THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

The definitions and interpretations commencing on page 22 of this document apply to this entire document, including the cover page.

Action required by certificated and dematerialised shareholders:

1. This document is important and should be read with particular attention to pages 5 to 7 entitled "Action Required by Shareholders".
2. If you are in any doubt as to what action you should take, please consult your broker, CSDP, banker, attorney or other professional advisor immediately.
3. If you have disposed of all your Steinhoff shares, this circular should be handed to the purchaser of such shares or to the broker, CSDP, banker or other agent through whom the disposal was effected.

Steinhoff and Genesis do not accept responsibility, and will not be held liable, for any action of, or omission by, any CSDP or broker including, without limitation, any failure on the part of the CSDP or broker of any beneficial owner of Steinhoff shares to notify such beneficial owner of the transactions set out in this circular

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Steinhoff International Holdings Limited

Incorporated in the Republic of South Africa
(Registration number : 1998/003951/06)
Ordinary share code: SHF ISIN: ZAE000016176
Preference share code: SHFF ISIN: ZAE000068367
("Steinhoff" or "the Company")

CIRCULAR TO STEINHOFF SHAREHOLDERS

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regarding:

- **a scheme of arrangement in terms of section 114 of the Companies Act proposed by the Steinhoff board between Steinhoff and its shareholders in terms of which Genesis will acquire all of the Steinhoff shares for a scheme consideration of one Genesis share for every one Steinhoff share held (this comprises all of the issued ordinary shares in Steinhoff);**
- **the delisting of the Steinhoff shares from the main board of the JSE in the event of the implementation of the scheme;**
- **the listing of Genesis on the prime standard of the FSE, as well as an inward listing on the main board of the JSE in the event of the implementation of the scheme;**
- **the approval of the Articles of Association;**
- **the classification of the inward listing as a secondary listing on the JSE; and**
- **the possible repurchase by Steinhoff subsidiaries of Steinhoff shares from Brait;**

and incorporating:

- **a circular pertaining to the scheme and the authority to repurchase shares from Brait;**
- **a Prospectus in respect of Genesis;**
- **reports by the independent expert in terms of sections 114(2) and 114(3) of the Companies Act;**
- **extracts of section 115 of the Companies Act, dealing with the approval required for fundamental transactions (including schemes of arrangement) and of section 164 of the Companies Act, dealing with dissenting shareholders' appraisal rights;**
- **historical financial information in respect of Steinhoff;**
- **historical financial information in respect of Genesis;**
- **a *pro forma* statement of financial position and an income statement of Genesis subsequent to the implementation of the scheme, as if for the statement of financial position purposes the scheme had been implemented on 31 December 2014, and for income statement purposes on 1 July 2014;**
- **a statement of directors' interests in Steinhoff;**
- **a notice convening the scheme meeting of Steinhoff shareholders;**
- **a form of proxy in respect of the scheme meeting *(yellow)* (subject to section 57(1) of the Companies Act) (for use by certificated scheme members and "own-name" dematerialised scheme members only);**
- **a form of election, surrender and transfer in respect of the scheme of arrangement (*blue*) (for use by certificated scheme participants only); and**
- **a form of election (*pink*) (for use by non-resident scheme participants).**

Reporting Accountants to Steinhoff and Genesis

Deloitte.

Independent Sponsor

Joint South African Legal Advisors to Steinhoff

Independent Expert

Transaction Sponsor

International Legal Advisors to Steinhoff

Linklaters

Date of issue: 7 August 2015

This circular is available in English only. Copies may be obtained from 11 August 2015 until 7 September 2015, both days inclusive, from the registered office of Steinhoff, the sponsor and the transfer secretaries whose addresses are set out in the "Corporate Information and Advisors" section of this circular. The circular will also be available in electronic form from the Company's website ***(www.steinhoffinternational.com).***

CORPORATE INFORMATION AND ADVISORS

Steinhoff International Holdings Limited
Company secretary and registered office
Steinhoff Africa Secretarial Services Proprietary Limited
28 Sixth Street, Wynberg
Sandton, 2090
South Africa
(PO Box 1955, Bramley, 2018)
Date and place of incorporation:
1998, South Africa

Independent Sponsor
PSG Capital Proprietary Limited
(Registration number 2006/015817/07)
1st Floor, Building 8
Inanda Green Business Park
54 Wierda Road West
Wierda Valley
Sandton, 2196
(PO Box 650957, Benmore, 2010)
and at
1st Floor, Ou Kollege
35 Kerk Street
Stellenbosch, 7599
(PO Box 7403, Stellenbosch, 7599)

Joint South African Legal Advisors
Cliffe Dekker Hofmeyr Inc.
(Registration number 2008/018923/21)
1 Protea Place
Sandton, 2196
(Private Bag X40, Benmore, 2010)

Werksmans Inc.
(Registration number 1990/007215/21)
18th Floor, 1 Thibault Square
Cape Town, 8001
(PO Box 1474, Cape Town, 8000)

Steinhoff and Genesis Reporting Accountants
Deloitte & Touche
Registered Auditors
River Walk Office Park, Block B
41 Matroosberg Road
Ashlea Gardens X6
Pretoria, 0081
(PO Box 11007, Hatfield, 0028)

Transaction sponsor
Absa Bank Limited
(acting through its Corporate and Investment Banking Division)
(Registration number 1986/004794/06)
15 Alice Lane
Sandton, 2196
(Private Bag X10056, Sandton, 2146)

Genesis International Holdings N.V.
(Registration number 63570173) Herengracht 466
1017 CA Amsterdam
The Netherlands
Date and place of incorporation
22 June 2015, The Netherlands

Transfer Secretaries
Computershare Investor Services Proprietary Limited
(Registration number 2004/003647/07)
Ground Floor, 70 Marshall Street, Johannesburg, 2001
(PO Box 61051, Marshalltown, 2107)
Telephone: +27 11 370 5000
Facsimile: +27 11 688 5210

International Legal Advisors
Linklaters LLP
One Silk Street
London, EC2Y 8HQ
United Kingdom

WTC Amsterdam
Zuidplein 180, 1077 XV Amsterdam
The Netherlands

Independent Expert
PricewaterhouseCoopers Corporate Finance Proprietary Limited
(Registration number 1970/003711/07)
2 Eglin Road
Sunninghill, 2157
(Private Bag X36, Sunninghill, 2157)

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IMPORTANT LEGAL NOTICES

DISCLAIMER

The release, publication or distribution of this document in certain jurisdictions may be restricted by law and therefore persons in any such jurisdictions into which this document is released, published or distributed should inform themselves about and observe such restrictions. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of any such jurisdiction. This document does not constitute the solicitation of an offer to purchase shares or a solicitation of any vote or approval in any jurisdiction in which such offer or solicitation would be unlawful.

APPLICABLE LAWS AND FOREIGN SHAREHOLDERS

The transactions, which are the subject of this document (**"transactions"**), may be affected by the laws of the relevant jurisdictions of the non-resident shareholders. Such non-resident shareholders should inform themselves about and observe any applicable legal requirements of such jurisdictions. It is the responsibility of any non-resident shareholder to satisfy himself as to the full observation of the laws and regulatory requirements of the relevant jurisdiction in connection with the transactions, including the obtaining of any governmental, exchange control or other consents or the making of any filings which may be required, the compliance with other necessary formalities, the payment of any transfer or other taxes or other requisite payments due in such jurisdiction.

The transactions comply with and are governed by the laws of South Africa and are subject to any applicable laws and regulations, including the South African exchange control regulations.

The scheme is proposed solely in terms of this document which includes details of how the scheme may be approved. The scheme is not being proposed in any jurisdiction in which it is unlawful to propose such a scheme.

Any non-resident shareholder will be responsible for any transfer or other taxes or other requisite payments by whomsoever payable. Steinhoff and Genesis and any other person acting on its behalf shall be fully indemnified and held harmless by non-resident shareholders for any such transfer or other taxes as such person may be required to pay.

Any shareholder who is in doubt as to his position, including, without limitation, his tax status, should consult an appropriate independent professional advisor in the relevant jurisdiction without delay.

NOTICE TO US SHAREHOLDERS

This document is not an offer of securities for sale in the United States. The Genesis shares to be issued under the scheme will not be, and are not required to be, registered under the US Securities Act of 1933 (**"Securities Act"**), and will be issued in reliance upon the exemption from the registration requirements of the Securities Act provided by Section 4(a)(2) thereof, which is available for an offer and sale of securities not involving any public offering in the United States.

Accordingly, the Genesis shares to be issued under the scheme will be issued to Steinhoff shareholders with a registered address in the United States (**"US Shareholders"**) only if such US Shareholders have demonstrated that they are "qualified institutional buyers" (as such term is defined in the Securities Act (each, a **"QIB"**)) and agree to certain transfer restrictions applicable to the Genesis shares issued to US Shareholders. Each US Shareholder that wishes to receive Genesis shares in terms of the scheme will be required to execute an investor letter in the form set out in Annexure 8 to this circular **("US Investor Letter"**), and deliver such letter to their CSDP or broker.

Any US Shareholder that is not a QIB or does not deliver a US Investor Letter will be deemed to be an **"Excluded US Shareholder"**, and the Genesis shares to which such person is entitled shall be sold in the market on such person's behalf at the best price which can reasonably be obtained at the time of the sale and the net proceeds of such sale be paid to the person entitled thereto.

The Genesis shares have not been and will not be listed on a US securities exchange or quoted on any inter-dealer quotation system in the United States. Genesis does not intend to take any action to facilitate a market in the Genesis shares in the United States. Consequently, it is unlikely that an active trading market in the United States will develop for the Genesis shares.

The Genesis shares have not been approved or disapproved by the United States Securities and Exchange Commission, any state securities commission in the United States or any other regulatory authority in the United States, nor have any of the foregoing authorities passed comment upon, or endorsed the merit of, the scheme or the accuracy or the adequacy of this circular. Any representation to the contrary is a criminal offence in the United States.

US Shareholders should consult their own legal and tax advisers with respect to the legal and tax consequences of the scheme in their particular circumstances.

NOTICE TO CUSTODIANS AND NOMINEES HOLDING STEINHOFF SHARES ON BEHALF OF US SHAREHOLDERS

Each US Shareholder that wishes to receive Genesis shares will be required to execute a US Investor Letter in the form set out in Annexure 8 to this circular, and deliver such letter to their CSDP or broker. Any US Shareholder that does not deliver a US Investor Letter will be deemed to be an Excluded US Shareholder.

In order to ensure that Genesis shares are sold on behalf of any US Shareholder unless such US Shareholder has executed a US Investor Letter, any custodian or nominee holding Genesis shares on behalf of any US Shareholder must either:

(a) obtain an executed US Investor Letter from such US Shareholders, and ensure the same is provided to their CSDP or broker, in which case it may accept Genesis shares on behalf of such US Shareholder in the same manner as for any other shareholder that is not an Excluded US Shareholder; or

(b) transfer such Genesis shares to an escrow balance using a transfer to escrow instruction specifying Computershare as the escrow agent and specifying Participant ID: Computershare Pty Ltd and Member Account ID: REGCA, which has been specified by the transfer secretaries as the appropriate escrow account for all Genesis shares held in uncertificated form on behalf of Excluded US Shareholders.

FORWARD-LOOKING STATEMENTS

This document contains statements about Steinhoff and Genesis that are or may be forward-looking statements. All statements, other than statements of historical fact, are, or may be deemed to be, forward-looking statements, including, without limitation, those concerning: strategy; the economic outlook for the industry; production; cash flow and other operating results; growth prospects and outlook for operations, individually or in the aggregate; liquidity and capital resources and expenditure and the outcome and consequences of any pending litigation proceedings. These forward-looking statements are not based on historical facts, but rather reflect current expectations concerning future results and events and generally may be identified by the use of forward-looking words or phrases such as "believe", "aim", "expect", "anticipate", "intend", "foresee", "forecast", "likely", "should", "planned", "may", "estimated", "potential" or similar words and phrases.

Examples of forward-looking statements include statements regarding a future financial position or future profits, cash flows, corporate strategy, anticipated levels of growth, estimates of capital expenditure, acquisition strategy, and expansion prospects for future capital expenditure levels and other economic factors, such as, *inter alia,* interest rates.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Steinhoff and Genesis caution that forward-looking statements are not guarantees of future performance. Actual results, financial and operating conditions, liquidity and the developments within the industry in which Steinhoff and Genesis operate may differ materially from those made in, or suggested by, the forward-looking statements contained in this document.

All these forward-looking statements are based on estimates and assumptions, as regards Steinhoff and Genesis, made by Steinhoff and Genesis as communicated in publicly available documents issued by Steinhoff and Genesis, all of which estimates and assumptions, although Steinhoff and Genesis believe them to be reasonable, are inherently uncertain. Such estimates, assumptions or statements may not eventuate. Factors which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied in those statements or assumptions include other matters not yet known to Steinhoff and Genesis or not currently considered material by Steinhoff and Genesis.

Shareholders should keep in mind that any forward-looking statement made in this document or elsewhere is applicable only at the date on which such forward-looking statement is made. New factors that could cause the business of Steinhoff and Genesis not to develop as expected may emerge from time to time and it is not possible to predict all of them. Further, the extent to which any factor or combination of factors may cause actual results to differ materially from those contained in any forward-looking statement are not known. Steinhoff and Genesis have no duty to, and do not intend to, update or revise the forward-looking statements contained in this document after the date of issue of this document, except as may be required by law.

ACTION REQUIRED BY SHAREHOLDERS

Please take careful note of the following provisions regarding the actions required by Steinhoff shareholders. If you are in any doubt as to the action you should take, please consult your broker, CSDP, banker, attorney or professional advisor immediately. Without derogating from the generality of the aforegoing, the attention of Steinhoff shareholders who hold their shares in certificated form is specifically drawn to the provisions of paragraph 3 below. **Genesis's Articles of Association do not make provision for the issuance of individual share certificates and as such special procedures are applicable for shareholders who hold their shares in certificated form.**

If you have disposed of all your Steinhoff shares, this circular should be handed to the purchaser of such shares or to the broker, CSDP, banker or other agent through whom such disposal was effected.

A scheme meeting will be held at Steinhoff's offices at 28 Sixth Street, Wynberg, Sandton, 2090 at 12:00 on Monday, 7 September 2015 for the purpose of considering and, if deemed fit, passing the scheme resolution required to enable Genesis to acquire the entire issued ordinary share capital of Steinhoff in terms of a scheme of arrangement under section 114(1) of the Companies Act. The scheme meeting will *inter alia* also consider the passing of the special resolution to authorise the repurchase by Steinhoff subsidiaries of Steinhoff shares from Brait. A notice convening such scheme meeting is attached to, and forms part of, this circular.

1. **DEMATERIALISED SHAREHOLDERS WHO ARE "OWN-NAME" DEMATERIALISED SHAREHOLDERS**

1.1 **Attendance and voting at the scheme meeting**

1.1.1 You may attend the scheme meeting and vote thereat in person.

1.1.2 If you do not wish to or are unable to attend the scheme meeting, but wish to be represented thereat, you must complete the attached form of proxy *(yellow)* in accordance with the instructions contained therein and return it to the transfer secretaries, Computershare Investor Services Proprietary Limited, Ground Floor, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107) to be received by them by no later than 48 hours before the scheme meeting. Alternatively, the form of proxy (yellow) may be handed to the chairman of the scheme meeting or adjourned scheme meeting before the scheme meeting is due to commence or recommence.

1.2 **Surrender of documents of title**

You do not have to surrender any documents of title. The transfer of your scheme shares and scheme consideration will be handled by your CSDP or broker.

1.3 **Operation of the scheme**

1.3.1 Resident shareholders: If the scheme becomes unconditional and operative, your accounts held at your CSDP or broker will be debited with your Steinhoff shares and credited with the scheme consideration (which will consist of the relevant number of JSE traded Genesis shares to which you are entitled) in respect thereof on the operative date. Should the scheme not become unconditional, you will retain your Steinhoff shares and will not be entitled to receive the scheme consideration.

1.3.2 Non-resident shareholders: If the scheme becomes unconditional and operative, your accounts held at your CSDP or broker will be debited with your Steinhoff shares and credited with the scheme consideration (which will consist of the relevant number of JSE traded Genesis shares to which you are entitled) in respect thereof on the operative date, unless you have elected, on or before 12:00 on the scheme record date, by completing the form of election *(pink)* and returning the same to the transfer secretaries, Computershare Investor Services Proprietary Limited, Ground Floor, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107), to receive the scheme consideration in the form of the relevant number of FSE traded Genesis shares to which you would be entitled. Should the scheme not become unconditional, you will retain your Steinhoff shares and will not be entitled to receive the scheme consideration.

2. **DEMATERIALISED SHAREHOLDERS WHO ARE NOT "OWN-NAME" DEMATERIALISED SHAREHOLDERS**

2.1 **Attendance and voting at the scheme meeting**

2.1.1 If you wish to attend the scheme meeting, you should instruct your CSDP or broker to issue you with the necessary letter of representation to attend the scheme meeting in person, in the manner stipulated in the custody agreement governing the relationship between you and your CSDP or broker. These instructions must be provided to the CSDP or broker by the cut-off time and date advised by the CSDP or broker for instructions of this nature.

2.1.2 If you do not wish to or are unable to attend the scheme meeting, but wish to vote thereat, you should provide your CSDP or broker with your voting instructions in the manner stipulated in the custody agreement governing the relationship between you and your CSDP or broker. These instructions must be provided to the CSDP or broker by the cut-off time and date advised by the CSDP or broker for instructions of this nature. If your CSDP or broker does not obtain voting instructions from you, it will be obliged to vote in accordance with the instructions contained in the custody agreement concluded between you and your CSDP or broker.

2.1.3 You must **not** complete the attached form of proxy *(yellow).*

2.2 **Surrender of documents of title**

You do not have to surrender any documents of title. The transfer of your scheme shares and scheme consideration will be handled by your CSDP or broker.

2.3 **Operation of the scheme**

2.3.1 Resident shareholders: If the scheme becomes unconditional and operative the scheme consideration (which will consist of the relevant number of JSE traded Genesis shares) to which you are entitled will be transferred to your account at your CSDP or broker on the operative date in terms of the custody agreement entered into between you and your CSDP or broker. Should the scheme not become unconditional, you will retain your Steinhoff shares and will not be entitled to receive the scheme consideration.

2.3.2 Non-resident shareholders: If the scheme becomes unconditional and operative, the scheme consideration (which will consist of the relevant number of JSE traded Genesis shares) to which you are entitled will be transferred to your account at your CSDP or broker on the operative date in terms of the custody agreement entered into between you and your CSDP or broker, unless you have elected, on or before 12:00 on the scheme record date, by completing the form of election *(pink)* and returning the same to the transfer secretaries, Computershare Investor Services Proprietary Limited, Ground Floor, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107), to receive the scheme consideration in the form of the relevant number of FSE traded Genesis shares. Non-resident dematerialised shareholders are to send their election to their CSDP or broker in terms of the mandate and cut off time advised to them by the CSDP or broker. Should the scheme not be declared unconditional, you will retain your Steinhoff shares and will not be entitled to receive the scheme consideration.

3. **CERTIFICATED SHAREHOLDERS**

If you hold Steinhoff shares in certificated form you should pay special attention to the provisions of this paragraph 3 since Genesis will not issue any individual share certificates and to receive the scheme consideration to which you are entitled you will be required to move into a dematerialised environment. If you are in any doubt as to what action you should take, please consult your broker, CSDP, banker, attorney or other professional advisor.

3.1 **Attendance and voting at the scheme meeting**

3.1.1 You may attend the scheme meeting and vote thereat in person.

3.1.2 If you do not wish to or are unable to attend the scheme meeting, but wish to be represented thereat, you must complete the attached form of proxy *(yellow)* in accordance with the instructions contained therein and return it to the transfer secretaries, Computershare Investor Services Proprietary Limited, Ground Floor, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107) to be received by them by no later than 48 hours before the scheme meeting. Alternatively, the form of proxy *(yellow)* may be handed to the chairman of the scheme meeting or adjourned scheme meeting before the scheme meeting is due to commence or recommence.

3.2 **Surrender of documents of title**

3.2.1 If you wish to expedite receipt of the scheme consideration and surrender your documents of title in respect of your Steinhoff shares in anticipation of the scheme becoming operative, you should complete the attached form of election, surrender and transfer *(blue)* and return it, together with the relevant documents of title relating to all your Steinhoff shares, in accordance with the instructions contained therein, to the transfer secretaries, Computershare Investor Services Proprietary Limited, Ground Floor, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107). **Please note that the attached form of election, surrender and transfer makes provision for the insertion of details of the account with your CSDP or broker into which the scheme consideration to which you are entitled, being Genesis shares in dematerialised form, must be transferred. Since Genesis will not issue any individual share certificates, in order to receive the scheme consideration you must specify a valid account with your CSDP or broker to which the scheme consideration you are entitled to is to be transferred and, if you do not have such account, you will need to establish one. If you are a non-resident shareholder you may specify (i) an account within South Africa in which event the scheme consideration to which you are entitled in the form of the relevant number of JSE traded Genesis shares will be transferred to such account, or (ii) an account outside of South Africa in which event the scheme consideration to which you are entitled in the form of the relevant number of FSE traded Genesis shares will be transferred to such account**. If you are a resident shareholder you may only specify an account within South Africa and the scheme consideration in the form of the relevant number of JSE traded Genesis shares will be credited to such account. If you fail to provide valid account details with a CSDP or broker into which the scheme consideration to which you are entitled is to be transferred in the form of election, surrender and transfer, such scheme consideration will be transferred to an account in the name of Computershare Nominees Proprietary Limited, the nominee of Computershare Proprietary Limited's CSDP, who will hold the shares as the registered holder but for and on behalf of the respective Steinhoff shareholder **("Bulk Dematerialised Shareholder")**. Beneficial ownership will be recorded on a sub-register (also commonly known as the nominee sub-register). Each Bulk Dematerialised Shareholder is deemed to have concluded the Custody Agreement with Computershare Proprietary Limited, which establishes a business relationship between Computershare Proprietary Limited and each Bulk Dematerialised Shareholder. A copy of the Custody Agreement is available on the Computershare website at www.computershare.com.

3.2.2 Against completion of such forms as may be obtained from the transfer secretaries from time to time, which forms will embody (i) the surrender of your documents of title in respect of certificated Steinhoff shares, and (ii) the provision of a valid account with your CSDP or broker, the transfer secretaries shall transfer the scheme consideration to which you are entitled to such valid account with your CSDP or broker. Simultaneously with such transfer the transfer secretaries will pay to you any amounts (including dividends) accrued on the scheme consideration to which you are entitled that is held in accordance with the Custody Agreement. Alternatively, if you do not wish to open an account with a CSDP or broker, you may against completion of such forms as may be obtained from the transfer secretaries from time to time instruct the transfer secretaries to sell the scheme consideration to which you are entitled and to remit the cash to you.

3.2.3 If documents of title relating to any Steinhoff shares to be surrendered are lost or destroyed, Steinhoff and Genesis may dispense with the surrender of such documents of title upon production of evidence satisfactory to Steinhoff and Genesis that the documents of title to the Steinhoff shares in question have been lost or destroyed, and upon provision of a suitable indemnity on terms satisfactory to them. Accordingly, if the documents of title in respect of any of your Steinhoff shares have been lost or destroyed, you should nevertheless return the attached form of election, surrender and transfer *(blue),* duly signed and completed, together with a duly signed and completed indemnity form which is obtainable from the transfer secretaries.

3.2.4 Should you surrender your documents of title in respect of your Steinhoff shares in anticipation of the scheme becoming unconditional and the scheme then does not become unconditional, the transfer secretaries shall, within five business days of either the date upon which it becomes known that the scheme will not become unconditional or on receipt by the transfer secretaries of the relevant documents of title, whichever is the later, return such documents of title to you by post at your risk.

3.2.5 **If you wish to dematerialise your Steinhoff shares, please contact a CSDP or broker.**

3.3 **Operation of the scheme**

3.3.1 If the scheme becomes unconditional and operative, you will have to surrender your documents of title in respect of your Steinhoff shares in exchange for the scheme consideration irrespective of whether you voted in favour of the scheme or not.

3.3.2 Resident shareholders: If the scheme becomes unconditional and you surrender your documents of title in respect of your Steinhoff shares to the transfer secretaries and you specify a valid brokers account in South Africa into which the scheme consideration can be transferred on or before 12:00 on the scheme record date, the scheme consideration you are entitled to will be transferred to your account at your CSDP or broker on the operative date in terms of the custody agreement entered into between you and your CSDP or broker. If you surrender your documents of title after 12:00 on the scheme record date or if you surrender your documents of title before 12:00 on the scheme record date but fail to specify a valid account at your CSDP or broker into which the scheme consideration you are entitled is to be transferred, the provisions of paragraph 3.2.2 shall apply and your entitlement to the scheme consideration shall be transferred to Computershare Nominees Proprietary Limited to be dealt with in accordance with the provisions of paragraph 3.2.2. Should the scheme not be declared unconditional, you will retain your Steinhoff shares and will not be entitled to receive the scheme consideration.

3.3.3 Non-resident shareholders: If the scheme becomes unconditional and you surrender your documents of title in respect of your Steinhoff shares to the transfer secretaries and you specify a valid brokers account in South Africa or outside of South Africa into which the scheme consideration can be transferred on or before 12:00 on the scheme record date, the scheme consideration you are entitled to will be transferred to your account at your CSDP or broker on the operative date in terms of the custody agreement entered into between you and your CSDP or broker. If your account at your CSDP or broker is outside of South Africa you will receive the scheme consideration to which you are entitled in the form of the relevant number of FSE traded Genesis shares and if your account is in South Africa you will receive the scheme consideration to which you are entitled in the form of the relevant number of JSE traded Genesis shares. If you surrender your documents of title after 12:00 on the scheme record date or if you surrender your documents of title before 12:00 on the scheme record date but fail to specify a valid account at your CSDP or broker into which the

scheme consideration you are entitled is to be transferred, the provisions of paragraph 3.2.2 shall apply and your entitlement to scheme consideration shall be transferred to Computershare Nominees Proprietary Limited to be dealt with in accordance with the provisions of paragraph 3.2.2.

4. **GENERAL**

4.1 **Approval of the scheme at the scheme meeting**

The scheme must be approved by a special resolution, in accordance with section 115(2)(a) of the Companies Act, at the scheme meeting, at which at least three Steinhoff shareholders are present and sufficient scheme members are present to exercise, in aggregate, at least 25% of all the voting rights that are entitled to be exercised at the scheme meeting. In order to be approved, the scheme resolution must be supported by at least 75% of voting rights exercised thereon at the scheme meeting.

4.2 **Court approval**

4.2.1 Shareholders are advised that, in accordance with section 115(3) of the Companies Act, Steinhoff may in certain circumstances not proceed to implement the scheme resolution, despite the fact that it will have been adopted at the scheme meeting, without the approval of the court.

4.2.2 A copy of section 115 of the Companies Act pertaining to the required approval for the scheme is set out in Annexure 4 to this circular.

4.3 **Dissenting shareholders**

4.3.1 Section 164 of the Companies Act provides that:

4.3.1.1 at any time before the scheme resolution is to be voted on at the scheme meeting, a shareholder may give Steinhoff written notice objecting to the scheme resolution;

4.3.1.2 within 10 business days after Steinhoff has adopted the scheme resolution, Steinhoff must send a notice that the scheme resolution has been adopted to each shareholder who gave Steinhoff written notice of objection and has neither withdrawn that notice nor voted in favour of the scheme resolution;

4.3.1.3 a shareholder who has given Steinhoff written notice in terms of section 164 of the Companies Act objecting to the scheme resolution and has complied with all of the procedural requirements set out in section 164 of the Companies Act may, if the scheme resolution has been adopted, then a demand in writing may be made by such shareholder within:

4.3.1.3.1 20 business days after receipt of the notice referred to above; or

4.3.1.3.2 if the shareholder does not receive the notice from Steinhoff referred to above, 20 business days after learning that the scheme resolution has been adopted,

4.3.1.3.3 demanding that Steinhoff pay the shareholder the fair value (in terms of and subject to the requirements set out in section 164 of the Companies Act) for all the shares held by that shareholder.

4.3.1.4 A more detailed explanation of the dissenting shareholders' appraisal rights is contained in paragraph 11.9 of the circular.

4.3.1.5 A copy of section 164 of the Companies Act pertaining to the dissenting shareholders' appraisal rights is set out in Annexure 5 to this circular.

4.4 **US shareholders**

US Shareholders are referred to the notice set out in the section headed "Important Legal Notices". Each US Shareholder that wishes to receive Genesis shares in the scheme will be required to execute a US Investor Letter in the form set out in Annexure 8 to this circular, and deliver such letter to their CSDP or broker.

IMPORTANT DATES AND TIMES

	2015
Record date for the distribution of the circular on	Friday, 31 July
SENS announcement released and Circular posted to Steinhoff shareholders, including the notice convening the scheme meeting, on	Friday, 7 August
Last day to trade in Steinhoff shares on the JSE in order to be recorded in the register to participate in and vote at the scheme meeting (see note 4 below) on	Friday, 21 August
Voting record date to be eligible to participate in and vote at the scheme meeting by 17:00 on	Friday, 28 August
Last day to lodge forms of proxy in respect of the scheme meeting by 12:00 (see notes 5 and 6 below) on	Thursday, 3 September
Last day for shareholders to give Steinhoff written notice objecting to the scheme in terms of section 164(3) of the Companies Act by no later than 12:00 on	Monday, 7 September
Scheme meeting to be held at 12:00 on	Monday, 7 September
Results of the scheme meeting released on SENS on	Monday, 7 September
Steinhoff to announce results for the financial year 30 June 2015	Tuesday, 8 September
Steinhoff results for the financial year ended 30 June 2015 and the results of the scheme meeting published in the press on	Wednesday, 9 September
Last day on which Steinhoff shareholders can require Steinhoff to seek court approval in terms of section 115(3)(a) of the Companies Act on	Monday, 14 September
Last day on which Steinhoff shareholders can apply to court for leave to review the transaction in terms of section 115(3)(b) of the Companies Act on	Monday, 21 September
Last day for Steinhoff to give notice of adoption of the special resolution approving the scheme to Steinhoff shareholders objecting to the scheme resolution on	Monday, 21 September
If no Steinhoff shareholders exercise their rights in terms of section 115(3)(a) of the Companies Act:	
Receive compliance certificate from the Panel on	Wednesday, 18 November
Finalisation date expected to be on	Friday, 20 November
Finalisation date announcement expected to be released on SENS on	Friday, 20 November
Application for the delisting of the Steinhoff shares lodged with the JSE on	Friday, 20 November
Last day to trade Steinhoff shares on the JSE in order to be recorded in the register to receive the scheme consideration on	Friday, 27 November
Suspension of listing from the main board of the JSE of Steinhoff shares at commencement of trading on	Monday, 30 November
Listing and trading of Genesis shares on the JSE in anticipation of receipt of such shares on the operative date of the scheme with ISIN NL0011375019 under share code SNH on	Monday, 30 November
Scheme record date, being the time and date on which scheme participants must be recorded in the register to receive the scheme consideration, which is expected to be by 17:00 on	Friday, 4 December
Expected operative date of the scheme on	Monday, 7 December
Dematerialised scheme participants expected to have their accounts (held at their CSDP or broker) updated on or about	Monday,7 December
Listing and trading of Genesis shares on the FSE with ISIN NL0011375019 under share code SNH on	Monday, 7 December
Termination of listing of Steinhoff shares from the main board of the JSE at the commencement of trading on or about	Monday, 7 December

Notes:

1. All dates and times may be changed by mutual agreement between Steinhoff and Genesis and/or may be subject to the obtaining of certain regulatory approvals. Any change will be published on SENS.
2. All dates and times have been determined on the basis that no court approval or review of the scheme resolution will be required. Any change to the abovementioned timetable will be published on SENS.
3. As the salient dates and times are subject to change, they may not be regarded as consent or dispensation for any time periods which may be required in terms of the Companies Act or the Takeover Regulations, where applicable, and any such consents or dispensations must be specifically applied for and granted.
4. Steinhoff shareholders should note that as transactions in Steinhoff shares are settled in the electronic settlement system used by Strate, settlement of trades takes place 5 business days after such trade. Therefore Steinhoff shareholders who acquire Steinhoff shares after **21 August 2015** will not be eligible to vote at the scheme meeting.
5. If a form of proxy is not received by the time and date shown above, it may be handed to the chairperson of the scheme meeting at any time immediately before the appointed proxy exercises any of the shareholder rights at the scheme meeting.
6. If the scheme meeting is adjourned or postponed, forms of proxy submitted for the initial scheme meeting will remain valid in respect of any adjournment or postponement of the scheme meeting.
7. All times given in this document are local times in South Africa.
8. Share certificates may not be dematerialised or rematerialised after Friday, 27 November 2015.

STEINHOFF
INTERNATIONAL HOLDINGS LTD

Incorporated in the Republic of South Africa
(Registration number: 1998/003951/06)
Share code: SHF ISIN: ZAE000016176
Preference share code: SHF ISIN: ZAE000068367
("Steinhoff" or "the Company")

DIRECTORS

Executive
MJ Jooste *(Chief Executive Officer)*
DM van der Merwe *(Chief Operating Officer)*
AB la Grange *(Chief Financial Officer)*
FJ Nel *(Financial Director)*
HJK Ferreira
SJ Grobler
JNS du Plessis*
KJ Grové*
M Nel*

Independent non-Executive
D Konar *(Chairman)*
SF Booysen
DC Brink
CE Daun
MT Lategan
JF Mouton
HJ Sonn

Non-Executive
TLJ Guibert
A Krüger-Steinhoff*
BE Steinhoff
PDJ van der Bosch
C Wiese

** Alternate Directors*

CIRCULAR TO STEINHOFF SHAREHOLDERS REGARDING THE SCHEME

1. **INTRODUCTION**

1.1 It was announced on SENS on 2 July 2014 that Steinhoff received approval from the Financial Surveillance Department of the SARB to facilitate the inward listing of Genesis on the JSE, accompanied by a listing on the prime standard of the FSE, and that Genesis would use its shares for the purposes of acquiring the entire issued ordinary share capital of Steinhoff.

1.2 Subsequent hereto, it was further announced on SENS on 7 August 2015 that the Steinhoff board had been informed of the firm intention of Genesis to make an offer to acquire all of the Steinhoff shares held by Steinhoff shareholders by way of the scheme.

1.3 The Steinhoff board is proposing the scheme in terms of section 114 of the Companies Act between Steinhoff and the scheme participants. In the event of the conditions precedents being fulfilled or waived (where appropriate) and the scheme becoming operative. Genesis will by operation of law acquire the scheme shares and, against surrender of the scheme participants' documents of title (if applicable), scheme participants will receive the scheme consideration of one Genesis share for every one Steinhoff share held by a scheme participant.

1.4 Upon the implementation of the scheme, Genesis will become the registered and beneficial owner of the entire issued ordinary share capital of Steinhoff.

1.5 The scheme is conditional upon the fulfilment or waiver (where appropriate) of the conditions precedent. For the scheme to become operative, at least 75% of the votes cast by Steinhoff shareholders need to be in favour of the scheme.

1.6 Steinhoff shall apply to the JSE for approval for the suspension of the listing of the Steinhoff shares from the main board of the JSE with effect from 30 November 2015 and, subject to the scheme becoming operative, the termination of the listing of the Steinhoff shares from the main board of the JSE with effect from 7 December 2015.

1.7 Genesis intends to have its name changed to Steinhoff International Holdings N.V. on the implementation of the scheme. Genesis is registered as a South African tax resident and will be managed from South Africa.

1.8 Brait has recently publicly expressed the possibility that it may wish to dispose of all or a portion of its current shareholding in the Company (which shareholding it acquired pursuant to the implementation of the Pepkor Acquisition). Brait currently holds approximately 190 million Steinhoff shares. Should the opportunity arise, the Company may wish to procure that a subsidiary/ies acquire all or a portion of such shares. The Listings Requirements apply the same principles and requirements regarding repurchases by the Company, to acquisitions of the Company's shares by its subsidiaries. Accordingly, this circular also proposes a special resolution of Steinhoff shareholders authorising such acquisition by Steinhoff subsidiaries, as detailed in special resolution number 3 to be proposed at the scheme meeting.

2. PURPOSE OF THIS CIRCULAR

2.1 The purpose of this circular is to provide the Steinhoff shareholders with relevant information regarding the scheme, including, *inter alia*, the report of the independent expert prepared in terms of section 114(3) of the Companies Act and the recommendation of the independent board in respect of the scheme, and to give notice convening the scheme meeting in order to consider and, if deemed fit, to pass with or without modification, the resolutions necessary to approve and implement the scheme in accordance with the Companies Act, the Takeover Regulations and the Listings Requirements. A notice convening the scheme meeting is attached to, and forms part of, this circular.

2.2 Further, this circular contains the relevant provisions, disclosures and proposed special resolution concerning the possible repurchase of Steinhoff shares from Brait by Steinhoff subsidiaries.

3. BUSINESS AND HISTORY OF STEINHOFF

The business and history of Steinhoff and the Group is disclosed in section 1, paragraphs 3.1 and 3.2 of the Prospectus.

4. BUSINESS AND HISTORY OF GENESIS

The business and history of Genesis is disclosed in section 1, paragraphs 3.1 and 3.2 of the Prospectus.

5. RATIONALE FOR STEINHOFF SHAREHOLDERS TO VOTE IN FAVOUR OF THE SCHEME

5.1 Steinhoff was listed on the JSE in 1998 through the merger of European and South African furniture and household goods businesses under Steinhoff as their common holding company. Steinhoff has developed into an integrated retailer with revenues from its international operations comprising the majority of its global revenues.

5.2 Given that the majority of Steinhoff's revenues are generated outside South Africa, a listing on a major European stock exchange would more accurately reflect the geographic location of its revenues, customers and store locations, accompanied by an enhanced ability to access global capital markets.

5.3 Genesis's listing on the prime standard of the FSE together with an inward listing on the JSE is expected to raise the international profile of Steinhoff. The Steinhoff board is of the opinion that enhanced access to international capital markets on terms which are better reflective of its spread of activities and revenues is a pre-requisite to sustain and grow its business. By virtue of its equity being traded on the FSE and JSE, Genesis will become accessible to a wider investor base that could include emerging and developed market investors, and be able to adapt Steinhoff's existing share incentive schemes to become more relevant, appropriate and valuable for its participating senior European executives.

6. CORPORATE STRUCTURE OF GENESIS AFTER IMPLEMENTATION OF THE SCHEME

The corporate structure of Genesis after the implementation of the scheme is disclosed in section 1, paragraph 3.11 of the Prospectus.

7. GENESIS SHARE CAPITAL AND DIVIDEND POLICY

7.1 **Share capital**

The share capital of Genesis prior to the implementation of the scheme, and subsequent to the execution of the Deeds of Amendment, is disclosed in section 1, paragraph 4.1 of the Prospectus.

7.2 **Dividends**

Dividends will be paid in accordance with the procedures and timelines prescribed by Dutch law, and will be subject to the Articles of Association of Genesis.

8. ARTICLES OF ASSOCIATION OF GENESIS

The salient terms of the Articles of Association, after the implementation of the scheme, are disclosed in section 1, paragraphs 2.11, 2.15, 3.11, 4.1, 4.4, 4.5 and 4.11 of the Prospectus.

9. SUSPENSION AND TERMINATION OF STEINHOFF LISTING

Subject to the scheme becoming operative, which operative date is expected to be Monday, 7 December 2015, the JSE has granted approval for the suspension of the listing on the JSE of the Steinhoff shares, which suspension is expected to take place with effect from the commencement of trade on the JSE on Monday, 30 November 2015 and the termination of the listing on the JSE of the Steinhoff shares, which termination is expected to take place from the commencement of trade on the JSE on Monday, 7 December 2015.

10. GENESIS LISTING ON THE FSE AND THE JSE

10.1 Applications will be made to the FSE in connection with the listing of the Genesis shares on the prime standard of the FSE. Applications will also be made to the JSE for an inward listing of the Genesis shares on the main board of the JSE, as a secondary listing. It is expected that admission of Genesis shares on the FSE and trading on the FSE and the JSE will commence at the opening of trade on the FSE at 09:00 CET on Monday 7 December 2015.

10.2 Under section 18.3 of the Listings Requirements, an issuer applying for a secondary listing of the JSE must not have traded in its securities on the JSE in respect of which a secondary listing is sought of more than 50% of both the total volume and value traded in those securities on all markets in which it is listed over 12 months. As the Company is a first time issuer on the JSE, the JSE has consented to the secondary listing of Genesis on the main board of the JSE subject to the Steinhoff shareholders approving of same by way of an ordinary resolution.

10.3 The implications of Genesis having a secondary (as opposed to a primary) listing on the JSE are as follows:

10.3.1 Secondary listing status means that once Genesis is listed, it will only be required to comply with the listings requirements of the exchange where it has its primary listing (namely the FSE), save as otherwise specifically stated in the Listings Requirements.

10.3.2 The JSE will allow the requirements of the primary exchange to take precedence in relation to Genesis, with the following exceptions:

10.3.2.1 the annual financial statements and any other communication with shareholders must state where the primary and secondary listings of Genesis's securities are;

10.3.2.2 when Genesis wishes to release any information on another exchange, it must ensure that such information is also released on SENS and that such release takes place no later than the equivalent release on any other exchange provided that, if the JSE is not open for business, it must ensure that such information is released through SENS at the commencement of business on the next business day;

10.3.2.3 Genesis must publish, in its interim and year-end results, headline earnings per share and diluted headline earnings per share together with an itemised reconciliation between headline earnings and the earnings used in the calculation; and

10.3.2.4 Genesis must advise, and obtain approval from, the JSE with regard to the timetables for corporate actions stipulated in schedule 18 of the Listings Requirements. Genesis must ensure that the JSE is notified in advance in order to ensure that the JSE can accommodate the processing of these corporate actions for shareholders on the South African share register.

11. TERMS AND CONDITIONS OF THE SCHEME

In terms of section 114(1) of the Companies Act, the Steinhoff board proposes the scheme, as set out in this paragraph 11, between Steinhoff and the Steinhoff shareholders.

11.1 The scheme

11.1.1 The scheme is proposed by the Steinhoff board between Steinhoff and the scheme participants pursuant to which Genesis will acquire ownership of all of the Steinhoff shares from scheme participants for the scheme consideration of one Genesis share for one Steinhoff share and a subsequent delisting of Steinhoff from the main board of the JSE. In addition to this, Genesis will be listed, as an inward listing, on the main board of the JSE.

11.1.2 A scheme of arrangement proposed between a company and its shareholders or any class of them will, subject to section 164 of the Companies Act, becomes binding on that company and the relevant holders of its securities (irrespective of whether or not any such holder supports the scheme) if, amongst other things:

11.1.2.1 a special resolution approving the scheme is adopted at a meeting of scheme members; and

11.1.2.2 all conditions precedent for the implementation of the scheme have been fulfilled or waived (where appropriate).

11.1.3 Subject to the scheme becoming unconditional, scheme participants shall be deemed with effect from the operative date to have:

11.1.3.1 disposed of (and shall be deemed to have undertaken to transfer) all of the Steinhoff shares held by them to Genesis, which shall acquire ownership of such shares, free of encumbrances, in exchange for the scheme consideration;

11.1.3.2 authorised Steinhoff and/or the transfer secretaries on its behalf to transfer the scheme shares into the name of Genesis; and

11.1.3.3 authorised the transfer secretaries on its behalf to collect from Genesis the scheme consideration for delivery to the scheme participants and all risk and benefit in the scheme shares will pass from the scheme participants to Genesis.

11.1.4 Should the scheme become unconditional and be implemented, scheme participants shall:

11.1.4.1 be entitled to receive the scheme consideration in respect of the scheme shares and the transfer secretaries will administer and procure the transfer of the scheme consideration to the scheme participants;

11.1.4.2 against the surrender by certificated scheme participants of their documents of title and the specification of a valid account with a CSDP or broker into which the scheme consideration is to be transferred, receive the scheme consideration; and

11.1.4.3 in terms of the custody agreement entered into between the dematerialised scheme participants concerned and their CSDP or broker, dematerialised scheme participants will have their scheme shares transferred to Genesis and the scheme consideration transferred to their CSDP or broker who should credit their account with the scheme consideration.

11.1.5 The rights of the scheme participants to receive the scheme consideration in respect of the scheme shares held by them will be rights enforceable by scheme participants against Genesis only.

11.1.6 The effect of the scheme will be that, with effect from the operative date, the scheme shares of the scheme participants will be acquired by Genesis, resulting in Genesis owning 100% of the issued ordinary share capital of Steinhoff.

11.1.7 Furthermore, upon the implementation of the scheme, Genesis will be listed on the prime standard of the FSE and on the main board of the JSE as an inward secondary listing, and Steinhoff will delist from the main board of the JSE.

11.1.8 With effect from the operative date, each and every director of the transfer secretaries and/or Steinhoff or any other person nominated by Steinhoff will irrevocably be deemed to be the attorney and agent in *rem suam* of the scheme participants to implement the transfer of the scheme shares and to sign any instrument of transfer in respect thereof or any other documents and to do any other acts required or desirable to implement the scheme and the delisting and to take all steps necessary to procure electronic delivery of scheme shares which are dematerialised.

11.2 It is noted that in terms of the Steinhoff executive share rights scheme (**"share scheme"**), if Steinhoff is taken over or delisted during certain measurement periods as stated in the share scheme rules, the rights under the share scheme shall be exchanged for equivalent rights in Steinhoff's successor (as determined and approved by the remuneration committee of the Steinhoff board), provided that all the performance criteria have been duly achieved. The beneficiaries of the share scheme shall accordingly acquire comparable consideration in the form of equivalent rights in Genesis, in compliance with the provisions of Regulation 87 of the Companies Regulations. In this regard Steinhoff shareholders are referred to paragraph 23 of this circular and the second report of the independent expert attached to this circular as Annexure 3.

11.3 Conditions precedent

11.3.1 The implementation of the scheme is subject to the fulfilment or, if capable of waiver, waiver of the following conditions precedent, which are outstanding as at the last practicable date:

11.3.1.1 the scheme resolution having been approved by the requisite majority of shareholders at the scheme meeting, in accordance with section 115(2)(a) read with section 115(4) of the Companies Act;

11.3.1.2 if the provisions of section 115(2)(c) of the Companies Act apply:

11.3.1.2.1 the scheme being approved by the Court unconditionally, or subject to conditions and the person on whom such conditions are imposed approves such conditions and undertakes in writing to comply therewith; and, if applicable

11.3.1.2.2 Steinhoff not treating the scheme resolution as a nullity in terms of section 115(5)(b) of the Companies Act;

11.3.1.3 within the period prescribed by section 164(7) of the Companies Act, no demands having been received by Steinhoff or valid demands having been received by Steinhoff in terms of that section read with section 115(8) of the Companies Act which in aggregate represent less than 5% of the scheme shares as at the date of the scheme meeting;

11.3.1.4 the secondary listing of Genesis on the JSE having been approved by an ordinary resolution of shareholders at the scheme meeting;

11.3.1.5 the general meeting of Genesis having resolved to amend Genesis' Articles of Association substantially in accordance with the Deeds of Amendment;

11.3.1.6 any third party consents having been obtained, to the extent required by Steinhoff, arising from contractual obligations which become applicable in the event of a change of control in Steinhoff, including the consent of Steinhoff's bankers and relevant licensors, lessors and suppliers;

11.3.1.7 the Panel having issued a compliance certificate in relation to the scheme as required by section 115(1)(b) read with section 119(4)(b) and section 121(b) of the Companies Act;

11.3.1.8 the AFM having approved the EU Prospectus under Dutch law and the EU Prospectus having been passported into Germany in accordance with applicable laws and regulations;

11.3.1.9 all other relevant and applicable approvals from the AFM having been obtained;

11.3.1.10 the FSE having acknowledged to Genesis or its agent (and such acknowledgment not having been withdrawn) that the Genesis shares will be admitted to trading on the prime standard of the FSE;

11.3.1.11 the JSE having granted a secondary listing by way of an introduction of all the issued Genesis shares on the main board of the JSE, with effect from the commencement of trading on the JSE on 30 November 2015; and

11.3.1.12 no adverse change (including in market conditions) and no circumstance having arisen which would or might be expected to result in any adverse change in the business, assets, financial or trading position or profits or prospects or operational performance of any member of the Group which is material in the context of the Group. For purposes of this condition precedent, to be material in the context of the Group, the adverse change or circumstance in question must result (or be reasonably expected to result) in a decrease of 5% or more in the Steinhoff share price on the JSE from the closing price on 29 July 2015, being the last practicable date.

11.3.2 An announcement will be released on SENS as soon as possible after the fulfilment, waiver or non-fulfilment, as the case may be, of the conditions precedent.

11.3.3 To the extent that any condition precedent is capable of waiver, such condition precedent may be waved (in whole or in part) by agreement between Genesis and the Independent Board.

11.4 **Scheme consideration**

11.4.1 The scheme consideration is one Genesis share for each Steinhoff share held. As at the operating date, Genesis will have sufficient unissued shares in its authorised share capital in order to issue so many Genesis shares as may be required to fully satisfy the scheme consideration.

11.4.2 For each Steinhoff share, Genesis will issue an ordinary share in its capital at par. The obligation, under Dutch law, to pay up the nominal value per newly issued ordinary share in the capital of Genesis, shall in aggregate be fulfilled by the (non-cash) contribution of all of the Steinhoff shares to Genesis. The contribution of all of the Steinhoff shares shall be fulfilled and settled by virtue of the scheme becoming operative with effect that by operation of South African law, with effect from the operative date, all of the Steinhoff shares shall be transferred to and shall be acquired by Genesis. The amount by which the value of all of the Steinhoff shares so contributed to Genesis, upon the scheme becoming operative, exceeds the amount of the aforementioned aggregate obligation to pay shall, under Dutch law, be non-stipulated share premium and shall be added to the share premium reserve maintained in the books of Genesis.

11.4.3 The independent board believes that the scheme consideration reflects fair and reasonable value for the Steinhoff shares. In this regard Steinhoff shareholders are referred to paragraph 23 of this circular and the first report of the independent expert attached to this circular as Annexure 3.

11.5 **Settlement of the scheme consideration**

11.5.1 Subject to what is set out below and to the scheme becoming operative, scheme participants will be entitled to receive the scheme consideration.

11.5.2 Settlement of the scheme consideration is subject to the Exchange Control Regulations, the salient provisions of which are set out in paragraph 15 of this circular.

11.5.3 Steinhoff or its agents will administer and/or will transfer the share consideration to scheme participants.

11.5.4 The dematerialised scheme participants will have their accounts held at their CSDP or brokers credited with the scheme consideration and debited with the scheme shares that they are transferring to Genesis pursuant to the scheme on the operative date, provided that:

11.5.4.1 if they are resident scheme participants, they will receive the scheme consideration in the form of JSE traded Genesis shares; or

11.5.4.2 if they are non-resident scheme participants, they will receive the scheme consideration in the form of JSE traded Genesis shares, unless they have elected, on or before 12:00 on the scheme record date, by completing the form of election *(pink)* and returning the same to the transfer secretaries to receive the scheme consideration in the form of FSE traded Genesis shares.

11.5.5 **The attention of certificated scheme participants is specifically drawn to the provisions of paragraph 3 of the "Action Required by Shareholders" section of this document in view of the fact that the scheme consideration will only be made available in dematerialised form (ie no individual share certificates will be issued by Genesis). Accordingly, certificated shareholders will be required to take the steps more fully described in the aforementioned paragraph 3 above in order to receive the scheme consideration.** Certificated scheme participants will, if they have (i) surrendered their documents of title in respect of their Steinhoff shares and have completed a form of election, surrender and transfer *(blue),* and (ii) inserted into such form of election, surrender and transfer valid account details with a CSDP or broker into which the scheme consideration to which they are entitled is to be paid, and (iii) delivered same to the transfer secretaries on or before 12:00 on the scheme record date, have their accounts with their CSDP or broker credited with the scheme consideration to which they are entitled on the operative date of the scheme on the basis that:

11.5.5.1 if they are resident scheme participants the scheme consideration to which they are entitled in the form of dematerialised Genesis shares (traded on the JSE) will be transferred into an account with a CSDP or broker within South Africa; or

11.5.5.2 if they are non-resident scheme participants the scheme consideration in the form of dematerialised Genesis shares will be transferred into an account either within South Africa (traded on the JSE) or outside of South Africa (traded on the FSE), whichever they may have specified in the form of election, surrender and transfer *(blue).*

11.5.6 The scheme consideration accruing to any unknown/untraceable certificated scheme participants or any known/traceable certificated scheme participants who have failed to comply with the provisions of paragraph 11.5.5 will be transferred to Computershare Nominees Proprietary Limited and held in accordance with the Custody Agreement. Should such scheme participant wish to claim the scheme consideration, it will have to (i) tender its documents of title in respect of its Steinhoff shares to the transfer secretaries,

Computershare Investor Services Proprietary Limited, Ground Floor, 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107), and (ii) complete such forms as may be from time to time be specified by the transfer secretaries for the purposes of stipulating a valid account with a CSDP or broker into which dematerialised Genesis shares can be transferred. The scheme consideration will then be transferred into such account with the CSDP or broker as may have been specified by the scheme participant concerned provided that such account must be within South Africa in the case of a resident but may in the case of a non-resident be inside or outside of South Africa. Accounts within South Africa will receive Genesis shares which trade on the JSE and accounts outside South Africa will receive Genesis shares which trade on the FSE. Should an unknown/untraceable certificated scheme participant or a known/traceable scheme participant tender its documents of title but not wish to open an account with a CSDP or broker it may, by completing such forms as the transfer secretaries may require, instruct the transfer secretaries to sell the scheme consideration to which it is entitled and remit the cash into an account with a South African bank on its behalf.

11.5.7 Where, on or subsequent to the operative date, a person, who was not a registered holder of scheme shares on the scheme record date, tenders to the transfer secretaries documents of title together with a duly stamped form of election, surrender and transfer *(blue),* purporting to have been executed by or on behalf of the registered holder of such scheme shares and, provided that the scheme consideration attaching to such scheme shares has not already been transferred into an account with a CSDP or broker, then such transfer may be accepted by Steinhoff as if it were a valid transfer to such person of the scheme shares concerned, provided that Steinhoff and Genesis have been, if so required by either or both of them, provided with an indemnity on terms acceptable to them in respect of such scheme consideration.

11.5.8 The scheme consideration will be transferred to scheme participants, in accordance with the terms of the scheme without regard to any lien, right of set-off, counterclaim or other analogist right to which Steinhoff or Genesis may otherwise be, or claim to be entitled.

11.6 **Effects of the scheme**

The effect of the scheme will be that Genesis will, with effect from the operative date, become the registered and beneficial owner of all of the scheme shares.

11.7 **Treatment of Convertible Bonds**

11.7.1 Between March 2011 and January 2014, Steinhoff Finance, a subsidiary of Steinhoff, issued three series of convertible bonds (together, the **"Convertible Bonds"**) with maturity dates falling between May 2017 and January 2021. As at the date of this circular, the Convertible Bonds are convertible into Steinhoff shares at the option of the holders.

11.7.2 The Convertible Bonds are expected, with effect from the scheme (which is an "Exempt Newco Scheme", as defined in the terms of the Convertible Bonds) becoming operative and subject to certain amendments to the terms and conditions being effected at the same time, to be convertible into Genesis shares at the election of the bondholders, with conversion prices and adjustments referenced in Euro. A copy of this circular and the Prospectus will be provided to the trustees of the Convertible Bonds for information purposes only.

11.7.3 Any exercise of conversion rights where the conversion date falls up to and including Friday, 20 November 2015 will be satisfied by the delivery of Steinhoff shares in accordance with the terms of the Convertible Bonds and where the conversion date falls on Friday 20 November 2015, the delivery of Steinhoff shares will be made by Friday, 27 November 2015, being the last day to trade Steinhoff shares on the JSE in order to be recorded in the register to receive the scheme consideration. As Steinhoff shares will be suspended from listing from the JSE at commencement of trading on Monday, 30 November 2015, any exercise of conversion rights where the conversion date falls on or after Monday, 23 November 2015 will be satisfied by the delivery of Genesis shares from Monday, 7 December 2015, being the scheme operative date.

11.8 **Restricted jurisdictions**

11.8.1 The legality of the offer to non-resident shareholders may be affected by the laws of any jurisdiction relevant to them. Such shareholders should inform themselves about any applicable legal requirements, which they are obliged to observe. It is the responsibility of any such shareholder to satisfy himself/herself as to the full observance of the laws of any relevant jurisdiction in connection with the scheme.

11.8.2 The information contained in this circular is restricted and, subject to certain exceptions, is not for release, publication or distribution, directly or indirectly, in whole or in part, in, into or from the United States, Australia, Canada, Japan or any other jurisdiction in respect of which the release, publication or distribution, directly or indirectly, of this circular would constitute a violation of the relevant laws of such jurisdiction or in respect of which the scheme contemplated in this circular are unlawful.

11.8.3 To the extent that this circular is nevertheless distributed in such jurisdictions outside South Africa where the distribution thereof may be restricted or prohibited by the laws of such foreign jurisdiction then this circular is deemed to have been provided for information purposes only and none of Steinhoff nor Genesis, nor their respective boards of directors, accept any responsibility for any failure by scheme participants to inform themselves about, and to observe, any applicable legal requirements in any relevant foreign jurisdiction.

11.8.4 Shareholders who complete the form of election, surrender and transfer *(blue)* or the form of election *(pink)* are deemed to represent and warrant to Steinhoff that they have not received or sent copies or originals of this document, the form of election, surrender and transfer *(blue)* or the form of election *(pink)* or any related documents in, into or from a restricted jurisdiction and have not otherwise utilised in connection with the scheme, the mails, or any means or instrumentality (including, without limitation, telephonically or electronically) of interstate or foreign commerce of, or any facility of a national securities exchange of, a restricted jurisdiction, and that the form of election, surrender and transfer *(blue)* or the form of election *(pink)* has not been mailed or otherwise sent in, into or from a restricted jurisdiction and such shareholder is accepting the scheme from outside a restricted jurisdiction by completing the form of election, surrender and transfer *(blue)* or the form of election *(pink).*

11.9 **Dissenting shareholders' appraisal rights**

11.9.1 Section 164 of the Companies Act provides that:

11.9.1.1 at any time before the scheme resolution is to be voted on, a shareholder may give Steinhoff a written notice objecting to the scheme resolution (**"notice of objection"**);

11.9.1.2 within 10 business days after Steinhoff has adopted the scheme resolution, Steinhoff must send a notice that the scheme resolution has been adopted to each shareholder who gave Steinhoff a notice of objection and has neither withdrawn the notice of objection nor voted in favour of the scheme resolution;

11.9.1.3 a shareholder may demand in writing within 20 business days after receipt of the notice referred to in paragraph 11.9.1.2 that Steinhoff pay the shareholder the fair value for all the shares of Steinhoff held by that person if:

11.9.1.3.1 the shareholder sent Steinhoff a notice of objection;

11.9.1.3.2 Steinhoff has adopted the scheme resolution; and

11.9.1.3.3 the shareholder voted against the scheme resolution and has complied with all of the procedural requirements of section 164 of the Companies Act;

11.9.1.4 the demand sent by the shareholder to Steinhoff as provided in paragraph 11.9.1.3 above must set out:

11.9.1.4.1 the shareholder's name and address;

11.9.1.4.2 the number of Steinhoff shares in respect of which the shareholder seeks payment; and

11.9.1.4.3 a demand for payment of the fair value of those shares. The fair value of the Steinhoff shares is determined as at the date on which, and the time immediately before, Steinhoff adopted the scheme resolution.

11.9.1.5 Any shareholder that is in doubt as to what action to take must consult their legal or professional advisor in this regard. A copy of section 164 of the Companies Act is attached to this circular as Annexure 5.

11.9.1.6 Before exercising their rights under section 164 of the Companies Act, shareholders should have regard to the following factors relating to the scheme:

11.9.1.6.1 the first report of the independent expert set out in Annexure 3 to this circular concludes that the terms of the scheme are fair and reasonable; and

11.9.1.6.2 the court is empowered to grant a costs order in favour of, or against, a dissenting shareholder, as may be applicable.

11.9.1.7 It should be noted that one of the conditions of the scheme is that within 30 business days following the scheme meeting, no Steinhoff shareholders exercise appraisal rights in terms of section 164 of the Companies Act or Steinhoff shareholders exercise such rights by giving valid demands in terms of section 164(7) of the Companies Act in respect of less than 5% of the issued ordinary shares of Steinhoff, provided that, in the event that Steinhoff shareholders give notice objecting to the scheme in terms of section 164(3) of the Companies Act and vote against the resolutions proposed at the scheme meeting in respect of less than 5% of the issued ordinary shares of Steinhoff, this condition shall be deemed to have been fulfilled at the time of the scheme meeting.

11.9.1.8 In the event that any of the circumstances contemplated in section 164(9)(a) and (b) of the Companies Act occur, then a dissenting shareholder shall:

11.9.1.8.1 if such event takes place on or before the scheme record date, be deemed to be a scheme participant and be subject to the provisions of the scheme; and

11.9.1.8.2 if such event takes place after the scheme record date, be deemed to have been a shareholder as at the operative date, provided that settlement of the scheme consideration and transfer of that dissenting shareholder's scheme shares to Genesis shall take place on the later of: (i) the operative date; (ii) the date which is five business days after that dissenting shareholder so withdrew its demand or allowed Genesis's offer to lapse, as the case may be; and (iii) if that dissenting shareholder is a certificated shareholder, the date which is five business days after that dissenting shareholder surrendered its documents of title and completed a form of surrender and transfer *(pink)* accepting the offer to the transfer secretaries.

12. PROVISIONS AND DISCLOSURES WITH REGARD TO SPECIFIC SHARE REPURCHASE FROM BRAIT

12.1 To the extent that the remainder of this circular contains the requisite statements and disclosures required for specific repurchases in terms of section 11.23 of the Listings Requirements, the same are not repeated in this paragraph.

12.2 In terms of the Pepkor Acquisition, as disclosed in the Pepkor Circular, and approved by the Steinhoff shareholders at the general meeting held on 26 January 2015, the Brait Consideration Shares are subject to:

12.2.1 pre-emptive rights in favour of Steinhoff, or its nominee, should Brait wish to sell any of the Brait Consideration Shares; and

12.2.2 a guarantee from Steinhoff that minimum gross proceeds of R57 per Brait Consideration Share will be realised, if Brait disposes of any of the Brait Consideration Shares during the period of 12 months from the date of their issue, which guarantee has been assigned by Steinhoff to a financial institution.

12.3 The intention is for subsidiaries of Steinhoff to potentially acquire all or a portion of the Brait Consideration Shares should Brait wish to sell all or any portion of such shares in terms of pre-existing rights and obligations negotiated as part of the Pepkor Acquisition and as such, have no bearing or dependence on the scheme. The authority of Steinhoff shareholders is therefore required in order for a Steinhoff subsidiary/ies to exercise the aforementioned pre-emptive rights in respect of the Brait Consideration Shares in the event that Steinhoff and Brait reach agreement in respect of such repurchase.

12.4 The method by which the Company intends that the Steinhoff subsidiaries are to acquire the Steinhoff shares from Brait, including the number of securities to be repurchased and the price to be paid:

12.4.1 The acquisition shall be made for a cash consideration paid to Brait.

12.4.2 The Steinhoff subsidiaries may acquire up to the total number of Steinhoff shares held by Brait, being 190 million Steinhoff shares, which constitute, at the last practicable date, 5.18% of the share capital of Steinhoff, for a period of 12 months from the date of the passing of the special resolution relating to this acquisition.

12.4.3 The price per share shall not be higher than the weighted average traded price of such shares measured over the 30 business days prior to the date that the price of the repurchase is agreed in writing with Brait.

12.5 The repurchase shall be from Brait, and accordingly Brait and its associates will be excluded from voting on the special resolution relating to the repurchase.

12.6 Preliminary expenses in connection with the repurchase: Nil

12.7 The source of funds to be utilised for the repurchase will be the existing cash resources within the Group. The impact of the potential repurchase on the financial information of Steinhoff will be a reduction of equity of an amount equal to the total cost of the repurchase (deducted as treasury shares) accompanied by a concomitant decrease in the Group's cash resources.

12.8 The Steinhoff board hereby confirms that, after considering the effect of the repurchase from Brait, the:

12.8.1 Company and the Group will be able in the ordinary course of business to pay its debts for a period of 12 months after the date of the approval of this circular;

12.8.2 assets of the Company and the Group will be in excess of the liabilities of the Company and the Group for a period of 12 months after the date of the approval of this circular. For this purpose, the assets and liabilities have been recognised and measured in accordance with the accounting policies used in the latest audited consolidated annual financial statements; and

12.8.3 share capital and reserves of the Company and the Group will be adequate for ordinary business purposes for a period of 12 months after the date of the approval of this circular; and

12.8.4 working capital of the Company and the Group will be adequate for ordinary business purposes for a period of 12 months after the date of the approval of this circular.

12.9 The repurchase shall be subject to *inter alia* the passing of a resolution by the Steinhoff board that it has authorised the repurchase, that the Company and its subsidiaries have passed the solvency and liquidity test and that, since the test was performed, there have been no material changes to the financial position of the Group.

12.10 The repurchase shall not be made during a closed period.

12.11 The source of funds to be utilised for the repurchase: Existing cash resources within the Group.

12.12 A SENS announcement will be published disclosing the final terms and pricing of the repurchase once the same has been agreed between Steinhoff and Brait.

12.13 In terms of Regulation 112 of the Companies Regulations, during an offer period, an offeree regulated company and its subsidiary companies may not acquire the offeree regulated company's own securities without *inter alia* the prior written approval of the Panel. A ruling has been obtained from the Panel approving the potential acquisition by a Steinhoff subsidiary/ies of all or a portion of the Brait Consideration Shares should Brait wish to sell all or any portion of such shares, in terms of the pre-existing pre-emptive rights negotiated as part of the Pepkor Acquisition.

13. TAX IMPLICATIONS FOR STEINHOFF SHAREHOLDERS

13.1 The tax implications of the scheme on Steinhoff shareholders will depend on the individual circumstances of each Steinhoff shareholder. Steinhoff shareholders should seek advice from appropriate professional advisors if they are in any doubt whatsoever about their tax position.

13.2 Steinhoff shareholders are referred to Annexure 6 for a general summary of the South African tax implications.

14. APPLICABLE LAWS

14.1 The scheme shall be governed by the laws of South Africa only. Each Steinhoff shareholder shall be deemed to have irrevocably submitted to the non-exclusive jurisdiction of the courts of South Africa in relation to all matters arising out of or in connection with the scheme.

14.2 The issue of the Genesis shares shall be governed by and construed in accordance with the laws of the Netherlands.

15. FOREIGN SHAREHOLDERS AND EXCHANGE CONTROL REGULATIONS

Annexure 7 to this circular contains a summary of the Exchange Control Regulations as they apply to scheme participants, as well as the specific provisions relating to US Shareholders. Scheme participants who are foreign shareholders must satisfy themselves as to the full observance of the laws of any relevant jurisdiction concerning the receipt of the scheme consideration, including (without limitation) obtaining any requisite governmental or other consents, observing any other requisite formalities and paying any issue, transfer or other taxes due in such jurisdiction. If in doubt, scheme participants should consult their professional advisors immediately.

16. FINANCIAL INFORMATION

16.1 Financial information relating to:

16.1.1 the Company for the three years ended 30 June 2014, 2013 and 2012 and the interim results for the six months ended 31 December 2014;

16.1.2 6 (six) months' unaudited and unreviewed historical financial information on Genesis for the half year ended 31 December 2014;

16.1.3 a *pro forma* statement of financial position and an income statement of Genesis subsequent to the implementation of the scheme, as if for the statement of financial position purposes the scheme had been implemented on 31 December 2014, and for income statement purposes on 1 July 2014; and

16.1.4 the annual financial statements for Genesis ended 30 June 2015,

are contained in Annexures 1 to 5 to the Prospectus.

16.2 Price and trading history of Steinhoff shares on the JSE are set out in Annexure 2 to this circular.

17. SHARE CAPITAL OF STEINHOFF AND THE MAJOR SHAREHOLDERS OF STEINHOFF

17.1 The share capital of Steinhoff consists of shares of no par value, the details of which are set out below:

17.1.1 **Ordinary Share Capital**

Steinhoff's authorised and issued ordinary shares as at the last practicable date were as follows:

	Number of shares	R'millions
Authorised shares		
Ordinary no par value shares	6,000,000,000	–
Issued shares		
Ordinary no par value shares	3,667,476,771	–
Treasury shares		
Ordinary Shares held as treasury shares	(9,963,800)	–
Total stated capital (net of treasury shares)	**3,657,512,971**	–

Furthermore, Steinhoff has reserved shares for the current convertible bonds and share incentive schemes under authorities granted by shareholders in previous annual general meetings. In this regard, 316.34 million shares are reserved for current convertible bonds and, as at the last practicable date, a further 32,235,368 shares for future share scheme grants.

17.1.2 **Preference Share Capital**

Steinhoff's authorised and issued preference shares as at the last practicable date were as follows:

	Number of shares	R'millions
Authorised shares		
Steinhoff – variable rate, cumulative, non-redeemable, non-participating preference shares of no par value	1,000,000,000	1
Steinhoff Investment – variable rate, cumulative, non-redeemable, non-participating preference shares of no par value	495,000,000	*
Steinhoff Africa – Class A variable rate, cumulative, redeemable preference shares of no par value	2,000	*
Steinhoff Africa – Class B variable rate, cumulative, redeemable preference shares of no par value	2,000	*
Issued shares		
Steinhoff Investment – variable rate, cumulative, non-redeemable, non-participating preference shares of no par value	15,000,000	*
Steinhoff Africa – Class A variable rate, cumulative, redeemable preference shares of no par value	1,000	*
Steinhoff Africa – Class B variable rate, cumulative, redeemable preference shares of no par value	2,000	*
Share premium		
Steinhoff Investment and Steinhoff Africa		5,047
Treasury shares		
Preference shares held as treasury shares	–	–
Total preference shares (net of treasury shares)		**5,047**

*Amount less than R500,000

17.2 Insofar as is known to Steinhoff, the major shareholders of the Company, other than directors, that beneficially hold, directly or indirectly, 5% (five percent) or more of the issued ordinary share capital of Steinhoff as at the last practical dates are as set out below:

Name	Interest held
Public Investment Corporation	Direct and indirect shareholding of 345,776,460 (three hundred and forty five million seven hundred and seventy six thousand four hundred and sixty) Steinhoff shares constituting 9.43% (nine point four three percent) of the issued Steinhoff shares
Coronation Asset Management (Proprietary) Limited	Direct and indirect shareholding of 194 011 890 (one hundred and ninety four million eleven thousand eight hundred and ninety) Steinhoff shares constituting 5.29% (five point two nine percent) of the issued Steinhoff shares
Brait Mauritius Limited	Direct shareholding of 190,000,000 (one hundred and ninety million) Steinhoff shares constituting 5.18% (five point one eight percent) of the issued Steinhoff shares

17.3 After the implementation of the scheme, Genesis will beneficially hold the entire issued ordinary share capital of Steinhoff.

17.4 As at the implementation of the scheme, the voting pool parties will, by virtue of the voting pool agreement, collectively hold approximately 33% of the Steinhoff shares. As disclosed in the Pepkor Circular, the terms and conditions of the voting pool agreement are customary to agreements of this nature, including the following:

17.4.1 the voting pool applies in respect of all of the Steinhoff shares held by the voting pool parties from time to time, and includes any shares acquired in replacement of such Steinhoff shares (for example through a share-for-share transaction in terms of a scheme of arrangement, or a takeover by or merger of Steinhoff with another company);

17.4.2 the voting pool parties will prior to any Steinhoff general meeting hold a meeting of the voting pool parties at which they will determine, by way of a simple majority, the manner in which the voting pool parties will be obliged to exercise their voting rights in respect of each resolution to be proposed at the general meeting;

17.4.3 the voting pool parties will also decide on the entering into of any transaction (i) which concerns directly or indirectly more than 1% of the aggregate voting rights of the Company, (ii) by which the composition of the voting rights of the voting pool parties will be significantly changed, in particular if the proportion of the voting rights held by Titan, Thibault and the participating members of the directors and management of Steinhoff change significantly, (iv) which are based on corporate actions of the Company, and (v) which may trigger the obligation on any voting pool party to make a mandatory offer to the remaining shareholders;

17.4.4 in case of a direct or indirect sale or other disposal of Steinhoff shares by a voting pool party, the other voting pool parties will have a pre-emptive right to acquire the Steinhoff shares concerned at market value on a *pro rata* basis. If, in the event of a rights offer, any voting pool parties intend not to follow any of their rights, their rights will be renounced in favour of the other voting pool parties who wish to take up such rights, on a *pro rata* basis;

17.4.5 upon the death of a voting pool party, the voting pool agreement will be continued with his/her heirs. If a mandatory offer would be triggered by such continuation and no exemption from a mandatory offer obligation is available, then the heirs have the right to exit from the voting pool agreement; and

17.4.6 the voting pool agreement has an indefinite term.

18. BENEFICIAL INTERESTS

18.1 Interests of Genesis and its directors in Steinhoff shares

18.1.1 As at the last practicable date, Genesis does not hold any direct or indirect beneficial interests in Steinhoff shares, nor has Genesis dealt in Steinhoff shares during the period beginning six months before the date of the offer and ending on the last practicable date.

18.1.2 As at the last practicable date, save for Mr. W Coetzer (details of whom are set out below), the directors of Genesis did not hold any direct or indirect beneficial interests in Steinhoff shares, nor have the directors of Genesis dealt in Steinhoff shares during the period beginning six months before the offer period and ending on the last practicable date.

Name	Direct beneficial	Indirect beneficial	Total	Percentage holding
W Coetzer	–	15,297	15,297	0.0004

18.1.3 Mr W Coetzer acquired 3,900 Steinhoff shares on 7 April 2015 at a price of R76,44 per share, i.e. during the period beginning six months before the offer period and ending on the last practicable date.

18.2 Interests of Genesis directors in Genesis shares

18.2.1 At the last practicable date, no director of Genesis (or their associates), including directors who have resigned in the last 18 months, hold, directly and indirectly, any beneficial interests in Genesis shares.

18.2.2 The directors of Genesis did not engage in any dealings in Genesis shares during the period beginning six months before the offer period and ending on the last practicable date.

18.3 Interests of Steinhoff and its directors in Genesis shares

As at the last practicable date, neither Steinhoff nor any of its directors held any direct or indirect beneficial interests in Genesis shares, nor have Steinhoff or any of its directors dealt in Genesis shares during the period beginning six months before the offer period and ending on the last practicable date.

18.4 Interests of Steinhoff directors in Steinhoff shares

18.4.1 At the last practicable date, the directors of Steinhoff (and their associates), including directors who have resigned in the last 18 months, held, directly and indirectly, beneficial interests in 945,507,268 Steinhoff shares, representing approximately 25.78% of the total issued ordinary share capital of Steinhoff. The direct and indirect beneficial interests of the directors of Steinhoff are as follows:

Executive Directors

Name	Direct beneficial	Indirect beneficial	Total	Percentage holding
HJK Ferreira	–	3,055,577	3,055,577	0.081
SJ Grobler	–	4,674,303	4,674,303	0.127
MJ Jooste	–	67,056,504	67,056,504	2.731
AB la Grange	1,289,376	–	1,289,376	0.035
FJ Nel	2,182,105	4,104	2,186,209	0.059
DM van der Merwe	–	5,711,982	5,711,982	0.156
	3,471,481	**80,502,470**	**83,973,951**	

Non-Executive Directors

Name	Direct beneficial	Indirect beneficial	Total	Percentage holding
SF Booysen	–	213,907	213,907	0.006
DC Brink	–	200,000	200,000	0.005
CE Daun	–	2,399,856	2,399,856	0.066
D Konar	356,271	–	356,271	0.010
MT Lategan	142,247	210,759	353,006	0.010
JF Mouton	–	7,000,000	7,000,000	0.191
BE Steinhoff	9,100,000	182,750,000	191,850,000	5.231
PDJ van den Bosch	669,561	–	669,561	0.018
CH Wiese	–	654,874,971	654,874,971	17.86
	10,268,079	**847,649,493**	**857,917,572**	

Alternate Directors

Name	Direct beneficial	Indirect beneficial	Total	Percentage holding
JNS du Plessis	–	838,582	838,582	0.023
KJ Grové	–	1,540,283	1,540,283	0.042
A Krüger-Steinhoff	746,112	63,500	809,612	0.022
M Nel	427,268	–	427,268	0.012
	1,173,380	**2,442,365**	**3,615,745**	

18.4.2 Save for transactions relating to the vesting of shares under the share scheme and further share dealings as announced on SENS on 17 February 2015, 3 March 2015 and 5 March 2015 and as disclosed in the table below, the directors of Steinhoff did not engage in any dealings in Steinhoff shares during the period beginning six months before the offer period and ending on the last practicable date.

Steinhoff shareholder	Net number of shares bought and vested/(sold)	Average price cents
JNS Du Plessis	149,859	6,597
HJK Ferreira	392,487	6,597
SJ Grober	392,487	6,597
KJ Grove	267,605	6,597
MJ Jooste	1,056,504	6,597
AB La Grange	321,126	6,597
MT Lategan	6,000	6,665
FJ Nel	196,597	6,597
M Nel	117,958	6,597
DM van der Merwe	428,168	6,597

18.4.3 Save for transactions relating to the vesting of shares under the share scheme and further share dealings as announced on SENS, there have been no changes in the interests of the directors, or directors who have resigned in the previous 18 months, between the end of the preceding financial year and the last practicable date.

19. IRREVOCABLE UNDERTAKINGS

None of the Steinhoff shareholders eligible to vote at the scheme meeting have irrevocably undertaken to vote in favour of the scheme.

20. MATERIAL AGREEMENTS IN RELATION TO THE SCHEME

No agreements that are considered to be material to a decision regarding the scheme to be taken by Steinhoff shareholders have been entered into between any of the following parties: Steinhoff, Genesis, any directors of Steinhoff (or persons who were directors of Steinhoff within the 12 months preceding the last practicable date), any directors of Genesis (and persons who were directors of Genesis within the 12 months preceding the last practicable date), the shareholders of Genesis (or persons who were shareholders of Genesis within the 12 months preceding the last practicable date) and any Steinhoff shareholders (or persons who were Steinhoff shareholders within the 12 months preceding the last practicable date).

21. STEINHOFF DIRECTORS

21.1 Directors' interests in transactions

Save for the Pepkor Acquisition in which Dr CH Wiese had an indirect interest as described in more detail in the Steinhoff circular pertaining to the Pepkor Acquisition, none of the directors of the Group, including any director who resigned within the last 18 months, has or had any material beneficial interest, direct or indirect, in any transaction which is or was material to the business of the Group taken as a whole, and which was effected by the Company during the current or immediately preceding financial year or during any earlier financial year and which remains outstanding or unperformed in any respect.

21.2 **Directors' remuneration and service contracts**

There will be no variation in remuneration receivable by any of the Steinhoff directors in consequence of the scheme.

21.3 **Voting of the Steinhoff directors**

The directors of Steinhoff who hold Steinhoff shares intend to vote such Steinhoff shares in favour of the scheme.

22. MATERIAL CHANGES AND LITIGATION

Save for the Pepkor Acquisition disclosed in the Pepkor Circular, there are no known material changes in the financial or trading position of Steinhoff subsequent to the latest published audited results for the financial year ended 30 June 2014. There are no legal or arbitration proceedings, including any proceedings that are pending or threatened involving Steinhoff, of which the Steinhoff is aware, that may have or have had in the recent past, being at least the previous 12 (twelve) months, a material effect on Steinhoff's financial position.

23. OPINIONS AND RECOMMENDATIONS

23.1 In accordance with section 114 of the Companies Act, the independent board has appointed the independent expert to provide an independent expert's opinion regarding the scheme. Taking into consideration the terms and conditions of the scheme, the independent expert is of the opinion that such terms and conditions are fair and reasonable to Steinhoff shareholders. The independent expert's report is included in Annexure 3 to this circular and has not been withdrawn prior to the publication of this circular.

23.2 The independent board appointed Deloitte to prepare a reporting accountants report required by paragraph 8.45(c) of the Listings Requirements in respect of the *pro forma* financial information. A copy of the reporting accountants' report is contained in Annexure 6 to the Prospectus.

23.3 The independent board supports the scheme and recommends that Steinhoff shareholders vote in favour of all resolutions to be proposed at the scheme meeting.

23.4 The Genesis board also supports the scheme and recommends that Steinhoff shareholders vote in favour of all resolutions to be proposed at the scheme meeting.

23.5 The Steinhoff board has further considered the terms and conditions of the scheme and the opinion of the independent expert.

23.6 The Steinhoff board, taking into account the above considerations, is unanimously of the opinion that the terms and conditions of the scheme are fair and reasonable to Steinhoff shareholders and they recommend that Steinhoff's shareholders vote in favour of all the resolutions to be proposed at the scheme meeting.

23.7 The Steinhoff board has not received any other offers as defined in Regulation 101 of the Companies Regulations in the preceding six months.

24. COSTS OF THE SCHEME

The costs to Steinhoff of the scheme and Prospectus, as well as the FSE and JSE Listings, are expected to amount to approximately R49,2 million (excluding value-added tax), as follows:

Service	Service Provider	R'000
South African Legal Advisors	Cliffe Dekker Hofmeyr Inc	2,500
	Werksmans Inc	1,100
International Legal Advisors	Linklaters LLP	38,000
Independent Sponsor	PSG Capital Proprietary Limited	100
Transaction Sponsor	Absa Bank Limited	500
CIPC registration of Prospectus	CIPC	7
Documentation inspection fees	JSE	85
TRP fees	TRP	50
Reporting accountants	Deloitte & Touche	500
Independent Experts reports	PricewaterhouseCoopers Corporate Finance Proprietary Limited	700
Printing	Ince	750
Sundry costs	–	4,700
Transfer secretarial services	Computershare Investor Services Proprietary Limited	250
Total		**49,242**

25. CONSENTS

The transaction sponsor, legal advisors, independent expert, reporting accountants and transfer secretaries have consented in writing to the inclusion of their names and reports (if any) in this document in the form and context in which they appear and have not withdrawn their consents prior to the publication of this document.

26. GENERAL

26.1 Subject to the prior written consent of Genesis, and subject to the approval of the Panel, the Steinhoff board and scheme participants may consent before or at the scheme meeting, to any amendment, variation or modification of the scheme, provided that the scheme consideration shall not be reduced to below one Genesis share in consideration for one Steinhoff share.

26.2 A certificate signed by a duly authorised director of each of Steinhoff and Genesis stating that all the conditions precedent have been fulfilled or waived and that the scheme has become operative shall be binding on Genesis, Steinhoff and the scheme participants.

26.3 Upon the scheme being implemented the existing documents of title relating to the scheme shares held by any scheme participants will cease to be of any value, other than for the purposes of surrender in terms of the scheme, and no certificates or deeds of documents will be issued by Steinhoff in place thereof.

26.4 Steinhoff will be entitled, and will have the authority, in rem suam, on behalf of each scheme participant, to authorise any person nominated by Steinhoff to sign all documents required to carry the scheme into effect, including but not limited to forms of proxy, changes of address and other entitlements from Steinhoff.

26.5 All times and dates referred to in the scheme are subject to change by agreement between Steinhoff and Genesis, with the approval of the Panel and the JSE. Any such change will be published on SENS.

27. DIRECTORS' RESPONSIBILITY STATEMENT

27.1 Steinhoff board responsibility statement

The independent board, whose names are given in the definition of "independent board" on page 23, collectively and individually accept full responsibility for the accuracy of the information given (but only insofar as it relates to Steinhoff and only to the extent that he is required to accept such responsibility in terms of the Listings Requirements) and certify that to the best of its/their knowledge and belief there are no facts relating to Steinhoff that have been omitted which would make any statement relating to Steinhoff false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this circular contains all information relating to Steinhoff required by law and the Listings Requirements.

27.2 Genesis board responsibility statement

The directors of Genesis, whose names are given in the definition of "Genesis board" on page 23, and the proposed directors of the Management Board and the Supervisory Board, whose names are given in section 1, paragraph 2.1.2, read with annexure 10, of the Prospectus, collectively and individually accept full responsibility for accuracy of the information given (but only insofar as it relates to Genesis and only to the extent that he is required to accept such responsibility in terms of the Listings Requirements) and certify that to the best of their knowledge and belief there are no facts relating to Genesis that have been omitted which would make any statement relating to Genesis false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this circular contains all information relating to Genesis required by law and the Listings Requirements.

28. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection during normal business hours at the registered office of Steinhoff from the date of publication of this circular up to and including the date of the scheme meeting:

28.1 the consolidated audited annual financial statements of Steinhoff and its subsidiaries for the three financial years ended 30 June 2012, 30 June 2013 and 30 June 2014;

28.2 the unaudited and unreviewed interim financial statements of Steinhoff as at 31 December 2014;

28.3 the six months' unaudited and unreviewed historical financial information on kika-Leiner for the half year ended 31 December 2014;

28.4 the *pro forma* statement of financial position and income statement of Genesis subsequent to the implementation of the scheme, as if for statement of financial position purposes the scheme had been implemented on 31 December 2014, and for income statement purposes on 1 July 2014;

28.5 the reporting accountants' report on the *pro forma* financial information;

28.6 the memorandum of incorporation of the Company;

28.7 the Articles of Association;

28.8 the Deeds of Amendment;

28.9 the Sale Agreement;

28.10 the share scheme;

28.11 the consent letters referred to in paragraph 25;

28.12 a copy of the firm intention letter;

28.13 a signed copy of this circular;

28.14 the independent opinion letters from the independent expert; and

28.15 a copy of the Panel's approval of this circular.

SIGNED FOR AND ON BEHALF OF THE INDEPENDENT BOARD
Deenadayalen Konar
Chairman

7 August 2015

SIGNED FOR AND ON BEHALF OF THE STEINHOFF BOARD
Andries Benjamin La Grange
Chief Financial Officer

7 August 2015

SIGNED FOR AND ON BEHALF OF THE GENESIS BOARD
Stephanus Hilgard Muller
Director

7 August 2015

DEFINITIONS AND INTERPRETATION

In this document, including its annexures, unless the context indicates a contrary intention, an expression which denotes any gender includes the other genders, a natural person includes a juristic person and *vice versa*, the singular includes the plural and *vice versa*, references to statutes and regulations are references to those statutes or regulations as amended from time to time, and the following expressions bear the meanings assigned to them below:

"AFM"	Dutch Authority for the Financial Markets (Stichting Autoriteit Financiële Markten);
"appraisal rights"	the rights afforded to shareholders in terms of section 164 of the Companies Act, an extract of which is set out in paragraph 11.9 of this circular;
"Articles of Association"	the articles of association of Genesis, as they will read immediately after the execution of the Deeds of Amendment;
"broker"	any person registered as a broking member (equities) in terms of the rules of the JSE;
"Brait"	Brait Mauritius Limited, registration number C60342 (C1/GBL), a company incorporated in accordance with the laws of Mauritius, and includes any nominee or group company of Brait that holds the Steinhoff shares for the time being;
"Brait Consideration Shares"	200 million Steinhoff shares issued to Brait at a price of R57 per Steinhoff share in consideration for the acquisition by Steinhoff of an effective 37.06% equity interest in Pepkor from Brait;
"business day"	any day other than a Saturday, Sunday or official public holiday in South Africa;
"cents"	South African cents in the lawful currency of South Africa;
"certificated scheme members"	scheme members who are certificated shareholders;
"certificated scheme participants"	scheme participants who are certificated shareholders;
"certificated shareholders"	Steinhoff shareholders who hold certificated shares;
"certificated shares"	Steinhoff shares, represented by a share certificate or other document(s) of title, which are not dematerialised shares;
"CGT"	Capital Gains Tax, as levied in terms of the Eight Schedule to the Income Tax Act;
"CIPC"	the Companies and Intellectual Property Commission, established in terms of section 185 of the Companies Act;
"common monetary area"	South Africa, the Republic of Namibia and the Kingdoms of Lesotho and Swaziland;
"Companies Act"	the Companies Act, 2008 (Act 71 of 2008), as amended;
"Companies Regulations"	the Companies Regulations, 2011, published in terms of section 223 and item 14 of Schedule 5 of the Companies Act;
"conditions precedent"	the conditions precedent to which the scheme is subject, as set out in the firm offer, including the conditions precedent set out in paragraph 11.3 of the circular which remain unfulfilled as at the last practicable date;
"court"	any South African court with competent jurisdiction to approve the implementation of the scheme resolution pursuant to section 115(3) to (7) of the Companies Act and/or to determine the fair value of Steinhoff shares pursuant to section 164(14) of the Companies Act;
"CSDP"	a person that holds in custody and administers securities or an interest in securities as a central securities depository as a participant;
"Custody Agreement"	the custody agreement located on: http://www.computershare.com/za/business/custodial/Pages/Private-Investors.aspx;
"Deeds of Amendment"	collectively the draft deeds of amendment to the Articles of Association;
"dematerialised scheme members"	scheme members who are dematerialised shareholders;
"dematerialised scheme participants"	scheme participants who are dematerialised shareholders;
"dematerialised shareholders"	Steinhoff shareholders who are registered holders of dematerialised shares;
"dematerialised shares"	Steinhoff shares that have been dematerialised through a CSDP or broker and are held in a sub-register in electronic form;
"director"	a member of the board;
"dissenting shareholders"	Steinhoff shareholders who validly exercise their appraisal rights and that do not fall within the ambit of section 164(9) of the Companies Act;
"document" or "circular"	all the documents contained in or attached to this bound document dated 7 August 2015;
"documents of title"	valid share certificates, certified transfer deeds, balance receipts or any other proof of ownership of shareholding, reasonably acceptable to Steinhoff and Genesis;
"€" or "Euro"	Euro;
"emigrant"	any emigrant from the common monetary area whose address is outside the common monetary area;
"EU Prospectus"	the Prospectus to be submitted by Genesis to the AFM and to be passported into Germany for admission to trading and listing of the Genesis shares on the regulated market of the FSE;
"Exchange Control Regulations"	The Exchange Control Regulations, 1961, made in terms of section 9 of the Currency and Exchanges Act, 1933 (Act 9 of 1933) as amended;
"Excluded US Shareholder"	a US Shareholder who is not a QIB or who has not delivered a completed US Investor Letter;

"Financial Markets Act"	the Financial Markets (Act 19 of 2012), as amended;
"firm intention letter" or "firm offer"	the letter from Genesis, signed by the last party on 7 August 2015, in terms of which Genesis notified the board of its firm intention to make the offer as contemplated in Regulation 101 of the Takeover Regulations;
"Foundation"	Stichting Genesis International, commercial register number 63429217, registered as a foundation *(stichting)* under the laws of the Netherlands;
"FSE"	Frankfurt Stock Exchange;
"Genesis"	Genesis International Holdings N.V., registration number 63570173, a limited liability company *(naamloze vennootschap)* duly incorporated in the Netherlands, with its corporate seat *(statutaire zetel)* in Amsterdam, the Netherlands, wholly owned by the Foundation, as more fully described in paragraph 4 of the circular;
"Genesis board"	the board of directors of Genesis, from time to time, which at the last practicable date, is Robert Harmzen, Stephanus Hilgard Muller and Johannes Lodewicus Coetzer, whose particulars are detailed in section 1, paragraph 2.1.1 of the Prospectus;
"Genesis shares"	ordinary shares with a nominal value of €0.50 (fifty Euro cents) each in the capital of Genesis;
"Group"	Steinhoff and its subsidiaries;
"Income Tax Act"	the Income Tax Act, 1962 (Act 58 of 1962), as amended;
"independent board"	those directors, being D Konar (Chairman), SF Booysen, DC Brink, CE Daun, MT Lategan, JF Mouton and HJ Sonn, whom Steinhoff has indicated are independent directors as envisaged in Regulation 81 of the Takeover Regulations;
"independent expert"	PricewaterhouseCoopers Corporate Finance Proprietary Limited (registration number 1998/012055/21), the independent expert appointed by Steinhoff in accordance with section 114(2) of the Companies Act to compile a report on the scheme as required by section 114(3) of the Companies Act and cause it to be distributed to Steinhoff shareholders;
"JD Group"	JD Group Limited (registration number 1981/009108/06), a public company incorporated in accordance with the laws of South Africa;
"JSE"	The JSE Limited (registration number 2005/022939/06), a public company incorporated in accordance with the laws of South Africa and licensed as an exchange under the Financial Markets Act;
"KAP Industrial"	KAP Industrial Holdings Limited (registration number 1978/000181/06), a public company incorporated in accordance with the laws of South Africa, the shares of which are listed on the main board operated by the JSE;
"King III"	King Report and Code on Corporate Governance, 2009;
"kika-Leiner"	Genesis Investment Holding GmbH, registration number FN 392734a, a private company incorporated in accordance with the laws of of Austria, and its subsidiaries;
"last practicable date"	29 July 2015, the last practicable date before this document was finalised;
"Listings Requirements"	the listings requirements of the JSE, as amended from time to time;
"Management Board"	the management board of Genesis which comprises its managing directors;
"notice of scheme meeting"	the notice convening the scheme meeting which is attached to and forms part of this document;
"offer"	the offer made by Genesis to acquire the scheme shares, which offer will be effected by means of the scheme and, where the context requires, any subsequent revision, variation, extension or renewal of such offer;
"offer period"	shall bear the meaning ascribed to such term in section 117(1)(g) of the Companies Act;
"operative date"	the date on which the scheme becomes operative, which is expected to be on or about Monday, 7 December 2015;
"Panel"	the Takeover Regulation Panel established in terms of section 196 of the Companies Act;
"Pepkor"	Pepkor Holdings Proprietary Limited, registration number 2003/020009/07, a private company incorporated in accordance with the laws of South Africa;
"Pepkor Acquisition"	the acquisition by Steinhoff of an effective 100% (one hundred percent) interest in the equity share capital of Pepkor;
"Pepkor Circular"	the circular posted to Steinhoff shareholders on 15 December 2014 regarding the Pepkor Acquisition;
"Prospectus"	the Prospectus, dated 7 August 2015, issued in terms of section 99(2) of the Companies Act, which prospectus was provided to the shareholders together with a copy of this circular;
"PSG"	PSG Group Limited (registration number 2006/015817/07), a public company incorporated in accordance with the laws of South Africa, the shares of which are listed on the main board of the JSE;
"publication date"	the date of the offer, being 7 August 2015;
"QIB"	"qualified institutional buyer" (as such term is defined in the Securities Act);
"R" or "Rand"	South African Rand, the lawful currency of South Africa;
"register"	Steinhoff's securities register, including all sub-registers and Steinhoff's register of disclosures;
"Regulation S"	Regulation S under the Securities Act;
"Sale Agreement"	the sale of shares agreement entered into between Brait and Steinhoff recording the acquisition by Steinhoff of an effective 37.06% equity interest in Pepkor from Brait;
"SARB"	the South African Reserve Bank;

"Securities Act"	the US Securities Act of 1933;
"scheme"	the scheme of arrangement in terms of section 114 of the Companies Act proposed by the board between Steinhoff and the scheme participants in terms of which Genesis will, if the scheme becomes operative, acquire the scheme shares in exchange for the scheme consideration, the terms and conditions of which are more fully set out in this document, subject to any modification or amendment made thereto, with the approval of the Panel, Steinhoff and Genesis;
"scheme consideration"	the consideration of one Genesis share per scheme share;
"scheme meeting"	the meeting of Steinhoff shareholders convened in terms of section 115(2) of the Companies Act (including any adjournment or postponement thereof), to be held at Steinhoff's offices at 28 Sixth Street, Wynberg, Sandton, 2090 at 12:00, on 7 September 2015 or such other adjourned or postponed date or time determined in accordance with the Companies Act (as read with the Listings Requirements) to consider and, if deemed fit, adopt (i) the scheme resolution; (ii) an ordinary resolution approving the secondary listing of Genesis on the main board of the JSE; (iii) a special resolution approving a specific repurchase of Steinhoff shares from Brait; and (iv) a special resolution approving the Articles of Association;
"scheme members"	Steinhoff shareholders recorded in the register on the voting record date who are lawfully entitled to attend and vote at the scheme meeting;
"scheme participants"	Steinhoff shareholders recorded in the register as at 17:00 on the scheme record date other than the dissenting shareholders;
"scheme record date"	the time and date on which scheme participants must be recorded in the register in order to participate in the scheme and receive the scheme consideration, which time and date is expected to be 17:00 on Friday,4 December 2015;
"scheme resolution"	the special resolution approving the scheme to be considered at the scheme meeting, details of which are contained in the notice of scheme meeting at page 52 of this circular;
"scheme shares"	all of the Steinhoff shares held by scheme participants;
"SENS"	the Stock Exchange News Service of the JSE;
"South Africa"	the Republic of South Africa;
"statement of directors' interests"	the statement which sets out the material interests of the directors in relation to the scheme, which forms part of this circular;
"Steinhoff" or "the Company"	Steinhoff International Holdings Limited (registration number 1998/003951/06), a public company incorporated in accordance with the laws of South Africa, the shares of which are listed on the main board of the JSE;
"Steinhoff board" or "board"	the board of directors of Steinhoff;
"Steinhoff shareholders" or "shareholders"	certificated shareholders and dematerialised shareholders;
"Steinhoff shares"	ordinary shares with no par value;
"Steinhoff subsidiary"	a "subsidiary" of Steinhoff as defined in the Listings Requirements;
"Strate"	Strate Proprietary Limited (registration number 1998/022242/06), a private company incorporated in accordance with the laws of South Africa, which is a registered central securities depository and which is responsible for the electronic settlement system used by the JSE;
"sub-register"	each of Steinhoff's sub-registers of members administered and maintained by CSDPs in electronic form;
"subsidiary"	a subsidiary, as defined in section 1 read with section 3 of the Companies Act, of Steinhoff;
"Supervisory Board"	the supervisory board of Genesis which comprises its supervisory directors;
"Takeover Regulations"	the regulations prescribed in terms of sections 120 and 223 of the Companies Act;
"Thibault"	Thibault Square Financial Services Proprietary Limited, (registration number 1992/004170/07), a private company incorporated in accordance with the laws of South Africa;
"Titan"	Titan Premier Investments Proprietary Limited, registration number 1979/000776/07, a limited liability private company incorporated in accordance with the laws of South Africa;
"transfer secretaries"	Computershare Investor Services Proprietary Limited (registration number 2004/003647/07), a company incorporated in accordance with the laws of South Africa;
"United States" or "US"	the United States of America, consisting of fifty states and the District of Columbia;
"US Investor Letter"	an investor letter in the format set out in Annexure 8 of this circular that US Shareholders wishing to receive Genesis shares will be required to execute;
"US Shareholders"	Steinhoff shareholders with a registered address in the United States;
"voting record date"	the date determined by the independent board as the date on which scheme members must be recorded in the register in order to be entitled to participate in and vote at the scheme meeting, which date is expected to be Friday, 28 August 2015.
"voting pool agreement"	as defined in the circular dated 15 December 2014 distributed by Steinhoff to its shareholders in connection with the Pepkor Acquisition;
"voting pool parties"	as defined in the circular dated 15 December 2014 distributed by Steinhoff to its shareholders in connection with the Pepkor Acquisition.

DIRECTORS' AND GROUP EXECUTIVES' INFORMATION

1. **DIRECTORS AND MANAGEMENT OF STEINHOFF AND ITS MAJOR SUBSIDIARIES**

The full names, nationalities, ages, business addresses, functions and terms of office of the current directors of Steinhoff up to the last practicable date, are set out below:

Director and Nationality	Age	Business address	Function
Deenadayalen Konar (SA)	60	52 Corlett Drive, Wanderers Office Park, Grant Thornton Building, Illovo, 2196	Chairman
Markus Johannes Jooste (SA)	54	28 Sixth Street, Wynberg, Sandton 2018	Chief Executive Officer
Daniël Maree van der Merwe (SA)	57	28 Sixth Street, Wynberg, Sandton 2018	Chief Operating Officer
Andries Benjamin La Grange (SA)	40	28 Sixth Street, Wynberg, Sandton 2018	Chief Financial Officer
Fredrik Johannes Nel (SA)	55	28 Sixth Street, Wynberg, Sandton 2018	Financial Director
Hendrik Johan Karel Ferreira (SA)	60	28 Sixth Street, Wynberg, Sandton 2018	Executive Director: Mergers and Acquisitions
Stephanus Johannes Grobler (SA)	56	28 Sixth Street, Wynberg, Sandton 2018	Executive director: group treasury and financing activities
Johannes Nicolaas Stephanus du Plessis (SA)	65	28 Sixth Street, Wynberg, Sandton 2018	Executive Director: Group Services Alternate executive director to SJ Grobler
Karel Johan Grové (SA)	66	28 Sixth Street, Wynberg, Sandton 2018	Alternate executive director to DM van der Merwe
Mariza Nel (SA)	42	28 Sixth Street, Wynberg, Sandton 2018	Alternate executive director to HJK Ferreira
Stefanes Francois Booysen (SA)	51	17 Pencarrow Lane Cornwall Hill Estate Irene 0157	Independent Non-executive director
Claas Edmund Daun (German)	71	Bahnhofstr 21 26180 Rastede Germany	Independent Non-executive director
David Charles Brink (SA)	74	34 Ormonde Street Bryanston 2191	Independent Non-executive director
Thierry Louis Joseph Guibert (French)	43	Lacoste SA – Devanlay SA – MFIS 6 rue de la Chaussée d'Antin 75009 Paris France	Non-executive director
Marthinus Theunis Lategan (SA)	57	13 Palala Road, Westcliff, 2193	Independent Non-executive director
Johannes Fredericus Mouton (SA)	67	35 Kerk Street Ou Kollege Stellenbosch 7600	Independent Non-executive director
Heather Joan Sonn (SA)	42	18 Orphan Street c/o Bree Street and Orphan Street, Cape Town 8001	Independent Non-executive director
Bruno Ewald Steinhoff (German)	76	Langebrügger Strasse 5 26655 Westerstede Germany	Non-executive director
Paul Denis Julia van den Bosch (Belgian)	51	Metaalweg 15 5527 AE Hapert The Netherlands	Non-executive director
Christoffel Hendrik Wiese (SA)	72	36 Stellenberg Road Parow Industria 7490	Non-executive director
Angela Krüger-Steinhoff (German)	42	Langebrügger Strasse 5 26655 Westerstede Germany	Alternate Non-executive director to BE Steinhoff

The full names, nationalities, ages, business addresses and functions of the current directors of Steinhoff Europe AG, Conforama Holding S.A. and JD Group, Steinhoff's major subsidiaries up to the last practicable date, are set out below:

Director and nationality	Age	Business address	Subsidiaries' Executive Management functions	Steinhoff subsidiary
Dirk Bernd Schreiber (German)	41	Langebrügger Strasse 5 26655 Westerstede Germany	Chief Financial Officer – Steinhoff Europe	Steinhoff Europe AG
Alexandre Nodale (French)	35	80 Boulevard du Mandinet Marne la Vallee Cedex 2, Lognes France	Chief Executive Officer: Conforama	Conforama Holdings S.A.
Peter Mark Griffiths (SA)	50	27 Stiemens Street Braamfontein ohannesburg 2001	Chief Executive Officer: JD Group	JD Group
Johannes Henoch Neethling van der Merwe (SA)	54	27 Stiemens Street Braamfontein Johannesburg 2001	Chief Financial Officer: JD Group	JD Group

INFORMATION ON DIRECTORS

EXECUTIVE DIRECTORS OF STEINHOFF

Markus Johannes Jooste (Markus) – BAcc, CA(SA)

Chief Executive Officer – Steinhoff

Markus was appointed to the Steinhoff board in 1998.

In 1998, Markus joined Gommagomma Holdings Proprietary Limited (now Steinhoff Africa) as Financial Director. In 1998, Markus was appointed as executive director and took responsibility for the European operations of Steinhoff and also for directing its international marketing and financial disciplines. In 2000, Markus was appointed Group Managing Director of Steinhoff and Chairman of Steinhoff Africa and currently acts as Chief Executive Officer for the Group. Markus also serves on the boards of various unlisted group companies, including JD Group, and the following listed companies: PSG Group Limited, KAP Industrial and Phumelela Gaming and Leisure Limited. He is a member of the Steinhoff remuneration committee.

Daniël Maree Van Der Merwe (Danie) – BComm, LLB

Chief Operating Officer – Steinhoff

Danie was appointed to the Steinhoff International board in 1999.

He was admitted as an attorney of the High Court of South Africa in 1986 and practised as an attorney specialising in the commercial and labour law fields. In 1990, Danie joined the Roadway Transport Group and was instrumental in developing the strategic direction and growth of this group. In early 1998, following the merger of Roadway Transport Group with Steinhoff Africa, Danie joined the Group. He previously acted as chief executive officer for Steinhoff's southern hemisphere operations and was appointed to his current position as chief operating officer on 5 March 2013. Danie holds several other appointments within the group and currently serves on the boards of Steinhoff Asia Pacific Limited, Steinhoff UK Holdings Limited, JD Group and KAP Industrial (member of the human resources and remuneration, and nomination committees).

Andries Benjamin la Grange (Ben) – BComm (Law), CA(SA)

Chief Financial Officer – Steinhoff

Ben completed his articles with PricewaterhouseCoopers Inc. and spent two and a half years in their international and corporate tax division. He joined Steinhoff in 2003 as manager of the corporate tax division whereafter he moved to the Steinhoff corporate finance division before his appointment as chief financial officer for the Group's southern hemisphere operations. In 2009 Ben was appointed as an alternate director to the Steinhoff International board and was appointed to his current position as chief financial officer on 5 March 2013. He also serves on the boards of KAP Industrial and JD Group and is an alternate director of PSG Group Limited.

Frederick Johannes Nel (Frikkie) – BCompt (Hons), CA(SA)

Financial Director

Frikkie was appointed to the Steinhoff board in 1998.

On his appointment in 1998, Frikkie also acted as company secretary for the Group. He qualified as a chartered accountant in 1993 and began his career as an accountant with a private company. He joined Gommagomma Holdings Proprietary Limited (now Steinhoff Africa Holdings Proprietary Limited) as financial manager in 1989, being appointed financial director in 1990.

Hendrik Johan Karel Ferreira (Piet) – BCompt (Hons), CA(SA)

Executive Director: Mergers and acquisition

Piet was appointed to the Steinhoff board in 2005.

He commenced his career in corporate finance in 1986 and worked at several investment banks before joining Steinhoff International in January 2002, after which he was appointed as an alternate director in December 2005. During his career with South African investment banks, he was involved with various corporate finance transactions, including the Group's initial public offering on the JSE Limited (JSE) in 1998. Piet has extensive corporate finance experience and expertise in the field of mergers and acquisitions, fund raising and financing transactions, company restructures and general corporate finance. Since joining Steinhoff International, he has been involved in most of the corporate transactions concluded by Steinhoff. Piet also serves as a member of the issuer services regulation advisory committee of the JSE. Piet was appointed as an executive director of Steinhoff International and Steinhoff Investment Holdings Limited with effect from May 2009.

Stephanus Johannes Globler (Stéhan) – BComm (Hons) (Economics), LLB

Executive director: Group treasury and financing activities

Stéhan was appointed to the Steinhoff board in 2005. In December 1999, Stéhan was appointed company secretary of Steinhoff International and joined the Group more formally in July 2000. Stéhan was admitted as an attorney of the High Court of South Africa in 1989. He was also admitted as a notary public, conveyancer and to appear in the High Court of South Africa. Stéhan gained extensive experience practicing in the business and corporate law fields advising various listed and unlisted companies on commercial and company law issues. Stéhan also heads the legal department of the Group. He acts as director for various Group companies. Stéhan was appointed as alternate executive director in December 2005 and became an executive director of Steinhoff International with effect from May 2009.

Johannes Nicolaas Stephanus du Plessis (Johann) – BComm, LLB

Executive Director: Group Services – Alternate executive director to Stephanus Globler

Johann was appointed to the board as non-executive director in 2002. He was a member of the Johannesburg and later the Cape Bars. He was admitted as counsel during 1974 and took silk in 1989. During the course of his career, he has been exposed to a wide range of commercial matters and has occasionally acted as judge in the High Court. He advises on and is engaged in matters related to governance, tax, property, competition and the environment. Johann has been an alternate executive director with effect from March 2006. He also serves on the board of Clover Industries Limited.

Karel Johan Grové (Jo) – AMO (Oxford)

Deputy Chairman of KAP Industrial – Alternate executive director to Danie van der Merwe

Jo joined Steinhoff International as a non-executive director in September 2000. He has more than 39 years' experience in the accounting and banking industries. His career began in 1969 when he was appointed cost and works accountant with Shaft Sinkers Proprietary Limited. In 1976, he founded Medical Leasing Services, a company providing specialized financial services, mainly to medical doctors. In 1987, the business was sold to Absa Group Limited. The name was changed to MLS Bank and Jo was appointed chief executive officer, a position he held until 1995. Later that year, he established Imperial Bank and served on the main board of Imperial Holdings until he joined Unitrans Limited as chief executive officer in September 1998. Jo was appointed an executive director of Steinhoff International, following the approval and implementation of the acquisition of the majority shareholding in Unitrans Limited. He also served on the board of SA PGA Tour. Jo became an alternate executive director with effect from December 2007. He currently holds the position of Deputy Chairman of KAP Industrial.

Mariza Nel – BComm, ACMA

Executive Director: Group Services – Alternate director to Piet Ferreira

Mariza was appointed to the board of Steinhoff as an alternate director in May 2011. She is responsible for the Group's stakeholder communication, investor relations and is global head of human resources and information technology. Mariza began her career in 1996 as Group financial controller at Edinburgh-based Scottish and Newcastle plc and was appointed general manager for Scandinavia and the Baltic States in 2000. She joined Steinhoff International as part of the Group services team in 2004 and has been involved in many operational and corporate functions throughout the Group. Since 2007, Mariza has been responsible for the Group's stakeholder communication and investor relations functions and was also appointed global head of human resources and information technology in April 2011.

NON-EXECUTIVE DIRECTORS OF STEINHOFF

Independent Non-Executive Directors

Deenadayalen Konar (Len) – BComm, MAS, DComm, CA(SA), CRMA

Chairman of the Board

Len was appointed to the board in 1998. Len is an independent consultant and professional director. Prior positions include executive director of internal audit portfolio and head of investments at the Independent Development Trust, and professor and head of the department of accountancy at the University of Durban-Westville. He is a past patron of the Institute of Internal Auditors South Africa, and a member of the King Committee on Corporate Governance in South Africa, the Corporate Governance Network and the Institute of Directors. He was appointed chairperson of the ministerial panel for the review of the regulation of accountants and auditors in South Africa in 2003 and served as chairman of the audit committee of the International Monetary Fund. Len was appointed chairman of the Steinhoff board in September 2008 and held various committee positions, including chairman of the audit committee. Len is chairman of the risk advisory committee and a member of the nomination and human resources and remuneration committees. Len is also a non-executive director of Lonmin plc, Alexander Forbes Equity Holdings Limited, Mustek Limited, Illovo Sugar Limited, Sappi Limited, Exxaro Resources Limited and Yeboyethu Limited.

Stefanes Francois Booysen (Steve) – BCompt (Hons) (Accounting), MCompt, DComm (Accounting), CA(SA)

Steve was appointed to the Steinhoff board as an independent non-executive director in September 2009. He completed his articles with Ernst & Young and acted as lecturer at the University of South Africa. In 2006, he was appointed as council member of the University of Pretoria. Steve is the former group chief executive officer of Absa Group Limited. He also serves on the boards of Clover Industries Limited, Senwes Limited and Vukile Property Fund Limited. Steve is the chairman of Steinhoff's audit committee and in May 2014 was appointed as an independent non-executive director to the JD Group board of directors.

David Charles Brink (Dave) – MSc Eng (Mining), DComm (hc), Graduate Diploma in Company Direction

Dave was appointed to the Steinhoff board as an independent non-executive director in December 2007. Dave is a board member of the National Business Initiative, chairman of the board of the Wits University Foundation and a vice president of the Institute of Directors in South Africa. He is also a member of the Millennium Labour Council, a past chairman of Absa Group Limited, Murray & Roberts Holdings Limited and Unitrans Limited, and a past director of Sanlam, BHP Billiton Limited and Sappi Limited. In 2010, Dave was appointed by the board of Steinhoff International as the senior independent non-executive director. He chairs the remuneration committee, is also a member of the audit committee and in May 2014 was appointed as an independent non-executive director to the JD Group board of directors.

Claas Edmund Daun – BAcc, CA

Claas joined Steinhoff Germany in 1992 and was appointed to the Steinhoff International board in 1998. Claas has extensive experience in management and investments worldwide and is a corporate investor in several industries. Claas was instrumental in developing KAP Industrial's businesses and acted as chairman of KAP Industrial for many years. Claas resigned from the KAP Industrial board on 25 June 2012. He is currently a member of the boards of KAP AG, Courthiel Holdings Proprietary Limited, Daun and Cie AG, Stöhr AG, Mech Baumwoll-Spinnerei and Weberei AG, and holds several other directorships. Claas is honorary consul of South Africa in Lower Saxony, Germany. He holds a masters degree in business commerce from the University of Cologne and qualified as a chartered accountant in 1975.

Marthinus Theunis Lategan (Theunie) – DComm, CA(SA)

Theunie was appointed to the Steinhoff International board in September 2011. Theunie lectured in Accounting and Taxation at the University of Johannesburg until 1987, after which he returned to the auditing practise at Price Waterhouse. He joined Rand Merchant Bank in 1994 and later became head of their Structured Finance unit. In 1999 he became chief executive officer for the Corporate Banking unit of First National Bank. In 2004 he was appointed to the executive management committee of the FirstRand Group and served on various committees. In 2005, Theunie was appointed chief executive officer for FirstRand Africa and Emerging Markets and, in 2007, he relocated to India to set up FirstRand Banking Group, India. He retired from the FirstRand Group in July 2010. He currently serves as vice chairman for Barclays Africa Corporate and previously acted as chairman of RARE Holdings Limited, an AltX-listed company of which he is still a non-executive director. Theunie is an independent non-executive director of Steinhoff International Holdings Limited, and a member of Steinhoff's Audit and Remuneration committees. Since 2007, Theunie has served as a member of the Council of the University of the Witwatersrand, Johannesburg and also chairs its Finance Committee.

Johannes Fredericus Mouton (Jannie) – BComm (Hons), CA(SA), AEP

Jannie was appointed to the Steinhoff board as an independent non-executive director in October 2002. Jannie started his career with Federale Volksbeleggings Limited as financial manager and after a period as financial director with Kanhym Limited, established Senekal Mouton and Kitshoff Inc, a stockbroking company, and member of the JSE. He served as member of several JSE committees and was instrumental in various corporate transactions. He has more than 35 years' experience in financial management and investment banking. As non-executive chairman of the PSG Group Limited he also serves as a trustee of various trusts administered on behalf of the University of Stellenbosch.

Heather Joan Sonn (Heather) – BA (Political Science), MSc (International Business)

Following completion of her studies in 1997, Heather joined Merrill Lynch New York as an investment banking analyst. She returned to South Africa in 1999 and took up a position with Sanlam Investment Management in Cape Town. Heather has served as chief executive for Legae Securities, deputy chief executive for WIP Capital, chief executive for The Citizens Movement, is a former director of Strate and was instrumental in building the basis for Barclays' global integrated bank initiative while at Barclays Bank plc. She currently serves on the board of Prescient Limited and as an alternate director for Macsteel Service Centres SA Limited. She is also a fellow and moderator of the Aspen Institute's Global Leadership Network.

NON-EXECUTIVE DIRECTORS

Bruno Ewald Steinhoff

Bruno is the founder of the Group and was chairman of Steinhoff International until the end of September 2008. He relinquished executive duties with effect from 1 April 2008 and continues serving as a non-executive director, assisting with special projects for the Group. After studying industrial business, Bruno started his furniture trade and distribution business in June 1964 in Westerstede, Germany. During this period, he also gained furniture retail experience, having spent three years in Berlin. In 1971, he expanded the business into manufacturing with the first upholstery factory in Remels. During the 1980s, Bruno acquired interests in central and eastern Europe and in a joint venture in South Africa with Claas Daun involving Gommagomma Holdings. He has more than 49 years' experience in the furniture business and more than 40 years' manufacturing experience. 1 July 2014 marked Bruno's 50th year in the industry.

Thierry Louis Joseph Guibert (Thierry) – MBA

Thierry was appointed to the board of Steinhoff as an executive director in May 2011. After graduating from the Reims Business School, Thierry began his career in 1995 as an auditor at KPMG. He then joined the previous holding company of Conforama, the French listed Kering Group, in 1999. Following various financial positions held within PPR, Thierry was appointed as chief financial officer and chief operating officer of FNAC, a European retailer within the same group. Since 2008, Thierry has held the position of chairman and chief executive officer of Conforama, which company was acquired by Steinhoff in March 2011. Thierry resigned as CEO of Conforama with effect from 1 January 2015 whereafter he remained on the Board as non-executive Director.

Paul Denis Julia van den Bosch – Vecon, MBA

Paul was appointed to the Steinhoff International board as non-executive director in December 2010. Paul joined HabufaMeubelen B.V. in Hapert in 1985 after the completion of his studies at the European University in Antwerp. He is currently the general manager of the Van den Bosch Beheer Group B.V. Paul is the founder of the Henders & Hazel® concept. He is a member of the Round Table of Neerpelt in Belgium which actively drives and promotes activities around social and economic issues in that region.

Christoffel Hendrik Wiese – BA, LLB, DComm (hc)

Christo was appointed as an independent non-executive director to the Steinhoff International board on 5 March 2013. He practiced at the Cape Bar in the 1970's before joining Pepkor Holdings of which he has been the chairperson and controlling shareholder since 1981. In addition he acts as Chairman and controlling shareholder of Shoprite Holdings Limited, Invicta Holdings Limited, Tradehold Limited and Brait SA Limited and he is a former chairman of the Industrial Development Corporation. Christo has served on the boards of many listed companies over the years and is a past director of the South African Reserve Bank. Following the Pepkor Acquisition, Christo became the largest indirect shareholder in Steinhoff (with an interest of c.18%), as a result of which he is no longer considered to be independent.

Angela Krüger-Steinhoff – BComm (Economic Science)

Non-executive director – Alternate non-executive director to Bruno Steinhoff

Angela was appointed to the Steinhoff International board as an alternate non-executive director in December 2007. Angela obtained a degree in Economic Science in 1997 at the European business school, Oestrich-winkel, Germany. She joined the Group in 1997 as a financial manager. In 1999 she was seconded to act as managing director of the Australian operations. She resigned from the Group at the end of 2005 and now attends to the Steinhoff family investments. She has more than 10 years' experience in the industry, with specific knowledge of and extensive experience in management and investments globally. Angela also holds a position on the advisory committees of Oldenburgische Landesbank AG in Germany, HSH Nordbank AG and Commerzbank AG.

SHARE PRICE HISTORY OF STEINHOFF

Set out below is a table showing the aggregate volumes and values traded and the highest and lowest prices traded in Steinhoff shares for:

- each quarter over the 2 years prior to the last practicable date;
- each month over the 12 months preceding the last practicable date prior to the date of issue of this circular; and
- each day over the 30 days preceding the last practicable date.

The highest, lowest and closing price of Steinhoff shares on the JSE, for the last 30 trading days, for each day commencing from *18 June 2015* to *29 July 2015* (being the last practicable date prior to the finalisation of this circular) and the daily volume are as follows:

Period	High (Rands)	Low (Rands)	Close (Rands)	Volume	Value (Rand millions)
29/07/2015	77,09	75,76	76,89	9,162,355	704
28/07/2015	76,35	78,31	76,10	9,553,861	727
27/07/2015	77,00	78,20	76,28	9,005,495	687
24/07/2015	77,25	79,63	77,25	7,030,519	543
23/07/2015	80,00	80,24	78,66	4,557,436	358
22/07/2015	78,85	79,52	78,61	6,405,640	504
21/07/2015	79,31	80,50	78,20	9,662,342	756
20/07/2015	79,90	80,40	78,44	7,238,578	568
17/07/2015	78,80	79,50	78,54	5,406,632	425
16/07/2015	78,50	79,28	77,70	14,244,792	1,107
15/07/2015	78,90	78,90	77,95	9,308,509	726
14/07/2015	77,71	79,38	77,25	7,575,044	585
13/07/2015	78,74	78,74	77,15	8,829,382	681
10/07/2015	76,10	77,23	76,03	11,954,236	909
09/07/2015	75,97	76,02	74,54	6,744,218	503
08/07/2015	74,26	74,26	72,36	8,300,876	601
07/07/2015	72,77	75,65	72,64	8,071,365	586
06/07/2015	75,45	75,47	73,75	6,050,571,	446
03/07/2015	75,65	77,13	75,21	8,523,919	641
02/07/2015	76,51	78,15	76,51	17,887,452	1,369
01/07/2015	76,48	77,28	75,99	7,775,965	591
30/06/2015	76,99	77,20	74,64	8,635,285	645
29/06/2015	74,62	76,18	73,40	7,479,891	549
26/06/2015	76,92	77,28	75,81	5,799,003	440
25/06/2015	77,07	77,07	75,56	8,771,588	663
24/06/2015	76,22	76,26	74,85	6,651,383	498
23/06/2015	75,35	75,83	73,89	8,355,141	617
22/06/2015	73,79	74,60	72,66	8,619,655	626
19/06/2015	72,74	73,14	72,61	10,948,827	795
18/06/2015	72,75	73,22	72,00	29,718,728	2,140

The highest, lowest and closing price of Steinhoff shares for each month over the 12 months preceding the last practicable date are as follows:

Period	High (Rands)	Low (Rands)	Close (Rands)	Volume	Value (Rand millions)
30/06/2015	76,99	77,28	71,02	189,091,223	13,429
29/05/2015	75,25	78,94	74,16	167,820,740	12,446
30/40/2015	75,58	79,09	74,87	207,668,138	15,548
31/03/2015	76,03	76,26	64,36	394,995,918	25,422
27/02/2015	67,27	70,13	59,58	229,426,568	13,669
30/01/2015	59,75	61,45	57,60	168,948,343	9,731
31/12/2014	59,40	60,68	57,02	164,148,117	9,360
28/11/2014	58,20	59,70	53,50	234,099,837	12,524
31/10/2014	56,40	56,49	50,51	222,062,676	11,216
30/09/2014	54,08	56,36	46,11	303,653,705	14,001
29/08/2014	52,51	54,40	50,16	191,429,733	9,602
31/07/2014	53,60	59,78	52,54	294,195,547	15,458

pwc

30 July 2015

The Directors
Steinhoff International Holdings Limited
28 Sixth Street
Wynberg
Sandton
2090

Dear Directors

Report and Fair and Reasonable opinion on the offer by Genesis International Holdings N.V. to the ordinary shareholders of Steinhoff International Holdings Limited

1. Introduction

Shareholders of Steinhoff International Holdings Limited ("Steinhoff" or "Group") were advised in an announcement on SENS dated 2 July 2014 that Steinhoff had received approval from the Financial Surveillance Department of the South African Reserve Bank ("SARB") to facilitate the inward listing of Genesis International Holdings N.V. ("Genesis") on the Johannesburg Stock Exchange ("JSE"), accompanied by a listing on the prime standard of the Frankfurt Stock Exchange ("FSE"), and that Genesis would use its shares for the purposes of acquiring the entire issued share capital of Steinhoff.

It is our understanding that in an announcement to be dated 7 August 2015 Steinhoff will be informed of the firm intention of Genesis to acquire the entire ordinary issued share capital of Steinhoff by way of a scheme of arrangement (the "scheme") in terms of section 114 (read with section 115) of the Companies Act, No 71 of 2008 ("the Act"). The Steinhoff board of directors (the "Steinhoff board") will propose the scheme between Steinhoff and the Steinhoff shareholders (the "scheme participants").

In the event of the scheme becoming operative, Genesis will acquire the scheme shares and scheme participants will receive one Genesis share for every Steinhoff share held by a scheme participant (the "scheme consideration"). Following the implementation of the scheme, Genesis will be the registered and beneficial owner of the entire issued ordinary share capital of Steinhoff.

Upon implementation of the scheme, Genesis will be listed on the prime standard of the FSE with an inward listing on the main board of the JSE in terms of the existing Exchange Control Regulations of the SARB in respect of inward listings.

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Directors: J M Godden, J M Groenewald, M D Human, M Z Krzychylkiewicz, J G Louw, M S Masithela, C C Morris**, F Tonelli*, C T van Dijk, S L Venables
*Non-executive, **British

The scheme is classified as an affected transaction in terms of the Act. In terms of the Act and sections 90 and 110 of the Companies Regulations, 2011 ("the Companies Regulations"), the independent sub-committee of the board (the "Independent Board") is required to obtain a report and fair and reasonable opinion on the scheme from an independent expert and include this opinion in the circular to the shareholders.

The Independent Board requested PricewaterhouseCoopers Corporate Finance Proprietary Limited ("PwC") to act as independent expert in terms of the Act, the Companies Regulations and to provide an opinion as to whether the terms and conditions of the scheme are fair and reasonable as far as Steinhoff shareholders are concerned.

This opinion and the results of our work will be used by the Independent Board solely to satisfy the requirements of the Act and the Companies Regulations.

2. Identification of securities affected

The securities affected by the Offer, as determined on 30 July 2015, are 3 667 476 771 (three billion six hundred and sixty seven million four hundred and seventy six thousand seven hundred and seventy one) ordinary no par value shares in the issued capital of Steinhoff, excluding the cumulative, non-redeemable, non-participating, variable rate preference shares.

Therefore, the ordinary shareholders of Steinhoff are affected by the Offer.

3. Definition of fair and reasonable

Market value is defined as the estimated amount for which an asset should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

A transaction would generally be considered fair from the perspective of a seller if the consideration payable by the purchaser to the seller is equal to, or greater than the market value of the assets being sold. Fairness is primarily based on quantitative issues. The scheme will be considered fair if the purchase consideration is considered to be equal to or greater than the market value of the shares.

The assessment of reasonableness is generally based on qualitative issues surrounding the particular transaction. Even though the consideration may differ from the market value of the ordinary shares subject to the transaction, a transaction may still be fair and reasonable after considering other significant qualitative factors.

This fairness opinion does not purport to cater for individual shareholders' positions but rather the rights and interests of the general body of shareholders subject to the scheme. A shareholder's decision regarding fairness of the terms of the scheme may be influenced by his or her particular circumstances (for example taxation and the price paid for the shares). Should a shareholder be in doubt, he or she should consult an independent expert as to the merits of the transaction, considering his/her personal circumstances.

In reaching a conclusion on whether the offer of one Genesis share, after Genesis acquired the scheme shares, for each Steinhoff share is fair and reasonable to the Steinhoff ordinary shareholders, we considered the material effects of this offer on the rights and interests of the holders of the Steinhoff

shares. This entailed a comparison of the market value of the Steinhoff shares with the scheme consideration being offered. In reaching this conclusion, we determined the market value of the Steinhoff shares and the market value of Genesis prior to the implementation of the scheme and the market value of a Genesis Group share subsequent to the implementation of the scheme as outlined below.

4. Sources of Information

In the course of our valuation analysis, we relied upon financial and other information, including prospective financial information, obtained from Steinhoff management and from various public, financial, and industry sources. Our conclusion is dependent on such information being complete and accurate in all material respects.

The principal sources of information used in performing our valuation of Steinhoff and Genesis included:

- Audited annual financial statements of Steinhoff for the financial years ended 30 June 2012 to 30 June 2014;
- Unaudited results of Steinhoff for the six months ended 31 December 2014
- Unaudited results of Genesis for the six months ended 31 December 2014
- Divisional results of Steinhoff for the financial years ended 30 June 2012 to 30 June 2014 and the nine months ended 31 March 2015;
- Financial projections for Steinhoff for the twelve months ended 30 June 2015;
- Consolidated financial projections for Genesis and its main operating divisions (Austria and Central Eastern Europe) for the years ending 30 June 2015 to 30 June 2018;
- Selected publicly available information relating to the industries in which Steinhoff and their subsidiaries operate obtained from Steinhoff management and public sources;
- Discussions with Steinhoff management; and
- Selected available analyst reports for Steinhoff.

Other sources of information used in performing our valuations of Steinhoff included:

- Draft Steinhoff scheme circular dated 30 July 2015;
- Steinhoff SENS announcement dated 29 June 2015;
- For our macroeconomic, comparable company and industry research we used the following sources:
  - IHS Global Insight, Nedbank, Business Monitor International, Investec, Bureau for Economic Research, Absa Capital, International Monetary Fund;
  - Bloomberg for market sector beta information relating to the comparable companies used in our cost of capital calculation;
  - Capital IQ for financial data on market comparable companies;
  - McGregor BFA for Steinhoff share trading history; and

- The PwC Valuation Methodology Survey, 2014/15 Edition for information on various valuation assumptions.

Where practicable, we have corroborated the reasonableness of the information provided to us for the purpose of supporting our opinion, whether in writing or obtained through discussions with Steinhoff management.

Our procedures and enquiries did not constitute an audit in terms of the International Standards on Auditing. Accordingly, we cannot express any opinion on the financial data or other information used in arriving at our opinion.

5. Valuation Approach

In considering the scheme, PwC performed independent valuations of Steinhoff and Genesis. The valuation of both Steinhoff and Genesis were performed by valuing them as going concerns under current management and business plans.

For the purposes of our valuation we used the income approach (discounted cash flow) valuation as our primary approach to value Steinhoff at a high-level on a consolidated basis, based on Steinhoff group forecasts contained in available analyst reports. In addition, we considered the market approach at a consolidated group level (based on multiples for comparable publicly traded companies) as an alternative valuation approach to support the results of our income approach analysis. In addition we performed a review of Steinhoff's trading history. We have not performed a detailed sum-of-the-parts valuation of Steinhoff and believe this to be an appropriate approach based on the facts and circumstances of the proposed transaction.

The valuation of Genesis was performed on a detailed sum-of-the-parts basis, with separate income approach valuations performed for the Austrian and the Central and Eastern European ("CEE") divisions. We also performed market approach valuations of these divisions.

To value Genesis subsequent to the implementation of the scheme ("Genesis Group") we performed a sum-of-the-parts valuation, using the results from the separate valuations performed for Genesis and Steinhoff.

6. Procedures

Our procedures included considering the relevant information included on the terms and conditions of the scheme, as described in the draft scheme circular to Steinhoff shareholders.

We performed an independent sum-of-the-parts valuation of Genesis and a consolidated valuation of Steinhoff. In performing an independent valuation of Steinhoff and Genesis, the procedures we performed comprised the following:

- Obtaining an understanding of the proposed scheme from the transaction documentation prepared by Steinhoff;
- Consideration of conditions in, and the economic outlook for, the industries in which Steinhoff and Genesis operate;
- Consideration of general market data, including economic, governmental and environmental forces that may affect the value of Steinhoff and Genesis;

- Discussions concerning the historical and future operations of Genesis with management;
- Discussions with Steinhoff and Genesis management to obtain an explanation and clarification of data provided;
- Consideration of the operating and financial results of Steinhoff and Genesis (including available audited financial statements covering three years up to the date of valuation for Steinhoff and one year up to the date of valuation for Genesis);
- Analysis of financial and operating projections including revenues, operating margins (e.g., earnings before interest and taxes), working capital investments and capital expenditures based on the historical operating results of Steinhoff and Genesis, industry results and expectations and management representations. Such projections formed the basis for the Discounted Cash Flow analysis;
- Gathering and analysis of financial data for publicly traded or private companies engaged in the same or similar lines of business to develop appropriate valuation multiples and operating comparisons to apply to Steinhoff and Genesis, as part of the Market Approach;
- Consideration of the trading history of Steinhoff shares on the JSE over the past twelve months;
- Review of available analyst reports for Steinhoff to develop an analyst view of the value of the Company;
- Estimation of appropriate valuation discounts or premiums (e.g., marketability and controlling or minority interest) to apply to the results of our valuation analysis; and
- Analysis of other facts and data considered pertinent to this valuation to arrive at a conclusion of value.

7. Assumptions

Our opinion is based on the following key assumptions:

- Current economic, regulatory and market conditions will not change materially;
- Steinhoff and Genesis are not involved in any other material legal proceedings other than those conducted in the ordinary course of business;
- Steinhoff and Genesis have no material outstanding disputes with the South African Revenue Service or any other international tax authority;
- There are no undisclosed contingencies that could affect the value of Steinhoff or Genesis;
- The scheme will not give rise to any undisclosed tax liabilities;
- For the purposes of this engagement, we assumed Steinhoff and Genesis's existing businesses to be ongoing under current business plans and management; and
- Representations made by Steinhoff and Genesis management during the course of forming this opinion.

8. Opinion

Our opinion is based on the current economic, market, regulatory and other conditions and the information made available to us by Steinhoff management up to 17 July 2015. Accordingly, subsequent developments may affect this opinion, which we are under no obligation to update, revise or re-affirm. Based on the results of our procedures performed, our detailed valuation work and other considerations, we concluded that:

- The market value of a Steinhoff ordinary share is between R72.40 and R80.60 per share on a marketable minority basis as at 31 May 2015. The most likely value is R76.50, which approximates the midpoint of our value range; and
- The market value of a Genesis ordinary share subsequent to the implementation of the Scheme is between R72.60 and R80.90 per share on a marketable minority basis as at 31 May 2015. The most likely value is R76.75, which approximates the midpoint of our value range.

Based on the results of our procedures performed, the consideration due to Steinhoff shareholders falls within the concluded range of values calculated.

In considering the valuation ranges listed above shareholders should take particular notice of the following factors:

- The actual market value achieved in a specific transaction may be higher or lower than our estimate of the market value range depending upon the circumstances of the transaction (for example strategic considerations of the purchaser), the nature of the business (for example the purchaser's perception of potential synergies); and
- The above market value range represents standalone valuations of Steinhoff and Genesis under current management, strategies and business plans.

Based on the results of our procedures performed, our detailed valuation work and other considerations, subject to the foregoing assumptions, we are of the opinion that the scheme is fair and reasonable to the ordinary shareholders of Steinhoff.

9. Independence

We confirm that we meet the competence, experience, and impartiality requirements of section 114(2)(a) of the Act and we confirm that we meet the independence requirements set out in section 114(2) (b) of the Act and Regulation 90(3) (a) of the Companies Regulations.

We confirm that PwC holds no shares in Steinhoff or Genesis, directly or indirectly. We have no interest, direct or indirect, beneficial or non-beneficial, in Steinhoff or Genesis or in the outcome of the scheme.

Furthermore, we confirm that our professional fees of R720,000 (excluding VAT), payable in cash, are not contingent on the outcome of the scheme.

10. Directors' interests

In accordance with section 114 (3) (e) of the Act, we confirm that the directors hold direct and indirect beneficial interests in Steinhoff. The complete list of director's interests can be found in Section 18.4 of the Circular.

We understand that the proposed scheme has the same effect on such directors that it has on other shareholders of Steinhoff. None of the directors, including previous directors of Steinhoff who had resigned in the 18 months prior to 30 July 2015, had a personal financial interest in the scheme.

In accordance with section 114 (3) (e) of the Act, we confirm that directors hold no interests in Genesis, either directly or indirectly.

We noted and considered the disclosure of the directors' interests in Genesis as contained in the draft scheme circular. There were no directors' interests noted and hence no opinion was expressed in terms of section 114 (3) (f) of the Act on the effect of the arrangement on the interests of the directors.

11. Limiting conditions

Budgets/projections/forecasts relate to future events and are based on assumptions, which may not remain valid for the whole of the relevant period. Consequently this information cannot be relied upon to the same extent as that derived from audited financial statements for completed accounting periods. We express no opinion as to how closely actual results will correspond to those projected/forecast by the management and analysts of Steinhoff and the management of Genesis. In addition, we have not considered the accounting impact of the implementation of the scheme on the results of Steinhoff.

This letter and opinion is provided in terms of the Act and the JSE Listings Requirements. It does not constitute a recommendation to any shareholder of Steinhoff on any matter relating to the scheme, nor as to the acceptance of the scheme. Therefore, it should not be relied upon for any other purpose. We assume no responsibility to anyone if this letter and opinion are used or relied upon for anything other than its intended purpose.

The valuation of companies and businesses is not a precise science, and conclusions arrived at in many cases will necessarily be subjective and dependent on the exercise of individual judgement. Further, whilst we consider our opinion to be defensible based on the information available to us others may have a different view and arrive at a different conclusion.

The wording of sections 115 and 164 of the Act are included in Annexures 4 and 5 respectively of the Circular, to which this opinion is annexed, and is incorporated herein for purposes of section 114(3) (g) of the Act.

Yours sincerely

Jan Groenewald
Director

30 July 2015

The Directors
Steinhoff International Holdings Limited
28 Sixth Street
Wynberg
Sandton
2090

Dear Directors

Report and Fair and Reasonable opinion on the impact of the offer by Genesis International Holdings N.V. to the ordinary shareholders of Steinhoff International Holdings Limited on participants in the executive share rights scheme of the Group

1. Introduction

Shareholders of Steinhoff International Holdings Limited ("Steinhoff" or "Group") were advised in an announcement on SENS dated 2 July 2014 that Steinhoff had received approval from the Financial Surveillance Department of the South African Reserve Bank ("SARB") to facilitate the inward listing of Genesis International Holdings N.V. ("Genesis") on the Johannesburg Stock Exchange ("JSE"), accompanied by a listing on the prime standard of the Frankfurt Stock Exchange ("FSE"), and that Genesis would use its shares for the purposes of acquiring the entire issued share capital of Steinhoff.

It is our understanding that in an announcement to be dated 7 August 2015 Steinhoff will be informed of the firm intention of Genesis to acquire the entire ordinary issued share capital of Steinhoff by way of a scheme of arrangement (the "scheme") in terms of section 114 (read with section 115) of the Companies Act, No 71 of 2008 ("the Act"). The Steinhoff board of directors (the "Steinhoff board") will propose the scheme between Steinhoff and the Steinhoff shareholders (the "scheme participants").

In the event of the scheme becoming operative Genesis will acquire the scheme shares and scheme participants will receive one Genesis share for every Steinhoff share held by a scheme participant (the "scheme consideration"). Following the implementation of the scheme, Genesis will be the registered and beneficial owner of the entire issued ordinary share capital of Steinhoff.

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Directors: J M Godden, J M Groenewald, M D Human, M Z Krzychylkiewicz, J G Louw, M S Masithela, C C Morris**, F Tonelli*, C T van Dijk, S L Venables
*Non-executive, **British

Upon implementation of the scheme, Genesis will be listed on the prime standard of the FSE with an inward listing on the main board of the JSE in terms of the existing Exchange Control Regulations of the SARB in respect of inward listings.

It is noted that in terms of the Steinhoff executive share rights scheme ("executive share scheme"), if Steinhoff is taken over or delisted during certain measurement periods as stated in the share scheme rules, the rights under the share scheme shall be exchanged for equivalent rights in Steinhoff's successor (as determined and approved by the remuneration committee of the Steinhoff board), provided that all the performance criteria have been duly achieved. The beneficiaries of the share scheme shall accordingly acquire comparable consideration in the form of equivalent rights in Genesis.

The scheme is classified as an affected transaction in terms of the Act. In terms of the Act and sections 90 and 110 of the Companies Regulations, 2011 ("the Companies Regulations"), the independent sub-committee of the board (the "Independent Board") is required to obtain a report and fair and reasonable opinion on the impact of the scheme on participants in the executive share scheme from an independent expert and include this opinion in the circular to the shareholders.

The Independent Board requested PricewaterhouseCoopers Corporate Finance Proprietary Limited ("PwC") to act as independent expert in terms of the Act, the Companies Regulations and to provide an opinion as to whether the terms and conditions of the scheme are fair and reasonable as far as Steinhoff executive share scheme participants are concerned.

This opinion and the results of our work will be used by the Independent Board solely to satisfy the requirements of the Act and the Companies Regulations.

2. Identification of securities affected

The securities affected by the scheme are 32 235 368 (thirty two million two hundred and thirty five thousand three hundred and sixty eight) ordinary no par value shares in the unissued capital of Steinhoff for future participation in the executive shares schemes.

3. Definition of fair and reasonable

Market value is defined as the estimated amount for which an asset should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

A transaction would generally be considered fair from the perspective of a seller if the consideration payable by the purchaser to the seller is equal to, or greater than the market value of the assets being sold. Fairness is primarily based on quantitative issues. The scheme will be considered fair to the executive scheme participants if the value of the comparable consideration received is considered to be equal to or greater than the market value of current consideration held.

The assessment of reasonableness is generally based on qualitative issues surrounding the particular transaction. Even though the consideration may differ from the market value of the ordinary shares subject to the transaction, a transaction may still be fair and reasonable after considering other significant qualitative factors.

This fairness opinion does not purport to cater for individual shareholders or participants' positions but rather the rights and interests of the general body of shareholders subject to the scheme. A shareholder or participant's decision regarding fairness of the terms of the scheme may be influenced by his or her particular circumstances (for example taxation and the price paid for the shares). Should a shareholder or participant be in doubt, he or she should consult an independent expert as to the merits of the transaction, considering his/her personal circumstances.

In reaching a conclusion on whether a comparable consideration of one Genesis share, in exchange for rights to one Steinhoff share held by each participant in the executive share scheme is fair and reasonable to the executive share scheme participants, we considered the material effects of the comparable consideration on the rights and interests of the participants in the executive share scheme.

It should be noted that this entailed a comparison of the market value of the Steinhoff shares with the Genesis shares being offered as comparable consideration as all other terms and conditions of the executive share scheme remain unchanged. In reaching this conclusion, we determined the market value of the Steinhoff shares and the market value of Genesis prior to the implementation of the scheme and the market value of a Genesis Group share subsequent to the implementation of the scheme as outlined below.

4. Sources of Information

In the course of our valuation analysis, we relied upon financial and other information, including prospective financial information, obtained from Steinhoff management and from various public, financial, and industry sources. Our conclusion is dependent on such information being complete and accurate in all material respects.

The principal sources of information used in performing our valuation of Steinhoff and Genesis included:

- Audited annual financial statements of Steinhoff for the financial years ended 30 June 2012 to 30 June 2014;
- Unaudited results of Steinhoff for the six months ended 31 December 2014;
- Unaudited results of Genesis for the six months ended 31 December 2014;
- Divisional results of Steinhoff for the financial years ended 30 June 2012 to 30 June 2014 and the nine months ended 31 March 2015;
- Financial projections for Steinhoff for the twelve months ended 30 June 2015;
- Consolidated financial projections for Genesis and its main operating divisions (Austria and Central Eastern Europe) for the years ending 30 June 2015 to 30 June 2018;
- Selected publicly available information relating to the industries in which Steinhoff and their subsidiaries operate obtained from Steinhoff management and public sources;
- Discussions with Steinhoff management; and
- Selected available analyst reports for Steinhoff.

Other sources of information used in performing our valuations of Steinhoff included:

- Draft Steinhoff scheme circular dated 30 July 2015;
- Steinhoff SENS announcement dated 29 June 2015;
- For our macroeconomic, comparable company and industry research we used the following sources:
  - IHS Global Insight, Nedbank, Business Monitor International, Investec, Bureau for Economic Research, Absa Capital, International Monetary Fund;
  - Bloomberg for market sector beta information relating to the comparable companies used in our cost of capital calculation;
  - Capital IQ for financial data on market comparable companies;
  - McGregor BFA for Steinhoff share trading history; and
  - The PwC Valuation Methodology Survey, 2014/15 Edition for information on various valuation assumptions.

Where practicable, we have corroborated the reasonableness of the information provided to us for the purpose of supporting our opinion, whether in writing or obtained through discussions with Steinhoff management.

Our procedures and enquiries did not constitute an audit in terms of the International Standards on Auditing. Accordingly, we cannot express any opinion on the financial data or other information used in arriving at our opinion.

5. Valuation Approach

In considering the scheme, PwC performed independent valuations of Steinhoff and Genesis. The valuation of both Steinhoff and Genesis were performed by valuing them as going concerns under current management and business plans.

For the purposes of our valuation we used the income approach (discounted cash flow) valuation as our primary approach to value Steinhoff at a high-level on a consolidated basis, based on Steinhoff group forecasts contained in available analyst reports. In addition, we considered the market approach at a consolidated group level (based on multiples for comparable publicly traded companies) as an alternative valuation approach to support the results of our income approach analysis. In addition we performed a review of Steinhoff's trading history. We have not performed a detailed sum-of-the-parts valuation of Steinhoff and believe this to be an appropriate approach based on the facts and circumstances of the transaction.

The valuation of Genesis was performed on a detailed sum-of-the-parts basis, with separate income approach valuations performed for the Austrian and the Central and Eastern European ("CEE") divisions. We also performed market approach valuations of these divisions.

To value Genesis subsequent to the implementation of the scheme ("Genesis Group") we performed a sum-of-the-parts valuation, using the results from the separate valuations performed for Genesis and Steinhoff.

6. Procedures

Our procedures included considering the relevant information included on the terms and conditions of the scheme, as described in the draft scheme circular to Steinhoff shareholders.

We performed an independent sum-of-the-parts valuation of Genesis and a consolidated valuation of Steinhoff. In performing an independent valuation of Steinhoff and Genesis, the procedures we performed comprised the following:

- Obtaining an understanding of the proposed scheme from the transaction documentation prepared by Steinhoff;
- Consideration of conditions in, and the economic outlook for, the industries in which Steinhoff and Genesis operate;
- Consideration of general market data, including economic, governmental and environmental forces that may affect the value of Steinhoff and Genesis;
- Discussions concerning the historical and future operations of Genesis with management;
- Discussions with Steinhoff and Genesis management to obtain an explanation and clarification of data provided;
- Consideration of the operating and financial results of Steinhoff and Genesis (including available audited financial statements covering three years up to the date of valuation for Steinhoff and one year up to the date of valuation for Genesis);
- Analysis of financial and operating projections including revenues, operating margins (e.g., earnings before interest and taxes), working capital investments and capital expenditures based on the historical operating results of Steinhoff and Genesis, industry results and expectations and management representations. Such projections formed the basis for the Discounted Cash Flow analysis;
- Gathering and analysis of financial data for publicly traded or private companies engaged in the same or similar lines of business to develop appropriate valuation multiples and operating comparisons to apply to Steinhoff and Genesis, as part of the Market Approach;
- Consideration of the trading history of Steinhoff shares on the JSE over the past twelve months;
- Review of available analyst reports for Steinhoff to develop an analyst view of the value of the Company;
- Estimation of appropriate valuation discounts or premiums (e.g., marketability and controlling or minority interest) to apply to the results of our valuation analysis; and
- Analysis of other facts and data considered pertinent to this valuation to arrive at a conclusion of value.

7. Assumptions

Our opinion is based on the following key assumptions:

- Current economic, regulatory and market conditions will not change materially;
- Steinhoff and Genesis are not involved in any other material legal proceedings other than those conducted in the ordinary course of business;
- Steinhoff and Genesis have no material outstanding disputes with the South African Revenue Service or any other international tax authority;
- There are no undisclosed contingencies that could affect the value of Steinhoff or Genesis;
- The scheme will not give rise to any undisclosed tax liabilities;
- For the purposes of this engagement, we assumed Steinhoff and Genesis's existing businesses to be ongoing under current business plans and management; and
- Representations made by Steinhoff and Genesis management during the course of forming this opinion.

8. Opinion

Our opinion is based on the current economic, market, regulatory and other conditions and the information made available to us by Steinhoff management up to 17 July 2015. Accordingly, subsequent developments may affect this opinion, which we are under no obligation to update, revise or re-affirm. Based on the results of our procedures performed, our detailed valuation work and other considerations, we concluded that:

- The market value of a Steinhoff ordinary share is between R72.40 and R80.60 per share on a marketable minority basis as at 31 May 2015. The most likely value is R76.50, which approximates the midpoint of our value range; and
- The market value of a Genesis ordinary share subsequent to the implementation of the Scheme is between R72.60 and R80.90 per share on a marketable minority basis as at 31 May 2015. The most likely value is R76.75, which approximates the midpoint of our value range.

Based on the results of our procedures performed, the comparable consideration due to participants in the Steinhoff executive share scheme falls within the concluded range of values calculated.

In considering the valuation ranges listed above shareholders should take particular notice of the following factors:

- The actual market value achieved in a specific transaction may be higher or lower than our estimate of the market value range depending upon the circumstances of the transaction (for example strategic considerations of the purchaser), the nature of the business (for example the purchaser's perception of potential synergies); and
- The above market value range represents standalone valuations of Steinhoff and Genesis under current management, strategies and business plans.

Based on the results of our procedures performed, our detailed valuation work and other considerations, subject to the foregoing assumptions, we are of the opinion that the scheme is fair and reasonable to the executive share scheme participants of Steinhoff.

9. Independence

We confirm that we meet the competence, experience, and impartiality requirements of section 114(2) (a) of the Act and we confirm that we meet the independence requirements set out in section 114(2) (b) of the Act and Regulation 90(3) (a) of the Companies Regulations.

We confirm that PwC holds no shares in Steinhoff or Genesis, directly or indirectly. We have no interest, direct or indirect, beneficial or non-beneficial, in Steinhoff or Genesis or in the outcome of the scheme.

Furthermore, we confirm that our professional fees of R720,000 (excluding VAT), payable in cash, are not contingent on the outcome of the scheme.

10. Directors' interests

In accordance with section 114 (3) (e) of the Act, we confirm that the directors hold direct and indirect beneficial interests in Steinhoff. The complete list of director's interests can be found in Section 18.4 of the Circular.

We understand that the proposed scheme has the same effect on such directors that it has on other shareholders of Steinhoff. None of the directors, including previous directors of Steinhoff who had resigned in the 18 months prior to 30 July 2015, had a personal financial interest in the scheme.

In accordance with section 114 (3) (e) of the Act, we confirm that directors hold no interests in Genesis, either directly or indirectly.

We noted and considered the disclosure of the directors' interests in Genesis as contained in the draft scheme circular. There were no directors' interests noted and hence no opinion was expressed in terms of section 114 (3) (f) of the Act on the effect of the arrangement on the interests of the directors.

11. Limiting conditions

Budgets/projections/forecasts relate to future events and are based on assumptions, which may not remain valid for the whole of the relevant period. Consequently this information cannot be relied upon to the same extent as that derived from audited financial statements for completed accounting periods. We express no opinion as to how closely actual results will correspond to those projected/forecast by the management and analysts of Steinhoff and the management of Genesis. In addition, we have not considered the accounting impact of the implementation of the scheme on the results of Steinhoff.

This letter and opinion is provided in terms of the Act and the JSE Listings Requirements. It does not constitute a recommendation to any shareholder of Steinhoff on any matter relating to the scheme, nor as to the acceptance of the scheme. Therefore, it should not be relied upon for any other purpose. We assume no responsibility to anyone if this letter and opinion are used or relied upon for anything other than its intended purpose.

The valuation of companies and businesses is not a precise science, and conclusions arrived at in many cases will necessarily be subjective and dependent on the exercise of individual judgement. Further, whilst we consider our opinion to be defensible based on the information available to us others may have a different view and arrive at a different conclusion.

The wording of sections 115 and 164 of the Act are included in Annexures 4 and 5 respectively of the Circular, to which this opinion is annexed, and is incorporated herein for purposes of section 114(3) (g) of the Act.

Yours sincerely

Jan Groenewald
Director

SECTION 115 OF THE COMPANIES ACT: REQUIRED APPROVAL FOR TRANSACTIONS CONTEMPLATED IN CHAPTER 5 OF THE COMPANIES ACT

(1) Despite section 65, and any provision of a company's Memorandum of Incorporation, or any resolution adopted by its board or holders of its securities, to the contrary, a company may not dispose of, or give effect to an agreement or series of agreements to dispose of, all or the greater part of its assets or undertaking, implement an amalgamation or a merger, or implement a scheme of arrangement, unless:

(a) the disposal, amalgamation or merger, or scheme of arrangement:

(i) has been approved in terms of this section; or

(ii) is pursuant to or contemplated in an approved business rescue plan for that company, in terms of Chapter 6; and

(b) to the extent that Parts B and C of this Chapter and the Takeover Regulations apply to a company that proposes to:

(i) dispose of all or the greater part of its assets or undertaking;

(ii) amalgamate or merge with another company; or

(iii) implement a scheme of arrangement, the Panel has issued a compliance certificate in respect of the transaction, in terms of section 119(4)(b), or exempted the transaction in terms of section 119(6).

(2) A proposed transaction contemplated in subsection (1) must be approved:

(a) by a special resolution adopted by persons entitled to exercise voting rights on such a matter, at a meeting called for that purpose and at which sufficient persons are present to exercise, in aggregate, at least 25% of all of the voting rights that are entitled to be exercised on that matter, or any higher percentage as may be required by the company's Memorandum of Incorporation, as contemplated in section 64(2); and

(b) by a special resolution, also adopted in the manner required by paragraph (a), by the shareholders of the company's holding company if any, if:

(i) the holding company is a company or an external company;

(ii) the proposed transaction concerns a disposal of all or the greater part of the assets or undertaking of the subsidiary; and

(iii) having regard to the consolidated financial statements of the holding company, the disposal by the subsidiary constitutes a disposal of all or the greater part of the assets or undertaking of the holding company; and

(c) by the court, to the extent required in the circumstances and manner contemplated in subsections (3) to (6).

(3) Despite a resolution having been adopted as contemplated in subsections (2)(a) and (b), a company may not proceed to implement that resolution without the approval of a court if:

(a) the resolution was opposed by at least 15% of the voting rights that were exercised on that resolution and, within five business days after the vote, any person who voted against the resolution requires the company to seek court approval; or

(b) the court, on an application within 10 business days after the vote by any person who voted against the resolution, grants that person leave, in terms of subsection (6), to apply to a court for a review of the transaction in accordance with subsection (7).

(4) For the purposes of subsections (2) and (3), any voting rights controlled by an acquiring party, a person related to an acquiring party, or a person acting in concert with either of them, must not be included in calculating the percentage of voting rights:

(a) required to be present, or actually present, in determining whether the applicable quorum requirements are satisfied; or

(b) required to be voted in support of a resolution, or actually voted in support of the resolution.

(4A) In subsection (4), 'act in concert' has the meaning set out in section 117(1)(b).

(5) If a resolution requires approval by a court as contemplated in terms of subsection (3)(a), the company must either:

(a) within 10 business days after the vote, apply to the court for approval, and bear the costs of that application; or

(b) treat the resolution as a nullity.

(6) On an application contemplated in subsection (3)(b), the court may grant leave only if it is satisfied that the applicant:

(a) is acting in good faith;

(b) appears prepared and able to sustain the proceedings; and

(c) has alleged facts which, if proved, would support an order in terms of subsection (7).

(7) On reviewing a resolution that is the subject of an application in terms of subsection (5)(a), or after granting leave in terms of subsection (6), the court may set aside the resolution only if:

(a) the resolution is manifestly unfair to any class of holders of the company's securities; or

(b) the vote was materially tainted by conflict of interest, inadequate disclosure, failure to comply with the Act, the Memorandum of Incorporation or any applicable rules of the company, or other significant and material procedural irregularity.

(8) The holder of any voting rights in a company is entitled to seek relief in terms of section 164 if that person:

(a) notified the company in advance of the intention to oppose a special resolution contemplated in this section; and

(b) was present at the meeting and voted against that special resolution.

(9) If a transaction contemplated in this Part has been approved, any person to whom assets are, or an undertaking is, to be transferred, may apply to a court for an order to effect:

(a) the transfer of the whole or any part of the undertaking, assets and liabilities of a company contemplated in that transaction;

(b) the allotment and appropriation of any shares or similar interests to be allotted or appropriated as a consequence of the transaction;

(c) the transfer of shares from one person to another;

(d) the dissolution, without winding-up, of a company, as contemplated in the transaction;

(e) incidental, consequential and supplemental matters that are necessary for the effectiveness and completion of the transaction; or

(f) any other relief that may be necessary or appropriate to give effect to, and properly implement, the amalgamation or merger.

SECTION 164 OF THE COMPANIES ACT: DISSENTING SHAREHOLDERS' APPRAISAL RIGHTS

(1) This section does not apply in any circumstances relating to a transaction, agreement or offer pursuant to a business rescue plan that was approved by shareholders of a company, in terms of section 152.

(2) If a company has given notice to shareholders of a meeting to consider adopting a resolution to:

- (a) amend its Memorandum of Incorporation by altering the preferences, rights, limitations or other terms of any class of its shares in any manner materially adverse to the rights or interests of holders of that class of shares, as contemplated in section 37 (8); or
- (b) enter into a transaction contemplated in section 112, 113, or 114, that notice must include a statement informing shareholders of their rights under this section.

(3) At any time before a resolution referred to in subsection (2) is to be voted on, a dissenting shareholder may give the company a written notice objecting to the resolution.

(4) Within 10 business days after a company has adopted a resolution contemplated in this section, the company must send a notice that the resolution has been adopted by each shareholder who:

- (a) gave the company a written notice of objection in terms of subsection (3); and
- (b) has neither:
  - (i) withdrawn that notice; or
  - (ii) voted in support of the resolution.

(5) A shareholder may demand that the company pay the shareholder the fair value for all of the shares of the company held by that person if:

- (a) the shareholder:
  - (i) sent the company a notice of objection, subject to subsection (6); and
  - (ii) in the case of an amendment to the company's Memorandum of Incorporation, holds shares of a class that is materially and adversely affected by the amendment;
- (b) the company has adopted the resolution contemplated in subsection (2); and
- (c) the shareholder:
  - (i) voted against that resolution; and
  - (ii) has complied with all of the procedural requirements of this section.

(6) The requirement of subsection (5)(a)(i) does not apply if the company failed to give notice of the meeting, or failed to include in that notice a statement of the shareholders' rights under this section.

(7) A shareholder who satisfies the requirements of subsection (5) may make a demand contemplated in that subsection by delivering a written notice to the company within:

- (a) 20 business days after receiving a notice under subsection (4); or
- (b) if the shareholder does not receive a notice under subsection (4), within 20 business days after learning that the resolution has been adopted.

(8) A demand delivered in terms of subsections (5) to (7) must also be delivered to the Panel, and must state:

- (a) the shareholder's name and address;
- (b) the number and class of shares in respect of which the shareholder seeks payment; and
- (c) a demand for payment of the fair value of those shares.

(9) A shareholder who has sent a demand in terms of subsections (5) to (8) has no further rights in respect of those shares, other than to be paid their fair value, unless:

- (a) the shareholder withdraws that demand before the company makes an offer under subsection (11), or allows an offer made by the company to lapse, as contemplated in subsection (12)(b);
- (b) the company fails to make an offer in accordance with subsection (11) and the shareholder withdraws the demand; or
- (c) the company, by a subsequent special resolution, revokes the adopted resolution that gave rise to the shareholder's rights under this section.

(10) If any of the events contemplated in subsection (9) occur, all of the shareholder's rights in respect of the shares are reinstated without interruption.

(11) Within five business days after the later of:

- (a) the day on which the action approved by the resolution is effective;
- (b) the last day for the receipt of demands in terms of subsection (7)(a); or
- (c) the day the company received a demand as contemplated in subsection (7)(b), if applicable, the company must send to each shareholder who has sent such a demand a written offer to pay an amount considered by the company's directors to be the fair value of the relevant shares, subject to subsection (16), accompanied by a statement showing how that value was determined.

(12) Every offer made under subsection (11):

- (a) in respect of shares of the same class or series must be on the same terms; and
- (b) lapses if it has not been accepted within 30 business days after it was made.

(13) If a shareholder accepts an offer made under subsection (12):

(a) the shareholder must either in the case of:

(i) shares evidenced by certificates, tender the relevant share certificates to the company or the company's transfer agent; or

(ii) uncertificated shares, take the steps required in terms of section 53 to direct the transfer of those shares to the company or the company's transfer agent; and

(b) the company must pay that shareholder the agreed amount within 10 business days after the shareholder accepted the offer and:

(i) tendered the share certificates; or

(ii) directed the transfer to the company of uncertificated shares.

(14) A shareholder who has made a demand in terms of subsections (5) to (8) may apply to a court to determine a fair value in respect of the shares that were the subject of that demand, and an order requiring the company to pay the shareholder the fair value so determined, if the company has:

(a) failed to make an offer under subsection (11); or

(b) made an offer that the shareholder considers to be inadequate, and that offer has not lapsed.

(15) On an application to the court under subsection (14):

(a) all dissenting shareholders who have not accepted an offer from the company as at the date of the application must be joined as parties and are bound by the decision of the court;

(b) the company must notify each affected dissenting shareholder of the date, place and consequences of the application and of their right to participate in the court proceedings; and

(c) the court:

(i) may determine whether any other person is a dissenting shareholder who should be joined as a party;

(ii) must determine a fair value in respect of the shares of all dissenting shareholders, subject to subsection (16);

(iii) in its discretion may:

(aa) appoint one or more appraisers to assist it in determining the fair value in respect of the shares; or

(bb) allow a reasonable rate of interest on the amount payable to each dissenting shareholder from the date the action approved by the resolution is effective, until the date of payment;

(iv) may make an appropriate order of costs, having regard to any offer made by the company, and the final determination of the fair value by the court; and

(v) must make an order requiring:

(aa) the dissenting shareholders to either withdraw their respective demands or to comply with subsection (13)(a); and

(bb) the company to pay the fair value in respect of their shares to each dissenting shareholder who complies with subsection (13) (a), subject to any conditions the court considers necessary to ensure that the company fulfils its obligations under this section.

(15A) At any time before the court has made an order contemplated in subsection 15)(c)(v), a dissenting shareholder may accept the offer made by the company in terms of subsection (11), in which case:

(a) that shareholder must comply with the requirements of subsection 13(a); and

(b) the company must comply with the requirements of subsection 13(b).

(16) The fair value in respect of any shares must be determined as at the date on which, and time immediately before, the company adopted the resolution that gave rise to a shareholder's rights under this section.

(17) If there are reasonable grounds to believe that compliance by a company with subsection (13)(b), or with a court order in terms of subsection (15)(c)(v) (bb), would result in the company being unable to pay its debts as they fall due and payable for the ensuing 12 months:

(a) the company may apply to a court for an order varying the company's obligations in terms of the relevant subsection; and

(b) the court may make an order that:

(i) is just and equitable, having regard to the financial circumstances of the company; and

(ii) ensures that the person to whom the company owes money in terms of this section is paid at the earliest possible date compatible with the company satisfying its other financial obligations as they fall due and payable.

(18) If the resolution that gave rise to a shareholder's rights under this section authorised the company to amalgamate or merge with one or more other companies, such that the company whose shares are the subject of a demand in terms of this section has ceased to exist, the obligations of that company under this section are obligations of the successor to that company resulting from the amalgamation or merger.

(19) For greater certainty, the making of a demand, tendering of shares and payment by a company to a shareholder in terms of this section do not constitute a distribution by the company, or an acquisition of its shares by the company within the meaning of section 48, and therefore are not subject to:

(a) the provisions of that section; or

(b) the application by the company of the solvency and liquidity test set out in section 4.

(20) Except to the extent:

(a) expressly provided in this section; or

(b) that the Panel rules otherwise in a particular case,

a payment by a company to a shareholder in terms of this section does not obligate any person to make a comparable offer under section 125 to any other person.

SOUTH AFRICAN TAX IMPLICATIONS

Scheme participants should seek advice from their appropriate professional advisors if they are in any doubt whatsoever about their tax position. They should also confirm how the general comments below apply to their specific personal circumstances and, in particular, ascertain whether there are any additional or exceptional tax consequences which could apply to them, taking into account that Genesis is a South African tax resident entity.

The analyses below sets out the summary tax implications for South African scheme participants only. This analysis should not be regarded as tax advice given by Steinhoff or Genesis (or their tax or other advisors) to any particular scheme participant.

INCOME TAX IMPLICATIONS FOR SOUTH AFRICAN SCHEME PARTICIPANTS

The analysis below contains a general summary of the South African Income Tax implications of the scheme for South African scheme participants only whose receipts and accruals are not otherwise exempt from income tax ("SA scheme participants").

Disposal of scheme shares for the scheme consideration

Genesis is a South African tax resident company and therefore the tax concessions contained in section 42 of the South African Income Tax Act No 58 of 1962 ("the Income Tax Act"), which deals with "asset-for-share" transactions, will apply to SA scheme participants exchanging scheme shares with a tax value/CGT base cost lower than the market value.

In terms of section 42 of the Income Tax Act, the SA scheme participants will be deemed to have disposed of their scheme shares for proceeds equal to the tax value/CGT base cost, and to have acquired their Genesis shares for an equivalent amount. The SA scheme participants will also be deemed to have acquired the Genesis shares received on the same date(s) that they acquired their scheme shares so disposed of (also for purposes of determining whether a share is a "qualifying share" as defined in section 9C of the Income Tax Act).

The above tax provisions of section 42 of the Income Tax Act will not apply to those SA scheme participants whose tax value / CGT base cost of their scheme shares exceeds the market value. Such shareholders will instead realise a tax loss on the disposal of their scheme shares.

FOREIGN SHAREHOLDERS AND EXCHANGE CONTROL REGULATIONS

The following is a summary of the Exchange Control Regulations as they apply to scheme participants. Scheme participants who are not resident in, or who have a registered address outside South Africa must satisfy themselves as to the full observance of the laws of the relevant jurisdiction concerning the receipt of the scheme consideration, including obtaining any requisite governmental or other consents, observing any other requisite formalities and paying any transfer or other taxes due in such territory. If in doubt, scheme participants should consult their professional advisors without delay.

2,1 **Residents of the common monetary area**

In the case of:

2.1.1 Certificated scheme participants whose registered addresses in the register are within the common monetary area and whose documents of title are not restrictively endorsed in terms of the Exchange Control Regulations, the scheme consideration will be paid to such scheme participants, in accordance with paragraph 11.5 read with paragraph 11.9 of the scheme; or

2.1.2 Dematerialised scheme participants whose registered addresses in the register are within the common monetary area and have not been restrictively designated in terms of the Exchange Control Regulations, the scheme consideration will be credited directly to the accounts nominated for the relevant scheme participants by their duly appointed CSDP or broker in terms of the provisions of the custody agreement with their CSDP or broker.

2.2 **Emigrants from the common monetary area**

In the case of scheme participants who are emigrants from the common monetary area and whose scheme shares form part of their blocked assets, the scheme consideration will:

2.2.1 in the case of certificated scheme participants whose documents of title are restrictively endorsed in terms of the Exchange Control Regulations, be forwarded to the authorised dealer in foreign exchange in South Africa controlling such scheme participants' blocked assets in terms of the Exchange Control Regulations. The attached form of surrender and transfer *(pink)* makes provision for details of the authorised dealer concerned to be given; or

2.2.2 in the case of dematerialised scheme participants, be paid to their CSDP or broker, which shall arrange for the same to be credited directly to the blocked Rand bank account of the scheme participants concerned with their authorised dealer in foreign exchange in South Africa.

2.3 **All other non-residents of the common monetary area**

The scheme consideration accruing to non-resident scheme participants whose registered addresses are outside the common monetary area and who are not emigrants from the common monetary area will:

2.3.1 in the case of certificated scheme participants whose documents of title have been restrictively endorsed in terms of the Exchange Control Regulations, be posted to their registered address, unless written instructions to the contrary are received and an address provided. The attached form of election, surrender and transfer *(blue)* makes provision for a substitute address or bank details; or

2.3.2 in the case of dematerialised scheme participants, be paid to their duly appointed CSDP or broker and credited to such scheme participants in terms of the provisions of the custody agreement with their CSDP or broker.

2.4 **US Shareholders**

2.4.1 The Genesis shares to be issued under the scheme will be issued to US Shareholders only if such US Shareholders have demonstrated that they are a QIB and agree to certain transfer restrictions applicable to the Genesis shares issued to US Shareholders. Each US Shareholder that wishes to receive Genesis shares in the scheme will be required to execute a US Investor Letter and deliver such letter to their CSDP or broker. The US Investor Letter will require such shareholder to represent and agree, among other things, that (i) it is a QIB and (ii) for so long as the Genesis shares are "restricted securities" within the meaning of the Securities Act, it will only offer, sell, transfer, assign, pledge or otherwise dispose of the Genesis shares (a) to a person whom the beneficial owner and/or any person acting on its behalf reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A under the Securities Act, (b) in accordance with Rule 144 under the Securities Act (if available), (c) in accordance with another applicable exemption from the registration requirements of the Securities Act, or (d) in an offshore transaction complying with the provisions of Regulation S under the Securities Act (including, for the avoidance of doubt, a *bona fide* sale on the FSE or the JSE), in each case in accordance with any applicable securities laws of any state of the United States or any other jurisdiction.

2.4.2 Any US Shareholder that is not a QIB or does not deliver a US Investor Letter will be deemed to be an Excluded US Shareholder, and Computershare will instruct its agent bank to sell the Genesis shares to which such person is entitled in the market on such person's behalf at the best price which can reasonably be obtained at the time of the sale, and the net proceeds of such sale be paid to the person entitled thereto.

2.4.3 If any recipient of Genesis shares issued under the scheme that was required to execute a US Investor Letter receives Genesis shares in certificated form, such Genesis shares shall bear an appropriate legend reflecting the transfer restrictions described in the US Investor Letter.

2.4.4 The Genesis shares have not been and will not be listed on a US securities exchange or quoted on any inter-dealer quotation system in the United States. Genesis does not intend to take any action to facilitate a market in the Genesis shares in the United States. Consequently, it is unlikely that an active trading market in the United States will develop for the Genesis shares.

2.4.5 The Genesis shares have not been approved or disapproved by the United States Securities and Exchange Commission, any state securities commission in the United States or any other regulatory authority in the United States, nor have any of the foregoing authorities passed comment upon, or endorsed the merit of, the scheme or the accuracy or the adequacy of this circular. Any representation to the contrary is a criminal offence in the United States.

2.4.6 Shareholders who are citizens or residents of the United States should consult their own legal and tax advisers with respect to the legal and tax consequences of the scheme in their particular circumstances.

2.5 **Custodians and Nominees Holding Steinhoff Shares on behalf of US Shareholders**

2.5.1 Each US Shareholder that wishes to receive Genesis shares will be required to execute a US Investor Letter and deliver such letter to their CSDP or broker. Any US Shareholder that does not deliver a US Investor Letter will be deemed to be an Excluded US Shareholder.

2.5.2 In order to ensure that Genesis shares are sold on behalf of any US Shareholder unless such US Shareholder has executed a US Investor Letter, any custodian or nominee holding Genesis shares in uncertificated form on behalf of any US Shareholder must either:

2.5.2.1 obtain an executed US Investor Letter from such US Shareholders, and ensure the same is provided to their CSDP or broker, in which case it may accept Genesis shares on behalf of such US Shareholder in the same manner as for any other shareholder that is not an Excluded US Shareholder; or

2.5.2.2 transfer such Genesis shares to an escrow balance using a transfer to escrow instruction specifying Computershare as the escrow agent and specifying Participant ID: Computershare (Pty) Ltd and Member Account ID: REGCA, which has been specified by the transfer secretaries as the appropriate escrow account for all Genesis shares held in uncertificated form on behalf of Excluded US Shareholders.

US INVESTOR LETTER

To: CSDP or broker

Ladies and Gentlemen:

This letter (the **"US Investor Letter"**) relates to the issuance of shares (the **"Shares"**) of Genesis (the **"Company"**) in connection with a scheme of arrangement in terms of section 114 of the Companies Act, 2008 (Act 71 of 2008), as amended. This US Investor Letter is to be delivered on behalf of the person acquiring beneficial ownership of the Shares by the investor named below or the accounts listed on the attachment hereto (each, an **"Investor"**).

1. The Investor hereby confirms that it is a "qualified institutional buyer" (as such term is defined in Rule 144A (**"Rule 144A"**) under the US Securities Act of 1933 (the **"Securities Act"**) (a **"QIB"**).
2. The Investor understands and agrees that (i) the Shares have not been and will not be registered under the Securities Act, or with any securities regulatory authority of any state of the United States, and (ii) the Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act and no representation is made as to the availability of the exemption provided by Rule 144 under the Securities Act (**"Rule 144"**) for resales of any Shares. The Investor agrees that, for so long as the Shares are restricted securities, if, in the future, it decides to offer, resell, pledge or otherwise transfer such Shares, or any economic interest therein, such Shares or any economic interest therein may be offered, sold, pledged or otherwise transferred only: (i) to a person whom the beneficial owner and/or any person acting on its behalf reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A; (ii) in accordance with Rule 144 (if available), (iii) in accordance with another applicable exemption from the registration requirements of the Securities Act; or (iv) in an offshore transaction complying with the provisions of Regulation S under the Securities Act (including, for the avoidance of doubt, a *bona fide* sale on the Frankfurt Stock Exchange or the Johannesburg Stock Exchange), in each case, in accordance with any applicable securities laws of any state of the United States or any other jurisdiction.
3. Each of the foregoing restrictions is subject to any requirement of law that the disposition of the Investor's property or the property of such investor account or accounts on behalf of which the Investor holds the Shares be, at all times, within the control of the Investor or of such accounts and subject to compliance with any applicable state securities laws.
4. The Investor acknowledges that the Company and others will rely on the acknowledgements, representations and warranties contained in this US Investor Letter as a basis for the Company's exemption from the registration requirements of the Securities Act. The Investor signing this US Investor Letter agrees to notify the Company promptly if any of the acknowledgements, representations or warranties set forth herein are no longer accurate.
5. Each of the Company and its affiliates are irrevocably authorised to produce this US Investor Letter or a copy hereof to any interested party in any administrative or legal proceeding or official inquiry with respect to the matters covered hereby.
6. This US Investor Letter shall be governed by, and construed in accordance with, the laws of the State of New York.
7. The Investor understands, and acknowledges, that no agency of the United States, or any state thereof has made any finding or determination as to the fairness of the terms of, or any recommendation or endorsement in respect of the Shares.

Very truly yours,

NAME OF PURCHASER: _____

By: _____

Name: _____

Title: _____

Address: _____

_____

Date: _____

Name of account holder: _____

Name of broker: _____

Name of CSDP: _____

Account number of broker: _____

Account number of CSDP: _____

Telephone number of broker/CSDP: _____

SCA number of broker/CSDP: _____

Steinhoff International Holdings Limited

Incorporated in the Republic of South Africa
(Registration number: 1998/003951/06)
Ordinary share code: SHF ISIN: ZAE000016176
Preference share code: SHF ISIN: ZAE000068367
("Steinhoff" or "the Company")

DIRECTORS

Executive
MJ Jooste *(Chief Executive Officer)*
DM van der Merwe *(Chief Operating Officer)*
AB la Grange *(Chief Financial Officer)*
FJ Nel *(Financial Director)*
HJK Ferreira
SJ Grobler
JNS du Plessis*
KJ Grové*
M Nel*

Independent Non-Executive
D Konar *(Chairman)*
SF Booysen
DC Brink
CE Daun
MT Lategan
JF Mouton
HJ Sonn

Non-Executive
TLJ Guibert
A Krüger-Steinhoff*
BE Steinhoff
PDJ van der Bosch
C Wiese

** Alternate Directors*

NOTICE OF SCHEME MEETING

Notice is hereby given that a scheme meeting of the shareholders of Steinhoff will be held at the offices of Steinhoff being 28 Sixth Street, Wynberg, Sandton, 2090, at 12:00 on 7 September 2015 (**"the scheme meeting"**) for the purpose of considering and if deemed fit, passing with or without modification, the resolutions set out below.

Important dates to note

	2015
Record date for receipt of notice purposes	Friday, 31 July
Last day to trade in order to be eligible to vote at the scheme meeting	Friday, 21 August
Record date for voting purposes (**"voting record date"**) at the scheme meeting	Friday, 28 August
Last day to lodge forms of proxy for the scheme meeting by 12:00	Thursday, 3 September
Date of scheme meeting (12:00)	Monday, 7 September
Results of scheme meeting released on SENS	Monday, 7 September

Where appropriate and applicable the terms defined in the circular to which this notice of scheme meeting is attached and forms part of, bear the same meanings in this notice of scheme meeting, and in particular in the resolutions set out below.

In terms of section 62(3)(e) of the Companies Act, No. 71 of 2008 (**"the Companies Act"** or **"the Act"**):-

- A shareholder who is entitled to attend and vote at the scheme meeting is entitled to appoint a proxy, or two or more proxies, to attend and participate in and vote at the scheme meeting in the place of the shareholder, by completing the proxy in accordance with the instructions set out herein.
- A proxy need not be a shareholder of the Company.
- Steinhoff shareholders recorded in the register of the Company on the voting record date (including shareholders and their proxies) are required to provide reasonably satisfactory identification before being entitled to attend or participate in the scheme meeting; in this regard, all Steinhoff shareholders recorded in the register of the Company on the voting record date will be required to provide identification satisfactory to the Chairman of the scheme meeting. Forms of identification include valid identity documents, driver's licences and passports.

SPECIAL RESOLUTION NUMBER 1: SCHEME APPROVAL

"Resolved that, subject to the passing of special resolution number 2 and ordinary resolution number 1, the scheme of arrangement in terms of section 114 of the Companies Act (more fully described in the circular to Steinhoff shareholders dated 7 August 2015), proposed by the board between Steinhoff and the scheme participants, in terms of which, if such scheme of arrangement becomes operative, Genesis will acquire all the scheme shares for the scheme consideration, being one Genesis share for every one Steinhoff share, be and is hereby approved as a special resolution in terms of section 115(2)(a) of the Companies Act."

Voting requirement

In terms of sections 62(3)(c) of the Companies Act, the percentage of voting rights that will be required for this special resolution number 1 to be approved is at least 75% of the voting rights present and exercised on the special resolution.

Explanatory note

In terms of section 115(1) and 115(2) of the Companies Act, a company may only implement a scheme of arrangement in terms of section 114 of the Companies Act if the scheme of arrangement is approved by special resolution adopted by persons entitled to vote on such a matter, at a meeting called for that purpose and at which sufficient persons are present to exercise, in aggregate, at least 25% of all voting rights that are entitled to be exercised on the special resolution.

The reason for special resolution number 1 is to obtain shareholder approval, in terms of section 114 read with section 115 of the Companies Act for the scheme of arrangement proposed by the board between the Company and the scheme participants.

The effect of special resolution number 1 is that Genesis will acquire all of the scheme shares from scheme participants, upon which the listing of all of the ordinary shares in the issued share capital of Steinhoff on the main board of the JSE will be terminated with effect from the listing of Genesis on the FSE and on the JSE, as a secondary listing, or such other date as may be approved by the JSE.

SPECIAL RESOLUTION NUMBER 2: APPROVAL OF THE ARTICLES OF ASSOCIATION

"Resolved that, subject to the passing of special resolution number 1 and ordinary resolution number 1, the Articles of Association, as amended by the Deeds of Amendment, be and is hereby approved."

Voting requirement

In terms of sections 62(3)(c) of the Companies Act, the percentage of voting rights that will be required for this special resolution number 2 to be approved is at least 75% of the voting rights present and exercised on the special resolution.

Explanatory note

Pursuant to the implementation of the scheme, the Steinhoff shareholders will receive Genesis shares and will become bound by the terms of the Articles of Association. Notwithstanding that these are not Steinhoff's Articles of Association, but rather those of Genesis, the JSE has required that the Articles of Association be approved by way of a special resolution of the Steinhoff shareholders.

SPECIAL RESOLUTION NUMBER 3: SPECIFIC REPURCHASE OF SHARES FROM BRAIT

"Resolved that any subsidiary of the Company (or subsidiaries in combination) be and is hereby authorised to acquire, at any time after the passing of this resolution, up to 190 million Steinhoff shares from Brait at a price not higher than the weighted average traded price of such shares measured over the 30 business days prior to the date that the price of the repurchase is agreed in writing with Brait."

Voting requirement

In terms of section 5.76 read with 5.69(b) of the Listings Requirements, the percentage of voting rights that will be required for this special resolution number 3 to be approved is at least 75% of the voting rights present and exercised on such resolution, excluding the votes of any shareholder and its associates that are participating in the repurchase. Therefore in order for the special resolution 3 to be approved, it must be supported by at least 75% of the voting rights exercised on that resolution (excluding the voting rights exercised by the voting pool parties).

Explanatory note

As referred to paragraph 1.9 of the circular, Brait has expressed its intention to sell all or a portion of its Steinhoff shares at some time in the future. If the opportunity arises, Steinhoff may wish to have its subsidiaries repurchase all or a part of such shares. For this purpose, a specific authority to repurchase such shares is required from the Steinhoff shareholders in terms of the Listings Requirements.

If, and to the extent that, Brait wishes to sell all or a portion of its Steinhoff shares and agreement is reached with Brait regarding the repurchase of its Steinhoff shares, the price and other terms of such agreement, including its *pro forma* financial effects on Steinhoff, will forthwith be announced on SENS.

ORDINARY RESOLUTION NUMBER 1: APPROVAL OF SECONDARY LISTING ON JSE

"Resolved that, subject to the passing of special resolution number 1 and special resolution number 2, the secondary listing of Genesis on the main board of the exchange operated by the JSE, pursuant to the implementation of the scheme, be and is hereby approved".

Voting requirement

In order for ordinary resolution 1 to be adopted, the support of more than 50% of the total number of votes exercisable by shareholders, present in person or by proxy, is required to pass this resolution.

Explanatory note

As discussed in more detail in paragraph 10 of the circular, despite section 18.3(d) of the Listings Requirements, the JSE has consented to the secondary listing of Genesis on the JSE, subject to the shareholders of Steinhoff approving the same by way of an ordinary resolution.

ORDINARY RESOLUTION NUMBER 2: DIRECTOR'S AUTHORITY

"Resolved that any member of the board of the Company or the company secretary be and is hereby authorised to sign all such documents and do all such things as may be necessary for or incidental to the implementation of special resolutions 1, 2 and 3, and ordinary resolution 1."

Voting requirement

The percentage of voting rights that will be required for this ordinary resolution to be approved is more than 50% of the voting rights present and exercised on the ordinary resolution.

QUORUM

A quorum for the purposes of considering the resolutions above shall consist of three shareholders of the Company personally present (and if the shareholder is a body corporate, it must be represented) and entitled to vote at the scheme meeting. In addition, a quorum shall comprise at least 25% of all voting rights entitled to be exercised by shareholders in respect of the resolutions above.

The date on which shareholders must be recorded as such in the register maintained by the transfer secretaries, Computershare Investor Services Proprietary Limited (Registration number 2004/003647/07), Ground Floor, 70 Marshall Street, Johannesburg, 2001, Republic of South Africa (PO Box 61051, Marshalltown, 2107), for the purposes of being entitled to attend, participate in and vote at the scheme meeting is 28 August 2015.

VOTING AND PROXIES

A shareholder of the Company entitled to attend and vote at the scheme meeting is entitled to appoint one or more proxies (who need not be a shareholder of the Company) to attend, vote and speak in his/her stead.

On a show of hands, every shareholder of the Company present in person or represented by proxy shall have one vote only. On a poll, every shareholder of the Company present in person or represented by proxy shall have one vote for every share held in the Company by such shareholder.

A form of proxy is attached for the convenience of any Steinhoff shareholder holding certificated shares who cannot attend the scheme meeting but who wishes to be represented thereat. Forms of proxy may also be obtained on request from the Company's registered office. The completed form of proxy must be deposited at or posted to the office of the transfer secretaries, Computershare Investor Services Proprietary Limited (Registration number 2004/003647/07), Ground Floor, 70 Marshall Street, Johannesburg, 2001, Republic of South Africa (PO Box 61051, Marshalltown, 2107) to be received by no later than 12:00 on **3 September,** 2015. Any shareholder who completes and lodges a form of proxy will nevertheless be entitled to attend and vote in person at the scheme meeting should the shareholder subsequently decide to do so.

Attached to the proxy form is an extract of Section 58 of the Companies Act, to which shareholders are referred. Shareholders who have already dematerialised their shares through a CSDP or broker and who wish to attend the scheme meeting must instruct their CSDP or broker to issue them with the necessary letter of representation to attend.

Dematerialised shareholders, who have elected "own-name" registration in the sub-register through a CSDP and who are unable to attend but who wish to vote at the scheme meeting must complete and return the attached form of proxy and lodge it with the transfer secretaries, Computershare Investor Services Proprietary Limited (Registration number 2004/003647/07), Ground Floor, 70 Marshall Street, Johannesburg, 2001, Republic of South Africa (PO Box 61051, Marshalltown, 2107) to be received by no later than 12:00 on **3 September**, 2015.

All beneficial owners whose shares have been dematerialised through a CSDP or broker other than with "own-name" registration, must provide the CSDP or broker with their voting instructions in terms of their custody agreement should they wish to vote at the scheme meeting. Alternatively, they may request the CSDP or broker to provide them with a letter or representation, in terms of their custody agreements, should they wish to attend the scheme meeting. Such shareholder must not complete the attached form of proxy.

In terms of section 63(1) meeting participants will be required to provide identification to the reasonable satisfaction of the Chairman of the scheme meeting and the Chairman must be reasonably satisfied that the right of any person to participate in and vote (whether as a shareholder or as a proxy for a shareholder) has been reasonably verified.

By order of the board

Steinhoff International Holdings Limited

7 August 2015

STEINHOFF
INTERNATIONAL HOLDINGS LTD

Steinhoff International Holdings Limited

Incorporated in the Republic of South Africa
(Registration number: 1998/003951/06)
Ordinary share code: SHF ISIN: ZAE000016176
Preference share code: SHFF ISIN: ZAE000068367
("Steinhoff" or "the Company")

DIRECTORS

Executive
MJ Jooste *(Chief Executive Officer)*
DM van der Merwe *(Chief Operating Officer)*
AB la Grange *(Chief Financial Officer)*
FJ Nel *(Financial Director)*
HJK Ferreira
SJ Grobler
JNS du Plessis*
KJ Grové*
M Nel*

Independent Non-Executive
D Konar *(Chairman)*
SF Booysen
DC Brink
CE Daun
MT Lategan
JF Mouton
HJ Sonn

Non-Executive
TLJ Guibert
A Krüger-Steinhoff*
BE Steinhoff
PDJ van der Bosch
C Wiese

** Alternate Directors*

FORM OF PROXY *(YELLOW)*

Where appropriate and applicable the terms defined in the circular to which this form of proxy is attached and forms part of bear the same meanings in this form of proxy.

For use by shareholders of Steinhoff holding certificated shares and/or dematerialised shareholders who have elected "own-name" registration, nominee companies of CSDPs and brokers' nominee companies, registered as such at the close of business on 28 August 2015 (the **"voting record date"**), at the scheme meeting to be held at the offices of Steinhoff, being 28 Sixth Street, Wynberg, Sandton, 2090, at 12:00 on 7 September 2015 (the **"scheme meeting")** or any postponement or adjournment thereof.

If you are a dematerialised shareholder, other than with "own-name" registration, do not use this form. Dematerialised shareholders, other than with "own-name" registration, should provide instructions to their appointed CSDP or broker in the form as stipulated in the agreement entered into between the shareholder and the CSDP or broker.

I/We (FULL NAMES IN BLOCK LETTERS PLEASE) _____

of (Address) _____

Telephone number _____ Cell phone number _____

being the holder(s) of [ ] Steinhoff shares hereby appoint:

1. _____ or failing him/her;
2. _____ or failing him/her;
3. the chairman of the scheme meeting

as my/our proxy to attend and speak and to vote for me/us and on my/our behalf at the scheme meeting and at any adjournment or postponement thereof, for the purpose of considering and, if deemed fit, passing, with or without modification, the resolutions to be proposed at the scheme meeting, and to vote on the resolutions in respect of the ordinary shares registered in my/our name(s), in the following manner (see note 1):

	Number of Votes		
	Shares		
	*For	*Against	*Abstain
Special resolution 1 – Scheme approval			
Special resolution 2 – Approval of the Articles of Association			
Special resolution number 3 – Specific repurchase from Brait			
Ordinary resolution number 1 – Secondary listing of Genesis on JSE			
Ordinary resolution number 2 – Directors' authority			
One vote per share held by Steinhoff shareholders recorded in the register on the voting record date			

Mark "for", "against" or "abstain" as required. If no options are marked the proxy will be entitled to vote as he/she thinks fit.

Unless otherwise instructed, my/our proxy may vote or abstain from voting as he/she thinks fit.

Signed this day of 2015

Signature

Assisted by me (where applicable)

(State capacity and full name)

A shareholder entitled to attend and vote at the scheme meeting is entitled to appoint a proxy to attend, vote and speak in his/her stead. A proxy need not be a member of the Company. Each shareholder is entitled to appoint one or more proxies to attend, speak and, on a poll, vote in place of that shareholder at the scheme meeting.

Forms of proxy must be deposited at Computershare Investor Services Proprietary Limited, Ground Floor, 70 Marshall Street, Johannesburg, 2001, Republic of South Africa, or posted to PO Box 61051, Marshalltown, 2107, so as to arrive by no later than 12:00 on 3 September 2015.

Please read the notes on the reverse side hereof.

Notes:

1. This form of proxy is only to be completed by those ordinary shareholders who are:
   (a) holding ordinary shares in certificated form; or
   (b) recorded in the sub-register in electronic form in their "own name",
   on the date on which shareholders must be recorded as such in the register maintained by the transfer secretaries, Computershare Investor Services Proprietary Limited, Ground Floor, 70 Marshall Street, Johannesburg, 2001, Republic of South Africa, in order to vote at the scheme meeting being 28 August 2015, and who wish to appoint another person to represent them at the scheme meeting.
2. Certificated shareholders wishing to attend the scheme meeting have to ensure beforehand with the transfer secretaries of the Company (being Computershare Investor Services Proprietary Limited) that their shares are registered in their name.
3. Beneficial shareholders whose shares are not registered in their "own–name", but in the name of another, for example, a nominee, may not complete a proxy form, unless a form of proxy is issued to them by a registered shareholder and they should contact the registered shareholder for assistance in issuing instructions on voting their shares, or obtaining a proxy to attend, speak and, on a poll, vote at the scheme meeting.
4. A shareholder may insert the name of a proxy or the names of two alternative proxies of the shareholder's choice in the space, with or without deleting "the Chairman of the scheme meeting". The person whose name stands first on the form of proxy and who is present at the scheme meeting will be entitled to act as proxy to the exclusion of those whose names follow.
5. A shareholder's instructions to the proxy must be indicated by means of a tick or a cross in the appropriate box provided. However if you wish to cast your votes in respect of a lesser number of shares than you own in the Company, insert the number of shares in respect of which you desire to vote. If: (i) a shareholder fails to comply with the above; or (ii) gives contrary instructions in relation to any matter; or any additional resolution(s) which are properly put before the meeting; or (iii) the resolution listed in the proxy form is modified or amended, the shareholder will be deemed to authorize the Chairman of the scheme meeting, if the Chairman is the authorized proxy, to vote in favour of the resolutions at the scheme meeting, or any other proxy to vote or to abstain from voting at the scheme meeting as he/she deems fit, in respect of all the shareholder's votes exercisable thereat. If however the shareholder has provided further written instructions which accompany this form of proxy and which indicate how the proxy should vote or abstain from voting in any of the circumstances referred to in (i) to (iii) above, then the proxy shall comply with those instructions.
6. The forms of proxy should be lodged at Computershare Investor Services Proprietary Limited, Ground Floor, 70 Marshall Street, Johannesburg, 2001, Republic of South Africa or posted to PO Box 61051, Marshalltown, 2107 so as to be received by not later than 12:00 on 3 September 2015.
7. The completion and lodgement of this form of proxy will not preclude the relevant shareholder from attending the scheme meeting and speaking and voting in person thereat to the exclusion of any proxy appointed in terms hereof, should such shareholder wish to do so. In addition to the aforegoing, a shareholder may revoke the proxy appointment by (i) cancelling it in writing, or making a later inconsistent appointment of a proxy; and (ii) delivering a copy of the revocation instrument to the proxy, and to the Company. The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the shareholder as at the later of the date state in the revocation instrument, if any; or the date on which the revocation instrument was delivered in the required manner.
8. The Chairman of the scheme meeting may reject or accept any form of proxy which is completed and/or received, other than in compliance with these notes provided that, in respect of acceptances, he is satisfied as to the manner in which the shareholder(s) concerned wish(es) to vote.
9. Any alteration to this form of proxy, other than a deletion of alternatives, must be initialled by the signatory/ies.
10. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form of proxy unless previously recorded by the Company or Computershare Investor Services Proprietary Limited or waived by the Chairman of the scheme meeting.
11. A minor must be assisted by his/her parent or guardian unless the relevant documents establishing his/her legal capacity are produced or have been registered by Computershare Investor Services Proprietary Limited.
12. Where there are joint holders of shares:

12.1 any one holder may sign the form of proxy; and

12.2 the vote of the senior (for that purpose seniority will be determined by the order in which the names of shareholders appear in the register of members) who tenders a vote (whether in person or by proxy) will be accepted to the exclusion of the vote(s) of the other joint holder(s) of shares.

13. If duly authorized, companies and other corporate bodies who are shareholders of the Company having shares registered in their own name may, instead of completing this form of proxy, appoint a representative to represent them and exercise all of their rights at the meeting by giving written notice of the appointment of that representative. This notice will not be effective at the scheme meeting unless it is accompanied by a duly certified copy of the resolution or other authority in terms of which that representative is appointed and is received at Computershare Investor Services Proprietary Limited, Ground Floor, 70 Marshall Street, Johannesburg, 2001, Republic of South Africa, to reach the Company by no later than 12:00 on 3 September 2015.
14. This form of proxy may be used at any adjournment or postponement of the scheme meeting, including any postponement due to a lack of quorum, unless withdrawn by the shareholder.
15. The aforegoing notes contain a summary of the relevant provisions of section 58 of the Companies Act as required in terms of that section. In addition, an extract from the Companies Act reflecting the provisions of section 58 of the Companies Act, is attached to this form of proxy.

EXTRACT FROM THE COMPANIES ACT

"58. Shareholder right to be represented by proxy

(1) At any time, a shareholder of a company may appoint any individual, including an individual who is not a shareholder of that company, as a proxy to:

(a) participate in , and speak and vote at, a shareholders meeting on behalf of the shareholder; or

(b) give or withhold written consent on behalf of the shareholder to a decision contemplated in section 60.

(2) A proxy appointment:

(a) must be in writing, dated and signed by the shareholder; and

(b) remains valid for:

(i) one year after the date on which it was signed; or

(ii) any longer or shorter period expressly set out in the appointment,

(iii) unless it is revoked in a manner contemplated in subsection (4)(c), or expires earlier as contemplated in subsection (8)(d).

(3) Except to the extent that the Memorandum of Incorporation of a company provides otherwise:

(a) a shareholder of that company may appoint two or more persons concurrently as proxies, and may appoint more than one proxy to exercise voting rights attached to different securities held by the shareholder;

(b) a proxy may delegate the proxy's authority to act on behalf of the shareholder to another person, subject to any restriction set out in the instrument appointing the proxy; and

(c) a copy of the instrument appointing a proxy must be delivered to the company, or to any other person on behalf of the company, before the proxy exercises any rights of the shareholder at a shareholders meeting.

(4) Irrespective of the form of instrument used to appoint a proxy:

(a) the appointment is suspended at any time and to the extent that the shareholder chooses to act directly and in person in the exercise of any rights as a shareholder.

(b) the appointment is revocable unless the proxy appointment expressly states otherwise; and

(c) if the appointment is revocable, a shareholder may revoke the proxy appointment by:

(i) cancelling it in writing, or making a later inconsistent appointment of a proxy; and

(ii) delivering a copy of the revocation instrument to the proxy, and to the Company.

(5) The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the shareholder as of the later of:

(a) the date stated in the revocation instrument, if any; or

(b) the date on which the revocation instrument was delivered as required in subsection (4)(c)(ii).

(6) If the instrument appointing a proxy or proxies has been delivered to a company, as long as that appointment remains in effect, any notice that is required by this Act or the company's Memorandum of Incorporation to be delivered by the company to the shareholder must be delivered by the company to:

(a) the shareholder; or

(b) the proxy or proxies, if the shareholder has:

(i) directed the company to do so, in writing; and

(ii) paid any reasonable fee charged by the company for doing so.

(7) A proxy is entitled to exercise, or abstain from exercising, any voting right of the shareholder without direction, except to the extent that the Memorandum of Incorporation, or the instrument appointing the proxy, provides otherwise.

(8) If a company issues an invitation to shareholders to appoint one or more persons named by the company as a proxy, or supplies a form of instrument for appointing a proxy:

(a) the invitation must be sent to every shareholder who is entitled to notice of the meeting at which the proxy is intended to be exercised;

(b) the invitation, or form of instrument supplied by the company for the purpose of appointing a proxy, must:

(i) bear a reasonably prominent summary of the rights established by this section;

(ii) contain adequate blank space, immediately preceding the name or names of any person or persons named in it, to enable a shareholder to write in the name and, if so desired, an alternative name of a proxy chosen by the shareholder; and

(iii) provide adequate space for the shareholder to indicate whether the appointed proxy is to vote in favour of or against any resolution or resolutions to be put at the meeting, or is to abstain from voting;

(c) the company must not require that the proxy appointment be made irrevocable; and

(d) the proxy appointment remains valid only until the end of the meeting at which it was intended to be used, subject to subsection (5).

(9) Subsection (8)(b) and (d) do not apply if the company merely supplies a generally available standard form of proxy appointment on request by a shareholder

Steinhoff International Holdings Limited

Incorporated in the Republic of South Africa
(Registration number: 1998/003951/06)
Ordinary share code: SHF ISIN: ZAE000016176
Preference share code: SHFF ISIN: ZAE000068367
("Steinhoff" or "the Company")

DIRECTORS

Executive
MJ Jooste *(Chief Executive Officer)*
DM van der Merwe *(Chief Operating Officer)*
AB la Grange *(Chief Financial Officer)*
FJ Nel *(Financial Director)*
HJK Ferreira
SJ Grobler
JNS du Plessis*
KJ Grové*
M Nel*

Independent Non-Executive
D Konar *(Chairman)*
SF Booysen
DC Brink
CE Daun
MT Lategan
JF Mouton
HJ Sonn

Non-Executive
TLJ Guibert
A Krüger-Steinhoff*
BE Steinhoff
PDJ van der Bosch
C Wiese

** Alternate Directors*

FORM OF ELECTION, SURRENDER AND TRANSFER IN RESPECT OF SCHEME OF ARRANGEMENT (*BLUE*)

IMPORTANT NOTES CONCERNING THIS FORM:

- This form is only for use in respect of the scheme of arrangement in terms of section 114 of the Companies Act, 2008 proposed by the Steinhoff board between Steinhoff and the scheme participants, as defined in the circular referred to below (**"the scheme"**).
- Full details of the scheme are contained in the circular to Steinhoff shareholders dated Friday, 7 August 2015 (**"circular"**), to which circular this form is attached and forms part. Accordingly, all definitions and terms used in this form shall, unless the context otherwise requires, have the corresponding meaning and interpretation attributed in such circular.
- **This form is attached for Steinhoff shareholders for the surrender of their documents of title prior to the date of the scheme meeting to be held at 12:00 on Monday, 7 September 2015 or such other adjourned or postponed date or time determined in accordance with the provisions of the Companies Act as read with the Listings Requirements. No further form of surrender will be sent to Steinhoff shareholders.**

INSTRUCTIONS:

HOLDERS OF DEMATERIALISED SHARES MUST NOT COMPLETE THIS FORM OF ACCEPTANCE, SURRENDER AND TRANSFER

1. The surrender of documents of title is for use only by certificated scheme participants.
2. A separate form of surrender and election is required for each certificated scheme participant.
3. Part A and Part C must be completed by all scheme participants who return this form.
4. Part B must be completed by all scheme participants who are emigrants from South Africa, the Republic of Namibia and the Kingdoms of Lesotho and Swaziland (collectively **"the common monetary area"**).
5. If this form of surrender and transfer is returned with the relevant document(s) of title to scheme shares, it will be treated as a conditional surrender which is made subject to the terms of the circular and to the scheme becoming operative. In the event of the scheme not becoming operative for any reason whatsoever, Computershare Investor Services Proprietary Limited will, by not later than five business days after the date upon which it becomes known that the scheme will not be operative, return the documents of title to the shareholders concerned, by registered mail, at the risk of such shareholders.
6. Persons who have acquired Steinhoff shares after the date of the issue of the circular can obtain electronic copies of the form and the circular from the Company's website (www.steinhoffinternational.com) or from Computershare Investor Services Proprietary Limited, Ground Floor, 70 Marshall Street, Johannesburg, 2001, Republic of South Africa (PO Box 61051, Marshalltown, 2107).
7. The scheme consideration will not be sent to scheme participants unless and until documents of title in respect of the relevant scheme shares have been surrendered to Computershare Investor Services Proprietary Limited.

To: **Computershare Investor Services Proprietary Limited**
Ground Floor, 70 Marshall Street, Johannesburg, 2001, Republic of South Africa
(PO Box 61051, Marshalltown, 2107)

Emigrants from the common monetary area **must** complete **Part B**

Dear Sirs,

PART A – To be completed by ALL scheme participants who return this form.

I/We hereby surrender the Steinhoff share certificate/s and/or other documents of title attached hereto, representing Steinhoff shares with no par value, registered in the name of the person mentioned below and authorise the transfer secretaries, conditional upon the scheme being implemented, to register the transfer of these Steinhoff shares into the name of Genesis or its nominee(s):

Name of shareholder	Certificate number(s)	Number of Steinhoff shares covered by each certificate(s) enclosed
	Total	

Surname or name of corporate body: _____

First names (in full): _____

Title (Mr, Mrs, Miss, Ms, etc): _____

Telephone number (office): _____

Telephone number (work): _____

Cell number: _____

Fax number: _____

Email address: _____

Address to which the scheme consideration should be sent (if different from registered address): _____

_____

_____

Postal code: _____

In order to comply with the requirements of the Financial Intelligence Act, 2001 (Act 38 of 2001), Computershare Investor Services Proprietary Limited will be unable to record any change of address mandated unless the following documentation is received from the relevant shareholder:

- An original certified copy of your identity document;
- An original certified copy of a document issued by the South African Revenue Services to verify your tax number, if you do not have one please submit this in writing and have the letter signed by a Commissioner of Oaths; and
- An original or an original certified copy of a service bill to verify your residential address e.g. rates / electricity bill or telephone bill (not a mobile telephone account) bearing your name and current residential address. Alternatively you may provide any two of the following retail credit account statements e.g. Edgars, Jet, Woolworths etc, that reflect your residential address. Should the service bill be in the name of a 3rd party, please supply a certified copy of the homeowners identity document, service bill and a completed and signed Co-Habitant form. Please note that all documents should be dated within the preceding three months.

Please note that copies of certified copies will not be accepted.

PLEASE SIGN BELOW – ALL SHAREHOLDERS MUST SIGN

By signing the below, I/we confirm that I/we am/are not located within the United States or receiving Genesis shares within the United States unless I/we am/are a "qualified institutional buyer" (as defined in the US Securities Act of 1933) and have delivered to my/our CSDP or broker a duly executed US Investor Letter (in the form set out in Annexure 8 to the circular).

Signature of Steinhoff shareholder(s)	Stamp and address of agent lodging this form (if any)
Assisted by me (if applicable)	
State full name and capacity	
Date	
Telephone number (home)	
Telephone number (work)	
Cell phone number	

PART B: To be completed by emigrants of the common monetary area.

Nominated authorised dealer in the case of a scheme participant who is an emigrant from the common monetary area (see note 2 below)

Name of dealer: _____

Account number: _____

Address: _____

_____

NB: PART A MUST ALSO BE COMPLETED

PART C: To be completed by ALL scheme participants who return this form to indicate how to receive the Genesis (Steinhoff International Holdings N.V.) shares on the JSE.

☐

Please tick this box if you have an account with a broker or CSDP and wish such account to be credited with the Genesis (Steinhoff International Holdings N.V) consideration shares, and insert the details of such account below:

Name of account holder: _____

Name of broker: _____

Name of CSDP _____

Account number of broker: _____

Account number of CSDP: _____

Telephone number of broker/CSDP: _____

SCA number of broker/CSDP: _____

Please note: Should the account details provided by you above be incorrect or incomplete, it will not be possible to credit such account with the Genesis (Steinhoff International Holdings N.V) shares, being the scheme consideration, in which case your share will be held with Computershare Investor Services Proprietary Limited until such time correct information is received.

Please see instructions on reverse side hereof.

Instructions:

1. No receipts will be issued for documents lodged unless specifically requested. In compliance with the requirements of the JSE, lodging agents are requested to prepare special transaction receipts, if required. Signatories may be called upon for evidence of their authority or capacity to sign this form.
2. Persons who are emigrants from the common monetary area (comprising South Africa and Namibia and the Kingdoms of Lesotho and Swaziland) should nominate the authorised dealer in foreign exchange in South Africa which has control of their blocked assets in Part B of this form. Failing such nomination, the scheme consideration due to such scheme participants in accordance with the provisions of the scheme will be held by Steinhoff or the transfer secretaries, pending lawful instructions from the scheme participants concerned.
3. Any alteration to this form must be signed in full and not initialled.
4. If this form is signed under a power of attorney, then such power of attorney or a notarially certified copy thereof must be sent with this form for noting (unless it has already been noted by Steinhoff or its transfer secretaries). This does not apply in the event of this form bearing a JSE broker's stamp.
5. Where the scheme participant is a company or a close corporation, unless it has already been registered with Steinhoff or its transfer secretaries, a certified copy of the directors' or members' resolution authorising the signing of this form must be submitted if so requested by Steinhoff.
6. If this form is not signed by the scheme participant, the scheme participant will be deemed to have irrevocably appointed the company secretary of Steinhoff or its transfer secretaries to implement the scheme participant's obligations under the scheme on his/her behalf.
7. Where there are any joint holders of any scheme shares, only that holder whose name stands first in the register in respect of such shares need to sign this form.
8. A minor must be assisted by his/her parent or guardian, unless the relevant documents establishing his/her legal capacity are produced or have been registered by the transfer secretaries of Steinhoff.

Steinhoff International Holdings Limited

Incorporated in the Republic of South Africa

(Registration number: 1998/003951/06)

Ordinary share code: SHF ISIN: ZAE000016176

Preference share code: SHFF ISIN: ZAE000068367

("Steinhoff" or "the Company")

DIRECTORS

Executive
MJ Jooste (*Chief Executive Officer)*
DM van der Merwe *(Chief Operating Officer)*
AB la Grange *(Chief Financial Officer)*
FJ Nel *(Financial Director)*
HJK Ferreira
SJ Grobler
JNS du Plessis*
KJ Grové*
M Nel*

Independent Non-Executive
D Konar *(Chairman)*
SF Booysen
DC Brink
CE Daun
MT Lategan
JF Mouton
HJ Sonn

Non-Executive
TLJ Guibert
A Krüger-Steinhoff*
BE Steinhoff
PDJ van der Bosch
C Wiese

** Alternate Directors*

FORM OF ELECTION FOR USE BY NON-RESIDENT SCHEME PARTICIPANTS *(PINK)*

Important notes concerning this form:

- This form is only for use in respect of the scheme of arrangement in terms of section 114 of the Companies Act, 2008 proposed by the Steinhoff board between Steinhoff and the scheme participants, as defined in the circular referred to below (**"the scheme**").
- Full details of the scheme are contained in the circular to Steinhoff shareholders dated Friday, 7 August 2015 (**"circular"**), to which circular this form is attached and forms part. Accordingly, all definitions and terms used in this form shall, unless the context otherwise requires, have the corresponding meaning and interpretation attributed in such circular.

- **This form is attached for use by non-resident scheme participants who wish to receive the scheme consideration in the form of FSE traded Genesis shares.**

INSTRUCTIONS:

1. Part A must be completed by non-resident dematerialised scheme participants.
2. Part B must be completed by non-resident certificated scheme participants.

To: **Computershare Investor Services Proprietary Limited**
Ground Floor, 70 Marshall Street, Johannesburg, 2001, Republic of South Africa
(PO Box 61051, Marshalltown, 2107)

Dear Sirs,

PART A – To be completed by non-resident dematerialised scheme participants

I/We am/are a non-resident dematerialised scheme participant and I/we elect to receive the scheme consideration to which I/we am/are entitled in the form of FSE traded Genesis shares.

Name of shareholder	Number of Steinhoff shares held

Surname or name of corporate body:

First names (in full):

Title (Mr, Mrs, Miss, Ms, etc):

Broker account details to which the scheme consideration should be transferred:

Name of broker:

Account details:

Address:

Postal code:

Name of bank:

Account number with the bank:

Contact person with the bank:

Telephone details of the contact person at the bank:

PART B: To be completed by non-resident certificated scheme participants

I/We hereby surrender the Steinhoff share certificate/s and/or other documents of title attached hereto, representing Steinhoff shares with no par value, registered in the name of the person mentioned below and elect to receive the scheme consideration to which we/I are/am entitled in the form of FSE traded Genesis shares.

Name of shareholder	Certificate number(s)	Number of Steinhoff shares covered by each certificate(s) enclosed
	Total	

Surname or name of corporate body:

First names (in full):

Title (Mr, Mrs, Miss, Ms, etc)

Broker account details to which the scheme consideration should be transferred:

Name of broker:

Account details:

Address:

Postal code:

Name of bank:

Account number with the bank:

Contact person with the bank:

Telephone details of the contact person at the bank:

PLEASE SIGN BELOW – ALL SHAREHOLDERS MUST SIGN

By signing the below, I/we confirm that I/we am/are not located within the United States or receiving Genesis shares within the United States unless I/we am/are a "qualified institutional buyer" (as defined in the US Securities Act of 1933) and have delivered to my/our CSDP or broker a duly executed US Investor Letter (in the form set out in Annexure 8 to the circular).

Signature of Steinhoff shareholder(s)	Stamp and address of agent lodging this form (if any)
Assisted by me (if applicable)	
State full name and capacity	
Date	
Telephone number (home)	
Telephone number (work)	
Cell phone number	

Please see instructions on reverse side hereof.

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2. Any alteration to this form must be signed in full and not initialled.
3. If this form is signed under a power of attorney, then such power of attorney or a notarially certified copy thereof must be sent with this form for noting (unless it has already been noted by Steinhoff or its transfer secretaries). This does not apply in the event of this form bearing a JSE broker's stamp.
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6. Where there are any joint holders of any scheme shares, only that holder whose name stands first in the register in respect of such shares need to sign this form.
7. A minor must be assisted by his/her parent or guardian, unless the relevant documents establishing his/her legal capacity are produced or have been registered by the transfer secretaries of Steinhoff.