-style-type: none"> <li>• Subject to SIHPL being provided with satisfactory evidence that the Le Toit Trust held the full benefit of such shares as at 5 December 2017, the Le Toit Trust will be entitled to a Contractual Claim in respect of the 10,176,000 shares issued to the Le Toit Trust with an original transaction value of ZAR 74.03 per share (“<b>Le Toit Claim</b>”).</li> <li>• SIHPL will settle the Le Toit Claim in full and final settlement of all claims by the Le Toit Trust and its affiliates against the Steinhoff Group for a nominal amount equivalent to ZAR 227m.</li> <li>• The settlement consideration will be payable 50 per cent in cash and 50 per cent in PPH shares on or after the Settlement Effective Date at a deemed price per share of ZAR 15 subject to SIHPL’s right, at its option, to settle the settlement consideration in a greater proportion, or the full amount, in cash. The PPH shares issued to the Le Toit Trust will be subject to a 180-day lock up condition.</li> </ul>
Trevo	<ul style="list-style-type: none"> <li>• Trevo will be entitled to a MPC for shares held on 5 December 2017 purchased from Treemo (Proprietary) Limited in cash and preference shares (“<b>Trevo Claim</b>”).</li> <li>• Trevo will recover on its claim at the same rate as the other MPCs and its claim will be valued in accordance with the MPC valuation methodology.</li> <li>• In full and final settlement of all claims by Trevo and its affiliates against the Steinhoff Group, the Trevo Claim will be settled as part of the global settlement terms and the compensation available under the proposed implementation process in respect of the Trevo Claim will be funded from sources other than SIHPL.</li> <li>• The settlement consideration will be payable 50 per cent in cash (payable by SIHNV) and 50 per cent in PPH shares on or after the Settlement Effective Date at a deemed price per share of ZAR 15 subject, at SIHNV’s option, to settle the settlement consideration in a greater proportion, or the full amount, in cash. The PPH shares issued to the Trevo claimants will not be subject to a lock up condition consistent with the approach to MPCs.</li> </ul>
Non-Qualifying Claims	<ul style="list-style-type: none"> <li>• SIHPL will dispute, on the basis of remoteness, any and all claims made by Potter, Morris, Berry, Botha, Steyn and Malan against SIHPL or any other member of the Steinhoff Group in respect of the BVI shares issued to them.</li> <li>• SIHPL will dispute, on the basis that there is no case to answer, any and all claims made by the South African Competition Commission against SIHPL, KAP Diversified Industrial Proprietary Limited or any other member of the Steinhoff Group in respect of the alleged price fixing.</li> </ul>

Item	Terms
Conservatorium	<ul style="list-style-type: none"> <li>SIHPL will dispute any and all claims made by Conservatorium Holdings LLC, any of the lenders who financed the acquisition of 314,000,000 SIHNV shares by Upington Investment Holdings B.V. (“<b>Upington</b>”) or their respective legal successors (as applicable) against SIHPL or any other member of the Steinhoff Group arising out of the financing of Upington acquiring 314,000,000 SIHNV shares.</li> </ul>
Disputed claims	<ul style="list-style-type: none"> <li>Save in relation to the Titan Claims, in respect of any disputes as to the legal ownership, amount or value of a claim against SIHPL, SIHPL will wait for the final unappealable determination, or consensual resolution, of those disputes before paying any compensation to the owner of the claim. SIHPL will consider paying any compensation attributable to a claim in which the ownership is disputed into escrow or other arrangements subject to terms acceptable to SIHPL.</li> <li>In relation to the Titan Claims against SIHPL, including the Thibault Contractual Claim, SIHPL will pay to the Titan entities the respective settlement amounts notwithstanding any continuing ownership dispute.</li> <li>Unless SIHPL agrees otherwise, SIHPL will not make a payment to a Participant if that Participant (or any affiliate of that Participant) has a continuing disputed claim against SIHPL, SIHNV or any member of the Steinhoff Group.</li> </ul>
SIHNV Loan Note	<ul style="list-style-type: none"> <li>In consideration of the settlement by SIHNV of SIHPL MPC claims, SIHPL will issue a loan Note to SIHNV (“<b>SIHNV Loan Note</b>”) of not more than EUR 100m, including the following terms: <ul style="list-style-type: none"> <li>– zero coupon;</li> <li>– repayment date: final maturity date of 6 months after the date of the Titan Loan final maturity;</li> <li>– quarterly cash sweep at SIHPL and across the South African sub-group;</li> <li>– second ranking security over SIHPL assets, subject to arrangements in respect of Non-Qualifying Claims finally determined or agreed by SIHPL; and</li> <li>– limited recourse to the available assets of SIHPL.</li> </ul> </li> </ul>
Amendments to SIHL and SAHPL receivables	<ul style="list-style-type: none"> <li>SIHL and SAHPL receivables to be amended to include quarterly cash sweep in favour of SIHPL on cash balances subject to SIHL and its subsidiaries (excluding PPH) retaining aggregate balances of at least EUR 50m equivalent at</li> </ul>

Item	Terms
	<p>prevailing spot rate plus cash provision for payment of the next dividend payment on SIHL ZAR 1.5bn preference shares.</p>
<p>SIHPL CPU Settlement and Amendments to the SIHPL CPU</p>	<ul style="list-style-type: none"> <li>• The SIHPL CPU Creditors will agree to consent to the proposed SIHNV settlement and the SIHPL settlement and the transactions, payments, agreements and formal processes contemplated by them as being permitted settlement pursuant to the SIHPL CPU, the Umbrella Agreement and the LuxFinco 1 21/22 Facility Agreement.</li> <li>• The SIHPL CPU Creditors will agree to the amendments to the SIHPL CPU as set out below: <ul style="list-style-type: none"> <li>– repayment date: final maturity date of 6 months after the date of the Titan Loan final maturity;</li> <li>– quarterly cash sweep at SIHPL and across the South African sub-group and delete Clause 6.9 (<i>SIHPL Cash Pay Outs</i>);</li> <li>– third ranking security over SIHPL assets, subject to arrangements in respect of Non-Qualifying Claims finally determined by a relevant court or agreed by SIHPL;</li> <li>– limited recourse: the recourse of the SIHPL CPU Creditors against SIHPL will be limited to the net proceeds recovered by SIHPL under the Titan Loan, the Newco 2A/SIHPL intercompany loan (the “<b>Newco 2A Receivable</b>”), the SIHL receivable and the SAHPL receivable (together the “<b>SIHPL Intercompanies</b>”);</li> <li>– disposals: with majority lender consent (more than 50 per cent by value of the SIHPL CPU Creditors), SIHPL may sell the Titan Loan, the Newco 2A Receivable and/or the SIHPL Intercompanies and the SIHPL CPU Creditors agree that in such circumstances recourse under the SIHPL CPU will be limited to the proceeds of such sale(s), and subject to the structural priority of the Newco 2A Loan Note and SIHNV Loan Note;</li> <li>– provisions to permit and facilitate the solvent winding up of SIHPL; and</li> <li>– quarterly reporting by the Board of SAHPL to the SIHPL CPU creditors in relation to its ongoing asset realisation strategy.</li> </ul> </li> <li>• The SIHPL CPU Creditors will release and waive:</li> </ul>

Item	Terms
	<ul style="list-style-type: none"> <li>a. any and all actual or potential direct and indirect tort/delictual and other non-Contractual Claims they may have against SIHNV, SIHPL or any other member of the Steinhoff Group in respect of all matters relating (directly or indirectly) to the pre-December 2017 legacy accounting issues;</li> <li>b. any and all actual or potential claims against Steinhoff directors or officers, or auditors and/or any external valuation professional and/or any third parties that undertook a materially similar role on behalf of a Steinhoff group company, in respect of all matters relating (directly or indirectly) to the pre-December 2017 legacy accounting issues and will not require that SIHNV, SIHPL or any members of the Group pursue such claims against those parties; and</li> <li>c. any and all actual or potential direct or indirect claims against directors, officers and advisers in relation to post-December 2017 announcement matters save for fraud and gross misconduct; provided that</li> <li>d. the releases and waivers of contractual claims or any indirect tort/delictual claims referred to in (a) above shall not extend to any SIHPL CPU Creditors who are Upington Margin Lenders in respect of any ongoing and disputed Upington Lender Claim or ownership dispute in respect of a Contractual Claim.</li> </ul>
Steinhoff releases – post-December 2017	<ul style="list-style-type: none"> <li>• From the Settlement Effective Date, the Participants (together the “<b>Releasing Parties</b>” and each a “<b>Releasing Party</b>”) agree to provide a full, final and irrevocable release of any and all claims they have or assert (or in the future may have or assert) against SIHNV, SIHPL and all other members of the Steinhoff group arising after the December 2017 announcements including, but not limited to: <ul style="list-style-type: none"> <li>– in relation to the 2019 financial restructuring; and</li> <li>– in relation to the negotiation and implementation of a global settlement by SIHPL and SIHNV.</li> </ul> </li> <li>• For the avoidance of doubt, the waiver set out above is not intended in any way to waive the contractual debt claims the SIHPL CPU Creditors have against any member of the Steinhoff Group.</li> </ul>
Steinhoff Protection against counterclaims etc.	<p>Each Releasing Party undertakes:</p> <ul style="list-style-type: none"> <li>• prior to any bringing a claim of any nature against a third party in respect of the events leading to the announcements in December 2017, to inform SIHPL of its intention to pursue such a claim; and</li> </ul>

Item	Terms
	<ul style="list-style-type: none"> <li>that it will use best endeavours to minimise any loss to Steinhoff and co-operate in all respects to allow Steinhoff to minimise any losses or costs arising out of such claim.</li> </ul>
Implementation	<ul style="list-style-type: none"> <li>The competing stakeholder interests, the financial position of Steinhoff and the complex multi-jurisdictional nature of the litigation make implementation of the proposed settlement uniquely challenging. SIHPL has therefore been considering a number of options to achieve the necessary certainty and finality required by SIHPL and stakeholders.</li> <li>One of the options currently available to Steinhoff is to implement the global settlement by an inter-conditional composition plan which will be submitted in draft form ("<i>ontwerp van akkoord</i>") immediately with the filing of the request for a Suspension of Payments ("<i>surseance van betaling</i>") procedure in the Netherlands by SIHNV and a pre-prepared compromise plan pursuant to section 155 of the Companies Act 71 of 2008 in South Africa by SIHPL, in addition to any UK scheme of arrangement in respect of any of the CPUs and/or Underlying Finance Documents.</li> <li>SIHNV and SIHPL continue to consider appropriate settlement mechanisms to supplement and/or replace such implementation procedures. The intention is to implement the global settlement as soon as possible with the objective of making first distributions in Q1 2021.</li> </ul>
Sources and uses of Funding	<ul style="list-style-type: none"> <li>The SIHPL MPC Claimants will be paid in accordance with the terms of the SIHNV final settlement documentation.</li> <li>The SIHPL Contractual Claimants with accepted and agreed claims will be paid and delivered the settlement consideration shortly following the Settlement Effective Date in accordance with the terms of the final settlement documentation.</li> <li>SIHPL will elect to pay settlement amounts in ZAR.</li> <li>The funding contemplated in respect of the settlement consideration and the other arrangements contemplated in relation to SIHPL will be subject to regulatory approval, including the requisite approval of the South African Reserve Bank.</li> </ul>