

IN THE MATTER OF STEINHOFF EUROPE AG AND

IN THE MATTER OF THE INSOLVENCY ACT 1986

PROPOSAL FOR A COMPANY VOLUNTARY ARRANGEMENT UNDER PART 1 OF THE INSOLVENCY ACT 1986 (AS AMENDED)

CHAIRMAN / NOMINEE'S REPORT ON THE MEETING OF CREDITORS CONVENED PURSUANT TO SECTION 3 OF THE INSOLVENCY ACT 1986

This report is made by Simon Jamie Edel, a Licensed Insolvency Practitioner of Ernst & Young LLP of 1 More London Place, London, SE1 2AF, and submitted to the court pursuant to Section 4(6A) of the Insolvency Act 1986 (the "**Act**") and in accordance with Rule 2.38 of the Insolvency (England and Wales) Rules 2016 and is a report of the result of the meeting of creditors of Steinhoff Europe AG (the "**Company**") to consider the proposal for a company voluntary arrangement (the "**CVA Proposal**").

Approval of the CVA Proposal by the Company's Creditors

1. Pursuant to Section 3 of the Act, the meeting of the Company's creditors to consider the CVA Proposal was held at 10.06am on 14 December 2018 at Linklaters LLP, One Silk Street, London EC2Y 8HQ.
2. Simon Jamie Edel, one of the Joint Nominees in this matter, acted as chair of the creditors' meeting (the "**Chairman**").
3. The Chairman noted that the following resolutions (the "**Resolutions**") had been proposed:
 - a. That the proposed company voluntary arrangement be approved; and
 - b. To allow any acts to be done in connection with the company voluntary arrangement to be done by any one or more of the Supervisors.
4. The Resolutions were approved by the creditors of the Company. Details of the voting are set out in Schedule 1 to this report. The Chairman noted that:
 - a. 94.36% in value of creditors voting in person or by proxy had voted in favour of the Resolutions;
 - b. 0.04% in value of creditors voting in person or by proxy had voted against the Resolutions;
 - c. 5.60% in value of creditors voting in person or by proxy had abstained from voting on the Resolutions (please also see Paragraph 9 below); and
 - d. No proxies received were rejected due to being invalidly completed.

5. No modifications were made to the CVA Proposal.
6. The Chairman concluded the meeting at 10.28 a.m.
7. The Chairman notes that the CVA Proposal was approved at a subsequent meeting of the members of the Company without any modifications. Details of the voting are set out in Schedule 2 to this report.


Statement concerning the EU Regulation on Insolvency Proceedings

8. The EC Regulation on Insolvency Proceedings (Council Regulation (EC) No 1346/2000 of 29 May 2000) applies and these proceedings are main proceedings as defined by Article 3 of that regulation.

Other Relevant Information

9. A vote was cast from LSW GmbH in the amount of €581,122,391.39. The treatment of this claim is detailed in Schedule 1.
10. A creditors' committee was not formed.
11. This report was originally dated and filed at Court on 14 December 2018. This version contains minor amendments to the original. The amendments have no material impact on the outcome of the meeting of creditors.

Dated this 17th day of December 2018

Signed 

Simon Jamie Edel
Chairman and Joint Nominee

Date 17 December 2018

SCHEDULE 1

Resolutions

The following unconnected creditors voted in favour of the resolutions

Creditor	The amount of Claims (in Euros) admitted by the Chair for the purpose of entitlement to vote
Trinity Investments Designated Activity Company	250,017,313.1
BP-PE10, LLC	289,371,991.3
OZ Management LP, acting on behalf of one more affiliated investment funds	379,930,605.6
BP-PE11, LLC	193,100,168.9
Farallon Capital LLP, acting on behalf of funds, accounts and/or entities managed of advised by it	427,138,372.6
CQS Directional Opportunities Master Fund Limited	77,358,777.4
MFN Partners LP	92,982,920.2
BP-PE14, LLC	213,201,215.6
Burlington Loan Management DAC	358,591,609.6
Cortland Investors II S.a.r.l	110,106,555.8
Monarch Master Funding 2 (Luxembourg) S.a.r.l	211,253,971.1
BMR Funding LLC	118,783,647.0
Aldwych Investors II S.a.r.l	74,404,424.1
Alekhine Capital LLC	75,266,934.9
Bank of America Merrill Lynch International Limited	103,923,186.2
Monarch Master Funding Limited	41,845,306.9
J.P. Morgan Securities plc ('JPMSP') acting solely out of its specific business unit: "EMEA Convertible Bond Trading Desk"	41,576,530.8
Silver Point Luxembourg Platform SARL	103,978,831.7
Citibank Europe plc, UK Branch	93,419,188.7
BP-PE15, L.L.C.	35,197,774.0
China Construction Bank Corporation London Branch	55,869,602.6
China Construction Bank Corporation - Luxembourg Branch	86,039,123.2
Government of Norway	30,801,195.2
Carval Investors GB LLP on behalf of the funds it manages which hold debt	108,031,759.4
IH Holdings SARL	43,646,402.8
Crédit Agricole Corporate and Investment Bank	26,058,020.8
Credit Acquisition SV Luxco SARL	118,674,724.3
Norrddeutsche Landesbank Girozentrale	23,391,841.6
CQS BIWA Fund Limited	23,380,445.2
Barclays Bank PLC	65,808,804.6
AG Super Master LP	58,894,032.1
Taconic Capital Advisors UK LLP	46,384,554.1
BP-PE12, LLC	75,715,980.5
Queens Gate SARL	81,416,381.8
Goldman Sachs International Bank acting through its European Special Situations Group	45,720,848.2

J.P. Morgan Securities plc, acting out of its specific business unit, the "EMEA Secondary Loan Trading Desk" ("JPMSP")	74,989,319.3
SPCP Group LLC	17,274,432.3
HCN LP	23,625,431.6
BlueMountain Summit Trading LP	15,681,904.3
BP-PE13, LLC	15,496,467.3
Makuria Investment Management (UK) LLP	56,282,211.8
Bank of Communications Co., Ltd, Frankfurt Branch	15,084,760.3
Deutsche Bank AG, London Branch	20,092,115.2
Grace Bay IV Holdings S.a.r.l	24,352,766.6
PWCM Master Fund Ltd	14,154,854.2
Silver Point Capital Offshore Master Fund, LP	13,519,996.6
Grace Bay V Holdings S.a.r.l	29,210,994.3
GL Europe Luxembourg III (US) Investments S.a.r.l.	44,428,765.2
CCP Credit Acquisition Holdings Luxco SARL	11,690,222.6
Kings Forest SARL	49,397,863.3
Silver Oak Capital LLC	31,470,442.1
Banque Misr SAE - Paris Branch	10,056,506.9
Halcyon Solutions Master Fund LP	9,905,176.4
Drawbridge DSO Securities LLC	25,249,090.9
KKR-NYC Credit B Designated Activity Company	18,577,769.0
AG Centre Street Partnership, LP	21,190,047.5
FCOF IV UB Investments LP	24,315,340.4
Silver Point Capital Fund, LP	6,709,171.2
ELQ Investors II Ltd	13,589,308.0
SERENGETI LYCAON MM LP	9,553,681.5
Compagnie Financiere et de Participations Roullier CFPR27	5,082,705.5
Bank für Tirol und Vorarlberg Aktiengesellschaft	5,033,904.1
CQS Aiguille du Chardonnet MF S.C.A. SICAV-SIF	4,981,051.4
Oceana Master Fund Ltd	4,722,712.5
Halcyon Vallee Blanche Master LP	6,984,653.9
CYRUS OPPORTUNITIES MASTER FUND II, LTD	4,503,277.1
PSAM WORLDARB MASTER FUND LTD	4,269,472.6
ALPHAS MANAGED ACCS PLATFORM LTD	4,269,472.6
Kearny Investors S.a.r.l	5,070,810.6
SPCP Access Holdings LLC	16,350,540.1
SILVER POINT DISTRESSED OPPORTUNITIES FUND LP	3,659,548.0
GL Europe Luxembourg III (EUR) Investments S.a.r.l.	13,141,342.4
BP-PE9, LLC	3,557,893.8
BlueMountain Guadalupe Peak Fund LP	2,965,129.0
CQS ACS Fund Limited, a sub-fund of CQS Global Funds ICAV	2,947,969.2
Irving Investors S.a.r.l	4,598,953.9
Halcyon European Credit Opportunities Master Fund LP	2,851,397.8
GL Europe ASRS Investments S.a.r.l	10,237,857.7
Halcyon Eversource Credit LLC	2,760,925.6
BlueMountain Fursan Fund LP	2,744,661.0
HDML Fund II LLC	4,513,442.5

BlueMountain Foinaven Master Fund LP	2,541,352.7
GL Europe Luxembourg S.a.r.l	8,968,308.7
Hirtle Callaghan Total Return Offshore Fund II Limited	2,439,698.6
The Varde Fund XII (Master) LP	2,371,590.4
MAP 98 Segregated Portfolio of LMA SPC	2,358,033.3
Varde Investment Partners LP	2,338,044.5
BMFV Eurorpean Distressed DAC	2,292,770.8
HGC Holdings S.a.r.l	3,652,915.0
Varde Credit Partners Master LP	2,191,662.6
CSCP III Acquisition Luxco SARL	2,134,736.3
MERRILL LYNCH INTERNATIONAL	2,033,082.2
GL PPF Opportunities Investments S.a.r.l	6,444,101.9
Drawbridge OSO Securities LLC	5,147,412.3
NORTHLIGHT EUROPEAN FUNDAMENTAL CREDIT FUND	6,558,176.6
CQS Dedicated Multi-Strategy Fund Limited	1,728,119.9
CRS MASTER FUND	1,707,789.0
CRESCENT 1, L.P	1,687,458.2
FCO MA Maple Leaf LP	4,639,822.8
SILVER POINT DISTRESSED OPPORTUNITIES OFFSHORE MASTER FUND LP	1,524,811.6
RAPAX OC MASTER FUND, LTD	2,514,126.7
SERENGETI MULTI SERIES MASTER LLC SERIES SPCIII	1,508,476.0
CANARY SC MASTER FUND, L.P.	1,494,315.4
Varde Investment Partners (Offshore) Master LP	1,358,098.9
BPI Obrigacoes Mundiais	1,321,503.4
The Varde Skyway Master Fund, LP	1,259,494.4
KKR-Jesselton HIF Credit Partners Sub LP	1,321,415.3
FCO MA Centre Street LP	3,199,878.0
Firststrand Bank Limited	1,016,541.1
PRAETORIUM FUND I ICAV	1,016,541.1
BLACKROCK CREDIT ALPHA FUND LP	1,016,541.1
CITIGROUP GLOBAL MARKETS LIMITED	1,016,541.1
Imbringen Adjacent Investment SARL	1,008,485.1
CAZ Halcyon Strategic Opportunities Fund, L.P.	930,135.1
Hirtle Callaghan Trading Partners LP	914,887.0
Third Point Loan LLC	910,464.6
FTS SIP LP	2,290,198.0
BlueMountain Logan Opportunities Master Fund LP	711,578.8
FCO MA SC II LP	1,932,641.0
The Varde Fund VI-A LP	646,520.1
Fortress Global Opportunities (Yen) Fund II L.P.	1,749,866.6
FCO MA IV UB Securities LLC	1,599,903.4
FCO MA MI LP	1,546,607.6
Sup FCO MA II UB Securities LLC	1,546,607.6
CYRUS SELECT OPPORTUNITIES MASTER FUND, LTD	518,436.0
REBOUND PORTFOLIO LTD	508,270.6
Gonderange SARL	504,242.5
SERENGETI MULTI SERIES MASTER LLC Series CI	502,825.3

Highmark Long/Short Credit 4	1,788,593.6
MCP Northlight SPV Ltd	1,788,593.6
Credit Opportunity Fund, a sub-Fund of Northlight QIAIF Plc	1,788,593.6
HLDR Fund I TE LP	424,914.2
MANAGED FUND PSAM WORLDARB FUND LTD	406,616.4
HC NCBR FUND	406,616.4
OBSIDIAN MASTER FUND	406,616.4
BMMF European Distressed DAC	370,538.1
Hirtle Callaghan Total Return Offshore Fund Limited	304,962.3
K2 PSAM EVENT MASTER FUND LTD	304,962.3
HR Capital Management GmbH	304,962.3
Speedster Global Inc	304,962.3
CYRUS 1740 MASTER FUND,L.P	254,135.3
HLDR Fund I NUS LP	247,019.5
UBS Limited	203,308.2
HLDR Fund I UST LP	167,729.3
CAZ Halcyon Offshore Strategic Opportunities Fund, L.P.	144,348.8
LCS Global SARL	101,654.1
BPI Obrigacoes Altorendimento Alto Risco	101,654.1
BPI High Income	101,654.1
HFR ED GLOBAL MASTER TRUST LTD	101,654.1
MARK HOEGGER	203,308.2
Total value of unconnected creditor votes in favour	5,001,281,828.1

SCHEDULE 1

Resolutions

The following connected creditors voted in favour of the resolutions

Creditor	The amount of Claims (in Euros) admitted by the Chair for the purpose of entitlement to vote	
	Gross claim	Net claim
Genesis Investments Alpha GmbH	1,889,318,164.6	1,889,318,164.6
Steinhoff Finance Holding GmbH	1,712,995,021.3	868,684,181.3
Tau Enterprises GmbH	904,529,813.0	904,529,813.0
Omega Enterprises GmbH	654,250,040.5	654,250,040.5
Steinhoff Africa Holdings (Pty) Ltd.	215,998,055.0	215,998,055.0
Steinhoff Mobel Holding Alpha GmbH	150,755,148.1	
Steinhoff Service GmbH	86,731,760.9	86,731,760.9
Livest Management GmbH & Co. KG	53,830,832.9	53,646,137.3
BST Enterprises GmbH	37,763,340.2	37,827,966.5
Steinhoff International Holdings NV	25,676,376.5	25,676,376.5
Steinhoff At Work Pty Ltd	24,470,742.0	24,470,742.0
LiVest GmbH	20,700,273.4	20,735,691.9
Genesis Investments Gamma GmbH	11,143,039.6	11,143,039.6
AIH Investment Holding AG	110,249,758.8	
Steinhoff UK Holding Ltd.	55,689,316.0	
Total value of connected creditor votes in favour		4,793,011,968.9

The connected creditors submitted voting forms for the full value of their claims against the Company. Pursuant to Rule 15.33 of the Insolvency (England & Wales) Rules 2016, the Joint Nominees have used their discretion to reduce these claims by the value of any amounts owed to the Company.

SCHEDULE 1

Resolutions

The following unconnected creditors voted against of the resolutions

Creditor	The amount of Claims (in Euros) admitted by the Chair for the purpose of entitlement to vote
Erste Group Bank AG	3,935,000.0
Total value of unconnected creditor votes against	3,935,000.0

SCHEDULE 1

Resolutions

The following unconnected creditors abstained from the vote

Creditor	The amount of Claims (in Euros) admitted by the Chair for the purpose of entitlement to vote
LSW GmbH	581,122,391.4
Total value of unconnected creditors that abstained	581,122,391.4

This claim has been marked as objected and the vote in respect of it allowed to be cast pursuant to rule 15.33(3) of the Insolvency (England and Wales) Rules 2016. This approach has been taken in circumstances where: (i) LSW has objected to its claim being treated as unascertained for the purposes of rule 15.31(3); and (ii) the outcome of the vote is not affected by LSW's (abstained) vote having been allowed in the full asserted amount of its alleged claim. The approach has been taken without prejudice to the Joint Nominees' and the Company's position as to the claim's proper treatment, including whether LSW's claim could properly have been treated as unascertained for the purposes of rule 15.31(3), or rejected pursuant to rule 15.33(2).

SCHEDULE 2

The member represented at the member's meeting and how they voted

Resolution	Shareholder	Share Capital Held	Percentage of Total Share Capital	In Favour / Against
A	Steinhoff Möbel Holding Alpha GmbH	EUR 2,500,000	100	In Favour
B	Steinhoff Möbel Holding Alpha GmbH	EUR 2,500,000	100	In Favour