

BYT HOLDINGS LTD. (FORMERLY, SLE SYNERGY LTD.) AND ITS SUBSIDIARIES
(Incorporation Number: BC1223423)

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS - UNAUDITED
FOR THE THREE MONTHS ENDED MARCH 31, 2021
(EXPRESSED IN SINGAPORE DOLLARS)

BYT HOLDINGS LTD. (FORMERLY, SLE SYNERGY LTD.) AND ITS SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF INCOME (LOSS) AND COMPREHENSIVE
INCOME (LOSS)
FOR THE THREE MONTHS ENDED MARCH 31, 2021
Expressed in Singapore Dollars

	<u>Note</u>	<u>THREE MONTHS ENDED MARCH 31,</u>	
		<u>2021</u> S\$	<u>2020</u> S\$
Revenue	3	1,066,713	2,440,056
Cost of sales		(514,670)	(1,155,427)
Gross profit		552,043	1,283,629
Other income	4	2,172	75,247
Administrative expenses		(171,752)	(227,473)
Other operating expenses		(354,277)	(433,972)
Finance costs	5	(52,827)	(35,128)
Share of results of an associate		61,448	-
Profit before income tax		36,807	663,303
Income tax expense		(19,652)	(139,247)
Profit for the period		17,155	524,056
Other comprehensive income / (expenses):			
Items that are or may be reclassified subsequently to			
Profit or loss			
Foreign currency translation		81,197	21,010
Total comprehensive profit for the period		98,352	545,066
Profit for the period attributable to:			
Owners of the Company		12,185	568,170
Non-controlling interests		4,970	(44,114)
		17,155	524,056
Total comprehensive profit for the period attributable to:			
Owners of the Company		95,614	589,180
Non-controlling interests		2,738	(44,114)
		98,352	545,066
Basic and diluted earnings per share		0.0001	1.56
Weighted average number of outstanding common shares		101,795,638	350,310

The accompanying notes form an integral part of and should be read in conjunction with these condensed interim consolidated financial statements.

BYT HOLDINGS LTD. (FORMERLY, SLE SYNERGY LTD.) AND ITS SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT MARCH 31, 2021 AND DECEMBER 31, 2020
Expressed in Singapore Dollars

	<u>Note</u>	<u>UNAUDITED</u> <u>MARCH 31,</u> <u>2021</u> <u>S\$</u>	<u>AUDITED</u> <u>DECEMBER 31,</u> <u>2020</u> <u>S\$</u>
ASSETS			
Non-current assets			
Property, plant and equipment	6	4,235,812	4,164,286
Investment in an associate	7	1,811,448	-
Total non-current assets		<u>6,047,260</u>	<u>4,164,286</u>
Current assets			
Inventories	8	164,967	162,636
Unbilled revenue	9	41,914	114,578
Trade and other receivables	10	3,190,952	3,634,522
Fixed deposit		507,019	507,019
Cash and cash equivalents	11	5,638,762	4,594,226
Total current assets		<u>9,543,614</u>	<u>9,012,981</u>
Total assets		<u>15,590,874</u>	<u>13,177,267</u>
EQUITY AND LIABILITIES			
Equity			
Share capital	12	8,208,763	5,785,047
Accumulated other comprehensive income (loss)		(149,088)	(65,774)
Retained earnings		1,745,262	1,733,077
Total equity attributable to owners of the Parent		9,804,937	7,452,350
Non-controlling interest		(108,463)	(110,688)
Total Equity		<u>9,696,474</u>	<u>7,341,662</u>
Non-current liability			
Interest-bearing loans and borrowings	13	2,484,817	2,591,699
Total non-current liability		<u>2,484,817</u>	<u>2,591,699</u>
Current liabilities			
Trade and other payables	14	2,823,837	1,915,701
Interest-bearing loans and borrowings	13	401,240	1,016,585
Income tax payable		184,506	311,620
Total current liabilities		<u>3,409,583</u>	<u>3,243,906</u>
Total liabilities		<u>5,894,400</u>	<u>5,835,605</u>
Total equity and liabilities		<u>15,590,874</u>	<u>13,177,267</u>

The accompanying notes form an integral part of and should be read in conjunction with these condensed interim consolidated financial statements.

BYT HOLDINGS LTD. (FORMERLY, SLE SYNERGY LTD.) AND ITS SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2020 & PERIOD ENDED MARCH 31, 2021
Expressed in Singapore Dollars

	<u>Share capital</u>	<u>Accumulated Other Comprehensive income/(loss)</u>	<u>Retained earnings</u>	<u>Total</u>	<u>Non- controlling interests</u>	<u>Total</u>
	S\$	S\$	S\$		S\$	S\$
Balance at January 1, 2020	469,403	(5,859)	4,454,598	4,918,142	(72,940)	4,845,202
Shares issued on private placement – Springleaf	630,000	-	-	630,000	-	630,000
Shares issued under reverse acquisition	1,954,959	-	-	1,954,959	-	1,954,959
Shares issued on private placement	2,659,100	-	-	2,659,100	-	2,659,100
Profit/(loss) for the year	-	-	(2,721,521)	(2,721,521)	(35,524)	(2,757,045)
Foreign currency translation	71,585	(59,915)	-	11,670	(2,224)	9,446
Balance at December 31, 2020	5,785,047	(65,774)	1,733,077	7,452,350	(110,688)	7,341,662
Shares issued on private placement (Note 12)	2,340,900	-	-	2,340,900	-	2,340,900
Profit/(loss) for the period	-	-	12,185	12,185	4,970	17,155
Foreign currency translation	82,816	(83,314)	-	(498)	(2,745)	(3,243)
Balance at March 31, 2021	8,208,763	(149,088)	1,745,262	9,804,937	(108,463)	9,696,474

The accompanying notes form an integral part of and should be read in conjunction with these condensed interim consolidated financial statements.

BYT HOLDINGS LTD. (FORMERLY, SLE SYNERGY LTD.) AND ITS SUBSIDIARIES

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED MARCH 31, 2021 & MARCH 31, 2020
Expressed in Singapore Dollars**

	Note	THREE MONTHS ENDED	
		MARCH 31,	
		2021	2020
		S\$	S\$
Operating activities			
Profit before income tax		36,807	663,303
Adjustments for:			
Depreciation	6	14,431	39,168
Interest expenses	5	52,827	35,128
Interest income		-	(60,001)
Unrealised exchange loss/(gain)		-	22,857
Share of results of an associate	7	(61,448)	-
Operating cash flows before movements in working capital		42,617	700,455
Changes in working capital:			
Unbilled revenue		72,664	(71,760)
Trade and other receivables		481,812	(1,309,575)
Deferred revenue		-	173,254
Trade and other payables		819,138	(402,490)
Cash generated from/(used in) operations		1,416,231	(910,116)
Interest received		-	60,001
Income tax paid		(146,766)	(72,254)
Net cash used in operating activities		1,269,465	(922,369)
Investing activities			
Purchase of property, plant and equipment	6	(26,623)	(227,163)
Investment in an associate	7	(1,750,000)	-
Net cash generated from/(used in) investing activities		1,776,623	(227,163)
Financing activities			
Proceeds from issuance of shares	12	2,340,900	630,000
Drawdown / (repayment) of Interest-bearing loans and borrowings		(722,227)	401,148
Interest paid	5	(52,827)	(35,128)
Net cash used in financing activities		1,565,846	996,020
Net increase/(decrease) in cash and cash equivalents		1,058,688	(153,512)
Effect of foreign exchange fluctuation		(14,152)	(2,365)
Cash and cash equivalents at beginning of financial year		4,594,226	1,697,934
Cash and cash equivalents at end of financial period	11	5,638,762	1,542,057

The accompanying notes form an integral part of and should be read in conjunction with these condensed interim consolidated financial statements.

BYT HOLDINGS LTD. (FORMERLY, SLE SYNERGY LTD.) AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Expressed in Singapore Dollars

These notes form an integral part of and should be read in conjunction with the accompanying condensed interim consolidated financial statements.

1. General

BYT Holdings Ltd. (formerly, SLE Synergy Ltd.) (the “Company”) (Incorporation Number: BC1223423) is incorporated 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). The Company’s registered and records office is 1500-1055 West Georgia Street, Vancouver, BC, V6E 4N7 Canada.

The Company’s subsidiaries currently operate in Singapore, China, and Myanmar through a branch office of the Singapore subsidiary.

The principal activities of the subsidiaries are disclosed in Note 2.2 to the condensed interim consolidated financial statements.

These condensed interim consolidated financial statements for the year ended 31 December 2020 were authorised for issue by the Board of Directors on May 28, 2021.

2. Summary of significant accounting policies

2.1 Basis of preparation

The condensed interim consolidated financial statements of the Company have been prepared in accordance with the International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and the Interpretations to IFRS (“IFRICs”) issued by the International Financial Reporting Interpretations Committee (“IFRIC”) and are prepared on the historical cost basis, except as disclosed in the accounting policies below.

The condensed interim consolidated financial statements are measured and presented in the currency of the primary economic environment in which the Company operates (its functional currency). The consolidated financial statements of the Company are presented in Singapore dollar (the “SGD” or “S\$”). The functional currency of the parent company is the Canadian Dollar “C\$”, the functional currency of Springleaf Engineering Pte. Ltd. and BYT Singapore Pte Ltd is the S\$ and the functional currency of Shanghai Xin Da Process Engineering Co., Ltd. and Springleaf-Biomax (Shanghai) Pte. Ltd. is the Chinese Renminbi (RMB”).

In the current financial year, the Company has adopted all the new and revised IFRSs and IFRICs that are relevant to its operations and effective for the current financial year. The adoption of these new and revised IFRSs and IFRICs did not result in changes to the Company and its subsidiaries’ (the “Group’s”) accounting policies and has no material effect on the amounts reported for the current or prior years.

BYT HOLDINGS LTD. (FORMERLY, SLE SYNERGY LTD.) AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
Expressed in Singapore Dollars

2. Summary of significant accounting policies (Continued)

2.1 Basis of preparation (Continued)

IASs, IFRSs and IFRICs issued but not yet effective

At the date of authorisation of these consolidated financial statements, the following IASs, IFRSs and IFRICs were issued but not yet effective:

IAS, IFRS	Title	Effective date (annual periods beginning on or after)
IFRS 16	Amendment to IFRS 16: <i>Covid-19- Related Rent Concessions</i>	1 June 2020
Various	Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16: <i>Interest Rate Benchmark Reform – Phase 2</i>	1 January 2021
Various	Annual Improvements to IFRSs 2018-2020	1 January 2022
IFRS 3	Amendments to IFRS 3: <i>Reference to the Conceptual Framework</i>	1 January 2022
IAS 16	Amendments to IAS 16: <i>Property, Plant and Equipment – Proceeds before Intended Use</i>	1 January 2022
IAS 37	Amendments to 37: <i>Onerous Contracts – Cost of Fulfilling a Contract</i>	1 January 2022
IAS 1	Amendments to IAS 1 and IFRS Practice Statement 2: <i>Disclosure of Accounting Policies</i>	1 January 2023
IAS 1	Amendments to IAS 1: <i>Classification of Liabilities as Current or Non-current</i>	1 January 2023
IAS 8	Amendments to IAS 8: <i>Definition of Accounting Estimates</i>	1 January 2023
IFRS 17	Amendments to IFRS 17 <i>Insurance Contracts</i>	1 January 2023

Consequential amendments were also made to various standards as a result of these new or revised standards.

The Company does not intend to early adopt any of the above new or revised standards, interpretations and amendments to the existing standards. Management anticipates that the adoption of the aforementioned new or revised standards will not have a material impact on the consolidated financial statements of the Company in the period of their initial adoption.

2.2 Basis of consolidation

The condensed interim consolidated financial statements of the Group comprise the interim consolidated financial statements of the Company and its subsidiaries.

The details of the subsidiaries are as follows:

<u>Name of subsidiaries</u>	<u>Country of incorporation and principal place of business</u>	<u>Principal activities</u>	<u>Effective equity held by the Company</u>	
			<u>2021</u> %	<u>2020</u> %
<u>Held directly by the Company</u>				
Springleaf Engineering Pte. Ltd. (“Springleaf”)	Singapore	Engineering activities	100	100
BYT Singapore Pte Ltd (“BYT SG”)	Singapore	Investment holdings	100	100
<u>Held by Springleaf</u>				
Shanghai Xin Da Process Engineering Co., Ltd.	Shanghai, China	Engineering services	100	100
Springleaf-Biomax (Shanghai) Pte. Ltd.	Shanghai, China	Provide waste management solutions in China	60	60
<u>Held by BYT SG</u>				
BYT Malaysia Sdn Bhd	Malaysia	Investment holdings	100	-

BYT HOLDINGS LTD. (FORMERLY, SLE SYNERGY LTD.) AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS Expressed in Singapore Dollars

2. Summary of significant accounting policies (Continued)

2.2 Basis of consolidation (Continued)

On 20 November 2020, BYT Singapore Pte. Ltd. (formerly, SLE Technologies Pte. Ltd.) a 100% owned subsidiary of the Company, was incorporated in Singapore.

Subsidiaries are entities (including structured entities) (i) over which the Group has power and the Group is (ii) able to use such power to (iii) affect its exposure, or rights, to variable returns from then through its involvement with them.

The Company reassesses whether it controls the subsidiaries if facts and circumstance indicate that there are changes to the one or more of the three elements of control.

When the Group has less than a majority of the voting rights of an investee, it still has power over the investee when the voting rights are sufficient, after considering all relevant facts and circumstances, to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers, among others, the extent of its voting rights relative to the size and dispersion of holdings of the other vote holders, currently exercisable substantive potential voting rights held by all parties, rights arising from contractual arrangements and voting patterns at previous shareholders' meetings.

Subsidiaries are consolidated from the date on which control is transferred to the Group up to the effective date on which control ceases, as appropriate.

Intra-group assets and liabilities, equity, income, expenses and cashflows relating to intragroup transactions are eliminated on consolidation.

The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as that of the Company. Where necessary, accounting policies of subsidiaries have been changed to ensure consistency with the policies adopted by the Group.

Non-controlling interests are identified separately from the Group's equity therein. On an acquisition-by-acquisition basis, non-controlling interests may be initially measured either at fair value or at their proportionate share of the fair value of the acquiree's identifiable net assets. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Losses in the subsidiary are attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

BYT HOLDINGS LTD. (FORMERLY, SLE SYNERGY LTD.) AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Expressed in Singapore Dollars

3. Revenue

	Three Months Ended March 31,	
	<u>2021</u>	<u>2020</u>
	S\$	S\$
Revenue from contracts with customers (over time)	272,188	1,448,524
Service and maintenance income (point in time)	789,845	986,402
Trading income (point in time)	4,680	5,130
	<u>1,066,713</u>	<u>2,440,056</u>
Total	<u>1,066,713</u>	<u>2,440,056</u>

4. Other income

	Three Months Ended March 31,	
	<u>2021</u>	<u>2020</u>
	S\$	S\$
Interest income	-	60,001
Foreign exchange gain, net	-	246
Government grants	519	-
Rental income	900	15,000
Others	753	-
	<u>2,172</u>	<u>75,247</u>
Total	<u>2,172</u>	<u>75,247</u>

5. Finance costs

	Three Months Ended March 31,	
	<u>2021</u>	<u>2020</u>
	S\$	S\$
Interest expenses on:		
Interest-bearing loans	52,686	35,128
Bank interest charges	141	-
	<u>52,827</u>	<u>35,128</u>
Total	<u>52,827</u>	<u>35,128</u>

BYT HOLDINGS LTD. (FORMERLY, SLE SYNERGY LTD.) AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Expressed in Singapore Dollars

6. Property, plant and equipment

<u>Group</u>	<u>Office equipment</u> S\$	<u>Plant & Machinery</u> S\$	<u>Furniture & fittings</u> S\$	<u>Motor vehicles</u> S\$	<u>Freehold property</u> S\$	<u>Work-in-progress</u> S\$	<u>Total</u> S\$
Cost							
At January 1, 2020	203,953	142,824	272,494	230,025	3,435,460	1,008,820	5,293,576
Additions	4,696	22,031	-	-	-	1,444,770	1,471,497
Disposal	(12,726)	(30,000)	(45,312)	(143,500)	(1,797,100)	-	(2,028,638)
Exchange differences	-	754	-	-	-	58,728	59,482
At December 31, 2020	195,923	135,609	227,182	86,525	1,638,360	2,512,318	4,795,917
Additions	5,700	-	-	-	-	20,923	26,623
Exchange differences	-	-	-	-	-	59,345	59,345
At March 31, 2021	201,623	135,609	227,182	86,525	1,638,360	2,592,586	4,881,885
Accumulated depreciation							
At January 1, 2020	187,010	64,250	266,743	212,350	90,563	-	820,916
Depreciation	14,427	40,069	2,740	17,675	45,923	-	120,834
Disposal	(12,725)	(30,000)	(42,479)	(143,500)	(81,486)	-	(310,190)
Exchange differences	-	71	-	-	-	-	71
At December 31, 2020	188,712	74,390	227,004	86,525	55,000	-	631,631
Depreciation	1,887	9,750	44	-	2,750	-	14,431
Exchange differences	-	11	-	-	-	-	11
At March 31, 2021	190,599	84,151	227,048	86,525	57,750	-	646,073
Carrying amount							
At March 31, 2021	11,024	51,458	134	-	1,580,610	2,592,586	4,235,812
At December 31, 2020	7,211	61,219	178	-	1,583,360	2,512,318	4,164,286

Included in freehold property is an office building with an estimated cost of S\$550,000 which is depreciated over 50 years. The freehold property with net book value of S\$1,580,610 (2020: S\$1,583,360) is mortgaged to obtain interest-bearing loans.

BYT HOLDINGS LTD. (FORMERLY, SLE SYNERGY LTD.) AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

7. Investment in an associate

	<u>March</u> <u>31, 2021</u> S\$	<u>December</u> <u>31, 2020</u> S\$
Unquoted shares at cost	1,750,000	-
Share of post-acquisition reserves	61,448	-
	<u>1,811,448</u>	<u>-</u>

The detail of the associate is as follows:

<u>Name of associate</u>	<u>Country of incorporation and principal place of business</u>	<u>Principal activities</u>	<u>Effective equity held by the Company</u>	
			<u>2021</u> %	<u>2020</u> %
<u>Held directly by BYT SG</u>				
Xi'an Triumph Electronic Technology Co., Ltd	Xi'an, China	provision of industrial big data analytics solutions	35	-

8. Inventories

	<u>March</u> <u>31, 2021</u> S\$	<u>December</u> <u>31, 2020</u> S\$
Inventory held for sale	164,967	162,636

Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts.

9. Contract assets and liabilities from contracts with customers

	<u>March</u> <u>31, 2021</u> S\$	<u>December</u> <u>31, 2020</u> S\$
Contract assets		
Unbilled revenue	41,914	114,578

The unbilled revenue relates to the revenue recognised to date but has not been invoiced to the customer as at the financial year end and is transferred to trade receivables at the point when it is invoiced to the customers.

BYT HOLDINGS LTD. (FORMERLY, SLE SYNERGY LTD.) AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

10. Trade and other receivables

	<u>March</u> <u>31, 2021</u> S\$	<u>December</u> <u>31, 2020</u> S\$
Trade receivables	1,338,863	1,837,599
Less: Expected credit loss (Note 24)	<u>(694,740)</u>	<u>(694,740)</u>
	644,123	1,142,859
Other receivables	1,732,021	1,673,985
Deposits	679,212	679,212
Prepayments	<u>135,596</u>	<u>138,466</u>
Total	<u>3,190,952</u>	<u>3,634,522</u>

Trade receivables are non-interest bearing and the average credit period is 30 (2020: 30) days according to the terms agreed with the customers. These are recognised at their original invoice amounts which represent their fair values on initial recognition. Included in trade receivables is an overdue trade receivable amounting to S\$694,740 which was fully provided.

Included in the deposits is a deposit for exclusive distributorship agreement with a supplier, with a carrying amount as at March 31, 2021 of S\$500,000 (2020: S\$500,000). The Group has filed a civil suit against the supplier in the General Division of the High Court of the Republic of Singapore. Please refer to Note 15 for disclosure of the ongoing litigation.

Included in the other receivables is a loan granted to a supplier, with a carrying amount as at March 31, 2021 of S\$1,000,000 (2020: S\$1,000,000). The interest rate on the loan amounted to 2% per month and is due for repayment on 30 June 2020. The loan is secured by way of personal guarantee by the supplier. The Group has filed a civil suit against the supplier in the General Division of the High Court of the Republic of Singapore. Please refer to Note 15 for disclosure of the ongoing litigation.

Also included in the other receivables is a keyman insurance purchased where the proposer as well as the premium payer is a subsidiary. The life to be insured is that of the Group's key employee and the benefit, in case of a claim, goes to the Group. As at March 31, 2021, the fair value of the investment amounting to S\$458,352 (2020: S\$458,352) is based on the guaranteed cash surrender value as agreed in the insurance policy.

The movement in the loss allowance during the financial year as follows:

	<u>Trade</u> <u>receivables</u> S\$
Balance at January 1, 2020	-
Expected credit loss recognized	<u>694,740</u>
Balance at December 31, 2020	694,740
Expected credit loss recognized	<u>-</u>
Balance at March 31, 2021	<u>694,740</u>

BYT HOLDINGS LTD. (FORMERLY, SLE SYNERGY LTD.) AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

11. Cash and cash equivalents

	<u>March</u> <u>31, 2021</u> S\$	<u>December</u> <u>31, 2020</u> S\$
Cash on hand	1,072	1,113
Bank balances	5,637,690	4,593,113
	<u>5,638,762</u>	<u>4,594,226</u>

12. Share capital

a) Authorised

Unlimited number of common shares with no par value.

b) Issued and fully paid

	<u>Number of</u> <u>shares</u>	<u>S\$</u>
Balance, January 1, 2020	338,495	469,403
Shares issued on private placement	11,815	630,000
Elimination of Springleaf shares on RTO	(350,310)	-
Replacement of shares of Springleaf	43,952,082	-
Shares issued under reverse acquisition (Note 4)	4,600,000	1,954,959
Shares issued on private placement	29,545,556	2,659,100
Foreign currency translation	-	71,585
	<u>78,097,638</u>	<u>5,785,047</u>
Balance, December 31, 2020	78,097,638	5,785,047
Shares issued on private placement	26,010,000	2,340,900
Foreign currency translation	-	82,816
	<u>104,107,638</u>	<u>8,208,763</u>
At March 31, 2021	<u>104,107,638</u>	<u>8,208,763</u>

On January 8, 2021, the Company completed a non-brokered private placement of 26,010,000 common shares of the Company at a price of C\$0.0873 or S\$0.09 per common share, raising aggregate gross proceeds of C\$2,270,673 or S\$2,340,900.

BYT HOLDINGS LTD. (FORMERLY, SLE SYNERGY LTD.) AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

13. Interest bearing loans and borrowings

	<u>March</u> <u>31, 2021</u> S\$	<u>December</u> <u>31, 2020</u> S\$
Interest bearing loans and borrowings	2,886,057	3,608,284
Less: Amount due for settlement within 12 months (shown under current liabilities)	<u>(401,240)</u>	<u>(1,016,585)</u>
Amount due for settlement after 12 months	<u>2,484,817</u>	<u>2,591,699</u>

The interest-bearing loans and borrowings are secured by the following:

- (i) Joint and personal guarantees by the directors of the Company.
- (ii) Charge on fixed deposit value of S\$507,019.
- (iii) Mortgage over property located at 421 Tagore Industrial Avenue #01-28 Tagore 8 Singapore 787805. The book value of the property at March 31, 2021 is S\$1,580,610.
- (iv) Corporate guarantees by BYT Holdings Ltd.

14. Trade and other payables

	<u>March</u> <u>31, 2021</u> S\$	<u>December</u> <u>31, 2020</u> S\$
Trade payables	321,470	628,156
Dividends payable	400,000	400,000
Accruals	642,251	647,559
GST payables	74,653	193,870
Deposit received	11,197	-
Other payables	<u>1,374,266</u>	<u>46,116</u>
Total	<u>2,823,837</u>	<u>1,915,701</u>

Trade payables are non-interest bearing and the average credit period on purchases of goods ranges from 30 to 60 days (2020: 30 to 60) according to the terms agreed with the suppliers.

In the previous financial year, deposit received mainly consists of advance consideration received from the non-brokered private placement and deposit collected for the property rented out.

15. Contingencies

During the financial year 2020, Springleaf Engineering Pte Ltd ("**Springleaf**"), a wholly-owned subsidiary of the Company, filed a civil suit against a supplier ("**defendant**") in the General Division of the High Court of the Republic of Singapore (the "**Suit**").

- a. Springleaf is claiming for the return of a S\$500,000 deposit paid under an exclusive distributorship agreement ("**EDA**") on the basis that the EDA is not valid and enforceable. The defendant has counterclaimed on the basis that the EDA is valid and enforceable.
- b. Springleaf is claiming for the sum of S\$1,270,000 which comprises the sum loaned to the defendant and relevant interests.
- c. And Springleaf is claiming under a personal guarantee given by a director of the defendant to pay up to the sum of S\$1,000,000 in the event the defendant fails to repay the loan extended to it by Springleaf as mentioned above.

BYT HOLDINGS LTD. (FORMERLY, SLE SYNERGY LTD.) AND ITS SUBSIDIARIES

**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

15. Contingencies (Continued)

The case is still at the early stage of the proceedings, i.e. the pleading stage, and Court directions for general discovery (i.e. the stage where relevant documents are disclosed and produced by the parties) have not been given. Presently, the parties are still in the process of resolving various procedural issues, such as amendment of pleadings and requests for further and better particulars, before the general discovery stage can commence.

Contemporaneous with the continuation of the Suit, one director of Springleaf has agreed to pledge part of his common shares in BYT Holdings Ltd, as collateral to guarantee the payment of these loan balances. At the date of this condensed interim consolidated financial statements, the fair value of the 5 Million shares pledged was C\$1,650,000. In the event that Springleaf fails to recover the full claim amount under the suit, nominees of Springleaf may exercise the pledge shares to recover the same. Hence, no provision of liability has been recognized as at financial period ended March 31, 2021.

16. Dividends declared

No dividend was declared during the year.

17. Significant related party transactions

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

Key management personnel:

	<u>Three Months Ended March 31,</u>	
	<u>2021</u>	<u>2020</u>
	S\$	S\$
Remuneration		
-Directors' remuneration	96,900	51,300
-Central Provident Fund contributions for the Directors	9,240	6,120
-Directors' fees	12,000	-
	<hr/>	<hr/>
Total	118,140	57,420

18. 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 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, 2020.

BYT HOLDINGS LTD. (FORMERLY, SLE SYNERGY LTD.) AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

19. Segmented information

Operating segments

The Group has one reporting segment engaged in engineering related activities. As the operations comprise a single reporting segment, amounts disclosed in the financial statements represent those of the single reporting unit. In addition, the Group's equipment is all located in Asia.

20. Development of COVID-19 outbreak and its corresponding impact on the Company

COVID-19 outbreak has brought about an unprecedented challenge for many entities, with increased uncertainty in the global economy. As the situation is still evolving, the full effect of the outbreak is still uncertain and the Group is therefore unable to provide a quantitative estimate of the potential impact of this outbreak on the Group. The Group continues to monitor and evaluate any possible impact on the Group's business and will consider implementation of various measures to mitigate the effects arising from the COVID-19 situation. Based on management's latest assessment, there is no indicator that the going concern assumption used by the Group in preparing the financial statement is inappropriate.

The outbreak of the COVID-19, which started in late January 2020 in Wuhan, China has now become a global pandemic. Measures to curb the spread of the virus, including lockdowns and movement restrictions have significant negative economic and social impacts as normal daily activities are being disrupted. Therefore, it is challenging now to predict the full extent and duration of its business and economic impact.

The extent and duration of such impacts remain uncertain and dependent on future developments that cannot be accurately predicted at this time, such as the transmission rate of COVID-19 and the extent and effectiveness of containment actions taken. Given the ongoing economic uncertainty, a reliable estimate of the impact cannot be made at the date of authorisation of these consolidated financial statements. These developments could impact our future financial results, cash flows and financial condition.

Our operations in Singapore and China though far been free from Covid-19 incidents but the movement restrictions imposed by the Chinese government has slow down our China operations. Singapore government started to impose Circuit Breaker Period in early of April, however our Singapore operation has yet to suffer the direct impact as we are still receiving orders from our clients as of to date.

Our operations, cash flows and financial condition could be negatively affected due to the following:

- (i) if employees are quarantined as the result of exposure to COVID-19, this could result to disruption of operations;
- (ii) the impact on the Singapore economic environment and Company's debtors will have to be taken into account in the Company's estimates of ECL provision in financial year 2020; and
- (iii) similarly, travel restrictions or operational issues resulting from the rapid spread of COVID-19 may have material adverse effect on our business and results of operations.

21. Subsequent events.

On April 27, 2021, BYT Malaysia Sdn Bhd has been incorporated as a wholly owned subsidiary of BYT Singapore Pte. Ltd. BYT Malaysia Sdn Bhd's intended operations will comprise of the provision of waste management services with a primary focus on the agriculture industry and financial technology offerings.