

SUMMARY SEMI-ANNUAL REPORT

Retail Holdings N.V.

**For the Semi-Annual Period Ended
June 30, 2022**

ABOUT RETAIL HOLDINGS AND THIS REPORT

Retail Holdings N.V. (“Retail Holdings”, together with its remaining subsidiary, Singer Asia Limited, the “Company”) is a holding company with no remaining operating subsidiaries or operating assets. It is management’s intention to place Singer Asia Limited in voluntary liquidation by year end 2022 or very early in 2023, and, subject to Shareholder approval, to place Retail Holdings in voluntary liquidation early in 2023.

Retail Holdings is a Curacao public company, which is the successor company to the Singer Company N.V. and its predecessor companies. Price quotations for the Retail Holdings’ Shares are available on the “Pink Sheets” quotation service under the symbol “RHDGF”. The Shares’ CUSIP number is N74108106.

Additional financial and other information about the Company, including: the Company’s audited consolidated financial statements for the twelve months ended December 31, 2021; the 2021 Annual Report dated March 2022; and copies of all semi-annual and quarterly reports and press releases since 2000; may be found at the Corporate/Investor section of the Company’s website at www.retailholdings.com. Investor relations requests may be addressed to Ms. Amy Pappas, Company Secretary, at PO Box 120, Mount Kisco, New York, 10549; email apappas@retailholdings.com.

The information included in this Summary Semi-Annual Report does not purport to be inclusive of all of the information that might be included in a Form 10-Q quarterly report. It only contains summary information that, in the opinion of management, is most relevant for understanding the Company’s financial results during the first six months of 2022.

The Company prepares its consolidated financial statements in U.S. dollars, in accordance with International Financial Reporting Standards (“IFRS”). IFRS principles and standards are somewhat different than those of US Generally Accepted Accounting Principles (“GAAP”). All information in this Summary Semi-Annual Report is presented as at June 30, 2022, unless otherwise indicated.

Going forward, the Company expects to issue only a Summary Annual Report, including unaudited, annual, consolidated financial statements and notes, with limited commentary, and a Summary Semi-Annual Report, including unaudited, six-month financial statements, with limited notes and commentary, all prepared in accordance with IFRS. The Company does not provide quarterly reports.

Statements made herein with respect to the Company’s current plans, estimates, strategies and beliefs, and other statements that are not historical facts, are forward-looking statements about the future performance of the Company. All forward-looking statements are based on management’s assumptions and beliefs, which are expressed in light of the information available to management at the time; the ultimate outcome in many cases is outside of management’s control and may be substantially different than anticipated. The Company cautions that no assurance can be given that expectations reflected in forward-looking statements will prove to be correct, that a number of important risks and uncertainties could cause actual results to differ materially from those discussed in the forward-looking statements, and, therefore, that you should not place undue reliance on such forward-looking statements. You should not assume that the information contained in this Summary Semi Annual Report is accurate as of any date other than the date for which the information is presented.

Retail Holdings registered office is located in Curaçao. Certain administrative matters are handled in the United States by the Company Secretary, Ms. Amy Pappas (see above). Retail Holdings’ Share transfer agent is Computershare, regular mail, P.O. Box 505000, Louisville, Kentucky, 40233-5000, telephone number 800-851-9677 (or from outside the United States, +1-201-680-6578); overnight delivery, 462 South 4th Street, Suite 1600, Louisville, Kentucky, 40202. The Company’s website is www.retailholdings.com.

RETAIL HOLDINGS N.V.

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PART I

RETAIL HOLDINGS N.V. AND SUBSIDIARIES
CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION –
LIQUIDATION BASIS
JUNE 30, 2022 (Unaudited) AND DECEMBER 31, 2021
In thousands of US Dollars

	<u>Notes</u>	<u>June 30, 2022</u>	<u>December 31, 2021</u>
ASSETS			
Receivables		159	567
Cash and cash equivalents	3	5,328	7,354
Other current assets		8	63
Total current assets		<u>5,495</u>	<u>7,984</u>
Total assets		<u>5,495</u>	<u>7,984</u>
EQUITY			
Share capital	8	53	53
Treasury Shares		(7)	(7)
Retained earnings		4,010	4,170
Equity attributable to owners of Retail Holdings		<u>4,056</u>	<u>4,216</u>
Non-controlling interests		<u>1,140</u>	<u>3,232</u>
Total equity		<u>5,196</u>	<u>7,448</u>
LIABILITIES			
Current tax liabilities		-	49
Other payables		299	487
Total current liabilities		<u>299</u>	<u>536</u>
Total liabilities		<u>299</u>	<u>536</u>
Total equity and liabilities		<u>5,495</u>	<u>7,984</u>

RETAIL HOLDINGS N.V. AND SUBSIDIARIES
CONDENSED CONSOLIDATED INTERIM STATEMENT OF INCOME – LIQUIDATION BASIS
FOR THE SIX MONTHS ENDED JUNE 30, 2022 AND 2021 (Unaudited)

In thousands of US Dollars except per Share data

	Notes	June 30, 2022	June 30, 2021
Continuing Operations			
Revenue		-	170
Cost of sales		-	-
Gross profit		-	170
Other income		-	5
Selling and administrative (S&A) expenses		-	(423)
Other expenses		-	(2)
Results from operating activities		-	(250)
Finance income		-	-
Finance costs		-	-
Net finance costs		-	-
(Loss) before income taxes		-	(250)
Income tax expense		-	-
(Loss) from continuing operations		-	(250)
Profit (loss) from discontinued operations, net of tax	4	(186)	180
(Loss) for the period		(186)	(70)
Attributable to:			
Owners of Retail Holdings		(160)	(196)
Non-controlling interests		(26)	126
(Loss) for the period		(186)	(70)
(Loss) per Share (US Dollars)		(0.03)	(0.04)
(Loss) per Share – continuing operations (US Dollars)		-	(0.04)

RETAIL HOLDINGS N.V. AND SUBSIDIARIES
CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME – LIQUIDATION BASIS
FOR THE SIX MONTHS ENDED JUNE 30, 2022 AND 2021 (Unaudited)

In thousands of US Dollars

	<u>June 30, 2022</u>	<u>June 30, 2021</u>
(Loss) for the period.	(186)	(70)
Other comprehensive (loss) for the period, net of income tax	<u>-</u>	<u>-</u>
Total comprehensive (loss) for the period	<u>(186)</u>	<u>(70)</u>
Total comprehensive (loss) attributable to:		
Owners of Retail Holdings	(160)	(196)
Non-controlling interests	<u>(26)</u>	<u>126</u>
	<u>(186)</u>	<u>(70)</u>

RETAIL HOLDINGS N.V. AND SUBSIDIARIES
CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY – LIQUIDATION BASIS
FOR THE SIX MONTHS ENDED June 30, 2022 (Unaudited)

In thousands of US Dollars

	Attributable to Equity Holders of the Company			Non-controlling interest	Total equity	
	Share capital	Treasury Shares	Retained earnings			Total
Balance at January 1, 2022	53	(7)	4,170	4,216	3,232	7,448
Total comprehensive income (loss) for the period						
(Loss) for the period	-	-	(160)	(160)	(26)	(186)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive (loss) for the period	-	-	(160)	(160)	(26)	(186)
Transactions with owners of the company						
Contributions and distributions						
Distribution to owners of Retail Holdings, NV	-	-	-	-	-	-
Distribution to non-controlling interests	-	-	-	-	(2,066)	(2,066)
Total contributions and distributions	-	-	-	-	(2,066)	(2,066)
Total transactions with owners of the company	-	-	-	-	(2,066)	(2,066)
Balance as at June 30, 2022	53	(7)	4,010	4,056	1,140	5,196

RETAIL HOLDINGS N.V. AND SUBSIDIARIES
CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS – LIQUIDATION BASIS
FOR THE SIX MONTHS ENDED JUNE 30, 2022 AND 2021 (Unaudited)

In thousands of US Dollars

	<u>June 30, 2022</u>	<u>June 30, 2021</u>
Cash flows from operating activities		
(Loss) for the period	(186)	(70)
Adjustments for:		
(Loss) from associates	-	(180)
	<u>(186)</u>	<u>(250)</u>
Changes in:		
- Receivables	408	244
- Other current assets	55	44
- Current tax liabilities	(49)	-
- Other payables	(188)	(177)
Cash from/ (used in) operating activities	<u>40</u>	<u>(139)</u>
Income tax paid	-	(46)
Net cash from/ (used in) operating activities	<u>40</u>	<u>(185)</u>
Cash flows from investing activities	-	-
Net cash generated from/ (used in) investing activities	-	-
Cash flows from financing activities		
Distribution to non-controlling interests	(2,066)	(4,039)
Distribution to owners of Retail Holdings	-	(4,883)
Net cash (used in) financing activities	<u>(2,066)</u>	<u>(8,922)</u>
Net increase / (decrease) in cash and cash equivalents, net of overdrafts	(2,026)	(9,107)
Cash and cash equivalents as at January 1, 2022	7,354	11,536
Effect of exchange rate fluctuations on cash held	-	-
Cash and cash equivalents as at June 30, 2022	<u><u>5,328</u></u>	<u><u>2,429</u></u>

RETAIL HOLDINGS N.V. AND SUBSIDIARIES
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1. Reporting entity

Retail Holdings N.V. (“Retail Holdings”, together with its subsidiaries and affiliates, the “Company”) is a company domiciled in Curaçao (formerly part of the Netherlands Antilles). The Company was incorporated in December 1999. The address of the Company’s registered office is Kaya W.F.G. (Jombi) Mensing 36, Willemstad, Curaçao; the telephone number is + 5999-461-1299.

2. Statement of compliance

These Condensed Consolidated, Interim Financial Statements have been prepared in accordance with International Accounting Standard (“IAS”) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (the “IASB”). They do not include all of the information required for full annual financial statements, and should be read in conjunction with the audited, consolidated financial statements of the Company as at and for the year ended December 31, 2021 (the “2021 Statements”). The 2021 Statements may be found at the Corporate/Investor section of the Company’s website at www.retailholdings.com.

These Condensed, Consolidated, Interim Financial Statements were approved by the Retail Holdings Board of Directors on July 29, 2022.

Results for the six-month period ended June 30, 2022 are not indicative of the results that may be expected for the full year ending December 31, 2022.

3. Cash and cash equivalents (US dollar thousands)

Cash of 5,328 as at June 30, 2022 included:

Cash at Singer Asia Limited and its subsidiary in liquidation: 2,509

Cash at Retail Holdings N.V.: 2,819

54.10% of the cash at Singer Asia Limited is attributable to the Retail Holdings Shareholders.

4. Discontinued operations

In December 2021, Retail Holdings Asia B.V. disposed of its remaining 57.62% equity stake in Retail Holdings (India) B.V. to two parties. As a result, the Group lost its indirect ownership interest in Singer India Limited, the Company’s last operating entity, as Retail Holdings (India) B.V. had held a 57.62% equity interest in Singer India Limited.

The Board of Directors decided, during the first half of 2022, to liquidate the Company and its remaining subsidiaries which included: Retail Holdings Asia B.V., Retail Holding Asia N.V., Singer Asia Limited and Reho Limited. All of these entities except Singer Asia Limited, are “in liquidation” as at June 30, 2022, although the liquidations will not be final until later in 2022.

The consolidated interim financial statements have been prepared on a liquidation basis. The going concern assumption is no longer applicable. The operating results for the six months ended June 30, 2022 are presented as “discontinued operations” in the Condensed Consolidated Interim Statements of Income.

In the six-month period ending June 30, 2022 the Company had:

US dollar thousands

Revenue	109
Other income	111
S&A expenses	(393)
Other expenses	(65)
Finance income-net	<u>3</u>
(Loss) before income tax	(235)
Income tax reversal	<u>49</u>
(Loss) from discontinued operations	<u><u>(186)</u></u>

5. Significant accounting policies

The accounting policies applied by the Company in these Condensed Consolidated, Interim Financial Statements are consistent with those applied by the Company in the 2021 Statements and as described therein.

6. Estimates

The preparation of interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these Condensed Consolidated, Interim Financial Statements, the significant judgments made by management in applying the Company's accounting policies, and the key sources of estimation uncertainty, are the same as those in the 2021 Statements and as described therein.

7. Financial risk management

The Company's financial risk management objectives and policies are consistent with those disclosed in the 2021 Statements and as described therein.

8. Share capital

There was no issuance or repurchase of Retail Holdings' Shares during the period. As at June 30, 2022 (and as at June 30, 2021), 4,650,244 Retail Holdings Shares were issued and outstanding.

PART II

Management Summary Discussion and Analysis

The following discussion and analysis should be read in conjunction with the Condensed Consolidated Interim Financial Statements of the Company for the six-month periods ended June 30, 2022 and related Notes, pages 4-10 of this Report.

First Half Results of Operations

As a consequence of the divestiture in December 2021 of the Company's equity stake in Retail Holdings (India) B.V., the Company no longer has any operating entities or operating assets. As at June 30, 2022 all of the Company's subsidiaries except Singer Asia Limited, are "in liquidation". (See Note 4 to the Financial Statements.) The interim Financial Statements have been prepared on a liquidation basis. The results of operations are reflected as discontinued operations in the Consolidated Interim Statement of Income.

The Company's overall loss for the six months ended June 30, 2022 was \$186 thousand, compared to a loss of \$70 thousand for the same period prior year. The loss attributable to Retail Holdings Shareholders is \$160 thousand for the six months ended June 30, 2022, compared to a loss of \$196 thousand for the same period prior year. A loss of \$26 thousand is attributable to non-controlling interests for the six months ended June 30, 2022, compared to a profit of \$126 thousand for the six months ended June 30, 2021. The loss largely reflects continuing, albeit declining, S&A expenses as the Company winds down to liquidation.

The loss attributable to Retail Holdings Shareholders is equivalent to a loss per Share of \$0.03 for the six months ended June 30, 2022, compared to a loss per Share attributable to Retail Holdings Shareholders of \$0.04 for the six months ended June 30, 2021.

Liquidity and Capital Resources

For the six months ended June 30, 2022, the Company had a net cash inflow from operations of \$40 thousand. Distributions to non-controlling interests during the six months utilized \$2,066 thousand of cash. The net effect of the cash flow movements and exchange rate fluctuations was to reduce the Company's net cash and cash equivalents position as at June 30, 2022 by \$2,026 thousand.

Cash and cash equivalents were \$5,328 thousand as at June 30, 2022. Current assets less current liabilities as at June 30, 2022 were \$5,196 thousand. The Company had no debt outstanding at any time during the six-month period.