

RETAIL HOLDINGS N.V.

**2022 SUMMARY
ANNUAL REPORT
JANUARY 2023**

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CAUTIONARY STATEMENT WITH RESPECT TO FORWARD-LOOKING STATEMENTS

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 and development of the Company. From time to time, oral or written forward-looking statements may also be included in other materials released to the public. 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; a number of important risks and uncertainties could cause actual results to differ materially from those discussed in the forward-looking statements. You should not place undue reliance on such forward-looking statements. You should not assume that the information contained in this Annual Report is accurate as of any date other than the date for which the information is presented. You should not rely on any obligation to update or revise any information, including any forward-looking statements; the Company disclaims any such obligation.

Important information regarding risks and uncertainties is also set forth elsewhere herein including, without limitation, in the section Certain Risk Factors, particularly the sub-section, Contingent Liabilities, and in the Financial Statements and notes included in the section Financial Statements.

NOTES

This 2022 Annual Report was prepared on January 12, 2023, based on actual data as at that date. The information is presented as at December 31, 2022.

The Company is a corporation registered with the Curacao Chamber of Commerce Commercial Register in Willemstad, Curacao under the registration number 83676.

As used herein, except as the context otherwise requires, the term “Company” refers to Retail Holdings N.V., the ultimate Curacao public holding company on a stand-alone basis; the term “Group” refers to Retail Holdings N.V. and all of its subsidiaries as at the date to which a statement relates.

The Company and Group prepare financial statements in U.S. dollars, in accordance with International Financial Reporting Standards (“IFRS”). Totals, as presented in this report, may not add due to rounding. All amounts are in thousands unless otherwise indicated.

The Company’s registered office is located at Kaya W.F.G. (Jombi) Mensing 36, Willemstad, Curaçao, and its telephone number is + 599-9-461-1299. The Company’s 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.

Price quotations for the Company’s common shares (the “Shares”) are available on the OTC Pink (“Pink Sheets”) quotation service under the symbol “RHDGF”. The Shares’ Cusip number is N74108106. Investor relation questions should be addressed to Ms. Amy Pappas, Company Secretary, email: apappas@retailholdings.com.

The information included in this Annual Report does not purport to be inclusive of all of the information that might be included in a Form 20-F annual report. It only contains summary information that, in the opinion of management, is most relevant for understanding the Company’s financial results during 2022 and may be helpful in understanding the likely future evolution of the Company.

INFORMATION ABOUT THE COMPANY

Background

The Company was organized as a new corporate entity in Curaçao (formerly part of the Netherlands Antilles) in 1999. Pursuant to a United States Chapter 11 bankruptcy proceeding, effective September 2000, the Company acquired several operating companies formerly owned by The Singer Company N.V.

In July 2003, the Company placed with a private investment fund, UCL Asia Partners, L.P. (the “Fund”), a minority equity interest in Singer Asia Limited (“SAL”), a Cayman Island company founded in 2003 to hold the Company’s investments in several operating companies in Asia. Prior to SAL’s liquidation (see below), the Fund owned 41.1% of SAL’s equity; a 4.8% equity interest in SAL was owned by SAL’s Chief Executive Officer as a result of the exercise of his options. The Company consolidated SAL’s financial results in its own Group financial statements.

In September 2004, the Company completed the sale of the Singer worldwide sewing business and of the ownership of the Singer trademarks to KSIN Holdings, Ltd., now called SVP Worldwide Limited (“SVP”), now an investee company of Platinum Equity. SAL had a royalty bearing license from a subsidiary of SVP, the owner of the Singer trademark, allowing SAL: to use the Singer name in its company name and in the name of its subsidiaries; to use the Singer trademark on store and dealer locations, and on certain sewing and non-sewing products it manufactures or sources; and to sub-license the Singer trademark (except for use on sewing machines) to third party licensees in a number of countries in Asia. This license was terminated effective December 31, 2021.

The Company’s strategy has been to maximize and, ultimately, to monetize the value of its assets. Consistent with this strategy, the Company has since 2015 been actively selling stakes in its operating company subsidiaries and affiliates including in Bangladesh, India, Pakistan, Sri Lanka and Thailand. Over the period since 2015, total proceeds of approximately \$266,400 thousand were realized from these asset sales.

The Company’s operating company divestment program was successfully completed in December 2021 with the sale of the Company’s indirect holding in Singer India Limited, the only remaining operating entity.

In January 2022, the Company commenced the final liquidation process. As at January 1, 2022, the Company had four intermediate holding company, direct and indirect subsidiaries, all of which were either liquidated during the year or are now in process of liquidation. Retail Holdings Asia BV, a Netherlands indirect intermediate holding company, was liquidated effective July 21, 2022. Reho Limited, a Cayman Island direct intermediate holding company, was liquidated effective September 30, 2022. Retail Holdings Asia NV, a Curacao indirect intermediate holding company, was liquidated effective November 8, 2022. SAL, a Cayman Island indirect intermediate holding company is in process of liquidation, with liquidation anticipated by early in 2023. The only remaining company is Retail Holdings N.V. itself.

Distributions/Shareholding

Proceeds from divestments and liquidations of the Company’s direct and indirect subsidiaries and from Group operating earnings, less the cost of maintaining and managing the Group, have been distributed to shareholders through dividends and returns of capital. Since the introduction of a dividend/distribution program in 2007, the Company has paid to shareholders a total of \$38.86 per share. Included in this amount is a distribution of \$0.56 per share paid on or about August 24, 2022 to shareholders of record on August 22, 2022.

The Company has also actively sought to reduce the number of Shares outstanding. In the period from 2002, through negotiated transactions and open market purchases, the Company has purchased a total of 2,206,317 Shares, of which nil shares were purchased in 2022 and 2021. 4,650,244 Shares are issued and outstanding as at December 31, 2022. In respect to 107,356 Shares, the addresses and other contact details for the foreign owners of these shares are unknown and no distributions have been accrued. (See the discussion in the section Certain Risk Factors, particularly the sub-section, Contingent Liabilities, and in Note 11 to the Financial Statements.)

The following chart summarizes the Company's share capital as at December 31, 2022:

Class	Shares Authorized	Shares Issued, Outstanding and Fully Paid	Par Value per Share
Preferred Shares	1,000,000	0	\$0.01
Shares	20,000,000	4,650,244*	\$0.01

*Excludes 584,099 Treasury Shares and a further 107,356 Shares where the address of the attributed owner of the Shares is unknown, both of which groups of Shares are not included as outstanding in the financial statements.

At December 31, 2022, the total number of Shares of the Company beneficially owned by board members and corporate officers was 1,087,708 Shares, representing approximately 23.4% of the total Shares outstanding. To the Company's knowledge, none of these persons owns more than 1.0% of the Shares outstanding other than Stephen H. Goodman, who, together with his spouse, beneficially own 1,067,158 Shares, representing approximately 22.9% of the Company's total Shares. Three trusts for which Mr. Goodman's spouse is the trustee own an additional 174,600 Shares, representing an additional approximately 3.8% of the Company's total Shares outstanding.

To the Company's knowledge, it is not directly owned or controlled by any party. The Company is not aware of any arrangement which would result in a change of control of the Company. The Company has less than 500 shareholders of record corresponding to approximately 1,100 individual shareholder accounts.

The Company's Shares are quoted on the Pink Sheets quotation service under the symbol "RHDGF". A link to the prices for the Shares may be found at the Corporate/Investor section of the Company's website: www.retailholdings.com.

The last reported price of the Company's Shares on the Pink Sheet quotation service, on January 12, 2023 was \$0.20. The highest closing price for the Company's Shares in the period from January 1, 2022 to December 31, 2022 was \$0.710, the price on August 18, 2022, prior to the payment of a \$0.56 per Share distribution. The lowest closing price for the Company's Shares in the period from January 1, 2022 to December 31, 2022 was \$0.085, the price on September 27, 2022.

OPERATING AND FINANCIAL REVIEW

The following discussion and analysis should be read in conjunction with the Financial Statements of the Company and of the Group for the year ended December 31, 2022.

Liquidity and Capital Resources (Balance Sheets)

The Balance Sheets of the Company and of the Group are identical as at December 31, 2022 as at that date the Company had no direct or indirect subsidiaries remaining. The Company's only remaining assets at December 31, 2022 were a cash balance of \$1,337 thousand and prepaid expenses and other assets of \$13 thousand. The cash is held at two accounts of the Company and is free and clear of all encumbrances.

The Company's liabilities as at December 31, 2022 totalled \$103 thousand. All accounts due and payable are current.

Year ended December 31, 2022

For the year ended December 31, 2022 the Group had a net cash outflow from operations of \$275 thousand, reflecting a loss from activities during the year of \$439 thousand, offset, in part, by a decline in net receivables of \$135 thousand. Distributions to the Company shareholders during the year ended December 31, 2022, utilized \$2,604 thousand; distributions to non-controlling interests utilized \$3,158 thousand.

The net effect of the cash flow movements was to reduce the Company's net cash and cash equivalent position at December 31, 2022 by \$6,017 thousand from prior year. Cash and cash equivalents were \$1,337 thousand at December 31, 2022. Current assets less current liabilities at December 31, 2022 were \$1,247 thousand.

Neither the Company nor any of the Group companies were in default at December 31, 2022, or at any time during 2022, with respect to any interest or principal payments or with respect to any financial covenants.

Results of Operations

Year Ended December 31, 2022 and December 31, 2021

On a Liquidation Basis, the Group had no remaining continuing operations. Hence, all income and expense are included in discontinued operations. The breakdown of specific line items of income and expense are not presented in the Group's Consolidated Profit and Loss Statement on a Liquidation Basis but are presented in Note 7 to the Financial Statements and are discussed below.

The Group's net loss after tax for the year ended December 31, 2022 was \$439 thousand, compared to a net loss of \$169 thousand for the same period prior year.

The loss attributable to the Company's shareholders is \$373 thousand for the year ended December 31, 2022 compared to an attributable loss of \$259 thousand for the same period prior year. A loss of \$66 thousand is attributable to non-controlling interests for the year ended December 31, 2022 as compared to an attributable profit of \$90 thousand for the year ended December 31, 2021. The loss attributable to the Company's shareholders is equivalent to a loss per Share of \$0.08 for the year ended December 31, 2022 compared to a loss per Share attributable to the Company's shareholders of \$0.06 for the year ended December 31, 2021.

Including both continued and discontinued operations, for the year ended December 31, 2022, the Group's consolidated Revenue was \$92 thousand, compared to \$487 thousand for the same period in 2021. Revenue is primarily from royalties for use of the Singer brand and tradename. As there are essentially no costs

directly related to the generation of royalty income, Gross profit is equal to Revenue in both the year ended December 31, 2022 and the year ended December 31, 2021. Other income for the year ended December 31, 2022 was \$115 thousand and for the year ended December 31, 2021 was \$37 thousand.

Salary and administrative (“S&A”) expenses for the year ended December 31, 2022, were \$633 thousand, compared to \$1,024 thousand for the same period prior year. The very high S&A expenses relative to Revenue in both years reflect continuing, albeit declining, legacy expenses in the face of Revenue decline as the Company proceeds to liquidation, and certain fixed costs of being a public company and of maintaining a management structure.

Results from operating activities for the year ended December 31, 2022 were a loss of \$506 thousand, compared to a loss of \$504 thousand in the same period in 2021. The loss primarily reflects the flow through of Selling and administrative expenses.

Net finance income was \$18 thousand for the year ended December 31, 2022, and \$1 thousand for the year ended December 31, 2021, reflecting somewhat larger cash balances in 2022, as compared to the prior year.

The Company’s net loss from Continuing and Discontinued operations, net of tax, for the year ended December 31, 2022 was \$439 thousand, compared to a net loss of \$169 thousand for the same period in prior year.

CERTAIN RISK FACTORS

Contingent Liabilities

As a company in liquidation, the most significant risk is that the Company's contingent liabilities become actual liabilities that reduce the Company's residual assets, negatively impacting the ultimate realization, if any, on liquidation. The most determinable contingent liability is the liability for unclaimed distributions by the Company to certain foreign shareholders of record, who, despite the Company's best efforts, cannot be located. Pursuant to the Company's Articles of Association and Curacao regulation, unclaimed distributions to shareholders revert to the Company five years from the date of the distribution payment. As at December 31, 2022, this contingent liability totalled \$2,159 thousand. The amount due as at January 11, 2023 will have been reduced by the passage of time to \$1,193 thousand, declining over time to nil by August 25, 2027. See Note 11 to the Financial Statements for a more complete discussion and analysis of this contingent liability.

In the various divestment transactions over the past several years, certain indirect subsidiaries of the Company gave certain warranties and indemnities to the various purchasers in these transactions. All of these indirect subsidiaries have been liquidated or divested and no longer exist as subsidiaries of the Company. No warranties or indemnities were given by the Company directly in any of these divestment transactions. While no claim for indemnification has so far been made and none is anticipated by management, such a claim might arise and theoretically be pursued against the Company. Similarly, while management believes that the Company is in compliance and current with all relevant tax obligations and no claims have been made against the Company or any of its former subsidiaries for past taxes due, an unanticipated tax claim could materialize and theoretically be pursued against the Company.

The Company's Incorporation Outside the United States Imposes Additional Uncertainties

As an entity incorporated in Curaçao, the Company is subject to Curaçao law and regulation. As a consequence, the rights of the Company's shareholders may differ from the rights associated with companies governed by other laws, including the laws of the United States.

The Company's Shares are Currently Quoted Only on the "Pink Sheets" with Limited Disclosure

Management does not anticipate that the Company's Shares will be listed on any U.S. or overseas securities exchange. Price quotations for the Company's Shares currently are available only on the OTC Pink ("Pink Sheets") quotation service under the symbol "RHDGF".

Pursuant to the laws and regulations of Curaçao, the Company is only required to provide certain information to shareholders on an annual and semi-annual basis. The Company only provides a summary Annual Report, including full year consolidated financial statements and notes, with limited commentary, and a summary Semi-Annual Report, including six-month financial statements with limited notes and commentary, all prepared in accordance with IFRS. If the Company is placed in liquidation, there will be extremely limited, if any, further financial disclosure.

**DIRECTORS, EXECUTIVE OFFICERS AND EMPLOYEES;
SHARE AND SHAREHOLDER INFORMATION**

Board of Directors

The Board of the Company has three Directors, with each Director serving until the conclusion of the earlier of the next Annual General Meeting (“AGM”) or liquidation of the Company.

The table below and the following text set forth certain information regarding the Company’s Directors:

<u>Name</u>	<u>Age</u>	<u>Position</u>
Stephen H. Goodman	78	Director, Chairman of the Board, President and Chief Executive Officer of the Company
Alex Johnston	58	Director, Chairman of the Compensation and Nominating Committee of the Company
Stewart M. Kasen	83	Director, Chairman of the Audit Committee of the Company

Stephen H. Goodman. Mr. Goodman was elected a Director, Chairman, President and Chief Executive Officer of the Company in September 2000.

Alex Johnston. Mr. Johnston is a communication strategist. He was a founding partner of Freud’s - the UK’s leading independent communication’s agency. He has held senior roles at PepsiCo and Omnicom. Mr. Johnston was elected a Company director in September 2000.

Stewart M. Kasen. Mr. Kasen is an independent financial and retail consultant. He was the lead independent director of Markel Corp., a property and casualty insurer until May 2021. He was on the board of Gordmans, a department store chain, until their bankruptcy was finalized in 2017. From 2007 to 2011, he was Chairman of the Board of Lenox Group Inc. Mr. Kasen was elected a Company Director in September 2000.

Each of the Company’s directors, other than Mr. Goodman, meet the independence standards contained in the New York Stock Exchange Listed Company Manual. The Audit Committee consists only of independent directors.

The Company’s Board of Directors met six times during 2022 in addition to four joint meetings with the Board of Directors of SAL.

Messrs. Kasen (Chairman) and Johnston are members of the Audit Committee of the Company’s Board of Directors, which is authorized to act on behalf of the Board in respect to matters relating to the selection of auditors and audit and accounting issues. The Board of Directors has determined that at least one member of the Audit Committee of the Board, Mr. Stewart M. Kasen, Chairman of the Audit Committee, is an audit committee financial expert as that term is defined in regulations under the United States Securities Exchange Act of 1934, as amended.

The rights of holders of the Company’s Shares are laid down and described in the Company’s Articles of Association (the “Articles”). The Company has posted the text of the Articles on the Corporate/Investor section of the Company’s website: www.retailholdings.com.

Corporate Officers and Employees

The following table sets forth certain information regarding the other officers of the Company as at December 31, 2022:

<u>Name</u>	<u>Age</u>	<u>Position</u>
Gavin Walker.....	59	Vice President of the Company.
Amy Pappas.....	63	Secretary of the Company
Ramona Alfred	69	Assistant Vice President of the Company

Gavin J. Walker. Mr. Walker was elected a Vice President of the Company in August 2005. Prior to joining the Company, Mr. Walker held offices as managing director and chief executive officer of several publicly quoted and private companies in the United Kingdom and South Africa.

Amy Pappas. Ms. Pappas was elected Secretary of the Company in August 2007. From August 2006 until that date, she served as Assistant Secretary of the Company. Prior to that time, Ms. Pappas was an executive assistant at a venture capital firm.

Ramona Alfred. Ms. Alfred was elected Assistant Vice President of the Company in September 2019.

At December 31, 2022, the Company had no non-officer employees.

The Company has in place a Code of Business Conduct. The text of the Code of Business Conduct is posted on the Corporate/Investor section of the Company's website: www.retailholdings.com.

Total compensation to all Company directors and officers during 2022, including all salary, bonuses and benefits amounted to approximately \$391 thousand.

Additional Shareholder Information

The rights of holders of the Company's Shares are enumerated in the Company's Articles of Association, the text of which are posted in the Corporate/Investor section of the Company's website www.retailholdings.com.

The Company has been advised by its Curacao counsel that, given the absence of an applicable treaty between the United States and Curacao, a judgement rendered by a court in the United States would not be enforceable in Curacao. In order to obtain a judgement that is enforceable in Curacao, the claim must be relitigated before a competent Curacao court, although a judgement rendered by a court in the United States would generally be recognized by a Curacao court.

RETAIL HOLDINGS N.V. AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS – LIQUIDATION BASIS
31 DECEMBER 2022

(WITH ACCOUNTANT’S REPORT THEREON)

RETAIL HOLDINGS N.V. AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS – LIQUIDATION BASIS

31 DECEMBER 2022

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ACCOUNTANT'S REPORT

To the Board of Directors of Retail Holdings N.V.

Management is responsible for the accompanying consolidated financial statements – liquidation basis, of Retail Holdings, N.V. and its subsidiaries, which comprise the consolidated statement of financial position – liquidation basis, as at December 31, 2022 and the related statements of consolidated income – liquidation basis, consolidated changes in equity – liquidation basis, and consolidated cash flows – liquidation basis, for the year then ended, and the related notes to the consolidated financial statements in accordance with International Financial Reporting Standards.

I have performed compilation engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. I did not audit or review the consolidated financial statements nor was I required to perform any procedures to verify the accuracy or completeness of the information provided by management.

I do not express an opinion, a conclusion, nor provide any assurance on these consolidated financial statements as at and for the year ended December 31, 2022.

Gelmart Gellecanao
Los Angeles, California
January 12, 2023

RETAIL HOLDINGS N.V. AND SUBSIDIARIES

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION – LIQUIDATION BASIS
AS AT DECEMBER 31**

In thousands of U.S. Dollars

	<u>Note</u>	<u>2022</u>	<u>2021</u>
ASSETS			
Cash		1,337	7,354
Receivables		-	567
Other assets		13	63
Total assets		<u>1,350</u>	<u>7,984</u>
LIABILITIES			
Accrued expenses/payables		55	487
Tax payable		-	49
Severance payable		48	-
Total liabilities		<u>103</u>	<u>536</u>
EQUITY			
Share capital	9	53	53
Treasury shares		(7)	(7)
Retained Earnings		1,201	4,170
Company shareholder equity		1,247	4,216
Non-controlling interests		-	3,232
Total equity		<u>1,247</u>	<u>7,448</u>
Total Liabilities and Equity		<u>1,350</u>	<u>7,984</u>

See accompanying Notes to Consolidated Financial Statements – Liquidation Basis

RETAIL HOLDINGS N.V. AND SUBSIDIARIES

**CONSOLIDATED STATEMENT OF INCOME – LIQUIDATION BASIS
FOR THE YEAR ENDED DECEMBER 31**

In thousands of U.S. Dollars

	<i>Note</i>	2022	2021
Continuing operations			
Revenue		-	487
Cost of Sales		-	-
Gross Profit		-	487
Other income		-	37
Selling and administrative expenses		-	(1,024)
Other expenses		-	(4)
Results from operating activities		-	(504)
Finance income		-	1
Net finance income		-	1
Loss from continuing operations, net of tax	7	-	(503)
Income/ (Loss) from discontinued operations, net of tax	7	(439)	334
Loss for the year	7	(439)	(169)
Income (Loss) attributable to:			
Owners of Retail Holdings		(373)	(259)
Non-controlling interests		(66)	90
Loss for the period		(439)	(169)
Loss per Share - Owners of the Company (U.S. Dollars)	8	(0.08)	(0.06)
Loss per Share - Continuing operations (U.S. Dollars)	8	-	(0.09)

See accompanying Notes to Consolidated Financial Statements – Liquidation Basis

RETAIL HOLDINGS N.V. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY – LIQUIDATION BASIS
FOR THE YEAR ENDED DECEMBER 31, 2022

In thousands of U.S. Dollars

	<i>Note</i>	Attributable to Equity Holders of the Company				Total	Non-Controlling Interest	Total Equity
		Share Capital	Treasury Shares	Translation Reserve	Retained Earnings			
Balance, January 1, 2022		53	(7)	-	4,170	4,216	3,232	7,448
Profit for the Period	7	-	-		(373)	(373)	(66)	(439)
Change in minority interest		-	-		8	8	(8)	-
Transactions with owners of the Company								
Distributions:								
Distribution to equity holders	9	-	-		(2,604)	(2,604)	-	(2,604)
Distribution to non-controlling interest						-	(3,158)	(3,158)
Total Distributions		-	-		(2,604)	(2,604)	(3,158)	(5,762)
Total transactions with owners of the Company		-	-		(2,604)	(2,604)	(3,158)	(5,762)
Balance at December 31, 2022		53	(7)		1,201	1,247	-	1,247

See accompanying Notes to Consolidated Financial Statements – Liquidation Basis

RETAIL HOLDINGS N.V. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY – LIQUIDATION BASIS
FOR THE YEAR ENDED DECEMBER 31, 2021

In thousands of U.S. Dollars

	<i>Note</i>	Attributable to Equity Holders of the Company				Total	Non-Controlling Interest	Total Equity
		Share Capital	Treasury Shares	Translation Reserve	Retained Earnings			
Balance, January 1, 2021		53	(7)	(1,667)	10,999	9,378	7,181	16,559
Profit for the Period	7	-	-	-	(259)	(259)	90	(169)
Transactions with owners of the Company								
Distributions:								
Distribution to equity holders	9	-	-	-	(4,883)	(4,883)	-	(4,883)
Distribution to non-controlling interest					-	-	(4,039)	(4,039)
Total Distributions		-	-	-	(4,883)	(4,883)	(4,039)	(8,922)
Changes in ownership of subsidiaries				1,667	(1,687)	(20)	-	(20)
Total transactions with owners of the Company		-	-	1,667	(6,570)	(4,903)	(4,039)	(8,942)
Balance, December 31, 2021		53	(7)		4,170	4,216	3,232	7,448

See accompanying Notes to Consolidated Financial Statements – Liquidation Basis

RETAIL HOLDINGS N.V. AND SUBSIDIARIES

**CONSOLIDATED STATEMENT OF CASH FLOWS – LIQUIDATION BASIS
FOR THE YEAR ENDED DECEMBER 31**

In thousands of U.S. Dollars

	<i>Note</i>	<u>2022</u>	<u>2021</u>
Cash flows from operating activities			
Loss for the year	7	(439)	(169)
Adjustments for:			
Net finance income		(18)	(1)
		<u>(457)</u>	<u>(170)</u>
Changes in:			
- trade and other receivables		567	233
- other current and non-current assets		50	7
- trade and other payables		(432)	59
- tax payable reversal		(49)	
- severance payable		48	
Cash (used in)/ from operating activities		<u>(273)</u>	<u>129</u>
Interest paid		(2)	
Income tax paid			
Net cash (used in)/ from operating activities		<u>(275)</u>	<u>129</u>
Cash flows from investing activities			
Finance Income received		20	1
Proceeds from disposal of interests in subsidiary, net of cash disposed of			4,610
Net cash from investing activities		<u>20</u>	<u>4,611</u>
Cash flows from financing activities			
Distribution to non-controlling interests		(3,158)	(4,039)
Distribution to owners		(2,604)	(4,883)
Net cash used in financing activities		<u>(5,762)</u>	<u>(8,922)</u>
Net decrease in cash and cash equivalents		<u>(6,017)</u>	<u>(4,182)</u>
Cash and cash equivalents at 1 January		7,354	11,536
Cash and cash equivalents at 31 December		<u>1,337</u>	<u>7,354</u>

See accompanying Notes to Consolidated Financial Statements – Liquidation Basis

RETAIL HOLDINGS N.V. AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS – LIQUIDATION BASIS

1. Reporting entity

Retail Holdings N.V. (the “Company”) is a company domiciled in Curaçao (formerly part of the Netherlands Antilles). The address of the Company is at Kaya W.F.G. (Jombi) Mensing 36, Willemstad, Curaçao. These consolidated financial statements comprise the ultimate Curaçao holding company and its subsidiaries (collectively the “Group”).

The principal activity of the Group involved the distribution and manufacture of sewing machines and household appliances, generally employing the Singer brand name. During the year 2021, the last of the operating business units was divested. During the year 2022, the remaining direct and indirect intermediate holding company subsidiaries entered into liquidation.

The Group’s Consolidated Financial Statements and Notes for the year ended December 31, 2021, dated March 2022, may be found at the Corporate/Investor section of the Company’s website www.retailholdings.com.

2. Basis of accounting

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs). They were authorized for issue by the Company’s Board of Directors on January 12, 2023.

3. Basis of measurement

These consolidated financial statements have been prepared on a liquidation basis; a going concern assumption is no longer appropriate.

4. Functional and presentation currency

These consolidated financial statements are presented in U.S. Dollars which is the Group’s functional currency. All financial information presented in U.S. Dollars has been rounded to the nearest thousands, unless otherwise indicated.

5. Use of judgements and estimates

In preparing these consolidated financial statements, management has made judgments, estimates and assumptions that affect the application of the Group’s accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

6. Changes in significant accounting policies

A number of new standards are effective from 1 January 2022, but they do not have a material effect on the Group’s financial statements.

7. Continued and discontinued operations

The Group had no continuing operations for any period during the year ended December 31, 2022. Consequently, all of the component elements of the profit and loss statement are reflected in a single amount for Discontinued operations. To provide a comparison, the schedule below shows these

component elements for both the year ended December 31, 2022 and 2021 (in thousands of U.S. Dollars):

	Continued and Discontinued Operations	
	2022	2021
Revenue	92	487
Cost of Sales	-	-
Gross Profit	92	487
Other income	115	37
Selling and administrative expenses	(633)	(1,024)
Loss of participation-subsiary company	(56)	
Other expenses	(24)	(4)
Results from operating activities	(506)	(504)
Finance income	20	1
Finance costs	(2)	-
Net finance income	18	1
Profit from discontinued operation (India)	-	334
Income/ (Loss) before income taxes	(488)	(169)
Income tax expense	(49)	-
Income/ (Loss) for the period	(439)	(169)
Income/(Loss) from continuing operations, net of tax	-	(503)
Income/(Loss) from discontinued operations, net of tax	(439)	334
Income/(Loss) for the period	(439)	(169)

For an analysis of Discontinued operations for the year ended December 31, 2021, see Note 7 to the Consolidated Financial Statement of the Group for the year ended December 31, 2021, dated March 2022.

8. Earnings per share

The calculation of earnings per share has been based on the following profit/(loss) attributable to ordinary shareholders and weighted average number of ordinary shares outstanding.

In thousands of U.S. Dollars

	2022	2021		Total
	Discontinued operations	Continuing operation	Discontinued operations	
Profit / loss attributable to the owners of the company	(373)	(440)	181	(259)
Weighted average number of shares	4,650	4,650	4,650	4,650
Basic and Diluted EPS	(0.08)	(0.09)	0.03	(0.06)

9 Capital and reserves

(a) Shares

<i>In thousands of shares</i>	Shares	
	2022	2021
On issue at 1 January	4,650	4,650
Purchased / forfeited	-	-
On issue at 31 December	<u>4,650</u>	<u>4,650</u>

As at 31 December 2022, the authorized capital of the Company was USD 210 thousand (2021: USD 210 thousand), divided into (a) 20,000,000 ordinary shares with a par value of USD 0.01 per share (the “Shares”) and (b) 1,000,000 preferred shares with a par value of USD 0.01 per share.

Preferred shares can be issued in series. To date, the Company has issued Series A Convertible Preferred Stock, consisting of 40 preferred shares. The Company repurchased the outstanding preferred shares in 2003 and cancelled them in 2006.

To date, the Company has issued 8,985,105 Shares, and has acquired 4,334,861 Shares through purchase, forfeiture and pursuant to the terms of the original share distribution plan.

All Shares have equal voting rights.

(b) Distributions

The following returns of capital were made to owners.

<i>In thousands of U.S. Dollars</i>	2022	2021
USD 0.56 per ordinary share (2021: USD 1.05)	2,604	4,883
	<u>2,604</u>	<u>4,883</u>

10. List of group entities as at December 31, 2022

Significant Group entities	Country of incorporation	The Group’s Ownership Interest (Effective Holding)	Status
Reho Limited	Cayman Islands	100.00%	Liquidated September 2022
Singer Asia Limited	Cayman Islands	54.10%	In Liquidation
Retail Holdings Asia N.V.	Curacao	54.10%	Liquidated November 2022
Retail Holdings Asia B.V.	Netherlands	54.10%	Liquidated July 2022

Of the remaining 45.9% of interest, where applicable, 41.1% is owned by UCL Asia Partners LP, a private equity fund, and 4.8% is owned by Gavin Walker, a Singer Asia Limited director and officer.

11. Contingencies

The Company at December 31, 2022, had a contingent liability of USD 2,159 thousand representing declared but unclaimed distributions owed to certain foreign shareholders for dividends and returns of capital declared by the Company in the 2018-2022 period. These distributions relate to 107,356 Shares; over 90% of such Shares are registered in the shareholder registry in the name of six foreign banks who may own these Shares directly or who may be acting as a trustee or agent for the ultimate true shareholder.

Despite considerable efforts, the Company has not been able to identify or contact the owners of these Shares. Pursuant to Curacao regulation and the Company's Articles of Association, distributions not claimed by a shareholder revert back to the Company after five years.

This does not apply, however, to US shareholders. Pursuant to laws and regulations in the various states in the United States, unclaimed distributions of US shareholders (and the related Shares) are escheated to the state of residence of the shareholder based on their last known address, with no compensation to the Company.

The Group does not include the amount of these unclaimed distributions in the distribution payable account, but considers them as a contingent liability, leaving these amounts in Retained earnings. Each year, the Group reduces the contingent liability for foreign unpaid distribution amounts declared five years prior and increases the contingent liability by the amount of any distributions declared on the shares of these foreign shareholders during that year.

With the passage of time, this amount will decline as the five-year period from the date that a shareholder became entitled to a specific distribution is reached. As a result, for example, on January 11, 2023, the amount of unclaimed distributions owed to these foreign shareholders will decline by \$966,204 to \$1,192,725, reflecting the five-year expiration of the period during which they would have been entitled to the USD 9.00 distribution paid on January 10, 2018. The following schedule shows the projected evolution of the contingent liability over time.

Retail Holdings N.V. Status of Contingent Liability

Date	Amount* (USD)
December 31, 2022	2,158,929
January 11, 2023	1,192,725
November 9, 2023	1,085,369
June 26, 2024	226,521
April 16, 2025	172,843
February 11, 2026	60,119
August 25, 2027	Nil

* This assumes no further distributions

12. Key management ownership

Stephen H. Goodman, together with his spouse, beneficially own 1,067,158 Shares, representing approximately 22.9% of the Company's total Shares. Three trusts for which Mr. Goodman's spouse is the trustee own an additional 174,600 Shares, representing an additional approximately 3.8% of the Company's total Shares outstanding.

13. Subsequent events

There were no material events occurring after the reporting date that require adjustments to or disclosure in the Financial Statements.

14. Going concern

In 2021, the Group completed the operating entity divestment program, began in 2015. The Group has no continuing ongoing activities. During 2022, the Group liquidated three of the remaining four intermediate holding companies, the fourth company is now in liquidation, which liquidation is anticipated to be final early in 2023.

Accordingly, the Board of Directors are of the view that the going concern assumption is inappropriate and financial statements are to be prepared on a liquidation basis.