

RETAIL HOLDINGS N.V.

now known as

RETAIL HOLDINGS N.V. - IN LIQUIDATION

**SUMMARY FIRST QUARTER
2023 REPORT
MAY 2023**

TABLE OF CONTENTS

Table of Contents and Notes.....	2
Information About the Company	3
Operating and Financial Review.....	5
Certain Risk Factors.....	6
Directors, Officers, and Shareholders.....	7
Financial Statements.....	8

NOTES

This Report was prepared on May 8, 2023. The information is presented as at March 31, 2023.

As used herein, except as the context otherwise requires, the term “Company” refers to Retail Holdings N.V., the Curacao public holding company through March 31, 2023; the term “Company-In Liquidation” refers to Retail Holdings N.V.- In Liquidation , effective March 31, 2023.

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

The Company’s registered office is located at Kaya W.F.G. (Jombi) Mensing 36, Willemstad, Curaçao.

The Company prepares 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.

Any possible future distributions to shareholders will be administered by Paying and Distribution Agent, Computershare Inc, Corporate Actions group. Computershare was the Company’s former Transfer Agent.

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. 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. 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.

The Company’s strategy was to maximize and, ultimately, to monetize the value of its assets. Consistent with this strategy, the Company since 2015 has 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.

In January 2022, the Company commenced the final liquidation process. At that date, the Company had four intermediate holding company, direct and indirect subsidiaries, three of which were liquidated during 2022 and the fourth company, SAL, was liquidated in April 2023. The only remaining company Retail Holdings N.V. itself, was placed in voluntary liquidation effective March 31, 2023 (see the section on voluntary liquidation below).

Proceeds from divestments and liquidations of the Company’s direct and indirect subsidiaries and from Company operating earnings, less the cost of maintaining and managing the Company, 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 to shareholders of record on August 22, 2022. No distributions were paid to shareholders during the first quarter of 2023 other than a payment of \$9 thousand to a non-US shareholder for past unclaimed distributions.

The following chart summarizes the Company’s share capital as at March 31, 2023:

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	4,650,651*	\$0.01

*Excludes 691,048 Treasury Shares which include 106,949 Shares where the address of the attributed owner of the Shares is unknown; Treasury Shares are not included as outstanding in the financial statements.

The reported price of the Company’s Shares on the Pink Sheet quotation service on March 31, 2023 was \$0.09.

Voluntary Liquidation

On March 31, 2023, shareholders approved the voluntary liquidation of the Company, hereafter to be known as Retail Holdings N.V. – In Liquidation. Ms. Ramona Alfred, a Curacao resident, was appointed as the Liquidator. Ms. Alfred will be assisted by Antillean Management Corporation N.V. (the “Administrator”). The Liquidator, assisted by the Administrator, assumed control of all assets and operations of the liquidating company effective that date. They will complete the liquidation and dissolve the Company-In Liquidation when all the requirements for liquidation pursuant to Curacao law and regulations have been satisfied.

OPERATING AND FINANCIAL REVIEW

The following discussion and analysis should be read in conjunction with the Financial Statements of the Company for the periods ended March 31, 2023 and December 31, 2022.

Liquidity and Capital Resources (Liquidation Balance Sheets)

The balance sheet of the Company as at March 31, 2023 is the Liquidation Balance Sheet that underlies the Plan of Liquidation to be implemented by the Liquidator. At March 31, 2023, the Company's only remaining asset was cash of \$899 thousand; the cash is held at two accounts of the Company – In Liquidation and is free and clear of all encumbrances.

The Company's liabilities as at March 31, 2023 were nil. A contingent liability for certain unclaimed distributions by the Company to non-US shareholders and other potential contingent liabilities are not reflected in the balance sheet (see the section Certain Risk Factors – Contingent Liabilities and Note 8 to the Financial Statements).

For the period ended March 31, 2023 the Company had a net cash outflow from operations of \$429 thousand, reflecting a loss during the period of \$339 thousand as well as cash payments for previously accrued expenses, offset, in part, by recovery of certain receivables. There were no distributions to the Company shareholders during the period other than a payment of \$9 thousand to a non-US shareholder for past unclaimed distributions. The net effect of the cash flow movements was to reduce the Company's net cash and cash equivalent position at March 31, 2023 by \$438 thousand from prior year end.

The Company was not in default at March 31, 2023 nor at any time during the period then ended with respect to any interest or principal payments or with respect to any financial covenants.

Results of Operations

On a Liquidation Basis, the Company had no remaining continuing operations. Hence, all income and expense are included in discontinued operations. The Company's net loss after tax for the period ended March 31, 2023 was \$339 thousand, all of which loss is attributable to the Company's shareholders. The loss attributable to the Company's shareholders is equivalent to a loss per Share of \$0.07 for the period ended March 31, 2023. The Company anticipates that no taxes will be due in Curacao for the period through March 31, 2023.

The net loss during the period ended March 31, 2023 is largely due to the significant salary and administrative expenses associated with the wind-down of the Company and preparation for placing the Company into liquidation. Outside professional and administrative services totalled \$134 thousand, salary and benefits, including director fees and bonus payments totalled \$150 thousand, insurance costs were \$67 thousand and office and other miscellaneous expenses were \$36 thousand.

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-In Liquidation's residual assets, negatively impacting the ultimate realization, if any, on completion of liquidation. The most determinable contingent liability is the liability for unclaimed distributions by the Company to certain non-US shareholders of record, who, despite the Company's best efforts, cannot be located. Pursuant to the Company's Articles of Association, Curacao regulation, and the Plan of Liquidation, unclaimed distributions to shareholders will revert to the Company-In Liquidation five years from the date of the original distribution payment. As at March 31, 2023, this contingent liability totalled \$1,188 thousand, declining over time to nil by August 25, 2027. See Note 8 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-In Liquidation. 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 Company management, such a claim might arise and theoretically be pursued against the Company-In Liquidation. Similarly, while Company management believes that the Company was 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-In Liquidation.

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

As an entity incorporated in Curaçao, the Company-In Liquidation 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.

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

Board of Directors

The Board of the Company had three Directors as indicated below, all of whom resigned effective March 31, 2023.

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

The Company's Board of Directors met four times during the first quarter of 2023. 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.

Corporate Officers

The following table sets forth certain information regarding the other officers of the Company, all of whom have resigned effective March 31, 2023.

<u>Name</u>	<u>Age</u>	<u>Position</u>
Gavin Walker.....	53	Vice President of the Company.
Amy Pappas.....	63	Secretary of the Company
Ramona Alfred.....	69	Assistant Vice President of the Company

Ms Alfred has been elected by shareholders as Liquidator of the Company-In Liquidation.

Total compensation to all Company directors and officers during the first quarter of 2023, including all salary, bonuses and benefits amounted to \$150 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 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 MARCH 2023

(WITH ACCOUNTANT'S REPORT THEREON)

RETAIL HOLDINGS N.V. AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS – LIQUIDATION BASIS 31 MARCH 2023

	<u>Page</u>
Accountant’s report	Below
Consolidated statement of financial position – Liquidation basis	10
Consolidated statement of income – Liquidation basis	11
Consolidated statement of changes in equity – Liquidation basis	12
Consolidated statement of cash flows – Liquidation basis	14
Notes to the consolidated financial statements – Liquidation basis	15

ACCOUNTANT’S REPORT

To the Shareholders of Retail Holdings N.V. – In Liquidation

Management of Retail Holdings N.V. 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 March 31, 2023 and the related statements of consolidated income – liquidation basis, consolidated changes in equity – liquidation basis, and consolidated cash flows – liquidation basis, for the period then ended, and the related notes to the consolidated financial statements – liquidation basis 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 period ended March 31, 2023.

Gelmart Gellecanao
Los Angeles, California
May 8, 2023

RETAIL HOLDINGS N.V. AND SUBSIDIARIES

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION – LIQUIDATION BASIS
AS AT MARCH 31, 2023 AND DECEMBER 31, 2022**

In thousands of U.S. Dollars

	<u>March 31, 2023</u>	<u>December 31, 2022</u>
ASSETS		
Cash	899	1,337
Other assets	-	13
Total assets	<u>899</u>	<u>1,350</u>
LIABILITIES		
Accrued expenses/payables	-	55
Severance payable	-	48
Total liabilities	<u>-</u>	<u>103</u>
EQUITY		
Share capital	53	53
Treasury shares	(7)	(7)
Retained Earnings	853	1,201
Company shareholder equity	<u>899</u>	<u>1,247</u>
Total equity and liabilities	<u>899</u>	<u>1,350</u>

See accompanying Notes to the Consolidated Financial Statements – Liquidation Basis

RETAIL HOLDINGS N.V. AND SUBSIDIARIES

**CONSOLIDATED STATEMENT OF INCOME – LIQUIDATION BASIS
FOR THE THREE MONTHS ENDED MARCH 31, 2023 AND
YEAR ENDED DECEMBER 31, 2022**

In thousands of U.S. Dollars

	<u>Note</u>	<u>March 31, 2023</u>	<u>December 31, 2022</u>
Discontinued Operations			
Loss for the period, net of tax		(339)	(439)
Loss attributable to:			
Owners of Retail Holdings, N.V.	7	(339)	(373)
Non-controlling interests		-	(66)
Loss for the period		<u>(339)</u>	<u>(439)</u>
Loss per Share - Owners of the Company (U.S. Dollars)	7	<u>(0.07)</u>	<u>(0.08)</u>

See accompanying Notes to the Consolidated Financial Statements – Liquidation Basis

RETAIL HOLDINGS N.V. AND SUBSIDIARIES

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY – LIQUIDATION BASIS
FOR THE THREE MONTHS ENDED MARCH 31, 2023**

In thousands of U.S. Dollars

	<i>Note</i>	<u>Attributable to Equity Holders of the Company</u>			<u>Non-Controlling Interest</u>	<u>Total Equity</u>
		<u>Share Capital</u>	<u>Treasury Shares</u>	<u>Retained Earnings</u>		
Balance, January 1, 2023		<u>53</u>	<u>(7)</u>	<u>1,201</u>	<u>-</u>	<u>1,247</u>
Loss for the period	7	<u>-</u>	<u>-</u>	<u>(339)</u>	<u>-</u>	<u>(339)</u>
Transactions with owners of the Company						
Distributions:						
Distribution to equity holders		<u>-</u>	<u>-</u>	<u>(9)</u>	<u>-</u>	<u>(9)</u>
Distribution to non-controlling interest		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Distributions		<u>-</u>	<u>-</u>	<u>(9)</u>	<u>-</u>	<u>(9)</u>
Balance at March 31, 2023		<u>53</u>	<u>(7)</u>	<u>853</u>	<u>-</u>	<u>899</u>

See accompanying Notes to the 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

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

See accompanying Notes to the Consolidated Financial Statements – Liquidation Basis

RETAIL HOLDINGS N.V. AND SUBSIDIARIES

**CONSOLIDATED STATEMENT OF CASH FLOWS – LIQUIDATION BASIS
FOR THE THREE MONTHS ENDED MARCH 31, 2023 AND
YEAR ENDED DECEMBER 31, 2022**

In thousands of U.S. Dollars

	<u>Note</u>	<u>March 31, 2023</u>	<u>December 31, 2022</u>
Cash flows from operating activities			
Loss for the period	7	(339)	(439)
Adjustments for:			
Finance income received		-	(20)
		<u>(339)</u>	<u>(459)</u>
Changes in:			
- trade and other receivables		-	567
- other current and non-current assets		13	50
- trade and other payables		(55)	(432)
- tax payable reversal		-	(49)
- severance payable		(48)	48
Net cash used in operating activities		<u>(429)</u>	<u>(275)</u>
Cash flows from investing activities			
Finance income received		-	20
Net cash from investing activities		<u>-</u>	<u>20</u>
Cash flows from financing activities			
Distribution to non-controlling interests		-	(3,158)
Distribution to owners		(9)	(2,604)
Net cash used in financing activities		<u>(9)</u>	<u>(5,762)</u>
Net decrease in cash and cash equivalents		(438)	(6,017)
Cash and cash equivalents at 1 January		1,337	7,354
Cash and cash equivalents at 31 December		<u>899</u>	<u>1,337</u>

See accompanying Notes to the 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). Effective March 31, 2023 that company, now known as Retail Holdings N.V. – In Liquidation, was placed in voluntary liquidation. The address of the Company is at Kaya W.F.G. (Jombi) Mensing 36, Willemstad, Curaçao.

The Company’s Consolidated Financial Statements and Notes for the year ended December 31, 2022, dated January 2023, and other historical information 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 authority of the Company’s Board of Director on March 31, 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 Company’s functional currency. All financial information presented in U.S. Dollars has been rounded to the nearest thousand, unless otherwise indicated.

5. Use of judgements and estimates

In preparing these consolidated financial statements, Company management has made judgments, estimates and assumptions that affect the application of the Company’s accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

6. Discontinued operations

The Company had no continuing operations for the period ended March 31, 2023 or 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.

7. Earnings per share

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

RETAIL HOLDINGS N.V. AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS – LIQUIDATION BASIS

In thousands of U.S. Dollars

	Period to March 31, 2023	For the year ended December 31, 2023
Loss attributable to Owners of the Company	(339)	(373)
Weighted average number of shares	4,651	4,651
Basic and Diluted EPS	(0.07)	(0.08)

8. Contingencies

The Company as at March 31, 2023, had a contingent liability of \$1,188 thousand representing declared but unclaimed distributions owed to certain non-US shareholders for dividends and returns of capital declared by the Company in the 2018-2022 period. These distributions relate to 106,949 Shares; over 90% of such Shares are registered in the shareholder registry in the name of six non-US 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 was not able to identify fully or contact the owners of these Shares. Pursuant to Curacao regulation, the Company's Articles of Association, and the Plan of Liquidation, distributions not claimed by these shareholders revert back to the Company-In Liquidation after five years from the date of a distribution payment.

The Company 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 non-US unpaid distribution amounts declared five years prior and increases the contingent liability by the amount of any distributions declared on the shares of these non-US 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. The following schedule shows the recent and projected evolution of the contingent liability over time.

Status of Contingent Liability

As At Date	Amount*
December 31, 2022	\$ 2,158,929
March 31, 2023	1,188,203
November 9, 2023	1,081,254
June 26, 2024	225,662
April 16, 2025	172,188
February 11, 2026	59,891
August 25, 2027	Nil

* This assumes no further distributions

The decline in the contingent liability from \$2,159 thousand at December 31, 2023 to \$1,188 thousand at March 31, 2023 reflects both the expiration of the five-year period for the distribution paid on January 10, 2018 that shareholders may claim a previously unclaimed distribution, and the payment of \$9 thousand to a non-US shareholder for past unclaimed distributions.