

## Summary Amendments to the terms of the Steinhoff Group Settlement – July 2021

Item	Description of Amendment
<b>Overview</b>	
	<p>In response to the various claims and legal proceedings commenced and threatened against SIHNV and SIHPL in the Netherlands, Germany and South Africa following the announcement regarding the accounting irregularities on 5 December 2017, SIHNV and its indirect subsidiary, SIHPL, announced a global settlement proposal on 27 July 2020.</p> <p>The current terms of the global settlement proposal are set out in the SIHNV Scheme Proposal submitted as part of the SIHNV Dutch <i>suspension of payments</i> procedure (“<b>SoP</b>”) in the Netherlands and in SIHPL Section 155 Proposal (as defined below). The current versions of SIHNV Scheme Proposal and the SIHPL Section 155 Proposal can be found at: <a href="https://steinhoffsettlement.com/case-documents.aspx">https://steinhoffsettlement.com/case-documents.aspx</a></p> <p>As previously noted by SIHNV in its public statements, the objective of the Steinhoff Group Settlement is to settle all or substantially all of the legacy claims to provide finality for SIHNV and SIHPL, and each other member of the Steinhoff group of companies (together “<b>Steinhoff</b>” or the “<b>Group</b>”) in relation to the claims on terms acceptable to SIHNV, SIHPL and a large majority of the claimants.</p> <p>The Section 155 process proposed by SIHPL is capable of resolving both the legacy liability claims and the disputes arising in relation to the recent S.45 Judgment and the continuing claims asserted against SIHPL by financial creditors. The proposed amendments include a conditional compromise of the claims of the financial creditors against SIHPL in exchange for the issuance of a loan note in their favour on terms summarised below and to be more fully set out in the amended Section 155 proposal. This new obligation would be part of the Section 155 sanction order by the applicable court in South Africa following the Section 155 vote.</p> <p>The proposed amendments set out in this term sheet are made together with the announcement by SIHNV on the 16 July 2021.</p> <p><b><i>As previously noted in the relation to the Steinhoff Group Settlement:</i></b></p> <p><b><i>(1) The terms proposed in this term sheet are made on the basis of there being no admission of liability or wrongdoing on the part of SIHNV, SIHPL or any other Steinhoff Group entity.</i></b></p> <p><b><i>(2) This term sheet does not constitute an offer capable of acceptance. The settlement terms capable of acceptance will be subject to further settlement documentation to be provided by SIHNV and/or SIHPL and the applicable SoP and Section 155 requirements. Therefore, these settlement terms are subject to contract and final approvals.</i></b></p>

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	<p><i>(3) Any settlement consideration paid or delivered by SIHNV or SIHPL will be in full and final settlement of any and all MPC Claimants or Contractual Claims of the claimant or counterparty against any member of the Steinhoff Group (unless otherwise specified).</i></p> <p><i>(4) SIHNV and SIHPL will seek further approval from the South Africa Reserve Bank and the necessary consents of their respective financial creditors to support the proposed increase of the settlement proposal.</i></p> <p>In this term sheet capitalised terms used in this term sheet shall have the meaning ascribed to them in the SIHNV Scheme Proposal unless otherwise defined in this term sheet:</p> <p><b>“Committee”</b> means the committee of representation appointed by the Amsterdam District Court on 28 May 2021 in connection with the SoP in accordance with section 281e of the Dutch Bankruptcy Act;</p> <p><b>“Disputed Contractual Claims”</b> mean the disputed contractual claims of Mayfair (as defined below);</p> <p><b>“Disputed Contractual Claims Reserves”</b> means the reserves made in respect of the Disputed Contractual Claims;</p> <p><b>“Non-Qualifying Claimants”</b> means those claimants who have Non-Qualifying Claims as defined in the SIHNV Scheme Proposal and the SIHPL Section 155 Proposal;</p> <p><b>“Original Settlement Proposal”</b> means the Steinhoff Group Settlement in the form as currently proposed under the SIHNV Scheme Proposal and the SIHPL s155 Proposal;</p> <p><b>“Settlement Effective Date”</b> means the date on which the conditions in the SIHNV Scheme Proposal and the SIHPL s155 Proposal are fulfilled;</p> <p><b>“SIHPL s155 Proposal”</b> means the compromise plan proposed by SIHPL pursuant to section 155 of the Companies Act 71 of 2008 in South Africa instituted by SIHPL;</p> <p><b>“SIHNV Scheme Proposal”</b> means the draft composition plan dated 15 February 2021 submitted as part of the SoP and amended on 23 March 2021 and 15 June 2021; and</p> <p><b>“Steinhoff Group Settlement”</b> means a settlement in accordance with the SIHNV Scheme Proposal and the SIHPL s155 Proposal, and such proposal as may be amended or varied by SIHNV and/or SIHPL prior to the Settlement Effective Date.</p>

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	<b>Note:</b> The estimated nominal settlement amounts referred to in this term sheet are rounded to the nearest million.
<b>Amendments in relation to the SIHNV Dutch Scheme Proposal</b>	
Increased Nominal Settlement Value	<p>SIHNV will increase the amount of settlement funds to be made available by it to SIHNV MPCs and SIHNV Contractual Claimants and SIHPL MPCs on the basis of equal (pro rata) application amongst them, from EUR 370m to EUR 613m.</p> <p>The overall EUR 243m increase represents a 66 per cent. increase in settlement consideration by SIHNV.</p> <p>The total amount on offer to the SIHPL and SIHNV MPCs is now estimated to be approximately EUR 442m.</p> <p>The affordability of this increased offer arises from (i) the recent improvement in the value of SIHNV's underlying investments which have proved resilient during Covid pandemic trading; and (ii) SIHNV's and SIHPL's decision to match the uplift in consideration of SIHNV claimants for the benefit of SIHPL MPCs, to provide them with a further incentive to support the SIHPL s155 Proposal.</p>
SIHNV / SIHPL Intercompany Loan Note	The amount of the new SIHNV / SIHPL loan note as set out in the Original Settlement Proposal will increase from "up to EUR 100m" to an estimated "EUR 166m" to compensate SIHNV on a deferred basis for settling the SIHPL MPCs at the proposed higher amount.
Settlement Consideration	SIHNV will retain the option set out in the Original Settlement Proposal in respect of any claims to pay 50% of the settlement consideration in PPH shares (at R15 per share) or, at its option, in a greater proportion or in the full amount of any claim, in cash
Committee Amendments	On 28 May 2021, the District Court of Amsterdam appointed the Committee. The Committee will vote on the SIHNV Scheme Proposal instead of individual creditors of SIHNV. The SIHNV Scheme Proposal will be updated to reflect the Committee appointment.
Non-Qualifying Claimants	<p>For reference, as previously indicated in the Original Settlement Proposal, at Settlement Effective Date, the Non-Qualifying Claimants at SIHNV are expected to be:</p> <ul style="list-style-type: none"> <li>(i) Titan (insofar it would assert the 'Upington 1 Claim');</li> <li>(ii) Titan and/or the Upington Margin Lenders (in respect of the 'Upington 2 Claim');</li> <li>(iii) the Upington Margin Lenders (in respect of the 'Upington 3 Claim');</li> <li>(iv) Lancaster 101 and/or PIC/GEFP in respect of:</li> </ul>

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	<ul style="list-style-type: none"> <li>a) the 'Lancaster 101 Derivative Claim';</li> <li>b) the 'Lancaster 101 Financing Claim';</li> <li>c) the 'Lancaster 101 PIC Shares Claim'; and</li> <li>d) the 'PIC/GEPF Lender Claim'.</li> </ul>
Other SoP amendments	<p>The revised SIHNV Scheme Proposal will also include the following additional amendments:</p> <ul style="list-style-type: none"> <li>• An update on the number of shares in PPH indirectly held by SIHNV as of the date of the (amended) SIHNV Scheme Proposal.</li> <li>• An update to reflect the new date for the Voting Hearing.</li> <li>• An update on the numbers that show the portion of total Claim Value of the known MPC Claimants and known SIHNV MPC Claimants represented by the Claimant Representatives.</li> <li>• Updated conversions of certain claim values in ZAR to EUR as of the date of commencement of the SoP (15 February 2021).</li> <li>• Minor amendments to various definitions, including the definitions of "Claim", "Events" and "Liabilities", to ensure consistency with the "Steinhoff Settlement Support Agreement" entered into between (among other) SIHPL, SIHNV, Deloitte, the Settling D&amp;Os and the D&amp;O Insurers (as defined below).</li> <li>• Other amendments throughout to ensure consistency between the SIHNV Scheme Proposal and the SIHPL s155 Proposal.</li> </ul>
<b>Amendments in relation to the SIHPL s155 Scheme Proposal</b>	
SIHPL MPCs	As described above, SIHPL MPCs will receive their participation in the increased settlement offer proposed by SIHNV. In broad terms, the total sum available to SIHNV and SIHPL Market Purchase Claimants is estimated to be approximately EUR 442m, representing an increase of EUR175m from the previous offer. The contribution by SIHPL to this additional consideration is reflected in the proportionate increase in the new SIHPL/SIHNV loan note.
Business Venture Investments No 1499 (RF)	The amendments to the SIHPL s155 Proposal in relation to the settlement with the BVI claimants are as follows:

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(Proprietary) Limited (" <b>BVI</b> ")	<ul style="list-style-type: none"> <li>(i) the settlement consideration will be paid entirely in the form of shares in Pepkor Holdings Limited ("PPH") at an agreed settlement price of ZAR13.00 per share;</li> <li>(ii) the PPH shares allocated to BVI shall be subject to a lock-up restriction from the date of delivery of the PPH shares concerned (the "<b>BVI Receipt Date</b>");</li> <li>(iii) under the lock up restriction the recipient of the PPH shares shall be entitled, in respect of such PPH shares, to sell: <ul style="list-style-type: none"> <li>(a) after the date which is 30 days following the BVI Receipt Date, up to 50% of the PPH shares; [and]</li> <li>(b) after the third anniversary of the BVI Receipt Date, any and all remaining PPH shares;</li> <li>(c) SAPHL will assume EUR10m of BVI's obligations towards PPH and waive any recovery in respect of such sum from BVI; and</li> <li>(d) as part of the compromise between BVI and the Steinhoff Parties, and subject to and as soon as reasonably practicable following the Settlement Effective Date, Steinhoff @ Work ("SAW") will purchase all of FI Operations (Pty) Ltd's shares in BVI held as at the commencement date and will, as soon as practicable thereafter, sell these, together with any other shares held by SAW in BVI, to BVI for ZAR 1.</li> </ul> </li> </ul>
Cronje and others	<p>The amendments in relation to the settlement with the Cronje claimants are as follows:</p> <ul style="list-style-type: none"> <li>(i) the settlement consideration will be paid entirely in the form of PPH shares at an agreed settlement price of R13.50 per share;</li> <li>(ii) in respect of Charl André Cronjé, Leon Marius Lourens, Johan Samuel Van Rooyen and Johan Daniël Wasserfall (the "<b>Current Managers</b>") the PPH shares concerned shall be subject to a lock up restriction on the sale of those PPH shares from the date on which the PPH shares have been delivered to Cronje and Others (the "<b>C&amp;O Receipt Date</b>") as follows: <ul style="list-style-type: none"> <li>(a) after the date which is 30 days following the C&amp;O Receipt Date, up to 25% of the PPH shares;</li> <li>(b) after the first anniversary of the C&amp;O Receipt Date and up to and including the third anniversary of the C&amp;O Receipt Date, up to a further 25% of the PPH shares; and</li> <li>(c) after the third anniversary of the C&amp;O Receipt Date, any and all remaining PPH shares;</li> </ul> </li> </ul>

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	<p>(iii) the lock up restrictions contemplated in paragraph (ii) will cease to apply in respect of any Current Manager with effect from the date on which he/she goes on active retirement or leaves the employment of PPH and will be replaced by a 30 day lock up period with effect from the date on which he/she ceases to be employed by PPH; and</p> <p>(iv) in respect of the claimants other than the Current Managers, the lock up restriction will only apply for 30 days following the C&amp;O Receipt Date.</p>
<p>Mayfair Speculators Proprietary Limited ("<b>Mayfair</b>")</p>	<p>In respect of Mayfair, a disputed Contractual Claimant, the SIHPL s155 Proposal shall be amended to insert a provision that SIHPL shall reserve an amount in respect of the Mayfair claim calculated in accordance with the Contractual Claims valuation methodology. In the event that Mayfair is ultimately successful with its claim, SIHPL shall pay Mayfair the amount from the reserve. If the Mayfair claim is unsuccessful, the reserve shall be released to SIHPL.</p>
<p>Claims against SIHPL by Financial Creditors with an interest in the disputed SIHPL CPU and any other claims they have against SIHPL, the "<b>SIHPL Financial Creditors</b>"</p>	<p>Conditional upon the Settlement Effective Date, any and all claims and actions of SIHPL Financial Creditors against SIHPL (whether asserted or unasserted, and whether the subject of pending proceedings and appeals or otherwise) arising under, out of or in connection with the SIHPL CPU, the convertible bonds guaranteed by SIHPL, such guarantees or any other related matter (and whether such actions, claims or disputes lie in contract, tort, restitution, equitable subrogation, statute or otherwise and whether under English law, South African law or otherwise) ("<b>SIHPL Financial Creditor Liabilities</b>") will be fully and finally compromised by way of their waiver and release by SIHPL Financial Creditors on the following terms:</p> <ul style="list-style-type: none"> <li>• no cash consideration will be payable to the SIHPL Financial Creditors on the Settlement Effective Date;</li> <li>• SIHPL will issue a loan note in favour of the SIHPL Financial Creditors in the same amount and reflecting (subject as follows) substantially the terms proposed for the amended CPU under the Original Settlement Proposal ("<b>Replacement FC Loan Note</b>");</li> <li>• SIHPL Financial Creditors will be required to agree to limited recourse in relation to claims under the Replacement FC Loan Note and solvent burial terms to permit SIHPL to be wound up on a solvent basis;</li> <li>• Claims under the Replacement FC Loan Note will rank behind the Newco 2A Loan Note and the SIHNV / SIHPL Loan Note;</li> <li>• The SIHNV / SIHPL Loan Note will be increased as aforesaid to EUR 166m, thereby reducing further the residual value at SIHPL available to satisfy the claims of SIHPL Financial Creditors under the Replacement FC Loan Note;</li> <li>• the limited recourse claims of SIHPL Financial Creditors under the Replacement FC Loan Note will be subject to third ranking security granted by SIHPL (behind the first ranking Newco 2A Loan Note and the second ranking SIHNV / SIHPL Loan Note) with a carve out to reserve and to pay any Disputed Contractual Claim Reserves and to permit payment (pre</li> </ul>

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	enforcement and post enforcement) in respect of any adjudicated Non Qualifying Claims and reserves and/or payments in relation to any unadjudicated Non Qualifying Claims.
PPH Shares – ineligible claimants: update of definition	There will be an amendment to the definition of "Qualifying Ineligible Claimant" to mean: "a Market Purchase Claimant that (i) is not a natural person; and (ii) whose internal rules or regulations prohibit and/or impede the Market Purchase Claimant from owning PPH Shares and such rules have been in place since prior to 27 July 2020."
Miscellaneous	Other amendments will be made to ensure consistency between the SIHNV Scheme Proposal and the SIHPL s155 Proposal.
Non-Qualifying Claimants	<p>At Settlement Effective Date, the Non-Qualifying Claimants at <u>SIHPL</u> are expected to be:</p> <ul style="list-style-type: none"> <li>• Peter Andrew Berry, Andre Frederick Botha, Francois Johan Malan, Michael John Morris, Paul Ronald Potter and Warren Wendell Steyn in respect of shares in Business Venture Investments issued to them;</li> <li>• Upington Margin Lenders in respect or arising out of margin loans extended to, and/or security granted in support of such loans by, Upington in 2016 and 2017;</li> <li>• the South African Competition Commission in respect of its claims against regarding historic allegations of price fixing; and</li> <li>• claims asserted, or to be asserted in the future, by any person or entity whose claim does not fall under the definition of Contractual Claimants, SIHPL Market Purchase Claimants or Financial Creditors.</li> </ul>

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	Revised total settlement amount		Original settlement amount		Increase in settlement amount		
	EURm	ZARm	EURm	ZARm	EURm	ZARm	% Inc.
Summary of Offer							
SIHNV & SIHPL Market Purchase Claimants	442		267		175		66%
SIHNV Contractual Claimants	171		103		68		66%
Hemisphere CPU	66		40		26		66%
SIHPL Contractual Claimants: Titan		7,904		7,904		-	-
SIHPL Contractual Claimants: Other		1,653		1,653		-	-
<b>EUR Total (of EUR and ZAR amounts)</b>	<b>1,237</b>		<b>969</b>		<b>269</b>		<b>28%</b>
<i>Note: The values in this table were calculated using an FX rate of 17.0906 and exclude certain cost provisions.</i>							