

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)

UPDATE ON GLOBAL LITIGATION SETTLEMENT PROPOSAL

Steinhoff International Holdings N.V. ("**SIHNV**" or the "**Company**") and together with its other subsidiaries, "**Steinhoff**" or the "**Steinhoff Group**") together with Steinhoff International Holdings Proprietary Limited ("**SIHPL**") provide the following update on the implementation of the Steinhoff global litigation settlement proposal.

Update on SIHPL S155 Meetings

As previously announced and explained, SIHPL's proposal in terms of section 155 of the South African Companies Act 2008, as published originally on 16 February 2021, and subsequently amended, the most recent amendment being announced on 11 August 2021 (the "**S155 Proposal**") proposed three classes of claimants for voting: the SIHPL financial creditors; the SIHPL market purchase claimants ("**MPCs**"); and the SIHPL contractual claimants.

Meetings of all three classes of SIHPL creditors were scheduled to take place on Monday 6 September 2021. Pursuant to an order of the Western Cape High Court in South Africa made on Sunday 5 September 2021, the creditors' meeting of the SIHPL contractual claimants has been postponed to Thursday, 9 September 2021 at 11am (SAST). It is intended that the meeting (at 10am SAST) of the SIHPL financial creditors and the meeting of the SIHPL MPCs (at 1pm SAST) will take place as scheduled on Monday 6 September 2021.

The order of the High Court follows an urgent application brought by Steinhoff against Titan and its affiliated entities seeking to compel them, pursuant to a settlement support agreement, to exercise their votes in favour of the S155 Proposal at the meeting of the SIHPL contractual claimant class and to prevent them from voting against the S155 Proposal. The Court found that the application was urgent and has set out a timetable for further submissions. At the same time the Court ordered that the meeting of the SIHPL contractual claimants class is to be postponed until 11am on Thursday, 9 September 2021.

Updates in relation to the S155 Proposal

Steinhoff announces the following updates in relation to the S155 Proposal that are being disclosed prior to the SIHPL MPC and SIHPL financial creditors meetings:

PPH Shares in the Second Portion of SIHPL S155 Settlement Consideration

Under the terms of the S155 Proposal, Steinhoff will provide settlement consideration in two portions on the bases of –

- (i) a first portion equal to 50 per cent of the total consideration payable in cash; and
- (ii) a second portion equal to 50 per cent of the total consideration payable in PPH shares (at ZAR 15 per share) or a greater amount in cash.

Steinhoff has been considering its options in respect of the second portion of settlement consideration in view of the recent PPH share price and the possibility that such second portion will be settled in cash.

In respect of that second portion of the settlement consideration (the “**Second Settlement Portion**”):

- (1) On or before 5pm (Johannesburg) on 8 September 2021, any SIHPL S155 contractual claimant or any SIHPL MPC, may notify SIHPL in writing (via email to settlement@steinhoffinternational.com) that it wishes to elect to receive the Second Settlement Portion by delivery of PPH Shares at the Settlement Spot Price and in discharge in full of the Second Settlement Portion, in which case the Second Settlement Portion shall (subject to the occurrence of the Settlement Effective Date, and in accordance with the S155 Proposal) be satisfied accordingly. If no election is made by an eligible claimant then its second portion is expected to be settled in cash.
- (2) For these purposes, the “**Settlement Spot Price**” will be ZAR19.82 per PPH share.
- (3) Any PPH Shares so received by a claimant pursuant to the election (the “**Election PPH Shares**”) shall be subject to a lock-up of 180 days from the date on which the Election PPH Shares are transferred to the claimant.
- (4) Any such election by a SIHPL contractual claimant or a SIHPL market purchase claimant may only be made in respect of the full amount of its Second Settlement Portion and not in part. Any fractional share entitlement shall be rounded down. Any regulatory matters arising as a consequence of the transfer by Steinhoff to the transferee or the direct holding by the claimant shall be at the claimant's risk and any tax matters arising from the transfer of the Election PPH Shares by Steinhoff will be for the account of the claimant transferee. The form of exchange and discharge documentation to be completed by the claimant will be made available upon it making such election will be available from SIHPL following notification of its election. Rights to vote, receive dividends, and any other rights relating to Election PPH Shares will only arise on transfer of legal title of such shares to the relevant electing claimant.

For the avoidance of doubt, the Second Settlement Portion does not apply to the BVI and Cronje 7 SIHPL contractual claims (as defined and referred to in the S155 Proposal), the terms of which remain as announced by Steinhoff on 3 September 2021.

Amendments to the proposed SIHPL/Titan Loan

As described in the S155 Proposal, on the Settlement Effective Date SIHPL, Titan Premier Investments (Pty) Ltd ("**Titan**") and Thibault Square Financial Services (Pty) Ltd ("**Thibault**") will enter into a payment agreement on terms summarised in the S155 Proposal (the "**Payment Agreement**"). Subject to resolution of the litigation with Titan affiliates described above, SIHPL intends to amend, and SIHPL has sought (but not yet received) confirmation of sufficient support from SIHPL financial creditors in accordance with the proposed SIHPL Intercreditor Agreement (which will come into effect on Settlement Effective Date) to consent to amend, the terms of the Payment Agreement immediately following the Settlement Effective Date, as follows:

- (1) the "Payment Date" under the Payment Agreement will be amended to the first business day after the tenth anniversary of the date of the Payment Agreement; and
- (2) the applicable interest rate (referred to as the "Specified Rate") under the Titan Payment Agreement will be zero.

Other maturity and payment dates under the SIHPL finance documents (including the S155 Settlement Note) will be amended to remain at the originally expected date of 5 years 6 months after the Settlement Effective Date.

Update on Hamilton Support

SIHNV refers to its announcement of 11 August 2021, in which it confirmed the in-principle support of the active claimant group, Hamilton. Steinhoff confirms that Hamilton entities have now entered into a settlement support letter with SIHNV and SIHPL to confirm their support for the Steinhoff global settlement proposal. The settlement support terms agreed by Hamilton do not extend to the arrangements in place with the third parties (the former auditors and D&O insurers) which remain to be finalised between those parties. The Hamilton settlement support letter includes provision for a contribution of EUR 500,000 in respect of legal costs incurred by Hamilton in the course of the recent S.45 proceedings and the class composition proceedings before the High Court of South Africa.

*The securities referenced herein have not been and will not be registered under the US Securities Act of 1933 (the "**Securities Act**") and may not be offered or sold in the United States absent registration under the Securities Act or pursuant to an applicable exemption from the registration requirements thereunder.*

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

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