

**BYT HOLDINGS LTD. (Formerly as, SLE SYNERGY LTD.)
AND ITS SUBSIDIARIES
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE THREE MONTHS ENDED MARCH 31, 2021
(EXPRESSED IN SINGAPORE DOLLARS)**

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

MANAGEMENT DISCUSSION AND ANALYSIS FOR THE THREE MONTHS ENDED MARCH 31, 2021

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 Suite 1570 – 505 Burrard Street, Vancouver BC, V6E 3P3. The registered and records office is 1500-1055 West Georgia Street, Vancouver, BC, V6E 4N7.

The operation subsidiary Springleaf Engineering Pte Ltd. (“Springleaf”) 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 March 31, 2021 (“2021 Q1”). This discussion should be read in conjunction with the Company’s condensed interim consolidated financial statements for the period ended March 31, 2021, together with the notes thereto. Results are reported in Singaporean 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 May 28, 2021, unless otherwise indicated.

In this MD&A, references to the “Company” refer to BYT Holdings Ltd. and/or its material subsidiaries, including Springleaf, 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 condensed interim consolidated financial statements of the Company for the period ended March 31, 2021 have been reviewed and approved by the Board on May 28, 2021.

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, China and Myanmar, and has developed expertise in cleanrooms, controlled environments and organic waste management. 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.

On February 5, 2021, the Company closed its previously announced strategic investment in connection with the arm's length acquisition of 35% of the issued share capital ("Equity Stake") of Xi'an Triumph Electronic Technology Co., Ltd. ("Xian Tech") through its wholly-owned subsidiary BYT Singapore Pte. Ltd. In consideration for the acquisition of the Equity Stake, the Company paid an aggregate purchase of SGD1,750,000 to certain shareholders of Xian Tech. The acquisition of Xian Tech is an important milestone to enhance the Company's technological capabilities and to achieve business expansion. In the near term, the Company will be integrating one of Xian Tech's technologies, which enables intelligent waste classification and seamless supervision of waste transportation. This will enhance the Company's current waste management services.

The Company is currently also looking to integrate various waste management solutions with its engineering services. The Company continues to serve a diverse set of clients from various industries, spreading across semiconductors, electronics, food & beverage, oil and gas, artificial intelligence, big data and waste management.

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

**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE THREE MONTHS ENDED MARCH 31, 2021**

THREE MONTHS ENDED MARCH 31, 2021 – KEY DEVELOPMENTS

I. Accumulated total revenue for three months ended March 31, 2021, in the amount of S\$1,066,713 with service and maintenance revenue of S\$272,188.

Accumulated total revenue in 2021 Q1 decreased by S\$1,373,343 or 56.3%, as compared to the three months ended March 31, 2020. The decrease in revenue was due to lower contract acquisition from new and existing customers, amid a slowdown in the global semiconductor industry. The contract engineering slowdown and delays, which caused significant drops in contract engineering revenue in 2021 Q1.

II. Accumulated Factory Maintenance Division recorded S\$789,845 in 2020 Q1 versus S\$986,402 in 2020 Q1.

The Factory Maintenance Division experienced a 19.9% decreased as compared to 2020 Q1. The decreased mainly due to decrease in the service and maintenance contract value awarded for year 2021.

III. Non-brokered private placement of 26,010,000 common shares of the Company

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.

IV. Waste management contracts in Shanghai, China.

On August 29, 2019, Springleaf-Biomax (Shanghai) Pte Ltd., a subsidiary of Springleaf, (“Springleaf-Biomax”) signed a contract to provide a waste treatment facility with Shanghai Qun Xin Municipal Development Company, which includes treating at least 50 tons of wet waste in Shanghai, China on a daily basis for a minimum fee of RMB¥10,000 (approximately S\$2,000) per day, for a period of five years. As at March 31, 2021, the waste treatment facility is still under construction, and the construction costs incurred up to March 31, 2021 are approximately S\$2,592,586. The COVID-19 pandemic and restriction measures implemented by the Chinese government have slowed down the construction progress.

V. Investment in an associate

On February 5, 2021, the Company entered into a definitive share purchase agreement to acquire 35% of the issued share capital (“Equity Stake”) of Xi’an Triumph Electronic Technology Co., Ltd. (“Xian Tech”) through its wholly-owned subsidiary BYT Singapore Pte. Ltd. (formerly, SLE Technologies Pte. Ltd.). Subsequently on February 22, 2021, the Company closed its strategic investment of the Equity Stake for an aggregate purchase price of S\$1,750,000.

Xi’an Tech was founded in Xi’an, China in 2001. Since 2015, its core business is the provision of industrial big data analytics solutions through its proprietary platform systems.

BYT HOLDINGS LTD. (Formerly as, SLE SYNERGY LTD.) AND ITS SUBSIDIARIES**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE THREE MONTHS ENDED MARCH 31, 2021****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	
	2021	2020
Revenues	S\$ 1,066,713	S\$ 2,440,056
Gross profit	S\$ 552,043	S\$ 1,283,629
Gross profit (as a % of revenues)	51.8%	52.6%
Profit after tax	S\$ 17,155	S\$ 524,056
Total comprehensive income	S\$ 98,352	S\$ 545,066
Net Profit per share (S\$)		
- Basic / diluted	0.0001	1.56
Weighted average number of outstanding common shares	101,795,638	350,310

As at	March 31, 2021	December 31, 2020
Total assets	S\$ 15,590,874	S\$ 13,177,267
Working capital (current assets – current liabilities)	S\$ 6,134,031	S\$ 5,769,075
Total Non-current liabilities	S\$ 2,484,817	S\$ 2,591,699
Shareholder's equity	S\$ 9,696,474	S\$ 7,341,662
Number of shares outstanding	104,107,638	78,097,638

BYT HOLDINGS LTD. (Formerly as, SLE SYNERGY LTD.) AND ITS SUBSIDIARIES**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE THREE MONTHS ENDED MARCH 31, 2021****Results of Operations****Revenue**

	Three Months Ended March 31,	
	2021	2020
	S\$	S\$
Contracts with customers	272,188	1,448,524
Service and maintenance	789,845	986,402
Trading	4,680	5,130
Total revenue	1,066,713	2,440,056

The Company recorded total revenue of S\$1,066,713 for the three months ended March 31, 2021 ("2021 Q1"), decreased by S\$1,373,343, or 56.3%, as compared to three months ended March 31, 2020 ("2020 Q1"). The decrease in revenue was due to the decrease in contracts with customers, which was due to a slowdown caused by the COVID-19 pandemic and restricted movement implemented by government. The Company recorded total contracts with customers revenue of S\$272,188 for 2021 Q1, decreased by S\$1,176,336, or 81.2%, as compared to 2020 Q1. These contracts with customers mainly consist of the EPCM solutions branch of the Company. EPCM work consists of services including the installation of cleanrooms and controlled environments, design and implementation of heat-ventilations, air-conditioning systems, mechanical and electrical systems.

The Company recorded total service and maintenance revenue of S\$789,845 for 2021 Q1, decreased by S\$196,557, or 19.9%, as compared to 2020 Q1. The purpose of providing service and maintenance work is to secure long-term contracts that will be ongoing and/or continue onto different projects for the Company's clients. Extracting and securing a recurring income stream from existing client base can be achieved through the frequent and assured engagements that maintenance services entail. This service division helps the Company maintain constant communication with its customers and meet its customers' needs.

Cost of Sales / Gross Profit Margin

	Three Months Ended March 31,	
	2021	2020
	S\$	S\$
Cost of sales	(514,670)	(1,155,427)
Gross profit	552,043	1,283,629
Gross profit margin (%)	51.8%	52.6%

Total cost of sales recorded as S\$514,670 in 2021 Q1, decreased by S\$640,757 as compared to S\$1,155,427 in 2020 Q1, as a result of the Company's decreased revenue during the financial year.

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 percent. Gross profit margin slightly decreased to 51.8% in 2021 Q1, as compared to 52.6% in 2020 Q1. This is mainly due to higher gross profit contributed by the service and maintenance sector in 2020 Q1.

BYT HOLDINGS LTD. (Formerly as, SLE SYNERGY LTD.) AND ITS SUBSIDIARIES**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE THREE MONTHS ENDED MARCH 31, 2021*****Operating Expenses***

	Three Months Ended March 31,	
	2021	2020
	S\$	S\$
Administrative expenses	171,752	227,473
Other operating expenses	354,277	433,972
Finance costs	52,827	35,128
Total	578,856	696,573

Total operating expenses recorded S\$578,856 in 2021 Q1 compared S\$696,573 in 2020 Q1, representing a 16.9% decrease. The decrease was mainly due to decrease in administrative expenses and other operating expenses. The decreased in administrative expenses mainly due to decreased in expenses incurred related to listing purpose in 2021 Q1. The decreased in other operating expenses mainly due to decrease in expenses which including reduce in staff cost, transportation, accommodation, traveling allowance, and entertainment.

Net and Total Comprehensive Income

	Three Months Ended March 31,	
	2021	2020
	S\$	S\$
Total comprehensive income	98,352	545,066

For the three month ended March 31, 2021, the Company recorded a total comprehensive income of S\$98,352 compared to total comprehensive income of S\$545,066 in 2020 Q1. As explained above, the decreased was mainly due to the significant decrease in revenue during the financial period.

AUTHORIZED SHARE CAPITAL

On January 8, 2021, the Company completed a non-brokered private placement of 26,010,000 commons 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.

As at March 31, 2021 till as of the date of this MD&A, the Company has 104,107,638 common shares issued and outstanding. All common shares carry one vote per share and carry a right to dividends as and when declared by the Company.

**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE THREE MONTHS ENDED MARCH 31, 2021**

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, China and Myanmar. 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.

Uncertainty and Adverse Changes in the Global Economy

Adverse changes in the global economy could negatively impact the Company's business. Future economic distress may result in a decrease in demand for the Company's products, which could have a material adverse impact on the Company's operating results and financial condition. Uncertainty and adverse changes in the economy could also increase costs associated with developing and publishing products, increase the cost and decrease the availability of sources of financing, and increase the Company's exposure to material losses from bad debts, any of which could have a material adverse impact on the financial condition and operating results of the Company.

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, semiconductor and waste management 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.

**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE THREE MONTHS ENDED MARCH 31, 2021**

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.

Liable 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.

**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE THREE MONTHS ENDED MARCH 31, 2021**

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.

SECURITIES ISSUANCES

The following table summarizes issuances of common shares of the Company, or securities convertible into common shares, during the financial period ended March 31, 2021.

	Type of security	Notes	Number of shares	Amount S\$
At the beginning of the year	Common shares		78,097,628	5,785,047
Shares issued on private placement	Common shares	(1)	26,010,000	2,340,900
Foreign currency translation			-	82,816
At March 31, 2021			104,107,638	8,208,763

Notes:

- (1) 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 as, SLE SYNERGY LTD.) AND ITS SUBSIDIARIES**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE THREE MONTHS ENDED MARCH 31, 2021****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.

	2021 Q1	2020 Q4	2020 Q3	2020 Q2
	S\$	S\$	S\$	S\$
Revenue	1,066,713	1,934,732	1,857,562	943,238
Net and comprehensive profit / (loss)	98,352	(3,064,532)	32,323	(332,041)
Net profit per share (basic and diluted)	0.0001	(0.06)	0.0007	(0.01)

	2020 Q1	2019 Q4	2019 Q3	2019 Q2
	S\$	S\$	S\$	S\$
Revenue	2,440,056	1,713,464	2,456,502	2,144,876
Net and comprehensive profit / (loss)	545,066	(396,707)	548,561	161,162
Net profit per share (basic and diluted)	1.56	(1.17)	1.62	0.52

In 2021 Q1, the Company recorded revenues of S\$1,066,713 decrease of S\$868,019 or 44.9% as compared to the immediately preceding quarter ("2020 Q4"). The Company recorded a net profit of S\$98,352 in 2021 Q1 as compared to S\$3,064,532 in 2020 Q4, the net loss in 2020 Q4 mainly due to incurred in one off expenses such as, listing expenses amounting to S\$2,126,656 accrued audit fees of S\$111,151 (not being accrued in the previous quarter), accrued related fees amounting to S\$454,000 pursuant to the shares subscription facilities agreement dated June 14, 2019, commitment fees of S\$56,000, impairment loss on a trade receivable amounting to S\$694,740 and professional fees amounting to S\$54,698 related to due diligence works performed for the Xian Tech acquisition.

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.

**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE THREE MONTHS ENDED MARCH 31, 2021**

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.

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. The ultimate holding company has undertaken to provide financial support to the Company to meet its liabilities as and when due.

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.

**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE THREE MONTHS ENDED MARCH 31, 2021****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:

Key Management Remuneration

	Three Months Ended March 31,	
	2021	2020
	S\$	S\$
Directors' remuneration	96,900	51,300
Central Provident Fund	9,240	6,120
Directors' fees	12,000	-
Total	118,140	57,420

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 accrued interest.
- 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.

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 report, 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 year ended December 31, 2020.

**MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE THREE MONTHS ENDED MARCH 31, 2021**

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.

IMPACT OF COVID-19

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.

OTHER INFORMATION

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