

BYT HOLDINGS LTD. AND ITS SUBSIDIARIES
(Incorporation Number: BC1223423)

**UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS - UNAUDITED
FOR THE THREE MONTHS ENDED MARCH 31, 2022
(EXPRESSED IN SINGAPORE DOLLARS)**

Notice to Reader

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the condensed interim consolidated financial statements, they must be accompanied by a notice indicating that the condensed interim consolidated financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim consolidated financial statements have been prepared by and are the responsibility of the management of BYT Holdings Ltd.

The Company's independent auditor has not performed a review of these unaudited condensed interim consolidated financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

BYT HOLDINGS LTD. AND ITS SUBSIDIARIES

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF INCOME (LOSS) AND
 COMPREHENSIVE INCOME (LOSS)
 FOR THE THREE MONTHS ENDED MARCH 31, 2022
 Expressed in Singapore Dollars

	<u>Note</u>	<u>THREE MONTHS ENDED MARCH 31,</u>	
		<u>2022</u>	<u>2021</u>
		S\$	S\$
Revenue	3	1,421,770	1,066,713
Cost of sales		(908,899)	(514,670)
Gross profit		512,871	552,043
Other income	4	23,433	2,172
Administrative expenses		(207,912)	(171,752)
Other operating expenses		(450,129)	(354,277)
Finance costs	5	(20,783)	(52,827)
Share of results of an associate		(63,795)	61,448
(Loss)/Profit before income tax		(206,315)	36,807
Income tax expense		-	(19,652)
(Loss)/Profit for the period		(206,315)	17,155
Other comprehensive income / (expenses): Items that are or may be reclassified subsequently to Profit or loss			
Foreign currency translation		(11,714)	81,197
Total comprehensive profit for the period		(218,029)	98,352
(Loss)/Profit for the period attributable to:			
Owners of the Company		(205,909)	12,185
Non-controlling interests		(406)	4,970
		(206,315)	17,155
Total comprehensive (loss)/profit for the period attributable to:			
Owners of the Company		(211,155)	95,614
Non-controlling interests		(6,874)	2,738
		(218,029)	98,352
Basic and diluted earnings per share		(0.002)	0.001
Weighted average number of outstanding common shares		104,107,638	101,795,638

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

BYT HOLDINGS LTD. AND ITS SUBSIDIARIES

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT MARCH 31, 2022 AND DECEMBER 31, 2021
Expressed in Singapore Dollars**

	<u>Note</u>	<u>UNAUDITED</u> <u>MARCH 31,</u> <u>2022</u> <u>S\$</u>	<u>AUDITED</u> <u>DECEMBER 31,</u> <u>2021</u> <u>S\$</u>
ASSETS			
Non-current assets			
Property, plant and equipment	6	1,603,250	1,608,995
Right-of-use assets	7	91,261	117,908
Investment in an associate	8	1,637,926	1,828,120
Other assets	9	132,884	132,884
Financial assets, at fair value through other comprehensive income	10	458,352	458,352
Total non-current assets		<u>3,923,673</u>	<u>4,146,259</u>
Current assets			
Contract assets	11	87,066	170,665
Trade and other receivables	12	1,468,043	1,400,588
Fixed deposit	13	507,273	507,273
Cash and cash equivalents	14	3,736,218	3,808,008
Total current assets		<u>5,798,600</u>	<u>5,886,534</u>
Total assets		<u>9,722,273</u>	<u>10,032,793</u>
EQUITY AND LIABILITIES			
Equity			
Share capital	15	8,208,763	8,208,763
Accumulated other comprehensive income (loss)		(249,308)	(240,470)
Retained earnings		(1,567,499)	(1,361,590)
Total equity attributable to owners of the Parent		6,391,956	6,606,703
Non-controlling interest		(1,254,084)	(1,260,350)
Total Equity		<u>5,137,871</u>	<u>5,346,353</u>
Non-current liability			
Lease liability	16	-	18,224
Other payables	18	400,000	400,000
Total non-current liability		<u>400,000</u>	<u>418,224</u>
Current liabilities			
Trade and other payables	18	1,394,561	1,329,029
Lease liability	16	93,675	102,074
Interest-bearing loans and borrowings	17	2,510,368	2,618,413
Provisions	18	106,688	106,688
Income tax payable		79,110	112,012
Total current liabilities		<u>4,184,402</u>	<u>4,268,216</u>
Total liabilities		<u>4,584,402</u>	<u>4,686,440</u>
Total equity and liabilities		<u>9,722,273</u>	<u>10,032,793</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. AND ITS SUBSIDIARIES

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2021 & PERIOD ENDED MARCH 31, 2022
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, 2021	5,785,047	(62,465)	(59,188)	5,663,394	(1,200,664)	4,462,730
Shares issued on private placement	2,340,900	-	-	2,340,900	-	2,340,900
Loss for the year	-	-	(1,302,402)	(1,302,402)	10,794	(1,291,608)
Foreign currency translation	82,816	(178,005)	-	(95,189)	(70,480)	(165,669)
Balance at December 31, 2021	8,208,763	(240,470)	(1,361,590)	6,606,703	(1,260,350)	5,346,353
Loss for the period	-	-	(205,909)	(205,909)	(406)	(206,315)
Foreign currency translation	-	(8,838)	-	(8,838)	6,670	(2,167)
Balance at March 31, 2022	8,208,763	(249,308)	(1,567,499)	6,391,955	(1,254,084)	5,137,871

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

BYT HOLDINGS LTD. AND ITS SUBSIDIARIES

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED MARCH 31, 2022 & MARCH 31, 2021
Expressed in Singapore Dollars**

	Note	THREE MONTHS ENDED	
		MARCH 31,	
		2022	2021
		S\$	S\$
Operating activities			
(Loss)/Profit before income tax		(206,315)	36,807
Adjustments for:			
Depreciation of property, plant and equipment	6	7,246	14,431
Amortisation of right-of-use assets		26,646	-
Interest expenses		20,783	52,827
Interest income		(10)	-
Unrealised exchange gain		(2,670)	-
Share of results of an associate	8	190,194	(61,448)
Operating cash flows before movements in working capital		35,874	42,617
Changes in working capital:			
Contract assets		83,546	72,664
Trade and other receivables		(66,435)	481,812
Trade and other payables		24,606	819,138
Cash generated from operations		77,591	1,416,231
Interest received		10	-
Income tax paid		(32,837)	(146,766)
Net cash (used in)/generated from operating activities		44,764	1,269,465
Investing activities			
Purchase of property, plant and equipment	6	(1,505)	(26,623)
Investment in an associate	8	-	(1,750,000)
Net cash (used in)/generated from investing activities		(1,505)	(1,776,623)
Financing activities			
Proceeds from issuance of shares		-	2,340,900
Repayment of finance lease payables		(26,623)	-
Drawdown / (repayment) of Interest-bearing loans and borrowings		(108,045)	(722,227)
Interest paid		(20,783)	(52,827)
Net cash used in financing activities		(155,451)	1,565,846
Net increase/(decrease) in cash and cash equivalents		(112,192)	1,058,688
Effect of foreign exchange fluctuation		40,402	(14,152)
Cash and cash equivalents at beginning of financial year		3,808,008	4,594,226
Cash and cash equivalents at end of financial period	14	3,736,218	5,638,762

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

BYT HOLDINGS LTD. AND ITS SUBSIDIARIES

NOTES TO THE UNAUDITED 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 unaudited 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 Malaysia.

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

These unaudited condensed interim consolidated financial statements for the period ended 31 March 2022 were authorised for issue by the Board of Directors on February 28, 2023.

2. Summary of significant accounting policies

2.1 Basis of preparation

The unaudited 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 unaudited 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 BYT Engineering Pte. Ltd. and BYT Singapore Pte Ltd is the S\$, the functional currency of BYT Malaysia Sdn. Bhd. is the Malaysian ringgit (“MYR”) 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. AND ITS SUBSIDIARIES

NOTES TO THE UNAUDITED 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)
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
IFRS 12	Amendments to IFRS 12 <i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</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 unaudited 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>2022</u> %	<u>2021</u> %
<u>Held directly by the Company</u>				
BYT Engineering Pte. Ltd. ("BYTE")	Singapore	Engineering activities	100	100
BYT Singapore Pte Ltd ("BYT SG")	Singapore	Investment holdings	100	100
<u>Held by BYTE</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	Engineering services	100	100

BYT HOLDINGS LTD. AND ITS SUBSIDIARIES

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

2. Summary of significant accounting policies (Continued)

2.2 Basis of consolidation (Continued)

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. AND ITS SUBSIDIARIES

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

3. Revenue

	Three Months Ended March 31,	
	<u>2022</u>	<u>2021</u>
	S\$	S\$
Revenue from contracts with customers (over time)	796,124	272,188
Service and maintenance income (point in time)	620,966	789,845
Trading income (point in time)	4,680	4,680
	<u>1,421,770</u>	<u>1,066,713</u>
Total	<u>1,421,770</u>	<u>1,066,713</u>

4. Other income

	Three Months Ended March 31,	
	<u>2022</u>	<u>2021</u>
	S\$	S\$
Interest income	10	-
Foreign exchange gain, net	2,795	-
Government grants	-	519
Incentive rebate	20,586	-
Rental income	-	900
Others	42	753
	<u>23,433</u>	<u>2,172</u>
Total	<u>23,433</u>	<u>2,172</u>

5. Finance costs

	Three Months Ended March 31,	
	<u>2022</u>	<u>2021</u>
	S\$	S\$
Interest expenses on:		
Interest-bearing loans	19,498	52,686
Lease interest	1,277	-
Bank interest charges	8	141
	<u>20,783</u>	<u>52,827</u>
Total	<u>20,783</u>	<u>52,827</u>

BYT HOLDINGS LTD. AND ITS SUBSIDIARIES

NOTES TO THE UNAUDITED 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>Total</u> S\$
Cost						
At January 1, 2021	195,923	102,750	227,182	86,525	1,638,360	2,250,740
Additions	19,267	-	28,500	-	-	47,767
Disposal	(3,752)	(102,750)	-	-	-	(106,502)
Exchange differences	(2)	-	-	-	-	(2)
At December 31, 2021	211,436	-	255,682	86,525	1,638,360	2,192,003
Additions	1,505	-	-	-	-	1,505
Exchange differences	(4)	-	-	-	-	(4)
At March 31, 2022	212,937	-	255,682	86,525	1,638,360	2,193,503
Accumulated depreciation						
At January 1, 2021	188,712	68,500	227,004	86,525	55,000	625,741
Depreciation	11,216	17,124	7,303	-	11,000	46,643
Disposal	(3,752)	(85,625)	-	-	-	(89,377)
Exchange differences	-	1	-	-	-	1
At December 31, 2021	196,176	-	234,307	86,525	66,000	583,008
Depreciation	2,121	-	2,375	-	2,750	7,246
Exchange differences	-	-	-	-	-	-
At March 31, 2022	198,297	-	236,682	86,525	68,750	590,253
Carrying amount						
At March 31, 2022	14,640	-	19,000	-	1,569,610	1,603,250
At December 31, 2021	15,260	-	21,375	-	1,572,360	1,608,995

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\$1,569,610 (2021: S\$1,572,360) is mortgaged to obtain interest-bearing loans.

BYT HOLDINGS LTD. AND ITS SUBSIDIARIES

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

7. Right-of-use assets

	<u>March</u> <u>31, 2022</u> S\$	<u>December</u> <u>31, 2021</u> S\$
At beginning	117,908	-
Additions	-	207,038
Amortisation for the year	<u>(26,646)</u>	<u>(89,130)</u>
At end	<u>91,261</u>	<u>117,908</u>

The Group leases office. The leases typically run for a period of 2 years, with an option to renew the lease after that date for a further period of 1-2 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Company is restricted from assigning and subleasing the leased assets.

8. Investment in an associate

	<u>March</u> <u>31, 2022</u> S\$	<u>December</u> <u>31, 2021</u> S\$
Unquoted shares at cost	1,750,000	1,750,000
Share of post-acquisition reserves	<u>(112,074)</u>	<u>78,120</u>
	<u>1,637,926</u>	<u>1,828,120</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>2022</u> %	<u>2021</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	35

9. Other assets

	<u>March</u> <u>31, 2022</u> S\$	<u>December</u> <u>31, 2021</u> S\$
Prepaid Keyman Insurance premium	<u>132,884</u>	<u>132,884</u>

Prepaid keyman insurance premium arose as a Subsidiary company had made a lump sum payment for the insurance policies covering an estimated life of 52 years (see note 10).

BYT HOLDINGS LTD. AND ITS SUBSIDIARIES

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

10. Financial assets, at fair value through other comprehensive income

	<u>March</u> <u>31, 2022</u> S\$	<u>December</u> <u>31, 2021</u> S\$
<u>Fair value:</u>		
Prepaid Keyman Insurance premium	<u>458,352</u>	<u>458,352</u>

These comprises two keyman insurance policies underwritten by a reputable insurance company on 27 June 2018 and 26 May 2019 insuring a former director of a Subsidiary company and the Subsidiary company is the beneficiary.

The fair value at the relevant financial period ends represents the amount that can be realised by the Subsidiary company if these policies are to be terminated and is based on the latest statement of the account issued by the relevant insurance company.

11. Contract assets and liabilities from contracts with customers

	<u>March</u> <u>31, 2022</u> S\$	<u>December</u> <u>31, 2021</u> S\$
Contract assets		
Unbilled revenue	<u>87,066</u>	<u>170,665</u>

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

12. Trade and other receivables

	<u>March</u> <u>31, 2022</u> S\$	<u>December</u> <u>31, 2021</u> S\$
Trade receivables	1,674,834	1,653,653
Less: Expected credit loss (Note 24)	<u>(630,908)</u>	<u>(630,908)</u>
	1,043,926	1,022,745
Other receivables	355,867	294,802
Deposits	64,765	71,825
Prepayments	<u>3,485</u>	<u>11,216</u>
Total	<u>1,468,043</u>	<u>1,400,588</u>

Trade receivables are non-interest bearing and the average credit period is 30~60 (2021: 30~60) 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\$630,908 which was fully provided.

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

	<u>Trade</u> <u>receivables</u> S\$
Balance at January 1, 2021	694,740
Expected credit loss recognized	-
Recovery of expected credit loss	<u>(63,832)</u>
Balance at December 31, 2021	630,908
Expected credit loss recognized	-
Recovery of expected credit loss	<u>-</u>
Balance at March 31, 2022	<u>630,908</u>

BYT HOLDINGS LTD. AND ITS SUBSIDIARIES

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

13. Fixed deposit

The fixed deposit is pledged to bank as security for banking facilities extended to a Subsidiary company. It has a maturity period of 365 days (2020: 365 days) and is not interest bearing (2021: not interest bearing). Subsequent to the financial period ended 31 March 2022, the pledge has been released on 20 June 2022 as the Group cancelled the banking facility.

14. Cash and cash equivalents

	<u>March</u> <u>31, 2022</u> S\$	<u>December</u> <u>31, 2021</u> S\$
Cash on hand	1,550	1,614
Bank balances	<u>3,734,668</u>	<u>3,806,394</u>
	<u>3,736,218</u>	<u>3,808,008</u>

15. 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, 2021	78,097,638	5,785,047
Shares issued on private placement	26,010,000	2,340,900
Foreign currency translation	-	82,816
Balance, December 31, 2021	<u>104,107,638</u>	<u>8,208,763</u>
Shares issued	-	-
Foreign currency translation	-	-
At March 31, 2022	<u>104,107,638</u>	<u>8,208,763</u>

16. Lease Liabilities

The Company leases office. The leases typically run for a period of 2 years, with an option to renew the lease after that date for a further period of 1-2 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Company is restricted from assigning and subleasing the leased assets. The lease contracts that include extension options are further discussed below.

	<u>March</u> <u>31, 2022</u> S\$	<u>December</u> <u>31, 2021</u> S\$
At beginning	120,298	-
Additions	-	207,038
Accretion of interest	1,277	6,560
Lease payment		
- Principal portion	(26,623)	(86,740)
- Interest portion	<u>(1,277)</u>	<u>(6,560)</u>
At end	<u>93,675</u>	<u>120,298</u>

BYT HOLDINGS LTD. AND ITS SUBSIDIARIES

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

16. Lease Liabilities (continued)

The maturity analysis of lease liabilities of the Group at each reporting date are as follows:

	<u>March</u> <u>31, 2022</u> S\$	<u>December</u> <u>31, 2021</u> S\$
Current	93,675	102,074
Non-current	-	18,224
	<u>93,675</u>	<u>120,298</u>

17. Interest bearing loans and borrowings

	<u>March</u> <u>31, 2022</u> S\$	<u>December</u> <u>31, 2021</u> S\$
Interest bearing loans and borrowings	2,510,369	2,618,413
Less: Amount due for settlement within 12 months (shown under current liabilities)	<u>(2,510,369)</u>	<u>(2,618,413)</u>
Amount due for settlement after 12 months	<u>-</u>	<u>-</u>

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

- (i) Joint and several personal guarantees by a director and a former director of a subsidiary.
- (ii) Mortgage over property located at 421 Tagore Industrial Avenue #01-28 Tagore 8 Singapore 787805. The book value of the property at March 31, 2022 is S\$1,569,610 (See note 6).

18. Trade and other payables

	<u>March</u> <u>31, 2022</u> S\$	<u>December</u> <u>31, 2021</u> S\$
Trade payables	478,631	435,902
Dividends payable	400,000	400,000
Accruals	790,460	788,070
GST payables	95,910	51,550
Deposit received	11,197	11,197
Other payables	18,363	42,310
Provisions	<u>106,688</u>	<u>106,688</u>
Total	<u>1,901,249</u>	<u>1,835,717</u>
<u>Presented as:</u>		
Trade and other payables, current liabilities	1,394,561	1,329,029
Provisions, current liabilities	106,688	106,688
Trade and other payables, non-current liabilities	<u>400,000</u>	<u>400,000</u>
Total	<u>1,901,249</u>	<u>1,835,717</u>

Trade payables are non-interest bearing and the average credit period on purchases of goods ranges from 30 to 60 days (2021: 30 to 60) according to the terms agreed with the suppliers.

The deposit received for operations of a foreign joint venture with an outside party. However, the intention to set up this joint venture was suspended.

BYT HOLDINGS LTD. AND ITS SUBSIDIARIES

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

18. Trade and other payables (continued)

Dividend payable which a Subsidiary does not expect to make payment within the next 12 months and has been classified as non-current liabilities.

The provisions comprise of legal cost amounting to S\$57,000 (2021: S\$57,000) and utilised annual leave entitlements of S\$49,688 (2021: S\$49,688). The provisions of legal cost represent those subsequent legal cost paid by a Subsidiary for the on-going legal claim against a trade receivables amount of S\$630,908 (2021: S\$630,908) due from an outside party (see note 12).

19. Dividends declared

No dividend was declared during the year.

20. 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:

	Three Months Ended March 31,	
	<u>2022</u>	<u>2021</u>
	S\$	S\$
Remuneration		
-Directors' remuneration	135,152	96,900
-Central Provident Fund contributions for the Directors	12,570	9,240
-Directors' fees	6,000	12,000
	<hr/>	<hr/>
Total	<u>153,722</u>	<u>118,140</u>

21. 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, 2021.

22. 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.

23. COVID-19 PANDEMIC

The situation resulting from COVID-19 and subsequent variants of the virus is uncertain and continues to evolve. The safety of employees and customers continues to be a key priority. At this time, it is difficult to predict the impact the pandemic will continue to have on the Company. The effective response to the changing situation with the COVID-19 pandemic continues to be a focus in the business. Recent disruption to the supply chain have been experienced and are being managed. In addition, hiring and retaining talent continues to be a challenge. We are actively managing our human capital resources across all business segments. The degree of covid-19 related impacts in 2022 are expected to vary by geography, driven in part by regional vaccination rates, spread of new variants, provincial government restrictions and health system capacities.