

**BYT HOLDINGS LTD. AND ITS SUBSIDIARIES**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2023**  
**(EXPRESSED IN SINGAPORE DOLLARS)**

**MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2023**

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**INTRODUCTION**

BYT Holdings 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). The Company’s head office and principal address is 80 Marine Parade Road #11-02 Parkway Parade Singapore 449269. The registered and records office is 1000-595 Burrard Street, Vancouver, BC, V7X 1S8 Canada.

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

The following management’s discussion and analysis (“MD&A”) of the financial condition and results of the operations of the Company constitutes management’s review of the factors that affected the Company’s financial and operating performance for the financial period ended September 30, 2023 (“2023 Q3”). This discussion should be read in conjunction with the Company’s audited consolidated financial statements for the year ended December 31, 2022, 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 June 3, 2024, unless otherwise indicated.

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

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

This MD&A and consolidated financial statements of the Company for the period ended September 30, 2023 have been reviewed and approved by the Board on June 3, 2024.

**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.

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**CAUTION REGARDING FORWARD-LOOKING STATEMENTS (CONTINUED)**

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

**COMPANY OVERVIEW AND RECENT DEVELOPMENTS**

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

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

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**THREE AND SIX MONTHS ENDED SEPTEMBER 30, 2023 – KEY DEVELOPMENTS****I. Accumulated total revenue for the period ended September 2023 in amount of S\$3,218,193 with contract engineering revenue of S\$2,527,687.**

Accumulated total revenue in financial period ended September 2023 decreased by S\$514,291 or 13.8%, as compared to the financial period year ended September 30, 2022. The decrease in revenue is mainly due to a significant decrease in service and maintenance revenue while contract engineering revenue recorded an increase of 27.9% as compared to previous financial period. Contract engineering revenue increased as 1) there were no Covid related restrictions imposed during the year and 2) the Company increased its competitiveness by lowering its pricing made possible by sourcing for cheaper raw materials.

**II. Accumulated Factory Maintenance Division recorded revenue totaling S\$687,656 in financial period ended September 2023 versus S\$1,742,318 in financial period ended September 2022.**

The Factory Maintenance Division, which was set up with an aim to diversify revenue streams and increase recurring income, decreased 60.5% as compared to financial period ended September 2022. The Company has been securing annual maintenance contracts with its major customer. However, since the beginning of the fourth quarter of 2022, this major customer has 1) shut down one of its production facilities, and 2) reduced the scope of maintenance for its remaining facility. This resulted in a decrease in service and maintenance contract revenue earned starting in the fourth quarter of 2022. The Company has been trying to secure new maintenance contracts with other customers in order to provide it with a recurring source of revenue.

**III. Disposal of a freehold property**

Subsequent to December 31, 2022, an option was extended to an outside party to buy this freehold property with a carrying value of S\$1,561,360 as at December 31, 2022 (*carrying value of S\$1,556,777 as at June 30, 2023*) at a consideration of S\$2,250,000. This purchase option was exercised on March 20, 2023 and this sale of freehold property was completed on June 30, 2023. The transaction resulted in a gain on disposal of S\$693,233.

**IV. Shares cancellation**

Subsequent to September 30, 2023, the Company has undertaken a significant corporate action by cancelling a total of 41,068,437 common shares (the "Shares") that were previously issued to specific individuals comprising former management team members and shareholders (referred to as "Former Holders"). This Share Cancellation, effective as of October 16, 2023, was executed in accordance with voluntary surrender agreements entered into between the Company and the Former Holders on November 9, 2022, and November 28, 2022. Following the completion of the Share Cancellation, the Company's total issued and outstanding Shares amount to 63,039,201. The cancelled Shares constituted 39.45% of the Company's issued Share capital just before the Share Cancellation.

**MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2023**
**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		Nine Months Ended	
	2023	2022	2023	2022
Revenues	<b>S\$ 1,574,255</b>	S\$ 1,317,729	<b>S\$ 3,218,193</b>	S\$ 3,732,484
Gross profit	<b>S\$ 545,854</b>	S\$ 571,160	<b>S\$ 1,207,672</b>	S\$ 1,546,468
Gross profit (as a % of revenues)	<b>34.67%</b>	43.34%	<b>37.53%</b>	41.43%
Profit / (Loss) after tax	<b>S\$ (76,172)</b>	S\$ 25,870	<b>S\$ (18,807)</b>	S\$ (348,539)
Total comprehensive profit / (loss)	<b>S\$ (72,323)</b>	S\$ 34,402	<b>S\$ (45,308)</b>	S\$ (357,546)
Net Loss per share (S\$)				
- Basic / diluted	<b>(0.0007)</b>	0.0003	<b>(0.0002)</b>	(0.003)
Weighted average number of outstanding common shares	<b>104,107,638</b>	104,107,638	<b>104,107,638</b>	104,107,638
<b>As at</b>			<b>30-Sept-23</b>	<b>31-Dec-22</b>
Total assets			<b>S\$ 6,358,377</b>	S\$ 7,284,826
Working capital (current assets - current liabilities)			<b>S\$ 3,000,222</b>	S\$ 1,618,318
Total non-current liabilities			<b>S\$ 649,438</b>	S\$ 400,000
Shareholder's equity			<b>S\$ 3,558,547</b>	S\$ 3,603,854
Number of shares outstanding			<b>104,107,638</b>	<b>104,107,638</b>

**MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2023**
**Results of Operations**
**Revenue**

	Three Months Ended Sept 30,		Nine Months Ended Sept 30,	
	2023	2022	2023	2022
	S\$	S\$	S\$	S\$
Contracts with customers	1,360,921	709,019	2,527,687	1,975,308
Service and maintenance	213,334	602,822	687,656	1,742,318
Trading income	-	5,888	2,850	14,858
<b>Total Revenue</b>	<b>1,574,255</b>	<b>1,317,729</b>	<b>3,218,193</b>	<b>3,732,484</b>

The Company recorded total revenue of S\$3,218,193 for the nine months ended September 30, 2023, a decrease of S\$514,291 or 13.8%, as compared to the nine months ended September 30, 2022. The decrease in revenue is mainly due to a significant decrease in service and maintenance revenue. The Company recorded total contracts with customers revenue of S\$2,527,687 for the nine months ended September 30, 2023, an increase of S\$552,379, or 27.9%, as compared to the nine months ended September 30, 2022. These contracts with customers mainly consist of EPCM solutions provided by the Company. EPCM solutions include 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\$687,656 for the nine months ended September 30, 2023, a decrease of S\$1,054,662 or 60.5%, as compared to the nine months ended September 30, 2022. The decrease can be primarily attributed to the cessation of service contracts that were awarded in the year 2022. The purpose of providing service and maintenance work is to secure long-term contracts that will provide a recurring income to the Company. This service division also helps the Company to maintain constant communication with its customers and meet its customers' needs.

**Cost of Sales / Gross Profit Margin**

	Three Months Ended Sept 30,		Nine Months Ended Sept 30,	
	2023	2022	2023	2022
	S\$	S\$	S\$	S\$
Cost of sales	(1,028,401)	(746,569)	(2,010,521)	(2,186,016)
Gross profit	545,854	571,160	1,207,672	1,546,468
<b>Gross profit margin (%)</b>	<b>34.67%</b>	<b>43.34%</b>	<b>37.53%</b>	<b>41.43%</b>

Total cost of sales decreased from S\$2,186,016 in the financial period ended September 30, 2022 to S\$2,010,521 in the financial period ended September 30, 2023, as a result of the Company's decreased revenue during the financial period.

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. The gross profit margin decreased from 41.43% in nine months ended September 30, 2023 to 37.53% in nine months ended September 30, 2023. The slight decrease in gross profit margin is due to lower maintenance revenue, which traditionally attracts higher margins, offset by an increase in gross margin for this period relative to the previous period.

**MANAGEMENT DISCUSSION AND ANALYSIS  
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***Operating Expenses***

	Three Months Ended Sept 30,		Nine Months Ended Sept 30,	
	2023	2022	2023	2022
	S\$	S\$	S\$	S\$
Administrative expenses	<b>(645,724)</b>	(533,777)	<b>(1,907,557)</b>	(1,805,186)
Other operating expenses	<b>(13,832)</b>	(58,248)	<b>(33,107)</b>	(82,029)
Finance costs	<b>(6,094)</b>	(20,908)	<b>(54,797)</b>	(61,638)
Other losses	-	-	-	-
<b>Total</b>	<b>(665,650)</b>	(612,933)	<b>(1,995,461)</b>	(1,948,853)

Total operating expenses was S\$1,995,461 for the nine months ended September 30, 2023, compared to S\$1,948,853 for the nine months ended September 30, 2022. The slight increase was mainly due to the increase in administrative expenses. The administrative expenses mainly comprised employee cost, professional charges, depreciation, rental etc.

Finance costs in nine months ended September 30, 2023 decreased slightly due to interest savings from a reduction in outstanding loan amount.

The details of the administrative expenses are as follows:

	Three Months Ended Sept 30,		Nine Months Ended Sept 30,	
	2023	2022	2023	2022
	S\$	S\$	S\$	S\$
Employee benefits	<b>428,165</b>	419,458	<b>1,265,936</b>	1,279,077
Manpower expenses	<b>14,520</b>	13,950	<b>42,808</b>	23,538
Professional charges	<b>86,190</b>	32,494	<b>180,203</b>	190,649
Audit fees	<b>33,748</b>	30,240	<b>102,244</b>	100,825
Rent	<b>44,400</b>	7,039	<b>107,550</b>	30,699
Motor vehicle rental	<b>8,700</b>	8,700	<b>26,100</b>	26,100
Depreciation of right-of-use assets	-	26,646	<b>17,453</b>	79,938
Depreciation of property, plant and equipment	<b>5,043</b>	8,483	<b>20,298</b>	23,738
Commission for real estate agent	-	-	<b>45,000</b>	-
Others	<b>24,958</b>	13,233	<b>99,965</b>	50,622
	<b>645,724</b>	533,777	<b>1,907,557</b>	1,805,186

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***Net and Total Comprehensive Income***

	Three Months Ended Sept 30,		Nine Months Ended Sept 30,	
	2023	2022	2023	2022
	S\$	S\$	S\$	S\$
<b>Total comprehensive profit / (loss)</b>	<b>(72,323)</b>	34,402	<b>(45,308)</b>	(357,546)

For the nine months ended September 30, 2023, the Company recorded a total comprehensive loss of S\$45,308 compared to total comprehensive loss of S\$357,546 in nine months ended September 30, 2022. The Company continues to incur losses, primarily due to fixed expenses such as employee costs, rents, professional expenses, and finance costs exceeding the gross profit for the nine-month period ended.

**AUTHORIZED SHARE CAPITAL**

As of September 30, 2023, the Company has issued 104,107,638 common shares. All common shares carry one vote per share and carry a right to dividends as and when declared by the Company.

Subsequent to September 30, 2023, the Company has undertaken a significant corporate action by canceling a total of 41,068,437 common shares (the "Shares") that were previously issued to specific individuals comprising former management team members and shareholders (referred to as "Former Holders"). This Share Cancellation, effective as of October 16, 2023, was executed in accordance with voluntary surrender agreements entered into between the Company and the Former Holders on November 9, 2022, and November 28, 2022. Following the completion of the Share Cancellation, the Company's total issued and outstanding Shares amount to 63,039,201. The cancelled Shares constituted 39.45% of the Company's issued Share capital just before the Share Cancellation.

As of the date of this MD&A, the Company has 63,039,201 common shares outstanding. All common shares carry one vote per share and carry a right to dividends as and when declared by the Company.

**RISK FACTORS**

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

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

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

***Risks Associated with Acquisitions***

As part of the Company's overall business strategy, the Company may pursue select strategic acquisitions that would provide additional product or service offerings, additional industry expertise, and a stronger industry presence in both existing and new jurisdictions. Future acquisitions may expose it to potential risks, including risks associated with: (a) the integration of new operations, services and personnel; (b) unforeseen

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

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

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

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

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

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*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.

*Defect claims and disputed variation orders can erode profitability*

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

*Reliance on suppliers and sub-contractors*

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

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**SECURITIES ISSUANCES**

The following table summarizes issuances of common shares of the Company, or securities convertible into common shares, during the financial year period ended September 30, 2023.

	Type of security	Number of shares	Amount S\$
At the beginning of the year	Common shares	104,107,638	8,208,763
Shares issued on private placement	Common shares	-	-
<b>At the end of the period</b>		<b>104,107,638</b>	<b>8,208,763</b>

**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.

	2023 Q3	2023 Q2	2023 Q1	2022 Q4
	S\$	S\$	S\$	S\$
Revenue	1,574,255	635,929	1,008,009	703,413
Net and comprehensive profit / (loss)	(72,323)	358,573	(331,558)	(1,384,953)
Net profit per share (basic and diluted)	(0.0007)	0.003	(0.002)	(0.01)

  

	2022 Q3	2022 Q2	2022 Q1	2021 Q4
	S\$	S\$	S\$	S\$
Revenue	1,317,729	992,985	1,421,770	3,232,858
Net and comprehensive profit / (loss)	34,402	(173,919)	(218,029)	210,580
Net profit per share (basic and diluted)	0.0003	(0.002)	(0.002)	0.002

Comparison between 2023 Q3 and 2023 Q2

In 2023 Q3, the Company recorded revenues of S\$1,574,255, an increase of S\$938,326 or 147.6% as compared to the immediately preceding quarter ("2023 Q2"). The increase was mainly due to an increase in contracts engineering revenue for 2023 Q3. Engineering revenue for this quarter was S\$1,360,921, as compared to S\$404,891 for the preceding quarter 2023 Q2.

The Company recorded a comprehensive loss for the quarter compared to comprehensive gain for 2023 Q2 as during 2023 Q2, the comprehensive gain was mainly contributed by the gain on disposal of a freehold property during the quarter ended.

Comparison between 2023 Q3 and 2022 Q3

Revenue for the quarter increased by 19.5% or S\$256,526 as compared to 2022 Q3. The increase was mainly due to higher contract engineering revenue in 2023 Q3 which is S\$1,360,921 as compared to 2022 Q3 amounting to S\$709,019. However the Company also recorded a decrease in service and maintenance revenue which is S\$213,334 in 2023 Q3, as compared to S\$602,822 in 2022 Q3.

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**CAPITAL MANAGEMENT POLICIES AND OBJECTIVES**

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

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

The Group's management reviews the capital structure on a regularly basis. As part of this review, management considers the cost of capital and the risks associated with each class of capital. Upon review, the Group will balance its overall capital structure through the payment of dividends to shareholders and return capital to shareholders or issue new shares. The Group's overall strategy remains unchanged from December 31, 2022.

**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.

**MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2023**

	Amount
Current Assets	S\$5,150,614
Current Liabilities	S\$2,150,392
Net Current Assets	S\$3,000,222
Trade Receivables	S\$1,955,697
Trade Payables	S\$780,775
Net Working Capital	S\$1,174,922

As at September 30, 2023, the Company's liquidity position is sound and it will be able to meet its short term liabilities, including its interest bearing loans with its current assets i.e. net current assets of S\$3,000,222. The Company has cash balance of S\$2,889,344, compared to its total bank borrowings of S\$846,263. In addition, the Company has additional liquidity from the surrender value of its keyman insurance of S\$451,017, which is currently pledged as a collateral for a loan facility.

The Company does not hold any significant inventory and it manages its working capital diligently in order to ensure the soundness of its short term liquidity. As at September 30, 2023, the Company's net working capital position is S\$1,174,922.

**CAPITAL RESOURCES**

Due to the nature of its business, the Company does not have long term capital commitment. For the financial period ended September 30, 2023, capital expenditure was only S\$833. Hence, the Company will continue to rely on its existing bank balances, internally generated funds and existing loans to fund its operations and it does not have any immediate needs to secure capital resources in order to fund its capital expenditure.

**OFF-BALANCE SHEET ARRANGEMENTS**

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

**RELATED PARTY TRANSACTIONS**

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

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

**Key Management Remuneration**

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

	Three Months Ended Sept 30,		Nine Months Ended Sept 30,	
	2023	2022	2023	2022
	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>
Directors' remuneration	<b>139,500</b>	139,500	<b>418,500</b>	418,500
Central Provident Fund	<b>12,570</b>	12,570	<b>37,710</b>	37,710
Directors' fees	<b>10,000</b>	6,000	<b>22,000</b>	18,000
<b>Total</b>	<b>162,070</b>	158,070	<b>478,210</b>	474,210

**MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2023**

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

**OTHER INFORMATION**

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