

Katrina GROUP LTD.

Incorporated in the Republic of Singapore
Registration No. 201608344N

The Company is required under Rule 705(2)(e) of the Singapore Exchange Securities Trading Limited (“SGX-ST” or “Exchange”) Listing Manual Section B: Rules of Catalist 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.

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Contents

A. Condensed interim consolidated statement of profit or loss and other comprehensive income	3
B. Condensed interim statements of financial position	4
C. Condensed interim statements of changes in equity	6
D. Condensed interim consolidated statement of cash flows	8
E. Notes to the condensed interim consolidated financial statements	11
OTHER INFORMATION	23

UNAUDITED FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2025

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

	Note	3 months ended 31 March		Increase/ (Decrease)
		2025 \$'000 (Unaudited)	2024 \$'000 (Unaudited)	%
Revenue	4	11,225	14,285	(21.4)
Cost of sales		(10,397)	(12,320)	(15.6)
Gross profit		828	1,965	(57.9)
Other income		270	293	(7.8)
Selling and distribution costs		(164)	(198)	(17.2)
Administrative expenses		(1,391)	(1,352)	2.9
Finance costs		(547)	(622)	(12.1)
Other (expenses)/gains		(1)	3	N.M.
Share of loss from investment in a joint venture		(50)	–	N.M.
(Loss)/profit before taxation	5	(1,055)	89	N.M.
Income tax	6	–	(1)	(100.0)
(Loss)/profit for the period, representing profit for the period attributable to owners of the Company		(1,055)	88	N.M.
Other comprehensive income:				
<i>Items that may be reclassified subsequently to profit or loss</i>				
Foreign currency translation		16	3	N.M.
Other comprehensive income for the period, net of tax		16	3	N.M.
Total comprehensive income for the period, representing total comprehensive income attributable to owners of the Company		(1,039)	91	N.M.
Earnings per share for profit for the period attributable to the owners of the Company during the year:				
Basic (SGD in cents)	7	(0.42)	0.04	
Diluted (SGD in cents)	7	(0.29)	0.03	

Note:

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

Katrina GROUP LTD.

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Registration No. 201608344N

B. Condensed interim statements of financial position

	Note	Group		Company	
		31 March 2025 \$'000 (Unaudited)	31 December 2024 \$'000 (Audited)	31 March 2025 \$'000 (Unaudited)	31 December 2024 \$'000 (Audited)
ASSETS					
Non-current assets					
Property, plant and equipment	9	3,495	3,839	1	1
Right-of-use assets	10	20,899	21,760	1,045	–
Investment in subsidiaries		–	–	7,781	7,781
Investment in joint ventures		340	390	–	–
Deferred tax assets		425	425	–	–
Derivative instrument		464	464	–	–
Refundable deposits		3,293	3,238	54	–
		28,916	30,116	8,881	7,782
Current assets					
Inventories		121	171	–	–
Trade receivables		1,025	948	–	–
Other receivables		119	644	164	–
Refundable deposits		1,321	1,324	12	9
Prepayments		210	111	74	12
Amount due from a joint venture		28	8	2	–
Amounts due from subsidiaries		–	–	3,002	2,782
Cash and bank balances		796	1,878	205	723
		3,620	5,084	3,459	3,526
Total assets		32,536	35,200	12,340	11,308
EQUITY AND LIABILITIES					
Current liabilities					
Trade and other payables		7,172	7,303	1,705	1,757
Amount due to a subsidiary		–	–	–	54
Amount due to a joint venture		23	2	–	–
Other liabilities		1,691	1,719	315	214
Lease liabilities	10	11,964	12,765	113	–
Provision	11	192	192	–	–
Contract liabilities		485	480	–	–
Loans and borrowings	12	1,344	1,671	–	–
		22,871	24,132	2,133	2,025
Net current (liabilities)/assets		(19,251)	(19,048)	1,326	1,501

Katrina GROUP LTD.

Incorporated in the Republic of Singapore
Registration No. 201608344N

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

	Note	Group		Company	
		31 March 2025 \$'000 (Unaudited)	31 December 2024 \$'000 (Audited)	31 March 2025 \$'000 (Unaudited)	31 December 2024 \$'000 (Audited)
Non-current liabilities					
Other payables		92	92	–	–
Lease liabilities	10	13,805	14,247	932	–
Provision	11	653	653	–	–
Loans and borrowings	12	39	43	–	–
		14,589	15,035	932	–
Total liabilities		37,460	39,167	3,065	2,025
Net (liabilities)/assets		(4,924)	(3,967)	9,275	9,283
Equity attributable to owners of the Company					
Share capital	13	8,663	8,581	8,663	8,581
Warrant reserve		75	75	75	75
Foreign currency translation reserve		53	37	–	–
(Accumulated losses)/ Retained earnings		(13,715)	(12,660)	537	627
Total equity		(4,924)	(3,967)	9,275	9,283
Total equity and liabilities		32,536	35,200	12,340	11,308

Katrina GROUP LTD.

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Registration No. 201608344N

C. Condensed interim statements of changes in equity

	Attributable to owners of the Company				
	Share capital	Warrant reserve	Foreign currency translation reserve	Retained earnings	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Group (Unaudited)					
Opening balance at 1 January 2024	8,321	75	30	(14,966)	(6,540)
Profit for the period	–	–	–	88	88
<i>Other comprehensive income:</i>					
Foreign currency translation	–	–	3	–	3
Total comprehensive income for the period	–	–	3	88	91
Closing balance at 31 March 2024	8,321	75	33	(14,878)	(6,449)
Opening balance at 1 January 2025	8,581	75	37	(12,660)	(3,967)
Exercise of warrants	82	–	–	–	82
Loss for the period	–	–	–	(1,055)	(1,055)
<i>Other comprehensive income:</i>					
Foreign currency translation	–	–	16	–	16
Total comprehensive income for the period	–	–	16	(1,055)	(1,039)
Closing balance at 31 March 2025	8,663	75	53	(13,715)	(4,924)

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

	Attributable to owners of the Company			
	Share capital	Warrant reserve	Retained earnings	Total
	\$'000	\$'000	\$'000	\$'000
Company (Unaudited)				
Opening balance at 1 January 2024	8,321	75	2,154	10,550
Profit for the period, representing total comprehensive income for the period	–	–	111	111
Closing balance at 31 March 2024	8,321	75	2,265	10,661
Opening balance at 1 January 2025	8,581	75	627	9,283
Exercise of warrants	82	–	–	82
Loss for the period, representing total comprehensive income for the period	–	–	(90)	(90)
Closing balance at 31 March 2025	8,663	75	537	9,275

D. Condensed interim consolidated statement of cash flows

	3 months ended	
	31 March	
	2025	2024
	\$'000	\$'000
	(Unaudited)	(Unaudited)
Operating activities		
(Loss)/profit before tax	(1,055)	89
<u>Adjustments for:</u>		
Depreciation of property, plant and equipment	377	420
Depreciation of investment property	–	14
Depreciation of right-of-use assets	3,196	3,505
Interest income	(3)	(5)
Write-off of property, plant and equipment	1	5
Gain on disposal of property, plant and equipment	–	(6)
Finance costs	547	622
Gain on early termination and modification of leases, net	–	(2)
Share of loss from investment in a joint venture	50	–
Currency realignment	16	4
Total adjustments	4,184	4,557
Operating cash flows before changes in working capital	3,129	4,646
<u>Changes in working capital</u>		
Decrease/(increase) in:		
Inventories	50	8
Trade and other receivables	428	(266)
Refundable deposits	(52)	19
Prepayments	(99)	7
(Decrease)/increase in:		
Trade and other payables	(131)	(93)
Other liabilities	(28)	(286)
Amount due to joint venture	21	1
Contract liabilities	5	230
Total changes in working capital	194	(380)
Cash flows from operations	3,323	4,266
Interest received	–	5
Income taxes paid	3	(1)
Net cash flows generated from operating activities	3,326	4,270

Katrina GROUP LTD.

Incorporated in the Republic of Singapore
Registration No. 201608344N

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

	3 months ended 31 March	
	2025 \$'000 (Unaudited)	2024 \$'000 (Unaudited)
Investing activities		
Purchase of property, plant and equipment	(34)	(22)
Cash paid for restoration cost	–	(35)
Proceeds from disposal of property, plant and equipment	–	6
Investment in joint venture	–	(320)
Net cash flows used in investing activities	(34)	(371)
Financing activities		
Exercise of warrants	82	–
Repayments of loan and borrowings	(331)	(322)
Interest paid	(18)	(46)
Bank deposits pledged	(46)	–
Lease payments	(4,107)	(4,577)
Loans from director	–	180
Net cash flows used in financing activities	(4,420)	(4,765)
Net change in cash and cash equivalents	(1,128)	(866)
Cash and cash equivalents at 1 January	1,878	2,031
Cash and cash equivalents at 31 March ⁽¹⁾	750	1,165

Note:

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

	3 months ended 31 March	
	2025 \$'000 (Unaudited)	2024 \$'000 (Unaudited)
Cash and bank balances	796	2,165
Less: Bank deposits pledged	(46)	(1,000)
Cash and cash equivalents per consolidated interim statement of cash flows	750	1,165

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

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

2. Property, plant and equipment

	3 months ended	
	31 March	
	2025	2024
	\$'000	\$'000
	(Unaudited)	(Unaudited)
Current period additions to property, plant and equipment	34	22
Less: Provision for restoration cost	–	–
Net cash outflow for purchase of property, plant and equipment	34	22

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 Catalist Board of the SGX-ST. These condensed interim consolidated financial statements as at and for the three months ended 31 March 2025 (“**3M2025**”) 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 three months ended 31 March 2025 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 2024.

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 as at 31 March 2025, the Group’s total liabilities and current liabilities exceeded its total assets and current assets by \$4,924,000 (31 December 2024: \$3,967,000) and \$19,251,000 (31 December 2024: \$19,048,000) 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 ability to request for the extension of credit terms granted by suppliers and the Group intends to adhere to the trade payables turnover days consistent with the current financial year; and
- (d) the controlling shareholder has indicated through a letter of undertaking to financially support the Group as and when required, for 15 months from 14 May 2025.

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 2024. The adoption of the new SFRS(I)s and amendments and interpretations of SFRS(I) which came into effect on 1 January 2025 did not have any material financial impact on the Group's results for 3M2025.

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 2024.

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.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

- Note 10 – Right-of-use assets and lease liabilities

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next interim period are included in the following notes:

- Note 10 – Right-of-use assets and lease liabilities

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.

Katrina GROUP LTD.

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Registration No. 201608344N

4. Segment and revenue information

The Group is organised into the following main segments:

- (a) Hospitality; and
- (b) Food and beverages

4.1. Reportable segments

	Hospitality		Food and beverages		Consolidated	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
1 January to 31 March (Unaudited)						
<i>Revenue:</i>						
External customers	3,344	4,512	7,881	9,773	11,225	14,285
	3,344	4,512	7,881	9,773	11,225	14,285
<i>Results:</i>						
Interest income	–	3	3	2	3	5
Interest on loans and borrowings	–	–	(18)	(47)	(18)	(47)
Interest on finance lease liabilities	(228)	(303)	(301)	(272)	(529)	(575)
Income tax expense	–	(1)	–	–	–	(1)
Depreciation of property, plant and equipment	(173)	(190)	(204)	(230)	(377)	(420)
Depreciation of right-of-use assets	(1,232)	(1,308)	(1,964)	(2,197)	(3,196)	(3,505)
Depreciation of investment property	–	–	–	(14)	–	(14)
Write-off of property, plant and equipment	–	–	(1)	(5)	(1)	(5)
Gain on early termination and modification of leases, net	–	–	–	2	–	2
Share of results of joint venture	–	–	(50)	–	(50)	–
Segment net profit/(loss)	124	1,008	(1,179)	(920)	(1,055)	88

Segment breakdown for period ended 31 March 2025 and 31 December 2024 are as follows:

	Hospitality		Food and beverages		Consolidated	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
(Unaudited)						
Segment assets:	14,077	15,633	18,459	19,567	32,536	35,200
Segment liabilities	(12,809)	(14,262)	(24,651)	(24,905)	(37,460)	(39,167)

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	
	31 March	
	2025	2024
	\$'000	\$'000
	(Unaudited)	(Unaudited)
Singapore	11,225	14,278
Indonesia	–	7
	11,225	14,285

The following table shows the distribution of the Group's non-current assets based on the geographical location of customers:

	31	31
	March	December
	2025	2024
	\$'000	\$'000
	(Unaudited)	(Audited)
Singapore	25,198	26,453

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

5. Profit before taxation

5.1. Significant items

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

	3 months ended	
	31 March	
	2025	2024
	\$'000	\$'000
	(Unaudited)	(Unaudited)
Income		
Government grants ¹	178	127
Rental rebates ²	–	39
Gain on early termination and modification of leases, net	–	2
Interest income	3	5
Gain on disposal of property, plant and equipment	–	6
Expenses		
Commission fees	(220)	(275)
Contingent rental leases on operating leases	(84)	(150)
Depreciation of property, plant and equipment	(377)	(420)
Depreciation of investment property	–	(14)
Depreciation of right-of-use assets	(3,196)	(3,505)
Employee benefits	(4,207)	(3,706)
Fixed rental expense on operating leases	(28)	(22)
Foreign exchange loss	(16)	(3)
Interest on loans and borrowings	(18)	(47)
Interest on finance lease liabilities	(529)	(575)
Professional fee	(106)	(94)
Write-off of property, plant and equipment	(1)	(5)

Notes:

- 1 Government grants refer mainly to the Progressive Wage Credit Scheme and Senior Employment Credit.
- 2 Rental rebates refer to rental support or assistance disbursed from landlords and government.

5.2. Related party transactions

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

Katrina GROUP LTD.

Incorporated in the Republic of Singapore
Registration No. 201608344N

6. Income tax

The major components of income tax expense for the 3 months ended 31 March 2025 and 2024 are:

	3 months ended 31 March	
	2025 \$'000 (Unaudited)	2024 \$'000 (Unaudited)
<i>Consolidated statement of comprehensive income:</i>		
<u>Current income tax</u>		
- Under provision in respect of previous years	-	1
Income tax expense recognised in the consolidated statement of comprehensive income	-	1

7. (Loss)/profit per share

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

The following table reflects the (loss)/profit and shares data used in the computation of basic and diluted profit per share for the 3 months ended 31 March 2025 and 2024:

	3 months ended 31 March	
	2025 \$'000 (Unaudited)	2024 \$'000 (Unaudited)
(Loss)/profit for the period attributable to owners of the Company	(1,055)	88
	Number of ordinary shares	
Weighted average number of ordinary shares for basic (loss)/profit per share computation ('000)	249,189	232,740
Effect of dilution:		
Warrants ('000)	115,149	33,068
Weighted average number of ordinary shares for diluted (loss)/profit per share computation ('000)	364,338	265,808
Basic earnings per share (cents)	(0.42)	0.04
Diluted earnings per share (cents)	(0.29)	0.03

The warrants that are outstanding have a dilutive effect as the average market price of the ordinary shares during the period exceeds the exercise price of the warrants.

8. Net Asset Value

	Group		Company	
	31 March 2025 (Unaudited)	31 December 2024 (Audited)	31 March 2025 (Unaudited)	31 December 2024 (Audited)
Net asset value ("NAV") (\$'000)	(4,924)	(3,967)	9,275	9,283
Number of ordinary shares ('000)	251,494	247,391	251,494	247,391
NAV per ordinary share (cents)	(1.96)	(1.60)	3.69	3.75

Katrina GROUP LTD.

Incorporated in the Republic of Singapore
Registration No. 201608344N

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 2024	1,617	2,766	3,248	175	15	14,689	22,510
Additions	15	12	70	–	–	688	785
Disposal	(18)	(231)	(131)	–	–	(8)	(388)
Written-off	(101)	(415)	(419)	–	–	(2,874)	(3,809)
Currency realignment	–	(1)	(1)	–	–	–	(2)
At 31 December 2024 and 1 January 2025	1,513	2,131	2,767	175	15	12,495	19,096
Additions	1	–	16	–	–	17	34
Written-off	(43)	(338)	(231)	–	(2)	(213)	(827)
At 31 March 2025	1,471	1,793	2,552	175	13	12,299	18,303
Accumulated depreciation:							
At 1 January 2024	1,449	2,460	3,007	75	13	11,313	18,317
Charge for the year	97	188	106	24	–	1,170	1,585
Disposal	(18)	(231)	(131)	–	–	(8)	(388)
Written-off	(101)	(408)	(411)	–	–	(2,844)	(3,764)
Write back of impairment loss	–	–	–	–	–	(491)	(491)
Currency realignment	–	(1)	(1)	–	–	–	(2)
At 31 December 2024 and 1 January 2025	1,427	2,008	2,570	99	13	9,140	15,257
Charge for the year	19	17	17	5	–	319	377
Written-off	(43)	(338)	(230)	–	(2)	(213)	(826)
At 31 March 2025	1,403	1,687	2,357	104	11	9,246	14,808
Net carrying amount:							
At 31 March 2025	68	106	195	71	2	3,053	3,495
At 31 December 2024	86	123	197	76	2	3,355	3,839

10. Right-of-use assets and lease liabilities

Group as a lessee

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)	Restaurant premises \$'000	Residential apartments and co-living hotels \$'000	Total \$'000
At 1 January 2024	13,328	14,437	27,765
Additions	13	423	436
Impairment loss	(475)	(166)	(641)
Charge for the year	(8,737)	(5,055)	(13,792)
Early termination of leases	(308)	(73)	(381)
Lease modifications	8,222	151	8,373
At 31 December 2024 and 1 January 2025	12,043	9,717	21,760
Additions	1,120	–	1,120
Charge for the period	(1,964)	(1,232)	(3,196)
Lease modifications	1,215	–	1,215
At 31 March 2025	12,414	8,485	20,899

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

	31 March 2025 \$'000 (Unaudited)	31 December 2024 \$'000 (Audited)
At 1 January	27,012	34,020
Additions	1,120	423
Accretion of interests on:		
- Lease liabilities	529	2,256
Payments	(4,107)	(17,651)
Early termination of leases	–	(409)
Lease modifications	1,215	8,373
At 31 March / 31 December	25,769	27,012
Current	11,964	12,765
Non-current	13,805	14,247
At 31 March / 31 December	25,769	27,012

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

During the financial period ended 31 March 2025, 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 2024: gain of \$28,000) was recorded within the “Other (expenses)/gains” in the consolidated statements of comprehensive income.

The Group has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group’s business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

11. 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:

	31 March 2025	31 December 2024
	\$'000	\$'000
	(Unaudited)	(Audited)
At 1 January	845	1,109
Additions	–	123
Reversal	–	(59)
Utilisation	–	(334)
Unwinding of discount and changes in the discount rate	–	6
At 31 March / 31 December	845	845
Current	192	192
Non-current	653	653
At 31 March / 31 December	845	845

12. Loans and borrowings

	31 March 2025	31 December 2024
	\$'000	\$'000
	(Unaudited)	(Audited)
Amount repayable in one year or less, or on demand		
- Bank loans ⁽¹⁾	1,329	1,656
- Financing arrangement ⁽²⁾	15	15
Amount repayable after one year		
- Financing arrangement ⁽²⁾	39	43
At 31 March / 31 December	<u>1,383</u>	<u>1,714</u>

There are no unsecured loans and borrowings as at 31 March 2025 and 31 December 2024.

Details of any collateral:

- 1) The bank borrowings of \$1.3 million repayable in one year or less, or on demand, are 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.

13. Share capital

	31 March 2025		31 December 2024	
	No. of shares '000 (Unaudited)	\$'000 (Unaudited)	No. of shares '000 (Audited)	\$'000 (Audited)
Issued and fully paid ordinary shares				
At 1 January	247,391	8,581	234,389	8,321
Issuance of new shares arising from rights issue of warrants	4,103	82	13,002	260
At 31 March / 31 December	<u>251,494</u>	<u>8,663</u>	<u>247,391</u>	<u>8,581</u>

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.

For the 3 months ended 31 March 2025, 4,102,700 warrants were converted to 4,102,700 new ordinary shares of the Company, thus bringing total of issued share capital to 251,493,708 ordinary shares (as at 31 December 2024: 247,391,008 ordinary shares). For the 3 months ended 31 March 2024, no warrants were converted to new ordinary shares of the Company.

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

As at 31 March 2025, there were 213,468,308 outstanding warrants for which ordinary shares may be issued (as at 31 March 2024: 230,573,008 outstanding warrants).

Save for the above outstanding warrants, there were no outstanding convertibles, treasury shares or subsidiary holdings held by the Company as at 31 March 2025, 31 December 2024 and 31 March 2024.

OTHER INFORMATION

1. Review

The condensed consolidated statement of financial position of Katrina Group Ltd. and its subsidiaries as at 31 March 2025 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 three-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 20 restaurants (31 March 2024: 25) in Singapore under 7 different F&B brands (31 March 2024: 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 18 units of service apartment (31 March 2024: 29), 1 block of service apartments (31 March 2024: 1) and 5 co-living hotels (31 March 2024: 5).

Revenue

The Group's revenue for the period ended 31 March 2025 was \$11.2 million, a decrease of \$3.1 million or 21.4% as compared to the revenue of \$14.3 million for the period ended 31 March 2024 ("**3M2024**").

Revenue for the Group F&B decreased by \$1.9 million or 19.4% from \$9.8 million in 3M2024 to \$7.9 million in 3M2025. This was mainly attributed to the reduction of 5 outlets, for the period under review, as well as the increased competition in the Group F&B. Furthermore, the Ramadan period fell in 3M2025, which also reduced our revenue.

Revenue for Group Hospitality decreased by \$1.2 million or 25.9% from \$4.5 million in 3M2024 to \$3.3 million in 3M2025. The decrease was due to weaker average room rates and occupancy due to increased competition as well as the reduction in the number of serviced apartments. In 3M2024, there was the Taylor Swift Eras Tour in Singapore, which helped to increase the revenue during the period as concert goers from around the region traveled into Singapore.

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 restaurant outlets and residential apartments/co-living premises and other restaurant support costs.

The Group's cost of sales decreased by \$1.9 million or 15.6% from \$12.3 million in 3M2024 to \$10.4 million in 3M2025.

Cost of sales for Group F&B decreased by \$1.6 million or 17.2% from \$9.3 million in 3M2024 to \$7.7 million in 3M2025 largely attributable to the decrease in cost as the number of outlets decreased. Notably the decrease came from:

- (a) payroll of \$0.5 million, which was in line with the decrease in headcount;
- (b) food costs of \$0.4 million, which was in line with the decrease in revenue;
- (c) depreciation of right-of-use assets of \$0.2 million; and
- (d) utilities of \$0.1 million.

Cost of sales for Group Hospitality decreased by \$0.3 million or 10.3% from \$3.0 million in 3M2024 to \$2.7 million in 3M2025. The decrease was largely due to the decrease in (a) online travel agencies commission of \$0.1 million and (b) decrease in depreciation of right-of-use assets of \$0.1 million.

Gross profit

The Group recorded a gross profit of \$0.8 million for 3M2025 compared to a gross profit of \$2.0 million for 3M2024. Group F&B reported a gross profit of \$0.2 million and Group Hospitality reported a gross profit of \$0.6 million for 3M2025.

Other income

Other income mainly relates to the government grants, which include Progressive Wage Credit Scheme and Senior Employment Credit, as well as the rental rebates under the Rental Relief Framework legislated by the government under the Covid-19 (Temporary Measures) Act 2020.

Other income decreased by approximately \$23,000 or 7.8%, remaining at \$0.3 million for both 3M2024 and 3M2025. This was largely due to the reduction in other income recorded from the cancellation of booking or expired vouchers.

Selling and distribution costs

The selling and distribution costs decreased by \$34,000 or 17.2%, remaining at \$0.2 million for both 3M2024 and 3M2025.

The decrease from 3M2024 to 3M2025 was largely due to the decrease in payroll of approximately \$10,000 as well as the reduction in marketing discounts of approximately \$21,000.

Administrative expenses

Administrative expenses increased minimally by approximately \$39,000 or 2.9%, maintaining at \$1.4 million in 3M2025.

Finance costs

Finance costs decreased by \$0.1 million or 12.1% from \$0.6 million in 3M2024 to \$0.5 million in 3M2025. The decrease in finance costs was mainly due to the reduction in interest on finance lease liabilities.

Other (expenses)/gains

The Group recorded other expenses of approximately \$1,000 in 3M2025 vis-à-vis other gains of approximately \$3,000 in 3M2025.

Other expenses relate to the write-off of property, plant and equipment.

Share of loss from investment in a joint venture

The share of loss from investment in a joint venture of \$50,000 for 3M2025 relates to share of losses from Daily Beer Singapore Pte. Ltd..

(Loss)/profit for the period, representing (loss)/profit for the period attributable to owners of the Company

As a result of the aforementioned, the Group reported a net loss after tax of \$1.0 million in 3M2025.

REVIEW OF FINANCIAL POSITION

Non-current assets

The Group's non-current assets decreased by \$1.2 million from \$30.1 million as at 31 December 2024 to \$28.9 million as at 31 March 2025.

This was mainly due to:

- (a) a decrease in right-of-use assets of \$0.9 million largely due to the depreciation of \$3.2 million, offset by the additions of \$1.1 million and lease modifications of \$1.2 million; and
- (b) a decrease in property, plant and equipment of \$0.3 million largely as a result of the depreciation of \$0.4 million, offset by the acquisition of property, plant and equipment of approximately \$34,000.

Current assets

The Group's current assets decreased by \$1.5 million from \$5.1 million as at 31 December 2024 to \$3.6 million as at 31 March 2025.

This was largely due to (a) a decrease in cash and cash equivalents of \$1.1 million; (b) a decrease in other receivables of \$0.5 million; offset by (c) an increase in prepayments of \$0.1 million.

Decrease in other receivables relate to the subsequent collection of the security deposits for the closed outlets.

Current liabilities

The Group's current liabilities decreased by \$1.2 million from \$24.1 million as at 31 December 2024 to \$22.9 million as at 31 March 2025.

The decrease was mainly due to (a) a decrease in lease liabilities (current) of \$0.8 million, (b) a decrease in loans and borrowings (current) of \$0.3 million and (c) a decrease in trade and other payables of \$0.1 million. Trade and other payables decreased due to the decrease in GST payables, which was in line with the decrease in revenue.

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

Non-current liabilities

The Group's non-current liabilities decreased by \$0.4 million from \$15.0 million as at 31 December 2024 to \$14.6 million as at 31 March 2025.

This was mainly due to the decrease in lease liabilities (non-current) of \$0.4 million.

Overall, lease liabilities had decreased by \$1.2 million, largely due to the lease payments of \$4.1 million, offset by the accretion of interest of \$0.5 million, additions of lease liabilities of \$1.1 million and lease modifications of \$1.2 million during the period under review.

Loans and borrowings have decreased as a result of repayments made during the period under review. Please refer to Note 12 Loans and borrowings for more details.

Shareholders' equity

The Group's shareholders' equity decreased by \$0.9 million from a deficit of \$4.0 million as at 31 December 2024 to a deficit of \$4.9 million as at 31 March 2025. The decrease resulted from the net loss generated during the period, offset by the increase in share capital arising from the exercise of warrants of \$0.1 million.

Negative working capital

As at 31 March 2025, the Group was in a negative working capital position of \$19.3 million (31 December 2024: \$19.0 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 a controlling shareholder had provided a letter of undertaking to provide the financial support to the Group, as and when required, for 15 months from 14 May 2025 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 cash flows from operations for 3M2025 was \$3.3 million. This was mainly due to operating cash flows before changes in working capital of \$3.1 million and working capital inflow of approximately \$0.2 million.

Net cash used in investing activities amounted to approximately \$34,000 mainly arising from the purchase of property, plant and equipment.

Net cash used in financing activities of \$4.4 million was mainly due to the lease payments of \$4.1 million, repayment of loan and borrowings and interest of \$0.3 million, offset by the exercise of warrants of \$0.1 million.

The cash and cash equivalents for the period decreased by \$1.1 million since 31 December 2024.

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 will continue to be one of the key focus of the Group F&B, with the Group looking to channel resources to new outlets or better performing outlets and close non-performing outlets.

For our Group F&B, we anticipate that this business will continue to face challenges as inflationary pressures persist, affecting consumer spending sentiment as well as putting pressure on our profit margins due to the rise in operating costs. Nevertheless, we will continue our efforts to rejuvenate our current brands to cater to the everchanging consumer needs, seek new franchise opportunities and manage cost.

For 2025, international visitor arrivals are expected to hit between 17 million and 18.5 million, bringing in approximately \$29.0 billion to \$30.5 billion in tourism receipts.¹ This augurs well for the Group's hotels and service apartments. For our Group Hospitality, we believe that the bullish forecast from the Singapore Tourism Board, coupled with the strong occupancy rate across both ST Signature and ST Residences, will drive revenue growth. In tandem with the rising tourism, we are strategically planning to expand our hospitality offerings and will capitalise on opportunities as they arise.

In relation to the URA Investigation (the "**Investigation**"), the Investigation is still ongoing and no charges have been filed against the Group nor any of the Relevant Persons. The Group is cooperating with the authorities on the Investigation and will make further announcement(s) as and when there are material developments on this matter.²

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

5. Dividend information

There is no dividend declared or recommended in 3M2025 as the Group is loss-making for the period.

6. Interested persons transactions

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

¹ <https://www.channelnewsasia.com/singapore/stb-tourism-record-receipts-singapore-2024-visitor-arrivals-increased-4915331>

² Please refer to announcements dated 25 June 2022 and 22 June 2022 for further details.

7. Other transactions by the Executive Directors

The following are balances as at 31 March 2025 with the Executive Directors:

	<u>(\$'000)</u>
Alan Goh Keng Chian (“AG”) and Madaline Catherine Tan Kim Wah (“CT”) 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 ¹	165
AG, who is also the controlling shareholder, has provided a letter of undertaking to financially support the Group as and when required ²	1,191
Loan from CT, who is also a controlling shareholder ²	<u>445</u>

Notes:

¹ The Executive Directors are not paid for providing the indemnity.

² Amount is non-interest bearing.

8. 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.

9. Disclosure of acquisition and sale of shares under 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.

10. Utilisation of proceeds³

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 \$384,254.

Use of Exercise Proceeds	Allocated \$	Utilised \$	Balance \$
To fund business expansion in the F&B and hospitality businesses	268,978	266,178	2,800
General working capital for the Group – payment of trade creditors	115,276	114,076	1,200

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.

11. Negative Confirmation Pursuant to Rule 705(5)

We, Alan Goh Keng Chian and Madaline Catherine Tan Kim Wah, 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 ended 31 March 2025 to be false or misleading in any material aspect.

On behalf of the Board

Alan Goh Keng Chian
Executive Chairman and CEO

Madaline Catherine Tan Kim Wah
Executive Director

14 May 2025