Katrina GROUP LTD.

Incorporated in the Republic of Singapore
Registration No. 201608344N

The Company is required under Catalist Rule 705(2)(e) to report its financial statements quarterly.

This announcement has been reviewed by the Company's Sponsor, Hong Leong Finance Limited. It has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Ms Vera Leong, Vice President, Hong Leong Finance Limited, at 16 Raffles Quay, #01-05 Hong Leong Building, Singapore 048581, telephone (+65) 6415 9881.

Katrina GROUP LTD.

Incorporated in the Republic of Singapore
Registration No. 201608344N

CONTENTS

Katrina GROUP LTD.

Incorporated in the Republic of Singapore
Registration No. 201608344N

UNAUDITED FINANCIAL STATEMENTS FOR THE SECOND QUARTER ENDED 30 JUNE 2026

A. Condensed interim consolidated statement of profit or loss and other comprehensive income

	3 months ended 30 June		Increase/ (Decrease)	6 months ended 30 June		Increase/ (Decrease)
	2026	**2025**		**2026**	**2025**	
	$'000 (Unaudited)	$'000 (Unaudited)	%	$'000 (Unaudited)	$'000 (Unaudited)	%
Revenue	9,195	11,150	(17.5)	18,857	22,375	(15.7)
Cost of sales	(8,293)	(10,082)	(17.7)	(17,414)	(20,479)	(15.0)
Gross profit	902	1,068	(15.5)	1,443	1,896	(23.9)
Other income	221	100	N.M.	448	370	21.1
Selling and distribution costs	(97)	(138)	(29.7)	(345)	(302)	14.2
Administrative expenses	(1,173)	(1,253)	(6.4)	(2,499)	(2,644)	(5.5)
Finance costs	(415)	(558)	(25.6)	(844)	(1,105)	(23.6)
Other expenses	(368)	(469)	(21.5)	(373)	(470)	(20.6)
Share of results of joint venture	(17)	(28)	(39.3)	(207)	(78)	N.M.
Loss before tax	(947)	(1,278)	(25.9)	(2,377)	(2,333)	1.9
Income tax expense	–	–	–	–	–	–
Loss for the period, representing loss for the period attributable to owners of the Company	(947)	(1,278)	(25.9)	(2,377)	(2,333)	1.9
Other comprehensive income:						
Items that may be reclassified subsequently to profit or loss						
Foreign currency translation	17	10	70.0	22	26	(15.4)
Other comprehensive income for the period, net of tax	17	10	70.0	22	26	(15.4)
Total comprehensive income for the period, representing total comprehensive income attributable to owners of the Company	(930)	(1,268)	(26.7)	(2,355)	(2,307)	2.1
Earnings per share for loss for the period attributable to the owners of the Company during the year:						
Basic and diluted (SGD in cents)	(0.38)	(0.51)		(0.95)	(0.93)	

Note:

1. "N.M." denotes not meaningful.

B. Condensed interim statements of financial position

		Group		Company	
	Note	30 June 2026 $'000 (Unaudited)	31 December 2025 $'000 (Audited)	30 June 2026 $'000 (Unaudited)	31 December 2025 $'000 (Audited)
ASSETS					
Non-current assets					
Property, plant and equipment	9	2,938	3,117	53	62
Intangible assets	10	237	258	–	–
Right-of-use assets	11	14,419	16,361	843	930
Investment in subsidiaries		–	–	7,781	7,781
Investment in joint ventures		60	267	–	–
Deferred tax assets		425	425	–	–
Derivative instrument		144	144	–	–
Refundable deposits		2,684	2,554	54	54
		20,907	23,126	8,731	8,827
Current assets					
Inventories		183	111	–	–
Trade receivables		321	689	–	–
Other receivables		151	164	–	–
Refundable deposits		1,168	1,867	–	–
Prepayments		324	267	31	15
Amount due from a joint venture		110	73	1	–
Amounts due from subsidiaries		–	–	5,927	4,451
Cash and bank balances		773	570	16	75
		3,030	3,741	5,975	4,541
Total assets		23,937	26,867	14,706	13,368
EQUITY AND LIABILITIES					
Current liabilities					
Trade and other payables		10,796	8,922	4,399	2,899
Amount due to a joint venture		323	196	–	–
Other liabilities		2,043	1,164	294	245
Lease liabilities	11	9,314	10,193	148	142
Provision	12	326	326	–	–
Contract liabilities		230	299	–	–
Loans and borrowings	13	615	1,015	–	–
		23,647	22,115	4,841	3,286
Net current (liabilities)/assets		(20,617)	(18,374)	1,134	1,255

B. Condensed interim statements of financial position (Cont'd)

		Group		Company	
	Note	30 June 2026 $'000 (Unaudited)	31 December 2025 $'000 (Audited)	30 June 2026 $'000 (Unaudited)	31 December 2025 $'000 (Audited)
Non-current liabilities					
Other payables		92	92	–	–
Lease liabilities	11	8,740	10,715	763	838
Provision	12	427	550	–	–
Loans and borrowings	13	19	28	–	–
		9,278	11,385	763	838
Total liabilities		32,925	33,500	5,604	4,124
Net (liabilities)/assets		(8,988)	(6,633)	9,102	9,244
Equity attributable to owners of the Company					
Share capital	14	8,670	8,670	8,670	8,670
Warrant reserve		75	75	75	75
Foreign currency translation reserve		93	71	–	–
(Accumulated losses)/ Retained earnings		(17,826)	(15,449)	357	499
Total equity		(8,988)	(6,633)	9,102	9,244
Total equity and liabilities		23,937	26,867	14,706	13,368

C. Condensed interim statements of changes in equity

	Attributable to owners of the Company				
	Share capital $'000	Warrant reserve $'000	Foreign currency translation reserve $'000	Retained earnings $'000	Total equity $'000
Group (Unaudited)					
Opening balance at 1 January 2025	8,581	75	37	(12,660)	(3,967)
Exercise of warrants	86	–	–	–	86
Profit for the period	–	–	–	(2,333)	(2,333)
Other comprehensive income:					
Foreign currency translation	–	–	26	–	26
Total comprehensive income for the period	–	–	26	(2,333)	(2,307)
Closing balance at 30 June 2025	8,667	75	63	(14,993)	(6,188)
Opening balance at 1 January 2026	8,670	75	71	(15,449)	(6,633)
Loss for the period	–	–	–	(2,377)	(2,377)
Other comprehensive income:					
Foreign currency translation	–	–	22	–	22
Total comprehensive income for the period	–	–	22	(2,377)	(2,355)
Closing balance at 30 June 2026	8,670	75	93	(17,826)	(8,988)

C. Condensed interim statements of changes in equity (Cont'd)

	Attributable to owners of the Company			
	Share capital $'000	**Warrant reserve** $'000	**Retained earnings** $'000	**Total** $'000
Company (Unaudited)				
Opening balance at 1 January 2025	8,581	75	627	9,283
Exercise of warrants	86	–	–	86
Loss for the period, representing total comprehensive income for the period	–	–	(183)	(183)
Closing balance at 30 June 2025	8,667	75	444	9,186
Opening balance at 1 January 2026	8,670	75	499	9,244
Loss for the period, representing total comprehensive income for the period	–	–	(142)	(142)
Closing balance at 30 June 2026	8,670	75	357	9,102

D. Condensed interim consolidated statement of cash flows

	3 months ended 30 June		6 months ended 30 June	
	2026	**2025**	**2026**	**2025**
	$'000	$'000	$'000	$'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Operating activities				
Loss before tax	(947)	(1,278)	(2,377)	(2,333)
Adjustments for:				
Depreciation of property, plant and equipment	391	374	827	751
Depreciation of right-of-use assets	2,292	3,158	4,816	6,354
Amortisation of intangible assets	13	–	21	–
Interest income	–	–	–	(3)
Write-off of property, plant and equipment	22	1	27	2
Write back of impairment loss on property, plant and equipment	(60)	(130)	(60)	(130)
Impairment loss on right-of-use assets	406	598	406	598
Finance costs	410	558	839	1,105
Reversal of provision for restoration cost	(35)	–	(93)	–
Share of results of joint venture	17	28	207	78
Currency realignment	17	10	22	26
Total adjustments	3,473	4,597	7,012	8,781
Operating cash flows before changes in working capital	2,526	3,319	4,635	6,448
Changes in working capital				
Decrease/(increase) in:				
Inventories	8	(5)	(72)	45
Trade and other receivables	350	223	381	651
Refundable deposits	13	248	569	196
Prepayments	(22)	38	(57)	(61)
Amount due to a joint venture	(15)	(31)	(37)	(31)
(Decrease)/increase in:				
Trade and other payables	32	871	494	740
Other liabilities	375	(195)	879	(223)
Amount due to a joint venture	61	22	127	43
Contract liabilities	(90)	(31)	(69)	(26)
Total changes in working capital	712	1,140	2,215	1,334
Cash flows from operations	3,238	4,459	6,850	7,782
Interest received	–	–	–	3
Net cash flows generated from operating activities	3,238	4,459	6,850	7,785

D. Condensed interim consolidated statement of cash flows (Cont'd)

	3 months ended 30 June		6 months ended 30 June	
	2026	**2025**	**2026**	**2025**
	$'000	$'000	$'000	$'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Investing activities				
Purchase of property, plant and equipment [(2)]	(123)	(301)	(524)	(335)
Net cash flows used in investing activities	(123)	(301)	(524)	(335)
Financing activities				
Exercise of warrants	–	4	–	86
Repayments of loan and borrowings	(254)	(333)	(408)	(664)
Interest paid	(7)	(14)	(17)	(32)
Lease payments	(3,295)	(4,039)	(6,957)	(8,146)
Cash restricted in use	–	–	–	(46)
Loans from director	499	277	1,259	277
Net cash flows used in financing activities	(3,057)	(4,105)	(6,123)	(8,525)
Net change in cash and cash equivalents	58	53	203	(1,075)
Cash and cash equivalents at 1 April/January	566	750	421	1,878
Cash and cash equivalents at 30 June [(1)]	624	803	624	803

D. Condensed interim consolidated statement of cash flows (Cont'd)

Note:

1. For the purpose of presenting the consolidated interim statement of cash flows, cash and cash equivalents comprise the following:

	6 months ended 30 June	
	2026	**2025**
	$'000	$'000
	(Unaudited)	(Unaudited)
Cash and bank balances	773	849
Less: Bank deposits pledged	(149)	(46)
Cash and cash equivalents per consolidated interim statement of cash flows	624	803

Bank deposits pledged pertained to amounts earmarked by the Group's principal banker in connection with facilities granted.

2. Property, plant and equipment

	6 months ended 30 June	
	2026	**2025**
	$'000	$'000
	(Unaudited)	(Unaudited)
Current period additions to property, plant and equipment	615	335
Less: Provision for restoration cost	(91)	–
Net cash outflow for purchase of property, plant and equipment	524	335

E. Notes to the condensed interim consolidated financial statements

1. Corporate information

Katrina Group Ltd. (the "**Company**") is incorporated and domiciled in Singapore and is listed on the Singapore Exchange Securities Trading Limited. These condensed interim consolidated financial statements as at and for the six months ended 30 June 2026 ("**HY2026**") comprise the Company and its subsidiaries (collectively, the Group).

The principal activity of the Company is that of investment holding.

The principal activities of the Group are:
(a) restaurants operator; and
(b) hospitality management.

2. Basis of preparation

The condensed interim financial statements for the six months ended 30 June 2026 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2025.

The accounting policies adopted and methods of computations are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

Fundamental accounting concept
The interim financial statements of the Group have been prepared on a going concern basis notwithstanding that the Group and the Company incurred a net loss of $2,377,000 (HY2025: $2,333,000) and $142,000 (HY2025: $183,000) respectively for the financial period ended 30 June 2026 and as at that date, the Group's total liabilities and current liabilities exceeded its total assets and current assets by $8,988,000 (31 December 2025: $6,633,000) and $20,617,000 (31 December 2025: $18,374,000) respectively. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as going concern.

The directors are of the view that it is appropriate to prepare the Group's interim financial statements on a going concern on the following bases:

(a) the Group will be able to generate sufficient cash flows from its operations to pay its liabilities as and when they fall due;
(b) management intends to manage cashflow of the subsidiaries on overall Group basis, where necessary;
(c) there are no changes in the Group's and the Company's ability to request for the extension of credit terms granted by suppliers; and
(d) the controlling shareholder has indicated through a letter of undertaking to financially support the Group and the Company as and when required, for 15 months from 12 August 2026.

The condensed interim financial statements are presented in Singapore dollar which is the Company's functional currency.

2.1. New and amended standards adopted by the Group

The Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period compared with those of the audited financial statements as at 31 December 2025. The adoption of the new SFRS(I)s and amendments and interpretations of SFRS(I) which came into effect on 1 January 2026 did not have any material financial impact on the Group's results for HY2026.

2.2. Use of judgements and estimates

In preparing the condensed interim financial statements, management has made judgements, 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.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2025.

There were no other changes in estimates applied by the Group during the financial period.

Estimates and underlying assumptions are reviewed on an ongoing basis.

Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

In the process of applying the Group's accounting policies, management has made the following judgements which have the most significant effect on the amounts recognised in the consolidated financial statements:

- *Determination of lease term of contracts with extension options*

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are stated below.

- *Impairment test of right-of-use assets and property, plant and equipment*

3. Seasonal operations

The Group's businesses are not subject to any seasonal fluctuations although generally we experience higher sales during festive seasons and school holidays.

4. Segment and revenue information

The Group is organised into the following main business segments:
(a) Hospitality; and
(b) Food and beverages

4.1. Reportable segments

	Hospitality		Food and beverages		Consolidated	
1 April to 30 June (Unaudited)	**2026** $'000	**2025** $'000	**2026** $'000	**2025** $'000	**2026** $'000	**2025** $'000
Revenue:						
External customers	2,367	3,040	6,828	8,110	9,195	11,150
	2,367	3,040	6,828	8,110	9,195	11,150
Results:						
Interest income	–	–	–	–	–	–
Interest on loans and borrowings	–	–	(7)	(14)	(7)	(14)
Interest on finance lease liabilities	(148)	(217)	(255)	(327)	(403)	(544)
Amortisation of intangible assets	–	–	(13)	–	(13)	–
Depreciation of property, plant and equipment	(163)	(149)	(228)	(225)	(391)	(374)
Depreciation of right-of-use assets	(872)	(1,180)	(1,420)	(1,978)	(2,292)	(3,158)
Write-off of property, plant and equipment	(7)	(1)	(15)	–	(22)	(1)
Write back of impairment loss on property, plant and equipment	–	202	60	(72)	60	130
Impairment loss on right-of-use assets	–	358	(406)	(956)	(406)	(598)
Reversal of provision for restoration cost	–	–	35	–	35	–
Share of results of joint venture	–	–	(17)	(28)	(17)	(28)
Segment net profit/(loss)	12	614	(959)	(1,892)	(947)	(1,278)

4. Segment and revenue information (Cont'd)

1 January to 30 June (Unaudited)	Hospitality 2026 $'000	Hospitality 2025 $'000	Food and beverages 2026 $'000	Food and beverages 2025 $'000	Consolidated 2026 $'000	Consolidated 2025 $'000
Revenue:						
External customers	5,090	6,384	13,767	15,991	18,857	22,375
	5,090	6,384	13,767	15,991	18,857	22,375
Results:						
Interest income	–	–	–	3	–	3
Interest on loans and borrowings	–	–	(16)	(32)	(16)	(32)
Interest on finance lease liabilities	(315)	(445)	(507)	(628)	(822)	(1,073)
Amortisation of intangible assets	–	–	(21)	–	(21)	–
Depreciation of property, plant and equipment	(328)	(322)	(499)	(429)	(827)	(751)
Depreciation of right-of-use assets	(1,790)	(2,412)	(3,026)	(3,942)	(4,816)	(6,354)
Write-off of property, plant and equipment	(10)	(1)	(17)	(1)	(27)	(2)
Write back of impairment loss on property, plant and equipment	–	202	60	(72)	60	130
Impairment loss on right-of-use assets	–	358	(406)	(956)	(406)	(598)
Reversal of provision for restoration cost	–	–	93	–	93	–
Share of results of joint venture	–	–	(207)	(78)	(207)	(78)
Segment net profit/(loss)	123	738	(2,500)	(3,071)	(2,377)	(2,333)

Segment breakdown for period ended 30 June 2026 and 31 December 2025 are as follows:

	Hospitality 2026 $'000	Hospitality 2025 $'000	Food and beverages 2026 $'000	Food and beverages 2025 $'000	Consolidated 2026 $'000	Consolidated 2025 $'000
(Unaudited)						
Segment assets	9,457	11,135	14,480	15,732	23,937	26,867
Segment liabilities	(8,700)	(9,975)	(24,225)	(23,525)	(32,925)	(33,500)

4. Segment and revenue information (Cont'd)

4.2. Disaggregation of revenue

Geographical information

The following table shows the distribution of the Group's revenue from external customers based on the location where goods are sold and services are delivered:

	3 months ended 30 June		6 months ended 30 June	
	2026	**2025**	**2026**	**2025**
	$'000	$'000	$'000	$'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Singapore	9,195	11,150	18,857	22,375

The Group's non-current assets of $17,798,000 (31 December 2025: $20,147,000), based on the geographical location of customers, are in Singapore.

Non-current assets information presented above consists of property, plant and equipment, intangible assets, right-of-use assets, derivative instrument and investment in joint ventures presented in the condensed statement of financial position.

5. Loss before taxation

5.1. Significant items

The Group's loss before tax was arrived after crediting/(charging) the following:

	3 months ended 30 June		6 months ended 30 June	
	2026	2025	2026	2025
	$'000	$'000	$'000	$'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Income				
Government grants [1]	50	8	172	186
Interest income	–	–	–	3
Expenses				
Amortisation of intangible assets	(13)	–	(21)	–
Commission fees	(226)	(227)	(456)	(447)
Contingent rental leases on operating leases	(51)	(63)	(105)	(147)
Depreciation of property, plant and equipment	(391)	(374)	(827)	(751)
Depreciation of right-of-use assets	(2,292)	(3,158)	(4,816)	(6,354)
Employee benefits	(4,132)	(3,850)	(7,748)	(8,057)
Fixed rental expense on operating leases	(25)	(73)	(51)	(101)
Foreign exchange loss	(17)	(21)	(22)	(37)
Hire purchase interest	–	–	(1)	–
Interest on bank loan	(7)	(14)	(16)	(32)
Interest on finance lease liabilities	(403)	(544)	(822)	(1,073)
Professional fee	(84)	(67)	(220)	(172)
Reversal of provision for restoration cost	35	–	93	–
Write-off of property, plant and equipment	(22)	(1)	(27)	(2)
Write back of impairment loss on property, plant and equipment	60	130	60	130
Impairment loss on right-of-use assets	(406)	(598)	(406)	(598)

Notes:

1 Government grants refer mainly to the Progressive Wage Credit Scheme and Senior Employment Credit.

5.2. Related party transactions

There are no material related party transactions apart from those disclosed elsewhere in the unaudited condensed interim financial statements.

6. Income tax

The major components of income tax expense for the 6 months ended 30 June 2026 and 2025 are:

	3 months ended 30 June		6 months ended 30 June	
	2026	**2025**	**2026**	**2025**
	$'000 (Unaudited)	$'000 (Unaudited)	$'000 (Unaudited)	$'000 (Unaudited)
Consolidated statement of comprehensive income:				
<u>Current income tax</u>				
- Under provision in respect of previous years	–	–	–	–
Income tax expense recognised in the consolidated statement of comprehensive income	–	–	–	–

7. Loss per share

Basic loss per share is calculated by dividing the Group's loss for the period attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year.

The following table reflects the loss and shares data used in the computation of basic and diluted loss per share for the 3 months and 6 months ended 30 June 2026 and 2025:

	3 months ended 30 June		6 months ended 30 June	
	2026	**2025**	**2026**	**2025**
	$'000 (Unaudited)	$'000 (Unaudited)	$'000 (Unaudited)	$'000 (Unaudited)
Loss for the period attributable to owners of the Company	(947)	(1,278)	(2,377)	(2,333)
	Number of ordinary shares			
Weighted average number of ordinary shares for basic loss per share computation ('000)	251,120	250,414	251,120	250,414
Effect of dilution:				
Warrants ('000)	75,619	115,845	75,619	115,845
Weighted average number of ordinary shares for diluted profit per share computation ('000)	326,739	366,259	326,739	366,259
Basic earnings per share	(0.38)	(0.51)	(0.95)	(0.93)
Diluted earnings per share	(0.38)	(0.51)	(0.95)	(0.93)1

The warrants that are outstanding have an anti-dilutive effect as the conversion to ordinary shares would decrease loss per share.

8. Net Asset Value

	Group		Company	
	30 June 2026 (Unaudited)	31 December 2025 (Audited)	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Net asset value ("**NAV**") ($'000)	(8,988)	(6,633)	9,102	9,244
Number of ordinary shares ('000)	251,854	251,854	251,854	251,854
NAV per ordinary share (cents)	(3.57)	(2.63)	3.61	3.67

9. Property, plant and equipment

Group (Unaudited)	Computers $'000	Furniture and fittings $'000	Kitchen and restaurant equipment $'000	Motor vehicle $'000	Office equipment $'000	Renovation $'000	Total $'000
Cost:							
At 1 January 2025	1,513	2,131	2,767	175	15	12,495	19,096
Additions	10	64	109	–	6	658	847
Disposal	(82)	(478)	(444)	–	(3)	(690)	(1,697)
At 31 December 2025 and 1 January 2026	1,441	1,717	2,432	175	18	12,463	18,246
Additions	24	20	153	–	3	415	615
Written-off	(72)	(508)	(235)	–	–	(2,209)	(3,024)
At 30 June 2026	1,393	1,229	2,350	175	21	10,669	15,837
Accumulated depreciation:							
At 1 January 2025	1,427	2,008	2,570	99	13	8,920	15,037
Charge for the year	67	64	72	20	1	1,316	1,540
Written-off	(83)	(475)	(441)	–	(3)	(629)	(1,631)
At 31 December 2025 and 1 January 2026	1,411	1,597	2,201	119	11	9,607	14,946
Charge for the year	20	25	47	10	1	724	827
Written-off	(72)	(498)	(233)	–	–	(2,194)	(2,997)
At 30 June 2026	1,359	1,124	2,015	129	12	8,137	12,776
Accumulated impairment:							
At 1 January 2025	–	–	–	–	–	220	220
Write back of impairment loss	–	–	–	–	–	(37)	(37)
At 31 December 2025 and 1 January 2026	–	–	–	–	–	183	183
Write back of impairment loss	–	–	–	–	–	(60)	(60)
At 30 June 2026	–	–	–	–	–	123	123
Net carrying amount:							
At 30 June 2026	34	105	335	46	9	2,409	2,938
At 31 December 2025	30	120	231	56	7	2,673	3,117

10. Intangible assets

Group (Unaudited)	Goodwill $'000	Favourable agreement $'000	Customer contracts $'000	Franchise rights $'000	Total $'000
Cost					
At 1 January 2025	480	57	42	–	579
Additions	–	–	–	258	258
At 31 December 2025, 1 January 2026 and 30 June 2026	480	57	42	258	837
Accumulated impairment and amortisation					
At 1 January 2025 and 31 December 2025	480	57	42	–	579
Charge for the period	–	–	–	21	21
At 30 June 2026	480	57	42	21	600
Net carrying amount					
At 30 June 2026				237	237
At 31 December 2025	–	–	–	258	258

11. Right-of-use assets and lease liabilities

The Group has lease contracts for restaurant premises and residential apartments/co-living premises used in its operations. The Group's obligations under its leases are secured by the lessor's title to the leased assets. There are several lease contracts that include extension and termination options and variable lease payments, which are further discussed below.

The Group also has certain leases with lease terms of 12 months or less and leases with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

The Group leases motor vehicle to render logistic services.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

Group (Unaudited)	Office premises $'000	Restaurant premises $'000	Residential apartments and co-living hotels $'000	Total $'000
At 1 January 2025	74	11,969	9,717	21,760
Additions	1,061	1,160	484	2,705
Impairment loss	–	(865)	201	(664)
Charge for the year	(205)	(7,760)	(4,587)	(12,552)
Early termination of leases	–	(16)	–	(16)
Lease modifications	–	4,419	709	5,128
At 31 December 2025 and 1 January 2026	930	8,907	6,524	16,361
Additions	–	2,614	–	2,614
Impairment loss	–	(406)	–	(406)
Charge for the period	(87)	(2,938)	(1,791)	(4,816)
Lease modifications	–	307	359	666
At 30 June 2026	843	8,484	5,092	14,419

11. Right-of-use assets and lease liabilities (Cont'd)

Set out below are the carrying amounts of lease liabilities and the movements during the period:

	30 June 2026 $'000 (Unaudited)	31 December 2025 $'000 (Audited)
At 1 January	20,908	27,012
Additions	2,614	2,701
Accretion of interests on:		
Lease liabilities	823	2,073
Payments	(6,957)	(15,978)
Early termination of leases	–	(16)
Lease modifications	666	5,116
At 30 June / 31 December	18,054	20,908
Current	9,314	10,193
Non-current	8,740	10,715
At 30 June / 31 December	18,054	20,908

During the financial period ended 30 June 2026, the Group had early terminated/extended various leases as a result of portfolio management. Consequent to the early termination/extension, the difference between the carrying value of right-of-use assets and the corresponding lease liabilities amounting to $Nil (31 December 2025: gain of $12,000) was recorded within the "Other expenses" in the consolidated statements of comprehensive income.

12. Provision

Provision for restoration costs refer to the estimated cost to reinstate the leased restaurant premises and certain co-living hotels to their original state upon the expiration of the lease terms.

Movements in provision for restoration costs:

	30 June 2026 $'000 (Unaudited)	31 December 2025 $'000 (Audited)
At 1 January	876	845
Additions	91	53
Reversal	(93)	(6)
Utilisation	(121)	(31)
Unwinding of discount and changes in the discount rate	–	15
At 30 June / 31 December	753	876
Current	326	326
Non-current	427	550
At 30 June / 31 December	753	876

13. Loans and borrowings

	30 June 2026 $'000 (Unaudited)	31 December 2025 $'000 (Audited)
Amount repayable in one year or less, or on demand		
Bank loans (1)	600	1,000
Financing arrangement (2)	15	15
Amount repayable after one year		
Financing arrangement (2)	19	28
At 30 June / 31 December	634	1,043

There are no unsecured loans and borrowings as at 30 June 2026 and 31 December 2025.

Details of any collateral:

1) The bank loan repayable in one year or less, or on demand, is secured by continuing guarantees by the Company.

2) The financing arrangement is for a hire purchase of a motor vehicle. It is repayable over 60 equal monthly instalments commencing in November 2023 and bears interest at 3.68% per annum. The obligations under financing arrangement are secured by a charge over the motor vehicle and a personal guarantee from a director of the Group.

14. Share capital

	30 June 2026		31 December 2025	
	No. of shares '000 (Unaudited)	$'000 (Unaudited)	No. of shares '000 (Audited)	$'000 (Audited)
Issued and fully paid ordinary shares				
At 1 January	251,854	8,670	247,391	8,581
Issuance of new shares arising from rights issue of warrants	–	–	4,463	89
At 30 June / 31 December	251,854	8,670	251,854	8,670

On 9 October 2023, the Company issued 232,481,008 warrants at an issue price of $0.001 for each warrant. Each warrant carries the right to subscribe for one new ordinary share in the capital of the Company at an exercise price of $0.02 for each new share on the basis of one warrant for every one existing ordinary share in the capital of the Company. The exercise price and the number of warrants held by each warrant holder may be adjusted under certain terms and conditions being met. The warrants expire on 8 October 2028.

There are no warrants that were converted to new ordinary shares of the Company during the 6 months ended 30 June 2026. For HY2025, 4,302,700 warrants were converted to 4,302,700 new ordinary shares of the Company.

There were no shares issued pursuant to the KGL Performance Share Plan during the period.

As at 30 June 2026, there were 213,108,308 outstanding warrants for which ordinary shares may be issued (as at 30 June 2025: 213,268,308 outstanding warrants).

Save for the above outstanding warrants, there were no outstanding convertibles, treasury shares or subsidiary holdings held by the Company as at 30 June 2026, 31 March 2026, 31 December 2025 and 30 June 2025.

Other Information

1. Review

The condensed consolidated statement of financial position of Katrina Group Ltd. and its subsidiaries as at 30 June 2026 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended and certain explanatory notes have not been audited or reviewed by the Company's auditors.

2. Review of performance of the Group

REVIEW OF FINANCIAL PERFORMANCE

For management reporting purposes, the Group is organised into segments based on its services, and has two reportable operating segments as follows:

i. Food and Beverage ("**F&B**") business ("**Group F&B**") – specialises in multi-cuisine concepts and restaurant operations.

The Group has 17 restaurants (30 June 2025: 20) in Singapore under 7 different F&B brands (30 June 2025: 7)

ii. Hospitality business ("**Group Hospitality**") – offers fully furnished corporate serviced apartments under the brand of ST Residences and affordable luxurious co-living hotel under ST Signature.

The Group had approximately 20 units of service apartments (30 June 2025: 18) and 4 co-living hotels (30 June 2025: 5).

Revenue

The Group's revenue for the period ended 30 June 2026 was $18.9 million, a decrease of $3.5 million or 15.7% as compared to $22.4 million for the period ended 30 June 2025 ("**HY2025**"). Revenue decreased by $2.0 million or 17.5% from $11.2 million for the 3 months ended 30 June 2025 ("**2Q2025**") to $9.2 million for the 3 months ended 30 June 2026. ("**2Q2026**").

Revenue for the Group F&B decreased by $2.2 million or 13.9% from $16.0 million in HY2025 to $13.8 million in HY2026. Revenue for the Group F&B decreased by $1.3 million or 15.8% from $8.1 million for 2Q2025 to $6.8 million for 2Q2026. The decrease for both periods was attributed to some outlets discontinuing the operations, as well as increased competition, during the period under review.

Revenue for Group Hospitality decreased by $1.3 million or 20.3% from $6.4 million in HY2025 to $5.1 million in HY2026, and decreased by $0.7 million or 22.1% from $3.1 million for 2Q2025 to $2.4 million for 2Q2026. The decrease was due to weaker average room rates and occupancy due to increased competition as well as the reduction in the number of co-living hotel for the period under review.

Cost of sales

Cost of sales mainly comprises food and beverages cost, payroll cost, depreciation of property, plant and equipment, depreciation of right of-use assets, rental expense of premises and utilities expenses for both restaurants' outlets and residential apartments/co-living premises and other restaurant support costs.

The Group's cost of sales decreased by $3.1 million or 15.0% from $20.5 million in HY2025 to $17.4 million in HY2026. Cost of sales decreased by $1.8 million or 17.7% from $10.1 million in 2Q2025 to $8.3 million in 2Q2026.

Cost of sales for Group F&B decreased by $2.0 million or 13.1% from $15.2 million in HY2025 to $13.2 million in HY2026. This was largely attributable to the decrease in:
(a) payroll cost of $0.7 million, which was in line with the reduction in headcount;
(b) food costs of $0.3 million, which were in line with the decrease in revenue;
(c) utilities of $0.1 million, which were in line with the decreased number of outlets; and
(d) depreciation expense of $0.8 million.;

Cost of sales for Group Hospitality decreased by $1.1 million or 20.5% from $5.3 million in HY2025 to $4.2 million in HY2026. The decrease was largely due to:
(a) payroll cost of $0.2 million, which was in line with the reduction in headcount;
(b) decrease in depreciation expense of $0.7 million; and
(c) utilities of $0.2 million.

Cost of sales for Group F&B decreased by $1.2 million or 16.8% from $7.5 million in 2Q2025 to $6.3 million in 2Q2026. This was largely attributable to the decrease in:
(a) payroll cost of $0.3 million, which was in line with the reduction in headcount;
(b) food costs of $0.2 million, which were in line with the decrease in revenue;
(c) utilities and repair and maintenance cost of $0.1 million each, which were in line with the decreased number of outlets; and
(d) depreciation expense of $0.5 million.

Cost of sales for Group Hospitality decreased by $0.6 million or 20.7% from $2.6 million in 2Q2025 to $2.0 million in 2Q2026. The decrease was largely due to the decrease in:
(a) payroll cost of $0.1 million, which was in line with the reduction in headcount;
(b) decrease in depreciation expense of $0.3 million; and
(c) utilities of $0.1 million.

Gross profit

The Group recorded a gross profit of $1.4 million for HY2026 (HY2025: $1.9 million). Gross profit for 2Q2026 amounted to $0.9 million (2Q2025: $1.0 million). For HY2026, Group F&B and Group Hospitality reported a gross profit of $0.5 million and $0.9 million respectively. For 2Q2026, Group F&B and Group Hospitality reported a gross profit of $0.5 million and $0.4 million respectively.

Other income

Other income mainly relates to the government grants, which include Progressive Wage Credit Scheme ("**WCS**") and Senior Employment Credit ("**SEC**"), as well as income arising from the cancellation of bookings and expired vouchers.

Other income increased by approximately $78,000 or 21.1% from HY2025 to HY2026 at $0.4 million.

The increase was largely attributable to an increase in insurance claim and rebates received from suppliers of $44,000 and $50,000 respectively, offset by decrease in government grants of $13,000.

Other income increased by $0.1 million from $0.1 million in 2Q2025 to $0.2 million in 2Q2026.

The increase was largely attributable to an increase in government grant of $41,000, insurance claim of $42,000 and rebates received from suppliers of $50,000, offset by the decrease in income from cancellation of bookings and expired vouchers of $19,000.

Selling and distribution costs

Selling and distribution costs increased by approximately $43,000 or 14.2% from HY2025 to HY2026 at $0.3 million and decreased by approximately $41,000 or 29.7% from 2Q2025 to 2Q2026 at $0.1 million.

The increase from HY2025 to HY2026 was largely due to the increase in marketing discount and expenses and transport expenses of $70,000 and $21,000 respectively, offset by the decrease in payroll expenses of $53,000.

The decrease from 2Q2025 to 2Q2026 was largely due to the decrease in payroll expenses and marketing discount and expenses incurred of $30,000 and $13,000 respectively.

Administrative expenses

Administrative expenses decreased by $0.1 million or 5.5% from $2.6 million in HY2025 to $2.5 million in HY2026 and $0.1 million or 6.4% from $1.3 million in 2Q2025 to $1.2 million in 2Q2026.

The decrease in administrative expenses from HY2026 to HY2025 was largely due to the decrease in payroll expenses of $0.3 million, offset by the increase in professional fees of $0.2 million.

The decrease from 2Q2025 to 2Q2026 was largely due to decrease in payroll expenses of $66,000, stamp duty of $27,000, subscription expenses of $17,000 and depreciation of right-of-use assets of $15,000, offset by the increase in professional fees of $60,000.

Finance costs

Finance costs decreased by $0.3 million or 23.6% from $1.1 million in HY2025 to $0.8 million in HY2026 and $0.2 million or 25.6% from $0.6 million in 2Q2025 to $0.4 million in 2Q2026.

The decrease was mainly related to the decrease in interest on bank loans, which was in line with the reduction in loans and borrowings.

Other expenses

Other expenses decreased by $0.1 million or 20.6% from $0.5 million in HY2025 to $0.4 million in HY2026 and $0.1 million or 21.5% from $0.5 million in 2Q2025 to $0.4 million in 2Q2026.

This was mainly due to the decrease in impairment loss on right-of-use assets and write back of impairment loss on property, plant and equipment.

Share of results of joint venture

The loss of $0.2 million for HY2026 and $17,000 for 2Q2026 recorded relate to the Group's portion of loss recorded from Daily Beer Singapore Pte. Ltd..

Loss for the period, representing loss for the period attributable to owners of the Company

As a result of the aforementioned, the Group reported a net loss after tax of $2.4 million in HY2026 and $0.9 million for 2Q2026.

REVIEW OF FINANCIAL POSITION

Non-current assets

The Group's non-current assets decreased by $2.2 million from $23.1 million as at 31 December 2025 to $20.9 million as at 30 June 2026.

This was mainly due to:
(a) a decrease in right-of-use assets of $1.9 million largely due to the depreciation of $4.8 million and impairment loss of $0.4 million, offset by the additions of $2.6 million and lease modifications of $0.7 million;
(b) a decrease in investment in joint venture of $0.2 million due to the loss recorded for the 6 months ended 30 June 2026;
(c) a decrease in property, plant and equipment of $0.2 million largely due to the depreciation of $0.8 million, offset by the additions of $0.6 million; offset by
(d) an increase in refundable deposits (non-current) of $0.1 million.

Please refer to explanation in Current assets for the analysis on the movement in refundable deposits (non-current).

Current assets

The Group's current assets decreased by $0.7 million from $3.7 million as at 31 December 2025 to $3.0 million as at 30 June 2026.

This was mainly due to:
(a) a decrease in refundable deposit (current) of $0.7 million;
(b) a decrease in trade receivables of $0.4 million;
offset by
(c) an increase in cash and bank balances of $0.2 million;
(d) an increase in inventories of $0.1 million.

The overall decrease in refundable deposits was due to the refund of security deposits for closed outlets and co-living hotel after the leases ended.

Trade receivables decreased due to timing differences.

Inventories increased as there were more inventories purchased from overseas for the franchises during the period under review.

Current liabilities

The Group's current liabilities increased by $1.5 million from $22.1 million as at 31 December 2025 to $23.6 million as at 30 June 2026.

The increase was mainly due to (a) an increase in trade and other payables of $1.9 million; (b) an increase in other liabilities of $0.9 million; (c) increase in amount due to a joint venture of $0.1 million; offset by (d) a decrease in lease liabilities of $0.9 million; and (e) a decrease in loans and borrowings of $0.4 million.

Trade and other payables increased due to the increase in amount due to a director of $1.3 million for working capital purpose and other creditors , i.e. non trade, increased by $0.7 million due to timing differences. Other creditors increased due to timing differences as well as renovation done in 2Q2025 for one of the outlets and office premises. Other liabilities increased by $0.9 million mainly due to the increase in accruals. Amount due to a joint venture has increased due to timing differences. Loans and borrowings have decreased as a result of repayments made during the period under review. Please refer to Note 13 Loans and borrowings for more details.

Please refer to explanation in Non-current liabilities for the analysis on the movement in lease liabilities (current).

Non-current liabilities

The Group's non-current liabilities decreased by $2.1 million from $11.4 million as at 31 December 2025 to $9.3 million as at 30 June 2026.

This was mainly due to the decrease in lease liabilities (non-current) of $2.0 million.

Overall, total lease liabilities had decreased by $2.9 million, largely due to the lease payments made of $7.0 million, offset by the additions of $2.6 million, lease modification of $0.7 million, and accretion of interest of $0.8 million.

Shareholders' equity

The Group's shareholders' equity decreased by $2.4 million from a deficit of $6.6 million as at 31 December 2025 to a deficit of $9.0 million as at 30 June 2026. The decrease resulted from the net loss generated during the period.

Negative working capital

As at 30 June 2026, the Group was in a negative working capital position of $20.6 million (31 December 2025: $18.3 million). The management has prepared cash flow forecasts which was derived from the financial budget to assess whether the Group can meet its debt obligations as and when they fall due.

The Board of Directors of the Company ("Board") noted that the controlling shareholder has provided a letter of undertaking to provide the financial support to the Group, as and when required, for 15 months from 12 August 2026 to enable the Group to meet its liabilities as and when the Group is unable to meet such liabilities. Also, the Group would continue to implement various strategic measures to contain cost and preserve cash liquidity.

REVIEW OF CASH FLOWS

The Group's net cash generated from operating activities in HY2026 was $6.8 million. This was mainly due to operating cash flows before changes in working capital of $4.6 million and working capital inflow of $2.2 million.

Net cash used in investing activities amounted to $0.5 million mainly arising from purchase of plant and equipment for the F&B segment.

Net cash used in financing activities of $6.1 million was mainly due to the principal payment of lease payments of $7.0 million, repayment of loan and borrowings and interest of $0.4 million, offset by loans from director of $1.3 million.

The cash and cash equivalents for the period increased by $0.2 million compared to 31 December 2025.

3. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable.

4. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

Business consolidation remains a key focus of the Group F&B business, with the Group looking to channel resources towards new and better performing outlets and close non-performing outlets.

We expect the Group F&B business to continue facing challenges amid persistent inflationary pressures, which are likely to affect consumer spending sentiment and exert pressure on our profit margins due to rising operating costs. Nevertheless, we will continue our efforts to rejuvenate our existing brands to meet evolving consumer preferences, pursue new franchise opportunities, and maintain prudent cost management.

We have officially opened the second Lotteria outlet at Jurong Point on 5 August 2026 and are on the lookout for locations to open the third Lotteria outlet in the first half of 2027.

Singapore's hotel industry is expected to see an increase in room supply, with approximately 3.7% of the nation's total hotel room inventory projected to come online between 2025 and 2027.[1] While the tourism outlook is expected to be positive, the additional room supply will place pressure on the performance of the hospitality segment due to heightened market competition.

With respect to the URA Investigation involving the Company's wholly-owned subsidiary, ST Hospitality Pte. Ltd. ("STH"), STH has received court summons to appear at the State Courts of Singapore to answer to the charges under Section 12(4)(a) Planning Act (Cap 232, Rev Ed. 1998). The Group will make further announcement(s) in compliance with its continuing disclosure obligations as and when there are material developments on this matter.[2]

The Group remains committed to growing its businesses, while prudently managing costs to navigate a challenging macro environment.

5. Dividend information

There is no dividend declared or recommended in HY2026 as the Group is loss-making for the period.

[1] https://sbr.com.sg/hotels-tourism/in-focus/new-inventory-slower-arrivals-weigh-hotel-industry-reports
[2] Please refer to announcements dated 26 May 2025, 25 June 2022 and 22 June 2022 for further details.

6. Interested persons transactions

The Group has not obtained a general mandate from shareholders of the Company for Interested Person Transactions.

The following are balances as at 30 June 2026 with the Executive Directors:

	($'000)
Alan Goh Keng Chian ("**AG**") providing indemnity to the insurers to issue letters of guarantee in lieu of security bonds to the Ministry of Manpower for engagement of foreign workers[a]	110
AG, who is also the controlling shareholder, has provided a letter of undertaking to financially support the Group as and when required[b]	2,926
AG, who is also the controlling shareholder, has provided a letter of undertaking to financially support the Group as and when required[c]	379

Notes:
[a] The Executive Directors are not paid for providing the indemnity.
[b] Amount is non-interest bearing.
[c] Amount is interest bearing. The interest payable on the borrowing from AG falls below S$100,000.

7. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1)

The Company has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1) of Section B of the SGX-ST Listing Manual.

8. Disclosure of acquisition (including incorporations) and sale of shares under Catalist Rule 706A

Not applicable, as the Company did not carry out any acquisition or sale of shares for the current financial period which would require disclosure under Rule 706A.

9. Utilisation of proceeds[3]

As at the date of this announcement:
(a) the Subscription Proceeds of $232,481 were fully allocated and utilised in FY2023.
(b) the total Exercise Proceeds received from the exercise of Warrants to date is $387,454.

Use of Exercise Proceeds	Allocated $	Utilised $	Balance $
To fund business expansion in the F&B and hospitality businesses	271,218	271,218	–
General working capital for the Group – payment of trade creditors	116,236	116,236	–

The use of proceeds is in accordance with the stated use and is in accordance with the percentage allocated in the Offer Information Statement of the Company.

[3] Unless otherwise defined, capitalised terms used herein shall have the same meaning as ascribed thereto in the Company's Offer Information Statement dated 18 September 2023.

10. Negative Confirmation Pursuant to Rule 705(5)

We, Alan Goh Keng Chian and Krystal Goh Shu Yan, being two Directors of the Company, do hereby confirm on behalf of the Board of Directors of the Company ("the **Board**") that, to the best of our knowledge, nothing has come to the attention of the Board which may render the unaudited financial statements for the three months and six months ended 30 June 2026 to be false or misleading in any material aspect.

On behalf of the Board

Alan Goh Keng Chian
Executive Chairman and CEO

Krystal Goh Shu Yan
Executive Director

12 August 2026