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INFORMATION CONTACT
AMY PAPPAS
apappas@retailholdings.com

RETAIL HOLDINGS N.V. ANNOUNCES 2020 RESULTS

March 31, 2021, Willemstad, Curacao

Retail Holdings N.V. (Symbol: RHDGF)

Retail Holdings N.V. ("ReHo", together with its subsidiaries, the "Company"), announced today results for the year ended December 31, 2020. The presentation of results of operations is quite different in format than in prior years. As a consequence of the disposal in December 2020 of 42.4% of Retail Holdings India B.V., the Company no longer has a controlling stake in the India operations. The Indian company, and its parent holding company, are now treated as associates, rather than as subsidiaries, and their results of operations, including revenue and other income and expense, are reflected as discontinued operations. Continuing operations only include revenue and expense and other income realized at Singer Asia Limited and Retail Holdings corporate.

To better understand both results of operations and the ongoing business dynamics, shareholders should read the complete 2020 Summary Annual Report and the accompanying audited Financial Statements and Notes, which will be available at the Corporate/Investor section of the Retail Holdings website, www.retailholdings.com, and can be obtained free of charge via email or mail request to Amy Pappas, Corporate Secretary, at the contact details indicated below.

Chairman's Comments

Commenting on the 2020 results, Stephen H. Goodman, the Company's Chairman, President and CEO, noted, "In 2020, the Company essentially completed the divestment program begun in 2015. In that year, the Company outlined a strategy, "to manage and, ultimately, to monetize the value of its assets, to make regular cash distributions to shareholders, and to liquidate, with a budgeted time frame of three to five years." Five years have now elapsed. Over that period a total of \$261.8 million in net proceeds from asset sales were generated, and a total of \$38.30 per Share has been distributed to shareholders (including the most recent \$1.05 distribution). The Company's only remaining operating asset is a relatively small, residual, stake in the India business.

"The Company anticipates that the sale of its remaining stake in the India business will be completed by year-end 2021 or early in 2022. In the interim period, the Company will have to fund continuing, albeit declining, legacy expenses, certain fixed costs of being a public company, and maintain a management structure, resulting in continuing P&L losses. Management believes that an additional distribution of up to \$0.50 per Share may be paid to shareholders in late 2021 or early 2022 with a final nominal liquidation distribution in late 2022 or early 2023, although these amounts cannot be assured and there may in practice be nil additional distributions.

"On a personal note, I intimated in last year's earnings release that it was my intention to cease active employment at the Company by year-end 2020. The Company's other two directors and I, have decided, subject to shareholder approval, that we will remain through 2021, until the divestment of the remaining India stake is accomplished, but at reduced compensation.

"I extend my thanks to fellow employees and directors for their efforts in 2020, and thank all of the Company shareholders for their continued support."

Management Discussion and Analysis: 2020 Results

The following discussion and analysis should be read in conjunction with the audited, consolidated Financial Statements of the Company for the year ended December 31, 2020. Certain comparative figures for the year ended December 31, 2019 are restated.

Results of Operations

Year Ended December 31, 2020 and December 31, 2019

As a consequence of the partial disposal in 2020 of India BV, the Company no longer has controlling stakes either in India BV or in Singer India, and both companies are now treated as associates rather than as subsidiaries. The results of operations for these entities are reflected as discontinued operations in the Consolidated Statement of Income.

Continuing operations (excludes India BV and Singer India for 2019 and 2020 and excludes Retail Holdings Bhold BV and Singer Bangladesh for January-March 2019).

For the year ended December 31, 2020, the Company's U.S. Dollar consolidated revenue from continuing operations was \$327 thousand, compared to consolidated revenue from continuing operations of \$456 thousand for the same period in 2019. Revenue from continuing operations primarily is from royalties earned from certain third parties for use of the Singer brand and tradename. Revenue from sales of goods and services by Singer India in 2020 and 2019 and by Singer Bangladesh for the period January-March 2019 are included in discontinued operations.

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, 2020 and the year ended December 31, 2019. Other income for the years ended December 31, 2020 and December 31, 2019 was \$13 thousand and \$175 thousand, respectively.

S&A expenses for the year ended December 31, 2020 were \$1,665 thousand, compared to \$2,871 thousand for the same period prior year. The high S&A expenses relative to revenue, 509.2% and 629.6% for the years ended December 31, 2020 and December 31, 2019, respectively, reflect both 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 from continuing operations for the year ended December 31, 2020 were a loss of \$1,327 thousand, compared to a loss of \$2,307 thousand in the same period in 2019. The smaller loss primarily reflects lower S&A expenses.

Net finance income was \$30 thousand for the year ended December 31, 2020, and \$287 thousand for the year ended December 31, 2019, reflecting lower cash balances at the intermediate holding companies during the year ended December 31, 2020, as compared to the prior year.

The Company's loss from continuing operations, before tax, was \$1,297 thousand for the year ended December 31, 2020, compared to a loss from continuing operations, before tax, of \$2,020 thousand for the year ended December 31, 2019. The Company's loss from continuing operations for the year ended December 31, 2020, after tax, was \$1,306 thousand, compared to a loss from continuing operations, net of tax, of \$2,044 thousand for the same period in 2019. The improvement of \$738 thousand in income from continuing operations reflects the flow through of the reduced S&A expenses, offset, in part, by other factors.

Discontinued Operations (includes India BV and Singer India for 2019 and 2020 and Retail Holdings Bhold BV and Singer Bangladesh, for the three months January-March 2019).

Singer India's revenue for the year ended December 31, 2020 was \$52,288 thousand and net profit from operations was \$790 thousand, offset in part, by a loss on disposal of \$766 thousand, resulting in a net profit from discontinued operations of \$24 thousand in that year. Singer India's results from operation for 2019 was a profit of \$1,328 thousand.

Singer Bangladesh's net results from operations for the period January-March 2019 was a profit of \$1,628 thousand. In addition, there was a gain on disposal that year of \$48,102 thousand. Bangladesh's net profit from discontinued operations for the three months January-March 2019 was a profit of \$49,730 thousand.

In 2019, the Group also incurred a net loss of \$727 thousand on disposal of Sewko Holdings Limited, an intermediate holding company.

Overall

The Company's total net loss for the year ended December 31, 2020 was \$1,282 thousand, compared to a net profit of \$48,287 thousand for the same period prior year. The Company's 2019 results benefitted from the gain on the divestment of Retail Holdings Bhold BV in March 2019.

The loss attributable to ReHo shareholders is \$1,632 thousand for the year ended December 31, 2020 compared to a profit of \$24,129 for the same period prior year. A profit of \$350 thousand is attributable to non-controlling interests for the year ended December 31, 2020, as compared to a profit of \$24,158 thousand for the year ended December 31, 2019. The loss by ReHo shareholders for the year ended December 31, 2020 as compared to a profit attributable to non-controlling interests reflects that a greater part of the S&A expenses is attributable to ReHo shareholders than to the non-controlling interests. The ReHo share of the Company's profit for the year ended December 31, 2019 was 50%, reflecting that 54% of the gain from the Bangladesh divestment flowed through to ReHo shareholders.

The profit attributable to ReHo shareholders is equivalent to a loss per Share of \$0.35 for the year ended December 31, 2020, compared to a profit per Share attributable to ReHo shareholders of \$5.19 for the year ended December 31, 2019.

Total comprehensive loss for the year ended December 31, 2020 was \$1,452 thousand, compared to a comprehensive income for the year ended December 31, 2019 of \$47,802 thousand. The decline in comprehensive income is largely due to the flow through of the Company's loss and profit explained above.

Liquidity and Capital Resources

The individual balance sheet elements for Singer India are no longer included in the Consolidated Statement of Financial Position, but rather are reflected as a single carrying amount of the net investment. As it is the Company's intention to sell this remaining investment within the next year, the carrying amount of the investment is characterized as "Assets held for sale". As a result of the differences in treatment of the net assets of Singer India between 2020 and 2019, interpretation of changes in the individual balance sheet elements are no longer meaningful.

Year Ended December 31, 2020

For the year ended December 31, 2020, the Company had a net cash inflow from operations of \$1,866 thousand, primarily reflecting the changes in inventories and trade and other receivables. Net cash from investing activities for the year ended December 31, 2020 was an inflow of \$3,698 thousand, largely due to the \$3,475 thousand received from the partial sale of India BV.

Distributions to ReHo shareholders and to non-controlling interests during the year ended December 31, 2020, utilized \$2,325 thousand and \$2,470 thousand cash, respectively.

The net effect of the cash flow movements and exchange rate fluctuations was to leave the Company's net cash and cash equivalents position at December 31, 2020 largely unchanged from prior year. Cash and cash equivalents were \$11,536 thousand at December 31, 2020.

Current assets less current liabilities at December 31, 2020 were \$16,559 thousand.

Neither ReHo, nor Singer Asia, nor any of the Company's other subsidiaries or affiliates were in default at December 31, 2020, or at any time during 2020, with respect to any interest or principal payments or with respect to any financial covenants under any of their lending arrangements.

For a discussion of liquidity and capital resources during 2019, see the Company's 2019 Annual Report, dated March 2020.

About Retail Holdings

Retail Holdings N.V. is a holding company with one principal operating asset, a 54.1% equity interest in Singer Asia Limited, which, in turn, has an indirect effective interest of 34.0% in Singer India Limited, an Indian public company. Retail Holdings N.V. has no operating activities other than those carried out through the India operation. Additional financial and other information about Retail Holdings N.V., including the complete text of the 2020 Retail Holdings Summary Annual Report and 2020 Audited Consolidated Financial Statements and Notes, may be found at the Corporate/Investor section of the Retail Holding's website: www.retailholdings.com. Price quotations for Retail Holdings shares are available on the "Pink Sheets" quotation service under the symbol "RHDGF".

For further information, please contact Amy Pappas via email: apappas@retailholdings.com or via mail: PO Box 120 Mount Kisco, New York 10549.

RETAIL HOLDINGS N.V. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF INCOME FOR THE YEAR ENDED 31 DECEMBER

In thousands of U.S. Dollars

	2020	2019 Restated*
Continuing operations		
Revenue	327	456
Cost of sales	-	-
Gross profit	327	456
Other income	13	175
Selling and administrative expenses	(1,665)	(2,871)
Other expenses	(2)	(67)
Results from operating activities	(1,327)	(2,307)
Finance income	50	305
Finance costs	(20)	(18)
Net finance income	30	287
Loss before taxation	(1,297)	(2,020)
Income tax expense	(9)	(24)
Loss from continuing operations	(1,306)	(2,044)
Discontinued operations		
Profit from discontinued operations, net of tax	24	50,331
Profit / (Loss) for the year	(1,282)	48,287
Profit / (Loss) attributable to:		
Owners of the Company	(1,632)	24,129
Non-controlling interests	350	24,158
	(1,282)	48,287
Earnings / (Loss) per share (U.S. Dollar)	(0.35)	5.19
Loss per share – Continuing operations (U.S. Dollar)	(0.24)	(0.29)

RETAIL HOLDINGS N.V. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

In thousands of U.S. Dollars

	<i>31 December</i>	<i>31 December</i>
	2020	2019
ASSETS		
Property, plant and equipment	-	2,533
Intangible assets and goodwill	-	3,221
Deferred tax assets	-	117
Other non-current assets	-	323
Total non-current assets	-	6,194
Inventories	-	10,535
Trade and other receivables	821	11,099
Current tax receivable	-	172
Other current assets	70	853
Cash and cash equivalents	11,536	12,974
Assets held for sale	4,610	-
Total current assets	17,037	35,633
Total assets	17,037	41,827
EQUITY		
Share capital	53	53
Treasury shares	(7)	(7)
Reserves	(1,667)	(4,103)
Retained earnings	10,999	16,515
Equity attributable to owners of the Company	9,378	12,458
Non-controlling interests	7,181	13,522
Total equity	16,559	25,980
LIABILITIES		
Loans and borrowings	-	377
Employee benefits	-	50
Total non-current liabilities	-	427
Bank overdrafts	-	944
Current tax liabilities	46	47
Loans and borrowings	-	1,055
Trade and other payables	432	12,383
Deferred income	-	370
Warranty provision	-	621
Total current liabilities	478	15,420
Total liabilities	478	15,847
Total equity and liabilities	17,037	41,827

Figures in brackets indicate deductions