

Steinhoff International Holdings N.V.

F23 - Unaudited Management Accounts For the five months ended 28 February 2023

Issued and prepared on: 23 March 2023



CONTENTS

1. GLOSSARY OF TERMS

2. BASIS OF PREPARATION

3. MONTHLY REPORTING

Statement of Profit or Loss and Other Comprehensive Income

Statement of Financial Position

Statement of Cash Flows

Appendix 1: Commitments and contingencies

GLOSSARY OF TERMS

APPLIED TO THE MANAGEMENT REPORT

The capitalised words and expressions used herein shall have the respective meanings attributed thereto below:

2023 Financial Period and 2023 Reporting Period	Period starting on 1 October 2022 up to and including For the five months ended 28 February 2023
BaFin	German Federal Financial Supervisory Authority (<i>Bundesanstalt für Finanzdienstleistungsaufsicht</i>).
BFI Report	Business Finance Intelligence B.V. report
Company or Steinhoff	Steinhoff International Holdings N.V., a public limited liability company (naam/ooze <i>vennootschap</i>) incorporated under the laws of the Netherlands, having its corporate seat in Amsterdam, the Netherlands, and its principal place of business at Building B2, Vineyard Office Park, Cnr Adam Tas & Devon Valley Road, Stellenbosch 7600, South Africa, registered with the Dutch Trade Register under number 63570173 and with LEI code 724500PSNX8EVPOZ1M58, and, where appropriate, the Subsidiaries and possible other Group companies, whose financial information is incorporated in the consolidated financial statements of the Company.
CPU	Contingent Payment Undertaking.
CVA	Company Voluntary Arrangements, in respect of the SEAG CVA and/or the SFHG CVA (as applicable).
D&O Insurance	Directors & Officers insurance
ECB	European Central Bank
EBIT	Operating profit or loss adjusted for capital and reclassification items.
EBITDA	Operating profit or loss before depreciation and amortisation adjusted for capital and reclassification items.
ECL	Expected credit losses.
EU	European Union.
FinSurv	The Financial Surveillance Department of the South African Reserve Bank responsible for the administration of exchange control on behalf of the South African Minister of Finance.
FSCA	Financial Sector Conduct Authority.
FSE	Frankfurt Stock Exchange (<i>Frankfurter Wertpapierbörse</i>).
Global Litigation Settlement	The settlement of the outstanding litigation in terms of the S155 Scheme and the Composition Plan.
Greenlit Brands	Greenlit Brands Proprietary Limited, a company incorporated under the laws of Australia and registered under number 612890874, together with its subsidiaries, including Fantastic.
Group or Steinhoff Group	The group of companies consisting of Steinhoff International Holdings N.V. together with its Group Companies.
Group Company	Group company of the Company as referred to in section 2:24b of the Dutch Civil Code.
Group Services	Group functions outside of OpCos and Subsidiaries, including the following functions: Finance, Treasury, Tax, Human Resources, Legal, Company Secretarial, Compliance, Risk, Internal Audit and IT.
Group Services' Debt	The indebtedness under (i) the CPUs entered into by Steinhoff; and (ii) the debt facilities entered into by Steenbok Lux Finco 1 S.a r.l., Steenbok Lux Finco 2 S.a r.1. and Hemisphere, all of which are subsidiaries of Steinhoff, in August 2019 (as amended from time to time) (the instruments together, the "Group Services' Debt Facilities").
Hemisphere	Hemisphere International Properties B.V., a private company with limited liability incorporated under the laws of the Netherlands and registered with the Dutch Trade Register under number 17228592, which is an indirect wholly owned subsidiary of Steinhoff and holds a portfolio of European properties and property companies.
Hemisphere CPU	The contingent payment undertaking agreement dated 5 September 2018 between and Lucid Agency Services Limited as agent of the Hemisphere Lenders.
IAS	International Accounting Standards.
IEP	IEP Group Proprietary Limited, a South African investment holding company with controlling and scalable strategic interests in a number of select investment platforms, including the Bud Group.
IFRS	International Financial Reporting Standards.
IFRS9	IFRS 9: Financial Instruments.
Management Accounts	Unaudited management accounts for the Company for the period starting on 1 October 2022 up to and including For the five months ended 28 February 2023

GLOSSARY OF TERMS (continued)

APPLIED TO THE MANAGEMENT REPORT (continued)

The capitalised words and expressions used herein shall have the respective meanings attributed thereto below:

Market Purchase Claims	Market purchase claims arisen in respect of market traded securities. In respect of the period prior to the Company's FSE listing becoming effective on 7 December 2015, any such claims are in respect of shares acquired in SIHPL (the former holding company of the Group) and thereafter, any such claims are in respect of shares acquired in the Company.
Mattress Firm	Mattress Firm Holding Corp, a company incorporated under the laws of the United States of America and registered under number EIN - 20-8185960, together with its subsidiaries, including Mattress Firm Inc.
Maturity Extension Transaction	The proposed transaction 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 various related re-organisation steps and transactions as announced by the Company on 15 December 2022 and 16 December 2022.
MPCs	Persons holding alleged Market Purchase Claims.
Newco2A	Steenbok Newco 2A Limited, a company incorporated and registered under the laws of Jersey with registered number 127926 and with its registered address at 3rd Floor, 44 Esplanade, St Helier, Jersey.
Newco3	Steenbok Newco 3 Limited, a private limited company incorporated under the laws of England and Wales, having its registered office at Pall Mall Works, 17-19 Cockspur Street, London, SW1Y 5BL and company number 11728460.
OpCos	The Steinhoff Group's operating companies, amongst others Pepkor Holdings, Greenlit Brands, Mattress Firm and Pepco Group.
Ordinary Share or Steinhoff Share	Ordinary share in the capital of the Company.
Pepkor Holdings Limited	Pepkor Holdings Limited, a public company incorporated under the laws of the Republic of South Africa and registered under number 2017/221869/06, which is an indirect subsidiary of Steinhoff.
Pepco Group N.V.	Pepco Group N.V., a public limited liability company (<i>naamloze vennootschap</i>) incorporated under the laws of the Netherlands and registered with the Dutch Trade Register under number 81928491, which is an indirect subsidiary of Steinhoff.
Pepco Group	The pan-European discount variety retailer that includes the brands PEPCO, Poundland and Dealz.
S155 Scheme	A statutory compromise with creditors in terms of section 155 of the South African Companies Act, 71 of 2008.
SEAG	Steinhoff Europe AG, a company incorporated under the laws of Austria and registered under number FN 38031d, which is a wholly owned subsidiary of the Company.
SEAG CPU	The contingent payment undertaking agreement dated 12 August 2019 between Steinhoff and Lucid Trustee Services Limited as security agent on behalf of the SEAG Lenders in connection with the SEAG Credit Agreements.
SEAG CVA	English law company voluntary arrangement proposed by SEAG, approved on 15 December 2018 and implemented on 13 August 2019.
Settlement Effective Date or SED	The date on which all suspensive conditions and conditions precedent (as defined in the Steinhoff Composition Plan and the S155 Scheme) were fulfilled, which occurred on 15 February 2022.
Steinhoff Finance Holdings	Steinhoff Finance Holdings GmbH, a company incorporated under the laws of Austria, registered under number FN345159m.
SFHG CPU	(a) The SFHG 21/22 Contingent Payment Undertaking; and (b) the SFHG 23 Contingent Payment Undertaking.
SFHG 21/22 CPU	The contingent payment undertaking agreement dated 12 August 2019 between Steinhoff and Global Loan Agency Services Limited as agent on behalf of the Facility A1 Lenders as defined in the SFHG 21/22 Facilities Agreement.
SFHG 23 CPU	The contingent payment undertaking agreement dated 12 August 2019 between Steinhoff and Global Loan Agency Services Limited as agent on behalf of the Facility A2 Lenders as defined in the SFHG 23 Facilities Agreement.
SFHG CVA	English law company voluntary arrangement proposed by SFHG, approved on 15 December 2018 and implemented on 13 August 2019.
Share	A share in the capital of the Company. Unless the contrary is apparent, this shall include each Ordinary Share and each Preference Share.
Shareholder	Holder of one or more Shares.
Steinhoff Investment Holdings Limited	Steinhoff Investment Holdings Limited, a public company incorporated under the laws of the Republic of South Africa, registered under number 1954/001893/06.

GLOSSARY OF TERMS (continued)

APPLIED TO THE MANAGEMENT REPORT (continued)

The capitalised words and expressions used herein shall have the respective meanings attributed thereto below:

SIHPL	Steinhoff International Holdings Proprietary Limited, a company incorporated under the laws of the Republic of South Africa, registered under number 1998/003951 /06, previously listed on the JSE and formerly known as Steinhoff International Holdings Limited.
SIHPL Contractual Claimants	Persons holding alleged Contractual Claims against SIHPL.
SIHPLMPCs	Persons holding alleged Market Purchase Claims against SIHPL.
Steinhoff Recovery Foundation	Stichting Steinhoff Recovery Foundation, a Dutch foundation (<i>stichting</i>) incorporated under the laws of the Netherlands, registered under number 83737065.
Steinhoff Africa Holdings Proprietary Limited	Steinhoff Africa Holdings Proprietary Limited, a company incorporated under the laws of the Republic of South Africa, registered under number 1969/015042/07.
Subsidiary	Subsidiary of the Company as referred to in section 2:24a of the Dutch Civil Code.
Steinhoff UK Group Services	Steinhoff Group Services Limited, a company incorporated under the laws of the United Kingdom, registered under number 10068169.
TekkieTown	Tekkie Town Proprietary Limited, a company incorporated under the laws of the Republic of South Africa, registered under number 2007/020629/07.
Titan	Titan Premier Investments Proprietary Limited, a company incorporated under the laws of the Republic of South Africa, registration number 1979/000776/07.
VAT	Value Added Tax

BASIS OF PREPARATION

Reporting Entity

Steinhoff International Holdings N.V.

Statement of compliance

The Management Accounts have been prepared in accordance with IFRS as adopted by the EU and Part 9 of Book 2 of the Dutch Civil Code. Unless otherwise indicated, these Management Accounts are prepared on the accrual basis in thousands of euro (€'000). The euro is the Company's presentation and functional currency.

BUSINESS FINANCE INTELLIGENCE B.V. REPORT

To achieve a single narrative and facility consistency, the management accounts have been aligned with the underlying principles used in the BFI Report. This has resulted in the underlying value drivers of Steinhoff, which are used in the CPU shortfall calculation and Investment in subsidiary companies' sum of the parts, being based on the mid-level fair value points estimates used in the BFI Report compared to application of the closing share price for listed entities combined with discounted cash flow calculations in the 30 September 2022 statements. As a result, this approach enables the Restructuring Plan Stakeholders and the court to connect SIHNV's current financial position to the reorganisation value and numbers used in the BFI Report. Refer to below Key Accounting Policies.

KEY ACCOUNTING POLICIES

Borrowings - CPUs

The CPUs are classified as financial liabilities in accordance with IFRS 9.

The CPU contracts, excluding the contingent component, are initially and subsequently measured as the amount that Steinhoff expects to settle under these contracts ('the shortfall'). The shortfall is calculated as the excess of the carrying amount of the debt at period-end in relation to the estimated value of the underlying investments. In determining these estimated values there are two approaches taken for period ended 30 September 2022 compared to 2023 Financial Period Management accounts:

Type of underlying investment	2022 Reporting Period	2023 Financial Period
Listed Entities	Fair value taken as the closing share price (last price at which the stock traded on 30 September 2022).	Fair value for the investment as per the Business Finance Intelligence B.V. report (" BFI Report ").
Unlisted Entities	Management utilised the same information that was applied for impairment testing in the 2022 Consolidated Financial Statements.	Fair value for the investment as per the Business Finance Intelligence B.V. report (" BFI Report ").

The contingent liability component is accounted for in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets, requires an entity to treat the part of a joint and several liability that is expected to be met by other parties as a contingent liability. The guidance in IAS 37 is applicable to contingent liabilities. However, the measurement approach in IAS 37 for joint and several liabilities is generally consistent with the measurement approach for the CPUs.

Withholding-and-dividend taxes that may be payable upon disposal of the underlying business were not included in the valuation of the CPUs as these taxes will be influenced by the outcome of the specifics surrounding the disposal in question and the jurisdiction in which the buyer is domiciled. As such, it is considered impracticable to quantify the taxes that may have to be paid.

Subsequently the CPUs are measured at amortised cost by adjusting the gross carrying amount of the financial liability to reflect the actual and revised shortfall as at the end of the 2023 Financial Period. Any adjustments are recognised in profit or loss.

STEINHOFF INTERNATIONAL HOLDINGS N.V.
 STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
 FOR THE FIVE MONTHS ENDED 28 FEBRUARY 2023

	Notes	5 Months	12 Months
		ended	ended
		28 February 2023	30 September 2022
		Unaudited management accounts	Audited financial statements
		€'000	€'000
Interest income	1.	6	196
Dividend income	2.	6 000	512 655
Total income		6 006	512 851
Other income	3.	10 313	13 370
Other gains/ (losses) – net	4.	1 180 216	(4 138 700)
Administrative expenses	5.	(15 443)	(22 319)
Operating income/(loss) for the period before finance cost and tax		1 181 092	(3 634 798)
Finance costs	6.	(9 174)	(12 262)
Operating income/(loss) for the period before taxation		1 171 918	(3 647 060)
Taxation		-	-
Nett income/(loss) for the period attributable to Steinhoff shareholders		1 171 918	(3 647 060)
Other comprehensive income		-	-
Total comprehensive income/(loss) for the period attributable to Steinhoff shareholders		1 171 918	(3 647 060)

STEINHOFF INTERNATIONAL HOLDINGS N.V.
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FIVE MONTHS ENDED 28 FEBRUARY 2023

	Notes	5 Months	12 Months
		ended	ended
		28 February 2023	30 September 2022
		Unaudited management accounts	Audited financial statements
		€'000	€'000
1. Interest income			
Cash and cash equivalents		6	34
Other	a.	-	162
		<u>6</u>	<u>196</u>
a. Interest was earned in the 2022 Reporting Period on the amounts overpaid for VAT incorrectly charged on invoices.			
2. Dividend income			
Steinhoff Investment Holdings Limited		6 000	512 655
The dividend received during 2022 Reporting Period was a non-cash distribution which related to payments made by Steinhoff Africa Holdings Proprietary Limited on behalf of Steinhoff as part of the implementation of the Global Litigation Settlement.			
3. Other income			
Recovery from insurance	a.	6 203	6 753
Recovery of D&O Insurance expenses from related parties	b.	4 110	6 573
Recovery of legal expenses	c.	-	44
		<u>10 313</u>	<u>13 370</u>
a. Recovery from company's insurers of amounts previously paid.			
b. D&O insurance was paid by Steinhoff but relates to insurance that covers other group entities. These expenses were recharged to the various entities and are included in other sundry income. Refer to note 3 of the Statement of Financial Position for the recharge receivable.			
c. The amount in the 2022 Reporting Period consists out of the recovery of costs from Tekkie Town claimants for the court hearings.			
4. Other (income)/expenses			
Included in other (income)/expenses:			
4.1 Foreign exchange gains and losses			
Unrealised foreign exchange (gains)/losses		(25 075)	(3 805)
Realised foreign exchange (gains)/losses		(52)	42
Net foreign exchange (gains)/losses		<u>(25 127)</u>	<u>(3 763)</u>
Foreign exchange gains and losses are recognised in profit or loss mainly on foreign denominated loans in the Separate Financial Statements. The unrealised foreign exchange gains and losses predominantly relates to the loan with Steinhoff Africa Holdings Proprietary Limited. Refer to note 7 of the Statement of Financial Position.			
4.2 Impairment/(impairment reversal) of related party loans			
Steinhoff International Holdings Proprietary Limited ("SIHPL")	a.	88	(1 441)
a. In terms of the SIHPL intercreditor agreement entered into on 15 February 2022, the loan has a third ranking over SIHPL's assets and has become a limited recourse loan. Based on SIHPL's available assets, only a portion of the loan will be payable and was therefore only recognised to that extent. Refer to note 2 of the Statement of Financial Position for the remaining value of the loan.			
4.3 Impairment of investment in subsidiary companies			
Steinhoff Investment Holdings Limited	a.	91 142	673 270
Steenbok Newco 1 Limited	b.	-	32 934
Steinhoff Finance Holdings	b.	-	33 066
		<u>91 142</u>	<u>739 270</u>
a. Refer to note 1 of the Statement of Financial Position.			
b. As part of the implementation of the Steinhoff Global Litigation Settlement in the 2022 Reporting Period, a prepayment of €66 million was made by the company in terms of the Hemisphere CPU. This resulted in an impairment loss being recognised on the investments in Steenbok Newco 1 Limited and Steinhoff Finance Holdings, respectively. Refer to note 1 of the Statement of Financial Position.			

STEINHOFF INTERNATIONAL HOLDINGS N.V.
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FIVE MONTHS ENDED 28 FEBRUARY 2023

	Notes	5 Months	12 Months
		ended	ended
		28 February 2023	30 September 2022
		Unaudited management accounts	Audited financial statements
		€'000	€'000
4. Other (income)/expenses (continued)			
4.4 Financial liabilities remeasured by the company in profit or loss		(1 246 319)	3 584 252

The contingent payment undertaking ("CPU") contracts are initially and subsequently measured as the amount that Steinhoff expects to settle under these contracts, 'the shortfall'. The shortfall is calculated as the excess of the carrying amount of the debt at period end in relation to the estimated value of the subsidiaries by whom these debts are owed. Any adjustments are recognised in profit or loss. Refer to note 6 of the Statement of Financial Position for more information.

4.5 Provision for Global Litigation Settlement		-	(15 618)
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The Global Litigation Settlement was successfully implemented on 15 February 2022. The movement during the 2022 Reporting Period relates to the PIC settlement reversal as well as to exchange rate adjustments to the SED provision value.

4.6 Gain on recognition of SIHPL loan note		-	(164 000)
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All or certain of the MPC's against SIHPL have been settled (in full or in part) by Steinhoff on behalf of SIHPL from funds which was made available by Steinhoff and will be paid via the Steinhoff Recovery Foundation. In consideration for Steinhoff undertaking the MPC Settlement on behalf of SIHPL, SIHPL became liable to Steinhoff for the amounts paid by Steinhoff pursuant to the MPC Settlement. A loan to the amount of €164 million is therefore payable to Steinhoff by SIHPL. Refer to note 2 of the Statement of Financial Position for the terms of the loan.

Total other (gains)/losses		(1 180 216)	4 138 700
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5. Administrative expenses			
Administrator fees		-	(882)
Audit fees		2 341	3 309
Consulting fees		3 902	2 127
CPU risk fee		1 612	2 026
Directors' remuneration		609	1 471
Insurance cost (D&O)		4 664	7 831
Legal fees		1 984	2 959
Listing expenses		142	190
Management fees		-	110
Other administrative expenses		189	274
Penalty fees	a.	-	11 432
Reversal of VAT on legal fees		-	(6 028)
Reversal of Moelis success fee		-	(2 500)
		15 443	22 319

- a. During the 2022 Reporting Period, BaFin imposed an administrative fine of €11.29 million on Steinhoff to be paid in instalments up to 30 September 2024. The fine was for not making the annual financial report for the 2016/2017 financial year available within the prescribed period to the public and also for failing to publish voting rights notifications it had received within the prescribed period. The administrative fine also effectively resolved other late filings of financial reports and voting rights notifications. The fine amount and administrative costs are payable in three tranches as follows: €3.76 million on 31 March 2023, €3.76 million on 31 March 2024 and €3.77 million on 30 September 2024.

6. Finance costs			
Cash and cash equivalents	a.	-	8
Steenbok Newco 2A Limited	b.	7 591	10 139
Ibex Retail Investments Limited	b.	1 583	2 115
		9 174	12 262

- a. A negative fixed interest rate of -0.50% pa was applied previously for EUR cash balances above €100k. The ECB raised its negative benchmark deposit rate by 50 basis points from -0.5% to 0% during July 2022. Refer to note 4 of the Statement of Financial Position.
- b. Refer to note 7 of the Statement of Financial Position for the terms of the loans.

STEINHOFF INTERNATIONAL HOLDINGS N.V.
STATEMENT OF FINANCIAL POSITION
AS AT 28 FEBRUARY 2023

	Notes	28 February 2023	30 September 2022
		Unaudited management accounts	Audited financial statements
		€'000	€'000
ASSETS			
Non-current assets			
Investments in subsidiary companies	1.	1 980 663	2 071 805
Related party loans receivable	2.	164 000	164 000
		2 144 663	2 235 805
Current assets			
Related party loans receivable	2.	158 463	176 785
Recoveries and other receivables	3.	6 882	711
Cash and cash equivalents	4.	424	2 509
		165 769	180 005
Total assets		2 310 432	2 415 810
EQUITY AND LIABILITIES			
Capital and reserves			
Ordinary share capital	5.	42 697	42 697
Share premium reserve	5.	7 385 398	7 385 398
Accumulated loss		(9 782 097)	(10 954 015)
Total equity		(2 354 002)	(3 525 920)
Non-current liabilities			
Other payables and accruals	8.	7 542	7 542
Current liabilities			
Borrowings - CPU's	6.	3 397 629	4 643 948
Other payables and accruals	8.	12 985	9 667
Related party loans payable	7.	1 246 278	1 280 573
		4 656 892	5 934 188
Total equity and liabilities		2 310 432	2 415 810

STEINHOFF INTERNATIONAL HOLDINGS N.V.
STATEMENT OF FINANCIAL POSITION
AS AT 28 FEBRUARY 2023

		28 February 2023	30 September 2022
		Unaudited management accounts	Audited financial statements
		€'000	€'000
		Notes	
1.	Investments in subsidiary companies		
	Investments at cost		
	Genesis Investments Gamma GmbH	20 000	20 000
	Steenbok Newco 1 Limited	a. 32 934	32 934
	Steinhoff Finance Holdings	a. 614 461	614 461
	Steinhoff Investment Holdings Limited	b. 3 987 405	3 987 405
	Steinhoff UK Group Services	34 041	34 041
	Steinhoff US Holdings Incorporated	18 144	18 144
		4 706 985	4 706 985
	Impairment provisions		
	Genesis Investments Gamma GmbH	(20 000)	(20 000)
	Steenbok Newco 1 Limited	a. (32 934)	(32 934)
	Steinhoff Finance Holdings	a. (614 461)	(614 461)
	Steinhoff Investment Holdings Limited	b. (2 006 742)	(1 915 600)
	Steinhoff UK Group Services	(34 041)	(34 041)
	Steinhoff US Holdings Incorporated	(18 144)	(18 144)
		(2 726 322)	(2 635 180)
	Net investments in subsidiaries	1 980 663	2 071 805
	Less: Investment in subsidiary companies as per previous reporting period	(2 071 805)	(2 745 075)
	Net impairment in subsidiary companies for the period	(91 142)	(673 270)

- a. The prepayment of the Hemisphere Term Facility in terms of the Hemisphere CPU, as part of the Global Litigation Settlement, has been accounted for as an equity contribution by the Company to Hemisphere via Hemisphere's shareholders, being Steenbok Newco 1 Limited and Steinhoff Finance Holdings. These amounts have been impaired, refer to note 4 of the Statement of Profit and Loss.
- b. The recoverability of the investment in Steinhoff Investment Holdings Limited was determined in terms of a sum-of-the parts calculation performed on a Steinhoff Investment Holdings Limited Group level. Refer below for detail. Any reversal of prior impairments is limited to the initial cost of the investment.

STEINHOFF INTERNATIONAL HOLDINGS N.V.
STATEMENT OF FINANCIAL POSITION
AS AT 28 FEBRUARY 2023

	Notes	28 February 2023	30 September 2022
		Unaudited management accounts €'000	Audited financial statements €'000
Sum of the Parts Valuation			
Assets			
Pepkor Holdings Limited	a.	1 788 000	2 222 901
IEP Group Proprietary Limited		127 000	122 914
Steinhoff Africa Property Services Proprietary Limited		478	796
Cash and cash equivalents		378 822	89 511
Titan loan receivable		59 453	66 290
Other assets		46 073	51 942
		<u>2 399 826</u>	<u>2 554 354</u>
Liabilities			
Steinhoff Investment Holdings Limited preference shares		(79 238)	(88 350)
S155 Settlement note - from 15 February 2022		(535 981)	(579 045)
Short term litigation provision		(38 586)	(50 912)
Other liabilities		(47 650)	(51 426)
		<u>(701 455)</u>	<u>(769 733)</u>
Related party receivables/(payable)			
Ibex Retail Investments (Europe) Limited		154 003	161 064
Steenbok Newco 2A Limited		334 999	321 581
Steenbok Newco 2A Limited loan note		(212 484)	(212 484)
Steenbok Lux Finco 2 SARL		170 863	182 336
Steinhoff International Holdings N.V. loan note		(164 000)	(164 000)
Steinhoff International Holdings N.V. (Steinhoff Investment Holdings Limited)		(157 374)	(175 472)
Steinhoff International Holdings N.V. (Steinhoff Investment Holdings Limited)		157 374	175 472
Steinhoff International Holdings N.V. (Steinhoff International Holdings Proprietary Limited)		(1 089)	(1 313)
		<u>282 292</u>	<u>287 184</u>
		<u>1 980 663</u>	<u>2 071 805</u>

- a. Refer to page 32 of the Business Finance Intelligence B.V. Report (Point Estimate for Pepkor Holdings valuation). The closing share price was used for 30 September 2022 value (R20.77/share). During February 2023, the group sold 265 million ordinary shares in Pepkor Holdings Limited at a price of R18.50 per share through an accelerated bookbuild, raising aggregate gross proceeds of approximately R4.9 billion (c. €257 million), included in cash and cash equivalents.

STEINHOFF INTERNATIONAL HOLDINGS N.V.
STATEMENT OF FINANCIAL POSITION
AS AT 28 FEBRUARY 2023

	Notes	28 February 2023	30 September 2022
		Unaudited management accounts €'000	Audited financial statements €'000
2. Related party loans receivable			
Loans at amortised cost			
Steinhoff Investment Holdings Limited	a.	157 374	175 472
Ibex Retail Investments Limited	a. & b.	26 187	28 153
Steinhoff International Holdings Proprietary Limited	a. & d.	3 214	3 584
Steinhoff International Holdings Proprietary Limited - Loan Note	c.	164 000	164 000
		350 775	371 209
Impairment provisions			
Ibex Retail Investments Limited	a. & b.	(26 187)	(28 153)
Steinhoff International Holdings Proprietary Limited	a. & d.	(2 125)	(2 271)
		(28 312)	(30 424)
Net related party loans receivable			
		322 463	340 785
Split between non-current and current portions			
Non-current assets		164 000	164 000
Current assets		158 463	176 785
		322 463	340 785

- As part of the Global Litigation Settlement implementation, the loan receivable from SIHL, was settled. FinSurv approval is however still required to clear the loan account, resulting in a loan payable to SIHL of the same amount. The loans are denominated in rand, unsecured, interest-free and have no fixed terms of repayment. Movement in loans relate to foreign exchange gains and losses on the foreign denominated loans. Refer to note 4 of the Statement of Profit or Loss and Other Comprehensive Income. The closing rate ZAR19.5518:EUR as at 28 February 2023 (ZAR17.5353:EUR as at 30 September 2022).
- The loan carries interest at JIBAR + 1.5% per annum and is repayable on demand. The loan was fully impaired due to the external debt ranking before the intercompany loan.
- The loan is interest free, repayable on 15 August 2027 and has a second ranking over SIHPL's assets. Refer to note 4 of the Statement of Profit or Loss and Other Comprehensive Income.
- The loan to SIHPL is denominated in rand, unsecured, interest-free and is repayable on demand. In terms of the SIHPL intercreditor agreement entered into on 15 February 2022, the loan payable to the Company has a third ranking over the SIHPL's assets and has become a limited recourse loan. Based on SIHPL's available assets, only a portion of the loan will be payable and was therefore only recognised to that extent.

3. Recoveries and other receivables

VAT refund

Office	28 February 2023	30 September 2022
London office	687	687
Amsterdam office	24	24
	711	711

The remaining amounts have not been received to date as the supplier is awaiting the Dutch VAT refund from the Dutch tax authorities.

D&O insurance recoveries

Certain expenses, mainly D&O insurance, were paid by Steinhoff but relates to expenses of other group entities. These expenses were recharged to the various entities and are deemed recoverable. The payments are subject to SARB approval.

Related party

Steinhoff Investment Holdings Limited	116	-
Steinhoff International Holdings Proprietary Limited	470	-
	586	-

Dividend receivable

A dividend of R109.2 million was declared to the company from Steinhoff Investment Holdings Limited during December 2022, for the purpose of funding the company's operational requirements. The company is awaiting SARB approval for the payment of the dividend.

Amount outstanding from Steinhoff Investment Holdings Limited	5 585	-
	6 882	711

STEINHOFF INTERNATIONAL HOLDINGS N.V.
 STATEMENT OF FINANCIAL POSITION
 AS AT 28 FEBRUARY 2023

	Notes	28 February 2023	30 September 2022
		Unaudited management accounts €'000	Audited financial statements €'000
4. Cash and cash equivalents			
Oldenburgische Landesbank AG - EUR		414	2 042
Oldenburgische Landesbank AG - GBP		1	1
Rand Merchant Bank - Current account - ZAR		*	*
Rand Merchant Bank - Call account - ZAR		9	466
		424	2 509

* Less than €500

5. Share capital and share premium			
5.1 Share capital			
Balance at beginning of period		42 697	42 697
Total issued ordinary stated share capital		42 697	42 697
5.2 Share premium			
Balance at beginning of period		7 385 398	7 385 398
Total issued ordinary stated share capital		7 385 398	7 385 398
5.3 Shares issued			
		Number of shares	Number of shares
Johannesburg Stock Exchange		1 246 530 581	1 320 351 804
Frankfurt Stock Exchange		3 023 078 470	2 949 257 247
Total shares issued		4 269 609 051	4 269 609 051

STEINHOFF INTERNATIONAL HOLDINGS N.V.
STATEMENT OF FINANCIAL POSITION
AS AT 28 FEBRUARY 2023

	Notes	28 February 2023	30 September 2022
		Unaudited management accounts	Audited financial statements
		€'000	€'000
6. Borrowings - CPU's			
Hemisphere CPU		12 923	15 542
SEAG CPU		796 468	2 008 090
SFHG 23 CPU		1 179 806	1 179 806
SFHG 21/22 CPU		1 408 432	1 440 510
		3 397 629	4 643 948

The company entered into CPU's whereby it undertakes to repay the various facilities covered by the CPU's. The CPU contracts, excluding the contingent component, are initially and subsequently measured as the amount that Steinhoff expects to settle under these contracts, 'the shortfall'. The shortfall is calculated as the excess of the carrying amount of the debt at period end in relation to the estimated value of the subsidiaries by whom these debts are owed. Any adjustments are recognised in profit or loss.

The Group Services' Debt maturity date is 30 June 2023, with a further 6 months extension to 31 December 2023 by simple majority vote. The Group engaged with its largest lenders who indicated that they would not support a formal extension request and therefore, to date, this option has not been exercised. No cash interest is payable during this period, as interest will accrue and is only payable when the debt matures, providing the Group with a period in which it can concentrate on reducing debt and restoring value.

Detail of the underlying assets and liabilities in the CPU borrowings

Pepco Group N.V.	a. & b.	4 726 000	2 797 368
Other Unlisted Investments	a. & c.	2 164 900	2 432 262
Steenbok Newco 2A loan note with Steinhoff International Holdings Proprietary Limited (receivable)		212 487	212 484
Ibex Retail Investments (Europe) Limited loan with Steinhoff Africa Holdings Proprietary Limited (payable)		(154 003)	(111 895)
Steenbok Newco 2A loan note with Steinhoff International Holdings Proprietary Limited (payable)		(359 722)	(263 100)
Steenbok Lux Finco 2 loan with Steinhoff Africa Holdings Proprietary Limited (payable)		(258 399)	(275 020)
Hemisphere Term loan		(131 524)	(126 260)
Steenbok Lux Finco 2 SARL external debt		(5 938 013)	(5 916 018)
Steenbok Lux Finco 1 SARL external debt		(4 191 296)	(4 023 418)
External liabilities capped under the CPU liability		260 134	346 362
Other Group Services Assets and Liabilities (mostly cash and cash equivalents)		271 807	283 286
		(3 397 629)	(4 643 948)

- In determining the estimated values for the listed and unlisted entities in the period since February 2023, the valuation of Business Finance Intelligence B.V. was used. For listed entities as at 30 September 2022, the closing share price on the reporting date was used in the valuations. For unlisted entities as at September 2022, management utilised the same information that was applied for impairment testing in the 2022 Consolidated Financial Statements. The contingent liability component is accounted for in accordance with IAS 37.
- Refer to page 36 of the Business Finance Intelligence B.V. Report (Point Estimate for Pepco Group valuation)
- Unlisted Investments includes Mattress Firm and Greenlit Brands. Refer to page 42 and page 39 of the Business Finance Intelligence B.V. Report (Point Estimate) for the valuation of Mattress Firm and Greenlit respectively.

STEINHOFF INTERNATIONAL HOLDINGS N.V.
STATEMENT OF FINANCIAL POSITION
AS AT 28 FEBRUARY 2023

		28 February 2023	30 September 2022
		Unaudited management accounts	Audited financial statements
		€'000	€'000
7. Related party loans payable	Notes		
Steinhoff Africa Holdings Proprietary Limited	a.	220 987	246 399
Steenbok Newco 2A Limited	b.	713 282	705 691
Ibex Retail Investments Limited	c.	148 780	147 196
Steinhoff Investment Holdings Limited	d.	157 374	175 472
Steinhoff UK Group Services	e.	5 855	5 815
		1 246 278	1 280 573
		1 246 278	1 280 573

- a. The loan is denominated in rand, secured by shares in SIHL, interest-free and is repayable on 30 June 2023. Movement in loan only relates to foreign exchange gains and losses on foreign denominated loan. Refer to note 4 of the Statement of Profit or Loss and Other Comprehensive Income. The closing rate ZAR19.5518:EUR as at 28 February 2023 (ZAR17.5353:EUR as at 30 September 2022).
- b. The loan from Newco 2A is denominated in euro, secured by shares in SIHL, accrues payment-in-kind interest at EURIBOR +1.33% per annum, with a minimum interest rate of 1.33% per annum, and is repayable on 30 June 2023.
- c. The loan from Ibex Retail Investments is denominated in euro, unsecured, accrues payment-in-kind interest at EURIBOR + 1.33% per annum, with a minimum interest rate of 1.33% per annum, and is repayable on 30 June 2023.
- d. As part of the Global Litigation Settlement implementation, the loan receivable from SIHL, was settled. FinSurv approval is however still required to clear the loan account, resulting in a loan payable to SIHL of the same amount. The loans are denominated in rand, unsecured, interest-free and have no fixed terms of repayment. Refer to note 2. Movement in loan only relates to foreign exchange gains and losses on foreign denominated loan. Refer to note 4 of the Statement of Profit or Loss and Other Comprehensive Income. The closing rate ZAR19.5518:EUR as at 28 February 2023 (ZAR17.5353:EUR as at 30 September 2022).
- e. Funds received in lieu of a dividend declaration. To be reallocated to dividends received once confirmation of final liquidation is received. Movement in loan only relates to foreign exchange gains and losses on foreign denominated loan. Refer to note 4 of the Statement of Profit or Loss and Other Comprehensive Income. The closing rate GBP0.8770:EUR as at 28 February 2023 (GBP0.8830:EUR as at 30 September 2022).

8. Other payables and accruals			
		20 527	17 209
Split between non-current and current portions			
Non-current liabilities		7 542	7 542
Current liabilities		12 985	9 667
		20 527	17 209

The majority of the amounts accrued in the 2023 Reporting Period relates to advisory and consulting fees payable at period-end, which includes an outstanding balance of €1.0 million (2022: €1.3 million) of the administrative penalty imposed by the FSCA in the 2019 Reporting Period.

During the 2022 Reporting Period, BaFin imposed an administrative fine of €11.29 million on Steinhoff to be paid in instalments up to 30 September 2024. The fine was for not making the annual financial report for the 2016/2017 financial year available within the prescribed period to the public and also for failing to publish voting rights notifications it had received within the prescribed period. The administrative fine also effectively resolved other late filings of financial reports and voting rights notifications. The fine amount and administrative costs are payable in three tranches as follows: €3.76 million on 31 March 2023, €3.76 million on 31 March 2024 and €3.77 million on 30 September 2024.

STEINHOFF INTERNATIONAL HOLDINGS N.V.
STATEMENT OF CASH FLOWS
FOR THE 5 MONTHS ENDED 28 FEBRUARY 2023

		1 Month ended 30 October 2022	1 Month ended 30 November 2022	1 Month ended 31 December 2022	1 Month ended 31 January 2023	1 Month ended 28 February 2023	5 Months ended 28 February 2023	12 Months ended 30 September 2022
	Notes	€'000	€'000	€'000	€'000	€'000	€'000	€'000
CASH POSITION AT BEGINNING OF PERIOD		2 509	1 024	144	94	1 197	2 509	4 346
RECEIPTS		2	1	-	3 525	6 204	9 732	17 059
Interest received		2	1	*	2	1	6	213
Insurance income		-	-	-	-	6 203	6 203	7 850
D&O recharge recoveries	1.	-	-	-	3 523	-	3 523	6 573
Other refunds	2.	-	-	-	-	-	-	238
Retainer fees refunded		-	-	-	-	-	-	7
VAT refund		-	-	-	-	-	-	2 178
PAYMENTS		(1 478)	(882)	(49)	(2 411)	(6 975)	(11 795)	(18 888)
Audit fees paid	3.	(650)	(647)	-	(1 323)	-	(2 620)	(3 173)
Consultancy & Legal Fees	4.	(546)	(60)	-	(730)	(2 112)	(3 448)	(4 888)
Directors' fees	5.	(223)	(52)	-	(224)	(51)	(550)	(1 157)
South African Revenue Services: VAT and PAYE		-	(69)	-	-	(52)	(121)	(344)
Interest paid		-	-	-	-	-	-	(7)
Insurance	6.	-	-	-	(17)	(4 647)	(4 664)	(7 831)
Management fees paid	7.	-	-	-	-	-	-	(112)
Penalty fees	8.	(49)	(49)	(48)	(47)	(45)	(238)	(752)
Other operating costs		(10)	(5)	(1)	(70)	(68)	(154)	(378)
Refunds paid to shareholders	9.	-	-	-	-	-	-	(246)
FINANCING CASH FLOWS		-	-	-	-	-	-	50
Loans (to)/from group companies		-	-	-	-	-	-	50
Steinhoff Africa Holdings Proprietary Limited		-	-	-	-	-	-	50
EFFECTS OF EXCHANGE RATE TRANSLATIONS ON CASH		(9)	1	(1)	(11)	(2)	(22)	(58)
CASH POSITION AS PER STATEMENT OF FINANCIAL POSITION		1 024	144	94	1 197	424	424	2 509

Notes:

- D&O insurance recharges from subsidiaries for F23 received in January 2023.
- The amount in 2022 Reporting Period consists out of recovery of costs from Tekkie Town claimants for the court hearings, certain SRF related costs paid by Steinhoff and recovered from Steinhoff Africa Holdings Proprietary Limited and amounts refunded that was overpaid to suppliers by Steinhoff
- Audit fee represents the agreed amounts for the year-end audit paid to Mazars NL and Mazars US.
- Predominantly legal and consultancy fees relating to the Litigation Settlement Proposal (F22) as well as Project Purple (F23).
- Expense excludes VAT and PAYE on non-resident directors.
- Premiums for F22 and F23 coverage.
- Management fee paid to Pat Cornick International B.V. for restructuring services.
- Predominantly includes monthly FSCA penalty of R0.9 million per month.
- Amounts distributed to shareholders that were received from SARS as a refund for dividends tax previously overpaid.

The below commitments and contingencies are for Steinhoff International Holdings N.V. and its subsidiaries ("**the Group**").

COMMITMENTS AND CONTINGENCIES

SIHPL Non-Qualifying Claims - Contingent Liabilities

- **Mantessa Equities Proprietary Limited vs SIHPL**

In November 2020 Mantessa Equities Proprietary Limited ("Mantessa") instituted a claim for damages arising from a transaction in terms of which Mantessa acquired Steinhoff shares from a third party entity, which shares were originally received from Business Venture Investments 1449 (RF) Proprietary Limited. The claim was based on damages arising from alleged misrepresentations in SIHPL's financial statements. On or about 7 December 2022, the Stichting Steinhoff Recovery Foundation accepted a claim filed by Hamilton on behalf of Mantessa leading Mantessa to formally withdraw its claim against SIHPL.

- **Competition Commission vs SIHPL**

This matter involves two referrals issued by the Competition Commission during the 2019 Reporting Period:

Under the first referral, the Commission has charged a previous subsidiary of SIHPL, namely KAP Diversified Industrial Proprietary Limited ("KAP") of having colluded during the period 2009 to 2014 with its sole local competitor, namely Sonae Arauco South Africa Proprietary Limited ("Sonae") in that they allegedly fixed prices of certain timber products which they both manufactured and sold to merchants.

In the second (related) referral, the Commission has charged SIHPL itself with having committed the same offence during that period. The Commission contends that the actual perpetration of the transgressions occurred between representatives of the sale staff of a subsidiary of KAP and their colleagues employed by Sonae. It is not alleged that any SIHPL employee participated in the alleged price fixing or that SIHPL knew or ought to have known that the transgressions were being perpetrated.

The Commission seeks a conviction against SIHPL exclusively on a contention that by virtue of its shareholding in the KAP Group it controlled the business and affairs of KAP and its subsidiaries.

The matter was heard on an opposed basis on 10 August 2021 and judgment was delivered on 25 January 2022, wherein the Commission's decision to refer the complaint against SIHPL to the Tribunal was set aside.

The Commission was recently granted leave to appeal to the Supreme Court of Appeal. This matter is listed as a non-qualifying claim in SIHPL's court-sanctioned S155 Compromise with its creditors. SIHPL has not reserved for the claim, on the basis of the Commission's limited prospects of success.

Other Group litigation - Contingent Liabilities

- **Geros Financial Services Proprietary Limited vs Steinhoff at Work**

On 2 November 2021, Geros Financial Services Proprietary Limited ("Geros") served a simple summons against Steinhoff at Work Proprietary Limited ("Steinhoff at Work") claiming an aggregate of c. ZAR64 million (€3.7 million) which was allegedly loaned by Geros to Steinhoff at Work and which, according to Geros, is now due for repayment (plus interest at a rate of the prime lending rate less 3.5% per annum from the date that the amount was advanced to the date of final payment).

Proceedings are ongoing and management's view is that the claim holds no merit.

- **Access to a copy of the overview of the forensic investigation published in March 2019 ("PwC Report")**

Application brought by Tiso Blackstar and others (owners of prominent South African media outlets) vs Steinhoff on 23 October 2019 on a public interest basis (as well as separate applications by Markus Jooste) for access to a copy of the PwC Report. On 10 May 2022, the High Court ruled that Steinhoff is directed to supply Tiso Blackstar and amaBhungane with a copy of the PwC Report. Steinhoff was granted leave to appeal to the Supreme Court of appeal and those proceedings are ongoing. Damages are not sought in this matter and accordingly there should be no economic outflow arising from these proceedings.