

**FOR IMMEDIATE RELEASE
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**RETAIL HOLDINGS N.V. ANNOUNCES
FIRST HALF 2020 RESULTS**

August 4, 2020, Willemstad, Curacao

Retail Holdings N.V. (Symbol: RHDGF)

Retail Holdings N.V. ("ReHo", together with its subsidiaries, the "Company"), announced today results for the first half of 2020.

- Results for the period were significantly affected by the COVID-19 Pandemic and its impact on the world and India economies and the operations of Singer India Limited ("Singer India").
- Consolidated Revenue from Continuing Operations, now essentially only Singer India, was \$21.0 million for the six month period ended June 30, 2020, a decline, as measured in US dollars, of 43.4% from the comparable period prior year.
- Total Company results for the six month period was a loss, after taxes, of \$1.1 million.
- The Company made a distribution of \$0.50 per Share during the first half of 2020; distributions to shareholders have totaled \$37.25 per Share since the introduction of the distribution program in 2007.

Commenting on the 2020 first half results, Stephen H. Goodman, Retail Holdings Chairman, President and CEO, said, "the Company's results for the first half of 2020 are disappointing, but not surprising. The COVID-19 Pandemic and resulting lockdown in India, the location of the Company's only remaining operation, severely depressed the Company's revenue in the second half of March and in April, May and June. While S&A and other expenses were reduced, mitigating the impact on profitability, it was not possible to cut costs as dramatically as the fall off in revenue.

The Pandemic and resulting economic fallout have also delayed and made more difficult achievement of the Company's strategic objective of divesting Singer India and liquidating Retail Holdings. While the core Singer India business remains strong, and will be again profitable, the reduced level of profitability may not be sufficient over the next several years to cover the remaining administrative costs at the Singer Asia level and the public company and administrative costs at the ReHo level.

The Company's cash at Retail Holdings corporate and Singer Asia corporate (excluding Singer India) at June 30, 2020 totaled approximately \$8.5 million, \$5.2 million of which is attributable to the Retail Holdings shareholders. The Company does not anticipate making any further distributions to shareholders until an India divestment has occurred and/or the negative influence of the Pandemic and resulting India lockdown have been overcome.

“I encourage all shareholders to read the complete Summary Semi Annual Report for the period ended June 30, 2020, which is available at the Corporate/Investor section of the Retail Holdings’ website: www.retailholdings.com, and can be obtained free of charge by email, telephone or regular mail request to the Company.

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 January 1, 2020 - June 30, 2020 and January 1, 2019 – June 30, 2019, and related Notes.

The financial results for the period, as well as the historic comparables, have been materially impacted both by the sale, effective March 31, 2019, of the entire equity of Retail Holdings Bhold B.V., an intermediate subsidiary of the Company, which at that date owned 56.99% of the equity of Singer Bangladesh Limited (“Singer Bangladesh”), and by the emergence, in late 2019 or early in 2020, of the COVID 19 Pandemic and the resulting impact on the world and India economy, and the operations of Singer India Limited (“Singer India”). As a result of the sale of the ownership of Singer Bangladesh, the results for that operation are included as a Discontinued Operation for the three months ended March 31, 2019, and are excluded for the second quarter of 2019 and for the full first half of 2020.

First Half Results

Continuing Operations

The Company’s consolidated Revenue from Continuing Operations, now only the operations at Singer India, was \$21.0 million, for the six months ended June 30, 2020. This compares to consolidated Revenue from Continuing Operations of \$37.1 million for the same period in 2019, a decrease, as measured in U.S. dollars, of 43.4%. The decline of revenue is primarily a consequence of the lockdown in India due to the Covid 19 Pandemic. Measured in local currency, Revenue at Singer India declined 40.8% during the first half of 2020, as compared with the same period prior year.

Included in Consolidated Revenue are royalties from third parties (Thailand) of \$151 thousand in the first half of 2020, as compared to \$350 thousand in the first half of 2019. The decline in royalty reflects a slowdown in the Thailand business, attributable, in part, to the COVID 19 Pandemic and resulting lockdown.

Gross profit from Continuing Operations for the six months ended June 30, 2020 was \$4.8 million, representing a Gross profit margin of 22.7%, as compared to \$8.6 million and a Gross profit margin of 23.1% for the six months ended June 30, 2019.

Selling and administrative expenses (“S&A”) from Continuing Operations for the six months ended June 30, 2020 were \$5.7 million, representing 27.0% of Revenue, as compared to \$9.0 million and 24.2% of Revenue for the six months ended June 30, 2019. The increase in S&A expenses as a percentage of Revenue in 2020, compared to the same period prior year, reflects the inability to reduce costs as sharply as the fall off in Revenue, despite a substantial decline in the S&A expenses amount. Of the Company’s

total S&A expenses, \$4.5 million reflects S&A expenses at Singer India during the first half of 2020 (\$6.9 million in the first half of 2019), and \$1.2 million represents S&A expenses at Corporate in the 2020 period (\$2.0 million in the 2019 period).

Other expenses, primarily, royalty paid to SVP for the use of the Singer trademark by Singer Asia and Singer India, totaled \$0.2 million for the first half of 2020, and \$0.3 million for the first half of 2019. Royalty is calculated essentially at 0.88% of Revenue.

Results from operating activities from Continuing Operations for the six months ending June 30, 2020 and June 30, 2019 were a loss of \$1.0 million and \$0.5 million respectively. The higher loss reflects the flow through of the decrease in Revenue and Gross profit.

Net finance costs from Continuing Operations for the six months ended June 30, 2020 were \$0.1 million as compared to Net finance costs of nil for the same period in 2019. The swing in net finance costs primarily reflects an increase in interest expense at Singer India as a result of higher borrowings.

The Company's Loss from Continuing Operations before income taxes was \$1.1 million for the six months ended June 30, 2020, compared to a Loss from Continuing Operations of \$0.6 million for the same period in 2019. Income tax credit from Continuing Operations for the six-months ended June 30, 2020 was \$35 thousand and income tax expense for 2019 were \$0.3 million. For the six months ended June 30, 2020, the Company's Loss from Continuing Operations after tax was \$1.1 million, compared to a Loss from Continuing Operations after tax of \$0.9 million for the same period in 2019.

Discontinued Operations

Profit from Discontinued Operations, net of tax, for the three-month period ended March 31, 2019 was \$42.9 million. Of this amount, \$1.6 million represents Profit from the ongoing business operations of Singer Bangladesh for the three-month period January 1 – March 31, 2019. The balance of \$41.3 million represents the Gain on the disposal of Retail Holdings Bhold B.V, the entity holding the Company's equity in Singer Bangladesh, effective March 31, 2019.

Total Company

The Company's loss for the period ended June 30, 2020 was \$1.1 million, compared to a profit of \$42.0 million in the same period prior year. The substantial decrease in profit primarily reflects the Gain in the 2019 period on the disposal of Retail Holdings Bhold B.V., with no comparable Gain in 2020.

The loss attributable to equity holders of Retail Holdings was \$ 0.8 million for the six months ended June 30, 2020, as compared to a profit of \$21.2 million for the same period prior year. A loss of \$0.2 million is attributable to minority shareholders at the Company and its subsidiaries for the six months ended June 30, 2020, as compared to profit of \$20.8 million for the six months ended June 30, 2019. The loss attributable to the owners of Retail Holdings, 79.4% of the total Company loss in the first half of 2020, compares to 50.5% of the total Company profit in the same period prior year. The higher percentage attributable to equity holders of Retail Holdings in 2020 reflects S&A expenses at Retail Holdings Corporate, which represents a larger percentage of the smaller consolidated scale of the Company.

The loss attributable to Retail Holdings' shareholders is equivalent to earnings per Share of \$0.18 for the six months ended June 30, 2020, as compared to \$4.56 per Share profit attributable to Retail Holdings' shareholders for the same period prior year.

About Retail Holdings

Retail Holdings N.V. is a holding company with one principal asset, a 54.1% equity interest in Singer Asia Limited, which in turn, owns 59.1% of Singer India Limited, an Indian public company. Singer India's principal business is the sale of sewing machines and appliances throughout India. It is primarily a wholesale business supplemented by a relatively small number of direct distribution points and a factory/assembly facility. Additional financial and other information about Retail Holdings N.V. may be found at the Corporate/Investor section of the Retail Holdings' website www.retailholdings.com. Price quotations for Retail Holdings' shares are available on the "Pink Sheet" quotation service under the symbol "RHDGF".

For further information, please contact Amy Pappas at 1-914-242-1090.

RETAIL HOLDINGS N.V. AND SUBSIDIARIES
CONDENSED CONSOLIDATED INTERIM STATEMENT OF INCOME
FOR THE SIX MONTHS ENDED JUNE 30, 2020 AND 2019 (Unaudited)

In thousands of US Dollars except per Share data

	June 30, 2020	June 30, 2019
Continuing Operations		
Revenue	20,999	37,128
Cost of sales	16,241	28,533
Gross profit	4,758	8,595
Other income	132	155
Selling and administrative expenses	(5,672)	(8,968)
Other expenses	(185)	(327)
Results from operating activities	(967)	(545)
Finance income	69	195
Finance costs	(203)	(207)
Net finance costs	(134)	(12)
Loss before income taxes	(1,101)	(557)
Income tax expense	35	(332)
Loss from Continuing Operations	(1,066)	(889)
Discontinued Operations		
Profit from Discontinued Operation (Bangladesh)	-	1,612
Gain on disposal of Retail Holdings Bhold B.V.	-	41,260
Profit from Discontinued Operations, net of tax	-	42,872
Profit/(Loss) for the period	(1,066)	41,983
Attributable to:		
Owners of Retail Holdings	(846)	21,187
Non-controlling interests	(220)	20,796
Profit /(Loss) for the period	(1,066)	41,983
Earnings/(Loss) per Share (US Dollars)	(0.18)	4.56
Loss per Share – Continuing Operations (US Dollars)	(0.18)	(0.23)

RETAIL HOLDINGS N.V. AND SUBSIDIARIES
CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION
JUNE 30, 2020 (Unaudited) AND DECEMBER 31, 2019

In thousands of US Dollars

	<u>June 30, 2020</u>	<u>December 31, 2019</u>
ASSETS		
Property, plant and equipment	2,165	2,533
Intangible assets and goodwill	3,221	3,221
Deferred tax assets	176	117
Other non-current assets	326	323
Total non-current assets	5,888	6,194
Inventories	6,298	10,535
Trade and other receivables	6,865	11,099
Current tax receivables	302	172
Cash and cash equivalents	12,545	12,974
Other current assets	911	853
Total current assets	26,921	35,633
Total assets	32,809	41,827
EQUITY		
Share capital	53	53
Treasury Shares	(7)	(7)
Reserves	(4,461)	(4,103)
Retained earnings	11,596	16,515
Equity attributable to owners of Retail Holdings	7,181	12,458
Non-controlling interests	10,765	13,522
Total equity	17,946	25,980
LIABILITIES		
Loans and borrowings over one year	90	377
Employee benefits	49	50
Total non-current liabilities	139	427
Bank overdrafts	235	944
Current tax liabilities	-	47
Loans and borrowings	862	1,055
Trade and other payables	12,695	12,383
Warranty provision	514	621
Deferred income	418	370
Total current liabilities	14,724	15,420
Total liabilities	14,863	15,847
Total equity and liabilities	32,809	41,827