

Registration number: 03738136

# Steinhoff UK Holdings Limited

Annual Report and Financial Statements

for the 15 month Period from 1 July 2015 to 30 September 2016



## **Steinhoff UK Holdings Limited**

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## **Steinhoff UK Holdings Limited**

### **Company Information**

<b>Directors</b>	PJ Dieperink SJ Grobler MJ Jooste H Odendaal S Summers DM Van Der Merwe
<b>Company secretary</b>	JH Robins
<b>Registered office</b>	5th Floor Festival House Jessop Avenue Cheltenham Gloucestershire GL50 3SH
<b>Auditor</b>	Deloitte LLP Statutory Auditor 2 Hardman Street Manchester

## **Steinhoff UK Holdings Limited**

### **Strategic Report for the Period from 1 July 2015 to 30 September 2016**

In line with the ultimate parent company, the financial year has changed to 30 September (from 30 June) and therefore the directors present their report on the affairs of the company, together with the financial statements and independent auditor's report, for the 15 month period from 1 July 2015 to 30 September 2016.

#### **Review of the business, Key performance indicators and Future developments**

The company is an investment holding company. The majority of transactions are with group undertakings, and the key performance indicators for the company are profit after taxation and net assets, both of which are shown in the financial statements. Due to the nature of the business the directors do not consider there to be any non-financial key performance indicators on which the business is managed.

The profit after taxation was £24,292,000 (2015: £14,836,000). The increase was mainly attributable to an increase in dividends received from subsidiaries, net of write-down of investments in subsidiaries. The write-down of investments in the prior year arose as a consequence of the receipt of dividends of £254,500,000 from a subsidiary. The investment in this subsidiary was subsequently written down by £239,932,000 to reflect the revised net asset value of the subsidiary.

Net assets increased from £159,426,000 to £462,007,000 due to the profit for the period of £24,292,000, plus an increase of capital of £348,289,000, less dividends paid of £70,000,000.

During the period, the company invested in two major new groups, namely Poundland Group Limited (formerly Poundland Group plc) and Steinhoff Asia Pacific Group Holdings Pty Limited. The total invested was £696,578,000 and was funded by the aforementioned issue of capital (£348,289,000) and the issue of long-term related party debt of the same amount.

The directors do not anticipate the principal activity of the business changing in the foreseeable future and other than those transactions disclosed in the Directors' Report, expect the current level of activity to continue.

#### **Principal risks and uncertainties**

The company is an investment company with investments in wholly owned subsidiaries, linked mainly to the furniture, bedding, homewares and discount retail sector. The success of these entities is therefore influenced by the economic environment in which they operate. The directors believe that the company is well placed, with the support of Steinhoff Europe AG, the parent company of the Steinhoff Europe group, to manage its business risks successfully in the current economic conditions.

The financial position of the company and liquidity position are detailed in the financial statements.

#### ***Credit risk***

Potential concentration of credit risk consist principally of short-term cash and cash equivalent investments, and amounts owed by group undertakings. The company deposits short-term cash surpluses with the same bank granting the group overdraft facility. The ability of group undertakings to repay amounts due is regularly assessed.

At the period end, the company did not consider there to be any other significant concentration of credit risk which had not been adequately provided for.

## Steinhoff UK Holdings Limited

### Strategic Report for the Period from 1 July 2015 to 30 September 2016 (continued)

#### Principal risks and uncertainties (continued)

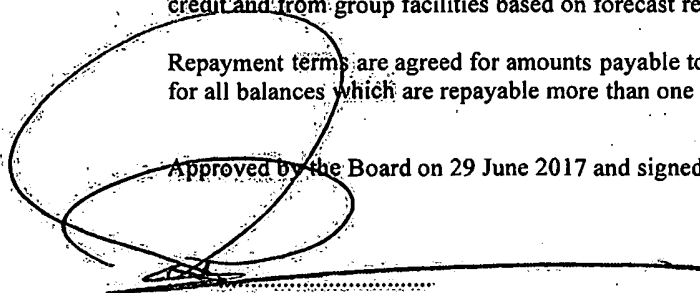
##### *Liquidity risk*

Liquidity risk is the risk that the company will encounter difficulty in meeting obligations associated with financial liabilities. Liquidity risk arises because of the possibility that the company could be required to pay its liabilities earlier than expected.

Liquidity risk is managed at various levels, starting at the ultimate holding company and cascading down to the UK group of companies of which this company is one. The UK group manages liquidity risk by monitoring forecast cash flows which are provided weekly and by ensuring that adequate borrowing facilities are available. The company generates its own cash to meet obligations, and additional cash is obtained from existing lines of credit and from group facilities based on forecast requirements.

Repayment terms are agreed for amounts payable to other group companies and loan agreements are put in place for all balances which are repayable more than one year from the statement of financial position date.

Approved by the Board on 29 June 2017 and signed on its behalf by:



PJ Dieperink  
Director

## **Steinhoff UK Holdings Limited**

### **Directors' Report for the Period from 1 July 2015 to 30 September 2016**

The directors present their report and the financial statements for the period from 1 July 2015 to 30 September 2016.

#### **Directors of the company**

The directors, who held office during the period and thereafter, were as follows:

PJ Dieperink

SJ Grobler

MJ Jooste

H Odendaal

S Summers

DM Van Der Merwe

#### **Dividends**

During the period the directors declared a final dividend relating to the year ended 30 June 2015 of £53,000,000 and an interim dividend relating to the period ended 30 September 2016 of £17,000,000 (2015: £10,000,000 relating to the year ended 30 June 2014). No final dividend has been declared or proposed relating to the period ended 30 September 2016.

#### **Matters included in the Strategic Report**

In accordance with s414(C) of the Companies Act 2006, included in the Strategic Report is information relating to the future development of the business which would otherwise be required by Schedule 7 of the 'large and medium sized companies and groups (accounts and reports) regulations 2008' to be contained in a Directors' Report.

#### **Going concern**

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Further details regarding the adoption of the going concern basis can be found in note 2 to the financial statements.

#### **Important non adjusting events after the financial period**

After the period end, the company invested a further AUD 370 million in its subsidiary, Steinhoff Asia Pacific Holdings Pty Limited in the form of debt and equity. This investment was funded by the issue of share capital of £108.5 million and related party debt of £108.5 million.

On 1 April 2017, the company purchased 100% of the share capital of Retail Holdings Sarl, a company incorporated in Luxembourg. To fund this acquisition, the company issued share capital to the value of £205 million and related party debt of £205 million.

#### **Disclosure of information to the auditor**

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

**Steinhoff UK Holdings Limited**

**Directors' Report for the Period from 1 July 2015 to 30 September 2016 (continued)**

**Reappointment of auditor**

The auditor, Deloitte LLP are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Approved by the Board on 29 June 2017 and signed on its behalf by:



PJ Dieperink  
Director

## **Steinhoff UK Holdings Limited**

### **Statement of Directors' Responsibilities**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework' ('FRS 101'). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether FRS 101 has been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



## **Steinhoff UK Holdings Limited**

### **Independent Auditor's Report**

We have audited the financial statements of Steinhoff UK Holdings Limited for the period from 1 July 2015 to 30 September 2016, which comprise the Income Statement, the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the related notes 1 to 18. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework'.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of directors and auditor**

As explained more fully in the Statement of Directors' Responsibilities (set out on page 6), the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on the financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2016 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Strategic Report and Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

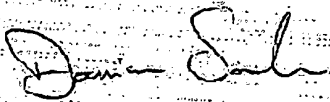
**Steinhoff UK Holdings Limited**

**Independent Auditor's Report (continued)**

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Damian Sanders ACA (Senior Statutory Auditor)  
For and on behalf of Deloitte LLP, Statutory Auditor

2 Hardman Street  
Manchester

30 June 2017

# Steinhoff UK Holdings Limited

## Income Statement for the Period from 1 July 2015 to 30 September 2016

	Note	15 months to 30 September 2016 £ 000	12 months to 30 June 2015 £ 000
Revenue	4	25,500	254,500
Administrative income		5	1
Other operating expenses		(8,359)	-
Other gains/(losses)	5	<u>6,728</u>	<u>(239,932)</u>
Operating profit		<u>23,874</u>	<u>14,569</u>
Finance income	6	630	195
Finance costs	7	<u>(234)</u>	<u>(10)</u>
Net finance income		<u>396</u>	<u>185</u>
Profit before tax		24,270	14,754
Income tax receipt	10	<u>22</u>	<u>82</u>
Profit for the period		<u><u>24,292</u></u>	<u><u>14,836</u></u>

The above results were derived from continuing operations.

**Steinhoff UK Holdings Limited**

**Statement of Comprehensive Income for the Period from 1 July 2015 to 30 September 2016**

	<b>15 months to 30 September 2016 £ 000</b>	<b>12 months to 30 June 2015 £ 000</b>
Profit for the period	<u>24,292</u>	<u>14,836</u>
Total comprehensive income for the period	<u>24,292</u>	<u>14,836</u>

The notes on pages 13 to 26 form an integral part of these financial statements.

# Steinhoff UK Holdings Limited

(Registration number: 03738136)

## Statement of Financial Position as at 30 September 2016

	Note	30 September 2016 £ 000	30 June 2015 £ 000
<b>Fixed assets</b>			
Investments	11	868,285	171,707
Other financial assets	12	38,906	30,206
		<u>907,191</u>	<u>201,913</u>
<b>Current assets</b>			
Debtors	13	64,258	44
Income tax asset		22	68
Cash at bank and in hand		7,473	6,885
		<u>71,753</u>	<u>6,997</u>
<b>Creditors: Amounts falling due within one year</b>		<u>(145,555)</u>	<u>(6,391)</u>
<b>Net current (liabilities)/assets</b>		<u>(73,802)</u>	<u>606</u>
<b>Total assets less current liabilities</b>		833,389	202,519
<b>Creditors: Amounts falling due after more than one year</b>		<u>(371,382)</u>	<u>(43,093)</u>
<b>Net assets</b>		<u>462,007</u>	<u>159,426</u>
<b>Capital and reserves</b>			
Called up share capital	14	1	
Share premium reserve		454,673	106,385
Retained earnings		7,333	53,041
<b>Shareholder's funds</b>		<u>462,007</u>	<u>159,426</u>

Approved by the Board on 29 June 2017 and signed on its behalf by:

PJ Dieperink  
Director

The notes on pages 13 to 26 form an integral part of these financial statements.

# Steinhoff UK Holdings Limited

## Statement of Changes in Equity for the Period from 1 July 2015 to 30 September 2016

	Share capital £ 000	Share premium £ 000	Retained earnings £ 000	Total £ 000
At 1 July 2015		106,385	53,041	159,426
Total comprehensive income for the period			24,292	24,292
Dividends			(70,000)	(70,000)
New share capital subscribed	1	348,288		348,289
At 30 September 2016	1	454,673	7,333	462,007

	Share capital £ 000	Share premium £ 000	Retained earnings £ 000	Total £ 000
At 1 July 2014		106,385	48,205	154,590
Total comprehensive income for the year			14,836	14,836
Dividends			(10,000)	(10,000)
At 30 June 2015		106,385	53,041	159,426

The notes on pages 13 to 26 form an integral part of these financial statements.

## **Steinhoff UK Holdings Limited**

### **Notes to the Financial Statements for the Period from 1 July 2015 to 30 September 2016**

#### **1 General information**

The company is a private company limited by share capital incorporated under the Companies Act 2006 and domiciled in England & Wales. The functional currency of the company is considered to be pounds sterling as that is the currency of the primary economic environment in which the company operates.

The address of its registered office is:

5th Floor Festival House  
Jessop Avenue  
Cheltenham  
Gloucestershire  
GL50 3SH

These financial statements were authorised for issue by the Board on 29 June 2017.

#### **2 Accounting policies**

##### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **Basis of preparation**

The company meets the definition of a qualifying entity under FRS 100 (Financial Reporting Standard 100) issued by the Financial Reporting Council. Accordingly, in the 15 months ended 30 September 2016 the company has undergone transition from reporting under IFRSs adopted by the European Union to FRS 101 as issued by the Financial Reporting Council. The financial statements have therefore been prepared in accordance with FRS 101 'Reduced Disclosure Framework' as issued by the Financial Reporting Council. This transition is not considered to have had a material effect on the financial statements. They have been prepared under the historical cost convention.

##### **Summary of disclosure exemptions**

The company has taken advantage of the following disclosure exemptions under FRS 101:

- (a) the requirements of IFRS 7 Financial Instruments: Disclosures
- (b) the requirements of IAS 7 Statement of Cash Flows
- (c) the requirements of paragraphs 17 and 18A of IAS 24 Related Party Disclosures
- (d) the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group
- (e) the requirement in paragraph 30 and 31 of IAS 8 to disclose new IFRS's not yet effective.

Where relevant, equivalent disclosures have been given in the group accounts of Steinhoff International Holdings N.V.. The group accounts of Steinhoff International Holdings N.V. are available to the public and can be obtained as set out in note 17.

## **Steinhoff UK Holdings Limited**

### **Notes to the Financial Statements for the Period from 1 July 2015 to 30 September 2016 (continued)**

#### **2 Accounting policies (continued)**

##### **Going concern**

The company's forecasts and projections, taking account of reasonably possible changes in performance and economic conditions in the retail sectors in which its subsidiaries operate, show that the company should be able to continue to generate profits and cash for the foreseeable future.

The directors have received confirmation that Steinhoff Europe AG, the parent company of the Steinhoff Europe group, will continue to provide the necessary level of support to enable the Steinhoff UK group to continue to operate for a period of 12 months from the date of signing the financial statements.

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

##### **Exemption from preparing group accounts**

The financial statements contain information about Steinhoff UK Holdings Limited as an individual company and do not contain consolidated financial information as the parent of a group.

The company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its ultimate parent, Steinhoff International Holdings N.V., a company incorporated in The Netherlands.

##### **Changes in accounting policy**

None of the standards, interpretations and amendments effective for the first time from 1 July 2015 have had a material effect on the financial statements.

##### **Revenue recognition**

Revenue is attributable to the company's principal activity, which is that of an investment company. All revenue in the financial period has been earned from UK business. Dividend income is accounted for when it is receivable, being when it is approved for distribution.

The company recognises revenue when:

- the amount of revenue can be reliably measured;
- it is probable that future economic benefits will flow to the entity; and
- specific criteria have been met for each of the company activities.

##### **Finance income and costs policy**

Finance income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

##### **Tax**

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.



## **Steinhoff UK Holdings Limited**

### **Notes to the Financial Statements for the Period from 1 July 2015 to 30 September 2016 (continued)**

#### **2 Accounting policies (continued)**

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

##### **Investments**

Investments in subsidiary undertakings are initially measured at cost, including transaction costs. At subsequent reporting dates, investments are carried at cost subject to annual impairment review.

##### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

##### **Share capital**

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

##### **Dividends**

Dividend distribution to the company's shareholders is recognised as a liability in the company's financial statements in the period in which the dividends are approved by the company's shareholders.

##### **Financial assets and liabilities**

###### ***Classification***

The financial assets are loans and receivables.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

###### ***Recognition and measurement***

Receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost less impairment.

Trade payables are initially measured at fair value, and are subsequently measured at amortised cost.

###### ***Impairment***

Financial assets are assessed for indicators of impairment at each statement of financial position date. Financial assets are impaired where there is objective evidence that as a result of one or more events that occurred after the initial recognition of the financial asset the estimated future cash flows of the investment have been impacted. For loans and receivables the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows.

#### **3 Critical accounting judgements and key sources of estimation uncertainty**

The directors believe that there are no critical judgements or estimates to be disclosed that would have a material impact on the financial statements.

## Steinhoff UK Holdings Limited

### Notes to the Financial Statements for the Period from 1 July 2015 to 30 September 2016 (continued)

#### 4 Turnover

The analysis of the company's turnover for the period from continuing operations is as follows:

	15 months to 30 September 2016 £ 000	12 months to 30 June 2015 £ 000
Dividends received	<u>25,500</u>	<u>254,500</u>

All revenue is earned from UK business.

#### 5 Other gains and losses

The analysis of the company's other gains and losses for the period is as follows:

	15 months to 30 September 2016 £ 000	12 months to 30 June 2015 £ 000
Gain on disposal of intangible assets	6,728	
Impairment against investments in subsidiaries	<u>-</u>	<u>(239,932)</u>
	<u>6,728</u>	<u>(239,932)</u>

#### 6 Finance income

	15 months to 30 September 2016 £ 000	12 months to 30 June 2015 £ 000
Other finance income	<u>630</u>	<u>195</u>

#### 7 Interest payable and similar charges

	15 months to 30 September 2016 £ 000	12 months to 30 June 2015 £ 000
Interest on bank overdrafts and borrowings	11	10
Other finance costs	<u>223</u>	<u>-</u>
	<u>234</u>	<u>10</u>

## Steinhoff UK Holdings Limited

### Notes to the Financial Statements for the Period from 1 July 2015 to 30 September 2016 (continued)

#### 8 Staff costs

The company has no employees other than the directors. There were no staff costs during either period.

The emoluments of the directors were paid by fellow subsidiaries of Steinhoff International Holdings N.V. It is not practicable to split their remuneration between their services to group companies.

#### 9 Auditor's remuneration

	15 months to 30 September 2016 £ 000	12 months to 30 June 2015 £ 000
Audit of the financial statements	<u>32</u>	<u>24</u>

There were no non-audit fees payable to the company's auditor in either period.

#### 10 Income tax

Tax credited in the income statement

	15 months to 30 September 2016 £ 000	12 months to 30 June 2015 £ 000
Current taxation		
UK corporation tax	<u>(22)</u>	<u>(82)</u>

The tax on profit before tax for the period is lower than the standard rate of corporation tax in the UK (2015 - lower than the standard rate of corporation tax in the UK) of 20% (2015 - 20.75%).

The differences are reconciled below:

# Steinhoff UK Holdings Limited

## Notes to the Financial Statements for the Period from 1 July 2015 to 30 September 2016 (continued)

### 10 Income tax (continued)

	15 months to 30 September 2016 £ 000	12 months to 30 June 2015 £ 000
Profit before tax	<u>24,270</u>	<u>14,754</u>
Corporation tax at standard rate	4,854	3,061
Decrease in current tax from adjustment for prior periods	(1)	(14)
Increase from effect of expenses not deductible in determining taxable profit	327	49,786
Decrease from effect of dividends from UK companies	(5,100)	(52,809)
Compensating adjustment	<u>(102)</u>	<u>(106)</u>
Total tax credit	<u>(22)</u>	<u>(82)</u>

20% is the rate of corporation tax for the period following the reduction in the UK rate from 21% to 20% with effect from 1 April 2015.

There is no recognised or unrecognised deferred tax in either period.

### 11 Investments

Subsidiaries	£ 000
Cost or valuation	
At 1 July 2015	629,794
Additions	<u>696,578</u>
At 30 September 2016	<u>1,326,372</u>
Provision	
At 1 July 2015	<u>458,087</u>
At 30 September 2016	<u>458,087</u>
Carrying amount	
At 30 September 2016	<u>868,285</u>
At 1 July 2015	<u>171,707</u>

Details of the subsidiaries as at 30 September 2016 are as follows:

# Steinhoff UK Holdings Limited

## Notes to the Financial Statements for the Period from 1 July 2015 to 30 September 2016 (continued)

### 11 Investments (continued)

Name of subsidiary	Principal activity	Country of incorporation and principal place of business	Proportion of ownership interest and voting rights held	
			2016	2015
Bedshed (North)	Dormant	United Kingdom	100%	100%
Bensons Beds Limited	Dormant	United Kingdom	100%	100%
Cargo Homeshop Limited	Dormant	United Kingdom	100%	100%
Concorde (Logistics) Limited	Dormant	United Kingdom	100%	100%
Dunlopillo Limited*	Dormant	United Kingdom	100%	100%
Furniture Shed Limited	Dormant	United Kingdom	100%	100%
Harveys Furniture Limited	Dormant	United Kingdom	100%	100%
Homestyle 2007 Pension Scheme Trustee Limited	Pension Scheme Trustee	United Kingdom	100%	100%
Homestyle Group Operations Limited*	Property Management	United Kingdom	100%	100%
Homestyle Operations Limited	Dormant	United Kingdom	100%	100%
Localbasis Limited	Dormant	United Kingdom	100%	100%
MC (No 45) Limited	Dissolved	United Kingdom	0%	100%
Myer's Beds Limited	Dormant	United Kingdom	100%	100%
Pritex Limited	Manufacture	United Kingdom	100%	100%
Property Portfolio (No 1) Limited	Dormant	United Kingdom	100%	100%
Property Portfolio (No 2) Limited	Dormant	United Kingdom	100%	100%
Property Portfolio (No 3) Limited	Dormant	United Kingdom	100%	100%
Property Portfolio (No 7) Limited	Dormant	United Kingdom	100%	100%
Property Portfolio (No 8) Limited	Dormant	United Kingdom	100%	100%
Property Portfolio (No 10) Limited	Dormant	United Kingdom	100%	100%
Property Portfolio (No 11)	Dormant	United Kingdom	100%	100%
Property Portfolio (No 13) Limited*	Dissolved	United Kingdom	0%	100%

## Steinhoff UK Holdings Limited

### Notes to the Financial Statements for the Period from 1 July 2015 to 30 September 2016 (continued)

#### 11 Investments (continued)

Name of subsidiary	Principal activity	Country of incorporation and principal place of business	Proportion of ownership interest and voting rights held	
			2016	2015
Property Portfolio (No 14) Limited	Dormant	United Kingdom	100%	100%
Property Portfolio (No 15) Limited	Dormant	United Kingdom	100%	100%
Property Portfolio (No 17) Limited*	Investment	United Kingdom	100%	100%
Reid Furniture (2014) Limited	Dormant	United Kingdom	100%	100%
Relyon Group Limited	Investment	United Kingdom	100%	100%
Relyon Limited	Manufacture	United Kingdom	100%	100%
Serais Investments Limited	Property Management	United Kingdom	100%	100%
Sleepmasters Limited	Dormant	United Kingdom	100%	100%
Slumberland Limited	Dormant	United Kingdom	100%	100%
Sofa Shed Limited	Dormant	United Kingdom	100%	100%
Springtex Limited	Dormant	United Kingdom	100%	100%
Sprung Slumber Limited	Dormant	United Kingdom	100%	100%
Staples & Co Limited	Dormant	United Kingdom	100%	100%
Steinhoff UK Beds Limited	Manufacture	United Kingdom	100%	100%
Steinhoff UK Furniture Limited	Dormant	United Kingdom	100%	100%
Steinhoff UK Group Properties Limited*	Property Management	United Kingdom	100%	100%
Steinhoff UK Manufacturing Limited	Investment	United Kingdom	100%	100%
Steinhoff UK Retail Limited*	Retail	United Kingdom	100%	100%
Steinhoff UK Upholstery Limited	Import/distribution	United Kingdom	100%	100%
TechXpress Limited	Dormant	United Kingdom	100%	100%
Unitrans Limited	Logistics	United Kingdom	100%	100%
Unitrans Logistics (UK) Limited	Investment	United Kingdom	100%	100%

## Steinhoff UK Holdings Limited

### Notes to the Financial Statements for the Period from 1 July 2015 to 30 September 2016 (continued)

#### 11 Investments (continued)

Name of subsidiary	Principal activity	Country of incorporation and principal place of business	Proportion of ownership interest and voting rights held	
			2016	2015
Unitrans UK Limited*	Investment	United Kingdom	100%	100%
Steinhoff Asia Pacific Group Holdings Pty Ltd*	Investment	Australia	100%	0%
Steinhoff Risk Solutions Pty Ltd	Insurance broking	Australia	100%	0%
Steinhoff Asia Pacific Holding Pty Ltd	Investment	Australia	100%	0%
Steinhoff Commercial Holdings Pty Ltd	Dormant	Australia	100%	0%
Steinhoff Bedding Australia Pty Ltd	Manufacture	Australia	100%	0%
Bravoscar Wholesaling Pty Ltd	Dormant	Australia	100%	0%
A.C.N. 108 395 651 Pty Ltd	Dormant	Australia	100%	0%
POCO Australia Pty Ltd	Retail	Australia	100%	0%
Bravoscar Finance Company Pty Ltd	Financing	Australia	100%	0%
Unitrans Property Pty Ltd	Property ownership	Australia	100%	0%
Steinhoff Asia Pacific Ltd	Investment	Australia	100%	0%
Panda Sofa Pty Ltd	Dormant	Australia	100%	0%
G&G Furniture Imports Pty Ltd	Importer	Australia	100%	0%
Steinhoff Pacific Pty Ltd	Dormant	Australia	100%	0%
Steinhoff Australia Pty Ltd	Dormant	Australia	100%	0%
Bay Leather Republic Pty Ltd	Retail	Australia	100%	0%
Big Brand Outlet Pty Ltd	Retail	Australia	100%	0%
Freedom Furniture Australia Pty Ltd	Dormant	Australia	100%	0%
Snooze Management Pty Ltd	Retail	Australia	100%	0%
Snooze Sleep Well Pty Ltd	Retail	Australia	100%	0%
Freedom Home & Cafe Pty Ltd	Dormant	Australia	100%	0%
Freedom Furniture New Zealand Ltd	Retail	New Zealand	100%	0%
F.G.L. Property Tee Pty Ltd	Property ownership	Australia	100%	0%
Unitrans Asia Pacific Pty Ltd	Logistics	Australia	100%	0%
Prosequi Pty Ltd	Dormant	Australia	100%	0%
Freedom Furniture Partnership	Dormant	Australia	100%	0%

## Steinhoff UK Holdings Limited

### Notes to the Financial Statements for the Period from 1 July 2015 to 30 September 2016 (continued)

#### 11 Investments (continued)

Name of subsidiary	Principal activity	Country of incorporation and principal place of business	Proportion of ownership interest and voting rights held	
			2016	2015
Bayswiss Pty Ltd	Dormant	Australia	100%	0%
Swiss Delicatessen & Restaurant Pty Ltd	Dormant	Australia	100%	0%
Swiss Deli Retail Pty Ltd	Dormant	Australia	100%	0%
Reconquista Pty Ltd	Dormant	Australia	100%	0%
Beyond the Square Promotions Pty Ltd	Dormant	Australia	100%	0%
Bayteak Pty Ltd	Dormant	Australia	100%	0%
Freedom Bedroom Pty Ltd	Dormant	Australia	100%	0%
Freedom Lidcombe Unit Trust	Dormant	Australia	100%	0%
Freedom Unit Trust	Dormant	Australia	100%	0%
Bossaninja Pty Ltd	Dormant	Australia	100%	0%
Lonaka Manufacturing Pty Ltd	Dormant	Australia	100%	0%
Asteria Australia Pty Ltd	Online Retail	Australia	100%	0%
Freedom Kings Park Unit Trust	Dormant	Australia	100%	0%
Freedom Brands Pty Ltd	Dormant	Australia	100%	0%
Aigls Pty Ltd	Dormant	Australia	100%	0%
Freedom Properties Holding Ltd	Retail	Australia	100%	0%
Moore Park Bedding Pty Ltd	Retail	Australia	100%	0%
Freedom Property WA No.2 Pty Ltd	Dormant	Australia	100%	0%
Pepkor South East Asia Pty Ltd #	Investment	Australia	100%	0%
Pepkor Direct Pty Ltd #	Retail	Australia	100%	0%
Best& Less Pty Ltd #	Retail	Australia	100%	0%
Harsyn Pty Ltd #	Retail	Australia	100%	0%
Harrin Australia Pty Ltd #	Retail	Australia	100%	0%
PSEA Dept. Stores Pty Ltd #	Retail	Australia	100%	0%
Harris Scarfe Financial Services Pty Ltd #	Finance	Australia	100%	0%
Bronsonbay Pty Ltd #	Retail	Australia	100%	0%
Allens Stores Pty Ltd #	Retail	Australia	100%	0%
Harris Scarfe Insurance Pty Ltd #	Retail	Australia	100%	0%
Harris Scarfe Securitisation Income Trust No. 1 #	Retail	Australia	100%	0%



## Steinhoff UK Holdings Limited

### Notes to the Financial Statements for the Period from 1 July 2015 to 30 September 2016 (continued)

#### 11 Investments (continued)

Name of subsidiary	Principal activity	Country of incorporation and principal place of business	Proportion of ownership interest and voting rights held	
			2016	2015
Postie Plus Group Ltd	Retail	New Zealand	100%	0%
Mozi Australia Pty Ltd #	Retail	Australia	100%	0%
Storecon Pty Ltd #	Retail	Australia	100%	0%
The Kidstore Pty Ltd #	Retail	Australia	100%	0%
Epiross Pty Ltd #	Retail	Australia	100%	0%
Poundland Group Limited ^*	Investment	United Kingdom	100%	0%
Poundland Group Holdings Limited ^	Investment	United Kingdom	100%	0%
Poundland Value Retailing Limited ^	Investment	United Kingdom	100%	0%
Poundland Retail Limited ^	Investment	United Kingdom	100%	0%
Poundland Holdings Limited ^	Investment	United Kingdom	100%	0%
Poundland Willenhall Limited ^	Investment	United Kingdom	100%	0%
Poundland Trustee Limited ^	Trustee	United Kingdom	100%	0%
Poundland Limited ^	Value Retailer	United Kingdom	100%	0%
M&O Business Systems Limited ^	Dormant	United Kingdom	100%	0%
Bargain Limited ^	Dormant	United Kingdom	100%	0%
Homes & More Limited ^	Dormant	United Kingdom	100%	0%
Poundland Stores Limited ^	Dormant	United Kingdom	100%	0%
Poundland International Limited ^	Investment	United Kingdom	100%	0%
Shepton View Limited ^	Dormant	United Kingdom	100%	0%
Poundland Far East Limited	Product Sourcing	Hong Kong	100%	0%
Dealz Espana SL	Value Retailer	Spain	100%	0%
Dealz Retailing Ireland Limited	Dormant	Eire	100%	0%
99p Stores Limited ^	Value Retailer	United Kingdom	100%	0%
Family Bargains (Retail) Limited ^	Dormant	United Kingdom	100%	0%
Bargain World (Retail) Limited ^	Dormant	United Kingdom	100%	0%
Pagewell Limited	Value Retailer	Eire	100%	0%
Pagewell Concession (Ilac) Limited	Dormant	Eire	100%	0%

\* indicates direct investment of the company

## Steinhoff UK Holdings Limited

### Notes to the Financial Statements for the Period from 1 July 2015 to 30 September 2016 (continued)

#### 11 Investments (continued)

The companies above marked with ^ have their registered office at Wellmans Road, Willenhall, West Midlands, WV13 2QT.

Property Portfolio (No 10) Limited has its registered office at No.2 Lochrin Square, 96 Fountainbridge, Edinburgh, EH3 9QA.

All other United Kingdom incorporated companies above (other than the dissolved companies) have their registered office at 5th Floor, Festival House, Jessop Avenue, Cheltenham, GL50 3SH.

The companies above marked with # have their registered office at 657-673 Parramatta Rd, Leichhardt, NSW 2040.

All other Australian incorporated companies above have their registered office at Level 4, 1 Epping Road, North Ryde, NSW.

Freedom Furniture New Zealand Ltd has its registered office at 18-26 Amelia Earhart Avenue, Mangere, Auckland 2022.

Postie Plus Group Ltd has its registered office at Level 1, 646 Great South Road, Ellerslie, Auckland. 1642.

Poundland Far East Limited has its registered office at Suite 701, 168 Queen's Road Central.

Dealz Espana SL has its registered office at Calle Bravo Murillo 192, Madrid 28020.

Dealz Retailing Ireland Limited has its registered office at Unit 3 West End Retail Park, Blanchardstown, Dublin 15.

Pagewell Limited and Pagewell Concession (Ilac) Limited have their registered office at Office 24/26, City Quay, Dublin 2.

#### 12 Other financial assets

	30 September 2016 £ 000	30 June 2015 £ 000
<b>Non-current financial assets</b>		
Loans to group undertakings	32,500	30,206
Other receivables	6,406	
	<u>38,906</u>	<u>30,206</u>

The loans to group undertakings are interest free, unsecured and repayable on or after 31 July 2018.

## Steinhoff UK Holdings Limited

### Notes to the Financial Statements for the Period from 1 July 2015 to 30 September 2016 (continued)

#### 13 Trade and other receivables

	30 September 2016 £ 000	30 June 2015 £ 000
Receivables from group undertakings	<u>64,258</u>	<u>44</u>

Receivables from group undertakings are repayable on demand. Interest is charged on certain group facilities at Bank of England base rate plus 2.35%. Other receivables from group undertakings are interest free.

Based on the financial position of the larger Steinhoff group, the directors consider there to be no significant credit risk arising from amounts owed by group undertakings.

#### 14 Share capital

##### Allotted, called up and fully paid shares

	30 September 2016		30 June 2015	
	No.	£	No.	£
Ordinary shares of £1 each	1,112	1,112	102	102

The company has adopted articles to abolish its authorised share capital.

##### New shares allotted

During the period 1,010 Ordinary shares having an aggregate nominal value of £1,010 were allotted for an aggregate consideration of £348,289,000.

#### 15 Trade and other payables

	30 September 2016 £ 000	30 June 2015 £ 000
Accrued expenses	8,388	181
Amounts due to group undertakings	136,992	6,035
Other payables	<u>175</u>	<u>175</u>
	<u>145,555</u>	<u>6,391</u>

Amounts due to group undertakings are repayable on demand and bear no interest.

## Steinhoff UK Holdings Limited

### Notes to the Financial Statements for the Period from 1 July 2015 to 30 September 2016 (continued)

#### 16 Dividends

	30 September 2016 £ 000	30 June 2015 £ 000
Final dividend of £519,607.84 (2015 - £98,039.22) per ordinary share	53,000	10,000
Interim dividend of £166,666.67 (2015 - £Nil) per ordinary share	17,000	-
	<u>70,000</u>	<u>10,000</u>

The dividends in the current period were declared prior to the allotment of new shares in the financial period.

#### 17 Parent and ultimate parent undertaking

The company's immediate parent is Steinhoff Retail GmbH.

The ultimate parent is Steinhoff International Holdings N.V.

The most senior parent entity producing publicly available financial statements is Steinhoff International Holdings N.V.. These financial statements are available upon request from [www.steinhoffinternational.com](http://www.steinhoffinternational.com)

#### Relationship between entity and parents

The parent of the largest group in which these financial statements are consolidated is Steinhoff International Holdings N.V., incorporated in The Netherlands.

The parent of the smallest group in which these financial statements are consolidated is Steinhoff International Holdings N.V., incorporated in The Netherlands.

The address of Steinhoff International Holdings N.V. is:  
Herengracht 466,  
1017 CA Amsterdam,  
The Netherlands

#### 18 Non adjusting events after the financial period

After the period end, the company invested a further AUD 370 million in its subsidiary, Steinhoff Asia Pacific Holdings Pty Limited in the form of debt and equity. This investment was funded by the issue of share capital of £108.5 million and related party debt of £108.5 million. On 1 April 2017, the company purchased 100% of the share capital of Retail Holdings SarL, a company incorporated in Luxembourg. To fund this acquisition, the company issued share capital to the value of £205 million and related party debt of £205 million.