

QUESTIONS AND ANSWERS

ANNUAL GENERAL MEETING OF STEINHOFF INTERNATIONAL HOLDINGS N.V.

HELD ON 28 AUGUST 2020

This document summarizes the questions that shareholders have submitted prior to and during the annual general meeting. The answers to all questions submitted prior to the meeting were incorporated in the presentations, either separately or thematically. All further questions raised during the meeting were answered separately.

There were no further questions received that we were not able to answer during the meeting.

Agenda item 2, Presentation to shareholders

Question from Mr. Nasarimba, Mr. Soontornvipat: What will management do to restore shareholder value?

Answer by Louis du Preez: If I look at the progress that has been made, both CVAs (Company Voluntary Arrangements) were implemented on 13 August 2019. It was a big task to get there and that was obviously a great achievement for the Group. We have during the period since we were last together disposed of a number of assets, as further highlighted in the CFO's presentation. The 2019 Annual Report and the 2020 Half-Year Report have been released. And something that all companies had to face was how one had to deal with the COVID-19 pandemic and the responses of the various businesses to that. Our operating businesses have taken decisive measures to deal with the effects of COVID-19 and just as importantly, to protect the safety of our colleagues. Our underlying businesses are currently in a strong position to benefit from opportunities that may arise and just as importantly to gain market share. We have announced publicly what we think as a company would be a plausible and feasible litigation settlement on the 27th of July of this year.

Question from Mr. Arlow: When is Mattress firm going to be brought onto the Balance Sheet instead of being Equity accounted for?

Answer by Theodore de Klerk: During this reporting period, the refinancing of Mattress Firm was completed which meant for the first two months of the reporting period that Mattress Firm was accounted for as a discontinued operation. Post Mattress Firm exiting from chapter 11, it was deemed that we had lost control of Mattress Firm. So, we had to recognise the associated value. And going forward Mattress Firm will be equity accounted. We will not reconsolidate Mattress Firm as we have lost control and Mattress Firm will continue to be equity accounted. Currently the Group owns fifty point one per cent (50.1%) of Mattress Firm, but shares have been allocated for a management incentive scheme and our dilution will increase to more or less mid-forties once these shareholdings become effective.

Question from Mr. Arlow: Exactly when are the Tax credits in the various jurisdictions due to the Company going to be quantified and reported on?

Question from Mr. Soontornvipat: In the 2019// STEINHOFF ANNUAL REPORT page 159, Steinhoff International reports on deferred tax assets and liabilities under point 6 and subpoint 6.3. Does the

item amounting to € 4,172 thousand relate to sales for which taxes may still have to be paid, or is it a receivable from the individual tax offices? What effect would a posting have on equity?

Answer by Theodore de Klerk: One has to take into account when one looks at Steinhoff's tax position, that we are not taxed on a consolidated Group basis. There are certain territories. We have got more than one company in a territory that looks at Group taxation but not on a holistic basis for the Group. In addition, our normalised tax is paid at operating company level, but some of these tax losses occurred at holding company level where some of the restatements occurred. These companies do not generate income going forward and therefore the assessment is that these losses will not be recouped and hence we cannot raise the deferred tax asset. So, we do not expect material tax credits to be repaid to the Group.

Question from Mr. Soontornvipat: How much, or at what nominal amount, was Conforama France sold? Was the debt burden also sold?

Answer by Theodore de Klerk: I want to point out that the French sale of Conforama has not concluded yet. We are still awaiting certain regulatory approvals. Conforama France was sold at a nominal value, but we also included in the sale all the liabilities on the balance sheet of that entity. And post-sale during July, the purchaser as well as the French government via a subsidised loan injected one hundred and fifty million euro (€ 150,000,000) into this business in order to pay for its operating liabilities. As part of this transaction, we also sold seventy million euro (€ 70,000,000) worth of properties, which were owned by Conforama Holdings and used by the French business, to the purchaser and these funds will be used to reduce debt at Conforama holdings level.

Question from Mr. Soontornvipat: At present, the total debt amounts to just under 10 billion euros. What level do you want to come down to and what is the time frame? Will the PIK interest rate remain at 10% if the loan is extended beyond 31.12.2021? Is Steinhoff planning to apply for a rating in the near future?

Answer by Theodore de Klerk: I think it is worthwhile reminding ourselves that previously the Group had unsecured debt. When the debt was restructured, we restructured it into three debt facilities, being Steenbok Lux Finco 1, Steenbok Lux Finco 2 and the Hemisphere properties. Steenbok Lux Finco 1 being the previous convertible bonds section and Steenbok Lux Finco 2 the old SEAG debt. And just to remind ourselves, before this was restructured the Group had at Group level, excluding Opco's, various overdraft and short-term debt facilities, convertible bonds, non-convertible European bonds, German Loan notes. There was a US note program, Steinhoff Service domestic note program, selected preference shares issued in Southern Africa as well as syndicated and term-loan facilities. So numerous loan facilities all across the world were restructured into the three facilities mentioned. Also, worthwhile to note is that Steinhoff's current debt (i.e. these three facilities) are private debt and they are non-rated. The Group will not have this facility rated because it is all private debt. I also want to point out that the Group's debt of nine and a half billion euro (€ 9,500,000,000) as at the end half-year 2020 excludes the Opco debt which is shown separately of approximately one point eight billion euro (€ 1,800,000,000). That is gross debt. Within these Opco's, there is eight hundred million euro (€ 800,000,000) worth of cash bringing net debt at Opco level down to about one billion euro (€ 1,000,000,000). Group cash in total is approximately one point eight billion euro (€ 1,800,000,000).

Question from Mr. Jina: Why were advisory fees so high? What are you doing to control them? Will they continue to decrease significantly as the restructuring has been implemented? Logically what was the reason for all the consultants because we are back at square one. Only having already paid

the equivalent if not more than the settlement figure in legal fees and consultants and ridiculously high salaries to management.

Answer by Theodore de Klerk: We have had many inbounds regarding professional fees. I want to start off by saying it is an active focus of management all across the Group to reduce professional fees and you can see the reduction from FY19 towards half-year. Before I break it down, I want to point out that this was a very complex restructure in multiple territories. One has to take into account the materiality of the values that were restructured. As you have just seen the debt is over nine and a half billion euro (€ 9,500,000,000). Lots of actions were decentralised as we created a strategy to make all our operating entities independent of the Group funding. During prior periods the Group funded all operating entities. One also has to take into account when one looks at the advisory fees the Group's history, when you start dealing with different regulators, litigation and legal aspects. The professional fees are paid to legal advisors, financial advisors and other advisors.

Legal advisor costs relate to:

- (i) the Group restructuring;
- (ii) litigation, that would be inbound as well as outbound litigation;
- (iii) the settlement proposal that Louis du Preez mentioned took a lot of time and a lot of advice;
- (iv) transaction agreements, and we mentioned the companies that were sold, the businesses that were restructured;
- (v) governance structures; and
- (vi) regulatory and compliance interactions.

Financial advisors likewise had assisted us with the Group restructure, advised on the various transactions as well as assisting with the numbers on the settlement proposal. We also paid other advisors for accounting support, recruitment, and forensic investigation. We will continue to disclose these to shareholders and report on the progress to drive these costs down. That is also dependent on how quickly one comes to conclusions in certain of the legal aspects as also the legal settlement proposal so that advisor interaction can be reduced.

Question from Mr. Cuwalsky: Can you please explain the capital reduction proposed / proposed repurchase of treasury shares in the Notice of AGM?

Question from Mr. Van den Berg: What does the board aim to achieve from acquiring shares? For example (1) to boost Earnings Per Share; (2) to benefit Executives; (3) to fend off an acquirer (hostile bidder); or (4) share is undervalued - i.e. effective spare cash investment.

Question from Mr. Soontornvipat: Are there any other reasons, other than the optimization of the capital structure, why 121,267,595 ordinary shares will be repurchased on the stock exchange or otherwise? Are these common shares earmarked for cancellation or will these common shares be issued to employees? Will the repurchased shares be used for future speculative purposes?

Answer by Theodore de Klerk: I want to touch on three of the agenda items that will be dealt with further in this meeting, just for some explanation. Firstly, I want to say that item 6 is linked to item 7, because if that proposal is approved it will require item 6 to be in place. Item 6 is a Dutch law requirement, where there are certain limitations on authorised share capital that may not exceed five times the aggregate nominal share capital issued. So, the details are in the proposals. I just wanted to point out that these two are related. Proposal 7 relates to the cancellation of approximately forty million (40,000,000) shares which are currently being held by N.V. These shares date back to a share buyback that the Company undertook during 2017 and the management is asking for approval to cancel these shares. Cancelling these shares will then influence the math as in proposal 6 and hence

the link between the two. Further, management is proposing that we be granted the authority to acquire approximately one hundred and twenty-one million (121,000,000) shares. These shares are held within various non-trading entities within the Steinhoff Group. We have not made the final decision to repurchase these shares but when looking at cleaning up the Group and the cost of maintaining some of these dormant companies that only hold a limited number of shares, that is an option that management would like to have available and hence the proposal to be able to acquire and thereafter cancel these shares. I also want to point out that none of these two transactions, 7 or 8, will result in cash outflow of the Group because it concerns all internally held shares.

Question from Mr. Jina: Christo Wiese who was the chairperson who I might add failed in his duties to us as shareholders to exercise due care in fulfilling his duties a large part of which is ensuring sound governance. Why hasn't the EUR 200 million due by Wiese been paid to Steinhoff? Why is it not being set-off against the settlement payment to CW? Why did Wiese tell a journalist that a settlement is imminent while he was busy selling his shares?

Answer by Louis du Preez: In SIHPL we propose to allocate seventy-six million euro (€ 76,000,000) to Contractual Claimants, which shall exclude the Wiese entities at current exchange rates an amount of just over four hundred million euro (€ 400,000,000) to Thibault and Wiesfam, which are entities related to Dr. Wiese. In addition, there is an obligation on Titan as part of the proposal for the repayment of the legacy claim for Titan for a deferred cash consideration that should commercially be subtracted from that amount. Also, if you do the math, one will see that the proposed litigation settlement for the Thibault and Wiesfam entities is at a significantly lower rate than other Contractual Claimants. These parties will likewise receive fifty per cent (50%) cash and fifty per cent (50%) of the payment in Pepkor shares calculated at fifteen Rand (R 15.00) a share. On top of that, these parties will be required to lock up their shares in Pepkor for at least one hundred and eighty (180) days period.

Question from Mr. Arlow, Mr. Soontornvipat: Provide more exact details and timelines for the intended strategy around the IPO of Pepco and what is the strategy for Greenlit in Australia?

Question from Mr. Soontornvipat: I have the impression, as a shareholder, that you are very untransparent in relation to the shareholders. Why is that so and what can you change to be more transparent to us.

Answer by Louis du Preez: Step 1 of our Key Management Focus has been completed. Step 2 is in progress and the announcement of July of this year is a major step in our view in the right direction. And continuously and parallel is step 3 where we want to restructure the Group with a view to reduce debt and the financing costs. And what are some of the future steps that we are contemplating? Steps that we are contemplating in conjunction with the Newco 3 Board and with the management teams are that we are considering and looking at a possible IPO for Pepco. We are looking and considering a possible IPO of the Fantastic business in Australia, but I have to emphasise that no final decisions have been made in this regard. And we will, as we have done to date, continue to dispose of non-core assets. And against this, we continue to engage with our regulators and with the various enforcement agencies where we operate within. And ultimately, we remain focused on being transparent and realistic within the legal constraints within which we operate.

Question from Mr. Soontornvipat: I would be interested to know how Steinhoff envisages the future. Which companies will remain in the holding company with which share and how the financing is secured and will be in the future? Further expansion of the holding company in terms of branches, later acquisitions planned, etc. Load-bearing capacity concept.

Answer by Louis du Preez: Our strategy and direction is very clear. Steinhoff is a global holding company with a focus on retail investments. We will with the management teams focus on rebuilding

our operations, stabilising the Group, realise value where appropriate and reduce our debt levels. Our aim is to protect value for all stakeholders by ensuring long-term growth in the underlying operations while exercising tight control over capital and expenses.

We expect to remain and continue to operate as a global holding company focusing on a diverse portfolio of international retail businesses. Obviously, the shape of the Group will change as we restructure and make disposals. However, please appreciate it is too early to comment on more details.

Question from various shareholders: What happens when you cannot agree a settlement?

Answer by Louis du Preez: If there is no global settlement there is a risk that one or more of the litigants may ultimately secure judgements against Steinhoff. If that happens, the Company may well have to take steps to ensure that the plaintiffs with judgements do not benefit at the expense of others who do not have judgements potentially. The Company may have to file for insolvency protection to ensure that claims be administered in a fair and orderly fashion. The message is clear and loud from us. We as a company believe that in the event of an insolvency stakeholders will receive less than they would have received under the proposed global settlement. And if there is a liquidation, as we know from these processes this happens after many years of expensive administration.

Question from Mr. Hertzog (Rozendal Hedge Fund): Is there anything to be read into the dismissal of the South African class action litigation as an indicator of the prospects of either class actions or other litigation and/or settlement agreements in either South Africa or other jurisdictions?

Answer by Louis du Preez: If I turn to the South African class action where Ms. De Bruyn was the lead plaintiff, our understanding is that the court recently ruled that the courses of action as pleaded against Steinhoff in that matter were not viable. The period for appeal has lapsed and no appeal has been lodged. However, as with all legal cases one has to consider each case on its own merits and on its own facts.

Question from Mr. Naidoo (Lancaster 101): In the event that the Steinhoff offer to claimants is accepted, and the debt owed under the CVA is extended to 2023, is there any residual value for Steinhoff shareholders by 2023 after settling the claims and the CVA creditors? What is the expectation of the level of recovery of the different categories of creditors as at 2023 should the settlement offer be accepted by claimants? What is the estimate of the aggregate advisory fees and corporate costs likely to be incurred up until the end 2023, i.e. other than costs relating to the day to day functioning of the operating businesses?

Answer by Louis du Preez: You will appreciate that the Company cannot give any forecasts in respect of that. The position is just not sure. We cannot predict the future.

Question from various shareholders: What is your interaction with the regulators? Where do you stand? What do you anticipate the position would be in 2023?

Question from Mr. Naidoo: On 9 June 2020 Steinhoff announced its intention to provide funding to assist the state to have access to PWC for its current criminal investigation. How much has been provided so far, and to which state entities?

Answer by Louis du Preez: Again, please appreciate that the engagements with the regulators are confidential. We have, as we have announced earlier this year, decided to make a financial contribution to the South African prosecuting authorities. That engagement is ongoing. And we have

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made, and we will continue to make a financial contribution to the South African prosecuting authorities.

Question from Mr. Soontornvipat, Mr. Naidoo, Mr. Peters: The PWC Report, which is of great interest and importance to shareholders, has not been made available to shareholders thus far. Is the board planning to release this to shareholders, and if so, what is the planned timing for such a release?

Answer by Louis du Preez: As previously stated, we do not intend to do that as that document is legally privileged.

Question from Mr. Nasarimba: Why has Ms. Heather Sonn abruptly left the company?

Answer by Louis du Preez: The details of Ms. Sonn's resignation were fully disclosed in the market at the time and we have no further comment in that regard.

Question from Mr. Jina: So, with all the fancy titles and committees at Steinhoff in substance how is any of what has been done thus far in the interest of shareholders?

Answer by Louis du Preez: I think the short answer to that is: the Company has survived to date despite what many commentators have said about this Group from December 2017.

Question from Mr. Nasarimba, Mr. Soontornvipat: Why does the Management Board not pay attention to the share price? Will there be any equity value left in the Group for shareholders?

Answer by Louis du Preez: Again, it goes to strategy. The Company is not in a position to express a view on the ultimate recovery or return to shareholders. On the Financial Statements questions were raised about the ability to continue as a going concern and certain judgement decisions were made, largely because of certain uncertainties relating to litigation, but ultimately the question of shareholder returns will depend on a number of factors, including in our view probably most importantly the performance of the underlying businesses; secondly, the markets' view as to how desirable the businesses are from an investor's perspective; thirdly, the speed at which we are able to pay down the Company's expensive debt; and fourthly, our focus remains to resolve the litigation through a comprehensive litigation settlement.

Question from various shareholders: Are the creditors in control of the business?

Answer by Louis du Preez: After the successful implementation of the financial restructuring, as we said previously, the Group has a period of stability lasting until at least the end of December 2021. And during this period its cash interest burden has been lifted and the debt is no longer in default. As one would expect, in return the financial creditors have ensured that they have influence over the areas of the Company that provide security for their debt. We still believe, and we have concluded accordingly, that we have control over Newco 3. There are a number of checks and balances to ensure that the interests of all stakeholders are protected and that the Company ultimately owns both legally and beneficially the voting rights in the European companies.

Question from various shareholders: One year later, what does the implementation of the financial restructuring mean for the Group?

Question from Mr. Arlow, Mr. Soontornvipat: What steps have been taken to rearrange/replace the finance owed to creditors at cheaper/lower interest rates and on longer terms?

Answer by Louis du Preez: As said, the Group has a period of stability lasting until the end of December next year. Our financial creditors have been very supportive of the Group during the COVID-19 pandemic as it unfolded. And in my discussions with many financial creditors over the last month since

the proposed settlement terms have been announced, it is clear to me that they are in principle supportive of an eighteen (18) to twenty-four (24) months debt extension.

Question from Mr. Jina, Mr. Soontornvipat: Why is the Company not instituting legal proceedings against former Supervisory Board members, former Management Board members and other executives?

Answer by Louis du Preez: The Supervisory Board and the Management Board established a joint Litigation Working Group to enable the Supervisory Board to oversee and to provide advice to the Management Board on litigation. This grouping consists of myself and three Supervisory Board members who have got extensive experience in global litigation in the form of Peter Wakkie, Paul Copley and David Pauker. This litigation committee monitors and defends any claims brought against the Group and we have identified and will pursue recoveries against entities and individuals where appropriate. We will continue to evaluate potential claims we may have against third parties. Some of those claims are dealt with in the Financial Statements and I refer you to the remuneration claims that have been instituted against previous Management Board members as well as the fact that previous Management Board members have been joined as third parties in most of the litigation that has been instituted against the Group.

Question from various shareholders: Does the Conservatorium dispute put the chance of a settlement at risk?

Answer by Louis du Preez: There is a theoretical risk that this could delay the settlement.

Question from Mr. Soontornvipat: Is the Seifert case finally clarified?

Answer by Louis du Preez: That litigation is ongoing. As Theodore de Klerk has said that dispute arose as far back as 2015 and further court dates have been set for the leading of evidence.

Agenda item 3, Shareholder Q&A

Question from Mr. Peters (Bureau Brandeis in Amsterdam and representing the PIC): On the 27th of July, the Company publicly announced the proposed settlement of litigation claims arising from legacy accounting issues. And in the press, it was communicated that the total settlement amounts to approximately one point one billion US dollars (USD 1,100,000,000). The Company's announcement did not discuss the timing of the contemplated settlement mechanisms. Can you please inform us of the contemplated timing of the settlement mechanisms that are on the table?

Answer by Louis du Preez: As we said, we are looking and are open to a variety of proposals. What we are contemplating at the moment is including a possible SoP (Suspension of Payments) in the Netherlands and section 155 compromise in South Africa. As we said, that would take in our view on the advice that we received anything between four to six months if we do decide to go down that route. We have not made the final decision. And in conjunction with our financial creditors and the litigants we will make a final decision on that.

Question from Mr. Peters: Can you also inform us to what extent the timing of a settlement impacts the so-called STI short-term bonus of the Management Board under the proposed remuneration policy that will be voted on today and, specifically, what the financial impact would be on management bonuses if legacy claims are settled in 2020 or within a year from now or later?

Answer by Louis du Preez: The management of litigation does form part of the criteria that the Supervisory Board evaluates the performance of the Management Board on. Is there a specific bonus or a lump sum that will be paid in any of those periods suggested? No there is not. It is not like there

is a lump sum that will be paid for earlier or later settlement of the claims, but as I said there is an overarching indication of management of litigation that does form part of the criteria that goes into the calculation of the short-term incentive.

Question from Mr. Peters: Can you please inform us what the impact will be on the short-term incentive for the Management Board if the settlement amount is either increased or decreased?

Answer by Moira Moses: as Mr. Du Preez has explained, litigation is only one element of the measurements of the Management Board. And as such the litigation is really just to find a solution and to implement the solution. There is no influence in terms of timing or quantum in terms of any benefit which the Management Board would receive.

Question from Mr. Soubhi: Is it true that seventy-five per cent (75%) of the South African litigants and only fifty per cent (50%) of the European litigants have to agree on a proposed settlement for a positive outcome of step 2?

Answer by Louis Du Preez: It depends ultimately on if we do decide to go down a section 155 or SoP. If we do decide to propose a potential settlement through implementation thereof through those routes. There are different sets of criteria governed under South African law and under Dutch law. So that would depend on under which jurisdiction you are, but again it depends on if we do go down these so-called cram-down procedures.

Agenda item 5, Remuneration

Question from Mr. Jina, Mr. Soontornvipat: How does the board justify paying bonuses to senior management when the company is incurring catastrophic losses?

Answer by Hugo Nelson: Due to the current position Steinhoff is in, it remains difficult to attract and retain top executives. The Supervisory Board has considered a number of remuneration models and is of the view that the remuneration policy is appropriate for Steinhoff at this time taking into account the Company's present circumstances, its challenges and its strategic direction. Management Board remuneration is linked to performance and evaluated annually against performance conditions agreed with the Supervisory Board which are reported on in the Annual Report.

Question from Mr. Jina: The board is accountable to us and other stakeholders and therefore should align management's interest to behave in a manner that benefits the very stakeholders that the board is accountable to. The only way to address this is to stop any form of bonuses until such time as the Company returns to profitability and to defer a portion of management's salary by granting them share appreciation rights in lieu of a portion of their annual remuneration.

Question from Mr. Nasarimba: Why is the Company's share price evolution and the long-term outcome of the company restructuring process not part of the new remuneration scheme? This gives the impression that shareholders are left alone on the Steinhoff ship throughout this difficult time while the management and advisory board are paid in cash on an early basis. Management incentives based on company shares (similar to the one agreed for Mattress Firm) would give shareholders a better feeling.

Answer by Hugo Nelson: An equity incentive is not deemed appropriate for retaining, rewarding, and attracting key individuals at this point. The Supervisory Board shall continue to monitor the appropriateness of the remuneration principles and policy as progress is made in stabilising and restructuring the Company. Changes emanating from this ongoing review will be presented at the annual general meeting for approval.

Agenda item 10, Any Other Business

Question from Mr. Soontornvipat: Will there be a debt cut at the end of the CVA, is a debt cut envisaged or is a debt cut excluded?

Answer by Louis du Preez: In our discussions with the financial creditors this is currently not envisaged.

Question from Mr. Soontornvipat: Is there a plan B if the plaintiffs disagree the Settlement and can you explain if it has a plan B?

Answer by Louis du Preez: We believe that this settlement is in the best interest of all the stakeholders within the reality within which the Company operates. As to the plan B, I refer to what I mentioned before as the important factors for potential value for stakeholders. There is a risk that if the litigation ultimately runs its full course and there are potentially findings or a judgement against the Company that a liquidation can ensue.

Question from Mr. Soontornvipat: What is the maximum period Steinhoff reserves for accepting the settlement? Is there a proposed final date for the consent of the individual claimants?

Answer by Louis du Preez: At the moment there is not a final date stated as we indicated in the announcement. We are anticipating a four to six-week period to engage with various stakeholders. That process is ongoing. And maybe a point that I did not emphasise sufficiently in the presentation is that any litigation settlement that is ultimately proposed would require the consent of our lenders. So, we would require it for twofold. Number one, we require it for the quantum of the settlement. And secondly, it is also required for the debt extension. So, again, ultimately in consultation with our various stakeholders of which the financial creditors are a very important one that final decision will be made.

Question from Mr. Soontornvipat: Where will you Steinhoff be in 5 years time, if our major problems are solved as planned (according to your 3-step approach)?

Answer by Louis du Preez: The answer to that lies twofold as we need to find a solution for our litigation and I would like to refer Mr. Soontornvipat to my detailed answer on shareholder value, because I think that question looking forward depends on those four factors that I dealt with earlier.

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