



19 April 2018

Dear shareholder

NOTICE OF SUBMISSION OF PROPOSED RESOLUTION TO THE SHAREHOLDERS OF STEINHOFF AFRICA RETAIL LIMITED ("COMPANY" OR "STAR") IN TERMS OF SECTION 44 OF THE COMPANIES ACT, NO 71 OF 2008 ("COMPANIES ACT") PROPOSED TO BE ADOPTED IN TERMS OF SECTION 60 OF THE COMPANIES ACT

1. The board of directors of STAR announced on 15 December 2017 that it wished to refinance all of the shareholder loans owing by STAR to its majority shareholder, Steinhoff Africa Holdings (Pty) Ltd ("**Steinhoff Africa Holdings**") and any other companies that form part of the same group of companies as Steinhoff Africa Holdings (but excluding STAR and its subsidiaries).
2. STAR envisages that one of its wholly owned subsidiaries (the "**Issuer**") will issue funding preference shares to South African financial institutions (the "**Subscribers**") to fund a portion of that refinance. The Subscribers have indicated that they are willing to subscribe for preference shares with an aggregate subscription price of approximately R6 billion subject to the fulfilment of certain conditions precedent. One such condition precedent is that STAR guarantees the Issuer's contractual obligations that relate to the funding preference shares to the Subscribers.
3. In terms of section 44 of the Companies Act, STAR may only provide such guarantee if, amongst other things, it has been approved by the shareholders by means of a special resolution in the preceding two years.
4. Section 65(2) of the Companies Act provides that the board may propose any resolution to be considered by shareholders, and may determine whether that resolution will be considered at a meeting, or by vote or written consent in terms of section 60 of the Companies Act.
5. Section 60 of the Companies Act provides that a resolution that could be voted on at a shareholders meeting may instead be submitted for consideration to the shareholders entitled to exercise voting rights in relation to the resolution, and be voted on in writing by shareholders entitled to exercise voting rights in relation to the resolution, within 20 (twenty) business days after the resolution was submitted to them.
6. Section 60(2) of the Companies Act further provides that a resolution contemplated in section 60(1) of the Companies Act will have been adopted if it is supported by persons entitled to exercise sufficient voting rights for it to have been adopted as an ordinary or special resolution, as the case may be, at a properly constituted shareholders meeting, and, if adopted, such resolution will have the same effect as if it had been approved by voting at a meeting.
7. Shareholders who have dematerialised their shares (other than own-name dematerialised shareholders) in terms of the Financial Markets Act No 19 of 2012 should advise their Central Securities Depository Participant ("CSDP") or broker as to what action they wish to take.



This must be done in terms of the agreement entered into between them and their CSDP or broker. Shareholders who have dematerialised their shares (other than own-name dematerialised shareholders) must not return the form of written consent set out in Annexure 2 ("**Written Consent**") to the transfer secretaries. Their instructions must be sent to their CSDP or broker for action in the form of the written instruction set out in Annexure 3.

8. Certificated shareholders and own-name dematerialised shareholders may indicate, by the insertion of the relevant number of votes exercisable by that shareholder in the appropriate box provided, on the Written Consent how they wish to cast their votes in relation to the Special Resolution. Please return a copy of the completed and signed Written Consent to Computershare Investor Services Proprietary Limited (the transfer secretaries of the Company) within 20 (twenty) business days of the date of receipt hereof to any one of the following (for attention meetings department) –
 - 8.1 physical address: Rosebank Towers, 15 Biermann Avenue, Rosebank, Johannesburg, 2196;
 - 8.2 postal address: PO Box 61051, Marshalltown, 2107;
 - 8.3 fax: +27 11 688-5238; and/or
 - 8.4 email: proxy@computershare.co.za.
9. Where a shareholder has received this letter attaching the Special Resolution by means of fax such shareholder is deemed to have received these documents on the date and at the time recorded by the fax receiver, unless there is conclusive evidence that it was delivered on a different date or at a different time.
10. Where a shareholder has received this letter attaching the Special Resolution by means of electronic mail such shareholder is deemed to have received these documents on the date and at the time recorded by the computer used by the sender, unless there is conclusive evidence that it was delivered on a different date or at a different time.
11. Where a shareholder has received this letter attaching the Special Resolution by means of registered post such shareholder is deemed to have received these documents on the 7th (seventh) day following the day on which the notice or document was posted as recorded by a post office, unless there is conclusive evidence that it was delivered on a different day.
12. Where a shareholder has received this letter attaching the Special Resolution by hand, in the case of a natural person, or in the case of a company or body corporate, by hand to a responsible employee, at its registered office or its principal place of business within the Republic of South Africa, then such shareholder is deemed to have received these documents on the date and at the time recorded on the receipt for delivery, unless there is conclusive evidence that it was delivered on a different date or at a different time.



13. The directors of the Company have resolved that the record date for determining which shareholders are entitled to vote on the Special Resolution in terms of the Written Consent, shall be Friday, 13 April 2018.

Yours faithfully,

A handwritten signature in black ink, appearing to be 'AJ Keulder', written over a horizontal line.

AJ KEULDER
Per: The Company Secretary
For: Steinhoff Africa Retail Limited

STEINHOFF AFRICA RETAIL LIMITED
(Previously K2017221869 (South Africa) Proprietary Limited)
(Registration Number: 2017/221869/06)
Incorporated in the Republic of South Africa
("Company")

**SPECIAL RESOLUTION OF THE SHAREHOLDERS OF THE COMPANY ADOPTED IN
TERMS OF SECTION 60(1) OF THE COMPANIES ACT, NO 71 OF 2008 ("COMPANIES
ACT")**

RESOLVED THAT the Company be and is hereby authorized to provide financial assistance, as contemplated in section 44 of the Companies Act, for the purpose of, or in connection with, preference shares issued by a direct or indirect subsidiary of the Company, to any entity that subscribes for or holds such preference shares and/or any entity that is appointed as an agent by the entities that subscribe for or hold such preference shares.

The percentage of voting rights required for the above special resolution to be adopted is at least 75% (seventy five percent) of the voting rights exercised on the resolution.

STEINHOFF AFRICA RETAIL LIMITED
 (Previously K2017221869 (South Africa) Proprietary Limited)
 (Registration Number: 2017/221869/06)
 Incorporated in the Republic of South Africa
 ("Company")

**FORM OF WRITTEN CONSENT IN TERMS OF SECTION 60 OF THE
 COMPANIES ACT, NO 71 of 2008 ("COMPANIES ACT")**

**FOR USE BY CERTIFICATED SHAREHOLDERS AND OWN-NAME DEMATERIALISED
 SHAREHOLDERS IN TERMS OF SECTION 60 OF THE COMPANIES ACT**

Shareholders who have dematerialised their shares, other than own-name dematerialised shareholders, with a CSDP or broker should advise their CSDP or broker as to what action they wish to take. This must be done in terms of the agreement entered into between them and their CSDP or broker. Shareholders, other than own-name dematerialised shareholders who have dematerialised their shares must **not** return this form of written consent to the transfer secretaries of the Company, Computershare Investor Services Proprietary Limited. Their instructions must be sent to their CSDP or broker for action.

I/We (Full name in
 block letters)

of (address)

the holder of all/

shares held in the
 issued share capital of
 the Company

hereby vote as follows -

	For	Against	Abstain
Special Resolution in terms of section 44 of the Companies Act			

Please indicate with an "X" how you wish your votes to be cast.

Signed this _____ day of _____ 2018

Signature of member(s)

Assisted by me (where applicable)

Note:

- 1 A person signing this written consent in a representative capacity must attach the documentary evidence establishing such authority to this form of written consent, unless previously recorded by the transfer secretaries of the Company.
- 2 The completed and signed written consent and authority (if any) under which it is signed must be either delivered, posted, faxed, and/or emailed to Computershare

ANNEXURE 2

Investor Services Proprietary Limited (the transfer secretaries of the Company) within 20 (twenty) business days of the date of receipt hereof, to the following –

- 2.1 physical address: Rosebank Towers, 15 Biermann Avenue, Rosebank, Johannesburg, 2196;
 - 2.2 postal address: PO Box 61051, Marshalltown, 2107;
 - 2.3 fax: +27 11 688-5238; and/or
 - 2.4 email: proxy@computershare.co.za.
- 3 A certified or own-name dematerialised shareholder's instructions on the form of written consent must be indicated by the insertion of the relevant number of votes exercisable by that shareholder in the appropriate box provided. A certified or own-name dematerialised shareholder is not obliged to use all the votes exercisable by the shareholder, but the total number of votes cast and in respect of which abstention is recorded may not exceed the total number of votes exercisable by the certified or own-name dematerialised shareholder.

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 (Previously K2017221869 (South Africa) Proprietary Limited)
 (Registration Number: 2017/221869/06)
 Incorporated in the Republic of South Africa
 ("Company")

**FORM OF WRITTEN INSTRUCTION TO THE CSDP / BROKER BY SHAREHOLDERS
 HOLDING THEIR SHARES IN DEMATERIALISED FORM**

FOR USE BY SHAREHOLDERS HOLDING SHARES IN DEMATERIALISED FORMAT

Shareholders who have dematerialised their shares, other than own-name dematerialised shareholders, with a CSDP or broker can instruct their CSDP or broker as to what action they wish to take by completing and sending this form to the CSDP / Broker concerned. This must be done in terms of the agreement entered into between them and their CSDP or broker.

I/We (Full name in
 block letters)

of (address),

would like to instruct the voting in respect of all/

shares held in the
 issued share capital of
 the Company,

as follows –

	For	Against	Abstain
Special Resolution in terms of section 44 of the Companies Act			

Please indicate with an "X" how you wish your votes to be cast.

Signed this _____ day of _____ 2018

Signature of member(s)

Assisted by me (where applicable)

Note:

- 1 A dematerialised shareholder's instructions on the form of written instruction must be indicated by the insertion of the relevant number of votes exercisable by that shareholder in the appropriate box provided. A dematerialised shareholder is not obliged to use all the votes exercisable by the shareholder, but the total number of votes cast and in respect of which abstention is recorded may not exceed the total number of votes exercisable by the dematerialised shareholder.

- 2 This form must be sent by the dematerialised shareholder concerned to his or her CSDP or broker in terms of the agreement entered into between the dematerialised shareholder and such CSDP or broker, and a copy must be either delivered, posted, faxed, and/or emailed to Computershare Investor Services Proprietary Limited (the transfer secretaries of the Company) within 20 (twenty) business days of the date of receipt hereof, to the following –
 - 2.1 physical address: Rosebank Towers, 15 Biermann Avenue, Rosebank, Johannesburg, 2196;
 - 2.2 postal address: PO Box 61051, Marshalltown, 2107;
 - 2.3 fax: +27 11 688-5238; and/or
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