



**STEINHOFF**  
INTERNATIONAL HOLDINGS N.V.

# **ANALYST DAY**

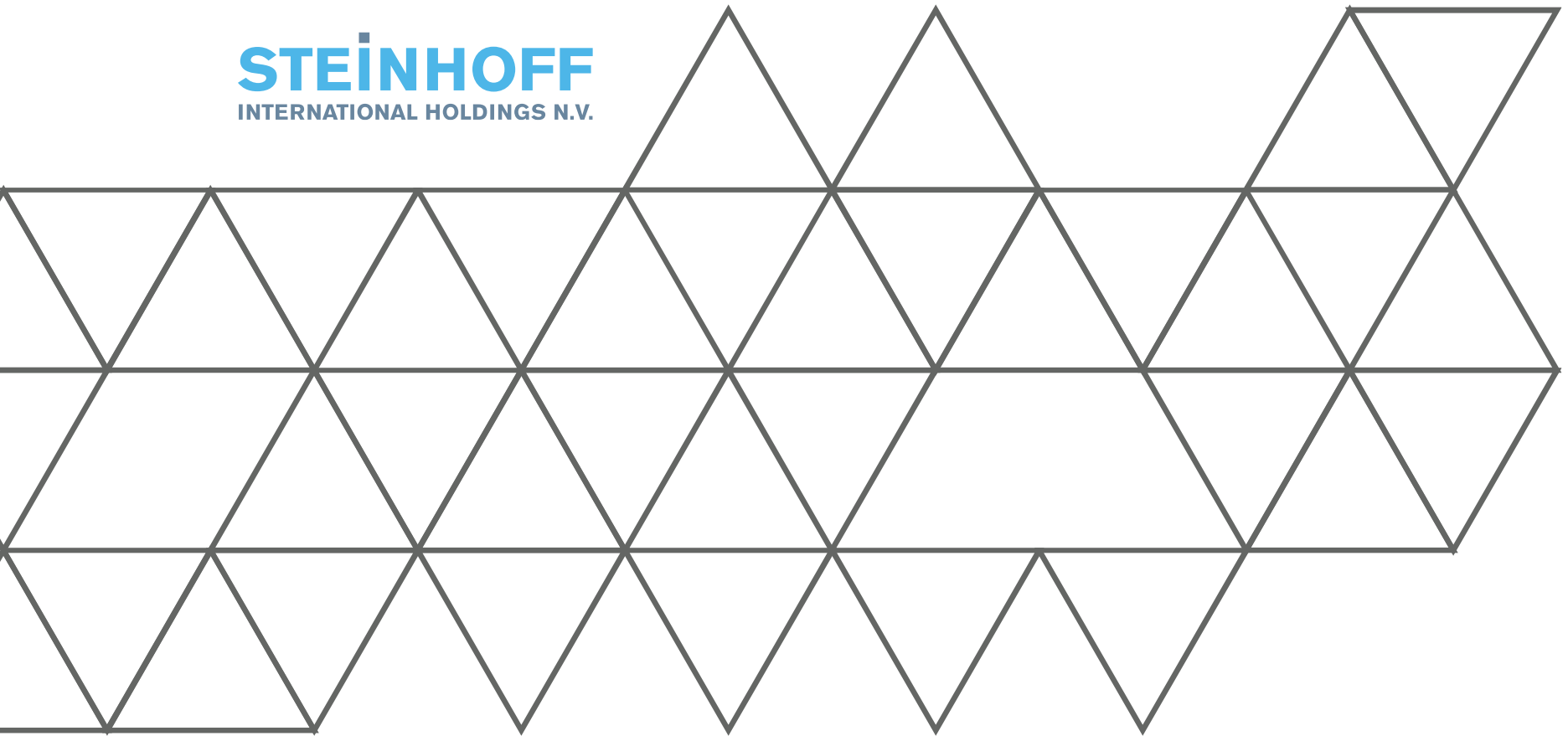
29 July 2022



# Agenda

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- 1. Financial performance overview and outlook** Theodore de Klerk
- 2. Strategy, progress with “Step 3” and strategic outlook** Louis du Preez
- 3. Questions**  
Louis du Preez  
Theodore de Klerk



# FINANCIAL PERFORMANCE OVERVIEW AND OUTLOOK

**THEODORE DE KLERK**

Group CFO

# Segmental revenue (half-year) – from continuing operations

Segmental revenue from continuing operations	H12022 €m	Restated H12021 €m	% change	Constant currency %	FY2021 €m
Pepco Group	2 371	1 994	19		4 122
PEPCO	1 281	1 015	26	29	2 165
Poundland	1 090	979	11	5	1 957
Pepkor Holdings	2 420	2 216	9	3	4 357
Greenlit Brands	361	375	(4)	(6)	714
<b>Total segmental revenue from continuing operations</b>	<b>5 152</b>	<b>4 585</b>	<b>12</b>		<b>9 193</b>
Mattress Firm (equity accounted) @ 100%	1 917	1 691	13	7	3 676

# Reconciliation of EBITDA

	1H2022 €m	FY2021 €m	FY2020 €m
<b>EBITDA per segmental reporting</b>	<b>760</b>	<b>1 336</b>	<b>1 033</b>
Pepco Group	327	636	411
Pepkor Holdings	427	714	580
Greenlit Brands	45	96	89
Corporate and Treasury services	(39)	(110)	(47)
Depreciation and amortisation	(339)	(608)	(570)
Intercompany eliminations (discontinued ops)	–	14	20
Litigation Settlement Provision and costs	(9)	(738)	(943)
Impairments	(4)	(15)	(321)
Legal provision	(100)	–	(85)
Advisor fees	(6)	(57)	(58)
Other non-operational items	(5)	(17)	8
<b>Operating (loss) / profit</b>	<b>297</b>	<b>(85)</b>	<b>(916)</b>
Discontinued operations	(36)	21	(179)
Taxation	(140)	(187)	(116)
Income from Investments/Equity accounted	45	591	51
Finance costs	(579)	(1 190)	(1 195)
<b>Loss for the period</b>	<b>(413)</b>	<b>(850)</b>	<b>(2 355)</b>

# Global Settlement Payments

	Settled in ZARm	Settled in €m	€m
<b>Cash payments</b>			
N.V. Composition Plan (paid to SRF)	6 394	236	
Other contractual settlements	900	–	
Hemisphere CPU pre-payment	–	66	
SIHPL MPC (paid to SRF)	3 214	–	
SIHPL Contractual Claimants	4 924	74	
	15 432	376	
Cost compensation	12	42	
	15 444	418	
Total euro equivalent			1 318
<b>Pepkor shares transferred</b>			
Number of shares	303 285 820		
Average value per PPH share on delivery	ZAR22.62		
Total share value transferred	6 859		395
<b>Total settlement value</b>	<b>29 477</b>		<b>1 713</b>

# Consolidated debt position

€m	1H2022			Restated FY2021		
	Corporate	OpCo	Total	Corporate	OpCo	Total
Opening balance	10 013	1 255	11 268	10 091	1 362	11 453
Repayments	(614)	(343)	(957)	(1 106)	(1 173)	(2 279)
Additional finance	–	456	456	1	827	828
Interest accrued	484	33	517	996	93	1 089
Forex and other	22	54	76	31	146	177
Closing balance	<b>9 905</b>	<b>1 455</b>	<b>11 360</b>	<b>10 013</b>	<b>1 255</b>	<b>11 268</b>
Cash and equivalents	<b>480</b>	<b>645</b>	<b>1 125</b>	<b>2 177</b>	<b>974</b>	<b>3 151</b>
Net debt	<b>9 425</b>	<b>810</b>	<b>10 235</b>	<b>7 836</b>	<b>281</b>	<b>8 117</b>

# STEINHOFF

## INTERNATIONAL HOLDINGS N.V.

is a global holding company with investments in retail businesses

**UNITED STATES OF AMERICA**

<b>50%*</b> ownership	<b>MATTRESS FIRM</b>
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\* Subject to future dilution by a management incentive plan

**AFRICA**

<b>51%</b> ownership	<b>PEPKOR</b> <i>Holdings Limited</i> Separately listed on the JSE Sample of Pepkor Holdings brands	<b>26%</b> ownership	<b>IEP</b>
<b>PEP</b>	<b>Bud</b> Built to Grow		
<b>ACKERMANS</b>			
<b>Russells</b>			
<b>flash</b>			

**EUROPE**

<b>79%</b> ownership	<b>PEPCO Group</b> Separately listed on the Warsaw Stock Exchange Sample of Pepco brands	<b>100%</b> ownership	<b>Conforama Iberia</b>
<b>PEPCO</b>			
<b>Poundland</b>			
<b>Dealz</b>			
<b>PEP&amp;CO</b>			

**AUSTRALIA AND NEW ZEALAND**

<b>100%</b> ownership	<b>greenlit</b> BRANDS Sample of brands in Australasia
<b>Fantastic Furniture</b>	
<b>Snooze</b>	
<b>FREEDOM</b>	
<b>OML</b> General Merchandise	



## Website

▷ [www.pepcogroup.eu](http://www.pepcogroup.eu)

## Listed on Warsaw Stock Exchange

▷ WSE: PCO

## Ownership

▷ 78.9%

## Market capitalisation (30 June 2022)

▷ €4,25 bn

## Turnover

▷ 2021 €4 122 million; 1H2022 €2 371 million

## Footprint (June 2022)

▷ 3 795 stores (+350 YTD; FY target +450)

▷ 17 countries

## Outlook

- ▷ Resilient trading performance (+17.4% YTD)
- ▷ Supply chain constraints and inflation outlook
- ▷ Reducing the cost of operations
- ▷ Market-leading variety discount offering
- ▷ Growing market segment in existing markets
- ▷ Expansion into Western-Europe incl. Spain
- ▷ EBITDA guidance on track

## Website

▷ [www.pepkor.co.za](http://www.pepkor.co.za)

## Listed on Johannesburg Stock Exchange

▷ JSE: PPH

## Ownership

▷ 50.6%

## Market capitalisation (30 June 2022)

▷ €4,20 bn

## Turnover

▷ 2021 €4 357 million; 1H2022 €2 420 million

## Footprint (June 2022)

▷ 5 772 stores (+227 YTD; FY target >300)

▷ 11 countries

## Outlook

- ▷ Strong trading performance (+4% YTD in local currency)
- ▷ Supply chain constraints
- ▷ Continued inflation and interest rate hikes
- ▷ Resilient business model
- ▷ Expansion in Brazil

## Website

▶ [www.greenlitbrands.com.au](http://www.greenlitbrands.com.au)

## Not listed

## Turnover

▶ FY2021 €714 million; 1H2022 €361 million

## EBITDA

▶ FY2021 €96 million; 1H2022 €45 million

## Ownership

▶ 100%

## Footprint (March 2022)

▶ 300 stores, Asia; New Zealand and Australia

## Outlook

- ▶ Brands continue to trade broadly in line with expectations despite a weakening macro environment (rising ocean freight and logistical costs)
- ▶ Strong growth across bedding and lounge categories
- ▶ Greenlit Brands expects modest full year sales growth
- ▶ Disposals of Plush and OMF completed

## Website

▷ [www.mattressfirm.com](http://www.mattressfirm.com)

## Not listed

## Turnover

▷ FY2021 €3 676 million; 1H2022 €1 917 million

## Profit

▷ FY2021 €237 million; 1H2022 €162 million

## Ownership

▷ 50.1% (subject to future dilution by a MIP)

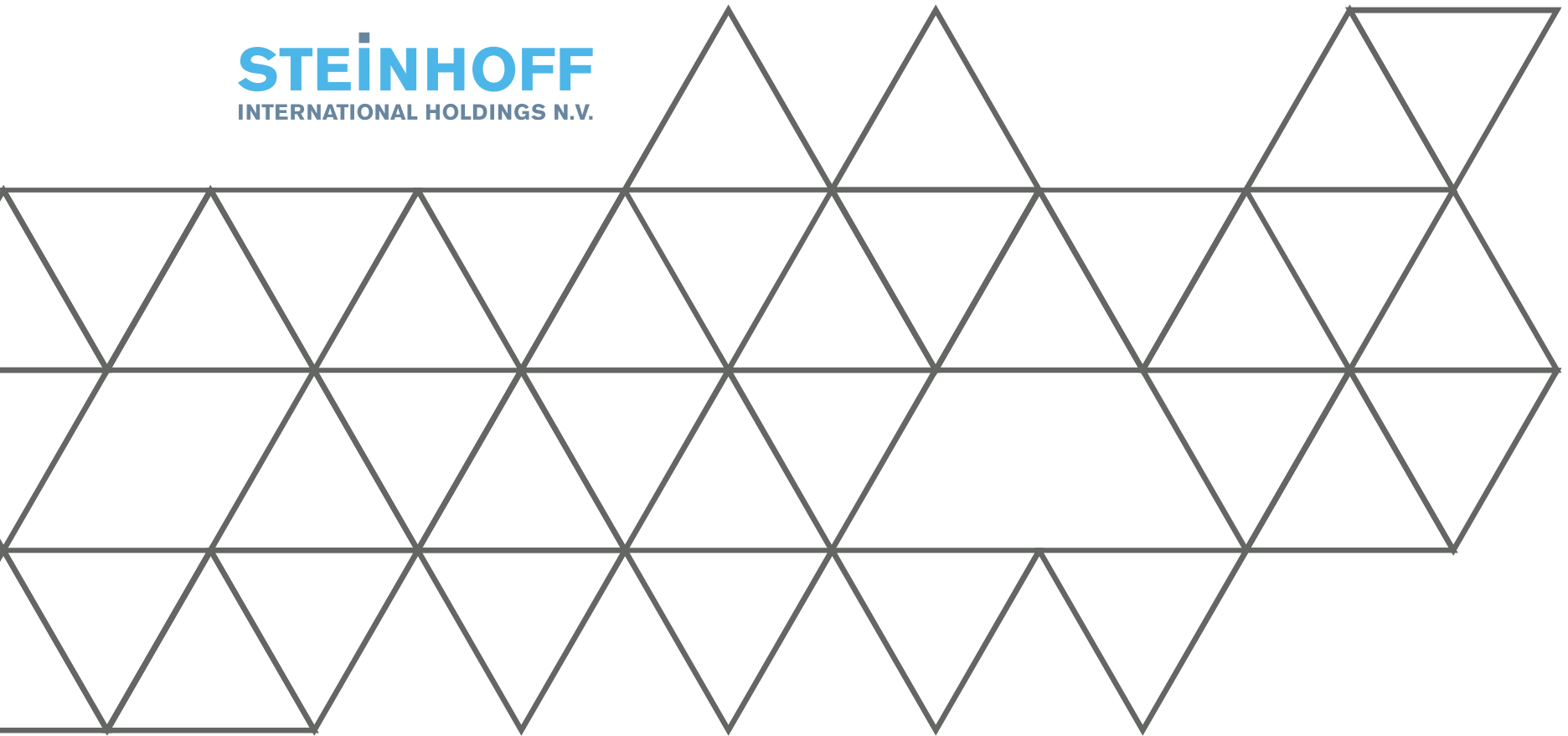
## Footprint (March 2022)

▷ 2 338 stores, 49 states in the USA

## Outlook

- ▷ Post-Covid revenue pressures
- ▷ Inflation outlook
- ▷ Continuing to explore various exit scenarios
- ▷ Macroeconomic situation restricting ability to implement IPO or other processes at an appropriate level
- ▷ Board / management focused on operating the business

- Relatively good first half-year performance across the businesses
- Various opportunities and challenges for the Group
  - COVID-19 – trading restrictions removed
  - Supply chain constraints – increasing costs
  - Inflation outlook – increasing
  - Attractive market segments
  - Geographically diverse operations



# STRATEGY, PROGRESS WITH “STEP 3” AND STRATEGIC OUTLOOK

**LOUIS DU PREEZ**  
Group CEO

# Three-step strategic plan

## Step 1: Completed

Creditor arrangements  
(CVAs implemented  
on 13 August 2019)

## Step 2: Completed

Manage litigation risk  
(Global Litigation  
Settlement implemented  
post 15 February 2022)

## Step 3: Current focus

Restructure debt with  
a view to extending the  
duration and aligning  
financing costs with  
market conditions.  
Steinhoff progress on  
restructuring.

# Progress with “Step 3” (debt process)

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- Engaged with various experts to explore various options
- Engaged with lenders
  - Different classes of debt
  - Many different investors in each class
  - Unique interests
  - Extremely complex process
- Macro-economic developments
  - Inflation increasing
  - Interest rates increasing
  - Global uncertainties
  - Credit markets challenging
- Considering and assessing all options available
- Taking the interests of all stakeholders into account



# Progress with “Step 3” (asset realisations)

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- Potential assets
  - Mattress Firm
  - Greenlit Brands
  - Pepco Group
  - Pepkor Holdings
  - IEP / Bud Group
- All businesses performing well under the circumstances
- Timing – consider the interests of all stakeholders and overall market conditions

## Shareholder structure

- Issued ordinary shares 4 269 609 051
- Treasury shares held 40 186 472
- Net issued shares - free float 4 229 422 579
  
- Split: 70% FSE / 30% JSE
- Investor disclosure to the AFM if holding > 3%
  - Largest known shareholder, per AFM disclosure PIC on behalf of its clients

## Xetra

- Decision taken independently by Eurex Clearing AG

## Regulators

- BaFin fine - resolved other late filings of financial reports and voting rights notifications
- One final continuing process dealing with pre-December 2017 events

- Global holding company: direct impact vs indirect impact
- Important focus areas:
  - Good corporate citizenship; ethical trading policies
  - Diversity, inclusiveness and equality
  - Social and community engagement
  - Net zero emissions; energy consumption; waste; carbon emissions
  - Human rights; modern slavery principles
- Steinhoff focuses on aspects under direct control:
  - emissions
  - workplace safety
  - governance
- Responsibility for operational implementation devolved to operations:
  - More relevant and most impact
  - Work with the operations
  - Encouraged via operational KPIs

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**QUESTIONS, CLOSING and  
THANK YOU**

