

Prospectus dated 19 November 2015

Steinhoff International Holdings N.V.

(a limited liability company (naamloze vennootschap) incorporated under the laws of the Netherlands, with its corporate seat (statutaire zetel) in Amsterdam, the Netherlands)

Admission to trading and listing of ordinary shares on the Regulated Market of the Frankfurt Stock Exchange

This prospectus (the “**Prospectus**”) is prepared for the admission to trading and listing of ordinary shares, with a nominal value of €0.50 each (the “**Ordinary Shares**”), in the capital of Steinhoff International Holdings N.V. (the “**Issuer**” or the “**Company**”) on the regulated market segment (*Regulierter Markt*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) (the “**FSE**”) with simultaneous admission to the sub-segment of the regulated market with additional post-admission obligations (Prime Standard) of the FSE (the “**Admission**”), with International Securities Identification Number (ISIN): NL0011375019. Application has also been made to the Johannesburg Stock Exchange (the “**JSE**”) for an inward, secondary listing of the Ordinary Shares on the main board of the JSE.

Trading of the Ordinary Shares on the Regulated Market of the FSE is expected to commence on or about 7 December 2015. Trading (on a deferred settlement basis) of the Ordinary Shares on the main board of the JSE is expected to commence on 30 November 2015.

An investment in Ordinary Shares carries a high degree of risk. See “Risk Factors” beginning on page 47 to read about risks to which the Group (as defined herein) is exposed and that should be considered prior to purchasing Ordinary Shares after their anticipated listing. The Ordinary Shares should be traded only by persons knowledgeable in investment matters.

This Prospectus is issued in respect of the Admission. On 7 September 2015, the shareholders of Steinhoff International Holdings Limited (“**SIHL**”) approved the scheme of arrangement pursuant to which the Issuer will acquire the entire issued share capital of SIHL on the basis of issuing one Ordinary Share for every SIHL ordinary share, credited as fully paid and ranking *pari passu* in all respects with the other Ordinary Shares in issue, subject to certain conditions (the “**Scheme of Arrangement**”). Accordingly, when the Scheme of Arrangement becomes operative, the Issuer will become the direct owner of 100 per cent. of the issued share capital of SIHL and the new holding company of the Group, and all shareholders of SIHL will become shareholders of the Company. The Scheme of Arrangement will become operative immediately prior to the Admission, which is expected to be on 7 December 2015.

The Ordinary Shares constitute the entire issued and outstanding share capital of the Company upon the Scheme of Arrangement having become operative. Prior to the Admission, there has been no public market for the Ordinary Shares. Application has been made to list all the Ordinary Shares on the FSE under the symbol “SNH” and on the JSE under the symbol “SNH”.

The Ordinary Shares will be delivered in the form of securities entitlements in accordance with the rules of (i) Clearstream Banking A.G. (“**Clearstream**”) for the Ordinary Shares to be traded on the FSE and (ii) Strate Proprietary Limited (“**Strate**”) for the Ordinary Shares to be traded on the JSE.

This Prospectus constitutes a prospectus for the purposes of Article 3 of Directive 2003/71/EC of the European Parliament and the Council, and amendments thereto (including those resulting from Directive 2010/73/EU) (the “**Prospectus Directive**”), and has been prepared in accordance with Section 5:9 of the Dutch Financial Supervision Act (*Wet op het financieel toezicht*) and the rules promulgated thereunder (the “**Dutch Financial Supervision Act**”). This Prospectus was approved by the Dutch Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*) (the “**AFM**”). The Company has requested the AFM to notify its approval in accordance with Article 18 of the Prospectus Directive to the competent authorities in the Federal Republic of Germany (*Bundesrepublik Deutschland*) (“**Germany**”), the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*) (“**BaFin**”), with a certificate of approval attesting that this Prospectus has been prepared in accordance with the Prospectus Directive.

This Prospectus may not be used for and does not constitute an offer to sell, or the solicitation of an offer to buy, any of the Ordinary Shares or any other securities issued by the Company.

Distribution of this Prospectus may, in certain jurisdictions, be subject to specific regulations or restrictions. Persons in possession of this Prospectus are urged to inform themselves of any such restrictions which may apply in their jurisdiction and to observe them. Any failure to comply with these regulations or restrictions may constitute a violation of the securities laws of that jurisdiction. The Company disclaims all responsibility for any violation of such regulations or restrictions by any such person.

Listing Agent for the Frankfurt Stock Exchange

COMMERZBANK

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SUMMARY

Summaries are made up of disclosure requirements known as “**Elements**”. These Elements are numbered in Sections A – E (A.1 – E.7).

This summary contains all the Elements required to be included in a summary for this type of securities and issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in the summary because of the type of securities and company, it is possible that no relevant information can be given regarding the Element. In this case, a short description of the Element is included in the summary with the mention of “Not applicable”.

Section A – Introduction and Warnings		
A.1	Warnings	<p>This summary should be read as an introduction to the prospectus (the “Prospectus”) relating to the admission to listing and trading of ordinary shares, with a nominal value of €0.50 each, (the “Ordinary Shares”) in the capital of Steinhoff International Holdings N.V. (the “Issuer” or the “Company”) on the regulated market segment (<i>Regulierter Markt</i>) of the Frankfurt Stock Exchange (<i>Frankfurter Wertpapierbörse</i>) (the “FSE”) with simultaneous admission to the sub-segment of the regulated market with additional post-admission obligations (Prime Standard) of the FSE (the “Admission”). Application has also been made to the Johannesburg Stock Exchange (the “JSE”) for an inward, secondary listing of the Ordinary Shares on the main board of the JSE.</p> <p>Any decision to invest in the Ordinary Shares should be based on consideration of the Prospectus as a whole by the investor. Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the relevant member states of the European Economic Area, have to bear the costs of translating the Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary, including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus or it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in such securities.</p>
A.2	Consent by the Issuer to the use of the Prospectus by financial intermediaries	Not applicable. No consent has been granted for the use of the Prospectus for a subsequent resale or final placement of securities by financial intermediaries.

Section B – The Issuer		
B.1	Legal and commercial name	Steinhoff International Holdings N.V.
B.2	Domicile, legal form, legislation, country of incorporation	The Issuer is a limited liability company (<i>naamloze vennootschap</i>) incorporated under the laws of, and is domiciled in, the Netherlands. The Issuer has its corporate seat (<i>statutaire zetel</i>) in Amsterdam, the Netherlands. The Issuer is resident in South Africa for tax purposes.
B.3	Description of, and key factors relating to, the nature of the Issuer’s current operations and principal activities, stating the main categories of products sold and/or services performed and identification of the principal markets in which the Issuer competes	<p>On 7 August 2015, it was announced that the Company had made an offer to acquire the entire issued share capital of Steinhoff International Holdings Limited (“SIHL”) by way of a scheme of arrangement in terms of Section 114 of the South African (“SA”) Companies Act.</p> <p>On 7 September 2015, the shareholders of SIHL approved the scheme of arrangement pursuant to which the Issuer will acquire the entire issued share capital of SIHL on the basis of issuing one Ordinary Share for every SIHL ordinary share, credited as fully paid and ranking <i>pari passu</i> in all respects with the other Ordinary Shares in issue, subject to certain conditions (the “Scheme of Arrangement”). The Scheme of Arrangement will result in the Issuer becoming the new holding company of SIHL and its consolidated subsidiaries and subsidiary undertakings from time to time (referred to herein as the “SIHL Group”), and the direct owner of 100 per cent. of the issued share capital of SIHL. As a result of the Scheme of Arrangement, all shareholders of SIHL will become shareholders of the Issuer. The Scheme of Arrangement will become operative immediately prior to the Admission on the FSE, which is expected to be on 7 December 2015.</p> <p>Other than where noted otherwise, the Prospectus has been drafted as if the Scheme of Arrangement has become operative on the date hereof. Accordingly, references in the Prospectus to the “Group” which relate to matters occurring prior to the implementation date of the Scheme of Arrangement are to SIHL and the SIHL Group, and references to the “Group” relating to matters occurring following the implementation date of the Scheme of Arrangement or which are forward-looking relate to the Issuer and its consolidated subsidiaries and subsidiary undertakings from time to time.</p> <p>The Group is an integrated discount retailer that manufactures, sources and retails furniture, household goods and general merchandise in Europe, Australasia and Africa. The Group’s integrated business model is based upon a strategy of sourcing and manufacturing products at low cost and distributing them to the Group’s value-conscious customer base mainly through its extensive retail footprint.</p> <p>The Group was founded in 1964 and was listed on the JSE in 1998, with an initial market capitalisation of 2.6 billion South African rand (“R”) and a current market capitalisation, as at 16 November 2015 (the “Latest Practicable Date”), of R315.4 billion (€20.5 billion). The Group has been included in the JSE Top Forty Index and the JSE Industrial Top 25 Index.</p>

		<p>As at 30 June 2015, the Group had more than 90,000 employees.</p> <p>On 31 March 2015, SIHL acquired 92.34 per cent. of Pepkor Holdings (Pty) Ltd. (“Pepkor”, and with its consolidated subsidiaries and subsidiary undertakings from time to time the “Pepkor Group”), a leading retailer that focuses on the value and discount segments of the markets in which it operates, including South Africa, Botswana, Lesotho, Namibia, Swaziland, Poland, the Czech Republic, Slovakia, Hungary, Romania, Australia, New Zealand, France, the United Kingdom, Angola, Malawi, Mozambique, Nigeria, Zambia and Zimbabwe (“Pepkor Acquisition”). On 20 April 2015, SIHL acquired the remaining 7.66 per cent. of the Pepkor Group. As a result of the Pepkor Acquisition having been completed on 31 March 2015, Pepkor only contributed to the financial performance of the Group’s Integrated Retail: General Merchandise segment for the fourth quarter of the fiscal year ending on 30 June 2015 (“Fiscal Year 2015”).</p> <p>Prior to the Scheme of Arrangement becoming operative, the Company will acquire Genesis Investment Holding GmbH (“Genesis”), which owns the trading businesses and certain fixed properties of the kika-Leiner group of companies (“kika-Leiner”).</p> <p>The Group is currently managed through three operating segments:</p> <ul style="list-style-type: none"> • Integrated Retail: Household Goods – The Group’s Integrated Retail: Household Goods segment comprises a vertically integrated furniture, household goods and related retail business serving the discount and value consumer market segments in Europe, Australasia and Africa. • Integrated Retail: General Merchandise – The Group’s Integrated Retail: General Merchandise segment comprises the operations of the Pepkor Group, a leading retailer selling a range of everyday necessities (excluding food) to its price-sensitive and value-conscious customer base, including clothing, footwear, household goods, personal accessories and cellular products. The Integrated Retail: General Merchandise segment also provides selected financial services to its customer base, such as utility bill payments and money transfer services. • Integrated Retail: Automotive – The Group’s Integrated Retail: Automotive segment comprises the Group’s automotive retail businesses in South Africa. <p>The Group is invested in companies that provide essential services and knowledge to the Group, which Management believes enhances the Group’s ability to manage its diverse range of businesses. Accordingly, the Group holds: (i) a 43.3 per cent. minority interest in KAP Industrial, a JSE-listed diversified industrial company with leading market share positions in the logistics, integrated timber, integrated bedding, and other industrial sectors within South Africa; and (ii) a 27 per cent. interest in PSG Group, a JSE-listed investment company.</p> <p>Management believes that the Group has the following strengths:</p> <ul style="list-style-type: none"> • the Group is Europe’s second largest integrated household goods
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		<p>retailer, by turnover, with leading positions in key European, Australasian and African markets;</p> <ul style="list-style-type: none"> the Group trades through a leading portfolio of local retailer brands, allowing the Group to adapt faster to changing consumer needs and operate through a multi-brand, multi-format infrastructure capability; the Group is predominantly positioned in the growing value-conscious segment of the market, providing more resilience through the economic cycle; the Group's vertically integrated global supply chain platform enables better ability to control cost of doing business, thereby protecting price points to the consumer and sustainable margin for the Group; the Group owns many of its strategic retail, warehouse and manufacturing properties, thereby further enhancing its ability to control costs, and sustainability in the longer term; the Group is led by a highly experienced management team with a demonstrated track record of consolidating fragmented markets through acquisitions and organic growth; the Group has a strong focus on protecting the sustainability of the business for all stakeholders; and the Group has historically strong sales growth, margin expansion and cash generation potential.
B.4a	Significant recent trends	<p>The Group's results of operations and financial condition are affected by a number of factors. Management believes that the following factors are likely to continue to influence the Group's results of operations and financial condition:</p> <ul style="list-style-type: none"> the Pepkor Acquisition and growth in the discount and value market segments; control, scale and flexibility of the Group's supply chain; rationalisation of the Group's supply chain; the Group's expansion of its retail business and consolidation of the household goods market in Europe; e-commerce and omni-channel developments; exchange rate fluctuations; and corporate activity.
B.5	Description of the Group and the Company's position within the Group	<p>Upon the Scheme of Arrangement becoming operative, the Issuer will become the new holding company of the Group and the direct owner of 100 per cent. of the issued share capital of SIHL, from which time the results of the SIHL Group will be fully consolidated with the Issuer. As a result of the Scheme of Arrangement, all shareholders of SIHL will become shareholders of the Issuer.</p> <p>The Group's business will continue to be primarily conducted by the Issuer's subsidiaries, which will remain grouped into three segments, being the Integrated Retail: Household Goods segment, the Integrated</p>

		Retail: General Merchandise segment and the Integrated Retail: Automotive segment.															
B.6	Shareholders of the Company	<p>Insofar as is known to the Company and other than the interests of certain of the Voting Pool Parties (as defined below), who will hold or control approximately 33 per cent. of the Company's voting share capital immediately after the Scheme of Arrangement becomes operative, the following persons held as at the Latest Practicable Date and are expected to hold, directly or indirectly, 3 per cent. or more of the Company's capital and voting rights, upon the Scheme of Arrangement becoming operative:</p> <table> <tr> <th>Shareholder</th><th>Number of Ordinary Shares</th><th>Percentage</th></tr> <tr> <td>Christoffel Hendrik Wiese⁽¹⁾</td><td>667,859,150</td><td>17.30</td></tr> <tr> <td>Public Investment Corporation</td><td>346,525,731</td><td>8.98</td></tr> <tr> <td>Coronation Fund Managers</td><td>210,665,035</td><td>5.46</td></tr> <tr> <td>Bruno Ewald Steinhoff⁽²⁾</td><td>195,653,810</td><td>5.07</td></tr> </table> <p>Source: Company information</p> <p>Notes:</p> <p>(1) Through several entities, including Titan Premier Investments Pty Limited and Thibault Square Financial Services Pty Limited.</p> <p>(2) Directly and indirectly through several entities, including BS Beteiligungs-und Verwaltungs GmbH and BS Vermögensverwaltungsgesellschaft GmbH.</p> <p>Christoffel Hendrik Wiese, Bruno Ewald Steinhoff, Angela Krüger-Steinhoff, several members of the Company's management board and certain members of the executive management of the Group and their respective associates (together, the "Voting Pool Parties") will collectively hold or control approximately 33 per cent. of the total voting share capital of the Company immediately after the Scheme of Arrangement becomes operative. The Company is not aware of any other person or persons who directly, indirectly, jointly or severally exercise or could exercise control over the Company.</p> <p>None of the major shareholders in the Company has or will have different voting rights attached to the Ordinary Shares they hold in the Company.</p>	Shareholder	Number of Ordinary Shares	Percentage	Christoffel Hendrik Wiese ⁽¹⁾	667,859,150	17.30	Public Investment Corporation	346,525,731	8.98	Coronation Fund Managers	210,665,035	5.46	Bruno Ewald Steinhoff ⁽²⁾	195,653,810	5.07
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B.7	Selected historical key financial information	<p>The Prospectus contains selected financial information for (i) the SIHL Group, (ii) the Pepkor Group and (iii) Genesis for the periods indicated.</p> <p>The SIHL Group</p> <p>The rand-denominated selected historical financial information of the SIHL Group as at and for the fiscal years ended 30 June 2015 ("Fiscal Year 2015"), 30 June 2014 ("Fiscal Year 2014") and 30 June 2013 ("Fiscal Year 2013") set out below has been extracted or derived from the audited consolidated financial statements of the SIHL Group (the "SIHL Consolidated Financial Statements"), which are incorporated by reference into the Prospectus. The euro-denominated selected financial information of the SIHL Group as at and for Fiscal Year 2015 has not been separately audited.</p>															

		<p>The Pepkor Group</p> <p>The rand-denominated selected historical financial information of the Pepkor Group as at and for Fiscal Years (being 30 June) 2015, 2014 and 2013 set out below has been extracted or derived from the audited consolidated financial statements of the Pepkor Group (the “Pepkor Group Consolidated Financial Statements”), which are incorporated by reference into the Prospectus. The euro-denominated selected financial information of the Pepkor Group as at and for Fiscal Year 2015 has not been separately audited.</p> <p>Genesis Investment Holding GmbH</p> <p>The selected historical financial information of Genesis as at and for Fiscal Year (being 30 June) 2015 set out below has been extracted or derived from Genesis’s audited consolidated financial statements, which are incorporated by reference into the Prospectus (the “Genesis Consolidated Financial Statements”).</p>																																																																																					
	<p>The SIHL Group</p>	<p><i>Consolidated Income Statement</i></p> <p>The table below sets out certain information extracted from the audited consolidated income statement of the SIHL Group for Fiscal Years 2015, 2014 and 2013.</p> <table><tr><th></th><th colspan="4">Fiscal Year</th></tr><tr><th></th><th>2015⁽¹⁾</th><th>2015</th><th>2014</th><th>2013</th></tr><tr><th></th><th>(unaudited)</th><th colspan="3">(audited)</th></tr><tr><th></th><th>(in € million)</th><th colspan="3">(in R million)</th></tr><tr><td>Revenue</td><td>9,818</td><td>134,868</td><td>117,364</td><td>97,938</td></tr><tr><td>Cost of sales.....</td><td>(6,300)</td><td>(86,541)</td><td>(75,446)</td><td>(63,542)</td></tr><tr><td>Operating profit</td><td>1,297</td><td>17,828</td><td>14,122</td><td>9,459</td></tr><tr><td>Profit before taxation</td><td>1,210</td><td>16,638</td><td>12,417</td><td>8,073</td></tr><tr><td>Taxation.....</td><td>(96)</td><td>(1,343)</td><td>(1,954)</td><td>(983)</td></tr><tr><td>Profit for the year from continuing operations</td><td>1,114</td><td>15,295</td><td>10,463</td><td>7,090</td></tr><tr><td>Profit for the year</td><td>959</td><td>13,155</td><td>9,863</td><td>7,949</td></tr></table> <p>Note:</p> <p>(1) Amounts shown in euro have been translated at an exchange rate of R13.7347 per euro, the average exchange rate for Fiscal Year 2015. This convenience translation has not been separately audited.</p> <p><i>Consolidated Statement of Financial Position</i></p> <p>The table below sets out certain information extracted from the audited consolidated statement of financial position of the SIHL Group as at 30 June 2015, 2014 and 2013.</p> <table><tr><th></th><th colspan="4">As at 30 June</th></tr><tr><th></th><th>2015⁽¹⁾</th><th>2015</th><th>2014</th><th>2013</th></tr><tr><th></th><th>(unaudited)</th><th colspan="3">(audited)</th></tr><tr><th></th><th>(in € million)</th><th colspan="3">(in R million)</th></tr><tr><td>Assets</td><td></td><td></td><td></td><td></td></tr><tr><td>Total non-current assets</td><td>16,123</td><td>218,764</td><td>136,620</td><td>115,235</td></tr></table>		Fiscal Year					2015 ⁽¹⁾	2015	2014	2013		(unaudited)	(audited)				(in € million)	(in R million)			Revenue	9,818	134,868	117,364	97,938	Cost of sales.....	(6,300)	(86,541)	(75,446)	(63,542)	Operating profit	1,297	17,828	14,122	9,459	Profit before taxation	1,210	16,638	12,417	8,073	Taxation.....	(96)	(1,343)	(1,954)	(983)	Profit for the year from continuing operations	1,114	15,295	10,463	7,090	Profit for the year	959	13,155	9,863	7,949		As at 30 June					2015 ⁽¹⁾	2015	2014	2013		(unaudited)	(audited)				(in € million)	(in R million)			Assets					Total non-current assets	16,123	218,764	136,620	115,235
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		Total current assets	6,986	94,776	65,701	49,782
		Total assets	23,109	313,540	202,321	165,017
		Equity and Liabilities				
		Total equity	13,428	182,170	87,776	66,768
		Total non-current liabilities	5,515	74,830	69,317	58,255
		Total current liabilities	4,166	56,540	45,228	39,994
		Total equity and liabilities	23,109	313,540	202,321	165,017
		Note:				
		(1) Amounts shown in euro have been translated at an exchange rate of R13.5628 per euro, the closing exchange rate on 30 June 2015. This convenience translation has not been separately audited.				
		Consolidated Statement of Cash Flows				
		The table below sets out certain information extracted from the audited consolidated statement of cash flows of the SIHL Group for Fiscal Years 2015, 2014 and 2013.				
			Fiscal Year			
			2015⁽¹⁾	2015	2014	2013
			(unaudited)	(audited)		
			(in € million)	(in R million)		
		Net cash inflow from operating activities.....	1,475	20,286	16,141	7,815
		Net cash outflow from investing activities.....	(1,536)	(21,124)	(16,684)	(8,250)
		Net cash inflow from financing activities.....	1,721	23,630	6,513	256
		Net increase/(decrease) in cash and cash equivalents.....	1,660	22,792	5,970	(179)
		Cash and cash equivalents at beginning of the period	1,121	16,341	9,249	8,057
		Effects of exchange rate translations on cash and cash equivalents.....	13	(1,228)	1,122	1,371
		Cash and cash equivalents at end of the period	2,794	37,905	16,341	9,249
		Note:				
		(1) Amounts shown in euro have been translated at an exchange rate of R13.7347 per euro, the average exchange rate for Fiscal Year 2015. This convenience translation has not been separately audited.				
		The summary below presents certain significant changes in the Group's financial condition and results of operations during Fiscal Years 2015, 2014 and 2013.				
		The Group's revenue from continuing operations was R134,868 million (€9,818 million), R117,364 million and R97,938 million during Fiscal Years 2015, 2014 and 2013, respectively. Revenue from continuing operations for Fiscal Year 2015 increased by 14.9 per cent. compared to Fiscal Year 2014. Revenue from continuing operations for Fiscal Year 2014 increased by 19.8 per cent. compared to Fiscal Year 2013. These				

		<p>changes were primarily due to higher revenue in the Group’s Integrated Retail: Household Goods segment due to increased sales activity and additional sales from the Integrated Retail: General Merchandise segment following the Pepkor Acquisition.</p> <p>The Group’s profit from continuing operations was R15,295 million (€1,114 million), R10,463 million and R7,090 million during Fiscal Years 2015, 2014 and 2013, respectively. Profit from continuing operations for Fiscal Year 2015 increased by 46.2 per cent. compared to Fiscal Year 2014, and, on a euro basis, profit from continuing operations for Fiscal Year 2015 increased by 50.1 per cent. compared to Fiscal Year 2014. Profit from continuing operations for Fiscal Year 2014 increased by 47.6 per cent. compared to Fiscal Year 2013, and, on a euro basis, profit from continuing operations for Fiscal Year 2014 increased by 19.7 per cent. compared to Fiscal Year 2013. These increases were primarily due to (i) increased operating profit before capital items from continuing operations in the Group’s Integrated Retail: Household Goods segment led by an improved performance of the European and Australasian integrated retail operations in Fiscal Year 2015 and (ii) increased operating profit before capital items from continuing operations, which more than offset decreases in operating profit before capital items from continuing operations in the Group’s businesses in Africa in Fiscal Year 2014.</p> <p>The Group has generated a net cash inflow from operating activities during each of the periods under review. Net cash inflow from operating activities amounted to R20,286 million (€1,475 million), R16,141 million and R7,815 million for Fiscal Years 2015, 2014 and 2013, respectively. The increases in net cash flows from operating activities during the periods under review were primarily due to (i) increased cash generated from operations and a decrease in net working capital (driven by an increase in trade and other payables) in Fiscal Year 2015 and (ii) an increase in operating profit before capital items from continuing operations in Fiscal Year 2014.</p>																																																		
	The Pepkor Group	<p><i>Consolidated Income Statement</i></p> <p>The table below sets out certain information extracted from the audited consolidated income statement of the Pepkor Group for Fiscal Years 2015, 2014 and 2013.</p> <table><tr><th></th><th colspan="4">Fiscal Year</th></tr><tr><th></th><th>2015⁽¹⁾</th><th>2015</th><th>2014</th><th>2013</th></tr><tr><th></th><th>(unaudited)</th><th colspan="3">(audited)</th></tr><tr><th></th><th>(in € million)</th><th colspan="3">(in R million)</th></tr><tr><td>Revenue</td><td>3,281</td><td>45,066</td><td>38,194</td><td>32,880</td></tr><tr><td>Cost of sales.....</td><td>(1,991)</td><td>(27,345)</td><td>(22,750)</td><td>(20,149)</td></tr><tr><td>Operating profit</td><td>264</td><td>3,628</td><td>3,176</td><td>2,899</td></tr><tr><td>Profit before taxation</td><td>243</td><td>3,340</td><td>2,910</td><td>2,634</td></tr><tr><td>Taxation.....</td><td>(78)</td><td>(1,066)</td><td>(1,004)</td><td>(841)</td></tr><tr><td>Net profit from continuing operations</td><td>166</td><td>2,274</td><td>1,906</td><td>1,793</td></tr></table>		Fiscal Year					2015⁽¹⁾	2015	2014	2013		(unaudited)	(audited)				(in € million)	(in R million)			Revenue	3,281	45,066	38,194	32,880	Cost of sales.....	(1,991)	(27,345)	(22,750)	(20,149)	Operating profit	264	3,628	3,176	2,899	Profit before taxation	243	3,340	2,910	2,634	Taxation.....	(78)	(1,066)	(1,004)	(841)	Net profit from continuing operations	166	2,274	1,906	1,793
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		Profit for the year	166	2,274	2,132	1,828
		Note:				
		(1) Amounts shown in euro have been translated at an exchange rate of R13.7347 per euro, the average exchange rate for Fiscal Year 2015. This convenience translation has not been separately audited.				
		Consolidated Statement of Financial Position				
		The table below sets out certain information extracted from the consolidated statement of financial position of the Pepkor Group as at 30 June 2015, 2014 and 2013.				
			As at 30 June			
			2015⁽¹⁾	2015	2014	2013
			(unaudited)	(audited)		
			(in € million)	(in R million)		
		Assets				
		Total non-current assets	556	7,535	7,042	6,463
		Total current assets	1,057	14,333	11,317	10,177
		Total assets	1,612	21,868	18,360	16,640
		Equity and Liabilities				
		Equity	537	7,280	7,020	5,956
		Total non-current liabilities	146	1,984	4,366	3,499
		Total current liabilities	929	12,604	6,974	7,185
		Total equity and liabilities	1,612	21,868	18,360	16,640
		Note:				
		(1) Amounts shown in euro have been translated at an exchange rate of R13.5628 per euro, the closing exchange rate on 30 June 2015. This convenience translation has not been separately audited.				
		Consolidated Statement of Cash Flows				
		The table below sets out certain information extracted from the audited consolidated statement of cash flows of the Pepkor Group for Fiscal Years 2015, 2014 and 2013.				
			Fiscal Year			
			2015⁽¹⁾	2015	2014	2013
			(unaudited)	(audited)		
			(in € million)	(in R million)		
		Cash flow from operations ⁽²⁾	123	1,687	2,341	1,280
		Cash flow from investment activities...	(124)	(1,706)	(1,236)	(1,894)
		Net cash flow	(1)	(19)	1,106	(614)
		Cash flow from financing activities	79	1,080	551	158
		Cash and cash equivalents				
		Net movement for the period	77	1,062	1,657	(456)
		At beginning of the period	124	1,801	144	600
		Exchange rate effect on cash	10	—	—	—
		Balance at end of the period	211	2,863	1,801	144

		<p>Notes:</p> <p>(1) Amounts shown in euro have been translated at an exchange rate of R13.7347 per euro, the average exchange rate for Fiscal Year 2015. This convenience translation has not been separately audited.</p> <p>(2) Post a dividend payment of R2,000 million (€145.6 million) to SIHL in respect of Fiscal Year 2015.</p>																																												
	Genesis	<p><i>Consolidated Income Statement</i></p> <p>The table below sets out certain information extracted from the audited consolidated income statement of Genesis for Fiscal Year 2015.</p> <table><tr><td></td><td>Fiscal Year 2015</td></tr><tr><td></td><td>(audited)</td></tr><tr><td></td><td><i>(in € million)</i></td></tr><tr><td>Revenue.....</td><td>943</td></tr><tr><td>Cost of sales.....</td><td>(530)</td></tr><tr><td>Operating profit.....</td><td>38</td></tr><tr><td>Profit before taxation</td><td>24</td></tr><tr><td>Taxation.....</td><td>13</td></tr><tr><td>Net profit from continuing operations</td><td>37</td></tr><tr><td>Profit for the year</td><td>39</td></tr></table> <p><i>Consolidated Statement of Financial Position</i></p> <p>The table below sets out certain information extracted from the audited consolidated statement of financial position of Genesis as at 30 June 2015.</p> <table><tr><td></td><td>As at 30 June 2015</td></tr><tr><td></td><td>(audited)</td></tr><tr><td></td><td><i>(in € million)</i></td></tr><tr><td>Assets</td><td></td></tr><tr><td>Total non-current assets</td><td>777</td></tr><tr><td>Total current assets.....</td><td>375</td></tr><tr><td>Total assets</td><td>1,152</td></tr><tr><td>Equity and Liabilities</td><td></td></tr><tr><td>Equity</td><td>201</td></tr><tr><td>Total non-current liabilities.....</td><td>453</td></tr><tr><td>Total current liabilities</td><td>498</td></tr><tr><td>Total equity and liabilities</td><td>1,152</td></tr></table> <p><i>Consolidated Statement of Cash Flows</i></p> <p>The table below sets out certain information extracted from the audited consolidated statement of cash flows of Genesis for Fiscal Year 2015.</p>		Fiscal Year 2015		(audited)		<i>(in € million)</i>	Revenue.....	943	Cost of sales.....	(530)	Operating profit.....	38	Profit before taxation	24	Taxation.....	13	Net profit from continuing operations	37	Profit for the year	39		As at 30 June 2015		(audited)		<i>(in € million)</i>	Assets		Total non-current assets	777	Total current assets.....	375	Total assets	1,152	Equity and Liabilities		Equity	201	Total non-current liabilities.....	453	Total current liabilities	498	Total equity and liabilities	1,152
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		<p style="text-align: right;">Fiscal Year 2015</p> <hr/> <p style="text-align: right;"><i>(audited) (in € million)</i></p> <hr/> <p>Net cash outflow from operating activities (50)</p> <p>Net cash inflow from investing activities 52</p> <p>Net cash outflow from financing activities (32)</p> <hr/> <p>Total cash flow for the year (30)</p> <hr/> <p>Cash and cash equivalents at beginning of the year 65</p> <hr/> <p>Cash and cash equivalents at end of the year 35</p> <hr/>
	Significant changes to the Issuer's financial condition and operating results	<p>As at the date of the Prospectus, there have been no significant changes to the Group's financial condition (including that of Genesis) and trading position subsequent to the period covered by the historical financial statements contained in the Prospectus with the exception of the following:</p> <ul style="list-style-type: none"> • on 11 August 2015, Steinhoff Finance, a wholly-owned subsidiary of SIHL, under specific authority to issue convertible debentures which was obtained at the annual general meeting on 2 December 2014, raised €1,116 million through the placement of 1.25 per cent. guaranteed convertible bonds due 2022, which (as at their issue date) are convertible into approximately 150 million SIHL ordinary shares at a conversion price of R103.47 (€7.44) per share; • on 2 October 2015, Brait announced that it had disposed of its entire shareholding of 190 million ordinary shares in SIHL. SIHL facilitated the acquisition of 150 million of these shares as a result of which, they will be treated as shares held in treasury; • a cash dividend of R2,188 million (R1.65 per share or €0.106 per share) was paid on 16 November 2015 to SIHL shareholders holding 1,326 million SIHL shares in the aggregate. Shareholders holding 2,485 million SIHL shares in the aggregate, elected to receive the capitalisation share alternative consisting of SIHL ordinary shares in lieu of the cash dividend. Accordingly, 49,268,790 SIHL ordinary shares were issued on 16 November 2015, credited as fully paid; and • the conversion of €142.8 million of the €420 million 6.375 per cent. four-and-a-half-year convertible bonds due in May 2017 and the conversion of €334.8 million of the €467.5 million 4.5 per cent. seven-year guaranteed convertible bonds due in March 2018. <p>The Scheme of Arrangement is expected to become operative immediately prior to the Admission on the FSE, which is expected to be on 7 December 2015, and will result in the combination of the SIHL Group and the Issuer.</p>
B.8	Selected key pro forma financial information	<p>The unaudited pro forma financial information (the “Pro Forma Financial Information”) set out below includes the following:</p> <ul style="list-style-type: none"> • a convenience translated, euro-denominated consolidated income statement of the SIHL Group for Fiscal Year 2015, including adjustments to reflect: (i) the Pepkor Acquisition; and (ii) the

		<p>incorporation of the results of the trading businesses of Genesis not previously acquired by the SIHL Group, as if each of these transactions had been completed on 1 July 2014; and</p> <ul style="list-style-type: none"> • a convenience translated, euro-denominated consolidated statement of financial position of the SIHL Group as at 30 June 2015, including adjustments to reflect the incorporation of the assets and liabilities of the trading businesses of Genesis not previously acquired by the SIHL Group as if the Scheme of Arrangement had been completed on 30 June 2015.
		<p>The Pro Forma Financial Information is set out below to illustrate the effects of the Scheme of Arrangement and the acquisition of the Pepkor Group and Genesis on the Group's results of operations for Fiscal Year 2015.</p> <p>The Pro Forma Financial Information has been prepared for illustrative purposes only in order to provide information about the impact of the Scheme of Arrangement on the financial position and results of operations of the Group had the Scheme of Arrangement occurred on 1 July 2014 for income statement purposes and on 30 June 2015 for statement of financial position purposes. Because of its nature, the Pro Forma Financial Information addresses a hypothetical situation and does not reflect the actual financial position or the financial performance of the Group as at any historical date, nor does it project the future financial position or financial performance of the Group. The Pro Forma Financial Information should be read in conjunction with the SIHL Consolidated Financial Statements, the Pepkor Group Consolidated Financial Statements and the Genesis Consolidated Financial Statements.</p> <p>The Pro Forma Financial Information is presented in accordance with the JSE listings requirements, the Guide on Pro Forma Financial Information issued by SAICA, ISAE 3420 and the measurement and recognition requirements of IFRS. The accounting policies applied in quantifying pro forma adjustments are consistent with the Group's accounting policies as at 30 June 2015. The Accountant's Report on the Pro Forma Financial Information is included in Section B below. The Pro Forma Financial Information is the responsibility of the Management Board.</p>

Unaudited pro forma income statement for Fiscal Year 2015⁽¹⁾

	SIHL Group unaudited Fiscal Year 2015 <small>(2)</small>	Pepkor Group unaudited 9 months ended 31 March 2015 <small>(3)</small>	Pro forma Pepkor Acquisition adjustments <small>(4)</small>	Genesis audited Fiscal Year 2015 <small>(5)</small>	Pro forma Genesis transaction adjustments <small>(6)</small>	Pro forma after adjustments
			<i>(in € million)</i>			
Revenue	9,818	2,393	—	943	—	13,154
Cost of sales.....	(6,300)	(1,461)	—	(530)	—	(8,291)
Operating profit	1,297	183	9	38	(4)	1,523
Profit before taxation	1,210	166	(43)	24	(4)	1,353
Taxation	(96)	(59)	6	13	—	(136)
Profit from continuing operations	1,114	107	(37)	37	(4)	1,217
Profit for the year	959	107	(37)	39	(4)	1,064

Unaudited pro forma statement of financial position as at 30 June 2015⁽¹⁾

	SIHL Group unaudited Fiscal Year 2015 ⁽²⁾	Genesis audited Fiscal Year 2015 ⁽⁵⁾	Pro forma Genesis transaction adjustments ⁽⁶⁾	Pro forma after adjustments
		<i>(in € million)</i>		
Assets				
Total non-current assets.....	16,123	777	—	16,900
Total current assets	6,986	375	(4)	7,357
Total assets.....	23,109	1,152	(4)	24,257
Equity and Liabilities				
Equity	13,428	201	(205)	13,424
Total non-current liabilities	5,515	453	201	6,169
Total current liabilities.....	4,166	498	—	4,664
Total equity and liabilities	23,109	1,152	(4)	24,257

Notes:

- (1) Apart from the above adjustments, there are no other post-balance sheet events (constituting greater than 25 per cent. of the relevant line item) which need adjustment to the pro forma financial information. The pro forma statement of financial position is based on the assumption that the Genesis transaction occurred on 30 June 2015. The Company's audited financial statements for the period ended 30 June 2015 include amounts which are all less than €500,000. As a result of pro forma disclosures being reflected in euro millions, the Company amounts are included in pro forma after adjustments rather than being disclosed in a separate column.
- (2) The column titled "SIHL Group unaudited Fiscal Year 2015" has been prepared based on the audited SIHL Consolidated Financial Statements for Fiscal Year 2015. The SIHL Consolidated Financial Statements for Fiscal Year 2015 were converted to euro for inclusion in these pro forma results using the average rand:euro exchange rate of 13.7347 for the income statement and the closing rand:euro exchange rate of 13.5628 for the statement of financial position. This convenience translation has not been separately audited.

		<p>(3) The column titled “Pepkor Group unaudited 9 months ended 31 March 2015” has been prepared by deducting the three month Pepkor Group results, as included in the SIHL Consolidated Financial Statements, from the 12 month audited Pepkor Group Consolidated Financial Statements for Fiscal Year 2015 to arrive at the nine month unaudited Pepkor Group results. Included in the Pepkor Group’s nine month results is a one-off transaction fee of €8 million. These financial statements were converted to euro for inclusion in these pro forma results using the average rand:euro exchange rate of 13.7347 for the income statement. This convenience translation has not been separately audited.</p> <p>(4) The column titled “Pro forma Pepkor Acquisition adjustments” refers to the following adjustments: (i) interest was calculated for nine months on €980 million (R13.3 billion) borrowed funds at an after-tax interest rate of 5.9 per cent. A preference dividend was calculated for nine months at 72 per cent. of SA prime on the €146 million (R2 billion) perpetual preference shares raised; (ii) non-controlling interest allocations of €1 million in the statement of comprehensive income was re-allocated to owners of the parent; and (iii) the impact of the Pepkor IFRS 3 fair value adjustments and provision releases for the additional nine month period was incorporated in the statement of comprehensive income. These adjustments increased earnings attributable to owners of the parent by €6 million.</p> <p>(5) The column titled “Genesis audited Fiscal Year 2015” has been prepared based on the Genesis Consolidated Financial Statements for Fiscal Year 2015.</p> <p>(6) The column titled “Pro forma Genesis transaction adjustments” refers to the requirements of IFRS 3 and Management’s best estimate at this stage: (i) the Company made an offer to exchange all SIHL shares held by SIHL shareholders for ordinary shares in the Company; (ii) the Genesis acquisition has been accounted for in terms of IFRS 3, using the principles of reverse acquisition accounting. Management’s best estimate is that no fair value adjustments in terms of IFRS 3 are required to the statement of financial position of Genesis. The final allocation will require a detailed identification and valuation exercise which will be completed as part of the acquisition process; (iii) standard consolidation journal entries in terms of IFRS which include, <i>inter alia</i>, the elimination of the Group’s ‘at acquisition’ share capital and accumulated reserves; (iv) one-off transaction costs of €4 million have been expensed; (v) included in the reserves of the Group is a reverse acquisition reserve account. The balance of this account will be determined on the listing date. It will be calculated as the Group’s market capitalisation on the listing date, less the Group’s stated capital balance on that date. As at 30 June 2015, using the SIHL share price of €5.68 (R76.99) on this date, the reverse acquisition reserve calculated to a debit balance of €12.3 billion. The stated share capital of the group will increase with the same amount at this date, resulting in a zero effect on total equity; and (vi) all the adjustments are of a continuing nature, except the transaction costs.</p>
B.9	Profit forecast/estimate	Not applicable. No profit forecast or estimate has been made.
B.10	Qualifications in the audit report	Not applicable. There are no qualifications in the auditors’ reports incorporated by reference into the Prospectus.
B.11	Explanation if insufficient working capital	Not applicable. The Company believes that the working capital available to the Group is sufficient for its present requirements; that is for at least 12 months following the date of the Prospectus.

Section C – Securities		
C.1	A description of the type and the class of the	The Ordinary Shares have a nominal value of €0.50 each, in the capital of the Company.
		International Securities Identification Number (ISIN): NL0011375019

	securities being admitted to trading, including any security identification number	German Securities Code (<i>Wertpapierkennnummer, WKN</i>): SNH
		Common Code: Not applicable.
		Ticker Symbol: SNH
C.2	Currency of the Ordinary Shares	The Ordinary Shares are denominated in and will trade on the FSE in euro.
C.3	The number of shares issued and fully paid and issued but not fully paid. The par value per share, or that the shares have no par value	<p>Prior to the Scheme of Arrangement becoming operative, the Company's issued and outstanding share capital consists of 90,000 shares, with a nominal value of €0.50 each (the "Incorporation Shares"). All Incorporation Shares have been fully paid up.</p> <p>Prior to the Scheme of Arrangement becoming operative, the Company's articles of association will be amended by execution of a notarial deed of amendment to implement the Company's proposed governance structure as described in the Prospectus (the "First Deed of Amendment"). Following execution of the First Deed of Amendment but prior to the Scheme of Arrangement becoming operative, the Company's articles of association will be amended by execution of a notarial deed of amendment to increase the Company's authorised share capital so as to allow for implementation of the Scheme of Arrangement (the "Second Deed of Amendment").</p> <p>At the same time as the execution of the Second Deed of Amendment, the Company will issue one Ordinary Share for every SIHL ordinary share held by the shareholders of SIHL. The Company will cancel the Incorporation Shares upon the Scheme of Arrangement becoming operative or as soon as reasonably possible thereafter and will repay the nominal value of the Incorporation Shares. All Ordinary Shares issued as part of the Scheme of Arrangement will have been fully paid up upon the Scheme of Arrangement becoming operative.</p> <p>The First Deed of Amendment will introduce non-cumulative preference shares, with a nominal value of €0.01 each ("Preference Shares", and together with the Ordinary Shares, "Shares"), as classes of shares in the capital of the Company. No Preference Shares will be issued upon the Scheme of Arrangement becoming operative.</p>
C.4	A description of the rights attached to the Ordinary Shares	<p>References to the "Articles of Association" hereinafter will be to the Company's articles of association as they will read after the execution of the Second Deed of Amendment.</p> <p>The Ordinary Shares carry dividend rights. Each Ordinary Share confers the right to cast one vote or, if any Preference Shares have been issued, 50 votes in the general meeting of shareholders of the Company (the "General Meeting"). There are no restrictions on voting rights attaching to the Ordinary Shares.</p> <p>Upon issue of Ordinary Shares or grant of rights to subscribe for Ordinary Shares, each holder of Ordinary Shares (each an "Ordinary</p>

		<p>Shareholder”) shall have a pre-emptive right in proportion to the aggregate nominal amount of his or her Ordinary Shares. Holders of Shares (“Shareholders”) do not have pre-emptive rights in respect of (i) Shares issued against contribution in kind, (ii) Shares issued to employees of the Company or another member of the Group, (iii) Shares issued to persons exercising a previously granted right to subscribe for Shares or (iv) issues of Shares of another class.</p> <p>Pre-emptive rights may be limited or excluded by a resolution of the General Meeting, which may only be taken upon a proposal of the Company’s management board (the “Management Board”) which has been approved by the supervisory board of the Company (the “Supervisory Board”). The Management Board is authorised to resolve on the limitation or exclusion of the pre-emptive right if and to the extent the Management Board has been designated by the General Meeting to do so. The designation must be proposed by the Management Board, with such proposal to be approved by the Supervisory Board, and will only be valid for a specific period and may from time to time be extended by the General Meeting, in each case not exceeding five years. Unless provided otherwise in the designation, the designation cannot be cancelled.</p> <p>Effective as per the execution of the Second Deed of Amendment, the Management Board is expected to have been designated as the corporate body authorised to issue Ordinary Shares, grant rights to subscribe for Ordinary Shares and/or limit or exclude statutory pre-emptive rights in relation to the issue of Ordinary Shares or the grant of rights to subscribe for Ordinary Shares. Said designation of the Management Board will be limited to (i) up to 10 per cent. of the total nominal issued share capital of the Company immediately after the Scheme of Arrangement has become operative, which authorisation may be used for all purposes, including the granting of stock options, financing mergers and acquisitions and issuing new convertible bonds, plus (ii) up to an additional 10 per cent. of the total nominal issued share capital of the Company as of immediately after the Scheme of Arrangement has become operative, which additional authorisation may only be used in connection with or on the occasion of mergers and acquisitions and strategic alliances.</p> <p>Separately from and in addition to the foregoing authorisations, effective as per the execution of the Second Deed of Amendment, the Management Board is expected to have been designated as the corporate body authorised to grant rights to subscribe for Ordinary Shares and/or Preference Shares and to limit or exclude statutory pre-emptive rights in relation to any such grant. This designation of the Management Board will be limited to up to 10 per cent. of the total nominal issued share capital of the Company immediately after the Scheme of Arrangement has become operative, and can only be used for the purpose of issuing new convertible bonds.</p> <p>Furthermore, effective as per the execution of the Second Deed of Amendment, the General Meeting is expected to have designated the Management Board as the corporate body authorised to issue Preference</p>
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		<p>Shares, grant rights to subscribe for Preference Shares and/or limit or exclude statutory pre-emptive rights in relation to the issue of Preference Shares or the grant of rights to subscribe for Preference Shares. Said designation of the Management Board will be limited to 10 per cent. of the total number of Preference Shares in the Company's authorised share capital after the Scheme of Arrangement has become operative, being two billion Preference Shares. This authorisation may be used for all purposes, including the granting of stock options, financing mergers and acquisitions and issuing new convertible bonds.</p> <p>Each of the foregoing authorisations will be valid for a period of five years following the date of execution of the Second Deed of Amendment. If these authorisations are used during a particular year, then the Management Board is expected to propose to the General Meeting that the Management Board is designated with additional authorities so that, as of the date of the annual General Meeting at which this proposal is put to a vote, the ability to issue or grant is restored back to the (up to) 10 per cent. level for each of the purposes set out above.</p> <p>In addition, the General Meeting has resolved (i) to grant such number of rights to subscribe for Ordinary Shares as are needed for the purposes of replacing the rights to acquire SIHL shares under existing SIHL convertible bonds with rights to acquire Ordinary Shares and (ii) to exclude all statutory pre-emptive rights in relation thereto. The General Meeting is furthermore expected to resolve to (i) issue such number of Ordinary Shares as are needed for the Scheme of Arrangement, (ii) to grant such number of rights to subscribe for Ordinary Shares as are needed for the purposes of replacing the rights to acquire SIHL shares under existing SIHL stock options and (iii) to exclude all statutory pre-emptive rights in relation thereto.</p> <p>As a result, the designations set out in the preceding paragraphs remain available.</p>
C.5	A description of any restrictions on the free transferability of the Ordinary Shares	<p>Not applicable. There are no restrictions on the transferability of the Ordinary Shares in the Articles of Association.</p> <p>However, persons located or resident in, or citizens of, or who have a registered address in countries other than, Germany and the Netherlands, and the transfer of Ordinary Shares into jurisdictions other than Germany and the Netherlands, may be subject to specific regulations or restrictions.</p>
C.6	Listing and admission to trading of the Ordinary Shares	<p>No securities will be offered under the Prospectus. The Company will apply for the admission to listing and trading of the Ordinary Shares on the regulated market segment (<i>Regulierter Markt</i>) of the FSE and, simultaneously, to the sub-segment of the regulated market with additional post-admission obligations (Prime Standard) of the FSE, with such admission expected to become effective on or about 7 December 2015. The Company has also applied for application of the Ordinary Shares to trading (on a deferred settlement basis) on the main board of the JSE, with such admission expected to become effective on or about 30 November 2015.</p>

C.7	A description of dividend policy	<p>SIHL announced a dividend of R1.65 per share (€0.106 per share at a conversion rate of R15.5660 per euro), which was paid to ordinary shareholders in November 2015. In respect of distributions made in Fiscal Year 2015, SIHL's ordinary shareholders were entitled to elect to receive a capitalisation share alternative consisting of SIHL ordinary shares. If no election was made, a cash dividend was paid. A circular containing the details of this capitalisation share alternative was published on 23 October 2015. This dividend translates to a dividend per share pay-out ratio of 34.4 per cent. as a portion of SIHL's basic earnings per share from continuing and discontinued operations in Fiscal Year 2015.</p> <p>A dividend for the fiscal year ending in 2016, if any, will be determined at the annual General Meeting in 2016.</p> <p>In relation to future years, the Company intends to target a dividend per share pay-out ratio on the Ordinary Shares in line with listed international retailers, taking into account the composition of the Group's investments and business activities, provided the Group's business remains stable.</p> <p>Any Preference Shares that are outstanding will entitle the holders thereof to non-cumulative dividends that are at least 1 per cent. but no more than 10 per cent. higher than those on the Ordinary Shares, provided that dividends are declared on the Ordinary Shares and, therefore, that not all profits are added to the Company's reserves.</p> <p>The Company's intentions in relation to dividends are subject to numerous assumptions, risks and uncertainties, many of which may be beyond the Company's control.</p>
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Section D – Risks		
D.1	Key information on the key risks that are specific to the Issuer or its industry	<ul style="list-style-type: none"> • The Group's ability to increase sales, maintain or increase prices and/or to recover fixed costs may be adversely affected by volatile economic conditions. • If the Group fails to integrate its acquisitions effectively, the Group's business and financial results could be adversely affected. • The Group may not be able to manage the continuing expansion of its business effectively. • The Group may not be able to identify opportunities or conclude transactions to expand its business. • The Group operates in highly competitive markets. • The Group faces seasonal and other fluctuations in consumer demand and the risk of product obsolescence. • The Group has potential exposure to product liability claims and to loss of reputation. • The Group may not be adequately insured. • The Group depends on the skills and experience of its senior executive officers and other members of its Management Board and Supervisory Board.

		<ul style="list-style-type: none"> • The Group is subject to IT risk. • The Group depends on efficient logistics systems. • The Group's operations depend on its ability to source and produce finished goods and raw materials of appropriate quality from reliable sources and suppliers. • If the Group's transfer pricing arrangements are determined to be inappropriate, the Group's tax liability may increase. • The Group may not be able to pass on the cost of oil, gas and electricity to its customers. • The Group is exposed to fluctuations in currency exchange rates. • The Group is exposed to fluctuations in interest rates. • The Group will require additional capital expenditure to expand and develop. • Natural disasters could adversely affect the Group's business. • The Group may be unable to protect its intellectual property rights. • The Group is subject to a variety of risks as a result of its diverse business operations. • The Group faces risks in relation to its outstanding loans and borrowings. • Changes in the Group's creditworthiness may affect its ability to meet future liquidity requirements and to access new funding. • Fluctuations in the price, availability or quality of raw materials or sourced products could cause delays or increases in the costs of materials. • The Group is exposed to the risk of default on the part of certain customers or counterparties. • The Group is subject to risks associated with the suppliers from whom certain of its raw materials and products are sourced. • The Group is subject to various government regulations in the markets in which it operates. • The Group's costs may increase as a result of developments in environmental, health and safety and labour laws, and tax regimes. • The South African subsidiaries of the Group are subject to South African exchange control regulations.
D.3	Key information on the key risks that are specific to the securities	<ul style="list-style-type: none"> • Certain shareholders of the Company exercise significant influence over the Group and, as a result, investors may not be able to influence the outcome of important decisions in the future. • The market price of the Ordinary Shares may fluctuate and may decline below the Admission Price, and trading in the Ordinary Shares may be very limited which might lead to holders not being able to sell their Ordinary Shares at a reasonable price or at all. • Future offerings of debt or equity securities by the Company may

		<p>adversely affect the market price of the Ordinary Shares and may dilute investors' shareholdings. The Ordinary Shares may also be subject to dilution upon the exercise of outstanding options over Ordinary Shares and conversion of the Convertible Bonds.</p> <ul style="list-style-type: none"> • The Group cannot make any assurance that it will pay cash dividends or make other similar payments in the future. • Holders of Ordinary Shares outside the Netherlands may suffer dilution if they are unable to exercise pre-emptive rights in future offerings. • The rights and responsibilities of Shareholders are governed by Dutch law and the Articles of Association, which differ in some respects from the rights and responsibilities of shareholders under South African law and the current constitutional documents of SIHL. • Investors may have difficulty enforcing their rights against the Company and its respective directors in U.S. courts. • Investors with a reference currency other than the euro will become subject to foreign exchange rate risk when investing in the Ordinary Shares.
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Section E – Offer		
E.1	The total net proceeds	Not applicable. No securities will be publicly offered and sold under the Prospectus.
	Estimate of the total expenses	The Company estimates that its total costs in connection with the Admission will amount to approximately €4 million. COMMERZBANK Aktiengesellschaft is acting as the listing agent for the FSE (the “ Listing Agent ”).
E.2a	Reasons for the offer and use of proceeds	Not applicable. No securities will be publicly offered and sold under the Prospectus.
E.3	Terms and conditions of the offer	Not applicable. No securities will be publicly offered and sold under the Prospectus.
E.4	Any interest material to the issue/offer including conflicting interests	Not applicable. No securities will be publicly offered and sold under the Prospectus.
E.5	Name of the person or entity offering to sell the security	Not applicable. There are no securities being publicly offered and sold under the Prospectus.

	Lock-up agreements	Not applicable. No lock-up agreement exists.
E.6	Dilution resulting from the offer	Not applicable. No securities will be publicly offered and sold under the Prospectus. The issue of Ordinary Shares as part of the Scheme of Arrangement will also not result in dilution of the existing SIHL shareholders.
E.7	Estimated expenses charged to the investor by the Issuer or the offeror	Investors will not be charged expenses by the Company or the Listing Agent.

A translation of the summary in the German language follows below. The German translation has not been approved by the AFM. In the event of inconsistency between the German language version and the English language version of the summary, the English version will prevail.

ZUSAMMENFASSUNG

Zusammenfassungen bestehen aus vorgeschriebenen Informationsblöcken, die als „Angaben“ bezeichnet werden. Diese Angaben sind in Abschnitten A – E (A.1 – E.7) nummeriert.

Diese Zusammenfassung enthält alle Angaben, die für eine Zusammenfassung für diese Art von Wertpapier und diese Emittentin erforderlich sind. Da einige Angaben nicht aufgenommen werden müssen, kann die Nummerierung Lücken enthalten.

Auch wenn eine Angabe für diese Art von Wertpapier und diese Gesellschaft in diese Zusammenfassung aufgenommen werden muss, kann es sein, dass keine relevanten Informationen zur Verfügung stehen. In diesem Fall enthält die Zusammenfassung eine kurze Beschreibung der Angabe mit dem Hinweis „entfällt“.

Abschnitt A – Einleitung und Warnhinweise		
A.1	Warnhinweise	<p>Diese Zusammenfassung sollte als Einleitung zu dem Prospekt (der „Prospekt“) für die Zulassung zur Börsennotierung von Stammaktien mit einem Nennwert von je € 0,50 (die „Stammaktien“) am Kapital der Steinhoff International Holdings N.V. (die „Emittentin“ bzw. die „Gesellschaft“) und deren Zulassung zum Handel im regulierten Markt der Frankfurter Wertpapierbörse (die „FWB“) mit gleichzeitiger Zulassung zum Teilbereich des regulierten Marktes mit weiteren Zulassungsfolgepflichten (Prime Standard) der FWB (die „Zulassung“) verstanden werden. Darüber hinaus wurde eine Zweitnotierung der <i>Stammaktien</i>, ein sog. <i>Inward Listing</i> im Hauptsegment der Johannesburgur Börse (<i>Johannesburg Stock Exchange</i> – die „JSE“) beantragt.</p> <p>Bei jeder Entscheidung, in die <i>Stammaktien</i> zu investieren, sollte sich der Anleger auf die Prüfung des gesamten <i>Prospekts</i> stützen. Ein Anleger, der wegen der in dem <i>Prospekt</i> enthaltenen Angaben Klage einreichen will, muss nach den nationalen Rechtsvorschriften des jeweiligen Mitgliedstaats der Europäischen Wirtschaftsgemeinschaft möglicherweise für die Übersetzung des <i>Prospekts</i> aufkommen, bevor das Verfahren eingeleitet werden kann. Nur diejenigen Personen, welche die Zusammenfassung, einschließlich etwaiger Übersetzungen, vorgelegt haben, können zivilrechtlich haftbar gemacht werden, jedoch nur für den Fall, dass die Zusammenfassung irreführend, unrichtig oder widersprüchlich ist, wenn sie zusammen mit den anderen Teilen des <i>Prospekts</i> gelesen wird, oder sie, wenn sie zusammen mit den anderen Teilen des <i>Prospekts</i> gelesen wird, nicht die wesentlichen Informationen vermittelt, die in Bezug auf Anlagen in die betreffenden Wertpapiere für die Anleger eine Entscheidungshilfe darstellen.</p>
A.2	Zustimmung der Emittentin zur Verwendung des	Entfällt. Es wurde keine Zustimmung zur Verwendung des <i>Prospekts</i> für eine spätere Weiterveräußerung oder endgültige Platzierung von Wertpapieren durch Finanzintermediäre erteilt.

	Prospekts durch Finanzinterme- diäre	
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Abschnitt B – Die Emittentin		
B.1	Juristische und kommerzielle Bezeichnung	Steinhoff International Holdings N.V.
B.2	Sitz, Rechtsform, geltendes Recht, Land der Gründung	Die <i>Emittentin</i> ist eine Aktiengesellschaft (<i>naamloze vennootschap</i>) nach niederländischem Recht mit Sitz in den Niederlanden. Die <i>Emittentin</i> hat ihren satzungsmäßigen Sitz (<i>statutaire zetel</i>) in Amsterdam, die Niederlande. Die <i>Emittentin</i> ist in Südafrika steueransässig.
B.3	Art der derzeitigen Geschäfts- tätigkeit und Haupttätigkeiten der Emittentin samt der hierfür wesentlichen Faktoren, der Hauptprodukt- und/oder Dienstleistungs- kategorien und der Hauptmärkte, auf denen die Emittentin vertreten ist	<p>Am 7. August 2015 wurde die Abgabe eines Angebots über den Erwerb des gesamten gezeichneten Kapitals der Steinhoff International Holdings Limited („<i>SIHL</i>“) im Wege eines sog. Scheme of Arrangement im Sinne von <i>Section 114</i> des südafrikanischen Gesetzes über Kapitalgesellschaften, <i>des South African Companies Act</i> („<i>SA Companies Act</i>“), durch die <i>Gesellschaft</i> bekanntgegeben.</p> <p>Am 7. September 2015 genehmigten die Aktionäre der <i>SIHL</i> das Scheme of Arrangement, in dessen Rahmen die <i>Emittentin</i>, vorbehaltlich der Erfüllung bestimmter Bedingungen, das gesamte gezeichnete Kapital der <i>SIHL</i> erwirbt, indem für jede <i>SIHL</i>-Stammaktie je eine <i>Stammaktie</i>, die als voll eingezahlt und in jeder Hinsicht gleichrangig mit den übrigen im Umlauf befindlichen <i>Stammaktien</i> gilt, ausgegeben wird (das „<i>Scheme of Arrangement</i>“). Das <i>Scheme of Arrangement</i> hat zur Folge, dass die <i>Emittentin</i> die neue Holdinggesellschaft der <i>SIHL</i> und ihrer jeweils existierenden konsolidierten Tochtergesellschaften und Tochterunternehmen (in dieser Zusammenfassung als die „<i>SIHL-Gruppe</i>“ bezeichnet) wird und 100 % des gezeichneten Kapitals der <i>SIHL</i> unmittelbar hält. Infolge des <i>Scheme of Arrangement</i> werden alle Aktionäre der <i>SIHL</i> zu Aktionären der <i>Emittentin</i>. Das <i>Scheme of Arrangement</i> wird unmittelbar vor der <i>Zulassung</i> an der <i>FWB</i> (die voraussichtlich am 7. Dezember 2015 erfolgt) wirksam.</p> <p>Sofern keine anderslautenden Angaben gemacht werden, ist der <i>Prospekt</i> in seinem Wortlaut so, als wäre das <i>Scheme of Arrangement</i> am Datum dieser Zusammenfassung wirksam geworden. Dementsprechend beziehen sich Verweise im <i>Prospekt</i> auf die „<i>Gruppe</i>“, die vor dem Umsetzungszeitpunkt des <i>Scheme of Arrangement</i> auftretende Angelegenheiten betreffen, auf die <i>SIHL</i> und die <i>SIHL-Gruppe</i>, während sich Verweise auf die „<i>Gruppe</i>“, die nach dem Umsetzungszeitpunkt des <i>Scheme of Arrangement</i> auftretende Angelegenheiten oder Zukünftiges betreffen, auf die <i>Emittentin</i> und ihre jeweils existierenden konsolidierten Tochtergesellschaften und Tochterunternehmen beziehen.</p> <p>Die <i>Gruppe</i> ist ein integriertes Discount-Einzelhandelsunternehmen, das Möbel, Haushaltsartikel und allgemeine Handelswaren in Europa,</p>

		<p>Australasien und Afrika herstellt, bezieht und verkauft. Das integrierte Geschäftsmodell der <i>Gruppe</i> basiert auf einer Strategie der kostengünstigen Beschaffung bzw. Herstellung von Produkten und deren Vertrieb an den wertorientierten Kundenstamm der <i>Gruppe</i> hauptsächlich durch ihre bedeutende Präsenz im Einzelhandel.</p> <p>Die <i>Gruppe</i> wurde 1964 gegründet und 1998 an der <i>JSE</i> notiert; dabei erreichte sie eine anfängliche Marktkapitalisierung von 2,6 Mrd. südafrikanischen Rand („R“) und eine aktuelle Marktkapitalisierung zum 16. November 2015 (das „Letztmögliche Praktikable Datum“) von R 315,4 Mrd. (€ 20,5 Mrd.). Die <i>Gruppe</i> wurde in die folgenden Indizes aufgenommen: den <i>JSE Top Forty Index</i> und den <i>JSE Industrial Top 25 Index</i> der <i>JSE</i>. Zum 30. Juni 2015 belief sich die Mitarbeiterzahl der <i>Gruppe</i> auf mehr als 90.000.</p> <p>Am 31. März 2015 erwarb die <i>SIHL</i> 92,34 % der Pepkor Holdings (Pty) Ltd. („Pepkor“; mit ihren jeweils existierenden konsolidierten Tochtergesellschaften und Tochterunternehmen: die „Pepkor-Gruppe“), ein führendes Einzelhandelsunternehmen, dessen Aktivitäten in den Märkten, in denen es tätig ist, – zu denen u. a. Südafrika, Botsuana, Lesotho, Namibia, Swasiland, Polen, die Tschechische Republik, die Slowakei, Ungarn, Rumänien, Australien, Neuseeland, Frankreich, das Vereinigte Königreich, Angola, Malawi, Mosambik, Nigeria, Sambia und Simbabwe zählen – schwerpunktmäßig im Segment der wertorientierten Kunden und im Discount-Segment angesiedelt sind („Pepkor-Übernahme“). Am 20. April 2015 erwarb die <i>SIHL</i> die restlichen 7,66 % der <i>Pepkor-Gruppe</i>. Da die <i>Pepkor-Übernahme</i> am 31. März 2015 vollzogen war, beschränkte sich <i>Pepkors</i> Beitrag zum Finanzergebnis im Segment Integrierter Einzelhandel: Allgemeine Handelswaren (<i>Integrated Retail: General Merchandise</i>) der <i>Gruppe</i> auf das vierte Quartal des Geschäftsjahres, das am 30. Juni 2015 endete („Geschäftsjahr 2015“).</p> <p>Vor dem Wirksamwerden des <i>Scheme of Arrangement</i> wird die <i>Gesellschaft</i> die Genesis Investment Holding GmbH („Genesis“), von der die Handelsunternehmen und bestimmte feste Immobilien des kika-Leiner-Konzerns „kika-Leiner“ gehalten werden.</p> <p>Gegenwärtig werden die Geschäfte der <i>Gruppe</i> in drei operativen Segmenten geführt:</p> <ul style="list-style-type: none"> • Integrierter Einzelhandel: Haushaltsartikel (<i>Integrated Retail: Household Goods</i>) – Dieses Segment der <i>Gruppe</i> umfasst das vertikal integrierte Möbel-, Haushaltsartikel- und dazugehörige Einzelhandelsgeschäft, durch das das Discount-Segment und das Segment der wertorientierten Verbraucher in Europa, Australasien und Afrika bedient werden. • Integrierter Einzelhandel: Allgemeine Handelswaren (<i>Integrated Retail: General Merchandise</i>) – Dieses Segment der <i>Gruppe</i> umfasst die Aktivitäten der <i>Pepkor-Gruppe</i>, eines führenden Einzelhandelsunternehmens, das eine breite Auswahl von Gütern des täglichen Bedarfs (ohne Lebensmittel) an seine preissensitiven und
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		<p>wertorientierten Kunden verkauft, darunter Bekleidung, Schuhe, Haushaltsartikel, persönliche Accessoires und Mobilfunkprodukte. In diesem Segment werden auch ausgewählte Finanzdienstleistungen (z. B. Abwicklung von Gas-, Wasser- und Stromzahlungen und Überweisungsdienstleistungen) für die Kunden erbracht.</p> <ul style="list-style-type: none"> • Integrierter Einzelhandel: Automobil (<i>Integrated Retail: Automotive</i>) – Dieses Segment der <i>Gruppe</i> umfasst die Automobileinzelhandelsunternehmen der <i>Gruppe</i> in Südafrika. <p>Die <i>Gruppe</i> ist in Gesellschaften investiert, die der <i>Gruppe</i> wesentliche Dienstleistungen und Wissen bieten, wodurch die <i>Gruppe</i> nach Ansicht der Geschäftsleitung besser in der Lage ist, ihre vielen Unternehmen unterschiedlichster Ausprägung zu führen. Folglich hält die <i>Gruppe</i>: (i) eine Minderheitsbeteiligung von 43,3 % an KAP Industrial, einem an der <i>JSE</i> notierten diversifizierten Industrieunternehmen, das innerhalb Südafrikas in den Bereichen Logistik, integrierte Aktivitäten der Holz- und der Bettwarenbranche sowie in anderen Industriebranchen eine führende Marktposition innehat, und (ii) eine Beteiligung von 27 % an der PSG-Gruppe, einer an der <i>JSE</i> notierten Investmentgesellschaft.</p> <p>Nach Ansicht der Geschäftsleitung weist die <i>Gruppe</i> die folgenden Stärken auf:</p> <ul style="list-style-type: none"> • mit einer führenden Position in wichtigen Märkten Europas, Australasiens und Afrikas ist die <i>Gruppe</i> – gemessen am Umsatz – Europas zweitgrößtes integriertes Einzelhandelsunternehmen für Haushaltsartikel; • die <i>Gruppe</i> tritt mit einem führenden Angebot an lokalen Handelsmarken auf die es der <i>Gruppe</i> ermöglichen eine schnellere Anpassung an sich wandelnde Verbraucherbedürfnisse sowie Aktivitäten im Rahmen einer Infrastruktur, die sich durch Mehrmarken- und Multiformatfähigkeit auszeichnet; • durch die herausragende Stellung der <i>Gruppe</i> im wachsenden Marktsegment der wertorientierten Kunden ergibt sich mehr Belastbarkeit über den Konjunkturzyklus hinweg; • aufgrund ihrer globalen, vertikal integrierten Lieferkettenplattform ist der <i>Gruppe</i> eine bessere Kostenkontrolle bezüglich ihrer Geschäftsaktivitäten möglich, wodurch bestimmte Preiskategorien für die Verbraucher sowie nachhaltige Margen für die <i>Gruppe</i> gesichert werden; • der <i>Gruppe</i> gehören viele ihrer strategischen Einzelhandels-, Lager- und Produktionsimmobilien; dies erleichtert ihr zusätzlich die Kostenkontrolle und sorgt längerfristig für mehr Nachhaltigkeit; • die <i>Gruppe</i> wird von einem äußerst erfahrenen Führungsteam geleitet, das große Erfolge bei der Konsolidierung fragmentierter Märkte durch Akquisitionen und organisches Wachstum nachweisen kann; • die <i>Gruppe</i> legt einen starken Schwerpunkt auf die Sicherung der Nachhaltigkeit des Geschäfts für alle Stakeholder; und
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		<ul style="list-style-type: none"> die <i>Gruppe</i> verfügt über ein historisch starkes Umsatzwachstums-, Margen- und Geldschöpfungspotenzial. 															
B.4a	Wichtige jüngste Trends	<p>Die Ertragslage und die Finanzlage der <i>Gruppe</i> werden von einer Reihe Faktoren beeinflusst. Die Geschäftsleitung ist der Ansicht, dass die folgenden Faktoren die Ertragslage und die Finanzlage der <i>Gruppe</i> voraussichtlich auch weiterhin beeinflussen werden:</p> <ul style="list-style-type: none"> die <i>Pepkor-Übernahme</i> und das Wachstum im Discount-Marktsegment sowie im Marktsegment der wertorientierten Kunden; die Kontrolle, Größe und Flexibilität der Lieferkette der <i>Gruppe</i>; die Rationalisierung der Lieferkette der <i>Gruppe</i>; die Ausweitung des Einzelhandelsgeschäfts durch die <i>Gruppe</i> und die Konsolidierung des europäischen Haushaltsartikelmarkts; Entwicklungen im E-Commerce- und Omni-Kanal-Bereich; Wechselkursschwankungen; und die Unternehmenstätigkeit. 															
B.5	Beschreibung der Gruppe und der Stellung der Gesellschaft innerhalb der Gruppe	<p>Bei Wirksamwerden des <i>Scheme of Arrangement</i> wird die <i>Emittentin</i> die neue Holdinggesellschaft der <i>Gruppe</i> und hält unmittelbar 100 % des gezeichneten Kapitals der <i>SIHL</i>; ab diesem Zeitpunkt erfolgt die Vollkonsolidierung des Ergebnisses der <i>SIHL-Gruppe</i> mit der <i>Emittentin</i>. Infolge des <i>Scheme of Arrangement</i> werden alle Aktionäre der <i>SIHL</i> zu Aktionären der <i>Emittentin</i>.</p> <p>Die Geschäfte der <i>Gruppe</i> werden weiterhin in erster Linie von den Tochtergesellschaften der <i>Emittentin</i> geführt; dabei bleibt es bei der Aufteilung in die drei Segmente: Integrierter Einzelhandel: Haushaltsartikel (<i>Integrated Retail: Household Goods</i>), Integrierter Einzelhandel: Allgemeine Haushaltswaren (<i>Integrated Retail: General Merchandise</i>) und Integrierter Einzelhandel: Automobil (<i>Integrated Retail: Automotive</i>).</p>															
B.6	Aktionäre der Gesellschaft	<p>Nach Kenntnis der <i>Gesellschaft</i> wurden zum <i>Letztmöglichen Praktikablen Datum</i> bzw. werden voraussichtlich nach dem Wirksamwerden des <i>Scheme of Arrangement</i> – außer den Beteiligungen bestimmter <i>Mitglieder des Stimmrechtspools</i> (wie nachfolgend definiert), die unmittelbar nach dem Wirksamwerden des <i>Scheme of Arrangement</i> circa 33 % des stimmberechtigten Kapitals der <i>Gesellschaft</i> halten bzw. kontrollieren – mindestens 3 % des Kapitals und der Stimmrechte der <i>Gesellschaft</i> unmittelbar oder mittelbar von den folgenden Personen gehalten:</p> <table> <tr> <th>Aktionär</th><th>Anzahl an Stammaktien</th><th>Prozentsatz</th></tr> <tr> <td>Christoffel Hendrik Wiese⁽¹⁾</td><td>667.859.150</td><td>17,30</td></tr> <tr> <td>Public Investment Corporation</td><td>346.525.731</td><td>8,98</td></tr> <tr> <td>Coronation Fund Managers</td><td>210.665.035</td><td>5,46</td></tr> <tr> <td>Bruno Ewald Steinhoff⁽²⁾</td><td>195.653.810</td><td>5,07</td></tr> </table> <p>Quelle: Angaben der <i>Gesellschaft</i></p>	Aktionär	Anzahl an Stammaktien	Prozentsatz	Christoffel Hendrik Wiese ⁽¹⁾	667.859.150	17,30	Public Investment Corporation	346.525.731	8,98	Coronation Fund Managers	210.665.035	5,46	Bruno Ewald Steinhoff ⁽²⁾	195.653.810	5,07
Aktionär	Anzahl an Stammaktien	Prozentsatz															
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Coronation Fund Managers	210.665.035	5,46															
Bruno Ewald Steinhoff ⁽²⁾	195.653.810	5,07															

		<p>Anmerkungen:</p> <p>(1) Über die Titan Premier Investments Pty Limited und die Thibault Square Financial Services Pty Limited.</p> <p>(2) Unmittelbar und mittelbar durch verschiedene Gesellschaften, einschließlich BS Beteiligungs- und Verwaltungs GmbH und BS Vermögensverwaltungsgesellschaft GmbH.</p> <p>Unmittelbar nach dem Wirksamwerden des <i>Scheme of Arrangement</i> wird circa 33 % des gesamten stimmberechtigten Kapitals der <i>Gesellschaft</i> gemeinsam von Christoffel Hendrik Wiese, Bruno Ewald Steinhoff, Angela Krüger-Steinhoff, verschiedenen Mitgliedern des Vorstands der <i>Gesellschaft</i> und bestimmten Mitgliedern der Unternehmensleitung der <i>Gruppe</i> und deren jeweiligen Associates (zusammen die „Mitglieder des Stimmrechtspools“) gehalten bzw. kontrolliert. Der <i>Gesellschaft</i> ist keine andere Person bzw. sind keine anderen Personen bekannt, die unmittelbar, mittelbar, gemeinsam oder einzeln beherrschenden Einfluss auf die <i>Gesellschaft</i> ausüben oder ausüben könnten.</p> <p>Den Großaktionären der <i>Gesellschaft</i> werden weder gegenwärtig noch künftig durch die von ihnen gehaltenen <i>Stammaktien</i> der <i>Gesellschaft</i> unterschiedliche Stimmrechte gewährt.</p>
B.7	Ausgewählte wesentliche historische Finanzinformationen	<p>Der <i>Prospekt</i> enthält ausgewählte Finanzinformationen zu (i) der <i>SIHL-Gruppe</i>, (ii) der <i>Pepkor-Gruppe</i> und (iii) <i>Genesis</i> in Bezug auf die jeweils angegebenen Berichtszeiträume.</p> <p>Die SIHL-Gruppe</p> <p>Die nachfolgend aufgeführten auf Rand lautenden ausgewählten historischen Finanzinformationen der <i>SIHL-Gruppe</i> zum 30. Juni 2015 und für das zu diesem Termin endende Geschäftsjahr („Geschäftsjahr 2015“), zum 30. Juni 2014 und für das zu diesem Termin endende Geschäftsjahr („Geschäftsjahr 2014“) und zum 30. Juni 2013 und für das zu diesem Termin endende Geschäftsjahr („Geschäftsjahr 2013“) wurden jeweils dem entsprechenden, durch Verweis in den <i>Prospekt</i> einbezogenen geprüften Konzernabschluss der <i>SIHL-Gruppe</i> (der „Konzernabschluss der SIHL“) entnommen oder daraus abgeleitet. Die auf Euro lautenden ausgewählten Finanzinformationen der <i>SIHL-Gruppe</i> zum 30. Juni 2015 und für das zu diesem Termin endende Geschäftsjahr wurden nicht gesondert geprüft.</p>
		<p>Die Pepkor-Gruppe</p> <p>Die nachfolgend aufgeführten auf Rand lautenden ausgewählten historischen Finanzinformationen der <i>Pepkor-Gruppe</i> zu dem und für das <i>Geschäftsjahr 2015</i>, zu dem und für das <i>Geschäftsjahr 2014</i> und zu dem und für das <i>Geschäftsjahr 2013</i> wurden jeweils dem entsprechenden, durch Verweis in den <i>Prospekt</i> einbezogenen geprüften konsolidierten Jahresabschluss der <i>Pepkor-Gruppe</i> (der „Konsolidierte Jahresabschluss der Pepkor-Gruppe“) entnommen oder daraus abgeleitet. Die auf Euro lautenden ausgewählten Finanzinformationen der <i>Pepkor-Gruppe</i> zu dem und für das <i>Geschäftsjahr 2015</i> wurden nicht gesondert geprüft</p> <p>Genesis Investment Holding GmbH</p> <p>Die nachfolgend aufgeführten ausgewählten historischen</p>

		Finanzinformationen von „Genesis“ zu dem und für das <i>Geschäftsjahr 2015</i> wurden dem durch Verweis in den <i>Prospekt</i> einbezogenen geprüften konsolidierten Jahresabschluss von <i>Genesis</i> (der „ <i>Konsolidierte Jahresabschluss von Genesis</i> “) entnommen oder daraus abgeleitet.																																																																																																														
	Die SIHL-Gruppe	<p>Konsolidierte Gewinn- und Verlustrechnung</p> <p>Die nachfolgende Tabelle enthält bestimmte Informationen, die jeweils der geprüften konsolidierten Gewinn- und Verlustrechnung der <i>SIHL-Gruppe</i> für die <i>Geschäftsjahre 2015, 2014</i> und <i>2013</i> entnommen wurden.</p> <table><tr><th></th><th colspan="4">Geschäftsjahr</th></tr><tr><th></th><th>2015⁽¹⁾</th><th>2015</th><th>2014</th><th>2013</th></tr><tr><th></th><th><i>(ungeprüft)</i> <i>(in Mio. €)</i></th><th></th><th><i>(geprüft)</i> <i>(in Mio. R)</i></th><th></th></tr><tr><td>Umsatz</td><td>9.818</td><td>134.868</td><td>117.364</td><td>97.938</td></tr><tr><td>Herstellungskosten</td><td>(6.300)</td><td>(86.541)</td><td>(75.446)</td><td>(63.542)</td></tr><tr><td>Betriebsergebnis</td><td>1.297</td><td>17.828</td><td>14.122</td><td>9.459</td></tr><tr><td>Gewinn vor Steuern</td><td>1.210</td><td>16.638</td><td>12.417</td><td>8.073</td></tr><tr><td>Besteuerung</td><td>(96)</td><td>(1.343)</td><td>(1.954)</td><td>(983)</td></tr><tr><td>Gewinn aus fortzuführenden Geschäftsbereichen</td><td>1.114</td><td>15.295</td><td>10.463</td><td>7.090</td></tr><tr><td>Jahresüberschuss</td><td>959</td><td>13.155</td><td>9.863</td><td>7.949</td></tr></table> <p>Anmerkung:</p> <p>(1) In Euro ausgewiesene Beträge wurden zu einem Wechselkurs von R 13,7347 je Euro, dem durchschnittlichen Wechselkurs für das <i>Geschäftsjahr 2015</i>, umgerechnet. Diese unverbindliche Umrechnung wurde nicht gesondert geprüft.</p> <p>Konsolidierte Bilanz</p> <p>Die nachfolgende Tabelle enthält bestimmte Informationen, die jeweils der geprüften konsolidierten Bilanz der <i>SIHL-Gruppe</i> zum 30. Juni 2015, 2014 und 2013 entnommen wurden.</p> <table><tr><th></th><th colspan="4">Zum 30. Juni</th></tr><tr><th></th><th>2015⁽¹⁾</th><th>2015</th><th>2014</th><th>2013</th></tr><tr><th></th><th><i>(ungeprüft)</i> <i>(in Mio. €)</i></th><th></th><th><i>(geprüft)</i> <i>(in Mio. R)</i></th><th></th></tr><tr><td>Aktiva</td><td></td><td></td><td></td><td></td></tr><tr><td>Summe langfristige Vermögenswerte</td><td>16.123</td><td>218.764</td><td>136.620</td><td>115.235</td></tr><tr><td>Summe kurzfristige Vermögenswerte</td><td>6.986</td><td>94.776</td><td>65.701</td><td>49.782</td></tr><tr><td>Summe der Aktiva</td><td>23.109</td><td>313.540</td><td>202.321</td><td>165.017</td></tr><tr><td>Passiva</td><td></td><td></td><td></td><td></td></tr><tr><td>Summe Eigenkapital</td><td>13.428</td><td>182.170</td><td>87.776</td><td>66.768</td></tr><tr><td>Summe langfristige Verbindlichkeiten</td><td>5.515</td><td>74.830</td><td>69.317</td><td>58.255</td></tr><tr><td>Summe kurzfristige Verbindlichkeiten</td><td>4.166</td><td>56.540</td><td>45.228</td><td>39.994</td></tr><tr><td>Summe der Passiva</td><td>23.109</td><td>313.540</td><td>202.321</td><td>165.017</td></tr></table>		Geschäftsjahr					2015⁽¹⁾	2015	2014	2013		<i>(ungeprüft)</i> <i>(in Mio. €)</i>		<i>(geprüft)</i> <i>(in Mio. R)</i>		Umsatz	9.818	134.868	117.364	97.938	Herstellungskosten	(6.300)	(86.541)	(75.446)	(63.542)	Betriebsergebnis	1.297	17.828	14.122	9.459	Gewinn vor Steuern	1.210	16.638	12.417	8.073	Besteuerung	(96)	(1.343)	(1.954)	(983)	Gewinn aus fortzuführenden Geschäftsbereichen	1.114	15.295	10.463	7.090	Jahresüberschuss	959	13.155	9.863	7.949		Zum 30. Juni					2015⁽¹⁾	2015	2014	2013		<i>(ungeprüft)</i> <i>(in Mio. €)</i>		<i>(geprüft)</i> <i>(in Mio. R)</i>		Aktiva					Summe langfristige Vermögenswerte	16.123	218.764	136.620	115.235	Summe kurzfristige Vermögenswerte	6.986	94.776	65.701	49.782	Summe der Aktiva	23.109	313.540	202.321	165.017	Passiva					Summe Eigenkapital	13.428	182.170	87.776	66.768	Summe langfristige Verbindlichkeiten	5.515	74.830	69.317	58.255	Summe kurzfristige Verbindlichkeiten	4.166	56.540	45.228	39.994	Summe der Passiva	23.109	313.540	202.321	165.017
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	<div>Der nachfolgenden Kurzdarstellung sind einige wesentliche Veränderungen der Finanzlage und der Ertragslage der <i>Gruppe</i> in den <i>Geschäftsjahren 2015, 2014</i> und <i>2013</i> zu entnehmen.</div> <div>Der Umsatz der <i>Gruppe</i> aus fortzuführenden Geschäftsbereichen belief sich in den <i>Geschäftsjahren 2015, 2014</i> und <i>2013</i> auf R 134.868 Mio. (€ 9.818 Mio.), R 117.364 Mio. bzw. R 97.938 Mio. Der Umsatz aus fortzuführenden Geschäftsbereichen für das <i>Geschäftsjahr 2015</i> erhöhte sich gegenüber dem <i>Geschäftsjahr 2014</i> um 14,9 %. Der Umsatz aus fortzuführenden Geschäftsbereichen für das <i>Geschäftsjahr 2014</i> erhöhte</div>																																																		

		<p>sich gegenüber dem <i>Geschäftsjahr 2013</i> um 19,8 %. Diese Veränderungen waren in erster Linie auf den höheren Umsatz im Segment Integrierter Einzelhandel: Haushaltsartikel (<i>Integrated Retail: Household Goods</i>) der <i>Gruppe</i> aufgrund verstärkter Verkaufsaktivitäten und zusätzlicher Verkäufe im Segment Integrierter Einzelhandel: Allgemeine Handelswaren (<i>Integrated Retail: General Merchandise</i>) nach der <i>Pepkor-Übernahme</i> zurückzuführen.</p> <p>Der Gewinn der <i>Gruppe</i> aus fortzuführenden Geschäftsbereichen belief sich in den <i>Geschäftsjahren 2015, 2014 und 2013</i> auf R 15.295 Mio. (€ 1.114 Mio.), R 10.463 Mio. bzw. R 7.090 Mio. Der Gewinn aus fortzuführenden Geschäftsbereichen für das <i>Geschäftsjahr 2015</i> erhöhte sich gegenüber dem <i>Geschäftsjahr 2014</i> um 46,2 % und auf Euro-Basis erhöhte sich der Gewinn aus fortzuführenden Geschäftsbereichen für das <i>Geschäftsjahr 2015</i> gegenüber dem <i>Geschäftsjahr 2014</i> um 50,1 %. Der Gewinn aus fortzuführenden Geschäftsbereichen für das <i>Geschäftsjahr 2014</i> erhöhte sich gegenüber dem <i>Geschäftsjahr 2013</i> um 47,6 % und auf Euro-Basis erhöhte sich der Gewinn aus fortzuführenden Geschäftsbereichen für das <i>Geschäftsjahr 2014</i> gegenüber dem <i>Geschäftsjahr 2013</i> um 19,7 %. Diese Erhöhungen waren in erster Linie auf Folgendes zurückzuführen: (i) ein erhöhtes Betriebsergebnis vor Kapitalposten aus fortzuführenden Geschäftsbereichen (<i>operating profit before capital items from continuing operations</i>) im Segment Integrierter Einzelhandel: Haushaltsartikel (<i>Integrated Retail: Household Goods</i>) der <i>Gruppe</i> infolge einer verbesserten Entwicklung der europäischen und australasiatischen integrierten Einzelhandelsaktivitäten im <i>Geschäftsjahr 2015</i> und (ii) ein erhöhtes Betriebsergebnis vor Kapitalposten aus fortzuführenden Geschäftsbereichen, mit dem Rückgänge des Betriebsergebnisses vor Kapitalposten aus fortzuführenden Geschäftsbereichen, die bei den Unternehmen der <i>Gruppe</i> in Afrika im <i>Geschäftsjahr 2014</i> zu verzeichnen waren, mehr als ausgeglichen wurden.</p> <p>Die <i>Gruppe</i> hat in allen Betrachtungszeiträumen einen Netto-Zufluss aus operativer Geschäftstätigkeit erzielt. Für die <i>Geschäftsjahre 2015, 2014 und 2013</i> belief sich der Netto-Zufluss aus operativer Geschäftstätigkeit auf R 20.286 Mio. (€ 1.475 Mio.), R 16.141 Mio. bzw. R 7.815 Mio.. Der Anstieg der Netto-Zuflüsse aus operativer Geschäftstätigkeit in den Betrachtungszeiträumen war jeweils in erster Linie auf Folgendes zurückzuführen: (i) einen Anstieg des Mittelzuflusses aus operativer Geschäftstätigkeit und eine Verringerung des Netto-Betriebsvermögens (bedingt durch einen Anstieg der Verbindlichkeiten aus Lieferungen und Leistungen und sonstigen Verbindlichkeiten) im <i>Geschäftsjahr 2015</i> und (ii) eine Erhöhung des Betriebsgewinns vor Kapitalposten aus fortzuführenden Geschäftsbereichen im <i>Geschäftsjahr 2014</i>.</p>
	Die Pepkor-Gruppe	<p><i>Konsolidierte Gewinn- und Verlustrechnung</i></p> <p>Die nachfolgende Tabelle enthält bestimmte Informationen, die jeweils der geprüften konsolidierten Gewinn- und Verlustrechnung der <i>Pepkor-Gruppe</i> für die <i>Geschäftsjahre 2015, 2014 und 2013</i> entnommen sind.</p>

Geschäftsjahr				
	2015 ⁽¹⁾	2015	2014	2013
	(ungeprüft (in Mio. €))	(geprüft (in Mio. R))		
Umsatz	3.281	45.066	38.194	32.880
Umsatzkosten	(1.991)	(27.345)	(22.750)	(20.149)
Betriebsgewinn	264	3.628	3.176	2.899
Gewinn vor Steuern	243	3.340	2.910	2.634
Besteuerung	(78)	(1.066)	(1.004)	(841)
Jahresüberschuss aus fortzuführenden Geschäftsbereichen .	166	2.274	1.906	1.793
Jahresüberschuss	166	2.274	2.132	1.828

Anmerkung:

(1) In Euro ausgewiesene Beträge wurden zu einem Wechselkurs von R 13,7347 je Euro, dem durchschnittlichen Wechselkurs für das *Geschäftsjahr 2015*, umgerechnet. Diese unverbindliche Umrechnung wurde nicht gesondert geprüft.

Konsolidierte Bilanz

Die nachfolgende Tabelle enthält bestimmte Informationen, die jeweils der konsolidierten Bilanz der *Pepkor-Gruppe* zum 30. Juni 2015, 2014 und 2013 entnommen sind.

Zum 30. Juni				
	2015 ⁽¹⁾	2015	2014	2013
	(ungeprüft (in Mio. €))	(geprüft (in Mio. R))		
Aktiva				
Summe langfristige Vermögenswerte	556	7.535	7.042	6.463
Summe kurzfristige Vermögenswerte	1.057	14.333	11.317	10.177
Summe der Aktiva	1.612	21.868	18.360	16.640
Passiva				
Eigenkapital	537	7.280	7.020	5.956
Summe langfristige Verbindlichkeiten	146	1.984	4.366	3.499
Summe kurzfristige Verbindlichkeiten	929	12.604	6.974	7.185
Summe der Passiva	1.612	21.868	18.360	16.640

Anmerkung:

(1) In Euro ausgewiesene Beträge wurden zu einem Wechselkurs von R 13,5628 je Euro, dem Schlusskurs des Wechselkurses am 30. Juni 2015, umgerechnet. Diese unverbindliche Umrechnung wurde nicht gesondert geprüft.

Konsolidierte Kapitalflussrechnung

Die nachfolgende Tabelle enthält bestimmte Informationen, die jeweils der geprüften konsolidierten Kapitalflussrechnung der *Pepkor-Gruppe* für die *Geschäftsjahre 2015, 2014 und 2013* entnommen sind.

			Geschäftsjahr			
			2015 ⁽¹⁾ (ungeprüft) (in Mio. €)	2015	2014 (geprüft) (in Mio. R)	2013
		Kapitalfluss aus operativer Geschäftstätigkeit ⁽²⁾	123	1.687	2.341	1.280
		Kapitalfluss aus Investitionstätigkeit.....	(124)	(1.706)	(1.236)	(1.894)
		Netto-Kapitalfluss	(1)	(19)	1.106	(614)
		Kapitalfluss aus Finanzierungstätigkeit.....	79	1.080	551	158
		Zahlungsmittel und Zahlungsmitteläquivalente				
		Netto-Bewegungen im Berichtszeitraum	77	1.062	1.657	(456)
		Zu Beginn des Berichtszeitraums....	124	1.801	144	600
		Auswirkungen von Wechselkursänderungen auf Zahlungsmittel	10	—	—	—
		Saldo am Ende des Berichtszeitraums	211	2.863	1.801	144
		Anmerkungen:				
		(1) In Euro ausgewiesene Beträge wurden zu einem Wechselkurs von R 13,7347 je Euro, dem durchschnittlichen Wechselkurs für das Geschäftsjahr 2015, umgerechnet. Diese unverbindliche Umrechnung wurde nicht gesondert geprüft.				
		(2) Nach einer Dividendenzahlung von R 2.000 Millionen (€145,6 Millionen) an SIHL in Bezug auf das Geschäftsjahr 2015.				
	Genesis	Konsolidierte Gewinn- und Verlustrechnung Die nachfolgende Tabelle enthält bestimmte Informationen, die der geprüften konsolidierten Gewinn- und Verlustrechnung von Genesis für das Geschäftsjahr 2015 entnommen sind.				
					Geschäfts- jahr 2015	
					(geprüft)	
					(in Mio. €)	
		Umsatz				943
		Umsatzkosten.....				(530)
		Betriebsgewinn				38
		Gewinn vor Steuern				24
		Besteuerung				13
		Jahresüberschuss aus fortzuführenden Geschäftsbereichen				37
		Jahresüberschuss				39

		<p>Konsolidierte Bilanz</p> <p>Die nachfolgende Tabelle enthält bestimmte Informationen, die der geprüften konsolidierten Bilanz von <i>Genesis</i> zum 30. Juni 2015 entnommen sind.</p> <p style="text-align: right;">Zum 30. Juni 2015</p> <p style="text-align: right;">(geprüft) (in Mio. €)</p> <p>Aktiva</p> <p>Summe langfristige Vermögenswerte 777</p> <p>Summe kurzfristige Vermögenswerte 375</p> <hr/> <p>Summe der Aktiva 1.152</p> <hr/> <p>Passiva</p> <p>Eigenkapital 201</p> <p>Summe langfristige Verbindlichkeiten 453</p> <p>Summe kurzfristige Verbindlichkeiten 498</p> <hr/> <p>Summe der Passiva 1.152</p> <hr/> <p>Konsolidierte Kapitalflussrechnung</p> <p>Die nachfolgende Tabelle enthält bestimmte Informationen, die der geprüften konsolidierten Kapitalflussrechnung von <i>Genesis</i> für das <i>Geschäftsjahr 2015</i> entnommen sind.</p> <p style="text-align: right;">Geschäfts- jahr 2015</p> <p style="text-align: right;">(geprüft) (in Mio. €)</p> <p>Netto-Abfluss aus operativer Geschäftstätigkeit (50)</p> <p>Netto-Zufluss aus Investitionstätigkeit 52</p> <hr/> <p>Netto-Abfluss aus Finanzierungstätigkeit (32)</p> <p>Gesamtkapitalfluss für das Jahr (30)</p> <p>Zahlungsmittel und Zahlungsmitteläquivalente zu Jahresbeginn 65</p> <p>Zahlungsmittel und Zahlungsmitteläquivalente zum Jahresende 35</p>
	Wesentliche Änderungen der Finanzlage und des Betriebsergebnisses der	<p>Zum Datum des <i>Prospekts</i> gab es keine wesentlichen Änderungen der Finanzlage und des Betriebsergebnisses der <i>Gruppe</i> (auch nicht derjenigen von <i>Genesis</i>) nach dem Berichtszeitraum, der von den im <i>Prospekt</i> enthaltenen historischen Abschlüssen abgedeckt ist; hiervon ausgenommen sind die folgenden Änderungen:</p>

	<i>Emittentin</i>	<ul style="list-style-type: none"> • am 11. August 2015 beschaffte die Steinhoff Finance, eine hundertprozentige Tochtergesellschaft der <i>SIHL</i>, die von der Jahreshauptversammlung am 2. Dezember 2014 konkret zur Ausgabe von Wandelschuldverschreibungen ermächtigt wurde, einen Betrag von € 1.116 Mio. durch die Platzierung von 1,25 % garantierten Wandelanleihen, die 2022 fällig werden und (zum Begebungstag) zu einem Wandlungspreis von <i>R</i> 103,47 (€ 7,44) je Aktie in circa 150 Mio. <i>SIHL</i>-Stammaktien umgewandelt werden können; • am 2. Oktober 2015 gab Brait die Veräußerung ihrer gesamten Beteiligung von 190 Mio. <i>SIHL</i>-Stammaktien bekannt. Die <i>SIHL</i> ermöglichte den Erwerb von 150 Mio. dieser Aktien, was zur Folge hat, dass sie wie eigene Aktien behandelt werden; • am 16. November 2015 wurde an <i>SIHL</i>-Aktionäre, die insgesamt 1.326 Mio. <i>SIHL</i>-Aktien hielten, eine Bardividende in Höhe von <i>R</i> 2.188 Mio. (<i>R</i> 1,65 pro Aktie bzw. € 0,106 pro Aktie)) ausgeschüttet. Dabei entschieden sich die Inhaber von insgesamt 2.485 Mio. <i>SIHL</i>-Aktien für die Alternative von Aufstockungsaktien (d. h. <i>SIHL</i>-Stammaktien) anstelle der Bardividende. Dementsprechend erfolgte am 16. November 2015 die Ausgabe von 49.268.790 <i>SIHL</i>-Stammaktien, die als voll eingezahlt gelten; und • die Wandlung in Höhe von € 142,8 Mio. der € 420 Mio. 6,375% Wandelanleihen mit einer Laufzeit von viereinhalb Jahren fällig im Mai 2017 und die Wandlung in Höhe von € 334,8 Mio. der € 467,5 Mio. 4,5% Wandelanleihen mit einer siebenjährigen Garantie fällig im März 2018. <p>Das <i>Scheme of Arrangement</i> wird voraussichtlich unmittelbar vor der Zulassung an der FWB wirksam; diese erfolgt voraussichtlich am 7. Dezember 2015 und führt zum Zusammenschluss der <i>SIHL-Gruppe</i> mit der <i>Emittentin</i>.</p>
B.8	Ausgewählte wesentliche Pro-Forma-Finanzinformationen	<p>Die nachfolgenden ungeprüften Pro-Forma-Finanzinformationen (die „Pro-Forma-Finanzinformationen“) umfassen Folgendes:</p> <ul style="list-style-type: none"> • eine als unverbindliche Umrechnung, auf Euro lautende konsolidierte Gewinn- und Verlustrechnung der <i>SIHL-Gruppe</i> für das <i>Geschäftsjahr 2015</i>, einschließlich Anpassungen, durch: (i) die <i>Pepkor-Übernahme</i> und (ii) die Berücksichtigung der Ergebnisse der nicht zuvor von der <i>SIHL-Gruppe</i> erworbenen Handelsunternehmen von <i>Genesis</i> jeweils so wiedergegeben wird, als wären diese Transaktionen jeweils am 1. Juli 2014 abgeschlossen gewesen; und • eine als unverbindliche Umrechnung, auf Euro lautende konsolidierte Bilanz der <i>SIHL-Gruppe</i> zum 30. Juni 2015, einschließlich Anpassungen, durch die Berücksichtigung der Vermögenswerte und Verbindlichkeiten der nicht zuvor von der <i>SIHL-Gruppe</i> erworbenen Handelsunternehmen von <i>Genesis</i> so wiedergegeben wird, als wäre das <i>Scheme of Arrangement</i> am 30. Juni 2015 abgeschlossen gewesen.

	<p>Die nachfolgenden <i>Pro-Forma-Finanzinformationen</i> dienen der Veranschaulichung der Auswirkungen des <i>Scheme of Arrangement</i> und der Akquisition der <i>Pepkor-Gruppe</i> und von <i>Genesis</i> auf das Betriebsergebnis der <i>Gruppe</i> für das <i>Geschäftsjahr 2015</i>.</p> <p>Die <i>Pro-Forma-Finanzinformationen</i> wurden ausschließlich zu illustrativen Zwecken erstellt; sie dienen der Information über die Auswirkungen des <i>Scheme of Arrangement</i> auf die Finanzlage und die Ertragslage der <i>Gruppe</i>, wobei im Hinblick auf die Gewinn- und Verlustrechnung als Eintrittsdatum des <i>Scheme of Arrangement</i> der 1. Juli 2014 und im Hinblick auf die Bilanz der 30. Juni 2015 angenommen wird. Aufgrund ihrer Wesensart beschreiben die <i>Pro-Forma-Finanzinformationen</i> lediglich eine hypothetische Situation; folglich spiegeln sie weder die tatsächliche Finanzlage/das tatsächliche Finanzergebnis der <i>Gruppe</i> zu einem Zeitpunkt in der Vergangenheit wider, noch stellen sie eine Prognose für die künftige Finanzlage/das künftige Finanzergebnis der <i>Gruppe</i> dar. Die <i>Pro-Forma-Finanzinformationen</i> sollten in Verbindung mit dem <i>Konzernabschluss der SIHL</i>, dem <i>Konzernabschluss der Pepkor-Gruppe</i> und dem <i>Konzernabschluss von Genesis</i> gelesen werden.</p> <p>Die Aufstellung der <i>Pro-Forma-Finanzinformationen</i> erfolgt in Übereinstimmung mit den Börsenzulassungsanforderungen der <i>JSE</i>, dem vom SAICA herausgegebenen Leitfaden zu <i>Pro-Forma-Finanzinformationen Guide on Pro Forma Financial Information</i>, ISAE 3420 und den Ansatz- und Bewertungsvorschriften der IFRS. Die bei der Quantifizierung der <i>Pro-Forma-Anpassungen</i> angewandten Rechnungslegungsmethoden stimmen mit den Rechnungslegungsmethoden der <i>Gruppe</i> zum 30. Juni 2015 überein. Der Bericht der Prüfers (<i>Accountant's Report</i>) zur Durchsicht der <i>Pro-Forma-Finanzinformationen</i> ist in Abschnitt B unten enthalten. Die Verantwortung für die <i>Pro-Forma-Finanzinformationen</i> liegt beim <i>Vorstand</i>.</p>																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																													
	<p>Ungeprüfte Pro-Forma-Gewinn- und Verlustrechnung für das <i>Geschäftsjahr 2015</i>⁽¹⁾</p> <table><tr><th></th><th><i>SIHL-Gruppe</i> ungeprüft <i>Geschäftsjahr 2015</i>⁽²⁾</th><th><i>Pepkor-Gruppe</i> ungeprüft, für den am 31. März 2015 endenden 9- Monats- zeitraum ⁽³⁾</th><th>Pro-Forma Anpassungen Pepkor- Übernahme ⁽⁴⁾</th><th><i>Genesis</i> geprüft <i>Geschäftsjahr 2015</i>⁽⁵⁾</th><th>Pro-Forma Transaktions- anpassungen <i>Genesis</i>⁽⁶⁾</th><th>Pro-Forma- Informationen nach 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ungeprüft <i>Geschäftsjahr 2015</i> ⁽²⁾	<i>Pepkor-Gruppe</i> ungeprüft, für den am 31. März 2015 endenden 9- Monats- zeitraum ⁽³⁾	Pro-Forma Anpassungen Pepkor- Übernahme ⁽⁴⁾	<i>Genesis</i> geprüft <i>Geschäftsjahr 2015</i> ⁽⁵⁾	Pro-Forma Transaktions- anpassungen <i>Genesis</i> ⁽⁶⁾	Pro-Forma- Informationen nach Anpassungen																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																						</
	<i>SIHL-Gruppe</i> ungeprüft <i>Geschäftsjahr 2015</i> ⁽²⁾	<i>Pepkor-Gruppe</i> ungeprüft, für den am 31. März 2015 endenden 9- Monats- zeitraum ⁽³⁾	Pro-Forma Anpassungen Pepkor- Übernahme ⁽⁴⁾	<i>Genesis</i> geprüft <i>Geschäftsjahr 2015</i> ⁽⁵⁾	Pro-Forma Transaktions- anpassungen <i>Genesis</i> ⁽⁶⁾	Pro-Forma- Informationen nach Anpassungen																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																								
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	Jahresüberschuss.....	959	107	(37)	39	(4)	1.064
	Ungeprüfte Pro-Forma-Bilanz zum 30. Juni 2015⁽¹⁾						
		SIHL-Gruppe ungeprüft Geschäftsjahr 2015⁽²⁾	Genesis geprüft Geschäftsjahr 2015⁽⁵⁾	Pro-Forma Transaktionsanpassungen Genesis⁽⁶⁾	Pro-Forma- Informationen nach Anpassungen		
							(in Mio. €)
	Aktiva						
	Summe langfristige Vermögenswerte.	16.123	777	—	16.900		
	Summe kurzfristige Vermögenswerte	6.986	375	(4)	7.357		
	Summe der Aktiva	23.109	1.152	(4)	24.257		
	Passiva						
	Eigenkapital.....	13.428	201	(205)	13.424		
	Summe langfristige Verbindlichkeiten	5.515	453	201	6.169		
	Summe kurzfristige Verbindlichkeiten	4.166	498	—	4.664		
	Summe der Passiva	23.109	1.152	(4)	24.257		
	<p>Anmerkungen:</p> <p>(1) Abgesehen von den oben aufgeführten Anpassungen gibt es keine anderen Ereignisse (die mehr als 25% des relevanten Einzelpostens ausmachen) nach dem Abschlussstichtag, die eine Anpassung der Pro-Forma-Finanzinformationen erforderlich machen. Für die Pro-Forma-Bilanz wurde als Eintrittsdatum der <i>Genesis</i>-Transaktion der 30. Juni 2015 angenommen. In dem geprüften Jahresabschluss der <i>Gesellschaft</i> für den am 30. Juni 2015 endenden Berichtszeitraum sind Beträge ausgewiesen, die alle unter € 500.000 liegen. Da es sich bei den ausgewiesenen Beträgen um Pro-Forma-Angaben in Mio. Euro handelt, sind die <i>Gesellschaft</i> betreffende Beträge in den Pro-Forma-Informationen nach Anpassung berücksichtigt und nicht in einer gesonderten Spalte ausgewiesen.</p> <p>(2) Die Spalte mit der Überschrift „<i>SIHL-Gruppe</i> ungeprüft, <i>Geschäftsjahr 2015</i>“ wurde auf der Grundlage des geprüften <i>SIHL Konzernabschlusses</i> für das <i>Geschäftsjahr 2015</i> erstellt. Im Hinblick auf die Berücksichtigung in diesem Pro-Forma-Ergebnis wurde der <i>SIHL Konzernabschluss</i> in Euro umgerechnet; dabei wurde für die Gewinn- und Verlustrechnung der durchschnittliche Rand-Euro-Wechselkurs von 13,7347 und für die Bilanz der Schlusskurs des Rand-Euro-Wechselkurses von 13,5628 zugrunde gelegt. Diese unverbindliche Umrechnung wurde nicht gesondert geprüft.</p> <p>(3) Die Spalte mit der Überschrift „<i>Pepkor-Gruppe</i> ungeprüft, für den am 31. März 2015 endenden 9-Monatszeitraum“ wurde durch Abzug des Quartalergebnis der <i>Pepkor-Gruppe</i>, wie in dem <i>SIHL Konzernabschluss</i> enthalten, von dem 12 Monatsergebnis gemäß dem geprüften <i>Konzernabschluss der Pepkor-Gruppe</i> für das <i>Geschäftsjahr 2015</i> errechnet um zu dem ungeprüften Ergebnis der <i>Pepkor-Gruppe</i> im Neun-Monatszeitraum zu gelangen. Im Neun-Monatsergebnis der <i>Pepkor-Gruppe</i> ist eine einmalige Transaktionsgebühr in Höhe von € 8 Mio. berücksichtigt. Im Hinblick auf die Berücksichtigung in das Pro-Forma-Ergebnis wurde der Abschluss in Euro umgerechnet; dabei wurde für die Gewinn- und Verlustrechnung der durchschnittliche Rand-Euro-Wechselkurs von 13,7347 zugrunde gelegt. Diese unverbindliche Umrechnung wurde nicht gesondert geprüft.</p>						

		<p>(4) Die Spalte mit der Überschrift „Pro-Forma-Anpassungen <i>Pepkor-Übernahme</i>“ bezieht sich auf die folgenden Anpassungen: (i) auf aufgenommene Finanzmittel in Höhe von € 980 Mio. (R 13,3 Mrd.) wurden für neun Monate Zinsen zu einem Zinssatz nach Steuern von 5,9 % berechnet. Auf den mittels der Vorzugsaktien mit unbegrenzter Laufzeit beschafften Betrag von € 146 Mio. (R 2 Mrd.) wurde für neun Monate eine Vorzugsdividende zu 72 % der Prime Rate gemäß dem <i>SA Companies Act</i> berechnet; (ii) Minderheitsaktionären zurechenbare Beteiligungen in Höhe von € 1 Mio. in der Gesamtergebnisrechnung wurden Eigentümern des Mutterunternehmens neu zugeordnet; und (iii) die Auswirkungen der Anpassungen bei der Bemessung des beizulegenden Zeitwerts gemäß IFRS 3 durch <i>Pepkor</i> und die Auflösung von Rückstellungen für den zusätzlichen Neun-Monatszeitraum wurden in der Gesamtergebnisrechnung berücksichtigt. Infolge dieser Anpassungen erhöhten sich die Ergebnisanteile der Eigentümer des Mutterunternehmens um € 6 Mio.</p> <p>(5) Die Spalte mit der Überschrift „<i>Genesis</i> geprüft, <i>Geschäftsjahr 2015</i>“ wurde auf der Grundlage des <i>Konzernabschlusses von Genesis</i> für das <i>Geschäftsjahr 2015</i> erstellt.</p> <p>(6) Die Spalte mit der Überschrift „Pro-Forma-Transaktionsanpassungen <i>Genesis</i>“ bezieht sich auf die Anforderungen gemäß IFRS 3 und die bestmögliche Schätzung der Geschäftsleitung nach derzeitigem Stand: (i) die <i>Gesellschaft</i> gab ein Angebot zum Tausch sämtlicher von <i>SIHL</i>-Aktionären gehaltener <i>SIHL</i>-Aktien gegen Stammaktien der <i>Gesellschaft</i> ab; (ii) dem Erwerb von <i>Genesis</i> wurde gemäß IFRS 3 unter Anwendung der Grundsätze des umgekehrten Unternehmenserwerbs Rechnung getragen. Nach der bestmöglichen Schätzung der Geschäftsleitung sind bei der Bilanz von <i>Genesis</i> keine Anpassungen bei der Bemessung des beizulegenden Zeitwerts gemäß IFRS 3 erforderlich. Für die endgültige Allokation ist die Durchführung einer detaillierten Identifizierung und Bewertung erforderlich, die im Rahmen des Erwerbsprozesses abzuschließen ist; (iii) standardmäßige Konsolidierungsbuchungen gemäß IFRS, zu denen u. a. die Eliminierung des ‚zum Erwerbszeitpunkt‘ bestehenden Aktienkapitals und der ‚zum Erwerbszeitpunkt‘ thesaurierten Rücklagen von der <i>Gruppe</i> zählt; (iv) einmalige Transaktionskosten in Höhe von € 4 Mio. wurden aufwandswirksam erfasst; (v) die Rücklagen der <i>Gruppe</i> umfassen ein Rücklagenkonto für den umgekehrten Unternehmenserwerb (<i>reverse acquisition reserve account</i>). Der Saldo dieses Kontos wird zum Zeitpunkt der Börsennotierung bestimmt. Er wird berechnet, indem von der Marktkapitalisierung der <i>Gruppe</i> im Zeitpunkt der Börsennotierung der zu diesem Zeitpunkt ausgewiesene Eigenkapitalsaldo der <i>Gruppe</i> abgezogen wird. Zum 30. Juni 2015 ergibt sich bei der Berechnung der Rücklage für den umgekehrten Unternehmenserwerb unter Zugrundelegung des Preises der <i>SIHL</i>-Aktie von € 5,68 (R 76,99) zu diesem Zeitpunkt ein Sollsaldo von € 12,3 Mrd. Da sich das ausgewiesene Grundkapital der Gruppe zu diesem Zeitpunkt um denselben Betrag erhöht, hat dies keine Auswirkungen auf die Summe des Eigenkapitals; und (vi) mit Ausnahme der Transaktionskosten sind sämtliche Anpassungen dauerhafter Art.</p>
B.9	Gewinn-prognosen/-schätzungen	Entfällt. Es liegen keine Gewinnprognosen oder -schätzungen vor.
B.10	Beschränkungen im Bestätigungsvermerk	Entfällt. Es gibt keine Beschränkungen in dem Bestätigungsvermerk der durch Verweis in den Prospekt einbezogen ist..
B.11	Erläuterung bei Nichtausreichen des Geschäftskapitals	Entfällt. Die <i>Gesellschaft</i> ist der Ansicht, dass das der <i>Gruppe</i> zur Verfügung stehende Geschäftskapital zur Erfüllung bestehender Anforderungen ausreicht; dies gilt für mindestens 12 Monate nach dem Datum des <i>Prospekts</i> .

Abschnitt C – Wertpapiere		
C.1	Beschreibung von Art und Gattung der zum Handel zuzulassenden Wertpapiere, einschließlich Wertpapierkennung	Die <i>Stammaktien</i> haben einen Nennwert von je € 0,50 am Kapital der <i>Gesellschaft</i> .
		International Securities Identification Number (ISIN): NL0011375019
		Wertpapierkennnummer (WKN): SNH
		Common Code: Entfällt.
		Ticker-Symbol: SNH
C.2	Währung der <i>Stammaktien</i>	Die <i>Stammaktien</i> lauten auf Euro und werden an der <i>FWB</i> in Euro gehandelt.
C.3	Zahl der ausgegebenen und voll eingezahlten Aktien und der ausgegebenen, aber nicht voll eingezahlten Aktien. Nennwert pro Aktie bzw. Angabe, dass die Aktien keinen Nennwert haben	<p>Vor dem Wirksamwerden des <i>Scheme of Arrangement</i> besteht das ausgegebene und im Umlauf befindliche Grundkapital der <i>Gesellschaft</i> aus 90.000 Aktien mit einem Nennwert von je € 0,50 (die „<i>Gründungsaktien</i>“). Alle <i>Gründungsaktien</i> sind voll eingezahlt.</p> <p>Vor dem Wirksamwerden des <i>Scheme of Arrangement</i> wird die Satzung der <i>Gesellschaft</i> durch Unterzeichnung einer notariellen Änderungsurkunde um die vorgeschlagene <i>Governance</i> Struktur der <i>Gesellschaft</i>, wie in dem <i>Prospekt</i> beschrieben, umzusetzen (die „<i>Erste Änderungsurkunde</i>“) geändert. Im Anschluss an die Unterzeichnung der <i>Ersten Änderungsurkunde</i> aber vor dem Wirksamwerden des <i>Scheme of Arrangement</i>, wird die Satzung der <i>Gesellschaft</i> durch Unterzeichnung einer Änderungsurkunde um das genehmigte Kapital der <i>Gesellschaft</i> zu erhöhen um hierdurch die Umsetzung des <i>Scheme of Arrangement</i> zu ermöglichen (die „<i>Zweite Änderungsurkunde</i>“). Zum gleichen Zeitpunkt wie die Unterzeichnung der <i>Zweiten Änderungsurkunde</i> gibt die <i>Gesellschaft</i> je eine <i>Stammaktie</i> für jede von den <i>SIHL</i>-Aktionären gehaltene <i>SIHL</i>-<i>Stammaktie</i> aus. Nach Wirksamwerden des <i>Scheme of Arrangement</i> bzw. sobald dies danach vernünftigerweise möglich ist zieht die <i>Gesellschaft</i> die <i>Gründungsaktien</i> ein und zahlt den Nennwert der <i>Gründungsaktien</i>. Alle im Rahmen des <i>Scheme of Arrangement</i> ausgegebenen <i>Stammaktien</i> sind nach dem Wirksamwerden des <i>Scheme of Arrangement</i> voll eingezahlt.</p> <p>Durch die <i>Erste Änderungsurkunde</i> werden nicht kumulative Vorzugsaktien mit einem Nennwert von je € 0,01 („<i>Vorzugsaktien</i>“; zusammen mit den <i>Stammaktien</i>: „<i>Aktien</i>“) als Aktiengattungen, in die das Kapital der <i>Gesellschaft</i> eingeteilt ist, eingeführt. Nach dem Wirksamwerden des <i>Scheme of Arrangement</i> werden keine <i>Vorzugsaktien</i> ausgegeben.</p>
C.4	Beschreibung der mit den <i>Stammaktien</i> verbundenen Rechte	<p>Im Folgenden beziehen sich Verweise auf die „<i>Satzung</i>“ auf die Satzung der <i>Gesellschaft</i> in der Fassung nach Unterzeichnung der <i>Zweiten Änderungsurkunde</i>.</p> <p>Die <i>Stammaktien</i> sind dividendenberechtigt. Jede <i>Stammaktie</i> berechtigt zu einer Stimme bzw., sofern <i>Vorzugsaktien</i> ausgegeben wurden, zu 50 Stimmen, bei der Hauptversammlung der <i>Gesellschaft</i> (die</p>

		<p>„<i>Hauptversammlung</i>“). Die mit den <i>Stammaktien</i> verbundenen Stimmrechte unterliegen keinen Beschränkungen.</p> <p>Bei der Ausgabe von <i>Stammaktien</i> oder der Gewährung von Rechten auf Zeichnung von <i>Stammaktien</i> steht jedem Inhaber von <i>Stammaktien</i> (jeweils ein „<i>Stammaktieninhaber</i>“) ein Bezugsrecht im Verhältnis zum Gesamtnennwert seiner bzw. ihrer <i>Stammaktien</i> zu. Inhaber von <i>Aktien</i> („<i>Aktionäre</i>“) haben kein Bezugsrecht bei (i) gegen Sacheinlagen ausgegebenen <i>Aktien</i>, (ii) an Mitarbeiter der <i>Gesellschaft</i> oder andere Mitglieder der <i>Gruppe</i> ausgegebenen <i>Aktien</i>, (iii) an Personen, die ein ihnen zuvor gewährtes Recht auf Zeichnung von <i>Aktien</i> ausüben, ausgegebenen <i>Aktien</i> oder (iv) Emissionen von <i>Aktien</i> einer anderen Gattung.</p> <p>Bezugsrechte können durch Beschlussfassung der <i>Hauptversammlung</i> beschränkt oder ausgeschlossen werden; die Beschlussfassung kann nur auf einen vom Aufsichtsrat der <i>Gesellschaft</i> (der „<i>Aufsichtsrat</i>“) genehmigten Vorschlag des Vorstands der <i>Gesellschaft</i> (der „<i>Vorstand</i>“) hin erfolgen. Der <i>Vorstand</i> ist ermächtigt, Beschränkungen oder den Ausschluss des Bezugsrechts zu beschließen, wenn und soweit er von der <i>Hauptversammlung</i> zu einer entsprechenden Beschlussfassung ermächtigt wurde. Die Ermächtigung muss vom <i>Vorstand</i> vorgeschlagen und der entsprechende Vorschlag vom <i>Aufsichtsrat</i> genehmigt werden; sie ist nur für einen bestimmten Zeitraum gültig und kann jeweils von der <i>Hauptversammlung</i> um einen weiteren Zeitraum verlängert werden, wobei sich der Zeitraum in keinem Fall über mehr als fünf Jahre erstrecken kann. Sofern gemäß der Ermächtigung nichts anderes vorgesehen ist, kann die Ermächtigung nicht widerrufen werden.</p> <p>Mit Wirkung ab Unterzeichnung der <i>Zweiten Änderungsurkunde</i> soll der <i>Vorstand</i> zu dem zur Ausgabe von <i>Stammaktien</i>, zur Gewährung von Rechten auf Zeichnung von <i>Stammaktien</i> und/oder zu der Beschränkung oder dem Ausschluss gesetzlicher Bezugsrechte bei der Ausgabe von <i>Stammaktien</i> bzw. bei der Gewährung von Rechten auf Zeichnung von <i>Stammaktien</i> ermächtigten Organ bestimmt werden. Für diese Ermächtigung des <i>Vorstands</i> wird dabei eine Obergrenze von (i) bis zu 10 % des gesamten nominellen Grundkapitals der <i>Gesellschaft</i> zu dem Zeitpunkt unmittelbar nach dem Wirksamwerden des <i>Scheme of Arrangement</i> gelten; von dieser Ermächtigung kann für alle Zwecke (einschließlich der Gewährung von Aktienoptionen, der Finanzierung von Fusionen und Übernahmen und der Ausgabe neuer Wandelanleihen) Gebrauch gemacht werden; hinzu kommt eine Obergrenze von (ii) bis zu weiteren 10 % des gesamten nominellen Grundkapitals der <i>Gesellschaft</i> zu dem Zeitpunkt unmittelbar nach dem Wirksamwerden des <i>Scheme of Arrangement</i>; von dieser zusätzlichen Ermächtigung kann nur im Zusammenhang mit bzw. anlässlich von Fusionen und Übernahmen sowie strategischen Allianzen Gebrauch gemacht werden.</p> <p>Neben den vorstehenden Ermächtigungen und unabhängig von diesen soll der <i>Vorstand</i> mit Wirkung ab Unterzeichnung der <i>Zweiten Änderungsurkunde</i> zu dem zur Gewährung von Rechten auf Zeichnung</p>
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		<p>von <i>Stammaktien</i> und/oder <i>Vorzugsaktien</i> und zu der Beschränkung oder dem Ausschluss gesetzlicher Bezugsrechte bei der Gewährung solcher Rechte ermächtigten Organ bestimmt werden. Für diese Ermächtigung des <i>Vorstands</i> gilt dabei eine Obergrenze von bis zu 10 % des gesamten nominellen Grundkapitals der <i>Gesellschaft</i> zu dem Zeitpunkt unmittelbar nach dem Wirksamwerden des <i>Scheme of Arrangement</i> und von ihr kann ausschließlich für die Ausgabe neuer Wandelanleihen Gebrauch gemacht werden.</p> <p>Darüber hinaus soll die <i>Hauptversammlung</i> mit Wirkung ab Unterzeichnung der <i>Zweiten Änderungsurkunde</i> den <i>Vorstand</i> zu dem zur Ausgabe von <i>Vorzugsaktien</i>, zur Gewährung von Rechten auf Zeichnung von <i>Vorzugsaktien</i> und/oder zu der Beschränkung oder dem Ausschluss gesetzlicher Bezugsrechte bei der Ausgabe von <i>Vorzugsaktien</i> oder bei der Gewährung von Rechten auf Zeichnung von <i>Vorzugsaktien</i> ermächtigten Organ bestimmen. Für diese Ermächtigung des <i>Vorstands</i> gilt dabei eine Obergrenze von 10 % der Gesamtzahl an <i>Vorzugsaktien</i> des genehmigten Kapitals der <i>Gesellschaft</i> nach dem Wirksamwerden des <i>Scheme of Arrangement</i>; diese beläuft sich auf zwei Mrd. <i>Vorzugsaktien</i>. Von dieser Ermächtigung kann für alle Zwecke (einschließlich der Gewährung von Aktienoptionen, der Finanzierung von Fusionen und Übernahmen und der Ausgabe neuer Wandelanleihen) Gebrauch gemacht werden.</p> <p>Alle vorstehenden Ermächtigungen sind für einen Zeitraum von fünf Jahren ab dem Datum der Unterzeichnung der <i>Zweiten Änderungsurkunde</i> gültig. Wird in einem bestimmten Jahr von diesen Ermächtigungen Gebrauch gemacht, so wird der <i>Vorstand</i> voraussichtlich der <i>Hauptversammlung</i> vorschlagen, dass dem <i>Vorstand</i> zusätzliche Ermächtigungen erteilt werden, damit zum Zeitpunkt der jährlichen <i>Hauptversammlung</i>, bei der über den Vorschlag abgestimmt wird, bezüglich der Ermächtigung zur Ausgabe von Aktien bzw. Gewährung von Rechten jeweils wieder die Grenze von (bis zu) 10 % für die einzelnen oben beschriebenen Zwecke gilt.</p> <p>Außerdem hat die <i>Hauptversammlung</i> beschlossen: (i) eine Anzahl von Bezugsrechten auf <i>Stammaktien</i> zu gewähren, welche zum Zwecke benötigt werden, die Rechte auf den Erwerb von <i>SIHL</i>-Aktien unter bestehenden Wandelschuldverschreibungen die ein solches Erwerbsrecht vorsehen zu ersetzen und (ii) alle diesbezüglichen gesetzlichen Bezugsrechte auszuschließen. Die <i>Hauptversammlung</i> soll ferner (i) die Ausgabe der für das <i>Scheme of Arrangement</i> erforderlichen Anzahl von <i>Stammaktien</i>, (ii) die Gewährung der erforderlichen Anzahl von Rechten auf Zeichnung von <i>Stammaktien</i>, damit die Rechte auf den Erwerb von <i>SIHL</i>-Aktien im Rahmen bestehender <i>SIHL</i>-Aktienoptionen durch Rechte auf den Erwerb von <i>Stammaktien</i> ersetzt werden, und (iii) den Ausschluss aller diesbezüglichen gesetzlichen Bezugsrechte beschließen.</p> <p>Infolgedessen bleiben die in den vorstehenden Absätzen beschriebenen Ermächtigungen weiterhin verfügbar.</p>
C.5	Beschreibung aller etwaigen	Entfällt. Es bestehen keine Beschränkungen hinsichtlich der Übertragbarkeit der <i>Stammaktien</i> gemäß der <i>Satzung</i> .

	Beschränkungen für die freie Übertragbarkeit der Stammaktien	Es ist jedoch möglich, dass Personen mit Standort oder Wohnsitz in einem anderen Land als Deutschland/den Niederlanden, mit einer anderen Staatsangehörigkeit als der deutschen/niederländischen, mit einer in einem anderen Land als Deutschland/den Niederlanden eingetragenen Adresse, sowie die Übertragung von <i>Stammaktien</i> in andere Rechtsordnungen als Deutschland/die Niederlande bestimmten Vorschriften oder Beschränkungen unterliegen.
C.6	Börsennotierung und Zulassung zum Handel der Stammaktien	Es werden keine Wertpapiere gemäß dem <i>Prospekt</i> angeboten. Die <i>Gesellschaft</i> wird die Zulassung zur Börsennotierung der <i>Stammaktien</i> und deren Zulassung zum Handel im regulierten Markt der <i>FWB</i> mit gleichzeitiger Zulassung zum Teilbereich des regulierten Marktes mit weiteren Zulassungsfolgepflichten (Prime Standard) der <i>FWB</i> beantragen; diese Zulassung wird voraussichtlich am oder um den 7. Dezember 2015 wirksam. Die <i>Gesellschaft</i> hat darüber hinaus die Zulassung der <i>Stammaktien</i> zum Handel (auf der Grundlage aufgeschobener Abwicklung) im Hauptsegment der <i>JSE</i> beantragt; diese Zulassung wird voraussichtlich am oder um den 30. November 2015 wirksam.
C.7	Beschreibung der Dividendenpolitik	<p>Die <i>SIHL</i> kündigte die Ausschüttung einer Dividende von R 1,65 je Aktie (€ 0,106 je Aktie zu einem Umrechnungskurs von R 15,5660 je Euro) an, die im November 2015 an Stammaktieninhaber erfolgte. Im Hinblick auf Ausschüttungen im <i>Geschäftsjahr 2015</i> waren die Stammaktieninhaber der <i>SIHL</i> berechtigt, die Alternative von Aufstockungsaktien (d. h. <i>SIHL</i>-Stammaktien) zu wählen. Trafen sie keine Wahl, erfolgte die Ausschüttung einer Bardividende. Ein Rundschreiben mit den Einzelheiten zu dieser Alternative von Aufstockungsaktien wurde am 23. Oktober 2015 veröffentlicht. Bei dieser Dividende ergibt sich eine pro Aktie ausgeschüttete Dividende/Ausschüttungsquote von 34,4 % als Teil des unverwässerten Ergebnisses je Aktie der <i>SIHL</i> aus fortzuführenden und aufgegebenen Geschäftsbereichen im <i>Geschäftsjahr 2015</i>.</p> <p>Eine Dividende für das am in 2016 endende Geschäftsjahr wird ggf. bei der jährlichen <i>Hauptversammlung 2016</i> beschlossen.</p> <p>Für künftige Jahre strebt die <i>Gesellschaft</i> eine auszuschüttende Zieldividende pro Aktie/Ausschüttungsquote für die <i>Stammaktien</i> an, die, unter Berücksichtigung der Zusammensetzung der Investitionen und Geschäftsaktivitäten der <i>Gruppe</i> – unter der Voraussetzung, dass sich das Geschäft der <i>Gruppe</i> weiterhin stabil entwickelt – derjenigen von börsennotierten internationalen Einzelhandelsunternehmen entspricht.</p> <p>Die Inhaber im Umlauf befindlicher <i>Vorzugsaktien</i> haben einen Anspruch auf nicht kumulative Dividenden, die mindestens 1 % und höchstens 10 % höher aus die auf <i>Stammaktien</i> ausgeschütteten Dividenden sind; dabei gilt die Maßgabe, dass Dividenden auf die <i>Stammaktien</i> beschlossen werden und dass somit nicht alle Gewinne in die Rücklagen der <i>Gesellschaft</i> eingestellt werden.</p> <p>Die Absichten der <i>Gesellschaft</i> in Bezug auf Dividenden unterliegen zahlreichen Annahmen, Risiken und Unwägbarkeiten; ein großer Teil davon kann außerhalb des Einflussbereichs der <i>Gesellschaft</i> liegen.</p>

Abschnitt D – Risiken		
D.1	Zentrale Angaben zu den zentralen Risiken, die der Emittentin oder ihrer Branche eigen sind	<ul style="list-style-type: none"> • Die Fähigkeit der <i>Gruppe</i> zur Steigerung des Absatzes, Aufrechterhaltung oder Erhöhung der Preise und/oder Deckung der Fixkosten kann durch instabile wirtschaftliche Bedingungen beeinträchtigt werden. • Gelingt der <i>Gruppe</i> die erfolgreiche Integration der übernommenen Unternehmen nicht, könnte dies nachteilige Auswirkungen auf das Geschäfts- und Finanzergebnis der <i>Gruppe</i> haben. • Die <i>Gruppe</i> ist möglicherweise nicht in der Lage, die fortgesetzte Ausweitung ihres Geschäfts effektiv zu steuern. • Die <i>Gruppe</i> ist möglicherweise nicht in der Lage, im Hinblick auf die Ausweitung ihres Geschäfts Chancen zu identifizieren oder Transaktionen abzuschließen. • Die <i>Gruppe</i> ist in äußerst wettbewerbsorientierten Märkten tätig. • Die <i>Gruppe</i> ist saisonalen und anderen Schwankungen der Verbrauchernachfrage sowie dem Risiko der Produktüberalterung ausgesetzt. • Die <i>Gruppe</i> ist potenziellen Risiken im Zusammenhang mit der Geltendmachung von Produkthaftpflichtansprüchen gegen sie und der Schädigung ihres Rufes ausgesetzt. • Die <i>Gruppe</i> ist möglicherweise nicht ausreichend versichert. • Die <i>Gruppe</i> ist darauf angewiesen, dass ihre oberste Führungsebene und sonstige Mitglieder ihres <i>Vorstands</i> und <i>Aufsichtsrats</i> über die entsprechenden Fähigkeiten und Erfahrungen verfügen. • Die <i>Gruppe</i> ist IT-Risiken ausgesetzt. • Die <i>Gruppe</i> ist auf effiziente Logistiksysteme angewiesen. • Im Hinblick auf ihre Geschäftstätigkeit ist die <i>Gruppe</i> darauf angewiesen, für den Bezug und die Produktion von Fertigerzeugnissen und Rohstoffen von angemessener Qualität auf zuverlässige Quellen und Lieferanten zurückgreifen zu können. • Falls sich herausstellt, dass die Verrechnungssysteme der <i>Gruppe</i> ungeeignet sind, dann können sich die Steuerverbindlichkeiten der <i>Gruppe</i> erhöhen. • Die <i>Gruppe</i> ist möglicherweise nicht in der Lage, die Kosten für Erdöl, Erdgas und Strom an ihre Kunden weiterzugeben. • Die <i>Gruppe</i> ist Wechselkursschwankungen ausgesetzt. • Die <i>Gruppe</i> ist Zinsschwankungen ausgesetzt. • Im Hinblick auf den Ausbau und die weitere Entwicklung ihrer Aktivitäten muss die <i>Gruppe</i> noch zusätzliche Investitionen tätigen. • Naturkatastrophen könnten sich nachteilig auf das Geschäft der <i>Gruppe</i> auswirken. • Die <i>Gruppe</i> ist möglicherweise nicht in der Lage, ihre geistigen

		<p>Eigentumsrechte zu schützen.</p> <ul style="list-style-type: none"> • Aufgrund der Vielgestaltigkeit ihrer Geschäftstätigkeit sieht sich die <i>Gruppe</i> einer Vielzahl von Risiken gegenüber. • Die <i>Gruppe</i> ist Risiken im Zusammenhang mit den von ihr ausgereichten und den von ihr aufgenommenen Mitteln, die noch nicht zurückgezahlt sind, ausgesetzt. • Änderungen der Bonität der <i>Gruppe</i> können ihre Fähigkeit zur Deckung ihres künftigen Liquiditätsbedarfs und zur Erschließung neuer Finanzierungsquellen beeinträchtigen. • Preis-, Verfügbarkeits- oder Qualitätsschwankungen bei Rohstoffen oder bezogenen Produkten könnten zu Verzögerungen oder Materialkostenerhöhungen führen. • Die <i>Gruppe</i> ist einem Ausfallrisiko seitens bestimmter Kunden und Kontrahenten ausgesetzt. • Die <i>Gruppe</i> unterliegt Risiken im Zusammenhang mit den Lieferanten, von denen sie bestimmte Rohstoffe und Produkte bezieht. • Die <i>Gruppe</i> unterliegt in den Märkten, in denen sie tätig ist, verschiedenen staatlichen Regulierungsmaßnahmen. • Infolge von Entwicklungen im Umwelt-, Arbeitsschutz- und Arbeitsrecht sowie bei Besteuerungssystemen kann es zu einer Erhöhung der Kosten der <i>Gruppe</i> kommen. • Für die südafrikanischen Tochtergesellschaften der <i>Gruppe</i> gelten südafrikanische Devisenkontrollvorschriften.
D.3	Zentrale Angaben zu den zentralen Risiken, die den Wertpapieren eigen sind	<ul style="list-style-type: none"> • Bestimmte Aktionäre der <i>Gesellschaft</i> üben einen wesentlichen Einfluss auf die <i>Gruppe</i> aus; infolgedessen sind Anleger möglicherweise nicht in der Lage, künftig den Ausgang wichtiger Entscheidungen zu beeinflussen. • Der Marktpreis der <i>Stammaktien</i> kann schwanken und kann unter den <i>Kurs bei der Zulassung</i> fallen; es kann zu starken Einschränkungen beim Handel mit den <i>Stammaktien</i> kommen, die zur Folge haben könnten, dass Inhabern von <i>Stammaktien</i> der Verkauf ihrer <i>Stammaktien</i> nicht zu einem angemessenen Preis bzw. überhaupt nicht möglich ist. • Künftige Angebote von Schuldtiteln oder Beteiligungspapieren durch die <i>Gesellschaft</i> können sich nachteilig auf den Marktpreis der <i>Stammaktien</i> auswirken und können zu einer Verwässerung der Beteiligungen der Anleger führen. Bei Ausübung ausstehender Optionen auf <i>Stammaktien</i> oder Wandlung der <i>Wandelanleihen</i> ist ebenfalls eine Verwässerung der <i>Stammaktien</i> möglich. • Die <i>Gruppe</i> kann keine Zusicherung geben, dass sie künftig Bardividenden ausschütten oder sonstige, ähnliche Zahlungen leisten wird. • Inhaber von <i>Stammaktien</i> außerhalb der Niederlande können von

		<p>einer Verwässerung betroffen sein, wenn sie nicht in der Lage sind, bei künftigen Angeboten Bezugsrechte auszuüben.</p> <ul style="list-style-type: none"> Für die Rechte und Pflichten von <i>Aktionären</i> gilt niederländisches Recht und es gelten die Bestimmungen der <i>Satzung</i>; in einigen Punkten kann es dabei Abweichungen von den Rechten und Pflichten von Aktionären nach südafrikanischem Recht und den Bestimmungen der derzeitigen Gründungsdokumente der <i>SIHL</i> geben. Möglicherweise gestaltet es sich schwierig für Anleger, ihre Rechte gegen die <i>Gesellschaft</i> und deren jeweilige Geschäftsleiter vor US-amerikanischen Gerichten durchzusetzen. Anleger mit einer anderen Referenzwährung als dem Euro sind bei der Anlage in die <i>Stammaktien</i> Wechselkursrisiken ausgesetzt.
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Abschnitt E – Angebot		
E.1	Gesamtnettoerlöse	Entfällt. Es werden keine Wertpapiere gemäß dem <i>Prospekt</i> öffentlich angeboten bzw. verkauft.
	Geschätzte Gesamtkosten	Die <i>Gesellschaft</i> schätzt, dass sich ihre gesamten Kosten im Zusammenhang mit der <i>Zulassung</i> auf ungefähr € 4 Mio. belaufen werden. Die COMMERZBANK Aktiengesellschaft handelt als Börsenzulassungsbeauftragte für die <i>FWB</i> (die „ <i>Börsenzulassungsbeauftragte</i> “).
E.2a	Gründe für das Angebot und Zweckbestimmung der Erlöse	Entfällt. Es werden keine Wertpapiere gemäß dem <i>Prospekt</i> öffentlich angeboten bzw. verkauft.
E.3	Angebotskonditionen	Entfällt. Es werden keine Wertpapiere gemäß dem <i>Prospekt</i> öffentlich angeboten bzw. verkauft.
E.4	Alle für die Emission/das Angebot wesentlichen, auch kollidierenden Interessen	Entfällt. Es werden keine Wertpapiere gemäß dem <i>Prospekt</i> öffentlich angeboten bzw. verkauft.
E.5	Name der Person oder des Unternehmens, die/das das Wertpapier zum Verkauf anbietet	Entfällt. Es gibt keine Wertpapiere, die gemäß dem <i>Prospekt</i> öffentlich angeboten bzw. verkauft werden.
	Lock-up-Vereinbarungen	Entfällt. Es besteht keine Lock-up-Vereinbarung.

E.6	Aus dem Angebot resultierende Verwässerung	Entfällt. Es werden keine Wertpapiere gemäß dem <i>Prospekt</i> öffentlich angeboten bzw. verkauft. Die Emission von <i>Stammaktien</i> im Rahmen des <i>Scheme of Arrangement</i> wird ebenfalls nicht zu einer Verwässerung der existierenden <i>SIHL</i> -Aktionäre führen.
E.7	Schätzung der Ausgaben, die dem Anleger von der <i>Emittentin</i> oder dem Anbieter in Rechnung gestellt werden	Anlegern werden von der <i>Gesellschaft</i> bzw. der <i>Börsenzulassungsbeauftragten</i> keine Ausgaben in Rechnung gestellt.

RISK FACTORS

An investment in the Ordinary Shares is subject to a number of risks. In addition to other information contained in this Prospectus, prospective investors should carefully consider the risks described below before investing in the Ordinary Shares. If any of the events described below actually occurs, the Group's business, financial condition or results of operations could be materially adversely affected and, accordingly, the value and trading price of the Ordinary Shares may decline, resulting in a loss of all or part of any investment in the Ordinary Shares. Furthermore, the risks and uncertainties described may not be the only ones the Group faces. Additional risks and uncertainties not presently known to the Group or that the Group currently considers immaterial may also impair the Group's business operations.

Risks Relating to the Group's Business

The Group's ability to increase sales, maintain or increase prices and/or to recover fixed costs may be adversely affected by volatile economic conditions

Historically, the furniture and household goods and general merchandise industries have been cyclical, generally fluctuating with economic cycles and conditions. Demand is sensitive to general economic conditions, including housing activity, interest rate levels, current economic growth, credit availability, unemployment and other factors that affect consumer spending habits. Due to the discretionary nature of most furniture and household goods and general merchandise purchases and the fact that they often represent a significant expenditure to the average consumer, such purchases may be deferred during times of economic uncertainty. These general economic factors affect not only the ultimate consumer, but also impact the Group's owned and third-party mass and specialty retailers, which are the Group's primary customers for wholesale and distribution of its manufactured and sourced products. Consequently, recessions or prolonged economic downturns in the markets in which the Group operates could have a material adverse effect on its business, financial condition or results of operations.

If the Group fails to integrate its acquisitions effectively, the Group's business and financial results could be adversely affected

The Group has grown both organically and through a number of strategic acquisitions and joint venture arrangements, which have historically contributed to the expansion of its business and operations during the periods under review. The Group's ability to continue to grow its business in new markets will depend partly on its success in identifying and making appropriate acquisitions and joint venture arrangements in the future. Moreover, the Group's future operating results will largely depend upon its ability to manage and integrate the operations of past, as well as any future, acquisitions.

These integration plans may be more complex or timely than expected and costs to achieve these plans may be greater than anticipated. Key suppliers or business partners may also choose to change or terminate their relationship with the Group.

In addition, upon the completion of the Scheme of Arrangement, there can be no assurances that the Group will be able to successfully integrate the operations of the kika-Leiner group of companies ("kika-Leiner") with its other operations in a reasonable period of time or at all, particularly in respect of its procurement and supply chain activities, product offering and sales densities.

If the Group is unable to successfully integrate acquisitions, this may negatively impact the profitability of the acquired businesses, as well as lead to write-offs of the Group's intangible assets, including goodwill. In the event the Group is forced to write off a portion of the value of its intangible assets, this could have a material adverse effect on its business, financial condition and results of operations.

The Group may not be able to manage the continuing expansion of its business effectively

The Group's retail and production operations have historically expanded significantly through organic growth across its operating divisions and through the acquisition of other companies. The Group's management structures, systems, procedures or controls may not be adequate or sufficiently developed to support the continued expansion of its operations. Furthermore, management may not be able to allocate the time and resources necessary to effectively manage this expansion. If the Group is unable to manage the expansion of its business efficiently and effectively, its competitiveness, business, financial condition or results of operations could be materially adversely affected.

The Group may not be able to identify opportunities or conclude transactions to expand its business

The industry in which the Group operates is characterised by opportunities that arise and may need to be evaluated quickly and, if mutually satisfactory terms can be rapidly agreed, concluded within short periods of time. However, while Management expects to continue to evaluate potential transactions, no assurances can be given that it will be able, at any time, to identify and conclude transactions on acceptable terms or at all.

The Group may also face competition from its competitors for potential growth opportunities. The Group may face increased competition with other leading retailers for market share growth opportunities or it may be unable to take advantage of perceived consolidation opportunities, either of which may adversely affect its ability to successfully maintain and grow its market share. The failure to identify or conclude potential transactions could materially adversely affect the Group's business, financial condition or results of operations.

The Group operates in highly competitive markets

The furniture and household goods and general merchandise markets are fragmented and highly competitive, and consist of a large number of manufacturers and retailers that produce and distribute products similar to those of the Group. Moreover, the European furniture and household goods market is characterised by a limited number of large competitors, which, like the Group, are able to supply the industry by sourcing products globally and by offering products at reduced prices. Notwithstanding the Group's own sourcing abilities, the added competition and flexibility of competitors (and customers) that are now able to supply via a mix of sourced and manufactured products have placed, and will continue to place, additional pressure on the Group's operations and competitive advantages. The Group also faces intensified competition in the e-commerce sector due to lower barriers to entry and the development of the online market for certain classes of products.

Competition is generally based on product quality, timing of delivery, product design, product availability, brand name recognition, price and customer service. In certain of the Group's markets, the Group competes with a limited number of large companies which may have greater financial and other resources at their disposal.

Additionally, the Group also faces competition in the new geographic markets and general merchandise categories where it competes, in particular clothing, footwear and apparel, accessories and household goods. The Group's success in these markets and across these product categories depends in large part on its ability to identify customer preferences and translate such demand into appropriately priced, saleable merchandise in a timely manner. If the Group does not correctly interpret trends and respond appropriately, it may lose its target customers to competing retailers. As a result, the Group may lose market share or be left with excess or slow-moving inventory, in which case it may be forced to rely on markdowns or promotional sales, thereby reducing its revenue and margins.

No assurance can be given that the Group will be able to maintain its competitive position in all or any of the markets in which it operates.

The Group faces seasonal and other fluctuations in consumer demand and the risk of product obsolescence

Seasonal fluctuations in customer demand for certain of the Group's products can create corresponding fluctuations in the Group's revenue and operating profit. The Group's exposure to seasonality and other fluctuations in demand is primarily due to the markets in which the Group operates, the Group's product range, consumer demand, climate and macroeconomic conditions. The Group typically incurs additional expenses in advance of seasonal sales peaks in anticipation of higher sales during such periods, including the cost of additional inventory, advertising and employees. An unanticipated decrease in demand for the Group's products could require the Group to sell excess inventory at a substantial markdown, which could reduce its revenues and operating profit. Alternatively, an unanticipated increase in demand for certain products could leave the Group unable to fulfil such demand and result in lost sales and customer dissatisfaction. Such seasonal fluctuations and/or unexpected events or developments, such as natural or man-made disasters, depressed economic conditions, increased interest rates or product sourcing issues, may have an adverse impact on consumer demand for the Group's products and, consequently, on the Group's business, financial condition or results of operations.

Many of the products that the Group sells at its retail locations, such as furniture and household goods, are also subject to trends and geographic consumer tastes, which can change rapidly. If the Group is unable to anticipate or respond to such changes in a timely manner, its products may become less attractive to customers, and its sales and earnings may decline. Changes in consumer demand can also result in product obsolescence, which may lead to increases in unsalable inventory that may need to be written off, therefore negatively impacting the Group's profitability. Price erosion can similarly impact the Group's profitability by decreasing its revenues and margins. Any of the foregoing factors could have a material adverse effect on the Group's business, results of operations or financial condition.

The Group has potential exposure to product liability claims and to loss of reputation

The packaging, marketing, distribution and sale of the Group's products entails an inherent risk of product liability, product recall and resultant adverse publicity. Products may contain contaminants or be of inferior quality, which could result in illness, injury or death. As a consequence, the Group has exposure to product liability claims. If a product liability claim is successful, the Group's insurance may not be adequate to cover all liabilities that it may incur and the Group may not be able to continue to maintain such insurance or obtain comparable insurance at a reasonable cost, if at all. In addition, even if a product liability claim is not successful or is not fully pursued, the negative publicity surrounding any assertion that the Group's products caused injury could materially adversely affect the Group's reputation and, consequently, its business, results of operations or financial condition.

The Group may not be adequately insured

The Group maintains external and self-insurance policies and programmes covering a range of potential risks, other than political and other risks for which insurance is not available. No assurances can be given, however, that the Group's insurance is adequate to cover all insurable risks in each of the geographical regions in which it operates or that Management's evaluation of internal and third-party risk management audits will be effective in ensuring that the Group obtains sufficient insurance coverage or retains adequate and cost-effective self-insurance programmes in the future. In addition, the Group may be affected by one or more events that are excluded from insurance cover or for which the relevant insurance company or re-insurers may not have adequate resources and liquidity to fulfil their respective obligations to the Group should it make a

large insurance claim. This could cause the Group to suffer a material loss, which could adversely impact its business, results of operations or financial condition.

The Group depends on the skills and experience of its senior executive officers and members of its Management Board

The Group's strategic development depends, in part, on the continued contributions of its senior executive officers and members of its Management Board who are experienced in the markets and business in which the Group operates. The loss of the services of certain of these senior executive officers and members of its Management Board could negatively impact the Group's operations and its ability to develop the business. In addition, as Management works to continue development and expansion of the business, Management believes that the Group's future success will depend on its ability to manage, attract and retain skilled and qualified personnel. Competition for skilled employees in the industries in which the Group operates is intense, and the Group cannot be certain that it will be successful in managing, attracting and retaining the personnel required to successfully conduct its operations. Any of the foregoing could have a material adverse effect on the Group's business, financial condition or results of operations.

The Group is subject to IT risk

The Group is dependent on the permanent and uninterrupted availability of its IT systems and IT infrastructure provided by third parties. The computer and management systems used by the Group could be damaged by a range of factors, such as telecommunication problems, software errors, inadequate capacity at IT centres, fire, power cuts or damage and attacks by third parties. It is possible that the Group's servers could be damaged by physical or electronic break-ins and computer viruses or similar disruptions, despite the security systems in place. Unforeseen problems in the Group's systems may also cause disruption to the Group's operations. There can be no assurance that the existing security systems, IT security policy, data protection, physical access security, access protection, user administration and IT planning are sufficient to prevent loss of data or an extended failure of the network. Sustained or repeated problems or damage to the network and technical systems of the Group or its IT service providers in the future which interrupt or delay the contractual provision of services by the Group to its customers could lead to contractual claims for compensation and contractual penalties or result in the loss of customers or revenues. In addition, significant IT system-related issues could cause the Group to suffer substantial reputational damage or market disadvantages. Any of the foregoing could have a material adverse effect on the Group's business, financial condition or results of operations.

The Group depends on efficient logistics systems

The Group depends on the efficiency of its logistics networks, which include the movement of raw materials and finished goods primarily by way of road, rail and sea, and the delivery of final products to end users. The primary means by which the Group transports its goods is ocean-borne container. The Group contracts with third parties to ship cargos by ocean-borne container. Transport by ocean-borne container involves particular risks, including the risk of delay in transport and loss of and/or damage to the cargo due to factors beyond the Group's control. These factors include adverse natural conditions, such as violent storms, tidal waves and tsunamis, as well as terrorist attacks and piracy, which have increased in frequency in recent years. The occurrence of these events could have a material adverse impact on the Group's cost of operations. There can be no assurance that the insurance coverage the Group has will be adequate, that its insurers will pay a particular claim or that its insurance premiums will not increase as a result of the occurrence of any of these circumstances. Because logistics are crucial to the Group's business, highly advanced processes and systems are employed, from merchandise pickup and goods movement to intelligent route planning. Despite historical investment in the Group's logistics network, the Group remains vulnerable to external issues beyond its control, such as the failure of third party suppliers to ensure that the appropriate quality and quantity of goods

are shipped, as well as possible delays to delivery which could be caused by disruption to the Group's distribution networks. The risk of delay in the delivery of goods is particularly significant in instances where large amounts of goods are shipped ahead of peak trading seasons, where the occurrence of or delay in delivery could result in the Group's inability to meet orders and therefore significantly impact the Group's profitability for that period. Moreover, while the Group strategically targets its investment in its own warehousing and logistics technologies, no assurances can be given that the Group's focused investment will earn a sufficient return on such investments in its fulfilment facilities. Any breakdown of the Group's logistics systems could have a material adverse effect on its business, financial condition or results of operations.

The Group's operations depend on its ability to source and produce finished goods and raw materials of appropriate quality from reliable sources and suppliers

Because the Group's business model depends, in part, on the sourcing of finished goods and low-cost raw materials from reliable sources and suppliers (being those that are able to provide the required goods and materials at competitive prices and within agreed time frames), it seeks to attain greater control over its supply of finished goods and raw materials. The principal finished goods that the Group sources from third parties include upholstered furniture, case goods and bedding products, as well as general merchandise, household goods and cellular products, while the principal raw materials that the Group purchases from third parties for use in its operations include fabrics, foam, glass, leather, particleboard, steel, springs and timber. The Group cannot give any assurances that the cost of these finished goods and raw materials will not increase in the future or that it will continue to have access to the necessary finished goods and raw materials at reasonable prices. If the Group is unable to source finished goods and raw materials of appropriate quality from reliable sources or suppliers, it could have a material adverse effect on its business, financial condition or results of operations.

If the Group's transfer pricing arrangements are determined to be inappropriate, the Group's tax liability may increase

The Group has transfer pricing arrangements in relation to various aspects of its business, including its retail, manufacturing and distribution functions. Transfer pricing regulations in the countries in which the Group has operations require that any international transaction involving associated enterprises be on arm's length terms. The Group considers the transactions among its businesses to be substantially on arm's length terms. The Group is currently subject to ongoing, general transfer pricing investigations by tax authorities in Austria, Germany and South Africa as part of the tax risk evaluation processes conducted by these authorities. If a tax authority in any jurisdiction in which the Group operates reviews any of the Group's practices and determines that the transfer prices and terms that the Group has applied are not appropriate, or that other income of a division of the Group should be taxed in that jurisdiction, the Group may incur increased tax liability, including accrued interest and penalties, which would cause the Group's tax expense to increase.

The Group may not be able to pass on the cost of oil, gas and electricity to its customers

The Group's operations depend on oil, gas and electricity, either in the manufacturing process or to transport goods between facilities/retail outlets and the Group's customers and/or the end consumer. Oil, gas and electricity prices have historically been volatile and depend on the actual and expected changes in the supply and demand of oil, gas and electricity, changes in global economic growth and political uncertainty, especially in oil-producing countries. In the past, the Group has been able to pass increased costs on to the customer or end-consumer. However, it may not succeed in doing so in the future and may not continue to have access to affordably priced oil, gas and electricity. This would lead to a reduction in operating margins and volume, which could materially adversely affect the Group's business, financial condition or results of operations.

The Group is exposed to fluctuations in currency exchange rates

The Group is exposed to foreign exchange risk as a result of its business model, which includes the strategy of sourcing finished products and raw materials from, and locating manufacturing facilities in, emerging, low-cost economies and supplying finished products into developed economies. As a result, volatility in the exchange rates between the countries where the Group sources and produces its products and the countries where it sells its products could have a negative impact on the Group's operating margins.

While the Group's sourcing and manufacturing costs are incurred principally in Chinese yuan, Hungarian forint, Polish zloty, South African rand and United States dollars, the Group's revenues derived outside Africa are earned principally in Australian dollars, euros, Polish zloty, Swiss francs and UK pounds sterling. Accordingly, any significant and sustained appreciation of the currencies in which the Group incurs sourcing and manufacturing costs against the currencies in which the Group earns revenues would adversely affect the Group's operating margins, thereby reducing its gross profit. Furthermore, going forward, the Group will report its results in euro.

It is the Group's policy to hedge certain transactional currency risk associated with sourcing products via foreign exchange contracts. Such hedging measures may have the effect of increasing costs for the Group to the extent it receives a less advantageous currency exchange rate than the prevailing rate available from time to time. Should the Group fail to adequately hedge its transactional risk or suffer increased costs or decreased competitiveness as a result of its hedging efforts, this could have a material adverse effect on the Group's business, financial condition or results of operations.

In addition, Hungary and Poland, where the Group has a significant number of sourcing and manufacturing facilities, are each members of the European Union and may in the future replace their respective local currencies with the euro. If such a change were to result in an increase in the Group's costs of sourcing and manufacturing products from these countries, it could have an impact on the Group's operating margins and its gross profit.

The Group is exposed to fluctuations in interest rates

As at 30 June 2015, the Group had R24,706 million (€1,821 million) outstanding in variable interest rate financial instruments (including the Group's effective interest rate swaps). The interest rate associated with these instruments is based on a number of different benchmarks, including EURIBOR, JIBAR and the South African prime rate. While certain instruments are hedged using cross-currency interest rate swap contracts, the Group is subject to the risk of a material and sustained increase in interest rates set by these benchmarks, which would lead to an increase in the Group's cost of borrowing. An increase in interest rates could therefore have an adverse effect on the Group's business, financial condition or results of operations.

If the Group is unsuccessful in its hedging strategy for interest rate risk, it may realise losses on hedging positions or it may limit the Group's ability to capture a gain that it would otherwise attain in the absence of a hedge. Further, there can be no assurance that the Group will be able to find suitable instruments for hedging at times when it may choose to use them in the future.

The Group will require additional capital expenditure to expand and develop

The development and expansion of the Group's business and operations is likely to continue to involve significant capital expenditure. Management expects that its capital expenditure plans are likely to require further financial resources, which may be met from existing resources, future offerings of shares, issues of debt instruments, borrowings or a combination thereof. The Group cannot make any assurance that financing will be available when and in the amounts required, on terms acceptable to it, or even at all. In addition, the ability of the Group's South African businesses to borrow and spend certain funds may be limited by South African exchange control regulations. See the heading below entitled “– *Risks Relating to Regulatory*,

Political and Economic Developments – The South African subsidiaries of the Group are subject to South African exchange control regulations”. If the Group does not have sufficient financial resources or funding available to it when required to fund its capital expenditure, the growth and development of the Group’s business may be limited, which could have a material adverse effect on its business, results of operations or financial condition.

Natural disasters could adversely affect the Group’s business

Severe weather conditions, such as hurricanes, floods, earthquakes or tornadoes, as well as other natural disasters, in regions (i) in which the Group has manufacturing facilities, distribution facilities or retail outlets or (ii) from which the Group obtains products could negatively impact the Group’s operations. The effects of natural disasters and other severe weather events could damage the Group’s facilities and equipment and force a temporary halt in manufacturing and retail operations. Moreover, natural disasters may lead to the lack of an adequate work force, a temporary disruption in the supply of products, interference in the transport of goods, delays in the delivery of goods to the Group’s distribution centres or retail outlets, stock losses and/or a reduction in the availability of products in the Group’s retail outlets.

Furthermore, the Group’s insurance coverage with respect to natural disasters is limited and is subject to deductibles and coverage limits. Such coverage may not be adequate, or may not continue to be available at commercially reasonable rates and terms. Any of these factors could materially adversely affect the Group’s business, financial condition and results of operations.

The Group may be unable to protect its intellectual property rights

The Group’s intellectual property is important to the operation of its business and its competitive position in the markets in which it operates. The Group protects its intellectual property through a combination of registered trademarks and other trademark and service mark rights. If the Group’s efforts to protect its intellectual property are inadequate, or if any third party misappropriates or infringes on the Group’s intellectual property, the value of the Group’s brand may be harmed, which could have a material adverse effect upon its business, financial condition and results of operations.

The Group is subject to a variety of risks as a result of its diverse business operations

The Group operates across a variety of markets and industries and faces risks specific to each of its businesses. In addition to the risks set out in this section, these risks primarily include: (i) a reduced pricing model and/or discounted product pricing by its major competitors; and (ii) loss of competitive advantages, including import protections. Should any of the foregoing occur, the Group’s business, financial condition and results of operations could be materially adversely impacted.

The Group faces risks in relation to its outstanding loans and borrowings

As at 30 June 2015, the Group had outstanding interest-bearing loans and borrowings (excluding overdraft facilities) in the amount of R62,191 million (€4,583 million). The terms of the agreements and instruments governing the Group’s debt, including the private placement notes issued by Steinhoff Europe AG and the Group’s syndicated loan facility, contain a number of covenants and other provisions that may restrict the Group’s ability to, *inter alia*, make certain payments, including dividends or other distributions, incur or guarantee debt, engage in certain transactions with affiliates and other related parties, sell assets, issue share capital of certain subsidiaries and create liens. While these limitations are subject to market standard exceptions and qualifications, they could limit the Company’s ability to pay dividends, finance future operations or pursue acquisitions and other business activities that may be of interest.

In addition, the Group’s debt includes terms related to the Group’s debt to EBITDA and interest to EBITDA cover, which may limit its ability to incur additional indebtedness and its flexibility in planning for, or reacting to, changes in its business and the markets in which it operates. As a result, these restrictions could

impair the Group's ability to obtain additional financing in the future and place it at a competitive disadvantage compared to any competitors that have less debt, which could have a material adverse effect on the Group's business, financial condition or results of operations.

For a description of these covenants, see "*Operating and Financial Review – Liquidity and Capital Resources – Material indebtedness and other material liabilities of the Group*". The Group's ability to comply with its debt covenants may be affected by events beyond its control. If the Group were to fail to comply with any of the financial or non-financial covenants (due, for example, to deterioration in financial performance or declines in asset valuations or certain operational indicators), it could result in an event of default and the acceleration of the Group's obligations to repay those borrowings, increased borrowing costs or cancellation of certain credit facilities.

Changes in the Group's creditworthiness may affect its ability to meet future liquidity requirements and to access new funding

In the course of its operations, the Group faces liquidity risks arising from potential inability to meet contractual obligations on their due dates and fund assets. These obligations are funded through the proceeds of the Group's operations as well as periodic borrowings and funding arrangements, which the Group enters into from time to time. The Group's creditworthiness for new funding arrangements depends on many factors, including its gearing position, the retail environment in general, the state of the economy and the level of drawn debt, some of which are outside the Group's control. Deterioration in any of these factors could potentially impact the cost and accessibility of new funding or other credit arrangements in the future, thereby having an adverse impact on the Group's business, financial condition or results of operations.

Fluctuations in the price, availability or quality of raw materials or sourced products could cause delays or increases in the costs of materials

The Group sources various types of raw materials for the production of the furniture and household goods sold in its retail outlets and to third-party retailers, including wood, fabrics, leathers, glass, upholstered filling material, steel and other commodities. On a global and regional basis, the sources and prices of these materials and components are susceptible to significant price fluctuations due to supply and demand trends, transportation costs, government regulations and tariffs, the economic climate and other circumstances beyond the Group's control. In particular, volatility in oil markets in recent periods has led to significant fluctuations in the price of petroleum-based products, which affects the cost of the Group's polyurethane foam, polyester, polyethylene foam and steel innerspring component parts.

In addition to its manufacturing capabilities, the Group also sources products from independent manufacturers, including upholstery, case goods, homeware, beds, bedroom furniture, electronics and appliances, as well as general merchandise, household goods and cellular products.

Additionally, many of the suppliers of the Group's raw materials and sourced products are dependent upon other suppliers in countries other than where they are located. This global interdependence is subject to delays in delivery, availability, quality and pricing (including tariffs) of products. Furthermore, the Group is subject to the risk that the efforts that it takes to manage exposure to supply chain interruptions may be unsuccessful. The delivery of goods from these suppliers may be delayed by customs, labour issues, changes in political, economic and social conditions, laws and regulations. Unfavourable fluctuations in the availability of these products could negatively affect the Group's ability to meet the demands of its customers and have a negative impact on product margin.

The Group's suppliers of raw materials and finished goods could choose to discontinue business with the Group or could change the terms under which they are willing to do business, such as price, minimum quantities, required lead times or payment terms. Fluctuations in the price, availability or quality of (i) the raw

materials the Group uses in manufacturing its products or (ii) the products it sources could have a negative effect on the Group's cost of sales and its ability to meet the demands of its customers. In the event of a significant disruption in the Group's supply of raw materials or sourced products, the Group may not be able to locate alternative sources at an acceptable price or in a timely manner. In addition, if the price of raw materials increases, the Group may not be able to pass on to customers all or a portion of the higher costs, due to competitive and market pressures or other reasons. Any of these factors could disrupt the Group's production capabilities or decrease its revenue, which could have a material adverse effect on the Group's business, financial condition or results of operations.

The Group is exposed to the risk of default on the part of certain customers or counterparties

The Group faces the risk of default by one or more counterparties in respect of cash deposits placed with major financial institutions and trade receivables from and loans to customers. To the extent any of these financial institutions holding cash deposits on behalf of the Group were to experience financial difficulties, the Group could lose some or all of these amounts on deposit. Further, if the Group's existing customers were to experience financial difficulty, this could result in write-offs of trade receivables or customer loans or loss of future business. The Group's customers could be impacted, for example, by the continued management of credit risk by financial institutions and the relatively low levels of growth over recent years in many of the regions where the Group operates, which has caused a decrease in the availability of credit for many furniture and household goods retailers, which form a significant portion of the Group's customer base. In certain instances, this has caused furniture and household goods retailers to exit the market or be forced into bankruptcy. Furthermore, many of the Group's customers rely in part on consumers' ability to finance their purchases with credit from third parties. If consumers are unable to obtain financing, they may defer their purchases, which could have a negative impact on the Group's customers.

The Group is subject to risks associated with the suppliers from whom certain of its raw materials and products are sourced

Certain products that the Group sells, or uses in the manufacture of products that it sells, are sourced from a wide variety of suppliers in locations around the world. Global sourcing of many of the products sold by the Group, and used by the Group in the production of its products, is an important aspect of the Group's strategy of sourcing and manufacturing products at low cost and distributing them to the Group's value-conscious customer base mainly through its extensive retail footprint. All of the Group's suppliers must comply with applicable laws, including labour, safety and environmental laws, and otherwise be certified as meeting the Group's required supplier standards of conduct. However, the Group's ability to find qualified suppliers that meet its standards, and to access products in a timely and efficient manner, is a significant challenge, in particular given that many of the Group's suppliers of raw materials and finished goods are located in disparate jurisdictions. Political and economic instability in the countries in which foreign suppliers are located, the financial instability of suppliers, suppliers' failure to meet the Group's supplier standards, labour and safety problems experienced by suppliers, the availability of raw materials to suppliers, merchandise quality issues, currency exchange rates, transport availability and cost, transport security, inflation and other factors relating to the suppliers and the countries in which they are located are beyond the Group's control. These and other factors affecting the Group's suppliers and its access to raw materials and products could adversely affect the Group's business, financial condition or results of operations.

Risks Relating to Regulatory, Political and Economic Developments

The Group is subject to various government regulations in the markets in which it operates

The Group's operations are subject to various laws and regulations in the jurisdictions in which it operates, relating to such matters as health and safety, employment and environmental issues. Historically, compliance

with these laws and regulations has not resulted in material costs or had any material adverse effect on the Group's operations. However, if the Group fails to comply with any such laws or regulations, it could be subject to liability, including, but not limited to, mandatory shutdowns, damages, criminal prosecutions, financial penalties, loss of trade agreements and contracts, and injunctive action. In addition, future changes in such laws and regulations could negatively impact the Group's business.

Furthermore, the Group may be regarded by anti-trust authorities as having a large market share in some of the jurisdictions in which it operates. The Group's operations in these countries may, consequently, be subject to certain anti-competition legislation and regulatory oversight. Certain expansions of its operations in these countries through acquisitions may require regulatory approval. While to date all acquisitions have been approved by regulatory authorities, it is possible that, in the future, the Group may not receive approval to make additional acquisitions or that such approval may be subject to various conditions which could affect its ability to expand its operations in that market. From an acquisitive growth perspective, any of the foregoing occurrences could have a material adverse effect on the Group's business, financial condition or results of operations.

The Group's costs may increase as a result of developments in environmental, health and safety and labour laws, and tax regimes

The Group depends on logistics for the transport of its products and raw materials and on the reliable sourcing of finished goods and raw materials. Developments in environmental, health and safety, and labour laws in respect of the logistics and raw material-related industries with which the Group has dealings may lead to additional costs, such as for carbon emissions and other indirect taxes. Moreover, the complexity of compliance with potential future regulations related to the Group's carbon footprint and health and safety, labour and related laws may further increase the Group's operating costs. As the Group imports many products and raw materials from other jurisdictions, costs may also increase in the event of changes and/or increases in import and/or excise duties being levied or charged on the Group's products. Should any of the foregoing occur, it could have a material adverse effect on the Group's business, financial condition or results of operations.

In addition, although the Company is incorporated under the laws of the Netherlands, it is resident in South Africa for tax purposes. Accordingly, the Company is subject to taxes in South Africa, and is also subject to taxes in the various other jurisdictions in which it operates through its subsidiary companies. Significant judgement is required in evaluating and estimating the Group's provision and accruals for these taxes and, during the ordinary course of business, there may be transactions for which the ultimate tax determination is uncertain. The final outcome of tax audits could be materially different from the estimates of Management that underlie the Group's historical tax provisions and accruals. Developments in an audit or litigation, or the relevant laws, regulations, administrative practices, principles and interpretations, could have a material effect on the Group's operating results or cash flows in the period or periods for which that development occurs, as well as for prior and subsequent periods.

The Group may also be subject to audit in various jurisdictions, and such jurisdictions may assess additional tax liabilities against it.

The South African subsidiaries of the Group are subject to South African exchange control regulations

The South African subsidiaries of the Group are subject to South Africa's exchange control regulations, which restrict the export of capital from the Common Monetary Area. These regulations restrict the ability of the Group's African businesses to raise and deploy capital outside the Common Monetary Area. In general, South African companies are not permitted to export capital from South Africa or to hold foreign currency without the approval of the South African Reserve Bank (the "SARB"), and are required to repatriate the profits of

their foreign operations to South Africa. As a result, the Group's operations in South Africa may have limited financial flexibility, which could materially adversely affect its business, financial condition or results of operations.

Risks Relating to the Ordinary Shares and Admission

Certain Shareholders of the Company exercise significant influence over the Group and, as a result, investors may not be able to influence the outcome of important decisions in the future

Upon the Scheme of Arrangement becoming operative, Christoffel Hendrik Wiese (through several entities, including Titan Premier Investments Pty Limited and Thibault Square Financial Services Pty Limited), Bruno Ewald Steinhoff (directly and indirectly through several entities, including BS Beteiligungs-und Verwaltungsgesellschaft GmbH and BS Vermögensverwaltungsgesellschaft GmbH), Angela Krüger-Steinhoff, several members of the Management Board and certain members of the executive management of the Group and their respective associates (together, the **"Voting Pool Parties"**) will collectively hold or control approximately 33 per cent. of the total voting share capital of the Company. As a result, the Voting Pool Parties will be able to exercise significant influence over all matters requiring shareholder approval, including appointment of the members of the Company's management board (the **"Management Board"** and each member thereof, a **"Managing Director"**) and of the Company's supervisory board (the **"Supervisory Board"** and each member thereof, a **"Supervisory Director"**), significant corporate transactions, the issuance of Ordinary Shares or non-cumulative preference shares, with a nominal value of €0.01 each, in the capital of the Company (**"Preference Shares"** and together with the Ordinary Shares, the **"Shares"**) or other equity securities, and the distribution of any dividends on the Ordinary Shares and the Preference Shares. In particular, the interests of the Voting Pool Parties may conflict with the interests of other investors in the Company, and the Voting Pool Parties may support resolutions not supported by a large majority of the other investors at the general meeting of the Company (being the corporate body, or where the context so requires, the physical meeting of Shareholders (the **"General Meeting"**) or vice versa.

Furthermore, the Voting Pool Parties are subject to certain informal arrangements which regulate the relationships among them (the **"Voting Pool Arrangements"**). In particular, the Voting Pool Arrangements comprise matters in respect of which the Voting Pool Parties will vote their Shares together, based on the decision of a majority of the Voting Pool Parties, including in respect of (i) any resolution proposed at a General Meeting, (ii) any decision on the entry into any transaction which concerns directly or indirectly more than 1 per cent. of the aggregate voting rights of the Company and (iii) any transaction by which the composition of the voting rights of the Voting Pool Parties will be significantly changed. The Voting Pool Arrangements are indefinite and Voting Pool Parties have reciprocal pre-emptive rights in respect of each other's Shares. See *"Major Shareholders and Related Party Transactions – Voting Pool Arrangements"* for further information on the Voting Pool Arrangements.

As a result, the concentration of ownership among the Voting Pool Parties may (i) deter a third party from making a takeover offer for the Company and thereby have the effect of delaying or deterring a change of control of the Company and (ii) affect the market price and liquidity of the Ordinary Shares.

The market price of the Ordinary Shares may fluctuate and may decline below the Admission Price, and trading in the Ordinary Shares may be very limited which might lead to holders not being able to sell their Ordinary Shares at a reasonable price or at all

No assurances can be given that an active trading market for the Ordinary Shares will develop or, if developed, can be sustained or will be liquid following the Admission. Furthermore, the price of the Ordinary Shares at the commencement of trading on the FSE (the **"Admission Price"**) is not necessarily indicative of

the prices at which the Ordinary Shares will subsequently trade on the stock exchange. If an active trading market is not developed or maintained, the liquidity and trading price of the Ordinary Shares could be adversely affected.

Publicly traded securities from time to time experience significant price and volume fluctuations that may be unrelated to the operating performance of the companies that have issued them. In addition, the market price of the Ordinary Shares may prove to be highly volatile and may fluctuate significantly in response to a number of factors, many of which are beyond the Group's control, including new government regulation, variations in operating results in the Group's reporting periods, changes in financial estimates by securities analysts, changes in market valuation of similar companies, announcements by the Group or its competitors of significant contracts, acquisitions, strategic alliances, joint ventures, capital commitments or new services, loss of major customers, additions or departures of key personnel, any shortfall in revenue or net income or any increase in losses from levels expected by securities analysts, future issues or sales of ordinary shares and stock market price and volume fluctuations. Any of these events could result in a material decline in the price of the Ordinary Shares.

Future offerings of debt or equity securities by the Company may adversely affect the market price of the Ordinary Shares and may dilute investors' shareholdings. The Ordinary Shares may also be subject to dilution upon the exercise of outstanding options over Ordinary Shares and conversion of the Convertible Bonds

Effective as per the amendment of the Company's articles of association by the Second Deed of Amendment (as defined in "*Description of the Share Capital and the Articles of Association*"), the Management Board is expected to have been designated as the corporate body authorised to (i) issue Ordinary Shares, grant rights to subscribe for Ordinary Shares and/or limit or exclude statutory pre-emptive rights in relation thereto, (ii) grant rights to subscribe for Ordinary Shares and/or Preference Shares and to limit or exclude statutory pre-emptive rights in relation thereto and (iii) issue Preference Shares, grant rights to subscribe for Preference Shares and/or limit or exclude statutory pre-emptive rights in relation thereto. These designations will be limited to: in the case of (i) (a) up to 10 per cent. of the issued share capital after the Scheme of Arrangement has become operative which may be used for all purposes plus (b) up to an additional 10 per cent. of such capital which may only be used in connection with or on the occasion of mergers and acquisitions and strategic alliances; in the case of (ii) up to 10 per cent. of the issued share capital after the Scheme of Arrangement has become operative which can only be used for the purpose of issuing new convertible bonds; and in the case of (iii), up to 10 per cent. of the total number of Preference Shares in the Company's authorised share capital after the Scheme of Arrangement has become operative (being 2 billion Preference Shares), which may be used for all purposes. Each of the foregoing authorisations will be valid for a period of five years following the date of execution of the Second Deed of Amendment. If these authorisations are used during a particular year, then the Management Board is expected to propose to the General Meeting that the Management Board is designated with additional authorities so that as of the date of the annual General Meeting at which this proposal is put to a vote the ability to issue or grant is restored back to the (up to) 10 per cent. level. In addition, the General Meeting has resolved (i) to grant such number of rights to subscribe for Ordinary Shares as are needed for the purposes of replacing the rights to acquire SIHL shares under the existing SIHL convertible bonds with rights to acquire Ordinary Shares and (ii) to exclude all statutory pre-emptive rights in relation thereto. The General Meeting is furthermore expected to resolve to (i) issue such number of Ordinary Shares as are needed for the Scheme of Arrangement, (ii) to grant such number of rights to subscribe for Ordinary Shares as are needed for the purposes of replacing the rights to acquire SIHL shares under existing SIHL stock options and (iii) to exclude all statutory pre-emptive rights in relation thereto. As a result, the designations set out in the preceding paragraphs remain available. See "*Description of the Share Capital and*

the Articles of Association – Issuance of Shares” for further details on the designations to the Management Board.

Upon the Scheme of Arrangement becoming operative, the Company will have an authorised share capital amounting to €8.95 billion, consisting of 17.5 billion Ordinary Shares and 20 billion Preference Shares and an aggregate of 3,860,402,434 Ordinary Shares will have been issued and outstanding (assuming no changes in the number of outstanding SIHL ordinary shares between 16 November 2015 (the “**Latest Practicable Date**”) and the date the Scheme of Arrangement becomes operative). In addition, upon the Scheme of Arrangement becoming operative, rights will have been granted to the members of the Management Board, senior managers and employees of the Group in respect of a further 36 million Ordinary Shares, arising from options over SIHL ordinary shares that were allocated to those persons and which, following the Scheme of Arrangement, will entitle the respective holders to receive Ordinary Shares subject to certain vesting conditions. Additionally, these individuals may be granted rights in respect of a further 97 million Ordinary Shares under the Group’s share incentive scheme (which, in the aggregate, will not exceed 10 per cent. of the Company’s share capital in issue from time to time). The equity interests of holders of the Ordinary Shares will be diluted to the extent that Ordinary Shares are issued pursuant to these rights (and any additional rights allocated under the Group’s share incentive scheme or a similar arrangement).

In addition, holders of the Convertible Bonds also hold options over SIHL ordinary shares which, following the Scheme of Arrangement becoming operative, will entitle the respective holders to receive Ordinary Shares, subject to certain conditions. If Ordinary Shares had been issued to all holders of the Convertible Bonds upon an exercise by such holders of their conversion rights, the Company would have been required to issue a further 320,666,847 Ordinary Shares and 322,576,099 Ordinary Shares as at 30 June 2015 and as at the Latest Practicable Date, respectively, which would have further diluted the equity interests of holders of the Ordinary Shares.

The market price of the Ordinary Shares could further decline if substantial numbers of Ordinary Shares are sold by the Voting Pool Parties in the public market or if there is a perception that such sales could occur. The Voting Pool Parties are not subject to lock-up provisions, and neither is any other person.

The Company may in the future seek to raise capital through public or private debt or equity financings by issuing additional Ordinary Shares, Preference Shares, debt or equity securities convertible into Ordinary Shares, Preference Shares or rights to acquire these securities and exclude the pre-emptive rights pertaining to the then outstanding Ordinary Shares and Preference Shares. In addition, the Company may in the future seek to issue additional Ordinary Shares or Preference Shares as consideration for or otherwise in connection with the acquisition of new businesses. The issuance of any additional Shares may dilute an investor’s shareholding interest in the Company. Furthermore, any additional debt or equity financing the Company may need may not be available on terms favourable to the Company or at all, which could adversely affect the Company’s future plans and the market price of the Ordinary Shares. Any additional offering or issuance of Shares by the Company, or the perception that an offering or issuance may occur, could also have a negative impact on the market price of the Ordinary Shares and could increase the volatility in the market price of the Ordinary Shares.

The Group cannot make any assurance that it will pay cash dividends or make other similar payments in the future

The Company intends to target a dividend per share pay-out ratio in line with listed international retailers, taking into account the composition of the Group’s investments and business activities, provided the Group’s business remains stable. Since the Company does not itself conduct any operating business, its ability to pay dividends depends on its operating subsidiaries and associated companies making profits and distributing these to the Company or transferring them to the Company. Any decision as to whether to pay cash dividends

or other distributions (such as a return of capital to shareholders through share dividends, for example) will depend upon a variety of factors, including the Group's cash flow, capital expenditure plans and other cash requirements existing at the time, loan covenants and other considerations. Under the terms of the Articles of Association, distributions may only be paid out of profits (including retained earnings) and distributable reserves. No assurance can be given that cash dividends or other similar payments will be paid in the future. See also “– *Risks Relating to the Group's Business – The Group faces risks in relation to its outstanding loans and borrowings*” and “*Profits and Distributions – Dividend Policy*”.

Holders of Ordinary Shares outside the Netherlands may suffer dilution if they are unable to exercise pre-emptive rights in future offerings

In the event of an increase in the Company's share capital, holders of Ordinary Shares are generally entitled to full pre-emptive rights unless these rights are limited or excluded either by virtue of Dutch law, a resolution of the General Meeting upon a proposal of the Management Board which has been approved by the Supervisory Board, or by a resolution of the Management Board (if the Management Board has been designated by the General Meeting for this purpose). However, holders of Ordinary Shares (the “**Ordinary Shareholders**”) have no pre-emptive rights in respect of issues of, or grants of rights to subscribe for, Preference Shares and holders of Preference Shares have no pre-emptive rights in respect of Ordinary Shares. Furthermore, Ordinary Shareholders outside the Netherlands may not be able to exercise pre-emptive rights, and therefore suffer dilution, unless local securities laws have been complied with.

U.S. holders of the Ordinary Shares may further not be able to receive (or trade) or exercise pre-emptive rights in respect of the Ordinary Shares unless a registration statement under the Securities Act is effective with respect to such rights or an exemption from the registration requirements of the Securities Act is available. The Group does not plan to become a registrant under the U.S. securities laws. If U.S. holders of the Ordinary Shares are not able to receive (or trade) or exercise pre-emptive rights granted in respect of their shares in any pre-emptive offering by the Company or participation in a rights offer, as the case may be, then they may not receive the economic benefit of such rights or participation. In addition, their proportional ownership interests in the Company will be diluted.

The rights and responsibilities of Shareholders are governed by Dutch law and the Articles of Association, which differ in some respects from the rights and responsibilities of shareholders under South African law and the current constitutional documents of SIHL

The Company's corporate affairs are governed by its Articles of Association, the Management Board Rules and the Supervisory Board Rules (both as defined in “*Corporate Bodies, Management and Corporate Governance*”) and the laws governing companies incorporated in the Netherlands. The rights of Shareholders and the responsibilities of members of the Management Board and Supervisory Board under Dutch law differ from the rights of shareholders and the responsibilities of a company's board of directors under South African law.

For example, the provisions of Dutch corporate law and the Articles of Association have the effect of concentrating control over certain corporate decisions and transactions in the hands of the Management Board and the Supervisory Board. As a result, Ordinary Shareholders may have less control over actions by members of the Management Board and/or the Supervisory Board than if the Company were incorporated in South Africa. Dutch law also requires that, in the performance of its duties, the Management Board and the Supervisory Board will need to consider the interests of the Company and its business, its Shareholders, employees and other stakeholders, and it is possible that some of these parties will have interests that differ from, or are in addition to, the interests of the Shareholders. It may further be difficult for Shareholders who are not familiar with Dutch corporate law and market practice to exercise their shareholder rights due to foreign legal concepts, language and customs.

These aspects could have a material adverse effect on the value of the Ordinary Shares and could materially impact the rights of Ordinary Shareholders. See “*Corporate Bodies, Management and Corporate Governance*” for a summary of certain provisions in the Articles of Association regarding the Company’s corporate bodies, management and corporate governance, “*Description of the Share Capital and the Articles of Association*” for a summary of certain other provisions of the Articles of Association, and “*Applicable Regulations*” for a summary of certain applicable Dutch and German laws.

Investors may have difficulty enforcing their rights against the Company and its respective directors and officers in U.S. courts

The Company is incorporated under the laws of the Netherlands and all the Group’s assets are located outside the United States. The members of the Management Board and the Supervisory Board and officers of the Group named herein are non-residents of the United States. All or a substantial proportion of the assets of these individuals are located outside the United States. As a result, it may be difficult for investors to effect service of process within the United States upon the Company or persons residing outside the United States, or to enforce outside the United States judgments obtained against such persons in U.S. courts in any action, including actions predicated upon the civil liability provisions of the U.S. federal securities laws. In addition, it may be difficult for investors to enforce, in original actions brought in courts in jurisdictions located outside the United States, rights predicated upon the U.S. federal securities laws. No assurance can be given that U.S. investors will be able to enforce any judgments obtained in U.S. courts in civil and commercial matters, whether or not predicated solely upon U.S. federal securities laws, against the Company, members of the Management Board and the Supervisory Board and officers of the Group named herein who are residents of the Netherlands or countries other than the United States. See also “*Important Information – Enforcement of civil liabilities*”.

Investors with a reference currency other than the euro will become subject to foreign exchange rate risk when investing in the Ordinary Shares

The Ordinary Shares are, and any dividends to be declared in respect of the Ordinary Shares will be, denominated in euro unless the Management Board determines in its sole discretion that payment shall be made in a different currency. An investment in the Ordinary Shares by an investor whose principal currency is not the euro exposes the investor to currency exchange rate risk that may impact the value of the investment in the Ordinary Shares or any dividends.

IMPORTANT INFORMATION

General

This Prospectus does not constitute an offer of securities by, or on behalf of, the Company or anyone else and has been prepared solely in connection with the Admission.

Prospective investors are expressly advised that an investment in the Ordinary Shares entails certain risks and therefore they should carefully review the entire content of this Prospectus. Furthermore, before making an investment decision with respect to any Ordinary Shares, prospective investors should consult their stockbroker, bank manager, lawyer, auditor or other financial, legal and tax advisers and carefully review the risks associated with an investment in the Ordinary Shares and consider such an investment decision in light of the prospective investor's personal circumstances.

Prospective investors should rely only on the information contained in this Prospectus. The Company does not undertake to update this Prospectus and therefore potential investors should not assume that the information in this Prospectus is accurate as of any date other than the date of this Prospectus. No person is or has been authorised to give any information or to make any representation in connection with the Admission, other than as contained in this Prospectus, and, if given or made, any other such information or representations must not be relied upon as having been authorised by the Company, the members of the Management Board or the Supervisory Board, SIHL, the Listing Agent or any of their respective representatives. Without prejudice to any obligation of the Company to publish a supplementary prospectus, the delivery of this Prospectus at any time after the date hereof will not, under any circumstances, create any implication that there has been no change in the Group's affairs since the date hereof or that the information set forth in this Prospectus is correct as of any time since its date.

Standard Chartered Bank, Johannesburg (the "**Securities Transfer Settlement Agent**") does not accept any responsibility whatsoever for the contents of this Prospectus or for any other statements made or purported to be made by either itself or on its behalf in connection with the Company, the Group, the Admission or the Ordinary Shares. Accordingly, the Securities Transfer Settlement Agent disclaims, to the fullest extent permitted by applicable law, all and any liability, whether arising in tort or contract or which they might otherwise be found to have in respect of this Prospectus and/or any such statement.

Responsibility statement

This Prospectus is made available by the Company. The Company accepts responsibility for the information contained in this Prospectus. The Company declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

Notice to investors

This Prospectus may not be used for and does not constitute an offer to sell, or the solicitation of an offer to buy, any of the Ordinary Shares or any other securities issued by the Company.

Distribution of this Prospectus may, in certain jurisdictions, be subject to specific regulations or restrictions. Persons in possession of this Prospectus are urged to inform themselves of any such restrictions which may apply in their jurisdiction and to observe them. Any failure to comply with these regulations or restrictions may constitute a violation of the securities laws of that jurisdiction. The Company disclaims all responsibility for any violation of such regulations or restrictions by any such person.

Enforcement of civil liabilities

The Company is incorporated under the laws of the Netherlands and all the Group's assets are located outside the United States. The members of the Management Board and the Supervisory Board and officers of the Group named herein are non-residents of the United States. All or a substantial proportion of the assets of these individuals are located outside the United States. As a result, it may be difficult for investors to effect service of process within the United States upon the Company or persons residing outside the United States, or to enforce outside the United States judgments obtained against such persons in U.S. courts in any action, including actions predicated upon the civil liability provisions of the U.S. federal securities laws. In addition, it may be difficult for investors to enforce, in original actions brought in courts in jurisdictions located outside the United States, rights predicated upon the U.S. federal securities laws.

The United States and the Netherlands currently do not have a treaty providing for the reciprocal recognition and enforcement of judgments (other than arbitral awards) in civil and commercial matters, and a final judgment for the payment of money rendered by any federal or state court in the United States which is enforceable in the United States, whether or not predicated solely upon U.S. federal securities laws, would not automatically be recognised or enforceable in the Netherlands. In order to obtain a judgment which is enforceable in the Netherlands, the party in whose favour a final and conclusive judgment of the U.S. court has been rendered will be required to file its claim with a court of competent jurisdiction in the Netherlands. Such party may submit to the Dutch court the final judgment rendered by the U.S. court. If and to the extent that the Dutch court finds that the jurisdiction of the U.S. court has been based on grounds which are internationally acceptable and that proper legal procedures have been observed, the Dutch court will, in principle, give binding effect to the judgment of the court of the United States without substantive re-examination or re-litigation on the merits of the subject matter thereof, unless such judgment contravenes principles of public policy of the Netherlands or the foreign judgment is irreconcilable with a judgment of a Dutch court given between the same parties, or with an earlier judgment of a foreign court given between the same parties in a dispute involving the same cause of action and subject matter, provided that such earlier judgment fulfils the conditions necessary for it to be given binding effect in the Netherlands. The enforcement of judgments rendered by a U.S. court in a Dutch court is subject to Dutch rules of civil procedure.

Subject to the foregoing and service of process in accordance with applicable treaties, investors may be able to enforce in the Netherlands judgments in civil and commercial matters obtained from U.S. federal or state courts. However, no assurance can be given that those judgments will be enforceable. In addition, it is doubtful whether a Dutch court would accept jurisdiction and impose civil liability in an original action commenced in the Netherlands and predicated solely upon U.S. federal securities law.

Forward-looking statements

This Prospectus contains forward-looking statements. A forward-looking statement is any statement that does not relate to historical facts or events or to facts or events as at the date of this Prospectus. This applies, in particular, to statements in this Prospectus containing information on the Group's future earnings capacity, plans and expectations regarding its business growth and profitability, and the general economic conditions to which it is exposed. Statements made using words such as "predicts", "forecasts", "plans", "endeavours" or "expects" may be an indication of forward-looking statements.

The forward-looking statements in this Prospectus are subject to risks and uncertainties, as they relate to future events, and are based on estimates and assessments made to the best of the Company's present knowledge. These forward-looking statements are based on assumptions, uncertainties and other factors, the occurrence or non-occurrence of which could cause the Company's actual results, including the financial condition and profitability of the Group, to differ materially from or fail to meet the expectations expressed or

implied in the forward-looking statements. These expressions can be found in several sections in this Prospectus, particularly in the sections entitled “*Risk Factors*”, “*Operating and Financial Review*” and “*Business*”, and wherever information is contained in this Prospectus regarding the Company’s intentions, beliefs or current expectations relating to the Company’s future financial condition and results of operations, plans, liquidity, business outlook, growth, strategy and profitability, as well as the economic and regulatory environment to which the Company and the Group are subject.

In light of these uncertainties and assumptions, it is also possible that the future events mentioned in this Prospectus might not occur. In addition, the forward-looking estimates and forecasts reproduced in this Prospectus from third-party reports could prove to be inaccurate (for more information on the third-party sources used in this Prospectus, see “– *Sources of market data*”). Actual results, performance or events may differ materially from those in such statements due to, among other reasons:

- the Group’s ability to increase sales, maintain or increase prices and/or to recover fixed costs;
- the Group failing to integrate its acquisitions effectively;
- the Group’s ability to manage the continuing expansion of its business effectively;
- the Group’s ability to identify opportunities or conclude transactions to expand its business;
- the Group operating in highly competitive markets;
- the Group facing seasonal and other fluctuations in consumer demand and the risk of product obsolescence;
- the Group having potential exposure to product liability claims and to loss of reputation;
- the Group not being adequately insured;
- the Group’s dependence on the skills and experience of its senior executive officers and other members of its Management Board and Supervisory Board;
- IT risks;
- the Group’s dependence on efficient logistics systems;
- the Group’s operations being dependent on its ability to source and produce finished goods and raw materials of appropriate quality from reliable sources and suppliers;
- the Group’s transfer pricing arrangements being determined to be inappropriate;
- the Group’s inability to pass on the rising cost of oil, gas and electricity to its customers;
- the Group’s exposure to fluctuations in currency exchange and interest rates;
- the Group requiring additional capital expenditure to expand and develop;
- natural disasters;
- the Group’s inability to protect its intellectual property rights;
- the diverse nature of the Group’s business operations;
- the Group facing risks in relation to its outstanding loans and borrowings;
- the Group’s creditworthiness and ability to meet future liquidity requirements and to access new funding;

- the Group's exposure to fluctuations in price, availability or quality of raw materials or sourced products;
- the Group's exposure to default on the part of certain customers or counterparties;
- the Group facing risks associated with suppliers from whom certain of its raw materials and products are sourced;
- the Group being subject to various government regulations in the markets in which it operates;
- increased costs as a result of developments in environmental, health and safety and labour laws, and tax regimes; and
- the Group's South African subsidiaries being subject to South African exchange control regulations.

Moreover, it should be noted that none of the Company, the members of the Management Board or the Supervisory Board, SIHL, the Listing Agent or any of their respective representatives assumes any obligation, except as required by law, to update any forward-looking statement or to conform any such statement to actual events or developments.

See "*Risk Factors*" for a further description of some of the factors that could influence the Company's forward-looking statements.

Sources of market data

To the extent not otherwise indicated, the information contained in this Prospectus on the market environment, market developments, growth rates, market trends and competition in the markets in which the Group operates is based on management's assessments. These assessments, in turn, are based in part on internal observations of the market and on various market studies.

In addition to information that has been based on assessments by Management, the following sources were used in the preparation of this Prospectus: Informa PLC; Euromonitor International; Möbelmarkt; Bloomberg foreign currency exchange composite rate information; the FSE (<http://www.boerse-frankfurt.de>)' IPEA UK LTD; GfK GmbH; Holzmann Medien GmbH & Co. KG; Verdict Retail, a trading name of Progressive Digital Media Ltd.; and the Australian Bureau of Statistics (<http://www.abs.gov.au>).

In particular, it should be noted that reference has been made in this Prospectus to information concerning markets and market trends. Information in relation to such markets and market trends was obtained from the above-mentioned market studies. The Company has accurately reproduced such information and, as far as it is aware and able to ascertain from information published by such third parties, no facts have been omitted that would render the reproduced information inaccurate or misleading. Nevertheless, prospective investors are advised to consider this data with caution. For example, market studies are often based on information or assumptions that may not be accurate or appropriate, and their methodology is inherently predictive and speculative.

Irrespective of the assumption of responsibility for the content of this Prospectus by the Company (see "*Responsibility Statement*" above), the Company has not independently verified the figures, market data or other information on which third parties have based their studies. Accordingly, the Company makes no representation or warranty as to the accuracy of any such information from third-party studies included in this Prospectus. Prospective investors should note that the Company's own estimates and statements of opinion and belief are not always based on studies of third parties.

Presentation of financial information

The Issuer was incorporated on 22 June 2015. Since its date of incorporation, it has conducted no operations. As described in “*Background*”, prior to the Scheme of Arrangement becoming operative, the Issuer will acquire Genesis Investment Holding GmbH (“**Genesis**”), which owns the trading businesses and certain fixed properties of kika-Leiner by way of a share purchase.

If the Issuer had prepared consolidated financial statements, there would be no differences between such consolidated financial statements and the financial statements of Genesis in relation to the statement of comprehensive income or the cash flow statement. There would be certain immaterial differences in relation to the statement of financial position arising from the different nominal value of the shares of the Issuer and Genesis, which would result in a different allocation across the items comprising equity. In addition, in future periods there will be certain immaterial differences between the statement of comprehensive income of the Issuer and Genesis resulting from operating costs incurred at the level of the Issuer.

Due to the immaterial nature of the differences between the financial statements of the Issuer and Genesis, Management is of the view that the financial statements of Genesis as of and for the periods incorporated herein provide the information required to be presented in accordance with Item 20.1 of Annex I of Commission Regulation (EC) No 809/2004 and pursuant to the Dutch Financial Supervision Act, which is designed to ensure that investors and potential investors in the Ordinary Shares are aware of all information that, according to the particular nature of Genesis and of the Ordinary Shares, is necessary to enable investors and potential investors to make an informed assessment of the assets and liabilities, financial position, profit and losses, and prospects of the Issuer and of the rights attaching to the Ordinary Shares.

In addition, the discussion of financial information included in this Prospectus pertains to the Group, not including the Issuer or Genesis.

Upon the Scheme of Arrangement becoming operative, the Issuer will become the new holding company of the Group. If the Scheme of Arrangement had been implemented as at 30 June 2015, SIHL would have accounted for 95.3 per cent. of the Group’s consolidated assets. For the periods covered by the financial information in this Prospectus: (i) the business activities of the Group have been primarily conducted by SIHL; and (ii) the Issuer was not engaged in any business activities. Therefore, the omission of the Issuer from the discussion has no material effect on the information presented in this Prospectus.

Other than where noted otherwise, this Prospectus has been drafted as if the Scheme of Arrangement has become operative on the date hereof. Accordingly, references in this Prospectus to the “Group” which relate to matters occurring prior to the implementation date of the Scheme of Arrangement are to SIHL and the SIHL Group, as appropriate, and references to the “Group” relating to matters occurring following the implementation date of the Scheme of Arrangement or which are forward-looking relate to the Company and its consolidated subsidiaries and subsidiary undertakings from time to time.

Therefore, this Prospectus contains and incorporates by reference financial information for (i) the SIHL Group; (ii) the Pepkor Group; and (iii) Genesis, for the periods indicated.

The SIHL Group

This Prospectus incorporates by reference the audited consolidated financial statements of the SIHL Group as at and for Fiscal Years 2015, 2014 and 2013 (the “**SIHL Consolidated Financial Statements**”).

The SIHL Consolidated Financial Statements were prepared in accordance with IFRS, and have been prepared in and are reported in South African rand. However, the reporting currency for the Group in future periods will be euro. In order to assist with translation for the current period, as well as consistency in prior periods, this Prospectus includes an unaudited convenience translation of certain financial information

extracted from the SIHL Consolidated Financial Statements from South African rand to euro at an exchange rate of R13.7347 per euro, R14.1106 per euro and R11.4635 per euro, the average exchange rate for Fiscal Years 2015, 2014 and 2013, respectively, and R13.5628 per euro, R14.5721 per euro and R12.9209 per euro, the closing exchange rate for the fiscal years ending on 30 June 2015 (“**Fiscal Year 2015**”), 30 June 2014 (“**Fiscal Year 2014**”) and 30 June 2013 (“**Fiscal Year 2013**”), respectively. The section entitled “*Operating and Financial Review*”, however, has been prepared based on the South African rand-denominated SIHL Consolidated Financial Statements.

The SIHL Consolidated Financial Statements were audited by Deloitte & Touche, Riverwalk Office Park, Block B, 41 Matroosberg Road, Ashlea Gardens X6, Pretoria, 0081, Republic of South Africa, as stated in its audit report contained therein.

The Pepkor Group

This Prospectus incorporates by reference the audited consolidated financial statements of the Pepkor Group as at and for Fiscal Years (being 30 June) 2015, 2014 and 2013 (the “**Pepkor Group Consolidated Financial Statements**”).

The Pepkor Group Consolidated Financial Statements were prepared in accordance with IFRS, and have been prepared in and are reported in South African rand. However, the reporting currency for the Group in future periods will be euro. In order to assist with translation for the current period, this Prospectus includes an unaudited convenience translation of certain financial information derived from the Pepkor Group Consolidated Financial Statements for Fiscal Year 2015 from South African rand to euro at an exchange rate of R13.7347 per euro, the average exchange rate for Fiscal Year 2015, and an exchange rate of R13.5628, the closing exchange rate for Fiscal Year 2015.

The Pepkor Group Consolidated Financial Statements were audited by PricewaterhouseCoopers, No 1 Waterhouse Place, Century City 7441, PO Box 2799, Cape Town, 8000, Republic of South Africa, as stated in its audit report contained therein.

Genesis

This Prospectus incorporates by reference the audited consolidated financial statements of Genesis as at and for Fiscal Year (being 30 June) 2015 (the “**Genesis Consolidated Financial Statements**”). The Genesis Consolidated Financial Statements were prepared in accordance with IFRS, and have been prepared in and are reported in euro.

The Genesis Consolidated Financial Statements were audited by Rödl & Partner, Zaunergasse 4-6, 4. Stock, 1030 Vienna, Austria, as stated in its audit report contained therein.

Pro Forma Financial Information

This Prospectus includes the following unaudited pro forma financial information:

- a convenience translated, euro denominated consolidated income statement of the SIHL Group for Fiscal Year 2015, including adjustments to reflect: (i) the acquisition of the Pepkor Group (the “**Pepkor Acquisition**”); and (ii) the incorporation of the results of the trading businesses of Genesis not previously acquired by the SIHL Group, as if each of these transactions had been completed on 1 July 2014; and
- a convenience translated, euro-denominated consolidated statement of financial condition of the SIHL Group as at 30 June 2015, including adjustments to reflect the incorporation of the assets and liabilities of the trading businesses of Genesis not previously acquired by the SIHL Group, as if the Scheme of Arrangement had been completed on 30 June 2015,

(together the “**Pro Forma Financial Information**”).

The Pro Forma Financial Information has been prepared for illustrative purposes only and, because of its nature, addresses a hypothetical situation and does not reflect the actual financial position or the financial performance of the Company as at any historical date, nor does it project the future financial position or financial performance of the Company. The Pro Forma Financial Information should be read in conjunction with the SIHL Consolidated Financial Statements, the Pepkor Group Consolidated Financial Statements and the Genesis Consolidated Financial Statements.

Currency presentation, presentation of figures and presentation of other information

In this Prospectus, “euro”, “EUR” and “€” refer to the single European currency adopted by certain participating member states of the European Union, “rand” and “R” refer to the currency of the Republic of South Africa and “U.S. dollar” and “USD” refer to the currency of the United States of America.

All of the financial data presented in this Prospectus is shown in millions of rand (in R millions) or in millions of euro (in € millions), except as otherwise stated. The percentage changes that are stated in the text and the tables have been commercially rounded to one decimal point unless stated otherwise. Financial information presented in parentheses denotes the negative of such number presented.

In order to present the underlying results of the Group’s operating divisions on a consistent basis, certain information contained in this Prospectus is presented on a basis that is either reflective of actual revenues and costs incurred by the Group in euro or that shows a translation from other currencies in which the Group transacts business into euro at the average exchange rate for the relevant fiscal year (“euro basis”). Management believes that this presentation provides investors with a clearer understanding of the underlying trends in the Group’s businesses over the period under review.

Unless otherwise indicated, information in this Prospectus is given as of 30 June 2015.

Incorporation by reference

The Company’s articles of association as they will read following their amendment by the Second Deed of Amendment (the official Dutch version and an English translation thereof) and the SIHL Consolidated Financial Statements, the Pepkor Group Consolidated Financial Statements and the Genesis Consolidated Financial Statements as specified below are incorporated into, and form part of, this Prospectus and can be obtained free of charge on the Company’s website (www.steinhoffinternational.com):

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For the purposes of this Prospectus, the directors' reports and audit committee reports (if any) of SIHL, Pepkor Group and Genesis are not incorporated by reference. In each case, unless stated otherwise, the entire document is incorporated by reference into this Prospectus. Notwithstanding the foregoing, where the documents incorporated by reference themselves incorporate information by reference, such information does not form part of this Prospectus.

No incorporation of websites

Investors should only rely on the information that is provided in this Prospectus or incorporated by reference herein. No other documents or information, including the content of the Company's website (www.steinhoffinternational.com), SIHL's website (www.steinhoffinternational.com), Pepkor's website (www.pepkor.co.za) or websites accessible from hyperlinks on these websites, form part of, or are incorporated by reference into, this Prospectus. These website addresses are an inactive text reference and are not intended to be actual links to the websites.

Definitions

Definitions have been used in this Prospectus. They are listed and explained in "*Definitions*".

BACKGROUND

Acquisition of Genesis

The Company was incorporated as a public company with limited liability (*naamloze vennootschap*) on 22 June 2015. Since its date of incorporation, it has conducted no operations. Prior to the Scheme of Arrangement becoming operative, the Company will acquire Genesis, which owns the trading businesses and certain fixed properties of kika-Leiner, by way of a share purchase.

Scheme of Arrangement

On 7 August 2015, it was announced that the Company had made a takeover offer to acquire the entire issued share capital of SIHL by way of a scheme of arrangement in terms of Section 114 of the SA Companies Act and the Company published a combined prospectus and pre-listing statement as required by the SA Companies Act and the JSE listings requirements (the “**Listings Requirements**”), respectively, in respect of this acquisition and the inward, secondary listing of the Ordinary Shares on the main board of the JSE. In addition, a circular was published by SIHL on the same date in relation to the Scheme of Arrangement, convening a meeting of SIHL shareholders to approve the Scheme of Arrangement and related matters.

On 7 September 2015, the shareholders of SIHL approved the Scheme of Arrangement. Pursuant to the Scheme of Arrangement, the Company will acquire the entire issued share capital of SIHL on the basis of issuing one Ordinary Share for every SIHL ordinary share contributed in terms of the Scheme of Arrangement, credited as fully paid and ranking *pari passu* in all respects with the other Ordinary Shares in issue, subject to certain conditions.

Prior to the Scheme of Arrangement becoming operative (as described below), the Company’s articles of association will be amended by execution of the Second Deed of Amendment. At the same time the Company will issue one Ordinary Share for every SIHL ordinary share held by the shareholders of SIHL. The Company will cancel the Incorporation Shares upon the Scheme of Arrangement becoming operative or as soon as reasonably possible thereafter and will repay the nominal value of the Incorporation Shares. All Ordinary Shares issued as part of the Scheme of Arrangement will have been fully paid up by way of a contribution in kind of all of the shares in the capital of SIHL with due observance of Section 2:94b of the Dutch Civil Code (*Burgerlijk Wetboek*) (“**DCC**”). The Ordinary Shares so issued will be issued at par and the amount by which the value of all of the SIHL shares so contributed to the Company exceeds the aggregate amount of the obligation to pay up the nominal value of the Ordinary Shares shall, under Dutch law, be non-stipulated share premium and shall be added to the share premium reserve maintained in the books of the Company. The contribution of all of the SIHL shares shall be fulfilled and settled by virtue of the Scheme of Arrangement becoming operative with effect that by operation of South African law, with effect from the operative date, all of the SIHL shares shall be transferred and contributed to and acquired by the Company.

Accordingly, when the Scheme of Arrangement becomes operative, the Company will become the direct owner of 100 per cent. of the issued share capital of SIHL and the new holding company of the Group, and all shareholders of SIHL will become shareholders of the Company.

The Scheme of Arrangement will become operative immediately prior to the Admission of the Ordinary Shares to the FSE.

Auditor's Report for Contribution in Kind

Baker Tilly Berk N.V., acting as independent auditor, is expected to issue a report as referred to in Section 2:94b of the DCC, confirming that the value of the ordinary SIHL shares to be transferred and contributed to the Company pursuant to the Scheme of Arrangement is at least equal to the payment obligation which the contribution is required to meet.

EXCHANGE RATES

The SIHL Consolidated Financial Statements have been prepared in rand.

The following table sets forth the high, low, period average and period end Bloomberg Composite Rate of rand per euro in effect for the period noted. The Bloomberg Composite Rate is a “best market” calculation in which, at any point in time, the bid rate is equal to the highest bid rate of all contributing bank indications and the ask rate is set to the lowest ask rate offered by these banks. The Bloomberg Composite Rate is a mid-value rate between the applied highest bid rate and the lowest ask rate. The rates may differ from the actual rates used in the preparation of the SIHL Consolidated Financial Statements, the Pepkor Group Consolidated Financial Statements and other financial information appearing in this Prospectus. The Issuer makes no representation that any amount of currencies specified in the table below has been, or could be, converted into euro at the rates indicated or any other rate.

The period average for a year means the average of the Bloomberg Composite Rates on the last day of each month during a year. The period average for a month, or for any shorter period, means the average of the daily Bloomberg Composite Rates during that month, or shorter period, as the case may be.

On 16 November 2015, the exchange rate was R15.3748 per euro.

Period	High	Low	Period average	Period end
		<i>(R per euro)</i>		
Year ended				
2010	10.7968	8.7425	9.6973	8.8046
2011	11.3959	8.8046	10.0905	10.4663
2012	11.5673	9.8809	10.5520	11.1876
2013	14.5117	11.1536	12.8247	14.5114
2014	15.3401	13.5786	14.3993	13.9796
Month ended				
May 2015	13.6082	13.1114	13.3587	13.3355
June 2015	14.0903	13.3885	13.8023	13.5510
July 2015	14.0364	13.3963	13.7030	13.9442
August 2015	15.1553	13.8412	14.3531	14.8597
September 2015	15.8056	15.0257	15.3379	15.5017
October 2015	15.5737	14.8864	15.1526	15.2314
November 2015 (to 16 November)	15.4396	15.0936	15.2646	15.3748

Source: Bloomberg.

PROFITS AND DISTRIBUTIONS

General

The Company may only make distributions to its Shareholders insofar as the Company's equity exceeds the aggregate of the issued capital and the reserves which must be maintained pursuant to Dutch law or by the Company's articles of association. Under the Articles of Association, distribution of profit, meaning the net earnings after taxes shown by the adopted annual accounts referred to in Section 2:391 of the DCC (the "**Annual Accounts**"), will be made after the adoption of the Annual Accounts from which it appears that they are permitted for the respective financial year, entirely without prejudice to any of the other provisions of the Articles of Association.

The Management Board, after approval of the Supervisory Board, determines which part of the profits will be added to reserves, taking into account the financial condition, earnings, cash needs, capital requirements (including requirements of its subsidiaries, group companies and other affiliated companies) and any other factors that the Management Board and the Supervisory Board deem relevant in making such a determination. Any remaining part of the profits after the addition to reserves will be at the disposal of the General Meeting. The Management Board, with the approval of the Supervisory Board, shall make a proposal to the General Meeting regarding any such remaining part of the profits. Part of that proposal shall be that the Company makes a distribution to the holders of Preference Shares, if any are outstanding, and the Ordinary Shareholders.

Any Preference Shares that are outstanding will entitle the holders thereof to non-cumulative distributions that are at least 1 per cent. but no more than 10 per cent. higher than those on the Ordinary Shares, provided distributions are declared on the Ordinary Shares and, therefore, that not all profits are added to the Company's reserves. The exact percentage of the additional distribution that the Preference Shares will give right to will be determined, taking into account the prevailing market conditions, at the time Preference Shares are issued for the first time. The premium will also apply to any distributions from the Company's reserves or interim distributions.

Dividends and other distributions are further summarised in "*Description of the Share Capital and the Articles of Association – Dividends and other distributions*".

Company Dividend History

The Company was incorporated on 22 June 2015 and has neither declared nor paid any dividends.

SIHL Dividend History

SIHL announced a dividend of R1.65 per share (€0.106 per share), which was paid to ordinary shareholders in November 2015. In respect of distributions made in Fiscal Year 2015, the Group's ordinary shareholders were entitled to elect to receive a capitalisation share alternative consisting of SIHL ordinary shares. If no election was made, a cash dividend was paid. A circular containing the details of this capitalisation share alternative was published on 23 October 2015. This dividend translates to a dividend per share pay-out ratio of 34.4 per cent. as a proportion of the Group's basic earnings per share from continuing and discontinued operations in Fiscal Year 2015.

Dividend Policy

A dividend over the fiscal year ending in 2016, if any, will be determined at the annual General Meeting in 2016. In relation to future years, the Company intends to target a dividend per share pay-out ratio in line with

listed international retailers from time to time, taking into account the composition of the Group's investments and business activities, provided the Group's business remains stable.

The Company's intentions in relation to dividends are subject to numerous assumptions, risks and uncertainties, many of which may be beyond the Company's control. Since the Company does not itself conduct any operating business, its ability to pay dividends depends on its operating subsidiaries, group companies and other associated companies making profits and distributing these to the Company. Furthermore, the timing and amount of future dividend payments, if any, will depend on the Company's financial performance, including, among other factors, its earnings, its general financial condition and liquidity situation, general conditions in the markets in which it operates, inflow of funds from its subsidiaries, group companies and other associated companies and legal, tax and regulatory considerations, as well as such other factors as the Management Board and the Supervisory Board may consider relevant. For further information on these limitations see *"Operating and Financial Review – Liquidity and Capital Resources – Material indebtedness and other material liabilities of the Group"*. As a consequence of these factors, there can be no assurance as to whether dividends or similar payments will be paid in future or, if they are paid, there is consent. See also *"Risk Factors"*.

Manner and Time of Dividend Payments

Payment of any dividend in cash will in principle be made in euro. According to the Articles of Association, the Management Board may determine that distributions on Shares will be made payable in another currency. Any distributions that are paid to Shareholders through Clearstream or Strate will be automatically credited to the relevant Shareholders' accounts without the need for the Shareholders to present documentation proving their ownership of the Shares. Payment of distributions on the Shares in registered form (not held through Clearstream or Strate, but directly) will be made directly to the relevant Shareholder using the information contained in the Company's shareholders' register and records.

Uncollected Dividends

A claim for any declared dividend and other distributions lapses five years after the date those dividends or distributions were released for payment. Any dividend or distribution that is not collected within this period will be considered to have been forfeited to the Company.

Taxation

South African Dividend Withholding Tax

The Issuer is tax resident in South Africa. Accordingly, dividend payments on the Ordinary Shares and any Preference Shares are subject to dividend withholding tax in South Africa, depending on the nature and tax residence of the Shareholder.

Dividend payments to corporate Shareholders and certain specified exempt institutions which are tax resident in South Africa, would be exempt from South African dividend withholding tax. Exemption is not automatic, but is subject to the submission of a declaration by the beneficial owner of the Shares confirming entitlement to exemption.

Dividend payments to Shareholders who are individuals or trusts and are tax resident in South Africa, as well as dividend payments to foreign Shareholders would be subject to South African dividend withholding tax. For South African tax resident individuals or trusts the applicable rate is 15 per cent. In the case of foreign Shareholders the applicable rate is 15 per cent., however such rate is potentially reduced by the Double Tax Agreement between South Africa and the country of tax residence of the foreign Shareholder (if applicable).

Reduction in rate is not automatic, but is subject to the submission of a declaration by the beneficial owner of the Shares confirming the entitlement to a reduction.

Distributions made from the share capital of the Issuer, and the issue of Shares as a dividend in kind by the Issuer are not subject to South African dividend withholding tax.

See “*Taxation in South Africa*” for a further description of South African taxation.

Dutch Dividend Withholding Tax

The Issuer is incorporated in the Netherlands, although its place of effective management is in South Africa. For this reason, dividend payments to Shareholders that are tax resident in, or deemed to be tax resident in, the Netherlands for Dutch income tax purposes will, in addition to being subject to South African dividend withholding tax, also be subject to Dutch dividend withholding tax in the Netherlands. See “*Taxation in the Netherlands – Withholding tax*”.

Tax credits may be claimed in respect of South African dividend withholding tax paid if the dividends received from a South African company are taxable in the Netherlands. If the participation exemption applies, dividends received from a South African company will not be subject to tax in the Netherlands and the South African dividend withholding tax paid would be the only tax suffered. Tax credits for Dutch dividend withholding tax may be claimed regardless of whether the dividends received from South Africa are taxable in the Netherlands or not.

CAPITALISATION AND INDEBTEDNESS

The following table sets forth the Group's capitalisation and net indebtedness as at 30 June 2015, and therefore, prior to the Scheme of Arrangement becoming operative, on an unaudited basis. The information presented in this table has been derived from the Group's accounting information. This table should be read in conjunction with the SIHL Consolidated Financial Statements and "Operating and Financial Review".

Capitalisation and Indebtedness

	As at 30 June 2015	
	(unaudited)	
	<i>(in € million)</i>	<i>(in R million)</i>
Current debt		
Guaranteed	—	—
Secured ⁽¹⁾	62	838
Unguaranteed/Unsecured ^{(2) (3)}	506	6,865
Total current debt	<u>568</u>	<u>7,703</u>
Non-current debt (excluding current portion of long-term debt)		
Guaranteed	—	—
Secured ⁽¹⁾	212	2,882
Unguaranteed/Unsecured ⁽⁴⁾	3,940	53,462
Total non-current debt	<u>4,152</u>	<u>56,344</u>
Total interest-bearing loans and borrowings	<u>4,720</u>	<u>64,047</u>
Shareholder's equity		
Share capital	8,467	113,345
Legal reserve	—	—
Preference share capital and premium	437	4,882
Other reserves	4,443	62,856
Total equity⁽⁵⁾	<u>13,347</u>	<u>181,083</u>
Total capitalisation	<u>18,067</u>	<u>245,130</u>

Notes:

- (1) Amounts shown in euro have been translated at an exchange rate of R13.5628 per euro, the closing exchange rate on 30 June 2015.
- (2) Includes: (i) capitalised finance lease and instalment sale agreements; and (ii) mortgage and term loans.
- (3) Unsecured current debt includes: (i) bank overdrafts and short-term facilities totalling R1,856 million (€137 million) as at 30 June 2015; and (ii) current portion of total unsecured debt.
- (4) Unsecured non-current debt includes: (i) debt portions of the Convertible Bonds (as defined in "Definitions"); (ii) German loan notes; (iii) Steinhoff Services domestic medium-term note programme; (iv) JD Group domestic

medium-term note programme; (v) US note purchase agreements; (vi) preference shares issued by Ainsley Holdings Proprietary Limited; (vii) syndicated loan facilities; (viii) term loans; and (ix) other loans.

(5) Total equity excludes non-controlling interests.

Net Indebtedness

	As at 30 June 2015	
	(unaudited)	
	(in € million) ⁽¹⁾	(in R million)
A. Cash.....	2,794	37,905
B. Cash equivalent ⁽²⁾	—	—
C. Trading securities ⁽³⁾	134	1,818
D. Liquidity (A) + (B) + (C)	2,928	39,723
E. Current financial receivable	1,117	15,157
F. Current bank debt	137	1,856
G. Current portion of non-current debt	431	5,847
H. Other current financial debt ⁽⁴⁾	3,166	42,988
I. Current financial indebtedness (F) + (G) + (H)	3,734	50,691
J. Net current financial indebtedness (I) – (E) – (D)	(311)	(4,189)
K. Non-current bank loans ⁽⁵⁾	2,068	28,053
L. Bonds issued ⁽⁶⁾	2,084	28,291
M. Other non-current loans ⁽⁷⁾	7	93
N. Non-current financial indebtedness (K) + (L) + (M)	4,159	56,437
O. Net financial indebtedness (J) + (N)	3,848	52,248

Notes:

- (1) Amounts shown in euro have been translated at an exchange rate of R13.5628 per euro, the closing exchange rate on 30 June 2015.
- (2) No cash equivalents were held as at 30 June 2015.
- (3) Includes listed unit trusts and shares that are fair valued through the profit and loss statement. In addition, the non-current portion of derivative financial assets are included in order to align with the inclusion of non-current derivative financial liabilities within this reconciliation (see note 7 below).
- (4) Consists primarily of trade payables.
- (5) Includes the non-current portion of interest-bearing loans and borrowings (excluding bonds).
- (6) Includes the non-current portion of the Convertible Bonds, German loan notes and domestic medium-term notes.
- (7) Includes financial derivative liabilities.

Except as disclosed in the section entitled “*Business — Legal Proceedings*”, the Group had no material contingent liabilities external to the Group as at 30 June 2015.

There has been no significant change in the Group's capitalisation and indebtedness since 30 June 2015 except for the following:

- on 11 August 2015, Steinhoff Finance, a wholly-owned subsidiary of SIHL, under specific authority to issue convertible debentures which was obtained at the annual general meeting on 2 December 2014, raised €1,116 million through the placement of 1.25 per cent. guaranteed convertible bonds due 2022, which as at their issue date are convertible into approximately 150 million SIHL ordinary shares at a conversion price of R103.47 (€7.44) per share;
- on 2 October 2015, Brait announced that it had disposed of its entire shareholding of 190 million ordinary shares in SIHL. SIHL facilitated the acquisition of 150 million of these shares, as a result of which the purchasing entity will be consolidated by SIHL. Accordingly, 150 million ordinary shares in SIHL (and after the listings, in the Company) will be treated in terms of IFRS as shares held in treasury;
- a cash dividend of R2,188 million (R1.65 per share or €0.106 per share) was paid on 16 November 2015 to SIHL shareholders holding 1,326 million SIHL shares in the aggregate. Shareholders holding 2,485 million SIHL shares in the aggregate elected to receive the capitalisation share alternative consisting of SIHL ordinary shares in lieu of the cash dividend. Accordingly, 49,268,790 SIHL ordinary shares were issued on 16 November 2015, credited as fully paid; and
- the conversion of €142.8 million of the €420 million 6.375 per cent. four-and-a-half-year convertible bonds due in May 2017 (the “**2017 Convertible Bonds**”) and the conversion of €334.8 million of the €467.5 million 4.5 per cent. seven-year guaranteed convertible bonds due in March 2018 (the “**2018 Convertible Bonds**”).

The Scheme of Arrangement is expected to become operative immediately prior to the Admission on the FSE, which is expected to be on 7 December 2015, and will result in the combination of the SIHL Group and the Issuer.

SELECTED CONSOLIDATED FINANCIAL INFORMATION

This Prospectus contains selected financial information for (i) the SIHL Group, (ii) the Pepkor Group and (iii) Genesis for the periods indicated.

The rand-denominated selected audited historical financial information of the SIHL Group as at and for Fiscal Years 2015, 2014 and 2013 has been extracted or derived from the SIHL Consolidated Financial Statements, which are incorporated by reference into the Prospectus. The euro-denominated selected historical financial information of the SIHL Group as at and for Fiscal Year 2015 has not been separately audited.

The rand-denominated selected audited historical financial information of the Pepkor Group as at and for Fiscal Years 2015, 2014 and 2013 has been extracted or derived from the Pepkor Group Consolidated Financial Statements, which are incorporated by reference into the Prospectus. The euro-denominated selected historical financial information of the Pepkor Group as at and for Fiscal Year 2015 has not been separately audited.

The selected audited historical financial information of Genesis as at and for Fiscal Year 2015 has been extracted or derived from the Genesis Consolidated Financial Statements, which are incorporated by reference into the Prospectus.

The SIHL Group

Consolidated income statement

	Fiscal Year			
	2015 ⁽¹⁾	2015	2014	2013
	(unaudited) (in € million)		(audited) (in R million)	
Revenue	9,818	134,868	117,364	97,938
Cost of sales	(6,300)	(86,541)	(75,446)	(63,542)
Operating profit	1,297	17,828	14,122	9,459
Profit before taxation	1,210	16,638	12,417	8,073
Taxation	(96)	(1,343)	(1,954)	(983)
Profit for the year from continuing operations	1,114	15,295	10,463	7,090
Profit for the year	959	13,155	9,863	7,949

Note:

- (1) Amounts shown in euro have been translated at an exchange rate of R13.7347 per euro, the average exchange rate for Fiscal Year 2015. This convenience translation has not been separately audited.

Consolidated statement of financial position

As at 30 June

	2015 ⁽¹⁾	2015	2014	2013
	(unaudited) (in € million)		(audited) (in R million)	
Assets				
Total non-current assets	16,123	218,764	136,620	115,235
Total current assets	6,986	94,776	65,701	49,782
Total assets	23,109	313,540	202,321	165,017
Equity and Liabilities				
Total equity	13,428	182,170	87,776	66,768
Total non-current liabilities	5,515	74,830	69,317	58,255
Total current liabilities	4,166	56,540	45,228	39,994
Total equity and liabilities	23,109	313,540	202,321	165,017

Note:

- (1) Amounts shown in euro have been translated at an exchange rate of R13.5628 per euro, the closing exchange rate on 30 June 2015. This convenience translation has not been separately audited.

Consolidated statement of cash flows

Fiscal Year

	2015 ⁽¹⁾	2015	2014	2013
	(unaudited) (in € million)		(audited) (in R million)	
Net cash inflow from operating activities	1,475	20,286	16,141	7,815
Net cash outflow from investing activities...	(1,536)	(21,124)	(16,684)	(8,250)
Net cash inflow from financing activities	1,721	23,630	6,513	256
Net increase/(decrease) in cash and cash equivalents	1,660	22,792	5,970	(179)
Cash and cash equivalents at beginning of the period	1,121	16,341	9,249	8,057
Effects of exchange rate translations on cash and cash equivalents	13	(1,228)	1,122	1,371
Cash and cash equivalents at end of the period	2,794	37,905	16,341	9,249

Note:

- (1) Amounts shown in euro have been translated at an exchange rate of R13.7347 per euro, the average exchange rate for Fiscal Year 2015. This convenience translation has not been separately audited.

The Pepkor Group

Consolidated income statement

	Fiscal Year			
	2015 ⁽¹⁾	2015	2014	2013
	(unaudited) (in € million)		(audited) (in R million)	
Revenue	3,281	45,066	38,194	32,880
Cost of sales	(1,991)	(27,345)	(22,750)	(20,149)
Operating profit	264	3,628	3,176	2,899
Profit before taxation.....	243	3,340	2,910	2,634
Taxation	(78)	(1,066)	(1,004)	(841)
Profit for the year from continuing operations	166	2,274	1,906	1,793
Profit for the period.....	166	2,274	2,132	1,828

Note:

- (1) Amounts shown in euro have been translated at an exchange rate of R13.7347 per euro, the average exchange rate for Fiscal Year 2015. This convenience translation has not been separately audited.

Consolidated statement of financial position

	As at 30 June			
	2015 ⁽¹⁾	2015	2014	2013
	(unaudited) (in € million)		(audited) (in R million)	
Assets				
Total non-current assets	556	7,535	7,042	6,463
Total current assets	1,057	14,333	11,317	10,177
Total assets	1,612	21,868	18,360	16,640
Equity and Liabilities				
Equity	537	7,280	7,020	5,956
Total non-current liabilities.....	146	1,984	4,366	3,499
Total current liabilities.....	929	12,604	6,974	7,185
Total equity and liabilities.....	1,612	21,868	18,360	16,640

Note:

- (1) Amounts shown in euro have been translated at an exchange rate of R13.5628 per euro, the closing exchange rate on 30 June 2015. This convenience translation has not been separately audited.

Consolidated statement of cash flows

	Fiscal Year			
	2015 ⁽¹⁾	2015	2014	2013
	(unaudited) (in € million)		(audited) (in R million)	
Cash flow from operations ⁽²⁾	123	1,687	2,341	1,280
Cash flow from investment activities.....	(124)	(1,706)	(1,236)	(1,894)
Net cash flow	(1)	(19)	1,106	(614)
Cash flow from financing activities	79	1,080	551	158
Cash and cash equivalents				
Net movement for the period	77	1,062	1,657	(456)
At beginning of the period	124	1,801	144	600
Exchange rate effect on cash.....	10	—	—	—
Balance at end of the period.....	211	2,863	1,801	144

Notes:

- (1) Amounts shown in euro have been translated at an exchange rate of R13.7347 per euro, the average exchange rate for Fiscal Year 2015. This convenience translation has not been separately audited.
- (2) Post a dividend payment of R2,000 million (€145.6 million) to SIHL in respect of Fiscal Year 2015.

Genesis

Consolidated income statement

	Fiscal Year 2015
	(audited) (in € million)
Revenue.....	943
Cost of sales	(530)
Operating profit.....	38
Profit before taxation	24
Taxation.....	13
Profit for the year from continuing operations.....	37
Profit for the year	39

Consolidated statement of financial position

	As at 30 June 2015
	(audited)
	<i>(in € million)</i>
Assets	
Total non-current assets.....	777
Total current assets.....	375
Total assets	1,152
Equity and Liabilities	
Total equity	201
Total non-current liabilities	453
Total current liabilities	498
Total equity and liabilities	1,152

Consolidated statement of cash flows

	Fiscal Year 2015
	(audited)
	<i>(in € million)</i>
Net cash outflow from operating activities	(50)
Net cash inflow from investing activities.....	52
Net cash outflow from financing activities	(32)
Total cash flows for the year.....	(30)
Cash and cash equivalents at beginning of the year.....	65
Cash and cash equivalents at end of the year	35

OPERATING AND FINANCIAL REVIEW

The following discussion and analysis of the Group's financial condition and results of operations is based on, and should be read in conjunction with, the SIHL Consolidated Financial Statements, which are incorporated by reference into this Prospectus. All financial information is taken from these sources, unless otherwise indicated. The following discussion contains forward-looking statements that reflect the current view of Management. The Company's actual results could differ materially from those anticipated in any forward-looking statements as a result of the factors discussed below and elsewhere in this Prospectus, particularly in "Risk Factors" and "Important Information – Forward-looking statements". Investors should carefully consider the following information, together with the other information contained in this Prospectus, before investing in the Ordinary Shares.

Overview

The Group is an integrated discount retailer that manufactures, sources and retails furniture, household goods and general merchandise in Europe, Australasia and Africa. The Group's integrated business model is based upon a strategy of sourcing and manufacturing products at low cost and distributing them to the Group's value-conscious customer base mainly through its extensive retail footprint.

The Group was founded in 1964 and was listed on the JSE in 1998, with an initial market capitalisation of R2.6 billion and a current market capitalisation, as at the Latest Practicable Date, of R315.4 billion (€20.5 billion). The Group has been included in the JSE Top Forty Index and the JSE Industrial Top 25 Index. In Fiscal Year 2015, the Group reported revenue from continuing operations of R134,868 million (€9,818 million) and operating profit before capital items from continuing operations of R15,315 million (€1,115 million) compared to R117,364 million (€8,321 million) and R12,622 million (€895 million), respectively, in Fiscal Year 2014. On a pro forma basis, assuming that (i) the Pepkor Acquisition had been completed on 1 July 2014 and (ii) the full-year results of operations of the kika-Leiner business had been included in the Group's results of operations for Fiscal Year 2015, the Group's revenue from continuing operations for Fiscal Year 2015 was €13,154 million and operating profit before capital items from continuing operations was €1,328 million. As at 30 June 2015, the Group had more than 90,000 employees.

The Group is managed through three operating segments:

- **Integrated Retail: Household Goods** – The Group's Integrated Retail: Household Goods segment comprises a vertically integrated furniture, household goods and related retail business serving the discount and value consumer market segments in Europe, Australasia and Africa.
- **Integrated Retail: General Merchandise** – The Group's Integrated Retail: General Merchandise segment comprises the operations of the Pepkor Group, a leading retailer selling a range of everyday necessities (excluding food) to its price-sensitive and value-conscious customer base, including clothing, footwear, household goods, personal accessories and cellular products. The Integrated Retail: General Merchandise segment also provides selected financial services to its customer base, such as utility bill payments and money transfer services.
- **Integrated Retail: Automotive** – The Group's Integrated Retail: Automotive segment comprises the Group's automotive retail businesses in South Africa.

The Group is invested in companies that provide essential services and knowledge to the Group, which Management believes enhances the Group's ability to manage its diverse range of businesses. Accordingly, the Group holds: (i) a 43.3 per cent. minority interest in KAP Industrial, a JSE-listed diversified industrial company with leading market share positions in the logistics, integrated timber, integrated bedding, and other

industrial sectors within South Africa; and (ii) a 27 per cent. interest in PSG Group, a JSE-listed investment company.

In Fiscal Year 2015, the Group's Integrated Retail: Household Goods segment accounted for 77.6 per cent. of the Group's revenue from continuing operations and 85.8 per cent. of the Group's operating profit before capital items from continuing operations. The Group's Integrated Retail: General Merchandise segment accounted for 9.1 per cent. of the Group's revenue from continuing operations and 10.7 per cent. of the Group's operating profit before capital items from continuing operations (this segment comprised only three months of results of operations reported in Fiscal Year 2015 following the Pepkor Acquisition). The Group's Integrated Retail: Automotive segment accounted for 13.3 per cent. of the Group's revenue from continuing operations and 3.5 per cent. of the Group's operating profit before capital items from continuing operations. On a pro forma basis, assuming the Pepkor Acquisition had been completed on 1 July 2014, the Group's Integrated Retail: General Merchandise segment would have accounted for 26.9 per cent. of the Group's revenue from continuing operations and 23.3 per cent. of the Group's operating profit before capital items from continuing operations.

Key Factors Affecting the Company's Results of Operations

Set forth below is a description of certain key factors that have historically affected the Group's business and which may impact its business in the future.

The Pepkor Acquisition and growth in the discount and value market segments

On 31 March 2015, SIHL acquired 92.34 per cent. of the Pepkor Group, and, on 20 April 2015, SIHL acquired the remaining 7.66 per cent. of the Pepkor Group. The total purchase consideration of the Pepkor Acquisition (calculated using the offer price of R57 (€4.15) per share) was R67,864 million (€4,942 million). As a result of the Pepkor Acquisition, the Group now has a global retail footprint of over 6,500 retail outlets in 30 countries. Management expects the Pepkor Acquisition to contribute significantly to the ongoing growth of the Group's retail operations. As a result of the Pepkor Acquisition having been completed on 31 March 2015, Pepkor only contributed to the financial performance of the Group's Integrated Retail: General Merchandise segment for the fourth quarter of Fiscal Year 2015. For Fiscal Year 2015, Pepkor's revenue from continuing operations was R45,066 million (€3,281 million) and profit before taxation was R3,340 million (€243 million), compared to R38,194 million (€2,707 million) and R2,910 million (€206 million), respectively, for Fiscal Year 2014. Of these amounts, R12,199 million (€888 million) of Pepkor's revenue and R1,645 million (€120 million) of Pepkor's operating profit before capital items from continuing operations were consolidated in the Group's results of operations for Fiscal Year 2015. For pro forma financial information reflecting the Pepkor Acquisition, see the section entitled "*Pro Forma Financial Information*".

Control, scale and flexibility over the supply chain

The Group's integrated business model is based upon a global strategy of sourcing and manufacturing products at low cost and distributing them to the Group's value-conscious customer base mainly through its extensive retail footprint. The Group's global sourcing operations identify and assess potential suppliers primarily in low-cost countries, and the majority of the Group's own manufacturing facilities are located in Germany, Poland, Hungary and the United Kingdom.

Rationalisation of the supply chain

The Group has benefited from the optimisation of its global supply chain. Key components of this optimisation include: (i) cost savings through the rationalisation of its Asian sourcing offices; (ii) a reduction in global shipping costs; (iii) an increase in intra-group trading through the Group's own manufacturing operations, specifically in upholstered and mattress products; and (iv) consolidation of the global supplier

base through sourcing products from a limited number of suppliers. The Group's supply chain integration improvements have helped drive growth in the Group's operating margins.

Expansion of retail business and consolidation of the household goods market in Europe

The Group has expanded its retail business in recent years, through both acquisitions and organic growth. As at 30 June 2015, the Group's retail footprint comprised: (i) 2,332 household goods retail outlets in 25 countries across Europe, Australasia and Africa; (ii) 4,111 general merchandise retail outlets in 20 countries across Europe, Australasia and Africa; and (iii) 87 automotive dealerships and 46 rental car outlets in two countries in Africa.

The Group's investment in its footprint of retail properties during the periods under review has helped drive growth in revenue and operating profit. Between Fiscal Year 2013 and Fiscal Year 2015, revenue from continuing operations from the Group's Integrated Retail: Household Goods segment increased by R22,262 million, or 27.0 per cent., from R82,434 million in Fiscal Year 2013 to R104,696 million in Fiscal Year 2015, and, on a euro basis, by €434 million, or 6.0 per cent., from €7,188 million in Fiscal Year 2013 to €7,622 million in Fiscal Year 2015. In addition, between Fiscal Year 2013 and Fiscal Year 2015, operating profit before capital items from continuing operations from the Group's Integrated Retail: Household Goods segment increased by R3,824 million, or 41.1 per cent., from R9,310 million in Fiscal Year 2013 to R13,134 million in Fiscal Year 2015, and, on a euro basis, by €144 million, or 17.7 per cent., from €812 million in Fiscal Year 2013 to €956 million in Fiscal Year 2015.

e-commerce and omni-channel developments

The Group has made significant improvements to its online sales channel by expanding and enhancing its digital functionality and transactional and fulfilment capabilities, and, in Fiscal Year 2015, approximately 7 per cent. of Conforama's revenue in France was generated online. Following the success of the omni-channel trial at Conforama (the Group's largest retail business), Management intends to prioritise growth in e-commerce in other regions going forward.

Exchange rate fluctuations

Due to the geographical spread of its business, the Group's results of operations are impacted by fluctuations in exchange rates on both a transactional and translational basis. The Group's sourcing and manufacturing costs are incurred primarily in Chinese yuan, Hungarian forint, Polish zloty, South African rand and United States dollars, while its revenues derived outside Africa are earned primarily in Australian dollars, euros, Polish zloty, Swiss francs and UK pound sterling. The Group addresses the impact of these fluctuations by consistent and strict application of its approved hedging strategies. In addition, the Group borrows funds in the same currency in which it expects to spend such funds. See “– *Quantitative and Qualitative Disclosures about Market Risks – Foreign exchange risk*”.

The Group's results of operations have been impacted by fluctuations in the exchange rate of the rand against certain other key currencies. A significant and sustained appreciation of a currency in which the Group incurs sourcing and manufacturing costs against the currencies in which the Group earns revenues could adversely affect the Group's operating margins, thereby reducing its operating profit. Conversely, a significant and sustained depreciation of a currency in which the Group incurs sourcing and manufacturing costs against the currencies in which the Group earns revenues could positively affect the Group's operating margins, thereby increasing its operating profit.

The Group will report its results of operations in euro going forward. See “*Important Information – Currency presentation, presentation of figures and presentation of other information*” and the euro-denominated SIHL Consolidated Financial Statements available on the Company's website (www.steinhoffinternational.com) for

more information. The table below presents the change in the average translation rate of the euro against certain other key currencies for the periods indicated:

Translation rate of the euro against	Average Exchange Rate			Closing Exchange Rate		
	Fiscal Year			Fiscal Year		
	2015	2014	% change	2015	2014	% change
South African rand.....	13.7347	14.1106	(2.7)	13.5628	14.5721	(6.9)
Polish zloty	4.1667	4.1953	(0.7)	4.1911	4.1568	0.8
Pound sterling	0.7625	0.8348	(8.7)	0.7114	0.8015	(11.2)
Australian dollar	1.4361	1.4786	(2.9)	1.4550	1.4537	0.1
U.S. dollar.....	1.2041	1.3568	(11.3)	1.1189	1.3658	(18.1)
Swiss franc	1.1342	1.2266	(7.5)	1.0413	1.2156	(14.3)

Corporate activity

The Group's operations have grown, through both organic growth and acquisition, during the periods under review. Management believes that its growth and diversification strategy has positively impacted the Group's financial condition and results of operations. Furthermore, Management believes that the following corporate transactions should be taken into account when analysing the Group's results of operations.

In 2013, SIHL facilitated the kika-Leiner Acquisition. In Fiscal Year 2014, a decision was taken to separate the kika-Leiner trading operations from its Austrian property portfolio. On 30 June 2014, SIHL acquired the Austrian property portfolio of kika-Leiner. The results of the trading operations of kika-Leiner will be consolidated with the results of operations of the Group from 1 December 2015.

In 2014, the Group reduced its interest in KAP Industrial from 62 per cent. to 44.7 per cent. As at 30 June 2015, the Group held a 43.3 per cent. minority interest in KAP Industrial.

On 2 July 2014, SIHL announced an accelerated book build followed by a rights offer of 350 million SIHL ordinary shares, in total, at an issue price of R52.00 (€3.54) per SIHL ordinary share (the "**2014 Rights Offer**"). The 2014 Rights Offer closed on 1 August 2014 and raised R18.2 billion (€1.3 billion) before expenses.

On 31 March 2015, SIHL acquired 92.34 per cent. of the Pepkor Group, and, on 20 April 2015, SIHL acquired the remaining 7.66 per cent. of the Pepkor Group. As a result of the Pepkor Acquisition having been completed on 31 March 2015, Pepkor only contributed to the financial performance of the Group's Integrated Retail: General Merchandise segment for the fourth quarter of Fiscal Year 2015.

On 30 June 2015, the Group increased its investment in the PSG Group from 18.6 per cent. to 27 per cent. The Group has consequently recognised PSG Group as an associate investment since 30 June 2015.

On 7 July 2015, the Group increased its shareholding in JD Group to 100 per cent. through a scheme of arrangement, after which JD Group was de-listed from the JSE.

Explanation of Key Income Statement Items

For an explanation of the income statement items discussed in this Prospectus, see the SIHL Consolidated Financial Statements, which are incorporated by reference into the Prospectus, available on the Company's website (www.steinhoffinternational.com).

Overview of the Group's Results of Operations

Set forth below is an overview of the Group's current trading, results of operations for Fiscal Year 2015 compared to Fiscal Year 2014 and results of operations for Fiscal Year 2014 compared to Fiscal Year 2013.

Current Trading

The Group continues to benefit from growth within the value and discount market segments despite a challenging and volatile global consumer environment. The Group remains competitive on price, which Management attributes to, in part, the Group's integrated supply chain, which continues to provide cost of goods advantages, supported by the Group's established infrastructure.

Management intends to continue focusing on market share gains and leveraging synergies from the Group's recent acquisitions and investments. Management remains committed to grow the Group's household and general merchandise retail businesses by continuing to focus on organic growth and expansion, not only in existing retail businesses but also in new territories.

Fiscal Year 2015 compared to Fiscal Year 2014

The following table sets forth the Group's results of operations for Fiscal Year 2015 compared to Fiscal Year 2014:

	Fiscal Year			
	2015	2014	2015	2014
	(audited) (in R million)		(unaudited) (in € million)	
Continuing operations				
Revenue	134,868	117,364	9,818	8,321
Cost of sales	(86,541)	(75,446)	(6,300)	(5,349)
Gross profit	48,327	41,918	3,518	2,972
Other operating income	3,623	1,404	264	100
Distribution expenses	(7,429)	(7,060)	(541)	(501)
Other operating expenses	(29,206)	(23,640)	(2,126)	(1,676)
Capital items	2,513	1,500	182	106
Operating profit	17,828	14,122	1,297	1,001
Net finance costs	(1,759)	(1,995)	(128)	(141)
Share of profit of equity accounted companies	569	290	41	21
Profit before taxation	16,638	12,417	1,210	881
Taxation	(1,343)	(1,954)	(96)	(139)
Profit from continuing operations	15,295	10,463	1,114	742
Discontinued operations				
Loss from discontinued operations	(2,140)	(600)	(155)	(43)
Profit for the year	13,155	9,863	959	699

Profit attributable to owners of the parents.....	13,383	10,090	976	715
Loss attributable to non-controlling interests.....	(228)	(227)	(17)	(16)

Revenue

The following table sets forth a breakdown of the Group's revenue from continuing operations by segment for Fiscal Year 2015 compared to Fiscal Year 2014:

	Fiscal Year			
	2015	2014	2015	2014
	(audited) (in R million)		(unaudited) (in € million)	
Continuing operations				
Integrated Retail: Household Goods	104,696	100,449	7,622	7,122
Integrated Retail: General Merchandise	12,199	—	888	—
Integrated Retail: Automotive	17,973	16,915	1,308	1,199
Total revenue	134,868	117,364	9,818	8,321

Integrated Retail: Household Goods

Revenue from continuing operations increased by R4,247 million, or 4.2 per cent., from R100,449 million in Fiscal Year 2014 to R104,696 million in Fiscal Year 2015, and, on a euro basis, revenue from continuing operations increased by €500 million, or 7.0 per cent., from €7,122 million in Fiscal Year 2014 to €7,622 million in Fiscal Year 2015.

Europe and Australasia

Revenue from continuing operations increased, primarily due to strong performances by Conforama, the ERM division and the UK division, partly offset by a decline in revenue from continuing operations from the Australasia division. Conforama reported market share gains across most of the regions in which it operates, primarily due to the strong performance of its French operations, the expansion of its retail footprint in Spain and Portugal, stable results in Italy and Croatia, continued growth in online sales and the success of its strategic product categories across the brand. Conforama also reported good growth in higher margin product categories, such as furniture, white goods and homewares. Revenue from continuing operations from the Group's ERM division also increased, primarily due to continued high levels of brand recognition, which supported improvements in trading density in many of the division's retail outlets, as well as the opening of six large-format retail outlets in Germany. Revenue from continuing operations from the Group's UK division increased, primarily due to market share gains in the bedding division, improved performance in the furniture division and customers positively responding to the refurbished UK store network, despite a deflationary market environment and strong competition.

Africa

Revenue from continuing operations in Africa remained flat in a challenging economic environment. Sales activity increased slightly, particularly as a result of Lay-by (a "layaway" service allowing customers to pay cash instalments to purchase a product at a later date). The Group's DIY and building materials businesses

performed well as a result of increased operating leverage (following the acquisition of Hardware Warehouse in the prior year). In Fiscal Year 2015, the Group also completed the introduction of the bedding specialist brand, Sleepmasters, which Management believes enhanced trading densities in Africa.

Integrated Retail: General Merchandise

In Fiscal Year 2015, revenue from continuing operations was R12,199 million (€888 million). As a result of the Pepkor Acquisition having been completed on 31 March 2015, Pepkor only contributed to the financial performance of the Group's Integrated Retail: General Merchandise segment for the fourth quarter of Fiscal Year 2015. Prior to this time, the Group did not recognise any revenue in this segment. For additional information on the results of operations of the Pepkor Group, see the Pepkor Group Consolidated Financial Statements available on the Company's website (www.steinhoffinternational.com).

Integrated Retail: Automotive

Revenue from continuing operations increased by R1,058 million, or 6.3 per cent., from R16,915 million in Fiscal Year 2014 to R17,973 million in Fiscal Year 2015, and, on a euro basis, revenue from continuing operations increased by €109 million, or 9.1 per cent., from €1,199 million in Fiscal Year 2014 to €1,308 million in Fiscal Year 2015. This increase was primarily due to strong sales in the pre-owned vehicle division, with a strong contribution from parts sales and services, partially offset by a decline in new vehicle sales.

Cost of sales

Cost of sales, which includes, among other things, costs relating to finished household goods and raw materials, increased by R11,095 million, or 14.7 per cent., from R75,446 million in Fiscal Year 2014 to R86,541 million in Fiscal Year 2015, and, on a euro basis, cost of sales increased by €951 million, or 17.8 per cent., from €5,349 million in Fiscal Year 2014 to €6,300 million in Fiscal Year 2015. This increase was primarily due to increased sales and the inclusion of the Pepkor business in the Group's results of operations for the fourth quarter of Fiscal Year 2015.

Other operating income

Other operating income, which includes, among other things, capital items, currency differences from operations and rental income, increased by R2,219 million, or 158.0 per cent., from R1,404 million in Fiscal Year 2014 to R3,623 million in Fiscal Year 2015, and, on a euro basis, other operating income increased by €164 million, or 164.0 per cent., from €100 million in Fiscal Year 2014 to €264 million in Fiscal Year 2015. This increase was primarily due to foreign exchange gains realised on the conversion of monetary assets (on a rand and euro basis) and fair value increases on financial assets accounted through profit and loss.

Distribution expenses

Distribution expenses, which include, among other things, expenses incurred in connection with the Group's retail operations, increased by R369 million, or 5.2 per cent., from R7,060 million in Fiscal Year 2014 to R7,429 million in Fiscal Year 2015, and, on a euro basis, distribution expenses increased by €40 million, or 8.0 per cent., from €501 million in Fiscal Year 2014 to €541 million in Fiscal Year 2015. This increase was primarily due to increased trading activities and revenues.

Other operating expenses

Other operating expenses, which include charges related to amortisation and depreciation, personnel expenses and operating lease charges, increased by R5,566 million, or 23.5 per cent., from R23,640 million in Fiscal Year 2014 to R29,206 million in Fiscal Year 2015, and, on a euro basis, other operating expenses increased by €450 million, or 26.8 per cent., from €1,676 million in Fiscal Year 2014 to €2,126 million in Fiscal Year 2015. This increase was primarily due to the inclusion of Pepkor in the Group's results of operations in the fourth quarter of Fiscal Year 2015 and increased personnel costs due to sales volume growth in Fiscal Year 2015.

Operating profit before capital items

The following table sets forth a breakdown of the Group's operating profit before capital items from continuing operations by segment for Fiscal Year 2015 and Fiscal Year 2014:

	Fiscal Year			
	2015	2014	2015	2014
	(audited) (in R million)		(unaudited) (in € million)	
Continuing operations				
Integrated Retail: Household Goods	13,134	12,110	956	859
Integrated Retail: General Merchandise	1,645	—	120	—
Integrated Retail: Automotive	536	512	39	36
Total operating profit before capital items	15,315	12,622	1,115	895

Integrated Retail: Household Goods

Operating profit before capital items from continuing operations increased by R1,024 million, or 8.5 per cent., from R12,110 million in Fiscal Year 2014 to R13,134 million in Fiscal Year 2015, and, on a euro basis, operating profit increased by €97 million, or 11.3 per cent., from €859 million in Fiscal Year 2014 to €956 million in Fiscal Year 2015.

Europe and Australasia

Operating profit before capital items from continuing operations for the integrated retail business in Europe increased, primarily due to increased profitability at each of the underlying operating divisions. Conforama's operating profit before capital items from continuing operations increased, primarily due to the continued evolution of the brand's product mix toward sales of higher margin products, increased online shopping penetration, the ongoing benefits of procurement and supply chain initiatives, and cost rationalisation programmes across the brand, which more than offset slower performance at recently opened retail outlets in Switzerland and costs associated with the closure of retail outlets in France and Switzerland. Operating profit before capital items from continuing operations from the Group's ERM division (mainly operating in Germany) also increased, primarily due to increased operating leverage as a result of the increased contribution from new store rollouts in the prior year. In addition, the product mix of the Group's ERM operations primarily consists of higher margin furniture, kitchen and homeware products that typically contribute more to operating margin than, for example, appliances. In the Group's UK division, operating profit before capital items from continuing operations increased, primarily due to increased sales, continued cost savings from the Group's integrated mattress and bedding supply chain and increased intragroup supply. In Fiscal Year 2015, the Group continued with its refurbishment programme in the United Kingdom and merged the bedding and furniture supply chains and administrative functions, which resulted in cost savings. Operating profit before capital items from continuing operations from the Group's Australasia division also increased, primarily due to the restructuring of the Group's supply chain and logistics functions in the region, as well as the continued evolution of the division's product mix toward sales of higher margin products.

Africa

Operating profit before capital items from continuing operations in Africa increased, primarily due to the division's brand and cost rationalisation programmes. In Fiscal Year 2015, Management also continued to

focus on lower-risk credit consumers and achieving a more sustainable mix of cash sales and credit sales, with credit sales of the Group's Furniture Retail operations reducing to 55 per cent. of total sales in Fiscal Year 2015 compared to 63 per cent. in Fiscal Year 2014.

Integrated Retail: General Merchandise

In Fiscal Year 2015, operating profit before capital items from continuing operations was R1,645 million (€120 million). As a result of the Pepkor Acquisition having been completed on 31 March 2015, Pepkor only contributed to the financial performance of the Group's Integrated Retail: General Merchandise segment for the fourth quarter of Fiscal Year 2015. Prior to this time, the Group did not recognise any operating profit before capital items from continuing operations in this segment. For additional information on the results of operations of the Pepkor Group, see the Pepkor Group Consolidated Financial Statements available on the Company's website (www.steinhoffinternational.com).

Integrated Retail: Automotive

Operating profit before capital items from continuing operations increased by R24 million, or 4.7 per cent., from R512 million in Fiscal Year 2014 to R536 million in Fiscal Year 2015, and, on a euro basis, operating profit before capital items from continuing operations increased by €3 million, or 8.3 per cent., from €36 million in Fiscal Year 2014 to €39 million in Fiscal Year 2015. This increase was primarily due to growth in the pre-owned vehicle division as a result of strong parts and services sales which typically yield higher margins.

Capital items

Capital items, which (i) reflect and affect the resources committed in producing operating/trading performance (and are not the operating/trading performance itself) and (ii) deal with the platform/capital base of a Group entity, increased by R1,013 million from a gain of R1,500 million in Fiscal Year 2014 to a gain of R2,513 million in Fiscal Year 2015, and, on a euro basis, capital items from continuing operations increased by €76 million, or 71.7 per cent., from a gain of €106 million in Fiscal Year 2014 to a gain of €182 million in Fiscal Year 2015. This increase was primarily due to accounting profits realised on the reclassification of the PSG Group investment arising from the Group's increased holding (27 per cent.), net of impairments recognised.

Net finance costs

Net finance costs, which include finance costs and income from investments, decreased by R236 million, or 11.8 per cent., from R1,995 million in Fiscal Year 2014 to R1,759 million in Fiscal Year 2015, and, on a euro basis, net finance costs decreased by €13 million, or 9.2 per cent., from €141 million in Fiscal Year 2014 to €128 million in Fiscal Year 2015. This decrease was primarily due to the net effect and timing of the 2014 Rights Offer and the cash component of the Pepkor Acquisition payment made in April 2015.

Taxation

Taxation, which includes current and deferred tax, decreased by R611 million, or 31.3 per cent., from R1,954 million in Fiscal Year 2014 to R1,343 million in Fiscal Year 2015, and, on a euro basis, taxation decreased by €43 million, or 30.9 per cent., from €139 million in Fiscal Year 2014 to €96 million in Fiscal Year 2015. The Group's effective tax rate in Fiscal Year 2015 was 8.1 per cent. (compared to 15.7 per cent. in Fiscal Year 2014). Adding back equity accounted earnings and capital items, the Group's effective tax rate in Fiscal Year 2015 was 10.2 per cent. (compared to 13.1 per cent. in Fiscal Year 2014). This decrease in taxation related primarily to deferred tax assets raised on assessed losses not recognised in Fiscal Year 2014.

Fiscal Year 2014 compared to Fiscal Year 2013

The following table sets forth the Group's results of operations for Fiscal Year 2014 and Fiscal Year 2013:

	Fiscal Year			
	2014	2013	2014	2013
	(audited) (in R million)		(unaudited) (in € million)	
Continuing operations				
Revenue	117,364	97,938	8,321	8,540
Cost of sales.....	(75,446)	(63,542)	(5,349)	(5,541)
Gross profit.....	41,918	34,396	2,972	2,999
Other operating income	1,404	1,238	100	108
Distribution expenses.....	(7,060)	(5,491)	(501)	(479)
Other operating expenses.....	(23,640)	(20,361)	(1,676)	(1,775)
Capital items.....	1,500	(323)	106	(28)
Operating profit	14,122	9,459	1,001	825
Net finance costs.....	(1,995)	(1,626)	(141)	(142)
Share of profit of equity accounted companies	290	240	21	21
Profit before taxation.....	12,417	8,073	881	704
Taxation.....	(1,954)	(983)	(139)	(84)
Profit from continuing operations.....	10,463	7,090	742	620
Discontinued operations				
(Loss)/profit from discontinued operations..	(600)	859	(43)	74
Profit for the year	9,863	7,949	699	694
Profit attributable to owners of the parents.....	10,090	7,296	715	637
(Loss)/profit attributable to non-controlling interests.....	(227)	653	(16)	57

Revenue

The following table sets forth a breakdown of the Group's revenue from continuing operations by segment for Fiscal Year 2014 and Fiscal Year 2013:

	Fiscal Year			
	2014	2013	2014	2013
	(audited) (in R million)		(unaudited) (in € million)	
Continuing operations				
Integrated Retail: Household Goods	100,449	82,434	7,122	7,188

	Fiscal Year			
	2014	2013	2014	2013
	(audited) (in R million)		(unaudited) (in € million)	
Integrated Retail: General Merchandise	—	—	—	—
Integrated Retail: Automotive	16,915	15,504	1,199	1,352
Total revenue	117,364	97,938	8,321	8,540

Integrated Retail: Household Goods

Revenue from continuing operations increased by R18,015 million, or 21.9 per cent., from R82,434 million in Fiscal Year 2013 to R100,449 million in Fiscal Year 2014, however, on a euro basis, revenue from continuing operations decreased by €66 million, or 0.9 per cent., from €7,188 million in Fiscal Year 2013 to €7,122 million in Fiscal Year 2014.

Europe and Australasia

Revenue from continuing operations from the integrated retail businesses in Europe and Australasia increased, primarily due to strong performances by each of the underlying operating divisions. Conforama reported market share gains across most of the regions in which it operates and expanded its retail footprint in Spain and Portugal. Conforama also reported growth in its furniture and decorative businesses and launched its Confo Depot discount concept. The ERM division also performed well, primarily due to improved brand recognition in Germany and strong results in Switzerland. The UK division reported steady growth across all of its brands (despite decreased trading space) and growth in the UK bedding market generally, which positively impacted the specialist bedding retail store concept in the United Kingdom. In Australasia, the division reported improved sales from new format retail outlets.

Africa

Revenue from continuing operations in Africa decreased, primarily due to challenging market conditions and a decline in the consumer electronics business. The Furniture Retail division experienced challenging operating and market conditions, with reduced spending on durable goods, such as furniture, resulting from macroeconomic pressures on its customers' disposable income.

Integrated Retail: Automotive

Revenue from continuing operations increased by R1,411 million, or 9.1 per cent., from R15,504 million in Fiscal Year 2013 to R16,915 million in Fiscal Year 2014, however, on a euro basis, revenue from continuing operations decreased by €153 million, or 11.3 per cent., from €1,352 million in Fiscal Year 2013 to €1,199 million in Fiscal Year 2014. This change was primarily due to new vehicle sales and growth in the Hertz car hire business.

Cost of sales

Cost of sales increased by R11,904 million, or 18.7 per cent., from R63,542 million in Fiscal Year 2013 to R75,446 million in Fiscal Year 2014, however, on a euro basis, cost of sales decreased by €192 million, or 3.5 per cent., from €5,541 million in Fiscal Year 2013 to €5,349 million in Fiscal Year 2014. This change was primarily due to increased retail sales from the Integrated Retail: Household Goods segment in Europe, offset by the cost savings generated by increased operating efficiencies, improved terms of trading and increased purchasing power.

Other operating income

Other operating income increased by R166 million, or 13.4 per cent., from R1,238 million in Fiscal Year 2013 to R1,404 million in Fiscal Year 2014, however, on a euro basis, other operating income decreased by €8 million, or 7.4 per cent., from €108 million in Fiscal Year 2013 to €100 million in Fiscal Year 2014. This change (in rand terms) was primarily due to the depreciation of the rand against the euro.

Distribution expenses

Distribution expenses increased by R1,569 million, or 28.6 per cent., from R5,491 million in Fiscal Year 2013 to R7,060 million in Fiscal Year 2014, and, on a euro basis, distribution expenses increased by €22 million, or 4.6 per cent., from €479 million in Fiscal Year 2013 to €501 million in Fiscal Year 2014. This increase was primarily due to increased trading activities.

Other operating expenses

Other operating expenses increased by R3,279 million, or 16.1 per cent., from R20,361 million in Fiscal Year 2013 to R23,640 million in Fiscal Year 2014, however, on a euro basis, other operating expenses decreased by €99 million, or 5.6 per cent., from €1,775 million in Fiscal Year 2013 to €1,676 million in Fiscal Year 2014. This change was primarily due to increased staffing costs as a result of increased trading activity.

Operating profit before capital items

The following table sets forth a breakdown of the Group's operating profit before capital items from continuing operations by operational segment for Fiscal Year 2014 and Fiscal Year 2013:

	Fiscal Year			
	2014	2013	2014	2013
	(audited) (in R million)		(unaudited) (in € million)	
Continuing operations				
Integrated Retail: Household Goods	12,110	9,310	859	812
Integrated Retail: General Merchandise	—	—	—	—
Integrated Retail: Automotive	512	472	36	41
Total operating profit before capital items	12,622	9,782	895	853

Integrated Retail: Household Goods

Operating profit before capital items from continuing operations increased by R2,800 million, or 30.1 per cent., from R9,310 million in Fiscal Year 2013 to R12,110 million in Fiscal Year 2014, and, on a euro basis, operating profit increased by €47 million, or 5.8 per cent., from €812 million in Fiscal Year 2013 to €859 million in Fiscal Year 2014.

Europe and Australasia

Operating profit before capital items from continuing operations from the Integrated Retail: Household Goods retail division in Europe and Australasia increased, primarily due to increased profitability at each of the International Retail operating divisions. Conforama's operating profit before capital items from continuing operations increased, primarily due to an increased contribution to sales of higher margin products, as well as procurement and supply chain initiatives and cost rationalisation programmes. Operating profit before capital items from continuing operations from the Group's ERM division also increased, primarily due to improved

sales in the division's mature retail outlets in Germany and Switzerland and the division maintaining its cost base year on year. In the Group's UK division, operating profit before capital items from continuing operations increased, primarily due to increased sales resulting from the roll-out of a new store format and a national advertising campaign. Operating profit before capital items from continuing operations from the Group's Australasia division increased, primarily due to a cost rationalisation programme, increased sourcing of products through the Group's Asian sourcing operations, a restructuring of the supply chain and logistics function in Australia, and an improved sales mix of products.

Africa

Operating profit before capital items from continuing operations in Africa decreased, primarily due to a decline in durable goods sales due to challenging market conditions and sub-optimal supply chain operations and system disruptions, each of which negatively impacted operating margins.

Integrated Retail: Automotive

Operating profit before capital items from continuing operations increased by R40 million, or 8.5 per cent., from R472 million in Fiscal Year 2013 to R512 million in Fiscal Year 2014, however, on a euro basis, operating profit decreased by €5 million, or 12.2 per cent., from €41 million in Fiscal Year 2013 to €36 million in Fiscal Year 2014. This change was primarily due to growth in new car sales and a strong performance by the Hertz car hire division.

Capital items

Capital items from continuing operations improved by R1,823 million, from a loss of R323 million in Fiscal Year 2013 to a gain of R1,500 million in Fiscal Year 2014, while, on a euro basis, capital items from continuing operations increased by €134 million, from a loss of €28 million in Fiscal Year 2013 to a gain of €106 million in Fiscal Year 2014. This change was primarily due to profits realised on the sale or dilution of investments.

Net finance costs

Net finance costs increased by R369 million, or 22.7 per cent., from R1,626 million in Fiscal Year 2013 to R1,995 million in Fiscal Year 2014. On a euro basis, however, net finance costs remained relatively flat, decreasing by €1 million, or 0.7 per cent., from €142 million in Fiscal Year 2013 to €141 million in Fiscal Year 2014. This change was primarily due to the Group's European finance charges being translated into rand at a weaker rand-to-euro exchange rate and finance costs incurred due to the Group issuing the 2021 Convertible Bonds in January 2014.

Taxation

Taxation increased by R971 million, or 98.8 per cent., from R983 million in Fiscal Year 2013 to R1,954 million in Fiscal Year 2014, and, on a euro basis, taxation increased by €55 million, or 65.5 per cent., from €84 million in Fiscal Year 2013 to €139 million in Fiscal Year 2014. The Group's effective tax rate in Fiscal Year 2014 was 15.7 per cent. (compared to 12.2 per cent. in Fiscal Year 2013). Adding back equity accounted earnings and capital items, the Group's effective tax rate in Fiscal Year 2014 and Fiscal Year 2013 was 13.1 per cent..

Liquidity and Capital Resources

The Group's liquidity requirements arise primarily from the requirement to fund capital expenditures, operating costs and to service debt. During the periods under review, the Group's principal sources of liquidity have consisted of cash generated from operations and borrowings under the Group's debt facilities. As at 30 June 2015, the Group had (i) interest-bearing short-term liabilities of R5,847 million (€431 million);

(ii) bank overdrafts and short-term facilities of R1,856 million (€137 million); (iii) interest-bearing long-term liabilities of R56,344 million (€4,152 million); and (iv) cash and cash equivalents of R37,905 million (€2,794 million), resulting in gross debt less cash of R26,142 million (€1,926 million).

The Group's ability to generate cash from operations depends on its future operating performance, which is, in turn, dependent, to some extent, on general economic, financial, competitive, market, regulatory and other factors, many of which are beyond the Group's control, as well as other factors discussed in the section entitled "*Risk Factors*".

Management believes that the Group's operating cash flows and borrowing capacity will be sufficient to meet its requirements and commitments for the foreseeable future. The Group's actual financing requirements will depend on a number of factors, many of which are beyond its control.

Cash flows

The following table summarises the Group's cash flow for the periods indicated:

	Fiscal Year					
	2015	2014	2013	2015	2014	2013
		(audited) (in R million)			(unaudited) (in € million)	
Net cash inflow from operating activities.....	20,286	16,141	7,815	1,475	1,144	681
Net cash outflow from investing activities.....	(21,124)	(16,684)	(8,250)	(1,536)	(1,184)	(720)
Net cash inflow from financing activities.....	23,630	6,513	256	1,721	462	23
Net increase/(decrease) in cash and cash equivalents.....	22,792	5,970	(179)	1,660	422	(16)

Net cash inflow from operating activities

Net cash inflow from operating activities increased by R4,145 million, or 25.7 per cent., from R16,141 million in the year ended 30 June 2014 to R20,286 million in the year ended 30 June 2015, and, on a euro basis, net cash inflow from operating activities increased by €331 million, or 28.9 per cent., from €1,144 million in Fiscal Year 2014 to €1,475 million in Fiscal Year 2015. This increase was primarily due to increased cash generated from operations and a decrease in net working capital (driven by an increase in trade and other payables). Net cash inflow from operating activities increased by R8,326 million, or 106.5 per cent., from R7,815 million in the year ended 30 June 2013 to R16,141 million in the year ended 30 June 2014, and, on a euro basis, net cash inflow from operating activities increased by €463 million, or 68.0 per cent., from €681 million in Fiscal Year 2013 to €1,144 million in Fiscal Year 2014. This increase was primarily due to an increase in operating profit before capital items from continuing operations.

Net cash outflow from investing activities

Net cash outflow from investing activities increased by R4,440 million, or 26.6 per cent., from R16,684 million in the year ended 30 June 2014 to R21,124 million in the year ended 30 June 2015, and, on a euro basis, net cash outflow from investing activities increased by €352 million, or 29.7 per cent., from €1,184 million in Fiscal Year 2014 to €1,536 million in Fiscal Year 2015. This increase was primarily due to the cash component (R13,203 million net cash outflow) of the Pepkor Acquisition payment. Net cash outflow from

investing activities increased by R8,434 million, or 102.2 per cent., from R8,250 million in the year ended 30 June 2013 to R16,684 million in the year ended 30 June 2014, and, on a euro basis, net cash outflow from investing activities increased by €464 million, or 64.4 per cent., from €720 million in Fiscal Year 2013 to €1,184 million in Fiscal Year 2014. This increase was primarily due to investments in subsidiaries (most notably, the acquisition of the Austrian property portfolio of kika-Leiner) and retail investments in Europe and other loans (primarily given to suppliers to assist them in raw material procurement), offset by a decline in capital expenditure relating to property, plant and equipment.

Net cash inflow from financing activities

Net cash inflow from financing activities increased by R17,117 million, or 262.8 per cent., from R6,513 million in the year ended 30 June 2014 to R23,630 million in the year ended 30 June 2015, and, on a euro basis, net cash inflow from financing activities increased by €1,259 million, or 272.5 per cent., from €462 million in Fiscal Year 2014 to €1,721 million in Fiscal Year 2015. This increase was primarily due to the issue of SIHL shares as part of the 2014 Rights Offer. Net cash inflow from financing activities increased by R6,257 million, or 2,444.1 per cent., from R256 million in the year ended 30 June 2013 to R6,513 million in the year ended 30 June 2014, and, on a euro basis, net cash inflow from financing activities increased by €439 million, or 1,908.7 per cent., from €23 million in Fiscal Year 2013 to €462 million in Fiscal Year 2014. This increase was primarily due to an increase in interest-bearing loans and borrowings.

Capital expenditure and commitments

The Group's capital expenditure largely relates to expenditure on the purchase or improvement of land, buildings, plant and equipment, and manufacturing facilities. During the period under review, the Group incurred capital expenditure primarily on the opening of new retail outlets, ongoing maintenance and improvement of its existing facilities and production capacity, as well as expansion of production capacity, rather than on special projects.

In Fiscal Year 2015, the Group's capital expenditure was R4,724 million (€344 million) and comprised expenditure in relation to the Group's Integrated Retail: Household Goods division (representing 90 per cent. of the Group's replacement and expansion capital expenditure), the Group's Integrated Retail: General Merchandise division (representing 9 per cent. of the Group's replacement and expansion capital expenditure) and the Group's Integrated Retail: Automotive division (representing 1 per cent. of the Group's replacement and expansion capital expenditure).

In Fiscal Year 2014, the Group's capital expenditure was R4,877 million (€346 million) and comprised expenditure in relation to the Group's Integrated Retail: Household Goods division (representing 99 per cent. of the Group's replacement and expansion capital expenditure), the Group's Integrated Retail: General Merchandise division (representing nil per cent. of the Group's replacement and expansion capital expenditure) and the Group's Integrated Retail: Automotive division (representing 1 per cent. of the Group's replacement and expansion capital expenditure).

In Fiscal Year 2013, the Group's capital expenditure was R6,814 million (€594 million) and comprised expenditure in relation to the Group's Integrated Retail: Household Goods division (representing 99 per cent. of the Group's replacement and expansion capital expenditure), the Group's Integrated Retail: General Merchandise division (representing nil per cent. of the Group's replacement and expansion capital expenditure) and the Group's Integrated Retail: Automotive division (representing less than 1 per cent. of the Group's replacement and expansion capital expenditure).

As at 30 June 2015, the Group had R575 million (€42 million) of contracts for capital expenditure authorised, principally in relation to store expansions and/or refurbishments. As at 30 June 2015, the Pepkor Group had

R81 million (€6 million) of contracts for capital expenditure authorised, principally in relation to store expansions and/or refurbishments.

As at 30 June 2015, the Group had R1,535 million (€113 million) of capital expenditure authorised but not contracted for, principally in relation to store expansions and/or refurbishments. As at 30 June 2015, the Pepkor Group had R975 million (€72 million) of capital expenditure authorised but not contracted for, principally in relation to store expansions and/or refurbishments. The Group's general policy with respect to capital expenditure is to automatically pre-approve all capital expenditure geared to compensate for the effects of depreciation. All other capital expenditure must be approved on the basis of detailed feasibility studies.

Working capital

The Company believes that the working capital available to the Group is sufficient for its present requirements; that is for at least 12 months following the date of this Prospectus.

Material indebtedness and other material liabilities of the Group

The Group's outstanding indebtedness primarily consists of unsecured debt, including convertible bonds, revolving credit facilities, medium-term note programmes and private placement notes, and secured debt in the form of mortgages and term loans. As at 30 June 2015, the Group's loans and borrowings amounted to R62,191 million (€4,583 million) (excluding the Group's overdraft facilities).

The Group's credit facilities contain various restrictions and financial covenants relating to such matters as debt to EBITDA and interest to EBITDA cover. Management believes that the Group is in compliance with all such restrictions and covenants.

Management intends to continue improving the structure of, and the terms and conditions attaching to, the Group's borrowings. Management is continuously exploring and evaluating alternative financing opportunities open to the Group's global operations. These may include, for example, the issuance of medium or long-term bonds or commercial paper, which may contribute to an enhanced capital structure and lower after-tax cost of funding.

Unsecured indebtedness of the Group

The following table presents the unsecured indebtedness of the Group as at 30 June 2015, 2014 and 2013:

	Fiscal Year					
	2015	2014	2013	2015	2014	2013
		(audited) (in R million)			(unaudited) (in € million)	
Convertible bonds	14,447	24,198	18,515	1,065	1,661	1,434
German loan notes.....	8,654	—	—	637	—	—
Steinhoff Services domestic medium-term note programme.....	5,494	4,644	3,492	404	318	270
JD Group domestic medium-term note programme.....	1,807	2,847	3,075	132	196	238
Promissory notes	—	—	306	—	—	24
U.S. note purchase agreements.....	1,755	3,768	3,499	130	260	271
Preference shares.....	6,058	153	146	446	10	11
Syndicated loan facilities	16,745	17,206	11,880	1,235	1,180	919

Term loans	3,127	3,484	5,565	231	239	431
Other loans	384	293	140	29	20	11
Total	58,471	56,593	46,618	4,309	3,884	3,609

Convertible Bonds

Between March 2011 and August 2015, Steinhoff Finance, a wholly-owned subsidiary of SIHL, issued four series of convertible bonds (together, the “**Convertible Bonds**”) with maturity dates falling between May 2017 and August 2022. The Convertible Bonds were issued exclusively to international investors and are listed on the Open Market (*Freiverkehr*) segment of the FSE. All amounts payable in respect of the Convertible Bonds are unsecured but benefit from a guarantee provided by SIHL. The terms and conditions of the Convertible Bonds, including the SIHL guarantee, are governed by English law.

As at the date of this Prospectus, the Convertible Bonds are convertible into ordinary shares of SIHL at the option of the holders by dividing the principal amount of each Convertible Bond (translated into rand at a fixed rate of exchange) by the conversion price in effect as at the date of conversion. The conversion price is subject to adjustment during the life of the Convertible Bonds in accordance with market standard anti-dilution provisions regarding, *inter alia*, share consolidations, share splits, capital distributions, rights issues and bonus issues. In addition, upon maturity of the Convertible Bonds and subject to the satisfaction of certain conditions, Steinhoff Finance may elect, in lieu of redeeming the Convertible Bonds in cash, to satisfy such redemption obligation by the issuance of SIHL ordinary shares, or a combination of cash and SIHL ordinary shares.

The Convertible Bonds are expected, with effect from the date on which the Scheme of Arrangement becomes operative and subject to certain amendments to the terms and conditions being effected at the same time, to be convertible into Ordinary Shares at the election of the bondholders. The nominal value of Ordinary Shares to be issued upon conversion of the Convertible Bonds may be paid up from the Company’s reserves.

The following table sets out certain information relating to the Convertible Bonds, including their dates of issue, principal amount outstanding, coupon and conversion price in effect as at 30 June 2015 as if the Scheme of Arrangement had been completed on 30 June 2015.

	Issue date	Principal outstanding	Coupon	Conversion price as at 30 June 2015	Aggregate number of Ordinary Shares on conversion ⁽¹⁾
			<i>(unaudited)</i>		
		<i>(€ million)</i>	<i>(%)</i>	<i>(€ per share)</i>	<i>(million)</i>
2017 Convertible Bonds.....	September 2012	38.3	6.375	3.130	12.24
2018 Convertible Bonds.....	March 2011	132.7	4.5	3.240	40.96
2021 Convertible Bonds.....	January 2014	465	4.0	3.895	119.38
2022 Convertible Bonds.....	August 2015	1,116	1.25	7.442	150.00

Note

(1) Based on a conversion price as at the Latest Practicable Date.

Subsequent to the end of Fiscal Year 2015, 2017 Convertible Bonds totalling €142.8 million were converted at the election of bondholders, resulting in the issuance of 45.6 million shares. Accordingly, only 12.2 million shares were outstanding in respect of the 2017 Convertible Bonds as at the Latest Practicable Date.

Subsequent to the end of Fiscal Year 2015, 2018 Convertible Bonds totalling €334.8 million were converted at the election of bondholders, resulting in the issuance of 103.3 million shares. Accordingly, only 40.9 million shares were outstanding in respect of the 2018 Convertible Bonds as at the Latest Practicable Date.

RCF

In June 2014, the Group refinanced its existing term and syndicated loan facilities through the conclusion of a new €1.8 billion, five-year syndicated revolving facility with 18 banks (the “**RCF**”). The Group uses the RCF to meet short and medium-term funding requirements. The facility bears interest at a benchmark rate per annum equal to EURIBOR plus a maximum of 1.75 per cent. (variable depending on the achievement of certain financial covenants). At 30 June 2015, the outstanding principal amount under the RCF was €700 million (R9,494 million).

The RCF is not secured by SIHL. It contains certain covenants that limit the payment of dividends by Steinhoff Europe AG and other distributions to €300 million plus 50 per cent. of the earnings attributable to shareholders of Steinhoff Europe AG in any financial year without the lenders’ consent. Any amount not distributed during the financial year may be carried forward and distributed during the two subsequent fiscal years. In addition to this limit, a distribution may only be made if the ratio of net borrowings to equity does not exceed 1:1 immediately following such distribution. Breach of these and other covenants would constitute a default under the revolving credit facility agreement and any default or the occurrence of certain events (such as a change of control) would provide the lenders with the right to declare all outstanding amounts under the RCF to be immediately due and payable.

Domestic Medium-Term Note Programmes

Steinhoff Services has a R10 billion rand-denominated, domestic medium-term note programme which is used to meet medium-term funding requirements. As at 30 June 2015, the total amount in issue under Steinhoff Services’ medium-term note programme was R5,494 million (€404 million). These medium-term notes have maturities up to June 2020.

JD Group has a R8 billion rand-denominated, domestic medium-term note programme which is used to meet medium-term funding requirements. As at 30 June 2015, the total amount in issue under JD Group’s medium-term note programme was R1,807 million (€132 million). These medium-term notes have maturities up to April 2018.

Senior Note Private Placement Programme

The Group issued USD100 million and €75.2 million of senior notes (the “**Private Placement Notes**”) pursuant to a purchase agreement entered into in April 2012, which are used to meet its long-term funding requirements. The Private Placement Notes carry interest payable at fixed rates and are senior, unsecured obligations with maturities ranging from 2015 to 2022. The Group has entered into a combined cross-currency interest rate swap on certain series of the Private Placement Notes which are designated as cash flow hedges. The Private Placement Notes are carried at amortised cost.

The terms of the Private Placement Notes contain an obligation under which the lenders receive the benefit of any more favourable covenants made under the Group’s other debt agreements. The terms also contain certain covenants applicable to Steinhoff Europe AG that limit the incurrence of debt and liens, the sale of assets, the entry into new lines of business, transactions with affiliates, mergers and consolidations and the making of distributions. Distributions may not exceed 30 per cent. of consolidated net income of Steinhoff Europe AG

during any fiscal year or, to the extent that gross debt to EBITDA for the two most recent six-month periods is less than 2:1, such ratio shall not exceed 30 per cent. of the aggregate amount of net earnings attributable to ordinary shares in the most recent audited consolidated statement of financial condition. Additionally, the Group is required to comply with certain financial covenants, including, in respect of Steinhoff Europe AG, maintaining a gross debt to EBITDA ratio that does not exceed 3:1 and a debt to equity ratio that does not exceed 100 per cent., subject to certain exceptions during acquisition periods in which the gross debt to EBITDA ratio increases to 3.5:1 and the debt to equity ratio increases to 125 per cent. Steinhoff Europe AG must also maintain interest rate cover of no less than 5:1 and its secured indebtedness must not exceed 20 per cent. of its total borrowings. Breach of these and other covenants would constitute a default under the terms of the Private Placement Notes entitling the lenders to declare all outstanding amounts under the Private Placement Notes immediately due and payable.

Secured indebtedness of the Group

The following table presents the secured indebtedness of the Group as at 30 June 2015, 2014 and 2013:

	Fiscal Year					
	2015	2014	2013	2015	2014	2013
		(audited) (in R million)			(unaudited) (in € million)	
Capitalised finance lease and instalment sale agreements.....	1,619	1,667	355	119	115	28
Mortgage and term loans	2,101	3,731	2,308	155	255	178
Phaello senior secured notes	—	—	877	—	—	68
Total	3,720	5,398	3,540	274	370	274

Mortgage and term loans

The Group maintains loans with banks, repayable over various repayment terms and secured under mortgage bonds over certain of its properties in Germany in favour of the relevant banks. As at 30 June 2015, the Group had R2,101 million (€155 million) of outstanding mortgage and secured term loans. These loans have various maturities up to June 2024 and interest rates between 3.05 per cent. and 6.13 per cent.

The term loans are guaranteed by SIHL and other members of the Group. The loans contain financial covenants including the commitment to maintain a net debt to EBITDA ratio of no more than 3.2:1 and an interest cover ratio of greater than 4.5:1. Breach of these and other covenants would constitute a default providing the lenders with the right to declare all outstanding amounts under the relevant loan immediately due and payable. The term loans do not contain any covenants limiting distributions or dividend declarations. These covenants accord with the Group's self-imposed financial policy ratios and covenants that are used by the Group's centralised treasury function to manage the business's liquidity and limit its exposure to debt.

Contractual obligations

For additional information on the Group's material contractual obligations as at 30 June 2015, including principal and future interest payments that the Group will be required to make, see note 29.7 to the SIHL Consolidated Financial Statements available on the Company's website (www.steinhoffinternational.com).

Share repurchases

From time to time, the Group may repurchase its Ordinary Shares in the market. See “*Description of the Share Capital and the Articles of Association – Acquisition by the Company of its Shares*” for the Company’s authority to repurchase Shares.

Distributions

The Group declared distributions to both its ordinary and preference shareholders in Fiscal Year 2015. The Group declared a distribution of R1.65 per share during Fiscal Year 2015 in cash dividends from retained earnings to ordinary shareholders. The equivalent distribution to ordinary shareholders in euro terms was €0.106 per share. The Group declared a further distribution of R7.62 per share (€0.535 per share) in the form of cash dividends to preference shareholders during Fiscal Year 2015. In respect of distributions declared in Fiscal Year 2015, the Group’s ordinary shareholders were entitled to elect to receive a capitalisation share alternative. If no election was made, a cash dividend was paid. A circular containing the details of this capitalisation share alternative was published on 23 October 2015.

Off-balance sheet arrangements

The Group does not have any off-balance sheet arrangements.

Quantitative and Qualitative Disclosures about Market Risks

The Audit and Risk Committee of the Supervisory Board, which meets at least quarterly, is involved in the Group’s internal risk management. See “*Corporate Bodies, Management and Corporate Governance – Supervisory Board Committees*” for the Audit and Risk Committee’s duties. Members of management meet on a regular basis to analyse currency and interest rate exposures and to re-evaluate treasury management strategies against revised economic forecasts.

The principal categories of financial market risk the Group faces are changes in foreign exchange rates and fluctuations in commodity prices, and, to a lesser extent, counterparty credit defaults, interest rate movements and difficulties with liquidity. For additional information on the Group’s quantitative and qualitative market risks, see note 29 to the SIHL Consolidated Financial Statements available on the Company’s website (www.steinhoffinternational.com).

Foreign exchange risk

The Group operates in many different countries and transacts its business in a variety of currencies. The Group’s sourcing and manufacturing costs are incurred primarily in Chinese yuan, Hungarian forint, Polish zloty, South African rand and United States dollars, while its revenues derived outside Africa are earned primarily in Australian dollars, euros, Polish zloty, Swiss francs and UK pounds sterling. Management believes that this business strategy has, to date, sufficiently reduced the Group’s risk of exposure to fluctuations in any single currency.

In addition, the Group’s risk management strategy with respect to currency exposure in its borrowings is generally to borrow funds in the same currency that it expects to spend such funds. The Group uses income that it receives in each currency to repay borrowings denominated in that currency to minimise the Group’s exposure to exchange rate differences.

The Group has entered into a number of cross-currency interest rate swap contracts to effectively convert the Private Placement Notes into variable interest rate euro borrowings. The value of the Group’s cross-currency interest rate swaps comprise two components: (i) a portion that is attributable to converting the Private Placement Notes into a euro-denominated borrowing liability (the currency portion, which changes as foreign exchange rates fluctuate); and (ii) a portion that is attributable to converting fixed-rate U.S. dollar interest

payments in respect of the Private Placement Notes into variable-rate euro interest payments (the interest portion, which changes as U.S. dollar fixed-interest rates, euro variable interest rates and foreign exchange rates fluctuate). The maturity dates of the cross-currency interest rate swaps are identical to those of the underlying series of Private Placement Notes that they offset.

Some of the Group's finished goods and/or raw material costs are incurred in developed market currencies and incorporated into finished products sold in other developed market currencies (most commonly in euro). In such cases, the Group enters into formal hedging arrangements to protect itself against fluctuations in the value of the currency in which the Group has incurred costs.

Interest rate risk

The Group's strategy with respect to borrowings is generally to try to match the term and nature of the borrowing with the term and nature of the expenditure. The Group generally borrows in local currency at local interest rates to fund the Group's assets and working capital needs in the relevant geographic region of operation. As a result, the Group has a mix of short and long-term borrowings in a variety of currencies at both fixed and floating rates of interest. As at 30 June 2015, the majority of the Group's borrowings were at floating rates of interest. See "*– Foreign exchange risk*".

Credit risk

The Group has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. The Group structures the levels of credit risk it accepts by placing limits on its exposure to a single counterparty, or groups of counterparties. Such risks are subject to an annual or more frequent review. The major concentration of credit risk arises from the Group's cash balances and trade and other receivables. Reputable financial institutions are used for investing and cash handling purposes. Management makes regular reviews to assess the degree of compliance with the operation's procedures on credit.

Liquidity risk

Liquidity risk is the risk that the operation will encounter difficulty in meeting obligations associated with financial liabilities. Liquidity risk is the risk that cash may not be available to pay obligations when due at a reasonable cost. The Group's liabilities are matched by appropriate assets and it has significant liquid resources to cover its obligations. The Group's liquidity and ability to meet such calls are monitored quarterly by the Supervisory Board and monthly by the Company's finance committee.

Critical Accounting Policies

The discussion and analysis of the Group's financial condition and results of operations are based upon the Group's financial information. The preparation of this financial information requires the Group to make estimates and judgements that affect the reported amounts of income, expenses, assets and liabilities and the related disclosure of contingent assets and liabilities.

Estimates are based on available information and experience. Actual results could differ from these estimates. Information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the SIHL Consolidated Financial Statements are described therein. For a detailed description of the Group's significant accounting policies, see "*Summary of accounting policies*" in the SIHL Consolidated Financial Statements.

PRO FORMA FINANCIAL INFORMATION

Section A: Pro Forma Financial Information

The Pro Forma Financial Information set out below includes the following:

- a convenience translated, euro-denominated consolidated income statement of the SIHL Group for Fiscal Year 2015, including adjustments to reflect: (i) the Pepkor Acquisition; and (ii) the incorporation of the results of the trading businesses of Genesis not previously acquired by the SIHL Group, as if each of these transactions had been completed on 1 July 2014; and
- a convenience translated, euro-denominated audited consolidated statement of financial position of the SIHL Group as at 30 June 2015, including adjustments to reflect the incorporation of the assets and liabilities of the trading businesses of Genesis not previously acquired by the SIHL Group, as if the Scheme of Arrangement had been completed on 30 June 2015.

Basis for preparing the Pro Forma Financial Information

The Pro Forma Financial Information is set out below to illustrate the effects of the Scheme of Arrangement and the acquisition of Pepkor Group and Genesis on the Group's results of operations for Fiscal Year 2015.

The Pro Forma Financial Information has been prepared for illustrative purposes only in order to provide information about the impact of the Scheme of Arrangement on the financial position and results of operations of the Group had the Scheme of Arrangement occurred on 1 July 2014 for income statement purposes and on 30 June 2015 for statement of financial position purposes. Because of its nature, the Pro Forma Financial Information addresses a hypothetical situation and does not reflect the actual financial position or the financial performance of the Group as at any historical date, nor does it project the future financial position or financial performance of the Group. The Pro Forma Financial Information should be read in conjunction with the SIHL Consolidated Financial Statements, the Pepkor Group Consolidated Financial Statements and the Genesis Consolidated Financial Statements.

The Pro Forma Financial Information is presented in accordance with the Listings Requirements, the Guide on Pro Forma Financial Information issued by SAICA, ISAE 3420 and the measurement and recognition requirements of IFRS. The accounting policies applied in quantifying pro forma adjustments are consistent with the Group's accounting policies as at 30 June 2015. The Accountant's Report on the Pro Forma Financial Information is included in Section B below. The Pro Forma Financial Information is the responsibility of the Management Board.

Unaudited consolidated pro forma income statement for Fiscal Year 2015

	SIHL Group unaudited Fiscal Year 2015 ⁽²⁾	Pepkor Group unaudited 9 months ended 31 March 2015 ⁽³⁾	Pro forma Pepkor Acquisition adjustments ⁽⁴⁾	Genesis audited Fiscal Year 2015 ⁽⁵⁾	Pro forma Genesis transaction adjustments ⁽⁶⁾	Pro forma after adjustments
						<i>(in € million)</i>
Revenue	9,818	2,393	—	943	—	13,154
Cost of sales	(6,300)	(1,461)	—	(530)	—	(8,291)
Gross profit	3,518	932	—	413	—	4,863
Other operating income	264	33	—	62	—	359
Distribution expenses	(541)	—	—	(68)	—	(609)
Other operating expenses	(2,126)	(782)	9	(382)	(4)	(3,285)

Capital items.....	182	—	—	13	—	195
Operating profit.....	1,297	183	9	38	(4)	1,523
Net finance costs	(128)	(17)	(52)	(14)	—	(211)
Share of profits of equity accounted companies.....	41	—	—	—	—	41
Profit before taxation.....	1,210	166	(43)	24	(4)	1,353
Taxation.....	(96)	(59)	6	13	—	(136)
Profit from continuing operations.....	1,114	107	(37)	37	(4)	1,217
(Loss)/profit from discontinued operations	(155)	—	—	2	—	(153)
Profit for the year.....	959	107	(37)	39	(4)	1,064
Profit attributable to:						
Owners of the parent.....	976	107	(36)	39	(4)	1,082
Non-controlling interest	(17)	—	(1)	—	—	(18)

Unaudited consolidated pro forma statement of financial position as at 30 June 2015⁽¹⁾

	SIHL Group unaudited Fiscal Year 2015 ⁽²⁾	Genesis audited Fiscal Year 2015 ⁽⁵⁾	Pro forma Genesis transaction adjustments ⁽⁶⁾	Pro forma after adjustments
		<i>(in € million)</i>		
ASSETS				
Non-current assets				
Goodwill.....	5,933	—	—	5,933
Intangible assets	4,022	554	—	4,576
Property, plant and equipment.....	4,296	213	—	4,509
Investments in equity accounted companies.....	1,170	—	—	1,170
Investments and loans.....	493	9	—	502
Deferred taxation assets.....	198	1	—	199
Trade and other receivables	11	—	—	11
Total non-current assets.....	16,123	777	—	16,900
Current assets				
Inventories and vehicle rental fleet.....	1,945	171	—	2,116
Trade and other receivables	1,343	130	—	1,473
Investments and loans.....	656	16	—	672
Cash and cash equivalents	2,794	34	(4)	2,824
Assets and disposal groups classified as held for sale	248	24	—	272
Total current assets	6,986	375	(4)	7,357
Total assets	23,109	1,152	(4)	24,257

	SIHL Group unaudited Fiscal Year 2015 ⁽²⁾	Genesis audited Fiscal Year 2015 ⁽⁵⁾	Pro forma Genesis transaction adjustments ⁽⁶⁾	Pro forma after adjustments
		(in € million)		
EQUITY AND LIABILITIES				
Ordinary stated share capital	8,467	—	12,322	20,789
Reserves	4,443	201	(12,527)	(7,883)
Preference stated share capital	437	—	—	437
Total equity attributable to equity holders of the parent	13,347	201	(205)	13,343
Non-controlling interests	81	—	—	81
Total equity	13,428	201	(205)	13,424
Non-current liabilities				
Interest-bearing loans and borrowings	4,152	254	201	4,607
Employee benefits	78	60	—	138
Deferred taxation liabilities	1,001	126	—	1,127
Provisions	216	2	—	218
Trade and other payables	68	11	—	79
Total non-current liabilities	5,515	453	201	6,169
Current liabilities				
Trade and other payables	3,416	218	—	3,634
Employee benefits	86	16	—	102
Provisions	96	5	—	101
Interest-bearing loans and borrowings	431	235	—	666
Bank overdrafts and short-term facilities	137	—	—	137
Liabilities and disposal groups classified as held for sale	—	24	—	24
Total current liabilities	4,166	498	—	4,664
Total equity and liabilities	23,109	1,152	(4)	24,257

Notes:

- (1) Apart from the below adjustments, there are no other post-balance sheet events (constituting greater than 25 per cent. of the relevant line item) which need adjustment to the pro forma financial information. The pro forma statement of financial position is based on the assumption that the Genesis transaction occurred on 30 June 2015. The Company's audited financial statements for the period ended 30 June 2015 include amounts which are all less than €500,000. As a result of pro forma disclosures being reflected in euro millions, the Company amounts are included in pro forma after adjustments rather than being disclosed in a separate column.

- (2) The column titled “SIHL Group unaudited Fiscal Year 2015” has been prepared based on the audited SIHL Consolidated Financial Statements for Fiscal Year 2015. The SIHL Consolidated Financial Statements for Fiscal Year 2015 were converted to euro for inclusion in these pro forma results using the average rand:euro exchange rate of 13.7347 for the income statement and the closing rand:euro exchange rate of 13.5628 for the statement of financial position. This convenience translation has not been separately audited.
- (3) The column titled “Pepkor Group unaudited 9 months ended 31 March 2015” has been prepared by deducting the three month Pepkor Group results, as included in the SIHL Consolidated Financial Statements, from the 12 month audited Pepkor Group Consolidated Financial Statements for Fiscal Year 2015 to arrive at the nine month unaudited Pepkor Group results. Included in the Pepkor Group’s nine month results is a one-off transaction fee of €8 million. These financial statements were converted to euro for inclusion in these pro forma results using the average rand:euro exchange rate of 13.7347 for the income statement. This convenience translation has not been separately audited.
- (4) The column titled “Pro forma Pepkor Acquisition adjustments” refers to the following adjustments: (i) interest was calculated for nine months on €980 million (R13.3 billion) borrowed funds at an after tax interest rate of 5.9 per cent. A preference dividend was calculated for nine months at 72 per cent. of SA prime on the €137 million (R2 billion) perpetual preference shares raised; (ii) non-controlling interest allocations of €1 million in the statement of comprehensive income was re-allocated to owners of the parent; and (iii) the impact of the Pepkor IFRS 3 fair value adjustments and provision releases for the additional nine month period was incorporated in the statement of comprehensive income. These adjustments increased earnings attributable to owners of the parent by €6 million.
- (5) The column titled “Genesis audited Fiscal Year 2015” has been prepared based on the Genesis Consolidated Financial Statements for Fiscal Year 2015.
- (6) The column titled “Pro forma Genesis transaction adjustments” refers to the requirements of IFRS 3 and Management’s best estimate at this stage: (i) the Company made an offer to exchange all SIHL shares held by SIHL shareholders for ordinary shares in the Company; (ii) the Genesis acquisition has been accounted for in terms of IFRS 3, using the principles of reverse acquisition accounting. Management’s best estimate is that no fair value adjustments in terms of IFRS 3 are required to the statement of financial position of Genesis. The final allocation will require a detailed identification and valuation exercise which will be completed as part of the acquisition process; (iii) standard consolidation journal entries in terms of IFRS which include, *inter alia*, the elimination of the Group’s ‘at acquisition’ share capital and accumulated reserves; (iv) one-off transaction costs of €4 million have been expensed; (v) included in the reserves of the Group is a reverse acquisition reserve account. The balance of this account will be determined on the listing date. It will be calculated as the Group’s market capitalisation on the listing date, less the Group’s stated capital balance on that date. As at 30 June 2015, using the SIHL share price of €5.68 (R76.99) on this date, the reverse acquisition reserve calculated to a debit balance of €12.3 billion. The stated share capital of the group will increase with the same amount at this date, resulting in a zero effect on total equity; and (vi) all the adjustments are of a continuing nature except the transaction costs.

Section B: Accountants' Report on the Pro Forma Financial Information

The Directors
Genesis International Holdings N.V.
(to be renamed Steinhoff International Holdings N.V.)
Herengracht 466
1017 CA Amsterdam
The Netherlands

Dear Sirs

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON THE COMPILATION OF PRO FORMA FINANCIAL INFORMATION INCLUDED IN A PROSPECTUS OF STEINHOFF INTERNATIONAL HOLDINGS N.V. REGARDING THE ADMISSION TO TRADING AND LISTING OF ORDINARY SHARES ON THE REGULATED MARKET OF THE FRANKFURT STOCK EXCHANGE

We have completed our assurance engagement to report on the compilation of pro forma financial information of Genesis International Holdings N.V. ("the Company") by the directors. The pro forma financial information, as set out in the prospectus ("the Prospectus"), to be dated on or about 19 November 2015, consists of the statement of financial position and statement of comprehensive income and related notes. The pro forma financial information has been compiled on the basis of the applicable criteria specified in the JSE Listing Requirements, the Guide on Pro Forma Financial Information issued by SAICA, ISAE 3420 and the measurement and recognition requirements of IFRS.

The pro forma financial information has been compiled by the directors to illustrate the impact of the corporate action or event, being the acquisition of Steinhoff International Holdings Limited, on the Company's financial position as at 30 June 2015, and the Company's financial performance for the period then ended, as if the corporate action or event had taken place on 1 July 2014, being the commencement date of the financial period for the purposes of the statement of comprehensive income and at 30 June 2015, being the last day of the financial period for the purposes of the statement of financial position. The pro forma financial information is required to be compiled on the basis of the applicable criteria specified by the JSE Listing Requirements, the Guide on Pro Forma Financial Information issued by SAICA, ISAE 3420 Assurance engagements on Pro Forma Financial info included in a Prospectus, Pre-Listing Statement or Circular ("ISAE3420") and the measurement and recognition requirements of IFRS.

Directors' Responsibility for the Pro Forma Financial Information

The directors are responsible for compiling the pro forma financial information on the basis of the applicable criteria specified in the JSE Listing Requirements, the Guide on Pro Forma Financial Information issued by SAICA, ISAE 3420 and the measurement and recognition requirements of IFRS and described in Section A of the Prospectus.

Reporting Accountant's Responsibility

Our responsibility is to express an opinion about whether the pro forma financial information has been compiled, in all material respects, by the directors on the basis specified in the JSE Listing Requirements, the Guide on Pro Forma Financial Information issued by SAICA, ISAE 3420 and the measurement and recognition requirements on IFRS based on our procedures performed. We conducted our engagement in accordance with the International Standard on Assurance Engagements (ISAE 3420), which is applicable to an engagement of this nature. This standard requires that we comply with ethical requirements and plan and perform our procedures to obtain reasonable assurance about whether the pro forma financial information has

been compiled, in all material respects, on the basis specified in the JSE Listing Requirements, the Guide on Pro Forma Financial Information issued by SAICA, ISAE 3420 and the measurement and recognition requirements of IFRS.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the pro forma financial information.

As the purpose of pro forma financial information included in a prospectus is solely to illustrate the impact of a significant corporate action or event on unadjusted financial information of the entity as if the corporate action or event had occurred or had been undertaken at an earlier date selected for purposes of the illustration, we do not provide any assurance that the actual outcome of the event or transaction at 30 June 2015 would have been as presented.

A reasonable assurance engagement to report on whether the pro forma financial information has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used in the compilation of the pro forma financial information provides a reasonable basis for presenting the significant effects directly attributable to the corporate action or event, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

Our procedures selected depend on our judgement, having regard to our understanding of the nature of the company, the corporate action or event in respect of which the pro forma financial information has been compiled, and other relevant engagement circumstances.

Our engagement also involves evaluating the overall presentation of the pro forma financial information. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the pro forma financial information has been compiled, in all material respects, on the basis of the applicable criteria specified by the JSE Listing Requirements, the Guide on Pro Forma Financial Information issued by SAICA, ISAE 3420 and the measurement and recognition requirements of IFRS and described in Section A of the Prospectus.

Consent

We consent to the inclusion of our report on the pro forma financial information and the references thereto in the Circular, in the form and context in which they appear.

Deloitte & Touche

Registered Auditor

Per: Xavier Botha

19 November 2015

BUSINESS

Investors should read this section in conjunction with the more detailed information contained in this Prospectus, including the financial and other information appearing in “Operating and Financial Review”. Where stated, financial information in this section has been extracted from the SIHL Consolidated Financial Statements.

Business Overview

The Group is an integrated discount retailer that manufactures, sources and retails furniture, household goods and general merchandise in Europe, Australasia and Africa. The Group’s integrated business model is based upon a strategy of sourcing and manufacturing products at low cost and distributing them to the Group’s value-conscious customer base mainly through its extensive retail footprint.

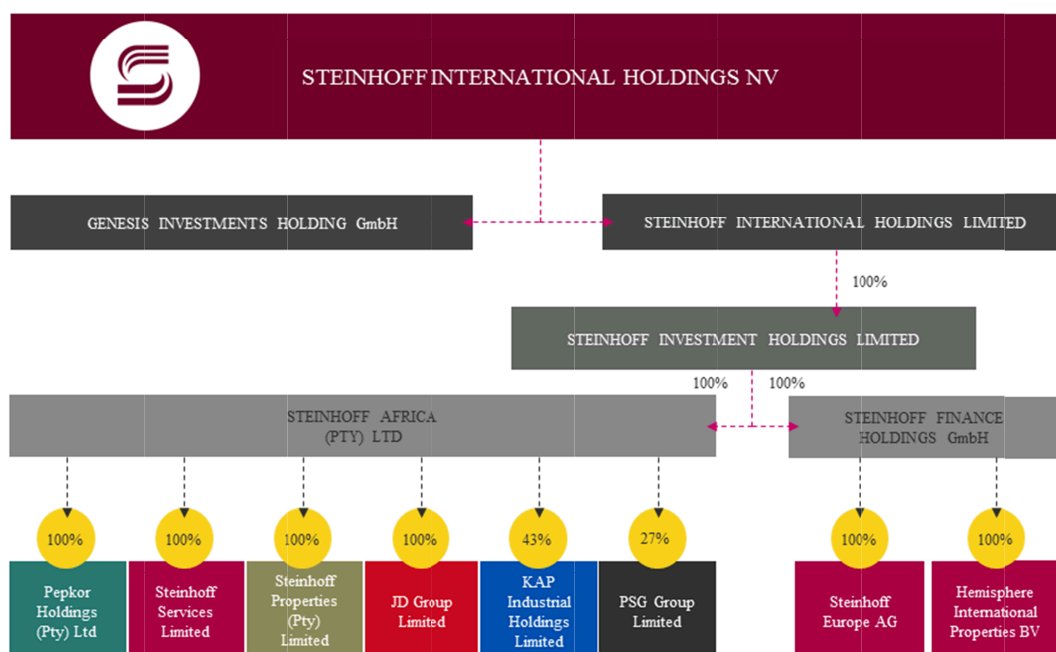
The Group was founded in 1964 and was listed on the JSE in 1998, with an initial market capitalisation of R2.6 billion and a current market capitalisation, as at the Latest Practicable Date, of R315.4 billion (€20.5 billion). The Group has been included in the JSE Top Forty Index and the JSE Industrial Top 25 Index. In Fiscal Year 2015, the Group reported revenue from continuing operations of R134,868 million (€9,818 million) and operating profit before capital items from continuing operations of R15,315 million (€1,115 million) compared to R117,364 million (€8,321 million) and R12,622 million (€895 million), respectively, in Fiscal Year 2014. On a pro forma basis, assuming that (i) the Pepkor Acquisition had been completed on 1 July 2014 and (ii) the full-year results of operations of the kika-Leiner business had been included in the Group’s results of operations for Fiscal Year 2015, the Group’s revenue from continuing operations for Fiscal Year 2015 was €13,154 million and operating profit before capital items from continuing operations was €1,328 million. As at 30 June 2015, the Group had more than 90,000 employees.

The Group is managed through three operating segments:

- **Integrated Retail: Household Goods** – The Group’s Integrated Retail: Household Goods segment comprises a vertically integrated furniture, household goods and related retail business serving the discount and value consumer market segments in Europe, Australasia and Africa.
- **Integrated Retail: General Merchandise** – The Group’s Integrated Retail: General Merchandise segment comprises the operations of the Pepkor Group, a leading retailer selling a range of everyday necessities (excluding food) to its price-sensitive and value-conscious customer base, including clothing, footwear, household goods, personal accessories and cellular communication products. The Integrated Retail: General Merchandise segment also provides selected financial services to its customer base, such as utility bill payments and money transfer services.
- **Integrated Retail: Automotive** – The Group’s Integrated Retail: Automotive segment comprises the Group’s automotive retail businesses in South Africa.

The Group is invested in companies that provide essential services and knowledge to the Group, which Management believes enhances the Group’s ability to manage its diverse range of businesses. Accordingly, the Group holds: (i) a 43.3 per cent. minority interest in KAP Industrial, a JSE-listed diversified industrial company with leading market share positions in the logistics, integrated timber, integrated bedding, and other industrial sectors within South Africa; and (ii) a 27 per cent. interest in PSG Group, a JSE-listed investment company.

The following chart represents a high level legal structure of the Group post the Scheme of Arrangement becoming effective:



1

Source: Management information.

History

The Group was founded in 1964. Between 1964 and 1988, the Group's European business developed as a distributor of furniture produced in Eastern Europe for sale in Western Europe. Following the merger of the Group's European and South African furniture and household goods businesses, the Group was listed on the JSE in 1998.

The Group has acquired a number of businesses in its history:

The manufacturing years

- In 1999, the Group expanded its furniture manufacturing operations in Southern Africa through the acquisition of Cornick Group Limited.
- In 2000, the Group acquired certain manufacturing facilities in Germany, Hungary and Poland, strengthening its furniture manufacturing capabilities in Europe.
- In 2001, the Group acquired the entire issued share capital of Relyon Group Plc, a UK mattress manufacturer, and entered the Australian market through the acquisition of Marshall furniture and the manufacturing facilities of the furniture retailer, Freedom Group Limited.
- In 2002, the Group made further investments in German furniture brands.

- In 2003, the Group acquired Puris Bad in Germany and Sprung Slumber in the United Kingdom.
- In 2005, the Group acquired a 27 per cent. interest in KAP Industrial, a JSE-listed diversified industrial holding company.
- In 2007, the Group's Southern African furniture manufacturing division was sold to facilitate the expansion of the Group's retail operations in Africa.

Integrating the manufacturing and sourcing divisions

- In 2004, the Group acquired the entire issued share capital of PG Bison. In the same year, the Group established sourcing headquarters in China and other countries in Asia, with the ultimate goal of supplementing its own manufacturing capabilities with products manufactured by third parties.
- In 2005, the Group acquired a 61 per cent. controlling interest in Unitrans Limited, a diversified transport and logistics company and motor retailer (and increased its holdings in Unitrans to 100 per cent. in 2007).

Establishing the retail operations

- In 2003, the Group entered the Australian retail market by privatising the then publicly listed Freedom Group Limited.
- In 2005, the Group entered the UK retail market through the acquisition of a controlling interest in Homestyle Group Plc.
- In 2007, the Group acquired the remaining minority shareholding in Homestyle Group Plc and delisted the company from the London Stock Exchange.
- In 2008, the Group's ERM division was founded, and, in the same year, Hemisphere Properties was established as part of the Group's strategy to increase property investments and ownership.
- In 2011, the Group acquired Conforama. In the same year, SIHL reached an initial agreement with JD Group in terms of which JD Group acquired all of the Group's Southern African retail interests, which resulted in SIHL acquiring a minority interest in JD Group. SIHL also acquired a 20 per cent. shareholding in PSG Group in 2011.
- In 2012, the Group disposed of its timber operations (PG Bison), supply chain management operations (Unitrans Limited) and raw materials subsidiaries to KAP Industrial in exchange for an increased shareholding in KAP Industrial (for an 88 per cent. aggregate shareholding). SIHL simultaneously reduced its shareholding in KAP Industrial to 62 per cent. and acquired a 50.1 per cent. controlling interest in the southern Africa furniture retail group, JD Group.
- In 2013, the Group purchased the Slumberland, Myers, Dunlopillo and Staples bedding brands and manufacturing facilities in the United Kingdom.
- In 2013, SIHL facilitated the independent acquisition by Genesis of kika-Leiner. The kika-Leiner group of companies is a leading furniture retail group in Austria and certain CEE countries, operating through the kika and Leiner brands.
- In 2014, SIHL increased its shareholding in JD Group to 86 per cent. and decreased its 62 per cent. investment in KAP Industrial to a 45 per cent. associate investment.

- On 31 March 2015, SIHL acquired 92.34 per cent. of the Pepkor Group, and, on 20 April 2015, SIHL acquired the remaining 7.66 per cent. of the Pepkor Group. The Pepkor Group manages a portfolio of retail chains and brands.
- On 7 July 2015, SIHL increased its shareholding in the southern African retail operations of JD Group to 100 per cent. through a scheme of arrangement, after which JD Group was de-listed from the JSE.
- On 29 September 2015, Steinhoff received Iliad African Limited (“**Iliad**”) shareholder approval to purchase 100 per cent. of the issued share capital of Iliad a distributor, wholesaler and retailer of general and specialised building materials in South Africa, for a cash consideration of R1,341 million (€97.6 million), subject to various conditions precedent, including competition authorities approval. Competition clearance is pending.

Competitive Strengths

Management believes that the Group has the following strengths.

Europe’s second largest integrated household goods retailer, with leading positions in key European, Australasian and African markets

The Group is Europe’s second largest integrated household goods retailer by turnover (according to Möbelmarkt), with a diverse, global footprint, operating through more than 2,000 retail outlets in 25 countries and 79 sourcing, manufacturing and warehousing facilities across Europe, Australasia and Africa. As a result of the Pepkor Acquisition, which added more than 4,000 retail outlets to the Group’s portfolio, the Group’s global retail footprint has broadened into new markets and expanded capacity within existing ones, including the Pepkor Group’s operations in Eastern Europe, Africa and Australasia. The Group has leading market positions in a number of the markets in which it operates (according to Euromonitor).

Trading through a leading portfolio of local retailer brands and operating through a multi-brand, multi-format infrastructure capability

The Group trades through a leading portfolio of local retailer brands. The Group’s business model encompasses a diverse, multi-brand strategy targeted to local consumer preferences in each of the regions where the Group operates. The Group’s successful brands and expansive product offering have made it a leading retailer in the markets in which it operates (according to Euromonitor). The Pepkor Group’s portfolio of retail brands aligns with the Group’s diverse multi-brand strategy, and includes leading specialty and discount brands in Poland, Australia and South Africa. The addition of the Pepkor brands allows the Group to diversify its retail offering into new product ranges, while taking advantage of the Pepkor Group’s established retail footprint and customer base. Although the Group is a leader in many of its markets (according to Euromonitor), these markets remain highly fragmented.

The Group has also been able to grow its market share via its e-commerce initiatives, which Management intends to expand in order to capitalise on the Group’s cross-channel presence. The Group’s e-commerce initiatives are further supported by its existing “brick and mortar” retail infrastructure as, in the current market, e-consumers prefer to view furniture and related household goods in a physical retail environment before concluding a transaction.

Predominantly positioned in the growing value-conscious segment providing more resilience through the economic cycle

The Group’s business is focused on the growing value-conscious consumer, and its operations are, therefore, positioned in the discount market segment. This value focus has helped the Group remain profitable in a difficult economic climate, as consumers have become increasingly price-sensitive, therefore migrating to

lower price segments in the furniture and household goods market. Consequently, the value segment of the furniture and household goods and general merchandise markets has grown in recent years, and the Group's revenues and margins have increased primarily due to its focus on the value-conscious consumer, supported by its integrated global supply chain.

Vertically integrated global supply chain platform enabling cost control, protecting consumer price points for consumers and sustaining Group margin

The Group's integrated business model is based upon a global strategy of sourcing and manufacturing products at low cost and distributing them to the Group's value-conscious customer base mainly through its extensive retail footprint. The Group's decentralised, vertically integrated business model allows it to have significant influence over, and in-depth knowledge of, the entire supply chain (from raw material input to end-consumer delivery), consolidating all points of contact across an extensive product offering. This has resulted in consistent margins, raised barriers to entry and other key competitive advantages. Due to its global purchasing power, the Group also benefits from its ability to source and produce in bulk quantity, negotiating long-term, competitive agreements in order to achieve fixed overhead costs and generate volume rebates. Management also believes that active involvement in the entire supply chain provides assurances as to the quality of the Group's products and decreases warranty risks while ensuring availability of products, timeous delivery and technical design competence.

The Group's ability to source products from third-party suppliers at low cost and the location of its manufacturing facilities in Poland and Hungary also enables it to have a cost base which is, on average, lower than many of its competitors, allowing it to compete more effectively and protect consumer price points. The location of most of the Group's own manufacturing operations in Europe, the United Kingdom and Australia also allows for cost-effective export to Europe-based customers.

The global nature of the Group's operations gives it continued access to new customers, markets and suppliers, while the Group's shared knowledge base across industries and geographies provides it with a further competitive advantage, as best practices and industry knowledge developed across different segments of the business are shared throughout the Group.

By capitalising on the mix and flexibility between core products manufactured in owned-facilities and products sourced from third parties, the Group maintains its ability to change suppliers or supplying countries depending on cost structures and to otherwise optimise buying prices. This flexibility between sourcing and manufacturing also reduces the risk of investing in production facilities to produce product lines which may be subject to short-term consumer trends. Moreover, the Group's global sourcing operations identify and assess potential suppliers primarily in low-cost countries, and participate in key processes, often on-site, including comprehensive material procurement, product and fabric development, technical assistance, co-ordination of sample approvals, assessment of lab tests and raw material availability to ensure that the Group's high standards of quality are met.

The Group's supply chain expertise, including logistics and effective management of warehouse and distribution networks, remains essential to its business. Control over the supply chain gives rise to better service levels and guarantees timeous product delivery within a competitive cost structure. This enables the Group to satisfy increasing demands from its customers for a supplier that can offer comprehensive warehousing and distribution capabilities.

Ownership of strategic retail, warehouse and manufacturing properties which enhances the Group's ability to control costs and improve long-term operational sustainability

The Group's property portfolio consists of retail, warehouse and manufacturing facilities located in Europe, Australasia and Africa. In addition to providing the Group with an additional revenue stream, the long-term

occupation of the Group's retail sites is an important factor in protecting the Group's profitability because it allows the Group to manage future lease liabilities and escalations effectively. In addition, the licence to retail household goods is frequently attached to a particular property, which means the ownership of retail properties is necessary for the Group to operate in that market. The Group's property portfolio is managed as an independent profit centre and is operated by dedicated, local teams who focus on maximising the value of the Group's properties.

Highly experienced management team with a demonstrated track record of consolidating fragmented markets through acquisitions and organic growth

The Group's management team has extensive experience in the industries in which the Group operates, with significant expertise in retail, sourcing, manufacturing and distribution of furniture and related household products and management of manufacturing facilities in emerging markets. The Group's management team is also supported by an extensive group of experienced, decentralised, local, operational management in every region in which the Group operates. The Group's management team has a demonstrated track record of delivering strong, organic growth, while successfully integrating a series of significant strategic acquisitions. The members of the Company's Management and Supervisory Boards and key management of the Group own a significant percentage of the Group's equity, demonstrating their commitment to the business and alignment with shareholders.

Strong focus on protecting the sustainability of the business for all stakeholders

The Group recognises the importance of sustainability. The Group regularly reviews and adapts policies and processes to reinforce its ability to be socially responsible and environmentally sound, and, at the same time, profitable. Management believes that, by balancing these three pillars of sustainability (people, planet and profit), the Group operates in a responsible manner while retaining its market-leading positions in the regions in which it operates.

Historically strong sales growth, margin expansion and cash generation potential

The Group's operating performance has historically been strong, underlying the strength and efficiency of its business model and management. In addition, the scale and geographic diversity of the Group's operations have allowed it to achieve significant cost benefits, leading to higher operating margins. In Fiscal Year 2015, the Group reported revenue from continuing operations of R134,868 million (€9,818 million) and operating profit before capital items from continuing operations of R15,315 million (€1,115 million) compared to R117,364 million (€8,321 million) and R12,622 million (€895 million), respectively, in Fiscal Year 2014. Management believes that the Group's financial indebtedness maturity profile subjects it to limited refinancing risk as the maturity profile of its debt is, on the whole, staggered, and the Group has a diversified source of funding, including bank debt, capital markets funding, funding from the U.S. private placement market and the use of convertible bonds. The Group has consistently delivered on its financial targets, and clear internal management goals are in place to continue to improve the return on capital.

Strategy

The key components of the Group's growth strategy include:

Focus on the value segment of the retail market

The Group's retail operations are focused on the value-conscious consumer. Growing the provision of value offerings through retail outlets such as Confo Depot is a key strategy for the Group which Management intends to achieve by: (i) focusing on efficiencies to minimise costs; (ii) continuing to diversify the supply chain based on the Group's integrated business model of sourcing and manufacturing products at low cost; and (iii) the selective acquisition of certain complementary brands and retailers in order to further enhance the

Group's retail offerings. The Pepkor Acquisition also provided the Group with more than 4,000 retail outlets and an expanded customer base concentrated in the value segment of the market in Europe, Australasia and Africa.

Leverage the Group's vertical integration and scale to drive efficiencies

Through influence over, and knowledge of, the entire supply chain, Management protects the Group's ability to manage costs and enhance customer service. Vertical integration improves Management's visibility of the supply chain, which has historically led to improved working capital management and optimised cash generation. By having supply chain experts focused solely on the Group's vertically integrated business operations, Management is able to not only focus on profitable production and distribution channels (such as ocean freight) but also target further operational efficiencies, including, among other things, volume buying, consolidation of its warehouse and distribution network and the ability to optimise capacity utilisation to leverage the Group's fixed costs. Management, therefore, intends to continue exploring and developing its reach into new supply territories and increasing its sourcing in low-cost countries. Furthermore, by capitalising on the mix and flexibility between core products manufactured in Group-owned facilities and products sourced from third parties, the Group maintains its ability to (i) change suppliers or supplying countries depending on cost structures or (ii) increase its production of goods with higher consumer demand.

Strengthen the Group's position in developed markets and expand into emerging markets and e-commerce platform

Management believes that there are opportunities for the Group to grow its footprint in the European retail market, which Euromonitor estimates to be worth €128.5 billion in 2015. In particular, Management believes that there are opportunities for growth in developed, Western European markets, which are facing continuing consolidation in the furniture and household goods market. Management has already taken steps to further this strategy, by opening new retail outlets in Fiscal Year 2015 across the developed markets in Europe in which it operates, such as Germany, France, the Netherlands, Portugal, Spain and Switzerland. In addition, Management intends to expand the Group's retail footprint in emerging markets in Eastern Europe and sub-Saharan Africa. In particular, the Pepkor Group has a successful track record of growth in Eastern Europe, and Management believes that Pepkor's current strong market position and potential for further growth across Europe will support the Group's future expansion. In Europe and the United Kingdom, Management intends to invest in new and existing retail brands and product offerings through expansion and refurbishments.

Management believes that the increased trend of consumers shopping and investigating products online presents an additional market share growth driver for the Group that it intends to prioritise going forward. In Fiscal Year 2015, approximately 7 per cent. of Conforama's revenue in France was generated online. Sub-Saharan African consumers are also increasing their online activities, especially in the electronics environment. The Group's customers are increasingly demanding a seamless and dynamic consumer experience which integrates both online retail and traditional "brick and mortar" outlets. Through e-commerce initiatives that are aimed at providing links to the Group's store network and logistics infrastructure and improved accessibility to a broader range of products, Management intends to meet this demand and expand and enhance the Group's current digital functionality and transactional and fulfilment capabilities in order to capitalise on its cross-channel capabilities and leverage the Group's existing resources.

Continue investing in the property portfolio

Market consolidation and uncertainty in the discretionary retail market continues to present the Group with opportunities to acquire additional retail licences and/or retail properties to expand its retail footprint. Property ownership plays a key part in the Group's strategy. For this reason, Management intends to strengthen its position in the European retail market by purchasing leasehold retail properties, and

Management intends to continue to pursue this strategy in the coming years, and believes that doing so will continue to result in lower property lease charges and improve the Group's operating margins.

Continue investing in the Group's management structure and human resources function

Management intends to continue investing in the Group's management structure and human resources function across all of its business divisions in order to grow revenue and improve operating efficiencies. At the divisional level, local management teams have autonomy to make certain employment decisions and implement locally relevant business strategies. Moreover, Management intends to increase mobility among the workforce in order to share best practices and experiences across the Group. By actively managing its workforce and integrating the operations of its retail businesses, Management seeks to maintain high levels of consistency and performance across all of the Group's divisions.

The Group's Business

The Group is an integrated discount retailer that manufactures, sources and retails furniture, household goods and general merchandise in Europe, Australasia and Africa. The Group's integrated business model is based upon a strategy of sourcing and manufacturing furniture and household products at low cost and distributing them to the Group's value-conscious customer base mainly through its extensive retail footprint. The Group manages economic and market risks through, among other things, geographical and industry diversification and vertical integration.

While the Group is a leader in many of the markets in which it operates (according to Euromonitor), these markets remain highly fragmented. Management, therefore, believes that the Group retains significant headroom for growth due to its relatively low market share.

Operations

Integrated Retail: Household Goods

The Group's Integrated Retail: Household Goods segment comprises a vertically integrated furniture, household goods and related retail business serving the discount and value consumer market segments in Europe, Australasia and Africa.

The Group manages a vertically integrated furniture and household goods retail business in Europe and Australasia. This business is supported by the Integrated Supply Chain division, which is responsible for the sourcing, manufacturing, warehousing and distribution of furniture and household goods to Group-owned and third-party retailers. The Group is the second largest household goods retailer in Europe, by turnover, with a focus on value-conscious consumers (according to Möbelmarkt). It differentiates itself from its competitors through its ability to supply products to the market at low prices, primarily due to its integrated global supply chain consisting of Group-owned sourcing and manufacturing operations in low-cost, emerging markets and its integrated logistics infrastructure. This efficient manufacturing and logistics infrastructure also gives the Group the ability to provide after-sales service to customers, further enhancing its customer service capabilities.

The Group's European and Australasian retail businesses focus on the retailing of furniture, beds, kitchens, household appliances, electronic products, décor items, related homeware and household products in Europe and Australasia, and have operations in, *inter alia*, Australia, Austria, Belgium, Croatia, the Czech Republic, France, Germany, Hungary, Italy, Luxembourg, the Netherlands, New Zealand, Poland, Portugal, Romania, Serbia, Slovakia, Spain, Switzerland and the United Kingdom. The business model of the Group's retail operations supports a diverse, multi-brand strategy that is managed in order to ensure that the Group's brands and products remain relevant to local consumers and customers. Many of the Group's brands are household

names in the markets in which they are sold, which has supported the division's performance and market share gains in recent years. In Europe, the Group has also implemented various e-commerce initiatives resulting in an omni-channel sales approach. These e-commerce strategies have achieved early success, especially in France, where the e-commerce business accounted for approximately 7 per cent. of Conforama's revenue in France in Fiscal Year 2015. The Group's International Retail division is managed across its two broad geographic regions, being Europe and Australasia and Africa.

Europe and Australasia

The Group's European retail businesses focus on the retailing of furniture and homeware, and comprises: (i) Conforama; (ii) the European Retail Management division, or ERM; and (iii) kika-Leiner (through Genesis). As at 30 June 2015, the retail division in Europe operated through more than 500 retail outlets. The Group's retail division in Australasia focuses on the retailing of beds, furniture and homeware. As at 30 June 2015, the retail division in Australasia operated through 138 retail outlets.

Conforama

Conforama is a leading European retailer of furniture and household goods. Its core product lines include furniture, decoration and large homeware appliances. Conforama employs a multi-style product strategy. Conforama also operates an online sales platform via a "click and collect" model, which is supported by its physical store network. As at 30 June 2015, Conforama operated a network of 280 retail outlets, of which 204 are located in France, making it France's second largest furniture and household goods retailer by market share (according to Euromonitor). In addition, as at 30 June 2015, Conforama operated 76 retail outlets located in seven other European countries: 30 in Spain and Portugal, 15 in Italy, 22 in Switzerland, seven in Croatia, one in Luxembourg and one in Serbia.

European Retail Management

The Group's ERM division has an extensive retail footprint across Germany, Hungary, Poland and Switzerland. The ERM division operates through primarily large-scale discount retail outlets offering a full range of furniture and household goods. As at 30 June 2015, the ERM retail network comprised 228 retail outlets, including: (i) 107 large format furniture and homeware goods retail outlets in Germany and one in both the Netherlands and Poland; (ii) 97 ABRA retail outlets in Poland; and (iii) 22 Lipo furniture stores in the German-speaking regions of Switzerland.

kika-Leiner

kika-Leiner is a leading furniture retailer operating in the European retail market. The kika-Leiner Acquisition expands the Group's footprint in Europe, as it allows the Group to enter the Austrian retail market, while expanding its presence in Central and Eastern Europe. kika-Leiner features strong, local brands and, consistent with the Group's property strategy, owns the majority of its retail locations. As at 30 June 2015, kika-Leiner operated out of 71 retail outlets (50 in Austria, seven in the Czech Republic, nine in Hungary, one in Romania and four in Slovakia).

United Kingdom

The Group's retail division in the United Kingdom operates through Steinhoff UK and focuses on the retailing of beds, furniture and homeware. Steinhoff UK currently has two retail chains in the United Kingdom: Bensons for Beds and Harveys, all of which operate through a network of retail outlets and an online platform. With 419 retail outlets, Steinhoff UK is the largest bed retailer and, according to Euromonitor, the ninth largest furniture retailer in the United Kingdom.

Bensons for Beds is the United Kingdom's largest bed retailer (according to Management's estimates), offering customers a wide range of mattresses, divans, bed frames, children's beds and bedroom furniture. As

at 30 June 2015, Bensons for Beds operated 262 retail outlets in the United Kingdom. Harveys is a specialty furniture retailer in the United Kingdom, with a focus on lounge and dining furniture in the value segment of the market. As at 30 June 2015, Harveys operated 157 retail outlets in the United Kingdom.

Australasia

The Group currently has three retail chains in Australia and New Zealand: Freedom, Snooze and POCO Australia, all of which operate through a network of retail outlets and an online platform. With 138 retail outlets, the Group is the third largest furniture retailer in Australia and New Zealand (according to Euromonitor).

Freedom is a retailer of an extensive collection of leather sofas, fabric sofas, dining furniture, bedroom furniture and homeware. As at 30 June 2015, Freedom operated 61 retail outlets in Australia and New Zealand. Snooze is predominantly a franchise mattress and bedding specialist. POCO Australia is a one-stop, home solution superstore offering a wide range of consumer goods at low prices. The brand and concept originated in Germany, however, the product offering at POCO Australia is tailored to the Australian consumer. As at 30 June 2015, POCO Australia operated one store in Australia.

Africa

JD Group - Retail

JD Group's retail division is one of the largest furniture and household goods retailers in Southern Africa. It offers a diversified mix of products, including furniture, household appliances, consumer electronic and technology goods, building materials and DIY products and accessories. JD Group's retail division operates through a multi-branded retail network representing nine furniture brands, two consumer electronics and appliances brands and four building materials and DIY brands. As at 30 June 2015, the Group operated 1,153 retail outlets in Southern Africa.

Integrated Supply Chain

The Group's Integrated Supply Chain division focuses on the sourcing and manufacturing of raw materials and household goods, which it sells to other Group-owned companies and third-party retailers. Management believes that the Group's Integrated Supply Chain division's proximity to the large European household goods market, its ability to assemble furniture sourced from Asia and Europe and its ability to replace and/or repair products subject to stringent European warranty requirements are key competitive advantages.

Sourcing and Logistics

The Sourcing and Logistics division focuses on the sourcing of upholstery, case goods, homeware, mattresses, beds, bedroom furniture, and small and large home appliances (including televisions). These products are sourced from over 40 countries. While this division does not invest in production capacity or assets, it, instead, employs experts in supplier and product sourcing, product development and design, negotiation, quality control, supply chain management and product mutualisation. Many of these experts work on-site with suppliers in order to ensure that the manufacturing and sourcing activity taking place is in compliance with the Group's stringent demands, such as quality control, sustainable sourcing practices and environmental policies. Accordingly, the Sourcing and Logistics division functions as a service provider to the Group.

Management believes that the use of specialised third-party suppliers in conjunction with the Group's own manufacturing operations adds scale, flexibility, efficiencies and cost advantages to the Group's buying operations.

The Sourcing and Logistics division operates through eight sourcing offices across Eastern Europe and Asia, with a primary objective of creating competitive advantages for the Group by providing speed-to-market of

exclusive, quality products at competitive prices. The division operates 50 distribution centres across Europe and the United Kingdom. Management believes that these central distribution centres will provide the Group with a more efficient distribution platform and, consequently, reduced lead times and increased customer service levels.

Manufacturing

The Group's own manufacturing operations include integrated furniture and household goods manufacturing operations in Europe, the United Kingdom and Australia. As at 30 June 2015, manufacturing operations were carried out in 21 facilities across five countries.

Europe

The majority of the Group's European manufacturing capacity is primarily located in Eastern Europe, where facilities in Hungary and Poland focus on upholstered furniture for lower- and middle-end products.

- Hungary – the Group operates two manufacturing facilities in Hungary. One facility focuses on manufacturing mid- to upmarket leather upholstered furniture for Europe and the local market. The other facility primarily manufactures leather dining room chairs.
- Poland – the Group operates six manufacturing facilities in Poland which manufacture a variety of upholstered furniture. The Group's own manufacturing facilities in Poland have historically been one of the leading suppliers in Europe for volume-driven, mass-market and mail-order retailers.

In addition, the Group has a manufacturing facility in Germany which specialises in the manufacturing of bathroom furniture which it sells to the German market and for export. The Group has also recently acquired a kitchen manufacturing facility adjacent to its bathroom furniture manufacturing facility.

United Kingdom

Manufacturing operations in the United Kingdom are carried out by Relyon, Pritex, Steinhoff UK Beds Ltd and Steinhoff UK Upholstery. The Group manufactures beds at five UK-based manufacturing facilities, under the Relyon, Dunlopillo, Myers, Slumberland and Staples brands, as well as customer own-label products. The Group sells to the majority of major furniture retailers in the United Kingdom.

Pritex is a Wellington-based manufacturer of acoustic insulation products for the automotive and industrial markets. Steinhoff UK Upholstery is a dedicated supplier for the Harveys Furniture division. It operates from one manufacturing facility in Bridgend, Wales.

Australia

Over the course of Fiscal Year 2015, the Group completed the acquisition of Select-O-Pedic, an Australian bedding manufacturer, including its manufacturing facilities.

Properties

The Group's property management function is also housed within the Integrated Retail: Household Goods segment. The Group's property management function comprises (i) an extensive footprint of retail properties situated in Europe and properties in Africa, (ii) Group-owned manufacturing facilities located in Germany, Eastern Europe, the United Kingdom and Australia and (iii) the Group's centralised property teams, which provide a wide range of specialised services to the Group, including:

- management of the internally and externally leased property portfolio;
- development of existing and new properties;
- centralised management of sustainable energy, water and waste;

- management of risk, security and insurance costs; and
- management of maintenance costs.

In addition, in Europe, the licence to retail household goods is often attached to a particular property. Therefore, the long-term occupation of these retail sites is an important factor in protecting the Group's revenue stream.

The Group derives property rental income primarily from Group-owned companies, but also from third-party tenants. The Group's real estate investments have a positive impact on its balance sheet and help to reduce costs associated with property leasing, which positively impacts the Group's strategy of improving operating margins through cost reduction. The Group's property investments also enable it to mitigate future lease liabilities and lease rate escalations.

As at 30 June 2015, the Group's European property portfolio was recognised at R41.4 billion (€3.1 billion) (at cost). While the Group operates from an extensive footprint of retail properties across its operations in Europe, Australasia and Africa, none of these properties are individually material to the Group. The following table, however, lists the Group's properties with the highest monetary cost as at 30 June 2015.

Location	Address	Use of the property	Tenure	Size of the property (square metres)
Vienna, Austria	Mariahilferstrasse 18, 1070 Vienna	Retail store	Freehold	57,185
Graz, Austria	Annenstrasse 63, 8020 Graz	Retail store	Freehold	26,741
Meyrin, Switzerland	Rue de Entreprises 14, 1217 Meyrin	Retail store	Freehold	15,593
Bussigny, Switzerland	Route de Genève 5, 1030 Bussigny	Offices and retail store	Freehold	15,219
Saint Ouen, France	5 Avenue du Capitaine Glarner, 93400 Saint-Ouen	Retail store	Freehold	8,910
Westerstede, Germany	Langebrügger Strasse 3-5, D-26655 Westerstede	Warehouse and administrative building	Freehold	87,079
Leinefelde, Germany	Boschstrasse 11-19, D-37327 Leinefelde	Warehouse	Freehold	83,162
Derendingen, Switzerland	Fabrikstrasse 18/20 CH-4552 Derendingen	Warehouse	Freehold	80,267
Rzepin, Poland	Fabryczna Strasse Nr. 13, 69-110 Rzepin, Poland	Factory	Freehold	29,340
Kanizsa Trend Kft.	Nagykanizsa, Szemere u.4, 8800 Hungary	Factory	Freehold	39,495

Source: Management information.

In addition to the Group's retail, industrial and warehouse properties, the Group owns and operates a considerable amount of machinery, equipment and vehicles. As at 30 June 2015, the Group had plant and

machinery (including capital work-in-progress), office and computer equipment, furniture and other assets and vehicles totalling R6,507 billion (€480 million).

Integrated Retail: General Merchandise

The Group's Integrated Retail: General Merchandise segment comprises the operations of the Pepkor Group, a leading retailer selling a range of everyday necessities (excluding food) to its price-sensitive and value-conscious customer base, including clothing, footwear, household goods, personal accessories and cellular products. The Integrated Retail: General Merchandise segment also provides selected financial services to its customer base, such as utility bill payments and money transfer services.

Founded in 1965 and headquartered in Cape Town, Pepkor serves discount and value-oriented cash customers. Operating in 20 countries across three continents, Pepkor retails from nearly two million square metres of retail space in more than 4,000 retail outlets, employing approximately 37,000 full-time employees as at 30 June 2015. Pepkor operates through well-known retail brands, with 59 per cent. of revenue being generated within the discount segment of the market, followed by 39 per cent. in the value segment and 2 per cent. in the specialty market segment.

Discount

South Africa and Rest of Africa

Trading through more than 2,000 retail outlets as at 30 June 2015, Pepkor sells a discount range of merchandise, including clothing, footwear, homewares and cellular products. Today, Pep is one of South Africa's top three retail names in terms of brand recognition among consumers of all income groups.

In addition to this, through its involvement with "flash", more than 64,000 flash devices selling airtime and electricity and providing bill payment facilities were operative in the informal discount sector as at 30 June 2015.

Pepkor expanded its footprint into Africa, following its success in South Africa, by opening its first store in Zambia in 1990. Staying close to its solid foundation in South Africa and keeping its brand positioning consistent, Pepkor's African expansion accelerated and spanned nearly 100,000 square metres of retail space through more than 250 retail outlets situated in Zambia, Mozambique, Malawi, Angola, Nigeria and Zimbabwe as at 30 June 2015.

Eastern Europe

Pepco, one of the Group's fastest growing retailers, was founded in 2000. Pepco is a leading non-food retailer in Poland, serving customers with a diverse product range comprising clothing, footwear, homewares and a core range of basic household consumables. Pepco's retail outlets are mainly located in small- to medium-sized cities in Poland. Pepco recently expanded its concept to the Czech Republic, Hungary and Slovakia. Pepco operated approximately 700 retail outlets as at 30 June 2015.

Value

South Africa

Founded in 1916, Ackermans is the Group's oldest African retail brand. Ackermans primarily sells clothing, footwear, homewares, clothing accessories and cellular products at competitive prices. At 30 June 2015, Ackermans operated more than 480 urban retail outlets across Southern Africa.

Specialty

South Africa

Pepkor's Specialty Retail division comprises three well-known retailers focused on a diverse customer base, including John Craig, a premium-branded menswear retailer, Dunn's, a mid-market fashion retailer, and Shoe City, a value-oriented footwear retailer. Pepkor's Specialty Retail division provides customers with clothing, footwear, accessories and cellular products and trades through approximately 450 retail outlets located in South Africa, Namibia, Botswana, Lesotho and Swaziland as at 30 June 2015.

Australasia

Pepkor's Retail division operated through more than 300 retail outlets in Australasia as at 30 June 2015 and comprised a collection of specialty retailers located across Australia and New Zealand, including Best & Less, Harris Scarfe, Mozi, Store & Order and Postie. Best & Less, which is typically located in shopping malls, and Harris Scarfe, which operates from larger, stand-alone retail outlets, are Pepkor's largest specialty retailers in Australasia and focus on the value-conscious clothing, footwear and housewares markets.

Support Services

Pepkor's Central Group Services division offers credit, IT, property management, treasury, logistics and quality control support. In addition, Pepkor's retail operations are supported by sourcing offices located in China which focus on supply chain optimisation to help protect and enhance Pepkor's discount market positioning. Pepkor also operates a 22,000 square metre production facility in Cape Town that manufactures approximately nine million school uniforms each year.

PPS

The Pepkor Product Solutions ("PPS") division supports the Pepkor Group's retail brands, offering specialised services aimed at connecting suppliers with buyers. With offices in Shanghai and Shenzhen, China, and dedicated employees in Hong Kong, Taiwan, Bangladesh and India, the PPS division oversees all functions in the Pepkor Group's sourcing supply chain.

Integrated Retail: Automotive

The Group's Integrated Retail: Automotive segment comprises Unitrans Automotive, Unitrans Insurance and Hertz Rental car hire. Unitrans Automotive represents a number of international automotive brands and services its customers from its network of 87 dealerships located throughout Southern Africa, while Unitrans Insurance Limited is a fully licensed, short-term insurance and vehicle warranty company. Hertz Rental car hire conducts its business through 46 locations in Namibia and South Africa.

The Group is invested in companies that provide essential services and knowledge to the Group, which Management believes enhances the Group's ability to manage its diverse range of businesses. Accordingly, the Group holds: (i) a 43.3 per cent. minority interest in KAP Industrial, a JSE-listed diversified industrial company with leading market share positions in the logistics, integrated timber, integrated bedding, and other industrial sectors within South Africa; and (ii) a 27 per cent. interest in PSG Group, a JSE-listed investment company.

Other Investments

KAP Industrial

KAP Industrial delivers services and manufactured products to a wide customer base, through specialised contractual logistics, passenger transport services, integrated timber facilities and industrial manufacturing. As at 30 June 2013, the Group held a 62 per cent. ownership interest; however, on 23 June 2014, the Group decreased its investment to a 44.7 per cent. associate investment. As at 30 June 2015, the Group had a 43.3

per cent. minority investment in KAP Industrial. The investment in KAP Industrial was equity accounted from Fiscal Year 2015.

Diversified Logistics

KAP Industrial's Diversified Logistics segment comprises a specialised contractual logistics division and a passenger transport division. The specialised contractual logistics division designs, implements and manages specialist supply chains and logistics services in the petrochemical, food, mining and infrastructure, agriculture and warehousing sectors. The passenger division is a diversified transport business serving the personnel, commuter, intercity and tourism markets. It primarily offers long-term, contractual passenger transport solutions.

Diversified Industrial

KAP Industrial's Diversified Industrial segment comprises integrated timber operations, integrated bedding operations, automotive component manufacturing and chemical manufacturing operations.

The integrated timber division operates through PG Bison, a South African manufacturer and distributor of sawn timber, poles, wood-based panel products, decorative laminates and solid surfacing materials. PG Bison owns 88,800 hectares of forestry land, of which approximately 41,200 hectares are planted, yielding approximately 600,000 tons of wood fibre per annum on a sustainable basis, primarily for consumption in PG Bison's manufacturing facilities.

KAP Industrial's integrated bedding division manufactures foam, mattress fabric and springs, and assembles mattresses, primarily under the Restonic brand, for the bedding and furniture industry in South Africa and neighbouring countries.

The automotive division comprises six business units that supply components, directly and indirectly, to the South African Original Equipment Manufacturers (OEMs) for use in the assembly of vehicles.

The chemical division consists of Hosaf and Woodchem. Hosaf is the only producer of virgin polyethylene terephthalate (PET) in South Africa, which is used in the bottling and packaging industries. Woodchem SA is sub-Saharan Africa's largest producer of formaldehyde and a broad range of urea formaldehyde resins.

PSG Group

PSG Group is an investment company listed on the JSE, with a market capitalisation of approximately R45 billion as at 30 June 2015. PSG Group consists of underlying investments that operate across a diverse range of industries, which include financial services, banking, private equity, agriculture and education. As at 30 June 2015, the Group owned 27 per cent. of PSG Group.

Employees

The Group's human resources department oversees its relationships with employees and the recruitment processes. The Group monitors its employee growth rates to ensure an appropriate number of professionals to support: (i) the Group's continued expansion; and (ii) optimal service levels for the Group's customers. The Group also invests in its management structure and human resources function across all of its divisions in order to improve operating efficiencies and increase its profitability. At the divisional level, local management teams have autonomy to make certain employment decisions and implement locally relevant business strategies.

As at 30 June 2015, the Group had more than 90,000 employees. The following table details the number of the Group's full-time employees as at 30 June 2015, 2014 and 2013:

	As at 30 June		
	2015	2014	2013
Reporting segment			
Integrated Retail: Household Goods ⁽¹⁾⁽²⁾	50,174	50,725	52,530
Integrated Retail: General Merchandise ⁽³⁾⁽⁴⁾	37,294	—	—
Integrated Retail: Automotive ⁽²⁾	5,161	5,151	5,142
Total.....	92,629	55,876	57,672

Source: Management information.

Notes:

- (1) Figures do not include the employees of kika-Leiner.
- (2) Includes individuals employed full-time by the Group, as well as contracted employees (who are not formally employed by the Group) and part-time employees (who are employed by the Group and who work 20 hours per week on average).
- (3) Reflecting the Pepkor Acquisition in Fiscal Year 2015.
- (4) Includes only full-time employees.

Competition

The furniture and household goods and general merchandise markets are fragmented and highly competitive, and include a large number of manufacturers which produce products similar to those of the Group. Competition is generally based on product quality, timing of delivery, product design, product availability, brand name recognition, price and customer service. The Group competes with a limited number of relatively large companies in Australia, Germany and the United Kingdom.

In Europe, while the Group is subject to European Union anti-monopoly regulation, as well as national anti-monopoly laws in the jurisdiction in which it operates, Management does not expect that any expansion of the Group's operations in Europe, whether by acquisition or otherwise, will give rise to problems in this respect, due to the size and the fragmented nature of the European markets.

The sub-Saharan African furniture and household goods and general merchandise markets, on the other hand, are more concentrated, with fewer than four major competitors in each of the segments in which the Group operates.

Group Services

In order to achieve operating efficiencies and provide centralised management of activities, the Group provides certain services to its operating entities on a centralised basis from its South African, German and UK headquarters. These group services are organised under Group Services International and include the following:

- **Strategic Development:** The Group's strategic development is driven by Management, which develops proposals for possible joint ventures, mergers and acquisitions, special projects and potential growth areas and expansion of current divisions.

- **Financial Management:** The Group's Financial Management department implements and oversees certain procedures that must be followed by each division when preparing financial reports and tax assessments, which include hiring independent, outside advisers when necessary. The Group's Financial Management department also ensures that adequate risk control measures are in place for the Group, which include proper insurance coverage for directors' liability, product liability, business interruption, credit default debts and the Group's assets.
- **Information Technology:** The Group relies on a combination of Group-owned and third-party specialist information systems. Information systems and processes are managed internally, through key designated representatives, in co-ordination with a professional, third-party IT consultant engaged directly by the Group. The Group's internal IT function and the third-party consultant liaise directly with and manage various third-party IT suppliers. The Group's information systems are regulated by various internal policies, relating to data management, information backup, IT system security, patch management and disaster recovery.
- **Legal:** The Group has a centralised group legal department within Group Services International, with smaller legal teams for Africa and Europe. They are all actively involved in internal legal issues, such as the drafting of contracts and agreements, and the oversight of the Group's statutory and legal reporting requirements with local authorities. Legal matters which are country-specific are outsourced to accredited practitioners.
- **Human Resources:** Human Resources is generally handled through regional Human Resources divisions. The Group's Head of Human Resources receives reports from each regional division, which in turn receives reports from each operating unit. The Group currently has succession planning procedures in place for Management and senior level employees. These contingency plans include, when required, outside recruitment, selection and assessment procedures, and proper training for successor employees.
- **Technical Support:** Group Services International provides technical support in connection with manufacturing facility layouts, plant and equipment procurement, as well as rendering advice on production processes in order to enhance efficiencies.

Marketing, Promotion, Advertising and Public Relations

The Group promotes its products and services in strategic markets, and the Group uses a variety of programmes to generate awareness and demand for its products. These programmes include: (i) industry relations; (ii) furniture fairs; (iii) trade shows; (iv) conferences; and (v) advertising. The Group's structure encourages communication and co-operation between its operational and distribution activities, which enables it to respond quickly to customer demands.

Insurance

The Group maintains insurance policies covering all jurisdictions where it has operations and where the Group is currently developing and operating its business. The Group exercises discretion in determining amounts, coverage limits and deductibility, provisions of title, casualty, and other insurance relating to its properties and its operations, taking into account the estimated replacement value of the property, in each case, to obtain appropriate insurance coverage at reasonable cost and on suitable terms. The Group currently carries, among others, the following types of insurance coverage in amounts which Management believes are reasonable for the business:

- title insurance (to the extent there is justification through the acquisition process);
- general liability insurance (which covers public liability);
- “all risk” property damage, reinstatement and business interruption insurance; and
- directors’ and officers’ insurance and professional indemnity insurance.

Management believes that all of the Group’s properties are covered by adequate general liability, property damage, business interruption insurance provided by reputable companies and with commercially reasonable deductibles and limits. Management expects that the Group will continue to maintain adequate liability, “all risk” property insurance coverage with respect to its properties and other operational insurances, with policy specifications, limits and deductibles customarily carried in the industry.

Intellectual Property

The Group currently holds the rights to the brand names, logos and trademarks as well as registered website domain names for operational, commercial and advertising purposes. The Group holds no patents or other significant intellectual property rights that are material to the Group’s business or profitability.

Regulation of the Markets in which the Group Operates

The Group’s operations are subject to regulation in each market in which it operates. The Group’s products are also subject to export restrictions administered in each of the Group’s production jurisdictions, as well as under a number of preferential trade relationships, both regional and bilateral, such as the General Agreement on Tariffs and Trade and the World Trade Organization.

It is possible that regulatory and other government requirements that affect the Group may change in ways in which Management is unable to predict.

The Group has not been notified by any governmental authority of any current material non-compliance, claim or liability in connection with any of its operations. In addition, the Group has not been notified of any current claims for personal injury or property damage by a private party in connection with any of its operations.

Health and Environmental Regulations

The Group is subject to a variety of laws and regulations concerning the protection of health and the environment, including laws and regulations that can impose liability for remediating contaminated land, watercourses or groundwater.

The Group has implemented policies to focus specifically on health and safety issues. In addition to its efforts to maintain high safety standards in its operating facilities, the Group has successfully introduced Company-level medical clinics at certain of its operations.

Legal Proceedings

Taking into account the multiple jurisdictions in which the Group operates, as well as the size and diversity of its operations, the Group is involved in a number of legal proceedings that have arisen mainly in the ordinary course of business. Management does not believe, however, that there are or have been any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) during the previous 12 months which may have, or have had in the recent past, significant effects on the Group’s financial position or profitability.

Notwithstanding the foregoing, the Group is currently involved in disputes in relation to certain joint venture and strategic alliances:

Overview

As part of the Group's strategic growth plans, the Group entered into various joint venture and strategic supply agreements and alliances, some of which resulted in equity participation, mergers and/or acquisitions. The Group's then-existing relationships with a particular joint venture partner in Europe (acting through one or more of its affiliates) (the "**Former JV Partner**") ended in disputes which are currently the subject matter of ongoing legal proceedings. These disputes relate to alleged breaches arising from agreements with the Former JV Partner. Salient details of the key actions in this regard that were taken during the Fiscal Year 2015 are as follows:

Redemption of shares held by the Former JV Partner

The Former JV Partner was a 50 per cent. shareholder in a European furniture and household goods retailer. The Group, through one of its subsidiaries, held the remaining 50 per cent. shareholding in this business and certain control arrangements. As a result of alleged serious breaches by the Former JV Partner of its fiduciary duties towards the underlying business and the Group, steps were taken by the Group under applicable law which resulted in the Former JV Partner's 50 per cent. shareholding being redeemed by the legal entity concerned by way of a shareholder resolution (the "**Redemption**"). As Management expected legal action to ensue, the Redemption has not yet been implemented. The Group has received advice from external legal counsel confirming that the Redemption was effective, and, as a consequence, the Group now indirectly owns 100 per cent. of the business concerned. The Group was advised that the Redemption should be confirmed through current legal proceedings, but that the Former JV Partner has an unconditional right to be indemnified for the fair value of its shares redeemed in the Redemption (such fair value shall be determined by the competent court). The implementation of any determination will, however, remain subject to approval of the relevant anti-trust authorities, where required.

Management believes it to be prudent to provide for the above fair value as a liability. Accordingly, the Group has fully provided for any liability arising in connection with this dispute in the SIHL Consolidated Financial Statements. The amount of such provision has been determined to be sufficient by the Board of Directors and the Group's auditors.

Dispute in relation to the exercise of a convertible loan

At the time of one of Group's European acquisitions, the Former JV Partner advanced an amount of funding in the form of a convertible loan (the "**Convertible Loan**"). The understanding between the Group and the Former JV Partner was that the Former JV Partner would be entitled to a 50 per cent. equity interest in the business concerned, provided that the Former JV Partner would contribute, in aggregate, amounts equal to the Group's contribution towards the purchase price and ongoing funding requirements of the business concerned. The conversion right in respect of the Convertible Loan expired in 2013 and, taking into account the respective contributions of the Group and the Former JV Partner up to that time, the Former JV Partner's potential equity participation was reduced to approximately 25 per cent. (the "**New Arrangement**"). The New Arrangement was required to be filed with the relevant anti-trust authority, however, as a result of concerns raised by such authority, the filing of the New Arrangement with the relevant anti-trust authority was withdrawn by mutual consent. Following this, in November 2014 the Former JV Partner unilaterally declared the New Arrangement to have expired, following which all of the remaining agreements with the Former JV Partner (including the Convertible Loan) were terminated for cause by the Group in January 2015. This matter developed into litigation with the Former JV Partner, the determination or outcome of which will remain subject to approval of the relevant anti-trust authorities, where required.

Management believes that (i) the Former JV Partner no longer has any conversion rights in respect of the business concerned and (ii) a claim in respect of the initial contribution made by the Former JV Partner by way of the Convertible Loan may arise. Accordingly, the Group has fully provided for any liability arising in connection with this dispute in the SIHL Consolidated Financial Statements. The amount of such provision was determined to be sufficient by the SIHL board and the Group's auditors.

Conclusion

The aforementioned court cases are pending in respect of the foregoing alleged breaches arising from agreements with the Former JV Partner. Having taken external legal advice, Management believes that the outcome of the aforementioned court cases will not affect the Group's ownership structure in the entities concerned as only a monetary remedy would be required to be paid by the Group (also due to anti-trust regulations applying to the situation given the size of the relevant entities). The payment of any such monetary remedy would not have a material adverse effect on the trading and/or financial condition of the Group. Management also believes that adequate provision has been made for the related liabilities which may result from these court cases in the SIHL Consolidated Financial Statements. The amount of such provisions, in the aggregate, was less than 3.5 per cent. of Group's consolidated total assets as at 30 June 2015.

Material Contracts

The following are the only contracts (including contracts entered into in the ordinary course of business or otherwise) which have been entered into by the Company and any member of the Group within the two years immediately preceding the date of this document which are, or may be, material to the Group or which have been entered into at any time by the Group which contain any provision under which any member of the Group has any obligation or entitlement which is, or may be, material to the Group as at the date of this document:

- On 26 June 2013, SIHL announced the conclusion of the kika-Leiner Acquisition by Genesis, subject to certain conditions precedent. SIHL facilitated the kika-Leiner Acquisition, which was done through an investment of €375 million (R5,239 million) (through the issue of 120 million SIHL ordinary shares as a vendor consideration placement in December 2013).
- During November 2013, SIHL undertook a repurchase of the Steinhoff Finance, a wholly-owned subsidiary of SIHL, R1.6 billion 9.625 per cent. convertible bonds due July 2015, thereby effectively converting such bonds into 68.1 million SIHL ordinary shares.
- On 23 January 2014, Steinhoff Finance (under specific authority to issue convertible debentures, which was obtained at the annual general meeting on 3 December 2013) raised €465 million through the placement of 4 per cent. guaranteed convertible bonds due 2021 which (as at the Latest Practicable Date) were convertible into 119.4 million SIHL ordinary shares at a conversion price of R58.113 per share.
- During March 2014 (through a tender offer) and during April 2015 (through a scheme of arrangement), SIHL acquired 100 per cent. of JD Group, and JD Group was subsequently de-listed from the JSE.
- During March 2015, SIHL undertook a repurchase of the Steinhoff Finance €390 million 5 per cent. convertible bond due May 2016, thereby effectively converting such bond into 144.9 million SIHL ordinary shares.
- During June 2014, Steinhoff Europe AG refinanced its existing term and syndicated loan facilities through the conclusion of a new five-year syndicated euro-denominated revolving facility of €1.8 billion with 18 international banks.

- On 23 June 2014, SIHL concluded an accelerated book build of 400 million of its shares held in KAP Industrial at 385 cents per KAP Industrial share, thereby raising an amount of R1,540 million (€112 million), before expenses, and as a consequence of which its shareholding in KAP Industrial reduced to 44.7 per cent.
- On 2 July 2014, SIHL announced an accelerated book build followed by the 2014 Rights Offer of 350 million SIHL ordinary shares, in total, at an issue price of R52.00 (€3.54) per SIHL ordinary share. The 2014 Rights Offer closed on 1 August 2014 and raised R18.2 billion (€1.3 billion) before expenses.
- On 25 November 2014, SIHL announced the Pepkor Acquisition. Under the terms of the Pepkor Acquisition, SIHL acquired a 92.34 per cent. shareholding in Pepkor. SIHL subsequently acquired the remaining interest in Pepkor, resulting in SIHL holding 100 per cent. interest in Pepkor. In consideration for the shareholding in Pepkor, SIHL issued a total of 926 million new SIHL ordinary shares at R57.00 per share and paid R15 billion in cash, for a total economic purchase consideration of approximately R67.9 billion.
- On 11 August 2015, Steinhoff Finance, a wholly-owned subsidiary of SIHL, under specific authority to issue convertible debentures which was obtained at the annual general meeting on 2 December 2014, raised €1,116 million through the placement of 1.25 per cent. guaranteed convertible bonds due 2022, which (as at their issue date) were convertible into approximately 150 million SIHL ordinary shares at a conversion price of R103.47 (€7.44) per share.
- On 2 October 2015, Brait announced that it had disposed of its entire shareholding of 190 million ordinary shares in SIHL. SIHL facilitated the acquisition of 150 million of these shares as a result of which, they will be treated as shares held in treasury.
- Prior to the Scheme of Arrangement becoming operative, the Company will enter into a share purchase agreement, whereby the Company will acquire a 100 per cent. interest in Genesis.

CORPORATE BODIES, MANAGEMENT AND CORPORATE GOVERNANCE

This section summarises certain information concerning the Management Board, the Supervisory Board, the Group's employees and the Company's corporate governance. It is based on and discusses relevant provisions of Dutch law as in effect on the date of this Prospectus, the Company's articles of association as they will read following execution of the Second Deed of Amendment (the "**Articles of Association**"), the Management Board Rules and the Supervisory Board Rules (both as defined below).

This summary does not purport to give a complete overview and should be read in conjunction with, and is qualified in its entirety by reference to, the relevant provisions of Dutch law as in force on the date of this Prospectus and the Articles of Association, the Management Board Rules and the Supervisory Board Rules. The Articles of Association in the governing Dutch language and in an unofficial English translation thereof are available on the Company's website (www.steinhoffinternational.com). The Management Board Rules and the Supervisory Board Rules in the governing English language (only) are available on the Company's website.

Management Structure

The Company has a two-tier board structure consisting of the Management Board and the Supervisory Board.

Management Board

Powers, responsibilities and functioning

The Management Board is the executive body and is entrusted with the management of the Company's operations and strategy as well as the operations of the Group, subject to supervision by the Supervisory Board. The Management Board's responsibilities include, among other things, setting and achieving the Company's objectives, determining the Company's strategy and associated risk profile, the ensuing delivery of results and corporate social responsibility issues that are relevant to the Company. The Management Board may perform all acts necessary or useful for achieving the Company's objectives, with the exception of those acts that are prohibited by law or by the Articles of Association. Pursuant to the Articles of Association and the Management Board Rules, the Management Board may assign duties and powers to individual Managing Directors and/or committees. In performing their duties, the Managing Directors must act in accordance with the interests of the Company and the business connected with it, taking into consideration the interests of the Group's stakeholders (which include, but are not limited to, its customers, its employees and the Shareholders).

The Management Board must provide the Supervisory Board in due time with the information required for the performance of its duties. The Management Board is required to inform the Supervisory Board in writing of the main aspects of the strategic policy, the general and financial risks and the Company's management and auditing systems, at least once per year. Certain important resolutions of the Management Board are subject to the approval of the Supervisory Board and the General Meeting, as more fully described below.

Subject to certain statutory exceptions, the Management Board is authorised to represent the Company. In addition, each Managing Director shall have the authority to represent the Company. Pursuant to the Articles of Association, the Management Board may appoint officers who are authorised to represent the Company within the limits of the specific delegated powers provided to them.

Management Board Rules

Pursuant to the Articles of Association, the Management Board may establish rules regarding its working methods and decision-making process (the “**Management Board Rules**”). The Management Board Rules are expected to become effective shortly after execution of the First Deed of Amendment.

Composition, appointment, removal and suspension

The Articles of Association provide that the Management Board must consist of at least two Managing Directors, with the number of Managing Directors to be determined by the Supervisory Board. The Supervisory Board may resolve to designate one of the Managing Directors as Chief Executive Officer (CEO), one of the Managing Directors as Chief Financial Officer (CFO), one of the Managing Directors as Chief Operating Officer (COO) and grant other titles to Managing Directors. As at the date of this Prospectus, the Management Board consists of three Managing Directors. Only natural persons may be appointed as Managing Directors.

The General Meeting appoints the Managing Directors. The Managing Directors may be appointed upon a non-binding nomination by the Supervisory Board. A resolution to appoint a Managing Director requires an absolute majority of the votes cast if adopted upon a non-binding nomination by the Supervisory Board. A resolution by the General Meeting to appoint a Managing Director other than upon such non-binding nomination requires a majority of two-thirds of the votes cast representing at least one-third of the Company’s issued capital.

The General Meeting may at any time suspend or remove a Managing Director. The Managing Directors may be suspended or removed upon a proposal by the Supervisory Board. A resolution to suspend or remove a Managing Director requires adoption by at least an absolute majority of the votes cast, if adopted upon a proposal by the Supervisory Board. A resolution by the General Meeting to suspend or remove a Managing Director other than upon such proposal requires adoption by at least a two-thirds majority of the votes cast representing at least one-third of the Company’s issued capital.

Any suspension may be extended one or more times but may not last longer than three months in aggregate. If, at the end of that period, no decision has been taken on termination of the suspension or on removal of the Managing Director, the suspension shall end. A Managing Director may not be suspended or removed by the Supervisory Board.

Term of appointment

The Managing Directors are appointed for a term of not more than four years. A Managing Director may be re-appointed for a term of not more than four years at a time. There is no maximum aggregate term for Managing Directors.

Board meetings and decisions

Pursuant to the Management Board Rules, the Managing Directors shall endeavour to achieve that resolutions are as much as possible adopted unanimously. Where unanimity cannot be reached and the law, the Articles of Association or the Management Board Rules do not prescribe a larger majority, resolutions of the Management Board are adopted by a simple majority of the Managing Directors entitled to vote.

The Management Board must obtain the approval of the General Meeting for resolutions entailing a significant change in the identity or character of the Company or its business. This includes in any case: (i) the transfer of (nearly) the entire business of the Company to a third party; (ii) entering into or terminating long-term co-operation of the Company or a subsidiary with another legal entity or company or as a fully liable partner of a limited partnership or a general partnership, if this co-operation or termination is of major significance to the Company; and (iii) acquiring or disposing by the Company or any of its subsidiaries of a

participating interest in the capital of a company with a value equal to at least one-third of the sum of the assets of the Company as shown in its consolidated statement of financial position with explanatory notes according to the most recently adopted annual accounts of the Company. Certain other important resolutions of the Management Board identified in the Articles of Association and the Management Board Rules also require the approval of the Supervisory Board, including:

- to propose to the General Meeting to issue Shares or grant rights to subscribe for Shares, as well as to limit or exclude pre-emptive rights, or, as applicable, to propose to the General Meeting to designate the Management Board as the body of the Company authorised to issue Shares or grant rights to subscribe for Shares, as well as to limit or exclude pre-emptive rights or, if allowed, withdraw such designation;
- to propose to the General Meeting to authorise the Management Board to acquire own Shares or depositary receipts thereof;
- to propose to the General Meeting to reduce the Company's issued capital;
- to co-operate in the issuance of depositary receipts for Shares;
- to appoint or replace the Company Secretary as well as to determine or, as applicable, amend the duties and powers of the Company Secretary or his deputy;
- to determine or, as applicable, amend the operational and financial objectives of the Company;
- to determine or, as applicable, amend the strategy designed to achieve the objectives of the Company;
- to determine or, as applicable, amend the parameters to be applied in relation to the strategy, for example in respect of the financial ratios;
- in relation to the corporate social responsibility issues that are relevant to the Company;
- to adopt or, as applicable, amend the Company's policy on reserves and profits;
- to appropriate the Company's profits during a financial year – the positive balance on the profit and loss account – wholly or partly to increase and/or form reserves of the Company or, as applicable, allocate any losses incurred in a financial year;
- to make any interim distributions and/or to make any distributions at the expense of any reserve of the Company or, as applicable, propose to the General Meeting to make a distribution of profits;
- to determine, at the time of issue of Preference Shares, the premium that shall be paid on each Preference Share concerned to be calculated over the amount to be distributed per Ordinary Share in a financial year;
- to propose to the General Meeting to amend the Articles of Association, change the corporate form, enter into a statutory merger or statutory demerger or dissolve the Company;
- to acquire, dispose of and shut down of participations, companies and businesses, the value of which exceeds a threshold of one-third of the total asset value of the Company;
- to acquire, dispose of and encumber real estate exceeding a threshold of one-third of the total asset value of the Company; and
- to issue bonds or enter into or conclude loan or credit agreements or grant guarantees, suretyships or accept liabilities in favour of third parties outside the ordinary course of business that exceed the

higher threshold of (i) one-third of the total asset value of the Company or (ii) one-third of the market capitalisation of the Company.

The Management Board Rules may be amended by the Management Board at any time except that changes to the resolutions of the Management Board which require the approval of the Supervisory Board as set out in the Management Board Rules require the approval of the Supervisory Board.

Resolutions of the Management Board can also be adopted in writing without holding a meeting, provided the proposal concerned is submitted to all Managing Directors who are entitled to vote and none of them has objected to this manner of adopting resolutions.

In each of the above-mentioned situations, the lack of approval (whether from the General Meeting or from the Supervisory Board) does not affect the authority of the Management Board or the Managing Directors to represent the Company.

Conflict of interest

Dutch law provides that a managing director of a Dutch public limited liability company, such as the Company, may not participate in the discussions and decision-making by the Management Board if he or she has a direct or indirect personal interest conflicting with the interests of the Company and the business connected with it. Such a conflict of interest only exists if in the situation at hand the Managing Director is deemed to be unable to serve the interests of the Company and the business connected with it with the required level of integrity and objectivity. Pursuant to the Articles of Association and the Management Board Rules, each Managing Director shall immediately report any (potential) personal conflict of interest to the Company and/or the chairman of the Supervisory Board (the “**Chairman**”) and to the other Managing Directors and shall provide all relevant information.

If no resolution can be adopted by the Management Board as a consequence of such a personal conflict of interest, the resolution shall be adopted by the Supervisory Board. All transactions in which there are conflicts of interest with Managing Directors will be agreed on terms that are customary in the sector concerned and disclosed in the Company’s annual management report. Resolutions to enter into transactions in which there are conflicts of interest with Managing Director(s) that are of material significance to the Company and/or the relevant Managing Director(s) require the approval of the Supervisory Board.

The existence of a (potential) personal conflict of interest does not affect the authority to represent the Company, as described under “– *Powers, responsibilities and functioning*” above.

Managing Directors

At the date of this Prospectus, the Management Board is composed of Robert Harmzen, Johannes Lodewicus Coetzer and Stephanus Hilgard Müller. Each of these persons is expected to resign with effect of the date of execution of the First Deed of Amendment and as of the execution of the First Deed of Amendment the Management Board will be composed of the following Managing Directors:

Name	Age	Responsibilities	Expected date of appointment	Duration of appointment
Markus Johannes Jooste	54	Chief Executive Officer	1 December 2015	Four years ⁽¹⁾
Daniël Maree van der Merwe	57	Chief Operating Officer	1 December 2015	Four years ⁽¹⁾
Andries Benjamin la Grange	41	Chief Financial Officer	1 December	Four years ⁽¹⁾

Name	Age	Responsibilities	Expected date of appointment	Duration of appointment
			2015	

Source: Management information.

Note:

- (1) Subject to re-appointment for a term of not more than four years at a time.

The following description provides summaries of the *curricula vitae* of the to-be-appointed members of the Management Board.

Markus Johannes Jooste

Mr. Jooste has been the Chief Executive Officer of SIHL since 2000, having joined the Group in 1988, and will be appointed as Chief Executive Officer of the Company with effect from the date of the First Deed of Amendment.

In 1988, Mr. Jooste joined Gommagomma Holdings Proprietary Limited (now Steinhoff Africa Holdings Proprietary Limited) as financial director. In 1998, Mr. Jooste was appointed as executive director and took responsibility for the European operations of the Group and also for directing the Group's international marketing and financial disciplines. In 2000, Mr. Jooste was appointed Group managing director of SIHL and chairman of Steinhoff Africa and currently also acts as Chief Executive Officer for the Group's operations. Mr. Jooste also serves on the boards of various unlisted group companies and the following listed companies: PSG Group (member of the remuneration committee), KAP Industrial Holdings Limited and Phumelela Gaming and Leisure Limited (member of the remuneration committee).

Daniël Maree van der Merwe

Mr. van der Merwe has been the Chief Operating Officer of SIHL since 2013, having joined the Group in 1998, and will be appointed as Chief Operating Officer of the Company with effect from the date of the First Deed of Amendment.

Mr. van der Merwe 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, Mr. van der Merwe 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, Mr. van der Merwe joined SIHL. He previously acted as Chief Executive Officer for the Group's southern hemisphere operations and was appointed as Chief Operating Officer on 5 March 2013. Mr. van der Merwe holds several other appointments and board seats within the Group, and currently serves on the board of the listed company, KAP Industrial Holdings Limited (a member of the human resources and remuneration and nomination committees).

Andries Benjamin la Grange

Mr. la Grange has been the Chief Financial Officer of SIHL since 2013, and will be appointed as Chief Financial Officer of the Company with effect from the date of the First Deed of Amendment.

Mr. la Grange completed his articles with PricewaterhouseCoopers Inc. and spent two and a half years in their international and corporate tax division. He joined SIHL in 2003 as manager of the corporate tax division,

after which he moved to the SIHL corporate finance division before his appointment as Chief Financial Officer for the Group's southern hemisphere operations. In 2009, Mr. la Grange was appointed as an alternate director to the SIHL board and was appointed as Chief Financial Officer on 5 March 2013. He also serves on the boards of various Group companies and the board of the listed company KAP Industrial Holdings Limited and is an alternate director of PSG Group.

Supervisory Board

At the date of this Prospectus the Company does not yet have a supervisory board. With effect from the date of the First Deed of Amendment, the Company will establish the Supervisory Board.

Powers, responsibilities and functioning

The Supervisory Board supervises the management of the Management Board and the general course of affairs of the Company and the business connected with it. The Supervisory Board is accountable for these matters to the General Meeting. The Supervisory Board also provides advice to the Management Board. In performing its duties, the Supervisory Directors are required to be guided by the interests of the Company and its business enterprise, taking into consideration the interests of the Group's stakeholders (which include, but are not limited to, its customers, its employees and the Shareholders). The Supervisory Board will also observe the corporate social responsibility issues that are relevant to the Group. The Supervisory Board is responsible for the quality of its own performance. The Supervisory Board may, at the Company's expense, seek the advice which it deems desirable for the correct performance of its duties.

The Supervisory Board will draw up a profile for its size and composition, taking into account the nature of the business of the Company and its subsidiaries, and the desired expertise, background, age and gender of the Supervisory Directors. The Supervisory Board shall discuss the profile at the occasion of each amendment thereof in the General Meeting.

Supervisory Board Rules

The Supervisory Board may establish rules regarding its working methods and decision-making process (the "**Supervisory Board Rules**"). The Supervisory Board Rules are expected to become effective shortly after execution of the First Deed of Amendment.

Composition, appointment, removal and suspension

The Articles of Association provide that the Supervisory Board must consist of a minimum of five members, with the number of Supervisory Directors to be determined by the Supervisory Board. As at the date of this Prospectus, the Supervisory Board consists of 12 Supervisory Directors. Only natural persons may be appointed Supervisory Directors.

The General Meeting appoints the Supervisory Directors. The Supervisory Directors may be appointed upon a non-binding nomination by the Supervisory Board. A resolution to appoint a Supervisory Director requires an absolute majority of the votes cast if adopted upon a non-binding nomination by the Supervisory Board. A resolution by the General Meeting to appoint a Supervisory Director other than upon such non-binding nomination requires a majority of two-thirds of the votes cast representing at least one-third of the Company's issued capital. The Supervisory Board shall appoint one of the Supervisory Directors as Chairman and one of the Supervisory Directors as deputy-chairman (the "**Deputy-Chairman**").

The General Meeting may at any time suspend or remove a Supervisory Director. The Supervisory Directors may be suspended or removed upon a proposal by the Supervisory Board. A resolution to suspend or remove a Supervisory Director requires an absolute majority of the votes cast if adopted upon a proposal by the Supervisory Board. A resolution by the General Meeting to suspend or remove a Supervisory Director other

than upon such proposal requires a majority of two-thirds of the votes cast representing at least one-third of the Company's issued capital.

Any suspension may be extended one or more times, but may not last longer than three months in the aggregate. If, at the end of that period, no decision has been taken on termination of the suspension or on removal of the Supervisory Director, the suspension shall end. A Supervisory Director may not be suspended or removed by the Supervisory Board.

Term of appointment

The Supervisory Board Rules provide that each member of the Supervisory Board shall be appointed for a period of four years and may be appointed for three four year terms, except that for their initial term all Supervisory Directors will be appointed for a period of one year and shall retire at the first annual General Meeting following the Admission. Such Supervisory Directors will, however, be immediately available for re-appointment. Furthermore, Supervisory Directors who have reached the age of 71 years will, upon having reached such age, retire from office at the next General Meeting but shall be eligible for re-appointment. A member of the Supervisory Board who has reached the age of 71 years can only be appointed or re-appointed for a term of one year each time, subject to a maximum of such number of terms of 12 years in aggregate (ignoring the initial term of one year of certain of the current Supervisory Directors).

Meetings and decisions

The Supervisory Board shall meet at least four times a year and, furthermore, as often as one or more of the Supervisory Directors or the Management Board deems necessary. The Supervisory Board shall meet with the Management Board as often as the Chairman, the Deputy-Chairman, the Company secretary or the Management Board deems necessary.

Pursuant to the Supervisory Board Rules, the Supervisory Directors shall endeavour to achieve that resolutions are as far as possible adopted unanimously. Where unanimity cannot be reached and the law, the Articles of Association or the Supervisory Board Rules do not prescribe a larger majority, resolutions of the Supervisory Board are adopted by a simple majority of the Supervisory Directors entitled to vote. The Supervisory Board is only entitled to adopt resolutions if at least a majority of its members is present or represented.

The Supervisory Board may also adopt resolutions in writing without holding a meeting, provided that the proposal concerned is submitted to all Supervisory Directors who are entitled to vote and none of them has objected to this manner of adopting resolutions.

Conflict of interest

Similar to the rules that apply to the Managing Directors as described above, Dutch law also provides that a supervisory director of a Dutch public limited liability company, such as the Company, may not participate in the discussions and decision-making by the Supervisory Board if he or she has a direct or indirect personal interest conflicting with the interests of the Company and the business connected with it.

Each Supervisory Director (other than the Chairman) shall immediately report any (potential) personal conflict of interest to the Chairman and the other Supervisory Directors and must provide all relevant information. Where the Chairman has a (potential) personal conflict of interest, he shall immediately report such potential conflict to the Deputy-Chairman and the other Supervisory Directors and shall provide all relevant information.

If as a result of such a personal conflict of interest all Supervisory Directors are unable to participate in the deliberations and the decision-making process and no resolution of the Supervisory Board can be adopted, the resolution shall be adopted by the General Meeting.

All transactions in which there are conflicts of interest with Supervisory Directors will be agreed on terms that are customary in the sector concerned and disclosed in the Company's annual management report. Resolutions to enter into transactions in which there are conflicts of interest with Supervisory Director(s) that are of material significance to the Company and/or the relevant Supervisory Director(s) require the approval of the Supervisory Board.

Supervisory Directors

The Supervisory Board will be composed of the following Supervisory Directors:

Name	Age	Responsibilities	Expected date of appointment	Duration of appointment
Deenadayalen Konar ⁽¹⁾	60	Supervisory Director (Chairman)	1 December 2015	One year ⁽²⁾
Stefanes Francois Booysen ⁽¹⁾	52	Supervisory Director	1 December 2015	One year ⁽²⁾
David Charles Brink ⁽¹⁾	76	Supervisory Director	1 December 2015	One year ⁽²⁾
Claas Edmund Daun ⁽¹⁾	70	Supervisory Director	1 December 2015	One year ⁽²⁾
Thierry Louis Joseph Guibert	44	Supervisory Director	1 December 2015	One year ⁽²⁾
Marthinus Theunis Lategan ⁽¹⁾	58	Supervisory Director	1 December 2015	One year ⁽²⁾
Johannes Fredericus Mouton ⁽¹⁾	69	Supervisory Director	1 December 2015	One year ⁽²⁾
Heather Joan Sonn ⁽¹⁾	44	Supervisory Director	1 December 2015	One year ⁽²⁾
Bruno Ewald Steinhoff	77	Supervisory Director	1 December 2015	One year ⁽²⁾
Paul Denis Julia van den Bosch	53	Supervisory Director	1 December 2015	One year ⁽²⁾
Christoffel Hendrik Wiese	74	Supervisory Director	1 December 2015	One year ⁽²⁾
Angela Krüger-Steinhoff	43	Supervisory Director	1 December 2015	One year ⁽²⁾

Source: Management information.

Notes:

- (1) Supervisory Directors qualifying as independent within the meaning of the Dutch Corporate Governance Code.
- (2) Subject to re-appointment for a total of three four-year terms (ignoring the initial term of appointment of one year of certain of the Supervisory Directors).

The following description provides summaries of the *curricula vitae* of the current members of the Supervisory Board.

Deenadayalen Konar

Dr. Konar has been the independent non-executive chairman of SIHL since 2008, having been appointed to the SIHL board in 1998, and will be appointed as a Supervisory Director with effect from the date of the First Deed of Amendment.

Dr. Konar 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. Dr. Konar was appointed chairman of the SIHL board in September 2008 and held various committee positions, including chairman of the SIHL audit committee. Dr. Konar 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 Yeboyetu Limited. Dr. Konar will be appointed as the chairman of the Nominations Committee and a member of the Human Resources and Remuneration Committee.

Stefanes Francois Booysen

Dr. Booysen has been an independent non-executive director of SIHL since 2009, and will be appointed as a Supervisory Director with effect from the date of the First Deed of Amendment.

Dr. Booysen 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. Dr. Booysen 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. Dr. Booysen will be appointed as the chairman of the Audit and Risk Committee.

David Charles Brink

Mr. Brink has been an independent non-executive director of SIHL since 2007, and will be appointed as a Supervisory Director with effect from the date of the First Deed of Amendment.

Mr. Brink 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, Mr. Brink was appointed by the board of SIHL as the senior independent non-executive director. Mr Brink will be appointed as the chairman of the Human Resources and Remuneration Committee and will also be appointed as a member of the Audit and Risk Committee.

Claas Edmund Daun

Mr. Daun has been an independent non-executive director of SIHL since 1998, having initially joined the Group in 1992, and will be appointed as a Supervisory Director with effect from the date of the First Deed of Amendment.

Mr. Daun has extensive experience in management and investments worldwide and is a corporate investor in several industries. Mr. Daun was instrumental in developing the KAP Industrial businesses and acted as chairman of KAP Industrial for many years. Mr. Daun resigned from the KAP Industrial board on 25 June 2012. He is currently a member of the boards of Courthiel Holdings Proprietary Limited, Daun and Cie AG, Stöhr AG, Mech Baumwoll-Spinnerei and Weberei AG, and holds several other directorships. Mr. Daun 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. Mr. Daun will be appointed as a member of the Nominations Committee.

Thierry Louis Joseph Guibert

Mr. Guibert has been a non-executive director of SIHL since 1 January 2015 and will be appointed as a Supervisory Director with effect from the date of the First Deed of Amendment. He previously served as the Chief Executive Officer of Conforama from 2008 and was also an executive director of SIHL from May 2011 until December 2014.

Mr. Guibert is currently the Chief Executive Officer of Maus Frères, a holding company which holds the Lacoste, Aigle and Gant Brands. After graduating from the Reims Business School, Mr. Guibert began his career in 1995 as an auditor at KPMG. He then joined the previous holding company of Conforama, the French listed PPR Group, in 1999. Following various financial positions held within PPR, Mr. Guibert was appointed as Chief Financial Officer and Chief Operating Officer of FNAC, a European retailer within the same group.

Marthinus Theunis Lategan

Dr. Lategan has been an independent non-executive director of SIHL since September 2011 and will be appointed as a Supervisory Director with effect from the date of the First Deed of Amendment.

Dr. Lategan lectured in Accounting and Taxation at the University of Johannesburg until 1987, after which he returned to the auditing practice 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, Dr. Lategan 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. Since 2007, Dr. Lategan has served as a member of the Council of the University of the Witwatersrand, Johannesburg and also chairs its finance committee. In addition to his appointment as an independent non-executive director, Dr. Lategan will be appointed as a member of the Audit and Risk Committee and will also be appointed as a member of the Human Resources and Remuneration Committee.

Johannes Fredericus Mouton

Mr. Mouton has been an independent non-executive director of SIHL since October 2002 and will be appointed as a Supervisory Director with effect from the date of the First Deed of Amendment.

Mr. Mouton 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, he also serves as a trustee of various trusts administered on behalf of the University of Stellenbosch.

Heather Joan Sonn

Ms. Sonn has been an independent non-executive director of SIHL since 2013 and will be appointed as a Supervisory Director with effect from the date of the First Deed of Amendment.

Following completion of her studies in 1997, Ms. Sonn 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. Ms. Sonn 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 Esor Limited, She is also a fellow and moderator of the Aspen Institute's Global Leadership Network.

Bruno Ewald Steinhoff

Mr. Steinhoff has been a non-executive director of SIHL since 2008 and will be appointed as a Supervisory Director with effect from the date of the First Deed of Amendment.

Mr. Steinhoff is the founder of the Group and served as chairman of SIHL until the end of September 2008. He relinquished executive duties at SIHL with effect from 1 April 2008 and continued serving as a non-executive director, assisting with special projects for the Group. After studying industrial business, Mr. Steinhoff 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, Mr. Steinhoff 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 50 years' experience in the furniture business and more than 40 years' manufacturing experience.

Paul Denis Julia van den Bosch

Mr. van den Bosch has been a non-executive director of SIHL since 2010 and will be appointed as a Supervisory Director with effect from the date of the First Deed of Amendment.

Mr. van den Bosch 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. Mr. van den Bosch 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

Dr. Wiese has been a non-executive director of SIHL since 2015 following completion of the Pepkor Acquisition and will be appointed as a Supervisory Director with effect from the date of the First Deed of Amendment. He was previously appointed as an independent non-executive director to the SIHL board on 5 March 2013.

Dr. Wiese practised at the Cape Bar in the 1970s 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. Dr. Wiese has served on the boards of many listed companies over the years and is a past director of SARB. Dr. Wiese will be appointed as a member of the Nominations Committee.

Angela Krüger-Steinhoff

Ms. Krüger-Steinhoff has been an alternate non-executive director of SIHL since 2007 and will be appointed as a Supervisory Director with effect from the date of the First Deed of Amendment.

Ms. Krüger-Steinhoff obtained a degree in Economic Science in 1997 at the European business school, Oestrich-winkel, Germany. She joined the Steinhoff 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. Ms. Krüger-Steinhoff also holds a position on the advisory committees of Oldenburgische Landesbank AG in Germany, HSH Nordbank AG and COMMERZBANK Aktiengesellschaft (*Regionalbeirat Nord*) ("Commerzbank").

Supervisory Board Committees

The Supervisory Board will establish an Audit and Risk Committee, a Nominations Committee and a Human Resources and Remuneration Committee. Each of the committees has a preparatory and/or advisory role to the Supervisory Board. In accordance with the Supervisory Board Rules, the Supervisory Board will adopt regulations for each committee, which regulations are expected to become effective shortly after execution of the First Deed of Amendment. The committees consist of Supervisory Directors. They report their findings to the Supervisory Board, which remains collectively responsible for all decisions prepared and/or taken by these committees.

Audit and Risk Committee

The duties of the Audit and Risk Committee include the supervision and monitoring as well as advising the Management Board regarding the operation of the Company's internal risk management and control systems. The Audit and Risk Committee prepares the decision-making of the Supervisory Board in respect of matters which fall within the committee's responsibilities and further advises the Supervisory Board on the exercise of certain of its duties and prepares nominations and reviews for the Supervisory Board in this regard. The Audit and Risk Committee also supervises the submission of financial information by the Company, the compliance with recommendations of internal and external accountants, the role and functioning of the internal audit department, the role and functioning of the CFO, the Company's policy on tax planning, the Company's financing arrangements and assists the Supervisory Board with the Company's information and communications technology. It furthermore maintains regular contact with and supervises the external accountant and it advises the Supervisory Board on the nomination of an external accountant for appointment by the General Meeting and makes a proposal to the Supervisory Board on the remuneration of the external accountant. The Audit and Risk Committee also issues preliminary advice to the Supervisory Board regarding the approval of the annual accounts and the annual budget and major capital expenditures. The Audit and Risk Committee discusses the major financial risks and the steps taken to monitor and control such risks with the Management Board. Moreover, the Audit and Risk Committee prepares negotiations and resolutions of the Supervisory Board, in particular with respect to investments and medium-term investment planning. Further, the Audit and Risk Committee co-ordinates the co-operation between the Supervisory Board and the Management Board and consults with the Management Board on issues including strategy, planning, business development, M&A projects and risk management.

The Audit and Risk Committee meets at least four times a year.

The Audit and Risk Committee will consist of Dr. Booyesen (chairman), Mr. Brink and Dr. Lategan.

The rules for the Audit and Risk Committee are published on the Company's website (www.steinhoffinternational.com).

Nominations Committee

The Nominations Committee advises the Supervisory Board on its duties regarding the selection and appointment of Managing Directors and Supervisory Directors and prepares the decision-making of the Supervisory Board in respect of the matters which fall within the committee's responsibilities. The duties of the Nominations Committee include preparing the selection criteria and appointment procedures for

Managing Directors and Supervisory Directors, and proposing the profile for the Supervisory Board. It also annually assesses the scope and composition of the Management Board, the Supervisory Board and its committees, and the functioning of the individual directors. The Nominations Committee also proposes appointments and reappointments and the making of any non-binding nominations. The Nominations Committee meets at least once a year.

The Nominations Committee will consist of Dr. Konar (chairman), Mr. Daun and Dr. Wiese.

The rules for the Nominations Committee are published on the Company's website (www.steinhoffinternational.com).

Human Resources and Remuneration Committee

The Human Resources and Remuneration Committee supervises and advises on the Company's human resources and remuneration practices and prepares the decision-making of the Supervisory Board in respect of the matters which fall within the committee's responsibilities. In particular, the Human Resources and Remuneration Committee is responsible for: (i) making proposals to the Supervisory Board for the remuneration policy (and material changes thereto) to be submitted to the General Meeting; (ii) making proposals for the remuneration of individual Managing Directors and senior executives (and changes to such remuneration) to be submitted to the Supervisory Board; (iii) preparing the Company's remuneration report; (iv) appointing trustees and compliance officers for and approving amendment to the Company's share based incentive schemes after consultation with the General Meeting; (v) approving appointments of senior executives and their terms and conditions of employment; (vi) reviewing incidents of unethical behaviour by Managing Directors and senior executives; (vii) annually reviewing the Company's code of conduct and proposing amendments thereto to the Management Board; (viii) annually appraising the Managing Directors and the Supervisory Directors and reporting thereon to the Supervisory Board; (ix) reviewing its own effectiveness annually and reporting thereon to the Supervisory Board; (x) annually reviewing the regulations of remuneration committees of the Company's significant subsidiaries; and (xi) supervising the Management Board's policy on selection criteria and appointment procedures for senior management. The Human Resources and Remuneration Committee meets at least twice a year.

The Human Resources and Remuneration Committee will consist of Mr. Brink (chairman), Dr. Konar and Dr. Lategan.

The rules for the Human Resources and Remuneration Committee are published on the Company's website (www.steinhoffinternational.com).

Executive Committee

The Company will have an executive committee (the "ExCom") which will consist of the Managing Directors and selected senior executive officers. The ExCom members who are not Managing Directors are heads of divisions and are appointed by the Management Board. The Management Board may at any time suspend and dismiss a member of the ExCom who is not also a Managing Director. The Management Board retains the authority to adopt resolutions within the scope of authority of the ExCom without the participation of the members of the ExCom who are not also members of the Management Board. The Management Board adopts management resolutions of the Company. These resolutions of the Management Board may be prepared in meetings of the ExCom.

Maximum Number of Supervisory Positions of Managing Directors and Supervisory Directors

Since 1 January 2013, restrictions apply with respect to the overall number of supervisory positions that a managing director or supervisory director of "large Dutch companies" may hold. The term "large Dutch companies" applies to Dutch public limited liability companies, Dutch private limited liability companies and

Dutch foundations that meet at least two of the following three criteria: (i) the value of the company's/foundation's assets according to its balance sheet together with explanatory notes on the basis of the purchase price or manufacturing costs exceeds €17.5 million; (ii) its net turnover in the applicable year exceeds €35.0 million; and (iii) its average number of employees in the applicable year is 250 or more.

A person cannot be appointed as a managing or executive director of a "large Dutch company" if he/she already holds a supervisory position at more than two other "large Dutch companies" or if he/she is the chairman of the supervisory board or one-tier board of another "large Dutch company". Also, a person cannot be appointed as a supervisory director or non-executive director of a "large Dutch company" if he/she already holds a supervisory position at five or more other "large Dutch companies", whereby the position of chairman of the supervisory board or one-tier board of another "large Dutch company" is counted twice.

The Company meets the criteria of a "large Dutch company"; all Managing Directors and Supervisory Directors comply with these rules.

Activities Performed outside the Group

The following table sets out all companies and partnerships of which the members of the Management Board and the Supervisory Board are, or have been, in the five years prior to the date of this Prospectus, members of the administrative, management or supervisory bodies or partners (excluding the Company and its subsidiaries).

Name	Name of Company or Partnership	Current (yes/no)
<i>Management Board</i>		
Markus Johannes Jooste	Cape Thoroughbred Sales (Pty) Limited	yes
	Casaspec Properties (Pty) Limited	yes
	Erf 2825 Hermanus (Pty) Limited	yes
	Galicia Investments (Pty) Limited	yes
	Jomar Services (Pty) Limited	yes
	KAP Industrial Holdings Limited	yes
	Kenilworth Racing (Pty) Limited	yes
	Klawervlei Stud (Pty) Limited	yes
	Mayfair Holdings (Pty) Limited	yes
	Mayfair Speculators (Pty) Limited	yes
	MG Property 1 (Pty) Limited	yes
	Morning Tide Investments 82 (Pty) Limited	yes
	Phumelela Gaming & Leisure Limited	yes
	PSG Financial Services Limited	yes
	PSG Group Limited	yes
	Stafric Investments & Management Services (Pty) Limited	yes
	Uhambo Property Investments (Pty) Limited	yes
	Capitec Bank Holdings Limited	no

Name	Name of Company or Partnership	Current (yes/no)
	Capitec Bank Limited	no
	Somwes Eiendomme (Pty) Limited	no
	The Racing Association	no
Daniël Maree van der Merwe.....	Anglo Dutch Properties (Pty) Limited	yes
	Bennorth Property Investments (Pty) Limited	yes
	KAP Industrial Holdings Limited	yes
	Klawervlei Stud (Pty) Limited	yes
	Ruby Street Investments (Pty) Limited	yes
	Silverglade Trading 19 (Pty) Limited	yes
	Uhambo Property Investments (Pty) Limited	yes
	Scale Top Investments (Pty) Limited	no
	Shockproof Investments (Pty) Limited	no
	Soenel Wildboerdery (Pty) Limited	no
Andries Benjamin la Grange	BEMI Future Holdings (Pty) Ltd	yes
	BEMI Water (Pty) Ltd	yes
	KAP Industrial Holdings Limited	yes
	Middelkraal Trust	yes
	PSG Financial Services Limited	yes
	PSG Group Limited	yes
<i>Supervisory Board</i>		
Deenadayalen Konar	Alexander Forbes Equity Holdings Limited Group	yes
	Credit Suisse Securities Johannesburg (Pty) Ltd	yes
	Exxaro Resources Limited	yes
	Illovo Sugar Limited	yes
	Lonmin Public Limited Company	yes
	Mustek Limited	yes
	Old Mutual Investment Group (South Africa) Limited	yes
	Outsourced Risk And Compliance Assessment (Proprietary) Limited	yes
	Sappi Limited	yes
	Yeboyetu Limited	yes
	Macsteel Service Centres Sa 2005 (Proprietary) Limited	no
	Makalani Holdings (Pty) Limited	no

Name	Name of Company or Partnership	Current (yes/no)
	Mutual and Federal Insurance Company Limited	no
	Old Mutual Investment Group Limited	no
	Pareto Limited	no
	Sentech	no
Stefanes Francois Booysen.....	Afrisake	yes
	Angor Property Specialists (Pty) Limited	yes
	Bosveld Citrus (Pty) Limited	yes
	Brandan Booysen Trust	yes
	Clover Industries Limited	yes
	Efficient Financial Holdings Limited	yes
	Metrofibre Networx (Pty) Limited	yes
	Nimro (Pty) Limited	yes
	PCI Propfundi (Pty) Limited	yes
	Roxanne Booysen Trust	yes
	Senwes Limited	yes
	Songhai Capital (Pty) Limited	yes
	STRB Lewende Trust	yes
	Trusteeboard Investments (Pty) Limited	yes
	University Of Pretoria	yes
	Vukile Property Fund Limited	yes
	CMD Communications (Pty) Limited	no
	Cornwall Hill College	no
	Le Touessrok Body Corporate	no
	PCI Fintrade (Pty) Limited	no
	PCI Properties (Pty) Limited	no
	PCI Rentals (Pty) Limited	no
	Senbel (Pty) Limited	no
David Charles Brink.....	Lingeron Investments (Pty) Limited	yes
	National Business Initiative	yes
	See Ahead Investments (Pty) Limited	yes
	Absa Bank Limited	no
	Absa Group Limited	no
	The Business Trust (JOBSCO)	no
Claas Edmund Daun.....	Courthiel Holdings (Pty) Ltd	yes
	DAUN & CIE. Aktiengesellschaft, Rastede	yes

Name	Name of Company or Partnership	Current (yes/no)
Thierry Louis Joseph Guibert.....	Kap – Beteiligungs AG, Stadtaltendorf (Supervisory Board)	yes
	Kap Textile Holdings SA Limited	yes
	Mech. Baumwoll-Spinnerei & Weberei Bayreuth AG, Bayreuth	yes
	Mehler AG, Fulda (Supervisory Board)	yes
	Spinners & Weavers Ltd, Harare	yes
	Stöhr AG, Mönchengladbach (Supervisory Board)	yes
	Fitor SA, Portugal	no
	KAP Industrial Holdings Limited	no
	Aigle International SA	yes
	Aigle SA	yes
	Aligre Hotelinvest (SAS)	yes
	Cemalac SAS	yes
	Comptoir de la Bonneterie Française SA	yes
	Devanlay SA	yes
	Devanlay Ventures España, SL	yes
	Devanlay Ventures Holdings, SL	yes
	Dong-II Devanlay Inc	yes
	Fabricant Co. Limited	yes
	Lacoste Alligator SA	yes
	Lacoste E-commerce SAS	yes
	Lacoste France SA	yes
	Lacoste Holding SAS	yes
	Lacoste SA	yes
	Lacoste USA Inc	yes
	Meubles Immos (SCI)	yes
	Meubles investissements (SARL)	yes
	Montaigne Garments (Shanghai) Co. Limited	yes
	Patentex SA	yes
	Rossini Investissement SAS	yes
	Sidas Spa	yes
	Sporloisirs SA	yes
	Tricotage de Saint-Louis SA	yes
	Eco-Mobilier (SAS)	no

Name	Name of Company or Partnership	Current (yes/no)
Marthinus Theunis Lategan.....	Barclays Bank Mozambique, SA	yes
	Business Venture Investments No 59 (Pty) Limited	yes
	Die Lategan Familie Trust	yes
	Megapro Marketing Holdings (Pty) Limited	yes
	MT Lategan Familie Trust	yes
	Rare Holdings Limited	yes
	Stormberg Trust	yes
	Thanila Trust	yes
	Thekwane Investments (Pty) Limited	yes
	The Rautenbach Family Trust	yes
	Xtraspace (Pty) Limited	yes
	Capstone 556 (Pty) Limited	no
	Ellerine Retail Limited	no
Johannes Fredericus Mouton.....	Charite Beleggings (Pty) Ltd	yes
	Dana Beleggings (Pty) Ltd	yes
	Deidre Beleggings (Pty) Ltd	yes
	Gwarrynek (Pty) Ltd	yes
	J F M Investments (Pty) Ltd	yes
	Jan Mouton Beleggings (Pty) Ltd	yes
	Klein Gustrouw Estate (Pty) Ltd	yes
	Klipbank Beleggings (Pty) Ltd	yes
	My Favourite Beleggings (Pty) Ltd	yes
	Piet Mouton Beleggings (Pty) Ltd	yes
	PSG Financial Services Ltd	yes
	PSG Group Ltd	yes
	PSG Konsult Ltd	yes
	Zeder Investments Ltd	yes
	Zeder Financial Services Ltd	yes
	Channel Life Holdings (Pty) Limited	no
	Channel Life Limited	no
	Curro Holdings Limited	no
	Enjasu Beleggings (Pty) Limited	no
	Paladin Capital Limited	no
	Pioneer Limited	no
	PSG Capital Limited	no

Name	Name of Company or Partnership	Current (yes/no)
Heather Joan Sonn.....	PSG Konsult Financial Planning (Pty) Limited	no
	PSG Konsult Securities (Pty) Limited	no
	Velocity Holdings Limited	no
	Africa Leadership Initiative (fellow of The Aspen Institute and Global Moderator)	yes
	Blue Pearl Investments (Pty) Ltd	yes
	Ekapa Mineral (Pty) Limited	yes
	Ekapa Mining (Pty) Limited	
	Esor Limited	yes
	Franklin Sonn Family Trust	yes
	Gamiro Investment Group	yes
	GreenCape (Pty) Limited	yes
	Greenpeace Africa (voting member)	yes
	Khana Energy (Pty) Ltd	yes
	Kheip Investments (Pty) Ltd	yes
	Prescient Foundation	yes
	Prescient Limited	yes
	South African Wind Energy Association (SAWEA)	yes
	The Ishta Trust	yes
	Foodbank South Africa	no
	TSIBA Education Trust (Tertiary School in Business Administration)	no
Bruno Ewald Steinhoff.....	Bruno Steinhoff Beratungs-und Verwaltungs GmbH	yes
	Bruno Steinhoff Familienstiftung	yes
	BS Beteiligungs-und Verwaltungs GmbH	yes
	BS Vermögensverwaltungsgesellschaft GmbH	yes
	Energiehof Ocholt Verwaltungs GmbH	yes
	Erste Biogas Ocholt GmbH & Co KG	yes
	Steinhoff Familien Beteiligungs-und Verwaltungs GmbH	yes
	Steinhoff Familienholding GmbH	yes
	Clausberg AG	no
	Commerzbank AG (member of the Regional Advisory Committee North – <i>Regionalbeirat</i>)	no

Name	Name of Company or Partnership	Current (yes/no)
	<i>Nord)</i>	
Paul Denis Julia van den Bosch	Actifina N.V.	yes
	B.M.R. Prod Trade Filiala Sibiu SRL	yes
	Charlie SA	yes
	Habufa Belgium N.V.	yes
	Habufa Meubelen B.V.	yes
	Habufa Onroerend Goed B.V.	yes
	Hachmer Beheer B.V.	yes
	Hachmer B.V.	yes
	H.B.R. Holding B.V.	yes
	P.D.J. van den Bosch Beheer B.V.	yes
	Van den Bosch Beheer B.V.	yes
	Vadebo N.V.	yes
Christoffel Hendrik Wiese.....	Afropulse 500	yes
	Alenti 252	yes
	Auburn Avenue Trading 143	yes
	Azuradox	yes
	Brait South Africa	yes
	CWP Wine Brands	yes
	Deuceprops 1014	yes
	Deuceprops 1015	yes
	Deuceprops 1016	yes
	Deuceprops 1018	yes
	Deuceprops 3001	yes
	Dorsland Diamante	yes
	FI Funding And Investments Finance	yes
	FI Funding And Investments Holdco	yes
	FI Operations	yes
	Fincom	yes
	Granadino Investments	yes
	Grene Properties	yes
	Invicta Holdings	yes
	Loncape Finance	yes
	Lourensford Brokenhill Sawmill	yes
	Lourensford Estate Farming Enterprises	yes
	Lourensford Events	yes

Name	Name of Company or Partnership	Current (yes/no)
	Lourensford Fruit Company	yes
	Lourensford Holdings	yes
	Lourensford Leasing	yes
	Lourensford Properties	yes
	Lourensford Sawmills	yes
	Lourensford Trout Farming	yes
	Lourensford Winery	yes
	Matrix Development	yes
	Oryx Eco Tours	yes
	Oryx Game Farming	yes
	Oryx Management Services	yes
	Oswestry Topco Limited	yes
	Pallinghurst Resources (Guernsey) GP Ltd	yes
	Pallinghurst Resources Ltd	yes
	Parinol	yes
	Radaj 2	yes
	Schonegevel Holdings	yes
	Securinvest	yes
	Shoprite Holdings	yes
	Thibault Square Financial Services	yes
	Titan Asset Management	yes
	Titan Financial Services	yes
	Titan Funding	yes
	Titan Global Investments	yes
	Titan Group Investments	yes
	Titan Manor	yes
	Titan Nominees	yes
	Titan Portfolio	yes
	Titan Premier Investments	yes
	Titan Share Dealers	yes
	Titan Trademarks	yes
	Toerama	yes
	Tomil Holdings	yes
	Tradehold	yes
	Wiesfam Trust	yes
	Wieskor	yes

Name	Name of Company or Partnership	Current (yes/no)
	Worldquest Investment Resources	yes
	Xantium Trading 326	yes
	Yserfamilie	yes
	Zoloworx Investments	yes
	Anglo African Shipping Company (Pty) Limited	no
	Aussenkjer Boerdery (Pty) Limited	no
	Bato Boerdery (Pty) Limited	no
	CCIJ Investments (Pty) Limited	no
	Cenfund Investments	no
	Chonette Beleggings (Pty) Limited	no
	Dewberry Trading 4 (Pty) Limited	no
	Elandspad Investments (Pty) Limited	no
	Energy Africa (Pty) Limited	no
	Executive Goldclub Investments (Pty) Limited	no
	Georgia Avenue Investments (Pty) Limited	no
	Greatermans Finance Company (Pty) Limited	no
	Helderberg Vrugteverpakkings (Pty) Limited	no
	Incapart Investments (Pty) Limited	no
	Indada Trading 141 (Pty) Limited	no
	Inkonka Investments (Pty) Limited	no
	Jeke Trading (Pty) Limited	no
	Just Jasmine Investments 143 (Pty) Limited	no
	Klee Investments (Pty) Limited	no
	Lanzerac Landgoed (Pty) Limited	no
	Lanzerac Manor (Pty) Limited	no
	Luna Group (Pty) Limited	no
	Luna Holdings (Pty) Limited	no
	Main Street 290 (Pty) Limited	no
	Massif Investments (Pty) Limited	no
	Mayabex (Pty) Limited	no
	McDuck Investment Holdings (Pty) Limited	no
	Mettle Vehicle Finance (Pty) Limited	no
	Miniscule Investments (Pty) Limited	no
	Minor Investments (Pty) Limited	no

Name	Name of Company or Partnership	Current (yes/no)
	Moxispot (Pty) Limited	no
	Palaeofin Security SPV (Pty) Limited	no
	Poundstretcher Limited	no
	Primedia Holdings Limited	no
	PSG Financial Services Limited	no
	PSG Group Limited	no
	Rickshaw Trade and Invest 2 (Pty) Limited	no
	SAE Lifestyle Wines (Pty) Limited	no
	Sangricraft Investments (Pty) Limited	no
	Sereno Properties No 7	no
	Sereno Properties No 8	no
	Sereno Properties No 9	no
	Titan Prefco	no
	Titan Prefco Holdings	no
	Tulca (Pty) Limited	no
	Vendak Beleggings (Pty) Limited	no
	Ventiwiz Investments (Pty) Limited	no
	VRE Investments (Pty) Limited	no
	Western Crown Properties (Pty) Limited	no
	Wouter J de Wet Beleggings (Pty) Ltd	no
Angela Krüger-Steinhoff.....	ANF Agrarbetrieb Niederer Fläming GmbH	yes
	ASV Beteiligungsgesellschaft GmbH	yes
	BIOGAS Felgentreu Steinhoff Beteiligungsgesellschaft GmbH	yes
	Bruno Steinhoff Familienstiftung	yes
	BS Beteiligungs-und Verwaltungs GmbH	yes
	BS Vermögensverwaltungsgesellschaft GmbH	yes
	Commerzbank AG (member of the Regional Advisory Committee North - <i>Regionalbeirat Nord</i>)	yes
	HSH Nordbank AG (member of the Advisory Committee)	yes
	Landgut Wiesenburg GmbH	yes
	Nuthequelle Landwirtschaftliche Beteiligungs GmbH	yes
	Oldenburgische Landesbank AG (member of the Advisory Committee)	yes

Name	Name of Company or Partnership	Current (yes/no)
	Pritzenower Biorind GmbH	yes
	Reppininchen Erste Biogas Betriebs GmbH	yes
	Reppininchen Zweite Biogas Betriebs GmbH	yes
	Reppininchen Dritte Biogas Betriebs GmbH	yes
	Steinhoff Familien Beteiligungs und Verwaltungs GmbH	yes
	Steinhoff Familienholding GmbH	yes
	TPP Felgentreu GmbH	yes
	Wiesenburg Erste Biogas Betriebs GmbH	yes
	Wiesenburg Zweite Biogas Betriebs GmbH	yes
	Wiesenburg Dritte Biogas Betriebs GmbH	yes
	Wiesenburger Marktfrucht GmbH	yes

Source: Management information.

Diversity

Dutch law requires large Dutch companies (see above for the explanation of this term) to pursue a policy of having at least 30 per cent. of the seats on both the management board and supervisory board held by men and at least 30 per cent. of the seats on the management board and supervisory board held by women, each to the extent these seats are held by natural persons. Under Dutch law, this is referred to as a well-balanced allocation of seats. This allocation of seats will be taken into account in connection with the following actions: (i) the appointment, or nomination for the appointment, of Managing Directors and Supervisory Directors; (ii) drafting the criteria for the size and composition of the Management Board and Supervisory Board, as well as the designation, appointment, recommendation and nomination for appointment of Supervisory Directors; and (iii) drafting the criteria for the Supervisory Directors. These statutory rules on gender diversity will automatically lapse on 1 January 2016.

The Company currently does not meet these gender diversity targets. The Company will explain in its annual management report for the fiscal year ending in 2016 (“**Fiscal Year 2016**”): (i) why the seats are not allocated in a well-balanced manner as aforesaid; (ii) how the Company has attempted to achieve a well-balanced allocation; and (iii) how the Company aims to achieve a well-balanced allocation in the future.

Potential Conflicts of Interest and Other Information

The Company is not aware of any potential conflicts between the personal interests or other duties of Supervisory Directors and personal interests or other duties of Managing Directors on the one hand and the interests of the Company on the other hand. Other than Bruno Ewald Steinhoff and Angela Krüger -Steinhoff, there are no family ties between members of the Supervisory Board.

Following the Scheme of Arrangement becoming operative, each of Christoffel Hendrik Wiese and Bruno Ewald Steinhoff will (directly or indirectly) hold a substantial percentage of the Company’s issued share capital (17.16 per cent. and 5.03 per cent., respectively) and they are also both a Voting Pool Party. The Supervisory Board does not expect that this will cause them to have a conflict with the duties they have towards the Company. The Articles of Association and the Supervisory Board Rules further include arrangements to ensure that the Supervisory Board will in each relevant situation handle and decide on any (potential) conflict of interest, also in this respect. The Supervisory Board will procure that relevant

transactions, in relation to which it has been determined that a conflict of interest exists, are published in the annual management report.

Within the five years prior to the date of this Prospectus, no member of the Management Board or Supervisory Board:

- has been convicted in relation to fraudulent offences; or
- has been associated with bankruptcies, receiverships or liquidations in his capacity as a member of an administrative, management or supervisory body or as a founder.

No member of the Management Board or the Supervisory Board has been officially and publicly incriminated or sanctioned by statutory or regulatory authorities (including designated professional bodies) or ever been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer.

The Company is not aware of any arrangement or understanding with major Shareholders, suppliers, customers or others pursuant to which any Managing Director or Supervisory Director was selected as a member of such management or supervisory bodies of the Company.

Management Board Remuneration

The Supervisory Board will establish the remuneration of the individual Managing Directors, based on the recommendations of the Human Resources and Remuneration Committee in accordance with the Management Board remuneration policy as adopted by the General Meeting, and arrangements for remuneration in the form of Ordinary Shares or rights to subscribe for Ordinary Shares as approved by the General Meeting upon proposal by the Supervisory Board. No Managing Directors' service contracts will include predetermined compensation as a result of termination exceeding 18 months' salary and benefits.

The compensation package for the Management Board will consist of the following fixed and variable components which are discussed in more detail below:

- base salary;
- annual bonus;
- long-term (share-based) incentive plan; and
- benefits.

Remuneration policy components

Base salary

The base salary of the Managing Directors is a fixed cash compensation paid on a monthly basis. The base salary is subject to annual review. It is set to be competitive at the median level with reference to market practice in companies comparable in size, market sector, business complexity and international scope.

In determining the base salary of the Managing Directors, Company performance, individual performance and changes in responsibilities are taken into account. In addition, the Supervisory Board will take into account the impact of the base salary on the pay differentials within the Company.

The Supervisory Board determines an appropriate level for the base salary per Managing Director with the aid of external reference data issued by independent remuneration experts.

Annual bonus

The Managing Directors are entitled to an annual performance-related bonus payment. The objective of the annual performance-related bonus payment is to incentivise and reward strong short-term financial and personal performance and the implementation of strategic initiatives, such as meeting growth targets while continuing to be focused on sustainable results which are aligned with the long-term strategy of the Group.

On an annual basis, performance conditions are set by the Supervisory Board on or before the beginning of the relevant financial year. The annual bonus is based on a percentage of the annual base salary.

Performance targets include financial, operational and transformation targets, representing in excess of 80 per cent. of the potential annual bonus. Where performance criteria are supplemented by personal performance objectives, such personal performance objectives represent on average less than 20 per cent. of the potential bonus that can be achieved. The Supervisory Board reviews the performance targets annually to ensure that these are appropriate, given the economic context and the performance expectations for the Company or relevant division.

Annual bonuses are determined and recorded in the financial year following that to which the performance relates. The Supervisory Board has the discretion to defer all or part of the annual bonus payment on terms to be agreed on an annual basis and dependent on the performance criteria applicable to such bonuses and the longer term measurement that could be implied by such performance criteria.

Long-term (share-based) incentive plan

The Managing Directors are eligible to participate in the long-term share-based incentives of the Company. See “- *Participation by Managing Directors and Employees of the Group*” for more details.

Benefits

Benefits provide security for Managing Directors and their families and include membership of retirement funds and medical aid schemes, to which contributions are made by employees and the employer company.

Adjustments to variable remuneration

Pursuant to Dutch law and the Dutch Corporate Governance Code, the remuneration of Managing Directors may be reduced, or Managing Directors may be obliged to repay (all or part of) their variable remuneration to the Company, if certain circumstances apply.

Pursuant to the Dutch Corporate Governance Code, should any variable remuneration component conditionally awarded to a member of the Management Board in a previous financial year, in the opinion of the Supervisory Board, produce an unfair result due to extraordinary circumstances during the period in which the predetermined performance criteria have been or should have been applied, the Supervisory Board will have the power to adjust the value downwards or upwards. In addition, the Supervisory Board will have the authority under the Dutch Corporate Governance Code and Dutch law to recover from a Managing Director any variable remuneration awarded on the basis of incorrect financial or other data (clawback).

Pursuant to Dutch law, the Supervisory Board may furthermore adjust the variable remuneration (to the extent that it is subject to reaching certain targets and the occurrence of certain events) to an appropriate level if payment of the variable remuneration were to be unacceptable according to requirements of reasonableness and fairness.

In addition, Dutch law prescribes that, should the value of the Ordinary Shares or rights to subscribe for such Ordinary Shares granted by the Company to the respective Managing Directors as part of their remuneration increase during a period in which a public takeover bid is made for the Ordinary Shares, the remuneration of that respective Managing Director will be reduced by the amount by which the value of the Ordinary Shares

or rights to subscribe for Ordinary Shares granted by the Company to such member has increased. To the extent that the increase in value exceeds the remuneration of the respective Managing Director, the Company shall have a claim against the respective Managing Director for such excess. Similar provisions apply in the situation of an intended legal merger or demerger, or if the Company intends to enter into certain transactions that are of such significance to the Company that the Management Board requires the approval of the General Meeting pursuant to Dutch law (i.e. transactions that fall within the scope of section 2:107a DCC).

Remuneration for the Management Board in Fiscal Year 2015

The remuneration of the Managing Directors who were members of the SIHL board during Fiscal Year 2015 was comprised of a fixed and variable part and included base salary, a bonus, post-employment benefits, long-term incentive plan benefits and other long-term benefits. The total aggregate remuneration received in Fiscal Year 2015 by the Managing Directors who were members of the SIHL board was R137,077,000 (€9,980,000). In addition, rights for SIHL ordinary shares were granted to these Managing Directors in Fiscal Year 2014. See “- *Interests of Managing Directors and Supervisory Directors*”. The total aggregate amount of fringe benefits amounted to R1,900,000 (€139,000) for Fiscal Year 2015.

Pensions for the Management Board in Fiscal Year 2015

For Fiscal Year 2015, there were no amounts reserved or accrued by SIHL or its subsidiaries to provide pension, benefit, retirement or similar benefits for the Managing Directors who were members of the SIHL board during Fiscal Year 2015.

Supervisory Board Remuneration

The General Meeting determines the remuneration of the Supervisory Directors. The remuneration of the Supervisory Board cannot be dependent on the Company's results.

None of the Supervisory Directors may receive Shares or rights to subscribe for Shares as part of their remuneration. The Supervisory Directors may also not hold such securities, other than in accordance with the rules on holding or transacting in the Company's securities.

The General Meeting will resolve upon the remuneration for the Supervisory Board on an annual basis. The Chairman will receive a fixed compensation of the equivalent in euro of R1,760,000 (€128,142) for Fiscal Year 2016, the Deputy-Chairman a fixed compensation of the equivalent in euro of R880,000 (€64,071) for Fiscal Year 2016 and each ordinary member of the Supervisory Board a fixed compensation of the equivalent in Euro of R440,000 (€32,036) for Fiscal Year 2016.

In addition, specific remuneration is granted for members of the Audit and Risk Committee, the Nominations Committee and the Remuneration Committee. The chairman of the Audit and Risk Committee will receive an additional fixed compensation of the equivalent in euro of R380,000 (€27,667) for Fiscal Year 2016 and each member of the Audit and Risk Committee will receive an additional fixed compensation of the equivalent in euro of R194,000 (€14,125) for Fiscal Year 2016. The chairman of the Nominations Committee will receive an additional fixed compensation of the equivalent in euro of R36,800 (€2,680) for Fiscal Year 2016 and each member of this committee will receive an additional fixed compensation of the equivalent in euro of R18,400 (€1,340) for Fiscal Year 2016. The chairman of the Remuneration Committee will receive an additional fixed compensation of the equivalent in euro of R176,000 (€12,814) for Fiscal Year 2016 and each member of this committee will receive an additional fixed compensation of the equivalent in euro of R90,000 (€6,553) for Fiscal Year 2016.

Remuneration for the Supervisory Board in Fiscal Year 2015

The total aggregated remuneration of the members of the Supervisory Board who were members of the SIHL board during Fiscal Year 2015 was R20,577,000 (€1,498,000) (excluding reimbursement of travel costs).

At the date of this Prospectus, the Company has not provided any personal loans, advances or guarantees to Supervisory Directors.

Pensions for the Supervisory Board in Fiscal Year 2015

For Fiscal Year 2015, there were no amounts reserved or accrued by SIHL or its subsidiaries to provide pension, benefit, retirement or similar benefits for the Supervisory Directors who were members of the SIHL board during Fiscal Year 2015.

Interests of Managing Directors and Supervisory Directors

The following table sets out the interests of the members of the Management Board and the Supervisory Board in the issued share capital of the Company upon the Scheme of Arrangement becoming operative:

	Number of Ordinary Shares	Percentage of share capital⁽¹⁾
Management Board		
Markus Johannes Jooste	68,247,244	1.77
Daniël Maree van der Merwe	5,783,122	0.15
Andries Benjamin la Grange	1,314,940	0.03
	75,345,306	1.95
Supervisory Board		
Deenadayalen Konar	363,335	0.01
Stefanes Francois Booysen	218,148	0.01
David Charles Brink	203,965	0.01
Claas Edmund Daun	2,399,856	0.06
Thierry Louis Joseph Guibert	305,948	0.01
Marthinus Theunis Lategan	307,059	0.01
Johannes Fredericus Mouton	7,000,000	0.18
Heather Joan Sonn	0	0.00
Bruno Ewald Steinhoff	195,653,810	5.07
Paul Denis Julia van den Bosch	682,836	0.02
Christoffel Hendrik Wiese	667,859,150	17.30
Angela Krüger-Steinhoff	825,666	0.02
	875,819,773	22.7

Source: Management information.

Note:

(1) Based on the issued share capital of SIHL as at the Latest Practicable Date.

The following table sets out the interests of the Managing Directors in options over the Ordinary Shares upon the Scheme of Arrangement becoming operative:

	Grant date	Number of Ordinary Shares in respect of which rights were granted as at 30 June 2015
Managing Directors		
Markus Johannes Jooste	December 2012	1,186,514
	December 2013	1,669,183
	December 2014	869,301
		<u>3,724,998</u>
Daniël Maree van der Merwe	December 2012	610,207
	December 2013	858,437
	December 2014	439,041
		<u>1,907,685</u>
Andries Benjamin la Grange	December 2012	393,250
	December 2013	487,490
	December 2014	233,499
		<u>1,114,239</u>
Total Managing Directors		<u>6,746,922</u>

Participation by Managing Directors and Employees of the Group

Overview

The Group is an international business with revenue earned in many countries as summarised in the geographical segmental analysis of the annual financial statements. As a result, the Group competes for management skills and talent in a global marketplace and its approach to remuneration takes account of the need to be competitive in all of the countries where the Group operates.

To this end, the Company may award long-term share-based incentives (“LTIs”) with the primary aim of retaining key staff members and aligning performance with the interests of investors and stakeholders. The allocation of and target criteria for these awards are at the discretion of the Human Resources and Remuneration Committee, which comprises only Supervisory Directors.

Historically, prior to the Scheme of Arrangement becoming effective, LTIs were awarded by SIHL’s remuneration committee, which comprised only independent non-executive directors. Details of these LTIs and the relevant criteria used when evaluating awards are set out below.

In advance of the Company’s next annual General Meeting, the Human Resources and Remuneration Committee will review the historical remuneration paid by the SIHL Group and consider whether it would be appropriate to make new recommendations to the Supervisory Board in respect of the Group’s LTI arrangements going forward.

Allocation

The allocation of LTIs is evaluated by the Human Resources and Remuneration Committee, based on the following key eligibility criteria:

- Involving individuals who are key to driving the Group's long-term business strategy;
- Retention of key talent/scarcie skills; and
- Talent management strategy and succession plans.

Performance criteria

The targets for long-term incentives are set with reference to industry and market benchmark performance. Such benchmarks are determined annually by measuring operational performance against those of peer group companies (in comparable industries and markets) in local currencies.

Benchmark performance criteria are aligned with the Group's long-term strategic priorities, namely:

- **Integrated Retail:** To create a balanced and solid European and African footprint of household goods businesses and apparel goods businesses; develop strong and relevant local household and apparel goods retail brands that outperform competitive local businesses; sustainably raise the Group's operating margins; leverage off the Group's global scale and knowledge; exert sufficient influence over the entire supply chain; having due regard for the long-term sustainability of the Group's business, its environmental and social impact and governance matters.
- **Other Investments:** To exert influence on the Group's associate and other investments; to manage appropriate returns on investment and long-term sustainability.

Criteria and the quantum of allocations are benchmarked annually against market practices. Furthermore, scheme rules and the application thereof are evaluated annually to ensure compliance with legislative and regulatory requirements. The targets for long-term incentives are set with reference to industry and market benchmark performance.

More information on the Group's share-based payment scheme may be found at note 20.7 of the SIHL Consolidated Financial Statements.

2010 SIHL Share Rights Scheme

Under the 2010 SIHL Share Rights Scheme, approved by SIHL's shareholders at the annual general meeting held on 6 December 2010, participants have been granted rights in respect of ordinary shares in SIHL. SIHL shares granted under this scheme have been made pursuant to approval by the SIHL Group's remuneration committee, and they vest on the third anniversary of the grant date, subject to performance conditions and minimum shareholding requirements set by the remuneration committee. Upon the Scheme of Arrangement becoming effective, the rights previously granted under this incentive scheme will entitle the holders thereof to receive Ordinary Shares on the basis of the applicable conditions to vesting. The General Meeting is expected to approve the 2010 SIHL Share Rights Scheme with certain amendments prior to execution of the Second Deed of Amendment. The 2010 SIHL Share Rights Scheme as amended will allow rights to be issued thereunder for a total of 150,000,000 Ordinary Shares.

Employee share ownership plan

In accordance with its strategic transformation objectives, the Group has recognised the importance of affording all of its African employees an opportunity to participate in the success of its business. Accordingly, in December 2008, the Group implemented an employee share participation scheme which effectively empowered all South African employees, the majority of whom are black (as defined in the Broad-Based

Black Economic Empowerment Act, 2003 (Act 53 of 2003), as amended). The scheme was structured in such a way that employees would own SIHL Group shares after a nine-year participating period. Through a special purpose vehicle, Steinhoff Sikhulasonke Investments (RF) Proprietary Limited, there are currently approximately 12,000 employees (of which the majority are previously disadvantaged individuals) holding more than 40 million SIHL Group shares. Each beneficiary receives an annual dividend.

During Fiscal Year 2015, a dividend of R12.9 million (approximately €0.9 million) was paid to participants in the ownership plan. As at 30 June 2015, the value created in this structure was approximately R1.7 billion (€124 million). Upon the Scheme of Arrangement becoming effective, participants in the employee share ownership plan will receive Ordinary Shares in the Scheme of Arrangement.

Service Agreements

No member of the Management Board and Supervisory Board has a service agreement with the Company. The Managing Directors have service contracts with SIHL which are subject to terms and conditions of employment in the local jurisdiction. The service contracts do not contain any 'golden parachute' provisions. There are no Managing Directors with a notice period of more than one year. There are also no Managing Directors' service contracts which include predetermined compensation as a result of termination exceeding 18 months' salary and benefits. The Supervisory Directors are subject to regulations on appointment and rotation pursuant to the Articles of Association and the Supervisory Board Rules.

Liability of Managing Directors and Supervisory Directors

Under Dutch law, the Managing Directors and Supervisory Directors may be liable towards the Company for damages in the event of improper or negligent performance of their duties. They may be jointly and severally liable for damages towards the Company for infringement of the Articles of Association or of certain provisions of the DCC. In addition, they may be liable towards third parties for infringement of certain provisions of the DCC. In certain circumstances, they may also incur additional specific civil and criminal liabilities.

Insurance

The Managing Directors, Supervisory Directors and all other directors and/or officers of the Group are currently insured under an insurance policy against damages resulting from their conduct when acting in their capacities as directors or officers.

Indemnification

Pursuant to the Articles of Association and unless Dutch law provides otherwise, the following will be reimbursed to current and former Managing Directors and Supervisory Directors: (i) any reasonable costs of conducting a defence against claims based on acts or failures to act in the exercise of their duties or any other duties currently or previously performed by them at the request of the Company; (ii) any damages or fines payable by them as a result of an act or failure to act as referred to under (i); and (iii) reasonable costs of appearing in other legal proceedings in which they are involved as current or former Managing Directors or Supervisory Directors, with the exception of proceedings primarily aimed at pursuing a claim on their own behalf.

There shall be, however, no entitlement to reimbursement if and to the extent that: a Dutch court has established in a final and conclusive decision that the act or failure to act of the person concerned may be characterised as wilful, intentionally reckless or seriously culpable conduct, unless the law provides otherwise

or this would, in view of the circumstances of the case, be unacceptable according to standards of reasonableness and fairness (which, in the event of seriously culpable conduct, may be the case where the person concerned was acting in good faith with a view to the interests of the Company and the business connected with it); or the costs or financial loss of the person concerned are covered by insurance and the insurer has paid out the costs or financial loss.

If and to the extent that it has been established by a Dutch court in a final and conclusive decision that the applicable current or former Managing Director or Supervisory Director is not entitled to reimbursement as referred to above, he/she shall immediately repay the amount reimbursed by the Company.

Corporate Governance Code

The Dutch Corporate Governance Code applies to all Dutch companies listed on a government-recognised stock exchange, whether in the Netherlands or elsewhere. The Dutch Corporate Governance Code therefore applies to the Company. The Dutch Corporate Governance Code contains a number of principles and best practice provisions in respect of managing boards, supervisory boards, shareholders and the general meeting of shareholders, financial reporting, auditors, disclosure, compliance and enforcement standards.

The Company is required to disclose in its annual management report whether or not it applies the provisions of the Dutch Corporate Governance Code and, if it does not apply those provisions, to explain the reasons why. The Dutch Corporate Governance Code states that a company is also in compliance with the Dutch Corporate Governance Code if its general meeting of shareholders has approved the corporate governance structure and the deviations from the Dutch Corporate Governance Code's principles.

Compliance with the Dutch Corporate Governance Code

The Company fully endorses the underlying principles of the Dutch Corporate Governance Code and is committed to adhering to the best practices of the Dutch Corporate Governance Code as far as possible. The Company fully complies with the Dutch Corporate Governance Code, with the exception of the following provisions:

- Best practice provision II.2.6, which provides that the option exercise price may not be fixed at a lower level than a verifiable price or a verifiable price average. Under the terms of the 2010 SIHL Share Rights Scheme, rights to receive Ordinary Shares are awarded for no consideration but are subject to performance conditions and minimum shareholding requirements set by the remuneration committee.
- Best practice provision III.1.9, which provides that the company shall provide the necessary means for the supervisory board to obtain information from officers and external advisers of the company. Under the Supervisory Board Rules, the Supervisory Board may be assisted by experts. The reasonable costs of such experts shall be for the account of the Company provided that these have been approved by the Management Board.
- Best practice provision III.2.1, which provides that all supervisory directors, with the exception of not more than one person, shall be independent within the meaning of the Dutch Corporate Governance Code. In deviation from the Dutch Corporate Governance Code, the Supervisory Board Rules provide that the majority of the Supervisory Directors shall qualify as independent within the meaning of the Dutch Corporate Governance Code. As of the date of this Prospectus, five out of twelve Supervisory Directors qualify as non-independent within the meaning of the Dutch Corporate Governance Code.
- Best practice provision III.3.5, which provides that a person may be appointed to the supervisory board for a maximum of three 4-year terms. All of the Supervisory Directors will be appointed for an initial term until the first annual General Meeting following the Admission. Pursuant to the Supervisory

Board Rules, this initial term will be disregarded for the purpose of establishing whether the maximum of three 4-year terms is exceeded.

- Best practice provision III.5.4, which provides that the selection and appointment committee shall focus on supervising the policy of the management board on the selection criteria and appointment procedures for senior management. At the Company, this responsibility falls within the authority of the Human Resources and Compensation Committee.
- Best practice provision IV.1.2, which provides that the voting rights attaching to financing preference shares shall be based on the fair value of the capital contribution. The voting rights attached to the Preference Shares are linked to the nominal value of such shares. Accordingly, each Preference Share entitles the holder thereof to one vote in the General Meeting whereas one Ordinary Share entitles the holder thereof to cast 50 votes in the General Meeting.
- Best practice provision IV.3.1, which provides that meetings with analysts, presentations to analysts, presentations to investors and institutional investors and press conferences shall be announced in advance on the company's website and by means of press releases and that provisions shall be made to follow these meetings and presentations in real time. Pursuant to the Management Board Rules, the Company shall announce planned presentations to analysts and (institutional) investors and press conferences in advance on the Company's website. To the extent practically possible, the Company shall make provisions to follow these meetings and presentations in real time.
- Best practice provision V.2, which provides that the external auditor is appointed by the general meeting. The General Meeting has decided to instruct the Supervisory Board to determine which auditor it wishes to engage in respect of the (audit of) the current financial year of the Company with the authority to appoint such auditor for the current financial year as well as the authority to determine the terms of engagement of such auditor.

MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

Major Shareholders

Insofar as is known to the Company, and other than the interests of the Managing Directors and Supervisory Directors (see “*Corporate Bodies, Management and Corporate Governance - Interests of Managing Directors and Supervisory Directors*”) and the interests of the Voting Pool Parties, who will hold or control approximately 33 per cent. of the Company’s voting share capital immediately after the Scheme of Arrangement becomes operative, the following persons held as at the Latest Practicable Date and are expected to hold immediately after the Scheme of Arrangement becomes operative, directly or indirectly, 3 per cent. or more of the Company’s capital and voting rights:

Shareholder	Immediately after the Scheme of Arrangement becomes operative	
	Number of Ordinary Shares	Percentage
Public Investment Corporation	346,525,731	8.98
Coronation Fund Managers.....	210,665,035	5.46

Source: Company information.

None of the major Shareholders in the Company has or will have different voting rights attached to the Ordinary Shares.

The Voting Pool Parties will hold or control approximately 33 per cent. of the Company’s voting share capital immediately after the Scheme of Arrangement becomes operative. The nature of such control and measures that are in place to ensure that such control is not abused are described under “*Voting Pool Arrangements*” below. The Company is not aware of any other person or persons who directly, indirectly, jointly or severally exercise or could exercise control over the Company.

Voting Pool Arrangements

Upon the Scheme of Arrangement becoming operative, the Voting Pool Parties will collectively hold or control approximately 33 per cent. of the total voting share capital of the Company. The Voting Pool Parties have committed to certain arrangements which regulate the relationship among them with respect to their voting rights in the Company as summarised below.

Each of the Voting Pool Parties has acknowledged and agreed that the Dutch public offer rules as laid down in the Dutch Financial Supervision Act will be applicable to the Company and the Shareholders as of the first date on which the Ordinary Shares trade on the FSE (the “**First Trading Date**”). As the Voting Pool Parties will continue to have a combined voting interest in the Company of more than 30 per cent. on the First Trading Date and have agreed to the Voting Pool Arrangements, the Voting Pool Parties have agreed that they jointly exercise substantial control (*gezamenlijke overwegende zeggenschap*) over the Company within the meaning of the Dutch Financial Supervision Act and agree to remain qualified as concert parties (*in overleg handelende personen*) (each a “**Concert Party**” and together, a “**Concert**”) as per the First Trading Date. On this basis, each of the Voting Pool Parties as well as each of their ultimate controlling persons benefit from the exemption from the Dutch mandatory offer requirement as laid down in Section 5:71 sub 1 (i) of the Dutch Financial Supervision Act.

In addition, each of the Voting Pool Parties has acknowledged and agreed that if a third party acquires control over one or more of the Voting Pool Parties and the Voting Pool Arrangements are still in effect at such stage, such third party may under the circumstances acquire indirect substantial control (*overwegende zeggenschap*) over the Company. If a third party does acquire indirect substantial control over the Company, this will result in immediate and automatic termination of the relevant acting in concert provisions and consequently the exemption as referred to in the previous paragraph no longer applies.

The majority of the Voting Pool Parties are considered South African residents by the South African Reserve Bank (“SARB”). The residents obtained SARB approval on 19 October 2015 to consolidate their interests into a Dutch incorporated special purpose vehicle (“SPV”) for the purpose of structuring the Voting Pool. It is intended and the Voting Pool Parties agree that the SPV will become a member of the Voting Pool after the First Trading Date and will then acquire a voting interest in the Company in excess of 25 per cent. The relevant Voting Pool Parties, which include Titan and Thibault, will transfer their Ordinary Shares in the Company to the SPV and the SPV will benefit from the exemption from the Dutch mandatory offer requirement as laid down in Section 5:71 sub 1 (e) of the Dutch Financial Supervision Act. Titan and Thibault will remain the controlling members of the Voting Pool through the SPV. Each of the Voting Pool Parties has irrevocably consented to and, to the extent necessary, agreed to co-operate with the transfer of the Ordinary Shares to the SPV after the First Trading Date and the SPV becoming a Voting Pool Party.

Each of the Voting Pool Parties also acknowledges and agrees that if their combined voting interest in the Company falls below 30 per cent., this will also result in immediate and automatic termination of the relevant provisions of acting in concert.

The Voting Pool Arrangements further cover the following:

- the Voting Pool Parties will hold a meeting prior to any General Meeting of the Company in which they will determine through a simple majority of the votes cast in such meeting 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;
- the Voting Pool Parties will have the right to approve with the majority as referred to in the previous paragraph the entering into of any transaction by one of the Voting Pool Parties or the Company: (i) which concerns directly or indirectly more than 1 per cent. of the aggregate voting rights of the Company; (ii) as a result of which the composition of the voting rights of the Voting Pool Parties will change significantly, in particular if the proportion of the voting rights held by Titan, Thibault and the participating members of the Management Board and other management of the Company change significantly; (iii) which is based on corporate actions of the Company; and (iv) which may trigger the obligation on any Voting Pool Party to make a mandatory offer to the remaining shareholders of the Company under the Dutch Financial Supervision Act;
- in the case of a direct or indirect sale or other disposal of Ordinary Shares by a Voting Pool Party, the other Voting Pool Parties will have a pre-emptive right to acquire the Ordinary Shares concerned at market value on a pro rata basis. If, in the event of a rights offering, any Voting Pool Parties intend not to take up 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;
- upon the death of a member of the Voting Pool Party, the Voting Pool Arrangements 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 Arrangements; and
- the Voting Pool Arrangements are made for an indefinite period of time.

Related Party Transactions

Details of the Group's related-party transactions during the periods under review up to the date of this Prospectus are set out in Note 31 to the SIHL Consolidated Financial Statements. Save for those transactions, there are no related party transactions entered into by the Group during the period covered by the historical financial information and up to the date of this Prospectus.

DESCRIPTION OF THE SHARE CAPITAL AND THE ARTICLES OF ASSOCIATION

The following paragraphs summarise certain information concerning the Company's share capital and certain material provisions of the Articles of Association and applicable Dutch law. This section summarises the Articles of Association as they will read following the execution of the Second Deed of Amendment.

This summary does not purport to give a complete overview and should be read in conjunction with, and is qualified in its entirety by reference to, the Articles of Association and the relevant provisions of Dutch law as in force on the date of this Prospectus. The Articles of Association in the governing Dutch language and in an unofficial English translation thereof are available on the Company's website (www.steinhoffinternational.com). See also "*Corporate Bodies, Management and Corporate Governance*" for a summary of certain material provisions of the Articles of Association, the Management Board Rules, the Supervisory Board Rules and Dutch law relating to the Management Board and the Supervisory Board.

General

The Company was incorporated as a public company with limited liability (*naamloze vennootschap*) on 22 June 2015. The corporate seat of the Company is in Amsterdam, the Netherlands, and its office is at Herengracht 466, 1017 CA, Amsterdam, the Netherlands (telephone number +31 204200600). The Company is registered with the Dutch Trade Register of the Chamber of Commerce (*Handelsregister van de Kamer van Koophandel*) under number 63570173.

Prior to the Scheme of Arrangement becoming operative, the Company's articles of association will be amended by execution of a notarial deed of amendment to implement the Company's proposed governance structure as described in this Prospectus (the "**First Deed of Amendment**"). Following execution of the First Deed of Amendment but prior to the Scheme of Arrangement becoming operative, the Company's articles of association will be amended by execution of a notarial deed of amendment to increase the Company's authorised share capital so as to allow for implementation of the Scheme of Arrangement (the "**Second Deed of Amendment**").

Corporate Purpose

Pursuant to article 3 of the Articles of Association, the corporate objects of the Company are: (a) to incorporate, to participate in any way whatsoever in, to manage, and to supervise businesses and companies; (b) to finance businesses and companies; (c) to borrow, to lend and to raise funds, including the issue of bonds, debt instruments or other securities or evidence of indebtedness as well as to enter into agreements in connection with the aforementioned activities; (d) to render advice and services to businesses and companies with which the Company forms a group and to third parties; (e) to grant guarantees, to bind the Company and to pledge its assets for obligations of businesses and companies with which it forms a group and on behalf of third parties; (f) to acquire, alienate, encumber, manage and exploit registered property and items of property in general; (g) to trade in currencies, securities and items of property in general; (h) to exploit and trade in patents, trade marks, licences, know-how, copyrights, data base rights and other intellectual property rights; and (i) to perform any and all activities of an industrial, financial or commercial nature, and to do all that is connected therewith or may be conducive thereto, all to be interpreted in the broadest sense.

Share Capital

Authorised and issued capital of the Company

At the date of this Prospectus, the authorised capital of the Company amounts to €225,000, consisting of 450,000 shares with a nominal value of €0.50 each, and the issued capital of the Company consists of 90,000 shares (such issued shares, the “**Incorporation Shares**”).

Immediately after the execution of the Second Deed of Amendment and the Scheme of Arrangement becoming operative, the authorised capital of the Company will amount to €8.95 billion and will consist of 17.5 billion Ordinary Shares with a nominal value of €0.50 each and 20 billion Preference Shares with a nominal value of €0.01 each.

Immediately after the execution of the Second Deed of Amendment and the Scheme of Arrangement becoming operative, the issued capital of the Company will consist of 3,860,402,434 Ordinary Shares (assuming no changes in the number of outstanding SIHL ordinary shares between the Latest Practicable Date and the date the Scheme of Arrangement becomes operative). No Preference Shares will be issued at that time.

History of share capital

Other than the issue of the Incorporation Shares upon the Company’s incorporation, the Company has not issued any shares prior to the date of this Prospectus.

Ordinary Shares

The Ordinary Shares have been, or will be, created under Dutch law and each Ordinary Share must be paid up in full upon issuance. It confers the right to cast one vote in the General Meeting, unless any Preference Shares have been issued, in which case each Ordinary Share confers the right to cast 50 votes in the General Meeting.

Preference Shares

Each Preference Share must be paid up in full upon issuance. It confers the right to cast one vote in the General Meeting. No Preference Shares are outstanding as at the date of this Prospectus or will be issued as part of the Scheme of Arrangement. The dividend rights attached to Preference Shares are set out below under “– *Dividends and other distributions*” below.

Form of Shares and Shareholders’ Register

All Shares are in registered form (*op naam*). No share certificates (*aandeelbewijzen*) may be issued.

If requested, the Management Board will provide a Shareholder, usufructuary or pledgee of such Shares with an extract from the register relating to his or her title to a Share free of charge. If the Shares are encumbered with a right of usufruct, the extract will state to whom such rights will fall. The principal shareholders’ register is kept by the Management Board at the Company’s offices.

The Company’s shareholders’ register records the names and addresses of the Shareholders, the number of Shares held, the amount paid on each Share and the date of registration in the shareholders’ register. In addition, each transfer or passing of ownership is registered in the shareholders’ register. The shareholders’ register also includes the names and addresses of persons and legal entities with a right of pledge (*pandrecht*) or a right of usufruct (*vruchtgebruik*) on those Shares.

The Ordinary Shares will be delivered in the form of security entitlements representing the beneficial ownership of the Ordinary Shares. All Ordinary Shares will be held in the name of PLC Nominees (Pty) Ltd

for and in behalf of the investors. PLC Nominees (Pty) Ltd is a regulated nominee and authorised to act as such by the South African Financial Services Board.

The Ordinary Shares will be delivered in the form of securities entitlements in accordance with the rules of (i) Clearstream for the Ordinary Shares to be traded on the FSE and (ii) Strate for the Ordinary Shares to be traded on the JSE.

Issuance of Shares

Pursuant to the Articles of Association, the General Meeting may resolve to issue Shares or grant rights to subscribe for Shares. The Articles of Association further provide that the General Meeting may, upon a proposal of the Management Board which is approved by the Supervisory Board, issue Shares or grant rights to subscribe for Shares or designate the Management Board as the body authorised to resolve upon an issue of Shares or grant of rights to subscribe for Shares. Pursuant to the Articles of Association and Dutch law, the period of designation may not exceed five years but may be renewed by a resolution of the General Meeting for periods of up to five years. If not otherwise stated in the resolution approving the designation, such authority is irrevocable. The resolution designating such authority to the Management Board must specify the number of Shares which may be issued and, if applicable, any conditions to the issuance.

No resolution of the General Meeting or, if designated, the Management Board is required for an issue of Shares pursuant to the exercise of a previously granted right to subscribe for Shares. The Company may not subscribe for its own Shares on issue.

Effective as per the execution of the Second Deed of Amendment, the Management Board is expected to have been designated as the corporate body authorised to issue Ordinary Shares, grant rights to subscribe for Ordinary Shares and/or limit or exclude statutory pre-emptive rights in relation to the issue of Ordinary Shares or the grant of rights to subscribe for Ordinary Shares. The said designation of the Management Board will be limited to (i) up to 10 per cent. of the total nominal issued share capital of the Company immediately after the Scheme of Arrangement has become operative, which authorisation may be used for all purposes, including the granting of stock options, financing mergers and acquisitions and issuing new convertible bonds, plus (ii) up to an additional 10 per cent. of the total nominal issued share capital of the Company as of immediately after the Scheme of Arrangement has become operative, which additional authorisation may only be used in connection with or on the occasion of mergers and acquisitions and strategic alliances.

Separately from and in addition to the foregoing authorisations, effective as per the execution of the Second Deed of Amendment, the Management Board is expected to have been designated as the corporate body authorised to grant rights to subscribe for Ordinary Shares and/or Preference Shares and to limit or exclude statutory pre-emptive rights in relation to any such grant. This designation of the Management Board will be limited to up to 10 per cent. of the total nominal issued share capital of the Company immediately after the Scheme of Arrangement has become operative and can only be used for the purpose of issuing new convertible bonds.

Furthermore, effective as per the execution of the Second Deed of Amendment, the General Meeting is expected to have designated the Management Board as the corporate body authorised to issue Preference Shares, grant rights to subscribe for Preference Shares and/or limit or exclude statutory pre-emptive rights in relation to the issue of Preference Shares or the grant of rights to subscribe for Preference Shares. The said designation of the Management Board will be limited to 10 per cent. of the total number of Preference Shares in the Company's authorised share capital after the Scheme of Arrangement has become operative, being 2 billion Preference Shares. This authorisation may be used for all purposes, including the granting of stock options, financing mergers and acquisitions and issuing new convertible bonds.

Each of the foregoing authorisations will be valid for a period of five years following the date of execution of the Second Deed of Amendment. If these authorisations are used during a particular year, then the Management Board is expected to propose to the General Meeting that the Management Board is designated with additional authorities so that, as of the date of the annual General Meeting at which this proposal is put to a vote, the ability to issue or grant is restored back to the (up to) 10 per cent. level for each of the purposes set out above.

In addition, the General Meeting has resolved (i) to grant such number of rights to subscribe for Ordinary Shares as are needed for the purposes of replacing the rights to acquire SIHL shares under the existing SIHL convertible bonds with rights to acquire Ordinary Shares and (ii) to exclude all statutory pre-emptive rights in relation thereto. The General Meeting is furthermore expected to resolve to (i) issue such number of Ordinary Shares as are needed for the Scheme of Arrangement, (ii) to grant such number of rights to subscribe for Ordinary Shares as are needed for the purposes of replacing the rights to acquire SIHL shares under existing SIHL stock options and (iii) to exclude all statutory pre-emptive rights in relation thereto. As a result, the designations set out in the preceding paragraphs will remain available.

Pre-emptive Rights

Upon issuance of Ordinary Shares or Preference Shares or grant of rights to subscribe for Ordinary Shares or Preference Shares, each holder of Ordinary Shares or Preference Shares, respectively, shall have a pre-emptive right in proportion to the aggregate nominal amount of his or her Ordinary Shares or Preference Shares. Shareholders do not have pre-emptive rights in respect of: (i) Shares issued against contribution in kind, (ii) Shares issued to employees of the Company or another member of the Group, (iii) Shares issued to persons exercising a previously granted right to subscribe for Shares or (iv) issues of Shares of another class. For the avoidance of doubt, Ordinary Shareholders do not have any pre-emptive rights in relation to an issuance of Preference Shares and holders of Preference Shares do not have any pre-emptive rights in relation to an issuance of Ordinary Shares.

Pre-emptive rights may be limited or excluded pursuant to a resolution of the General Meeting, which may only be adopted upon a proposal of the Management Board which has been approved by the Supervisory Board. The Management Board is, without the approval of the Supervisory Board, authorised to resolve on the limitation or exclusion of the pre-emptive right if and to the extent the Management Board has been designated by the General Meeting to do so. The designation must be proposed by the Management Board and such proposal must be approved by the Supervisory Board. The designation will only be valid for a specific period and may from time to time be extended by the General Meeting, in each case not exceeding five years. Unless provided otherwise in the designation, the designation cannot be cancelled.

As set out above under “– *Issuance of Shares*”, effective as per the execution of the Second Deed of Amendment, the Management Board is expected to have been designated as the corporate body authorised to: (i) issue Ordinary Shares, grant rights to subscribe for Ordinary Shares and/or limit or exclude statutory pre-emptive rights in relation thereto, (ii) grant rights to subscribe for Ordinary Shares and/or Preference Shares and to limit or exclude statutory pre-emptive rights in relation thereto and (iii) to issue Preference Shares, grant rights to subscribe for Preference Shares and/or limit or exclude statutory pre-emptive rights in relation thereto. The durations and limitations that apply for these authorisations have been set out under “– *Issuance of Shares*” above.

In addition, the General Meeting has resolved: (i) to grant such number of rights to subscribe for Ordinary Shares as are needed for the purposes of replacing the rights to acquire SIHL shares under the existing SIHL convertible bonds with rights to acquire Ordinary Shares and (ii) to exclude all statutory pre-emptive rights in relation thereto. The General Meeting is furthermore expected to resolve to: (i) issue such number of Ordinary

Shares as are needed for the Scheme of Arrangement, (ii) to grant such number of rights to subscribe for Ordinary Shares as are needed for the purposes of replacing the rights to acquire SIHL shares under existing SIHL stock options and (iii) to exclude all statutory pre-emptive rights in relation thereto. As a result, the designations referred to in the preceding paragraphs will remain available.

Acquisition by the Company of its Shares

The Company may acquire fully paid-up Shares at any time for no consideration or, subject to Dutch law and the Articles of Association, if: (i) the distributable part of the shareholders' equity is at least equal to the total purchase price of the acquired Shares; (ii) the aggregate nominal value of the Shares which the Company acquires, holds or holds as pledge or which are held by a subsidiary does not exceed 50 per cent. of the Company's issued share capital; and (iii) the Management Board has been authorised by the General Meeting to repurchase Shares. The General Meeting's authorisation is valid for a specific period not exceeding 18 months. A resolution by the General Meeting to designate the Management Board as the corporate body authorised to acquire Shares can only be adopted upon a proposal by the Management Board which has been approved by the Supervisory Board. As part of the authorisation, the General Meeting must specify the number of Shares that may be acquired, the manner in which the Shares may be acquired and the price range within which the Shares may be acquired. The Management Board is authorised to dispose of the Company's own Shares held by it.

No authorisation from the General Meeting is required for the acquisition of fully paid-up Shares which are quoted on a stock exchange for the purpose of transferring these Shares to employees of the Company or of a Group Company pursuant to any share option plan.

The Company may not cast votes on Shares held by it or by a subsidiary nor will such Shares be counted for the purpose of calculating any voting quorum. Pledges of Shares owned by the Company are not excluded from exercising voting rights if the right of pledge or usufruct was created before the Share was owned by the Company or such subsidiary.

The Company is not entitled to dividends paid or other distributions made on Shares held by it. Pledges of Shares owned by the Company or a subsidiary or in respect of which it holds a right of pledge or usufruct are not excluded from receiving distributions if the right of pledge or usufruct was created before the Share was owned by the Company or such subsidiary.

The General Meeting is expected to authorise the Management Board to resolve, subject to the execution of the Second Deed of Amendment, to acquire fully paid-up Ordinary Shares. This authorisation of the Management Board will be limited to 20 per cent. of the Company's issued capital immediately following the Scheme of Arrangement becoming operative and will be valid for 18 months following such date. The Ordinary Shares may be acquired by the Company on the FSE or the JSE or through other means at a price per Ordinary Share of at least €0.01 and at most 110 per cent. of the average of the closing prices of Ordinary Shares on the FSE or the JSE over the five trading days prior to the day of purchase.

Transfer of Ordinary Shares

A transfer of an Ordinary Share or a restricted right thereto (*beperkt recht*) requires a deed of transfer to that effect and, unless the Company itself is a party to such legal act, acknowledgement in writing by the Company of the transfer.

The Ordinary Shares are freely transferable. There are no restrictions on the transferability of the Ordinary Shares in the Articles of Association. However, persons located or resident in, or citizens of, or who have a registered address in countries other than Germany and the Netherlands, and the transfer of Ordinary Shares

into jurisdictions other than Germany and the Netherlands may be subject to specific regulations or restrictions.

Please see “*Market Information – Procedure to transfer Ordinary Shares between exchanges*” for information on the procedure to transfer Ordinary Shares from the FSE to the JSE and *vice versa*.

Capital Reduction

Subject to the provisions of Dutch law and the Articles of Association, the General Meeting may resolve to reduce the Company’s issued share capital by: (i) cancelling Shares held by the Company, (ii) cancelling with repayment all Ordinary Shares and/or all Preference Shares or (iii) reducing the nominal value of Shares, to be effected by an amendment of the Company’s Articles of Association. The General Meeting can only adopt a resolution to reduce the issued capital upon a proposal by the Management Board which has been approved by the Supervisory Board. A reduction of the nominal value of Shares, whether without redemption or against partial repayment on the Shares or upon release from the obligation to pay up the Shares, must be made pro rata on all Shares of that particular class. This pro rata requirement may be waived if all Shareholders concerned so agree. In addition, a resolution to reduce the share capital shall require the prior or simultaneous approval of each group of holders of shares of a similar class (if any) whose rights are prejudiced.

A resolution of the General Meeting to reduce the issued share capital requires a majority of at least two-thirds of the votes cast, if less than half of the issued and outstanding share capital is present or represented at the General Meeting.

In addition, Dutch law contains detailed provisions regarding the reduction of capital. A resolution to reduce the issued share capital shall not take effect as long as creditors have legal recourse against the resolution. Certain aspects of taxation of a reduction of the issued share capital are described in “*Taxation in the Netherlands*”.

Dividends and other distributions

General

The Company may only make distributions to its Shareholders if and insofar as the Company’s equity exceeds the aggregate of the issued capital plus any reserves required to be maintained by Dutch law or the Company’s articles of association from time to time. A distribution of profits other than an interim distribution is only allowed after the adoption of the Company’s (i.e. non-consolidated) annual financial statements, and the information therein will determine if the distribution of profits is legally permitted for the relevant financial year.

The procedure in relation to distributions can be summarised as follows.

Right to reserve

The Management Board, with the prior approval of the Supervisory Board, may decide to allocate all or part of the profits to reserves. In deciding so, the Management Board will take into account the financial condition, earnings, cash needs, capital requirements (including requirements of its subsidiaries) and any other factors that the Management Board and the Supervisory Board deem relevant in making such a determination.

Dividend entitlement Preference Shares and Ordinary Shares

The allocation of profits remaining after any additions to the reserves as described above will be determined by the General Meeting. The Management Board, with the approval of the Supervisory Board, will make a

proposal for the allocation of such profits. Part of that proposal shall be that the Company makes a distribution to the holders of Preference Shares, if any are outstanding, and to the Ordinary Shareholders.

Each Preference Share entitles the holder thereof to the same amount as is distributed on an Ordinary Share plus an additional premium of 1 per cent. over such distribution. This premium may be increased by the Management Board, with the approval of the Supervisory Board, at the time of issue to a maximum of 10 per cent. if considered appropriate by the Management Board in view of the prevailing market conditions. The premium will also apply to any distributions from the Company's reserves or interim distributions. The distribution entitlement of the Preference Shares is not cumulative.

Distributions from reserves

Furthermore, the Management Board may, with the approval of the Supervisory Board, resolve that distributions to Shareholders be made at the expense of one or more of the Company's reserves. In the event of a cancellation with repayment of all Shares of a particular class, a distribution at the expense of the reserves of the Company may be made to the holders of the Shares of that particular class only.

Interim distribution

Subject to Dutch law and the Articles of Association, the Management Board may, with the prior approval of the Supervisory Board, resolve to make an interim distribution of profit insofar as the Company's equity exceeds the aggregate of the issued capital plus any reserves required to be maintained by Dutch law or the Company's articles of association from time to time. For this purpose, the Management Board must prepare an interim statement of assets and liabilities.

Distribution in kind

The Management Board may resolve that a payment of dividend on Shares of the Company be wholly or partly paid by a distribution of Shares. If and when the Management Board has been designated by the General Meeting as authorised to issue Shares, the Management Board shall be authorised to resolve so.

Profit ranking of the Ordinary Shares

All of the Ordinary Shares issued and outstanding on the day following the Scheme of Arrangement becoming operative will rank equally and will be eligible for any profit or other distribution that may be declared on the Ordinary Shares after the date the Scheme of Arrangement becomes operative.

Payment

Payment of any future dividend on Shares in cash will be made in euro unless otherwise determined by the Management Board in its sole discretion. Any dividends on Shares that are paid to Shareholders through Clearstream or Strate will be automatically credited to the relevant Shareholders' accounts. There are no restrictions in relation to the payment of dividends under Dutch law in respect of holders of Shares who are non-residents of the Netherlands other than pursuant to the 1977 Sanction Act (*Sanctiewet 1977*) or otherwise by international sanctions. However, see "*Taxation in the Netherlands*" for a discussion of certain aspects of taxation of dividends and refund procedures for non-tax residents of the Netherlands.

Payments of profit and other payments are announced in a notice. A Shareholder's claim to payments of profit and other payments lapses five years after the day on which the claim became payable. Any profit or other payment that is not collected within this period reverts to the Company. According to the Articles of Association, payments of profit and other payments are payable from a date set by the Management Board.

Dissolution and liquidation

The Company may be dissolved by a resolution of the General Meeting upon the proposal of the Management Board which has been approved by the Supervisory Board. If the General Meeting has resolved to dissolve the Company, the Managing Directors must carry out the liquidation of the Company under the supervision of the Supervisory Directors, unless the General Meeting resolves to appoint one or more other persons as liquidator. During liquidation, the provisions of the Company's articles of association will remain in force to the extent possible.

The balance of the assets of the Company remaining after payment of the debts of the dissolved Company shall be transferred to the Shareholders in proportion to the number of Shares held by each of them.

General Meetings and Voting Rights

General Meetings

General Meetings are held in the Netherlands, in Amsterdam, Rotterdam, Eindhoven, Utrecht or in Haarlemmermeer (including Schiphol Airport). The annual General Meeting must be held at least once a year, within six months after the end of the financial year. Extraordinary General Meetings may be held as often as the Management Board or the Supervisory Board deems necessary. In addition, one or more Shareholders, who solely or jointly represent at least one-tenth of the issued capital of the Company, may request that a General Meeting be convened, the request setting out in detail matters to be considered. If no General Meeting has been held within 42 days of the shareholder(s) making such request, the shareholders will be authorised to request in summary proceedings a District Court to convene a General Meeting. Within three months of it becoming apparent to the Management Board that the equity of the Company has decreased to an amount equal to or lower than one-half of the paid-up part of the capital, a General Meeting will be held to discuss any requisite measures.

Convocation

The convocation of the General Meeting must be published through an announcement by electronic means. The notice must state the business to be discussed, the time and venue of the meeting, the record date, the manner in which persons entitled to attend the General Meeting may register and exercise their rights, the time on which registration for the meeting must have occurred ultimately, as well as the place where the meeting documents may be obtained. The notice must be given by at least such number of days prior to the day of the meeting as required by Dutch law, which is currently 42 days.

Agenda

The agenda for the annual General Meeting must contain certain subjects, including, among other things, the discussion of the annual management report, the adoption of the Annual Accounts, the discussion of any substantial change in the corporate governance structure of the Company and the allocation of the profit, insofar as this is at the disposal of the General Meeting. In addition, the agenda shall include such items as have been included therein by the Management Board, the Supervisory Board or Shareholders (with due observance of Dutch law as described below). If the agenda of the General Meeting contains the item of granting discharge to the Managing Directors and Supervisory Directors concerning the performance of their duties in the financial year in question, the matter of the discharge shall be mentioned on the agenda as separate items for the Management Board and the Supervisory Board respectively. The agenda shall also include such items as one or more Shareholders and others entitled to attend General Meetings, representing, pursuant to the Articles of Association, at least the percentage of the issued and outstanding share capital as required by law (which as at the date of this Prospectus is 3 per cent.), have requested the Management Board

by a substantiated request to include in the agenda, at least 60 days before the day of the General Meeting. No resolutions may be adopted on items other than those which have been included in the agenda.

Procedure at the General Meeting

The General Meeting is chaired by the Chairman or, in his absence, the Deputy-Chairman. Managing Directors and Supervisory Directors may attend a General Meeting. In these General Meetings, they have an advisory vote. The chairman of the General Meeting may decide at his or her discretion to admit other persons to the General Meeting.

Each Shareholder (as well as other persons with voting rights or meeting rights) may attend the General Meeting, address the General Meeting and exercise voting rights pro rata to his or her shareholding, either in person or by proxy. Shareholders may exercise these rights, if they are the holders of Shares on the record date as required by Dutch law, which is currently the 28th day before the day of the General Meeting, and they or their proxy have notified the Company of their intention to attend the General Meeting in writing or by any other electronic means that can be reproduced on paper at the address and by the date specified in the notice of the General Meeting. The convocation notice shall state the record date and the manner in which the persons entitled to attend the General Meeting may register and exercise their rights.

The Management Board may decide that persons entitled to attend General Meetings and vote there may, within a period prior to the General Meeting to be set by the Management Board, which period cannot start prior to the registration date, cast their vote electronically or by post in a manner to be decided by the Management Board. Votes cast in accordance with the previous sentence are equal to votes cast at the meeting.

The Management Board may determine that Shareholders and other persons entitled to attend General Meetings may exercise their voting and attendance rights through electronic means of communication in person or by a written proxy. In order to exercise such rights, the relevant Shareholder or other person entitled to attend such meeting must be identifiable, be able to directly observe the proceedings at the meeting and participate in the discussions and, where applicable, exercise his or her voting rights. The Management Board may specify further conditions on the use of electronic means of participating in General Meetings, provided that such conditions are reasonable and necessary for the identification of participants and the reliability and safety of the communication. The notice of the relevant General Meeting shall specify the details on how to participate through electronic means (when applicable).

Voting rights

Each Ordinary Share confers the right to cast one vote in the General Meeting, unless there are any Preference Shares in issue, in which case each Ordinary Share confers the right to cast 50 votes in the General Meeting. Each Preference Share confers the right to cast one vote in the General Meeting.

Subject to certain exceptions provided by Dutch law or the Company's articles of association, resolutions of the General Meeting shall be adopted by a simple majority of the votes cast without a quorum being required. Pursuant to Dutch law and subject to limited exceptions, no votes may be cast at a General Meeting in respect of Shares which are held by the Company or one of its subsidiaries.

Amendment of the Articles of Association

The General Meeting may resolve to amend the Articles of Association upon a proposal of the Management Board which has been approved by the Supervisory Board. A proposal to amend the Articles of Association must be included in the agenda of the General Meeting. A copy of the proposal, containing the verbatim text of the proposed amendment, must be deposited with the Company for the inspection of every Shareholder

from the date on which notice of the meeting is given until the end of the General Meeting (free of charge). Furthermore, a copy of the proposal will be made available free of charge to Shareholders and other persons holding meetings rights from the day it was deposited until the day of the meeting. A resolution by the General Meeting to amend the Articles of Association requires an absolute majority of the votes cast. A resolution of the General Meeting to amend the Articles of Association which has the effect of reducing the rights attributable to holders of Shares of a particular class is subject to the approval of the meeting of holders of Shares of that class.

APPLICABLE REGULATIONS

The summary of the Dutch and German laws and regulations set forth below is for general information only and contains a description of certain important Dutch and German laws and regulations which are applicable to the Company by virtue of the Admission. This summary does not purport to give a complete overview and should be read in conjunction with, and is qualified in its entirety by reference to, the relevant provisions of Dutch and German law as in force on the date of this Prospectus.

Notification and disclosure of shareholdings

Holders of Shares may be subject to notification obligations under the Dutch Financial Supervision Act. Shareholders are advised to seek professional advice on these obligations. The Company is not a company for which Germany is the country of origin (*Herkunftsstaat*) under Section 2 (6) of the German Securities Trading Act (“**WpHG**”). German notification requirements and disclosure of shareholdings under Section 21 et seq. WpHG do therefore not apply.

Shareholders

Pursuant to the Dutch Financial Supervision Act, any person who, directly or indirectly, acquires or disposes of an actual or potential interest in the capital or voting rights of the Company must immediately notify the AFM by means of a standard form, if, as a result of such acquisition or disposal, the percentage of capital interest or voting rights held by such person in the Company reaches, exceeds or falls below any of the following thresholds: 3 per cent., 5 per cent., 10 per cent., 15 per cent., 20 per cent., 25 per cent., 30 per cent., 40 per cent., 50 per cent., 60 per cent., 75 per cent. and 95 per cent.

A notification requirement also applies if a person’s capital interest or voting rights reaches, exceeds or falls below the above-mentioned thresholds as a result of a change in the Company’s total outstanding share capital or voting rights. Such notification has to be made no later than the fourth trading day after the AFM has published the Company’s notification of the change in its outstanding share capital.

The Company is required to notify the AFM immediately of the changes to its total share capital or voting rights if its issued share capital or voting rights changes by 1 per cent. or more since the Company’s previous notification. The Company must furthermore notify the AFM within eight days after each quarter, in the event its share capital or voting rights changed by less than 1 per cent. in that relevant quarter since the Company’s previous notification.

In addition, every holder of 3 per cent. or more of the Company’s share capital or voting rights whose interest at 31 December at midnight has a different composition than in a previous notification to the AFM must notify the AFM within four weeks. As a result of the expected implementation of EU Directive 2013/50/EU in Dutch law (which implementation must be effected by 26 November 2015), this notification requirement will provide that every holder of 3 per cent. or more of the Company’s share capital or voting rights who, in relation to its previous notification, reaches, exceeds or falls below any of the abovementioned thresholds as a consequence of a different composition by means of an exchange or conversion into shares or the exercise of rights pursuant to an agreement to acquire voting rights, shall notify the AFM at the latest within four trading days.

Controlled entities, within the meaning of the Dutch Financial Supervision Act, do not have notification obligations under the Dutch Financial Supervision Act, as their, direct and indirect, interests are attributed to their (ultimate) parent. Any person may qualify as a parent for the purposes of the Dutch Financial Supervision Act, including an individual. A person who has a 3 per cent. or larger interest in the Company’s share capital or voting rights and who ceases to be a controlled entity for these purposes must immediately

notify the AFM. As of that moment, all notification obligations under the Dutch Financial Supervision Act will become applicable to the former controlled entity.

For the purpose of calculating the percentage of capital interest or voting rights, the following interests must, *inter alia*, be taken into account: (i) shares and voting rights directly held (or acquired or disposed of) by any person; (ii) shares and voting rights held (or acquired or disposed of) by such person's controlled entity or by a third party for such person's account or by a third party with whom such person has concluded an oral or written voting agreement; (iii) voting rights acquired pursuant to an agreement providing for a temporary transfer of voting rights against a payment; (iv) shares which such person (directly or indirectly), or third party referred to above, may acquire pursuant to any option or other right to acquire shares; (v) shares which determine the value of certain cash settled financial instruments such as contracts for difference and total return swaps; (vi) shares that must be acquired upon exercise of a put option by a counterparty; and (vii) shares which are the subject of another contract creating an economic position similar to a direct or indirect holding in those shares. Special attribution rules apply to shares and voting rights which are part of the property of a partnership or other community of property. A holder of a pledge or right of usufruct in respect of shares can also be subject to the reporting obligations, if such person has, or acquires, the right to vote on the shares. The acquisition of (conditional) voting rights by a pledgee or beneficial owner may also trigger the reporting obligations as if the pledgee or beneficial owner were the legal holder of the shares.

For the purpose of the notification obligation, the following instruments qualify as "shares": (i) shares; (ii) depositary receipts for shares (or negotiable instruments similar to such receipts); (iii) negotiable instruments for acquiring the instruments under (i) or (ii) (such as convertible bonds); and (iv) options for acquiring the instruments under (i) or (ii).

Short selling under the Dutch Financial Supervision Act

Gross short positions in shares must also be notified to the AFM. For these gross short positions, the same thresholds apply as for notifying an actual or potential interest in the capital and/or voting rights of a Dutch listed company, as referred to above, and without any set-off against long positions.

Short selling under the Short Selling Regulation and German Law

Short selling transactions are regulated by Regulation (EU) No. 236/2012 of the European Parliament and of the Council of March 2012 on short selling and certain aspects of credit default swaps (the "**Short Selling Regulation**"), the European Commission's implementing and delegated regulations and several provisions of the WpHG, the German Stock Exchange Act (*Börsengesetz*) and the German Banking Act (*Kreditwesengesetz*). According to the Short Selling Regulation, it is prohibited to perform naked short-selling transactions in shares which are admitted to trading on a regulated market or a multilateral trading facility in the European Union.

In addition, pursuant to the Short Selling Regulation, each person holding a net short position in relation to the issued share capital of a company whose shares are admitted to trading on a regulated market or a multilateral trading facility in the European Union (such as the Company) is required to notify the relevant competent authority if such position reaches or falls below 0.2 per cent. of the company's issued share capital or reaches or falls below each percentage of 0.1 per cent. above this 0.2 per cent. The competent authority in relation to the Company will be BaFin. Furthermore, each net short position that reaches or falls below 0.5 per cent. of the company's issued share capital or that reaches or falls below each percentage of 0.1 per cent. above this 0.5 per cent. will have to be publicly disclosed. The applicable percentage of an individual net short position is calculated by deducting any long position that the respective person holds in relation to the specific issued share capital from any short position that this person holds in relation to the same issued share capital.

These provisions and restrictions do not apply to shares if the principal trading venue for the trading of these shares (in terms of turnover) is located in a third country outside the European Union. The competent authority determines at least every two years whether the principal venue for the trading of the respective shares is located in a third country. The Company expects that at least in the near future the JSE will become the principal trading venue for the Shares in terms of turnover.

Disclosure of shareholdings and transactions by management under Dutch law

Each Managing Director and Supervisory Director must notify the AFM: (i) immediately following the Admission of the number of Ordinary Shares he/she holds and the number of votes he/she is entitled to cast in respect of the Company's issued share capital and (ii) subsequently of each change in the number of Ordinary Shares he/she holds and of each change in the number of votes he/she is entitled to cast in respect of the Company's issued share capital, immediately after the relevant change.

Pursuant to the Dutch Financial Supervision Act, any Managing Director and Supervisory Director, as well as any other person who would have managerial or co-managerial responsibilities in respect of the Company or who would have the authority to make decisions affecting future developments and business prospects of the Company regularly having access to inside information relating, directly or indirectly, to the Company, must notify the AFM by means of a standard form of any transactions conducted for his or her own account relating to the Ordinary Shares or in financial instruments the value of which is also based on the value of the Shares.

In addition, in accordance with the Dutch Financial Supervision Act and the regulations promulgated thereunder (e.g., the Dutch Financial Supervision Act Decree on Market Abuse (*Besluit Marktmisbruik Wft*)), certain persons who are closely associated with Managing Directors, Supervisory Directors or any of the other persons as described above are required to notify the AFM of any transactions conducted for their own account relating to the Shares or in financial instruments the value of which is also based on the value of the Ordinary Shares. The Dutch Financial Supervision Act and the regulations promulgated thereunder cover, *inter alia*, the following categories of persons: (i) the spouse or any partner considered by national law as equivalent to the spouse; (ii) dependent children; (iii) other relatives who have shared the same household for at least one year at the relevant transaction date; and (iv) any legal person, trust or partnership whose managerial responsibilities, among other things, are discharged by a person referred to under (i) to (iii) above or by the relevant Managing Director, the Supervisory Director or other person with any authority in respect of the Company as described above.

The AFM must be notified of transactions effected in either the Ordinary Shares or financial instruments, the value of which is (in part) determined by the value of the Ordinary Shares, no later than the fifth business day following the transaction date by means of a standard form or by using the digital portal made available by the AFM. Notification may be postponed until the date the value of the transactions carried out on that person's own account, together with the transactions carried out by the persons associated with that person, reaches or exceeds the amount of €5,000 in the calendar year in question.

If a Managing Director or Supervisory Director has notified a transaction to the AFM under the Dutch Financial Supervision Act as described above under “– *Shareholders*” above, such notification is sufficient for the purposes of the Dutch Financial Supervision Act as described in this paragraph.

Disclosure of shareholdings and transactions by management under German law

Pursuant to Section 15a WpHG, persons discharging managerial responsibilities for an issuer of shares admitted to trading on a stock exchange in Germany (such as the Company) are obliged to notify the issuer and BaFin of their own transactions in shares of the issuer or financial instruments linked to these shares, in particular derivatives, within five business days. This obligation also applies to other parties who are closely associated with such persons. Parties who are closely associated include: spouses, registered civil partners,

dependent children and other relatives living in the same household as the person discharging managerial responsibilities for a period of at least one year at the point when the transaction subject to disclosure is concluded as well as, subject to certain preconditions, legal persons, companies and other organisations. This notification requirement does not apply as long as the total sum of transactions by a person discharging managerial responsibilities and parties closely associated with such person is less than EUR 5,000 by the end of the calendar year. If an issuer in Germany has received a notification pursuant to Section 15a WpHG from a person who is subject to the notification requirement, it must publish this notification without undue delay and must transmit this notification without undue delay to BaFin for publication.

Consequences of non-compliance under Dutch law

Non-compliance with the notification obligations under the Dutch Financial Supervision Act could lead to criminal fines, administrative fines, imprisonment or other sanctions. In addition, non-compliance with some of the notification obligations under the Dutch Financial Supervision Act may lead to civil sanctions, including suspension of the voting rights relating to the Shares held by the offender for a period of not more than three years, voiding of a resolution adopted by the General Meeting in certain circumstances and ordering the person violating the disclosure obligations to refrain, during a period of up to five years, from acquiring Shares and/or voting rights in Shares.

Consequences of non-compliance under German law

Non-compliance with the German rules on disclosure of transactions by management members could lead to administrative fines. In addition, BaFin may under certain conditions publicly disclose individual acts of non-compliance on its website (so-called naming and shaming).

Dutch public registry

The AFM does not issue separate public announcements of the notifications made with it. It does, however, keep a public register of all notifications under the Dutch Financial Supervision Act on its website (www.afm.nl). Third parties can request to be notified automatically by e-mail of changes to the public register in relation to a particular company's shares or a particular notifying party.

German public registry

BaFin does not keep an official public registry of the notifications made with it. Certain notifications, however, are publicly accessible through BaFin's website (www.Bafin.de), the German Company Register (*Unternehmensregister*) and/or the German Federal Gazette (*Bundesanzeiger*).

Insider trading and market manipulation

Dutch and German laws contain specific rules intended to prevent insider trading and market manipulation.

Pursuant to the applicable rules on insider trading and market manipulation, the Company has adopted a policy on insider trading and communications for transactions in its securities.

Dutch law

The Dutch Financial Supervision Act provides for specific rules intended to prevent market abuse, such as the prohibitions on insider trading, divulging inside information and tipping off, and market manipulation. The Company will be subject to the Dutch insider trading prohibition (in particular, if it trades in its own Shares or in financial instruments the value of which is (co-)determined by the value of the Shares), the Dutch prohibition on divulging insider information and tipping off and the Dutch prohibition on market manipulation. The Dutch prohibition on market manipulation may mean that certain restrictions apply to the ability of Company to buy back its Shares. In certain circumstances, the Company's investors can also be subject to the Dutch market abuse rules.

German law

The applicable insider trading rules (Section 12 et seq. WpHG) in particular prohibit the use of inside information to acquire or dispose of securities for one's own account or for the account or on behalf of a third party; or to disclose or make available inside information to a third party without the authority to do so or to recommend, on the basis of inside information, that a third party acquire or dispose of insider securities, or to otherwise induce a third party to do so. The prohibition of market manipulation (Section 20a WpHG) in particular forbids (i) the making of false or misleading statements regarding circumstances which are significant for the valuation of the Shares and (ii) failure to disclose such circumstances, provided that such statements, or such failure to disclose, are likely to have an effect on the stock exchange or other market price of the Shares. Failure to comply with these requirements could lead to the imposition of administrative fines and criminal sanctions.

Ad hoc disclosure obligations

As the Company does not qualify as an issuer (*uitgevende instelling*) within the meaning of Section 5:25i of the Dutch Financial Supervision Act, the ad hoc disclosure obligations set out in that provision do not apply to the Company. The Company is however subject to ad hoc disclosure obligations under German law. In particular, pursuant to Section 15 WpHG, an issuer must, without undue delay, publish all inside information which directly concerns that issuer and transmit such inside information to the German Company Register.

Inside information is any specific information about circumstances which are not public knowledge relating to one or more issuers of insider securities, or to the insider securities themselves, which, if it became publicly known, would likely have a significant effect on the stock exchange or market price of the insider security (Section 13 of WpHG). Such likelihood is deemed to exist if a reasonable investor would take the information into account for investment decisions. According to Section 12 WpHG, insider securities are financial instruments admitted to trading on a German stock exchange or included in the regulated market (*regulierter Markt*) or the regulated unofficial market (*Freiverkehr*). Securities shall be deemed admitted to trading on an organised market or included on the regulated market or the regulated unofficial market if the application for such admission or inclusion has been made or publicly announced. Examples of inside information include being aware of the fact that a company is about to undertake an operation that will increase (or decrease) its capital or to acquire a qualifying holding in another company. Any violation of the German rules on ad hoc notifications may constitute an administrative offence or a criminal offence.

Furthermore, pursuant to the Dutch Financial Supervision Act, the Company will be required to make public without delay any change in the rights attaching to the Shares and/or any rights to subscribe for Shares issued by the Company.

Financial reporting

Dutch law

The Netherlands is the home member state (*lidstaat van herkomst*) of the Company for the purposes of Directive 2004/109/EC (the “**Transparency Directive**”) as amended by Directive 2010/73/EU, as a consequence of which the Company will be subject to the Dutch Financial Supervision Act in respect of certain ongoing transparency and disclosure obligations upon listing of the Ordinary Shares.

The Company must publish its annual accounts within four months after the end of each financial year and its half-yearly figures within two months after the end of the first six months of each financial year. Within five calendar days after adoption of its annual accounts, the Company must file its adopted annual accounts with the AFM. As a result of the expected implementation of EU Directive 2013/50/EU in Dutch law, the two

month period to publish half-yearly figures will be extended to three months. For the requirement of the FSE to publish half-yearly figures quarterly reports, see below under “– *German law*”.

During a period between 10 weeks after the start and six weeks before the end of each half of the financial year, the Management Board must prepare an interim statement and make it publicly available. The interim statement includes an explanation of the important events and transactions that took place during the period between the start of the financial year and publication of the interim statement and the consequences for the financial position of the Company and its controlled entities. The interim statement also includes a general description of the financial position and the performance of the Company and its controlled entities during that period. As a result of the expected implementation of EU Directive 2013/50/EU in Dutch law, it is contemplated that the requirement to prepare interim statements is to be abolished. Instead, this section of the Dutch Financial Supervision Act will introduce the obligation for issuers active in the extractive or logging of primary forest industries to prepare an annual report on payments made to governments as stated in Article 6 of EU Directive 2013/50/EU. For the requirement of the FSE to publish quarterly reports, see below under “– *German law*”.

German law

The rules of the Transparency Directive on ongoing transparency and disclosure obligations have been introduced to German law mainly in Sections 37v et seq. WpHG. In particular, pursuant to Section 37v WpHG, an issuer of securities whose Member State of origin is not Germany but whose shares are listed only on a regulated market in Germany, must publish its annual accounts within four months after the end of each financial year. As a result of the implementation of EU Directive 2013/50/EU in German law (which implementation must be effected by 26 November 2015), the half-yearly financial reports must be filed within three months after the end of the first six months of each financial year pursuant to Section 37w WpHG. The Company is subject to Section 51 of the Rules of the Frankfurt Stock Exchange (*Börsenordnung für die Frankfurter Wertpapierbörse*) and will accordingly prepare and publish a quarterly financial report within two months of the end of the relevant quarter.

Dutch Financial Reporting Supervision Act

On the basis of the Dutch Financial Reporting Supervision Act (*Wet toezicht financiële verslaggeving*) (the “FRSA”), the AFM supervises the application of financial reporting standards by, among others, companies whose corporate seats are in the Netherlands and whose securities are listed on a regulated Dutch or foreign stock exchange, such as the Company.

Pursuant to the FRSA, the AFM has an independent right to (i) request an explanation from the Company regarding its application of the applicable financial reporting standards if, based on publicly known facts or circumstances, it has reason to doubt that the Company’s financial reporting meets such standards and (ii) recommend the Company to make available further explanations. If the Company does not comply with such a request or recommendation, the AFM may request that the enterprise chamber of the court of appeal in Amsterdam (*Ondernemingskamer van het Gerechtshof te Amsterdam*) (the “**Enterprise Chamber**”) orders the Company to (i) provide an explanation of the way it has applied the applicable financial reporting standards to its financial reports or (ii) prepare its financial reports in accordance with the Enterprise Chamber’s instructions.

Rules Governing Obligations of Shareholders to Make a Public Takeover Bid

In accordance with Directive 2004/25/EC, each Member State should ensure the protection of minority shareholders by obliging any person that acquires control of a company to make an offer to all the holders of that company's voting securities for all their holdings at an equitable price.

Directive 2004/25/EC applies to all companies governed by the laws of a Member State of which all or some voting securities are admitted to trading on a regulated market in one or more Member States. The laws of the Member State in which a company has its registered office will determine the percentage of voting rights that is regarded as conferring control over that company.

Dutch law

In accordance with article 5:70 of the Dutch Financial Supervision Act, any person – whether acting alone or in concert with others – who, directly or indirectly, acquires a controlling interest in the Company will be obliged to launch a mandatory public offer for all outstanding shares in the share capital of the Company. A controlling interest is deemed to exist if a (legal) person is able to exercise, alone or acting in concert, at least 30 per cent. of the voting rights in the General Meeting. An exception is made for, among others, Shareholders who – whether alone or acting in concert with others: (i) have an interest of at least 30 per cent. of the Company's voting rights before the Ordinary Shares are first admitted to trading on the FSE and who still have such an interest after such first admittance to trading, and (ii) reduce their holding to below 30 per cent. of the voting rights within 30 days of the acquisition of the controlling interest, provided that (a) the reduction of their holding was not effected by a transfer of Shares to an exempted party and (b) during such period, such Shareholders or group of Shareholders did not exercise their voting rights.

The rules under the Dutch Financial Supervision Act regarding mandatory public offers apply to the Company because it has its corporate seat in the Netherlands. However, as the Ordinary Shares are not admitted to trading on a regulated market in the Netherlands but will be admitted to trading on the FSE, the Dutch Decree on public offers (*Besluit openbare biedingen Wft*) will only apply in relation to matters relating to information to be provided to trade unions and employees and company law matters, including the convocation of a General Meeting in the event of a public offer and a position statement of the Company.

German law

In the case of a mandatory public offer, the provisions regarding the offered consideration, the content of the offer document and the bid procedure will be governed by German law pursuant to Section 1 of the German Securities Acquisition and Takeover Act (“**WpÜG**”). Pursuant to Section 31 WpÜG, the offeror must offer the shareholders of the target company adequate consideration. In determining the adequate consideration, the average stock exchange price of the shares and acquisitions of shares of the target company by the offeror, persons acting in concert with him or their subsidiaries shall generally be taken into account. In principle the higher of (i) the volume weighted average German share price in the three months prior to the publication of acquiring a controlling interest or (ii) the highest price the offeror has paid or agreed to pay for any shares of the target company within the last six months before the publication of the offer document, if any, is the minimum price that is to be offered as adequate consideration. The consideration can be in cash or in liquid shares. However, if the offeror, persons acting in concert with the offeror or their subsidiaries have acquired or agreed to acquire at least 5 per cent. of the shares or voting rights for cash in the six months prior to the publication of acquiring a controlling interest until the end of the acceptance period, a cash alternative has to be offered. The offered consideration is increased to such price paid or agreed to be paid if the offeror, persons acting in concert with the offeror or their subsidiaries acquire shares of the target company during the course of the mandatory public offer and pay or agree to pay a price higher than the offered consideration under the mandatory public offer. If within one year after the end of the mandatory public offer the offeror, persons acting in concert with the offeror or their subsidiaries acquire shares of the target company outside of

a stock exchange and pay or agree to pay a price higher than the offered consideration under the mandatory public offer, the shareholders who have accepted the mandatory public offer are entitled to be paid the difference between the higher price and the offered consideration.

Squeeze-out Proceedings

Pursuant to Section 2:92a of the DCC, a shareholder who for his or her own account contributes at least 95 per cent. of a Dutch company's issued share capital may institute proceedings against such company's minority shareholders jointly for the transfer of their shares to him or her. The proceedings are held before the Enterprise Chamber and can be instituted by means of a writ of summons served upon each of the minority shareholders in accordance with the provisions of the Dutch Code of Civil Procedure (*Wetboek van Burgerlijke Rechtsvordering*). The Enterprise Chamber may grant the claim for squeeze-out in relation to all minority shareholders and will determine the price to be paid for the shares, if necessary after appointment of one or three experts who will offer an opinion to the Enterprise Chamber on the value to be paid for the shares of the minority shareholders. Once the order to transfer becomes final before the Enterprise Chamber, the person acquiring the shares shall give written notice of the date and place of payment and the price to the holders of the shares to be acquired whose addresses are known to him. Unless the addresses of all of them are known to him, he is required to publish the same in a daily newspaper with nationwide circulation.

Pursuant to Section 2:359c of the DCC, the offeror under a public takeover bid is also entitled to start squeeze-out proceedings if, following the public takeover bid, the offeror contributes at least 95 per cent. of the outstanding share capital and represents at least 95 per cent. of the total voting rights. The claim of a takeover squeeze-out needs to be filed with the Enterprise Chamber within three months following the expiry of the acceptance period of the offer. The Enterprise Chamber may grant the claim for squeeze-out in relation to all minority shareholders and will determine the price to be paid for the shares, if necessary after appointment of one or three experts who will offer an opinion to the Enterprise Chamber on the value to be paid for the shares of the minority shareholders. In principle, the offer price is considered reasonable if the offer was a mandatory offer or if at least 90 per cent. of the shares to which the offer related were received by way of voluntary offer.

Section 2:359d of the DCC also entitles those minority shareholders that have not previously tendered their shares under an offer to transfer their shares to the offeror, provided that the offeror has acquired at least 95 per cent. of the outstanding share capital and represents at least 95 per cent. of the total voting rights. In regard to price, the same procedure as for takeover squeeze-out proceedings initiated by an offeror applies. The claim also needs to be filed with the Enterprise Chamber within three months following the expiry of the acceptance period of the offer.

TAXATION IN GERMANY

The following sections describe a number of key German taxation principles that may be relevant to purchasing, holding or transferring the Ordinary Shares, given that the Company is tax resident in the Republic of South Africa. The information provided does not constitute a comprehensive or definitive explanation of all possible aspects of taxation in this area. This summary is based on applicable German tax law as at the date hereof, including the double taxation treaty that Germany has concluded with the Republic of South Africa. It should be noted that the legal situation may change, including, in certain cases, with retroactive effect.

Persons interested in purchasing Ordinary Shares should seek advice from their own tax counsel regarding the tax implications of purchasing, holding, disposing, donating and bequeathing Ordinary Shares, and the regulations on reclaiming previously withheld withholding tax (*Kapitalertragsteuer*). Due consideration to a shareholder's specific tax-related circumstances can only be given within the scope of an individual tax consultation.

Shareholders of the Company are subject to taxation in connection with the holding of Ordinary Shares (see “– *Taxation of Dividends*”), the disposal of Ordinary Shares (see “– *Taxation of Capital Gains*”) and the gratuitous transfer of Ordinary Shares (see “– *Inheritance and Gift Tax*”).

Taxation of Dividends

Provided that the Ordinary Shares are kept by a German resident shareholder in custody with a German Disbursing Agent (as defined below), dividends paid by a non-German company are generally subject to German withholding tax (*Kapitalertragsteuer*) at a rate of 25 per cent. on the amount of the distribution. A solidarity surcharge (*Solidaritätszuschlag*) of 5.5 per cent. is also levied on the withholding tax amount, resulting in a total withholding of 26.375 per cent. (plus church tax (*Kirchensteuer*), if any). The assessment basis for the withholding tax is the dividend approved by the general meeting.

In the case of dividends paid by a non-German corporation, German withholding tax is generally withheld regardless of whether and to what extent the dividend is exempt from tax at the level of a German tax resident shareholder whose shares are kept in custody with a German custodian, whereas no German withholding tax should be imposed on such dividends paid to non-German shareholders whose shares are kept in custody with a German custodian. As the Ordinary Shares are held in collective safe custody (*Sammelverwahrung*) with a German tax resident central securities depository (*Wertpapiersammelbank*), the withholding tax is withheld and discharged for the account of the German tax resident shareholders by the domestic branch of the domestic or foreign credit or financial services institution (*inländisches Kredit- oder Finanzdienstleistungsinstitut*), by the domestic securities trading company (*inländisches Wertpapierhandelsunternehmen*) or the domestic securities trading bank (*inländische Wertpapierhandelsbank*) which keeps and administers the shares and disburses or credits the dividends (hereinafter referred to as “**German Disbursing Agent**”). The Company assumes no responsibility for the withholding of German taxes at the source.

It is currently unclear if and to what extent it is possible under current law for a German shareholder to claim a tax neutral repayment of capital status for informal capital repayments by a corporation which is subject to unlimited residence taxation outside the European Union (such as in the Republic of South Africa) to German shareholders. There is a court case pending before the Federal Tax Court in this respect. If and to the extent capital repayment treatment is accepted, such payments should reduce the acquisition costs of the Ordinary Shares in the hands of the respective German shareholder. This may then result in a greater amount of taxable capital gain upon the respective shareholder's subsequent sale of the Ordinary Shares. To the extent that such

capital repayments would exceed the acquisition costs of the Ordinary Shares, a capital gain should be recognised by the shareholder, which may be subject to tax in accordance with the provisions outlined below.

Dividends paid on Ordinary Shares which are held as business assets of the shareholder are, subject to certain requirements, not subject to German withholding tax. The German Disbursing Agent holding the Ordinary Shares in custody should refrain from the imposition of withholding tax, provided that (i) the shareholder is a corporation, association of persons or estate with a tax domicile in Germany, or (ii) the Ordinary Shares belong to the domestic business assets of a shareholder and such shareholder declares this fact to the German Disbursing Agent on the designated official form. If, in the case of Ordinary Shares held as business assets, withholding tax is imposed by the German Disbursing Agent, such withholding tax amounts (including the solidarity surcharge thereon and church tax, where applicable) should be credited against the income tax or corporate income tax liability (including the solidarity surcharge thereon and church tax, where applicable) or will be refunded in the amount of any excess.

In the case of individuals having neither their place of residence nor their habitual abode in Germany, as well as corporations whose statutory seat and whose place of management is outside of Germany, dividends paid by the Company on Ordinary Shares held in custody with a German Disbursing Agent should not be subject to a German limited tax liability subject to certain exceptions (see “– *Shareholders Tax Resident Outside Germany*” below). Absent a German limited tax liability, no German withholding tax should be levied.

Shareholders Tax Resident in Germany

Ordinary Shares Held as Part of the Private Assets of Individuals

The tax liability applicable to dividend payments to individual shareholders who are German tax residents and who hold shares as part of their private assets is generally satisfied by withholding a flat tax (*Abgeltungsteuer*) of 25 per cent. plus solidarity surcharge of 5.5 per cent. thereon, resulting in a total tax rate of 26.375 per cent. (plus church tax, if any) as described above (see “— *Taxation of Dividends*”). Income-related expenses incurred in connection with private investment income are not tax deductible. The only deduction that may be made is an annual flat-rate savings allowance (*Sparer-Pauschbetrag*) of €801 (€1,602 for investors filing jointly; (*Zusammenveranlagung*)) on all private investment income (*Einkünfte aus Kapitalvermögen*).

Shareholders may apply for the whole amount of their investment income, including dividends, to be taxed at the progressive income tax rate based on their personal circumstances instead of the flat-rate withholding tax if this results in a lower tax liability. For such cases, the German tax authorities and the German Federal Fiscal Court (Ref.: VIII R 13/13) take the view that it is also not possible to deduct any income-related expenses other than the flat-rate savings allowance. Furthermore, dividend income can generally only be relieved by losses from investment income (excluding losses generated by the disposal of shares).

South African withholding taxes may be creditable against the German income tax allocable to the dividend income, subject to the general foreign tax credit limitations and up to a maximum amount of 25 per cent.

Shareholders may be liable for church tax, which is generally determined by means of an income tax assessment. However, shareholders may generally request that the German Disbursing Agent withholds church tax in order to satisfy this church tax liability. With regards to dividends received after 31 December 2014, an automatic procedure for deduction of church tax by way of withholding applies unless the shareholder has filed a blocking notice (*Sperrvermerk*) with the German Federal Central Tax Office.

Individual shareholders who privately hold, directly or indirectly, an interest of at least 25 per cent. in the Company, and shareholders who privately hold, directly or indirectly, at least 1 per cent. in the Company and work for the Company, may apply for an exemption from the flat-rate withholding tax. In this case, 60 per

cent. of the dividends paid to the shareholder are subject to income tax according to the applicable rate plus solidarity surcharge thereon. Expenses incurred in connection with dividend income are then generally 60 per cent. tax-deductible. The levied withholding tax is offset against the income tax and any excess withholding tax is refunded. Dividend payments that are made using funds from the tax contribution account (*steuerliches Einlagekonto*) are generally, subject to certain prerequisites, not taxable.

Ordinary Shares Held as Part of the Business Assets of an Incorporated Entity

Dividends paid to corporations that are German tax residents and subject to corporate income tax (*Körperschaftsteuer*) are generally exempt from tax, provided that the incorporated entity holds a direct participation of at least 10 per cent. in the share capital of the Company at the beginning of the calendar year in which the dividends are paid. The acquisition of a participation of at least 10 per cent. in the course of a calendar year is deemed to have occurred at the beginning of such calendar year for the purpose of this rule. Similar rules may apply to participations in the share capital of the Company which a corporate shareholder holds through a partnership, including co-entrepreneurships (*Mitunternehmerschaften*), depending on the share ownership ratio and further circumstances.

However, 5 per cent. of the tax-exempt dividends received by a German corporate shareholder are treated as non-deductible business expenses and are subject to tax. Business expenses actually incurred in connection with dividend income from a tax perspective are generally tax-deductible.

For trade tax (*Gewerbesteuer*) purposes, dividends are only exempt as described above if, *inter alia*, the entity that is receiving the dividends held a stake of at least 15 per cent. in the share capital of the Company. Otherwise, the dividends will be fully subject to trade tax.

If the German Disbursing Agent imposes German withholding tax, the withholding tax amounts should be creditable against the corporate income tax due and any excess withholding tax should be refundable. The same applies to the solidarity surcharge, which is levied in addition to the corporate income tax. Dividend payments that are made using funds from the tax contribution account (*steuerliches Einlagekonto*) are generally, subject to certain prerequisites, not taxable.

South African dividend withholding tax would not be creditable in the hands of a German corporate shareholder if and to the extent the dividends received exemption under German corporate income tax laws.

Ordinary Shares Held as Part of the Business Assets of a Sole Proprietor

60 per cent. of the dividends paid to individuals who are German tax residents and who hold Ordinary Shares as part of their business assets are subject to income tax according to the applicable rate. A solidarity surcharge of 5.5 per cent. of this amount also applies. Any levied withholding tax is offset against the personal income tax due and any excess amount is refunded. The same applies to the solidarity surcharge. Business expenses incurred in connection with dividend income from a tax perspective are generally only 60 per cent. tax-deductible. The dividends are also subject to trade tax, which is fully or partly credited towards the individual's income tax by a lump-sum method. The dividends may be exempt from trade tax, provided that, *inter alia*, the shareholder held at least 15 per cent. of the Company's share capital.

Ordinary Shares Held as Part of the Business Assets of a Commercial Partnership

Income tax or corporate income tax (in each case including solidarity surcharge) is not levied at the level of the partnership (*Mitunternehmerschaft*) but rather at the level of the respective partner. The level of taxation for each partner depends on whether the partner is a corporation or an individual. If the partner is a corporation, the dividends contained in its profit share are treated for corporate income tax purposes in accordance with the principles applicable to corporations (see “– *Ordinary Shares Held as Part of the Business Assets of an Incorporated Entity*”). If the partner is an individual and the shares are held as business

assets of the partnership, dividends contained in their profit share are generally taxed in accordance with the principles applicable to sole proprietors (see “– *Ordinary Shares Held as Part of the Business Assets of a Sole Proprietor*”). Subject to certain conditions, an individual partner may be able to request that its personal income tax be lowered on a current basis for earnings not withdrawn from the partnership.

If the partnership is liable for trade tax, it is levied at the level of the partnership. If an individual holds an interest in the partnership, the proportionate trade tax may be credited fully or partly towards the individual's income tax by means of a lump-sum method. The dividends may be exempt from trade tax, provided that, *inter alia*, the indirect pro rata shareholding of the German corporate partner through the partnership in the Company was at least 15 per cent. of the Company's share capital from the beginning of the relevant trade tax assessment period, and provided the shareholder can prove that the dividends are sourced from active underlying income.

Ordinary Shares Held as Part of the Assets of Certain Companies in the Financial and Insurance Sector

The tax exemption applicable to dividends does not apply to dividends paid to certain companies in the financial and insurance sector unless the counter-exception in section 8b para 9 of the German Corporate Income Tax Act applies.

Dividends from shares that are part of the trading books of banks and financial services institutions, as well as dividends from shares that are acquired by certain financial enterprises with the aim of generating a short-term proprietary trading profit, are, subject to the non-application of section 8b para 9 of the German Corporate Income Tax Act, fully liable for corporate income tax (plus solidarity surcharge). If the stake held at the beginning of the relevant assessment period is 15 per cent. or higher, subject to certain conditions, the dividends can be fully exempted from trade tax. Dividends from shares that are classified as investments in the case of life insurers, health insurers and pension funds are, subject to the non-application of section 8b para 9 of the German Corporate Income Tax Act, fully subject to corporate income tax and trade tax.

Shareholders Tax Resident Outside Germany

Dividends paid to shareholders who are not German tax residents (individuals and corporations) should generally not be subject to German taxation (see “– *Taxation of Dividends*”).

However, if the Ordinary Shares are held as part of business assets in Germany (that is, via a permanent establishment or as part of business assets for which a permanent representative in Germany has been appointed), the provisions outlined above with respect to the taxation of shareholders that are German tax residents holding the Ordinary Shares principally as business assets apply accordingly. If the German Disbursing Agent imposes German withholding tax, the withholding tax amounts should be credited towards the shareholder's income tax or corporate income tax liability or refunded in the amount of any excess paid.

Taxation of Capital Gains

Shareholders Tax Resident in Germany

Ordinary Shares Held as Part of the Private Assets of Individuals

Capital gains from the sale of shares which were acquired after 31 December 2008 are generally classified as investment income and are subject to income tax (plus solidarity surcharge and church tax, if any) irrespective of how long the shares have been held.

If the Ordinary Shares are held in custody or administered by a German Disbursing Agent, the tax on the capital gains will in general be discharged for the account of the seller by the German Disbursing Agent imposing the withholding tax on investment income at the rate of 25 per cent. (plus 5.5 per cent. solidarity

surcharge, resulting in a total withholding of 26.375 per cent., and church tax, if any) in the case of shares held as private assets. The taxable capital gain is calculated by deducting the acquisition costs of the Ordinary Shares and the expenses directly related to the disposal from the proceeds of the disposal.

A shareholder's income tax and solidarity surcharge liability is generally satisfied through the withholding of the German withholding tax. Shareholders may, however, request that a tax assessment be carried out on their investment income if this results in a lower tax liability. Investment income may be reduced only by a flat-rate savings allowance of €801 (€1,602 for investors filing jointly); it is not possible to deduct income-related expenses actually incurred except for expenses incurred directly in connection with the disposal for the purposes of calculating a capital gain or loss from the disposal of shares. Capital gains generated by the disposal of shares can be offset against any type of losses from investment income while capital losses incurred from the disposal of shares can only be offset against capital gains from the disposal of shares. Shareholders may be liable for church tax, which is generally determined by means of an income tax assessment. However, shareholders may request that the German Disbursing Agent withholds church tax in order to satisfy this church tax liability. With regards to capital gains received after 31 December 2014, an automatic procedure for deduction of church tax by way of withholding applies unless the shareholder has filed a blocking notice (*Sperrvermerk*) with the Federal Central Tax Office.

If the shareholder making the disposal or, in the event of a sale of shares acquired without consideration, its legal predecessor held a direct or indirect stake of at least 1 per cent. in the Company's share capital at any time in the five years preceding the disposal, any capital gains realised are deemed to be trading income such that the withholding tax levied on the capital gains does not satisfy the tax liability. The capital gains are 60 per cent. taxable at the individual tax rate of the shareholder. The withholding tax and solidarity surcharge withheld are credited towards the shareholders' tax liability or refunded in the amount of any excess paid on their tax assessment.

Ordinary Shares Held as Part of the Business Assets of an Incorporated Entity

Gains from the disposal of shares held by incorporated entities that are German tax residents are generally not subject to withholding tax and are in principle exempt from corporate income tax and trade tax. However, 5 per cent. of the capital gains are deemed non-deductible business expenses and are thus subject to corporate income tax (plus solidarity surcharge) and, if the shares are held as part of the commercial business assets in Germany, to trade tax. Consequently, capital gains are generally 95 per cent. exempt from tax. As a rule, losses on disposals and other profit reductions in connection with the shares sold may not be deducted as business expenses. According to current legislative intentions, the (partial) tax exemption for capital gains from a disposal of shares shall only be available if a corporate investor holds at least 10 per cent. in the share capital of a corporation.

Ordinary Shares Held as Part of the Business Assets of a Sole Proprietor

Gains from the disposal of shares held by individuals are not subject to withholding tax if the disposal proceeds are part of the business income of a business based in Germany and the shareholder declares this fact to the German Disbursing Agent on the designated official form. If withholding tax including solidarity surcharge was levied, the amounts withheld are instead credited towards the seller's income tax (plus solidarity surcharge) liability or refunded in the amount of any excess paid. 60 per cent. of the gains from the disposal of the shares are subject to income tax (plus solidarity surcharge and church tax, if any) at the individual tax rate of the shareholder and, if the shares are held as part of commercial business assets in Germany, to trade tax. The trade tax is (partially) credited to the shareholder's personal income tax by means of a lump-sum method. Generally, only 60 per cent. of the losses on disposals and business expenses commercially linked to the shares sold may be deducted.

Ordinary Shares Held as Part of the Business Assets of a Commercial Partnership

Income tax or corporate income tax is not levied at the level of the partnership (*Mitunternehmerschaft*) but at the level of the respective partner. If shares are held as business assets of the partnership, taxation is determined as if the partner held a direct interest in the Company, according to the rules outlined above depending on whether the partner is a corporation (see “– *Taxation of Capital Gains – Ordinary Shares Held as Part of the Business Assets of an Incorporated Entity*”) or an individual (see “– *Taxation of Capital Gains– Ordinary Shares Held as Part of the Business Assets of a Sole Proprietor*”). Upon request and subject to further conditions, a partner that is an individual may, subject to certain conditions, have its personal income tax lowered for earnings not withdrawn from the partnership.

For a partnership, capital gains are subject to trade tax if the shares are part of the business assets of a German business operation of the partnership. 5 per cent. of these gains are subject to trade tax insofar as they relate to the profit share of a partner that is a corporation and 60 per cent. insofar as they relate to the profit share of a partner that is an individual. In the latter case, the trade tax is (partially) credited to the partner’s personal income tax by means of a lump-sum method.

Ordinary Shares Held as Part of Assets of Certain Companies in the Financial and Insurance Sector

Capital gains realised by certain companies in the financial and insurance sector are, as an exception to the aforementioned rules, fully taxable. This applies to gains from the disposal of shares in the trading books of banks and financial services companies, to gains from the disposal of shares that were acquired by financial enterprises with the aim of generating a short-term proprietary trading profit, as well as to gains from the disposal of shares held as investments by life insurers, health insurers and pension funds. In turn, capital losses are generally fully tax deductible.

Shareholders Tax Resident Outside Germany

Gains from the disposal of shares held by shareholders that are not German tax residents (individuals and corporations) should generally not be subject to German taxation.

Gains from the disposal of shares held as part of German business assets (that is, via a permanent establishment or as part of business assets for which a permanent representative in Germany has been appointed) by non-resident shareholders are taxed in Germany principally according to the same provisions that apply to the taxation of shareholders that are German tax residents holding the shares as business assets (see “– *Taxation of Dividends – Shareholders Tax Resident Outside Germany*”).

Inheritance and Gift Tax

The transfer of shares to another person upon death or as a gift is generally subject to German inheritance or gift tax in the following circumstances:

- (i) the place of residence, customary place of abode, place of management or registered office of the testator, the donor, the heir, the one or another acquirer is, at the time of the asset transfer, in Germany, or such person, as a German national, has not spent more than five consecutive years outside Germany without having a place of residence in Germany;
- (ii) the testator’s or donor’s shares were part of business assets for which there was a place of business in Germany or for which a permanent representative was appointed; or
- (iii) the testator, at the time of death, or the donor, when the gift was made, held a direct or indirect interest of at least 10 per cent. of the Company’s share capital either alone or jointly with other persons closely connected to them.

The small number of double taxation treaties regarding inheritance and gift tax that Germany has concluded to date (no such treaty is in place between the Republic of South Africa and Germany) generally provide for German inheritance or gift tax only to be levied in the cases under (i) and, subject to certain restrictions, in the cases under (ii) above. Special arrangements apply to certain German nationals and former German nationals living outside Germany.

Other Taxes

No German capital transfer tax, value added tax, stamp duty or similar taxes are levied on the purchase or disposal of shares or other forms of share transfer. Wealth tax is currently not levied in Germany. However, an entrepreneur can opt to pay value-added tax on the sale of shares, despite being generally exempt from value-added tax, if the shares are sold to another entrepreneur for the entrepreneur's business. The European Commission has published a draft directive for the introduction of a financial transaction tax to be implemented in 11 member states of the European Union (including Germany). It is currently expected that the financial transaction tax enters into force, at the earliest, by 1 January 2016 applying to financial transactions, including second market transactions over the Ordinary Shares.

TAXATION IN THE NETHERLANDS

The Company is considered tax resident in the Republic of South Africa under the tax rules of the Republic of South Africa and under the double taxation treaty between the Netherlands and South Africa.

The following summary of certain Dutch taxation matters is based on the laws and practice in force as at the date of this Prospectus and is subject to any changes in law and the interpretation and application thereof, which changes could be made with retroactive effect. The following summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to acquire, hold or dispose of an Ordinary Share, and does not purport to deal with the tax consequences applicable to all categories of investors.

Except for the section “*Withholding tax*” below, this summary does not describe the Dutch tax consequences for an individual or non-resident entity holding an Ordinary Share which individual or non-resident entity has or will have a substantial interest or a deemed substantial interest in the Company.

Generally speaking, an individual holding an Ordinary Share has a substantial interest in the Company if (a) such individual, either alone or together with his partner, directly or indirectly has, or (b) certain relatives of such individual or his partner, directly or indirectly have, (i) the ownership of, a right to acquire the ownership of, or certain rights over, shares representing 5 per cent. or more of either the total issued and outstanding capital of the Company or the issued and outstanding capital of any class of shares of the Company, or (ii) the ownership of, or certain rights over, profit participating certificates (*winstbewijzen*) that relate to 5 per cent. or more of either the annual profit or the liquidation proceeds of the Company. Also, an individual holding an Ordinary Share has a substantial interest in the Company if his partner has, or if certain relatives of the individual or his partner have, a deemed substantial interest in the Company. Generally, an individual holding an Ordinary Share, or his partner or relevant relative, has a deemed substantial interest in the Company if either (a) such person or his predecessor has disposed of or is deemed to have disposed of all or part of a substantial interest or (b) such person has transferred an enterprise in exchange for shares in the Company, on a non-recognition basis.

Generally speaking, a non-resident entity holding an Ordinary Share has a substantial interest in the Company if such entity, directly or indirectly has (i) the ownership of, a right to acquire the ownership of, or certain rights over shares representing 5 per cent. or more of either the total issued and outstanding capital of the Company or the issued and outstanding capital of any class of shares of the Company, or (ii) the ownership of, or certain rights over, profit participating certificates (*winstbewijzen*) that relate to 5 per cent. or more of either the annual profit or the liquidation proceeds of the Company. Generally, an entity holding an Ordinary Share has a deemed substantial interest in the Company if such entity has disposed of or is deemed to have disposed of all or part of a substantial interest on a non-recognition basis.

For the purpose of this summary, the term “**entity**” refers to a corporation as well as any other person that is taxable as a corporation for Dutch corporate income tax purposes.

Where this summary refers to a holder of an Ordinary Share, an individual holding an Ordinary Share or an entity holding an Ordinary Share, such reference is restricted to an individual or entity holding legal title to as well as an economic interest in such Ordinary Share or otherwise being regarded as owning an Ordinary Share for Dutch tax purposes. It is noted that for purposes of Dutch income, corporate, gift and inheritance tax, assets legally owned by a third party such as a trustee, foundation or similar entity, may be treated as assets owned by the (deemed) settlor, grantor or similar originator or the beneficiaries in proportion to their interest in such arrangement.

Where the summary refers to “the Netherlands” or “Dutch” it refers only to the European part of the Kingdom of the Netherlands.

Investors are advised to consult their professional advisers as to the tax consequences of purchase, ownership and disposition of an Ordinary Share.

Withholding Tax

The Company is generally required to withhold Dutch dividend withholding tax from dividends distributed on the Ordinary Shares at the rate of 15 per cent.

As an exception to this rule, the Company may not be required to withhold Dutch dividend withholding tax if it is considered to be a tax resident of both the Netherlands and South Africa, or the Netherlands and another jurisdiction in accordance with the domestic tax residency provisions applied by each of these jurisdictions, while an applicable double tax treaty between the Netherlands and South Africa, or the Netherlands and such other jurisdiction attributes tax residency to South Africa or that other jurisdiction respectively. This exception does not apply to dividends distributed by the Company to a holder which is resident or deemed to be resident in the Netherlands for Dutch income tax purposes or Dutch corporate income tax purposes.

The concept of dividends distributed on the Ordinary Shares includes, without limitation:

- (i) distributions of profits (including paid-in capital not recognised for dividend withholding tax purposes) in cash or in kind, including deemed and constructive dividends;
- (ii) liquidation distributions and, generally, proceeds realised upon a repurchase of Ordinary Shares by the Company or upon the transfer of Ordinary Shares to a direct or indirect subsidiary of the Company, in excess of the average paid-in capital recognised for dividend withholding tax purposes;
- (iii) the nominal value of Ordinary Shares issued or any increase in the nominal value of Ordinary Shares, except where such (increase in) the nominal value of Ordinary Shares is funded out of the Company’s paid-in capital recognised for dividend withholding tax purposes;
- (iv) repayments of paid-in capital recognised for dividend withholding tax purposes up to the amount of the Company’s profits (*zuivere winst*) unless the General Meeting has resolved in advance that the Company shall make such repayments and the nominal value of the Ordinary Shares concerned has been reduced by a corresponding amount through an amendment of the Articles of Association.

A holder of an Ordinary Share which is, or is deemed to be, resident in the Netherlands for Dutch tax purposes is generally entitled to credit the dividend tax withheld against such holder’s liability to Dutch tax on income and capital gains or, in certain cases, to apply for a full refund of the dividend tax withheld.

A holder of an Ordinary Share which is not, and is not deemed to be, resident in the Netherlands for Dutch tax purposes may be eligible for a partial or complete exemption or refund of all or a portion of the dividend tax under the double tax treaty in effect between the Netherlands and South Africa, provided that this double tax treaty attributes tax residency of the Company to South Africa.

Under the terms of Dutch domestic anti-dividend stripping rules, a recipient of dividends distributed on an Ordinary Share will not be entitled to an exemption from, reduction, refund, or credit of dividend tax if the recipient is not the beneficial owner of such dividends as meant in those rules.

Taxes on Income and Capital Gains

Resident entities

An entity holding an Ordinary Share which is, or is deemed to be, resident in the Netherlands for Dutch tax purposes and which is not tax exempt, will generally be subject to corporate income tax in the Netherlands in respect of income or a capital gain derived from such Ordinary Share at the prevailing statutory rates, unless the holder has the benefit of the participation exemption (*deelnemingsvrijstelling*) with respect to such Ordinary Share. Generally speaking, the holder of an Ordinary Share will have the benefit of the participation exemption (*deelnemingsvrijstelling*) if the holder owns at least 5 per cent. of the nominally paid-up share capital of the Company.

Resident individuals

An individual holding an Ordinary Share who is, or is deemed to be, resident in the Netherlands for Dutch tax purposes will be subject to income tax in the Netherlands in respect of income or a capital gain derived from such Ordinary Share at rates up to 52 per cent. if:

- (i) the holder has an enterprise or an interest in an enterprise to which the Ordinary Share is attributable; or
- (ii) the income or capital gain qualifies as income from miscellaneous activities (*belastbaar resultaat uit overige werkzaamheden*) as defined in the Income Tax Act (*Wet inkomstenbelasting 2001*).

If neither condition (i) nor condition (ii) applies, such individual will be subject to income tax on the basis of a deemed return, regardless of any actual income or capital gain derived from an Ordinary Share. The deemed return currently amounts to 4 per cent. of the value of the individual's net assets as per the beginning of the relevant fiscal year (including the Ordinary Share). Legislative proposals are currently pending to amend the deemed return percentage to a maximum of 5.5 per cent. of the value of the individual's net assets. Subject to application of personal allowances, the deemed return shall be taxed at a rate of 30 per cent.

Non-residents

A holder of an Ordinary Share which is not, and is not deemed to be, resident in the Netherlands for Dutch tax purposes will not be subject to taxation in the Netherlands on income or a capital gain derived from an Ordinary Share unless:

- (i) such income or capital gain is attributable to an enterprise or part thereof which is either effectively managed in the Netherlands or carried on through a permanent establishment (*vaste inrichting*) or permanent representative (*vaste vertegenwoordiger*) taxable in the Netherlands; or
- (ii) the holder is an individual and such income or capital gain qualifies as income from miscellaneous activities (*belastbaar resultaat uit o195verige werkzaamheden*) in the Netherlands as defined in the Income Tax Act (*Wet inkomstenbelasting 2001*).

Gift and Inheritance Tax

Dutch gift or inheritance taxes will not be levied on the occasion of the transfer of an Ordinary Share by way of gift by, or on the death of, a holder, unless:

- (i) the holder is or is deemed to be resident in the Netherlands for the purpose of the relevant provisions; or

- (ii) the transfer is construed as an inheritance or gift made by, or on behalf of, a person who, at the time of the gift or death, is or is deemed to be resident in the Netherlands for the purpose of the relevant provisions.

Value Added Tax

No value added tax will be due in the Netherlands in respect of payments in consideration for the issuance of an Ordinary Share, payments on an Ordinary Share or payments made upon a transfer of an Ordinary Share.

Other Taxes and Duties

There is no registration tax, capital tax, customs duty, transfer tax, stamp duty or any other similar tax or duty payable in the Netherlands in respect of or in connection with the subscription, issue, placement, allotment, delivery or transfer of an Ordinary Share.

Residence

A holder of an Ordinary Share will not be, or deemed to be, resident in the Netherlands for Dutch tax purposes and, subject to the exceptions set out above, will not otherwise be subject to Dutch taxation, by reason only of acquiring, holding or disposing of an Ordinary Share.

TAXATION IN SOUTH AFRICA

The following summary of certain South African taxation principles is based on the laws and practice in force as at the date of this Prospectus and is subject to any changes in law and the interpretation and application thereof, which changes could be made with retroactive effect. The following summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to acquire, hold or dispose of an Ordinary Share, and does not purport to deal with the tax consequences applicable to all categories of investors.

Persons interested in purchasing Ordinary Shares should seek advice from their appropriate professional advisers regarding the tax implications of purchasing, holding or disposing of Ordinary Shares. Persons 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 the Issuer is a South African tax resident entity.

Taxation of dividends

The Issuer is tax resident in South Africa. Accordingly, dividend payments on the Ordinary Shares and any Preference Shares are subject to dividend withholding tax in South Africa, depending on the nature and tax residence of the Shareholder.

Dividend payments to corporate Shareholders which are tax resident in South Africa would be exempt from South African dividend withholding tax.

Dividend payments to Shareholders who are individuals or trusts and are tax resident in South Africa, as well as dividend payments to foreign Shareholders, would be subject to South African dividend withholding tax. For South African tax resident individuals or trusts the applicable rate is 15 per cent. In the case of foreign shareholders the applicable rate is 15 per cent., however such rate is potentially reduced by the Double Tax Agreement between South Africa and the country of tax residence of the foreign Shareholder (if applicable).

Other distributions

Distributions made from the share capital of the Issuer, and the issue of Shares as a dividend in kind by the Issuer are not subject to South African dividend withholding tax.

These capital distributions received will decrease the base cost of the Shares held by a Shareholder who is tax resident in South Africa.

Taxation of gains on disposal of shares by shareholders

South African tax residents are taxed on their world-wide income.

The tax consequences following the disposal of Shares by a South African tax resident depends on the nature of the taxpayer as well as whether the shareholder holds the Shares on revenue or capital account.

South African tax resident corporate Shareholders will be subject to tax on a gain on disposal of Shares at a rate of 28 per cent. if the Shares are held on revenue account and 18.6 per cent. if the Shares are held on capital account.

South African tax resident individuals will be subject to tax on a sliding scale ranging from 18 per cent. to 41 per cent. for gains of a revenue nature and 6 per cent. to 13.7 per cent. for gains of a capital nature.

MARKET INFORMATION

Introduction

The Ordinary Shares will be listed on the Prime Standard of the FSE and the main board of the JSE with an inward, secondary listing. As a result, the Issuer will be subject to the rules and regulations of the FSE, as well as certain Listings Requirements. The rules and regulations of the Prime Standard of the FSE will take precedence as the primary exchange, and the Company will comply with the specific requirements of the JSE applicable to a secondary listing.

The Frankfurt Stock Exchange

The information relating to the FSE set out below is derived from information obtained from the FSE, in particular from the FSE website (<http://www.boerse-frankfurt.de/>). The website of the FSE contains further information about the FSE as well as a range of special services, such as quotations and ad hoc information about the companies listed on the FSE. The information contained on the FSE website is not part of or incorporated by reference into this Prospectus.

Organisation and market segments

The FSE was founded in 1585 and is operated by Deutsche Börse, an independent, privately owned stock corporation. Members of the FSE include banks, foreign investment firms and other firms trading in securities, derivatives and money market instruments, registered either within or outside the EEA.

As at 1 April 2015, over 11,000 German and international companies are listed on the FSE. Over 1,200 exchange-traded funds, as well as exchange-traded commodities, 25,000 fixed income securities, almost 3,000 investment funds and over one million structured products are listed and traded on the FSE. Deutsche Börse also owns Clearstream International, one of the largest European organisations for post-trade services. Deutsche Börse develops and operates its own trading systems and supervises a worldwide participant network.

The FSE offers issuers three market segments for raising equity and debt capital. The Entry Standard, which is part of the Open Market (*Freiverkehr*) segment of the FSE (a regulated unofficial market), offers quick, low-cost access to the capital market with few formal requirements and is in particular suited for smaller issuers. In the General Standard, more stringent minimum legal requirements apply. The General Standard is particularly suitable for companies which address German investors and opt for a cost-efficient listing. In the Prime Standard, issuers have to comply with transparency requirements that go beyond those of the General Standard and fulfil the information needs of international investors. The Prime Standard also contains a broad range of bonds. Both the General Standard and the Prime Standard are regulated markets. The Ordinary Shares are expected to be traded in the Prime Standard.

Companies listed in the Prime Standard are required to meet high transparency standards beyond those of the General Standard which are based on minimum legal requirements. These criteria include quarterly reporting both in German and English language, the use of international accounting standards (IFRS/IAS or U.S.-GAAP), the publication of a corporate calendar staging of at least one analyst conference per year and ad hoc disclosure in German and English.

Admission to the Prime Standard is a key prerequisite for shares to be included in any of the main selection indices of the FSE (DAX, MDAX, TecDAX and SDAX). The German trading index with the 30 largest companies by market share is the DAX. The DAX consists of the most actively traded (most liquid) and the most highly capitalised stocks in the Prime Standard. The MDAX is the general German trading index ranked

immediately below the DAX. It includes the 50 Prime Standard shares from sectors excluding technology. The company size is based on terms of order book volume and market capitalisation. The Company aims to be included in the MDAX.

The U.S. Securities Exchange Commission has granted the FSE the status of a “Designated Offshore Securities Market” in accordance with the Securities Act.

Trading and settlement

Officially listed securities are traded both on and outside the FSE OTC. Shares and other equity securities listed on the FSE are quoted in euro per share.

The electronic trading system used by the FSE is XETRA (Exchange Electronic Trading). The settlement system uses automated netting procedures and daily mark-to-market evaluation of collateral requirements to further reduce transfer costs.

Trading can be suspended by the FSE if orderly stock exchange trading is temporarily endangered or if its suspension is necessary in order to protect the public interest. The electronic system provides for automatic volatility interruptions and market order interruptions during auctions and for automatic volatility interruptions during continuous trading.

Settlement of transactions concluded on the FSE occurs via Clearstream Banking AG or via another central securities depository recognised in the “Rules and regulations for the *Frankfurter Wertpapierbörse*”.

Supervision of market participants

The market supervision relating to trading on the FSE safeguards that trading takes place in a fair and orderly manner. Three supervisory institutions take part in the market supervision. HÜSt monitors trading and price fixing. The Exchange Supervisory Authority of the State of Hesse examines misconduct and violations of stock exchange law. The BaFin ensures the operability of the German securities and derivatives markets according to WpHG.

The Exchange Supervisory Office of the State of Hesse is in charge of market and legal supervision for the FSE. It is part of the Hessian Ministry for Economic Affairs, Transport and Regional Development. The Exchange Supervisory Office may impose sanctions on market participants. Its main tasks are the supervision of the price formation processes, the investigation of violations of exchange regulations and the development of preventive measures and supervision of proper trading of the exchange bodies. Its extended tasks include the supervision of the market participants admitted to exchange trading and the contributions to legislation and exchange policy.

The statutory mandate of the HÜSt is regulated by Section 7(1) of the German Stock Exchange Act. As an independent exchange body it monitors exchange trading and exchange settlements and conducts the necessary investigations in the event of infringements. The Exchange Supervisory Authority can give instructions to HÜSt and take over any investigation, if required. HÜSt monitors, among other things:

- the price quotation at the FSE and on the derivatives exchange Eurex;
- the trading conduct of the exchange participants;
- compliance with the rules and regulations, non-violation of exchange provisions and instructions; and
- that no other abuse exists which might impair the orderly execution of trading at the exchange or the settlement of exchange trades.

BaFin ensures the functioning of the markets for securities and derivatives and aims to preserve market transparency and market integrity. In order to reach these goals, the tasks of BaFin include:

- prosecution of and efforts to prevent the exploitation of information leaks;
- supervision of the obligation under Section 15 WpHG to notify all transactions in securities and derivatives conducted by any member of the executive board or supervisory board of the respective company (directors' dealings);
- supervision of ad hoc disclosure of listed companies;
- supervision of announcements following changes in respect of voting rights of companies listed on the official market;
- supervision of the rules of conduct and organisational duties of investment services providers;
- depository for securities offering prospectuses; and
- control of securities purchasing offers, takeover offers and mandatory offers under the German Securities Acquisition and Takeover Act (WpÜG).

The Johannesburg Stock Exchange

The information relating to the JSE set out below is derived from information obtained from the JSE, in particular from the JSE website (<https://www.jse.co.za/>). The website of the JSE contains further information about the JSE as well as a range of special services, such as quotations and ad hoc information about the companies listed on the JSE. The information contained in the JSE website is not part of or incorporated by reference into this Prospectus.

Organisation and market segments

The JSE is the principal financial market in South Africa. The JSE is a limited liability public company with perpetual succession constituted separately from its members, and licensed to operate as a securities exchange in terms of the Financial Markets Act.

In addition to being regulated by the Financial Markets Act, the JSE is also subject to its own rules, being the JSE rules and the Listings Requirements.

The JSE provides a forum for the listing of securities of domestic and foreign companies. The Listings Requirements are designed to:

- provide a market for raising primary capital;
- provide an efficient mechanism for the trading of securities;
- protect investors;
- ensure full, equal and timely disclosure to the market and shareholders;
- ensure that the shareholders enjoy fair and equal treatment; and
- promote investor confidence in standards of disclosure.

Listings Requirements and any other conditions of listing are binding on an issuer and an authorised user and their directors, officers, employees and agents. It is generally accepted in South African law that the relationship between a listed company and the JSE is contractual in nature.

In terms of the Listing Requirements, the JSE will allow the requirements of the primary exchange on which an issuer has its primary listing to take precedence, with the following exceptions:

- the annual financial statements and any other communication with shareholders must state where the primary and secondary listings of the listed company's securities are listed;
- when the listed company 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. The announcement must be submitted via the applicant issuer's sponsor, albeit that the announcement does not require the approval of the sponsor. In this regard, we note that a company with a secondary listing on the JSE will need to appoint and maintain a JSE sponsor, as well as a South African transfer secretary;
- the listed company 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
- the listed company must advise and obtain approval from the JSE with regard to the timetables for corporate actions stipulated in Schedule 18 of the Listings Requirements. Issuers 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.

A company with a secondary listing on the JSE must submit to the JSE, together with its annual financial statements, details of the volume and value of securities traded (over the previous 12 months), on all exchanges where it has a listing, in order for the JSE to consider its continued secondary listing status.

If both the volume and value of securities traded on the JSE exceeded 50 per cent. of the total volume and total value of those securities (over the previous 12 months) traded on all exchanges where the issuer has a listing, then its listing status on the JSE in respect of those securities may be converted to a primary listing. In such an instance, the issuer would be required to comply with the full Listings Requirements, and the JSE would not defer to the rules of the foreign exchange upon which the issuer has its initial primary listing. The issuer would need to engage with the JSE and the foreign exchange's regulator in respect of the practical considerations of such a situation. Additionally, the issuer should engage with its JSE sponsor and legal advisors for further details of the full JSE Listing Requirements.

The converse would apply when both the volume and value of securities traded on the JSE was 50% or below. The issuer must advise its shareholders by releasing an announcement over SENS each time that its listing status is changed.

Trading and settlement

All the JSE's various markets (that is the equities, derivatives and interest rate and currency markets) operate on electronic, central book order platforms. Clearing for equities products is done by the JSE in-house. Transactions in equity and agricultural derivatives and interest rate derivative products are, in addition, risk managed through a central counterparty, SAFCOM, in which the risk is assumed by the clearing members which accept the relevant trades. This centralised risk management system is critical to any margin-based system. Trades through the JSE equities market in shares of listed companies can only take place if the shares are dematerialised. Settlement of the JSE's equities and spot interest rate products is effected through Share Transactions Totally Electronic Limited, the central securities depository.

The JSE offers various technology services to its authorised users, such as front-end trading technology through contracts with a number of suppliers and the broker dealing accounting system, on which all client records for equities members are maintained. The JSE also derives revenue from a number of other sources such as rental income, dividend income and funds management.

Supervision of market participants

The JSE is authorised, subject to the Financial Markets Act, the exchange rules and the Listings Requirements, to remove securities from the list, even to the extent that a removal may have the effect that an entire board or substantial portion of the board on the exchange is closed, or suspend the trading in listed securities, if it will further one or more of the objects of the Financial Markets Act (which effectively centre on investor protection). If the Listings Requirements, the conditions determined by an exchange in respect of the listing of securities, or the exchange rules are not complied with, or if a circumstance arises which the exchange rules or the Listings Requirements envisage as a circumstance justifying the immediate suspension of trading, an exchange may order an immediate suspension. If the trading of listed securities has been suspended, an exchange may nevertheless permit authorised users to buy and sell those securities for the sole purpose of fulfilling their obligations entered into in relation to those securities before the suspension.

If an issuer requests an exchange to remove its securities from the list but the exchange considers the securities to be eligible for continued inclusion in the list, the removal must be approved by the holders of those securities in a manner specified by the exchange and the exchange must be satisfied on reasonable grounds that the interests of minority holders of the securities have been considered.

Procedure to transfer Ordinary Shares between exchanges

If a Shareholder who holds Ordinary Shares through Clearstream in Germany which can be traded over the FSE wants to trade such Ordinary Shares over the JSE, he or she may instruct his or her financial institution at which he or she maintains the securities account to which the Ordinary Shares are credited to transfer the Ordinary Shares to a valid securities account with a financial institution admitted to Strate in South Africa. Ordinary Shares held through a financial institution admitted to Strate in South Africa which can be traded over the JSE will be transferred in a similar manner to enable trading of such Ordinary Shares on the FSE. South African resident shareholders will trade their shares on the JSE. Any transfers by South African resident shareholders to the FSE are subject to the SARB exchange control regulations.

The transfer of Ordinary Shares for the above purposes from a securities account held at a financial institution admitted to Strate in South Africa to a securities account held at a financial institution admitted to Clearstream in Germany, or vice versa, may take up to 2 business days. During such period, no trading is possible in these Ordinary Shares. As a result of such transfer, these Ordinary Shares can no longer be traded over the exchange on which they were initially traded.

Standard Chartered Bank, Johannesburg is the designated CSD participant in South Africa that will facilitate such transfers of Ordinary Shares for Shareholders.

GENERAL INFORMATION

General Information about the Company

The Company's legal and commercial name is Steinhoff International Holdings N.V. The Company was incorporated by Stichting Genesis International, a foundation under Dutch law, as a public company with limited liability (*naamloze vennootschap*) under the laws of the Netherlands on 22 June 2015. The corporate seat of the Company is in Amsterdam, the Netherlands, and its registered office is at Herengracht 466, 1017 CA Amsterdam, the Netherlands (telephone number +31 204200600). The Company is registered in the Commercial Register of the Chamber of Commerce (*Handelsregister van de Kamer van Koophandel*) under number 63570173. The Company's financial year commences on 1 July and ends on 30 June. The Issuer is resident in South Africa for tax purposes.

Admission

This Prospectus is prepared for the admission to trading and listing of the Ordinary Shares on the regulated market segment (*Regulierter Markt*) of the FSE with simultaneous admission to the sub-segment of the regulated market with additional post-admission obligations (Prime Standard) of the FSE. International Securities Identification Number (ISIN): NL0011375019.

Application has been made to the JSE for an inward, secondary listing of the Ordinary Shares on the main board of the JSE.

Trading of the Ordinary Shares on the Regulated Market of the FSE is expected to commence on or about 7 December 2015. Trading (on a deferred settlement basis) of the Ordinary Shares on the main board of the JSE is expected to commence on 30 November 2015.

Group Structure

Upon the Scheme of Arrangement becoming operative, the Company will be the holding company of the Group. The Group's business is primarily conducted by the relevant operating subsidiaries.

Significant Subsidiaries

The following table provides an overview of SIHL's significant subsidiaries and participations as at 30 June 2015. The shareholdings reflect the Group's direct and indirect economic interest in the respective entity. The respective entities are either holding entities or trading entities reflecting the main trading jurisdictions of the Group. The shareholdings below are, to the extent applicable, rounded to one decimal point. There has been no significant change to the figures below as at the date of this Prospectus.

Subsidiary/participation and country of incorporation	Direct or indirect economic interest
Steinhoff Investment Holdings Limited, South Africa	100%
Steinhoff Africa Holdings Proprietary Limited, South Africa	100%
Ainsley Holdings Proprietary Limited	100%
KAP Industrial Holdings Limited, South Africa	43%
JD Group Limited, South Africa	100%

Subsidiary/participation and country of incorporation	Direct or indirect economic interest
Pepkor Holdings Proprietary Limited, South Africa	100%
Steinhoff Services Limited, South Africa.....	100%
Steinhoff Finance Holdings GmbH, Austria	100%
Steinhoff Mobel Holdings Alpha GmbH, Austria	100%
Steinhoff Europe AG, Austria	100%
Pat Cornick International B.V., The Netherlands	100%
Steinhoff Asia Pacific Holdings Proprietary Limited, Australia	100%
Steinhoff Asia Pacific Limited, Australia	100%
Steinhoff Germany GmbH, Germany	100%
Steinhoff Europe AG, Switzerland.....	100%
Steinhoff Retail GmbH, Austria	100%
Conforama Holdings S.A., France	99% ⁽¹⁾
Steinhoff UK Holdings Limited, United Kingdom	100%
Homestyle Operation Limited, United Kingdom	100%
Tau Enterprises GmbH, Germany	100%
Hemisphere International Properties B.V., The Netherlands.....	100%

Source: Management information.

Note:

- (1) Residual *de minimis* holding remains following the acquisition of Conforama Holdings S.A., France. Effective 100 per cent. interest.

Auditors

Deloitte & Touche, Chartered Accountants (SA) audited the SIHL Consolidated Financial Statements, which were prepared in accordance with IFRS for Fiscal Year 2013, Fiscal Year 2014 and Fiscal Year 2015, and issued, in each case, an unqualified auditor's report.

PricewaterhouseCoopers audited the Pepkor Group Consolidated Financial Statements, which were prepared in accordance with IFRS for Fiscal Year 2013, Fiscal Year 2014 and Fiscal Year 2015, and issued, in each case, an unqualified auditor's report.

Rödl & Partner audited the Genesis Consolidated Financial Statements, which were prepared in accordance with IFRS for Fiscal Year 2015, and issued an unqualified auditor's report.

Consents

Deloitte & Touche, which has audited the SIHL Consolidated Financial Statements within this Prospectus, has given and has not, prior to publication, withdrawn its consent to the inclusion of its reports in the form and context in which they appear.

PricewaterhouseCoopers, which has audited the Pepkor Group Consolidated Financial Statements within this Prospectus, has given and has not, prior to publication, withdrawn its consent to the inclusion of its reports in the form and context in which they appear.

Rödl & Partner, which has audited the Genesis Consolidated Financial Statements within this Prospectus, has given and has not, prior to publication, withdrawn its consent to the inclusion of its report in the form and context in which they appear.

The report in respect of the value of the ordinary shares in the capital of SIHL that are to be transferred to the Company as a contribution in kind on the Ordinary Shares that are to be issued to fulfil the Company's obligations under the Scheme of Arrangement will be prepared by Baker Tilly Berk N.V., (Entrada 303, 1096 ED Amsterdam, the Netherlands), independent registered public accountants. Baker Tilly Berk N.V. is a member of The Netherlands Institute of Chartered Accountants (*Nederlandse Beroepsorganisatie van Accountants*). Baker Tilly Berk N.V. has given and has not, prior to publication, withdrawn its consent to the inclusion of its report in the form and context in which it appears.

Each of the Listing Agent and advisers, including the independent reporting accountants, whose names appear in this Prospectus, have consented to, and have not, prior to the Latest Practicable Date, withdrawn their consent to the inclusion of their names and, where applicable, reports in the form and context in which they appear in this Prospectus.

Paying Agent

Paying agent (*Zahlstelle*) will be Commerzbank (and, to the extent that dividends will be distributed on the South African register, Computershare and Strate will disburse these dividends).

Specialist/Market Maker

equinet Bank AG will act as specialist for the Ordinary Shares in accordance with the rules of the FSE.

Costs in connection with the Admission

The Company estimates that its total costs in connection with the Admission will amount to approximately €4 million.

Promoters

No promoter had any material beneficial interest, direct or indirect, in the promotion of the Group or in any property acquired or proposed to be acquired by the Group, or any other issue in the preceding three years, or is proposed to be paid or given, to any promoter not being a Director.

There have been no commissions paid or payable in respect of underwriting. There have been no commissions, discounts, brokerages or other special terms granted in connection with the issue or sale of any securities, stock or debentures in the capital of the Company where this has not been disclosed in any audited annual financial statements.

Documents Available for Inspection

For the period during which this Prospectus is valid, the following documents will be available free of charge for inspection during regular business hours at the offices of SIHL and the Company Secretary of SIHL,

Steinhoff Africa Secretarial Services Proprietary Limited, each located at 28 Sixth Street, Wynberg, Sandton, Johannesburg 2090:

- the Articles of Association;
- the SIHL Consolidated Financial Statements, including the auditor's report thereto;
- the Pepkor Group Consolidated Financial Statements, including the auditor's report thereto;
- the Genesis Consolidated Financial Statements, including the auditor's report thereto;
- this Prospectus; and
- the Scheme of Arrangement circular dated 7 August 2015.

The above documents are also available on the Company's website (www.steinhoffinternational.com).

The Company's future consolidated annual and interim financial statements will be available from the Company on its website (www.steinhoffinternational.com) and from the paying agent designated in this Prospectus (see "*– Paying Agent*").

DEFINITIONS

2010 SIHL Share Rights Scheme	The scheme approved by SIHL's shareholders at the annual general meeting held on 6 December 2010, under which participants have been granted rights in respect of ordinary shares in SIHL.
Accountant's Report	The accountant's report set out in Section B of " <i>Pro Forma Financial Information</i> ".
Admission	Admission to trading and listing of the Ordinary Shares on the regulated market segment (<i>Regulierter Markt</i>) of the FSE with simultaneous admission to the sub-segment of the regulated market with additional post-admission obligations (Prime Standard) of the FSE.
Admission Price	The price of the Ordinary Shares at the commencement of trading on the FSE.
AFM	Dutch Authority for the Financial Markets (<i>Stichting Autoriteit Financiële Markten</i>).
AltX	AltX is a public equity exchange for small and medium-sized companies in South Africa owned by the JSE.
Articles of Association	The Company's articles of association as they will read after the execution of the Second Deed of Amendment.
Australasia	Australia, New Zealand, China and the far east. The Group's Australasian operations include retail operations and sourcing offices.
BaFin	The German Federal Financial Supervisory Authority (<i>Bundesanstalt für Finanzdienstleistungsaufsicht</i>)
Bloomberg Composite Rate	As described in " <i>Exchange Rates</i> ".
Brait	Brait Mauritius Limited, a company incorporated in the Republic of Mauritius with registration number C60342 (C1/GBL).
Capital items	(i) reflect and affect the resources committed in producing operating/trading performance (and are not the operating/trading performance itself) and (ii) deal with the platform/capital base of a Group entity.
CEE	Central and Eastern Europe.
Chairman	The chairman of the Supervisory Board.
Clearstream	Clearstream Banking AG.
Common Monetary Area	An exchange control area established under South African law comprising Lesotho, Namibia, South Africa and Swaziland.
Company or Issuer	Steinhoff International Holdings N.V., a public company with limited liability (<i>naamloze vennootschap</i>) incorporated under the laws of the Netherlands.

Concert	As defined in “ <i>Major Shareholders and Related Party Transactions – Voting Pool Arrangements</i> ”.
Concert Party	As defined in “ <i>Major Shareholders and Related Party Transactions – Voting Pool Arrangements</i> ”.
Conforama	Conforama Holdings S.A.
Convertible Bonds	The €420 million 6.375 per cent. four-and-a-half-year convertible bonds due in May 2017 (the “ 2017 Convertible Bonds ”), the €467.5 million 4.5 per cent. seven-year guaranteed convertible bonds due in March 2018 (the “ 2018 Convertible Bonds ”), the €465 million 4.0 per cent. seven-year senior unsecured guaranteed convertible bonds due in January 2021 (the “ 2021 Convertible Bonds ”) and the €1,116 million 1.25 per cent. seven-year senior unsecured guaranteed convertible bonds due in August 2022 (the “ 2022 Convertible Bonds ”), each issued by Steinhoff Finance.
Convertible Loan	Funding in the form of a convertible loan advanced by the Former JV Partner in connection with a European acquisition (as discussed in more detail in the section entitled “ <i>Business — Legal Proceedings</i> ”).
DAX	The German Traded Index.
Deutsche Börse	The Deutsche Börse AG.
DIY	Do-it-yourself.
Dutch Financial Supervision Act	Dutch Financial Supervision Act (<i>Wet op het financieel toezicht</i>).
EEA	European Economic Area consisting of the member states of the EU and the member states of the European Free Trade Association except Switzerland (i.e. Iceland, Norway and Liechtenstein).
Enterprise Chamber	The enterprise chamber of the Court of Appeal in Amsterdam (<i>Ondernemingskamer van het Gerechtshof te Amsterdam</i>).
ERM	European Retail Management.
EU	European Union.
EURIBOR	The euro Interbank Offered Rate, a daily reference rate, published by the European Banking Federation.
Euro or EUR or €	The official currency of the Eurozone.
Euro basis	A basis that is either reflective of actual revenues and costs incurred by the Group in euro or that shows a translation from other currencies in which the Group transacts business into euro at the average exchange rate for the relevant fiscal year, and in which certain information contained in this Prospectus has been presented.
Eurozone	The region comprising those member states of the EU that have adopted the single currency in accordance with the Treaty establishing the European Community (signed in Rome on

	25 March 1957), as amended by the Treaty on the EU (signed in Maastricht on 7 February 1992) and the Amsterdam Treaty of 2 October 1997, as further amended from time to time.
Financial Markets Act	South African Financial Markets Act, 2012.
First Deed of Amendment	The notarial deed of amendment of the Company's articles of association to implement the Company's proposed governance structure as described in this Prospectus.
Fiscal Year 2013; Fiscal Year 2014 and Fiscal Year 2015	The fiscal year ended 30 June 2013, 30 June 2014 and 30 June 2015, respectively.
Former JV Partner	A certain former joint venture partner of the Group in Europe (acting through one or more affiliates) (as discussed in more detail in the section entitled " <i>Business — Legal Proceedings</i> ").
FRSA	Dutch Financial Reporting Supervision Act (<i>Wet toezicht financiële verslaggeving</i>).
FSE	The Frankfurt Stock Exchange (<i>Frankfurter Wertpapierbörse</i>).
General Meeting	The general meeting of the Company, being the corporate body or, where the context so requires, the physical meeting of shareholders of the Company.
Genesis	Genesis Investment Holding GmbH, a private limited liability company incorporated under Austrian law, with its registered office at Ortsstraße 177, 2331 Vösendorf, Austria and registration number FN 392734a.
Genesis Consolidated Financial Statements	The audited consolidated condensed financial statements of Genesis Investment Holding GmbH as at and for Fiscal Year 2015.
German Disbursing Agent	The domestic securities trading bank (<i>inländische Wertpapierhandelsbank</i>) which keeps and administers the shares and disburses or credits the dividends.
Germany	Federal Republic of Germany (<i>Bundesrepublik Deutschland</i>).
Group	References to the Group which relate to matters occurring prior to the implementation date of the Scheme of Arrangement are to the SIHL Group, and references to the Group relating to matters occurring following the implementation date of the Scheme of Arrangement or which are forward-looking relate to the Company and its consolidated subsidiaries and undertakings from time to time.
HÜSt	The Trading Surveillance Office of the FSE.
IAS	International Accounting Standards.
IFRS	International Financial Reporting Standards, including IAS and interpretations published by the International Accounting Standards Board, as adopted by the EU.
Incorporation Shares	The 90,000 shares, with a nominal value of €0.50, in the capital of the Company which were issued at the Company's

	incorporation.
JDFS	The Group's JDFS insurance division, which the Group accounts for as a discontinued operation, following the Group's acceptance of an offer to dispose of its Consumer Finance division (excluding the JDFS insurance business).
JD Group	JD Group Limited, a company in which the Group owns a 100 per cent. shareholding.
JIBAR	The Johannesburg Interbank Agreed Rate, a daily reference rate published by the South African Futures Exchange.
JSE	Johannesburg Stock Exchange.
KAP Industrial	KAP Industrial Holdings Limited, a company in which the Group owns a 43.3 per cent. minority shareholding.
kika-Leiner	The kika-Leiner group of companies.
kika-Leiner Acquisition	The independent acquisition by Genesis of the trading businesses and certain fixed properties of kika-Leiner, facilitated by the SIHL Group, in June 2013.
Latest Practicable Date	16 November 2015, being the latest practicable date prior to the publication of this Prospectus for the purposes of ascertaining certain information contained in this Prospectus.
Listing Agent	COMMERZBANK Aktiengesellschaft acting as the listing agent for the FSE.
Listings Requirements	The listings requirements of the JSE.
LTIs	Long-term share-based incentives.
Management	The management of the Company.
Management Board	The management board (<i>bestuur</i>) of the Company which comprises its Managing Directors.
Management Board Rules	Rules the Management Board may establish regarding its working methods and decision-making process.
Managing Director	A member of the Management Board.
MDAX	The Mid-cap German Traded Index.
Member State	A member state of the European Union.
New Arrangement	The Former JV Partner's potential equity participation in a European business following the expiry of a conversion right in respect of the Convertible Loan (as discussed in more detail in the section entitled " <i>Business — Legal Proceedings</i> ").
Ordinary Shareholder	A holder of Ordinary Shares.
Ordinary Shares	The ordinary shares, with a nominal value of €0.50 each, in the capital of the Company.
OTC	Over-the-counter.
Pepco	The Pepkor Group's Pepco Poland division, which includes operations in Poland, the Czech Republic, Slovakia, Hungary

	and Romania.
Pepkor	Pepkor Holdings (Pty) Ltd.
Pepkor Acquisition	The acquisition by SIHL of an effective 92.34 per cent. interest in the equity share capital of Pepkor, which effective interest subsequently increased to 100 per cent.
Pepkor Group	Pepkor and its consolidated subsidiaries and subsidiary undertakings from time to time.
Pepkor Group Consolidated Financial Statements	The audited consolidated financial statements of the Pepkor Group as at and for Fiscal Years 2015, 2014 and 2013.
Preference Shares	The non-cumulative preference shares, with a nominal value of €0.01 each, in the capital of the Company.
Private Placement Notes	The USD100 million and €75.2 million senior notes issued by the Group, which carry interest at a fixed rate and comprise senior, unsecured obligations with maturities ranging from 2015 to 2022.
Pro Forma Financial Information	<p>The following unaudited consolidated financial statements:</p> <ul style="list-style-type: none"> the consolidated income statement of the SIHL Group for Fiscal Year 2015, reflecting (i) the Pepkor Acquisition and (ii) the incorporation of the results of the trading businesses of kika-Leiner not previously acquired by the SIHL Group, as if each of these transactions had been completed on 1 July 2014; and the consolidated statement of financial position of the SIHL Group as at 30 June 2015, including adjustments to reflect the incorporation of the assets and liabilities of the trading businesses of kika-Leiner not previously acquired by the SIHL Group, as if the Scheme of Arrangement had been completed on 30 June 2015.
Prospectus	This document, dated 19 November 2015.
Prospectus Directive	Directive 2003/71/EC dated 4 November 2003.
PSG Group	PSG Group Limited, a company in which the Group owns a 27 per cent. shareholding.
rand and R	The official currency of the Republic of South Africa.
RCF	A €1.8 billion five-year syndicated revolving facility entered into by the Group in June 2014.
Redemption	The Former JV Partner's shareholding in a legal entity being redeemed by such legal entity by way of a shareholder resolution (as discussed in more detail in the section entitled " <i>Business — Legal Proceedings</i> ").
SA Companies Act	Republic of South Africa Companies Act 71 of 2008, as amended.
SAFCOM	Safex Clearing Company (PTY) LTD, a wholly-owned subsidiary of the JSE.

SAICA	The South African Institute of Chartered Accountants.
SARB	The South African Reserve Bank.
Scheme of Arrangement	A scheme of arrangement proposed by the SIHL board between SIHL and the scheme participants in terms of Section 114 of the SA Companies Act.
SDAX	The Small-cap German Traded Index.
Second Deed of Amendment	The notarial deed of amendment of the Company's articles of association to increase the Company's authorised share capital so as to allow for implementation of the Scheme of Arrangement.
Securities Act	U.S. Securities Act of 1933.
SENS	The stock exchange news service provided by the JSE.
Securities Transfer Settlement Agent	Standard Chartered Bank, Johannesburg
Shareholder	A holder of Shares.
Shares	Ordinary Shares and Preference Shares.
Short Selling Regulation	Regulation (EU) No. 236/2012 of the European Parliament and of the Council of March 2012 on short selling and certain aspects of credit default swaps.
SIHL	Steinhoff International Holdings Limited, a company incorporated in the Republic of South Africa with registration number 1998/003951/06.
SIHL Consolidated Financial Statements	The audited consolidated financial statements of the SIHL Group as at and for the fiscal years ended 30 June 2015, 2014 and 2013.
SIHL Group	SIHL and its consolidated subsidiaries and subsidiary undertakings from time to time.
Steinhoff Africa	Steinhoff Africa Holdings (Pty) Limited.
Steinhoff Finance	Steinhoff Finance Holding GmbH.
Steinhoff Services	Steinhoff Services Limited.
Steinhoff UK	Steinhoff UK Holdings Limited, registration number 3738136, a limited liability company duly incorporated in England.
Strate	Strate Proprietary Limited.
Supervisory Board	The supervisory board of the Company which comprises its Supervisory Directors.
Supervisory Director	A member of the Supervisory Board.
TecDAX	The German Traded Index of the 30 largest German technology companies.
Thibault	Thibault Square Financial Services Pty Limited, a company incorporated in the Republic of South Africa with registration number 1992/004170/07.
Titan	Titan Premier Investments Pty Limited, a company incorporated

	in the Republic of South Africa with registration number 1997/000776/07.
Transparency Directive	Directive 2004/109/EC.
UK	The United Kingdom of Great Britain and Northern Ireland.
U.S. dollar or USD	The official currency of the United States of America.
Voting Pool Arrangements	The arrangements made between the Voting Pool Parties to regulate the relationship between themselves with respect to their voting rights in the Company, as summarised in “ <i>Major Shareholders and Related Party Transactions – Voting Pool Arrangements</i> ”.
Voting Pool Parties	Christoffel Hendrik Wiese (through several entities, including Titan Premier Investments Pty Limited and Thibault Square Financial Services Pty Limited), Bruno Ewald Steinhoff (directly and indirectly through several entities, including BS Beteiligungs-und Verwaltungs GmbH and BS Vermögensverwaltungsgesellschaft GmbH), Angela Krüger-Steinhoff, several members of the Management Board and certain members of the executive management of the Group and their respective associates.
WpHG	The German Securities Trading Act.

THE COMPANY

Steinhoff International Holdings N.V.

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1017 CA Amsterdam
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LEGAL ADVISERS TO THE COMPANY

as to Dutch law

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as to English and United States law

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United Kingdom

as to German law

Linklaters LLP
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Germany

as to South African law

Cliffe Dekker Hofmeyr Incorporated

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Republic of South Africa

Werksmans Inc

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PO Box 1474, Cape Town 8000
Republic of South Africa

LISTING AGENT

COMMERZBANK Aktiengesellschaft

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Germany

SECURITIES TRANSFER SETTLEMENT AGENT

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Gauteng
South Africa

INDEPENDENT AUDITORS

For Steinhoff International Holdings Limited

Deloitte & Touche, Chartered Accountants (SA)

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Republic of South Africa

For Pepkor Holdings Proprietary Limited

PricewaterhouseCoopers

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Republic of South Africa

For Genesis Investment Holding GmbH

Rödl & Partner

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