

BYT HOLDINGS LTD. AND ITS SUBSIDIARIES
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2025
(EXPRESSED IN SINGAPORE DOLLARS)

BYT HOLDINGS LTD. AND ITS SUBSIDIARIES

MANAGEMENT DISCUSSION AND ANALYSIS FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2025

INTRODUCTION

BYT Holdings Ltd. (formerly as, SLE Synergy Ltd.) (the “Company”) was incorporated on September 16, 2019 under the laws of the Province of British Columbia, Canada by a Certificate of Incorporation issued pursuant to the provisions of the *Business Corporations Act* (British Columbia) and changed its name from 1223423 B.C. Ltd. to SLE Synergy Ltd. on December 23, 2019. The Company’s head office and principal address is 80 Marine Parade Road #11-02 Parkway Parade Singapore 449269. The registered and records office is 1000-595 Burrard Street Vancouver BC V7X 1S8 Canada.

The operating subsidiary BYT Engineering Pte Ltd. (“BYTE”) was incorporated in Singapore on December 3, 2012 and is committed to provide integrated engineering services under the contractual frameworks of engineering, procurement, and construction management (“EPCM”).

The following management’s discussion and analysis (“MD&A”) of the financial condition and results of the operations of the Company constitutes management’s review of the factors that affected the Company’s financial and operating performance for the financial period ended June 30, 2025 (“2025 Q2”). This discussion should be read in conjunction with the Company’s audited consolidated financial statements for the year ended December 31, 2024, together with the notes thereto. Results are reported in Singapore Dollars, unless otherwise noted. The Company’s financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board and interpretations of the IFRS Interpretations Committee (“IFRIC”). Information contained herein is presented as of August 15, 2025, unless otherwise indicated.

In this MD&A, references to the “Company” refer to BYT Holdings Ltd. and/or its material subsidiaries, including BYTE, as the context requires.

For the purposes of preparing this MD&A, management, in conjunction with the board of directors (the “Board”), considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of the Company’s common shares; (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

This MD&A and consolidated financial statements of the Company for the period ended June 30, 2025 have been reviewed and approved by the Board on August 15, 2025.

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This MD&A contains certain “forward-looking information” and “forward-looking statements” (collectively referred to herein as “forward-looking statements”). These statements relate to future events or the Company’s future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as “plans”, “expects”, “is expected”, “budget”, “scheduled”, “estimates”, “continues”, “forecasts”, “projects”, “predicts”, “intends”, “anticipates” or “believes”, or variations of, or the negatives of, such words and phrases, or state that certain actions, events or results “may”, “could”, “would”, “should”, “might” or “will” be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this MD&A speak only as of the date of this MD&A or as of the date specified in such statement.

Inherent in forward-looking statements are risks, uncertainties and other factors beyond the Company’s ability to predict or control. Please also refer to those risk factors referenced in the “Risk Factors” section below. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this MD&A.

CAUTION REGARDING FORWARD-LOOKING STATEMENTS (CONTINUED)

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements to be materially different from any of its future results, performance or achievements expressed or implied by forward-looking statements. All forward-looking statements herein are qualified by this cautionary statement. Accordingly, readers should not place undue reliance on forward-looking statements. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements whether as a result of new information or future events or otherwise, except as may be required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.

COMPANY OVERVIEW AND RECENT DEVELOPMENTS

The Company currently has operations in Singapore and Malaysia, and has developed expertise in cleanrooms, and controlled environments. The Company's focus is to provide one-stop turnkey EPCM solutions that range from consultancy and design right through to the realization of projects involving the construction of high technology production facilities while pairing cost-effective and innovative technologies alongside good operational practices. The Company integrates architectural, civil, mechanical, electrical, instrumentation/control and process engineering into its team's service execution. The Company's Factory Maintenance Services division was setup in 2017 to further enhance the Company's commitment to quality through customer service to its customers.

The Company has also introduced custom works and products, giving customers the flexibility to obtain tailor-made outcomes that are appropriate for their unique business use-cases. Allowing for custom projects assists in the creation of value-add and project success for the client - positively contributing to the Company's priority of maintaining long-term commercial relationships with customers.

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THREE AND SIX MONTHS ENDED JUNE 30, 2025 – KEY DEVELOPMENTS

- I. **Total revenue for the three months ended June 30, 2025, amounted to S\$476,854, comprising revenue from contracts with customers of S\$16,260 and service and maintenance of S\$460,594.**

Total revenue in Q2 2025 decreased by S\$486,510 or 50.5%, compared to S\$963,364 for the three months ended June 30, 2024. This decline was primarily due to a reduction in contracts with customers. In Q2 2025, revenue from contracts with customers was S\$16,260, down from S\$762,814 in Q2 2024, representing a decrease of S\$746,554. The lower contribution from contracts with customers was mainly attributed to reduced demand for installation projects from the Company's major customer. Revenue from contracts with customers predominantly consists of EPCM (Engineering, Procurement, Construction, and Management) solutions, including the installation of cleanrooms and controlled environments, as well as the design and implementation of heating, ventilation, and air conditioning systems, along with mechanical and electrical systems.

- II. **The Factory Maintenance Services Division recorded revenue of S\$460,594 in Q2 2025, compared to S\$200,550 in Q2 2024.**

This represents an increase of S\$260,044, or approximately 129.7%. The increase was mainly due to more ad hoc maintenance works required by the major customer. The Company continues to focus on this division with the primary objective of securing long-term service contracts that generate recurring income.

- III. **For the six months ended June 30, 2025, total revenue amounted to S\$1,067,317, compared to S\$1,677,430 in the same period of 2024, representing a decrease of S\$610,113 or approximately 36.4%.**

The decline was largely driven by a decrease in contracts with customers, which fell from S\$1,217,530 in the six months ended June 30, 2024, to S\$263,458 in the six months ended June 30, 2025, a reduction of S\$954,072. The drop in contracts with customers was mainly attributed to slower installation project demand from the major customer.

In contrast, the Factory Maintenance Services Division contributed S\$803,859 for the six months ended June 30, 2025, compared to S\$459,900 for the same period in 2024, representing an increase of S\$343,959 or approximately 74.8%. The growth reflects the Company's strategy to strengthen recurring revenue streams through ongoing factory maintenance and ad hoc repair works for its major customer.

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**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2025**

SELECTED FINANCIAL INFORMATION

The following selected financial data has been extracted from the audited consolidated financial statements, prepared in accordance with International Financial Reporting Standards (IFRS), for the fiscal years indicated and should be read in conjunction with those audited financial statements and the notes thereof.

		Three Months Ended		Six Months Ended	
		2025	2024	2025	2024
Revenues	S\$	476,854	S\$ 963,364	S\$ 1,067,317	S\$ 1,677,430
Gross profit	S\$	452,497	S\$ 697,274	S\$ 1,000,996	S\$ 1,023,166
Gross profit (as a % of revenues)		94.50%	72.38%	93.79%	60.99%
Profit after tax	S\$	(141,894)	S\$ 9,355	S\$ (82,522)	S\$ (260,853)
Total comprehensive (loss) / profit	S\$	(146,108)	S\$ (220,158)	S\$ (543,165)	S\$ (485,366)
Net Loss per share (S\$)					
- Basic / diluted		(0.00025)	(0.001)	(0.0013)	(0.004)
Weighted average number of outstanding common shares		63,039,201	63,039,201	63,039,201	63,039,201
As at				30-June-25	31-Dec-24
Total assets	S\$			3,784,417	S\$ 3,900,680
Working capital (current assets - current liabilities)	S\$			1,859,693	S\$ 1,588,988
Total non-current liabilities	S\$			400,000	S\$ -
Shareholder's equity	S\$			2,289,693	S\$ 2,372,861
Number of shares outstanding				63,039,201	63,039,201

BYT HOLDINGS LTD. AND ITS SUBSIDIARIES

**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2025**

Results of Operations

Revenue

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
	S\$	S\$	S\$	S\$
Contracts with customers	16,260	762,814	263,458	1,217,530
Service and maintenance	460,594	200,550	803,859	459,900
Trading income			-	
Total Revenue	476,854	963,364	1,067,317	1,677,430

The Company recorded total revenue of S\$1,067,317 for the six months ended June 30, 2025, a decrease of S\$610,113 or 36.4%, as compared to S\$1,677,430 for the six months ended June 30, 2024. The decrease in revenue was mainly due to a significant decline in contracts with customers revenue.

The Company recorded total contracts with customers revenue of S\$263,458 for the six months ended June 30, 2025, a decrease of S\$954,072 or 78.4%, as compared to S\$1,217,530 for the six months ended June 30, 2024. These contracts with customers mainly consist of EPCM solutions provided by the Company. EPCM solutions include the installation of cleanrooms and controlled environments, as well as the design and implementation of heating, ventilation, air-conditioning systems, and mechanical and electrical systems.

The Company recorded total service and maintenance revenue of S\$803,859 for the six months ended June 30, 2025, an increase of S\$343,959 or 74.8%, as compared to S\$459,900 for the six months ended June 30, 2024. The increase was mainly due to more ad hoc maintenance works required by the major customer. The purpose of providing service and maintenance work is to secure long-term contracts that will provide recurring income to the Company. This service division also helps the Company to maintain constant communication with its customers and meet their needs.

Cost of Sales / Gross Profit Margin

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
	S\$	S\$	S\$	S\$
Cost of sales	(29,229)	(266,090)	(7,671)	(654,264)
Gross profit	452,497	697,274	1,000,996	1,023,166
Gross profit margin (%)	94.50%	72.38%	93.79%	60.99%

Total cost of sales decreased from S\$654,264 in the financial period ended June 30, 2024, to S\$7,671 in the financial period ended June 30, 2025, in line with the Company's reduced revenue from contracts with customers during the period.

Gross profit margin significantly increased to 93.79% for the six months ended June 30, 2025, as compared to 60.99% in the six months ended June 30, 2024. Gross profit is the difference between the revenue received and the direct cost of that revenue. Gross profit margin is gross profit divided by revenue and is often presented as a percentage. The substantial improvement in gross profit margin was mainly due to a higher proportion of service and maintenance revenue, which carries stronger margins, while contracts with customers contributed less to overall revenue in 2025.

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**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2025**

Operating Expenses

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
	S\$	S\$	S\$	S\$
Administrative expenses	(132,366)	(695,718)	(263,125)	(1,316,620)
Other operating expenses	(373,970)	(16,071)	(720,935)	(32,149)
Finance costs	(1,493)	(5,236)	(2,570)	(10,824)
Other losses	-	-	-	-
Total	(507,829)	(688,340)	(986,630)	(1,359,593)

Total operating expenses were S\$986,630 for the six months ended June 30, 2025, compared to S\$1,359,593 for the six months ended June 30, 2024, representing a decrease of S\$372,963 or 27.4%. The decrease was mainly attributable to lower administrative expenses, partially offset by an increase in other operating expenses. Administrative expenses mainly comprise employee costs, professional charges, depreciation, and rental.

Finance costs decreased to S\$2,570 in the six months ended June 30, 2025, from S\$10,824 in the same period of 2024, reflecting repayments of certain term loans. Finance costs are mainly incurred from the existing property loan and other term borrowings.

No other losses were recorded during the six months ended June 30, 2025 or June 30, 2024.

The details of the other administrative expenses are as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
	S\$	S\$	S\$	S\$
Employee benefits	-	414,384	-	835,693
Manpower expenses	-	16,210	-	33,610
Professional charges	14,392	23,665	35,103	52,225
Audit fees	18,707	33,803	37,500	77,706
Rent	49,500	33,941	57,680	58,920
Motor vehicle rental	8,700	8,700	17,400	17,400
Depreciation of right-of-use assets	24,525	25,273	49,798	50,546
Depreciation of property, plant and equipment	3,498	3,412	7,124	8,703
Others	69,966	136,330	115,442	181,817
	189,288	695,718	320,047	1,316,620

BYT HOLDINGS LTD. AND ITS SUBSIDIARIES**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2025*****Net and Total Comprehensive Income***

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
	S\$	S\$	S\$	S\$
Total comprehensive (loss)/profit	(146,108)	(220,158)	(543,165)	(487,765)

For the six months ended June 30, 2025, the Company recorded a total comprehensive loss of S\$543,165, compared to a total comprehensive loss of S\$487,765 for the six months ended June 30, 2024. The higher comprehensive loss in 2025 was mainly due to the significant decline in revenue from contracts with customers, which was only partially offset by stronger contributions from the service and maintenance division and lower administrative expenses.

For the three months ended June 30, 2025, the Company recorded a total comprehensive loss of S\$146,108, compared to a loss of S\$220,158 in the same period of 2024, primarily due to the reduction in administrative expenses despite weaker revenue from contracts with customers.

RISK FACTORS

The following are certain risk factors relating to the business carried on by the Company, which prospective investors should carefully consider. The Company will face a number of challenges in the development of its technology and in building its client base. Due to the nature of the Company and the present stage of the business, the Company may be subject to significant risks. Readers should carefully consider all such risks, including those set out in the discussion below. The below list is not a comprehensive list of all risk factors that may affect the Company.

General Business Risks***Risk Associated with Foreign Operations in Other Countries***

The Company's primary revenues are expected to be achieved in Singapore and Malaysia. However, the Company may expand to markets outside of the aforementioned countries and become subject to risks normally associated with conducting business in other countries. The Company cannot predict government positions on such things as foreign investment, intellectual property rights or taxation. A change in government positions on these issues could adversely affect the Company's business.

Risks Associated with Acquisitions

As part of the Company's overall business strategy, the Company may pursue select strategic acquisitions that would provide additional product or service offerings, additional industry expertise, and a stronger industry presence in both existing and new jurisdictions. Future acquisitions may expose it to potential risks, including risks associated with: (a) the integration of new operations, services and personnel; (b) unforeseen or hidden liabilities; (c) the diversion of resources from the Company's existing business and technology; (d) potential inability to generate sufficient revenue to offset new costs; (e) the expenses of acquisitions; or (f) the potential loss of or harm to relationships with both employees and existing users resulting from its integration of new businesses. In addition, any proposed acquisitions may be subject to regulatory approval.

Risks Related to Industry and Business

Revenue is Dependent on the Capital Expenditure of Customers

The Company designs and/or build facilities requiring controlled environments mainly for the electronics, food and beverage, oil and gas, and semiconductor sectors. Consequently, revenue will be adversely affected should there be any slowdown in the growth and development of these sectors which results in a reduction in the capital expenditure budgets of customers in these sectors and a lesser number of projects available for tender. Accordingly, the Company will be dependent on the growth of these sectors in Singapore, specifically, and Southeast Asia, generally, and any change or slowdown in the growth of these sectors in these geographic markets may have an adverse impact on our business, financial condition, results of operations and prospects.

Business is generally project-based and faces the risk of any delay or premature termination of secured projects and/or the Company may not be able to secure new projects

The Company's business is generally project-based. Therefore, the Company has to continuously secure new customers and/or new projects. If it is unable to secure new projects of contract values, size and/or margins comparable to existing ones and/or our secured projects are delayed or prematurely terminated because of factors such as changes in customers' businesses, poor market conditions or lack of funds on the part of the project owners, this would create idle or excess capacity and/or may expose the Company to liabilities to sub-contractors and/or suppliers. This may adversely affect business, financial performance and financial condition. The delay or premature termination of any projects or contracts in progress or any customer's decision not to proceed with a contracted project may result in the Company not being adequately compensated. This will have a material adverse effect on business, financial condition and results of operations. In addition, there may be a lapse of time between the completion of existing projects and the commencement of subsequent projects which may materially and adversely affect financial performance and financial position.

Any cost overruns may adversely affect the financial performance of the Company

The Company's revenue is largely derived from project-based contracts. Contracts for project works are negotiated in advance of the actual project execution and projects can vary in duration from several months to a few years. Profitability will therefore be dependent on the Company's ability to obtain competitive quotations from sub-contractors at or below estimated costs, and the ability to execute the contracts efficiently. The Company works closely with subcontractors for project execution. However, unforeseen circumstances such as logistic disruptions or unanticipated construction constraints at the work site may arise during the course of project execution. As these circumstances may require additional work which has not been factored into the contract value, they may lead to cost overruns which will erode profit margin for the project. There is no assurance that actual costs incurred will not exceed the estimated costs, due to under-estimation of costs, excessive wastage, inefficiency, damage or unforeseen additional costs incurred during the course of the contract. Any under-estimation of costs, delay or other circumstances resulting in cost overruns may adversely affect profitability.

Liability for delays in the completion of projects

The contracts that the Company may enter into with customers will typically include a provision for the payment by the Company of pre-determined liquidated damages to customers in the event the project is completed after the date of completion stated in the contract arising from any delay caused by the Company. The liquidated damages payable are determined by the tender terms for public sector projects or through contractual negotiations for private sector projects. Delays in a project could occur from time to time due to factors such as shortages of labour, equipment and construction materials, labour disputes, disputes with sub-contractors, industrial accidents, work stoppages arising from accidents or mishaps at the work site or delays in the delivery of construction materials and/or equipment by suppliers to sub-contractors. In the event of any delay in the completion of a project due to factors within the Company's control, it could be liable to pay liquidated damages under the contract and incur additional overheads that will adversely affect earnings and profit margins, thereby materially and adversely affecting financial condition and results of operations. Although the Company has not been made liable to pay any liquidated damages as of the date of this MD&A, there is no assurance that there will not be any delays in existing and future projects in resulting in the payment of liquidated damages that may have a material and adverse impact on the Company's business, financial condition and results of operations.

Defect claims and disputed variation orders can erode profitability

In the Company's business, claims may be made by customers against contractors or sub-contractors for defective works and/or non-compliance with contract specifications. It is also common for customers to retain a certain percentage of the contract sum as retention monies for the costs of rectifying any defective works which have not been rectified by the Company. Variation orders are usually additional works or changes requested by the customer for specifications not included in the original contract. In such circumstances, additional time would be given to the Company to complete the project. On certain occasions, the parties may agree that variation orders be performed before the costs for such additional works are finalised. Thus, the final values of such variation orders may be subject to dispute by customers. In such an event, additional costs resulting from variation orders that could not be charged to customers due to disputes would have to be absorbed by the Company. As a result of absorbing such costs, the Company may have to suffer lower profits or even losses for that project. As of the date of this MD&A, the Company has not experienced any material disputed variation orders or defect claims. However, there is no assurance that material disputed variation orders or defect claims will not arise in the future. In the event that the Company is required to bear any part of the variation costs or losses arising from defect claims, its financial performance may be adversely affected.

Reliance on suppliers and sub-contractors

The Company purchases architectural materials, engineering products, cleanroom, and other hardware and materials from suppliers. The Company also engages sub-contractors to provide various services at project sites, such as architectural works, mechanical and electrical installation, interior decoration and other specialist works. These suppliers and sub-contractors will be selected based on, amongst others, past working experience with them, their track record, pricing and their ability to meet quality and safety requirements and schedule. The Company cannot be assured that the products and services rendered by suppliers and sub-contractors will continue to be satisfactory to or that they will meet the quality requirements, specifications and time schedule for projects. In the event of any loss which arises from the default of the suppliers or sub-contractors engaged by the Company, it may not be able to pass such loss on to them. Furthermore, if there are any adverse changes in suppliers' and sub-contractors' conditions (financial or otherwise) which affect their ability to supply the products or carry out the work for which they were contracted for, and the Company is unable to find suitable alternative suppliers or sub-contractors in a timely manner and at comparable commercial terms, the Company may not be able to complete the project within the budget and time schedule. As a result, there may be cost overruns or the Company may incur liquidated damages, and financial performance will be affected.

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SUMMARY OF QUARTERLY RESULTS

The following selected quarterly financial data has been extracted from the financial statements, prepared in accordance with International Financial Reporting Standards.

	2025 Q2	2025 Q1	2024 Q4	2024 Q3
	S\$	S\$	S\$	S\$
Revenue	476,854	590,463	393,712	980,828
Net and comprehensive profit / (loss)	(146,108)	(396,780)	267,146	(357,705)
Net profit per share (basic and diluted)	(0.00025)	0.0009	0.0003	(0.0058)
	2024 Q2	2024 Q1	2023 Q4	2023 Q3
	S\$	S\$	S\$	S\$
Revenue	963,364	714,066	743,630	1,574,255
Net and comprehensive profit / (loss)	(220,158)	(267,607)	(477,067)	(72,323)
Net profit per share (basic and diluted)	0.0001	(0.0043)	(0.007)	(0.0007)

Comparison between 2025 Q2 and 2025 Q1

In the second quarter of 2025, the Company reported revenue of S\$476,854, compared to S\$590,463 in the first quarter, reflecting a decrease of S\$113,609 or 19.2%. Despite the decline in revenue, the Company's net and comprehensive loss narrowed to S\$146,108 in Q2 2025, from a loss of S\$396,780 in Q1 2025, representing an improvement of S\$250,672. The net profit per share improved from a loss of S\$0.0009 in Q1 2025 to a smaller loss of S\$0.00025 in Q2 2025, indicating reduced per-share losses despite weaker revenue.

Comparison between 2025 Q2 and 2024 Q2

In comparing the second quarter of 2025 with the same period in 2024, the Company reported revenue of S\$476,854, a decline of S\$486,510 or 50.5% compared to S\$963,364 in Q2 2024. The lower revenue was primarily attributable to reduced contracts with customers. The Company recorded a net and comprehensive loss of S\$146,108 in Q2 2025, compared to a larger loss of S\$220,158 in Q2 2024, representing an improvement of S\$74,050 year-on-year. The net profit per share improved slightly from a loss of S\$0.0001 in Q2 2024 to a loss of S\$0.00025 in Q2 2025, reflecting a narrower loss in absolute terms but with limited per-share improvement due to share base adjustments.

CAPITAL MANAGEMENT POLICIES AND OBJECTIVES

The Group manages its capital to ensure that the Company is able to continue as a going concern while maximising the return to stakeholders through optimisation of debt and equity balance.

The capital structure of the Group consists of equity attributable to owners of the Group, comprising issued share capital and unappropriated profit as disclosed in the statements of changes in equity.

The Group's management reviews the capital structure on a regularly basis. As part of this review, management considers the cost of capital and the risks associated with each class of capital. Upon review, the Group will balance its overall capital structure through the payment of dividends to shareholders and return capital to shareholders or issue new shares. The Group's overall strategy remains unchanged from December 31, 2023.

FINANCIAL INSTRUMENTS

The Company's activities expose it to credit risk, market risk (including foreign currency risk and interest rate risk) and liquidity risk. The Company's overall risk management strategy seeks to minimise adverse effects from the volatility of financial markets on the Company's financial performance.

Risk management is integral to the whole business of the Company. The management continually monitors the Company's risk management process to ensure that an appropriate balance between risk and control is achieved. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

There have been no changes to the Company's exposure to these financial risks or the manner in which it manages and measures the risk. Market risk exposure is measured using sensitivity analysis indicated below.

Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults.

The Company's credit risk arises mainly from bank balances and trade receivables. Bank balances are mainly deposits with banks with high credit-ratings and the Company does not expect the impairment loss from bank balances to be material, if any.

Market risk

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates will affect the Company's income or the value of its holdings of financial instruments. The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

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Liquidity risk

Liquidity risk refers to the risk in which the Company encounters difficulties in meeting its short-term obligations. Liquidity risk is managed by matching the payment and receipt cycle.

The Company's operations are financed mainly through equity and borrowings. Adequate lines of credits are maintained to ensure the necessary liquidity is available when required.

	Amount
Current Assets	2,954,417
Current Liabilities	1,094,724
Net Current Assets	1,859,693
Trade Receivables	862,093
Trade Payables	356,350
Net Working Capital	2,289,693

As at June 30, 2025, the Company's liquidity position remains sound, with net current assets of S\$1,859,693, indicating that it is able to meet its short-term liabilities, including its interest-bearing loans, using its current assets.

The Company does not hold any significant inventory and continues to manage its working capital diligently to ensure the strength of its short-term liquidity. As at June 30, 2025, the Company's net working capital stood at S\$2,289,693, compared to S\$2,149,222 as at June 30, 2024, reflecting a modest improvement year-on-year.

CAPITAL RESOURCES

Due to the nature of its business, the Company does not have long term capital commitment. For the financial period ended June 30, 2025, capital expenditure was only S\$7,187. Hence, the Company will continue to rely on its existing bank balances, internally generated funds and existing loans to fund its operations and it does not have any immediate needs to secure capital resources in order to fund its capital expenditure.

OFF-BALANCE SHEET ARRANGEMENTS

As of the date of this MD&A, the Company does not have any material undisclosed off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of its operations, financial condition, revenues or expenses, liquidity, capital expenditures or capital resources.

RELATED PARTY TRANSACTIONS

The effect of the Company's transactions and arrangements with related parties is reflected in consolidated financial statements.

During the financial year, in addition to those disclosed elsewhere in these financial statements, the Company entered into the following transactions with related parties:

BYT HOLDINGS LTD. AND ITS SUBSIDIARIES**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2025****Key Management Remuneration**

Key management personnel comprise the directors of the Group and the details of their remunerations are as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
	S\$	S\$	S\$	S\$
Remuneration:				
Directors' remuneration	85,500	97,000	171,000	238,000
Central Provident Fund	6,555	8,389	13,806	21,112
Directors' fees	-	12,000	-	24,000
	92,055	117,389	184,806	283,112

Related party transactions involve remuneration paid to the directors (Li Cun Kou, Zhang Yiwen, Ricky Ng See San and Miao Yan Xin). The business purpose of the transactions is for the directors to provide services as executives and independent directors to the Company. Central provident fund payments relate to the Company's share of contribution mandated under Singapore's social security scheme. The recorded amounts align with agreed-upon amounts paid to the directors and mandated under Singapore's laws.

OTHER INFORMATION

Additional information about the Company is available at <http://www.bytholdings.com> and <https://www.sedar.com>.